

Draft minutes from BAB on 29th April 2025

Chairman's Welcome:

- Vince Lucas (BAB Vice-Chairman) welcomed the attendees to the meeting.
- A special welcome was given to Olivier Morel, a partner at Cripps LLP, who joins the board.

Previous meeting actions from 28 Jan 25:

- Sarah is awaiting pen portrait profiles and high-resolution photos from some members to go onto the KMEP website. **ACTION:** [BAB members to please check their profile at: Business Advisory Board Members | KMEP and, if required, send their information to \[sarah.nurden@kent.gov.uk\]\(mailto:sarah.nurden@kent.gov.uk\) \(All\).](#)

Local Government Reorganisation:

- Steve Samson updated the team on the local government reorganisation plan, which aims to transition Kent and Medway into three or four unitary authorities.
- The Council submitted a joint response on 21st March, and central government's initial response is expected after the county elections in early May.
- The Government has not selected Kent and Medway to be a mayoral strategic authority.

Made Smarter Program:

- Steve Samson informed the team about the Made Smarter Southeast program, which offers grants and advice to small manufacturing businesses to adopt new technologies.
- What's on offer is:
 - Grants – Up to £20k. Up to 50% match-funded. For adoption of new to firm technology.
 - Technical Support – For implementation and adoption of new digital technologies.
 - Skills Development – Leadership Mentoring, Workforce Development Training, Student Placement.
- Eligible firms are those that:
 - Are SME Makers, Creators, Manufacturers
 - Employ less than 250 employees
 - Have an annual turnover of less than £44m & annual balance sheet under £39m
 - Received state aid of less than £350k in last 3 years.
- The programme is open until March 2026.
- Steve mentioned that businesses can now express interest and register for the programme, and emphasised the importance of Kent being well represented in the programme's first year.
ACTION: [Any interested eligible firms to register at: UK digital manufacturing advice & funding – Made Smarter \(All\)](#)

AI Integration – Presentation by Peter Chatwell (peter@pilotgenerativeai.com)

- Peter Chatwell presented on how AI could integrate into the real economy, discussing large language models, AI agents, and opportunities in various sectors such as agriculture, transport, tourism, real estate, and health and social care.
 - **Large Language Models:** Peter explained that large language models like ChatGPT are trained on vast amounts of written content and can exhibit intelligence based on the data they are trained on. However, they can be confidently wrong on topics outside their training set. People are now moving over to using large language models (such as ChatGPT and CoPilot) as their primary interface with the internet, and these models are displacing traditional search engines

(like Google and Bing). Peter recommended BAB members think about how your business connects with the Internet. He encouraged everyone to think about having a large language model or integrating with other large language models to make your products more accessible to the new regime of internet use, rather than thinking about search engine optimisation and having a website for publicity.

- **AI Agents:** Peter described AI agents as models that can be trained to perform tasks autonomously by accessing various systems. He said the most common AI agent is probably the software developer. Human software developers can train AI agents to help write code with them. He highlighted their potential to increase productivity - for example, a software developer is probably 8 times more productive when combined with an AI agent. He mentioned that they can make mistakes (maybe 5% of the time), so human supervision is still necessary.
- **Sector Opportunities:** Peter identified opportunities for AI integration in agriculture, transport, tourism, real estate, and health and social care, but said all companies can benefit from AI. AI is anything that learns from data, can identify patterns within data, and then can repeat or forecast that data. His example in agriculture is that there are companies using satellite imagery, weather data and AI to provide farmers with analytics on crop health and yield prediction. However, firms don't necessarily need to buy those licences, they could programme a bespoke AI to look for patterns in data that they already have, e.g. soil data, yield data, weather data, etc. It may seem that there is insufficient data for a human to make a coherent forecast, but AI can spot patterns that experts wouldn't necessarily be able to see.
- **Custom AI Models:** Peter emphasised the importance of businesses developing their own AI models to avoid risks associated with using large language models from big tech companies, such as copyright issues and potential geopolitical risks. Similar to how each firm may have an IT & HR department, Peter encouraged BAB members to build their own AI models for their own settings, which can help protect intellectual property. Also, it might be that firms start locking down their data more in the future, reducing the data set which AI can use. Also, he foresees the big tech AI models will incorporate advertising in the future – hence the need for firms to have their own bespoke models.
- **ACTION:** Vince Lucas and Miranda Chapman agreed to host an AI workshop for BAB to further explore AI applications and opportunities, and invite Peter to do a longer presentation and maybe two or three other AI experts. (Miranda and Vince to advise Sarah)

Kent and Medway Careers Hub – Presentation by Brad Levy (brad.levy@theeducationpeople.org)

- Brad Levy presented on the Kent and Medway Careers Hub, discussing their strategic intents, the Gatsby benchmarks, and the importance of experiences in the workplace for young people. His slides are inserted below:



BAB%20presentatio
n%20-%20Brad%20L

- Brad explained the Kent and Medway Careers Hub is in partnership with the Careers Enterprise Company. The CEC and the Hub are not responsible for delivering careers advice in schools, but are responsible for driving systemic change in the career space so that schools really start to look at how careers can actually drive school improvement and that they're then they're making young people work ready.

- A key priority is how to drive more high-quality interaction with employers, not only for young people, but also for the teaching staff – so when a young person asks why they are learning a skill or fact, the teacher can explain how that skill/fact is used in the workplace.
- The Hub works with 168 secondary schools, special schools, alternative provisions and colleges. The Hub team consists of seven careers consultants working in the region (5 in Kent and 2 in Medway).
- **Gatsby Benchmarks:** Brad spoke about the Gatsby Benchmarks which are a framework of eight key principles designed to define what world-class careers guidance looks like in secondary schools and colleges in England.
- **Employer Standards:** Brad Levy introduced the employer standards self-diagnostic tool. It takes 25 minutes to complete and helps employers build a talent pipeline, increase diversity and deliver against social responsibility of social value commitment. It provides instant feedback to employers and can be accessed at <https://employer.careersandenterprise.co.uk/#/registration>
- **Feedback Request:** Brad Levy requested feedback from BAB Members on how the Careers Hub can better support employers and map local offers for young people, and circulated a slido link for people to input their views into.
- **ACTION:** Arrange a session with the fresh food sector to introduce the employer standards and support their engagement with schools. (Brad Levy and Carol Ford).

Trading Standards Checked – Presentation by Rebecca Law and Adam Mortimer

(Rebecca.Law@kent.gov.uk & Adam.Mortimer@kent.gov.uk)

- Rebecca and Adam presented the Trading Standards Checked scheme, which aims to boost consumer confidence in the construction sector by promoting safe local traders.
- [Trader Checks - Trading Standards Checked](#)
- Trading Standards Checked is a fair trader scheme. It's managed by Kent County Council in association with trading standards. The scheme uses intelligence data and information from enforcement agencies (like the Police) to provide residents with greater confidence with respect to home maintenance businesses (such as plumbers, traders, electricians, gardeners, roofers). It is a sector where there is quite significant consumer detriment and much criminal activity. Traders on there are checked, and KCC know that they are safe, are going to do the right thing, are going to trade legitimately and fairly.
- **Scheme Growth:** Rebecca and Adam sought advice from BAB Members on how to grow the Trading Standards Checked scheme, including partnerships, networks, and the value of membership. Surveys of over a thousand Kent residents have shown that trust and confidence are two of the critical deciding factors on which home maintenance firm to employ. Rebecca and Adam would like advice on how to encourage firms in construction and home maintenance to apply to be checked. The site currently has 247 businesses on it, and has had 202,500 residents search for a trader using it. The aim is to grow the site to contain 500 businesses in the next couple of years.
- **ACTION/ADVICE:** Work on improving the search engine optimization (SEO) for the Trading Standards Checked website to ensure it appears higher in search results. (Rebecca & Adam).
- **ACTION/ADVICE:** Speak to Alex Riley about integrating Trading Standards Checked into the Brand Kent campaign to promote a safe county. (Rebecca & Adam).
- **ADVICE:** Tudor recommended Rebecca speaks to Steph H-C and KCC leadership around the commercial charges. It is difficult to promote a commercial scheme that has charges associated with it, offered by a regulator. (Rebecca & Adam).
- **Doorstep Crime:** Adam spoke of the economic impact of doorstep crime and what this does to legitimate businesses. Last year, the average loss via doorstep crime for Kent residents was £15,700. Consumers become wary and this distorts the market, so legitimate businesses costs may increase because of additional marketing and services may be needed to reassure residents more that by using the firm that they are not going to fall foul of more criminals. The

presence of those criminals can make it very difficult for legitimate businesses to compete, as they often undercut on price. It also increases costs on the regulatory side.

Economic Commentary – Provided by BAB Members

Overleaf is the summary of the economic commentaries provided at the last BAB meeting, and then on the following pages are the detailed economic commentaries by individual:

DRAFT

Voice of Business – Summarised feedback from Business Advisory Board to KMEP

Opportunities & Good News

- **UK GDP was higher** than expected in the first quarter of 2025.
- **Inflation was lower** than expected in February.
- More **new businesses opening**, even though business deaths are high.
- **Use of AI** – to make business more efficient and to help forecast visitor numbers to better deploy resources.
- Kent and the UK is **attracting much foreign businesses**. Overseas companies are coming here and buying and investing, despite the current economic uncertainties.
- **Early-stage innovation for life science** companies is buoyant.
- **Housing market is strong** despite the temporary cut to Stamp Duty Land Tax ending. Housing developers submitting many planning applications.
- National creative & cultural companies are **touring** again.
- **PR and marketing** firms receiving many enquiries.
- **Good weather** advantageous to sheep farmers.

Recruitment & Skills

- **Shortage of hospitality, care home, planning, and construction staff.**
- **Lower supply of skills** in the labour market is contributing to higher wage growth and increasing costs.
- **Strong supply of candidates for apprenticeships.** Many firms report hundreds of applicants for a handful of positions.
- Businesses are engaging well with the forthcoming **Skills Bootcamps**.
- Firms signing up for **disability confident accreditation** and **skills passport**.

Challenges

- **Low business confidence**, with businesses reticent to commission new projects.
- **Increased national insurance contributions** and **higher national minimum wage** continuing to affect profitability. Some businesses are closed for longer in winter season to reduce staff costs. Average earnings increased by about 5.8% in the last year.
- Anxious about the **US tariffs** and **volatility in international trade**.
- **Footfall at the lowest since the first quarter of 2020**. VK say people are not spending. 58% citing cost of living crisis an issue.
- National restaurant chains providing **significant discounts** (of up to 35%) to Hoover up the small share of spend available.
- More companies **falling foul of regulation**.
- **Occupancy rates** are down
- Defra's closure of the **Sustainable Farming Incentive** put many farms into "survival mode". Replacement scheme only launched in 2026, and details are vague.

Free Comment

- Marlowe Theatre's **procurement spend** was over £2m in the local supply chains.
- Firms are hopeful for renewed agenda for **EU-UK cooperation** arising from EU-UK summit in May.
- **Lower Thames Crossing** announcement was warmly welcomed.
- Notable events include:
 - East Kent Apprenticeship Awards in June
 - Kent Press & Broadcast awards in June
 - 21st Living Land event in May, which 3,000 primary school children attend.

Individual economic commentaries:

Hospitality, Visitor Economy, and Sport Sectors

Name:	Kanagaratnam Rajamenon (Menon)
Businesses:	Leaf Hotels Group, Abode Care Home, Oakdale Care Home & Hythe Service Station
Opportunities & Good News	<p>The hotel company:</p> <ul style="list-style-type: none">- Has been successful in the implementing new sustainable and eco-friendly practices, leading to increased bookings and good positive feedback.- Is excited that Folkestone has started the first phase of their regeneration project, which will hopefully bring more tourists. <p>The care home company now has electronic care plans for residents and electronic medicine administration. This will reduce errors and save time. The occupancy rate for the care home is good, partly due to lack of alternative care homes available locally.</p> <p>Menon has opened up a new drive-through carwash at the service station. The new carwash is doing extremely well as Border Force is taking action against illegal workers working at the local hand carwash facilities.</p>
Challenges	<p>The current challenges for the hospitality/hotel sector are:</p> <ul style="list-style-type: none">- the ongoing impact of economic uncertainty and cost inflation on both businesses and the consumers- the effect on increased national insurance contributions and the national living wage increment- increased demand for sustainable practises requiring by hotel guests. This requires innovation and also investment. <p>The care home company is also struggling with the cost of inflation on both business and consumer. The increased cost of staffing and contribution to the national living wage is a challenge.</p> <p>The current challenges for the service station are:</p> <ul style="list-style-type: none">- that the supermarkets are dropping fuel prices to attract customers to shop for groceries at their supermarkets.- The small margins are being affected by the rise in shoplifting and drive-offs, which is a big problem.
Recruitment & Skills	<p>The skills and recruitment challenge continues.</p> <ul style="list-style-type: none">- The hotel company has a shortage of reliable front-office staff and chefs.- The care home cannot attract local staff to take up jobs, even though they are paying the national living wage substantially increased.
Free Comment	None

Name:	Simon Storey
Business:	Kent Cricket
Opportunities & Good News	<ul style="list-style-type: none">- The growth of female cricket has generated a new revenue stream.

	<ul style="list-style-type: none"> - In mid-April 2025, Kent held their first home game for Kent women in their new domestic structure and had over 400 people in attendance.
Challenges	Costs (such as the national insurance contributions and national minimum wage) are a challenge and the issue is how can this be addressed by growth. The company is searching for those areas of growth and then investigating how it can raise the appropriate capital or investment to harness them. The company plans to do this exercise over the summer.
Recruitment & Skills	Recruitment wise, no particular challenges. Kent Cricket sees a heavy seasonal influx, particularly for catering roles, and it's pretty positive that people are out there looking for work. There is a cost associated with it and increasingly demands for training, but part of Kent Cricket's model is to employ local people and students.
Free Comment	Kent Cricket is not-for-profit. There are plenty of opportunities for businesses to support Kent Cricket, for example, by sponsoring one of Kent Cricket's female players for £400.

Name:	Lisa Carlson
Business:	Business Improvement District (BID) & Visit Canterbury
Opportunities & Good News	<ul style="list-style-type: none"> - There's still much commercial interest in coming into Canterbury - More new businesses are opening, even though that turnover in terms of losing businesses is high, Canterbury still gains more than it loses.
Challenges	<p>It is an incredibly challenging time:</p> <ul style="list-style-type: none"> - Footfall in Canterbury for the first quarter of the year was worse than any other first quarter following the pandemic. - There was a similar picture with sales. - Obviously people are holding back. - Canterbury is losing some hospitality businesses, although not as many as in the first two years following the pandemic. <p>At an accommodation sector meeting covering the whole of Canterbury yesterday, businesses echoed that the challenges of:</p> <ul style="list-style-type: none"> - occupancy rates are down - the first quarter was harder than the first quarter in previous years, but it is looking more positive in the coming quarter. - people are making decisions at the last minute to visit hospitality and tourist attractions, which makes staffing cash flow harder to manage.
Recruitment & Skills	Fewer vacancies are emerging as retailers and hospitality businesses have to pull back due to lower spend.
Free Comment	In addition to running the Business Improvement District, Lisa delivers Visit Canterbury for the whole of the Canterbury district through Visit Kent.

Name:	Steve Law
Business:	Visit Kent
Opportunities & Good News	<ul style="list-style-type: none"> - English Tourism Week took place between 14-23 March 2025. Visit Kent arranged for a few MPs to visit Kent attractions, in the hope of securing more political interest for the sector going forward. - The Kent Big Weekend took place on 5-6 April 2025. (Residents can enter a ballot for free tickets to local tourist attractions). 88 businesses were involved in that and there were 190,000 applications for tickets from across the county
Challenges	<p>The February business barometer results (which is predominantly intelligence from the large visitor attractions across the county) show that:</p> <ul style="list-style-type: none"> - 58% cite that the cost of living crisis is a big issue for them. - 47% of those businesses are concerned about declining visitor footfall across that first quarter (Jan, Feb and March 25). - The February 2025 footfall was down 1% compared to February 2024. <p>Visit Kent attributes the decline in visitor footfall to:</p> <ul style="list-style-type: none"> - the poor weather at the start of the year and - a few attractions opened later in the year to reduce their staffing and resourcing costs (which rose due to higher NI contributions).
Recruitment & Skills	<ul style="list-style-type: none"> - Visit Kent is working with The Education People (TEP) to roll out and support businesses signing up for disability confident accreditation. 5 new businesses have signed up so far and Visit Kent is working with about 25-30 others. The accreditation showcases businesses as good supporters of recruiting people with disabilities. - Visit Kent is working with UK hospitality and Job Centres in rolling out a skills passport. This is a national scheme – details at: Hospitality Skills Passport can 'revolutionise' recruitment - UKHospitality
Free Comment	<p>People are deciding to visit tourism attractions at the last minute, so there are fewer pre-booked tickets. One of the things that Visit Kent has been looking at is how businesses can use AI to predict visitor flow and visitor numbers earlier.</p> <p>Businesses are struggling with resourcing and national insurance increases, so managing staffing levels and forward planning is really challenging. AI might be able to predict visitor flows, transport issues, and the quality of the weather in advance, allowing businesses to better forecast staffing levels needed. Visit Kent is looking for funding for this at the moment, and would welcome any support or advice on this.</p>

Creative and Cultural Sectors

Name:	Paul Turner
Business:	Marlowe Theatre
Opportunities & Good News	National companies are back touring again, and the National Theatre is visiting the Marlowe for the first time since the pandemic.
Challenges	The theatre continues to perform strongly, however, the restaurant side of

	the business has been particularly challenging over the last 12 months – in terms of sales and recruitment. National restaurant chains appear to be frequently running significant promotions (with up to 35% off meals) which is impacting the Marlowe restaurant's sales. The theatre side of the business is subsidising the restaurant business, and the team is working on a business plan.
Recruitment & Skills	<ul style="list-style-type: none"> - The team attended the Skills 25 conference, which was a brilliant event. - Over the last year, the Marlowe provided 104 placements for college students from East Kent College last year. - In addition, the Marlowe hosts apprenticeships. The company has recently recruited to two brand new apprenticeships, with the apprentices paid a real living wage. There were 156 applicants for two posts, which were shortlisted down to 12 candidates. All 12 candidates were excellent and suitable for the role.
Free Comment	<ul style="list-style-type: none"> - The Marlowe Theatre was owned and managed by the City Council until 2018. That year, the Theatre spun out, and wrote a new procurement policy, which prioritised spend in the local supply chain. - This year, the Marlowe has topped £2 million being spent per annum in local supply chains. 99.5% of everything sold in the front of house is from a Kent supplier.

Marketing, PR, Digital Productions Sectors

Name:	Andrew Metcalf
Business:	Maxim PR
Opportunities & Good News	<p>One of Maxim PR's clients, Panattoni, has achieved a major milestone at Panattoni Park in Aylesford with the practical completion of Tesco's bespoke built-to-suit (BTS) 621,000 sq ft facility. The new facility features a 300,000 sq ft chilled section, a 100,000 sq ft freezer area, and extensive electric vehicle (EV) charging infrastructure to support Tesco's transition to an electric HGV fleet.</p> <p>Panattoni has also just completed two buildings at Panattoni Park, Sittingbourne (measuring 440,000 square foot and 205,000 square foot).</p>
Challenges	<p>The current challenge is the slowness of businesses making decisions, caused by a lack of business confidence.</p> <p>The company is receiving many enquiries from companies who are falling foul of regulation, and find themselves with a bit of a crisis on their hands. These companies appear to not have invested in a crisis, communication or reputation plan. While the business benefits Maxim PR, it is a concern for the firms.</p>
Recruitment & Skills	The company has talented staff with a good skill set and is not recruiting currently. If there is a need for additional resource, they hire freelancers.
Free Comment	The Kent Press & Broadcast Awards are a not-for-profit scheme designed to celebrate and reward local media. It is in its 11 th year. The event takes place on 20 June 2025. There are 16 categories, 16 sponsors, and 140

	entries.
--	----------

Name:	Tom Chown
Business:	Digitom
Opportunities & Good News	<ul style="list-style-type: none"> - It's been a strong and steady start for the year. - The company is celebrating its 15th anniversary this year, and has launched a brand refresh in March 2025.
Challenges	N/A
Recruitment & Skills	The company has offered work experience placements and has supported the University of Kent's Employability Point scheme for the last nine years. This year, the company is trying a new approach, and is engaging with Creative Tunbridge Wells, which is a joint venture between Tunbridge Wells Business Improvement District (BID) and the Council. The company hopes to engage with young people at an earlier age through this scheme.
Free Comment	None

Name:	Miranda Chapman
Business:	Pillory Barn
Opportunities & Good News	The company is receiving many inquiries.
Challenges	Lower business confidence has resulted in several businesses delaying decision-making and commissioning new projects.
Recruitment & Skills	Pillory Barn is recruiting and has found fewer applicants coming through, but better quality.
Free Comment	Nominations are open for the East Kent Apprenticeship Awards. This year's awards are sponsored by the Port of Dover and for the first time ever, Kimberly-Clark will be the dinner sponsor.

Agriculture and Horticulture

Name:	Claire Eckley
Business:	Eckley Farms
Opportunities & Good News	<ul style="list-style-type: none"> - Lambing has been brilliant with this weather. - The beef price is sky high.
Challenges	<p><u>The Sustainable Farming Incentive</u></p> <p>The closure of the Sustainable Farming Incentive (SFI) by Defra in March 2025 with only about 20 minutes notice has had a ripple effect across the agricultural sector in England.</p> <p>Its closure has split the industry in half into the 'haves' and the 'have nots'. With over 37,000 existing agreements still being honoured, those farmers that have a SFI agreement are secure for now. But for others, especially those mid-application or planning to apply, the abrupt halt created</p>

	<p>confusion and disrupted business planning.</p> <p>It has also caused future ambiguity - While a reformed version of the scheme is expected in 2026, details remain vague, leaving farmers unsure how to prepare or whether they'll qualify.</p> <p>The impact of this decision is that areas, that have been in nature for possibly decades, are being ripped out to put in cash crops and a number of businesses are going to be on survival mode now.</p> <p><u>International impacts</u> The farming community is very nervous about:</p> <ul style="list-style-type: none"> - a trade deal with the US. - foot and mouth disease in Germany reaching the UK.
Recruitment & Skills	N/A
Free Comment	<p>The Kent County Agricultural Society will host about 3000 primary school age children on 1st May 2025 at the 21st Living Land event. Children can learn about where food comes from and be inspired.</p> <p>There's a number of scholarships that the society offer. In recent years, scholars have said that they attended living land when they were in primary school, and now they are going to university to study agriculture.</p> <p>The living land event is a huge success story for farming in Kent.</p>

Name:	Carol Ford
Business:	Ford Synthesis
Opportunities & Good News	N/A
Challenges	<p>The Government, in particular the Department of Science, Innovation and Technology, use a company called Data City to inform their industrial strategy decisions.</p> <p>Data City is a company that uses AI and modern technology to scrap companies' websites and information from companies house to create a database of businesses in the area. DSIT uses this database/software package to then determine where the business clusters are across the UK, and what their sector focuses are. It is suspected that this then impacts their investment decisions.</p> <p>Sarah Nurden in KCC's Economy Team/The KMEP Secretariat has recently got access to the Data City system and has done some initial analysis on the following sectors within Kent and Medway:</p> <ul style="list-style-type: none"> - Agri-tech and Food-tech - Creative and Cultural businesses - Life Science and Med-tech businesses <p>She presented her findings to KMEP, and it is clear that there is a significant issue with the robustness and accuracy of the Data City Package.</p>

	<p>Data City says there are only 98 agri-tech and food-tech businesses in Kent and Medway. It has not classified any of the businesses within the Fresh Food Production Group as being agri-tech and food-tech firms. It is missing firms such as Thanet Earth, which is one of the most technological advanced greenhouses in Europe, let alone within the UK or Kent. A brief 30 minute conversation between Sarah and Carol discovered businesses, whose combined annual turnover of £2 billion, are not classified with a sector code on the software. This means DSIT and others will not realise the strength of the local sector.</p> <p>Data City's response is that they are working with the UK Centre for Agri-tech, but they seem resistant to amending their database to include significant growers that are also innovators.</p> <p>It is not just the agri-tech sector that is affected by this; the other sectors were also misrepresented by Data City.</p> <p>A joint letter will be sent by KMEP, the Fresh Food Production Group, and NIAB to draw this to the attention of the relevant Secretary of States and senior civil servants – as this lack of data accuracy will have consequences locally.</p>
Recruitment & Skills	Skills boot camps are going to be getting off the ground soon and Carol is warming up all of the businesses within the fresh food and horticultural sector groups to do some skills training internally within their own businesses to help support the skills boot camps.
Free Comment	None

Professional Services

Name:	Daren Rose
Business:	Lloyds Bank
Opportunities & Good News	<p>UK economic growth (measured by Gross Domestic Product (GDP)) was higher than expected in the first quarter of 2025, but concerns about potential tariffs, inflation and interest rates persist.</p> <p>In February, inflation was lower than anticipated.</p>
Challenges	<p><u>Business Confidence</u> Until recently, Lloyds' research shows that business confidence has been broadly consistent. However, Lloyds' April 2025 research indicates that consumer confidence has fallen with lower expectations for the economy over the next year or so.</p> <p><u>High Wage Growth</u> Another challenge is that earnings are still quite high. Average earnings increased by about 5.8% in the last year.</p> <p><u>International Trade</u> The US tariffs are creating business uncertainty, reducing appetite for risk, and delaying investment. UK firms exporting to the US are directly affected, but many more UK firms are being affected by the ripple effects</p>

	of the tariff tensions between the US and China. It's hard at the moment for businesses to plan and understand what the impacts are going to be.
Recruitment & Skills	Businesses are still struggling with skill shortages; lower supply of skills in the labour market is helping to contribute to higher wage growth and increasing cost.
Free Comment	None

Name:	Olivier Morel
Business:	Cripps LLP
Opportunities & Good News	Kent and the UK is attracting much foreign businesses. Overseas companies are coming here and buying and investing, despite the current economic uncertainties.
Challenges	Recruitment and retention is the main challenge. Finding and keeping good people is the lifeblood of a business like Cripps.
Recruitment & Skills	Cripps LLP has run an apprenticeship scheme for several years. It was relatively unconventional for law firms to do this when it was first established many years ago, but it has proven to be very successful. A former apprentice from this scheme has recently become a solicitor, so it shows that young people don't need to go to university and accumulate lots of debts to pursue a career in law.
Free Comment	Olivier is encouraged that there will be an EU-UK summit on 19 th May 2025, and is hopeful that a renewed agenda for European Union – United Kingdom cooperation might arise from it.

Name:	Jeremy Licence
Business:	Furley Page (legal firm)
Opportunities & Good News	Good news story is that recruitment has really turned a corner.
Challenges	The current challenge for the sector is harnessing AI. Furley Page is exploring how best to facilitate AI within their business, as there is much mood music that the legal sector must lead with AI or their business will be left behind. However, the firm sent representatives to a summit recently where the advice was to wait a year or two, as this will allow the market to mature and see then what you need to invest in. It is a great challenge to decide where best to invest and how to use AI most effectively.
Recruitment & Skills	<p>Furley Page has successfully recruited 3 senior lawyers recently. The recruitment process has been easier than previously. Jeremy suspects that the volatility in the rest of the legal market at the moment may have attracted candidates to Furley Page, which is seen as maybe a more stable, attractive place to work.</p> <p>Furley Page has engaged with the legal apprenticeship scheme for the first time. It has attracted 120 applicants for only 8 positions, with the successful apprentices starting the role in September.</p>
Free Comment	The temporary cut to Stamp Duty Land Tax came to an end on the 31st of March 2025. Despite this, the housing market hasn't fallen off a cliff, and

	the housing market in East Kent certainly is still very buoyant.
--	--

Transport & Logistics

Name:	Vince Lucas
Business:	VA Rail
<i>Rather than speak about his specific business, Vince provided an update on the broader transport and infrastructure sector. He is KMEP Thematic Lead for infrastructure and a member of Transport for the South East (TfSE).</i>	
Opportunities & Good News	The last quarter's results show that the number of travellers year-on-year using Southeastern trains is up 8%.
Challenges	N/A
Recruitment & Skills	N/A
Free Comment	<p><u>International Rail:</u> Much work is taking place to keep the Eurostar campaign prominent in the public domain and continue to apply pressure to the train companies to serve Ashford and Ebbsfleet International Stations.</p> <p>In January 2026, it will be 30 years since Ashford International opened to international rail services and 17 years since Ebbsfleet International opened. It will be 5 years since Eurostar last called at these stations. We are wanting to keep that case in the news.</p> <p>Please could all BAB members sign the Eurostar petition, if they have not done so previously: Petition · Bring back Eurostar train services to Kent - United Kingdom · Change.org</p> <p>A piece of good news is that London St. Pancras Highspeed (formerly called HS1) are now willing to offer discounts to operators that are prepared to call at intermediate stations. The downside of that is Eurostar still has no interest in doing that for their commercial reasons, but other competitors may be interested in this option.</p> <p>Another piece of good news is that the regulator is minded to allow access to other operators to use Stratford Temple Mills Depot (which is the depot for international trains). This decision allows more international trains and more competition over the next five years. Eurostar, raised an objection to that at the end of April 25, setting out reasons why they don't think that should be the case.</p> <p>KMEP's Bring Back Eurostar Group has arranged a briefing for Kent & Medway MPs on 23 May.</p> <p><u>Lower Thames Crossing</u> The Government approved the planning application for the Lower Thames Crossing (LTC) at the end of March. Vince attended the LTC House of Commons reception, with Sarah Nurden, and heard about the great work that's being done by some companies already engaged in the building works to get local young people involved and trained to fill the jobs created by this significant infrastructure project.</p>

Construction & Planning

Name:	Matthew Woodhead
Business:	DHA Planning
Opportunities & Good News	<p>Some sectors are growing, such as housing. DHA has a very positive number of enquiries from housing developers seeking planning support. This may reflect the changes in national planning policy framework, which may ease the ability for clients to develop new estates. The NPPF changes are being welcomed.</p> <p>A good news story is that planning for the Heart of Kent Hospice in Linton has been approved, despite it not being an allocated site in the local plan. DHA has been working with the landowner and the Hospice on the plans. The site will also contain a care home and 60 retirement bungalows.</p>
Challenges	<p>Some of DHA clients are in the public sector (from fire sectors to local authorities). This sector is commissioning few projects lately due to resource constraints.</p> <p>There are some challenges (low business confidence, higher national insurance contributions, inflation, the budget and spring statement, wage pressure and other economic factors). However this is somewhat balanced by the positivity from a planning perspective.</p>
Recruitment & Skills	<p>There is a huge shortage of skills in the construction sector – from bricklayers to quantity surveyors, etc.</p> <p>In planning, local authority planning departments are very under resourced, with insufficient numbers of staff. This is leading to some big delays in projects.</p> <p>DHA Planning received nearly 500 applicants for their graduate scheme – which has 4 available spaces. DHA sponsor the 4 graduates to complete a master's degree at university.</p> <p>DHA also runs their own in-house university programme and training scheme. Participants have monthly sessions with DHA and that that programme lasts for a couple of years. Those participants are then rotated around the team.</p>
Free Comment	<p>The Planning and Infrastructure Bill is being debated in Parliament at the moment. This could potentially lead to some speeding up of the planning system, and more items going to delegation, rather than planning committee.</p>

Life Science & MedTech

Name:	Chris Broom
Business:	Discovery Park
Opportunities & Good News	<p>Early stage innovation for life science companies is still buoyant, which is encouraging, particularly given the struggles for the last 18 months to 2 years in terms of raising funding.</p> <p>The Discovery Park is working on a large pharma- manufacturing project</p>

	which could create several hundred jobs and see multi-million pound investment.
Challenges	<p>Business confidence is low.</p> <p>Rising costs (such as national insurance contributions) have made businesses in the life science sector increasingly cost conscious – in particular large companies and overseas investors.</p> <p>Trump's announcements of forthcoming 'Pharma tariffs', with no specific details, are sending shock waves through the drug companies at the moment, particularly those businesses that are looking at overseas investment. Many are holding fire until there's greater certainty about those tariffs.</p>
Recruitment & Skills	<p>No recruitment difficulties are being raised as an issue by clients on the Discovery Park site.</p> <p>Discovery Park is developing work placements for secondary school children. One placement is for administration, which covers finance, business development, and the operational front of house part of the business. The second placement is focussed on engineering for young people interested in STEM careers.</p> <p>Discovery Park, Pfizer, Canterbury Christ Church University and a few science companies jointly run a community laboratory. This scheme enables secondary schools to come and use the laboratory facilities for scientific experiences, which have been designed by Pfizer, and been taught by Pfizer to the teachers. Those children get an opportunity to do science that they don't typically get in their school setting given the lack of facilities. This community laboratory scheme is receiving much interest from schools.</p>
Free Comment	None

Business Membership Organisations

Name:	David Milham
Business:	FSB
Opportunities & Good News	Two in five business owners say that they believe their business will grow over the next 12 months.
Challenges	<p>The latest FSB small business survey, which closed at the end of March, has unfortunately been delayed a little. The figures from Quarter 4 of 2024 show that small business confidence was at the lowest level since 2020, which was the first quarter of the COVID. Confidence is a real problem with small businesses.</p> <p>Businesses are citing that the Government's changes to employment legislation will make it much more difficult to fire underperforming staff early on in their association with the business, and that is a concern.</p> <p>Businesses are yet to see the full impact of the increase in National Insurance contributions and the living wage.</p>

Recruitment & Skills	N/A
Free Comment	None

DRAFT