


# Weekly policy update from London Chamber of Commerce and Industry

*A round-up of key policy changes from the past seven days – 17 June 2024*

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## *UK general election 2024 – key updates from leading parties*

- With campaigning now in full swing ahead of the general election on 4 July 2024, the leading UK political parties have been setting out policy pledges.
- The following manifestos have now been published: [Liberal Democrats](#); [Conservatives](#); [Green Party](#); [Labour](#); and [Reform](#).
- Below is a summary of the key announcements for businesses from the Labour and Conservative manifestos:
  - **Conservatives**
    - Reduce National Insurance by 2p, and abolishing the main rate of self-employed national insurance by the end of the next parliament
    - No increase in corporation tax, and extending full expensing to leasing once “fiscal conditions allow”
    - Over time, increasing the business rates multiplier on distribution warehouses that support online shopping
    - Explore ‘smoothing’ the cliff-edge at £90,000 for VAT thresholds
    - Expanding Open Finance the creation of Regional Mutual Banks, to support access to finance for SMEs
    - Work with the British Business Bank and private sector lenders to secure a £250 million Invest in Women fund

- Increase public spending on R&D from £20 billion to £22 billion, and maintaining existing R&D tax reliefs
  - Push forward the Advanced Manufacturing Plan, with £4.5 billion to support investment into high-tech manufacturing sectors such as aerospace and life sciences
  - Complete free trade agreements with the Gulf Cooperation Council and India, and build on the existing Trade and Cooperation Agreement with the European Union
  - Introduce the Advanced British Standard, replacing A and T Levels
  - Create 100,000 new apprenticeships in England every year, and deliver the Lifelong Learning Commitment for adults to retrain through their working lives
  - Introduce a binding, legal cap on migration, which will fall every year of the next Parliament
  - Invest £1.1 billion into the Green Industries Growth Accelerator
  - Build 1.6 million homes in England by the end of the next Parliament, and support small builders by removing section 106 requirements on additional smaller sites
  - Make permanent the increase to the threshold at which first time buyers pay Stamp Duty (£425,000)
  - Complete legislative process on Renters Reform and Leasehold Reform Bills
  - Extending the UK Shared Prosperity Fund for three more years at the next spending review, before repurposing the Fund for national service
  - Create additional freeports and business rates retention zones, and devolving more powers to areas in England
  - Introduce a Rail Reform Bill, and roll out contactless tickets across the UK rail network
  - Launch a review of the night-time economy in England to address the decline in businesses
- **Labour**
- Publish a roadmap for business taxation for the next Parliament
  - Cap corporation tax at 25% for the entire Parliament, and replace the business rates system. Labour would retain the full expensing system
  - Implement 'Labour's Plan to Make Work Pay: Delivering a New Deal for Working People' in full, which includes banning exploitative zero hours contracts; ending fire and rehire; and introducing basic rights from day one to parental leave, sick pay, and protection from unfair dismissal
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- Remove age bands, so all adults are entitled to the same minimum wage
  - Establish a new Industrial Strategy and Industrial Strategy Council
  - Publish a trade strategy, and 'improve' the UK's trading relationship with the EU
  - Not raise headline income tax, National Insurance contributions, or VAT
  - Establish a National Wealth Fund which will encourage a partnership between government and industry to remove barriers to growth
  - Make the UK the green finance capital of the world, mandating UK-regulated financial institutions – including banks, asset managers, pension funds, and insurers – and FTSE 100 companies to develop and implement credible transition plans that align with the 1.5°C goal of the Paris Agreement
  - Introduce planning reform, including a review of the National Planning Policy Framework and allowing limited development within the green belt
  - Build 300,000 homes per year over the next Parliament
  - Develop a 10-year infrastructure strategy that will improve rail connectivity in the north of England
  - Would also introduce reforms to the rental sector and leaseholds
  - Establish Great British Railways, which would take control of existing private sector passenger rail contracts as they expire
  - Establish Skills England to bring together business, training providers, and unions with national and local government
  - Modernise the planning system, making it easier to build laboratories, digital infrastructure, and gigafactories
  - Establish GB Energy, double onshore wind, triple solar power, and quadruple offshore wind by 2030. Introduce a carbon border adjustment mechanism
  - Reform of the British Business Bank to give it a stronger mandate to support growth and SMEs
- The BBC's general election poll [tracker](#) showed the following voter intentions, as of 16 June 2024:
    - Labour – 42%
    - Conservatives – 21%
    - Reform UK – 15%
    - Liberal Democrats – 11%
    - Green – 6%

## *LCCI publishes general election manifesto*

- LCCI has published its General Election Manifesto, which outlines the London business community's key asks of the next Government ahead of the General Election on 4 July.
- The manifesto incorporates the aggregated insights of LCCI's diverse membership base, providing a set of clear priorities that London's business community expects the next government to address. Business leaders want to see policies that protect and support the capital's businesses, enhance London's international competitiveness, simplify and enable infrastructure and planning to lay the foundations for growth, address long term skills shortages, and foster greater innovation. They also advocate for increased devolution of power to London over transport, policing and economic policy.
- LCCI's manifesto outlines several areas of action, these include:
  - Reforming the business rates system to develop a longer-term plan which encourages business growth
  - Reintroducing VAT free shopping for overseas visitors immediately
  - Agreeing a long-term capital funding agreement with TfL which supports critical upgrades and extension to the transport network in London
  - Reforming the National Planning Policy Framework to recognise the dual need for affordable housing and logistics space
  - Reducing the complexity of the Apprenticeship Levy and boosting investment in skills
- To read the full manifesto, click [here](#).

## *London Quarterly Economic Survey Q2 2024*

- Join LCCI as we publish the London Quarterly Economic Survey for Q2 2024 on **Tuesday 9 July 2024**, from 2:30-4:00pm.
- Our expert panel will review the latest findings, which show how London companies have performed in the past three months and their outlooks for the rest of 2024.
- We will also be discussing the results of the UK general election, and what the new government must focus on to support London's businesses.
- The event will be held in person at haysmacintyre (10 Queen St PI, London EC4R 1AG). You can sign up for free [here](#).

If you have any queries, please contact the LCCI Policy Team at [policy@londonchamber.co.uk](mailto:policy@londonchamber.co.uk).