

# BUSINESS MANIFESTO

PROPOSALS FOR DELIVERING GROWTH  
FOR THE BUSINESS COMMUNITY



British  
Chambers of  
Commerce

# BUSINESS MANIFESTO

## *PROPOSALS FOR DELIVERING GROWTH FOR THE BUSINESS COMMUNITY*

British businesses across the four nations of the United Kingdom are not only the engine of our economy, but a beacon of our society.

The British Chambers of Commerce (BCC) is proud of the innovative, entrepreneurial spirit and resilience it sees from its business leaders and the hardworking people that make those businesses successful. Their success leads to thriving communities and a prosperous economy for the next generation.

The 53 accredited Chambers across the UK see businesses in their communities constantly adapting to a changing environment by juggling eye-watering energy bills, labour shortages, inflation at a 40-year high, and climbing interest rates.

Our latest Quarterly Economic Survey highlighted an alarming drop in business confidence and conditions, with key economic indicators falling to Covid-crisis levels. One in three firms reported a decrease in cashflow, while 25% reported a decrease in domestic sales.

The political and economic uncertainty over the past few months, and the turbulent economic events following the Government's mini-budget, will have damaged confidence further. In the wake of the October fiscal statement, we conducted a snap poll in which businesses told us that inflation and energy costs are their top concerns. Now with a new Government and Prime Minister at the head of the table, we hope this period of uncertainty comes to an end.

In the remaining period of this Parliament, the British Chambers of Commerce urges the UK Government to strike the right balance for growth without compromising our great public institutions which so many of us rely on. Time is of the essence.

The Government must work with the Chambers of Commerce to support, and turbo charge the 'can do', solution-oriented businesses across our country. We want to see a long-term growth plan that involves investment in people and skills; supports businesses to adapt and thrive; and build good relationships with our global allies to get British businesses selling again.

People run businesses and businesses rely on people. This Business Manifesto offers solutions, including cost-free options, to get our economy moving in the right direction again.

# BUSINESS MANIFESTO

## ► BUILDING BRITISH BUSINESS



We want to make Britain the best place to start and grow a business.

The UK has a booming entrepreneurial spirit which has the potential to transform our country into a global economic powerhouse. However, as it currently stands, **only four in ten businesses think their profits will increase over the next 12 months** and business investment is down to pandemic-era levels. We need to turn the tide against this growing wave of economic pessimism and create the optimum business environment to build business confidence again.

### ACTION PLAN

- **Invest in infrastructure:** The Government must prioritise long-term growth by backing public projects such as HS2, as well as green and digital infrastructure. Putting money into these areas will allow businesses to adapt and thrive in changing times, while also creating jobs in local economies across the UK.
- **Speed-up plans for regional devolution deals in England:** To maximise growth and economic prosperity for all communities, local areas must be given power to make decisions on economic development opportunities. Public procurement contracts for SMEs must be simplified, and funding, such as the UK Shared Prosperity Fund, must continue to be funnelled into local areas.
- **Adjust Business Rates to encourage growth now:** Business Rates should be adjusted where necessary to compensate for other cost impacts such as increased energy bills.
- **Provide longer-term certainty on energy support for businesses:** Government must provide certainty on how the energy support package will work from April so that businesses can plan for the future. In addition, Ofgem should be given the powers it needs to ensure there is effective competition in the business energy market.

# BUSINESS MANIFESTO

## ▶ INVEST IN PEOPLE NOW FOR A STABLE ECONOMY



The UK is facing the tightest labour market in years, with 1.2 million unfilled jobs.

Skills and labour shortages mean that employers are struggling to fill job vacancies. Firms cannot fulfil their order books and are having to turn new work away. Our research shows that 76% of firms attempting to recruit are facing difficulties getting the right staff. Chambers of Commerce and their member businesses are making huge efforts to tackle the skills crisis and support the development of homegrown skills. Yet in a rapidly changing world, and at a time of high employment, it is vital that firms can also access the skills and people power they need from outside of the UK now.

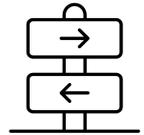
Businesses and Government must work together for a more effective job market, now and for the future.

### ACTION PLAN

- **Bring economically inactive older workers back into work:** Carefully tailor careers advice, job seeker support and rapid re-training opportunities to help employers harness the skills and experience of older workers.
- **Help parents and carers access work:** Simplify access to childcare funding and provide flexible and universal childcare entitlement for employers to attract and retain skilled people.
- **Incentivise investment in human capital:** Building a skilled workforce requires investment. While training costs are already tax-deductible, allowing training costs to also be claimed back under the Annual Investment Allowance would encourage businesses to invest more in their people.
- **Reinstate the T Level employer incentive in England:** A government funded financial incentive will encourage SMEs to offer Industry Placement opportunities.
- **Introduce flexibility in the Apprenticeship Levy:** This will ensure employers can support everyone in the workplace to get the training they need; and in England, any underspend should be transferred to help fund the T Level incentive.
- **Urgently reform the Shortage Occupation List:** This will help businesses fill urgent job vacancies when they cannot recruit locally. The List should include job roles below RQF Level 3 for sectors where there is clear evidence of a national shortage.

# BUSINESS MANIFESTO

## ▶ RAISING EXPORT-LED GROWTH



International trade can make every business a better one.

Only 10% of UK businesses are exporting, yet 60% of Chamber members are exporting, which could be one of many reasons why a Chamber member is three times more likely to survive.

In our recent survey, 54% of businesses said that smoother customs procedures are the key to boosting UK exports. If Britain is to become the best place to start and grow a business, Government must put trade, particularly exporting, at the centre of its growth agenda.

### ACTION PLAN

- **Resolve the Northern Ireland issues:** The UK Government and the European Commission should reach a negotiated solution on business compliance burdens with the Protocol on Ireland/Northern Ireland. We expect co-operation on lowering VAT compliance burdens for SME traders, cutting red tape on food and plant exports, flexibilities on business travel, and mutual recognition of professional qualifications to boost cross-border trade in services.
- **Amend sunset clause on retained EU law:** This would provide regulatory certainty for businesses in tough economic times.
- **Keep CE marked products and components beyond 2025/26:** This should keep costs down for manufacturers and retain efficient supply chains by providing certainty.
- **Set up a Trade Accelerator with DIT:** Leverage Government support for exporters with trade promotion and facilitation services provided by the Chamber Network in the UK and overseas to source immediate opportunities for exports.

# BUSINESS MANIFESTO



## ▶ LEADERSHIP IN GREEN INNOVATION

Green innovation is about change now, for a better tomorrow.

The transition to Net Zero presents businesses with opportunities to grow, by meeting Government requirements and by satisfying fast-growing global demand for environmental products and services.

Chambers of Commerce are leading the way. Our network is developing green innovation accelerators and supply chains, providing training and support on Net Zero to drive our economy.

The biggest barriers are cost, confusion, and skills. Government has a vital role to play as an investor, enabler, and advisor to unlock business action as we move to a Net Zero future.

### ACTION PLAN

- **Financial incentives:** Government should expand the list of energy saving products eligible for lower VAT for business such as LED lighting. They must also ensure that investments in green building improvements are eligible for Business Rates Relief and provide targeted grants to drive uptake in higher-cost items.
- **Expand Green Accelerator programmes:** Government should expand the Green Accelerator programmes across the country based on successful Chamber of Commerce models in partnership with a funder such as the British Business Bank. These could focus on domestic supply chains and export opportunities using UK expertise in tidal, offshore wind, nuclear, carbon capture usage and storage and other green tech.
- **Energy saving public information campaign:** At present, there is a confusing mix of publicly funded programmes across England and the Devolved Nations offering advice on Net Zero. Government should streamline energy saving advice into a single initiative, learning from the “Get Ready for Brexit” campaign.

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