

**Welcome to our latest Small Business Fortnight – the e-bulletin about what the FSB Cardiff Office has been doing which aims to keep you on top of key small business issues and what the FSB in Wales has been saying about them.**

### **School's out – then back in again**

Welsh Assembly Government Education Minister Leighton Andrews has scrapped the “perverse incentive” for headteachers to shut their school on snow days to protect attendance records. During January's cold snap it was revealed that schools which stay open are penalised for absenteeism if pupils are unable to travel to school, which was placing an enormous strain on businesses where employees could not take their children to school. At the time the FSB heavily criticised the recording system, and after much lobbying on the issue has now welcomed the announcement as a victory for common sense.

### **Capital idea!**

Due, we hope, in no small part of FSB pressure of late, the Welsh Assembly Government has announced that it will protect capital spend programmes this year. It will take as much of the 2010-11 budget cut imposed by the UK Government as it can this year after Ministers decided to minimise the amount carried over to next year's budget. But they have resolved to protect the capital budget so that investment in education, housing, health and social care will continue. This is good news for all the small business contractors and suppliers who will be particularly reliant in these difficult times on the substantial spend of government. This was echoed by Business and Budget Minister Jane Hutt who announced the decision to Assembly Members in plenary and said: “After very careful consideration, we have decided to take as much as we can of the 2010-11 budget reductions this year – without damaging frontline services, without taking money from our key priorities and without taking risks with the fragile economic recovery. The Welsh Assembly Government brought forward spending on major capital projects in the past 2 years to help the construction industry through the recession and believes that cutting such spending could jeopardise the recovery. Continuing capital investment is key to delivering this.”

### **Skills boost for small firms**

The Deputy Minister for Science, Innovation and Growth, Lesley Griffiths AM has announced a £2.8million project to ensure that skills training becomes more receptive to the needs of business. Sector Skills Councils will collaborate closely with business and industry across all sectors to establish exactly what skills and qualifications are needed to enable their businesses to grow and what are the best methods of delivering that training. New, innovative and flexible ways of delivering training - as well as training for new and emerging sectors - will be tested in pilot projects with funding from Sector Priorities Fund Pilot Programme and contributions from employers. The results will inform recommendations for the 2011 Sector Priorities Fund and ensure Welsh Assembly Government investment in adult skills target the specific needs of strategic sectors.

### **Cheers!**

The National Assembly's Rural Development Sub Committee has called for WAG to develop a comprehensive strategy for the promotion of Welsh Wines, Beers and Ciders. The FSB

contributed to the report, which addresses the fact that whilst there is support available at present, it is hampered by a lack of expertise within the Welsh Assembly Government, and the absence of a comprehensive strategy for effective promotion.

### **FSB newsround**

[Council backing for small traders](#); [Firms get a lift from new code](#); [Minister's bid to keep schools open in snow](#); [Tougher by degrees](#); [Scrapped: The 'perverse incentive' to shut Wales' schools in snowfall](#); [Initiative will fund business training](#); [Bosses hail end of grant culture](#); [Royal Mail fails to offer a first class service across Wales](#).

### **Press releases**

Over the last fortnight the Federation of Small Businesses (FSB) called for small firms to be awarded more public sector work contracts as they were failing to secure a larger proportion of the multi-billion pound market in Government goods and supplies (see the release [here](#)), and slammed the banking sector saying a quarter of its members are dissatisfied with the support offered by their high street bank (see the release [here](#)).

### **Assembly doings**

On the 13 July, the Leader of the Opposition, Nick Bourne AM criticized the Welsh Assembly Government's approach to engagement with the business community. Commenting, Mr Bourne said: "We are yet to see meaningful progress from the Assembly Government on the new model for their relations with the business sector in Wales. We also expected to learn how the Assembly Government intended to combine and take forward the best of the Business Partnership Council and economic summits before the summer recess." Later on that day Mr Bourne raised questions in the National Assembly for Wales regarding the impact of business rates in Wales in the changing economic climate. Querying the First Minister, Mr Bourne asked: "...As I go around Wales I find that small and medium-sized businesses are having a massive problem with business rates. If you ask them what their biggest issue is, they will tell you that it is business rates. Regardless of where we are economically, if you compare the position in Wales with the position in England, Scotland and Northern Ireland, we are giving a raw deal to Welsh businesses. There is no transitional relief in relation to the revaluation in particular. It is the most serious issue for many businesses in many parts of Wales. Could you please look at this as a Government?" The First Minister replied "We are keen to do all that we can to help small businesses in Wales. The imposition of VAT at 20 per cent, for example, will not help many of them in terms of what they are trying to sell. However, we are keen to ensure that as much help as possible is given to small and medium-sized enterprises across Wales, which is why we have looked at a new direction in terms of economic development in Wales."

For daily summaries of all news Assembly-related, [click here](#).

### **FSB Events**

For a list of events in the FSB South Wales Region [click here](#), and for events in the FSB North Wales & Chester Region [click here](#).