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Weekly Monitoring

Friday 28th July

EVENTS INDUSTRY ALLIANCE

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Political Update

Although Parliament is currently in recess, it has still been a tumultuous week in politics. Dame Alison Rose, the Chief Executive of NatWest – of which Government has been the biggest shareholder since bailing it out in 2008 – has abruptly stepped down. Her resignation came as a result of the scandal surrounding the shutdown of former UKIP Leader Nigel Farage's bank account due to his political views. Dame Alison has also stepped down from three Government advisory roles – including the Prime Minister's Business Council.

In addition, the UK is on track to incur the highest debt interest costs in the developed world this year. The Treasury will spend £110bn on debt interest in 2023, according to a forecast by Fitch. At 10.4 per cent of total government revenue, that would be the highest level of any high-income country — the first time the UK has topped the data set that goes back to 1995.

Finally, this weekly monitor will be going on a recess of its own over the month of August, with any major events being flagged on an ad hoc basis throughout. If you have any queries during this period, please do get in contact.

Cavendish Consulting have also published a report of the fifteen Labour Parliamentary candidates to watch in the next Parliament, and probable Labour Government. Click here to download the report.

News

UK signs treaty to join vast Indo-Pacific trade group

Business and Trade Secretary, Kemi Badenoch has formally signed the treaty to accede to the CPTPP trade group during her visit to New Zealand. The Indo-Pacific Trade bloc is now worth £12 trillion in GDP and spans 12 economies.

The signing comes as a new UK government report reveals one in every 100 UK workers was employed by a business headquartered in a CPTPP member nation in 2019, equating to over 400,000 jobs across the country. Membership of the trade group is expected to spark further investment in the UK by CPTPP countries, already worth £182 billion in 2021, by guaranteeing protections for investors.

UK and Turkey to negotiate new trade deal

The UK and Turkey have announced plans to begin talks on an updated free trade agreement (FTA) that would replace the existing UK-Turkey deal which only covers goods. The deal would be designed to boost a trade relationship already worth £23.5 billion.

UK to host 26th annual Taiwan talks to continue to strengthen trade relationship

The UK is set to host the 26th annual UK-Taiwan Trade talks and strengthen the long-standing trade and investment relationship. In 2022, bilateral trade with Taiwan was worth £8.6 billion. Minister for International Trade Nigel Huddleston will co-host the 26th annual Trade Talks later this year with Deputy Minister Chern-Chyi Chen.

Foreign Secretary travels to Middle East to build mutually beneficial ties

Foreign Secretary James Cleverly visited Qatar, Kuwait and Jordan to emphasise the UK's growing, mutually beneficial partnerships with the region. This visit comes after the announcement that citizens from Gulf countries and Jordan will benefit from the UK's new Electronic Travel Authorisation visa scheme, which will make travel to the UK cheaper and easier for visitors. UK trade with Qatar and Kuwait was worth £18.1 billion last year alone.

UK and India conclude round eleven of FTA negotiations

The UK and India have concluded the eleventh round of talks for a UK-India Free Trade Agreement (FTA). As with previous rounds, this was conducted in a hybrid fashion - a number of Indian officials travelled to London for negotiations and others attended virtually. The twelfth round of negotiations is due to take place in the coming months.

Electronic Trade Documents Act receives Royal Assent

This new law allows shipping containers to be traded using digital documents, rather than paper ones. This change is predicted to add £1 billion to the British economy over a decade.

On this, Minister for Tech and Digital Economy, Paul Scully stated:

"The global container shipping industry generates billions of paper documents a year – and in reality there's no need for the immense costs UK businesses have to face in producing them, and the detrimental environmental impact that this has."

"What may look to many of us as a small change to the law is something that will have a massive impact on the way UK firms trade, and in turn, is going to boost our economy by over £1 billion over the next decade."

Parliament

House of Commons

Home Affairs Committee scrutinises 'Martyn's Law' in fourth pre-legislative session

The Home Affairs Committee released their fourth report providing recommendations on, and scrutiny of, Martyn's Law. It was first introduced following the Manchester Arena bombing in 2017, and the Home Affairs Committee's inquiry into the attack recommending legislation to similar effect. The Bill intends to set standards for how venues assess and mitigate the risks of terror attacks, with differing levels of onus dependent on venue size.

The Committee proposed multiple concrete recommendations for the Draft Bill, that they hope to see introduced. They are as follows:

- **To implement the Bill in stages, starting with large venues, then assessing the impact and utilising this information to understand "*whether the threat to small businesses and venues is sufficient to require them to undertake anti-terrorism measures*".**
- That the Government should ensure improved security training, whilst ensuring the new duties established by the Bill fall on the right people.

- For the Government to publish comprehensive proposals for the regulator in the next two months, before the Bill returns to Parliament, to provide clarity on its role in how the regulatory framework operates.
- **That the Bill should require eligible venues to provide mandatory life-saving training to staff, with medical kits required to be on site.**
- That the Bill be extended to include other events and venues currently not under its purview, such as Christmas and farmer's markets.

On the findings of the Committee, its Chair, Dame Diana Johnson MP stated:

"The overall intent of the bill is right. We must do all we can to ensure venues are equipped to react to terror threats. But the Government must ensure that the steps they need to take are based on an accurate assessment of risk and not arbitrary capacity figures."

"We are also concerned that this bill as currently drafted would fail to make a significant impact in preventing or mitigating the effects of terrorism. For example, in its current form a local village hall would be required to carry out safety precautions while a city centre open-air farmers market or Christmas market would not. This makes little sense and takes no account of the actual terrorist threat they face. Also the costs in money and time required under the Bill could place the very future of some smaller businesses and voluntary organisations at risk. With many venues already struggling with the cost of living, including energy bills, they are ill-equipped to absorb more financial pressure."

Oral question to the Department for Culture, Media & Sport

During oral questions to DCMS, Conservative MP for South Basildon and East Thurrock, Stephen Metcalfe MP, asked the Secretary of State, "what steps she is taking to support skills and training in the creative industries?"

The Secretary of State for Culture, Media and Sport, Lucy Frazer MP responded:

"The creative industries sector vision sets out how we will support individuals to get the skills they need to work in the industry. From schools to T-levels, and from apprenticeships to returners, our ambition is to support 1 million more jobs in the creative industries by 2030. Yesterday I co-chaired a roundtable with the Education Secretary to improve flexi-job apprenticeships in the sector. Last week the cultural education plan's expert advisory panel met for the first time, and procurement for creative skills bootcamps are now live."

Written questions to the Treasury

Conservative MP for Loughborough, Jane Hunt, asked the Chancellor of the Exchequer, “what recent assessment he has made of the (a) feasibility and (b) potential merits of extending the retail, hospitality and leisure business rates relief scheme beyond 31 March 2024 for businesses in business improvement districts."

Financial Secretary to the Treasury, Victoria Atkins MP responded:

"The 2023-2024 Retail, Hospitality and Leisure (RHL) Business Rates Relief scheme provides eligible, occupied, retail, hospitality and leisure properties with a 75 per cent relief, up to a cash cap limit of £110,000 per business. This was an expansion from the 50 per cent rate in 2022-2023. Currently, around 230,000 properties are eligible for this relief, representing a tax cut worth over £2 billion.

"Businesses may also benefit from other business rates measures, including the multiplier freeze, and the Supporting Small Business scheme, which caps bill increases at £600 per year for businesses losing some or all of their eligibility for Small Business or Rural Rate Relief due to the recent revaluation."

"Any future announcements regarding business rates relief will be made at a fiscal event."

House of Lords

Debate on the impact of Impact of Visa and Immigration Policies on Creative Industries

Baroness Bonham-Carter of Yarnbury (Liberal Democrat) started a debate in the Lords on the impact of recent immigration policies on the creative sector. Baroness Bonham-Carter asked His Majesty's Government: "what assessment they have made of the impact that the United Kingdom’s visa and immigration policies have on the UK creative and cultural industries?"

Minister for Migration and Borders, Lord Murray of Blidworth responded:

"*My Lords, the United Kingdom is, and will continue to be, an attractive destination for top international talent in these fields. Our visa and immigration system has been designed to support, and is supporting, all areas of the United Kingdom’s thriving and expanding creative and cultural industries. It is a very generous, adaptive and flexible proposition from the department.*"

Baroness Bonham-Carter of Yarnbury asked:

"The recently published Creative Industries Sector Vision says: "the Home Office, DCMS and industry will work together to maximise the effectiveness of existing immigration routes for the creative industries workforce".

"How is the Minister's department planning to do this while at the same time limiting such an essential route?"

Minister for Migration and Borders, Lord Murray of Blidworth responded:

"*Our domestic law allows musicians, entertainers, artists and their technical staff from non-visa national countries, such as EU member states, the US, Canada, Australia and New Zealand, to perform in the UK without requiring a visa. A non-visa national can stay one month without a visa if they are invited to the UK by a UK-based client or organisation and paid by a UK source, under the permitted paid engagement visitor rules. A non-visa national can stay three months without a visa if they have been assigned a certificate of sponsorship by a licensed sponsor, which is usually a UK company. A non-visa national can stay six months without a visa if performing at a permit-free festival; they are listed in the Immigration Rules and run from Glastonbury to Glyndebourne. All nationalities can apply for a 12-month stay, on a temporary work creative worker route visa, if they obtain a visa and have a certificate of sponsorship.*"

Ireland-Northern Ireland Sub-Committee find Windsor Framework an improvement on the Protocol, but problems remain

The House of Lords Sub-Committee on the Protocol on Ireland/Northern Ireland published a major report on the Windsor Framework, examining the economic, political, legal and constitutional implications of the Windsor Framework on Northern Ireland. Based on the large volume of evidence it received during its inquiry, the Sub-Committee concluded that the Windsor Framework is an improvement on the Protocol on Ireland/Northern Ireland as originally negotiated, but it is evident that the Windsor Framework does not resolve all the problems with the Protocol.

For any queries regarding this round-up please get in touch today.

Get in touch

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