



**Welcome to Business**

**Thames Valley Chamber of Commerce**

**Business Leaders' Forum**

**Friday 8<sup>th</sup> April 2011**



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**Clair Prosser, Policy Executive**



**BANK OF ENGLAND**



BANK OF ENGLAND

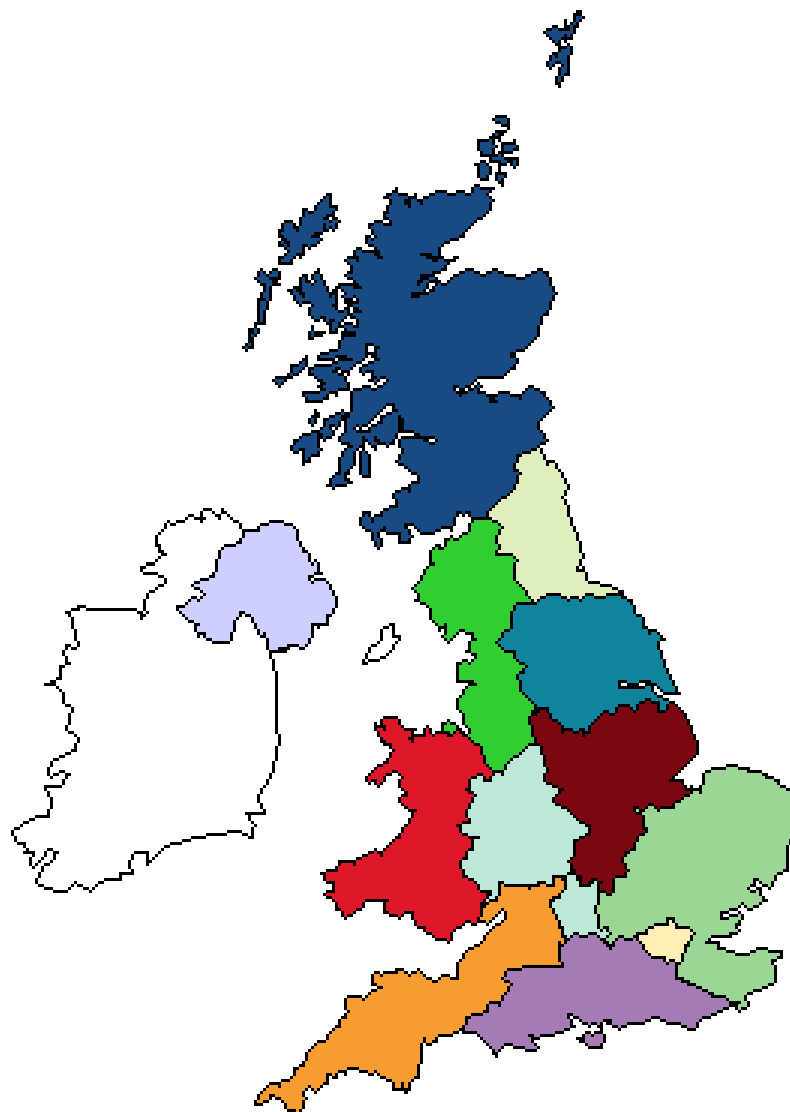
# Overview and outlook for the UK economy

An off-the-record briefing for Henley Business Leaders' Forum

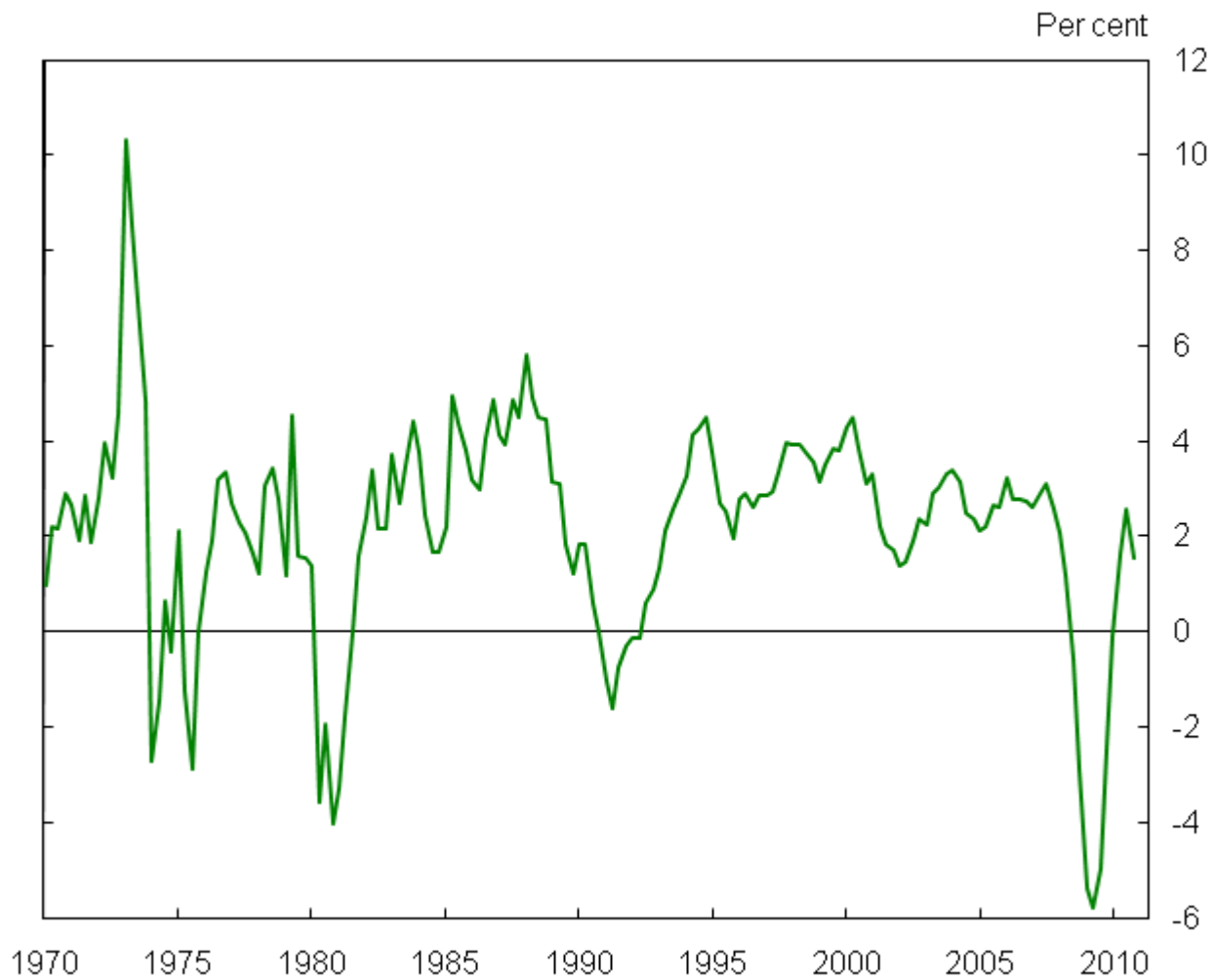
**Andrew Holder, Bank of England**

**8<sup>th</sup> April 2011**

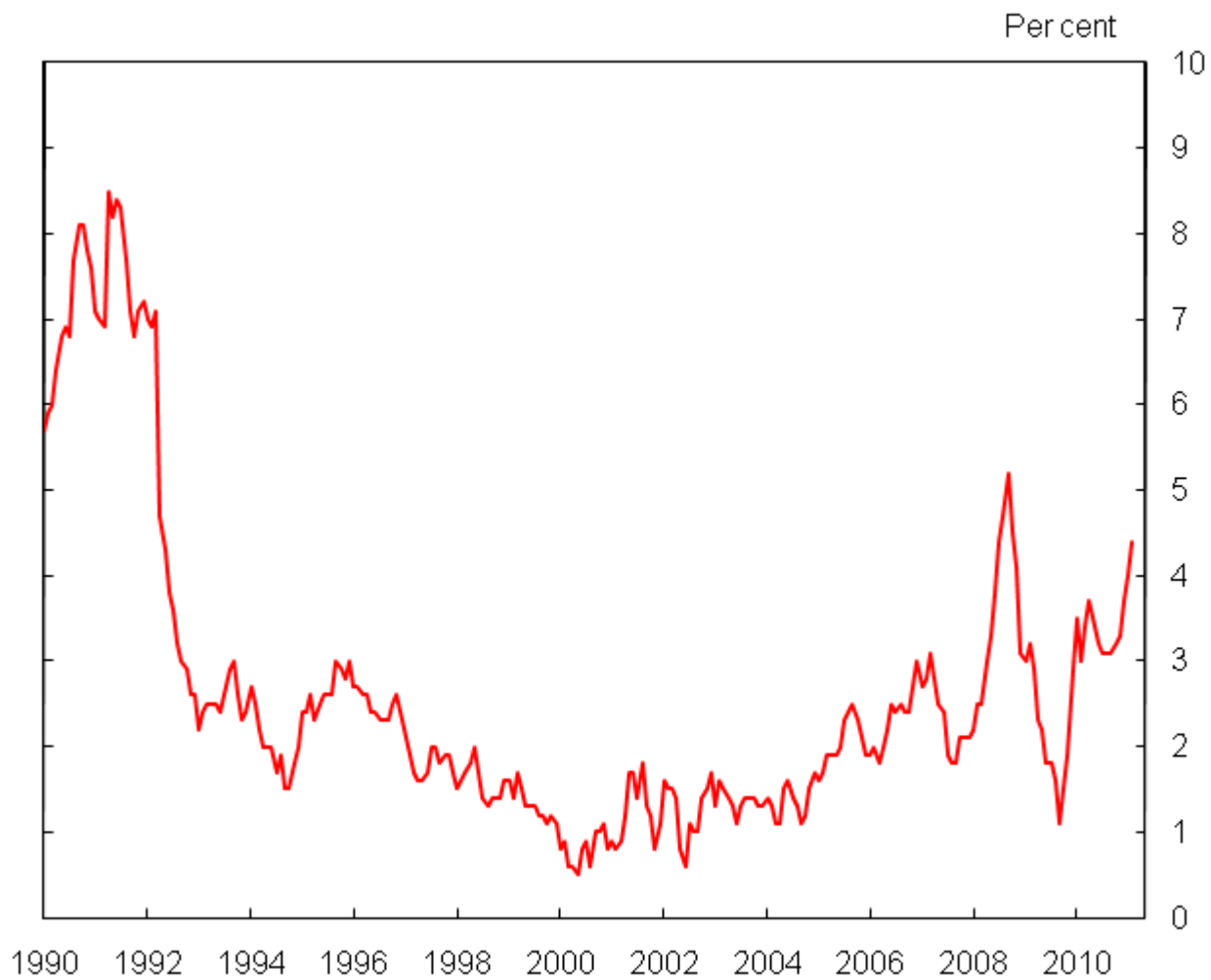
# The Bank's regional Agencies



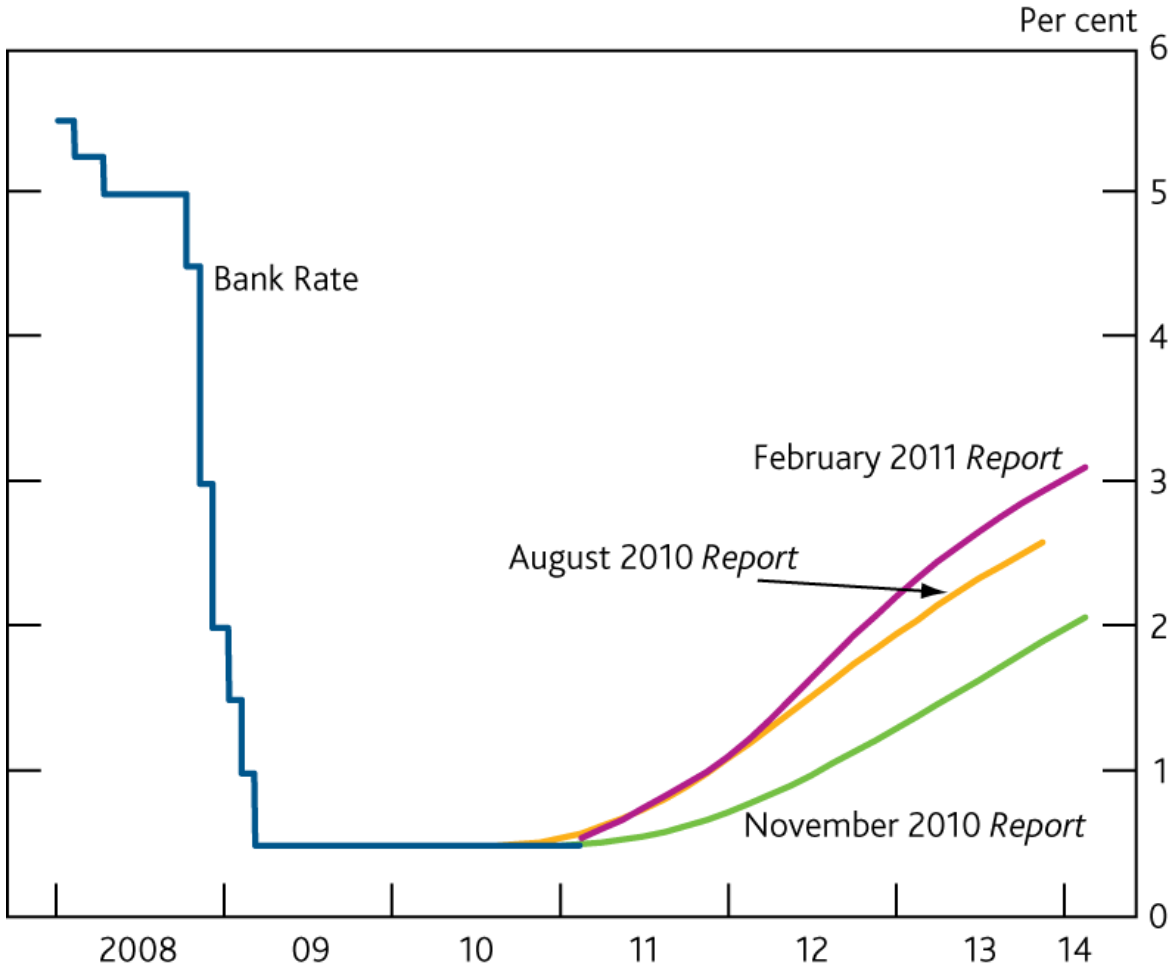
# GDP growth



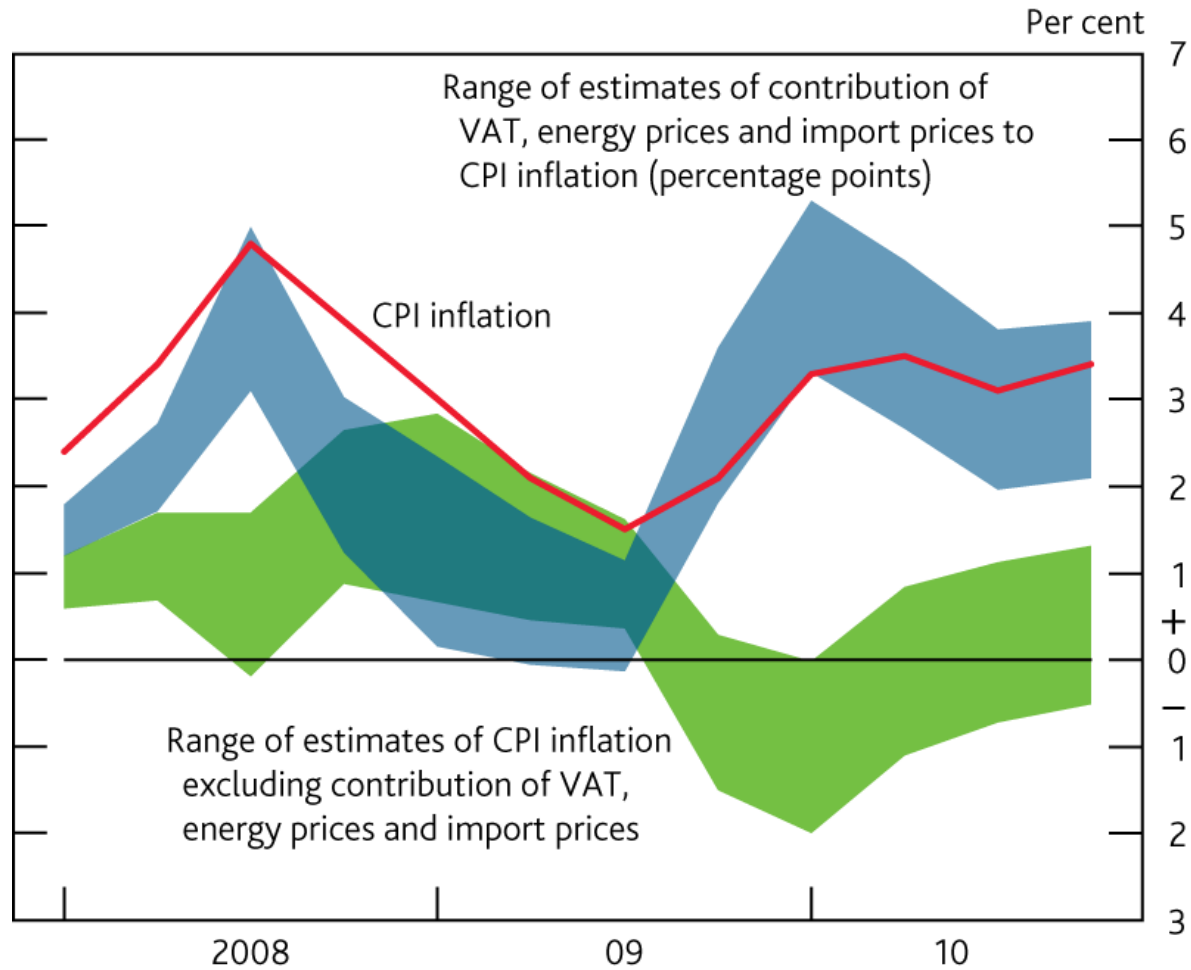
# Consumer price inflation



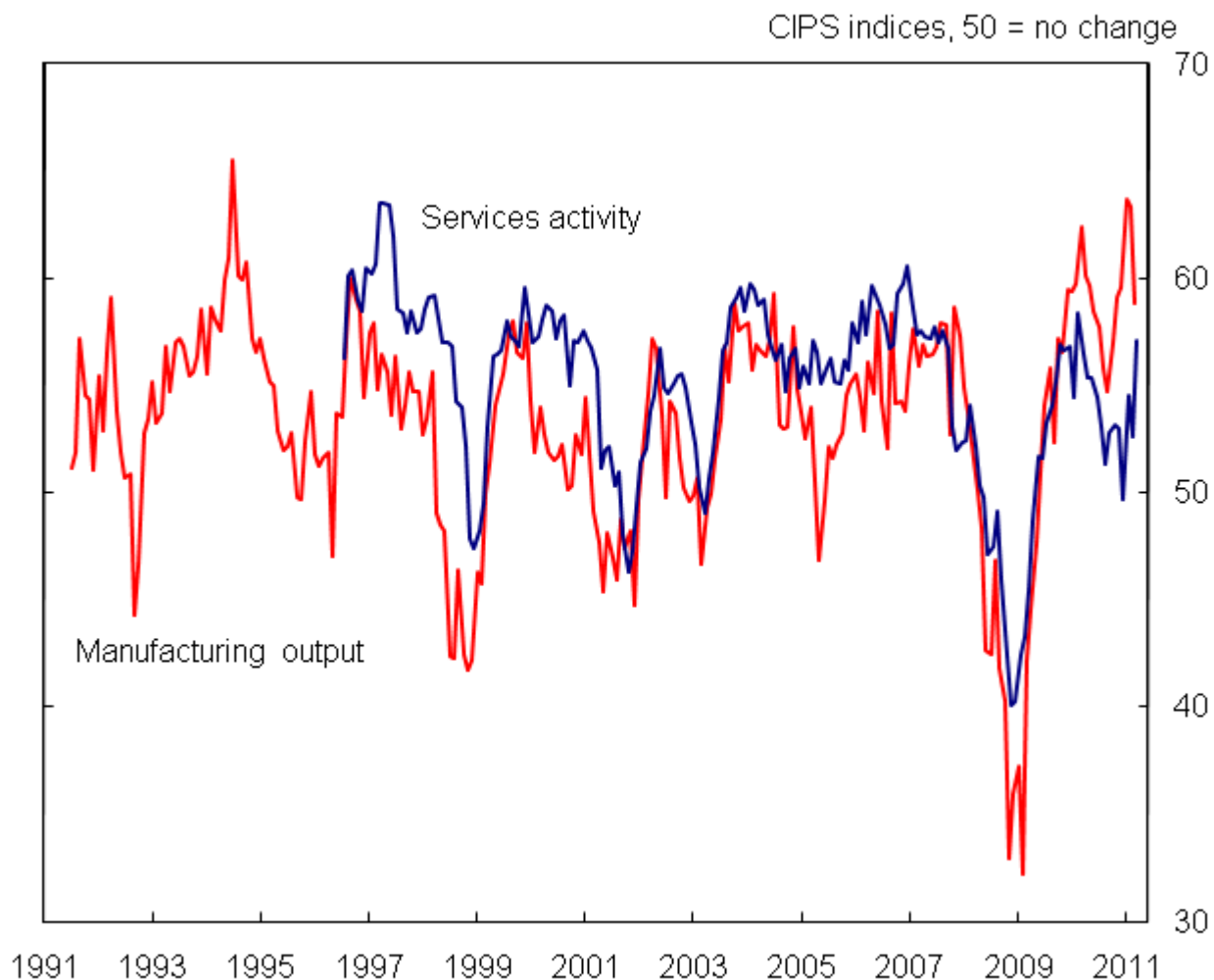
# Bank Rate and forward market interest rates



# Inflation contribution of VAT, energy and import prices



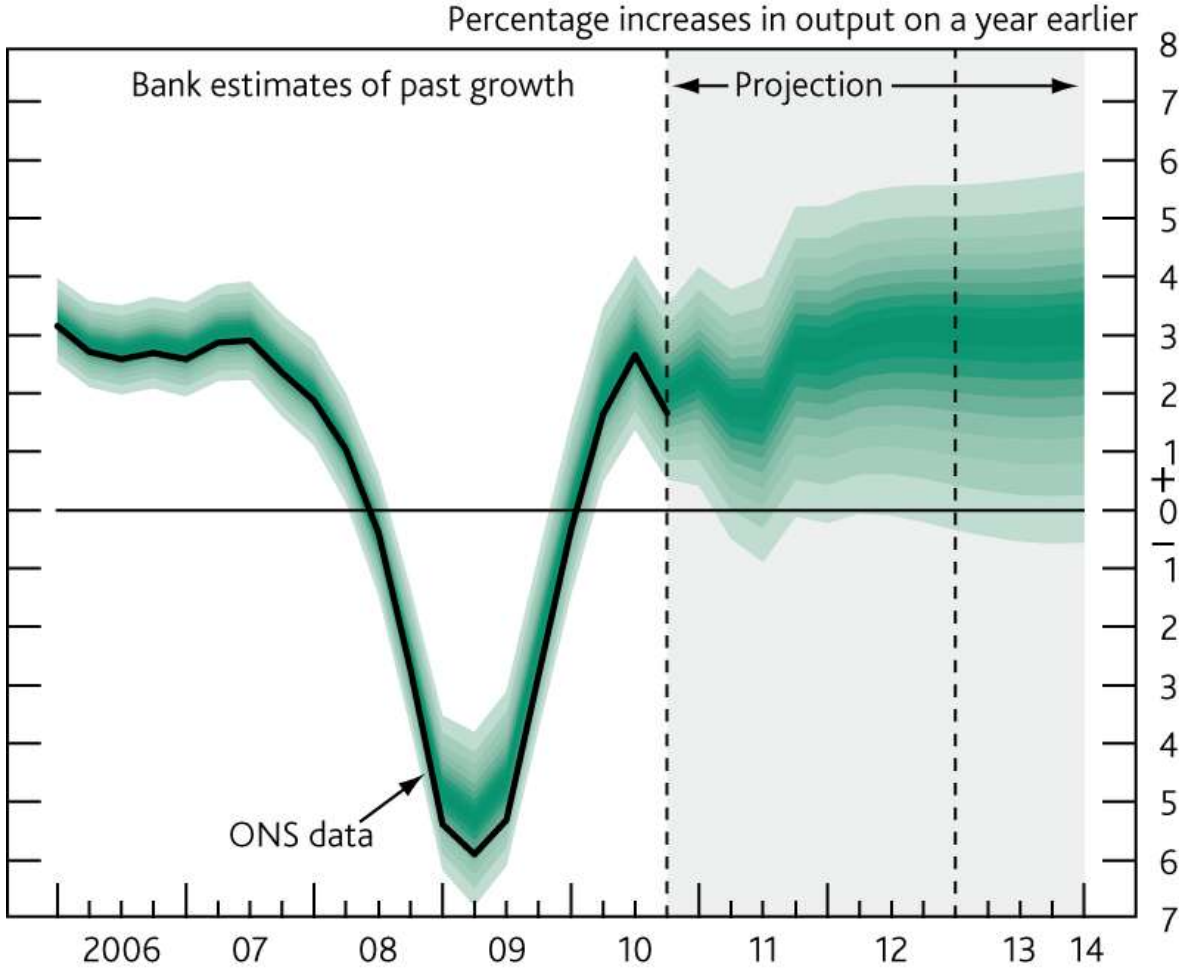
# Business activity surveys



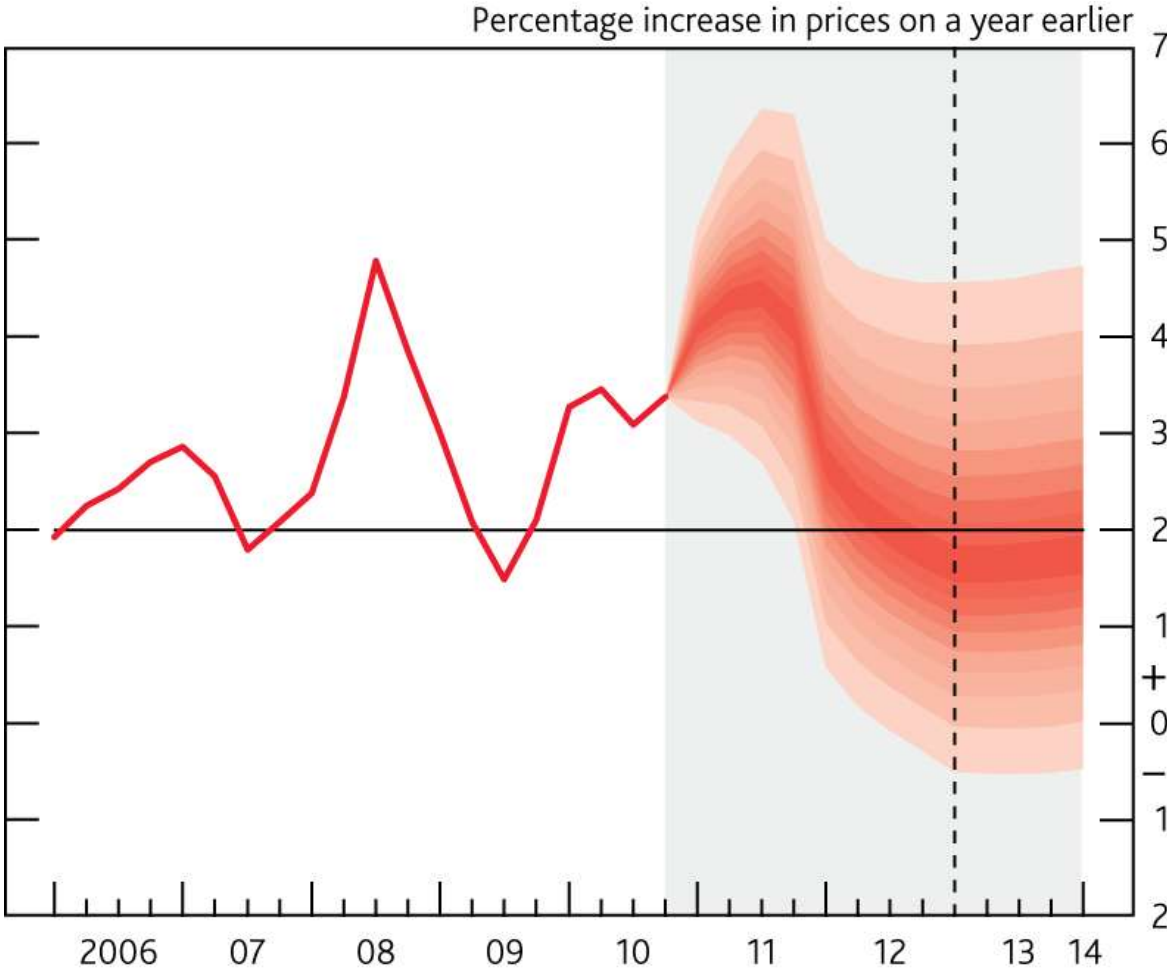
# Prospects for the UK economy: February 2011 *Inflation Report* projections



# GDP growth projection – February 2011 *Inflation Report*



# CPI projection – February 2011 *Inflation Report*



# Summary

- Inflation is high in the near term, but should fall back towards the 2% target
- Recovery likely to continue, with modest growth
- Uncomfortable risks of slower growth or higher inflation
- MPC ready to respond, in either direction, to meet the inflation target





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# Thames Valley Berkshire Local Enterprise Partnership

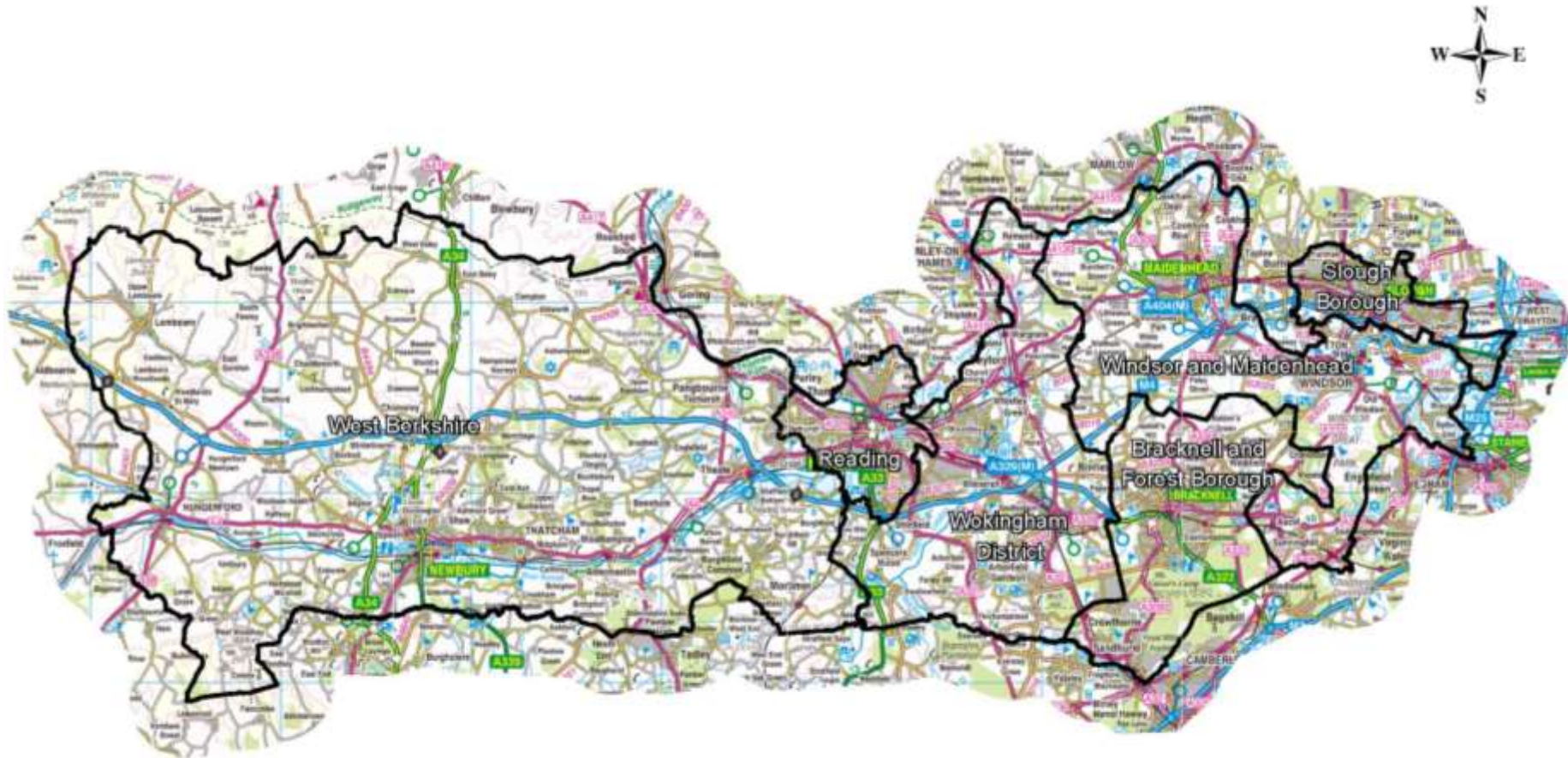
**Tom Fuller – Business Director**

29 June 2010

*"...invite local groups of councils and business leaders to come together to consider how you wish to form local enterprise partnerships...to provide strategic leadership... set local economic priorities..."*

2 September 2010

# Outline proposal to CLG/BIS

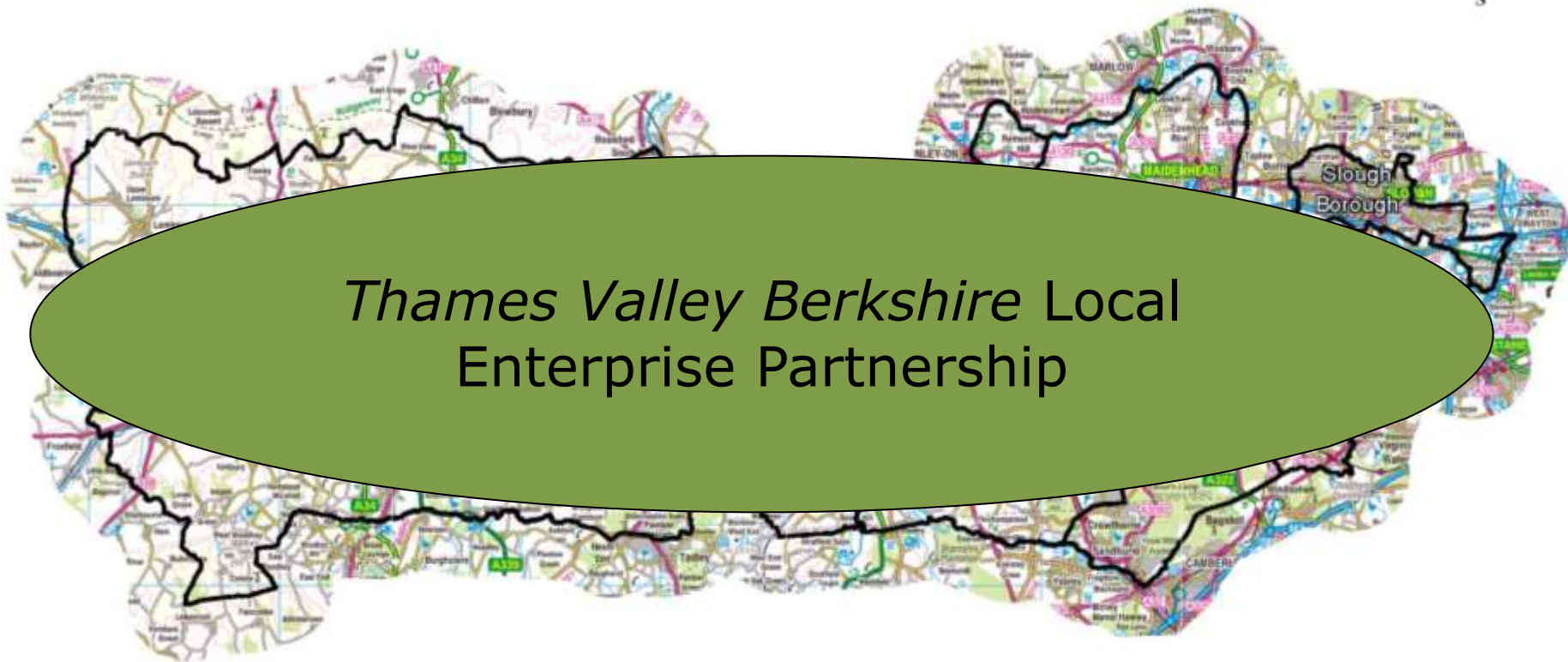


## Vision

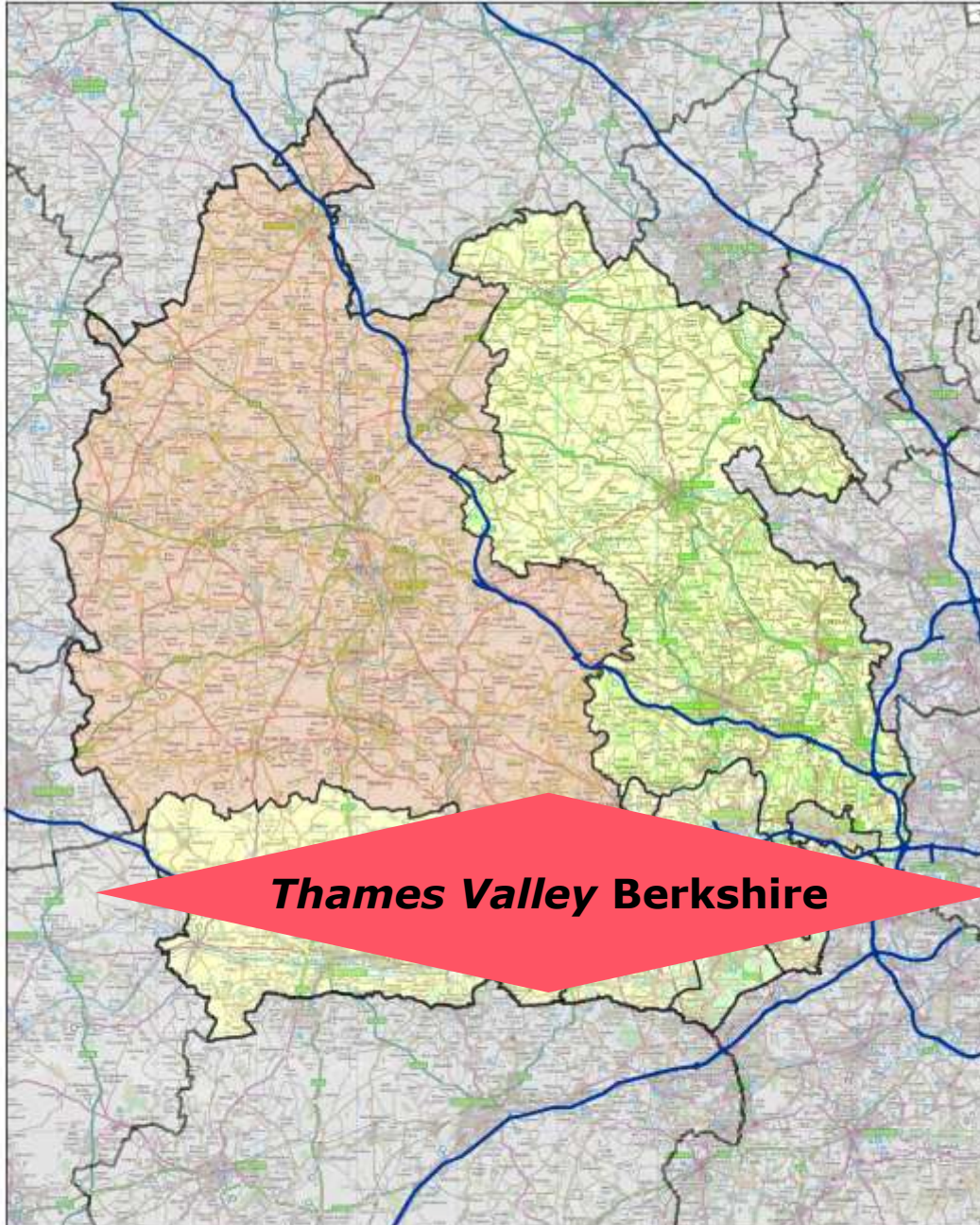
*“To be a diverse knowledge economy based on a spirit of entrepreneurship, enterprise, innovation and low carbon technology. We will be the ideopolis of the UK and Europe. Building on the economic success of previous decades we will work towards removing the barriers to business growth, innovation and job creation. Standing still is not an option for Thames Valley Berkshire.”*

28 October 2010

Green Light



*Thames Valley Berkshire* Local  
Enterprise Partnership



***Thames Valley Berkshire***

# 11 November 2010

## First meeting of the Forum

- Chairman-Elect
- Executive to be formed
- Mapping of extant economic development work
- Letter to DfT supporting Reading station funding
- Resources allocated

22 December 2010

## First meeting of the Executive

- Improving transport infrastructure
- Skills, education and labour supply
- Removing barriers to growth including planning and housing issues
- Promoting innovation and enterprise
- Business retention

21 January 2011

Regional Growth Fund (£1.4bn)  
bids

- Western Rail Access to Heathrow
- Thames Valley Business Growth Accelerator

# Work-in-progress

Work plan (eight themes)

Constitution

Transfer of funds from BESB

Bid/s to LEP Capacity Fund

Incorporation?

Business secondment

Lobbying government

# 23 March Budget

## Enterprise Zones

11 'vanguard' Enterprise Zones (EZ) announced in Budget

Further 10 EZ through a competitive process **open only** to LEPs

EZ about creating new business and jobs; core offer is around simplified planning and business rates discounts

Geographically defined, agreed between LEP and government; broadly 50-150 hectares and based on clean sites with little or no business occupants

Only LEPs able to bid for an EZ and only one designation per LEP, thus prioritise across the FEA and avoid competitive bids with the same LEP

LEPs act as 'co-ordinating centre' for constituent local authorities  
Short Expression of Interest by the end of April - light touch: are we interested and indication of sites

# Thames Valley Berkshire Local Enterprise Partnership

***How changes in the university  
funding regime will  
impact on employers***

***Dr Ian Tunbridge OBE***

***Deputy Vice-Chancellor (External),***

***University of West London***

**Bribery Act  
2010  
In force 1<sup>st</sup> July 2011**

**Philip Somarakis  
Partner**

## Fascinating Facts

- Transparency International Corruption Perception Index
- 180 Countries Ranked – low score is good
- Where would you rank UK?
- How much does corruption cost the world economy each year?

# Main Features of the Bribery Act 2010

## *General Offences - Bribing or Receiving a Bribe*

- Paying or offering to pay a bribe
- Requesting or receiving a bribe
- Payment/offer can be direct or through a third party

# Corporate Hospitality

- Act applies to “financial advantage” so covers entertainment
- Adequate Procedures Guidance states reasonable and proportionate hospitality is acceptable
- What is industry practice?
- SFO Guidance

## **Main Features of the Bribery Act 2010**

### ***Bribing of Foreign Public Officials (FPO)***

- Cannot bribe overseas officials
- Local written law that permits investment in the local economy or paying for training is acceptable
- Facilitation payments are prohibited unless permitted by local law
- SFO will prosecute if payments are routinely made

# Main Features of the Bribery Act 2010

## *Territorial Jurisdiction*

- Rules relating to the two general offences and bribing a Foreign Public Official
- Offence committed if any act or omission takes place in the UK
- Offence committed if the person has a “close connection” with the UK
- Defined as a UK citizen, resident, company or Scottish Partnership

## Main Features of the Bribery Act 2010

### *Corporate Offence of Failing to Prevent Bribery*

- A **relevant commercial organisation (C)** is guilty of an offence if a person (A) **associated with C** bribes another person intending to obtain or retain:
  - business for C
  - an advantage in the conduct of business for C
- **Relevant commercial organisation :**
  - UK company or partnership doing business here or elsewhere
  - Overseas company/partnership carrying on business or part of business here

## Main Features of the Bribery Act 2010

### *Corporate Offence of Failing to Prevent Bribery*

- A relevant commercial organisation (C) is guilty of an offence if a person (A) **associated with C** bribes another person....
- A person is associated with C (disregarding any bribe under consideration) if A **performs services** for or on behalf of C
- Can be an agent, subsidiary or parent company but will depend on all the relevant circumstances
- An employee of C is presumed to be providing services for C

## Main Features of the Bribery Act 2010

### *Corporate Offence – Adequate Procedures Defence*

- C has a defence that it had in place **adequate procedures** designed to prevent persons associated with C from undertaking such conduct
- Adequate procedures not defined in the Act but Guidance now published to assist companies
- Objective is to support businesses in determining the sorts of bribery measures they can put in place
- CBI has lobbied hard to get better clarification from Government on the Act

# Main Features of the Bribery Act 2010

## Guidance on Adequate Procedures

- 6 principles which underpin Bribery Prevention:
- Risk Assessment is first then
- Top Level Commitment )
- Due Diligence )
- Proportionate Procedures ) Risk Mitigation
- Communication and training )
- Monitoring and Review )

# Miscellaneous Matters

- The Likelihood of a Prosecution
  - Resources
  - Evidential Test
  - Public Interest Test
  - Must have regard to Guidance
- Sentence
  - 10 years imprisonment for an individual convicted of an offence (nb senior officer liability where corporate offence committed)
  - Unlimited fine for company

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**Questions?**