SEMLEP
South East Midlands
Local Enterprise Partnership

public perspectives

2019 **Business Survey**

Over October and November 2019, SEMLEP conducted a telephone survey of 1,650 businesses in the region. The survey aimed to identify economic issues and opportunities, to support the growth of local businesses and the local economy. The survey was representative of the size, sector and geography of the over 80,000 businesses in the area. The previous survey was in 2017 and this was the fifth business survey conducted by **SEMLEP**, since 2013.

The survey was undertaken at a time when uncertainty around Brexit was particularly high and at the forefront of businesses' concerns, given the deadline at the time for Brexit of the end of October 2019. This should be taken into consideration when reviewing the results, especially around leaving the EU.

BUSINESS LOCATION

South East Midlands is a positive location for business:

69%

rated the South East Midlands region as a 'good' place to do business *(64% in 2017)*

Positive perceptions of the following rated at least 'good':

Availability of utilities:

81% *(not asked in 2017)*

Good quality schools/colleges:

70% *(66% in 2017)*

Availability of suitable premises:

64% *(56% in 2017)*

Road network:

62% *(67% in 2017)*

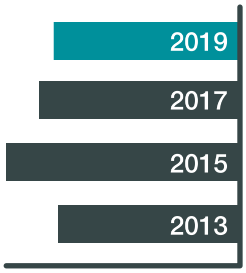
BUSINESS PERFORMANCE

Positive current performance, albeit a gradual decline over time:

40%

of businesses said performance had improved over the past 12 months

(43% in 2017 and 50% in 2015 but up from 39% in 2013)



while **20%** said it had deteriorated *(17% in 2017 / 11% in 2015 / 20% in 2013)*

Optimism for the future:

48%

of businesses expect performance to improve in the next 12 months *(55% in 2017)*

while **12%** expect it to deteriorate *(8% in 2017)*

BREXIT

Businesses were more likely to say the impact of leaving the EU will be negative for their business than positive, with concerns about importing and exporting to the EU, loss of business and increased cost of business and to a lesser extent concern over trade tariffs and access to labour and skills:

12%

of businesses said leaving the European Union will have a positive impact *(also 12%* in 2017)

37%

no notable impact *(35% in 2017)*

34%

a negative impact *(32% in 2017)*

17%

were unsure of the impact *(22% in 2017)*

VACANCIES, SKILLS SHORTAGES AND SKILLS GAPS

Skills are a key issue for local businesses and lack of skilled labour remains one of the top constraints on growth, although the situation is moving in a positive direction:

39%
of businesses had vacancies in the last 12 months *(40% in 2017 and 2015)*

18%
had hard-to-fill vacancies *(23% in 2017 and 18% in 2015)*

25%
reported skills gaps amongst current staff *(28% in 2017 and 33% in 2015)*

20%
said they found skills shortages amongst potential recruits when trying to fill vacancies *(22% in 2017 and 2015)*

APPRENTICESHIPS AND WORK EXPERIENCE

Gradual increase in apprenticeships, with scope for further growth:

12% currently employ apprentices *(13% in 2017 and 9% in 2015)*

36% would consider employing apprentices *(same in 2015)*

26% of businesses offer work experience or employer engagement opportunities

INNOVATION

Notable numbers of businesses are innovating, with scope to address barriers:

26% of businesses innovated in the last 12 months *(19% in 2017 and 28% in 2015)*

10% of businesses have links with universities/colleges for R&D purposes *(6% in 2017 and 12% in 2015)*

£ The main constraints to innovation were financial, with the availability and cost of finance and the general economic climate all commonly rated restrictions

SEMLEP

Positive awareness of SEMLEP programmes, including the use of the Growth Hub amongst scale-up businesses:

SEMLEP's Growth Hub
Connected Business Support

25% of businesses had heard of at least one of **SEMLEP's** programmes

15% of businesses had heard of the **SEMLEP Growth Hub**, including **9%** that had used a growth hub in the last 12 months

46% of scale-up businesses were aware of the **SEMLEP Growth Hub** and **34%** had used it in the last 12 months

Priorities SEMLEP should focus on:

- Providing support to businesses (**25%** - *remains top cited since 2015*)
- Funding new investment/ projects (**17%**)
- Delivering infrastructure improvements (**15%**)
- Helping ensure supply of skilled labour to meet business demand (**14%**)

Visit **www.semlep.com** to view the full report and **SEMLEP's** response to the research findings.

The survey was administered and reported on by independent research organisation, Public Perspectives: www.publicperspectives.co.uk