

A Manifesto for Black Country Business 2014/15

Introduction

Black Country Chamber of Commerce is the voice of business across Dudley, Sandwell, Walsall and Wolverhampton an area which collectively employs almost half a million people, seventeen per cent of which are in the manufacturing sector. With over 1,400 members Black Country Chamber is well-placed to represent the needs of employers in this industrial heartland. The Black Country Chamber of Commerce is expecting a clear demonstration of political leadership to ensure that parts of the UK outside the South East can share in significant growth. This means ensuring that the Black Country and its manufacturing heritage is afforded opportunities to become globally competitive; ensuring that the transport infrastructure supports growth and competitiveness and that we have enough skilled people available locally to take advantage of a recent surge in sales and orders. We have structured this document to spell out our expectations from the manifestos of the major political parties against our main policy themes: competitiveness, transport and skills.

Competitiveness

The main barriers to business competitiveness in the Black Country are: how regulatory bodies assist with business growth; the availability of business support to enable more SME to export and; the confusion caused by an oversupply of financial products fuelled by an insatiable appetite for cheap credit.

The Black Country Chamber of Commerce welcomes the activity of BRDO to reduce the burden of red tape and to encourage regulatory bodies to engage with businesses rather than simply penalise them. However, the Black Country Chamber of Commerce expects Government to simplify the qualification process for public sector procurement. This would assist businesses of all sizes to access public sector tendering opportunities and would encourage SMEs to bid for contracts. This means not only addressing the simplicity of the questionnaire itself but the encouragement of a 'buy local' mindset amongst purchasers. Such a simplified approach to grants will encourage a dialogue between local authorities, local businesses and the Chamber of Commerce to drive up innovation and process improvement thereby safeguarding existing jobs and growing new ones. Spatial planning is of particular concern in the Black Country, given the close proximity of land for employment and residential use. This is already hampering expansion and development plans of some firms and is likely to create further problems in the future, particularly for manufacturers. The Government has made a strong rhetorical commitment to simplifying an overly costly, complex and uncertain process and we welcome strong positive change in the short term.

SMEs must be more exposed to the opportunities of global trade through greater financial support for promotional activity and tradeshow attendance by matching the world's best schemes. Incentives such as R&D tax credits for product development in new markets and the creation of multinational supply chains will position local businesses at the heart of growing economies. The fact that the UK has opted out of the Schengen Agreement is an issue for non EU trade visitors and could be discouraging foreign businesses/investment. We are encouraged that Government has revisited its rules about Chinese nationals and would welcome a similar approach towards other high growth countries outside the EU.

The Black Country Chamber of Commerce welcomes recent developments increasing the availability of growth finance for businesses. However, our members are finding that undue caution and poor practice amongst the suppliers of finance (and financial advice) are prejudicing outcomes.



Government can encourage more competition within the sector by reducing barriers to entry and at the same time strengthen legislation against usury and miss-selling. We continue our call for Government to invest in developing new infrastructure networks that will in themselves rely on new creative ways of attracting private finance. These projects could be privately funded or kick-started by the public sector, with pension funds and sovereign wealth funds able to purchase the assets when the projects are completed.

Transport

A coherent transport policy is critical for business success. There are opportunities available to ensure that developments through the Highways Agency, HS2 and the expansion of Birmingham Airport mutually support a transport network fit for the 21st Century. Business leaders in high growth or emerging economies see direct air links as vital to maintaining the UK's prospects in global markets in terms of inward investment and increased trade. Consequently, the Government must ensure that all of the UK's Strategic airports are exploited to their existing capacity, not only those of the South East airports and specifically Heathrow. Innovation in freight transport by air is a necessary part of an integrated transport strategy and yet seems to be omitted from policy and strategy. Recent developments in airship technology offer a significant boost to long distance freight transport and we would welcome both recognition of the opportunities and investment in infrastructure to support it.

HS2 provides an opportunity to connect the Black Country to the rest of the UK both in terms of freight and passenger transport. Consequently, the Government must ensure that any 'hub and spoke' model being developed as part of the HS2 infrastructure is supported by a net migration of high value jobs away from the South East and into a well-connected Black Country. To miss such an opportunity will condemn the region to low value industry and jobs. Easier access to the network HS2 will provide, better air links at home and abroad and a faster road network will play a vital part in rebalancing the UK economy and creating the kind of high value jobs this region needs.

Improvements on the M6 and M5 will improve traffic flow and ensure that both freight and passenger transport journey times are more reasonable. There is an opportunity to revisit the M6 Toll and to decide how long distance freight transport may be provided with an appropriate incentive to use a faster route thereby improving capacity on the M6 itself. The development of direct motorway links to the i54 needs to be matched by an integrated local traffic scheme encouraging innovation in commuting and recognising that the Black Country is not adequately served by public transport and that for many people the car is the only means by which they can reach their place of employment. Fuel duty and 'green' taxation further burden beleaguered commuters and freight transport at a time where no significant investment in improving road transport can be discerned and the only strategy that commuters and hauliers can deploy is to start their journeys earlier and earlier.



Skills

Black Country businesses, like those across the UK, are reporting significant shortages of skilled (and in some cases unskilled) people. For many businesses the lack of suitable resources has become a 'drag anchor' not just on growth but on the delivery of existing contracts.

The provision of independent, high quality careers advice linked to labour market data would ensure that more young people choose vocational routes that lead to good jobs rather than some academic courses, which fail to adequately prepare learners for work. We understand that OFSTED will take a role in setting standards for careers advice and would like to see accountability to local employers becoming part of the overall service.

We see as vital the integration of skills such as self-management, leadership and entrepreneurship into the academic curriculum. Now is the time for BIS and DfE to work together to ensure that all of our young people are ready to show their enthusiasm and flair for productive and creative work when they leave school, college or university. In the Black Country we are working with schools and colleges to develop a 'Black Country Way' - a curriculum developed with careers in mind and ensuring that all pupils get an adequate grounding in maths, English, IT, modern languages and personal leadership.

We are working with partners to launch a revolution in education and training practice, one that develops resilient, well rounded and aspirational young people, ready to engage with industry and commerce. However, there is little incentive for employers to engage with education and training to shape, govern and direct attention and resources. Many of our employers are expending considerable effort in safeguarding future employment and we would like to see a full range of incentives made available including opportunities for employers to set up their own academies to help them attract, recruit, develop and retain talent; paid non-executive support and governance for educational and training institutions and funding for school improvement being made available to drive leadership, management and organisational development through schools, colleges and universities.

We are working with student unions and educational institutions to create a new form of work experience: a learning and experience programme that gives young people an opportunity to contribute to industry and commerce and at the same time develop competences that improve their employability. Poor employability skills rather than weak academic achievement account for much of the underemployment and unemployment in the region and investment in private sector projects to address this shortfall (such as our own) would be welcomed.

