



Energy



- Concentrate on investment in clean energy technologies
- Energy white paper will lay out path to net zero carbon UK by 2050
- No major shake-ups to the structure of the energy sector

The Conservative manifesto placed notable emphasis on driving forward the low carbon energy transition, and their first Budget, expected in the new year, will be expected to feature details of their promised investment in clean energy and related R&D. The £800m for a first Carbon Capture and Storage cluster to be deployed by the mid-2020s will be particularly key, given the importance of CCS in achieving net zero.

The long-delayed Energy White Paper is also likely to be published early in the new year, perhaps to coincide with the National Infrastructure Strategy – itself likely to be published with the Budget. The paper will outline how energy policy can meet the target of net zero carbon emissions by 2050, and is expected to call for a significant amount of either new nuclear or gas with carbon capture and storage in order to support renewables. The paper is also expected to grapple with the challenges of financing new nuclear and the future of CfDs in an era of low renewables costs.

The biggest challenges however are likely to come outside of the power sector, especially in decarbonising heating, where the manifesto was largely silent. Now they have a majority, will the Conservatives show the resolve to tackle this issue?



Harry Spencer
Account Director
Energy & Environment

Technology



- Bring full fibre broadband to every home and business in the UK
- Introduce Digital Services Tax
- Make a decision on Huawei's involvement in 5G

The big initial focus for the Conservative Government will be centered on encouraging innovation, and Prime Minister Boris Johnson has made no secret of his view that technology will be the main driver of growth and competitiveness in a rapidly evolving digital world.

What will define this Government's technology policy more than anything over the next year will be (womp, womp) Brexit. As we work towards new trade deals, will Boris and team be able to bring the proposed Digital Services Tax, targeting big American tech companies, to fruition under President Trump's gaze? This is a critical question as the tax has been earmarked to fund another cornerstone pledge of a full-fibre roll-out to every home and business by 2025, with £5 billion to connect premises deemed not commercially viable.

However, perhaps the biggest decision facing the new Conservative Government is one which was wasn't in the manifesto at all; whether Huawei will be allowed into the UK's 5G infrastructure. Again, U.S. pressure will loom large – indeed, recent media reports went so far as to say the PM has given Trump a veto. If he can manage to avoid big compromises in these areas to placate the Americans, perhaps Boris should write a sequel to “art of the deal”.



Dominic Weeks
Head of Technology

Environment



- Establish Office of Environmental Protection (OEP) to set legal targets
- Regulation, taxation and market forces to propel waste reduction
- Continued issues with regulatory and system divergence, caused by devolution

Environmental stewardship has steadily become part of the Conservative offer, as evidenced by the last Government's Environment Bill and the green policies found within the party's 2019 manifesto. They will aim to maintain this momentum through legislation and next year's Budget, which is expected to feature increased levies on plastic waste. The Bill will be re-tabled and should avoid significant amendments, due to the Tories' dominance of relevant parliamentary committees and broad cross-party backing.

The new Office of Environmental Protection (OEP) will be charged with setting environmental targets and monitoring Government's efforts to reduce pollution, while plans for extended producer responsibility, a deposit return scheme and waste collections consistency will continue to progress. The latter, however, will be subject to a second consultation on the proposed regulatory framework for its introduction. The planned ban on exporting plastic waste to developing countries could cause parliamentarians and industry to balk at the prospect of more landfilling, due to a lack of disposal and recycling capabilities at home.

Moreover, questions regarding the autonomy of the OEP will quietly remain, while devolved government may continue to pose a challenge as Scotland's rapid adoption of its own waste reduction plans could still cause regulatory and systemic divergence.



James Watson
Senior Account Executive
Energy & Environment

Healthcare



- Raise funding by 29% by 2023
- Reduce 'health tourism' and increase NHS surcharge paid by those from overseas
- NHS not on the table when negotiating trade deals

The Conservative campaign has given slightly more emphasis to healthcare than their previous election campaigns, with commitments to increase numbers of NHS staff, hospitals and funding. Delivering on these will be to their benefit – failure to do so could be politically costly; they need to be seen to partly reverse damage caused by the last decade of cuts.

Both Prime Minister Johnson and President Trump have unequivocally denied the NHS could be affected in a US-UK trade deal, however it is unclear whether this will affect National Institute for Health and Care Excellence decisions – particularly regarding its control over drug reimbursement. If so, this could have an impact on the cost and availability of prescriptions. Importantly, Labour, the SNP and the Lib Dems would certainly oppose them on a trade deal, as well as a few rebel Conservative MPs.

Currently, almost a quarter of NHS mental health beds are operated by private American firms (£2 billion of business). Three of these firms own 13 of the 16 mental health facilities that were judged “inadequate” by the Care Quality Commission watchdog, emphasising the need for better regulation, which the Conservative manifesto was silent on – patients and doctors have reason for concern here. [\(link\)](#)



Sam Marshall
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