

2023-2024

ANNUAL REPORT



Isle of Man
Chamber of Commerce



BOARD MEMBERS 2023/2024

HONORARY OFFICERS

President Kristan McDonald
Vice-President Claire Watterson
Treasurer Jennifer Lowe
Immediate Past President Caren Pegg

BOARD MEMBERS

Bill Mummery	Deb Byron	Barry Laswon (retired Sept 2023)
Charlotte Lewis	Richard McNee	Miles Benham (retired April 2024)
Carol Glover	Stuart Colligon	

FORUM AND WORKING GROUP LEADS

Business Sustainability	Ralph Peake
Charity	Richard McNee
Construction (part of the Construction forum)	Gary Crittenden
Digital	Shelley Langan-Newton
DPO	Sinead O'Connor
Finance & Professional Services	John Hunter
Legislation Forum	Helen Helfrich
Local Economy – Small Business	Rob Cowell
Positive Health & Wellbeing	Juan Moore
Road, Sea & Air	Bill Mummery
STEM	Nick Gibbs
Talent Action Group	Kelley Corlett
Think Tank	Kathryn Sharman
Visitor Economy	Brett Martin



CHIEF EXECUTIVE

Reflecting on the past year, the Isle of Man Chamber of Commerce has undergone significant transformation, becoming more agile, modern, and representative of our diverse business community. Our members now account for approximately 25,000 employees across various sectors, marking the Chamber as the leading business voice on the Island.

One of the key developments this year was the successful transition to a benefits-based membership model, allowing members to engage strategically within our network, regardless of business size. I extend my sincere thanks to our members for supporting this shift and embracing the enhanced value and opportunities it provides.

I would also like to take this opportunity to acknowledge our Forum Leads, who continue to show remarkable dedication to the Chamber and the broader economy. Special thanks go to those stepping down from their roles this year:

- Juan Moore, who pioneered our Positive Health and Wellbeing (PHW) Forum, passes the leadership to Jayne Kennel. Under Juan's leadership, the forum has made significant strides, including establishing the Workplace Wellbeing Conference as a member-driven event.
- Shelley Langan-Newton, having revitalised the Digital Forum, now hands over to Jeff Ames, who will continue driving digital innovation on the Island.
- Brett Martin, who has led the Visitor Economy Forum for over seven years, leaves an invaluable legacy. His successors, John Keggin and Sally Helwich, will bring fresh perspectives to this critical sector.

We also welcome Damien Corcoran as the new Charity Forum Lead, who brings extensive expertise to elevate this forum's work.

A special mention goes to Kelley Corlett, our Skills Lead, whose determination was instrumental in forming the Skills Board. Her unwavering efforts have been crucial in reaching this milestone, and we now look forward to advancing the Board's work.

To all our Forum Leads, members, and volunteers—your commitment ensures the Chamber remains a powerful advocate for business on the Isle of Man.

Finally, I would like to thank our Board for their ongoing support and guidance. Their expertise and dedication are invaluable as we navigate an ever-changing business landscape.

ONE OF THE KEY DEVELOPMENTS THIS YEAR WAS THE SUCCESSFUL TRANSITION TO A BENEFITS-BASED MEMBERSHIP MODEL, ALLOWING MEMBERS TO ENGAGE STRATEGICALLY WITHIN OUR NETWORK, REGARDLESS OF BUSINESS SIZE.

REBECCA GEORGE
CHIEF EXECUTIVE



CHAMBER PRESIDENT (2021-2024)

First and foremost, thank you to all our member companies for your continued support and confidence over the past year. You are the heart of our economy, and it's through your growth that the island prospers. We exist simply to support you, to be your collective voice, and we remain committed to doing everything we can to ensure our island remains stable and prosperous.

I also extend my gratitude to our board members and sector lead volunteers for their hard work and dedication. Your efforts have been crucial in steering the Chamber forward and adapting to the evolving business landscape. Without you, we could not offer the high standard of support and advocacy that we do. For those that are stepping down this year, your service has been invaluable and you have my sincere thanks.

The past year has seen continued global turmoil, causing local problems. High inflation has been driving up supply costs and energy expenses and while more stable now, we still suffer the effects on our inputs. As our business costs increase, we see impacts to us as individuals with money in our pockets as a result of tax increase and our ever-escalating cost of living. Framed against a backdrop of a new Labour Government, whose policies have traditionally not been friendly towards the Crown Dependencies, our headwinds are clear. And all of this is happening while we are witnessing a once-in-a-generation leap in AI capabilities—advancing at such an incredible pace that, in our lifetime, we will see not just specific jobs but whole industries undergo a radical revolution.

However – these challenges provide us with opportunities should we have the will to grasp them. AI can turbocharge our productivity, helping accelerate digital transformation at a time when we need it most. The policy changes that a Labour Government may enact bring work for our financial sector and advisory services and greater energy costs mean increased returns on investment in renewables. Now, more than ever, we need to share best practices, innovate, and support one another in navigating these changes. By combining our expertise and each contributing where we can, we turn these challenges into opportunities, enabling growth and ensuring that our island remains resilient and forward-looking.

Government of course has a big part to play in this, ensuring its policies and interfaces are aligned with the needs of business. We work with Government on your behalf on policy and practical matters, collaborating to address these challenges head-on. We will also continue to challenge decisions when we believe they're not in the best interests of the island's economic success. Your mandate to us is to advocate for a business environment that supports growth and stability, and we carry this into every discussion.

While I am stepping down as President, there remains so much I want us to achieve. I encourage all members to stay engaged, to give us feedback on issues where you see them, and let us know where you need help. Together, we will chart a course through the challenging times ahead and ensure a prosperous future for the Isle of Man.

Thank you once again for your steadfast support.

NOW, MORE THAN EVER,
WE NEED TO SHARE BEST
PRACTICES, INNOVATE,
AND SUPPORT ONE
ANOTHER IN
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CHANGES.

KRISTAN MCDONALD
CHAMBER PRESIDENT (2021-2024)



TREASURER'S REPORT

The Chamber of Commerce is essentially a 'not for profit' organisation. In 2024, Chamber has essentially broken even, incurring a loss of £163. The MTI account has spent more than it received in grant income, however, it has strategically spent some of its accumulated reserves during the current year.

Membership fees remained at the same rates that were last increased with effect from 1st April 2022 during the year ended 31st March 2024. Membership numbers continued to grow steadily during the year. Overall membership income increased from £112,420 in 2023 to £119,670 (an increase of 6%).

EagleLab costs and recharges net to nil in the Chamber's profit and loss account (i.e. the income matches the expense). The recharges for the EagleLab ceased during the year ended 31st March 2024, following the cessation of the Barclays EagleLab. Chamber relocated to new temporary accommodation on Hope Street for a few months, whilst we worked towards finding a more permanent home in a similar style business community hub for the Chamber offices to be located.

A decision was taken to outsource Documentation work in respect of Certificates of Origin as fees income continued to decline due to Brexit, and training costs in this area are high and required to be maintained. As such, Chamber now receives a small commission for referring Certificates of Origin to the North East England Chamber of Commerce.

Bank interest rose significantly during the year due to an increase in the Bank of England Base rates. Chamber continues to deposit funds to maximise the potential returns on the cash reserves held.

Chamber continues to focus efforts on managing costs, and developing income streams from relevant training and networking events for our members.

In the Profit and Loss below, staff costs have increased slightly overall as the salary support from Barclays Plc that covered the costs of the salary of the employee who

performed the role of the Eaglelab Manager was withdrawn when the EagleLab ceased, however this employee remained an employee of Chamber following the end of the agreement with Barclays until they had found alternative employment.

Aside from staff costs, Chamber's main expenses remain marketing costs and accommodation costs. As a result of the move from the EagleLab the rent for the year reduced slightly. However, this year, Chamber has incurred a significant VAT charge, as the Chamber is a partially exempt business for VAT purposes. With the exit from the Eaglelab, not all of the Chamber's input VAT has been able to be recovered. Some of the EagleLab recharge costs shown below related to dilapidation fees, which are outside the scope of VAT, and therefore the percentage of taxable supplies against total supplies for the year reduced overall to a recoverability of 46% of the input VAT suffered on residual VAT incurred.

Meeting expenses and Sundries have increased as a result of a website overhaul and some additional costs for outsourcing bookkeeping following the departure of the bookkeeper in the prior year.

The audit of the financial statements for the year ended 31 March 2024 is due to commence shortly. As always, we would like to extend our thanks to our auditors Crowe Isle of Man Audit LLC.

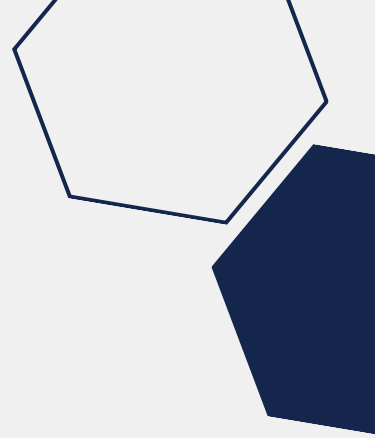
JENNIFER LOWE
TREASURER



Below is an extract of the Statement of Comprehensive Income taken from the draft financial statements for the year ended 31 March 2024:

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEARS ENDED 31 MARCH 2024

INCOME	2024	2023
Subscriptions	119,670	112,420
Recharges of EagleLab costs	100,596	110,774
MTI Income	33,900	59,540
Functions	71,574	40,094
Documentation fees	440	3,706
Eaglelab – salary recovery	11,582	27,479
Miscellaneous income	150	2,579
Bank interest	11,605	2,846
	349,517	359,438
EXPENDITURE	2024	2023
Staff Costs	121,758	121,842
EagleLab Costs Incurred	100,596	110,774
MTI Expenses	46,319	23,688
Accommodation: Rent and Expenses	14,473	20,013
Marketing	7,035	6,500
Meeting Expenses and Sundries	14,986	7,300
Cost of Events	42,952	19,635
Documentation fee costs	125	1,587
Car Parking	1,285	1,200
Irrecoverable VAT	9,590	-
Affiliation Fees	850	546
Depreciation	660	660
Printing, Stationery and Postage	166	316
Training and Travel	704	1,547
Charitable donations	600	-
Business Connex Expenses	-	538
	362,099	315,723
Total (deficit)/surplus for the year and total comprehensive income transferred to reserves	(12,582)	43,715
MTI LOSS	(12,419)	35,852
CHAMBER MAIN ACTIVITIES LOSS	(163)	7,863



BUSINESS SUSTAINABILITY FORUM

Building on the momentum from our inaugural year, the Business Sustainability Group (BSG) has continued to grow and evolve. In the past year, we have moved our events to the IOM Chamber of Commerce Headquarters at Hillary House, Douglas. Through a series of informative and engaging events, we have helped local businesses and residents navigate the complexities of investing in sustainability, whether for business or personal purposes. Our events have been driven by the interests of our members and have featured real-life case studies that provide practical insights and solutions.

PROMOTING RENEWABLE ENERGY AND SUSTAINABILITY

The BSG has been active in promoting clean, green, and affordable energy for the Isle of Man. In alignment with the Climate Change Act 2021 and the commitment to achieve net zero by 2050, the group has developed a policy to support the use and generation of renewable energy on the Island. This initiative is aimed at bolstering the local economy while ensuring a responsible approach to the Climate Change Act.

KEY EVENTS AND HIGHLIGHTS

1. Electric Vehicles (EVs) in the Isle of Man

The first event of the period focused on the adoption of electric vehicles in the Isle of Man. Representatives from a local car dealership and a haulage company discussed the

potential for reducing running and maintenance costs by up to 80% with EVs. However, challenges specific to the Island, such as the movement of damaged EVs and access to grid connections for fast chargers, were also addressed. Nigel Chesley of Lloyds Bank highlighted the financial benefits of EVs for businesses, including attractive personal taxation benefits. The event also shed light on the perceived slow pace of change, as the Manx Utilities Authority (MUA) confirmed that public chargers are available in proportion to 10% of EV registrations on the Island (133 charging points for 1,383 EV registrations as of July 2024).

2. Energy Efficiency Case Studies

The November 2023 event showcased four case studies on energy efficiency:

- *Bill Mummery of Celton Manx presented their solar PV and Tesla Powerwall installation, which provides clean, green energy for their operations and EVs, with batteries ensuring storage and supply certainty.*

- Steve Picket, MD of Best Energy, introduced their energy control product, which can be used independently for small commercial properties or integrated into Building Management Systems for larger properties.
- Trevor Clarke emphasised the importance of air-tightness testing and eliminating drafts.
- Frank Crompton shared his personal experience with solar PV systems, demonstrating financial savings and encouraging other businesses to invest in sustainable technologies.

3. Climate Change & the impact on Mann

The first event of 2024, held in February due to inclement weather, featured retired senior meteorologist Adrian Cowin, who presented on "Climate Change & the Impact on Mann." Drawing from data recorded by NASA, the Met Office, and local weather stations, Adrian demonstrated an exponential rise in global mean temperature, sea level, and CO₂ levels. Local data from Ronaldsway showed an increase in mean maximum temperatures rising by 1.40C and mean minimum temperatures rising by 20C, pointing to significant climate impacts on the Island, such as increased rainfall and sea level rise.

4. Solar Energy Works

In March, Chris Gledhill of PDMS presented two case studies on the financial benefits of solar PV installations for both domestic and commercial settings. With a design life of 25 years, these projects showed a calculated payback period of 10 and 5 years, respectively, and an annual financial return of 20% for the commercial project. The presentation highlighted the potential for further savings by adding battery storage to shift demand from the grid from peak to off-peak times, enjoying further savings.

5. Large supply to Grid Renewable Energy Projects

The May and June events focused on large renewable energy projects. The Andreas Renewable Energy Hub proposed a 30MW solar PV project with additional energy generation from anaerobic digestion and wind turbines. Meanwhile, MUA presented the Earystane 20MW Wind Farm, citing the site's high efficacy for wind-to-energy conversion. Both events received overwhelming support from attendees, highlighting the community's desire for swift action on renewable energy generation on the Island.

6. Strix Ltd's Path to Net Zero ISO50001

In July, Nick Gibbs of Strix Ltd shared the company's journey toward achieving net zero (Scope 1 & 2) by the end of 2023. In fact, with commitment to certify manufacturing operations across the globe to ISO50001 – Energy Management System,

they subsequently achieved this target ahead of schedule. The presentation focused on the efforts made at their Ramsey manufacturing plant, where energy management has been integrated into the company culture. This shift has led to more sustainable practices, and Nick encouraged other businesses to adopt similar approaches.

7. Energy-Efficient Electric Heating and Cooling

The final event for this period, held in September, was centred on energy-efficient electric heating and cooling. Matthew Wiley, founder and MD of Key Group Limited, provided insights into the benefits of air conditioners and heat pumps. Local case studies demonstrated the cost and CO₂ savings of these systems compared to traditional heating methods, emphasising the substantial savings achievable for both domestic and commercial properties. For instance, Air/Air heat pump running costs being only 14% of gas costs, as at September 2024 and CO₂ emissions calculated as just 40% compared to oil fired boilers.

CONCLUSION AND ACKNOWLEDGEMENTS

As we conclude another productive year, we would like to express our sincere gratitude to Conister Bank for their continued support of the BSG events and forum. Our events have shown that there are already proven products and solutions available to drastically reduce energy costs. By taking an active interest in measuring energy consumption and committing to both time and financial investments, businesses can achieve significant improvements.

Combining key elements from this year's events—such as energy consumption measurement, adoption of energy-efficient heating, and solar PV installations—can help businesses reach net zero emissions while protecting against the volatility of the global energy market. This represents a significant step towards sustainability, not only for the Isle of Man but also for the future of our businesses.

We look forward to another year of collaboration, innovation, and progress towards a sustainable future for our community.

RALPH PEAKE

BUSINESS SUSTAINABILITY GROUP (BSG)



CONSTRUCTION FORUM

The Isle of Man's construction sector is currently navigating a crossroads, influenced by a combination of economic challenges and evolving industry conditions.

POST-PANDEMIC SURGE AND CURRENT CONCERNS

Following the pandemic, the sector experienced a notable surge in activity, fuelled by pent-up demand and postponed projects. However, by mid-2024, concerns are mounting about a potential slowdown. Factors contributing to this include a tightening financial climate and a decline in government-driven capital projects. According to Construction Isle of Man, businesses across the spectrum—from small contractors to large companies are starting to feel the strain.

DECLINE IN MAJOR PROJECTS

The construction sector has encountered a significant decline in major capital projects over the past year, marked by reduced frequency and visibility of new, large-scale developments. The recent collapse of the King Gaming project has exacerbated these concerns, creating a climate of uncertainty among contractors. This downturn impacts not only the immediate workload for firms but also raises questions about the sector's long-term sustainability and growth.

To address these issues, the sector is advocating for a more transparent and predictable pipeline of capital projects. Enhanced visibility into future projects and assurances that these projects will be realised are crucial. Publishing a detailed schedule for projects listed in the 'Pink Book' would greatly aid the sector, allowing for more effective workload planning and workforce resource management, thus minimising the risk of unnecessary redundancies.

CHALLENGES IN MATERIAL COSTS AND PLANNING

The sector continues to face challenges from rising material costs, which are impeding growth. While prices for materials like timber and steel have somewhat stabilised, other costs continue to rise, impacting profitability and project timelines.

EMPLOYMENT AND LABOUR SHORTAGES

Historically, employment in the construction sector has been a key indicator of its importance to the island's economy. The sector employs around 5% of the Manx workforce and is the fifth largest contributor to economic activity. However, a significant challenge persists, a shortage of skilled labour. This issue is compounded by limited local training opportunities and the removal of financial support for organisations with more than ten employees. On a positive note, refresher training programmes for gas engineers and training courses for renewable technologies have been introduced on the Island.

PLANNING SYSTEM REFORMS

Inefficiencies in the planning process are seen as a barrier to long-term growth. A public consultation has been launched to address and streamline these processes. The sector has raised concerns about the Town and Country Planning (Development Procedure) (Amendment) Order 2024, particularly regarding removal of the target timescales for determining planning applications. It is essential that any changes to planning procedures foster development while protecting the interests and well-being of both current and future Isle of Man residents.

CONCLUSION

Despite encountering a series of unprecedented challenges, the Isle of Man's construction sector has demonstrated commendable resilience and adaptability. The sector remains a cornerstone of the Island's economy, delivering essential services and contributing significantly to its economic and social fabric. As the industry navigates these turbulent times, its ability to address current issues effectively will be crucial for its future growth. With the right strategies in place, the construction sector is poised to continue playing a vital role in the Isle of Man's recovery and long-term prosperity, supporting both economic development and community well-being.

GARY CRITTENDEN
CONSTRUCTION FORUM LEAD



DIGITAL FORUM

As we reflect on another year of technological advancements and challenges, Yuval Noah Harari's words from 2019 continue to ring true: "There are three big challenges facing humankind in the 21st century. They are: nuclear war, climate change and technological disruption, especially the rise of artificial intelligence (AI) and bioengineering." The rapid integration of AI into our daily lives and business operations has only underscored the prescience of this statement.

This year, the Digital Forum has considered these challenges while looking to further understand the Island's digital economy. A significant milestone this year was the launch of the Isle of Man Tech Map, a collaborative effort supported by Manx Remote Dev, PDMS, and SQR. This initiative has provided invaluable insights into our local tech ecosystem, fostering connections and highlighting opportunities for growth and innovation. I personally look forward to understanding how the changes over time, and am impressed by the breadth and calibre of companies we have on the island in the "tech" space.

Our commitment to shaping policy and regulation remains strong. We submitted responses to two government consultations, offering our expertise to help guide decisions that will impact the Island's digital future. Additionally, we took a stand on a critical issue by writing to the Chief Minister, emphasising the crucial role of a robust Information Commissioner in maintaining the integrity and competitiveness of our digital economy.

We're pleased to announce the appointment of Jeff as our new vice chair, bringing fresh perspectives to our leadership. As I enter my third year as chair, I'm looking forward to working closely with Jeff to ensure a smooth transition of the chair position in the next months, allowing for new ideas and energy to propel our Forum forward.

Looking ahead, we aim to delve deeper into emerging technologies and their implications for the Isle of Man. Topics on our agenda include the governance of AI and machine learning, exploring opportunities in Fintech, and CyberSecurity, and continuing our advocacy for strong data protection measures as well as the digitisation of government.

The Digital Forum remains dedicated to navigating the complexities of our rapidly evolving digital landscape. We invite all Chamber members to engage with us, share their insights, and contribute to shaping a thriving digital future for the Isle of Man.

A SIGNIFICANT MILESTONE THIS YEAR WAS THE LAUNCH OF THE ISLE OF MAN TECH MAP, A COLLABORATIVE EFFORT SUPPORTED BY MANX REMOTE DEV, PDMS, AND SQR. THIS INITIATIVE HAS PROVIDED INVALUABLE INSIGHTS INTO OUR LOCAL TECH ECOSYSTEM, FOSTERING CONNECTIONS AND HIGHLIGHTING OPPORTUNITIES FOR GROWTH AND INNOVATION.

SHELLEY LANGAN-NEWTON
DIGITAL FORUM LEAD



DPO FORUM

“THE DATA PROTECTION OFFICERS’ FORUM IS MADE UP OF REPRESENTATIVES FROM THE PUBLIC AND PRIVATE SECTORS WHO HAVE AN INTEREST IN DATA PROTECTION, DATA GOVERNANCE AND INFORMATION SECURITY.”

The Data Protection Officers’ Forum is made up of representatives from the public and private sectors who have an interest in data protection, data governance and information security. Structured meetings have continued to be held regularly on a six-weekly basis and have been well attended by Forum members who have readily shared information and awareness on topics relevant to the Forum.

Forum members enjoyed positive interaction with the interim Information Commissioner, Stuart Haynes, during his time in post and have already secured commitment from the Information Commissioner’s office for an introductory meeting with the new Information Commissioner.

PARTICULAR TOPICS WHICH FORUM MEMBERS HAVE BEEN MONITORING DURING THE YEAR INCLUDE:

- The impact of developments in UK data protection legislation;
- The Isle of Man’s national security infrastructure bill;
- The EU’s Digital Operational Resilience Act; and
- AI related developments including the Digital Agency’s initiatives.

Forum members have recently concluded discussions on strategic priorities for the year ahead and these include more support for Chamber members on data governance issues as well as building a relationship with the new Information Commissioner.

SINEAD O’CONNOR
DPO FORUM LEAD



FINANCIAL AND PROFESSIONAL SERVICES FORUM

The financial and professional services sector continue to be the cornerstone of the Isle of Man Economy and despite various headwinds continues to perform well.

This has been another challenging year for the FPS Sector and there no longer seems to be such thing as a 'normal' year.

We held a forum looking at 'How to Grow the FPS Sector in the Isle of Man' and this was done in conjunction with the Finance Agency with the Department for Enterprise.

The output was not really surprising with some key themes continuing to come through this year such as the skills gap , the increasing staff costs alongside the cost of living rises, and of course the costs and extent of regulation to business.

A shortage of compliance staff has been equally highlighted through the course of the year and it has been good to see a more pragmatic approach coming for the regulator with regards to approving appointments.

The forum has had some good debates throughout the year covering such things as the future tax strategy/Pillar 2/EMI rules/MoneyVal and regulatory reviews – to mention a few.

At the latest session it was welcoming to hear some real positive business sentiment from sector representatives and it is this positivity that can continue to drive forward our sectors.

During the year it has been good to forge a closer relationship with the Finance Agency who have proactively shared the areas they are working on and been receptive to hearing the thoughts and ideas from the group – hopefully we can build on this further next year.

It was great to welcome some new members to the forum who bring with them in turn some different thinking and ideas.

One thing that is abundantly clear is that we are living in a world that has never been so unstable and change is now a permanent factor facing all our business and we need to work together to be as prepared as we can be for whatever may come our way.

So, for the next year it would be good to see more members coming forward to join the forum and help us learn more about what we need to be thinking about as we endeavour to look forward.

Finally, a thank you to everyone who has participated in the sessions both a members and guest presenters.

**THE FINANCIAL AND
PROFESSIONAL SERVICES
SECTOR CONTINUE TO BE
THE CORNERSTONE OF
THE ISLE OF MAN
ECONOMY AND DESPITE
VARIOUS HEADWINDS
CONTINUES TO PERFORM
WELL.**

JOHN HUNTER

FINANCE AND PROFESSIONAL SERVICES
FORUM LEAD



POSITIVE HEALTH AND WELLBEING FORUM



FOR A HEALTHY NATION WE MUST ALSO LOOK AFTER OUR PHYSICAL AND FINANCIAL NEEDS.

This is my final report as Forum lead as I will be stepping down at the forthcoming AGM. I now reflect on my time as Chair, what we have achieved and the challenges ahead.

As an Island too many suffer from mental ill health and sadly all too many are lost to suicide. There is still a stigma with many unable to talk to about their problems. Only mental health is only part of the picture. For a healthy nation we must also look after our physical and financial needs.

In November 2023 we showcased the vast array of help available at the Wellbeing in the Workplace Conference. This was an amazing event, which we took this on within months of our formation. Everyone in the Forum played their part in the conference but a special thanks to the committee who gave up their free time to ensure its success. The Theme It Takes and Island summed up the fact we all have a part to play in the solution.

Our work, however, extends beyond the conference as we strive to make wellbeing the key priority of all. To this aim we issued a survey to Chamber members for their views. The results have enabled us to design a programme of presentations specific to Chamber's members' needs. The first being on stress, which was the top concern.

In listening to the results of the survey we redesigned our page on the Chamber website where you can now see our mission statement and goals; The 5 pillars of wellbeing. We continue our work to remain relevant by designing an effective strategy.

Many thanks to Amy House, Wendy Ranft-Gerber and Sindy Lambert, Secretary and Vice Chairs, for their invaluable support and help, and everyone from the Forum who ensured our success from day one. A final word of thanks to Rebecca and Jess for their unstinting work and patience.

JUAN MOORE
POSITIVE HEALTH AND WELLBEING LEAD



ROAD, SEA AND AIR FORUM

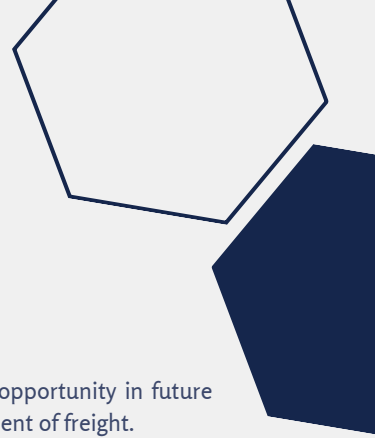
LIVING ON AN ISLAND MEANS THE MOVEMENT OF GOODS AND PEOPLE IS PARAMOUNT TO OUR EVERYDAY LIVES. RECENT TIMES HAVE ONLY SERVED TO REINFORCE THE IMPORTANCE OF SUSTAINABLE TRANSPORT TO DEVELOP OUR ECONOMY AND MAINTAIN THE WELLBEING OF OUR COMMUNITY. THE COMMITTEE AIMS TO PROVIDE A VOICE OF INDUSTRY ON ALL MATTERS PERTAINING TO ROAD, SEA AND AIR.

SUMMARY

2023/24 has seen some notable achievements but also significant challenges that remain to be resolved.

Some are by their nature largely beyond our control, but others will require a comprehensive set of 'joined up' initiatives between Government, quasi-Government entities, the Private Sector, and International Regulatory Bodies.

It is important that all Stake Holders continue to work together to deliver the required outcomes



ROAD

The Road Haulage industry has faced significant difficulties, some of which were inevitable, with the introduction of our new ManxMan vessel, associated infrastructure challenges at our respective Ports. In particular Heysham and Douglas. All of which has caused disruption in supply chains impacting ultimately on local businesses and their customers.

It is hoped that through a collaborative approach the impact of external events, in particular weather related disruption, can be reduced.

The topic of Electric Vehicles continues to be felt. Demand appears to have fallen significantly. This due in part to considerable inflation in insurance premiums but also the challenges and safety concerns around transporting these vehicles Off-Island

SEA

The Manxman entered service in August 2023. It has been recognised as a very impressive vessel capable of accommodating 950 Passengers and 300 vehicles.

Like almost all high value and high technology projects she experienced some early teething problems but undoubtedly will serve the Island well for many years to come.

At the same time, weather related challenges have been exceptional and undoubtedly more remains to be done to improve harbour facilities both in Heysham and Douglas. We are hopeful that 2024/25 will through a collaborative approach, deliver significant improvements in these areas.

The IOM Steam Packet was given access to the new Princess Half Tide Dock in Liverpool in June 2024.

The project had become significantly late and even more significantly over Budget. The quantum of costs more than Budget will only be known in early 2025.

Despite teething issues which have largely been resolved – some of which rest outside of IOM Steam Packet, e.g. signage and silting – it is hoped this will become a significant asset to our Island.

It is unclear whether, due to constraints placed by the

Port of Liverpool, there will be the opportunity in future to make use of Liverpool for an element of freight.

The future of the Ben My Chree as back up vessel as was originally intended remains under review by the IOM Steam Packet Company and Government.

AIR

Undoubtedly significant progress has been made in dealing with the Global shortage of ATCO's [Air Traffic Controllers] although this remains a longer-term issue, due primarily to statutory training requirements.

The performance matrix for Ronaldsway have shown steady improvement over the last twelve months. This is a positive reflection on all stakeholders.

From the Air travellers perspective there is an ongoing international review of ATOL [Air Tours Operator Licence] – the mechanism which provides a 'safety net' [in effect Insurance for passengers] when a travel company fails. The potential risk is that the Crown Dependencies may not be included going forward. Efforts are being made at both a Governmental and Industry level to resolve.

Air Passenger Duty [APD] is payable on Isle of Man Tickets [this is not the case for Jersey / Guernsey]. In addition to the direct cost to Passengers there is a danger that the imposition of this levy could dissuade 'Carriers' from servicing routes to our Island. the impact of this Tax increases in proportionality as the general cost of Air Travel on Short Haul Routes continues to fall. The two major Budget Carriers are expressing negative concerns and projections. This after Carriers have enjoyed a 'Honeymoon Period' post Covid. This topic is actively under review with Government.

Finally, I would like to express thanks to Gary Cobb Ronaldsway Airport Director and his Team, with whom Chamber have built a first-class relationship over the last two years. This will undoubtedly benefit the work of Chamber and its Members going forward

BILL MUMMERY

ROAD, SEA & AIR FORUM LEAD



SKILLS LEAD UPDATE

“THE PROGRESS WE HAVE MADE SO FAR IS A SUBSTANTIAL STEPPING STONE TOWARD A MORE SKILLED AND COMPETITIVE ISLE OF MAN.”

PROGRESS AND FUTURE DIRECTIONS FOR SKILLS IOM

As the Skills Lead for the Isle of Man Chamber, I am pleased to report significant progress in 2024 regarding the establishment of Skills IoM—a pivotal initiative aimed at enhancing the skills landscape across our island. This joint board, which includes Ministers, their officers, and Chamber members, has received formal approval from Tynwald and represents a collaborative effort to address the evolving needs of our workforce and business environment.

The strategic framework for Skills IoM has been confirmed, and I am excited to announce that initial funding has been secured to advance our actionable agenda. This funding will serve as a catalyst for implementing the first steps of our strategy, facilitating targeted initiatives that will benefit all stakeholders—residents, businesses, and educational institutions alike.

A considerable amount of time has been dedicated to studying best practices from other jurisdictions that have successfully navigated similar challenges. By incorporating these learnings, we aim to customise a roadmap tailored to the unique needs of the Isle of Man's economy. Our goal is to develop a robust and responsive skills strategy that maximizes opportunities for all.

Our immediate focus within the Chamber will be the establishment of an Employer Representative Group that encompasses all sectors. This group is crucial in ensuring that the voices of businesses, regardless of their size, are

heard and considered in decision-making processes. We believe that a diverse representation will lead to more effective strategies and outcomes.

In addition, we are prioritising partnerships with appropriate organisations to start gathering vital data on local market information. This data will be essential for the Skills IoM Board as it seeks to make informed decisions that align with the realities of the local economy and labour market.

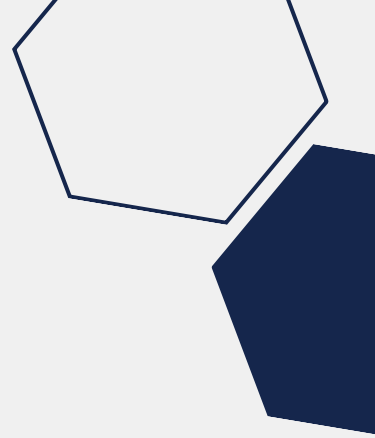
We are now poised to transition into the action phase of this significant project, and I call upon all Chamber members to engage actively in this process. Your involvement in data gathering and providing feedback is invaluable as we design and implement effective initiatives.

To sum up, the progress we have made so far is a substantial stepping stone toward a more skilled and competitive Isle of Man. Together, we can ensure that our strategic approach not only meets current demands but also anticipates future challenges. I look forward to collaborating with each of you in this exciting and transformative journey.

KELLEY CORLETT
SKILLS LEAD



STEM FORUM



The STEM committee has continued to broaden its cross-industry scope, with a number of smaller companies now joining the forum, as a result membership grew by over 60% during the year. The STEM committee's strategic priorities and objectives remain similar to last year, headings as below:



PROACTIVELY GROW THE SECTOR

The scale of the IOM E&M sector remains an issue (lack of 'critical mass') which is why growth remains a primary goal. Government data indicates that E&M represents ~3% of the economy using GDP as a measure (compared with our UK neighbours at ~11%). We have been actively supporting the E&M review during the current year to better define E&M's contribution to the economy and to create a new vision for the future with actionable road-maps to growth, see below.

ADD VALUE TO THE STEM FORUM NETWORK

This remains a key focus for our regular meetings, with many of the members citing this as the reason that they are part of the Network. Matters discussed during the year included how companies can help grow the numbers





of students entering UCM this year, expanding the salary benchmarking to include benefits, the direction of the ACE programme and the E&M Review.

CONTINUE TO TACKLE SKILLS SHORTAGES

Support the Awareness of Careers in Engineering (ACE) programme, promoting engineering and manufacturing as a career choice for people starting their careers and those wishing to change careers.

Run as a sub-committee, 2023 has been a ground-breaking year for ACE in making key progress in the vision of this committee. This has been achieved under new leadership of Melanie Beattie and through our partnerships with STEM educators, schools, clubs and more as highlighted in the following table.



 Primary Engineer® <i>...the first step</i>			 UCM University College Isle of Man <i>Collegium Officiorum, Scientiarum, Technarum a College of Further & Higher Education</i>
Teacher Training/STEM Kits (Construction Lessons) – 10 Primary Schools <i>"If you were an Engineer, what would you do?" - Competition</i>	2022/22 – 21 Primary Schools given fully ACE funded lessons delivered by Young Engineers <i>2023/24 – ACE funding approved for 2 lessons at ALL Primary Schools on IoM</i>	800 of our islands school children given the opportunity to attend a STEM day supported by ACE member organisations	22/23 = 101 Eng & Mfg students studying! 23/24 = 111 Eng & Mfg students studying! <i>UCM/AMTC Career fair supported by ACE Member companies</i>

Support the University College, IoM in developing the manufacturing apprenticeship scheme and the Advanced Manufacturing Training Centre (AMTC); and its other Engineering courses.

AMTC continues to be an essential resource for supporting the Engineering and Manufacturing Apprenticeships. Continuing on from last year member organisations provided training sessions, where the students were introduced to vocational subjects such as problem solving, machine programming and 3D printing. Many students gain employment with local engineering companies and once again demand outstripped supply this year with all students looking for a position finding one.

SUPPORT GOVERNMENT IN THE DEVELOPMENT OF A ROBUST STEM STRATEGY THAT POSITIONS THE ISLAND FOR SUCCESS

As mentioned above the STEM committee have been supporting the E&M review which aims to grow size of the sector over the coming years. This review has progressed significantly during the year. Key successes are:

- Detailed phase1 report investigating the sector and comparing it to other jurisdictions.
- Drafting of a vision with clear objectives for growth
- A number of actionable initiative roadmaps underpinning this vision statement.

CHALLENGES – NEW AND OLD

2023/2024 has been very successful in terms of the Ace programme, which has reached more of our young students, hopefully positively influencing their consideration of the STEM sector in their future career plans.

A major focus for the year has been the E&M review, phase1 is complete and phase2 is drawing to its conclusion providing a number of initiatives to stimulate growth within the sector. We look forward to supporting Government with implementing these initiatives during 2024/2025

NICK GIBBS
STEM FORUM LEAD



THINK TANK

MISSION STATEMENT

To question the status quo in order to provide solution led, outside of the box thinking which contributes towards the identification and remediation of business issues and emerging economic challenges in the Isle of Man.

INTRODUCTION

Think Tank is a mixed collective of people, across a variety of sectors. Our primary focus is to look at future trends and how they may impact the Isle of Man and the local business community. Additionally, we focus on identifying new or emerging sectors, considering how we can support these growth areas.

PROJECTS AND FOCUS AREAS

Like other groups across Chamber, Think Tank has struggled with membership numbers this year. As such, we have focused internally on building foundational stones that will enable us to expand and attract new members. We have created a new mission statement to reflect what we seek to achieve as a group. In addition to the new mission statement, we have also agreed a core set of key aims which will help shape future work. The final element of our internal focus was the creation of a benefits of Think Tank membership list. We plan to use

this document moving forward to help market Think Tank and seek new members.

Moving into the 2024/25 period, we will be expanding further on our areas of focus and other projects as they arise. We would invite new members to join our group and contribute their thoughts to our debates and work streams.

We are always happy to take suggestions for focus areas from the Chamber Board and membership to ensure our work and focus remains aligned to the needs of the Island business community.

KATHRYN SHARMAN
THINK TANK LEAD



VISITOR ECONOMY FORUM

This is my last report as forum lead after six years at the helm, so rather than simply recap the last twelve months, I thought it might be helpful to focus on the key issues that I believe are important to the sector going forward.

The first thing to say is that we have the potential for strong growth in our visitor economy. The Island's natural beauty, its safe environment and its wide range of heritage offerings is a heady mix for many, notably the older demographic. Steam Packet's new flagship, Manxman, has transformed the quality of sea services, and Visit Isle of Man is making good progress with its new management structure (albeit it would be more effective still if it could be separated away from central government).

Potential is one thing, reality another, and we won't optimise our opportunities unless we can persuade government to understand and address the prospective roadblocks that we face. So, in no particular order, here is a short summary of each.

IMPORTANCE OF THE VISITOR ECONOMY

Because of the way the Island's Gross Domestic Product (GDP) is reported, the importance of the visitor economy is underestimated by most politicians. A general misconception is that it's 'less than 1%', but in reality it's more like 6%-7% of our real (circulating) economy. Not only that, but it underpins many events, attractions and hospitality businesses that add to the quality of life on the Island, and it provides our biggest inflow of 'foreign earnings'. If the visit economy's true value was appreciated, progress on the issues that follow might well be considerably easier to achieve!

SEASONALITY

The Island has always struggled with high peaks and low troughs due to the absence of domestic tourism (which is about 50% of all tourism in the UK and many other European destinations). The annual cycle is positive trading and cash generation in the summer followed by loss-making and cash draining months in the winter. Treading water in this way leads to underinvestment and an undermining of sustainable capacity growth, and therefore solutions must be a top priority for Visit Isle of Man.



DEVELOPMENT FUNDING

Regardless of the seasonality issue described above, the visit sector struggles to obtain funding due to the lack of an active commercial banking sector on the Island. The DFE's current capital grant scheme isn't effective because it doesn't apply to all accommodation providers, and when it is available, it offers 20% support to businesses that seldom have any prospect of raising the remaining 80%. Revising the scheme to include soft loans and extending eligibility to a wider range of businesses would make a world of difference to its effectiveness and uptake.

TRAVEL COSTS

Inbound transport is getting a bad press, in particular in respect of cost, but much of the problem comes back to government policy. Steam Packet has been told by Treasury to maximise profits, and airlines have to contend with very high landing charges. In both cases this means that government is the prima facie winner, and the Island business community the loser. But it's really a 'lose-lose' scenario as visitors are put off by cost, go elsewhere and millions in local spend (and tax-take) is lost to competitor destinations. There has to be a more effective way of dealing with the needs of both parties as the current situation is clearly suboptimal. Better to make the Island a value for money destination, get people to come, and work out a way to reimburse the carriers from the additional economic activity that results.

LIVING WAGE

If government presses on with its plan to introduce the living wage in April 2025, we will likely have the highest national minimum pay rate in the world. How does government think that's sustainable for an island with a small population, an already-shrinking domestic sector and general input costs well above UK levels? Most people in our sector would agree that living wage should be phased in over time, but it needs to be done in a measured way with due thought to the implications for employers and employees. To simply try and impose a 20% uplift between now and April 2025 (on top of the 40% rise in minimum wage we've seen since the pandemic) is irresponsible, and risks hurting the very people it's meant to help!

GOVERNMENT

Government just keeps getting bigger, and with it comes growing inertia and detachment. Gone are the days when we had the advantage of a fleet-of-foot political environment that could respond quicker than other jurisdictions. This is a major impediment to business generally, not just the visit sector.

Persuading government to become more 'lean and mean' in the future won't be easy, but it is essential for real economic growth, and Chamber has the clout to at least make government think about their current course, and the negative impact that it is having on the business community.

SUMMARY

The potential outlined in my introduction, together with the challenges and opportunities highlighted above puts our sector at a crossroads. The next few years could see us make great progress towards the Visit 2032 target if the right choices are made, and I wish the forum's new co-leads, John Keggin and Sally Helwich, great success in their efforts to promote our agenda.

BRETT MARTIN FCA
VISITOR ECONOMY FORUM LEAD



A YEAR AT THE CHAMBER

TOTAL MEMBERSHIP AS AT 31 MARCH 2024
464 business representing circa 25,000 employees

STAFF:
Rebecca George, Chief Executive
Jessica Kitchin, Business Support Lead

FORUM VOLUNTEERS: 350

WITH THANKS

The Isle of Man Chamber of commerce would like to thank the following members for their continued support:

MMC – Media Partners

Crowe Isle of Man LLC – Audit

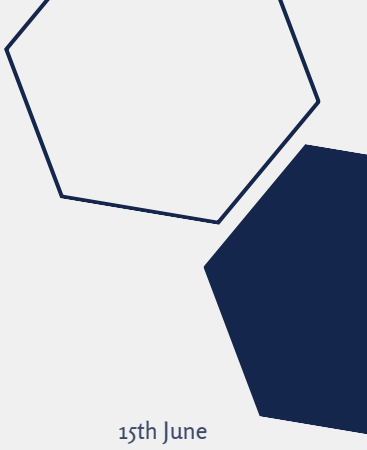
PDMS – Website

Celton Manx – IT Support

CHAMBER EVENTS

Between April 2023 and March 2024 we hosted 47 events including lunches, workshops, and seminars attended by 2500 members.

Fintect Innovation Challenge	2nd March
Business Sustainability	16th March
Gender equality	21st March
Procurement event	22nd March
Employing people	23rd March
Northern Power House Drinks	30th March
Northern Powerhouse Building Bridges	31st March
Northern Powerhouse Working Lunch	31st March
Member Meetup	3rd April
Intro to Governance	27th April
Pensions - Boal & Co	28th April
Understanding Cyber Security	4th May
Visa sponsorship for employers	1th May
Business Sustainability	18th May
Financial Anxiety - MAC Group	19th May
Intellectual Property	25th May



Introduction to VAT	15th June
Pillar 2 Online	19th June
Member Meetup	3rd July
Business Sustainability	13th July
Summer Drinks	14th July
SME Finale	20th July
Sustainable Mann	12th Sept
Business Sustainability	14th Sept
AI Lunch	15th Sept
Sustainable Mann	19th Sept
Gala Dinner	22nd Sept
FPS Forum update	26th Sept
Sustainable Mann	26th Sept
Sustainable Mann	3rd Oct
Sustainable Mann	10th Oct
Sustainable Mann	17th Oct
Business and Charity Partnership	2nd Nov
Business Sustainability	16th Nov
Wellbeing Conference	30th Nov
Christmas Drinks	8th Dec
Member meetup	15th Jan
Business Sustainability	18th Jan
Three Ministers	19th Jan
Digital Update	1st Feb
Orsted Lunch	16th Feb
Business Sustainability	15th Feb
Workshop DPO	27th Feb
Business Sustainability	7th March
Neurodiversity	21st March
Wild Work Day	26th March
AI Workshop	27th March

