
Business Survey 2013

SYNOPSIS

This report sets out for the committee's information the key findings of the Business Survey 2013

1.0 Introduction and Background

- 1.1 The South East Midlands Local Enterprise Partnership, or SEMLEP, is one of 39 Local Enterprise Partnerships in England set up to play a central role in determining local economic priorities and to undertake activities that drive economic growth and the creation of local jobs. SEMLEP is made up of 11 Local Authority areas. Six of these Local Authorities commissioned Public Perspectives Ltd to undertake a business survey. The primary objective of the survey was to provide an indication of the perceptions of local businesses and an opportunity to compare results and provide intelligence at a SEMLEP wide level. The participating authorities included Central Bedfordshire, Cherwell District Council, Corby Borough Council, Kettering Borough Council, Northampton Borough Council and South Northamptonshire Borough Council.
- 1.2 This report sets out the key findings of the business survey and summarises the analysis.
- 1.3 The survey which was completed in June 2013 is available on the Councils website and a hard copy has been placed in the Members room.

2.0 Aims and Objectives of the Survey

- 2.1 The business survey included a series of questions under the following headings:
- Quality of the local area as a business location
 - Business engagement and support
 - Business Performance
 - Employment, skills and training
 - Innovation, environmental activities and work practices
 - Perceptions about SEMLEP

3.0 Methodology

- 3.1 The research combines telephone and on-line surveys of businesses in each of the participating authorities. A total of 932 interviews were conducted, including a survey of one hundred local businesses representative of the demographic profile of businesses in this Borough.
- 3.2 A questionnaire was developed in conjunction with the participating Local Authorities to capture information to answer the aims and objectives of the survey. The questionnaire contained common questions to allow for comparison across the participating Local Authorities.
- 3.3 The survey was conducted over a period between 8th April and 7th June 2013.
- 3.4 With 100 interviews, the sample error or accuracy of the survey findings is +/- 9.5% at a 95% confidence level. This means that we can be 95% confident that the "real" findings for any

given question would be within 9.5% of those stated within the survey findings based on the sample of respondents achieved.

4.0 Key Findings

Quality of local area for business

- 4.1 Overall, across the full SEMLEP sample, the majority of businesses (62%) said that their location was a good place to do business. Within Corby, the same majority (62%) rate their location as a good place to do business.
- 4.2 Travel aspects are the most positively cited aspects of the SEMLEP area as a business location. Key aspects that were rated as good in Corby included the strategic road network, good quality schools and colleges, the rail network and ease of transportation of freight. Interestingly, the proportion of businesses across the SEMLEP area that cited support on planning permissions as poor was high (37%) compared to Corby (34%).
- 4.3 Over a quarter of businesses, across the SEMLEP area, agree that the area is improving as a business location (28%). The highest level of agreement was from businesses in Corby (40% agree the area is improving).

Business engagement and support

- 4.4 Across SEMLEP, a quarter of businesses rate their Council as good at communicating with them (25%). Ratings are broadly consistent across different Local Authorities (21% of businesses in Corby rate the Council as good at communicating with them).

Business performance and growth

- 4.5 The majority of businesses within Corby experienced improved or stable performance over the past 12 months (83%). This is marginally more positive than the overall rate, across the full SEMLEP sample (80%).
- 4.6 The survey highlights the optimism in Corby with more businesses expecting business to improve in the next 12 months than within any other Local Authority area (61% in Corby compared to 55% across the SEMLEP area).
- 4.7 Consistent across all Local Authorities, the general economic climate was cited as the main constraint on business growth. Other commonly cited constraints across the SEMLEP area included access to finance, attracting or retaining customers and cash flow.

Employment, skills and training

- 4.8 Notable proportions of businesses across the SEMLEP area have hard to fill vacancies, skills shortages and skills gaps. In terms of a SEMLEP comparison the proportion of businesses that have experienced skills shortages in Corby are high (43% within Corby compared to 35% across the SEMLEP area). The proportion of businesses that reported having skills gaps amongst their existing workforce is also highest in Corby (18% within Corby compared to 12% of businesses across SEMLEP).
- 4.9 The proportion of businesses that provided their staff with job training or development in the last 12 months is high in Corby (71% off-the-job and 48% on-the-job) compared to other Local Authorities across the SEMLEP area (42% off-the-job and 59% on-the-job). Two fifths of businesses in Corby have workforce development plans.

Innovation and work practice

- 4.10 Some two thirds of businesses in Corby undertake some form of environmental activities which is relatively high for the SEMLEP area (71% within Corby compared to 66% of businesses across SEMLEP). The most common activities undertaken are common across the SEMLEP area and include steps to reduce CO2 emissions or improve energy efficiency, using green or environmentally friendly products or services or having an environmental policy.

Awareness of SEMLEP

- 4.11 Under a tenth of businesses are aware of SEMLEP in Corby (8%). The scope to enhance awareness of SEMLEP is consistent across the Local Authority areas.

5.0 Key Issues for Consideration

- 5.1 By way of conclusion, the consultants identified the following key issues for consideration:
- 5.2 **A SEMLEP wide approach is relevant for all Local Authorities** - the survey revealed broad consistency in business perceptions between different Local Authorities in the SEMLEP area. The consultant suggests that this means that work at the SEMLEP wide level will also be relevant when filtered down throughout each member Local Authority.
- 5.3 **A strong strategic transport network, good schools and attractive surroundings are positives which should be promoted as part of inward investment activity** – the survey highlights the travel aspects that are positively rated by local businesses. These could be marketed as potential pulls to attract new business to the area.
- 5.4 **Address key aspects, business constraints and areas for future support identified by local businesses as issues for improvement that SEMLEP and Local Authorities can influence** – the survey identified a number of issues about the area, business constraints and areas for support that businesses consider need improvement. Many of these cannot be influenced by SEMLEP and Local Authorities, but some can. For example, some of the lowest ratings for the availability and quality of key business aspects for Corby were for local support available to businesses, good value rent and rates, affordable housing, skilled staff and the availability of local premises. Whilst SEMLEP and the Council cannot make immediate impact on these, there is opportunity to have some strategic medium to long term influence.
- 5.5 **Focus on business support and communication to support business growth and enhance perceptions of the area as a good place to do business** – the survey highlights that there is scope to enhance the awareness and knowledge businesses have about local public sector procurement opportunities, which could have a positive impact on the proportion of businesses that supply the Council and other public sector organisations. Likewise, there is also scope to improve the provision of support available to new and young businesses. The survey showed that there is scope for improving awareness of local business support opportunities matched with a substantial amount of appetite for these services. The consultants suggest that these three areas – local procurement opportunities, supporting new and young businesses and promoting local business support opportunities – may be good starting points for driving forward business support activities, improving perceptions about business support and communication and in turn improving perceptions about the area as a good place to do business.
- 5.6 **Focus on employment, skill and training to help promote business growth** – employment and skills emerge as issues that are constraining growth and where there is some demand for support. The survey shows that businesses that have workforce development plans and conduct training are more likely to report improved performance. Therefore, a starting point recommended by the consultants is that workforce development plans and skills development programmes are encouraged.
- 5.7 **Promote and support opportunities for innovation and collaboration** – there is appetite for innovation. The survey also concludes that there is some demand for SEMLEP to play a role in promoting and facilitating collaboration between businesses.
- 5.8 **Target support and communication at micro and smaller businesses** – the survey revealed that the greatest need, but also potentially the greatest impact on business growth, is likely to be had by targeting support and services at micro and smaller businesses. At the same time, the needs of larger businesses should not be ignored, especially around hard to

fill vacancies, skills shortages and skills gaps which seem to affect larger businesses more and could potentially impact on their growth.

6.0 Issues to be taken into account:-

Policy Priorities

The results of the survey will help the Council and partners support local businesses and the local economy that contributes directly to two of the key objectives in the Corporate Plan.

Financial

Corby Borough Council contributed £3,000 to the survey that costs in the region of £30,000

Legal

None directly related to this report.

Performance Information

None directly related to this report.

Best Value, Human Rights, Community Safety, Equalities and Sustainability

None directly related to this report

Risk Management

None directly related to this report

7.0 Conclusion

- 7.1 This report presents findings of the business survey which was conducted between April and June 2013. The findings provide key business and economic indicators and intelligence to support the delivery of the Councils and partners priorities and activities.

8.0 Recommendation

- 8.1 It is recommended that Members note the report

Background Papers

South East Midlands Local Enterprise Partnership: Comparative Business Survey 2013, June 2013

Corby Borough Council: Business Survey, June 2013

Wards

All

Officers to Contact

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