



28 October 2021

Welcome to the BEIS Bulletin from the Department for Business, Energy and Industrial Strategy.

This bulletin provides a summary of BEIS policies that are included in the government's Spending Review.



Autumn Budget and Spending Review 2021

The government has published the Spending Review, delivering on key commitments to reach net zero carbon emissions by 2050, support the jobs and industries of the future and invest in a high-wage, high-skill economy.

BEIS will be at the forefront of delivering these plans, overseeing pay rises for millions working families, creating thousands of jobs and securing the UK's status as a global science superpower.

The Budget complements the [Net Zero Strategy](#) which BEIS published last week and delivers the investment and support which UK firms need to plan for the future.

Backing business and workers

Measures include:

- a National Living Wage increase up to £9.50 an hour to be introduced from April 2022
- the extension of the Recovery Loan Scheme by 6 months
- £1.6 billion of finance for new and growing businesses, to be delivered via the government's British Business Bank over the next 3 years
- business rates exemption for green property improvements, including solar panels and heat pumps, to help businesses invest to make buildings more energy efficient
- support for the hospitality, retail and leisure sectors, which have been hit hard by the pandemic, with a 50% business rates discount for these sectors capped at a maximum of £110,000. This also applies to high street personal care businesses like hairdressers
- further support for the hospitality sector, especially community pubs, with a simplified alcohol duty that cuts tax for less strong alcoholic drinks such as beers, fruit ciders and weaker wines, a lower rate of duty for draught beer or cider, and the cancellation of the planned increase in duty for whisky, beer, wine and cider
- support for small producers of alcoholic drinks, with the introduction of a new small producer relief, building on the success of Small Brewers Relief, for cidemakers and other producers of lower ABV drinks including many English winemakers. The government will also end premium tax rates on sparkling wine and substantially reduce duty on rosé.
- the launch of the Help to Grow: Digital scheme in December, providing small businesses with free, impartial online support on how to use digital technology to boost their performance. It will also offer small businesses access to discounts worth up to £5,000 towards the costs of buying approved software. Businesses can now [register their interest](#) for the scheme
- BEIS will launch a consultation on creating a re-domiciliation regime to bring the UK into line with peers such as New Zealand and Canada, strengthening our position as a global business hub.



ENSURING UK REMAINS A WORLD LEADER IN R&D AND TECH

£20bn a year on R&D, including £1bn for Innovate UK. Over £50m to ensure the UK continues its world-leading approach to digital technologies, including doubling AI and data scholarships. Modernising our R&D tax reliefs.

Unleashing innovation

Commitments which will cement the UK's status as a science superpower. These include:

- £5 billion increase in government investment in research and development per year by 2024 to 2025. The UK will meet its target of investing £22 billion or 2.4% of total GDP in research and innovation by 2026 to 2027
 - £354 million for life sciences, including improving our domestic vaccine manufacturing and development capabilities
 - £817 million investment in the production and supply chain of electric vehicles in the North East and Midlands
 - £24 million to level up manufacturing by helping smaller manufacturers to adopt industrial digital technology through the Made Smarter Adoption scheme
 - research and development tax relief for businesses looking to increase investment, with relief expanding to cover cloud computing and data costs, meeting the needs of businesses.
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Investing in new, green industries

The Spending Review supports the landmark Net Zero Strategy unveiled last week, setting out how the UK will kickstart new green industries, create jobs and reach net zero carbon emissions by 2050 ahead of the COP26 climate conference in Glasgow. This includes:

- £26 billion of capital investment in delivering the government's Net Zero Strategy, part of an overall £30 billion worth of investment in the UK's green industrial revolution - including £3.9 billion to decarbonise homes creating thousands of job opportunities
- up to £380 million for offshore wind infrastructure in coastal areas
- nuclear projects, including a commitment to bring at least one large scale nuclear project to a final investment decision within this parliament and the launch of a £120 million Future Nuclear Enabling Fund.
- two new Carbon Capture Utilisation and Storage clusters - HyNet Cluster in the North West of England and North Wales and the East Coast Cluster in Teesside and the Humber. This is backed by £1 billion worth of government support
- £315 million for the Industrial Energy Transformation Fund (IETF), supporting the demonstration and deployment of technologies that enable businesses with high energy use to transition to a low carbon future
- the £140 million Industrial Decarbonisation and Hydrogen Revenue Support (IDHRS) scheme to accelerate hydrogen projects and industry adoption of carbon capture and storage. The IDHRS funding will, combined with the £240 million in the Net Zero Hydrogen Fund, support innovative commercial hydrogen projects across the UK.

[See more information on gov.uk.](#)

Other news:

- [Business department to bring over 400 key central government jobs to Salford by 2025](#)
 - [New finance model to cut cost of new nuclear power stations](#)
 - [UK-led international summit sets new horizons for innovation](#)
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Useful links:

- [Latest BEIS news and announcements](#)
- [Covid 19 Autumn/Winter Plan](#)
- [Find out how to make your workplace COVID-secure](#)
- [See all coronavirus guidance on GOV.UK](#)
- [Use the Brexit checker to get a personalised list of actions for you, your business and your family](#)
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