



Network

Programme for Government

Summary for SCC Network

September 2017

KEY BUSINESS / ECONOMY STATEMENTS IN PROGRAMME FOR GOVERNMENT

The First Minister set out the key commitments in the 2017-2018 Programme for Government today, Tuesday 5 September.

Many of these announcements are welcomed by the Scottish Chambers of Commerce, such as the increased focus on Government R&D spend and the ambition to position Scotland at the forefront of growing sectors such as advanced manufacturing, the creative industries, and fintech.

Some of the key commitments are summarised below:

INCREASED R&D SPEND

- To support innovation, will increase government investment in business R&D by 70%. Generating an estimated £300M of additional R&D spending over the next three years.

TRADE AND INVESTMENT

- This autumn, will appoint a network of trade envoys to champion business abroad and increase exports.
- Network of investment hubs - currently in London, Brussels, Dublin + Berlin, will be expanded to include Paris - third largest export market.

FOCUS ON KEY GROWTH SECTORS

Advanced Manufacturing:

- Investing £9M in new lightweight manufacturing centre in Renfrewshire. Helping companies develop global competitive advantage in manufacture of lightweight, environmentally friendly materials.
- Later this year, will confirm location / key partners for new National Manufacturing Institute for Scotland - work starting on site in 2018.

Financial Technology (Fintech):

- Ambition for Edinburgh to become one of the top 10 global key fintech (financial technology) centres.
- Will invest in establishment of Fintech Scotland, industry led body, will champion, nurture and grow the fintech community.

Clean Energy:

- North Sea potentially largest carbon storage resource anywhere in Europe.
- The UK Government's withdrawal of support for key carbon capture / storage initiatives risks that potential. Will continue to pressure Westminster on this.
- However, will provide direct Scottish Government funding for the feasibility of the ACORN Carbon Capture and Storage project, in Aberdeenshire.

Creative Industries

- National Film and Television School setting up a base in Glasgow, first of its kind outside London
- In next year's budget, will provide an additional £10M to bring screen development production and growth funding to £20M per year.

ADDITIONAL INITIATIVE FOR ENTREPRENEURS

- Will establish and fund a new "Unlocking Ambition" challenge. Each year will provide intensive support for up to 40 of the most talented entrepreneurs.

ENTERPRISE AND SKILLS

- Enterprise and Skills agencies reformed - New strategic board, led by Nora Senior, former chair of SCC. Tasked to ensure that £2BN invested in Enterprise and Skills is delivering what is needed.
- From the success of Highlands and Islands Enterprise, will establish a new South of Scotland Enterprise agency to champion this region.

BUSINESS RATES

- Commitment to take forward Barclay Review of Business Rates. Implementation plan published by end of the year.

NEW SCOTTISH NATIONAL INVESTMENT BANK

- Time is right to take new approach to capital investment.
- Will now begin work to establish Scottish National Investment Bank.
- Benny Higgins, incumbent CEO of Tesco Bank has agreed to lead work on precise remit, governance, risk management and operating model.

TRANSPORT INFRASTRUCTURE

- Will complete Aberdeen Western Peripheral Route
- Deliver electrification of railway between Edinburgh / Glasgow
- Continue to push ScotRail to meet high standards of performance
- Will identify a public body to bid on next ScotRail franchise

EARLY ADOPTION OF KEY TECHNOLOGIES

- Forefront of transition to electric vehicles. New petrol / diesel vans phased out in Scotland by 2032, 8 years ahead of UK government target.
- Massively expand number of charging points, and accelerate procurement of these vehicles in public / private sector.
- New innovation fund for business and academia - for challenges such as charging vehicles.
- A9 to become Scotland's first fully electric-enabled highway.

CIRCULAR ECONOMY

- Design and introduce a deposit return scheme for drinks containers, as an important part of our determination to tackle litter and clean up streets.

TAXATION:

- Will publish a paper looking at income tax and current distribution of income tax liabilities in Scotland, analysing several different options.