Financial Services Bill introduced today

- Financial Services Bill to maintain UK’s world-leading regulatory standards and openness to international markets introduced today
- this Bill is the first step in shaping a regulatory framework for the UK’s financial services sector outside of the EU
- it will enhance the competitiveness of the sector and ensure it continues to deliver for UK consumers and businesses

A new Bill designed to ensure the UK’s world-leading financial services sector continues to thrive and grasp new opportunities on the global stage will be introduced to Parliament today (21 October 2020).

The Financial Services Bill is an important first step in taking responsibility for our financial services regulation, ensuring that the UK maintains the highest regulatory standards and remains an open and dynamic global financial centre now that we have left the EU.

John Glen, Economic Secretary to the Treasury, said:

> Now the UK has left the EU, we must ensure we have a regulatory regime that works for the UK and allows us to seize new opportunities in the global economy.
>
> Following the work we’ve done to prepare for EU exit and ensure a smooth transition to a UK rule book, this Bill is the next step in delivering a regulatory framework that boosts the competitiveness of our world-leading financial services sector and ensures that UK consumers are properly protected.
>
> It’s part of an ambitious programme to enhance the UK’s first-class standards and our attractiveness as a location for business, both of which will be crucial to help our economy bounce back.

Measures in the Bill will:

Enhance the UK’s world-leading prudential standards and promote financial stability by enabling the implementation of the remaining Basel III standards and a new prudential regime for investment firms, and giving the Financial Conduct Authority the powers it needs to oversee an orderly transition away from the LIBOR benchmark.

Promote openness between the UK and international markets by simplifying the process to market overseas investment funds in the UK and delivering a Ministerial commitment to provide long-term access between the UK and Gibraltar for financial services firms.

Maintain an effective financial services regulatory framework and sound capital markets with a number of smaller measures, including measures to improve the functioning of the Packaged Retail and Insurance-based Investment Products Regulation and increase penalties for market abuse.

Following its introduction to Parliament, the Bill will be subject to the usual processes of legislative scrutiny in both the House of Commons and the House of Lords. Once both Houses of Parliament have agreed, it will move forwards to receive Royal Assent at which point the Bill will become law. The timing of the Bill's progression through Parliament is subject to parliamentary scheduling.

Notes to editors:

More information about the [Financial Services Bill Consultations] and the [Amendments to the Benchmarks Regulation to support LIBOR transition] can be found on gov.uk.

Where appropriate, HM Treasury will publish further detail on the measures below in due course, through policy statements and consultation responses. A consultation response on the Gibraltar Authorisation Regime and the Overseas Funds Regime will be published shortly.

Summary of the measures

Objective: Enhance the UK's world-leading prudential standards and promote financial stability

No	Measure	Purpose
1	Implementing the remaining Basel 3 standards	This measure will enable updates to the prudential regulatory regime to implement the remaining Basel 3 banking standards.
2	Investment Firms' Prudential Regime (IFPR)	This measure will enable the implementation of a more proportionate prudential framework for the regulation of investment firms.
3	LIBOR transition	This measure will clarify and extend the FCA's set of powers to ensure the orderly wind-down of the critical LIBOR benchmark.
4	Benchmarks: extension of third- country transitional period	This measure will extend the transitional period for third-country benchmarks from end-2022 to end-2025, avoiding financial stability risks and economic repercussions for UK users should they lose access.

Objective: Promote openness between the UK and overseas markets

No	Measure	Purpose
5	Overseas Funds Regime	This measure will introduce new equivalence regimes for retail investment funds and money market funds, which will simplify the process for investment funds that are domiciled overseas to market to UK consumers.

No	Measure	Purpose
6	Gibraltar Authorisation Regime	This measure will deliver long-term market access between the UK and Gibraltar for financial services firms on the basis of alignment and cooperation, now that the UK and Gibraltar have left the EU.
7	Markets in Financial Instruments Regulation (MiFIR)	This measure updates the regime which regulates the services and activities of third-country firms in the UK, following an equivalence decision. This will ensure the FCA has an appropriate degree of oversight over firms that could register under the regime.

Objective: Maintain the effectiveness of the FS regulatory framework and sound capital markets

No	Measure	Purpose
8	Amending the Packaged Retail and Insurance-based Investment Products (PRIIPs) Regulation	This measure will improve the functioning of the onshored PRIIPs Regulation by enabling the FCA to make clarificatory rules regarding the scope of the Regulation and removing reference to performance scenarios. It will also enable HMT to further extend the exemption currently in place for Undertakings for the Collective Investment in Transferable Securities (UCITS) funds.
9	Amendments to the Market Abuse Regulation	This measure will make two amendments to the Market Abuse Regulation to bolster the effectiveness of the regime while reducing some of the administrative burden on issuers.
10	Extending the criminal penalties for market abuse	This measure increases the maximum prison sentence for market abuse from 7 to 10 years in line with other sentences for financial crimes, as recommended by the 2015 Fair and Effective Markets Review.
11	Increasing beneficial ownership transparency for Trusts	This will clarify the Government’s ability to enforce and make changes to extra-territorial trust registration powers
12	Completing the implementation of European Market Infrastructure Regulation (EMIR REFIT)	This measure will ensure that clearing members and clients that offer clearing services do so on a fair, reasonable, non-discriminatory and transparent (FRANDT) basis. This measure will also improve trade repository data quality and make it easier for firms to move from one trade repository to another.
13	Amendments to the Banking Act in relation to the Financial Collateral Arrangement Regulations (FCARs)	This measure will ensure the Financial Collateral Arrangement Regulations stand on a sound statutory footing providing certainty to markets.
14	Cancellation of the authorisation of firms	The measure will streamline the FCA’s process for removing a firm’s authorisation and taking them off the public register, to improve accuracy and reduce the risk of fraud.

No	Measure	Purpose
15	Term of the FCA Chief Executive	This measure legislates to make the appointment of the FCA CEO subject to a fixed, once renewable, 5-year term – in line with previous government commitments to the Treasury Select Committee.
16	Statutory Debt Repayment Plan (SDRP)	This measure builds on existing legislation to enable the Government to impose SDRPs on creditors and to provide for a charging mechanism by which creditors will contribute to the funding of the Breathing Space Scheme (both Breathing Space and the SDRP).
17	Help to Save Successor Accounts	This measure means when a Help to Save account matures and the account holder has not transferred it elsewhere, the balance can be transferred into a standard NS&I savings account automatically, keeping the funds safe and in a savings account until the owner decides what they want to do with the money.

More Afghan interpreters to move to the UK as scheme extends

Courageous Afghans worked side by side with British forces as translators in extremely dangerous situations on the frontline in Helmand Province between May 2006 and December 2014.

The Ex-Gratia Scheme was initially set up in June 2013 to recognise the Government’s huge debt of gratitude for the service of Afghan interpreters. Under the scheme, interpreters could choose to either relocate to the UK, receive 5 years of training and a monthly stipend, or receive the equivalent of 18 months’ salary.

Through the Ex-Gratia Scheme, 445 former staff and their families have chosen to relocate to the UK, meaning a total of 1,319 Afghan interpreters and their families have already been supported as they create new lives here.

Over 100 former translators are expected to come to the UK once the existing scheme is broadened under new legislation announced today by Defence Secretary Ben Wallace and Home Secretary Priti Patel.

Defence Secretary Ben Wallace said:

> Interpreters played a vital role in supporting our Armed Forces in Afghanistan and we owe it to them to make sure their sacrifice is properly rewarded.

> For the first time, today’s legislation puts in place similar requirements for those who resigned and were made redundant, recognising the unique pressures and circumstances faced by locally employed Afghans.
>
> This fair and simple system will offer dozens more courageous individuals who served alongside British troops the chance to build a new life in the UK.

Last month, Defence Secretary Ben Wallace and Home Secretary Priti Patel confirmed more former interpreters would be eligible to apply for an existing relocation scheme in recognition of the Government’s huge debt of gratitude for their service.

It was announced that an additional cohort of interpreters – those who resigned on or after 01 May 2006 after serving a minimum of 18 months on the frontline – would be allowed to apply to move to the UK.

Today the Government has gone even further and laid legislation to allow those who resigned after serving a minimum of 12 months to apply.

This brings the length of service required for those who resigned in line with those made redundant.

Home Secretary Priti Patel said:

> We are committed to righting wrongs when we see injustice in our immigration system and are making the necessary changes to fulfil our promise to the courageous Afghans who worked side by side with our Armed Forces.
>
> Today we are giving those who supported our armed forces overseas the thanks they deserve by helping them relocate to the UK with their families.

The Ministry of Defence and the Home Office will continue to seek ways to go further to support this cohort and others who have supported the British Armed Forces.

Alister Jack responds to August 2020 Scottish GDP figures

News story

Scottish Secretary responds to Scottish GDP figures for August 2020

Commenting on the publication of Scottish August GDP figures, Scottish Secretary Alister Jack said:

> The UK Government is doing everything possible to keep people safe and protect the Scottish economy from the shock of the pandemic.
>
> We will continue to support jobs and businesses in Scotland through the difficult months ahead. We have expanded our Job Support Scheme, extended our scheme for self-employed people and provided additional support for business.
>
> This direct support to people in Scotland is on top of an £7.2 billion in additional funding to the Scottish Government.

Background:

- From 1 November firms will continue to benefit from a range of support under the UK Government's new Job Support Scheme. This will support businesses facing lower demand over the winter due to Covid, as well as those being asked to close temporarily to help stop the spread of the virus.

- The UK Government is investing billions to help people back to work, including through our £2 billion Kickstart scheme to get young people into jobs. Extra help from work coaches in Jobcentres is helping unemployed people of all ages back into work by focusing on skills.

- From January, our £9 billion Job Retention Bonus will help employers keep workers in their jobs.
- More than 76,000 businesses in Scotland have benefitted from UK Government loan schemes, worth more than £9.4 billion.
- Scotland’s hospitality and tourism businesses are benefitting from a VAT cut which will now run till March 2021.
- In total, the Scottish Government has been allocated an additional £7.2 billion from the UK Government since March 2020. This is on top of the block grant and in addition to direct UK Government support to people and businesses in Scotland.

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West Burton C Power Station granted development consent

Press release

Today, Wednesday 21 October 2020, the application for the proposed West Burton C Power Station has been granted development consent by the Secretary of State for Business, Energy and Industrial Strategy.

Development consent has been given for the West Burton C Power Station to be located within the wider West Burton Power station site, approximately 3.5km to the south of Gainsborough, with a generating capacity of up to 299MW.

The application was submitted to the Planning Inspectorate by EDF Energy

(Thermal Generation) Ltd on 30 April 2019 and accepted for Examination on 23 May 2019. Following an Examination during which the Applicant, Statutory Consultees and Interested Parties were given the opportunity to provide evidence to the Examining Authority, a Recommendation was made to the Secretary of State on 21 July 2020. The Planning Inspectorate's Chief Executive, Sarah Richards said:

> This is the 96th Nationally Significant Infrastructure Project and 60th Energy project to have been examined and decided well within the timescales laid down in the Planning Act 2008. The examination of the application was completed well within the statutory timescale of six months followed by a recommendation made to the Secretary of State for Transport. This provides developers and investors with the confidence to build and improve the transport networks this country needs.

The Decision, the Recommendation made by the Examining Authority to the Secretary of State and the evidence considered by the Examining Authority in reaching its Recommendation is publicly available on the National Infrastructure Planning website.

ENDS

Journalists wanting further information should contact the Planning Inspectorate Press Office, on: 0303 444 5004 or 0303 444 5005 or email: Press.office@planninginspectorate.gov.uk

Notes to editors:

The Planning Inspectorate, National Infrastructure Programme of Projects details the proposals which are anticipated to be submitted to the Planning Inspectorate as applications in the coming months.

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UK shipbuilding boosted by warship procurement

A competition to build three Fleet Solid Support warships – which will launch in Spring 2021 – will help revitalise British shipbuilding by requiring a significant proportion of the build and assembly work to be carried out in the UK.

International companies will be invited to work in collaboration with UK firms to feed in their skills and expertise, but the successful manufacturing team must be led by a British company. This will have a huge impact on the local economies across the UK where shipbuilding is a prominent feature.

Hundreds of highly skilled jobs will be created as a direct result of today's announcement, with many more in small and medium sized enterprises throughout the supply chain for the new builds to follow over the next few years.

The Defence Secretary confirmed the news ahead of his speech at the Atlantic Future Forum, where UK and US leaders have gathered on HMS Queen Elizabeth to discuss cooperation across trade, defence and security.

The speech will outline the UK's commitment to shipbuilding and pledge further burden-sharing with the US and NATO, thanks to the cutting-edge capability of the Queen Elizabeth Aircraft Carriers.

Defence Secretary Ben Wallace said:

> Shipbuilding has historically been a British success story, and I am determined to revitalise this amazing industry as part of this Government's commitment to build back better.
>
> The Fleet Solid Support warships competition will be the genesis of a great UK shipbuilding industry, and allow us to develop the skills and expertise for the shipyards of tomorrow.

The Fleet Solid Support ship competition will build on the success of the Type 31 programme, which will be built primarily in Scotland and is expected to support 1250 highly skilled jobs and 150 apprenticeships across the country.

The Fleet Solid Support warships competition will be designed to challenge the shipbuilding industry. The goal will be to build ships fit for the future, while boosting homegrown skills and leading to a highly competitive shipbuilding industry.

The warships will incorporate next-generation technology with a purpose-built design and will eventually support HMS Queen Elizabeth and Prince of Wales as part of the Carrier Strike Group, which will undertake its first operational deployment next year.

Today's announcement follows a period of market engagement and a clearer understanding of how the strike group will operate and will allow the MOD to consider a broader range of ship designs.

As well as setting out requirements for British involvement, the Fleet Solid Support ship competition will set targets to ensure industry delivers on time and at pace.

In his role as Shipbuilding Tsar, the Defence Secretary is actively reinvigorating UK shipbuilding by working with industry, other government departments, and international partners to boost productivity and competitiveness.

Just this week, the UK signed a Memorandum of Understanding with Australia to continue building and delivering the next generation of cutting-edge frigates together.

The Type 26 frigate programme consists of 8 ships and will sustain 1,700 jobs in Scotland and 4,000 jobs across the wider maritime supply chain until 2035.