

THE BIG QUESTIONS

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In this new regular feature we'll be asking the big questions and searching for some big answers. And, as the feature progresses, we'll be looking to challenge assumptions about work and business. To kick-off the feature, we simply ask: Does Government understand the needs of Lancashire business?



◀ **Gary Lovatt**
Regional chairman
Federation of Small
Business



◀ **John Barker**
Managing partner
Forbes Solicitors



Karl Vella ▶
Managing director
Karl Vella Group



Stephen Greenhalgh ▶
Joint managing
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JJO plc



DOES GOVERNMENT UNDERSTAND THE NEEDS OF LANCASHIRE BUSINESS?



John Barker, managing partner, Forbes Solicitors:

In truth, I'm not sure it understands the needs of business anywhere outside of the south east.

London and the south east seem to be performing well, but that's where it ends.

I think they are aware of our difficulties and they may even think they understand them, but I'm not sure they can do anything about it.

Lancashire isn't an island and our trading position is affected by what goes on outside our borders as well as what goes on inside.

It's certainly possible that they look at us and think, 'I don't know how we can fix this'.

“Lancashire isn't an island, our trading is affected by what goes on outside”

The Government has been on an unwavering course of cost-cutting. For us, that has meant the loss of the Northwest Development

Agency (NWDA), which provided the economic drive for the region with massive resources.

It has been replaced by the Local Enterprise Partnerships (LEP), low-cost versions of the Development Agencies which have very little money.

The key challenge for Government is getting money into the economy and they need to find the mechanic to do that.

I'm not sure they are in a position to drive more lending so a quantitative easing programme, delivered through businesses, would be very welcome.

Infrastructure projects should also be developed – these drive cash into the economy, generate jobs and spark aspiration. Infrastructure projects can be the heart of regeneration.



Gary Lovatt, regional chairman, Federation of Small Business:

It's increasingly hard for Government to appreciate the differences between north and south.

In the south, similar businesses cluster together in large pockets and therefore it makes these areas relatively straightforward to understand.

In Lancashire, however, we have a fiercely diverse and mixed economy. Yes, we are strong in aerospace and manufacturing, but we are also strong on services and tourism – there is no one single offer and, while we view that as an economic strength, it makes it difficult for Government to understand us.

“We have no one single offer, which makes it difficult for government to understand us”

Government is attempting to bring that diversity together through the Local Enterprise Partnership (LEP). But there is a clear lack of guidance for the LEP and the government would like us all to work to their agenda and policies but there are genuine and significant differences which need to be acknowledged and, of course, acted upon.

It's there to help with the economic and growth agendas, but the rules of engagement are unclear.

I agree with the principle of handing responsibilities to local experts, but we need to know where we are supposed go from there.



Karl Vella, managing director, Karl Vella Group:

No, I don't think Lancashire's business needs are understood by government. We seem to be left to our own devices up here and if there's anything left over from a pot, we might get it. We get a tough deal in Lancashire and the North.

“I don't think Lancashire's business needs are understood by government”

My biggest problem is getting people to work in my industry. There's a big disconnect in Lancashire: we have a lot of young people out of work, and we have a lot of opportunities for work in engineering, motors and the vocational trades.

This is where the Government really doesn't understand us because it isn't making those opportunities clear and young people, it

appears, are discouraged from vocational careers.

This should be changed through the education system and a way found that people can hit a shop floor running, ready to add value to a business.

Too many young people don't understand the nature of work and the workplace - simple things like turning up and turning up on time.

I'd like an opportunity to pay apprentices aged up to 30 a first year wage for first year skills and then work with those people – in three to five years, they'd be off the Government statistics.

The Government could also show how technical many of the trades are. Cars, for example, are very complex. You have to do your schoolwork to work on vehicles now.

Promoting vocational subjects and careers shouldn't be about cynically reducing unemployment figures; these should be made aspirational career choices.



Stephen Greenhalgh, joint managing director, JJO plc:

The local MPs certainly understand us I think, but policy lags behind local knowledge.

What Lancashire needs most, and the Government is failing to address, is the encouragement to invest, to re-tool. But there's no coherent and consistent policy on capital allowances and it's a fairly meagre support system at present.

We also lack infrastructure projects and the recent cancelling of flight routes to London shows just how south east-focused the transport hub has become.

“MPs understand us but policy lags behind local knowledge”

Government could also take a firmer lead in education and training. We have a dreadful time with some of our new recruits just getting them to turn in on time, and finding the right incumbents for apprenticeships is equally difficult. The Government should instruct our schools to teach workplace skills.

Where they are understanding us, though, is in red tape around employment. Businesses have had to become more flexible over the past four years because there is more uncertainty. We need the labour market to reflect that and steps have been made in that direction.

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