

New Government: implications for EEHT

Purpose of report

For information.

Summary

Following the election, the Conservatives have formed the government. The manifesto contains a range of commitments in the areas of Environment, Economy, Housing and Transport. These are detailed in the following report.

Recommendations

Members of the Environment, Economy, Housing and Transport Board to note the update provided in the report.

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The New Government

1. Following the election, the Conservatives have formed the government. The Ministerial team at Cabinet level remains largely unchanged. Secretaries of State for the Board's key departments are set out in Table 1. The Chairman of the LGA is seeking urgent meetings with Ministers and has written to each Secretaries of State.

Table 1

	Cabinet (Secretaries of State)
Defra	Theresa Villiers
MHCLG	Robert Jenrick
BEIS	Andrea Leadsom
Transport	Grant Shapps

2. The Government's immediate priorities are to set out its legislative programme in the Queen's Speech and introduce the EU Withdrawal Bill. In addition, the LGA has been calling for a swift announcement of the local government settlement. The timetable for this week is set out in Table 2.

Table 2

Parliament opens	Tuesday 17 December
Queen's Speech	Thursday 19 December
Withdrawal Bill introduced (potentially second reading)	Friday 20 December

The Government's manifesto commitments

3. Amongst the priorities to be set out in Queen Speech we anticipate that the Government will reintroduce the Environment Bill. The manifesto contains a range of commitments in the areas of Environment, Economy, Housing and Transport. These are set out in Table 3. Many of the commitment's follow on from existing Government policy. Others relate to new capital investment from 2020-21 with more detail to follow in the next Budget which is expected in March 2020. Some commitments for example, the ban on the export of plastics to non-OECD countries are new and will have an impact on councils. The manifesto makes commitments on climate change/decarbonisation and these can be picked up in the Board's discussion of this issue under a separate agenda item.

Table 3 The Government’s manifesto commitments across environment, economy, housing and transport

Economy	Local Growth
	Invest £100 billion in additional infrastructure spending – on roads, rail and other responsible, productive investment [...] flood defences will receive £4 billion in new funding. (p.27)
	[The] first Budget will prioritise the environment: investing in [research and development (R&D)]; decarbonisation schemes; new flood defences; electric vehicle infrastructure including a national plug-in network and gigafactory; and clean energy. (p.55)
	[The] new Towns Fund will go to an initial 100 towns to improve their local economy. (p.26)
	Through bodies like the Northern Powerhouse, Western Gateway and Midlands Engine drive greater levels of foreign investment into the UK, promoting our towns, cities and counties around the world. As part of plans for full devolution [...] invite proposals from local areas for similar growth bodies across the rest of England, such as the Oxford-Cambridge Arc. (p.29)
	Cement our Opportunity Areas programme to raise standards and support regeneration. (p.43) Amend planning rules so that the infrastructure – roads, schools, GP surgeries – comes before people move into new homes. [A] new £10 billion Single Housing Infrastructure Fund. (p.31)
	Create up to ten freeports around the UK, benefiting some of our most deprived communities. (p.57)
	Committing to the fastest ever increase in domestic public R&D spending, including in basic science research to meet our target of 2.4 per cent of GDP being spent on R&D across the economy. (p.40)
Transport	Buses
	Give city regions the funding to upgrade their bus, tram and train services to make them as good as London’s, with more frequent, better-integrated services, more electrification, modern buses and trains and smart ticketing. (p.27)
	End the complicated franchising model and create a simpler, more effective rail system, including giving metro mayors control over services in their areas. (p.27)
	Invest in superbuss networks with lower fares – flat fares in urban areas – and increased frequency. Keep bus fares low, bring back and protect rural routes, and speed up journeys. Invest in electric buses, developing the UK’s first all electric bus town. (p.28)
	Keep [...] the older person’s bus pass and other pensioner benefits.

	(p.16)
	Roads
	Make a £28.8 billion investment in strategic and local roads. Invest £1 billion in completing a fast-charging network to ensure that everyone is within 30 miles of a rapid electric vehicle charging station. (p.27)
	Launch the biggest ever pothole-filling programme as part of our National Infrastructure Strategy. (p.28) (£2bn between 2021 and 23/24)
	Require that a minimum service operates during transport strikes. (p.27)
	Rail
	Build Northern Powerhouse Rail between Leeds and Manchester and then focus on Liverpool, Tees Valley, Hull, Sheffield and Newcastle. (p.27)
	Invest in the Midlands Rail Hub, strengthening rail links including those between Birmingham, Leicester, Nottingham, Coventry, Derby, Hereford and Worcester. (p.27)
	Invest in improving train lines to the South West and East Anglia. (p.27)
	Extend contactless pay-as-you-go ticketing to almost 200 more stations in the South East, meaning that 50 per cent of all rail journeys and almost all London commuter journeys can be completed using a contactless bank card. (p.27)
	Consider the findings of the Oakervee review into HS2's costs and timings and work with leaders of the Midlands and the North to decide the optimal outcome. (p.27)
	Restore many of the Beeching lines, reconnecting smaller towns such as Fleetwood and Willenhall that have suffered permanent disadvantage since they were removed from the rail network in the 1960s. (p.27) (£500mil in 20/21)
	The Heathrow Third Runway Scheme will receive no new public money. (p.28)
	Greening transport
	Create a new £350 million Cycling Infrastructure Fund with mandatory design standards for new routes. Extend Bikeability – cycling proficiency training – to every child. (p.28)
	Consult on the earliest date we can phase out the sale of new conventional petrol and diesel cars. (p.27)
	Build on Britain's pioneering work in electric and low-carbon flight. (p.28)
	Use new air traffic control technology to cut the time aircraft spend waiting to land, reducing delays, noise nuisance and pollution. (p.28)
	Build Britain's pioneering work in electric and low-carbon flight. (p.28)
Housing planning and	Home ownership
	Encourage a new market in long-term fixed rate mortgages which slash

homelessness	the cost of deposits, opening up a secure path to home ownership for first-time buyers in all parts of the United Kingdom. (p.29)
	Review new ways to support home ownership following Help to Buy's completion. (p.29)
	Reform shared ownership, making it fairer and more transparent. Simplify shared ownership products by setting a single standard for all housing associations, thereby ending the confusion and disparity between different schemes. (p.29)
	Continue with reforms to leasehold including implementing a ban on the sale of new leasehold homes, restricting ground rents to a peppercorn, and providing necessary mechanisms of redress for tenants. (p.29)
	Helping people who want to build their own homes find plots of land and access the Help to Buy scheme. (p.31)
	Support communities living on council estates who want to take ownership of the land and buildings they live in. (p.31)
	Housing Supply
	Build 300,000 homes a year by the mid-2020s. This will see [...] at least a million more homes, of all tenures, over the next Parliament – in the areas that really need them. (p.31)
	Bring forward a Social Housing White Paper which will set out further measures to empower tenants and support the continued supply of social homes. This will include measures to provide greater redress, better regulation and improve the quality of social housing (p.30)
	Commit to renewing the Affordable Homes Programme, in order to support the delivery of hundreds of thousands of affordable homes. (p.30)
	Continue to prioritise brownfield development, particularly for the regeneration of our cities and towns.(p.31)
	Planning
	Enabling councils to use developers' contributions via the planning process to discount homes in perpetuity by a third for local people who cannot otherwise afford to buy in their area. Councils could use this to prioritise key workers in their area, like police, nurses and teachers. (p.29)
	Protect and enhance the Green Belt. Improve poor quality land, increase biodiversity and make our beautiful countryside more accessible for local community use. (p.31)
Make the planning system simpler for the public and small builders, and support modern methods of construction. (p.31)	
Amend planning rules so that the infrastructure – roads, schools, GP surgeries – comes before people move into new homes. A new £10 billion Single Housing Infrastructure Fund will help deliver it faster. (p.31)	

Expect all new streets to be lined with trees. (p.31)
Right to Buy
Maintain our commitment to a Right to Buy for all council tenants. (p.29)
Maintain the voluntary Right to Buy scheme agreed with housing associations. Following the successful voluntary pilot scheme in the Midlands, evaluate new pilot areas in order to spread the dream of home ownership to even more people. (p.29)
Private rented sector
Bring in a Better Deal for Renters, including abolishing ‘no fault’ evictions and only requiring one ‘lifetime’ deposit which moves with the tenant. (p.29)
Housing Standards
Ask every community to decide on its own design standards for new development, allowing residents a greater say on the style and design of development in their area, with local councils encouraged to build more beautiful architecture. (p.31)
Publish a National Strategy for Disabled People before the end of 2020. This will look at ways to improve the benefits system, opportunities and access for disabled people in terms of housing, education, transport and jobs. (p.17)
Encourage innovative design and technology to make housing more affordable, accessible, and suitable for disabled people and an ageing population. (p.31)
Continue to work with industry, housing associations and individuals to ensure every home is safe and secure. Support high rise residential residents with the removal of unsafe cladding, and continue with our rigorous process of materials testing. (p.31)
Home energy efficiency
Help lower energy bills by investing £9.2 billion in the energy efficiency of homes, schools and hospitals. (p.55)
Support the creation of new kinds of homes that have low energy bills and which support our environmental targets. (p.31)
Keep existing energy cap and introduce new measures to lower bills. (p.15)
Give the Competition and Markets Authority enhanced powers to tackle consumer rip-offs and bad business practices. (p.15)
Extend the water rebate for those in the South West. (p.16)
Keep [...] the winter fuel payment. (p.16)
Homelessness
End the blight of rough sleeping by the end of the next Parliament by expanding successful pilots and programmes such as the Rough Sleeping Initiative and Housing First, and working to bring together local

	services to meet the health and housing needs of people sleeping on the streets [...] pay for this by bringing in a stamp duty surcharge on non-UK resident buyers. (p.30)
Environment	Climate change
	Reaching Net Zero by 2050 with investment in clean energy solutions and green infrastructure to reduce carbon emissions and pollution. (p.2)
	A £640 million new Nature for Climate fund. Building on support for creating a Great Northumberland Forest, reach an additional 75,000 acres of trees a year by the end of the next Parliament, as well as restoring our peatland. (p.43)
	Set up a new independent Office for Environmental Protection and introduce our own legal targets, including for air quality. (p.43)
	Create new National Parks and Areas of Outstanding Natural Beauty. (p.43)
	Set up new international partnerships to tackle deforestation and protect vital landscapes and wildlife corridors. (p.55)
	Use our £1 billion Ayrton Fund to develop affordable and accessible clean energy that will improve lives and help us to lead the world in tackling climate change. (p.40)
	Flooding
	Flood defences will receive £4 billion in new funding. (p.27)
	Fracking
	Placed a moratorium on fracking in England... [and] will not support [it] unless the science shows categorically that it can be done safely (p.55)
	Ruled out changes to the planning system. (p.55)
	Air quality
	Use new air traffic control technology to cut the time aircraft spend waiting to land, reducing delays, noise nuisance and pollution. (p.28)
	Support clean transport to ensure clean air, as well as setting strict new laws on air quality. (p.55)
	Waste and Recycling
	Continue to lead the world in tackling plastics pollution, both in the UK and internationally, and will introduce a new levy to increase the proportion of recyclable plastics in packaging. (p.43)
Introduce extended producer responsibility, so that producers pay the full costs of dealing with the waste they produce, and boost domestic recycling. (p.43)	
Ban the export of plastic waste to non-OECD countries, consulting with industry, NGOs and local councils on the date by which this should be achieved. (p.43)	

	Crack down on the waste and carelessness that destroys our natural environment and kills marine life. (p.43)
	Increase penalties for fly-tipping, make those on community sentences clean up their parks and streets, and introduce a deposit return scheme to incentivise people to recycle plastic and glass. (p.43)
	Establish a new £500 million Blue Planet Fund to help protect [...] oceans from plastic pollution, warming sea temperatures and overfishing, and extend the Blue Belt programme to preserve the maritime environment. (p.55)

Capital expenditure

4. In the autumn the Chancellor Sajid Javid announced that he would be seeking to change the Government's fiscal rules. As part of this announcement he said that the Government public sector net investment will not average more than 3 per cent of GDP. This was enshrined in the Conservative manifesto. The following text from the Conservative manifesto costing document sets out what this means over the course of the coming parliament:
5. The new fiscal rules announced by the Chancellor of the Exchequer on 7 November permit "public sector net investment" to go up to three per cent of GDP, averaged over the standard five-year forecast horizon, provided that interest rates do not rise significantly.
6. Accordingly, these new rules make possible approximately £80 billion in additional capital spending over the next four years, 2020-24 (and £100 billion over five), not all of which has yet been allocated to specific projects. The capital spending set out below totals approximately £22 billion and will be accommodated within that envelope.
7. This money would be available for capital projects mostly likely infrastructure investment. The Government will have to put forward a new National Infrastructure Strategy with the Budget as part of their requirement to respond to the National Infrastructure Commission's assessment of the country's infrastructure needs.
8. This money may be available for new infrastructure projects in the North and Midlands focussing on securing better connectivity for those regions. The LGA will be making representations that any additional spending would be best spent through councils as the organisations best placed to understand the needs of local transport networks.