The government’s objective is to achieve strong and sustainable growth, more evenly balanced across the country and between industries.

This is supported by four overarching ambitions:

1. To create the most competitive tax system in the G20
2. To make the UK the best place in Europe to start, finance and grow a business
3. To encourage investment and exports as a route to a more balanced economy
4. To create a more educated workforce that is the most flexible in Europe
Making a difference

1. Competitive Tax
   - Main rate of Corporation Tax
     - 24% this year, down to 22% in 2014
     - 4th lowest in G20
   - Launched ‘taking on an employee’ toolkit online and extended unfair dismissal qualifying period from 1 to 2 years
   - Red tape challenge - scrapping or improving over half the 1200 regulations already considered

2. Start & Grow
   - £2.4bn Regional Growth Fund supporting 330,000 jobs, levering in £7.8bn private sector investment
   - Enterprise Finance Guarantee supported lending of >£350m to 3,300 SMEs

3. Invest & Export
   - 25,000 businesses helped by UKTI trade services; +£30bn additional sales generated and +100,000 jobs supported as a result of UKTI trade support;
   - 24 new Enterprise Zones and 39 Local Enterprise Partnerships for business
   - £3bn for UK Green Investments

4. Educated workforce
   - Ring-fenced £4.6bn annual research budget
   - £75m to support innovation in technology based SMEs
   - £200m for Catapult innovation centres
   - 457,000 apprenticeships and 3m learners in Further Education
   - Funding for new university access arrangements up 50% to £620m

BIS Department for Business Innovation & Skills
Growth Ambition

2 To make the UK the best place in Europe to start, finance and grow a business
Enterprise Zones

• All 24 Enterprise Zones in England are now open for business:
  
  – Offering immediate tax breaks to businesses as soon as they move onto the site.

  – Radically simplified planning requirements for their sites – including automatic planning permission for some sites.
Regional Growth Fund

First 4 rounds allocated £2.4bn:

• Supporting 330,000 jobs directly and in supply chains
• Levering £7.8bn private sector investment
• >50% of Round 1 projects already started
• 25% Round 2 projects started
• £50m Business Angel Co-investment Fund for high-potential SMEs

An additional £600m is now available Round 5 bidding now open.
• The EFG enables small and medium sized enterprises unable to secure a normal bank loan to gain funding to start up and grow.

• Guarantees of £352m offered last year.

• Extended to businesses with >£41m annual turnover from Jan 2012 allowing +3,800 firms access to guarantees.

• Maximum claims limit now extended from 13% to 20% to incentivise lenders to make more finance available under the scheme.
Supporting technology

• Creating £200m network of technology and innovation centres:
  – *First ‘Catapult Centre’ (High Value Manufacturing)* opened October 2011
  – *Second ‘Catapult’ (Offshore Renewable Energy)* opened earlier this month.

• Launched **nine** new university-based Centres for Innovative Manufacturing
UK Green Investment

• Total of £3bn to invest in green infrastructure projects

• £775m to invest in green infrastructure, including offshore wind, waste disposal and energy efficiency this year.

• Headquarters in Edinburgh with the main transaction team in London.
• Priority to support economic growth;
• Set up on track, public launch planned for next week;
• SME finance programme scaled up;
• New programmes being rolled out
  – alternative SME finance provision
  – guarantee scheme to incentivise smaller lender
Witty Review

• Final report published yesterday;
• Government will respond shortly;
• Key concepts:
  – Structure funding flows to opportunity;
  – Incentivise Universities to exploit economic opportunities;
  – Government should facilitate ‘Arrow’ projects.
Working with our partners
Working together for growth

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