House of Commons

Business, Innovation and Skills Committee

The Government's Productivity Plan

Second Report of Session 2015–16

HC 466

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Report, together with formal minutes relating to the report

Ordered by the House of Commons to be printed 26 January 2016

HC 466
Published on 1 February 2016
by authority of the House of Commons
London: The Stationery Office Limited
£0.00

The Business, Innovation and Skills Committee

The Business, Innovation and Skills Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Department for Business, Innovation and Skills.

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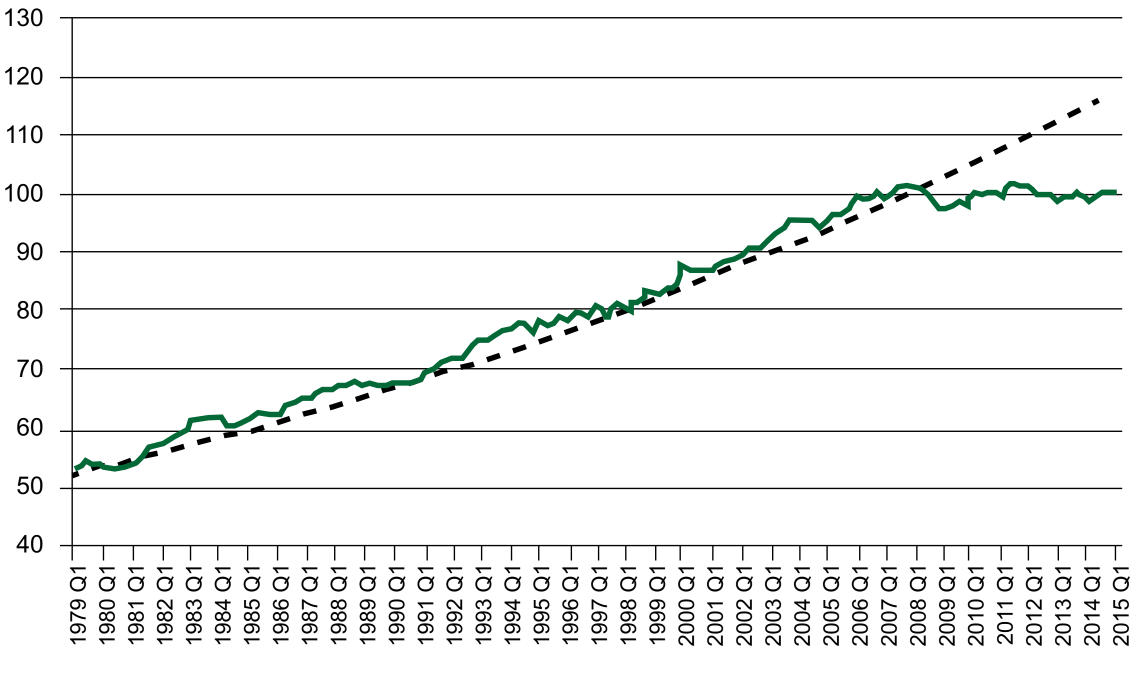
1 Implementation of the Productivity Plan

1. It is clear that the Government places great importance on the productivity of the United Kingdom's economy. The Secretary of State for Business, Innovation and Skills said that "boosting productivity is the economic challenge of our age".[1] The Chancellor of the Exchequer mentioned productivity no fewer than 12 times in his 2015 Summer Budget speech.[2] He said that growing productivity was "the key to delivering the financial security families see when living standards rise" and that it would ensure that Britain was "the most prosperous major economy in the world by the 2030s".[3]

2. While other macroeconomic indicators such as employment and Gross Domestic Product (GDP) have increased since the recession, productivity has stalled. Most developed countries experienced a drop in productivity in the wake of the 2008 financial crisis, however the UK has been one of the worst performers in terms of progress since. This was summarised by the London School of Economics, which told us that "productivity growth has been stagnant since the financial crisis, and the long-standing gap with our international peers has widened".[4] Productivity is now 14 per cent below the level that would have been achieved if pre-crisis trends had continued:

Figure 1: UK productivity growth—GDP per hour worked[5]



Source: Whole Economy GDP per hour worked, seasonally adjusted. ONS Statistical bulletin, Labour Productivity, Q1 2015, downloaded 8 September 2015. (Q2 2010=100). Note: predicted value after Q2 2008 is the dashed line calculated assuming a historical average growth rate of 2.2%.

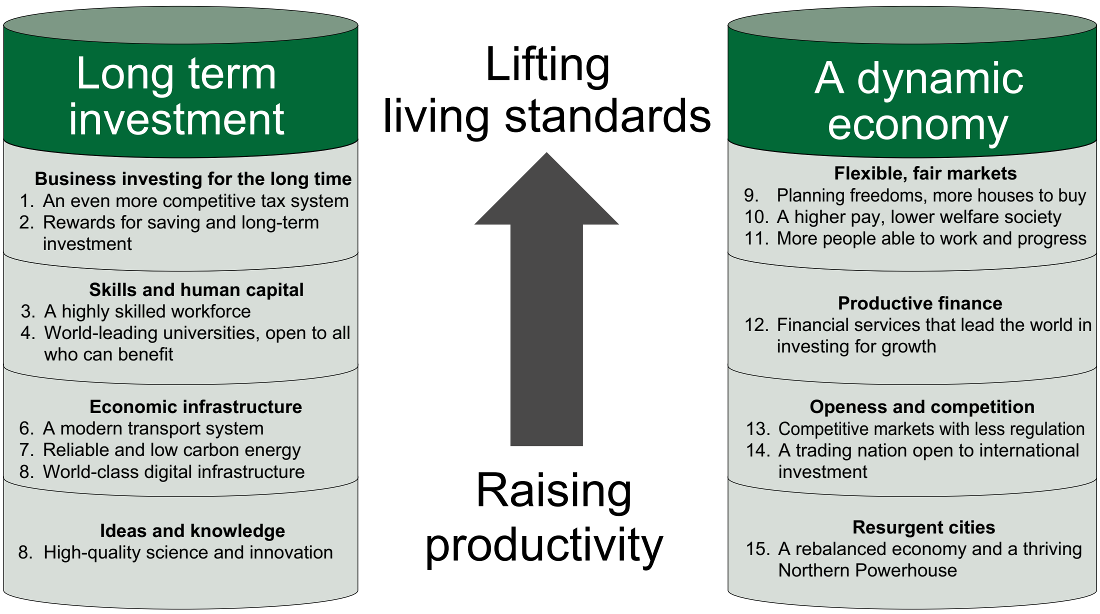
1 Department for Business, Innovation and Skills and HM Treasury, '*Speech: Fixing the foundations: boosting Britain's productivity*,' accessed 30 November 2015
2 HM Treasury, '*Speech: Chancellor George Osborne's summer Budget 2015 Speech*,' accessed 30 November 2015
3 HM Treasury, '*Speech: Chancellor George Osborne's summer Budget 2015 Speech*,' accessed 30 November 2015
4 Centre for Economic Performance, London School of Economics (GPP39) para 1
5 Centre for Economic Performance, London School of Economics (GPP39) figure 1

3. In July 2015, as part of its effort to improve productivity growth in the UK the Government published the document: *Fixing the foundations: Creating a more prosperous nation*. In the accompanying press release, the Government branded this document its 'Productivity Plan'. We have recognised that description throughout our Report (or referred to it simply as the 'Plan'). The Productivity Plan was launched jointly by the Chancellor of the Exchequer and the Secretary of State for Business, Innovation and Skills. When launching it the Secretary of State described the document as the Government's "plan for productivity" and its "blueprint for creating a more prosperous nation".[6]

Coordination of the policies in the Productivity Plan

4. The Productivity Plan consists of 15 different policy areas, built around two 'pillars':

Figure 2: Framework for raising productivity



Source: Her Majesty's Treasury[7]

Given that these policy areas cover such a wide range of economic activities and fundamentally affect business, we were surprised when we asked a panel of large businesses (Rolls-Royce, Virgin Atlantic and EE) that not one of them had been consulted on the content of the Productivity Plan before its publication.[8]

5. We received mixed general reactions to the publication of the Productivity Plan. The majority of the written and oral evidence welcomed the Government's focus on productivity and the principle of the Plan, while others applauded specific focus on areas of the economy where productivity could be boosted. However, we heard criticism from some witnesses that the Plan did not contain practical or specific measures to achieve its ambitions. For example Dick Elsy, Chief Executive Officer of the High Value Manufacturing Catapult, told us that "there is a gap between the intentions of the plan

6 Department for Business, Innovation and Skills and HM Treasury, '*Speech: Fixing the foundations: boosting Britain's productivity*,' accessed 30 November 2015

7 HM Treasury, *Fixing the foundations: Creating a more prosperous nation*, Cm9098, July 2015, p 7

8 Q15

and the reality".[9] He concluded that while "the Plan is a wellintentioned framework, it falls short of being specific".[10]

6. **The Government is right to be concerned by the lack of productivity growth in the United Kingdom and the Committee welcomes the Government's focus on this issue. We endorse the analysis of the problem in the Plan. However, we question whether the document has sufficient focus and clear, measurable objectives to be called a 'plan'. This broad and expansive document represents more of an assortment of largely existing policies collected together in one place than a new plan for ambitious productivity growth.**

Measuring success of the Productivity Plan

7. In order to hold the Government to account for the policies contained within the Productivity Plan, it is important to have some quantifiable measure of success. We agree with the Government that productivity is a complicated economic concept which requires long-term investment rather than kneejerk and short-term policies or announcements.[11] It is true that many of the measures taken by the Government today may not affect the productivity statistics for some time, perhaps beyond the life of this Parliament. The Minister elaborated this point using skills policy as an example:

> On a number of the things that are probably relevant, including skills and education, you are not going to get results tomorrow, because we are talking about the education of people from the very earliest ages through to when they leave school.[12]

8. For that reason, it is difficult to call this document a 'plan' in the conventional sense, in that it has no specific milestones nor metrics for success. The Minister conceded this point but told us that:

> The flipside of it being vague and long is that, while it is long, it is the first devoted sign of such a specific commitment to all the issues that are relevant for productivity.[13]

9. The effective implementation of the Productivity Plan is just as important to its success as the concept. While it would be unfair to expect the productivity statistics to immediately reflect this new focus of the Government, we will not hesitate to hold the Government to account for the effective and efficient implementation of the Productivity Plan. We were concerned that, in terms of what successful implementation looks like, there were few quantifiable outcomes or metrics in the Plan itself, by which to hold to the Government to account.

10. **While the Productivity Plan holds many commitments for future actions, there are few clear timelines. Greater certainty could be achieved if these policies had clear milestones for implementation and success.** ***We therefore recommend that the Government produces a clear supplementary document outlining the proposed***

9 Q65 [Dick Elsy]
10 Q65 [Dick Elsy]
11 For example Q196
12 Q183 [Lord O'Neill of Gatley]
13 Q140 [Lord O'Neill of Gatley]

implementation and measure of success of each policy in the Productivity Plan, regularly updated with progress against key milestones and dates. We note that of the 16 chapters of policy areas in the Plan, very few have usable measures of performance. Only once the Government publishes quantifiable metrics of success and a roadmap to implementation of the policies contained within the Plan, will Parliament be able to hold Ministers to account.

Ministerial involvement

11. We were concerned that there was little Ministerial direction or oversight when it came to the implementation of the Plan. When we took oral evidence from Anna Soubry MP, the Minister for Small Business, Industry and Enterprise at the Department for Business, Innovation and Skills, and Lord O'Neill, the Commercial Secretary to the Her Majesty's Treasury, the BIS Minister told us that, in terms of leadership, it was a "genuine joint effort"[14] while the Commercial Secretary to the Treasury elaborated that "it might be conceptually Treasuryled, but it requires everybody".[15]

12. In terms of implementation, the Ministers told us that it was civil servants who were responsible for the Productivity Plan. The Commercial Secretary to the Treasury told us that "there is a crossdepartmental group set up, led by a senior Treasury official"[16] which met "six weekly"[17] and reported to him "on a regular basis".[18] The Minister told us that, if there was something "not happening", he "and maybe other Ministers need to get involved".[19] This left us in some confusion as to which Department was actually in charge.

13. We have subsequently learned that the "Cabinet Committee on Economic Affairs, chaired by the Chancellor of the Exchequer and attended by Secretary of State for Business, Innovation and Skills, is ultimately responsible for tracking and driving forward these objectives".[20] However, we also learned that "Lord O'Neill, Commercial Secretary to the Treasury, has day to day responsibility for implementing the commitments".[21] It is surprising that the Minister tasked with the implementation of the Productivity Plan is not a member of the Committee responsible for driving forward its objectives.[22]

14. **Our conversations with the Ministers and subsequent analysis has led us to conclude that the ministerial engagement in the implementation of the Productivity Plan is far too weak. We are concerned that the cross-departmental implementation work for what is meant to be a key part of government economic policy has been left to officials holding periodic meetings. Effective coordination, ministerial direction and political leadership all need to be much clearer and stronger. We are concerned that, without the discipline of regular cross-departmental ministerial accountability, there is insufficient ministerial focus on the implementation of the Productivity Plan.**

14 Q132 [Anna Soubry MP]
15 Q132 [Lord O'Neill of Gatley]
16 Q133
17 Q143
18 Q133
19 Q134
20 House of Commons, Productivity: Written Question 14839, asked on 4 November 2015
21 House of Commons, Productivity: Written Question 14839, asked on 4 November 2015
22 Cabinet Office, 'List of Cabinet Committees,' accessed 30 November 2015

2 Policies in the Productivity Plan

15. We welcome the Government's attention to productivity, although the Plan itself is more a collection of existing policies than a new blueprint for the future. In reaction to what we consider to be a vague and expansive document, we have deliberately produced a short and succinct Report addressing those policies where we received thorough evidence and divided into three themes that emerged through our evidence: 'skills', 'innovation' and 'infrastructure'. We have carefully considered all of the evidence submitted to us, both oral and written and are grateful to those who took the time to assist with our inquiry.

Basic skills

16. The Productivity Plan highlighted the UK's mixed record on investment, stating that "despite strengths in higher level skills, problems remain at basic and intermediate levels".[23] We heard that improving basic skills is fundamental to solving the productivity puzzle.[24] We are concerned that the Productivity Plan does not provide specific or measurable actions to solve the problem of the lack of basic skills in the economy. The Government appears to understand that this is a problem and we support the general aim of the Government to raise basic skills in the economy. However we consider this to be a persistent weakness of the Plan: that it contains good analysis but little constructive and tangible action.

17. ***Given the raft of existing metrics on basic skills, we recommend that the Government outlines what policies particularly in terms of improving productivity it will introduce to improve the basic skills of the workforce and clearly states how it will measure the success of these policies, which will also assist Parliament's scrutiny of this crucial area.***

Employability skills

18. We took evidence on the lack of 'employability skills' in new workers. Industry argued that addressing this would increase productivity because firms would not have to spend time and resources inducting new entrants to industry.[25] We do not believe that it is entirely the role of Government to prepare students for the world of work. While having work-ready entrants to the labour market directly out of education would have a positive impact on productivity, there is a wider purpose to education than employability. There is clearly a line to be drawn between the Government providing skills through education and businesses providing skills through training.

19. ***There are differing views on where the line should be as well as a lack of clarity between 'basic' and 'employability' skills but it is clear that the Government should be involved. We therefore recommend that the BIS Department works across the Government to enhance the employability skills that are acquired by school pupils, college and university students by looking to give work experience greater prominence in schools as part of a proper policy on information, advice and guidance. We particularly note and support the positive impact that enterprise initiatives can have in schools, such***

23 HM Treasury, *Fixing the foundations: Creating a more prosperous nation*, Cm9098, July 2015, p 15
24 For example Workers Educational Association (GPP 44) section 8
25 For example: Universities UK (GPP 17) & Workers Educational Association (GPP 44)

as the activities of the charity Young Enterprise. Again, it should publish a clear and quantifiable measure of success for this policy, against which it can be held to account.

Apprenticeships—Quantity

20. The Productivity Plan stated that "apprenticeships are a key part of some of the most successful skills systems across the world".[26] As such the Government appears to have placed apprenticeships at the heart of achieving productivity growth through improving the skills base of the economy. The Plan reiterated the Government's commitment to increase the number of apprenticeship starts over the course of the Parliament:

> The Government has therefore committed to significantly increasing the quantity and quality of apprenticeships in England to three million starts this Parliament, putting control of funding in the hands of employers.[27]

21. ***The Government has indicated that it is for businesses—not Government—to drive skills policy through demand. It is counterintuitive for the Government to set a quantitative target on the industry to provide three million apprenticeships while suggesting that the provision of skills must be employer-led. We support the principle of increasing the number of apprenticeships, but the target is something of a blunt and arbitrary tool. Given that apprentices are employed by firms, we recommend that the Government, in its response to this Report, sets out the rationale—and publishes the evidence base—for it setting a target of three million apprentice starts when that may run against what businesses actually require.***

Apprenticeships—Quality

22. We agree that every apprenticeship, no matter what level, should be of the highest quality. We were therefore pleased when the BIS Minister assured us that apprenticeships would now be "be a minimum of 12 months, and they will be qualityassured by virtue of the Enterprise Bill".[28] The Bill contains measures to "strengthen and protect the reputation of the apprenticeship brand for training providers, employers and apprentices".[29]

23. **There could be a policy trade-off between the Government achieving the three million apprenticeships target and the maintenance of apprenticeship quality. We believe that the Government is right to resist this temptation and will continue to keep a close eye on this part of skills policy.**

Apprenticeships—Level

24. The Minister of State for Small Business, Industry and Enterprise, Anna Soubry MP, said that the Government wanted to give industry the flexibility to choose the level of difficulty of those three million apprenticeships. However, she did state that the Government expected businesses to use apprenticeships to fill higher positions:

26 HM Treasury, *Fixing the foundations: Creating a more prosperous nation*, Cm9098, July 2015, p 24
27 HM Treasury, *Fixing the foundations: Creating a more prosperous nation*, Cm9098, July 2015, p 24
28 Q156
29 Department of Business, Innovation and Skills, *Enterprise Bill: summary factsheet*, BIS/15/498, accessed 30 November 2015

> We have set no target other than the overall three million target, since delivery is up to employers and they will set the level of their own apprenticeships.[…] Our expectation is that employers will see apprenticeships as a way of filling higher level positions and will set standards accordingly.[30]

25. **Within the three million new apprenticeships there are no numerical targets for apprenticeships at particular levels but only on the total quantity. Much of the evidence that we received suggested that there remained a skills gap in the UK, which advanced and higher (level 3 and 4) apprenticeships could contribute to fill.** ***We recommend that the Government works with businesses and individual sectors to make a preliminary assessment of how the three million apprenticeships will be broken down by level and publishes the result of this work. While we accept that the Secretary of State did not want to be too prescriptive, the lack of this analysis reinforces the view that Ministers have not given enough thought to how different types of apprenticeships can best fill the skills gaps that exist.***

Apprenticeships—Levy

26. One of the most significant announcements, in terms of skills, of the Summer Budget 2015 was the proposed introduction of an apprenticeship levy. This was explained further in the Productivity Plan:

> The levy will apply to large employers and will support all post-16 apprenticeships. In England, any firm will be able get back more than it puts in by training sufficient apprentices. The government will put control of the funding in the hands of employers via the digital voucher scheme to ensure that it delivers the training they need.[31]

27. The 2015 Spending Review gave further details about the implementation of the levy:

> The apprenticeship levy on larger employers announced in the Summer Budget will be introduced in April 2017. It will be set at a rate of 0.5 per cent of an employer's paybill. Each employer will receive an allowance of £15,000 to offset against their levy payment. This means that the levy will only be paid on any paybill in excess of £3 million and that less than 2 per cent of UK employers will pay it.[32]

The Government's 2020 Vision for English apprenticeships document, published on 7 December 2015 confirmed the rationale for introducing the apprenticeship levy, concluding that businesses needed a long-term incentive to invest in its workforce.[33]

28. **The design of the apprenticeship levy must recognise that some businesses invest heavily in training and development but have a smaller proportion of apprentices because of a smaller need in that business. It is for each employer to determine what is required, based upon their assessment of their sector.** ***We recommend that the***

30 Letter from the Minister of State for Small Business, Industry and Enterprise to the Chair of the Business, Innovation and Skills Committee, 6 December 2015

31 HM Treasury, *Fixing the foundations: Creating a more prosperous nation*, Cm9098, July 2015, p 25

32 HM Treasury, Spending Review and Autumn Statement (November 2015), p 45

33 Department for Business, Innovation and Skills, *English Apprenticeships: Our 2020 Vision*, BIS/15/604, December 2015, p6

Government consults with industry to ensure that the apprenticeship levy is implemented in such a way as to allow sectors to invest in skills through different qualifications and training methods applicable to their specific needs. We further recommend that the Government publishes the result of these consultations.

Parity of esteem in education and training

29. The Productivity Plan stated that there was evidence of insufficient or ineffective investment in developing and improving the basic and intermediate skills of the workforce, stating that this was particularly true in "technical and vocational skills" which was restricting productivity growth.[34] During our inquiry, we heard that there remains an imbalance between vocational and academic training. To that end, we welcome the measures in the Enterprise Bill that give apprenticeships the same legal protection and status as university degrees. However, there remains a mismatch in the level and types of skills required by the economy which could be narrowed by addressing the perceived distinction between 'formal' Higher Education and 'vocational' Further Education.

30. ***The Government's funding of Further Education and Higher Education does not indicate a parity of esteem. We recommend that the Government does more to balance the perception of the benefits of College and vocational education against those of higher education, and should do more to promote both as attractive career paths and as good drivers of productivity. Vocational education is key to improving productivity and we recommend that the Government clearly outlines how it will ensure that this is recognised in terms of policy priority and funding streams. Achieving this will help to close the skills gap and the Government should publish a clear business-plan to achieve this. This plan should include tangible policies and measurable indicators of success.***

Skills, students and visas

31. We received evidence about the issue of students and visas. This is relevant to productivity growth because, as we heard, it may be the case that the most suitable graduate for a job could be prevented from working because he or she is not able to meet the stringent visa requirements within the time-frame required. It is also likely to be the case that a number of small and medium-sized businesses either lack the expertise of getting a sponsor licence or cannot pay the basic 'entrant' salary required in order to secure the most productive candidate for a vacancy, if that candidate happens to be a foreign graduate. It is therefore regrettable that the Productivity Plan makes no mention of this issue. This is not a question of foreign labour 'crowding out' domestic workers or suppressing local wages in certain areas or sectors. It is a matter of the business opportunities that this country might miss and the skills, improved productivity and wealth creation foregone by this country and transferred instead to our economic competitors.

32. ***We recommend that the Government does not allow migration pressures to influence student or post-study visa decisions. Specifically, it should relax the post-study visa restrictions. It is illogical to educate foreign students to one of the highest standards in the world only for them to leave before they have had an opportunity to contribute to the UK economy.***

34 HM Treasury, *Fixing the foundations: Creating a more prosperous nation*, Cm9098, July 2015, p 80

Investment in Research & Development

33. A key section of the Productivity Plan was around the area of long-term investment to drive productivity growth, particularly focussing on "high-quality science and innovation, spreading fast".[35] This was followed up on 25 November when the Comprehensive Spending Review confirmed that the Government would protect the resource budget for science in real terms.[36] We note that Science and Technology Committee recently reported on the Science Budget. Its Report noted that in 2002 the European Council "adopted a target of spending three per cent of GDP on public and private sector R&D".[37] It further stated that:

> Publicly funded R&D creates a strong 'multiplier effect' and 'crowds-in' private sector, charitable and inward investment, stimulating around 30 per cent more self-investment from industry.[38]

That Committee reported that the United Kingdom's "level of public and private R&D investment has been internationally low and falling", stating that in 2012, it only invested 1.72 per cent of GDP into R&D.[39]

34. ***We have heard strong evidence throughout our inquiry into the Productivity Plan that public spending on R&D draws in private spending on R&D. This is a model operated around the world by the UK's major competitors. We fully agree with the Science and Technology Committee's recommendations on maintaining good R&D investment in the UK and echo that, if the Government is serious about productivity and competitiveness, it needs to commit to a total level of public and private R&D investment in the United Kingdom of three per cent of Gross Domestic Product. We therefore recommend that the Government produces a 'roadmap' for increasing the total level of public and private R&D investment in the United Kingdom to three per cent of Gross Domestic Product.***

The role of Business and Government

35. On 25 November 2015, the Government announced that a shift from the previous system of R&D grants to one of loans:

> The Government will introduce new finance products to support companies to innovate following best practice in countries such as France, Finland and the Netherlands. These will replace some existing Innovate UK grants, and reach £165 million per year by 2019–20, so that total Innovate UK support is maintained in cash terms.[40]

36. **The Government has announced a clear shift from R&D grants for private investors from a system of 'R&D grants' to a system of 'R&D loans'. We heard anecdotal testimony of the Minister that businesses she had spoken to had stated that they would prefer to take out a loan (that they have to pay back) rather than be given a grant (that they do not).[41] We struggle to accept that the majority of rational businesses in the UK share that view.** ***We therefore recommend that the Government provides:***

35 HM Treasury, *Fixing the foundations: Creating a more prosperous nation*, Cm9098, July 2015, p 37
36 HM Treasury, Spending Review and Autumn Statement (November 2015), p 47
37 Science and Technology Committee, First Report of Session 2015–16, The science budget, HC 340, para 30
38 Science and Technology Committee, First Report of Session 2015–16, The science budget, HC 340, para 32
39 Science and Technology Committee, First Report of Session 2015–16, The science budget, HC 340, para 23
40 HM Treasury, Spending Review and Autumn Statement (November 2015), p 93
41 Q168

(1) ***The clear rationale for moving R&D grants to loans.***

(2) ***The modelling done with a clear statement that the Government expects this to result in more/same/less private investment in R&D.***

(3) ***What proportion of current public investment in R&D it will convert to R&D loans from previous R&D grants.***

(4) ***What proportion of R&D loans it expects to be repaid (i.e. the equivalent RAB charge[42] in relation to student loans).***

Protected sectors

37. The Comprehensive Spending Review did select two sectors for protected funding. The Government said that it was:

> Prioritising key growth and productivity objectives by protecting science resource funding in real terms, and maintaining Innovate UK support for businesses and funding for aerospace and automotive technologies in cash terms.[43]

The Government confirmed that it would commit to "funding aerospace and automotive technologies for 10 years. This will provide over £1 billion additional funding for innovation in these sectors".[44] We note the Secretary of State's comments that he did not want to be "in a position where it looks like the Government has favourites and therefore we do not care about other industries".[45] It is important that businesses and sectors understand the regulatory and government support landscape in which they operate. If the objective is to raise productivity then the Government should be clear why it is protecting certain industries from the shift from R&D grants to loans and not others.

38. ***We welcome the certainty provided for aerospace and automotive sectors in maintaining grants and pushing them out until 2025. This will create certainty for the long-term which is likely to consolidate the United Kingdom's competitive advantage in these important sectors. However, we look to the Government to provide such certainty across the economy and we recommend that the Government provides the rationale behind selecting these two sectors and explains why not others.***

Entrepreneurs and Small Businesses

39. The Productivity Plan states that "entrepreneurs can be vital sources of competition and disruptive innovation, driving productivity by ensuring that firms continually strive to improve their efficiency and better meet customers' needs".[46] It is important, therefore, that the UK has an economy where successful small businesses can scale-up into successful larger businesses. Only by doing so will the economy experience sustainable GDP growth,

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42 The Resource Accounting and Budgeting (RAB) charge is the estimated cost to Government of borrowing to support the student finance system. It is based on future loan write-offs and interest subsidies in net present value terms.

43 HM Treasury, Spending Review and Autumn Statement (November 2015), p 92

44 HM Treasury, Spending Review and Autumn Statement (November 2015), p 92

45 http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/business-innovation-and-skills-committee/work-of-the-department-for-business-innovation-and-skills/oral/23106.html

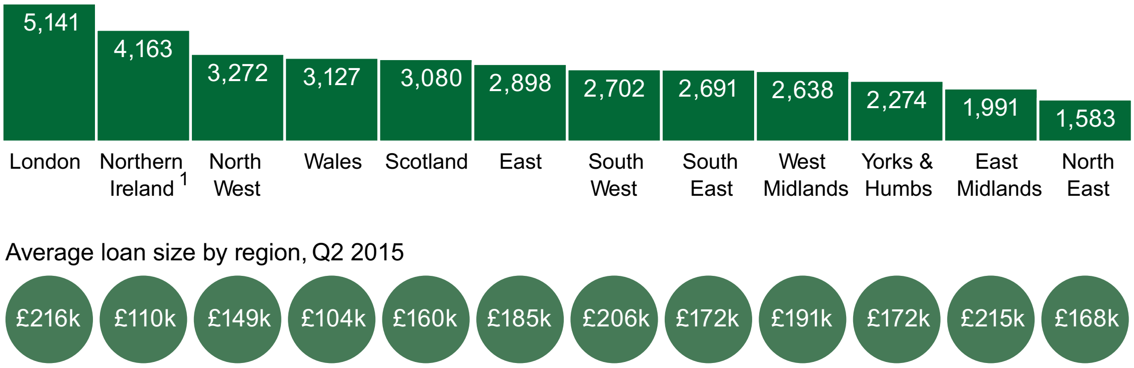
46 HM Treasury, *Fixing the foundations: Creating a more prosperous nation*, Cm9098, July 2015, p 61

employment and higher exports. Helping small businesses to improve their productivity will benefit the whole economy.

Access to finance

40. A recent Report, produced jointly by Goldman Sachs and the British Business Bank found that small businesses should be encouraged to grow, as there was some hesitancy in ambition which served as a warning that policies should avoid dampening that ambition further.[47] We also note the 2015 Report published by Octopus Investments which stated that "high growth small businesses have common needs: finance, talent and connectivity. These are readily available in London and the South East."[48] That Report stated that such needs were not provided for in other UK regions and nations.

Figure 3: Number of SME loan facilities approved, Q2 2015



NOTE: [1]DATA FOR NORTHERN IRELAND RELATES TO Q1 2015
SOURCE: BRITISH BANKERS' ASSOCIATION

Furthermore, Small businesses continue to experience difficultly accessing capital because many of our most entrepreneurial businesses are operating in a part of the economy in which traditional financial intermediaries are not able to price risk effectively. Professor Haskel explained that:

> In the current banking system, [companies that want to grow] are really up against it in terms of trying to borrow in order to enter, because they often cannot secure loans against these intangible assets.[49]

41. **The changing nature of the economy means that the new generation of entrepreneurs are still struggling with appropriate access to finance. We have heard that investors still struggle to understand the development of new business models and intangible assets. This means that too little capital is provided, often at too high a price. The United Kingdom is at the centre of global financial markets and is well placed to ensure that this failure is addressed. We are concerned that competing financial markets around the world have the potential to steal the march on us with the subsequent detrimental impact upon this country's growth and productivity potential. *The Government should provide more clarity than is in its Productivity Plan as to how it plans to address this market failure helping to match growth funding to firms with high growth and productivity potential.***

47 Goldman Sachs, Unlocking UK Productivity (November 2015)
48 Octopus Investments, Octopus High Growth Small Business Report 2015 (2015)
49 Q28 [Professor Haskel]

Catapult Centres

42. The Productivity Plan discusses the role of Catapult Centres and how it envisages them improving UK productivity in the future. We agree with the Government that "a Catapult might be the right way to ensure the UK is at the forefront of commercialising technologies which offer global opportunities".[50] We were pleased when, on the 25 November, the Chancellor of the Exchequer announced in the Comprehensive Spending Review that funding for Catapult centres would increase:

> The Spending Review and Autumn Statement increases investment in catapult centres and protects and extends funding for the Aerospace Technology Institute (ATI) and the Advanced Propulsion Centre (APC).[51]

43. ***We recommend that the Government provides more specific detail on that increased funding and outlines how it will support them to maximise the benefits to businesses and the engagement with research centres and the collaborative benefits that catapult centres can have.***

Management Skills

44. One specific area where we heard that the United Kingdom was weak in terms of productivity was in management and leadership skills. The Productivity Plan commented that:

> The UK has a thriving entrepreneurial culture relative to the rest of Europe, but lags behind the US. In particular, many businesses recognise that their management and leadership capabilities need to improve. According to some academics, one quarter of the productivity gap between the UK and the US is associated with such capabilities.[52]

The Government has announced a specific employer-led degree-level apprenticeships in leadership and management. Lord Young, the Prime Minister's Enterprise Adviser, was reported as saying that the Government had supported the "development of a degree-level management apprenticeship, which will bring together the very best of higher education and work-based learning".[53] He described the apprenticeship as "a new route for ensuring [businesses] have highly skilled managers to help grow their businesses and boost the economy".[54]

45. ***Given that one quarter of the productivity gap between the UK and the US is associated with poor management we recommend that the Government does much more to address the management gaps in the economy among companies. To that extent, we welcome the new degree-level apprenticeship in professional management and we recommend that the Government provides detail about the content and expected number of apprenticeships that will be provided. However, this is such a significant issue that the solution will not be found in one new course and we recommend that the***

50 HM Treasury, *Fixing the foundations: Creating a more prosperous nation*, Cm9098, July 2015, p 39
51 HM Treasury, Spending Review and Autumn Statement (November 2015), p 53
52 HM Treasury, *Fixing the foundations: Creating a more prosperous nation*, Cm9098, July 2015, p 62
53 Chartered Management Institute, 'New degree level apprenticeship scheme for professional managers,' accessed 1 December 2015
54 Chartered Management Institute, 'New degree level apprenticeship scheme for professional managers,' accessed 1 December 2015

Government, in its response to this Report, outlines what further steps it will take to raise the management capability within the economy.

National Infrastructure Commission

46. Policies encouraging long-term investment are key to the Productivity Plan and to productivity growth. The Productivity Plan states that "investment is an essential part of raising productivity. In today's economy that is not simply a matter of increasing the stock of machines, equipment and essential physical infrastructure but also, crucially, the development of human and intellectual capital".[55] As such, the Chancellor of the Exchequer announced that many decisions around infrastructure would be distanced from the political sphere via the creation of the National Infrastructure Commission. He said that:

> The Commission will calmly and dispassionately assess the future infrastructure needs of the country and it will hold any government's feet to the fire if it fails to deliver.[56]

The Government said that the Commission will be an "independent body that enables long term strategic decision making to build effective and efficient infrastructure for the UK".[57] The Government is currently seeking views on the governance, structure and operation of the National Infrastructure Commission, with its consultations closing on 17 March 2016. The consultation document states that:

> The commission will analyse the UK's strategic infrastructure needs and priorities over a long-term horizon (generally expected to be around 10 to 30 years), and then articulate those needs in a National Infrastructure Assessment.
>
> Assessments produced by the commission will be laid before Parliament and HM Treasury will be required to respond on behalf of the government, detailing how the government will take the recommendations forward. Where the government disagrees with a recommendation on how to meet identified needs, its response will set out the reasons for this disagreement, and outline what other measures it proposes or what its alternative assessment is.[58]

47. **We broadly welcome the introduction of the National Infrastructure Commission and believe that transparency is crucial for it to be effective at attracting private investment, especially for the long-term. The National Infrastructure Commission is independent and must therefore be accountable to Parliament. We will monitor the work of the Commission. In particular, successful interaction between the Commission and Government is crucial to ensuring infrastructure projects are properly resourced and effectively implemented to the benefit of the UK economy.**

55 HM Treasury, *Fixing the foundations: Creating a more prosperous nation*, Cm9098, July 2015, p 15
56 National Infrastructure Commission, 'Chancellor announces major plan to get Britain building,' accessed 1 December 2015
57 National Infrastructure Commission, 'About us,' accessed 1 December 2015
58 National Infrastructure Commission, National Infrastructure Commission call for evidence (November 2015)

Annual Investment Allowance

48. We heard that one of the best ways to enabling long-term private investment was to provide consistency and certainty when making policies.[59] The Summer Budget 2015 confirmed a specific policy designed to encourage private investment. The Chancellor of the Exchequer announced that he would reverse a proposed reduction in the Annual Investment Allowance because:

> That would especially hit middle-sized companies in areas like manufacturing and agriculture that we want to do more to build up in Britain.[60]

The Productivity Plan confirmed that "from January next year the government will increase the permanent level of the Annual Investment Allowance to £200,000, its highest ever permanent level".[61]

49. **We strongly welcome the certainty created by securing the Annual Investment Allowance and praise the Government for introducing this measure. This is an example of a specific and tangible policy that provides the certainty that allows and encourages investment for the long term which we believe will have a positive impact on boosting productivity. We will continue to monitor government policies designed to encourage and incentivise a healthy balance between public and private investment in the economy.**

Digital investment

50. A good deal of the evidence that we received focussed on the role of 'digital infrastructure'. For example the Federation of Small Businesses described how "the internet has fundamentally changed the world of business".[62]

51. **While we have not reported in detail on this topic here, the evidence that we received will feed into our parallel inquiry into the 'Digital Economy'. We are also aware that our inquiry complements the Culture, Media and Sport Committee's inquiry into 'establishing world-class connectivity throughout the UK' and we have published all evidence received so that it may be used to inform Parliament more widely.**

59 For example British Chambers of Commerce (GPP 94), Rolls-Royce plc (GPP 100), Creative Skillset (GPP 101) & Federation of Small Businesses (GPP 107)

60 HM Treasury, 'Speech: Chancellor George Osborne's Summer Budget 2015 speech,' accessed 1 December 2015

61 HM Treasury, *Fixing the foundations: Creating a more prosperous nation*, Cm9098, July 2015, page 19

62 Federation of Small businesses (GPP 107)

3 Conclusion

52. The Government's Productivity Plan was launched in July 2015. The Government considers it to be the "first devoted sign of such a specific commitment to all the issues that are relevant for productivity". We welcome the Government's focus on productivity. When it comes to the success of British businesses and the UK economy, we share the aspiration of the Government that the Plan is a success. That is why our first announced inquiry was into the Plan and it we will continue to scrutinise its implementation throughout the Parliament.

53. However we are concerned that the document has been described by many businesses as being too vague and long a document to be practical, and that its lack of specific and measurable policies means that there is a risk that the document is destined to collect dust on bookshelves across Whitehall. We have recommended that the Government produces a clear supplementary document outlining the proposed implementation and measure of success of each policy in the Productivity Plan. The Chancellor of the Exchequer published his Spending Review and Autumn Statement 2015 towards the end of our inquiry and we conclude this Report by considering whether and how that Review has moved the Productivity Plan forward.

54. First, there are many aspects we welcome. We commend the Chancellor for confirming that the Annual Investment Allowance will be maintained at a permanent level of £200,000 a year. We received a wealth of evidence asking for clarity and certainly to give the private sector the confidence to make capital and innovative investments and this is a specific and tangible policy that provides such certainty. We also welcome the increased funding for Catapult centres. We believe that these institutions provide a valuable service to businesses looking to cross the 'valley of death' and have a positive wider impact on the innovation and productivity of the economy.

55. Secondly, there are some measures in the 2015 Spending Review that we welcome in principle, but on which we seek more detail. For example, the Government has announced that it will push forward with its ambitious target of achieving three million apprenticeship starts by 2020. We welcome the Government's desire to close the skills gap by encouraging vocational training. However, it appears that the Government has not consulted with, or considered the impact that this policy will have on, industry. Three million apprentices is a significant commitment to place on businesses and we are concerned that this is a decision that has been made with no consideration for what type of training businesses actually want to facilitate. The Government also announced that it will be funding this aspiration via a levy across all large businesses. Given that the Government has suggested that the skills agenda in the economy should be demand-led, we do not believe that the Chancellor has provided enough detail about how the levy will be implemented in a way that adequately protects those sectors that—for legitimate reasons—do not use apprentices.

56. Finally, there are some measures in the 2015 Spending Review that do not promote productivity. Specifically we were concerned to note that the Government has announced that £165 million per year that was given to businesses as an R&D grant to promote investment and crowding-in, will be converted to loans. We find it difficult to accept that many businesses prefer to pay back a loan, rather than receive a grant and are concerned that this will discourage businesses from taking the risk to invest in R&D. The Government

should explain how this will help boost R&D investment and provide specific evidence of the rationale behind this shift in policy.

57. The Productivity Plan is a long and broad document. The Committee's inquiry has looked at the three main themes of skills, innovation and investment. This Report makes recommendations with the objective of seeing the Productivity Plan succeed and to add value to the policies of the Department. We will continue to monitor specific policies of the Department for Business, Innovation and Skills. The Secretary of State said that "boosting productivity is the economic challenge of our age". Scrutinising the Department's response to it is our challenge for the Parliament.

Conclusions and Recommendations

Implementation of the Productivity Plan

1. The Government is right to be concerned by the lack of productivity growth in the United Kingdom and the Committee welcomes the Government's focus on this issue. We endorse the analysis of the problem in the Plan. However, we question whether the document has sufficient focus and clear, measurable objectives to be called a 'plan'. This broad and expansive document represents more of an assortment of largely existing policies collected together in one place than a new plan for ambitious productivity growth. (Paragraph 6)

2. While the Productivity Plan holds many commitments for future actions, there are few clear timelines. Greater certainty could be achieved if these policies had clear milestones for implementation and success. *We therefore recommend that the Government produces a clear supplementary document outlining the proposed implementation and measure of success of each policy in the Productivity Plan, regularly updated with progress against key milestones and dates. We note that of the 16 chapters of policy areas in the Plan, very few have usable measures of performance. Only once the Government publishes quantifiable metrics of success and a roadmap to implementation of the policies contained within the Plan, will Parliament be able to hold Ministers to account.* (Paragraph 10)

3. Our conversations with the Ministers and subsequent analysis has led us to conclude that the ministerial engagement in the implementation of the Productivity Plan is far too weak. We are concerned that the cross-departmental implementation work for what is meant to be a key part of government economic policy has been left to officials holding periodic meetings. Effective coordination, ministerial direction and political leadership all need to be much clearer and stronger. We are concerned that, without the discipline of regular cross-departmental ministerial accountability, there is insufficient ministerial focus on the implementation of the Productivity Plan. (Pargraph 14)

Policies in the Productivity Plan

4. *Given the raft of existing metrics on basic skills, we recommend that the Government outlines what policies particularly in terms of improving productivity it will introduce to improve the basic skills of the workforce and clearly states how it will measure the success of these policies, which will also assist Parliament's scrutiny of this crucial area.* (Paragraph 17)

5. *There are differing views on where the line should be as well as a lack of clarity between 'basic' and 'employability' skills but it is clear that the Government should be involved. We therefore recommend that the BIS Department works across the Government to enhance the employability skills that are acquired by school pupils, college and university students by looking to give work experience greater prominence in schools as part of a proper policy on information, advice and guidance. We particularly note and support the positive impact that enterprise initiatives can have in schools, such as the activities of the charity Young Enterprise. Again, it should publish a clear and*

quantifiable measure of success for this policy, against which it can be held to account. (Paragraph 19)

6. *The Government has indicated that it is for businesses—not Government—to drive skills policy through demand. It is counterintuitive for the Government to set a quantitative target on the industry to provide three million apprenticeships while suggesting that the provision of skills must be employer-led. We support the principle of increasing the number of apprenticeships, but the target is something of a blunt and arbitrary tool. Given that apprentices are employed by firms, we recommend that the Government, in its response to this Report, sets out the rationale—and publishes the evidence base—for it setting a target of three million apprentice starts when that may run against what businesses actually require.* (Paragraph 21)

7. There could be a policy trade-off between the Government achieving the three million apprenticeships target and the maintenance of apprenticeship quality. We believe that the Government is right to resist this temptation and will continue to keep a close eye on this part of skills policy. (Paragraph 23)

8. Within the three million new apprenticeships there are no numerical targets for apprenticeships at particular levels but only on the total quantity. Much of the evidence that we received suggested that there remained a skills gap in the UK, which advanced and higher (level 3 and 4) apprenticeships could contribute to fill. *We recommend that the Government works with businesses and individual sectors to make a preliminary assessment of how the three million apprenticeships will be broken down by level and publishes the result of this work. While we accept that the Secretary of State did not want to be too prescriptive, the lack of this analysis reinforces the view that Ministers have not given enough thought to how different types of apprenticeships can best fill the skills gaps that exist.* (Paragraph 25)

9. The design of the apprenticeship levy must recognise that some businesses invest heavily in training and development but have a smaller proportion of apprentices because of a smaller need in that business. It is for each employer to determine what is required, based upon their assessment of their sector. *We recommend that the Government consults with industry to ensure that the apprenticeship levy is implemented in such a way as to allow sectors to invest in skills through different qualifications and training methods applicable to their specific needs. We further recommend that the Government publishes the result of these consultations.* (Paragraph 28)

10. *The Government's funding of Further Education and Higher Education does not indicate a parity of esteem. We recommend that the Government does more to balance the perception of the benefits of College and vocational education against those of higher education, and should do more to promote both as attractive career paths and as good drivers of productivity. Vocational education is key to improving productivity and we recommend that the Government clearly outlines how it will ensure that this is recognised in terms of policy priority and funding streams. Achieving this will help to close the skills gap and the Government should publish a clear business-plan to achieve this. This plan should include tangible policies and measurable indicators of success.* (Paragraph 30)

11. *We recommend that the Government does not allow migration pressures to influence student or post-study visa decisions. Specifically, it should relax the post-study visa restrictions. It is illogical to educate foreign students to one of the highest standards in the world only for them to leave before they have had an opportunity to contribute to the UK economy.* (Paragraph 32)

12. *We have heard strong evidence throughout our inquiry into the Productivity Plan that public spending on R&D draws in private spending on R&D. This is a model operated around the world by the UK's major competitors. We fully agree with the Science and Technology Committee's recommendations on maintaining good R&D investment in the UK and echo that, if the Government is serious about productivity and competitiveness, it needs to commit to a total level of public and private R&D investment in the United Kingdom of three per cent of Gross Domestic Product. We therefore recommend that the Government produces a 'roadmap' for increasing the total level of public and private R&D investment in the United Kingdom to three per cent of Gross Domestic Product.* (Paragraph 34)

13. The Government has announced a clear shift from R&D grants for private investors from a system of 'R&D grants' to a system of 'R&D loans'. We heard anecdotal testimony of the Minister that businesses she had spoken to had stated that they would prefer to take out a loan (that they have to pay back) rather than be given a grant (that they do not).[63] We struggle to accept that the majority of rational businesses in the UK share that view. *We therefore recommend that the Government provides:*

    (1) *The clear rationale for moving R&D grants to loans.*

    (2) *The modelling done with a clear statement that the Government expects this to result in more/same/less private investment in R&D.*

    (3) *What proportion of current public investment in R&D it will convert to R&D loans from previous R&D grants.*

    (4) *What proportion of R&D loans it expects to be repaid (i.e. the equivalent RAB charge64 in relation to student loans).* (Paragraph 36)

14. *We welcome the certainty provided for aerospace and automotive sectors in maintaining grants and pushing them out until 2025. This will create certainty for the long-term which is likely to consolidate the United Kingdom's competitive advantage in these important sectors. However, we look to the Government to provide such certainty across the economy and we recommend that the Government provides the rationale behind selecting these two sectors and explains why not others. (Paragraph 38)*

15. The changing nature of the economy means that the new generation of entrepreneurs are still struggling with appropriate access to finance. We have heard that investors still struggle to understand the development of new business models and intangible assets. This means that too little capital is provided, often at too high a price. The United Kingdom is at the centre of global financial markets and is well placed to

63 Q168

64 The Resource Accounting and Budgeting (RAB) charge is the estimated cost to Government of borrowing to support the student finance system. It is based on future loan write-offs and interest subsidies in net present value terms.

ensure that this failure is addressed. We are concerned that competing financial markets around the world have the potential to steal the march on us with the subsequent detrimental impact upon this country's growth and productivity potential. *The Government should provide more clarity than is in its Productivity Plan as to how it plans to address this market failure helping to match growth funding to firms with high growth and productivity potential.* (Paragraph 41)

16. *We recommend that the Government provides more specific detail on that increased funding and outlines how it will support them to maximise the benefits to businesses and the engagement with research centres and the collaborative benefits that catapult centres can have.* (Paragraph 43)

17. *Given that one quarter of the productivity gap between the UK and the US is associated with poor management we recommend that the Government does much more to address the management gaps in the economy among companies. To that extent, we welcome the new degree-level apprenticeship in professional management and we recommend that the Government provides detail about the content and expected number of apprenticeships that will be provided. However, this is such a significant issue that the solution will not be found in one new course and we recommend that the Government, in its response to this Report, outlines what further steps it will take to raise the management capability within the economy.* (Paragraph 45)

18. We broadly welcome the introduction of the National Infrastructure Commission and believe that transparency is crucial for it to be effective at attracting private investment, especially for the long-term. The National Infrastructure Commission is independent and must therefore be accountable to Parliament. We will monitor the work of the Commission. In particular, successful interaction between the Commission and Government is crucial to ensuring infrastructure projects are properly resourced and effectively implemented to the benefit of the UK economy. (Paragraph 47)

19. We strongly welcome the certainty created by securing the Annual Investment Allowance and praise the Government for introducing this measure. This is an example of a specific and tangible policy that provides the certainty that allows and encourages investment for the long term which we believe will have a positive impact on boosting productivity. We will continue to monitor government policies designed to encourage and incentivise a healthy balance between public and private investment in the economy. (Paragraph 49)

20. While we have not reported in detail on this topic here, the evidence that we received will feed into our parallel inquiry into the 'Digital Economy'. We are also aware that our inquiry complements the Culture, Media and Sport Committee's inquiry into 'establishing world-class connectivity throughout the UK' and we have published all evidence received so that it may be used to inform Parliament more widely. (Paragraph 51)

Formal Minutes

Tuesday 26 January 2016

Members present:

Mr Iain Wright, in the Chair

Paul Blomfield
Richard Fuller
Peter Kyle
Amanda Milling
Jo Stevens
Michelle Thomson
Craig Tracey
Chris White

Draft Report (*The Government's Productivity Plan*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 57 read and agreed to.

Resolved, That the Report be the Second Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

Written evidence was ordered to be reported to the House for publishing with the Report (in addition to that ordered to be reported for publishing on 15 September, 13 October and 3 November).

[Adjourned till Tuesday 2 February at 9.00 am

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the Committee's inquiry web page.

Tuesday 13 October 2015

	Question number
Anna Valero, Research Economist (Growth), London School of Economics, **Miguel Coelho**, Fellow, Institute for Government, **Rebecca Riley**, Head of Productivity Group, National Institute of Economic and Social Research, **Jen Rae**, Senior Policy Advisor (Innovation policy), NESTA and Professor **Jonathan Haskel**, Chair in Economics, Imperial College Business School	Q1–29
Rain Newton-Smith, Director of Economics, Confederation of British Industry, **Stephen Ibbotson**, Director of Business, Institute of Chartered Accountants in England and Wales, **Allan E Cook CBE**, Chairman, ATKINS, and Vice President, Royal Academy of Engineering and **Kenny Richmond**, Economics Director, Scottish Enterprise	Q30–41
Mike Cherry, Policy Director, Federation of Small Businesses, **Michael Mercieca**, Chief Executive, Young Enterprise, **Omar Farag**, Director of Operations, The Box of T Ltd (PHOM) and **Helen Wooldridge**, Co-Founder and Director, Cuddledry Ltd	Q41–53

Tuesday 20 October 2015

Sian Foster, General Manager of Government and External Affairs, Virgin Atlantic Ltd, **Stephen Harris**, Chief Corporate and Strategy Officer, EE and **Paul Harris**, Director of Economic Development, Rolls Royce plc	Q54–93
Peter Horrocks CBE, Vice-Chancellor, Open University, **Professor Dave Phoenix OBE**, Chair, Million+ and Vice-Chancellor, London South Bank University, **Mike Dawe**, Group Board Director, City & Guilds and **Harvey Young**, Chairman, National Consortium of Colleges and Providers	Q94–114
Dr Ruth McKernan CBE, Chief Executive, Innovate UK, **Dick Elsy**, Chief Executive Officer, High Value Manufacturing Catapult, **David Harbourne**, Acting Chief Executive Officer, Edge Foundation and **Professor Richard Brook OBE**, President, Association of Innovation, Research and Technology Organisations	Q115–129

Tuesday 3 November 2015

Rt Hon Anna Soubry MP, Minister for Small Business, Industry and Enterprise, Department for Business, Innovation and Skills and **Lord O'Neill of Gatley**, Commercial Secretary to the Treasury, Her Majesty's Treasury	Q130–198

Published written evidence

The following written evidence was received and can be viewed on the Committee's inquiry web page. GPP numbers are generated by the evidence processing system and so may not be complete.

1 ABPI (GPP0051)

2 Academy of Medical Sciences (GPP0024)

3 ADS Group (GPP0053)

4 Aerospace Technology Institute (ATI) (GPP0016)

5 Aggregate Industries UK Limited (GPP0045)

6 Airbus Group UK (GPP0075)

7 Airport Operators Association (GPP0004)

8 Airto (GPP0114)

9 All-Party Parliamentary Manufacturing Group (GPP0038)

10 Association of Convenience Stores (GPP0052)

11 Association of Employment and Learning Providers (AELP) (GPP0116)

12 Association of School and College Leaders (GPP0081)

13 Aviva Investors (GPP0111)

14 Bikal Distribution Gkb Limited (GPP0001)

15 British Academy (GPP0088)

16 British Air Transport Association (GPP0007)

17 British Beer & Pub Association (GPP0069)

18 British Chambers of Commerce (GPP0094)

19 British Printing Industries Federation (GPP0010)

20 British Standards Institution (GPP0050)

21 Buckinghamshire Business First (GPP0085)

22 Bupa UK (GPP0042)

23 Campaign for Science and Engineering (GPP0040)

24 CBI (GPP0041)

25 Cedos-Adept (GPP0027)

26 CEP, LSE (GPP0039)

27 Chartered Institute for Archaeologists (Cifa) (GPP0018)

28 Chartered Institution of Highways and Transportation (CIHT) (GPP0055)

29 Chartered Trading Standards Institute (GPP0072)

30 CIPD (GPP0078)

31 City & Guilds (GPP0015)

32 City of London Corporation (GPP0090)

33 Civil Engineering Contractors Association (GPP0003)

34 Construction Products Association (GPP0033)

35 Cornwall Council (GPP0112)
36 Country Land and Business Assn (CLA) (GPP0019)
37 Creative Skillset (GPP0101)
38 Design Council (GPP0080)
39 E.On (GPP0068)
40 Edge Foundation (GPP0014)
41 EE (GPP0115)
42 EEF (GPP0089)
43 Engineering and Machinery Alliance (EAMA) (GPP0034)
44 Engineering the Future (GPP0105)
45 Excellence, Achievement & Learning Limited (GPP0064)
46 Federation of Small Businesses (GPP0107)
47 Food and Drink Federation (GPP0076)
48 Forum of Private Business (GPP0046)
49 Gambica Association (GPP0110)
50 Greater London Authority (GPP0060)
51 Greater Manchester Combined Authority (GPP0049)
52 GuildHE (GPP0070)
53 HEFCE (Higher Education Funding Council For England) (GPP0031)
54 Historic England (GPP0035)
55 Hutchison 3G UK Limited (Three) (GPP0006)
56 ICAEW (GPP0022)
57 Innovate UK (GPP0096)
58 Institute for Family Business (GPP0020)
59 Institution of Civil Engineers (GPP0037)
60 Local Government Association (GPP0025)
61 London Biggin Hill Airport (GPP0013)
62 London Stock Exchange (GPP0103)
63 Microsoft (GPP0067)
64 Million+ (GPP0118)
65 Million+ (GPP0062)
66 Mixed Economy Group (GPP0092)
67 Mr Stephen Francis (GPP0032)
68 National Consortium of Colleges and Providers (NCCP) (GPP0008)
69 National Farmers Union England & Wales (GPP0056)
70 National Physical Laboratory (GPP0073)
71 NCG (GPP0065)
72 Nesta, ICBS and NIESR (GPP0084)

73 NIACE (GPP0093)

74 Nissan (GPP0119)

75 Payments UK (GPP0066)

76 PraxisUnico (GPP0047)

77 Professor Richard Jones (GPP0009)

78 Recruitment and Employment Confederation (GPP0036)

79 Rolls-Royce Plc (GPP0100)

80 Royal Instituion of Chartered Surveyors (GPP0099)

81 Royal Society of Chemistry (GPP0028)

82 Samsung UK (GPP0082)

83 Scottish Enterprise (GPP0102)

84 Semta (GPP0063)

85 Shropshire Council (GPP0011)

86 Simon Prescott (GPP0058)

87 Sky (GPP0097)

88 Society of Local Authority Chief Executives and Senior Managers (Solace Group) (GPP0079)

89 Society Of Motor Manufacturers And Traders (GPP0117)

90 Specialist Engineering Contractors' (Sec) Group (GPP0012)

91 Tata Steel UK (GPP0074)

92 TechUK (GPP0109)

93 Tees Valley Unlimited (Local Enterprise Partnership for Tees Valley) (GPP0021)

94 The Association for Decentralised Energy (GPP0086)

95 The Business Innovation Group LLP (GPP0048)

96 The Manufacturing Technologies Association (GPP0091)

97 The Open University (GPP0083)

98 The Royal Society (GPP0026)

99 Tinder Foundation (GPP0030)

100 Trades Union Congress (GPP0071)

101 UKB Networks (GPP0108)

102 Universities UK (GPP0017)

103 University Alliance (GPP0061)

104 Virgin Atlantic (GPP0005)

105 Workers' Educational Association (GPP0044)

106 Young Enterprise (GPP0104)

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the Committee's website at www.parliament.uk/bis.

Session 2015–16

First Report	The UK steel industry	HC 546
First Special Report	Competition in the postal services sector and the Universal Service Obligation: Responses to the Committee's Ninth Report of Session 2014–15	HC 447
First Joint Special Report	Education, skills and productivity: commissioned research	HC 565