

SUMMARY REPORT: Build Back Better Business Council 2021

The Build Back Better Business Council (BBBBC), established in January 2021, has brought together government and business leaders to drive economic recovery and growth across the UK, enable the transition to a Net Zero economy by 2050 and promote Global Britain as set out in the Plan for Growth.

Building back fairer, stronger and greener has been a crucial focus for the Prime Minister's Business Council during 2021.

Over the past 12 months, enabled by Council Members' valuable industry insights and perspectives, the Government has made considerable progress across the three pillars of the Plan for Growth - Infrastructure, Skills and Innovation:

Infrastructure

The Council has made significant progress in advancing the roll out of EV re-charging infrastructure through the creation of the Electric Vehicle Fleet Accelerator (EVFA).

Formed by Council members Bernard Looney of BP, Philip Jansen of BT, Penny James of Direct Line, Liv Garfield of Severn Trent and Ken Murphy of Tesco Group as well as leaders from beyond the Council including CEOs of Royal Mail and Scottish Power, the cross-industry group pledged to work together with government to remove obstacles to the electrification of the UK's transport system, as set out in their July report. The Government responded positively to the majority of their recommendations. Moving forward, the Rt Hon Grant Shapps MP, Secretary of State for Transport, will establish a governance board to enable the EVFA to work with BEIS, Ofgem and the Council to continue to drive progress on fleet electrification. In 2022 a new Infrastructure Strategy will define our vision for the continued roll-out of a world leading charging infrastructure network across the UK, supported by c. £1.7 billion of investment over the next four years to unlock the chargepoint rollout needed to enable the transition from early adoption to mass market uptake of EVs.

Bernard Looney, CEO of BP: "The UK needs investment at pace so we stay on track for net zero. That's exactly what the BBBBC has been all about – business and Government working together to unlock private capital on a transformative scale. I'm especially excited about the Council's Electric Vehicle Fleet Accelerator, which has worked to speed up the widespread conversion to EVs across Britain."

The Council, with particular leadership from Sir Ian Wood, has also made a significant impact in accelerating delivery of off-shore wind projects across the UK. Following discussions with Council members, a taskforce chaired by The Rt Hon Greg Hands MP, Minister of State for Business, Energy and Clean Growth, has been set up to take forward the delivery of offshore wind and the priorities identified by businesses.

Council members have also engaged closely with the government's ongoing work on the Levelling Up agenda, sharing insight into how to develop a business-led approach to drive place-based growth. BBBBC members will continue to be a source

of advice and guidance as the Levelling Up White Paper is developed and implemented.

Furthermore, informed by insight from the Council, the National Infrastructure Strategy has made great strides towards realising our ambition to level up the UK, launching the UK Infrastructure Bank, confirming a further 15 Towns Deals worth £335m to revitalise towns across England, and providing £1.2bn up to 2024-25 for gigabit broadband rollout across the UK.

At the Budget and Spending Review (SR) in October 2021, the Government set out how it will continue to deliver on these commitments and go further, with over £130bn committed to economic infrastructure since the strategy was published, providing new investment to benefit every part of the UK:

- Over £35 billion of rail investment has been confirmed for 2022-25 to boost connectivity across the country. In November, the Government published its Integrated Rail Plan, committing £96bn of rail investment over the next 30 years to modernise rail connections across the North and the Midlands and bring communities closer together.
- A £385 million Advanced Nuclear Fund will develop the next generation of small and advanced modular reactor technologies.
- The Project Speed taskforce will continue to work across Government and with industry to embed reforms that will make delivery of Government infrastructure faster, better and greener.

Thierry Bolloré, Jaguar Land Rover CEO: “The Council has proved to be an effective forum, demonstrating how Government and business can work together to drive progress across critical areas, including advancing the roll out of infrastructure to enable a faster consumer uptake of electric vehicles.”

Skills

Building on the Skills for Jobs White Paper, the Government introduced reforms to further education and skills to enable people to get good jobs and improve national productivity.

In response to the Council’s challenge to government to increase awareness and understanding of the current skills offers, the government has developed a new audience-led skills campaigns ‘Skills for Life’, targeting young people, adults and employers from January.

The Government introduced the Skills and Post-16 Education Bill to Parliament in May 2021. The Bill seeks to reform further education and support people to develop the skills needed to get good jobs and improve national productivity. More broadly, the Government has continued to deliver programmes to boost skills development across the UK economy:

- The Government is partnering with industry to develop evidence on existing and future skills needs and has introduced Skills Bootcamps to provide skills based on local employer demand, with trailblazers in digital and technical

skills. The Government will invest £2.5bn in the National Skills Fund this Parliament with approximately 16,000 Skills Bootcamp places available in 2021-22.

- The Government is working closely with industry to boost skills in key sectors, working with business to develop robust and granular evidence on existing and future skills needs, and shaping skills programmes accordingly. This includes both short-term, acute needs, like our £17m investment across 2021-23 to train 5,000 new HGV drivers through Skills Bootcamps, and longer-term growth sectors, like the work of the Green Jobs Taskforce, and work with Council members to understand the needs of the fintech sector.

Ronan Harris, Managing Director of Google UK and Ireland *“Digital technology is playing a key role in helping the UK build back fairer, stronger and greener, which is why we were pleased to participate in the Build Back Better Council and are encouraged by the strong progress the Council has made.”*

Innovation

Published in July, the Innovation Strategy sets out the Government’s vision to make the UK a global hub for innovation by 2035, placing innovation at the centre of everything we do.

The Council played a critical role in shaping the Innovation Strategy and Ministers and senior officials will continue to engage with Council Members to support the Government to deliver on its goals and to identify new policy opportunities.

Laxman Narasimhan, CEO of Reckitt: *“We are committed to improving the UK’s skills growth and delivering investment and innovation. With our world-leading Science and Innovation Centre in Hull and 2040 Net Zero pledge, we look forward to continuing to work alongside the Government to deliver its Innovation Strategy and Levelling Up ambitions.”*

Emma Walmsley, CEO of GSK: *“We strongly support the UK’s ambition to be a global leader for innovation and life sciences and are grateful for the Government’s engagement on how we can work together to achieve this.”*

Strong progress is already underway:

- The Government has committed to increasing annual public investment in R&D to a record £22bn.
- In July, five new research and innovation projects were announced in Northern Ireland, the Midlands, the North of England, Scotland and Cumbria, and Wales, supporting the Government’s commitment to level up the UK by delivering long-term benefits for regional and local economies and communities. Each project is supported by a share of £127m Government funding from UKRI’s flagship Strength in Places Fund.

BBBBC members contributed significantly to the discussion on how we can best challenge and enable business to invest more in innovation to ensure the right policy

ecosystem to increase business investment and meet our 2.4% R&D intensity target. Members are invited to continue this engagement beyond the Council's term.

Robert MacLeod, CEO of Johnson Matthey: *"The Prime Minister's focus on Green Growth and the Chancellor's commitment to increase public investment in R&D to £22bn will encourage business to invest in the technologies we all need to achieve Net Zero."*

Alan Jope, Chief Executive Officer, Unilever: *"I have been encouraged by Ministerial commitment to engage with business through the Build Back Better Business Council. It is very promising that Government and industry are working on a common agenda around investment in skills, innovation, and infrastructure to deliver inclusive, green, and global growth. Unilever is deeply committed to this shared path for the country."* Council members have also supported and shaped the government's work exploring how the UK can encourage institutional investors to invest more in fast-growth firms, most recently taking part in a summit to discuss how institutional investors can better take advantage of the opportunities created by the UK's strengths in creating high growth science and technology businesses.

We have also seen significant progress in other areas due to the efforts of the Build Back Better Business Council: including increasing the contactless payment limit to £100 and ensuring we have a pro-investment, pro-infrastructure regulatory environment, an example of innovation in action, working in partnership across Government, regulators, the financial services sector and businesses to deliver a better solution to consumers.

Conclusion

The national response to Covid-19 has demonstrated what can be achieved when Government and business work together to enable a step-change in delivery across the UK. Continued collaboration will be critical in achieving our shared ambitions and identifying emerging opportunities.

Working in partnership is integral to the Prime Minister's vision of a high productivity, high growth and high wage economy. Together we can build on record government investment to drive economic growth and improve productivity across the UK, achieve our environmental goals to decarbonise all sectors of the economy and reach Net Zero by 2050, secure our vision of a Global Britain, and ensure that individuals and businesses have access to brilliant opportunities, regardless of where they live.

Penny James, CEO of Direct Line: *"As the UK makes the green transition we can make swift progress if we can take this common sense of purpose to inspire confidence, ensure alignment between sectors and prioritise policy decisions that will make the difference."*

Carl Ennis, CEO of Siemens: *"The Council has been a good forum for discussing the fast-moving events of 2021, while making recommendations, and taking practical steps, to improve the UK economy",*

We would like to take this opportunity to thank members of the Build Back Better Council, whose insight has been, and will continue to be, invaluable in driving forward the Government's key priorities.

The Prime Minister will launch a new business council in 2022, building on the success of the BBBBC.