



Political Intelligence: October 2021

The Budget, Arts and Retail:

Business Rates

A number of announcements from the Budget announced in the final week of October will have an effect on the arts and retail sectors. Notably, the cut to business rates discount of 50% (up to a maximum of £110,000) for a year for retail hospitality and leisure will be a welcome relief to small retailers across England, alongside a promise of more frequent revaluations to every 3 years from the current 5. As this is a devolved issue, decisions about business rates in Wales, for example, will be announced in their own budget in December.

Arts Spending

Tax relief has been extended for two years to theatres, orchestras, museums and galleries, as well as a £2 million investment into a Beatles attraction in Liverpool.

Supply Chain Delays

The chancellor introduced a number of measures to address HGV driver shortages currently causing supply chain delays including temporary visas, requirement changes for cabotage, suspension of the HGV levy to 2023, and freezing of excise for HGVs.

Fashion in Politics:

Support for the Fashion Industry

The Earl of Clancarty raised the topic of support for the fashion industry in the Lords, in the second week of October, particularly surrounding supporting the work of the industry in EU states, highlighting the issues Brexit has caused with regard to garment workers and the shortage occupation list as well as increase in red tape via visas, carnets and cabotage for fashion freelancers and small companies. This question was followed by a number of peers including Baroness Bull, Lord Flight and Baroness Donaghy highlighting the potential to adjust the Brexit agreement, irregular work patterns of fashion freelancers, and visa waivers. Lord Vaizey of Didcot and Lord

Wheatcroft touched upon the difficulties and losses removal of the VAT Res scheme have incurred. Baroness Merron also noted the skills gap that needs to be addressed.

Retail

Two similar debates were held in the House of Commons regarding High Streets and Supporting Small Business on the 19th October - both noting the significant job losses in retail and small businesses if more support is not provided following the pandemic, specifically noting business rates costs, an issue which has since been addressed (as noted above) by the budget announcement.

Cotton Imports

Lord Rooker introduced the topic of assessing cotton supply chains and the ability to trace where cotton goods are cultivated, going even further to ask why the UK cannot follow in the United States' footsteps and ban cotton from Xinjiang. With response from the Minister of State, Department for Business, Energy and Industrial Strategy and Department for International Trade (Lord Grimstone of Boscobel) that measures currently do not include import bans, but that export control reviews have taken place. Lord Bishop of St Albans enquired as to whether the government can provide updates with discount fashion retailers and their sourcing methods, with response from the Minister that the government is committed to strengthening the Modern Slavery Act 2015. Lord Grantchester asked how the government will ensure NHS PPE contracts are not awarded to companies implicated in forced labour in Xinjiang, as Covid cases begin to climb, and the Minister responded that a market-first approach is taken, but that lessons were learned from the pandemic about supply chain resilience.

Sustainability, Climate change and the Environment

In a debate on sustainability and climate change, with regard to the national curriculum, Derek Thomas MP highlighted the need to adapt the skills the UK encourages and develops to the commitments made to reducing carbon footprints and combating climate change. Through this, he stated that school education should “address the link between our demands and the carbon in the supply chain”, noting working in clothing as a career as one area where “carbon miles can be reduced”.

Arts and Culture in Education, Work, and the Environment

In a debate on education in music and the arts was held in the House of Lords this month, Baroness Bull highlighted the governmental move to limit study of creative arts degrees due to lower salary outcomes - and questioned a valuation solely on salary and not social and cultural value. Baroness Barran noted the need to meet STEM skills shortages and the introduction of a T-level in craft and design, to which Baroness Prashar pointed to the negative effect to arts education uptake due the continued focus on STEM subjects and education.

Fashion Roundtable:

Tamara Cincik, alongside Baroness Lola Young of Hornsey and Catherine West MP met with Minister Paul Scully MP, from BEIS to discuss the skills shortage for garment workers, the impacts of Covid on supply chains and the issues facing Leicester, levelling up and onshoring.

Coronavirus:

UK:

Now more than 45 million people have been fully vaccinated (having received two doses), and there have been 8 million booster shots provided so far to the over-50s, frontline medical staff and the clinically vulnerable across the UK. Currently 8,983 people with coronavirus are in hospital in the UK.