Industry experts share their reactions to the Government's Autumn Statement

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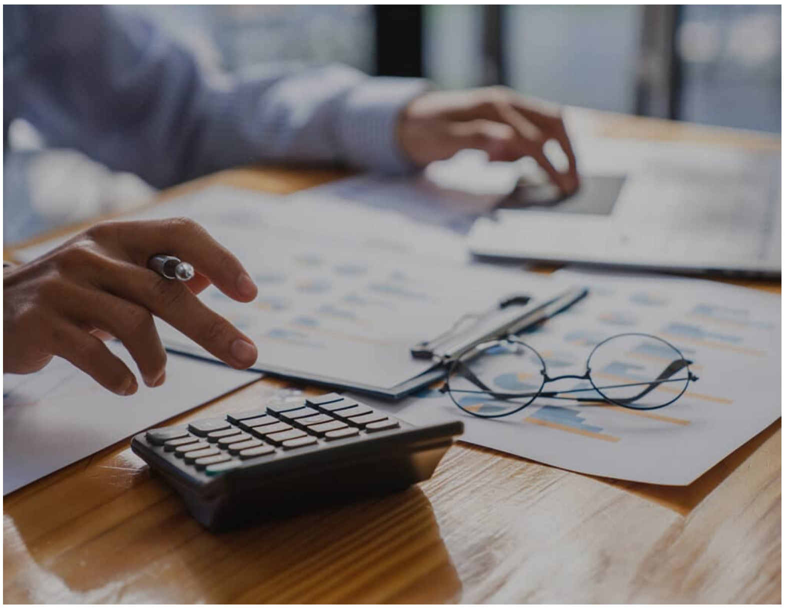

JLL responds following Chancellor's announcement today

Adam Challis, Head of UK Research & Strategy at JLL, said:

"The tax breaks announced today are 'give and take' taxation. The headline relief looks good but fiscal drag will ensure the Chancellor keeps more for Government over the next few years.

"Business needs a boost and it's clear that the Chancellor sees growth as central to rebalancing his books. Investment and innovation must be at the heart of a new economic policy. Opportunities to support decarbonisation are essential. Business wants to do more and real estate must feature heavily.

"The Government has provided welcome relief for low income households, but it's nowhere near enough. These 'bottleneck households' are stuck between high costs and low-quality policy solutions. We need big commitments to expansionary housing supply policies across all tenures.

"The chronic shortage of housing is everyone's problem – high housing costs weaken prosperity and quality of life. The lack of a long-term commitment to increase housing supply will continue to fail UK households."

Nick Whitten, Head of EMEA Living Research at JLL, added:

"The planning system is one of five key blockers to new housing supply, as identified by JLL in our recent housing market forecasts.

“The planning reforms announced in the Autumn Statement are therefore a step in the right direction towards tackling undersupply. But more is needed as the UK is in the midst of its worst housing supply crisis in more than a decade. Construction insolvencies are at the highest rate since the Global Financial Crisis and more fundamentally, the UK has around 1m too few construction workers in order to build the homes we need.

“This has contributed to a shortfall of more than 1.5m homes over the past 15 years and JLL predicts a further shortfall of 720,000 homes over the next 5 years.”

Simon Peacock, Head of Regions at JLL, said:

“Given the issues the wider economy faces and the fact that inflation and the cost of living remain challenging for both businesses and households, those in the industry will be unsurprised by the fact there’s been little to cheer in the Chancellor’s latest statement. That said, it’s encouraging to see levelling up funding for the regions and investment zones in the Midlands and Greater Manchester, which should spur some growth.

“For many in the sector attention is turning to the next general election. We want investors to be able to progress with both new and refurbishment schemes to provide the housing and facilities our communities need. What we see and hear from our clients is that the lack of resources in our planning system is a major barrier, which will need to be addressed along with funding for the further education sector to train young adults to gain the skills most urgently needed in construction and sustainability skills.”

Tim Beattie, Head of UK Rating, commented:

“The Autumn Statement has the theme running through it of helping small business, and the freeze in business rates multiplier follows this ambition and is very welcome. Equally, we are pleased to see the extension of the 75% Retail, Leisure and Hospitality (RHL) relief capped at £110,000 for a further year.

“However, the decision to enforce the full inflationary uplift to the multiplier for larger properties with assessment higher than RV £51k is bad news and will place further pressure on business. We are disappointed the Chancellor has not listened to the calls from the industry to intervene and reduce the impact.

“We have seen in recent days the Government promote how inflation is falling, and published rates show how significantly it fell between September 2023 and October. However, it is the September inflation rate which is used for the new multiplier – and this 6.7% increase will hit businesses hard.”