



FORUM of PRIVATE BUSINESS

For our members, not for profit

“Key issues and opportunities for a small rural business”

Ian Cass, Managing Director





Some Clarification

1. I'm not an expert
2. My Background
 - 14 years in corporate Life
 - 15 years running multiple small businesses
 - 7 years helping business people
3. My Opinion's
4. Get you thinking
5. Stimulate Ideas



Change

- Most people don't like it!
- We seek stability even where there is none
 - "Cortez burnt his ships"
- Change is inevitable, its happening to us all of the time
- Darwin "Survival of the fit"
- You either accept and work positively with change or like King Canute you waste time and energy fighting against it
- The more creative and innovative you can be the better you will be able to "surf the waves of change"
- Small Business is more used to and comfortable with it, but will often resist it, if it isn't broke don't fix it!
- Technology is driving massive change in the world economy!



Top 10 issues for SME's, who make up 99% of the UK economy!

1. Remaining a profitable business and increasing its productivity against a background of increasing competition, reduced margins and rapid change
2. Red tape and regulation, including taxation and pensions
3. Finding the time to proactively grow and develop the business
4. Succession planning and developing future managers and owners
5. Engaging, recruiting and training and retaining the next generation of staff, they are different!
6. Finding the right finance
7. Extracting value from the business, my pension is my business, exit strategies, selling the business
8. Opportunities for new markets including export
9. Because of change, now and in the future identifying, who we are, what we do and how we do it, if we have family values what are they and how do we use them, USP.
10. Building marketing, engaging the customer, utilising the website and social media



Top issues for Rural Business

Workshop 1

1. What's Working, why work in the rural economy, what are the benefits?
2. What's not working, what are the issues, problems, rural issues rather than urban issues?
3. How do we make it better, what are the opportunities?



Challenges for Rural Communities

- The needs of the Rural economy are different from those urban businesses and government needs to recognise this, in the same way as they need to realise that small business is not big business only smaller, it's a completely different animal, run in a different way with a different set of needs and opportunities.
- In the same way rural communities are faced with many issues that their urban counterparts are not.
- Connectivity both physical and digital is a big issue, the digital challenges are particularly important when your tax dealings are all done online.
- If you have to drive miles to get to customers and support partners that takes a lot of time which is a big resource for any business, and it costs you money. Equally the same issues face the family and communities on schools, hospitals, culture, sport and shopping.
- Staff recruitment can be an issue as can appropriate premises to meet your needs.
- Going back to pubs, the rural pub may just be another figure on the balance sheet of a big pub operating company, but it can be the heart and soul of a local community, losing it can be traumatic for the community it serves. Sky research happier communities particularly rural ones where there is a village pub.
- Communities are also losing local banks, shops and post offices.
- So, the needs of the rural economy and communities need to be taken into account at government level and a plan to help them survive and thrive is needed, the Forum plans to be at the heart of this discussion. It's a long term issue that needs a long term cross party solution.



- **Rural Community Opportunities**
- **Rural spaces for multiple uses, training, learning “rural colleges”, focused on the issues these communities are facing.**
- **Do certain businesses suit a rural setting.**
- **Workforce at your disposal, crofting approach, working in harmony with the resources.**
- **Digital specialisms, long tail marketing**
- **Follow your passion!**
- **Connectivity, Innovation, Creativity, Flexibility.**



- Workshop 2
- Let's look at the opportunities again.
- What they are?
- What resources do we need to make them happen?



- **Government and how they can Help?**
- One size does not fit all
- Rural and Urban are different
- Communication to them and from them
- Regulation and Policy is often flawed
- “Do your chicken test early”!
- Get it 80% right not 100% right
- Build in the ability to evolve regulation and policy to keep pace with changes!
- These are not short term fixes, politicians attention tends to be focussed on a 3-4 year time span
- Retail and the restoring the high street needs to be part of the governments industrial strategy.
- Rural communities and the rural economy needs to be part of the governments industrial strategy.



• Examples

- Changes to the Dividend from a tax point of view
 - Many small business owners paid themselves the bare minimum but in a good year took a dividend payment, small tax break but why not?
- The Enterprise investment scheme
 - Unavailable if you have traded for more than 7 years, at which point you are over the rough patch and the best ones may be ready to invest and grow their business on
- Pensions Savings
 - In 2011 when the amount payable into a pension and receive tax relief was cut from £255,000 to £50,000, another of those pieces of government tinkering that was aimed at one area of society, in this case cutting tax perks for the very rich, which end up impacting on another, the self-employed. Since 2011 the allowance has been cut to £40,000 and it can be a lot lower for higher earners.
- Information on Gov Websites
 - Transferring all information from paper to the website may not be the best way of doing it, (persons of significant control, notes 64 pages long) maybe use films animations, think of the end user



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Any Questions?



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Making Business Better

Improving business productivity,
profitability & performance

