

# 2006 Pre-Budget Report

## REGIONAL PRESS NOTICE

6 December 2006

### IN NORTHERN IRELAND

The Chancellor today announced a series of measures to increase productivity, improve people's access to employment, build a fairer society, improve public services and protect the environment in Northern Ireland.

The Pre-Budget Report confirms that the Government is meeting its fiscal rules. The Government's macroeconomic framework has continued to deliver an unprecedented period of macroeconomic stability, with low inflation and sustained economic growth.

Measures announced today which are particularly relevant to individuals and businesses in Northern Ireland include:

- **an additional £100 million for the Northern Ireland departments** as a result of spending increases announced in the PBR for Government Departments. It will be for the Secretary of State for Northern Ireland to decide how to allocate this increase;
- **investing in the growth** of the UK's science and innovation system - through a single health research fund of at least £1 billion, taking forward the recommendations of the Cooksey Review, and ensuring a more balanced, coherent and flexible regime for intellectual property, as set out in by the Gowers Review. It will be for the Northern Ireland departments to decide their own priorities in devolved policy areas;
- **increasing business flexibility** by reducing unnecessary burdens on business – by creating certainty for business, by implementing the recommendations of the Varney Review of HMRC links with Large Business, and driving forward implementation of the Hampton Review's

risk-based approach to Regulation, and the Davidson Review's recommendations to reduce gold plating of EU legislation;

- **investing in a new ambition for world-class skills**, increasing adult skills across all levels and strengthening employer voice in their provision - by taking forward the recommendations of the Leitch Review; enabling greater flexibility in the land use planning system to ensure it contributes to economic growth while delivering its wider sustainable development goals - by taking forward the Barker Review; investing in transport infrastructure to maximise the return on investment in transport - by taking forward the recommendations of the Eddington Transport Study. It will be for the Northern Ireland departments to decide their own priorities in devolved policy areas;
- **announcing that from April 2007 the value of the child element** of Child Tax Credit will rise by £80 to £1,845 per year. Around 200,000 families in Northern Ireland are currently benefiting from tax credits;
- **making Individual Savings Accounts (ISAs) permanent beyond 2010**, to provide stability for savers and certainty for the industry. In addition, the introduction of a package of reforms to the ISA designed to simplify the regime will make it more flexible for savers and providers and further promote saving;
- **an increase in all rates of air passenger duty**, with effect from 1 February 2007 in recognition of the environmental costs of air travel; and
- **an inflation-based increase of 1.25 pence per litre (ppl) in the rate of road fuel duty**, with effect from midnight tonight; and the same increase of 1.25 ppl in duty for rebated fuels, maintaining the differential with main fuel duty rates.

---

## **NOTES FOR EDITORS**

Further details of 2006 Pre-Budget Report announcements can be found on the HM Treasury website: [www.hm-treasury.gov.uk](http://www.hm-treasury.gov.uk).

### **HM TREASURY PRESS OFFICE**

Press enquiries: 020 7270 5238

Non-media enquiries: 020 7270 4558

### **HM REVENUE AND CUSTOMS PRESS OFFICE**

Press enquiries: 020 7137 2310/2311/2312  
(out of hours: 07860 359544)

### **GOVERNMENT DEPARTMENT INTERNET SITES**

Further information and all published documents relating to 2006 Pre-Budget Report may be found on the Internet at the following addresses:

HM Treasury [www.hm-treasury.gov.uk](http://www.hm-treasury.gov.uk)  
HM Revenue & Customs [www.hmrc.gov.uk](http://www.hmrc.gov.uk)

