United Kingdom

KEY FACTS

Official name: The United Kingdom of Great Britain and Northern Ireland (UK)

Head of State: Queen Elizabeth II (crowned 2 Jun 1953)

Head of government: Prime Minister David Cameron (from 12 May 2010)

Ruling party: Coalition, led by the Conservative Party, with the Liberal Democrats (from 12 May 2010)

Area: 244,103 square km

Population: 63.24 million (2012)*

Capital: London

Official language: English; English and Welsh in Wales; English and Scottish Gaelic in Scotland.

Currency: Pound sterling (£) = 100 pence

Exchange rate: £0.66 per US$ (Jul 2013)

GDP per capita: US$38,589 (2012)*

GDP real growth: 0.17% (2012)*

GDP: US$2,440.51 billion (2012)*

Labour force: 32.29 million (2012)*

Unemployment: 8.02% (2012)*

Inflation: 2.84% (2012)*

Oil production: 967,000 bpd (2012)

Natural gas production: 41.00 billion cum (2012)

Balance of trade: -US$170.45 billion (2012)*

Annual FDI: US$28.31 billion (2011)

* estimated figure

The first half of 2013 saw the Chancellor of the Exchequer (minister of finance) George Osborne begin to claim that Britain was successfully emerging from a period of economic stagnation into the sunny uplands of – modest – economic growth. However, his austerity based programme of reducing national indebtedness could hardly be considered to be succeeding. Since being elected in 2010, the Conservative led coalition government had only managed to reduce total budget spending by 0.5 per cent per year. Alongside his chancellor, Prime Minister David Cameron had originally expected to eliminate the so-called structural deficit – the underlying deficit that would remain unaffected by economic growth – by the end of the current parliament in 2015, an expectation that looked more than optimistic by mid-2013.

The wrong kind of lending?

Writing in the London *Sunday Times*, the commentator Dominic Lawson gloomily predicted that 'Our children – and theirs in turn – will be paying for the debt delinquency of the governments we elected.' That debt delinquency had certainly produced a climate of lending reluctance within British banking circles. The Organisation for Economic Co-operation and Development (OECD) in its annual report on the United Kingdom (UK) economy felt that the key challenges facing the government were those of improving longer-term growth potential and reducing inequality. The UK had still to deal with the lingering effects of the global financial crisis, the restrictive impact of what the OECD considered to be a 'necessary fiscal consolidation' and headwinds from the euro-zone sovereign debt crisis. All these risked prolonging and worsening the economic downturn and negatively affecting the UK's long-term growth potential. Structural reforms, including those currently implemented by the government, were also thought to be crucial in boosting growth and equality.

Poverty and inequality

That the lack of equality was a worsening feature of UK society appeared to many observers to be overlooked by the coalition government. The 'two tribes' theory adopted by a number of economists and sociologists was to some extent borne out by a study prepared by the office of national statistics (ONS) in 2013. This showed that in 2011, 22.7 per cent of the UK population were considered to be at risk of poverty or social exclusion, equivalent to 14.0 million people. The only redeeming feature of this depressing statistic was that the figure was lower than the European Union (EU) average of 24.1 per cent. Furthermore, the study showed that in terms of pure poverty, 16.2 per cent of people in the UK were at risk in 2011, an improvement on the 18.7 per cent registered in 2008. However, this fall was, according to the ONS, at least partly explained by a real-terms fall in median income, which had lead to a reduction in the overall poverty threshold.

The ONS study indicated that 5.1 per cent of people in the UK were considered to be experiencing severe material deprivation, compared with an EU average of 8.8 per cent. The UK's severe material deprivation rate was broadly unchanged since 2005 when comparable figures were first produced. However, the percentage of people who say they are unable to meet unexpected financial expenses had increased considerably since the start of the economic downturn, up from 26.6 per cent in 2007 to 36.6 per cent in 2011. The proportion of people unable to afford an annual holiday has also increased from 21.4 per cent to almost one third of the population – 29.7 per cent – over this period.

A further ONS report showed that in 2010, 17.1 per cent of the UK population were defined as being at risk of poverty, equivalent to 10.7 million people. This was slightly higher than the overall EU at-risk-of-poverty rate of 16.4 per cent. The at-risk-of-poverty rate in the UK had decreased by 1.9 percentage points between 2005 and 2010, whereas the EU average had remained relatively stable over this period. The overall decrease in at-risk-of-poverty rates in the UK between 2005 and 2010 was most pronounced among young people and those

aged 65 and over, although the rates still remained highest for these groups. Among those aged 65 and over, in 2010, the at-risk-of-poverty rate in the UK was considerably higher than the EU average, a difference of 5.5 percentage points. This figure probably reflected the relative inadequacy of UK state pension levels when compared to those seen in other EU member states.

The macro-picture

In its July 2013 assessment of the UK economy, the International Monetary Fund (IMF) noted that the economic recovery in the UK continued to be slow and fragile, as domestic deleveraging pressures continued and external demand was weak. Although the IMF forecast overall economic activity recovering, the pace of expansion was expected to be weak, relative to the scale of under-utilised resources. As a result, the output gap was projected to remain sizeable for an extended period, portending the risk that continued cyclical weakness might lead to a permanent loss in the economy's productive capacity. Inflation remained stubbornly above the two per cent target, owing largely to increases in administered and policy-driven prices. Underlying inflation was, however, modest. Against the backdrop of a large output gap, inflation was expected to decline to the two per cent target over the medium term. Risks to this central scenario remained: a possible re-emergence of financial stress in the euro-zone and larger-than-expected headwinds from public and private sector deleveraging.

The IMF noted that the UK government's current policies aimed to rebalance the economy and strengthen financial stability. Significant progress had been made toward reducing fiscal risks, notably through front-loaded consolidation. In the light of weak recovery, however, the pace of structural fiscal consolidation slowed in the 2012/13 (April/March) financial year, while flexibility in the fiscal programme allowed automatic stabilisers to operate fully. Current fiscal plans envisaged additional discretionary fiscal tightening of £10 billion (US$15.15 billion) in the 2013/14 financial year and were expected to result in an acceleration of the pace of structural consolidation.

According to the IMF, monetary policy in the UK had been highly accommodative to help bolster the recovery. In addition to cutting the interest rate aggressively, the Bank of England has engaged in Quantitative Easing, amounting

to a cumulative £375 billion (US$568.2 billion) (about a 0.25 per cent of gross domestic product (GDP)) and, jointly with the treasury (ministry of finance), launched the Funding for Lending Scheme, aimed at lowering bank funding costs. As noted above, the transmission of accommodative monetary policy to credit has, however, only been partially successful. Mortgage rates had declined sharply and corporate bond and equity markets had recovered strongly. But bank lending, notably to sectors of the economy unable to post high-quality collateral, such as small- and medium-sized enterprises (SMEs), remained very weak, as bank balance sheets remain impaired. To advance financial sector repair, the UK authorities had conducted an Asset Quality Review and laid out plans to strengthen the banks' capital position. The financial regulatory structure has also being revamped, with the establishment of three new bodies – the Prudential Regulation Authority, Financial Conduct Authority and Financial Policy Committee – aimed at bolstering financial stability.

Cameron – Little Englander or Big European?

At the opening of parliament ceremony in May 2013 David Cameron found himself between a political rock and a strategic hard place. The rock was represented by the Conservative majority, largely Eurosceptic and broadly opposed to what it considered to be new ideas such as the introduction of gay marriages. The hard place was the UK's younger electorate, for the most part younger and floating in the middle of the political spectrum. Cameron knew that he had to win over a proportion of these floating voters to have any chance of securing a parliamentary majority. The only trouble was that these two key groups were virtually irreconcilable.

The UK's opening of parliament ceremony features a speech by the monarch outlining the government's plans for the ensuing parliamentary year. The 2013 speech emphasised the new constraints on immigration, a measure designed to appease the Conservative diehards and, optimistically, to stem the rise in popularity of the upstart Eurosceptic United Kingdom Independence Party (UKIP) that, under the flamboyant leadership of Nigel Farage was already eating its way into the Conservative Party's vote. In a Pavlovian response, the Conservative Party, scenting danger, had resorted to the trusted measure of greater immigration control. Many more right-wing supporters of the Conservative Party were happy to blame immigrants for unemployment, low salaries, increased hospital and surgery waiting lists and overcrowded classrooms. An opinion poll conducted by *The Times* suggested that 46 per cent of the British electorate wished to leave the EU against 35 per cent wishing to remain members. An overwhelming majority wanted to see a far-reaching re-negotiation of the membership terms and conditions, with sovereignty regained over legislation on human rights, employment, justice, domestic policy, agriculture and fishing. In short this playing to the traditional Conservative gallery represented a rejection of the continental 'European dream' and a return to straightforward free trade.

The logical, and the easiest, starting point for the Cameron government were the draft parliamentary bills (draft legislation) in the pipeline to limit the access of immigrants to the services of the National Health Service and to housing benefits. Supplementary measures included those preventing illegal immigrants from obtaining driving licences. The underlying objective of the legislation was simply to facilitate the possible deportation of all those who were not strictly allowed to remain in the United Kingdom. The hopes that this legislative programme raised were, however, dashed by Mr Cameron's need to keep in touch with the UK's younger, middle of the road voters. Thus, the prime minister raised no opposition to the legalisation of gay marriages and backtracked on plans to raise supermarket and corner store alcohol prices, as well as raising tobacco prices. Cameron's thinking was that the UK's working classes were already on the ropes of austerity and further moves to increase prices and to endanger life's smaller pleasures could be politically catastrophic.

With the 2015 general election already in mind, Mr Cameron had to tread carefully and ambivalently. Thus the Queen's speech made no reference to the Eurosceptic wish to see a referendum on EU membership enshrined into Conservative policy. Cameron clearly considered that to do so would risk breaking up the ruling coalition – the Liberal Democrats were strongly in favour of continued membership – and almost certainly cast the Conservatives (who were already well behind the opposition Labour Party in the opinion polls) into the political wilderness for the following five years. Some of the proposed anti-immigration window-dressing – such as that requiring doctors to check passports before seeing patients – had already attracted strong opposition.

One commentator considered that Mr Cameron shared with Angela Merkel an obsession with austerity. Within the 15 new laws set out in the Queen's speech

KEY INDICATORS — United Kingdom

	Unit	2008	2009	2010	2011	2012
Population	m	61.37	*61.80	*62.22	*62.64	*63.24
Gross domestic product (GDP)	US$bn	2,684.20	2,183.60	2,247.50	2,417.60	*2,440.51
GDP per capita	US$	43,736	35,334	36,120	38,592	*38,589
GDP real growth	%	-1.1	-4.4	1.3	0.7	*0.2
Inflation	%	3.6	2.1	3.3	4.5	*2.8
Unemployment	%	5.7	7.6	7.9	7.7	*8.0
Oil output	'000 bpd	1,544.0	1,448.0	1,339.0	1,100.0	967.0
Natural gas output	bn cum	69.6	64.4	57.1	45.2	41.0
Coal output	mtoe	10.9	10.9	11.0	11.2	10.2
Exports (fob) (goods)	US$m	468,140.0	356,170.0	410,220.0	479,140.0	*473,030.0
Imports (fob) (goods)	US$m	641,600.0	483,940.0	563,150.0	639,440.0	*643,480.0
Balance of trade	US$m	-173,460.0	-127,760.0	-152,930.0	-160,300.0	*-170,450.0
Current account	US$m	-41,160.0	-23,650.0	-71,600.0	-46,530.0	*-85,532.0
Total reserves minust gold	US$m	44,350.0	55,700.0	68,340.0	77,057.1	*88,600.0
Foreign exchange	US$m	41,550.0	38,030.0	49,330.0	55,644.3	*64,950.0
Tourist numbers	'000	31,900.0	29,680.0	28,295.0	–	–
Exchange rate	per US$	0.51	0.64	0.65	0.61	0.61

there was precious little evidence of Keynesian thinking. The solitary Keynsian measures that could be seen as stimulating the economy were the construction of a high-speed railway line (the HS2) between London and the North of England, linking the capital to Birmingham and Manchester some 20 minutes more quickly – and a barely noticeable reduction of the national insurance and taxation charges imposed on small businesses. The national retirement age was raised to 67 years, with the introduction of a standard old age pension of £144.00 (US$218) per week, on which pensioners were supposed to survive. The leader of the opposition, Labour's Ed Miliband described the programme as 'an empty programme that demonstrated that the government has run out of ideas.'

2012 had seen unease over the coalition government's awareness – or apparent lack thereof – of the predicament faced by much of the country's working and middle class. Prime Minister David Cameron's post election slogan 'we're all in it together' had begun to sound like the empty words of what one Conservative member of parliament (MP) described as 'two arrogant posh boys' with 'no passion to want to understand the lives of others'. Interviewed on the British Broadcasting Corporation's Daily Politics programme, the MP Nadine Dorries said that Messrs Cameron and Osborne's 'real crime' was to show 'no remorse' about their lack of insight beyond Westminster.

Press v Parliament

If David Cameron was swimming against the tide, so were two British institutions, both very much at the heart of an apparently muddled establishment. The relentless probing of the Leveson Enquiry into the relations between press and parliament was tantamount to the washing of rather dirty linen in front of an often enthralled audience. Minister after former minister (including Messrs Cameron, Osborne and Hunt – the embattled minister for culture, media and sport – as well as former prime ministers Blair and Major) were grilled over their relationships with newspaper journalists and proprietors.

Royal fun and Olympic Games

If 2012 saw both parliament and the press fall into some degree of disrepute, the one institution that managed to buck this trend was the monarchy. The trend had begun with the wedding of Prince William and Kate Middleton in 2011. The beginning of June 2012 marked the Queen's Diamond Jubilee, celebrating 60 years as Queen of England. This was Britain's first Diamond Jubilee since that of Queen Victoria in 1897. Other European countries may mock or simply ignore their presidents, but the British monarchy seemed to be much more a cause of celebration than of criticism. The respect in which the Queen was manifestly held by the bulk of the population was mostly due to the adroit professionalism with which she has carried out her duties through a time of unprecedented change (with the odd glitch – notably her failure to share in or respond to the national grief at the death of Princess Diana in 1997). But this and other slip-ups were no more than that. Her devotion to duty and her ability to take change in her stride has been quite remarkable. When she was crowned queen in 1953, Britain was still an imperial, if impoverished, power. Notionally, the Queen ruled over one third of the globe's population. Additionally, the Queen's popularity was due to the simple fact that the monarchy existed, a source of continuity for the traditions that seemed to matter more rather than less as British people watched presidents fall and republics quake. There were over 8,000 applications to close streets for parties; perhaps in true British style the double Bank Holiday saw torrential rain across most of the country, but subsequent opinion polls suggested that the Jubilee had been a great success.

Perhaps because of the *bonhomie* – in straitened times – that the Jubilee celebrations appeared to have generated, the Olympic Games seemed to pick up on the sense of national pride generated by the Queen. The run up to the opening ceremony had seen the usual doubts and criticisms – the company hired to organise the crucial security operations failed to deliver, forcing the government to bring in the army to supervise operations. The opening ceremony, however, turned out to be a huge success – directed by Danny Boyle best known as the director of the film *Slumdog Millionaire* one of the most memorable features was a film clip featuring the actor Daniel Craig (aka James Bond) escorting the Queen (played by herself) to a helicopter from which she (not played by herself) parachuted into the Olympic arena.

The Scottish question

In all likelihood in 2014 the people of Scotland will be asked to vote in a referendum as to whether they wish to become an independent sovereign state. Thus, the Queen might find herself to be the monarch (polls suggested that Scots would wish to retain the monarchy) of two, rather than one, independent nation states. There was considerable uncertainty in 2013 – and concern – as to whether Scottish independence would lead to a break-up of the United Kingdom. There was just as much uncertainty as to whether when push came to shove, the Scots would actually vote in favour of independence. The polls suggested that there was a hard core of voters who would opt for independence whatever the cost. Determining just what that cost might be was a more complex matter.

The cost of independence, to judge from the various assessments in play, was very much determined by the location of those making the assessment. Scottish Nationalists tend to work on the assumption that Scottish oil revenues mean that it subsidises the union with England and Wales. Seen from London, however, Scotland is generally perceived to be dependent on subsidies from central coffers. An article in the London *Economist* suggested that initially, at any rate, a post-independence Scotland would gain (in terms of tax revenues) as much as it loses (in terms of subsidies).

In the longer term, however, the *Economist* pointed out that independence would leave Scotland exposed to the ups and downs of global commodity markets. Diminishing oil and gas reserves – North Sea oil production has been falling by around 6 per cent a year since 2000 (see 'Energy' below) – mean that just to stand still, Scotland would eventually have to find an alternative source of revenue. It would require a huge increase in whisky sales to replace the hydrocarbons. Just how the question of taxpayer shareholdings in the two biggest banks in Scotland (Royal Bank of Scotland (RBS) and HBOS) would be treated looked like being a minefield. RBS alone holds a total of US$275.00 million of so called 'toxic' assets.

The Scottish National Party (SNP) had originally declared that on independence Scotland would adopt the euro as its currency. The recent disarray of the euro has cooled off their enthusiasm. Nationalist enthusiasm to continue using the pound as the national currency is understandably cool, but there seem to be few, if any, realistic alternatives. It is also unlikely that Scotland would gain automatic EU membership. Mindful of other candidates for independence – Spain's Catalonia is the obvious concern – Brussels would be likely to impose tough entry terms.

In its sombre assessment, the *Economist* concluded that if the Scots do vote for independence 'they should do so in the knowledge that their country could end up as one of Europe's vulnerable, marginal economies. In the eighteenth century, Edinburgh's fine architecture and its enlightenment role earned it the nickname 'Athens of the North'. It would be a shame if that name became apt again for less positive reasons.'

Diminishing energy resources

According to the United States government Energy Information Administration (EIA) the UK is the largest producer of oil and the second-largest producer of natural gas in the EU. Following years of exports of both fuels, the UK became a net importer of natural gas and crude oil in 2004 and 2005, respectively. Production from UK oil and natural gas fields peaked in the late 1990s and has declined steadily over the past several years, as the discovery of new reserves and new production have not kept pace with the maturation of existing fields.

The UK government, aware of the country's increasing reliance on imported fuels, has developed key energy policies to address the domestic production declines. These include: using enhanced recovery techniques (EOR) from current and maturing oil and gas fields, promoting energy efficiency, decreasing the use of fossil fuels and thus reliance on imports, promoting energy trade co-operation with Norway and decarbonising the UK economy by investing heavily in renewable energy. However, for the UK to decarbonise its economy, huge investments in the energy infrastructure are needed.

Despite the expanding use of renewable energy, petroleum and natural gas will continue to account for the vast majority of UK's energy consumption. In 2011, petroleum and natural gas accounted for 38 and 35 per cent, respectively, of total energy consumption, with the renewable energy sources growing to 12 per cent of the total. Renewable energy use, particularly in the electric power sector, has more than tripled between 2000 and 2011.

Energy use per unit of GDP in the UK is one of the lowest among western economies. The UK has seen total energy consumption decline by more than 15 per cent between 2004 and 2011. This decline resulted from smaller contribution of energy-intensive industry to the economy, economic contraction and improvements in energy efficiency.

According to the *Oil & Gas Journal* (OGJ), the UK had 3.1 billion barrels of proven crude oil reserves as of January 2013, the most of any EU member country. In 2012, the UK produced 1.0 million barrels per day (bpd) of oil and consumed 1.5 million bpd.

The vast majority of UK's reserves are located offshore in the UK continental shelf (UKCS) and most of the oil production occurs in the central and northern sections of the North Sea. Although there is a modest amount of oil produced onshore, in 2012 more than 90 per cent of total UK production took place offshore. Ageing reservoirs and infrastructure have affected UK's oil production over the last few years, with production decline rate increases and wide-spread outages as a result of technical problems, which were particularly acute in 2012.

The UK government does not hold a direct interest in oil production, but this sector remains important to the government because corporation tax and supplementary tax income from the sector accounts for about 25 per cent of UK corporate tax receipts, according to *Oil and Gas UK*. Since 2011, there have been a number of tax changes that affected the UKCS, including the change in the rate of supplementary charge (an addition to the corporate tax) and the capping of relief for decommissioning costs at 20 per cent of the supplementary charge. In addition, the tax rate for fields that are subject to petroleum revenue tax (PRT) increased to 81 per cent of their profits (from the previous 75 per cent rate) and fields that are not subject to PRT now pay a 62 per cent tax (compared with the 50 per cent rate in the past). As a result of the significant increases in taxes, the UKCS projects have become even less competitive. Increases in operating costs coupled with higher taxes have resulted in decreased investment in both brownfields and new exploration. Even without the increased taxes, operating costs in the UKCS were prohibitively high, exacerbated by the high decommissioning costs of old facilities, which also discourage investors.

Almost immediately after the new tax rates were implemented, development on several start-ups was suspended, including Statoil's Mariner and Chevron's Bressay fields. In addition, Centrica launched a review of all of its exploration activities, as many projects were deemed uneconomical under the new rates. Given a nearly 16-per cent decline in production following the implementation of the new tax rates, the UK government has introduced new incentives for producers to counter some of the increase in taxes.

In 2012, UK produced approximately one million bpd of liquid fuels, of which about 881,000bpd was crude oil. The 2012 liquid fuels production level was about 14 per cent lower than the 2011 production level and it reached the lowest production level since the 1970s. The EIA's *Short-Term Energy Outlook* expected UK oil production to continue to decline, remaining below one million bpd up to the end of 2014. The main reason for this decline is the overall maturity of the country's oil fields and diminishing prospects for new substantial discoveries in the future. Although its proximity to major consuming markets makes UK exploration attractive, recent increases in taxes will continue to affect the attractiveness of the UK fields in the longer term.

Three main grades of oil are produced in the UK: Flotta, Forties and Brent blends. They are generally light and sweet, which makes them attractive to foreign buyers. Brent, the oil stream, is different from Brent, the price. Brent (the price) is the benchmark for approximately two-thirds of internationally traded crude oil. As a benchmark, Brent is used by producers, refiners and traders for establishing long- and short-term contracts in both physical and financial markets for oil deliveries around the world. The Brent crude oil price reflects not only the UK Brent stream, but also three other streams that are included in the trading and pricing at this location: Forties, Oseberg and Ekofisk streams. The latter two are produced in the Norwegian part of the North Sea. The four streams that make up the Brent benchmark produce a light, sweet crude oil.

Despite declines in physical production volumes, the popularity of the Brent futures contracts has increased as evidenced by its exchange volume. Brent is traded on the Intercontinental Exchange and, more recently, on the New York Mercantile Exchange. Futures contracts are exchange-traded contracts for the delivery of a specified quantity of a commodity at a specified time and place in the future. Brent does not require physical delivery upon contract expiration, but rather is settled financially, making it an ideal vehicle for hedgers.

Despite the large declines in oil production over the last few years, the UK is still one of the largest petroleum producers and exporters in Europe. In 2011, the UK exported approximately 690,000bpd. Export data published by UK's Her

Majesty's Revenue and Customs show that the vast majority (82 per cent) of crude oil exports were destined to EU countries, mainly Germany and Netherlands.

The United Kingdom is also a significant oil importer, receiving more than 1 million bpd in 2011. According to the UK government, the majority (67 per cent) of the imports came from Norway, a decline from the 72-per cent share the previous year. The remainder of UK oil imports came from Russia, (8 per cent), Nigeria (7 per cent) and the Middle East (2 per cent).

According to the OGJ, the UK held an estimated 8.7 trillion cubic feet (tcf) of proven natural gas reserves as of January 2013. Most of these reserves occur in three distinct areas: associated fields in the UKCS; non-associated fields in the Southern Gas Basin, located adjacent to the Dutch sector of the North Sea; and non-associated fields in the Irish Sea. The UK government has encouraged the use of natural gas as a substitute for coal and oil in industrial consumption and electricity production.

Natural gas consumption in the UK reached 2.8tcf in 2011, falling about 15 per cent compared with 2010. Preliminary data for 2012 show that natural gas demand fell by nearly 6 per cent during the year, mostly driven by the decline in natural gas demand for electric power generation. The largest share (34 per cent) of natural gas consumption is for electric power generation. The power sector combined with the residential sector accounted for 67 per cent of total natural gas consumption in 2011

Risk assessment

Politics	Good
Economy	Fair
Regional stability	Good

COUNTRY PROFILE

Historical profile

1837–1901 The long reign of Queen Victoria saw the British Empire at the height of its power.
1914–1918 Great Britain called on all its colonies and dominions to help it fight alongside its allies, France and Russia, in the First World War against Germany and its allies.
1916 An uprising in Dublin by Irish republicans was supressed after a few days and its leaders were either executed or interned.
1922 The Irish Free State (Eire) was created in southern Ireland; the six north-eastern counties of Ireland remained part of Great Britain.
1939 Britain declared war on Germany having failed to limit its expansionist policies and after Germany had invaded Poland.
1939–45 In the Second World War, Britain was a major member of the allied forces, along with the US and the Soviet Union, against the Axis powers of Germany, Italy and Japan.
1945 Facing near economic collapse as a result of the war, the UK began to relinquish control of its Empire and its role in the world as its power declined.
1945–51 The Labour Party was elected into government. Led by Prime Minister Clement Attlee, the government implemented reforms to education, healthcare, housing and the social security system.
1953 Queen Elizabeth II was crowned on 2 June.
1969 The start of 'The Troubles' in Northern Ireland. Violence between the Catholic civil rights movement and the Unionists, who perceived it as republicanism, intensified.
1973 The UK joined the European Economic Community.
1979 Following a decade marred by economic stagnation and endemic inflation, the Conservative Party (Tories) won a parliamentary majority in the general election. Margaret Thatcher, leader of the party, became the UK's first woman prime minister.
1979–1990 Thatcher's radical domestic policies, including privatisation and local government reforms, did not prevent her securing two further election victories, in addition to a victory in the 1982 Falklands conflict.
1990 Introduction of the community charge and a loss of party confidence stemming from her vociferous opposition to the European Community finally led to Thatcher being replaced by John Major as leader of the Conservative Party and as prime minister.
1992 The treaty on European Union (the Maastricht Treaty) was signed. The Treaty harmonised legislation in key areas of European Union (EU) social policy, immigration and finance, although the UK successfully opted out of the Social Chapter. The UK was forced out of the European Exchange Rate Mechanism (ERM) after the pound dropped below the permitted parity with the deutschmark. The Conservatives won the general election.
1997 The Labour Party, under the leadership of Tony Blair, won an overwhelming victory in the general election.
1998 The UK and Irish governments attempted to bring to an end the problems in Northern Ireland through the signing of the Good Friday Peace Agreement. The political settlement established a precedent for Ireland's direct involvement in Northern Ireland's affairs, with cross-border co-operation and the decommissioning of paramilitary arms.
1999 Scotland's first legislature for 300 years and Wales' first for 600 years were opened in June. Power and conditional authority were also devolved in Northern Ireland in December.
2000 Nationwide cases of foot and mouth broke out; four million cattle were culled and compensation payments totalled £1.1 billion (US$1.5 billion).
2001 The Labour Party won a second landslide parliamentary victory.
2003 British forces joined a US-led invasion of Iraq, prompted in part by an intelligence report that said President Saddam Hussein of Iraq had a stock of weapons of mass destruction (WMD)
2004 The Iraq Survey Group concluded Iraq did not possess WMD. A UK inquiry into the quality of intelligence used to justify UK participation in the Iraq war found no evidence of 'deliberate distortion or culpable negligence' by the government.
2005 The Labour Party won its third term in office but with a significantly reduced majority. On 7 July four bombs exploded (on three underground trains and a bus) during the morning rush hour in London, killing 52 people and injuring over 700. Four Islamic extremists, including three British-born Muslims, were later convicted for this act of terrorism.
2006 Police investigated allegations of peerages being bought through financial donations to the Labour Party. Aleksandr Litvinenko, former Russian security service officer and outspoken critic of Russia's ruling elite was poisoned by radioactive thallium in London. Police traced the source to Russia but authorities there refused to extradite the prime suspect.
2007 Following Northern Ireland elections the Democratic Unionist Party (DUP) and Sinn Féin agreed to share power, ending direct rule from London. The Scottish National Party (SNP) took office after winning Scotland's general election. Prime Minister Blair resigned and was replaced, unopposed, by Gordon Brown.
2008 The first run on a bank by customers since the early 1860s lead the government to nationalise the Northern Rock Bank. The government had to invest £37 billion (US$74 billion) to partly nationalise another three failing banks and guarantee billions more to support the financial sector. In foreign exchange markets the pound sterling dropped against the US dollar as well as other currencies.
2009 The UK fell into recession in the first quarter and the Bank of England's official bank rate was reduced to 1.5 per cent, the lowest level since it began operations in 1694. Halifax-Bank of Scotland announced the largest corporate loss in

British history – of around US$41.3 billion (£28 billion). UK troops began leaving Iraq. An inquiry into the Iraq War was undertaken, to investigate the circumstances, conduct and outcome of the war. The UK climbed out of recession in the last quarter.

2010 Following parliamentary elections in which no party won a majority (326 seats), the Tories, with most seats (306), formed a coalition government with the Liberal Democrats (Lib Dems) (57 seats). David Cameron (Tories) became prime minister. An early budget announced public spending cuts, particularly in welfare. It also included bank levies, a public sector worker's pay freeze, a VAT rise from 17.5 per cent to 20 per cent. In a surprise result, Ed Miliband became leader of the Labour Party. He beat his elder brother, David Miliband, by 50.65 per cent to 49.35 per cent of votes cast.

2011 In March, the UK joined in a five-country coalition (with Canada, France, Italy and the US) to impose a no-fly zone over Libya. A referendum to change the voting system to proportional representation for the UK parliament was defeated by 67.9 per cent to 32.1 per cent. In May the Scottish Parliamentary elections were won by the SNP, who had promised a referendum on independence from the UK's Act of Union. First Minister Alex Salmond (SNP) stated his preference for a referendum on independence in 2014 or 2015. In elections held on 5 May, the Labour Party won leadership the Welsh National Assembly when they gained four seats from the previous election; nationalist Plaid Cymru lost four seats. The Labour Party still required support from other parties to pass legislation. The UK military operations in Iraq ended completely in May. Rioting and looting broke-out in several major English cities over three nights in August. Order was restored with the deployment of 16,000 police officers in London; magistrate courts stayed open for 24 hours to process those arrested. In October the 16 Commonwealth Heads of Government of which the British monarch is Head of State unanimously agreed to change the royal line of succession from that of first born son to the first born child (regardless of its gender). The change will be enacted after the succession of Prince William (currently second in line to the throne, after his father Charles, Prince of Wales). In November, the British embassy in Tehran (Iran) and a British diplomatic compound in northern Tehran were stormed by hundreds of protestors angry at British sanctions against Iran. All UK diplomatic staff and their families were evacuated as all Iranian embassy staff in London were told to leave the UK within 48 hours.

2012 In January, the UK executive challenged Scotland's right to hold a referendum on independence and claimed that only the powers vested in the UK parliament could do so. Moreover, the result of any such referendum would not be legally binding as referenda in the UK are advisory only. Queen Elizabeth II marked her diamond jubilee on 6 February. The economy weakened with GDP growth in the first quarter of 0.2 per cent, following 0.3 per cent in the fourth quarter of 2011. Unemployment in the second quarter fell to 2.47 million (7.8 per cent of total), however there was a record increase in the number of part-time workers at 27 per cent of total (the highest level since records began in 1991). On 30 May the International Criminal Court sentenced former president Charles Taylor (of Liberia) to 50 years in jail for crimes against humanity. Under an agreement, sanctioned by Tony Blair in 2006, Taylor's sentence will be served out in the UK prison system. The Scottish pro-independence campaign began in Scotland on 25 May and a month later, on 25 June the pro-union campaign began. On 12 June, while addressing the UN Committee on Decolonisation, President Fernandez de Kirchner of Argentina demanded that the UK enter negotiations over the sovereignty of the Falkland Islands (Las Malvinas). Prime Minister Cameron responded on 13 June by saying there would be 'absolutely no negotiation' on sovereignty rights. Meanwhile the Falklands Islanders decided to conduct a referendum on its 'political status' in 2013. Results of the 2011 England and Wales national census were published on 16 July, showing a population of 56,075,900 in England and Wales, a rise of 3.7 million on the 2001 census. In Northern Ireland there were 1,810,900 people; Scotland is scheduled to publish its results in December. On 2 August Buenos Aires province, in a largely symbolic move, banned all British merchant ships passing to or from the Falkland Islands from using its ports. The move is to prevent ships flying the British Red Ensign (instead of the Falkland Island flag) from using the ports. In 2011 the trading bloc Mercosur had banned ships flying the Falkland Island flag from all their ports. On 15 October Prime Minister Cameron and First Minister Salmond signed an agreement to hold a referendum on Scottish independence. The vote will be in late 2014, will have a single yes/no question and will allow 16 and 17 year olds to participate. The result of the referendum will be held binding by both sides. The UK placed a ban on all cargo flying in from Yemen in 2010, following the discovery of improvised bombs sent by agents of Al Qaeda; the ban was still in operation in 2012. On 9 November, Justin Welby was appointed as Archbishop of Canterbury (leader of the worldwide Anglian Church), to take over when the incumbent Rowan Williams retires in December. The Leveson Inquiry report into press standards was published on 29 November. It recommended that a new self-regulating body be established, independent of serving editors, politicians and business interests. It also made the contentious recommendation that it be under-pinned by statute designed to assess the acceptable behaviour of the press.

2013 Former prime minister, Margared Thatcher, died on 8 April. The annual marching season in Northern Ireland began on Friday 12 July with riots in Belfast. A Parades Commission had ruled that a parade by three Orange Order lodges would not be allowed to march along a stretch of the Crumlin Road that separates loyalist and nationalist communities, on its return journey from the main Belfast demonstration.. The serious rioting on Friday and Saturday night was followed by low level disturbances in several towns for the next few days. The first stage of an audit of EU powers, which Tory MPs hope will be the basis of a future re-negotiation of the UK's membership, was published on 22 July. The 'balance of competences' review examined which powers are delegated to Brussels and which are retained by the UK; Prime Minister Cameron has said that he would like to renegotiate some of the powers and has promised a referendum in 2017 if the Conservatives win the next election. The economy grew by 0.6 per cent in the three months to June, according to official figures. Foreign secretary, William Hague, announced on 8 October that a *charge d'affaires* will be appointed to work with Iran, the first diplomatic appoint since the embassies were closed in November 2011. Iran will in turn appoint a *charge d'affaires* to work with the UK. On his final day of a trade visit to China, George Osborne, the Chancellor, announced that Chinese companies would be allowed to invest in the UK nuclear plant industry.

Political structure

Constitution

There is no formal written constitution, instead constitutional law is based on legal precedent and legislation both within the UK and from EU supranational institutions. Power within the UK is partially devolved to Scotland, Wales and Northern Ireland. Local councils operate at the level of metropolitan boroughs, counties, districts and parishes, delivering a number of public services such as education and policing, although their powers, particularly

regarding taxation and spending, are circumscribed by central government.

Form of state

Parliamentary democratic monarchy

The executive

The monarch is head of state. The monarchy is governed by convention and may not participate in politics or government affairs. It has, however, by unspoken agreement three rights: to be consulted, to encourage and to warn.

The monarch, in regard to democratic principles, accedes to the results of the popular vote and appoints the winner of any general election, and only in extreme circumstances may a monarch dismiss the government.

While government ministers act nominally in the name of the Crown, almost all power rests with the prime minister as head of government and his cabinet of ministers (part of the executive but drawn from the legislature).

The prime minister chooses and chairs the cabinet, who are members of the political party which typically has most seats in the House of Commons. The cabinet consists of around 20 ministers, although its exact composition is not fixed and there are some ministers without portfolio. Secretaries of state are ministers who head specific government departments. Major figures of importance in the cabinet include the chancellor of the exchequer (responsible for economic management), the foreign secretary (foreign policy) and the home secretary (responsible for law and order). Other ministers deal on a functional basis with trade and industry, health, energy, transport and so on. Cabinet ministers head departments of civil servants and have junior ministers (who do not, as a rule, have a seat in the cabinet) to assist them. These ministries are effectively the executive arm of central government, implementing decisions of the cabinet and parliament.

National legislature

The bicameral parliament consists of the House of Commons (lower house) and House of Lords (upper house). Both are commonly referred to as the Commons and Lords respectively. The Commons has 646 members of parliament (MPs), directly elected in single seat constituencies who serve for up to four-year terms. Legislation may be introduced by both houses; the Lords can suggest amendments to and, except for financial legislation, it can refuse to pass legislation, but the Commons has ultimate power.

The Lords has 740 members, including life peers, hereditary peers and Church of England archbishops and bishops who serve for as long as they deem necessary.

Devolution of power to Scotland and Wales took place in 1999 and was Scotland's first legislature for 300 years and Wales' first for 600 years. Elections to the 129-member Scottish Parliament and the 60-member Welsh Assembly are conducted under a system of proportional representation. The Scottish Parliament may raise taxes; however the Welsh Assembly must seek funds from the UK parliament.

Legal system

The judiciary is independent of both the legislature and executive. The legal system in Scotland and Northern Ireland differs from that in England and Wales.

In England and Wales around 300 county courts deal with minor civil cases. Magistrates courts deal with minor criminal cases. Civil and criminal appeals from these courts are heard by crown courts, which sit in about 90 venues. Scotland and Northern Ireland have slightly different judicial systems. The main purpose of a crown court is to try the more important criminal cases. The High Court of Justice is the main civil court, divided into three sections: Chancery Division, Queens Bench Division and the Family Division.

In October the highest court in England, Wales and Northern Ireland, which had been operated by the House of Lords, became the Supreme Court, entirely separate from the legislature.

Since the signing of the Single European Act in 1988, the European Court of Justice (ECJ) has supreme jurisdiction over some aspects of UK law, although this is not often exercised.

Last elections

6 May 2010 (parliamentary); 5 May 2011 (parliamentary Scotland and Wales and UK referendum)

Results: Parliamentary: the Conservative Party won 36.1 per cent of the vote (306 seats out of 650), Labour Party 29 per cent (258), Liberal Democrats 23 per cent (57), Democratic Unionist Party 0.6 per cent (8), Scottish National Party 1.7 per cent (6), Sinn Féin 0.6 per cent (5); three other political parties won less than four seats each. Turnout was 65.1 per cent.

Scottish Parliament: the Scottish National Party won 69 seats (out of 129), Labour Party 37, Liberal Democrats five, others three.

Welsh Assembly: the Labour Party won 30 seats (out of 129), Conservatives 14, Plaid Cymru 11, Liberal Democrats five.

Referendum: 67.9 per cent voted against and 32.1 per cent in favour of changing the voting system for the UK parliament, from 'first-past-the-post' to 'alternative voting' (AV), whereby voters rank their choice of candidates.

Next elections

2014 (parliamentary)

Political parties

Ruling party

Coalition, led by the Conservative Party, with the Liberal Democrats (from 12 May 2010)

Main opposition party

The Labour Party

Population

63.24 million (2012)*

The population is expected to grow to 64.8 million by 2025. In common with much of Western Europe, the UK population is ageing owing to long life expectancy and low birth rates.

Last census: April 2001: 58,789,187

Population density: 247 inhabitants per square km. Urban population 80 per cent (2010 Unicef).

Annual growth rate: 0.4 per cent, 1990–2010 (Unicef).

Ethnic make-up

The English, Scots, Welsh and Irish peoples combined make up over 90 per cent of the population of the UK; the largest ethnic minorities are those of Caribbean or African descent (875,000 people). The next largest ethnic groups are Indians (840,255 people) and Pakistani and Bangladeshis (639,390 people). Ethnic minority groups represent just under 6 per cent of the population.

Religions

Church of England (25 million (baptised)), Roman Catholic (4.12 million), Muslim (1.5 million), Presbyterian (1.1 million), Methodist (800,000), Sikh (500,000), Hindu (320,000), Jewish (285,000).

Education

The UK has a devolved education system. Alongside the state system are independent schools, often denominational, which are financed by fees, endowments and the state. Pre-school education is not state-funded; it is available for ages two to five, through playgroups and nursery schools. There is a national curriculum and assessment targets for all primary schools and a minimum attainment is set for all children.

The usual age for transfer to secondary schools is 11 in England, Wales and Northern Ireland and 12 in Scotland. About 90 per cent of state secondary school pupils in England, Wales and Scotland attend comprehensive schools, which provide a wide range of secondary education for most children of all abilities. In other areas, the grammar school system has been retained alongside the comprehensive system, with admission through some form of testing at the age of 10 or 11.

All children are tested at the ages of 7, 11 and 14 years, and take General Certificate of Secondary Education (GCSE) or Scottish Certificate of Education (SCE)

examinations at 15–16 years. Students can then opt to study at further education institutions for a range of academic and vocational qualifications, such as Advanced level (A-level) or the National Vocational Qualification (NVQ).
Tertiary education typically starts at aged 18, when students go on to university or colleges of higher education. UK higher education has expanded so that first degrees and further post-graduate qualifications are taken at over 162 universities and other colleges of higher education.
Compulsory years: 5 to 16 in England, Wales and Scotland; 4 to 16 in Northern Ireland.
Enrolment rate: 101 per cent gross primary enrolment of relevant age group (including repeaters); 158 per cent gross secondary enrolment; 59 per cent tertiary enrolment (World Bank).
Pupils per teacher: 19 in primary schools

Health

The National Health Service (NHS) benefits from major government spending, with UK citizens provided with free treatment. Most people are required to pay an initial fee for some aspects of treatment such as eye tests, dental care and prescriptions. The NHS accounts for 85 per cent of total healthcare provision in the UK.
The service provided by the NHS is generally of high quality, but delays for many non-urgent operations have encouraged people to take out private health insurance policies. Private health cover is becoming increasingly common as a company benefit.
Latest figures show 83 per cent of children were immunised against measles before aged one year. Many parents have withdrawn their infants from the programme and questioned the efficacy of the triple MMR (measles, mumps and rubella) vaccine, following a hotly contested report that claimed the onset of autism and the MMR vaccination were linked.
The government announced that it would take measures to prohibit visitors or 'health tourists' from accessing NHS services, limiting treatment to accidents and emergency cases only.
Foreign medical providers provide some surgical treatment, outside the administration of local health authorities. This has provided competition for the NHS, to match the provision of treatment at a reduced cost with speedier flow-through.
HIV/Aids
HIV prevalence: 0.2 per cent aged 15–49 in 2003 (World Bank)
Life expectancy: 79 years, 2004 (WHO 2006)
Fertility rate/Maternal mortality rate: 1.9 births per woman, 2010 (Unicef)
Birth rate/Death rate: 12 births and 11 deaths per 1,000 people (World Bank)
Child (under 5 years) mortality rate (per 1,000): 5 per 1,000 live births (WHO 2012)

Welfare

The UK has long-established social security and welfare systems. Jobseekers Allowance is provided to most of those registered as unemployed. Additional benefits are paid to families on low incomes or with special needs, for example through the Family Credit Scheme. There is also a wide range of allowances for disabled people. The Housing Benefit Scheme is administered by local authorities and provides assistance with rent and other payments.
Pensions
The UK has an ageing population, with the number of over 65 year-olds projected to outnumber the numbers below 16 years by 2008. The number of those past retirement age is expected to peak at around 15 million in the 2030s. Bills for healthcare and pensions are set to rise significantly, while revenue from income tax falls. Government policy is to actively encourage private pension schemes for all employees, and most people now entering the labour market do not expect to receive a sufficient state pension on retirement. Private pension schemes allow retirement at any time between age 50 and 75.
The State Retirement Pension is paid to men at age 65 and women at age 60, although for women this age is starting to increase with the state retirement age to be equalised at age 65 by April 2020.
A report published in October 2004 found that state pensions were underfunded, and that 9–12 million people (or 40 per cent of the workforce) were not saving enough for their retirement.
In March 2005 the unfunded public workers' pensions liability was estimated at £690 billion (US$1.2 trillion) or 1.5 times the net public sector debt. The government has begun taking action to alleviate the problem but much more will be required and may include some combination of higher taxes, compulsory savings and/or an increase in the retirement age over 65.
In April 2005 the Pension Protection Fund (PPF) began operation. The fund is aimed at workers who lose their pension when their employer declares bankruptcy. The scheme is an insurance plan, to which all final salary pension schemes must belong. Pension schemes pay fees for each member into a fund and when a business collapses the employees should receive at least 90 per cent of the sum they were due when they retire and retired members should receive 100 per cent of the sum. Critics claim this measure will discourage businesses from running final salary pensions, if they are to shoulder yet another financial burden, and that one large enterprise that collapsed could overwhelm the fund.

Main cities

London (capital of UK and England, estimated population 7.9 million in 2012), Birmingham (935,270), Liverpool (449,063), Leeds (440,055), Sheffield (409,189), Manchester (396,830), Bristol (371,042), Leicester (300,210).
Scotland: Edinburgh (capital) (456,898), Glasgow (579,422), Aberdeen (162,622), Dundee (140,043).
Wales: Cardiff (capital) (322,192), Swansea (175,204), Newport (121,379).
Northern Ireland: Belfast (capital) (254,410), Londonderry (Derry) (92,133), Lisburn (88,473).

Languages spoken

Other communities such as Indian, Pakistani, Jewish and Chinese maintain their languages.
In 2004 the Bòrd na Gàidhlig (the Bòrd) was established, as a statutory body, working to secure the status of Gaelic as an official language of Scotland.
Official language/s
English; English and Welsh in Wales; English and Scottish Gaelic in Scotland.

Media

Alternative proposals for a press regulator put forward by the newspaper industry was said to be 'flawed' by the Privy Council sub-committee set up to look into press regulation. The Privy Council is expected to present its decision on the proposals put forward by politicians and campaigners on 30 October.
Press
The Press Complaints Commission (www.pcc.org.uk) monitors ethical guidelines required by British media.
There are over 2,000 newspapers published in the UK. All major newspapers are in English. The impact of the internet has led all major national news corporations to invest in online editions.
Dailies: Of the 10 daily newspapers published in England, tabloid readership is the greatest, with the most popular, *The Sun* typically selling three million copies. The biggest selling broadsheet is *The Daily Telegraph* with around 900,000 copies sold daily. Broadsheets by popularity include *The Daily Telegraph* (www.telegraph.co.uk), *The Times* (www.timesonline.co.uk), *The Guardian* (www.guardian.co.uk) and *The Independent* (www.independent.co.uk). A free issue newspaper in London *Metro*

(www.metro.co.uk) rivals some of the tabloid newspaper circulations.
Influential newspapers in Scotland include the *Daily Record* (www.dailyrecord.co.uk) and *The Herald* (www.theherald.co.uk); in Wales *Western Mail* (http://icwales.icnetwork.co.uk); in Northern Ireland *Belfast Telegraph* (www.belfasttelegraph.co.uk) and *The Irish News* (www.irishnews.com).
There are a number of evening newspapers distributed in major cities including the London *Evening Standard* (www.thisislondon.co.uk), *Manchester Evening News* (www.manchestereveningnews.co.uk), *Bristol Evening Post* (www.epost.co.uk) and *The South Wales Evening Post* (www.thisissouthwales.co.uk). In January 2009, ex-KGB agent Alexander Lebedev bought the ailing *London Evening Standard*, to be run by his son Evgeny Lebedev. An editorial committee will guarantee editorial independence.
Weeklies: Most daily newspapers publish Sunday editions. There are numerous speciality magazines targeting women and men, young and old; the National Magazine Company (www.natmags.co.uk) publishes several of these magazines. Those with serious comment on general interest, with national and international circulation, include *Prospect* (www.prospect-magazine.co.uk), *The Spectator* (www.spectator.co.uk) and *New Statesman* (www.newstatesman.com). Topics can be exclusive, such as *The New Musical Express NME* (www.nme.com), or technology or aimed at ethnic groups, others can be regional and some international. Satirical publications include *Private Eye* (www.private-eye.co.uk) and *Viz* (www.viz.co.uk). There are two tabloid magazines with large circulations *Hello* (www.hellomagazine.com) and *Heat* (www.heatworld.com).
The last edition of the *News of the World* was published on 10 July 2011, following the scandal that a number of staff had systematically hacked into the mobile phones of celebrities, politicians and the bereaved families of military personnel and murder victims.
Business: There are a large number of publications covering all aspects of business, some with international circulation, the most prestigious are *The Financial Times* (www.ft.com) a daily newspaper and *The Economist* (www.economist.com) a weekly magazine. Others include *The Business* (http://info.thebusiness.co.uk), *Independent Business Today* (www.ibpl.co.uk) is a newsletter published by the Institute of Independent Business, *Financial News* (www.efinancialnews.com), and *Investors Chronicle* (www.investorschronicle.co.uk) (weekly). Other regional publications include *Business Brief Channel Islands*, *London Business Matters*, *Business and Finance in Scotland* and *Business Scotsman* (http://business.scotsman.com).
The Bank of England (www.bankofengland.co.uk/publications) regularly publishes news on the British economy. *The Shariah Investor* (www.shariahinvestor.com) has articles concerning Islamic banking.
Periodicals: *Which* (www.which.co.uk) is an influential consumer monthly magazine.

Broadcasting

Public broadcasting is provided by the British Broadcasting Corporation (BBC), a behemoth in the area of worldwide broadcasting. Services are paid for by a licence fee levied against any owner of a television set.
Radio: The BBC operates the largest national network with 11 stations targeting differing audiences, including the World Service, which broadcasts in over 30 languages worldwide. Digital and live online and podcast services are available (www.bbc.co.uk/radio). There is also a BBC local radio network covering the four countries with programmes in English, Welsh and Gaelic.
Private, commercial radio stations thrive throughout the country, although the BBC typically garners the highest listening audiences for both age-related programming and general audience ratings. Popular commercial services include Virgin Radio (www.virgin.com), Classic FM (www.classicfm.co.uk), Talk Sport (www1.talksport.net) and Independent Radio News (IRN) (www.irn.co.uk).
Television: Digital television services are due to be fully implemented by 2012, when all analogue services will be suspended. A number of service providers are transmitting programmes in high definition.
There are five national terrestrial television channels in operation – BBC1 and BBC2 (www.bbc.co.uk), ITV1 (www.itv.com), Channels 4 (www.channel4.com) and 5 (www.channel5.com). All channels commission their own productions and transmit a range of genre programmes.
Free-to-air digital services are provided by all national channels, and some by pay-to-view satellite and cable TV providers. BBC Wales and Channel 4 Wales called S4C provide services in the Welsh language.
Major cable, digital and satellite systems are growing, particularly the Sky network (www.sky.com) and Virgin (www. virgin.com), which includes news and sports channels.
National news agency: PA Group

Economy

The UK is a major financial centre and one of the world's largest exporters of financial services. The economy is large, open and mixed and characterised by an export-oriented manufacturing sector. The UK is the third richest country in Europe and a member of the G8, a bloc of the wealthiest countries worldwide. This status is in no small measure based on its financial and service industries including insurance, banking and financial transaction services and tourism; the London Stock exchange is Europe's oldest and largest trading forum and globally one of the top stock exchanges.
Although proven reserves are falling the UK is still a major European oil producer, with reserves of 2.8 billion barrels at the end of 2011, and production of 1.1 million barrels per day (bpd). However, consumption was 1.5 million bpd. There were 200 billion cubic metres (cum) of proven natural gas supplies at the end of 2011, and production of 45.2 billion cum, against consumption of 80.2 billion cum. All deficits are met by imports.
GDP growth in 2007 was 3.5 per cent, but as the global economic crisis struck in 2008 the economy fell into a recessionary -1.1 per cent, which intensified to -4.4 per cent in 2009. Unemployment had risen to a high of 7.8 per cent in 2009 (youth unemployment was much higher at 19.8 per cent) as inflation fell to a 2.1 per cent, down from 3.6 per cent in 2008 (1.6 per cent above the Bank of England's consumer price index target of 2.0 per cent). The Bank of England's official bank rate was reduced to 0.5 per cent in 2009, the lowest level since it began operations in 1694. Sterling fell rapidly and manufacturing contracted by 4.6 per cent, despite the help to exporters of a weak pound.
The global economic crisis hit the UK hard as it is so dependent on its financial services sector for growth. It has high household indebtedness and an unsustainably high housing market. By the third quarter of 2009 insolvencies were at an all-time high as cheap credit became scarce. The government was forced, since the run on the Northern Rock Bank in 2007, to commit public funds to prop up the banking sector and later the economy in general. Stimulus packages amounting to 0.2 per cent and 1.4 per cent of GDP were committed in 2008 and 2009 respectively as the UK, in conjunction with other developed countries, tackled its failing economy, through the mechanism of quantitative easing (injecting money directly into the economy). The money was used by the banking sector to provide liquidity for, among other things, inter-bank

lending, asset guarantees and by the government in spending to promote growth. The credit ratings agency, Standard and Poor's, review of the UK's economy was revised from stable to negative in May 2009, stating its finances were deteriorating faster than expected. Nevertheless, the agency did not change the UK's triple-A rating, as it saw merit in the government's plans to reduce debt as sound. In June 2010 the Fitch Ratings Agency advised that efforts to cut the budget deficit should be speeded up to prevent the UK from losing its triple-A rating.

Global trade picked up in 2010 and the economy returned to growth of 2.1 per cent. A new coalition government was elected in May 2010, which undertook to repay the budget deficit of £163 million (US$239 million) through, among other measures, higher taxes, wage freezes for public workers and social welfare cuts. Despite austerity measures that cut public spending and controls on public borrowing the economy weakened in 2011, as annual GDP growth fell to an estimated 0.7 per cent. GDP growth in the first quarter of 2012 was 0.2 per cent, following 0.3 per cent in the fourth quarter of 2011. Unemployment in the second quarter of 2012 fell to 2.47 million (7.8 per cent of total), however there was a record increase in the number of part-time workers at 27 per cent of total (the highest level since records began in 1991).

External trade

As a member of the European Union, the UK operates within a community-wide free trade area, with tariffs set as a whole. Internationally, the EU has free trade agreements with a number of nations and trading blocs worldwide.

The sector that produces the biggest share of export earnings is banking and financial services, with international banking rated as one of the best and most profitable globally. Despite the decline in heavy industry and manufacturing, output has been maintained by hi-tech industries in aerospace and telecommunications, pharmaceuticals and niche manufacturing that account for 25 per cent of GDP. The UK is still a major exporter of hydrocarbons, but became a net importer of oil and natural gas in 2004. The first liquefied natural gas (LNG) plant opened for imports in 2005.

In 2007, Scotch whisky was awarded greater protection from foreign copiers by British consumer laws. Scotch whisky exports are worth around US$4 billion to the Scottish economy annually and the regulation is seen as a vital measure to protect the integrity of the product.

Imports

Main imports are vehicles, consumer goods, capital machinery, raw materials, fuels and foodstuffs.

Main sources: Germany (11.8 per cent of total in 2012), US (7.9 per cent), China (7.9 per cent).

Exports

Main exports are manufactured goods, fuels, chemicals and pharmaceuticals, food, beverages and tobacco.

Main destinations: US (12.1 per cent of total in 2012), Germany (10.4 per cent), The Netherlands (8 per cent).

Agriculture

Agriculture contributes one per cent to GDP, employs 2 per cent of the workforce and meets over two-thirds of domestic food consumption needs. The sector is highly efficient and is a significant exporter of agricultural produce, fertilisers and foodstuffs. However, the farming industry remains stuck in long-term recession.

Government policy is to keep the agricultural industry competitive by reducing subsidies and allowing market forces to determine a farm's viability. The National Farmers' Union (NFU), represents around one-third of UK farmers.

UK membership of the EU has created policy disputes between the farmers' organisations, the UK government and the EU. Most of UK agriculture is governed by the EU's Common Agricultural Policy (CAP), which was reformed fundamentally in 2005. The subsidies paid on farm output, which tended to benefit large farms and encourage overproduction, were replaced by single farm payments not conditional on production. This was expected to reward farms that provided and maintain a healthy environment, food safety and animal welfare standards. The changes were also intended to encourage market conscious production and cut the cost of CAP to the EU taxpayer.

Restrictions on upland sheep farms, which were instituted in 1986 following the radioactive fallout from the Chernobyl disaster, were finally lifted in June 2012, allowing free movement of sheep. Of the original 9,800 UK farms under restriction, by March 2012 only 327 farms in North Wales and eight in Cumbria were still subject to monitoring and movement constraints.

Once an important contribution to the economy, the UK's fishing industry is in decline. The total annual marine catch is typically 750,000 tonnes. Cod stocks in the North Sea, Skagerrak, Irish Sea and waters west of Scotland have been in decline for a number of years.

Forests cover 24,000 square kilometres, accounting for nearly 10 per cent of total land use. Careful management and replanting programmes mean that forests in the UK are growing by almost 130 square kilometres per annum. Much of the forest plantations have been in the form of non-indigenous coniferous trees, such as the Norwegian Spruce, but in 2005 the government announced a change in policy in favour deciduous woodlands.

The UK typically produces around 7.5 million cubic metres of timber per annum. The UK is far from being self-sufficient in timber or wood products, importing up to 90 per cent of its requirements.

The UK is one of the largest markets for forest products in Europe, with consumption per capita remaining around the European average. Most of the internal demand for pulp and sawnwood is met by imports, although the paper industry depends on the large domestic supply of recovered paper.

Industry and manufacturing

The manufacturing industry is centred in northern England and the Midlands. Heavy industry and mining have steadily declined since the nineteenth century industrial revolution, but more rapidly in recent decades. Regions where heavy industry and manufacturing were once important typically have lower GDP per capita and higher unemployment than in the south-east. Northern England, the Midlands and Wales were dealt several blows between the late 1990s and 2002 as foreign-owned plants, notably in the vehicle manufacturing sector, closed, causing tens of thousands of redundancies. The sector's contribution to GDP has fallen in the last twenty years from over 40 per to around 25 per cent.

The government's involvement in industry has decreased since the 1980s. Policy has focused on small- and medium-sized enterprises (SMEs) and on the development of high-tech industry. The government has reformed its subsidies system to the larger industries, including the phased abolition of subsidies to ship-building operations. The long-awaited turnaround in manufacturing investment has been delayed by rising oil and commodity prices pushing up costs and putting pressure on profit margins.

Tourism

According to the World Tourism Organisation, the UK ranked sixth for international tourist arrivals in 2010, with 28.1 million visitors (France ranked first with 76.8 million); London ranked second for international visitors to cities with 14.6 million (Paris 15.1 million).

The distinct countries within the UK (England, Scotland, Wales and Northern Ireland) all have separate strategies for marketing their tourist destinations.

The direct contribution of travel and tourism to the economy has fallen from a peak in 2007 of US$66.589 billion and an indirect contribution of US$193.149 billion, to a low in 2009 of US$52.811 billion of direct and US$157.129 billion of indirect contribution at a time when the global economic crisis was affecting all aspects of the economy. Direct employment in the tourism industry has remained fairly constant since 2007, at around 3 per cent of all employment.
The prospects for the sector in 2011 were seen as positive with its direct contribution to GDP of US$57.045 billion, returning to roughly the 2005 figure (US$57.373 billion). Likewise, capital investment in the industry was forecast to grow by 1.4 per cent in 2011, having fallen by -17.9 per cent in 2010.
The London Olympics in 2012 will constitute a major boost to the economy, not only for the country but also for local communities that host events and visitors. However, it will require further investment in promotion to encourage tourists to leave London and explore more of the country.

Environment
The Carbon Reduction Commitment (CRC) came into effect on 31 March (2010), requiring around 5,000 big businesses and organisations to cut their carbon emissions, by either buying allowances for their emissions or reducing their emissions by a given amount. Those deemed most efficient will be rewarded and those considered least efficient will be penalised; a league table will be published later.

Mining
The UK is a significant producer of zinc, lead and limestone. There are also deposits of silver, copper, gold, iron ore and potash. Lead and tin production typically reach 2,000 tonnes per annum. Potash production is around 890,000 tonnes, placing UK in the top 10 producers in the world. An estimated 14.6 million tonnes of sandstone, 104.6 million tonnes of sand/gravel and 95.7 million tonnes of limestone are also produced.
The UK is a major financial centre and one of the world's largest exporters of financial services. The economy is large, open and mixed and characterised by an export-oriented manufacturing sector. The UK is the third richest country in Europe and a member of the G8, a bloc of the wealthiest countries worldwide. This status is in no small measure based on its financial and service industries including insurance, banking and financial transaction services and tourism; the London Stock exchange is Europe's oldest and largest trading forum and globally one of the top stock exchanges.

Hydrocarbons
Although proven reserves are falling the UK is still a major European oil producer, with reserves of 2.8 billion barrels at the end of 2011, and production of 1.1 million barrels per day (bpd). However, consumption was 1.5 million bpd. There were 200 billion cubic metres (cum) of proven natural gas supplies at the end of 2011, and production of 45.2 billion cum, against consumption of 80.2 billion cum. All deficits are met by imports.
GDP growth in 2007 was 3.5 per cent, but as the global economic crisis struck in 2008 the economy fell into a recessionary -1.1 per cent, which intensified to -4.4 per cent in 2009. Unemployment had risen to a high of 7.8 per cent in 2009 (youth unemployment was much higher at 19.8 per cent) as inflation fell to a 2.1 per cent, down from 3.6 per cent in 2008 (1.6 per cent above the Bank of England's consumer price index target of 2.0 per cent). The Bank of England's official bank rate was reduced to 0.5 per cent in 2009, the lowest level since it began operations in 1694. Sterling fell rapidly and manufacturing contracted by 4.6 per cent, despite the help to exporters of a weak pound.
The global economic crisis hit the UK hard as it is so dependent on its financial services sector for growth. It has high household indebtedness and an unsustainably high housing market. By the third quarter of 2009 insolvencies were at an all-time high as cheap credit became scarce. The government was forced, since the run on the Northern Rock Bank in 2007, to commit public funds to prop up the banking sector and later the economy in general. Stimulus packages amounting to 0.2 per cent and 1.4 per cent of GDP were committed in 2008 and 2009 respectively as the UK, in conjunction with other developed countries, tackled its failing economy, through the mechanism of quantitative easing (injecting money directly into the economy). The money was used by the banking sector to provide liquidity for, among other things, inter-bank lending, asset guarantees and by the government in spending to promote growth.
The credit ratings agency, Standard and Poor's, review of the UK's economy was revised from stable to negative in May 2009, stating its finances were deteriorating faster than expected. Nevertheless, the agency did not change the UK's triple-A rating, as it saw merit in the government's plans to reduce debt as sound. In June 2010 the Fitch Ratings Agency advised that efforts to cut the budget deficit should be speeded up to prevent the UK from losing its triple-A rating.
Global trade picked up in 2010 and the economy returned to growth of 2.1 per cent. A new coalition government was elected in May 2010, which undertook to repay the budget deficit of £163 million (US$239 million) through, among other measures, higher taxes, wage freezes for public workers and social welfare cuts. Despite austerity measures that cut public spending and controls on public borrowing the economy weakened in 2011, falling to an estimated 0.7 per cent. The economy fell back into recession in the first quarter of 2012 as GDP fell by 0.2 per cent following a 0.3 per cent decline in the fourth quarter of 2011.

Energy
Total installed generating capacity was 80.4GW in 2008. Around 75 per cent of electricity is generated by conventional thermal power plants (around 50 per cent natural gas, 40 per cent coal, and 10 per cent oil and others), 15 per cent nuclear, 5 per cent hydropower and 2 per cent renewables. Although natural gas power stations are replacing those powered by coal the government announced in April 2009 that four new of coal-fired power stations equipped with carbon capture and storage will be built by 2020.
The energy sector is wholly privatised with private companies competing for market share. Government policy requires companies to produce 10 per cent of generated electricity by renewable sources by 2010. The integrated national grid is also linked to the French grid and the UK imports electricity during times of peak flow. Plans to link the UK grid with those of the Irish Republic and The Netherlands could be completed by 2013.
The largest single producer of power is British Energy (BE), which currently operates eight nuclear power stations, the majority of which are outmoded and due to be decommissioned by 2010. The most modern is the 1,188MW, pressurised-water reactor, Sizewell B, in eastern England. On 2009, the government announced plans to build 10 new nuclear power plants around the UK by 2018. The inclusion of nuclear power in a trinity of renewable energy and clean coal technology is expected to ensure the UK's future energy security while reducing its CO2 emissions. In October 2012, the Japanese engineering company Hitachi signed a £700 million (US$1.1 billion) agreement to build a new nuclear power station, part of the UK's expansion programme.
The UK has agreed to reduce its emission of greenhouse gases by 12.5 per cent by 2012, which the government considers

can be achieved through the use of new technology and renewable energy.
The UK is reported to have Europe's best wind resources. Onshore wind farms in the UK include the 26-turbines site at Scout Moor in north-western England with a generating capacity of 65MW, which was opened in 2008. Europe's largest onshore wind farm was opened in Whitelee, Scotland, in May 2009, with a 140-turbine site, which may expand by 2010 by a further 36 turbines which would supply a total capacity of 452MW. Several large offshore wind farms are in the planning stage, including a 23-turbine wind farm in the North Sea along the Aberdeenshire Scottish coast and a 341 turbine wind farm off the Essex (south-east) coast which will, during its first phase, produce 630MW. Government policy allows individuals to erect solar panels and wind turbines where appropriate, for private use, with excess electricity sold to the national grid.
Wave power provides electricity to the national grid, from the Pelamis project off the coast of Orkney (Scotland).
On 9 November (2009), the government announced plans to build 10 new nuclear power plants around the UK by 2018. The addition of nuclear power to renewable energy and clean coal technology is expected to ensure the UK's future energy security while reducing its CO2 emissions.

Financial markets

Stock exchange
London Stock Exchange (LSE)
Commodity exchange
Liffe Connect

Banking and insurance

The UK's high street banks have been very profitable since the mid-1990s, despite being the focus of criticism. The UK banking sector is generally regarded as highly concentrated, but the rise of internet and telephone banking has put renewed pressure on high street banks. One consequence has been the decision by several leading banks to reduce the number of small branches in areas of low population density.
It is not yet clear whether a radical switch to internet banking will appeal to customers, or whether the combined (so-called 'clicks and mortar') approach will prove more successful). There is evidence that cost-cutting among British banks has given them a better chance of breaking into European markets. Likewise, to compete in a tighter market, banks are being forced into mergers and take-overs. In 2004 the Banco Santander Central Hispano successful bid for the Abbey National Bank in a £8.5bn (US$15.6 billion) deal that created the world's eighth largest and Europe's fourth largest banking group.
Independent financial centres within the UK, Jersey, Guernsey, and the Isle of Man, are adhering to a new EU tax agreement, which was introduced in 2005. They are imposing a withholding tax, up to 35 per cent, to be passed to the tax department of an EU citizen's country, while retaining the anonymity of the saver, instead of informing the relevant EU country about the amount of money in savings accounts and allowing tax to be levied from the home country.
They also supply information on tax fraud, for criminal or civil trials, and notify EU member states about additional malpractices.
In June 2011 the UK government announced that it will require all commercial banks to separate their retail and investment banking operations, so that bank branches and public savings and loans would not suffer if an investment arm were to become insolvent. Retail banks will also be required to hold more capital to underwrite their operations, greater than the new international 7 per cent minimum.
Central bank
Bank of England. Monetary policy and the Exchange Equalisation Account is managed by the Bank of England. In 1997, the government authorised the Bank of England to set interest rates independently.
Main financial centre
The City of London. Edinburgh is the nation's second largest centre.

Time

GMT (daylight saving, late March to late October, GMT plus one hours)

Geography

The UK consists of a major island (divided into England, Wales and Scotland) together with the northern part of the island of Ireland and a number of other smaller islands, including the Channel Islands, the Isle of Man (both dependencies of the Crown) and other islands which are part of the main countries constituting the UK. There are extensive, though not particularly high, mountain and hill ranges in Wales, Scotland and parts of England. The rest of the country includes flatlands (as in East Anglia) and more gently rolling agricultural land.
Hemisphere
Northern

Climate

The climate is temperate, with a reasonable amount of rainfall. Very hot summers or very cold winters, such as are found on continental Europe, are rare. The temperature rarely goes above 25 degrees Celsius (C), or much below zero, except in mountainous regions such as the Scottish highlands. Rainfall is around 75mm per month on average, although it is higher in Scotland at up to an average of 280mm per month. The wettest month is usually November.

Dress codes

In general, British dress codes follow the conventional North American or European pattern. A suit and tie for men and smart attire for women are advisable at most business occasions.

Entry requirements

Passports
Required by all and must be valid for at least six months after the intended departure date.
Visa
Visas are required by all, except nationals of North America, Australasia, Japan and other EU members. For further exceptions and advice visit www.ukvisas.gov.uk (includes application forms). All visas must be applied for before travelling. In October 2013 it was announced that Chinese visitors would be able to visit without a separate visa if they booked a package to Europe though selected travel agencies.
Currency advice/regulations
The import and export of local and foreign currencies is unlimited.
Travellers cheques are widely accepted.
Customs
Personal items are duty-free. There are no duties levied on alcohol and tobacco between EU member states, providing amounts imported are for personal consumption.
Prohibited imports
Illegal drugs, pornography, offensive weapons, counterfiet goods, meat and dairy products.
Firearms require a permit, to be obtained before arrival.

Health (for visitors)

Nationals of the European Economic Area (EEA) countries and Switzerland can access reduced cost and sometimes free medical treatment using a European Health Insurance Card (EHIC) while visiting the EEA. Exceptions include nationals of the 10 countries which joined the EU in 2004 whose EHIC is not valid in Switzerland. Applications for the EHIC should be made before travelling.
Mandatory precautions
There are no mandatory vaccination certificates required, although evidence of good health may be requested if travelling from areas infected with, for instance, yellow fever.
Advisable precautions
There are no major health hazards for foreign visitors. It is recommended that

visitors have up-to-date tetanus immunisation.

Hotels
Classified from one- to five-star by AA and RAC (automobile associations), with five being the best. Rating system in Northern Ireland – A star, A, B star, B, C and D. Prices usually includes a 10–15 per cent service charge, but tipping is also expected.

Credit cards
Major credit and charge cards are widely accepted. ATMs are widely available.

Public holidays (national)
Fixed dates
1 Jan (New Year's Day), 2 Jan (Scotland only), 17 Mar (St Patrick's Day) and 12 Jul (Battle of the Boyne, Northern Ireland only), 25–26 Dec (Christmas).
Holidays that fall on the weekend are taken on the following Monday/Tuesday *in lieu*.
Variable dates
Good Friday, Easter Monday, May Day Bank Holiday (first Mon in May), Spring Bank Holiday (last Mon in May) and Summer Bank Holiday (last Mon in Aug). Scotland has an additional public holiday (first Mon in Aug).

Working hours
Banking
Mon–Fri: 0900–1500/1630. Some banks open Saturday morning and there are variations in hours in Scotland and Northern Ireland.
Business
Mon–Fri: usually 0900–1700.
Government
0900–1700 (Mon–Fri). As flexible working hours are often adopted in government departments, it is advisable to make an appointment before a visit.
Shops
Mon–Sat: generally 0900–1730. An increasing number of shops are also taking advantage of Sunday shopping hours (a maximum of 6 hours) and are open 1000–1600 or 1100–1700.

Telecommunications
Mobile/cell phones
There are 3G, 900 and 1800 GSM (including WAP, GPRS, SMS and MMS) services throughout the country and surrounding islands.

Electricity supply
230V AC with flat three-pin plugs.

Social customs/useful tips
A reasonable degree of punctuality is required by those in business. Business cards are usually exchanged at meetings. Gifts are not usually offered to business acquaintances, although when visiting a private home it may be appropriate to take chocolates or wine.
There are few unusual or particularly strict laws. Alcoholic drinks are not allowed into some sporting fixtures, notably soccer matches. Smoking is banned in Scotland and actively discouraged in the rest of the UK in many public places and is banned on all transport services.

Security
Street crime is still much less prevalent in the UK than, for instance, the USA. The police, with a few exceptions, remain unarmed. The number of firearms used in criminal activity is relatively low, although it has increased in recent years.

Getting there
Air
National airline: There are no state-owned airlines, but BA (British Airways) is internationally recognised.
International airport/s: London Heathrow (LHR), 24km west of London is the principal UK airport.
Other satellite airports serve regional cities that provide short-haul international flights. London City (LCY) 10km east of city; London Gatwick (LGW), 46km south of London; London Stansted (STN), 55km north-east of London.
Channel Islands: Guernsey (GCI), 6km south-west of St Peter Port; Jersey (JER), 8km west of St Helier.
Northern Ireland: Belfast International (BFS), 29km north-west of city.
Scotland: Aberdeen (ABZ), 11km north-west of city; Edinburgh (EDI), 11km west of city; Glasgow (Int) (GLA), 14km west of city.
Wales: Cardiff (Int) (CWL), 19km south-west of city.
The Heathrow Express connects Heathrow Airport to west London's Paddington station. Services run, every 15 minutes, between 05.00 and 23.45. The slower London underground connects, initially via the Piccadilly Line, to all mainline stations and city centre.
An extensive airbus service operates from Heathrow airport to the city, including Victoria coach station, Russell Square and Liverpool Street Station.
Rapid train services are available from other London airports to the city centre.
Other airport/s: London Luton (LTN), 51.2km north-west of London; Birmingham International (Int) (BHX), 13km east of city; Bournemouth Int (BOH), Bristol Int (BRS), East Midlands Int (EMA), Humberside Int (HUY), Leeds Bradford Int (LBA), Liverpool John Lennon (LPL), 11km south of Liverpool; Manchester Int (MAN); Newcastle Int (NCL), 8km north-west of Newcastle; Norwich (NWI), Plymouth City (PLH), Southampton Int (SOU), Teeside Int (MME).
Airport tax: All taxes are generally paid within the price of an airline ticket, however a doubling of an environmental tax on all flights leaving the UK may mean passengers are required to pay before boarding.
Surface
Road: There are major road links to all parts of the UK and from the Republic of Ireland to Northern Ireland.
Rail: The newly restored St Pancras International railway station was opened on 6 November 2007; the station is the London terminus for Eurostar, Britain's first high speed train service to Europ. Eurostar connects Paris and Brussels via the channel tunnel, which carries foot and vehicle passengers and freight. The scheduled service operates everyday except Christmas day.
Water: Regular ferry and hovercraft connections with the continent and Ireland.
Main port/s: The main ports are London, Liverpool, Grimsby, Southampton, Milford Haven, Tees and Hartlepool, Dover, Felixstowe, Larne and Holyhead.

Getting about
National transport
Air: Most major cities are linked by regular flights to 21 main commercial airports. A number of small, 'no-frills' airlines have introduced domestic flights that can be very cheap if booked early enough, including connections to Ireland and Scotland and other regional cities.
Road: There is an extensive network of about 370,000km, including 2,800km of motorway, linking all major cities and towns. The M25 circles London as a hub linking other motorways in a network. Traffic can be heavy on these routes, especially as road haulage (wholly in the private sector) use them extensively. Major towns and cities are connected by trunk roads (A roads). Note that roads in rural areas (B roads) can be slow and winding.
Information on planning motorway journeys can be obtained through: www.trafficengland.com
Buses: Express buses between towns and cities are fully in the private sector. Urban and local buses are often still run by local authorities, although private companies operate some routes. For details of services contact www.traveline.org.uk/.
Rail: There is a network of about 18,400km, with relatively expensive first- and second-class services. All principal towns in the UK are connected by regular inter-city services.
Regional companies operate network services. It is advisable to book tickets in advance. These can be obtained on-line (www.thetrainline.com). For more information on UK train services and fare

prices, contact: National Rail Enquiries on 0845 748 4950.

Water: There are public and private ferry and car ferry links between Hampshire and the Isle of Wight. Services also provide links with the isles of Scotland, subject to weather conditions, and Northern Ireland. Inshore and inland waterways, are under the control of the British Waterways Board.

City transport

Taxis: Available in all major cities and towns. Taxis can be hailed in the street, at taxi ranks or contacted by telephone. Taxis may charge extra – over and above the metered charge – depending on the number of passengers, the size of luggage items, for journeys at night and at weekends and for journeys exceeding 8km. Tipping is usually in the region of 10 per cent.

Buses, trams & metro: Extensive network linking all parts of the capital. Central London buses are the only ones still formally protected from private competition. Good bus services are also available in all other major towns. London is served by an extensive underground rail (metro) system. The new East London Line train service began in April 2010; it has regular services with connections to the Underground service. Reliable metro services also operate in Glasgow, Liverpool, Manchester (Metrolink Rapid Transit Tram) and Newcastle (Tyne and Wear Metro).

Ferry: There are passenger and car ferry services across the Thames in London and the Mersey in Liverpool.

Car hire

Widely available at airports and in main towns. All major international hire firms are represented. International driving licence or full national licence required. Driving is on the left. Speed limits: motorways/dual carriageways maximum 70mph (113kph), normal roads 40-70mph (64-97kph) (signposted) and built-up areas 30 or 40mph (48 or 64kph) (signposted). Speed cameras are in operation on motorways and other roads and imposed fines are usually forwarded as per car rental agreements.

BUSINESS DIRECTORY

The addresses listed below are a selection only. While World of Information makes every endeavour to check these addresses, we cannot guarantee that changes have not been made, especially to telephone numbers and area codes. We would welcome any corrections.

Telephone area codes

The international direct dialling (IDD) code for United Kingdom is +44, followed by area code and subscriber's number. When dialling from within the UK, add a 0 in front of the area codes below.

Aberdeen	1224	London	20
Belfast	2890 2	Manchester	161
Birmingham	121	Newcastle	191
Cambridge	1223	Nottingham	115
Cardiff	2920	Oxford	1865
Coventry	2476	Perth	1738
Dundee	1382	Plymouth	1752
Edinburgh	131	Portsmouth	2392
Exeter	1392	Sheffield	114
Glasgow	141 2380	Southampton	
Liverpool	151	Swansea	1792

Useful telephone numbers

Emergency services999

Directory enquiries (BT, fee service) 118-500

International directory enquiries (BT, fee service)118-505

Chambers of Commerce

Birmingham Chamber of Industry and Commerce, 75 Harbourne Road, Birmingham B15 3DH (tel: 454-6171; fax: 455-8670; email: info@birminghamchamber.org.uk).

British Chambers of Commerce, 50 Broadway, St James Park, London SW1H 0RG (tel: 7152-4046; fax: 7565-2049).

Cardiff Chamber of Commerce, Trade and Industry, St David's House East, Wood Street, Cardiff CF10 1ES (tel: 2034-8280; fax: 2037-7653; email: enquiries@cardiffchamber.co.uk).

Edinburgh Chamber of Commerce, 27 Melville Street, Edinburgh EH3 7JF (tel: 477-7000; fax: 477-7002; email: information@ecce.org).

Leeds Chamber of Commerce, 102 Wellington Street, Leeds LS1 4LT (tel: 0113-247-0000; fax: 0113-247-111; email: info@leedschamber.co.uk).

London Chamber of Commerce and Industry, 33 Queen Street, London EC4R 1AP (tel: 7248-4444; fax: 7489-0391; email: lc@londonchamber.co.uk).

Manchester Chamber of Commerce and Industry, Churchgate House, 56 Oxford Street, Manchester M60 7HJ (tel: 237-4102; fax: 237-3277; email: info@mcci.org.uk).

Sheffield Chamber of Commerce and Industry, Albion House, Savile Street, Sheffield S4 7UD (tel: (0)114-201-8888; fax: (0)114-272-0950; email: info@scci.org.uk).

Banking

Abbey National, 2 Triton Square, Regent's Place, London NW1 3AN (tel: 7612-4000; fax: 7612-4230; email: investor@abbeynational.com).

Bank of Scotland, The Mound, Edinburgh EH1 1YZ (tel: 470-7777; fax: 243-5640).

Barclays Bank, 54 Lombard Street, London EC3P 3AH (tel: 7699-5000; fax: 7699-2680).

British Bankers' Association, Pinners Hall, 105-108 Old Broad Street London EC2N 1EX (tel: 7216-8800; fax: 7216-8811).

Chartered Institute of Bankers in Scotland, Drumsheugh House, 38b Drumsheugh Gardens, Edinburgh EH3 7SW (tel: 473-7777; fax:473-7788; email: info@ciobs.org.uk).

Clydesdale Bank, 30 St Vincent Place, Glasgow G1 2HL (tel: 248-7070; fax: 223-2559).

Halifax Plc, Trinity Road, Halifax HX1 2RG (tel: 01422-333-333; fax: 01422-391-777).

HSBC, 10 Lower Thames Street, London EC3R 6AE (tel: 7260-0500; fax: 7260-0501).

Lloyds TSB, 71 Lombard Street, London EC3P 3BS (tel: 7626-1500; fax: 7356-1731).

National Westminster Bank, 135 Bishopsgate, London EC2M 3UR (tel: 7375-5000; fax: 7375-5050).

Royal Bank of Scotland, 36 St Andrew Square, Edinburgh EH2 2YB (tel: 556-8555; fax: 557-6565).

Central bank

Bank of England, Threadneedle Street, London EC2R 8AH (tel: 7601-4444; fax: 7601-5460; internet: www.bankofengland.co.uk).

Stock exchange

London Stock Exchange (LSE), www.londonstockexchange.com

LIFFE (London International Financial Futures and Options Exchange), www.euronext.com

Commodity exchange

Liffe Connect, www.nyse.com/nyseeuronext

European Climate Exchange (ECX), www.europeanclimateexchange.com

London Metal Exchange, www.lme.co.uk

Travel information

Aberdeen Airport, Dyce, Aberdeen AB21 7DU (tel: 1224-722-331; fax: 1224-775-845; email: glal@baa.com).

Belfast International Airport, Aldergrove, Belfast BT 29 4AB (tel: 448-4848; fax: 448-4849; email: info.desk@bial.co.uk).

Birmingham International Airport, Birmingham B26 3QJ (tel: 767-5511; fax: 782-8802; email: custsrvs@bhx.co.uk).

BA, Waterside, PO Box 365, Harmondsworth, Middlesex (tel: 8738-5100; fax: 8738-9838).

Cardiff International Airport, Rhoose CF62 3BD (tel: 1446-711-111; fax: 1446-711-675; email: info@cial.co.uk).

Edinburgh Airport, Edinburgh EH12 9DN (tel: 333-1000; fax: 344 3470; email: glal@baa.com).

Gatwick Airport, West Sussex RH6 0NP (tel: 0870-000-2468; fax: 1293-503-794; email: gatwick_feedback@baa.com).

Glasgow Airport, Paisley, Renfrewshire PA3 2SW (tel: 887-1111; fax: 848-4769; email: glal@baa.com).

Heathrow Airport, 234 Bath Road, Harlington, Middlesex UB3 5AP (tel: 0870-0000-123; fax: 8745-4290; email: lhr1feedback@baa.com).

London City Airport, Royal Docks, London, E16 2PX (customer services tel: 7646-0088; internet: www.londoncityairport.com).

Manchester Airport, Manchester M90 1QX (tel: 489-3000; fax: 489-3813; email: info@manchesterairport.co.uk).

Northern Ireland Tourist Board, 59 North Street, Belfast BT1 1NB (tel: 231-221; fax: 240-960; email: info@nitb.com).

Passport Office, Globe House, 89 Ecclestone Square, London SW1V 1PN (tel: 0870-521-0410; fax: 7271-8403; email: london@ukpa.gov.uk).

Glasgow Prestwick International Airport, Aviation, Prestwick, Ayrshire KA9m 2PL (tel: 1292-511-000; fax: 1292-511-010; email: info@gpia.co.uk).

Stansted Airport, Essex CM24 1QW (tel: 0870-0000-303; fax: 1279-662-066; email: stansted_feedback@baa.com).

VisitScotland, 23 Ravelston Terrace, Edinburgh EH4 3TP (tel: 332-2433; fax: 343-1513; email: info@visitscotland.com).

Wales Tourist Board, Brunel House, 2 Fitzalan Road, Cardiff CF24 0UY (tel: 499-909; fax: 485-031; email: info@visitwales.com).

Ministry of tourism

Department of Culture, Media and Sport, 2-4 Cockspur Street, London SW1Y 5DH (tel: 7211 6200; email: enquiries@culture.gov.uk)

National tourist organisation offices

VisitBritain, Thames Tower, Blacks Road, Hammersmith, London W6 9EL (tel: 8563-3000; fax: 8563-3234; email: comments@englishtourism.org.uk).

Ministries

Cabinet Office, 70 Whitehall, London SW1A 2AS (tel: 7270-1234).

Department of Culture, Media and Sport, 2-4 Cockspur Street, London SW1Y 5DH (tel: 7211-6000; e-mail: enquiries@culture.gov.uk)

Department of Education and Skills, Sanctuary Building, Great Smith Street, London SW1P 3BT (tel: 0870-000-2288; fax: 01928-79-4248; e-mail: info@dfes.gov.uk).

Department of Environment, Food and Rural Affairs, Nobel House, 17 Smith Square, London SW1P 3JR (tel: 7238-6000; fax: 7238-6591).

Department of Health, Richmond House, 79 Whitehall, London SW1A 2NS (tel: 7210-4850; e-mail: dhmail@doh.gsi.gov.uk).

Department of International Development, 94 Victoria Street, London SW1E 5JL (tel: 7917-7000; fax: 7917-0019; e-mail: enquiry@dfid.gov.uk).

Department of Trade and Industry, 1 Victoria Street, London SW1H OET (tel: 7215-5000; e-mail: dti.enquiries@dti.gsi.gov.uk).

Department of Transport, Local Government and Regions, Eland House, Bressenden Place, London SW1E 5DU (tel: 7944-3000).

Department of Work and Pensions, Richmond House, 79 Whitehall, London SW1A 2NS (tel: 7238-0800; fax: 238-0763; peo@dwp.gsi.gov.uk).

Foreign and Commonwealth Office, King Charles Street, London SW1A 2AH (tel: 7270-1500).

Home Office, 50 Queen Annes Gate, London SW1H 9AT (tel: 7273-4000; fax: 7273-2065; e-mail: public.enquiries@homeoffice.gti.gov.uk).

Lord Chancellor's Department, Selborne House, 54-60 Victoria Street, London SW1E 6QW (tel: 7210-8500; e-mail: general.enquiries.@lcdhq.gsi.gov.uk).

Ministry of Defence, Main Building, Horse Guards Avenue, London SW1A 2HB (tel: 0870-607-4455).

Northern Ireland Office, 11 Millbank, London SW1P 4PN (tel: 7210-3000; fax: 7210-0249; e-mail: press.nio@nics.gov.uk).

Prime Ministers Office, 10 Downing Street, London SW1A 2AA (tel: 7270-3000).

Scotland Office, Dover House, London SW1A 2AU (tel: 7270-6754; fax: 7270-6812; e-mail: scottish.secretary@scotland.gov.uk).

Treasury, Parliament Street, London SW1P 3AG (tel: 7270-4558; fax: 7270-5244; e-mail: public.enquiries@hm-treasury.gov.uk).

Wales Office, Gwydyr House, London SW1A 2ER (e-mail: wales.office@wales.gsi.gov.uk).

Other useful addresses

Aberdeen Exhibition and Conference Centre, Bridge of Don, Aberdeen (tel: 1224-824-824; fax:1224-825-276; email: aecc@aecc.co.uk).

Advertising Standards Authority, 2 Torrington Place, London WC1E 7HW (tel: 7580-5555; fax: 7631-3051; email: inquiries@asa.org.uk).

BBC Television, Television Centre, Wood Lane, London W12 7RJ (tel: 8743-8000; fax: 8749-7520; email: info@bbc.co.uk).

British Council, 10 Spring Gardens, London SW1A 2BN (tel: 7930-8466; fax: 7389-6347; email: general.enquiries@britishcouncil.org).

British Embassy (USA), 3100 Massachusetts Avenue, NW, Washington DC 20008 (tel: (+1-202) 588-7800; fax: (+1-202) 5588-7870).

British Sky Broadcasting Group (BSkyB), 6 Centaurs Business Park, Grant Way, Isleworth TW7 5QD (tel: 7705-3000; fax: 7705-3060).

British Waterways Board, Willow Grange, Church Road, Watford WD17 4QA (tel: 01923-201-120; email: enquiries.hq@britishwaterways.co.uk).

Chartered Institute of Marketing, Moor Hall, Cookham, Maidenhead, Berkshire SL6 9QH (tel: 1628-427-500; fax: 1628-427-499; email: info@cim.co.uk).

Confederation of British Industry (CBI), Centre Point, 103 New Oxford Street, London WC1A 1DU (tel: 7395-8247; fax: 7240-1578; email: enquiry.desk@cbi.org.uk).

Crown Estate, 16 Carlton House Terrace, London SW1Y 5AH (tel: 7210-4377; fax: 7210-4236; email: pr@crownestate.co.uk).

Customs and Excise, New King's Beam House, 22 Upper Ground, London SE1 9PJ (tel: 7620-1313; fax: 7865-4975; email: enquiries.lon@hmce.gsi.gov.uk).

Design Council, 34 Bow Street, London WC2E 7DL (tel: 7420-5200; fax: 7420-5300; email: info@designcouncil.org.uk).

Guild of Registered Tourist Guides, The Guild House, 52d Borough High Street, London SE1 1XN (tel: 7403-1115; fax: 7378-1705; email: guild@blue-badge.org.uk).

Independent Television News (ITN), 200 Gray's Inn Road, London WC1X 8HF (tel: 7833-3000; fax: 7430-4868; email: info@itn.co.uk).

Institute of Export, Export House, Minerva Business Park, Lynch Wood, Peterborough PE2 6FT (tel: 1733-404-400; fax: 1733-404-444; email: institute@export.org.uk).

Institute of Linguists, Saxon House, 48 Southwark Street, London SE1 1UN (tel: 7940-3100; fax: 7940-3101; email: info@iol.org.uk).

ITV Network Centre, 200 Gray's Inn Road, London WC1X 8HF (tel: 7843-8000; fax: 7843-8158; email: info@itv.co.uk).

Kings Hall Exhibition and Conference Centre, Balmoral, Belfast (tel: 028-9066-5225; fax: 028-9066-1264; email: info@kingshall.co.uk).

London Stock Exchange, Old Broad Street, London EC2N 1HP (tel: 7797-1000; email: enquiries@londonstockexchange.com).

National Exhibition Centre, Birmingham B40 1NT (tel: 780-4141; fax: 780-2517; email: centre-exhibitions@necgroup.co.uk).

Office for National Statistics, 1 Drummond Gate, London SW1V 2QQ (tel: 7233-9233; fax: 7533-6262; email: info@statistics.gov.uk).

Press Complaints Commission, 1 Salisbury Square, London EC4Y 8JB (tel: 7353-1248; fax: 7353-8355; email: pcc@pcc.org.uk).

Scottish Exhibition and Conference Centre, Exhibition Way, Fenniston Street, Glasgow G3 8YW (tel: 248-3000; fax: 226-3423; email: info@secc.co.uk).

Trades Union Congress (TUC), Congress House, 23-28 Great Russell Street, London WC1B 3LS (tel: 7636-4030; fax: 7636-0632; email: info@tuc.org.uk).

National news agency: PA Group

292 Vauxhall Bridge Road, London SE1V 1AE (tel: 120-3200; fax: 120-3201; internet: www.thepagroup.com).

Internet sites

Bank of England: www.bankofengland.co.uk

British Airways: www.british-airways.com

British Chambers of Commerce: www.britishchambers.org.uk/internet_home_page.htm

Confederation of British Industry: www.cbi.org.uk

Department of Trade and Industry: www.dti.gov.uk

Eurostar Train: www.eurostar.com

Kelly's Directory (search engine for UK industry): www.kellys.reedinfo.co.uk

UK export (database of British exporters): www.export.co.uk

UK Online (UK government gateway): www.ukonline.gov.uk

UK trade information: www.ukinfo.com

UK yellow pages: www.yell.co.uk