

Press release: Regulator publishes a response to the Value for Money consultation

Following a [statutory consultation by the Regulator of Social Housing](#) a new Value for Money Standard and a supporting Code of Practice, which will apply to all private registered providers of social housing, will come into effect on 1 April 2018.

Alongside the new Standard and Code the regulator is publishing value for money metrics that providers will be expected to report against. To meet its statutory objective to be proportionate and minimise interference, the metrics are based on information collected through the providers' existing Annual Accounts regulatory return and drawn from the pilot undertaken by the Sector Scorecard Working Group.

Generally respondents welcomed the move away from a narrative approach of VfM reporting to more focused reporting, and understood and supported the metrics approach that RSH had proposed.

From 1 April 2018 private registered providers will no longer need to produce a VfM self-assessment and should meet the reporting requirements of the new Standard. While the value for money metrics which are applicable to all, are financially focused, providers will be able to also set performance targets themselves to reflect social outcomes, appropriate to their objectives.

The Standard requires providers to publish performance evidence in their annual accounts against their own metrics and those defined by the regulator, and report how that performance compares to peers. Providers will be free to report outside of the accounts in a way they see fit if they consider this increases transparency with stakeholders.

Simon Dow, Interim Chair of the Regulation Committee said:

Thank you to everyone who contributed their views to our Value for Money (VfM) consultation and the separate Technical Note on metrics. Overall, the responses have been very positive and the strengthened Standard now sets out a clear expectation that VfM should be a key strategic consideration for boards.

The new approach will assist with scrutiny and consistency over the information reported, enable a greater focus on outcomes, and help continue to drive improvements in value for money in the sector. As is already our practice, we will seek assurance through In Depth Assessments that registered providers are putting the Standard in practice.

A [decision statement](#), outlining the analysis of consultation responses received, has been published on the Gov.uk website. It includes the final version of the VfM Standard and Code of Practice.

The [VfM Metrics Technical Note](#) is also published on a separate page of the website.

1. There were 174 completed responses to the statutory consultation which ran from 27 September 2017 to 20 December 2017. The regulator also consulted extensively with sector representative bodies.
2. The [Sector Scorecard](#) is a voluntary approach that has been adopted by a large proportion of the sector as piloted by the [Sector Scorecard Working Group](#). The new VfM Standard does not oblige providers to adopt the Sector Scorecard. However, the Standard expects that providers will also report on performance targets based upon their own strategic objectives, and if providers wish to draw on the sector scorecard in setting such targets they are free to do so. Where the two sets of measures overlap, we have sought to align the calculation of the metrics in order to ensure consistency and avoid any scope for confusion.
3. The regulator's purpose is to promote a viable, efficient and well-governed social housing sector able to deliver homes that meet a range of needs. It does this by undertaking robust economic regulation focusing on governance, financial viability and value for money that maintains lender confidence and protects the taxpayer. It also sets consumer standards and may take action if these standards are breached and there is a significant risk of serious detriment to tenants or potential tenants.

For more information visit the [RSH website](#).

Our [media enquiries page](#) has contact details for journalists.

For general queries to RSH, please email enquiries@rsh.gov.uk or call 0300 124 5225.

[Press release: UK government publishes analysis on returning EU powers](#)

The UK government has today published [provisional analysis](#) of the returning EU powers that will result in the devolved administrations of the UK receiving extensive new powers as we depart the EU.

This analysis covers 153 areas where EU laws intersect with devolved competence. There are only 24 policy areas that are now subject to more detailed discussion to explore whether legislative common framework arrangements might be needed, in whole or in part.

This means that the vast majority of powers returning from Brussels will start off in Edinburgh, Cardiff and Belfast.

None of the existing powers of the devolved governments will be affected in any way.

The document published today by the Cabinet Office makes clear that the vast majority of these policy powers are now intended to be in the full control of the devolved governments from day one of Brexit. This is expected to include policy areas such as:

- carbon capture and storage
- water quality
- charging of HGVs
- onshore hydrocarbon licensing

The 24 policy areas that are expected to require a UK legislative framework and where it is intended that existing EU rules and regulations will rollover into UK law for a temporary period, include:

- animal health and traceability
- food and feed safety and hygiene law
- food labelling
- chemical regulation

This temporary restriction on the devolved governments using some of these new EU powers is to help ensure an orderly departure from EU law and to provide certainty to UK businesses while new legislative frameworks are agreed.

Speaking as he published details of the new powers that will transfer to the devolved governments, the Chancellor of the Duchy of Lancaster, David Lidington MP, said:

This is cast iron evidence that the EU Withdrawal Bill will deliver significant brand new powers for the devolved governments in Scotland, Wales and Northern Ireland. The list we have published today shows how many EU powers that were controlled by Brussels, will, after Brexit, be controlled by the parliaments and assemblies in Edinburgh, Cardiff and Belfast.

The vast majority of these new powers will be in the control of the devolved administrations on the day we leave the EU. There is a much smaller group of powers where the devolved governments will be required to follow current EU laws for a little bit longer while we work out a new UK approach.

We are discussing with the devolved governments how this process will work but, as the UK government, we feel very strongly that we must have the ability to take action to protect the UK internal market which represents a huge investment to everyone in the UK.

We are publishing this material today because this can no longer just be a conversation between governments – this process has to be open and transparent. These issues are of central importance to Parliament and the devolved legislatures, as well as businesses and wider stakeholders whose day to day activities will be affected by these decisions.

The UK government has moved a considerable distance to accommodate the concerns of the devolved government and other parliamentarians. It is now time for others to engage in a similarly constructive manner. We have not yet been able to reach an agreed way forward on Clause 11 but I remain hopeful that we will still be able to.

News story: Future cities: UK mission to Australia

View from the Sydney Tower Eye in Sydney, Australia.

Next week (12 and 16 March), 14 UK entrepreneurs will travel to Sydney and Melbourne, Australia as part of an Innovate UK future cities mission.

These cities have demonstrated significant progress in sustainable living and smart infrastructure. The UK businesses to use the observations and connections they make on the visit to grow and scale up.

They will:

- meet with delegates from across Australia
- meet potential customers, partners and investors
- attend workshops
- explore export opportunities

The organisations

The entrepreneurs represent some of the UK's most innovative companies. They include:

- [Predina Tech](#) – uses analytics and AI to predict the severity and cause of road traffic accidents

- [JustPark](#) – helps drivers to find parking spaces and homeowners to open up their spaces to the public
- [Doordeck](#) – an app that allows doors to be unlocked with a smartphone
- Inavya Ventures – digital profile creation used for personalised healthcare
- [Loqiva](#) – platform allowing civic and commercial providers to provide personalised services
- [Grid Smarter Cities](#) – connecting communities and people with transport and services
- [Open Energi](#) – provides data and insights so companies can reduce energy costs and emissions
- [Bulweria](#) – transport system for reducing cars on the road and improving companies vehicle use
- [Citi Logik](#) – urban analysis platform for public sectors organisations to understand movement of people
- [Multipass](#) – platform for transport operators that lets any sized provider use automated fare collection capabilities
- [SEaB Energy](#) – creating energy, water and fertiliser from organic waste
- [Sunamp](#) – low to zero-carbon heating, cooling and hot water systems for buildings
- [Upside Energy](#) – connects existing personal devices to manage flow of energy at peak times
- [Digital Node](#) – provides advice, support and insight on digitised solutions for the construction industry

Why Australia

Australia was chosen because it is highly urbanised. It has taken a country-wide approach to smart city creation following the release of its government's 2016 [Smart Cities Plan](#).

Currently, 89% of the population live in urban areas in the country, which means it already faces a number of challenges. These include:

- an ageing population
- climate change
- water scarcity
- urban sprawl
- housing affordability
- congestion

Many of these challenges also affect the UK and their impact will grow as we head into the future.

Innovate UK's missions

Our missions are intended to improve businesses' access to knowledge, markets, skills and partners based outside of the UK to help remove the barriers to global growth.

They give businesses the opportunity to meet with potential collaborators and

learn about local markets, new technologies and opportunities.

Previous missions have seen delegations taken to India and South East Asia.

This future cities mission to Australia is run by Innovate UK with the [Department for International Trade](#) and the [Knowledge Transfer Network](#).

News story: Government publishes call for evidence on cycle safety

Cycling Minister Jesse Norman has set out his plans to help people to walk and cycle more, as part of a push for the UK to leave cars behind for shorter journeys.

This comes as the Department for Transport publishes a [call for evidence on cycling](#) in this country, asking for a range of views and opinions from the public on everything from improved infrastructure to education for all road users.

This is part of the government's drive to make cycling and walking safer, while encouraging more people to take up cycling at all ages as part of a green revolution in transport.

Mr Norman also announced today (9 March 2018) that he has awarded £100,000 of seed funding to 3 innovative cycling safety projects. These pilots aim to tackle a range of issues, including reducing the cost of e-bike batteries through recycling used laptop batteries.

Cycling Minister Jesse Norman said:

We need to become a nation of cyclists, and this government wants to make cycling the natural choice of transport for people of all ages and backgrounds.

The call for evidence published today will support an open, comprehensive and thorough review across government to encourage active travel and improve safety for all road users, and I hope that as many people as possible take the time to read and respond to it.

We are determined to make cycling safer and easier across the country, and we are continuing to invest. Today we're announcing an investment of £100,000 each in 3 innovative cycle safety projects, in addition to the recent £7 million of funding to improve cycle safety. This is all part of the first-ever statutory Cycling and Walking Investment Strategy.

This announcement comes as a report, recommending that there is a case for a new offence to be introduced to tackle dangerous cycling, has been published by the Department for Transport.

The [independent report, written by legal expert Laura Thomas](#), finds there is a strong case for changing the law to tackle the issue of dangerous and careless cycling that causes injury or death. If this were to be introduced, it would bring cycling in line with serious driving offences.

This follows a multimillion pound government funding boost for cycle safety in February. 8 cities, which the government has already been helping to lead the way in promoting cycling, were given the chance to bid for an additional £6.5 million of funding to trial new schemes which improve safety. This will support the government's aim of encouraging more people to cycle as part of everyday journeys.

Paul Tuohy, Chief Executive of Cycling UK said:

Cycling UK has long campaigned for a review of all road safety laws and enforcement, so it is encouraging that these points will be considered in the call for evidence.

We want to see more people cycling safely, and will actively engage with the review to ensure it addresses the causes of dangers for cyclists and the barriers to more cycling.

Xavier Brice, CEO of walking and cycling charity Sustrans said:

We welcome the government's 'Cycling and Walking Investment Strategy safety review' and especially the inclusion of pedestrians in the review. This is something we advocated. Safety concerns are some of the greatest barriers to more people choosing to walk and cycle and we are pleased that the review is seeking to make it easier for everyone to travel on foot or by bike, and recognises the wide benefits that active travel brings to individuals and societies.

Road safety applies to everyone, regardless of travel mode and we broadly support the case for a new offence to tackle dangerous cycling. However, it must remain proportional as people on bikes rarely cause harm to others through their own actions but, like pedestrians, are particularly vulnerable to motor vehicles which are by far the largest cause of death and serious injury on our roads. It is therefore good to see this as only one part of a much wider safety review to enable more people to walk and cycle every day.

In April last year, the government published the [Cycling and Walking Investment Strategy](#), setting out its vision to remove barriers and double the

number of cyclists by 2025.

Therefore, the remaining £500,000 will be set aside to support Cycling UK's Big Bike Revival project – a successful initiative which is helping to get more people cycling safely and confidently across the country.

The government wants cycling and walking to become the norm by 2040 and will target funding at innovative ways to encourage people onto a bike or to use their own two feet for shorter journeys.

Statement on infraction proceedings on VAT treatment of certain commodity derivatives trading

News story

A statement from HM Treasury regarding the European Commission's notification of infraction proceedings on the UK's VAT treatment of certain commodity derivatives trading.



On 15 May the European Court of Justice issued its ruling in this case. We are reviewing the decision of the Court and will provide further details on next steps in due course. The decision does not require businesses to pay any VAT on historic transactions, and the law applying to derivatives trades today means no VAT is due. That will remain the case while the UK considers next steps in the light of the ruling.

The European Commission on 8 March 2018 provided notification of infraction proceedings against the UK in respect of VAT treatment of certain commodity derivatives, trading under the Terminal Markets Order (TMO). The TMO is a Statutory Instrument (SI) that allows a specific VAT zero rate for derivative transactions in spots, futures (and options on) commodity contracts, when

traded on an exchange.

The UK received a “letter of formal notice” from the EU Commission pursuant to Article 258 of the Treaty on the Functioning of the European Union. This is the first stage of the infraction process. The letter sets out the Commission’s initial views on the UK’s VAT treatment of certain exchange traded commodity derivatives, and invites a response from the UK Government within two months.

The UK Government will consider the Commission’s views and will respond in due course. The issuance of the letter does not have any immediate effect on UK tax law and the matter will be subject to the normal infraction process, which is open to challenge.

The tax treatment of commodity derivatives is unchanged. UK tax law stands unless and until such time as it is changed and therefore past and current trading activity under the Terminal Markets Order is not affected by the issuance of the Article 258 letter.

Published 9 March 2018

Last updated 15 May 2020 [+ show all updates](#)

1. 15 May 2020

Updated with information about European Court of Justice ruling.

2. 28 January 2019

Updated with information on the EU Commission referral to the European Court of Justice.

3. 19 July 2018

Updated with information on the EU Commission sending a Reasoned Opinion to the UK as part of the infraction process.

4. 9 March 2018

First published.