

CAVENDISH

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Weekly Monitoring
Friday 1st March



EIA Update

We held our monthly briefing with DCMS officials earlier this week, and shared our plan for the delivery of the updated SASiE report and Oxford Economics Impact Study in the coming months – which would be welcomed. We reiterated continual challenges with visas and the perception of complexities of trading in the UK, rising costs, and the impacts of disruption especially in the transport sector. We sought updates from officials on a possible industry roundtable, suggesting the release of SASiE may be an opportune time to connect with the Minister, and a continued interest in a Trade Mission to Saudi.

EIA also met with Minister Lopez at the Houses of Parliament this week, taking a deeper dive into conversations from the Tourism Industry Council meeting last month. Many of our manifesto asks were again reiterated, in particular the need for a co-ordinated approach which utilises business events within government objectives.

The Visit Britain report was referenced as an evidence point which outlines the positive impact of soft support, and a further request to support officials in implementing future support and future events. We also cited the success of the Business Events Growth fund, which has a 30:1 ROI, and how with more funding this could supercharge growth to the sectors we serve, local economic impact, and also the UK's position in sectors of significance and importance for UKGov – suggesting more investment would return significant growth. We highlighted despite the headwinds of increased costs, visa and access challenges for customers, and lack of government engagement the sector was growing, and new reports are underway with SASiE and then a new economic impact study which would validate this.

The EIA also met with Chairman of the VisitEngland Advisory Board Lady Borwick this week. This meeting was positive and we look forward to continuing our work with her to promote the business events industry.

Political Update

Workers Party candidate George Galloway claimed victory in yesterday's Rochdale by-election, defeating the Labour candidate and overturning a significant Labour majority. The result has been interpreted as a blow to Labour - whose vote share dropped 44% from 2019 election - and a potential sign of dissatisfaction with mainstream parties.

All eyes are now on the Chancellor ahead of his Spring Budget next Wednesday. Potentially the Government's last fiscal event ahead of a General Election, the Budget offers the Conservative's a final opportunity to revive their electoral prospects.

The Chancellor has already hinted at his hopes of lowering taxes, however the scale of these may have been deterred by warning from the IMF that this would lead to extra borrowing or post-election spending cuts.

Cavendish have prepared a pre-briefing note for the upcoming Spring Budget which can be accessed [here](#).

News

[FSB calls on Chancellor to cut taxes at upcoming budget.](#)

Ahead of the Spring Budget next week, the Federation for Small Businesses (FSB) has called for the Chancellor to raise Employment Allowance from £5000 to £6,500 and raise the £85,000 VAT threshold on companies to £100,000.

The FSB believe that these changes will remove some of the taxes placed on businesses that prevent growth.

[Minister for Skills delivers speech at the Annual Apprenticeship Conference in Birmingham.](#)

Minister for Skills and Apprenticeships, Robert Halfon, outlined his three main goals for apprenticeships as; building an apprenticeships nation, quality over quantity, and social justice.

The Minister stated he is seeking to integrate apprenticeships into the way everyone works, studies, and recruits, ensuring that school pupils are aware of apprenticeships as an option and that the training received by participants is all comprehensive.

He committed to maintaining the Apprenticeship Levy and the importance of ensuring big companies contribute to the programme, stating that apprenticeships should remain employer-led and should be offered to all kinds of candidates.

UK Trade Ministers attended WTO Conference to promote free trade

Trade Secretary Kemi Badenoch attended the World Trade Organisation held in Abu Dhabi. The purpose was to defend free and fair trade and protect UK businesses from increasing global trade barriers.

The UK Trade Ministers had four objectives they wanted to achieve surrounding trade policy. E-commerce, defence against unfair trading practices, protecting oceans, and trading with developing countries.

Ministers will also meet with representatives from the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) member countries at the Conference ahead of the UK's ratification and entry into force of the agreement expected later this year.

Government Publish their Response to The Terrorism Acts in 2021

The report made eight recommendations. Six recommendations were accepted, one partially accepted and one rejected.

The recommendations mainly looked into the way police are able to report and collect data when investigating. Notably the department accepted that travelling public should not be subject to Schedule 7 powers but instead only to establish an individual's involvement in the commission.

Parliament

House of Commons

Committee finds 140,000 SMEs 'de-banked' last year.

The Treasury Committee published data this week showing that 2.7% of accounts held by small businesses have been closed by their banks in the last year.

Reasons given for the de-banking of businesses include risk appetite, financial crime concerns, and lack of information-sharing. On the findings, Chair of the Treasury Committee, Harriett Baldwin, said that *"Our Committee believes that any company engaged in a legal business activity in the UK should be able to find a bank to offer them a bank account... I hope publishing this data can aid scrutiny of the decisions taken by banks and help to ensure legitimate businesses are not being unfairly treated."*

Treasury Committee examines SME finance.

The Treasury Committee questioned Economic Secretary to the Treasury, Bim Afolami, in the final session of its inquiry into access to financing for small and medium-sized businesses.

Members of the Committee pressed Mr Afolami on the extent to which the Government is effectively supporting small businesses when they encounter problems accessing capital and whether the Treasury believes SMEs need to be better protected from account closures through legislation.

Question on investment Equality Diversity and Inclusion Events

Dr Matthew Offord, Conservative, Hendon, asked the Secretary of State for Business and Trade how much her Department spent on equality, diversity and inclusion (a) events and (b) training in the last 12 months?"

Greg Hands, Minister for Trade Policy, responded:

"(a) DBT has spent £684.40 excluding VAT on equality, diversity and inclusion events in the last 12 months. (b) DBT has spent a total of £960 excluding VAT on equality, diversity and inclusion training in the last 12 months."

**For any queries regarding this round-up
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