

# The Results of the Dorset Chamber NI Survey

## February 2025

As the voice of Dorset Business, representing hundreds of businesses Dorset Chamber is deeply concerned on the NI increases and this tax on business and growth. In Dec 2024, we opened a survey for firms to feedback on the increases. 105 businesses responded, representing a wide range of sectors and business sizes. The responses showed the direct impact the increases will have.

Dorset Chamber is calling on the Rt Hon Rachel Reeves MP and Dorset MPs to discuss the concerns raised.

Responses from:

**105**  
Businesses

Representing  
More than **7000**  
employees

Cross County  
Cross Sector  
From SME-Global

### Key findings:

**91%** of Dorset businesses are concerned or very concerned on the impact of NI increases

**Reduce Investment**  
**40%** of Dorset businesses plan to reduce investment (directly impacting growth)

**Impact on Profits**  
**71%** of Dorset businesses are forecasting a significant negative impact on profitability

**Stop Recruitment**  
**32%** of Dorset businesses are planning on stopping recruitment as a result of NI Increases.

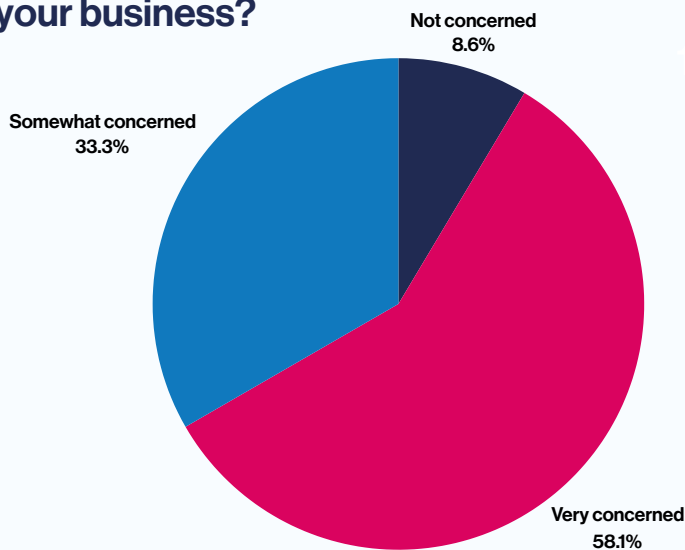
**Payrise Freeze**  
**54%** of Dorset businesses will be unable to make pay rises as a result of NI increases (further impacting cost of living increase)

**Reduction in Staffing**  
**42%** of Dorset businesses may need to reduce staffing levels

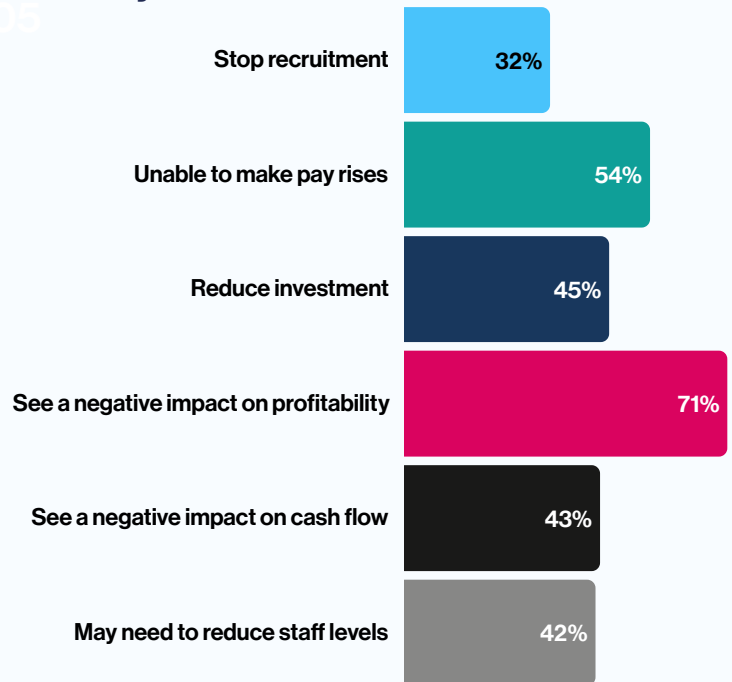
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### How concerned are you about the impact of the proposed NI changes on your business?



### What will impact of these increases be on your business?



### We asked respondents if they would like to make a public statement. Here are a selection of responses:



Hospitality are being hit from both sides. We haven't fully recovered since covid and the cost of living is having a drastic effect on our industry. It feels like we are being penalised again. So many businesses will close and go into administration. It is only a matter of time.

**Marsham Court Hotel**



A lot of companies and business will start to rethink recruitment plans due to the unforecasted and increases they weren't expecting. This coupled with the increase in NMW from April is the final nail in the coffin for a lot of businesses and charities

**Aspire Jobs**



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“ As not-for-profit organisations, housing associations use surpluses to develop new social housing. The NI increases reduce that capacity significantly and will impact the sector's ability to meet the Government's call for 1.5 million new homes over the next 5 years.

**Magna Housing** ”

“ This move will COST jobs, not create them. Wrong move.

**Martin Beardsley Carpentry Ltd** ”

“ The increase in NICs will raise employment costs, forcing many businesses to reduce staff or freeze hiring to manage the financial burden. This is likely to result in higher unemployment, lower consumer spending and a negative impact on growth. While aimed at increasing tax revenue, the move risks harming businesses and workers, potentially undermining long-term economic stability.

**ITCS** ”

“ At a time when demand for charitable services is higher than ever, such measures could undermine the critical work that strengthens and uplifts our communities.

**Healthbus Trust** ”

“ The wider impact of this initiative hasn't been thought through and is a brutal impact on businesses already suffering in difficult markets

**Sandler Training** ”

“ 70% of our costs are staffing. We are really worried that the Government are not going to full cover NI and National Minimum Wage increases with the rates paid for early years funding. We are still critically short staffed impacting our ability to take new children, which is impacting on parents ability to work - which will be making other sectors even more short staffed.

**Tops Day Nurseries** ”

“ The reduction in the annual threshold from £9,100 to £5,000 means that this is a tax change which disproportionately impacts upon lower paid jobs.

**Poole Harbour Commissioners** ”

“ I will actively move my business out of the UK as a result of these changes. The UK is not a place to do business if you want to make a decent living for yourself.

**Motor sector business.** ”