

### SPRING 2015 REFORM BAROMETER - UNITED KINGDOM

		Q1 : the recommendation is :	Q2 : implementation on effort is :	Detailed comments
CSR 1	Budgetary strategy	Extremely important	Excellent/no further progress needed	The government has delivered upon its fiscal consolidation plan as announced. The government has supported a pro-growth consolidation in two ways (i) Reduction in Corporation Tax are known to be highly effective in encouraging additional investment. (ii) The government has modestly switched public spending away from current spending towards public investment
CSR 2	Macro-prudential regulation	Important	Satisfactory	The Bank of England has instructed mortgage lenders to stress test borrower's ability to withstand a 3% increase in interest rates and also introduced a cap on the proportion of high loan to value mortgages. The rapid increase in residential property prices, which were identified as an imbalance have moderated. An enhanced focus on encouraging house building would further enhance affordability.
CSR 3	Youth Contact	Important	Satisfactory	The government has maintained its commitment to the Youth Contract. Youth unemployment has fallen significantly. The apprenticeship grant for employers (AGE) has been extended to December 2015 to support a further 100,000 apprenticeships. More needs to be done on promoting advanced vocational training / further education (FE).

CSR 4	Child poverty, Universal Credit and affordable childcare	Important	Mixed	The roll-out of Universal Credit (UC) has been delayed, UC is an important reform because it simplifies the tax & benefit system and makes work pay on a net basis in all circumstances. The government has announced enhanced the Childcare subsidy in UC. The government needs to extend State Maternity Pay from 9 to 12 months and extend 15 hours free Universal Childcare to all 1 and 2 year olds (currently some 2 year olds and all 3 and 4 are eligible) to deliver a joined up childcare package.
CSR 5	Avalability of bank and non-bank finances to SMEs	Important	Satisfactory	Credit conditions for SME's have improved over the last year. The following reforms are welcomed: 1) The Bank of England's Funding for lending scheme is now targeted at business lending, 2) The British Business bank has become fully operational, supporting SME's lending through government guarantees.
CSR 6	National Infrastructure Plan	Extremely important	Mixed	The CBI welcomes that the National Infrastructure Plan has become more specific with announcements of specific projects and budgets up to 2020. However, the UK's overall quality of infrastructure continues to compare unfavorably with other European countries. Infrastructure needs to be depoliticised as an issue to deliver a step change in quality and give long term certainty