

On the eve of EU Confidence Data the Forum of Private Business members voice their concerns over the Brexit negotiations

FOR IMMEDIATE RELEASE

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Following the Brexit vote and discussions with its members, the Forum of Private Business produced a 10 point Brexit plan which members felt would help business in this time of change and give Government the opportunity to show it recognised the importance of the UK's small businesses and would grasp the chance for positive change.

All the indications are that the situation has worsened for business rather than improved.

Ian Cass, the MD of the Forum, draws out the key issues and once again throws the challenge to those with the power, to recognise the value of small business to the UK economy, and represent them positively.

1. Clear direction and confidence.

Commenting directly after the Brexit vote:

Let's see a clear and decisive statement from the Government saying who is in charge and what the Government intends to do from now until a new leader is in place. We need to know exactly what they are doing and who is doing it; we need to see a plan and a strong united team working on it. If there are various ways of exiting the EU then let's lay them out in a clear and understandable manner and keep business people informed about the aims, objectives and progress of the negotiations against these objectives.

Ian Cass comments now:

"The politicians on all sides have failed in clearly communicating the issues, opportunities, variations and potential impact before the referendum and now the message from Government seems to be they won't communicate anything to business or involve parliament regarding the Brexit negotiations, Leaving businesses to operate in a vacuum which is not acceptable. Both importers and exporters currently find themselves in an impossible position, and those with investment plans cannot be criticised for holding off"

2. Reduce the red tape.

Commenting directly after the Brexit vote:

Set up a project team now, that gets together a wide range of small business owners, (not their representative bodies, though they can help finding the expert business owners), but businesses themselves. These business owners know the issues and the unnecessary rules, so get them all in a room and ask them, "What works, what doesn't and how do we make it better". Then listen and act on what they say. You could cut a swathe through the small unnecessary regulation in a matter of months and free up the creativity and productivity of many of our small businesses.

Ian Cass comments now:

"Nothing appears to have been done, other than an indication that everything will be moved across to UK law. Business has seen no streamlining of red tape and regulation; in fact the Government did the opposite, adding to the red tape burden with their proposals on naming and shaming firms who employ non UK workers with the consequent added time and cost."

3. Simplify the Tax system.

Commenting directly after the Brexit vote"

Start to look at the UK's ridiculously complicated tax system, get a project team at HMRC to look at this now and build a plan so that we can work out the details of leaving the EU in parallel with a plan to finally deal with our huge and complicated tax system in the UK, with the target that two years from now we can manage our way out of the EU and have a simplified and better tax system in place.

Ian Cass comments now:

“When will the Office of Tax Simplification do what it is intended to do and simplify the tax system? For example, the ‘Notes for Business’, regarding “Persons of significant control” are 87 pages long, and for most businesses too extensive and complicated to have any value and be respected. Businesses are urgently looking for a material simplification of these types of directives, and the use normal language, graphics, images, animations and webinars to help people deal with tax issues in an easy, user friendly, manner

4. Reward entrepreneurs and small business owners.

Commenting directly after the Brexit vote:

The government should double the dividend rate from £5,000 to £10,000 to reward entrepreneurs. Many small business owners who take big risks in setting up and developing their businesses used the dividend in the past as a means of taking reward when the business had a good year. The small tax break they received rewarded their risk taking and they only took money out when the business was growing and thriving, so could afford it, unlike many directors in larger firms who take high salaries and dividends, even when the business is performing poorly.

Ian Cass comments now:

We truly hope Mr Hammond will look at the £5,000 dividend threshold in his Autumn statement and raise it to £10,000 or higher as suggested by our members

5. Give a boost to small business and the High Street.

Commenting directly after the Brexit vote:

Let's cut business rates significantly. Business pays these rates regardless of their profitability and at a time when many businesses haven't recovered fully from the 2008 financial crash, as many pumped their savings into their business to keep it going. Let's give them a real shot in the arm by cutting the business rates and grow our independent businesses on UK High Streets.

Ian Cass comments now:

“Surely it's about time the Government addressed the old chestnut of business rates, reducing them, having more regular rent reviews and introducing a more streamlined and simple way of appealing if the rates seem unfair.”

6. Reassurance for workers. We are a country that was built on immigration.

Commenting directly after the Brexit vote:

We have benefited massively, both culturally and economically from immigration, so let's be clear that we welcome immigration. We just want some sensible controls on it that will benefit the country and the people who arrive here to work hard and build a life in the UK, we need to be able to plan infrastructure, schools, housing and hospitals that benefit us all. If an Australian style point's system is the answer then let's get it built and put in place quickly. We should also be reassuring those hard working people and their families that are already in the country, that we will not be using them as pawns in some future negotiation with the EU, lets tell them that they are valued and safe here, this is their home.

Ian Cass comments now:

“ We have the ridiculous situation where people based in the UK who contribute to the UK economy are reduced to bargaining chips and that does not seem moral or ethical. Regardless of our European partners stance, surely we in the UK should be above this and be guaranteeing the security of those workers already in the UK?

The Forum would like to see some more proactive action to build confidence in the UK economy and its businesses. The current attitude of leaving us in the dark and doing nothing proactive or positive under the guise of “ We can’t while we are negotiating Brexit” is in danger of leading to more problems in the future. We want the Government to positively engage with small business, be bold, and introduce meaningful change to drive the economy forward not backward.

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