

Chelmsford Business Survey Report

2023

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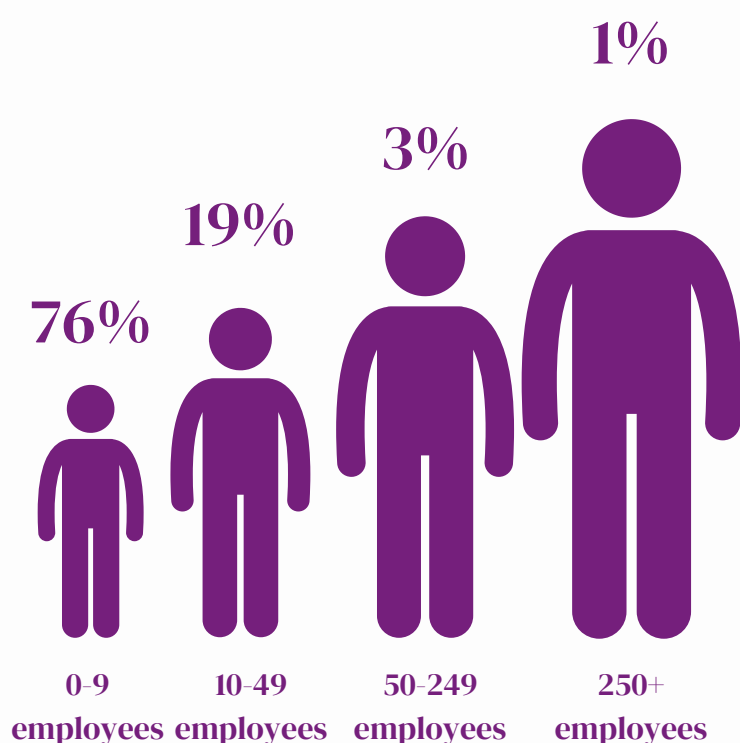
Respondents

The Chelmsford Business survey was launched on the 8th November 2022 and ran until the 3rd January 2023. The survey provided an opportunity for Chelmsford businesses to share how they had been affected by the uncertainties faced as a result of the COVID-19 pandemic, economic recovery and the rising cost of doing business.

211 responses

The survey received a total of 211 responses. 17% (36) of respondents were businesses in the retail sector and 11% (24) of respondents were from the accommodation and food services sector. Over 30% (65) of respondents selected their business as falling into the category 'other'.

45% (94) of respondents were self employed. Over 75% (160) of respondents had between 0-9 employees, with 62% (130) having five or fewer employees. Within Chelmsford 90% of businesses are classed as micro (0-9 employees) and 8.3% as small (10-49 employees).

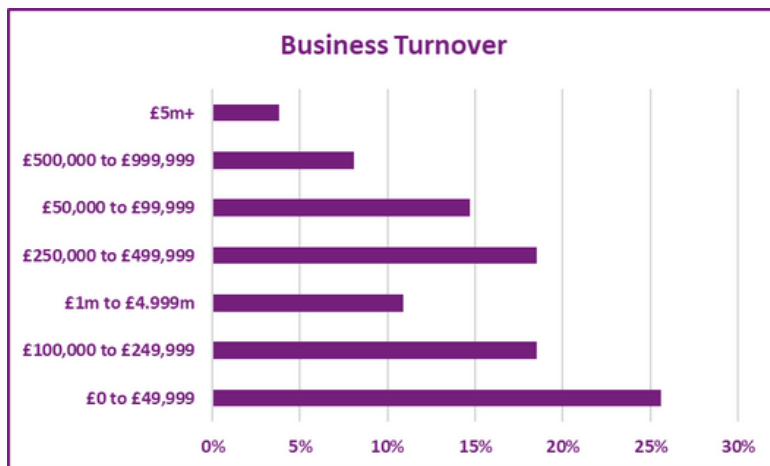
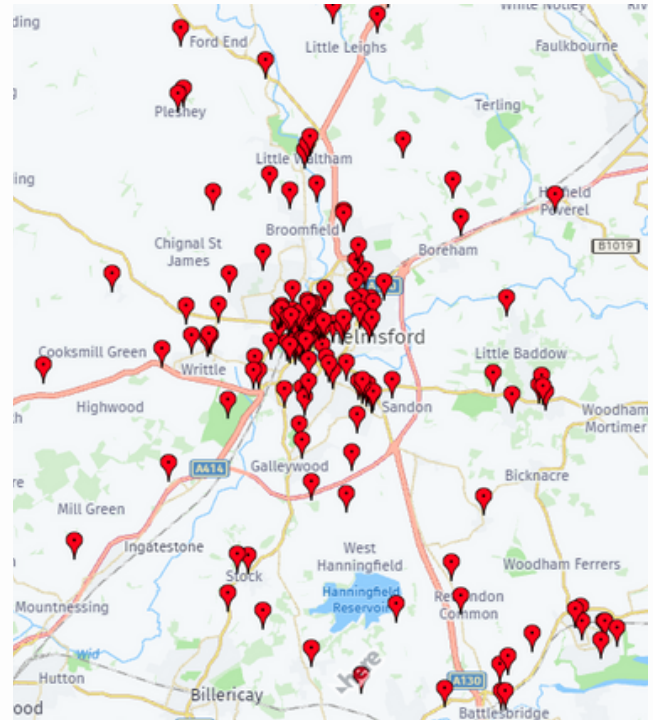


Sector	Percentage of respondents
Accommodation & Food Services	11.37%
Business Administration and Support Services	3.32%
Construction	3.32%
Education	5.69%
Finance & Insurance	2.84%
Health	7.11%
Information & Communication	1.42%
Manufacturing	2.37%
Motor Trades	1.90%
Other	30.81%
Professional, Scientific & Technical	6.64%
Property	2.84%
Retail	17.06%
Transport and Storage	0.47%
Wholesale	2.84%



Postcodes demonstrate a good geographical spread, with responses received from businesses throughout the Chelmsford local authority area. As expected, there was a higher concentration of responses from those businesses located within the core urban centre.

In relation to business turnover, 26% (54) reported a business turnover of £0 to £49,999. This accounted for the highest proportion of responses. This was followed jointly by a turnover of between £100,000 to £249,999 and £250,000 to £499,999, both accounting for 18.5% (39) of the responses. At the other end of the spectrum 4% (8) of businesses reported a turnover of £5m+.



62% (130) of businesses have been trading for ten years or more. Only 3% (7) of respondents had been trading for less than a year. All ten businesses that reported having fifty or more employees have been trading for ten or more years.

62%

traded for 10+
years

3%

traded for less
than one year

14%

traded for 1-3
years

21%

traded for 4-9
years



Status

The Chelmsford Business survey aimed to obtain a snapshot of how businesses are coping in the current economic environment. 15% (32) of businesses reported being fully recovered from the impact of the Covid-19 pandemic. However, 25% (53) did not feel their company had recovered very well from the impact of the Covid-19 pandemic. Almost one fifth of businesses reported that their business was currently in 'crisis' mode. This is a better position than found in the 2020 Business Recovery Survey in which 43% of businesses were in 'crisis' mode.

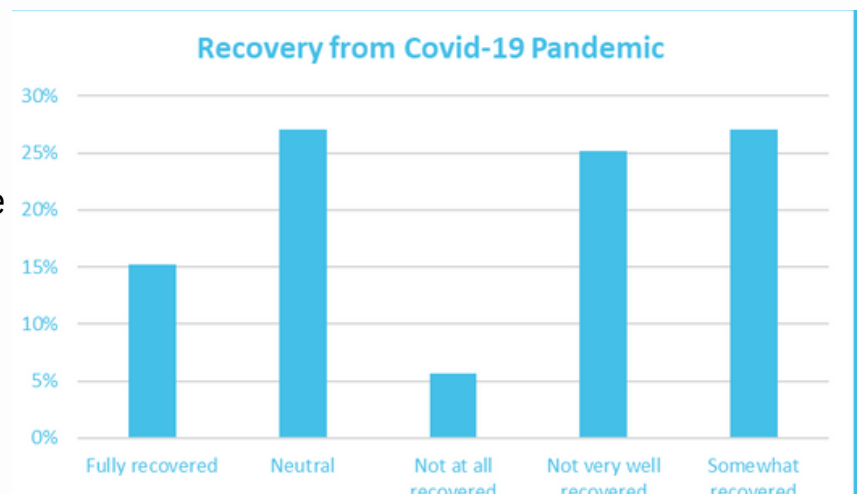
19%
in crisis
mode



In comparison 69% (145) reported that they were 'surviving' and 12% (26) felt that they were 'thriving'. The length of time that a business has been trading did not seem to impact the current reported status of the business, nor did the business turnover.

When asked if they expected their business to still be operating in 12 months time, 73% (154) responded positively. In the 2020 Business Recovery Survey only 53% of businesses still expected to be operating in a year's time. 24% (51) of respondents were unsure and

only 3% (6) responded that they did not think their business would still be trading within a year's time. This is in line with the findings from the 2020 Business Recovery Survey.



Do you expect
your business to
still be operating
in 12 months
time?

73% responded yes

24% are unsure

3% responded no



Issues

In order to begin to think about how businesses can be best supported moving forward, the Chelmsford Business Survey sought to identify the areas that were currently affecting businesses ability to perform well. Overwhelmingly 93% (196) respondents reported that financial issues - such as business costs, energy costs, inability to make a profit - were impacting their business' performance, with 63% (133) responding that this was strongly affecting the business. Unsurprisingly, all 19% of businesses that stated they were in 'crisis' mode, reported financial issues to be affecting their business.

Consumers

Financial

Premises

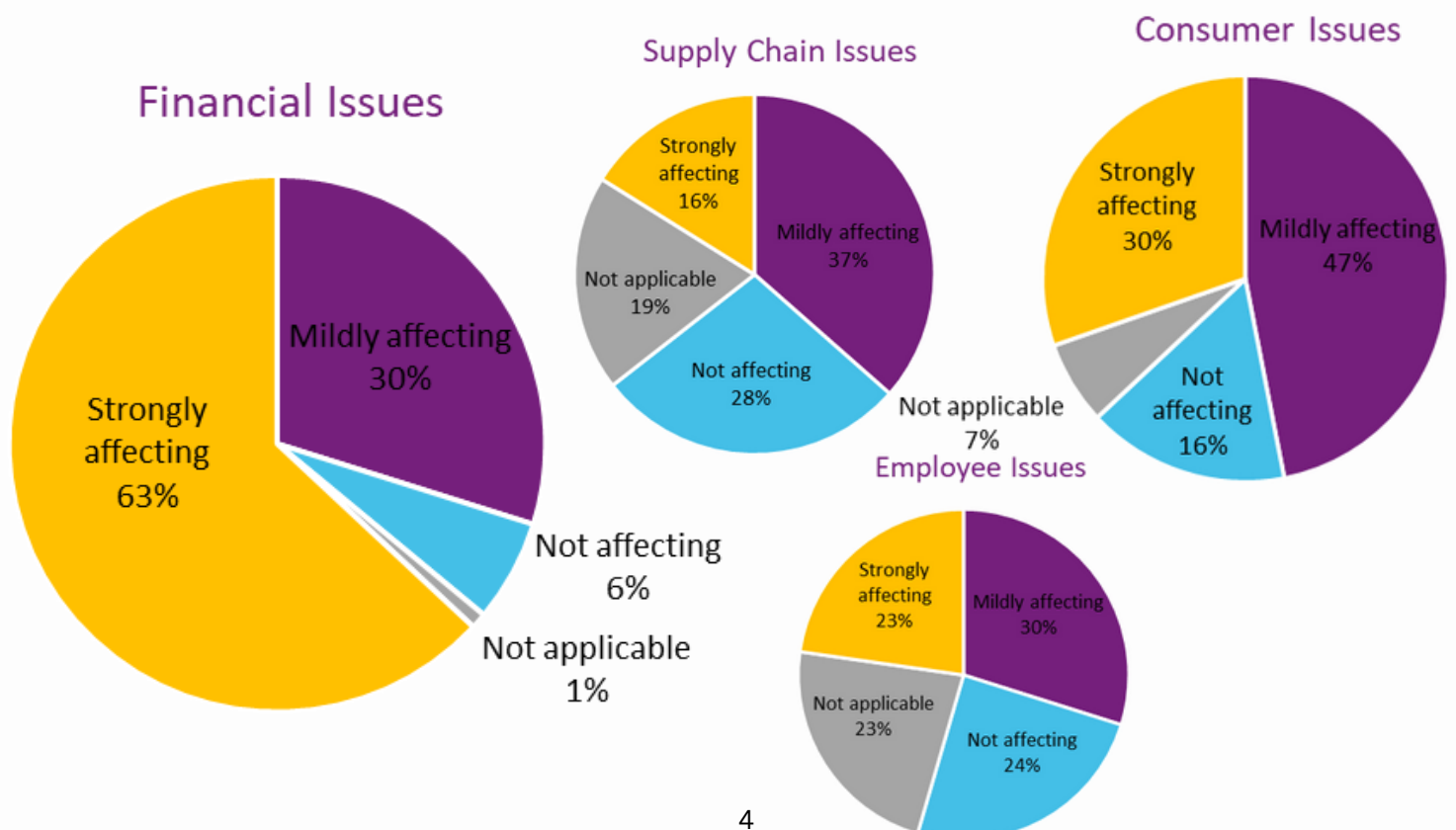
digital

Supply Chains

Employees

Another key issue affecting businesses was consumer confidence and changing consumer demands and expectations. 77% (163) said this was a current issue for them. Supply chains (53%) and employee

issues (52%) were also highlighted by respondents as issues affecting the business. Regulations were cited by 41% (87) as an issue impacting on the business. At the other end of the spectrum, issues with premises and digital issues were highlighted by 26% and 25% of respondents respectively.

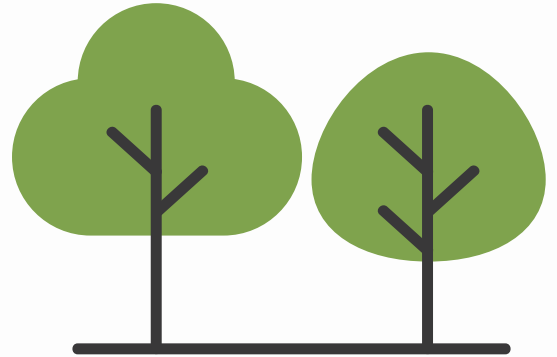




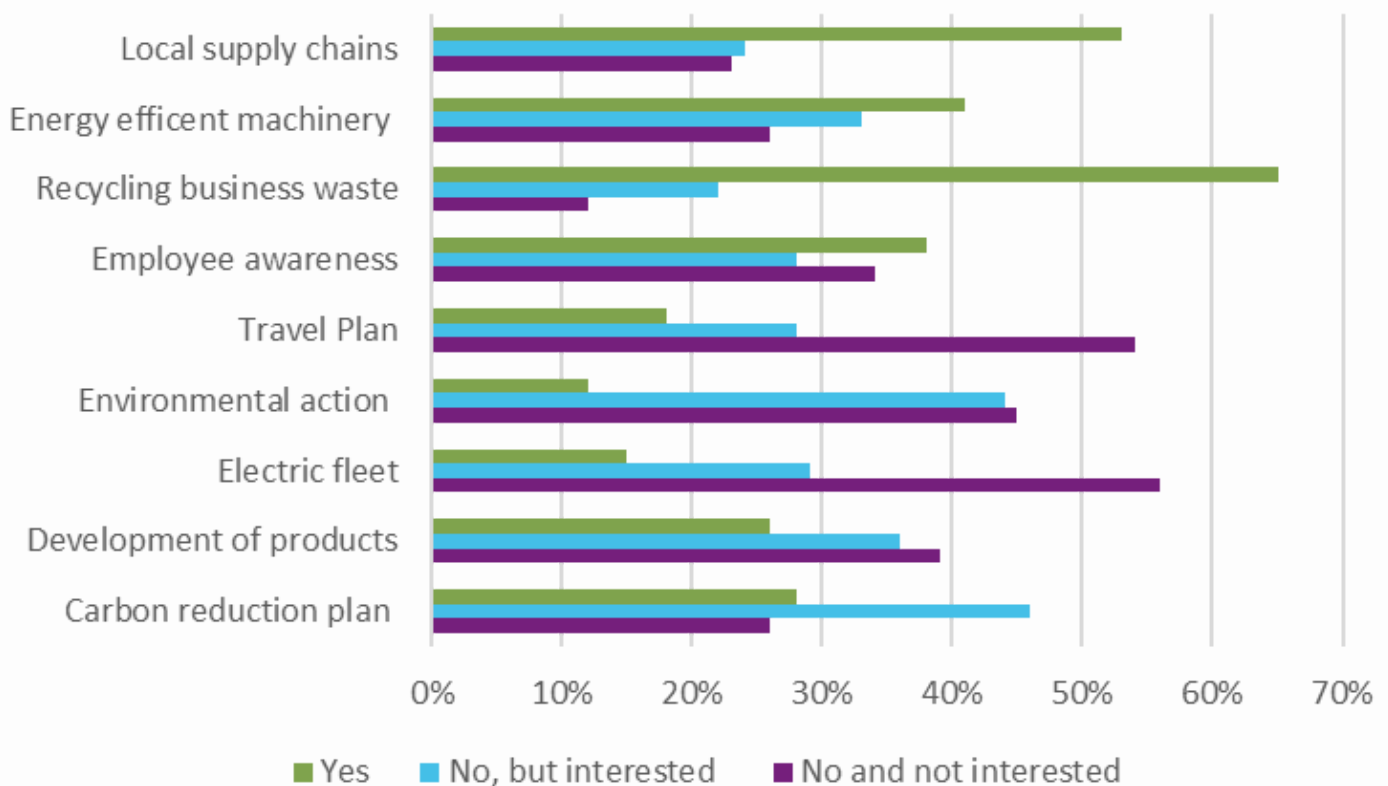
Green Agenda

Around 83% (175) of businesses reported within the survey feeling the pressure to act upon climate change. 16% (34) of these felt the pressure to act to a large extent. Conversely, 17% (36) reported not feeling any pressure to act on climate change.

83%
feel pressure to act



The most popular green initiative that businesses had introduced was recycling business waste, which 65% of businesses reported they were already doing. Other initiatives that businesses have already implemented include using local supply chains / sourcing local products (53%), utilising energy efficient or climate friendly machinery, technologies or equipment (41%) and increasing employee awareness (38%).

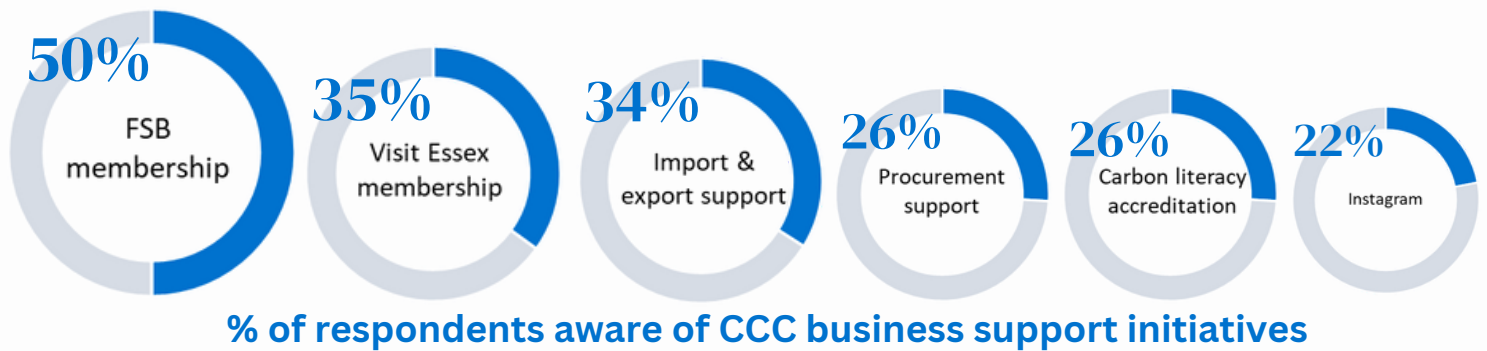


Producing carbon reduction plans (46%), environmental action days - such as tree planting and litter picking (44%) and the development of new climate friendly products or services (36%) all featured strongly as initiatives that businesses had not yet implemented, but were interested in doing so.

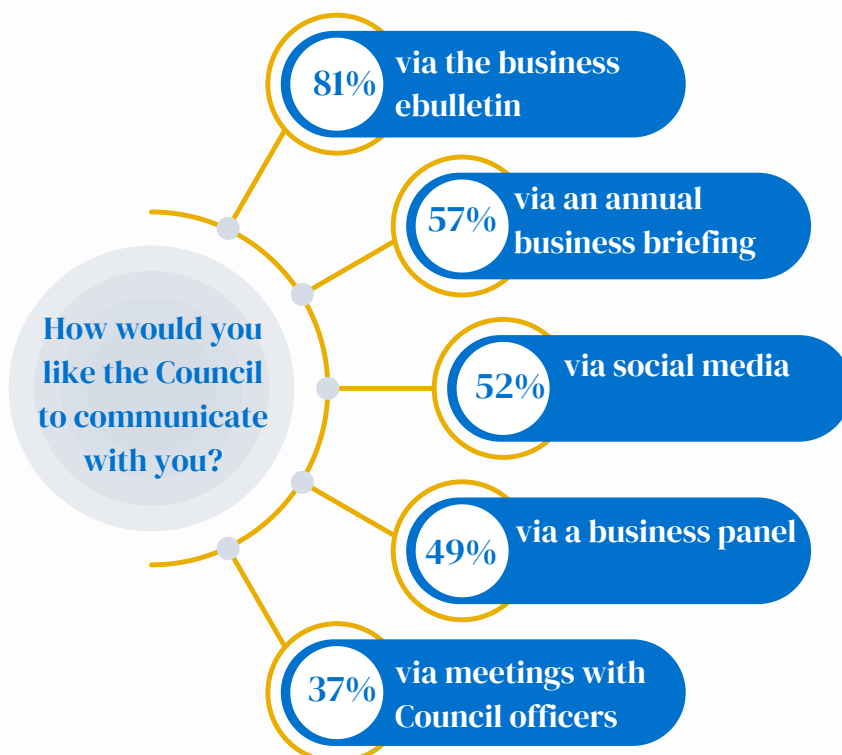


Contact

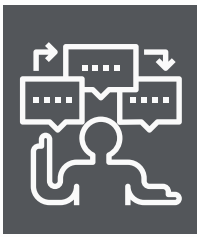
The Chelmsford business survey sought to understand how aware businesses are of the existing support that is available. The responses to this section were disappointing, with low awareness of Chelmsford City Council business support initiatives and external business support organisations.



Only half of respondents were aware of the fully funded FSB membership support. As few as 22% of respondents were aware of the funded Instagram 1-2-1 training. In terms of external business support organisations peers and networks were reported to be the most useful (42%), followed by accountants (39%) and Chelmsford City Council (27%). Over 79% of respondents were unaware of Colbea, 77% hadn't heard of the Let's Do Business Group (Backing Essex Business), and 64% were unaware of the BEST Growth Hub.



The business ebuletin was cited as the main way in which businesses wanted the council to communicate with them, with 81% of respondents selecting this. However, given the low awareness of business support programmes and partners, the ebuletin is not necessarily the most effective mechanism. Other options that were seen as good ways for the Council to communicate with businesses included annual business briefings (57%) and the development of a business panel (49%).



Future

Looking towards the future, 25% (53) of respondents are currently planning to stay exactly as they are in order to consolidate and survive. 22% (47) are looking at selling more of their existing products / services to existing customers and 21% (44) have the aspiration of opening up completely new markets for existing products and services. Only 9% (19) of respondents are looking to introduce completely new products / services into new markets.



In terms of support moving forward, 31% of businesses (66) responded that they would like further financial support. This is unsurprising as 93% of businesses reported facing financial challenges. Within this, support navigating financial options featured heavily. Greater access to information was identified as additional support required by 32% (67) of respondents and 28% (58) identified business planning as an area of support. Both support with technology and support becoming more sustainable was identified by 19% (40) of respondents.

