Rt Hon Rachel Reeves MP
Chancellor of the Exchequer
HM Treasury
1 Horse Guards Rd
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26 September 2025

Autumn Budget 2025: submission from the Horticultural Trades Association (HTA)

Dear Chancellor,

I write on behalf of the Horticultural Trades Association (HTA) and its members – businesses delivering green infrastructure across the UK. As growers, retailers, suppliers, manufacturers, designers, and landscapers all playing a vital part in delivering green jobs and green spaces, they are a key and valuable part of the economy. The sector contributed £38 billion to the UK economy and supported over 722,000 jobs in 2023. With barriers lifted, by 2030, it could be worth £51.2 billion, supporting 763,000 jobs.[1] Achieving that growth will depend on the decisions taken in November.

This Autumn's Budget comes at a time when businesses are facing many headwinds – felt more acutely by SMEs. Employment and input costs have risen sharply, consumer confidence has weakened, new and future regulatory and tax challenges are hitting hard, and certainty is needed.

Unlocking barriers in the planning system and delivering a more agile, responsive, system that ensures a consistent approach across councils, and more easily allows sites to be retrofitted, is also necessary. We will continue to work with colleagues in the Ministry of Housing, Communities and Local Government to help deliver this.

We ask for your Budget to recognise the value of horticultural businesses across the UK in three key areas:

Theme	Summary of key asks
Support businesses to invest and grow by reducing regulatory and financial barriers	• No further employer tax rises • No increase on Landfill Tax bands • Pause and consult on APR/BPR changes • Expedite reform for fairer Business Rates for all retailers

[1] HTA, *Environmental Horticulture and Industry Insights 2025,* https://hta.org.uk/news-events-current-issues/industry-data/garden-industry-statistics

	• Increase the annual investment allowance for horticulture • Back new IP approach for Plant Breeders • Review and reverse tax treatment of double-cab pick-ups • Ensure Environmental Horticulture can access the benefits of the Growth and Skills Levy • Boost productivity by helping businesses invest in automation
Ensure businesses can invest and deliver for climate resilience and a net zero future	• Establish cross-governmental working on green spaces • Ensure that every new home built in the UK includes high-quality, minimum sized gardens • Reduce planning barriers and improve access to grants to incentivise onsite water storage • Extend Business Rates Relief to include wider sustainability measures • Grow support for peat-free transition • Allow non-black polypropylene plant pots to be classed as green under EPR recycling assessment • Exempt glasshouse growing from BNG requirements • Recognise environmental horticulture in official green jobs definitions
Work with businesses to deliver on the shared ambition of a UK-EU SPS Agreement with easements as soon as possible	• Deliver an SPS Agreement for plants as soon as possible and reduce border barriers in the interim • Ensure upgrades or development of new digital systems are fully funded and resourced • Develop a pre-notification scheme for plants that works for all • Provide additional support for businesses who invested to become Control Points

THEME: Support businesses to invest and grow by reducing regulatory and financial barriers

In recent years, the cost of doing business has steadily increased, including additional resource and paperwork for importing plants from the EU, energy to keep plants alive and growing, as well as ongoing investment in the transition to peat-free and in water resilience.

Workforce costs have also increased. Changes to National Insurance Contributions and the National Living Wage are costing HTA members an additional £134 million each year. As a result, 70% of HTA member businesses have had no choice but to increase prices, over 50% have frozen recruitment and just under 50% have reduced or postponed capital investment[2]. We support fair wages, but there is a real risk that these increments could lead to a reduction in the number of employees that a company can afford to hire in the first place. When NLW goes up, the wages of other roles must also increase to maintain differentials and support staff retention. According to one HTA member, in 2019, staffing costs for their garden centres and restaurants were 55.8% of turnover. After the changes announced last Autumn, this increased to 62.2% – adding £7.9 million to the running costs of the garden centres and restaurants.[3] We therefore urge government not to announce any further wage increases.

Many of our members are deeply concerned that the Employment Rights Bill will add further costs and restrict investment. Our sector needs a range of workers – including full-time, part-time, and seasonal – particularly in retail and hospitality roles and those corresponding to the growing season. This means that our members will be disproportionally affected, with staff on smaller contracts entitled to higher Statutory Sick Pay (SSP) as a percentage of their earnings, for example.

Changes to Agricultural Property Relief (APR) and Business Property Relief (BPR) have also exacerbated costs, with 69% of our members expecting to be affected by changes to BPR and 40% anticipating an impact from changes to APR. The proposed reforms will cost the Exchequer £36 million in net tax revenues by 2030 with broader economic losses amounting to £143 million due to decreased industry activity.[4]

That is why we ask for:

- **No further tax rises that make the cost of doing business higher.**

- **No increase or removal of the lowest Landfill Tax band –** an increase from £4.05 per tonne to £126.15 per tonne would be crippling for our APL (Association for

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[2] HTA, 2024, *New HTA data demonstrates the Autumn Budget hit to horticulture,* https://hta.org.uk/news/new-hta-data-demonstrates-the-autumn-budget-hit-to-horticulture
[3] Blue Diamond, *2024 Annual Report,* https://www.bluediamond.gg/investor-relations/financial-reports
[4] HTA and CBI Economics, 2025, *Proposed reforms impacting the environmental horticulture sector are expected to shrink the UK economy by £143 million* https://hta.org.uk/news/hta-warns-inheritance-tax-changes-a-lose-lose-costing-uk-1-300-sector-jobs-slashing-investment-and-draining-treasury-tax-revenues

Professional Landscaper) members. This could see the price of a grab lorry cost as much as £1,000, up from about £300. Skip hire costs could more than double in price, to as much as £600 with several skips or grab lorries required per project. These costs would have to be passed onto the consumer, potentially adding £24,000 to the cost a new home. This is completely at odds with the Government's commitment to build more affordable housing.

- **Pause and consult on proposed changes to APR and BPR –** as called for by the EFRA Select Committee, a pause in the implementation of the reforms would provide time for a consultation and impact assessment to be conducted. This would demonstrate government's commitment to work with business, while providing time for businesses to prepare for any required changes.

- **Include garden centres in lower business rates multipliers for retail, hospitality, and leisure (RHL) properties -** overhauling the business rates system, to ensure fair and accurate valuations from the outset, must remain a priority. Site requirements mean our garden centre members are never going to be located on high streets but face the same pressures as other retail, leisure, and hospitality venues and must therefore be included in support.

- **Extend the current Business Rates Improvement Relief from 12 months to three years –** making improvements that will result in higher bills after just 12 months can feel counterintuitive and put some SME's off making such investments.

- **Increase the Annual Investment Allowance threshold for capital allowances -** awareness of, access to, and applicability of capital allowances and tax reliefs to horticultural businesses should be increased, particularly given the scale of research going into peat-free growing. HMT should work in partnership with sector bodies, like HTA, to communicate and increase awareness of this support to improve take-up and support UK businesses.

- **Invest in green intellectual property (IP) including Plant Breeder Rights –** plant breeders compete in a global market, yet UK IP rights for new plant varieties are amongst the most expensive in the world. In the USA, small entities receive a discount on fees when applying for Plant Patent. In the EU, SMEs can claim a substantial voucher to use towards IP fees. No comparable support exists in the UK, so innovators frequently launch their new varieties in other markets where costs are lower. This places UK growers at a disadvantage, and damages economic growth potential.

- **Reverse the decision to change the tax status of double cab pickups (DCPU) –** many of our landscaper members use DCPU's, primarily because they can act as private cars *and* goods vehicles, enabling them to transport tools and goods necessary for their jobs, while also providing ample seating for private use.

- **Ensure Environmental Horticulture businesses can access the benefits of the Growth and Skills Levy** - as a sector made up of over 90% SMEs, removing barriers to apprenticeship take up is needed. As the original green growth sector, and with potential to contribute over £51 billion to the UK economy, environmental horticulture skills should be prioritised alongside the Industrial Strategy's 8 priority sectors to ensure businesses in the sector can access the benefits promised by the Growth and Skills Levy.

- **Boost productivity by helping businesses invest in automation -** the adoption of automation is necessary to deliver the plants and trees needed to provide environmental, health, and social benefits. Growers, while prepared to invest, often cannot raise the finance required quickly enough, especially given the volatility of weather-related demand, making revenue streams fluctuate. Government should review the financial support available for automation and technology in horticulture.

THEME: Ensure businesses can invest and deliver for climate resilience and a net zero future

The debate around the economy and the environment is becoming increasingly polarised, with one often seen as taking precedent over the other. Achieving economic growth and increasing productivity, while tackling climate change and getting to net zero should not be seen as mutually exclusive. Businesses have an important role to play in helping deliver both but need the right policy landscape to enable them to make necessary investments and adjustments to contribute to net zero delivery and growing resilience.

Ensuring we have the right people, with the right skills is also critical and we welcome the recent move to have skills policy sit across both DfE and DWP. More of this cross-departmental working is needed to boost productivity and economic growth.

That is why we ask HMT to:

- **Work with other departments to establish an Office for Green Spaces –** to champion and maximise the value of Green Spaces and Environmental Horticulture in all aspects of policymaking and target delivery.

- **Ensure that every new home built in the UK include high-quality, minimum sized gardens, of at least 29.5% density -** as well as cooling urban areas, reducing air pollution, and sequestering carbon, our green spaces are vital for the nation's health and wellbeing. Ensuring gardens are planned in and delivered should not come at a cost to government but could be baked into any future planning requirements with housebuilders incentivised by reducing planning barriers.

- **Reduce planning barriers and improve access to grants to incentivise onsite water storage, supporting businesses install rainwater harvesting systems and reservoirs.** Too often, the planning system acts as a blocker, not an enabler to businesses seeking to improve self-sufficiency, and access to grants is often overly complex, time consuming, and inaccessible for environmental horticulture.

- **Extend Business Rates Relief to include wider sustainability measures, including water –** this could incentivise businesses invest in onsite water storage, taking pressure off our water system.

- **Work with HTA and others to ensure a supported and sustainable transition to peat-free growing –** by establishing a cross-government and industry group to create and implement a peat-free transition roadmap. This should include clear timescales for professional and amateur growers, providing the industry with certainty as well as time for further research and development.

- **Allow all colours of polypropylene, except those containing carbon black pigment, to be classed as green under the Extended Producer Responsibility (EPR) Recyclability Assessment Methodology -** in 2018, the horticulture industry moved towards polypropylene taupe and other non-black pots to ensure they would be detectable by Near Infrared sensors in waste management facilities. Despite being fully recyclable, these pots can only be classed as amber under the RAM system, attracting higher base fees, and no discount for recyclability.

- **Work with the Environmental Horticulture industry to ensure the objectives of Biodiversity Net Gain (BNG) can genuinely be delivered -** without accredited training for maintenance staff and increased and sustained funding for Local Authorities to deliver, enforce and monitor this regulation, delivering BNG outcomes for 1.5 million new homes will be hugely challenging. Further, glasshouse growing (protected horticulture) businesses are likely to be subjected to the highest costs due to the size of their operations. Exemption from BNG regulations for Protected Horticulture will ensure no businesses are unable to increase their growing capacity - providing products that deliver on environmental ambitions - because of the need to add additional BNG requirements.

- **Recognise environmental horticulture, landscaping and arboriculture jobs in official green jobs definitions and increase course funding –** despite '*contributing to protecting or restoring the environment,'* these jobs are not included in ONS green jobs definitions. Increasing awareness about these roles, by including them in green jobs definition and increasing funding for further educational colleges and horticultural courses would help drive demand. Government should also work with publicly owned tree nurseries within Forestry England to offer tree production apprenticeships. This would support tree planting targets.

THEME: Work with businesses to deliver on the shared ambition of a UK-EU SPS Agreement with easements as soon as possible

The EU is our closest trading partner. We buy half of the plants and trees we sell in the UK from the EU. Exports of plant material were valued at £29.5 million in 2023, down by nearly half because of prohibitions on exporting certain plants and trees to the EU as well as paperwork demands.

We welcome the ambition to have an Agreement in place by 2027 and will work closely with Government to help deliver this, but it is important that clear guidance is published in a timely manner to ensure all businesses understand and can prepare for any changes, while also minimising disruption.

After the 'Place of Destination' inspections ended in April 2024, several HTA members became Control Points (CPs), meaning stock coming into the UK from third countries and Europe no longer had to stop at Border Control Points, and could instead be unloaded, processed, and checked on site. Becoming a CP enabled a faster and smoother process for importing plants, reduced costs for the consumer, and cut down waiting times at borders. However, becoming a CP was a significant investment, requiring additional resources, infrastructure, and training. It is important that the investments made by businesses, in response to government policy, are not lost because of policy change.

That is why we ask government to:

- **Deliver an SPS agreement for plants and easements to border barriers as soon as possible.**

- **Ensure that any upgrades to existing IT systems, or development of new digital systems, necessary to deliver the SPS Agreement be fully funded and resourced** – this will avoid repeating the underperformance, extended timescales, and piecemeal implementation seen so far by border systems.

- **Develop a pre-notification scheme for plants that works for traders and Government plant health agencies alike –** ensuring the highest standards of biosecurity and enabling transparent tracking of plant material.

- **Provide additional support for those HTA members who made considerable investments to become CPs** - working with them to ensure any future Agreement does not undermine steps taken to help the industry respond to import challenges. As a principle, early adopters of government policy should not be disadvantaged if policy changes, as this will only dissuade early adoption in future.

We would be happy to discuss this submission in more detail with you and your officials and can also arrange a visit to one of our member businesses where we can highlight key challenge and economic opportunities.

Yours sincerely,

Fran Barnes

Fran Barnes, CEO
Horticultural Trades Association