

Conference 2016 Brief: 12:00, 1 October 2016

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Conservative Party Conference Key Messages and Narrative

This Conservative Government is determined to build a country that works for everyone. We are getting on with the job and working hard every day to deliver the change people want: striking the right deal for Britain abroad and a better deal for ordinary, working-class people here at home.

We are working hard to strike the right deal for Britain abroad: making a success of Brexit and shaping an ambitious global role that puts Britain's interests first.

We are working hard to strike a better deal for ordinary, working-class people here at home: giving them control of the things that matter most in their lives; building an economy in which everyone plays by the same rules and ordinary working people have the chance to share in the country's economic success; creating a society that rewards work and helps anyone, regardless of background, go wherever their talents will take them.

The right deal abroad and a better deal at home. This is the change ordinary, working-class people want and they can trust us to deliver it.

By putting their interests first and being driven by their concerns and priorities, we will build a country that works for everyone, not just the privileged few.

The right deal abroad

This conference takes place at a significant moment for Britain: a moment of great national change.

The result of June's referendum was clear. People said they wanted to be given more control over the decisions that affect them, and that's what we are working hard to deliver.

People can trust this Conservative Government to deliver the change they want. They can trust us to strike the right deal for Britain.

We will make it a priority to control the number of people who come here from Europe – but also to allow British companies to trade with the single market in goods and services. And at the same time, we are going to make the most of the opportunities that our departure from the EU presents – getting out into the world and doing business right across the globe.

A better deal at home

But it is clear that people also want change here at home.

The referendum showed that ordinary, working-class people feel they have too little control over the things that matter most in their lives and the decisions that affect them.

They're getting on with their lives, often quietly and without complaint, but sometimes it's a struggle. They're getting up early and working around the clock, but still they worry about being able to pay the bills and giving their children the best start they can. They're doing their best, but sometimes it feels like things work well for other people and not for them. They're just about managing but they would like a little help. They would like to know someone is listening; someone is on their side.

This Conservative Government will deliver for ordinary, working-class people

This Conservative Government is getting on with the job and working hard to deliver for them. They can trust us to make the changes they want – striking a better deal for ordinary, working people and giving them more control of the things that matter most to them.

We have achieved a lot over the past six years: stabilising the economy, reducing the budget deficit, helping more people into work than ever before - and taking people on the lowest wages out of income tax altogether.

But we know there is much more to do if we are to create a country that works for everyone.

So while we deliver change abroad, we will also deliver change here at home: building an economy and society that works for everyone, and a country that serves the interests not of the rich and powerful, but of the ordinary, working-class people of Britain.

We will do everything we can to give them more control over their lives, to tackle the injustices and barriers that hold people back, and to take on vested interests – wherever they are found – that put the interests of the few above the concerns of the many.

We will build a country that works for everyone

That is why with Theresa May as our Prime Minister, this Conservative Government will build:

- **An economy that works for everyone**, through economic reforms that focus on increasing productivity so that more people can share in the country's prosperity, getting tough on irresponsible behaviour in big business to ensure the free market truly works for all, and actively shaping an industrial strategy that serves the interests of Britain and of ordinary, working people
- **A society that works for everyone**, through ambitious social reforms that ensure the talent you have and how hard you're prepared to work matter more than where you were born, who your parents are, what your accent sounds like, what god you worship, or whether you're a man or a woman, gay or straight, black or white.
- **A democracy that works for everyone**, in which we recognise there are some things that only the state and politicians can do, where politicians face up to the tough decisions that need to be made, and in which the interests of ordinary, working people are put before those of the privileged few.

By being a united team, dedicated to serving the people and getting on with the job

This is a significant moment for Britain: a moment of great national change at home and abroad.

This united Conservative Government is ready to seize that moment: making a success of Brexit, forging a bold, new positive role for ourselves in the world, and changing our economy and our society here at home to ensure they serve the interests of ordinary, working-class people. The right deal abroad and a better deal here at home.

While other parties are frankly too divided or distracted to deliver the leadership Britain needs, the Conservative Party under Theresa May's strong, proven leadership is knuckling down and getting on with the job – delivering the change ordinary, working-class people want and building a country that works for everyone, not just the privileged few.

Employment practices review

Summary: The Prime Minister has announced today that Matthew Taylor, Chief Executive of the RSA and a former senior adviser to the Labour Party, will lead an independent review of employment practices in the modern economy.

- **We have more people in work than ever before but the growth and innovation in our economy means that there are more people who do not have a traditional ‘employer-employee’ relationship.**
- **Whilst our employment rules work well for the majority, it is vital that they keep up to date with changing employment practices. So the Prime Minister has announced that Matthew Taylor will lead a review of employment practices in today’s economy. This will consider how: employment practices need to change to keep pace with modern business models, and the implications of new forms of work for employee rights and responsibilities; employer freedoms and obligations; and our existing regulatory framework surrounding employment.**
- **To make sure that our economy works for everyone, we need our employment rules to work for people who don’t have the security that comes with a traditional job.**

Background

- **Types of employment are changing.** An increasing share of the workforce have non-standard forms of employment arrangements: including self-employment (4.8 million people)¹, zero hour contracts (900,000 people)² or temporary work (1.7 million people)³. There are overlaps between these categories, but taken collectively it represents around one in five workers.⁴
- **The current set of employment rules works for the majority of these people.** Surveys consistently show that self-employed people are happier with their work than employees. The flexibility of our labour market is also an important strength of our economy. It has played a key role in sustaining the record employment level that we currently enjoy. About two thirds of people on zero hour contracts do not want more hours, and report that they are happy with their work life balance⁵.
- **However the growth of non-standard employment practices can also create problems.** Around 6 million people are not covered by the standard suite of workplace rights, a number that continues to grow. And while 92 per cent of people consider job security to be important, only 65 per cent of people think their job is secure.⁶
- **This flexibility can be both an asset and a potential threat.** The UK’s flexible labour market gives our businesses a competitive advantage internationally. But the growth of the so-called gig economy, and the rise in non-standard working practices, has created problems for a significant minority and tested the limits of existing labour market protections. It is also a problem for employers, who can find it difficult to deliver training without formally declaring contractors as workers, and who struggle with a regulatory and tax system designed for formal and reliable employment.

Our solution

- **Matthew Taylor, the chief executive of the RSA and a former senior Labour adviser, will lead an independent review of employment practices in the modern economy.** The review will consider whether

¹ ONS, *UK Labour Market: September 2016*, table 3, [link](#).

² ONS, *Labour Force Survey: Zero-hours contracts data tables*, 8 September 2016, [link](#).

³ ONS, *UK Labour Market: September 2016*, table 3, [link](#).

⁴ ONS, *UK Labour Market: September 2016*, table 3, [link](#).

⁵ CIPD, *Policy Report*, December 2015, p.33, [link](#).

⁶ British Social Attitudes, *Survey 33 - Work*, [link](#).

our employment rules have kept pace with changes in the economy, such as the growth in self-employment, on-demand working, the practice of contracting rather than hiring, and zero hour contracts. It will make recommendations to government about how to maintain flexibility while supporting job security, workplace rights, opportunities for progression and representation for the growing number of people who do not have traditional employment relationships.

Conservative record

- **The employment rate at a historic high.** Since 2010 employment has increased by 2.7 million¹ and the number of workless households is lower than it ever was under the last Labour Government.²
- **The Government has banned the use of exclusivity clauses in zero hour contracts.**³ It is now illegal for employers to at people have the freedom to look for and take other work opportunities and have more control over their work hours and income. An individual on a zero hours contract can now make a complaint to an employment tribunal if their employer mistreats them for working, or seeking to work, elsewhere.

Scope of the review

The review will address six key themes:

Security, pay and rights

- To what extent do emerging business practices put pressure on non-standard workers, so that rather than making a fair trade off between job security and some combination of flexibility, greater work availability or higher pay, they lose out on all dimensions?
- To what extent does the growth in non-standard forms of employment undermine the reach of policies like the National Living Wage, pensions auto-enrolment, sick pay, and holiday pay?

Progression and training

- How can we facilitate and encourage professional development within the modern economy to the benefit of both employers and employees?

Finding the appropriate balance of rights and responsibilities for new business models

- Do current definitions of employment status need to be updated to reflect new forms of working created by emerging business models, such as on-demand platforms?

Representation

- Could we learn lessons from alternative forms of representation around the world, for example the Freelancers Union in New York which focuses on access to health insurance, or the California App Based Drivers Association which lobbies companies like Uber on behalf of drivers?

Opportunities for under-represented groups

- How can we harness modern employment to create opportunities for groups currently underrepresented in the labour market (the elderly, those with disabilities or care responsibilities)?

New business models

- How can government – nationally or locally – support a diverse ecology of business models enhancing the choices available to investors, consumers and workers?

¹ ONS, *Labour Market Statistics*, 14 September 2016, [link](#)

² ONS, *Working and Workless Households: 2015*, 1 September 2016, [link](#)

³ *Small Business, Enterprise and Employment Act 2015*, Part 11, [link](#)

Political points to make

- **Less than 3 per cent of workers are on zero-hours contracts.** Between April and June 2016, 903,000 people were estimated to be on zero-hours contracts, 2.85 per cent of people in work.¹
- **Three-quarters of the rise in employment since Labour were in power has been in full-time jobs.** The number of people working full-time has risen by 2 million since Labour were in power.²
- **In office, Labour recognised and welcomed zero hours contracts.** They said that ‘these [zero hour] contracts maximise flexibility for employers and suit some people who want occasional earnings’ and admitted that ‘many employers ensure the contracts are used sensibly’.³
- **Labour have since admitted that zero-hours contracts can be useful.** Former Shadow Business Secretary Chuka Umunna has said that ‘sometimes people quite like to use them’.⁴
- **Labour presided over zero hours contracts with exclusivity clauses when they were in government.** Zero-hours contracts were happening under Labour. As early as 2000, using old measures, the ONS estimates that there were 225,000 people on these contracts.⁵

¹ ONS, *Labour Force Survey: Zero-hours contracts data tables*, 8 September 2016, [link](#).

² ONS, *Labour Market Statistics*, 14 September 2016, [link](#).

³ Board of Trade, *Fairness at Work White Paper*, May 1998, [link](#)

⁴ Chuka Umunna, *ITV Daybreak*, 20 August 2013.

⁵ ONS, *Ad Hoc Analysis: Zero Contract Hours*, 2013

New support for Afghanistan

Summary: The Government is committing up to £750 million from the aid budget to Afghanistan between 2017 and 2020.

Background

- **This funding will save lives and help build a viable, long-term state – ensuring that the achievements of our brave armed forces are supported. Our commitment shows how we are deploying the UK’s aid budget in a way which is firmly in our national interest and will help protect our national security.**
- **UK assistance over the next four years will strengthen infrastructure and government systems, improve health and education services, support mine clearance within the country and create the jobs and investment needed for the country to turn the corner in realising greater economic independence.**
- **This will create an Afghanistan that is less dependent on aid and is a safer and more secure country that offers increasing opportunities for the Afghan people. This work will protect UK national interests by reducing threats from terrorism, narcotics and illegal migration, and improving prospects for investment.**

Our solution

- **We will commit up to £750 million, from the aid budget, to Afghanistan between 2017 and 2020.** This will help deliver improved health and education systems and stronger economic growth.
- **We will help clear deadly mines.** Our support will help clear contaminated land, help people make use of that land, and educate people about the danger of un-cleared land.
- **We will meet urgent humanitarian needs.** In addition to this long-term development support, we will help meet the most immediate needs of around a million displaced Afghans before winter hits. By giving £15 million to the United Nations Flash Appeal for Afghanistan, we will provide shelter, food and medicine to vulnerable Afghan families, including people who have returned from Pakistan and women and children driven out of their homes by continuing fighting inside the country.
- **Our support will help bolster the economy and state of Afghanistan.** This development aid is a vital complement to the separate support we provide to the Afghan security forces. Making this commitment will send a clear signal that the international community will not walk away from Afghanistan.

Conservative record

- **The UK has already offered strong support to Afghanistan’s security.** In July 2016, the international community reaffirmed its commitment to Afghanistan’s security at the Warsaw NATO Summit. The UK confirmed that it will maintain its investment of £70 million a year in the Afghan National Defence and Security Forces to 2020.

UK support has improved millions of lives in Afghanistan. The UK’s presence in Afghanistan over the last decade has helped to stabilise that country and prevent it from becoming a base for global terrorists that would threaten the streets of Britain. We have improved the lives of ordinary Afghans significantly – with millions more girls in school, better healthcare, and greater prosperity. Our support has helped the number of Afghan children attending primary school rise from 4.3 million in 2008 to more than 7.2 million by 2014. Of

these, 39 per cent were girls, up from virtually none under the Taliban, when girls were not allowed to go to school¹.

Costing and funding

We are committing up to £750 million between 2017 and 2020. All of this will count as Official Development Assistance, and will come out of the UK's existing commitment to spend 0.7 per cent of national income as aid.²

Political points to make

- **We are deploying the UK's aid budget in a way which is firmly in our national interest.** We are addressing challenges like migration, terrorism and narcotics which affect working people's everyday lives.
- **Labour may claim that we are diverting the aid budget towards narrow security issues.** This is nonsense – this money will help millions of the world's very poorest people. We are helping the poor in a way which is also firmly in our national interest. It is clear that not only would Labour make us less safe at home, it would not take action to ensure the world's poorest are kept safe abroad. Improving the security of fragile states is vital to ensure our aid reaches those at risk and to prevent people from becoming trapped in poverty. If your country is not stable and free from the threat of violence then you cannot get to work, you can't get to the local clinic and your children can't go to school.

¹ DFID Press Release, 8 September 2016.

² £640 million will come from DFID's bilateral country programme. £60 million will come from DFID's Girls Education Challenge Fund. £36 million will come from the cross-Government Conflict, Stability and Security Fund. £14 million will come from the Foreign & Commonwealth Office. In addition to the £750 million of long-term development support, DFID is providing a £15 million to the current UN humanitarian appeal for Afghanistan.

Building our new nuclear submarines

Summary: The Conservative Government was elected on a manifesto commitment to renew our nuclear deterrent – the ultimate guarantee of the nation’s security. Having gained the overwhelming backing of Parliament in July, we will now invest £1.25 billion in order to move to the build phase of the project.

- **Britain’s nuclear deterrent is the ultimate guarantee of the nation’s security. We use it every day to deter our adversaries. It is a critical part of the NATO Alliance that is the cornerstone of our security, and that of our allies.**
- **When there are 17,000 nuclear weapons in the world, we cannot know what threats may emerge in the 2030s, 2040s, and 2050s.**
- **The Conservative Government is committed to maintaining a continuous round the clock underwater nuclear deterrent. Labour’s leadership want to scrap that deterrent. They cannot be trusted with our nation’s security.**

Background

- **Britain has had continuous-at-sea nuclear deterrent for almost 50 years.** Our current fleet of Vanguard submarines are ageing and we must now start building the four replacements that will ensure we maintain our nuclear capability 24 hours a day, 7 days a week, 365 days a year until the 2060s.
- **Those who argue in favour of scrapping our nuclear deterrent unilaterally must be certain no extreme threats will emerge in the next 30 or 40 years.** With an expansionist Russia Building eight ballistic missile submarines and North Korea testing nuclear weapons, we simply cannot be certain of that.

Our solution

- **Committing to build a new generation of nuclear submarines.** Our election manifesto made a clear commitment to maintain our continuous at sea deterrence by building four new nuclear submarines. This was reaffirmed in our strategic defence review after the election. Now, with Parliament backing our plan by 472 votes to 117¹, we are announcing £1.25 billion to begin the build phase known as ‘delivery phase 1’.
- **That money will enable us to start building boat 1.** Delivery phase 1 will see us begin building the auxiliary machine space, containing switchboards and control panels for the reactor, as well as carrying prototyping, purchasing material for boats two to four and investing in facilities at the yard in Barrow where they will be built.

Conservative record

- **Investing in Britain’s defence.** This Conservative Government is able to begin building new nuclear submarines because we are increasing the defence budget every year of this decade, as well as meeting both the NATO commitment to spend 2 per cent of GDP on defence and to spend 20 per cent of the defence budget on equipment.

Costing and funding

- The £1.25 billion investment in delivery phase 1 is budgeted for in the MoD budget and part of the commitment that was confirmed in the Strategic Defence and Security Review, published November 2015.

¹ Hansard, 18 July 2016, Division 46, [link](#).

Political points to make

- **Labour's leadership wants to scrap Britain's nuclear deterrent – even though its official policy is to support it.** Jeremy Corbyn said: 'As you very well know I am not a supporter of nuclear weapons and we are supporting the UN in its ban process.'¹ He has refused to rule out trying to change Labour's policy and Seumas Milne, Labour's director of strategy and communications, reportedly deleted the suggestion that Labour 'would not seek to change' the party's formal pro-nuclear policy before a general election from Shadow Defence Secretary Clive Lewis' speech.²
- **Jeremy Corbyn has said he would not use Britain's nuclear deterrent.** 'I never want to use a nuclear weapon.'³ A deterrent only works if you are ultimately prepared to use it, otherwise it ceases to have a deterrent effect.
- **Labour's leadership wants to withdraw from NATO.** Jeremy Corbyn said: 'I'd rather we weren't in it'.⁴ NATO is the cornerstone of euro-Atlantic security and has kept the peace in Europe since 1949.
- **Labour's leader wants to abolish the Armed Forces.** Jeremy Corbyn said: 'Wouldn't it be wonderful if every politician around the world instead of taking pride in the size of their armed forces...abolished their army...surely that is the way we should be going forward'.⁵
- **Labour's leadership wants to appoint a Minister for Peace.** Jeremy Corbyn said: 'In the ministerial things that we may well be appointing in the future, let's have a minister for disarmament and a minister for peace.'⁶

¹ *BBC News*, 27 September 2016,

² *The Guardian*, 26 September 2016 [link](#).

³ *BBC News*, 27 September 2016,

⁴ *New Statesman*, 29 July 2015, [link](#).

⁵ *YouTube*, 6 August 2012, [link](#).

⁶ *The Telegraph*, 22 September 2016, [link](#),

Digital skills for everyone

Issue: Karen Bradley announced on Saturday 1 October that the Government will ensure free training for adults who lack basic digital skills in the Digital Economy Bill currently before Parliament.

- **In today’s digital economy, being able to use modern technology and navigate the internet should be considered as important as basic literacy and numeracy. But too many people struggle to get by, with more than 10 million adults in England lacking the basic digital skills they need to send an email, fill out an application form, or even simply browse the internet.**
- **That is why we will introduce a new statutory duty to provide free training in basic digital skills for adults who need support, where it is available.**
- **Our changes will help adults to gain skills relevant to the job market and bring them out of the ‘digital darkness’ – helping to make sure our economy and society work for everyone.**

The problem

- **Many currently lack basic digital skills.** A recent report by the Commons Science and Technology Committee found up to 12.6 million of the adult UK population lack basic digital skills, while an estimated 5.8 million people have never used the internet at all.¹
- **The elderly and the least well off are the worst affected by the lack of basic digital skills.** 35 per cent of people in lower socio-economic groups lack basic digital skills, compared to just 13 per cent in upper and middle class groups. Just 43 per cent of over-65s meet the criteria for basic digital skills, compared to 93 per cent of 15-24 year olds.²
- **To succeed in the modern workplace everyone needs basic digital skills.** To make sure the UK remains a thriving economy, competitive on the world stage, adults need to have good literacy, numerical and digital skills.³

Our solution

- **We will provide free training in basic digital skills for adults lacking qualifications or capabilities – ensuring everyone can benefit from the digital economy.** A forthcoming amendment to the Digital Economy Bill currently going through Parliament will introduce this, putting digital skills on the same footing as English and Maths. Where adults want and need to improve their digital skills and courses are available, we will offer free training. The digital skills training will be delivered by colleges and other adult education providers.
- **New standards and qualifications will be drawn up to replace the current digital training – so everyone in need can receive the best digital training.** We will consult on the detail of the new offer in due course.
- **This policy applies to England.**

¹ House of Commons Science and Technology Committee, *Digital Skills Crisis*, June 2016, [link](#).

² Ibid.

³ DfE, *Post-16 Skills Plan*, July 2016, [link](#).

Our achievements

- **Since 2010, the Government has provided £36 million to fund programmes to help people gain basic digital skills.** These programmes have helped more than 1.5 million people to develop their digital skills, with another million adults set to benefit by 2019.¹
- **We have vastly improved our digital infrastructure by investing in superfast broadband.** We are on track to deliver – and expect to exceed – our target of 95 per cent superfast broadband coverage by 2017. 90 per cent of the UK now has access to superfast broadband and the government has provided access speeds of two megabits per second or more to the whole of the UK.²
- **We are strengthening protections in the digital world – so everyone can benefit from the digital economy safely.** Our Digital Economy Bill will ensure consent is obtained for direct marketing to protect consumers from nuisance calls and spam emails. To protect children, age verification will be introduced to access pornographic material online.

Costing and funding

- **Training will be funded from the existing Adult Education Budget.** Precise details will be set out in due course.

Political points to make

- **Labour left millions without good broadband services.** In June 2010, almost 3 million homes and businesses did not have access to basic broadband speeds of at least two megabits per second.³
- **Under Labour, Britain fell behind other European countries in terms of broadband services.** The UK slipped in terms of internet access and the speed of services available compared with other European countries.⁴

¹ Department for Culture Media and Sport, *written evidence to the House of Commons Science and Technology Committee*, January 2016, [link](#).

² *Hansard*, 26 April 2016, WA, [link](#).

³ DCMS, accessed on 8 August 2014, [link](#).

⁴ House of Lords Communications Committee, *Public Service Content*, 8 April 2009, p.92.

Stopping benefit reassessments for those most in need

Summary: We will stop requiring people with the most severe, lifelong conditions to be reassessed for their out-of-work benefits.

- **We are building a country that works for everyone – not just the privileged few. A key part of that is making sure that all those who are able to work are given the support and the opportunity to do so.**
- **But it also means ensuring that we give full and proper support to those who can't. If someone has a disease which can only get worse then it doesn't make sense to ask them to turn up for repeated appointments to check their eligibility for out-of-work benefits. If their condition is not going to improve, it is not right to ask them to be tested time after time. So we will stop it.**
- **This will remove unnecessary stress and bureaucracy for the most vulnerable in society.**

Background

- **Employment and Support Allowance is the out-of-work unemployment benefit for people who are unable to work as a result of a health condition or disability.** After having a Work Capability Assessment to determine eligibility, claimants receive up to £102.15 a week if in the work-related activity group and up to £109.30 a week if in the support group.
- **People who are unlikely to ever to get into work are currently required to undergo reassessments.** For example, the benefit system currently requires a claimant with profound brain injuries to have regular re-assessments to confirm their eligibility for Employment and Support Allowance, or additional payments in Universal Credit, even though we know that their condition almost certainly will not change. This creates unnecessary stress for the individual, and unnecessary expenditure for the taxpayer.

Our solution

- **Exempting those with serious and chronic conditions from reassessments.** We will work with medical professionals, our health assessment provider, and others to develop criteria to stop re-assessments for people with the most severe health conditions. People with illnesses such as severe Huntington's, severe autism or a congenital heart condition, will be amongst those who might qualify to continue to receive Employment Support Allowance automatically.
- **Simplifying the assessment process.** In addition, we will also explore in a forthcoming Work and Health Green Paper how we might simplify and improve the assessment process and how we can use information more effectively to support people with health conditions and disabilities.

Conservative record

- **We have improved the system we inherited from Labour.** Labour introduced the Employment and Support Allowance to support individuals with a temporary interruption in employment. Since 2010, there have been five independent reviews of the Work Capability Assessment between 2010 including over 100 recommendations. As a result, we have already made considerable improvements to the Employment and Support Allowance assessment process, for example improving the training of assessors to make sure they are able to provide accurate advice on the day-to-day impacts of a range of disabilities and health conditions and reducing backlogs and processing times.
- **We have increased spending on disability support – ensuring we support the most vulnerable.** Our reforms have seen support for the disabled increase. In the last Parliament, spending rose by £3 billion. We are now spending about £50 billion on benefits alone to support people with disabilities and health conditions.

Costing and funding

- There are minimal departmental costs associated with this measure that will be met from within the department's budget.

Political points to make

- **Labour would let welfare spending spiral out of control, resulting in increased taxation and borrowing.** Jeremy Corbyn and the Labour party oppose all of the welfare reforms and measures we have taken since 2010 to put welfare on a sustainable base. They want to remove the benefit cap and consult on introducing a universal basic income – meaning a return to something for nothing (*Jeremy Corbyn Speech to the TUC*, 15 September 2015, [link](#); Jeremy Corbyn, *Keynote speech on the economy at Bloomberg*, 15 September 2016, [link](#)).

Support to boost new technologies

Summary: We want the UK to lead the world in the development, commercialisation and adoption of new technologies. So the Government will: (a) provide additional £100 million funding to extend and enhance the Biomedical Catalyst supporting innovative UK life science companies translate research into commercial success, (b) provide additional £120 million funding for universities to fund new tech transfer offices, and (c) expand the Challenger Business Programmes to address regulations that pose the largest barriers to the adoption of disruptive technologies.

- **The Government's long-term strategic goal is for the UK to be the best place in the world to develop and launch innovative technologies.**
- **We are providing financial support to universities and business, and a mechanism to address regulatory challenges to boost the development and commercialisation of new technologies.**
- **We will ensure that the commercial benefits of technological developments stay in the UK, providing economic growth and high value jobs through-out the supply chain, and building a country that works for everyone, not just the privileged few.**

Background

The UK has excellent research facilities, but has traditionally been less successful at commercialising these new technologies. The UK performs poorly on SMEs introducing product or process innovations (Global Innovation index 2014).

Our solution

- The **Biomedical Catalyst** provides grant support at the early innovation stage targeting the funding gap to ensure that emerging disruptive healthcare technologies are delivered to market. The programme offers funding at varying stages of technical and commercial development from proof of concept to feasibility awards. Average grants are £750,000 per company mainly to start-ups and spin outs. It has been hugely oversubscribed with funding applications outnumbering grant awards fourfold. The new funding extends the programme for the next four years.
- The UK has some world class university **tech transfer offices** that support effective transfer of the research carried out at universities and research institutions, into commercially viable business ventures. However, there is a wide variation between universities, and there are significant economies of scale to be reaped from better collaboration. This new programme incentivises universities to bid for funds to collaborate and expand their network of tech transfer centres.
- A key part of developing new technologies is creating a regulatory environment that supports the development of disruptive technologies. The **Challenger Business Programme** was launched in October 2013 to identify and as far as possible remove the barriers that stop insurgent and innovative businesses from setting up and thriving in the UK. This programme will be expanded into new sectors and new businesses as an element of the Industrial Strategy.

Conservative record

- Since launching in 2012, the biomedical catalyst has awarded more than £250 million funding, matched by £150 million of private finance, to over 300 projects. Post-award funded companies and academics have realised in excess of a further £1 billion pounds in post project financing licensing deals and acquisitions. Frontier economics estimate a 20 per cent rate of return for UK public R&D investments.

- Tech Transfer Offices at Cambridge, Imperial, Edinburgh, Oxford, UCL have delivered huge commercial benefits and delivered new technologies for example in land remediation, pest control, IT systems, and genetic and genome data.
- The Challenger Business programme has engaged directly with some 400 disruptive businesses across 10 sectors (including Fintech, sharing economy, healthcare technology and drones). Actions taken in response to issues identified include tax allowances for money earned from the sharing economy, VAT exemption for cryptocurrencies, and exemptions for the space and satellite sector from Insurance Premium Tax, to match other leading nations.

Costing and funding

This is additional funding from HMT to BEIS in addition to the budget agreed during the Spending Review:

- £100 million over four years for the biomedical catalyst
- £120 million over four years for the tech transfer programme
- No direct costs for the Challenger Business Programme

Political points to make

- The Conservative Government is backing British business to succeed. These are successful programmes that we are expanding to deliver more benefit to the UK. Labour's position is simply to tax and spend.
- We want the UK to remain a global hub for new technology. This will drive our economy over the next few decades, creating well paid jobs and paying the taxes that we need to fund public services.
- Support for new technology sectors is a key part of a modern industrial strategy. Further plans will be unveiled over the coming months.

OTHER LINES

Grammar schools

Building a country that works for everyone, not just the privileged few, means giving every parent the chance to pick the best possible school for their child.

Figures released today show parents are 50 per cent more likely to pick a grammar school as their first preference secondary school. But the 1998 ban stops thousands of parents and their children benefitting from them.

Our ambitious proposals will unlock more good school places for children, so they get an education that caters to their individual talents, abilities and needs.

Business rates

This revaluation improves the fairness of rate bills by making sure they more closely reflect the property market and from 2020 all rates raised in London will be spent in London.

We've set aside £1 billion to help businesses in London transition to the new rates and from next year over 60,000 small firms in the capital will be taken out of paying any rates at all – part of a wider package that will save £800 million by 2021.

Help To Buy: Mortgage Guarantee scheme

Through the Help to Buy schemes, we've helped 185,000 people buy a house and hundreds of thousands have taken advantage of the Help to Buy: ISA, with its generous government bonus.

The Help to Buy: Mortgage Guarantee scheme was introduced in 2013 as a temporary scheme to increase the availability of high loan to value mortgages following a significant drop off in availability following the financial crisis. As announced in 2013, the scheme will close to new applicants at the end of 2016.

Having supported over 86,000 households, many high street banks are again offering 90-95 per cent loans to first time buyers. The Financial Policy Committee of the Bank of England has also said they think this is unlikely to have any impact on the availability of high LTV mortgages.

We will continue to support people to get on the housing ladder including through the Help to Buy: ISA and the Help to Buy: Equity Loan Scheme which we have already extended to 2020.

Minimum wage rise

From Saturday 1 October young workers and apprentices across the country will see their pay rise as new minimum wage rates take effect.

We promised to build an economy that works for everyone and this increase in the minimum wage means our lowest paid young workers will receive their largest pay rise since the recession.

This pay rise will make a real difference to hard-working young people across the country and means for the vast majority of workers, the National Minimum Wage is at its highest level in real terms.

This pay rise for young workers delivers on the Conservatives' commitment to ensure work pays and builds on this year's increase in the personal allowance as well as the new National Living Wage for those 25 and over.

APPENDICES

Main Hall Agenda

SUNDAY 2 OCTOBER

14:00 - 16:30, Symphony Hall

Welcome to Conference

Conference Chairman

Party Chairman

West Midlands Mayoral Candidate

Global Britain: Making a Success of Brexit

The Prime Minister

Secretary of State for Exiting the European Union

Secretary of State for International Development

Secretary of State for Foreign and Commonwealth Affairs

16:45 - 17:30, Hall 1

Meet the Chairman

Chairman of the Conservative Party

Open to Party Members only

MONDAY 3 OCTOBER

10:30 - 12:30, Symphony Hall

An economy that works for everyone

Secretary of State for Business, Energy and Industrial Strategy

Secretary of State for Communities and Local Government

Secretary of State for Transport

Chancellor of the Exchequer

14:30 - 16:15, Symphony Hall

Secretary of State for Culture, Media and Sport

Secretary of State for Environment, Food and Rural Affairs

Secretary of State for International Trade

16:30 - 17:30, Hall 1

Preparation for next year's elections

A campaigning session focusing on next year's local and mayoral elections in England, Scotland and Wales.

Open to Party Members only

TUESDAY 4 OCTOBER

10:30 - 11:00, Symphony Hall

Celebrating the Union

Leader of the Welsh Conservatives in the National Assembly for Wales

Secretary of State for Wales

Secretary of State for Scotland

Secretary of State for Northern Ireland

11:00 - 12:30, Symphony Hall

A society that works for everyone

Secretary of State for Defence
Secretary of State for Justice
Secretary of State for Home Affairs

14:30 - 16:15, Symphony Hall

A society that works for everyone

Secretary of State for Work and Pensions

Secretary of State for Health

Secretary of State for Education

16:30 - 17:30, Hall 1

A party that works for everyone

Party Members discuss why they joined the Conservative Party

Open to Party Members only

WEDNESDAY 5 OCTOBER

10:00 - 10:30, Symphony Hall

A party that works for everyone

Contributions from Conservative MPs

10:30 - 13:00, Symphony Hall

A country that works for everyone

Leader of the House of Lords

Leader of the Scottish Conservatives

The Prime Minister