

WEEK IN WESTMINSTER

19 February - www.smmmt.co.uk/newsletter

Devolution: fiscal framework

The Scottish and UK governments are due to resume talks on the fiscal framework for new devolved powers, with just four days to go for a deal to be reached. Scotland's Finance Minister John Swinney is meeting his Treasury counterpart Greg Hands in the hope of meeting the 23 February deadline. Both sides will be called to give evidence to Holyrood's devolution committee on that date. Holyrood can't take on extra tax and welfare powers unless there's a fiscal framework to underpin them. Any framework will include a system to reduce the grant Holyrood gets from the Treasury, to reflect its growing ability to raise its own revenue. (Source: [BBC](#))

Conservatives to rebalance cuts to opposition party funding

Conservative ministers are rethinking their plans to reduce funding for opposition parties. Government circulated a consultation on cuts to state funding known as Short money this week, after George Osborne announced in the autumn that he wanted to reduce it by about 19% in line with reduced cash for Whitehall departments. The document proposes a number of solutions that could ease the difficulties for opposition parties, but restates the case for cutting the overall Short money bill. One option includes changing the weighting of how Short money is calculated to give more emphasis to the number of MPs a party has won and less emphasis to the number of votes. (Source: [The Guardian](#))

Government statement on product safety

Government is calling on businesses to join a steering group and work to improve product safety recalls in order to protect consumers. This announcement forms part of the [government response](#) to an [extensive review by Lynn Faulds Wood](#) on product safety recalls. Government will support the development of a business led online 'centre of excellence'. The website will communicate important information to consumers and allow firms to share best practice and ideas based on their previous experience in managing recalls. Government will support a project to explore greater data sharing. By working with stakeholders to map information, gaps can be identified and then better quality information for business and consumers should be available.

Further to these actions, government has also stated its committed to;

- supporting a comprehensive review of guidance for businesses and enforcers
- setting up an industry-led steering group to take forward the recommendations and oversee progress of the actions

(Source: [BIS](#))



UK unemployment at 10 year-low

Unemployment in the UK fell by 60,000 between October and December to 1.69 million, according to the Office for National Statistics. The rate of unemployment was unchanged from a month ago at 5.1%, maintaining a decade-low rate. More than 31.4 million people are in work, the highest figure since records began in 1971. But ONS statistician Nick Palmer said that growth in people's earnings was still slow. Pay increased by 2.0% during the period, very similar to the growth rate between September to November 2014 and September to November 2015, which was 1.9%.

(Source: [BBC](#))



Week ahead

Commons Committees

Monday 22 February

- Communities and Local Government Committee (4:00pm, Thatcher room) – Business rates
- Transport Committee (4:20pm, Grimond room) – Road haulage sector: skills and workforce planning

Tuesday 23 February

- BIS Committee (9:30am, room 6) – the Digital Economy

Wednesday 24 February

- Treasury Committee (2:15pm, Wilson room) – The economic and financial costs and benefits of UK's EU membership

Thursday 25 February

- Treasury Committee (10:00am, Wilson room) – The economic and financial costs and benefits of UK's EU membership

Grand Committee

Monday 22 February

- 3:30pm considerations in Grand Committee – Draft European Union Referendum (Conduct) Regulations 2016

Commons Chamber

Tuesday 23 February

- Air Quality (Diesel Emissions in Urban Centres): Ten Minute Rule Motion (Geraint Davies MP)

Thursday 25 February

- Debate on European Affairs

Friday 26 February

- 10:00am: Second Reading of Private Member's Bills – EU Membership (Audit of Costs and Benefits) Bill

Westminster Hall

Tuesday 23 February

- 4:30pm – 5:30pm: Mobility car scheme (Alan Brown MP)