

Information provided by DeHavilland political intelligence services





DeHavilland Report

Monday, 13th September 2010

Central Government and Agencies

- BIS BIS HQ showcases UK manufacturing to attract new talent
- DCLG New local enterprise partnerships criss-cross the country
- <u>Competition Appeal Tribunal (CAT) Competition Appeal Tribunal Update</u>
- BIS Response to ONS stats which shows that manufacturing output is up 0.3% on the month
- <u>Competition Appeal Tribunal (CAT) Competition Appeal Tribunal Update</u>
- BIS Government publishes Hooper Royal Mail update
- Audit Commission Gareth Davies takes charge of new Audit Practice
- Office of Communications (OFCOM) OFCOM NEWS RELEASE Broadband competition reaches
 <u>7 million milestone</u>

Westminster Debates and Legislation

MPs debate Small Businesses

Events and Speeches

 <u>Communities Minister Bob Neill addresses the Chartered Institute of Public Finance and</u> <u>Accountancy Conference</u>

Westminster Committees

<u>Treasury Committee - Next meetings</u>

House of Commons Early Day Motions and Petitions

- EDM 664 Food Supplements and Competition from the Channel Islands (updated)
- New EDM 698 NHS Privatisation and Shared Business Services
- <u>New EDM 699 Offshore Wind Infrastructure Competition</u>
- <u>New EDM 703 Public Expenditure and Employment in the Construction Industry</u>
- <u>New EDM 704 Regulation of Herbalists and Traditional Herbal Medicinal Products Directive</u>
- New EDM 711 Women's Institute Campaign on Country of Origin Labelling for Foods

Information provided by DeHavilland political intelligence services

Statements

- John Denham attacks decision to abolish Audit Commission
- Written Ministerial Statement

House of Commons Questions

- <u>Cairns Welsh Buisinesses</u>
- Edwards Private sector growth
- Elan Jones Welsh Economy
- Howell Rural economy in Wales
- Brennan Sheffield Forgemasters
- <u>Hilling Public Procurement (Food)</u>
- Fitzpatrick Sourcing of British Food by the Public Sector
- Freeman Regulation (Agriculture)
- Javid EU Farming Regulations (Irregular Application)
- <u>Stephenson, A Food Labelling (Country of Origin)</u>
- Menzies Locally Sourced Food (Supermarkets)
- Gardiner, B Illegal timber

Political Party Press Releases

• Green Party conference - a publicly-owned Royal Mail

Non-governmental and International Organisation Press Releases

- Public Servant Magazine Audit Commission chief executive considers future for the regulator
- Forum of Private Business National Insurance holiday does not go far enough
- BBA Appointment of Stephen Green as Trade Minister
- UCATT Connaught Scotland
- Forum of Private Business Training and business support should be the focus of new Local Enterprise Partnerships, says Forum
- British Chambers of Commerce (BCC) BCC Manufacturing recovery must be supported
- <u>Confederation of British Industry (CBI) Government in danger of repeating past mistakes on</u> <u>infrastructure spending</u>
- Federation of Small Businesses (FSB) (England) Local Enterprise Partnerships must have a strong business foundation
- Consumer Focus Rural post offices threatened by Post Office Limited's neglect
- <u>'Cameron has duty to Make Lloyds Lend to SMEs? says Tyrrells Crisps and Chase Vodka Founder</u>
- Institute of Economic Affairs £4bn cut to welfare spending a welcome move, but much more to be done
- Aerospace Industries Association Steep Drop for U.S. in Competitiveness Rankings
- "150,000 small businesses face insolvency if their public sector contracts are cancelled" R3's research paper on public sector cuts

Information provided by DeHavilland political intelligence services

Central Government and Agencies

BIS - BIS HQ showcases UK manufacturing to attract new talent

Mon, 6 September 2010 | Departmental Press Release **Contents** BIS HQ showcases UK manufacturing to attract new talent 06 September 2010 10:14

Department for Business, Innovation and Skills (National)

An exhibition of cutting edge products was today unveiled at the Department for Business, Innovation and Skills (BIS) to encourage a new generation of innovators, Business Minster Mark Prisk announced today.

The Government is committed to promoting manufacturing as it is critical to economic growth with responsibility for 53 per cent of UK exports and 2.8 million jobs.

With new business opportunities, such as low carbon products, emerging all the time BIS wants to work with the manufacturing industry to encourage new talent and attract new businesses to the sector.

The exhibition is the first in a planned rolling programme of themed displays demonstrating excellence in British design, engineering and manufacturing.

The theme for the opening programme is the engineering supply chain and exhibits have been provided by JCB as well as three other companies who are part of their supply chain: Craftsman Tools, Renishaw and Mazak UK.

Exhibiting products include the Union Jack painted Backhoe Loader JCB which will be placed in the forecourt of One Victoria Street.

Business Minister Mark Prisk said:

"Britain is a world leader in manufacturing but if we are to inspire future generations we must do all we can to promote UK excellence.

"As a signal of our intent we have invited shining examples of British design, engineering and manufacture to showcase their products at the department.

"I am extremely grateful to JCB, Craftsman Tools, Renishaw and Mazak UK, four leading companies in the engineering supply chain, for contributing exhibits to this event."

To help illustrate the theme the exhibits will be displayed so that visitors from the business community can follow the supply chain through the displays in the main reception and lift lobby areas.

This exhibition will also help to raise awareness of manufacturing in the build up to the launch of a new manufacturing framework in the autumn which will detail specific plans for encouraging growth in this sector.

As an early signal of support for the manufacturing sector BIS has already redirected savings within the department to strengthen both investment in FE colleges and to create 50,000 new apprenticeships.

NOTES TO EDITORS

· JCB – is one of the world's largest construction equipment manufacturers and has its headquarters in Rochester. They are supplying a Backhoe Loader painted in Union flags and a display highlighting UK content.

Information provided by DeHavilland political intelligence services

•Renishaw - is a global company with core skills in measurement, motion control, spectroscopy and precision machining. Its headquarters are in Gloucestershire. The company has won 12 Queen's Awards, and invests 17% of turnover in R&D/Engineering. The display will include a mini mock up of one of their machines and examples of products produced.

· Yamazaki Mazak – is a manufacturer of machine tooling equipment for a cross section of sectors as well as CAD/CAM products and factory management software. The Yamazaki Mazak UK plant is currently the most advanced of its type in Europe, providing machine tools and sophisticated manufacturing systems to customers in more than 30 countries throughout Europe. The company employs 200 plus in UK. They are supplying a Wing spare made on one of their machines which was designed and built in their UK factory in Worchester.

·Craftsman Tools Ltd – is a family owned business providing tool holding, work holding and sub-contract machining solutions to the UK and global markets for nearly 60 years. Their expertise spans a wide range of sectors, including Oil exploration, Aerospace, Machine Tool Manufacture, Automotive, Electrical and Power Generation.

• The UK is one of the World's leading manufacturers contributing £140bn pa to the UK economy.

· In addition to the Engineering Supply Chain there are plans to exhibit manufacturing products on the following themes: Green Manufacturing, High-tech Manufacturing, Innovative Design, Olympics 2012 and Science and Manufacturing.

back to top

DCLG - New local enterprise partnerships criss-cross the country

Tue, 7 September 2010 | Departmental Press Release

Contents

The commitment and ambition shown by councils and business to radically reshape the way business and government interact at the local level was praised by Communities Secretary Eric Pickles and Business Secretary Vince Cable today.

Following the closing day for submitting local enterprise partnership proposals the Government confirmed that it has received 56 proposals from across the country.

Ministers have been impressed by many of the proposals which are radical in their approach. They identify the variety of challenges facing individual local economies and put forward innovative ways of tackling them - reflecting the importance of allowing local areas to determine their own economic development and drive private sector job growth.

The Government is keen to see partnerships remain proactive and maintain momentum. Over the coming weeks Ministers will consider the proposals in detail, looking at how they will support economic growth, before providing feedback to partnerships ahead of the publication of the White Paper on sub-national economic growth and the introduction of the Localism Bill.

Tackling the debt crisis and rebalancing the economy are urgent national priorities.

Local enterprise partnerships can rewrite the economic geography of the country - unconstrained by arbitrary boundaries of Regional Development Agencies and the top-down prescription approach taken previously. Proposals include partnerships that cut across existing regional boundaries and include universities or community groups among them.

Eric Pickles said:

Information provided by DeHavilland political intelligence services

"These 56 local enterprise partnership proposals are just the beginning of a new radical way of delivering prosperity and rebalancing the economy.

"We are facing economic problems that need solutions from local communities. The secret to the success of local enterprise partnerships will be working on the basis of local economic geography - gone are the artificial political regions of RDAs - this will better serve the needs of local business.

"The bureaucracy of Regional Development Agencies gave local authorities little reason to engage creatively with economic issues. Local enterprise partnerships are a way of tying council and business interests together, and creating the conditions for business to thrive and prosper."

Vince Cable said:

"Business leadership in local enterprise partnerships is critical. Mark Prisk and I have met many leading groups including the CBI, the Institute of Directors, the Federation of Small Businesses, and the British Chambers of Commerce who have all contributed their thoughts to how it should work. It is clear that there must be genuine partnership between business and local government and that local enterprise partnerships should be practical bodies for promoting enterprise, not talking shops.

"Trade and investment promotion, sector leadership, innovation, business support and access to finance will in future be led nationally, though with devolved local management in many cases. This still leaves huge scope for local initiatives to promote enterprise. The outcome will vary just as local economic priorities differ across the country. In some areas, there might be a focus on skills. In others, local enterprise partnerships may help set priorities for planning and infrastructure decisions. The key is that these partnerships are built from the bottom-up and will have the flexibility to determine their own agenda, rather than have it handed down to them by Whitehall."

Yesterday was also the closing date for the consultation on the Regional Growth Fund. Announced in the Budget, the £1bn fund will provide support for projects that offer significant potential for sustainable economic growth and can create new private sector jobs. The two-year fund will particularly help areas that have been traditionally reliant on the public sector make the transition to private sector growth and prosperity. Proposals for funding will be sought from private organisations and public-private partnerships, and local enterprise partnerships will have a key role to play in coordinating bids across areas and communities.

Around 350 responses to the consultation were received, from organisations including trade associations, business groups, local authorities, universities and, environmental bodies, setting out their views on how the Fund can be designed to best meet the needs of local areas and communities. The Government's response to those views and further criteria for funding proposals will be set out in the forthcoming White Paper. Notes to Editors

1. The full list of local enterprise partnership proposals is as follows: Bexley, Dartford, and Gravesham Birmingham and Solihull with East Staffordshire, Lichfield and Tamworth Bournemouth, Dorset and Poole Brighton and Hove, Croydon, the Gatwick Diamond and West Sussex - Coast to Capital Cheshire and Warrington County Durham Coventry and Warwickshire Cumbria Devon, Plymouth and Torbay East Anglia (Cambridgeshire, Norfolk, Suffolk and North Essex) East Sussex Empowering Enterprise - Cornwall and the Isles of Scilly Enterprise M3 - Covers parts of Hampshire and Surrey including Andover, Basingstoke, Aldershot, Farnborough, Fleet, Hook and Camberley Fylde Coast, Lancashire Gatwick Diamond



Information provided by DeHavilland political intelligence services

Gloucester, Swindon and Wiltshire Greater Cambridge & Greater Peterborough Greater Lincolnshire **Greater Manchester** Hampshire Heart of the South West Hertfordshire Hull, East Riding & Scarborough Humber Kent and Medway Kent-Essex Lancashire Leeds City Region Leicester and Leicestershire Liverpool City Region Newcastle Gateshead Norfolk North East Northamptonshire Northumberland and North Tyneside Nottingham, Nottinghamshire, Derby and Derbyshire, Oxfordshire City Region Pennine Lancashire Sheffield City Region Solent South East Midlands South Somerset and East Devon South Tyneside and Sunderland Stoke-on -Trent and Staffordshire Surrey Connects Tees Valley Thames Valley Berkshire **Thames Valley Buckinghamshire** The Black Country The Marches Enterprise Partnership - Shropshire and Herefordshire The Peel Group - Atlantic Gateway - Liverpool and Manchester Visitor Economy Southern England West Midlands West of England Worcestershire York and North Yorkshire

2. In June Business Secretary Vince Cable and Communities Secretary Eric Pickles have asked councils and businesses to consider forming new local enterprise partnerships: www.communities.gov.uk/news/newsroom/1626475

3. The joint letter to councils can be found at: www.communities.gov.uk/documents/localgovernment/pdf/1626854.pdf

4. Three distinct responses in respect to cross boundary working arrangements have also been received from Peak District, South East England and West Leicestershire and Northern Warwickshire.

back to top

Competition Appeal Tribunal (CAT) - Competition Appeal Tribunal Update

Wed, 8 September 2010 | Departmental Press Release



Contents

The Competition Appeal Tribunal website has been updated with the following information:

British Telecommunications Plc (Termination Charges: 080 calls) v Office of Communications Case number: 1151/3/3/10 Handing down: Ruling (Permission to appeal)

Please click here for details.

For more information about forthcoming hearings and case management conferences, please click here. For more information on the Competition Appeal Tribunal please click here. If you would like to unsubscribe from these updates please reply to this email with 'unsubscribe' in the subject field.

back to top

BIS - Response to ONS stats which shows that manufacturing output is up 0.3% on the month Wed, 8 September 2010 | Departmental Press Release

Contents

Response to ONS stats which shows that manufacturing output is up 0.3% on the month 08 September 2010 12:00

Department for Business, Innovation and Skills (National)

Business Minister Mark Prisk said:

"The manufacturing sector will be vital to stimulating the economy so I welcome the ONS statistics published today which shows a 0.3% rise in output.

"We need to be cautious as manufacturing activity may slow over the coming months but I am most encouraged that the sector continues to be more productive."

Notes to Editors

BIS' online newsroom contains the latest press notices, speeches, as well as video and images for download. It also features an up to date list of BIS press office contacts. See <u>http://www.bis.gov.uk/newsroom</u> for more information.

back to top

Competition Appeal Tribunal (CAT) - Competition Appeal Tribunal Update

Thu, 9 September 2010 | Departmental Press Release **Contents** The Competition Appeal Tribunal website has been updated with the following information:

British Telecommunications Plc (Termination Charges: 080 calls) v Office of Communications Case number: 1151/3/3/10 Ruling (Permission to appeal)

Please click here for details.

Information provided by DeHavilland political intelligence services

The Carphone Warehouse Group Plc v Office of Communications (Local Loop Unbundling) Case number: 1111/3/3/09 Competition Commission Determination

Please click here for details.

The Carphone Warehouse Group Plc v Office of Communications (Wholesale Line Rental) Case number: 1149/3/3/09 Competition Commission Determination

back to top

BIS - Government publishes Hooper Royal Mail update

Fri, 10 September 2010 | Departmental Press Release **Contents**

The Government has today published Richard Hooper's update to his December 2008 Report on the maintenance of the universal postal service in the UK.

Since June Hooper has been analysing developments in the postal sector in the last 18 months. He has found that the underlying issues that threatened the universal postal service - the same price goes anywhere and a collection and delivery of letters six days a week - remain and that urgent action has to be taken:

* The decline in the number of letters being sent is greater than forecast in the 2008 report and will continue to deepen - worldwide falls in the next five years of between 25% and 40% are likely. The continued growth in parcels (a result of internet shopping) will not make up for the decline;

* Royal Mail's financial position has deteriorated and the pension deficit, of around £8bn as at end March 2010, is even more unsustainable than 18 months ago; and

* Despite important steps forward on modernisation, Royal Mail still lags well behind the leading postal operators.

Hooper believes the Royal Mail management, workforce and unions must accelerate the pace of modernisation. His recommendations are broadly similar to 2008:

* A new less burdensome regulatory framework is needed with responsibility for regulation moving from Postcom to Ofcom;

* The pension deficit should be taken over by the Government as part of the wider range of measures; and

* Private sector capital must be introduced into Royal Mail in the form of sale to a partner/trade investor or an IPO.

Hooper argues that access to private capital will:

* Ensure that cash is available to fund modernisation - acknowledging that the state of the public finances means that Royal Mail will find it even harder to compete for Government capital against other public spending priorities;

* Inject private sector disciplines into the business;

* Reduce the risk of political intervention in commercial decisions; and

* Encourage within Royal Mail a more customer-focussed commercial strategy/diversification for the digital age.

Information provided by DeHavilland political intelligence services

He also states that an element of employee ownership could have the benefit of encouraging greater employee engagement within Royal Mail.

Business Secretary Vince Cable said:

"This update reaffirms the findings of Richard Hooper's original report and the views he has given me during the course of the summer. He paints a very clear picture - Royal Mail is facing a combination of potentially lethal challenges – falling mail volumes, low investment, not enough efficiency and a dire pension position.

"We are determined to safeguard Royal Mail for the future and help it tackle these challenges. We will come forward with new legislation in the autumn. It will draw heavily on Hooper's analysis and recommendations and the Government's wider objectives, including the need for employees to have a real stake in the future of the business."

Richard Hooper said:

"If all the recommendations in my updated report are implemented without further delay, and Royal Mail modernises to best in class with management, workforce and unions working together, then despite the very real market difficulties the company has a healthy future. Building on its unique ability to visit 28 million addresses on a daily basis, it can aspire to be the delivery company of choice for a wide range of physical mail from letters to parcels".

The Queen's Speech set out that a Postal Services Bill will be introduced during this session of Parliament. The Bill will enable the modernisation of Royal Mail, in partnership with employees, and will ensure it benefits from private sector capital and disciplines.

The Coalition Agreement committed that the Government will seek to ensure an injection of private capital into Royal Mail, including opportunities for employee ownership. The Post Office will be retained in public ownership due to its hugely important social and economic role in communities throughout the UK.

Notes to editors:

1. The update can be viewed here http://www.bis.gov.uk/hooper-report

2. Its terms of reference were:

* To consider developments in the postal sector and Royal Mail since the publication of the Review's final report.

* To test whether the underlying issues which threatened the maintenance of the universal postal service remain.
 * To consider whether the recommendations in the report still provide the best solutions to maintaining the universal service.

3. An independent review of the postal services sector, chaired by Richard Hooper, was undertaken between December 2007 and December 2008. The review looked at changes taking place in the postal and wider communications markets and what the implications of those changes were for the UK postal service, in particular the provision of the universal postal service.

The review published its final report on 16 December 2008 ("Modernise or Decline: Policies to maintain the universal postal service in the United Kingdom"). At the heart of the report were three linked recommendations:

* Pension deficit: as part of a package of changes, the government should take over responsibility for reducing substantially the pension deficit.

* Partnership: to improve the Royal Mail's performance it should forge a strategic partnership with a postal operator with a proven record in transforming its business, working closely with the workforce.

* Regulation: Hooper proposed that Ofcom should take over responsibility from Postcomm for regulating the

Information provided by DeHavilland political intelligence services

postal market. Its primary responsibility being to maintain the universal service in the wider context of the other changes taking place in communication markets.

4. Richard Hooper CBE was Deputy Chairman of the Office of Communications (Ofcom) between 2002 and 2005. He was Chairman of the Radio Authority for 3 years until 2003. He stood down as Chairman of Informa plc in May 2007. He is currently Chairman of Artilium plc and a non-executive Director at YELL Group plc. Previous directorships include non executive director of MAI plc (1993 to 1996), non executive director of United News & Media (1996 to 1997), non executive director of Superscape plc (2000 to 2002) and non executive Chairman of IMS Group plc (1997 to 2002). He was also Director, Prestel, at Post Office Telecommunications between 1980–81 and Chief Executive Value Added Systems and Services, BT (1982–86).

5. A Postal Services Bill will be introduced during this session of Parliament. The Bill will help to safeguard the future of the Royal Mail and the Post Office network - giving employees a secure future and consumers and businesses a service they can continue to depend on. The Government has made the following commitments.

* 20 May Coalition Agreement: "We will seek to ensure an injection of private capital into Royal Mail, including opportunities for employee ownership. We will retain Post Office Ltd in public ownership."

* 20 May Coalition Agreement: "We will ensure that Post Offices are allowed to offer a wide range of services in order to sustain the network, and we will look at the case for developing new sources of revenue such as the creation of a Post Office Bank."

* 25 May Queen's Speech: "My Government will modernise the Royal Mail, in partnership with employees, and will ensure it benefits from private sector capital and disciplines."

5. BIS' online newsroom contains the latest press notices, speeches, as well as video and images for download. It also features an up to date list of BIS press office contacts. See <u>http://www.bis.gov.uk/newsroom</u> for more information.

6. It may be possible to facilitate an interview with Richard Hooper on the day of publication. Please contact Henry Tanner in the BIS Press Office on 020 7215 5947.

back to top

Audit Commission - Gareth Davies takes charge of new Audit Practice Mon, 6 September 2010 | Government Body Press Release Contents

Audit Commission PR 2402 06/09/2010 [For Immediate Release]

Gareth Davies takes charge of new Audit Practice

Released 6 September 2010

The Board of the Audit Commission has appointed Gareth Davies as Managing Director of its Audit Practice. Gareth will lead the Commission's audit staff as they prepare to compete in an open market for local public audit, potentially as an employee-owned business.

On 13 August Secretary of State for Communities and Local Government Eric Pickles announced the abolition of the Audit Commission, saying that: 'Audit functions will be moved to the private sector. Councils will be free to appoint their own, independent external auditors from a more competitive and open market.' Ministers have also expressed their interest in an employee-owned or mutual audit organisation emerging from the Commission to serve the new market.

Information provided by DeHavilland political intelligence services

Gareth, who has 23 years' experience of public audit, was the Commission's MD for Local Government, Housing and Community Safety since 2007. He starts work straight away on preparing the organisation for this major transition.

He says: 'I want to do the job because I believe strongly in the ethos and practice of local public audit and the value it has added to public services throughout the Commission's existence, and before that in the District Audit Service.'

He says: 'We want to ensure that councils, foundation trusts and other local public services are offered a distinctive alternative to the major audit firms. Our experience of competing successfully for foundation trust audits since 2005 shows that there is a strong demand for unrivalled specialist sector expertise at a competitive price.

In the meantime, audit staff will be focused on their current work. Gareth says: 'The top priority as always is delivering an excellent service to our clients for the rest of this audit year and the next. That's the single most effective investment in any future we might have.'

Notes to editors

Before becoming MD for Local Government, Housing and Community Safety in 2007 Gareth Davies was Regional Director for the Audit Commission's Northern Region.

Prior to this he was a District Auditor with a portfolio of audits in Yorkshire, including large local authorities and NHS bodies. His public audit career has also included assignments in London and the South East.

In recent years he has led the Commission's work with local government, including the delivery of Comprehensive Performance Assessment and Comprehensive Area Assessment.

Gareth is a CIPFA member. He is also a trustee and Honorary Treasurer of Oxfam GB, in which role he chairs the charity's Audit Committee.

© Crown Copyright back to top

Office of Communications (OFCOM) - OFCOM NEWS RELEASE - Broadband competition reaches 7 million milestone

Fri, 10 September 2010 | Government Body Press Release **Contents** For Immediate Release

10 September 2010

Broadband competition reaches 7 million milestone

Competition in the UK's broadband market has reached a significant milestone.

The number of unbundled lines – where rival communications providers such as Sky or TalkTalk offer services over BT's copper telephone network – has passed the 7 million mark.

The spur for the surge in unbundling was a set of legally-binding Undertakings that Ofcom agreed with BT Group plc in September 2005. These required BT to set up a new division, called Openreach, to provide services to rivals.

At the time there were just 123,000 unbundled lines in the UK and the majority of people could only get their broadband and landline telephone service from one provider – BT.

According to Ofcom's latest research, there are now over 19 million broadband lines in the UK. Of these more than 70% are provided by companies other than BT, many on the basis of unbundled lines.

Information provided by DeHavilland political intelligence services

Today there are over 30 different companies offering unbundled services to homes and small businesses. This has helped to drive up broadband take-up and drive down fixed-line prices.

In September 2005, 37 per cent of households and small businesses had broadband; today the figure is 71 per cent.

Competition also means lower bills for consumers. According to Ofcom research consumers were paying on average £23.30 a month (excluding VAT) for a broadband service delivered over a copper phone line* in the last quarter of 2005. Today they are paying around £13.31 for the same service.

A graph showing how the number of unbundled lines has increased since 2006 can be found below:

Ends

NOTES FOR EDITORS

*Delivered over a Digital Subscriber Line, a technology that turns an ordinary copper phone wire into a high speed digital line capable of delivering broadband.

1. The local loop unbundling figures are published by the Office of the Telecommunications Adjudicator, the independent organisation set up to oversee the unbundling process. Its latest report shows that in August 2010 there were 7,031,400 unbundled lines in the UK. The latest report can be found here: <u>http://www.offta.org.uk/</u>

2. In Q4 2009 consumers paid around £13.31 (excluding VAT) for a broadband service delivered over a copper phone line.

3. The figures on broadband take-up and residential bills are in Ofcom's latest Communications Market report published on 19 August 2010. It can be found here:

http://stakeholders.ofcom.org.uk/market-data-research/market-data/communications-market-reports/cmr10/

4. Under section 3 (1) of the Communications Act 2003, Ofcom has a duty to further the interests of consumers in relevant markets where appropriate by promoting competition.

5. Ofcom is the independent regulator and competition authority for the UK communications industries, with responsibilities across television, radio, telecommunications and wireless communications services.

6. For further information about Ofcom please visit: <u>www.ofcom.org.uk</u>. Ofcom's news releases can be found at: http://media.ofcom.org.uk/

CONTACT

Elizabeth de Winton

Media & Corporate Relations

Ofcom

ofcomnews@ofcom.org.uk

(+44) (0)300 123 4000

© Crown Copyright back to top



Westminster Debates and Legislation

MPs debate Small Businesses

Tue, 7 September 2010 | Debate - Adjournment and General **Summary**

An Enterprise Capital Fund of £37.5 to provide early-risk capital for small business would be created MPs were told today.

During a debate on small business in Westminster Hall today Minister of State, Mark Prisk announced that a growth capital fund would be created to provide finance to SMEs, further details on this would be provided in the next few weeks. In addition an enterprise capital fund of £37.5 million would be established to provide early-stage risk capital for innovative small business. The Minister stated that these announcements are part of a £1 billion series of programmes and that 10 Enterprise for Capital Funds (ECFs) run by Capital for Enterprise Ltd would invest in high-technology industries.

Discussing the Green Investment bank the Minister informed the Hall that the Chancellor would provide further details in the next couple of months.

Mr Prisk also discussed banks and said that the Government will be looking at bank lending versus capital reserves in order to prevent the banking sector dragging the economy back into recession again in the future.

The Enterprise Finance Guarantee 'cannot be a remedy for the broader problems that SMEs face. It exists to underpin additional bank lending; it is not an alternative loan product,' said Mr Prisk. He continued by providing details on the Guarantees finances which over the last nine years had lent £580 million, the taxpayer cost in administration is £21 million and the guarantee had created or saved 31,600 jobs, with a per job cost of £655. Additionally the Government had increased the guarantee by £200 million to support £700 million of additional lending until March 2011.

Shadow Labour Minister Ian Lucas said that one of the major problems in the banking sector is a lack of competition between the big banks and he called on the Minister to provide information on the time scale of the commission examining the topic and when that commission would report.

Mr Lucas also called for the need to provide alternative structures for financing small businesses because the 'banking sector is not that interested in small business' he said

Bringing the debate Conservative MP Jeremy Lefroy asked the Minister about the Enterprise and Finance Guarantee and questioned if the Government would follow the advice of the Institute of Chartered Accountants which had called for the scheme to become more like the former small loans guarantee.

Click here to view the source of this item online. back to top

Events and Speeches

Communities Minister Bob Neill addresses the Chartered Institute of Public Finance and Accountancy Conference

Wed, 8 September 2010 | Ministerial Speech

Summary

Bob Neill today asserted his belief that councils should be trusted to make independent audit appointments and trust local people to hold councils to account.

Communities Minister, Bob Neill, told delegates the reductions announced in the Emergency Budget made clear the Government's resolve to reduce spending whilst minimising the impact on essential frontline services, which included steps to limit the impact on local authorities and make savings proportionate. Mr Neill added that to help

Information provided by DeHavilland political intelligence services

cope the Government is transferring more power to councils that will mean more local decisions can be made with greater local flexibility.

He pledged commitment to phasing out more ring-fenced budgets, and told of having already cut the centrallyimposed burdens on local government like the Comprehensive Area Assessment and will cut local government inspection further across Whitehall.

By shifting power and funding to the most appropriate local level, communities and councils can take more responsibility for local spending decisions, he maintained, adding this will increase the accountability to citizens and lift the centrally-imposed bureaucratic burden which has emerged over the last few years.

A Bob Neill speech with similar themes, on 'Enhancing Local Democracy' can be found here: Click to View

back to top

Westminster Committees

Treasury Committee - Next meetings Wed, 8 September 2010 | Commons Select Committee Press Release Contents

Treasury Committee House of Commons, Committee Office 7 Millbank London SW1P 3JA Tel 020 7219 5769 Fax 020 7219 2069 Email <u>treascom@parliament.uk</u> Website <u>www.parliament.uk/treascom</u>

8 SEPTEMBER 2010: FOR IMMEDIATE RELEASE

FUTURE EVIDENCE SESSIONS

The Treasury Committee is to hold two evidence sessions on Tuesday 14 September as follows:

At 9.45am, Thatcher Room, Portcullis House

Subject: Financial Regulation Witnesses: Lord Myners CBE, Professor Charles Goodhart CBE

This session is part of the Committee's inquiry into Financial Regulation. It is the Committee's second evidence session of the inquiry. Details on the inquiry, including the transcript of the first session and the terms of reference of the inquiry can be found on the Committee's website at: <a target="_blank" href="http://www.parliament.uk/business/committees/committees-a-z/commons-select/treasury-committees/commi

At approx 11.00am, Thatcher Room, Portcullis House

Subject: Appointment of Dr Martin Weale as an external member of the Monetary Policy Committee Witness: Dr Martin Weale CBE

The Treasury Committee has established the practice of holding hearings with persons appointed to the Monetary Policy Committee (MPC) of the Bank of England and reporting on those hearings. This practice enhances the transparency of the appointment process and increases the level of information available to the public and to Parliament about the functioning of the MPC.



FURTHER INFORMATION:

Information provided by DeHavilland political intelligence services

Committee Membership is as follows: Committee Membership is as follows: Mr Andrew Tyrie (Chairman), John Cryer, Michael Fallon, Mark Garnier, Stewart Hosie, Andrea Leadsom, Mr Andy Love, John Mann, Mr George Mudie, Jesse Norman, David Rutley, John Thurso, Mr Chuka Umunna. Media Enquiries: Laura Humble, Tel 020 7219 2003 / 07917 488 489, email - humblel@parliament.uk">humblel@parliament.uk">humblel@parliament.uk Specific Committee Information: humblel@parliament.uk Specific Committee Information: humblel@parliament.uk Tel 020 7219 5769 Committee Website: humtle Website: humtle Parliament.uk/treascom Wetch committee and parliamentary debates online: <a www.parliamentlive.tv Publications / Reports / Reference Material: Copies of all select committee reports are available from the Parliamentary Bookshop (12 Bridge St, Westminster, 020 7219 3890) or the Stationery Office (0845 7023474). Committee reports, press releases, evidence transcripts, Bills; research papers, a directory of MPs, plus Hansard (from 8am daily) and much more, can be found on www.parliament.uk

back to top

House of Commons Early Day Motions and Petitions

EDM 664 - Food Supplements and Competition from the Channel Islands (updated)

Mon, 6 September 2010 | House of Commons - Early Day Motion Summary The following EDM was tabled on 6 September 2010. Contents EDM Tabled 664 FOOD SUPPLEMENTS AND COMPETITION FROM THE CHANNEL ISLANDS 6:9:10 Signed by 2 MPs

Rosie Cooper * 1

That this House welcomes the progress made by the governments of Guernsey and Jersey in addressing unfair and illegal competition in the trade in food supplements and herbal remedies from the Channel Islands; hopes that priority will now be given by the Islands' governments to the implementation and enforcement of the Food Supplements Directive, the Nutrition and Health Claim Regulation and the Medicines Directive; further welcomes the assurances given by those governments that they will fully implement that legislation; further hopes that the new UK Government will continue to engage in addressing these issues and will provide the Channel Islands' governments with support and practical assistance; remains concerned that businesses from the Channel Islands continue to market directly to the UK mainland products which contain illegal ingredients or which are promoted using illegal claims thus jeopardising consumer safety; observes that this situation will not be resolved as long as the required food legislation is not fully implemented and enforced in either Guernsey or Jersey; and calls on the Medicines and Healthcare Products Regulatory Agency, Food Standards Agency, Royal Mail, Advertising Standards Authority, and trading standards officers to continue actively to engage with the authorities in the Channel Islands to secure the effective implementation of the necessary legislation without further delay.

Dr Alasdair McDonnell

back to top

New EDM 698 - NHS Privatisation and Shared Business Services Wed, 8 September 2010 | House of Commons - Early Day Motion

Summary The following EDM was tabled on 8 September 2010.



Contents

New EDM Tabled 698 NHS PRIVATISATION AND SHARED BUSINESS SERVICES 8:9:10

Signed by 1 MPs

Mr Alan Meale

* 1

That this House is aware that despite widespread opposition from the general public in Nottinghamshire, the NHS Nottinghamshire County, NHS Nottingham City and Bassetlaw Primary Care Trust have decided to award their Family Health Service support functions to a private company called Shared Business Services; notes that included in this company's strategy is the planned outsourcing of 100 NHS jobs to India and the offshoring of local patient data; and believes that such a decision is not in the interests of local health services as local administrative workers in the NHS play a vital and extremely important part in the service, enabling both attention to patient need and giving front-line staff the opportunity to spend their time instead on working effectively, efficiently and safely on patient needs.

back to top

New EDM 699 - Offshore Wind Infrastructure Competition Wed, 8 September 2010 | House of Commons - Early Day Motion Summary The following EDM was tabled on 8 September 2010. Contents New EDM Tabled 699 OFFSHORE WIND INFRASTRUCTURE COMPETITION 8:9:10

Signed by 4 MPs

Mr Charles Kennedy Dr Alan Whitehead Peter Aldous Bob Russell * 4

That this House recognises the importance of the Offshore Wind Infrastructure Competition for securing the private investment necessary to develop the UK's offshore wind sector into a globally competitive industry; notes the economic benefits that this investment will bring; and calls on the Government to ensure that the funding to support the rapid development of this industry in response to the twin problems of climate change and economic recovery is retained following the Comprehensive Spending Review.

back to top

New EDM 703 - Public Expenditure and Employment in the Construction Industry Thu, 9 September 2010 | House of Commons - Early Day Motion Summary The following EDM was tabled on 9 September 2010. Contents New EDM Tabled 703 PUBLIC EXPENDITURE AND EMPLOYMENT IN THE CONSTRUCTION INDUSTRY 9:9:10

Pat Glass Ian Mearns

Information provided by DeHavilland political intelligence services

Julie Elliott Alex Cunningham Helen Goodman Bridget Phillipson * 8 Roberta Blackman-Woods Catherine McKinnell

That this House deplores the loss of private sector construction jobs as a result of cuts in public expenditure including the Building Schools for the Future programme; notes the North East Chamber for Commerce findings that this will hit the North East region the hardest and cost the area an estimated 17,000 construction jobs; further notes that every ?1 million of public sector infrastructure expenditure creates 20 construction jobs; and calls on the Government to continue investment in infrastructure.

back to top

 New EDM 704 - Regulation of Herbalists and Traditional Herbal Medicinal Products Directive

 Thu, 9 September 2010 | House of Commons - Early Day Motion

 Summary

 The following EDM was tabled on 9 September 2010.

 Contents

 New EDM Tabled

 704 REGULATION OF HERBALISTS AND THE TRADITIONAL HERBAL MEDICINAL PRODUCTS
 9:9:10

 DIRECTIVE

Mike Weatherley Bob Russell Andrew George * 3

That this House notes that thousands of consumers annually seek treatment from practitioners of herbal therapies and that Ministers are considering whether such practitioners should be statutorily regulated; further notes that such regulation would enhance consumer protection whilst maintaining consumer choice; observes that regulation would also permit herbalists under relevant European legislation to commission specific herbal remedies to be manufactured for their clients and so avoid the prohibition of such unlicensed specialist herbal products from April 2011 when the Traditional Herbal Medicinal Products Directive is fully implemented; and urges Ministers to bring forward statutory regulation without delay to enhance patient protection and secure consumer and practitioner access to safe and popular herbal remedies.

back to top

New EDM 711 - Women's Institute Campaign on Country of Origin Labelling for Foods Thu, 9 September 2010 | House of Commons - Early Day Motion Summary The following EDM was tabled on 9 September 2010. Contents New EDM Tabled 711 WOMEN'S INSTITUTE CAMPAIGN ON COUNTRY OF ORIGIN LABELLING FOR FOOD 9:9:10

Roger Williams Mr Mark Williams Andrew George * 3

That this House welcomes the Women's Institute Campaign to highlight the need to introduce clearer country of origin labelling of food products; notes that many foods do not require a country of origin label; further notes that even in processed foods where an origin is stated it normally indicates the last substantial change and not the origin of where the food was originally grown or reared; is concerned that many consumers are not receiving the

Information provided by DeHavilland political intelligence services

information they would like in order to make fully informed decisions about their purchases; and calls on the Government to introduce a more robust food labelling system in which the public can have total confidence.

back to top

Statements

John Denham attacks decision to abolish Audit Commission

Tue, 7 September 2010 | House of Commons - Main Statement

Contents

Mr John Denham (Southampton, Itchen) (Lab): Over the past 15 years, is it not true that the efficiency and effectiveness of local government improved significantly? By 2008, four out of five top-tier councils were rated in the top two performance categories. Councils were making £5.5 billion of efficiency savings in the current spending period, and the Commonwealth Fund recently judged the national health service to be the most efficient health care system among industrialised countries.

Is it not the case that the independent Audit Commission played a significant role in achieving those improvements? Why was the decision to abolish the commission taken

7 Sep 2010 : Column 182

in secrecy? It was not in the coalition agreement or in the published work plan of the right hon. Gentleman's Department. Why did it have to be rushed out without consultation? Will the Secretary of State apologise for briefing that the commission was spending money on trips to the races, when he knew that it hired a meeting room on a non-race day? Why did he hide behind tabloid headlines that he knew were wrong?

When the noble Lord Heseltine set up the Audit Commission, he said that

"because local authorities appoint their own auditors, audit is not seen to be obviously independent of local government."-[Official Report, 18 January 1982; Vol. 16, c. 53.]

Was not the noble Lord right? Are not the Government recreating between local councils and auditors the cosy, incestuous relationships that also failed Enron and, more recently, the banking system?

The Audit Commission was increasingly looking at whether local services as a whole were working together to provide quality and cost-effective services, and letting the public compare the value for money that taxpayers receive from area to area. Is it not true that the Secretary of State stopped that work because he wants to see unjustified variations in service quality and an unfair postcode lottery?

The Conservatives said at the election that the independent Audit Commission would judge whether changes to local government finance were fair. Has not the right hon. Gentleman now abolished that body so that he can make changes without any effective scrutiny?

The Audit Commission was not perfect. I too blocked the appointment of an unduly highly paid chief executive, but is the Secretary of State not destroying one of the tools for challenge and improvement? It was the Audit Commission to which I could turn to investigate the boomerang bosses who walk out with big pay-offs and go into new jobs. It was the Audit Commission that advised first me and then him on the action to be taken with Doncaster city council. The House might share my fears that this move will end up costing local taxpayers far more than it will save.

Mr Pickles: The right hon. Gentleman seems to have changed his tune slightly, because at the time of the announcement he said:

"I...warned the Audit Commission against excessive wage increases and their fate seemed to be sealed when they ignored this".

Information provided by DeHavilland political intelligence services

The right hon. Gentleman refers to the use of Newmarket race course. I am not concerned that the Audit Commission spent £40,000 on pot plants, £8,000 on a conference at that race course or £4,600 on bagels. Nor am I worried that it spent £6,000 to celebrate its 25th() anniversary at the Reform club, £3,000 on fine dining at Shepherd's or £170,000 on role-playing and training for its staff. The commission might have made a number of mistakes and errors of judgment, but this measure is about saving the audit function.

The Audit Commission itself recognised that it was working on identical sets of proposals, because it recognised that the future of audit was in the private sector. John Seddon, a visiting professor at Cardiff university business school, recently described the commission as

"an instrument of the regime...The regime has fostered compliance rather than innovation, and compliance with wrong-headed ideas to boot."

7 Sep 2010 : Column 183

It was once a great organisation, and it did make a change to local government. However, local government has changed itself and it is time to move on. No doubt the right hon. Gentleman will spend some considerable time living on past glories, but the Audit Commission cannot do that. It is time to pass the baton to the National Audit Office for the supervision of the process, and it is massively important to ensure that audit remains rigorous.

back to top

Written Ministerial Statement

Wed, 8 September 2010 | House of Commons - Written Ministerial Statements **Summary** The following written statement was tabled on 9 September 2010. **Contents** Written Ministerial Statement Business, Innovation and Skills Pre-Council Statement (Foreign Affairs)

The Parliamentary Under-Secretary of State for Business, Innovation and Skills (Mr Edward Davey): The Foreign Affairs Council will be held on 10 September in Brussels. I will be representing the UK.

The agenda items are as follows:

Economic Partnership Agreements

Ministers will discuss next steps on the economic partnership agreements (EPAs) with African, Caribbean and Pacific States, including how to progress negotiations further, being as flexible as possible while retaining compatibility with the rules of the World Trade Organisation (WTO). They may also discuss the implementation of EPAs already signed and the impact of EPAs on regional integration.

South Korea Free Trade Agreement

The presidency will seek Ministers' approval and signature of this free trade agreement (FTA) on behalf of the European Council. Discussion is also likely to cover the progress of the associated bilateral safeguard regulation through ordinary legislative procedure in the European Parliament. They will also agree to provisional application of the FTA's commitments, the date to be confirmed later in the year following parallel work in the European Parliament.

Investment

Information provided by DeHavilland political intelligence services

Ministers will discuss the Commission's communication on the future of the European Union's international investment policy. This discussion is likely to cover which countries will take priority as the EU seeks partners for new EU-investment agreements and what these agreements should cover. It is also likely that the regulation to manage the transfer of competency for international investment policy, which was published in parallel with the communication will also be raised.

Any Other Business: Pakistan

Following the catastrophic flooding which continues to cause considerable devastation in Pakistan, Ministers will discuss plans for the EU to agree a comprehensive package of support for Pakistan's recovery both in the short and longer-term, including substantive measures on trade. The discussion is likely to cover both increased humanitarian assistance from member states and the Commission, as well as mechanisms to grant Pakistan increased market access to the EU, either through membership of the generalised system of preferences(+) (GSP+) scheme or through immediate, short-term reductions in EU tariffs on key Pakistani exports.

Any Other Business: Malaysia FTA

Trade Commissioner Karel de Gucht will inform Ministers of recent discussions with Malaysia about the possible start of negotiations for a free trade agreement under the EU-ASEAN free trade agreement mandate.

9 Sep 2010 : Column 20WS

back to top

House of Commons Questions

Cairns - Welsh Buisinesses

Wed, 8 September 2010 | House of Commons - Oral Question

Summary

In response to a question from Alun Cairns on recent discussions had with Ministerial colleagues, the Welsh Assembly Government and CBI Wales on support for Welsh businesses, Secretary of State for Wales Cheryl Gillan noted that she had met with CBI Wales twice so far and had quarterly meetings with the group to ensure their concerns were fed into Government policies.

In supplementary, Mr Cairns warned that Wales would not be able to create many additional jobs over the next five years. A damning indictment of the previous government, he claimed.

Agreeing that the situation was 'shocking' and that Wales was faring badly compared with the rest of the UK, the Minister insisted that there were successful businesses in Wales including Chorus, Ultrafarm, who were working with Marks & Spencer, and Sharp.

Contents

6. Alun Cairns (Vale of Glamorgan) (Con): What recent discussions she has had with ministerial colleagues, the Welsh Assembly Government and CBI Wales on support for Welsh businesses. [13138]

The Secretary of State for Wales (Mrs Cheryl Gillan): I have regular discussions with many ministerial colleagues to ensure that we support Welsh businesses. I have already met with CBI Wales twice, and I have quarterly meetings planned with the CBI along with other business organisations in Wales, so that the issues affecting individual companies are fed directly into coalition Government policy.

Alun Cairns: Over the last 10 years, Wales became the poorest part of the United Kingdom under the administration of Labour both here at Westminster and in Cardiff bay. A recent Oxford Economics report suggests that over the next five years Wales will create only 4,000 new jobs. Given that Wales will have the same macro-

Information provided by DeHavilland political intelligence services

economic conditions as every other part of the UK, is not that a sad indictment of the Administration in Cardiff bay and the legacy of Labour?

Mrs Gillan: My hon. Friend has experience of the Welsh Assembly Government and the Welsh Assembly, so I will leave his comments to stand. I agree with him that the situation that we have inherited is shocking across the UK, and it is especially sad in Wales because gross value added per head is the lowest out of all the UK nations and has been that way since 1998. However, I want to be optimistic about the Welsh economy and I have recently visited some very successful businesses that are investing in Wales and looking at creating jobs, including Corus, Sharp and Ultrapharm—the latter is producing wheat-free healthy lifestyle products for Marks and Spencer. I have been impressed by the number of jobs that are starting to appear in the Welsh economy, and I want to encourage more businesses to come and do business in Wales.

back to top

Edwards - Private sector growth

Wed, 8 September 2010 | House of Commons - Oral Question

Summary

Plaid Cymru MP Jonathan Edwards asked how private sector growth was being boosted.

Responding, Secretary of State for Wales Cheryl Gillan decried the record of the last Government, adding that the Government was providing an environment in which businesses could do business in by cutting corporation tax, creating incentives through national insurance contributions and cuts to bureaucracy.

Contents

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): With the public sector cuts inevitably having a disproportionate effect on the Welsh economy, what countervailing measures is the right hon. Lady arguing for with the Treasury to stimulate private sector growth in Wales?

Mrs Gillan: I am sad that the hon. Gentleman has to ask such a question, but he knows that he has to because the last Government left this economy in tatters, and it has fallen to this coalition Government to put the economy back together again. As he well knows, we are providing an environment in which business can do business in the UK. We are reducing corporation tax by a penny each year, which will give us one of the lowest corporation tax regimes in the European Union, we have reduced the taxation regime for small companies, and we have incentives on national insurance for entrepreneurs setting up businesses. I can assure him that we are doing everything that we can to create a healthy environment in which businesses and private business can prosper.

back to top

Elan Jones - Welsh Economy

Wed, 8 September 2010 | House of Commons - Oral Question Summary

In response to a question from Susan Elan Jones on discussions had with the First Minister on the effect on levels of employment in Wales of proposed reductions in public expenditure, Conservative Wales Minister David Jones confirmed this formed part of regular ministerial discussions.

In supplementary, Ms Elan Jones highlighted the latest employment outlook survey which predicted a reduction of staffing levels by 8 per cent. The FSB put this down to major public service cuts, she feared.

The only way to restore the Welsh economy was by allowing the private sector to grow, the Minister said, arguing that Wales could not rely on the public sector alone.

Contents

Information provided by DeHavilland political intelligence services

7. Susan Elan Jones (Clwyd South) (Lab): What recent discussions she has had with the First Minister on the effect on levels of employment in Wales of proposed reductions in public expenditure. [13139]

The Parliamentary Under-Secretary of State for Wales (Mr David Jones): My right hon. Friend has regular discussions with the First Minister on a range of topics, including the reductions in public spending necessary to tackle the deficit.

Susan Elan Jones: I am grateful to the hon. Gentleman for his interesting and brief response. Will he actually answer the question more fully by commenting on the fact that the latest employment outlook survey says that employers in Wales expect to decrease staffing levels in the next few months by 8%, and that the Federation of Small Businesses in Wales has said that

"it's not surprising that small firms might be planning staff reductions",

and that is due to major public service cuts? Will he for once speak up for Wales and accept responsibility for the situation that his Government are creating for communities in Wales?

Mr Jones: I am glad to see that the hon. Lady recognises the appalling financial legacy of her Government. Under the last Government, unemployment in Wales increased by 60%, from more than 82,000 to 130,000 in the last 10 years. We can restore the Welsh economy and return life to it only by allowing the private sector to grow. On that basis, we have introduced measures, such as the national insurance holiday, that will stimulate significantly the private sector in Wales. Wales cannot rely on the public sector alone.

back to top

Howell - Rural economy in Wales

Wed, 8 September 2010 | House of Commons - Oral Question

Summary

In response to a question from John Howell on recent discussions with Welsh Assembly Government Ministers and Ministerial colleagues on Government policy to assist the rural economy in Wales, Conservative Wales Minister David Jones stated that the Wales Office had set up a taskforce to assess growth in rural areas.

Mr Howell asked what was being done to promote economic renewal in rural Wales.

In reply, the Minister stated that business groups representing the rural economy were being spoken to, including the farming unions.

Contents

10. John Howell (Henley) (Con): What recent discussions she has had with Welsh Assembly Government Ministers and ministerial colleagues on Government policy to assist the rural economy in Wales. [13142]

The Parliamentary Under-Secretary of State for Wales (Mr David Jones): My right hon. Friend the Secretary of State and I attach great importance to rural communities in Wales and the economic challenges that they face. The Wales Office has set up a taskforce of officials to look at the rural economy and see what we can do to support and encourage growth in our rural areas.

John Howell: Having contributed to the Welsh rural economy during the recess by spending a very enjoyable holiday in Wales, may I ask the Minister to say what the Government are doing to promote economic renewal and growth in the Welsh rural economy?

Mr Jones: I am glad to hear that my hon. Friend is contributing to that economic renewal and I hope that he will continue to do so in years to come. The Wales Office is currently consulting groups that represent businesses and the rural economy, to gather their views on what we can do to help them grow in these challenging times. I have



Information provided by DeHavilland political intelligence services

already held meetings with a number of interest groups, including the farming unions, and I look forward to taking that work forward over the autumn.

back to top

Brennan - Sheffield Forgemasters

Wed, 8 September 2010 | House of Commons - Oral Question

Summary

Labour MP Kevin Brennan called on the Deputy Prime Minister to apologise over comments made on Sheffield forgemasters and to find public assistance for the company.

Deputy Prime Minister Nick Clegg stressed that this support was not affordable, condemning the previous administration for promising money they did not have. The Government would continue to work with Sheffield forgemasters to help them access support where possible, he added.

Contents

Q10. [13127] Kevin Brennan (Cardiff West) (Lab): The Deputy Prime Minister is famous for his humility. Following the report of the Select Committee and this morning's report in the Financial Times, is he now prepared to apologise for the mistake that he made about Sheffield Forgemasters and to join the Liberal leader of Sheffield council in calling for some public finance for that project?

The Deputy Prime Minister: As the hon. Gentleman knows, the reason, regrettably, why the £80 million loan that was announced by the previous Government 11 working days before the general election to coincide with a nice photo opportunity for the previous Prime Minister at Forgemasters has not been able to proceed from this year's Budget is that it is not affordable under this year's Budget given that the structural deficit we inherited was so much greater than we thought. In other words, it was a promise made where the money was not available. It was a cheque written which the previous Government knew would bounce, but we have made it very clear to Forgemasters that we will continue to work with it to see how we can support it in future once the Budget situation becomes clearer after the comprehensive spending round.

back to top

Hilling - Public Procurement (Food)

Thu, 9 September 2010 | House of Commons - Oral Question

Summary

In response to a question from Julie Hilling on steps to encourage the procurement of food of British origin by the public sector, Secretary of State for Environment, Food and Rural Affairs Caroline Spelman expressed a commitment to ensuring the whole of the public sector procured food that meet British standards.

In supplementary, Ms Hilling noted that higher British animal welfare standards did make the purchase of food more expensive. She wondered how the public sector would measure whether food had come from British sources.

The Government planed to develop buying standards so that they met minimum sustainability standards, Ms Spelman explained.

Contents

6. Julie Hilling (Bolton West) (Lab): What steps her Department is taking to encourage the procurement of food of British origin by the public sector. [14177]

The Secretary of State for Environment, Food and Rural Affairs (Mrs Caroline Spelman): We are committed to ensuring that food procured by Government Departments, and eventually the whole public sector, meets British or

Information provided by DeHavilland political intelligence services

equivalent standards of production wherever this can be achieved without increasing overall costs. I have written to ministerial colleagues asking them to look closely at how they can help us to meet this objective.

Julie Hilling: As Ministers agreed, British animal welfare standards are among the highest in the world, which may make products slightly more expensive. I understood that Government policy was to ensure procurement in the public sector of British-produced food wherever possible. I am concerned, therefore, about the response that it may be procured from other sources. Also, how will the Government measure whether food has come from British sources?

Mrs Spelman: I can reassure the hon. Lady that we are proceeding with the commitment that I have given and which was outlined in the coalition agreement. With respect to the gap, the Government also intend to develop Government buying standards for the public procurement of food, which means that Departments will have to buy food that meets minimum sustainability standards. We know that our rules, especially on animal welfare, reflect the importance that the nation attaches to this issue.

back to top

Fitzpatrick - Sourcing of British Food by the Public Sector

Thu, 9 September 2010 | House of Commons - Oral Question

Summary

Labour Shadow Environment, Food and Rural Affairs Minister Jim Fitzpatrick asked what obstacles there were to prevent the public sector procuring British produce.

Responding, Secretary of State for Environment, Food and Rural Affairs Caroline Spelman said that a perception in the public sector that buying in food produced to British standards might cost more was the main issue, even though examples such as that given by Shropshire council for school meals showed this to be false. Sourcing local food could be both healthier and cheaper, she stressed.

Underlining that this was a shared cross-party objective, Mr Fitzpatrick asked how the level of success in this policy would be measured, and the information made available to the House.

Recognizing that this was a shared objective, Ms Spelman said that Defra carefully recorded the percentage of food produced to British standards supplied to all Government departments, and made this clear to them.

Contents

Jim Fitzpatrick (Poplar and Limehouse) (Lab): May I begin by complimenting the right hon. Lady on her choice of outfit? It is very DEFRA-esque—[Interruption.] Mr Speaker, there is surely room for manners in the House of Commons. Will she describe what obstacles she sees in the way of Departments and the rest of the public sector procuring British produce?

Mrs Spelman: First, I should like to thank the hon. Gentleman for his very nice compliment, which was received absolutely as it was intended. As much as anything, the obstacle might be a perception in the public sector that buying in food to British standards might cost more. The illustration from the health service that I gave to his hon. Friend the Member for North Tyneside (Mrs Glindon) demonstrates clearly that it is possible to procure to British standards—and save costs, but I will give yet another example that might help to change perceptions. Shropshire council sources local produce for school meals. It uses seasonal, local, organic ingredients and still made a saving of 11% in the first year of shifting to locally produced, British food made to high standards, particularly fruit and vegetables. Perception is an important point to address.

Jim Fitzpatrick: I assure the right hon. Lady that seeing British produce procured by the public sector is a shared objective. Will she therefore say how she intends to measure the success of her policy in increasing procurement, and how she will make this information available to the House?



Information provided by DeHavilland political intelligence services

Mrs Spelman: I recognise this as a shared objective, as the hon. Gentleman described it. He will know that DEFRA carefully records, by Department, the percentage of farm-assured food from all food supplied to the public sector. In writing to every Cabinet Minister about the issue, I have attached the league table of performance by Departments to provide an added incentive. We believe that the public sector should not spend taxpayers' money on food that is not equivalent to British standards of production, because it is unfair on our farming and food industries.

back to top

Freeman - Regulation (Agriculture)

Thu, 9 September 2010 | House of Commons - Oral Question

Summarv

In response to a question from George Freeman on areas identified where the regulatory burden on the agricultural industry could be reduced, Conservative Agriculture Minister James Paice said the taskforce on farming regulatory would consider this issue in depth. Their considerations would include hill farming and they had already issued a consultation, he added.

In supplementary, Mr Freeman noted difficulties facing farmers due to partial or delayed single farm payments.

Highlighting previous statements regarding the RPA, the Minister observed that he was now chair of the board and that they were recruiting for additional members to improve the Agency's work.

Contents

8. George Freeman (Mid Norfolk) (Con): What areas she has identified where the regulatory burden on the agricultural industry can be reduced; and if she will make a statement. [14179]

The Minister of State, Department for Environment, Food and Rural Affairs (Mr James Paice): We are very aware of the need to reduce burdens on farmers, to increase competitiveness and to trust businesses to maintain standards. The taskforce on farm regulation, which I appointed in July, will consider how to reduce regulatory burdens and deliver risk-based and integrated compliance and inspection. It will consider all regulation that bears on farmers, including hill farmers, and it has started a wide consultation to understand which issues cause farmers most concern.

George Freeman: Can the Minister give some reassurance to farmers in my Mid Norfolk constituency who are still struggling as a result of the non-payment, late payment or part payment of their single farm payments? This is having a serious impact on their cash flow, and it is often the result of slow interdepartmental communications on issues such as land transfer.

Mr Paice: As my hon. Friend knows, I made a statement to the House in July about the Rural Payments Agency, following the outrageous and unbelievable damnation in the report by David Lane on the agency's operations. I have taken the chair of the oversight board, and we have appointed an interim chief executive while we search for a new one who is able to make that organisation fit for purpose. It is our determination to ensure that farmers in Mid Norfolk and everywhere else are paid accurately and on time.

back to top

Javid - EU Farming Regulations (Irregular Application)

Thu, 9 September 2010 | House of Commons - Oral Question

Summarv

Conservative MP Sajid Javid said that farmers in his constituency abided by often unhelpful EU regulations, unlike farmers in other countries who faced no sanction as a result. He asked what the Department was doing to improve this.

Information provided by DeHavilland political intelligence services

Responding, Conservative Agriculture Minister James Paice said that he was aware of this belief in the industry, although he suggested that these stories were often exaggerated. However, he agreed that the basic point that regulations had to be enforced evenly across the entire EU to ensure a truly free market.

Contents

Sajid Javid: Farmers in my constituency of Bromsgrove rightly abide by EU regulations, including those that are frankly unhelpful to the farming industry. The Minister might know that farmers in other EU countries often ignore those same regulations, and attract little or no sanction from the authorities in those countries. Will he reassure us that he is aware of this issue and that his Department is doing all it can to make it better?

Mr Paice: I am very much aware of the belief in many parts of the British farming industry that regulations are not applied elsewhere in Europe. I am going to be completely honest, as the House would expect, and say that I think some of those stories are slightly exaggerated. I have many friends and contacts in the farming industry elsewhere in Europe, and they complain just as vigorously about this. Nevertheless, my hon. Friend's fundamental point is absolutely right. When a regulation is passed by Europe, it should be implemented and enforced equally across the whole of the Community, if we believe in fair trade and a single market.

back to top

Stephenson, A - Food Labelling (Country of Origin)

Thu, 9 September 2010 | House of Commons - Oral Question

Summary

In response to a question from Andrew Stephenson on any plans to amend the food labelling standards for which it was responsible, Secretary of State for Environment, Food and Rural Affairs Caroline Spelman said that the government was committed to clear and honest food labelling. The focus was on protecting and informing consumers, whilst ensuring a competitive, level playing field, she set out.

Mr Stephenson underlined the importance of consumers having clear, honest food labelling, particularly for country of origin for meat and dairy products.

Responding, Ms Spelman agreed entirely, saying that Britain was negotiating on the proposed EU regulation to ensure this was put into place rigorously, including with processed foods being required to show the country of origin of their main ingredient.

Contents

11. Andrew Stephenson (Pendle) (Con): What plans her Department has to amend the food labelling standards for which it is responsible; and if she will make a statement. [14182]

The Secretary of State for Environment, Food and Rural Affairs (Mrs Caroline Spelman): The Government have made a commitment to clear and honest food labelling. Our food labelling standards work remains focused on protecting consumers and enabling them to make informed choices, as well as ensuring a level playing field to promote the competitiveness of our food industry.

Andrew Stephenson: I thank the Secretary of State for that answer. Does she agree that it is important that consumers across the UK are able to see clear and honest food labelling, particularly in relation to the country of origin of meat and dairy products, so that they know where animals have been farmed?

Mrs Spelman: I absolutely agree with my hon. Friend. We are negotiating on the proposed EU food information regulation, to ensure clarity in food labelling for consumers, especially on country of origin. That will ensure that unprocessed meat can be labelled as British only if it comes from an animal born, reared and slaughtered in the UK. Processed foods labelled as being made here will also have to show the origin of their main ingredient if that is from outside the UK.





back to top

Menzies - Locally Sourced Food (Supermarkets)

Thu, 9 September 2010 | House of Commons - Oral Question

Summary

In response to a question from Mark Menzies on steps to encourage locally sourced food by supermarkets, Secretary of State for Environment, Food and Rural Affairs Caroline Spelman noted that retailers had adopted buying polices focused on locally and regionally sourced food in response to consumer demand. The Government would support this through origin of food labelling, she added.

In supplementary, Mr Menzies warned that regulation was limiting the opportunities for smaller food industries from competing with national and global actors.

The Minister proposed he make representations to the regulation taskforce to raise these concerns.

Contents

20. Mark Menzies (Fylde) (Con): What steps her Department plans to take to encourage local sourcing of food by supermarkets. [14191]

The Secretary of State for Environment, Food and Rural Affairs (Mrs Caroline Spelman): In response to growing consumer demand for local food, retailers have adopted buying policies aimed at increasing the availability of regional and local food on their shelves. I welcome that, and recognise the need to provide consumers with information on the provenance of the food that they buy. Clearer origin labelling is therefore a key commitment in the Government's programme.

Mark Menzies: I thank the Minister for her answer, but if small food producers are to be able to grow and supply the big supermarkets they must be able to develop their business, and one factor that holds them back is regulation and bureaucracy. What steps is the Department taking to strip out regulation in order to make it easier for such producers to grow?

Mrs Spelman: I know that my hon. Friend has long experience of working in the food retail industry and has a keen understanding of this issue, and therefore I would encourage him to participate in the work of the regulation taskforce, and to make his submissions to its chairman in a timely fashion so that, as far as possible, the burden of regulation can be alleviated without undermining the original intention for which it was created.

back to top

Gardiner, B - Illegal timber

Thu, 9 September 2010 | House of Commons - Oral Question **Summary** Conservative MP Barry Gardiner asked about banning illegal timber

Responding, Agriculture Minister and Conservative James Paice said that he believed the EU due diligence legislation prevents illegal selling of timber and every country is expected to robustly implement the requirement

Contents

Barry Gardiner (Brent North) (Lab): The coalition agreement stipulates that the Government will legislate to ban both the import and possession of illegal timber. The Secretary of State has recently made it clear that that commitment has been dropped in favour of the lesser European proposals. Has she discussed that with her coalition partners, and if so, with whom and when?

Mr Paice: We discuss these issues throughout the coalition regularly, so I cannot give a long list of "with whom and when." But it is perfectly correct that we believe that the EU due diligence regulation does fulfil the

Information provided by DeHavilland political intelligence services

expectations and desires of the coalition on stopping the trade of illegally forested timber throughout the EU. Once formal agreement is reached in the next few weeks, we expect every country to adopt a very robust implementation process to ensure that it actually has teeth.

back to top

Political Party Press Releases

Green Party conference - a publicly-owned Royal Mail Sun, 12 September 2010 | Political Party Press Release Contents

Greens to campaign for a publicly-owned Royal Mail

Green Party autumn conference has passed an emergency motion today, stating the party's opposition to the proposed privatisation of Royal Mail by Business Secretary Vince Cable. (1)

Adrian Ramsay, the party's newly re-elected Deputy Leader, said the Greens were opposed to the privatisation of such an essential public service. He stressed "the fundamental importance of a strong, modern, publicly owned Royal Mail, which is available to all." Ramsay highlighted that although many people today prefer to use alternative forms of communication, the postal service remains of vital importance to small businesses and rural communities.

During a panel at autumn conference yesterday, Billy Hayes, General Secretary of the Communication Workers Union, also emphasised the opposition of both communication workers and the public to the privatisation of Royal Mail.

Notes

1) http://www.guardian.co.uk/uk/2010/sep/10/cable-total-privatisation-royal-mail

2) The emergency motion passed today instructs GPEx (the executive of the Green Party) to join a broad campaign for a publicly owned Royal Mail as a positive alternative to the cuts and privatisation of our vital public services.

Conference notes:

The commitment this week to privatising the Royal Mail by the coalition government's Business Secretary Vincent Cable.

The Green Party reasserts:

The fundamental importance of a strong, modern and publically owned Royal Mail. The opposition to the privatisation of the postal service by the Communication Workers Union and the public.

Conference instructs:

GPEx to campaign for a modern, publically owned Royal Mail as a positive alternative to coalition cuts and privatisation of our public services.

Proposed by: Kieran Anderson Seconded by: Nicola Watson and 45 others





Information provided by DeHavilland political intelligence services

back to top

Non-governmental and International Organisation Press Releases

Public Servant Magazine - Audit Commission chief executive considers future for the regulator Mon, 6 September 2010 | Campaign Organisation Press Release Contents

O'Higgins counts the cost of the chop

Monday, September 06, 2010

With the abolition of the Audit Commission, Dean Carroll witnesses a head-on collision – and considers the consequences

Some saw it as Eric Pickles simply flexing his ministerial muscles while others proclaimed it to be an end to three decades of command and control, but whatever side of the fence you fall, the abolition of the Audit Commission is a radical advance in the coalition government's "bonfire of the quangos".

In truth, the commission had been drafting different options for its future to be presented to the Local Government Secretary this month. These included privatisation and/or the creation of an employee-owned mutual company – in recognition of the fact that the Big Society agenda would mean fewer state bodies to be inspected.

Commission chairman Michael O'Higgins tells Public Servant: "For example, if organisations became social enterprises then they would fall outside our audit regime, so we faced the possibility that, in addition to the 500 staff being put on notice as a result of the scrapping of the comprehensive area assessment, we would have further waves of redundancies, which we can't afford when we only have reserves of £20m.

"So I began speaking with private firms on the basis that we wanted to explore their level of interest in having some or all of our business. We don't dissent on the decision of the Secretary of State; the issue is that if this had been done differently we may have got a different price for the organisation – when going out to market was an option rather than a requirement."

The ill feeling between Pickles and the com-mission's management has been palpable since the regulator hired Connect Public Affairs to give an analysis on key political players – resulting in a warning to "combat the activities of Eric Pickles". Accepting that the whole episode "has damaged us", O'Higgins reveals that he has had just one meeting with Pickles since the general election – over the commission's aborted plan to pay its new chief executive more than the Prime Minister – and there was no mention of future plans for the organisation.

Despite the perception of the commission as a bloated creature of the state, enforcing New Labour-style bureaucracy and box-ticking, it will leave behind a legacy of successful interventions at councils including Doncaster, Hull, Liverpool and Westminster. The myriad reports on diverse issues ranging from the treatment of young offenders to executive pay, and the National Fraud Initiative, have also proved to be influential and good value. And nobody can doubt the improvements in town hall performance over the last decade, which even reluctant council leaders and chief executives admit was partly down to the commission's carrot and stick approach.

Local authorities may trumpet the idea that they will save around £200,000 a year each by no longer having to finance cumbersome probes, but it remains to be seen how much new self-regulation and private sector scrutiny will cost. Trade union Prospect warns that audit spending will actually increase. Meanwhile, head of public service policy at the CBI Elizabeth Fell is nervous about the new freedoms of decentralisation – which rely on public sector organisations to be 100 per cent transparent in every area for the lighter-touch to work.

Information provided by DeHavilland political intelligence services

She says there must be some form of bench- marking "so that taxpayers can assess whether they are receiving value for money services", adding: "With the abolition of the commission, it is important that there are other mechanisms in place to perform this role."

Senior research fellow at IPPR Dr Phil McCarvill also questions "who will be charged with identifying the next Doncaster". He continues: "Why abolish the organisation responsible for inspecting local government and not those for education, criminal justice and health and social care?"

But perhaps bodies like Ofsted and the Care Quality Commission will be under threat when the harsh realities of unprecedented budget cuts are set out in the autumn Comprehensive Spending Review. Education Secretary Michael Gove and Health Secretary Andrew Lansley might well be the next ministers to wield the axe on sector regulators, who are also perceived to have lost their way.

In local government, it is clear that the coalition is starting to deliver on its localism promises. Now it must be accompanied by complete transparency of data if councils are to avoid regression to a time when pejorative terms like "basket-cases" and "rotten boroughs" were part of the common language.

back to top

Forum of Private Business - National Insurance holiday does not go far enough Mon, 6 September 2010 | Campaign Organisation Press Release Contents

The Forum of Private Business

www.fpb.org

RELEASE DATE: 06/09/10

RELEASE TIME: Immediate

National Insurance holiday does not go far enough, says business group

The Forum of Private Business is welcoming a National Insurance (NI) holiday for some start-ups but calling for further tax breaks if small businesses are to be the catalyst for sustained economic recovery.

The 'Regional Employer NICs Holiday for New Businesses' scheme gives new firms in certain areas of the UK a 'holiday' on employers' NI contributions for each of their first 10 employees they hire in the first year of business. It will last for the first 52 weeks the employee is in position.

The launch of the NI scheme follows other recent tax incentives, including a partial reversal of the previous administration's plans to increase employers' NI by 1% and a 1% reduction in small firms corporation tax, which was announced in June's 'emergency' budget.

The Government has also launched a new Office of Tax Simplification to provide 'independent advice on simplifying the UK tax system'.

Following the budget's sweeping public sector cuts, the Government is hoping to create a private sector led recovery - with small business growth placed at the forefront of this revival. However, the not-for-profit Forum is warning that, unless further cuts follow, disproportionate taxation will remain a major barrier to growth for small businesses.

'For years small business taxation has steadily increased, so this reduction in NI for some firms has to be welcomed,' said the Forum's Chief Executive Phil Orford. 'However, if the Government is serious about creating

Information provided by DeHavilland political intelligence services

conditions for real economic recovery based on strong small business growth, it needs to introduce even bolder tax policies.'

He added: 'Given the significant threats to cash flow and business growth from issues such as a lack of bank finance and increasing late payments, recruitment is likely to be slow during the first 12 months for many new firms. The scheme should be available for a longer period than just the first year they are in business.'

The scheme is open to new businesses set up on or after 22 June 2010 and will run until 5 September 2013.

It applies to start-ups in the North East, Yorkshire and the Humber, the North West, the East Midlands, the West Midlands, the South West, Scotland, Wales and Northern Ireland. It does not apply to businesses in London and the South East.

In addition, new businesses in the agricultural, fishing and coal sectors will not be able to claim the tax break, worth up to £5,000 per employee.

According to the Forum's Tax and Budget member panel, which is part of the organisation's Communications Director business support solution, 45% of respondents to a recent survey said their tax burden was a 'very serious' issue for their firms.

In all, more than two-thirds of SME owners believe the tax burden placed on them is unfair. Further, 43% of respondents said 'fairness' should be the main priority for the tax system. One in five cited 'simplicity', echoing widespread anger with a system which is among the most complex in the world.

In addition,13% said they want to see the tax system reformed to make the UK more competitive internationally.

ENDS

Notes to editors

Formed in 1977, the Forum of Private Business is evolving following a year of intensive research about the real needs of small businesses.

As an invaluable extension to its members' teams the not-for-profit organisation has developed a range of tailored business solutions to support, protect and reassure small firms throughout the lifecycle of their businesses.

These are: 'Finance Director', 'Legal Director', 'HR Director', 'Health and Safety Director', 'Development Director', 'Purchasing Director', 'Communications Director' and 'Managing Director'.

For full list of services under each solution and/or membership package, visit <u>www.fpb.org/membership</u> or call 0845 612 6266.

Images of key Forum spokespeople, along with the Forum's logo, can be downloaded here

Broadcast media – the Forum has ISDN capability and can provide comment, in quality audio, at short notice.

The FPB can also provide journalists with localised and sector-specific case studies.

About the Forum of Private Business

A not-for-profit organisation, the Forum of Private Business provides a personal, friendly and highly tailored service to its members – with the primary purpose of helping them run their businesses more profitably.

Information provided by DeHavilland political intelligence services

Representing thousands of small businesses across the UK – including retail, service providers and manufacturing companies – the Forum is recognised by the Government as one of the six main business support and lobby groups. It uses this position to influence decision-makers in the UK and Brussels on the issues that matter to small businesses. Visit <u>www.fpb.org</u>.

The Forum helps owners and managers of small and medium-sized businesses to comply with regulations via its dedicated member helpline, 24-hour legal advice line, and Health and Safety Guide, Employment Guide and Credit Control Guide.

In addition, the Forum's <u>www.smallbusinesschannel.co.uk</u> was launched in June 2009, providing a wealth of free video advice and information on a range of topics to business owners and managers.

The Forum is a proud supporter of the Children's Cancer and Leukaemia Group (CCLG): www.fpb.org/charity

back to top

BBA - Appointment of Stephen Green as Trade Minister

Tue, 7 September 2010 | Campaign Organisation Press Release **Contents**

The announcement that Stephen Green is to become the UK's trade minister is good news for British jobs and the UK economy. The appointment of a top flight businessman of international standing demonstrates the importance of financial services to our economic recovery and prosperity and proves the UK is taking trade policy seriously.

BBA chief executive Angela Knight said:

"Stephen Green's appointment as trade minister is good news for the UK. Stephen has a deservedly strong reputation as a skilled business leader both in the UK and internationally and he is just the right man to demonstrate to our overseas partners that the UK is a global business centre and an excellent base from which to operate. Stephen understands the economy and the current financial climate and his extensive knowledge of the City and its players will ensure he makes a valuable contribution to ensuring the UK economy continues to recover and prosper.

"Stephen has been a leader of the banking industry in these difficult times and a supportive and involved Chairman at the BBA. I will miss him but both I and the team here are looking forward to working closely with his successor Marcus Agius of Barclays who will be taking over the role."

Notes for editors

1. Stephen Green has been chairman of the BBA. He was appointed in the autumn of 2006 and took up the role on 1 January 2007. He stands down on appointment. Marcus Agius, chairman of Barclays takes up the role on the same date.

back to top

UCATT - Connaught Scotland

Tue, 7 September 2010 | Campaign Organisation Press Release **Contents**

UCATT REACTION TO CONNAUGHT REPORTS

On hearing the news that Connaught Group plc may be entering administration Harry Frew Scottish Regional Secretary of UCATT said:

Information provided by DeHavilland political intelligence services

" UCATT will be contacting all Connaught members and ensuring they are treated fairly as a result of this disturbing news today that the company may enter administration."

" This serves as a stark reminder to those who spout ideological boasts about the need to outsource public services.

"Here we have a construction company that has won huge public contracts across the UK, including many in Scotland, which they could not deliver. But it's construction workers, their families and housing tenants that suffer.

"In 2009 UCATT raised massive concerns about the company, when having been awarded a £220 million pound contract by the Glasgow Housing Association, they could not satisfy pension arrangements of transferring staff, resulting in the contract being taken off the company and both employees and tenants left in limbo.

"UCATT further demands that all public sector clients re-examine the whole process of procurement and recognises that local authority building services are best placed to deliver public services for housing tenants across Scotland."

UCATT represents 125,000 members employed in the construction industry throughout the United Kingdom and the Republic of Ireland

back to top

Forum of Private Business - Training and business support should be the focus of new Local Enterprise Partnerships, says Forum

Tue, 7 September 2010 | Campaign Organisation Press Release **Contents**

Training and business support should be the focus of new Local Enterprise Partnerships, says business group

With public and private sector organisations clamouring to form new Local Enterprise Partnerships (LEPs), the Forum of Private Business is arguing that the new bodies should focus on providing training as well as guidance on the support that businesses really need.

LEPs are being introduced following the demise of Regional Development Agencies (RDAs) and local Business Link services. Tasked with fostering economic growth, more than 50 bids have been tabled by collaborations of councils, city regions and business leaders. However, the way LEPs will operate - and how they will be funded - is far from clear.

In its consultation response on LEPs, submitted to the Government, the Forum indicated that the services provided by bidding authorities should include:

Localised business support

Supplier matching and inward investment

Export preparations

Regional infrastructure investment

Skills and training information and promotion

Criticisms levelled at the proposed bodies include that, because there are so many bids, they could be too small to be effective, that they could be too parochial or even toothless 'talking shops'.

Information provided by DeHavilland political intelligence services

It is right that LEPs should be chaired by a prominent business leader, and that there should be cooperation between the public and private sectors.

However, independence is key when it comes to delivering information, advice and guidance about the help that is already easily available to business owners through dedicated support organizations in the private sector" said the Forum's Chief Executive Phil Orford.

The focus should be on allowing businesses to choose their own forms of business support from a fair and open marketplace, rather than competing to sell them services through a system which would be devoid of choice. Independent organisations like the Forum, which have to delight their customers simply in order to survive, are already out there, ready and willing to provide a complete range of business support services to small and medium-sized enterprises."

Whether it is dealing with banks, utilities companies or local authorities, many small firms believe they are paying more for reduced services. This is why the Forum believes it is important that LEPs engage properly with these businesses in providing the level of support to justify any increases in local taxation.

In addition to their function of fostering economic growth and providing local infrastructure improvements, many smaller employers want training to be one of the main remits of LEPs.

The Forum's new Training and Skills member panel survey asked members which elements of business support they would like LEPs to deliver.

In total, 56% want them to provide local, named advisers who can help with training needs.

Half (50%) want the new bodies to integrate training providers with business support and 46% called for regular consultations on local training and business support issues.

Further, 44% want more resources to be provided online to save on management time.

Local training provided in one place is desired by 42% of respondents and 38% want access to training courses provided by larger companies locally. Finally, 37% called for the creation of group training networks.

Some businesses would value being given information and advice when choosing training courses but feel they should retain autonomy in selecting providers. They believe they should be able to purchase training like any other service, supported by tax incentives or providing grants direct to the business.

Others want the current system of training and skills provision to be enhanced in order to reduce cost while improving access.

"The danger is a return to the parochial approach to business support of the 1980s and 90s. Close-knit networking is not enough and prescribed, vaguely-defined business support is not practical or cost-effective," added Mr Orford. "We want business owners to be armed with the full information they need to exercise proper choice. We simply want LEPs to provide a useful service that business owners want.

"Impartial guidance on the real support that is available would be one such service. Helping businesses to access the right training would be another, particularly as firms seek to recruit and grow."

The main suggestions the Forum has submitted to the Government on how LEPs could help fulfil training needs are below:

Assessing demand

Information provided by DeHavilland political intelligence services

Training and business support advisers are seen as key and should focus on providing business owners with the information and advice they need to decide whether training is the best option and on the best training solution.

Overall demand should be assessed locally using a short questionnaire once or twice a year, perhaps combining business support and training to save owners time. Standard questions would allow providers to assess the relative strength of their region compared to others.

Training group networks could help colleges and training providers in prioritising courses needed based on the local business climate and any training needs due to regulation changes.

Information about likely courses could then be sent out to business owners. Ideally this would be via email.

More help in the form of template questionnaires should be provided so that business owners can find out from their staff if there are courses etc they would like to see.

Marketing of courses

 \cdot Marketing should be coordinated to reduce waste and avoid duplication through rival providers offering similar courses.

· Advisors should use links with key stakeholders, banks, accountants and business groups to promote courses.

 \cdot Courses should be provided on a website so that business owners could see what was available quickly. Ideally this would bring together most courses in the local area.

Take-up of courses

· A pilot scheme should be introduced so that rather than provide courses and then have to remove less popular ones, employers and employees would be encouraged to sign up to courses and once a critical number had confirmed they would be run.

 \cdot Greater emphasis is required on how skills can be used in the business to improve and develop their own organisation

Information

Businesses want more information on course providers and quality – this may be collected at a national level and feedback could be provided to a main website rather than expensive evaluation exercises.

Businesses also want simplified information on funding for training.

ENDS

Notes to editors

Formed in 1977, the Forum of Private Business is evolving following a year of intensive research about the real needs of small businesses.

As an invaluable extension to its members' teams the not-for-profit organisation has developed a range of tailored business solutions to support, protect and reassure small firms throughout the lifecycle of their businesses.

These are: 'Finance Director', 'Legal Director', 'HR Director', 'Health and Safety Director', 'Development Director', 'Purchasing Director', 'Communications Director' and 'Managing Director'.

Information provided by DeHavilland political intelligence services

For full list of services under each solution and/or membership package, visit <u>www.fpb.org/membership</u> or call 0845 612 6266.

Images of key Forum spokespeople, along with the Forum's logo, can be downloaded here

Broadcast media - the Forum has ISDN capability and can provide comment, in quality audio, at short notice.

The FPB can also provide journalists with localised and sector-specific case studies.

About the Forum of Private Business

A not-for-profit organisation, the Forum of Private Business provides a personal, friendly and highly tailored service to its members – with the primary purpose of helping them run their businesses more profitably.

Representing thousands of small businesses across the UK – including retail, service providers and manufacturing companies – the Forum is recognised by the Government as one of the six main business support and lobby groups. It uses this position to influence decision-makers in the UK and Brussels on the issues that matter to small businesses. Visit www.fpb.org.

The Forum helps owners and managers of small and medium-sized businesses to comply with regulations via its dedicated member helpline, 24-hour legal advice line, and Health and Safety Guide, Employment Guide and Credit Control Guide.

In addition, the Forum's <u>www.smallbusinesschannel.co.uk</u> was launched in June 2009, providing a wealth of free video advice and information on a range of topics to business owners and managers.

The Forum is a proud supporter of the Children's Cancer and Leukaemia Group (CCLG): www.fpb.org/charity

back to top

British Chambers of Commerce (BCC) - BCC - Manufacturing recovery must be supported Wed, 8 September 2010 | Campaign Organisation Press Release Contents

Commenting on the manufacturing output figures for July, released today by the ONS, David Kern, Chief Economist at the British Chambers of Commerce (BCC), said:

"These figures are better than expected and show that the manufacturing recovery is on the right track. The new data reinforces the view that GDP as a whole will record positive growth in the third quarter, albeit at a slower pace than the unusual growth seen in the second quarter.

"Although the manufacturing sector's performance this year is pleasing, there is no room for complacency. The recovery is not yet secure, particularly as there are worrying signs of a slowdown in the global economy. While UK manufacturers are currently enjoying the benefits of a competitive exchange rate, capitalising on these benefits may be much harder in the months ahead.

"It is important to support the manufacturing recovery as the sector's progress remains critical to the muchneeded rebalancing of the UK economy towards exports and investment."

Ends

Notes to editors

Information provided by DeHavilland political intelligence services

ONS - http://www.statistics.gov.uk/cci/nugget.asp?id=198

British Chambers of Commerce: 150 years of helping business 1860-2010

The British Chambers of Commerce (BCC) is the Ultimate Business Network.

The BCC sits at the heart of a powerful nationwide network of Accredited Chambers of Commerce, serving over 100,000 businesses across the UK, which employ over five million people. For more information visit: www.britishchambers.org.uk

back to top

Confederation of British Industry (CBI) - Government in danger of repeating past mistakes on infrastructure spending

Thu, 9 September 2010 | Campaign Organisation Press Release **Contents** GOVERNMENT IN DANGER OF REPEATING PAST MISTAKES ON INFRASTRUCTURE SPENDING

The Government is in danger of repeating past mistakes with the Comprehensive Spending Review (CSR) if it fails to give the necessary priority to investment in infrastructure, the CBI will say today (Thursday). This is urgently needed to boost the recovery, create new jobs and attract investment into the UK.

The employers' group believes that key ministerial decisions on infrastructure spending are imminent.

In a speech to businesses in the East of England, John Cridland, the CBI's Deputy Director-General, will say the UK already lags well behind its competitors in its spending on infrastructure, such as roads and rail. He will point out that, in the years when government spending rose between 2000 and 2007, the UK's investment in transport was the lowest of all OECD countries.

He will urge the coalition Government to make some "smart choices", return capital spending to 2.25 percent of GDP as soon as possible, and "appreciate the consequences of not giving infrastructure the attention it deserves".

Mr Cridland will say:

"Reducing spend on transport links might seem a politically saleable option, but it's just not in the country's longterm interests."

Mr Cridland will comment on the Chancellor's decision to adopt significant cuts in future spending already set out by the previous Government and to reduce in-year infrastructure spending by £2bn. This will include £400 million on transport, and bring public sector capital spend down to 1.1% of GDP by 2014-15. He will say:

"An apparent saving today means spending more tomorrow, and fails to recognise the direct and indirect benefits that quality infrastructure can bring in the near term.

"Analysis shows that the 'multiplier effect' of investment in infrastructure is much greater than in other sectors. The economic case for targeted new infrastructure remains robust."

Looking ahead to the forthcoming CSR, where the Government will set out in detail how it plans to take action to reduce the budget deficit, he will say:

"We accept the need for cuts, and we'd expect any special pleading to be given the short shrift it deserves. There needs to be a robust case for spending of any sort, and especially in the current fiscal climate.

Information provided by DeHavilland political intelligence services

"But just as we're absolutely sure about the need to reduce the deficit, there's also a certainty that failing to prioritise infrastructure spending in the CSR would be short-sighted in the extreme.

"The UK's infrastructure is poor by international standards and is a serious barrier to greater efficiency and to economic growth. Put simply, balancing the Government's books is going to need improved infrastructure, and doing it on the cheap would be a false economy.

"Infrastructure investment can contribute to the urgent task of reducing the deficit if there is a relentless drive for more value for money in the way it is delivered, as is being demonstrated by Crossrail."

Describing the CBI's assessment of the new Government's overall performance so far as "positive", Mr Cridland also says there are some "question marks" over certain areas of government policy. These include energy, regional policies and planning, and the new Local Enterprise Partnerships (LEPs).

On the LEPs, he will say:

"Plans for new Local Enterprise Partnerships are a cause for concern. We need assurance that the LEPs should not become too fragmented to offer adequate strategic direction, and as to whether they'll be genuinely businessled and focused on sustainable economic growth."

Note to Editors:

The CBI is the UK's leading business organisation, speaking for some 240,000 businesses that together employ around a third of the private sector workforce. With offices across the UK as well as representation in Brussels, Washington, Beijing and Delhi the CBI communicates the British business voice around the world.

back to top

Federation of Small Businesses (FSB) (England) - Local Enterprise Partnerships must have a strong business foundation

Thu, 9 September 2010 | Campaign Organisation Press Release **Contents**

The Federation of Small Businesses (FSB) has written to the Communities Secretary, Eric Pickles MP, to encourage Government to ensure the partnerships have proper business representation as the deadline for local councils to submit plans for Local Enterprise Partnerships (LEP) closed this week.

The Government has received 59 proposals in total, some of which will be very strong. However, the FSB has concerns that in some areas, business engagement has not reflected the Government's call that businesses be fully involved in developing the proposals. Small and micro businesses are the drivers of the local economy and it is imperative that their views are heard and properly represented on any LEP.

The FSB has urged the Government to ensure that where LEP proposals put forward have not been properly backed by business, that it stands firm and does not give the green light to continue until a clear vision for doing so is set out.

Mike Cherry, Policy Chairman, Federation of Small Businesses, said:

"Through our regional offices we have developed excellent relationships with local authorities, which give us a strong perspective on how LEPs should be run.

"The Government will undoubtedly have received many strong proposals, but we are concerned that in some of the proposals submitted there has been a lack of proper business engagement.

Information provided by DeHavilland political intelligence services

"We are today urging the Government to ensure that where there has been insufficient business input into the proposals that they are asked to go away and work further with business to set out a plan with enterprise involved.

"The FSB is the only national business organisation that is truly member-led and it is vital that our members – the local businesses supporting the local economy – have their interests properly represented."

ENDS

Notes to Editors

The FSB is the UK's leading business organisation with over 213,000 members. It exists to protect and promote the interests of the self-employed, and all those who run their own business. More information is available at www.fsb.org.uk

2. The eight Regional Development Agencies (excluding London) are going to be replaced by local enterprise partnerships. In a joint letter sent to councils and business leaders, Business Secretary Vince Cable and Communities Secretary Eric Pickles asked them to consider forming new local enterprise partnerships that can provide strategic leadership in their local areas and create the right environment for business success and economic growth. These look set to be in place next year. For more information, please go to www.communities.gov.uk/documents/localgovernment/pdf/1626854.pdf

3. The deadline for the submission of LEP proposals closed on Monday 6 September. In total, 59 proposals were received.

4. The FSB will give evidence to a Department for Business, Innovation and Skills Select Committee on Tuesday 14 September.

back to top

Consumer Focus - Rural post offices threatened by Post Office Limited's neglect

Thu, 9 September 2010 | Campaign Organisation Press Release

Contents

New rural post offices set up in shops, community centres and mobile vans are in danger of closing because of a lack of support from Post Office Limited, Consumer Focus warns today.

In its latest tracking report of outreach post offices, called 'Sink or Swim?', the consumer champion says many risk closure unless Post Office Limited takes action to improve the reliability and range of services they offer. Hundreds of the outreach post offices have been set up, often in rural areas where there were not enough people to support a full time branch, since the last closure programme in 2007. Opened in places like village shops, community centres and mobile vans, the outreach post offices provide services on a more 'part-time' basis but are essential for their thousands of users.

According to Consumer Focus, customer satisfaction with outreach post offices is good, with two thirds of users saying they were satisfied with the service. However, one in three people not using their local outreach say it is because the opening hours or location is unsuitable. Similarly, a third of those not using their outreach service say they were unaware it existed.1

Consumer Focus says Post Office Limited is taking a 'one size fits all' approach to outreach services by failing to listen to their customers and the sub-postmasters who run them. This means outreach post offices are losing customers as they are unable to meet or respond to demand, for example for different opening hours or new services.

Andy Burrows, postal expert at Consumer Focus, said:

Information provided by DeHavilland political intelligence services

"Outreach post offices are providing vital services to many isolated communities. If they shut, it will be much harder for people to access services they rely on, for example to collect their pension. If they are to survive, Post Office Limited must stop treating outreach post offices and their customers like they are a poor relation.

"Outreach post offices need to be allowed to change and meet local demand for new services. With proper support, outreach post offices can thrive to become the heartbeat of the areas they serve."

The report sets out a series of ways Post Office Limited can help outreaches become more viable so they play an important role in creating a sustainable network of post offices across the country. This includes outreach post offices being covered by the same Post Office Limited requirements that mean regular branches have to give advanced notice of any planned closures or changes to opening hours, and have better contingency plans for technical or operational failures.

ENDS

Notes to editor:

* Consumer Focus is the independent statutory champion for consumers in the UK. Consumer Focus gives a strong voice for consumers on the issues that matter to them and works to secure a fair deal on their behalf. We operate across the whole of the economy, persuading businesses, public services and policy makers to put consumers at the heart of what they do.

* 'Sink or Swim?: Post Office Outreach Service in the long term' is the latest in a series of reports tracking the development of post office outreach services. Previous work includes focus groups and a telephone survey of 1,052 consumers living in areas served by outreaches. Also, independent research into outreaches in Northern Ireland and Wales. Consumer Focus has also worked to offer support and advice to MPs and communities on outreach services.

* A full version of the report is available here.

* Consumer Focus operates a Code of Practice on changes to the Post Office network, which sets out Post Office Limited's responsibilities to communicate with and consult with customers in the event that changes to services are proposed, or a service is temporarily unavailable for any reason. A review of this code is currently underway and we will be looking to bring Outreaches under the umbrella of this code.

Case studies:

Northlew, Devon: Consumers using the outreach service which runs out of Northlew town hall were hit by a 16 week service failure during 2009. This was caused by connectivity problems. As there is no scheduled bus service in the village, and no contingency measures were put in place, elderly consumers were reliant on lifts from friends, family or neighbours to use other branches. The service interruptions have led some customers, including small businesses, to stop using the outreach post office in favour of branches or nearby banks. Other customers have said that the previous 'on-off' nature of the service, means they do not use it as often.

Lydeard St Lawrence, Somerset: There are very few amenities in Lydeard St Lawrence but the outreach post office operates on Mondays and Thursdays between 10am and 1pm, in the village hall. A range of social and community functions are offered alongside the post office services. For example, tea, coffee and biscuits, at a cost of 50p, are put on by volunteers while the post office is open. The sub-postmaster also runs a second hand bookshop. Local eggs are sold and the police use the time to offer a surgery for residents on neighbourhood crime. All these activities help draw customers to the post office, and provide opportunities for social interaction that would otherwise be lost.

back to top

'Cameron has duty to Make Lloyds Lend to SMEs? says Tyrrells Crisps and Chase Vodka Founder

Thu, 9 September 2010 | Campaign Organisation Press Release **Contents**

Information provided by DeHavilland political intelligence services

'Cameron has duty to Make Lloyds Lend to SMEs' says Tyrrells Crisps and Chase Vodka Founder

"David Cameron has a duty to make state-owned Lloyds Banking Group (Lloyds TSB and HBOS) lend to Small to Medium Size Businesses at favourate rates," says Tyrrells Crisps and Chase Vodka founder William Chase.

"It can't just be take take take from the Government, everyone is tightening their belts on all fronts, now with VAT increasing to 20%, something has to be given back to businesses".

In April 2008, William Chase sold 75% of Tyrrells Crisps to Langholm private equity for £40 million.

Ironically, it was Lloyds that bankrupted William Chase in 1993 over £100,000. For 'revenge', in November 2007, William Chase was the Midlands winner of the Sunday Times Corporate Entrepreneur Challenge winning a £5 million interest free Ioan from Lloyds Banking Group (then Bank of Scotland) for three years which has funded the Iaunch of Chase Vodka, made from the same Hereford potatoes as Tyrrells Crisps. Chase Vodka won 'World's Best Vodka' at the San Francisco World Spirits Competition this year beating 242 rivals.

"The French government have got the banks lending to SMEs, the life-blood of the economy, especially assisting with the exporters, so why can't Cameron at least do it with Lloyds Banking Group, which is virtually totally owned by the tax payer?"

"We've got a perplexing situation where the RDAs are in limbo and likely to be replaced with a low-budget offering in the form of LEPs. Who knows how, when or why that's all going to slot into place," says Chase.

"Cameron needs to get Lloyds to pull the carrot out. It's crunch time. Cameron has got to show us all how strong a guy he is. He needs to prove his worth and get the bank he owns working a whole lot harder for British SMEs".

"I can see that HSBC or Barclays might say to him 'Why should we?' But there really is no excuse for Lloyds, who wouldn't exist today if it wasn't for hardworking British taxpayers."

back to top

Institute of Economic Affairs - £4bn cut to welfare spending a welcome move, but much more to be done

Thu, 9 September 2010 | Campaign Organisation Press Release **Contents**

Any cutting of the welfare bill is a welcome move but it must go hand-in-hand with serious workplace reform says Mark Littlewood, Director General of the Institute of Economic Affairs, in response to the statement by the Chancellor of the Exchequer that the government is looking to cut an additional £4bn in spending.

Mark Littlewood said:

"The Chancellor's statement that an additional £4bn is to be cut from the welfare bill is a welcome one. The UK's addiction to welfare has continued for far too long; and cuts are long overdue. It is ridiculous that in this country, in 2010, nearly a third of households are reliant on welfare for more than half of their income.

"With an overall welfare bill of £192bn, it is clear that these cuts are just a drop in the ocean. The government needs to be bolder and more radical in its cuts if it is to truly get the deficit under control.

"In addition to cutting the welfare bill, the government must also look to cut through the swathes of regulations and red tape that act as a barrier to enterprise and to job-creation in this country. Serious workplace reform must take place, as well as the cutting – and ideally abolishing – of the minimum wage.

Information provided by DeHavilland political intelligence services

"Making work more attractive through cutting benefits is one side of the argument, but it must go hand-in-hand with creating conditions whereby business can thrive."

To arrange an interview with Mark Littlewood, IEA Director General, please contact Nick Hayns, Communications Officer, 07510 087 528, 020 7799 8900, <u>nhayns@iea.org.uk</u>.

Notes to editors

The mission of the Institute of Economic Affairs is to improve understanding of the fundamental institutions of a free society by analysing and expounding the role of markets in solving economic and social problems.

back to top

Aerospace Industries Association - Steep Drop for U.S. in Competitiveness Rankings Thu, 9 September 2010 | Campaign Organisation Press Release Contents

Steep Drop for U.S. in Competitiveness Rankings

The World Economic Forum released today its Global Competitiveness Report, which shows that the United States has fallen to fourth place.

Two years ago, the United States ranked first.

"This disturbing news makes it clear that the administration and the Congress must take immediate action," said AIA President and CEO Marion C. Blakey. "We cannot risk falling further behind in today's competitive global economy."

Among the top four problem factors identified by the World Economic Forum for doing business in the United States are tax rates and regulations and inefficient government bureaucracy.

AIA is proposing a four-step program to address this competitiveness gap:

1) Making permanent and simplifying the Research and Development Tax Credit;

2) Reducing corporate tax rates;

3) Reinstating the bonus depreciation for businesses making capital investments; and

4) Streamlining government operations and reducing overhead as called for by Secretary Gates and recommendations from the Defense Business Board.

Next week during National Aerospace Week, supplier executives from the aerospace and defense industry will be meeting with their representatives to stress the importance of making these reforms to make companies, especially small businesses, more competitive.

back to top

"150,000 small businesses face insolvency if their public sector contracts are cancelled" - R3's research paper on public sector cuts

Fri, 10 September 2010 | Campaign Organisation Press Release **Contents**

assembly westminister them ireland

Information provided by DeHavilland political intelligence services 150,000 small businesses face insolvency if their public sector contracts are cancelled

According to research by insolvency trade body R3, almost 10% (or 148,000) of small businesses fear they could be pushed into insolvency if they lose their public sector contracts. This is reflective of an overall trend, with one third of small businesses describing themselves as 'reliant on contracts from the public sector'. This 'worst case' scenario would have a dramatic effect on the current levels of corporate insolvency. To provide some context, business failures ran to 26,000 for the whole of 2009.

R3's President Steven Law commented:

"It is of course highly unlikely that all public sector contracts will be withdrawn and the figure of 150,000 business failures would represent a worst case scenario. Yet with the prevalence of small businesses in the UK and an increasing reliance on public sector contracts dating back to 1990s, these cuts are likely to be felt extremely keenly. Businesses need to be aware of this risk and seek professional advice before this reliance on public sector work threatens their survival. We have just seen the recent case of the Connaught collapse, blamed on local authorities deferring spending on contracts after cuts."

The research finds that of all small businesses: 24% (or 377,000 businesses) would see their profit reduced if their public sector contracts were pulled

16% (or 253,000 businesses) would be unable to fund expansion

14% (or 216,000 businesses) would consider job losses

11% (or 173,000 businesses) would be in serious financial trouble

Steven Law added: "Worryingly these results suggest that a significant proportion of small businesses, which rely on Government contracts are going to struggle to fund expansion and modernise. They have already drawn heavily on their reserves to survive the recession and they will be unable to compete in the market as the economy grows.

"This comes against a backdrop of corporate insolvency figures being kept down by HMRC's Time to pay agreements and historically low interest rates," concluded Steven Law.

Notes to editors:

Methodology: BDRC Continental conducted 301 telephone interviews with small business owners between 2 and 6 of August 2010. Where figures are mentioned, estimates have been extrapolated using the percentages from the results and the number of small businesses in Great Britain.

R3 is the trade body for Insolvency Professionals, and is made up of 97% of the UK's Insolvency Practitioners from all over the UK.

R3 comments on a wide variety of personal and corporate insolvency issues. Please contact the press office, or see <u>www.r3.org.uk</u> for further information.

R3 promotes best practice for professionals working with financially troubled individuals and businesses; all R3 members are regulated by one of nine recognised professional bodies.

R3 stands for 'Rescue, Recovery, and Renewal' and is also known as the Association of Business Recovery Professionals.

back to top