

POLICY INFORM:

Business

Policy Inform- January 2017

The Policy Inform briefings will provide an overview of ongoing and recent national legislation, bills presented to Parliament and emerging policies.

The Policy Inform briefings have been produced specifically to inform Portfolio Holders and Elected Members and will be taken to the relevant Overview and Scrutiny Committees for discussion.



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INTRODUCTION

The Wirral Plan:

A 2020 Vision which sets out a shared partnership approach to improve outcomes for Wirral residents.

The Plan focuses on three key theme areas:



The Wirral Plan Business Theme states:

"Wirral is a place where employers want to invest and businesses thrive."

Business Policy Briefing:

This policy briefing focuses specifically on policies and legislation relating to the Business Theme and is intended to provide Members of the Business Overview and Scrutiny Committee with the latest position on emerging policy and legislative developments to support the committees work programme and future scrutiny work.

The following table outlines the timetable for the preparation and reporting of policy briefing papers:

Overview & Scrutiny Briefings	
July 2016	The first policy briefing focused predominately on the Queen's Speech, which will establish the Government's legislative programme for the parliamentary year ahead.
September 2016	The second policy briefing was produced in September; it will provide an update on policy and legislation and will focus on Wirral Implications relevant to the government's programme of legislation as outlined in the previous policy briefing.

January 2017	The third policy briefing will focus on the Autumn Statement which sets out how Government money will be allocated. The policy briefing will provide an update on policy and legislation and will consider relevant implications for Wirral.
May 2017	The fourth policy briefing will focus upon the 2017 Chancellor of Exchequers Budget. The policy briefing will provide an update on policy and legislation and will consider relevant implications for Wirral.

The January policy briefing focuses on the key announcements from the Autumn Statement and provides an update on policy and legislative developments that have been aligned to the Wirral Plan pledges.

The Committee may wish to identify specific policy areas to focus upon which are in line with the Committee's work programme. Detailed briefing papers can be prepared for these subject matters at the request of the Committee which would be in addition to the regular policy briefing papers outlined above.

QUEEN'S SPEECH 2016 – DESIGNATION TO OVERVIEW AND SCRUTINY COMMITTEES

On Wednesday 18th May 2016, the Queens Speech was delivered, outlining the Government's programme of legislation and policies for the coming year.

Below is a list of each individual Bill that will have implications for local government that was announced during the speech, including those Bills carried over from the 2015-16 session. The list identifies the Overview and Scrutiny Committee remit that the legislation most closely aligns:

Legislative Plans	Overview and Scrutiny Committee
Prison and Courts Reform Bill	Environment
Investigatory Powers Bill	Environment
Policing and Crime Bill	People and Environment
Soft Drinks Industry Levy	People and Environment
Lifetime Savings Bill	People and Environment
Neighbourhood Planning and Infrastructure Bill	Business and Environment
Children and Social Work Bill	People
Education for All Bill	People
Higher Education and Research Bill	People
National Citizen Service Bill	People
Finance Bill	People and Business
Bus Services Bill	Business
Local Growth and Jobs Bill	Business
Digital Economy Bill	Business
Modern Transport Bill	Business
High Speed Rail Bill	Business
Better Markets Bill	Business

Additional Bills that have been announced are outlined below. These will be monitored in relation to any emerging implications for Local Government and reported to the relevant Overview and Scrutiny Committee as appropriate.

Additional Legislative Plans	
Wales Bill	
Bill of Rights	
Criminal Finances Bill	
Counter-Extremism and Safeguarding Bill	
Cultural Property (Armed Conflicts) Bill	
Small Charitable Donations Bill	
NHS (Overseas Visitors Charging) Bill	

The Bills relevant to the Business priority are discussed in further detail in this paper.

AUTUMN STATEMENT

'The Autumn Statement prioritises investment to improve productivity and ultimately living standards.' Gov.uk

Chancellor of the Exchequer Philip Hammond delivered his first Autumn Statement to the House of Commons on the 23rd November 2016; setting out the new administration's spending plans and priorities for the coming year.

The key announcement themes relevant to local government include:



The Chancellor did not mention, or offer clarity to local government in relation to the following within the Autumn Statement:

- About the role of local government in allocating and spending the National Productivity Investment Fund.
- About devolution beyond the major cities.
- About funding for social care.
- About how business rate retention is going to work and how local government will be financed in the medium to long term.

KEY ANNOUNCEMENT THEMES:

Local Government	Tax	Devolution
<ul style="list-style-type: none"> • £1.8bn will be provided to England regions from the Local Growth Fund. • The government will give mayoral combined authorities powers to borrow for their new functions, subject to agreeing a borrowing cap with HM Treasury. • The government will also consult on lending local authorities up to £1 billion at a new local infrastructure rate of gilts + 60 basis points for three years to support infrastructure projects that are high value for money. 	<ul style="list-style-type: none"> • To promote 'simplicity' within the tax system, the government intends to move towards having a single major fiscal event each year. • Following the spring 2017 Budget and Finance Bill, Budgets will be delivered in the autumn. • Personal tax free allowance will go up to £12,500 by end of Parliament. • The taper rate at which Universal Credit is withdrawn as earnings rise to be reduced from 65p to 63p from April. • Tax savings on salary sacrifice and benefits in kind to be stopped, with exceptions for ultra-low emission cars, pensions, childcare and cycling. • Employee and employer National Insurance thresholds to be equalised at £157 per week from April 2017. 	<ul style="list-style-type: none"> • The government has published a strategy setting out an overall approach to building the Northern Powerhouse. • The British Business Bank will make its first investments from the Northern Powerhouse Investment Fund in early 2017, to support local SMEs. • The government remains committed to devolving powers to support local areas. • The government will begin talks on future transport funding with Greater Manchester. • The government will transfer to Greater Manchester the budget for the Work and Health programme, subject to certain conditions. • The government will award £1.8bn to Local Enterprise Partnerships (LEPs) across England through a third round of Growth Deals. • £556 million of this funding will go to the North of England. Awards to individual LEPs will be announced in the coming months.

Vulnerable



- No plans for welfare savings measures in this parliament beyond those already announced.
- The government will shortly publish a consultation on options to tackle pension scams.
- Government commitment to a further £10 million over two years to the Rough Sleeping Fund.
- Support for refugees – refugees and their family members will be exempted from the Past Presence Test

Childcare



- Tax-Free Childcare will be introduced gradually from early 2017, with roll out beginning upon completion of the trial. The government will review its operation to assess the benefit it is delivering for working parents.

Housing



- £2.3bn in new Housing Infrastructure Fund to help provide 100,000 new homes in 'high-demand areas'. Allocated to local government on a competitive basis, will provide infrastructure targeted at unlocking new private house building.
- £1.4bn will be made available to deliver 40,000 extra affordable homes.
- Restrictions on government grant relaxed to allow providers to deliver a wider range of housing types.

Transport



- £23bn national productivity investment fund over five years.
- £1.1bn extra investment in English local transport networks.
- £390m investment in low emission vehicles and the development of connected autonomous vehicles. To "build on our competitive advantage" in these areas.
- £450m investment to trial of digital signalling on railways. Aim to achieve a 'step-change' in reliability.
- The government will invest £100 million to improve the resilience of roads to flooding.
- The government will invest £50 million for rail resilience projects to flooding.
- £80 million will be allocated to accelerate the rollout of smart ticketing including season tickets for commuters in the UK's major cities.

Leisure and Culture



- The government will support a Royal Society of the Arts pilot to promote cultural education in schools.
- £7.6 million will be provided for urgent repairs at Wentworth Woodhouse country house in Rotherham.
- The Autumn Statement confirms the government's contribution of up to £15 million towards the costs of hosting the 2021 Rugby League World Cup, and £10 million towards legacy infrastructure.

Business



- Additional funding will be allocated to increase research capacity and business innovation.
- The statement announces a reduction in business rates by £6.7 billion over the next 5 years.
- National Living Wage will increase from £7.20 to £7.50 in April 2017.
- To remove inconsistency between rural rate relief and small business rate relief the government will double rural rate relief to 100% from April 2017.

Digital



- The government will invest over £1 billion by 2020-21, including £740 million through the NPIF.
- £400 million of this for a new Digital Infrastructure Investment Fund, at least matched by private finance, to invest in new fibre networks over the next 4 years.
- 100% business rates relief for new full-fibre infrastructure for a 5 year period from 1 April 2017 to support roll out to more homes and businesses.
- This is targeted at supporting roll out of full-fibre connections and future 5G connections.

Research



- The government has selected 8 areas for the second wave of Science and Innovation Audits, including: Liverpool City Region and the Bioeconomy of the North of England.

Productivity



- National Productivity Investment Fund (NPIF) announced targeting four areas: Housing; Transport; Digital communications and Research and development.
- The NPIF will provide for £23 billion of spending between 2017-18 and 2021-22.
- The NPIF will take total spending on housing, economic infrastructure and R&D to £170 billion over the next 5 years.

KEY ANNOUNCEMENTS FOR OUR PARTNERS:

NHS	Police & Justice	Schools and Apprenticeships
<ul style="list-style-type: none">• An additional student loan outlay allows the government to fund up to 1,500 additional medical training places each year, from the 2018-19 academic year onwards.	<ul style="list-style-type: none">• The government will provide up to £500 million of additional funding across the period to the Ministry of Justice. This will enable the recruitment of 2,500 more prison officers to improve prison safety. It will also fund wider reforms to the justice system.• Ministry of Justice will reduce the 'unacceptably high' number of whiplash claims.	<ul style="list-style-type: none">• Government will provide £50 million of new capital funding to support the expansion of existing grammar schools. This has been budgeted for 2017-18 through to 2020-2021.• Proposals for further reforms set out in the consultation document 'Schools that Work for Everyone.'

IMPACT ON WIRRAL:

- Departmental spending plans set out in the 2015 Spending Review to remain in place. This implies that the Councils projections are in line with what the Government has already announced. However further details on the local government finance settlement including schools have yet to be released, although it is known that 97% of Councils including Wirral have accepted the Four year funding offer. The Government has made a commitment to protect budgets for key public services, defence, overseas aid and the pension "triple lock" until the end of this Parliament.
- There have been no announcements on further funding for social care or the NHS whether through the Better Care Fund or the Council Tax Precept despite the pressures in these areas being highlighted prior to the Statement's announcement.
- The Statement includes details on investment in roads infrastructure but the amount that may come to Wirral is not yet known.
- The Statement includes details on housing infrastructure and affordable housing but the amount that may come to Wirral is not yet known.
- The Living Wage is set to increase from £7.20 per week to £7.50 per week. This is in line with the previous announced level of increase. The Council has factored into its budget projections increases in the living wage.
- High level figures have been announced for the Growth Fund including LEP however there are no details for the LCR announced yet.
- The change in the Universal Credit taper reducing from 65% to 63%
- Further details will be made by the various government departments over the coming weeks.

IMPLICATIONS OF THE AUTUMN STATEMENT ON THE NORTH WEST:

- The Government's Northern Powerhouse (NPH) strategy reaffirmed commitments to the NPH including:
 - £13bn for transport in the North over the course of this Parliament;
 - £70 million for the Northern Powerhouse Schools Strategy;
 - £60m development funding for Northern Powerhouse Rail; and
 - A number of investments in Greater Manchester including the £235 million to the Sir Henry Royce Institute, £78 million for the Factory theatre and £38 million for the National Graphene Institute.
- The Chancellor announced that £556 million of the total £1.8 billion fund available for Growth Deals to Local Enterprise Partnerships (LEPs) will go to the North of England: the allocation for individual LEPs will be announced in the next few weeks.
- The Government has committed to giving mayoral combined authorities such as Greater Manchester and Liverpool City Region powers to borrow for their new functions allowing them to invest in economically productive infrastructure, subject to agreeing a borrowing cap with HM Treasury.
- The government has also selected eight areas for the second wave of Science and Innovation Audits, aimed at boosting economic growth in the knowledge sector. Liverpool City Region was one of the successful areas and its audit will exploit synergies and identify collaborations, investments and interventions to strengthen and attract businesses.
- It is estimated that at least 134,300 people in the North West stand to gain from the decision to increase the national living wage from £7.20 to £7.50.
- The reduction in the Universal Credit taper rate from 65% to 63% could potentially affect a substantial number of the 37,700 people in work who receive Universal Credit in the North West.
- The budget for the forthcoming national Work and Health Programme will be devolved to Greater Manchester. The government will also begin talks on future transport funding.
- Documents published alongside the Autumn statement confirm major new investments in the region's roads:
 - A66 Penrith to Scotch Corner will be duelled;
 - Improvements will be made to the M60 North West quadrant;
 - Connectivity between Sheffield and Manchester will be improved; and
 - Four Northern transport projects were awarded business case developmental funding from the Local Majors Fund, including the Warrington Waterfront western link.

WIRRAL PLAN BUSINESS PLEDGES- POLICY AND LEGISLATIVE DEVELOPMENTS

GREATER JOB OPPORTUNITIES IN WIRRAL

We will provide an increase in the number and range of jobs in Wirral so all our residents can find employment opportunities.

Our Pledge Ambition:

To make progress towards this goal we will see the creation and safeguarding of 5000 jobs by 2020. We will also seek to increase the number of employers who pay the living wage and will work with partners and others to reduce unemployment and improve access to skills. We will encourage more young people into work who are currently not in employment, education or training.

Outcome Strategy:

1. Ensure that residents furthest away from work have the right support to access employment
2. Build growth in target sectors such as energy and advanced manufacturing
3. Work with the Combined Authority (CA) to co-design and then co-commission with DWP the future employment support for harder to reach claimants
4. Work with the CA to identify strategic employment sites for inclusion in the proposed single city region framework



Associated Legislation:

Unpaid Work Experience (Prohibition) Bill

Reporting stage: Received its first reading in the House of Lords on the 7th June 2016. A date for its second reading is yet to be announced

The purpose of the Bill is to: To make provision for the prohibition of unpaid work experience exceeding four weeks and for connected purposes.

Concerns and progress so far: There is concern in both Houses that banning unpaid internships could reduce the opportunities for young people to gain valuable work experience. Additionally, it is unclear what effect this bill would have on volunteering and other employment law if it were to achieve royal assent.

Associated Legislation:

Workers' Rights (Maintenance of EU Standards) Bill

Reporting stage: The first reading in the House of Commons occurred on the 7th September 2016. The second reading is scheduled for 13th January 2017.

The purpose of the Bill is to: Make provision about the safeguarding of workers' rights derived from European Union legislation after the withdrawal of the UK from the EU; and for connected purposes.

Concerns and progress so far: The EU currently ensures UK workers have the right to annual leave, daily rest breaks, the right to equal treatment for agency workers after 12 weeks service, and protection against unfair dismissal upon a transfer of undertakings, according to research by the House of Commons Library. However, the current Business Minister Margot James declined to give a clear answer as to whether she would safeguard these rights, stating only that, 'Employment protections are a priority for this government'.

Associated Emerging Policy:

Delivering value through the apprenticeships programme

LGiU, 28/11/2016

Summary- A report from the National Audit Office, aiming to inform and evaluate the Government's programme of apprenticeship reform, followed a recent announcement of an apprentice levy being introduced in spring 2017. The levy requires all employers operating in the UK, with a pay bill over £3 million each year, to invest in apprenticeships. It warns of "a clear risk that the drive to deliver greater numbers is delivered at the expense of delivering maximum value".

Brief Analysis-

As part of its work to tackle this 'productivity gap', the government is radically overhauling the apprenticeship system in England, expanding its role as a route into skilled, long-term employment. Increased funding led to over two million people beginning apprenticeships between 2010 and 2015. The government has committed to delivering a further three million starts before 2020.

The NAO's Auditor General, Amyas Morse, concludes: "The DfE needs to chart and follow a course from having a lot of apprenticeships to having the right apprenticeships in order to help improve the UK's productivity, and achieve value for money, in return for the costs of the programme."

The report also notes that the Office for National Statistics has estimated that the UK is about a third less productive than Germany, France and the USA. This gap is the widest it has been since records began in 1991. Thus, in the context of Brexit and the forthcoming rounds of trade renegotiations, the success or otherwise of the government's apprenticeship reforms has come to be more significant.

Associated Emerging Policy:

Apprenticeship Funding

[GOV.UK, 25/10/2016](https://www.gov.uk/government/news/apprenticeship-funding-announced)

Summary – The Government has announced plans due to come in to effect in May 2017 to fund new apprenticeships to help address the skills shortage in the UK. The main measures announced by the Government were:

- 100% of training costs will be paid by Government for employers with fewer than 50 employees who take on apprentices aged 16-18 years old. This will also apply to smaller employers who take on 19-24 year olds who were in care or have an education and health care plan.
- £1,000 each from government to employers and training providers who take on 16-18 year olds and 19-24 year olds who were in care or have an education and health care plan.
- More than £60 million will be invested in supporting the training of apprentices from the poorest areas in the country, equaling around one third of all apprentices.

Brief Analysis – Concerns have been raised about the new plans as they do not address the quality of training given; and is merely focused on the quantity of apprenticeships. However, the plans aim to simplify the apprenticeship funding model for small and medium sized businesses and the government are aiming to have 3 million extra apprenticeship places by 2020.

Potential implications for the Wirral Plan as a result of emerging legislation and policy:

The Apprenticeship Levy

The Apprenticeship Levy will come into effect from 6th April 2017. The Levy is applicable to all employers, including public sector organisations. The Levy links to the Greater Job Opportunities for All Pledge & Workforce Skills Match Business Needs Pledge. There are a number of concerns associated with the Levy:

- The increase of apprenticeships is a significant growth bid
- Numbers are significant as they are based on headcount (178 = identified no. of apprentices based on headcount)
- The commitment to the Living Wage as an employer may be an issue for Partners
- The residual Council in three years' time will have fewer opportunities for apprenticeship training in work type.

Opportunity to shape national legislation and policy:

Work, Health and Disability

The Department for Work and Pensions is currently seeking views on what it will take to transform employment prospects for disabled people and people with long-term health conditions. They would like to understand why disabled people and people with health conditions might be unable to get a job or keep one, and to recognise the wide range of conditions and circumstances they face.

The consultation closes 17th February 2017 at 11:45pm. More Information can be found [here](#).

WORKFORCE SKILLS MATCH BUSINESS NEEDS

To meet the needs of local businesses and attract those interested in investing in Wirral we must develop an appropriately skilled workforce that meets the needs of businesses for the future

Our Pledge Ambition:

We will work with our partners in education and training to closely align the provision of training offered with the skills businesses will need to develop the borough. We will measure and close this skills gap by 2020.

Outcome Strategy:

Wirral's Growth Strategy- 1. Greater job opportunities in Wirral 2. Workforce skills match business needs 3. Increase inward investment 4. Vibrant tourism economy



Associated Legislation:

Technical and Further Education Bill

Reporting Stage: The Bill had its Second Reading debate on Monday 14 November. This Bill has now been committed to a Public Bill Committee where it will be scrutinised in more detail. The Public Bill Committee is expected to report to the House by Tuesday 6 December 2016.

The purpose of the Bill is to:

Take forward the government's ambition to streamline technical education to ensure clear routes into skill employment. These reforms will put employers at the heart of the skills system, enabling them to drive the skills they need and value the most. Also commits to create 3 million new apprenticeships by 2020.

Concerns and progress so far:

Supporting individuals to a lifetime of sustained skilled employment will not only help to boost productivity and growth of economy but also deliver on Government's vision for an economy that works for all. Measures in the Bill build on progress the Government has already made by investing in high quality apprenticeships and they deliver against the commitments the Government made in the Post-16 Skills Plan. This provides the plan on how to boost the county's productivity by addressing skills shortages and ensuring high quality technical education.

Associated Emerging Policy:

The skills we need, and why we don't have them

Policy Exchange, 11/11/2016

Summary- New report by leading think tank Policy Exchange urges the government to put in place a high level quality target alongside its existing commitment to create 3 million new apprenticeship starts by 2020.

Brief Analysis-

Suggests the skills agenda – and specifically, the government's flagship programme of Apprenticeships can be key to achieving social mobility. The best vehicle for social mobility is a high quality education.

In particular, a high quality further education and skills system offers a route other than the academic one to those who might benefit from it, improving their own life chances.

The report also details the skills needed in the North West:

- Skill needs focused on 4 areas: low carbon, making Liverpool a 'super port'; tourism and leisure; and a 'knowledge quarter including growth of pharma, material sciences, advance manufacturing and healthcare.
- Large number of small and medium enterprises (82 in Liverpool alone).
- Significant gap in basic skills between the North West and nationally which also needs to be addressed.

Potential implications for the Wirral Plan as a result of emerging legislation and policy:

Technical and Further Education Bill

The Bill affects FE Colleges, Sixth Form College and post 16 Apprenticeships in the Wirral. The Bill will extend the remit of the new "Institute for Apprenticeships" to cover college-based technical education in addition to apprenticeships, and to rename it accordingly as the "Institute for Apprenticeships and Technical Education". The Institute will become operational in April 2017 and will then formally take on responsibility for technical education in April 2018.

The Bill will also establish an insolvency framework, with procedures for colleges broadly in line with companies under the Insolvency Act 1986. Most importantly, it will include a Special Administration Regime which will protect learners by avoiding or minimising disruption to the studies of the existing students of the FE body.

INCREASED INWARD INVESTMENT

To continue to grow our economy we have to identify local, national and international opportunities to bring more investment into Wirral.

Our Pledge Ambition:

We will increase the borough's gross value added at a faster rate than the regional average and commit to securing £250 million of Private sector investment.

Outcome Strategy:

We will have a clear focus on key growth sectors and aim to become a world class location for investment in those sectors, taking advantage of having one of the UK's strongest small business sectors and our unique geographical position at the Western gateway to UK and Europe.



Associated Legislation:

Local Growth and Jobs Bill

Reporting stage: This Bill has yet to have its First Reading in either House and no announcement has been made as to when this might occur.

The purpose of the Bill is to:

- Grow the economy by giving local councils an incentive to support business and develop their local economy.
- To allow local authorities to retain 100% of their business rates
- To give local councils the power to cut business rates for local firms
- To give combined authority mayors the power to add a supplement on business rates bills to fund new infrastructure projects.

Concerns and progress so far: A potential problem is widening regional inequality, where areas that are less well-off and have fewer thriving businesses end up receiving lower business rates than their wealthier counterparts. The Bill restricts the government's ability to redistribute resources to poorer local authorities.

Associated Legislation:

Economic Strategy Bill

Reporting stage: The First reading occurred 14th June 2016 in the House of Lords. The date for the second reading is yet to be announced.

The purpose of the Bill is to: make provision for the support of the United Kingdom's business sector; and the development of an industrial and retail strategy.

Concerns and progress so far:

If Royal Assent is achieved, the Bill would require the Secretary of State to consult with the Business sector to identify changes affecting businesses and the economy that pose a risk to the future prosperity of businesses and employees in the UK.

Within six months of the day on which this Act is passed, and once in each subsequent 12 month period, the Secretary of State must publish, and lay before both Houses of Parliament, a report on a strategy to support the industry and retail sectors in the UK.

Potential implications for the Wirral Plan as a result of emerging legislation and policy:

Local Growth and Jobs Bill

The LGA have welcomed the Local Growth and Jobs Bill, stating that they have been campaigning for councils keeping 100 percent of its business rates income for years. They say the Bill offers local communities and businesses huge potential in the face of disappearing government grants. The Bill has also been welcomed thanks to its provision for the reform of the business rates appeal process. Over the last 3 years councils have had to divert £1.75 billion away from stretched local services in order to cover the risk of such appeals from almost 900,000 businesses, something which the LGA says is further hindering councils from protecting key services.

Economic Strategy Bill

The Economic Strategy Bill [HL] has yet to publish its specificities, but following its second reading (date to be announced) Wirral-specific implications will be recorded.

THRIVING SMALL BUSINESSES

Our economy is also supported by entrepreneurs and small businesses

Our Pledge Ambition:

We will work with our partners and other community groups to deliver net additional 250 new businesses in Wirral over the coming five years. We will make it easier for our small businesses to grow and will work to improve local high streets and our town centre economy.

Outcome Strategy – Growth Plan:

1. Create a more dynamic and growth focused business population; 2. Raise the level of business starts; 3. Increase growth aspiration, skills and competence among business leaders; 4. Improve productivity and competitiveness; 5. Encourage diversification into emerging markets; 6. Increase the scale of export activity and the number of businesses that export their goods and services; 7. Promote supply chain development activity in key sectors.



Associated Legislation:

Finance Act 2016

Reporting stage: The Bill received Royal Assent on Thursday 15th September 2016.

The purpose of the Bill is to: The Finance act was intended to introduce measures to provide opportunity for families, back British business and tackle multinational tax avoidance.

Concerns and progress so far:

An amendment to the Finance Act 2016 made shortly before royal assent gave the treasury the option to require public country by country (CbC) reporting as part of a group's published tax strategy. It is unclear however whether HMRC could compel non-UK headquartered groups to publish their full CbC report if filed with a tax authority elsewhere. Many businesses may also be concerned at the prospect of publishing potentially commercially sensitive data.

Associated Legislation:

Better Markets Bill

Reporting stage: This Bill has yet to have its First Reading in either House and no announcement has been made as to when this might occur.

The purpose of the Bill is to:

- Open up markets, boost competition, give consumers more power and choice and make economic regulators work better.

Concerns and progress so far:

The CMA's (Competition and Markets Authority) recommendations for making the energy market more competitive have been criticised. They have abandoned plans for a wide-ranging cap on energy bills and their suggestion for giving energy providers access to more consumer data has led to concerns that people will be bombarded with junk mail as providers compete to give consumers more options.

Associated Emerging Policy:

GREAT.gov.uk Trade Hub

[GOV.UK, 14/11/2016](#)

Summary - The International Trade Secretary Dr Liam Fox has announced the release of the new 'GREAT.gov.uk' platform that will:

- Give UK businesses secure preferential deals through the Department for International Trade to help them start exporting
- Provide a brand new searchable export directory to match businesses according to the worldwide demand for different UK goods and services

The launch of the GREAT.gov.uk trade hub for businesses will help them access millions of pounds' worth of potential overseas business, give practical advice, and signpost support to help them win lucrative contracts. The site will act as a single digital destination for trade and investment, bringing together and connecting UK businesses, international buyers and international investors. Whether businesses are new, occasional or frequent exporters, they will be able to take advantage of the new suite of tools and exclusive deals on fees or commissions with some of world's leading online marketplaces. By registering, businesses will become part of a brand new searchable directory of UK exporters which government will use to match their products and services with worldwide demand.

Continued

Brief Analysis

Of the 2.5 million businesses registered in the UK, an estimated 360,000 who have an exportable product or service mistakenly believe there isn't a global demand for it.

The government's existing E-exporting programme has assisted over 3,000 companies to become exporters and has delivered export deals totalling £388 million since 2014.

The new digital trade hub is part of a push to help a further 100,000 more UK businesses export by 2020. Through e-exporting alone the government intends to deliver an additional 20,000 online exporters and £2 billion worth of value to the UK economy by 2020.

Businesses will be able to access the best advice and financial support through GREAT.gov.uk from government, from public and private sector business champions, and from GREAT partners, all specifically designed to help them to grow and succeed through exports.

Associated Emerging Policy:

Business Rates Appeal Reform

[GOV.UK, 06/07/2016](#)

Summary – The Department for Communities and Local Government announced in July 2016 changes to the business rates appeal system. The new online service will allow customers to provide information and track progress of their appeal. The new 'check, challenge, appeal' process is designed to prevent speculative appeals, and make sure genuine disputes are settled quickly.

Brief Analysis – The proposed changes to the business rates appeal process are due to come in to effect in April 2017. However, concerns have been raised as to whether the new proposals will in fact make the appeals process more difficult for businesses; particularly SMEs. For example, the new legislation states that appeals must not be 'outside the bounds of reasonable professional judgement'. Many experts expect this to mean valuation inaccuracies of less than 10%; while others suggest this may go as high as 20%. 'Reasonable professional judgement' may also mean that in order to appeal a valuation, a business would have to employ a surveyor; adding additional costs to the process which will likely hit small businesses the hardest.

Potential implications for the Wirral Plan as a result of emerging legislation and policy:

Finance Act 2016

- Small Business reliefs from Business Rates are to be doubled and expanded in scope for 2017/18.
- The implementation of 100% rates retention, with the concomitant loss of Revenue Support Grant, is to be piloted by the Liverpool City Region, starting in April 2017. Details are expected to be announced in the 2017/18 Local Government Settlement
- National Living Wage increases will have significant effects on Social Care costs for the Council.
- Apprenticeship levy of 0.5% of payroll costs takes effect from April 2017, adding to the Council's direct staff costs.

Potential implications for the Wirral Plan as a result of emerging legislation and policy:

GREAT.com Trade Hub

With regards to increasing international trade of Wirral's businesses, Wirral Chamber of Commerce provides direct, practical support to Wirral businesses to enable them to identify and to take advantage of export opportunities.

Better Markets Bill

The Better Markets Bill was announced during the Queen's speech in May 2016 and aims to boost competition and reduce unnecessary burdens on business. It is thought that the Better Markets Bill will have a specific implication on the energy sector, and specially the process of switching suppliers. If passed, the Bill will give consumers more power and choice when choosing energy supplier, and it is hoped that in the long term next-day switching will be brought into force by 2019. This would mean that business is less at the mercy of the suppliers' timelines, reducing their risk of sitting on expensive out of contract rates while waiting for a switch to go through. As the Better Markets Bill is yet to be brought to parliament (the government hope to do so at some point during 2017), details about the Bill and therefore its possible implications on local government are currently mere speculation. But, if the Bill reduces barriers to business growth, it may very well help local authorities raise income through increased business tax revenue which would provide councils with additional income and create jobs for residents in the process as new businesses are set up and existing ones grow.

Business Rates Appeal Reform

Business rates appeal reform has long been called for by council leaders, as they say that the cost implications of such appeals are so huge and coupled with deep cuts in central government funding, the current appeals system hinders local authorities from providing key services to residents. In the last 3 years alone councils have had to set aside £1.75 billion to protect themselves against such appeals- a notable case at present is Virgin Media's appeal against the increasing business rates they pay on their broadband network which they are currently appealing. Business rates appeal reform will therefore have a huge impact on local government, in that costs can be diverted away from appeals towards investing in key, stretched services.

VIBRANT TOURISM ECONOMY

We are proud of our home and we will work to promote and grow the borough's tourism offer, making Wirral a place even more people enjoy visiting.

Our Pledge Ambition:

We will review and make best use of our heritage, leisure and cultural assets to drive tourism, the associated creation of jobs and increase revenue for Wirral's visitor economy to £450 million by 2020.

Outcome Strategy:

The Tourism Strategy is currently being developed.



Associated Emerging Policy:

Discover England Fund

[Gov.uk, 16/08/16](https://www.gov.uk/government/news/discover-england-fund-announced)

Summary- The Department for Culture, Media and Sport announced on the 16th August 2016 a new £40 million fund to boost tourism in the UK, specifically outside of London. It aims to help visitors from abroad as well as Brits holidaying at home to explore the wealth of tourism opportunities across the country.

Brief Analysis- Funding from the Discover England Fund will go on projects that highlight some of the country's great cultural and sporting assets, from music festivals to championship golf courses and our world-class cuisine. Examples of such projects so far are: a self-guided activity app piloted in Cornwall and Cotswolds which will provide visitors with rich content about the area and an easy booking system for attractions and hotels, and Gold Tourism England Limited who have been awarded funding in order to capitalise on the untapped potential of England's golf tourism sector.

The fund is aligned to the government's new Tourism Action Plan announced on the 26th August 2016, which includes a series of new initiatives and measures to help Britain out-compete other major tourism destinations, welcoming more international visitors than ever before and see more "staycations" as Brits increasingly holiday at home. Such initiatives include: a new GREAT tourism rail offer, including five new easy to book rail itineraries to help tourists seamlessly travel around the UK and cutting red tape with sensible regulation by changing licensing rules to allow B&Bs to offer a welcome drink to guests, for example.

Information about how to apply for funding can be found [here](#).

Opportunity to shape national legislation and policy:

Natural England and Natural Resources Wales in partnership with the Joint Nature Conservation Committee are currently running an open consultation seeking feedback on proposals to extend the Liverpool Bay Special Protection Area, with the aim of protecting the internationally important populations of common tern, little tern and little gull. This area is particularly important for the terns as much of the sea around their breeding colonies is the ideal habitat for plunge diving for food, and is therefore of great interest to bird watchers. The proposal is also to add cormorant and red-breasted merganser to the waterbird assemblage as named species.

Consultation is open until 8th February 2017 at 5pm, and can be accessed [here](#). Site maps of the protection can be accessed [here](#).

TRANSPORT AND TECHNOLOGY INFRASTRUCTURE FIT FOR THE FUTURE

Ensure that Wirral has safe, affordable, well maintained and efficient transport networks for residents to access community services, enjoy our leisure facilities and commute to work.

Our Pledge Ambition:

We will use engineering to improve our road networks, to build new cycle routes, improve pedestrian facilities and take advantage of new technology to travel efficiently, safely and sustainably. People will feel confident to change their travel habits and try healthy, environmentally friendly ways of getting around. Residents, business and visitors will know how to get around and where to find information.

In a digital economy we will also complete the deployment of a high speed broadband network for more residents and businesses in Wirral with 98% having access by 2017

Outcome Strategy: Transport

1. Keep traffic moving safely and efficiently
2. Reliable and affordable public transport
3. Encourage healthy active travel
4. Inclusive integrated transport that supports our residents needs

Outcome Strategy: Digital

1. Every resident with the ability and the skills to get the most out of technology to improve their lives
2. Every business benefitting from market-leading technology infrastructure, helping them to open up new markets and compete globally.
3. Every public service is joined up, integrated and available online in a way which makes it simple and accessible to get support online.



Associated Legislation:

Bus Services Bill

Reporting stage: The third reading in the House of Lords is scheduled for 23rd November 2016.

The purpose of the Bill is to:

- Strengthen arrangements for partnership working in the sector
- Introduce 'enhanced partnerships'. Introduce new franchising powers with decision making at a local level
- Provide for a step change in the information available to bus passengers

Concerns and progress so far:

Clause 21 of the Bus Services Bill initially read as follows:

21 Bus companies: limitation of powers of authorities in England

- (1) A relevant authority may not, in exercise of any of its powers, form a company for the purpose of providing a local service.

However, members of the House of Lords voted to remove clause 21 from the Bill after receiving public criticism. The Clause essentially prevented Local Authorities from setting up and running their own bus companies, and with many currently publicly owned bus companies providing large amounts of revenue for local authority budgets the decision will be welcome news to many councils.

Associated Legislation:

Digital Economy Bill

Reporting stage: The Digital Economy Bill passed through the House of Commons committee stage on the 1st November 2016. The date for the Report Stage is yet to be announced.

The purpose of the Bill is to:

- A Bill to make provision about electronic communications infrastructure and services
- To provide for restricting access to online pornography
- To make provision about protection of intellectual property in connection with electronic communications
- To make provision about data-sharing
- To make provision about functions of OFCOM in relation to the BBC
- To provide for determination by the BBC of age-related TV licence fee concessions
- To make provision about the regulation of direct marketing
- To make other provision about OFCOM and its functions; and for connected purposes.

Digital Economy Bill

Concerns and progress so far:

The following amendments were agreed by the House of Commons Public Bill Committee:

- The Bill will now include a specific obligation for providers to fix faults with connections within appropriate timescales.
- The Bill will now allow an end-user to terminate a contract on repeatedly failing to meet a specific standard or obligation; this is currently optional.
- Courses of study for qualifications in IT are free of charge for persons in England aged 19 or over.
- A new clause has been inserted to compel the government to report annually on the progress, success and take up of the Universal Service Obligation (USO).
- Suppliers will be obligated to provide consistent upload speeds at a minimum of 2Mbps with the aim of doubling that figure over the next 10 years.

However, Labour's Shadow Minister for the Digital Economy, Louise Haigh, doesn't believe the Bill goes far enough in terms of the USO for broadband (the legal right to every household in the country for 10Mbps by 2020). She believes that by the time the scheme is rolled out the 10Mbps broadband speed will be outdated and leave the UK falling behind in terms of digital infrastructure.

Associated Legislation:

Modern Transport Bill

Reporting stage: Chris Grayling, the new transport secretary, has announced that the Modern Transport Bill will be published in early 2017 to help Britain become a world-leader in autonomous driving technology.

The purpose of the Bill is to:

- Cut red tape and put the right framework in place to allow innovation to flourish.
- Create the conditions that drive innovation and put the UK at the forefront of modern global transport developments as part of the country's long term economic plan.
- Maintain and extend the UK's role as a world-leading transport manufacturing base.
- Ensure new technology delivers better, safer journeys, while keeping Britain at the cutting edge of international transport technology.

Associated Legislation:

Railways Bill

Reporting stage: This Bill is expected to have its second reading debate in the House of Commons on Friday 20th January 2017.

The purpose of the Bill is to:

- A Bill to require the Secretary of State to assume control of passenger rail franchises when they come up for renewal; and for connected purposes.

Concerns and progress so far:

Ian Taylor, co-founder of the Transport for Quality of Life think tank, has observed that private sector inefficiencies have led to wastage worth £1 billion a year, enough to cut ticket prices by 20% if railways were nationalised.

However, this Bill is highly unlikely to achieve Royal Assent.

Associated Legislation:

High Speed Rail (London – West Midlands) Bill

Reporting stage: The Bill is currently 'House Pending' but according to a report by the Department for Transport and HS2 Ltd, Royal Assent should be achieved by December 2016. However, the Date for the Committee debate in the House of Lords is yet to be announced.

The purpose of the Bill is to:

- Provide the Government with the legal powers to construct and operate Phase One of High Speed 2 (HS2). On becoming an Act, it would give the Government deemed planning permission for the railway between London and the West Midlands.
- This will help deliver on the Government's manifesto commitment to build High Speed 2

Concerns and progress so far:

A new rail franchise combining the current InterCity West Coast main line with HS2 high-speed services has been announced by the government. The new franchise will be called West Coast Partnership and is scheduled to start on 1st April 2019. The operator will be responsible for services on both the West Coast Main Line from 2019 and running of the initial HS2 services in 2026. The contract will run for the first three to five years of HS2's operation.

It is hoped that HS2 will reduce overcrowding on the existing network and generate economic growth across the country. However, critics say the project is too expensive (estimated £55.7bn) and will damage the environment. Furthermore, Mike Cash, general secretary of the RMT, criticised a decision to award the franchise to a private operator after spending such a large amount of taxpayer's money on the project.

Associated Emerging Policy

Rail Passenger Compensation – ‘Delay Repay 15’

[GOV.UK, 13/10/2016](#)

Summary - Rail Passengers will soon be able to claim compensation if their train is more than 15 minutes late under an improved compensation scheme announced on Thursday 13th October 2016. ‘Delay Repay 15’ will be introduced within months on Govia Thameslink Railway services and then subsequently rolled out across the country. Passengers will be able to claim 25% of the cost of the single fare for delays between 15 and 29 minutes. The existing compensation thresholds will apply for delays from 30 minutes with passengers able to apply for compensation through the train operating company.

Brief Analysis – John Larkinson, Director of Railway markets and economics at the Office of Rail and Road found that 80% of passengers currently don’t claim compensation when their trains are delayed. Therefore, unless more can be done to raise awareness of the compensation scheme among passengers and simplify the compensation application process, the ‘Delay Repay 15’ scheme may have very little impact on the reliability of the rail networks.

Associated Emerging Policy:

National Infrastructure Commission

[GOV.UK, 12/10/2016](#)

Summary – The Chancellor Philip Hammond has announced the National Infrastructure Commission (NIC) is to become an executive agency which will help plan, prioritise and ensure efficient investment. It will be given its own budget, freedom and autonomy, which are set out in a [charter](#) detailing the government’s commitment to its independence.

Brief Analysis – However, there’s uncertainty about how autonomous the commission will actually be. Executive agencies are managerially separate, but independently accountable within their home department, in this case the Treasury. This means that although the commission will have some power to distribute its funding as it sees fit, the treasury can intervene and stop projects if it wishes.

Potential implications for the Wirral Plan as a result of emerging legislation and policy:

Bus Services Bill

The Bus Services Bill was discussed at Merseytravel's Committee on the 3rd November in which they noted 'the importance of the Bill to the Liverpool City Region Devolution Deal and welcomes the new devolved powers to significantly improve bus services for passengers, particularly the new powers of a simple route to introduce Bus Franchising.' The Bill will help strengthen the work already being undertaken to establish a Liverpool City Region Bus Alliance and will help to deliver Priority Two of Wirral's Transport Strategy.

Digital Economy Bill

The implications outlined in the previous Policy Inform papers produced in September still remain.

- In addition there are safeguarding implications as the Bill proposes strict new regulations in relation to online pornography. It will force pornographic websites to add age verification checks that won't let people watch videos until they sign up to a special verification programme. New rules will also ban videos from showing a range of 'unusual acts' from being shown on pornographic websites. The LGA has welcomed these measures as a positive step to protect children online.
- A group of experts has raised concerns to the government that the Digital Economy Bill fails to provide enough detail and scrutiny around its data-sharing commitments. They are concerned about data security and the possibility of government agencies and local government sharing data without subjects' knowledge.
- The LGA has asked for a new clause in the Bill to include a reporting function which would compel the Government to report annually on the progress, success and take up of the Universal Service Obligation. This is a safeguard that would compel broadband providers to provide fast and reliable speeds, particularly in rural areas.
- The Government's has committed to upskill people with basic digital skills. The LGA has asked that any new training requirements be matched by additional funding from central Government. It has asked that the courses also be locally routed and commissioned. This responsibility may fall to local authorities.
- The LGA has asked that, in order to prevent further digital exclusion, the Government put in place a social tariff, in a similar manner to the telephony USO, for those who would face undue hardship having to pay for broadband services.

Potential implications for the Wirral Plan as a result of emerging legislation and policy:

Modern Transport Bill

Wirral and the Liverpool City Region have a number of electric vehicle charging points. This Bill will help consumers by identifying the location of charge points and reducing the barriers to utilising different networks through transparent tariffs and Smart charging technology, impacts of the Bill and how it impacts the local network will have to be considered. The Bill will also promote the provision of hydrogen recharging infrastructure, which the Liverpool City Region might investigate the potential of, due to the proximity of hydrogen production in Halton.

Railways Bill

Locally the Bill would not have a significant impact on the Merseyrail network with Merseytravel letting the concession for the network, setting the conditions and terms of contract. Merseytravel's level of control over the local franchise helps to deliver Priority 2 of the Transport Strategy. The Bill could have a larger impact on cross boundary and inter regional travel, for example the Wrexham to Bidston Line which falls under the Wales and Borders passenger services franchise.

High Speed Rail Bill

HS2 will help to reduce journey times to London via Liverpool by approximately 20% on completion of phase 1 with classic compatible trains entering the high speed network near Lichfield. This will enable Wirral to become more competitive by reducing the barrier of accessibility to the region. The completion of Phase 2 of HS2 should also enable extra capacity for passengers and freight on the West Coast Main Line, which will benefit the City Region and in particular the port of Liverpool. The aspirations of the Liverpool City Region are to make a direct link to the HS2 network near to Manchester; this would require a brand new twin track line between Liverpool and Manchester with a new rail terminus in the Lime Street area to accommodate HS2 trains.

Opportunity to shape national legislation and policy:

HS2: Phase 2

The second phase of High Speed Rail, which the Government wants to be fully operational by 2033, will cover an area from the West Midlands to Leeds and Manchester. It is expected that a further Bill detailing the plans for this part of the wider-scale project will be deposited into parliament in 2017. Further to the announcement of the preferred route for phase 2 on the 15th November 2016, which will see HS2 trains serve Liverpool Lime Street, the government has now opened a consultation period asking for responses to questions about route refinement and property compensation and assistance schemes.

The consultation period for both areas will close 9th March 2017. More information can be accessed [here](#)

Opportunity to shape national legislation and policy:

The National Infrastructure Commission – A Call for Evidence

The National Infrastructure Commission has launched a 'call for evidence' to provide input in to the development of the National Infrastructure Assessment (NIA) which will run for 15 weeks.

The call for evidence poses a range of questions divided into; cross-cutting themes, transport, digital communications, energy, water and wastewater, (drainage and sewerage), flood risk management, and solid waste.

Respondents are asked to email submissions to NIAEvidence@nic.gsi.gov.uk no later than Friday 10th February 2017. More Information can be found [here](#).

ASSETS AND BUILDINGS ARE FIT FOR PURPOSE FOR WIRRAL'S BUSINESSES

Wirral businesses are looking for new and refurbished commercial space to grow and expand into. We must ensure the best use of our real estate assets by linking them to business and community aspirations

Our Pledge Ambition:

We need to make Wirral a business-friendly borough and one way to achieve that is to make our planning processes simpler to encourage growth over the next five years.

Outcome Strategy – Asset Strategy:

Asset's Strategy- Priorities: 1. Delivering more integrated and customer focused services 2. Creating economic growth 3. Generating capital receipts and revenue streams 4. Reducing running costs



Associated Legislation:

Assets of Community Value Bill

The Bill had its first reading on 29 June 2016 through the Ballot procedure. The second reading was expected on 25 November 2016 but was withdrawn.

The purpose of the Bill is to:

Bill to make provision about the disposal of land included in a local authority's list of community value; and for connected purposes.

Associated Emerging Policy:

Councils urged to back community asset transfers

Public Finance, 03/11/2016

Summary- Research undertaken by the New Local Government Network on behalf of the independent trust Power to Change found understanding and acknowledgement of the benefits of asset transfer among council officers.

Community asset transfers are when councils transfer assets to community organisations in exchange for demonstrable community benefit, with services such as libraries, parks and community centres are among those most frequently transferred.

Brief Analysis- The review found several benefits of the switch including lower costs of service provision; protecting services that would otherwise be lost; and involving communities in the design and delivery of services. The research found that assets are more likely to be taken into community ownership were community centres, public green spaces, sports facilities and libraries.

Despite this found only 60% of councils had a policy for community transfer, and just half actively pursue this.

Associated Emerging Policy:

Report calls for £1bn fund to transfer public assets to communities

Local Gov, 08/11/2016

Summary- The Government should invest £1bn to help transfer public buildings and lands into the hands of community groups. The report, published by Locality, warns that unless urgent action is taken to protect England's assets, they could be lost for good. Calls for a new community asset investment programme to help community groups and organisations take over the management and ownership of public buildings and land.

Brief Analysis- The report found that the most deprived areas are particularly at risk of losing their community spaces, making inequalities more entrenched. It also provides recommendations for local government to abide by. For example, local government should ensure that councils have a consistent, transparent and flexible community ownership policy which is well communicated internally and externally and is supported by council leadership. It also recommends local government co-invest in assets in conjunction with communities through providing low-cost or zero interest loan finance for assets projects, including community-led housing.

Potential implications for the Wirral Plan as a result of emerging legislation and policy:

Assets of Community Value Bill

The Bill has been withdrawn and won't progress any further, and therefore poses no potential implications for the Wirral Plan.

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