

Draft Minutes for the Kent & Medway Business Advisory Board (BAB) Meeting 9 November 2023 held on MS Teams

The Business Advisory Board meets quarterly and provides an insight from the business community in Kent and Medway on current trading conditions. The headline points are presented below, and the full meeting note follows.

Highlights from economic commentary and wider discussions
<p>Challenges: The following <u>key challenges</u> were raised by board members:</p> <ul style="list-style-type: none"> • Low business confidence expected over the next 12 – 24 months • Uncertainty from current government or potential new incoming government • Issues around staffing and reluctance of staff to work from the office. • Public Sector funding pressures and non-statutory services being at risk. • Need for regional approach and a strategic streamlined planning process • Need for granular business support in business support and business administrative process. • Reskilling and upskilling opportunities needed to support workforce around digital skills and expertise in particular. • Issues around Nutrient Neutrality still unresolved
<p>Good News Stories: A number of Good News Stories were flagged during discussions:</p> <ul style="list-style-type: none"> • The Kent and Medway Business Fund launch on 21 November. • The official opening of the Panattoni site at Aylesford with 800,000 square feet of logistic warehousing space • Collective drive to move forward in delivering for business.
<p>Actions - All: Please contact Steve Samson for more information and to express an interest in the Kent & Medway Nature recovery strategy</p>

DRAFT MINUTES

Participants:

Transport & Logistics:	Vince Lucas, VA Rail Josh Fenton, Logistics UK Paul Barrett Ltd, Barretts of Canterbury
Agri-food:	Claire Eckley, NFU Kent & Eckley Farms Mario Caccamo
Digital, Creative, Media:	Andrew Metcalf, Maxim Gaurav Malhotra, Level 5 Marion Brooks, Apogee Corporation Jo Nolan, Screen South Miranda Chapman, Pillory Barn Tom Chown, Digitom
Construction / Property services:	Liz Gibney, Lee Evans Partnership Roland Cooper, Considine Richard Hall, Trenport Property Holdings Ltd
Financial & Professional Services:	Daren Rose, Lloyds Bank Jemma Fairclough-Haynes, Orchard Employment Law Samantha Mason, MBM Balance Ltd

	Salim Somjee, Cripps LLP
Health & Life Sciences	Chris Broom, Discovery Park Karl Hudson, KIMS
Visitor Economy/Leisure	Deirdre Wells, Visit Kent Kanagaratnam Rajamenon, Leaf Hotels
Business Support	Jo James, Kent Invicta Chamber of Commerce Stephen James, British Veteran Owned Ltd Simon Ryan, Locate in Kent
Public Sector	David Smith, Kent County Council Stephanie Holt-Castle, Kent County Council Derek Murphy, KCC Cabinet Member for Economic Development. Ross Gill, Kent County Council
Education	Simon Barnes, University of Kent
Others/Observers	Steve Samson, Kent County Council (KMEP Secretariat/Interim Head of Economy) Emma Watson, Kent County Council(KMEP Secretariat/ Project Officer)

Apologies:

Martin Prentice, IoD; Alex Hicken, DHA Group; Iain Hawthorn, Oxbury Bank; Zoe Cairns, ZC Social Media; Mark Quinn, Quinn Estates.

1. Welcome

Liz Gibney welcomed everyone to the meeting and explained that there was a change to the order of the agenda and that this was Jo James' last BAB meeting before retirement and would be providing a statement at the start of the meeting.

2. Short updates on key topics since the last meeting

Steve Samson provided an update on the following topics:

- **Nutrient neutrality** Steve Samson asked the group if there was a still an appetite for establishing a sub-group on nutrient neutrality as the recent amendments to the LURB were not included by the house of commons.
- **The Procurement Act:**
 - Aims for simpler public procurement processes to support small businesses and innovation.
 - Requirement on contracting authorities to assess the particular barriers facing SMEs through the procurement lifecycle and consider what can be done to overcome them.
 - The Cabinet Office to provide guidance to public sector contracting authorities.
- **Kent & Medway Nature recovery strategy:** <https://www.makingspacefornaturekent.org.uk/>
 - Steve Samson said that the KCC Environment Team are looking for stakeholders to register interest and seeing how they can support the development of this going forward. **ACTION: Please contact Steve Samson for more information and to express an interest in feeding into the Kent & Medway Nature recovery strategy:**
- **Kent Food Strategy:** new draft strategy from Produced in Kent and Kent Food Partnership Input welcome from BAB.
- **West Kent Rural Grant Scheme** open again for applications.
 - Capital grant funding scheme aimed at rural businesses and communities
 - Grants of £2,000 to £24,999 - <https://www.sevenoaks.gov.uk/westkentruralgrants>
- **Dover Planning Applications:** DDC has recently received planning applications for:
 - A 120 bed hotel at Betteshanger Country Park

- A surf lagoon and pools on the Betteshanger site
 - Deidre Wells commented in the chat that Visit Kent have commented but agree a BAB/KMEP supportive statement would be very welcome.
 - Jo Nolan said that she thinks the Bettshanger development looks great.
 - Jo James said that it needs us all to support it to ensure things move forward
- **Sea Link Consultation:** A National Grid project linking Suffolk and Kent with a 2GW grid connection to enhance resilience in the supply of (green) electricity. Involves a landfall point on Pegwell Bay and new overhead lines between Minster and Richborough.
- **Kent & Medway Business Fund** opens for applications on 21 November.
- **Kent Property Market Report 2023** published: <https://www.kentpropertymarket.com/>
- Steve Samson asked the question which should be the main areas of future focus for business support services in Kent & Medway? Input from BAB will help with redesign of business support services in the future.
 - Deidre Wells said suggested access to finance; marketing and Decarbonisation from the Visitor Economy perspective
 - Marion Brooks said decarbonisation
 - Jo James said Scale Up, Decarbonisation, Digitalisation and Export
 - Salim Somjee raised ESG because from a procurement perspective, businesses will be expected to focus on this.
 - Jo Nolan said that companies lacked simple strategies that underpin good trading and it would be good to provide support in this area.
- Derek Murphy, commenting on the Dover Planning Applications, said that BAB could send a letter of support however he mentioned that there are significant local objections due to wildlife factors and on environmental grounds.
- Jo James said that this backlash means that we should be putting the voice of business forward on why we should have it and what it means for jobs and growth. She suggests BAB provides one letter of support, but individual letters would provide a much louder voice.
- Deidre Wells said that there is a dearth of the right size, scale and quality of hotels in the county. From a conferencing hotel, from leisure and a business tourism perspective, this is a really important opportunity. Furthermore, she mentioned that there has been some mitigation around the biodiversity and wildlife in impact, which is why they've reduced the size of the hotel and some of the development quite substantially. Visit Kent will share their letter of support with Steve Samson.
- Miranda Chapman commented that all development is contentious, but I would say that with the last couple of weeks the shift (in local support) has been positive.
- Jo James shared her economic commentary. Liz Gibney encouraged BAB members to provide a response to Jo James in their commentary. A summary can be found below:
 - Over the last 2-3 months Jo James has been meeting up with those businesses she has known for many years and those that she can have an honest conversation with.
 - For the majority of businesses, the current landscape is certainly not a pretty picture. There is real concern for the next 12-24 months, and confidence isn't great.
 - Business is not happy with the current government and not sure they are happy about a change of government and what that would mean for business.
 - The King's Speech could have been used as a platform to instil a little bit of confidence but it was a real lost opportunity and a disappointment.
 - Some cost pressures are starting to ease, they are still relatively high and margins are just being squeezed to the point where there just isn't much fat left in them.
 - Business owners are feeling overworked under pressure and generally just feeling worn out by it all.
 - Staffing is still a huge big issue, not just getting the right people.
 - Business are wanting to get staff back in the office because they are seeing those lost tangibles there and it is impacting on the business and particularly around training and development. But there's a real reluctance from the workforce to return to the office.
 - Public Sector has significant pressures and growing pressures with no additional funding to go with it. Non statutory services from a business perspective are essential. There

- needs to be investment in business. It seems business is at the back of the queue and somehow that needs to be reversed.
- A positive from the Chamber perspective is that the construction Expo last month was the best ever in terms of numbers of exhibitors, visitors and there was a real buzz about the event.
- On 21st of November will be the Chamber Business Awards, which we now do in support with KCC and again there have been record entries, record attendees
- Jo James said she had always admired the entrepreneurial spirit that threads through our business community and has enjoyed working with BAB members.
- She said “it's individuals like all of you, that give up your time so freely for the benefit of others, that gives that bit of hope for the future that with like minds together, you can actually start to help and overcome some of these barriers that were all going to be facing.
- Derek Murphy wished Jo James all the best in her retirement and said that she will be missed thanked her for everything she had done, her knowledge, her expertise, her kind words, and her constructive criticisms.
 - Miranda Chapman commented in the chat that she agreed with Jo James, much of what you say chimes with what businesses are telling her. She is currently on the CCCU Help to Grow programme and the cohort are generally seeking innovation, renewal and most importantly, a collaborative approach.

3. Kent and Medway Economic Framework – Ross Gill

- Liz Gibney asked if members could comment on the KMEF as well as Jo James’ economic commentary.
- Before delivering the presentation below Ross Gill add that:
 - Overall themes aren’t going to change at this point, but if there are key action areas or areas of focus that you think it would be particularly beneficial to to include, that would be valuable.
 - The second thing is looking forward to 2030 into the actions that we might take forward from some of this and within an economic strategy for the country that’s looking ahead over that period of time.

Why we’re developing a new Economic Framework

Providing an up -to-date statement of priorities	<i>Replacing the former Economic Renewal and Resilience Plan</i>
Supporting Kent and Medway in the new economic development landscape	<i>A framework to guide Kent & Medway’s priorities following the South East LEP</i>
Making the case for investment	<i>The strategic context to guide funding proposals and emerging ideas</i>
Responding to economic change and new opportunities	<i>Taking account of the big changes – in relation to net zero, digitalisation, etc</i>

What it is... and what it isn't

What it is	What it isn't
<ul style="list-style-type: none">• A high-level framework – setting out an overall narrative and a series of ambitions on which partners can work together• A partnership strategy – owned by Kent and Medway together• A framework to add value to partners' strategies and plans• Medium -to-long term, looking out to 2030	<ul style="list-style-type: none">• Statutory – no requirement or guidance from Government• A detailed action plan – it sets out a series of 'action areas' but not a list of projects• Funded – it makes the case for funding, but there's no central pot• An investment promotion document – a strategic framework, not (in itself) a marketing resource

Currently in draft, for comments from strategic partners

The 'core narrative'

The Framework describes an economy which is:

- Diverse and dynamic: successful in increasing its employment and business stock over the past decade and with a strong track record in securing and pipeline of commercial investment.
- Growing rapidly, with population growth (including 'working age' population growth) substantially in excess of the national average, and linked with some of the country's most significant growth locations
- 'Polycentric' and complex, with urban, rural and coastal dimensions and a complex pattern of connections between the county's network of settlements....
- But with some very distinctive assets and characteristics. These include the county's international gateway role (and the economic role that this plays and the challenges it brings), the cultural and creative renaissance of its coastal towns, and the highly productive land -based sector in the 'garden of England'.
- ... Which are accompanied by important opportunities for innovation and economic growth. These include the growing university base at Canterbury and Medway, and key centres for innovation, such as Discovery Park in relation to life sciences, in the context of a broad -base, largely small-business dominated economy with opportunities for growth that are widely dispersed and often 'under the radar'
- Impacted by workforce skills challenges and pressures – but in the context of significant progress in recent years
- Spatially, quite unequal – which is visible at high level in the sub -regional disparities between West and East Kent, but which also impacts at local level and correlates with wider outcome inequalities.

The Framework: Objectives and Ambitions



Enabling productive, innovative and creative businesses

Focusing on increasing business investment and growing innovative capacity and resilience, both within the leading edge of technology and across the economy.



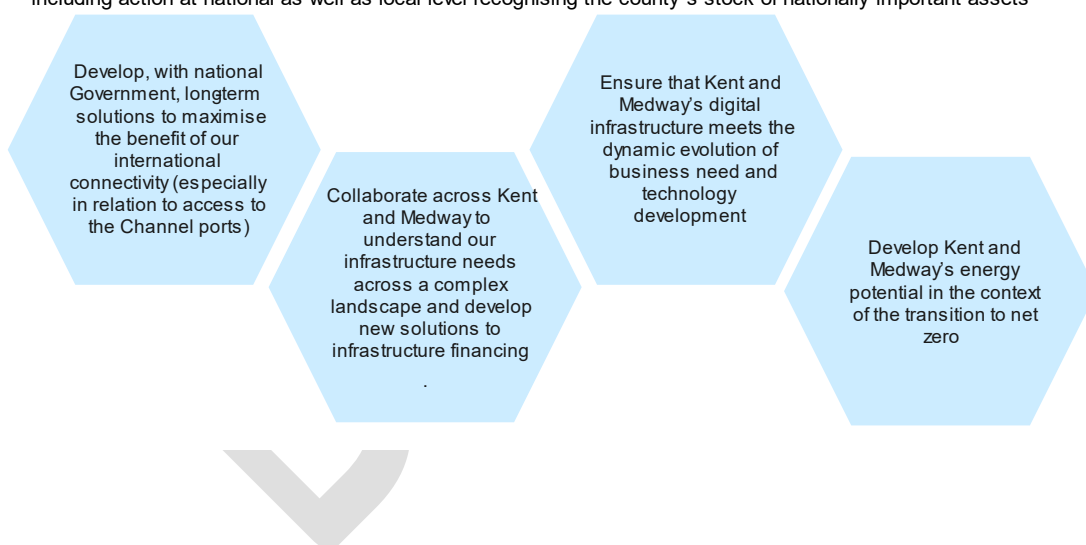
Widening opportunities and unlocking talent

Focusing on the skills and talent of the workforce – supporting greater employer engagement and leadership in the skills system, joining up the offer and ensuring continued investment in the skills that are needed to respond to decarbonisation, digitalisation and other transformational changes .



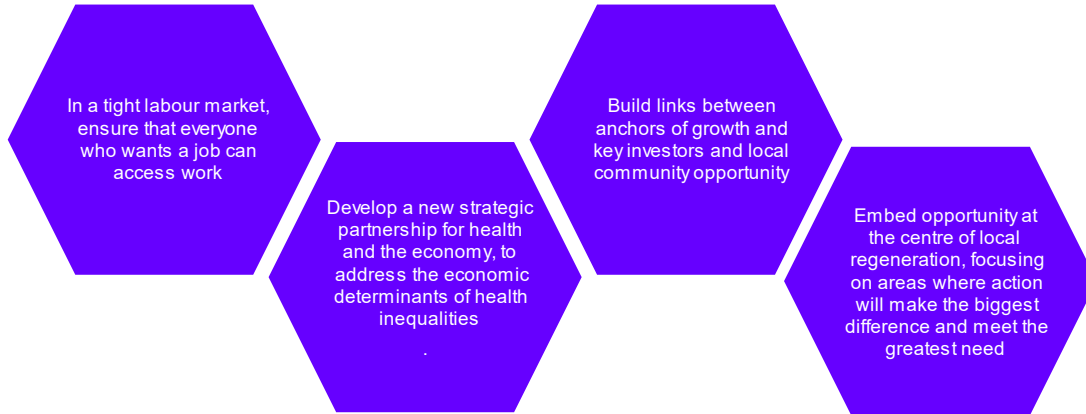
Securing resilient infrastructure for planned, sustainable growth

Focusing on securing the infrastructure that Kent and Medway needs to support long -term sustainable growth – including action at national as well as local level recognising the county's stock of nationally important assets



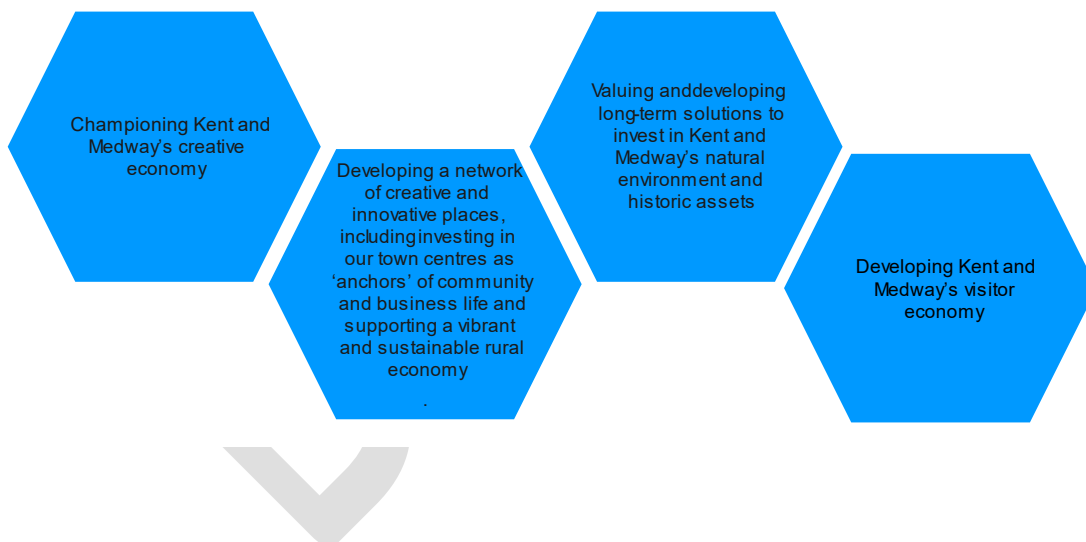
Placing economic opportunity at the centre of community renewal and prosperity

Focusing on ensuring that people are able to contribute to Kent and Medway's growth potential and that the benefits of that growth are widely shared, are visible across the county and contribute to overall quality of life



Creating diverse, distinctive and vibrant places

Focusing on maximising the potential of Kent's distinctiveness and unique characteristics – and the distinct characteristics and opportunities of towns and communities across the county.



Next steps



- Steve Samson commented in the chat that with the closure of LEPs, government is now expecting local areas i.e. Kent & Medway to have a formal economic strategy (which is the KMEF) - this will hopefully form the basis on which future funding is allocated to support the growth agenda.
- Ross Gill then invited BAB members to share initial comments, but also any thoughts around what they might want to see differently by 2030.
- Stephen James of British Veteran Owned commented in the chat that in reviewing the Kent Economic Framework: the current version does not explicitly address the employability of our veteran community. This oversight overlooks a valuable pool of talent that can significantly contribute to our regional economy and fits nicely into main themes of promoting talent; Veterans offer a unique set of skills, including leadership, technical expertise, and problem-solving abilities, which are highly transferable to various sectors within our local market; By amending the Framework to include these elements, we not only recognise the service of our veterans but also actively contribute to a diverse and skilled workforce, driving economic growth in Kent. It would also all us to dip into the schemes that the Office for Veteran's Affairs.
- Simon Barnes asked in the chat if we structure future meetings around the framework? Set up working groups for each theme?
- Steve Samson answered that this was part of the forward planning.

4. Economic Commentary

- Liz Gibney then suggested rather than going through the individual BAB economic commentaries the remainder of this meeting will be spent on commenting on the KMEF and Jo James' economic assessment.
- **Deidre Wells, Visit Kent**
 - The framework sets out a clear statement of intent but there were questions around where future funding would be coming from.
 - She asks how can we help best help you with this?
 - Are there ways that we can, support, deliver some of those wider challenges, but through the lens of economic growth?
 - We need to support the growth engines and particularly when there's so many fantastic assets in the county that we can promote.
 - We need more hotels and accommodation to meet demand and support our businesses to be able to do so.

- There is a real opportunity for the country to lead the way in sustainable tourism, particularly through food and drink.
- **Simon Ryan, Locate in Kent**
 - Demand for growth is lower than the first half of this year, significantly lower than last year, but there is still underlying demand in our pipeline.
 - LiK spend most of their time trying to unblock the barriers to investment.
 - There is a need for a regional approach to strategic planning.
 - Important that Kent and Medway to have a strategic target to work towards that local plans can align to.
 - The same would also apply to employment land - across the whole region we have demand for employment land.
 - His ask is for a regional strategy that local plans can align to.
- **Vince Lucas, VA Rail Ltd**
 - Is struck by the level of income inequality that still exist across Kent, particularly the band between Canterbury down to Folkestone.
 - It would be good if the strategy could also focus on how we get higher quality, higher paying jobs towards the coastal communities.
 - It would be great if we provided assurance around business architecture for small business. To help them hold policies and certificates in one place, so they've got everything, and then everybody knows whoever applies for work is qualified.
 - If we did that for small business in Kent, it would help them win more business.
- **Roland Cooper, Considine.**
 - Thanked Jo James for the work she has done.
 - Commented that strategically amplifying all the different ways in which we could see funding streams enhancing workforce skills?
 - Business community could do with a bit more initiative on promoting the reskilling of our workforce.
 - Keen for local authorities in our region to streamline the planning process, anything that provides strategic planning and can give business certainty that we are all rowing in the right direction.
- **Claire Eckley, NFU**
 - There is currently a lot more opportunity in the land based sector around the nature based economy which provides lots of well-being for workers and nice environments to work in.
 - This will also help the tourism part of the economy.
 - So a reference to this in the strategy, in addition to decarbonisation would be good.
- **Miranda Chapman, Pillory Barn.**
 - There are some real big challenges with consistency, everyone seems to be waiting decisions to be made, and that's making the pipeline really lumpy.
 - Kent and Medway, Business Fund has been a real driver for growing our businesses in the county and there's a launch event on 21 November next week.
 - Miranda gained a qualification in entrepreneurship recently and would recommend and encourage getting back in the classroom and continuous learning.
- **Stephanie Holt – Castle, Kent County Council**
 - There has been work taking place with the integrated Care System, Partnership Health Strategy that is being launched.
 - How can they get more business community, community leaders, green space, etcetera, onto the health and care partnerships? Perhaps this could be a future item for this board.
- **Derek Murphey, Kent County Council**

- Finance clearly is focusing a lot of minds and attention at the moment.
 - A lot of what KCC does is statutory, so we don't have a lot of say in it, not that much support from government.
 - One of the things that is coming through is certainty.
 - All are looking for a certain amount of certainty going forward, and until government, or anyone else can produce that, we are going to be floundering.
 - To get planning committees or the local authorities and districts to work together in unison is not always an easy task. But KCC tries very hard to facilitate those discussions.
 - The KMBC launch on the 21st of November, it really is worthwhile coming along.
 - The official opening of the Pannatoni site at Aylesford with 800,000 square feet of logistic warehousing space is a fantastic vote of confidence.
 - It is possible to grow lots of things in Gardens not just crops and food.
- **Salim Somjee, Cripps LLP**
 - Agrees on uncertainty, however this has moved on a little from political uncertainty and financial uncertainty as the interest rates have stabilised.
 - The uncertainty now is in how businesses deal with HMRC, which is one of the most influential bodies that they have to engage with.
 - HMRC is finding any reason to delay paying rebates and that's causing huge cash flow issues to a lot of businesses. So that kind of uncertainty I think is really unhelpful.
 - But on the positive side of things, while activity and M&A law has gone down quite a lot, it does seem to be higher than in lots of other continents and jurisdictions.
- **Roland Cooper, Considine**
 - Uncertainty it's almost the new normal in construction. so businesses are just ploughing on through regardless. There has been a record amount of enquires and a record number of appointments in this last quarter which bucks the trend of the previous quarter, which was terrible for them.
 - They are recruiting and are seeing a lot of positivity.
 - There is still a lot of energy in our region, and we will do well to empower colleagues, to them and that we are all positive about the future despite the travails of government.
- **Jo Nolan, Screen South**
 - There is a need for a business development person in small companies. They are really struggling to deliver and develop new business, although they can see it is out there. There is a lack of resource or strategies in place to be able to capitalize on the opportunities.
 - Is there any support out there in terms of grant support of a direct mentor in the business?
 - It needs to be in specific granular help rather than or top line big grants.
 - It should be done in consultation with those smaller businesses so that the people who know how to do deliver the best have got somebody who's developing the new alongside them.
- **Simon F Barnes, University of Kent**
 - We do want to strengthen innovation culture and are talking about how we strengthen that innovation culture across the three universities and focusing in on the Garden of England, health tech and net zero.
 - Success: when we applied for funding, we put in voucher schemes for businesses to engage as part of that funding. This is working successfully with Growing Kent and Medway and hopefully we're going to do the same in the health sector around diagnostics.
 - Need to be thinking about how to create those frameworks and how that engagement happens and the other thing I think is important in talking to business.

- Businesses need people with digital skills increasingly; the universities have to have a role in re-educating and retraining people with those cross disciplinary skills.
 - We'd also like to see is the best digital infrastructure in the UK and we talk about infrastructure, water, electricity, power, roads, those things will all work better with a, with an exemplary digital infrastructure supporting them. This will give us a productivity. That is the real catalyst, I think, to helping the local economy.
 - So innovation, digital infrastructure, digital skills and also universities changing their courses more rapidly and we're doing a lot of that.
- Liz Gibney commented that authenticity and bravery are important for KMEP to be as successful as it could be, and these are the sort of things that we're starting to hear people saying.
 - Would welcome thoughts about, how from next year onwards now, we change the structure of these meetings so that we make sure that we get feedback from everybody and that we acknowledge all the regional things?
- **Andrew Metcalf, Maxim PR**
 - We need to have a regional focus and a regional brand and perception.
 - It's quite lonely out there now for business. Very little direction being given to them nationally, policy inconsistency, policy changes.
 - The KMEF looks forward to 2030 but most businesses in the county are looking forward six months to a year.
 - Get the Framework launched. Businesses need something that they can really get behind and really understand and see somebody leading for them with a single voice.
 - The other challenge is planning, we keep talking about it but nothing ever happens.
 - Every business in France is a statutory member of a Chamber of Commerce.
 - If we had that, every business would then be part of a single voice. Business would actually be around the table with input from a position of strength and authority and knowledge, and would actually shape things.
 - On a positive note, mentioned the £8 million opening at PANATTONI which will help unlock some 3000 jobs.
- Liz Gibney asked for a show of hands for support of the KMEF. A majority were in favour.
 - Andrew Metcalf asked that It's not written just in management speak. So, business can feel that it's representative of their voice.
 - Deirdre Wells said we need to look at what we can do and how we can support what with existing activity and get a collective voice. This will help funding opportunities materialise.
 - Liz Gibney said we need a discussion on where things are stuck and where momentum is going.
 - Jo Nolan asked how we make sure that the drivers for economic development take place in our individual groups, which in her case is SECEN. These are not necessarily reflected in the framework. What is the mechanism for ensuring those conversations happen?
 - Steve Samson replied that the framework sets the direction of travel and then with people around the table we create a clear set of goals that work on moving things forward and make the case for funding to support some of those initiatives.
 - Liz Gibney said that we are doing a lot to make sure that we put a structure in place that means that all sectors are heard, and in this the economic framework has been significant. BAB should be confident that we've got representatives of all the different sectors and that all the voices being heard.
 - Derek Murphy said that KCC has been helping the districts form their applications for Levelling Up Funds and several have been successful. If help is needed don't hesitate to get in touch with KCC because we will help as much as we possibly can using our soft power at Westminster using our contacts at the embassy in Paris.
 - Roland Cooper commented on the issue of nutrient neutrality:
 - Nothing substantive was said in The King's Speech around the topic.
 - There will be legal challenges Natural England on 2 fronts:
 - Firstly, the veracity of their advice in in principle,

- Secondly the lack of proportionality in the advice. Developer support might be needed to get some fighting fund from the private developer world. Standing still and doing nothing is not an option.
- Simon Ryan suggested to engage the Kent developer groups on as well. And referred to the Kent, property market report in the chat.
 - Highlights from KPMR 2023 for employment (mainly industrial)
 - National rents up 6.6%, Kent ave 5.6% growth
 - National and Kent land values down 25-50%
 - Kent up to 50% cheaper overall than rest of SE, rents 25% cheaper, transport costs lower.
 - Investment yields down 150 basis points stabilising at 5.5%
 - Supply chain and cost issues re construction. Pressure to de-carbonise and attend to ESG.
 - Voids similar to nationally
 - Net effective rent moving out due to longer rent free periods.
 - Highest rents Dartford and Maidstone.
 - Supply 1.8m sq ft, more than last year (1.5m sq ft). New planning apps & construction slowing
- Marion Brooks of Apogee Corporation spoke around the attraction of talent, skills. They recently have been involved in the employability scheme with the University of Kent which is a great way to tap into local talent to attract people into businesses.
- Mario Caccamo of NIAB highlighted in the chat the recent deal NIAB signed with Bayer (<https://www.niab.com/news-views/news/niab's-strawberry-breeding-programme-moves-bayer>) this will bring a fresh investment to the site in East Malling.
- Samantha Mason of MBM Balance said in the chat that she echos all comments on the general economic outlook. We work primarily with small business (< £2m) and wanted to make 2 further comments: 1) Lots of people moving from employment into self-employment, start up, more than we have seen historically. The majority have some social / environmental USP. 2) Our challenge is converting existing business and supporting them on net zero pathway . Very little support for OMBs on this point and would love to see more.
- Gaurav Malhotra of Level 5 said their company has been awarded a partnership deal with Cabinet Office and are the digital partners for Cabinet Office for the procurement bill going forward.
- This means that they now have got some a level of investment for opening another Academy in Kent, and will be looking to expand thier branch for recruitment.
- Liz Gibney thanked everyone for an interesting, conversational, informative, positive meeting and once again thanked Jo James for her work, dedication, wisdom authenticity and bravery over the years.
- Steve Samson asked if anyone would be able to host the next BAB meeting in person for around 30 to 35 people free of charge on 9th Jan in the morning?
- Menon at Leaf Hotels offered this in either Folkestone or Dover.

AOB

- **Martin Prentice, IoD** (Economic Commentary sent by email)

Good News: Certainty on Interest Rates & Inflation v PY

Market expectations point towards base rate at 5.25% being at, or near the peak of the cycle - subject to the caveat around geopolitical tensions.

That said, interest rates are likely to stay elevated for longer – with potential cuts being seen from the second half of 2024.

But with CPI inflation set to fall <5% the 'direction of travel' for interest rates and inflation provides more certainty to support business with financial planning.

Current 'Business Sector' Challenge

The IoD's tracker data for October shows Director confidence has been below average since June.

Manufacturing activity remains in the doldrums – reflecting overall sector challenges in most major economies.

Autumn Statement - Key IoD Recommendations: Chosen Topic

The IoD has written to the Chancellor of the Exchequer setting out 5 'Key Policy Recommendations' that would have the greatest positive impact on the UK's 'rate of sustainable economic growth' namely:

(i) 'Tax Credits' for Companies that train staff to meet national skills shortages, (ii) stronger incentives for SMEs to transition to net zero - such as a differential 'Corporation Tax Rate' ...

(iii) permanent 100% 'Capital Expensing', (iv) an export target based on volumes (not values) and the proportion of Companies that export and (v) greater reputational pressure on 'slow invoice payers'.

DRAFT