

WEEK IN WESTMINSTER

Week ending Friday 14 December

'Above the line' R&D tax credit to start in April 2013

Government has published its response to the outcome of the HM Treasury consultation together with draft legislation on the Above The Line (ATL) R&D tax credit. Government will introduce the credit for large companies from April 2013 as a key element of the government strategy for innovation, key details of the credit are:

- Introduction of an above the line (ATL) R&D tax credit for large companies from April 2013, which will become mandatory from April 2016.
- The credit will be paid at the headline rate of 9.1%.
- The credit will be fully payable (after tax) to companies that have no corporation tax liability.
- Until April 2016 the ATL will run alongside the existing super deduction system to allow companies to adjust to the change.
- To prevent abuse, there will be a (PAYE/NIC) cap on the payment of the credit to companies with no corporation tax liability.
- There will be no changes to the SME R&D tax credit.

The technical consultation on the draft legislation will run until 6 February 2013. (Source: HM Treasury) http://www.hm-treasury.gov.uk/finance_bill_2013_consultation.htm

Government backs OFT approved Codes of Practice for UK garages

Government has published its response to the Motorists' Forum Garage Customer Experience report, stating that that encouraging universal adoption of best practice can significantly improve standards in the garage service and repair sector, and that Codes of practice have an important role to play in this industry. Launching the government response, Transport Minister Stephen Hammond MP urged motorists "to find out if their local garage has been approved by the codes to ensure they are getting a fair service and value for money." However, the government response rejected the Motorists' Forum

recommendation that Codes be a mandatory requirement for garages, stating that they have a "presumption in favour of market mechanisms and self regulation rather than prescription".

(Source: www.gov.uk)

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/35590/response-garage-customer-experience.pdf



UK vehicle output up 4.9% in November

Figures released by SMMT show that in November 2012 UK car manufacturing rose by 4.9% to 142,825 units compared to November 2011, and is also up 9.2% over the year-to-date at 1,363,129 units.

However, commercial vehicle output fared less well, down 3.6% in November and 5.9% over the first eleven months of 2012. UK engine production remained stable in November, down 1.4% and 0.3% for the year-to-date. (Source: SMMT)

<http://www.smmt.co.uk/2012/12/uk-vehicle-output-climbs-again-in-november/>

Government announces consultation on Motoring Services Strategy

The Department for Transport has launched a consultation on government's 'Motoring Services Strategy' which seeks views on reforms aimed to put the customer and businesses 'closer to the heart' of the four motoring services agencies (DVLA, DSA,

VCA, VOSA). The consultation states proposals to achieve this aim through:

- Maximising the digital delivery of services to motorists to improve the customer experience as well as ensuring that those who find access to digital services difficult are supported to do so.
- Supporting economic growth and vehicle manufacturing by reforming the way the Vehicle Certification Agency works.
- Bringing the driving test closer to the consumer by exploring opportunities to improve convenience to customers.
- Transforming HGV, bus and coach testing by expanding joint ventures and collaboration with private sector providers, and reducing the number of government owned test stations.
- Delivering better customer services by listening to what customers tell government and receiving their feedback.
- Defining organisational boundaries to deliver better services, and by rationalising the number of agencies and to reduce cost and improve consistency

The consultation will run until 7 March 2013.

(Source: www.gov.uk)

<https://www.gov.uk/government/speeches/consultation-on-motoring-services-strategy>



Week ahead

Commons Chamber

Monday 17 December

Statement by the Prime Minister on the EU Council

Tuesday 18 December

Adjournment debate on the UK's exposure to high carbon investment (Caroline Lucas, Green)

Wednesday 19 December

Energy Bill: Second reading

Commons Committees

No relevant activity

The House of Commons will break for recess on Friday 21 December and will reconvene on Monday 7 January

The House of Lords will break for recess on Thursday 20 December and will reconvene on Tuesday 8 January