



## Bulletin No: 14

Wednesday 22 April 2009

### BUDGET SPECIAL

Here are the main headlines. We are continuing to analyse the details of the various press releases and will provide further briefing when issues are clearer.

#### Investment

- A further £300 million has been made available for the college building programme in 2009/2010. This will be allocated on prioritisation criteria still to be agreed with the LSC;
- £800 million capital investment in schools and £100 million in health brought forward to 2009/2010 from 2010/2011;
- The establishment of a Strategic Investment Fund to support advanced industrial projects of strategic importance – one third will be allocated to low carbon projects;
- £600 million funding package to build more homes through unlocking sites currently sitting dormant. The stamp duty holiday for homes below £175,000 is extended to the end of the year;
- Increases in investment in regulated sectors as follows:
  - £4bn this year in gas and electricity
  - £4.5bn in rail over the next 2 years
  - £4bn in water this year with another £4.5bn next
  - £1.5bn on airports this year and £1.3bn next

**Contacts:**

Stephen Ratcliffe  
Rachel Done  
Tony Wheel

Director  
Deputy Director  
Health and Safety

[stephen.ratcliffe@ukcg.org.uk](mailto:stephen.ratcliffe@ukcg.org.uk)  
[rachel.done@ukcg.org.uk](mailto:rachel.done@ukcg.org.uk)  
[tony.wheel@ukcg.org.uk](mailto:tony.wheel@ukcg.org.uk)

0207836 6637  
0207836 6636  
0207836 6637

## **PFI**

- The Treasury Infrastructure Finance Unit is now established and is claimed to be safeguarding £13bn of PFI projects and protecting tens of thousand jobs in construction

## **Employment**

- Guaranteed jobs or training for 18-24 year olds who have been unemployed for over 12 months;
- £140 million in 2009/2010 to support a further 35,000 apprentices;
- Increases in statutory redundancy pay to £380 per week;

## **Insurance**

- A top up trade credit insurance scheme to be introduced to help businesses where insurers have reduced cover;

## **Tax**

- An increase in landfill tax by £8 per tonne on 1 April each year from 2011-2013
- Aggregates levy frozen at £2 per tonne in 2010/2011;
- VAT will rise to 17.5% or higher on 1.1.2010;
- Fuel duty will go up by 2% from September 2009;
- Capital allowances for new investment in 2009/2010 will double to 40%;
- Measures to help firms with cash flow problems to schedule their tax debts will continue to be supported; and
- Loss relief will be extended to 2010 to allow the carry back of current losses to gain tax relief against taxable income in the three previous years.

### **Contacts:**

Stephen Ratcliffe  
Rachel Done  
Tony Wheel

Director  
Deputy Director  
Health and Safety

[stephen.ratcliffe@ukcg.org.uk](mailto:stephen.ratcliffe@ukcg.org.uk)  
[rachel.done@ukcg.org.uk](mailto:rachel.done@ukcg.org.uk)  
[tony.wheel@ukcg.org.uk](mailto:tony.wheel@ukcg.org.uk)

0207836 6637  
0207836 6636  
0207836 6637