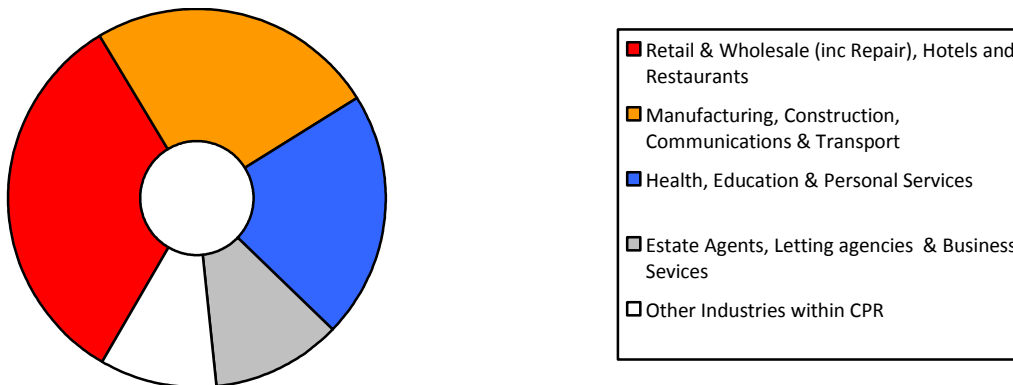


EXECUTIVE SUMMARY – CPR BUSINESS SURVEY 2009

Acting on our behalf, PFA Research of Bodmin conducted the business survey in May 2009, collating and analysing the results in June. We have created this short summary for you.

Of the 1622 eligible businesses within the TR14, 15 and 16 postcodes, PFA surveyed a sample of 500 asking them a range of questions about the nature of economic life in the area. All organisations related to public administration, defence and social security, large retail chains and schools were excluded from the research on the basis that their business operation and decision-making processes are governed from outside the CPR Regeneration area. **Four out of five respondents were business owners or directors, and the industrial distribution was as follows:**



THE KEY FINDINGS:

The business survey has helped confirm overall business confidence in Camborne, Pool and Redruth. One in two business leaders in Camborne Pool and Redruth (CPR) are confident about future trading prospects for the area - double the proportion of a year ago. The report also shows that a significant proportion feel the area supports business growth well, and that one in five believe the areas' overall competitiveness is improving.

We have grouped the conclusions into the following areas:

- Business growth and financial climate
- Internet Usage
- Premises Recruitment
- Training and
- Perceptions of the CPR Area

Each is discussed more fully below.

Business growth and current financial climate

One fifth of businesses felt there were 'no constraints' on business growth within the CPR area, while one in twenty five was 'not sure' what constraints there were. 'The state of the UK economy' was cited by one fifth as a constraint on business growth; whilst one in fifteen cited 'a lack of customers' or 'personal financial situation' linked to individuals a constraint.

Half of businesses said there were 'no constraints' upon their business, and of the balance one in twenty 'had not thought about it'. One in eight were experiencing constraints because of 'the state of the UK economy', one in twenty were experiencing 'a lack of customers' or facing barriers linked to 'personal finance issues' such as 'low wages and money shortages'.

One third of businesses had increased turnover over the past 12 months, one third had maintained the same turnover and one third had seen turnover decrease. Over the next 12 months, two-fifths of businesses were anticipating their turnover to increase, compared to one fifth who anticipated turnover to decrease. Just under half were expecting turnover to remain the same.

Three quarters of businesses had maintained their existing levels of employees over the past 6 months; one fifth of businesses had shed staff and one tenth had increased staffing levels. Three quarters expect to maintain their existing staffing levels over the past 6 months, one fifth expect to employ more people, while **only one sixth of businesses** expected to decrease the number of people employed.

Workspace requirements

Eight out of ten respondents reporting being generally satisfied that their existing premises are suitable to meet the current and future needs of their business.

However, a quarter of all respondents stated that they had *considered* moving, but had not done so. The reasons given were that: one third thought the cost of premises too high, one quarter thought there were no suitable available premises and one in seven said that the lack of funding incentives to move was a factor.

Over half of all businesses considering moving stated that it was **'fairly' or 'extremely important'** for their business to stay within the CPR area; with one in three citing the 'outskirts of Redruth' as their preferred location, and one in four equally looking at 'Redruth town centre' and 'Camborne – outskirts' as viable alternative locations.

Over half of all businesses currently owned their existing premises, and 'ownership' was the preferred option for half of those who had considered moving premises. More than half of those businesses renting or leasing premises in the area pay a monthly rent of £749 or less.

'Office space' was the preferred type of space required by more than two thirds of those who had considered moving premises. Two fifths stated that new premises should provide 'workshop/factory space', a quarter required a 'retail outlet', 14% wanted 'warehouse space' and one in ten wanted other forms of 'storage space'.

The presence of an ICT connection was rated as **'essential' or 'fairly important'** by four fifths of all respondents in relation to the location of their business. Other factors deemed as important include: 'proximity to customers' (three quarters); 'provision of car parking' (three quarters) and 'quality of the road network' (two thirds).

Training needs:

Nearly two fifths of businesses had undertaken a Training Needs Assessment (TNA). Of those who had not conducted a TNA one in ten indicated that they would like help in identifying staff training needs and with the development of a tailored training plan.

A third of interviewees stated that their company supported staff with training leading to an NVQ qualification. Half of companies who supported staff with NVQ-based training did so in relation to 'manual skills', half provided support with 'service skills', two fifths with 'administrative business skills' and two fifths with 'managerial business skills'. One in ten offered support in the form of 'apprenticeships' and/or 'personal/educational development'.

A lack of current need emerged as the main reason for not supporting staff with NVQ related training (this was cited by three quarters of those companies currently not supporting such training); whilst one in ten stated that there was 'no relevant training available'.

Nine out of ten companies not currently supporting staff with NVQ based training said their company 'did not need' such training; one in twenty said they 'maybe' had a need and one in thirty 'did have a need' for NVQ training'.

Half of companies currently had no need for supported training for any aspect of their business. Half of companies said they would benefit from supported training related to either 'business improvement techniques', 'health and safety and employment legislation' or 'sales and marketing'.

Staff recruitment:

One third of businesses responded that they 'do not employ staff' or had 'no recent experience of recruiting'. Of those two thirds that did employ staff, one quarter responded equally that they used 'Local newspapers', 'Jobcentre Plus' and 'word of mouth'.

Over one third of companies interviewed would consider recruiting 'people returning to the labour market', a third would recruit 'workless people' and 'graduates' and just under a third would recruit 'school leavers'. Over a quarter reported would recruit for 'apprenticeships' and would consider recruiting 'overseas immigrants'.

One third of interviewees did not look for any core competencies, either because they did not employ staff or they were not personally involved in recruiting employees. **The remaining two thirds of companies rate core competencies related to 'individual characteristics' highly:** One half looked equally for good 'communication skills', 'personal presentation' 'confidence and motivation' and wanted individuals who had good 'customer service skills'. Over a third looked for 'basic IT skills' and 'numeracy' as desired core competencies.

Respondents placed greater emphasis on 'skills' than 'formal qualifications' for all areas of the core competencies when recruiting staff. Eight out of ten companies looked for 'skills' linked to 'personal presentation'. The corresponding 'skills' values for other core competencies were all cited by three quarters of respondents: 'confidence and motivation', 'communication skills', 'customer service skills', with 'basic IT skills' and 'numeracy' cited by one half.

Nearly two thirds of businesses 'never' experienced difficulties related to skill shortages or constraints within the labour market when looking to recruit new staff. One quarter 'sometimes' had difficulties and one in ten 'often' experienced difficulties. The situation relating to existing staff appears to be healthier with almost nine out of ten 'never' experiencing difficulties, one in ten 'sometimes' experiencing problems and only one in 100 'often' experiencing skill shortages or labour market constraints.

Half reported that 'Lack of specific skills / qualifications' is the main area of difficulty for those who experienced skill related difficulties with existing staff or when recruiting new staff. One fifth found difficulties linked to 'a lack of common sense', and over one in ten remarked upon the 'lack of regulatory training' and a 'lack of working morale'.

Internet usage

Eight out of ten businesses make use of the Internet during the operation of their business; of which nine out of ten stated that it was 'essential' or 'fairly important' to their future success. **Satisfaction is high with eight out of ten businesses 'extremely satisfied' or 'fairly satisfied' with the speed and reliability of their existing Internet connection.**

Over half of businesses are happy with the service received and felt that there were no desired improvements. In terms of desired improvements one third responded that they wanted it to be 'faster', whilst one in twenty-five wanted increased 'reliability' and a general 'up-grading' of the existing networks.

Perceptions of the CPR Regeneration area

The Camborne Pool and Redruth area is rated highly in terms of 'access to main trunk or primary roads'; with nine of out ten businesses rating it as 'excellent' or 'good'. Other factors where the CPR where over three quarters of businesses rated it highly include: 'good access to customers', 'quality of Internet connections and telecommunications', 'quality of family life' and 'ease of travelling around the area'.

Those factors which attracted the highest proportion of businesses – between one third and one quarter of respondents – to rate the CPR area as 'poor' or 'very poor' as a business location included: 'cost of available premises', 'quality of available premises', 'availability of land or premises', 'availability of skilled staff', 'quality of housing' and 'availability of a suitable workforce'

One third of interviewees 'did not know' of any particular strengths of the CPR area as a place to do business and one quarter 'did not know' of any particular weaknesses. **In terms of the CPR areas 'strengths', one fifth noted its 'transport and communication links',** one sixth mentioned 'geographical location' and 'business community' whilst 'access to customers' and 'the people and community links' were suggested by one in ten. **The main 'weaknesses' of the CPR area as identified by interviewees were: 'deprived and run down area' (one fifth of interviewees mentioned this),** with 'employment issues' and 'transport and road infrastructure' identified by one in ten as other weaknesses.

The full survey is available to view at the CPR offices in Pool. We would like to thank all the businesses who took part, and look forward to repeating the survey in May 2010. If you have any queries at all, please contact Lynda Davis on 01209 722099.