

BUSINESS MANIFESTO 2019



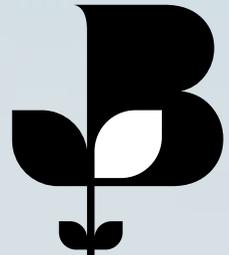
Herefordshire
& Worcestershire
Chamber of Commerce

Patron Members



Our accreditations and commitments





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FOREWORD.



Sharon Smith
Chief Executive
Herefordshire &
Worcestershire Chamber
of Commerce

“For businesses to thrive and grow in the two counties they require an environment where the fundamentals are conducive to success.

Throughout this period of significant change and political uncertainty, Herefordshire & Worcestershire Chamber of Commerce is working closely with the business community to create opportunities and meet challenges.”

“Firms now conduct business in a rapidly changing context; technological advances have seen significant changes to the way we work and how we consume products and services.

The next generation who are entering our workforce have different priorities to those who came before them; work-life balance is high on their list, which places employers under pressure to facilitate flexible and remote working. Without appropriate connectivity, firms will struggle to attract the best staff to fill vacancies. In the context of a national skill shortage and record high numbers of vacancies, offering employees the benefits they desire has never been more crucial.

Businesses need flexible and dynamic spaces which have the capacity to facilitate modern working and link smoothly with the existing infrastructure. As industry 4.0 moves to the forefront of the business consciousness, companies will increasingly require new technology to take their operations to the next level.

For businesses that export, globalisation and digitalisation now facilitate a global economy that is more interconnected than ever. Working closely with the Department for International Trade, we continue to help

businesses to take local products and services to markets across the world. As uncertainty in domestic markets raises challenges, it also provides a unique export opportunity given the value of sterling. The opportunities for businesses to firmly establish themselves in new markets are immensely complementary for growth, whilst also proving beneficial to increasing the stability and distribution of risk.

The Herefordshire & Worcestershire Chamber of Commerce Business Manifesto 2019 outlines the main business issues that we will be championing on behalf of businesses in the two counties to support and promote business prosperity.

In addition to supporting our Members through the challenges they face as the practical implications of Brexit unfold, the Chamber will also focus our Policy activity on a number of other local issues identified by our Members. The top six areas of concern listed below were identified as priorities by over 600 Herefordshire and Worcestershire businesses who took part in our Quarterly Economic Survey during Quarter 4 in 2018, and as a result of over 4000 interactions with firms in the two counties over the past year.

Through Area Council meetings, roundtable discussions with leading local firms and business meetings with our 2018 Business Manifesto Advisory Working Groups, the Chamber has built a detailed picture of the challenges businesses face and the opportunities they seek across the two counties.

The vital issues businesses would like the Chamber to address in 2019 include:

- **Skills**
- **Infrastructure**
- **Global Trade**
- **Connectivity**
- **Costs of Doing Business**
- **Supporting Businesses to Stay and Grow**

By working closely with local stakeholders, the Chamber will continue to represent the concerns of business during 2019, in partnership with the Worcestershire Local Enterprise Partnership, the Marches Local Enterprise Partnership, local Growth Hubs, the British Chambers of Commerce, County Councils, District Councils and further education establishments.

The Chamber occupies a unique position; by consulting and interacting with businesses on a day to day basis, in addition to partnering with the public and private sector, the Chamber is able to represent the views of business to key stakeholders both locally, regionally and nationally. As part of a national network of accredited Chambers and by working effectively with the British Chambers of Commerce, we intend to continue to compel government to listen to the voice of business.

During 2019 the Chamber will continue to urge the government to provide more accessible information regarding legislative change, and where this goes unfilled, will work to bring you the most up-to-date answers to the practical implications of policy change.

The objectives laid out in this manifesto can only be achieved with the continued support of our Members. I would like to thank those who have contributed to this document and encourage all to promote these key messages throughout next year.”

ABOUT US.

OUR VISION

“Working with the whole business community to build sustainable economic growth in Herefordshire and Worcestershire”

OUR MISSION

“To provide access to solutions that local businesses need in order to achieve their goals, through engaging, influencing and connecting. To be responsive to the external environment, offering responsive and relevant approaches”

DELIVERING
230
DAYS TRAINING

SUPPORTING
300
TOURISM BUSINESSES
THROUGH VISIT
WORCESTERSHIRE
& VISIT
HEREFORDSHIRE

DELIVERING
OVER
170 EVENTS
PER ANNUM

RECOGNISED AS THE
LEADING CHAMBER
FOR ENGAGING
BUSINESSES WITH
NATIONAL GOVERNMENT
POLICY MAKERS

LEADING
SECTOR
SPECIFIC
FORUMS

8TH
LARGEST
CHAMBER IN THE UK

OVER
1,500
MEMBERS

A CRITICAL
PATHWAY FOR
RAISING THE
PROFILE OF
LOCAL BUSINESSES

600

ATTENDEES AT OUR
CHAMBER BUSINESS
AWARDS CEREMONY

**RAISING
THE PROFILE OF
LOCAL BUSINESSES
THROUGH THE
BUSINESS DIRECTION
PUBLICATION**

FACILITATING THE
LARGEST
BUSINESS LEADERS'
NETWORK

**THE
PUBLIC-PRIVATE
FACILITATOR
FOR BUSINESS**

DELIVERING
THE GOVERNMENT
DEPARTMENT FOR
INTERNATIONAL
TRADE SERVICES TO
200
BUSINESSES

IMPROVING
THE HEALTH AND
WELLBEING OF
30,000
EMPLOYEES THROUGH
'WORCESTERSHIRE
WORKS WELL'

DELIVERING
CHAMBER
INTERNATIONAL
TRADE SUPPORT TO
300
BUSINESSES

DELIVERING THE
WORCESTERSHIRE
GROWTH HUB
AND SUPPORTING
5000
BUSINESSES

WORKING WITH
ALL
BUSINESS SECTORS

HEREFORDSHIRE BUSINESS ENVIRONMENT

Working with both the public and private sectors, the Chamber has a unique insight into the local business environment. Commenting on the current business landscape, some of our key partners have summarised the economic position of Herefordshire.

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Our vision is for the Marches to become renowned for its open business environment that encourages businesses to start up, grow and deepen their links with our local communities.

Our Herefordshire business base contains examples of excellence in advanced manufacturing, specifically automotive, cyber security, and the next phase of technological developments in agriculture and food production.

Working with the Council and other key stakeholders, we will continue to develop incubation units and grow-on space for businesses - our recent investment in the regeneration of the Shell Store and ongoing commitment to Skylon Park, the Hereford Enterprise Zone is testament to this. The development of the Hereford Centre for Cyber Security, led by the University of

Wolverhampton and Herefordshire Council, will support our businesses engaged in cyber security solutions and will drive innovation across the Marches.

We wish to be at the forefront of changes in how people live and work and we will continue our work with partners to maximise local investment in new technology and improved connectivity to enable businesses and people to succeed. The Marches LEP continues to lobby government for investment in the Herefordshire area to support improvements in its road and rail links - recognising the unique location as a gateway to markets in the Midlands, Wales and the South West.

Gill Hamer,
Director,
Marches Local Enterprise Partnership

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KGD Industrial Services is developing an extra purpose-built facility on a five-acre site at Hereford Enterprise Zone as part of a long-term expansion drive which it says will see its turnover rise to £20m over the next five years.

Everything we need is already in place at the Enterprise Zone to help us realise our growth ambitions. We were able to buy exactly the land we needed, the infrastructure is purpose-built, we have excellent road links and the zone's management is dedicated to making moving onto the park as simple as possible.

Dealing with the zone has been like a breath of fresh air. Building a new facility here has taken us just 18 months from our first enquiry – half the time it would take elsewhere.

We have been able to develop a new research and development centre, an assembly, testing, shot-blasting and painting plant, pharmaceutical sector centre and new offices.

Ken Davies,
Managing Director,
KGD Industrial Services



We are very excited about the acquisition of The Green Dragon Hotel and the growth we expect to see in both business and tourism in Herefordshire in 2019. Being positioned in a county with such a variety of businesses, both new and established, is very promising at a time when more companies are seizing the opportunities that developments in technology, infrastructure and policy are bringing to the area as it diversifies and attracts a wider audience. We fully believe Herefordshire is the place to be right now as people turn their focus to what's on offer here.

Julian Vaughan,
Managing Director, The Green Dragon Hotel



The Council are committed to providing an environment that gives businesses certainty and can create the conditions for economic growth.

In 2019 Council-led projects such as the Hereford Centre for Cyber Security and the Shell Store business incubation centre will create genuine economic assets that will support existing business clusters, open up new opportunities and generate higher paid jobs to the county.

2019 will also see construction work commence on the next phase of the Hereford bypass, linking the A49 with the A465. Demonstrating further progress, we anticipate submitting a planning application for the remaining phases of the bypass in the summer of 2019.

Considerable recent progress has been made towards the implementation of the NMiTE new engineering University based in Hereford. A curriculum, in partnership with Warwick University, is emerging, sites and buildings have been identified to form an initial campus. The first phase of student accommodation to be shared with Hereford College of Art has been progressed by the cabinet, and the first 'pioneer' cohort of prospective students has been recruited. The expected progress across 2019 will embed this critical project within the Herefordshire economy.

Alistair Neill,
Chief Executive, Herefordshire Council



Herefordshire Business Environment:

KEY STATISTICS.

Herefordshire is a dynamic, vibrant and growing county that offers a high quality lifestyle.

The county's entrepreneurial spirit and room to grow has proved bountiful for many of our Members, including brand names such as Heineken, Westons Cider and Tyrrells Crisps.

98.5% of businesses in Herefordshire are small, employing less than 49 staff

Tourism in Herefordshire generates **£450 million** and attracts **5 million visitors each year**

Herefordshire's strength lies with the Defence and Security sector due to the presence of the Special Air Service and G4S office, as well as the close proximity of GCHQ in Cheltenham

Herefordshire has also seen strong growth in



CYBER SECURITY



FOOD & DRINK PRODUCTION



AGRICULTURAL SECTOR

Manufacturing is the fastest growing industry in Herefordshire

NMiTE - New Model in Technology and Engineering - will become the first wholly new UK university in 40 years



The New Cyber Security Centre set to bring in over 130 new jobs



The Marches LEP has awarded more than **£32.5 million** to colleges across the Marches through the 'Investing in Our Future Workforce' project

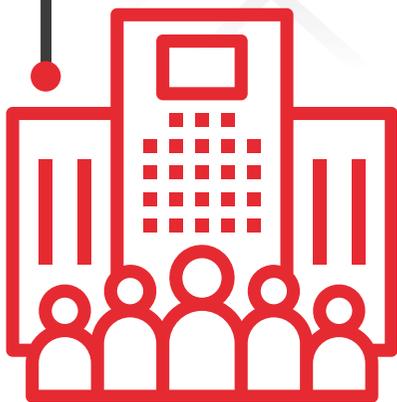


Hereford Enterprise Zone is a high profile private/public sector initiative to develop out 110 acres of employment land at Rotherwas in Hereford; 38 companies currently operate, employing over 650 people

£7m+

£7m+ refurbishment of the Shell Store will create a business incubation centre

The Ross Enterprise Park at Model Farm, Ross on Wye will provide up to 29,400 square metres of new commercial floor space and 1,000 new jobs when completed



Recognised by Ofsted as having the highest rate of improvement in proportion of good/outstanding Secondary schools in the West Midlands



The investment in the Hereford bypass and other major road improvements, have already been of significant benefit to local business



WORCESTERSHIRE BUSINESS ENVIRONMENT

Working with both the public and private sectors, the Chamber has a unique insight into the local business environment. Commenting on the current business landscape, some of our key partners have summarised the economic position of Worcestershire.

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The strong working partnership between Worcestershire's public and private sector makes the county stand out as an ideal location for businesses. When you combine this with the county's central location and high quality business support, it's no surprise that we are seeing high profile companies like Siemens and Kohler Mira invest in the county.

Worcestershire LEP is working together with the Chamber and partners to tackle barriers to growth and strengthen the county's identity as an exceptional place to live, work, visit and invest.

To deliver the objectives set out in our Strategic Economic Plan and the Government's Industrial Strategy, the LEP have secured the following funding with our partners: £71.71m Government-funded Growth Deal; €8m EU programme; and £54.5m Local Majors Fund.

By investing to expand the availability of fibre optic broadband and in new large employment sites like Worcester Six and Malvern Hills Science Park, we're

modernising the county as a productive location that attracts high quality businesses. To ensure the supply of a pool of appropriately skilled candidates, we are championing the 'Creating your future workforce' campaign to address the national skills shortage at a local level. Worcestershire LEP is also leading on the development of 5G technologies that could boost productivity substantially.

Looking forwards, we have exciting plans to strengthen the county's entrepreneurialism and business support, helping to nurture and develop the businesses of the future. Applications are set to re-open for Worcestershire's first ever technology accelerator, BetaDen, in early Spring 2019 and Worcester will also be opening 'The Kiln' in 2019, as a new space for business collaboration.

Gary Woodman,
Executive Director, Worcestershire
Local Enterprise Partnership

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As one of the fastest growing economies in the country, Worcestershire has much to offer to businesses. In 2018, we've seen many business and economic successes throughout the county.

With nearly 96% of Worcestershire premises gaining access to Superfast Broadband and the development of the 5G test bed, digital connectivity continues to improve locally.

Our transport infrastructure has also seen huge progress with schemes such as Worcestershire Parkway train station and the duelling of the Southern Link Road taking a giant leap forward.

Three Worcestershire businesses, Metrasens, TP3 Global, and The First Class Pet Company, were announced as winners in The Queen's Awards for Enterprise 2018. A further three Worcestershire companies were recognised as being among the UK's fastest growing businesses, in the Sunday Times BDO Profit Track 100 - a league table that ranked Britain's private companies with the fastest-growing profits over three years.

Work will continue to progress on the Redditch Gateway, whilst the redevelopment of the county's second busiest train station at Kidderminster will double the size of the current station building. 2019 promises to be a prosperous one for our County and we will continue to promote Worcestershire as a place that is 'Open for Business'.

Paul Robinson,
Chief Executive,
Worcestershire County Council

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Having set up the company in Birmingham University, Materials Solutions came to Worcester in 2010 and found home at the Great Western business park. In 2016, following Siemens acquisition, there was a decision to be made regarding a new location for the facility. Of paramount importance to Siemens was to maintain the talented employees which meant staying in the local area.

Fortunately, the Worcester Six Business Park was just developing, which has provided a fantastic new home in a familiar area without having to displace any employees. With greater access to the motorway network, connectivity to local education establishments and easier logistics for our international owners and customers, it's clear to see that the choice of staying in Worcester has been the right one. We look forward to growing as a business and as part of the thriving Worcestershire community.

Phil Hatherley,
General Manager, Material Solutions

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The Chamber work hard to help developing companies. I'd love to see Worcester develop a creative local industry. There is a lot of young talent in the area and bringing on future designers, film-maker and editors could really add to the local economy. There are lots of examples like Palo Alto, Seattle and Malta, where planners set out to create an environment for a particular industry (tech, design, electronics) and it can make a huge difference.

Nick Grey,
Chairman, Gtech

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Worcestershire Business Environment:

KEY STATISTICS.

Worcestershire has a diverse and enterprising economy with an emerging knowledge sector.

The county has one of the fastest growing economies in the country with a variety of highly reputable and successful companies, from SMEs to large multi-national enterprises including brand names such as Gtech, Worcester Bosch, and Karndean.

GROWING SECTORS IN THE COUNTY INCLUDE



ADVANCED MANUFACTURING



CYBER SECURITY AND DEFENCE



AGRI-FOOD/AGRI-TECH

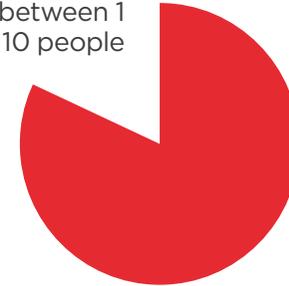


THE VISITOR AND DESTINATION ECONOMY



Manufacturing is the second largest industry in Worcestershire

Approximately 80% of businesses in Worcestershire are small enterprises employing between 1 and 10 people



One of the first locations to receive government funding to develop 5G applications



Tourism generates over **£866 million** and attracts **more than 16 million visitors** each year



Worcestershire has access to **172,350** students based at the **10 universities** within a 60 minute drive



Worcestershire is at the heart of the biggest cluster of cyber security firms outside of London, with 20% of the top 600 companies in the UK located here

Malvern Hills Science Park is home to many businesses from the Cyber Security/IT/Defence sector. Phase 5 will provide a further 17,000 sq ft of Technology/R&D expansion workspace

Worcestershire is 1 of just 20 locations to become a Careers Hub and secure funding to help transform careers education for young people in the county

Redditch Gateway development has planning consent for 90,000 sqm of premium employment space to develop headquarters-style manufacturing facilities, enhancing supply chain links

£3.15 billion was generated in annual revenues by Worcestershire's fastest growing mid-sized companies in the last year



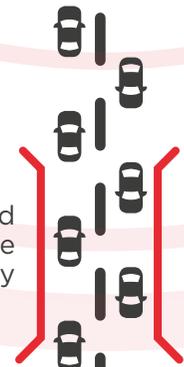
£3.15 billion



Worcester Six Business Park has provided businesses with a 72-hectare site, offering 140,000 sqm of commercial & office space



By securing ongoing funding, continued development of the Carrington Bridge will reduce journey times on the A4440 dramatically



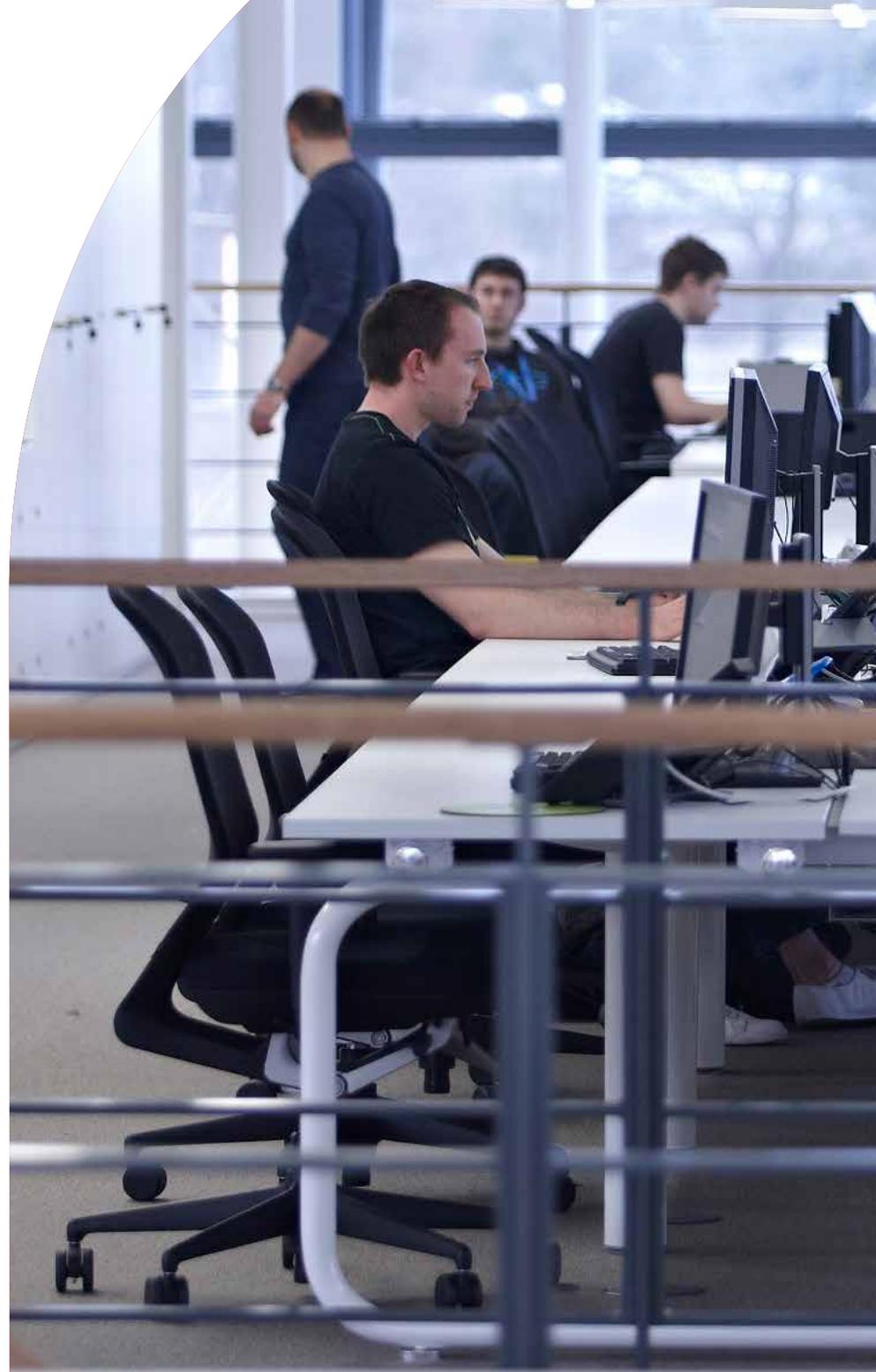
EXECUTIVE SUMMARY

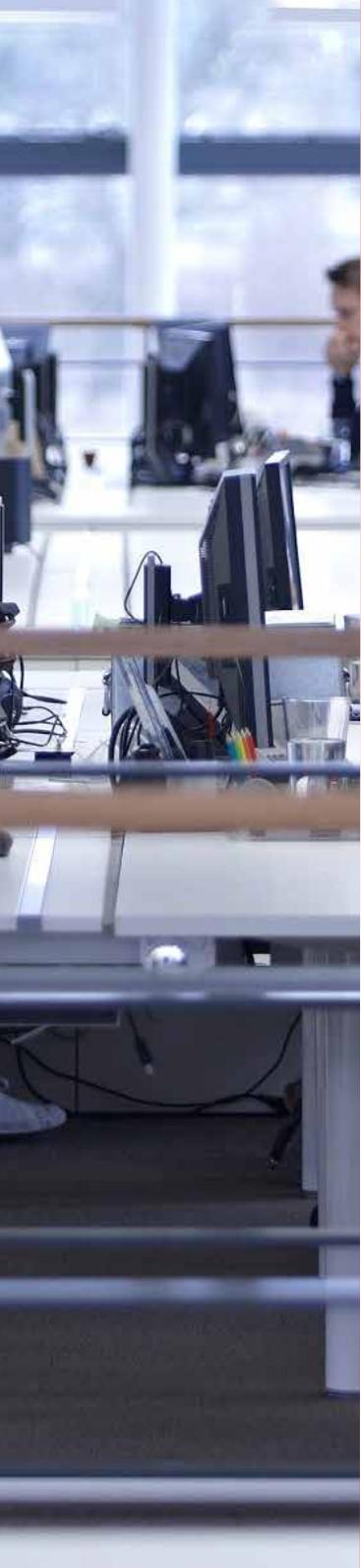
of 2018 Policy Activity

Throughout 2018, Herefordshire & Worcestershire Chamber of Commerce launched campaigns regarding a range of issues, which have led real change to the benefit of the business community in the two counties.

Using the priorities identified by businesses during 2018, the Chamber has orientated its Policy activity during the last year around the following issues: Skills; Brexit; Infrastructure; Connectivity; Reducing the Costs of Doing Business and Cyber Crime.

To facilitate this policy activity, the Chamber formed six advisory working groups which gathered intelligence and generated additional ideas to progress support for the issues identified by businesses described above. The Advisory Working Groups have complemented the ongoing work of the Chamber that continues to make the two counties a prosperous place to do business.





Skills

Access to skills and labour is a perennial challenge local businesses face when attempting to recruit appropriately trained staff. This has been exacerbated by unprecedented low levels of unemployment figures and record high numbers of vacancies. Throughout 2018 we have worked with key policy makers, businesses and education providers to address this issue on both a local and national level in the following ways:

- Raised awareness regarding the apprenticeship system by lobbying for a system that works for businesses of all sizes, calling for relaxation of the levy restrictions,
- Lobbied government through the British Chambers of Commerce network to successfully reform the Apprenticeship Levy, which resulted in fees being cut by half for SMEs.
- Led a delegation of businesses to the House of Commons in Westminster to bring the local nuances of the national skills shortage to the attention of central government and discuss how this impacts businesses locally with key skills stakeholders and Ministers.
- Identified the implications of the skill and labour shortage for Herefordshire businesses at the Lords Rural Select Committee.
- Launched the 2018 Salary and Benefits report, in partnership with Hewett Recruitment, the largest salary benchmarking survey in the two counties.
- Promoted the 'Creating our Future Workforce' campaign to businesses in Herefordshire and Worcestershire, by identifying businesses who would like to engage with schools. The Chamber has played a key role in securing the support of 100 businesses in 100 days.
- Helped both Herefordshire and Worcestershire to secure Enterprise Advisors which will enhance the links between education facilities and business. In Worcestershire 100% coverage was achieved in all secondary schools.
- Supported the bid to make Worcestershire one of just 20 locations nationally to become a Careers Hub, which will draw additional resources into the county to support the execution of the newly introduced Gatsby benchmarks.
- Engaged with the VET@Work project, which considers innovative ways to help employers to support their apprentices. Through this project, employers and teachers from Hereford, Finland, Iceland, Holland and France share best practice across the European countries and provide examples of excellence in the approach to work-based training.
- Championed the Apprenticeship Awards by encouraging businesses to nominate and attend to celebrate apprenticeship success.
- Supported the delivery of the Skills Show in Worcestershire by identifying businesses to attend and exhibit.
- Worked closely with the Employment and Skills Board for Worcestershire LEP.
- Worked closely with Herefordshire Business Board on skills challenges and opportunities.
- Encouraged businesses struck by the collapse of Carillion to contact the Chamber helpline in partnership with Black Country Chamber of Commerce.

Brexit

During 2018 the Chamber has engaged in a constant dialogue with businesses regarding Brexit and the often unpredictable unfolding of events. Throughout the Brexit process the Chamber has worked closely with the British Chambers of Commerce to relentlessly lobby central government to provide answers to practical business questions businesses regarding the implications of Brexit.

Our Trade and Brexit survey was conducted in 2018 to gauge the impact of Brexit on business with regard to export. Almost half of all businesses surveyed reported that 'uncertainty around Brexit' (49%) and 'exchange rate volatility' (48%) were the most important factors when making decision about whether to import or export. While central government has engaged in an ideological battle riddled with political noise, businesses have been bearing the brunt of the political uncertainty.

To support businesses through a year of such ambiguity, the Chamber has worked hard to provide businesses with as much practical support as possible, through the following measures:

- Worked closely with the British Chambers of Commerce and HMRC to develop a new system that is prepared for potential changes to export and import documentation.
- Delivered an International Business Conference in partnership with Bishop Fleming, which gave businesses practical advice and examples of where they can seize opportunities abroad to improve growth. Attendees heard from speakers from Ireland, the Netherlands and the USA.
- Led a delegation of businesses to London to attend the British Chambers of Commerce International Trade Summit to discuss the challenges and opportunities overseas markets present.
- Regularly shared key British Chambers of Commerce documents such as the Brexit FAQ, the Business Brexit Checklist, the Business Brexit Risk Register and the impartial guide to the Withdrawal agreement and Political Declaration.
- Produced and distributed regular updates on Brexit to businesses to provide unbiased information, support and guidance.
- Designed and delivered a series of Brexit focussed training courses in partnership with Strong and Herd LLP, in response to the latest Brexit information and the potential implications for businesses and their supply chain.
- Engaged businesses to review the draft migration policy by working closely with the British Chambers of Commerce and government to make amends appropriate for business.
- Welcomed an inward delegation from a Southern Russian Chamber of Commerce and facilitated relevant business introductions, resulting in a subsequent outward business trade mission and ongoing relationship.
- Hosted Bank of England roundtable discussions and conferences. Attendees heard from Graeme Chaplin, the Bank of England agent for the West Midlands and Oxfordshire and discussed the functions of the bank and future forecasting. Businesses reported their experiences of current political uncertainty, skill shortages and supply line pressures in regard to Brexit.

Infrastructure

In order for businesses to grow they require adequate infrastructure to facilitate the movement of goods, services and people. Throughout 2018 we focused on raising awareness of local infrastructure issues to Parliament and increasing investment in transport infrastructure throughout the two counties. Due to our Members' support we:

- Facilitated consultation with businesses and supported applications for funding to complete the duelling of the Hereford bypass and Carrington Bridge.
- Led a delegation of businesses to the House of Commons in Westminster and held a roundtable with the Secretary of Transport, Chris Grayling, and Herefordshire local MP, Bill Wiggin, to discuss critical infrastructure requirements.
- Held a Transport Forum for businesses helping build stronger relationships with key transport partners such as Great Western Railway, Highways England and Midlands Connect.
- Influenced the investment into the A46, a key route for Evesham businesses, as a result of the Transport Forum and encouraged businesses to participate in the regional A46 survey.

- Lobbied for the swift completion of the M5 J4A and J6 improvement scheme to help reduce the impact this is having on local firms.
- Highlighted infrastructure needs for Herefordshire to the Lords Rural Select Committee.
- Lobbied for better train services between Hereford and Birmingham as well as reducing the journey time between Worcester and London Paddington.



Connectivity

Connectivity has moved to the forefront of the business agenda, as companies increasingly require systems which can facilitate flexible working and a mobile workforce. It is no surprise that connectivity was identified as a key issue by businesses in the two counties, given that our recent connectivity survey revealed that 1 in 4 businesses are not satisfied with their remote connectivity. Overcoming the challenges associated with connectivity demands a multi-dimensional approach, working at both a local and national level. Nationally we have worked closely with the British Chambers of Commerce to prioritise the 'No More Not Spots' campaign, calling for mobile network providers to acknowledge lack of mobile coverage and to implement practical solutions. The Chamber has also sought to improve access to broadband for businesses locally, described below.

- Launched an awareness campaign encouraging businesses with poor broadband to get involved with the Gigabit Voucher Scheme.
- Held connectivity forums in Herefordshire and in Worcestershire with BT, Fastershire and Superfast Worcestershire.
- Championed the National campaign 'No More Not Spots' with the British Chambers of Commerce and received support from local MPs who will continue to raise the issue for local businesses at central government.





Reducing the Costs of Doing Business

Businesses frequently report that legislation change, often implemented by government without adequate guidance, can be costly in terms of the time and resources required to become compliant. Two-thirds (64%) of businesses say that VAT creates the biggest administration and compliance burden. Further research has shown that often businesses are not notified with sufficient details or within a satisfactory period of time in regard to legislative changes. During early 2018 for example, the Business and Taxation survey conducted by the British Chambers of Commerce found that a quarter of businesses had not heard of 'Making Tax Digital', a legislation change that will affect businesses with turnover above the current VAT threshold (£85,000) as of Monday 1 April 2019.

To provide businesses with the support they require, the Chamber delivered a number of informative events and projects throughout 2018 which sought to reduce the costs of doing business for companies in the two counties, through the following measures:

- Working with the British Chambers of Commerce, the Chamber lobbied directly to government for an increase to the Annual Investment Allowance. As a direct result the Chancellor of the Exchequer, boosted the Annual Investment Allowance to £1 million, giving many thousands of companies renewed confidence to invest and grow.
- Lobbied for business rates relief for the high street, cutting bills for the vast majority of high street companies.
- Published and distributed a legislative summary and Q&A guide to 'Making Tax Digital', sent to over 2,500 businesses in the two counties. By providing businesses with relevant and concise legislative guidance, the Chamber has reduced the amount of time businesses have to spend researching the legislation.
- Hosted a 'Making Tax Digital' event in partnership with Worcestershire Business Central and Bishop Fleming, featuring representatives from compliant software providers, where over 125 attendees heard from two senior VAT experts. Prior to attending the Chamber's 'Making Tax Digital' event, 73% of attendees stated that they had either never heard of 'Making Tax Digital' or only knew the name. After attending the Chamber's event, 86% stated that they now know how to become compliant.
- Delivered a Budget Breakfast event in partnership with Bishop Fleming, which broke down the changes made in the 2018 Budget and informed businesses how they could benefit from those changes.
- Hosted a series of three Growth Forums, in partnership with EBC Group, where businesses could engage in discussions around best practice in regard to GDPR legislation, marketing and finance.
- Delivered a series of manufacturing forums hosted by businesses such as Neoparl, Polytec and Mettis Aerospace, where best practice, streamlined approaches and lean models were discussed.

Cyber Crime

Organised crime has been quick to take advantage of the opportunities offered by the Internet, particularly the growth in e-commerce and online banking. The potential cost to businesses who do not take the necessary steps to protect their company from Cyber Crime can be crippling. Insurance businesses are now taking a less lenient approach to companies who have fallen victim to Cyber Crime, where clear preventative measures could have been taken. Throughout 2018 we have worked closely with our Cyber Crime Advisory Working Group to raise awareness of Cyber Crime and how businesses can reduce the risk of being attacked. During 2018 the Chamber has:

- Hosted two 'Be Cyber Smart' Conferences, each attended by over 100 businesses, in partnership with Borwell Limited, EBC Group, ISO, MFG Solicitors, Sutcliffe Insurance and West Mercia Police.
- Created a helpful guide and campaign to raise awareness of Cyber Crime which will be launched early 2019.
- Encouraged businesses to report all instances of fraud and Cyber Crime to Action Fraud.
- Represented the local business community on the West Mercia Cyber Crime Committee and other partnership groups.
- Supported Harrison Clark Rickerbys to deliver the Three Counties Defence and Security Expo in May 2018.
- Continued to promote the importance of the Cyber sector for the two counties.



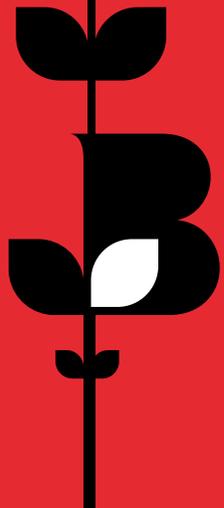


2019 POLICY STRATEGY

Building on the policy activity we undertook last year, the policy team at the Chamber will focus on six key issues identified by our Members and local businesses during 2019.

After extensive and thorough consultation with over 4,000 businesses in the two counties, we have created a strategy focussed on not only the issues we will champion but also the steps we will take to achieve progress.

The issues the Chamber will focus upon include: Skills; Global Trade; Cost of Doing Business; Infrastructure; Connectivity and Supporting Businesses to Stay and Grow.



SKILLS.

The national skills shortage is consistently raised as a significant concern for businesses in the two counties. Businesses have identified improving the links between education and business to provide work ready young people for the future, and attracting and retaining appropriately skilled workers in the two counties, as their key priorities for 2019. Given that 62% of businesses reported that they struggled to recruit appropriately skilled staff in quarter 4 of 2018, we intend to work collaboratively with our key partners to achieve the following during 2019:

- Continue to lobby government for an apprenticeship system that works for all sectors.
- Continue to identify businesses to engage with schools to ensure a constant pipeline of Enterprise Advisors for schools and employer interaction with schools.
- Raise the profile of the Skills Shows in Herefordshire and in Worcestershire by promoting its benefits to businesses and identifying businesses to exhibit.
- Promote the delivery of 'Inspiring Worcestershire' and the 'Creating Our Future Workforce' campaign and replicate this in Herefordshire where appropriate.
- Promote the development of NMiTE University in Herefordshire by connecting businesses with this new higher education facility.
- Produce a salary and benefits benchmarking report which allows companies to ensure they are offering competitive packages to attract and retain staff.
- Increase the number of businesses participating in the Salary & Benefits Report 2019 to secure over 300 responses to enhance the representativeness of the sample.
- Commit to the Social Mobility Pledge to access and progress talent from all backgrounds.



**Carl Arntzen,
Managing Director,
Worcester Bosch**

“ Having the right skills in business is fundamental to success; people are the life blood of any business. As businesses, we need great people to drive our business’ performance. I therefore believe it is vital to Worcestershire’s future economic prosperity, that the education, local authority and business communities all work together, to ensure young people leave the education system with the right skills and competencies for the world of work. Integral to this strategy should be work placements, which provide a crucial insight into the practical and social skills expected by today’s employers and to appreciate the importance of their academic studies. Equally importantly, it enables employers to provide valuable feedback to schools and colleges on any gaps in skills. ”

**Helen Thomas, Managing
Director, Westons Cider**

“ Investing in the growth and skills development of our people is an integral part of our business strategy. Our learning and development vision is to create a high performance, learning culture which ensures all our people have the necessary skills required at every stage in their career. To generate and maintain a succession of talented individuals to take our business forward, we have worked closely with the Chamber, benefiting from their networking events, seminars and training courses. ”

GLOBAL TRADE.

The Chamber strives to ensure that businesses can capitalise on the continued opportunities of a global marketplace. We will continue to work with Government, LEPs, local councils and others to develop new forms of support for business and export growth. During such a critical period of international negotiation between the UK and the EU, it is vital that the Chamber provides ongoing support and relevant services for businesses who currently trade overseas or plan to take their product or service abroad. We will put the needs of British business first and on that basis we will:

- Continue to deliver and work in partnership with the Department of International Trade (DIT) and grow the Chamber's International Trade services to meet the needs of business.
- Lobby government to ensure relevant trade deals are implemented and to ensure the migration system meets business needs.
- Provide current information for businesses and access to key documents on the progress of Brexit.
- Lobby government to ensure the migration system meets the needs of businesses.
- Keep businesses up to date on the legislation associated with using overseas labour.
- Host an international seminar outlining the latest Brexit update and immigration advice at our Expo in March 2019, in partnership with Strong and Herd LLP.
- Deliver the British Chambers of Commerce and HMRC Customs service to support the delivery of all new export and import documentation.
- Support the Midlands Engine Meet the Buyer Event in February 2019, welcoming 30 buyers from Eastern and Central Europe in the Security, Defence & Cyber Sectors.
- Support and promote DIT and the Midlands Engine with their inward and outward trade missions.



**Steve Morris,
Managing Director,
Morgan Motor Company**

“ The Morgan Motor Company has a long-standing history of trading globally. Now in our 110th year, we find that both the challenges and the opportunities presented with trading in worldwide markets have never been greater. Around 70% of our production is exported, with key export markets mainly residing in Europe, therefore having the correct level of support is of vital importance to us. Our focus remains on achieving continued growth in our current European markets, alongside entering new markets which present significant opportunities. The global automotive landscape remains turbulent, particularly with Brexit uncertainties, reinforcing the need for assistance provided to Britain’s OEMs and their supply chains. ”

**Chris Walklett,
Head of International
Advisory, Bishop Fleming**

“ However Brexit is finally resolved, 2019 will be a critical time for businesses to ensure that trade with the EU is disrupted as little as possible by any changes and that they take advantage of opportunities to grow their international activities in the wider world. By working closely with the Chamber, Bishop Fleming has delivered a International business Conference last year to provide expert advice and support to businesses through our growing global network. ”

THE COST OF DOING BUSINESS.

It can sometimes feel as though businesses are battling their way through the latest legislative changes, fluctuating exchange rates and levy costs. It is therefore paramount that the Chamber continues to lobby on behalf of local businesses to make business costs incentivising, fair and accountable.

Throughout 2019 the Chamber of Commerce will:

- Lobby government to reduce future policy and legislative costs, employment costs, business rates, red tape and regulations. We will regularly seek business expertise and input on proposed future changes to ensure the best outcome for business.
- Produce and disseminate information and guidance for businesses regarding legislative changes to support smooth implementation and lessen the administrative burden.
- Provide access to specialist support options for future changes, where required.
- Support to reduce energy costs and assist businesses to become more environmentally sustainable through the delivery of the Business Energy Efficiency Programme, and other relevant funding or support programmes.
- Support businesses to access finance through the local Growth Hubs.
- Continue to provide businesses with up to date information on access to EU funding post Brexit.
- Facilitate relationships between business and local government to achieve a positive dialogue to deliver growth of the local economy.
- Deliver the Growth forum series, in partnership with EBC, to facilitate the sharing of best practice.
- Represent the local business community on the West Mercia Cyber Crime Committee and other partnership groups, to help businesses to protect against and reduce the costs associated with Cyber Crime.





**Ben Mannion,
Director, Hewett
Recruitment**

“ Against a backdrop of Brexit and potential economic uncertainty the last thing businesses need is the burden of administrative costs and red-tape. Furthermore, when new initiatives are designed it should be in a consultative manner, liaising with those most impacted, before being implemented in a way that is efficient and sympathetic to the demands of businesses. This is particularly pertinent for SMEs that often have less spare resource or financial capacity available to fulfil the additional obligations of schemes that can have obvious merits but lack clarity and are ill conceived. ”

**Lasse Hansen, CEO,
Seafresh Group**

“ As a business we have found the support from the Chamber invaluable. Navigating the “red tape” is key for any business to working in a fast paced environment. From facilitating the acquisition of a neighbouring manufacturing facility, to support and coordination with local authorities regarding planning, the Chamber has allowed our group to expand in line with our customer needs. The end result has seen Seafresh Group become operational in a new building within just four months, from an initial conversation with the Chamber to move in date. ”

INFRASTRUCTURE.

Adequate infrastructure is vital, as it ensures businesses can move their people, products and services around the two counties and beyond. Locally we need an infrastructure network that meets business needs and can facilitate future investments.

Throughout 2019 the Chamber of Commerce will:

- Lobby local government to increase land availability for business use, including warehousing and storage facilities.
- Support initiatives to improve the road and rail network in the two counties, lobbying government at local and national levels.
- Support the following projects by facilitating and promoting consultation with businesses into infrastructure plans and supporting applications for further funding:

Herefordshire

- The Enterprise Zone
- Hereford bypass
- The Cyber Centre
- The Shell Store Incubation Centre
- NMiTE
- City centre redevelopment
- Ross Model Farm Park

Worcestershire

- Carrington Bridge
- Malvern Hills Science Park
- Worcester Six
- Redditch Gateway
- Worcester Parkway Station
- A46 and A38 routes

An architectural rendering of a modern transit hub. The building features a prominent glass facade with the words "Worcester Parkway" visible. A blue and white train is stopped at the platform. People are walking on the platform and in the foreground. The scene is set in a bright, sunny environment with greenery and a clear sky.

**Mike Forrester,
Director,
Orchard Valley Foods**

“ Good infrastructure is important for businesses as it ensures that they can move their people, products and services around the two counties and beyond. Locally we need an infrastructure network that meets business needs and can facilitate future investments. The southern link road investment has prompted significant industrial development including the £120m Worcester Six Business Park and Worcester Parkway. Moving West and into Herefordshire brings new challenges. The A49 is essential to allow the easy movement of goods through Hereford and its industrial Estates, Rotherwas and Centenary Park. A resolution to the Hereford bypass is essential to improve the flow of goods but also to make the area more accessible for the new University in Hereford and to allow a pleasant tourism experience. ”

CONNECTIVITY.

When operating in the context of a rapidly changing world, it is crucial that companies in the two counties are served by adequate connectivity to conduct their business. Gaps in broadband stifle business productivity and competitiveness. In today's world, access to a reliable connection is a basic requirement for most firms, whether they are based in cities or rural areas. To drive progress in the delivery of digital infrastructure throughout 2019 Herefordshire & Worcestershire Chamber of Commerce will continue to:

- Promote the importance of businesses protecting themselves against cyber attacks and take up the Cyber Essentials Accreditation.

- Roll out the new guide from the 2018 Cyber Crime Working Group, ensuring all businesses take the necessary steps to protecting their business via online connectivity.

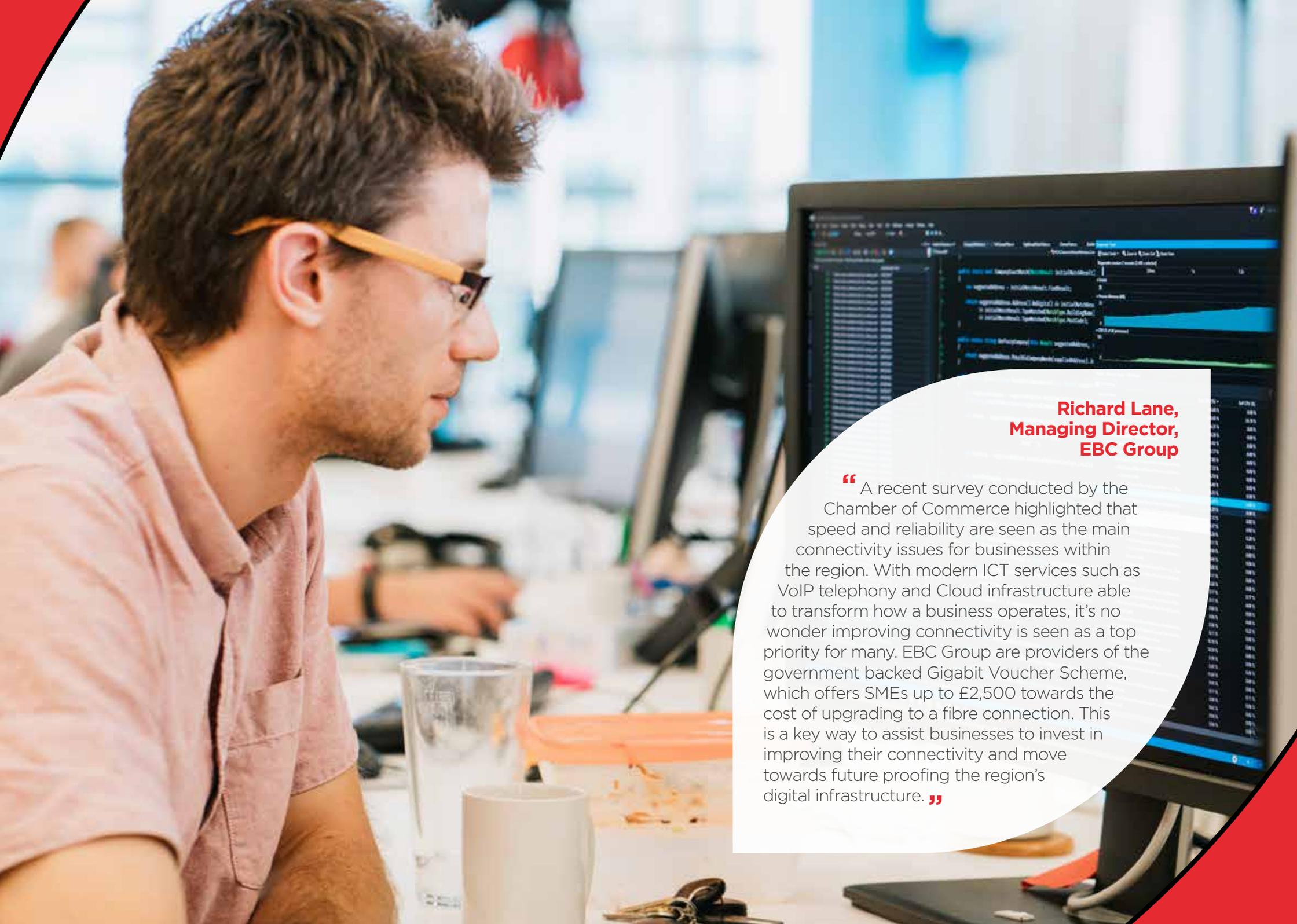
- Continue to promote the growth of the Cyber sector in the two counties with the development of the Cyber Security Centre in Hereford and Hub in Malvern.

- Support the ongoing delivery and engagement of new businesses with the 5G test bed.

- Lobby for improved mobile network coverage and increased access to better broadband, particularly in areas with little or no coverage.

- Increase support for remote working to support businesses to facilitate modern working in shared office facilities and innovative working spaces.

- Promote the Gigabit Voucher Scheme and other available funding schemes to increase online work, business and security.



**Richard Lane,
Managing Director,
EBC Group**

“ A recent survey conducted by the Chamber of Commerce highlighted that speed and reliability are seen as the main connectivity issues for businesses within the region. With modern ICT services such as VoIP telephony and Cloud infrastructure able to transform how a business operates, it's no wonder improving connectivity is seen as a top priority for many. EBC Group are providers of the government backed Gigabit Voucher Scheme, which offers SMEs up to £2,500 towards the cost of upgrading to a fibre connection. This is a key way to assist businesses to invest in improving their connectivity and move towards future proofing the region's digital infrastructure. ”

SUPPORTING BUSINESSES TO STAY AND GROW.

Herefordshire and Worcestershire are home to an abundance of fantastic businesses and our desire is to enable them to stay and grow in the local area. It is important that we support all our local businesses to survive and thrive with both the challenges but also the opportunities ahead.

Throughout 2019 Herefordshire & Worcestershire Chamber of Commerce will:

- Encourage business innovation through BetaDen and working closely with Herefordshire Enterprise Zone, with local technology parks and Worcestershire Innovation Network (WINN).
- Support businesses to adopt new technologies by linking them with Universities and connecting businesses with proof of concept funding through the local Growth Hubs.
- Support businesses to share and implement new automation systems or processes through the Growth and Manufacturing Forums.
- Lobby government to open up more land for business use to allow firms to expand their premises.
- Supporting County Councils and LEAs to market Herefordshire and Worcestershire nationally and internationally to encourage inward investment, tourism and economic prosperity.
- Assisting employers to address and manage health and wellbeing in the workplace via Worcestershire Works Well and other local Health Promotion projects.
- Promote the Time to Change Hub to reduce the stigma and discrimination associated with mental health issues in the workplace.



**Andrew Carter,
Global Commercial
Director, Chase Distillery**

“ Herefordshire is the home and foundation of our field to bottle spirits business – as a region it boasts of some of the richest red soil in the world ideal for growing potatoes which we use to produce our range of Chase vodkas and gins.

William Chase set up the business 10 years ago to challenge the status quo in the white spirits industry. If people are interested in the terroir for their wine or the barrel aging for their whisky, then why shouldn't they be interested in how their white spirits have been crafted? ”

WORCESTER OFFICE

Severn House
Prescott Drive
Warndon Business Park
Worcester
WR4 9NE
01905 673 600

HEREFORD OFFICE

Skylon Court
Coldnose Road
Rotherwas
Hereford
HR2 6JS
01432 803 236

goodbusiness@hwchamber.co.uk

www.hwchamber.co.uk

@hw_chamber

Produced by:

Cassie Bray, Director of Business Engagement,

Herefordshire & Worcestershire Chamber of Commerce
cassieb@hwchamber.co.uk

Poppy Bramford, Policy Executive,

Herefordshire & Worcestershire Chamber of Commerce
poppyb@hwchamber.co.uk

Daisie Rees-Evans, Policy Executive,

Herefordshire & Worcestershire Chamber of Commerce
daisier@hwchamber.co.uk



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& Worcestershire
Chamber of Commerce