

# DELIVERING FOR BRITAIN:

A BUSINESS BLUEPRINT FOR OPPORTUNITY, JOBS AND GROWTH



British  
Chambers of  
Commerce  
The Ultimate Business Network

# A NEW RELATIONSHIP BETWEEN BUSINESS AND GOVERNMENT



## BUSINESSES AND GOVERNMENT: RESTORING CONFIDENCE

Britain's next government faces three fundamental economic issues: tackling the legacy of the deepest recession in decades, reining in public spending, and identifying future sources of economic growth and jobs.

But no government can face these challenges alone. Chamber members, from sole traders to multi-national corporations, believe that it's up to government to provide confidence and the right business environment, and up to businesses to respond by increasing competitiveness and delivering growth.

We seek a new relationship between business and government. Our members, together with the wider business community, recognise that we cannot simply submit a shopping list of demands to Ministers. Instead, Whitehall action to tackle key business priorities will be met with a redoubled effort by businesses to deliver opportunity, jobs, and growth. **Working together, we can consolidate Britain's economic recovery - with businesses, as wealth generators and innovators, leading the way.**

## REBUILDING THE ECONOMY

The British Chambers of Commerce (BCC) Quarterly Economic Survey - Britain's biggest and most authoritative business survey, used in the Bank of England and around the world - has shown improvements in confidence and sentiment in recent months. **But a broad-based recovery is by no means assured.**

In many parts of the country, small and medium-sized businesses still face problems accessing finance, as well as difficult trading conditions. **Concerted action will be required to minimise the effects of the recession in the short term, and to re-balance Britain's economy in the longer-term.**

Plans made over the lifetime of the next Parliament will have far-reaching consequences. Critically, they must provide a solid foundation for business growth. This manifesto sets out three areas - business infrastructure, barriers to growth, and trade and enterprise - where Chambers of Commerce and the wider business community will work closely with Britain's next government to increase confidence and deliver growth.

## MENDING THE PUBLIC FINANCES

The next government faces fundamental choices on public spending. Given the alarming size of our national debt, the BCC believes that political parties should not ring-fence specific spending areas ahead of a proper debate on efficiency and value-for-money.

Business will support a drive to generate savings and efficiency across the public sector. However, **Britain's economic future depends on a competitive business environment in every country and region of the UK.** The next government needs to ensure that spending cuts are not disproportionately concentrated in areas - like infrastructure investment - that directly enable business growth and wealth creation. Past governments have been quick to slash spending on transport and utilities during difficult times, while sparing areas like health and education.

**Businesses are ready to engage with Britain's next government. Whether it's identifying efficiency savings, driving up competitiveness or training a future-ready workforce, Chamber members will be at the forefront of economic change.**



“ The next government faces fundamental choices on public spending. The BCC believes that political parties should not protect specific spending areas in a knee-jerk way. ”

# REBUILDING BRITAIN'S BUSINESS INFRASTRUCTURE

**THE RENEWAL OF THE UK'S INFRASTRUCTURE BASE MUST CONTINUE - EVEN IN THE FACE OF THE TOUGHEST PUBLIC SPENDING CLIMATE IN DECADES. SEVERE CUTS TO INFRASTRUCTURE PROJECTS WILL HAMPER GROWTH AND JOBS OVER THE LONG TERM.**

**TRANSPORT:** the British Chambers of Commerce (BCC) has found that congestion caused by underinvestment in Britain's roads, railways and airports costs businesses - and the economy - some £23.3 billion in 2008 alone. Business depends on our transport networks for supplies, staff and sales - and further improvements are still urgently required.



**ENERGY:** future business success depends upon the delivery of plans to update Britain's energy infrastructure - with a secure, sustainable supply including renewables, nuclear power, and exploiting opportunities in new technologies.



**DIGITAL:** as more and more transactions are conducted online, the next government must set out a more ambitious vision for Britain's digital connectivity - so that we are not left behind in the global race to harness new technologies.

The delivery of infrastructure improvements must go hand-in-hand with a faster planning system. BCC research shows that 95% of businesses think that transport schemes, for example, take too long to plan. Business investment nationwide is still hampered by uncertainties, risks, and delays around planning issues.

## **ON INFRASTRUCTURE, THE NEXT GOVERNMENT MUST:**

- Protect transport infrastructure spending over the next spending review period and beyond, while demanding greater efficiencies in procurement and construction;
- Together with the devolved administrations, deliver a prioritised national infrastructure investment plan - showing how government intends to sequence and deliver rail improvements, additional airport capacity, more efficient and reliable arterial roads, and upgrades to broadband and energy infrastructure;
- Encourage greater private-sector financing of infrastructure at a time when public-sector resources are limited. Institutional investment, rather than additional taxation, will offer a way forward;
- Retain the new Infrastructure Planning Commission (IPC) and National Policy Statements - which have real potential to speed up infrastructure delivery - and remove local planning barriers that prevent business growth.

## **THE CHAMBER NETWORK OF BUSINESSES WILL:**

- Work with government and other business bodies to lever private-sector investment into infrastructure projects, both nationally and locally;
- Advise the IPC, Ministers and local planning authorities nationwide on planning issues affecting business growth;
- Conduct research and development work that contributes to sustainable, lower-carbon future infrastructure;
- Using improved infrastructure, drive growth and productivity improvements - benefiting both businesses and UK plc.

For our business to compete, an effective transport system is essential. Investment in major infrastructure projects is a long-term economic priority and simply must not be sacrificed to tackle other short-term difficulties.

**Terry Hicks, Hicks Logistics  
(South Wales Chamber of Commerce)**



# BREAKING DOWN

## BARRIERS TO GROWTH



**BUSINESSES CAN DRIVE FUTURE GROWTH ACROSS THE UK - PROVIDED THAT TAX AND REGULATORY OBSTACLES ARE NOT PLACED IN THEIR WAY BY THE NEXT GOVERNMENT.**

**REGULATION:** the BCC's Burdens Barometer demonstrated that regulations cost businesses £76.8 billion between 1998 and 2009. The next government must focus on simplifying regulation and reducing its costs to businesses - leaving companies free to grow and create jobs.

**EMPLOYMENT LAW:** a flexible labour market is critical to the health of Britain's businesses. The next government must ensure that forthcoming European directives - covering everything from agency workers to parental leave and pregnancy - are implemented in a way that does not hamstring the labour market. At the same time, changes to working time regulations and immigration law must not prevent businesses from recruiting and retaining the skilled workers that drive productivity and growth from Glasgow to Guildford.

**TAX:** businesses in every region understand that major tax cuts are unlikely during the lifetime of the next Parliament. However, any increases in business taxes will be tantamount to a tax on jobs and economic recovery. If tax rises cannot be avoided, they should be focused on consumption taxes - and should be combined with a simplification drive and sensible local flexibilities that do not increase the overall business tax burden.

**ON TAX AND REGULATION, THE NEXT GOVERNMENT MUST:**

- Cancel the increase in employers' National Insurance Contributions planned for 2011, which would be a tax on recovery and jobs;
- Mandate a business tax simplification programme that delivers predictability, value for money, and a fairer business rates system;
- Introduce regulatory budgets for government departments and agencies;
- Enable businesses to help deliver ever more efficient public services by introducing a single set of procurement pre-qualification rules, and regular reporting on SMEs' share of public contracts across England, Scotland, Wales and Northern Ireland;
- Introduce a moratorium on new UK employment laws for the lifetime of the next Parliament - and campaign for an EU-wide freeze;
- Commit to a stable skills and training system - which is critical to future growth.

**THE CHAMBER NETWORK OF BUSINESSES WILL:**

- Use their collective expertise to identify barriers to business growth, and help government design clear, sensible simplification measures;
- Use flexible labour markets to deliver new jobs and economic opportunity, working closely with local councils, city-regions and economic development agencies;
- Deliver skills and training in the workplace, driving up productivity;
- Develop voluntary arrangements for flexibility in the workplace wherever possible, with a view to reducing additional regulation.



“ There is just too much government intervention, rules and regulations. Rules change daily and it is nearly impossible to keep up-to-date and run a business. ”

**Ken Bannister, Active Wealth  
(Portsmouth & South East Hampshire Chamber of Commerce)**

# DELIVERING JOBS

## THROUGH LOCAL ENTERPRISE AND GLOBAL TRADE

**BRITAIN'S ECONOMY MUST BE RE-BALANCED DURING THE COMING DECADE. THE NEXT GOVERNMENT HAS A ONCE-IN-A-GENERATION CHANCE TO ENCOURAGE THE DEVELOPMENT OF GLOBALLY-COMPETITIVE AND ENTREPRENEURIAL BUSINESSES IN SERVICES AND MANUFACTURING – DRAWING ON THE SUCCESS OF OUR BEST COMPANIES.**



**ENTREPRENEURSHIP:** our future economic success depends on improving Britain's business culture. We need to create the next generation of entrepreneurs – who take risks, start up new ventures, and create local jobs. From schools, colleges and universities to the workplace, the next government should introduce measures that truly promote business start-ups, self-employment, and enterprise growth. This may require further reforms to business support, as well as new growth incentives.

**INTERNATIONAL TRADE:** despite the recession, globalisation continues apace. The next government must continue to push for free markets for goods and services – and help UK businesses to better exploit the opportunities that global markets create. The BCC found that over the last year only 31% of companies surveyed have exported, and 58% of these had done so after being directly approached by international customers. Chambers of Commerce are uniquely placed to help the next government deliver this support – and link Britain's existing economic strengths to its export and inward investment potential.

### **ON ENTERPRISE AND TRADE, THE NEXT GOVERNMENT MUST:**

- Develop a new vision for UK competitiveness together with leading businesses – and make a clear statement on how it will support enterprise, entrepreneurship and international trade;
- As part of this vision, develop a pro-active UK-wide export strategy, building on our strengths in services and advanced manufacturing;
- Introduce new-generation Enterprise Zones, with reduced regulatory and tax burdens, to promote business start-ups in regions facing industrial and economic change;
- Lead measures to conclude the Doha Round and WTO reform, and to consolidate the European Single Market, ensuring UK firms have unfettered access to new markets.

### **THE CHAMBER NETWORK OF BUSINESSES WILL:**

- Act as a catalyst for culture change by offering businesses the advice and guidance they need to grow, both locally and globally;
- Deliver excellent global support – with Chambers linking businesses, including members and non-members, to international opportunities;
- Deliver key export assistance, including trade documentation, training, and tailored advice;
- Campaign for a stronger focus on enterprise and international trade across the country, from schools and FE colleges to business boardrooms;
- Exploit opportunities brought about by government action – and deliver economic growth, globally-successful businesses, employment and tax revenue in the process.

Businesses need to take a long-term view when it comes to investing for the future. Yet every new tax initiative is soon changed, which restricts businesses planning to expand.

**Nick Alder, Reeves+Neylan  
(Kent Channel Chamber of Commerce)**



#### IMAGE CAPTIONS

1: David Frost, Director General

2: Dr Adam Marshall, Director of Policy and External Affairs



It is now clear that business, not the public sector, will lead Britain's economic recovery. To make this happen, government must focus on rebuilding our infrastructure, simplifying regulation, and promoting trade and enterprise. Chambers of Commerce will work with government to achieve these aims – and to deliver the economic growth we all want to see.

**David Frost, Director General, The British Chambers of Commerce**

#### ABOUT THE BRITISH CHAMBERS OF COMMERCE:

The BCC is a powerful and influential network of over fifty Accredited Chambers of Commerce across the UK. Our Network directly serves and represents not only member businesses, but the wider business community. Our reach extends to nearly one million UK businesses.

No other UK business organisation has the geographic spread or multi-size, multi-sector membership that characterises the Chamber Network. Every Chamber sits at the very heart of its local business

community, providing representation, services, information and guidance to its members.

The BCC is locally placed, regionally focused, and nationally represented. We are also part of Eurochambres and the global network of Chambers of Commerce – truly the Ultimate Business Network.

#### FOR MORE INFORMATION, CONTACT YOUR LOCAL CHAMBER OF COMMERCE OR THE BCC:

Find your local chamber here:  
[www.britishchambers.org.uk/  
find-your-local-chambers](http://www.britishchambers.org.uk/find-your-local-chambers)