



HTA Member Webinar :

Business Barometer, Budget Impacts and Actions

19/03/2025

HTA Member Webinar

Business Barometer, Budget Impacts and Actions

Welcome and compliance (Jennifer Pheasey)

Business Barometer / Market Update (Laura Loveridge)

HTA activity on Budget impacts (Jennifer Pheasey, Dave Denny)
& Member actions on Budget Impacts

The changing face of Business Property Relief (Sonal Shah – Farrer & Co)

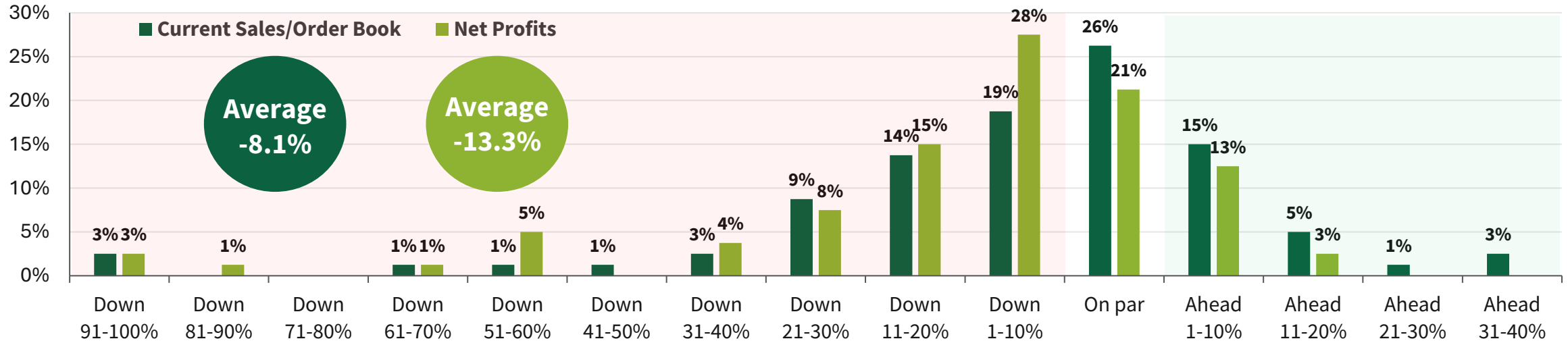
Q&A

LAURA LOVERIDGE

Business Barometer & Market Update

Sales & Profit positions vs Budget

As of end of Q4 2024



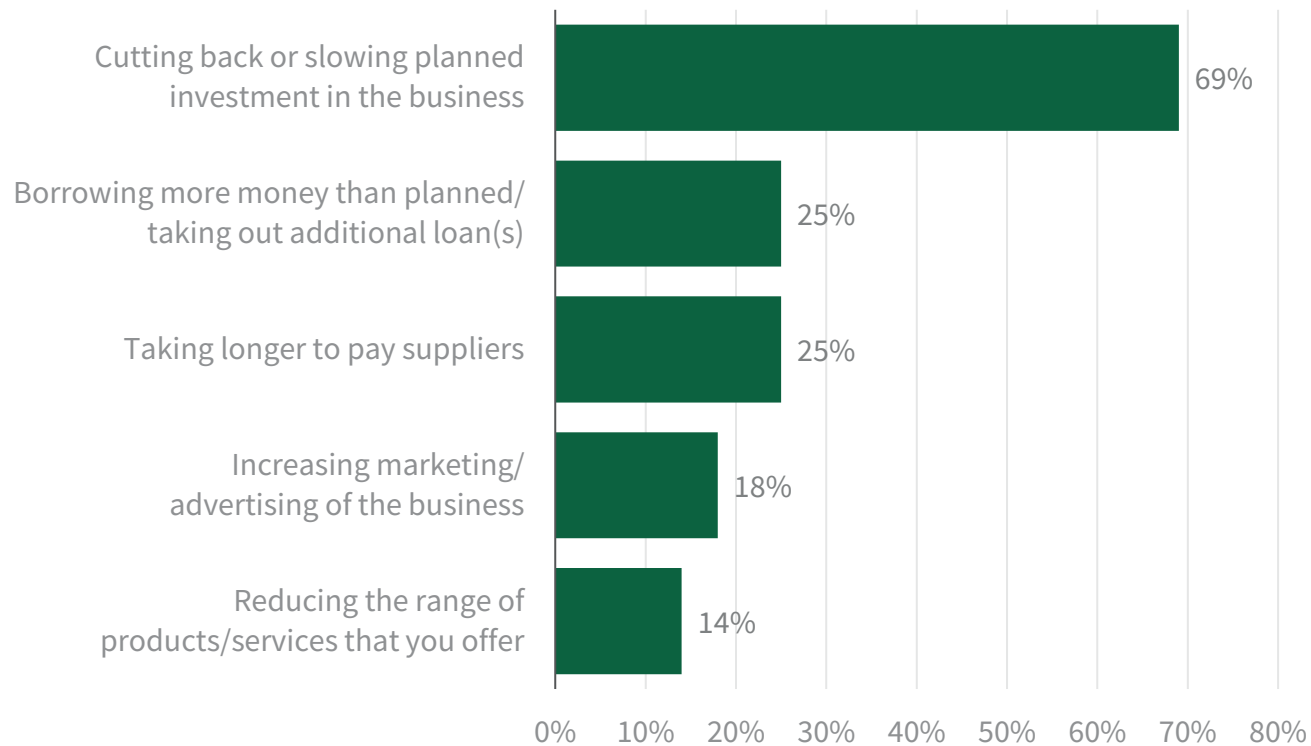
- Catering boosting retailers' performance (Average sales position -6% amongst those with catering; -14% without)
- Business Barometer poll for Q1 2025 to be released in a couple of weeks

Source: HTA & APL Business Barometer Q4 2024 (January 2025); Base: 80 member businesses;
 Note: Averages calculated using median value from responses.

Impacts of profit positions behind budgets

Actions to be taken in next 12mths, as at end of Q4 2024

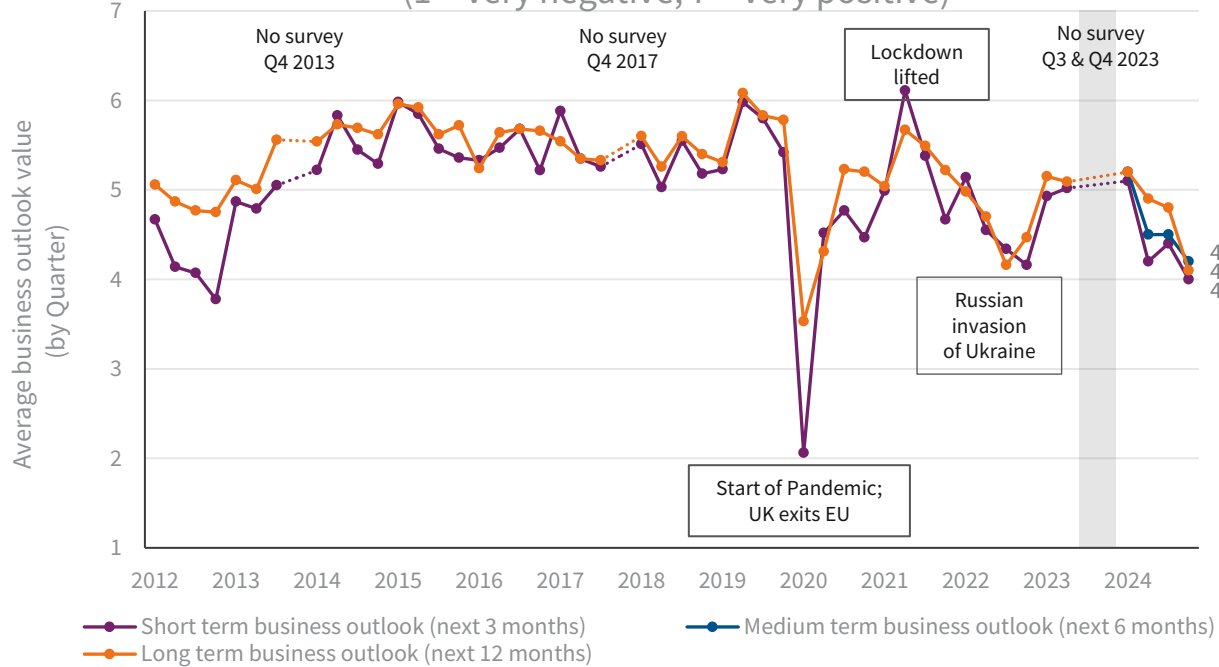
“Is your business likely to be taking any of the following measures as a result of your profit position?”



Business outlook

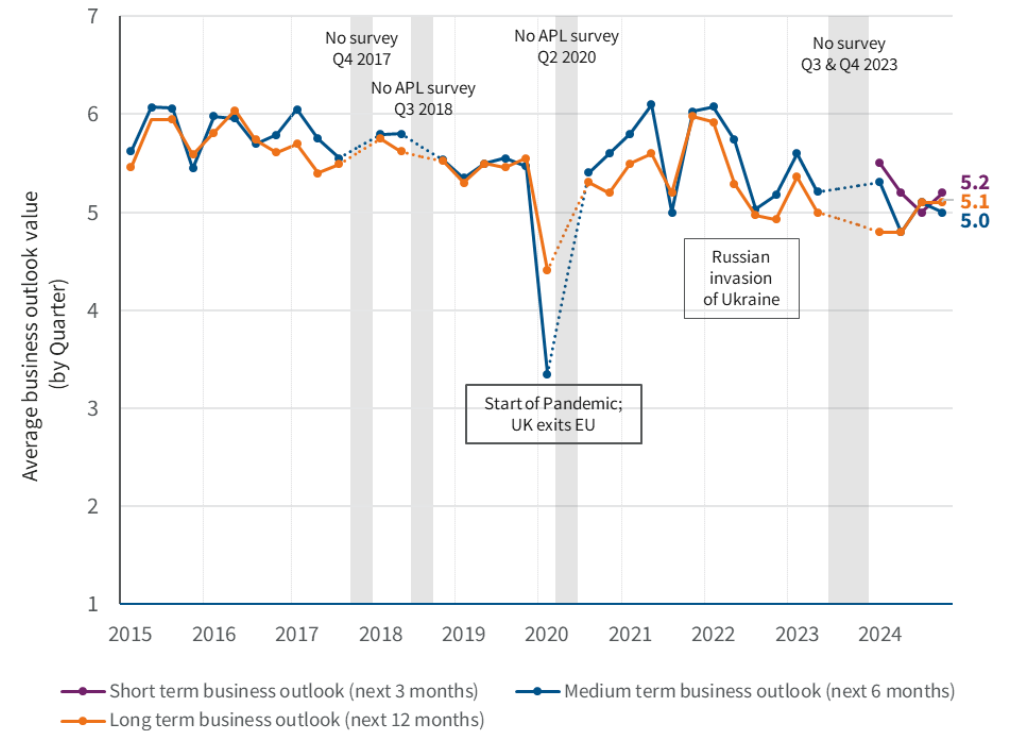
Historically low

HTA member average business outlook
(1 = very negative, 7 = very positive)



Source: HTA & APL Business Barometer Q4 2024 (January 2025); Base: 55 HTA Members

APL member business outlook
(1 = very negative, 7 = very positive)



Source: HTA & APL Business Barometer Q4 2024 (January 2025); Base: 25 APL member businesses

Market Update

Calendar year to end Feb performance

	Overall <i>Incl. catering</i>	Overall <i>excl. catering</i>	Garden/ Gardening	Non-garden /gardening <i>Incl. catering</i>	Non-garden /gardening <i>Excl. catering</i>
<i>Year to end Feb 2025 vs Year to end Feb 2024</i>	-1%	-2%	-9%	+6%	+3%
<i>Year to end Feb 2025 vs Year to end Feb 2023</i>	+2%	-4%	-10%	+11%	+6%

N.B. - one fewer trading day in Feb 2025 due to 2024 leap year

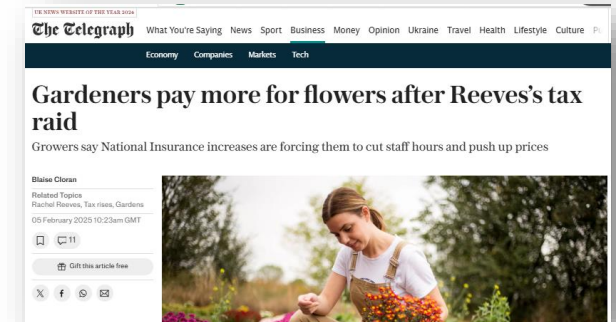
JENNIFER PHEASEY &
DAVE DENNY

HTA activity

Autumn Budget 2024

HTA actions

- September:
 - Submission to the Chancellor and key departments.
- October:
 - Response to Budget Statement, Member briefings.
- November:
 - Member Survey, member studies/feedback, **member budget impact template letter**, MP visits to HTA Members, joint work with the BTC, FSB, and Family Business UK.
- December:
 - Budget Webinar, Government engagement.



- January:
 - HTA met with the Exchequer Secretary to the Treasury, Minister Letters, PR activity.
- February:
 - Spending Review Phase 2
 - HM Treasury engagement.
- March:
 - 26 February Spring Statement.

Ongoing: PR & Media engagement

HTA & FBUK survey

- Survey run by CBI Economics, to generate data for a cost-benefit analysis
- General approach:
 - Compare costs to the economy (GVA losses, jobs, tax take) to the benefits of the tax reforms
- Comparative analysis from CBI Economics
- Contextual analysis from HTA's own data (GVA growth potential, jobs, 'green output')

JENNIFER PHEASEY,
DAVE DENNY

Actions businesses are taking

Member feedback – actions

- Total cost to HTA (incl. APL) members of the NMW & NIC increases: £134m
- -3% reduction in net profit margins foreseen for next year
- Garden centres and ornamentals growers substantially family owned and unconsolidated
- Substantial part of grower and garden centre balance sheet strength is in land and property in comparison with most other sectors
- With HTA member typical net profit margins post NIC & NMW changes forecast at 8%, costs of IHT and loss of reliefs would be a significant further blow to profitability
- Potentially substantial impacts to industry structure could fall out of the changes

Proportion of HTA members who report that they will definitely take the following measures in response to the NMW & NIC increases	% HTA members
Increase prices	67%
Recruitment freeze	54%
Not replacing staff who resign or retire	44%
Reduce or postpone capital investment	43%
Reduce or postpone staff training	30%
Reduce the hours of staff	25%
Make staff redundant	14%

Some examples of actions...

- 1. Productivity/efficiency audits*
- 2. Adjusting staff hours*
- 3. Catering / service set-ups*
- 4. Reducing printed materials*

Your Association – working for you

- Plant Retail Success initiative – www.hta.org.uk/plant-retail-success
- HTA WhatsApp groups – recommendations, networking
- Promotions
 - New gardening YouTube channel
 - National Children’s Gardening Week
- Business improvement schemes



FARRER&Co

The changing face of Business Property Relief

March 2025



Family Businesses and Business Property Relief

- Where were (and are) we?
- What has been proposed?
- 27 February 2025 - Consultation paper in relation to trusts
 - Individuals
 - Trusts
 - Transitional provisions
 - Anti-fragmentation



Family Businesses and Business Property Relief

- Do you have advisers (accountants/lawyers?)
- If you do, are they able to advise on strategic planning eg lifetime gifts and trusts?
- Get ahead of your planning but don't panic
- Remember the deadline for these changes is 5 April 2026
- Think about funding the tax early – especially if business is in company structure
- Look at your wills – existing bespoke clauses for Business Property need to be reviewed pre April 2026

Your point of contact



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Private Client

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Clients come to Sonal due to her strong reputation dealing with complex international probates, long-standing trust matters and estate and succession planning for complex and cross-border families. She builds lasting relationships with clients who value her confident and calm manner and genuine commitment to finding the right solution for them.

Much of Sonal's work involves her ability to work closely and collaboratively with clients' wider network of advisers while being sensitive to individual needs and concerns. Her clients are varied – from multi-generational private business owning clients and their families to senior executives and entrepreneurs, to owners and trustees of landed estates and inherited wealth as well as international families.

Many of the issues she deals with feature significant concerns for multiple generations and she is adept at maintaining channels of communication with all those involved and at all levels.

"Sonal Shah: extremely efficient with an excellent manner." (Legal 500)



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The background of the slide features a close-up, slightly blurred image of green leaves with prominent veins, creating a natural and organic feel. The leaves are layered, with some in the foreground and others receding into the background.

Questions?

Further information

- Sonal Shah – Farrer & Co
- The **recording of this webinar** will be circulated and available to HTA members
- policy@hta.org.uk
- Briefings and template letters <https://hta.org.uk/policy/member-briefings>
- Member Update, WhatsApps
- HTA's BIS and RDF groups
- **Trusts consultation** <https://www.gov.uk/government/consultations/reforms-to-inheritance-tax-reliefs-consultation-on-property-settled-into-trust/reforms-to-inheritance-tax-agricultural-property-relief-and-business-property-relief-application-in-relation-to-trusts>

The background is a solid teal color with a faint, repeating pattern of large, stylized leaves. The leaves are oriented vertically and have a prominent central vein with smaller veins branching off. The pattern is subtle and serves as a decorative backdrop for the text.

Thank you