

## Your Weekly Business Bulletin from Thanet & East Kent Chamber

### Thanet & East Kent Insider

23<sup>rd</sup> October 2009

#### 1. Pensions

Discussing pension arrangements is about as attractive to most people as eating cold custard with Brussels sprouts, but the government's Department for Work and Pensions is understandably keen to ensure that companies and employees are not taken by surprise by new arrangements. At a seminar at Westminster earlier this week, the DWP explained that in the year 1901, there were 10 people working for each UK pensioner. In 2005, this was reduced to a ratio of five to one. By 2050, it is estimated to fall to two workers for each pensioner. When the uncrowned King Edward VIII visited the depressed mining areas of Wales in 1936, he declared that "Something must be done". He left office not long afterwards. The current Secretary of State for Work & Pensions, the Right Honorable Yvette Cooper MP, must be hoping that she does not suffer the same fate because something must be done about pension provision if the UK is to offer a dignified retirement to its senior citizens and retired workers. Current plans propose that from 2012 employers will be required to enroll 'all eligible jobholders' into a qualifying workplace pensions scheme and to make contributions to it.

#### 2. How Much Will The New Scheme Cost Me?

At current pay levels, employers will eventually be obliged to contribute 3% of salary for those workers earning between £5,035 and £33,540 a year. The worker's own contribution and a 1% tax relief will bring the overall payment to a minimum of 8% of salary. Anyone earning less than £5,035 per year may opt in to their employer's pension scheme, but the company is not obliged to make a contribution in such cases. These thresholds are liable to rise before 2012. Companies with a scheme that meets the required quality standard may continue with their current arrangements. The charges are likely to be phased in with large companies pioneering the arrangements from October 2012. Full details should be available in 2010. For an example of how these changes are likely to impact on a worker earning £25 a week, £17,000 a year, £37,000 a year and £45,000 a year, email [admin@tekc.co.uk](mailto:admin@tekc.co.uk) with the subject line 'New pension examples'. The government envisages heavy fines for a 'non-compliant employer' ranging from £50 per day for a company with four workers or fewer to £10,000 per day for large companies. The Pension Regulator is also expected to be given the powers to fine pension scheme managers, trustees, accountants and administrators an escalating penalty of £200 per day. Perhaps Brussels sprouts and custard is not so bad after all.

#### 3. Oh Dear. Who Can Help Me With Pension Advice?

The good news is that the changes listed above are not due to take place for two years. The obligations on the employer will increase considerably. Companies should be aware of the words of David Norgrove, the Chairman of the Pension Regulator, who wrote in his annual report last June, "Our new statutory role is to maximise employer compliance with the new duties". As always, help is at hand from the following Chamber members who will be pleased to advise: Jon at J Cleverdon Chartered Accountants tel: 01843 866599; James at County Consultancy tel: 01843 579316; Mark at Levicks Chartered Accountants tel: 01843 862716; Paul at Michael Martin Partnership Ltd tel: 01227 770500 and Christopher at Neville Weston tel: 01843 594571.

#### 4. Data Security

Warren Dunham of Chamber member Sota Solutions offers fellow members a free seminar on IT & Internet Security. The event is scheduled for the evening of Thursday 26<sup>th</sup> November 2009 at Kent Science Park, Sittingbourne starting at 1800 hrs. Delegates will be treated to expert advice from Weebroot, a US company providing 'industry leading security solutions for consumers, enterprises and small and medium businesses worldwide' as well as a legal briefing from ASB Law. For details contact Warren direct by email to [warren.dunham@sota.co.uk](mailto:warren.dunham@sota.co.uk) or by telephone to his mobile, tel: 07743 877128.

#### 5. Lean & Green

Peter Walton of Chamber member Lean2Green has sent to our Broadstairs office an excellent leaflet which explains how Modern Business Improvement Techniques such as the Toyota Production System can be applied to smaller companies to boost profits. Peter has also written an easy-to-follow seven step guide outlining the principles behind how to reduce waste and improve production by up to 25% in just two weeks. For your free copy of both these guides, readers of the Thanet & East Kent Insider are invited to email [admin@tekc.co.uk](mailto:admin@tekc.co.uk) with the subject line "Lean2Green Guides". Enquirers who are not members of this Chamber should include their full postal address and telephone number.

## **6. Thanet Off-Shore Windfarm**

Our friends at Thanet Offshore Windfarm have contacted the Chamber with news of an Open Day at the Royal Temple Yacht Club. Regular readers of the Thanet & East Kent Insider will recall that the edition of 25<sup>th</sup> June 2009 gave full details of this £800m project which is expected to be completed by October 2010. The one hundred wind turbines currently being built off the Thanet coast are expected to produce sufficient electricity to power 240,000 households. Vattenfall, the Swedish construction company, invites all readers of the Thanet & East Kent Insider to visit the Royal Temple Yacht Club at 6 West Cliff Mansion, Ramsgate CT11 9HY at any time between 1100 and 1900 hrs on Wednesday 18<sup>th</sup> November 2009. On completion, TOW will be the largest windfarm in the world and the forerunner of more large-scale projects as the UK takes commercial advantage of its claim to be 'the windiest country in Europe'.

## **7. More Money Available**

Roger Gale, MP for North Thanet, has contacted the Chamber with news of a scheme to facilitate lending to small businesses by the Royal Bank of Scotland and NatWest. Stephen Hester, appointed by the government last year to deal with the serious problems at RBS, has written to Roger with details of an initiative that provides a Business Hotline to existing and potential customers with the promise of a named case worker to be appointed with 48 hours and a decision on finance within a month. RBS is committed to making an extra £16bn available for business lending this year. For details, contact the RBS Business Hotline, tel: 0800 092 3087 or email [businesshotline@rbs.co.uk](mailto:businesshotline@rbs.co.uk). Since his arrival last November, Stephen Hester has done much to end the culture of excess at RBS including cancelling an order for a £31 million private jet for its senior executives.

## **8. Serco And Business Link**

This Chamber has received a letter from the Managing Director of Serco Knowledge Services which has won the right to be the preferred supplier of Business Link Services for the South East from April 2010. The company employs 9,500 people in the region and is keen to work closely with companies in East Kent. The parent body, Serco Group plc, is a FTSE 100 international service company which describes itself as offering 'commercial know-how with a deep public service ethos.' It has an extensive portfolio of departments which includes the management of the UK Atomic Weapons Establishment providing the warheads for the UK's independent nuclear deterrent. By contrast, Serco also works closely with some local authorities on primary education. Education Walsall was recently rated by Ofsted as the most improved Local Education Authority in the country ever. With highly developed operations in Aviation, Health, Housing, Security, Science and Transport, there is obviously more to Serco than emptying your bins, as we are about to find out in East Kent.

## **9. Thank You Rob**

The last minute cancellation of the relocation of Thanet College to a new site at Westwood Cross was greeted with acute disappointment by all those with the best interests of Thanet's business community at heart. Politicians of all parties campaigned to support the £82.2m project. If the severe budget cuts at the Learning & Skills Council meant that the new measures introduced at the LSC now hit the target but miss the point, none of that can be attributed to the hard-working staff at Thanet College nor to the outgoing Relocation Director, Rob Thrower, who provided an inspirational focus to the project and will be sorely missed by all those who worked with him. We wish Rob every success in his new post at Canterbury Christ Church University. The relocation email address at Thanet College is now closed. Any enquiries relating to the College's future property strategy should be addressed to Karen Pilgrim, Director of Finance and Corporate Services, email: [corporate@thanet.ac.uk](mailto:corporate@thanet.ac.uk).

## **10. Fashion Show**

A Ladies Lunch & Fashion Show in aid of the Martha Trust is timetabled for 17<sup>th</sup> November 2009 at the Leas Cliff Hall, Folkestone. The Martha Trust provides lifelong residential care for people with profound disabilities. Sponsored by Debenhams, Basepoint and others, the event includes a two-course lunch with coffee. Tickets cost £25. For details, email [seritaboxall@marthatrust.org.uk](mailto:seritaboxall@marthatrust.org.uk) or telephone 01304 610448.

## **12. You've Had Your Chips**

One story reaching the Chamber concerns some revellers returning home along the Margate sea front just as a fish and chip shop was about to close for the evening. As the merry party of four entered the shop, the lead singer asked, 'Do you have any chips left?' The owner, delighted at the prospect of selling his surplus stock, answered. 'Yes of course.' The singer said, 'Well, you should not have cooked so many' and promptly turned on his heel and left accompanied by the other members of his party

inordinately pleased at their innovative humour. Of course, if the owner adopts a lean production schedule, see item 5 above, he could avoid a repeat performance. On the other hand, he could just close the shop five minutes earlier.

### 13. Our Sponsors

The Thanet & East Kent Insider is grateful for the support and sponsorship provided by Girlings, Express By Holiday Inn and Adecco. Girlings Solicitors has been managing the managing the legal affairs of commercial and private clients for over a century. Twenty-six partners and one hundred and twenty members of staff ensure a comprehensive range of services from the local offices in Ashford, Canterbury, Folkestone, Herne Bay and Margate. Offices in France and Spain complement specialist departments for charities, individuals and companies. For details, telephone 01843 220274. Express By Holiday took on the daunting task of restoring the former Prospect Inn at Minster. The result is a spectacular hotel that combines the best of Oliver Hill's 1930s design with ultra modern facilities and technological support. Conveniently located for business guests and holiday makers in East Kent, the meeting rooms and 105 bedrooms are available at competitive prices throughout the year. For details, telephone 01843 820250. Adecco is the world's largest HR solutions company offering a comprehensive service of temporary and contract staffing, permanent recruitment, outsourcing, outplacement, career services, training and consulting. Officially designated as a 2009 British Superbrand, Adecco is represented in Thanet and Dover by its Broadstairs office, tel: 01843 609292.

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**It's happening now, it's happening in Thanet & East Kent.**  
**For details of membership, email [admin@tekc.co.uk](mailto:admin@tekc.co.uk)**

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