ONDON CHAMBER

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Weekly policy update from London Chamber of Commerce and Industry

A round-up of key policy changes from the past seven days – 8 July 2024

Labour wins general election, new Cabinet takes shape

- The Labour Party has won the general election, defeating the Conservatives, in line with expectations. The results for all 650 seats ca be viewed here:
 - Labour 34%, 412 seats (+211 from 2019) 0
 - Conservative 24%,121 seats (-251) 0
 - Liberal Democrat 12%, 72 seats (+64) 0
 - Scottish National Party 3%, 9 seats (-39) \cap
 - Sinn Fein 1%, 7 seats (unchanged) 0
 - Independents -2%, 6 seats (+6) 0
 - Reform UK 14%, 5 seats (+5) 0
 - Democratic Unionist Party 1%, 5 seats (-3) 0
 - Green 7%, 4 seats (+3) 0
 - Plaid Cymru 1%, 4 seats (+2) 0
 - Social Democratic & Labour Party 0.3%, 2 seats (unchanged) 0
 - Alliance, Ulster Unionist, and Traditional Unionist Voice 1 seat each
- Sir Keir Starmer is now the Prime Minister, and has begun appointing his Cabinet and junior ministerial roles. Below are the key posts currently filled, with all vacancies expected to be filled over the coming week:

- Deputy Prime Minister and Levelling Up, Housing and Communities Secretary Angela Rayner
- Chancellor of the Exchequer Rachel Reeves
 - Chief Secretary to the Treasury Darren Jones
- Home Secretary Yvette Cooper
- Foreign Secretary David Lammy
- o Business and Trade Secretary Jonathan Reynolds
- Energy Security and Net Zero Secretary Ed Miliband
- o Science, Innovation and Technology Secretary Peter Kyle
- Education Secretary Bridget Phillipson
- o Health and Social Care Secretary Wes Streeting
- Transport Secretary Louise Haigh
- Work and Pensions Secretary Liz Kendall
- o Environment, Food and Rural Affairs Secretary Steve Reed
- o Justice Secretary Shabana Mahmood
- o Culture, Media and Sport Secretary Lisa Nandy
- o Chancellor of Duchy of Lancaster Pat McFadden
- Defence Secretary John Healey
- Northern Ireland Secretary Hilary Benn
- o Scottish Secretary Ian Murray
- Welsh Secretary Jo Stevens
- Leader of the House of Commons Lucy Powell
- Chief Whip Alan Campbell
- As mentioned, junior positions are currently being filled and will be available to view at a later date.
- Welcoming the new Government and Sir Keir Starmer as Prime Minister, LCCI Chief Executive Karim Fatehi MBE said: "The London Chamber of Commerce and Industry congratulates the Labour Party on the result of the 2024 General Election and warmly welcomes Sir Keir Starmer as the UK's Prime Minister.
- "Throughout the campaign, all parties have sought to win the confidence of the business community and have engaged constructively on the key issues facing London. We look forward to working with the Government over the coming years to build a London where businesses of all sizes thrive.
- "Now is the time for the new Government to quickly make the changes businesses need to

succeed. As laid out in our manifesto this includes the introduction of policies that protect and support the capital's businesses, enhance London's international competitiveness, and simplify and enable infrastructure and planning. These policies will lay the foundations for future growth, address long term skills shortages, and foster greater innovation in our capital.

 "The country has put their trust in the Labour Party, and it is now up to the Government to deliver. By working hand-in-hand with the business community the Government can deliver a dynamic and prosperous economy where businesses succeed and thrive."

Chancellor sets out first steps for Labour government

- Chancellor Rachel Reeves has made a <u>speech</u> outlining some of the first steps the Government will take to increase economic growth.
- Ms Reeves said that the Government is taking 'swift action' to identify housing sites where development has been stalled, focussing on four areas across the UK.
- The Government is also recovering two appealed planning applications for data centres, as part
 of efforts to ensure the planning system can unlock major schemes from clean energy projects
 and transport infrastructure to film studios and art-entertainment venues. Any investment
 opportunity with important planning considerations that comes to local mayors and the Office
 for Investment will be brought to attention of the Chancellor and the Deputy Prime Minister.
- The Chancellor has also confirmed that the Government will support local authorities with 300 additional planning officers.
- Further announcements will be made in the coming weeks to accelerate the development of housing and infrastructure, including launching a consultation on an updated National Planning Policy Framework to include mandatory housing targets and a requirement to review greenbelt boundaries where necessary to meet them.
- These will prioritise Brownfield and "grey belt" land for development to meet housing targets where needed, partnered with new 'golden rules' that will make sure the development this frees up will also deliver affordable homes, including more for social rent.
- The Government will also:
 - Set out new policy intentions for critical infrastructure in the coming months, ahead of updating relevant National Policy Statements within the next 12 months to provide certainty to industry. Government will legislate to ensure they are updated at least every 5 years
 - o Build on the Strategic Spatial Energy Plan which is being developed by the National

Energy System Operator to speed up the roll out of clean power, and will seek to expand the use of spatial planning to other infrastructure sectors

- The Chancellor has asked the Secretaries of State for Transport and Energy Security and Net Zero to prioritise taking decisions on critical infrastructure projects which are with them now.
- To go further, to help speed up delivery on infrastructure such as transport and energy, the Government will review how it can unlock critical infrastructure, without weakening environment protections. Alongside this, the government will make sure energy projects are prioritised in the planning system and consult on including onshore wind power developments in the Nationally Significant Infrastructure Projects (NSIP) planning regime.
- Concerning onshore wind power, the Government has removed two policy tests from the National Planning Policy Framework that pertain to new onshore wind projects. These tests were considered to be an effective ban on new onshore wind projects, and their removal has come with immediate effect. Further information can be found <u>here</u>.

MPs in London

- The results of the general election have seen a significant change in the political landscape of London.
- 75 MPs for London were elected (up from 73 to 2019 following boundary changes), and the breakdown of MPs by party is below:
 - o Labour 59
 - Conservative 9
 - Liberal Democrat 6
 - Independent 1

If you have any queries, please contact the LCCI Policy Team at policy@londonchamber.co.uk.