


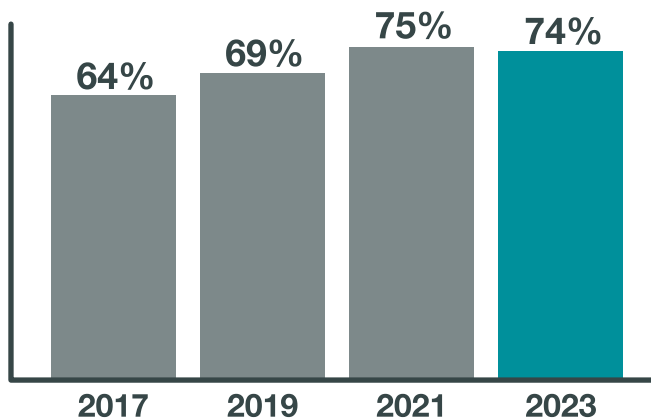
# 2023 Business Survey


Over October and November 2023, SEMLEP conducted a telephone survey of 1,882 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 77,000 businesses in the area. The previous survey was in 2021 and this current survey is the 7th business survey conducted by SEMLEP, since 2013.

## BUSINESS LOCATION

The region continues to be considered a positive location for business, representing a pull for inward investment:

 **74%** rated the South East Midlands region as a 'good' or 'very good' place to do business

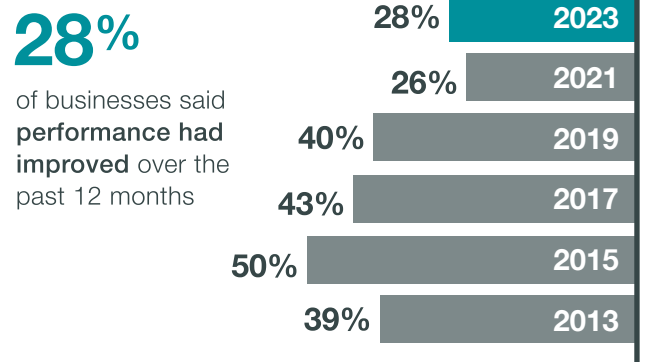


 **6%** thinking of **relocating** their business (8% 2021 / 14% 2019)

The majority of these businesses were looking to relocate within the same Local Authority area (5%) and 1% were looking to relocate outside of the SEMLEP area. The most common reasons for considering re-location since 2021 were to reduce cost (increased in importance) or to move to larger premises.

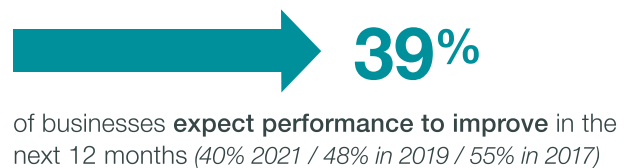
## BUSINESS PERFORMANCE

Business performance and confidence remain subdued compared to 2019, albeit less so compared to 2021, due to impacts of general economic conditions (rather than specific issues related to the pandemic or Brexit):



← while **22%** said it had deteriorated (34% in 2021 / 20% in 2019 / 17% in 2017 / 11% in 2015 / 20% in 2013)

Optimism for the future:



← while **10%** expect it to deteriorate (15% in 2021 / 12% in 2019 / 8% in 2017)

## EU EXIT

The impact of the UK leaving the European Union remains, but perhaps less so, with imports, exports and the cost of business the main issues, as well as labour availability for larger businesses:



of businesses were able to name at least **one negative impact** from leaving the EU



problems **importing** from the EU



**increased costs** of business



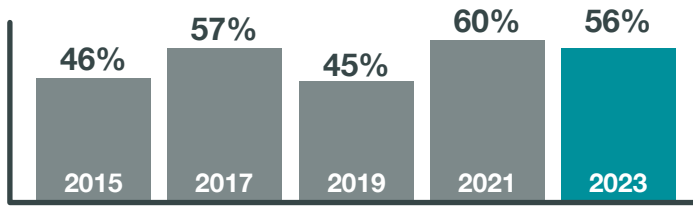
problems **exporting** to the EU



**labour** availability a problem (**29%** of businesses with 50+ staff)

## VACANCIES, SKILLS SHORTAGES AND SKILLS GAPS

The availability of skills remains an issue (albeit less so), especially amongst larger businesses, with hard-to-fill vacancies and skills shortages having implications for business growth, although skills gaps continue to reduce:



**56%**

of businesses with vacancies were hard-to-fill

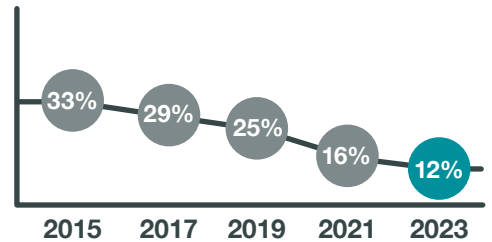


**16%**

said they found **skills shortages** amongst potential recruits when trying to fill vacancies (16% in 2021 / 20% in 2019 / 22% in 2017 & 2015)

**12%**

reported **skills gaps** amongst current staff



## APPRENTICESHIPS AND WORK EXPERIENCE

There has been an increase in businesses employing apprentices (including among Levy payers), and this is back at earlier, pre-Covid levels:

**11%**

currently **employ apprentices** (7% in 2021 / 12% in 2019 / 13% in 2017 / 9% in 2015)

**26%**

would **consider employing apprentices** (30% in 2021 / 36% in 2019 and 2017 / 40% in 2015)

**29%**

of businesses **offer work experience** or employer engagement opportunities (28% in 2021 / 26% in 2019)

## INNOVATION, GREEN AGENDA AND INCLUSIVITY



**27%**

of businesses, especially larger businesses, **innovated** in the last 12 months (21% 2021 / 26% 2019 / 19% 2017 / 28% 2015)



**6%**

of businesses have **links with universities/colleges** for R&D purposes (7% 2021 / 10% 2019 / 6% 2017 / 12% 2015)



**52%**

of businesses have made some commitment to becoming more environmentally friendly (46% in 2021), although similar to 2021 only **4%** have a specific target to become **net-zero by 2030**. Larger businesses were more likely to have made a solid commitment and set a deadline.



**31%**

of businesses, especially larger businesses, said they adopt **inclusive recruitment practices**, **53%** said it is not applicable to them as they do not recruit staff, and **16%** said they do not adopt inclusive practices.

## REGIONAL ECONOMIC DEVELOPMENT AND GROWTH PRIORITIES

Since 2011, SEMLEP has been a Local Enterprise Partnership that aims to create the right environment for businesses to grow locally. From April 2024, its functions will be transferred to, and delivered by, local councils, following an announcement in the government's 2023 Spring Budget. As a result, the survey asked what regional economic development functions businesses wanted to see local government focus on delivering in the future:



**34%**

Infrastructure improvements



**24%**

Funding to support new investments/projects



**21%**

Attracting inward investment



**19%**

Ensuring supply of skilled labour to meet business demand



**15%**

Providing business support

Some businesses are **experiencing challenges around access to finance and financial constraints impacting on business growth and innovation**, which in part may be caused by the challenging economic conditions, as well as high interest rates limiting access to affordable credit. Consequently, support around access to finance, managing cash flow and business grants could help businesses through the current economic challenges and promote growth. For example, **'More financial support'** was the most common type of support to help with business growth, mentioned by **25%** of businesses (11% in 2021), while **57%** of businesses are interested in **grants to support their growth** (especially businesses with less than 50 staff).

Visit [www.semlep.com](http://www.semlep.com) to view the full report.

The survey was administered and reported by independent research organisation, Public Perspectives: [www.publicperspectives.co.uk](http://www.publicperspectives.co.uk)