Autumn Budget 2017: Summary

The Heritage Alliance

The Chancellor, Phillip Hammond, has presented the Autumn Budget, the second budget of 2017. The key heritage announcements include £4 million to Jodrell Bank, the UK's next candidate for UNESCO World Heritage Site status and £2 million Cultural Development Fund funding for place-based cultural development. The budget sets out reforms of the housing market but doesn't explicitly state that permitted development rights will be extended to allow upwards building as was previously trailed in *The Telegraph*.

The supporting documents reveal details of the Centenary fund, announced in the Spring Budget 2017, which gave £5 million for projects celebrating the centenary of the first British women to get the vote in 1918. From this, £1.2 million will fund activities in 7 places with strong links to the women's suffrage campaign– Bolton, Bristol, Leeds, Leicester, London, Manchester, and Nottingham. The Government will allocate the rest to local projects and a statue of Millicent Fawcett in Parliament Square. No detail is given of how applications can be made to the fund. The Alliance will endeavour to share this information as soon as possible.

The Chancellor stated that solving the housing crisis will take planning reform with a 'focus on the urban areas where people want to live and where most jobs are created. Making best use of our urban land, and continuing the strong protection of our green belt. In particular, building high quality, high density homes in city centres and around transport hubs… we will ensure that councils in high demand areas permit more homes for local first-time buyers and affordable renters'. The Chancellor stated that the Communities Secretary will 'set out more detail in due course'. The Alliance has set out in our response to the Housing White Paper why the Government should not further relax permitted development to allow building up.

The Budget set out construction and planning measures which may impact the historic environment. These include:

- **Empty homes premium** –local authorities will be able to increase the council tax premium on empty homes from 50% to 100%. This may help prevent historic homes being left empty and falling into disrepair;
- **Midlands Engine Manufacturing zone** – a pilot in the East Midlands will reduce planning restrictions to 'allow land to be used more productively, providing certainty for business investment'. No details are provided of how this will affect historic environment protections;
- **Strategic planning in the South East** – the Government will support more strategic and zonal planning approaches through housing deals in the South East. It is not clear how a zonal approach will work with historic environment protection;
- **Estate regeneration** –£400 million of loan funding to provide new homes in high-demand areas;
- **providing £204 million of funding for innovation and skills in the construction sector;**
- **strengthening the Housing Delivery Test**;
- **expecting local authorities to bring forward 20% of their housing supply as small sites;**

- **Review of build out** –a review panel will recommend how to close the significant gap between housing completions and the amount of land allocated or permissioned. The review will provide an interim report for the Spring Statement 2018 and a full report at Budget 2018;
- **a central register of residential planning permissions**;
- **Land value uplift** – DCLG will launch a consultation with detailed proposals to respond to the CIL Review;
- **Land Assembly Fund** – £1.1 billion for a new Land Assembly Fund will enable Homes England (formerly the Homes and Communities Agency) to work alongside private developers to develop strategic sites, including new settlements and urban regeneration schemes;
- **Five new garden towns**; and
- **Increasing the Housing Infrastructure Fund** –to support new housing in high-demand areas.

Other announcements of interest in the budget include:

- **Review of VAT rates and exemptions**: The Chancellor has responded to the OTS VAT review proposals stating that 'The Government's ability to amend the scope of the various rates and exemptions is limited to some extent by EU law at present. It is clear that the current rates structure is the root cause of much of the complexity in the VAT system… I agree that there is merit in a review of the current system of VAT rates and reliefs in the longer term, and HMRC and HM Treasury officials will continue to engage with the OTS on this subject". The Charity Tax group has set out more on other VAT and Tax changes here;
- **Increasing the National Living Wage** from £7.50 to £7.83 from April 2018;
- **Gift Aid donor benefit rules** – to simplify the rules for charities the current three monetary thresholds will be reduced to two, while all existing extra-statutory concessions will be legislated. Changes will come into effect from April 2019;
- **Work-based training** – The government will provide £8.5 million over the next two years to support Unionlearn;
- **National Retraining Partnership** –This will work with new Skills Advisory Panels to ensure that local economies' needs are reflected and oversee targeted short-term action in sectors with skills shortages, initially focussing on construction and digital skills. There will also be new employer-designed courses in construction and digital;
- **Local full-fibre networks** –a new £190 million Challenge Fund that local areas around the country will bid for to encourage faster rollout of full-fibre networks by industry;
- **Apprenticeship levy** – The Government will continue to work with employers on how it can ensure the levy works effectively and flexibly for industry, and supports productivity across the country;
- **Poppies -** £4.7 million to modernise the Poppy Factories in Richmond and Edinburgh; and
- **Business rates** – The Government will, among other things, bring forward to 1 April 2018 the planned switch in indexation from RPI to CPI for business rates; will continue the £1,000 business rate discount for public houses with a rateable value of up to £100,000, for one year from 1 April 2018; have the VOA revalue non-domestic properties every three years after 2022. The Government will consult on the implementation of these changes in the spring.

Many of the measures discussed feed into the Government's Industrial Strategy – a white paper is expected on the 27 of November.