

Agenda

MEETING: UK Corporate Sector Panel meeting

LOCATION: Microsoft Teams Meeting

DATE: 9 March 2023

TIME: 12.30pm

Attendance:

ACCA team: Amanda Thurlow, Lloyd Powell, Melanie Venes

Corporate sector panel members: Amanda Thurlow, Lloyd Powell, Farah Anwar, Wendy Yap, Andy Cristin, Catherine Paterson, Emma Gripton, Chengai Ruredzo, Lesley Smith, Andrew Philippou, Cecile Parker, Roberto Merlo, Becky Glover, Jai Tsim, Ajay Agrawal, Asha Patwari, Irene Hamilton, James Best, Mike Fowler, Annette Boulter, Lorraine Grant, Nelum Zafar

ACCA Council Members: Trusha Lakhani, Melanie Proffitt, Helen Morgan

Apologies: Deviesh Raikundalia, Maria Houldershaw, Gita Vekariya

Action points

Panel admin

- Confirmed: Farah as Chair and Wendy as Vice Chair - both happy for panel members to get in touch.
- Farah to set an informal online catch up
- Panel to explore Slack as a communication channel between meetings
- Amanda to look into MS Teams Channel as another option for a communication channel
- Panel to consider how to grow their network and raise the profile of the panel
- Panel to consider potential partners that can help support ACCA strategies
- Panel to share insights into future skills and changing business landscape. Share with ACCA what support the sector will need.
- Panel encouraged to get involved with or share opportunities with other members about activity e.g Digital Finance Function Awards, Talking Series, Finance Awards, GenCFO Summit, Cog X Awards,
- Amanda to set the next meeting for June

Strategic engagement update

Lloyd Powell – ACCA UK’s Strategic Engagement Lead for Wales – described the work that his team does to ensure that ACCA’s voice is heard across the UK market, and how vital it is for ACCA members to support that work by sharing their insights and participating in consultations. The team has relationships with senior stakeholders across the UK including politicians, ministers, other bodies, key employers, and members, and uses these to build ACCA’s influence, reputation and profile on subjects that really matter. Examples of the real-world impact that this work has had include a delay to the implementation of MTD for ITSA.

- Panel to join the ACCA Member Insights Community
- Panel to share insights into HMRC service standards, incentivising investment, creating a framework for growth with strategic engagement leads (can be via Amanda)
- Panel to support with UK/nations/regions - consultations, roundtables, events and encourage other members to join in
- Please encourage other members to take part in surveys to help gather insights.

Panel member Insights

Inflation/economy

Energy prices – biggest risk

Investment in own energy sources to help mitigate that risk

Animal shelters – paying to heat hot air. 61% of people are not going to attend an attraction where they would have previously due to cost of living.

Even with success hedging energy prices the substantial increase is having an impact.

Growing crops is energy intensive so increasing costs not helping business

Inflation impacting the margin on infrastructure projects

Shipping costs are creating challenges – looking at creative ways to maximise opportunities of shipping. e.g filling empty crates

Concerns over increasing food inflation

Based in Jersey with the 0% tax rate has been helpful and 23/24 budget it optimistic.

Recruitment, retention, pay

Public sector green book - Scale pay points from public sector suggesting 21% pay increase at the bottom end and 16% at the top end plus additional days leave. Would require an entire additional team to cover the extra days off.

Living wage – 11% pay award. Having to taper out in order to keep the differentiation between roles.

Concerns about affordability of pay increases so looking at alternative incentives that create a sense of community.

Increased focus on flexible working to help create a work life balance.

South Wales labour market very tight. Talent attraction challenging. Investment made into equipment but challenges in operating them without the staff. Significant changes to pay specifically direct labour workers – 35% increases just to retain. Forced to push pay increases onto customers. Compounded price increase to customers of 30%.

Non UK staff – visas, relocation large costs

Investment

Cost of investment is increasing so trying to balance against what it would save on energy costs. Uncertainty around confirming budget for next year

R&D – Govt proposed changes for R&D for SME's from 1st April. When put new percentages into the previous R&D claim it reduced it by 50%. New system reducing the percentages for SME's. Larger companies claims are being increased. Not encouraging innovation.

Changes of no benefit to the business and will have a massive impact. Trying to analyse the loss of revenue that will be received .

Other challenges

Reverse charge on VAT having an impact on cashflow – customers are not the end user so will take the reverse charge but the suppliers are charging the VAT. Every time they ask HMRC for a rebate they get a VAT inspection.

Customers paying on the terms they decide also having an impact on cashflow.