

Midlothian and East Lothian Chamber of Commerce
Network Submission

ADVISORY GROUP ON ECONOMIC RECOVERY

Summary Document

VIEW FROM THE CHIEF EXECUTIVE

— *The Pathway To Recovery*

As a Chamber Network representing 12,000 businesses across Scotland, we believe that practical support must extend to every size of business, in every sector and geographical location in Scotland. No business should be left behind on the road to economic recovery. Specific focus and support should be provided to small and medium sized businesses which are the lifeblood of Scotland's economy and the beating heart of our local communities.

The Scottish and UK Government have played a central role in providing critical business support throughout this crisis. This role will have to continue through the recovery period and beyond. Both Governments should pursue strategic economic policy decisions to support business recovery.

The focus of such decisions should be on preserving jobs and activity within the economy, including measures to provide no or low-interest bridging help; trade finance; working capital loans with flexible and deferred terms; tax relief; loan payment relief; rent/lease relief; grants; wage subsidies for SMEs; skills and training; business support interventions; and fast-tracking infrastructure investment projects.

This document provides a summary of the practical business solutions and economic policies for the Scottish and UK Government to implement to support business recovery.

Keith Barbour | Joint CEO | Midlothian and East Lothian Chamber of Commerce



POSSIBLE ACTION

— Business must be at the heart of shaping and driving Scotland's economic recovery, and the following provides immediate business-led solutions to support this aim.

£ COST OF BUSINESS

- A two-year moratorium on policy measures;
- Temporary reduction of VAT for certain sectors;
- Reduction/removal of APD/ADT;
- Temporary LBTT reduction;
- Flexibility for loan repayments; and
- Bridging help for hardest-hit sectors.

🔧 SKILLS/WORKFORCE

- Creation of a Scottish jobs retention and retraining scheme;
- Skills Plans fit for economic purpose;
- Introduce modular training
- Strengthen employer element of DYW Scheme and treble funding; and
- Review and re-design of Apprenticeship offering.

🔗 BUSINESS SUPPORT

- Direct financial support continued and maintained;
- A "New Business Transition Service" to support the set-up of new businesses;
- Horizon Scanning opportunities matched with Scottish industry, led by business/economic agencies; and
- B2B Support via local Chambers.

📱 GUIDANCE

- Clear timetable of when businesses can reopen;
- Practical guidance for all sectors;
- Support to continue flexible working transition;
- Co-ordinating enabling services like schooling, childcare, and transport services.

MEDIUM TO LONG TERM GOALS

— The following provides medium to longer-term business led solutions to support, shape and drive Scotland's economic recovery.

£ COST OF BUSINESS

- Undertake a review of non-domestic rates and valuations in-line with the current economic environment;
- Reduction in personal taxation to boost consumer spending and confidence;
- Conduct a review of planning system to streamline processes and quicker decisions; and
- Review the Flexible Workforce Development Fund.

🔗 BUSINESS SUPPORT

- Re-calibration and triage of Scotland's enterprise/skills agencies and consolidate budgets and decision-making where appropriate;
- Creation of a Productivity Tsar from the business community to lead change;
- Devise business and sector recovery plans through Chamber network; and
- Review procurement policies to create a common and consistent approach.

🧠 SKILLS/WORKFORCE

- Employment grants to support long-term economic recovery;
- Introduction of a tertiary education and funding of skills interventions;
- Increased use of Bright Green Business (BGB) Graduate Programme;
- Expand graduate apprenticeships and develop shorter degree programmes; and
- Creation of a Virtual Learning Centre for Scotland.

CRITICAL ECONOMIC ENABLERS



INFRASTRUCTURE

- Bring forward strategic transport infrastructure projects;
- Remove parking charges in town centres temporarily;
- Re-design our cities and invest through a 'Covid City Deal' concept; and
- Investment in low-carbon transport infrastructure



TRADE/EXPORTING

- Private/public partnerships to grow Scotland's exports;
- Virtual B2B Trade Missions via Chambers;
- Prioritise air routes of strategic and economic importance;
- Development of voluntary Scottish Trade Ambassadors; and
- Protect Scotland's Export base.



4G/5G INVESTMENT

- 100% coverage of fast connectivity for all households and businesses by the end of 2020 latest; and
- A level 'digital' playing field for rural communities & businesses.



HOUSING

- Accelerate housebuilding to correct mix of private, mixed and social housing; and
- A temporary reduction and/or threshold change in LBTT to boost housing market.



RURAL SUPPORT

- Accelerate rural infrastructure investment projects such as 'An Camas Mor', the sister community in Aviemore; and
- Provide guaranteed support to see tourism businesses through the winter and survive beyond.



SUPPLY CHAINS

- Keep supply chains functional and cost-efficient for SMEs; and
- Development of local supply chains in partnership with business, local authorities and enterprise agencies.

READ FULL SUBMISSION AT
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