

BUSINESS MANIFESTO 2023-2024

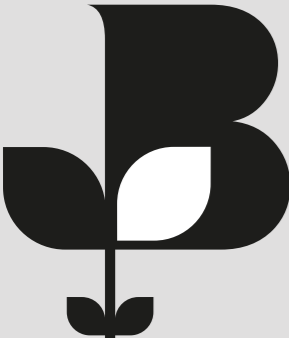
TIME
COST
PLANNING
MARKETS
TECH

NET ZERO



Herefordshire
& Worcestershire
Chamber of Commerce

OUR PATRONS



LOCALiQ

HEWETT
RECRUITMENT

ST.MODWEN
LOGISTICS

HM
Hazelton Mountford
Chartered Insurance Brokers

ebc
group
your workplace
technology
partner

mfg
solicitors

WORCESTER
Bosch Group

drp^g

worcestershire
county council

UNIVERSITY OF
WOLVERHAMPTON

University
of Worcester

Malvern
Panalytical

Bishop Fleming

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Sharon Smith
Chief Executive

Herefordshire & Worcestershire
Chamber of Commerce

I am delighted to launch the Herefordshire and Worcestershire Chamber of Commerce 2023/2024 Business Manifesto, detailing the priorities for local and national government, as identified by our local businesses during research carried out throughout the year.

Upon releasing the 2023/2024 Manifesto, it is a good time to reflect on 2022, a year of unprecedented challenges. Whilst continuing to emerge from the global pandemic, businesses across Herefordshire and Worcestershire have had to cope with rising

energy prices; supply chain and employment shortages; a 30-year high inflation rate and ongoing challenges for importers and exporters. The key priorities set out in this Manifesto seek to address these issues and outline how we plan to represent businesses at a local and national level.

Herefordshire and Worcestershire Chamber of Commerce engages more businesses via the Quarterly Economic Surveys than any other Chamber across the national Chamber network. This is due to the commitment from so many local businesses to share their business concerns to allow us to truly reflect the views of businesses in Herefordshire and Worcestershire. This extensive research allows us to identify current challenges, potential barriers to growth and to identify opportunities for businesses looking to grow and expand.

This document sets out the key priorities which have been identified by businesses in our area. These priorities have changed slightly from last year after changes in the business environment. The priorities are The Year Ahead in Business, Business Costs, Workforce Planning, Global Markets, Technology and Innovation and Net Zero.

One example of a change from last year's Manifesto is that the 'People' section from 2022/2023 has changed to 'Workforce Planning' in 2023/2024. Workforce Planning can be defined as 'the process of balancing labour supply (skills) against the demand (numbers needed)'. It includes analysing the current workforce, determining future workforce needs, identifying the gap between the present and the future, and implementing

solutions so that an organisation can accomplish its mission, goals, and strategic plan. Workforce Planning is a key priority for the upcoming year with the development of the Local Skills Improvement Plans for the Marches (which includes Herefordshire and Worcestershire). This priority of course still includes workforce wellbeing, upskilling of the current workforce and working environment.

Equally, last year's 'Sustainability' section has been relabelled 'Net Zero' this year. A British Chambers of Commerce survey of more than 1,000 businesses, of which 96% are SMEs, has found that nine out of 10 don't fully understand what the Government's target of making the UK Net Zero by 2050 means for them. Therefore, the Herefordshire and Worcestershire Chamber of Commerce along with the British Chambers of Commerce have a key responsibility in working with the government to ensure advice and funding are provided to businesses to increase every opportunity for them to become more sustainable.

We will work to deliver our priorities laid out in this Manifesto from our offices in Herefordshire and Worcestershire, and from The British Chambers of Commerce in London. The British Chamber is a huge resource and support for all our activities and through our contacts there, we have direct access to Central Government.

Thank you for your support this past year and we look forward to working with you and make connections that will allow your business and activities to flourish in 2023/2024.



Mark Smith
**Commercial Banking Relationship
Manager**

Lloyds Banking Group

President
Herefordshire & Worcestershire
Chamber of Commerce

Does this sound familiar - Supply chain fragility, transport and logistics challenges, staffing shortages, skills and retention frustrations, post-pandemic impacts, pressures on gross margins, ongoing Brexit delays and inefficiencies? The past few years have delivered a lifetime of pressures for our Members and against this backdrop 2022

added a few further doses of war, rampant inflation and increasing political instability both at home and abroad.

And yet, the resilience which commercial businesses demonstrate, across both of our counties, in the face of tough macro-economic and geo-political uncertainties never fails to impress me. Our counties are a true showpiece and testament to UK Plc's drive, determination and ability to triumph in the face of ongoing adversity. Across both Herefordshire and Worcestershire, both areas should feel rightly proud of all that has been and continues to be, achieved.

Once more, the Chamber's 2023/24 Manifesto reflects the key aspects of business life on which our Members look to us for support - managing your costs, being proactive in workforce strategy, your global-trading ambitions, staying ahead of the ever-changing technology and cyber change curve, working toward, and achieving, net-zero. The coming year will continue to throw continued challenges at all of us, so I hope it comes as no surprise that the Chamber's priorities remain fully focused on your needs.

As a business, in its own right, the Herefordshire & Worcestershire Chamber of Commerce truly appreciates the everyday and strategic stresses which all of our Members experience. Business pressures apply equally to Sharon and the Chamber Team and they are keenly aware that our success depends wholly on how we contribute toward your success.

So, in the coming year, our desire and focus will be that we will become increasingly indispensable to you, our Members; consistently increasing the value we add and the relevance of our services and support to your organisations.

The detail of this manifesto document is designed to encourage you all that your priorities are our priorities.

We look forward to a year of partnership with all of our Members.



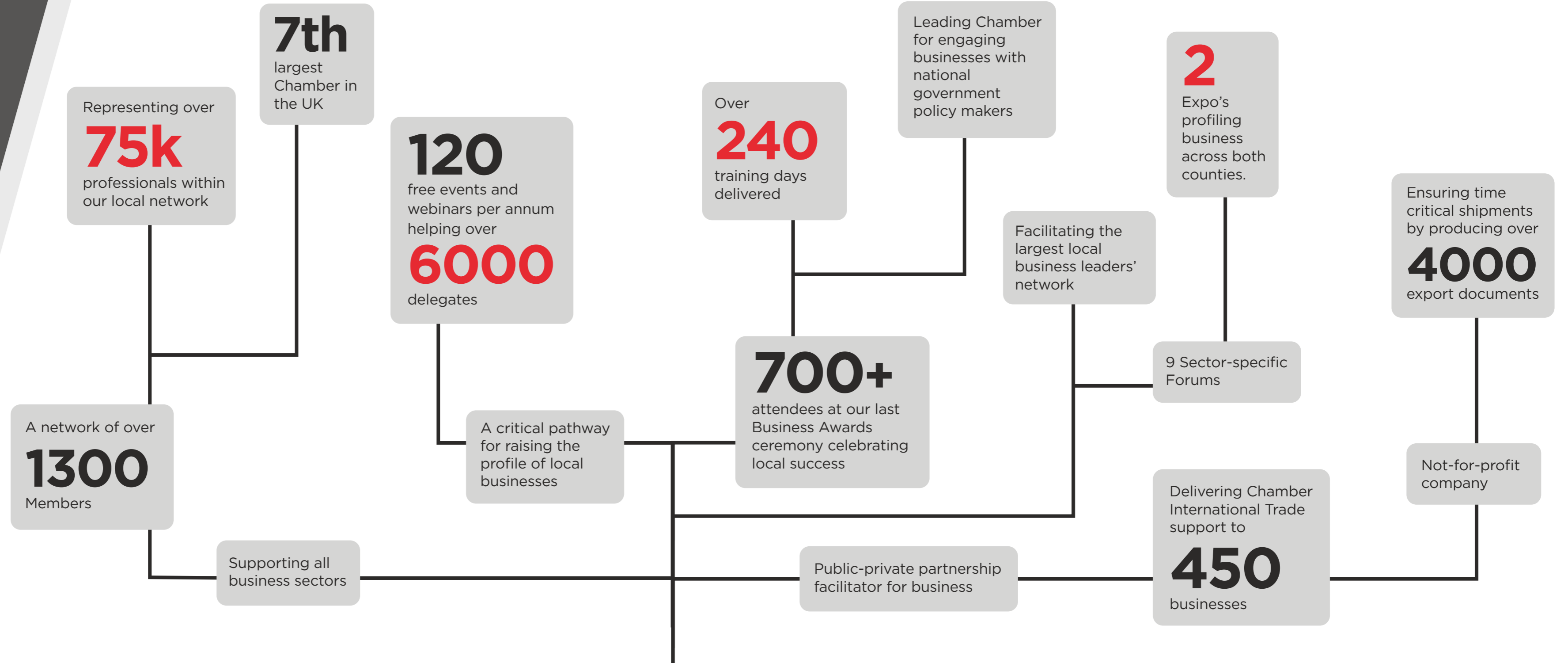
ABOUT US

OUR VISION:

“Working with the whole business community, to build sustainable economic growth in Herefordshire and Worcestershire”.

OUR MISSION:

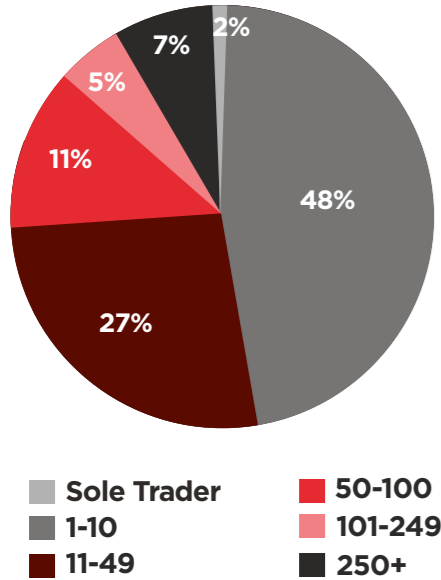
“To provide access to solutions that local businesses need in order to achieve their goals, through engaging, influencing and connecting. To be responsive to the external environment, offering responsive and relevant approaches”



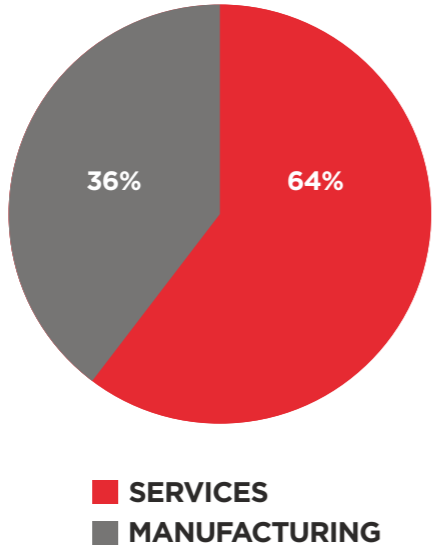
2023-2024 BUSINESS PRIORITIES

Throughout the year our Policy team, through the Quarterly Economic Survey, collects data from local businesses. Over 400 businesses have identified the most important challenges to their organisations. These are illustrated on the graphic.

Responses by Business Size



Responses by Sector



THE YEAR AHEAD IN BUSINESS

This section of the Manifesto has evolved in identity from “Covid Recovery” to “Business Growth” and now this year to “The Year Ahead in Business”. We believe this represents the importance placed on making sure that, in times of unprecedented inflationary pressure, energy prices and labour shortages, we highlight opportunities for growth through sharing best practice, access to training, and any financial support that may become available.

Your challenges:

The Quarterly Economic Survey (QES) measures business confidence in terms of turnover and profitability. Four consecutive surveys have shown that confidence in turnover projections has fallen consistently throughout 2022. In Q1 2021, 65% of businesses predicted an increase in their turnover, this fell consistently to Q4 2022, where 45% of businesses predicted improved turnover. The average figure of business confidence in turnover increasing throughout 2022 was 53%.

Profitability was a similar story. In Q1 2021, 50% of businesses could see profitability improving. This has fallen to just 33% in Q4 2022. The average for 2022 was 41%. In addition to this projection, in our latest survey (Q4 2022), 36% of businesses expected profitability to worsen.

What the Chamber will deliver in 2023/2024:

- Deliver a series of industry specific, county specific and regular networking events and informative webinars for Members to help raise the profile of organisations across the region and nationally.
- Deliver the Herefordshire & Worcestershire Chamber of Commerce Expo in October 2023 and March 2024 enabling businesses to help raise the profile of their brand, grow sales through purchasing stands and engage with industry experts on key topical issues.
- Use Chamber communications, e-shots, Policy newsletter, Business Direction magazine to highlight projects that may benefit all such as training and funding opportunities.
- Develop the Growth Forum designed for businesses of all sizes to learn of best practice, overcoming of challenges and developing relationships that will provide a platform to grow their business in short, medium term, and sustain growth over a long period.
- Conduct Quarterly Economic Survey research four times a year, writing a report for each survey highlighting business confidence and concerns for that quarter.
- Research into, and signposting of, local and national government funding schemes through the Cost Hub on the Chamber website highlighting funding, grants, and business support.
- Chamber to facilitate regular Bank of England briefings with national economy updates from different businesses.

Our Policy Commitment:

Through the national Chamber network and the British Chambers of Commerce, we will commit to lobby and work with the government and the Bank of England to implement greater financial investment, business support and ultimately plans for business growth.

“CASE STUDY:

The Past

The 2020's certainly haven't been without their challenges and as our organisation spans across the leisure, hospitality, accommodation, and retail sectors, it definitely has been a roller-coaster of a ride! (Excuse the pun).

We're immensely proud of the upwards trend we've seen in turnover and profit, amidst what has been a difficult period. Adding an additional revenue stream to the business via accommodation with the launch of Safari Lodges, has been critical to our success.

We are learning to work smarter and be more effective both from a sustainability and environmental perspective. But the streamlined costs to make us more efficient as a business hasn't been to the detriment of the guest experience, with a record number of people visiting our Park in 2022.

The Present

Like so many people at this time, we are exposed to the long-term challenges brought on by the cost-of-living crisis which has seen the prices of animal food, energy and other supplies soar...but we can't help but be excited about the year ahead.

The Park is commemorating it's 50th year and we have lots to celebrate. With the opening of four Lion Lodges providing a new habitat for our bachelor group of lions, plus a new day guest experience 'Lion Ridge' launching this summer, our business is set to grow.

As the country enters recession, it's important not to dilute visitor experience. Consumers still have a huge appetite for sharing moments with family and friends and are looking for unique experiences.

The Future

As we look to the future, accommodation development is very much the focus for the business. We aim to expand our overnight offering to up to 50 lodges, providing incredible up-close wildlife experiences. Our much-loved animals remain at the heart of everything we do and are always a focus when discussing any business objectives. By increasing profits through accommodation, we're able to fund important development for many of our species, upgrading their facilities with state-of-the-art housing, offering enrichment areas, and providing 24-hour roaming.

We've proved as a business, that investing money into the park, has strengthened our brand, and in turn led to increased revenue. We hope that growing our business in these ways allows us to reinvest and create a legacy for the animals, whilst constantly improving the guest experience. Here's to the next 50 years!"

Chris Kelly
Managing Director
West Midlands Safari Park

2023

BUSINESS COSTS

The cost of doing business has experienced unprecedented increases in 2022/23. Inflation at its highest level in decades, the war in Europe, and the continuing effects of Brexit make trading conditions extremely difficult.

Being aware of these challenges and how they fluctuate over the course of the business year is essential. The Quarterly Economic Survey (QES) is the tool we use to monitor these changes. We will continue to concentrate on this valuable resource and commit to publish and make results available to our membership.

In the latest QES survey (Q4 2022), 65% of businesses reported that their utility bills were causing pressure to raise their prices. 61% reported labour costs were also causing concern to their business.

As a Chamber, we belong to the British Chambers of Commerce network. This is a resource that we will seek to maximise in the year ahead, sharing news and initiatives from across the UK that will help business.

Your challenges:

76% of businesses stated inflation as a factor of concern.

65% of businesses stated energy costs as a factor of concern.

Only 24% of businesses stated their cash flow had improved in the last quarter, this is a decrease from 27% in Q3.

Many exporters commented that overseas trading remains a challenge due to Brexit causing extortionate prices and further paperwork causing a decrease in overseas orders. Businesses have also highlighted the significant labour market issues following Brexit.

Our Policy Commitment:

Through the national Chamber network and the British Chambers of Commerce, we will lobby government to ensure businesses are supported with cost increases, and any support in the form of funding, training, events etc are highlighted via the various forms of Chamber communications.

What the Chamber will deliver in 2023/2024:

- Actively seek feedback from Members as they experience new cost pressures.
- Share best practice displayed by Member businesses to establish if application of such practice can help businesses reduce costs.
- Advise Members on policy changes and trends that arise in various sectors through press releases and the Quarterly Economic Survey reports.
- Hold events and webinars such as the Manufacturing Forum throughout 2023/24.
- Highlight the 2023 Salary & Benefits Report as a tool to ensure wage pressures are accurate and recruitment and retention of staff can be maximised.
- Launch the Cost Hub on the Chamber website highlighting support for businesses such as funding, grants, and training.
- Update the Sustainability hub on the Chamber website highlighting support for businesses in the form of cost-saving, highlighting events and projects and funding.
- Work with our partners (Herefordshire County Council, Marches LEP, Worcestershire County Council, District councils, and the Worcestershire LEP) in providing information and support to businesses.

CASE STUDY:

The UK's R&D Tax Credit Regime is widely known as a mechanism for businesses to fund innovation – with benefits that have historically been up to circa 33p in the £1 funded. However, a number of poorly curated, and often mis-sold claims, have resulted in HM Treasury and HMRC overhauling the regime. The objective: better value for the taxpayer. The strategy: changes to the regime, including the way in which claims are filed and notified, to reduce the number of frivolous, and in some cases, fraudulent claims – many of which sold by unregulated advisors.

As a member of the government working party that has sought to bring these changes to bear, I whole heartedly support change. But in targeting fraud and negligence, a number of businesses who have submitted legitimate claims will, unfairly in my view, suffer the additional cost and burden of dealing with HMRC enquiries into their claims with an HMRC approach that in some instances might be construed as bordering on guilty until proven innocent.

Targeting abuse is a must – as one member of the working party observed, the R&D market has become like the wild west. But at a time when the UK economy is teetering on the brink of recession, and productivity is on its knees, that targeting must be well informed and focussed. Business owners must be careful not just what they claim but who they partner with to get advice in respect of their claims. Change is coming, and for the unwary or unprepared, so is an Armageddon of cost.”

Chris Walklett
Tax Partner
Bishop Fleming

CASE STUDY:

REHAU is the premium worldwide brand for polymer-based innovations and systems in construction, automotive and industry. More than 20,000 employees at 170 locations worldwide apply their expertise and innovative capabilities to ensure the continuous growth of our independent privately-held company. With an in-depth knowledge of materials and extensive experience in technologies and manufacturing processes, we meet individual needs with customised solutions. Whether improving rail safety, enhancing a homes appearance or helping to reduce a building's energy consumption, REHAU's tailor-made polymer products make life better in countless ways.

Over the last three years the construction sector has seen mixed fortunes, whilst the home improvement market has witnessed a huge increase, resulting in unprecedented demand for REHAU's Window Solutions. The global demand for raw materials meant a steep price increase from pre-pandemic levels, interestingly, this sharp hike should have corrected itself by now with the improvement in supply chain and logistics. However, then came along the invasion of Ukraine and as everyone will know, this kept prices high, as we were all hit with increased fuel and energy prices. The biggest cost impact for REHAU has been in the areas of supply chain, production and logistics.

The business outlook for 2023 is said to be slightly better than expected, but we now face the issue of wage inflation impacting our cost base, but we remain optimistic that total inflation will start to fall significantly during the latter part of the year.

In 2020 REHAU UK established our five year vision and strategy based on sustainable growth, we call it 'Shaping our Future'. We believe this strategy will continue to guide us through the turbulent times, just as it did over the last three very challenging years of Brexit and Covid.”

Martin Hitchin
CEO
REHAU Ltd

WORKFORCE PLANNING

In this year's Manifesto, we are re-naming this section 'Workforce Planning' having been labelled 'People' last year. Workforce Planning can be defined as 'the process of balancing labour supply (skills) against the demand (numbers needed).' It includes analysing the current workforce, determining future workforce needs, identifying the gap between the present and the future, and implementing solutions so that an organisation can accomplish its mission, goals, and strategic plan. It's about getting the right number of people with the right skills employed in the right place at the right time, at the right cost and on the right contract to deliver an organisation's short and long-term objectives. Workforce planning can enable sustainable organisation performance through better decision-making about the future people needs of the businesses.

In line with the Local Enterprise Partnership areas of Worcestershire and the Marches, Herefordshire & Worcestershire Chamber of Commerce have been chosen as the Employer Representative Bodies to deliver Local Skills Improvement Plans. LSIP's focussed on the 16-18 years old future workforce and adults looking to re-skill and have employers identifying the skills they will require in their businesses in the next 3-5 years.

Social Value refers to the wider financial and nonfinancial value created by an organisation through its day-to-day activities in terms of the wellbeing of individuals and communities. Herefordshire & Worcestershire Chamber of Commerce are developing a Social Value Strategy that will benefit their team, partners, Members and counties. This will be created by the Chamber team, sharing best practice, implementing actions and measuring their outcomes.

Our Policy Commitment:

As a Chamber, we will develop the Local Skills Improvement Plan, whilst championing local apprenticeship offers, work-based experience and ensuring businesses are given every opportunity to work with local universities, schools, and colleges.

What the Chamber will deliver in 2023/2024:

- Maintain the Skills Hub on the Chamber website.
- Continue discussions and work on well-being programmes with Herefordshire Public Health.
- Develop our training portfolio to help Members develop employees in their organisations and provide targeted and bespoke training for current and future business needs.
- Promote equality and diversity in the workplace through case studies, forums, and training to maximise our impact on society and local communities.
- Be represented on the Skills Boards and work with Universities, Higher Education establishments and training providers in order to work with partners on local support schemes.
- Deliver TYRO events aimed at helping to develop young professionals develop their networking skills.
- Provide forums and opportunities for HR professionals to share best practice and grow their knowledge.
- Develop the Worcestershire Local Skills Improvement Plan (LSIP) through collaboration with employers and providers, articulating the skills needs of businesses within the county and enhancing the mechanism which unites these two groups.
- Work with the Shropshire Chamber of Commerce to develop the Herefordshire element of the Marches Local Skills Improvement Plan (LSIP), working with employers and further education providers to understand the skills needs of businesses within the county and ensure employees have access to training in order to gain these skills.

Your challenges:

On average, in 2022, 57% of businesses attempted to recruit staff. Of these businesses, 73% had experienced difficulties when recruiting.

34% viewed retention of existing employees as a challenge.

Health and wellbeing in the workplace was identified by 23% of businesses as a key priority for 2023/24.

19% of businesses reported a short supply of work ready young people for future workforce as a challenge.

“ CASE STUDY:

The UK labour market has seen unprecedented change in recent times and continues to feel the effects of several, once in a lifetime events. From the impact of Brexit on access to labour, through to way Covid changed the way we work, whilst also leaving a legacy of a huge increase in the number of economically inactive people...workforce planning has never been more important to businesses of all shapes and sizes.

The “Skills Gap” has been on the agenda for some time now but has evolved against a backdrop of changing employee expectations and a supply of labour that has been constricted by circumstances outside of any individual's control. Now organisations are battling for talent on 2 fronts, firstly in identifying the people with the skills and values that they need and then ensuring that their offering as an employer can match up with the demands of a modern-day worker and help engage and retain them. Furthermore, these demands can be varied from flexible/remote working, dedication to mental health and well-being or candidates wanting to understand the purpose of a business before pledging their efforts to them. What is clear is that a company's societal and environmental commitments have come to the fore as applicants search for meaning in what they do as well as a pay check.

With this in mind, workforce planning has become more than simply taking the time out to think about where one might need to recruit. At its heart it starts with the leadership in an organisation establishing the values on which the business sits. This in turn will drive the recruitment and retention activity, creating a culture in which talent thrives as everyone works toward a common goal. It is not just about attracting talent but the right talent. The people who “get” your business and want to be part of it and help it succeed. A comprehensive approach to workforce planning may take some time but is vital to how businesses tackle labour market challenges both now and in the future.”

Ben Mannion
Owner/Director
Hewett Recruitment

GLOBAL MARKETS

‘Global Markets’ or otherwise known as ‘International Trade’ is critical not only for business performance and growth, but also for overall economic growth. International Trade enables businesses to expand their markets beyond their own country, resulting in enhanced economies of scale and employment. As a result, it is critical that International Trade is regarded as a strong characteristic for both the economy and businesses, with growth in the number of business communities in the UK exporting.

Herefordshire and Worcestershire businesses import and export all over the world. Our most recent QES reported that 67% of businesses that answered the survey were importers/exporters. There are several elements to International Trade. Making the sale, delivery, and receiving the goods and then looking for new markets. In our recent QES surveys, many exporters commented that overseas trading remains a challenge due to Brexit causing extortionate prices and further paperwork causing a decrease in orders. A recent British Chambers of Commerce survey, of 486 businesses, for its ChamberCustoms brokerage service has found a third of businesses have little or no confidence on the costs they will pay to export goods. Businesses cited constant changes in shipping and transportation prices, unexpected customs charges, exchange rate volatility, delays at borders and fluctuating fuel costs for the uncertainty.

The Herefordshire and Worcestershire Chamber of Commerce remain committed to working with local, national, and regional government to ensure UK businesses in the two counties are able to effectively trade with EU and non-EU states to help support the economy and drive growth.

Your challenges:

28% of businesses reported supply chain delays as a challenge to international trade.

25% of importers and exporters reported red tape and regulation as a key issue to their business.

20% have reported higher import costs as a key challenge for 2022/23.

What the Chamber will deliver in 2023/2024

- The Chamber’s International Trade and Membership teams will continue to deliver international business support and advice and maintain a global network through the International Chamber of Commerce, 120 Embassies and High Commissions around the world.
- The Chamber will supply Export Documentation services for companies and deliver an Import and Export Customs Declarations service via the ChamberCustoms Service.
- The Chamber will develop and expand its International Trade training courses for businesses looking to upskill on a wide range of relevant International Trade topics for new and experienced exporters, as well as small and larger corporates across multiple sectors.
- Chamber will support International Trade with a full translation service, ATA Carnet service, and Declarations Service.
- The Chamber will promote the latest International Trade news, events, webinars, and updates.
- The Chamber will share news of new contracts, examples of best practice and new trade initiatives through regular communications.

Our Policy Commitment:

Through the Chamber network and the British Chamber of Commerce, we will continue to provide expert advice to businesses on how to navigate the ever-changing world of International Trade.



“ CASE STUDY:

Founded by in 1955, Robert Welch Designs has been exporting award-winning cutlery, dining, kitchen and cookware products to over 100 countries for almost 70 years.

With timeless design central to the brand’s philosophy, Robert Welch Designs delivers modern, classic products of the highest quality which can be found in prestigious retailers and luxury hotels, restaurants, airlines, and cruise ships around the globe.

Exporting to such a vast array of trade customers in many countries, we face numerous different challenges every day. These have increased significantly since Brexit when exporting to Europe and Central Asia where the accurate and timely completion of export paperwork, in line with requirements, is vitally important.

As a business we have benefitted greatly from the advice we have received from our local Chamber of Commerce, ensuring that our amazing in-house Export Team are fully up to date with all rules and regulations, so we can continue to provide a smooth and seamless service to our customers. Having access to the expertise of the team at the Chamber of Commerce has played a significant part in our export success.”

Jurgen Bresseel
International Sales Manager
Robert Welch Designs Ltd

TECHNOLOGY & INNOVATION

Economic growth is driven by Technology and Innovation, which reduce the costs of production and enable higher outputs. Our two counties are characterised by the dominance of advanced manufacturing, defence, and security businesses, who are driving the use of artificial intelligence innovation and automation in these sectors.

It is important to understand the definitions of Technology and Innovation when understanding the impact they have on businesses. Technology can be defined as ‘the application of scientific knowledge for practical purposes, especially in industry’. Innovation can be defined as ‘something new or to a change made to an existing product, idea, or field’?

Technology will always bring change to the workplace and outside of the workplace in our leisure time. During Covid, technology allowed many businesses to continue trading almost as normal. Equally now as we have emerged from the pandemic, technology has a greater reliance than ever from businesses.

One major consideration however is that as we rely more on technology, we need to be clear on some of the major challenges we face. Are we training our younger workforce to use this technology? Do we have the skills to take advantage of the benefit? Are we protected from threats such as data theft and cyber-attacks? Therefore, it is our responsibility to understand these challenges to reduce the risk of them harming your business.



What the Chamber will deliver in 2023/2024:

- Work with members of the tech sector to highlight benefits of technology to wider Chamber Members.
- Highlight risks of Cyber security and provide solutions.
- Continue to run training courses to allow employees to maintain competency and develop new skills.
- Work with local universities, including the University of Worcester, NMiTE and the University of Wolverhampton to ensure learning matches industry needs and developments.
- Promote Midlands Centre for Cyber Security.
- Promote and highlight Technology and Innovation funding opportunities via the Chamber Cost Hub.

Your challenges:

A British Chambers of Commerce study found that one in 10 firms have been the victim of a cyberattack in the last year.

This rises to more than one in seven for firms with more than 50 employees.

Only one in five firms have cybersecurity accreditations in place.

24% of businesses in Herefordshire and Worcestershire stated that Cyber Security was a challenge to their business in 2023/2024.

14% of businesses stated implementing new technologies as an important factor for them.

12% of businesses requested more information on access to funding for technology and product innovation.

CASE STUDY:

In today's rapidly evolving digital landscape, technology plays a critical role in the success of organisations. The pandemic has accelerated the digital transformation of businesses, making it clear that investing in technology is essential to keep up with competitors.

The world has shifted towards hybrid working models, making cyber security and data security even more important. With employees accessing sensitive information from various locations and devices, businesses need to implement robust security measures such as a Security Operations Centre to monitor systems 24/7 and protect data from cyber threats. Disaster recovery technology is also crucial in case of any security breaches or data loss.

The trend of fully outsourcing IT responsibilities is gaining momentum. Many businesses are realising the benefits of entrusting their IT functions to third-party providers who specialise in cyber security, disaster recovery, and management of desktop and mobile hardware. By doing so, businesses can focus on their core operations while leaving the IT infrastructure to experts who are equipped to handle complex security challenges and ensure data protection. This approach can lead to significant cost savings, enhanced efficiency, and improved cyber security posture."

Mike Cook
COO
EBC Group

CASE STUDY:

Innovation is one of the biggest reasons people choose to buy from OLPRO. We are constantly innovating with product, but we are also constantly innovating the ways in which customers can engage with us and, importantly, buy from us. So many more people are now engaged in ecommerce but utilising and adapting technology on your site is the way to stay ahead. Customers and prospective customers want information quickly, answers answered now and a seamless service that adapts with them.

It's a daily task at OLPRO that we review our online technology to ensure the most seamless and enjoyable customer journey. This includes our online bot there to answer questions. We use this to learn customer queries and give it more answers on a daily basis so it's always learning. It includes the way in which our site adapts itself to localise to different countries utilising different currencies, languages, payment methods and checkout, and also where pages update to inform customers of availability, delivery times and delivery options.

Customers expect this level of front-end technology and every day that develops."

Daniel Walton
Managing Director
OLPRO Ltd

Our Policy Commitment:

To lobby government to provide funding and incentives to encourage innovation for businesses that want to introduce new technologies to enable business growth.

To highlight the risks of Cyber security and provide information to businesses to protect them from Cyber-crime.

NET ZERO

Sustainability and Climate Change remain amongst the most important concerns both for businesses and governments around the world. Many companies are increasingly paying close attention to their corporate social responsibility in their efforts to become greener and create positive change within society.

The transition to Net Zero presents' businesses with opportunities to grow, by meeting Government requirements and by satisfying fast-growing global demand for environmental products and services. A British Chambers of Commerce survey of more than 1,000 businesses, of which 96% are SMEs, has found that nine out of ten don't fully understand what the Government's target of making the UK Net Zero by 2050 means for them. Herefordshire and Worcestershire Chamber of Commerce along with the British Chambers of Commerce have a key responsibility in working with the government to ensure advice and funding are provided to businesses to increase every opportunity for them to become more sustainable.

Support can also be found on the Herefordshire and Worcestershire Chamber of Commerce Sustainability Hub on the Chamber website and the Net Zero Hub on the British Chambers of Commerce website.

Your challenges:

15% of companies reported to having pressure from clients to become demonstrably greener.

22% of companies see use of more sustainable energy as a key action for the years ahead, and 17% see progressing sustainability plans as an important factor to their business in 2023/2024.

In the latest QES, 66% of local businesses said they have taken steps to be more environmentally sustainable or cut carbon emissions in the last year.

Our Policy Commitment:

Lobby government to ensure that every opportunity to be more sustainable is made available to our Members. Ensure that rising energy costs are monitored, supply chains monitored, and where possible funding is received within the counties.

What the Chamber will deliver in 2023/2024:

- Deliver sustainability forums with companies and industry experts on the challenges of climate change and how organisations can become greener and more sustainable.
- Work with partner organisations such as Marches and Worcestershire LEP to promote other grants schemes available.
- Challenge our own costs and activities towards a more sustainable business.
- Promote more case studies of best practice, so businesses can see the practical steps they can take to contribute to this agenda.
- Maintain the Sustainability Hub on the Chamber website.
- Promote Quarterly Economic Survey reports that focus on sustainability.

CASE STUDY:

Lucart Hygiene are located to a brand-new purpose-built facility, that capitalises on sustainably solutions, to help minimise our impact on the environment. This includes high efficiency lighting and heating technologies throughout the facility, as well as state of the art insulation to avoid any wasted energy. With our target of becoming a net-zero entity by 2035, we have taken active steps to review our operations within our company. The first step of our journey to net-zero involves the micro-metering of our energy intensive plant, allowing for an accurate and targeted response to reduce and remove any non-productive energy consumption within our operations.

We recognise that the involvement of our employees is paramount to our success as we go from low carbon to no carbon. Therefore, educational programmes will be implemented throughout our business structure to make our employees aware of our emissions, and what they can do to make a change.

We have developed a sustainability policy that extends to our supply chain and subcontractors monitored on a risk basis, which includes a commitment to environmental and social due diligence, which is implemented in full compliance with current and future legislative requirements."

Jonny Wilks
Managing Director
Lucart Hygiene

CASE STUDY:

Sustainability should be at the heart of every business, and while we still see the focus on the environment, which is right and proper, sustainability is much more than net zero and climate change. At DRPG we look at it in terms of the 'triple bottom line' of PEOPLE, PLANET and PROFIT all in equal measures.

If you see the 3Ps as a three legged stool, each leg needs to be equal in length to stop it being unstable. If this principle is applied to running a business, then all the components to create a sustainable and successful purpose led organisation fall into place, in effect the 3Ps become your business plan.

We've been on a sustainability journey for over 15 years, the first in our industry to gain a host of accreditations including the Queen's Award for Enterprise for Sustainable Development. The awards are great, but they are a by-product of a successful and tangible sustainability programme.

Our sustainability systems are practical, easy to use and vitally important, measurable. Each year we set objectives and KPIs across the entire group, this ensures we are continually focused on improvement and new ways of working to create a positive impact, whether that is finding ways of moving to net zero or how to be more inclusive.

The key to the success of our journey has been our team, you will never fully achieve sustainability success without complete ownership across the entire organisation; sustainability must become a way of life and habit forming. This is not something that sits in one department, it has to involve everyone all the time, only then can you create a sustainable future for your organisation, your people, your supply chain and your community."

Dale Parmenter
Managing Director
DRP Group

HEREFORDSHIRE BUSINESS STATISTICS



A bid from **Herefordshire Council** for the Hereford City Transport Package has been awarded **£19,990,449**. The project will boost local people's use of public transport with **better cycle lanes, improved station facilities** and **new safety measures for pedestrians**.

The largest business sectors in Herefordshire are currently **wholesale and retail trade, health and social work, manufacturing**, 13% of the population are self-employed. Well-known businesses include: **Bulmers, British Land, Cargill, Weston's Cider, Bloor Homes, and Tyrrells Crisps**.



Herefordshire's new **business registration rate** (the rate of business registrations per 10,000 resident population aged 16 and above) was **57** compared to 62 in the West Midlands region and 71 in England.



The **Marches Energy Grant** (MEG) was launched in 2022. It offers **free advice, energy assessments and grants** for energy efficiency and renewable energy measures to SMEs from all sectors in Herefordshire, Shropshire, and Telford & Wrekin. The funding will also be available to support community buildings. As well as the grant funding, the project will also run related **networking and webinar events** for SMEs and other organisations.

Herefordshire Council's Cabinet voted to approve and support the implementation of the **Herefordshire Big Economic Plan**, along with its initial five-year delivery plan. Led by the Herefordshire Sustainable Growth Strategy Board, and following a wide range of consultation, the Big Economic Plan is a partnership document, setting a **collective vision for the future growth of the county**.



Hereford Enterprise Zone Infrastructure is a **£9.459m** project which includes **£6.107m** of Local Growth Funds. It will include substantial infrastructure interventions to encourage business investment, occupancy, and jobs. The range of works will open **10 hectares on the North Magazine site** and help to prepare new plots for development. It will be carried out alongside the design and implementation of several Active Travel Measures and the **purchase of an electric bus** to encourage sustainable travel to and from the Zone.



Economic development schemes are underway in the county, including enterprise zones in Hereford and Ross. Herefordshire Council's local plan aims to **deliver 16,500 new homes by 2031**.



In September 2022, the **Centre for Advanced Timber Technology** (CATT) based at the New Model Institute for Technology and Engineering (NMITE) was launched. It is designed to encourage active education in timber technologies. NMITE's developing campus will be used to **enable the delivery of student centric learning**, while building industry partnerships and supporting students in tackling real world challenges.



HEREFORDSHIRE BUSINESS ENVIRONMENT



I have worked in Herefordshire for fifteen years and have been involved with the Chamber for most of that time. Having previously worked in Birmingham and London it feels like a real privilege to now be in this area. Through running a local transport company, time on the Chamber council and now as a Chamber Board Director, I connect with many different organisations on a regular basis. It is always uplifting to see the positivity and energy that we have locally, despite the challenges that our area provides, and that of the broader economy.

With only a two counties population of just over half a million our chamber is one of the most successful in the country which is a credit to the team and the Members.

Despite, or maybe because of the challenges ahead, it is vital that you stay involved, keep networking, support your fellow Members and contribute.

Commerce usually finds a way, and the Chamber of Commerce is at the heart of that."

Clive Brooks
Managing Director
ABE Ledbury Ltd

**Chair of the Herefordshire Area Council
and Vice President**
Herefordshire & Worcestershire Chamber of Commerce

WORCESTERSHIRE BUSINESS STATISTICS



91% of businesses in Worcestershire have 0-9 employees.

Malvern Hills District Council put forward a bid for the **Malvern Theatres** which has been awarded **£19,941,040**. An outdoor theatre and new studio spaces will level up access to the arts in Malvern with a £19.9 million funding injection, improving **opportunities for young people, and attracting 135,000 visitors.**



Worcestershire Local Enterprise Partnership (WLEP), in collaboration with partners and key stakeholders, has developed a strategic framework that underpins an economic vision that looks out to 2040.



The focus of **Worcestershire's Health and Wellbeing Board Strategy** for 2022 to 2032 is on **good mental health and wellbeing**, supported by action in areas that we all need to be well in Worcestershire which are: **healthy living at all ages; safe, thriving, and healthy homes, communities and places; and quality local jobs and opportunities.**

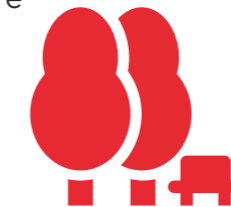
Worcestershire has a particularly impressive reputation for offering **high-level apprenticeships** which provides students with significant in-demand skills across several core industries - **Judy Gibbs**, Worcestershire LEP Director of Skills said: "**Worcestershire is experiencing phenomenal demand in apprenticeships from employers in 2022 to 2023.** We have seen, in the last year around a **135%** growth in Engineering Manufacturing and ICT Apprenticeship starts for residents."



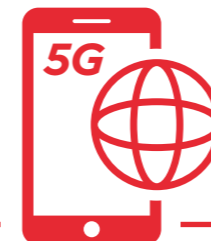
Worcestershire Energy Strategy aims to **reduce carbon emissions by 50% on 2005 levels by 2030**, double the size of the low carbon sector, and triple energy production from renewable generation by 2030.



Tourism is worth nearly **£500m per year** to the Worcestershire economy.



Worcestershire Jobs portal continues to assist employment search with **10,000 vacancies** listed on the website.



A new **5G company** has been set up in Malvern, continuing to lead the way on the delivery of "**Industry 4.0**".

WORCESTERSHIRE BUSINESS ENVIRONMENT



Following the challenges of recovering from the pandemic, inflation is now becoming the largest threat to business. Continued challenges around labour shortages, supply chains, raw material availability and energy costs will drive price increases, wage demands, the cost of supplies and pricing. This backdrop underlies the importance of supporting economic growth through objectives to improve Worcestershire's strategic connectivity and infrastructure, support a creative future-fit workforce, stimulate investment in research and development and innovation to create a dynamic Worcestershire business environment and revitalise our city and town centres. As Local Authorities in Worcestershire look to develop their investment plans for UK Shared Prosperity Fund, the LEP and Growth Hub will continue to support by providing local business intelligence and economic data and research insights to help inform local economic priorities and interventions for investment.

Worcestershire Local Enterprise Partnership (WLEP) in collaboration with partners and key stakeholders have developed a strategic framework to support business and infrastructure. Worcestershire's Plan for Growth sets out a plan to 2040 for supporting economic growth, improving productivity, and ensuring greater social inclusion. The Worcestershire economy is diverse with a total almost 44,000 (2022) businesses registered, with an increase of nearly 5,000 new businesses registrations in the same year. 91% of the county's businesses employ 1-9 people supporting a very diverse range of activities with no single sector or employer dominating. Making it more resilient to economic shocks and unemployment. With relatively high proportions of firms undertaking product or process innovation or performing internal R&D. A challenge to support and maintain this new business growth, and for existing business wishing to scale up, is the quality and availability of commercial property stock (both industrial and office) remaining a live issue for the county."

Mike Forrester
Chair
Herefordshire & Worcestershire Chamber of Commerce

BRITISH CHAMBERS OF COMMERCE COMMENTARY

The British Chambers of Commerce (BCC) sits at the heart of a powerful network of 53 Accredited Chambers of Commerce across the UK, representing thousands of businesses of all sizes and within all sectors. Our Global Business Network connects exporters with over 75 markets around the world.

British businesses across the four nations of the United Kingdom are not only the engine of our economy, but a beacon of our society. The British Chambers of Commerce (BCC) is proud of the innovative, entrepreneurial spirit and resilience it sees from its business leaders and the hardworking people that make those businesses successful. Their success leads to thriving communities and a prosperous economy for the next generation.

The political and economic uncertainty over the past few months, and the turbulent economic events following the Government’s mini budget, will have damaged confidence further. In the wake of the October fiscal statement, we conducted a snap poll in which businesses told us that inflation and energy costs are their top concerns. Now with a new Government and Prime Minister at the head of the table, we hope this period of uncertainty comes to an end.

In the remaining period of this Parliament, the British Chambers of Commerce urges the UK Government to strike the right balance for growth without compromising our great public institutions which so many of us rely on. Time is

of the essence. The Government must work with the Chambers of Commerce to support, and turbo charge the ‘can do’, solution-oriented businesses across our country. We want to see a long-term growth plan that involves investment in people and skills; supports businesses to adapt and thrive; and build good relationships with our global allies to get British businesses selling again.

BUSINESS PROPOSALS:

BUILDING BRITISH BUSINESS

We want to make Britain the best place to start and grow a business.

The UK has a booming entrepreneurial spirit which has the potential to transform our country into a global economic powerhouse. However, as it currently stands, four in ten businesses think their profits will decrease over the next 12 months and business investment is down to pandemic-era levels. We need to turn the tide against this growing wave of economic pessimism and create the optimum business environment to build business confidence again.

INVEST IN PEOPLE NOW FOR A STABLE ECONOMY

The UK is facing the tightest labour market in years, with 1.2 million unfilled jobs.

Skills and labour shortages mean that employers are struggling to fill job vacancies. Firms cannot fulfil their order books and are having to turn new work away. Our research shows that 76% of firms attempting to recruit are facing difficulties getting the right staff. Chambers of Commerce and their member businesses are making huge efforts to tackle the

skills crisis and support the development of homegrown skills. Yet in a rapidly changing world, and at a time of high employment, it is vital that firms can also access the skills and people power they need from outside of the UK now. Businesses and Government must work together for a more effective job market, now and for the future.

RAISING EXPORT-LED GROWTH

International trade can make every business a better one.

Only 10% of UK businesses are exporting, yet 60% of Chamber Members are exporting, which could be one of many reasons why a Chamber Member is three times more likely to survive. In our recent survey, 54% of businesses said that smoother customs procedures are the key to boosting UK exports. If Britain is to become the best place to start and grow a business, Government must put trade, particularly exporting, at the centre of its growth agenda.

LEADERSHIP IN GREEN INNOVATION

Green innovation is about change now, for a better tomorrow.

The transition to Net Zero presents businesses with opportunities to grow, by meeting Government requirements and by satisfying fast-growing global demand for environmental products and services. Chambers of Commerce are leading the way. Our network is developing green innovation accelerators and supply chains, providing training and support on Net Zero to drive our economy. The biggest barriers are cost, confusion, and skills. Government has a vital role to play as an investor, enabler, and advisor to unlock business action as we move to a Net Zero future.

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UPCOMING RESEARCH AND REPORT DATES:

Q2 2023

Fieldwork: 15 May to 5 June
Publication: July 2023

Q3 2023

Fieldwork: 21 August to 11 September
Publication: October 2023

Q4 2023

Fieldwork: 6 November to 27 November
Publication: January 2024

Salary & Benefits 2024

Fieldwork: 6 November to 11 December
Publication: January 2024

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