

# Cut red tape and let firms innovate

We asked small businesses up and down the country what they wanted from the next government. Here is what they had to say

**Virginia Raemy, chief executive, TalentPuzzle, London** Technology is crucial for business, yet comes at a cost for companies with smaller budgets. The next government needs to support small business by reducing business IT overheads and encouraging more flexible working. I'd like to see incentives such as cheaper office space, free internet access and subsidised IT provision.

**Damian Clarkson, MD, The London Kitchen** They should help us employ graduates and new talent, reduce National Insurance, give breaks and incentives to new business start-ups, work with councils to have rating cushions and encourage investment through business-expansion style schemes.

**Sally Goodsell, chief executive, Finance South East, Surrey** The decision to put financial plans to boost small businesses at the heart of Alistair Darling's budget reflects the importance all parties are placing on entrepreneurs. At least half of the £94 billion promised in new loans from the nationalised banks must go to small and medium sized enterprises (SMEs).

**Damaris Evans, Damaris Lingerie, London** The Government should intervene on bank overdrafts for small businesses - either reducing the interest rates, or introducing their own subsidised scheme if a business has evidence of solid growth to support this. At Damaris, we've seen an 89 per cent increase in orders over the last two years. Despite this growth, Damaris has not been fully supported. With only major interest loans to work with, small companies are often critically limited in development and are unable to control expansion.

**Kevin Meagher, chief executive, Intamac, Northampton** According to the Office For National Statistics, more than half the working population and annual turnover created in the economy comes from SMEs. As revenue generators for and taxpayers to UK PLC, it is therefore essential that all political parties consider the impact of government policy on the SME sector. The party which best appeals to small business owners and employees, with policies encouraging and supporting new employment and business expansion, will find a responsive electorate waiting for them.

**Edward Croft, chief executive, Stockpedia, London** While bank lending remains so low, the Government needs to make it easier for small businesses to access alternative sources of funding, such as the equity markets. AIM and PLUS Markets need greater visibility and equity investors need more tax incentives to invest directly in growth companies.

**David Abingdon, chief executive, The Alchemy Network, Glos** I'm looking for extreme regime change, mainly due to the 50 per cent tax rate which has to go and go quickly. It's anti-entrepreneurial, it will fall to raise extra tax revenue and will seriously damage our economy. Without a speedy reversal of the rate there will be an exodus that will propel Britain into serious decline.

**Rupert Cox, chief executive, Into, Somerset** Minimise red tape, making it easier for business people to get on with actually running their businesses rather than managing them. Encourage growth and investment in key sectors such as renewable energy.

**Simon West, Nett-Sales LLP, Wiltshire** Get out of our way. We don't need or want your misguided attempts to help. Stop drowning us in complications and compliance.



VIRGINIA RAEMY: Subsidise IT provision

ED REEVES: Reduce tax to allow investment

DAMARIS EVANS: Intervene on loans

**Tony Heywood, chief executive, Yoodoo, London** The Government needs to do more to help people disadvantaged by their social, educational, ethnic and financial status to set up their own business. Research shows that this huge community, paradoxically, has the greatest aspiration towards business. The Government must extend its reach beyond the traditional "entrepreneurial community" and encourage all social groups to try their own thing.

**Ben Gladstone, chief executive, Conosco IT Support, London** Get government out the way. Let us get on with it. Government shouldn't try and influence or command and control the economy. Make it cheap to employ people, we'll innovate!

**Chris Barling, chief executive, Actinic Surrey** The Government should abolish business grants and reduce our National Insurance donations with the money saved.

**Quentin Pain, chairman, Accountx Software, Cambridgeshire** I would like the next government to simplify VAT schemes and forms for UK businesses. The UK currently has the most complicated VAT form in Europe. A great example is the ability to mix the flat rate scheme with the cash accounting scheme - which is a recipe for disaster!

**Thomas Coles, managing director, MSM Software, Reading** We are currently one of the highest taxed nations, particularly in the corporate world. The Government needs to improve competition globally to help attract start-ups and allow small businesses to grow.

**Emma Warren, MD, Portfolio Directors, Somerset** Create an environment which encourages entrepreneurship, discourages red tape and incentivises people to get on and develop their business - and in the process create jobs.

**Ed Reeves, chief executive of Moneypenny, Wrexham** Stop squeezing successful businesses until the pips pop out. Heavy taxation damages entrepreneurial spirit and stifles reinvestment. Retain the CGT taper relief to encourage investment; if not, business will suffer and the country will struggle to get off its knees.

**Matthew Sanders, chief executive, De Pool, Cheshire** The next government needs to open up public procurement contracts. Currently, the tendering process is such that very few small businesses have even a small chance to supply the public sector.

**Phillip Khan-Panni, joint MD, Mind Associates, London** Many small businesses lack the essential know-how in sales, marketing and professional presentation skills, so the next government needs to provide funding for, and access to, training in those disciplines.

**Jake Allen, King & Allen Tailors, Surrey** A reduction in employer's NI contributions would stimulate new employment. This would save money and encourage small businesses to employ more staff. Higher employment means more people spending in the economy.

**Jack Birch, Builder2Builder, Southend-on-Sea** Government should introduce clear incentives and initiatives for builders and contractors to promote managing material acquisitions more effectively and encourage more effective recycling of surplus. This would help in reducing waste, which is both an economic and an environmental issue.

**Laura Haynes, chairman, Appetite, London** People are the greatest capital investment for small businesses, especially in the professional service and creative industries. Yet thousands of bright and talented graduates languish without being given a chance of a meaningful first-work experience. Government should provide strong tax incentives to companies who hire graduates and starters.

**Mark Wilson, Salon Development, Darlington** The next government should part fund memberships for small business to join "buying groups" so that they can compete with large businesses when negotiating with suppliers.

**Mike Clough, founder, Japanese Knotweed Solutions, Manchester** We want a government that proactively polices the countryside and has a defined strategy for controlling and managing the invasive species that are damaging the indigenous flora and fauna.

**Peter Gradwell, Gradwell, Bath** Invest in developing and funding training which suits the needs of all employees, rather than managers alone. Small businesses need to be able to develop the whole team, particularly young people. This would accelerate business development and enable small companies to increase their competitive advantage.

**Stephen Bentley, chief executive, Granby Marketing Services, Blackburn** Government needs to be forward thinking in its approach to supporting SMEs to grow in a rapidly changing marketplace. I'd like to see a simpler mechanic for stakeholder growth and support for companies that want to provide shares to employees. It would also be a positive step to have initiatives in place to prevent bad debts dragging businesses down.

**Paris Sheppard, MD, InsideOut Outsourcing specialists, Surrey** Help SMEs get insured credit limits on their end clients. Many are struggling due to risk-averse insurance companies limiting the trade they can do, despite clients having business to give them.

**Jon Moore, co-founder, Intelligent Energy, Loughborough** The UK is leading the way in clean technology. We hope that the next government continues to recognise the progress that companies in this sector are making towards commercialisation in the economy and offer support.