

[News story: OTS's first review of VAT triggers debate](#)

The Office of Tax Simplification (OTS) report, published today, offers a range of proposals for simplifying the tax.

This first [report on VAT](#) from the OTS contains 23 recommendations for simplifying the tax. Its lead recommendation on the future level and design of the VAT threshold is already prompting debate.

The 8 core recommendations are:

- the government should examine the current approach to the level and design of the VAT registration threshold, with a view to setting out a future direction of travel for the threshold, including consideration of the potential benefits of a smoothing mechanism
- HMRC should maintain a programme for further improving the clarity of its guidance and its responsiveness to requests for rulings in areas of uncertainty
- HMRC should consider ways of reducing the uncertainty and administrative costs for business relating to potential penalties when inaccuracies are voluntarily disclosed
- HM Treasury and HMRC should undertake a comprehensive review of the reduced rate, zero-rate and exemption schedules, working with the support of the OTS
- The government should consider increasing the partial exemption de minimis limits in line with inflation, and explore alternative ways of removing the need for businesses incurring insignificant amounts of input tax to carry out partial exemption calculations
- HMRC should consider further ways to simplify partial exemption calculations and to improve the process of making and agreeing special method applications
- the government should consider whether capital goods scheme categories other than for land and property are needed, and review the land and property threshold
- HMRC should review the current requirements for record keeping and the audit trail for options to tax, and the extent to which this might be handled on-line.

To help illustrate some of the issues highlighted by the report, both generally and for small business, the OTS has published two pictograms today.

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A [press release](#) about the report was published on Friday.

[News story: Traffic commissioners call for commercial vehicle operators to make urgent improvements on brake testing](#)

The Traffic Commissioners for Great Britain are warning commercial vehicle operators to improve their approach to brake performance testing.

Their intervention comes as the issue of poor brake testing – or the complete absence of any checks – is appearing ‘far too frequently’ during investigations by enforcement officers.

The regulators added that, despite the clear lessons from the Bath manslaughter case, operators are simply paying lip service to brake performance testing. In many cases, there’s too little recorded on the brake test to offer a meaningful assessment. In others, no information is recorded at all.

Operators are also failing to carry out testing at the required frequency.

Sarah Bell and Kevin Rooney, the lead traffic commissioners for enforcement, said:

Despite the clear warnings for industry, traffic commissioners are still receiving reports about a lack of effective and proactive brake performance testing regimes.

This is not limited to a specific type of licence, size of operator or a particular sector – it is across the board. That is why TCs are highlighting the need for a change of attitude within the industry towards brake testing.

There should be no compromise in any operator's approach, no flexibility around standards.

The Driver and Vehicle Standards Agency (DVSA) [Guide to Maintaining Roadworthiness \(2014 revision\)](#) makes clear that every safety inspection must include a metered assessment of the braking performance of vehicles and trailers. It adds that a road test method to assess the brake performance for all planned safety inspections will usually be inadequate.

Where deficiencies in brake performance are identified, either during use of the vehicle or trailer or at the safety inspection, a measured brake efficiency test must be carried out. The efficiency test must confirm the brakes are performing satisfactorily before the vehicle or trailer can be considered as roadworthy.

DVSA also publishes detailed guidance on [how to prepare a vehicle for the brake testing element of the MOT](#).

In recent cases at public inquiry, traffic commissioners have seen:

- a Barking operator with missing brake figures on PMI sheets
- a Louth operator with brake test results not added to PMI records and no evidence of periodic brake testing being carried out – the DVSA vehicle examiner also identified the use of a vehicle with a braking defect for a whole week, despite the driving identifying the defect during daily checks
- a Coddensham firm with the brake test section of PMI records not completed and 4 brake performance tests not conducted annually on each vehicle / trailer
- a London operator who failed to comply with a public inquiry undertaking to have roller brake tests carried out every 6 weeks, with PMIs
- an Ashford firm which had not subjected its vehicle to a brake test since 6 December 2016, with the brake testing section of PMI records left blank on 5 out of 7 inspections
- a Rainham business which failed to comply with a specific undertaking to have quarterly brake testing
- a London operator with 'not applicable' written in the brake test section of every PMI

Offering advice to the industry, Kevin Rooney and Sarah Bell added:

Operators should carry out an urgent review of their brake testing regime now.

This should include an analysis of safety inspection records over the last 15 months, looking at whether the type of test and the information recorded is sufficient. Operators must make sure their brake tests are planned in line with DVSA guidance and satisfy themselves that the vehicles and trailers running under their licence are roadworthy.

We want licence holders to be sure their brake testing regimes are effective.

[Speech: The UK and France – A joint approach on digital and cybersecurity](#)

Good morning, ladies and gentlemen.

I am grateful to the Embassy for organising this event.

The UK and France have a historic and close partnership and cybersecurity is no exception.

Whatever challenges we face in the future, with our strong partnership and talent in the UK and France, I know that we will always work to ensure the prosperity of our two countries.

We are neighbours. Neighbours here, neighbours today, neighbours tomorrow. Always neighbours.

Earlier this month we in the UK marked the first anniversary of our National Cyber Security Strategy. We have been busy, in securing Britain's future online.

Like you, we have appointed our first ever Minister for Digital, and we have even renamed my department to make us the "Department for Digital, Culture, Media and Sport" to reflect the critical importance of all things digital to the UK.

Let's recap on why this is so important.

In the UK, our tech industry created 3.5 million jobs in past year and 4 in 5 Brits bought something online in the past year – more than anywhere else in

the world.

As jobs are increasingly changed, and as we face up to the fact there are jobs that technology destroys, so we must be at the forefront of the drive to create the new jobs that technology allows. We cannot stop the disruption, but we can help those disrupted, with a clear goal of redeployment, not unemployment.

And this great digital technology that is made by man, which brings great power and liberation and freedom must be hewn to benefit all mankind. The technology is made by man and it is within man's gift to maximise its freedom while protecting the freedom of others.

While this mission is new, the principles that underpin it are old.

We can find some wisdom in the very founding documents of the French Republic.

On the internet, we seek nothing less than freedom, fraternity and equality.

Freedom, that we cherish the unprecedented and unimaginable freedoms the internet brings. This includes:

- Fraternity, that we harness the internet to bring us together not tear people apart
- Equality, that all of us online are treated fairly, that we benefit the same protections online as off, and that each and every one of us can benefit from the technology of tomorrow, equal to the dictum of Sir Tim Berners Lee, the founder of the world wide web, that 'this is for everyone'

This need, this drive, to build an online world that cherishes these liberal values, the values of de Tocqueville, as well as Burke, is increasingly recognised around the world.

The internet is growing up, from a libertarian childhood, in which all connection was seen as a good thing, to a maturity where freedom must be tempered by the need to prevent harm.

As the great modern British philosopher Sir Roger Scruton has said: "In the libertarian free-for-all what is worst in human nature enjoys an equal chance with what is best, and discipline is repudiated as a meddling intrusion." So what does this mean in practice?

In the UK, we have set out our approach as a Digital Charter, that will detail how the great freedoms online can be balanced with that discipline, each and everyone's "important responsibilities". To protect from harm, from abuse, to terrorist content, to protection of intellectual property.

And of course a safe internet is one where data is protected, and cyber security is strong. The UK has long identified cyber threats as a key challenge to our nation's security. The National Cyber Security Strategy committed £1.9 billion for cyber, with the express goal making the UK the

safest place to live and work online.

We have made significant progress towards these goals. We have created the National Cyber Security Centre, to bring together responsibilities, protect our critical services from cyber attacks, manage major incidents, and improve the security of the Internet in the UK. In that year alone, the NCSC dealt with 590 significant cyber attacks. More than one a day.

We are transforming the advice and guidance on offer to the public, based on ever-improving evidence and technical insight.

We have launched a range of initiatives to make sure the next generation have the cyber security skills to meet significant growing demand:

- Our first apprenticeship scheme for critical sectors such as energy and transport was inundated with applications (nearly 1,250 people applied for the first 23 apprentice roles)
- The CyberFirst Girls competition saw 8,000 talented 13-15 year olds take part
- Our Cyber Schools Programme will train nearly 6,000 14-18 year olds over the coming years

We are also showing leadership in other areas, such as investigating security in the Internet of Things, to look at the best way to ensure internet-connected devices are safe, and have security built-in from the start.

And we can't do these things alone. Critically, we need to work together with industry, and we have put huge effort into fostering and supporting a strong and vibrant cyber ecosystem.

We are active and restless in developing the whole ecosystem to support growth, innovation and security. I know here in France you are doing many similar things.

The UK and France both have thriving cyber ecosystems.

As one of the UK's closest export markets and allies, France is a perfect partner for the UK in cyber, both in research and at a commercial level.

The UK's cyber sector is booming. The workforce has grown significantly and cyber security exports were worth around £1.5 billion to the UK last year alone.

To stay ahead of the threat, it's crucial we foster innovation in cyber security. That's why we're developing two Cyber Innovation Centres – in London and Cheltenham – to support the development of new technologies and the latest generation of cyber security companies. As part of that, we have established the GCHQ Cyber Accelerator – the first of its kind in the world – combining the world class expertise of the UK's security and intelligence agency with start-ups to develop new capability, and leading edge academics.

But we mustn't be complacent. It's crucial we work with our international partners: working closely with them, sharing information, and facing

challenges together – because our security is inextricably linked.

We are working to make the UK the best and most secure digital economy in the world. To that end, we will ensure our friends' and our partners' cyber safety whenever and however they do business with us.

And with that, I leave you with a salute, to the enduring values of freedom, fraternity and equality.

I hope you have a brilliant conference.

Long live the neighbours!

[Press release: UK Government Minister visits Cardiff business making waves on global defence stage](#)

BCB International is an established leader in the field of protective and survival equipment and has become a trusted supplier for troops serving in operations overseas.

The company has evolved from its early days as a cough medicine supplier, to become a major exporter of cutting-edge technologies and slick product design.

Guto Bebb will meet with the company's Managing Director Andrew Howell to discuss how the company is branching out to new markets and developing new products for military services around the world.

UK Government Minister Guto Bebb said:

Businesses like BCB International are reaching out to international markets and putting Wales on the map.

It goes to show that a little Welsh innovation goes a long way – saving and protecting the lives of those hundreds and thousands of miles away, in often challenging and hostile environments.

There has never been a better time for Welsh companies like BCB to seize the moment and start exporting to new markets and the UK Government is standing by ready to support that aspiration.

BCB International has been designing and making specialised protective and survival equipment since 1854.

The company supplies military forces with equipment such as body armour, first aid kits and camping supplies. It exports 40 50 per cent of its products, mainly to the US, the Middle East and Europe and has a turnover of nearly £9million.

This year the company has won new business from new customers including the Canadian Defence Forces (Camouflage Face Paint), and the French (Fire Resistant Gloves) and Dutch Armies (Camp beds).

BCB has benefitted from UK Government help when it won a significant contract to supply the Ecuadorian Navy with 100 units of inflatable body armour. The country's Navy wanted a payment guarantee and UK Export Finance stepped in to share the risk through its bond support scheme so BCB could use it as a working capital for the order and take on more business.

Andrew Howell Managing Director at BCB International said:

It is a pleasure to welcome the Minister to our premises and show him some of the quality products which are helping us capture new export business. We have exciting expansion plans which we look forward to briefing the Minister about.

Wales is already an exporting nation. There are currently more than 3,800 businesses in Wales that export, with a combined value of £13billion in the first quarter of 2017. Wales is also an attractive place for inward investment, with latest figures showing that 85 foreign direct investment projects were secured in Wales, creating 2,581 new jobs and safeguarding almost 9,000 more.

The Office of the Secretary of State for Wales has produced a dedicated exporting guide, which sets out the full range of support available from the UK Government and contains inspiring stories of companies based in Wales that are successfully exporting, to 26,000 Welsh businesses encouraging them to think about opportunities for exporting.

[Press release: Glasgow becomes a world-leading smart city](#)

Scotland's biggest city is to reap benefits worth nearly £150 million. It follows a £24 million investment from the UK government into digital infrastructure and open data, making Glasgow a world-leading smart city.

The £24 million invested in the city since 2013, through Innovate UK, funds projects that connect the city together and help Glasgow save money and

energy and develop the technologies of the future.

Speaking from the City Operations Centre in Glasgow, which has benefited from Innovate UK's funding, Scottish Secretary, David Mundell said:

This fantastic return on investment demonstrates that targeted funding from the UK Government can lead to great results, benefiting businesses, visitors and communities.

Projects funded through this program demonstrate the innovative ways that modern technology and data can be used to make a tangible difference to the lives of people in cities across the world.

Projects funded so far have reduced energy costs in the city through intelligent street lights that adapt to people's activity; created apps that give visitors and residents the open to plan their routes; and combined multiple separate city systems to allow teams to work on projects that cross multiple different disciplines.

These projects include an:

- intelligent street lighting demonstrator, which showed how the city can use smarter streetlights to improve lighting quality, reduce energy usage and make maintenance more efficient. The pilot scheme also collected useful data that could have a positive impact on the quality of life and public safety in the 2 test locations, Riverside Walkway and Gordon Street, such as noise detection, movement detection, air pollution detection and WiFi service
- active travel demonstrator, which showed how the city could be made friendlier for both cyclists and pedestrians. It has the potential to inform strategies that could help Glasgow reach the Scottish Government target of 10% of all journeys being completed by bike
- energy efficiency demonstrator, which showed how obtaining increasingly accurate information could help inspire ways to cut emissions, reduce overheads and address issues of fuel poverty. By creating a detailed, data-rich portrait of Glasgow's consumption, it became possible to identify and act upon factors that change energy behaviours
- integrated social transport demonstrator, which helped some of Glasgow's most vulnerable citizens access social and educational services. Smart integration and route scheduling software will increase flexibility and responsiveness, while also reducing operational costs and making it easier for the same transport to be used across various organisations

Innovate UK

Innovate UK is the UK's innovation agency, an executive non-departmental public body, sponsored by the Department for Business, Energy & Industrial Strategy. It drives productivity and growth by supporting businesses all over the UK to realise the potential of new technologies, develop ideas and make them a commercial success.

Future cities demonstrator

- in 2012, Innovate UK launched the future cities demonstrator programme. The objective was to discover the value that could be delivered to a city through integrating city services and systems
- the focus was on innovative combinations of tools and techniques available off the shelf to demonstrate what could be achieved with what was already available
- cities developed bids for funding based on their feasibility study to demonstrate in practice how integration of city systems could add value
- Glasgow was awarded £24 million to implement its proposal
- The project produced ROI of £144 million and positively impacted citizens and small to medium-sized enterprises. Read the full [success story](#)

Contact: pressoffice@innovateuk.gov.uk or 07766 901150.