BCC: Businesses across the UK hobbled by mobile 'not-spots'

Today the BCC releases the results of its digital survey on mobile connectivity.

12 May 2017

Businesses in all parts of the UK, particularly rural areas, are experiencing full or partial 'not-spots' in their mobile coverage according to the results of a survey released today (Friday) by the British Chambers of Commerce (BCC).

The survey of over 1,400 businesses, found that 70% of firms experience mobile 'non-spots', areas of no mobile coverage by any operator, or 'partial not-spots', where there is some coverage but not from all networks, in their local area.

The findings show the proportion of companies based in rural areas which report such issues (91%) is considerably higher than those in inner cities (56%).

The results also show that 29% of businesses have unreliable mobile internet connections, with the figure rising to 54% in rural areas. The survey found that a considerable proportion of UK businesses are not accessing the highest connection speed, with only 42% of businesses reporting a 4G connection.

Other key findings of the survey are:

- 6% of companies still typically obtain a 2G connection and 25% a 3G connection
- Inner city firms (54%) are more likely to have 4G than those based in rural areas (25%)
- Big businesses are more likely to report 4G connections (57% of businesses with more than 500 employees) than their smaller counterparts (41% with 1-4 employees)

Dr Adam Marshall, Director General of the British Chambers of Commerce, said:

"All across the country businesspeople complain about patchy mobile coverage and unreliable internet connections in their local areas. Time and again, I hear from frustrated businesspeople who can't use their mobiles or access the internet when they need to — basic requirements for companies to work on the move, trade online, and connect with customers and suppliers.

"Rural businesses are particularly affected by poor mobile coverage and connectivity, but our research shows that 'not-spots' are prevalent across the UK. It's incredible to hear that in this day and age there are even places in the City of London where businesses can't get reliable coverage.

"Some of the solutions are obvious. Relaxing planning laws to allow for taller masts would be a quick win for the next government to help improve mobile coverage.

"As the regulator, Ofcom must do more to hold providers to account for the services advertised to business customers, and put in place remedies that are as strong for business users as they are for individual consumers. According to their rules, virtually all UK premises must receive 4G signal by the end of the year, but the results of our research suggest that we're a long way off achieving that target.

"It's clear that the UK is lagging in the delivery of access to a world-class digital infrastructure. While there have been welcome announcements to roll out 5G in the future, it's clear that getting all businesses access to 4G first remains a top priority. The Chamber Network's election manifesto specifically calls for these issues to be rectified, and for the next government to provide all businesses with super-fast and reliable broadband and mobile connectivity to boost confidence and productivity."

Ends

Notes to editors:

The British Chambers of Commerce (BCC) surveyed 1,465 business people from all regions of the UK online in January 2017 to understand how businesses rate the overall reliability of their broadband connections, and how a more reliable connection could help their businesses. Of the businesses surveyed, 96% were SMEs, 22% operate in the manufacturing sector, and 78% operate in the services sector.

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BCC comments on Bank of England's 'Super Thursday'

BCC comments on the inflation report and interest rate decision published by the Bank of England today.

11 May 2017

Commenting on the Bank of England inflation report and interest rate decision published on 'Super Thursday', Suren Thiru, Head of Economics at the British Chambers of Commerce (BCC), said:

"The Bank of England's latest projections point to little change in outlook for the UK economy, compared to their February report, with only a slight downgrade for 2017. Significantly, the central bank see inflation as a greater risk to the UK's growth prospects in the coming months.

"In our view the Bank of England's forecasts are still too optimistic about the UK's near-term growth prospects. We expect that inflation will weaken economic activity by more than the central bank is currently predicting, with wage growth likely to remain persistently below price growth over the next few years. Rising input costs faced by businesses are also likely to weigh more heavily on investment intentions than the Bank of England forecasts currently imply.

"The Bank of England is likely to face a major headache over the next few years as it seeks to strike a balance between managing a period of above target inflation and supporting more subdued economic growth. Longer-term uncertainty over the impact of Brexit on the UK economy is also likely to weigh on UK monetary policy decision-making. Against this backdrop, the most likely scenario is that the MPC will opt for a prolonged period of monetary stability and keep interest rates steady over the near term.

"Is vital that the next government addresses some of the longstanding issues facing the UK economy, including the relentless increases in the up-front cost of doing business in Britain, and investing in critical infrastructure to enable businesses to continue to drive investment, create jobs and boost growth."

Ends

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BCC: Widening trade deficit highlights UK's economic imbalances

BCC comments on the trade statistics for March 2017.

11 May 2017

Commenting on the trade statistics for March 2017, released today by the ONS, Suren Thiru, Head of Economics at the British Chambers of Commerce (BCC), said:

"The sharp deterioration in the UK's net trade position means that trade is likely to have been a drag on UK growth in the first quarter of the year, following a strong performance in the previous quarter. This deterioration reflects a sharp rise in imports in the quarter, and a slight fall in exports.

"While many exporters are benefiting from improving growth outlooks in key trading markets, and the weaker pound is helping to make them more price competitive, our Quarterly Economic Survey shows businesses under pressure from the rising costs of raw materials. The widening in the UK's trade deficit, and weakening output from the industrial and construction sectors, is further evidence that we are still a long way from achieving a rebalancing of our economy.

"As the UK moves through the Brexit process and beyond, it is vital that more is done to provide greater practical assistance for exporters, including developing an expanded trade mission and fairs programme and funding frontline, face-to-face support for exporters to help get UK businesses trading with the world."

Ends

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BCC election manifesto: Brexit and Beyond

The British Chambers of Commerce (BCC) has today (Tuesday) launched 'Brexit and Beyond', the Chamber Network manifesto for General Election 2017.

The Chamber manifesto calls for the new government, which will be responsible for negotiating the terms of the UK's departure from the European Union, to provide business communities with clear answers to the pragmatic and practical questions around how Brexit will affect their day-to-day operations, including hiring, customs procedures and regulation.

However, business communities across the UK send a very strong message that the election cannot — and must not — be about Brexit alone.

The next government must deliver a bold and clear strategy to support economic growth across all regions and nations of the UK. Action is needed on a range of domestic fronts, including improving the competitiveness of the UK's business environment, upgrading physical and digital infrastructure across the country, and supporting local growth.

Chamber business communities across the UK will judge the next government against five key criteria:

- Business Environment deliver a globally competitive business environment. Ensure the best business environment possible with a relentless drive to improve the skills set of tomorrow's workforce, without clobbering firms with ever-higher upfront costs.
- Local Growth unlock the potential of local business communities. Deliver clarity on future devolution deals ensuring a strong local business community voice and maintain the place-based focus of the Industrial Strategy to ensure growth across the whole of the UK.
- Infrastructure revolutionise the UK's physical and digital infrastructure. Ensure that the whole of the UK has access to super-fast broadband, better mobile connectivity, and delivering investments in the

strategic schemes that will unlock the economic potential of the regions and nations.

- Trade support UK exporters to drive economic growth. Expand trade support programmes, secure continued access to existing Free Trade Agreements, develop trade policy with business, and leverage Chambers of Commerce, which are best placed to provide stable export support in all regions of the UK.
- Brexit work with businesses to secure the best possible deal with the EU. Protect the status of EU nationals in the UK, develop future customs procedures in partnership with business, create a future UK immigration system that is responsive to economic needs and skills shortages at all levels, and ensure that there is no hard border between Northern Ireland and the Republic of Ireland.

Dr Adam Marshall, Director General of the British Chambers of Commerce, said:

"While businesses all across the UK want a good Brexit deal, they are very clear that decisions taken here at home matter as much — if not more — to our future growth prospects. The best possible Brexit deal won't be worth the paper it's written on if firms cannot recruit and train the right people, get decent digital connectivity, or get their goods to their market.

"At this election, business communities want a clear commitment from all parties to create the best possible conditions for growth, in every region and nation of the UK. Westminster must stop and reverse the relentless increases in the up-front cost of doing business in Britain, and give firms the confidence to drive investment, job growth and exports through the Brexit transition and beyond."

The Chamber Network's priorities for the next UK government include:

- Deliver frictionless future trade arrangements with the EU, and ensure that business continue to benefit from existing Free Trade Agreements (FTAs).
- No new upfront taxes on businesses for the duration of the next Parliament.
- Develop a new UK regional funding system with maximum local autonomy, a strong voice for business and focus on economic growth.
- Deliver promised investment in road and rail infrastructure, and ensure businesses in all parts of the UK have access to world-class digital infrastructure.

Dr Marshall continued:

"The key to a successful Brexit — and future economic growth — is to do everything to unlock the growth potential in our towns, cities and counties. Implementing an Industrial Strategy which harnesses the power of local areas should be a priority for the new government, alongside a commitment to secure the appropriate support and funding for its implementation."

Ends

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BCC: UK economic growth loses momentum

BCC comments on the UK GDP statistics for Q1 2017 released today.

Friday 28th April 2017

Commenting on the preliminary UK GDP figures for Q1 2017, published today by the ONS, Suren Thiru, Head of Economics at the British Chambers of Commerce (BCC), said:

"The preliminary estimate of UK GDP growth indicates that the UK economy suffered a slight loss of momentum in the first quarter of the year, following a strong end to 2016. That said, quarterly growth of 0.3% is still in line with the average over the past decade.

"The main reason for the slowdown were declines in output from consumer-focused industries such as retail and hotels — further evidence that higher inflation is dampening consumer activity. However, the service sector was still the main driver of the economic activity in the quarter, with industrial production and construction sectors adding little to overall UK growth.

"It is increasingly likely that the slowdown in the first quarter is the start of a sustained period of more sluggish growth. Inflation is expected to continue to rise, increasing the squeeze on consumer spending power and firm's profit margins, pushing growth lower. The BCC's own Quarterly Economic Survey confirms that inflation is a key risk to the UK's growth prospects,

with businesses under increasing pressure to raise prices. Uncertainty over the impact of Brexit and the distraction of a General Election are also likely to weigh on economic activity over the near term.

"With the UK economy set to enter a more challenging period, it is vital that more is done to address the longstanding domestic issues, including the chronic skills shortages and the escalating burden of upfront business costs, that continue to undermine the UK's long-term growth prospects."

Ends

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