

Good News For Small Businesses: Government Removes Barriers After London Chamber Report

3 March 2023, London - The Government has made changes to the Procurement Bill, acknowledging barriers to accessing funds for Small and Medium Sized Enterprises (SMEs). This follows the publication of the London Chamber of Commerce and Industry (LCCI) Report titled '*Ethnic Diversity In Business: Removing Barriers*'. The paper highlighted the need to remove all barriers that impede business success.

LCCI met with Conservative Party Chairman, Greg Hands MP to suggest proactive measures to maximize and unleash the potential of all businesses, irrespective of their background.

Following fruitful discussions, the Cabinet Office has decided to make changes to its Procurement Bill to ensure a level-playing field for businesses of all sizes to compete for public sector work.

The Government will include a specific duty on contracting authorities to have regard to the particular barriers facing SMEs in the bill. This includes strengthening prompt payment with 30-day payment terms applying contractually throughout the public sector supply chain and reducing unnecessary costs on businesses. This will be ensured by preventing contracting authorities from requiring insurance relating to the performance of the contract to be in place prior to award.

London Chamber of Commerce and Industry Chief Executive, Richard Burge, said:

"I am pleased that the Government has taken a step in the right direction by easing restrictions on accessing public procurement opportunities. However, there is room to do a lot more. Too many ethnic minority entrepreneurs face hurdles in setting up and running businesses. These challenges compound problems instead of alleviating them. We must ensure that London businesses are able to operate in a healthy eco-system which works for all types of businesses, by taking further steps to improve procurement opportunities and enhancing access to finance."

ENDS

Notes To Editors:

- **'Ethnic Diversity in Business: Removing barriers'** report looks at the correlation between demographics of individuals from ethnic minority backgrounds and subsequent success in business and highlights the problems that ethnic minorities face accessing finance and procurement opportunities.
- A dedicated Government taskforce should be convened to establish effective measures to boost the inclusion of ethnic minority-led businesses in public procurement. The full report is available to read [here](#).

FOR IMMEDIATE RELEASE

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About London Chamber of Commerce and Industry

The London Chamber of Commerce and Industry (LCCI) is the hub of the capital's business community, connecting, supporting, and championing the interests of over 3,000 London businesses that make up LCCI's diverse membership. LCCI supports London's business community by providing a range of services, advocates on behalf of the capital's business community in the most important forums of policy debate, and promotes 'Global London' as the best city in the world to do business – whether that is to trade, invest, learn, visit, or find new commercial partners. For more information, please visit our website.