



Working in  
partnership  
with the



# West Yorkshire Business Survey 2023

Research Report

September 2023

# 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 2023/24

- 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



# 2023/24 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 West Yorkshire Combined Authority with a significant level of detail about the issues currently affecting businesses
- Support in monitoring and reporting progress to Government against its strategic priorities

1,014 interviews overall; 965 computer-assisted telephone interviews (CATI), 49 computer-assisted web-based (online) interviews (CAWI) among:

- Private, public and voluntary/community sector
- Organisations 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.

The survey took place from 10th July until 15th September 2023. (The previous surveys were undertaken between June and August 2022, and prior to this, in February/March.)

# Business performance

## Business performance – summary (1)

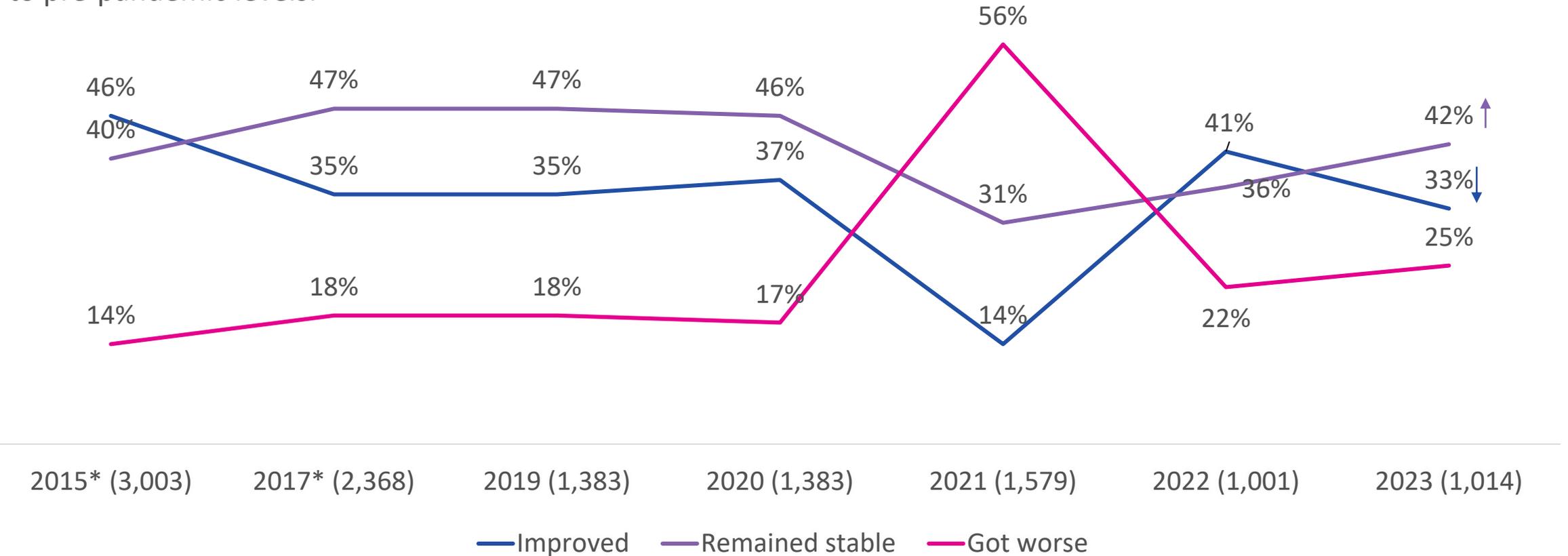
- Perceived stability has continued to trend upwards, with levels of reported performance improvement consistent with that recorded in the pre-Covid period. As observed previously, medium to large companies are more likely to record an improved performance over the last 12 months, indicated by 56% of these companies (cf. 33% overall).
- Those businesses in hotels/catering and transport/storage/comms are the least likely to report an improved performance over the past year.
- This increasing stability is predicted to continue across all regions of West Yorkshire, with almost half of businesses anticipating stability, compared to around a quarter of businesses that expect performance to decline.
- Most, but not all, of the larger businesses that recorded an improved performance expect this trend to continue (56% saw an improvement in the last 12 months, and 44% expect to see performance improve through the next 12 months.)
- The picture observed in workforce trends over the past 12 months is broadly one of stability and is consistent with that recorded in previous years, with 64% saying the workforce has remained stable.
  - However, among medium/large companies, there has been a greater likelihood of increases; 51% of companies with 50+ employees saw their workforce increase. This represents an increase of 10% points for medium/large companies recording workforce growth.
  - Generally the picture is consistent across sectors, but Financial Intermediation observes a decrease figure that is higher than the increase figure (20% vs. 15%).
  - The workforce trends recorded over the past 12 months are expected to continue, with 68% saying their workforce will stay the same, compared to 24% and 7% who think it will increase or decrease respectively. Among 50+ companies, 46% expect their workforce to increase.

## Business performance – summary (2)

- At 61%, a small majority of businesses think that wage bills will increase. This sits significantly higher among businesses with 50+ employees, at 79%.
  - 46% of 50+ companies think staffing will increase, so for a notable proportion, the expected wage bill is expected to be driven, at least in part, by other factors.
  - The wage bill increase is expected especially by companies in Primary and Financial Intermediation and Manufacturing sectors, reflecting the expectations recorded in previous years.
- Just under a half of businesses (45%) think their turnover will increase; those businesses with fewer than 10 employees are the least likely to expect an increase in turnover (43%, with 15% expecting a decrease).
- Overall 58% of businesses expect to increase their prices to customers, and this rises to 71% in the construction sector. Whilst businesses in the construction sector are the most likely to expect a price increase, the proportion of businesses endorsing this has decreased significantly from 91% in 2022 (albeit from a relatively small sample size).
- Following the highest levels of increased investment recorded in 2022, the proportion of businesses recording increased investment may be stabilizing at pre-pandemic levels (29%). As recorded in previous years, the likelihood of reporting increased investment grows with the company size, rising to 61% among companies with 50+ employees.

## Business performance in past 12 months

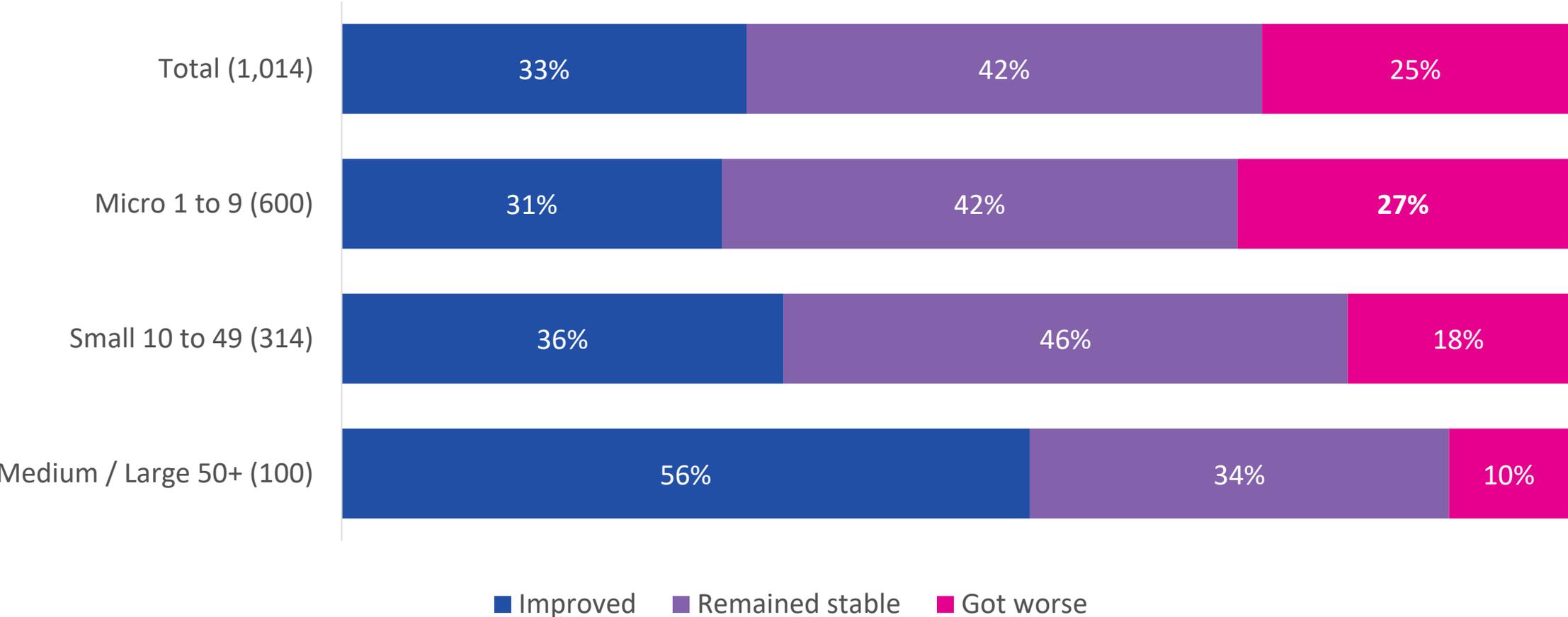
Significantly increased perceived stability at the expense of improved performance, brings endorsement of “improved” to pre-pandemic levels.



Q4. Would you say that overall, your business/organisation performance in the past 12 months has improved, remained stable or got worse? unweighted bases shown in brackets

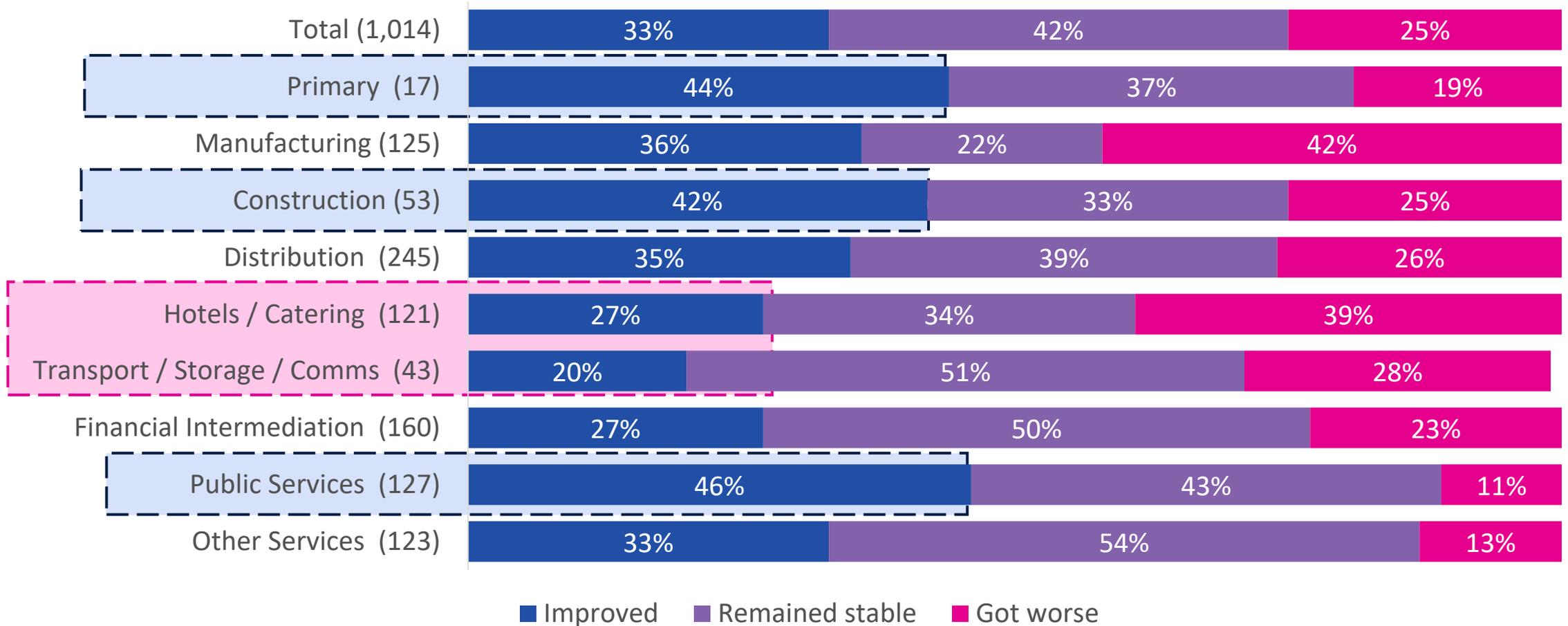
# Business performance in past 12 months

As previously observed, medium/larger companies tend to have had a more positive performance.



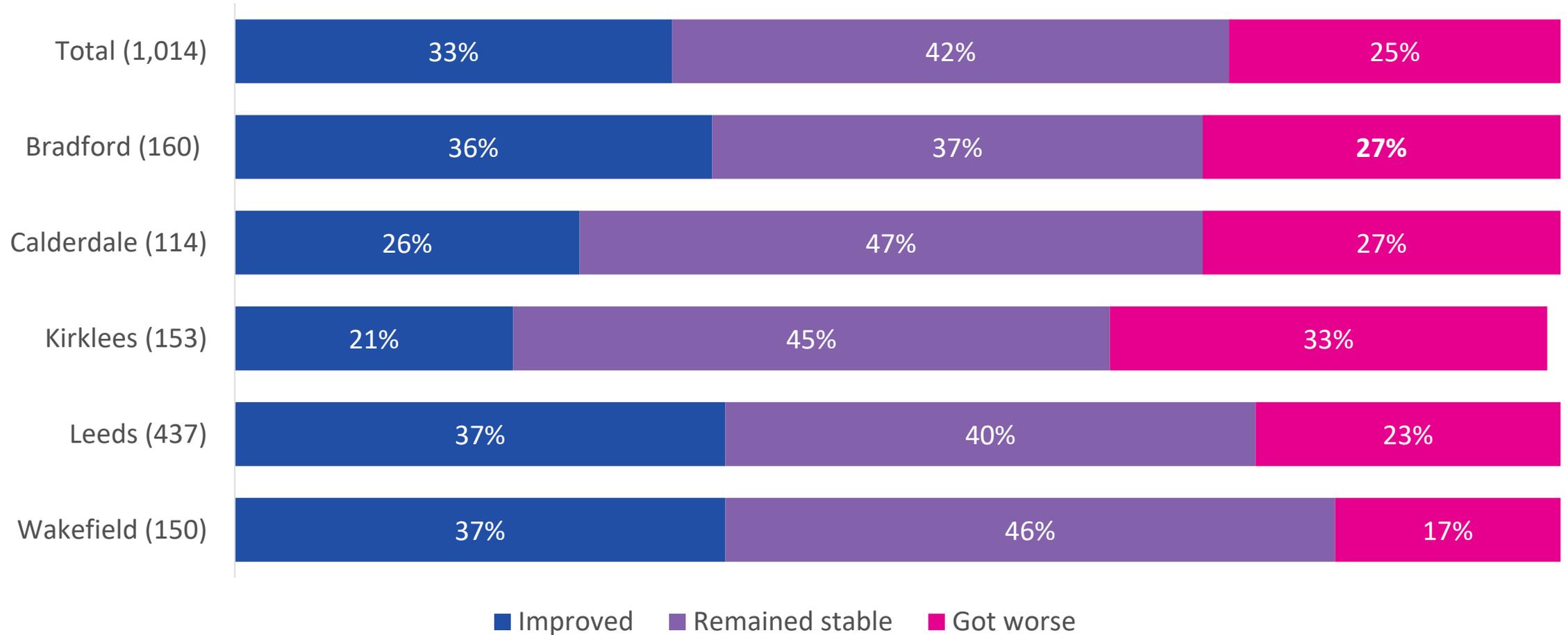
Q4. Would you say that overall, your business/organisation performance in the past 12 months has improved, remained stable or got worse? unweighted bases shown in brackets

# Business performance in past 12 months



Q4. Would you say that overall, your business/organisation performance in the past 12 months has improved, remained stable or got worse? unweighted bases shown in brackets

## Business performance in past 12 months

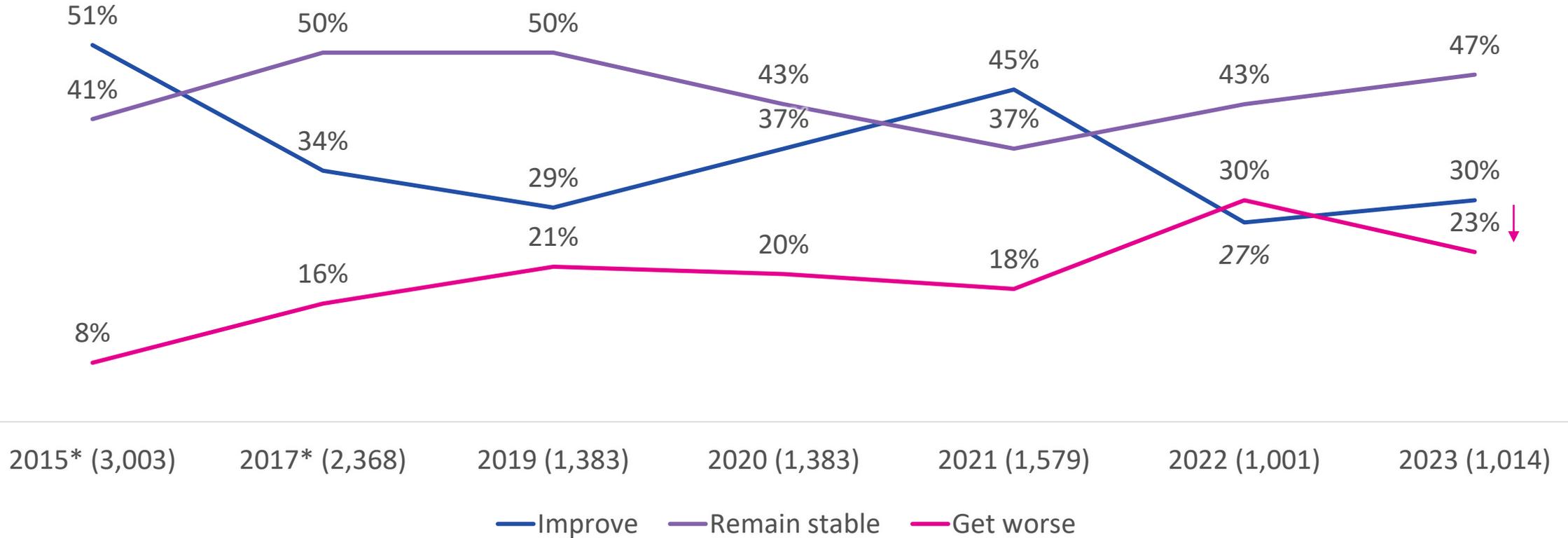


Q4. Would you say that overall, your business/organisation performance in the past 12 months has improved, remained stable or got worse? unweighted bases shown in brackets

# Business performance in next 12 months

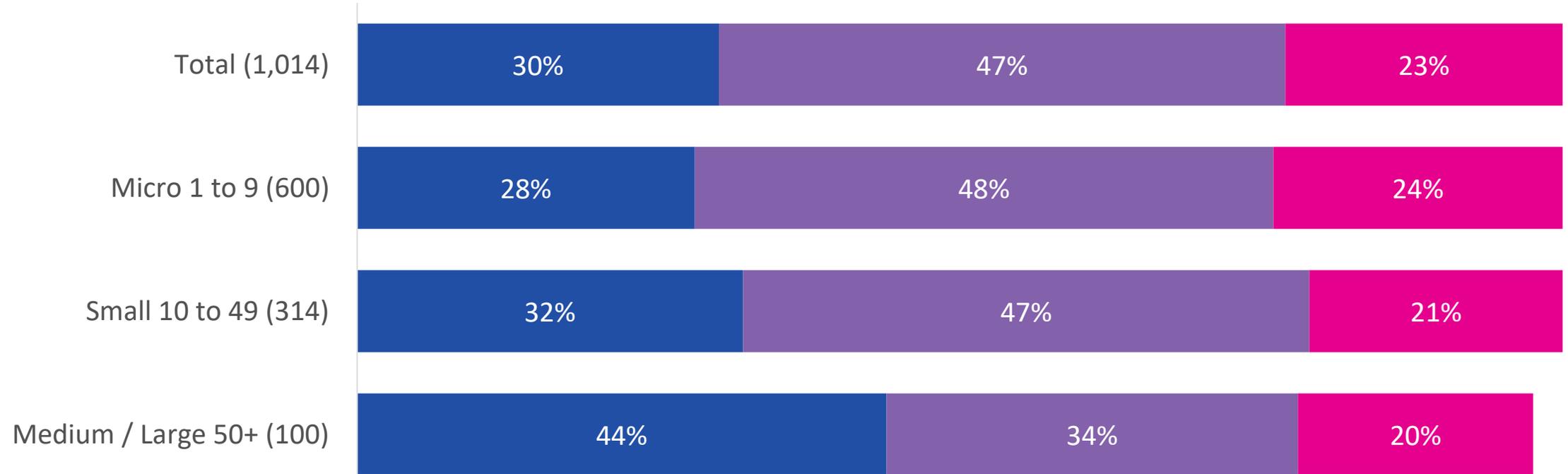
Increasing stability is predicted to continue.

Just under half a businesses anticipate stability, compared to almost a quarter which expect performance to decline.



Q5 Over the next 12 months do you expect the climate in which your business/organisation operates to generally improve, remain stable, or get worse? unweighted bases shown in brackets

# Business performance in next 12 months

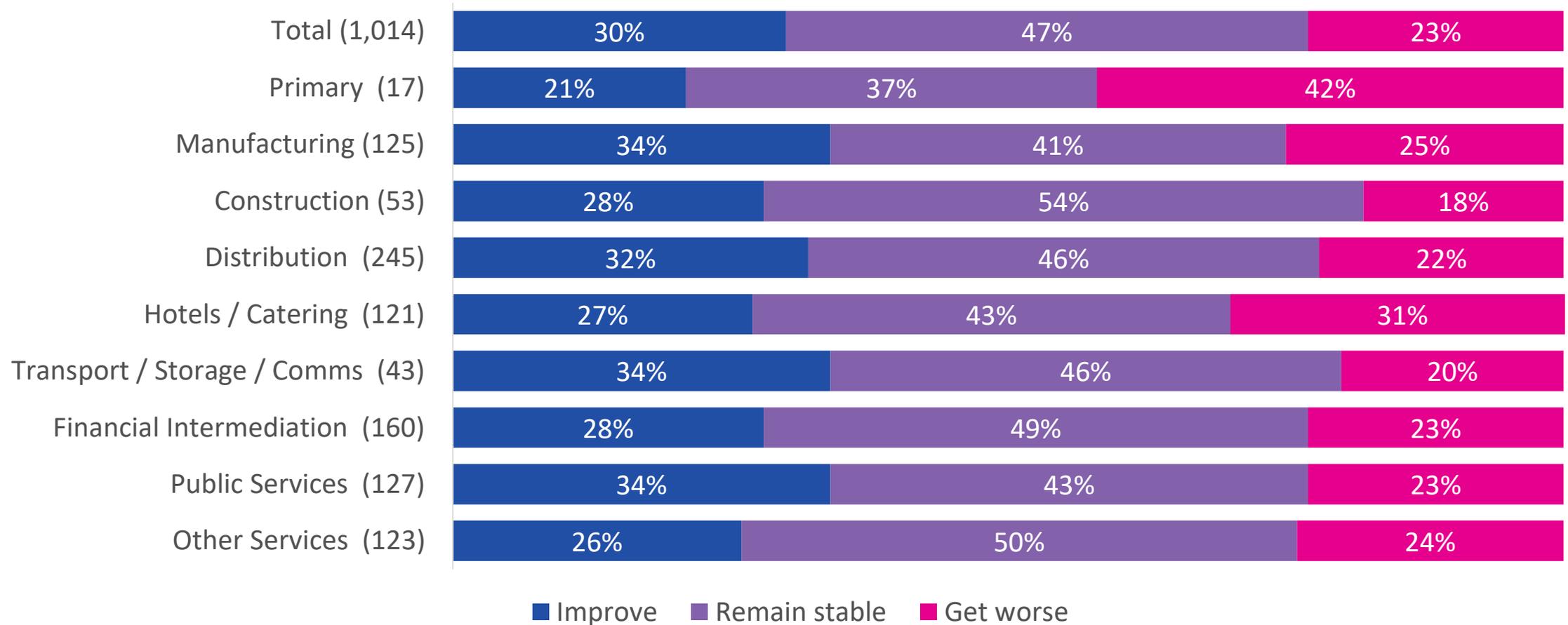


A smaller proportion than the larger businesses that observed a more positive performance over the past year (56%)

■ Improve ■ Remain stable ■ Get worse

Q5 Over the next 12 months do you expect the climate in which your business/organisation operates to generally improve, remain stable, or get worse? unweighted bases shown in brackets

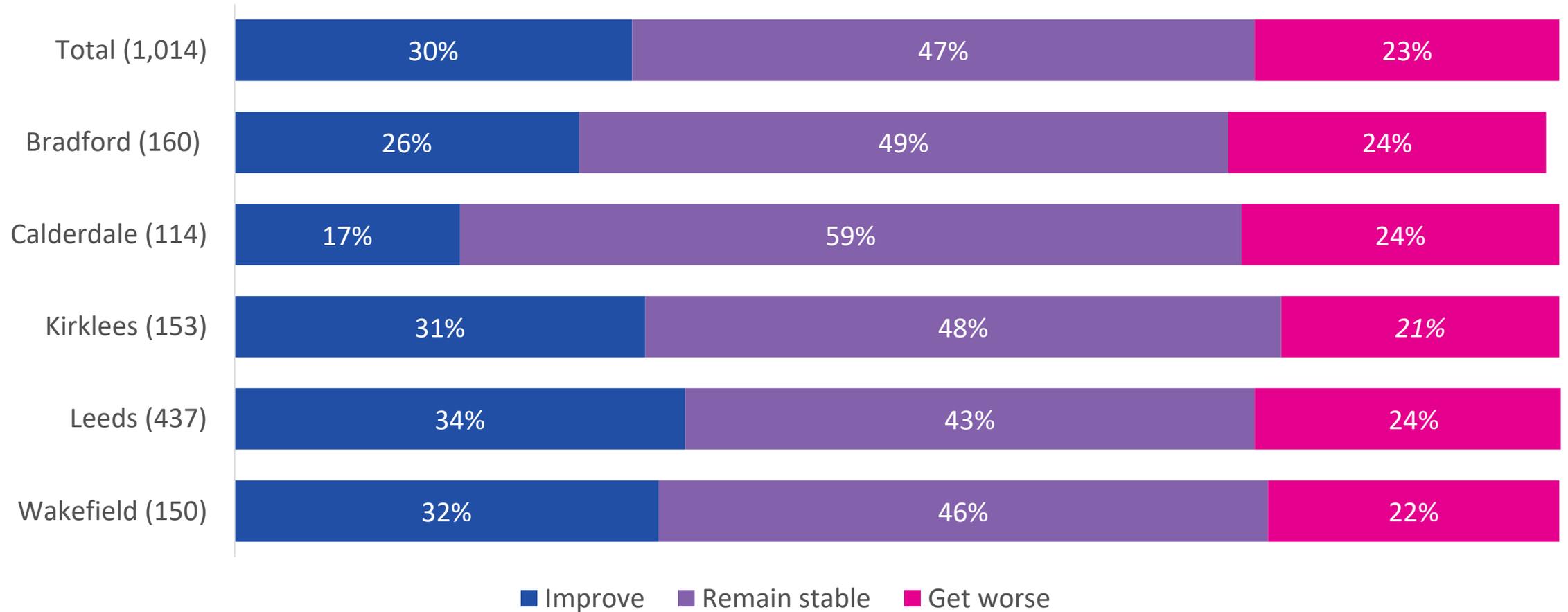
# Business performance in next 12 months



Q5 Over the next 12 months do you expect the climate in which your business/organisation operates to generally improve, remain stable, or get worse? unweighted bases shown in brackets

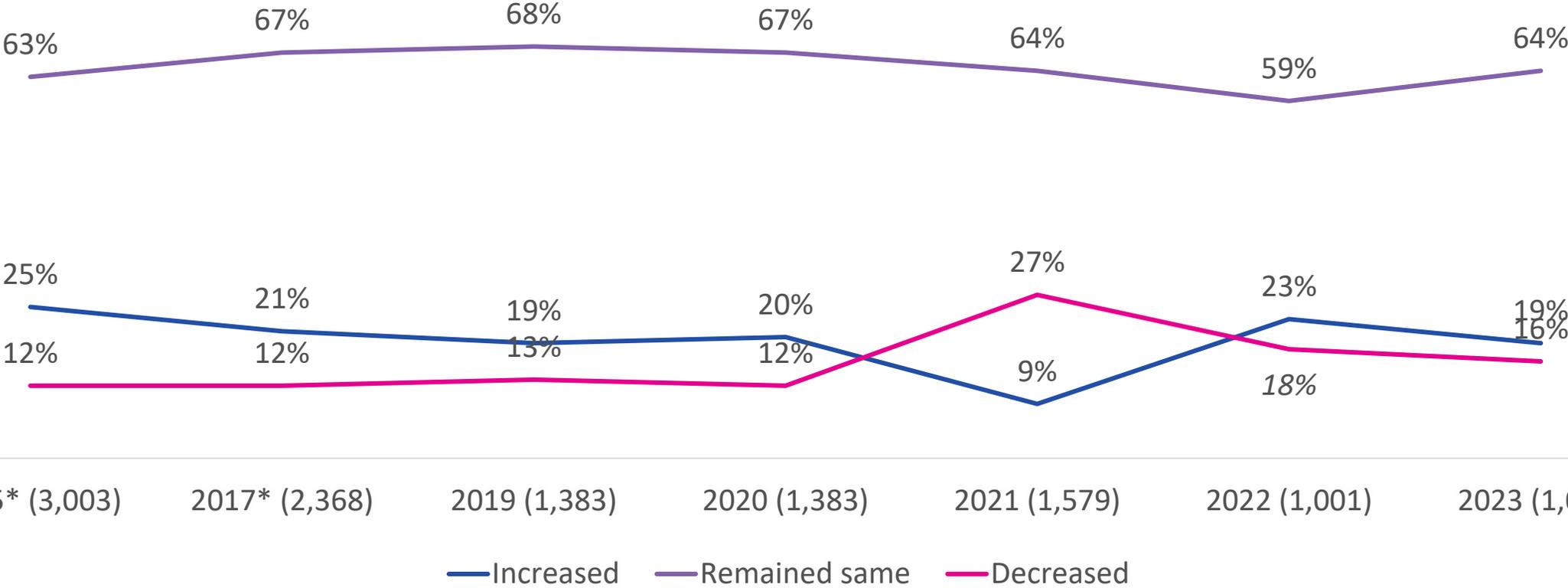
# Business performance in next 12 months

Increasing stability is predicted across all regions.



Q5 Over the next 12 months do you expect the climate in which your business/organisation operates to generally improve, remain stable, or get worse? unweighted bases shown in brackets

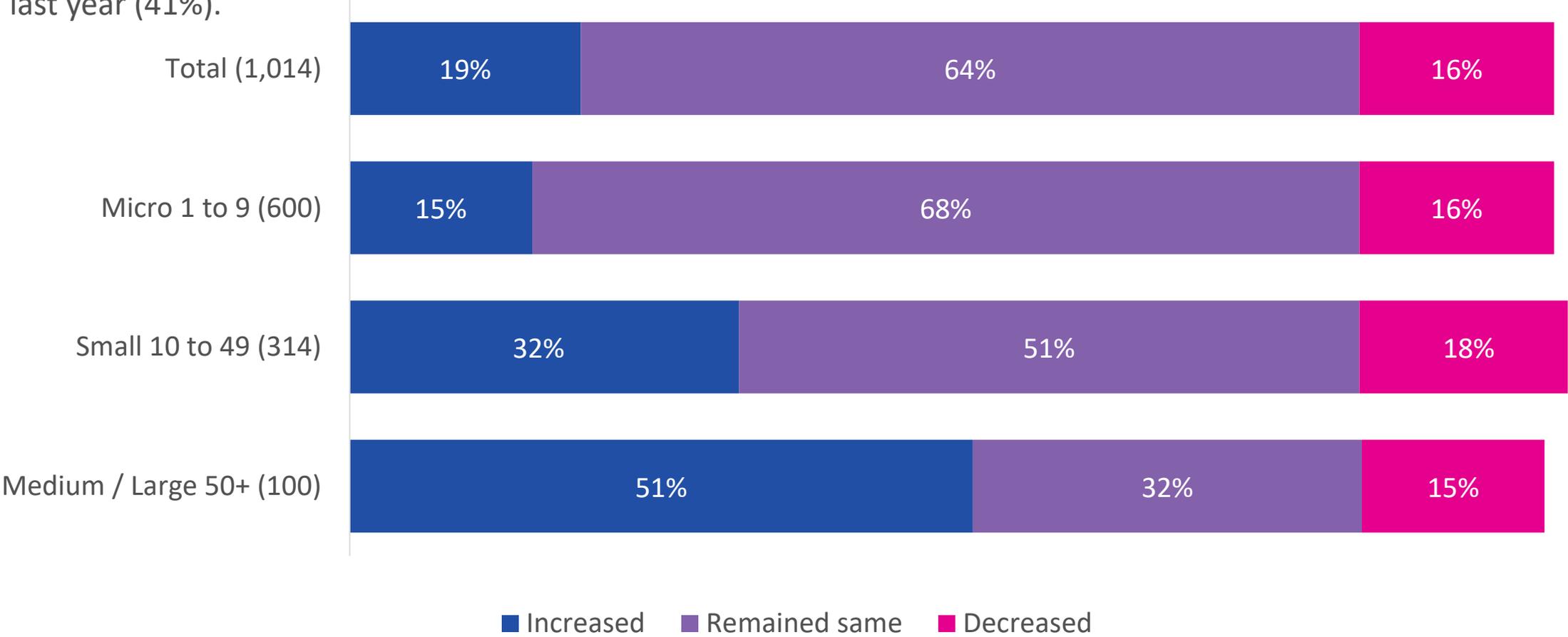
# Workforce trends in past 12 months



Q6 Over the past 12 months has the number of people employed in your business/organisation increased, decreased or remained the same? unweighted bases shown in brackets

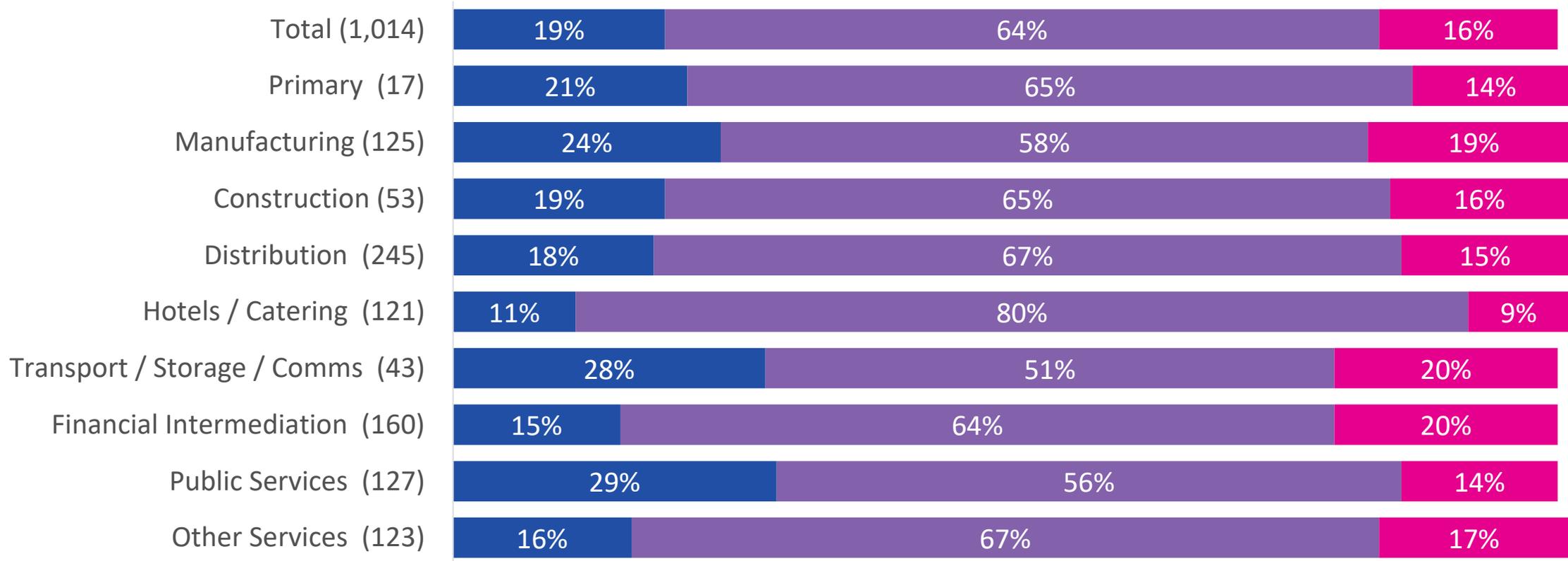
# Workforce trends in past 12 months

Whilst overall the workforce is broadly stable, the proportion of medium/large companies seeing increase has grown cf. last year (41%).



Q6 Over the past 12 months has the number of people employed in your business/organisation increased, decreased or remained the same? unweighted bases shown in brackets

# Workforce trends in past 12 months

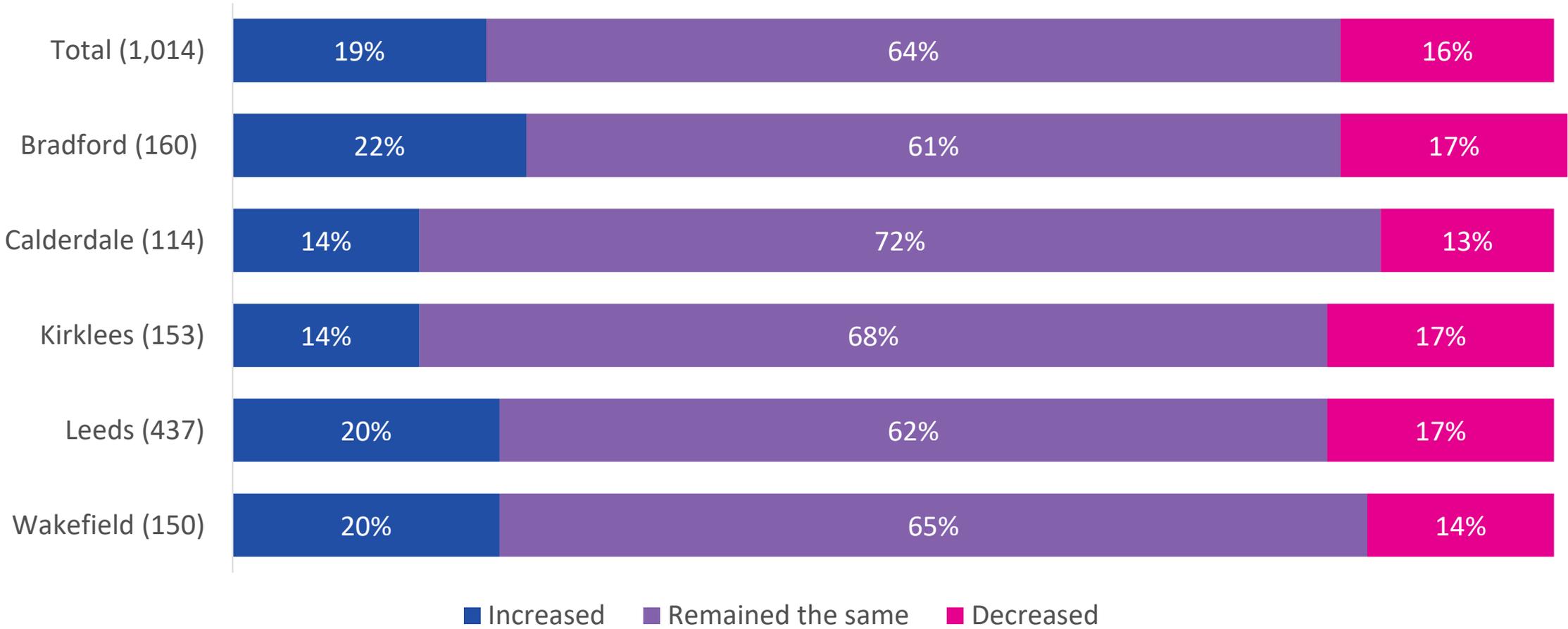


Financial Intermediation is the only areas where the decrease figure is higher than the increase figure.

■ Increased   ■ Remained same   ■ Decreased

Q6 Over the past 12 months has the number of people employed in your business/organisation increased, decreased or remained the same? unweighted bases shown in brackets

# Workforce trends in past 12 months



Q6 Over the past 12 months has the number of people employed in your business/organisation increased, decreased or remained the same? unweighted bases shown in brackets

# Workforce trends in next 12 months



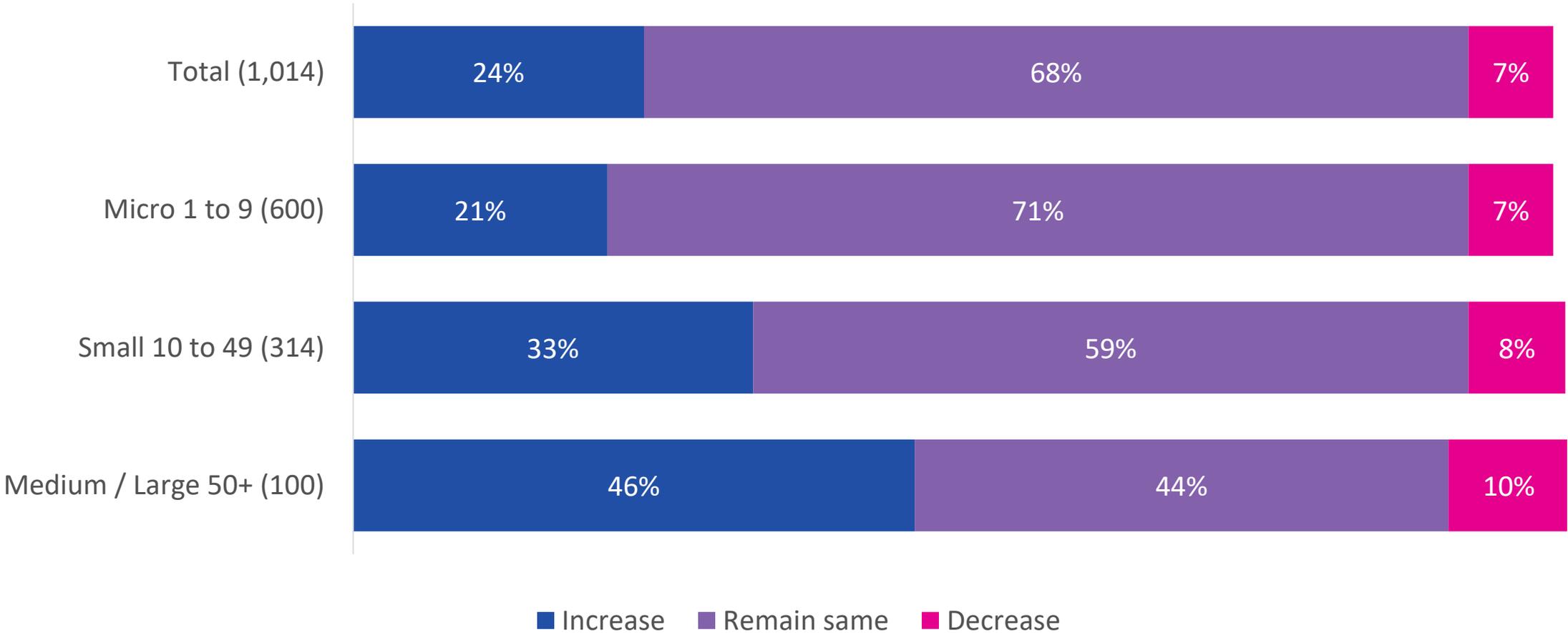
Q7 Over the next 12 months do you expect the number of people employed in your business/organisation increase, decrease or remain the same? unweighted bases shown in brackets



\* based on Leeds City region data



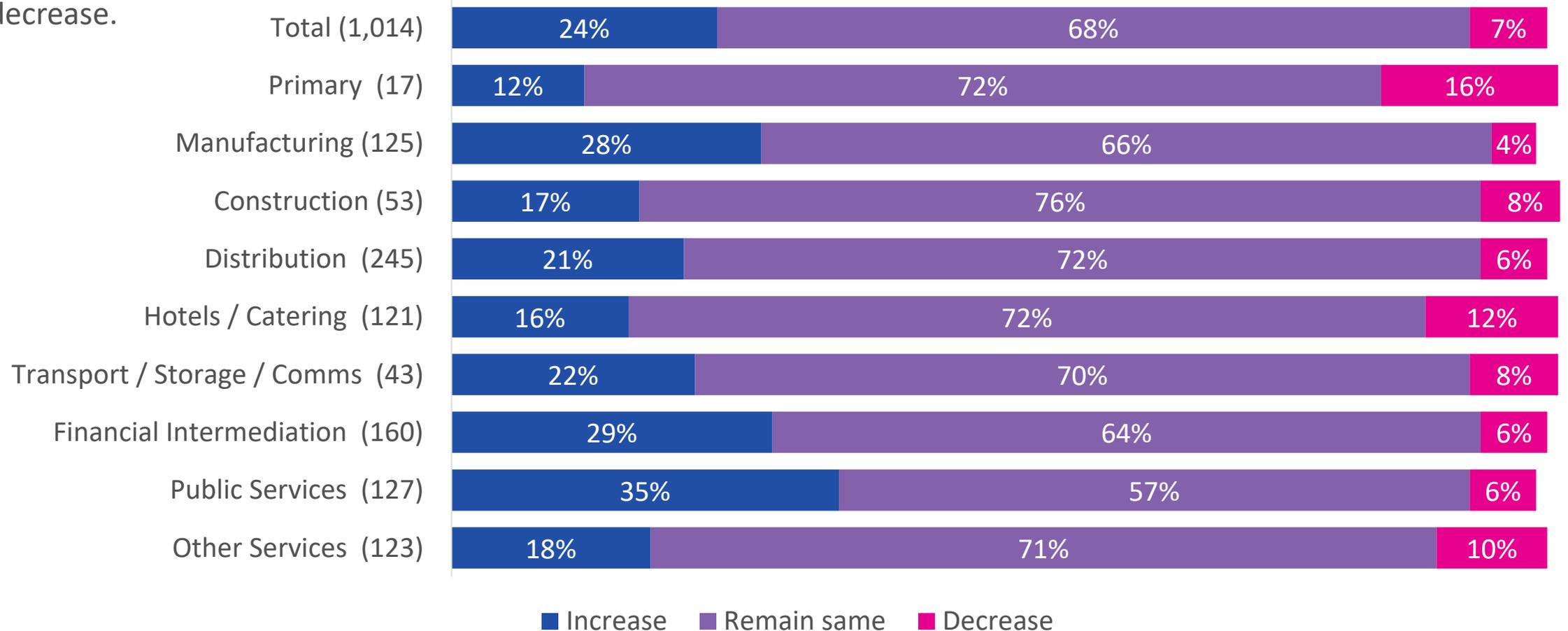
# Workforce trends in next 12 months



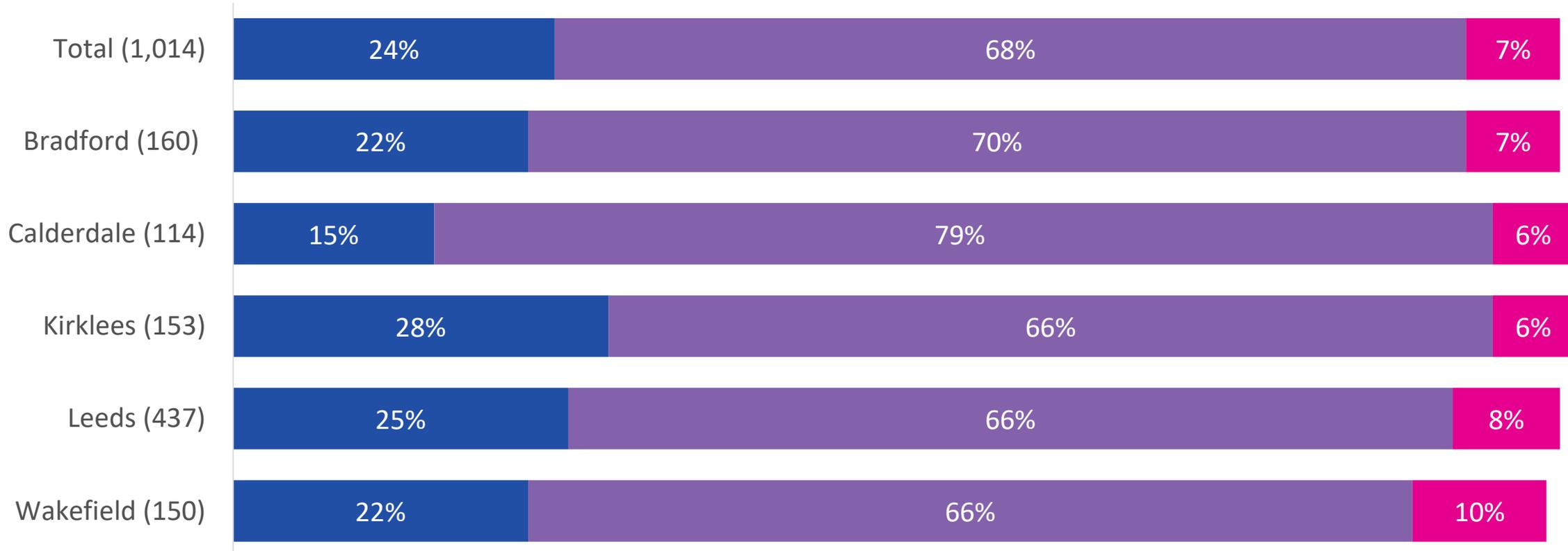
Q7 Over the next 12 months do you expect the number of people employed in your business/organisation increase, decrease or remain the same? unweighted bases shown in brackets

## Workforce trends in next 12 months

Although from a smaller sample size, primary is the only sector with a higher proportion of those surveyed expecting a decrease.



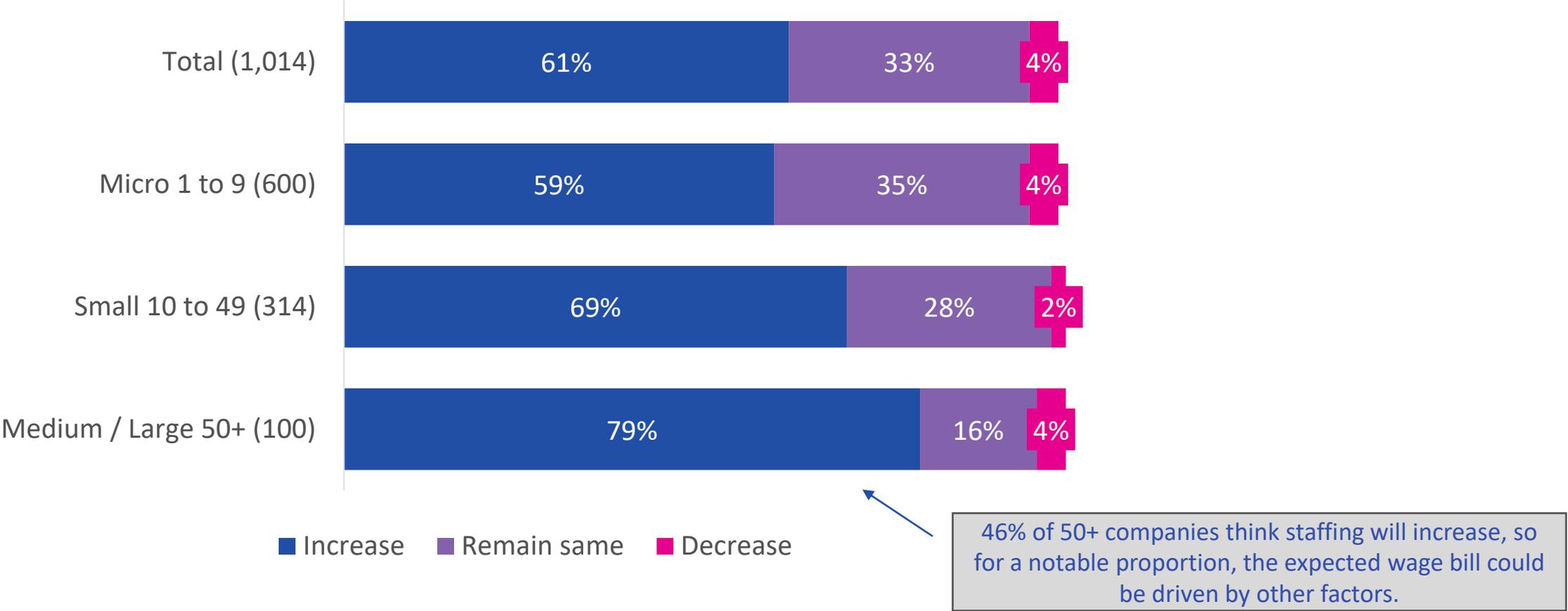
# Workforce trends in next 12 months



■ Increase ■ Remain the same ■ Decrease

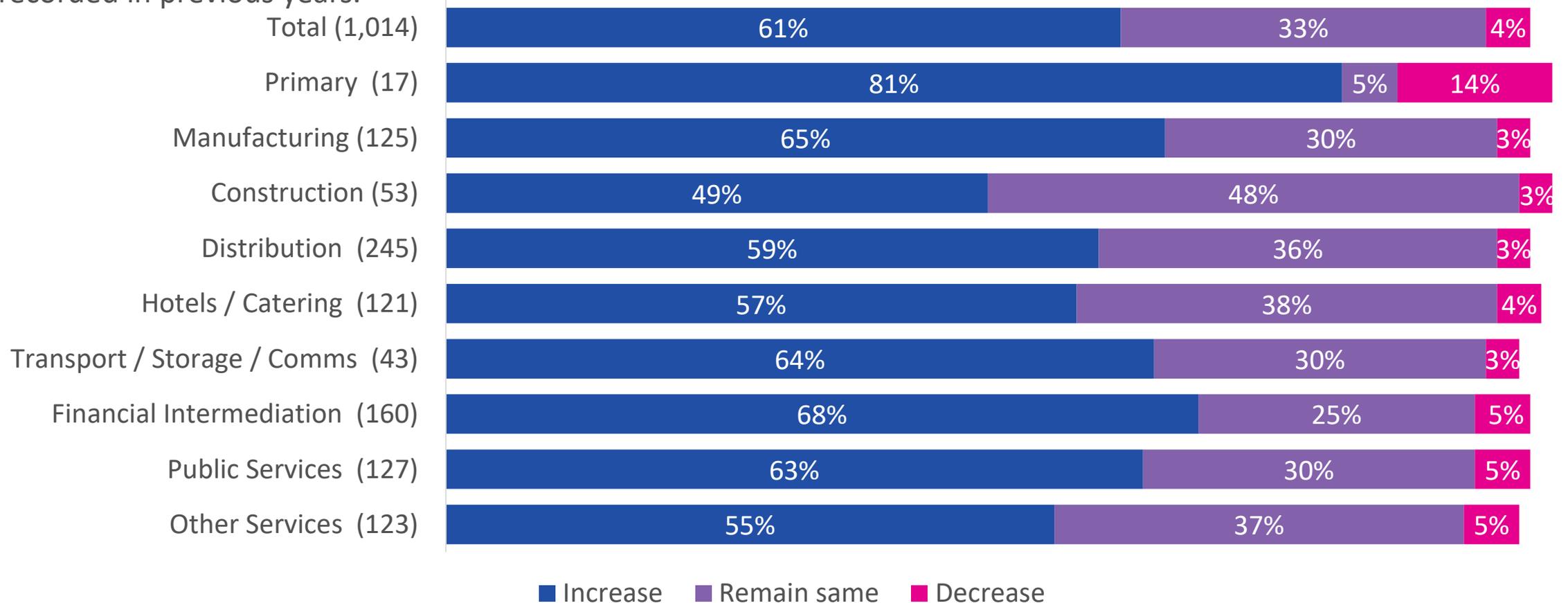
The workforce in Kirklees is expected to increase the most over the next 12 months.

# Wage bills over next 12 months

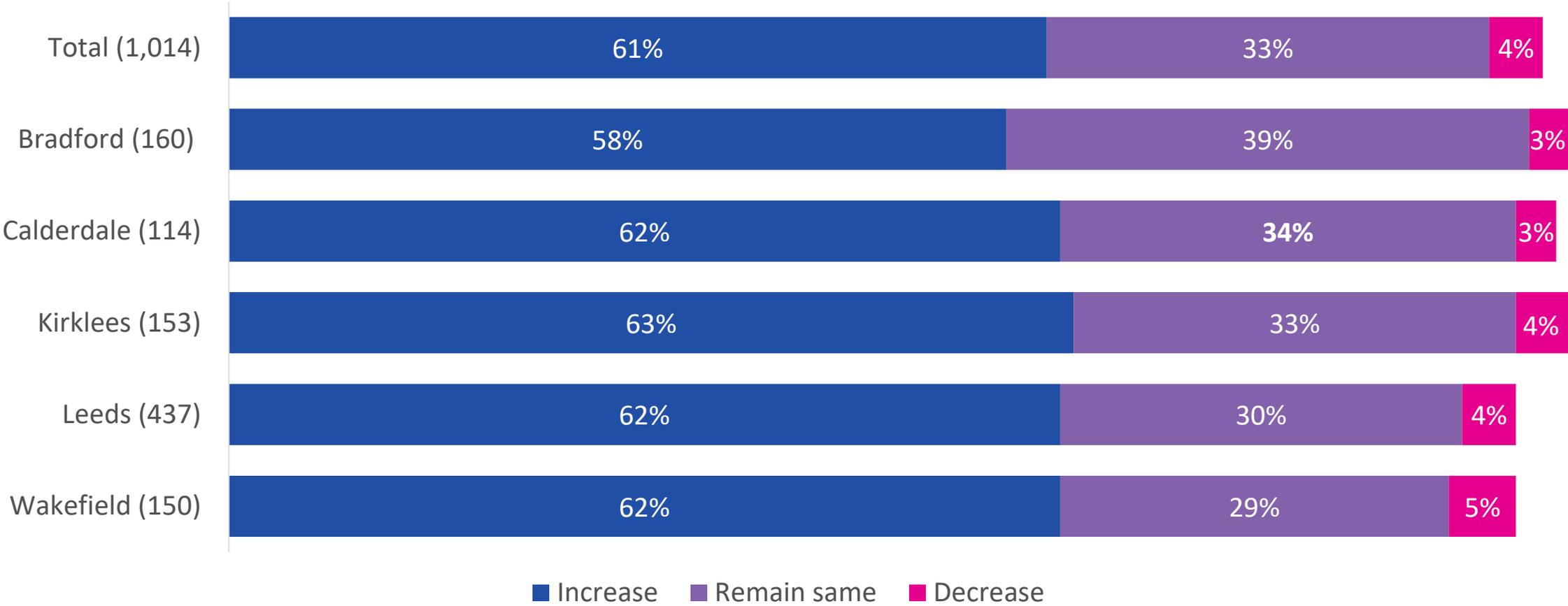


## Wage bills over next 12 months

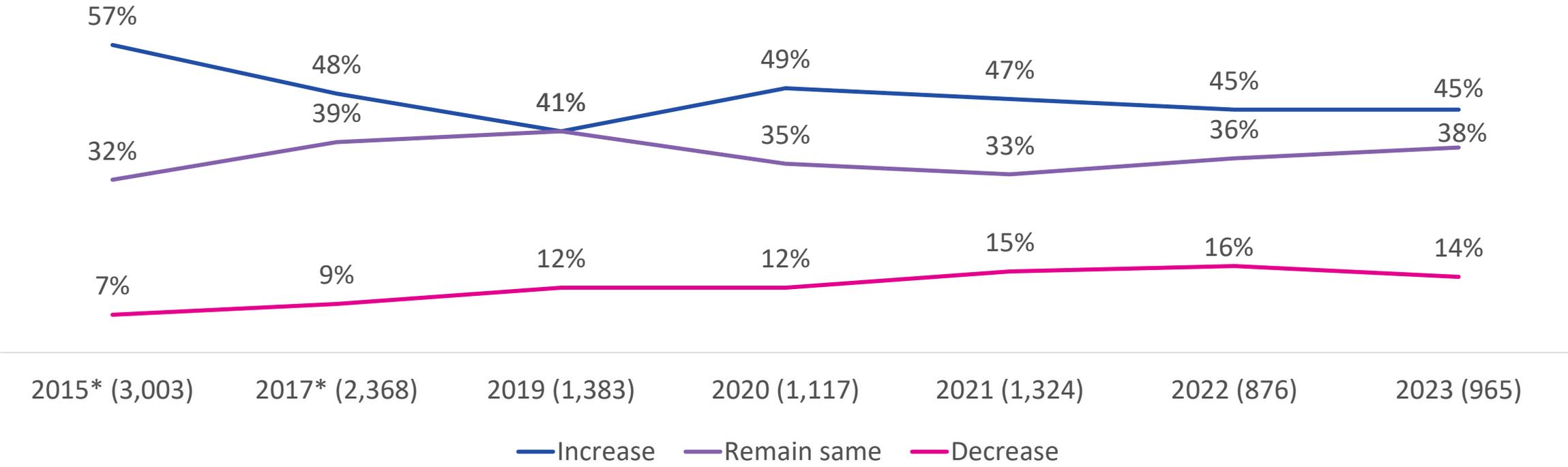
The expected increase observed above is driven especially by, Primary, Financial Intermediation and Manufacturing- as recorded in previous years.



# Wage bills over next 12 months

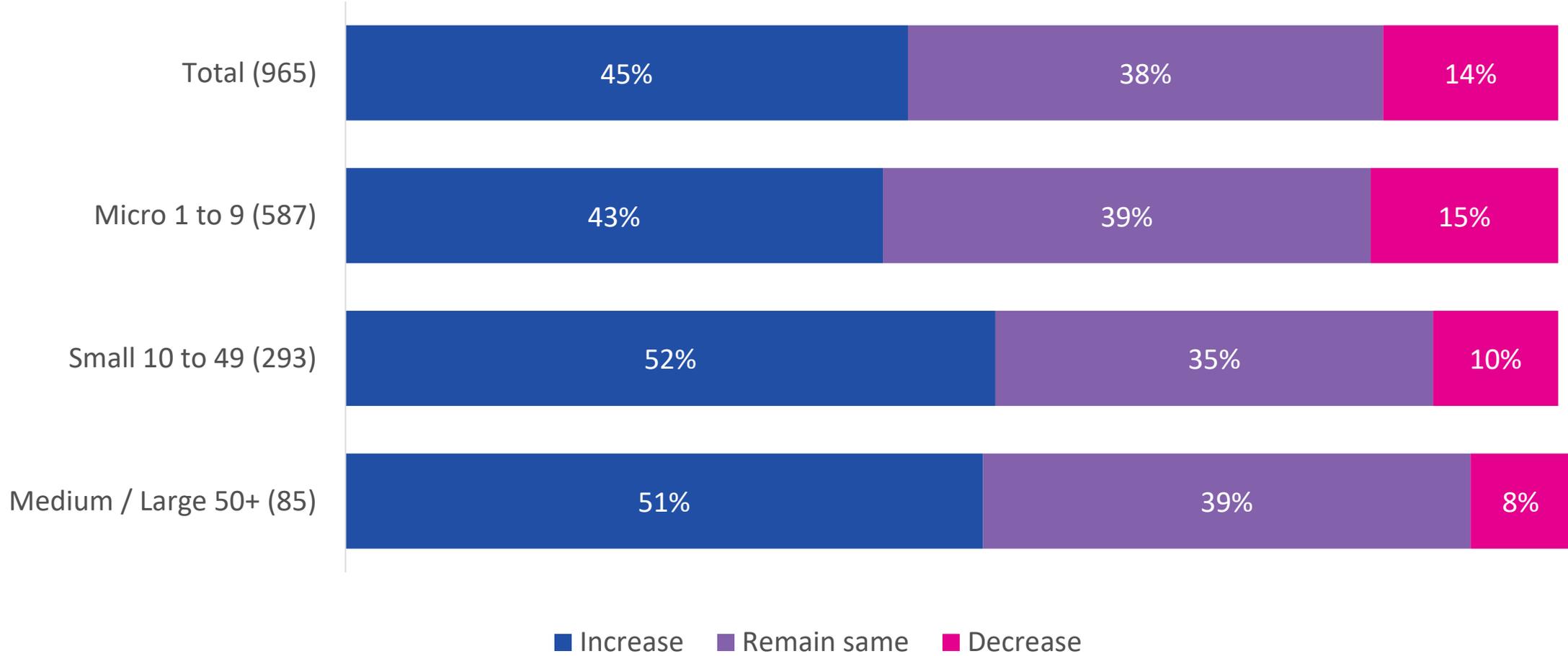


# Trends in turnover in next 12 months

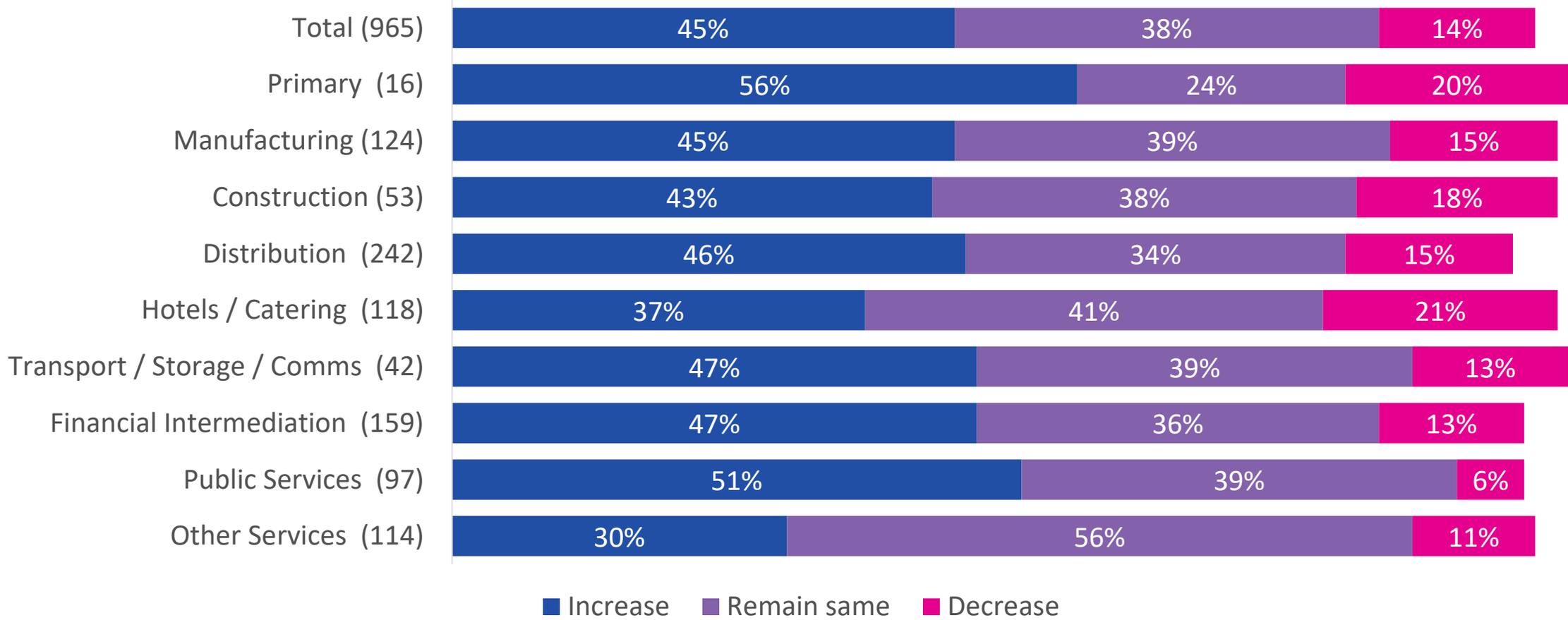


\* based on Leeds City region data

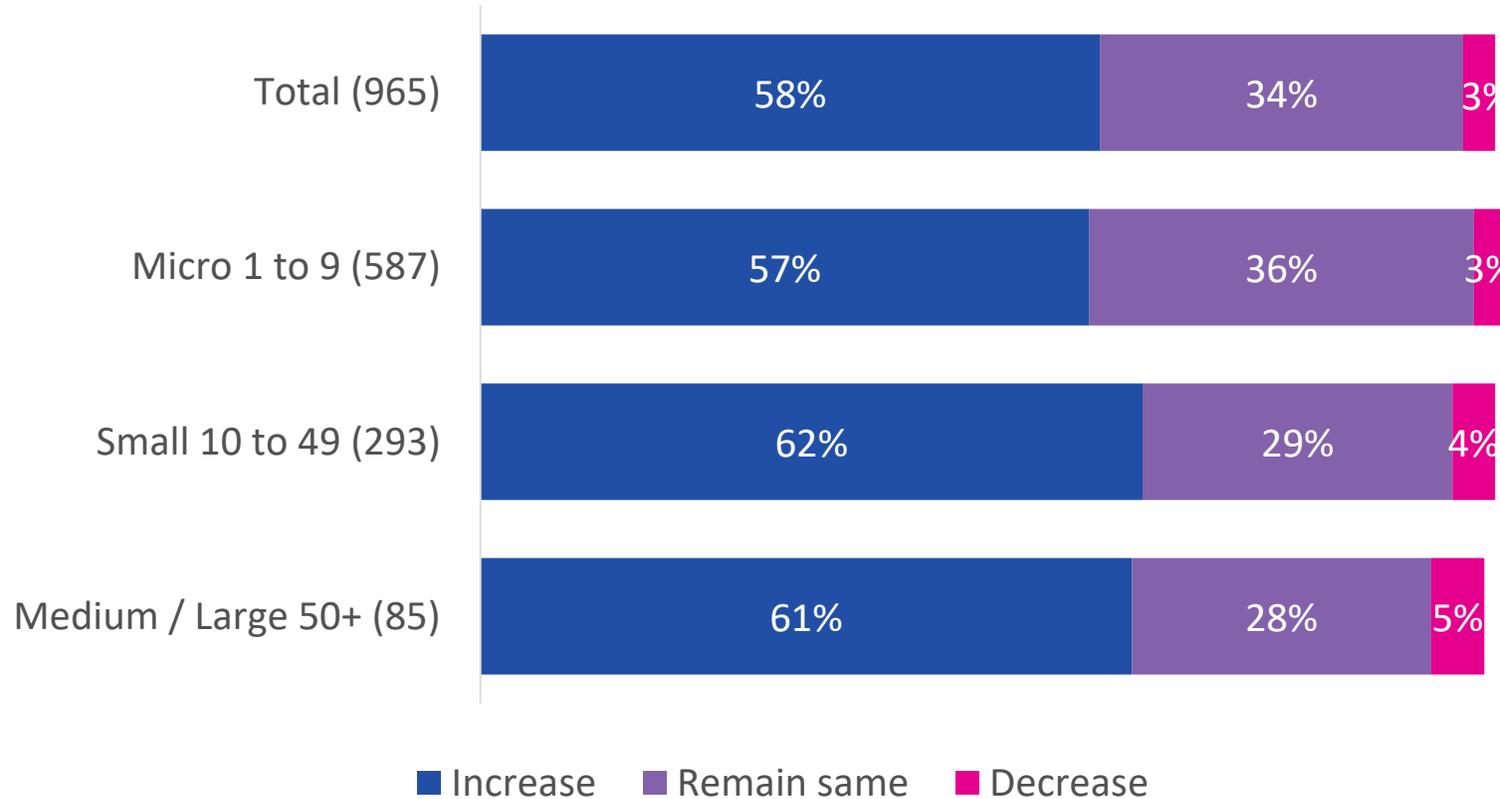
# Trends in turnover in next 12 months



# Trends in turnover in next 12 months



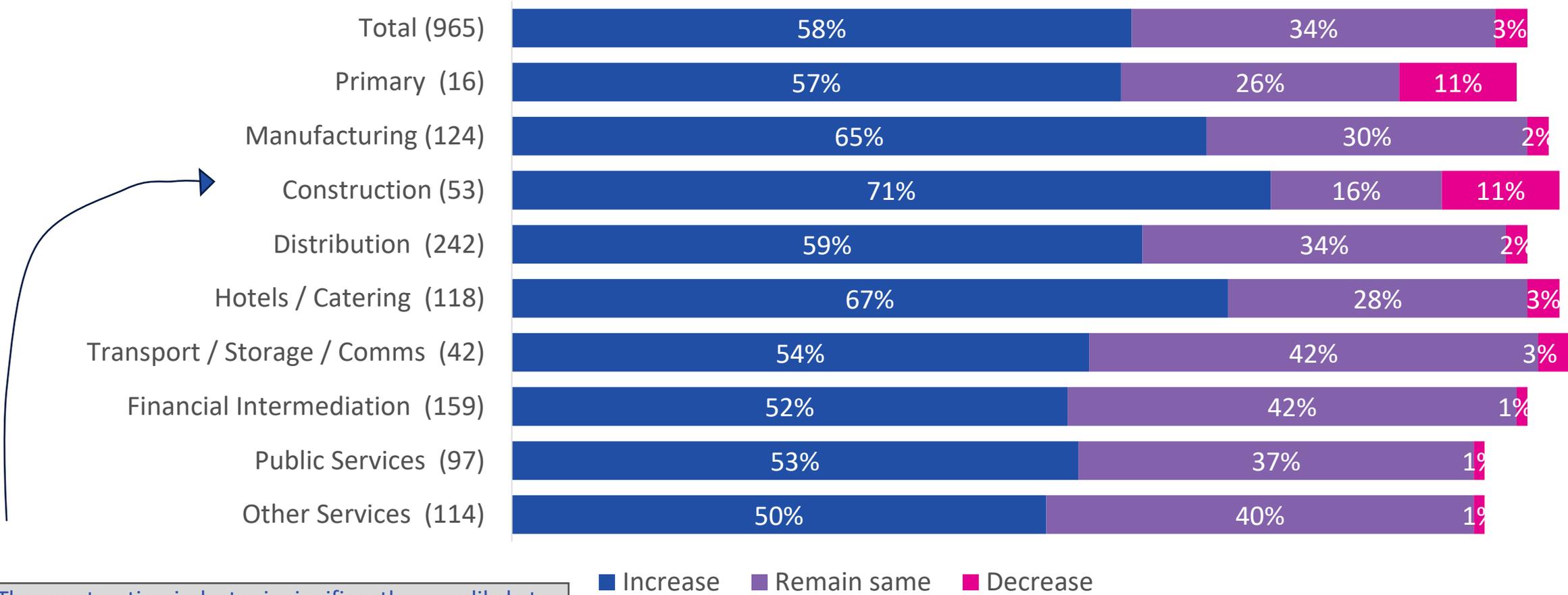
## Prices charged to customers over next 12 months



Where expecting an increase:

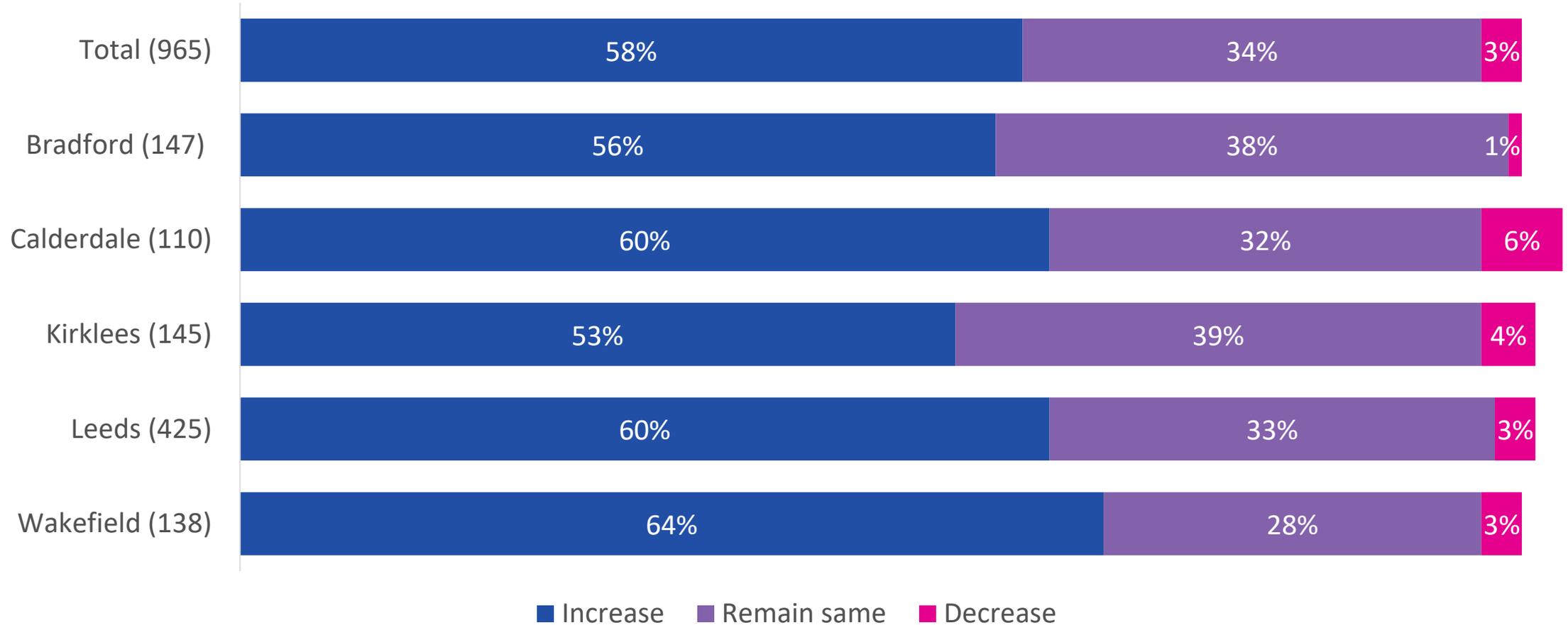
- 83% by up to 10%
- 10% by 11% to 20%
- 2% by 21% to 50%
- 5% did not know

# Prices charged to customers over next 12 months



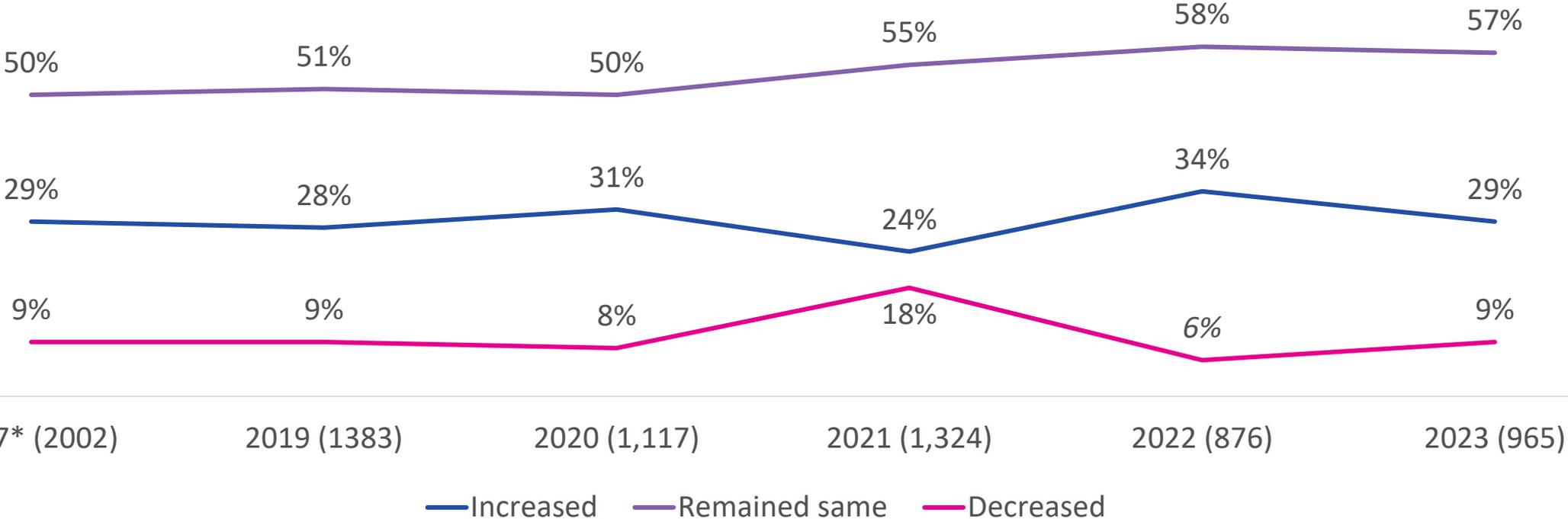
The construction industry is significantly more likely to expect to charge customers more, but this has dropped from 91% in 2022.

## Prices charged to customers over next 12 months



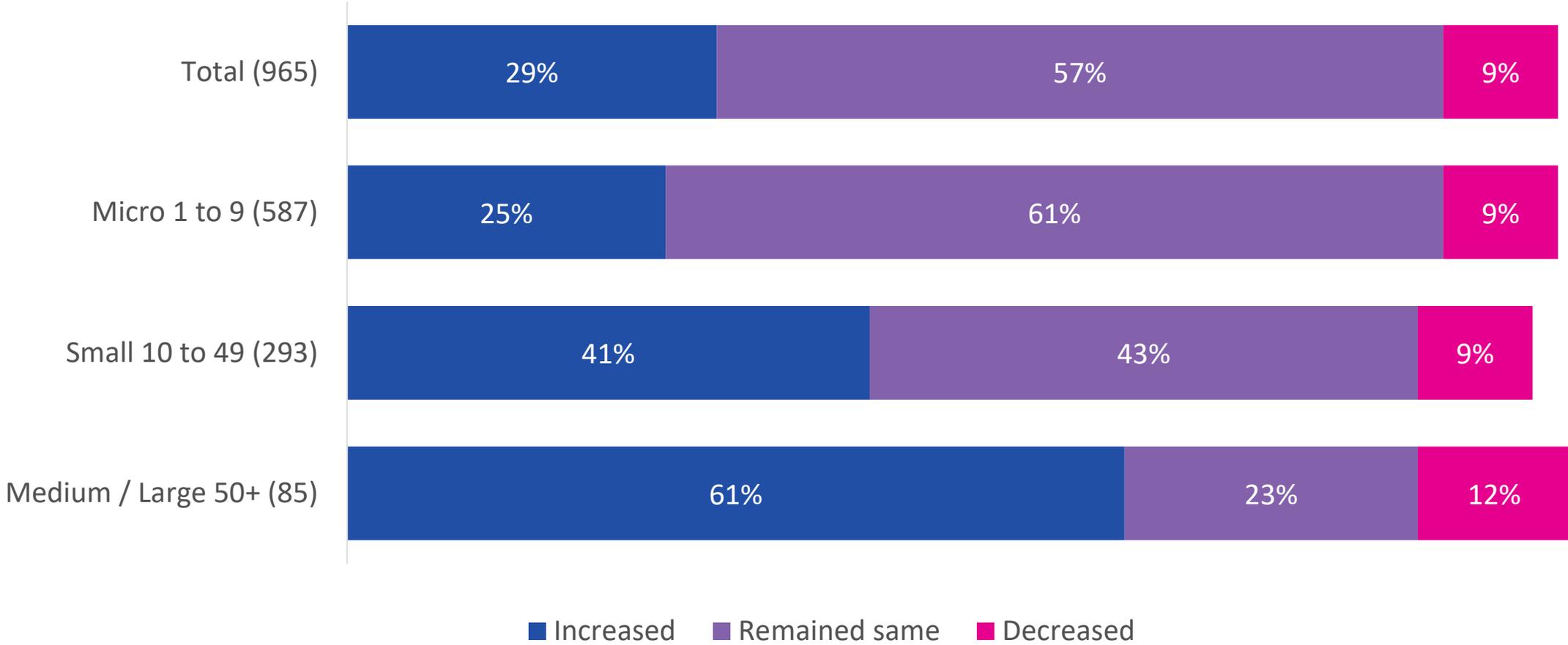
# Trend in investment in past 12 months

Investment levels *may* show signs of stabilising at pre-2021 levels, following a peak in 2022.

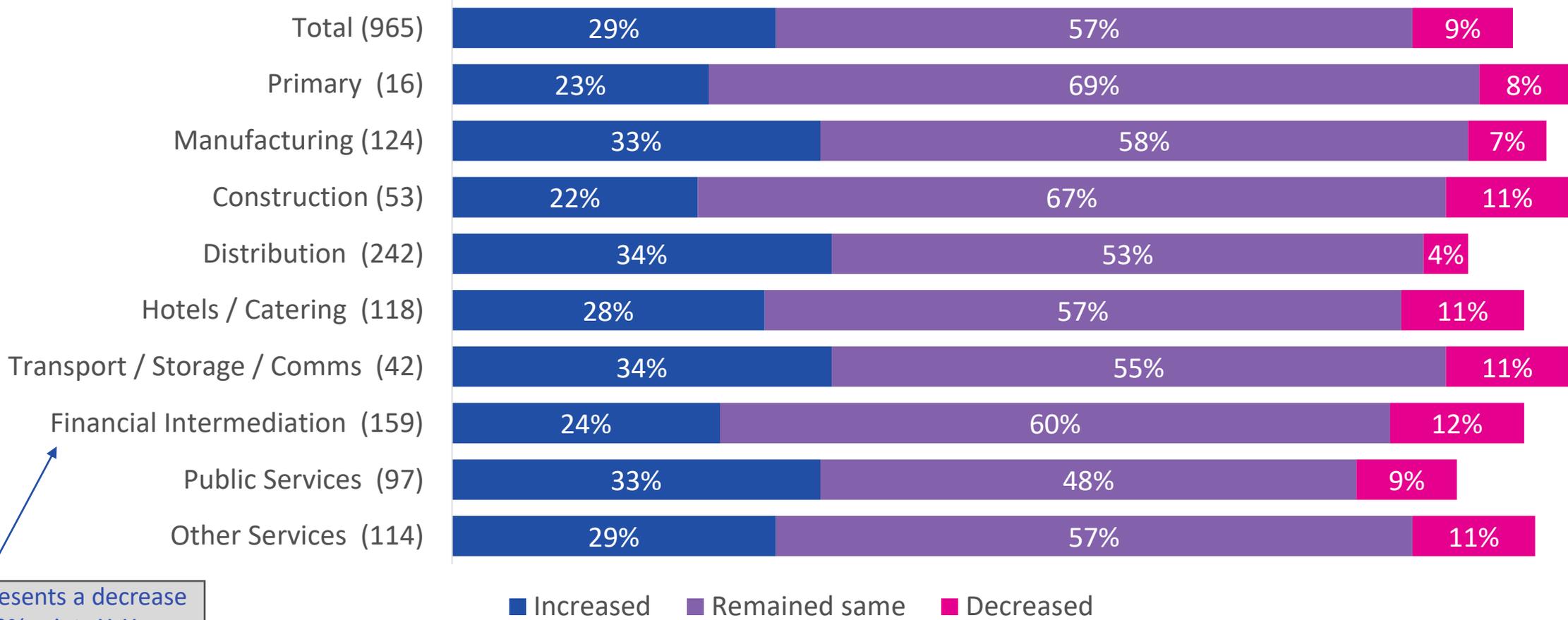


\* based on Leeds City region data

# Trends in investment in past 12 months



# Trends in investment in past 12 months



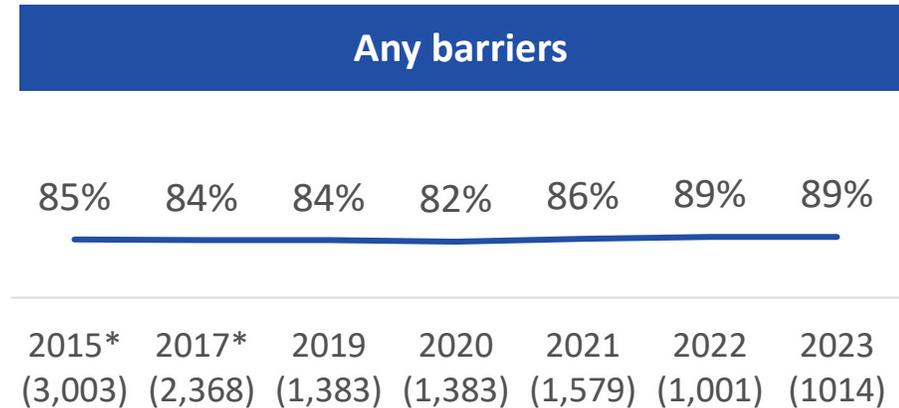
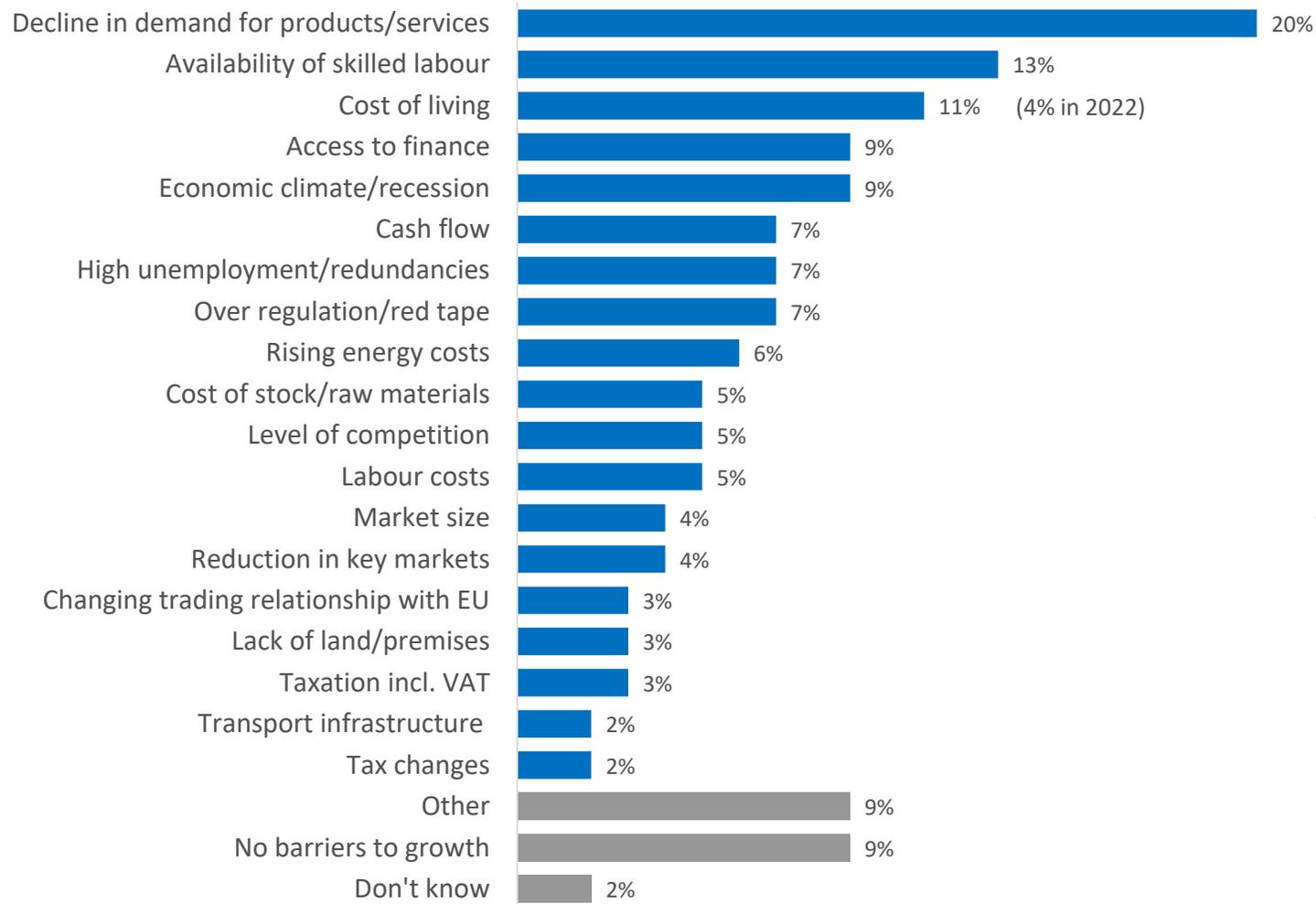
24% represents a decrease of 13%points YoY

# Barriers to growth

## Barriers to growth – summary

- Close to nine in ten businesses (89%) identify barriers to growth in the next 3 years. This reflects a stabilization of the upwards trend recorded from 2020 to 2022.
- Decline in demand for products/services remains the most cited barrier (20%), followed by availability of skilled labour (13%).
- Mentions of cost of living have increased significantly to 11%.

# Barriers to growth in next 3 years



2015\* (3,003) 2017\* (2,368) 2019 (1,383) 2020 (1,383) 2021 (1,579) 2022 (1,001) 2023 (1014)

## Barriers to growth in next 3 years

	Biggest barrier	2 <sup>nd</sup> biggest barrier	3 <sup>rd</sup> biggest barrier
Total (1,014)	Decline in demand for products/services	Availability of skilled labour	Cost of living
Micro 1 to 9 (600)	Decline in demand for products/services	Availability of skilled labour	Cost of living
Small 10 to 49 (314)	Availability of skilled labour	Decline in demand for products/services	Access to finance
Medium/Large 50+ (100)	Availability of skilled labour	Access to finance	Cost of living/decline in demand
Primary (17)	Decline in demand for products/services	Cash flow	Over regulation/reduction in key markets/market size/economic climate
Manufacturing (125)	Decline in demand for products/services	Cost of stock/raw materials	Availability of skilled labour
Construction (53)	Availability of skilled labour	High unemployment/redundancies	Over regulation/red tape
Distribution (245)	Decline in demand for products/services	Cost of living	Economic climate/recession
Hotels/Catering (121)	Decline in demand for products/services	Rising energy costs	Cost of living
Transport/Storage/Comms (43)	Decline in demand for products/services	Availability of skilled labour	High unemployment/redundancies
Financial Intermediation (160)	Availability of skilled labour	Economic climate/recession	Access to finance
Public Services (127)	Access to finance	Availability of skilled labour	Cost of living
Other Services (123)	Decline in demand for products/services	Access to finance	Cash flow

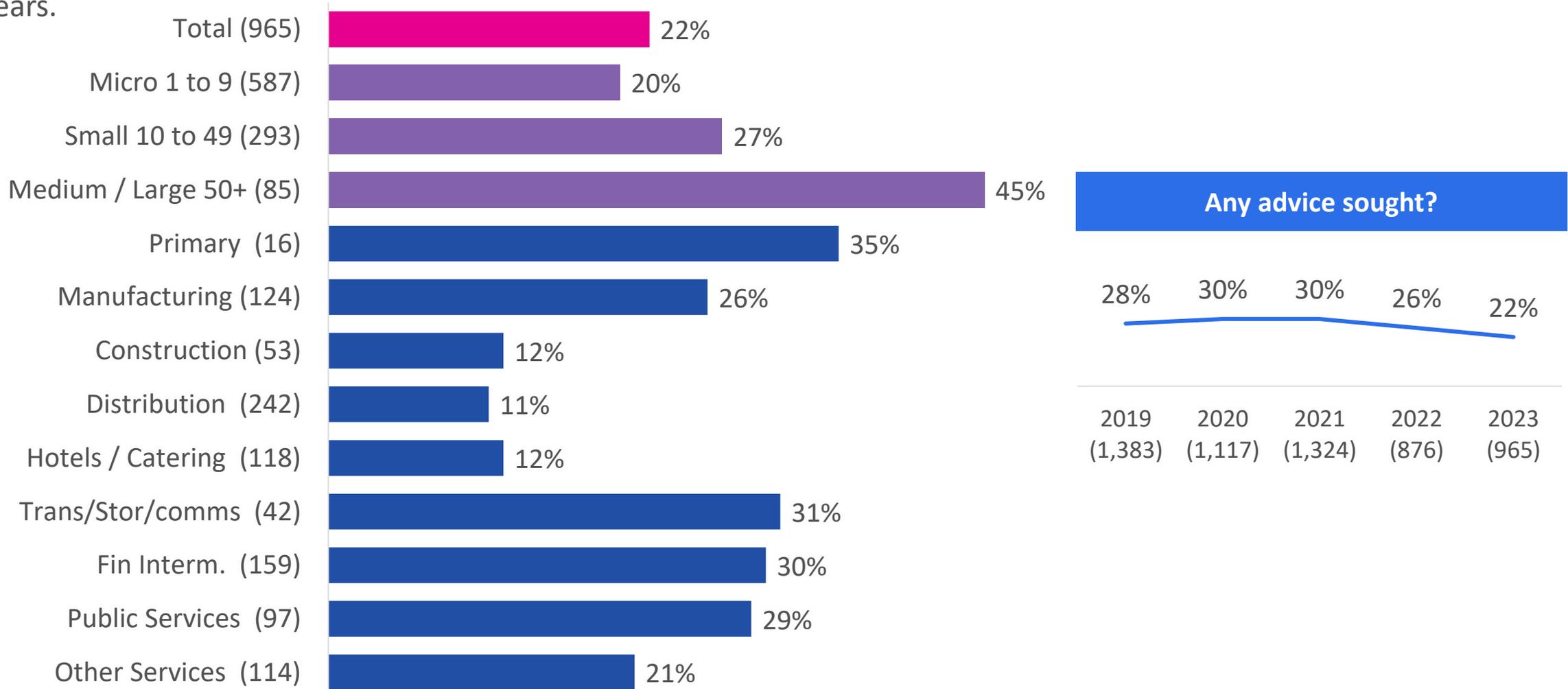
# Business support

## Business support – summary

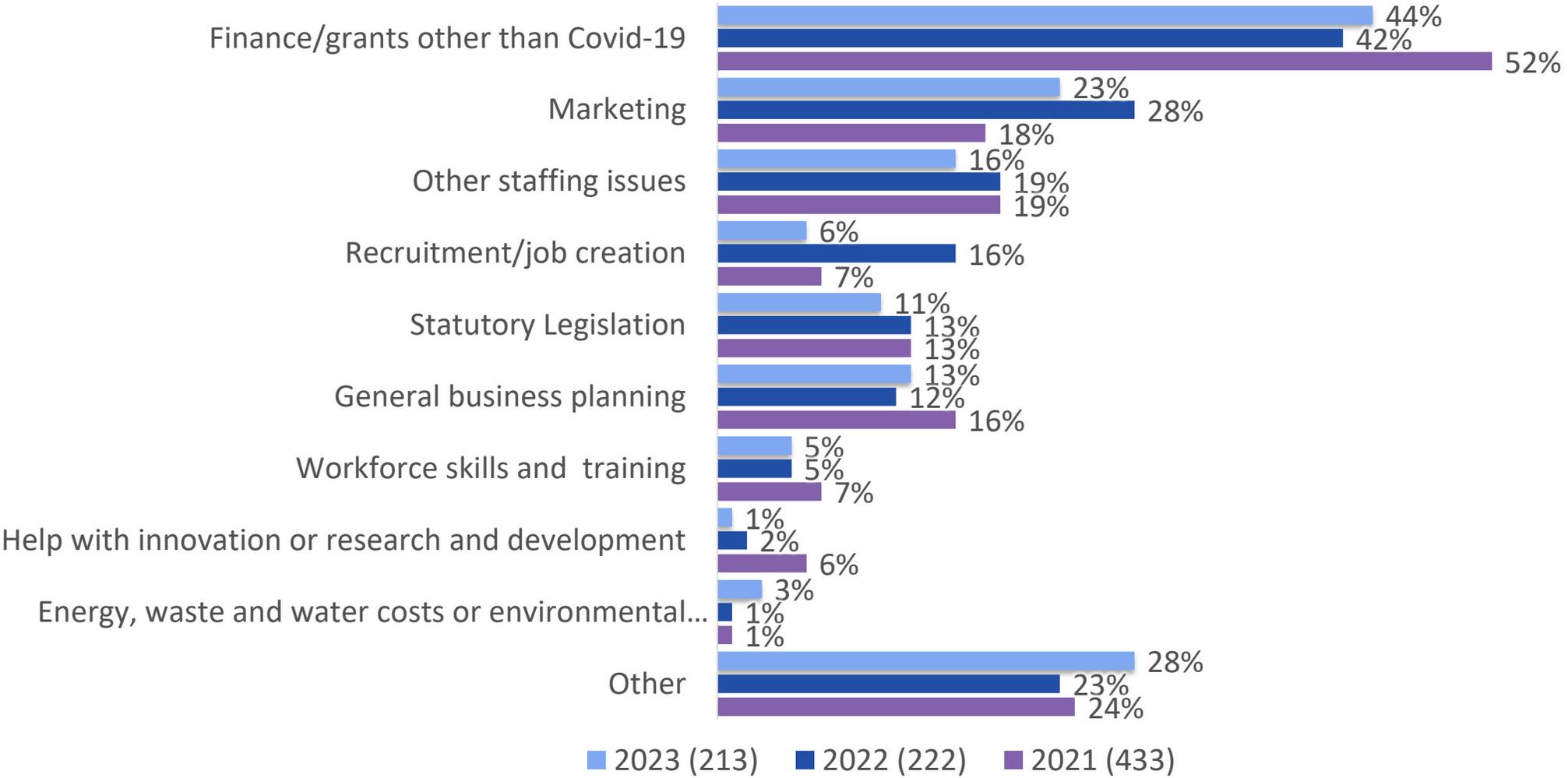
- The number of organisations who have sought advice in the last 12 months has trended downwards over the past 2 years, from 30% in 2021 to 22% in 2023.
- Finance/grants other than those related to Covid-19 continue to be the most prevalent area in which businesses have sought advice (44%), followed by Marketing (23%) and other staffing issues (16%).

## Business support – summary

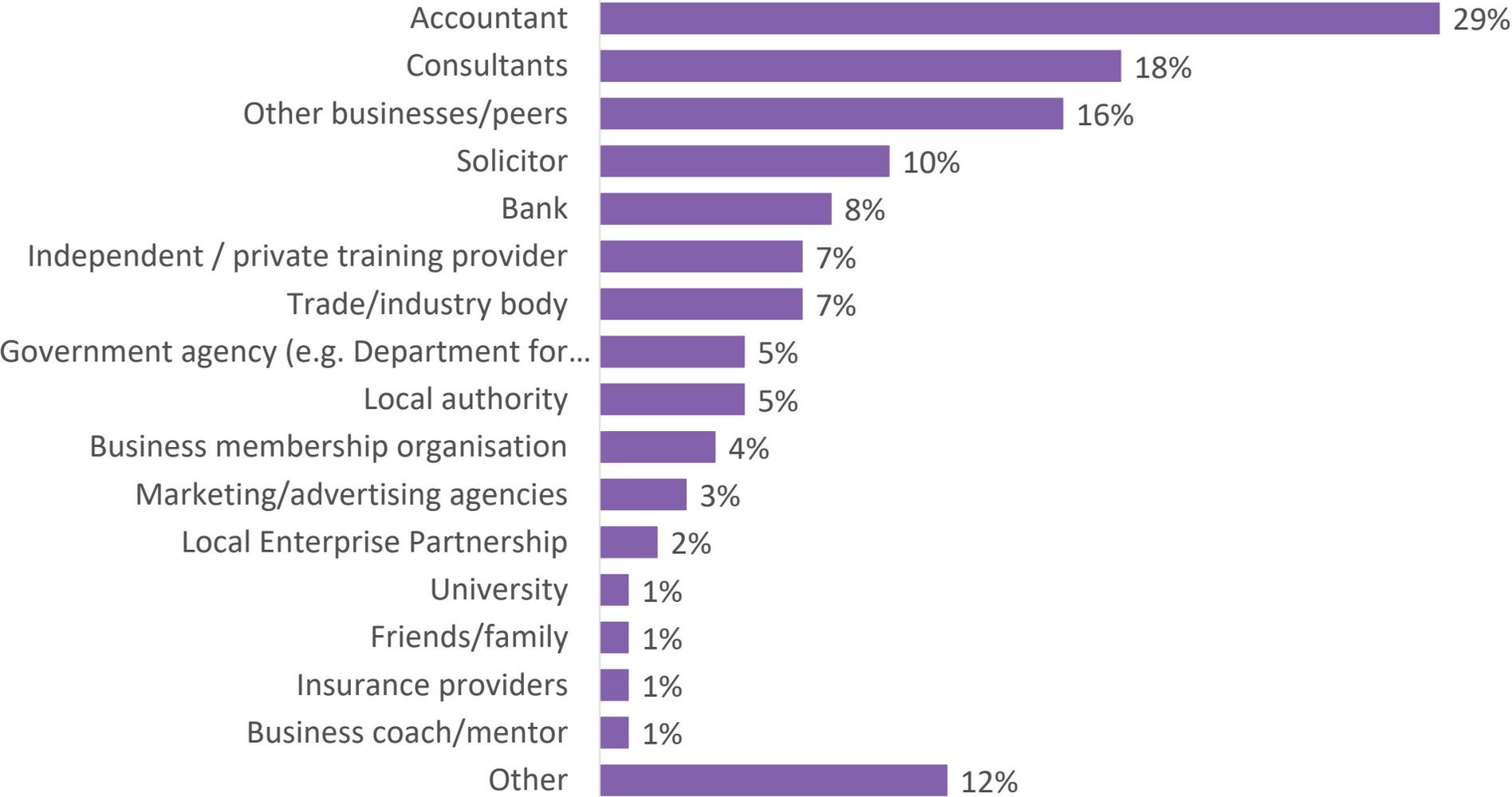
The number of organisations who have sought advice in the last 12 months has trended downwards over the past 2 years.



# Types of independent advice sought



# Sources of independent advice



# Workforce, skills and training

## Workforce, skills and training – summary (1)

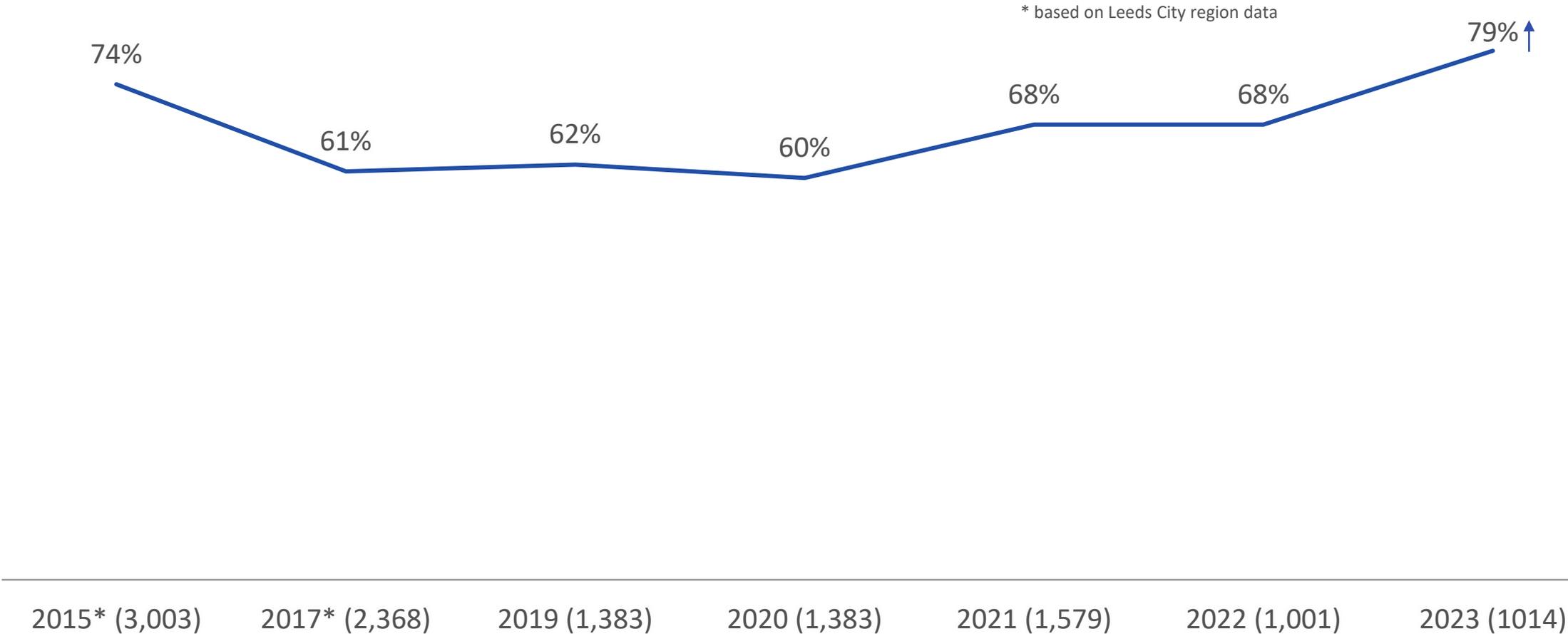
- Following a 11% point uplift, the proportion of business with skill gaps is at the highest level recorded, sitting at 79%.
- Skill gaps tend to increase with business size, with almost all companies with 50+ employees (96%) reporting skill gaps. By sector skills gaps are most commonly reported among businesses in Public Services (85%).
- Businesses/organisations in Wakefield are significantly less likely than average to record skill gaps, but nonetheless, this issue continues to be observed among 7 in 10 Wakefield business (72%).
- The most common skill gaps are: sales and marketing (40%); technical, specialist, or job specific skills (36%); digital or advanced IT skills (33%); and management/leadership (33%). The data suggests increases in skill gaps across all these competencies, significantly so for sales and marketing and management/leadership.
- Following a dip in 2021, in 2022 there had 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%. Whilst this figure has softened to 33%, it remains significantly higher than any level recorded prior to 2022.
- Recruitment difficulties increase with businesses size, with 60% of medium/large businesses struggling to fill vacancies.

## Workforce, skills and training – summary (2)

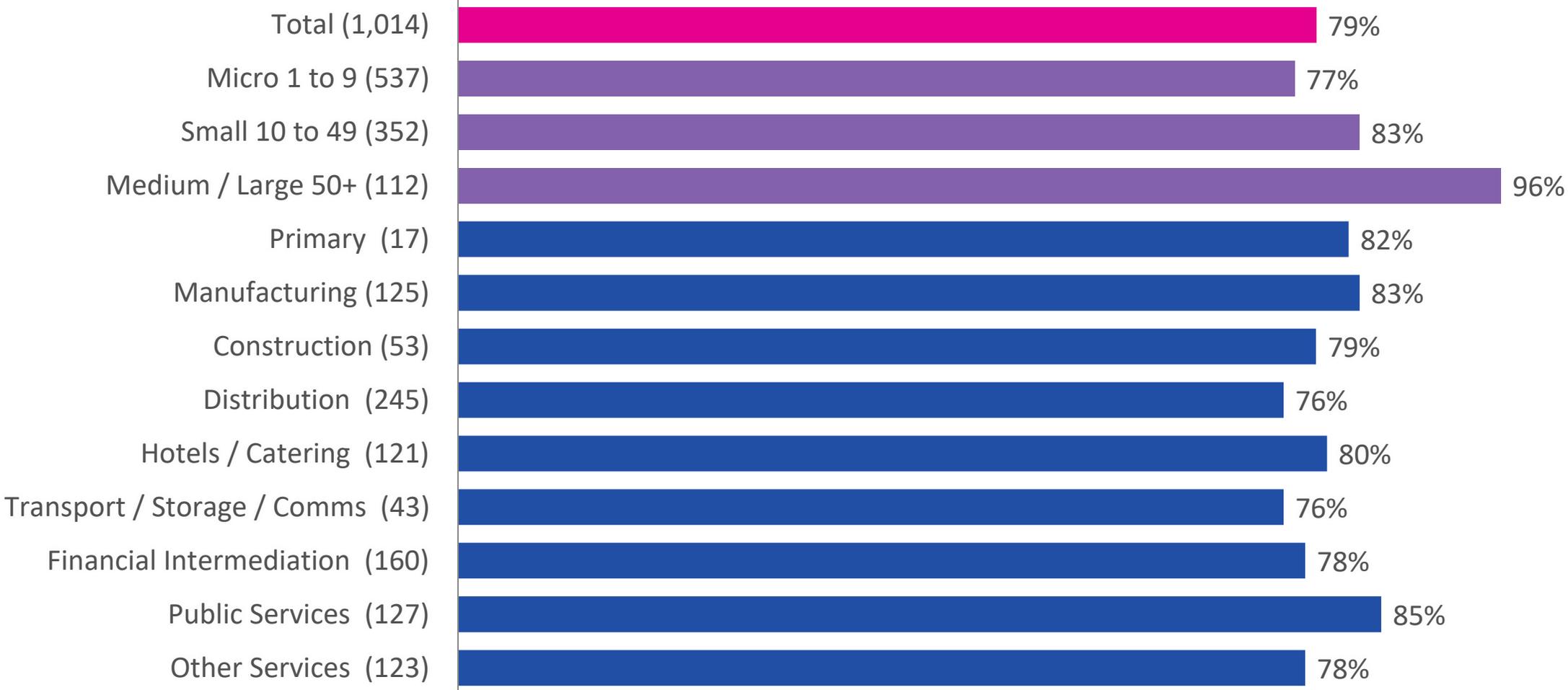
- Technical, specialist or job specific skills remain the area in which businesses are most likely to experience recruitment difficulties, although this has dropped from 73% to 57% compared to the previous year.
- A new question was added to the survey in 2023 to understand what training schemes are offered to young people and those entering work. Almost half (48%) of businesses surveyed did not offer any of the schemes listed (work experience, internships, apprenticeships, graduate schemes). The most common scheme offered was work experience at 38%.
- The larger the organization, the greater the likelihood of a scheme being offered, with 93% of medium/large companies offering something. There is also significant variation by sector type, and 86% of public sector organizations offered something, compared to 50% of private sector organizations.

# % with any skill gaps in next 12 months

Following a 11% point uplift, the proportion of business with skill gaps is at the highest level recorded.



# % with any skill gaps in next 12 months

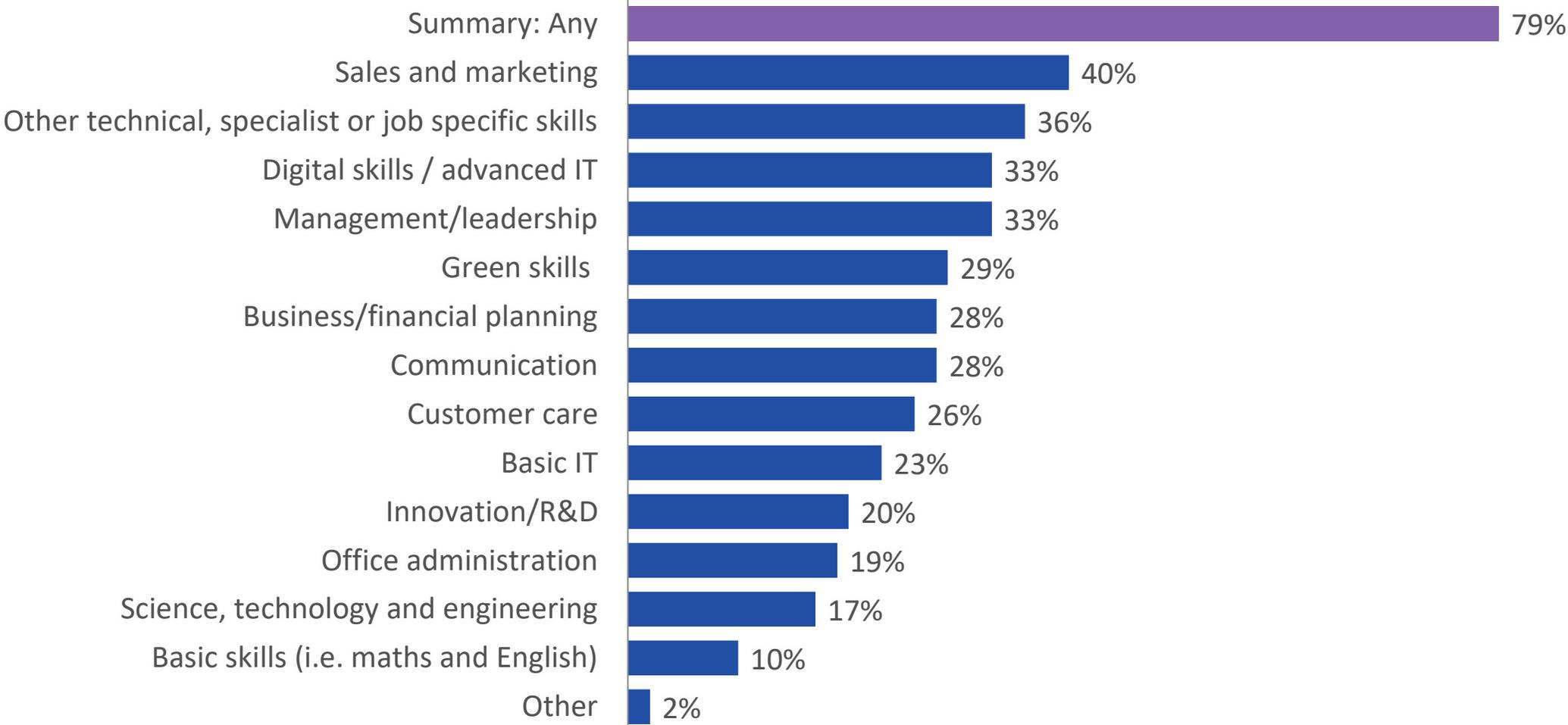


# % with any skill gaps in next 12 months



Businesses/organisations in Wakefield need significantly less improvement on skills than the average.

# Types of skills gaps in next 12 months



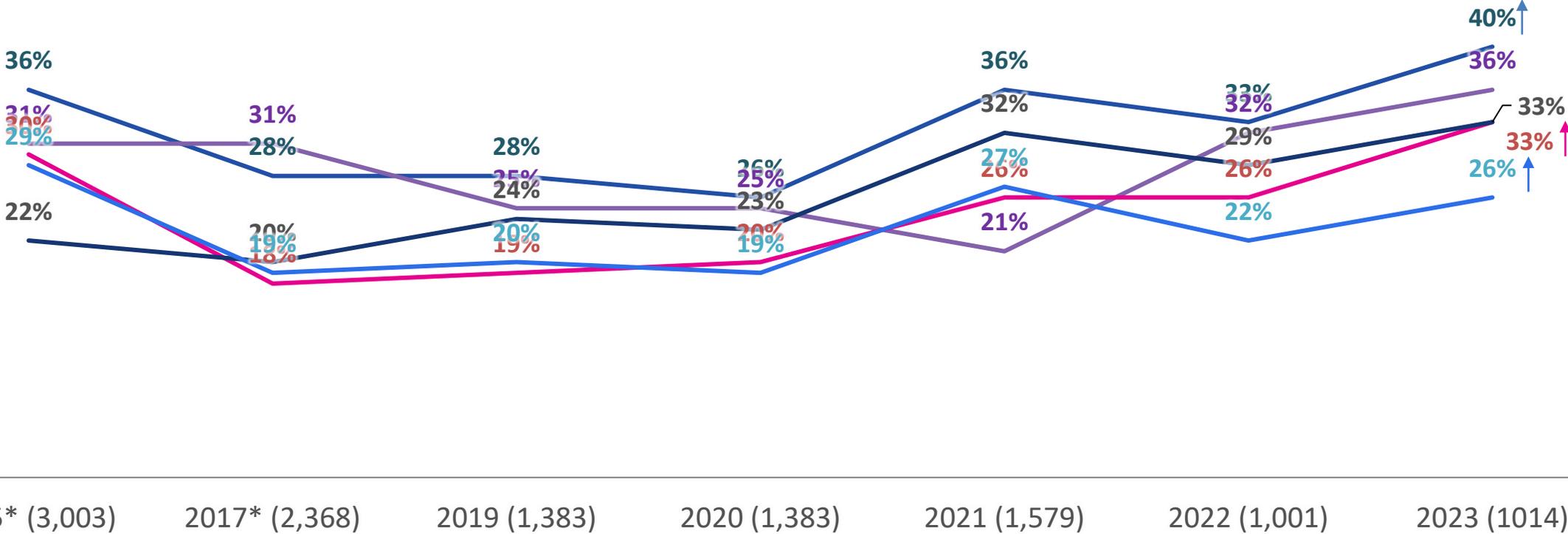
## Types of skills gaps in next 12 months

	Total (1,014)	Primary (17)	Manufacturing (125)	Construction (53)	Distribution (245)	Hotels/Catering (121)	Transport/Storage/ Comms (43)	Financial Intermediation (160)	Public Services (127)	Other Services (123)
Sales and marketing	40%	38%	41%	24%	49%	38%	49%	42%	30%	40%
Other technical, specialist or job specific skills	36%	44%	42%	45%	28%	19%	46%	43%	28%	34%
Digital skills/advanced IT	33%	23%	33%	32%	29%	14%	45%	38%	34%	40%
Management/leadership	33%	20%	26%	30%	34%	32%	42%	33%	36%	26%
Business/financial planning	28%	28%	21%	22%	28%	28%	41%	28%	33%	24%
Customer care	26%	23%	21%	21%	36%	32%	19%	22%	26%	24%
Communication	28%	19%	17%	22%	37%	35%	30%	24%	30%	26%
Basic IT	23%	19%	22%	30%	27%	22%	19%	19%	22%	27%
Innovation/R&D	20%	32%	29%	14%	17%	7%	40%	22%	14%	19%
Office administration	19%	2%	21%	26%	20%	17%	21%	15%	25%	20%
Science, technology and engineering	17%	24%	24%	20%	14%	3%	22%	21%	17%	7%
Basic skills (i.e. maths and English)	10%	24%	9%	9%	10%	13%	15%	7%	13%	7%
Green skills	29%	11%	25%	25%	28%	24%	35%	28%	35%	35%
Other	2%	0%	0%	0%	1%	6%	0%	4%	3%	2%

# % with specific skills gaps

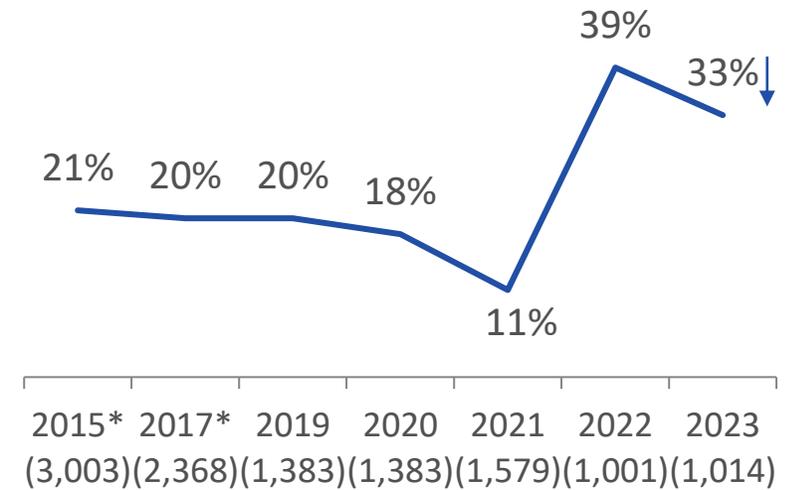
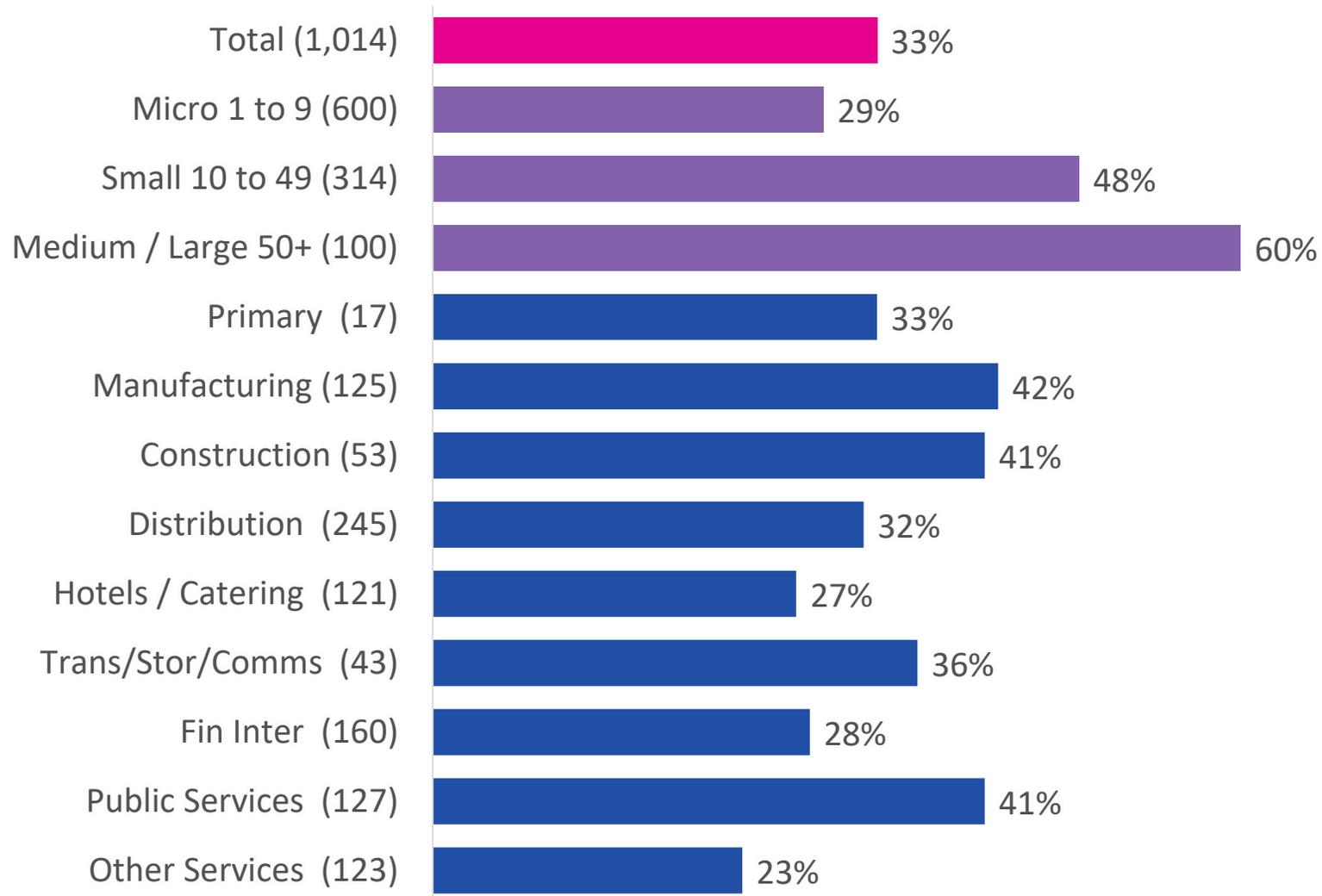
Uplifts in skill gaps are recorded across all key skills.

\* based on Leeds City region data



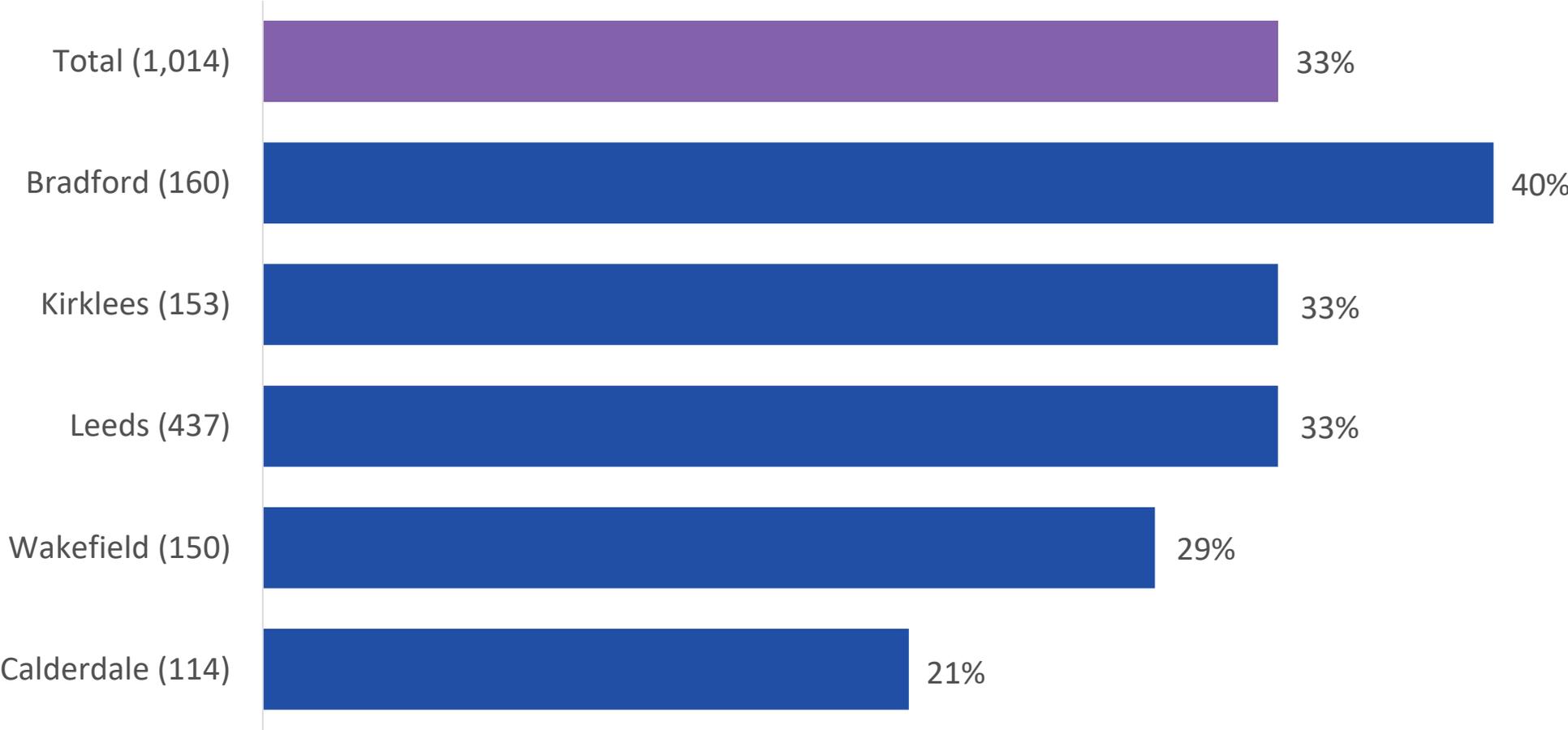
— Sales and marketing — Technical/specialist — Management/leadership — Digital/advanced IT — Customer care

## % with hard to fill vacancies in last year



\* based on Leeds City region data

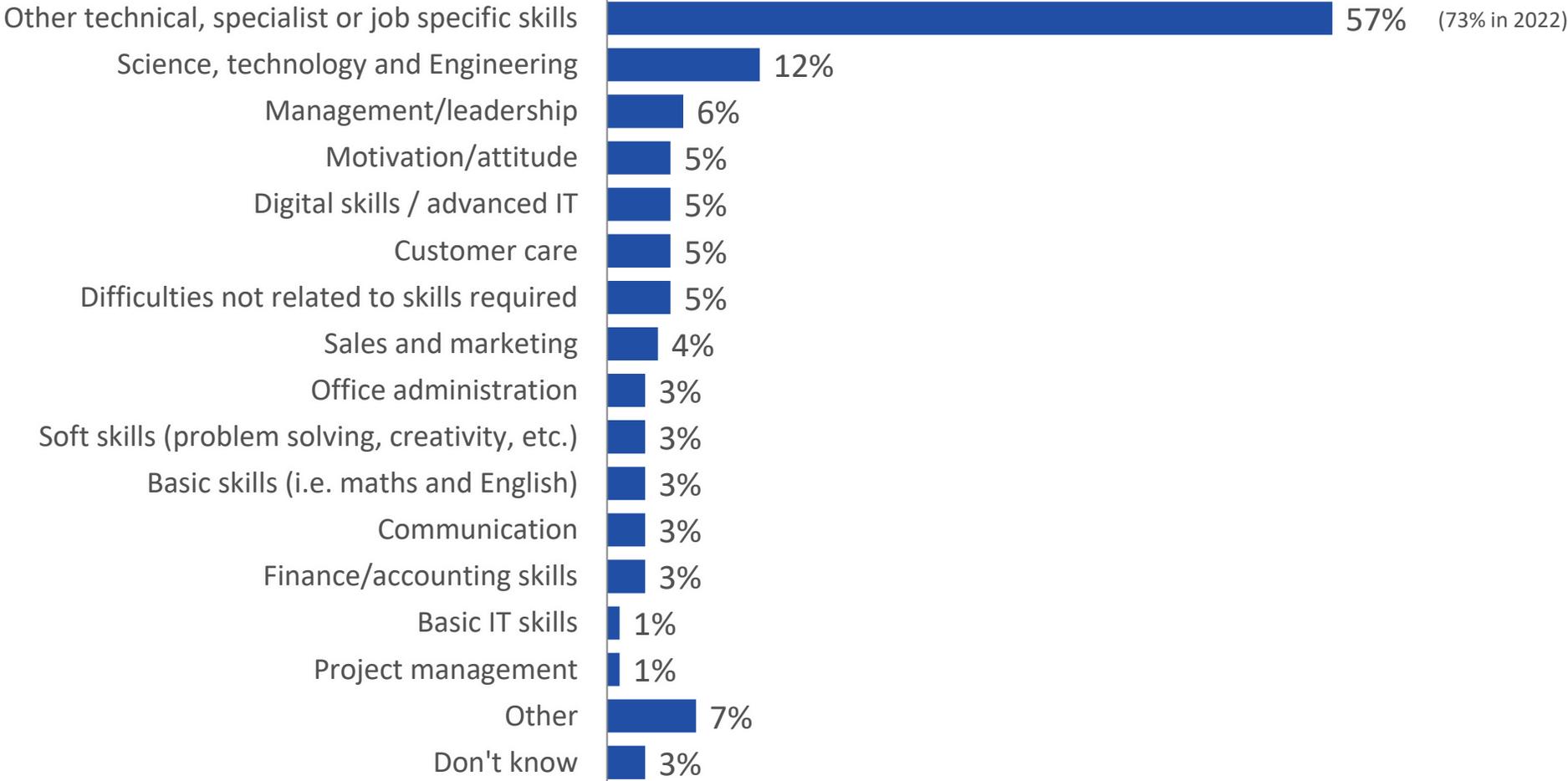
# % with hard to fill vacancies in last year



Q22. Did you have any staff vacancies that you found hard to fill, or could not fill, during the last 12 months? All respondents, unweighted bases shown in brackets



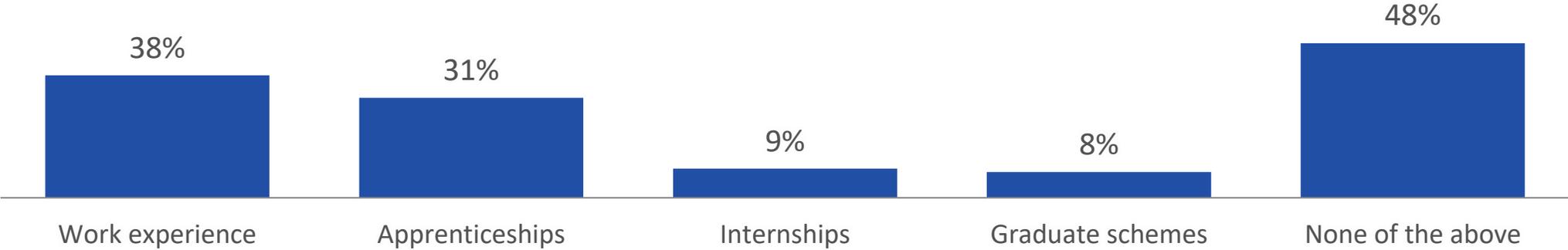
# Skills that have been difficult to recruit in last year



Q23. Which skills did you find difficult to recruit? All with hard to fill vacancies, unweighted base = 365

# Schemes offered by businesses and organisations

Almost half of businesses do not offer any of the listed schemes.



	Total	1 to 9 employees	10 to 49 employees	50+ employees	Private sector	Public sector	Voluntary/community sector
<i>Unweighted Base</i>	1,014	600	314	100	877	49	88
<b>Total: Any Offer</b>	<b>52%</b>	<b>48%</b>	<b>64%</b>	<b>93%</b>	<b>50%</b>	<b>86%</b>	<b>66%</b>

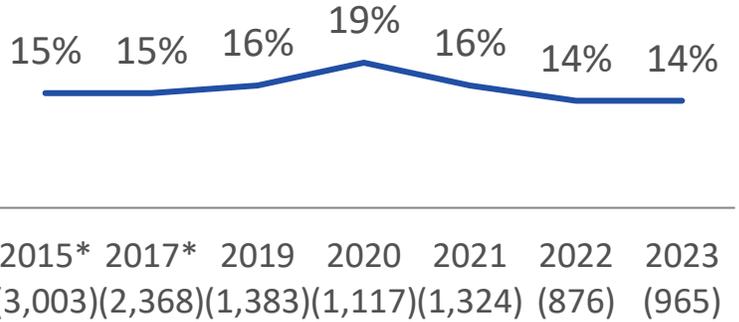
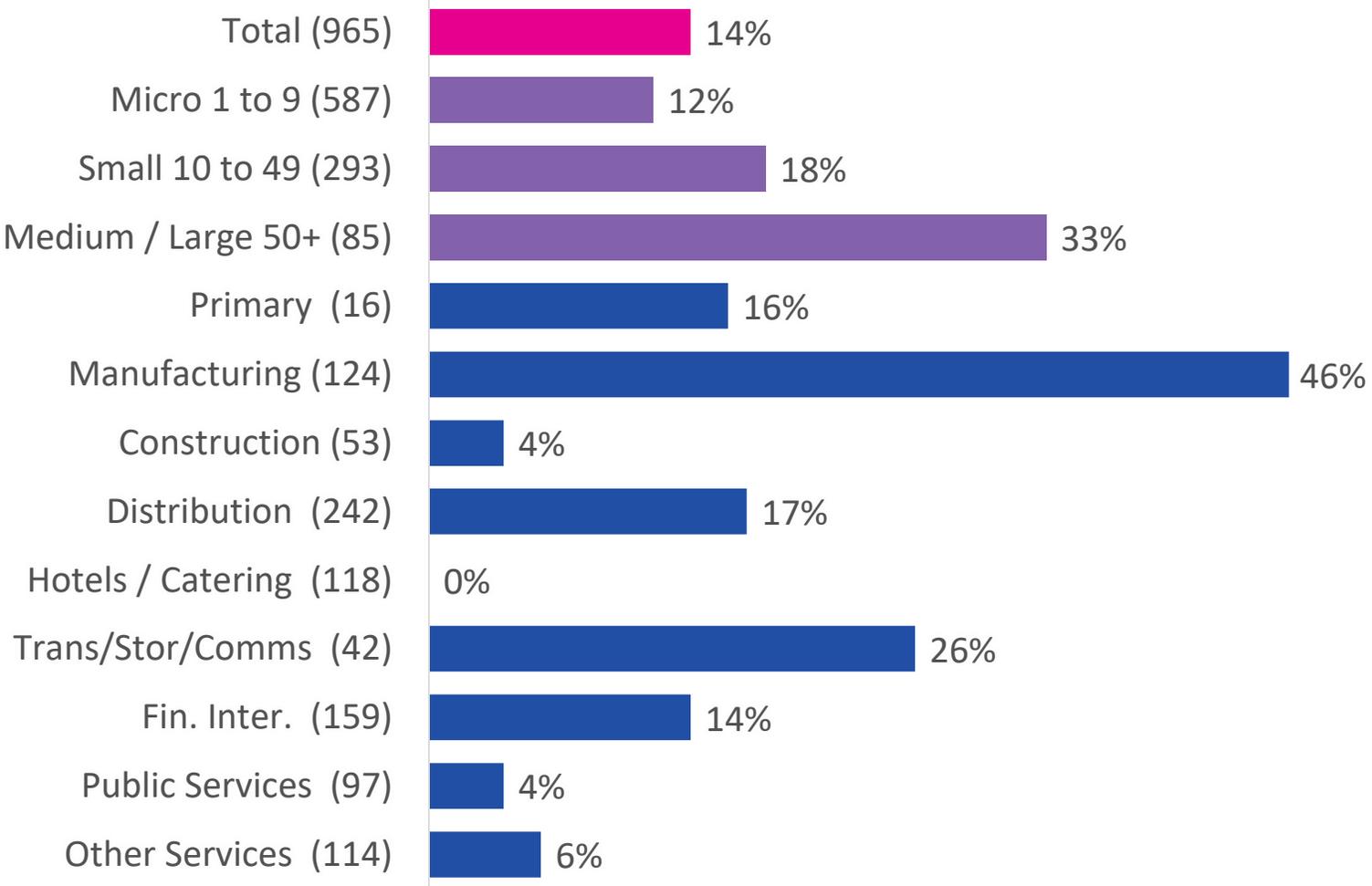
Q23b. Which of the following do you offer? All respondents, 1014

# Customer base and trade destinations

## Customer base – summary

- Following a downward trajectory since 2020, incidence of exporting has remained level at 14%.
  - This increases to 33% among businesses with 50+ employees.
  - Of those that export, the majority export to EU countries (85%), while a half export to North America (53%).

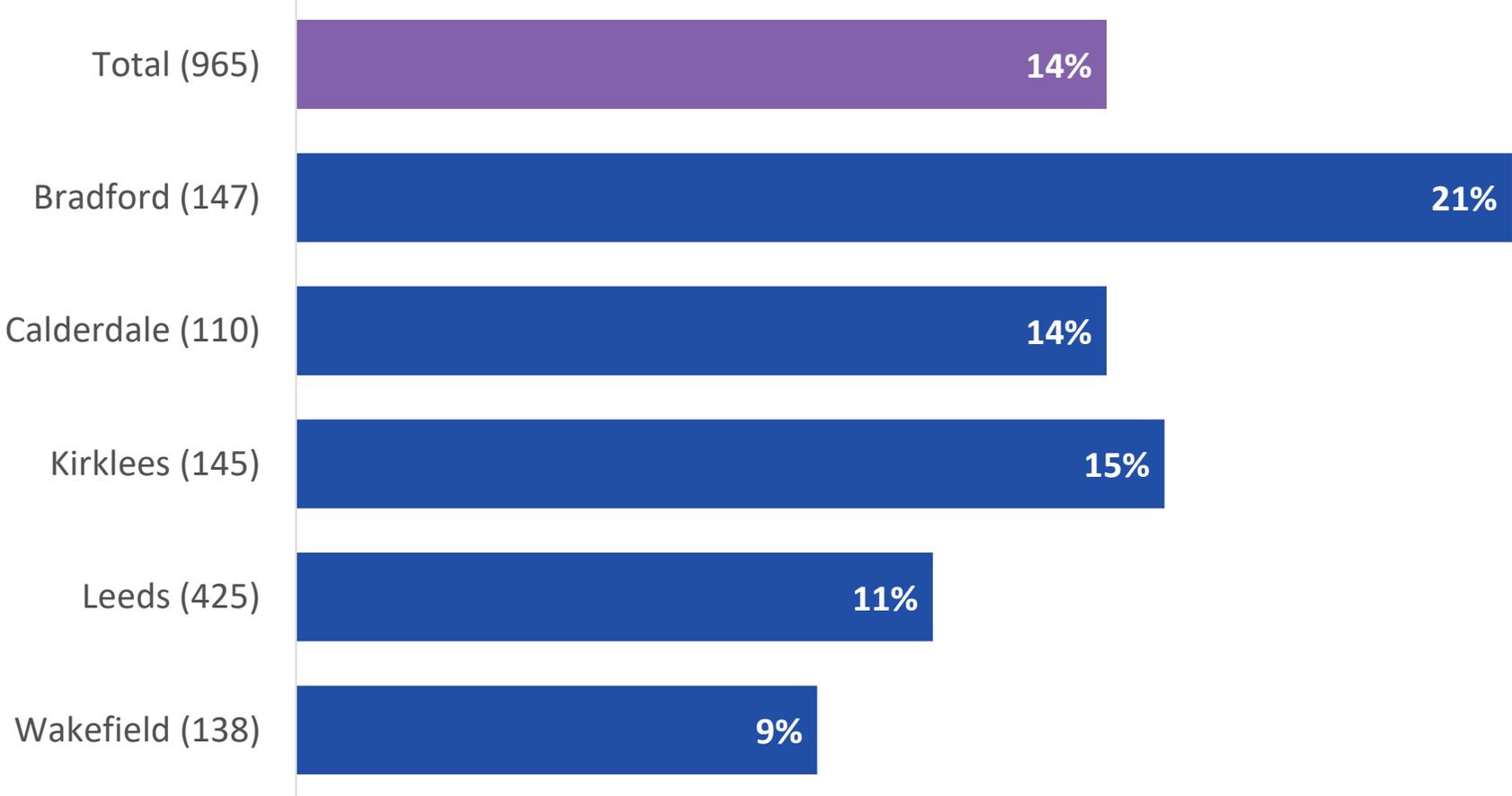
# % currently export



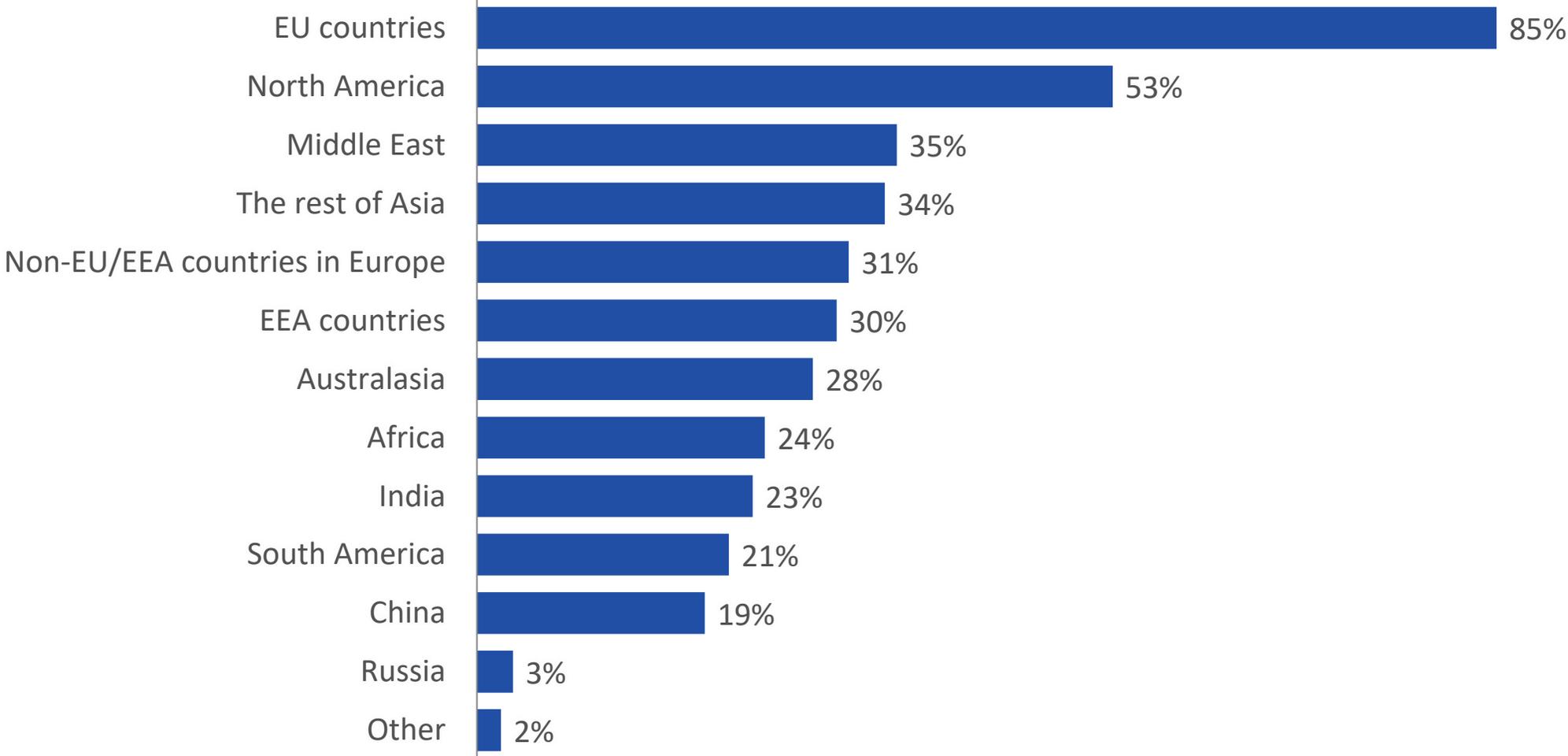
2015\* (3,003) 2017\* (2,368) 2019 (1,383) 2020 (1,117) 2021 (1,324) 2022 (876) 2023 (965)

\* based on Leeds City region data

# % currently export



# Where export to



# % of sales from specific locations

	0%	1-10%	11-25%	26-50%	51-75%	76-99%	100%	Any
Within Yorkshire & Humber	2%	9%	7%	10%	11%	23%	39%	98%
Rest of the UK	88%	2%	2%	2%	4%	2%	0%	12%
The EU	90%	6%	1%	2%	1%	*%	*%	10%

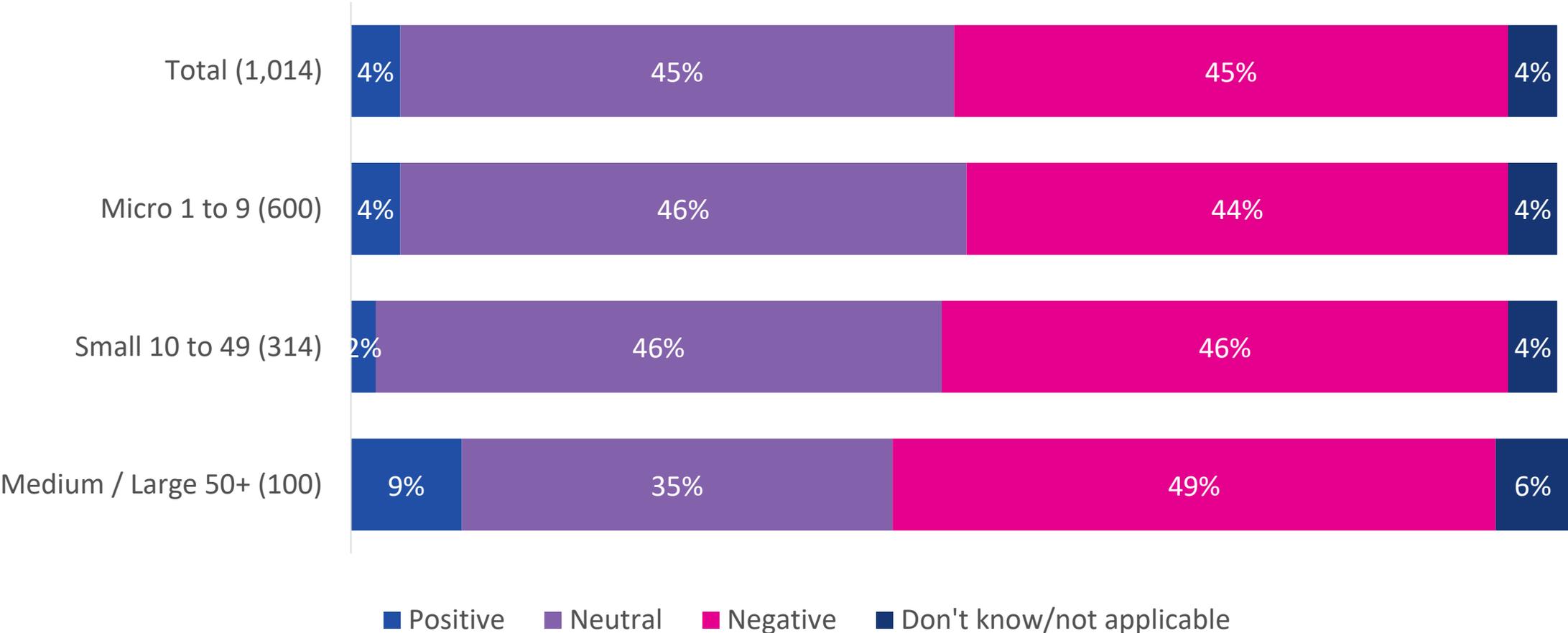
Q26. Thinking now about your markets for products and services, please estimate the proportion of your sales that originate from. Private/voluntary sector providing a valid response, unweighted base = 861 (valid responses)

# Brexit

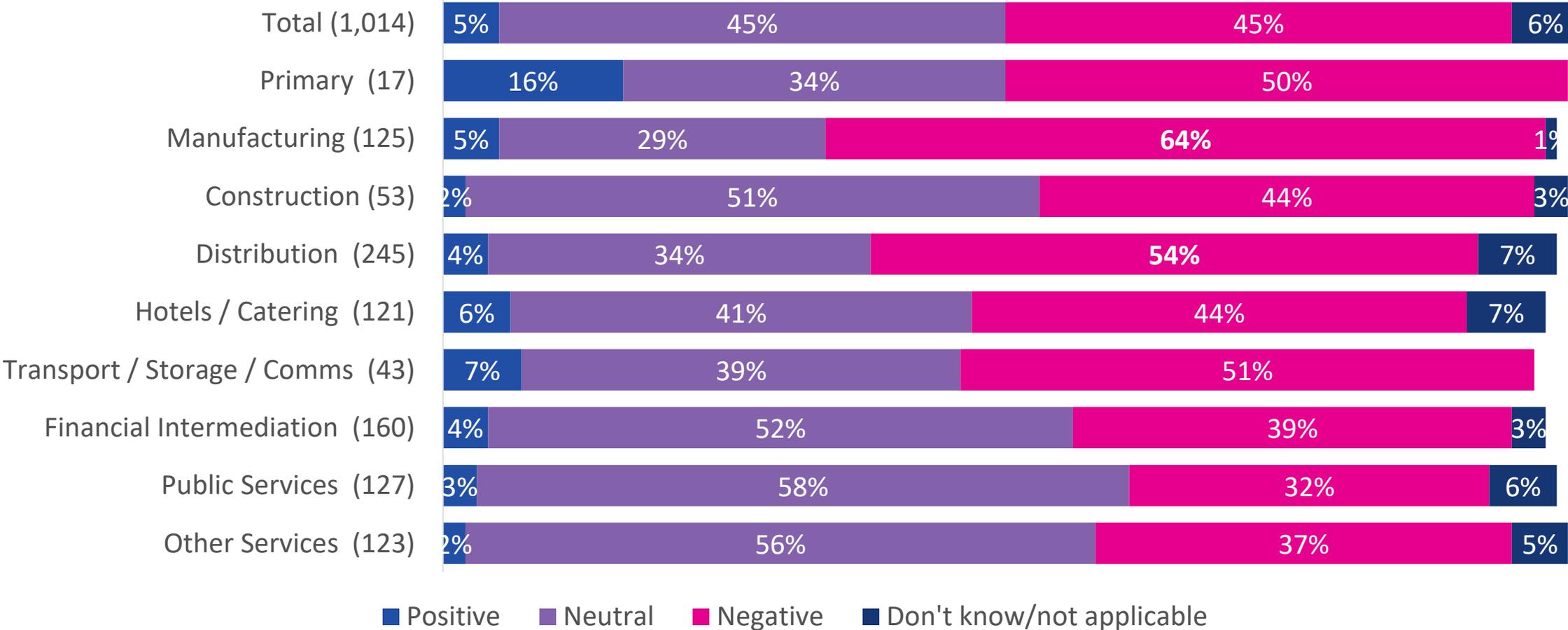
## Brexit – summary

- In line with the findings from 2022, the same proportion of businesses believe leaving the EU has been negative, as those that believe it has been neither positive nor negative (45%). Only 4% believe it has had a positive impact.
- Those within manufacturing and distribution consider the impact to be negative at higher than average rates (64% and 54% respectively).
- Of those who report a negative impact, the majority cite higher costs on imports from the EU (72%), and the impact of higher tariffs (59%).

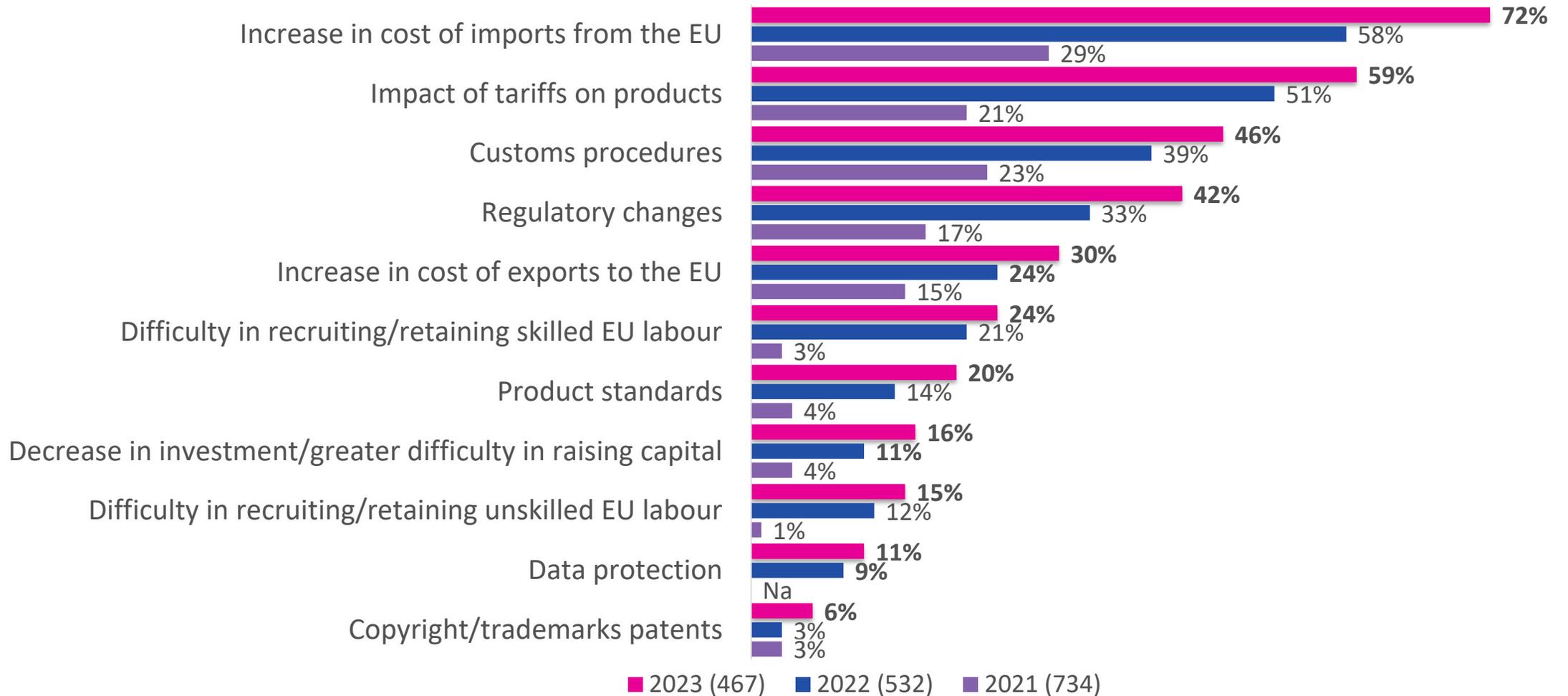
# Impact of leaving the EU on the business to date



# Impact of leaving the EU on the business to date



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



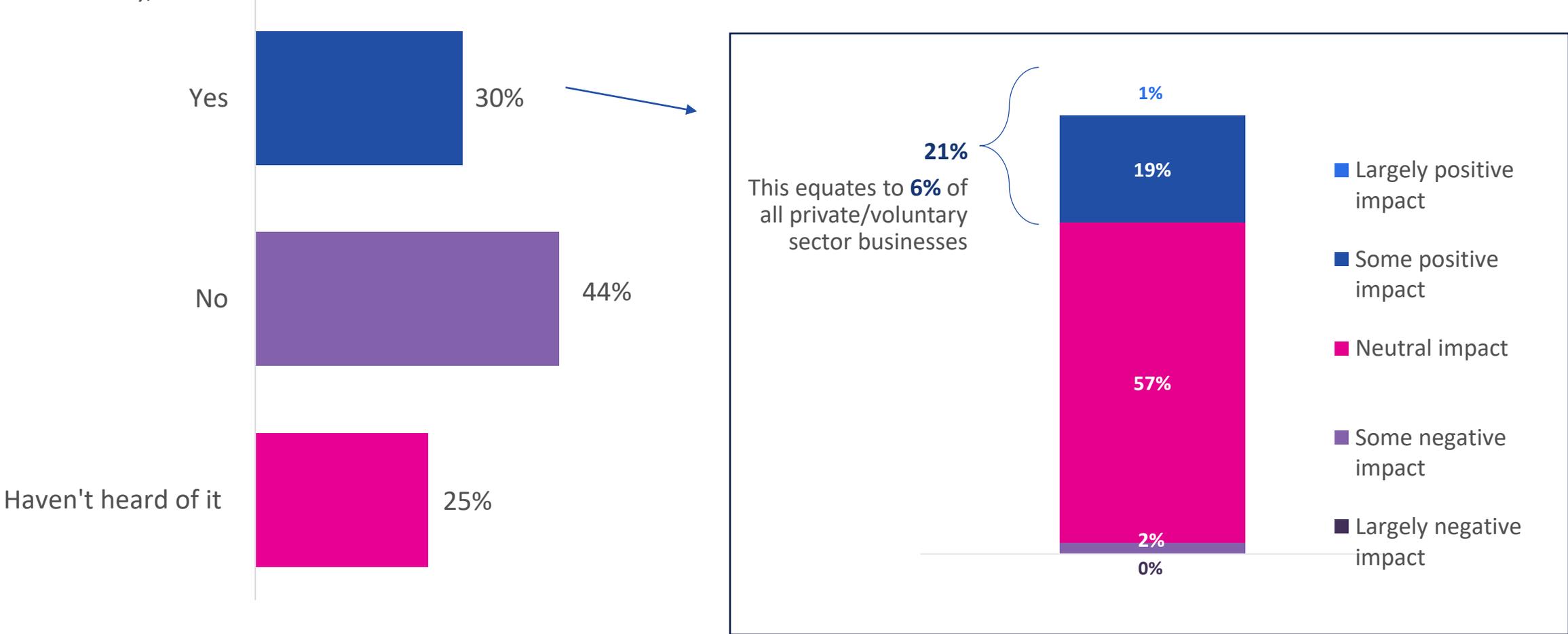
# Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)

## Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) – summary

- Overall awareness of the CPTPP is low at this stage. Just under a third of business are aware of the CPTPP (30%), with a higher proportion (44%) being unaware.
  - Of those who are aware, just 1 in 5 think there will be any positive impact (6% of total), whilst 57% are neutral.
  - Awareness of the CPTPP is lowest among Businesses with 10-49 employees (22%), and also those in Public Services (18%), and the voluntary/community sector (19%), likely reflecting lower relevance of the Agreement for the sector.

# Awareness of the UK joining the CPTPP

Just under a third of business are aware of the CPTPP, and of those, just 1 in 5 think there will be any positive impact (6% of total), whilst more than half are neutral.



## Variations in awareness of the CPTPP

Awareness of the CPTPP is highest among...

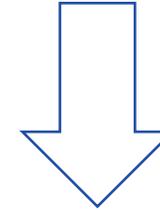


Businesses with 50+ employees  
(**41%**)

Businesses in Financial  
Intermediation (**37%**)

The private sector (**31%**)

Awareness of the CPTPP is lowest among...



Businesses with 10-49 employees  
(**22%**)

Public Services (**18%**)

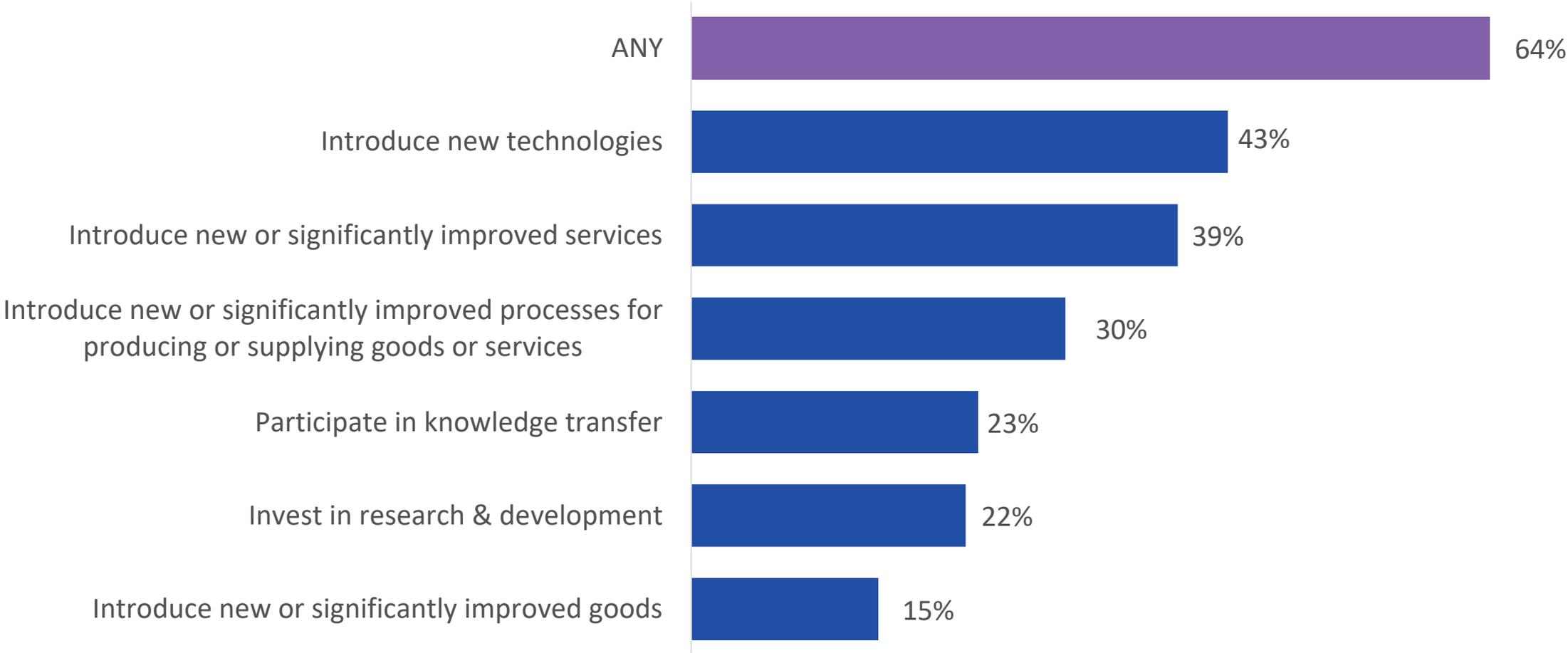
The voluntary/community sector  
(**19%**)

# 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 91% of medium/large businesses.
- The most common innovation activities involve new technologies (43%) and new or significantly improved services (39%).
- Overall 17% of business think there will be barriers to innovation in the next three years- this increases to 37% among medium/larger businesses.
- Among those who foresee barriers to innovation, the most commonly cited barriers relate to financial implications and economic barriers (Finance costs: 67%; Innovation costs too high: 62%; Excessive economic risk: 62%).
- The most frequently mentioned collaborators for R&D/business innovation remain business networks (72%) and other companies (66%).

# Innovation/R&D undertaken in past three years



Q31. During the past 3 years did your business/organisation...  
All except public sector, unweighted base = 876

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

New technologies are the most common form of R&D across organisation sizes, carried out by 2 in 5 of micro businesses and 3 in 4 of medium/large organisations.

	Total (965)	Micro 1 to 9 (587)	Small 10 to 49 (293)	Medium/Large 50+ (85)
<b>ANY</b>	64%	60%	76%	91%
Introduce new or significantly improved services	39%	36%	50%	71%
<b>Introduce new technologies</b>	<b>43%</b>	<b>40%</b>	<b>54%</b>	<b>75%</b>
Introduce new or significantly improved processes for producing or supplying goods or services	30%	27%	42%	60%
Participate in knowledge transfer	23%	21%	26%	52%
Invest in research & development	22%	18%	35%	59%
Introduce new or significantly improved goods	15%	14%	19%	34%
<b>ALL</b>	3%	2%	5%	20%

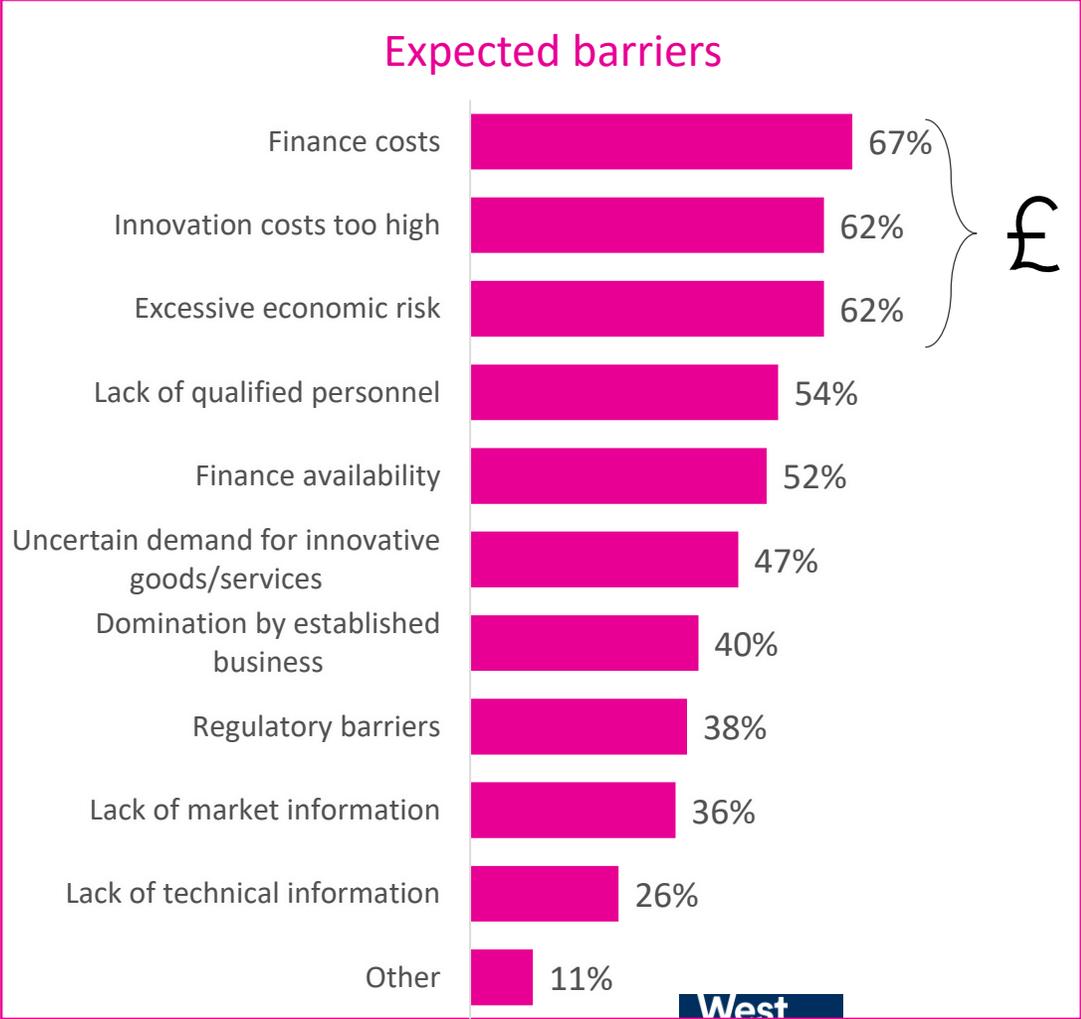
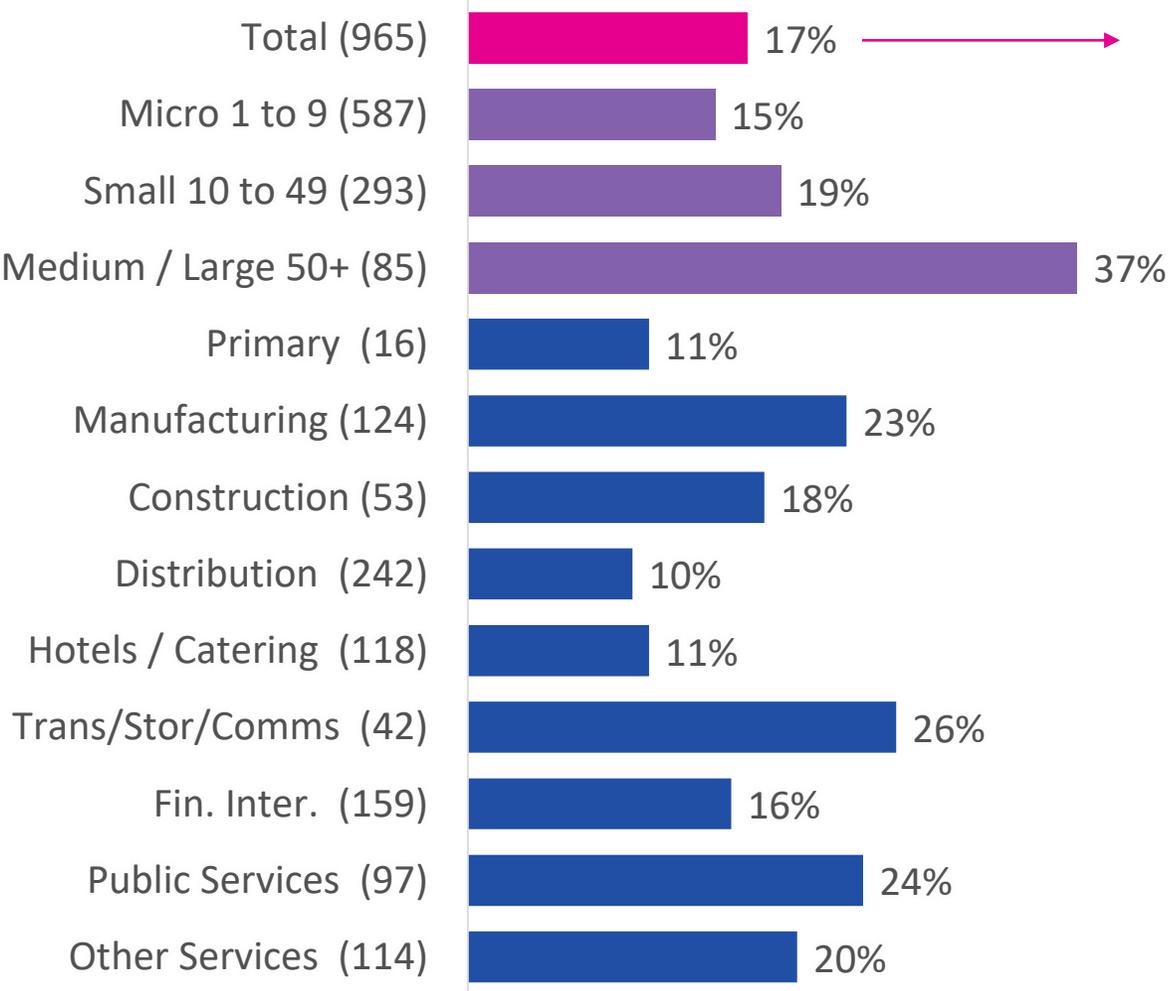
## Innovation/R&D undertaken in past three years

	Primary (16)	Manufacturing (124)	Construction (53)	Distribution (242)	Hotels/Catering (118)	Transport/Storage/Comms (42)	Financial Intermediation (159)	Public Services (97)	Other Services (114)
ANY	62%	75%	49%	61%	54%	78%	69%	65%	59%
Introduce new or significantly improved services	35%	38%	24%	40%	28%	49%	41%	52%	40%
Introduce new technologies	43%	43%	25%	40%	36%	63%	52%	40%	38%
Introduce new or significantly improved processes for producing or supplying goods or services	19%	45%	23%	34%	19%	42%	31%	29%	22%
Participate in knowledge transfer	47%	22%	20%	19%	7%	19%	29%	30%	26%
Invest in research & development	31%	43%	11%	18%	8%	38%	24%	24%	17%
Introduce new or significantly improved goods	14%	38%	6%	18%	21%	19%	11%	7%	11%
ALL	2%	8%	1%	5%	0%	3%	2%	1%	1%

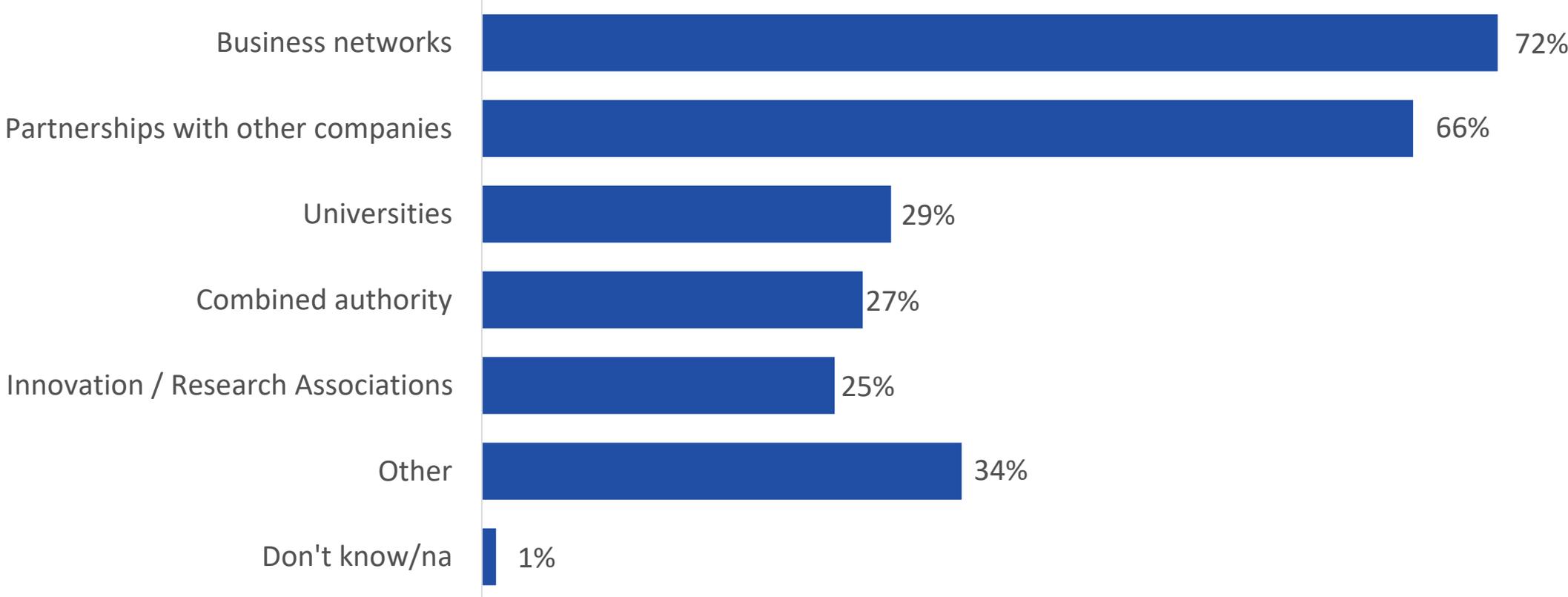
## Innovations/R&D undertaken in past three years

	Total (965)	Bradford (147)	Calderdale (110)	Kirklees (145)	Leeds (425)	Wakefield (138)
ANY	64%	60%	63%	67%	67%	56%
Introduce new or significantly improved services	39%	39%	33%	34%	43%	38%
Introduce new technologies	43%	43%	39%	43%	48%	33%
Introduce new or significantly improved processes for producing or supplying goods or services	30%	28%	27%	37%	32%	22%
Participate in knowledge transfer	23%	23%	24%	24%	23%	17%
Invest in research & development	22%	25%	22%	22%	21%	20%
Introduce new or significantly improved goods	15%	15%	16%	15%	15%	15%
ALL	3%	5%	3%	2%	2%	4%

# % "Yes" there will be barriers to innovation in the next three years



# Collaborators when undertaking innovation or R&D

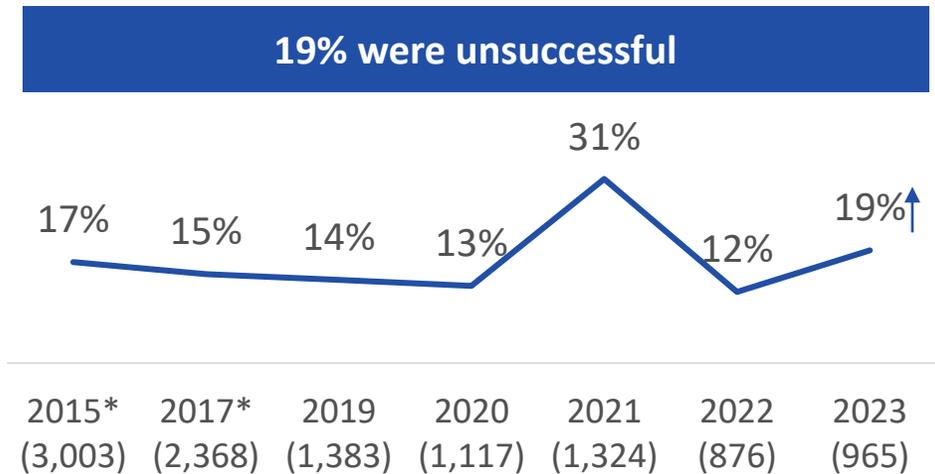
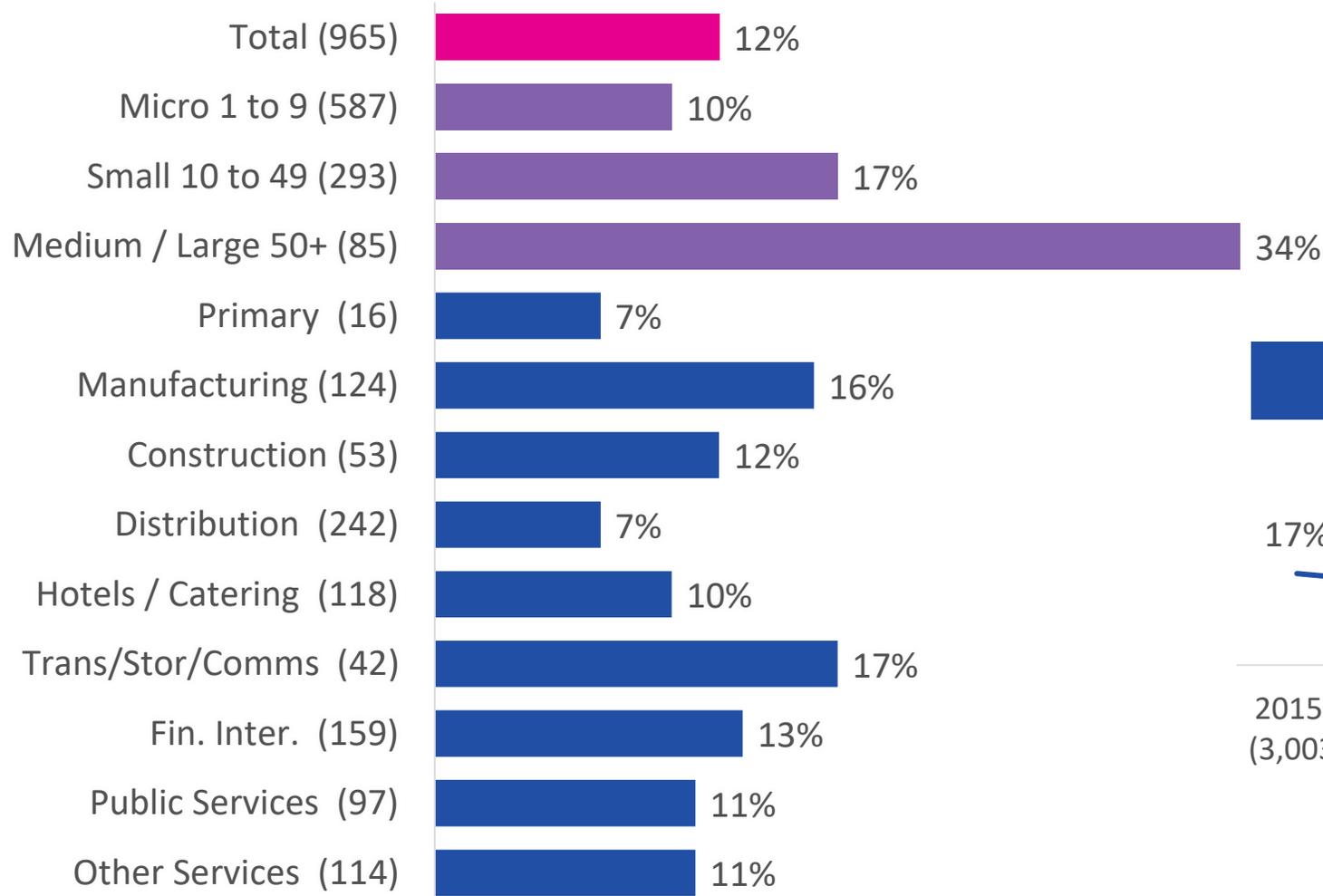


# Access to finance

## Access to finance – summary

- Following a sharp increase in 2021, there had been a significant decline in the proportion of businesses that applied for new sources of finance/credit in 2022; this has risen significantly again but remains some way below the peak of 2021 (2021: 31%, 2022: 12%, 2023: 19%).
- As observed in 2022, capital investment in equipment/machinery (47%) and cash flow (41%) are the most commonly cited uses of finance or credit.
- Overwhelmingly, the source of the finance or credit tends to be the private sector (76%, cf., 19% public sector).

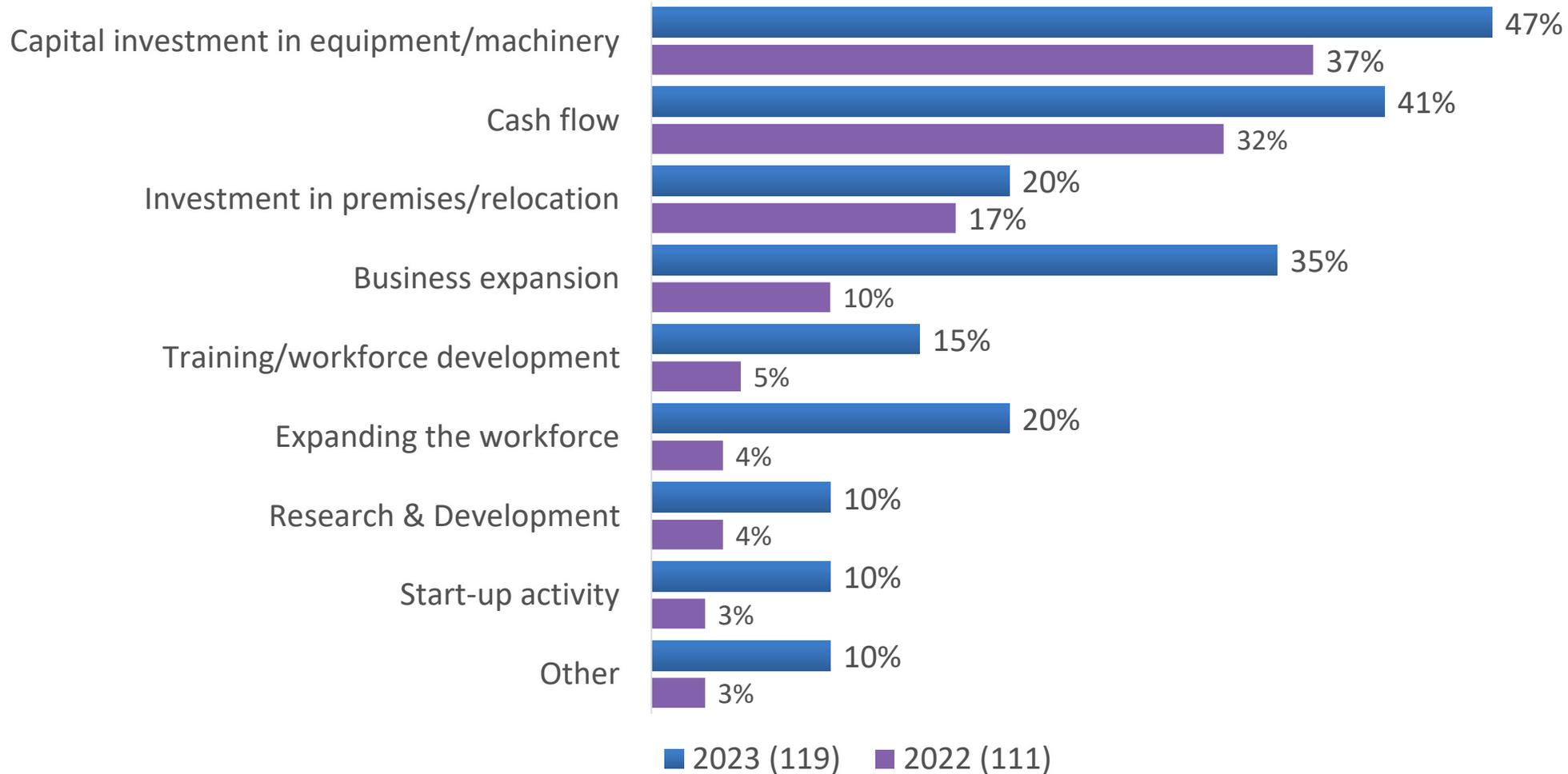
## % applied for new sources of finance/credit\*\*



Q33. Have you applied for new sources of finance or credit, or renegotiated existing finance or credit for your business/organisation in the past 12 months? All except public sector, unweighted bases shown in brackets

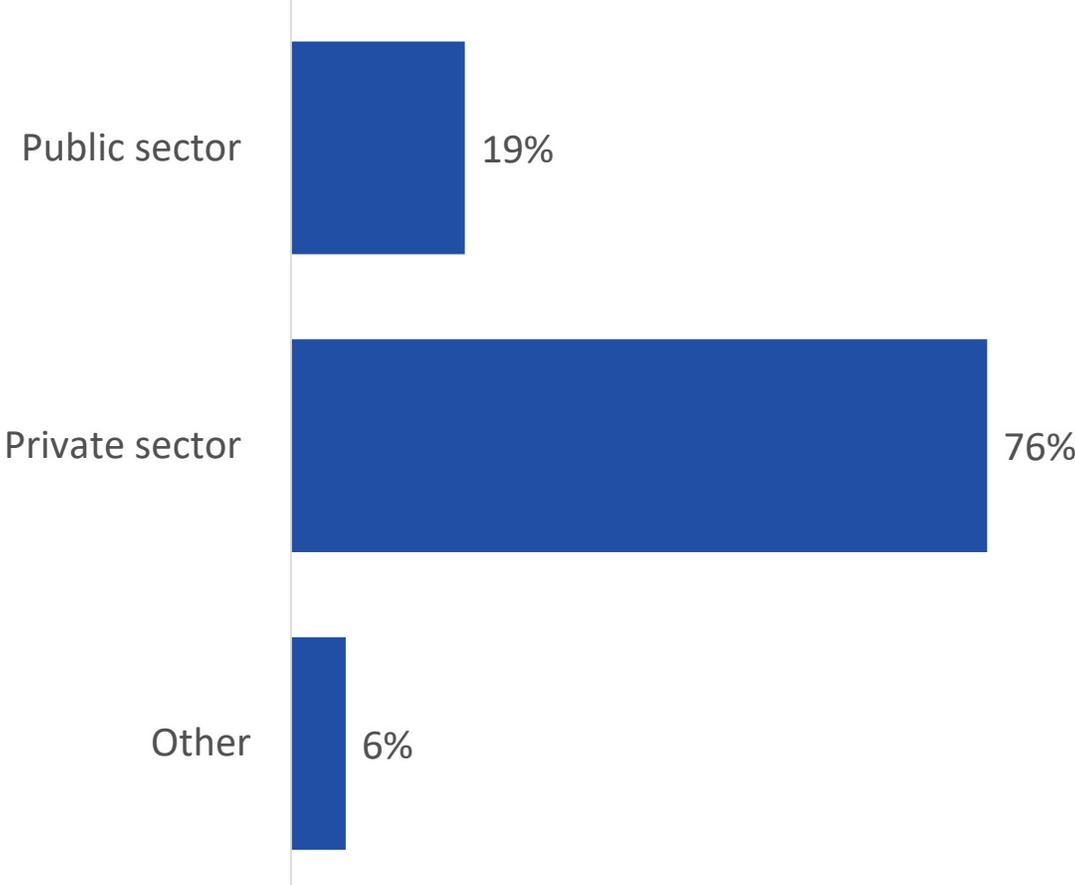
## Use of finance or credit

While all uses of credit have increased, the most notable growth is in business expansion.



Q34. Has the finance or credit your new business/organisation applied for been to support any of the following? All except public sector, where applied for new sources of finance or credit, unweighted bases shown in brackets

# Source of finance or credit

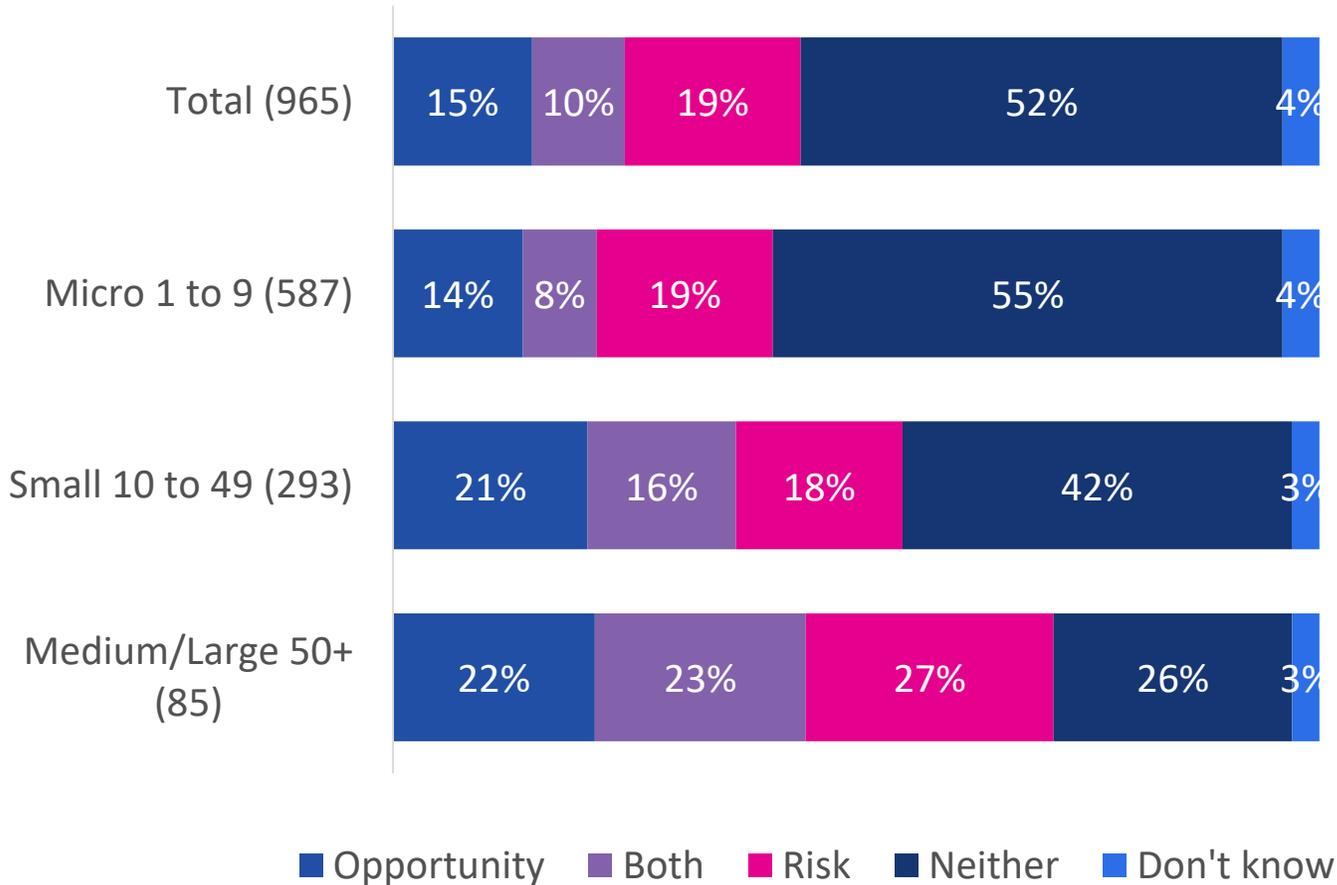


# Environmental improvement

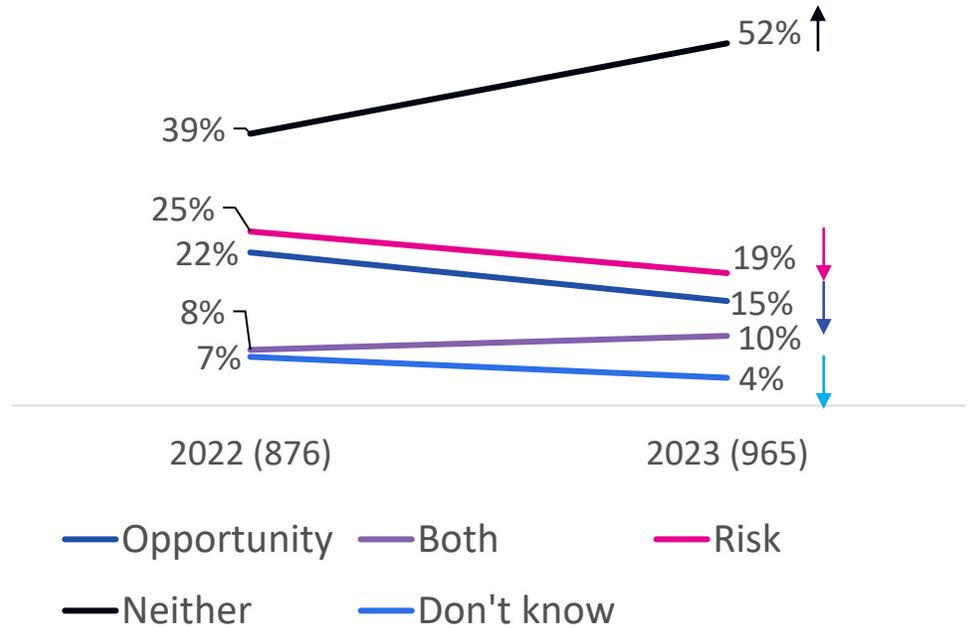
## Environmental improvement – summary

- Since 2022, the number of businesses and organisation who see climate change neither as a risk nor an opportunity has greatly increased, from 39% to 52%, whilst the proportions of those who see it as either a risk or opportunity have decreased, perhaps suggesting that businesses have started to adapt.
- Businesses in construction are the most likely to see it as an opportunity (27%; 14% see it as a risk). Conversely, those in catering/hotels are the most likely to see it as a risk (34%, cf. 8% who see it as an opportunity).
- Overall, 60% of businesses have reducing carbon emissions as an objective, a slight decrease compared to last year's sample.
- Interestingly, given the increased tendency for those in construction to see climate change as an opportunity, this is the sector that is least likely to have reducing carbon emissions, waste, and water use as an objective (56% have it as neither an primary nor secondary objective).

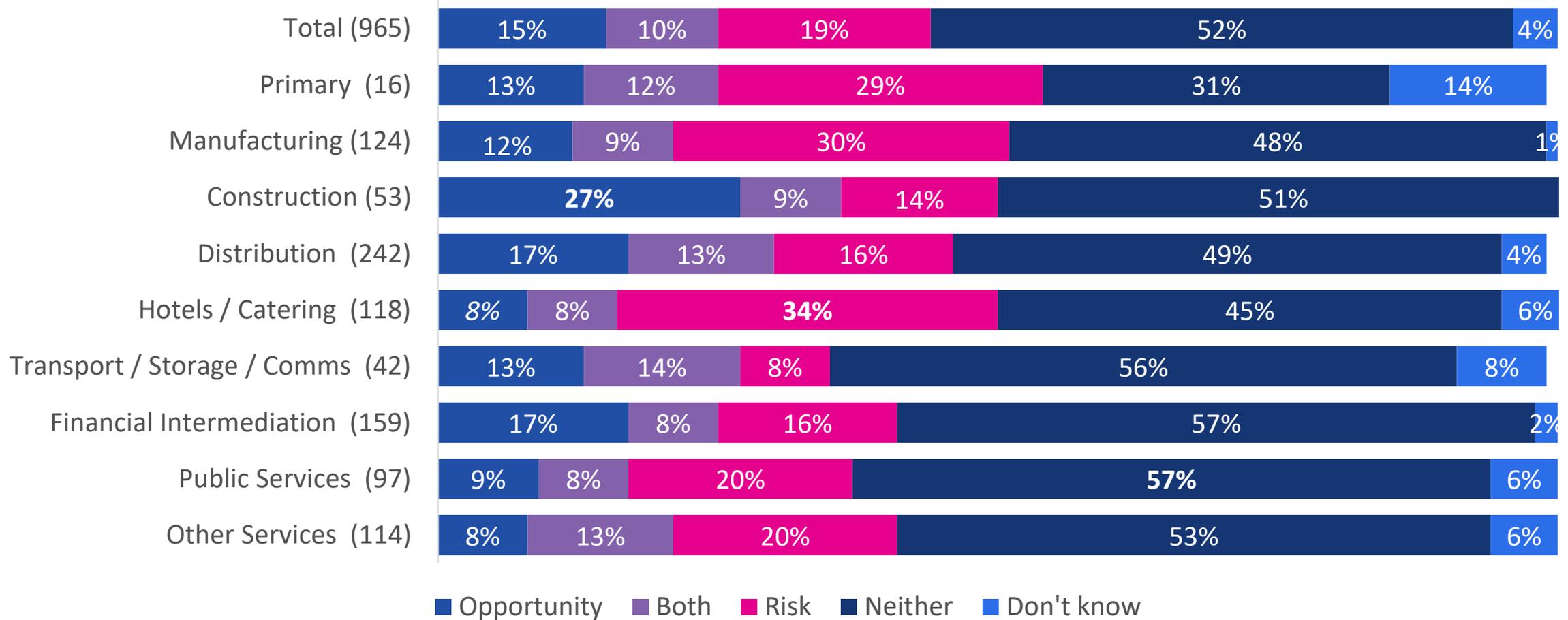
# Climate change – a risk or opportunity?



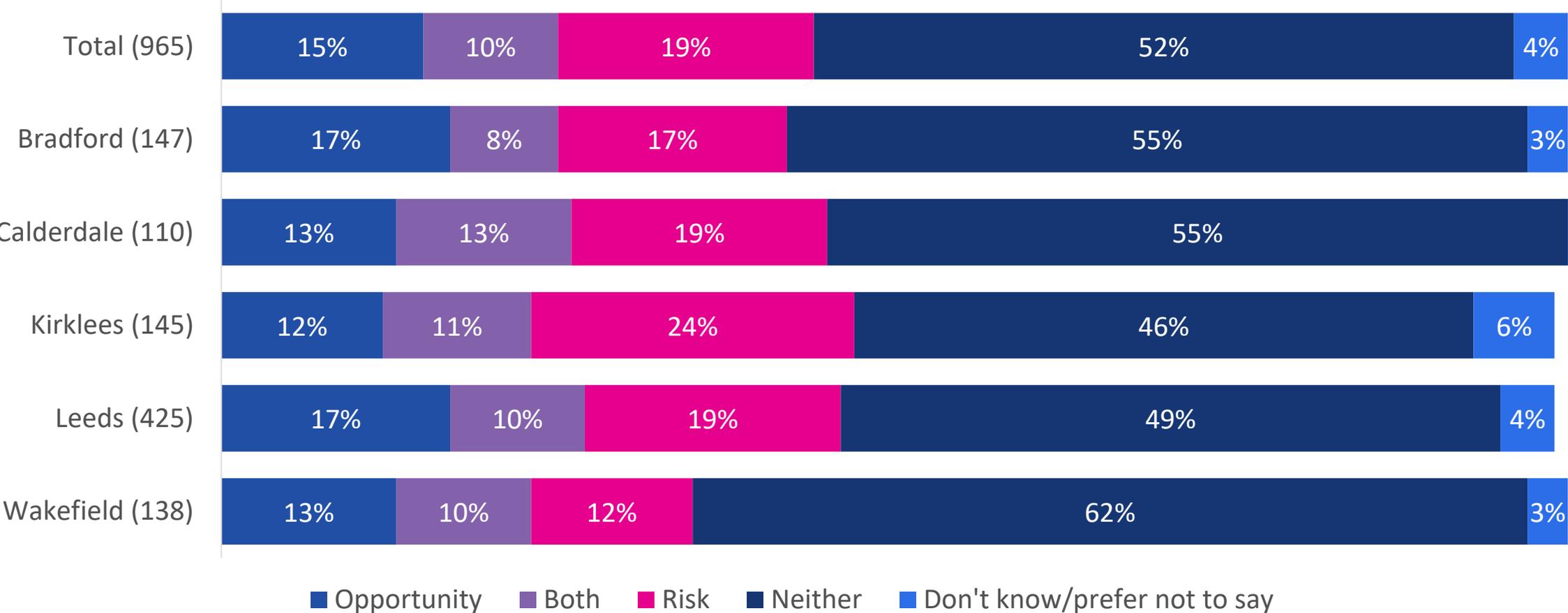
Since 2022, the number of businesses and organisation who see climate change neither as a risk or an opportunity has greatly increased- have businesses started to adapt?



# Climate change – a risk or opportunity?

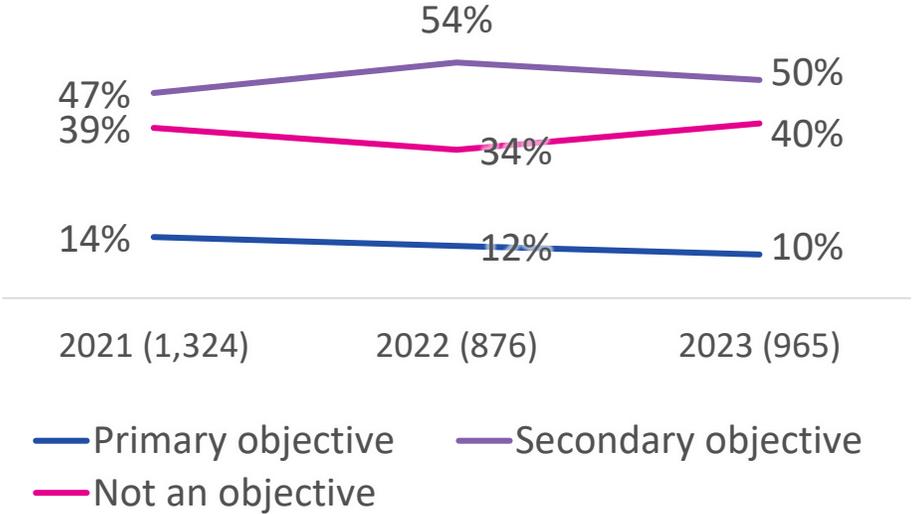
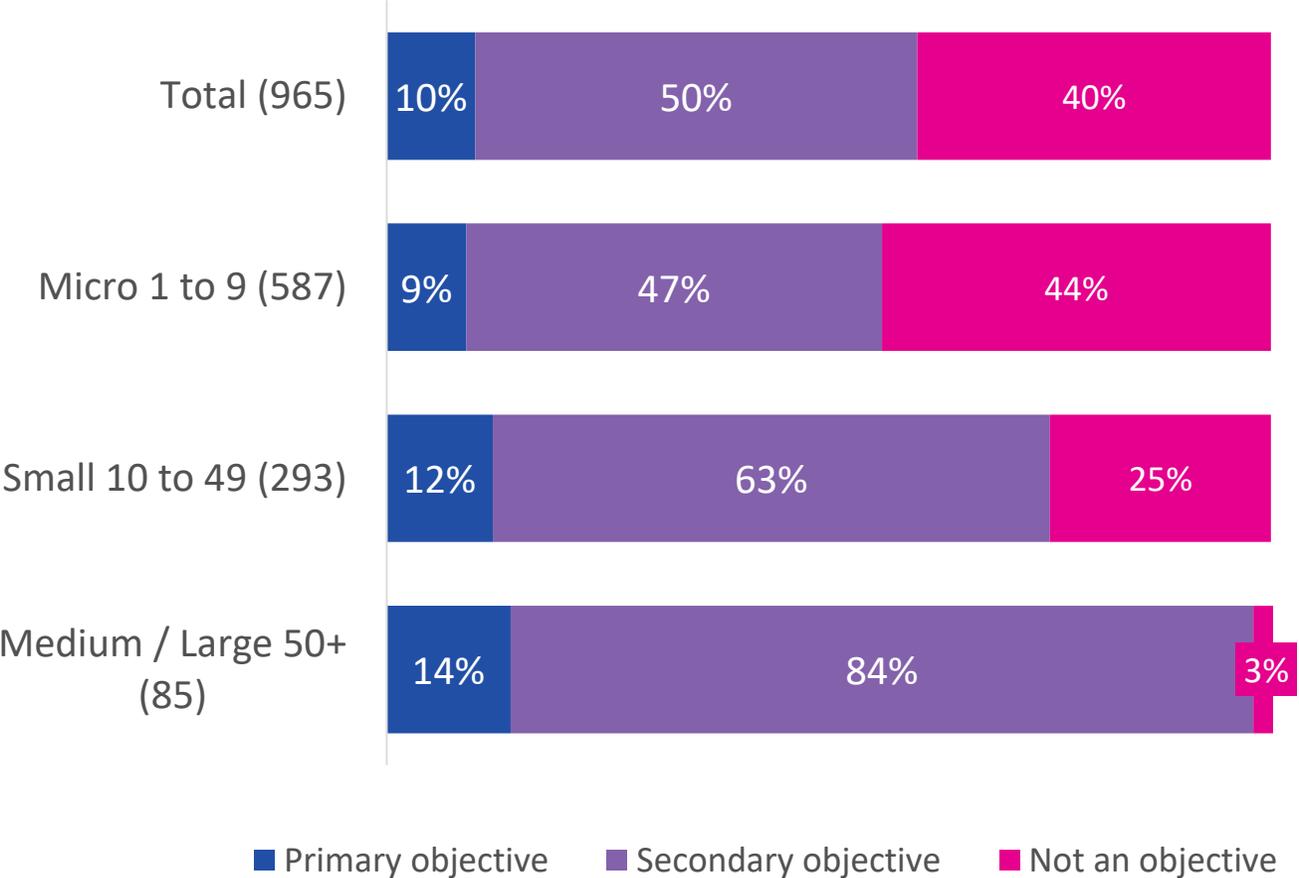


# Climate change – a risk or opportunity?

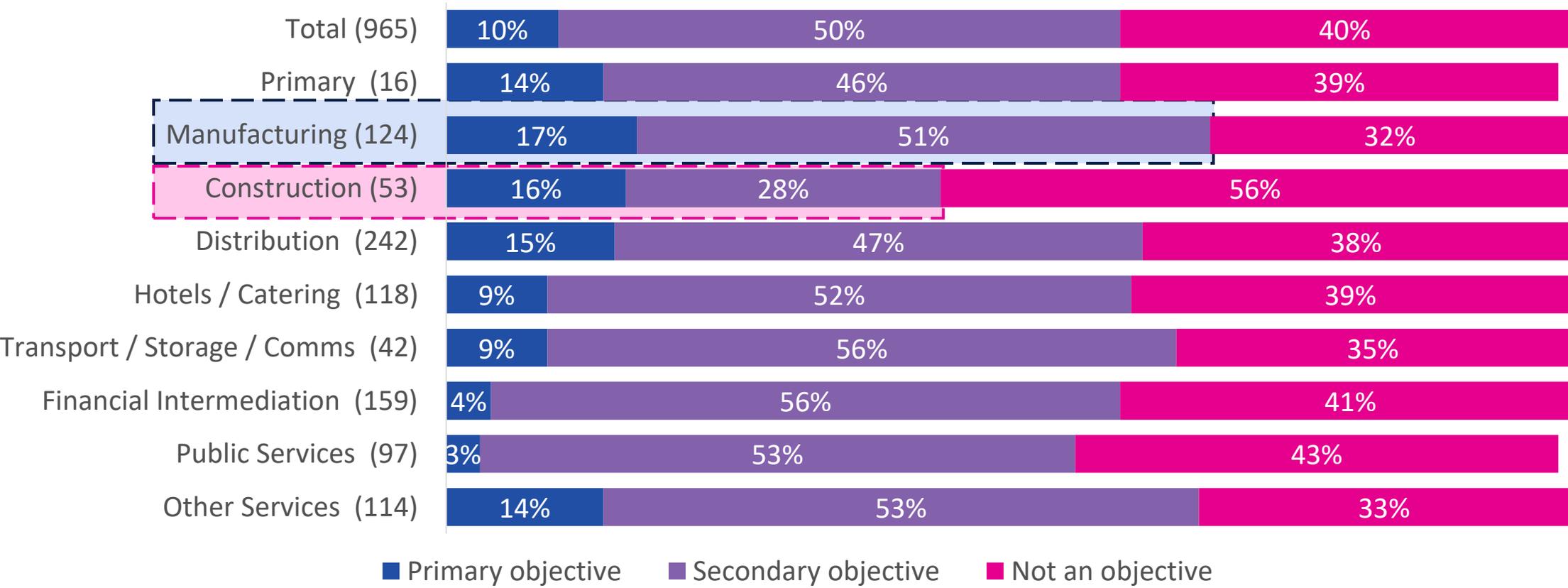


# Extent to which reducing carbon emissions, waste, water use is an objective of the business

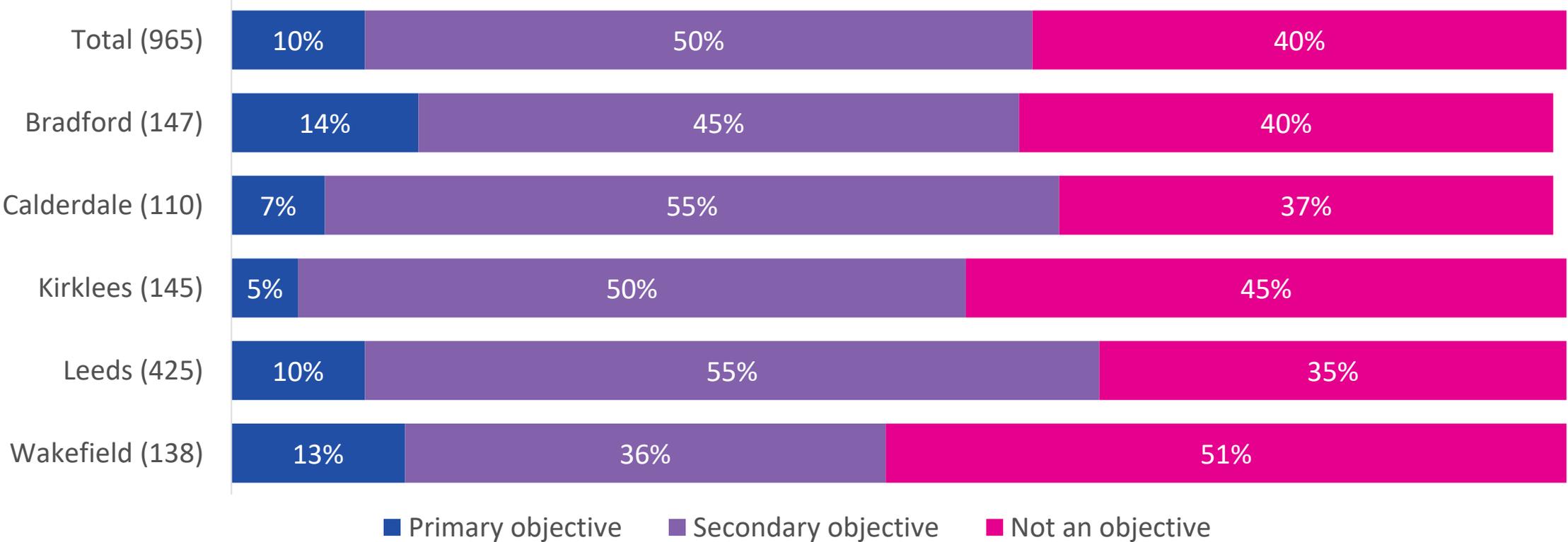
Sixty percent of businesses have reducing carbon emissions as an objective, a slight decrease compared to last year's sample.



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



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

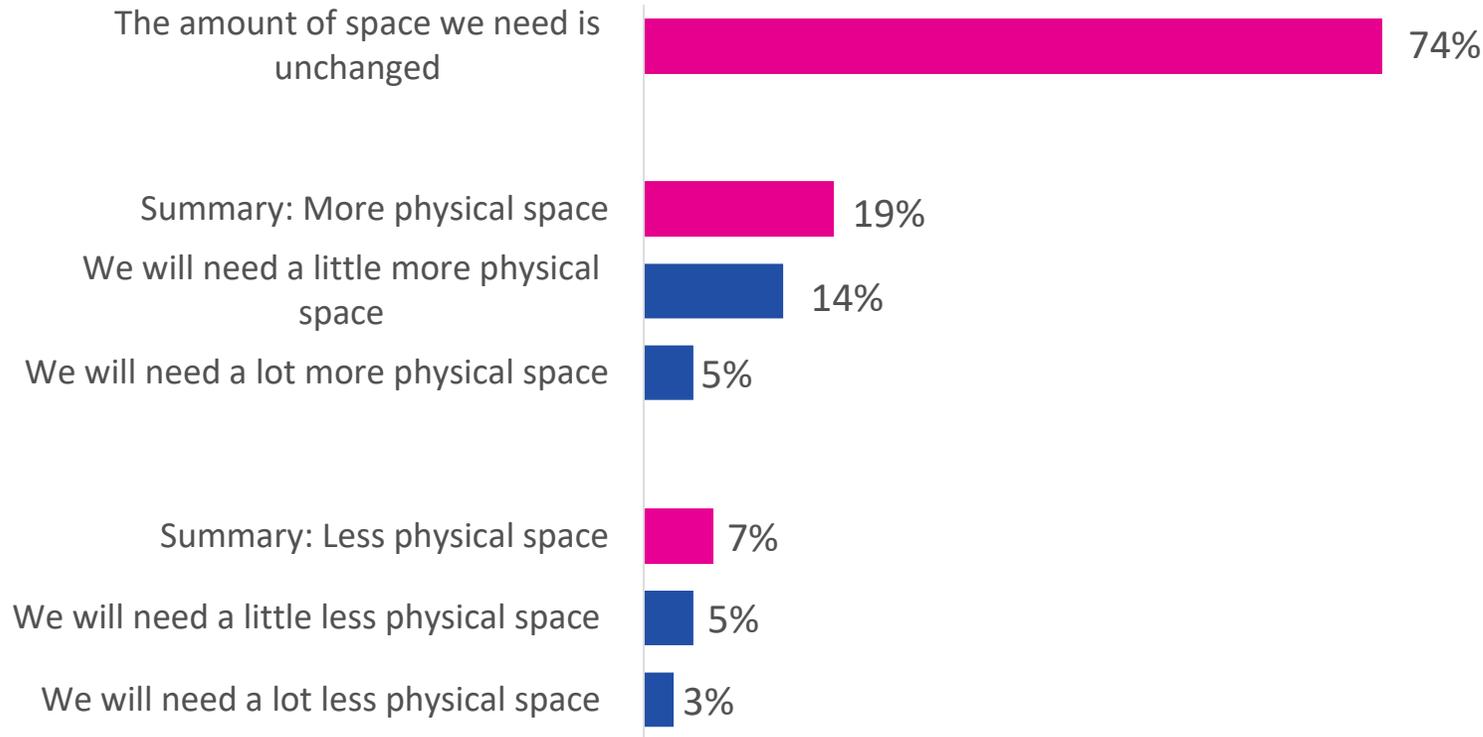


# Business location

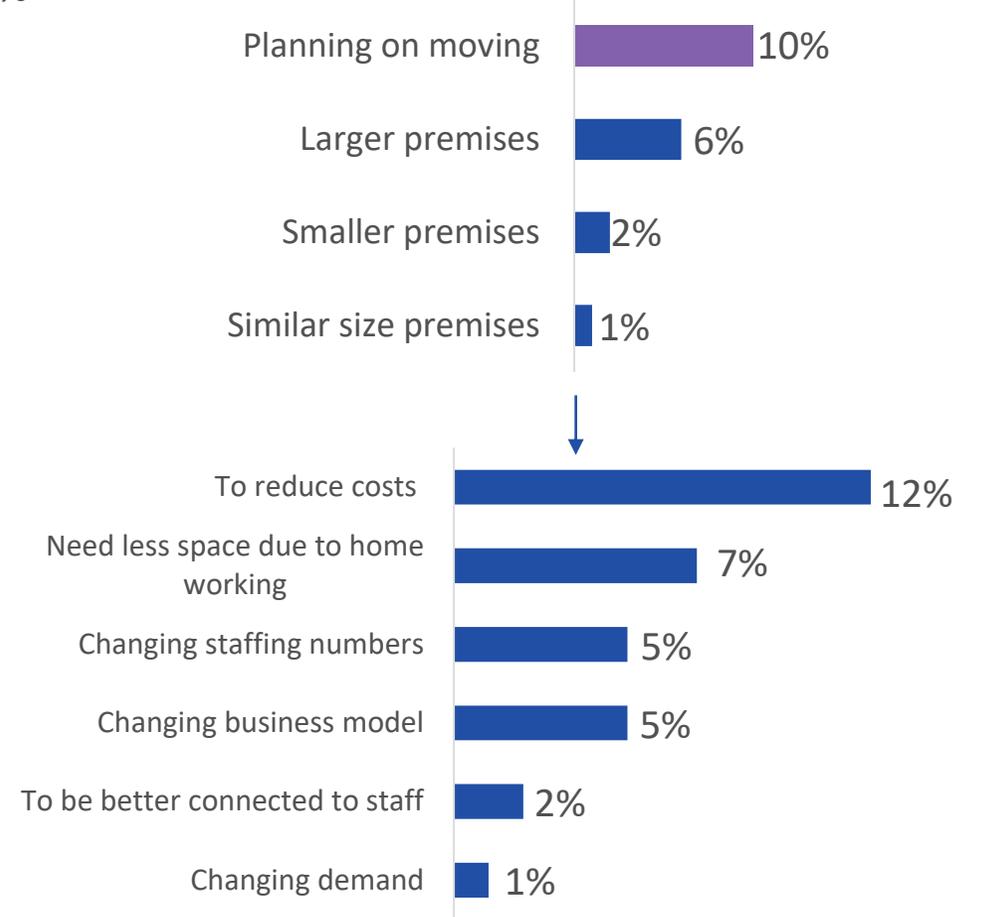
## Business location – summary

- Over 7 in 10 business (74%) said the amount of physical space they needed next year is unchanged.
  - Where businesses' needs have changed, they are more likely to need more space (19%) than less space (7%).
  - Whilst in total 26% said their needs would change, 10% said they were planning to move.
- Local business have a mixed view of the quality of local highways and public transport infrastructure, with 40% satisfied and 42% dissatisfied.
  - Dissatisfaction is highest in Kirklees (52%).
  - The three most commonly cited priorities for improvement in relation to highways and public transport infrastructure were:
    - The condition of roads (86%);
    - Levels of traffic congestion (75%);
    - The quality of local bus or train services (69%).

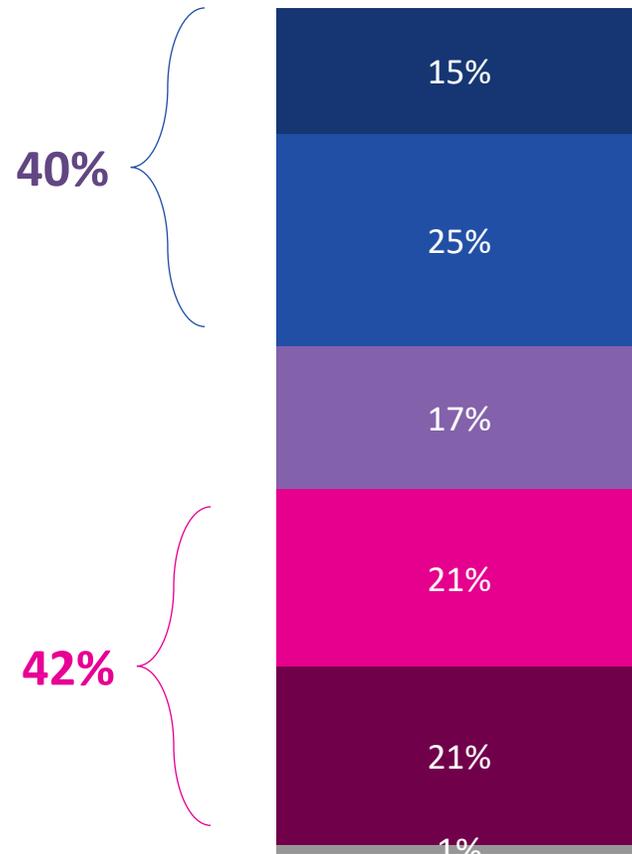
# How the amount of physical space needed may change in the next year



## Are you planning to move premises?



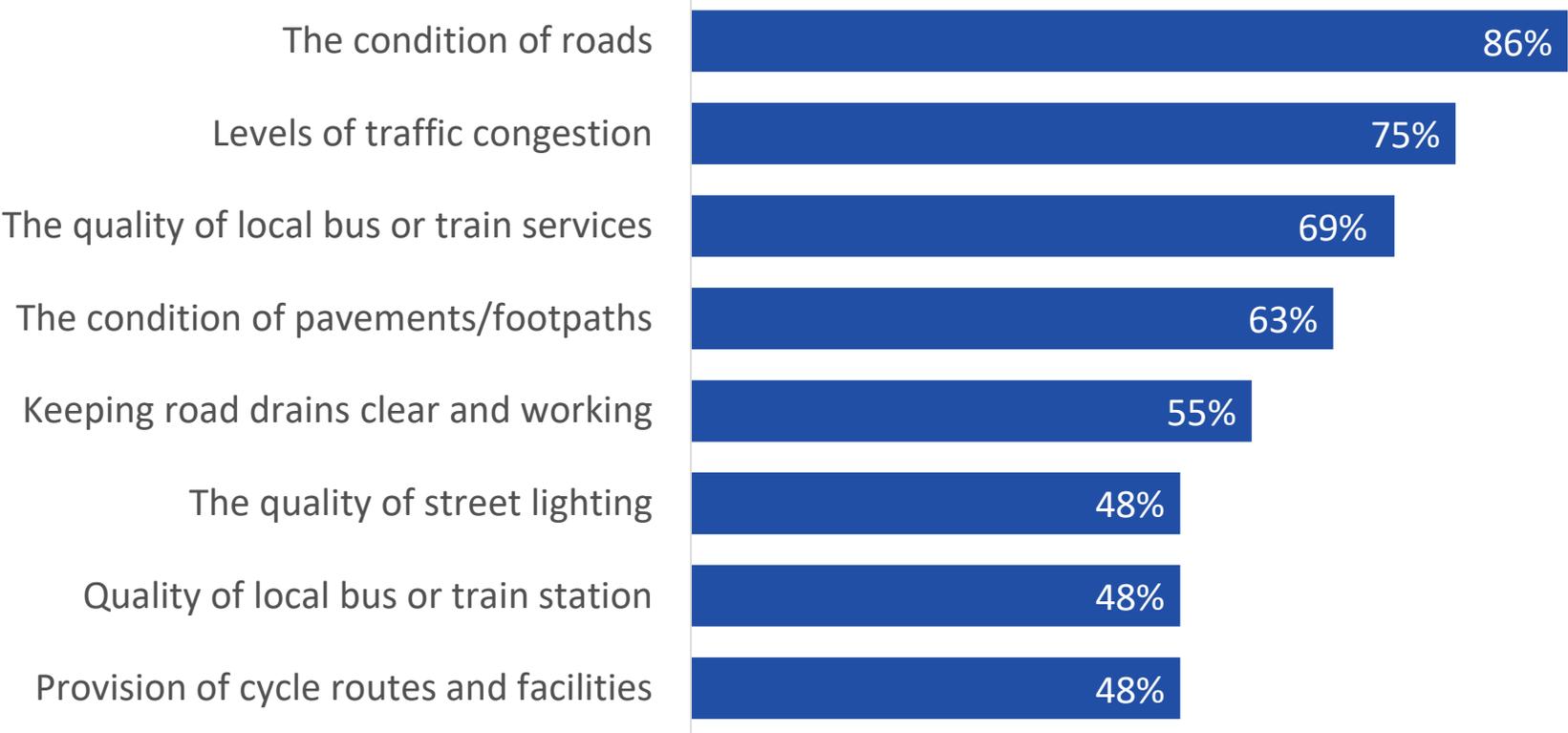
# Satisfaction with the quality of local highways and public transport infrastructure



Dissatisfaction is highest in:  
- Kirklees (52%)  
- The Financial intermediation sector (53%)

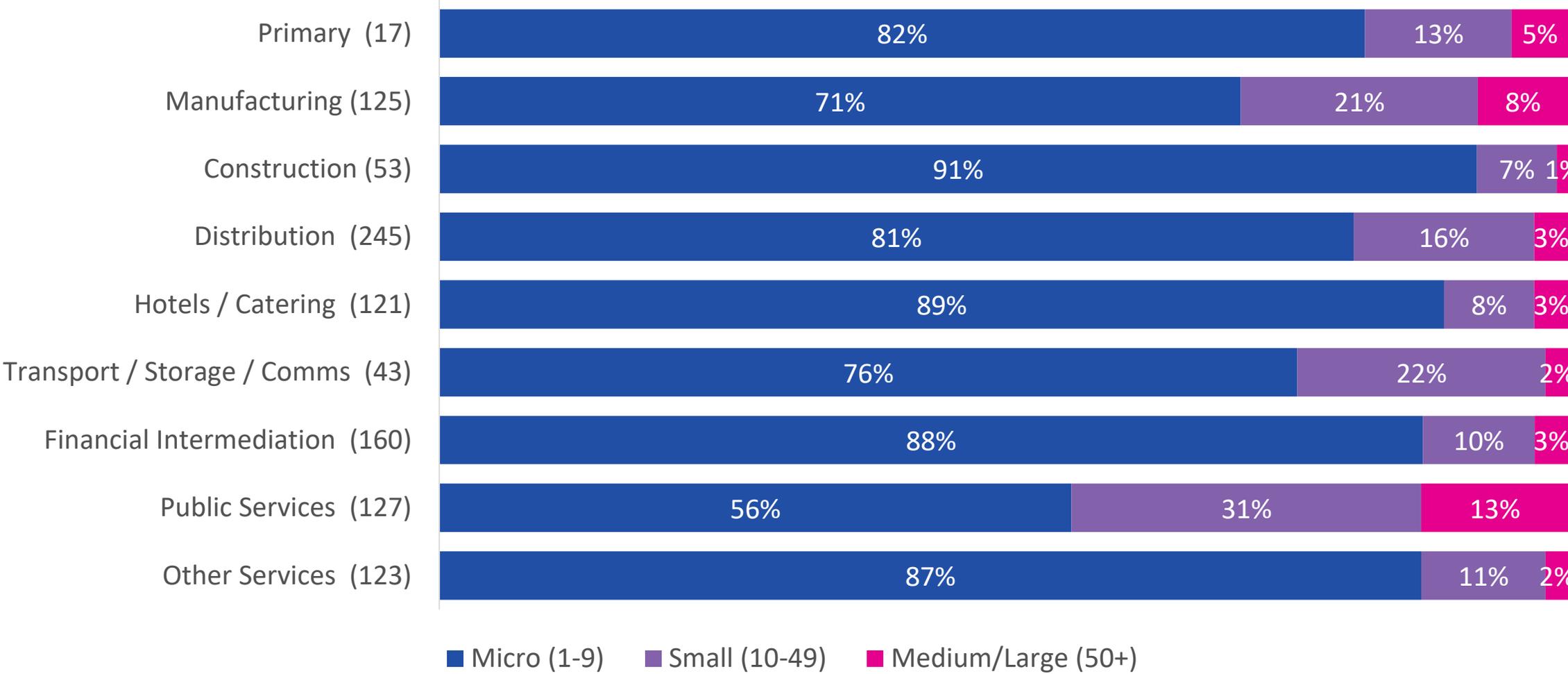
- Fully satisfied
- Somewhat satisfied
- Neither satisfied nor dissatisfied
- Somewhat dissatisfied
- Fully dissatisfied
- Don't know

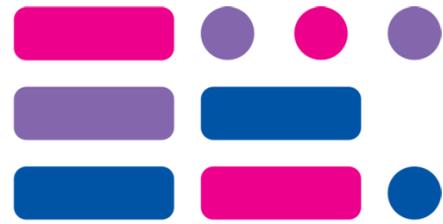
# Priorities for improvement in relation to highways and public transport infrastructure- Up to top 3 selected



# Profile of businesses

# Size by sector





BMG

success decoded