



Mr Edward Davey MP
Minister for Employment Relations, Consumer and Postal Affairs
Department for Business, Innovation and Skills
1 Victoria Street
London SW1H 0ET

17 November 2011

Dear Minister,

Thank you very much for meeting with the officers of the All-Party Parliamentary Group (APPG) for Family Business and the Institute for Family Business (IFB) on Tuesday, 8 November 2011.

As we discussed the approach of progressive family firms to long-term stewardship and the responsible management of resources is a key strength of the family business sector.

Part of the evidence for the strong performance of the family business sector in this area is illustrated by the case study examples within the Family Business Stewardshipⁱ report. Among other examples of growth in the sector are the statistics (attached) that show in general that sector firms have on average relatively stronger balance sheets than non-family businesses.

You mentioned as well that the presence of women on the boards of companies was another example of the growth agenda. In fact the family business sector has a good record in this respect. A 2011 survey of 1 million UK private companies revealed that family firms have a greater total percentage of women directors (44%) than non-family firms (32%).ⁱⁱ

We believe that there are specific areas where Government could play a role in supporting the sector achieve growth through improved management of its resources.

In particular many family firms have a strong commitment to apprenticeship schemes as these add skills and strengthen loyalty in the workplace and the IFB would welcome the chance to work further with the Government to improve take up of these programmes in the family business sector.

Family firms also foster strong relationships with external stakeholders and the sector again would welcome the opportunity to become even more involved in the Big Society agenda. In particular the IFB believes that matched giving schemes for companies and employees – the business equivalent of Gift Aid – would be of great benefit in this respect.

The IFB's UK Family Business Sector Reportⁱⁱⁱ shows that with revenues of £1.1 trillion and 3 million family businesses in the UK even a small uptake in these policy initiatives would have a measurable impact on growth and improved stewardship of the UK economy.

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All-Party Parliamentary Group
For Family Business



Institute for
Family Business
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We would be interested in your response to these proposals and what opportunities there may be to work with the IFB to further these aims.

Yours sincerely,

Chris Kelly MP
Chairman
APPG for Family Business

Grant Gordon
Director General
Institute for Family Business

ⁱ Family Business Stewardship, IFB Research Foundation 2011

ⁱⁱ Survey 2011 - Conducted on behalf of the IFB by the University of Leeds and the University of Nottingham,

ⁱⁱⁱ UK Family Business Sector report, IFB Research Foundation 2011

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