



East Midlands Chamber

Autumn Budget 2026 Submission

east midlands
chamber

Derbyshire | Leicestershire | Nottinghamshire

Executive Summary

This submission is informed by East Midlands Chamber's Framework for Growth and reflects extensive engagement with businesses across Derbyshire, Leicestershire and Nottinghamshire through member research, business surveys, policy roundtables, business networks and direct consultations.

The Chamber's message to Government is clear: East Midlands businesses want to invest, recruit and grow, but they need Government to create the conditions that make growth possible. The Autumn Budget should focus on reducing business costs, simplifying regulation, investing in skills and accelerating devolution.





Reduce the Cost of Employing and Investing

Member engagement consistently identifies the cumulative cost of employing people, taxation, energy prices and rates as the greatest barriers to growth. Businesses tell us that growth is often constrained not by lack of ambition, but by the increasing costs associated with recruitment, investment and expansion.

Recent business intelligence gathered by the Chamber shows employers are particularly concerned about employment costs, taxation and energy costs, all of which directly impact competitiveness and investment decisions.

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Government should prioritise:

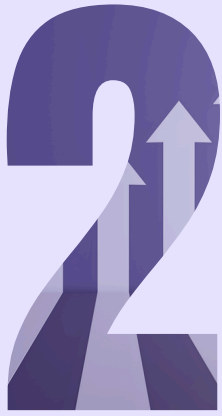
- Reducing the cost of employment.
- Creating greater certainty within the tax system.
- Improving energy competitiveness.
- Reforming business rates.

How this can be achieved:

- Extend employer National Insurance relief to 21-24 year-olds, reducing the cost of creating entry-level jobs.
- Introduce a five-year Business Tax Roadmap providing certainty around Corporation Tax, National Insurance and investment incentives.
- Fund a greater proportion of policy-related electricity costs borne by business, including schemes such as the Renewables Obligation.
- Reduce business rates multipliers and set out a timetable for wider reform.
- Retain and simplify investment allowances that support capital expenditure on machinery, equipment and productivity-enhancing technology.

Impact:

These measures would encourage firms to move from short-term resilience planning towards long-term investment, recruitment and productivity improvements, enabling businesses to capitalise on growing confidence and growth opportunities.



Smarter Regulation to Unlock Growth

Businesses across the East Midlands consistently highlight regulatory and administrative burdens as a significant constraint on growth. Members frequently tell us that reducing bureaucracy would free up management time and resources that could be redirected towards customers, innovation, workforce development and expansion.

One clear example is employer engagement with schools and colleges. Businesses want to support work experience placements, careers engagement, mentoring, industry visits and technical education pathways, but many SMEs describe current arrangements as overly complex and time-consuming.

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Government should prioritise:

- Reducing unnecessary regulatory burden.
- Simplifying employer engagement with education.
- Creating a more proportionate regulatory environment for SMEs.

How this can be achieved:

- Conduct a cross-government review of SME regulation and reporting requirements.
- Introduce a single national framework for work experience and employer engagement.
- Create standardised safeguarding, insurance and health and safety templates for schools, colleges and employers.
- Require regulators to undertake SME impact assessments before introducing significant new requirements.

Impact:

By simplifying processes and reducing bureaucracy, more businesses would participate in work experience, industry placements and careers engagement activities. This would strengthen links between education and industry, improve young people's understanding of the workplace and help address long-standing skills shortages by building a stronger pipeline of future talent.



Build the Workforce and Skills Needed for Growth

Skills shortages remain one of the most significant barriers to business growth across the East Midlands.

Member research shows that whilst businesses remain committed to recruiting and developing talent, attracting people with the right technical, professional and workplace skills continues to be challenging.

At the same time, businesses are increasingly looking to invest in workforce development and training to improve capability and productivity.

Government should prioritise:

- Employer-led skills provision.
- Technical and vocational education.
- Leadership and management development.
- Workforce productivity.

How this can be achieved:

- Place Local Skills Improvement Plans on a stable multi-year funding settlement.
- Ensure the Growth and Skills Levy remains flexible and responsive to employer needs.
- Introduce a Skills Tax Credit for SMEs investing in accredited training.
- Expand support for leadership and management development programmes.
- Incentivise greater collaboration between employers, colleges, universities and training providers.

Impact:

Supporting employer-led skills development would help businesses tackle recruitment challenges, improve productivity and create more resilient and adaptable workforces aligned with local economic priorities.



Support Trade, Innovation and Business Growth

Businesses across the East Midlands recognise that international trade, innovation and productivity growth will be critical to future economic success.

However, many SMEs need practical support to access export opportunities, navigate complex international markets and adopt new technologies.

The Chamber therefore strongly supports the objectives of the Devolution Leicestershire campaign and the ambition to secure a Mayoral Strategic Authority for Leicester, Leicestershire and Rutland. As Government increasingly routes funding through devolved structures, it is essential that Leicester, Leicestershire and Rutland are not disadvantaged while new arrangements are developed.

Government should prioritise:

- Accelerating devolution for Leicester, Leicestershire and Rutland.
- Preventing the area from missing out on investment during the transition period.
- Giving business a stronger voice in economic decision-making.

How this can be achieved:

- Restore a locally delivered export support offer through accredited Chambers of Commerce.
- Expand funding for SME export readiness programmes and trade missions.
- Improve access to UK Export Finance products for smaller businesses.
- Better integrate innovation, trade and investment support programmes.
- Create targeted support for businesses adopting productivity-enhancing technologies and digital tools.

Impact:

These interventions would help more businesses access international markets, improve productivity, increase competitiveness and create higher-value jobs across the region.



Accelerate Devolution to Unlock Local Growth

The Chamber's Framework for Growth identifies devolution as one of the most significant opportunities to strengthen economic growth across the East Midlands.

Local businesses increasingly recognise that decisions on skills, transport, infrastructure and business support are most effective when made closer to the businesses and communities they affect.

Government should prioritise:

- Accelerating devolution for Leicester, Leicestershire and Rutland.
- Preventing the area from missing out on investment during the transition period.
- Giving business a stronger voice in economic decision-making.

How this can be achieved:

- Publish a clear timetable towards a Mayoral Strategic Authority.
- Establish an Interim Growth Fund for Leicester, Leicestershire and Rutland.
- Devolve responsibility for adult skills, business support and local transport funding.
- Introduce multi-year integrated settlements covering skills, transport, infrastructure and economic development.

Impact:

Accelerated devolution would enable funding decisions to be made closer to local employers, improve responsiveness to labour market needs, support infrastructure investment and ensure Leicester, Leicestershire and Rutland can compete on equal terms with areas already benefiting from devolved powers.

Conclusion

Feedback from businesses across the East Midlands presents a consistent message. Firms are becoming more confident and increasingly willing to invest in people, training and productivity. However, that confidence remains fragile and depends on Government creating an environment that actively supports growth.

The Chamber's Framework for Growth sets out a practical roadmap centred on lower business costs, smarter regulation, stronger skills provision, enhanced support for trade and innovation, and accelerated devolution. The Autumn Budget presents a significant opportunity to translate these priorities into action.

East Midlands businesses are ready to invest, recruit and grow. Government must now provide the confidence, certainty and local empowerment needed to unlock that growth.

