

# News story: Liz Truss: Scottish businesses are vital for a flourishing post-Brexit UK economy

Chief Secretary to the Treasury Elizabeth Truss has met with a range of businesses in central Glasgow to discuss their ambitions for the future and explain how the UK Government is committed to ensuring they are able to be as competitive and productive as possible in the global marketplace.

Elizabeth Truss said:

Scottish success stories are central to our vision for a flourishing post-Brexit economy and it was inspiring to hear the ambition and drive from the businesses I met today.

I want to ensure the broad shoulders of the UK are helping Scottish entrepreneurs and companies thrive. We are keeping tax low so businesses can invest in jobs and training and ensuring the self-employed can access Tax-Free Childcare support.

The UK Government is playing a vital role to support Scotland's economy, and we have also given the Scottish Government significant powers to shape Scotland's future.

The Chief Secretary later travelled to a nursery in East Renfrewshire to discuss the UK Government's Tax-Free Childcare (TFC) scheme with workers and parents. TFC offers working parents in Scotland up to £2,000 a year towards their childcare costs.

Tax-Free Childcare broadens access to childcare support for more working families, including parents whose employer doesn't offer vouchers and the self-employed who can't use vouchers. TFC is also fairer, with lone parent households getting the same support as two-parent households.

It is part of the UK Government's commitment to helping Scottish families keep more money in their pocket and supporting Scottish businesses and entrepreneurs. Income tax has been cut by £1,000 for basic rate payers and fuel duty frozen, saving the average motorist £130 each year.

The Chief Secretary finished her visit with a meeting with the Cabinet Secretary for Finance and Constitution Derek Mackay to highlight her priority of both governments working together to ensure Scotland's economy grows to create jobs and improve productivity.

The UK Government has committed almost £1 billion of investment for Scotland's City Deals to create the high-skill jobs of the future in industries like robotics and creative technology. The UK Government has also

boosted the spending power of the Scottish Government for public services by over £750 per household between 2016 and 2021.

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## **Press release: PM call with President Macron: 7 Sept 2017**

The Prime Minister called the French President Emmanuel Macron this morning to discuss our response to Hurricane Irma.

They agreed the devastation it had wreaked was terrible, with unconfirmed reports emerging of a number of fatalities.

The Prime Minister updated the French President on our response, noting that DFID humanitarian advisers had already deployed to the region to conduct damage assessments and provide humanitarian support, and RFA Mounts Bay was also in the area.

They agreed to cooperate closely, including with the Dutch, to understand the extent of the damage and to coordinate our relief efforts.

They also discussed North Korea, agreeing on the importance of China using its leverage and taking further action to put more pressure on the North Korean regime to change its dangerous course. They agreed we should work together at the United Nations to agree a new package of sanctions measures. They also agreed to explore additional measures the EU could take to pressure the North Korean regime.

Finally on Brexit, the Prime Minister noted that some good progress had been made in the negotiations and that the UK and EU negotiating teams would continue to work together intensively over the coming weeks.

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## **News story: Deputy Chief Economist role**

We are looking for an energetic and talented economist who will not only support the development of cutting edge analysis, but will also help ensure that analysis sits at the heart of activity right across the organisation. The role will help inform global policy developments especially around EU exit and trade.

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## **Statement to Parliament: Hurricane Irma: Sir Alan Duncan's statement, 7 September 2017**

### **Sir Alan Duncan's statement**

Mr Speaker I am very grateful to you for this opportunity to make a statement on Hurricane Irma, which is already affecting and is set further to affect Caribbean islands and the south east United States with devastating effect.

Much as I appreciate the wish of the House perhaps to move on to start the second reading of the EU Withdrawal Bill, I am sure everyone appreciates the importance of informing the House about the latest position on this unfolding catastrophe.

As with any hurricane, one can never be sure of its ultimate effect until the extent and location of its inevitable damage is clear.

Its predicted force however, put everyone on the highest state of alert and preparedness, to which end the Foreign Office crisis centre and DFID planning were all put onto the highest state of readiness over 2 days ago.

The FCO crisis centre has 2 important functions. One is to organise the fullest possible consular assistance to UK citizens abroad, and the other is to monitor the path of the hurricane and coordinate every conceivable UK response, in particular to those British territories affected.

Mr Speaker, Hurricane Irma, having reached Category 5 – the highest possible category – hit 3 British Overseas Territories yesterday: Anguilla, Montserrat and the British Virgin Islands. Today, we expect the hurricane to affect a further UK territory: the Turks and Caicos Islands.

The hurricane yesterday also caused damage in the independent Commonwealth countries of Antigua and Barbuda, and St Kitts and Nevis. And we expect it to affect the Dominican Republic, Haiti and the Bahamas today. It will most likely affect Cuba and south eastern Florida tomorrow.

The hurricane is heading westwards and remains strong. We have an initial assessment of the severity of the damage it has caused, and I will outline for the House what we know so far.

Montserrat was swiped by the hurricane yesterday. But our initial assessment is relatively positive. Fortunately, the damage is not as severe as first

thought.

However, in contrast, Anguilla received the hurricane's full blast. The initial assessment is that the damage has been severe and in places critical. We expect further reports to make clear the full nature of the devastation and at the moment Anguilla's port and airport remain closed.

The British Virgin Islands were also not spared the hurricane's full force when it passed through yesterday morning. Our initial assessment is of severe damage and we expect that the islands will need extensive humanitarian assistance, which we will of course provide.

The hurricane is expected to hit another British Overseas Territory later today. The Turks and Caicos Islands lie in the hurricane's predicted path and officials in London and in the territories are working intensively on disaster preparedness and response. They are also liaising with their counterparts in the Cayman Islands for assistance.

The French and Dutch territories of Guadeloupe and St Maarten have also been hit and the initial assessments are of widespread damage. But the more detailed assessment continues and no British Nationals have yet contacted us to ask for assistance from these islands.

Two Commonwealth realms were affected by Hurricane Irma yesterday. Antigua and Barbuda's less populated island, Barbuda, was most severely affected. Antigua, and St Kitts and Nevis were less badly affected than many had feared, with only minor damage.

Now we expect that the hurricane will affect the Dominican Republic and Haiti today. It will sweep on through the South East of the Bahamas later, and tomorrow is predicted to hit Cuba and southern Florida.

Mr Deputy Speaker, officials in London and the territories have been working throughout the day and night to assess and quantify the needs of our territories, and to coordinate a cross-government response.

Officials in London are maintaining contact – although this is sometimes difficult – with our Governors' Offices in the territories. The Governors' teams are themselves working closely with the territories' governments to respond to this crisis.

The Royal Naval ship Royal Fleet Auxiliary Mounts Bay is already in the Caribbean and should reach the affected territories later today. The ship carries Royal Marines and Army Engineers and her primary task is the protection of our Overseas Territories. She is loaded with a range of equipment, vehicles, tents, stores and hydraulic vehicles specifically intended to respond to disasters like this.

In addition, DFID stands ready to charter flights to deliver additional supplies as appropriate.

Mr Deputy Speaker, I spoke last night to the London representatives of the British Virgin Islands. And I was in our crisis centre yesterday afternoon

and again late last night, and have been based there this morning.

At 8:45pm last night, the Foreign Secretary spoke to Anguilla's Chief Minister Victor Banks. The Foreign Secretary tried but was unable to contact the Premier of the British Virgin Islands last night, but my noble friend Lord Ahmad has been in contact with the Governor this morning.

We will be working in support of the Overseas Territories' governments to develop the best possible assessment of their immediate and longer term needs.

To that end, my Right Honourable Friend the Secretary of State for Defence will chair a meeting of COBR at 2pm o'clock this afternoon.

Our priority is to support the territories' governments in meeting their immediate humanitarian and security needs, including shelter, water and accommodation. We have four UK aid humanitarian experts in the region, who are helping to co-ordinate the response.

We will assess, with the territories' governments, their long term reconstruction requirements, as we have done in the past.

And as the House will appreciate, the relationship between Overseas Territories and their parent countries differs. Whilst French territories are directly governed, that is not the case with our Overseas Territories. While this means our responses will, of course, be different, we will seek to achieve the same objectives and are taking immediate steps to do so.

The Prime Minister called President Macron this morning to discuss our respective response to Hurricane Irma. They agreed the devastation it had wreaked was terrible, with unconfirmed reports emerging of a number of fatalities.

Mr Deputy Speaker, the Prime Minister updated the French President on our response, noting that DFID humanitarian advisers had already deployed to the region to conduct damage assessments and to provide humanitarian support, and that RFA Mounts Bay was already near the area.

They agreed to co-operate closely, including with the Dutch, to understand the extent of the damage and to coordinate our relief efforts.

Mr Deputy Speaker, we will all do our utmost to help those affected. I undertake to keep the House updated as required.

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**[News story: Universities must embrace](#)**

# accountability

In a [speech](#) at the Universities UK annual conference (7 September), Universities Minister Jo Johnson told Vice Chancellors and senior university staff that they must embrace accountability and take urgent steps to ensure they are offering a good deal for students and taxpayers.

Jo Johnson unveiled a series of new measures designed to curb spiralling Vice Chancellor pay. He said he will instruct the new Office for Students (OfS) to:

- insist all universities justify any Vice Chancellor pay over £150,000 as part of their condition of registration. If an institution fails to do so, then the OfS could use its powers to address this, including imposing fines
- issue new guidance on university senior staff pay, including on the role and independence of pay committees – to help universities understand the new rules
- require providers to publish details of all senior staff earning over £100,000 per year, to ensure transparency across the sector.

Minister Johnson also renewed his call to Vice Chancellors and their boards to show pay restraint and urged them to develop and introduce their own 'Remuneration Code' for senior higher education staff.

He said that a requirement of the 'code' should include the publication of a pay ratio of top to median staff pay, and an explanation for any top pay increases that are greater than increases in average pay across the institution.

Setting an example for the sector, the new Chief Executive of the OfS, Nicola Dandridge, and Chair, Sir Michael Barber, have chosen voluntarily to cut their own annual salary by 18 and 10 per cent, respectively, which equates to a combined reduction of more than £40,000.

Universities Minister Jo Johnson said:

The debate over student finance has, rightly, increased public scrutiny of how universities spend the money they receive from fees.

When students and taxpayers invest so heavily in our higher education system, excessive Vice Chancellor salaries send a powerful signal to the outside world.

Greater restraint is required and, by independently volunteering big pay cuts themselves, Sir Michael Barber and Nicola Dandridge have shown true leadership.

Exceptional pay can only be justified by exceptional performance, which is why I will ask the new Office for Students to take action to ensure value for money and transparency for students and the taxpayer.

The minister also vowed to tackle degree grade inflation following growing concerns about the number of student being awarded top degrees. Almost three-quarters of students now secure a first or upper second, compared to just 66 per cent in 2011/12 and under half in the mid-1990s.

On tackling grade inflation, Jo Johnson said:

Unchecked, grade inflation risks damaging the reputation of the entire UK Higher Education sector, creating a dangerous impression of slipping standards, and undermining the efforts of those who work hard for their qualifications and poorly serving the needs of employers.

I am disappointed that the sector have made so little progress in tackling this problem. As a first step I will ask the Office for Students to publish data annually and challenge where there is evidence that grades are being inflated, and I will introduce a new measure through the Teaching Excellence Framework to discourage and contain the issue.

I am today also calling on you to take swift action to define and agree sector recognised standards for all classifications of degrees – my challenge to the sector is to start that work now, and to reach sector wide agreement over the next 12 months’.

The OfS is a new public body, established by the Higher Education and Research Act 2017. Once fully operational in April 2018 the OfS – which will replace the Higher Education Funding Council for England (HEFCE) and the Office for Fair Access (OFFA) – will regulate the higher education sector and place students’ interests at its heart.

The Department for Education will launch a public consultation in the autumn seeking views on the OfS regulatory framework, including the new measures outlined in the minister’s speech.