



North East England  
Chamber of Commerce

# **The New Government and the Chamber's Policy Priorities**

July 2016





## **Changes to Government departments and Ministerial responsibilities**

Following the resignation of David Cameron and a leadership election within the Conservative Party, Theresa May was appointed Prime Minister on 13 July 2016. She initiated a comprehensive reshuffle of Government ministers, including the creation of new Government departments and merging the responsibilities of existing departments. The major changes are listed below.

### **Department for Business, Energy and Industrial Strategy**

The Department for Business, Innovation and Skills was merged with the Department of Energy and Climate Change to create the Department for Business, Energy and Industrial Strategy (DBEIS). This department will be responsible for:

- Business and Enterprise
- Competitiveness
- Science and innovation
- Developing and delivering a comprehensive industrial strategy
- Labour markets – the minimum wage, trade unions, and employment law
- Energy supply and energy bills
- Climate change and carbon reduction
- UK energy legacy – managing the legacies of our nuclear and coal industries, and other energy liabilities

The Ministers responsible for DBEIS are:

- Secretary of State for Business, Energy and Industrial Strategy - Rt Hon Greg Clark MP
- Minister of State for Climate Change and Industry - Nick Hurd MP
- Minister of State for Universities, Science, Research and Innovation - Jo Johnson MP (jointly with the Department for Education)
- Minister of State for Energy and Intellectual Property - Baroness Neville-Rolfe
- Minister for Small Business, Consumers, and Corporate Responsibility - Margot James MP
- Minister for Industry and Energy - Jesse Norman MP

The Chamber's priorities for DBEIS will be:

- Develop a clear and effective business support system, with the flexibility to respond to regional priorities
- Produce a long-term, diverse energy strategy that meets the needs of businesses and consumers

### **Department for Education**

Higher and further education, apprenticeships, and adult skills policy has been moved from the former Department for Business, Innovation and Skills to the Department for Education. This department is now responsible for:

- Schools policy
- Delivery of 3 million new apprenticeship starts in England by 2020, and the introduction of the Apprenticeship Levy
- Comprehensive reform to technical and vocational education and the Post-16 Skills Plan



- Area-based reviews of further education
- Expansion of the traineeships programme
- Introducing the Teaching Excellence Framework to measure teaching in higher education
- Tuition fees and student loans policy
- Adult skills and the devolution of the Adult Education Budget to city areas with a devolution deal
- All careers advice and employers' involvement in the skills and education system

The Ministers responsible for the Department for Education are:

- Secretary of State for Education, and Minister for Women and Equalities – Rt Hon Justine Greening MP
- Minister of State – Jo Johnson MP (jointly with the Department for Business, Energy and Industrial Strategy)
- Minister of State – Nick Gibb MP
- Minister of State – Edward Timpson MP
- Minister of State – Rt Hon Robert Halfon MP
- Parliamentary Under Secretary of State – Lord Nash
- Parliamentary Under Secretary of State – Caroline Dinenage MP

The Chamber's priorities for the Department for Education will be:

- Release further details of the operating model and funding rules for the Apprenticeship Levy, and ensure that the new system will enable an increase in quality training
- Publish a national careers strategy that incentivises schools to bring their careers provision up to standard, and encourages greater collaboration between business and education
- Provide certainty over future funding arrangements for our schools, colleges and universities

## **Department for Exiting the European Union**

The Department for Exiting the European Union was created to oversee the UK's exit negotiations and determine the new relationship between the UK and the EU. The department will assume the previous responsibilities of the Cabinet Office in respect of the co-ordination of collective European business and direct support to the Prime Minister on European affairs. The department will be responsible for:

- Policy work to support the UK's negotiations to leave the European Union
- Working with the UK's Devolved Administrations, Parliament, other government departments and a wide range of other interested parties on what the approach to those negotiations should be
- Conducting the negotiations in support of the Prime Minister
- Leading and co-ordinating cross-government work to ensure a smooth process of exit on the best possible terms

The Ministers responsible for the Department for Exiting the European Union are:

- Secretary of State for Exiting the European Union – Rt Hon David Davis MP
- Minister of State – Rt Hon David Jones MP
- Parliamentary Under Secretary of State – Lord Bridges of Headley MBE
- Parliamentary Under Secretary of State – Robin Walker MP

The Chamber's priorities for the Department for Exiting the European Union will be:

- Provide stability for employers by guaranteeing the rights of European workers in the North East
- Oppose restrictive migration rules that inhibit the growth of our businesses and exacerbate skills shortages



- Negotiate a trade deal with the EU that allows our businesses to maintain a positive balance of trade

## **Department for International Trade**

A new Department for International Trade (DIT) has been created, with responsibility for promoting British trade around the world. It will take on responsibility for UK Trade and Investment, UK Export Finance and the trade functions of the former Department for Business, Innovation and Skills. It will be a specialist department, with significant trade negotiating capacity.

The Department will be responsible for:

- Developing and delivering a new UK trade policy
- Negotiating trade agreements and market access deals with non-EU countries
- Negotiating plurilateral trade agreements (e.g. those within the WTO which do not have full multilateral agreement, such as on civil aircraft and government procurement)
- Supporting the UK's WTO membership and representation
- Providing operational support including export credit facilities, import/export licensing and facilitating inward and outward investment

The Ministers responsible for the Department for International Trade are:

- Secretary of State for International Trade and President of the Board of Trade – Rt Hon Liam Fox MP
- Minister of State – Rt Hon Greg Hands MP
- Minister of State for Trade and Investment – Lord Price CVO
- Parliamentary Under Secretary of State – Mark Garnier MP

The Chamber's priorities for the Department for International Trade will be:

- Ensure that export support meets the needs of all businesses in the North East
- Negotiate trade deals with non-EU countries that create new markets for our manufacturers
- Promote the North East as a destination for inward investment

## **Department for Communities and Local Government**

The Department for Communities and Local Government (DCLG) has retained its brief, with devolution and housing as key elements. With the appointment of former Business Secretary Sajid Javid as Secretary of State, DCLG is expected to take on a more business-focused role, particularly in its dealings with local authorities on the delivery of public services. DCLG works with a number of agencies, including the Planning Inspectorate, Local Government Ombudsman and the Housing and Communities Agency. James Wharton MP (Stockton South) has been replaced as Minister with responsibility for the Northern Powerhouse by Andrew Percy MP (Brigg & Goole).

The Department will be responsible for:

- Driving up the UK housing supply
- Increasing home ownership
- Devolving powers and budgets to boost local growth in England
- Supporting strong communities with excellent public services



The Ministers responsible for the Department for Communities and Local Government are:

- Secretary of State for Communities and Local Government – Rt Hon Sajid Javid MP
- Minister of State for Housing and Planning, Minister for London – Gavin Barwell MP
- Parliamentary Under Secretary of State (Minister for Local Government) – Marcus Jones MP
- Parliamentary Under Secretary of State (Minister for the Northern Powerhouse) – Andrew Percy MP
- Parliamentary Under Secretary of State for Communities – Lord Bourne of Aberystwyth

The Chamber's priorities for the Department for Communities and Local Government will be:

- Ensure that the devolution deals agreed for the North East are effectively delivered
- Commit to maintaining European funding for projects already agreed, and providing replacement funding for future projects
- Promote the North East's role in the Northern Powerhouse

The Chamber has also called on the new Secretary of State for Transport, Rt Hon Chris Grayling MP, to prioritise a final decision on the expansion of Heathrow Airport.

### **Further information:**

Machinery of Government changes: Written Statement - HCWS94

<http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2016-07-18/HCWS94>

Full list of new ministerial and government appointments: July 2016

<https://www.gov.uk/government/news/full-list-of-new-ministerial-and-government-appointments>

Institute for Government: What does the reshuffle mean for existing policy priorities?

<http://www.instituteforgovernment.org.uk/blog/14290/what-does-the-reshuffle-mean-for-existing-policy-priorities/>