

Section 4.4a

Title: Draft 1 Business

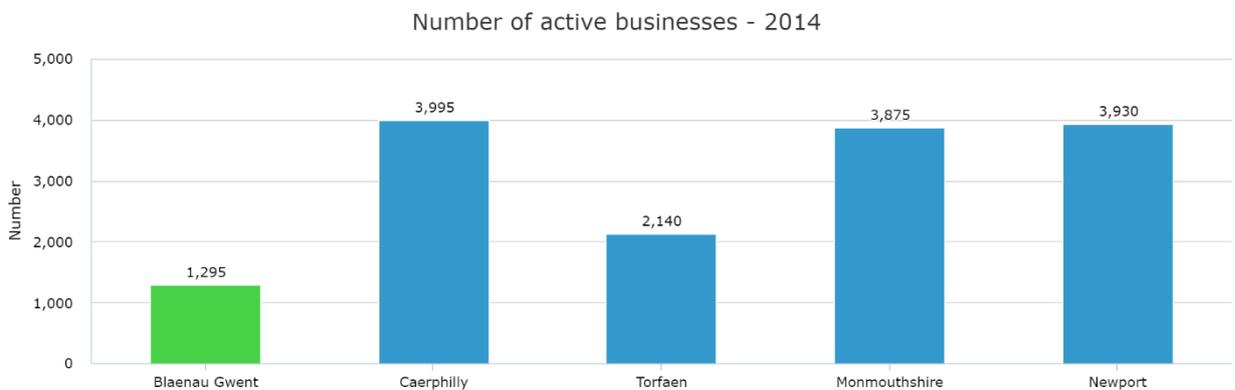
1. Overview

The Blaenau Gwent business landscape has significantly changed over recent decades due to the decline of heavy industries such as steel and coal. Manufacturing remains a key employment sector within the area, however, a high proportion of jobs are low skilled and relatively low paid.

In 2014 76.2% of Blaenau Gwent businesses employed between 0 and 9, in comparison to 19.2% employing between 10 to 49), 3.6% employing 50 to 249 and only 0.7% with 250+ employees. Despite making up a small proportion of businesses, large companies are very important to the local economy, specifically those identified as Regionally Important. The high level of public sector employment within Blaenau Gwent is likely to fall over the coming years due to decreased public sector funding and consideration of alternative methods of delivering public services. Within this context it is likely that Social Enterprises will continue to play an important role in the local economy.

Figure E1 shows the number of active business for each of the local authority areas in the Gwent region in 2014. There were 1,295 active businesses in Blaenau Gwent.

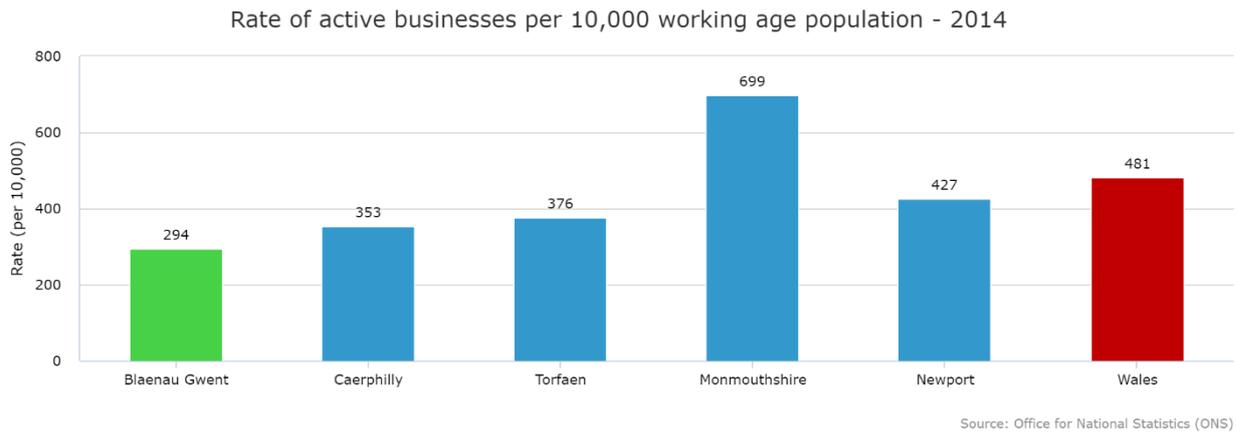
Figure E1



Source: Office for National Statistics (ONS)

Figure E2 shows the rate of active business per 10,000 working age people in 2014. This ranged from 294 per 10,000 people in Blaenau Gwent to 699 per 10,000 people in Monmouthshire. This compared with a rate of 481 active businesses per 10,000 working age people for Wales.

Figure E2

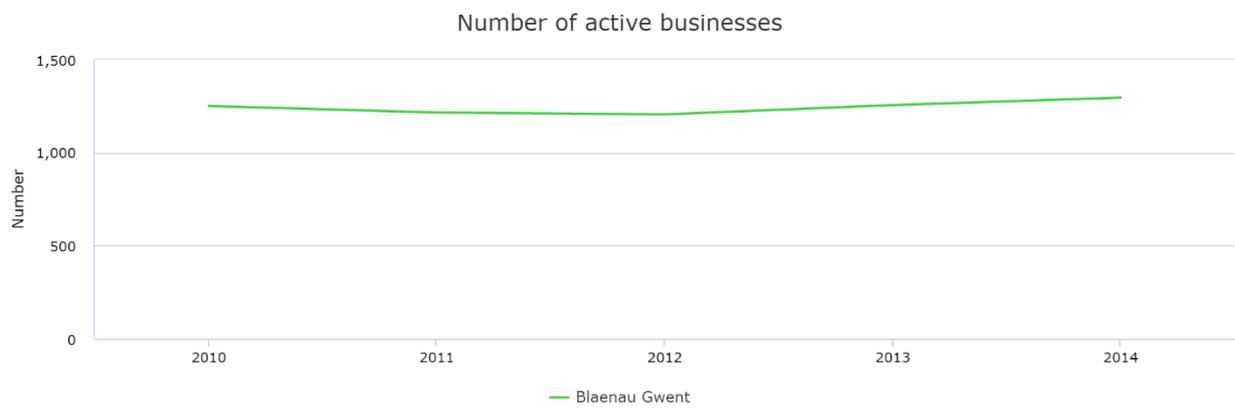


Businesses operating across the area are grouped based on the sector within which they operate; the groups include agriculture, production, retail and health. In Blaenau Gwent in 2016 the majority (16%) of active enterprises were in the Construction sector, this is higher than the percentage of enterprises in the Construction industry for Wales (12%). Other prevalent industry sectors in Blaenau Gwent in 2016 were both retail and accommodation & food services at 12% in 2016.

2. Story behind the data

Figure E3 shows that over the period 2010 to 2014 all local authority areas in the Gwent region saw an increase in the number of active businesses. In percentage terms, Caerphilly saw the biggest increase in the number of active businesses at 6.3%, while Monmouthshire saw the smallest increase at 2.1% over the period. The increase in Blaenau Gwent was 3.6%.

Figure E3

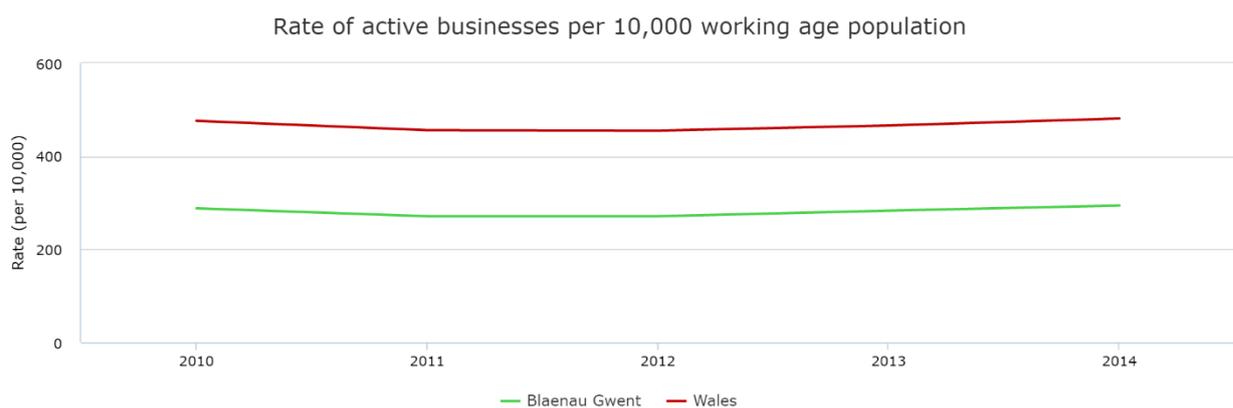


	Blaenau Gwent
2010	1,250
2011	1,215
2012	1,205
2013	1,255
2014	1,295

Source: Office for National Statistics (ONS)

Figure E4 shows the rate of active businesses per 10,000 working age population over the period 2010 to 2014. In Blaenau Gwent there has been an increase 6 per 10,000 working age people, this compared with an increase of 5 per 10,000 working people over the same period for Wales.

Figure E4



	Blaenau Gwent	Wales
2010	288	476
2011	271	456
2012	271	455
2013	283	466
2014	294	481

There has been an increase in the rate of business start-ups within Blaenau Gwent, from 6.6% of total business stock in 2010 to 13.1% in 2013, equalling the SEW average. However, the level of self-employment in 2017 was 7.8%, significantly lower than the average across Wales of 12.9%.

Occupation and Gender

Table E1 shows the percentage employed by occupation and gender in 2016. In Blaenau Gwent 7.1% of males employed were employed as managers, directors and senior officials. This compares to 11.1% for Wales. 6.2% of females were employed in this category in Blaenau Gwent, compared to 7.0% for Wales.

The percentage of males employed in professional occupations in Blaenau Gwent in 2016 was 9.2%, compared with 15.1% for Wales. In Blaenau Gwent the percentage of females employed in professional occupations was 12.4%, this compared with 20.5% for Wales.

For both males and females employed as process, plant and machine operatives, the number of people employed are high when compared with Wales, with a difference of 9.8 percentage points in the percentage of males and a difference of 4.2 percentage points in the percentage of females.

Table E1

	%			
	Males		Females	
	Blaenau Gwent	Wales	Blaenau Gwent	Wales
Managers, directors and senior officials	7.1	11.1	6.2	7.0
Professional occupations	9.2	15.1	12.4	20.5
Associate professional &	10.1	13.9	7.7	11.0

technical occupations

Administrative and secretarial occupations	4.7	4.9	15.3	16.3
Skilled trades occupations	17.8	21.3	3.2	2.7
Caring, leisure and other service occupations	5.5	3.9	22.6	18.1
Sales and customer service occupations	4.7	5.8	14.2	11.1
Process, plant and machine operatives	21.8	12.0	5.8	1.6
Elementary occupations	17.1	11.0	10.9	10.9

The key future challenges for Blaenau Gwent include:

- Addressing worklessness – linked to the poverty agenda
- Increasing the skills base of the existing workforce
- Increasing levels of entrepreneurship
- Encouraging business innovation and diversification
- Supporting the sustainability and growth of existing businesses
- Attracting new investment

It is important to also understand the future opportunities for the Blaenau Gwent economy such as the Cardiff Capital Region City Deal and inward investment interest from projects such as the Circuit of Wales.

3. What we know from engagement



During the Blaenau Gwent We Want Engagement exercise, the partnership undertook and attended numerous engagement activities and events throughout the borough to gather people's views.

Residents also took part via the Blaenau Gwent We Want Facebook page and partnership websites. Links to an online questionnaire were also distributed to many residents known to the partnership, such as members of the Blaenau Gwent Citizen Panel.

Residents were encouraged via the methods above to answer a range of questions that sought to capture:

- Citizen values, aspirations and priorities;
- Citizen needs – insight into the needs they and their communities encounter within daily life and what the best solutions may be and
- Citizen assets – what people can and already contribute themselves such as self-care, citizen and community action and volunteering.

Q1. What do you think is special about BG?

Q2. What things are important to you to live well and enjoy life?

Q3. What would make BG a better place?

Q4. What can you do to help make BG a better place?

Approximately 1,000 residents were engaged with (across all groups) during the engagement phase.

Feedback to date from the groups engaged has provided some information on the public view around businesses. This is focussed primarily on views expressed on the need for better quality and variety of businesses within the towns and villages of Blaenau Gwent. Comments have included:

“We need a new food market”, “More needs to be done to attract people to our existing market” (Abertillery), “More wool shops and children's clothes”, “Renovate and open empty shops”.

Views from businesses are focussed on:

“Lower business rates”, “Blaenau Gwent needs to be open for small, medium enterprise businesses”.

We are keen to secure the views of small, medium and large businesses within Blaenau Gwent and will be undertaking within phase 2 of The Blaenau Gwent We Want, a number of engagement sessions with a number of recognised business forums within the area. In addition we would welcome the views of businesses on how you would describe the situation you and your business faces operating in this area. We are particularly keen to secure your views on what you might think be your strengths or assets for the area, what your needs might be and how you think you might be able to offer support to emerging businesses to become successful.

The Welsh Government business support offering is focussed upon growth; therefore, the majority of Blaenau Gwent Businesses wishing to access support are required to navigate on-line self-help mechanisms. Businesses value face to face contact with organisations that understand the local context and are able to respond to specific needs.

Feedback from employers and entrepreneurs suggests that local networks are critical to business start-up, survival and growth.

4. What we know from existing research

Some research has been undertaken to date, for example, a review of the Baseline Economic Analysis for South East Wales, an Evaluation of Enterprise Facilitation and data from the Local Government Data Unit. More research may be undertaken dependent upon the priorities determined by the Public Service Board on 21 March 2017.

5. What this tells us about Well-being in Blaenau Gwent

We are still building the picture for Blaenau Gwent and would welcome your views to inform this assessment.