

# Your Weekly Business Bulletin from Thanet & East Kent Chamber

## Thanet & East Kent Insider

16<sup>th</sup> January 2010

### 1. Advice to East Kent Companies

Lord Digby Jones 'one of Britain top business gurus' was interviewed on BBC Radio Kent last Thursday. He answered a series of questions recorded by members of the Thanet & East Kent Chamber. A recording of his replies and wise advice is available until 21 January on the BBC iPlayer. Click on <http://www.bbc.co.uk/iplayer/console/p005wx7y> and fast forward to 0:22:30 to hear the first question on tourism and its value to the economy of East Kent.

### 2. What Does a Toff Like Lord Digby Jones Know About My Business?

There's no need to be impertinent. In fact, Digby Jones is far from being a toff. His most valuable lesson came from his father who operated a small corner shop near the Austin Motor Company factory in Birmingham. He recalls that in those days male workers would leave the factory gates on a Friday and hand over their wage packet to their wives who would dole out a small beer allowance to the expectant husband. In 1960s Birmingham, the husbands were expectant. As an eight year-old, Digby recalls serving an extra free potato to one lady customer and being severely reprimanded by his father for giving away his profit margin. Those early experiences in the corner shop taught him the basics of trade. He also learned to appreciate that small businesses represent the country's best hopes for recovering from a recession. As a result, he trumpets the virtues of small companies at every opportunity. As he puts it, 'The nation needs you'.

### 3. Alright, Alright, But Why Is He Now Baron Jones of Birmingham?

Although he was expelled in his last week at school for streaking, he had worked hard and had become head boy. His first career as a corporate lawyer lasted for twenty years which he claims gives him the right to answer his own question, 'What do you call 100 lawyers at the bottom of an ocean? A damn good start'. But, he did rather well as a regional Chairman of the Confederation of British Industry, the CBI, and became its Director-General for six years from 2000. A straight talker, he did not always endear himself to the government. Nonetheless, he was appointed a Minister of State for Trade and later a Business Ambassador at the UK Trade & Investment. He is now Chairman of Triumph Motorcycles, Chairman of the HSBC International Business Advisory Board and has senior posts with JCB, Jaguar Cars, the Monitise Group, Neutrino Concepts Ltd, Cancer UK and Diversity Works. He was knighted in 2004 and ennobled in 2007.

### 4. Even So, What Does He Know About East Kent?

Thanks to Thanet & East Kent Chamber, he knows more now than he did. His recipe for encouraging more tourists to East Kent is to 'shout about it all the time everywhere', to upskill staff so that they are more customer-friendly and to invest more in facilities. He is scathing on the public support given to small rural businesses which he contrasts sharply to the subsidies offered to the farming community. In answer to a question from Thanet & East Kent Insider sponsors, Girlings Solicitors, on reducing regulations for East Kent companies and securing finance for small businesses, Digby Jones lamented the prevailing 'form-filling, regulation compliant' climate and compensation culture which is so damaging to business growth. In his view, risk-averse public officials lack the courage to liberate small companies from excessive red tape. He advocates localism for banks so that instead of anonymously authored software in a London data store making lending decisions, bank managers should be empowered to make their own judgments based on the local business environment and the person asking for the loan.

### 5. What About Skills?

In answer to a question on skills from the Thanet & East Kent Chamber sponsor Adecco, Digby Jones made a heart-felt appeal. 'I would advise every single small businessman or woman listening to this, tomorrow, find out the name of your nearest school. Ring them up, invite yourself in.' He calls for a much closer relationship between East Kent companies and state education. He wants every schoolchild to appreciate that you have to earn a living. He also warns them of a new reality that 'China wants your lunch and India wants your dinner' and pleads to 'get them to understand the pleasure of earning a living'.

### 6. What Else Did He Talk About In East Kent?

Digby Jones had much sympathy for the Thanet & East Kent Chamber's campaign to support our local pubs. In answer to a question about the punitive taxation on drinking on supervised, licensed premises as opposed to the lower taxes on supermarket beer sales, Digby Jones felt that the destruction to our communities through the closure of post offices, small shops and pubs has been very much against the national interest. Tax revenues have decreased and the country has lost much of the 'incredibly important service' that pubs offer. He noted that alcohol and cigarettes represent 'very easy hits' for the Treasury. The question was put to Digby Jones by Chamber member Frank Thorley who operates twenty-seven pubs, restaurants, clubs and hotels; all of them in south east Kent. Frank knows what he is talking about.

## **7. Is That All?**

Not entirely. Other questions from Chamber members were edited out of the recorded broadcast but are nevertheless critical issues as East Kent strives to recover from the downturn. OFP Timber Framed Homes, tel: 01304 613298, prides itself on providing sustainable solutions to architects, housing associations and developers in Kent and the south east of England. OFP has broadened its appeal to an increasing list of clients who are looking for an environmentally-friendly home that in many cases can be erected in under two weeks. Listeners were surely interested in any government measures that could revive the East Kent property market. In the same vein, the question from MPG Properties related to the dreadful Rating (Empty Properties) Act 2007 which has led to the widespread demolition of empty commercial premises. The owners of warehouses, factories and large offices are faced with paying excessive sums in business rates for properties receiving no public services and generating no income. It is hardly surprising in the circumstances that so many of these properties have been reduced to rubble. As this Chamber has often stated, the empty rates legislation risks achieving what the mighty Luftwaffe never managed in WWII, the wholesale destruction of industrial buildings throughout England and Wales. Rather like the Sunday Trading regulations, the Rating (Empty Properties) Act does not apply in Scotland. Readers can draw their own conclusions as to why this should be the case. Digby Jones would surely have joined Thanet District Council and all serious East Kent politicians in calling for the repeal of this disastrous legislation.

## **8. Irritating Insurance**

Our friends at Chamber member HSBC inform us that GoCompare.com's most recent ad campaign has been voted the UK's most irritating in Marketing Magazine's annual poll of the worst-offending campaigns. The poll by TNS Research International found that 56% of respondents named the advertisements featuring the fictional opera singer, Gio Compario. Other nominees in the top ten irritating ads were Confused.com and Webuyanycar.com. We maintain that at the opposite end of the scale are the friendly, kind, good-natured, and always competitive insurance services offered by Chamber member Millards Insurance of Sandwich. They make excellent coffee and never scream operatic arias at you. Give Phil or Dave a call, tel: 01304 613072. You will find yourself talking to a real person and not a computer database in London.

## **9. Retirement Age**

News has reached the Thanet & East Kent Chamber that there is widespread ignorance of the imminent rise in the minimum retirement age. From 6 April 2010, the earliest age at which people will be able to retire is to rise from 50 to 55. Research conducted by Prudential shows that nearly half of 45 to 49 year olds and just under two-fifths of 50 to 54 year olds are unaware of the change. The new rules will prevent anyone in the age range 50 to 55 from claiming private or company pension benefits and from taking the tax-free cash element of their pension fund until they are 55.

## **10. Pay Less For Utilities**

We are grateful to one Chamber member for drawing our attention to the behaviour of some energy companies which are raising their demands for up front payments from two months to six months. In one recent case reported to Ofgem, the electricity and gas regulator, a security deposit of twelve months was requested by one power company. Small and medium companies are the main target of this attack on cash flow. If you are about to renew your contract of supply for gas, electricity, water or telephones, you might find it useful to contact Thanet & East Kent Chamber member, Atlantic Business Resources. Martyn Young is in contact with all the main energy companies and can usually get you excellent discounts and limit any advance payments. Give Martyn a call to tel: 08456 185088 or to his mobile 07813 537456.

## **11. Health Training Contract**

The South East Coast Health Trainer Hub is wishing to create a framework agreement for the provision of Workforce Training for Department of Health (DoH) - Health Trainer Programmes in East & West Kent. The provision of the RSPH level 1 and C&G level 3 Health Trainer qualifications is currently commissioned on an area-by-area basis via a wide range of providers. The Hub now wishes to commission this provision from organisations, institutions or other providers with experience and knowledge of Health Trainer workforce requirements. To express an interest in this opportunity and receive a copy of the Tender document please see [www.businessportal.southeastiep.gov.uk](http://www.businessportal.southeastiep.gov.uk) or email [purchasing@kent.gov.uk](mailto:purchasing@kent.gov.uk) quoting reference Y10115, COV Code 80000000 and NUTS codes: UKJ UKJ4 UKJ42.

## **12. Comment on Unemployment**

The unemployment figures released last month by the ever excellent Research & Intelligence Department at Kent County Council make sober reading for the East Kent business community. Optimists can take some comfort from some of the ward data which shows a decline in unemployment since September 2009 of 10.3% in St Peters, which adjoins Broadstairs, and 27.3% in Harbledown, near Canterbury. A decrease is also reported in the monthly returns from the Thanet wards of Beacon Road, Bradstowe, Cliftonville West and Salmestone. Similarly, in the Canterbury district, Harbledown is joined with positive monthly news from Barham Down, Chartham & Stone Street, Chestfield & Swalecliffe, Little Stour, North Nailbourne, St Stephens, Sturry North and Wincheap. But it is the year-on-year figures which give a full picture of trends and these show uniform increases in unemployment across Kent ranging from 44% in Dover to 83% in Sevenoaks.

### 13. East Kent Unemployment Data

	November 2009		Change since Nov 2008	
	Unemployed	% of workforce	Number	%
Canterbury	2,367	2.6%	811	52.1%
Dover	2,273	3.9%	725	44.0%
Maidstone	2,467	2.8%	1,093	79.5%
Shepway	2,532	4.4%	785	44.9%
Swale	3,180	4.0%	1,095	52.5%
Thanet	4,196	5.8%	1,330	46.4%
Kent	35,217	3.5%	13,059	58.9%
South East	154,697	3.0%	59,895	63.2%

### 14. News About Banks

Since Christmas, confusing messages have reached the Chamber from banks at home and overseas. Given the banking-inspired recession from which we are supposedly recovering, there is perhaps no surprise in that. We have some doubts as to the truth of reports that the Origami Bank has folded, the Bonsai Bank has cut some of its branches and the Karaoke Bank is going for a song. However, we are assured by one Chamber member that he accompanied his ten year-old daughter to the bank to open an account. He recounts that when his daughter came to the question on the application form, 'Name of Previous Bank', she wrote 'Piggy'. Quite right too.

### 15. 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 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)**

Thanet & East Kent Chamber Limited

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