

CBI faces autumn deadline to refinance rescue funding

The CBI faces a deadline next September to refinance millions of pounds of funding put in place to avert its collapse during the autumn.

Sky News has learnt that a seven-figure facility put in place with banks will expire at the end of the third quarter next year.

While the size of the facility is unclear, sources have said it is likely to be several million pounds.

According to the business lobby group's annual report and accounts, which was circulated to members late last week, it was able to survive the aftermath of a sexual misconduct scandal "through the backing of key members, the use of reserves, support from creditors and with bank financing".

"The bank financing is due to terminate on 30 September 2024, after which it is the board's current intention to look to renew the facility if required.

"The exceptional costs from the past year have now been paid and the organisation has been reshaped so that salary costs are appropriate given the expected level of income."

On Friday, Sky News revealed that the CBI was urging members to swallow a further rise in fees even as it battles to regain its former standing among political and business leaders.

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Self-styled as “the voice of British business”, the CBI has been slowly rebuilding its reputation, staging a slimmed-down version of its annual conference last month which featured an address by Jeremy Hunt, the chancellor.

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The group has been slashing costs by axeing a chunk of its workforce and closing most of its overseas offices following several rape allegations against former employees, which triggered an exodus of corporate members including Aviva and John Lewis Partnership.

Tony Danker, its director-general – who was accused of inappropriate behaviour but had nothing to do with the more serious allegations – stepped down in April weeks after being suspended.

The CBI briefly entertained autumn talks about a merger with Make UK, the manufacturers' body, but these have now been curtailed.