



A guide to the new prime minister's views on key policy areas







Introduction

Liz Truss faces perhaps the most daunting in-tray of any new UK prime minister in recent times. The economy is forecast to slip into recession, inflation is in double-digits for the first time in 40 years, real wages have fallen at their sharpest rate on record and consumer confidence is at a near-50-year low. The government is under huge pressure to respond swiftly to help individuals and businesses manage the cost-of-living crisis and soaring energy costs fuelled by the conflict in Ukraine. This toxic mix of factors has darkened the outlook for the public finances and threatens to limit the government's room for manoeuvre. Interest rates are also on the rise.

Against that backdrop, industrial relations are deteriorating, with workers in a range of sectors, from train drivers to barristers and port workers striking to demand better conditions. Key parts of the public sector are under pressure, with the legal and health systems facing backlogs from the Covid crisis and past funding cuts, while transport networks need support after the pandemic changed working habits. The UK also faces some tough foreign policy challenges, including the war in Ukraine and a fractious relationship with the European Union caused by disagreements over the post-Brexit arrangements for Northern Ireland.

On the political front, Labour is ahead of the Conservatives in the polls following the so-called partygate scandal and policy U-turns of the Boris Johnson administration. Truss may need to move quickly to unite her party behind her agenda after a bruising leadership contest amid expectations the challenging policy outlook means she will have a shorter honeymoon period than previous leaders.

This Dods Political Intelligence report pulls together pledges and statements made by Truss in recent weeks and before the Conservative leadership campaign to provide a one-stop guide to her plans for tackling key policy challenges from the cost of living to climate change. The report includes links to sources where available, though Dods Political Intelligence does not vouch for the accuracy of the media reports.

To stay up to date on the development of the Truss government. Keep an eye on <u>this</u> <u>spreadsheet</u> produced by Dods Political Intelligence Team showing all of the new government's appointments.

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Economy, Tax, and Cost of Living

- <u>Pledges</u> "within one week I will make sure there is an announcement on how we are going to deal with the issue of energy bills and of long-term supply to put this country on the right footing for winter," but declines to give details. In the interview on eve of leadership contest result she also says she will "within a month present a full plan for how we are going to reduce taxes, how we are going to get the British economy going".
- Has said that the UK will "get through these tough times by going for growth", and as
 prime minister she would make this happen through tax cuts, reforms, and cutting red
 tape, though has declined to announce her entire plan.



- Has pledged to <u>reverse the recent rise in National Insurance</u>, which came into effect in April 2022.
- Has hinted at targeted cost of living support for pensioners or those on 'fixed incomes'.
- Considering cutting VAT by up to five percent, which officials believe could save the average household £1,300 per year, citing analysis by the Institute for Fiscal Studies.
- Changes to income tax are <u>reportedly</u> being considered with adjustments to personal allowance the level at which people begin paying ahead of schedule.
- Plans to <u>scrap the corporation tax rise</u> which is set to increase from 19 to 25 percent in 2023
- Plans to <u>scrap the 'green levy' on energy bills</u> which helps fund social and green projects.
- Plans to pay for tax cuts by <u>spreading out the UK's 'Covid debt' over a longer period.</u>
- Will <u>order a review of IR35 rules</u>, which she believes impose unfair tax burdens on selfemployed tradesmen.
- Confirmed she will review inheritance tax.
- Promised to introduce <u>"full-fat freeports"</u> to offer businesses tax breaks and lower tariffs.
- Could <u>pull the UK out</u> of an international deal to "stitch-up" global corporation tax rates at 15 per cent.
- Has pledged to get "Brussels rules off our statute books and on to the bonfire by the end of 2023"

Energy

- Expected to approve as many as 130 new licenses to explore oil and gas fields in the North Sea as part of a long-term plan to ensure Britain's energy security. Would also encourage oil and gas companies to invest in existing sites to maximise production.
- Some Truss allies that have been helping develop her energy policy, Kwasi Kwarteng and Jacob Rees-Mogg, <u>favour</u> a dual approach to energy security: securing more gas from Norway and maximising domestic production.
- Has <u>pledged</u> to champion nuclear power alongside renewables like wind and tidal, and believes UK can become an "energy secure dynamo" over the next decade which could export energy to Europe.
- Has <u>pledged</u> "immediate support" to help hardest hit families with soaring energy bills and <u>committed</u> to intervene to help companies, pledging assistance "across the board."
- Has <u>reportedly</u> considered adopting Rishi Sunak's pledge to suspend VAT on fuel bills.





- <u>Review</u> ban on fracking and consult with communities.
- Committed to supporting gas as a transition fuel.
- Spoken out against solar panels being installed on agricultural land.
- <u>Commented</u> that imposing a further windfall tax on energy companies would "send the wrong message" to the world.

Foreign Affairs, Defence and Development

- Recognise China's treatment of the Uighur population as genocide.
- Increase defence spending to 3 percent of GDP by 2030.
- Pledge more support and investment in the intelligence services, and cyber and space.
- Update the Integrated Review with an increased focus on Russia and China.
- Review the shape and size of the Armed Forces.
- Provide the Ministry of Defence with resources to focus on procurement priorities.
- Has <u>pledged</u> to ensure the UK continues to support Ukraine, and ensure her <u>first</u> <u>foreign leader call</u> is to President Volodymyr Zelensky.

Trade

- Has <u>said</u> she is determined to deliver the Northern Ireland Protocol Bill, which could override parts of the post-Brexit deal between the UK and the EU. As Foreign Secretary she said the legislation was both <u>necessary and legal</u>.
- Has said UK courts should be the "<u>ultimate arbiter</u>" and that trade between Northern Ireland and Great Britain must be "free-flowing".

Education and Skills

- Pledged <u>childcare tax reforms</u>, with a review to allow households to be treated as single tax entities.
- Wants to give working parents access to childcare around the school day, extend the range of providers who accept government childcare entitlements.
- Would also follow through on government plans to <u>change staff-to-child ratios</u> for early years providers.
- Would lift ban on new grammar schools and replace failing schools with them.
- Pledged to <u>expand high-performing academies</u> and replace failing ones with new free schools and grammars.



- Would focus on <u>literacy and numeracy</u> sticking to the current government target for 90 percent of primary children to reach the expected standard in literacy and numeracy as well on post-pandemic catch-up.
- Has pledged to review whether schools are doing enough to <u>educate pupils and</u> <u>teachers about antisemitism</u>, and also stated university campuses needed to be ridded of antisemitism.
- All A-level students with three A*s would be <u>automatically offered an interview</u> at Oxford or Cambridge.
- Would look to <u>introduce post-qualification admissions</u> (PQAs) for university entry and is reportedly considering moving the start of the university academic year to January, to accommodate reform.
- Pledged to <u>remove subsidies from poor quality degree</u> courses, to fund vocational training.

Equalities

- Give greater powers to Police and Crime Commissioners to <u>veto training</u> that focuses on identity politics.
- When Foreign Secretary, Truss said the UK remained <u>"steadfast in its commitment to tackling racism around the world"</u>.
- Reportedly wants to <u>"protect single-sex spaces"</u> and doesn't support under-18s making "irreversible decisions about their own bodies".
- Stated at a Hustings event that, "I know a woman is a woman that's become a controversial statement in some parts of Britain today."

Health, Social Care and Welfare

- Says GP services need to be more accessible to reduce pressures on hospital services.
- Says there should be more mental health support available in schools.
- Wants to <u>encourage</u> doctors who came out of retirement to help the NHS during the pandemic to come back into the profession.
- Agrees on need to stamp out backlogs but hasn't set out a detailed plan.
- Has said she is <u>"completely committed"</u> to current government promises for NHS spending, despite promises for tax cuts.
- Has <u>vowed</u> to divert billions of pounds from the NHS into social care to free up space in hospitals. She said she wanted to see the £13bn a year earmarked for the NHS from the recent National Insurance rise diverted to local authorities to pay for older people's care as soon as possible.





• Has said she will <u>scrap</u> plans to restrict multi-buy offers on junk food while also scrapping possible taxes on such kinds of food.

Home Affairs and Justice

- Maintain the policy to deport asylum seekers to Rwanda, and <u>possibly extend it to Turkey.</u>
- Seek reform of the <u>European Convention of Human Rights.</u>
- Boost <u>Border Force capacity</u> by 20 percent and ensure a Bill of Rights helps tackle illegal migration.
- Bring in <u>police league tables</u> to monitor performance and ensure police go "back to basics" and attend every burglary.
- Criminalise <u>street harassment</u> and introduce a domestic abuse register.
- Ensure police officers have <u>mandatory training</u> on how to support victims.

Housing

- New <u>"low planning zones"</u> in key areas of the UK.
- Supports the idea of zonal planning, previously proposed by Robert Jenrick.
- <u>Pledged</u> to scrap local authority housing targets and instead focus on deregulation and tax incentives to encourage development, with local councils setting their own housing targets.
- <u>Proposed</u> a review of the mortgage system with the view to incorporating rental payments into mortgage assessments to help first time buyers.
- Has <u>pledged</u> to "rip up the red tape that is holding back housebuilding".
- <u>Suggested</u> that the environmental "nutrient neutrality" rules should be scrapped as they are holding up house building.
- Said that 1m homes should be built on the greenbelt.

Levelling Up

- Low tax zones with lower businesses rates and fewer planning restrictions to encourage investment in left behind areas.
- Amend the Levelling Up Bill to replace centralised targets with tax cuts and reduced red tape in <u>"opportunity zones"</u>.
- Has signed up to the Northern Research Group's pledges.
- Has <u>pledged</u> to reverse the decision to downgrade the Northern Powerhouse Rail project and build a high-speed line from Manchester to Leeds via Bradford.





• Supported revising the Treasury's "green book" to channel more funding into rural areas.

Nature, Food and Farming

- <u>Committed</u> to Conservative Environment Network (CEN) pledge card.
- <u>Committed</u> to develop a stronger British biodiversity target and move away from the EU's habitat directive.
- Lead a UK delegation to the biodiversity COP in Montreal.
- Truss <u>has said</u> she would extend the seasonal workers scheme in the short term to allow farmers to recruit unskilled migrants, and in the longer-term would work with the industry to address.
- <u>Would abolish</u> EU "red tape" on farmers to allow them to use drones to spread fertilisers and chemicals.
- <u>Has said</u> she would promote the use of precision breeding, including gene editing, to increase food production.
- Has <u>suggested</u> that the environmental "nutrient neutrality" rules should be scrapped.

Digital

• Plans to revise the Online Safety Bill to strike a balance between protecting children from harm as well as protect free speech, and <u>committed</u> to ensuring the legislation does not infringe on free speech.

Devolution

- Has <u>said</u> she will "never, ever" let the UK be split up, and ensure the union goes from strength to strength "now and forever". She has said it is "barmy" for the Scottish government to focus on another independence referendum during a cost-of-living crisis, and called First Minister Nicola Sturgeon an attention seeker.
- Has <u>said</u> she will hold the position of Minister for the Union "because that unions is critical to the success of all of us". Has also said UK needs Scotland as much as Scotland needs the UK.
- Has <u>pledged</u> to deliver for the Scottish fishing, farming and freeports

Sport

- Plans to <u>review</u> women's football and give schoolgirls equal access to sport.
- Plans to <u>back a bid</u> for Britain to hold the World Cup.





Transport

- Has <u>previously</u> called HS2 a "white elephant".
- Has <u>said</u> she was "completely committed" to building Northern Powerhouse Rail but has not committed to restoring plans for the HS2 line to Leeds.
- Has <u>pledged</u> to tackle rail strike disruption by introducing legislation to guarantee minimum service levels and double the minimum notice period for strike action to four weeks.
- <u>Promised</u> to look into abolishing speed limits on motorways, having previously suggested that they could be raised to 80mph.
- <u>Pledged</u> to "stop" smart motorways.
- Reportedly <u>considering</u> extending the 5p cut in fuel duty.

Climate Change

- <u>Committed</u> to the net zero 2050 target.
- Open to the idea of a carbon border adjustment mechanism to tackle carbon leakage.
- <u>Committed</u> to Conservative Environment Network (CEN) pledge card.
- <u>Committed</u> to develop a stronger British biodiversity target and move away from the EU's habitat directive.

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