



# Leeds City Region Business Survey 2022

Research Report

23 August 2022

 **Leeds City Region  
Enterprise  
Partnership**

Working in  
partnership  
with the

**West  
Yorkshire**  
Combined  
Authority

# About West Yorkshire Combined Authority

## The facts

### Demographics

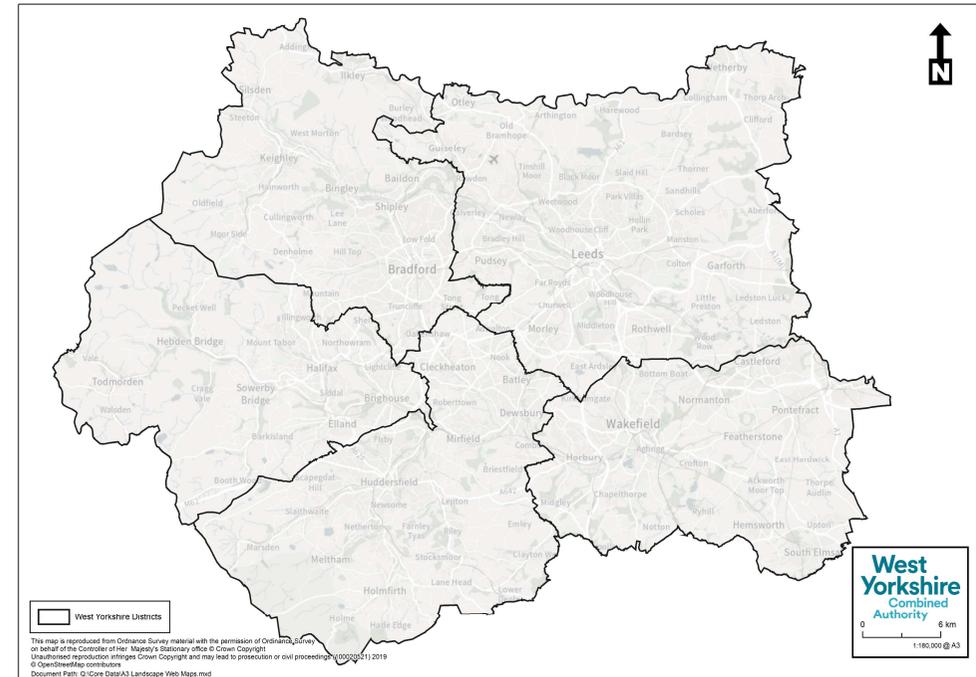
- Home to >2.3 million people; a workforce of 1.1 million; >90,000 businesses

### Northern capital

- Part of the Leeds City Region, which has a (pre-Covid) £69.9 billion economy and is the biggest contributor to the Northern Powerhouse

### Objectives for 2022/23

- Empowering our communities, towns and cities to thrive
- Building a sustainable, nature rich and carbon neutral region
- Creating an accessible, clean and customer focussed transport system
- Supporting community safety and accountable, proactive policing
- Championing culture, sport and creativity
- Driving economic growth and innovation to enable good jobs
- Enabling a diverse, skilled workforce and accessible learning for all



## 2022/23 plans

### **Empowering our communities, towns and cities to thrive**

- Enabling resilient, well-designed, healthy, accessible and connected communities with good quality homes, in places where people want to live. Enhancing the sustainable vitality of cities and towns, accelerating delivery of flood risk management and protecting businesses.

### **Building a sustainable, nature rich and carbon neutral region**

- Achieving net-zero carbon by 2038, promoting climate resilience and green recovery and ensuring that the transition to net zero carbon is fair and equitable.

### **Creating an accessible, clean and customer focused transport system**

- Connecting communities, making it easier to get to work, do business and connect with each other. Reforming buses and creating a mass transit system to make the transport system easy to use so that sustainable travel becomes the natural choice.

### **Supporting community safety and accountable, proactive policing**

- Providing strong and transparent accountability of the police. Working with the police and partners to ensure people and communities feel safe. Putting the safety of women and girls at the heart of the Police and Crime Plan.

### **Championing culture, sport and creativity**

- Ensuring that everyone has access to participate in and experience cultural and sporting opportunities in the region. Putting culture and sport at the heart of the region's recovery and economic growth.

### **Driving economic growth and innovation to enable good jobs**

- Supporting businesses to start up, scale up and invest in the region, in key sectors with growth and higher productivity potential. Promote resilience through leadership, innovation and digital transformation to drive sustainable economic growth and opportunities for all.

### **Enabling a diverse, skilled workforce and accessible learning for all**

- Ensuring that our learners have the skills, confidence and connections to reach their full potential. Facilitating access to a diverse, confident and capable workforce for the region's employers, to support strong and sustainable economic growth.

## Background and method

The purpose of the survey was:

- To provide a snapshot view of business confidence, investment experiences and intentions
- To provide the LEP and the Local Authorities with a significant level of detail about the issues currently affecting businesses
- Support the LEP in monitoring and reporting progress to Government against its strategic priorities

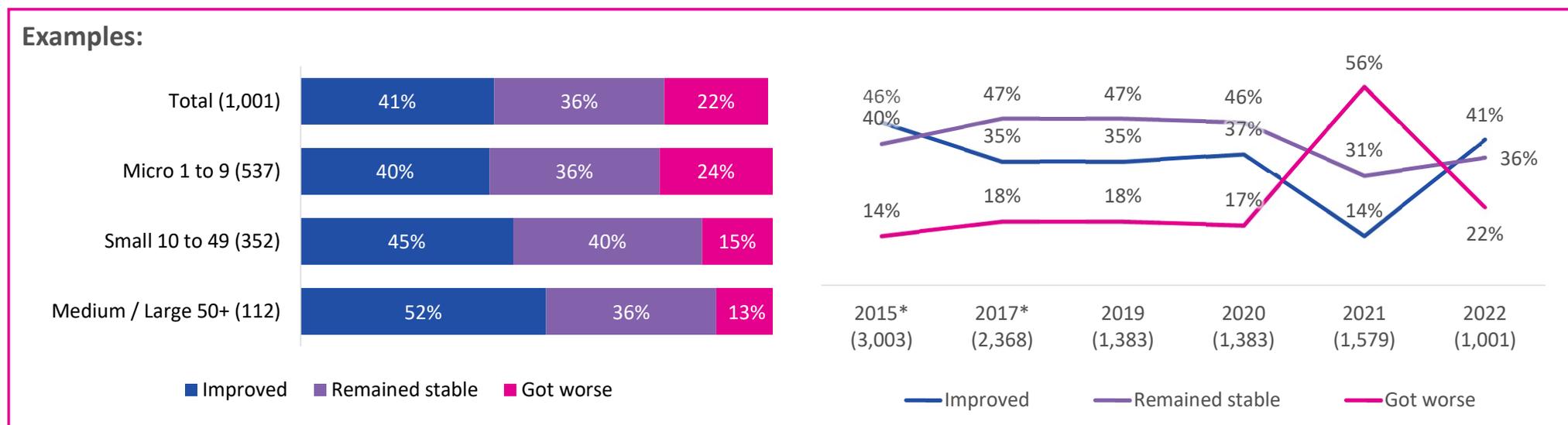
1,001 interviews overall; 987 computer-assisted telephone interviews (CATI), 14 computer-assisted web-based (online) interviews (CAWI) among:

- Private, public and voluntary/community sector
- Organisation with at least one employee
- West Yorkshire districts only (since 2021 – year on year comparisons based on West Yorkshire only)

Targets were set by size, sector and district.

Telephone interviews/online completes between June and August 2022 (previous surveys undertaken February/March)

## Reporting conventions



**Bold text** indicates significantly higher than average/the previous year

**Sub-group analysis and year on year comparisons:**

*Italic text* indicates significantly lower than average/the previous year

Year on year comparisons are made against West Yorkshire data in 2021, 2020 and 2019, and Leeds City Region data in 2017 and 2015

# Business performance

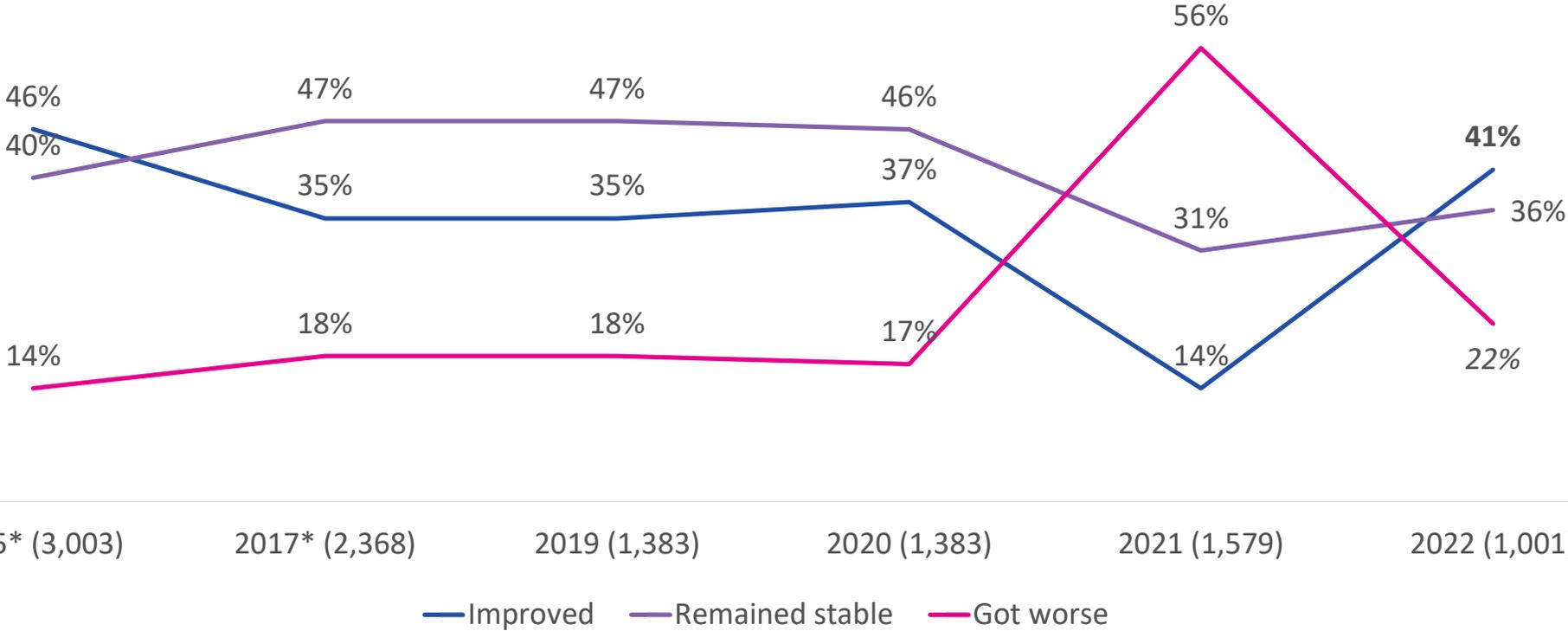
## Business performance – summary (1)

- Compared with 2021 there is a more positive picture with regard to business performance over the last 12 months. There is a significant increase in businesses reporting improved performance (41% cf. 14% in 2021), and a significant decrease in the incidence of worsening performance (22% cf. 56% in 2021), although this is still above pre-2021 levels.
- Businesses in the financial intermediation sector are significantly more likely than average to report improvement in business performance (52% reporting an improvement, compared to an average of 41%), as are medium/large businesses (52%).
- Worsening performance is more prevalent amongst micro businesses (1-9 employees) (24% reporting worsening performance), within the hotels/catering sector (45%) and within businesses in Bradford (28%).
- Following a significant increase in expectations of recovery in 2021, there has been a significant decline in this respect in 2022, from 45% to 27%, the lowest level seen since the study began in 2015. For the first time, more expect worsening performance (30%) than improvement. Medium/large businesses are more likely than average to expect improvement (37%), as are public services (42%), while those in manufacturing and hotels/catering are more likely than average to expect worsening performance (40% and 48% respectively).
- Thus there is evidence of bounce-back following the end of COVID-19 restrictions and a return to near-normality in trading conditions. However, businesses appear cautious, if not actually pessimistic, in their outlook moving forward.

## Business performance – summary (2)

- Recent workforce growth has returned to pre-pandemic levels (23% increased employment in the last 12 months, compared to 20% in 2019) following a dip in 2021 (9%). However, while having declined from the peak seen in 2021 of 27%, the proportion reporting a decrease in staff numbers remains significantly higher than was the case in 2020 (18% compared to 12%). There has been a significant uplift in the proportion expecting workforce growth from 23% to 30%.
- Close to two thirds (63%) of businesses expect wage bills to increase over the next 12 months, rising to 84% of medium/large businesses.
- In line with 2021, close to half (45%) expect an increase in turnover, and 16% a decrease.
- Two-thirds of private/voluntary sector businesses (69%) expect to increase their prices to customers, and this rises to 90% in the manufacturing sector and 91% in the construction sector.
- Following a decrease in 2021, there has been a significant uplift in the proportion of private/voluntary sector businesses reporting increased investment, with levels at their highest (34%) since the survey began in 2015. This increases with size, to 59% of medium/large businesses, and is relatively consistent across businesses of different sectors, with the exception of hotels/catering, where 17% report increased investment.

# Business performance in past 12 months



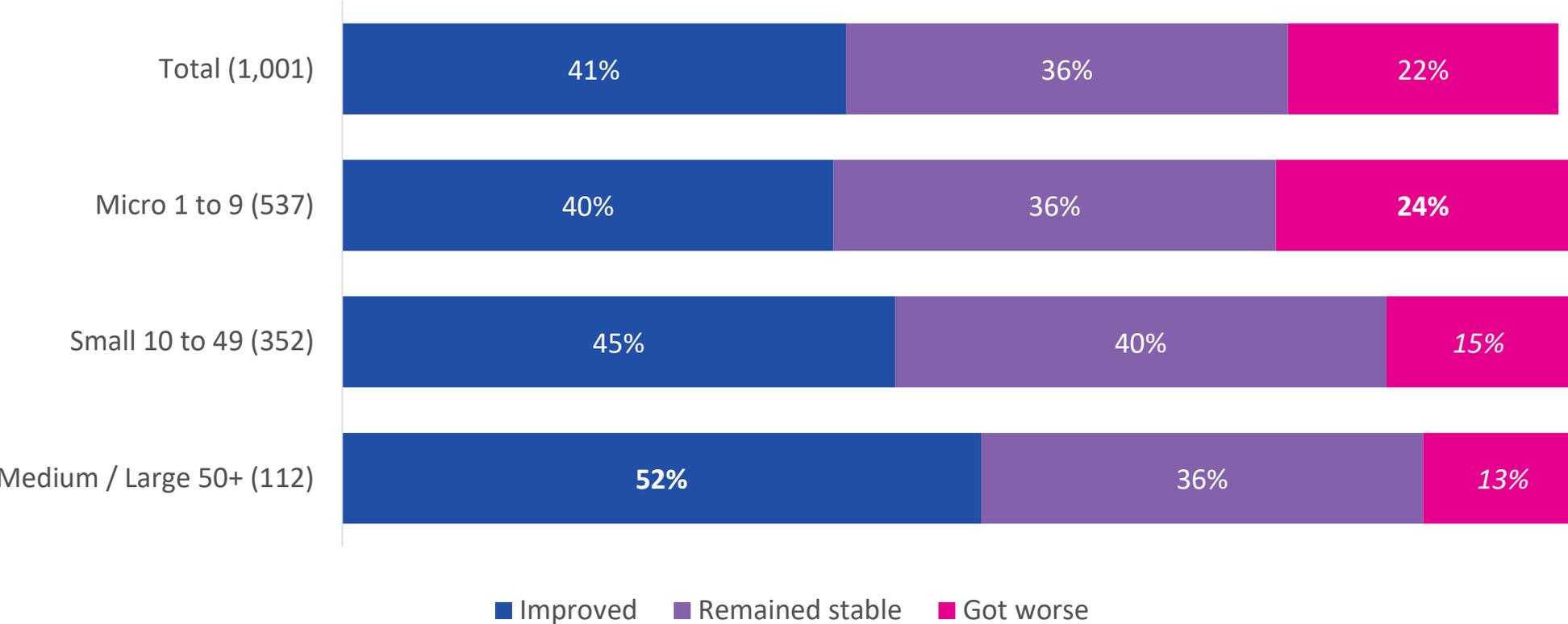
Q4. All respondents, unweighted bases shown in brackets



\* based on Leeds City region data



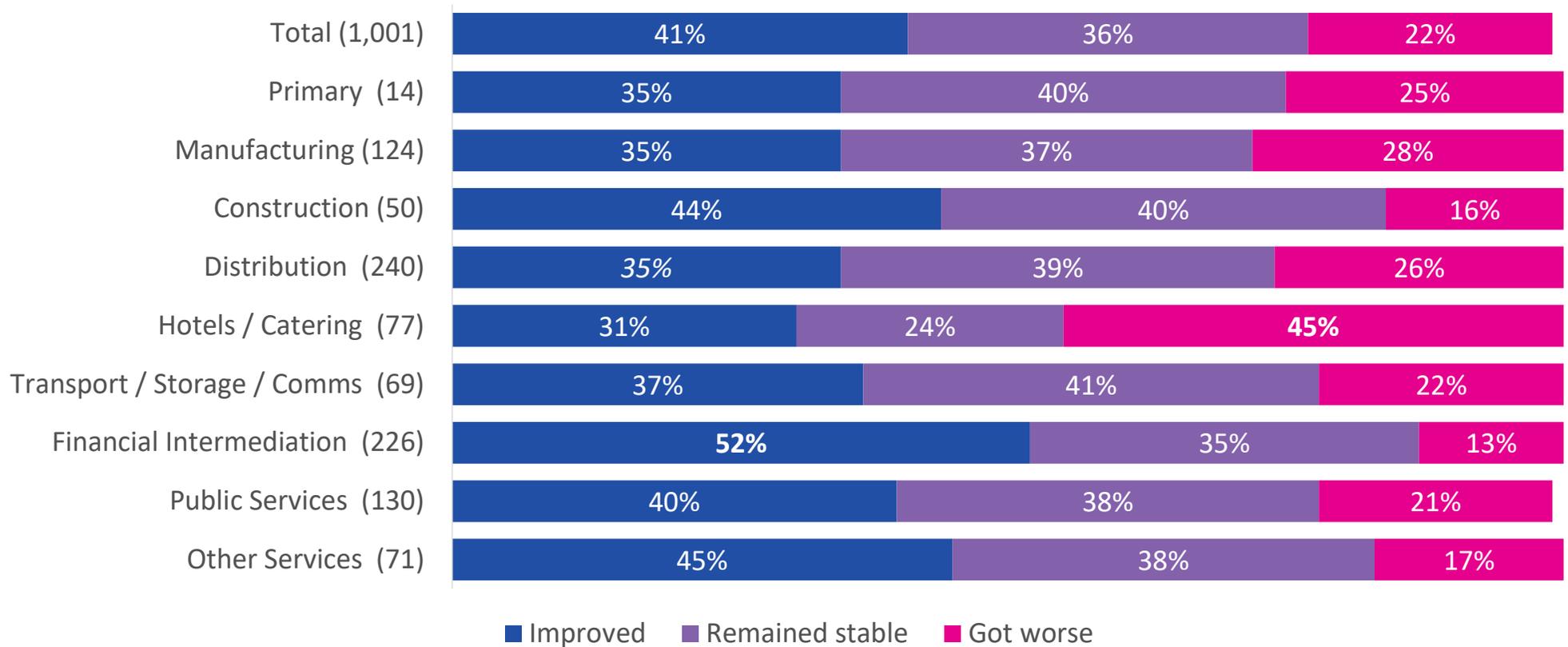
# Business performance in past 12 months



Q4. All respondents, unweighted bases shown in brackets

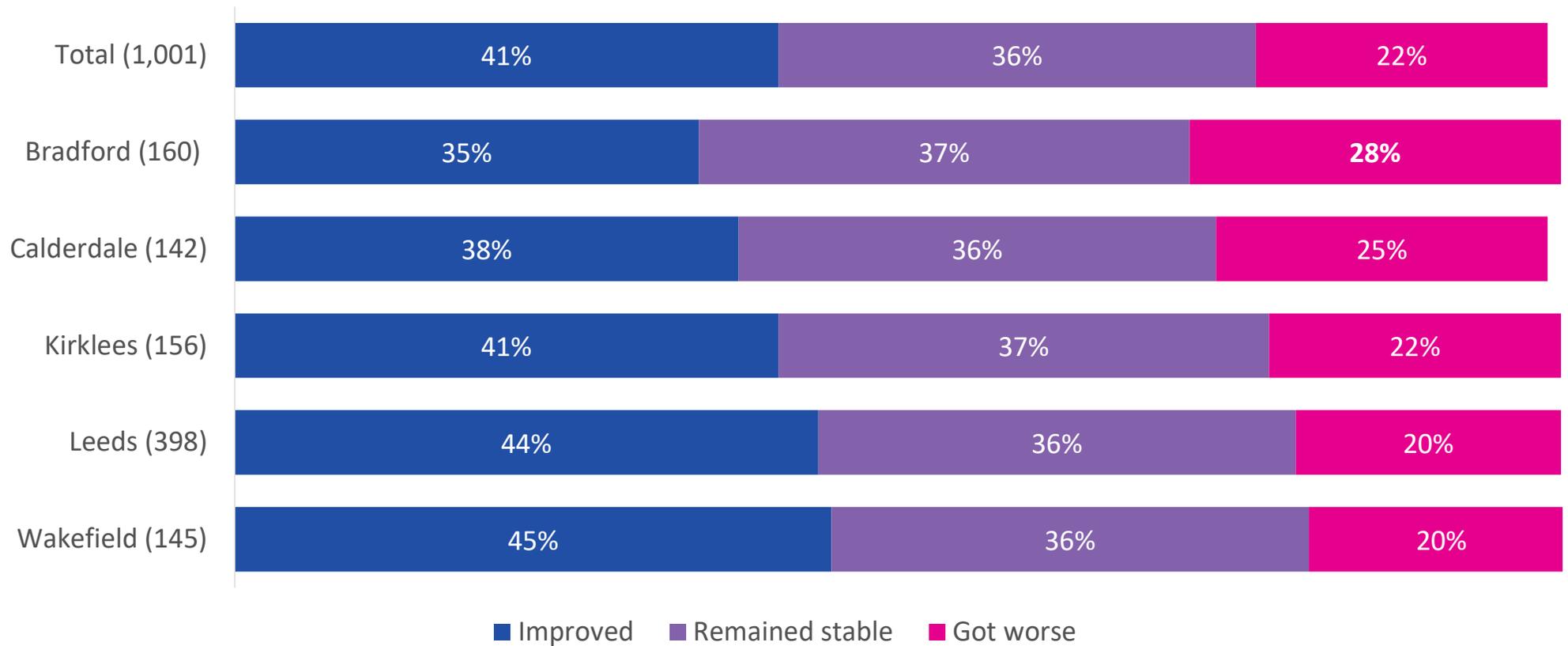


## Business performance in past 12 months



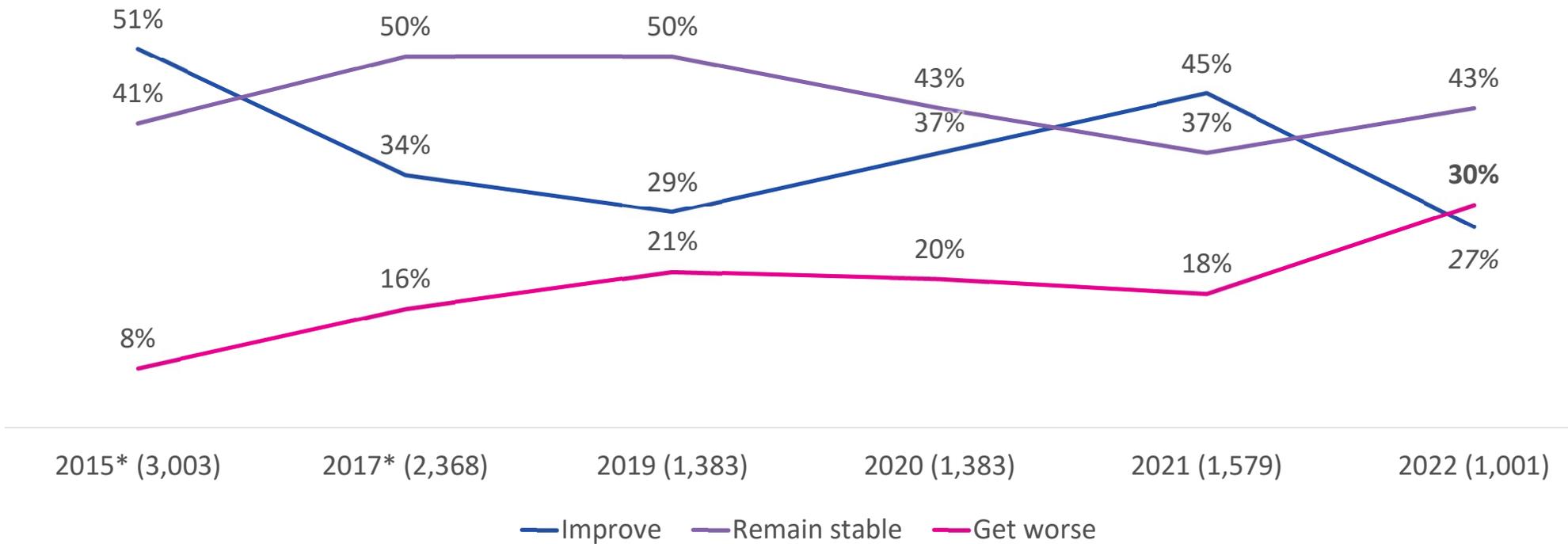
Q4. All respondents, unweighted bases shown in brackets

## Business performance in past 12 months



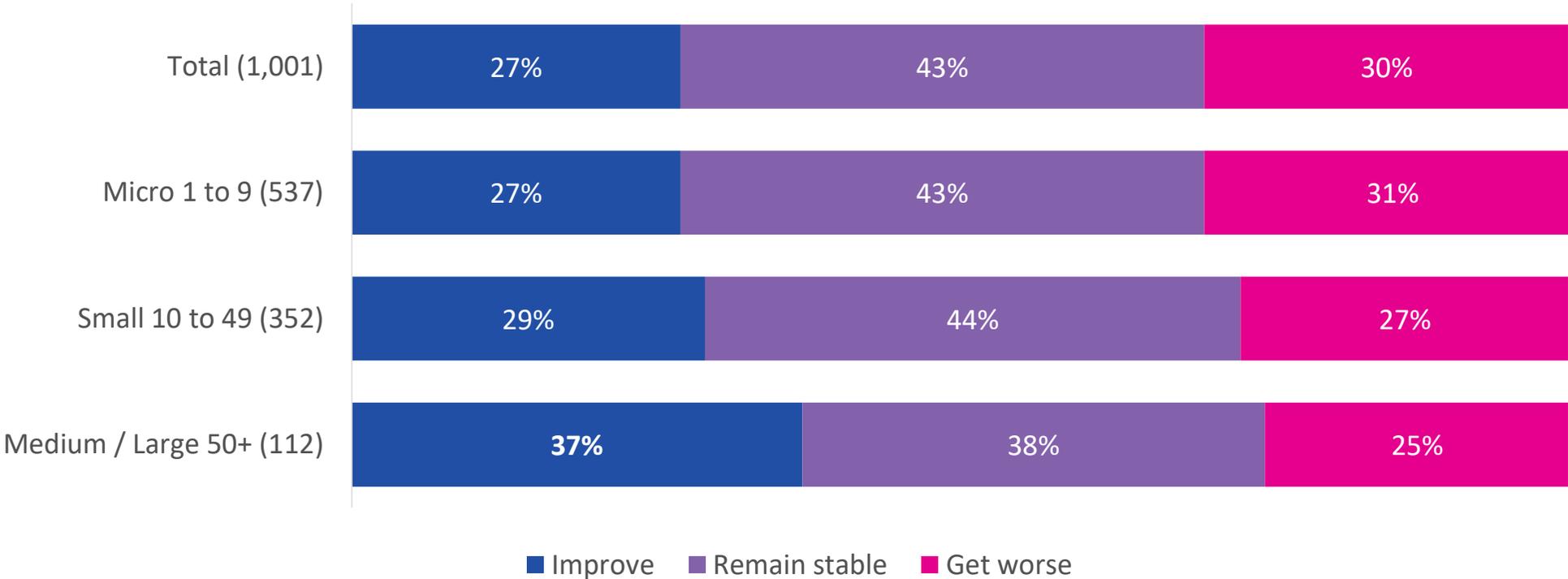
Q4. All respondents, unweighted bases shown in brackets

## Business performance in next 12 months



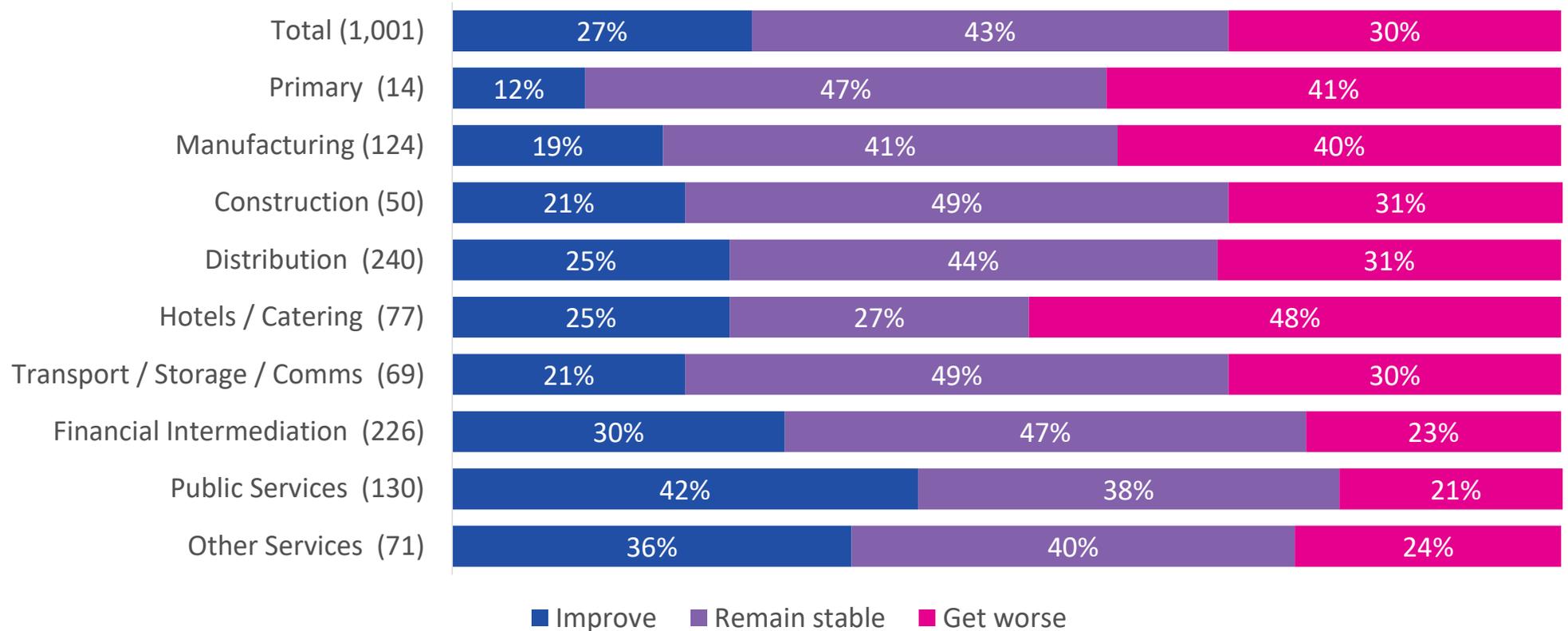
Q5. All respondents, unweighted bases shown in brackets

# Business performance in next 12 months



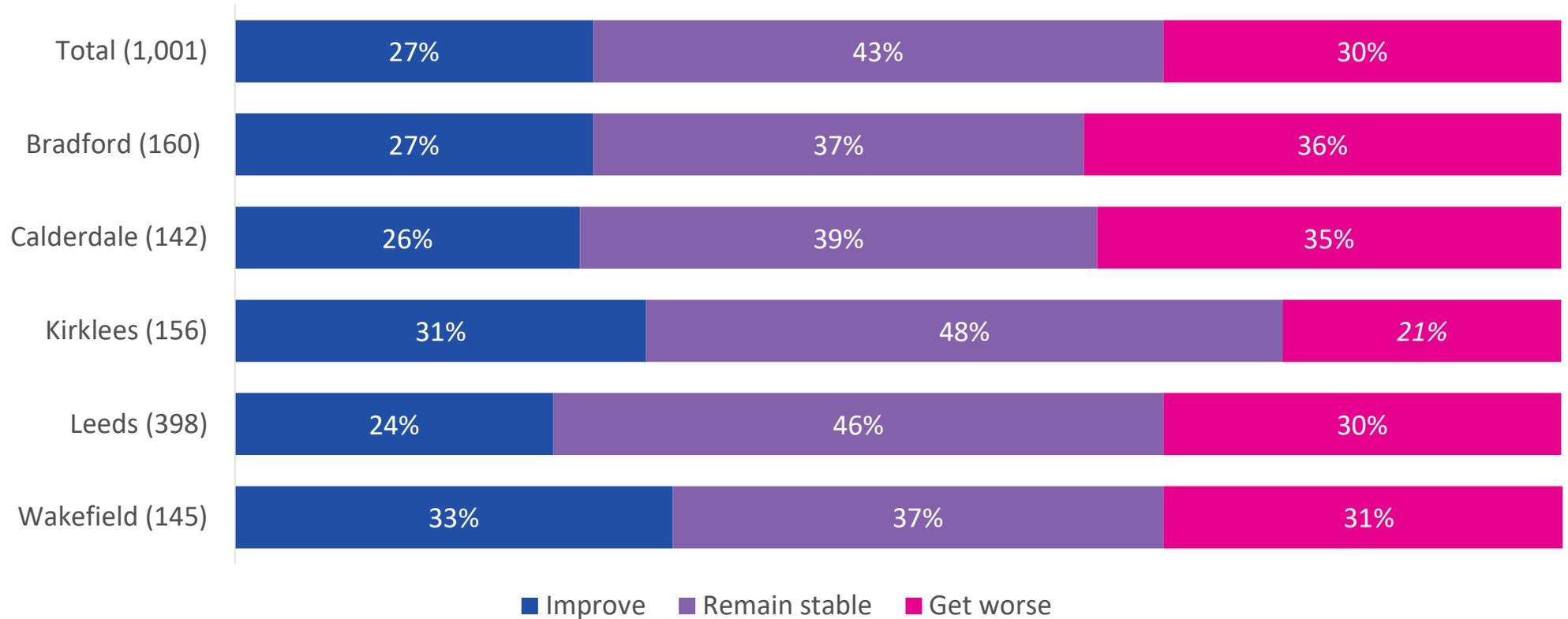
Q5. All respondents, unweighted bases shown in brackets

## Business performance in next 12 months



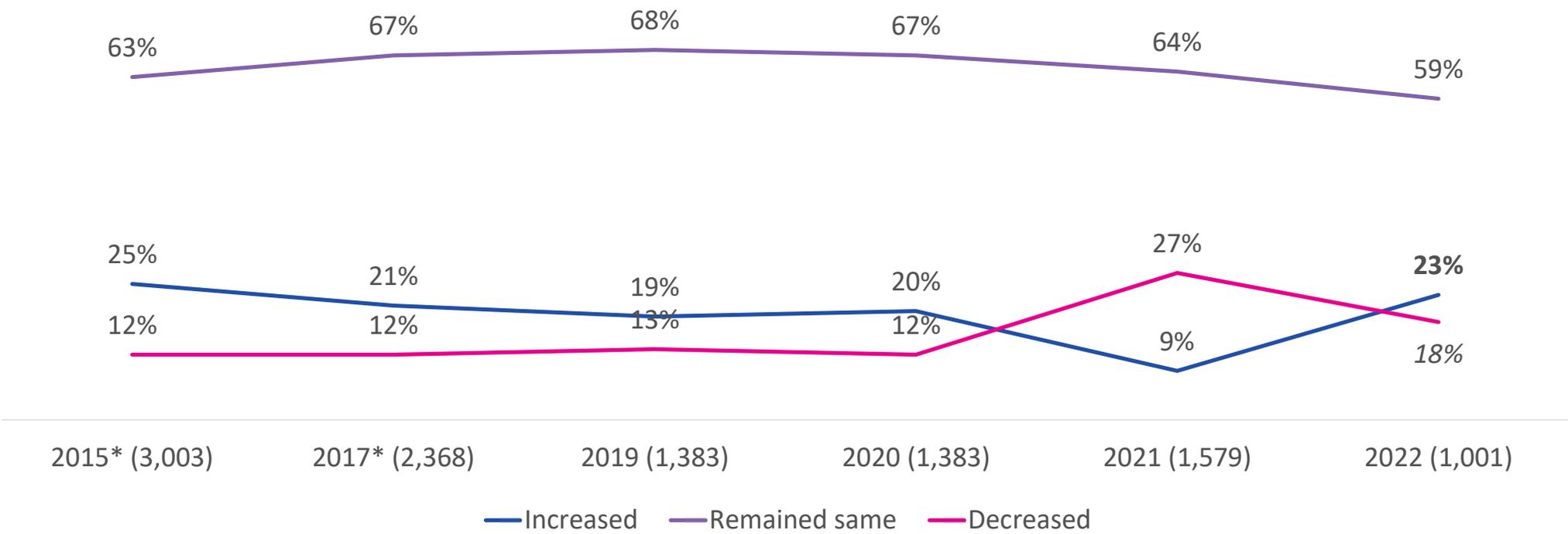
Q5. All respondents, unweighted bases shown in brackets

## Business performance in next 12 months



Q5. All respondents, unweighted bases shown in brackets

# Workforce trends in past 12 months



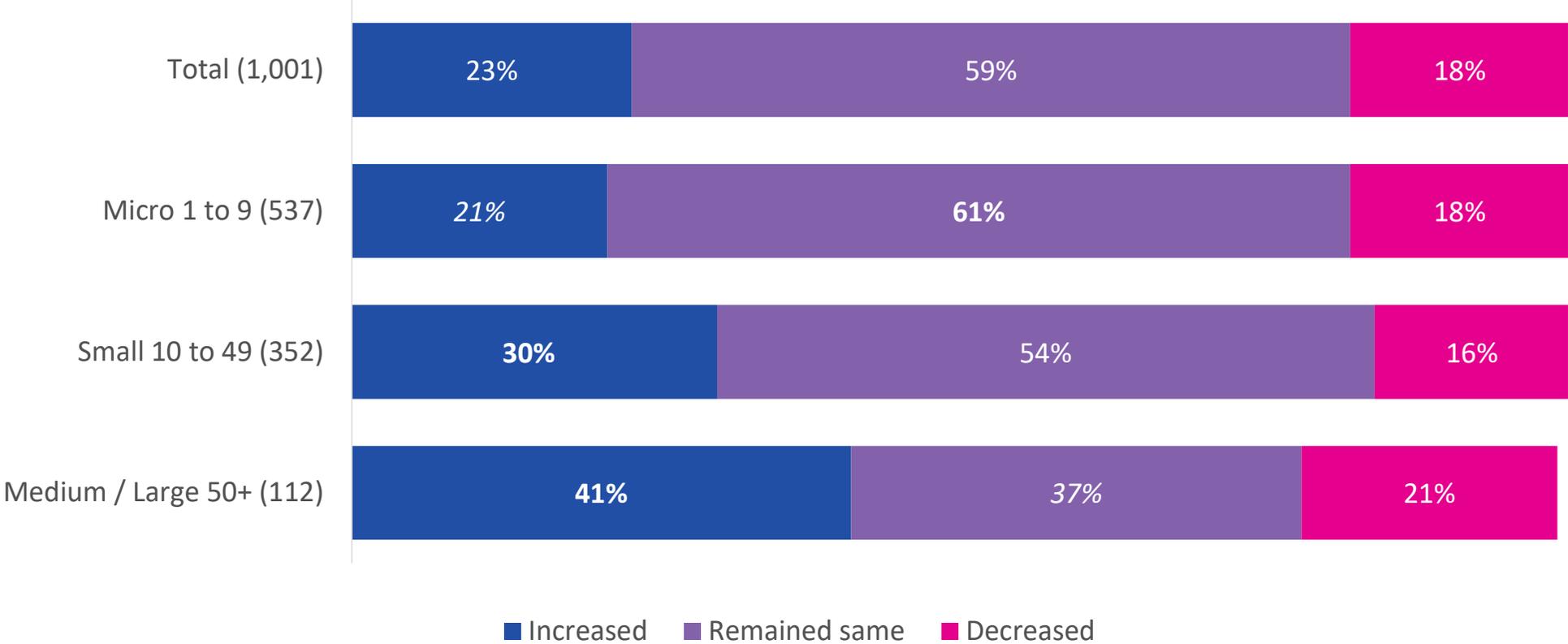
Q5. All respondents, unweighted bases shown in brackets



\* based on Leeds City region data

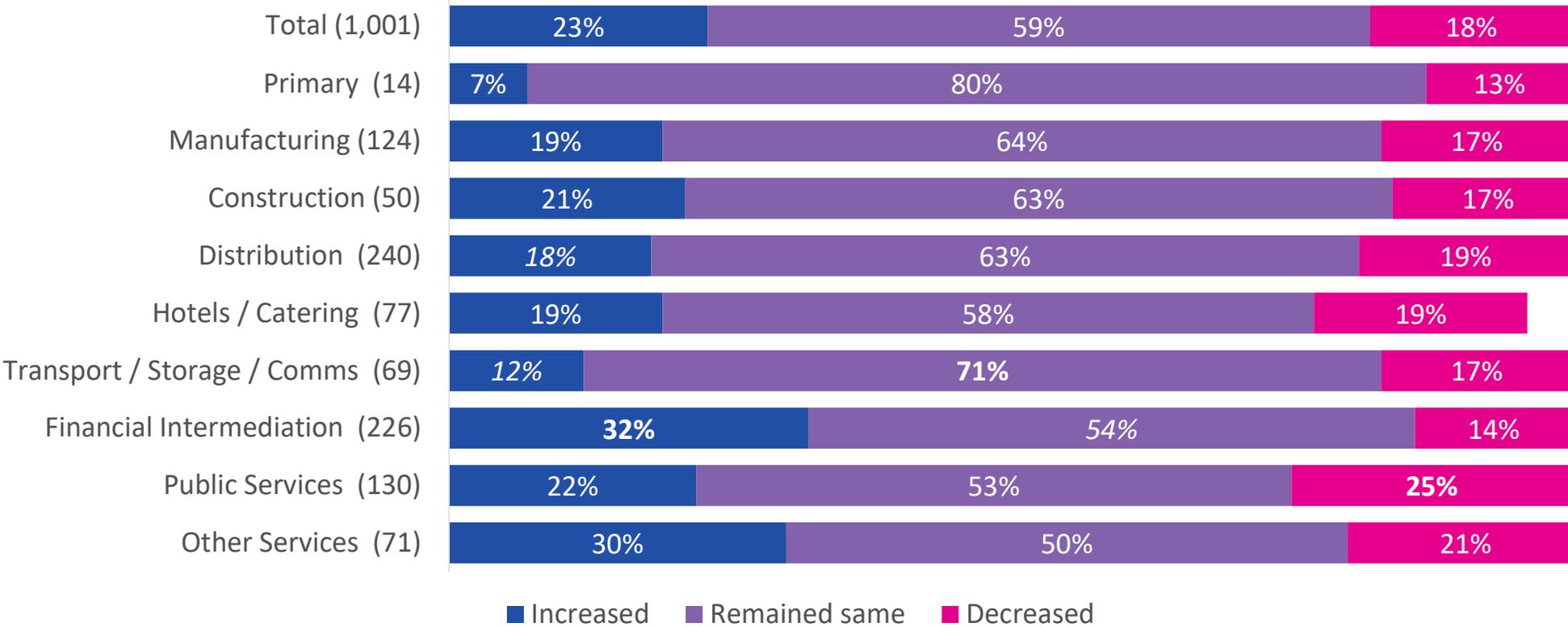


# Workforce trends in past 12 months



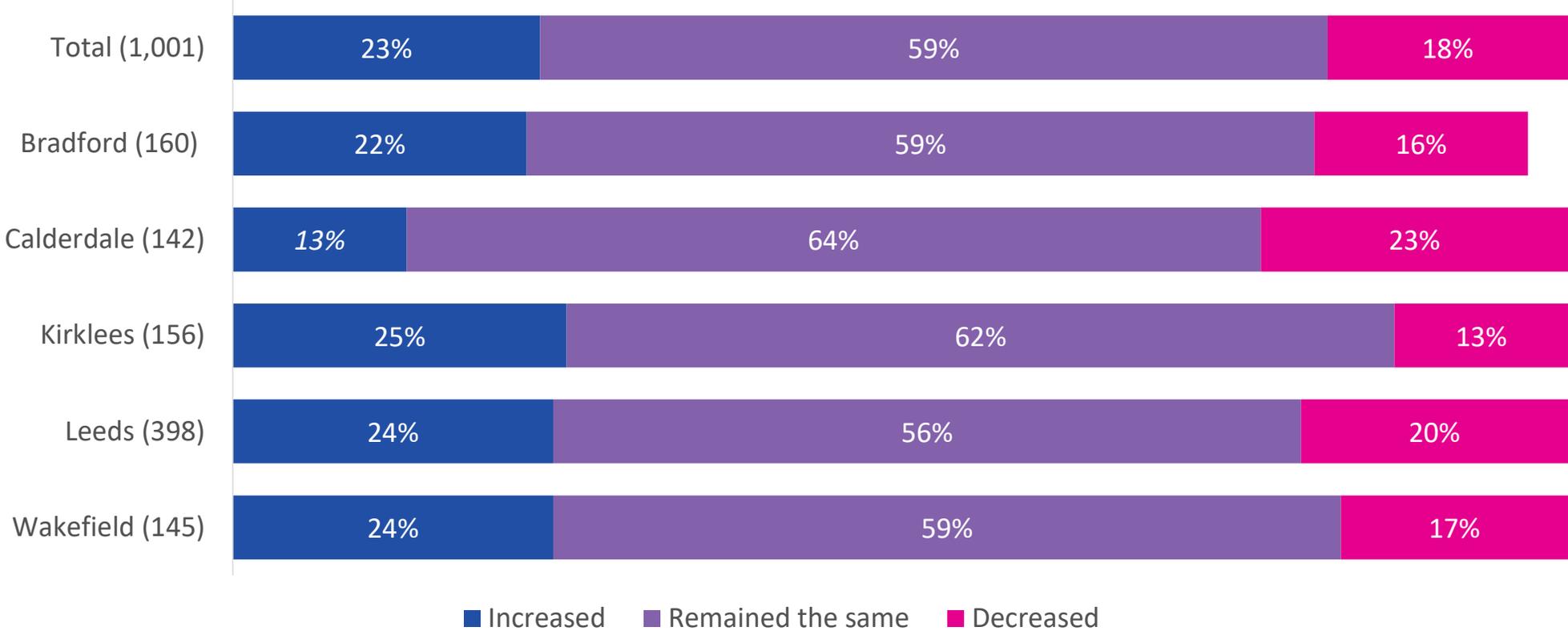
Q6. All respondents, unweighted bases shown in brackets

# Workforce trends in past 12 months



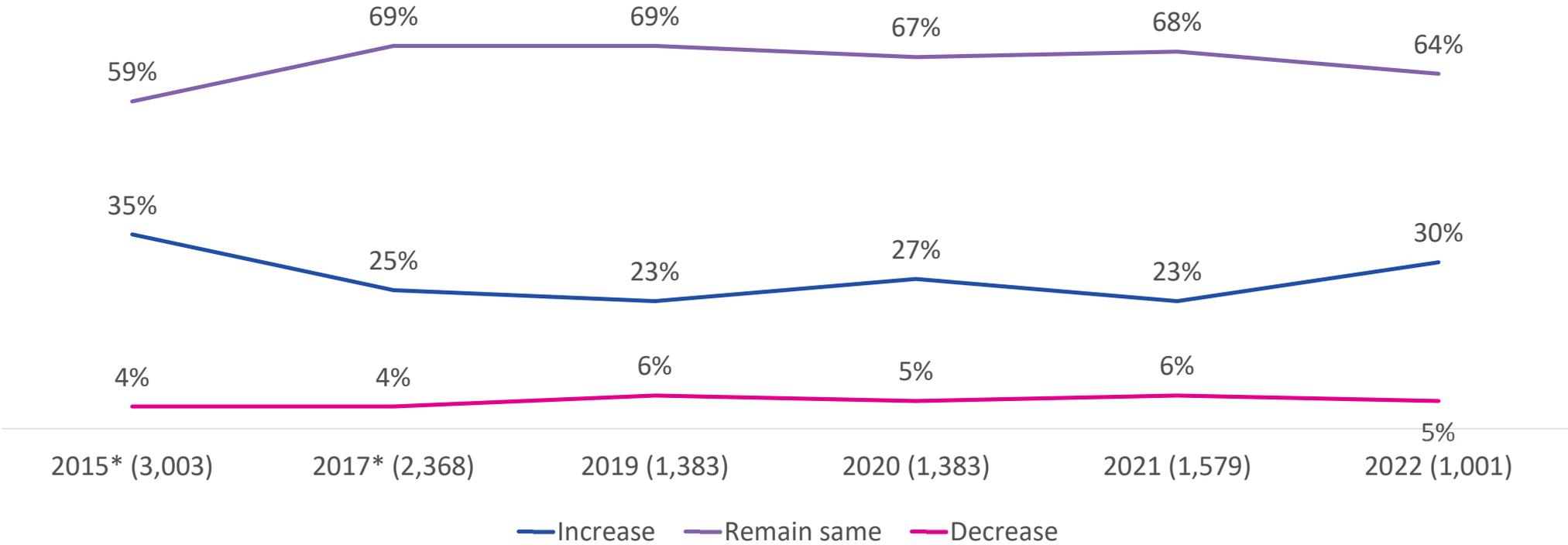
Q6. All respondents, unweighted bases shown in brackets

# Workforce trends in past 12 months



Q6. All respondents, unweighted bases shown in brackets

# Workforce trends in next 12 months



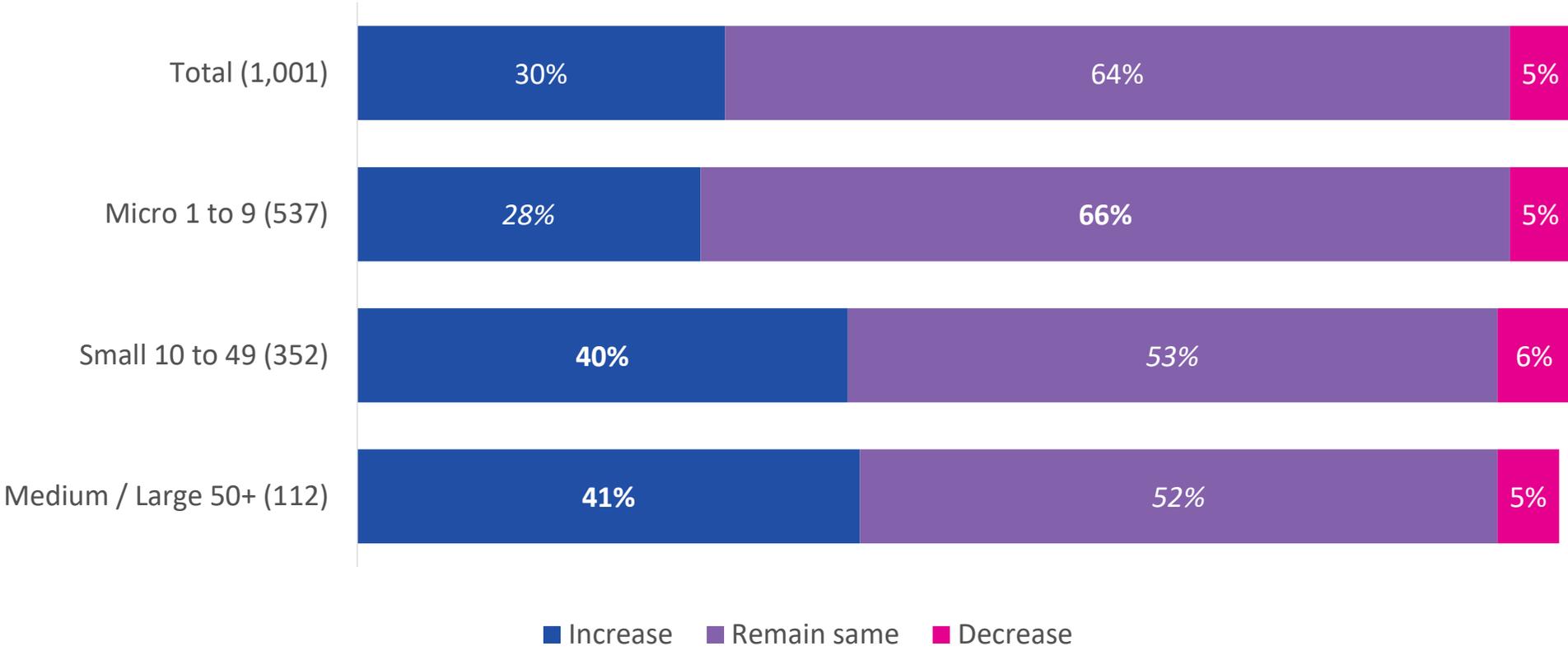
Q7. All respondents, unweighted bases shown in brackets



\* based on Leeds City region data



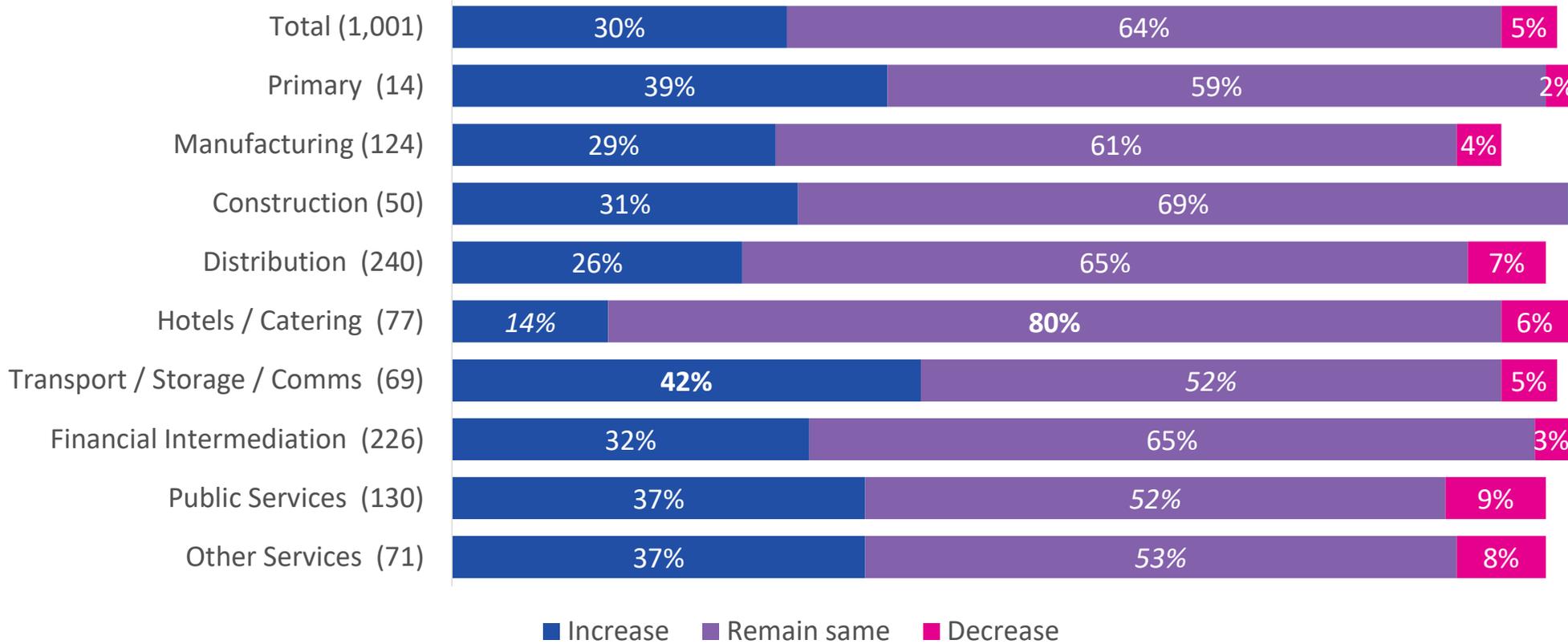
# Workforce trends in next 12 months



Q7. All respondents, unweighted bases shown in brackets

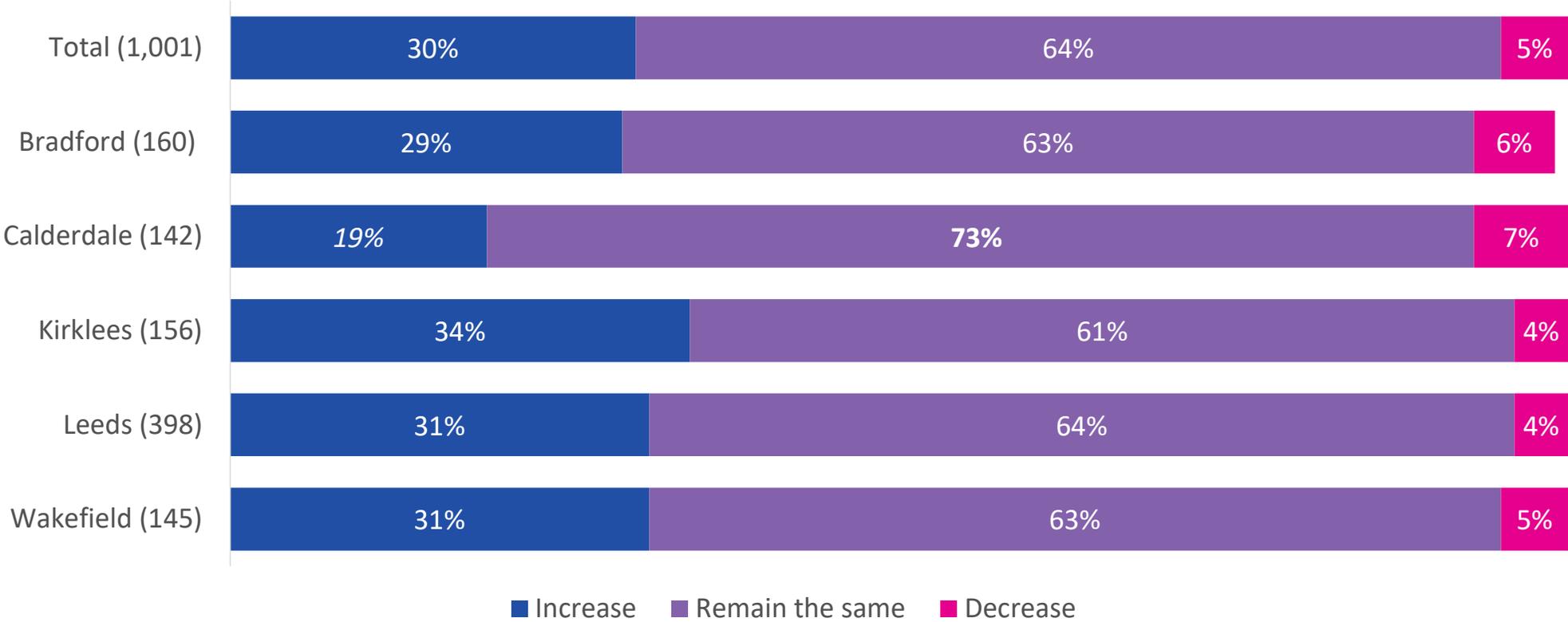


# Workforce trends in next 12 months



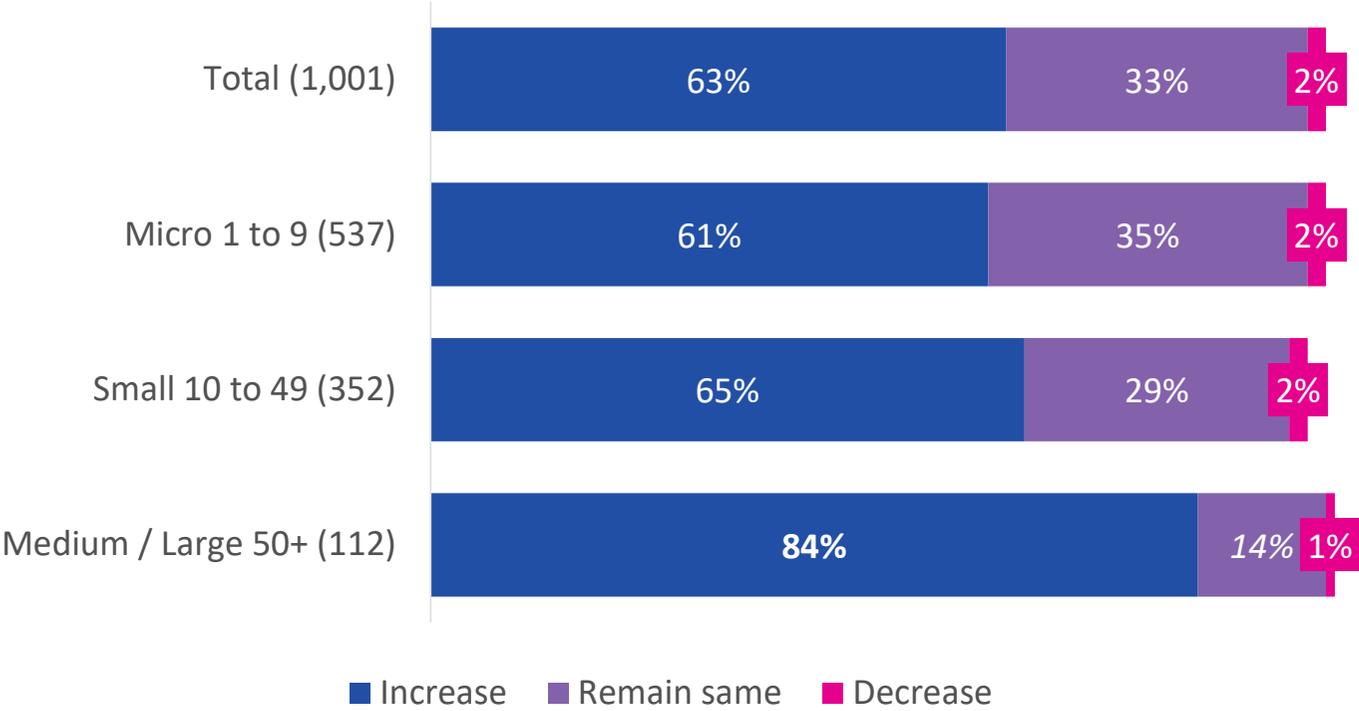
Q7. All respondents, unweighted bases shown in brackets

# Workforce trends in next 12 months



Q7. All respondents, unweighted bases shown in brackets

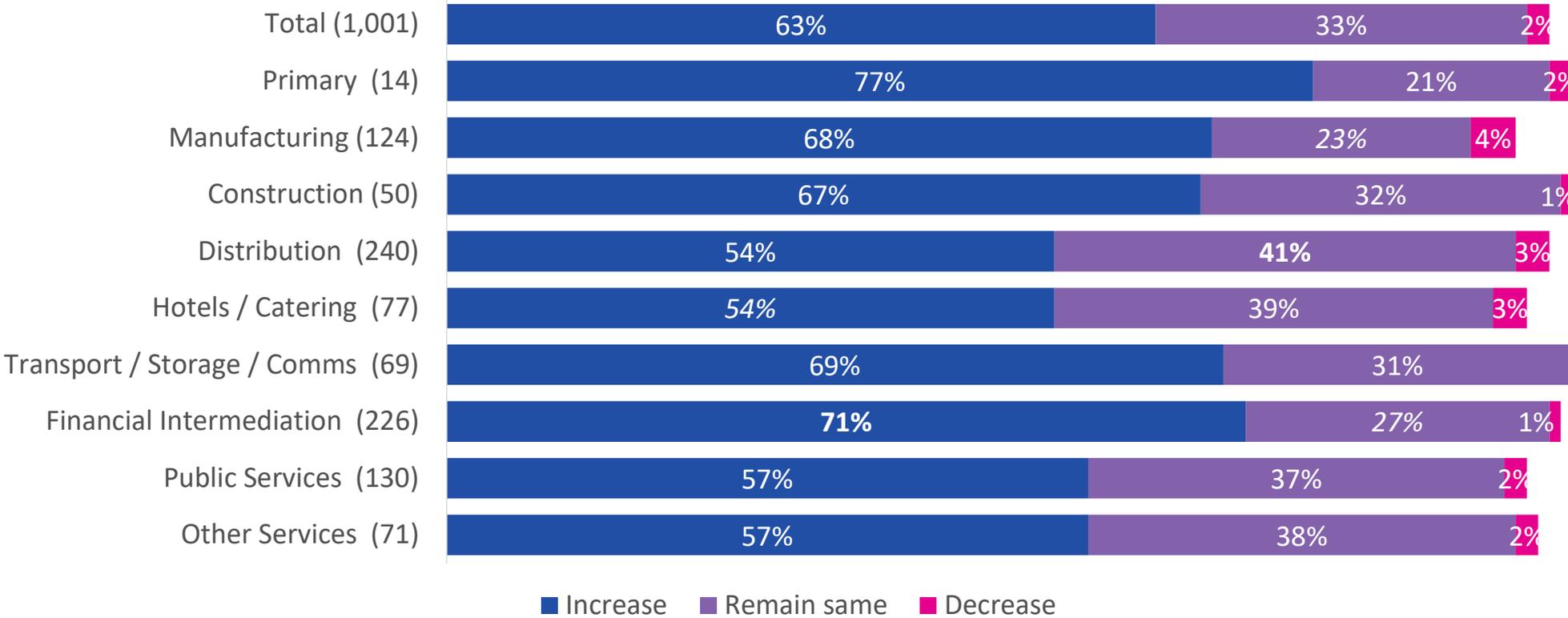
# Wage bills over next 12 months



- Where expecting an increase:
- 55% by up to 10%
  - 16% by 11% to 20%
  - 7% by 21% to 50%
  - 1% by 51% or more
  - 20% did not know

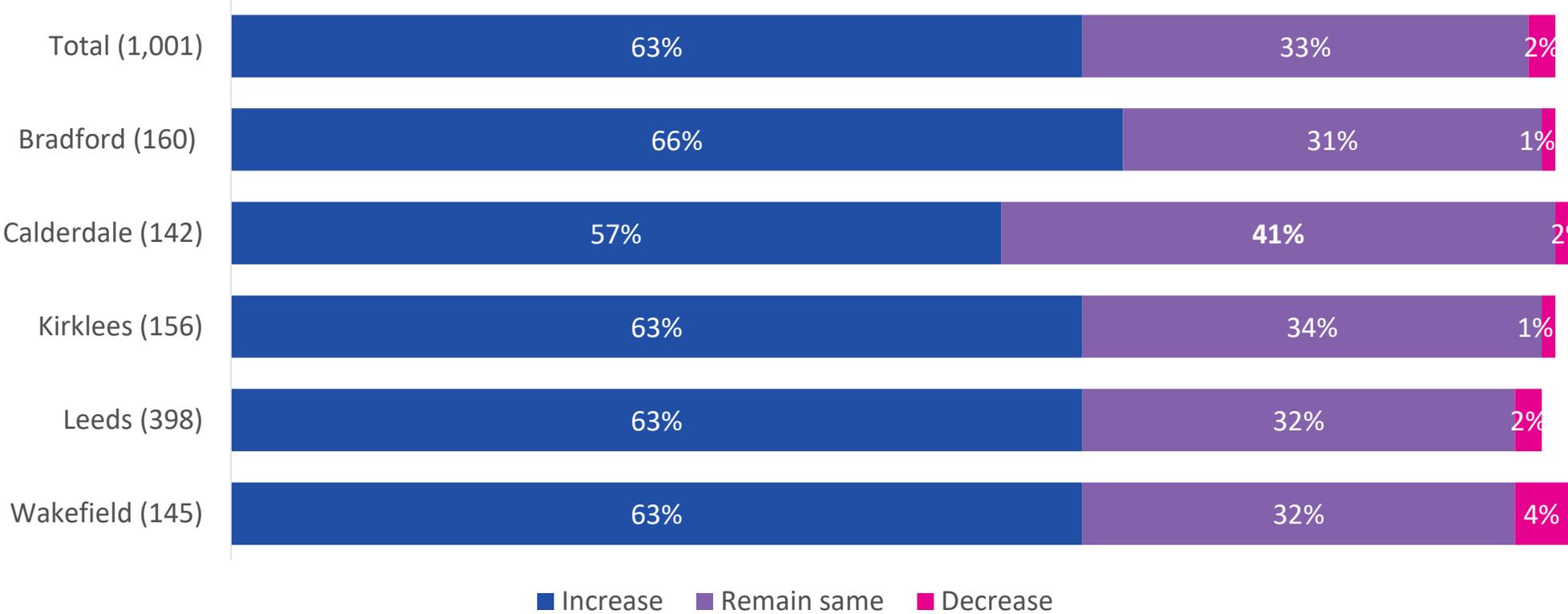
Q8. All respondents, unweighted bases shown in brackets

# Wage bills over next 12 months



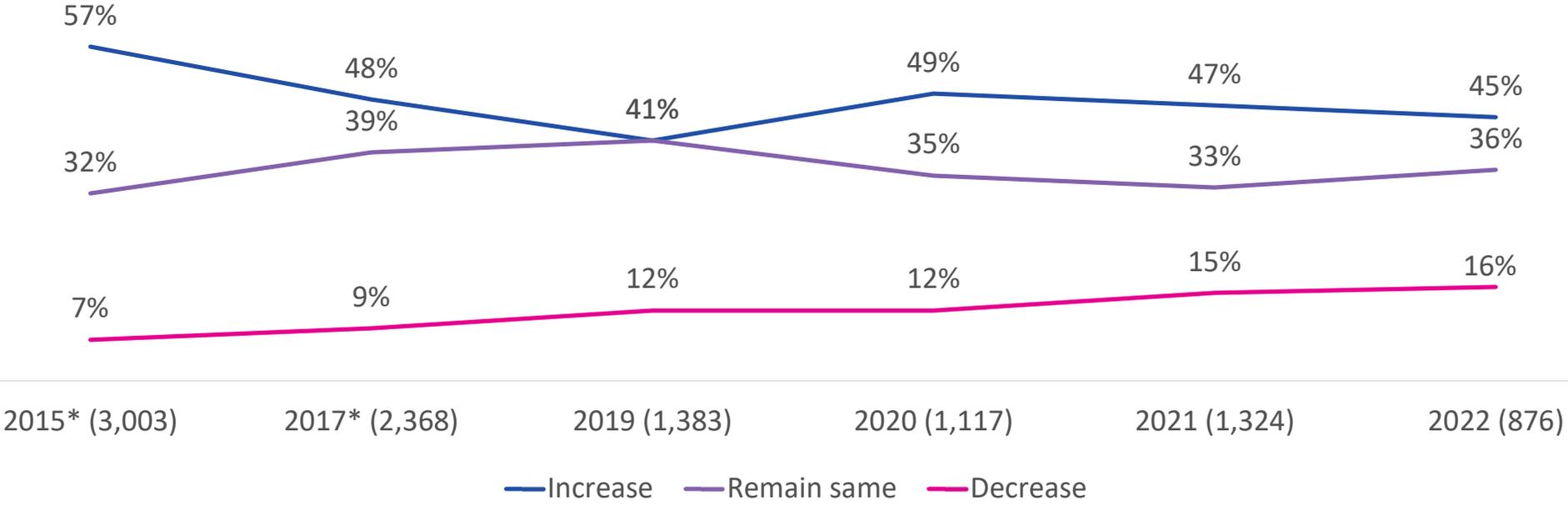
Q8. All respondents, unweighted bases shown in brackets

# Wage bills over next 12 months



Q8. All respondents, unweighted bases shown in brackets

# Trends in turnover in next 12 months



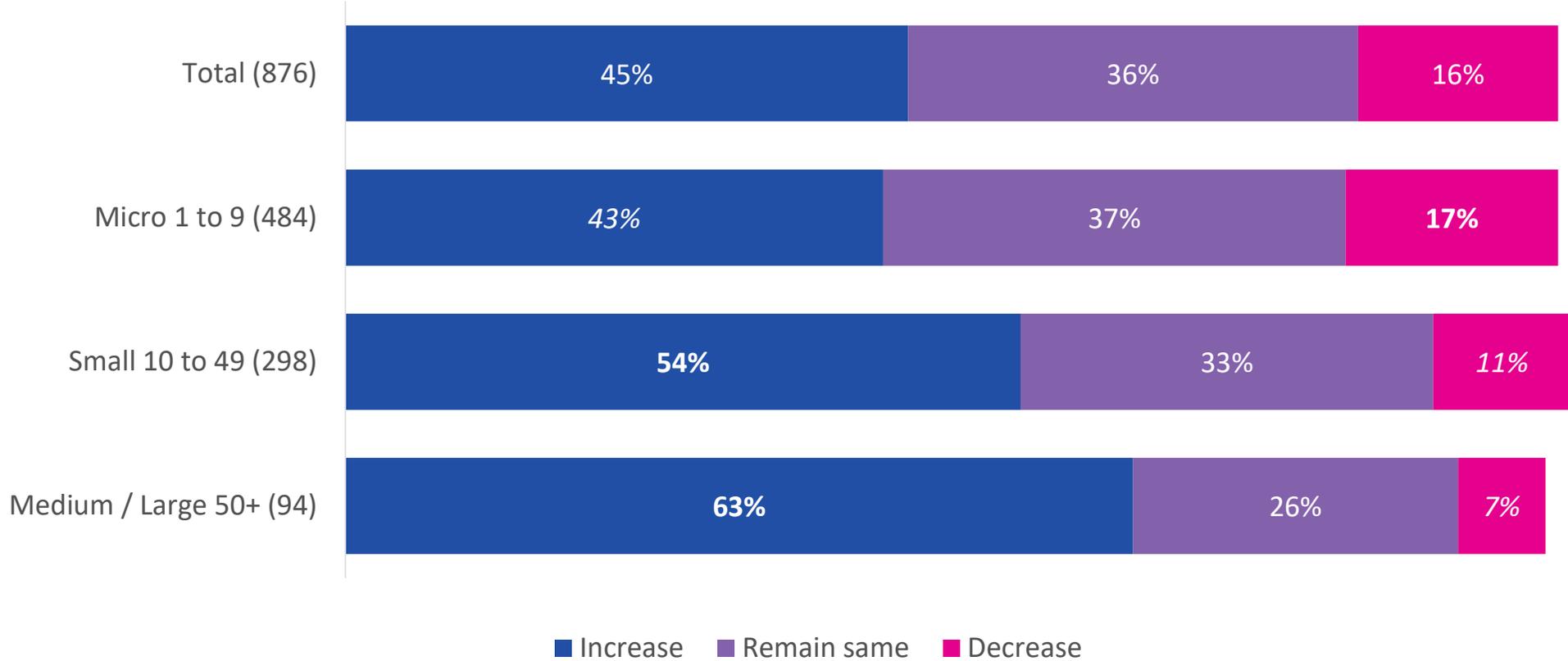
Q10. All except public sector, unweighted bases shown in brackets



\* based on Leeds City region data

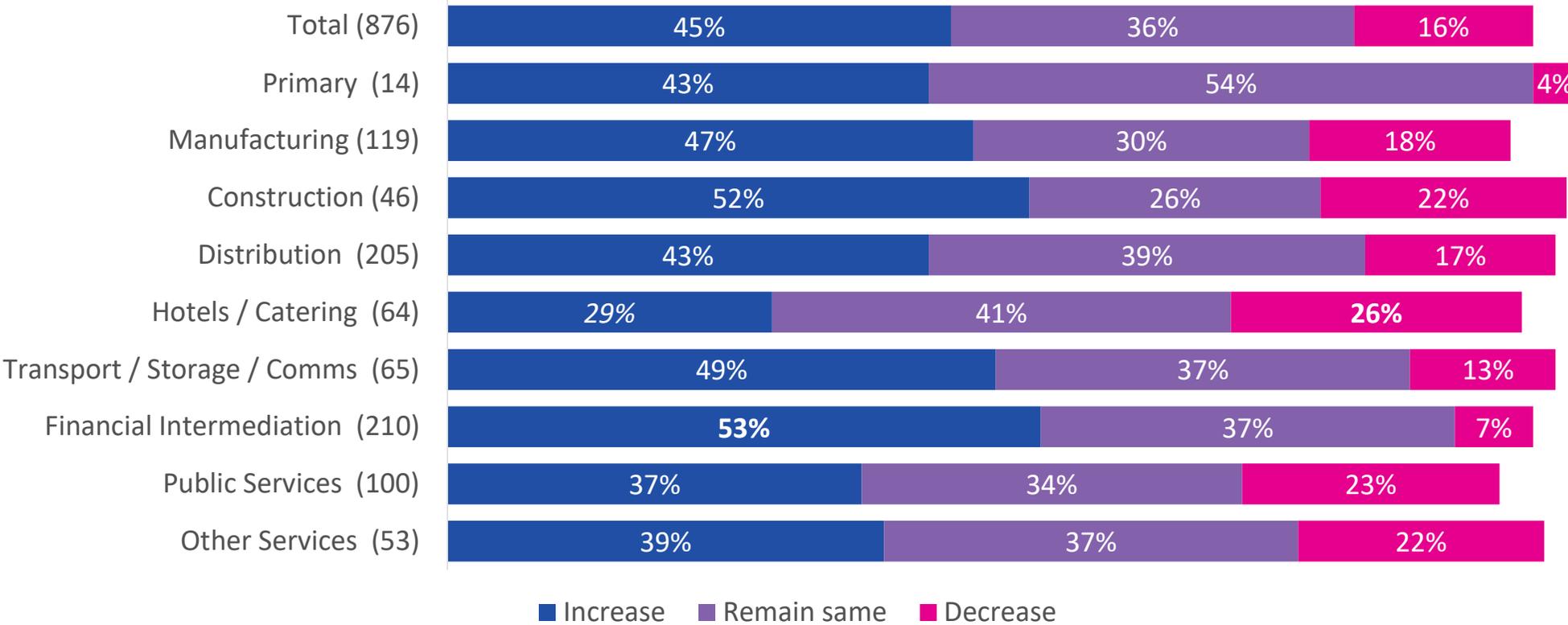


# Trends in turnover in next 12 months



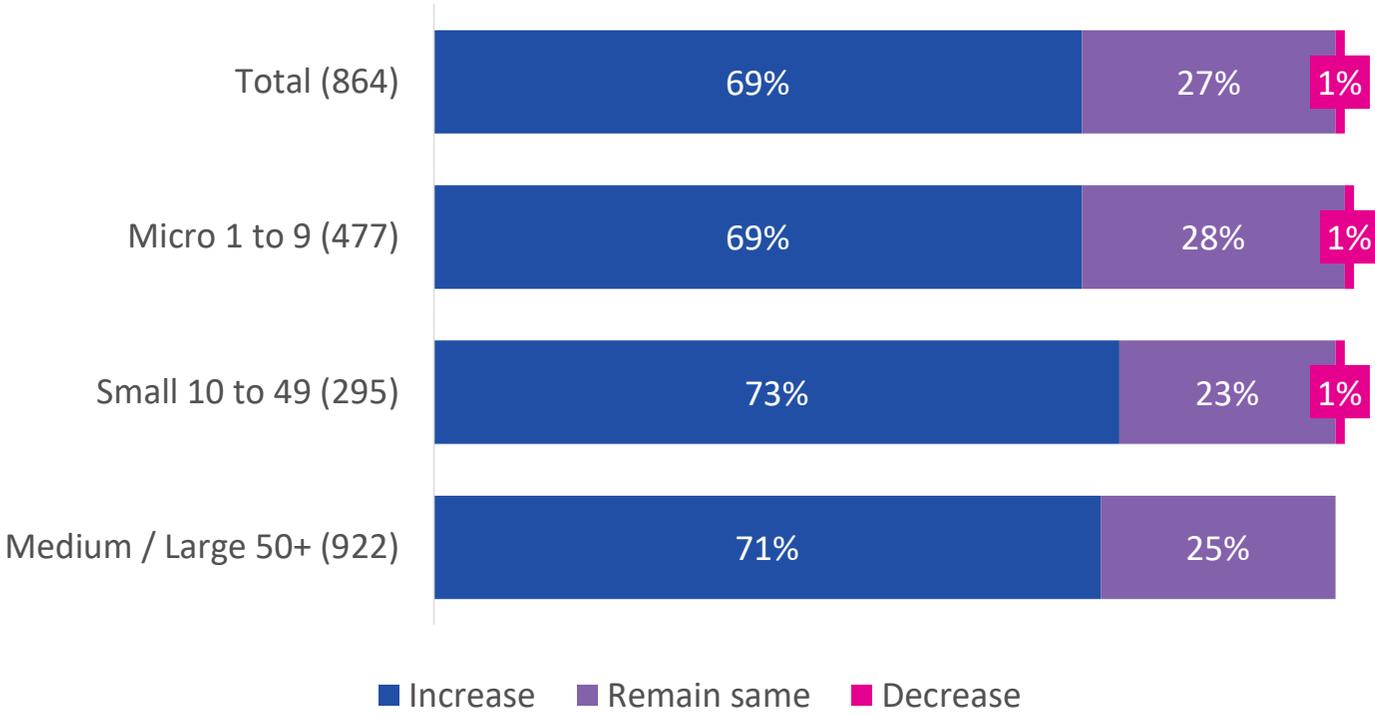
Q10. All except public sector, unweighted bases shown in brackets

# Trends in turnover in next 12 months



Q10. All except public sector, unweighted bases shown in brackets

# Prices charged to customers over next 12 months

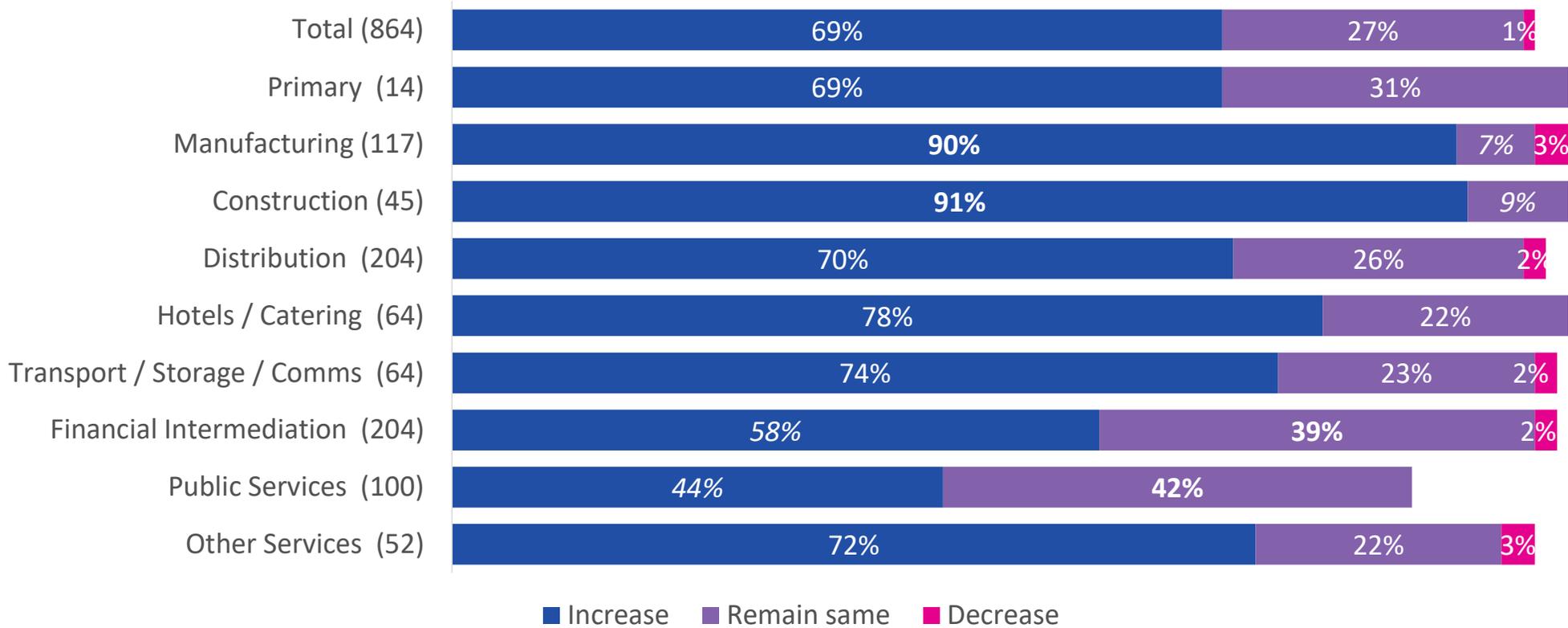


Where expecting an increase:

- 59% by up to 10%
- 15% by 11% to 20%
- 4% by 21% to 50%
- 21% did not know

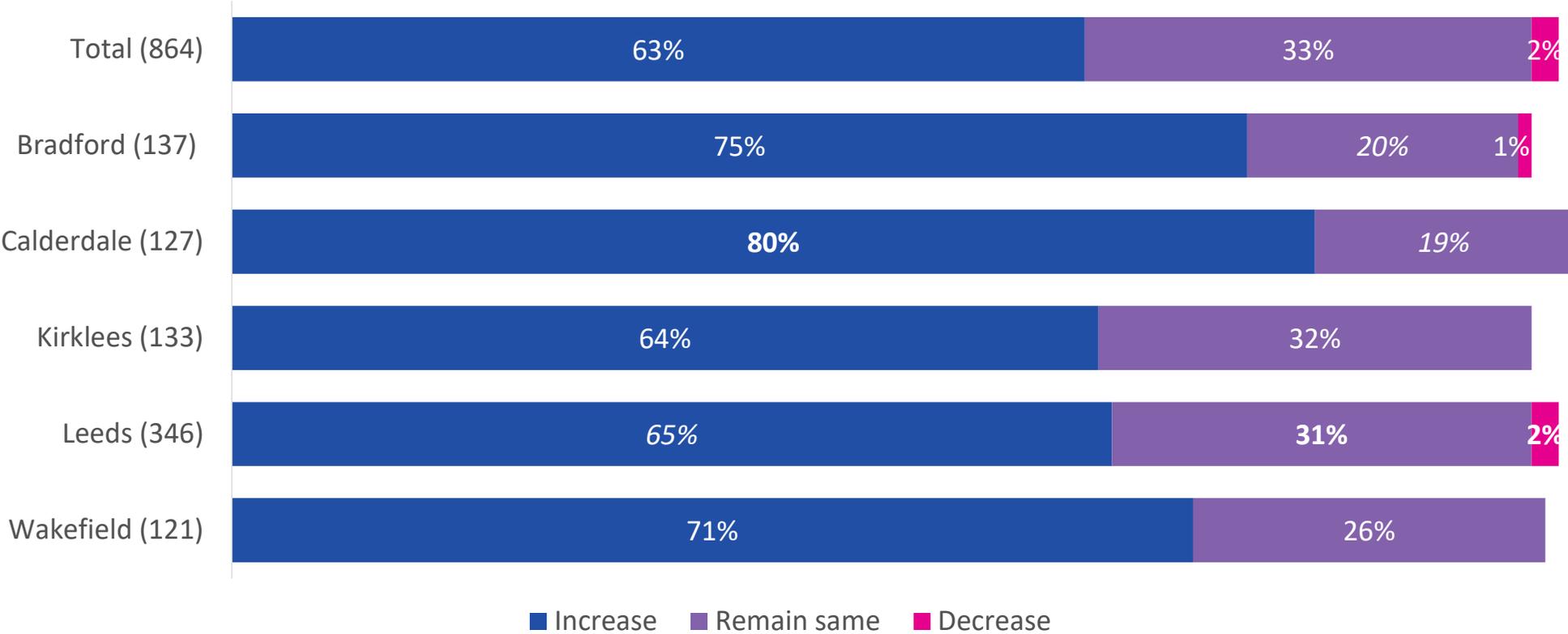
Q10b. All except public sector, unweighted bases shown in brackets

# Prices charged to customers over next 12 months



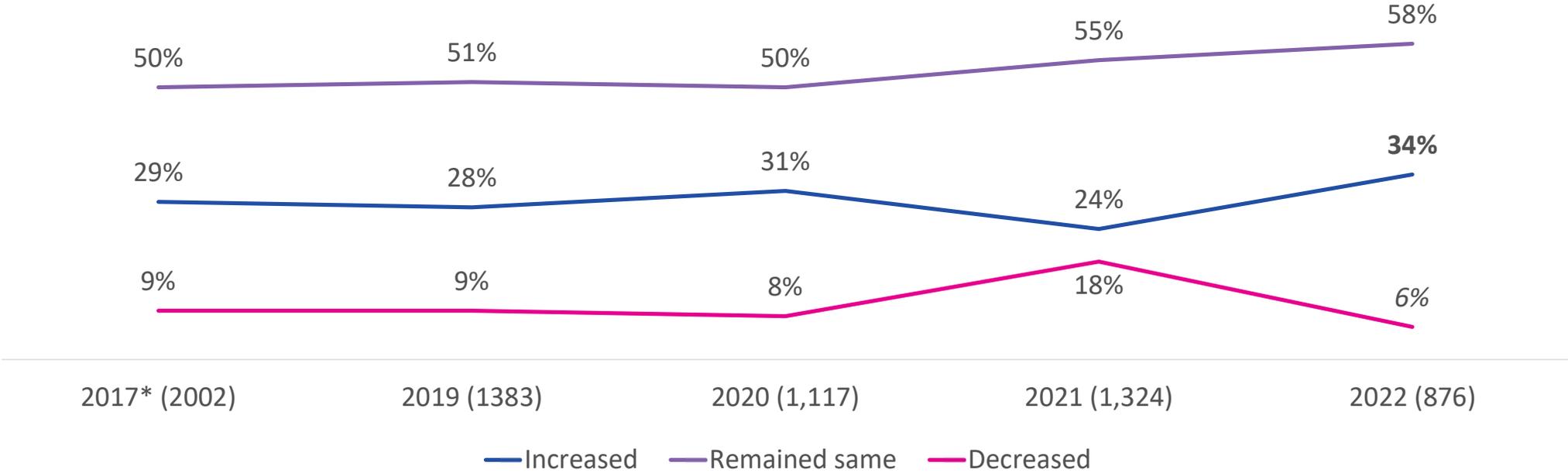
Q10b. All respondents, unweighted bases shown in brackets

# Prices charged to customers over next 12 months



Q10b. All respondents, unweighted bases shown in brackets

# Trend in investment in past 12 months



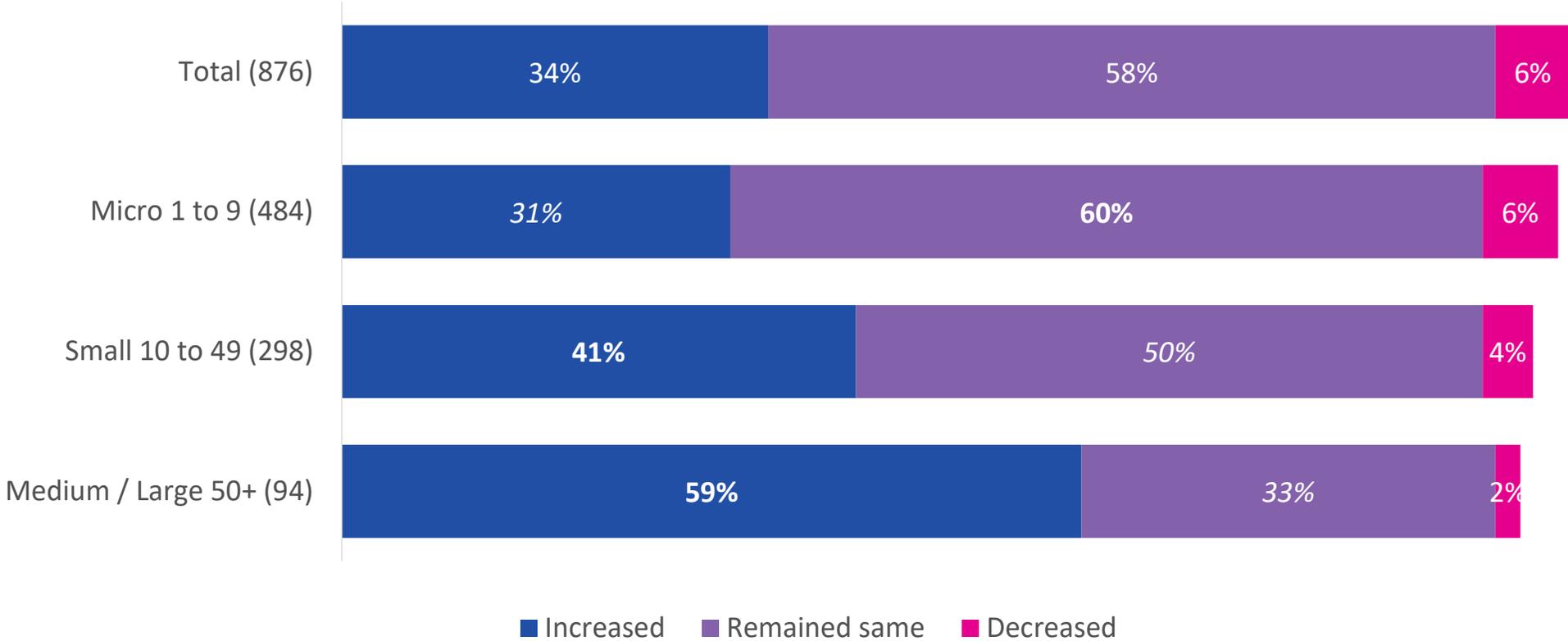
Q11. All except public sector, unweighted bases shown in brackets



\* based on Leeds City region data



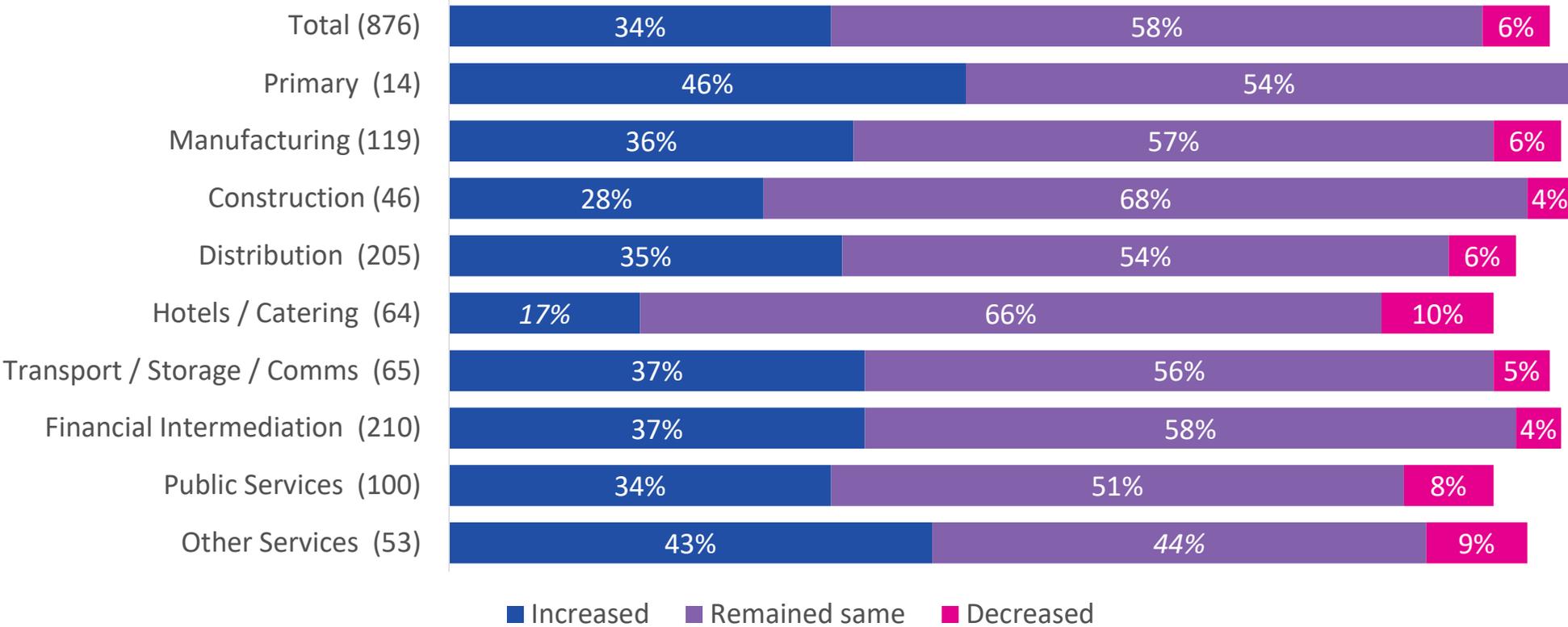
# Trends in investment in past 12 months



Q11. All except public sector, unweighted bases shown in brackets



# Trends in investment in past 12 months



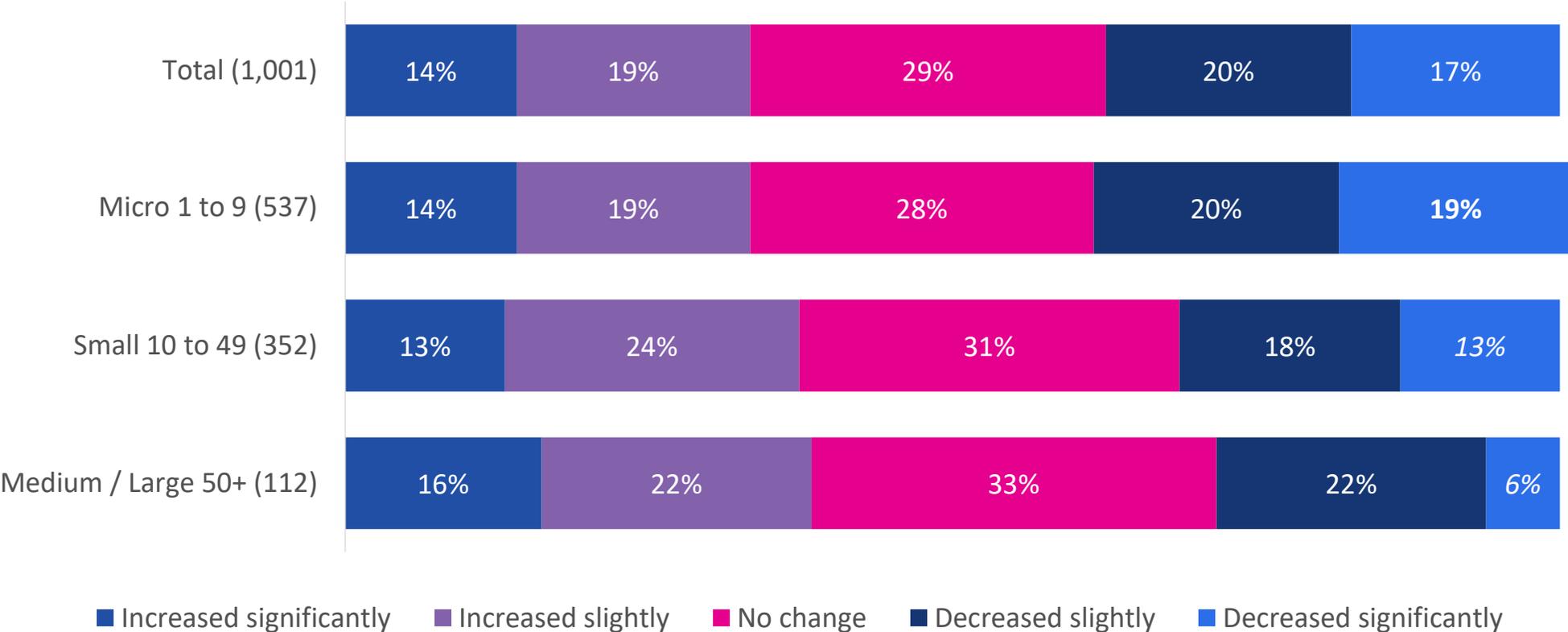
Q11. All except public sector, unweighted bases shown in brackets

# Covid-19 impact

## Covid-19 impact – summary

- A third of businesses (33%) report increased activity compared to pre-Covid levels, while close to two in five (37%) report decreased activity, and this fairly consistent by business size. By sector, three quarters (74%) of those in hotels/catering report decreased activity.
- Three in five expect to be better prepared if Covid becomes an issue again, rising to 82% of medium/large businesses. However fewer than half of businesses in construction (38%), manufacturing (42%) and transport/storage/communications (49%) would expect to be better prepared next time.
- Close to half of businesses (46%) are currently offering flexi-time, a third offer hybrid working (31%), a quarter operate a four day week (23%), and 16% support full-time home working. Two in five (38%) are not currently offering any of these options.
- Where these arrangements are currently offered, 45% introduced them as a result of the Covid pandemic. The vast majority (89%) expect these working arrangements to last indefinitely, while a small minority (6%) expect them to last up to a year

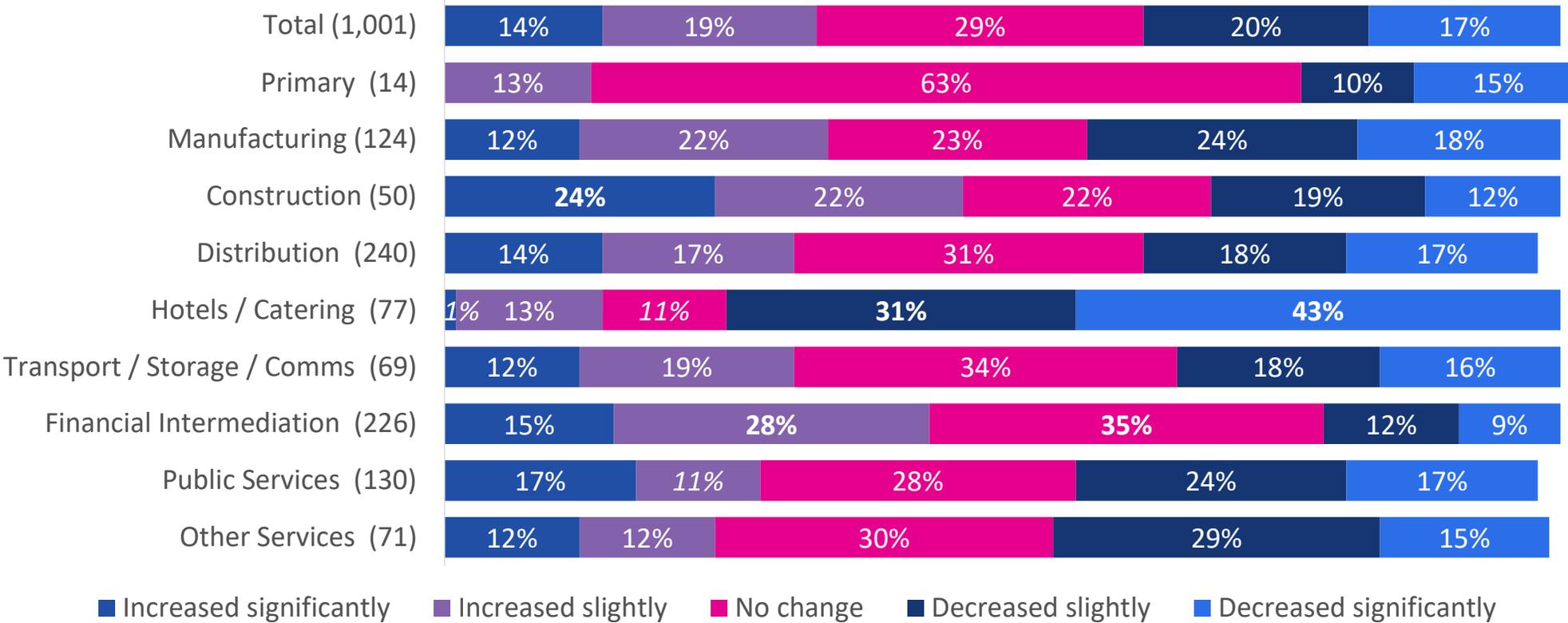
# Level of activity compared to pre-Covid levels



Q12. All respondents, unweighted bases shown in brackets



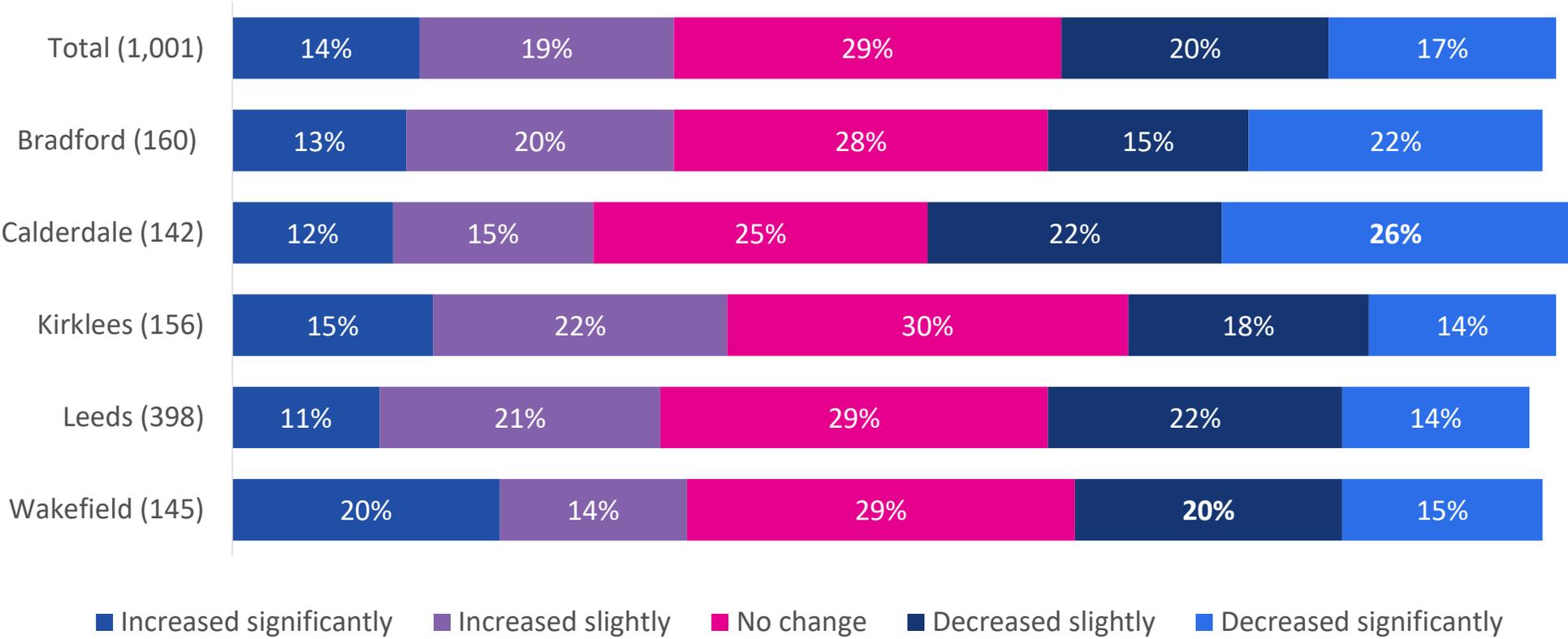
# Level of activity compared to pre-Covid levels



Q12. All respondents, unweighted bases shown in brackets

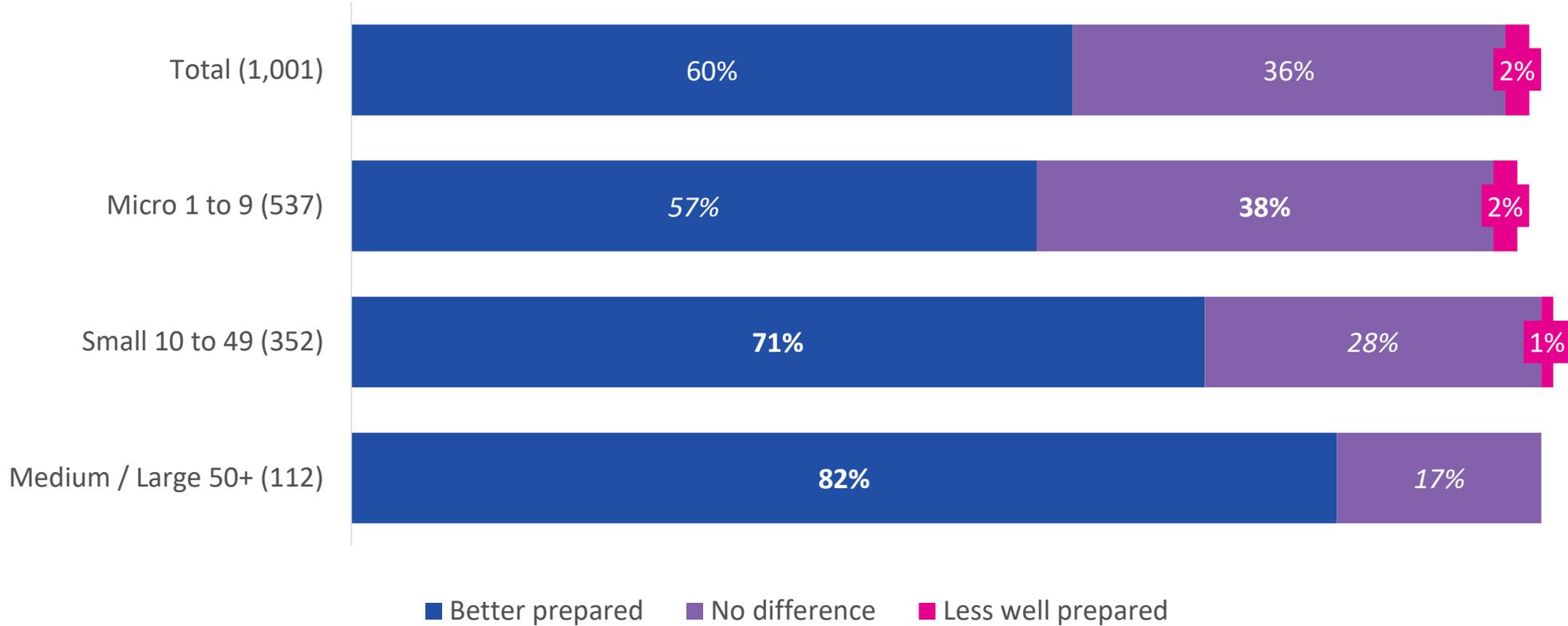


# Level of activity compared to pre-Covid levels



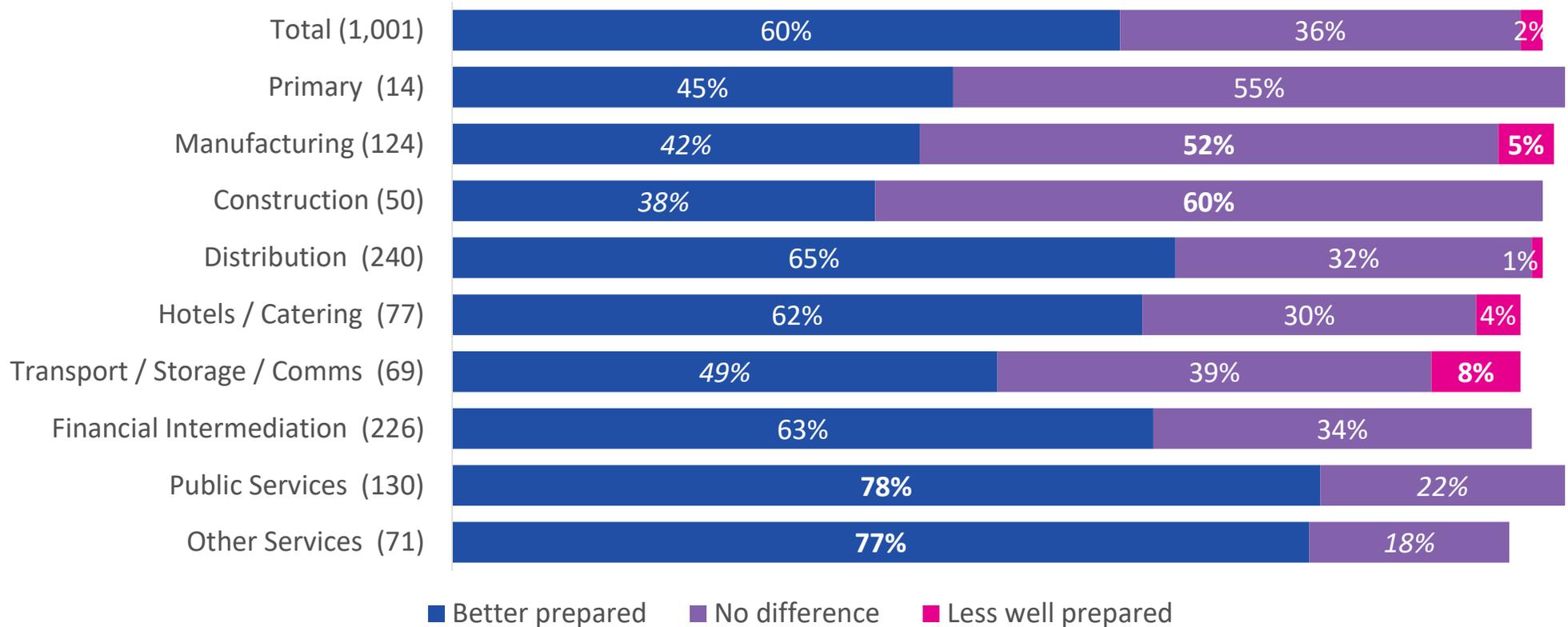
Q12. All respondents, unweighted bases shown in brackets

# Level of preparation if Covid becomes an issue again



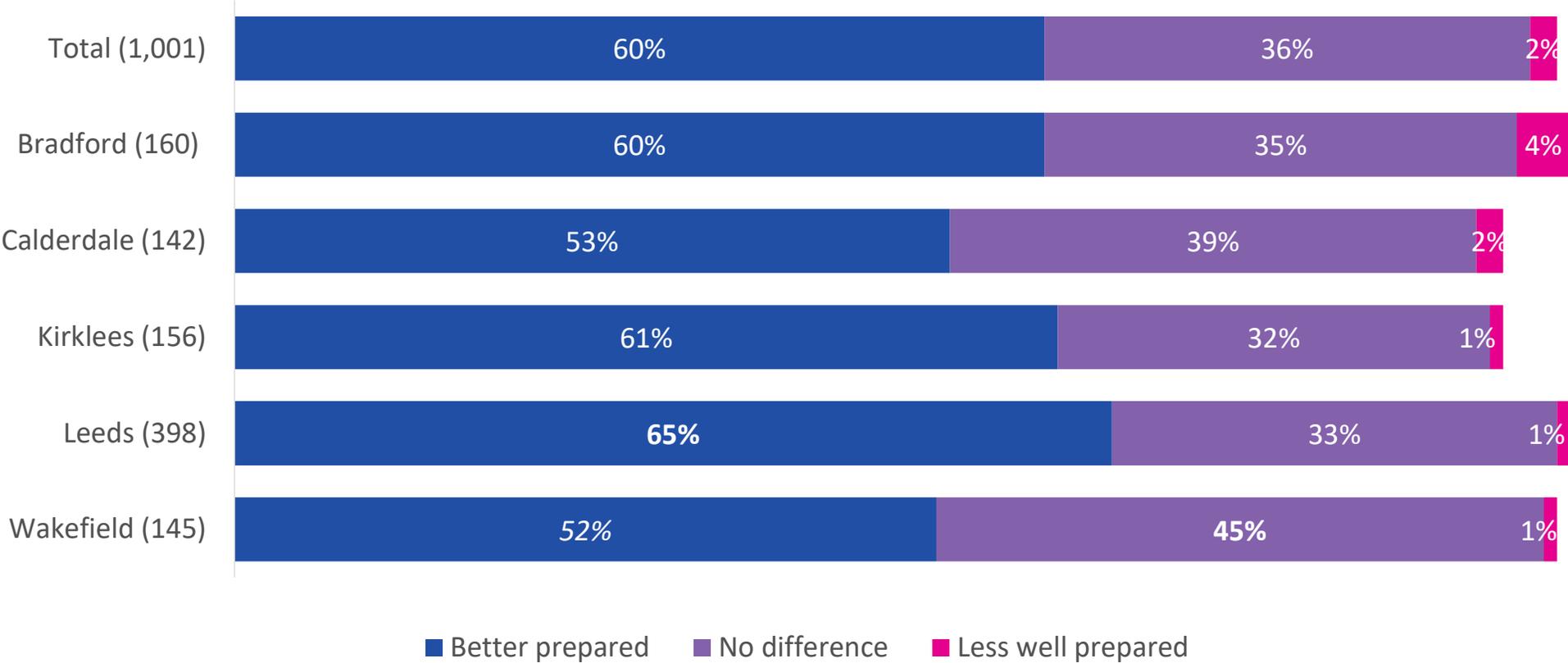
Q13. All respondents, unweighted bases shown in brackets

## Level of preparation if Covid becomes an issue again



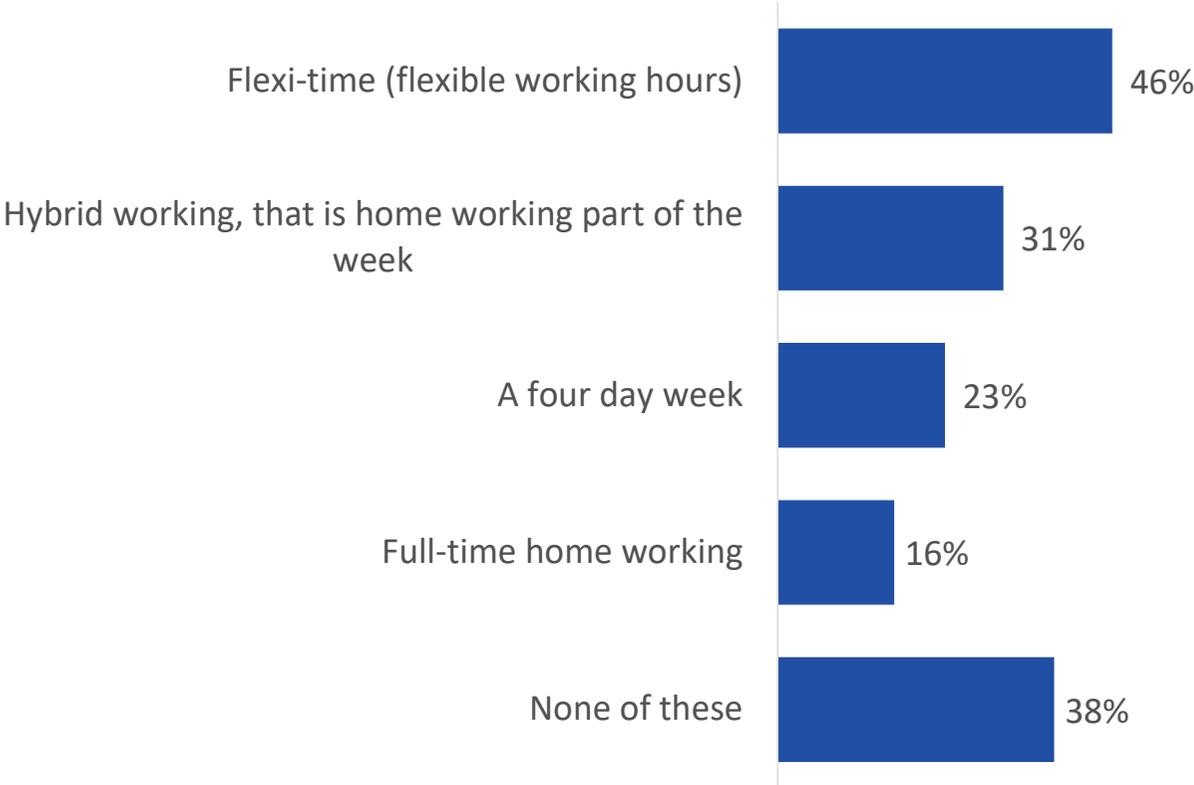
Q13. All respondents, unweighted bases shown in brackets

# Level of preparation if Covid becomes an issue again



Q13. All respondents, unweighted bases shown in brackets

# Working arrangements currently offered



45% introduced these working arrangements as a result of the Covid pandemic

89% expect these working arrangements to last indefinitely, and 6% expect them to last up to a year

Q14. All respondents, unweighted base = 1,001

# Working arrangements currently offered

	Total (1,001)	Micro 1 to 9 (537)	Small 10 to 49 (352)	Medium/Large 50+ (112)
Flexitime (flexible working hours)	46%	44%	<b>54%</b>	<b>58%</b>
Hybrid working, that is home working part of the week	31%	30%	34%	<b>46%</b>
A four day week	23%	22%	28%	<b>39%</b>
Full-time home working	16%	16%	14%	23%
None of these	38%	<b>40%</b>	27%	23%

Q14. All respondents, unweighted bases shown in brackets

## Working arrangements currently offered

	Primary (14)	Manufacturing (124)	Construction (50)	Distribution (240)	Hotels/Catering (77)	Transport/Storage/Comms (69)	Financial Intermediation (226)	Public Services (130)	Other Services (71)
Flexitime (flexible working hours)	45%	<b>56%</b>	32%	41%	44%	45%	49%	53%	55%
Hybrid working, that is home working part of the week	43%	32%	26%	17%	5%	<b>54%</b>	<b>47%</b>	32%	32%
A four day week	7%	22%	14%	22%	27%	14%	25%	<b>33%</b>	28%
Full-time home working	28%	15%	12%	11%	3%	<b>28%</b>	<b>26%</b>	13%	12%
None of these	55%	32%	50%	<b>45%</b>	<b>48%</b>	34%	30%	30%	27%

Q14. All respondents, unweighted bases shown in brackets

# Working arrangements currently offered

	Total (1,001)	Bradford (160)	Calderdale (142)	Kirklees (156)	Leeds (398)	Wakefield (145)
Flexitime (flexible working hours)	61%	49%	42%	42%	47%	47%
Hybrid working, that is home working part of the week	44%	35%	23%	36%	32%	23%
A four day week	23%	<b>31%</b>	27%	<b>30%</b>	19%	11%
Full-time home working	20%	17%	13%	20%	15%	15%
None of these	33%	37%	43%	33%	38%	42%

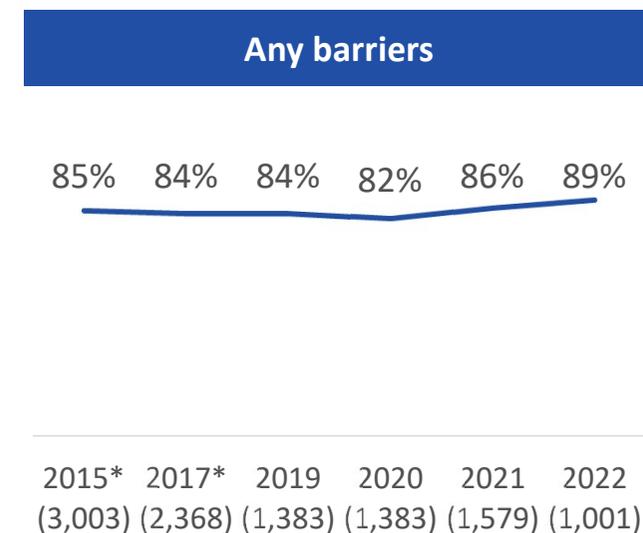
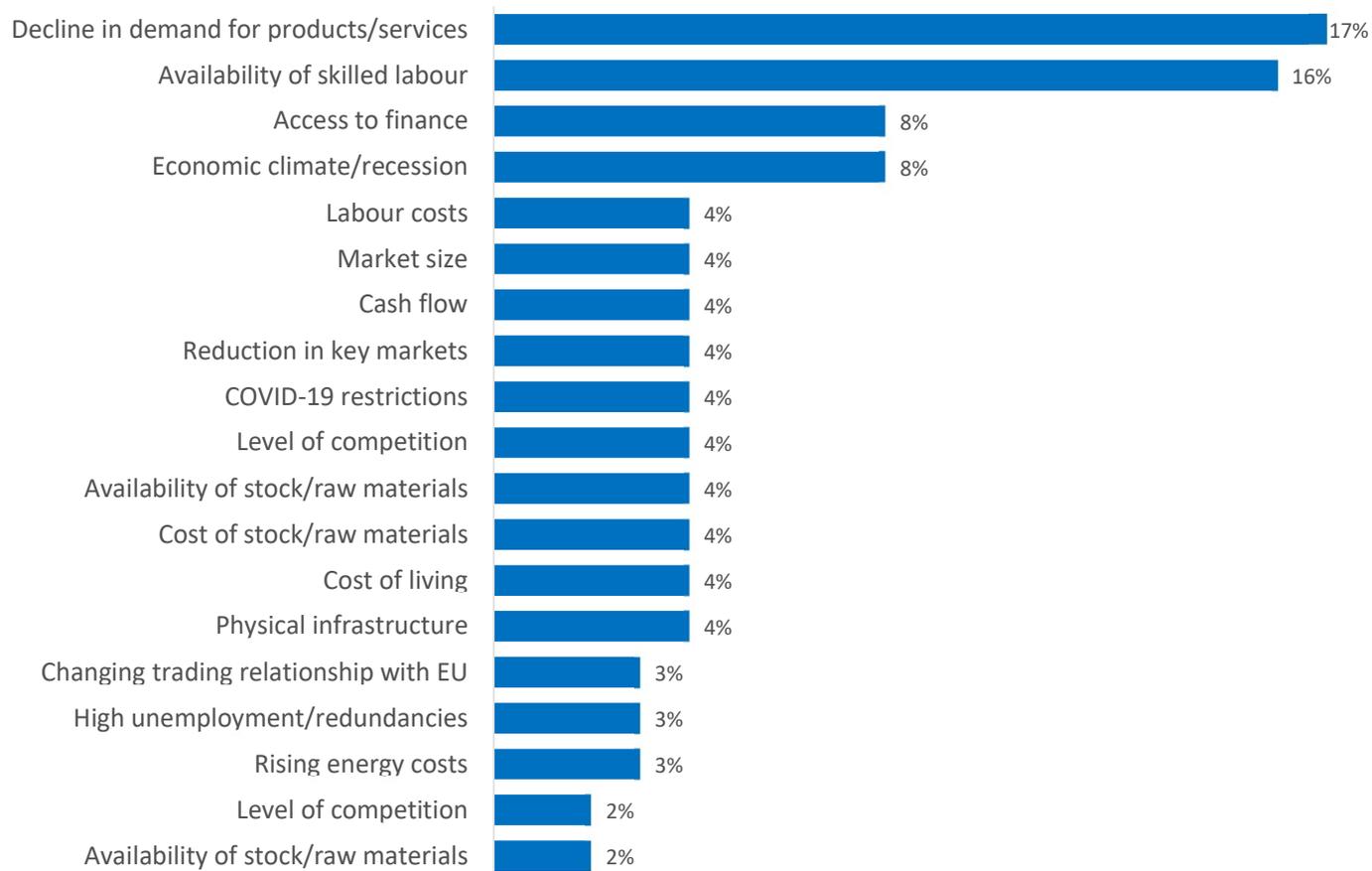
Q14. All Respondents, unweighted bases shown in brackets

# Barriers to growth

## Barriers to growth – summary

- Close to nine in ten businesses (89%) identify barriers to growth in the next 3 years, continuing the upward trend which began in 2020.
- Covid-19 restrictions are now mentioned by only 4% of businesses, with the main barriers:
  - Economic factors (22%);
  - Skills shortages (19%);
  - Decline in demand (17%);
  - High inflation (15%).

## Barriers to growth in next 3 years



## Barriers to growth in next 3 years

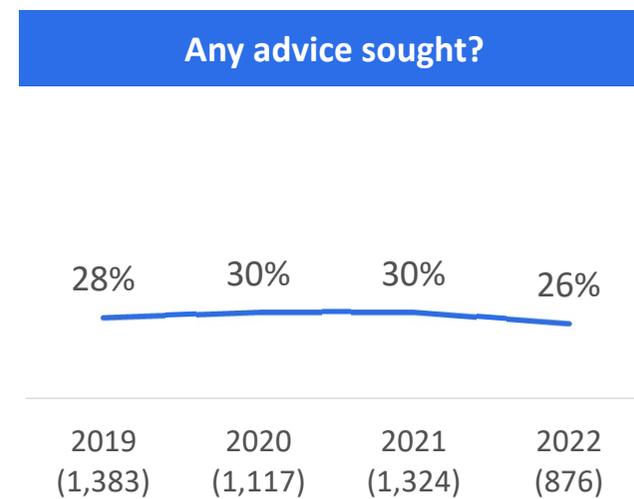
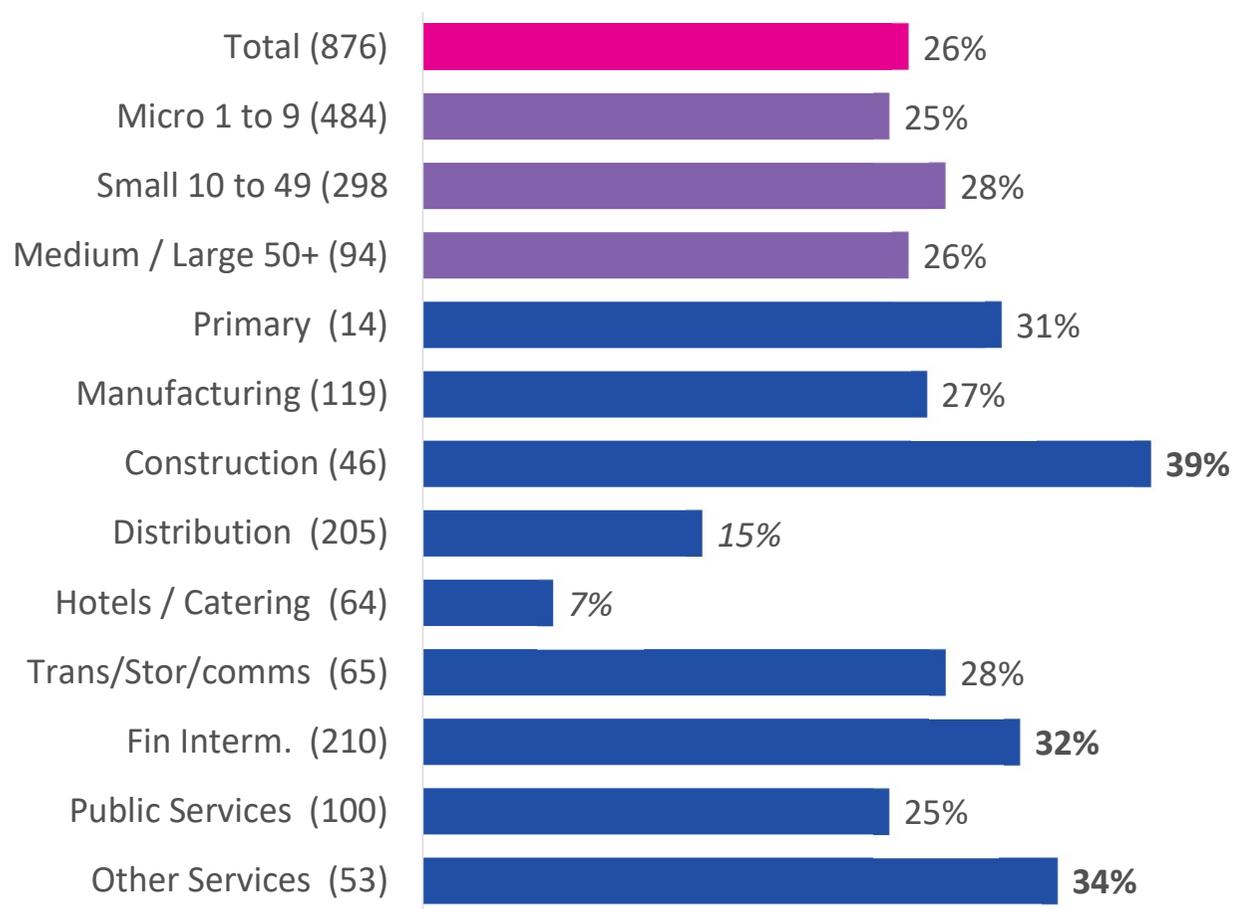
	<b>Biggest barrier</b>	<b>2<sup>nd</sup> biggest barrier</b>	<b>3<sup>rd</sup> biggest barrier</b>
Total (1,001)	Decline in demand for products/services	Availability of skilled labour	Access to finance/Economic climate, recession
Micro 1 to 9 (537)	Decline in demand for products/services	Availability of skilled labour	Economic climate, recession
Small 10 to 49 (352)	Availability of skilled labour	Decline in demand for products/services	Access to finance
Medium/Large 50+ (112)	Availability of skilled labour	Decline in demand for products/services	Economic climate, recession
Primary (14)	Over regulation/red tape	Economic climate, recession	Access to finance
Manufacturing (124)	Decline in demand for products, services/Availability of skilled labour	Cost of stock/raw materials	Access to finance
Construction (50)	Decline in demand for products/services	Availability of skilled labour	Economic climate, recession
Distribution (240)	Decline in demand for products/services	Economic climate, recession	Availability of skilled labour/Market size/Changing trading relationship with EU
Hotels/Catering (77)	Decline in demand for products/services	Labour costs/rising energy costs	Transport infrastructure/cost of living
Transport/Storage/Comms (69)	Economic climate, recession	Availability of skilled labour	Decline in demand for products/services
Financial Intermediation (226)	Availability of skilled labour	Decline in demand for products, services/Economic climate, recession	Reduction in key markets
Public Services (130)	Availability of skilled labour	Access to finance	Decline in demand for products/services
Other Services (71)	Availability of skilled labour	Access to finance	Level of competition/increasing costs in general

# Business support

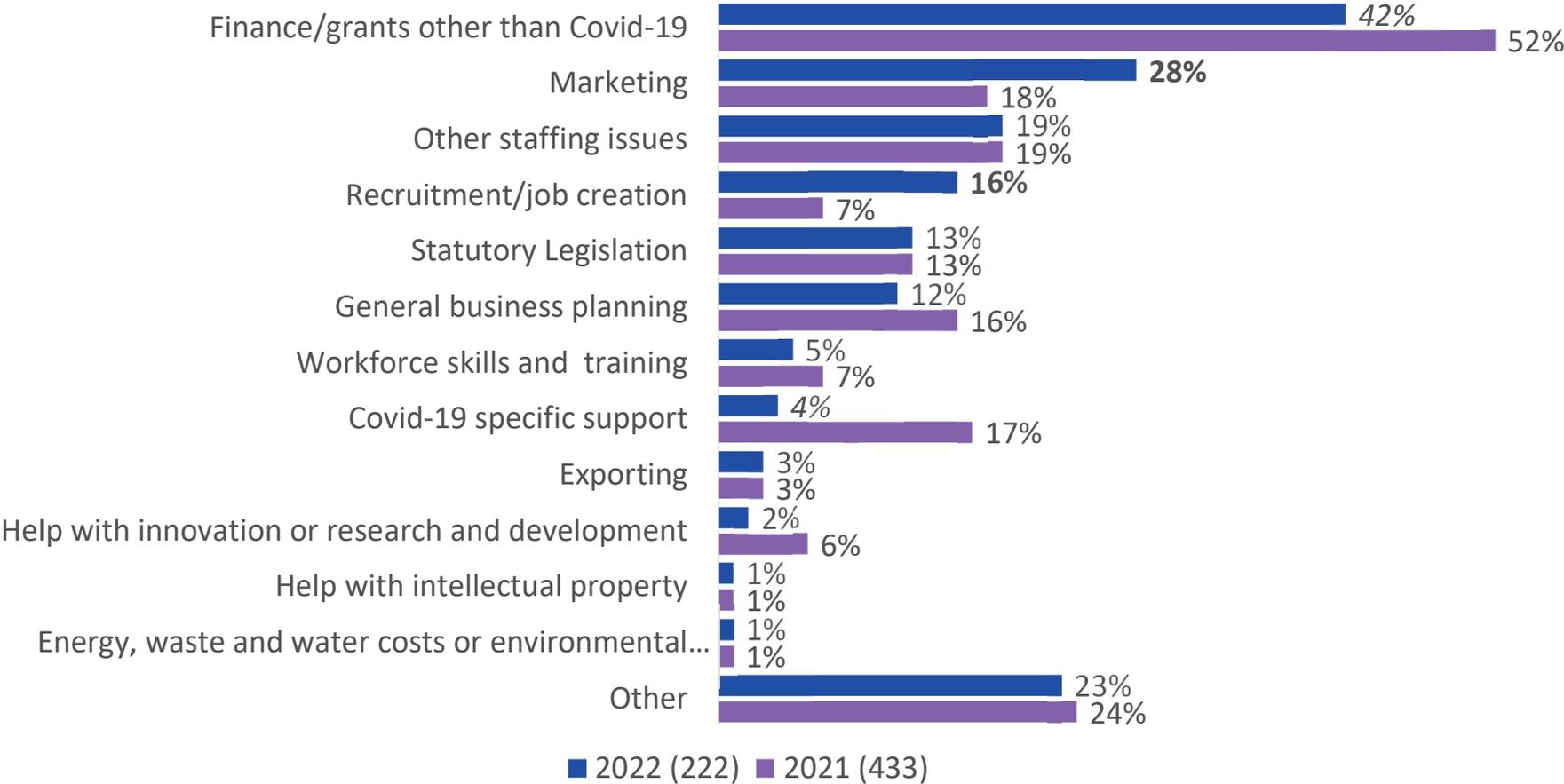
## Business support – summary

- Around a quarter (26%) of private/voluntary sector businesses have sought independent business advice in the last 12 months, a reduction on the 30% who had done so in 2021.
- Finance/grants other than those related to Covid-19 predominate in terms of the areas in which businesses have sought advice (42%), albeit to a lesser extent than was the case in 2021 (52%).
- The other key areas on which businesses have sought advice are marketing (28%), other staffing issues (19%), recruitment/job creation (16%), statutory legislation (13%) and general business planning (12%).

## Business support – summary



# Types of independent advice sought



Q19. Private/voluntary sector Where have sought advice, unweighted bases shown in brackets

# Workforce, skills and training

## Workforce, skills and training – summary

- Two-thirds of businesses report having had any skill gaps in their workforce in the last 12 months (68%), with these skill gaps most evident within manufacturing (76%). The incidence of skill gaps increases with business size, to 82% of medium/large businesses.
- Skill gaps are most evident with regard to sales and marketing (33%), other technical, specialist or job specific skills (32%), which has seen a significant increase since 2021 (21%), and digital/advanced IT (32%) skills.
- Following a dip in 2021, there has been a very significant increase in the proportion of businesses reporting having had hard to fill vacancies over the last 12 months from 11% to 39%, almost twice as high as the previous peak in 2015 (21%).
- Over half of small (56%) and close to three quarters of medium/large businesses (72%) report having experienced recruitment difficulties. A third (31%) of those with hard to fill vacancies believe this is, at least in part, as a result of Brexit.
- Technical, specialist or job specific skills remain the area in which businesses are most likely to experience recruitment difficulties.

# % with any skill gaps in next 12 months



2015\* (3,003)      2017\* (2,368)      2019 (1,383)      2020 (1,383)      2021 (1,579)      2022 (1,001)

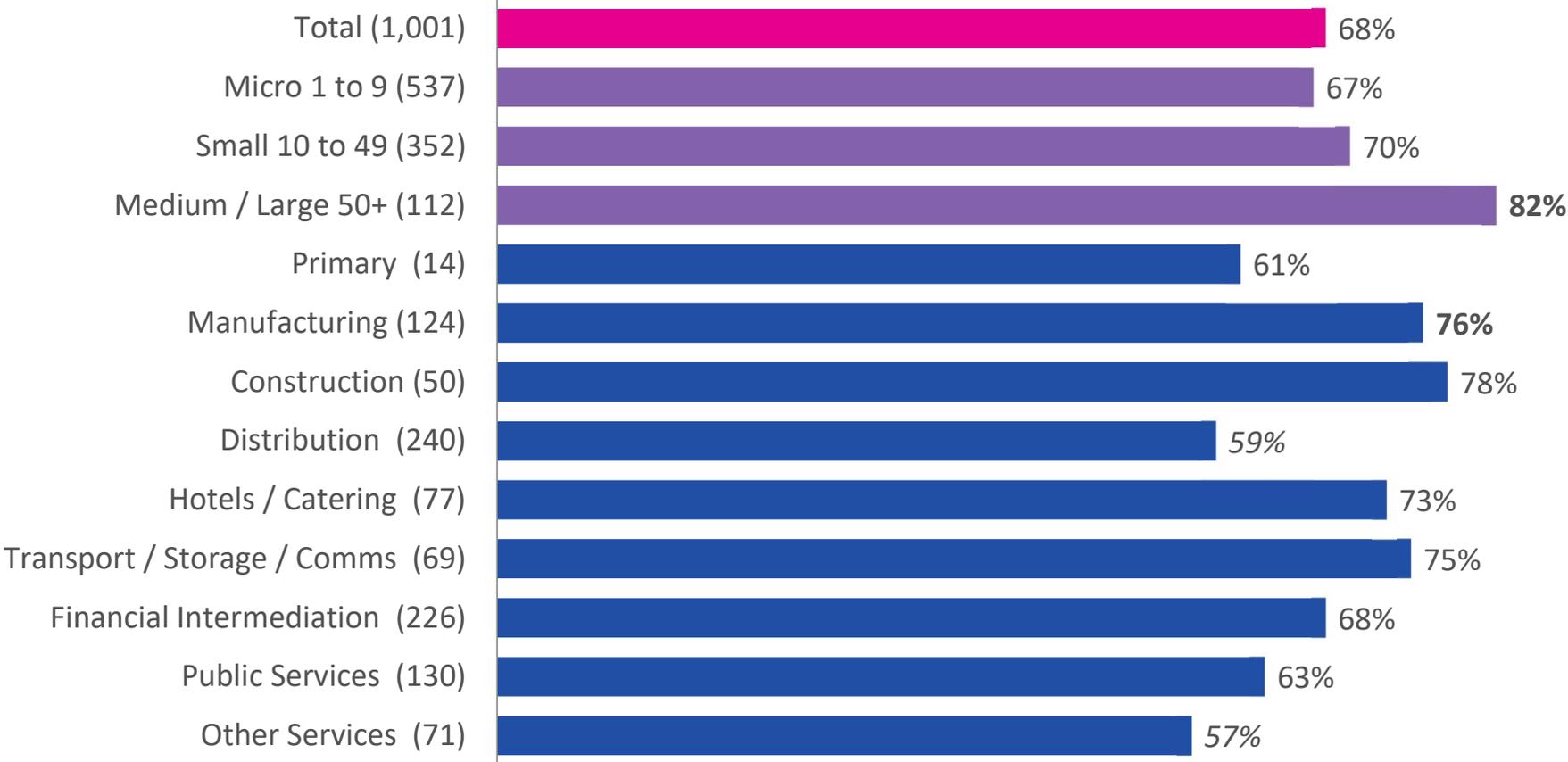
Q21. All respondents, unweighted bases shown in brackets



\* based on Leeds City region data



# % with any skill gaps in next 12 months



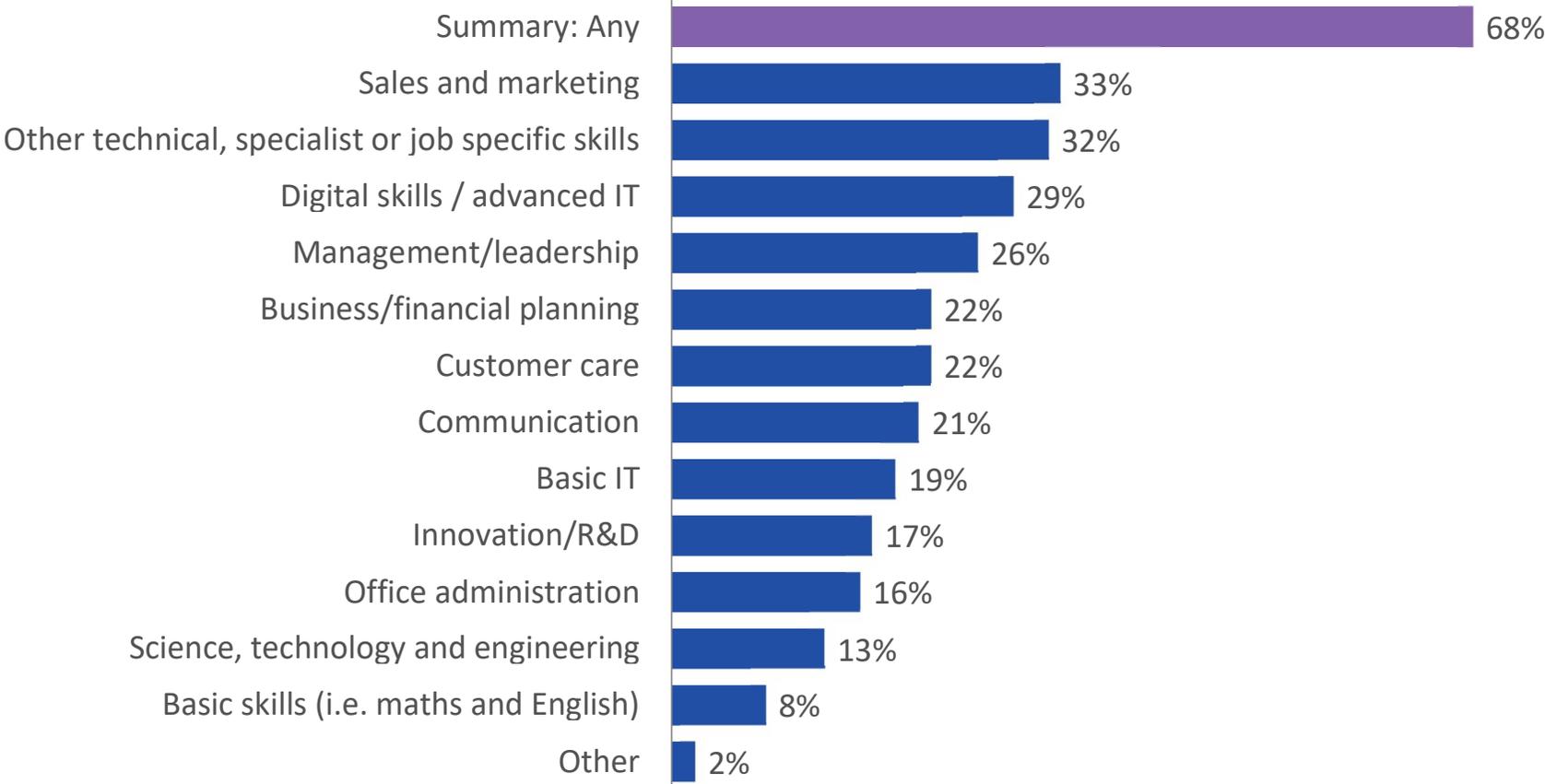
Q21. All respondents, unweighted bases shown in brackets

# % with any skill gaps in next 12 months



Q21. All respondents, unweighted bases shown in brackets

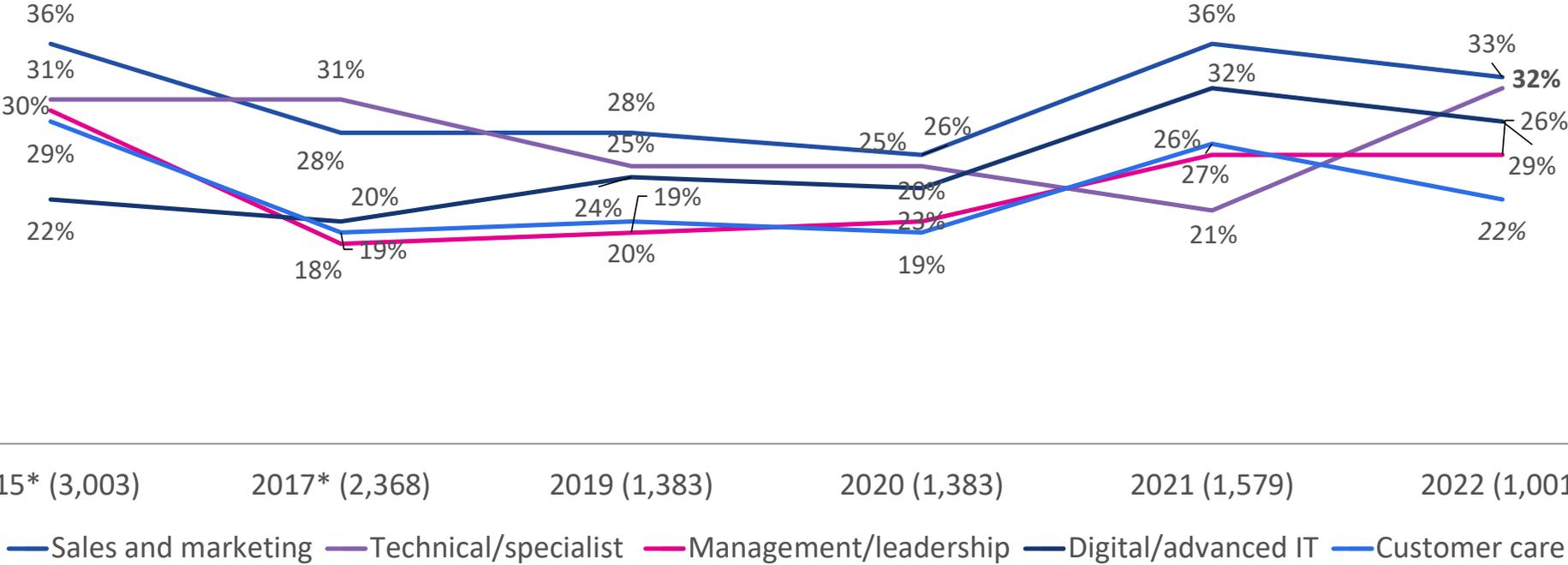
# Types of skills gaps in next 12 months



Q21. All respondents, unweighted base = 1,001



# % with specific skills gaps



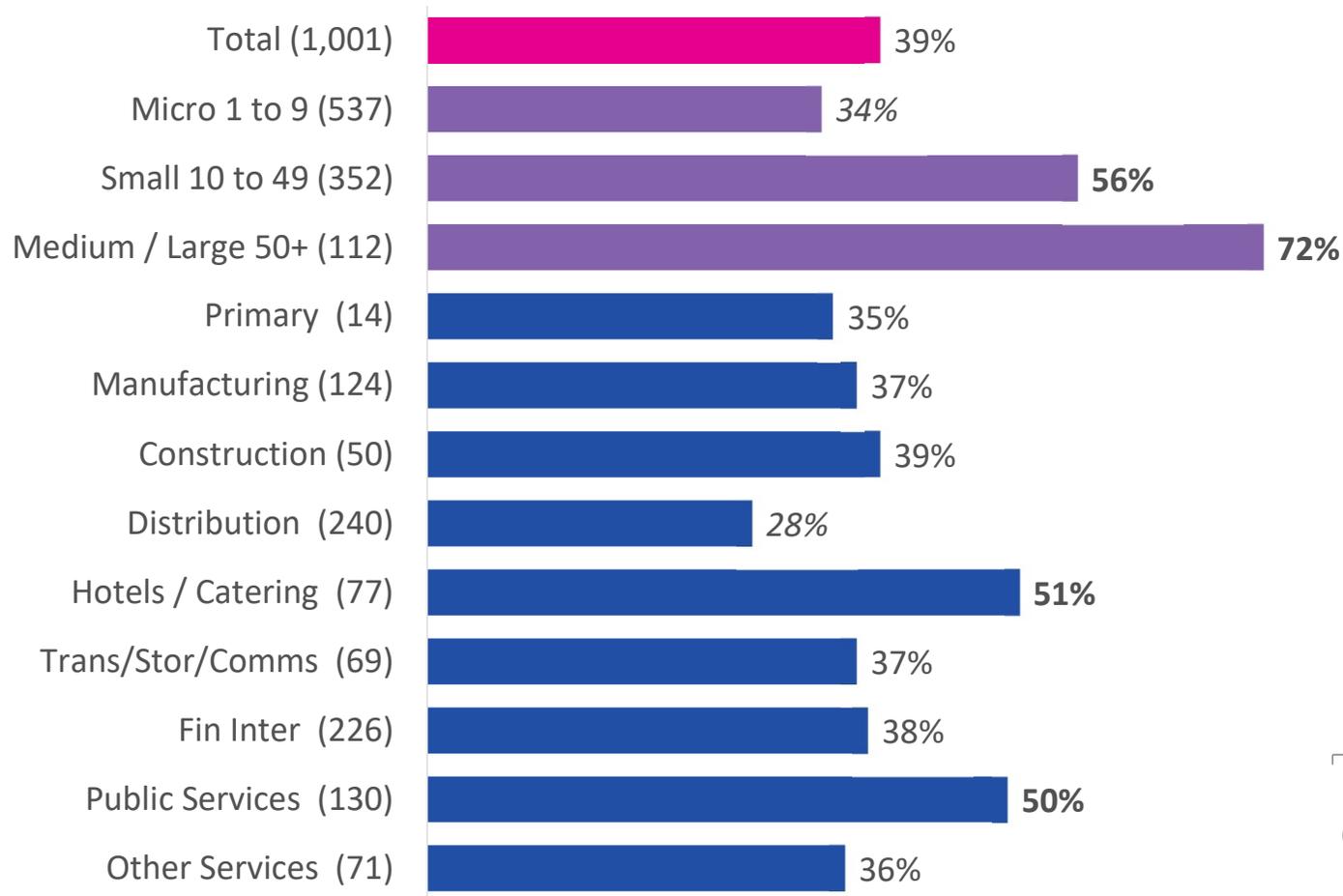
Q21. All respondents, unweighted bases shown in brackets

## Types of skills gaps in next 12 months

	Total (1,001)	Primary (14)	Manufacturing (124)	Construction (50)	Distribution (240)	Hotels/Catering (77)	Transport/Storage/ Comms (69)	Financial Intermediation (226)	Public Services (130)	Other Services (71)
Sales and marketing	33%	39%	37%	27%	28%	33%	34%	<b>38%</b>	26%	34%
Other technical, specialist or job specific skills	32%	18%	37%	42%	24%	24%	34%	36%	35%	30%
Digital skills/advanced IT	29%	28%	36%	25%	29%	21%	28%	32%	27%	28%
Management/leadership	26%	41%	25%	23%	19%	32%	25%	29%	25%	26%
Business/financial planning	22%	10%	18%	21%	14%	<b>35%</b>	30%	22%	15%	<b>34%</b>
Customer care	22%	7%	15%	19%	15%	<b>37%</b>	<b>32%</b>	22%	17%	19%
Communication	21%	17%	22%	11%	12%	30%	<b>33%</b>	23%	21%	29%
Basic IT	19%	3%	19%	25%	18%	14%	14%	19%	22%	22%
Innovation/R&D	17%	22%	<b>30%</b>	21%	12%	17%	21%	15%	9%	24%
Office administration	16%	7%	21%	19%	12%	17%	11%	20%	18%	12%
Science, technology and engineering	13%	22%	<b>31%</b>	<b>27%</b>	9%	5%	12%	15%	6%	5%
Basic skills (i.e. maths and English)	8%	0%	8%	<b>18%</b>	5%	<b>14%</b>	1%	5%	<b>13%</b>	5%
Other	2%	0%	1%	<b>6%</b>	1%	0%	<b>5%</b>	*%	2%	1%

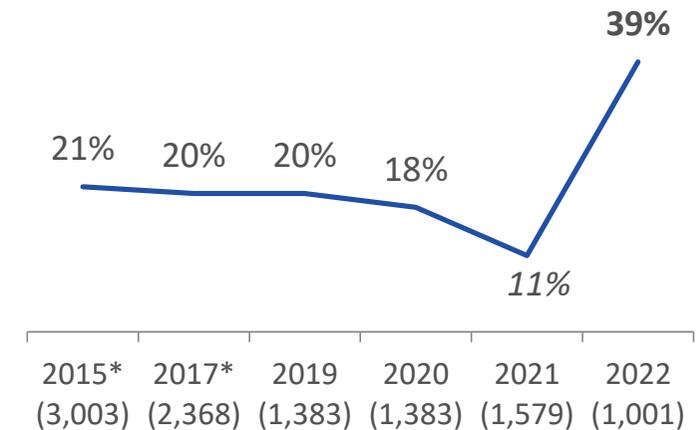
Q21. All respondents, unweighted bases shown in brackets

## % with hard to fill vacancies in last year



31% of those with hard to fill vacancies say the UK's exit from the EU was a factor:

- 6% the main factor
- 14% an important factor
- 11% one of a number of factors

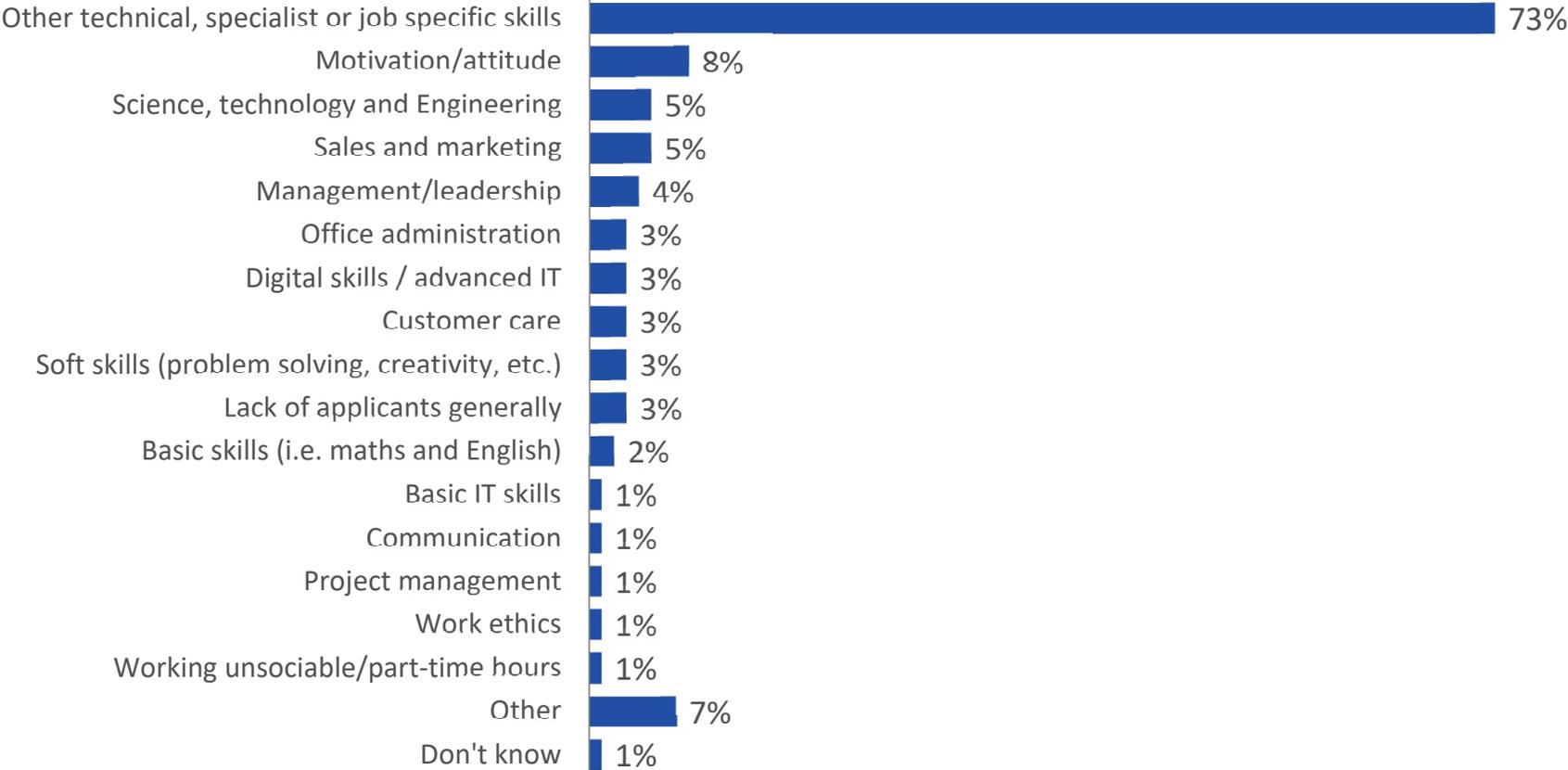


# % with hard to fill vacancies in last year



Q22. All respondents, unweighted bases shown in brackets

# Skills that have been difficult to recruit in last year



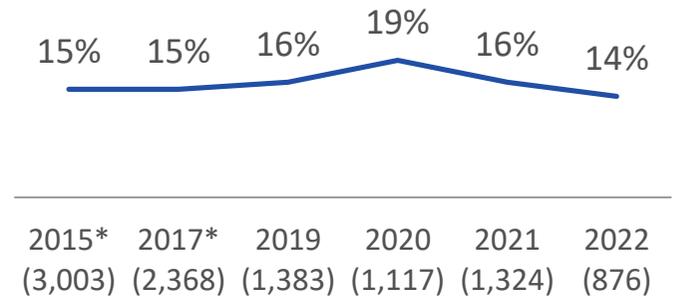
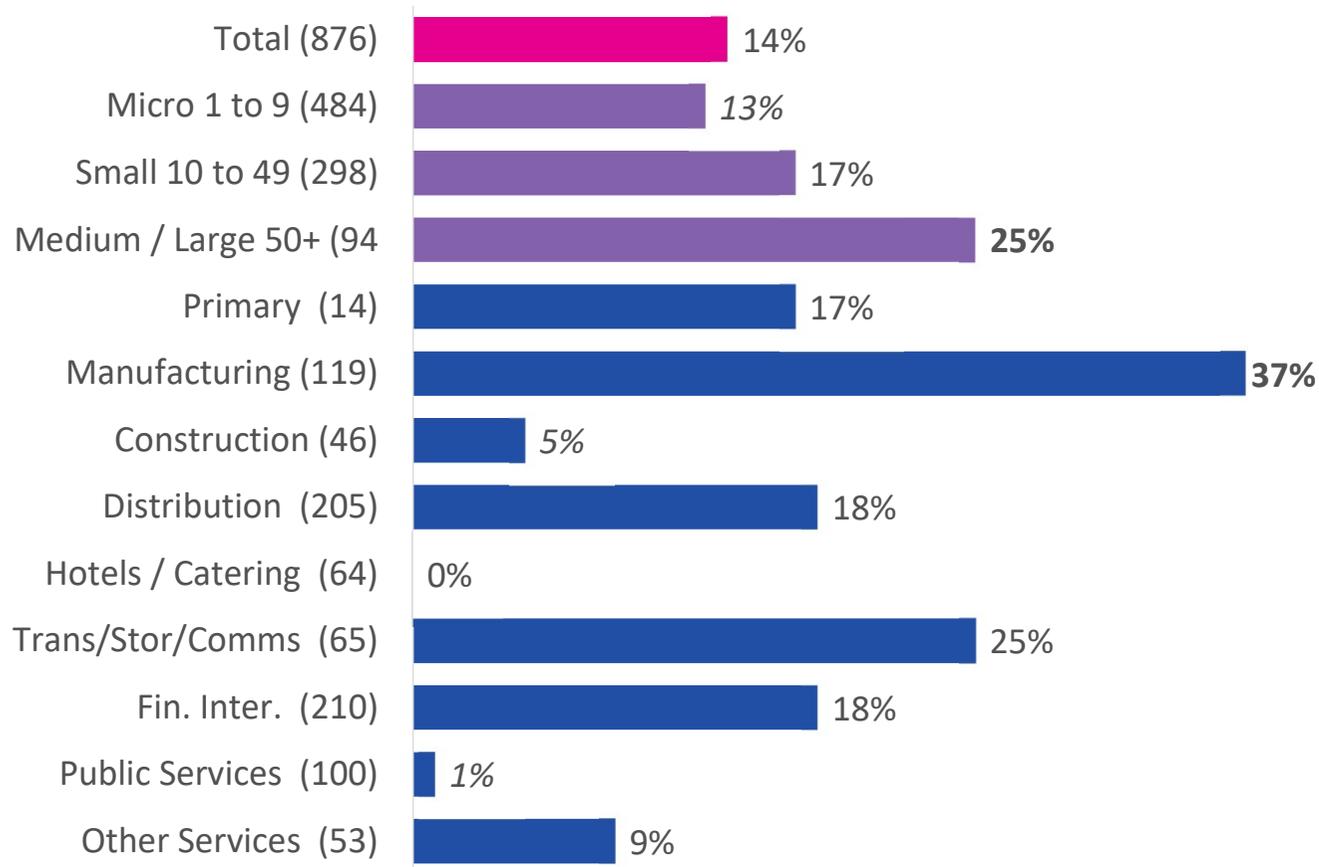
Q23. All with hard to fill vacancies, unweighted base = 440

# Customer base and trade destinations

## Customer base – summary

- The incidence of exporting has declined since 2020, and in 2022, 14% of private/voluntary sector businesses do so, rising to 25% of medium/large businesses.
- This proportion increases within manufacturing (37%) and transport/storage/comms (25%).
- The majority export to EU countries (87%), while close to half export to North America (49%) and EEA countries (46%).

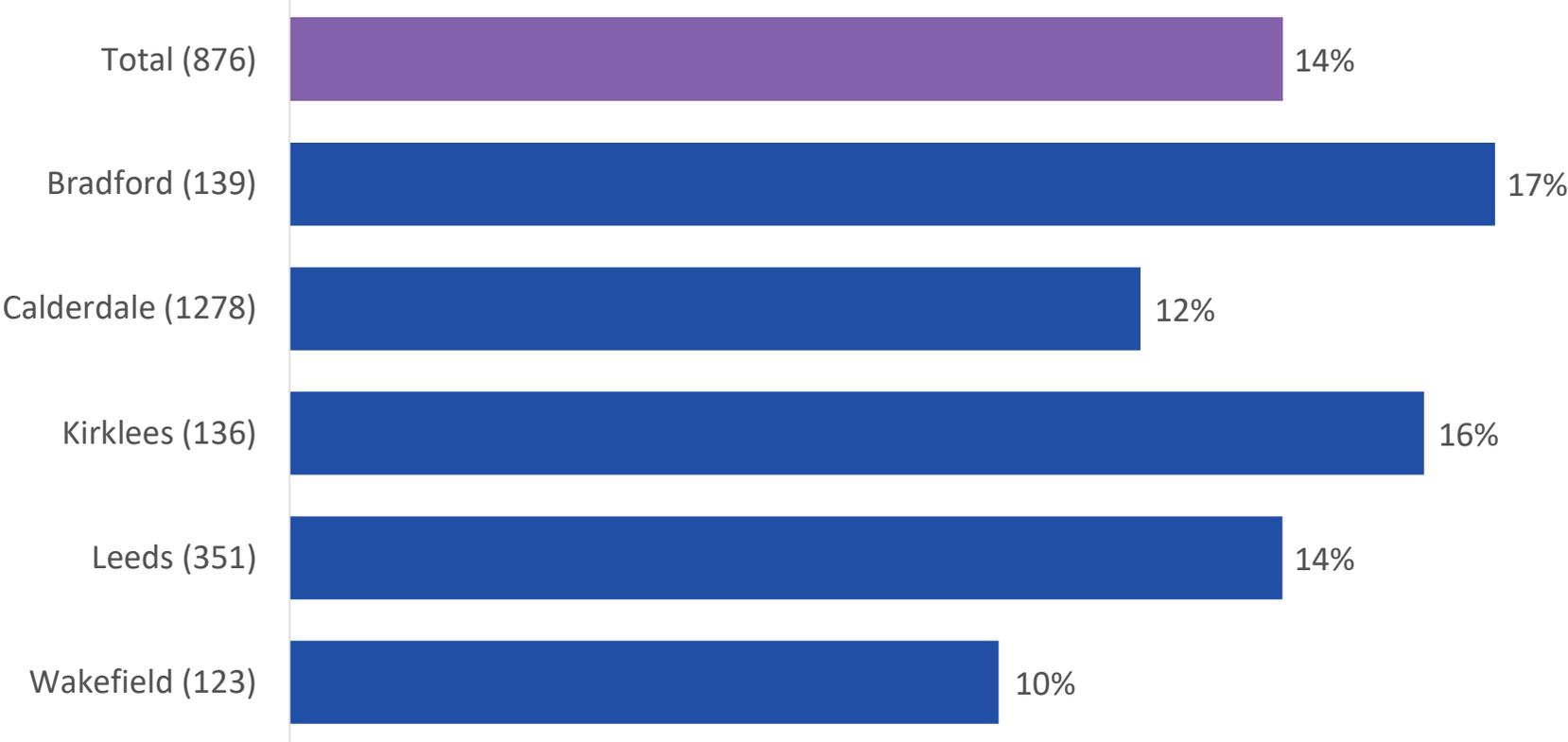
## % currently export



2015\* (3,003) 2017\* (2,368) 2019 (1,383) 2020 (1,117) 2021 (1,324) 2022 (876)

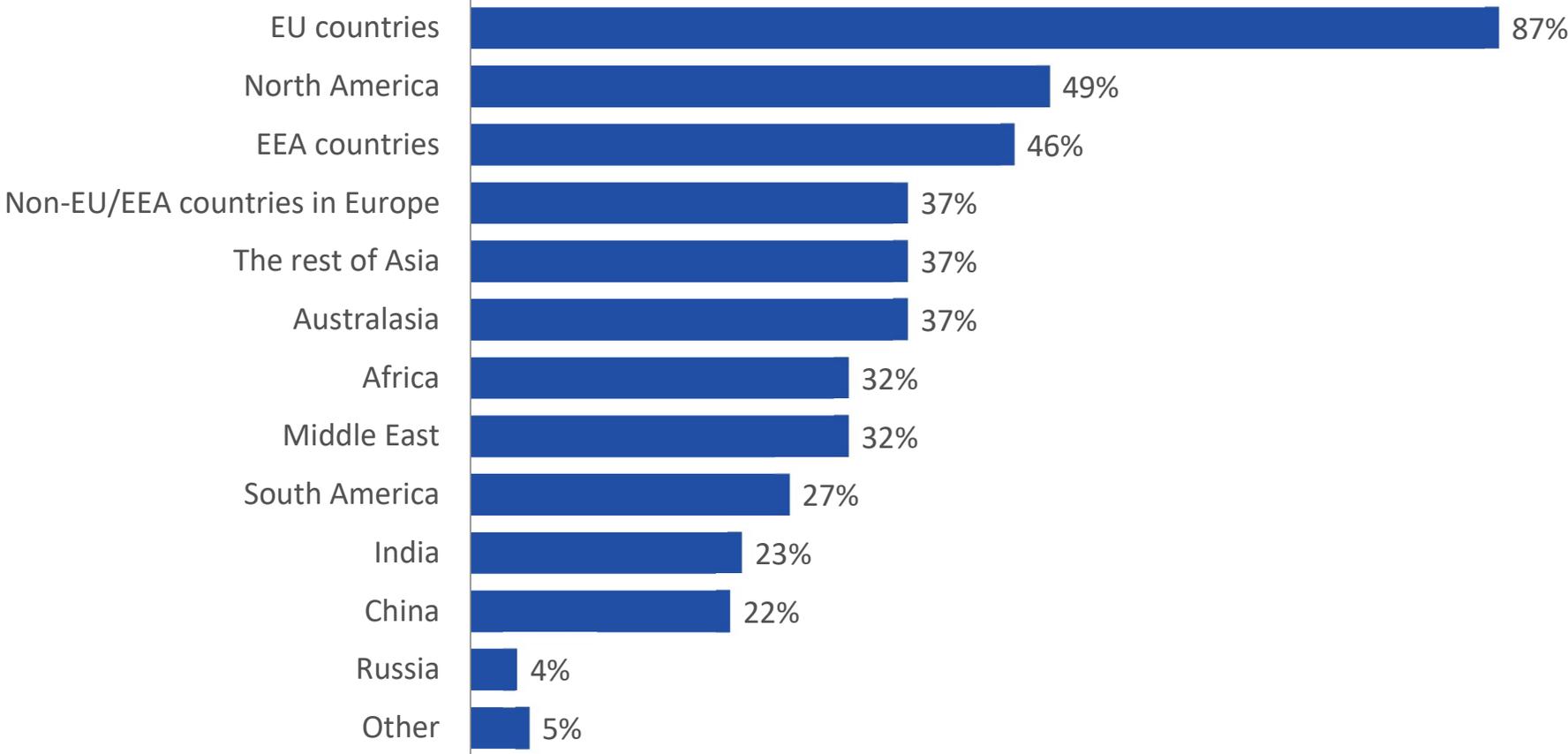
Q24. All except public sector, unweighted bases shown in brackets

# % currently export



Q24. All except public sector, unweighted bases shown in brackets

# Where export to



Q25. All who export, unweighted base = 440

# % of sales from specific locations

	0%	1-10%	11-25%	26-50%	51-75%	76-99%	100%	Any
Within Yorkshire & Humber	3%	7%	8%	10%	10%	23%	38%	97%
Rest of the UK	38%	16%	12%	14%	9%	9%	2%	62%
The EU	89%	6%	2%	2%	<0.5%	<0.5%	0%	11%
Outside the EU	93%	5%	1%	1%	<0.5%	<0.5%	0%	7%

Q26. Private/voluntary sector providing a valid response, unweighted base = 753

# % of purchases from specific locations

	0%	1-10%	11-25%	26-50%	51-75%	76% or more	Any
Within Yorkshire & Humber	12%	14%	8%	14%	11%	42%	88%
Rest of the UK	24%	15%	18%	19%	10%	14%	76%
The EU	72%	12%	6%	6%	2%	2%	28%
Outside the EU	84%	6%	3%	4%	1%	1%	16%

Q27. All respondents providing a valid response, unweighted base = 874

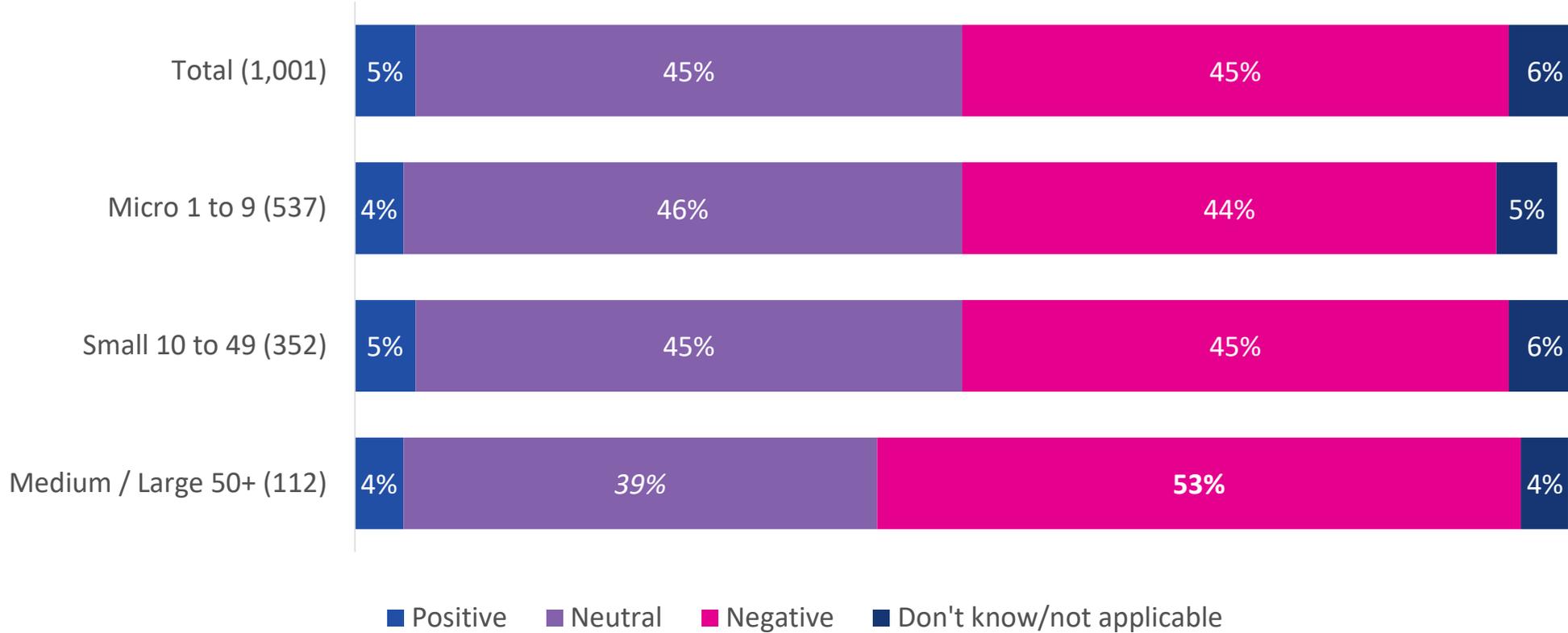


# Brexit

## Brexit – summary

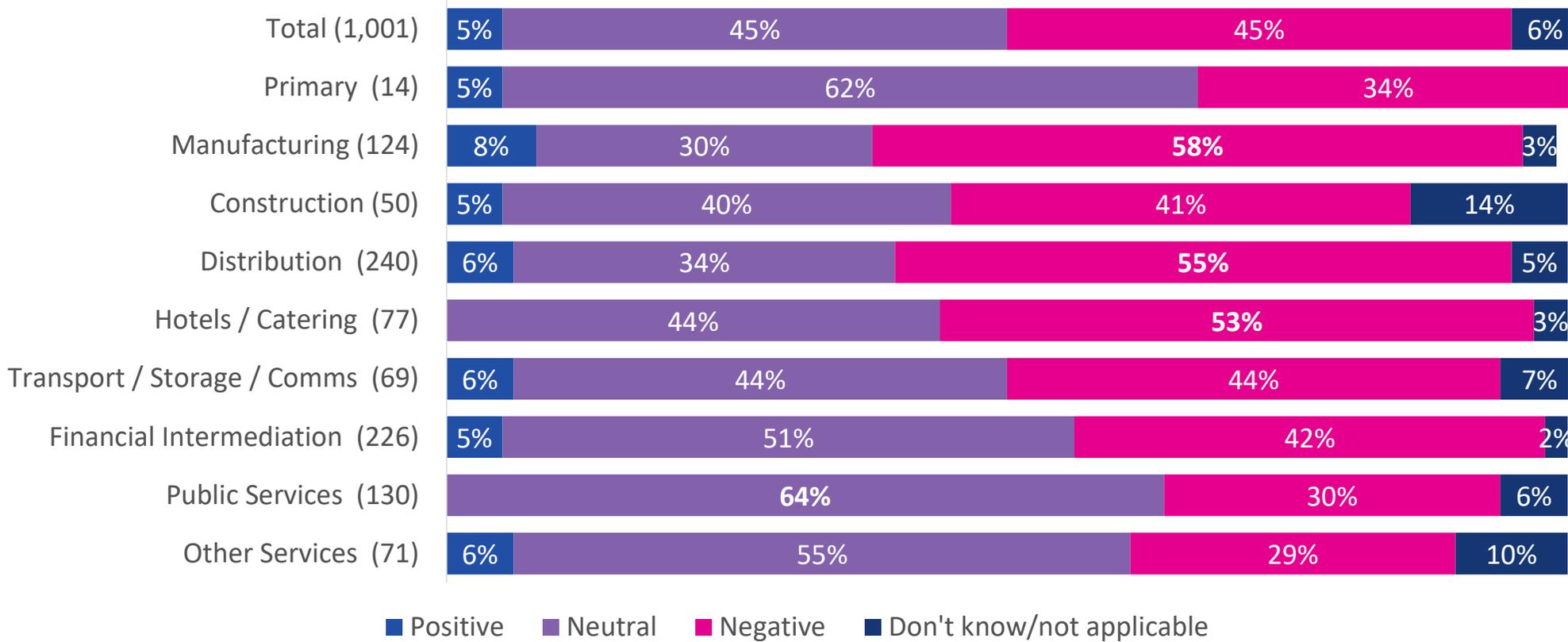
- Businesses across West Yorkshire are significantly more likely to consider the impact of leaving the EU on the business to date as negative (45%) than positive (5%). Those considering the impact to be negative are higher than average within manufacturing and distribution (both 55%).
- Views are a little more positive going forward, with 38% expecting the impact to be negative over the next couple of year, and 13% expecting it to be positive. Even on a longer term basis, those in manufacturing (47%) and hotels/catering (51%) are significantly more likely than average to expect a negative impact.
- Among businesses who believe leaving the EU has had, or will have, a negative impact, over half report they have already experienced an increase in costs of imports from the EU (58%), and been impacted by tariffs on products (51%). Over a third have been impacted by changes to customs procedures (39%) and regulatory changes (33%).
- Compared to 2021, there have been significant increases in the proportions who have experienced, or expect to experience, difficulties in recruiting skilled and unskilled EU labour.

# Impact of leaving the EU on the business to date



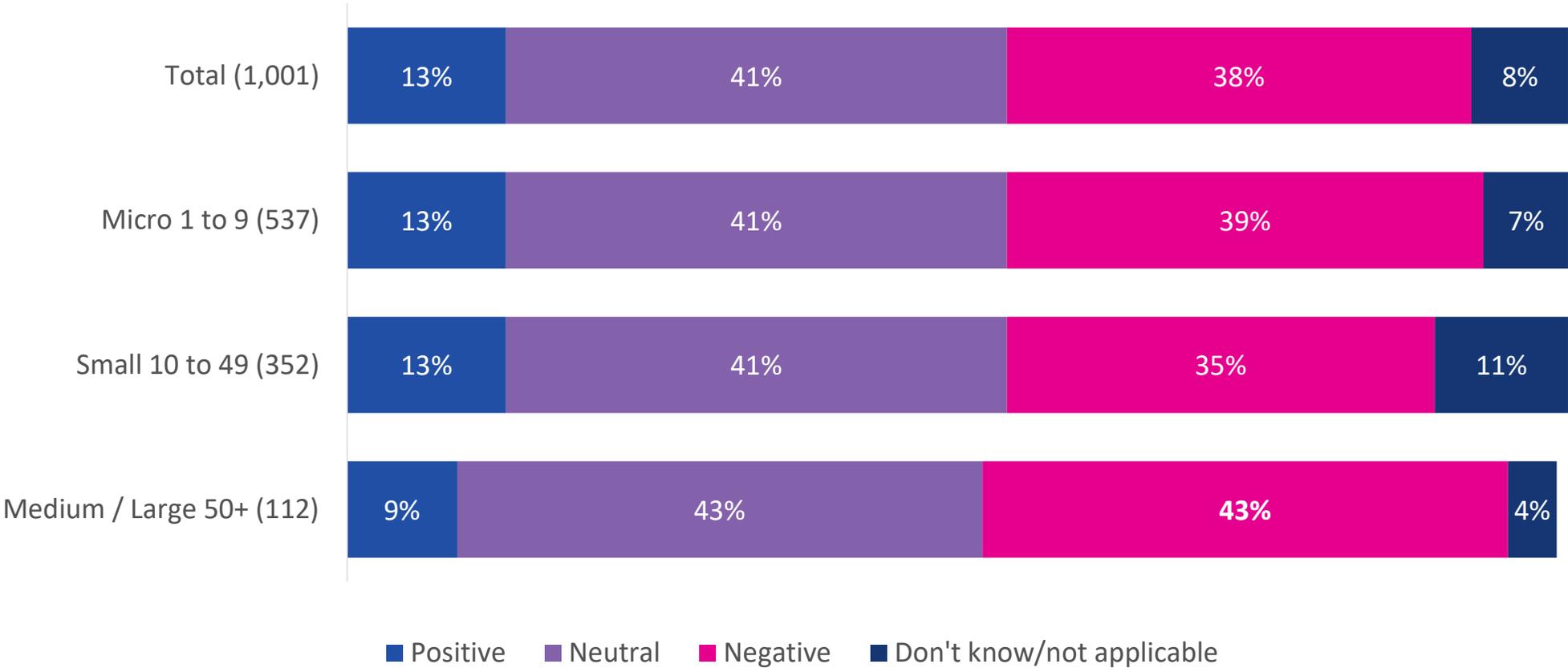
Q28. All respondents, unweighted bases shown in brackets

# Impact of leaving the EU on the business to date



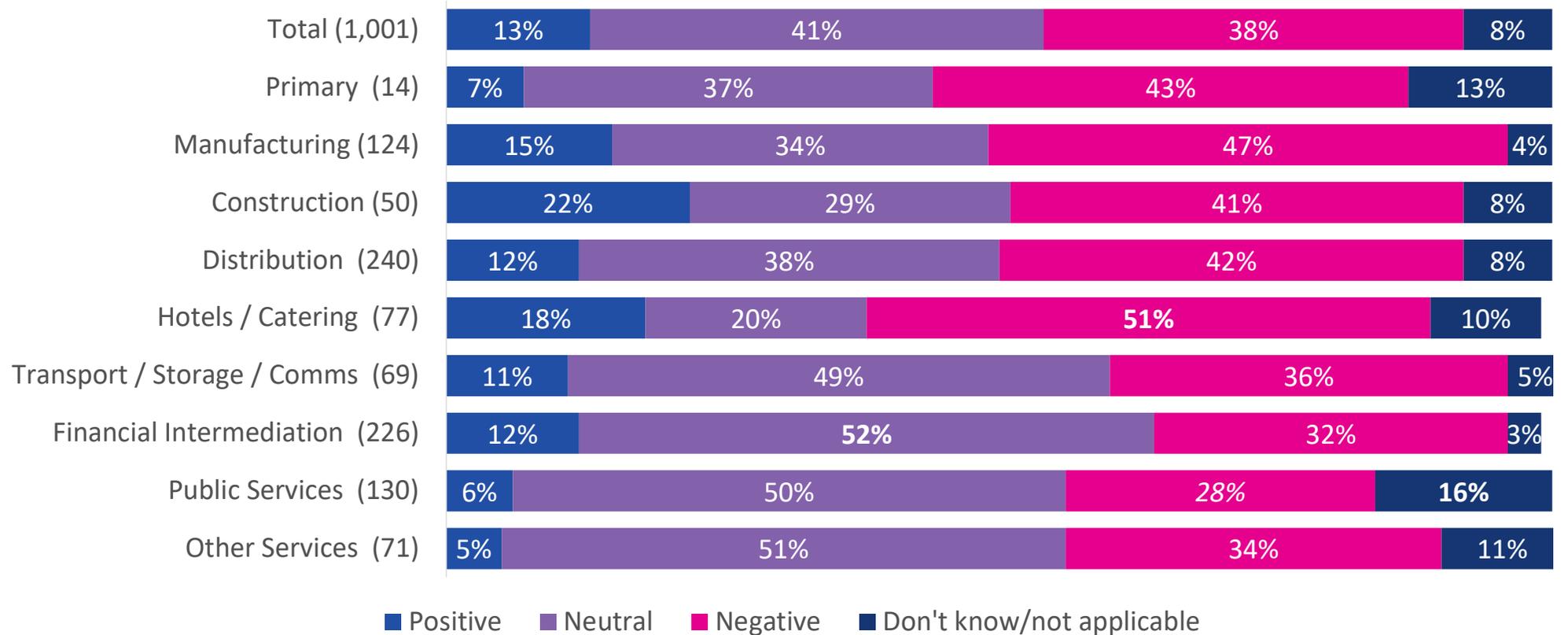
Q28. All respondents, unweighted bases shown in brackets

# Expected impact of leaving the EU on the business in the next couple of years



Q29. All respondents, unweighted bases shown in brackets

## Expected impact of leaving the EU on the business in the next couple of years



Q29. All respondents, unweighted bases shown in brackets

## Issues experienced as a result of the UK's departure from the EU



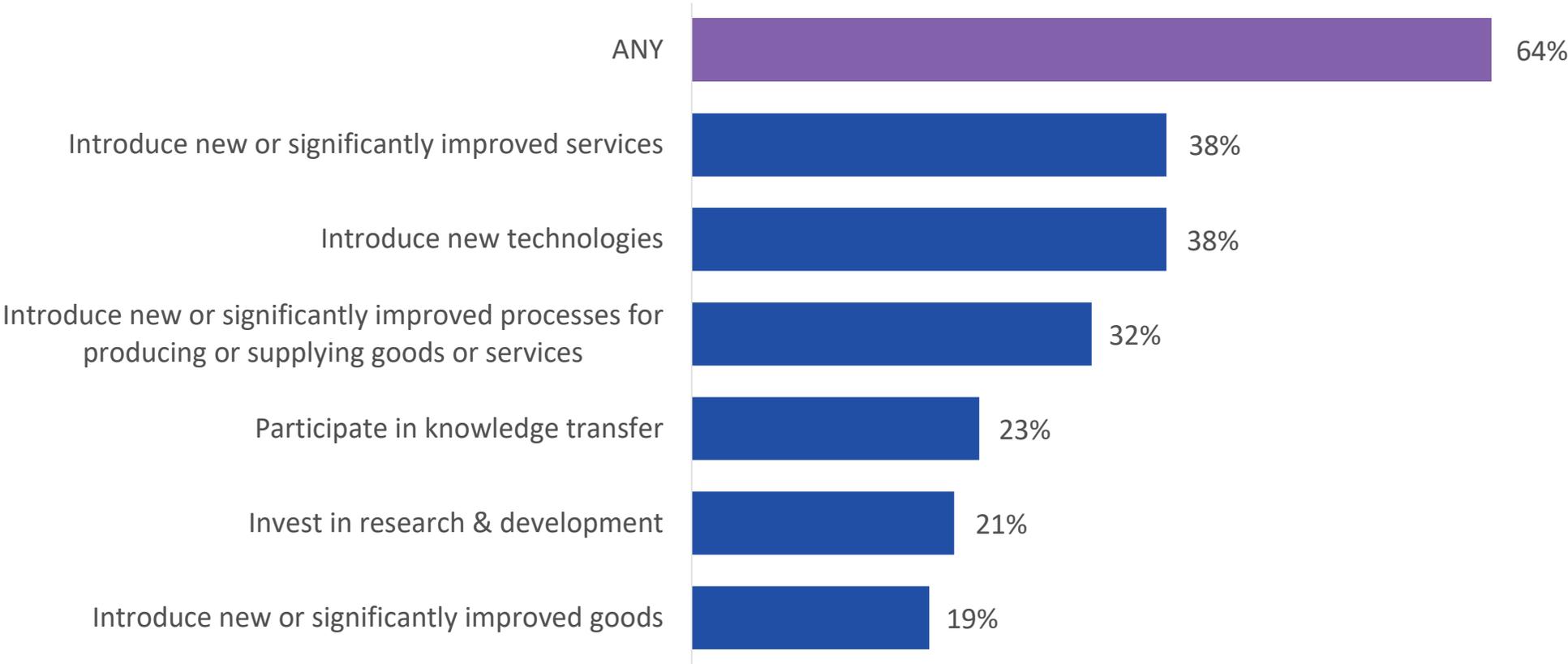
Q30. All who think Brexit has had/will have a negative impact, unweighted bases shown in brackets

# R&D/business innovation

## R&D/business innovation – summary

- Two thirds (64%) of private/voluntary sector businesses have undertaken any R&D/innovation in the past three years, rising to 82% of medium/large businesses.
- The most common innovation activities are new or significantly improved services (38%), new technologies (38%) and new or significantly improved processes for producing or supplying goods or services (32%).
- There is a higher propensity than average for innovation in the manufacturing (76%), transport/storage/comms (76%) and other services (81%) sectors.
- The most frequently mentioned collaborators for R&D/business innovation are other companies (42%) and business networks (41%).

# Innovation/R&D undertaken in past three years



Q31. All except public sector, unweighted base = 876

## Innovation/R&D undertaken in past three years

	Total (876)	Micro 1 to 9 (484)	Small 10 to 49 (298)	Medium/Large 50+ (94)
<b>ANY</b>	64%	62%	72%	82%
Introduce new or significantly improved services	38%	37%	40%	57%
Introduce new technologies	38%	35%	47%	54%
Introduce new or significantly improved processes for producing or supplying goods or services	32%	29%	39%	53%
Participate in knowledge transfer	23%	21%	27%	33%
Invest in research & development	21%	18%	32%	40%
Introduce new or significantly improved goods	19%	19%	20%	25%
<b>ALL</b>	3%	3%	2%	7%

Q31. All except public sector, unweighted bases shown in brackets

## Innovation/R&D undertaken in past three years

	Primary (14)	Manufacturing (119)	Construction (46)	Distribution (205)	Hotels/Catering (64)	Transport/Storage/Comms (65)	Financial Intermediation (210)	Public Services (100)	Other Services (53)
ANY	64%	<b>76%</b>	44%	62%	49%	<b>76%</b>	68%	71%	<b>81%</b>
Introduce new or significantly improved services	47%	31%	18%	36%	31%	<b>64%</b>	38%	<b>49%</b>	<b>55%</b>
Introduce new technologies	19%	42%	23%	36%	21%	<b>56%</b>	42%	42%	<b>51%</b>
Introduce new or significantly improved processes for producing or supplying goods or services	22%	<b>44%</b>	18%	31%	15%	40%	36%	36%	40%
Participate in knowledge transfer	30%	20%	9%	19%	17%	30%	26%	29%	<b>34%</b>
Invest in research & development	40%	<b>41%</b>	10%	18%	10%	24%	26%	15%	29%
Introduce new or significantly improved goods	15%	<b>41%</b>	20%	20%	16%	19%	16%	16%	19%
ALL	0%	2%	4%	2%	1%	6%	4%	3%	2%

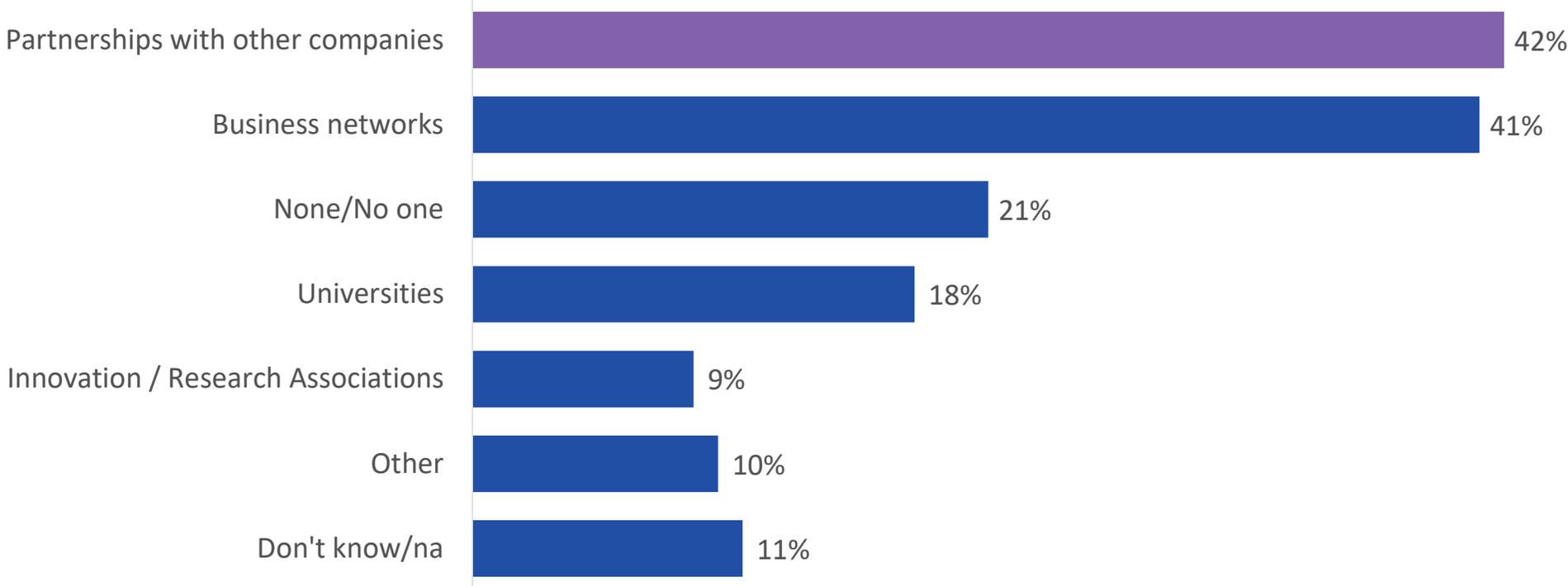
Q31. All except public sector, unweighted bases shown in brackets

## Innovations/R&D undertaken in past three years

	Total (876)	Bradford (139)	Calderdale (127)	Kirklees (136)	Leeds (351)	Wakefield (123)
ANY	64%	62%	67%	64%	68%	55%
Introduce new or significantly improved services	38%	35%	39%	39%	41%	35%
Introduce new technologies	38%	38%	30%	35%	<b>45%</b>	25%
Introduce new or significantly improved processes for producing or supplying goods or services	32%	34%	31%	30%	33%	26%
Participate in knowledge transfer	23%	16%	22%	22%	25%	26%
Invest in research & development	21%	20%	28%	21%	21%	15%
Introduce new or significantly improved goods	19%	22%	<b>29%</b>	15%	18%	18%
ALL	3%	1%	2%	3%	4%	4%

Q31. All except public sector, unweighted bases shown in brackets

# Collaborators when undertaking innovation or R&D



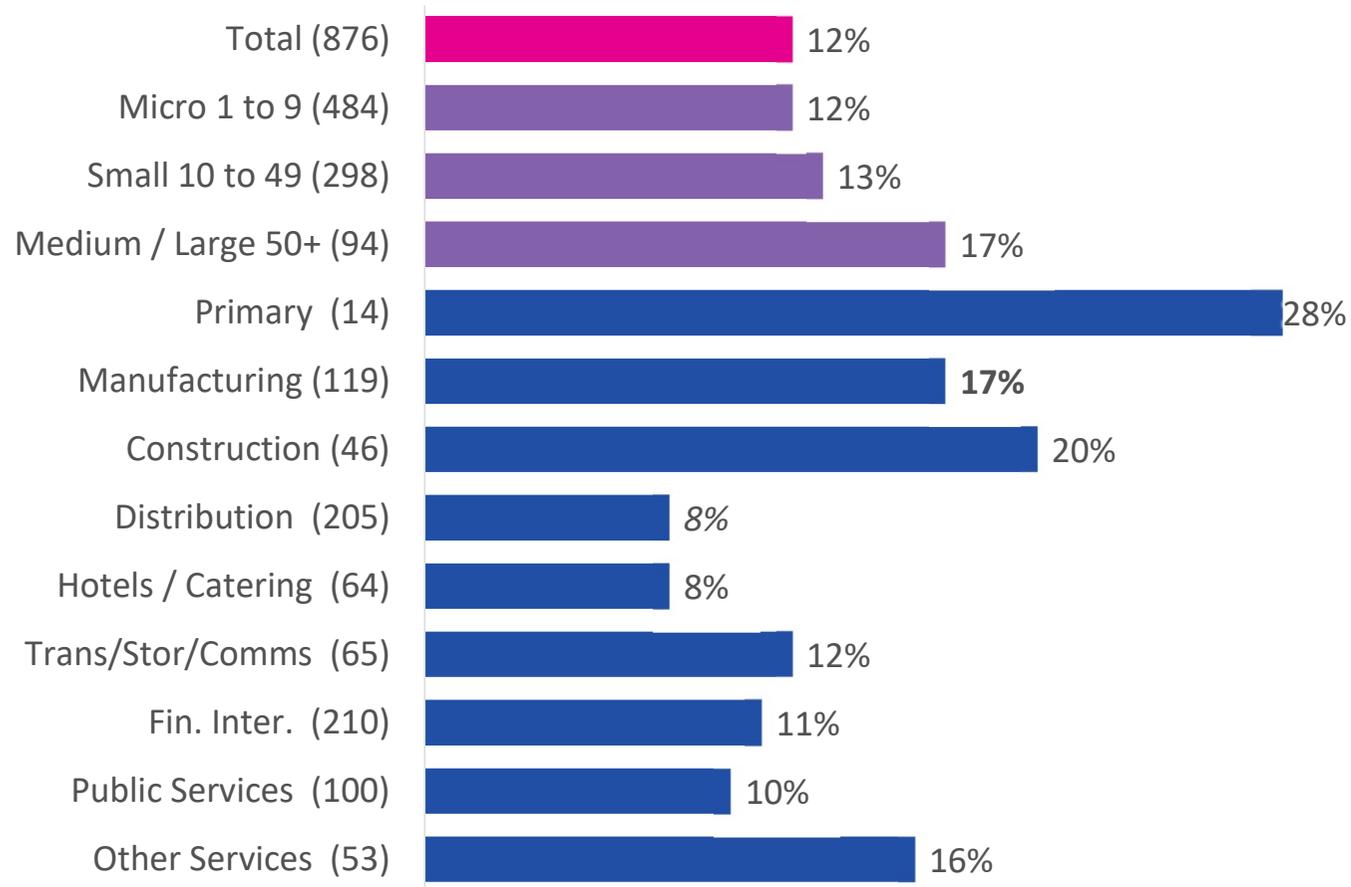
Q32. All who collaborate on innovation/R&D, unweighted base = 615

# Access to finance

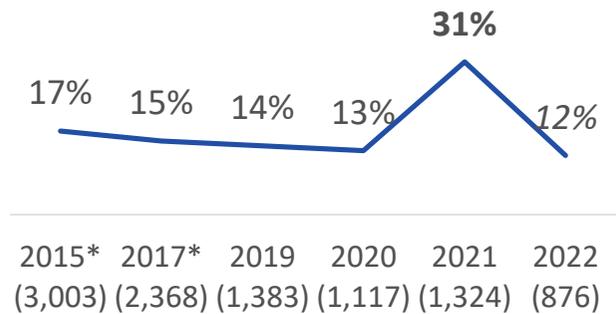
## Access to finance – summary

- Following a sharp increase in 2021, there has been a significant decline in the proportion of businesses that have applied for new sources of finance/credit (or renegotiated existing finance or credit) in the last 12 months (12%, cf. 31% in 2021), such that it is at its lowest level since the survey began in 2015.
- Whereas in 2021 the finance/credit was most likely related to pandemic grants/loans, this has reduced in 2022 to 23% (cf. 51%) in 2021.
- In 2022, the other most frequently reported uses were for capital investment (37% cf. 8% in 2021), cash flow (32% cf. 41% in 2021) and investment in premises/relocation (17% cf. 5%).
- While public sector Covid-19 finance remains the most common source, this is to a lesser extent than was the case in 2021 (46% cf. 64%), while the use of private sector non-Covid related products has increased (38% cf. 16%).

## % applied for new sources of finance/credit\*



**12% were unsuccessful**



2015\* (3,003) 2017\* (2,368) 2019 (1,383) 2020 (1,117) 2021 (1,324) 2022 (876)

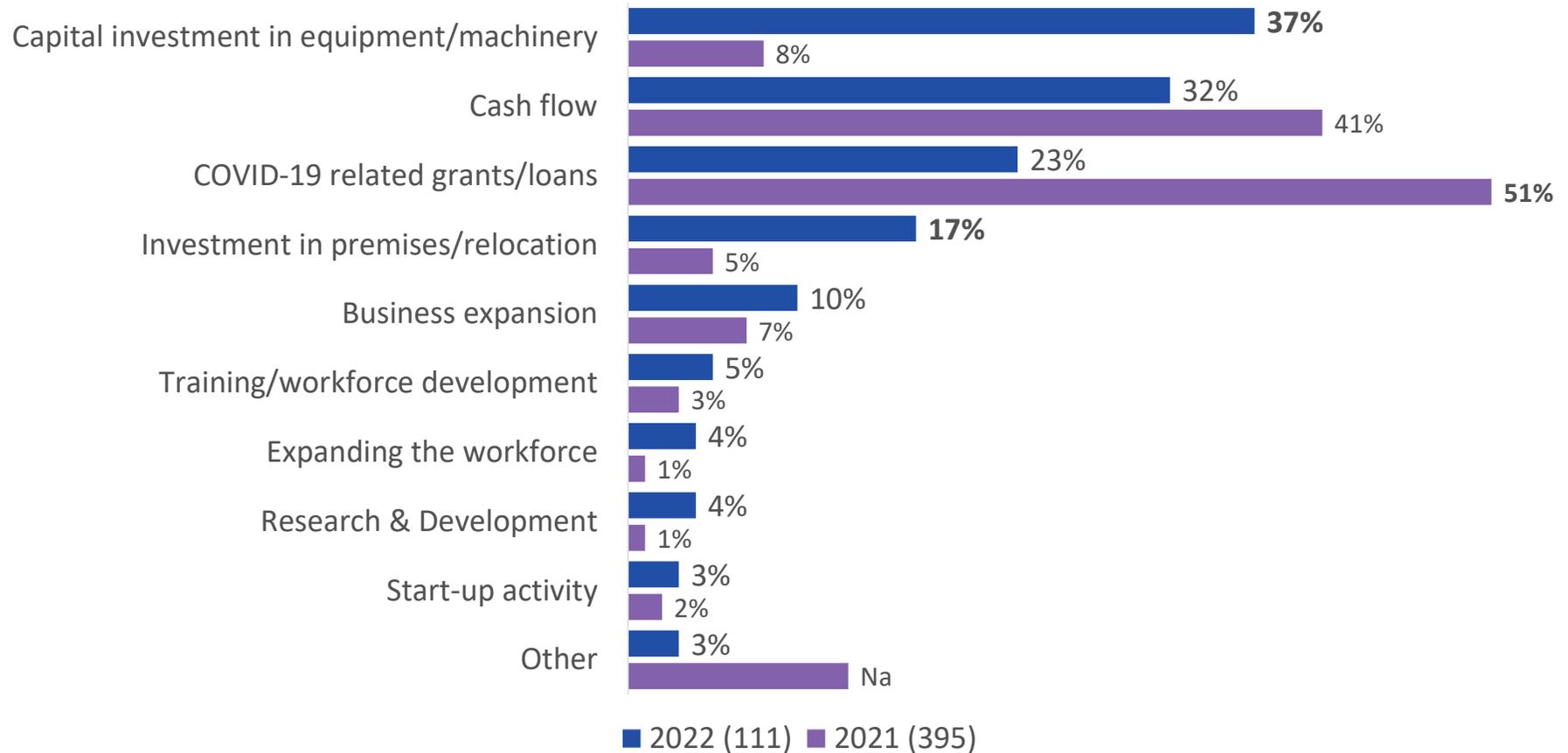
Q33. All except public sector, unweighted bases shown in brackets



\*Or renegotiated existing finance or credit.  
\* based on Leeds City region data

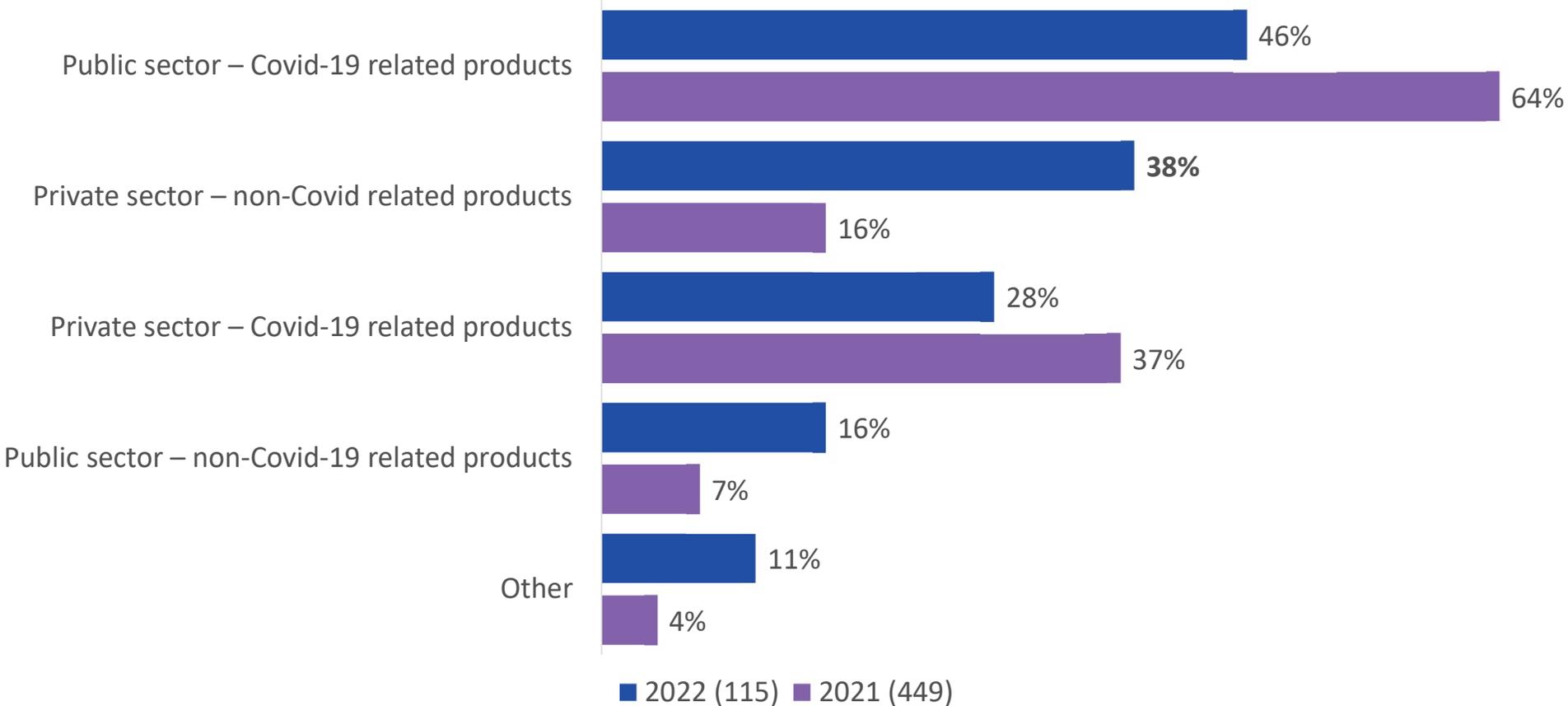


## Use of finance or credit



Q34. All except public sector, where applied for new sources of finance or credit, unweighted bases shown in brackets

# Source of finance or credit



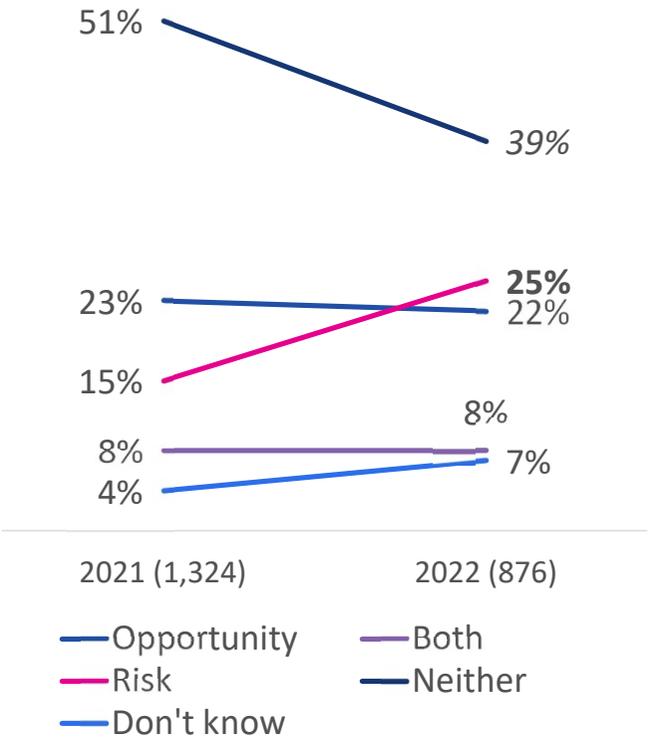
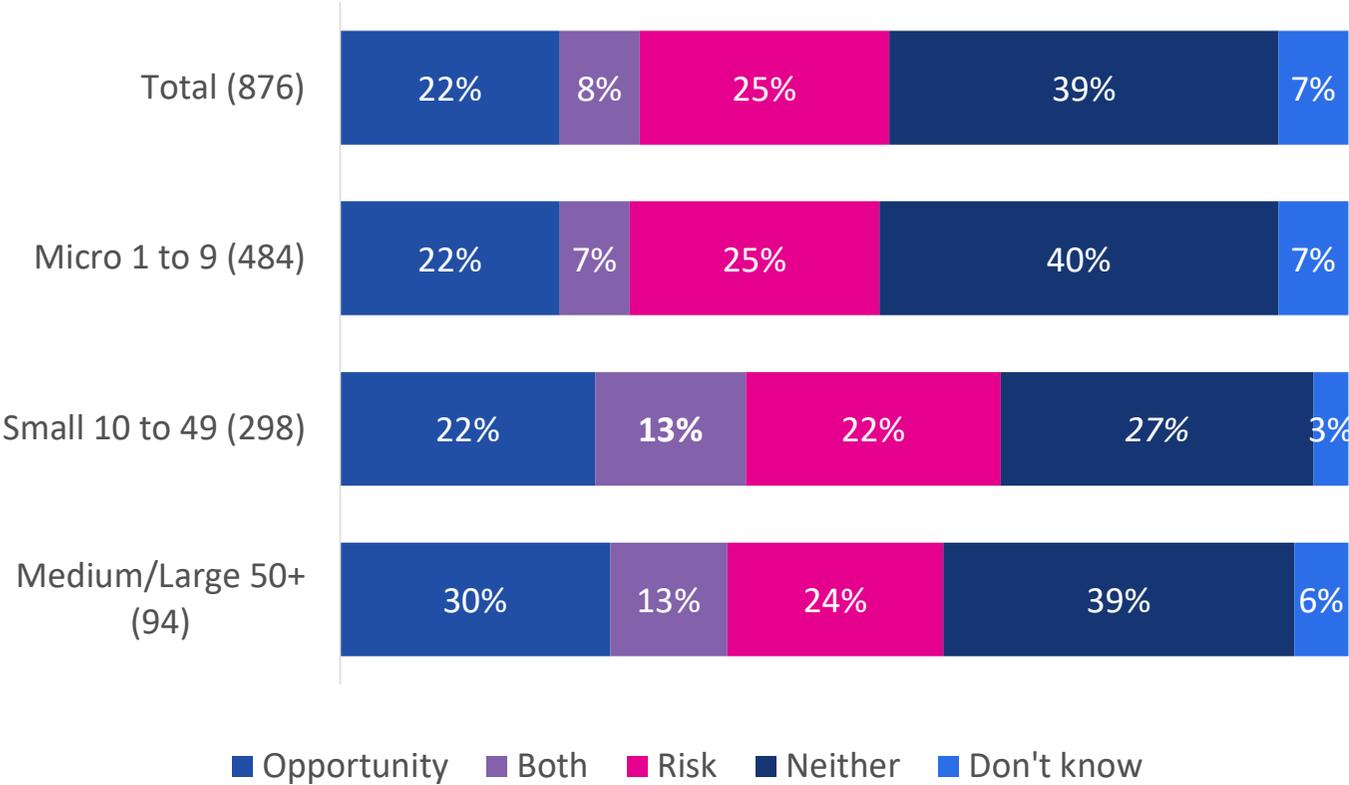
Q35. Where applied for new sources of finance or credit, unweighted bases shown in brackets

# Environmental improvement

## Environmental improvement – summary

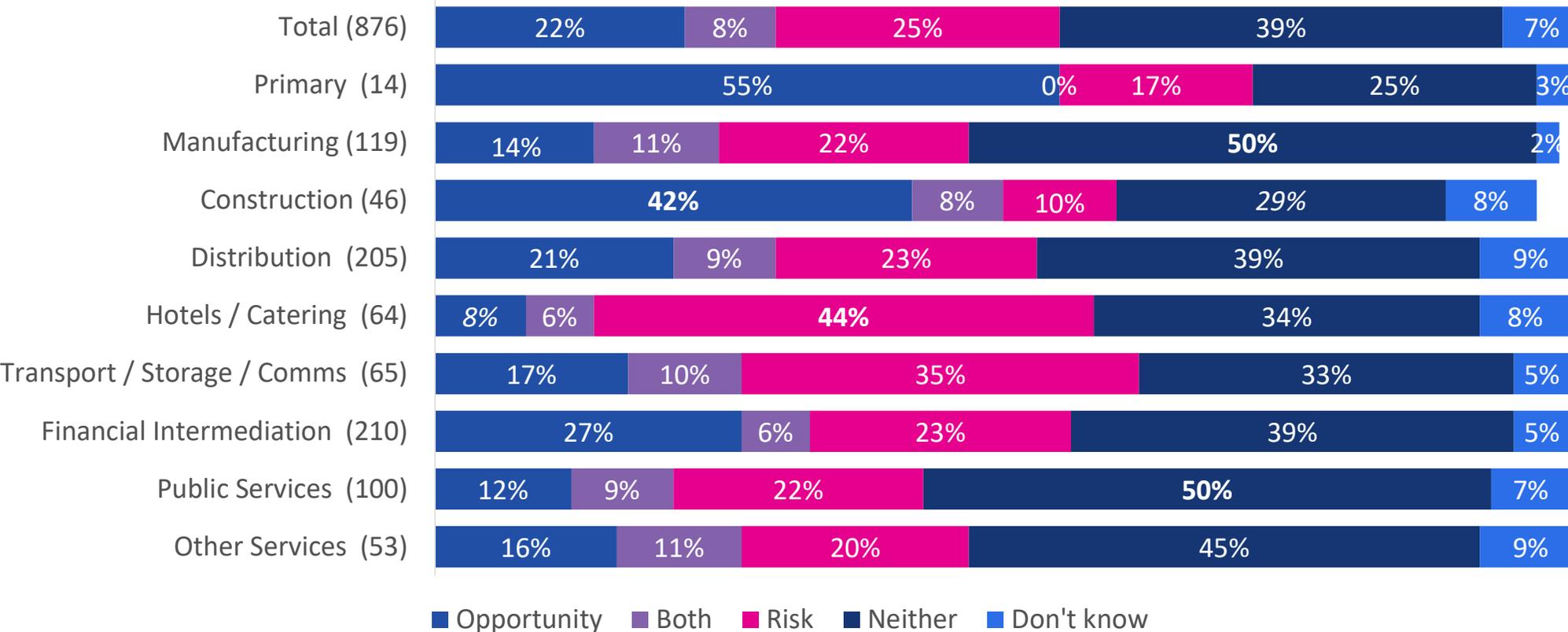
- In line with 2021, a fifth of businesses in the private/voluntary sector (22%) view climate change as an opportunity, and further 8% see it as both an opportunity and a risk. However, a quarter (25%) regard it as a risk, a significant uplift on the 15% who did so in 2021. The proportion who regard it as neither an opportunity nor a risk has correspondingly reduced from 50% in 2021 to 39% in the latest survey.
- Reducing carbon emissions is a primary objective for 12% of businesses overall, a decline on the 15% observed in 2021. However, there has been an increase in the proportion of businesses for whom it is a secondary objective, from 47% to 54%, and a corresponding decline in the proportion for whom it is not an objective (from 38% to 34%).

# Climate change – a risk or opportunity?



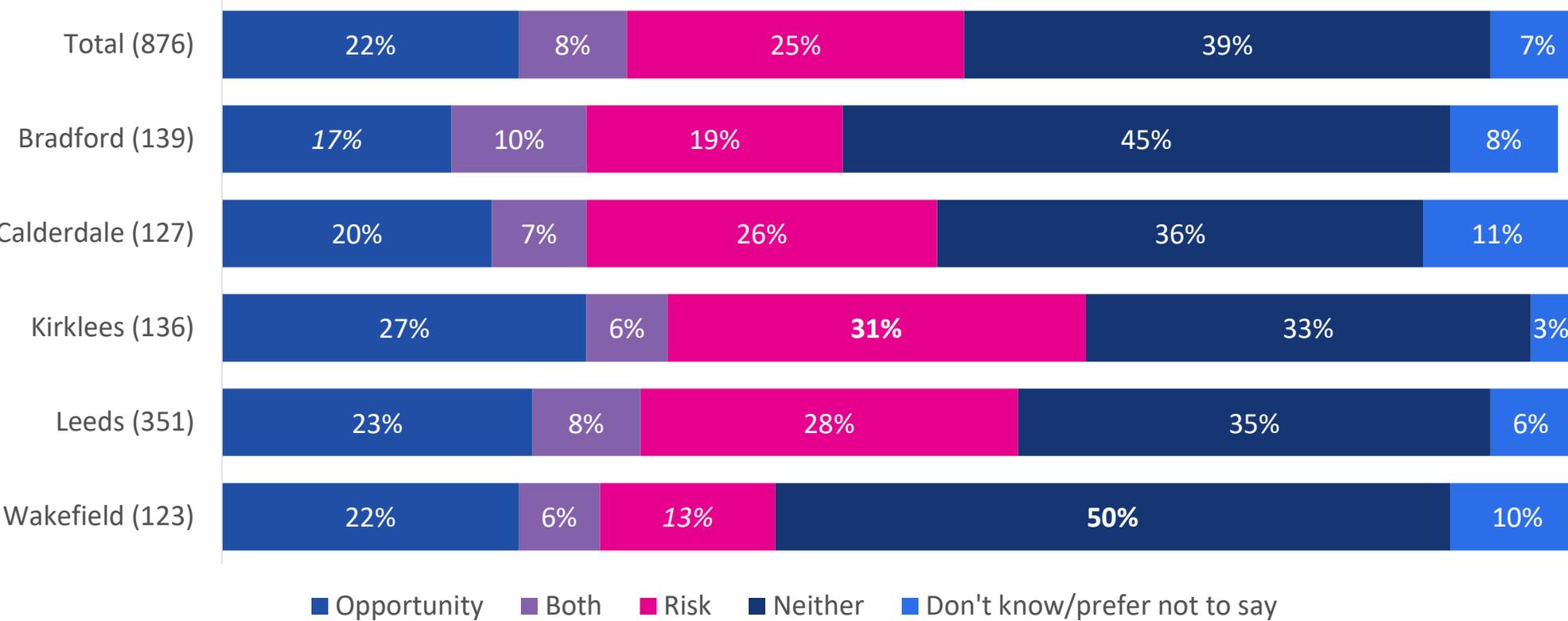
Q37. All except public sector, unweighted bases shown in brackets

# Climate change – a risk or opportunity?



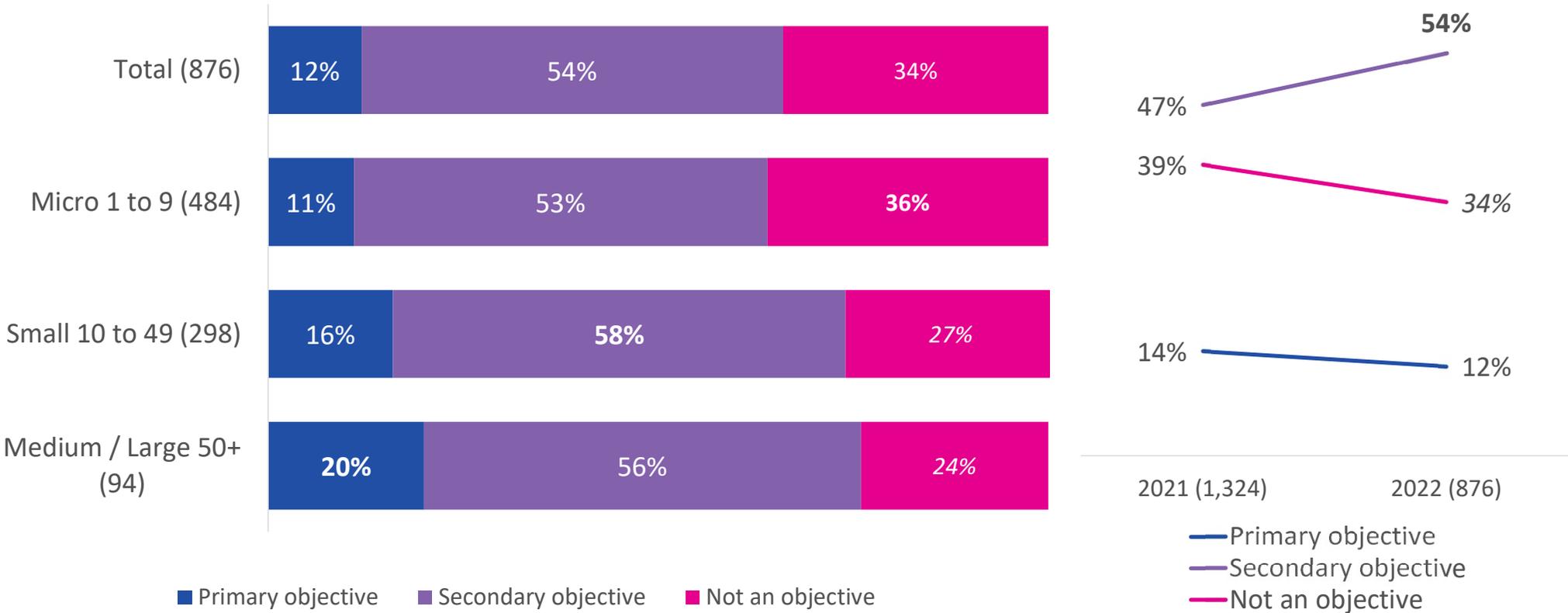
Q37. All except public sector, unweighted bases shown in brackets

# Climate change – a risk or opportunity?



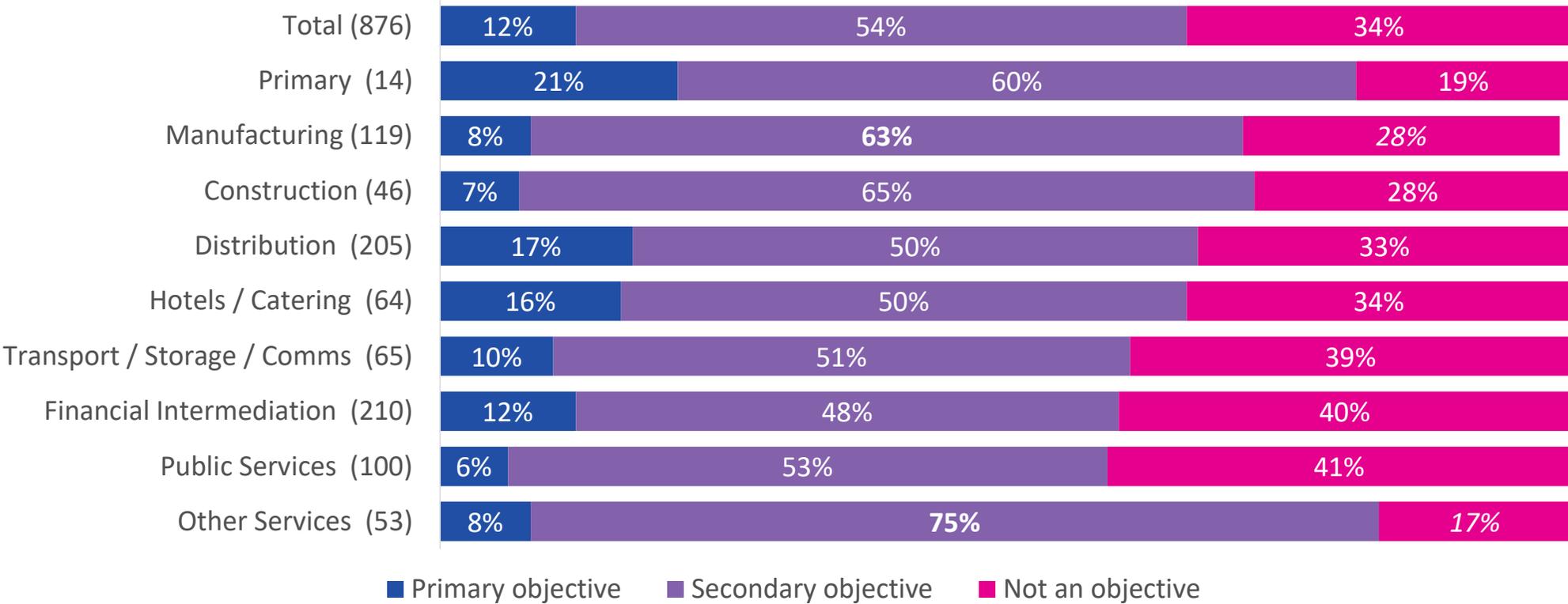
Q37. All except public sector, unweighted bases shown in brackets

# Extent to which reducing carbon emissions, waste, water use is an objective of the business



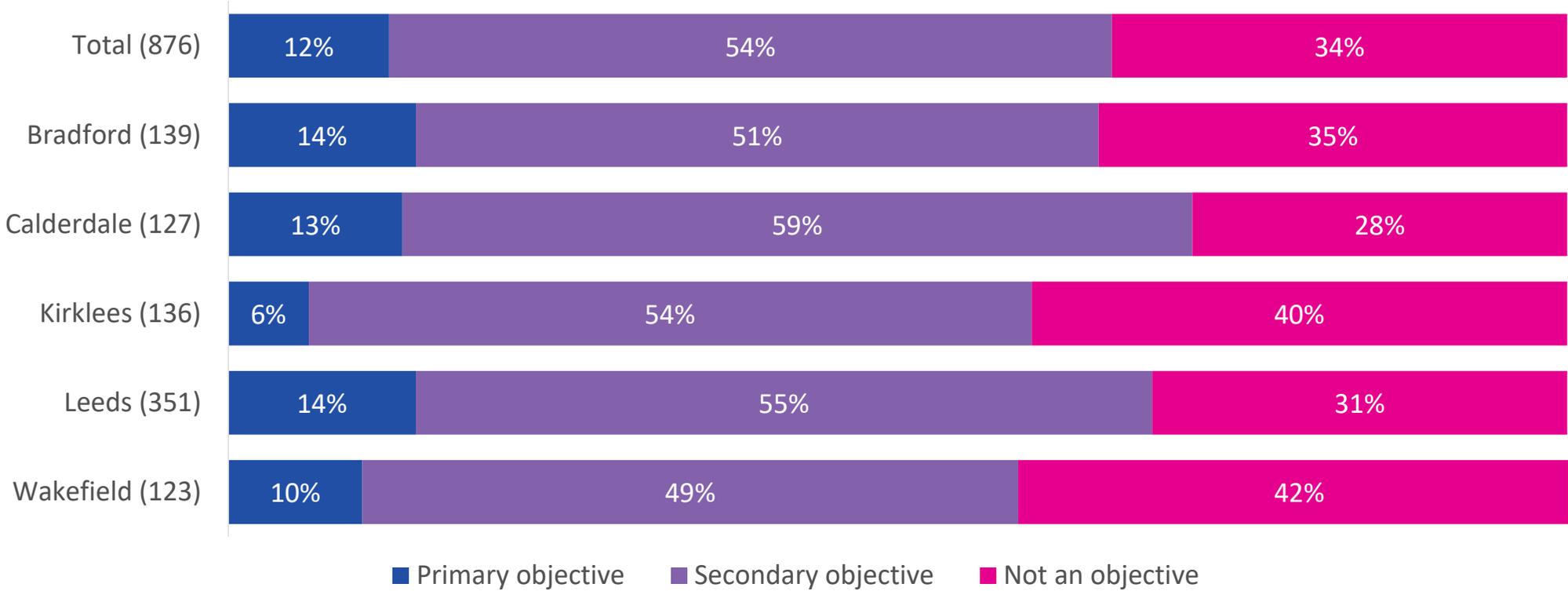
Q38. All except public sector, unweighted bases shown in brackets

# Extent to which reducing carbon emissions, waste, water use is an objective of the business



Q38. All except public sector, unweighted bases shown in brackets

# Extent to which reducing carbon emissions, waste, water use is an objective of the business



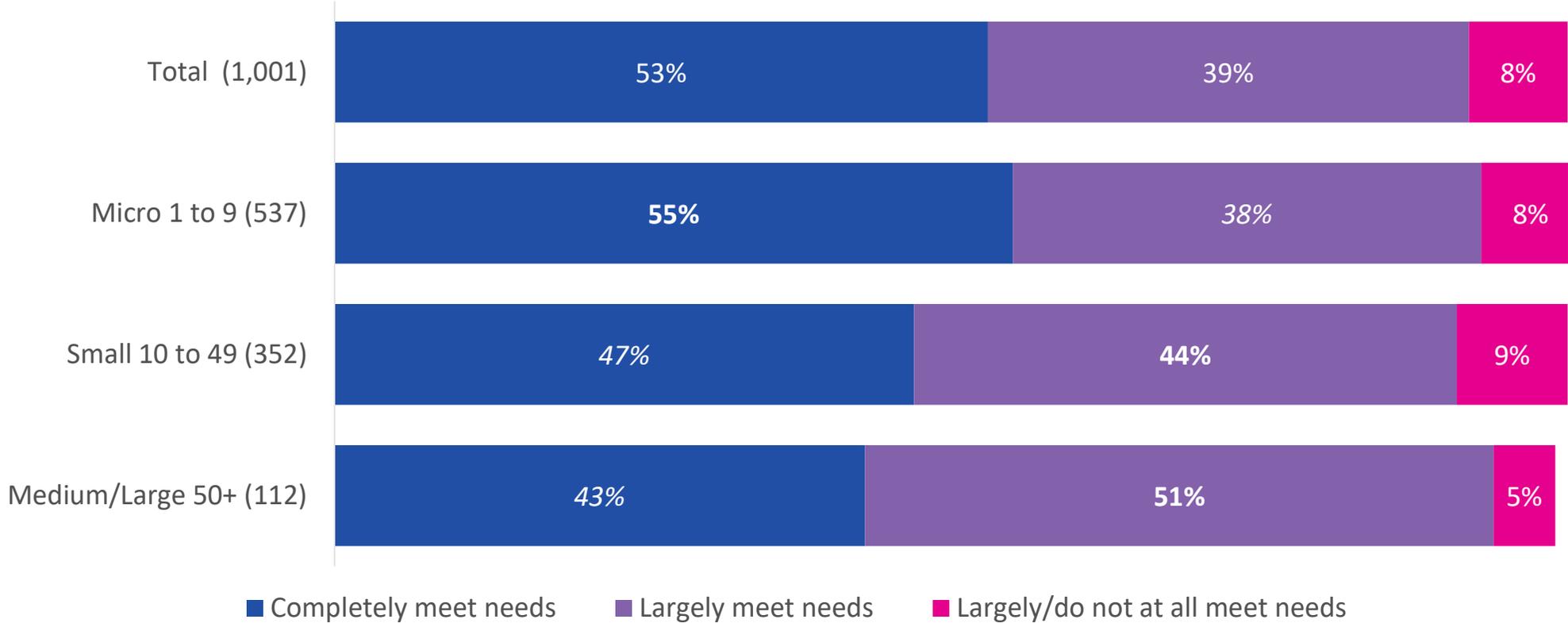
Q38. All except public sector, unweighted bases shown in brackets

# Business location

## Business location – summary

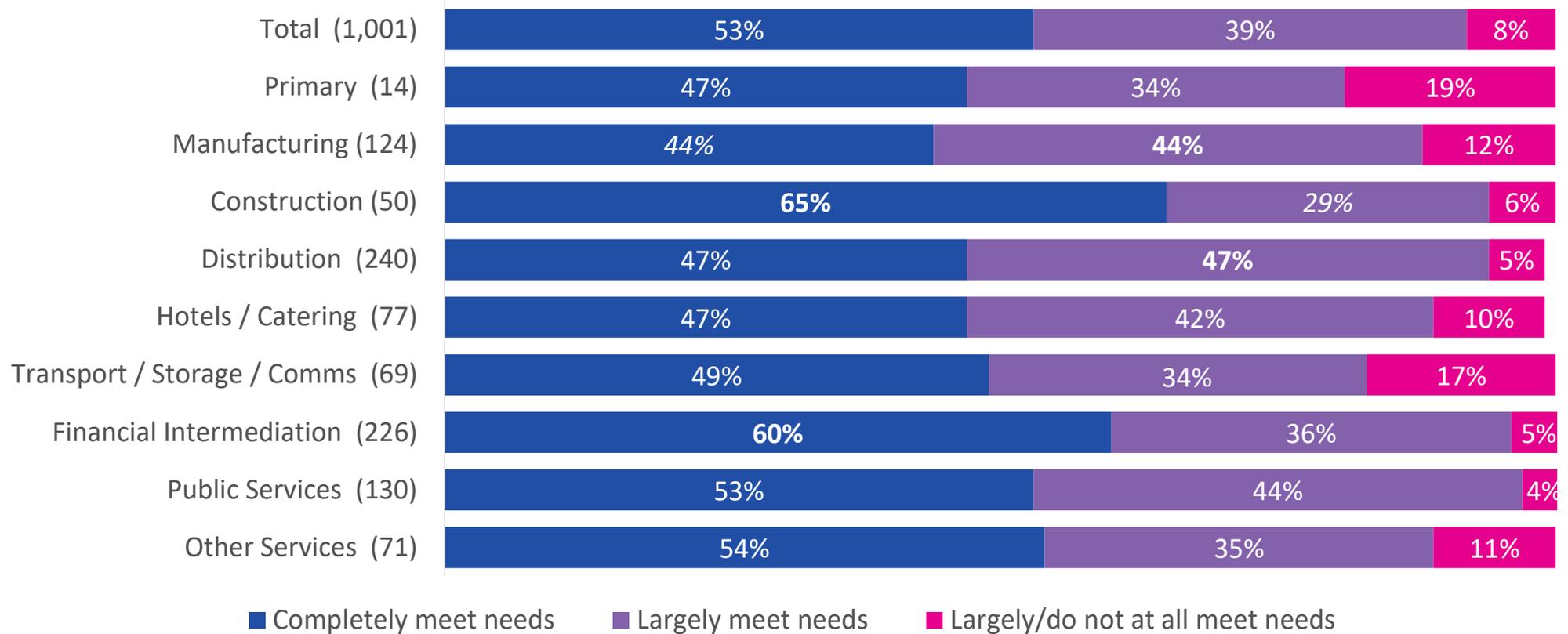
- The majority of businesses feel that their premises largely (39%) or completely (53%) meet their needs, with less than one in ten (8%) reporting that they largely do not or do not at all meet their needs. Premises that are too small is the main reason for their being less than completely satisfactory (55%)
- The majority of businesses do not anticipate any need for more or less physical space following emergence from the pandemic, but if they do it is more likely to be about more than less space (19%, compared with 5%). One in ten (10%) are planning to move.
- Few believe that there will be any impact of Channel 4 investment in Leeds on their business, but where they do they almost universally believe it will be positive (4%) rather than negative (<0.5%). However, the large majority (88%) believe it will have no impact.
- Views are more positive in this respect with regard to the area as a whole, with over one in ten (12%) believing Channel 4 investment will have a positive impact, and only 1% believing it will have a negative impact. However, again, the majority believe it will have no impact (62%).

# Extent to which premises meet current business needs



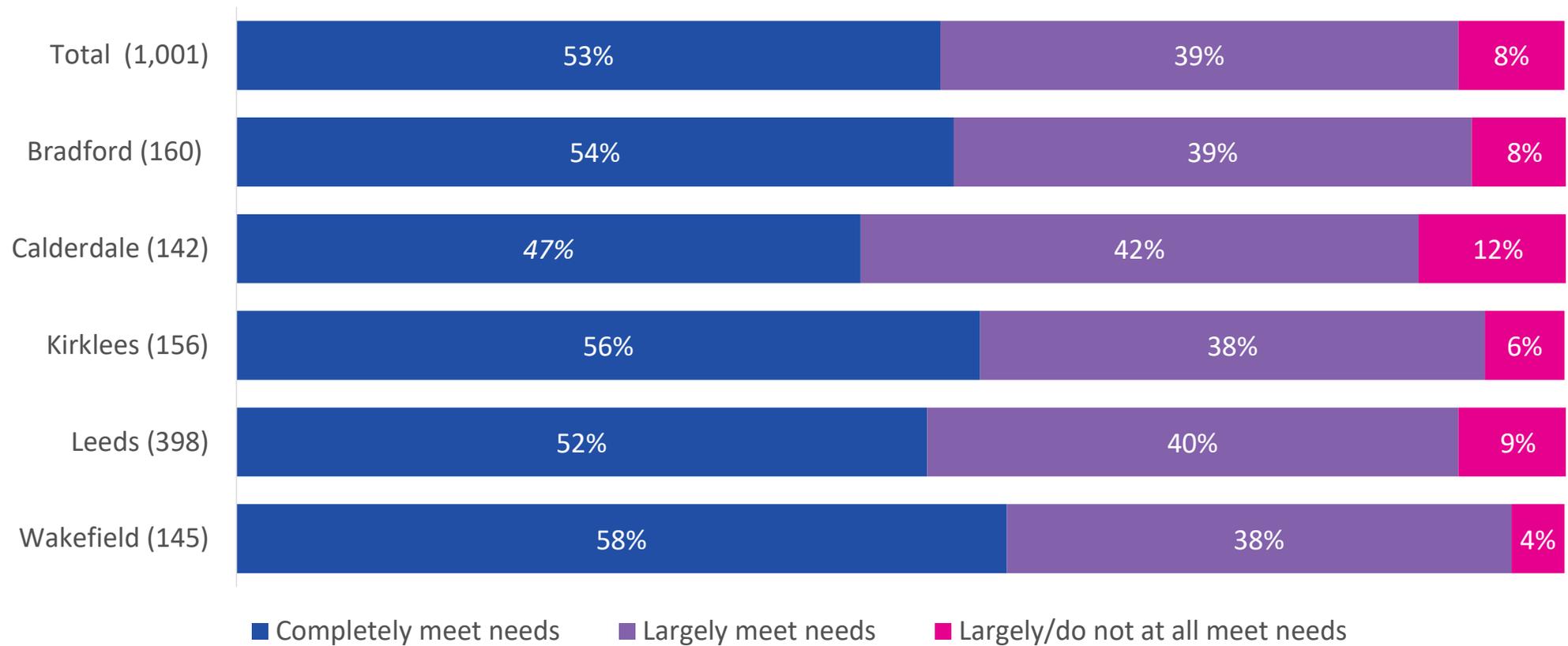
Q39. All respondents, unweighted bases shown in brackets

## Extent to which premises meet current business needs



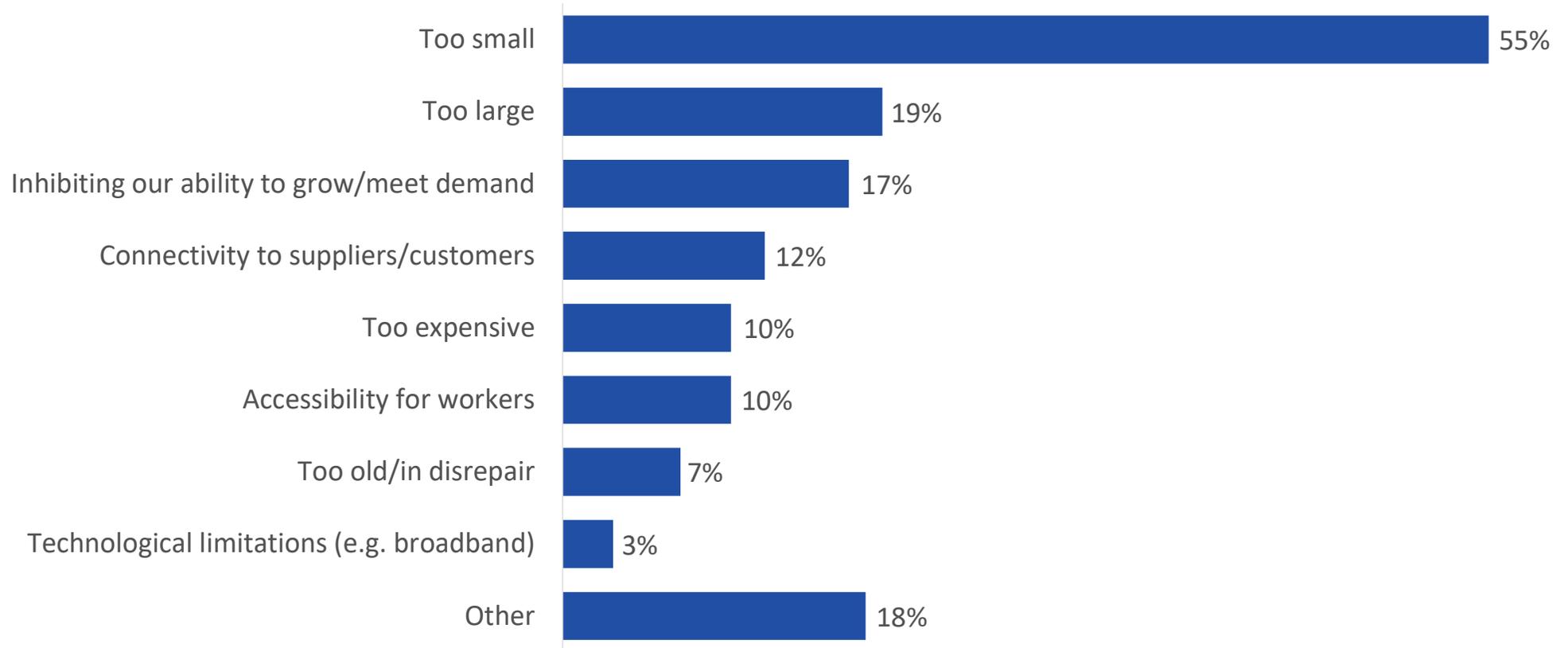
Q39. All respondents, unweighted bases shown in brackets

## Extent to which premises meet current business needs



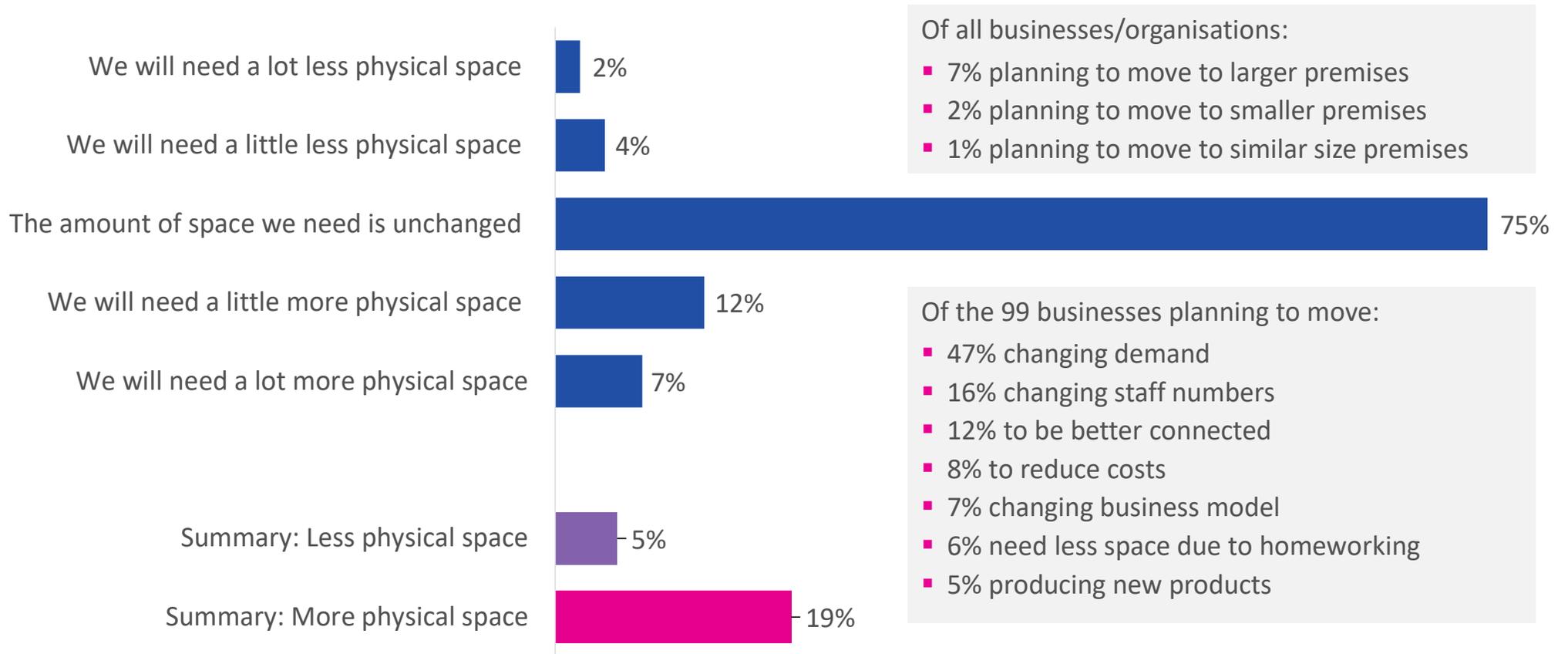
Q39. All respondents, unweighted bases shown in brackets

## Reasons why premises do not meet businesses' needs



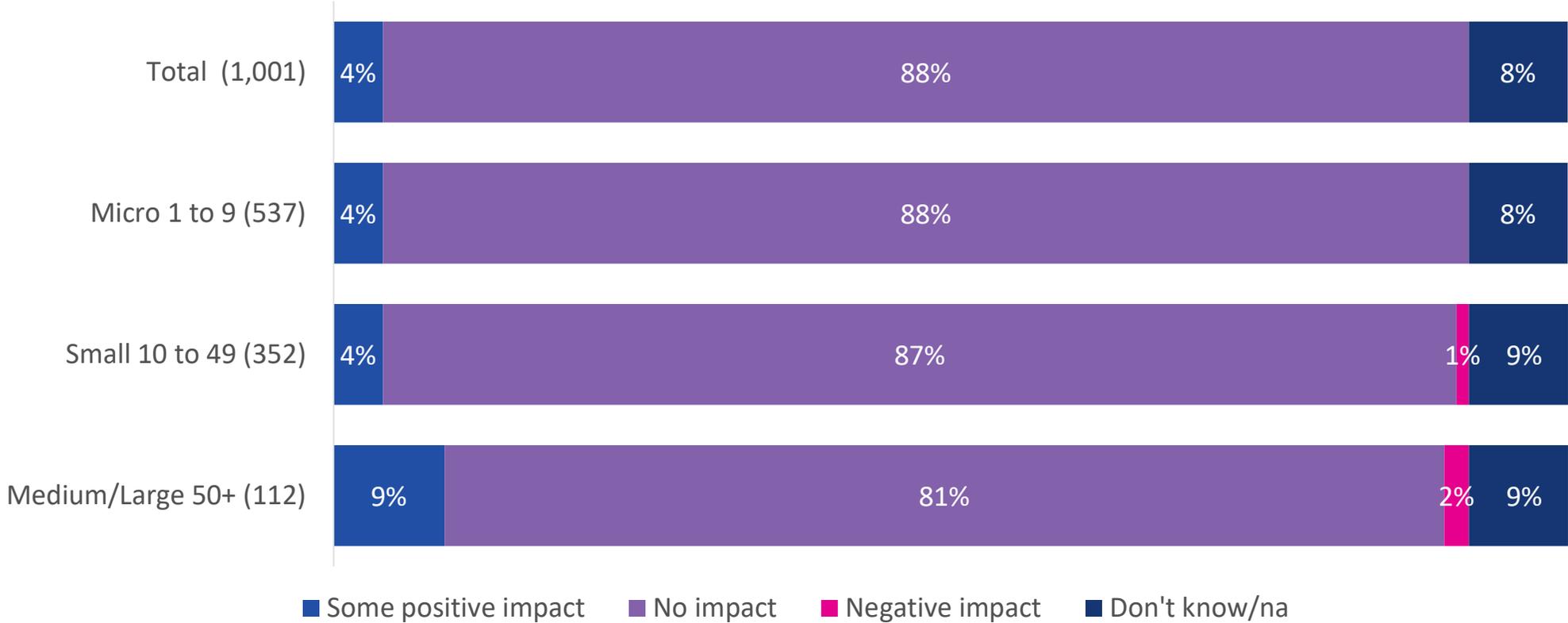
Q40. Where premises do not meet needs, unweighted base = 77

## How the amount of physical space needed may change in the next year



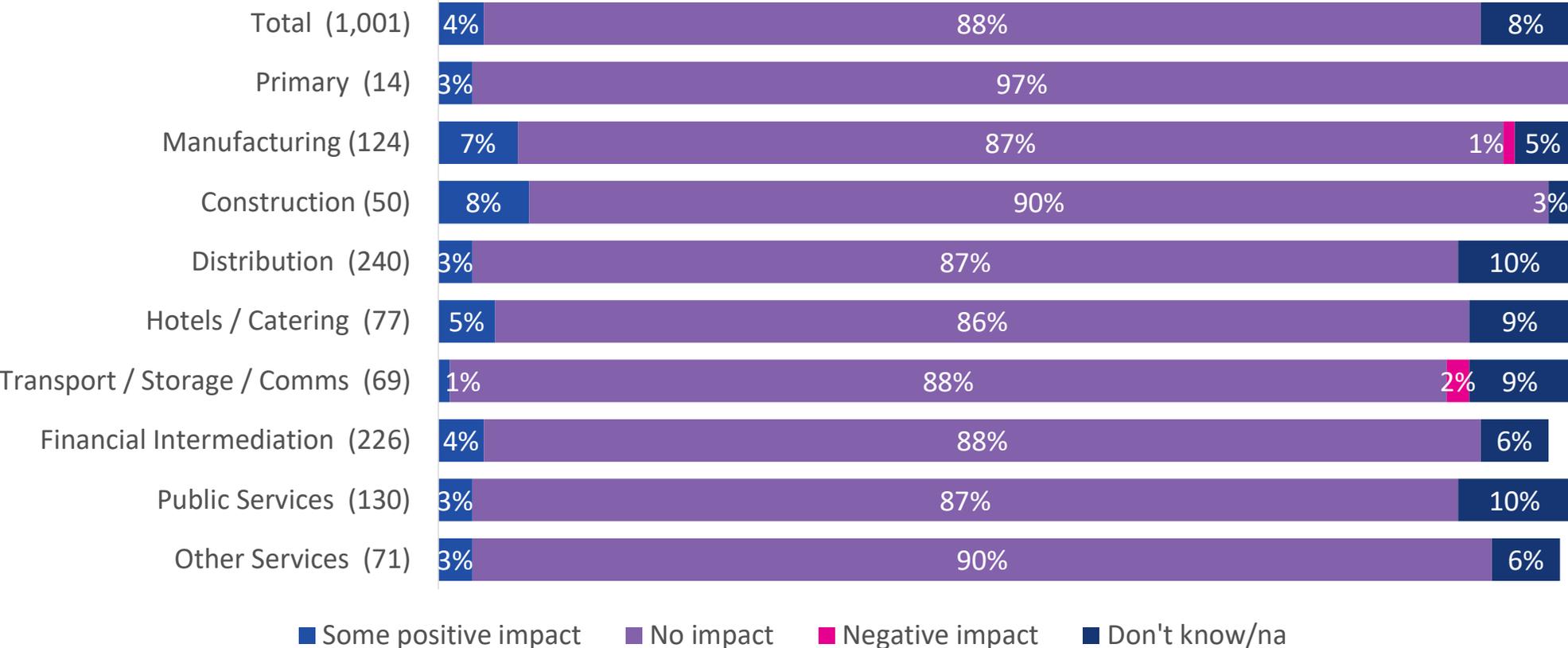
Q41. All respondents, unweighted base = 1,001

# Impact of Channel 4 investment in Leeds on businesses



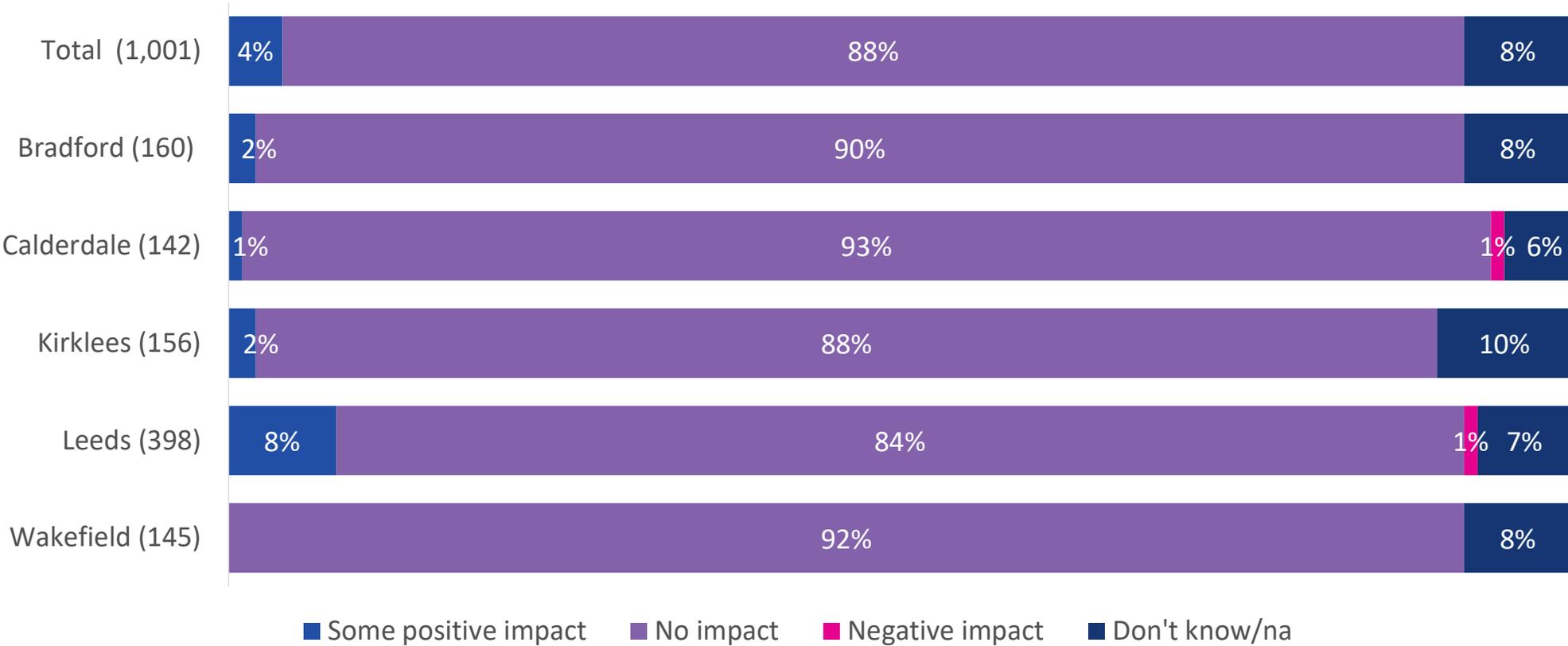
Q44. All respondents, unweighted bases shown in brackets

# Impact of Channel 4 investment in Leeds on businesses



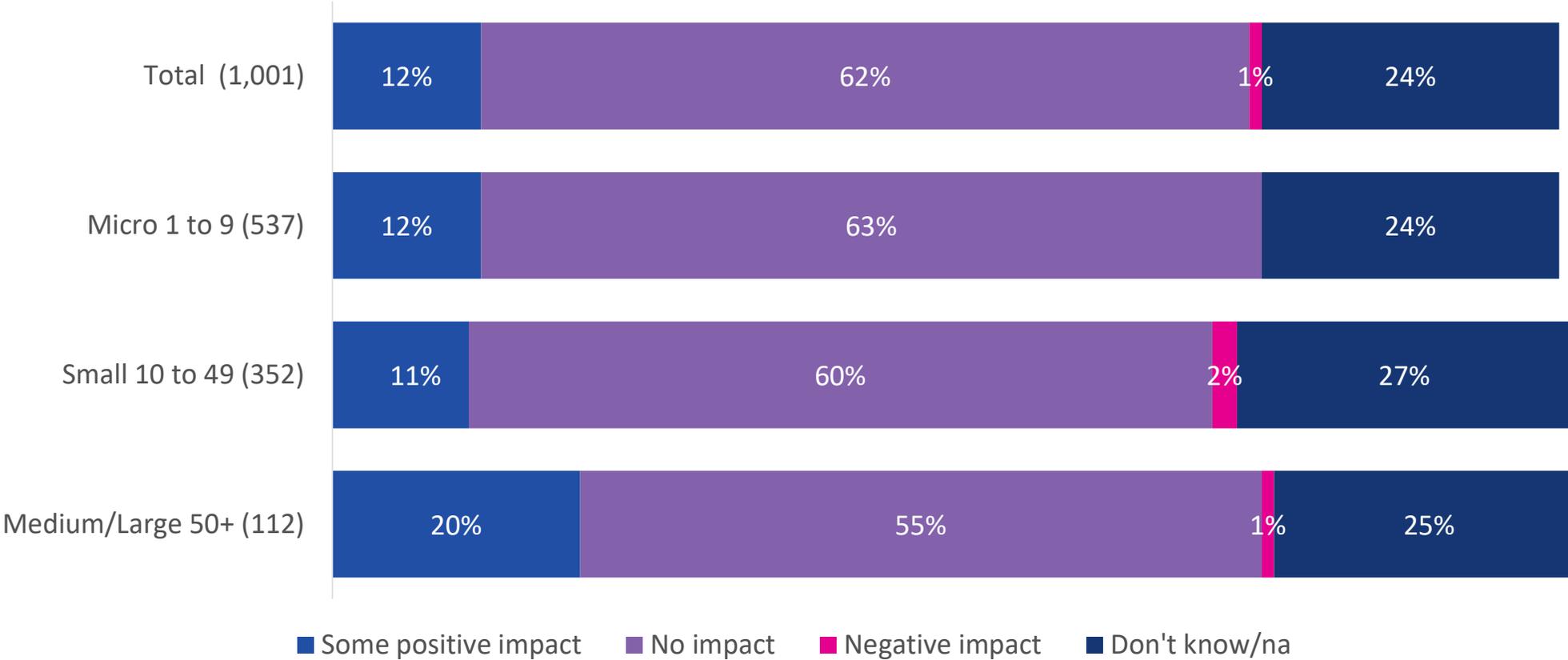
Q44. All respondents, unweighted bases shown in brackets

# Impact of Channel 4 investment in Leeds on businesses



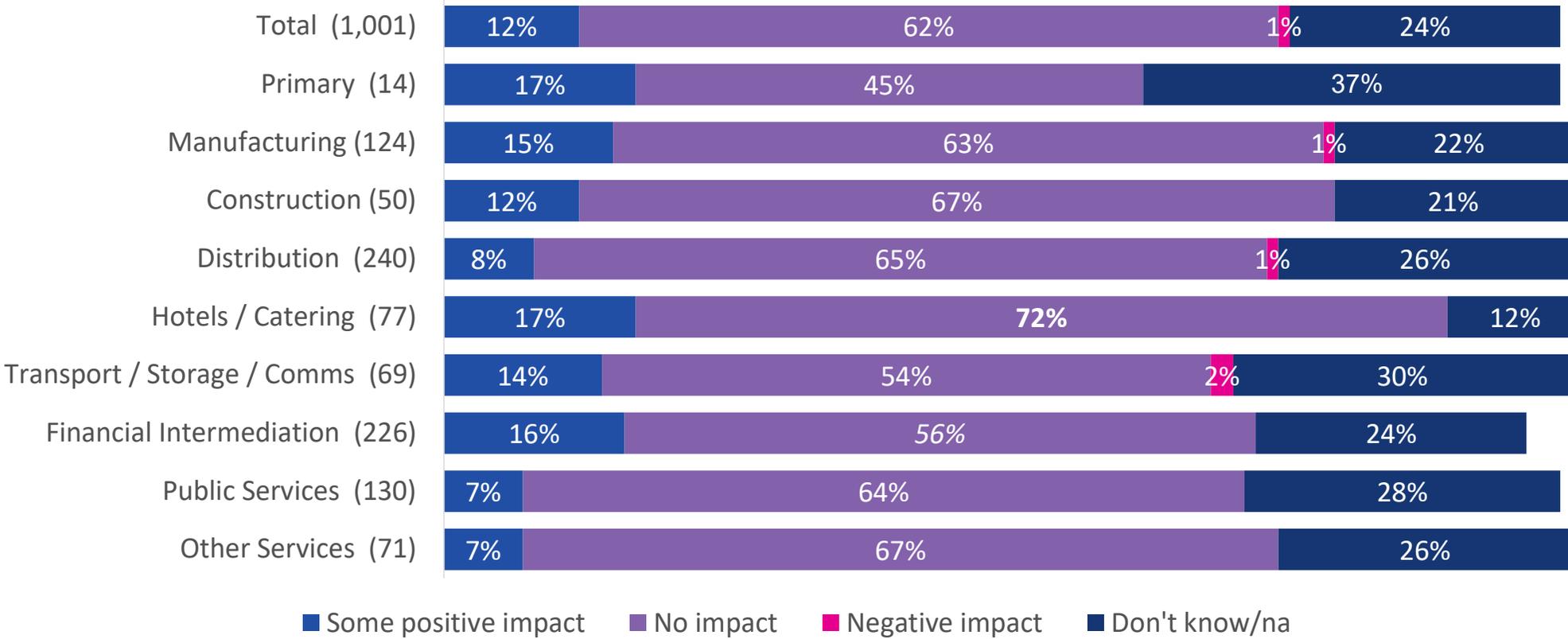
Q44. All respondents, unweighted bases shown in brackets

# Impact of Channel 4 investment in Leeds on area as a whole



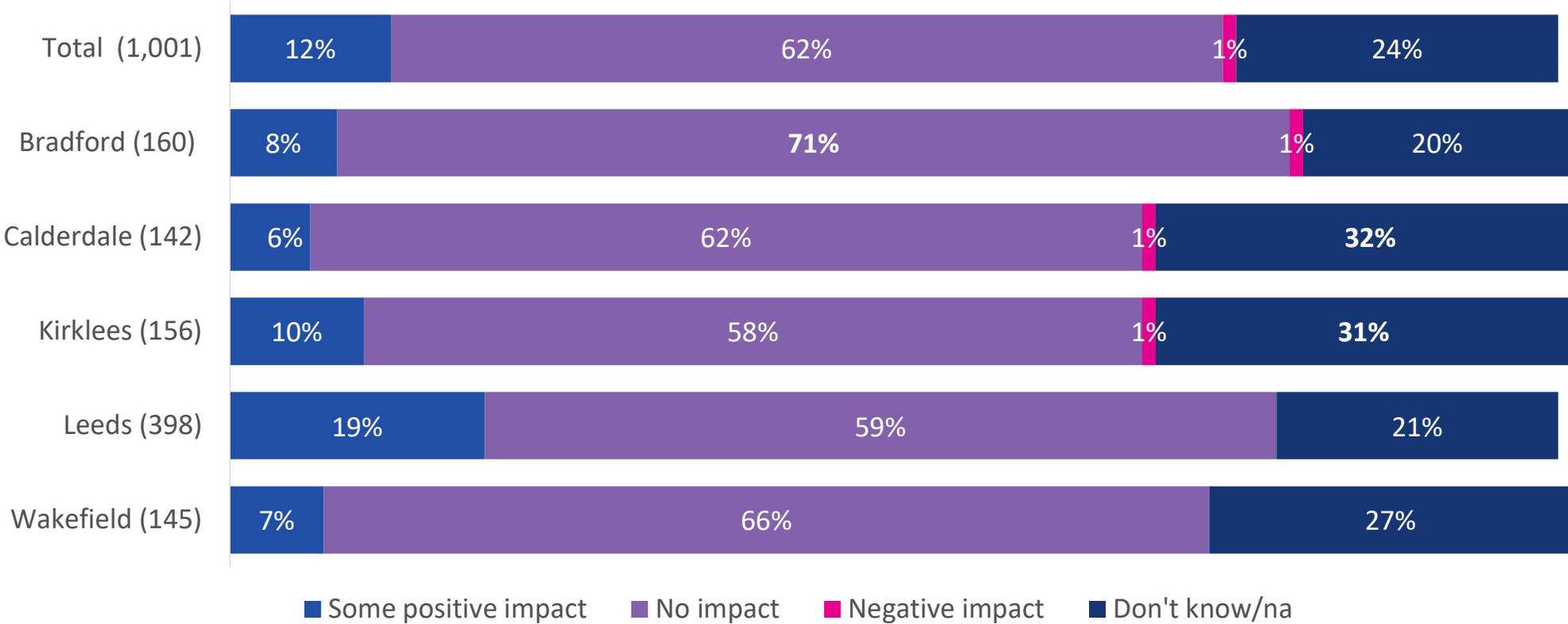
Q45. All respondents, unweighted bases shown in brackets

# Impact of Channel 4 investment in Leeds on area as a whole



Q45. All respondents, unweighted bases shown in brackets

# Impact of Channel 4 investment in Leeds on area as a whole

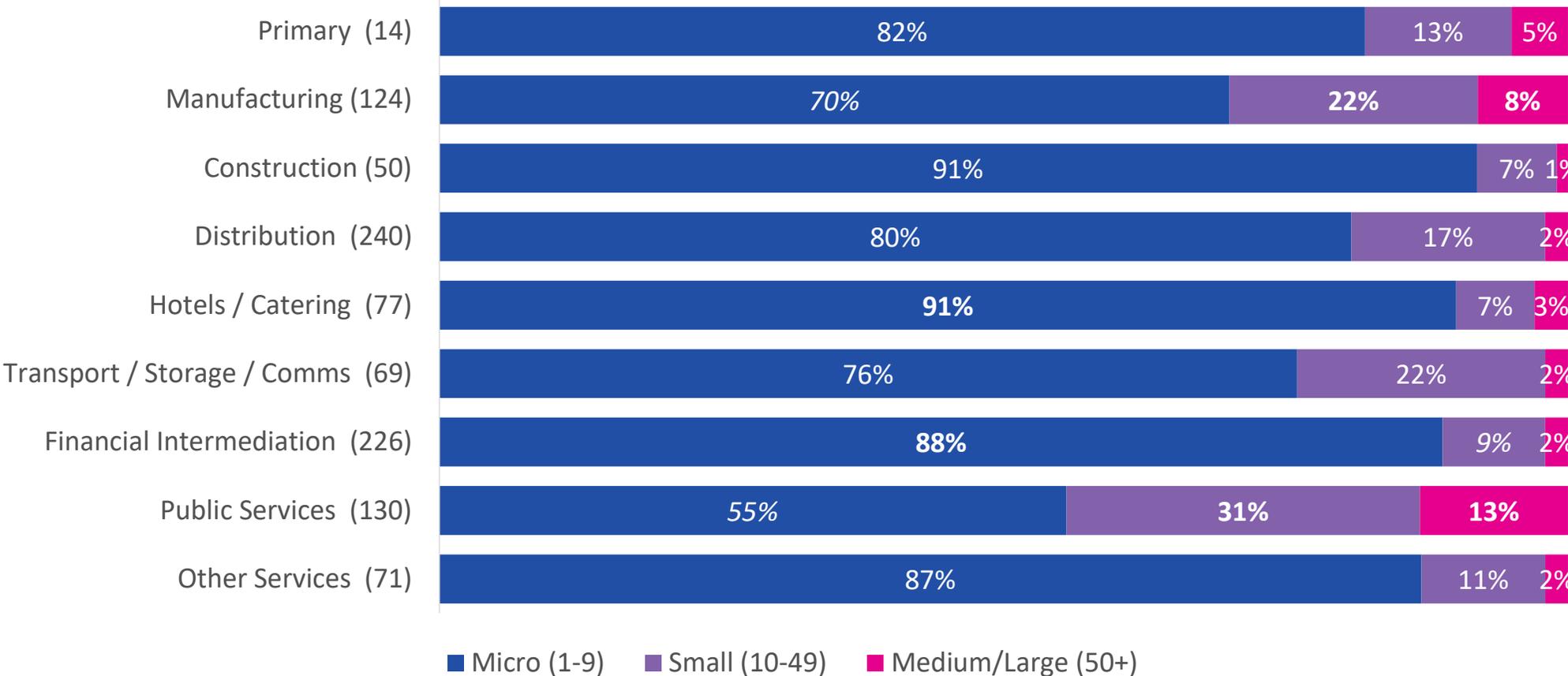


Q45. All respondents, unweighted bases shown in brackets



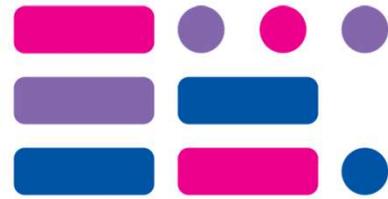
# Profile of businesses

# Size by sector



82% private sector    11% public sector    6% voluntary/community sector organisation





BMG

success decoded