



2021CSR and Autumn Budget – Key Tourism Points

General Economic Status

- GDP Growth has been revised up and is now forecast to be 6.5% this year, up from 4.0% forecast in March's Economic and fiscal outlook. This will be followed by growth of 6% in 2022 2.1% in 2023 1.3% in 2024 and 1.6% in 2025
- Underlying debt is forecast to be 85.2% of GDP this year, 85.4% of GDP in 2023 and 85.7% in 2024.
- Inflation will average 4% during 2022

CSR Announcements

- Total departmental spending will grow in real terms at 3.8% a year over this Parliament - an increase of £150 billion in nominal terms and £90bn in real terms
- a year by 2024-25 (£90 billion in real terms). T
- DCMS's budget will increase from £2.2bn this financial year, to £2.8bn in 2022/23 and then fall back to £2.7bn for the next 3 years – an increase of 5.8% per annum in nominal terms

DCMS Settlement

The following DCMS CSR funding announcements have been made:

- Investing over £850 million over the SR21 period for cultural and heritage infrastructure to safeguard national treasures and boost culture in local communities and on high streets
- Providing £52 million in new funding for museums and cultural and sporting bodies next year to support recovery from COVID-19 and an additional £49 million in 2024-25
- Providing £14 million in each year of the SR21 to support our world-leading creative industries, including supporting SMEs to scale up and providing bespoke support for the UK's independent film and video game industries
- Funding the £800 million Live Events Reinsurance Scheme and an extension to the £500 million Film & TV Production Restart Scheme
- £480 million in 2022-23 for a year of celebration across the UK in 2022, when communities and nations will celebrate the Commonwealth Games, Unboxed: Creativity in the UK and the Queen's Platinum Jubilee
- A 44% increase to the UK Sport budget from SR20 to 2024-25 to support Team GB and Paralympics GB athletes to prepare for a successful Paris 2024 Olympic and Paralympic Games

- Funding for the UK and Ireland's bid to host the 2030 men's Football World Cup, and the UK's bids to host both the 2025 women's Rugby World Cup and the 2026 Tour de France Grand Depart
- Funding to deliver the UEFA Women's European Championships, hosted across England in 2022.

Tourism Related Budget Announcements

APD

- The government is increasing the number of international distance bands from two to three, with the new distance bands set at 0-2,000 miles; 2,000-5,500 miles and 5,500 miles plus. The rates will be £13; £87 and £91 respectively for economy passengers.
- From April 2023 there will be 50% cut in air passenger duty for domestic flights (to £6.50 per leg) – this will make the APD on a domestic return flight the same as travelling to Europe.
- APD for flights over 5,500 miles will be increased from April 2023 with an economy rate of £91

Alcohol Duty

- A new, simpler alcohol duty system will be introduced with the number of duty rates cut to six
- Alcohol will be taxed in a progressive manner, with low strength products attracting low rates of duty and high strength products attracting higher levels of duty
- There will be a 5% cut to duty on draught beer and cider served from draught containers over 40 litres which will help pubs and bars
- There will be a new small producer relief for cidermakers and other producers of lower ABV drinks (below 8.5%).

Universal Credit

- The Government is reducing the taper rate in Universal Credit from 63% to 55%, as well as increasing work allowances in UC by £500 a year. This will make it more financially attractive for people on Universal Credit to find work and should help with staff shortages in hospitality and tourism businesses.

Holidays For Disadvantaged Children

- £200 million per year has been committed to continuing the holiday activities and food programme for disadvantaged children in England,

Business Rates

- The Government will reduce business rates in England by £7 billion over the next five years
- There will be a new one year 50% business rates discount for retail, hospitality, & leisure sectors.

- The business rates multiplier will be frozen for 2022-23
- From 2023, a new business rates relief will support investment in property improvements so that no business will face higher business rates bills for 12 months after making qualifying improvements to a property they occupy. This is aimed at enabling businesses to adapt to meet rising demand and make improvements to their premises that support net zero targets and enhance productivity as employees return to the workplace.
- From 2023, there will be exemptions for eligible plant and machinery used in onsite renewable energy generation and storage, and a new 100% relief for eligible heat networks, to support the decarbonisation of buildings.
- The government will also continue to explore the arguments for and against a UK-wide Online Sales Tax

Business Support

- The Government is extending the temporary £1 million level of the Annual Investment Allowance to 31 March 2023.
- The Recovery Loan Scheme will also be extended until 30 June 2022 with finance available up to a maximum of £2 million per business. However, the government guarantee will be reduced from 80% to 70%
- The Government has confirmed £1.6 billion for the British Business Bank's Regional Funds to provide debt and equity finance to SMEs, and to expand the Regional Angels programme
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Heritage

- The Government confirmed continuing the High Street Heritage Action Zone programme in England to revive 67 historic high streets

4G

- Providing £180 million over the next three years as part of the government's £500 million investment for the Shared Rural Network, to deliver high-quality 4G mobile coverage to 95% of the UK

Apprenticeships

- Increasing apprenticeships funding to £2.7 billion by 2024-25 including meeting 95% of the apprenticeship training cost for smaller employers who do not pay the Apprenticeship Levy

Fuel Duty

- Fuel Duty has been frozen

Transport Infrastructure

- £5.7 billion is being allocated to eight English city regions including:
 - £830 million to West Yorkshire for schemes such as the A61 improvements for buses, cyclists and pedestrians between Leeds and Wakefield;
 - £1 billion to Greater Manchester for schemes such as the next generation Metrolink tram-train vehicles;

- £1 billion to the West Midlands for schemes such as completing the Wednesbury to Brierley Hill metro extension and Sprint Phase 2;
 - £710 million to Liverpool City Region for schemes such as battery power for new Merseyrail trains to expand the reach of the existing network;
 - £570 million to South Yorkshire for schemes such as starting the renewal of the Supertram;
 - £310 million to the Tees Valley for schemes such as upgrading Middlesbrough and Darlington stations and improving local rail links;
 - £540 million to the West of England for schemes such as a fully prioritised bus route between Bristol and Bath.
- £24 billion allocated to strategic road improvements between 2020-21 and 2024-25 such as the A66 Trans-Pennine.
- £35 billion for rail over the SR21 period including High Speed Two
- £500 million to restore transport services lost in the Beeching cuts