



Understanding Businesses in the London Borough of Wandsworth

Prepared by Facts International on behalf of Wandsworth Borough Council



This report complies with ISO:20252:2012 and ISO9001:2015 standard for quantitative and qualitative research.

Executive Summary

Background and Methodology

In Spring 2018, c. 300 business decision-makers in Wandsworth were surveyed in order to help Wandsworth Borough Council better understand the needs of local businesses¹.

A spread of organisations by size and sector participated in the study. However, results should be seen as *indicative*, rather than representative of the views of the wider Wandsworth business population.

Doing Business in Wandsworth

Businesses are most likely to be in Wandsworth because of availability of the right premises, followed by proximity to the owner's home and access to customers.

While the availability of premises appears to be an important draw to locate in Wandsworth, depth interviews highlight that premises issues can be seen as a negative aspect of the borough, with these problems spanning both limited premises options and high rent costs.

National and international markets are important to Wandsworth businesses, with growing businesses more likely to export than those whose turnover has declined.

Turnover, Staff and Expenditure Trends

The Wandsworth businesses surveyed are most likely to have enjoyed a growing or stable turnover trend over the past financial year.

Changes in staffing levels are less common than changes in turnover. This may reflect a number of factors, including complexities faced by businesses in the decision to take on more staff.

Many participating businesses have experienced increases in their expenditure in areas such as utilities, rent and staff, meaning that increased turnover may not necessarily translate into increased profitability or margins.

Business Premises in Wandsworth

Participating businesses occupy a diverse range of premises types and premises issues appear an important area of concern in Wandsworth.

More than a quarter of participating businesses (27%) have found it hard to secure the right premises.

Almost one in five participating businesses (18%) are actively considering moving premises, a significantly higher proportion than in Richmond (13%). There may also be further *latent* demand from businesses who could be interested in moving if suitable premises were available.

Of those considering moving premises, only four in ten (39%) are seeking new premises within Wandsworth.

Nearly two thirds of Wandsworth businesses surveyed (64%) identified at least one factor that might lead them to consider leaving the borough. The issues highlighted most commonly relate to costs and/or premises.

18% of participating businesses mention broadband connectivity as an issue that could cause them to consider leaving Wandsworth and the same proportion feel that their broadband connection is not fast enough. If the consequences of poor broadband connectivity reported by survey respondents are replicated across the borough, this could mean around 1,000 businesses being significantly constrained by this issue.

Recruiting and Retaining Staff

More than a quarter of participating businesses report finding recruitment difficult, with this figure rising to close to half of medium sized businesses (47%).

Availability of suitable candidates is the most common reason given for recruitment difficulties (71%), with issues around candidate experience slightly more prevalent than lack of candidates with the required qualifications (62% compared with 36%). Cost issues appear to be an important driver of recruitment difficulties, with around half of businesses affected attributing these problems to high wage expectations (52%) or the cost of living locally (46%).

Retention issues are less widely reported than recruitment difficulties and are mentioned by only 14% of respondents. However, 81% of those with retention issues are also facing problems with recruitment, suggesting that the combination of these challenges may be having particularly damaging consequences. Salary competition and the cost of living locally are among the key drivers of retention difficulties.

1 in 5 participating businesses (21%) mention that they have a skills gap, with these gaps more common among growing businesses (25%).

A relationship can be seen between recruitment and retention issues and skills gaps, with 40% of those reporting recruitment difficulties and 33% of those facing difficulties retaining staff also experiencing skills gaps.

IT skills, either specialist (reported by 19% of participating businesses with skills gaps) or general (14%) are a commonly identified area of skills gaps.

Business Optimism

Participating businesses have mixed views on how the business environment might change over the next two

¹ A jointly-commissioned parallel survey was undertaken in Richmond at the same time, allowing some comparisons to be made between the two areas. The quantitative work in both boroughs was complemented by a series of 9 in

depth interviews with businesses willing to talk about their views at greater length.

years, with 25% believing this will improve but 38% feeling it will get worse.

Respondents are more optimistic about the prospects for their own business - 45% feel that things will get better vs 15% anticipating a deteriorating situation.

Businesses who have seen their turnover grow in the past year are more likely to be optimistic about the future.

Business Development

Many participating businesses have plans to make changes to aid their development and growth, most commonly using new technology to improve business performance (76%), increasing the skills of their workforce (68%), exploiting new markets (56%), developing new products/ services or increasing the leadership capability of managers (both 55%).

There is a strong link between optimism and development plans, especially when these changes relate to people in the business.

9 in 10 participating businesses identify barriers to growth, most commonly the economy (mentioned by 47% of respondents), competition (40%), Brexit (39%) and taxes (36%).

“Internal” business issues such as the availability of suitable staff or premises are important as barriers, but less commonly cited than more “external” factors.

Business and Brexit

Participating Wandsworth businesses are more likely to be pessimistic about the potential future impact of Brexit than optimistic, with 59% foreseeing a negative impact on the business environment and 30% a negative impact on their own business, compared with 12% and 13% respectively predicting a positive impact.

This contrasts with more general thoughts about prospects for the next two years; especially when decision-makers consider their own business (45% believe things will get better).

Those who feel Brexit will negatively impact their business are most likely to identify financial consequences, particularly those related to turnover (68%), profits (66%) or costs (53%).

While more than two thirds of Wandsworth businesses surveyed consider themselves at least “quite prepared” to manage the impact of Brexit (in line with the London average), more than one in five (22%) feel unprepared.

The Wandsworth businesses surveyed were generally unable to spontaneously suggest support that could help them to manage the impact of Brexit (19% saying “don’t know” and 38% saying they needed no support or nothing in particular) or suggested support areas not directly related to Brexit (e.g. reducing business rates, loans or grants or help reducing overheads). Further, those support areas mentioned with more direct relevance to Brexit were all quite generic (e.g. more clarity/ certainty, general information or general

advice).

These findings suggest a lack of awareness among Wandsworth businesses around both the kind of support they may need and the options that may be available to them. This implies that the method of promotion of any available support related to Brexit may be key.

Supporting Business

On average, participating Wandsworth businesses selected 5 types of business support from a list of 25 that could benefit them a lot and a further 6 types that could benefit them a little.

“Using IT and digital technologies” is the area of support most likely to be seen as beneficial (identified as beneficial to 51% of participating businesses), followed by legal compliance & legislation advice (49%), business & financial advice (46%), and advice & training for people within the business (42%).

The specific type of support most likely to be considered beneficial is compliance with legislation (61%), with 58% of respondents highlighting benefits from support related to the General Data Protection Regulation (GDPR).

Participating businesses are most likely to identify support with business rates as the area that would benefit them “a lot” (identified by 37%). A further 20% feel this would benefit them “a little”, making this the fourth most welcome area of support (raised by 57% of respondents in total).

No one method of delivering business support dominates over others in terms of appeal (each of the six formats listed, including seminars/ lectures, online bulletins and one-to-one in person support is considered appealing by between a third and four in ten respondents), with this likely to be a matter of preference for individual businesses and decision makers. However, a third of participating businesses do not consider any of the support methods listed appealing.

Despite their interest in business support, only around a third of participating Wandsworth businesses (35%) say they would be willing to pay for this with 22% not very willing and 36% not at all willing.

Reducing, abolishing or freezing business rates was the most commonly suggested area of activity for the Council to engage in to support businesses or encourage them to set up in Wandsworth (mentioned by 11% of those established in Wandsworth for more than a year and 16% of participating businesses opened more recently). Other key suggestions made by established businesses include improvements to parking and increased liaison/ networking activity with the local business community. Among new businesses, key theme areas include providing support, advice and mentoring, business accommodation and financial support.

Key Messages

This study suggests four key theme areas of importance to Wandsworth businesses:

- Recruitment, Retention and Training
- Business Support
- Premises
- Brexit

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Introduction

Wandsworth Borough Council and Richmond Borough Council jointly commissioned a survey in order to understand the needs of businesses operating in the Boroughs. This report presents the results from the London Borough of Wandsworth.

To supplement the survey, additional in-depth interviews were conducted with nine businesses across Wandsworth and Richmond. Quotes are used throughout this report to add depth to the findings.

Methodology

Quantitative Survey

Computer Aided Telephone Interviewing (CATI) was used to interview 300 decision makers in businesses based in Wandsworth. Interviews were conducted between 27th February and 19th March 2018. Facts International purchased a list of telephone numbers of businesses operating in the London Borough of Wandsworth, which included a named decision maker and information about the business, such as number of employees and industry. Target quotas were set for industry and business size (based on the number of employees), these were designed to be broadly representative of businesses in the area with the aim of completing additional interviews with businesses in the IT sector. Given the limited number of details available for these businesses, and for businesses with over 250 employees it was not possible to meet all quotas. The fieldwork period was constrained by purdah and so it was not possible to make further attempts to contact these businesses. Businesses were not offered an incentive to take part. All interviews were recorded for the purpose of quality checking.

To encourage businesses to take part in the survey, Wandsworth Borough Council published a link to the survey online. Five businesses in the borough took part using this link, and their answers have been combined with those businesses taking part in the CATI survey.

Data has not been weighted with findings representative of the businesses taking part, and not necessarily of all businesses in Wandsworth although a spread of organisation size and sector was achieved.

As a sample of businesses took part, rather than all businesses in Wandsworth, the results presented here may not represent the ‘true’ experience and views of businesses had all businesses taken part. The confidence intervals at the confidence level of 95% are as follows²:

Base	10% / 90%	25% / 75%	50% / 50%
305 - all participating in Wandsworth	+ / - 3.3%	+ / - 4.8%	+ / - 5.6%

The survey found that 61% of businesses said they have 2-9 employees. Taking confidence intervals into account, the ‘true’ figure could lie anywhere between 56% and 66%.

² Calculated using sample size calculator at www.surveysystem.com. Based on c. 15,500 active businesses in Wandsworth (from http://www.wandsworth.gov.uk/info/200013/business_support_and_advice/1418/employment_and_business_statistics/2).

Desk Research and comparisons

A phase of desk research was also undertaken to provide context to the findings. Results from the survey with Richmond businesses are included for local context. Direct comparisons can be made to Richmond results as the same questionnaire was used and survey conducted at the same time.

London Business Survey 2017 - Confederation of British Industry

Conducted in summer 2017, this survey of 271 businesses in London included questions about planning for Brexit, recruitment and skills gaps. Results from the survey provide a point of comparison to businesses in London more widely.

The London Business Survey report can be found here: <http://www.cbi.org.uk/cbi-prod/assets/File/London-Business-Survey-2017.pdf>

Longitudinal Small Business Survey - Department for Business, Energy and Industrial Strategy

Reference to this survey allows for comparison of businesses in Wandsworth to those across the UK more widely. Between August 2017 and January 2018 the survey interviewed 9,248 businesses with fewer than 250 employees, a representative cross-section of UK small businesses. Figures distinguish between sole traders and businesses which employ at least one other member of staff.

The Longitudinal Small Business Survey report for sole traders can be found here:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/624447/small-business-survey-2016-sme-no-employees.pdf

The report for businesses employing at least one member of staff can be found here:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/624580/small-business-survey-2016-sme-employers.pdf

Qualitative Interviews

During the survey, participants were asked if they would be willing to take part in a more detailed interview. In order to further understand the challenges businesses face and how they can be supported, in-depth telephone interviews were conducted with nine of these businesses, across the two boroughs. The discussion guide for these interviews included sections about their business and the positives and negatives of being based in the borough, support the business has made use of and what would be helpful. It also included a section on finding business premises, preparing for Brexit and interaction the business has with the council.

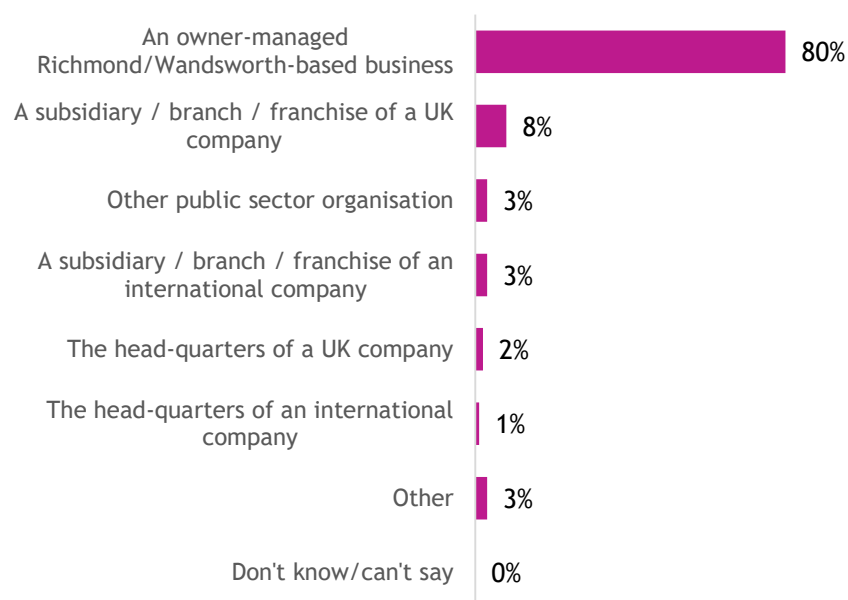
In order to encourage businesses to take part in an in-depth interview, and as a thank you, Facts International made a donation of £30 to charity on their behalf (the respondent could choose one of three charities to donate to).

Four businesses from Wandsworth took part in the in-depth interviews.

Profile of businesses taking part in in-depth interviews		
Sector	Media, culture and arts	1
	Property	1
	Education, health, social/community services	1
	Leisure / sports / personal services / catering / accommodation	1
Number of employees	2 - 9	3
	10 - 49	1
	50 -249	2
Premises	Sole-use office	2
	Warehouse	1
	Shop	1

Profile of participating businesses (Quantitative Survey)

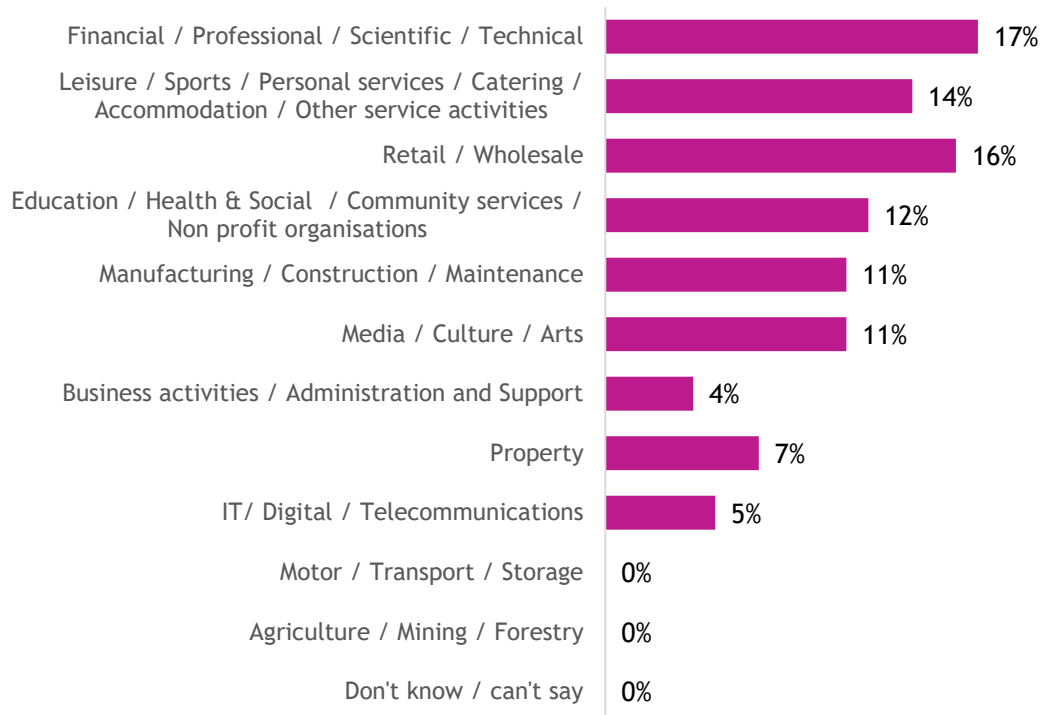
Business ownership



Q2. Which of the following best describes the business?

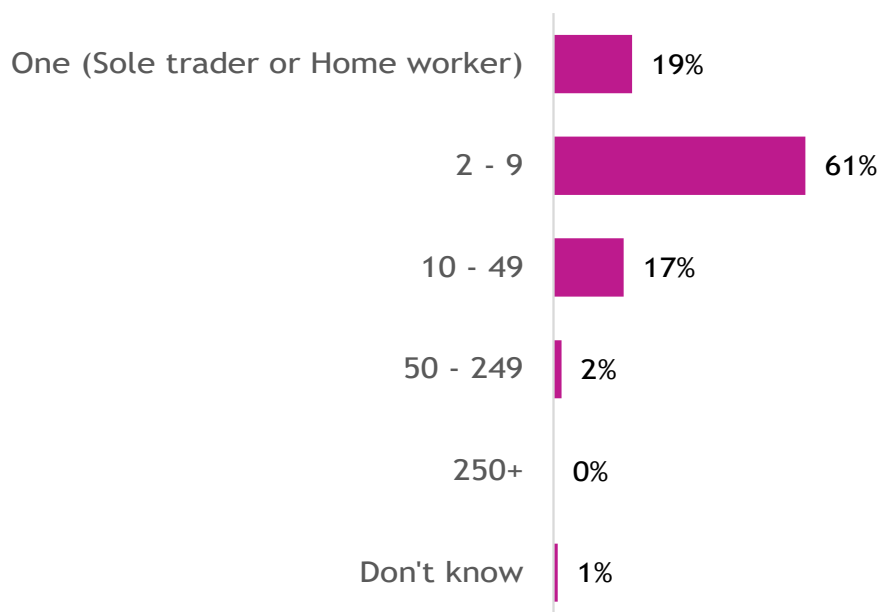
Base: Base: All participating businesses in Wandsworth - 305

Industry



Q3. In which industry does your business operate?
Base: Base: All participating businesses in Wandsworth - 305

Number of employees



Q5. Roughly how many people work at the site where you are based?
Base: Base: All participating businesses in Wandsworth - 305

Doing Business in Wandsworth

Section Summary

- Businesses are most likely to be in Wandsworth because of availability of the right premises, followed by proximity to the owner’s home and access to customers.
- While the availability of premises appears to be an important draw to locate in Wandsworth, depth interviews highlight that premises issues can be seen as a negative aspect of the borough, with these problems spanning both limited premises options and high rent costs.
- National and international markets are important to Wandsworth businesses, with growing businesses more likely to export than those whose turnover has declined.

Those businesses participating in the study are most likely to have located in Wandsworth thanks to the availability of suitable premises, with two thirds (67%) in the borough for this reason. A further 6 in 10 participating businesses (57%) are located in Wandsworth to be close to their owners’ place of residence.

This contrasts with the situation in Richmond where the top reasons for locating in the borough are reversed (62% to be close to the owners’ residence, 52% due to the availability of suitable premises). In Wandsworth, “business” decisions around premises appear more of a draw to the area than “personal” factors such as the attractiveness of the borough as a place to live, although these are nevertheless important.

Reasons for doing business in Wandsworth



Q9. Which of the following reasons best explain why the business is located in Wandsworth?

Base: All participating businesses in Wandsworth with more than 1 employee - 244

Other key drivers to locate in Wandsworth include access to customers (a motivator for just over half of businesses surveyed, 52%), good transport links (35%) and access to appropriately skilled labour (25%). These advantages were also highlighted in the qualitative part of the study, along with the general attractiveness of the area.

“The location is good for the permanent staff who all live locally. It’s ideally placed for transport links and getting into central London and to the South West. There is an ideal pool for the workforce/ part-time employees and it’s a lovely area in terms of shops and amenities.”

Although the premises on offer in Wandsworth do appear to be an important draw, premises issues (both limited premises options and high rent costs) were mentioned in depth interviews as a disadvantage of the area. This theme is explored further later in the report.

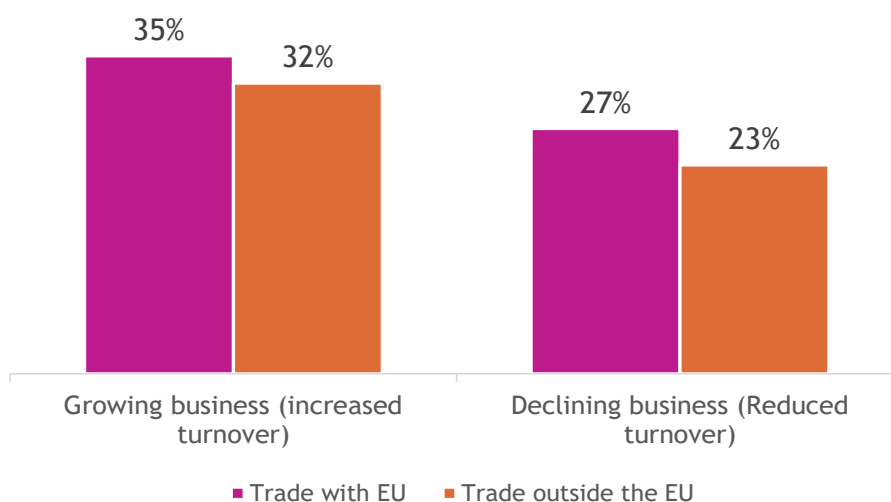
“It is expensive in terms of rent...There are limited options in terms of business premises.”

Location of customers

While customer access is a reason to be in Wandsworth for around half of businesses surveyed, many have a wide client base with 55% trading nationally, 30% with the EU and 26% with international customers outside of the EU. These figures are in line with findings for Richmond.

Growing businesses participating in the survey are more likely than declining businesses to trade internationally. 35% of those who have increased turnover in the last financial year trade with the EU and 32% trade with non-EU markets. These figures are just 27% for the EU and 23% for non-EU among those whose turnover has declined.

Relationship between turnover trend and export activity



Q4. Where are your customers based?
Bases: Growing businesses = 116, Declining businesses = 88.

Turnover, Staff and Expenditure Trends

Section Summary

- The Wandsworth businesses surveyed are most likely to have enjoyed a growing or stable turnover trend over the past financial year.
- Changes in staffing levels are less common than changes in turnover. This may reflect a number of factors, including complexities faced by businesses in the decision to take on more staff.
- Many participating businesses have experienced increases in their expenditure in areas such as utilities, rent and staff, meaning that increased turnover may not necessarily translate into increased profitability or margins.

Turnover Changes

The Wandsworth businesses surveyed have generally enjoyed good financial performance recently, with around two thirds (66%) growing (38%) or maintaining (28%) their turnover level in the last financial year. Only around 3 in 10 (29%) have seen their turnover decline. This reflects results gathered in Richmond and is in line with the national trend for SMEs across the UK³.

Staffing

Participating businesses in Wandsworth are much less likely to have seen changes in their staffing levels than changes in their turnover. Only 16% have taken on more staff and 13% have reduced headcount (leaving 69% unchanged).

Of those with increased turnover, only 26% have increased staff levels. This may be the result of a *time lag* between changes in these two areas and the fact that staff trends are more “lumpy” (e.g. turnover can change gradually in a way that staff levels cannot). However, this may also reflect complexities faced by businesses in the decision to take on more staff, for example the need for confidence that turnover levels will be sustained and that any new employees taken on will meet the needs of their business. Turnover increases are less likely to be translated into staff increases in Wandsworth than is the case in Richmond, where 41% of those who have seen an increase in turnover have taken on more staff.

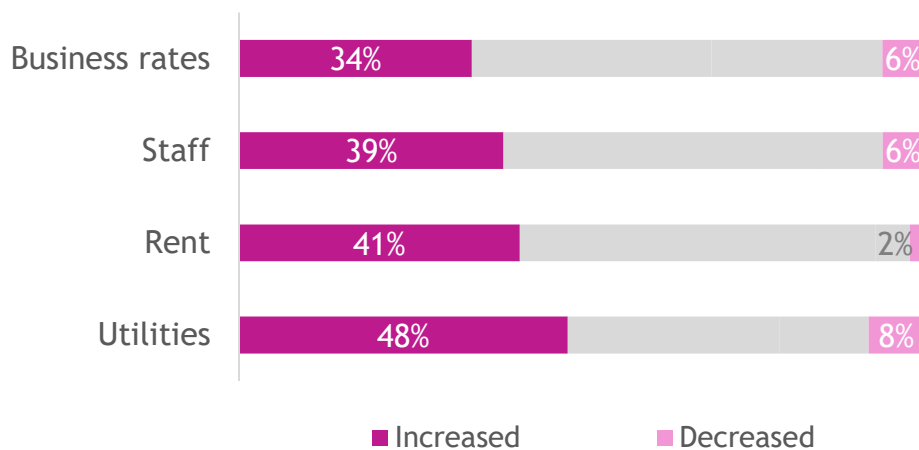
Expenditure

The way that turnover growth has not been mirrored exactly in staff growth may also be linked to increases in expenditure faced by many participating businesses. This means that higher turnover may not necessarily signify increases in profitability or margins.

Utilities represent the most common area for perceived increases in expenditure (mentioned by 48% of participating businesses), followed by rent (41%) and staff (39%).

³ 2017 LSBS. 34% of businesses with at least one employee operating for more than two years said they had a greater turnover than in the previous year

Change in expenditure



Q18. And has your expenditure on ... increased, decreased or stayed the same?

Base: All participating businesses in Wandsworth - 304

For rent: All participating businesses in Wandsworth who rent their business premises - 173

Participating businesses with a skills gap to close are more likely to say that their staff costs have increased (47% compared with 37% of those not currently facing a gap). Expansion of the business may have caused this increase in staff costs; with almost three in five participating businesses who have increased their turnover also having increased their spend on staff (53%) compared with four in ten who have had a broadly consistent turnover in the last financial year (41%).

Those growing their turnover are more likely to have increased their staff bill, 53% have increased spend on staff, compared with 23% who have seen turnover decline.

Only 34% of those surveyed perceive increases in their expenditure on business rates, making this slightly less common than reported increases in other areas. A quarter of participating businesses do not know if business rates have changed or not. These are most commonly (but not universally) small businesses and sole traders, who may not be liable for business rates.

Perceived cost increases are most common among participating businesses with 10+ employees, with the proportion affected rising to 72% among this group for staff costs and to 52% for both utilities and business rates⁴. 26% of businesses surveyed with 10+ employees do not know if their expenditure on business rates has changed or not, which may reflect exemptions from liability or decision-makers not necessarily being well-informed in this area.

⁴ Comparison with changes in rent expenditure is not possible due to small base size for businesses with 10+ employees who rent their premises.

Business Premises in Wandsworth

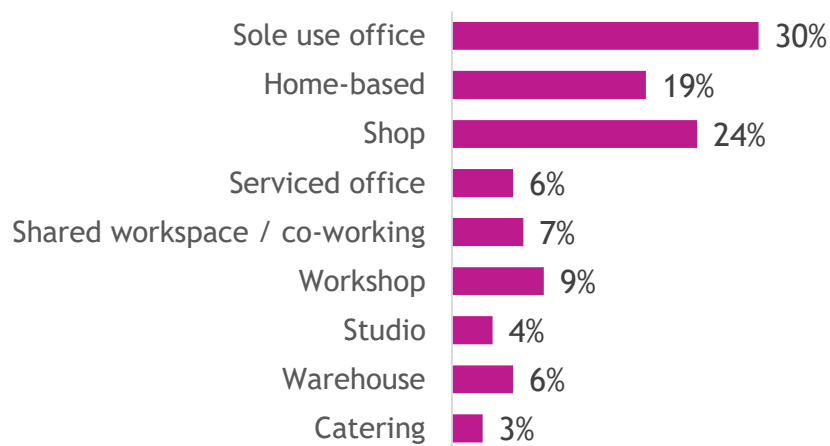
Section Summary

- Participating businesses occupy a diverse range of premises types and premises issues appear an important area of concern in Wandsworth.
- More than a quarter of participating businesses (27%) have found it hard to secure the right premises.
- Almost one in five participating businesses (18%) are actively considering moving premises, a significantly higher proportion than in Richmond (13%). There may also be further *latent* demand from businesses who could be interested in moving if suitable premises were available.
- Of those considering moving premises, only four in ten (39%) are seeking new premises within Wandsworth.
- Nearly two thirds of Wandsworth businesses surveyed (64%) identified at least one factor that might lead them to consider leaving the borough. The issues highlighted most commonly relate to costs and/or premises.
- 18% of participating businesses mention broadband connectivity as an issue that could cause them to consider leaving Wandsworth and the same proportion feel that their broadband connection is not fast enough. If the consequences of poor broadband connectivity reported by survey respondents are replicated across the borough, this could mean around 1,000 businesses being significantly constrained by the issue.

Current premises

The Wandsworth businesses participating in the study occupy a diversity of premises types, most commonly sole-use offices (30%). A quarter trade from a shop and around one in five (19%) are based at home. Just over half (53%) of sole traders surveyed are home-based.

Type of Premises



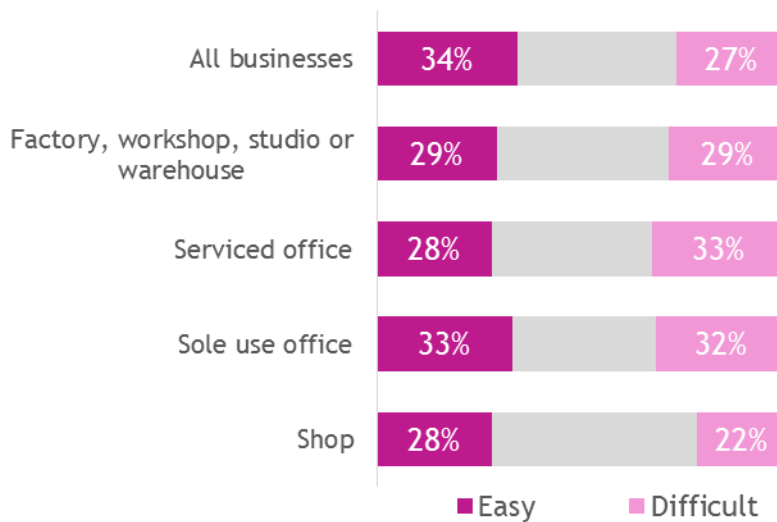
Q10. What kind of premises does the business occupy or use?
Base: All participating businesses in Wandsworth - 305

Home based businesses appear slightly less common in Wandsworth than in Richmond where a quarter (25%) of businesses surveyed are home based (note the difference between the two boroughs is not statistically significant). Wandsworth also appears to have an under-representation of this type of business compared with the national average. The 2017 Longitudinal Survey of Small Businesses suggests that 60% of sole traders and 27% of employee businesses nationally are home based. Equivalent figures for Wandsworth found in this study are just 53% and 11% respectively.

Almost six in ten participating businesses rent their business premises (57%) and around a third (34%) own their premises, mostly sole traders who tend to work from home (49% of participating sole traders own their business premises). Wandsworth businesses taking part in the survey are less likely to own their premises than those in Richmond (34% vs. 43%) which may reflect a greater prevalence of home-based businesses.

Around a third of businesses surveyed (34%) feel it has been easy to find the right premises in Wandsworth. However, more than a quarter (27%) feel this has been difficult. There appears to be little difference in Wandsworth businesses' experiences of searching for premises by premises type.

Ease of finding premises



Q12. On a scale of one to five, where one is very easy and five is very difficult, how difficult or easy has it been to find the right premises in Richmond/Wandsworth?
Base: All participating businesses in Wandsworth using sole use office (88), serviced office (18), factory, workshop, studio or warehouse (55), shop (74). All business in Wandsworth (305).

Lack of premises, along with business rates, was highlighted by one depth interviewee as a key issue threatening business in Wandsworth in the future.

“I think it will become increasingly difficult for businesses to operate, survive and start up due to rates and lack of premises.”

Talking to local businesses in depth reveals that the *outside* space associated with a business premises can be as important as the indoor facilities, with issues such as parking sometimes playing a role in premises being viewed as unsuitable.

“The main reason driving our move is the charge for parking on the industrial estate. We feel this is unreasonable and it’s a factor that made the location undesirable. It means that employees would lose money or require a salary rise.”

Businesses may be considering moving premises in response to either positive or negative drivers. Among participating businesses with plans to move, the proportion with a need to move to bigger premises due to business expansion (31%) is roughly in line with the proportion with a requirement to move in order to help them to sustain their business and control costs (28%).

Almost one in five participating Wandsworth businesses (18%) are actively considering moving premises (15% in the next 12 months, 3% in more than 12 months’ time), a significantly higher proportion than that found in Richmond (13%). There may also be further *latent* demand for new premises from businesses who would be interested in moving if they felt that appropriate premises would be easily available to them.

Moving from the borough

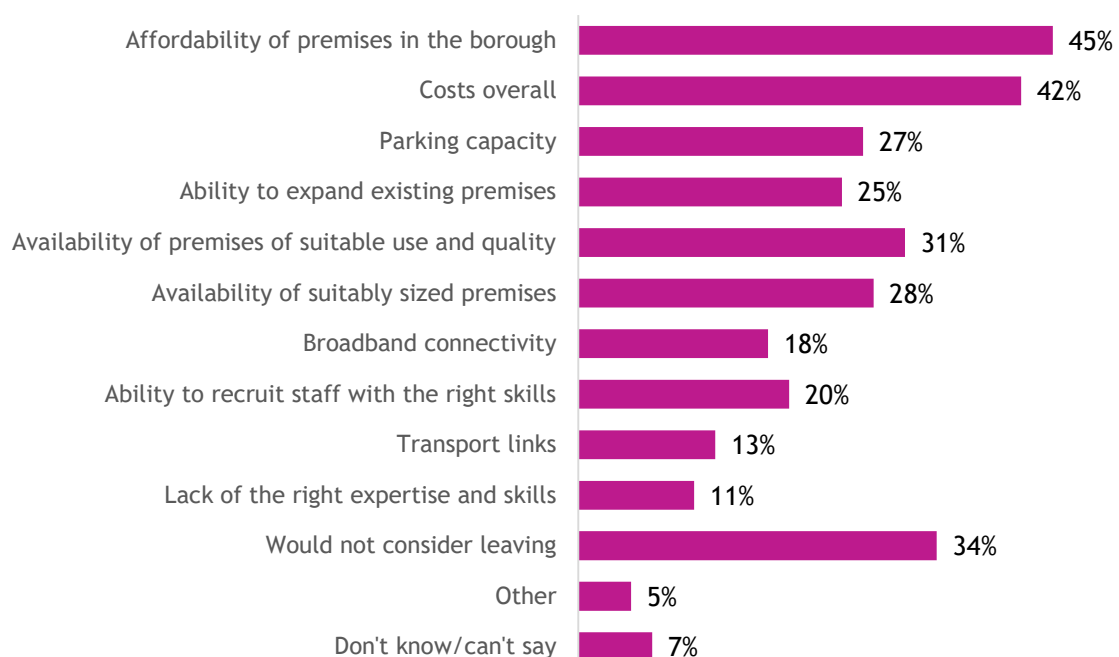
Of those considering moving premises, only four in ten (39%) are seeking new premises within Wandsworth. 28% are seeking premises outside of Wandsworth but within London and 20% are looking elsewhere in the UK.

All businesses surveyed (whether planning a premises move or not) were asked what issues, if any, would make them consider leaving Wandsworth. 34% would not contemplate leaving for any reason but almost two thirds (64%) identified at least one factor that could motivate them to leave. There appears to be less *loyalty* to the borough among the Wandsworth businesses surveyed than among those participating in the study in Richmond, 44% of whom say nothing would make them consider leaving. This may reflect reasons for being in the borough in the first place, with those in Wandsworth appearing to be more motivated by practical considerations like premises and less influenced by personal ties to the area than their counterparts in Richmond.

The most commonly cited reasons that could lead participating businesses to re-consider their presence in Wandsworth relate to cost; the affordability of premises in the borough (mentioned by 45% of respondents) and costs overall (42%). Other premises issues also feature strongly (availability of premises of suitable use and quality mentioned by 31%, availability of suitably sized premises 28%, ability to expand existing premises 25%).

Reflecting comments made in the qualitative interviews, parking (mentioned by 25% of respondents) is also one of the top 5 issues raised.

Issues which could make businesses consider moving out of Wandsworth



Q21. Would any of the following issues lead you to consider moving out of Richmond/Wandsworth?

Base: All participating businesses in Wandsworth (305)

Accessing broadband

Almost one in five respondents (18%) identify broadband connectivity as an issue that could make them consider leaving the borough.

The majority of participating businesses in Wandsworth feel that their broadband connection meets their needs. However, for 18% the connection is not fast enough. The problem is faced by a similar proportion of businesses taking part in the Richmond survey (17%).

Amongst those who say their connection is not fast enough, for 9% this has had no impact on their business, but 37% say it impacts on everything the business does (equal to 7% of all respondents). 61% say it is an inconvenience which slows them down and makes things more difficult and 41% say the problem is that their connection is intermittent or drops out.

These findings suggest that a small but important group of Wandsworth businesses may be being constrained by broadband issues, with impacts on productivity for example. If the survey findings were replicated across all businesses in the borough, this would mean around 1,000 businesses⁵ suffering a significant/ universal impact from a lack of a suitably fast broadband connection.

⁵ 7% of 15,500 Wandsworth businesses = 1,085.

Recruiting and Retaining staff

Section Summary

- More than a quarter of participating businesses (28%) report finding recruitment difficult, with this figure rising to close to half of medium sized businesses (47%).
- Availability of suitable candidates is the most common reason given for recruitment difficulties (71%), with issues around candidate experience slightly more prevalent than lack of candidates with the required qualifications (62% compared with 36%). Cost issues appear to be an important driver of recruitment difficulties, with around half of businesses affected attributing these problems to high wage expectations (52%) or the cost of living locally (46%).
- Retention issues are less widely reported than recruitment difficulties and are mentioned by only 14% of respondents. However, 81% of those with retention issues are also facing problems with recruitment, suggesting that the combination of these challenges may be having particularly damaging consequences. Salary competition and the cost of living locally are among the key drivers of retention difficulties.
- 1 in 5 participating businesses (21%) mention that they have a skills gap, with these gaps more common among growing businesses (25%).
- A relationship can be seen between recruitment and retention issues and skills gaps, with 40% of those reporting recruitment difficulties and 33% of those facing difficulties retaining staff also experiencing skills gaps.
- IT skills, either specialist (reported by 19% of participating businesses with skills gaps) or general (14%) are a commonly identified area of skills gaps.

Recruiting

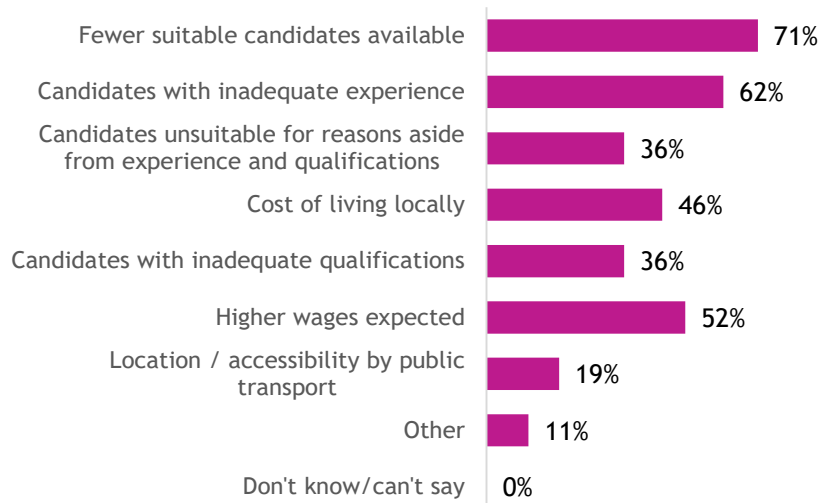
Almost three in ten participating businesses in Wandsworth (28%) say they are finding recruitment difficult, in line with the situation in Richmond (24%). This figure rises to 32% among those already employing staff (28% in Richmond).

In Wandsworth, medium size participating businesses are more likely to cite difficulty, with 47% of participating businesses with 10 - 49 employees saying they struggle with recruitment. 38% of those interviewed in the leisure, sports, personal services & catering sector report recruitment difficulties. This figure is 36% for education, health, social/ community services, 34% for manufacturing, construction & maintenance and 33% for retail & wholesale.

Participating businesses are most likely to say that they have difficulty filling vacancies because of a lack of suitable candidates. Seven in ten say that there are fewer candidates available generally but 62% specifically highlight lack of candidates with the right experience. Experience appears to be more of an issue than qualifications, only identified by 36% of those with recruitment difficulties.

Cost issues appear to be an important driver of recruitment difficulties, with around half of businesses affected attributing these problems to high wage expectations (52%) or the cost of living locally (46%).

Reasons for difficulty recruiting



Q37a. Why has the business had difficulty recruiting staff?

Base: All participating businesses experiencing problems recruiting staff in Wandsworth (84)

On the whole, most participating businesses aim their recruitment efforts in the UK. However, some are actively seeking to recruit staff from the EU or EEA (13%). This is a significantly higher proportion than in Richmond (8%). There were also some Wandsworth businesses in the survey looking to recruit from non-EU countries (7%). Around one in five businesses in leisure, sports, catering & accommodation (21%) and manufacturing, construction & maintenance (20%) are actively looking to employ people currently living in the EU. Around one in seven participating businesses in the education, health and social services sector are also actively recruiting outside of the EU (14%). Participating businesses who say recruiting and retaining staff is a challenge are more likely to be looking overseas for staff - one fifth of those struggling to retain staff are actively looking for staff in the EU (20%) and 12% outside of the EU.

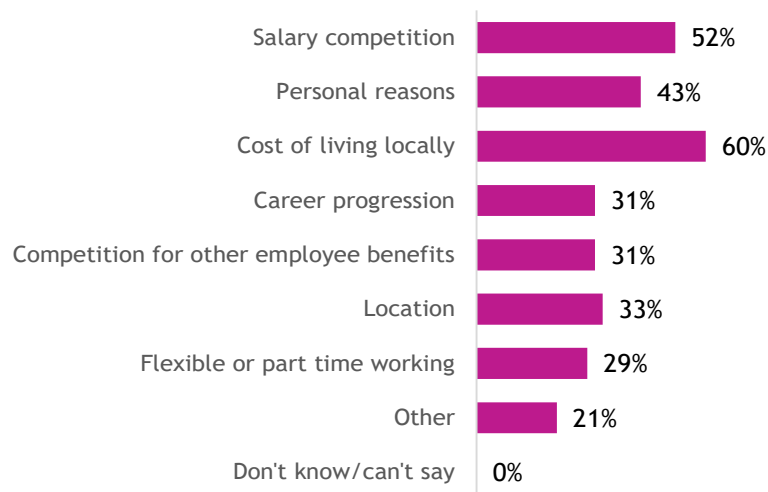
Retaining staff

Further to difficulties recruiting staff, one in seven participating businesses in Wandsworth are struggling to retain their current employees (14%). This is in line with the situation in Richmond.

Amongst the participating Wandsworth businesses finding it difficult to retain staff, eight out of ten also say they are struggling to recruit (81%), suggesting that retention issues may be exacerbating recruitment problems, leading to businesses struggling to conduct their day-to-day business. Participating businesses in the education, health & social sectors are most likely to say they are experiencing difficulties keeping their staff (28%), followed by those in leisure, personal & catering services (17%).

Economic reasons feature strongly among the causes of retention difficulties. Six in ten participating businesses blame the cost of living locally, with just over half (52%) attributing retention issues to salary competition. These challenges appear more important as drivers of retention problems in Wandsworth than in Richmond, where they were mentioned by 33% and 39% of participating businesses respectively.

Reasons for difficulty retaining



Q37b. Which of the following reasons explain the difficulties the business had retaining staff?

Base: All participating businesses experiencing problems retaining staff in Wandsworth (42)

Skills gaps

Around one in five participating businesses in Wandsworth say they have a skills gap (21%), in line with the situation in Richmond.

The incidence of reported skills gaps rises to just over a third (34%) among participating businesses in the manufacturing, construction & maintenance sector, while gaps of this kind are experienced by only 10% of retail & wholesale businesses surveyed. Of the 16 IT, digital & telecommunication business that took part in the survey, 4 said they had a skills gap.

Participating businesses experiencing turnover growth over the past year are more likely to say they have experienced skills gaps than those whose turnover has declined (25% compared to 14%). The participating businesses that are currently experiencing difficulty recruiting or retaining staff are also struggling with skill gaps. 40% of those having difficulty recruiting, and 33% of those having difficulty retaining staff say they have a skills gap in their workforce, compared to 13% who are not having difficulty hiring or keeping staff.

The skills most commonly missing amongst participating businesses are specialist IT skills, reported by 19% of those facing skills gaps. 14% report gaps in general IT abilities. This reflects the findings of the London Business Survey which found that 32% of businesses were missing digital knowledge.

Sales & marketing skills were felt to be missing among 17% of Wandsworth respondents with skills gaps with 16% saying they are missing unskilled staff to fulfil roles.

Business Optimism

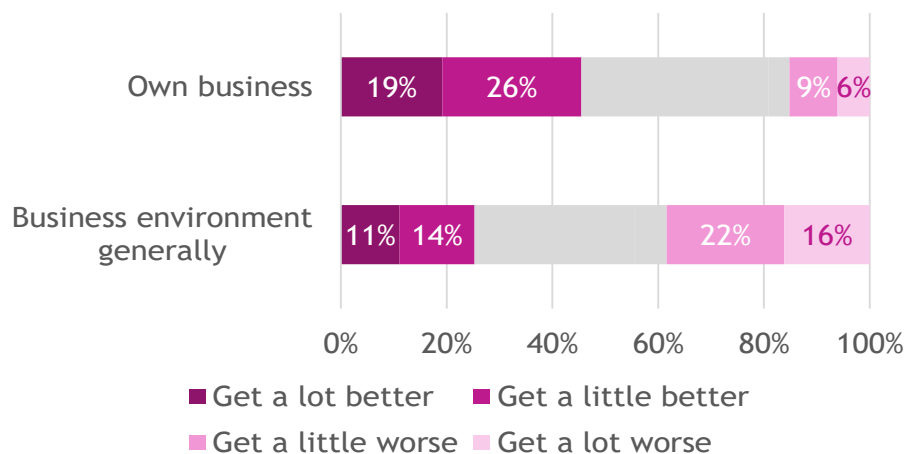
Section Summary

- Participating businesses have mixed views on how the business environment might change over the next two years, with 25% believing this will improve but 38% feeling it will get worse.
- Respondents are more optimistic about the prospects for their own business - 45% feel that things will get better vs 15% anticipating a deteriorating situation.
- Businesses who have seen their turnover grow in the past year are more likely to be optimistic about the future.

The Wandsworth businesses surveyed have mixed views on the future prospects for the business environment over the next 2 years; a quarter believe that things will get better but 38% anticipate that the business environment will deteriorate.

In contrast, participating businesses are much more optimistic about their own future business performance, with 45% feeling that this will improve and only 15% foreseeing declining performance. These figures are broadly similar to results gathered in Richmond.

Business Optimism



Q25. Thinking now about the *business environment generally* over the next two years, do you think things will get better, get worse or stay the same?

Q26. And thinking about how *your own business* will perform over the next two years, do you think things will get better, get worse or stay the same?

Base: All participating businesses in Wandsworth - 305

Optimism seems to be rooted in the recent past. Those who have seen success and increased turnover in the last year are more likely to think optimistically, with 59% thinking things will get better for their business, whilst those who have seen their turnover decline are more likely to think things will continue to get worse (26%, compared to 15% of all businesses).

Business Development

Section Summary

- Many participating businesses have plans to make changes to aid their development and growth, most commonly using new technology to improve business performance (76%), increasing the skills of their workforce (68%), exploiting new markets (56%), developing new products/ services or increasing the leadership capability of managers (both 55%).
- There is a strong link between optimism and development plans, especially when these changes relate to people in the business.
- 9 in 10 participating businesses identify barriers to growth, most commonly the economy (mentioned by 47% of respondents), competition (40%), Brexit (39%) and taxes (36%).
- “Internal” business issues such as the availability of suitable staff or premises are important as barriers, but less commonly cited than more “external” factors.

Future plans

Participating businesses are not only optimistic about the next two to three years but they also have plans to enhance or grow the business by using technology, training staff and selling new products to new customers. As businesses look to grow or change their practices they may require support from the Borough Council and other agencies.

The most common thing participating businesses are considering changing over the next few years is how they use technology. 76% said they plan to do this. Investing in staff skills is also considered by many, with 68% looking to upskill their workforce. A number of activities are being planned by just over half of participating businesses; increasing turnover by exploiting new markets (mentioned by 56%), developing and launching new products/ services, and increasing the leadership capability of managers (both 55%).

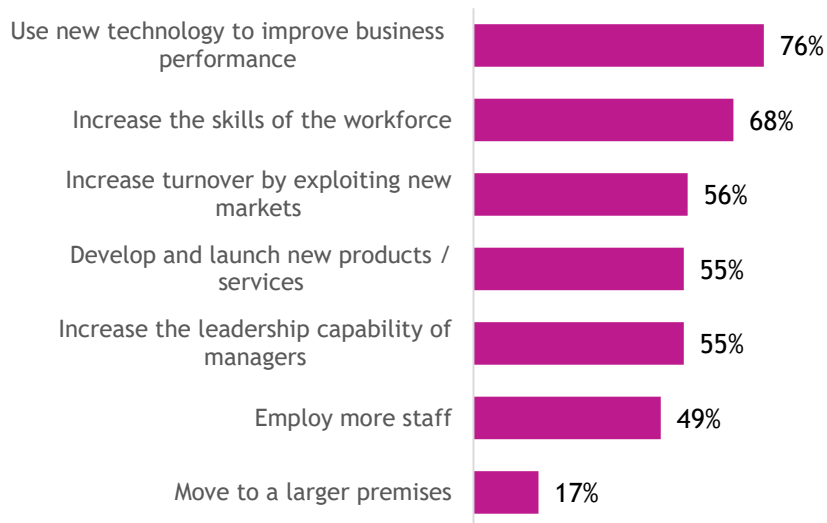
Almost half of participating businesses are looking to employ more staff over the next two to three years (49%), which reflects the findings of the wider London Business Survey of 2017, where 39% said they were planning to increase their headcount.

The future plans of participating businesses in Wandsworth are broadly similar to those of businesses surveyed in Richmond. However, participating Richmond businesses appear slightly more likely to be planning activity in some key areas including using new technology (76% compared with 68%), employing more staff (49% compared with 40%) and moving to larger premises (17% compared with 10%).

There is a strong link between business optimism and development plans, especially when these changes relate to people in the business. For example, participating businesses that are optimistic about the future are more likely to say they are planning on increasing leadership capabilities compared to those that are less than optimistic (69% vs. 49%). Further, optimism is strongly linked to plans to employ more staff; 65% of those who are

optimistic are planning to employ more staff compared to 40% who think things will get worse for their business.

Future business plans



Q19. Does your business plan to do any of the following over the next two to three years?

Base: All participating businesses in Wandsworth - 305

Barriers to growing business

9 out of 10 participating businesses in Wandsworth identify barriers to the growth of their business, most commonly the economy (identified by almost half of respondents), followed by competition in the market (mentioned by 40%), Brexit (39%) and taxation (36%).

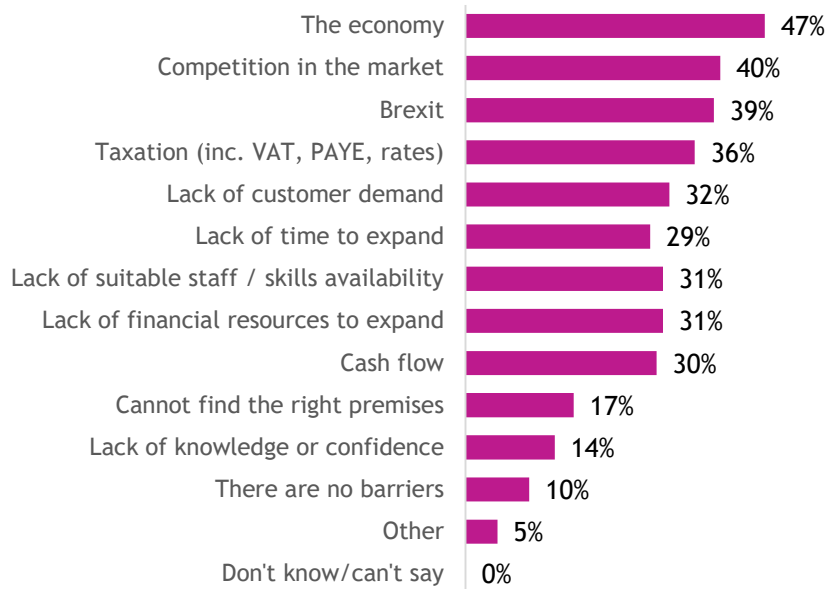
Support might help businesses to overcome or tackle some of the barriers felt to be limiting their growth. For example, three in ten participating businesses feel their growth is limited because of a lack of customer demand (32%), a lack of suitable staff or skills or a lack of funding (both 31%). Support in marketing, exploiting new markets and accessing finance may help some of these businesses to go further. The support participating businesses think they can benefit from is included later in this report.

It is interesting to note that some of the key issues raised elsewhere in the study, such as staff/ skills availability and finding suitable premises, that can be seen as *internal* to an individual business do feature among the most commonly cited barriers, but that these are less prevalent than the impact of *external* factors such as the economy, competition or Brexit. One in 6 participating businesses feel that a lack of suitable business premises is holding them back. Those who feel it was difficult to find their current premises are more likely to say finding the right premises prevents their business from growing (35% compared to 7% who feel it was easy to find their premises).

Declining businesses are more likely to say they have experienced barriers to growth than those who have maintained or grown their turnover in the last financial year (95% compared with 89%). Those facing declining turnover are particularly likely to identify barriers relating to cash flow and a lack of financial resources (both 41%). They are also

more likely to feel that a lack of customer demand holds them back (47% compared with 26% for businesses who have increased turnover).

Barriers to growth



Q20. What are the main barriers, if any, to growing your business?
Base: All participating businesses in Wandsworth - 305

Business and Brexit

Section Summary

- Participating Wandsworth businesses are more likely to be pessimistic about the potential future impact of Brexit than optimistic, with 59% foreseeing a negative impact on the business environment and 30% a negative impact on their own business, compared with 12% and 13% respectively predicting a positive impact.
- This contrasts with more general thoughts about prospects for the next two years; especially when decision-makers consider their own business (45% believe things will get better).
- Those who feel Brexit will negatively impact their business are most likely to identify financial consequences, particularly those related to turnover (68%), profits (66%) or costs (53%).
- While more than two thirds of Wandsworth businesses surveyed consider themselves at least “quite prepared” to manage the impact of Brexit (in line with the London average), more than one in five (22%) feel unprepared.
- The Wandsworth businesses surveyed were generally unable to spontaneously suggest support that could help them to manage the impact of Brexit (19% saying “don’t know” and 38% saying they needed no support or nothing in particular) or suggested support areas not directly related to Brexit (e.g. reducing business rates, loans or grants or help reducing overheads). Further, those support areas mentioned with more direct relevance to Brexit were all quite generic (e.g. more clarity/ certainty, general information or general advice).
- These findings suggest a lack of awareness among Wandsworth businesses around both the kind of support they may need and the options that may be available to them. This implies that the method of promotion of any available support related to Brexit may be key.

Business optimism after Brexit

Participating Wandsworth businesses tend more to pessimism about the impacts of Brexit than optimism. Almost six in ten (59%) feel that the general business environment will become worse as a result of Brexit and 30% think there will be negative consequences for their own business. Both figures are much higher than the proportion predicting that Brexit will cause an improvement in conditions (12% for the general business environment, 13% for their own business).

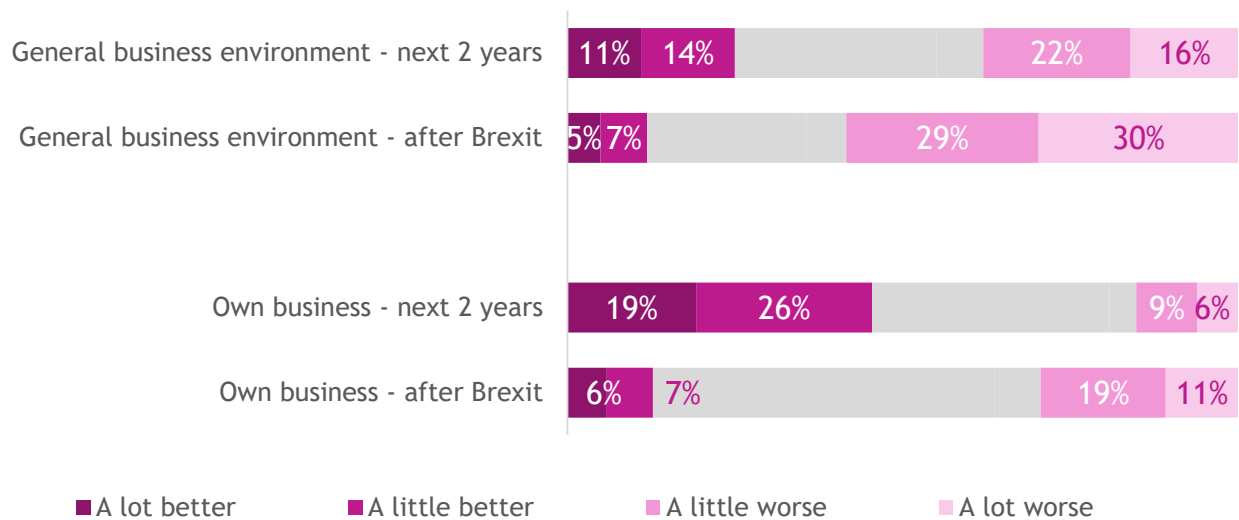
Predictions about the impact of Brexit contrast with more general thoughts about prospects for the next two years⁶; especially when decision-makers consider their own business (45% believe things will get better).

⁶ Respondents were first asked about their predications for the next two years (without reference to Brexit), then asked specifically about the change they foresaw as a result of Brexit.

It is interesting to note that just over half of Wandsworth businesses surveyed (52%) think that Brexit will have no impact on their business and 22% believe it will have no impact on the general business environment.

Wandsworth businesses' perceptions of the impact of Brexit are mirrored in the results gathered in the Richmond survey.

Business optimism and Brexit



Q25. Thinking now about the *business environment generally* over the next two years, do you think things will get better, get worse or stay the same?

Q27. As a result of Brexit, do you think the *general business environment* will get better, worse, or stay the same?

Q26. And thinking about how *your own business* will perform over the next two years, do you think things will get better, get worse or stay the same?

Q28. As a result of Brexit, do you think *your business* will get better, worse, or stay the same?

Base: All participating businesses in Wandsworth - 305

Impacts of Brexit

As highlighted previously, four in ten businesses surveyed (39%) identify Brexit as a barrier to growth, placing this in the top 3 most commonly cited barriers after the economy and competition in the market.

Those who felt Brexit would make things worse for their business were asked what negative impacts it might have. The impact is largely felt to be a financial one, with the most common impacts predicted being on turnover (68%), profits (66%), and related to this, their costs (53%). Other frequently cited impacts relate to recruitment (47%), footfall (46%), purchasing from suppliers (40%) and regulation (36%).

Negative impacts of Brexit



Q29. What do you think will be worse because of Brexit?

Base: All participating businesses who think Brexit will make things worse in Wandsworth - 96

Some of the negative impacts predicted following Brexit, are considered opportunities by the 36 participating businesses who think Brexit will have a positive impact. For example, seven think their footfall will increase and four think it will be easier to recruit employees.

Preparing for Brexit

30% of participating businesses feel that they are very or extremely prepared to manage their business following Brexit and 38% consider themselves quite prepared. However, 22% feel unprepared, including 7% who say they are not prepared at all.

In this respect, Wandsworth businesses appear to be typical of those found across London as a whole. The 2017 London Business Survey suggests that 69% of London businesses have a contingency plan for Brexit, or are planning to make one, in line with the 68% of Wandsworth businesses surveyed who rate themselves at least “quite prepared” for Brexit. This result also mirrors the finding in Richmond.

Feeling prepared appears to be linked with optimism. One in five of those who feel very or extremely prepared for Brexit think things will become better for their business after Britain leaves the EU (21%) and eight out of ten think things will at least stay as they are (82%). Those who feel unprepared are more likely to think that Brexit will make things worse for their business, 25% feel things will become a little worse and a further 25% say things will be *a lot* worse.

When asked about the support that could help their business to manage the impact of Brexit⁷, almost six in ten were either unable to answer (19%) or said that they did not need any support/ anything in particular (38%). Further, many of the types of support mentioned actually correspond to areas that are not directly related to Brexit, but rather to some of the consequences identified, such as the impact on turnover, profits or costs. These suggestions include reducing or getting rid of business rates (8%), financial support, such as loans or grants (3%) or help reducing overheads (2%). Reflecting the reported likely impact on recruitment, 5% of respondents identify ensuring plentiful recruitment pools as something that could help them in managing Brexit's impact.

The most common support areas mentioned having more to do with Brexit itself are quite generic in nature, for example more clarity/certainty (7%), information on changes to legislation (5%), general advice (4%) and general information (3%).

Businesses participating in depth interviews for this study include those at both ends of the spectrum in terms of the level of impact Brexit could potentially have on their business.

For one interviewee, Brexit was an important area of concern given its likely effect on demand from resident EU nationals, currently a core component of their customer base.

“Our market is predominantly European so Brexit is not a good thing.”

Meanwhile, another participant was in a contrasting situation, feeling that the nature of their business means they are sufficiently removed from any immediate impact from Brexit. However, this business did identify potential negative “knock on” effects, for example if Brexit were to lead to an economic downturn that would harm demand for their services.

Among both types of business, a lack of clarity around Brexit appears to be an important theme. For those likely to be significantly affected, this can add to fears or worries in this area, while for those less “close” to obvious Brexit impacts, a lack of clarity or understanding may cause them to underestimate potential consequences, giving them little reason to engage in preparation activity.

“I am conscious of it and worried about it but how I tackle it I haven't worked out in my head yet and I still think we haven't got enough information...It's just too early to tell how drastic it's going to be...I feel it's beyond my control.”

“We have no specific plans to prepare for Brexit and this is mainly because we don't feel it will have an impact and secondly because it is unclear what will actually happen.”

As well as a lack of understanding or knowledge about the type of support that may be needed, it is likely that businesses may be unaware of the sort of support options that might be available to them. This may therefore be an area where Wandsworth businesses may not actively seek support, but might take this up if advertised and offered to them in a way that communicates how support could help them to navigate areas of uncertainty and succeed in the face of these changes.

⁷ In an open unprompted question

Supporting Business

Section Summary

- On average, participating Wandsworth businesses selected 5 types of business support from a list of 25 that could benefit them a lot and a further 6 types that could benefit them a little.
- “Using IT and digital technologies” is the area of support most likely to be seen as beneficial (identified as beneficial to 51% of participating businesses), followed by legal compliance & legislation advice (49%), business & financial advice (46%), and advice & training for people within the business (42%).
- The specific type of support most likely to be considered beneficial is compliance with legislation (61%), with 58% of respondents highlighting benefits from support related to the General Data Protection Regulation (GDPR).
- Participating businesses are most likely to identify support with business rates as the area that would benefit them “a lot” (identified by 37%). A further 20% feel this would benefit them “a little”, making this the fourth most welcome area of support (raised by 57% of respondents in total).
- No one method of delivering business support dominates over others in terms of appeal (each of the six formats listed, including seminars/ lectures, online bulletins and one-to-one in person support, is considered appealing by between a third and four in ten respondents), with this likely to be a matter of preference for individual businesses and decision makers. However, a third of participating businesses do not consider any of the support methods listed appealing.
- Despite their interest in business support, only around a third of participating Wandsworth businesses (35%) say they would be willing to pay for this with 22% not very willing and 36% not at all willing.
- Reducing, abolishing or freezing business rates was the most commonly suggested area of activity for the Council to engage in to support businesses or encourage them to set up in Wandsworth (mentioned by 11% of those established in Wandsworth for more than a year and 16% of participating businesses opened more recently). Other key suggestions made by established businesses include improvements to parking and increased liaison/ networking activity with the local business community. Among new businesses, key theme areas include providing support, advice and mentoring, business accommodation and financial support.

Where businesses need support

The businesses participating in the survey were presented with 25 types of business support, grouped into six theme areas; “Business & financial advice”, “Legal, compliance & legislation advice”, “Advice on finding or growing premises”, “Advice on training for people within the business” and “Using IT and digital technologies”. They were asked which, if any, types of support would benefit their business a lot or a little⁸.

⁸ To ensure a fair result, the order of the theme areas was rotated for each interview. See full questionnaire appendix for more detail.

On average, each participating business identified 5 types of support from the 25 available options that would benefit them a lot and a further 6 that would benefit them a little. Participating sole traders appear less likely to feel that the listed areas of support could benefit them with this group selecting fewer areas on average compared with participating businesses with 10 - 49 employees.

Using IT and Digital technologies

Given that participating businesses intend to use technology to improve their business and report a gap in IT skills, it is not surprising that this is an area where many feel they would benefit from support. Just over half of participating businesses feel they could benefit at least a little from support with IT and digital technology (51%), including making the most of technology and applying digital approaches in the business.

Legal, compliance and legislation

Legal advice and support with legislation is also an area where around half of participating businesses (49%) would welcome support. In light of the General Data Protection Regulation coming in this year it is not surprising that almost six out of ten feel this would be beneficial (58%, 24% would benefit a lot, 35% a little). Help with compliance and legal advice more generally are also considered to be helpful.

An interest in this area was also mentioned in depth interviews, with a feeling that additional support could be particularly beneficial to help small local businesses stay as well-informed as large corporate competitors.

“The likes of the bigger agencies, their senior staff probably spend more time at conferences learning about these things but businesses that are independent, we don't have that and I can't take the time off work, so if that could be accommodated that would be a massive benefit.”

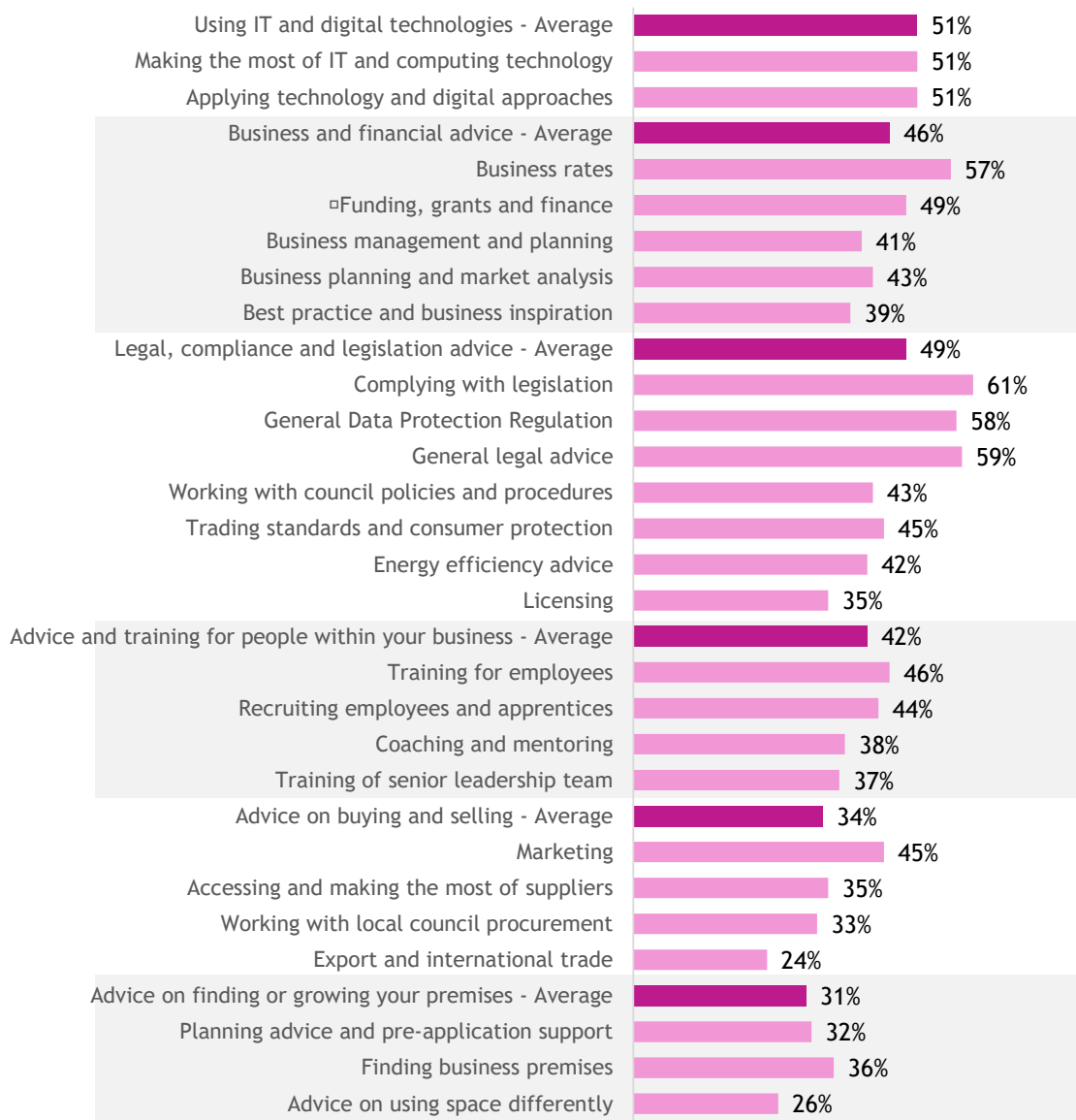
Business and financial advice

Business and financial advice is the third most commonly identified area of beneficial support, highlighted by 46% of respondents. More than a third of participating businesses say that support with business rates would benefit their business a lot (37%) - higher than any other area of support, and a further fifth feel support in this area would help them a little (20%). The combined figure (57%) makes business rates the fourth most common area where support would be welcome and the highest rated area not related to legal compliance or advice.

Advice and training for people

Support related to the people within the business is considered beneficial by four in ten participating businesses (42%). Support around training for employees (46%) and recruitment (44%) is considered most beneficial. Participating businesses in the education, health & social sectors feel training for employees will be most beneficial (58%), followed by those in the leisure, sports, personal services & catering sector (50%). Participating businesses who are struggling to retain staff are particularly likely to feel support with training would be beneficial (74% compared with 37% of those who have no difficulty retaining or recruiting).

Areas of support beneficial to the business



Q38. To what extent, if at all, would the following benefit your business? - % benefit a lot or a little
Base: All participating businesses in Wandsworth - 305

Advice on buying and selling

Overall, desire for support with buying and selling is lower than for other types of support, with 34% feeling this area of support would be beneficial. Marketing is however an area that participating businesses would like support with. 45% feel they would benefit from this.

Other areas where support may help businesses

Some participating businesses made further suggestions about the support they may benefit from including better parking (17 mentions) and better local services/ infrastructure (14 mentions) among others.

“It is difficult to find someone like a mentor. When we opened our business we had never run a business before, so it would be nice to have someone for guidance and advice, perhaps a contact number to call.”

“I think there is a lack of bringing this community together, such as local events to bring business together, as there is a lot of competition in London.”

“I work from home so a business hub/cafe for social interaction. This has been done virtually but I would like it to be done physically.”

“Just reducing the cost of everything - If our outgoings were less, that would help us.”

“Parking is a big problem, for staff coming to the office and clients - Expensive and not enough space.”

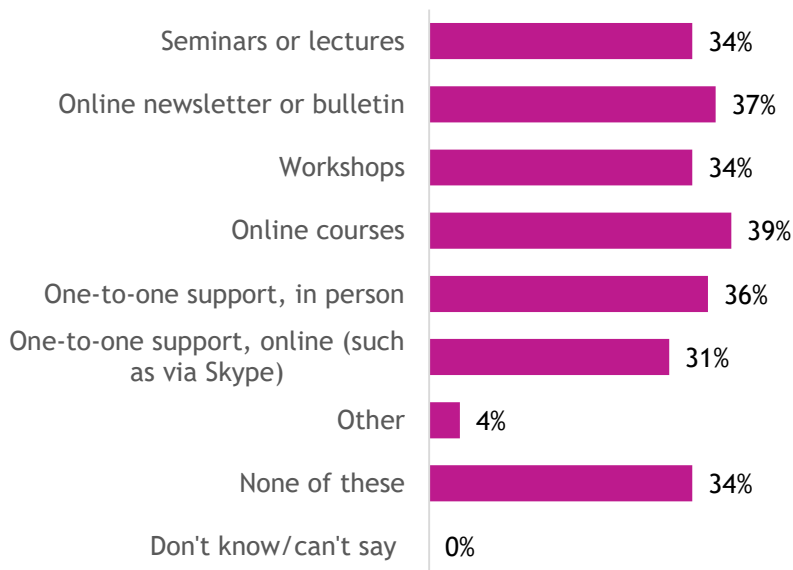
How businesses would like to be supported

When asked about the ideal way to deliver business support, participating Wandsworth businesses appear to have no clear preference, with all delivery methods tested appealing to between a third and four in ten respondents. However, a third of participating businesses do not find any of the listed support methods appealing.

Respondents in the education, health, social/ community services sector are most likely to find at least one of the proposed support delivery methods appealing (78% compared with 66% across all sectors), showing a particular preference for online courses or workshops (both favoured by 53%).

Nearly four in ten Wandsworth businesses surveyed would like support to be delivered in the form of an online bulletin or newsletter (37%). During the survey businesses were asked if they would like to sign up to receive an e-newsletter containing business support opportunities, with six in ten saying they would like to receive this in the future (59%).

Preferred method of delivering business support



Q40. Which, if any, of the following methods of support appeal to your business?
Base: Base: All participating businesses in Wandsworth - 305

Despite an appetite for support, more than half of participating businesses (58%) state they would not be willing to pay for it (22% not very willing, 36% not at all willing). Participating businesses who have seen their turnover decline are more likely to say they would not pay for support than those who have seen an increase in their turnover (60% compared with 44%). There is a relationship between willingness to pay for support and perception of the benefits of support. The participating businesses that say they would not be willing to pay for support are more likely to say that they would not benefit from the support asked about.

None of those not finding any of the methods of support listed appealing would be willing to pay for support. Willingness to pay is highest among those who would be interested in workshops (58% would be at least quite willing to pay) or one-to-one online support (56%).

Other ways of helping businesses

Participating businesses that have been established in Wandsworth for more than a year were asked how the Council could support businesses in Wandsworth. Whilst half did not name anything (51%), one in ten (11%) mentioned reducing or abolishing business rates and a similar proportion (9%) highlighted improving the availability of business premises, in particular affordable premises. A further 8% would like the Council to improve parking (including providing more free parking and more parking spaces and removing parking restrictions) and 6% called for improved liaison/ networking between the Council and local businesses.

“They could continue with the small business relief. At present the relief is given to rents up to £12,000 per annum but I feel it may help and benefit people if it was increased to £15,000 per annum.”

“Run a register of fair rental services for offices...Introduce legislation via central government for landlords to give fair market prices.”

“They can be more aware of how people work. We work different hours. They need to get a bit more savvy in the way people work and update their systems and methods of operating.”

Reducing or freezing business rates was also suggested most frequently by participating new businesses to help encourage businesses to the area and support those recently opened (16%). The suggestions made by these businesses also commonly covered the provision of support, advice or mentoring (15%), business accommodation or financial support (both 13%).

“So I was previously a member a co-working space that was set in Lambeth town hall so that was a commercial venture. It seems to be something that the Council could provide for free. For example, if you allowed people to come into an office space and use it for a year of the operation that would be helpful and provide all the services that you have been referring to.”

“I think letting people know what is available, workshops that they advertise a bit more. We get the Wandsworth newsletter about things going on in the Council but not for business help.”

“We should use some of the empty shops in our high street to make flexible space for small companies to use them basically to connect and support each other in surviving.”

“Reduce business rates and help finding locations and premises for businesses, there are not that many available unless you pay crazy money!”

Key Messages

This study suggests four key theme areas of importance to Wandsworth businesses:

- **Recruitment, Retention and Training**
- **Business Support**
- **Premises**
- **Brexit**

Recruitment, Retention and Training

A quarter of businesses participating in this study (25%) are located in Wandsworth in order to access labour with the skills that they need, reflecting perceptions of Wandsworth as an attractive area where skilled staff want to live. However, issues related to recruitment, retention and skills gaps can be seen, with these challenges constraining the growth potential of some local businesses.

While Wandsworth businesses generally appear to be enjoying good financial performance, with 38% seeing turnover growth over the past year, only around a quarter (26%) of those with increased turnover have taken on additional staff (a much lower rate of conversion between turnover growth and staff growth than that seen in Richmond for example, where 41% of those experiencing turnover growth have increased staff numbers). While the reasons for this are complex and varied, this may reflect to an extent the complexities involved in increasing headcount, which reassurance or advice could help to address.

Recruitment difficulties are reported by 28% of participating businesses, rising to 47% among those with 10-49 employees. While retention is only highlighted as an issue by 14% of respondents, this problem appears to exacerbate the challenges faced by those also struggling to recruit.

Issues around the affordability of Wandsworth as an area represent an important driver of retention issues, with the cost of living locally and salary competition the most common reasons for finding it hard to keep staff. In light of this, Wandsworth businesses may welcome help with encouraging retention through non-financial routes e.g. training or support for managers in establishing and communicating clear progression routes.

These pressures, manifested in high wage expectations and potential candidates being discouraged by high living costs, also feature strongly in the perceived causes of recruitment challenges. Again, local businesses may benefit from help or support around communicating the more holistic benefits of the positions they have to offer, including the attractive features and amenities offered by Wandsworth as a home location.

Skills gaps and recruitment issues appear to be constraining Wandsworth businesses in their potential to grow, for example with skills gaps more common among growing businesses and a lack of suitable staff/ skills availability highlighted as a barrier to growth by 31% of respondents. 49% are planning to employ more staff in the next 2-3 years, but this will depend on them being able to find and attract appropriate candidates.

Wandsworth businesses do appear to have an appetite for solutions and support to address some of these issues, for example 68% plan to increase the skills of their workforce in the

medium term and 55% plan to increase the leadership capability of their managers. Four in ten feel that business support related to training and recruitment could help them.

The forthcoming impact of Brexit has implications in this area, both through the consequences for those reliant on recruitment from overseas and in terms of a potential need for training, particularly at management level. This includes help around understanding and overcoming the challenges posed by Brexit itself as well as maximising their capability in areas such as growing and maintaining turnover/profitability and controlling costs in order to compensate for some of the potentially negative consequences of Brexit.

Business Support

There does appear to be an appetite for business support in Wandsworth, particularly related to IT and digital technologies, an area of identified skills gaps and where almost eight out of ten participating Wandsworth businesses have ambitions for the future (76% plan to use new technology to improve their business performance). The survey also suggests an appetite for support around current “hot issues” such as Brexit and GDPR.

However, this strong level of interest in support does not always translate into a willingness to pay for this, with more than half of those questioned (58%) saying they would not be willing to pay. This suggests a need to highlight the *value* of any relevant paid support on offer, encouraging businesses to see this as a worthwhile investment that could help them to make or save money.

Sole traders appear less enthusiastic about support than larger businesses. However, they may be among those with the greatest need if they are unable to rely upon some of the resources available to other business types (e.g. head office support, dedicated HR or legal departments etc.), suggesting the need to better make the case for support to them. Home based sole traders in particular may benefit from support to help them overcome the disadvantages associated with isolation from opportunities for peer support from others in a similar situation. It may be particularly valuable to try to encourage take up of support among those sole traders who may wish to grow or develop or take on employees but who are constrained by a lack of confidence or knowledge around how best to do this.

The top area where Wandsworth businesses feel business support could help them “a lot” is business rates, and this is the fourth most welcome area of support in terms of those believing that this could help them at least “a little” (making this the highest rated area not related to legal compliance or advice). Business rates are also the most common area mentioned by respondents were given the open opportunity name anything they felt the Council could do to help either established or new businesses in the area, with these comments specifically relating to reducing, freezing or abolishing rates.

As business rates are currently set by national government, rather than local councils, this suggests a lack of understanding in this area. Increasing awareness of this could help to ensure that businesses are judging the Council only on those matters that are within its control. Further, forthcoming plans for the Council to join a business rates retention scheme, that would see rates funding Council activities, will mean a change in the role played by rates in the relationship between the Council and local businesses. This gives further impetus to improve education around business rates, how they work and what they

fund. It also represents an opportunity to demonstrate the importance of rates as a source of revenue by clearly communicating the link between rates and how they are spent.

Premises

The business premises available in Wandsworth can be seen as a key strength of the borough, with this offer appearing to act as an important draw to the area. However, premises issues are identified as a key challenge facing some participating Wandsworth businesses, with this relating to both scarcity of suitable premises and the impact of premises costs/ rent.

More than a quarter of participating businesses have found it hard to secure the right premises and 17% identify not being able to find the right premises as a barrier to growth that they are currently facing.

This issue can be seen as particularly important from the point of view of encouraging businesses to stay within Wandsworth as affordability of premises is the top issue that could make participating businesses consider moving out of the borough. It is also possible that unmet latent demand for premises (e.g. businesses being put off from considering moving to larger accommodation that could allow them to grow because they do not believe suitable premises would be available to them) may be constraining possible business expansion and growth. Premises availability is also particularly pressing in some cases as this may make a difference to the *survival* of some businesses with the need to “downsize” their premises in order to constrain costs and continue trading.

Again, there does appear to be a strong level of interest in support in this area, with almost a third of participating businesses feeling that this kind of support would be beneficial. Interestingly, the support identified is not restricted to help with finding premises (which may involve better “matching” available space with potentially interested businesses or highlighting the options on offer). It also covers planning advice and advice on using space differently. This may include helping businesses to achieve growth within their existing premises or working with them on creative thinking about the way in which a new space could be adapted or re-designed to meet their needs in a way that is not immediately obvious.

Brexit

Brexit appears to be an area of concern for many Wandsworth businesses, with over half of those surveyed foreseeing a negative impact on the business environment and 30% a negative impact on their own particular business.

The study also suggests strong levels of uncertainty in this area. More than one in five respondents admit that they do not feel prepared for Brexit and there also appears to be a more widespread level of confusion around what, if any, support could help Wandsworth businesses to navigate the changes that Brexit will bring.

Businesses actually commonly suggest that the best way to help them to manage the impact of Brexit is through more general business support. Their primary concerns are around the aspects of their business that they think may be negatively affected by Brexit (notably turnover, profitability and costs) and they are therefore keen to receive support

that will directly impact on these areas such as reduced business rates or access to grants or loans.

It is likely that more specific support on navigating Brexit (for example dealing with regulatory changes, recruitment implications, supplier relationships etc.) may be of benefit to Wandsworth businesses. However, this is not necessarily something they will actively seek out, meaning that communications around any support offered will need to penetrate with businesses and help them to identify those areas where they currently lack even the understanding of what it is they do not know, but where further information and support could help them to minimise the risks and maximise the opportunities that Brexit might bring.

Appendix

Questionnaire

Client name:	London Borough of Richmond upon Thames / London Borough of Wandsworth
Project name:	Richmond & Wandsworth Business Survey 2018
Job number:	7831
Methodology:	CATI

Notes on this document

- Instructions in CAPS are for computer programming
- Instructions in *italics* are for telephone interviewers
- **Bold** or underlined words are for emphasis within a question
- Different question types have different numbers:
 - Screener questions are labelled S01, S02, S03 etc.
 - Main survey questions are labelled Q01, Q02, Q03 etc.
 - Further demographic / classification questions are labelled D01, D02, D03 etc.
 - Number codes are included on each question for data processing purposes

Introduction

Good morning/afternoon. My name is <INSERT INTERVIEWER NAME> and I'm calling on behalf of Wandsworth and Wandsworth Borough Councils from Facts International, an independent market research company. The Councils have commissioned us to talk to decision makers from local businesses to understand more about the needs and priorities of businesses within each Borough. Please can I ask you some questions?

IF ASKED

The study should last approximately 15 minutes, depending on your answers.

The study touches on a number of issues, including your business' plans, needs and priorities.

It also seeks to establish business' attitudes towards the EU and the potential impact of Brexit on local businesses.

IF REQUIRED

We are offering anyone who takes part in the survey a specially prepared summary of the research findings once the study is completed.

At the end of the survey we will ask you which Council services and support could benefit your business and if interested, we can register you for an e-newsletter which will provide you with regular information on support and advice offered to businesses by the Borough Council.

IF TELEPHONE: Just so you are aware, this call will be monitored and recorded for the purpose of training or quality control by Facts International.

I would also like to assure you that the survey will be conducted under the guidance set out by the Market Research Society and neither your name or company name will be included in the report.

S01a

IF TELEPHONE:

Are you a decision maker within your organisation?

We need to speak to a senior person in the organisation who is in day to day control of the business.

If this is not the correct person then please ask for the name of an appropriate member of staff.

Code	Answer list	Scripting notes	Routing
1	Yes		CONTINUE
2	No - referral provided	RECORD REFERRAL DETAILS	INTRODUCTION
86	No - refused to offer new contact details		THANK AND CLOSE

S01b

IF ONLINE

Are you a decision maker within your organisation?

Code	Answer list	Scripting notes	Routing
1	Yes		CONTINUE
86	No		THANK AND CLOSE

S02

IF TELEPHONE:

Are you happy to take part?

Code	Answer list	Scripting notes	Routing
1	Yes		CONTINUE
2	Yes but not now	RECORD APPOINTMENT TIME	
3	Yes but online	COLLECT EMAIL ADDRESS FOR LINK TO BE SENT AT CLOSE	
4	No (reason for refusal)		THANK AND CLOSE

S03

IF ONLINE - NEWSLETTER LINK

Which London Borough is your business premises in?

Please think about the business premises you are based in, and not the location of your Head Office or any other premises the business may use.

Code	Answer list	Scripting notes	Routing
1	London Borough of Wandsworth		CONTINUE

2	London Borough of Wandsworth		CONTINUE
86	Somewhere else		THANK AND CLOSE

Section A - About the business

Q1

All participants

What is the postcode for the premises where you are based?

TEXT ENTRY

IF TELEPHONE: *We are looking for the postcode of that premises, not Head office for example. Part postcode is better than nothing so please record all of the code that they can provide*

Text entry		
85	Prefer not to say	

Q2

All participants

Which of the following best describes the business?

SINGLE CODE

IF TELEPHONE: *Read out all except 'Don't know/Can't say'.*

Code	Answer list	Scripting notes	Routing
1	An owner-managed <INSERT BOROUGH: Wandsworth / Wandsworth> -based business		
2	A subsidiary / branch / franchise of a UK company		
3	A subsidiary / branch / franchise of an international company		
4	The head-quarters of a UK company		
5	The head-quarters of an international company		
6	Other public sector organisation		
80	Other (specify)	TEXT ENTRY	
85	Don't know/can't say (<i>Do not read out</i>)		

Q3

All participants

In which industry does your business operate?

SINGLE CODE, ORDERED

IF TELEPHONE: *DO NOT READ OUT BUT PROMPT IF REQUIRED*

Code	Answer list	Scripting notes	Routing
1	Agriculture/ Mining/ Forestry		
2	Financial / Professional/ Scientific/ Technical		
3	Business activities /administration and support		

4	Education, health & social/community services/ not-for-profit		
5	Manufacturing / Construction/ Maintenance		
6	Leisure / sports / personal services / catering / accommodation/ Other service activities		
7	Media / culture / arts		
8	IT / digital / telecommunications		
9	Retail / wholesale		
10	Motor/Transport/Storage		
11	Property		
80	Other (specify)	TEXT ENTRY	
85	Don't know/can't say (<i>Do not read out</i>)		

Q4

All participants

Where are your customers based?

MULTIPLE CODES

IF TELEPHONE: *Read out all, code all that apply*

Code	Answer list	Scripting notes	Routing
1	London		
2	UK		
3	EU		
4	Outside of the EU		
85	Don't know (<i>Do not read out</i>)		

Q5

All participants

Roughly how many people work at the site where you are based?

SINGLE CODE. ORDERED

Code	Answer list	Scripting notes	Routing
1	One (Sole trader or Home worker)		GO TO Q10
2	2 - 9		
3	10 - 49		
4	50 - 249		
5	250+		
85	Don't know (<i>Do not read out</i>)		GO TO Q10

Q6 /Q7

Participants who work for an organisation with more than one member of staff (Q5/2-5)
 And how many full time and part time staff members do you have at this location including yourself?

Code	Answer list	Q6) Full-time	Q7) Part-time
	0		
1	1-3		
2	4-9		
3	10 - 49		
4	50 - 249		
5	250+		
85	Don't know (<i>Do not read out</i>)		

Q8

All participants

How long have you been operating in the <INSERT Borough: Wandsworth / Wandsworth>?
 SINGLE. ORDERED *DO NOT READ OUT BUT PROMPT IF NECESSARY*

Code	Answer list	Scripting notes	Routing
1	12 months or less		
2	More than 1 year but less than 3		
3	3-5 years		
4	More than 5 years but less than 10		
5	10- 25 years		
6	Over 25 years		
85	Don't know (<i>Do not read out</i>)		

Q9

All participants

Which of the following reasons best explain why the business is located in <INSERT BOROUGH: Wandsworth / Wandsworth>?

MULTIPLE CODE, ROTATE

IF TELEPHONE: *Read out all except 'Don't know/Can't say'. If they say none of these then probe for 'Other'.*

Code	Answer list	Scripting notes	Routing
1	Close to owner's place of residence		
2	Availability of the right premises (in terms of price, size, condition)		
3	Access to labour with the right skills		

4	Access to customers		
5	Access to suppliers		
6	Transport links to London and Heathrow		
7	Close to similar businesses in our sector		
80	Other (specify)	FIXED. TEXT ENTRY	
85	Don't know/can't say (<i>Do not read out</i>)	FIXED. EXCLUSIVE	

Q10

All participants

What kind of premises does the business occupy or use?

MULTIPE CODE, ORDERED

IF TELEPHONE: *DO NOT READ OUT BUT PROMPT IF NECESSARY except 'Don't know/Can't say'.*

Code	Answer list	Scripting notes	Routing
1	Home-based		
2	Sole-use Office		
9	Serviced office		
10	Shared workspace / co-working		
3	Factory		
4	Workshop		
5	Studio		
6	Warehouse		
7	Shop		
8	Catering (pub, restaurant, café)		
80	Other (specify)	TEXT ENTRY	
85	Don't know/can't say (<i>Do not read out</i>)	EXCLUSIVE	

Q11

All participants

Which of the following best describes the ownership of the premises?

SINGLE CODE

IF TELEPHONE: *Read out all except 'Don't know/Can't say'.*

Code	Answer list	Scripting notes	Routing
1	Owned		
2	Rented		
3	Licensed		
80	Other (specify)	TEXT ENTRY	
85	Don't know/can't say (<i>Do not read out</i>)		

Q12

All participants

On a scale of one to five, where one is very easy and five is very difficult, how difficult or easy has it been to find the right premises in <INSERT BOROUGH: Wandsworth / Wandsworth>?

SINGLE CODE, ORDERED

IF TELEPHONE: *Prompt with scale if needed except 'Don't know/Can't say'.*

Code	Scale list	Scripting notes	Routing
1	1 - Very easy		
2	2 - Quite easy		
3	3 - Neither easy or difficult		
4	4 - Quite difficult		
5	5 - Very difficult		
85	Don't know/can't say (<i>Do not read out</i>)		

Q13

All participants

Are you able to access a suitably fast broadband Internet connection that meets your business needs?

SINGLE CODE

Code	Scale list	Scripting notes	Routing
1	Yes		GO TO Q14a/b
2	No		
85	Don't know / can't say (<i>Do not read out</i>)		GO TO Q14a/b

Q14a

IF TELEPHONE

Participants who are unable to access a fast connection (Q13/2)

How does this impact on your business, if at all?

MULTIPLE CODE

Code	Answer list	Scripting notes	Routing
1	Makes things slower / more difficult / inconvenient		
2	Makes communication more difficult		
3	Signal / connection drops / is intermittent		
4	Has a small / mild impact		
5	Has a big impact / effects everything		
79	None, no impact		
80	Other (specify)	TEXT ENTRY	
85	Don't know/can't say (<i>Do not read out</i>)		

Q14b

IF ONLINE

Participants who are unable to access a fast connection (Q13/2)

How does this impact on your business, if at all?

OPEN END TEXT ENTRY

Code	Answer list	Scripting notes	Routing
79	None, no impact		
80	Other (specify)	TEXT ENTRY	
85	Don't know/can't say (<i>Do not read out</i>)		

Section B: Business Performance
--

IF TELEPHONE *Read out* - I would like to ask questions on how the business is performing and this includes asking about your turnover. Please remember that the information you provide will remain confidential and will be combined with other data in our analysis.

Q15

All participants

Thinking about your turnover in the last financial year, into which of the following bands does this fall?

SINGLE CODE

IF TELEPHONE *Read out except 'Prefer not to say' and Don't know/Can't say'.*

IF ONLINE *Please be assured that the information you provide will remain confidential and will be combined with other data in our analysis.*

Code	Scale list	Scripting notes	Routing
1	£250,000 or less		
2	More than £250,000 and up to £500,000		
3	More than £500,000 and up to £2 million		
4	More than £2 million and up to £10 million		
5	More than £10 million and up to £50 million		
6	More than £50 million		
86	Prefer not to say (<i>Do not read out</i>)		
85	Don't know/can't say (<i>Do not read out</i>)		

Q16a

All participants

In the last financial year, has your turnover increased, decreased or stayed the same? SINGLE CODE

Code	Answer list	Scripting notes	Routing
1	Increased		

2	Stayed broadly the same		
3	Decreased		
86	Prefer not to say (<i>Do not read out</i>)		
85	Don't know/can't say (<i>Do not read out</i>)		

Q16b

All participants who say turnover has increased or decreased (Code 1 or 3 at Q16a)

And roughly by what percentage did your turnover <INSERT RESPONSE FROM Q16A: increase / decrease>?

SINGLE CODE

Code	Answer list	Scripting notes	Routing
1	10% or less		
2	11% to 25%		
3	26% to 50%		
4	More than 50%		
86	Prefer not to say (<i>Do not read out</i>)		
85	Don't know/can't say (<i>Do not read out</i>)		

Q17a

All participants excluding sole traders / home workers (Q5/2-5 & 85)

Still thinking about the last financial year, has the number of staff increased, decreased or stayed the same?

SINGLE CODE

Code	Answer list	Scripting notes	Routing
1	Increased		
2	Stayed broadly the same		
3	Decreased		
86	Prefer not to say (<i>Do not read out</i>)		
85	Don't know/can't say (<i>Do not read out</i>)		

Q17b

All participants who say number of staff has increased or decreased (Code 1 or 3 at Q17a)

And roughly by what percentage has the number of staff <INSERT RESPONSE FROM Q17A: increased / decreased>?

SINGLE CODE

Code	Answer list	Scripting notes	Routing
1	10% or less		
2	11% to 25%		

3	26% to 50%		
4	More than 50%		
86	Prefer not to say (<i>Do not read out</i>)		
85	Don't know/can't say (<i>Do not read out</i>)		

Q18

All participants

And has your expenditure on the following increased, decreased or stayed the same?

SINGLE CODE PER ROW

IF TELEPHONE: *Read out except 'Prefer not to say' and Don't know/Can't say'.*

		Answer list				Routing
		Increased	Decreased	Stayed the same	Don't know	
A	Rent	1	2	87	85	IF RENT PREMESIS - CODE 2 AT Q11
B	Business rates	1	2	87	85	
C	Utilities	1	2	87	85	
D	Staff	1	2	87	85	
E	Supplies	1	2	87	85	

Section C: Plans for the Future

Read out - The next few questions are about plans for the future.

Q19

All participants

Does your business plan to do any of the following over the next two to three years?

SINGLE CODE EACH ROW

		Answer list				Routing
		Yes	No	N/A	Don't know	
A	Move to larger premises	1	2	87	85	
B	Increase turnover by exploiting new markets	1	2	87	85	
C	Increase the skills of the workforce	1	2	87	85	
D	Increase the leadership capability of managers	1	2	87	85	
E	Employ more staff	1	2	87	85	
F	Develop and launch new products / services	1	2	87	85	
G	Use new technology to improve business performance	1	2	87	85	
H	Other (specify)	TEXT ENTRY				

Q20

All participants

What are the main barriers, if any, to growing your business?

MULTIPLE CODE, ROTATE

Code	Answer list	Scripting notes	Routing
1	Lack of customer demand		
2	Lack of financial resources to expand		
	Lack of time to expand		
3	Lack of suitable staff / skills availability		
4	Lack of knowledge or confidence on how to proceed		
5	Cannot find the right premises		
6	The economy		
7	Competition in the market		
8	Cash flow		
9	Taxation, VAT, PAYE, National Insurance, business rates		
10	Brexit		
11	There are no barriers	EXCLUSIVE, FIXED	
80	Other (specify)	FIXED. TEXT ENTRY	
85	Don't know/can't say (<i>Do not read out</i>)	EXCLUSIVE, FIXED	

Q21

All participants

Would any of the following issues lead you to consider moving out of <INSERT BOROUGH: Wandsworth / Wandsworth>?

MULTIPLE CODE, ROTATE

IF TELEPHONE: *Read out except 'Don't know/Can't say'.*

Code	Answer list	Scripting notes	Routing
1	Availability of suitably sized premises		
2	Availability of premises of suitable use and quality		
3	Affordability of premises in the borough		
4	Ability to expand existing premises		
5	Lack of the right expertise and skills within your company		
6	Ability to recruit staff with the right skills		
7	Transport links		
8	Parking capacity		
9	Broadband connectivity		

11	Costs overall		
10	Would not consider leaving	EXCLUSIVE, FIXED	
80	Other (specify)	FIXED. TEXT ENTRY	
85	Don't know/can't say (<i>Do not read out</i>)	EXCLUSIVE, FIXED	

Q22

All participants

Are you thinking about moving premises in the next 12 months?

SINGLE CODE

Code	Scale list	Scripting notes	Routing
1	Considering moving in the next 12 months		
2	Considering moving, but not in the next 12 months		
3	Not currently considering moving		GO TO Q25
85	Don't know / can't say (<i>Do not read out</i>)		GO TO Q25

Q23

Participants who are thinking about moving (Q22/1&2)

Why are you considering moving? DO NOT READ OUT BUT PROMPT IF NEEDED MULTIPLE CODE, ROTATE

Code	Answer list	Scripting notes	Routing
1	End of lease - landlord unlikely to extend		
2	End of lease - new terms are not acceptable		
3	Property is being redeveloped or converted		
4	Not able to sustain business levels and meet costs		
5	Need bigger premises		
6	Need smaller premises		
80	Other (specify)	FIXED. TEXT ENTRY	
85	Don't know/can't say (<i>Do not read out</i>)	EXCLUSIVE, FIXED	

Q24

Participants who are thinking about moving (Q22/1&2)

If you do leave your current premises, what will happen next?

MULTIPLE CODE

IF TELEPHONE: DO NOT READ OUT BUT PROMPT AS NECESSARY except 'Don't know/Can't say'.

Code	Answer list	Scripting notes	Routing
1	Seeking new premises within <INSERT BOROUGH: Wandsworth / Wandsworth>		

2	Seeking new premises outside <INSERT BOROUGH: Wandsworth / Wandsworth> but within London		
3	Seeking new premises outside of London but within the UK		
4	Seeking new premises outside of the UK but within the EU		
5	Seeking new premises outside of the EU		
6	Closing the business		
80	Other (specify)	TEXT ENTRY	
85	Don't know/can't say (<i>Do not read out</i>)	EXCLUSIVE	

Q25

All participants

Thinking now about **the business environment generally** over the next two years, do you think things will get better, get worse or stay the same?

SINGLE CODE

IF TELEPHONE: *Read out except 'Don't know/Can't say' and 'Some things will get better and some things will get worse'.*

Code	Answer list	Scripting notes	Routing
1	Get a lot better		
2	Get a little better		
3	Stay the same		
4	Get a little worse		
5	Get a lot worse		
6	Some things will get better and some things will get worse (<i>Do not read out</i>)		
85	Don't know/can't say (<i>Do not read out</i>)	EXCLUSIVE	

Q26

All participants

And thinking about how **your own business** will perform over the next two years, do you think things will get better, get worse or stay the same?

SINGLE CODE

IF TELEPHONE: *Read out except 'Don't know/Can't say' and 'Some things will get better and some things will get worse'.*

Code	Answer list	Scripting notes	Routing
1	Get a lot better		
2	Get a little better		
3	Stay the same		
4	Get a little worse		

5	Get a lot worse		
6	Some things will get better and some things will get worse (<i>Do not read out</i>)		
85	Don't know/can't say (<i>Do not read out</i>)	EXCLUSIVE	

Section D: The impact of Brexit
--

The United Kingdom will be leaving the European Union in March 2019. The next few questions are about Brexit and how you think this might impact the business environment.

Q27

All participants

As a result of Brexit, do you think **the general business environment** will get better, worse, or stay the same?

SINGLE CODE

IF TELEPHONE: *Read out except 'Don't know/Can't say' and 'Some things will get better and some things will get worse'.*

Code	Answer list	Scripting notes	Routing
1	Things will get a lot better		
2	Things will get a little better		
3	Business will stay the same		
4	Things will get a little worse		
5	Things will get a lot worse		
6	Some things will get better and some things will get worse (<i>Do not read out</i>)		
85	Don't know/can't say (<i>Do not read out</i>)	EXCLUSIVE	

Q28

All participants

As a result of Brexit, do you think **your business** will get better, worse, or stay the same?

SINGLE CODE

IF TELEPHONE: *Read out except 'Don't know/Can't say' and 'Some things will get better and some things will get worse'.*

Code	Answer list	Scripting notes	Routing
1	Things will get a lot better		
2	Things will get a little better		
3	Business will stay the same		
4	Things will get a little worse		
5	Things will get a lot worse		

6	Some things will get better and some things will get worse (<i>Do not read out</i>)		
85	Don't know/can't say (<i>Do not read out</i>)		

Q29

All participants who say their business will get worse after Brexit or some things will be better and some things will be worse (Q28 Code 4-6)

What do you think will be worse because of Brexit?

READ OUT MULTIPLE CODE

Code	Answer list	Scripting notes	Routing
1	Turnover		
2	Profit		
3	Footfall		
4	Costs		
5	Regulation		
6	Ease of purchasing from suppliers		
7	Ease of recruiting employees		
80	Other (specify)	FIXED. TEXT ENTRY	
85	Don't know/can't say (<i>Do not read out</i>)	EXCLUSIVE	

Q30

All participants who say their business will get better after Brexit or some things will be better and some things will be worse (Q28 Code 1, 2 or 6)

What do you think will be better because of Brexit?

DO NOT READ OUT BUT PROMPT IF NECESSARY SINGLE CODE

Code	Answer list	Scripting notes	Routing
1	Turnover		
2	Profit		
3	Footfall		
4	Costs		
5	Regulation		
6	Ease of purchasing from suppliers		
7	Ease of recruiting employees		
80	Other (specify)	FIXED. TEXT ENTRY	
85	Don't know/can't say (<i>Do not read out</i>)	EXCLUSIVE	

Q31

All participants

How well prepared do you feel to manage your business following Brexit?

SINGLE CODE

IF TELEPHONE: *Read out except 'Don't know/Can't say'.*

Code	Answer list	Scripting notes	Routing
1	Extremely prepared		
2	Very prepared		
3	Quite prepared		
4	Not prepared		
5	Not prepared at all		
85	Don't know/can't say (<i>Do not read out</i>)	EXCLUSIVE	

Q32

All participants

What support, if any, could help you and your business to manage any impact of Brexit?

OPEN TEXT ENTRY

Text entry			
84	No support needed		
85	Don't know		

Section D: Workforce skills

Q33

All participants

Does your business face any skills gaps?

SINGLE CODE

Code	Answer list	Scripting notes	Routing
1	Yes		
2	No		GO TO Q35
85	Don't know / can't say (<i>Do not read out</i>)		GO TO Q35

Q34

Participants whose business faces skills gaps (Q33/1)

What skills are missing from your company?

MULTIPLE CODE, ROTATE DO NOT READ OUT BUT PROMPT AS NECESSARY

Code	Answer list	Scripting notes	Routing
10	Research and Development		
1	Administrative		
2	Management		

3	Financial and accountancy		
4	General ICT abilities		
5	Specialist ICT skills		
6	Sales and marketing		
7	Customer service		
8	Strategic planning or leadership		
9	Low or unskilled labour	FIXED	
80	Other (specify)	FIXED. TEXT ENTRY	
85	Don't know/can't say (<i>Do not read out</i>)	FIXED. EXCLUSIVE	

Q35

All participants

Generally speaking, do you actively seek to recruit employees currently living outside of the UK?

SINGLE CODE

IF TELEPHONE: *Read out except 'Don't know/Can't say'.*

Code	Answer list	Scripting notes	Routing
1	No - UK only	EXCLUSIVE	
2	Yes - living in the EU / European Economic Area		
3	Yes - living outside of the EU / European Economic Area		
4	No - not recruiting	EXCLUSIVE	

Q36

All participants

Has the business experienced problems recruiting or retaining staff?

MUTLIPLE CODE

Code	Answer list	Scripting notes	Routing
1	Yes - problems recruiting		
2	Yes - problems retaining		
3	No	EXCLUSIVE	GO TO Q37
85	Don't know / can't say (<i>Do not read out</i>)	EXCLUSIVE	GO TO Q37

Q37a

Participants who have experienced problems recruiting staff (Q36/1)

Why has the business had difficulty recruiting staff?

MULTIPLE CODE

IF TELEPHONE: *Read out except 'Don't know/Can't say'.*

Code	Scale list	Scripting notes	Routing
7	Fewer suitable candidates available		
1	Candidates with inadequate experience		

2	Candidates with inadequate qualifications		
	Candidates unsuitable for reasons aside from experience and qualifications		
3	Location / accessibility by public transport		
4	Facilities		
5	Higher wages expected		
6	Cost of living locally		
80	Other (specify)	TEXT ENTRY	
85	Don't know/can't say (<i>Do not read out</i>)	EXCLUSIVE	

Q37b

Participants who have experienced problems retaining staff (Q36/2)

Which of the following reasons explain the difficulties the business had retaining staff?

MULTIPLE CODE, ROTATE

IF TELEPHONE: *Read out except 'Don't know/Can't say'.*

Code	Scale list	Scripting notes	Routing
1	Career progression		
2	Salary competition		
3	Competition for other employee benefits (e.g. pensions, bonuses, health insurance, gym membership)		
4	Location		
5	Personal reasons		
6	Flexible or part time working		
7	Cost of living locally		
80	Other (specify)	TEXT ENTRY	
85	Don't know/can't say (<i>Do not read out</i>)	EXCLUSIVE	

Section E: Business Support

Read out - The next questions are about the support that is available to businesses in <INSERT BOROUGH: Wandsworth / Wandsworth>.

Q38

All participants

To what extent, if at all, would the following benefit your business?

SINGLE CODE PER ROW, ROTATE GROUPS OF STATEMENTS

IF TELEPHONE: *Read out except 'Don't know/Can't say'.*

IF ONLINE: *Please provide an answer for each of following topics*

	Answer list	Routing

		Benefit a lot	Benefit a little	Not benefit your business	Don't know	
These types of business and financial advice						
A	Funding, grants and finance	1	2	3	85	
B	Business rates	1	2	3	85	
C	Business planning and market analysis	1	2	3	85	
D	Best practice and business inspiration	1	2	3	85	
E	Business management and planning	1	2	3	85	
Legal, compliance and legislation advice						
F	Trading standards and consumer protection	1	2	3	85	
G	Complying with legislation	1	2	3	85	
H	Licensing	1	2	3	85	
I	Working with council policies and procedures	1	2	3	85	
J	General Data Protection Regulation	1	2	3	85	
K	General legal advice	1	2	3	85	
L	Energy efficiency advice	1	2	3	85	
Advice on finding or growing your premises						
M	Finding business premises	1	2	3	85	
N	Planning advice and pre-application support	1	2	3	85	
O	Advice on using space differently - e.g. accessing hot desking space	1	2	3	85	
Advice and training for people within your business						
P	Coaching and mentoring	1	2	3	85	
Q	Training of senior leadership team	1	2	3	85	
R	Training for employees	1	2	3	85	
S	Recruiting employees and apprentices	1	2	3	85	
Using IT and digital technologies						
T	Applying technology and digital approaches to	1	2	3	85	

	improve processes and operations					
U	Making the most of IT and computing technology	1	2	3	85	
V						
Advice on buying and selling						
W	Accessing and making the most of suppliers	1	2	3	85	
X	Working with local council procurement	1	2	3	85	
Y	Marketing	1	2	3	85	
Z	Export and international trade	1	2	3	85	

Q39

All participants

And is there anything else that could help improve the success of your business?

OPEN TEXT ENTRY

IF TELEPHONE: *If don't know, code no.*

Text entry	
84	No, nothing else

Q40

All participants

Which, if any, of the following methods of support appeal to your business?

MULTIPLE CODE, ROTATE

IF TELEPHONE: *Read out except 'Don't know/Can't say'.*

Code	Answer list	Scripting notes	Routing
1	One-to-one support, in person		
2	One-to-one support, online (such as via Skype)		
3	Workshops		
4	Seminars or lectures		
5	Online courses		
6	Online newsletter or bulletin		
80	Other (specify)		
	None of these	FIXED. EXCLUSIVE	
85	Don't know/can't say (<i>Do not read out</i>)	FIXED. EXCLUSIVE	

Q40a

All participants

And to what extent, if at all, would you be willing to pay for support?

SINGLE CODE

IF TELEPHONE: *Read out except 'Don't know/Can't say'.*

Code	Answer list	Scripting notes	Routing
1	Extremely willing to pay		
2	Very willing to pay		
3	Quite willing to pay		
4	Not very willing to pay		
5	Not at all willing to pay		
85	Don't know/can't say (<i>Do not read out</i>)	FIXED. EXCLUSIVE	

Q41

All participants

The Council would like to send you further information about any business support opportunities related to the last few questions. In order to receive this information <INSERT BOROUGH: Wandsworth / Wandsworth> Council would keep your name and email address in order to send you their business e-newsletter. Would you like to receive this?

SINGLE CODE

Code	Answer list	Scripting notes	Routing
1	Yes		
2	No		GO TO Q43
85	Don't know / can't say (<i>Do not read out</i>)		GO TO Q43

Q42

Participants interested in receiving more information (Q41/1)

<IF TELEPHONE: Please can you give IF ONLINE: Please enter> your name and email address that will then be sent to <INSERT BOROUGH: Wandsworth / Wandsworth> Council so that they can send you more information on the support that is available through their business e-newsletter, Business Direct? If you would like to withdraw your consent for this information to be used by <INSERT BOROUGH: Wandsworth / Wandsworth> Council please contact them to do so. This information will not be shared with any other third party.

TEXT ENTRY

IF TELEPHONE: *Assure the participant that their responses to the survey will remain confidential*

IF ONLINE: *Please note that your responses to the survey will remain confidential, only your name and email address will be shared for the purpose of sending the newsletter.*

Name			
Email address			
86	Refused		

Q43

Participants who have been operating within the Borough for more than 12 months (Q8/2-6 plus 85)

Is there anything that you can suggest that the Council could do to support businesses in the area?

OPEN

IF TELEPHONE: *Probe and record verbatim.*

84	No, no suggestion		
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85	Don't know (<i>Do not read out</i>)		
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Q44

Participants who have been operating within the Borough for less than 12 months (Q8/1)

Is there anything that you can suggest that the Council could do to help new businesses or to encourage businesses to set up in the area?

OPEN

IF TELEPHONE: *Probe and record verbatim.*

84	No, no suggestion		
85	Don't know (<i>Do not read out</i>)		

Q45

All participants

As mentioned earlier, we will be preparing a brief summary of the research that can be sent to anyone who has taken part in the survey. Would you like to receive this summary?

SINGLE CODE

Code	Scale list	Scripting notes	Routing
1	Yes		
2	No		GO TO Q47

Q46

Participants interested in receiving the summary

<IF TELEPHONE: Please can you give IF ONLINE: Please enter> your name and email address so that we can send you the report?

DO NOT ASK IF EMAIL ADDRESS HAS BEEN GIVEN PREVIOUSLY

IF TELEPHONE: *Assure the participant that their responses to the survey will remain confidential*

IF ONLINE: *This information will only be used to send the summary report*

Name			
Email address			
86	Refused		

Q47

All participants

Facts International would like to speak to a selection of business representatives in more detail. This would involve a telephone interview that would last about half an hour. Would you be happy for us to get in touch with you about this follow-up research? Please note that we will not ask everyone to participate. Should you be selected to take part in the follow-up interview, we will be offering a £30 charitable donation to be paid on your behalf.

SINGLE CODE

Code	Answer list	Scripting notes	Routing
1	Yes		
2	No		THANK AND CLOSE

Q48

Participants interested in taking part in the telephone interview (Q47/1)

<IF TELEPHONE: Please can you give IF ONLINE: Please enter> your name, telephone number and email address so that we can contact you about the follow-up telephone interview?

DO NOT ASK IF EMAIL ADDRESS HAS BEEN GIVEN PREVIOUSLY

IF TELEPHONE: *Assure the participant that their responses to the survey will remain confidential*

IF ONLINE: *This information will only be used to contact you in regards to the follow-up interview*

Name			
Email address			
Telephone number		IF DIFFERENT TO CURRENT NUMBER BEING USED	
86	Refused		