



## FINN PARTNERS GENERAL ELECTION SNAPSHOT – WEEK 1

### FINN'S TAKE

I know. We're supposed to discuss the Starmer vs Sunak debate on Tuesday night. There are [plenty of existing commentaries](#), so there is little to add, only that we believe it will hardly move the needle in favour of either candidate off the back of their performances.

In our view, this week's most consequential developments are Nigel Farage's candidacy for Clacton-on-Sea, and Sunak's accusation of a £2,000 tax increase under a Labour government.

**Farage in the race** - Farage's announcement to stand for Reform in Clacton-on-Sea, a constituency that voted 70% in favour of Brexit, poses a serious threat to the Conservative Party. Reform is predicted to steal enough conservative votes and give the victory to Labour in many constituencies.

**Labour's £2000 problem** - Could the £2,000 tax grab row harm the Labour Party? Possibly is the answer. The story has dominated media headlines for a few days, despite the Permanent Secretary to the Treasury warning that the £38 billion/£2,000 tax attack "should not be presented as having been produced by the civil service". The Labour Party is desperate to avoid speculation about unfunded electoral pledges at all costs, and would be worried about the words "Labour" and "tax" in the same sentence.

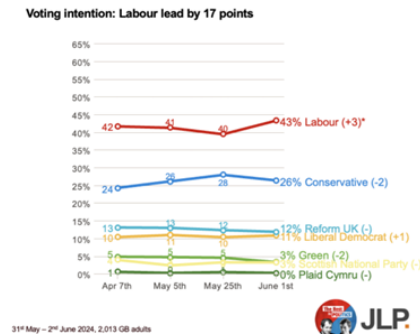
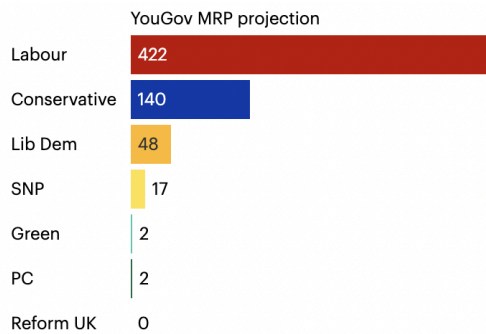
In another interesting story, the [FT](#) reported that a trio of senior Tory donors has decided against giving money to the Party's campaign after private polling showed that Rishi Sunak is heading for an electoral rout. Their key concerns are the economy, growth (lack of it) and Brexit. While Lord David Frost - who sponsored another [damning poll in January](#) - is the man behind it, John Caudwell is also on the record this week talking about his disappointment at the lack of support for bold investment from the Conservative Party. He seems to confirm Rachel Reeves' claim that the Labour Party is the party of business now.

### POLLS & NEXT PARLIAMENT MAKE-UP

There is still a significant way to go, but the ramifications of the seat projections will be a worry for the Conservatives. Current projections would leave Labour with a majority of 194 seats - potentially more - once Reform has cemented their new lines of campaigning. Ed Davey's [unique campaign approach](#) has seen early success, with the Liberal Democrats set

to return to their position as the UK's third largest party. These projections are likely to change next week, once Farage's announcement has had time to sink in with voters.

The change is not just limited to numbers. With a significant number of [MPs standing down](#), there will be new faces on both sides of the aisle. With strong candidates like Georgia Gould standing in safe seats, Labour are hoping to use the change to bring their [future stars](#) into Parliament.



(Source: [YouGov](#))

(Source: [JLP](#))

## MAIN PARTY ANNOUNCEMENTS

- In an attempt to reassure voters on defence - a policy area in which Labour is still playing catch-up with the Conservatives - Keir Starmer announced on Monday that he would increase spending and update the UK's nuclear arsenal. [The announcement came during a visit to the northwest](#) when he unveiled 14 former forces personnel who are standing as Labour candidates.
- On the same day, Rishi Sunak pledged he would introduce an [annual cap](#) on migration.

## SECTOR-BY-SECTOR

### FINANCIAL SERVICES

- [The Association of Investment Companies \(AIC\) has set out a wish list for the next government](#), with five key priority areas, including reforming financial services regulation; supporting the UK's growth businesses; reinvigorating the UK's equity markets; reforming ISAs; and reforming pensions.
- [The British Chamber of Commerce \(BCC\) has released a five-point manifesto](#) calling for the development of closer ties with the EU under a new government. Since 2020, Britain's goods exports have underperformed the G7 average by 15%, with services exports improving but still facing headwinds from trade restrictions. The BCC has implored the next government to align closer with the EU on regulations, cutting red tape and promoting trade.
- [UK Finance has published its financial services manifesto for the UK](#), setting out the key policy objectives that the next government should focus on. The

manifesto is split into three main areas: Supporting People and Businesses; Supporting Communities and Society; and Supporting Growth.

## TECHNOLOGY

- [City A.M. interviewed a suite of tech executives](#) on their expectations of the next government. The industry leaders highlighted the strategies needed to encourage investment and innovation, which included R&D tax credits, tackling the post-Brexit staffing challenges, and digitisation.
- [London Tech Week](#) is next week and big questions remain with regards to AI policy and regulation as well as potential plans to cap migrant visas which could damage UK startups. Given the set of international commitments made at the AI Summit last year, it is reasonable to presume that the Conservative Party will remain committed to their “pro-innovation approach to AI regulation”. The Labour Party remain tight-lipped on their plans for the emerging sector.

## ABOUT FINN Partners

FINN Partners is one of the fastest-growing global, independent agencies, with a heart and a conscience. We serve clients through a powerful combination of hands-on partnerships, highly specialised expertise, and a values-driven culture that champions integrity, collaboration, and innovation.

We are a bold collective of communications advocates, stewarding brands, protecting reputations, influencing public policy, and leveraging data and analytics to shape the most important conversations of our day.

With more than 1,400 professionals across 34 offices, we provide clients with global access and capabilities in the Americas, EMEA and Asia. In addition, we have access to top-tier agencies worldwide through our membership in the global network PROI.

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