

## Chief Secretary announces extra tax breaks for offshore wind in the Humber

*The Rt. Hon. Danny Alexander MP, Chief Secretary to the Treasury, was the guest speaker at the launch of the new Humber Local Enterprise Partnership (LEP) Forum held in Willerby, Hull, this morning.*



*Lord Haskins of Skidby, Chair of the Humber LEP; The Rt Hon Danny Alexander MP, Chief Secretary to the Treasury, Richard Tuplin, Chair of the Humber LEP Forum – photo Ed Moss*

*In his speech to an audience of 250 businesspeople, MPs and council leaders, Mr Alexander confirmed that HM Treasury had approved the Humber LEP's request to extend Enhanced Capital Allowances (ECAs) to the Paull site in the LEP's second Enterprise Zone. The extra tax breaks could support up to £200m of investment in addition to up to £300m of investment on the first Enterprise Zone.*

*He also confirmed the government's commitment and support to ensuring that renewable energy plays a greater role in the UK's energy mix, and said that the Humber had a leading role to play in the sector.*

*Mr Alexander said:*

*"The Humber has the potential to establish itself as a world class renewable energy hub. This will help attract companies that can benefit from simplified planning processes, superfast broadband, and tax breaks funded by the Treasury, including discounted business rates, and enhanced capital allowances on plant and machinery.*

*"The Humber Renewable Energy Super Cluster Enterprise Zone is one of only six in the country able to offer companies enhanced capital allowances on plant and machinery. These allowances are worth as much as £100m to new companies locating in the area, and for businesses not receiving these allowances, business rate discounts for five years can amount to as much as £55,000 per year.*

*"These are major financial incentives for companies who might consider making the Humber their base."*

*Lord Haskins added:*

*"I am delighted that Danny Alexander has come to see what we have planned here and approved our request for extra Enhanced Capital Allowances. These are extra incentives that*

*will help the LEP and its partners attract investment to the area and show that the Government is backing us in our plans for the Humber to be a centre for offshore wind.”*

*Image: <http://humberlep.org/wp-content/uploads/2012/03/CIMG1314.jpg>*

*Lord Haskins of Skidby, Chair of the Humber LEP; The Rt Hon Danny Alexander MP, Chief Secretary to the Treasury, Richard Tuplin, Chair of the Humber LEP Forum*

### **Added Notes to editors:**

*1. Speech by the Rt Hon Danny Alexander, Chief Secretary to the Treasury at the launch of the Humber LEP forum is available at: [http://www.hm-treasury.gov.uk/speech\\_cst\\_090312.htm](http://www.hm-treasury.gov.uk/speech_cst_090312.htm)*

### *2. Enterprise Zone Benefits*

*All Enterprise Zones will benefit from:*

- A business rate discount worth up to £275,000 (€321,434, November 2011) per business over a five year period.*
- All business rate growth within the Enterprise Zone for a period of at least 25 years will be retained by the local area, to support the LEP’s economic priorities and ensure that Enterprise Zone growth is reinvested locally. The development of the renewable energy sector is the top priority of the Humber LEP.*
- Government help to develop radically simplified planning approaches for the Zone, for example, Local Development Orders.*
- Government support to ensure that superfast broadband is rolled out throughout the Zone, achieved through guaranteeing the most supportive regulatory environment and, if necessary, public funding.*
- Enhanced capital allowances for plant and machinery in the Humber. With effect from 2012, the first three companies setting up in the designated Enterprise Zone sites will be eligible to claim enhanced first year allowances for plant and machinery, giving them an upfront cash flow benefit.*
- Tax Increment Finance to support the long-term viability of the area.*

### *3. Humber Enterprise Zone – sites with Enhanced Capital Allowances*

*Green Port Hull 58ha – OEM\**

*Queen Elizabeth Dock South 25ha – OEM*

*Able Marine Energy Park 225.9ha – OEM / Supply Chain*

*Paull 81ha – OEM x 2*

### *4. Humber Enterprise Zone – sites with Business Rate Discount*

*Keystore 0.67ha – Supply Chain*

*Former Hedon Road Maternity Hospital 4.03ha – Supply Chain*

*Burma Drive 3.98ha – Supply Chain*

*Marfleet Environmental Technology Park 2.69ha – Supply Chain*

*Elba Street 1.94ha – Supply Chain*

*Valletta Street 3.24ha – Supply Chain*

*Rix and Kingston International Business Park 8.13ha – Supply Chain*

*Able Marine Energy Park 25ha – OEM / Supply Chain*

*Port of Grimsby 11ha OEM Operator / Supply Chain*

*Brough 35ha – Supply Chain/Incubation*

(\*OEM – original equipment manufacturer)