

## **Outcomes for the Department for Business, Innovation & Skills (BIS) following the Autumn Statement 2015**

### **Science**

- Protection of the science ring-fence in real terms (rather than in cash terms as in the last parliament), so that total spend becomes over £400m higher by 2019-20.
- Commitment to invest £6.9bn in science capital between 2015-2021.

### **Skills**

- Protection of core adult skill participation budgets in cash terms.
- Setting the new apprenticeship levy rate at 0.5% of employer's paybill, with an allowance so that only 2% of employers will pay the levy. By 2019-20 government spending on apprenticeships, including income from the levy, will be double the level of spending in 2010-11 in cash terms.
- Replacing Higher Education maintenance grants with loans from 2016-17, increasing the amount students will receive upfront (as announced in the Summer Budget).
- Maintenance loans to become available to part-time students; new loans to be available to postgraduates.
- Reducing the Teaching Grant by £120m in cash terms by 2019-20. The budget for high cost subjects will though be protected.

### **Industry and Innovation**

- Protection of planned spending on the Advanced Propulsion Centre and Aerospace Technology Institute. Funding is also committed throughout the next parliament.
- Grant reductions at Innovate UK will be replaced with up to £165m new finance products. The department is working on the detail, drawing on examples of from France, Finland and the Netherlands.
- Exempting Energy Intensive Industries from the cost of renewables policy rather than paying cash compensation.

- No further rounds of RGF and AMSCI (eRGF will though continue to be available for exceptional cases).
- Closure of Business Growth Service.
- £12m additional funding for Growth Hubs in each of the next two financial years.

### **Local Growth Fund**

- The government will deliver its commitment to a £12bn local growth fund between 2015-6 and 2020-21.

### **UKTI**

- UKTI will be refocused to enable it to become a world-class export and investment promotion agency. The government will invest £24 million in digital transformation funding for UKTI to simplify UK trade support online and join up effectively with other government services.

### **HMRC**

- See also <http://www.telegraph.co.uk/finance/autumn-statement/12016358/Autumn-Statement-2015-Business-rates-overhaul-delayed-until-Budget-next-year.html> which includes the statement that “The Chancellor has also quietly axed the “retail discount” that entitled shop and restaurant owners with rateable properties worth up to £50,000 to a £1,500 discount.” An interesting decision since I understand it was only introduced last year and there’s a review of the whole system underway which is due to feed into next year’s budget.