

BEIS in the Spending Review

The government has committed billions of pounds through the [Spending Review](#) to continue supporting businesses through the pandemic and stimulate the economic recovery, to cement the UK as a science superpower through R&D and innovation investment, and continue progress to kickstart a green industrial revolution and reach net zero carbon emissions by 2050. The Department for Business, Energy and Industrial Strategy (BEIS) will have a key role to play delivering these pledges.

Continuing the UK's recovery from coronavirus

The UK has acted swiftly to put in place one of the most generous and comprehensive economic responses to coronavirus anywhere in the world, now totalling over £280 billion. The Spending Review has set out the government's intention to maintain this support to protect jobs, businesses and livelihoods, while stimulating the UK's economic recovery.

In the Spending Review the government has committed to invest:

- an additional £733 million in the government's Vaccines Taskforce for the purchase of Covid-19 vaccines; £128 million to support vaccines research and manufacturing, including funding for the Vaccines Manufacturing Innovation Centre which will be capable of producing enough vaccine doses for the entire UK population in 6 months;
- more than £500 million to support the continued delivery of vital Covid-19 loans, including paying for the 12 month interest free period on the Bounce Back Loans and Coronavirus Business Interruption Loan Schemes; and
- £557.5 million for the British Business Bank to continue supporting SMEs across the UK to access the finance they need to grow and stimulate the economic recovery post-Covid.

Growing the UK's reputation as a science superpower

The UK has a proud record of innovation and discovery. We are the country that gave the world penicillin, the World Wide Web, the theories of gravity and evolution, that unravelled the structure of DNA. That spirit of discovery is still alive in this country today. The UK remains a science superpower, with a world leading research and development environment. To grow this reputation, the government has committed to investing £14.6 billion in research and development in 2021/22.

In the Spending Review the government has committed to invest in 2021/22:

- at least £490 million in core Innovate UK programmes and infrastructure to support ground-breaking technologies and businesses;
- £79 million in innovation loans to help cutting-edge UK businesses to access capital;
- £200 million for the Net Zero Innovation Portfolio to develop new

decarbonisation solutions and accelerate near-to-market low-carbon energy innovations; and

- £450 million to support strategic government priorities, build new science capability and support the whole research and innovation ecosystem. This includes £350m for BEIS, including the first £50 million of an £800 million investment by 2024/25 towards a new agency for high-risk high-payoff research.

Spurring a green industrial revolution and achieving net zero by 2050

The UK is a world leader in the fight against climate change, cutting emissions by 43% since 1990/ The Prime Minister recently outlined a 10 point plan which will mobilise £12 billion to enable the UK to forge ahead with achieving net zero carbon emissions by 2050, while spurring a green industrial revolution that will create and support up to 250,000 jobs.

In the Spending Review the government has committed to invest:

- at least £125 million in 2020/21 in nuclear technologies, as part of up to £525 million set out in the PM's 10 point plan, supporting the development of large-scale nuclear, and including up to £385 million in an Advanced Nuclear Fund for advanced nuclear R&D
- to increase the Carbon Capture and Storage Infrastructure Fund to support the construction of four new Carbon Capture and Storage clusters by 2030;
- £240 million to create a Net Zero Hydrogen Production fund to support the production of low-carbon hydrogen;
- £160 million upgrading ports and infrastructure to support the expansion of offshore wind;
- over £1 billion next year to decarbonise homes and buildings, extending the package for low carbon heat and energy efficiency announced earlier in the year;
- £122 million to support the creation of clean heat networks; and
- £500 million over next four years on the development and mass-scale production of electric vehicle batteries.

Supporting our lowest-paid workers

Millions of workers across the country are expected to receive a rise in their pay, following the government's announcement of an increase in the National Minimum Wage and National Living Wage from April 2021. Rate rises include a 2.2% increase in the National Living Wage to £8.91, the equivalent of £345 extra per year for a full-time worker.

For the first time, the age of eligibility for the National Living Wage will be lowered from 25 to 23. Some of the UK's youngest workers will also benefit from a 3.6% increase to the National Minimum Wage for apprentices.

The rises mean that the annual earnings of a full-time worker on the NLW will have increased by around £4,030 since its introduction in April 2016.

Securing the future of the Post Office network

A total of £227m of funding has been provided to extend the network subsidy by £50 million and provide the Post Office with £177 million to invest in the future of the network. This will ensure that post offices in every corner of the country, including our vital rural branches, can keep providing essential services for the people that rely on them – now and in the future.