

Weekly policy update from the London Chamber of Commerce and Industry

A round-up of key policy changes from the past week (10-14 March 2025)

PM Outlines Fundamental Reform of the British State

On March 13, Prime Minister Keir Starmer delivered remarks on the fundamental reform of the British state, emphasising the need for change in response to global instability and domestic challenges. Starmer highlighted the importance of national and economic security, stating that strength abroad demands security at home. He outlined the Government's Plan for Change, which aims to deliver national security for national renewal.

Starmer emphasised the need for an efficient and effective government that focuses on delivering for working people. He criticised the current state of the government as overstretched and unfocused, unable to deliver the security people need. To address this, he announced plans to push forward with digital reform, aiming to save £45 billion through efficiency improvements and leveraging AI to make the state more innovative.

The Prime Minister also addressed the issue of regulatory barriers, criticising the proliferation of quangos and regulators that hinder government action. He announced plans to cut statutory consultees, reduce red tape, and streamline the planning process to deliver on the government's pledge to build 1.5 million homes. He cited examples of regulatory obstacles, such as environmental regulators blocking clean energy investments and planning delays caused by minor issues.

Starmer announced the abolition of NHS England as an arms-length body, bringing the management of the NHS back under democratic control to focus on patient care and reduce bureaucracy. He emphasised the need for government decisions to be made with the interests of working people in mind, ensuring that every pound spent delivers value.

The Prime Minister concluded by reiterating the government's commitment to national security and renewal, driving change forward with a focus on the interests of working people and securing the future together.

[Read more](#)

Reforms to Planning System Announced

On March 11, the government announced “seismic reforms” to the planning system through the Planning and Infrastructure Bill. The reforms aim to streamline processes to deliver Labour’s pledge of 1.5 million homes and 150 major infrastructure projects by 2029. Key measures include financial incentives for communities near new electricity pylons, allowing more planning decisions to be made by officers rather than elected councillors, and changing how developers meet environmental obligations. Deputy Prime Minister Angela Rayner stated that these measures will lead to “the biggest building boom in a generation.”

The Bill will introduce significant measures to speed up planning decisions, boost housebuilding, and remove unnecessary blockers to vital developments like roads, railway lines, and wind farms. The reforms include establishing a Nature Restoration Fund to pool contributions for more extensive environmental interventions, improving the compulsory purchase process for land needed for housing and major developments, and strengthening Development Corporations to deliver large-scale projects.

Additionally, the Bill will introduce a system of strategic planning across England, known as spatial development strategies, to ensure sustainable building and infrastructure development. It will also streamline the National Significant Infrastructure Projects (NSIP) regime to deliver projects faster and prioritise clean energy projects for grid connections. People living near new electricity transmission infrastructure will receive up to £2,500 off their energy bills over ten years.

[Read more](#)



Technology Secretary Announces Innovation Plan

On March 10, Science and Technology Secretary Peter Kyle addressed the techUK conference in London, announcing new initiatives to supercharge innovation. He emphasised the importance of removing unnecessary barriers to growth and outlined the government's Plan for Change, which includes funding for game-changing technologies like quantum computing and advanced telecoms. Former Science Minister Lord Willetts was appointed as the chair of the Regulatory Innovation Office to streamline regulations and support the development of technologies such as medical delivery drones. Kyle highlighted the potential of technology to improve lives, from faster medical deliveries to climate-resistant crops, and stressed that innovation is crucial for long-term growth.

[Read more](#)

CMA's Strategy for Competition and Consumer Protection

On March 10, Sarah Cardell, Chief Executive of the Competition and Markets Authority (CMA), delivered a speech at the techUK Tech Policy Conference. She outlined the CMA's commitment to promoting competition and protecting consumers, emphasising the importance of effective competition for business growth. Cardell introduced the '4Ps' framework—pace, predictability, proportionality, and process—to enhance business and investor confidence in the UK regulatory environment. She also discussed the new digital markets competition regime and the upcoming consumer protection powers under the Digital Markets, Competition and Consumers Act, which will come into effect in April. The CMA aims to support growth and investment in the UK tech sector through coherent and timely regulatory actions.

[Read more](#)

Regulator Axed to Boost Economic Growth

On March 11, Prime Minister Keir Starmer announced the abolition of the Payment Systems Regulator (PSR) as part of an efficiency drive to reduce unnecessary regulation and boost economic growth. The PSR's responsibilities will be consolidated into the Financial Conduct Authority, simplifying the regulatory environment for businesses. This move follows business complaints about the complexity of engaging with multiple regulators, disproportionately affecting smaller firms. The Prime Minister emphasised that reducing regulatory burdens is crucial for increasing living standards and putting more money in working people's pockets. Chancellor Rachel Reeves supported the initiative, highlighting the need to free businesses from burdensome regulations to foster innovation and investment.

[Read more](#)



New Expert Panel to Improve SME Exports

On March 13, the government unveiled a new Board of Trade as part of its plan to support small businesses and boost global exports. The revamped Board, announced by Business and Trade Secretary Jonathan Reynolds, aims to help the UK's 5.5 million SMEs increase their exports and drive economic growth. The Board comprises CEOs and business leaders, including Mike Soutar, Allison Kirkby, and Michelle Ovens CBE, who will advocate for their sectors. The announcement coincides with a three-day SME summit at Wilton Park, bringing together government, trade bodies, and small businesses to inform the government's Small Business Strategy. Additionally, a Call for Evidence has been launched to study SME support via access to finance, addressing barriers small firms face.

[Read more](#)

Government Invites Feedback on SME Financing

On March 13, the government launched a call for evidence to gather views on small business access to finance. Business and Trade Secretary Jonathan Reynolds emphasised the importance of external finance for supporting business investment, growth, and new startups. The call for evidence aims to assess existing policies and identify barriers to accessing debt finance. It seeks input from small businesses, lenders, and industry experts to better understand the challenges and opportunities in the lending market. The initiative is part of the government's broader strategy to create a pro-business environment and support the UK's 5.5 million SMEs.

[Read more](#)

UK Responds to US Tariffs on Steel and Aluminium

On March 12, Business and Trade Secretary Jonathan Reynolds responded to the US imposing global tariffs on steel and aluminium. He expressed disappointment over the US decision and emphasised the UK's commitment to a pragmatic approach. Reynolds announced that the UK is rapidly negotiating a broader economic agreement with the US to eliminate additional tariffs and benefit UK businesses. He also affirmed the government's support for the UK industry, backing the industry's application to the Trade Remedies Authority to investigate further protective measures. Reynolds assured that the government would continue to engage closely with the US to advocate for UK business interests and keep all options on the table to respond to the national interest.

[Read more](#)



Mayor Seeks Foreign Investment for London

On March 10, the Mayor of London, Sadiq Khan, attended MIPIM, the world's leading property conference, to attract foreign investment for building affordable homes and unlocking new infrastructure and jobs in London. In partnership with the London Councils, the City of London Corporation, and the private sector, the Mayor launched the Opportunity London Investment Prospectus, detailing 20 live investment opportunities. Khan emphasised the importance of investment in major transport hubs and development sites across London, including Royal Docks, Old Oak, Earl's Court, and Brent Cross Town.

[Read more](#)

Latest Economic Indicators for UK Manufacturing

The manufacturing sector, which includes mining, electricity, water & waste management, and oil & gas extraction, accounted for 8.8% of the UK's economic output and 8.1% of employment from July to September 2024. Manufacturing output increased by 0.7% between November and December 2024, following a 0.3% decrease between October and November. However, the three months to December 2024 production fell by 0.7% compared to the previous quarter and was 0.9% lower than the previous year's period. The UK manufacturing PMI in February 2025 was 46.9, indicating a contraction in the sector, with decreases in new orders, client confidence, and employment despite increased business optimism.

[Read more](#)

New Whistleblower Scheme to Tackle Tax Avoidance

The government announced a new whistleblower scheme to tackle tax avoidance and fraud. The scheme offers informants up to 25% of the additional tax raised as a financial reward for reporting tax fraud. According to The Times, the Treasury's initiative aims to encourage people to report tax fraud, contributing to the broader strategy to close the £6.5 billion annual "tax gap." This scheme is part of the government's efforts to ensure fair tax practices and enhance revenue collection.

[Read more](#)

