

Dear Chancellor,

We are writing to ask you to make full expensing a permanent feature of the UK tax system in the Autumn Statement next week. At this time, we believe that this would have the single most transformational impact on business investment and growth and accelerate industry's transition towards net zero.

It is a challenging time for the UK economy, with recent data showing that productivity has stagnated since 2008. If we are to tackle the pressures businesses face, we must create an environment that unlocks business investment to achieve sustainable growth and mobilise the potential and productivity of the UK workforce.

We welcome your decision in the Spring to introduce a three-year temporary full expensing regime for all plant and machinery. But OBR forecasts show that the temporary nature of the policy means most additional investment during this period will be brought forward, rather than being entirely new. This will limit the extent of productivity gains. Moreover, in many sectors, including manufacturing, investment cycles are far longer than three years, often spanning from five to seven to even thirty years, depending on the nature of that investment and the sector.

CBI and Make UK analysis, supported by other leading trade associations and business leaders, shows the significant impact introducing full expensing could have on UK business investment. Whilst there is an upfront cost, the long term benefit to the public finances will be positive as providing allowances up front enables greater investment, boosting employment and wider tax revenues. A recent report from the IFS supported this view. Finally, higher business investment, which would lead to a greater demand for capital in the economy, would also increase the long-run potential growth of the UK economy.

For the reasons above, therefore, we urge you to make this policy permanent to unlock much needed investment and drive productivity.

Best wishes,

**Stephen Phipson CBE**

Chief Executive, Make UK

**Rain Newton-Smith**

Chief Executive, CBI

**Emma Pinchbeck**

Chief Executive, Energy UK

**Company Signatories**

3P Innovation

A&M EDM Ltd

ABB

Addfield

Airbus

Alderman Toolin

Alloy Fabweld Ltd

Arcadis NV

Associated British Foods Plc

Astra Zeneca

Avara Foods

AXIOM

AXREM

Balmoral Tanks

Barratt

Beckett Thermal Solutions

Bensons Panels

Bentley Motors Ltd

BGB Group

Boneham Precision Engineered Solutions

Braime Group PLC

Bright Steels

Bristol Airport

Broadway & AVPE Systems

C. Brandauer and Co Ltd

Cambridge Rapid

Carl Kammerling International Ltd

CBE + Ltd

Cemex

Centrica

Cobra Beer

Coca-Cola Europacific Partners GB Ltd

Colchester Machine Solutions Ltd

CPI

Cullum Group

Dale Farm

Danbrit Holdings Ltd

Datesand Group

Denroy

Devenish

DHL

East Midlands Manufacturing Network

EDF

Edrington

Efaflex

Encirc360

Eschmann Technologies Ltd

Exxon Mobil

Fane Valley

Fedex

Fenner Precision Polymers

Fluorocarbon

Ford of Britain and Ireland

Fractory

Frederick Cooper

Freestyle

Frog Bikes

G&P Group Holdings Ltd

Gatwick Airport Ltd

Goodfellow Cambridge Ltd

GOS Engineering

Grant Thornton Northern Ireland

Ground Control Holdings Ltd

Groupe Atlantic UK, ROI & NA

Guttridge

HCM Engineering Ltd

Heller Machine Tools

Herbert Group

Hodgson Sealants

Hone All

Huxley Bertram Engineering Ltd

i2r Packaging Solutions

ICW

igus Ltd

Interfrigo

James Lister and Sons Ltd

JCM Fine Joinery

JJ Churchill

JJA Pack Ltd

Jonesco (Preston) Ltd

KBR Inc.

Keela

Kimal Group

Leonardo

Liberty Steel UK

Lighthouse

Luxfer Gas Cylinders

M Wright and Sons

Makin Metal Powders UK Ltd

Acres Engineering

Marchant Cain

Marketing Dimensions

Medilink Midlands

Mediplus

Mekatek Ltd

MEP

Merit

Metal Assemblies Ltd

Mpac Group plc

MSM Aerospace Fabricators

Nachural

Nasmyth

Nissan Motor Manufacturing UK

Olympus Technologies

Orsted

Open Reach

P3 Medical Ltd

Paragraf

Penine Healthcare

Penlon

Pertemps Network Group

PHINIA

Photocentric

Pilz Automation Technology

Playdale Playgrounds

Produmax

Professional Polishing Services

RA Labone and Co

Rayner

Reaction Engines

Recticel Ltd

Redwood Technologies Group

Renishaw

Robert Bosch UK

Rockford

Rosh Engineering

Rutland Plastics

Safran Seats

Safran UK

Savekars Solutions Ltd

Schumacher Packaging

Severfield

Shoplight Ltd

Siemens

Siemens Digital Industries

Slack and Parr

SMC (UK) Ltd

Smith+Nephew

Solenis UK Industries

Sone Products

Specialised Canvas

Spirit AeroSystems UK

SSE

Stellantis

TBI Manufacturing Ltd

Techno Group

Tees Components

Texture Jet Ltd

The Expanded Metal Company

The Malcolm Group Limited

The Toro Company

Thomas Broadbent and Son Ltd

Thomas Storey Fabrications Group Ltd

Thorite

Tinsley Bridge

Titon

TMD Friction UK Ltd

TopHat

Toyota Motor Manufacturing (UK) Limited

Trent Industrial Textiles Ltd

Tri-Wall UK

VIP Polymers

Weiss Technik UK

Wilton Universal Group

XLCC

Yamazaki Mazak UK Ltd

**Trade Association Signatories**

Association of British HealthTech Industries

The Association of the British Pharmaceutical Industry

ACT, the App Association

ADS Group

Airport Operators Association

Aluminium Federation

Association of Manufacturers and suppliers of Power Generating Systems

British Coatings Federation

British Compressed Air Society

British Fluid Power Association

British Printing Industries Association



British Pump Manufacturers Association

Composites UK

Confederation of British Metalforming

Construction Equipment Association

Construction Products Association

EEF Northern Ireland

Engineering and Machinery Alliance

Engineering and Manufacturing Network in North East England

Foodservice and Equipment Association

Future Humber

Galvanizers Association

GAMBICA

Home Builders Federation

Ipeco

Lighting Industry Association

Logistics UK

Manufacturing Northern Ireland

Manufacturing Technologies Association

Mineral Wool Insulation Manufacturers Association

Motorsport Industry Association

Northern Automotive Alliance

Offshore Energies UK

OSSL

Processing and Packaging Machinery Association

Renewable UK

Scottish Engineering

Smart Manufacturing Alliance

Society of Chemical Industry

techUK

The Food and Drink Federation

The Society of Motor Manufacturers and Traders

The Technology Supply Chain

UK Weighing Federation