

THURSDAY, 8 SEPTEMBER 2016

REPORT OF THE PORTFOLIO HOLDER FOR REGENERATION**TAMWORTH AND LICHFIELD BUSINESS SURVEY****EXEMPT INFORMATION**

Not applicable

PURPOSE

To provide Cabinet with information about the findings from the Tamworth and Lichfield Business Survey, this includes a 10 minute presentation at the start of Cabinet on the 8th September.

RECOMMENDATIONS

That Cabinet endorses the results of the Business survey and the proposed next steps.

EXECUTIVE SUMMARY

Tamworth Borough Council and Lichfield District Council mutually agreed to conduct a Business Survey in order to ascertain details of economic factors impacting on the local business community and business views on relevant initiatives. As the first of its kind, this would provide a benchmark for future surveys and assist in the measuring the health of the local economy.

The results of the survey will also assist both Councils in ensuring their services to businesses were directed correctly and help identify any possible gaps in service provision or highlight potential opportunities.

OPTIONS CONSIDERED

The Economic Development and Regeneration (EDR) Team has taken on board the key findings of the Business Survey and is planning a large business support event in November 2016, in conjunction with numerous key partners to summarise the findings and outline opportunities for business.

Services delivered by the EDR Team, are in the process of being tailored to meet the needs of business as highlighted by the findings, these include:

- A refocusing of the shared service website and associated social media to highlight opportunities to access business support (www.tlforbusiness.co.uk)
- Development of an events plan, working with a variety of partners to address business knowledge gaps and barriers.
- Delivery of a business grants programme that directly addresses barriers to growth such as investment in sales, marketing, premises and capital

equipment.

RESOURCE IMPLICATIONS

Economic Development and Regeneration staff Officer time was involved in project managing the delivery of the Survey and delivering actions arising from the findings.

LEGAL/RISK IMPLICATIONS BACKGROUND

None.

SUSTAINABILITY IMPLICATIONS

None.

BACKGROUND INFORMATION

Tamworth Borough Council went out to tender for an appropriate organisation to assist in the delivery of the Survey, in June 2015 and MEL Ltd were awarded the contract.

MEL Ltd undertook the following:

- Interviewed, by phone, 11 strategically important, large businesses within the defined area to gain more of an insight into the needs and requirements of this business type.
- Designed a detailed survey and analysed all responses.
- Sent out numerous emails to businesses, resulting in 239 responses from September 2015 through to March 2016.
- Produced a full report of the findings.

The business survey was launched at a large business event on the 18th September 2015 at Drayton Manor, with 101 attendees. The event was hosted by BBC Home Editor Mark Easton and featured representation by Senior Officers of both Councils and MP's Christopher Pincher and Michael Fabricant. The shared service in conjunction with MEL Ltd then carried out varied marketing activities to push the survey including: regular emails, postcard reminders to business on both NNDR lists, social media campaigns and press releases.

The main headline findings were:

- The majority of businesses find the current trading environment very positive
- More than half of businesses in Tamworth say their sales turnover has increased in the last three years
- Confidence for the future is high
- There is a need for businesses to invest in additional staff
- A range of barriers to growth still exist
- Business support organisations have a vital role to play in helping the area prosper

The findings can be broken down in to four relevant areas:

1 Business confidence

Businesses have reported that the trading environment has been mostly positive over the past three years, with more than half (56%) seeing an increase in sales turnover, and three out of ten reporting that increase to be “significant”. SMEs in particular are the most optimistic, with almost nine in ten saying sales turnover will increase. Businesses are also very positive about the future, with more than nine in ten (92%) saying they are confident they will prosper over the next 12 months – and 83% projecting that confidence over the next five years.

2 Staffing

It’s very encouraging to hear that almost half of the businesses surveyed (45%) expect to increase staffing levels over the next 12 months. It seems this is an ongoing reflection of business leaders’ confidence, with 38% of companies saying staffing levels are up compared to three years ago. SMEs are again particularly bullish, with 70% to 75% of those businesses saying they are likely to increase staff. Skilled workers are those most sought after by businesses (32%) followed by apprentices (25%) and professionally qualified staff (24%).

3 Growth plans and barriers to growth

Growing their business is a large part of the focus for senior staff in Tamworth and Lichfield based companies. Some three quarters (74%) of businesses say they have plans to grow their business, with around one in five firms having a formal written plan or strategy in place. Most of these are targeting local markets. In order to grow their businesses, seven out of ten plan to invest in sales and marketing, with others investing in staff, capital equipment and their premises. The biggest barrier to growth identified in the survey is cashflow, with some 36% of respondents citing it as a stumbling block.

4 Business support

Business support services continue to play a vital role for firms in Tamworth and Lichfield – although some respondents to our survey often didn’t know the best place to turn for that advice. Whilst six in ten businesses said they had sought assistance on a number of topics, some struggled to find the time to seek out advice. Advice on apprenticeships, sales and marketing, grants, training and access to finance all figured high in the responses.

REPORT AUTHOR

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LIST OF BACKGROUND PAPERS

Tamworth Borough Council and Lichfield District Council Business survey 2015 / 2016.

APPENDICES

None.

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