

SEMLEP Business Survey 2021

Report: November 2021

SEMLEP

South East Midlands
Local Enterprise Partnership



Research
Evaluation
Community Engagement
Strategy Development

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Note: The survey was conducted over October and November 2021, with the initial draft report produced at the end of November 2021 and published at the start of 2022. The survey was administered and reported on by independent research organisation Public Perspectives, on behalf of SEMLEP.

SEMLEP Business Survey 2021

Executive Summary

Introduction and background

1. The South East Midlands Local Enterprise Partnership (SEMLEP) brings together businesses, local authorities and educational institutions in partnership to determine local economic priorities and undertake activities to drive economic growth and the creation of jobs in their local area. It covers an area made up of 6 local authorities¹ that are home to over 77,000 businesses.
2. This report presents the findings from the 2021 SEMLEP business survey, designed to identify the economic challenges and opportunities facing businesses in the South East Midlands region, and help inform and shape the economic strategy and development activities of SEMLEP and the local authorities.
3. Specific issues covered by the survey are:
 - Quality of the local area as a business location
 - Business support
 - Business performance
 - Employment, skills and training
 - Innovation
 - Reducing carbon and targeting net-zero
 - Inclusivity
 - Perceptions of SEMLEP
4. The context of the timing of the survey should be taken into consideration when reviewing the survey findings:
 - The country was emerging from the Covid-19 pandemic; after successive lockdowns and restrictions on businesses and individuals in place since March 2020, restrictions had been lifted in the summer of 2021 and the country was easing its way back into “normality” albeit against a backdrop of rising cases and continued uncertainty.
 - The UK completed its withdrawal from the European Union ten months before the survey fieldwork.
5. A total of 1,862 interviews were completed via telephone in a six-week period spanning October to November 2021 with a sample of businesses that are representative of the business population in the area.

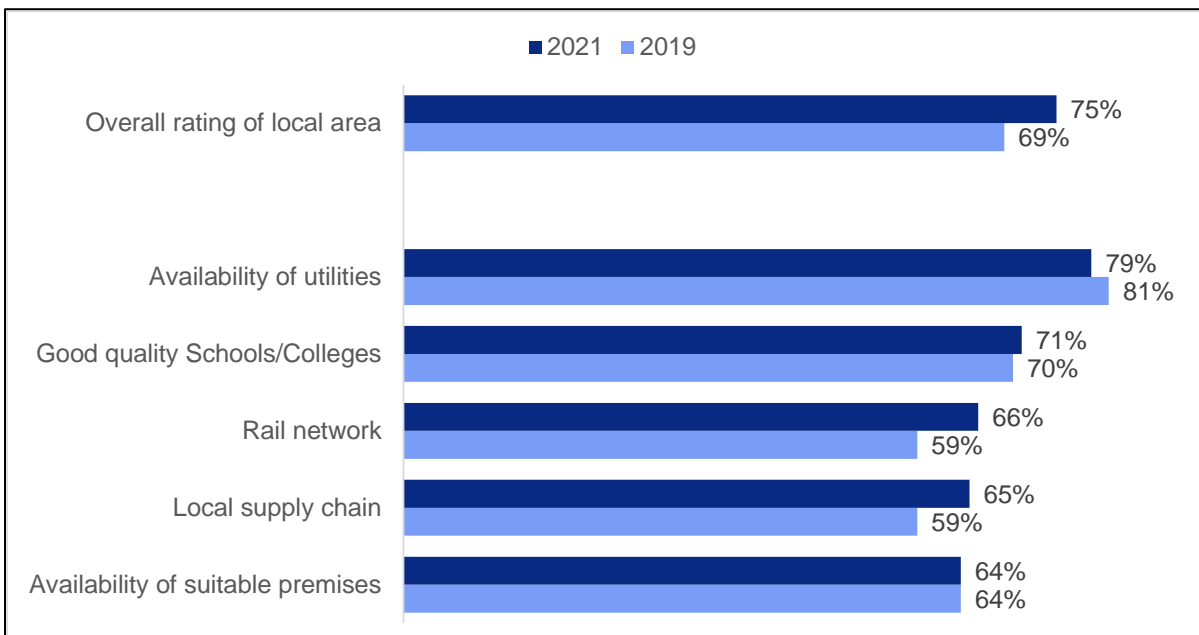
¹ Bedford, Central Bedfordshire, Luton, Milton Keynes, North Northamptonshire and West Northamptonshire.

Key findings

Quality of the Local Area for Business

- Businesses were positive about their local area as a place to do business overall, with half (48%) rating it as 5 out of 5 and a further 27% rating it 4 out of 5, meaning three-quarters give their area a positive rating. This was an improvement on 2019 (69% positive and 38% rating 5 out of 5).
- Businesses were particularly positive about the availability of utilities such as energy and water (79% positive), the quality of local schools and colleges (71%), the rail network (66%), the supply chain located locally (65%) and the availability of suitable premises (64%). Ratings for the rail network and local supply chain were more likely to be positive than in 2019. See Figure 1.

Figure 1: Top 5 rated aspects of the local area, over time (% giving a 4 or 5 out of 5)

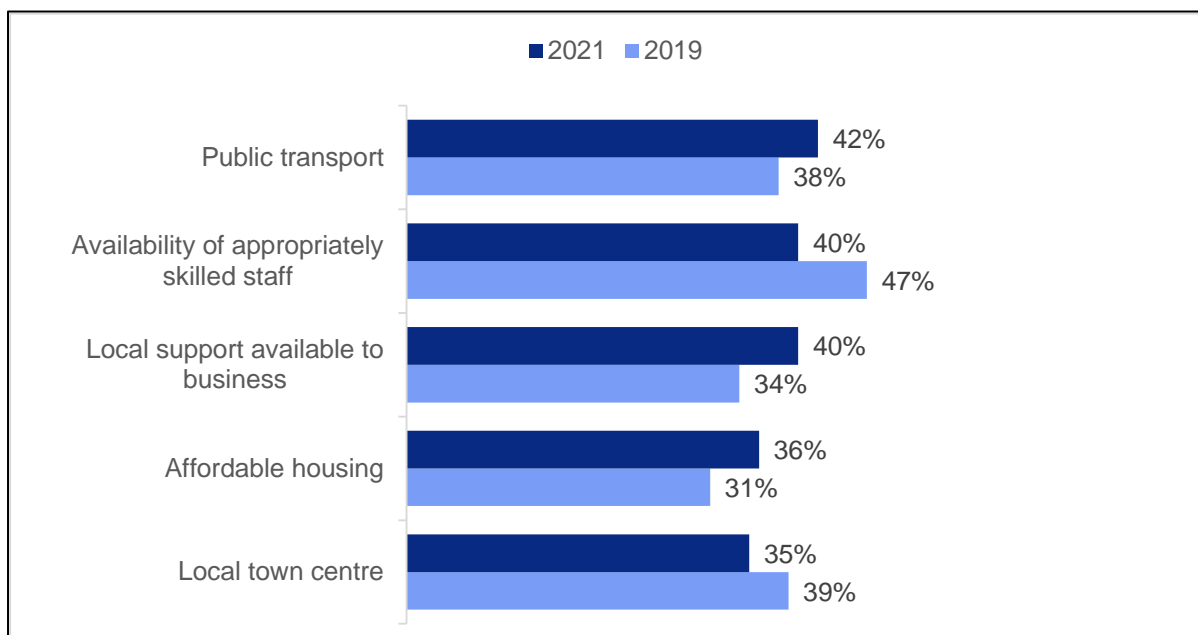


Number of respondents: 2021 1,862, 2019 1,675. Figures exclude 'don't know' answers.

Questions asked: Overall, how do you rate your location as a place to do business? How do you rate the availability of, or quality of, the following aspects of your location from a business perspective?

- The aspect rated least positively was the local town centre (35%), affordable housing (36%), the local support available to business (40%), availability of appropriately skilled staff (40%) and public transport (42%). See Figure 2.
- These are, in the main, the same aspects as received the least positive ratings in 2019. The exception is the availability of appropriately skilled staff, which has decreased from 47% to 40% rating it as positive. This comes up as an issue throughout the survey and is examined in more detail in later chapters.

Figure 2: Bottom 5 rated aspects of the local area, over time (% giving a 4 or 5 out of 5)



Number of respondents: 2021 1,862, 2019 1,675. Figures exclude 'don't know' answers.

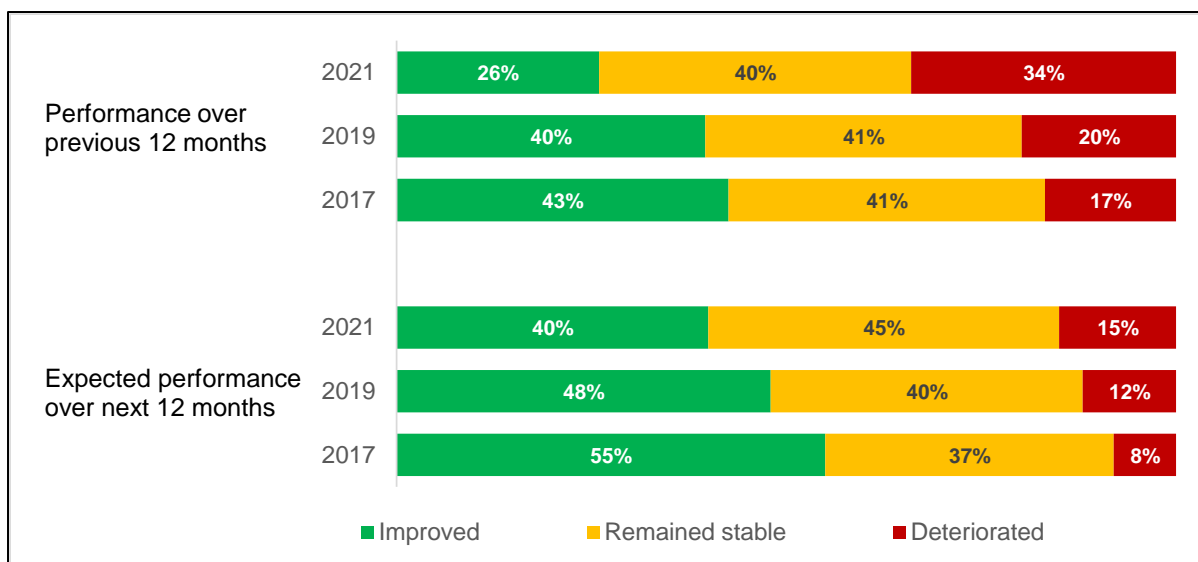
Questions asked: Overall, how do you rate your location as a place to do business? How do you rate the availability of, or quality of, the following aspects of your location from a business perspective?

10. One-in-twelve (8%) businesses said they were thinking of relocating their business. This was fewer than in the 2019 survey, when 14% were considering doing so (the decrease may be related to the pandemic and its impact on demand for premises, as well as uncertainty about the future holding back change). The most common reason was to move to larger premises.

Business performance

11. Businesses were more likely to say performance over the past 12 months had deteriorated (34%) rather than improved (26%). This represented a sharp decline in business performance overall from the last survey in 2019, when just 20% had seen performance deteriorate and 40% had seen it improve.
12. In terms of their optimism for the coming year, businesses were still more likely to expect improvements than further deterioration (40% vs. 15%), however these levels of optimism were lower than seen in 2019 (48% expected an improvement and 12% a downturn). See Figure 3.

Figure 3: Business performance over previous 12 months, and expected performance over next 12 months



Number of respondents: 2021 1,862, 2019 1,675, 2017 2,180.

Questions asked: Would you say that, overall, your business performance in the past 12 months has improved, remained stable or deteriorated? Over the next 12 months, do you expect your business performance to improve, remain stable or deteriorate?

13. Micro-businesses (with 1-4 staff) were most likely to have seen a deterioration in business performance, and least likely to be optimistic about performance in the coming year improving.
14. Large businesses (50 or more staff) were least likely to have experienced an improvement in business performance (20%, which was half the proportion as had seen improvements in the previous survey) however they were most optimistic for the future with 61% expecting an improvement in the coming year.
15. The Covid-19 pandemic was the most commonly cited constraint on business growth (25%), followed by the availability of skilled labour (18%). This latter issue was mentioned by significantly more businesses than in 2019 (11%) and was a particular concern for larger businesses.
16. Whilst almost half (48%) of businesses said the UK leaving the EU had no impact on their business, of the remainder the impact was overwhelmingly negative: 45% said the UK's departure had a negative impact on their business compared to just 4% saying the impact had been positive. This contrasted with figures from 2019 when 12% were expecting a positive impact and 35% were expecting the impact to be negative.
17. The top struggles faced by businesses that they attributed to leaving the EU were problems importing from the EU (29%), and general higher costs of doing business (12%). Labour availability and skills availability were also commonly mentioned by large businesses; whilst they were only an issue for 8% and 4% respectively at the overall level, 26% of those with 50 or more staff and 20% of those with 10-49 staff reported a negative impact on labour availability, and 20% of those with 50 or more staff said it had negatively impacted skills availability.
18. Businesses were asked what support from the Council and other support organisations would help them grow their business. The top two factors were financial, as tended to be the case in previous years: Lower business rates (18%) and more financial support

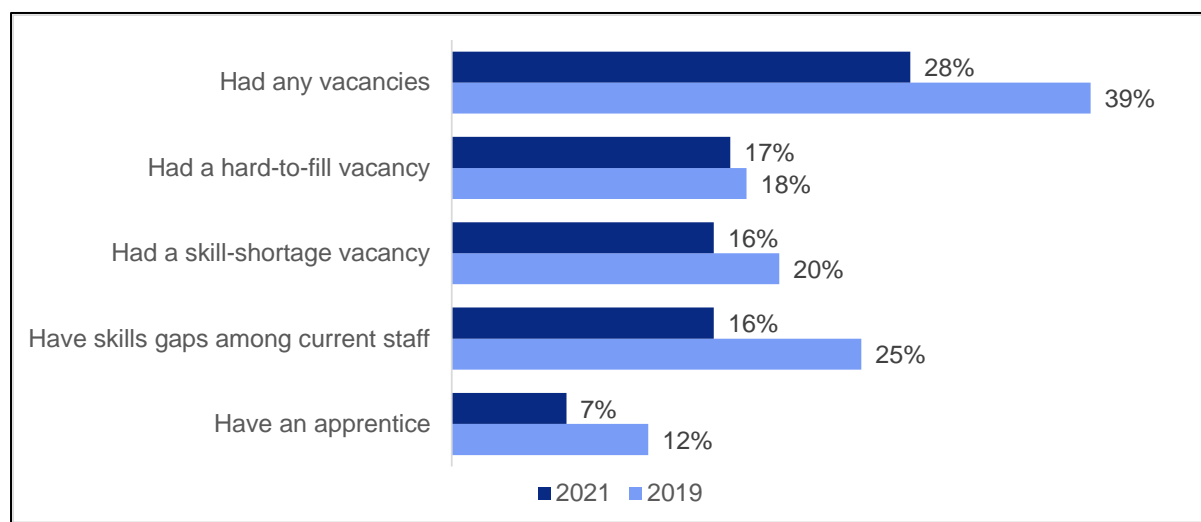
generally (12%).

19. There were differences in the support required by size of business. Larger businesses were more concerned with reduction in business rates, investment in the local area, and public transport; smaller businesses were more concerned with general financial support.

Employment, skills and training

20. The survey covered staffing and skills issues both externally (recruiting) and internally (skills gaps and training). Figure 4 gives an overview of the key employment and skills measures in the survey compared to 2019:

Figure 4: Summary of key employment, skills and training figures



Number of respondents: 2021 1,862, 2019 1,675.

21. Approaching three-in-ten (28%) businesses had at least one vacancy in the 12 months preceding the survey, fewer than the 39% seen in 2019.
22. Six-in-ten (60%) of these businesses reported that one or more of these vacancies had been hard to fill, equating to 17% of all businesses. This is comparable to 2019 as an overall figure, but represents a far higher proportion of those trying to recruit.
23. The most common reason for finding vacancies hard to fill was a lack of applicants with the required skills. Businesses in the SEMLEP region, especially larger businesses, put a sufficient supply of skilled labour near the top of their concerns. The proportion naming it as a constraint on business growth was higher this year than in 2019, and it was one of the top constraints on business growth for businesses with 10 or more staff, and one of the key negative impacts of leaving the EU seen by larger businesses. Furthermore, three-in-ten businesses rated the availability of skilled staff in their local area as “poor” or “very poor”.
24. Over half of employers reported they had difficulties finding recruits with the skills they needed (when recruiting) (although overall this represents 16% of all businesses that said they found skills shortages) - they reported that they found it difficult to obtain job specific and technical and practical skills in particular.
25. Skills gaps occur when current staff do not have the required skills to carry out their job role. The picture here is improving: overall, 16% of businesses were able to list at least one skill they felt their current staff were lacking (down from 25% in 2019 and representing a

continued positive change over time).

26. Nearly half (45%) of businesses had taken actions to increase the skills of their workforce, up from 28% in 2019; this most commonly involved offering in-house or external training.
27. At the time of the survey, 7% of businesses had a current apprentice, a decrease from the 2019 survey (12%).
28. Furthermore, fewer apprenticeship levy payers were using the levy to fund apprenticeships for themselves, and a quarter (23%) said they were not using it and had no plans to. In 2019 all levy payers in the survey were either using the amount for their own apprentices or had plans to in future.
29. Just over a quarter of businesses (28%) reported offering at least one kind of work-experience placement, comparable to the figure seen in 2019. This was most commonly to school or college students aged 17-19. Businesses who did not engage with these activities most commonly said they did not see the value in it.

Innovation

30. A fifth of businesses (21%) reported they had introduced new products, services, patents or processes in the previous 12 months; this was lower than the 26% seen in 2019 predominantly due to a decrease in innovation of new services (which had halved from 14% to 7%).
31. Whilst only 7% had links with colleges or universities for research and development purposes overall, this rose to 40% among those with 50 or more staff.
32. The main constraints to innovation arose from events of the two years preceding the survey, with the Covid-19 pandemic and the UK's exit from the European Union most likely to be rated as major constraints on innovation. There were also still constraints relating to financial reasons.

Business support and SEMLEP

33. The majority of businesses had sought or received business support (90%) over the past twelve months, most commonly from private sector professionals such as accountants or solicitors.
34. Overall, half of businesses had heard of SEMLEP or one of its associated services. Awareness of SEMLEP specifically itself has continued its upward trend seen since 2017, increasing from 17% in 2019 to 21% in 2021.
35. Businesses were keen that SEMLEP focus on providing support to businesses (including recovery from the pandemic and mitigating the impact of leaving the EU), delivering infrastructure improvements, and attracting new businesses into the area.

The Green Agenda

36. For the first time, the SEMLEP Business Survey included questions about businesses' intentions of achieving net-zero and reducing their carbon footprint.
37. Whilst 46% of businesses have the intention of being more environmentally friendly, just 11% have a specific target or aim to achieve net-zero and just 4% have set a deadline to achieve this commitment by 2030. Larger businesses were more likely to have made a solid commitment and set a deadline.

38. In terms of the action they were taking, businesses who are committed to net zero were most commonly reviewing energy efficiencies in their buildings (33%) and increasing recycling of waste (16%). Improvements in the way staff travel were also frequently mentioned.
39. The key barrier to doing more to reduce businesses' carbon footprint was the availability or cost of low carbon alternatives.

Inclusivity

40. Diversity in the leadership of SEMLEP businesses has decreased since 2017 (although note there have been changes in the areas included in the SEMLEP region, which may have an impact on comparisons over time), in particular with regards to the population of sole traders: 80% of SEMLEP sole traders are male, 90% are white (compared to c85% in the wider local population) and 94% do not have a disability (compared to c83% in the wider local population).
41. The picture is better among businesses with employees, with women-led businesses at 46%, similar to the figure of male-led businesses. 10% of businesses with employees are led by members of ethnic minority groups and 6% are led by people with a disability.
42. Fewer than half of businesses were doing anything to ensure inclusive recruitment practices - 42% said it is not relevant to them as they do not recruit staff currently, 16% said they are not doing anything and 42% said they are adopting some form of inclusive recruitment practice). The main practices include 6% of all businesses have provided training for recruiting staff using inclusive practices, and 5% are targeting their job advertisements to reach a wide range of people.

Issues to consider

43. The following represent themes and issues for consideration, based on the findings of this research.

The availability of sufficient skilled staff is increasingly an issue for businesses, impacting on business growth and leaving businesses with unfilled vacancies.

The proportion of businesses citing the availability of skilled staff as a constraint on their business growth has increased significantly since 2019, as has the proportion blaming their recruitment difficulties on a low number of applicants with the required skills.

Despite businesses providing more training to staff when compared with 2019, the proportion of businesses offering apprenticeships has dropped significantly in the same period. Businesses need more encouragement, be that through advice and support, subsidised training, a renewed push on apprenticeships or other incentives to take responsibility for developing skills themselves as there will be no "quick fix" to shortages in the labour market, especially in light of some of the challenges around recruitment related to the pandemic and EU exit.

At the time of the survey, levels of vacancies were much lower than pre-pandemic, yet these are proving much harder to fill. As the economy continues to recover and levels of vacancies increase, the impact of this is only likely to grow.

The impact of the UK leaving the European Union has been more negative than businesses anticipated, in the short term at least.

In 2019, 12% of businesses expected the UK leaving the EU to have a positive impact on their business, while in 2021 only 4% said this. Similarly, in 2019, 34% expected the UK leaving the EU to have a negative impact on their business, while the reality post-exit in 2021 is that 45% of businesses said it has had a negative impact on their business, with the negative impact greatest amongst larger businesses.

Although it is hard to unpick the challenges caused by exiting the EU from other challenges facing businesses in 2021, many businesses could identify issues they were facing as a direct result of leaving the EU. There has been an impact on importing goods from the EU and (to a lesser extent) exporting to the EU. There is also a perception existing the EU has contributed to the increased costs of doing business generally, and many businesses singled out exiting the EU as a reason they cannot hire staff in the volumes they require or staff with the relevant skills required.

As well as support to provide more training to upskill current staff or unskilled recruits, support to shore up supply chains could help (such as sourcing alternative suppliers, or support navigating the new requirements of continuing to trade with the EU). Similarly, support budgeting for the increased costs, and general support to navigate the post-EU business landscape could help mitigate some of the challenges associated with existing the EU.

There has been a considerable fall in the proportion of businesses offering or considering apprenticeship programmes – including among levy payers.

In the context of the skills shortages being faced by employers, apprenticeships offer a cost-effective opportunity to bring in unskilled staff with support to train them up with the specific skills required by a role. However, the proportion of businesses with current apprentices had halved since 2019. This appears to reflect a national trend with an 18% decrease in the number of apprentice starts between August 2020 and January 2021, compared with the same period in the previous year (House of Commons Library: Apprenticeship statistics for England, March 2021).

Furthermore, far fewer businesses who pay the apprenticeship levy (and therefore have an additional incentive to recruit apprentices themselves) were using their levy money to fund apprenticeships for themselves, and a quarter said they had no plans to do so.

This could be a short-term dip caused by the pandemic, however this will need to be kept under observation to see whether employers need more support, information or encouragement to engage with apprenticeship schemes.

The Covid-19 pandemic has added layers of challenges and was named the biggest constraint to growth faced by businesses at the time of the survey.

Throughout the survey the underlying context of operating a business in the midst of a pandemic is evident. Business performance has decreased to its lowest level since the SEMLEP survey began, with more businesses experiencing a deterioration in performance than experiencing an improvement.

Many of the differences in the data between the 2019 and 2021 surveys can be linked back to the impact of the pandemic, either explicitly or inferred. To some extent, as the country aims to recover from the pandemic many of these issues will resolve themselves, for example, any issues caused by social distancing or lockdown restrictions, by teams working remotely or by the resource needed to be diverted to providing a covid-secure location (although the 'new normal' may lead to long-term changes and challenges, along with the on-going and continual changing nature of the pandemic, such as the emerging Omicron variant). However, any support that can be given to businesses to recover, mitigate any on-going challenges around the pandemic, or incentives to rekindle innovation partnerships or skills programmes could all be helpful, as well as programmes to help boost consumer confidence and business growth locally.

Awareness of SEMLEP continues to increase, although the proportion mentioning it as a source of business support they have used remains relatively low.

When asked how they had found out about SEMLEP, press and media was the most commonly mentioned source of information by businesses. The proportion hearing of SEMLEP through business networking had fallen dramatically, although that is likely to be a product of the pandemic's impact on networking events. The reintroduction of face-to-face events presents an opportunity for SEMLEP to get out and meet businesses, and spread the word about the support it provides so it can grow and support as many businesses as possible through its various services and offers.

Whilst there is a lot of goodwill and good intentions towards cutting carbon and becoming more environmentally friendly, solid commitments to targets and deadlines are few and far between.

To have an impact more businesses need to set themselves specific targets to achieve net-zero. The businesses that expressed a commitment to net zero commonly mentioned actions such as reviewing energy efficiencies in their buildings, increasing recycling of waste, and use of renewable energy, all of which present opportunities to encourage businesses to become more sustainable. The key barriers preventing businesses from doing more was the availability and cost of low carbon alternatives, and difficulties changing existing processes. Support in the shape of information, highlighting the business benefits of sustainability, sourcing low carbon alternatives (such as locally made materials and plastic alternatives), supporting local supply chains, and possibly with change management and funding for those with processes that would be expensive and disruptive to change, would all help address barriers and promote commitment to the green agenda.

SEMLEP Business Survey 2021

Main Report

Section 1: Introduction

Introduction and background

- 1.1. Local Enterprise Partnerships (LEPs) bring together local authorities with businesses and educational institutions to work together to determine local economic priorities and undertake activities to drive economic growth and the creation of jobs in their local area. They provide business support and advice, local infrastructure improvements, targeted workforce skills provision and other initiatives aimed at attracting new and supporting current businesses.
- 1.2. The South East Midlands Local Enterprise Partnership (SEMLEP) is the LEP for the South East Midlands region, covering an area made up of six local authorities² that are home to over 77,000 businesses. The area contributes some £51bn to the national economy annually³.
- 1.3. Much of the support SEMLEP gives local businesses is delivered via the SEMLEP's Growth Hub. This was born in 2019 from a merger of the Velocity Growth Hub, which had been operational since 2014, and the Northamptonshire Growth Hub. The creation of the SEMLEP Growth Hub streamlines SEMLEP's business support into one single source making it simpler for businesses to access, and more efficient to deliver.
- 1.4. There are four "showcase sectors", identified by SEMLEP, which are of particular importance to the South East Midlands' economy. These are sectors which have a strong presence in the region and great potential for growth. The showcase sectors are Creative and Cultural, High Performance Technology, Logistics, Manufacturing and Advanced Technology.
- 1.5. This report presents the findings from the 2021 SEMLEP business survey. It provides analysis to support and inform SEMLEP strategy and activities, and shows comparisons by business size and sector to identify the needs and priorities of businesses in the area.

Aims and objectives

- 1.6. The purpose of the survey was to identify the economic challenges and opportunities facing businesses in the South East Midlands region. This will help inform and shape the economic strategy and development activities of SEMLEP and its partner local authorities.
- 1.7. Specific issues covered by the survey are:
 - Quality of the local area as a business location
 - Business support
 - Business performance
 - Employment, skills and training
 - Innovation

² Bedford, Central Bedfordshire, Luton, Milton Keynes, North Northamptonshire and West Northamptonshire.

³ Source ONS (accessed 26/05/2021)

- Reducing carbon and targeting net-zero
- Inclusivity
- Perceptions about SEMLEP

- 1.8. The context of the time in which the survey was undertaken should be taken into consideration when reviewing the survey findings. In particular:
- The country was emerging from the Covid-19 pandemic; after successive lockdowns and restrictions on businesses and individuals in place since March 2020, and restrictions had been lifted in the summer of 2021, while the Government’s furlough scheme finished at the end of September 2021. At the time of the fieldwork, when interviews took place, cases were on the rise in England again and, whilst the Government had announced no plans to reintroduce restrictions, the media was speculating about a need for the reintroduction of restrictions in the winter⁴ meaning there was still a lot of uncertainty as to how things would progress (and subsequently there was the emergence of the Omicron variant and associated measures to address the increase in cases).
 - The UK completed its withdrawal from the European Union as the “transition period”, where the UK was not part of the EU but was still following its laws and rules ended on 31st December 2020, ten months before the survey fieldwork.

Approach to the research

- 1.9. A total of 1,862 interviews were carried out via CATI (computer assisted telephone interviewing) over a six-week period between w/c 4th October and w/c 8th November 2021. Interviews took an average of 25-30 minutes to complete and were conducted with business decision makers.
- 1.10. Surveys were completed at the establishment level, that is to say, every site of a business was sampled separately and had a chance of being included, and responses given related to the situation at that site only. This ensured the information collected reflects the local picture.
- 1.11. The questionnaire was based on that used in the 2019 survey, with a few changes to reflect updated priorities and challenges of the area, in particular surrounding the impact of the pandemic, the green agenda, and the impact of the UK leaving the EU. Questions about inclusivity were also added, including diversity of senior leadership questions last asked in the 2017 survey.
- 1.12. The local authorities that boosted their interview numbers were also able to include some questions specific to their area; these are not shown in this overarching report but are presented in individual reports that have been provided to each relevant authority. The full questionnaire can be found in the appendix to this report.

⁴ For example: Implement ‘plan B’ winter measures now or risk NHS crisis, Johnson warned | Coronavirus | The Guardian <https://www.theguardian.com/world/2021/oct/19/implement-plan-b-winter-measures-now-or-risk-nhs-crisis-johnson-warned> (accessed 18/11/21);

1.13. Quota sampling was used to ensure a representative split of businesses by size and sector. Quotas were set in proportion to the latest SEMLEP business population statistics, sourced from the Office of National Statistics⁵. Quotas were achieved to within 2 to 3 percentage points of the original target. Weighting was then applied to ensure the final data was representative of the business population. The proportion of interviews by different criteria are shown in Figure 1.1.

Figure 1.1: Business profile by size and sector with proportion of interviews achieved (weighted)

Quota	Percentage of interviews achieved (weighted)
Business size	% of total
1-4 staff	80
5-9 staff	11
10-49 staff	8
50+ staff	2
Business sector	
Accommodation and food service activities	4
Administrative and support services	8
Agriculture, forestry and fishing	3
Arts, entertainment and recreation	4
Construction	14
Education	2
Financial and insurance activities	2
Health	2
Information and communication	9
Manufacturing	6
Motor trades	3
Other activities	4
Professional, scientific and technical activities	15
Property	3
Transportation and storage	9
Wholesale	4
Retail	6

⁵ ONS UK Business Activity - Size and Location 2020.

- 1.14. As Figure 1.1 shows, the business population in SEMLEP is heavily weighted towards small and micro establishments with 98% of businesses having fewer than 50 staff and 80% fewer than 5.
- 1.15. Professional, scientific and technical activities, and construction are the dominant sectors in terms of the number of establishments there are in the area.
- 1.16. The interview target for each local authority was set at 200 to allow statistically valid analysis by authority area. Four local authorities chose to boost the number of interviews carried out in their area to 350, to allow for more robust survey findings over these specific geographies; these were Central Bedfordshire, Luton, Milton Keynes and North Northamptonshire. Data were then re-weighted to ONS statistics to ensure the final results accurately reflected the size, sector and local authority profile of businesses in the SEMLEP area.

A note on this report

- 1.17. This report presents the findings for the SEMLEP area as a whole, with analysis presented by key business characteristics such as size and sector where sample sizes allow. Local authority differences are not analysed in this report; tables presenting the findings broken down by local authority are available separately.
- 1.18. This is the sixth iteration of the SEMLEP business survey, which was first run in 2013. Where possible, comparisons are made to previous years, however changes to the population and survey approach over the years should be noted and comparisons made with caution. In 2013 only six of the local authorities then in the region participated in the survey, and the 2014 survey did not include social enterprise organisations (albeit which only make up a handful of the sample in 2021), so comparisons are made with caution.
- 1.19. It should also be noted when drawing comparisons over time that the local authorities covered by SEMLEP have changed over recent years. The 2017 survey covered two additional local authorities than the 2015 survey; and Cherwell ceased to be part of SEMLEP between the 2017 and 2019 surveys. To allow for direct comparisons between 2019 and 2017, data from 2017 were re-analysed and re-weighted to remove Cherwell from the sample. It should be noted however that this means 2017 data presented in this report does not match that presented in the report of the 2017 survey. Similarly, between 2019 and 2021, Aylesbury Vale Local Authority is no longer part of the SEMLEP area, after it became a part of the new Buckinghamshire Unitary Authority, and the data has been adjusted to reflect this.
- 1.20. With 1,862 respondents, the survey provides for statistically reliable data. At this number of respondents, the sample error or accuracy of the survey results is around +/-2.3% at a 95% confidence level, for a finding of 50%⁶. This means that there is 95% confidence that the “real” result for any given question would be within 2.3 percentage points of that stated within the survey findings. This provides for robust data when analysed at a headline level and when different questions are cross-referenced against each other. It also allows for reliable comparison over time and nationally (differences of at least 4.5 percentage points and over between 2019 and 2021 are likely to be statistically significant). The report only comments on differences where they are statistically significant and/or where they tell an important or clear story.

⁶ Sampling error exists because even when surveying as robustly as has been the case with this survey, only a proportion of the population has been interviewed. Sampling error, therefore, is the measure of accuracy between the survey results and those that would have been obtained if all residents in the area had been surveyed, i.e. a census conducted.

Section 2: Quality of the Local Area for Business

Key Findings:

- Three-quarters of businesses rated their local area as “a good place to do business”, an increase on the 69% seen in 2019. Furthermore, the proportion giving the top rating of 5 out of 5 increased from 38% in 2019 to 48% in 2021.
- Businesses were particularly positive about the availability of utilities such as energy and water (79% rated at least “good”), the quality of local schools and colleges (71%), the rail network (66%) and the local supply chain (65%).
- Businesses were less positive about the availability of affordable housing in their area and about their local town centre, with just a third giving a positive rating to each of these.
- Far fewer businesses were considering relocation than in 2019, just 8% (down from 14%). The main reasons for considering relocation were to move to larger premises and to lower costs.

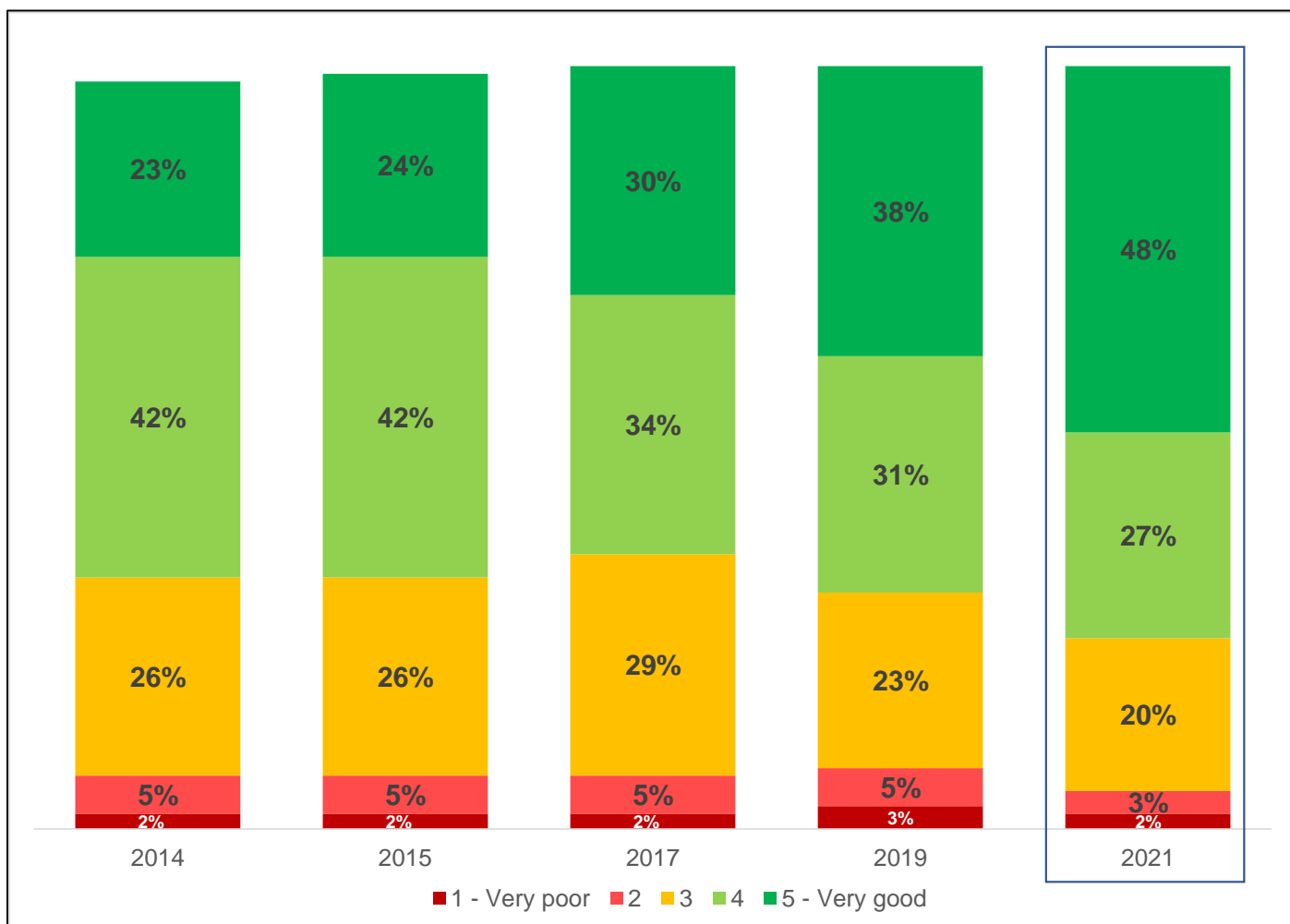
Introduction

- 2.1. This section looks at businesses’ perceptions of their local area as a place to do business, both at an overall level and in terms of specific aspects such as local business conditions, the attractiveness of the area as a place to live and work and the local infrastructure. It also considers future relocation intentions within and outside of the SEMLEP region.
- 2.2. Throughout this section, a rating of 4 or 5 out of 5 is described as rating the aspect as “good” or “positive”, and a rating of 1 or 2 out of 5 is described as “poor” or “negative”.

The area as a place to do business

- 2.3. Almost half of businesses (48%) gave their local area the top rating of 5 out of 5 when asked how they rated it as a place to do business. This is an increase on the 38% seen in 2019, continuing the upward trend that has been observed since 2015 (see Figure 2.1).
- 2.4. A further 27% gave a rating of 4 out of 5, meaning that a total of three-quarters of businesses (75%) gave their area a positive rating. This is also an increase on previous years (most recently 69% in 2019).

Figure 2.1: Rating of the local area as a place to do business over time

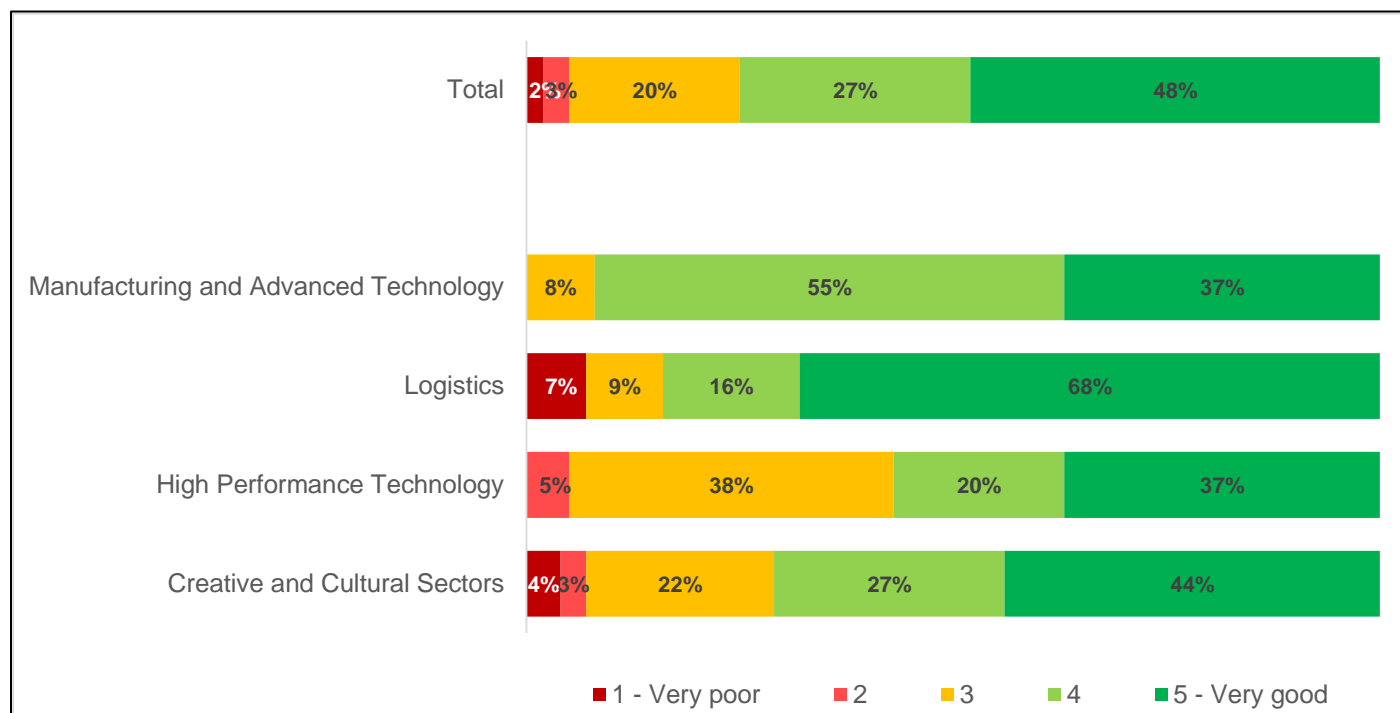


Number of respondents: 2021 1,841, 2019 1,647, 2017 2,035, 2015 1,918, 2014 1,573. Excludes 'don't know' responses.

Question asked: Overall, how do you rate your location as a place to do business?

- 2.5. Whilst large businesses (50+ staff) were equally likely as smaller businesses to give their local area a positive rating, views were more polarised in this group with 19% rating their local area as only one out of five (“very poor”) as a place to do business. This difference was not seen in 2019, when no businesses with 50 or more staff gave their local area a “poor” rating.
- 2.6. By showcase sector, businesses operating in Logistics were most likely to give a rating of 5 out of 5 (68%, compared to 48% across all businesses). Overall 84% in this sector gave a positive rating of 4 or more out of 5.
- 2.7. Manufacturing & Advanced Technology were more likely to give a positive rating overall (92% rated 4 or 5 out of 5), although the proportion giving the top rating of 5 out of 5 was actually lower than average (37%).
- 2.8. Businesses in the High Performance Technology sector were less positive than average, with 37% giving a 5 out of 5, and 57% either a 4 or 5 out of 5.

Figure 2.2: Rating of the local area as a place to do business by showcase sector



Number of respondents: Manufacturing & AT 79, Logistics 199, High Performance Tech 154, Creative & Cultural 316. Excludes 'don't know' responses.

Question asked: Overall, how do you rate your location as a place to do business?

- 2.9. In terms of non-showcase sectors, Businesses in Transport and Storage were almost unanimous in their positive ratings for their local area as a place to do business, with 88% rating 5 out of 5 (increasing to 96% when the 4 out of 5 ratings are added in).
- 2.10. Businesses in Financial and Insurance Activities (90%) and Manufacturing (84%) were also more likely to give a positive rating (4 or 5 out of 5).
- 2.11. Conversely, only 44% of businesses in the Education sector rated their local area positively as a place to do business.

Ratings of key features of the local area

2.12. Businesses gave ratings for their location, from a business perspective, on the availability of or quality of 19 different aspects. These can be grouped into three broad topics as follows:

Business conditions	As a place to live and work	Infrastructure
<ul style="list-style-type: none"> • Supply chain located locally • Availability of appropriately skilled staff • Availability of utilities (such as energy and water) • Local support available to businesses • Availability of suitable premises • Affordability of business premises • Proximity to complementary businesses 	<ul style="list-style-type: none"> • Affordable housing • Good quality schools/colleges • Proximity to universities • Attractive surroundings • Availability of local services (such as retail and leisure) • The local town centre 	<ul style="list-style-type: none"> • Road network • Rail network • Airport access • Public transport • Walking/cycling routes • Ease of transportation of freight

Ratings of business and labour market conditions

2.13. The majority of businesses rated the availability of utilities in their local area positively, with 79% rating this as “good”. This is comparable to the 81% seen in 2019. There were not any significant differences in this by size of business, however looking by sector businesses in Agriculture were far less likely to rate this as good, with just 30% doing so.

2.14. They were also generally positive about the availability of suitable premises for their business (64% good – equal to the figure seen in 2019). However this figure was lower for businesses with 5-9 staff (56%), and for those in the Agriculture (43%), Motor trades (44%), Wholesale (47%) and the Arts (51%). Conversely businesses in Transportation and storage were more positive than average, with 83% rating it good.

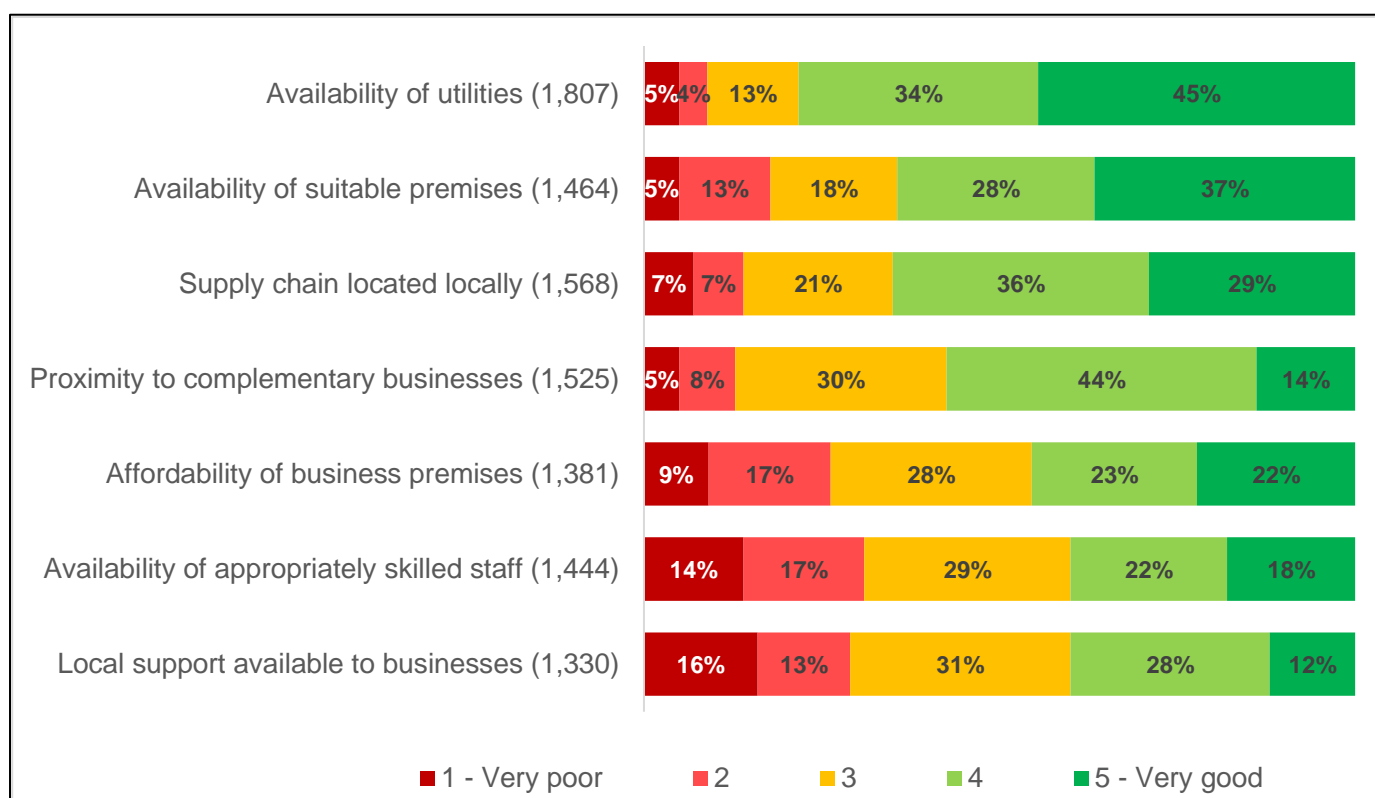
2.15. Whilst businesses were less positive about the affordability of business premises (45% “good”) this varied considerably by size. Just 15% of those with 50 or more staff rated this positively, 32% with 10-49 staff, 28% with 5-9 staff and half (50%) of those with 1-4 staff. By sector, businesses in the Accommodation and Food sector were least positive about this aspect: they were among the least likely to give a positive rating (just 24%) (this could potentially be linked to these businesses being required to keep paying rent during lockdown, or continue paying high rent, without concessions, when required to implement social distancing), and over half in this sector (53%) rated the affordability negatively. Similarly, the showcase sector “High Performance Technology” were far less positive than the other sectors, with just 28% rating their local area positively for the affordability of business premises and 47% giving a negative rating.

2.16. Around two-thirds (65%) gave a positive rating to the supply chain located locally, an increase from 59% in 2019. Businesses in the Creative and Cultural showcase sector were particularly positive about this (81% rated it “good”). However, businesses in the showcase sectors for High Performance Technology (41%) and Manufacturing and Advanced Technology (39%) were less positive. Manufacturing and Advanced Technology ratings

were more likely to be neutral, at 3 out of 5, however a quarter, 25%, of businesses in High Performance Technology rated the local supply chain as “poor”.

- 2.17. Around six-in-ten (58%) rated their proximity to other complementary businesses as “good”. This was particularly true of small businesses (60% with 1-4 staff, 59% with 5-9). In larger businesses the ratings were less positive (44% among those with 10-49 staff and 38% with 50 or more staff).
- 2.18. Four in ten (40%) felt the availability of appropriately skilled staff was good, and 31% said it was poor. Skills challenges are covered in more detail in Section 5 of this report. Notably, a third (32%) of businesses with 50 or more staff rated this aspect as “very poor”, scoring it at just 1 out of 5. Among the showcase sectors, businesses in High Performance Technology were particularly likely to be negative; just 3% of businesses in the sector rated their local area as at least good on this aspect whereas nearly half (48%) rated it as at least poor. Ratings were also below average from businesses in Manufacturing and Advanced Technology (29% good, 44% poor).
- 2.19. Positive views on the quality of local support available to businesses were up to 40% (from 34% in 2019).
- 2.20. See Figure 2.3 for the ratings of each aspect broken down by the 5-point scale.

Figure 2.3: Ratings of aspects of business and labour market conditions in local area



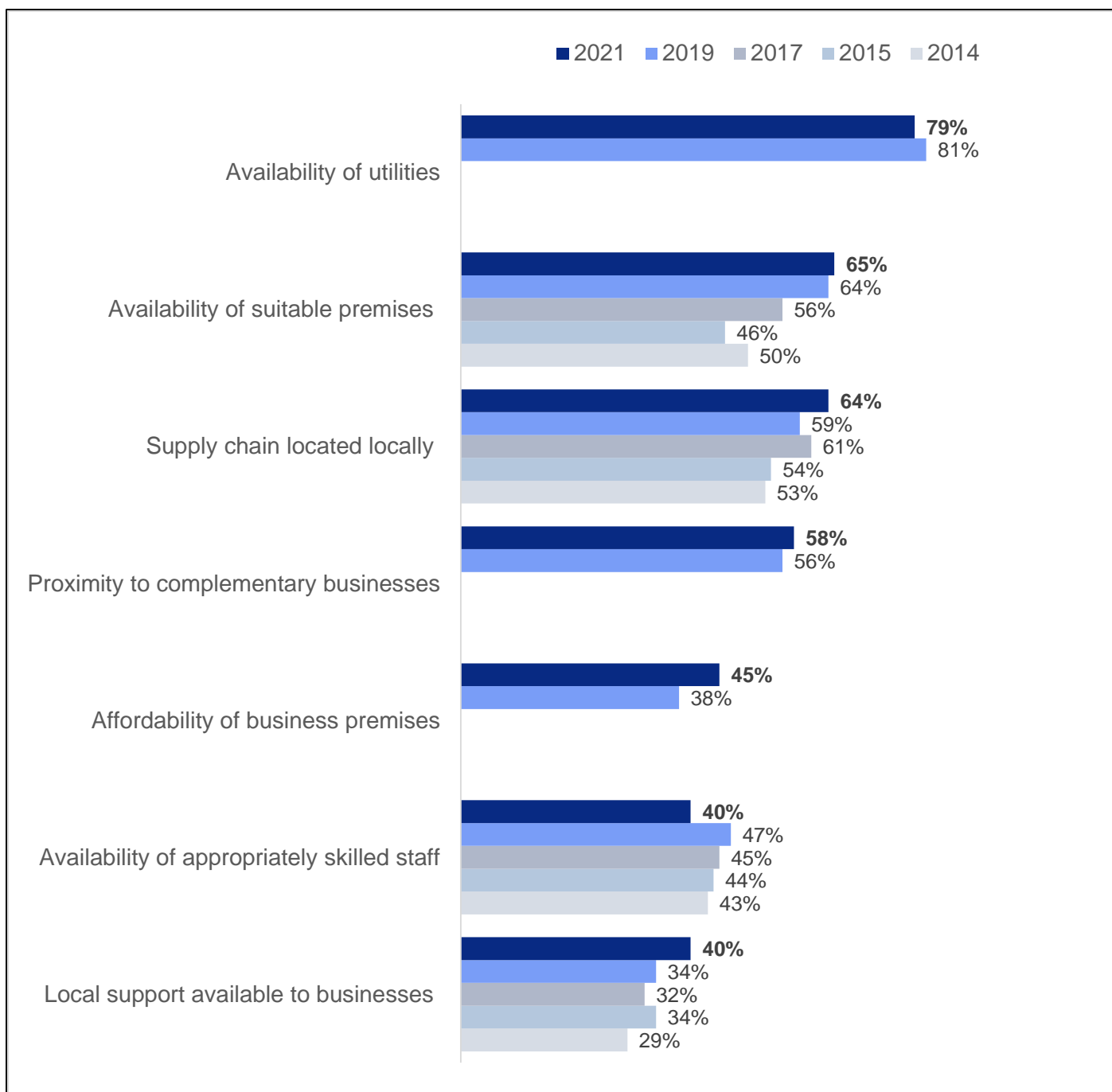
Numbers in brackets are the number of responses to each question. Excludes ‘don’t know’ responses.

Question asked: How do you rate the availability of, or quality of, the following aspects of your location from a business perspective?

- 2.21. Comparing the 2021 data with previous years’ shows that there has been an increase in the proportion of businesses giving positive ratings for the affordability of business premises (45%, up from 38% in 2019). Whereas in 2019 larger businesses were more likely than smaller to rate the affordability of premises as good, the opposite is true in 2021.

- 2.22. Ratings were also more positive for the local supply chain (64%, up from 59%) and the local support available to businesses (40%, up from 34%).
- 2.23. Conversely however there has been a decrease in positive ratings for the availability of appropriately skilled staff, down from 47% in 2019 to 40% in 2021.
- 2.24. Ratings for availability of utilities have remained relatively static, with no significant differences seen since 2019.
- 2.25. A similar proportion of businesses, compared to in 2019, rated their proximity to complementary businesses as good – 58%, compared to 56% in 2019. However, the finding that larger businesses were less positive than average (38% with 50 or more staff) is the opposite of the pattern seen in 2019, when 80% of businesses with 50 or more staff rated this element as good.
- 2.26. Figure 2.4 shows the time series comparison at the overall level.

Figure 2.4: Proportion of businesses giving a rating of 4 or 5 out of 5 for aspects of business and labour market conditions in local area: time series



Number of respondents: 2021 1,862, 2019 1,675, 2017 2,180, 2015 1,918, 2014 1,573. Excludes 'don't know' responses.

Question asked: How do you rate the availability of, or quality of, the following aspects of your location from a business perspective?

No comparative data prior to 2019 available for "Availability of utilities", "Proximity to complementary businesses" or "Affordability of business premises".

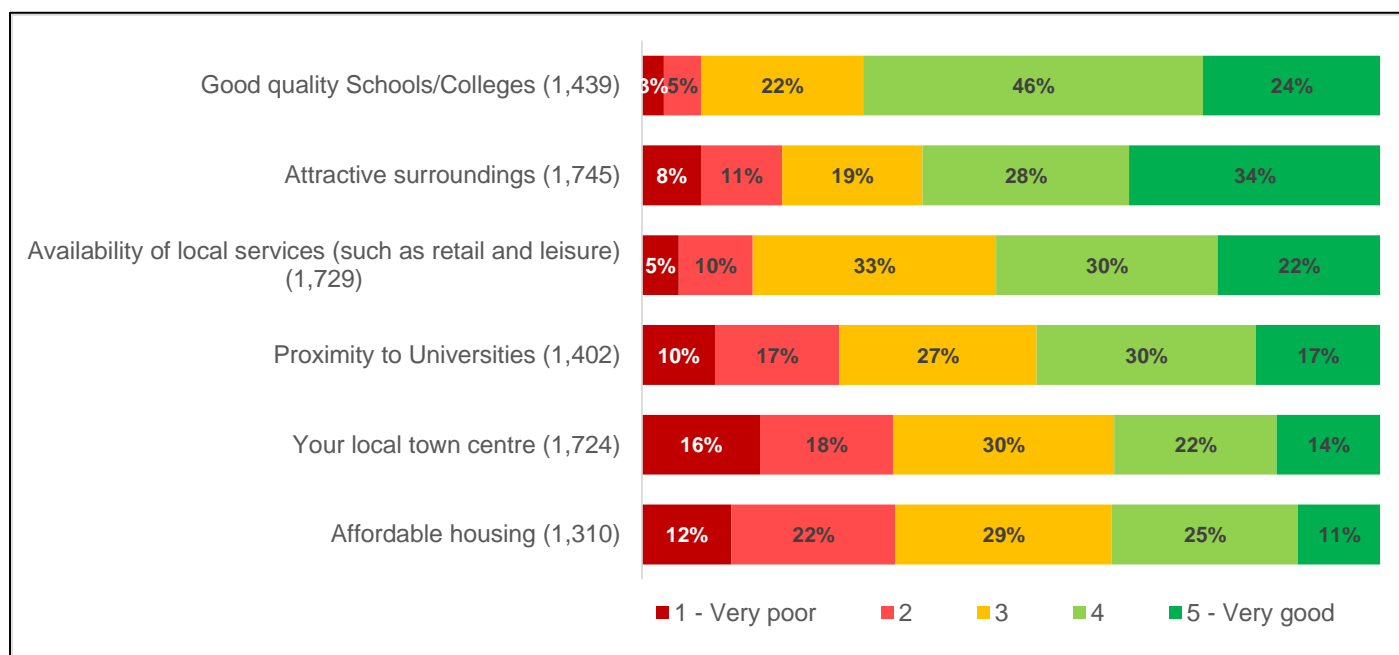
Ratings of the area as a place to live and work

- 2.27. Setting up business in an area that is an attractive place to live and work is potentially helpful in attracting the best staff and for bringing customers to an area.
- 2.28. Businesses in the SEMLEP area were positive about the quality of schools and colleges in the area, with 70% rating these as "good". Larger businesses were less likely to give a

positive rating here, however, with just 52% of those with 50 or more staff giving a positive rating.

- 2.29. Businesses were also positive, in the main, about having attractive surroundings with 63% rating this as good.
- 2.30. The availability of local services was rated good by around half of businesses (52%), however ratings for the local town centre were lower with 35% rating it good, but a similar proportion (34%) rating it as poor.
- 2.31. Just under half (47%) rated their area’s proximity to universities as “good”, however just over a quarter (27%) rated it as “poor”.
- 2.32. Similarly, ratings of the area having affordable housing were split, with 36% rating it “good” and 35% rating it “poor”.

Figure 2.5: Ratings of aspects of the local area as a place to live and work

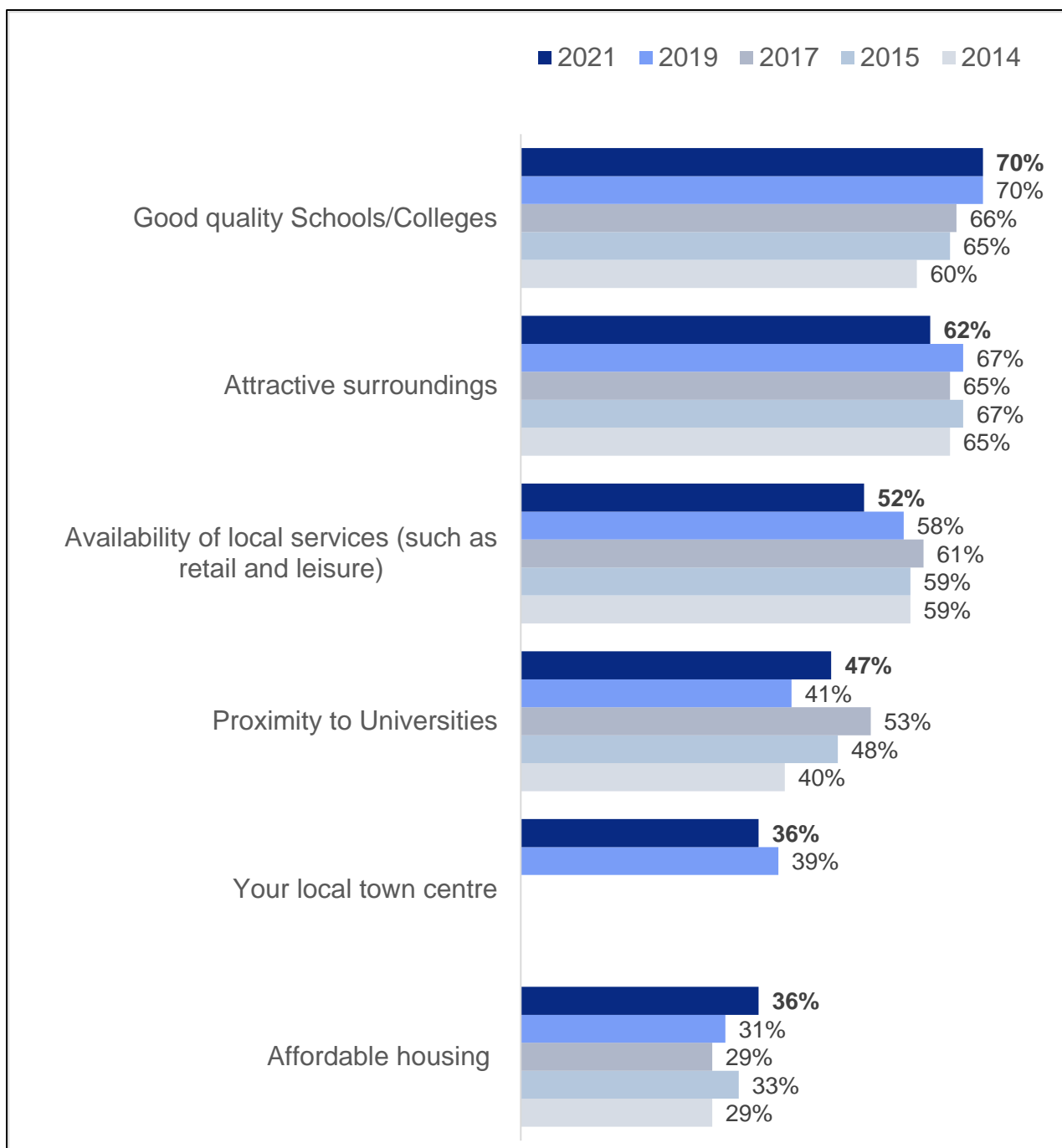


Numbers in brackets are the number of responses to each question. Excludes ‘don’t know’ responses.

Question asked: How do you rate the availability of, or quality of, the following aspects of your location from a business perspective?

- 2.33. Comparing the figures to 2019, we can see there has been an increase in positive ratings for the proximity to universities (up from 41% to 47%). This goes some way to mitigating the decrease in positive ratings seen for this element in 2019.
- 2.34. There has also been an increase in positive ratings for the affordability of housing, up from 31% to 36%.
- 2.35. However, the proportion of businesses rating the availability of local services as good has decreased, from 58% to 52%.

Figure 2.6: Proportion of businesses giving a rating of 4 or 5 out of 5 for aspects of the local area as a place to live and work: time series



Number of respondents: 2021 1,862, 2019 1,675, 2017 2,180, 2015 1,918, 2014 1,573. Excludes 'don't know' responses.

Question asked: How do you rate the availability of, or quality of, the following aspects of your location from a business perspective?

No comparative data prior to 2019 available for "your local town centre".

Ratings of the local infrastructure

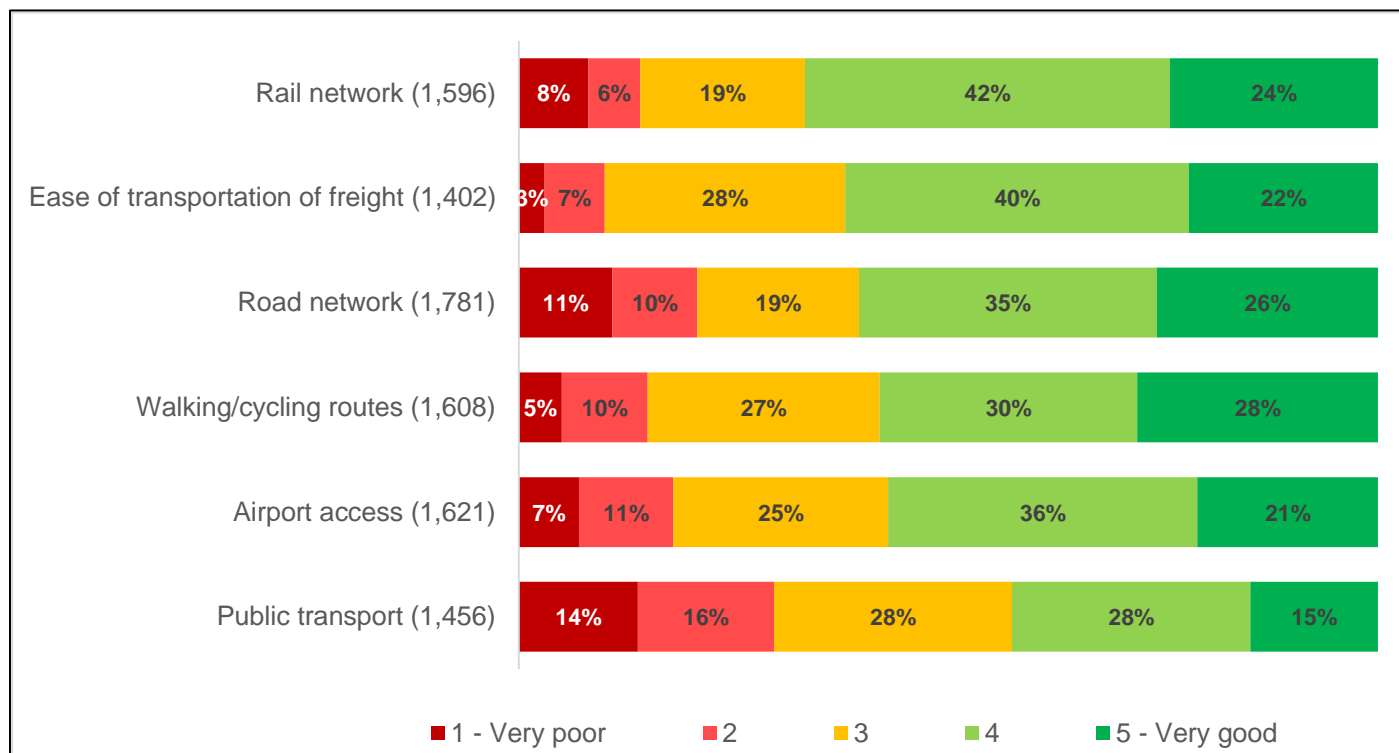
2.36. Infrastructure is important to businesses in terms of staff travel and the movement of goods and products both in and out of the company.

2.37. Businesses were generally positive about the rail and road networks, with 66% and 61% respectively rating them as "good". That said, there was a sizeable minority who disagreed

– a fifth (20%) said the road network was “poor” and 14% gave a poor rating to the rail network.

- 2.38. The ease of transportation of freight was also well-rated, with 62% giving it a positive rating.
- 2.39. Ratings for the walking and cycling routes were also positive, with 58% rating them as “good” and just 14% “poor”.
- 2.40. Businesses were generally happy with the access to airports, with 57% rating this as “good”.
- 2.41. Views on public transport were more mixed – just over four-in-ten (42%) felt it was “good” but three-in-ten (30%) rated it as poor.

Figure 2.7: Ratings of aspects of the local infrastructure

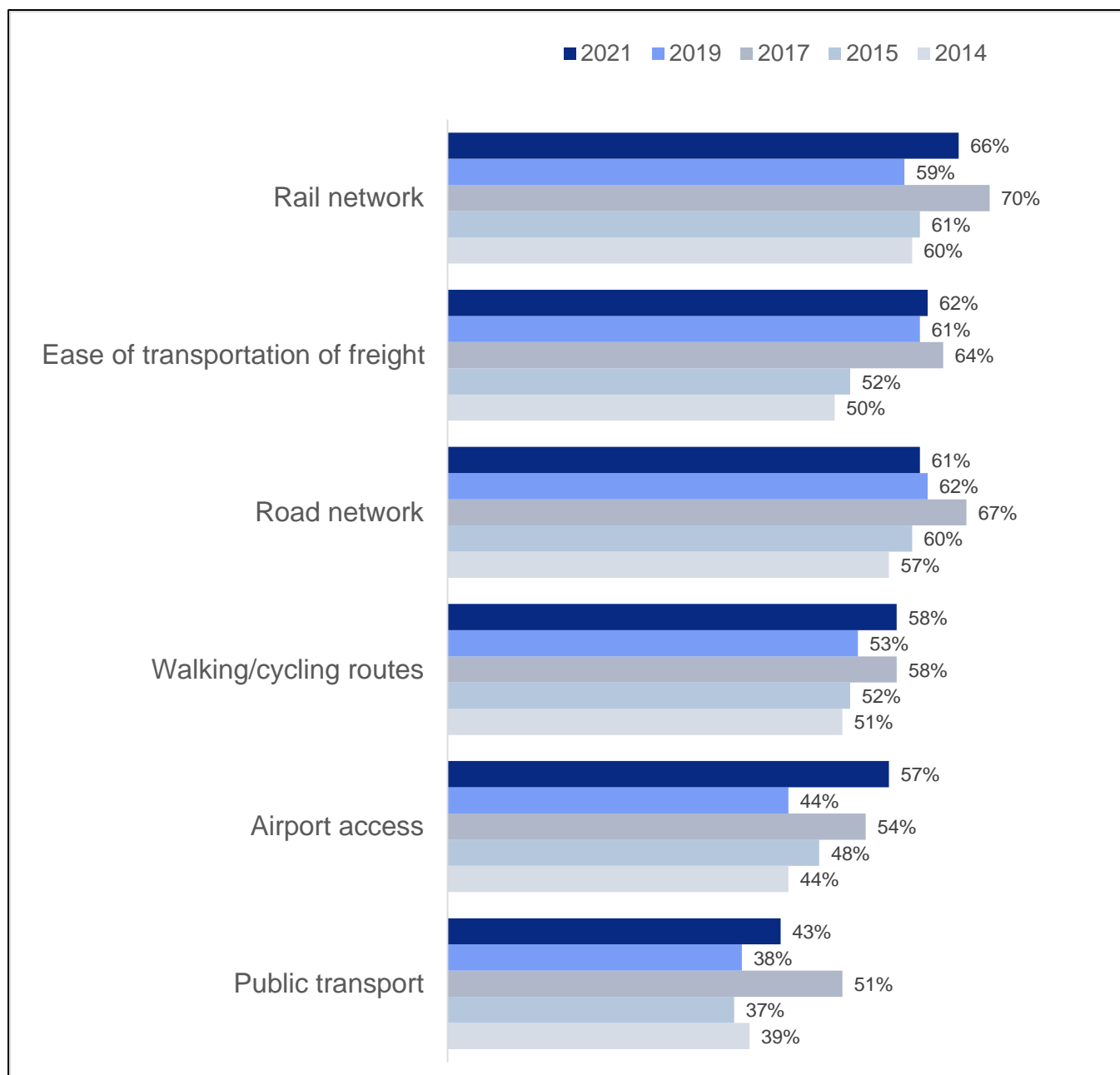


Numbers in brackets are the number of responses to each question. Excludes ‘don’t know’ responses.
 Question asked: How do you rate the availability of, or quality of, the following aspects of your location from a business perspective?

- 2.42. There has been an improvement in ratings in a number of elements of the infrastructure since the 2019 survey.
- 2.43. Positive ratings for the rail network had fallen between 2017 and 2019 (from 70% to 59%); in 2021 this had recovered somewhat to 66% of businesses rating it as “good”.
- 2.44. Similarly the ratings of walking and cycling routes had fallen from 58% rating them positively in 2017 to 53% in 2019; this was back up to 58% in 2021. In addition, the proportion rating walking and cycling routes as “poor” reduced from 27% in 2019 to just 14% in 2021.
- 2.45. Ratings for accessibility of airports were also much improved, with positive ratings increasing from 44% in 2019 to 57% in 2021; and negative ratings decreasing from 34% in 2019 to 18% in 2021.
- 2.46. Whilst the proportion rating public transport as good had increased (from 38% in 2019 to 43% in 2021), it is still not yet back to the levels it was in 2017, when 51% gave it a positive

rating.

Figure 2.8: Proportion of businesses giving a rating of 4 or 5 out of 5 for aspects of the local infrastructure: time series



Number of respondents: 2021 1,862, 2019 1,675, 2017 2,180, 2015 1,918, 2014 1,573. Excludes 'don't know' responses.

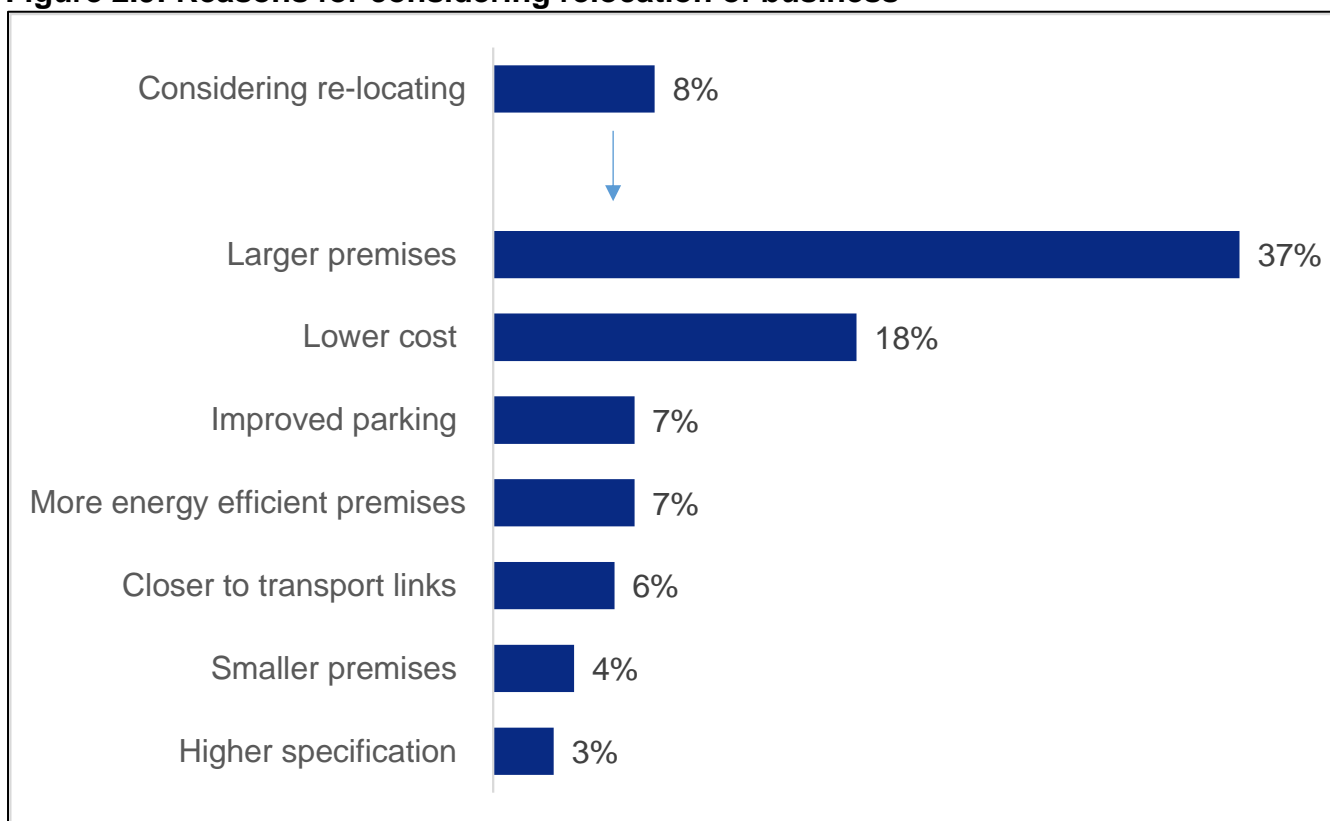
Question asked: How do you rate the availability of, or quality of, the following aspects of your location from a business perspective?

Potential for business relocation

- 2.47. One-in-twelve (8%) of businesses said they were thinking of relocating their business. This was far fewer than in the 2019 survey, when 14% were considering doing so.
- 2.48. The majority of these businesses were looking to relocate within the same Local Authority area (6%), fewer than 1% were looking to relocate outside of their Local Authority but within the SEMLEP region, and 1% were looking to relocate outside of the SEMLEP area.

- 2.49. Businesses with 5-49 staff were more likely than the smallest and largest businesses to be considering relocation; 15% of those with 5-9 staff and 11% with 10-49 staff said this was the case.
- 2.50. Looking by showcase sector, businesses in High Performance Technology were more likely than average to be looking at relocating (16%).
- 2.51. Among the non-showcase sectors, the proportion considering relocation was highest for Wholesale (21%), Real Estate (18%) and Construction (13%).
- 2.52. Reasons for wanting to relocate were diverse, with two-fifths of businesses giving a range of reasons other than those listed in Figure 2.9. These reasons were mixed, but included not wanting to renew a lease and deciding to work remotely/from home, or looking to move into short-term offices.
- 2.53. The most common reason for considering relocation was to move to a larger premises (37%). Around a fifth (18%) wanted to lower their costs; improved energy efficiency was mentioned by a handful (7%) as was access to improved parking (7%).
- 2.54. Figure 2.9 shows the main reasons businesses gave for considering relocation.

Figure 2.9: Reasons for considering relocation of business

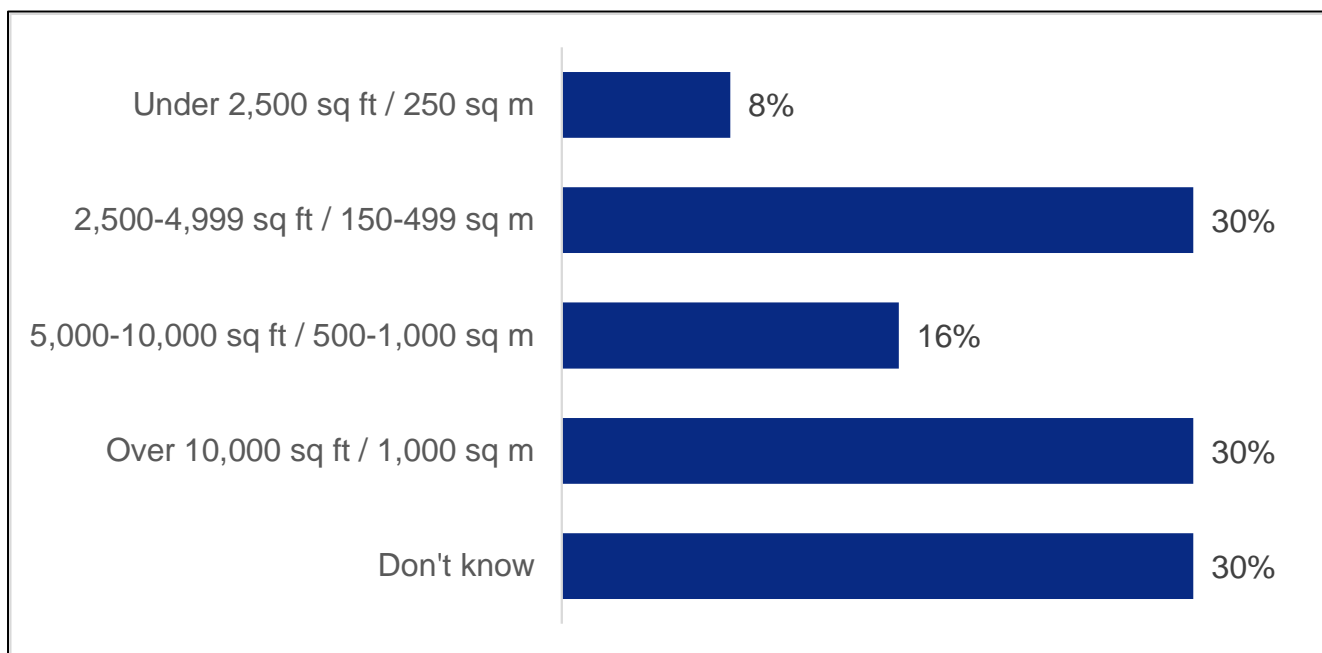


Number of respondents: 1,857 / 147

Questions asked: Are you thinking of relocating your business? / Why are you thinking of relocating? (latter question only asked to those considering relocating). Note: Respondents could select more than one answer.

- 2.55. Businesses looking to relocate to a smaller or larger premises were asked for the size of premises they were looking for. Answers were mixed, with equal numbers wanting small and large premises. Around a third did not yet know what size premises they needed (see Figure 2.10).

Figure 2.10: Size of premises sought



Number of respondents: 56.

Questions asked: Approximately, what size of new premises would you be looking for, in square feet?

- 2.56. Businesses looking to relocate were asked whether they had faced any problems with the premises on the market when they were searching for their new location. Of those that had actively begun searching (which represents about 5% of the businesses interviewed), the majority (92%) said they had experienced one or more problems, including unaffordable prices (42%), the available premises being too large (20%) or too small (22%) and the premises being unsuitable for business machinery (10%).
- 2.57. Businesses at the smallest end of the size scale (1-4 staff) were more likely than average to report unaffordable prices or rent as an issue (58%).

Section 3: Business Performance

Key Findings:

- Businesses were more likely to say performance over the past 12 months had deteriorated (34%) rather than improved (26%). This represented a sharp decline in business performance overall from the last survey in 2019, when just 20% had seen performance deteriorate and 40% had seen it improve.
- In terms of their optimism for the coming year, businesses were still more likely to expect improvements than further deterioration (40% vs. 15%), however these levels of optimism were lower than seen in 2019 (48% expected an improvement and 12% a downturn).
- The Covid-19 pandemic was the most commonly cited constraint on business growth, followed by the availability of skilled labour, which was a particularly common issue for larger businesses.
- Whilst almost half (48%) of businesses said the UK leaving the EU had had no impact on their business, of the remainder the impact was overwhelmingly negative: 45% said the UK's departure had had a negative impact on their business compared to just 4% saying the impact had been positive. The top struggles reported were problems importing, and general higher costs of doing business.
- Businesses were asked what support from the Council and other support organisations would help them grow their business. The top two factors were financial: Lower business rates (18%) and more financial support generally (12%).

Introduction

- 3.1. The period between the 2019 and 2021 surveys presented many challenges for businesses to adjust to. The Covid-19 pandemic began in early 2020 and was still ongoing at the time of the survey. The UK formally left the European Union on 31st January 2020 and the transition period following this came to an end on the 31st December of that year.
- 3.2. It is in this context that this section looks at businesses' performance over the 12 months previous to the survey, and their projections for the following year. It also examines their constraints on growth and the support they require to assist future growth.
- 3.3. It also specifically covers the impact businesses have experienced from the UK's departure from the European Union.

Past business performance

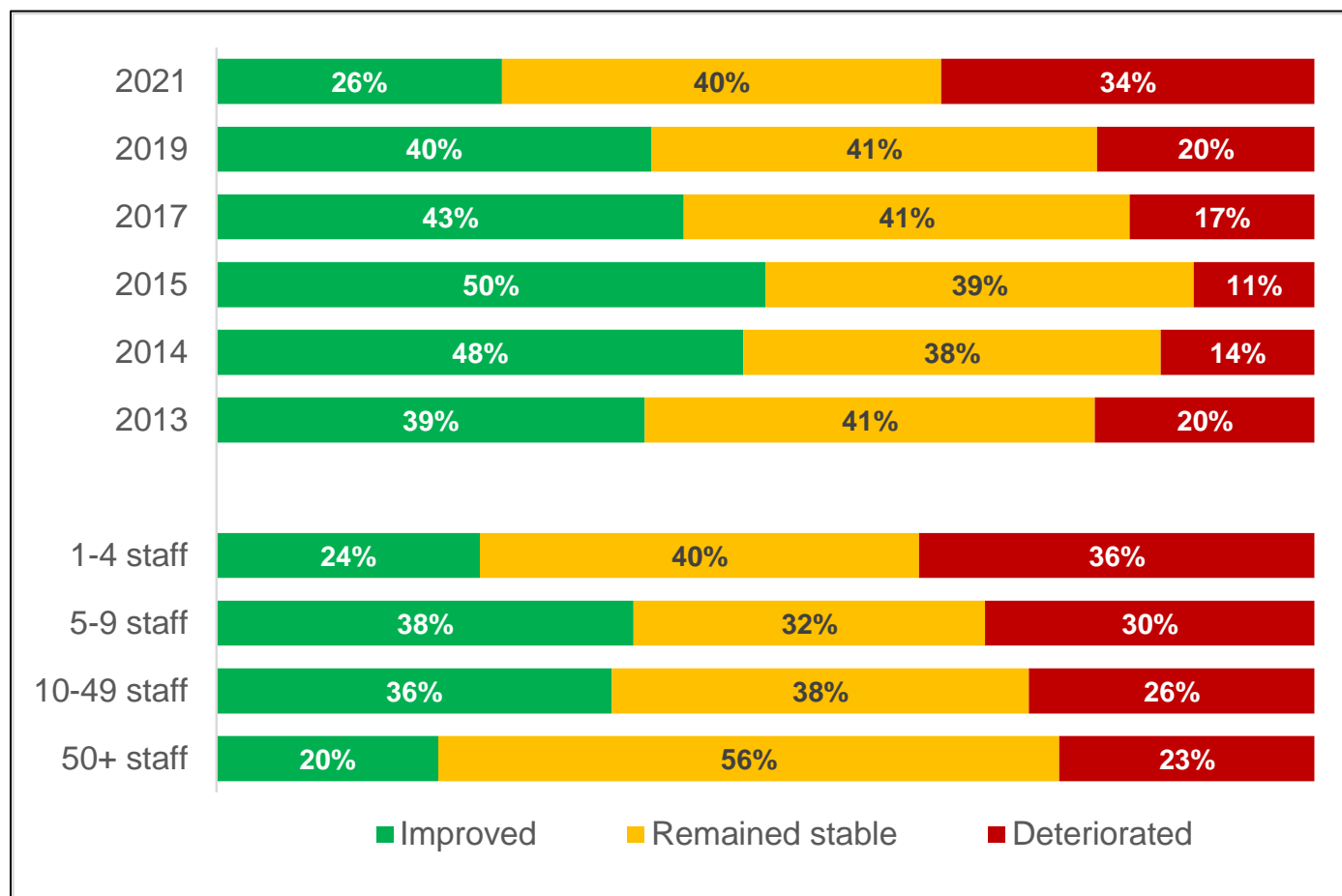
- 3.4. Business performance has been very much affected in the past 12 months compared with the responses given relating to the 12 months preceding the 2019 survey.
- 3.5. A third of businesses reported that their business performance had deteriorated in the past 12 months (34%), compared to just a quarter (26%) saying it had improved.
- 3.6. The proportion rating their business performance as improving had been declining steadily since the 2015 survey, and conversely the proportion saying performance had deteriorated was increasing over the same period. However, the overall picture had still been overall positive with more businesses reporting improvements than deterioration in performance.
- 3.7. This has been reversed in 2021 and now more businesses report a decline in performance

than report an improvement. In 2019 40% of businesses said their business performance had improved over the previous 12 months (compared to 26% in 2021) and just 20% said it had deteriorated (compared to 34% in 2021). See Figure 3.1.

- 3.8. The decline in business performance is somewhat at odds with official GDP statistics⁷, which have varied wildly in the two years preceding the survey. A large fall in the first half of 2020 was followed by an almost-as-large recovery in Q3 of 2020. Since then, GDP has risen overall in the 12 months covered by this survey question (particularly the six months preceding when it was up 5.5% and 1.3% over Q2 and Q3 respectively). However, the Office for National Statistics (ONS) estimates that, in September 2021 (the latest figures available at the time of fieldwork) the UK's GDP was still 2.1% lower than before the Covid-19 pandemic.
- 3.9. Changes in business performance varied by size. Micro-businesses (1-4 staff) were most likely to say business performance had deteriorated (36%) and among the least likely to find it had improved (24%). Small- and medium-sized businesses were more positive overall, with more businesses in each reporting an improvement than reporting a deterioration in performance. Large businesses were most likely to say things had remained stable (56%); they were no more likely than in 2019 to report a deterioration in performance (23% in both cases), however only half as many as in 2019 reported an improvement (20%, compared to 46% in 2019). Figure 3.1 shows business performance broken down by size, as well as the overall time series comparison.

⁷ GDP first quarterly estimate, UK - Office for National Statistics:
<https://www.ons.gov.uk/economy/grossdomesticproductgdp/bulletins/gdpfirstquarterlyestimateuk/julytoseptember2021>
(accessed 15/11/21)

Figure 3.1: Business performance over the previous 12 months, by size and time series

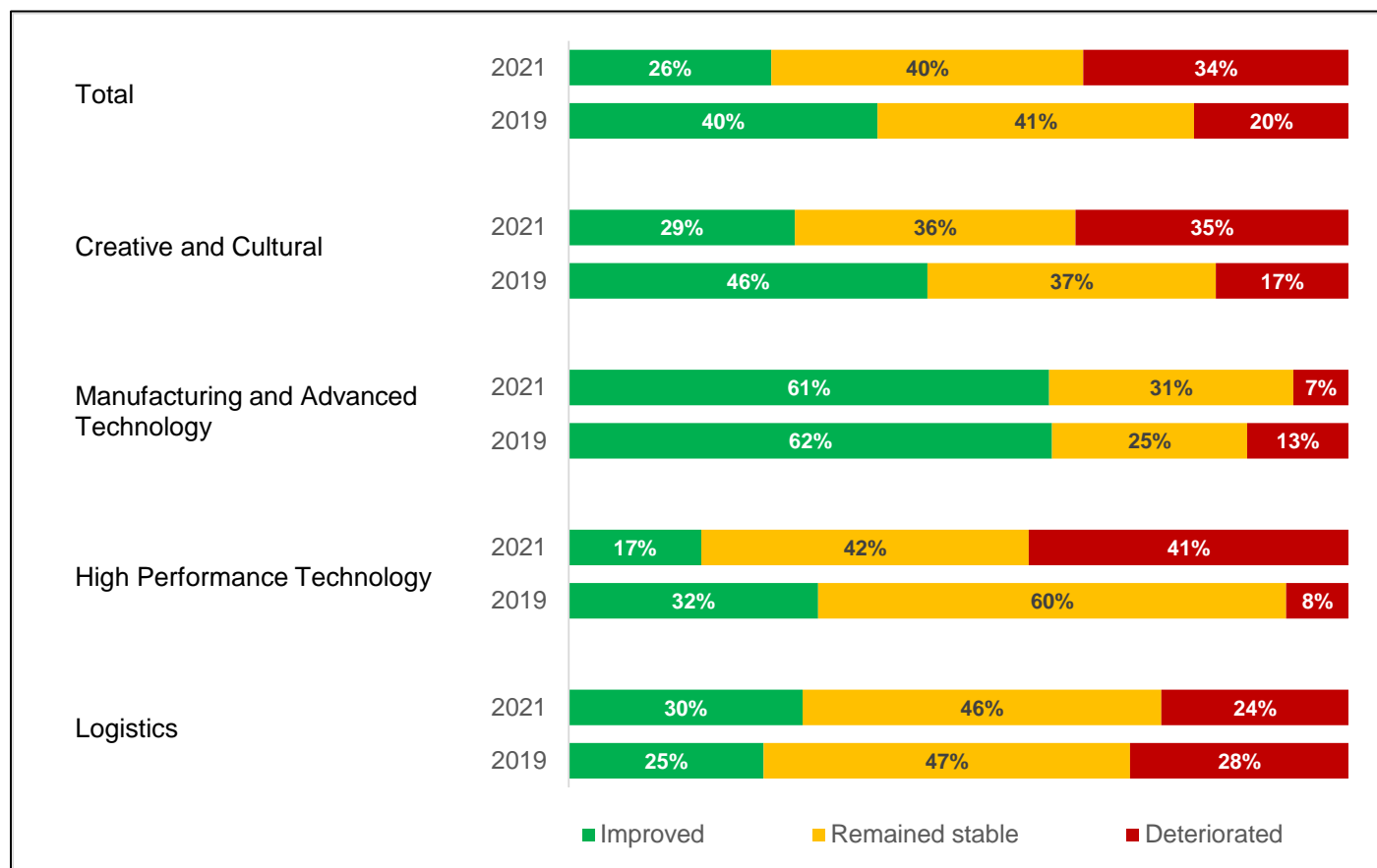


Number of respondents: 2021 1,858, 2019 1,651, 2017 2,091, 2015 1,918, 2014 1,573, 2013 897; 1-4 staff 1,396, 5-9 staff 222, 10-49 staff 167, 50+ staff 74. Excludes 'don't know' responses.

Question asked: Would you say that, overall, your business performance in the past 12 months has improved, remained stable or deteriorated?

3.10. Looking at the data by showcase sector highlights some significant differences. Businesses in Manufacturing and Advanced Technology were more positive than average, with 61% reporting an improvement and just 7% a deterioration. However, those in High Performance Technology were less positive with just 17% reporting an improvement and 41% saying performance had deteriorated. Figure 3.2 shows the figures for the showcase sectors.

Figure 3.2: Business performance over the previous 12 months, by showcase sector



Number of respondents: Total 2021 1,858, 2019 1,651; Creative and Cultural 2021 315, 2019 287; Manufacturing and Advanced Technology 2021 79, 2019 40; High Performance Technology 2021 154, 2019 74; Logistics 2021 199, 2019 207.

Question asked: Would you say that, overall, your business performance in the past 12 months has improved, remained stable or deteriorated?

3.11. Other sectors with particularly high levels of businesses saying performance had deteriorated included Accommodation and Food Service activities (52% deteriorated, 8% improved), Education⁸ (67% deteriorated, 12% improved) and Other Activities (62% deteriorated, 7% improved).

Future business performance

3.12. Business optimism for future performance was more likely to be positive than negative, with 40% expecting an increase in performance over the next 12 months compared with 15% expecting things to get worse.

3.13. This is, however, the lowest level of optimism since 2015, and an 8 percentage-point decrease on 2019 figures (48%).

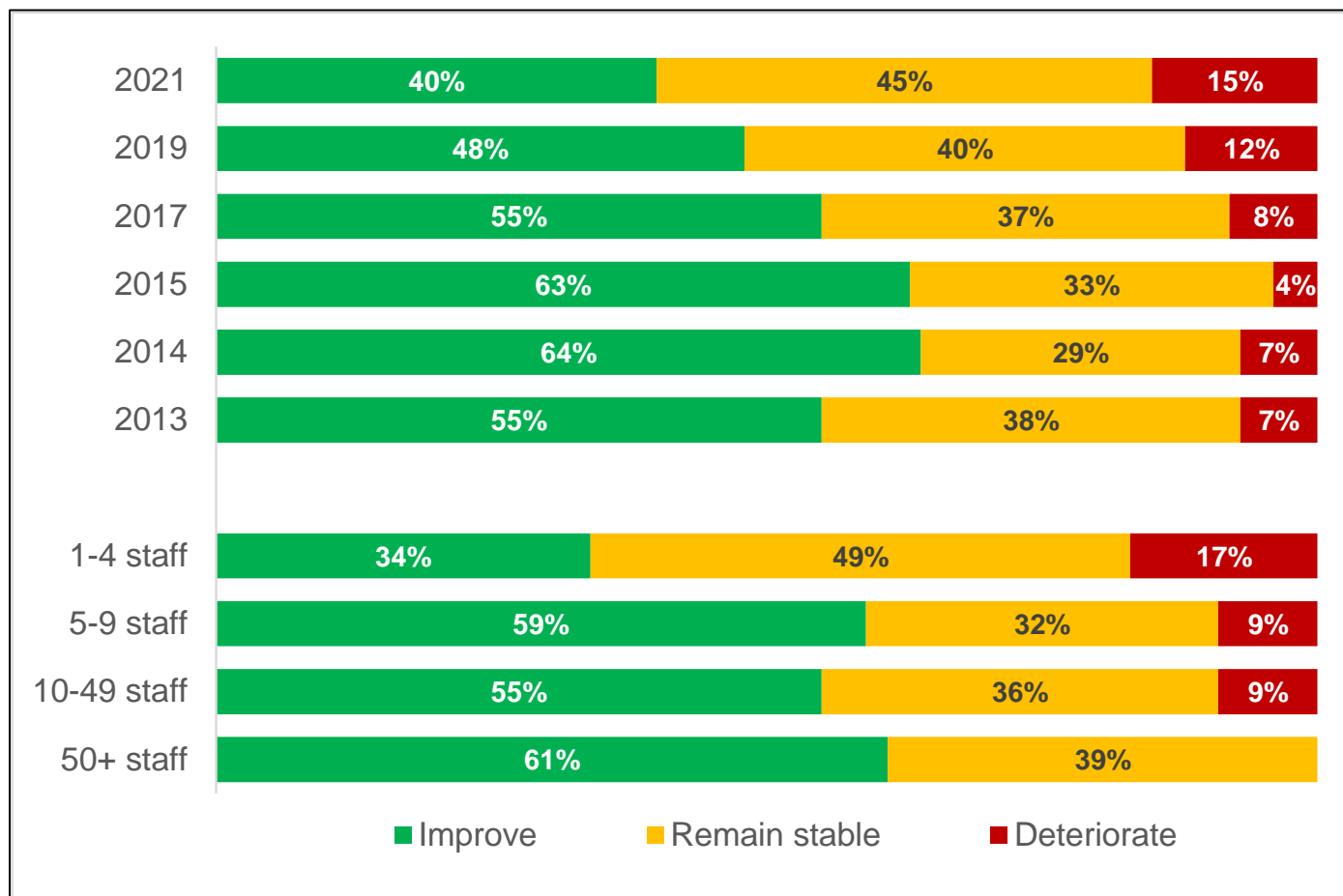
3.14. As seen in previous years, smaller businesses were more cautious in their outlook. Just 34% of the smallest businesses (1-4 staff) expected performance to improve in the coming 12 months, compared to almost six-in-ten of the businesses larger than this (59% with 5-9

⁸ Note, whilst this difference is statistically significant at the 95% level, the base sizes for Education and Other Activities are very low (37 for each).

staff, 55% with 10-49 and 60% of businesses with 50 or more staff expected to see an improvement).

3.15. Figure 3.3 shows the breakdown by size and the overall time series.

Figure 3.3: Predictions of future business performance by size and time series

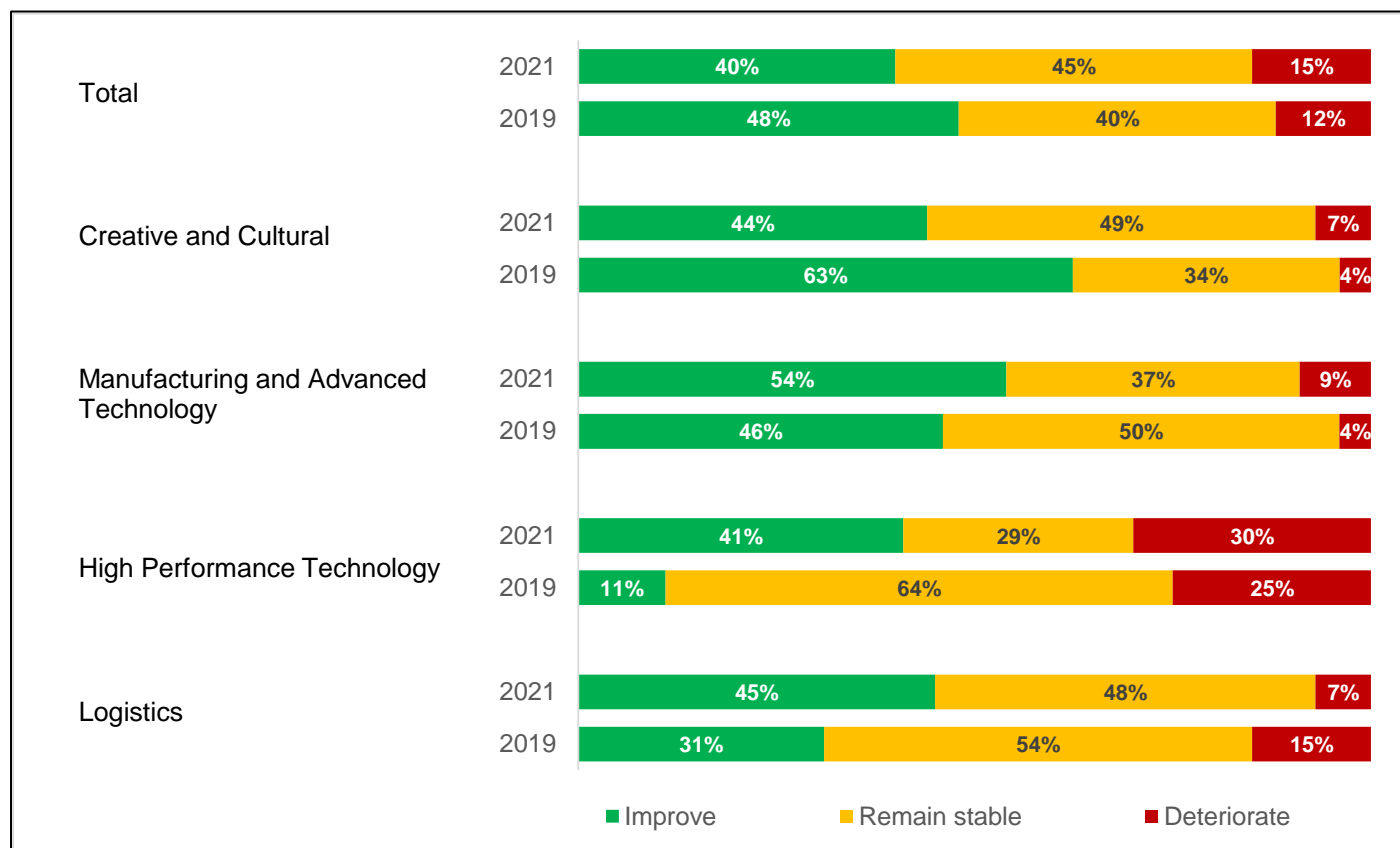


Number of respondents: 2021 1,852, 2019 1,547, 2017 2,121, 2015 1,918, 2014 1,573, 2013 896; 1-4 staff 1,391, 5-9 staff 220, 10-49 staff 167, 50+ staff 74.

Question asked: Over the next 12 months, do you expect your business performance to improve, remain stable or deteriorate?

- 3.16. The showcase sectors were all in line with the overall level of confidence for business, however there had been some changes within each sector over time.
- 3.17. Businesses in the High Performance Technology sector were much more likely to be optimistic about the future than they had been in 2019, with around four-in-ten (41%) expecting growth. That said, three-in-ten (30%) expected a decline in performance, which was comparable to 2019 (25%).
- 3.18. Optimism was higher in 2021 than 2019 in the Logistics sector, with 45% expecting things to improve compared to 31% in 2019, and just 7% expecting things to deteriorate (compared to 15% in 2019).
- 3.19. Optimism had, however, declined in the Creative and Cultural sector from 63% expecting an improvement in performance in the 12 months following the 2019 survey, to 44% in 2021.

Figure 3.4: Predictions of future business performance by showcase sector



Number of respondents: Total 2021 1,853, 2019 1,546; Creative and Cultural 2021 313, 2019 278; Manufacturing and Advanced Technology 2021 79, 2019 42; High Performance Technology 2021 154, 2019 67; Logistics 2021 199, 2019 185.

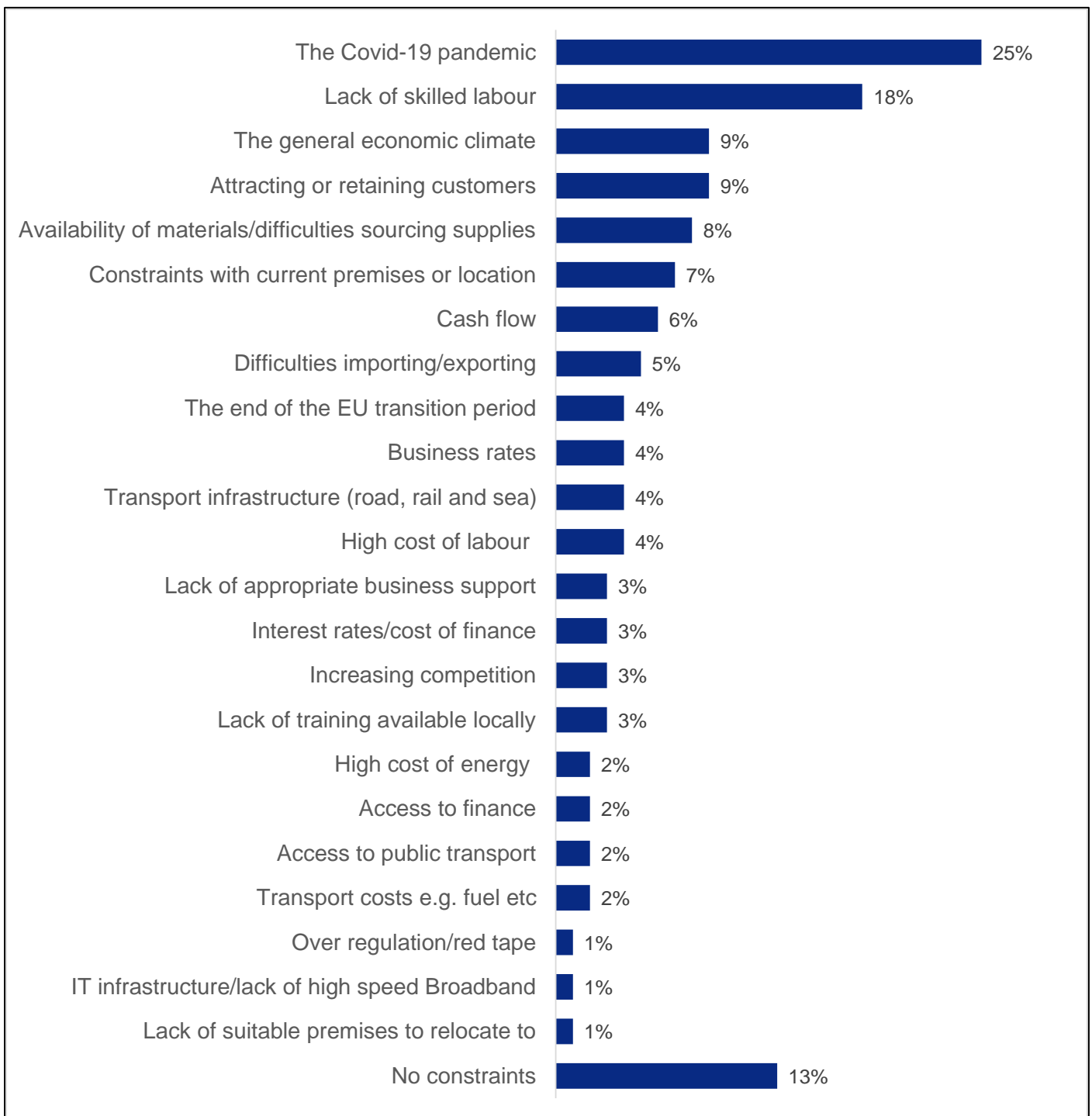
Question asked: Over the next 12 months, do you expect your business performance to improve, remain stable or deteriorate?

3.20. Despite having their performance heavily affected in the previous 12 months (see previous section), businesses in Accommodation and Food Services, Other Activities and Education were all optimistic for the future with 45%, 58% and 63% respectively expecting an improvement in performance in the coming 12 months.

Constraints on business growth

- 3.21. The vast majority (87%) of businesses were able to name at least one external factor they considered to be a constraint on their business growth.
- 3.22. The Covid-19 pandemic was named as the single most common constraint on growth, with a quarter (25%) of businesses mentioning it. It was either first or second most commonly mentioned factor by all sizes of business, and was particularly likely to be mentioned by large businesses (46% of those with 50 or more staff cited it as a constraint). Businesses in the Creative and Cultural showcase sector were also more likely to cite the pandemic as a constraint on growth, with 41% doing so.
- 3.23. A lack of skilled labour was the second most commonly mentioned issue at 18%. This is higher than in 2019 (when it was mentioned by 11%). This remains the biggest issue for larger businesses, mentioned by a third of those with 10-49 staff (33%) and over half (57%) of those with 50 or more staff. This figure for the largest businesses with 50 or more staff is significantly higher than it was in 2019 (30%). It was also more likely to be mentioned by businesses in the Manufacturing and Advanced Technology showcase sector (43%).
- 3.24. In 2019, the most commonly cited constraint on growth was the uncertainty surrounding the UK's withdrawal from the European Union, at 26%. The withdrawal was only explicitly mentioned as a constraint to growth by 4% in the 2021 survey, however its impact on other commonly cited constraints (such as availability of labour, sourcing supplies, import/export) is explored in the next section of this chapter.
- 3.25. Figure 3.5 shows all constraints mentioned by at least 1% of the business population surveyed.

Figure 3.5: Constraints on business growth



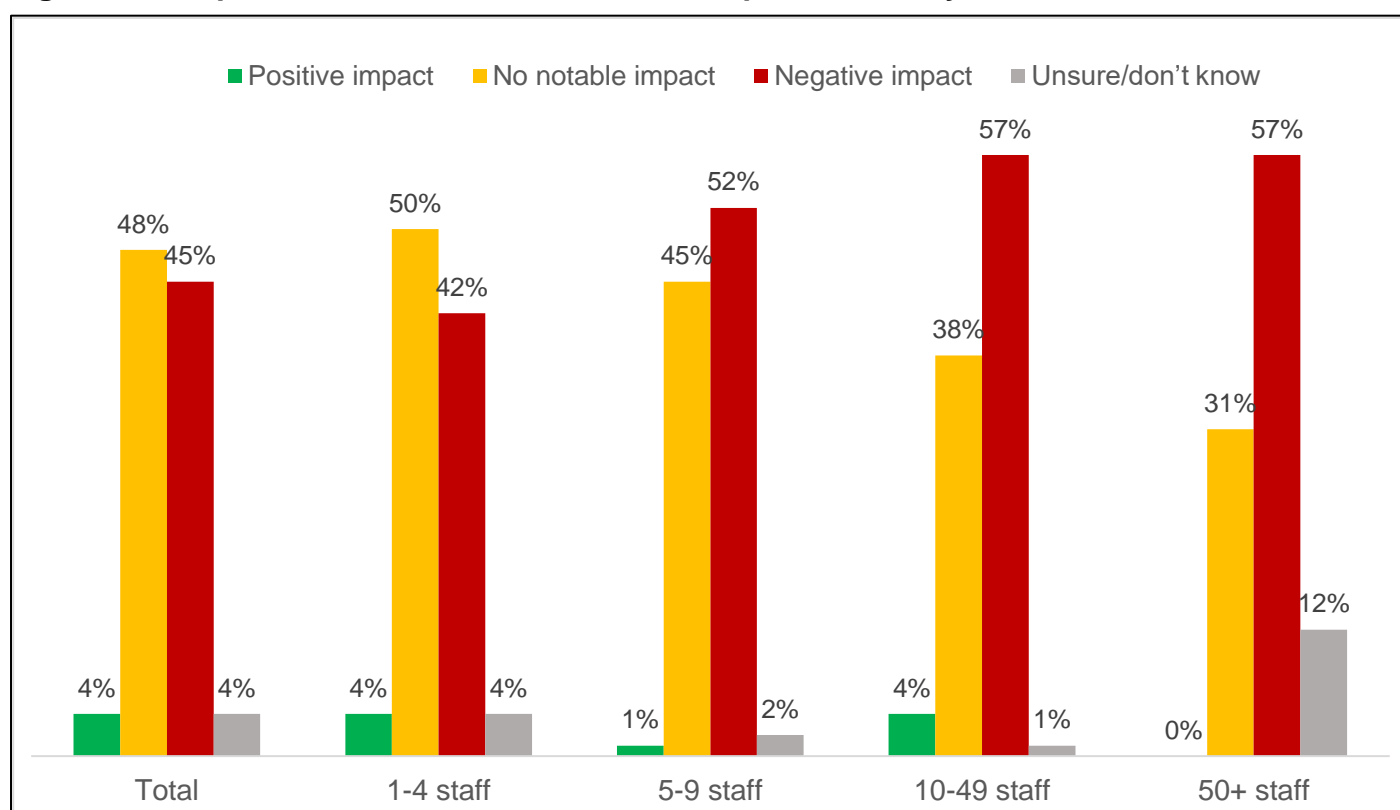
Number of respondents: 1,791.

Question asked: What do you consider to be constraints on your business growth?

Leaving the European Union

- 3.26. The UK formally left the European Union on 31st January 2020, and entered into a transition period that ended 31st December 2020. The survey was carried out in the context of the UK having been independent of the EU for 10 months.
- 3.27. Around half of businesses (48%) said leaving the EU had had no notable impact on their business, with a further 4% saying they were unsure currently of the impact. This figure was higher among small businesses than larger ones, with 50% of those with 1-4 staff saying it was the case declining steadily to 31% of those with 50 or more staff.
- 3.28. Among those who said it had had an impact, the impact was overwhelmingly negative. Almost half (45%) of businesses said the UK's departure had had a negative impact on their business compared to just 4% saying the impact had been positive.
- 3.29. The effects were felt particularly by larger businesses, with 57% of those with 10 or more staff saying they had seen a negative impact. Figure 3.6 shows the perceived impact by size of business.

Figure 3.6: Impact of the UK's exit from the European Union by size



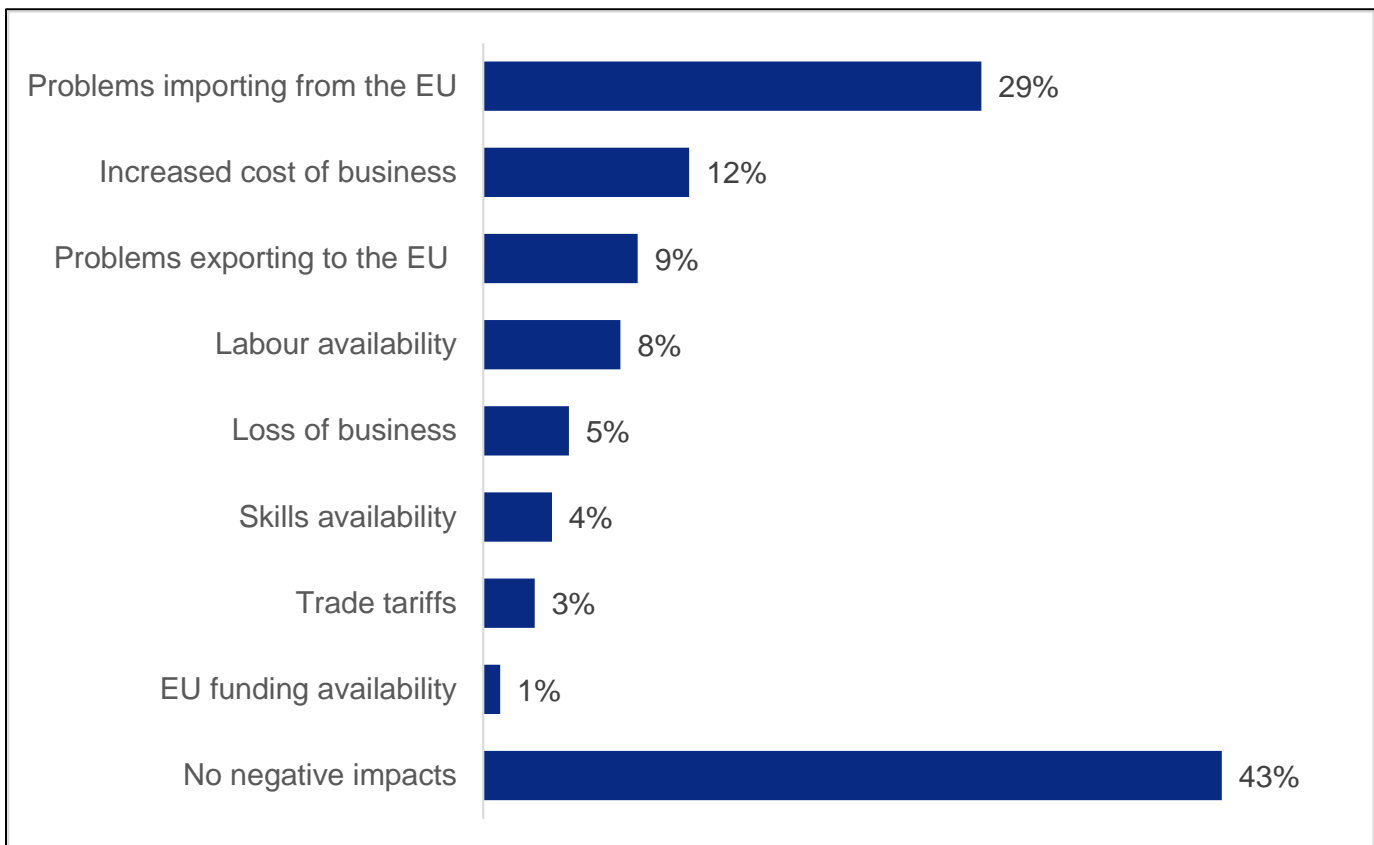
Number of respondents: Total 1,845, 1-4 staff 1,381, 5-9 staff 222, 10-49 staff 167, 50+ staff 74.

Question asked: Overall, what impact have you seen on your business, if any, of the UK leaving the European Union?

- 3.30. No businesses in the Creative and Cultural, Logistics or Manufacturing and Advanced Technology sectors had seen a positive impact from the UK leaving the EU. In the High Performance Technology sector, however, 16% said the impact had been positive.
- 3.31. The direction of the impact was more skewed towards negative than had been anticipated by businesses beforehand. In the 2019 survey 12% had anticipated a positive impact, and 34% a negative one (although it should be noted 17% were still unsure at that point what the impact would be).

- 3.32. 55% of businesses were able to name at least one negative impact from leaving the EU (43% said they had seen no negative impacts at all, 2% were not sure).
- 3.33. Most commonly this was problems importing from the EU, experienced by 29% of businesses. This was being felt especially keenly by the Construction sector (50%), Wholesale (49%), Retail (42%) and Accommodation and Food Services (42%).
- 3.34. Increased cost of business generally was an issue for 12%, in particular the Manufacturing and Advanced Technology showcase sector (31%) and the Construction sector (26%).
- 3.35. Whilst labour availability and skills availability were lower down the list, at 8% and 4% respectively, for larger businesses these were big issues with 26% of those with 50 or more staff and 20% of those with 10-49 staff reporting a negative impact on labour availability and 20% of those with 50 or more staff said it had negatively impacted skills availability.
- 3.36. In addition, about 5% of businesses in the 'other' comments mentioned increased red tape/form filling/bureaucracy.
- 3.37. See Figure 3.7 for details.

Figure 3.7: Negative impacts observed from leaving the EU



Number of respondents: Total 1,813

Question asked: What have been the main negative impacts, if any, you have seen on your business of the UK leaving the EU and its impact on your business? Note: Respondents could select more than one answer.

Home Working

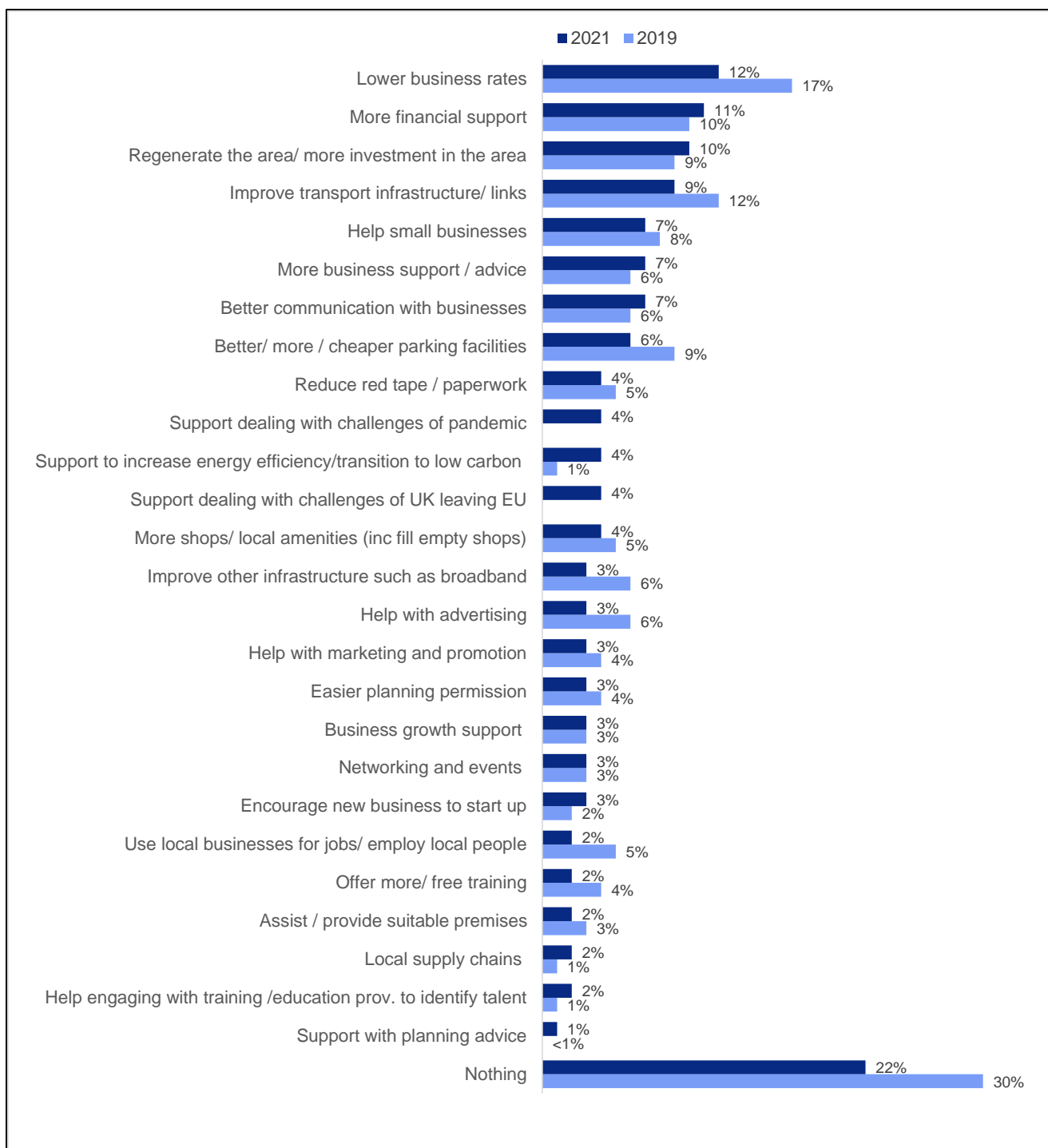
- 3.38. One change businesses have had to deal with in the period since March 2020 is the requirement that all staff work from home if possible. Businesses were asked whether, by the end of 2021 they expected the proportion of the workforce working from home to have increased, decreased or remained the same compared to pre-pandemic levels.
- 3.39. The majority (85%) said they expected levels of home working to be the same as they were pre-pandemic by the end of 2021. The remainder were split almost equally between those who expected home working to increase (7%) or decrease (8%).⁹
- 3.40. Businesses with 10-49 staff were most likely to expect an increase (10%) whereas just 3% of those with 50 or more staff thought this would be the case.
- 3.41. Larger businesses were more likely to say they expected home working to decrease (17% with 50 or more staff compared with 7% with 1-4 staff).

Support to assist growth

- 3.42. Businesses were asked to choose the three most important things councils and other support organisations could do to help them grow their business. This helps identify their priorities in terms of their support needs.
- 3.43. The top two factors were financial. “Lower business rates” was the most common type of support businesses felt would help them grow their business, mentioned by 12%. This was fewer than in 2019, however, when 17% cited this as a factor to support growth.
- 3.44. More financial support generally was the second most common factor, mentioned by 11%.
- 3.45. The third and fourth most commonly mentioned ways their Council and other organisations could support business were related to the local area: 10% said they would like to see more investment/regeneration in the local area, and 9% an improvement in transport infrastructure and links.
- 3.46. Fewer businesses than in 2019 mentioned transport infrastructure as a priority (9%, compared to 12% in 2019) and fewer mentioned better parking (6% compared with 9%); this could reflect reduced levels of travel and commuting during the pandemic.
- 3.47. Events in the period preceding the survey have given rise to new forms of support being required. Support dealing with the challenges of the pandemic specifically was mentioned by 4%, as was support dealing with the challenges of the UK leaving the EU (4%). Support increasing energy efficiency and transitioning to low carbon was up from 1% in 2019 to 4% in 2021.
- 3.48. Figure 3.8 shows all forms of support mentioned by more than 1%.
- 3.49. A fifth (22%) of businesses could not think of any form of support that would help their business grow. This was down from 30% in 2019.

⁹ This response raises the question as to whether respondents properly understood the question as it is not expected that homeworking levels would decrease compared to pre-pandemic levels. Perhaps they felt the question referred to current homeworking levels, or those over the last year rather than pre-pandemic. The other explanation is that there will be a decrease in homeworking as it is well documented that some businesses are reluctant to support home working for a variety of reasons, including concerns around productivity, performance and relationships.

Figure 3.8: Support businesses would like to see from councils and other support organisations to help business grow



Number of respondents: 2021 1,806; 2019 1,476.

Question asked: What are the 3 most important things your local council and other support organisations should do to help you grow your business? (Unprompted) No time series comparison available where 2019 figures are blank.

3.50. Whether it is because they need more support or because they have better awareness of what might be available and what would be helpful, larger businesses were more likely to be able to name priorities for support to help their businesses grow. Just 11% of those with 10-49 staff said there was nothing they needed, and no businesses with more than 50 staff said they did not need support.

3.51. The priorities for support also differed by size. Small businesses were far less likely to be

looking for reductions in business rates (8% of those with 1-4 staff compared with 21% with 5-9, 23% with 10-49 and 45% with 50 or more staff); this is likely because smaller businesses are less likely to have premises and pay rates.

- 3.52. Larger businesses were also more concerned than smaller ones with investment in the local area, with 28% of those with 50 or more staff mentioning regeneration and more investment in the area generally (compared to 10% overall) and 22% investment in public transport (compared to 9% overall).
- 3.53. Conversely, smaller businesses were more likely than larger ones to require more general financial support (11% of those with 1-4 staff, 16% with 5-9, 10% with 10-49 compared with just 4% with 50 or more staff), and support with specific challenges such as the pandemic (5% compared with 0% of those with 50 or more staff) and transitioning to low carbon (5% compared with 0% again).
- 3.54. Businesses in the showcase sectors also had differing priorities:
- Businesses in Creative and Cultural were most likely, out of all the factors listed, to say investment in the local area would help their business growth (14%), followed by lower business rates (10%) and improved transport infrastructure and links (also 10%).
 - Those in High Performance Technologies were most likely to say lower business rates (18%), followed by investment in the local area (16%) and more business support and advice (9%).
 - Businesses in Logistics were looking for more financial support (24%) followed by an improvement in parking facilities (12%) and more help for small business (11%). Businesses in this sector were also more likely than average to say easier planning permission would be helpful to them (10%, compared with 3% overall) and help increasing their energy efficiency (10%, compared with 4% overall).
 - Businesses in Manufacturing and Advanced Technologies were most likely to say help to engage with training and education providers to identify new talent would be of use to them (21%), followed by improvements to transport infrastructure and links (19%) and lower business rates (17%).

Section 4: Employment, Skills and Training

Key Findings:

- Approaching three-in-ten (28%) businesses had had at least one vacancy in the 12 months preceding the survey. This was a reduction on the figure of 39% seen in 2019. Six-in-ten (60%) of these businesses reported that one or more of these vacancies had been hard to fill; this equates to 17% of all businesses which is comparable as an overall figure to that seen in 2019 (18%) but is a far higher proportion of those who had actually had vacancies (60% vs. 45%).
- Use of agencies to try to fill vacancies has increased considerably since 2019, up from 18% to 40%, and is now the channel most commonly used by businesses to fill their vacancies.
- The most common reason for finding vacancies hard to fill was a lack of applicants with the required skills. Over half of employers reported they'd had difficulties finding recruits with the skills they needed; they reported that they found it difficult to obtain job specific and technical and practical skills in particular. The most common reasons given for this included a poor quality of applicants generally, a low number of applicants available and a general lack of skills in the available workforce. 4% blamed a reduction in the ability of EU applicants.
- Skills gaps occur when current staff do not have the required skills to carry out their job role. Overall 16% of businesses were able to list at least one skill they felt their current staff were lacking. This was fewer than the 25% seen in 2019, and continued the downward trend in the proportion of employers with skills gaps seen since the survey was first conducted.
- The skills staff lacked were diverse, and often specific to the role they were doing. Reasons for skills gaps stemmed primarily from training issues, with a quarter saying staff had received insufficient training. Current events played a part, with 8% blaming the Covid-19 pandemic for affecting the amount of training they were able to give, and 4% saying skills gaps were due to a reduction in EU workers.
- Nearly half (45%) of businesses had taken actions to increase the skills of their workforce, up from 28% in 2019. Most commonly including offering in-house or external training.
- At the time of the survey 7% of businesses had a current apprentice, far fewer than at the time of the 2019 survey (12%). A further 30% said they would consider hiring an apprentice in future. Of the 63% who would not consider an apprentice the majority said this was because they had no business need.
- Far fewer apprenticeship levy payers were using the levy to fund apprenticeships for themselves, and a quarter (23%) said they were not using it and had no plans to. In 2019 all levy payers in the survey were either using the amount for their own apprentices or had plans to in future.
- Just over a quarter of businesses (28%) reported offering at least one kind of work-experience placement, comparable to the figure seen in 2019. This was most commonly to school or college students aged 17-19. Businesses who did not engage with these activities most commonly said they did not see the value in it.

Introduction

- 4.1. This section of the report looks at businesses' experiences of issues surrounding their people. It looks at recruitment and recruitment difficulties including skills shortages in the labour market, skill shortages within their existing workforce and the actions taken by businesses to increase skills.
- 4.2. It also looks at the current and potential future provision of apprenticeships and of work-experience placements.

Vacancies and recruitment difficulties

- 4.3. Approaching three-in-ten (28%) businesses had had at least one vacancy in the 12 months preceding the survey. This was lower than in 2019, when 39% had had one or more vacancies.
- 4.4. It is difficult to make direct comparisons nationally as the major surveys that usually look at vacancies on this 12 month period have not yet had a post-pandemic update. However a look at labour market statistics for vacancies¹⁰ suggests this is in line with the national pattern. When the Covid-19 lockdown began in March 2020 the number of vacancies in the economy as a whole plummeted, and in Q4 of 2020 (i.e. 12 months before the current survey fieldwork was conducted) were still at 29% lower than they had been the previous year. Although the overall number of vacancies has been climbing since then and is now at a record high, for much of the past 12 months it was lower than pre-pandemic levels. (This comparison also does not tell us how many businesses these vacancies came from and whether big businesses who typically have lots of vacancies are returning to recruitment at a higher rate than other businesses.)
- 4.5. Larger businesses were more likely to have had vacancies: 95% of businesses with 50 or more staff had had a vacancy in the past 12 months, compared to just 12% of those with 1-4 staff (see Figure 4.1).
- 4.6. The reduction in the proportion having vacancies in the past year was predominantly focused on the smaller businesses. This could be linked to these businesses being more likely to report a deterioration in their business performance over the past year. Whilst the proportion of large businesses reporting vacancies had fallen by a few percentage points (from 100% to 95% among those with 50 or more staff) among those with 1-4 staff they had more than halved, from 27% in 2019 to 12% in 2021.
- 4.7. By showcase sector, the Logistics sector had seen a fall in the proportion of businesses with vacancies since 2019, from 54% to 36%. The proportion of businesses with vacancies in the past 12 months had risen in High Performance Technology from 11% to 28%. Levels of businesses with vacancies remained similar in Creative and Cultural (36% in 2021, 38% in 2019) and Manufacturing and Advanced Technology (the drop from 64% to 51% does not reach statistical significance due to the low base size in this sector).
- 4.8. Six-in-ten (60%) businesses that had had vacancies reported that one or more of these vacancies had been hard to fill; this equates to 17% of all businesses.
- 4.9. This overall figure is comparable to 2019 (when it was 18% of all businesses), however as a

¹⁰ Vacancies and jobs in the UK - Office for National Statistics

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/jobsandvacanciesintheuk/latest> (accessed 16th November 2021)

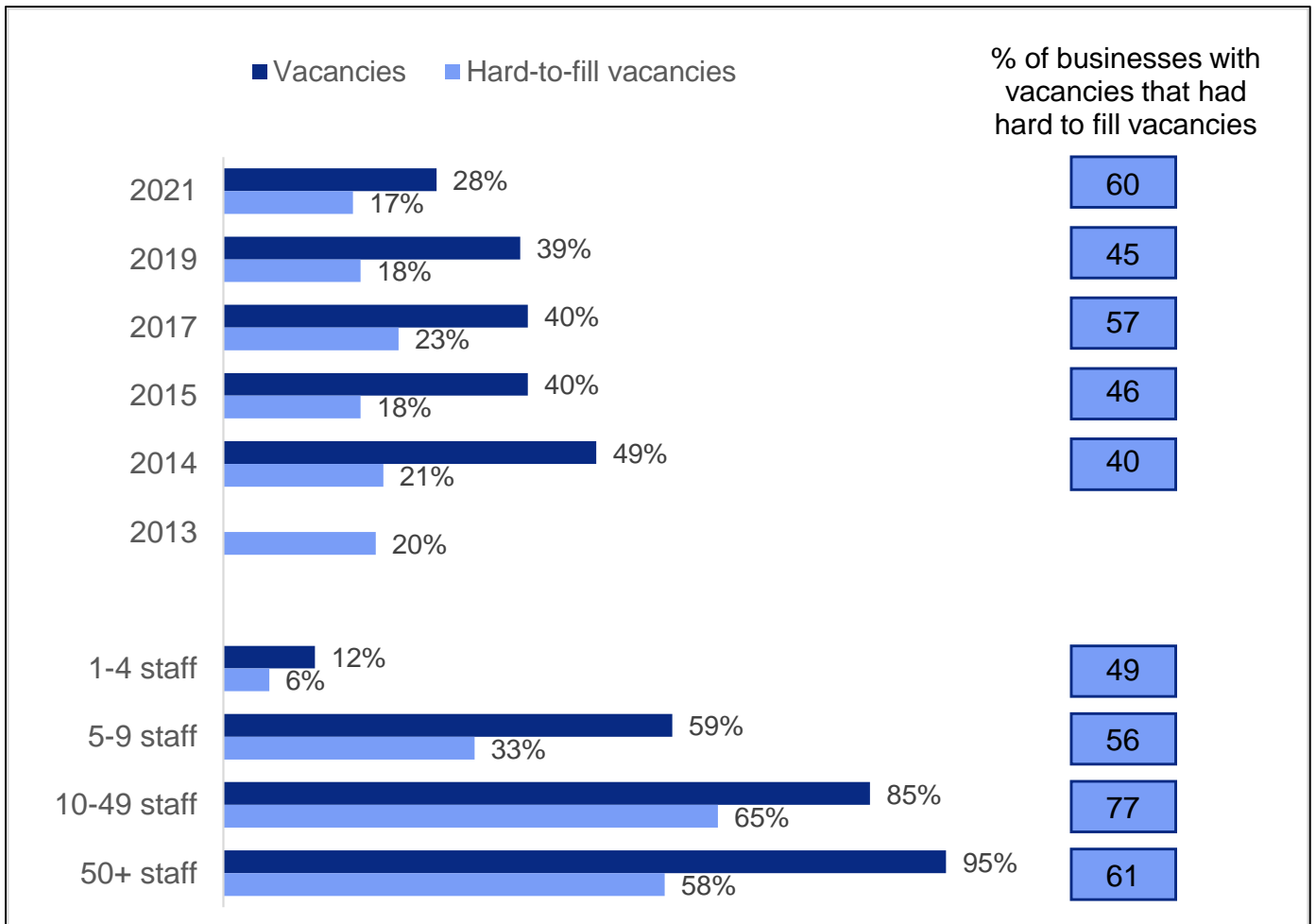
proportion of businesses who had actually tried to recruit this 60% was higher than the 45% seen in 2019.

- 4.10. It is difficult to make comparisons nationally as, again, the surveys we would usually benchmark the figure against have not had a post-pandemic update. However, the Business Insights and Conditions Survey (BICS) carried out by the Office for National Statistics reports that “41% of all businesses with more than 10 employees reported vacancies were more difficult to fill compared with normal expectations for this time of year”¹¹ (October 2021, around the time of the SEMLEP Business survey’s fieldwork).
- 4.11. Larger businesses with vacancies were more likely than smaller to have had trouble filling any of their vacancies (49% of businesses with 1-4 staff with vacancies had had difficulty filling one or more of their vacancies, compared with 56%, 77% and 61% respectively of businesses with 5-9, 10-49 and 50+ staff). This is likely to simply be a product of having had more vacancies per business over the time period. However, the proportion of those with vacancies reporting difficulties has increased most among businesses with 5-9 staff (from 31% to 56%) and was a particular issue for those with 10-49 staff (from 56% to 77%).
- 4.12. The problem was particularly acute in the High Performance Technology sector, where 91% of those with vacancies had trouble filling at least one of in 2021¹².

¹¹ Business insights and impact on the UK economy - Office for National Statistics
<https://www.ons.gov.uk/businessindustryandtrade/business/businessservices/bulletins/businessinsightsandimpactontheuconomy/latest> (accessed 16th November 2021)

¹² The low base size of just 42 should be noted here and the figure treated with caution, however it was statistically significantly higher than the 60% average for this measure across all businesses with vacancies.

Figure 4.1: Businesses with vacancies and hard-to-fill vacancies in the past year, over time and by size



Number of respondents: 2021 1,857; 2019 1,675, 2017 2,121, 2015 1,918, 2014 1,573, 2013 915; 1-4 staff 1,391, 5-9 staff 223, 10-49 staff 167, 50+ staff 74.

Questions asked: Have you had any vacancies in the last 12 months? Have you had any vacancies in the last 12 months that you have found hard to fill?

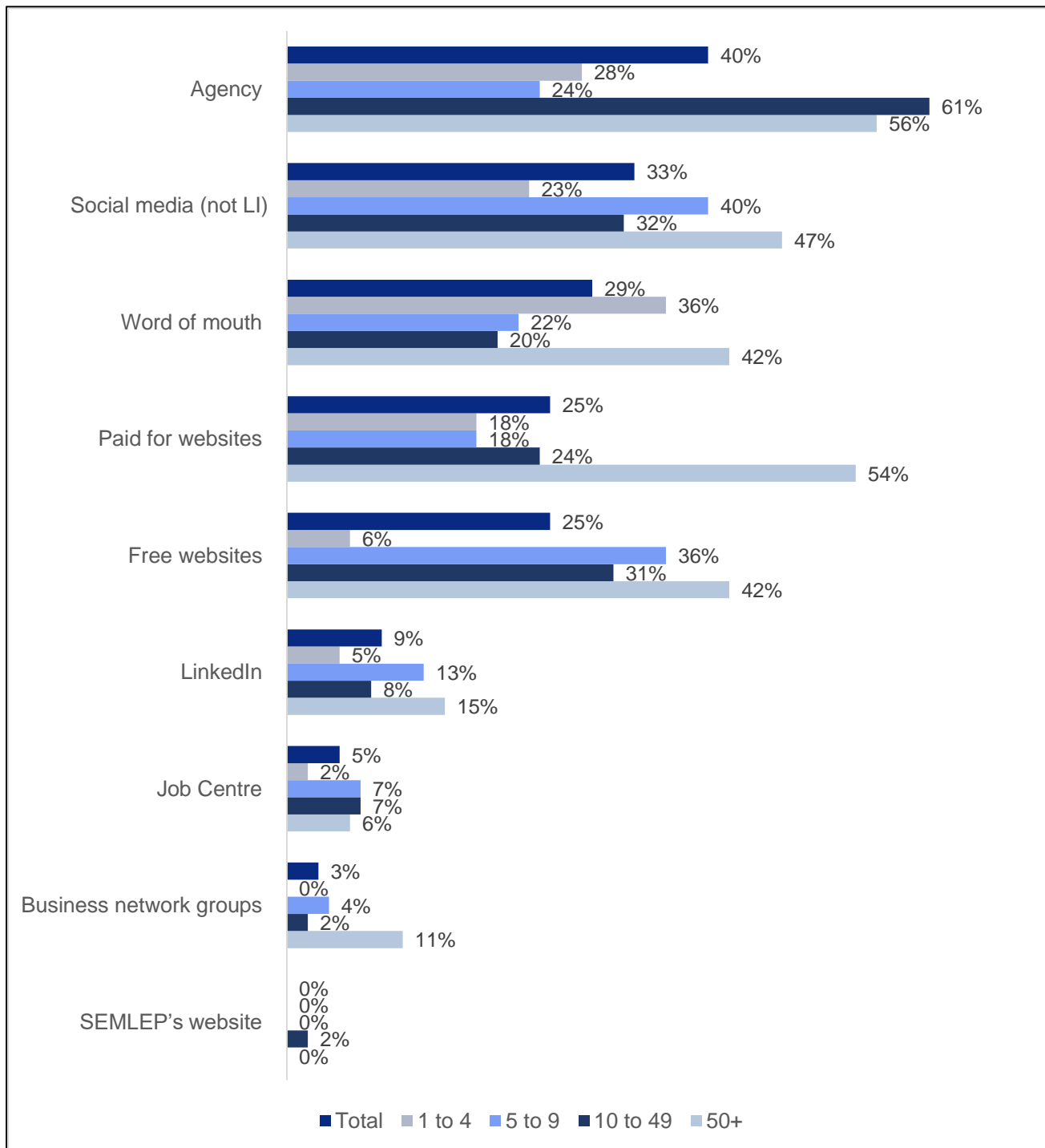
No data is available for the proportion of businesses with vacancies in 2013.

- 4.13. Use of agencies to try to fill vacancies has increased considerably since 2019, up from 18% to 40%, and is now the channel most commonly used by businesses to fill their vacancies. This could be due to increased difficulties in recruitment, the scale of their recruitment challenges, or limitations on meeting candidates for interviews and assessment during lockdown.
- 4.14. The increase in use of agencies was particularly marked in the smallest businesses, with 28% of businesses with 1-4 staff using this method in the 2021 survey compared with just 6% in 2019. At the same time, these smallest businesses' use of free channels such as social media and free websites has also fallen (social media from 46% to 23% and free websites from 24% to 6%).
- 4.15. There was also a big increase in use of agencies as a recruitment channel among businesses in the 10-49 sizeband, from 24% to 61%. For these businesses, agencies have replaced paid-for websites (down to 24% from 56%) as the top recruitment channel used; there was also a reduction in use of free websites in this sizeband (from 47% to 31%) and in use of LinkedIn for recruitment (from 28% to 8%).

4.16. Very few businesses had used SEMLEP’s website for recruitment – less than 1% overall.

4.17. Figure 4.2 shows the different channels used by each size of business.

Figure 4.2: Recruitment channels used by size



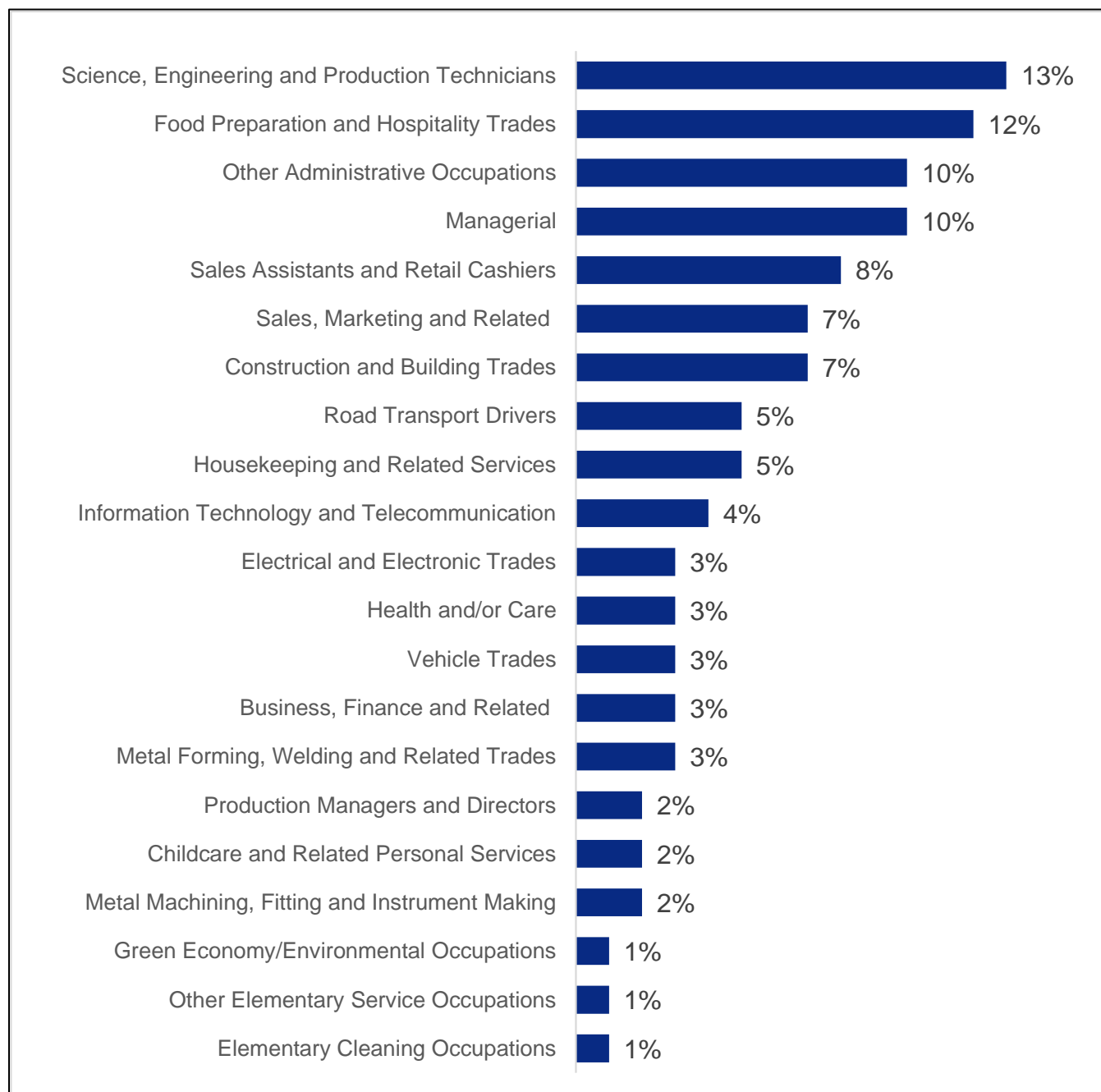
Number of respondents: 509; 1-4 170, 5-9 126, 10-49 142, 50+ 71 (only asked to businesses with vacancies). Excludes 'don't know' responses.

Questions asked: How do you advertise or promote your vacancies?

- 4.18. Businesses that had had difficulty filling any of their vacancies were asked which specific occupations they had had trouble recruiting. The top three occupations businesses were finding it hard to fill vacancies for were science, engineering and production technicians (13%, similar to the 11% seen for this occupation in 2019), food preparation and hospitality trades (12%, an increase from 7% in 2019), and other administrative occupations (10%, comparable to the 11% seen in 2019).
- 4.19. This is different to the ranking of occupations in 2019, when six occupations ranked higher than any of these three. Sales, marketing and related occupations stands out with only half as many citing it as a role that they had struggled to recruit for in 2021 compared with 2019 (7% in 2021, down from 15% in 2019). Similarly the difficulty filling road transport driver roles had reduced from 14% of those with hard-to-fill vacancies in 2019 to just 5% in 2021. Note that this survey was carried out in October 2021, after the government had introduced a raft of measures to increase the supply of HGV drivers to combat shortages.¹³
- 4.20. To an extent this list will reflect the demand for each occupation in the workforce. However, this data does show the occupations where there is a higher demand from employers than there are suitable applicants in the SEMLEP region. The reasons for why this might be are explored below.

¹³ <https://www.gov.uk/government/topical-events/hgv-driver-shortage-uk-government-response/about>

Figure 4.3: Occupations businesses have had trouble recruiting



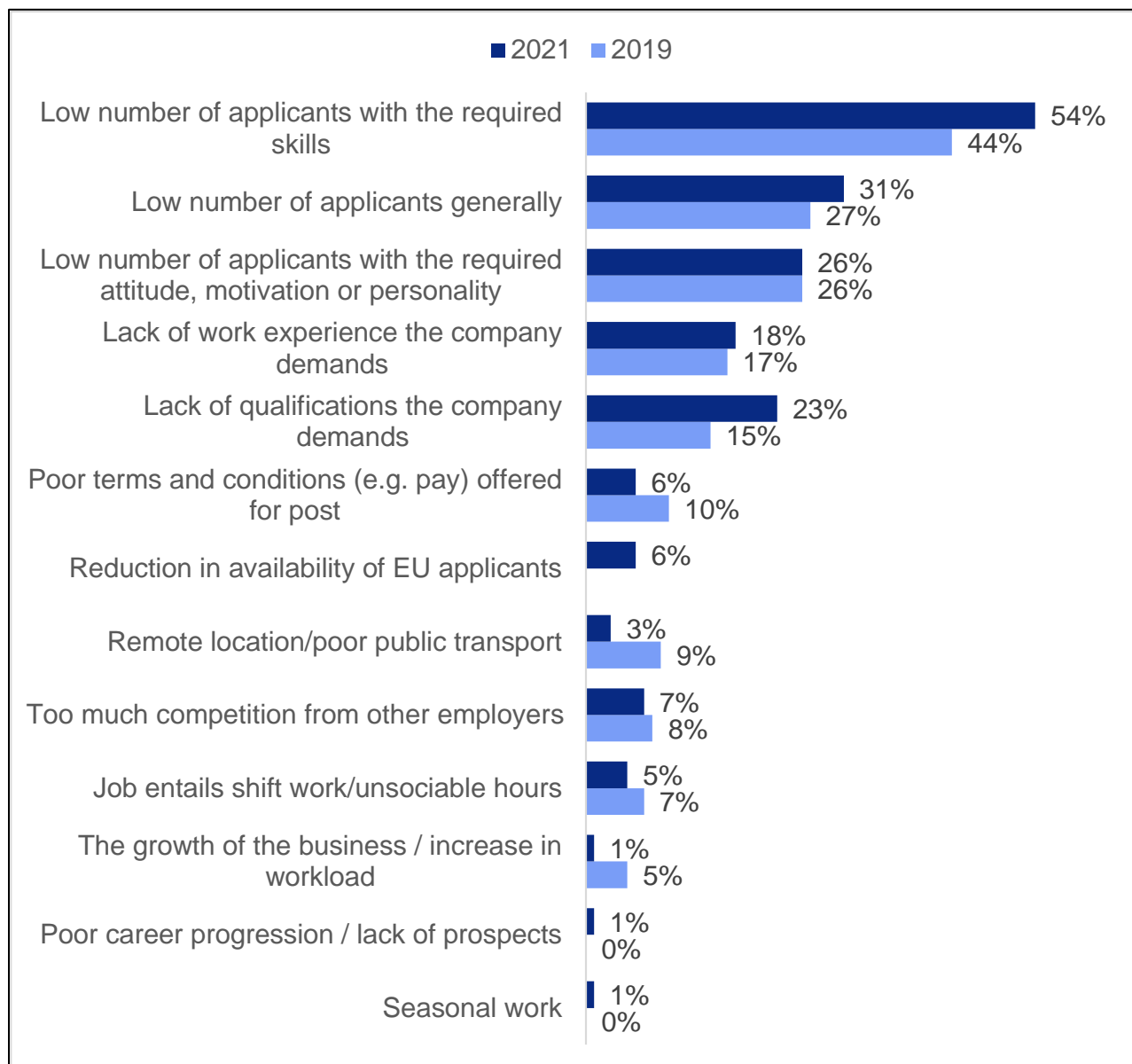
Number of respondents: 292 (only asked to businesses with hard-to-fill vacancies). Excludes 'don't know' responses. Question asked: Which specific occupations have you found hard to fill?

- 4.21. The reason businesses most commonly gave for finding vacancies hard to fill was a lack of applicants with the required skills, which was cited by over half (54%). This was also the top reason in 2019, however the proportion that mentioned it had risen (from 44%).
- 4.22. Low number of applicants generally and low number of applicants with the required attitude, motivation or personality were also commonly mentioned, by 31% and 26% respectively (in line with 2019).
- 4.23. The proportion saying that they struggled to get applicants with the right qualifications had risen from 15% to 23%.
- 4.24. Fewer employers in 2021 believed the location of the role and poor transport links was the cause of the difficulty in filling the vacancies than did in 2019, at just 3% (down from 10%).

This could be due to the increase in home working over the course of the pandemic. However, the majority (85%) of businesses in the survey said that they expected the level of home working by the end of 2021 to be at the same level as it was pre-pandemic, suggesting if this is a reason for fewer employers citing this as a barrier to attracting the right staff, it will be short-lived.

4.25. A reduction in the availability of EU applicants was mentioned for the first time in 2021, by some 6% of businesses, following the UK's withdrawal from the EU.

Figure 4.4: Reasons for having hard-to-fill vacancies



Number of respondents: 2021 279, 2019 428 (only asked to businesses with hard-to-fill vacancies).

Question asked: What have been the main causes of having hard-to-fill vacancies?

Skills shortages

- 4.26. A “skill-shortage vacancy” is defined as a vacancy that is hard to fill due to a lack of skills, qualifications or necessary experience among applicants.
- 4.27. Over half of employers with vacancies (56%) could list at least one skill they had trouble recruiting for in the previous year (equating to 16% of all businesses). This is not significantly different to the 2019 figure of 52%.
- 4.28. As in previous years, employers most commonly reported technical and practical skills and job-specific skills as the skills they have most trouble sourcing in job candidates (both 23%). Other skills mentioned by 1% or more are shown in Figure 4.5.

Figure 4.5: Skills lacking from applicants in last 12 months

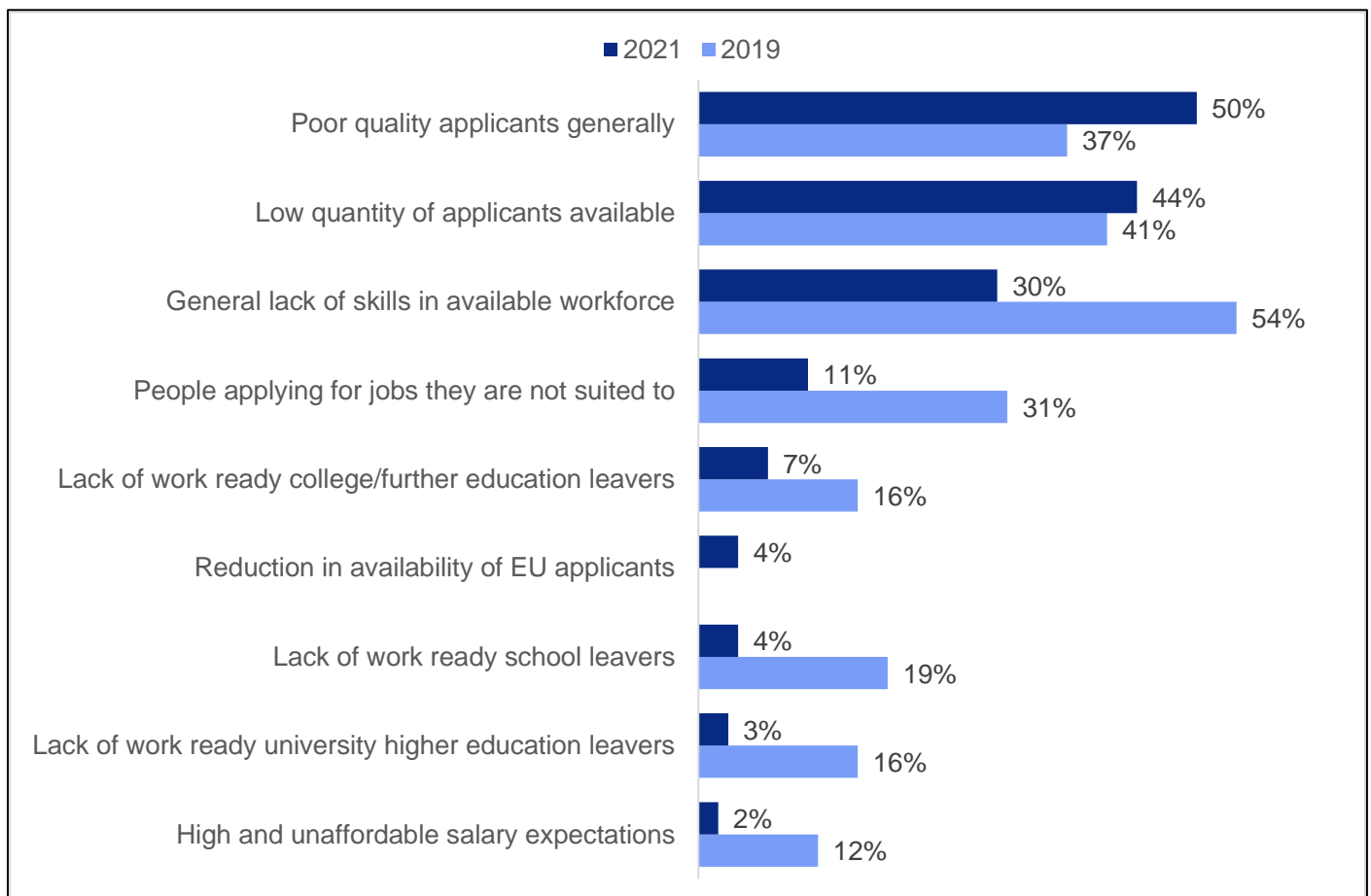


Number of respondents: 487 (only asked to businesses with vacancies). Excludes ‘don’t know’ responses.

Question asked: Have you found any of the following skills difficult to obtain when recruiting staff in the last 12 months?

- 4.29. Businesses who had had difficulty finding any skills in applicants for their vacancies most commonly said the applicants had been of a poor quality generally (50%). This was a higher proportion than in 2019 (37%).
- 4.30. Businesses were less likely to cite any specific reason for this, with far fewer than in 2019 saying there was a general lack of skills in the workforce, people were applying for jobs they weren't suited to, or that education leavers were not "work-ready".
- 4.31. Some (4%) said the reason they were struggling to recruit some skills was the reduction in availability of EU applicants. See Figure 4.6.

Figure 4.6: Reasons for finding skills difficult to obtain among job applicants, time series

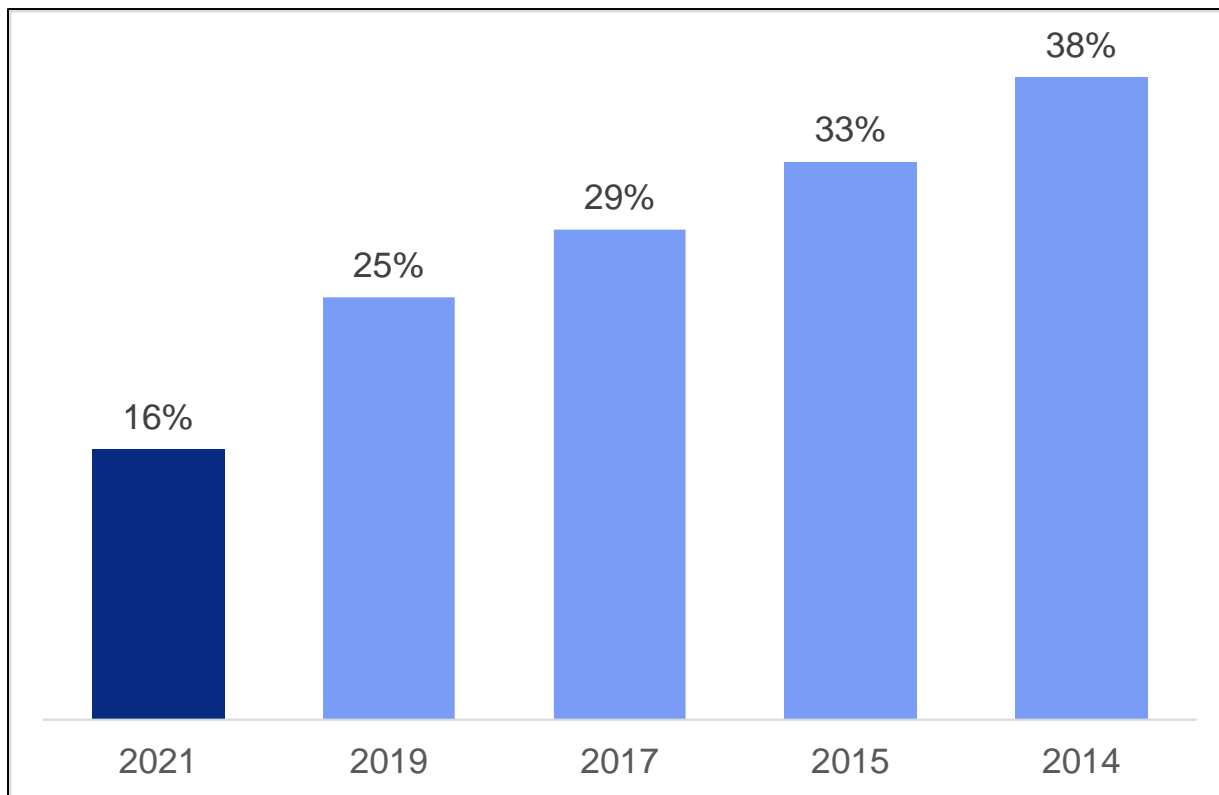


Number of respondents: 272 (only asked to businesses who had found any skills difficult to obtain in applicants).
 Question asked: Why have you found these skills difficult to obtain?

Skills gaps in existing workforce

- 4.32. Skills gaps occur where current staff do not have the skills to adequately carry out their job role.
- 4.33. Overall, 16% of businesses listed at least one skill they felt their staff was lacking. This is a marked improvement on the figures seen in 2019 (25%), and continues a trend seen since the survey began in 2015.

Figure 4.7: Incidence of skills gaps over time

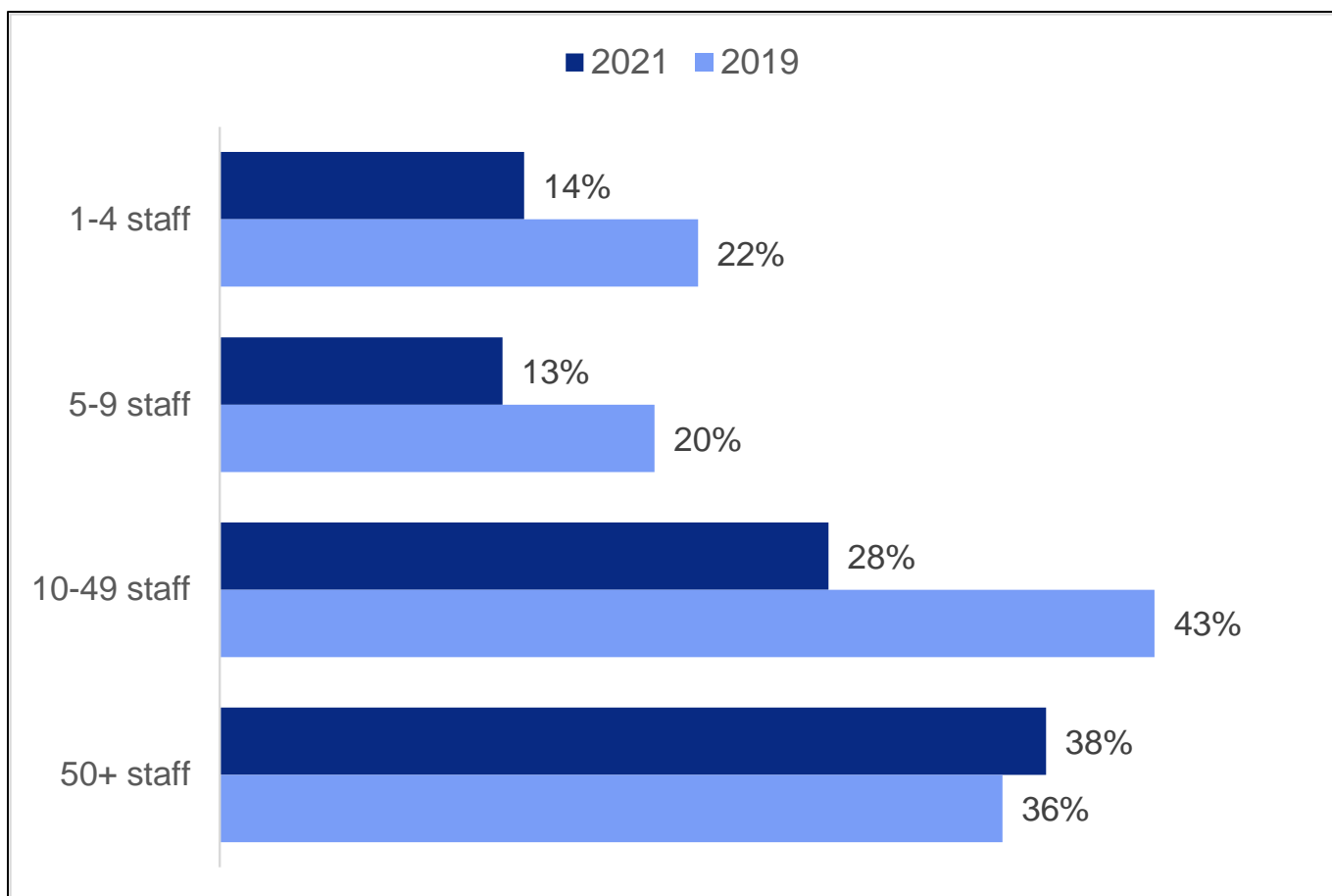


Number of respondents: Total 2021 1,849, 2019 1,672, 2017 2,109, 2015 1,918, 2014 1,573; 1-4 staff 1,391, 5-9 staff 223, 10-49 staff 160, 50+ staff 74. Excludes 'don't know' responses.

Question asked: Do you have skills gaps in your existing workforce in any of the following areas?

- 4.34. Incidence of skills gaps had fallen for businesses with fewer than 50 staff, most notably among the smallest employers (see Figure 4.8).
- 4.35. However, larger businesses (50+ staff) reported a similar level of employees with skills gaps to that seen in 2019 (38% in 2021, 36% in 2019).

Figure 4.8: Incidence of skills gaps by business size, compared to 2019



Number of respondents: 1-4 staff 2021 1,391, 2019 762; 5-9 staff 2021 223, 2019 431; 10-49 staff 2021 160, 2019 393; 50+ staff 2021 74, 2019 86. Excludes 'don't know' responses.

Question asked: Do you have skills gaps in your existing workforce in any of the following areas?

- 4.36. The majority of the showcase sectors were in line with the SEMLEP average in terms of the proportion who had skills gaps in their workforce, with the exception of businesses in Logistics who were less likely than average to report this (11%).
- 4.37. The skills businesses felt were lacking in their workforce were diverse, and most commonly specific to the role they were doing. Technical and practical skills were most commonly mentioned (5% of all businesses, or 32% of all those with skills gaps), followed by job specific skills (4%, or 26% of all those with skills gaps).
- 4.38. Other skills mentioned by 2% or more were sales and marketing skills (2%, 15% of all with skills gaps) and digital skills (2%, 11% of all with skills gaps).
- 4.39. The skills lacking in the workforce were similar to those identified in previous years.
- 4.40. The 2% of businesses that reported digital skills were lacking from job applicants and/or

their current staff were asked which specific digital skills they were finding hard to obtain¹⁴. Computer-Aided Design (CAD) was most commonly mentioned at 31%; Microsoft Office skills were second most common at 21%.

- 4.41. Digital marketing skills (including social media) were difficult to obtain for 14%.
- 4.42. Other digital skills mentioned included computer or network support (7%), systems design and management (5%), programming/coding (5%), data analysis (5%) and digital design (2%).
- 4.43. Businesses with skills gaps in their workforce were asked why they thought these skills gaps had arisen. A quarter (24%) said there had been a lack of appropriate training or courses, this was in line with the proportion stating this in 2019 (25%). Some were more specific about the reasons for a lack of training, with 9% saying there had been a lack of investment in staff training and development, 8% saying the Covid-19 pandemic had impacted on the level of training they were able to give, and 6% that there was insufficient budget to provide training.
- 4.44. One-in-ten (10%) said their existing staff were not seeking upskilling, and 4% said it was due to a reduction in the number of EU workers they had.
- 4.45. A minority (2%) said there was simply no workforce development plan, and 1% blamed inflexible timings/durations of training courses, or not being prepared to release staff for training during work hours.

Increasing skills

- 4.46. Nearly half (45%) of businesses reported that they had taken action to increase the skills of their workforce. This is much higher than in 2019 when the figure was 28%.
- 4.47. Four-in-ten (41%) said it was not applicable to them as they had no skills gaps; this was down from 66% in 2019. One-in-seven (14%), however, simply said they were not doing anything, which was an increase from 6% in 2019.
- 4.48. The most common action taken by businesses to increase skills was to provide training to staff. Most often this was in the form of in-house training and development (20%, comparable with the 19% seen in 2019), or outsourcing training and development to external providers (13%, a slight increase on the 10% seen in 2019), but 7% reported they had provided online or remote training and support to staff (this did not come up in 2019, and may be linked to the increase in remote working during the pandemic).
- 4.49. A handful were engaging with education providers, most commonly colleges (5%) but a few were engaging with schools or universities (1% for each). 4% were investing in apprenticeships to increase skills; this is explored in more detail later in the chapter.
- 4.50. Although use of recruitment agencies was far more common than it had been in previous years, just 1% said they relied on agencies to recruit skilled people.
- 4.51. Larger businesses were far more likely to have taken action to increase skills, with 88% of those with 50 or more staff having done so compared with just 38% of those with 1-4 staff. The biggest difference came in the offering of in-house training and development: this was offered by 58% of businesses with 50 or more staff compared with just 14% of those with 1-4 staff. Conversely, mid-sized businesses were more likely than the smaller or larger

¹⁴ Note: Base size 37, treat figures with caution.

businesses to outsource training and development to external providers (just 6% of businesses with 50 or more staff had done so and 14% with 1-4 staff, compared with 21% and 23% respectively of businesses with 5-9 and 10-49 staff).

Qualifications of staff

4.52. Businesses reported the qualification levels of their staff.

4.53. One in five (18%) reported having staff that had no qualifications at all; this was up from 10% in 2019. Conversely the proportion who had staff with each level of qualifications had reduced. See Figure 4.9.

Figure 4.9: Proportion of businesses with staff qualified to each level of the National Qualifications Framework, over time

Level	Proportion of businesses with staff qualified to each level	
	2021 %	2019 %
No qualifications	18	10
Level 1	6	15
Level 2 (GCSE A*-C/4-9)	30	42
Level 3 (A Level A-E)	23	39
Level 4 (HNC)	13	23
Level 5 (HND/Foundation degree)	9	22
Level 6 (Degree)	25	37
Level 7 (Masters)	9	15
Other	21	19

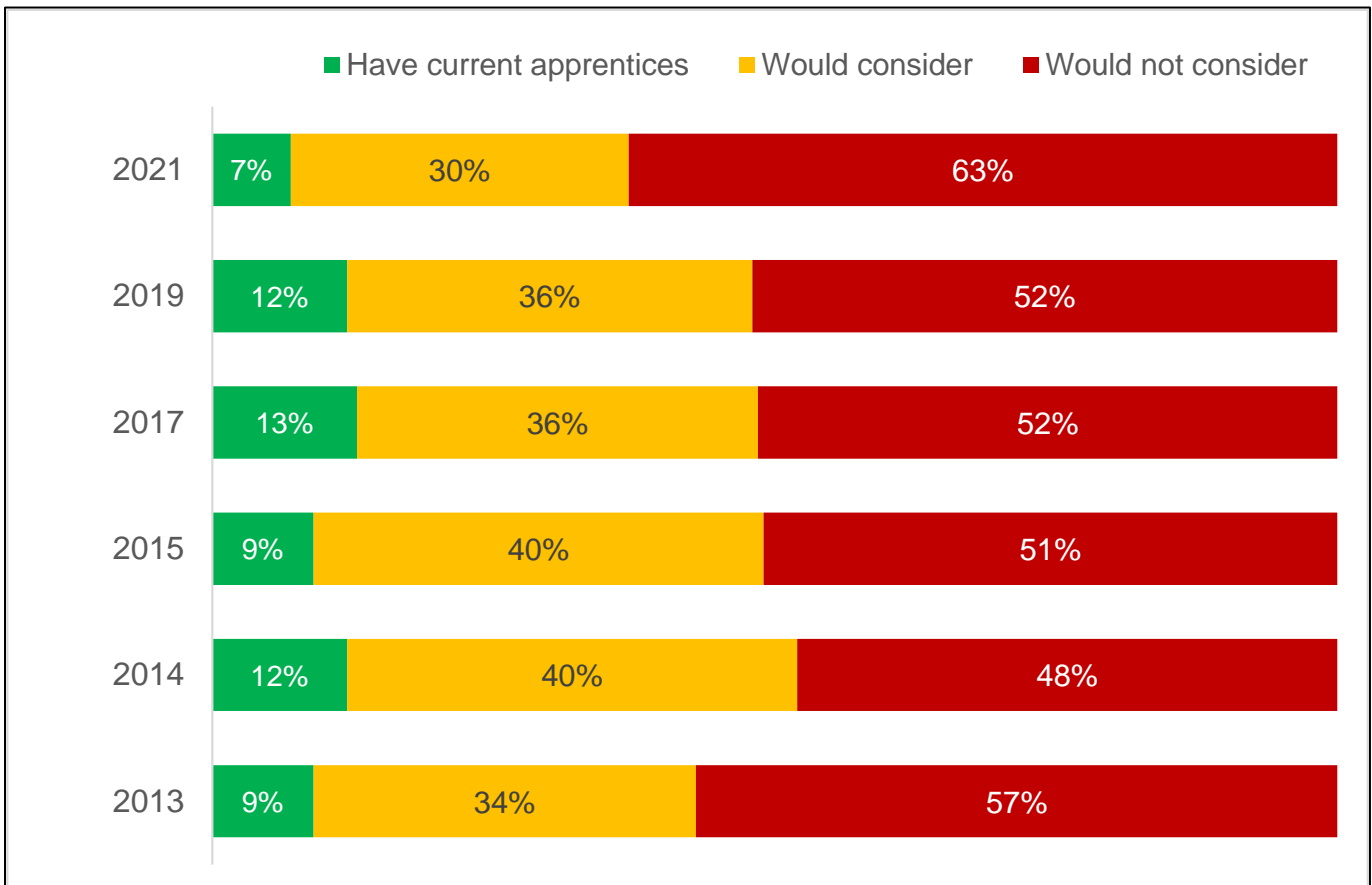
Number of respondents: 2021 1,853, 2019 1,485. Excludes 'don't know' responses.

Question asked: What level of qualifications do your staff hold??

Apprenticeships

- 4.54. At the time of the survey 7% of businesses had a current apprentice (i.e. they were currently employing anyone on a recognised government apprenticeship scheme). This was a significant reduction on the 12% seen in 2019.
- 4.55. National figures show the numbers of people starting an apprenticeship scheme were down 19% in the academic year 2020/21 compared with the academic year of 2018/19 (when the previous survey was run)¹⁵, suggesting this could be reflective of a nationwide trend.
- 4.56. Businesses who did not have current apprentices were asked whether it was something they would consider. Just under a third (33%) said they would. This leaves 63% of businesses saying they would not consider hiring an apprentice, higher than the 52% seen in 2019.

Figure 4.10: Current and potential future apprenticeship offering, over time



Number of respondents: 2021 1,856, 2019 1,675, 2017 2,116, 2015 1,918, 2014 1,573, 2013 915.

Questions asked: Do you employ anyone on an apprenticeship programme currently? Do you or would you consider taking on an apprentice?

¹⁵ Apprenticeships and traineeships, Academic Year 2020/21 – Explore education statistics – GOV.UK <https://explore-education-statistics.service.gov.uk/find-statistics/apprenticeships-and-traineeships/2020-21#dataDownloads-1> (accessed 17/11/21)

- 4.57. Larger employers were much more likely to have current apprentices than smaller employers: 3% of employers with 1-4 staff had an apprentice, this increased to 9% of those with 5-9 staff, 19% with 10-49 staff, then up to 52% among businesses with 50 or more staff.
- 4.58. Larger businesses with 50 or more staff were more likely to have current apprentices (52%); two-thirds of businesses of this size that did not have current apprentices said they would consider it in future (66%), leaving 15% (of all) that would not consider it at all. In 2019 this figure was just 1%. Alongside being more likely to take on apprenticeships, businesses of this size tend to take on more apprentices per business¹⁶, so their absence from the schemes will have a significant impact on overall apprentice numbers.
- 4.59. Small businesses were less likely to have current apprentices (3%), and those in this size band that did not were less likely than larger businesses to say they would consider it (24%). Conversely, businesses with 5-9 and 10-49 employers were as likely as not to say they would consider taking on an apprentice, with 58% and 57% respectively who didn't already employ one saying they would consider it.
- 4.60. Businesses in each of the showcase sectors were as likely as average to have current apprentices (Creative and Cultural 6%, High Performance Technology 6%, Logistics 11% and Manufacturing and Advanced Technology 8%). However, businesses in Manufacturing and Advanced Technology were more likely to say they would consider it (56% of those without a current apprentice said they would).
- 4.61. The reasons businesses would not consider hiring an apprentice were primarily related to business requirements and the type of work they needed doing. Four-in-ten (41%) that would not consider it said they simply had no business need or were not currently recruiting, and a fifth (18%) felt their business was too small to support an apprentice. There is a perception among some (14%) that their business is not suited to any of the current apprenticeship schemes.
- 4.62. One-in-nine (11%) said apprentices do not have the necessary skills, experience or qualifications they require and that they prefer to employ people that are ready to do the job.
- 4.63. A poor previous experience of apprenticeships was an issue for 9%, and 6% were put off by the cost.
- 4.64. Although the actual figures differ slightly, the hierarchy of reasons for not considering employing an apprentice is similar to previous years.
- 4.65. Just under one-in-twenty (4%) businesses in the survey reported they are eligible to pay the Apprenticeship Levy, introduced in 2017 as part of a restructure of the way apprenticeships are funded. This was the same figure as in 2019.
- 4.66. The proportion using their levy payments to fund apprentices for themselves, however, was significantly lower than in 2019. Just 27% were using it to fund apprenticeships in their own business, down from 80% in 2019: 23% said they had used it to take on new apprentices (down from 59% in 2019) and 19% to develop the skills of existing employees (down from

¹⁶ Apprenticeships Evaluation 2018 to 2019: Employers (publishing.service.gov.uk)
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/875561/Apprenticeships_Evaluation_-_Employer_Report.pdf (accessed 17/11/21)

43%).

4.67. Furthermore, of the 35% who stated they were not using the levy at the time of the survey, only a third said they had plans to do so in future. In 2019 all employers paying the levy but not currently using it said they planned to do so in future. The survey does not delve into reasons why, however it could be the disruption of the pandemic or it could be that they've had time to look into it now (the levy was introduced 4 years prior to the start of the survey) and do not feel it is the best option for their business.

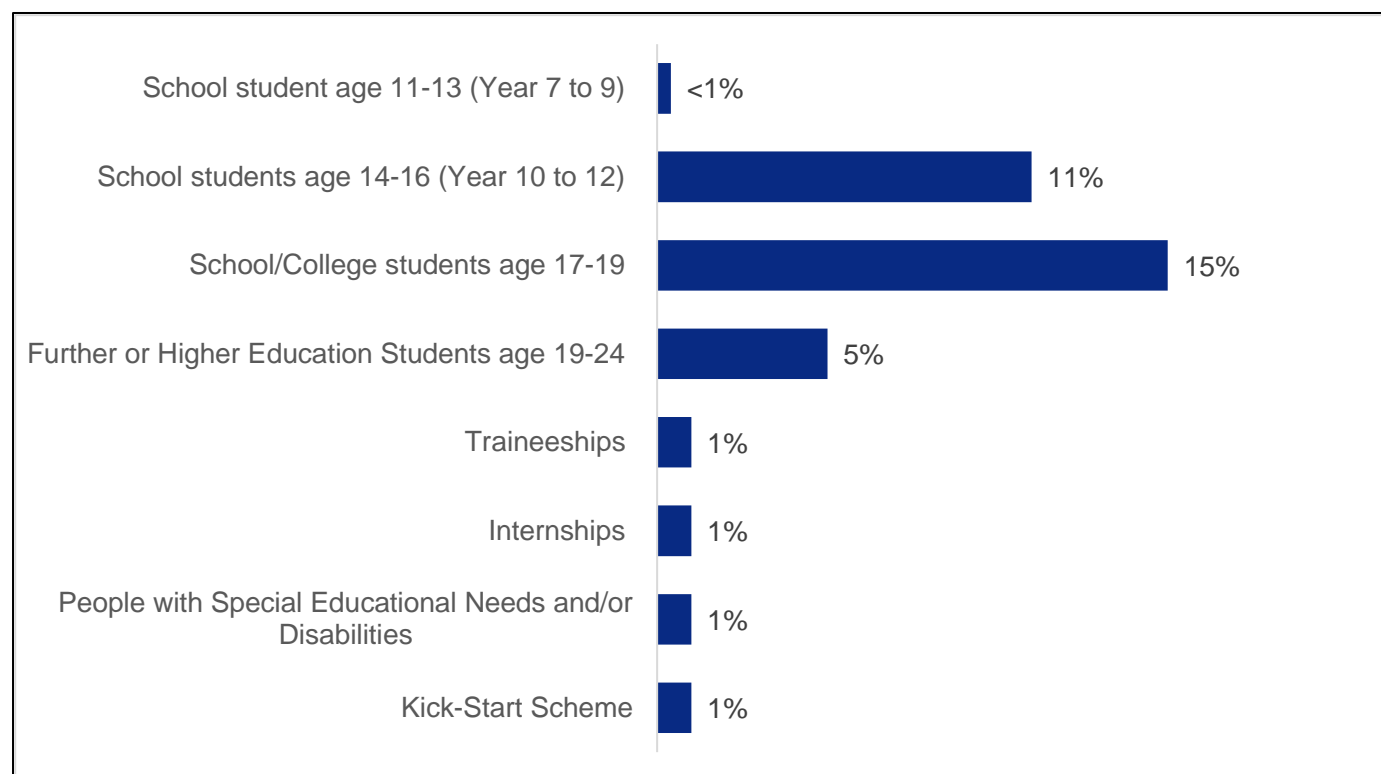
Work experience placements

4.68. Overall, just over a quarter (28%) of businesses reported that they offer at least one type of work-experience placement or engagement activity. This is comparable with the figure in 2019 (26%). But, it is worth noting that no time period was given in the question wording, so if it is something that they did pre-pandemic and intend to carry on in future they may well still have responded in the affirmative.

4.69. Most commonly, businesses offered work experience or engaged with school and college students aged 17-19 (15%) followed by school students aged 14-16 (11%). One-in-twenty (5%) had engaged or offered placements to university students.

4.70. Figure 4.11 shows the figures for each type of placement in full.

Figure 4.11: Work experience placements offered



Number of respondents: 1,856.

Question asked: Which groups, or in what ways, do you offer work experience and/or employer engagement?

4.71. The smallest businesses, with 1-4 staff, were less likely than those with 5 or more staff to offer any kind of work experience or engagement; three-quarters (73%) said they had done none at all compared with 57%, 50% and 32% of businesses with 5-9, 10-49 and 50+ staff respectively.

- 4.72. The most commonly mentioned reason for not engaging with work experience or other employer engagement was that businesses did not see the value of it (23%).
- 4.73. It was also commonly reported that they lacked the time to do it (15%), or that there was a lack of opportunities (13%).
- 4.74. A handful were put off by the red tape or bureaucracy of it (7%) and 4% had concerns about safety.
- 4.75. Other responses provided also included the 'pandemic' and being 'too small' a business.

Section 5: Innovation

Key Findings:

- A fifth of businesses (21%) reported that they had introduced new products, services, patents or processes in the previous 12 months, this was lower than the 26% seen in 2019 predominantly due to a decrease in innovation of new services (which had halved from 14% to 7%).
- The main constraints to innovation arose from events of the two years preceding the survey, with the Covid-19 pandemic and the UK's exit from the European Union most likely to be rated as major constraints on innovation. There were also still constraints relating to financial reasons.
- Whilst only 7% had links with colleges or universities for research and development purposes overall, this rose to 40% among those with 50 or more staff.
- One in ten had been involved in a collaborative research and development project with an external partner in the 12 months preceding the survey.

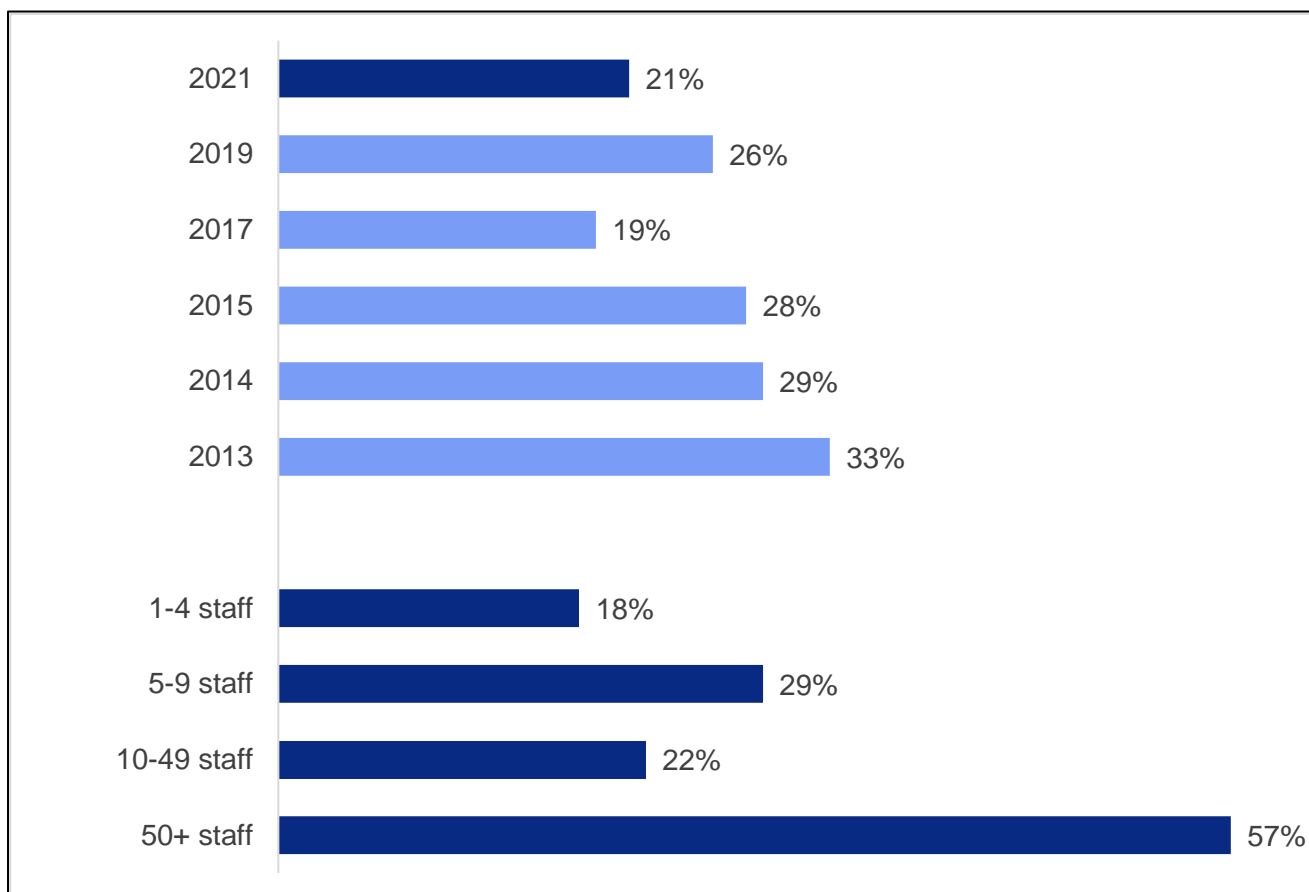
Introduction

5.1. This chapter looks at the level of innovation among SEMLEP businesses in the past 12 months and explores barriers to innovation experienced by businesses. It also examines links to universities and colleges for research and development purposes, and involvement in collaborative research and development projects with external partners.

New products, services, patents and processes

- 5.2. Around a fifth of businesses (21%) had introduced at least one new product (17%), service (7%), patent (2%) or process (4%) in the 12 months preceding the survey.
- 5.3. This represented slightly fewer businesses than in 2019 (26%); the decrease seems to be centred around the introduction of new services which had halved from 14% to 7%.
- 5.4. Innovation was more common in larger businesses than smaller; see Figure 5.1.
- 5.5. Innovation in the showcase sectors was particularly high in the Creative and Cultural sector, where 40% reported the introduction of something new. This was predominantly in products: 35% had introduced new products in the previous 12 months.

Figure 5.1: Innovation in the past 12 months over time and by size



Number of respondents: 2021 1,849, 2019 1,607, 2017 2,068, 2015 1,918, 2014 1,573, 2013 925; 1-4 staff 1,391, 5-9 staff 217, 10-49 staff 166, 50+ staff 74. Excludes 'don't know' responses.

Question asked: Has your business introduced any new products, services, patents or processes in the past 12 months?

- 5.6. The UK Innovation Survey 2019¹⁷ is the most recent national picture on innovation levels, covering the period 2016-2018. It looked at innovation among businesses with 10 or more employees over a 2-3 year period. The survey found 37% of East Midlands businesses as “innovation active businesses”¹⁸, which was in line with the UK-wide figure of 38%. The comparable figure from the present SEMLEP business survey (i.e. with 10 or more staff) is slightly lower, at 33%, however it is worth noting that this covers the past 12 months and the UK Innovation survey covers a 2-3 year period and covers activities not yet completed.
- 5.7. The figures from the 2019 UK Innovation Survey show a marked decrease in the proportion of businesses with 10 or more staff engaging in innovation activities. This is at odds with the findings from the SEMLEP survey for the same time period, which saw an increase in innovation between 2017 and 2019.
- 5.8. Businesses rated a list of factors on the extent to which it had constrained them from innovating more (or at all), using a scale of one to five, where one equalled “no constraint”

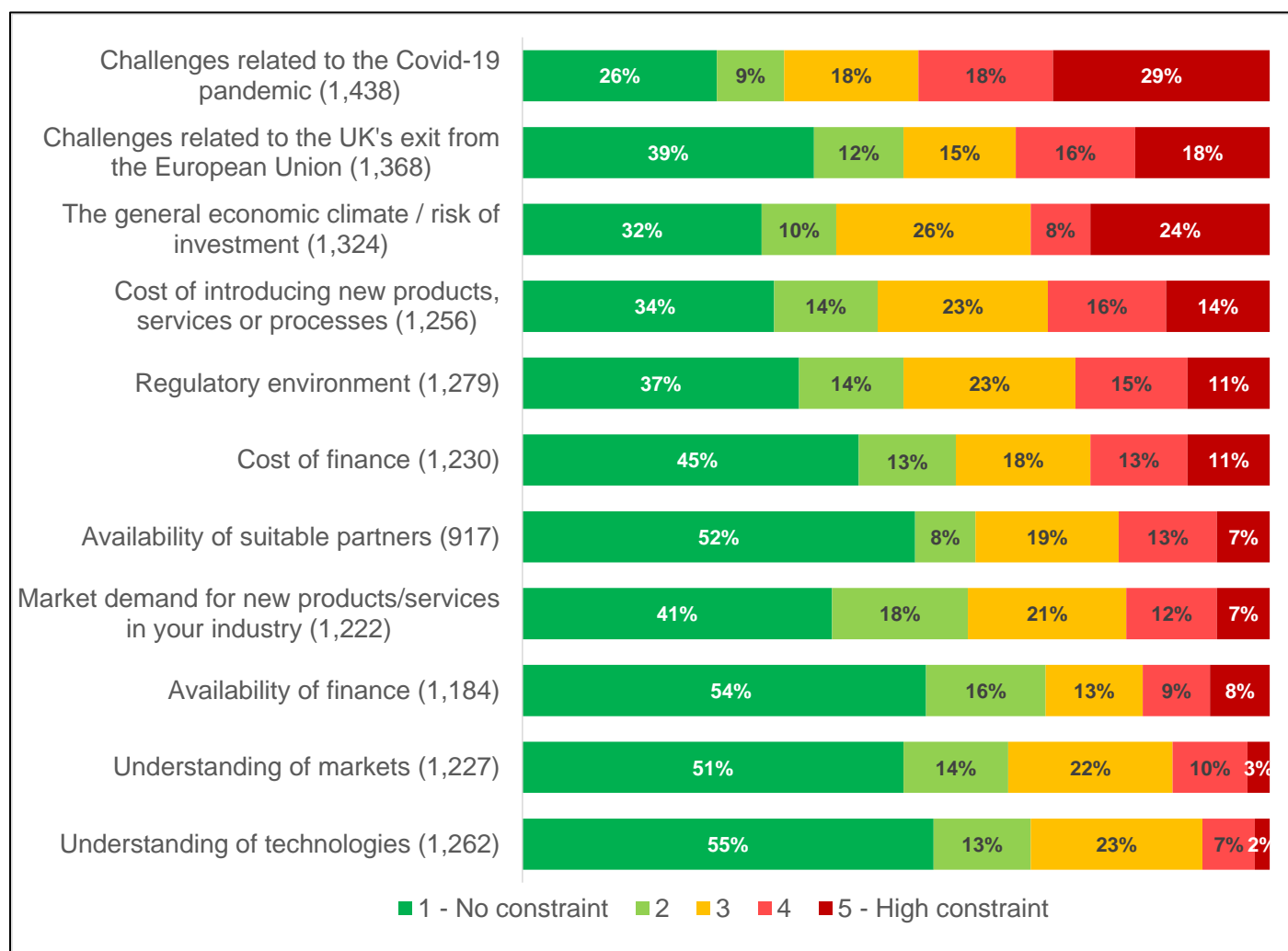
¹⁷ UK innovation survey 2019: main report - GOV.UK <https://www.gov.uk/government/statistics/uk-innovation-survey-2019-main-report> (Accessed 17/11/21)

¹⁸ Businesses were considered to be innovative if they: Introduced a new or significantly improved product (goods or service) or process; Engaged in innovation projects not yet complete or abandoned; Acquired new and significantly improved forms of organisation, business structures or practices and marketing concepts or strategies.

and 5 was a “major constraint”. Figure 5.2 shows the ratings given in full. In the following analysis we consider a rating of 4 or 5 out of 5 to be a high constraint on innovation.

- 5.9. The top two constraints on innovation were the Covid-19 pandemic (47% rated it as a notable constraint) and the UK’s exit from the EU (34%). These two issues had only come to prominence in the interval since the 2019 survey, so their impact on innovation may go some way to explaining the decrease seen.
- 5.10. Beyond these, financial matters again ranked highly as a constraint on innovation activity. The general economic climate and risk of investment was a concern for a third (32%), as was the cost of introducing new products, services or processes (30%). A quarter (24%) said the cost of finance was a constraint on them. Large businesses (50 or more staff) were particularly likely to rate these financial matters as constraining innovation, with 49% citing the economic climate and risk, 41% the cost of introducing new elements and 48% rating the cost of finance as a constraining factor to their innovation work.
- 5.11. A quarter (26%) felt the regulatory environment was not conducive to innovation; this was particularly the case for large businesses, with 69% of those with 50 or more staff rating it as 4 or 5 out of 5.
- 5.12. A lack of market demand for innovation in the industry was a constraint for a fifth (20%); this again was particularly true of businesses with 50 or more staff (42%).
- 5.13. One-in-eleven (9%) said they were constrained by their understanding of technologies and 13% by their understanding of markets. These barriers could be addressed by an innovation partnership; however a fifth (20%) reported a lack of suitable collaborators as a constraint on their innovation.

Figure 5.2: Constraints to innovation



Number of respondents: in brackets after each statement. Excludes 'don't know' responses.

Question asked: To what extent have each of the following restricted your business from introducing new products, services or internal processes?

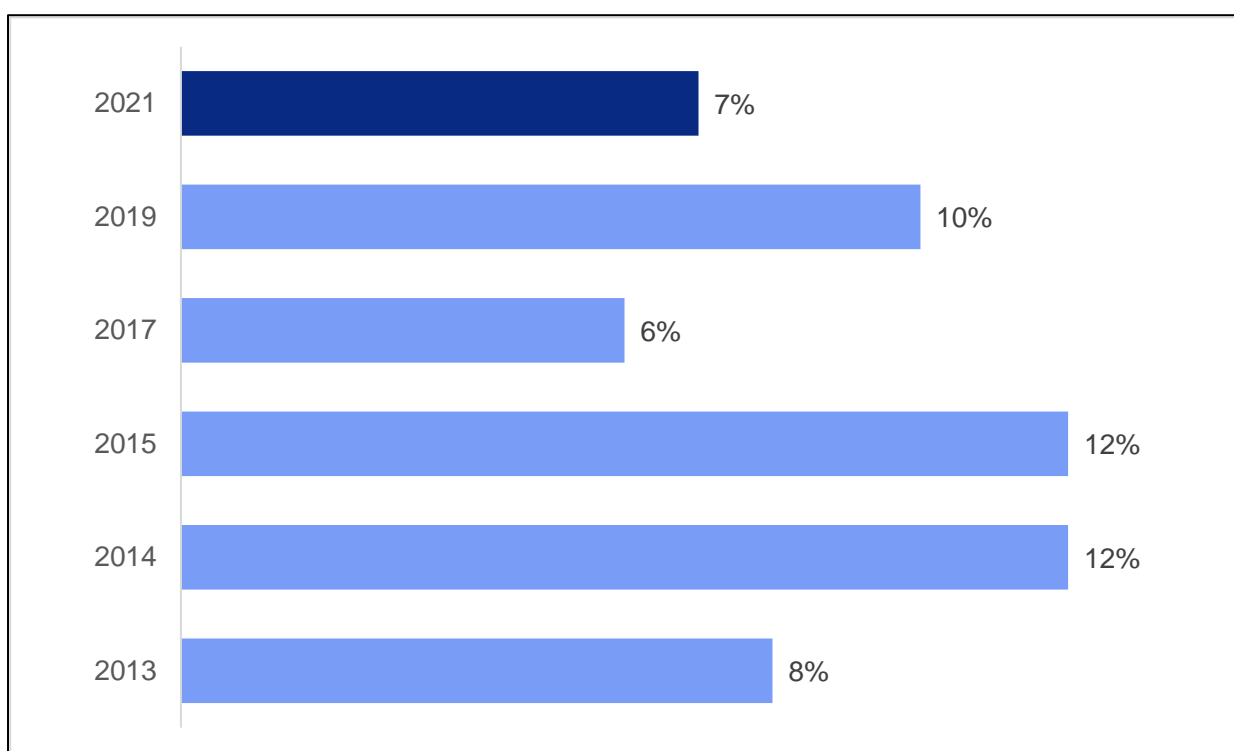
5.14. There were some differences by showcase sector:

- Businesses in High Performance Technology were more likely than average to see the availability of suitable partners as a barrier to innovation (57%, compared to 20% overall). This relates to another barrier they were more likely than average to be experiencing: their own understanding of markets (31% compared to 13% overall), which could be resolved with the right innovation partner who had that knowledge. They were also more likely to feel constrained by the cost of introducing new innovations (53% vs. 30%), the cost of finance (45% vs. 24%), and the regulatory environment (34%, compared to 26% overall).
- Logistics businesses were more likely than average to feel their innovation was constrained by the regulatory environment (38%, compared to 25% overall).

Collaboration and links with external partners

- 5.15. The South East Midlands region has several universities within its boundaries and many more colleges. Partnerships or other links with these institutions can facilitate the research and development needed to introduce new products and services. Businesses can also set up collaborations with each other or with business support hubs to facilitate research and development.
- 5.16. Overall, 7% of businesses had links with universities or colleges for research and development purposes. This was far more likely in businesses with 50 or more staff (40%) than those with fewer (5% for all smaller sizebands).
- 5.17. Whilst the overall figure was lower than in 2019 (10%), the number of large businesses with these links had increased from 16%.
- 5.18. There were no significant differences by showcase sector.

Figure 5.3: Links with universities and colleges for research and development purposes, over time



Number of respondents: 2021 1,855, 2019 1,607, 2017 2,101, 2015 1,918, 2014 1,573, 2013 914. Excludes 'don't know' responses.

Question asked: Does your business have any links with universities or colleges for research and development purposes?

- 5.19. One-in-ten businesses (10%) reported being part of a collaborative research and development project in the 12 months preceding the survey. These were most commonly with another business or enterprise group in the same sector (5%), however 2% had been involved in a project with a business or enterprise group in a different sector, 1% with a university or college and 3% with some other partner.

Section 6: Business Support and SEMLEP

Key Findings:

- The majority of businesses had sought or received business support over the past 12 months (90%), most commonly from private sector professionals such as accountants or solicitors.
- Overall a half of businesses had heard of SEMLEP or one of its associated services.
- Awareness of SEMLEP itself has continued its upward trend seen since 2017, increasing from 17% in 2019 to 21% in 2021.
- Businesses aware of SEMLEP had most commonly heard of it through press or the media. In 2019 the most common way of hearing of SEMLEP was through networking with other businesses; this had fallen by about half in 2021 which may be reflective of the impact of the pandemic on networking events.
- Businesses were keen that SEMLEP focus on both providing support to businesses and delivering infrastructure improvements, and attracting new businesses into the area.

Introduction

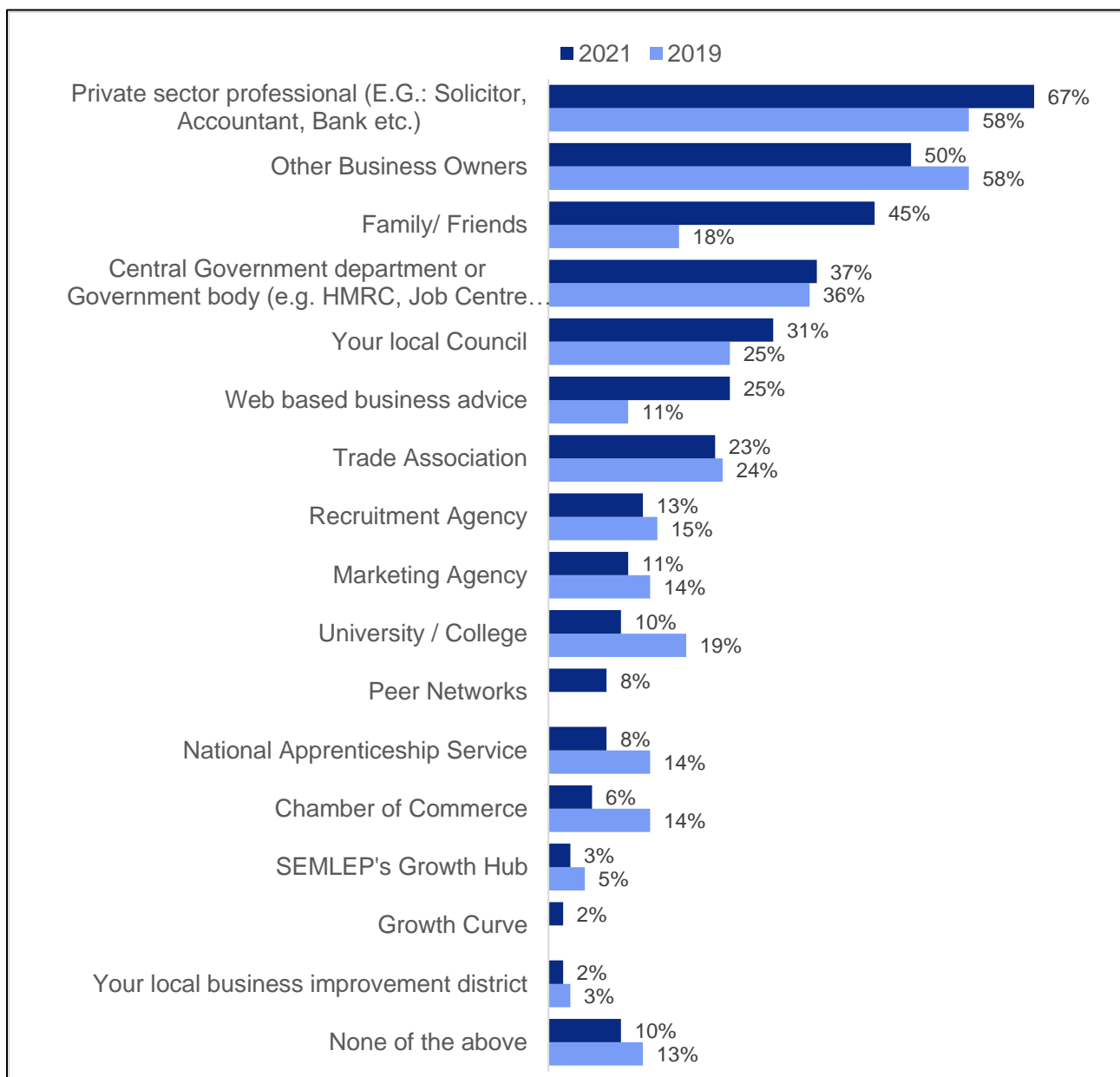
- 6.1. This section presents analysis of businesses' use of support services, including their awareness of SEMLEP and their views on how SEMLEP can help the local economy grow.

Sources of business advice for all businesses

- 6.2. The majority of businesses (90%) had sought or received business support or advice in the previous 12 months, slightly higher than in 2019 (87%).
- 6.3. The use of business advice and support was high across all sizes of business, ranging from 89% in businesses with 1-4 staff to 98% of those with 50 or more. Whereas in 2019 businesses with 50 or more staff had been least likely to have sought support, in the present survey they were most likely to have done so.
- 6.4. The most common source of support, used by two-thirds of businesses (67%) were private sector professionals such as accountants, solicitors and banks. This was less likely among businesses with 50 or more staff (45%), who are more likely to have employed people in these roles.
- 6.5. Half had sought advice from other business owners (50%), this was a popular source of advice for all sizes of business.
- 6.6. There had been a large increase in the proportion of businesses seeking support from family and friends, with approaching half (45%) saying they had done so compared with just under a fifth (18%) in 2019. This was not just focused on the small businesses but was the case across all sizes of business. This could be an indicator of just how high demand for business support was during the previous 12 months.
- 6.7. Central Government departments and bodies such as HMRC or Jobcentre Plus were also a common source of advice, with over a third (37%) reporting having used these in the previous 12 months. Larger businesses were particularly likely to use these sources, as was the case in 2019: 55% of those with 50 or more staff had done so compared to just 32% of those with fewer than five staff.

- 6.8. Three-in-ten (31%) had approached their local council for advice and support, up from 25% in 2019 (which was itself an increase from 13% in 2017). This was more likely among larger businesses: just 26% of businesses with 1-4 staff had received support from the council, compared with 47%, 43% and 53% for those with 5-9, 10-49 and 50+ staff respectively. This could be linked to the various grants offered by local authorities throughout the pandemic.
- 6.9. Use of web-based business advice had more than doubled, from 11% in 2019 to 25% in 2021.
- 6.10. Although they were only the seventh and eighth most common sources of advice overall, recruitment agencies and trade associations were the top two sources of advice (alongside other business owners) for businesses with 50 or more staff, used by 69% and 57% respectively. These were also frequently used by businesses with 10-49 staff (50% and 31% respectively).
- 6.11. Some businesses had used SEMLEP's Growth Hub (3%) and Growth Curve (2%); these are explored in more detail below.
- 6.12. Figure 6.1 shows the proportion of businesses using each of the different sources of support compared to 2019.

Figure 6.1: Sources of business advice and support over time



Number of respondents: 2021 1,844, 2019 1,645. Excludes 'don't know' responses.

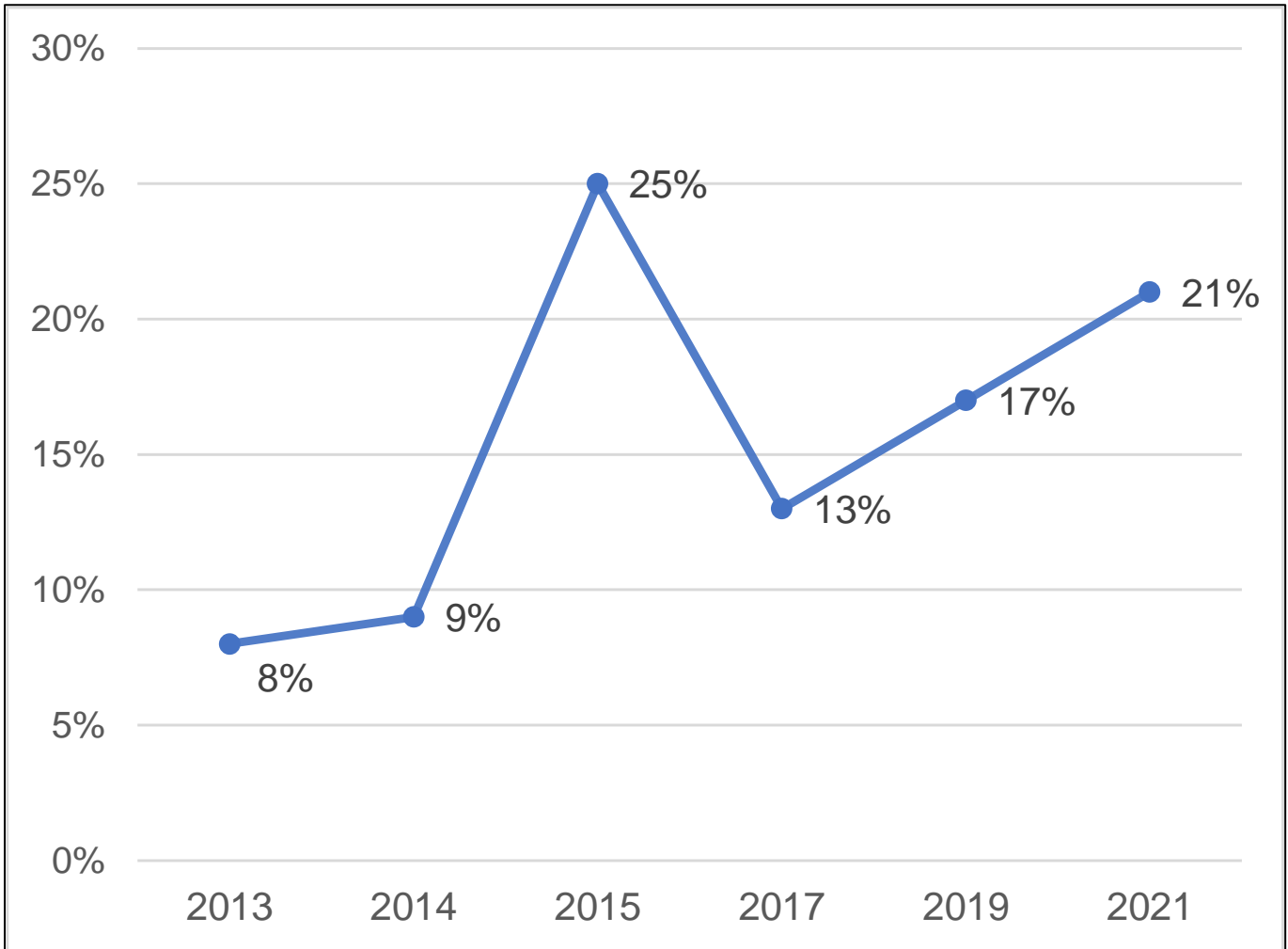
Question asked: Have you used any of the following for business advice or support in the past 12 months?

Note: Options without a 2019 comparator were not asked or did not exist at the time of the 2019 survey.

Awareness of SEMLEP

- 6.13. One-in-five businesses (21%) had heard of SEMLEP itself; this continues an upward trend that has been building since 2017 when awareness had dropped to just 13%.¹⁹
- 6.14. Businesses in the Creative and Cultural showcase sector were particularly likely to be aware of SEMLEP (33%).

Figure 6.2: Awareness of SEMLEP over time



Number of respondents: 1,822. Excludes 'don't know' responses.

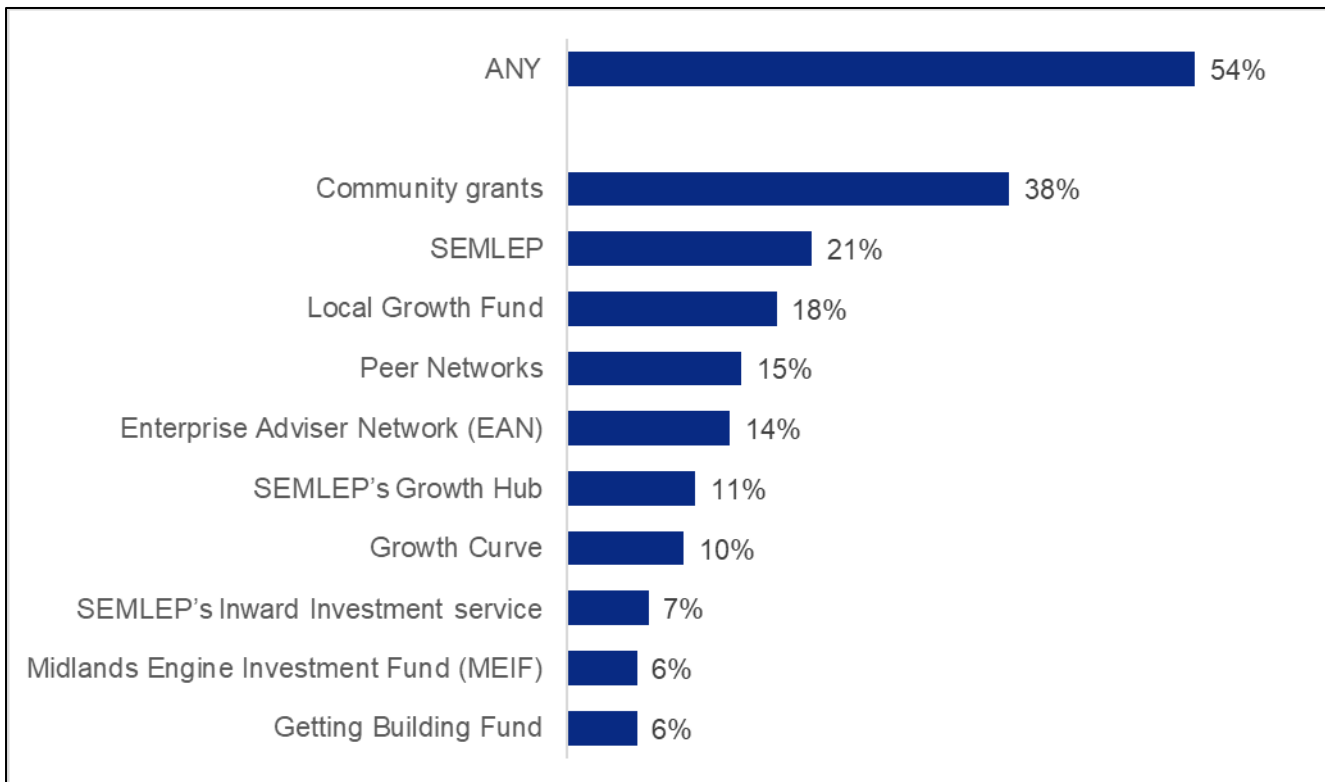
Question asked: Before today, had you heard of any of the following? Option: SEMLEP

- 6.15. Figure 6.3 shows awareness of SEMLEP alongside its associated services. Overall, a half (54%) had heard of at least one type of support (the difference between awareness of SEMLEP and awareness of its services/offer, suggests that many businesses are not aware that SEMLEP is involved in the activities being received by businesses, which suggests there are opportunities to embed the SEMLEP brand more into the services it provides).
- 6.16. Businesses were most commonly aware of Community Grants (38%).

¹⁹ The 2015 figure of 25% has long been discussed as to why it was out of keeping of the trend. The explanations include a genuine increase in awareness due to an enhanced promotional campaign, allied with a different methodology used by the organisation that carried out the survey in 2015.

- 6.17. Local Growth Fund was mentioned by 18%, twice the proportion who were aware of it in 2019 (9%). This could be explained by various LGF projects reaching completion in 2020 and 2021 and being publicised accordingly by SEMLEP and the media.
- 6.18. Awareness of SEMLEP’s Growth Hub was 11%, consistent with the figure (12%) seen in 2019.
- 6.19. The Midlands Engine Investment Fund (MEIF) and SEMLEP’s Inward Investment Service both saw a slight increase in awareness in 2021, from 4% for each in 2019 to 7% and 6% respectively in 2021.

Figure 6.3: Awareness of SEMLEP and associated services



Number of respondents: 1,822. Excludes ‘don’t know’ responses.

Question asked: Before today, had you heard of any of the following?

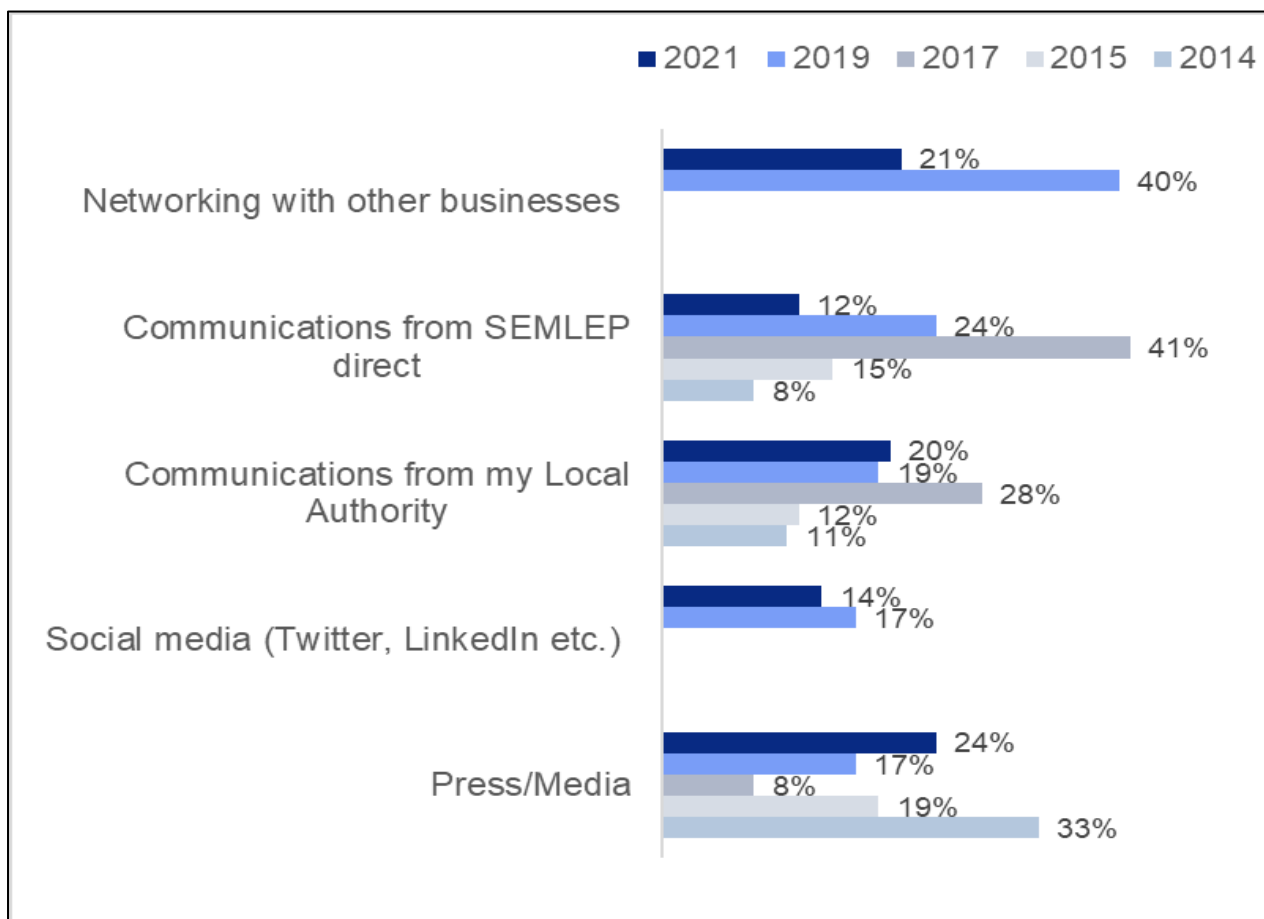
- 6.20. Awareness of SEMLEP was lower among mid-sized businesses (13% with 5-9 staff and 14% with 10-49 compared with 23% with 1-4 staff and 20% with 50 or more). However, awareness of the Peer Networks programme was higher among businesses with 5-9 staff compared to the average business (19% against 15%) – see Table 6.4 below.
- 6.21. Larger businesses were more likely to have heard of any of the services than smaller ones. This was particularly true for the Community Grants, SEMLEP’s Growth Hub, Growth Curve and SEMLEP’s Inward Investment Service.

Figure 6.4: Awareness of SEMLEP and associated services by size

Column %	Business Size				
	Total	1-4 staff	5-9 staff	10-49 staff	50+ staff
Base	1,822	1,362	221	166	73
	%	%	%	%	%
Community grants	38	37	38	30	70
SEMLEP	21	23	13	14	20
Local Growth Fund	18	20	13	13	12
Peer Networks	15	14	19	12	18
Enterprise Adviser Network (EAN)	14	15	9	14	23
SEMLEP's Growth Hub	11	11	10	9	19
Growth Curve	10	10	6	7	25
SEMLEP's Inward Investment service	7	8	4	4	16
Getting Building Fund	6	7	1	2	4
Midlands Engine Investment Fund (MEIF)	6	7	4	4	4
None of the above	46	46	47	57	24

- 6.22. Businesses aware of SEMLEP had most commonly heard of it through press or the media (24%). In 2019 the most common way of hearing of SEMLEP was through networking with other businesses; this had fallen from 40% in 2019 to 21% in 2021. This may be due to the impact of the pandemic on networking events.
- 6.23. Communications from the local authority remained a common source of awareness of SEMLEP (17% in 2019 and 20% in 2021), however awareness through direct communications from SEMLEP was down from 24% to 12%.
- 6.24. 14% had heard of SEMLEP through social media.
- 6.25. In addition, in the 'other' comments, about 10% said they had heard of SEMLEP through the Chamber of Commerce or FSB, and 5% said they had heard of SEMLEP through word of mouth.

Figure 6.5: Source of awareness of SEMLEP over time



Number of respondents: 2021 923, 2019 367, 2017 201, 2015 357, 2014 152 (only businesses aware of SEMLEP or one of its services). Excludes 'don't know/can't re-call' responses.

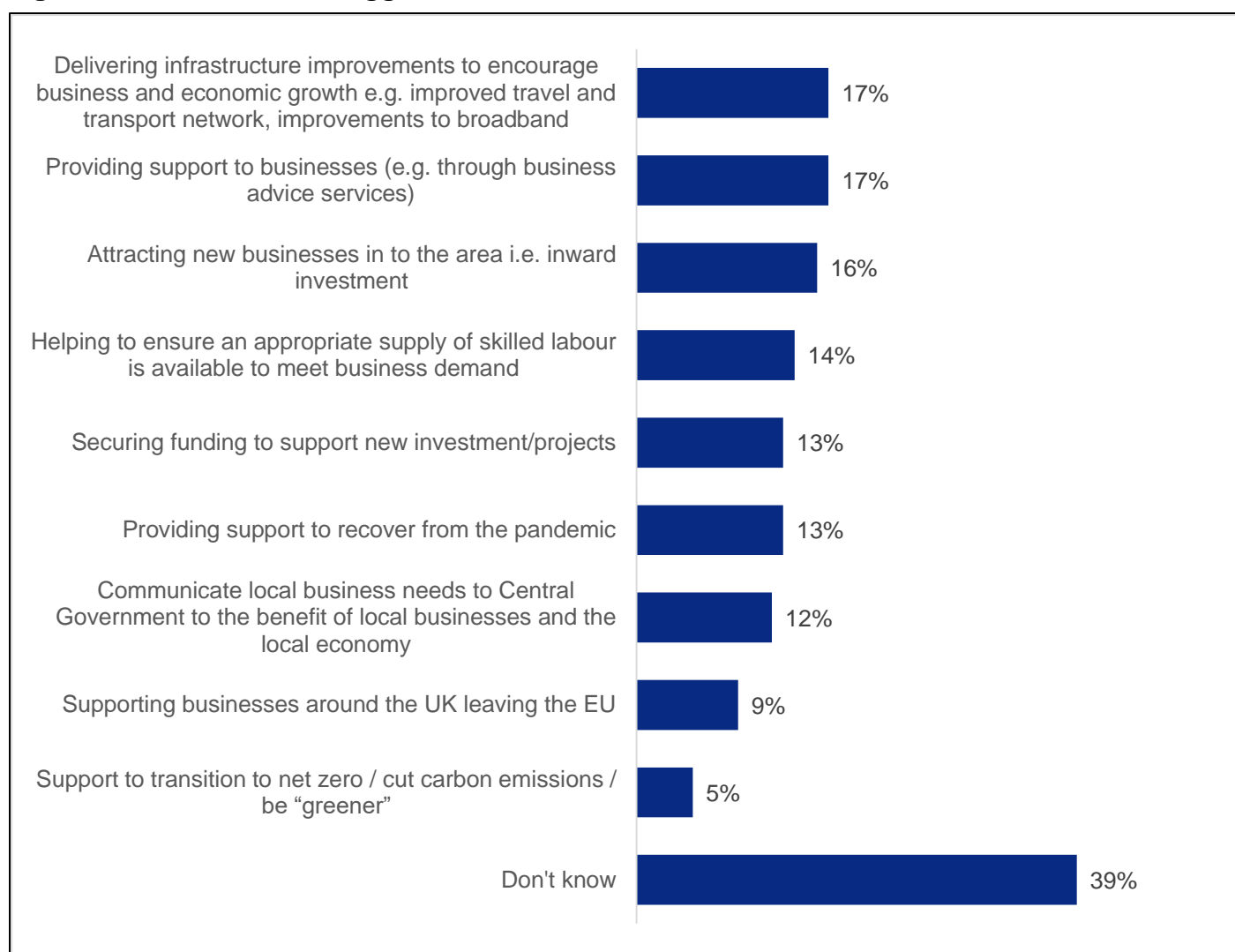
Question asked: How had you heard of any of the above?

Prior to 2019, there are no comparable figures for networking or social media as these were not split out as options before 2019.

Strategic focus of SEMLEP

- 6.26. Businesses were keen that SEMLEP focus on both providing support to businesses and delivering infrastructure improvements (both 17%), and attracting new businesses into the area (16%).
- 6.27. Helping to ensure an appropriate supply of skilled labour was the fourth most commonly mentioned focus (14%), however, it was the top focus of businesses with 10-49 staff (at 27%).
- 6.28. Four-in-ten (39%) said they did not know what SEMLEP's priorities should be, which is likely to be because they were either unaware of SEMLEP and/or did not understand its role.
- 6.29. In addition, about 5% of businesses said they would like SEMLEP to engage regularly with businesses to better understand and support their needs.

Figure 6.6: Businesses' suggestions for areas SEMLEP should focus on



Number of respondents: 1,786.

Question asked: What do you think SEMLEP should focus on to help businesses and the local economy grow?

Section 7: The Green Agenda

Key Findings:

- Whilst 46% of businesses have the intention of being more environmentally friendly, just 11% have a specific target or aim to achieve net-zero and just 4% have set a deadline to this commitment.
- Larger businesses were more likely to have made a solid commitment and set a deadline.
- The most common actions being taken by businesses were reviewing energy efficiencies in their buildings (33%) and increasing recycling of waste (16%). Improvements in the way staff travel were also commonly mentioned.
- The key barrier to doing more to reduce businesses' carbon footprint was the availability or cost of low carbon alternatives.

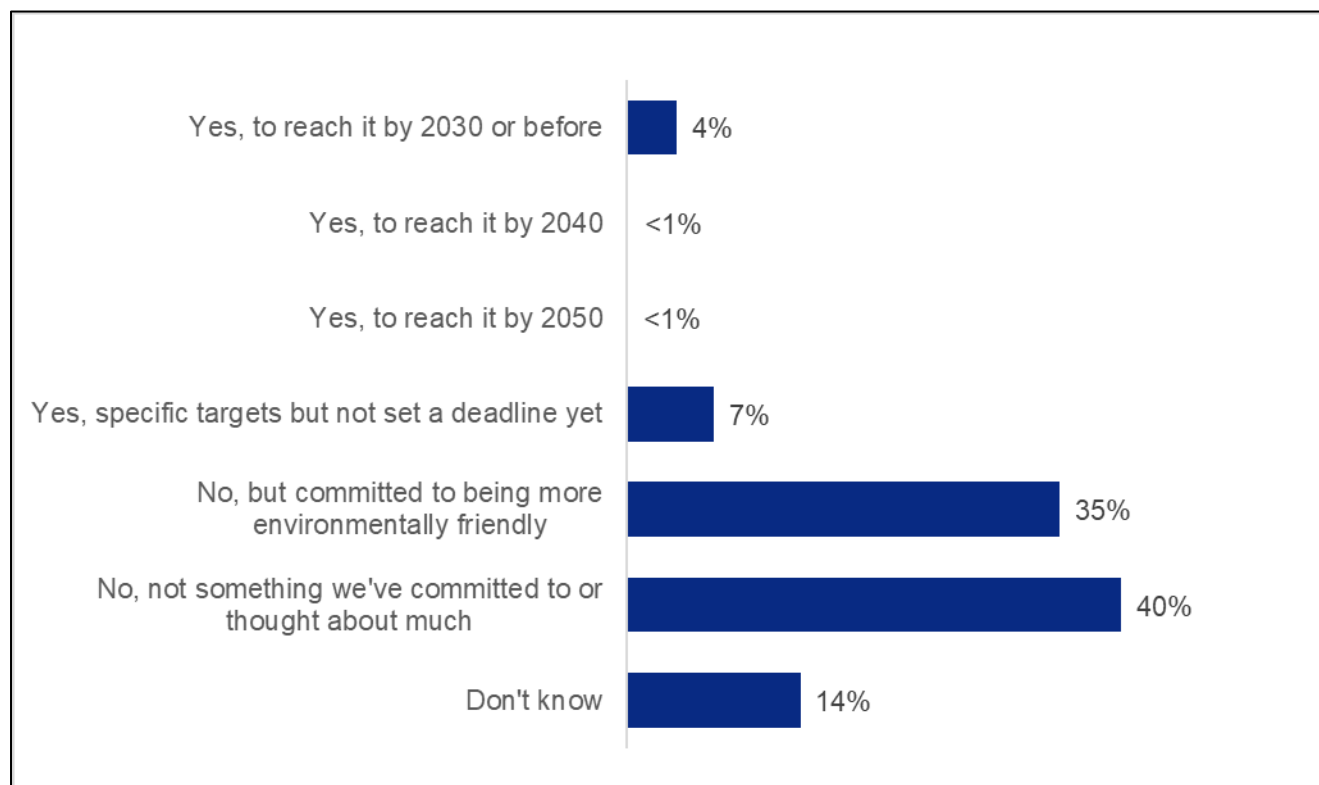
Introduction

- 7.1. For the first time, the SEMLEP Business Survey included questions about businesses' intentions of achieving net-zero and reducing their carbon footprint.
- 7.2. This section looks at the commitments made, the actions being taken and barriers to reducing businesses' carbon footprint.

Commitment to net-zero

- 7.3. Overall approaching half of businesses (46%) had made some commitment to becoming more environmentally friendly, and 11% have a specific target or aim to become net-zero.
- 7.4. However just 4% of businesses had put a deadline on this commitment, most commonly of 2030 (fewer than 1% had set longer deadlines of 2040 or 2050).
- 7.5. A third (35%) had not set any targets but were committed to being more environmentally friendly.
- 7.6. Four-in-ten (40%), however, had not made any commitment nor given much thought to it.

Figure 7.1: Whether made a commitment to become net-zero



Number of respondents: 1,844.

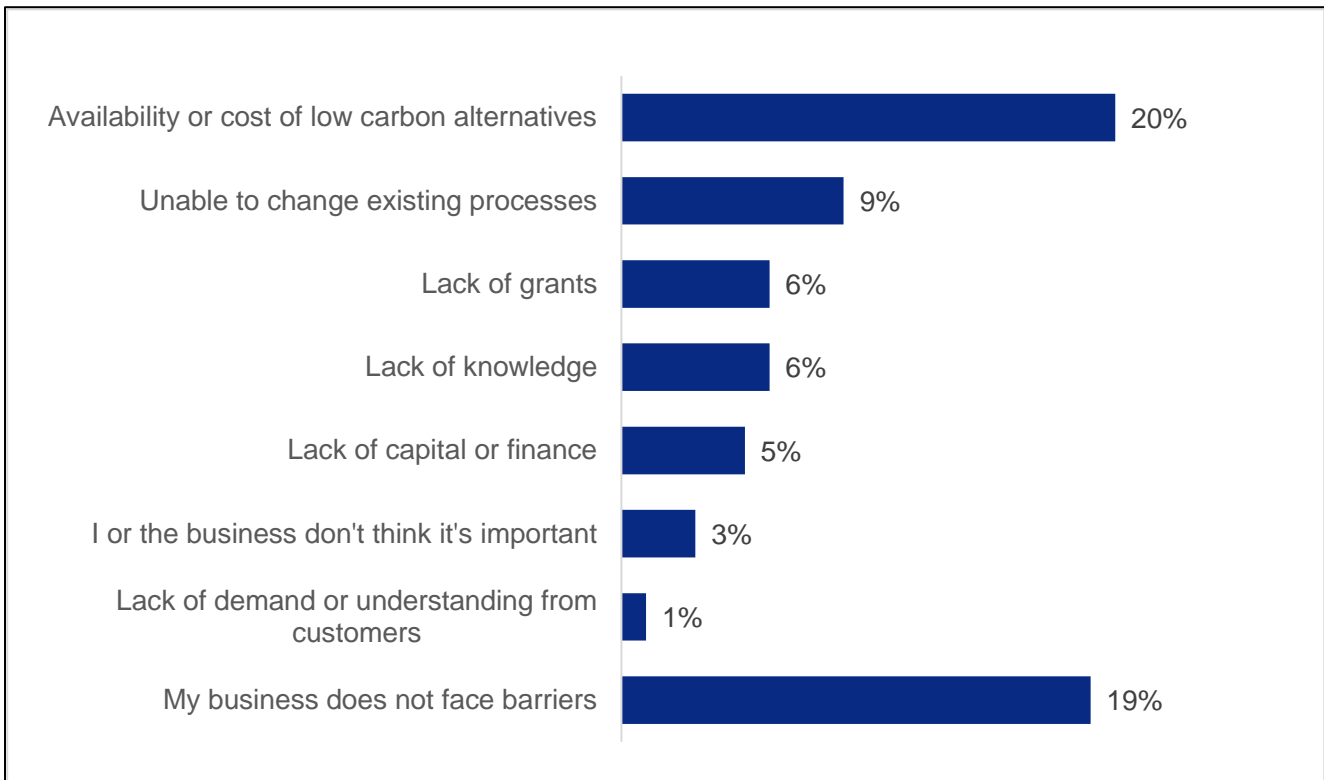
Question asked: Has your organisation made a commitment to become net-zero, and if so by when?

- 7.7. Large businesses (with 50 or more staff) were more likely to have committed to net-zero with a third (33%) having set a 2030 deadline to achieving this, and 7% saying they had it as a target but had not yet set a deadline. A further third (34%) were committed to becoming more environmentally friendly but had set no targets on this. Just 8% said they had not given it much thought.
- 7.8. Businesses who had actively committed to net-zero were asked what actions they were taking to achieve this (this related to about 11% of businesses).
- 7.9. Most commonly businesses were reviewing energy efficiencies in their buildings (33%) and increasing recycling of waste (16%).
- 7.10. Staff travel was commonly mentioned: 15% were incentivising staff to use their cars less, 11% promoting sustainable forms of transport and 6% supporting staff to work from home or remotely more often.
- 7.11. Use of renewable energies was also relatively common among those taking action, with 13% investing in renewable generation (e.g. solar panels) and 12% prioritising the use of renewable energy.
- 7.12. Others were looking at their supply chain, with 12% sourcing sustainable materials and 5% encouraging those in the supply chain to be more environmentally friendly.
- 7.13. Other actions taken included measuring their carbon footprint (7%), reviewing energy efficiency of production process (7%), training staff (4%), signing up to sustainable business initiatives (4%) and installing electric vehicle charging points (3%).
- 7.14. One-in-twenty (5%) said that their business produces products and services that support others in the net-zero transition.

Barriers to reducing carbon footprint

- 7.15. The most commonly cited barrier businesses gave to reducing the carbon footprint of their business was the availability or cost of low carbon alternatives (20%). This was particularly troublesome to larger businesses (43% of those with 10-49 staff, and 34% of those with 50 or more).
- 7.16. Financial barriers were common, with 6% mentioning a lack of grants and 5% a lack of capital or finance.
- 7.17. One-in-eleven (9%) said they were unable to change their existing processes.
- 7.18. A fifth (19%) stated that their business does not face barriers in cutting their carbon footprint; this was more common among small businesses (22% of those with 1-4 staff, decreasing to 2% of those with 50 or more staff).
- 7.19. In 'other' comments, approximately 10% said a barrier is a lack of time or resources to make change.

Figure 7.2: Barriers to reducing businesses' carbon footprint



Number of respondents: 1,804.

Question asked: What do you consider, if anything, is a barrier to reducing your business's carbon footprint? (Unprompted)

Section 8: Inclusivity

Key Findings:

- Diversity in the leadership of SEMLEP businesses has decreased since 2017, in particular with regards to the population of sole traders: 80% of SEMLEP sole traders are male, 90% are white and 94% are not disabled.
- The picture is more diverse among businesses with employees, with women-led businesses accounting for 46% of businesses with employees, similar to the figure of male-led businesses at 44%.
- Fewer than half of businesses were doing anything to ensure inclusive recruitment practices, but 6% have provided training for recruiting staff on inclusive practices, and 5% are targeting their job advertisements to reach a wide range of people.

Introduction

- 8.1. Diversity and inclusion are important from both an organisational and a moral point of view, impacting on staff wellbeing as much as it does business performance.
- 8.2. This section looks at the diversity of leadership among businesses in the SEMLEP region, and actions to ensure recruitment practices are inclusive.

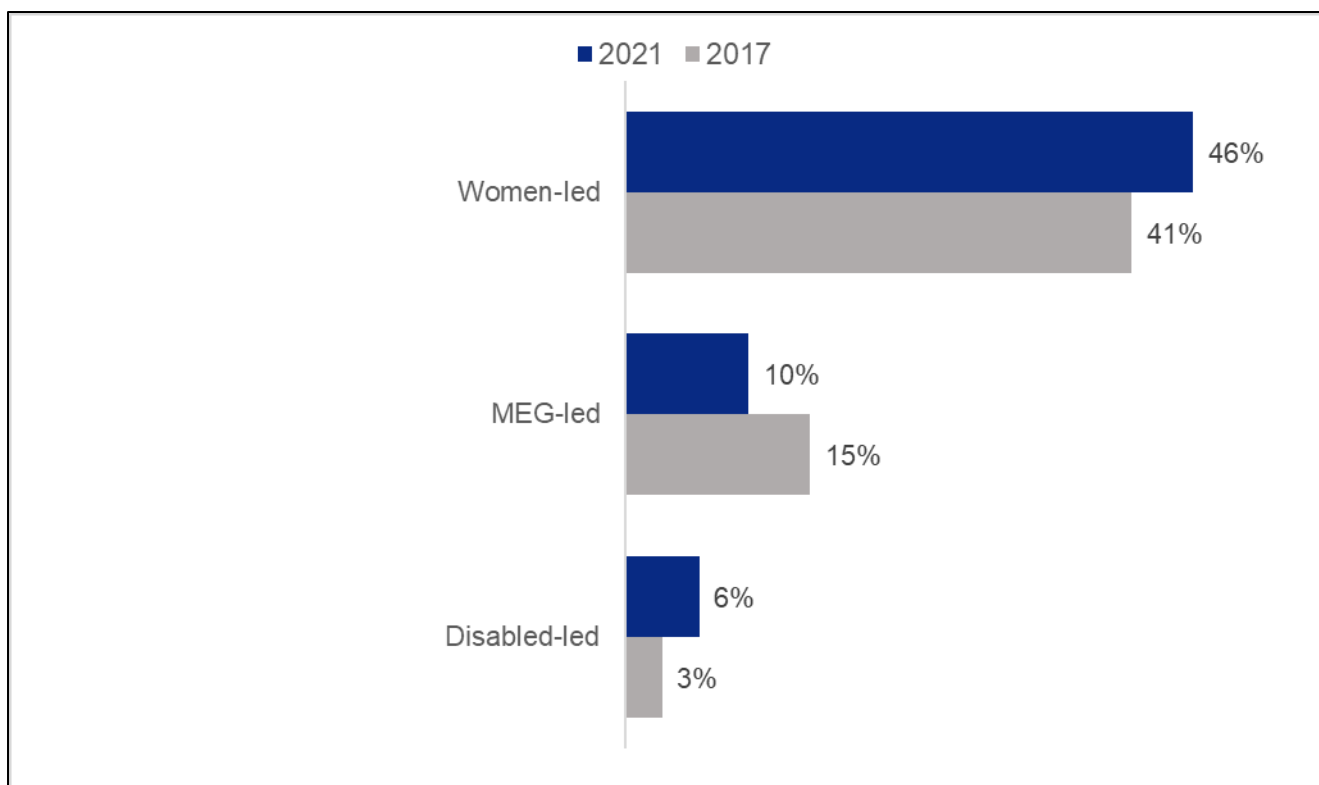
Business ownership and leadership

- 8.3. Diversity among sole traders has decreased since this was last measured in the SEMLEP Business Survey in 2017²⁰. A fifth (20%) of sole traders in the SEMLEP region were female, down from 25%, just 10% of sole traders were from ethnic minority backgrounds, down from 35% in 2017, and 6% of sole traders have a disability, down from 15% in 2017.
- 8.4. Among businesses with employees, there were as many female-dominated boards/partnerships as there were male ones, 46% and 44% respectively (the remaining businesses said 'don't know').
- 8.5. One-in-ten (10%) were ethnic minority-led and 6% disabled-led (i.e. 50% or more of the estimated partners or board directors are from these groups). However, this suggests an underrepresentation of these groups when compared to the economically active population. As of 2020, some 14.4% of the SEM population, aged over 16+, was from an ethnic minority group, including mixed ethnicity. Similarly, in 2020, some 17% of the 16-64 economically active population in the SEM had a disability (work limiting or not).²¹

²⁰ The questions on diversity of senior leadership were not asked in 2019, therefore comparisons have been made against the 2017 survey.

²¹ Annual Population Survey, ONS

Figure 8.1: Proportion of businesses led by women, minority ethnic groups and disabled people, over time



Number of respondents: 1,257 (not asked to sole traders).

Question asked: For each of the following, please estimate the percentage of partners or board directors in your business that are . . . ?

Inclusive recruitment practices

- 8.6. Businesses were asked to share the ways in which they ensure their recruitment practice is inclusive. Four-in-ten (42%) said this was not applicable to them as they do not recruit staff, and 16% said they do not do anything, leaving 42% of businesses that are adopting some form of inclusive recruitment practice.
- 8.7. Actions that were taken included training for recruitment or HR staff so they can adopt inclusive practices (6%), actively targeting advertising to recruit a diverse workforce (5%), ensuring a diverse interviewer panel (4%), use inclusive language in job descriptions (4%) and setting specific targets to recruit a diverse workforce (4%).
- 8.8. In 'other' comments about 5% of businesses said they simply seek to recruit the best person for the job, regardless of background.
- 8.9. Businesses with more than 50 staff were most likely to be adopting inclusive recruitment practices, with 46% training recruiting staff to use inclusive techniques, and 20% reviewing job adverts to make sure they include inclusive language.

Section 9: Business Profile

Key Findings:

- The majority of the businesses in the SEMLEP business survey were private sector businesses (97%), the remaining 3% classified themselves as social enterprises. These businesses were most commonly private limited companies (56%) or sole traders (26%).
- 13% of businesses qualify as either pre-scale-up or scale-up businesses, with the potential for rapid growth.

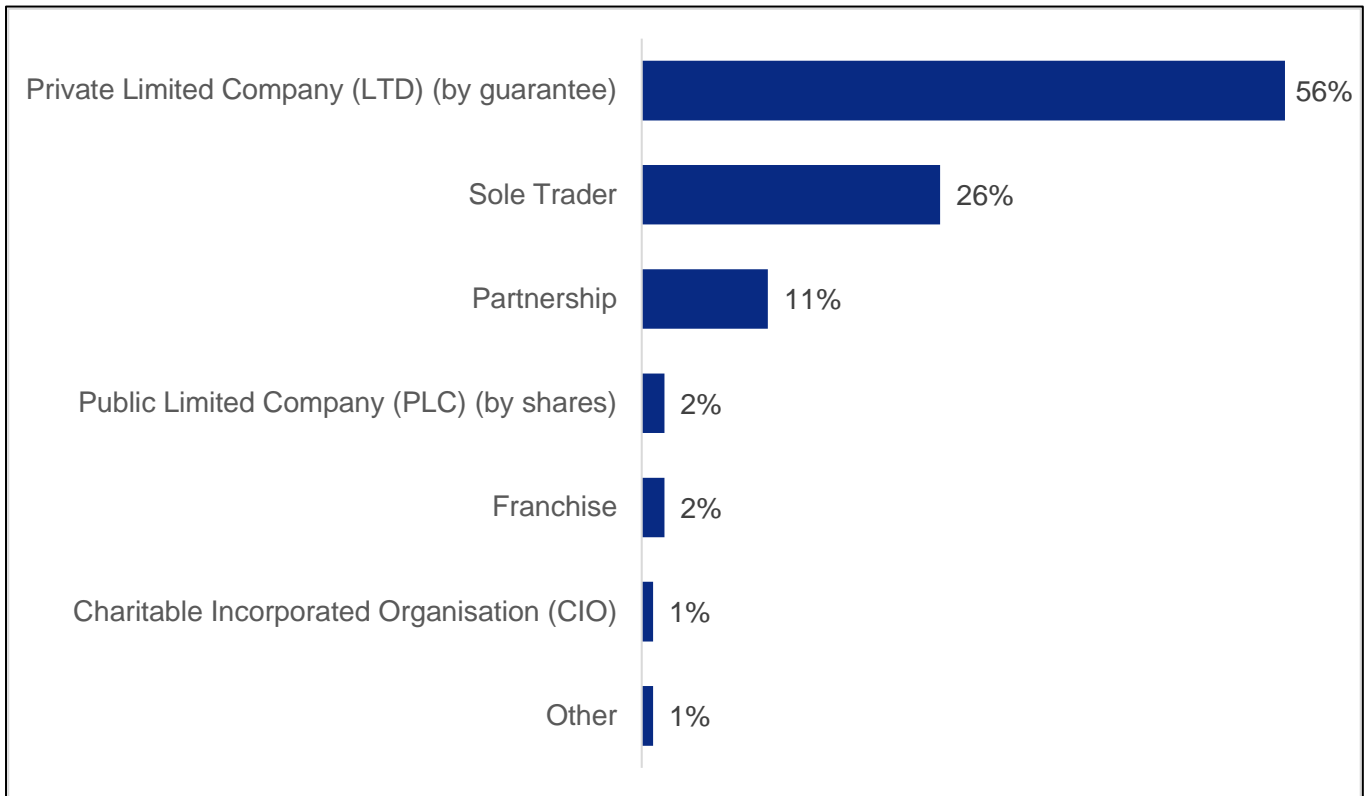
Introduction

- 9.1. This chapter outlines the profile of businesses operating in the SEMLEP region which completed the survey.
- 9.2. This section also profiles “scale-up businesses”, which are businesses that have been identified as likely to grow significantly in the coming years.
- 9.3. Where the survey profile has been designed to match statistics from the Office of National Statistics (size, sector and local authority) the figures are not repeated here; the size, sector and local authority profile of responses can be found in the [Introductory chapter](#) to this report.

Legal status

- 9.4. The majority of businesses in the survey were private businesses (97%) with the remaining 3% identifying as a social enterprise organisation.
- 9.5. Just over half (56%) were private limited companies, a quarter (26%) were sole traders and 11% were partnerships. The remaining 7% were made up of public limited companies (2%), franchises (2%), and a handful of community interest and charitable organisations (see Figure 9.1).

Figure 9.1: Legal status of SEMLEP businesses



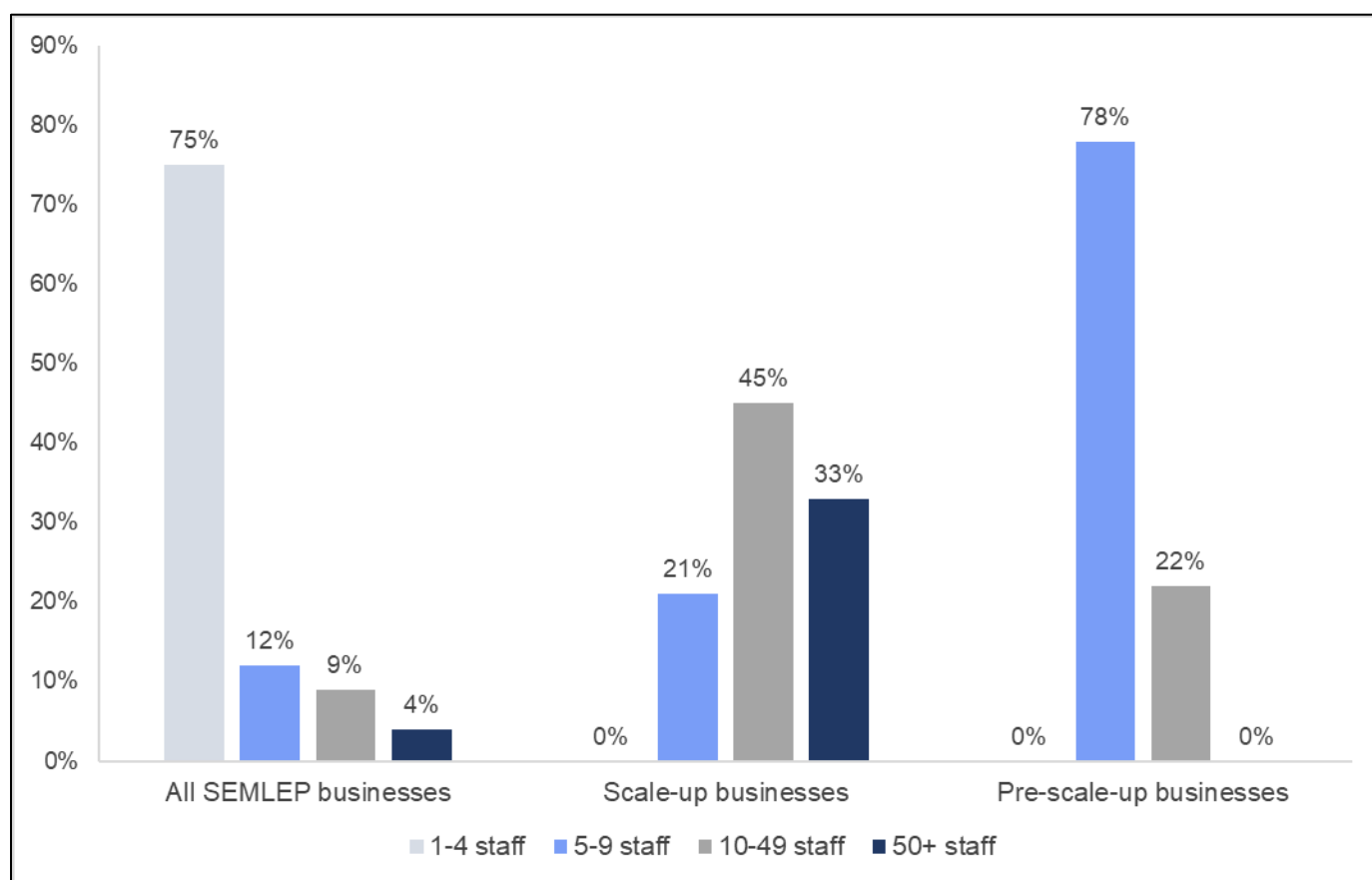
Number of respondents: 1,861

Question asked: How would you describe your company status?

Scale-up Businesses

- 9.6. A “scale-up business” is one that has been identified as having potential for expansion through a number of characteristics of the business. A scale-up business is defined as one that has at least 10 employees and has an average annual growth in employees or turnover greater than 20% per annum over a 3-year period.
- 9.7. A “pre-scale-up business” has at least 3 employees, achieved a turnover of £200,000 or more in the previous year, and has the potential and aspiration to grow turnover and/or profit by 20% or more per year over the next 3 years.
- 9.8. Overall 6% of businesses agreed they met the criteria for a scale-up business, and 7% for a pre-scale-up business, meaning overall one-in-eight businesses (13%) could be defined as having potential for rapid growth.
- 9.9. Scale-up businesses were spread across the size bands used in the survey²², with a fifth falling into the 5-9 sizeband, a half into the 10-49 size band and a third had 50 or more staff.
- 9.10. Pre-scale-up businesses however tended to be smaller; approximately four-fifths had 5-9 staff and the remaining fifth 10-49 staff; none of the pre-scale-up businesses in the survey had 50 or more staff.

Figure 9.2: Size profile of scale-up and pre-scale-up businesses



Number of respondents: All 1,861, Scale-up 108, Pre-scale-up 128.

²² It should be borne in mind when interpreting these figures that the size was collected for the site of the business – if the business has more than one site, they may be reporting fewer staff than the business has as a whole. This is why some scale-up businesses fall into the 5-9 size band in Figure 9.2 despite the definition requiring they have at least 10 staff.

9.11. Looking at the spread of businesses by showcase sector, we can see that all showcase sectors are more likely to contain scale-up businesses than the average (especially Logistics and High Performance Technology). Creative and Cultural sector businesses are much more likely to have pre-scale-up businesses than other types of businesses.

Figure 9.3: Sector profile of scale-up and pre-scale-up businesses

	Scale-up businesses	Pre-scale-up businesses
Sector	%	%
Creative and Cultural Sectors	16	43
Manufacturing and Advanced Technology	17	6
High Performance Technology	23	11
Logistics	26	20

9.12. There are some notable differences between scale-up and pre-scale-up businesses, and other businesses:

- Scale-up (36%) and pre-scale-up (37%) businesses are more likely to state performance over the past 12 months improved than the SEMLEP average (26%), although pre-scale-up businesses were just as likely as the SEMLEP average to state that performance had deteriorated (35% pre-scale / 34% SEMLEP average / 7% scale-up businesses).
- Similarly, scale-up (65%) and pre-scale-up (67%) businesses are more optimistic about business performance in the future than the SEMLEP average (40%).
- Lack of skilled labour is a particular issue/constraint on growth for scale-up businesses (44%) (Pre-scale-up businesses = 24% / SEMLEP average = 18%).
- Similarly, the pandemic is noted as a major constraint for scale-up (36%) and pre-scale-up businesses (34%) (SEMLEP average = 25%).
- Scale-up (76%) and pre-scale-up (55%) businesses were more negative about the impact of EU exit than the SEMLEP average (45% negative). For scale-up businesses, there were particular issues around labour availability (32%) and skills (22%).
- 93% of scale-up businesses and 66% of pre-scale-up businesses had vacancies in the last 12 months compared to 28% of all businesses in the region.
- 73% of all scale-up businesses and 44% of all pre-scale-up businesses have experienced hard to fill vacancies compared with 17% of businesses overall in the region.
- 31% of scale-up businesses had skills shortages and 29% of pre-scale-up businesses had skills shortages when trying to recruit new staff, compared with 16% of all businesses in the region.
- 30% of scale-up businesses said they had skills gaps in their existing workforce (15% pre-scale-up and 16% all businesses).
- Scale-up businesses and pre-scale-up businesses are more likely to innovate (both 44%) compared with the SEMLEP average (21%).
- Scale-up businesses are also more likely to have links with universities and colleges for

research and development purposes (13%) (pre-scale-up businesses 6% and SEMLEP average is: 7%).

- Scale-up businesses are also more likely to have been involved in a collaborative research and development project in the last 12 months (16%), compared to pre-scale-up businesses (7%) and the SEMLEP average (10%).
- 28% of scale-up businesses are committed to being net-zero by 2030, compared with 3% of pre-scale-up businesses and 4% of all businesses in the region.
- About 69% of scale-up businesses and 58% of pre-scale-up businesses actively adopt inclusive recruitment practices, compared with 27% of all businesses in the region (although note that 42% of all businesses said they don't recruit currently).

Appendix: Questionnaire

SEMLEP Business Survey 2021

Section A: Business details

Read out: I would like to begin by asking you some general questions about this business or site. By site I mean this single location, even if it encompasses more than one building.

Q1 Ask all: **Are you . . . ?** Note to interviewer: Read out. Single Code.

- A private business - CONTINUE
- A social enterprise organisation – CONTINUE
- A voluntary or public sector organisation – THANK AND CLOSE (Thank you but we need to gather the views of businesses in the private sector or social enterprises)

Q2 Ask all: **Including you and any working proprietors/owners, how many people are on the payroll at this location?**

Note to interviewer: Single code. IF NECESSARY: Include all staff on payroll for this location, even if they are currently working from home some or all of the time.

- 1-4
- 5-9
- 10-24
- 25-49
- 50-99
- 100-249
- 250+
- Don't know/refused – Note to interviewer: take from database

Q3 Ask all: **I have [SIC 2007 description from database] as a general classification for your business. Does this sound about right?** Note to interviewer: Single code.

- Yes
- No

If 'No' to Q3, please continue, otherwise please go to Q5 - this is automated on-line

Q4 **What is the main business activity at this site?**

PROBE FOR DETAIL

IF NECESSARY: What is the main product or service of this business? What exactly is made or done at this site? What material or machinery does that involved using?

WRITE IN:

Q5 Ask all: **How would you describe your company status?** Note to interviewer: Prompt from list below and Single code.

- Sole Trader
- Partnership
- Private Limited Company (LTD) (by guarantee)
- Public Limited Company (PLC) (by shares)
- Franchise
- Social Enterprise
- Community Interest Company Limited by Guarantee (CIC)
- Community Interest Company Limited by Shares (CIC)
- Charitable Incorporated Organisation (CIO)
- Co-operative Models: IPS – Industrial Provident Society; Bencom – Employee owned
- Other
- Don't know

If 'Other', please specify:

Q6 **Compared to pre-pandemic levels, do you expect the proportion of your workforce working from home to decrease, stay the same or increase by the end of 2021?** Note to interviewer: Select one answer only.

- Decrease
- Stay the same
- Increase

If business has five or more employees, please continue. Otherwise go to Q8 - this is automated on-line.

Q7 **Which of the following descriptions apply to your business?** Note to interviewer: READ OUT. SINGLE CODE.

- You have at least 10 employees and have an average annual growth in employees or turnover greater than 20% per annum over a 3 year period (i.e. scale-up business – do not read this out)
- You have at least 3 employees; you achieved a turnover of £200,000 or more in the last year; you have the potential and aspiration to grow turnover and/or profit by 20% or more per year over the next 3 years. (i.e. pre-scale-up business – do not read this out)
- Neither of the above

Section B: Quality of Local Area

Q8 Ask all: **Overall, how do you rate your location as a place to do business?** Please indicate by using a scale of 1 - 5, where 1 is very poor and 5 is very good. Note to interviewer: SINGLE CODE ONLY.

- 1 -Very poor
 2
 3
 4
 5 - Very good

Q9 Ask all: **How do you rate the availability of, or quality of, the following aspects of your location from a business perspective? Could you please indicate by using a scale of 1 - 5, where 1 is very poor and 5 is very good.**

Note to interviewer: READ OUT EACH ASPECT. SINGLE CODE PER ASPECT.

	1 - Very poor	2	3	4	5 - Very good
Supply Chain located locally	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Availability of appropriately skilled Staff	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Local support available to businesses	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Availability of utilities (such as broadband, energy and water)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Availability of suitable premises	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Affordability of business premises	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Affordable housing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Good quality Schools/Colleges	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Proximity to complementary businesses	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Proximity to Universities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Attractive surroundings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Availability of local services (such as retail and leisure)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Your local town centre	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Road network	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Rail network	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Airport access	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Public transport	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Walking/cycling routes	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Ease of transportation of freight	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Section C: Business engagement

Q10 Ask all: **Have you used any of the following for business advice or support in the past 12 months?** Note to interviewer: READ OUT. SELECT ALL THAT APPLY.

- Private sector professional (E.G.: Solicitor, Accountant, Bank etc.)
- Central Government department or Government body (e.g. HMRC, Job Centre Plus, Department for International Trade, Innovate UK)
- SEMLEP's Growth Hub
- Growth Curve
- Peer Networks
- Your local Council
- Your local business improvement district
- Chamber of Commerce
- Trade Association
- Family/ Friends
- Other Business Owners
- University / College
- Web based business advice
- Recruitment Agency
- Marketing Agency
- National Apprenticeship Service
- BeCentralBedfordshire web portal (CBC only)
- Central Bedfordshire's business support team (CBC only)
- InvestMK (Milton Keynes Council only)
- Other
- None of the above

If "Web based business advice" or "Other", please specify:

Section D: Business Performance

Q11 Ask all: **Would you say that overall, your business performance in the past 12 months has improved, remained stable or deteriorated?** Note to interviewer: SINGLE CODE ONLY.

- Improved
- Remained stable
- Deteriorated

Q12 Ask all: **Over the next 12 months do you expect your business performance to generally improve, remain stable, or deteriorate?** Note to interviewer: SINGLE CODE ONLY.

- Improve
- Remain stable
- Deteriorate

Q13 Ask all: **What do you consider to be constraints on your business growth?** Note to interviewer: Ask unprompted, but PROBE if needed, and SELECT ALL THAT APPLY.

- Lack of skilled labour
- High cost of labour
- Lack of training available locally
- Increasing competition
- Transport infrastructure (road, rail and sea)
- Transport costs e.g. fuel etc
- Access to public transport
- Constraints with current premises or location
- Lack of suitable premises to relocate to
- Difficulties with obtaining planning permission
- IT infrastructure/lack of high speed Broadband
- Attracting or retaining customers
- Interest rates/cost of finance
- Access to finance
- Cash flow
- High cost of energy
- Over regulation/red tape
- Business rates
- Lack of appropriate business support
- The general economic climate
- The end of the EU transition period
- Reduction in public sector expenditure
- The Covid-19 pandemic
- Lack of availability of materials / difficulties sourcing supplies
- Difficulties importing/exporting
- Other
- None of the above
- Don't know

If 'Other', please specify:

Q14 Ask all: **Overall, what impact have you seen on your business, if any, of the UK leaving the European Union?** Note to interviewer: SINGLE CODE

- Positive impact
- Negative impact
- No notable impact
- Unsure/don't know

Q15 Ask all: **What have been the main negative impacts, if any, you have seen on your business of the UK leaving the EU and its impact on your business?** Note to interviewer: Do not read out but probe if necessary. SELECT ALL THAT APPLY.

- Labour availability
- Skills availability
- EU funding availability
- Problems importing from the EU (e.g. sourcing materials and goods/increased costs of doing business)
- Problems exporting to the EU (e.g. loss of business/increased costs of doing business)
- Trade tariffs
- Loss of business
- Increased cost of business
- No negative impacts
- Don't know
- Other

If 'Other', please specify:

Q16 Ask all: **What are the 3 most important things your local Council and other support organisations should do to help you grow your business?** Note to interviewer: DO NOT READ OUT. PROBE if needed, and SELECT UP TO 3 RESPONSES.

- Lower business rates
- Use local businesses for jobs/ employ local people
- More financial support
- More business support/ advice
- Reduce red tape/ paperwork
- Easier planning permission
- Better communication with businesses/ listen more to businesses
- Better/ more / cheaper parking facilities
- Help small businesses
- Help with advertising
- Offer more/ free training
- Regenerate the area/ more investment in the area
- Improve transport infrastructure/ links
- Improve other infrastructure such as broadband
- Encourage new business to start up
- More shops/ local amenities (inc fill empty shops)
- Help with marketing and promotion
- Assist / provide suitable premises
- Help you to engage with training and education providers to identify new talent
- Networking and events
- Local supply chains
- Support with planning advice
- Business growth support
- Support with bidding for public sector tenders
- Support to increase your business' energy efficiency/transition to low carbon
- Support to deal with the challenges of the pandemic
- Support to deal with the challenges of the UK leaving the European Union
- Other
- Nothing
- Don't know

If 'Other', please specify:

Q17 Ask all: **Are you thinking of relocating your business?** Note to interviewer: Probe and SINGLE CODE

- Yes, within the Local Authority Area
- Yes, within the SEMLEP area
- Yes, outside the SEMLEP area
- No
- Don't know

If 'Yes' at Q17, please continue, otherwise please go to Q21 - this is automated on-line

Q18 **Why are you thinking of re-locating?** Note to interviewer: DO NOT READ OUT. PROBE AND SELECT ALL THAT APPLY.

- Lower cost
- Larger premises
- Smaller premises
- Higher specification
- Access to ICT
- Access to energy (electricity, heating etc.)
- Improved parking
- Closer to transport links
- Closer to town centres
- Move to more energy efficient/lower carbon emitting premises
- Other
- Don't know

If 'Other', please specify:

Q18b **North Northants only (this is automated on-line): What type of premises are you considering?** Note to interviewer: Ask unprompted and select all relevant answers.

- Industrial
- Commercial/retail
- Office space
- Managed workspace such as an Enterprise Centre
- Other

If 'Other', please specify:

Q19 **Approximately, what size of new premises are you or would you be looking for, in Square feet?** (Only asked to those seeking smaller or larger premises - this is automated on-line) Note to interviewer: Ask unprompted, but clarify if required. Select one answer only. Note: the square metre and person calculations are approximate and there as a guide if the respondent needs to clarify their response.

- Under 100 square feet (approx under 10 square metres) (approx 1 to 2 person space)
- 100-499 sq ft (10 to 49 square metres) (2 to 10 people)
- 500-999 sq ft (50 to 99 square metres) (10 to 20 people)
- 1000-2499 sq ft (100 to 249 square metres) (20 to 50 people)
- 2500-4999 sq ft (250 to 499 square metres) (50 to 100 people)
- Between 5,000-10,000 sq ft (500 to 1000 square metres) (100 to 200 people)
- Between 10,000-15,000 sq ft (1000 to 1500 square metres) (200 to 300 people)
- Between 15,000-20,000 sq ft (1500 to 2000 square metres) (300 to 400 people)
- Between 20,000-30,000 sq ft (2000 to 3000 square metres) (400 to 600 people)
- Between 30,000-50,000 sq ft (3000 to 5000 square metres) (600 to 1000 people)
- Between 50,000-100,000 sq ft (5000 to 10,000 square metres) (1000 to 2000 people)
- Between 100,000-150,000 sq ft (10,000 to 15,000 square metres)
- Between 150,000-500,000 sq ft (15,000 to 50,000 square metres)
- Over 500,000 sq ft (over 50,000 square metres)
- Don't know

Q20 **When searching for new premises, what, if any, problems have you experienced with premises on the market?** Ask unprompted, PROBE if necessary, AND SELECT ALL THAT APPLY:

- Unaffordable price / rent
- Premises are too large
- Premises are too small
- Low quality or specification of premises
- Premises unsuitable for the business' machinery / technology
- Lack of energy available
- Premises have poor access to town centres / urban areas
- Lack of good public transport near premises
- Lack of good quality labour available near premises
- Lack of premises that are energy efficient/low carbon
- Other
- No problems with premises on the market
- Don't know
- Not began our search yet

If 'Other', please specify:

Section E: Employment, Skills and Training

Q21 Ask all: **Have you had any vacancies in the last 12 months?** Note to interviewer: Single code.

- Yes
 No

If 'Yes' at Q21, please continue, otherwise please go to Q28 - this is automated on-line

Q22 How do you advertise or promote your vacancies?
Note to interviewer: DO NOT READ OUT. PROBE if necessary. SELECT ALL THAT APPLY.

- Through an agency
 Through free websites
 Through paid for websites
 Through business network groups
 Through word of mouth
 Through SEMLEP's website
 Through LinkedIn
 Through other social media
 Through the Job Centre
 Other

If 'Other', please specify:

Q23 Have you had any vacancies in the last 12 months that you have found hard to fill?
Note to interviewer: Single code.

- Yes
 No

If 'Yes', please continue, otherwise go to Q26 - this is automated on-line.

Q24 Which specific occupations have you found hard to fill? Note to interviewer: ask unprompted and select all relevant occupations. If uncertain, check with respondent that you are allocating the response to the correct code.

- Managerial
- Plant and Machine Operatives
- Metal Forming, Welding and Related Trades
- Construction and Building Trades
- Housekeeping and Related Services
- Road Transport Drivers
- Business, Research and Administrative Occupations
- Sales Assistants and Retail Cashiers
- Draughtspersons and Related Architectural Occupations
- Design Occupations
- Sales, Marketing and Related Associated Occupations
- Science, Engineering and Production Technicians
- Metal Machining, Fitting and Instrument Making
- Information Technology and Telecommunication
- Business, Finance and Related Associated Occupations
- Other Administrative Occupations
- Vehicle Trades
- Childcare and Related Personal Services
- Health and/or Care
- Elementary Agricultural Occupations
- Elementary Cleaning Occupations
- Other Elementary Service Occupations
- Production Managers and Directors
- Electrical and Electronic Trades
- Food Preparation and Hospitality Trades
- Green Economy/Environmental Occupations

Q25 What have been the main causes of having hard to fill vacancies? Note to interviewer: **DO NOT READ OUT. PROBE** if necessary, **AND SELECT ALL THAT APPLY.**

- Low number of applicants with the required skills
- Lack of qualifications the company demands
- Lack of work experience the company demands
- Low number of applicants with the required attitude, motivation or personality
- Reduction in availability of EU applicants
- Low number of applicants generally
- Poor terms and conditions (e.g. pay) offered for post
- The growth of the business / increase in workload
- Too much competition from other employers
- Remote location/poor public transport
- Poor career progression / lack of prospects
- Job entails shift work/unsociable hours
- Seasonal work
- Other
- No particular reason
- Don't know

If 'Other', please specify:

Q26 Ask if 'Yes' at Q21 - automated on-line: **Have you found any skills difficult to obtain when recruiting staff in the last 12 months, if so which ones?** Note to interviewer: PROBE if necessary and CHECK THAT ALLOCATING TO CORRECT ANSWERS. SELECT ALL THAT APPLY.

- Literacy
- Numeracy
- Digital skills
- Managerial Skills
- Technical or practical skills
- Communication skills
- Customer Service skills
- Sales and Marketing
- Foreign Languages
- Knowledge of English among non-native speakers
- Team working skills
- Problem solving skills
- Planning and organisational skills
- Job specific skills
- General employability
- Green Economy/Environmental related skills
- Other
- None

If 'Other', please specify:

If selected a skill above, please continue, otherwise go to Q28 - this is automated on-line.

Q27 **Why have you found these skills difficult to obtain?** Note to interviewer: DO NOT READ OUT. PROBE, if necessary AND SELECT ALL THAT APPLY.

- Lack of work ready school leavers
- Lack of work ready college/further education leavers
- Lack of work ready university higher education leavers
- Poor quality applicants generally
- Low quantity of applicants available
- People applying for jobs they are not suited to
- General lack of skills in available workforce
- Reduction in availability of EU applicants
- High and unaffordable salary expectations
- Other
- Don't know

If 'Other', please specify:

Q28 Ask all: **Do you have skills gaps in your *existing* workforce, if so, in which areas?**
Note to interviewer: PROBE, if necessary and CHECK THAT ALLOCATING TO CORRECT ANSWERS. SELECT ALL THAT APPLY.

- Literacy
- Numeracy
- Digital skills
- Managerial Skills
- Technical or practical skills
- Communication skills
- Customer Service skills
- Sales and Marketing
- Foreign Languages
- Knowledge of English among non-native speakers
- Team working skills
- Problem solving skills
- Planning and organisational skills
- Job specific skills
- General employability
- Green Economy/Environmental related skill
- Other
- None

If 'Other', please specify:

If Skills gaps in existing workforce, please continue, otherwise please go to Q31 - this is automated on-line.

Q29 **Why do you think there are skills gaps amongst your existing workforce?** Note to interviewer: DO NOT READ OUT. PROBE if necessary AND SELECT ALL THAT APPLY.

- Lack of appropriate training or courses
- Inflexible times/durations for training or courses
- Not prepared/able to release staff during work hours
- Staff judged not capable of progression
- Lack of investment in staff training and development
- Insufficient budget to provide training courses
- Existing staff not seeking upskilling
- No workforce development plan
- Impact of Covid-19 pandemic on levels of training we have been able to provide
- Difficulty adapting to workplace changes during Covid-19, including operating in Covid-safe environments and/or increased home-working/remote working
- Reduction in number of EU workers
- Other
- Don't know

If 'Other', please specify:

Q30 Ask if responded 'Digital skills' to Q26 and/or Q28 - automated on-line: **Which digital skills have you found difficult to obtain?** Note to interviewer: DO NOT READ OUT. PROBE if necessary, AND SELECT ALL THAT APPLY.

- Microsoft Office (Excel, Word, Powerpoint)
- Systems design and management (e.g. in Sharepoint)
- Programming / coding
- Computer/network support
- Data analysis
- Digital design
- Customer Relationship Management (CRM)
- Digital marketing (including social media)
- Computer-Aided Design (CAD)
- Computer Numerical Control (CNC)
- Cyber security
- Proficiency in a specific software program
- Other

If 'Other', please specify:

Q31 Ask all: **What actions have you taken to increase skills?** Note to interviewer: Ask unprompted and Select all that apply.

- Engaging with schools (e.g. Careers Enterprise Company) through in person or face-to-face activities
- Engaging with colleges
- Engaging with universities
- Investing in apprenticeships
- Offering in-house training & development
- Outsourcing training & development / working with independent training providers
- Relying on agencies to recruit skilled people
- Working with job centre plus
- Providing on-line/remote training and support to staff
- Other
- Not doing anything
- Not applicable - no skills gaps

If 'Other', please specify:

Q32 Ask all: **What level of qualifications do your staff hold?** Note to interviewer: READ OUT. Select all relevant answers.

- No qualifications
- Level 1 qualifications
- Level 2 qualifications (GCSE A*-C)
- Level 3 qualifications (A Level A-E)
- Level 4 qualifications (HNC)
- Level 5 qualifications (HND, Foundation Degree)
- Level 6 qualifications (Degree)
- Level 7 qualifications (Masters)
- Other
- Don't know

Q33 Ask all: I would now like to ask you a few questions about apprenticeships. By "apprenticeships" I mean an apprenticeship scheme that follows a formal framework and leads to a nationally recognised qualification.

Do you employ anyone on an apprenticeship programme currently? Note to interviewer: SINGLE CODE ONLY.

- Yes
- No

If 'No', please continue, otherwise please go to Q36 - this is automated on-line.

Q34 Do you or would you consider taking on an apprentice? Note to interviewer: SINGLE CODE ONLY.

- Yes
- No

If 'No', please continue, otherwise please go to Q36 - this is automated on-line.

Q35 Ask if responded 'No' to previous: **Why would you not consider employing apprentices?** Note to interviewer: Ask unprompted AND SELECT ALL THAT APPLY.

- No current business need / not recruiting
- Cost
- Poor experience of apprenticeships
- Cannot find suitable candidates
- Apprentices don't have the necessary skills / experience / qualifications / we want to employ people that are ready to do the job
- Over complex process
- Size of business is too small
- Business / type of work is unsuitable for apprentices
- Other
- Don't know

If 'Other', please specify:

Q36 Ask all: In 2017 the Government introduced a requirement for all businesses with a wage bill of £3 million per annum or higher to pay an "Apprenticeship Levy".

Is your business currently an Apprenticeship Levy payer? Note to interviewer: DO NOT READ OUT. SELECT ONE ANSWER ONLY.

- No, we are not a levy payer [i.e. wage bill less than £3 million per annum]
- Yes
- Don't know / not applicable

Q37 Ask if answered 'Yes' to previous question - this is automated on-line: **How do you use, or plan to use, the Levy?** Note to interviewer: DO NOT READ OUT. Select all relevant answers.

- To take on new apprentices
- To develop existing employees
- By transferring the levy to other businesses
- We do not use the levy yet, but have plans to in the future
- We do not use the levy and have no plans to
- Don't know
- Other

If 'Other', please specify:

Q38 Ask all: **Which groups, or in what ways, do you actively offer work experience and/or employer engagement?** Note to interviewer: DO NOT READ OUT. Select all relevant answers.

- Primary school students
- School student age 11-13 (Year 7 to 9)
- School students age 14-16 (Year 10 to 12)
- School/College students age 17-19
- Further or Higher Education Students age 19-24
- People with Special Educational Needs and/or Disabilities
- Traineeships
- Internships
- Adult schemes
- Kick-start scheme
- Other
- No engagement conducted
- Don't know

If 'Other', please specify:

If 'No engagement conducted', please continue, otherwise go to Q40 - this is automated on-line.

Q39 **Why do you not engage with schools, colleges, universities, adult education schemes or conduct employer engagement?** Note to interviewer: DO NOT READ OUT. Select all relevant answers.

- Lack of time
- Lack of opportunities
- Do not see value
- Do not know how to arrange
- Red tape/bureaucracy
- Concerns about the safety of students
- Other

If 'Other', please specify:

Section F: Innovation

Q40 Ask all: **Does your business have any links with universities or colleges for research and development purposes?** (If unsure, define R&D as: creative work undertaken within your business that increases knowledge for developing new and improved goods, services and/or processes)
Note to interviewer: SINGLE CODE ONLY.

- Yes
 No
 Don't know

Q41 Ask all: **Has your business introduced any new products, services, patents or processes in the past 12 months?**
Note to interviewer: PROBE FOR DETAIL if necessary AND SELECT ALL THAT APPLY.

- New Products
 New Services
 New Processes
 New Patents
 No
 Don't know

Q42 Ask all: **Has your business been involved in a collaborative research and development project in the past 12 months and with what type of partner?**
Note to interviewer: DO NOT READ OUT. PROBE FOR DETAIL if necessary AND SELECT ALL THAT APPLY.

- Yes, with a university/college
 Yes, with another business/enterprise group in the same sector
 Yes, with another business/enterprise group in a different sector
 Yes, with some other partner
 No
 Don't know

Q43 Ask all: **To what extent have each of the following restricted your business from introducing new products, services or internal processes?** Could you please indicate by using a scale of 1 - 5, where 1 is not a constraint and 5 is a major constraint.
Note to interviewer: READ OUT EACH ASPECT. SINGLE CODE PER ASPECT.

	1 – no constraint	2	3	4	5 - major constraint
The general economic climate / risk of investment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Cost of introducing new products, services or processes	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Cost of finance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Availability of finance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Availability of suitable partners	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Understanding of technologies	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Understanding of markets	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Market demand for new products/services in your industry	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Regulatory environment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Challenges related to the Covid-19 pandemic	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Challenges related to the UK's exit from the European Union	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Section G: SEMLEP

Q44 Ask all: **Before today, had you heard of any of the following?** Note to interviewer: Read out and select all that apply.

- SEMLEP
- Local Growth Fund
- Getting Building Fund
- Enterprise Adviser Network (EAN)
- SEMLEP's Inward Investment service
- Peer Networks
- Community grants
- Growth Curve
- SEMLEP's Growth Hub
- Midlands Engine Investment Fund (MEIF)
- None of the above

If selected one of the above, please continue, otherwise go to Q46 - this is automated on-line

Q45 **How had you heard of any of the above?** Note to interviewer: DO NOT READ OUT. SELECT ALL THAT APPLY.

- Press/Media
- Social media (Twitter, LinkedIn etc.)
- Networking with other businesses
- Communications from my Local Authority
- Communications from SEMLEP direct
- Other
- Can't recall

If 'Other', please specify:

Q46 Ask all - READ OUT: "SEMLEP is a Local Enterprise Partnership which aims to create the right environment for businesses to grow locally."

What do you think SEMLEP should focus on to help businesses and the local economy grow? Note to interviewer: DO NOT READ OUT. PROBE if necessary AND SELECT ALL THAT APPLY.

- Delivering **infrastructure** improvements to encourage business and economic growth e.g. improved travel and transport network, improvements to broadband
- Attracting new businesses** in to the area i.e. inward investment
- Helping to ensure an appropriate **supply of skilled labour** is available to meet business demand
- Securing **funding** to support new investment/projects
- Communicate local business needs to Central Government** to the benefit of local businesses and the local economy
- Providing **support to businesses** (e.g. through business advice services)
- Providing **support to recover from the pandemic**
- Support to transition to **net zero / cut carbon emissions / be "greener"**
- Supporting businesses around the **UK leaving the EU**
- Other
- Don't know

If 'Other', please specify:

Section H: Green agenda

Q47 **Has your organisation made a commitment to become net-zero, and if so by when?** Note to interviewer: Ask unprompted, but clarify if required. Select one answer only.

- Yes, to reach it by 2030 or before
- Yes, to reach it by 2040
- Yes, to reach it by 2050
- Yes, we have specific targets or aims to become net-zero, but we have not set a deadline yet
- No, we have not set a target, but we are committed to being more environmentally friendly
- No, it is not something we've committed to or thought about much
- Don't know

Q48 What is your organisation doing to become net zero? (only ask to those that are actively committed - this is automated on line) Note to interviewer: Ask unprompted. Select all relevant answers.

- Incentivising staff to use their cars less
- Encouraging sustainable forms of transport
- Supporting staff to work at home/remotely more
- Reviewing energy efficiency in our buildings
- Providing training and education to our staff
- Sourcing sustainable materials
- Encouraging those in our supply chain to be more environmentally friendly
- Measuring our carbon footprint
- Signing up to sustainable business initiatives
- Supporting environmental charities
- Prioritising the use of renewable energy (e.g. like changing to a renewable energy supplier, moving to a green energy business park etc)
- Installing EV charging points / use the Workplace Charging Scheme
- Review energy efficiency of production processes
- Participate in the UK Emissions Trading Scheme
- Increase recycling of waste products
- Investing in renewable generation (solar PV/panels, wind power etc.)
- My business produces products / services that support the net zero transition (e.g. recycling, energy efficiency consultant, building insulation, renewable energy equipment, sustainable transport equipment etc)
- Other
- Don't know

If 'Other', please specify:

Q49 What do you consider, if anything, is a barrier to reducing your business's carbon footprint? Note to interviewer: Ask unprompted. Select all relevant answers.

- Availability or cost of low carbon alternatives
- Lack of grants
- Lack of capital or finance
- Lack of favourable tax rates or allowances
- Unable to change existing processes
- Lack of knowledge
- Lack of demand or understanding from customers
- Lack of understanding from employees
- My business does not face barriers
- I or the business don't think it's important
- Don't know
- Other

If 'Other', please specify:

Section I: Inclusivity

It is important we can understand the profile of business owners in the region. As such we would like to ask you some questions about your own personal situation. **IF NECESSARY:** Please remember all of your answers are given in confidence and will never be reported in any way that could allow you to be identified.

Q50 ASK SOLE TRADERS only (automated on-line): **Which of the following apply to you?** Note to interviewer: READ OUT. SELECT ALL THAT APPLY.

- You would describe yourself as belonging to an ethnic minority group
- You would describe yourself as having a long-term illness or disability which has a substantial and long-term negative effect on your ability to carry out normal day to day activities
- None of the above

Q51 ASK SOLE TRADERS only (automated on-line): Interviewer: Please record gender of respondent (do not ask)

- Male
- Female

Q52 Ask to non-sole traders (automated on-line): For each of the following, please estimate the percentage of partners or board directors in your business that are . . .? Note to interviewer: READ OUT. SINGLE CODE.

	0-10%	11-24%	25-49%	50%+	Don't know
Women	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Belong to minority ethnic groups	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Have a long-standing illness or disability	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q53 **How, if at all, do you ensure your recruitment practice is inclusive?** Note to interviewer: Ask unprompted and select all relevant answers.

- We train our recruitment / HR staff so they are best able to adopt inclusive recruitment practices
- We ensure a diverse recruitment / interview panel
- We review job descriptions and adverts to ensure they use inclusive language
- We actively target / advertise to attract diverse applicants
- We have targets to recruit a diverse workforce
- Do not adopt an inclusive recruitment practice currently, but working on it
- Do not adopt an inclusive recruitment practice currently, but interested in finding out how
- Do not do anything specific around inclusive recruitment
- Not applicable / do not recruit staff
- Other, please specify
- Don't know

If 'Other', please specify:

Section J: Local Authority questions

Q54 **Central Bedfordshire (CBC):** In what ways, if at all, have your business operations been impacted since the onset of the Covid-19 pandemic? Note to interviewer: Ask unprompted and select all relevant answers.

- Reduced working days
- Reduced working times
- Reduced number of employees
- Increased working times
- Increased working days
- Increased number of employees
- Increased remote Working
- Increased profit margins (or should this read as simply 'increased profit')
- Reduced profit margins (ditto)
- No changes or impact
- Don't know
- Other

If 'Other', please specify:

Q55 **CBC:** What, if any, business support have you received from Central Bedfordshire Council? Note to interviewer: Ask unprompted and select all relevant answers.

- A grant or financial assistance
- Generic Business support
- Planning support
- I am not aware that the council provides business support
- I am aware that the council provides business support, but I haven't used it
- Other

If 'Other', please specify:

Q56 **CBC:** Have your employees required any upskilling to adapt to the changes made during the pandemic? Note to interviewer: Select one answer only.

- Yes
- No
- Don't know

If 'Yes', please specify:

Q57 **CBC:** Do you plan to make any changes to the scale of your business operations in the next 12 months? Note to interviewer: Ask unprompted and select one answer only.

- Expand scale
- Reduced scale
- No changes

Q58 **CBC:** Has your business lost any employees because of the immigration restrictions imposed since the UK exited the EU? Note to interviewer: Ask unprompted and select one answer only.

- Yes, and it has had a negative impact on our business
- Yes, but it has not had a negative impact on our business
- No
- Don't know

Q59 **Luton:** Luton has declared a climate change emergency and set 2040 as a target for Luton to reach net zero carbon.

To this end, would your business like to receive support from a programme being developed by Luton Council to give advice on reducing carbon and helping build sustainability at the core of your business? Note to interviewer: Select one answer only.

- Yes
- No
- Don't know

Q60 **Luton:** Luton has ambitions to help local people access local jobs.

Is it a priority for your business to actively recruit talent from the local area and within Luton? Note to interviewer: Ask unprompted and select one answer only.

- Yes, this is a priority
- Seek to where possible, but not a top priority
- Do recruit locally, but it's not a business imperative/priority
- Not a priority

Q61 **Luton:** Luton Council offer a bespoke Passport to Employment program that supports businesses with their recruitment needs to ensure that they get the right candidate for the job. Would you like to know more about this tailored service? (If 'Yes', we will forward your contact details to the council). Note to interviewer: Select one answer only.

- Yes
- No

Q62 **Luton:** Luton Council want to make sure that the Luton's wealth benefits its local people and businesses to the greatest possible extent.

Would your business be interested in working with local suppliers and engaging in a supply chain programme supporting local organisations to access Luton based contract opportunities? Note to interviewer: Select one answer only.

- Yes
- No
- Don't know

Q63 **Luton:** Looking ahead, which of the following are likely to be a priority in terms of the business's future skills requirements? Note to interviewer: Read out options and select all relevant answers.

- Digital skills
- Technical skills
- Leadership skills
- Managerial skills
- Soft / transferrable skills
- Green skills

Please elaborate or provide examples to explain what you mean about the skills requirements needed?

If selected 'Green Skills', please state that Luton Council is providing training on green/sustainability skills including getting an understanding of the benefits to the business, it's employees, customers and the local area in becoming a net carbon zero business, embedding social value into your organisation, embracing sustainable procurement including the local sourcing of products and services and making sure that the organisation is recruiting inclusively.

Would you like to receive information about this?

Q64 **Luton:** Luton Council is currently working to become part of the Good Business Charter, which is an accreditation that organisations in the UK can sign up to in recognition of responsible business practices. It includes ten components: The Real Living Wage; Fairer Hours and Contracts; Employee Well-Being; Employee Representation; Diversity and Inclusion; Environmental Responsibility; Pay Fair Tax; Commitment to Customers; Ethical Sourcing; Prompt Payment.

Would your business be able to meet the requirements of the Good Business Charter? Note to interviewer: Ask unprompted, probe where required and select one answer only.

- Yes, and interested in signing up to the Charter
- Yes, but not interested in signing up to the Charter
- Maybe, and interested in being supported to be able to meet the requirements
- No, but interested in being supported to be able to meet the requirements
- Not able to meet the requirements and not interested in being supported to meet the requirements

What support would you require to help you meet the requirements of the Good Business Charter?

Q65 **Milton Keynes (MK):** As a business based in Milton Keynes, would you say that you are proud to be from Milton Keynes? Note to interviewer: Ask unprompted and select one answer only.

- Yes
- No
- Indifferent

Q66 **MK:** How do you see your need for Commercial space changing over the next 18 months? Note to interviewer: Ask unprompted and select one answer only.

- Need for commercial space increasing
- Need for commercial space decreasing
- Expansion outside Milton Keynes
- Greater flexibility / co-locating
- Need for commercial space unchanged

Q67 **MK:** Milton Keynes Council has a business and investment communication channel called InvestMK.

What sort of content would you want to see shared through InvestMK? Note to interviewer: Ask unprompted and select all relevant answers.

- Good news stories (e.g. major investment in MK)
- Help & support available to local businesses
- Local commercial/office space property information
- Local labour Market Statistics
- Other
- Don't know

If 'Other', please specify:

Q68 **MK: What barriers, if any, to working with Milton Keynes Council have you found?** Note to interviewer: Ask unprompted and select all relevant answers.

- Not knowing who to speak to
- Difficult policies
- Red tape/bureaucracy
- Lack of awareness or knowledge of the council's procurement processes
- Other
- Don't know

If 'Other', please specify:

Q69 **MK: Milton Keynes Council spends up to £250million on goods, works and services every year, and are keen to continue developing engagement channels with local suppliers and businesses. Would you want to hear more about the Council's procurement processes?** Note to interviewer: Select one answer only.

- Yes
- No

Q70 **NorthNorthants: In which of the following ways would you like to engage with the Council to receive support and information for your business?** Note to interviewer: Read out response options and select all relevant answers.

- Support with recruitment and training
- Receive E-newsletter
- Access the Website - www.recoverythroughenterprise.co.uk
- Invitation to business events hosted by the Council and its partners
- By an individual visit to your company
- Land and premises information and support
- Hear about potential funding opportunities

Would you be happy for North Northamptonshire to contact you about any of the options you selected?

Q71 **NorthNorthants: What do you think makes North Northamptonshire a great location for business (please select up to two responses)?** Note to interviewer: Ask unprompted and up to two responses.

- Central location
- Access to markets
- Access to labour and skills
- High quality environment
- Affordable housing
- Availability of premises
- Competitive cost base
- Digital connectivity
- Other
- Don't know
- I don't think it is a great location for business

If 'Other', please specify:

Q72 **NorthNorthants and if rural business: What are the challenges of working in a rural area?** Note to interviewer: Ask unprompted and select all relevant answers.

- Access by public transport
- Difficulty recruiting
- Lack of reliable/fast Broadband
- Other
- Don't know
- N/A - not a rural business

If 'Other', please specify:

Q73 **How can the North Northants Council best work with local businesses to attract more investment and visitors to the area, offer more high-skilled jobs, embed low carbon technologies and support an economic recovery?** Note to interviewer: Please just write down brief comments succinctly.

Section K: Support for you more business

Q74a Ask all: Would you be interested in finding out more about the following? [Inform respondent that we will pass their details on to the appropriate organisation] Note to interviewer: READ OUT. SELECT ALL THAT APPLY.

- Funding opportunities
- SEMLEP's Growth Hub - which is a FREE business support programme that has been set up to make it easier for businesses to maximise their growth potential.
- Support for business scale-up and pre-scale-up
- Employer-led skills programmes / initiatives
- Opportunities for employer engagement with schools, colleges, universities and adults
- Commercial premises
- SEMLEP's Newsletters – which features a range of updates on local programmes and growth opportunities.
- Apprenticeships
- Apprenticeship levy information
- Local staff training opportunities
- Support to increase your business' energy efficiency/transition to low carbon
- Support around inclusive recruitment and business practices
- Health and wellbeing of staff
- Local Community Foundations

Q74b Could you confirm your name, contact number and e-mail address? Note to interviewer: This only comes up if the respondent has selected a positive answer to Q74a - automated on-line. Interviewer record:

Name:

Business:

Contact number:

E-mail:

Q75 Do you have any other comments or points you would like to make about the issues discussed in this survey? Note to interviewer: If the respondent has any additional comments or points to raise, please record here. Only ask this if the respondent has time.

That is the end of the questionnaire. Thank you for all your help. The findings of the survey will be published on SEMLEP's website later in the year.

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