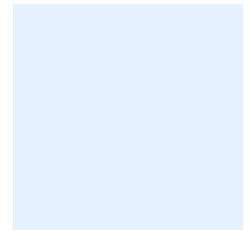
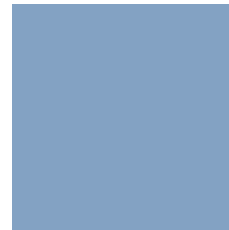


Business Survey - Annex 2

Part of the strategic plan for the
Isles of Scilly
May 2014



ANNEX 2 - BUSINESS SURVEY

INTRODUCTION

As part of our contract, we were asked to carry out a business survey. This has helped to inform our thinking about what issues were important to the Islands' businesses and how those issues might be dealt with.

We conducted an online survey during late March and early April 2014. As the Islands' Partnership (IP) has the most extensive database of Scilly businesses, we asked if the IP could send out the links to our survey. This was sent to 297 businesses, both members and non-members of the IP. A week later, a follow-up mailing was sent to remind people of the survey and the deadline. A limited amount of wider publicity was generated through Scilly Today and the Council's Economic Development Office.

Of the 297 businesses who were sent the survey, a total of 68 replies were received - a response rate of almost 23%. Not all respondents answered all questions. Unless otherwise stated, the graphs show the number of businesses in each case.

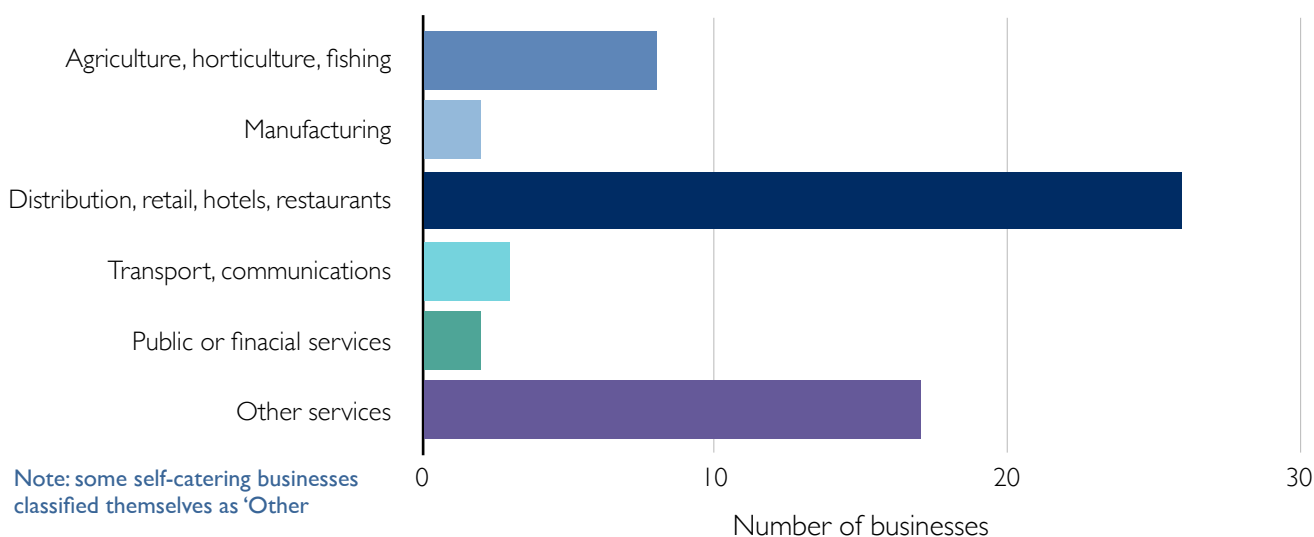
In addition to the online survey, we held three workshops in February and April, to which a range of businesses and other stakeholders were invited. These sessions were helpful in testing our early thinking and in providing comments on our draft proposals. We also held a drop-in session for members of the public.

ABOUT THE BUSINESS

MAIN BUSINESS ACTIVITY

We asked each business what their main activity was - using standard definitions. Unsurprisingly, the overwhelming majority were active in some part of the tourism sector.

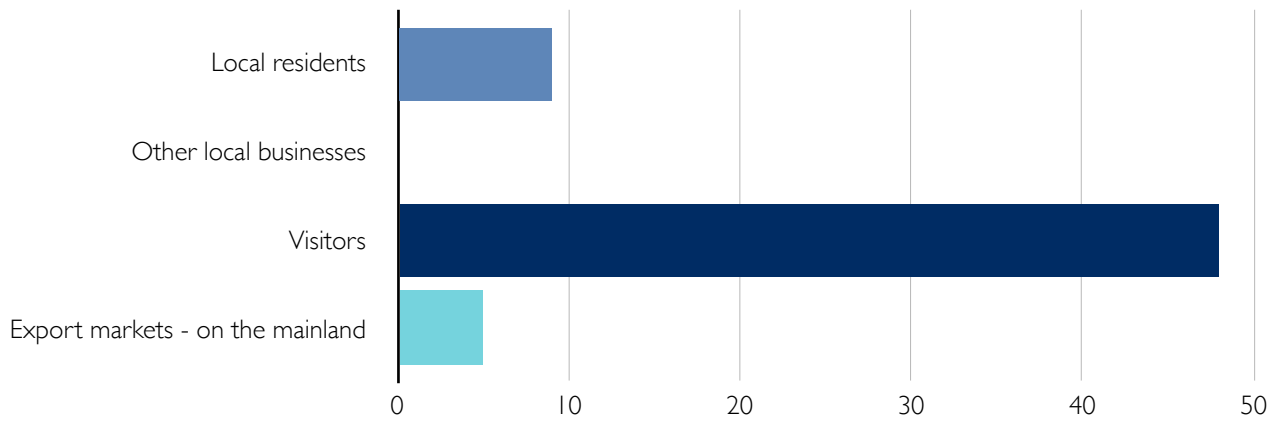
There were 58 responses to this question.



MAIN CUSTOMERS

We asked who were the **main** customers of the business. Most businesses were focused on the tourism market, while some retail and other service businesses served both visitors and local people.

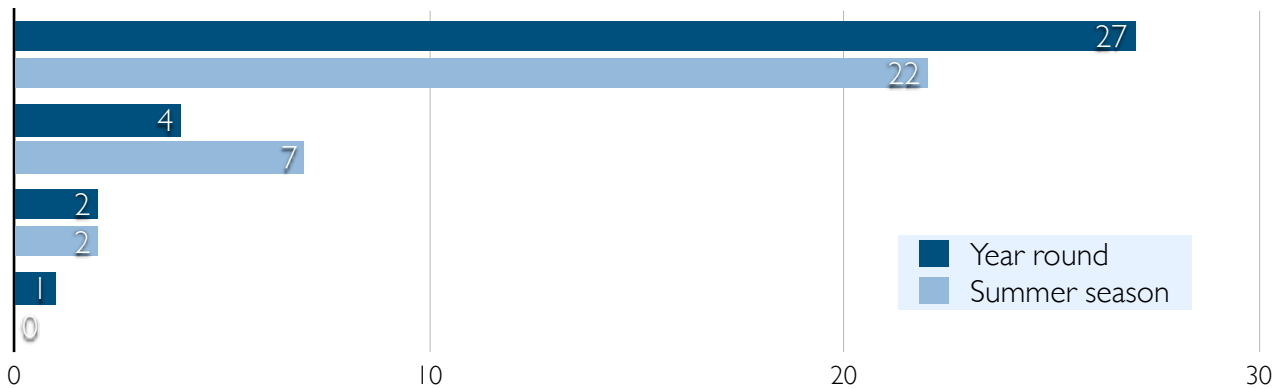
There were 62 responses to this question.



SIZE OF BUSINESS

We asked how many people the business employed (including the owner) - both all year round and in the summer season. Unsurprisingly, the great majority were microbusinesses employing four people or less.

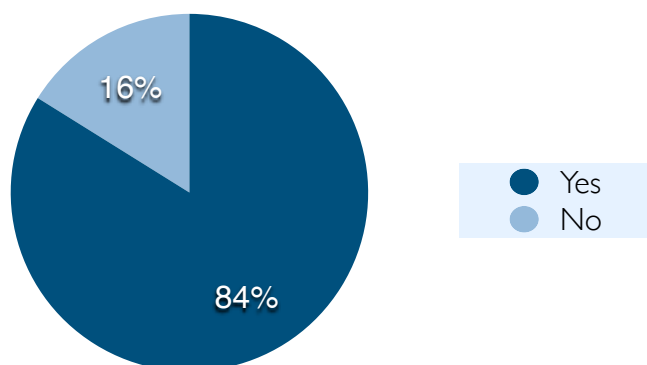
There were 61 responses to this question.



ISLANDS' PARTNERSHIP

We asked if the business was a member of the Islands' Partnership.

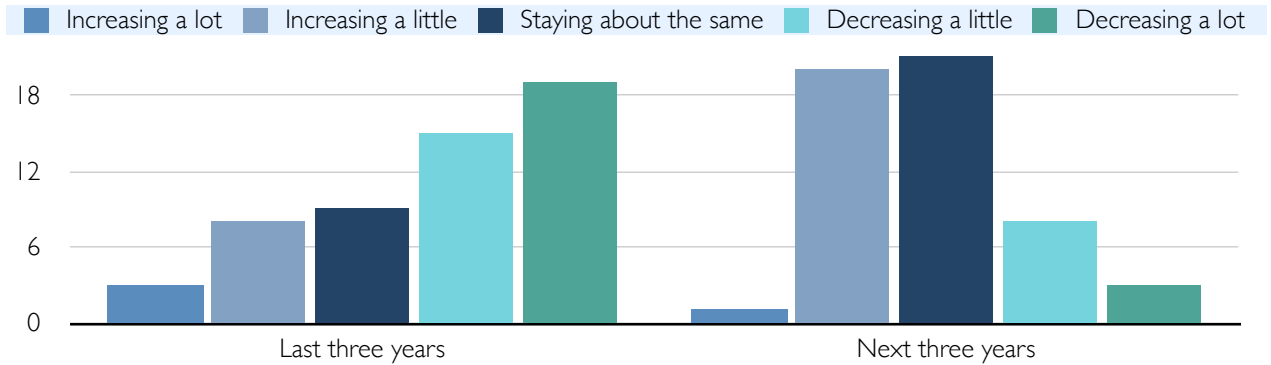
There were 62 responses to this question.



BUSINESS TRADING

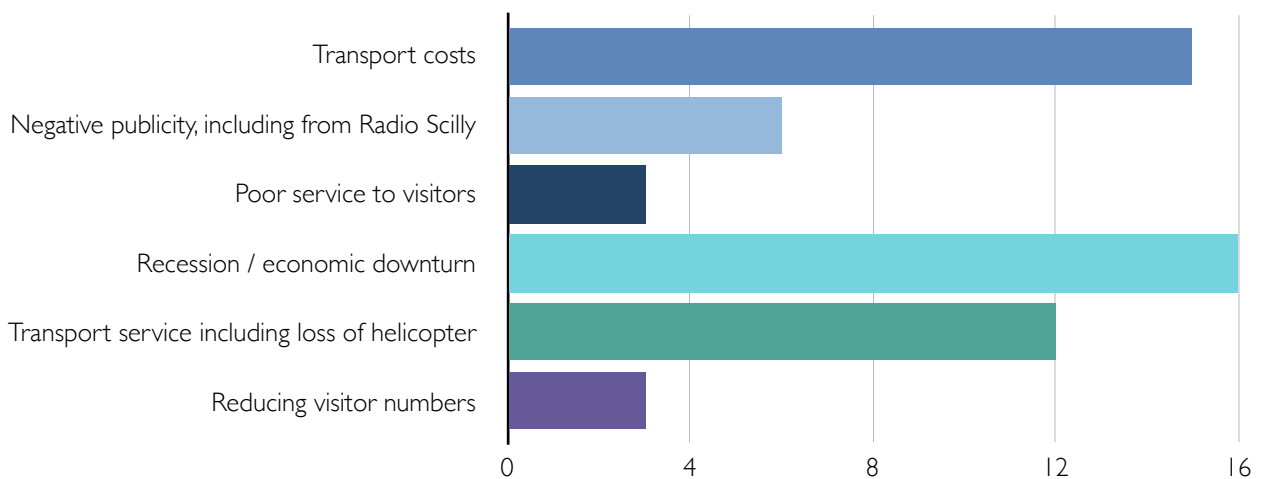
We asked how trade had been for the business during the past three years. We also asked how they saw trade changing over the next three years. Given the difficult trading conditions recently, there was a remarkable degree of optimism among those businesses who responded - with most businesses feeling that trade would stay about the same or increase a little.

There were 55 and 53 responses respectively to these two questions.



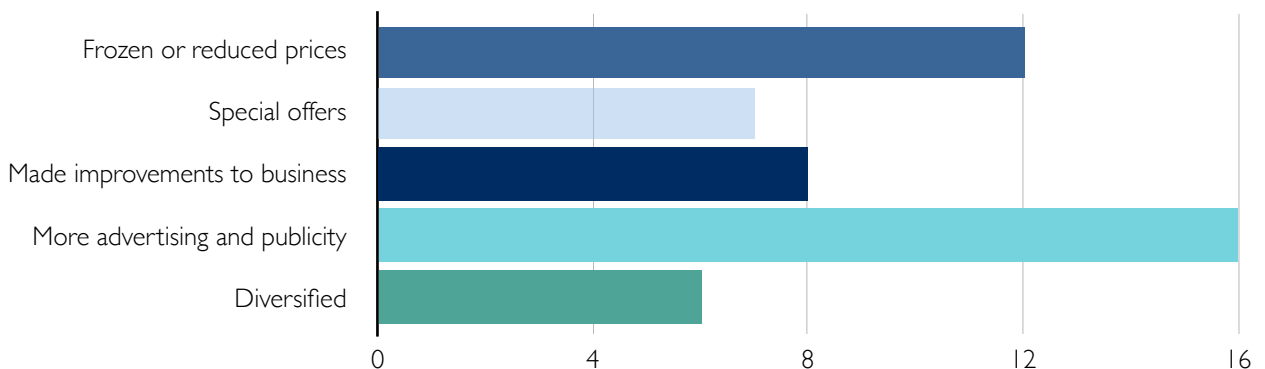
We asked what they put that change in trade down to. While there were a wide range of reasons given for the recent changes, a number of themes emerged.

47 businesses posted specific comments. Many made several comments.



We asked how, if trade had been decreasing, they had responded to the pressures on their business. Businesses have responded to the negative market conditions in a variety of ways. We highlight the main themes.

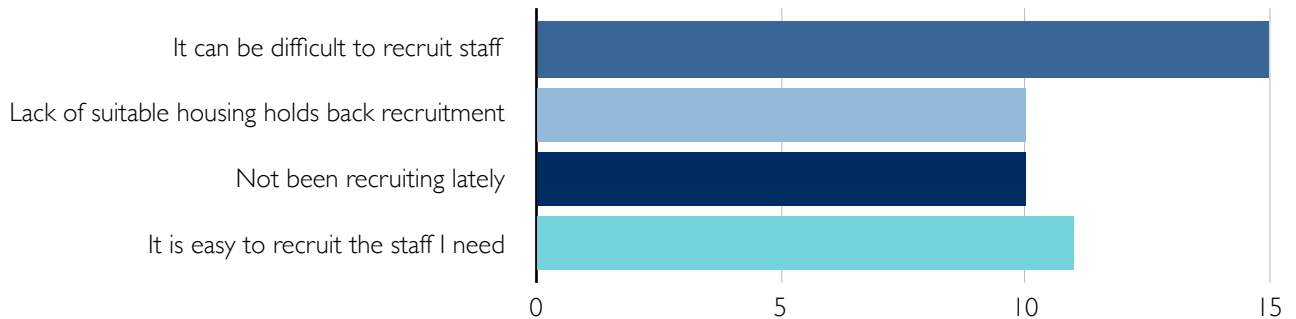
34 businesses posted specific comments. Many made several comments



RECRUITING STAFF

We asked whether recruiting staff was an issue and, if so, why. A clear majority of businesses who have been recruiting staff have found difficulties - many because there is a lack of suitable accommodation for workers.

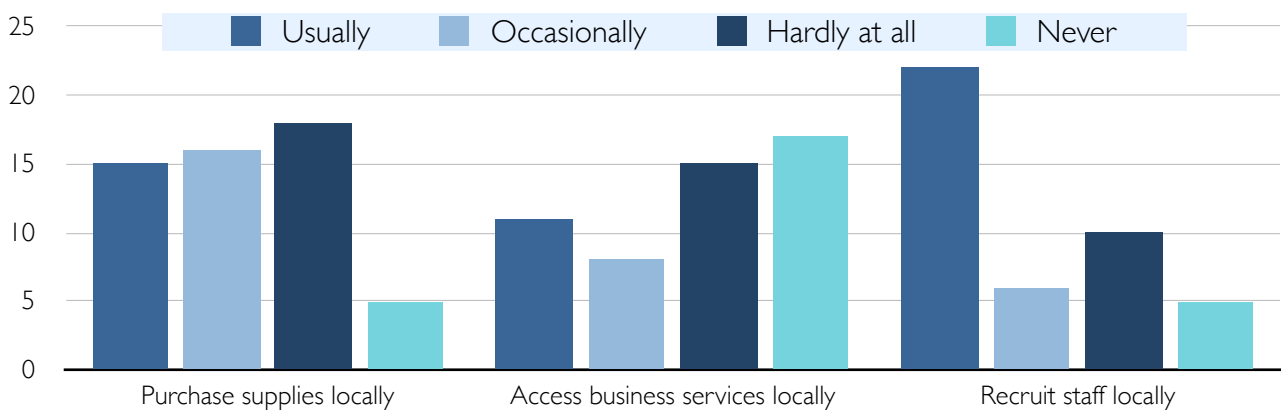
There were 46 responses to this question. 21 businesses added comments to expand on their initial responses.



SUPPORTING THE LOCAL ECONOMY

We asked whether businesses aim to buy goods and services locally and recruit local staff. While most businesses try to recruit locally, far fewer are able to buy goods and services locally. Some would like to buy more local food and services but find the supply limited.

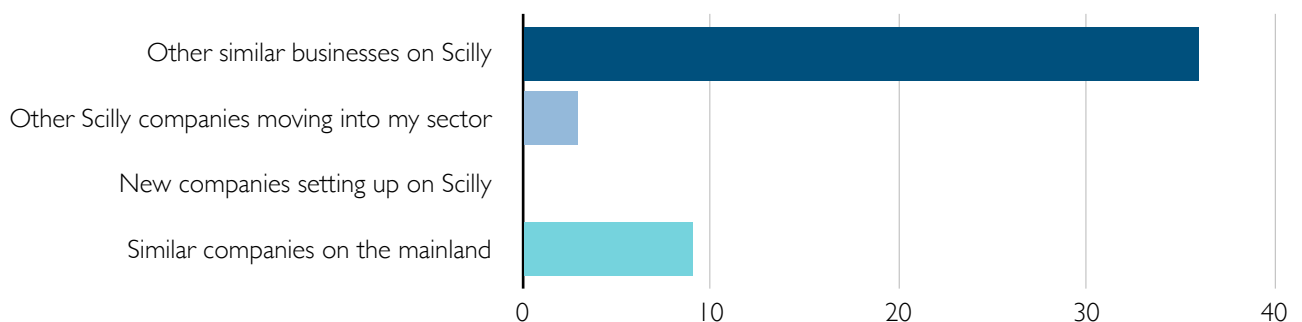
There were 54 responses to this question. 9 businesses added additional comments.



COMPETITION

We asked businesses where they saw their main source of competition. While most businesses saw their main competition coming from the Islands, many of the comments highlighted the competition from other destinations abroad.

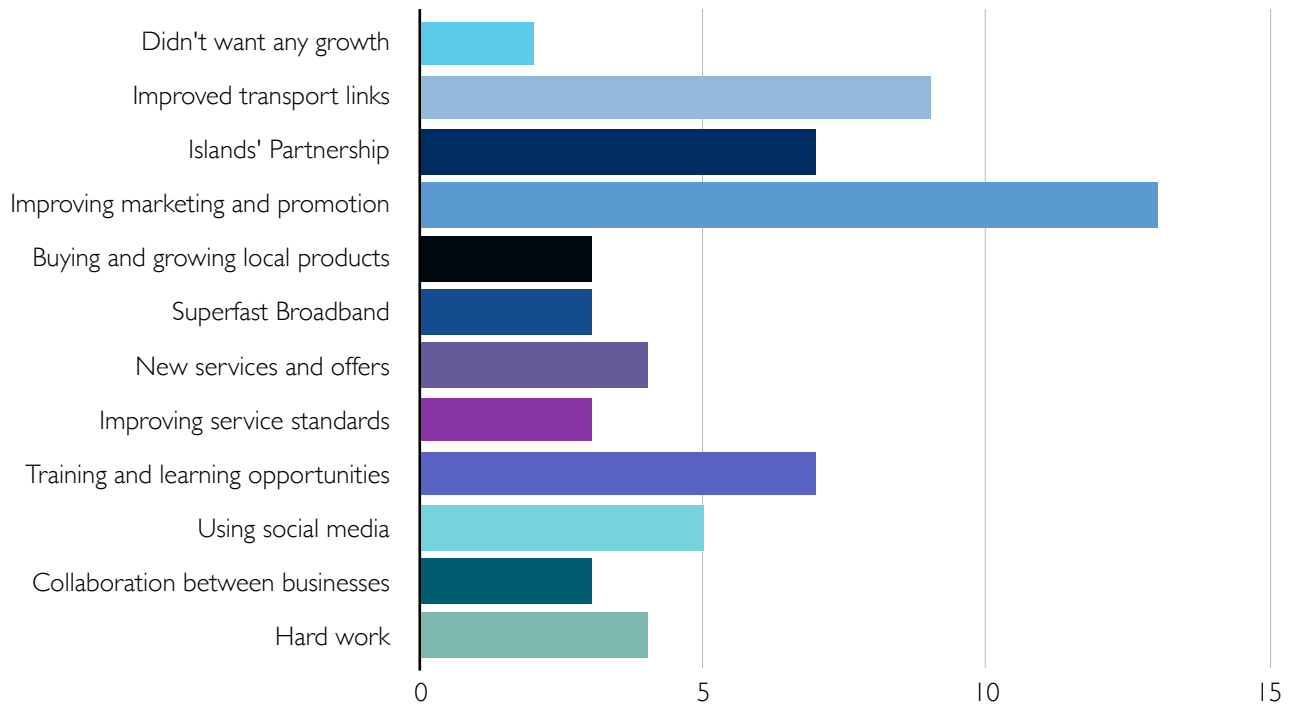
There were 48 responses to this question. There were 18 additional comments.



OPPORTUNITIES AND BARRIERS TO GROWTH

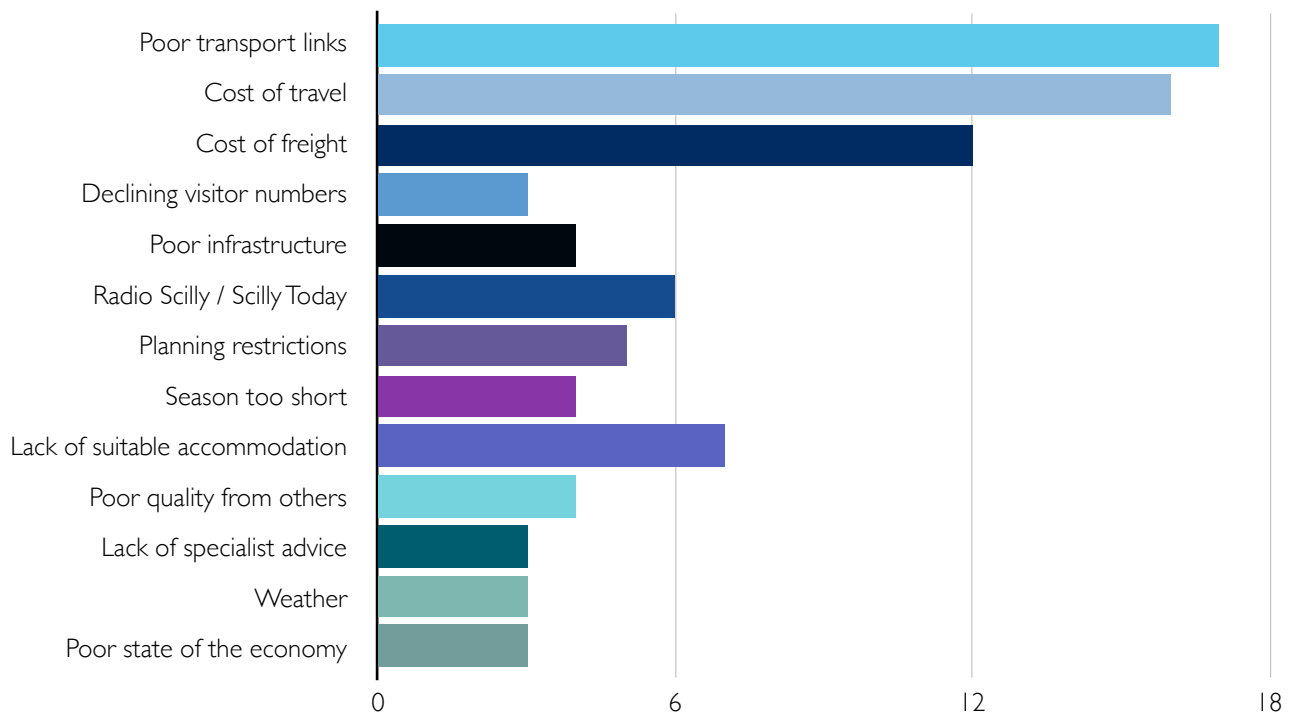
We asked businesses to describe up to five things that would **help** them grow and develop. We have highlighted the most common issues.

There were 86 individual responses to this question.



We asked businesses to describe up to five things that would **prevent** them growing and developing. We have highlighted the most common issues.

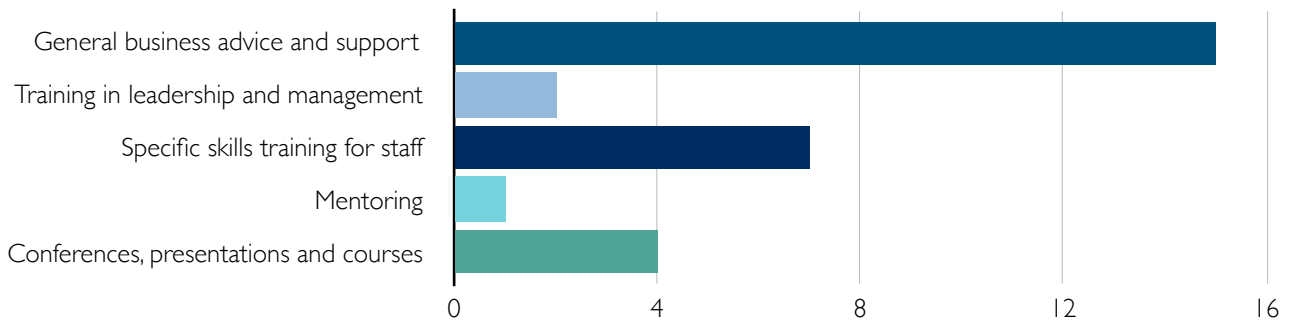
There were 125 individual responses to this question.



SKILLS AND CAPACITY

We asked businesses what sort of support would help them grow. Several felt that training was not an issue until the Islands could attract more visitors.

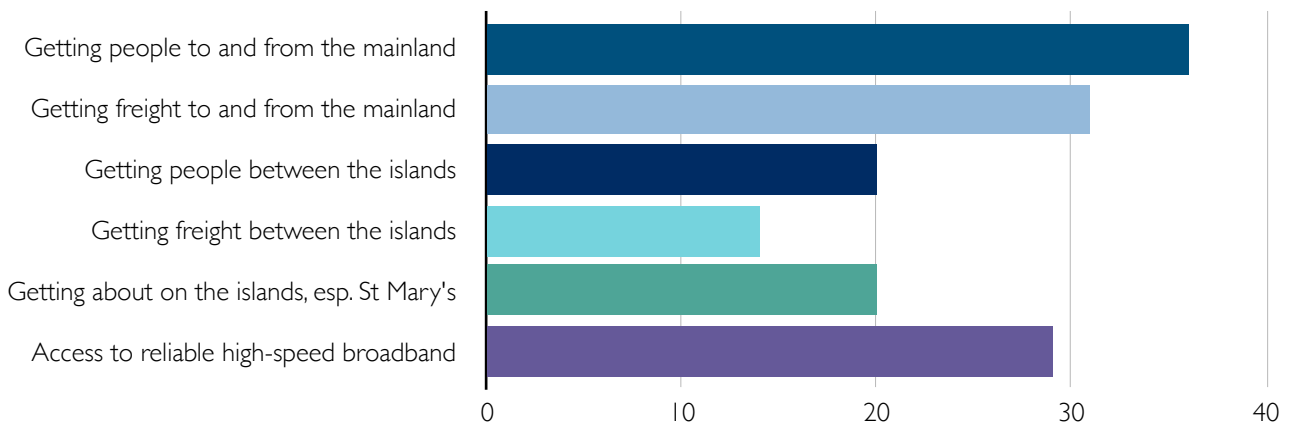
There were 29 responses to this question. There were 13 additional comments.



TRANSPORT AND COMMUNICATIONS

We asked businesses what the main communications and travel issues were that affected their business. Transport to and from the mainland and broadband were the main issues affecting businesses.

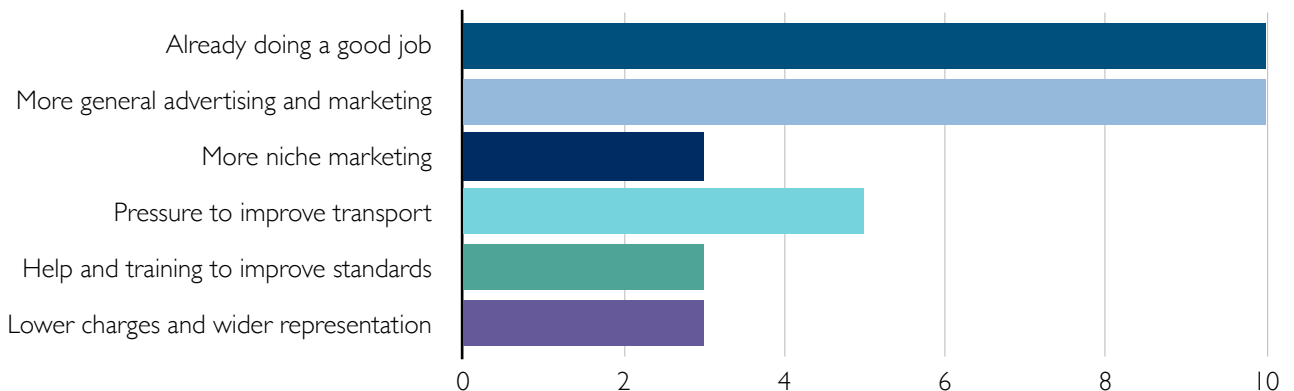
There were 40 responses to this question. They were able to tick any that were relevant.



GETTING SUPPORT - from the Islands' Partnership

We asked businesses what, specifically, the Islands' Partnership could do to support them.

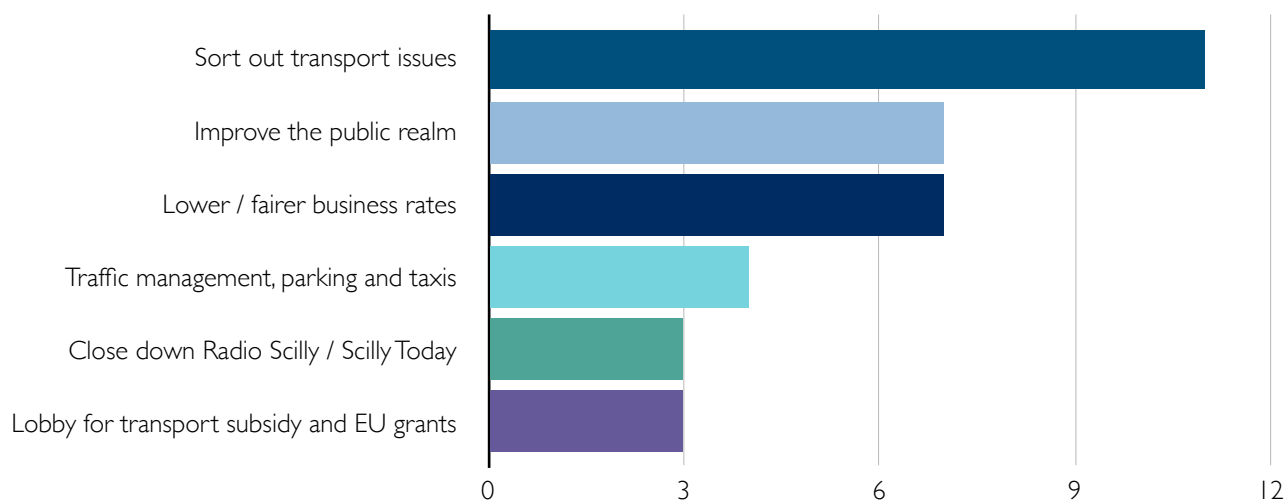
There were 40 responses to this question.



GETTING SUPPORT - from the Council of the Isles of Scilly

We asked businesses what, specifically, the Council could do to support them. There was a wide range of suggestions - we have highlighted the most common ones.

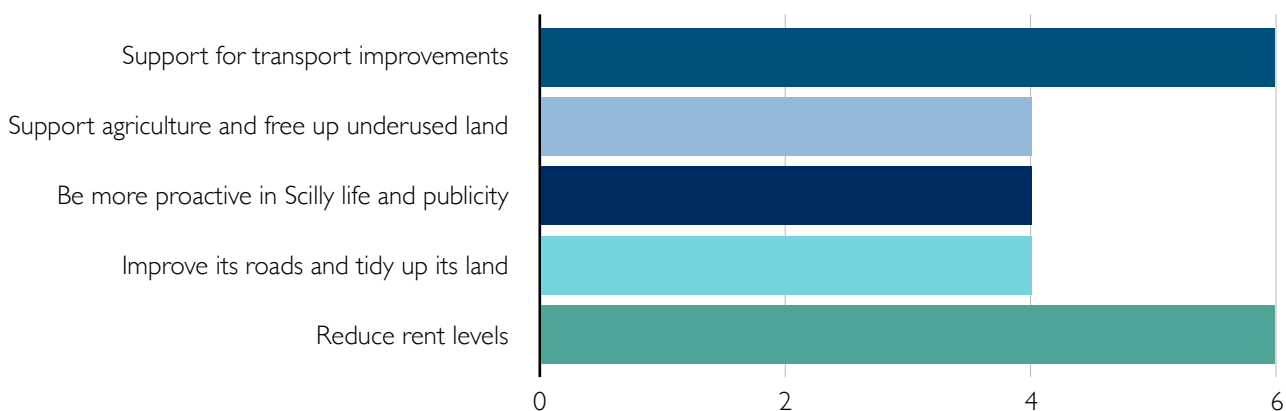
There were 42 responses to this question.



GETTING SUPPORT - from the Duchy of Cornwall

We asked businesses what, specifically, the Duchy could do to support them. There was a wide range of suggestions - we have highlighted the most common ones.

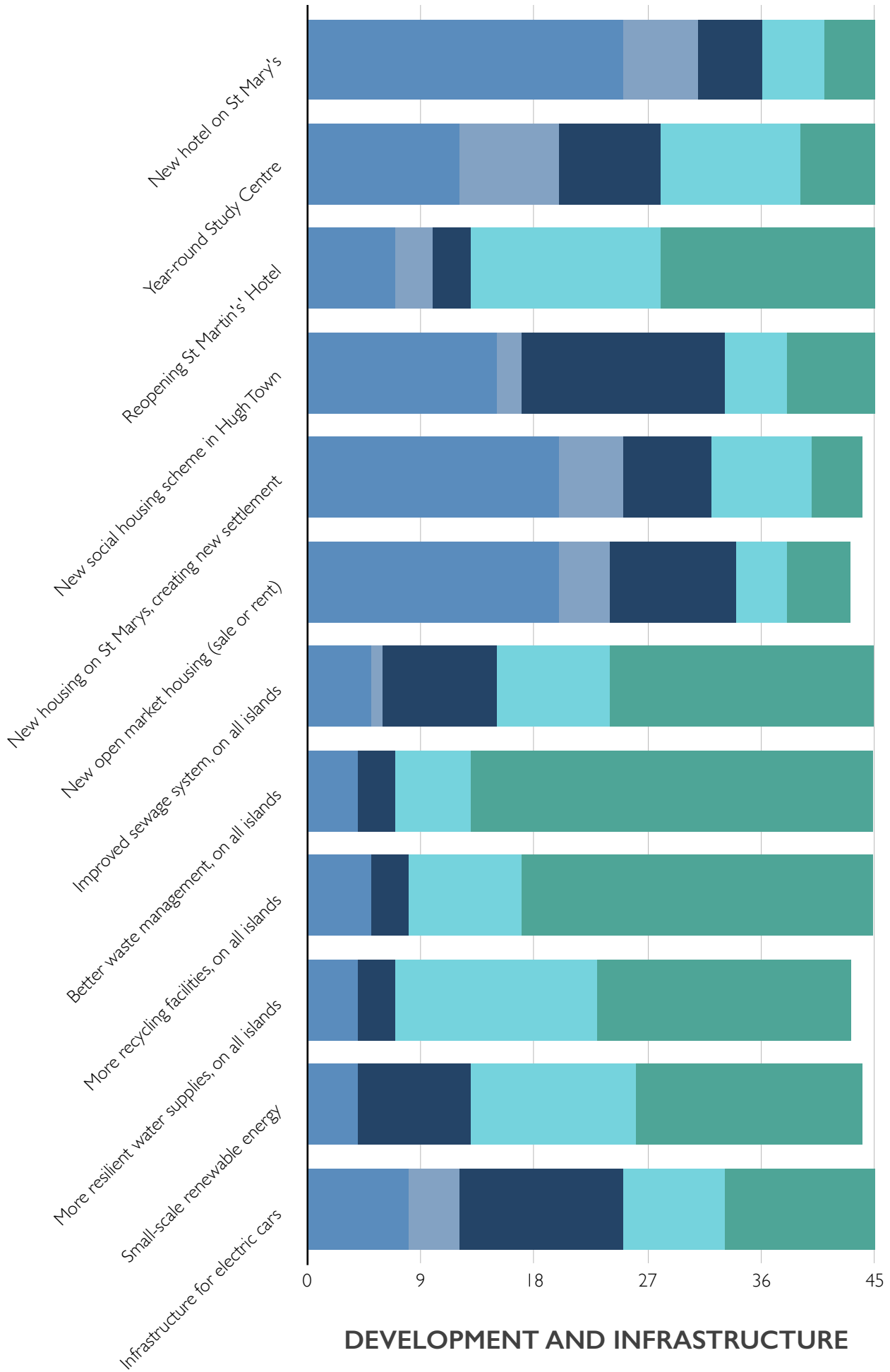
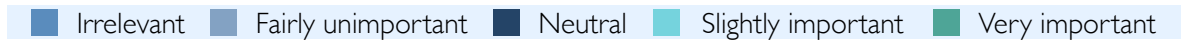
There were 37 responses to this question.



DEVELOPMENT AND INFRASTRUCTURE

We asked businesses how important a range of potential new developments or infrastructure improvements were to them. Each were ranked as: Irrelevant, Fairly unimportant, Neutral, Slightly important, Very important.

There were 45 responses to this question - not all answered every question. There were also 11 additional comments - many of which mentioned a desire to restrict growth and reduce traffic, especially until there is improved infrastructure and management. There were also more comments about transport links to the mainland.



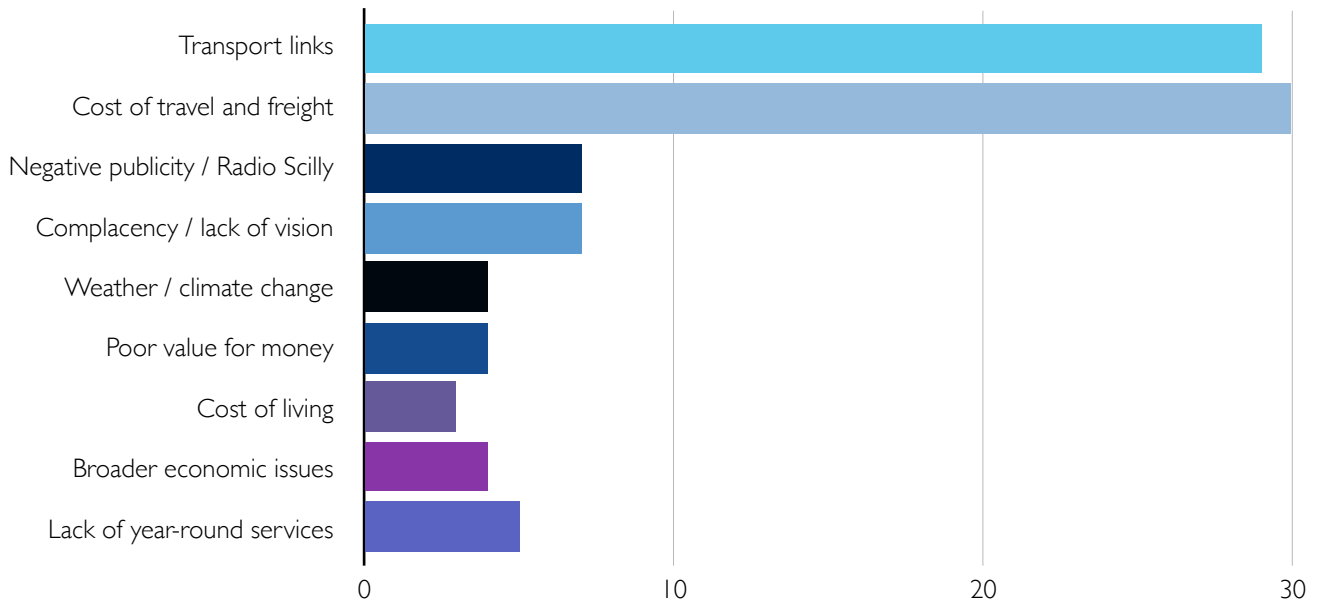
DEVELOPMENT AND INFRASTRUCTURE

ABOUT THE LOCAL ECONOMY

BARRIERS TO GROWTH OF THE OVERALL ECONOMY

We asked businesses to describe up to three things that would **hinder** the local economy growing and developing. We have highlighted the most common issues.

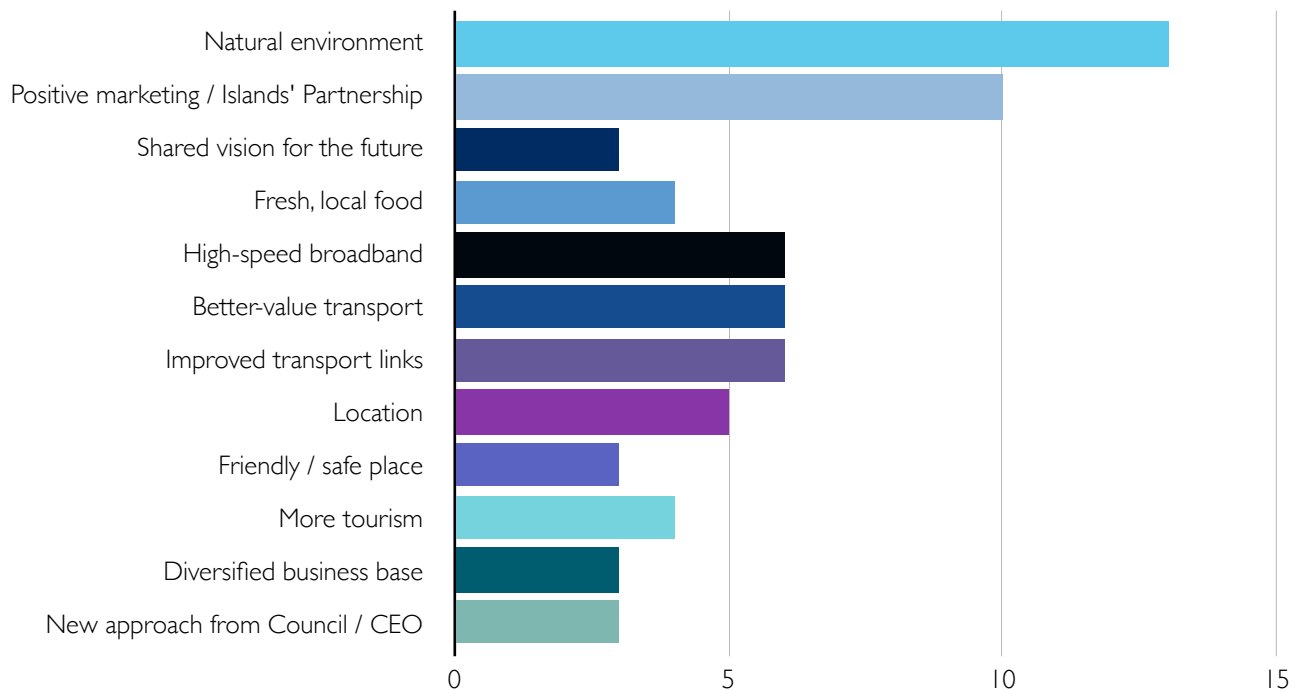
There were 114 individual responses to this question.



OPPORTUNITIES FOR GROWTH OF THE OVERALL ECONOMY

We asked businesses to describe up to three things that would **help** the local economy to grow and develop. We have highlighted the most common issues.

There were 88 individual responses to this question.



OTHER COMMENTS

We asked if there were any other comments or suggestions that would help improve the economy on the islands. There were 30 responses to this question. They are all listed below - verbatim.

The islands need affordable and reliable links to the mainland, achievable through a PSO, and no further housing development apart from some very limited social housing for current residents, especially the elderly. Catering quality at the pubs/restaurants could be significantly improved. And a proper bus service to help solve the islands traffic problems.

Get rid of that terrible radio station for a start, sort out the transport links, sort out the council. Get more businesses joining island partnership and getting everyone working together.

Encourage more positive and accurate media coverage, make travel costs better value for money, remind people competition is healthy whilst collusion is illegal

I feel tourism needs to re-align with the reasons that make Scilly special - biodiversity, landscape, the sea. This includes more low cost and basic accommodation. Opportunities for renewable energy and significant and completely untapped. The Islands must become more self sufficient and resilient.

Turning the tide in the Isles of Scilly is going to be hard, but it can be done and it is important. There is a larger percentage of elderly people in St Mary's, so the island could suffer a significant problem with depopulation unless Scilly becomes a place to move to and run your own business. With the new super-fast broadband coming in, this is easily possible. The main ongoing issue for business is affordable and well-organised transport infrastructure that makes it easy to get to and from areas outside the South West. There needs to be lots of help for start-up businesses so that a bigger proportion of Islanders are making money rather than being civil servants paid through taxation or being retired. So far attempts to do this have been disorganised -- lacking key information and workable solutions.

The visitors will come, and there is the demand if the travel costs are competitive-which they are not-- until then, the decline will continue-simple!

Stopping radio scilly and scilly today from running stories that are sensationalist and off putting to visitors. Running more positive things about the islands and relevant places/ topics. E.g. They cover all negative aspects of Newquay airport but don't cover that Flybe doubled the number of flights from Newquay to Gatwick to counteract the train line problems after the storms so many people were put off trying to come

We need the boat to be full every day with visitors at this means lower fares

HELP!

Just reflecting on what I've said. Scilly is still a very popular & successful destination, so well thought out change is needed.

Work together more. Accept short break holidays are more common so gear up for them. More themed weeks and group visits and events

Need to perform a proper analysis of what is the population size that can support a sustainable economy in Scilly. Then have a strategic focus on achieving that.

We all need to look at how we can improve our services and facilities, we all can improve in some way and it doesn't necessarily incur a huge amount of money to do so.

Keep work on the island to local tradesmen over 22 million pound has left this island over the last 2 years what is the point of trying to find things for the local economy when we let that sort of money leave the islands

Need to move away from just the grey pound and become more family orientated

OTHER COMMENTS

continued

It would be nice if the Council/Duchy/Wildlife Trust/Island Partnership actually worked together effectively instead of doing their own thing and treading on each others' toes ...

Aim for sustainability over growth. The islands USP of unspoilt tranquility is already seriously fraying. More development will not help.

Understand the needs and requirements of our visitors. Keeping abreast of the life style and changes in attitudes of our customers.

The largest barrier to sustainable economic growth, and the economic development for the Islands are the current transport links. They are too expensive inconvenient and not reliable enough, to compete with the rest of the "Tourism" offer that presents itself to the target audience.

A transparent and accountable consultation process supporting a serious debate about where the islands will be in 100 years time.

The overall standard of holiday accommodation needs up grading without making it so up market, that the ordinary visitor cannot afford to come here. There needs to be some incentive for owners of accommodation to up grade.

An all year round passenger and freight ferry service will solve lots of problems mainly created by the loss of the helicopter service. The Winter weather conditions do not permit the IOSSC to operate a reliable air service.

Build a depot on the industrial estate to reduce traffic through the town. The same should happen in Penzance! Freight would then be distributed from there using an appropriate vehicle. We would then be able to enjoy our beautiful islands once again.

Improved transport links

Transport!

Not be so negative, Work hard, give a good service and smile.

The population of the islands has remained static for decades. If there is less money about, then we need more people to grow the economy and ensure our long term survival.

Looking for an add on experience to offer visitors when they get to the islands without spoiling the wonderful natural habitat we have!

help to Penzance to improve their services especially development of their promenade area and harbour area. Assurance of train services to Penzance. Most people who visit Scilly stay in penzance for one or two nights but I have very poor comments from guests about their experience of this.

This report has been prepared by:



strategy, futures, sustainability, change

In association with:

