

Marie Goldman

MP for Chelmsford



Breakfast event showed challenges faced by wide range of businesses

IT'S not an exaggeration to say that businesses of all shapes and sizes have had a hard time of it recently. As a small business owner myself, running a small business in the construction industry with my husband (not so much now, of course – not enough hours in the day!), I know just how tough it can get. The mounting pressures on businesses, going all the way back to the financial crash of 2008, have been immense.

In construction, I've seen firsthand how paper-thin profit margins can lead larger businesses to over-promise when bidding on contracts, then balancing their books by holding back payments from specialist subcontractors at the end of projects, with devastating consequences. There have been periods where this was such a common tactic that barely a week went by when I didn't see a subcontractor that we had worked alongside, or at the very least heard of, going under.

Many of the subcontractors were small or medium-sized enterprises (SMEs) – often family-run businesses – who were already just about getting by. Often the final invoice on a job was their profit, the thing that meant the directors got paid and could invest in their company to move it forward, thereby safeguarding the jobs of their employees. Having to battle for the last money of the job was sometimes impossible. I've personally heard just about every excuse under the sun for why an invoice hasn't been paid, including that a quantity surveyor had "forgotten about our invoice in his drawer". Really? In the 21st Century? I very much doubt that.

And don't get me started on retention.

Fast forward to Covid and the first half of the 2020s, and the discrepancies between experiences of different people and businesses has been huge. While the Covid furlough scheme worked incredibly well for many, when the world started opening up again, the challenge in building back a strong customer base, especially for hospitality businesses, was tough.

The pandemic changed many people's habits and then, coupled



Marie Goldman MP with attendees at the business breakfast at Patch in Chelmsford
MARIE GOLDMAN MP

with a difficult economic climate, plus extra bureaucracy stemming from Brexit, for many it's been the perfect storm.

Without wishing to be too party political about this (although I'm a politician so surely it's to be expected a bit!), I have been disappointed by the Labour Government's seeming lack of understanding about just how difficult things have been, or

how the policy decisions they have made since they came into power have had a crushing impact on businesses.

Hikes in Employers' National Insurance Contributions aren't a direct tax on employees and therefore allow the Government to claim that they haven't

increased taxes on working people, but they are a direct cost to businesses, which has a knock-on effect to their employees as business owners are forced to make choices between reducing employee headcounts or trying to find some other

way to cut costs to make ends meet – incredibly tricky when most of the meat has already been cut off the bone.

So business rates feel to many like the final straw, especially to those in retail, hospitality and leisure, as the Government is pressing ahead with removing the discounts that have been supporting many of these businesses since the pandemic.

At the same time, many will be hit with a double whammy as properties are revalued, often leading to even higher business rates bills.

My party has been calling for business rates discounts for all retail, hospitality and leisure businesses, coupled with a VAT cut for the hospitality sector – an emergency measure for a year to help this beleaguered sector. We wish the Government would listen to our fully-costed proposals.

But in the meantime, I'm keen to support Chelmsford's businesses. I recently raised the plight of the hospitality sector on the floor of the House of Commons, when I joined other Lib Dem colleagues in asking the Government to implement the full 20p discount they have already legislated for.

Sadly – if rather unsurprisingly – they have not done so. (You can watch my question here, on Parliament TV: <https://bit.ly/4c3wXak>.)

But my role as an MP isn't just about raising issues in Parliament – it's also about bringing businesses together so that they can network with each other, learn from each other and support each other.

To that end, last week I hosted a business breakfast, gathering together a wide range of businesses from several industries at an early morning event in Patch, right in the heart of Chelmsford city centre.

Over pastries, tea, coffee and orange juice, local Chelmsford businesses chatted to each other and listened to an overview of changes to employment law from a specialist from Ellisons Solicitors, which very kindly sponsored the event.

It was also a great opportunity for me to hear directly from businesses about the challenges they're facing.

I've described some of them above, and these sorts of issues are often discussed in the media as well as in Parliament.

But there's nothing quite like hearing straight from those who are experiencing it firsthand. This allows

me to collate the stories and make more persuasive arguments to ministers in Parliament.

It also helps me to feed into my own party's policies in this area as we discuss how best we might be able to support businesses, which we know are crucial to the success of our country.

It was a brilliant event. I know I found it invaluable and, from the feedback I've since received from the businesses that attended, I know they found it very useful too.

This was the first business breakfast I've hosted, but I'm keen to do more, perhaps focusing on different industries each time, or specific areas of interest or challenge as they arise around us.

If you're a Chelmsford business and would be interested in coming along to a future event, please send an email to marie.goldman.mp@parliament.uk to register your interest, and my team and I will add you to our list.

Keep well – and if you're a local business owner, thanks for all your hard work. I know it's tough, but our country really couldn't get by without you.

Marie

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