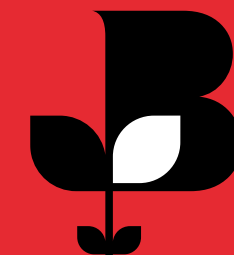


BUSINESS MANIFESTO 2020/21



Our Patron Members



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Sharon Smith
Chief Executive
Herefordshire &
Worcestershire Chamber
of Commerce

“Following a period of rigorous quantitative and qualitative consultation with over 4000 businesses, I am delighted to launch the Herefordshire & Worcestershire Chamber of Commerce 2020/21 Business Manifesto detailing the Chamber’s key business priorities for local and national government.”

“Herefordshire & Worcestershire Chamber of Commerce conducts research with more businesses in our Quarterly Economic Surveys than any other Chamber in the country. We pride ourselves in the evidence-based approach that informs our business engagement and public affairs work. Delivering such an in-depth programme of consultation not only allows us to state with confidence which challenges and opportunities businesses currently face, but it also enables the Chamber to identify potential barriers to growth and opportunities for business on the horizon.

This document sets out the issues identified by businesses as their key priorities for 2020/21. It also details the focus of our policy work for the forthcoming year. Working closely with the British Chambers of Commerce and our 53-strong Chamber network, which represents over a million working professionals, the Chamber will lobby government to create a legislative and economic environment that is conducive to business growth.

Areas covered in the 2020/21 Business Manifesto include the costs of doing business, skill shortages, trading overseas, infrastructure, sustainability in business, and technology and innovation. As business enters a new decade, it seems fitting to reflect on the trajectory of the business community and local economy.

Businesses continue to be bombarded with a barrage of additional costs and administrative burdens tying up their cash flow and decimating profitability. At a time when consumer spending is the only redeeming factor in a slowing global and national economy, government would do well to alleviate the cost burden on businesses to avoid the need to pass on costs to the consumer.

After a year of unprecedented numbers of job vacancies and record high employment levels, the labour market is showing signs of beginning to soften. Whilst it may have passed its peak, the legacy of a tight labour market will continue to shape recruitment and retention challenges into 2020. A limited supply of workers has elevated candidate expectations; businesses have never been held to higher account when it comes to the salary and benefits packages they offer. The knock-on effect for retaining those already in work drives a ripple effect up the business, as long-standing staff expect similar opportunities for salary increases or greater personal development.

At the time of writing, our future trading relationship with our European neighbours remains uncertain. The implications for economic growth are clearly demonstrated by the results of the largest private sector

business survey in the country (the Quarterly Economic Survey), which has repeatedly demonstrated that political upheaval is now so closely wedded to the future terms of trade that, economic indicators plummet and fluctuate in line with the political chaos in Westminster. As many businesses look for efficiency gains and ways to improve their customers’ experience, their reliance on cloud-based systems to deliver online products and services is highlighting the absence of adequate digital infrastructure. Be it a professional services legal firm or a UK based manufacturer looking to introduce industry 4.0, the technological changes and innovation currently being explored by businesses will be contingent on superior speeds and greater coverage of digital connectivity.

As we enter a new decade of business, societal concern for climate change and the environmental impact of human activity is placing additional pressure on businesses to produce sustainable solutions and implement more eco-friendly processes. Considering ways to reduce environmental impact will prove very beneficial to certain businesses, both from a cost and efficiency point of view. Innovation and technology in this field is likely to be led by the private sector, where commercially viable solutions should be encouraged to lead the way. New businesses

will emerge as demand for sustainable solutions grow, such as those who produce products from sustainable materials or those who can offer efficiency gains by altering processes. We will continue to urge government to commit to support and fund businesses to produce innovative solutions to environmental challenges. Rigid targets that are not achievable and which are detached from the UK’s current infrastructure place undue pressure on business and stifle real innovation. We will lobby government to involve businesses in the decision-making processes associated with carbon targets to ensure solutions to push this agenda forward are innovative and impactful, as well as realistic and practical.

At its core, this document focusses on operational and legislative barriers to growth. By bringing businesses together as a collective, the Chamber continues to demonstrate that the business community is so much stronger together. It’s an exciting time to be in business. Although the unprecedented levels of uncertainty associated with the EU Exit negotiations can often eclipse the domestic narrative, it has never been more important for businesses to take the time to lift their head above the parapet and take in the opportunities on the horizon.”

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."

Representing
over 75k
professionals within our local network

8th
largest Chamber in the UK

Supporting
all business
sectors

Delivering
230
days training to improve local skills

170
free events
per annum to connect and grow your business

Sector specific forums

Delivering the Worcestershire Growth Hub

A network of
over 1,500
members

Improving the health and wellbeing of
30k
employees through 'Worcestershire Works Well'

680
attendees at our Chamber Business Awards ceremony celebrating local success

Delivering statistically representative reports from our
research hub

Public-private partnership
facilitator for business

Facilitating the largest local business leaders' network

Delivering Chamber International Trade support to
300
businesses

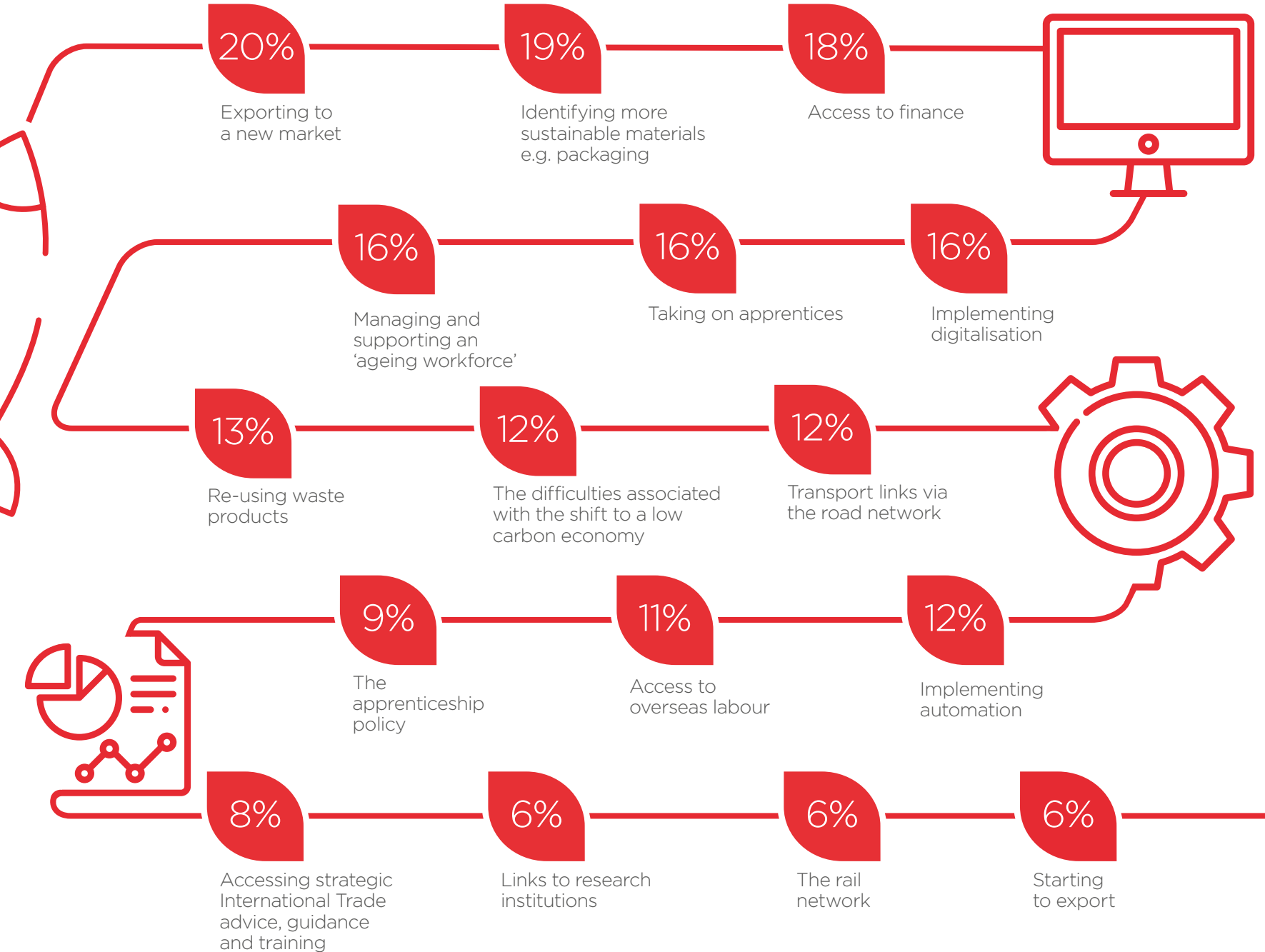
Leading Chamber
for engaging businesses with national government policy makers

A critical pathway for raising the profile of local businesses

Not-for-profit
company

2020 BUSINESS PRIORITIES

The following priorities were identified by the 600 businesses who completed our Quarterly Economic Survey and as a result of the qualitative data collected by our policy team throughout the year. The Chamber asked businesses to identify their top 10 priorities. The list adjacent demonstrates the most commonly selected issues.

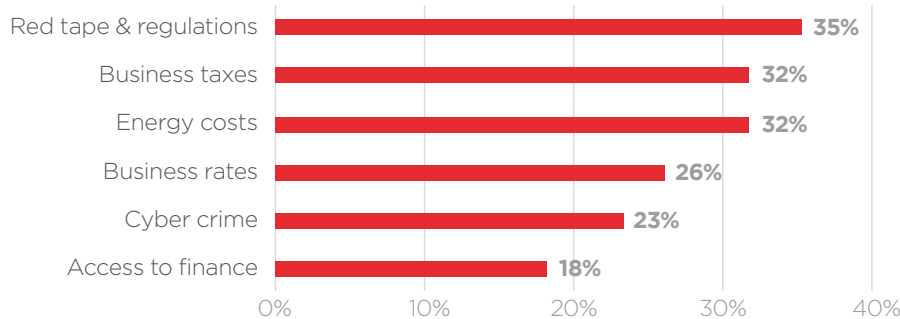


Costs

When all the responses to this consultation were consolidated, the most frequently identified barriers to growth were associated with costs. Poorly-timed increases in business costs – including compliance with Making Tax Digital, higher business rates for some firms, increased employer pension contribution requirements, and more – are raising costs pressures for companies across the UK at a time when government should be looking to reduce rather than increase burdens.

Your Challenges

% of businesses who identified the following cost issues as a barrier to growth



Our Policy Commitment:

Through the Chamber network and British Chambers of Commerce, we will lobby to reform business rates and replace them with a fairer system.

How to tackle challenges and maximise opportunities:

Red tape and regulations

For the latest information regarding how to lessen the administrative burden of red tape and regulations, visit the Chamber website and sign up to our policy newsletter.

Business taxes

Fill in our Quarterly Economic Survey to demonstrate the impact of business tax on your business. This will allow the Chamber to lobby for changes to business taxes and create a business environment conducive to success and growth.

Energy costs

With rising energy and resource costs, and an increasing urgency to act on climate change, the need to improve resource efficiency within your business is now as important as ever. The Business Energy and Efficiency Programme (BEEP) can provide free support to identify opportunities and grant funding up to £20,000 and 40% of project costs to make these savings happen. Contact info@business-central.co.uk to find out if you are eligible for grant funding to reduce your energy costs. The Marches Renewable Energy Scheme (MarRE) is also available to eligible businesses, who can apply for a 50% grant towards the installation of eligible renewable technologies on their premises. Contact delegatedgrants@herefordshire.gov.uk for more information.

Business rates

Businesses can provide the Chamber with case studies detailing the barriers and challenges that the current system presents to business, to allow us to lobby for a fairer system on your behalf.

Cyber crime

Download a copy of our 8 simple steps to make your business more secure and protected from the costs associated with cyber crime from our website.

Access to finance

The Chamber hosts a series of Growth Forums throughout the year which provide the opportunity to hear from business leaders and industry experts who have developed best practice. Previous topics of discussion at the financial growth forum have included: the legal and insurance implications of growing a business, how to access and raise finances for growth and finally, advice on how to find new revenue streams and access new markets. Many businesses will be able to utilise high street bank lending as a source of funding for their business growth. However, alternative sources of funding are also available. Businesses can visit the British Business Bank and Midlands Engine Investment Fund website for more information at www.meif.co.uk.



“

Making the most of Artificial Intelligence for business

AI is already affecting most aspects of our lives including business; where it is being used to solve problems by using big data to inform key decisions. Organisations are beginning to see the capabilities that AI can provide, and are using these to produce and gain real value from their data, whether it be for internal purposes or for clients.

With the additional cost savings from implementing AI systems, employers should also focus on upskilling their current employees.

As with all new technology, the subject of regulation is one that needs to be addressed. It is fundamental to address the potential pitfalls of new technologies and have regulations in place to address them. There is currently no specific legal provision for the regulation of the development or the use of AI applications in the UK; however, a range of existing regulatory regimes may overlap this territory and be used to some extent to regulate these activities. We expect the new decade to bring clearer policy developments.

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Helen Davenport

Partner,
Gowling WLG

Skills

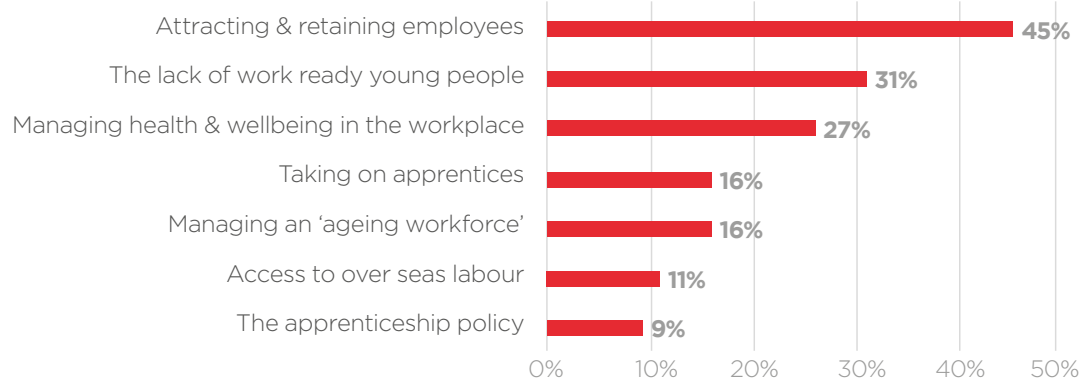
While new technologies are driving the Fourth Industrial Revolution, ultimately, it is people who will bring it to life in businesses. As advances in technology continue to transform the world of work, education systems will need to become more connected to the realities and needs of the local economy, national economy and society as a whole.

Businesses will need to engage with education models to ensure they adapt to equip young people with appropriate skills and careers advice for the future. At the same time, the current work force will require workplace training and development to keep pace with technological change which alters the processes they are used to. Introducing policies which not only attract and retain employees will be crucial to business success in the current zeitgeist which is characterised by an incredibly tight labour market.

Businesses will also need to implement policies which recognise the importance of managing health and wellbeing in the workplace, as well as those which accommodate the phenomenon associated with the changing demographic structure of the UK, known as the onset of an 'ageing workforce'. Businesses who cultivate a culture of reskilling, upskilling and lifelong learning will overcome the challenges on the horizon.

Your Challenges

% of businesses who identified the following skills issues as a barrier to growth



Our Policy Commitment:

- Through the Chamber network and British Chambers of Commerce, we will lobby government to invest in our skills base and reform the Apprenticeships Levy so that more small firms can access high-quality training locally, at an affordable cost.
- Through the Chamber network and British Chambers of Commerce, we will lobby government to deliver a sensible immigration system that gives firms access to essential overseas talent at all levels.

Last year the National Chamber network successfully:

- Secured a two-year post-study work visa to remove barriers to accessing skills.
- Secured the expansion of the Shortage Occupation List, bringing simplicity and flexibility to recruitment for businesses.



How to tackle challenges and maximise opportunities:

Attracting and retaining appropriately skilled workers

Visit our website to fill in and download the 2019/20 Salary & Benefits Report, in partnership with Hewett Recruitment, to benchmark the remuneration packages you offer. The report allows you to view the minimum, maximum and average salary for over 50 roles in relation to the size of your business. It also provides detailed information on the most common benefits packages on offer in the counties, as well as case studies of companies demonstrating recruitment and retention best practice.

The lack of work ready young people for the future workforce

Engage with the 'Inspiring Worcestershire - Creating our Future Workforce' project. There are many ways you can engage; from pledging an hour of your time to help provide accurate career pathway information for your industry sector, to becoming an Enterprise Advisor or showcasing your business at one of the skills' shows in the two counties respectively. More details can be found on the following website for Worcestershire www.skills4worcestershire.co.uk. For Herefordshire businesses, more information can be found by using this website www.herefordshireskills.co.uk.

Support to manage health and wellbeing in the workplace and managing the impact of changes to their employee demographic associated with an 'ageing workforce'

Join our confidential network of HR Professionals. This network comes together on a regular basis in different locations across the two counties to hear from industry experts. Presentations and points of discussion focus on employment law updates, progressive work practices and to share best practice and seek advice and support from peers in an open and supportive environment. Attendance at this event can be used to count towards

your CIPD CPD portfolio. Alternatively, businesses can get in touch with Worcestershire Works Well to access this free framework and accreditation scheme designed to support businesses to improve the health and wellbeing of their employees. Improved employee health and wellbeing has been shown repeatedly to improve profitability and productivity of businesses. Enquiries can be sent to wwwadmin@worcestershire.gov.uk.

Businesses in Herefordshire are encouraged to contact the Chamber, as we are working on developing partnerships to deliver a health and wellbeing event in Herefordshire.

Taking on apprentices

Get in touch with Worcestershire Apprenticeship hub by visiting the following website www.worcsapprenticeships.org.uk or for Herefordshire visit the following website www.careersandenterprise.co.uk.

The apprenticeship policy

Businesses with experience of using the apprenticeship system who would like to shape future apprenticeship policy can provide case studies and examples of the challenges associated with this policy. Herefordshire & Worcestershire Chamber of Commerce participates in the British Chambers of Commerce Employment and Skills Group which uses evidence-based cases to call for reform to policies which relate to the skills agenda. Your experiences can be made anonymous and used to make arguments to government and specific ministers. Similarly, if your business would like to provide case studies or has examples of how access to overseas labour is fundamental to your operations, get in touch with the Policy Department to allow your experiences to shape the government's approach to immigration.

“

Business are nothing without their people. We expect them to service clients, build products, innovate solutions, work with each other, and work with stakeholders. We expect them to go the extra mile and exceed expectations. But how can businesses realistically realise such delivery if the very people they are reliant on are not happy, healthy and engaged. If they are not aware of the business plans, their own objectives and the expectations placed upon them then can we really be surprised when they underperform? It is not just about engagement either - we would not expect an athlete to perform to their best without adequate training, coaching and nutrition: it is no different for the people we employ. To allow people to give their best, businesses need to facilitate a culture and an environment that enables them to do so.

Health and wellbeing aren't 'nice to haves' - they are game changers.

Chris Walklett
Tax Partner, Bishop Fleming

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Something changes in business every 90 days so it's important that flexibility and adaptability are built in. With skills we also need flexibility and adaptability, but what does this mean? For me it is all about having the life skills that will allow you to learn the hard skills you need to be successful. Things like emotional intelligence, communication skills, thinking skills, reasoning skills, resilience, and self reliance. If you don't possess these skills then you will struggle to learn the hard skills you need for your role. If you have these skills you are capable of anything!

Deborah Gittoes
Managing Director,
Arctic Circle

”

International Trade

Trade is a fundamental part of the UK economy. Entering new markets can bring a plethora of opportunities for businesses and can facilitate accelerated growth. While many will steer clear of exporting given the uncertainty around future trading conditions, created by the process of EU Exit, those who seize this opportunity to find out more about overseas opportunities will reap the benefits.

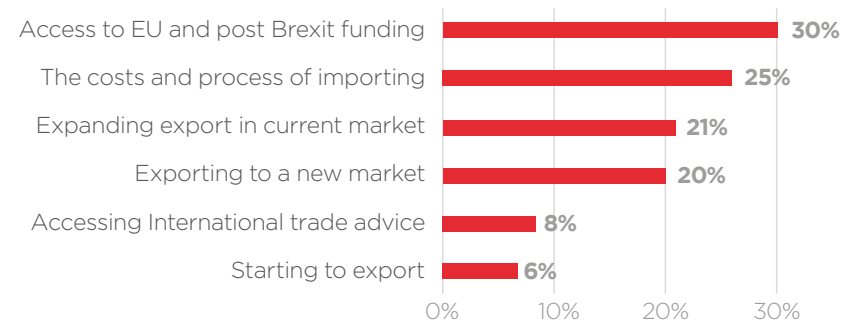
Last year the National Chamber network successfully:

- Convinced government to automatically enrol 95,000 UK firms in Transitional Simplification Procedures, thus simplifying customs requirements.
- Convinced government to automatically issue UK businesses with EORI numbers, simplifying trade procedures.



Your Challenges

% of businesses who identified the following cost issues as a barrier to growth



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Titan Steel Wheels has established its position as a world-leading Off Highway wheel manufacturer through investing in the growth and skills development of our people and having a strong history of building trading partnerships around the globe. With over 90% of our production being exported directly to major OEM's within our industry, we find the challenges and also the opportunities of competing within global markets continue to increase; having access to the required level of support when needed is really important. While Europe will always be a key market for our continued growth efforts, the ability to be competitive and expand in other markets which offer significant opportunities will be vital to our continued success, particularly as we head towards 2021 and beyond.

John Brighton,
General Manager,
Titan Steel Wheels Limited

”

Our Policy Commitment:

Through the Chamber network and British Chambers of Commerce, we will lobby government to avoid a no-deal exit from the EU and deliver a smooth transition giving firms time to prepare.

How to tackle challenges and maximise opportunities:

Access to EU and post Brexit funding

To find out how to access funding from the EU and alternative funding post Brexit, sign up to the Chamber's International Trade newsletter to be notified of opportunities.

The costs and process of importing

The International Trade team deliver import-focused international trade training, import customs declarations and has access to specialist advice through consultants Strong and Herd. Contact our International Trade Team at the Chamber for more information.

Expanding exports in current markets or into new markets and exporting for the first time

The International Trade team delivers a range of services to support. This support includes, but is not limited to: export documentation, export customs declarations, in depth international business diagnostics and planning, international digital marketing communications support, intellectual property and contractual support, international market research, language and culture workshops, access to commercial networks via British Embassies and High Commissions in over 100 countries worldwide, links to incoming meet the international buyer delegations, access to sector-based international market visits, an extensive range of International Trade training courses (covering over 20 different International Trade subject areas) and access to country-specific export advice for new and experienced exporters. Visit our website to find out more.

Accessing strategic International Trade advice, guidance and training

The International Trade team also offers 50 international trade courses covering over 20 international trade subject areas designed for new and experienced exporters. In addition, businesses have access to Department for International Trade (DIT) advisors for more in-depth market development support (see above) and the Chamber's own Commercial International Services team for international trade documentation guidance.

Sustainability in Business

Investing in sustainable business practices has moved from the realm of Corporate Social Responsibility to a business-critical issue. In the face of the deepening climate crisis, the business sector is redefining its relationship with sustainability and energy efficiency. More companies are managing sustainability to improve processes, pursue growth, and add value to their companies rather than focusing on reputation alone. We've reached a tipping point where operational efficiency and lowering cost is now more commercially viable through sustainable processes, with cost impetus superseding corporate reputation.

The notion of a circular economy will alter how we conceptualise the use of resources and waste products, with significant implications for the regulatory framework in which businesses will operate during this new decade. Businesses in the energy, extractive, construction and transportation industries are the most likely to find themselves exposed to potential regulatory and natural resource constraints.

Manufacturers will do well to familiarise themselves with the government's agenda set out in the government policy paper 'Resources and waste strategy for England' (2018). This strategy sets the tone for future legislation and makes clear that extended producer responsibility will be at the forefront of future regulation. The foundation of this paper is the 'polluter pays' principle, making it clear that manufacturers will bear a heavier financial burden.



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As a manufacturing company that predominantly uses plastic to make products, it is easy to become embroiled with the wider impacts of the (mis)understanding of the use of the term sustainable. The reality for Neoperl, and indeed many other manufacturers, is that sustainable practices actually fit very well with their long-term business goals.

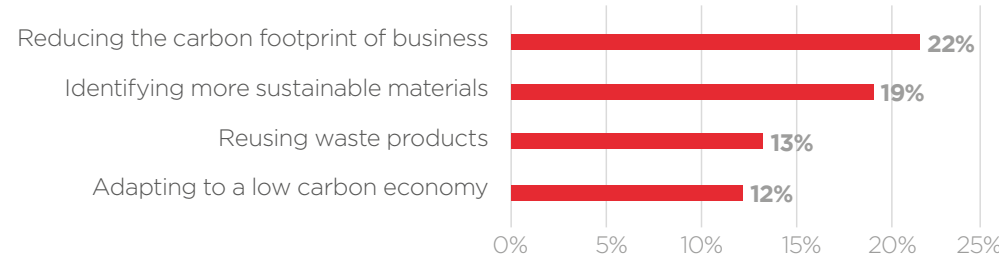
For Neoperl specifically, as a worldwide expert in the manufacture of stream and flow control devices which are mostly made from plastic, the intent of the devices in controlling water can significantly reduce the amount of wasted water for any given use event. Quite simply, a flow regulator installed in a shower saves water and energy when in use.

Kevin Gates
Managing Director,
Neoperl U.K. Ltd.

”

Your Challenges

% of businesses who identified the following skills issues as a barrier to growth



How to tackle challenges and maximise opportunities:

Reducing the carbon footprint of business

To find out how to identify more sustainable materials and how to reuse waste products for a more cost effective and energy efficient process, join the Chamber at our quarterly Sustainability Forums. The Business Energy and Efficiency Programme (BEEP) can provide free support to identify opportunities and grant funding up to £20,000 and 40% of project costs to make these savings happen. Contact info@business-central.co.uk to find out if you are eligible for grant funding to reduce your energy costs. If your business is looking to implement a large-scale renewable energy project or has the potential for high-tech green growth, the low carbon opportunities programme is also able to provide support. The Marches Renewable Energy Scheme (MarRE) is available to eligible businesses who can apply for a 50% grant towards the installation of eligible renewable technologies on their premises. Contact delegatedgrants@herefordshire.gov.uk for more information. To find out more about the local energy strategy in Worcestershire visit the Worcestershire Local Enterprise Partnership's website at www.wlep.co.uk. To find out more about the local energy strategy in Herefordshire, visit the Marches Local Enterprise Partnership's website at www.marcheslep.org.uk.

Adapting to a low carbon economy, identifying more sustainable material and reusing waste products

For larger businesses whose activities have a strategic impact on the local, regional and national economy, we also offer a sustainability roundtable. From plastic packaging substitutes to the use of alternative fuels such as hydrogen, this group brings together influential stakeholders to identify solutions which can be rolled out to the business community and establish the two counties as a leading voice in the sustainability agenda. This group also discusses the longer-term institutional difficulties associated with the shift to a low carbon economy.

Our Policy Commitment:

Lobby government to involve business in the decision-making processes and targets associated with climate change to ensure solutions to push this agenda forward are innovative and impactful as well as realistic and practical.

Technology & Innovation

Economic growth is driven by innovation and technological improvements, which reduce the costs of production and enable higher output. It's an exciting time to be in business in the two counties, demonstrated by the fact that a quarter of businesses are interested in implementing new technologies.

With the development of the 5G test bed in Worcestershire, the third cohort entering the BetaDen technology accelerator in Worcestershire, the growth of Malvern Hills Science Park and the opening of the Midlands Centre for Cyber Security in Herefordshire, the two counties hold huge amounts of potential to develop cutting-edge technology and drive innovation.

As a region characterised by the dominance of advanced manufacturing, businesses in the two counties are driving the use of Artificial Intelligence, Virtual Reality and automation in this sector.

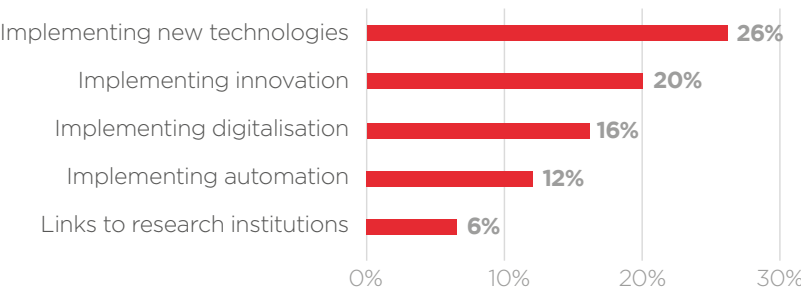
Our Policy Commitment:

To lobby government to continue to provide funding and tax incentives that encourage innovation for businesses who want to introduce technology and innovation into their business.



Your Challenges

% of businesses who identified the following cost issues as a barrier to growth



How to tackle challenges and maximise opportunities:

Implementing technology and innovation

BetaDen, the technology accelerator in Worcestershire, offers the opportunity for entrepreneurs and scale up businesses to join a cohort of businesses at the cutting edge of technology and innovation. For those looking for business premises, the Malvern Hills Science Park and the Midlands Centre for Cyber Security in Herefordshire, provide ideal business facilities for business with a technology and innovation agenda.

There are several other programmes available for businesses interested in technology and innovation. Innovate UK is part of UK Research and Innovation, a non-departmental public body funded by a grant-in-aid from the UK government. Innovate UK exist to drive productivity and economic growth by supporting businesses to develop and realise the potential of new ideas. For more information, visit the following UK Research and Innovation website www.ukri.org.

The Proof of Concept scheme is also available. This scheme supports businesses to take new products and services to the market and allows them to investigate, advance and protect early stage innovative ideas and to commercialise new innovations. Contact Jane Holmes on jane@centraltechnologybelt.com for more information.

Worcester Innovation, also known as WINN, is an additional collaboration between many of the Innovators in the region, aimed at consolidating innovation support activities, creating a community of innovators and ensuring that our innovative history continues into our innovative future. To find out more visit the WINN website on www.winn-hub.com.

Implementing digitalisation and automation

Businesses operating in the manufacturing sector who would like to implement new technology and innovation can gain access to industry leaders through our highly sought-after Manufacturing Forums. This group of manufacturing businesses share insights on a range of topics from automation and Industry 4.0 to lean operating models. For businesses in the professional services industry, the Growth Forum and the Technology Forum provide the opportunity to learn from leading businesses who have introduced digitalisation and automation into their organisation, facilitating productivity and efficiency gains.

Links to research institutions

The Chamber has strong links to research institutions including the University of Worcester, NMiTE and the University of Wolverhampton, who work closely with the Chamber as key partners.

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The advances in digital technologies over the past decade have transformed how and where we interact with customers. They expect to be able to access the information they need instantly, wherever and whenever they need it. We have invested significant resources developing the systems and solutions to meet these requirements, from tools which allow customers to easily conduct their own technical calculations, to courier tracking systems providing real-time delivery information.

We expect this digitalisation to intensify throughout the 2020's as our sector moves increasingly towards cloud-based collaborative approaches to building design, construction and maintenance. As manufacturers, we are helping to lead this change, by developing detailed 3D product models which are the building blocks for these new approaches.

Adrian Pargeter
Director of Technical,
Marketing and Regulatory Affairs,
Kingspan Insulation

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Infrastructure

Energy, water, transport, waste disposal networks and facilities are essential ingredients for the success of a competitive modern economy. Well-designed infrastructure investments have long-term economic benefits; they can raise economic growth, productivity, and land values. For the two counties specifically, the provision of suitable business premises will be key to maintaining economic growth.

With the arrival of the fourth industrial revolution and the digitalisation of many of the processes and services associated with business, opportunities will arise to make huge efficiency and productivity gains. Yet with opportunity comes cost and risk; businesses will need digital infrastructure to meet more intense demands, and quickly, if they are to reap the rewards of technological advancements. As more information is stored digitally and as processes become more dependent on this infrastructure, the protection of this data will be paramount.

Our Policy Commitment:

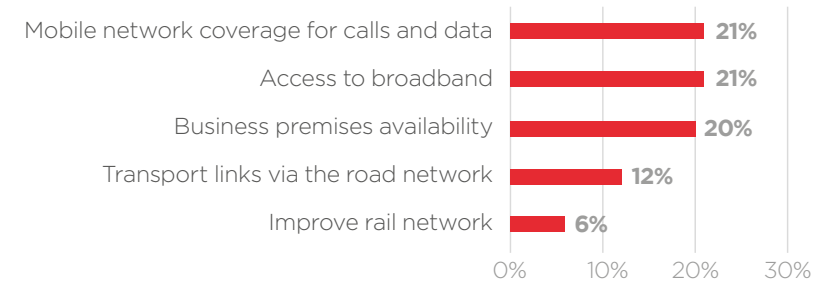
- Nationally: To support via the British Chambers of Commerce improvements to large transport infrastructure including HS2, Northern Powerhouse Rail and additional capacity at Heathrow.
- Regionally: To support Midlands Connect strategies by supporting the infrastructure research and recommendations made to the region.
- Locally: To support the councils to deliver local infrastructure projects.

Last year the National Chamber network successfully:

Secured a Shared Rural Network which will transform signal coverage across the country.

Your Challenges

% of businesses who identified the following cost issues as a barrier to growth



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With fast, reliable and secure connectivity a range of modern services such as VoIP telephony and video conferencing become available to businesses. Fast connectivity also opens the door for Cloud technology which offers a fundamentally different way for businesses to harness computer power, storage capacity and also the opportunity to reduce IT expenditure.

Connectivity remains a major concern for businesses in the region, however the good news is there are more options available to businesses. Those still suffering with slow broadband should look to invest in dedicated internet access, such as a leased line that uses Ethernet technology. A leased line enables a business to get around the limitations of broadband and because the connection isn't shared it's capable of reaching much faster, guaranteed speeds that won't slow down during peak periods.

Richard Lane
Managing Director,
EBC Group

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How to tackle challenges and maximise opportunities:

Mobile network coverage for calls and data

For businesses experiencing problems with mobile network coverage for calls and data, get in touch with the Chamber and we will report these 'not spots' to the relevant county or district council and the Local Enterprise Partnership.

Access to broadband

For businesses looking to access broadband, the Gigabit Broadband Voucher Scheme can be used by small businesses and the local communities surrounding them to contribute to the installation cost of a gigabit-capable connection. SMEs can claim up to £2,500 against the cost of connection either individually or as part of a group project. Residents can benefit from the scheme with a voucher worth £500 (plus VAT) as part of a group project.

Premises in the harder-to-reach places in the UK may be eligible for additional funding through the 'Broadband for Rural Communities' fund. Rural premises with broadband speeds of less than 100Mbps can use vouchers worth up to £3,500 for each SME to support the cost of installing new gigabit-capable connections. Contact your account manager at the Chamber for more information and eligibility.

Business premises availability

To find out about game changer sites and available premises visit the Worcestershire Local Enterprise Partnership website at www.wlep.co.uk/ or the Marches Local Enterprise Partnership at www.marcheslep.org.uk.

Improving transport links via the road network and rail network

Sign up to our Policy newsletter to find out about open consultations and opportunities to have your say on improving transport links via the road and rail network. As partners of the transport branch of Midlands Engine, known as Midlands Connect, we are keen to ensure your views on the road and rail network are used during consultations for new projects.

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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The Marches Local Enterprise Partnership is dedicated to helping make our region the best place in the country to live, work and do business.

All our communities benefit from a thriving business sector which is why our Marches Growth Hub is committed to helping businesses, launch, prosper and grow, creating the jobs and skills on which future success depends.

We will complete work this year on two of Hereford Enterprise Zone's most significant developments – the nationally-important £9million Cyber Quarter – Midlands Centre for Cyber Security and the £7.3million redevelopment of the historic Shell Store site at Skylon Park, underlining our commitment to business growth and innovation.

We have provided £5.6m of funding for the latest developments at Hereford's proposed new engineering university, NMiTE, and placed sustainability and the green agenda firmly at the top of our priorities with the launch of our new Energy Strategy. This will help create 1,000 new jobs in the low carbon and renewable energy sector by 2030 and drive down carbon emissions.

Gill Hamer

Director, Marches Local Enterprise Partnership

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We are an independent, family-owned cidemaker, located in Herefordshire. In 2020 we celebrate our 140th birthday!

Over the many years we have developed strong relationships with our growers and still source all our fruit from a 50-mile radius of the cider mill. It's something that we're incredibly proud of and the quality of our cider is a testament to the care that goes into producing the very best.

Looking ahead in the drinks industry is key for us; it evolves at great speed, more so in the last 10 years than ever before. So, we constantly review our approach -including how we farm, harvest, produce & sell to the trade. We're passionate about how we do business and how we can be more sustainable. Our ambition is to be here in another 140 years!

It's great to be a part of Herefordshire's premium food and drink sector and I think the county will become even more widely recognised as a food destination. We welcome the new business this will generate for all.

Helen Thomas

Managing Director, Westons Cider

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Herefordshire Council is committed to providing the conditions for economic growth.

In 2019 the Council led innovative new projects including the Hereford Centre for Cyber Security and the Shell Store business incubation centre, which will create genuine economic assets to support existing business clusters, open up new opportunities and generate higher paid jobs in the county. Both of these developments feature business-focussed partners who will be key to their success.

Skills are central to the county's economic development. In 2020, we will see progress of the Council acquired college road campus (formerly the National College for the Blind), as the long-term base for Hereford College of Art and the new engineering based university NMiTE – launching in 2020. The hundreds of skilled graduates emerging from these two higher education organisations, add greatly to the attraction of Herefordshire for business investment.

Later in 2020, we will see the opening of the council-led student accommodation in Hereford city – providing high standards of accommodation for its higher education students. Along with the Hereford and Ludlow FE college, Herefordshire offers the skills needed by business in the years ahead.

Skylon Park, Hereford's economic enterprise zone, goes from strength to strength, and 2020 will see new businesses entering the park, now one of the most successful in the country.

It is an exciting time for Hereford and Herefordshire, and the decade ahead looks set to be a tremendous one for economic development.

Alistair Neill

Chief Executive, Herefordshire Council

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Herefordshire is well known for its traditional business sectors of agriculture, public administration, and manufacturing, but there is also increasing growth in engineering and technology-based companies, such as ourselves, producing satellite communications equipment at our headquarters in Madley.

Herefordshire is a dynamic, vibrant and growing county; with areas of outstanding natural beauty which provides a great place to live and work, not only attracting tourists but potential candidates.

Recruiting the right people can often be a challenge. Therefore, increasing the level of skills in the workforce is fundamental to economic long-term growth within the county. Which is why we provide regular training and development for our staff, with opportunities to progress internally.

Investing in the future of Hereford at NMiTE (New Model in Technology and Engineering), which ETL is a founder sponsor of, will also provide businesses like ours with graduate talent moving forwards.

We are extremely proud of our heritage as a rural company achieving global success. We have aggressive growth plans over the next decade, and we hope that will further help the local economy.

Ian Hilditch

Managing Director,
ETL Systems

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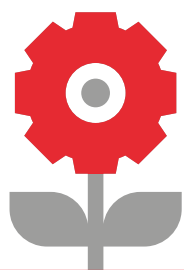
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HEREFORDSHIRE BUSINESS STATISTICS



90% of businesses in Herefordshire employ less than 10 people.

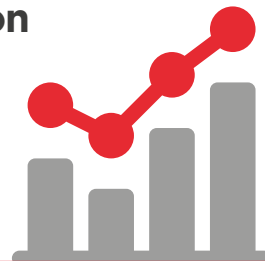
Largest growth sectors in Herefordshire...



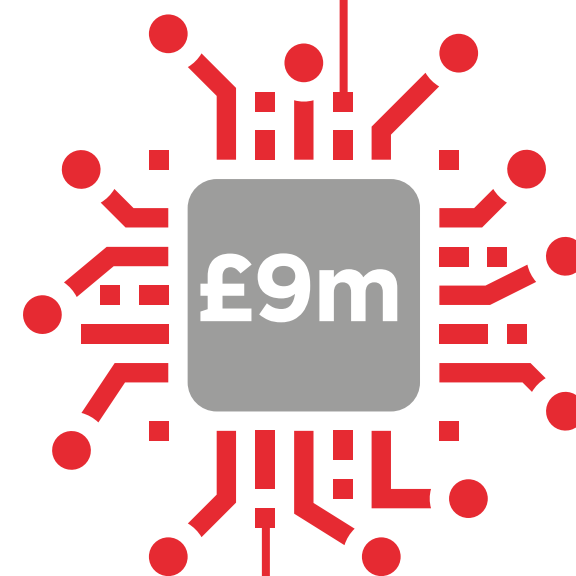
Environmental Technologies



Construction



Business and Professional Services



The **£9m** Midlands Centre for Cyber Security at Skylon Park, due for completion in **Summer 2020**, is set to bring in **190 new jobs**.

The Hereford Enterprise Zone consists of 110 acres of employment land at Rotherwas, Hereford.

38

companies currently operate there from four main sectors:



Defence & Security



Advanced Manufacturing & Engineering



Food & Drink Production



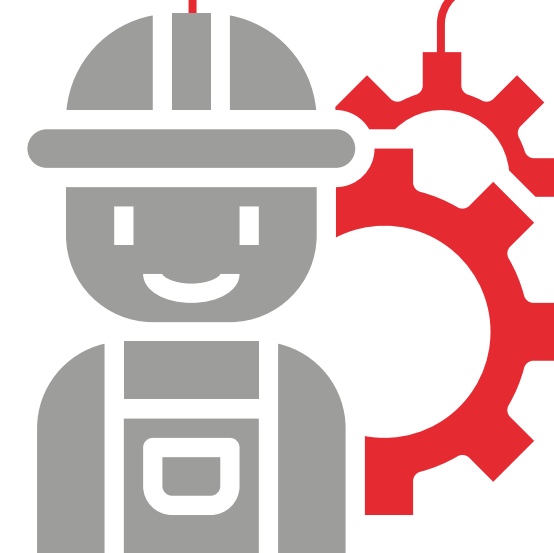
Sustainable Technologies



£7m+

Due for completion in **Spring 2020**, the **£7m+ refurbishment of the Shell Store** will create a **2,000 square metre** business incubation and innovation centre.

Ross Enterprise Park is a 15-hectare site that will provide up to **29,400 square metres of new commercial floorspace** and **1,000 new jobs** when completed. The site can accommodate a range of businesses including those from the Agri-tech and Food sector, to Advanced Manufacturing and Technology sectors.



New Model in Technology and Engineering (NMiTE) is aiming to address the shortage of skilled graduate engineers in the region. It seeks to broaden participation, especially for women, and will deliver life-long learning including apprenticeships, CPD and postgraduate programmes.

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.



We want to create a connected, creative, dynamic economy that works for everyone and is at the forefront of the drive to improve the productivity of the UK.

WLEP are committed to levelling up our local communities by tackling social inclusion and championing clean growth. We are now seeking further investment to deliver our vision for Worcestershire 2040. 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 and invest.

Improving our physical and digital connectivity, making new employment sites like Worcester Six, Redditch Gateway 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.

We have exciting plans to strengthen the County's entrepreneurialism and business support services under the banner of Worcestershire Business Central, helping to nurture and grow the businesses in the County, whilst establishing BetaDen, Worcestershire's technology accelerator programme.

Gary Woodman
CEO, Worcestershire Local Enterprise Partnership



Worcestershire has one of the fastest growing economies in the country. We are working with our partners in the district councils, the Local Enterprise Partnership and in the Chamber of Commerce to promote a One Worcestershire approach to showcasing the county as an excellent place to live, visit, work and invest.

The County Council is delivering record investment into Worcestershire's infrastructure. The county's first new railway station in 100 years is opening at Worcestershire Parkway.

The successful Worcester Six Business Park, just off Junction 6 of the M5 motorway is home to global companies including Cornelius Drinks, who are the world's leading supplier of beverage dispensing and cooling equipment; Kimal, a leading manufacturer and supplier of products for the healthcare sector and Material Solutions a 3D printing company that is part of the Siemens Group.

Worcestershire is now recognised as one of the best places in the UK to start up a new business and is at the forefront of technological innovation, leading the way with our 5G testbed. This county has so much to offer to those who wish to set up and grow a business.

Paul Robinson
Chief Executive, Worcestershire County Council



The demand for both permanent and temporary staff continues to grow, albeit at a subdued rate, driving significant pay pressures locally and across the UK. This sustained growth in vacancies, allied with ongoing issues surrounding the availability of candidates, means that businesses still face significant challenges when looking to recruit. This is most pertinent within those industry sectors that require specific skills such as IT and Engineering. Whilst low candidate availability in recent years has often been attributed to the "skills shortage", we shouldn't ignore the impact that the lingering uncertainty around Brexit and Government has had in tightening the labour market. In much the same way that a business will resist investing in a new piece of machinery or new offices, this uncertainty also impacts candidate movement, with many wishing to stay put until they feel more confident and comfortable about a potential career move and future job security – it's most certainly "better the devil you know". There are reasons to be optimistic; since the beginning of 2020, there has been a surge in new requirements as the General Election result brought an element of stability. It still remains to be seen what the long-term implications of Brexit will be. The aforementioned challenges in the labour market regarding demand outstripping supply will take some time to resolve.

Ben Mannion
Director, Hewett Recruitment



The stability brought on by the election result in December, together with a move into the transition phase of Brexit (and therefore confirmation that we are to leave the EU), has resulted in increased confidence in the marketplace, albeit tempered with some nervousness surrounding the impending trade negotiations and how these could impact the economy.

Retailers will be looking forward to the implementation of the new Business Rates in April 2021 following the revaluation in April 2019. It is expected that rateable values for high street retail will fall, allied with an expected reduction in the multiplier. Occupiers of warehouse property are likely to be less fortunate however, as their assessments are expected to rise in line with market rents. Moving forward, rating revaluations are due to take place every 3 years, which is positive in that it ensures assessments should be more accurately aligned with the market. Although arguably this remains too slow a response and a move to self-assessment could reduce the delay.

We continue to see exciting new developments emerging in the region and, in particular, sites such as Nunnery Park, Sixways Park and Worcester 6 all of which have delivered speculative development in response to market demand. More is needed however, as we are pleased to report a very healthy volume of demand for, industrial and warehouse space in and around our main centres. All new development needs to be supported by appropriate infrastructure and, as such, thought needs to be given to the supply of adequate transport links, power and data.

Rob Champion
Partner, Fisher German LLP



WORCESTERSHIRE BUSINESS STATISTICS

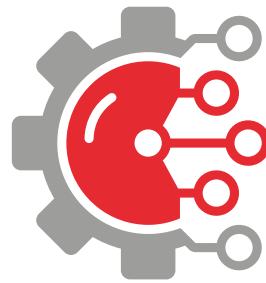


Worcestershire Parkway is the county's first new train station for 100 years and is set to improve links to London, South Wales and the South West.



£2m GrowAgri Worcestershire initiative launched in November 2019 to help Worcestershire enterprises diversify into new agri-tech markets. The first programme of events started in January 2020.

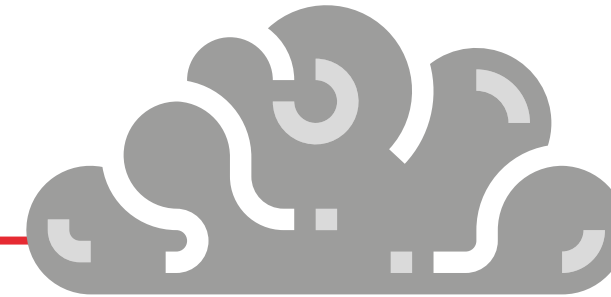
62% of the fastest growing 50 businesses in Worcestershire are from two sectors:



Manufacturing & Precision Engineering



Retail, Wholesale & Leisure.

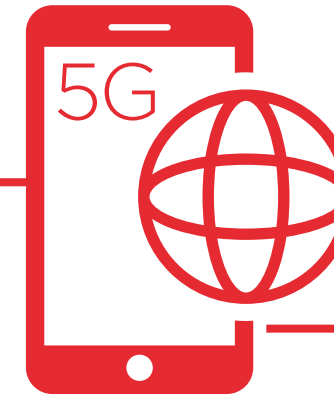


Heart of Worcester College launched the **Duckworth Centre of Engineering** in October 2019. The 15,000 square ft site has been developed to support increased demand from employers to tackle a shortage of engineering skills in the area.



The Kiln opened in August 2019 as the first coworking space in Worcester where entrepreneurs and lone workers can share ideas and network.

In August 2019, **Worcestershire's first dedicated technology accelerator, BetaDen**, welcomed a second cohort of businesses to be coached and mentored through a 9-month programme.



The UK's **first live 5G factory trials** began at the **Worcestershire Testbed** in February 2019 paving the way for **Industry 4.0**.



The Redditch Gateway development, due to take place in eight phases up to 2025, is set to **deliver up to 2,300 jobs on a 78-acre site**.



Worcester Six Business Park will provide **1.5m square ft** of employment space on a 72 hectare site when fully developed. **5 businesses** were already using the space at the start of 2020.

CHAMBER POLICY CONTACTS



Cassie Bray
Director of
Business
Engagement



Poppy Bramford
Policy & Public
Affairs Manager



Lisa Titshall
Policy, Research
& Public Affairs
Executive



UPCOMING RESEARCH AND REPORTS

Quarter 2 Economic Research

Monday 18 May – Monday 8 June 2020
Report: July 2020 (subject to change)

Salary & Benefits 2020/21 Research

Monday 22 June – Friday 14 August 2020
Report: November 2020 (subject to change)

Quarter 3 Economic Research

Monday 26 August – Monday 16 September 2020
Report: October 2020 (subject to change)

Quarter 4 Economic Research

Monday 2 November – Monday 23 November 2020
Report: January 2021 (subject to change)

UPCOMING POLICY EVENTS

Annual Bank of England Breakfast

Thursday 1 October 2020

Contact policy@hwchamber.co.uk
to secure your place.

Our accreditations and commitments



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Commerce