



The King's Cross Partnership
Monitoring and Evaluation Study

Report on the Survey of Employers in King's Cross, 2000/1

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1 Survey Design

1.1 Survey Sampling and Weighting

In order to evaluate the effect over time of regeneration on individual business houses or employer organisations in King's Cross, it was always planned to have two rounds of surveys: the first in 2000 and the second two years later in 2003 keeping the sample unchanged. The reasoning behind keeping the same sample was to guard against misinterpretations arising from changes in the population rather than with individual organisations in the sample. This design is commonly known as a cohort longitudinal survey.

The sample was selected from three address lists obtained the two boroughs of Camden and Islington and the third list was from the King's Cross Partnership. These three lists were consolidated and checked for duplications and none-business addresses. Using our knowledge of the area, we estimated the number of employees at each business addresses to produce a stratified sampling list summarised in Table 1.1

Table 1.1 : Estimates of size, number of establishments and number of planned interviews.

Employee Band	No. of establishments	Median Employee band	Total no. of employees	Planned interviews	Sampling fraction
500 or more	1	550	550	1	100%
400	1	450	450	1	100%
300	1	350	350	1	100%
200	1	250	250	1	100%
100	6	150	900	6	100%
50	8	75	600	8	100%
20	31	35	1085	31	100%
10	27	15	405	27	100%
5	95	7	665	95	100%
1	836	4	3344	529	63% ¹
Total	1007		8599	700	

Notes:

1. It was originally planned to target 300 (36%) out of 836 establishments employing one person. Based on a response rate obtained after a few weeks of field work, it was decided to increase this to 529 (63%) so as to stand a realistic chance of delivering the minimum number of 200 interviews expected by the research plan.

Because this was a stratified sample survey, it was thought important to apply a weight factor to our findings so that they reflected the characteristics of the population. Weights were calculated by comparing the number of establishments with the number of interviews achieved (Table 1.2).

Table 1.2 : Weighting factors

No. of Employees	Estimated no. of establishments on sampling list	No. of interviews achieved	% response rate	Weight factor ¹
1-4	836	79	9.45	10.58
5-24	153	82	53.59	1.87
25-199	14	34	242.86 ²	1
200+	4	4	100	1
Total	1007	199 ³		

Notes

1. The factor is calculated by dividing the no.of establishments by the number of interviews achieved e.g. $836/79 = 10.58$
2. This suggests that we under-estimated the number of establishments employing 25-199 people.
3. While we achieved a total of 207 interviews, we only had information to classify 199 establishments in terms of work force.

1.2 Questionnaire and response rate

A draft questionnaire was piloted on a few business houses and when finally used interviews, the questionnaire was twenty-one pages in length and had seventy-three questions grouped around eight themes. Both closed and open-ended questioning techniques were used. Local people were recruited and trained in interviewing techniques through lectures and mock interviews using the actual questionnaire. This was followed by observing a trained interviewer carrying out interviews in the field for one day. Interview times ranged from 30 minutes to about 1 hour. A total of 207 interviews were achieved from a possible 700 addresses extracted using a stratified sampling procedure - giving a response rate of 30%. The effective response rate would be higher if account was made for vacant and other ineligible addresses.

1.3 Coding and Analysis

Completed questionnaires were coded into SPSS and to allow for the ease of cross-tabulations and interpretation of results it was necessary to group some information by re-coding into additional new variables. These additional new variables used in cross-tabulations are explained below.

Size

Establishments were grouped into the variable 'size' according to one of the three sizes based on the London Training and Enterprise Councils' definition (London Employer Survey 1996-1997, p11):

- Small (1-24 workers)
- Medium (25-199 workers)
- Large (200+ workers)

Another related variable 'microsize' which breaks the small businesses into two (micro1-4) and (small 5-24) while keeping the other categories the same was also created but not used in the analysis.

Sector

Labelled 'brodsector' within SPSS, this variable grouped establishments according to the Standard Industry Classification Code (SIC) of 1992. The industry groups within this variable were:

- Manufacturing

- Retail and Wholesale
- Hotels and restaurants
- Transport, storage and communication
- Public services (includes Public administration, Education, Health and Social work)
- Other Services (includes Financial Intermediation, Real estate, renting and business activity, other community, social and personal activities).

Ownership

Establishments were also grouped by the form of ownership, this variable was labelled 'ownership' within SPSS. The forms of ownership within this variable were:

- Private (includes partnerships)
- Company (means private limited company)
- Not-for-profit (includes Co-operatives, Community businesses, Trade Unions and Registered charities)
- Public body

Length of time established

Information on how long businesses had been operational in the area was re-coded and grouped into four in a variable 'newold':

- New (0-5 years)
- Recent (6-10 years)
- Medium-term (11-20 years)
- Long-term (21 years or more)

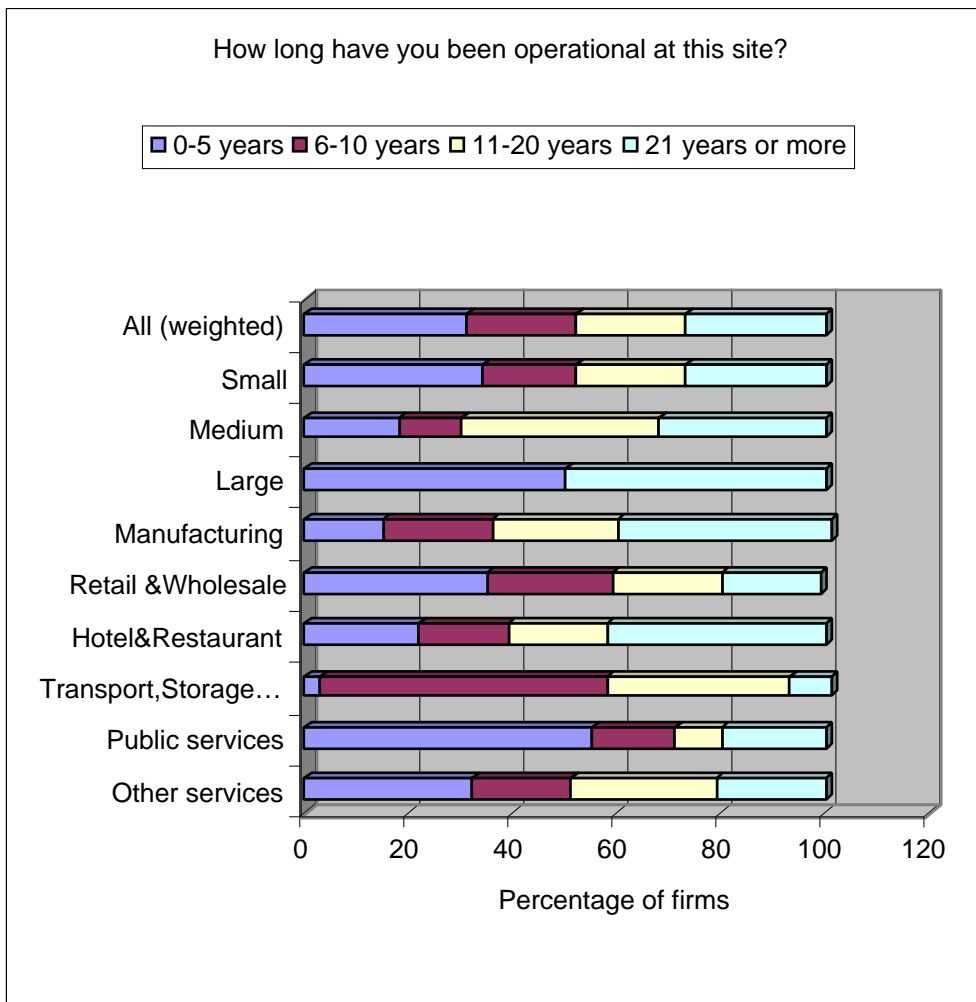
Analysis proceeded by cross tabulating each question against the variables defining the size, industrial sector, ownership of the business and the length of time the establishment has been in existence in King's Cross and the results of these analyses are now discussed. Unavoidable weighting errors caused by insufficient information to enable us classify all businesses according to size meant that the total number of establishments was sometimes marginally higher than the actual on the sampling list. This was due to the fact that the calculated weight in certain cases was higher than the actual we would have obtained had we got all the information on work force.

2 Business Profile

2.1 Length of time in the area

The survey revealed a high level of business start-ups (Figure 2.1). At the time of the survey, 31% of all businesses had been established in the area for 5 or less years; a fifth (21%) had been established for 6-10 years and another fifth for 11-20 years; and 27% represented long-term businesses who had been in the area for 21 years or more. Two of the 4 large establishments were new (0-5 years). The proportion of new businesses was highest within the public service sector in which 55% had been established in the 5 years before the interview and lowest in the transport, storage and communications in which the proportion was only 3%. On the other hand, 2 of 4 large establishments had been in the area for more than 21 years. The proportion of long-term businesses was highest within the manufacturing sector and in Hotels and restaurants and again lowest in the transport, storage and communications.

Figure 2.1 : Length of time business has been operational in the area

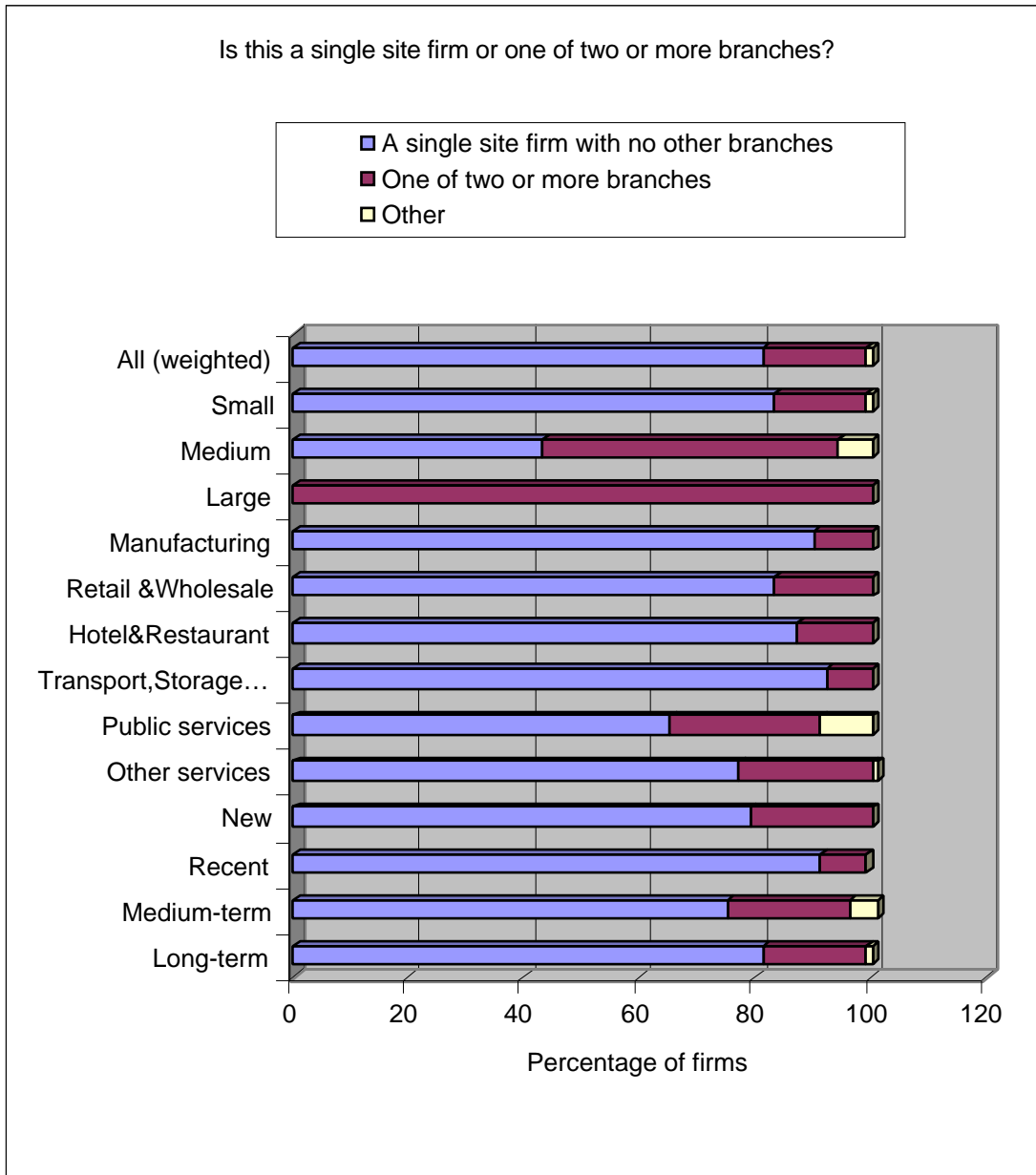


Source : King's Cross Business Survey 2000/01

2.2 Number of establishments

Eighty-one percent of all businesses surveyed were single site with no other branches (Figure 2.2). Eighteen percent had one or more branches elsewhere. As might be expected, the proportion of single site firms was highest among small firms (83%). All large firms had one or more branches. By sector, manufacturing and transport exhibited a high proportion of single site firms, while public service firms were more likely to be part of a big establishment with other branches.

Figure 2.2 : Number of branches

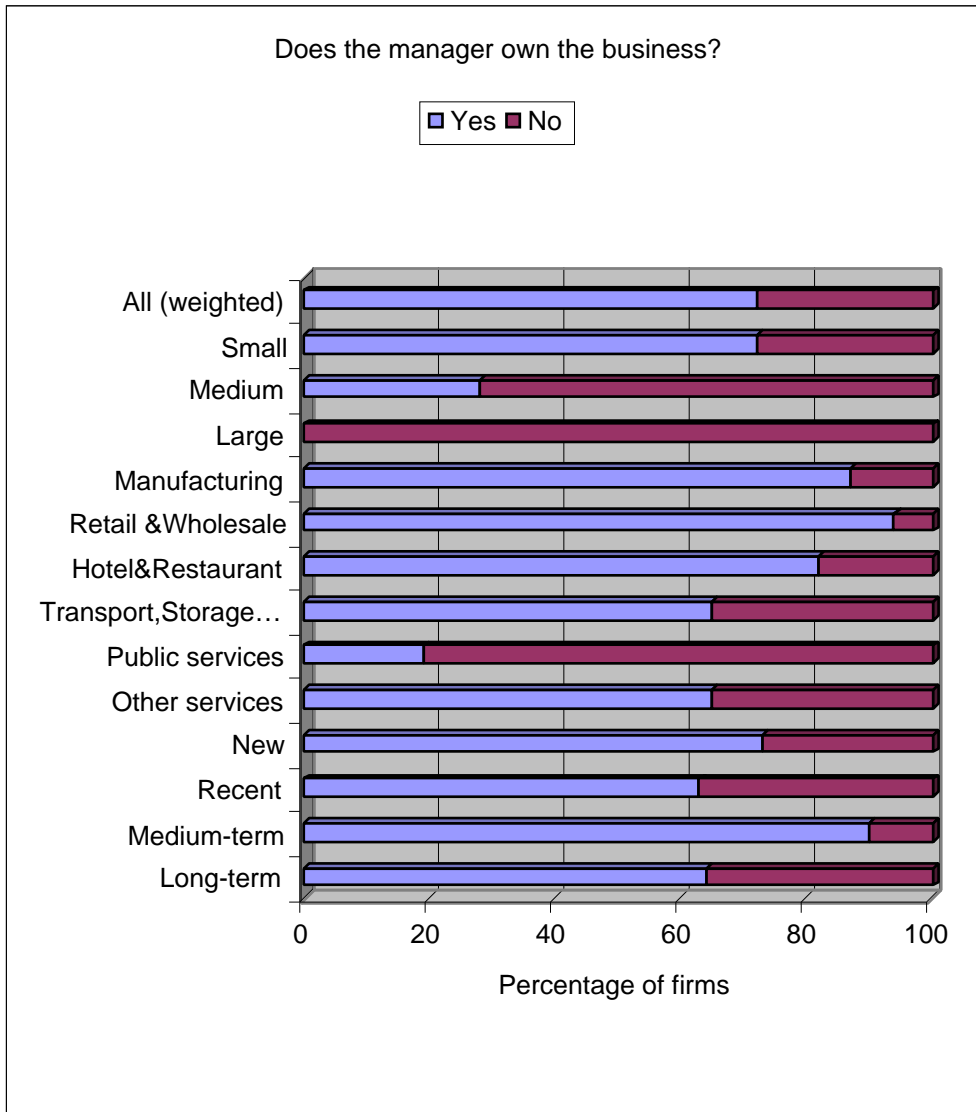


Source : King's Cross Business Survey 2000/01

2.3 Ownership

The fact that 72% of all businesses were owned by the manager reflects the prevalence of small businesses in King's Cross (Figure 2.3). There was a preponderance for a higher proportion of businesses within the manufacturing, retail and restaurant sector to be owned by the manager than in the other sectors. As would be expected, no public body was owned by the manager and only 8% of businesses in the not-for-profit sector were owned by the manager. This proportion rose to 92% for privately owned firms.

Figure 2.3 : Ownership of business

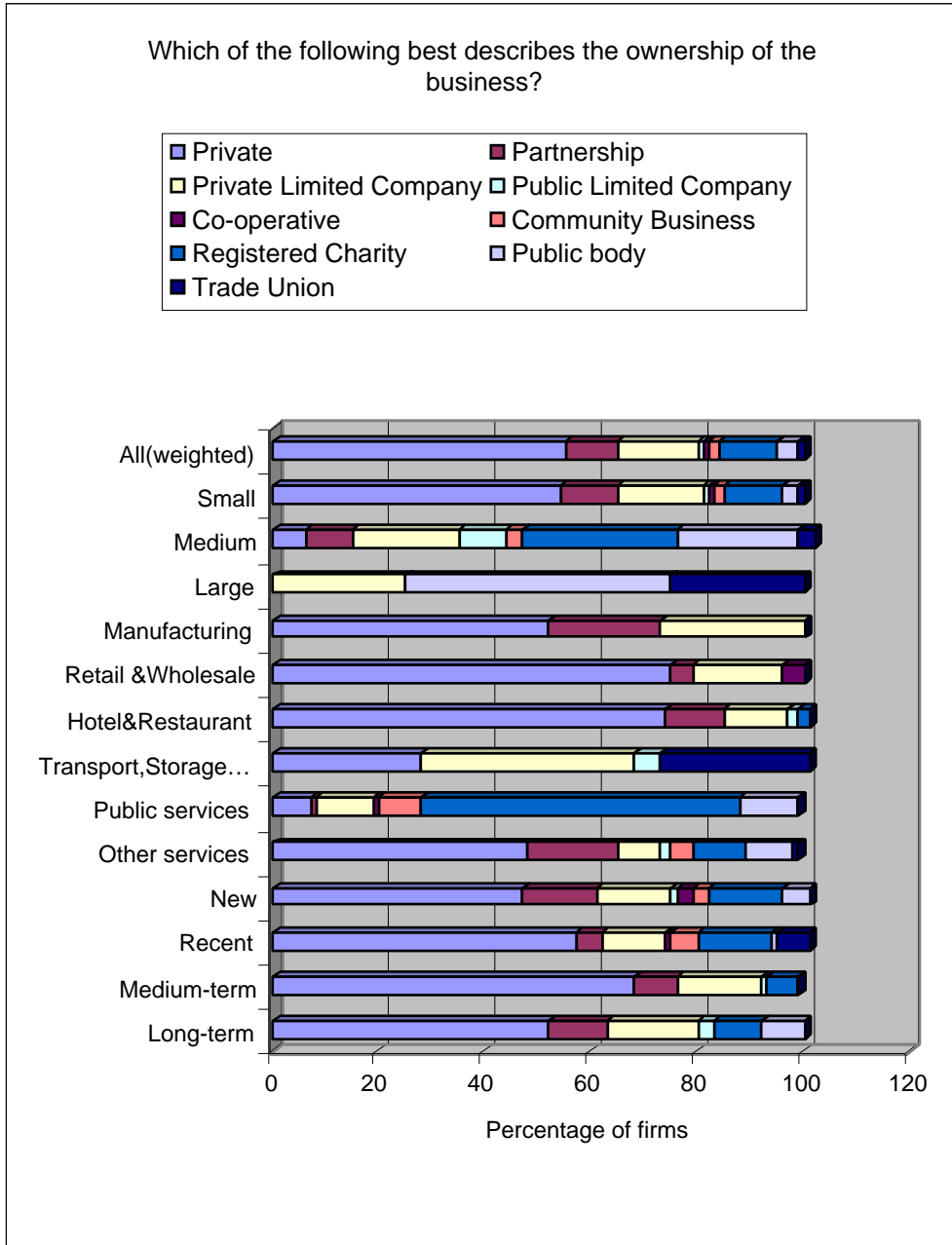


Source : King's Cross Business Survey 2000/01

Sixty-five percent of all businesses were either described as private or partnerships. Three quarters of businesses in the retail and restaurant sector were of this type (Figure 2.4). Private and Public limited companies accounted for a further 16% of all businesses with manufacturing and transport and manufacturing proportions being considerably higher at 45% and 27% respectively. At 15%, there were nearly as many Not-For-Profit organisations (co-operatives, community businesses, registered charities and Trade Unions) as they were companies. Most of

these Not-For-Profit organisations were in public or other services. Public bodies comprised 4% of all businesses and were all confined to the delivery of public or other services. While private businesses tended to be small, other types of establishments were mostly medium or large.

Figure 2.4 : Ownership types



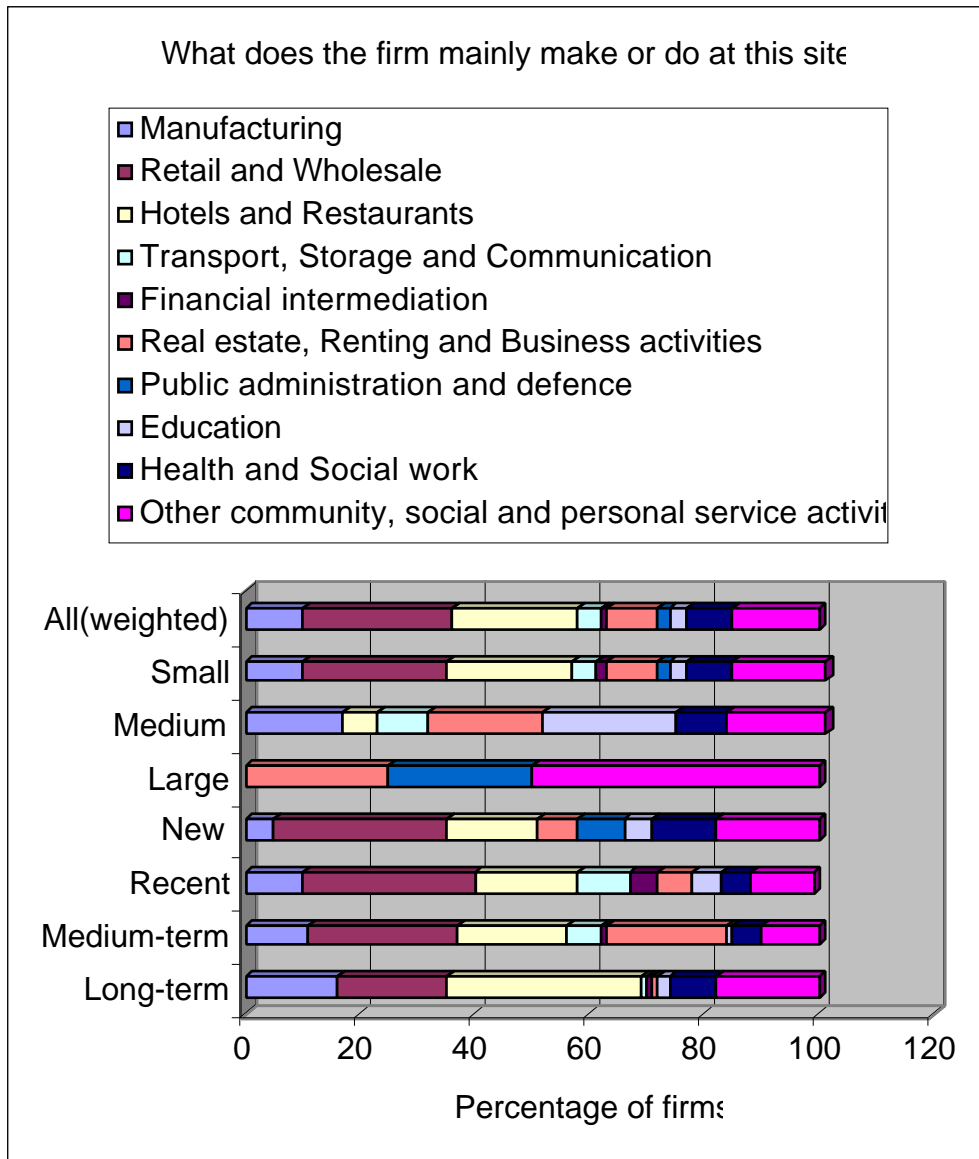
Source : King's Cross Business Survey 2000/01

2.4 Industrial classification

Figure 2.5 shows that just over a quarter (26%) of all businesses were in the retail and wholesale sector, the other dominant sectors were hotels and restaurant (22%), other community, social

and personal services (15%) and manufacturing (10%). These four sectors accounted for nearly 73% of all small establishments.

Figure 2.5 : Industrial sector of businesses

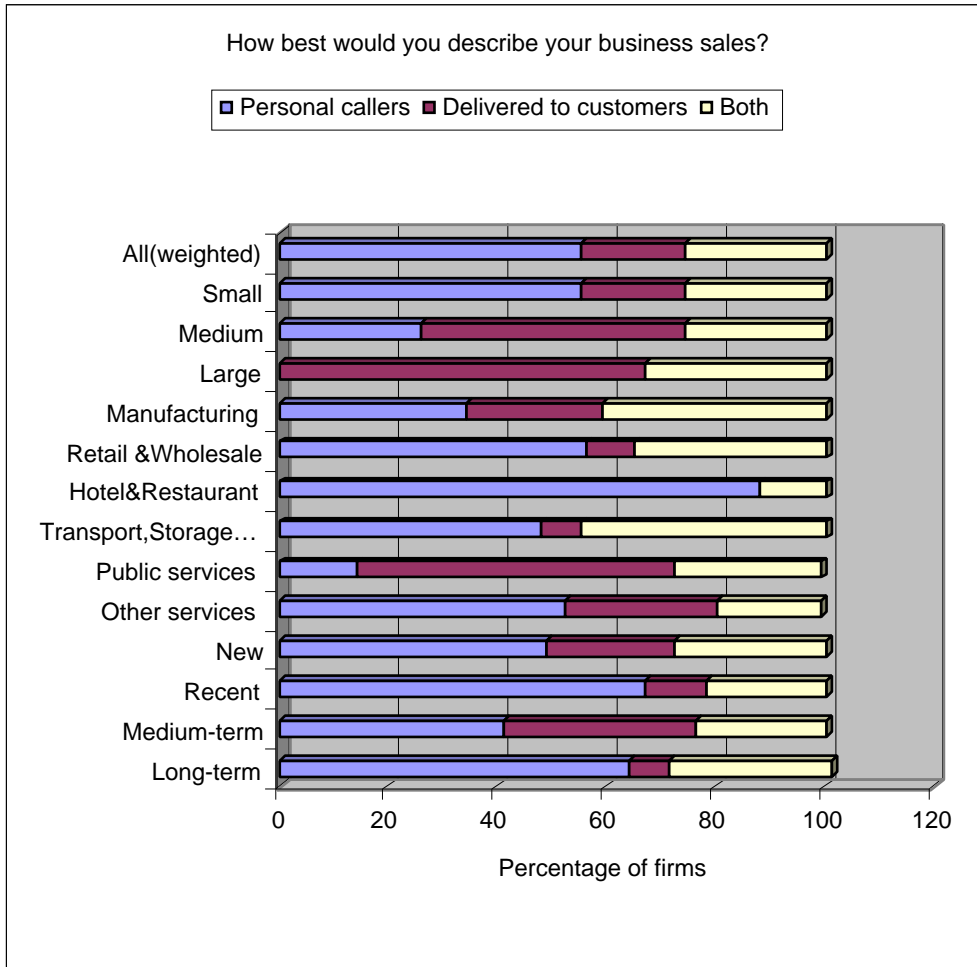


Source : King's Cross Business Survey 2000/01

2.5 Type of sales/services

Fifty-five percent of all establishments described their sales/services as to personal callers while 19% described them as delivered to clients and in 26% of cases it was both (Figure 2.6).

Figure 2.6 : Types of sales/services

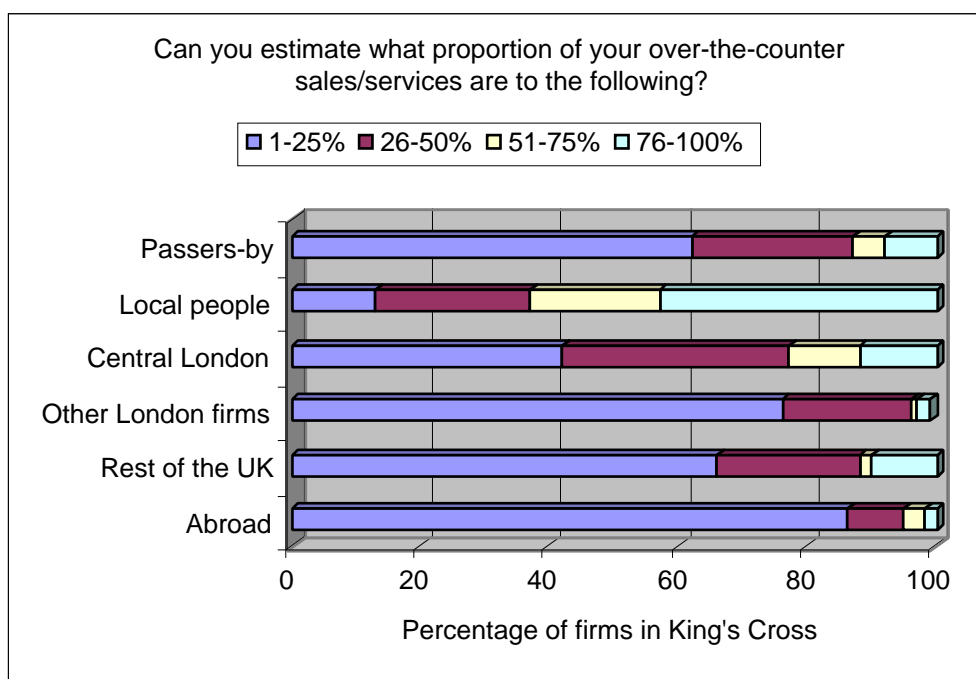


Source : King's Cross Business Survey 2000/01

Over-The-Counter (OTC) sales/services

Businesses in King's Cross had a broad client base - having local, regional, national and international linkages. While 43% of all establishments estimated that their OTC sales/services to local people accounted for over 75% of trade, up to 12% of all establishments estimated that over 75% of their OTC trade was with regional, national and international clients (Figure 2.7).

Figure 2.7 : Overall proportion of otc sales and client base



Source : King's Cross Business Survey 2000/01

Small and medium size establishments main client base (accounting for more that 75% of all trade) for OTC sales was, as expected, largely local but they also claimed a reasonable share of the central London, UK and overseas market (Table 2.1). Large establishments estimated that the rest of the UK and abroad accounted for between 51-75% of their OTC sales/services and hence do not feature in Table 2.1 which depicts trade levels of 75% and above only.

Percentage of establishments and main¹ otc client base by size of firm

	Small	Medium	Large
Passers-by	9	33	0
Local People	43	54	0
Central London	13	0	0
Other London firms	2	0	0
Rest of UK	10	33	0
Abroad	2	0	0

Source : King's Cross Business Survey 2000/01

Notes:

1. Main client base is defined as that group which accounts for over 75% of all estimated sales/services.

A sectoral analysis showed that except manufacturing, whose main trade (over 75% of all sales) was with central London, all other sectors had their main client base of OTC sales/services in the local community (Table 2.2).

Table 2.2 : Percentage of establishments and main¹ otc client base by sector

	Manufacturing	Retail and wholesale	Hotels and restaurants	Transport, storage and communications	Public services	Other services
Passers-by	0	2	18	0	0	13
Local people	3	46	50	8	14	61
Central London	26	0	0	0	0	23
Other London firms	0	0	5	0	12	0
Rest of UK	0	0	0	0	3	37
Abroad	0	0	5	0	0	0

Source : King's Cross Business Survey 2000/01

Notes:

1. Main client base is defined as that group which accounts for over 75% of all estimated sales/services.

In terms of ownership (Table 2.3), a similar pattern emerged in which private firms, companies, Not-for-profit organisations had their main market in the local community and central London for the public owned establishments.

Table 2.3 : Percentage of establishments and main¹ otc client base by ownership

	Private	Company	Not-for-profit	Public Body
Passers-by	10	4	0	0
Local people	46	43	26	42
Central London	8	32	0	50
Other London firms	2	0	20	0
Rest of UK	12	0	9	0
Abroad	0	0	11	0

Source : King's Cross Business Survey 2000/01

Notes:

1. Main client base is defined as that group which accounts for over 75% of all estimated sales/services.

There is however, a striking difference in the client base when the period of existence in the area is taken into account (Table 2.4).

Table 2.4 : Percentage of establishments and main¹ otc client base by length of time in the area

	New	Recent	Medium	Long-term
Passers-by	2	11	24	2
Local people	41	47	32	47
Central London	2	72	0	15
Other London firms	0	9	0	0
Rest of UK	0	0	34	0
Abroad	5	0	0	0

Source : King's Cross Business Survey 2000/01

Notes:

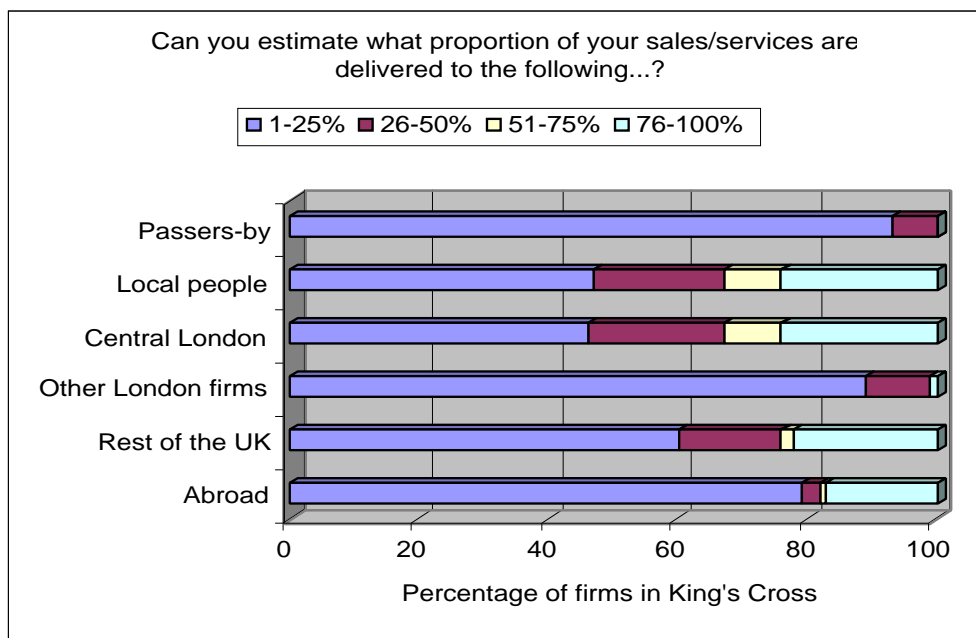
1. Main client base is defined as that group which accounts for over 75% of all estimated sales/services.

Table 2.4 shows that the local community was an important client base for all types of businesses and indeed the main client base for old and new businesses. Seventy-two percent of recent businesses however, estimated that over 75% of their OTC sales were to central London firms. On the other hand, medium term businesses estimated that their main trade was with firms in the rest of the UK.

Sales delivered to customers

A broadly based client base was also evident for sales delivered to customers as with otc sales (Figure 2.8). While 17% of firms reported their main trade to be abroad and 22% the rest of the UK, a slightly higher proportion (24%) identified local people and other central London firms as accounting for over 75% of their sales.

Figure 2.8 : Overall proportion of sales delivered to customers and client base



Source : King's Cross Business Survey 2000/01

However, with regard to sales delivered to customers, there does not seem to be an identifiable pattern such as was present with OTC sales, except that consistent with OTC sales, small and medium size establishments had their main market locally but with a fairly strong market in central London and in the case of small firms the rest of the UK as well. Medium and large ones drew their main client base from the rest of the UK and abroad (Table 2.5)

Table 2.5 : Percentage of establishments and main¹ client base of delivered sales by size and sector

	Small	Medium	Large	Manufacturing	Retail and wholesale	Hotels and restaurants	Transport, storage and communication	Public services	Other services
Passers-by	0	0	0	0	0	0	0	0	0
Local People	25	20	0	0	13	33	0	80	0
Central London	24	17	0	0	19	0	9	32	32
Other London firms	0	11	0	6	0	0	0	0	0
Rest of UK	22	10	100	0	23	0	0	87	3
Abroad	10	20	0	26	0	0	0	0	27

Source : King's Cross Business Survey 2000/01

Notes:

1. Main client base is defined as that group which accounts for over 75% of all estimated sales/services.

Our analysis of sales delivered to customers revealed that each sector had its own main market (Table 2.5):

- The manufacturing sector had its main market abroad;
- Retail and wholesale's main trade was with the rest of the UK;
- Hotels and restaurants relied for their main trade on the local clientele;
- Transport, storage and communication traded mainly with central London firms;
- The public sector gave the rest of the UK as its main source of trade with an equally strong local client base; and
- Other services drew their main client base from central London and abroad.

In terms of ownership, private (individual or partnerships) and companies mainly traded with other firms in central London, while Not-for-profit and public establishments had their main client base in the rest of the UK and abroad respectively. In the case of not-for-profit, local people accounted for a significant proportion of their client base as well as the rest of the UK. By age structure, long-term establishments relied mainly on local people, central London and abroad for over 75% of their delivered sales, while medium term firms had local people as their main market followed by central London. While new firms were more likely to have their main trade with firms in the rest of the UK, there were also more likely to trade more widely than any other group of firms by age. (For example with local people, Central London and abroad). Recent firms tended to depend on the rest of the UK for their main trade.

Table 2.6 : Percentage of establishments and main¹ client base by ownership and length of time in the area

	Private	Company	Not-for-profit	Public	New	Recent	Medium	Long-term
Passers-by	0	0	0	0	0	0	0	0
Local People	18	0	75	0	33	0	73	8
Central London	35	24	3	0	20	4	38	30
Other London firms	2	0	0	0	0	0	2	0
Rest of UK	10	2	87	0	42	38	2	3
Abroad	15	4	8	100	29	0	0	33

Source : King's Cross Business Survey 2000/01

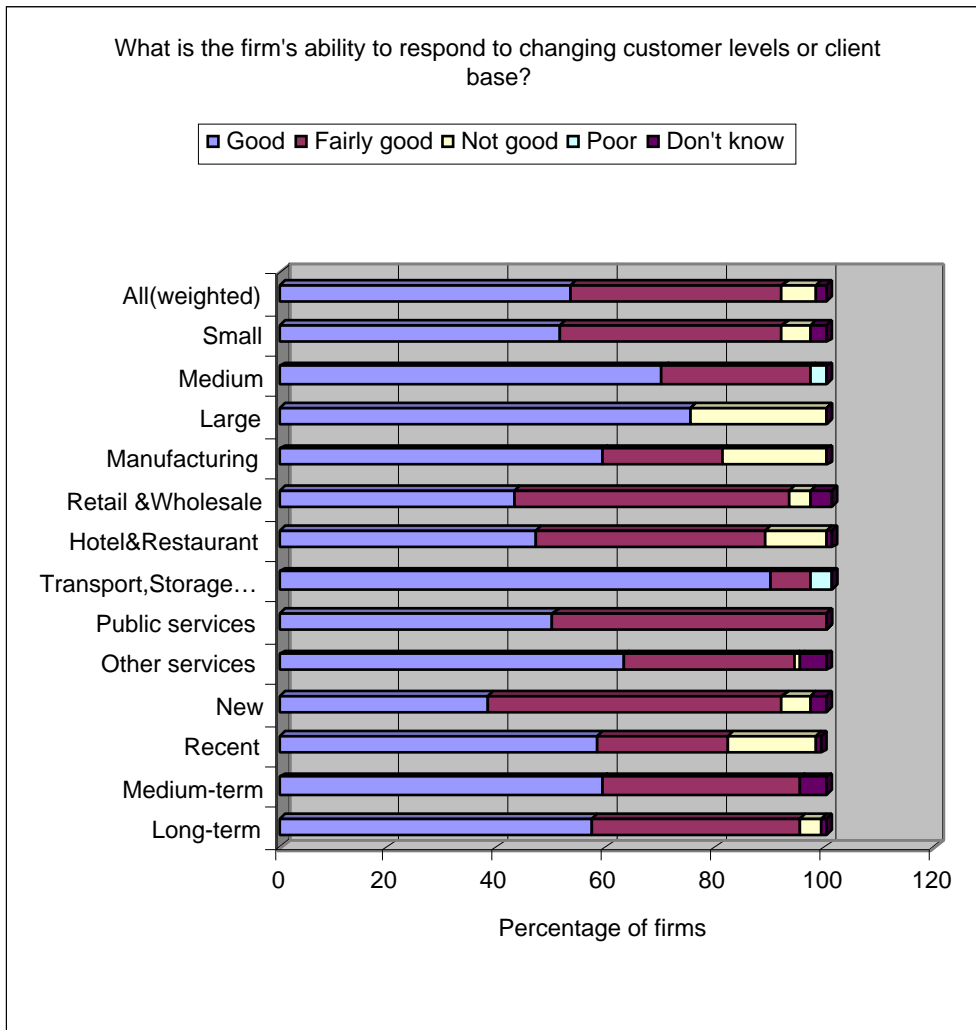
Notes:

1. Main client base is defined as that group which accounts for over 75% of all estimated sales/services.

2.6 Changing customer levels

Figure 2.9 shows that 92% of all businesses regarded their ability to respond to changes in customer levels as either good (53%) or fairly good (39%). Only 6% did not rate their chances as good. With over 90% of small and medium size enterprises rating their ability to adapt to change in customer levels as good/fairly good, they showed more resilience than large firms within which the proportion was 75%. Three out of four large enterprises rated their ability as good while one of them said that it was not good. Predictably, establishments within the manufacturing sector were less able to adapt to such changes with 81% reporting a good/fairly good ability to adapt compared to the overall proportion of 92%.

Figure 2.9 : Ability to respond to changing customer levels



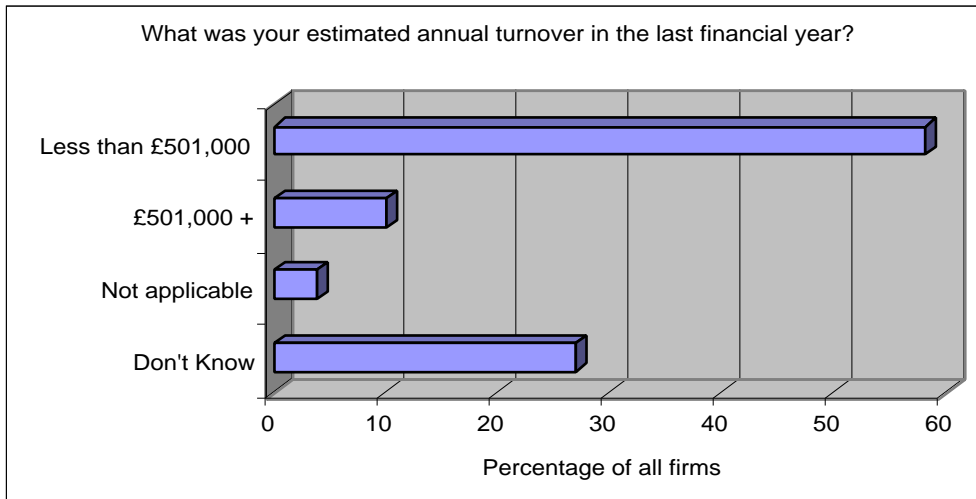
Source : King's Cross Business Survey 2000/01

2.7 Annual Turnover

Level of annual turnover

Asked about their turnover/budget in the last financial year (Figure 2.10), 58% of all establishments surveyed had an annual turnover or budget of under £501,000 and were mostly small scale, compared to 10% of mainly medium and large scale enterprises who reported a higher than £501,000 turnover. There was also a substantial proportion (27%) of businesses in this category who failed to provide estimates of their annual turnover thus limiting our understanding of this aspect of the study. For example, almost half (46%) of businesses within the hotel and restaurant sector and 2 out of 4 large firms failed to provide information on this question.

Figure 2.10 : Levels of annual turnover or budget

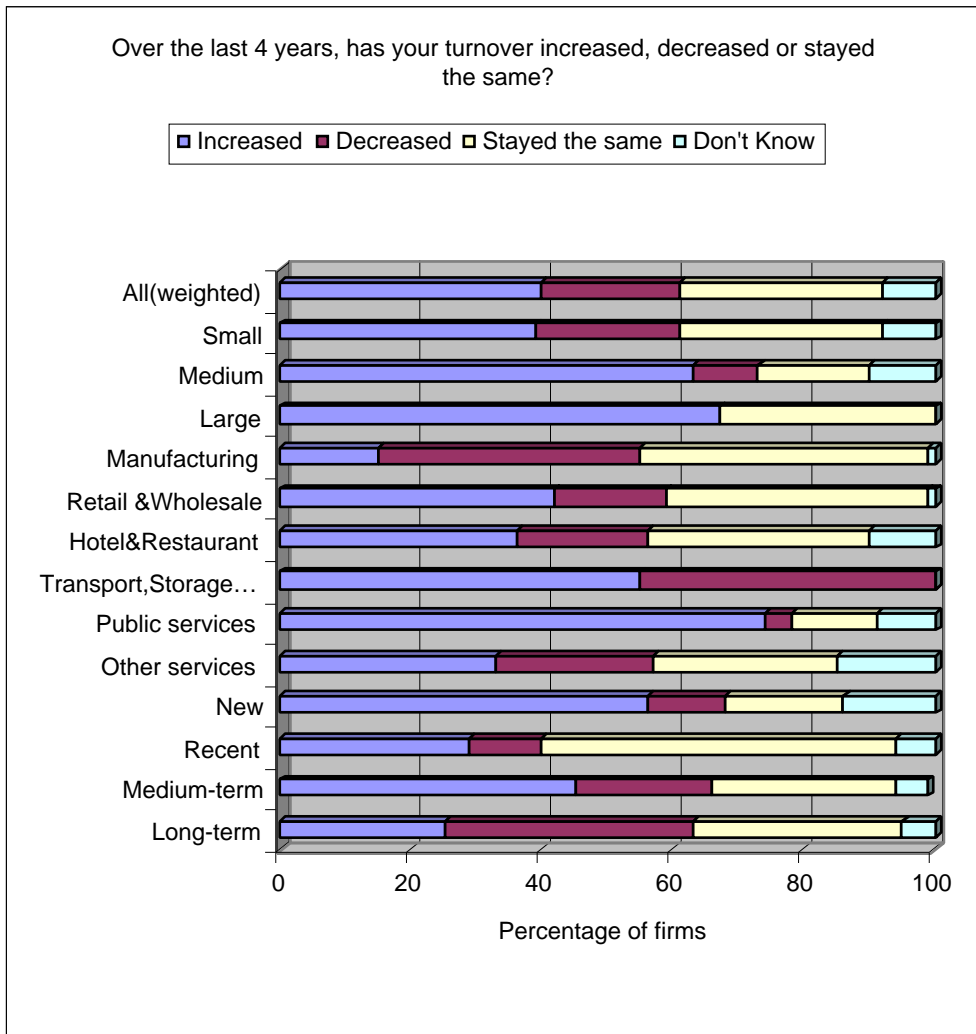


Source : King's Cross Business Survey 2000/01

Change in annual turnover

Forty percent of all firms reported an increase in turnover in the four years preceding this study compared to 21% reporting a decrease giving a net positive balance of 19% of increases over decreases in turnover and a possible indicator of growth in the local economy (Figure 2.11). Twelve percent of businesses reported no change in their turnover. By size, a higher proportion of firms reporting increased turnover were within the medium to large scale rather than small scale. By sector, businesses within the public services were significantly more likely to report increases than say those in the manufacturing sector. Business in the transport, storage and communications were just as likely to report increases as well as decreases in turnover. The prevalence of growth in the public sector is reflected in the high proportion of the not-for-profit and public bodies reporting turnover increases. By age, growth in turnover was widespread among the new establishments than among the older long-term businesses.

Figure 2.11 : Change in annual turnover

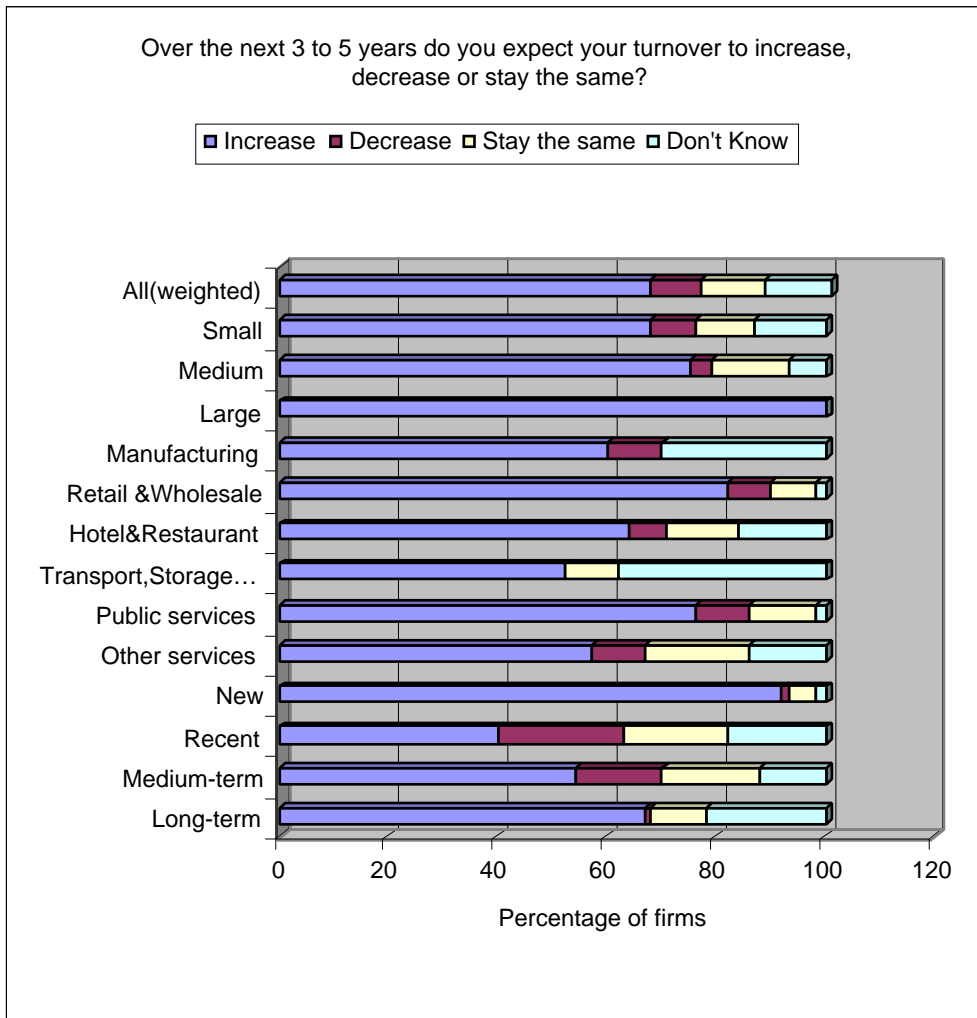


Source : King's Cross Business Survey 2000/01

Expected changes in annual turnover

While the net proportion of firms whose turnover had increased in the last 4 years before this study was 19%, there was a higher level of optimism for the future (Figure 2.12). Sixty-eight percent of all firms expected their future turnover to increase compared to 9% who thought that this would decrease and 12% expecting it to stay the same. There was therefore, a net positive balance of 58% of expected increase over expected decrease. The rate of optimism was highest within the large organisations – all three organisations responding to this question expected to see growth. The retail and wholesale sector showed the highest occurrence of hope as opposed while transport, storage communications and other services. By age, new establishments were more likely to expect growth in turnover than those of a recent and medium term.

Figure 2.12 : Expected changes in annual turnover



Source : King's Cross Business Survey 2000/01

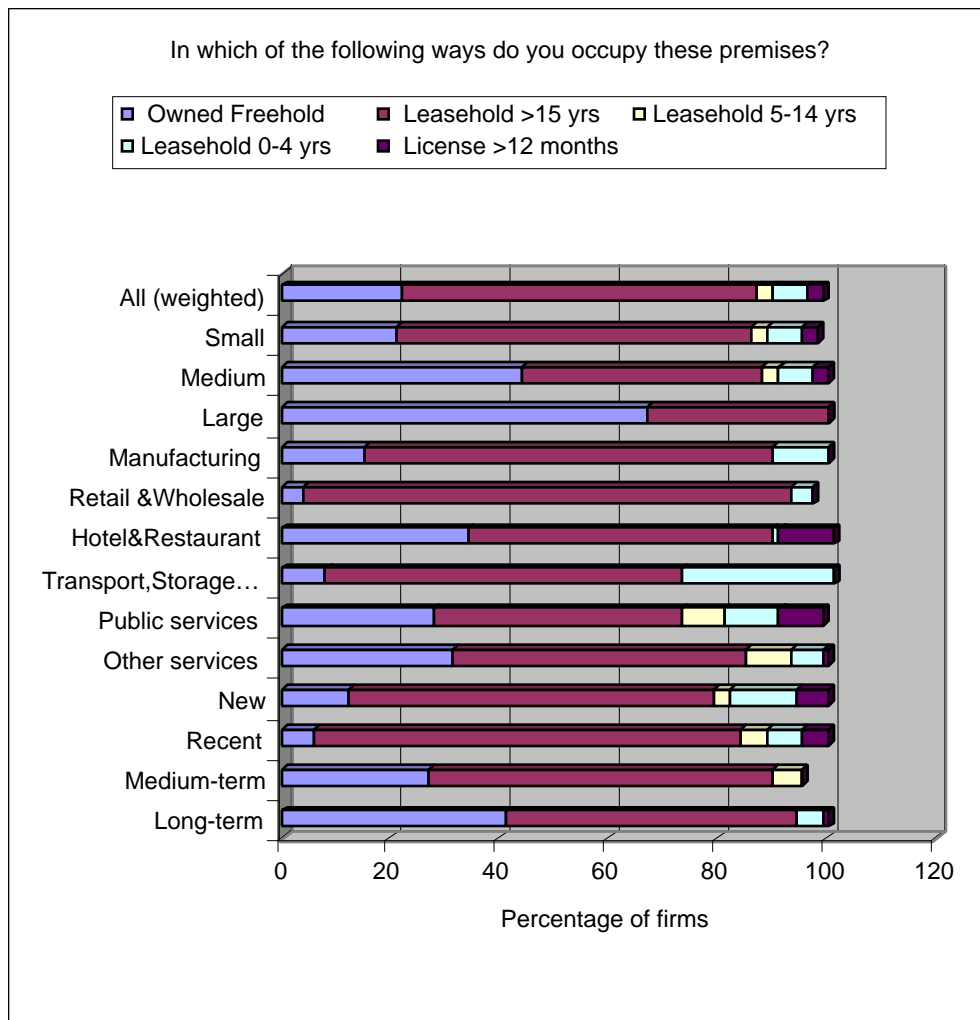
3 Locational Factors

3.1 Premises

Form of tenure

On the whole, the majority of the firms said they occupied their premises on a leasehold greater than 15 years (65%). Another 22% owned their premises freehold. The rest of the businesses occupied their premises on other shorter leases and licenses (Figure 3.1). Medium and large organisations were more likely to own the freehold than small organisations whose common form of tenure was a long leasehold (65%). Freeholds were more prevalent within the hotel and restaurant sector (34%) but less so within the retail and wholesale (4%), and transport, storage and communications (8%). Notwithstanding the high proportion of freeholds within the hotel and restaurant sector, there was also a significantly higher than average proportion (10%) of businesses on licenses of more than a year. Manufacturing, retail and wholesale sector firms were more likely to occupy their premises on a leasehold greater than 15 years (75% and 89% respectively).

Figure 3.1 : Form of tenure



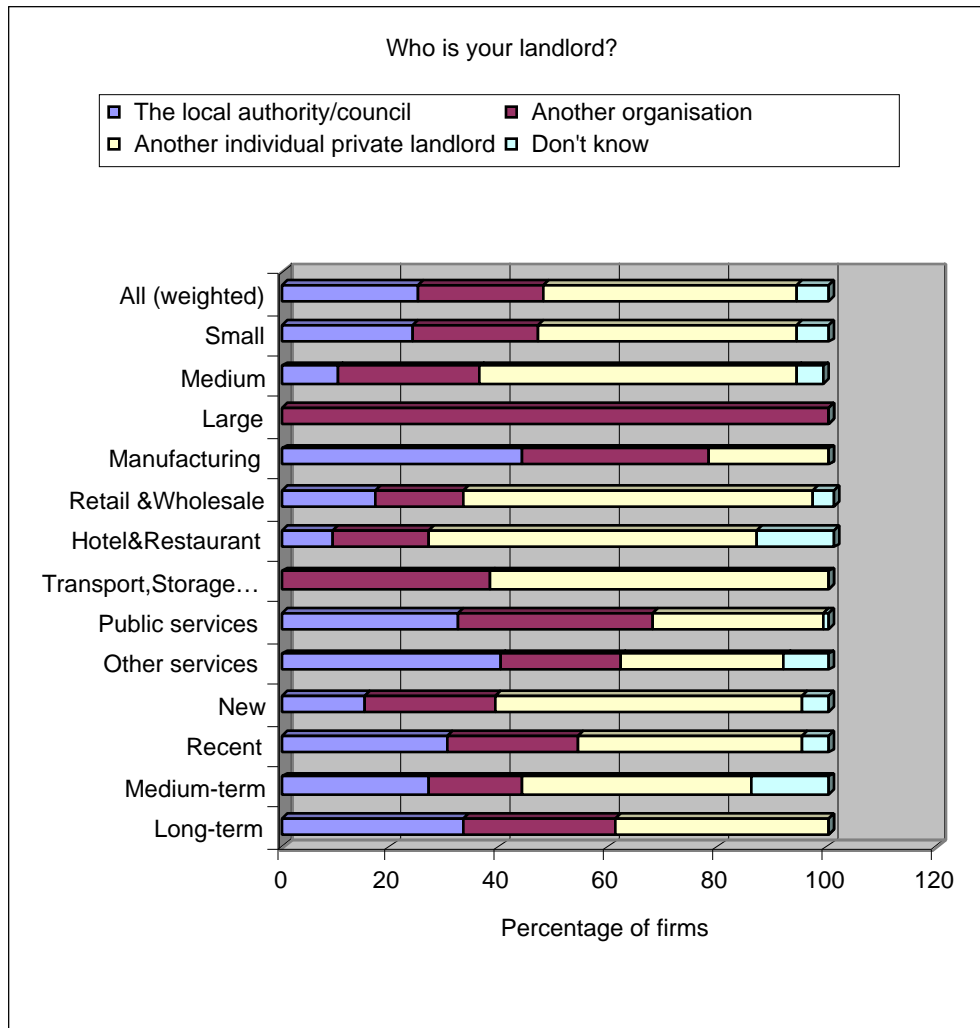
Source : King's Cross Business Survey 2000/01

Although most of the organisations were either on a long leasehold or freehold, some within the public (8%) and other services (8%), were more likely than the overall population to be on medium term (5-14 years) leaseholds, even short leases as in the case of 28% of firms in transport, storage and communications. By ownership, there was a higher than overall proportion of firms on freeholds within the not-for-profit (32%) and publicly owned organisations (72%) than within companies (17%) and private enterprises (17%) – the latter more likely to be on a long leasehold. However, there was also a higher than average proportion of medium term leaseholds within the not-for-profit (12%) and short leaseholds (0-4 years) within companies (21%). By age, the proportion of freeholds was highest among long term businesses (41%) and lowest among recent businesses (6%) but comparatively higher for new establishments (12%). Recent businesses were more likely to be on a long leasehold (78%).

Types of Landlord

Almost half (46%) of all businesses renting their premises did so from an individual private landlord, a quarter rented from the local authority and another 23% rented from an organisation (Figure 3.2).

Figure 3.2 : Types of Landlord



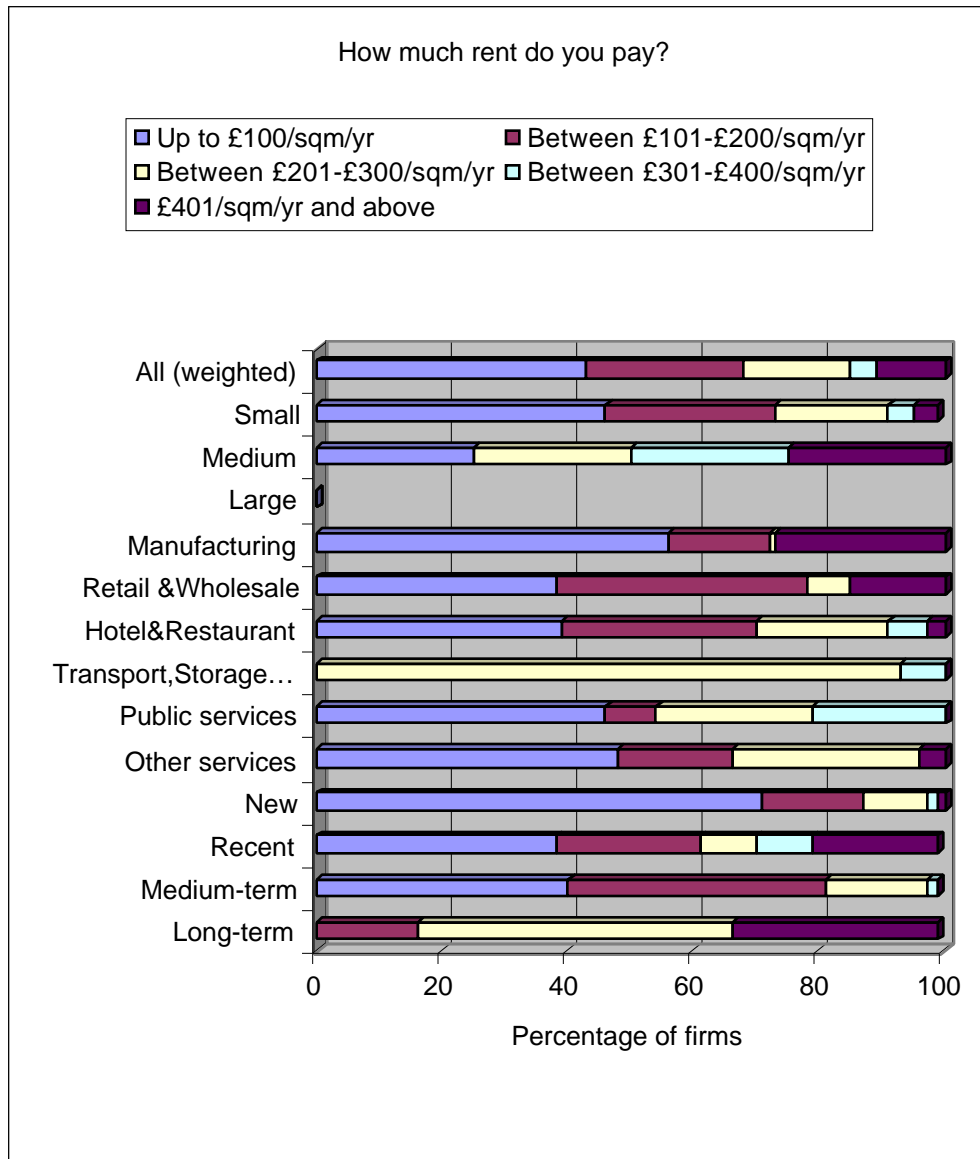
Source : King's Cross Business Survey 2000/01

Manufacturing and other service sector firms were more likely to rent from the local authority while retail and wholesale, hotel and restaurants, transport, storage and communications were more likely to rent from individual landlords. Firms within the public service sector were just as likely to be tenants of the local authority as of another organisation or individual private landlord. Sixty-eight percent of publicly owned establishments were tenants of the local authority representing the highest proportion of council tenants. Although the most prevalent form of tenure was rent from an individual private landlord, the proportion of businesses in private or company ownership renting from another organisation was considerably higher than the average and lower among the not-for-profit and public bodies. When disaggregated according to the length of time businesses have been in the area, there were no striking differences with the overall proportions and in all cases, the highest proportion was rent from another individual private landlord.

Rent levels

The annual rent per square metre ranged from a meagre £10 to £3150 (Figure 3.3). Rent for forty-three percent of businesses (mostly small) was less than £101. In 25% of cases, the rent paid was between £101-200; in another 17% it ranged between £201-300; 4% paid between £301-400, rising to over £401 in 11% of cases. While there was an even spread of medium size business across the entire rental spectrum, small business tended to be concentrated within the £10 – 300 band (91%) with only a few (8%) paying more than £301.

Figure 3.3 : Rent levels (square metre/per year)



Source : King's Cross Business Survey 2000/01

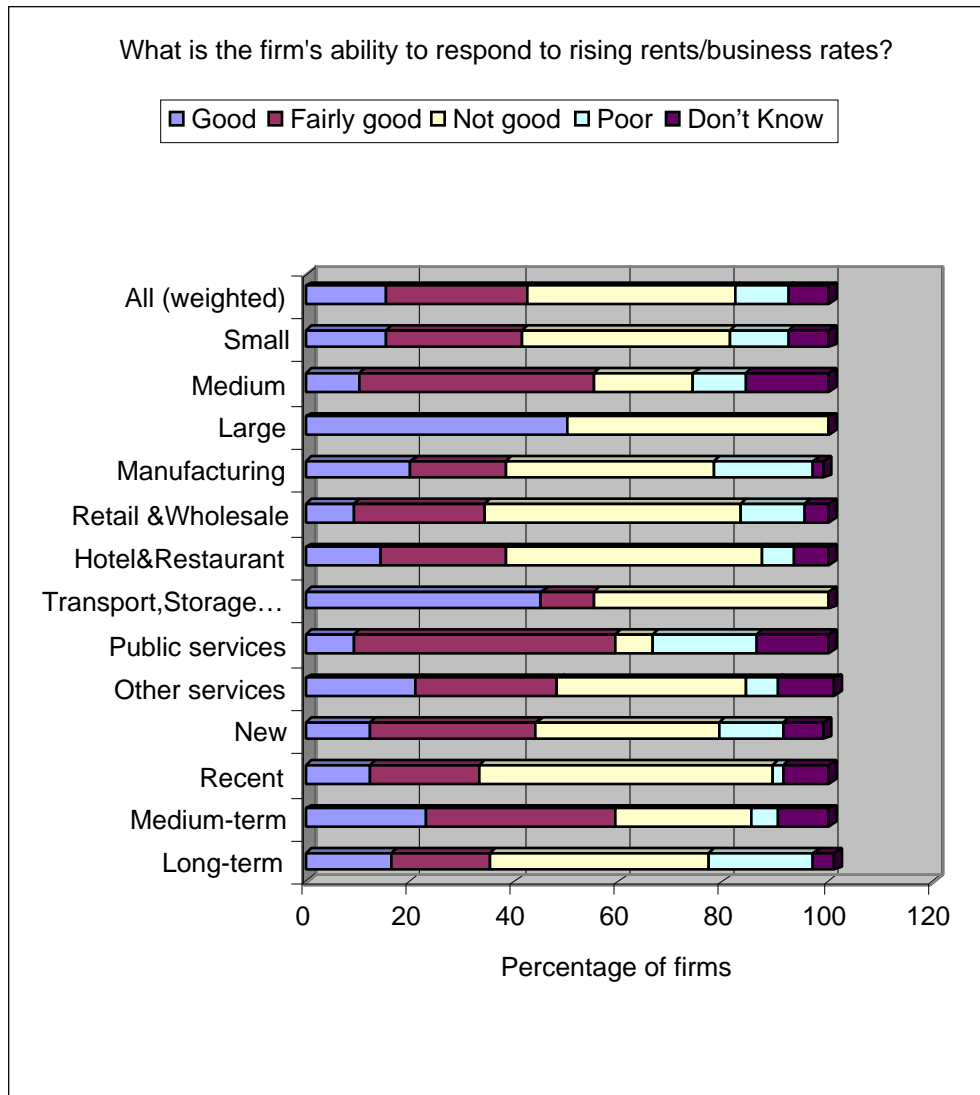
We had no information on rent from the one large businesses which rented its premises from another organisation. By sector, manufacturing firms were more likely than the overall population to be in premises either at the very lower end of the rental market (56% paid less than £101) or at the higher end (27% paid more than £401). With 40% of businesses, the retail and wholesale

sector were more likely than the overall average to occupy premises within the £101-200 rental band. The spread of business premises across the rental band within the hotel and restaurant sector was not significantly different from the overall average. Significantly, almost all premises (93%) in the transport, storage and communications sector were within the £201-300 rental band. Although most (46%) businesses within the public service sector paid less than £101, there was a significantly higher than the overall average proportion (21%) of establishments paying between £301-400 for their premises. Similarly with other services within which 48% paid less than £101 but a higher than overall average proportion (30%) paid between £201-300. The one publicly owned body which gave rental information paid over £401. Not-for-profit organisations were more likely than the overall average to occupy premises within the £201-300 (37%) and £301-400 (17%) rental band. While companies and private businesses mainly clustered around the lower three rental bands, in addition, there was a considerable proportion (16%) of private firms occupying premises in the highest rent band of more than £401. Seventy-one percent of newly arrived firms paid rent of less than £101 representing the highest proportion of businesses within that group and also across the range of time businesses have been in the area. At the other end of the spectrum, half (50%) of all long-term businesses were more likely than the overall average to pay rents between £201-300 and 33% paid rent over £401.

Businesses and change in rent/rate levels

Two-fifths of establishments expressed the view that their ability to respond to rising rents or business rates was not good and in another 10% of cases this was rated as poor (Figure 3.4).

Figure 3.4 : Ability to respond to change in rent/rate levels



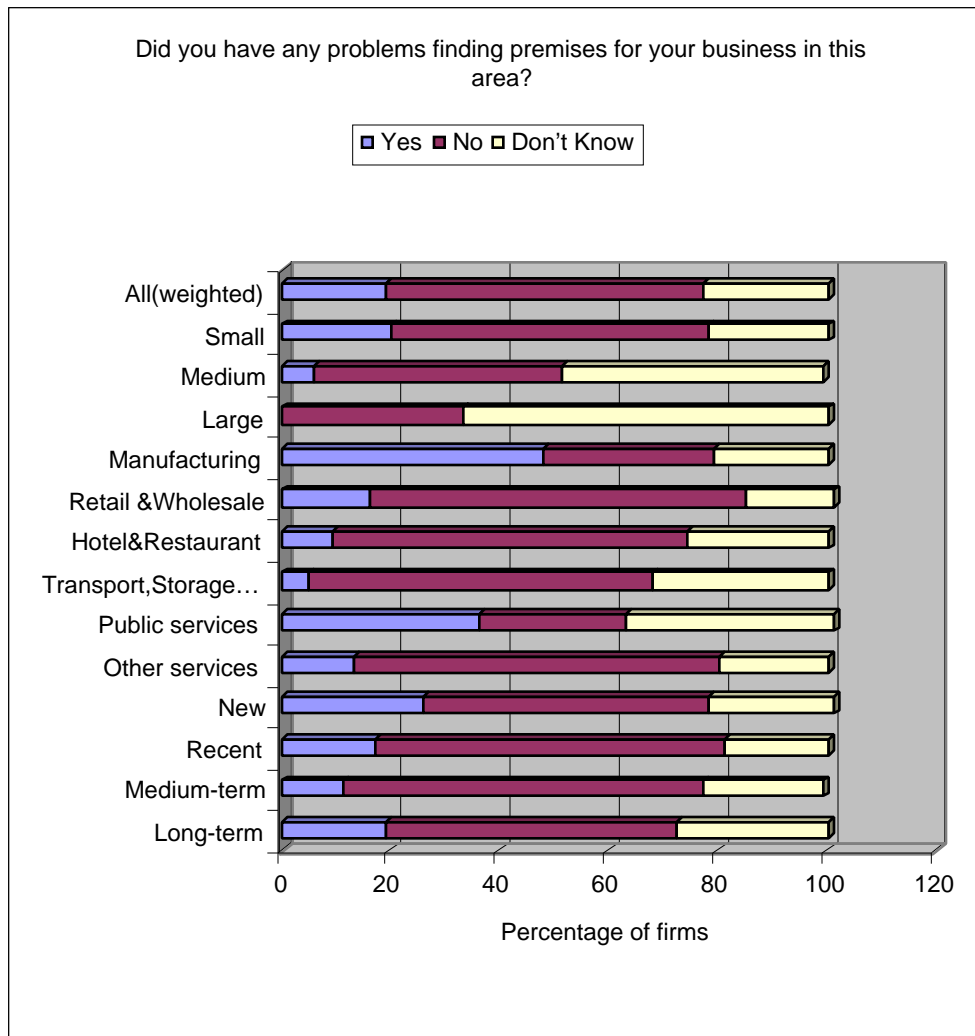
Source : King's Cross Business Survey 2000/01

Only 15% rated this as good and 27% as fairly good. Slightly over half (51%) of all small firms would have difficulties to adjust to such rises compared to 29% of medium size firms. Opinion within the transport, storage and communications sector was split between those 55% who had a good or fairly good ability to respond to rent/rate rises and 45% who considered their ability as not good. Except in the public services sector, within which 9% rated their ability to respond to rising rents/rates as good or fairly good (50%), firms in manufacturing, retail and wholesale, hotel and restaurants and other services gave the overwhelming view that this would be a problem. By ownership, the ability to adapt to such rises was strongest within companies, not-for-profit and public owned businesses and weakest in the privately owned firms. Perhaps reflecting the rent differentials, long-term businesses - who also paid some of the highest rents - were less likely to respond well to increased rents/rates. Forty-two percent of long-term firms rated their ability as not good while 20% (compared to an overall average of 10%) rated it as poor. On the other hand, at 44% and 59%, new and medium term firms respectively - a significant proportion of whom paid some of the lowest rents - had a better ability to respond to rent rises than recent and long term businesses.

Problems with finding premises

Fifty-eight percent of all businesses had had no problems finding premises for their business in the area with 19% saying that they had problems and a considerably high proportion of 23% didn't know (Figure 3.5).

Figure 3.5 : Problems with finding premises



Source : King's Cross Business Survey 2000/01

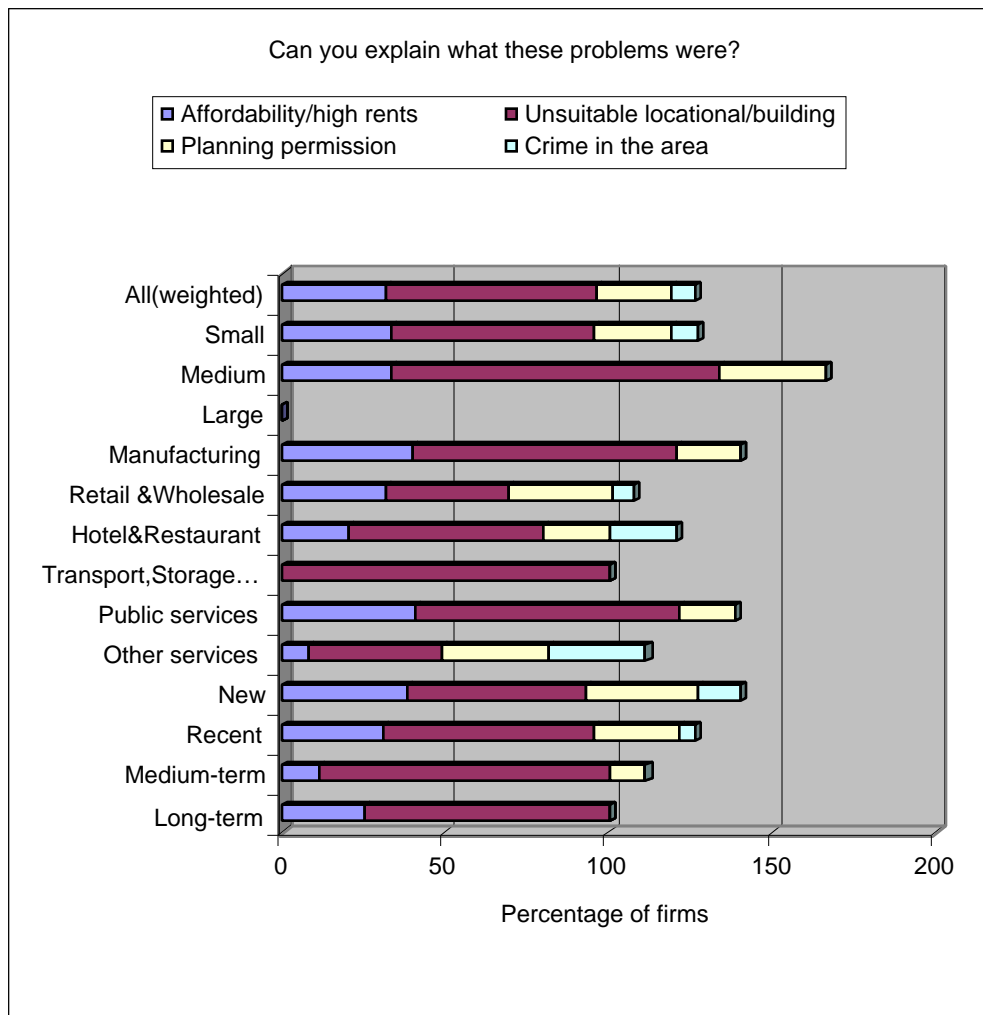
Small business were less likely to encounter problems in finding premises in the area than say medium or large firms. By sector, such problems were particularly higher than the overall proportion of 19% in manufacturing (48%) and public services sector (36%), for instance. Problems finding premises were significantly less within the retail and wholesale sector, 69% in this sector said they had no problems compared to the average 58%. By ownership, at 43%, not-for-profit establishments, perhaps not surprising, had a higher than the average 19% of firms stating that they had problems to find premises. There was an exceedingly high proportion (82%) of publicly owned businesses who said that they did not know whether there had problems finding premises or not. Only 16% of privately owned businesses and 10% of companies reported to

have had problems. By length of time, new and long-term businesses were more likely to have experienced problems than say, recent and medium term establishments.

Nature of problems in finding premises

Figure 3.6 shows that of all those businesses who had faced problems in finding premises in the area, the most prevalent was unsuitable location or building (64%) followed by high rents (32%). A considerable proportion of 23% cited problems associated with obtaining planning permission with only 7% saying crime was a contributing factor to the problem of finding premises.

Figure 3.6 : Range of problems



Source : King's Cross Business Survey 2000/01

Note: mention of more than one problem means that percent may exceed 100.

When disaggregated at sector level, survey evidence suggests that businesses within the manufacturing and public service sectors were more likely than the overall sample to face the combined problems of high rents and unsuitable locations or buildings. By length of time, a higher proportion of new and recent firms reported problems with high rents but less so with the suitability of location or building. On the other hand, medium and long-term businesses were less likely to have had rent problems but would have had problems with

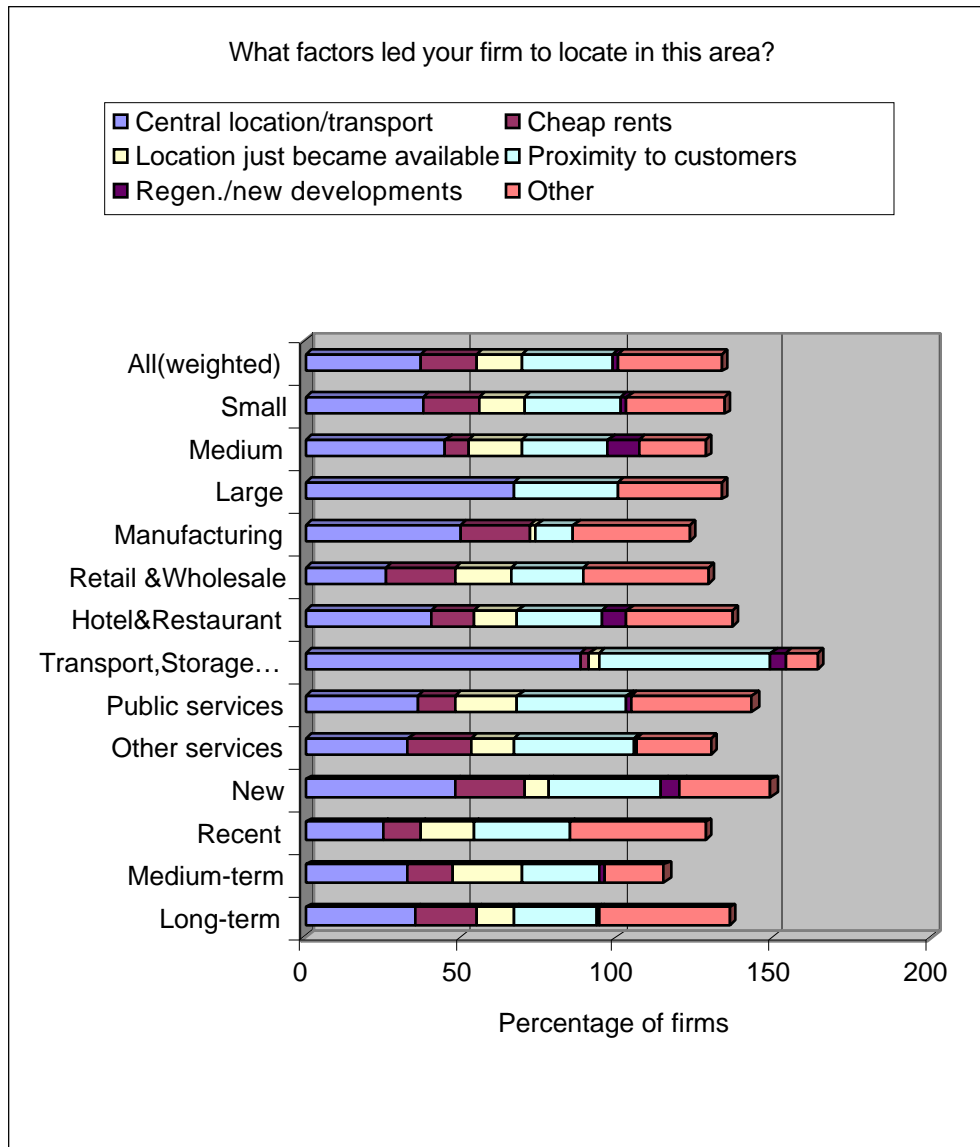
suitability of location or building. That rents were a problem for more recent firms rather than old ones and location/buildings were a problem for older firms rather than new ones might suggest we are seeing the effects of physical regeneration in the area.

3.2 Area

Factors affecting decision to locate in area

Figure 3.7 shows that the centrality of the area, transport networks and proximity to clients were strong determinants in business locational decisions. Thirty-seven percent of all businesses decided to locate in the area on the basis of central location and transport; 29% cited proximity to customers followed by cheap rents (18%). Only 2% had made the decision to locate in the area on the basis of ongoing or anticipated regeneration. This suggests that attracting new business and retaining existing ones might have little to do with the partnership's regeneration efforts but more to do with its central location and transport network.

Figure 3.7 : Reasons for locating in area



Source : King's Cross Business Survey 2000/01

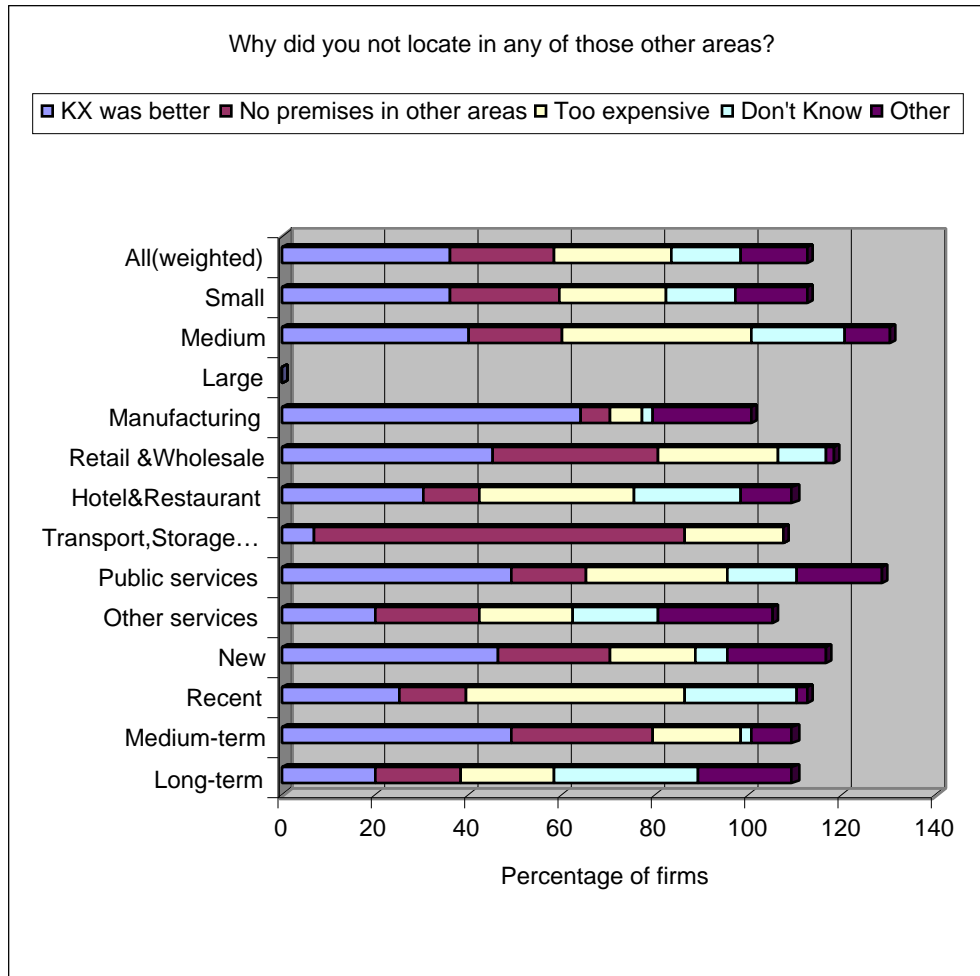
Within the manufacturing sector and also within the transport, storage and communications sector decisions to locate were more likely to have been made on the basis of centrality and transport than say within the retail and wholesale sector. In addition proximity to customers was also a strong locational determinant with business in the transport, storage and communications sector. While businesses in company ownership were more likely than the overall average to have located in the area on the basis of cheap rents, not-for-profit and public bodies' decisions to locate were made mainly on the basis of proximity to clients/customers.

Reasons for not locating in other areas

Of those firms that had considered other areas before locating in King's Cross, 36% said that King's Cross was better than other areas (Figure 3.8). Twenty five percent said that other areas had been too expensive and another 22% could not find premises in other areas. Survey

evidence suggests that despite the negative light in which King's Cross is often cast, the area has its attractions and has been able to shake off competition from other areas to become a destination of choice for certain firms. Comparatively cheap rents and the availability of space have obviously tipped the balance in favour of King's Cross for certain businesses.

Figure 3.8 : Reasons for not locating in other areas



Source : King's Cross Business Survey 2000/01

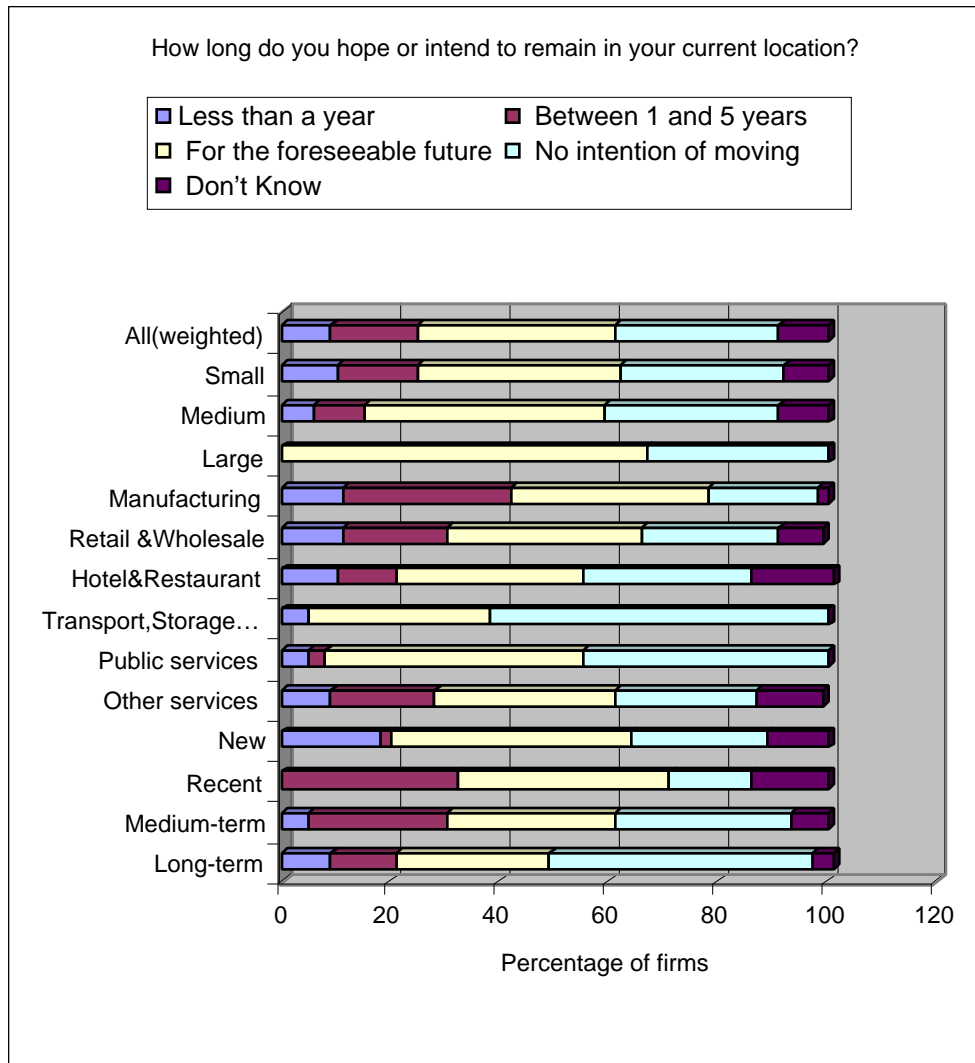
By sector, King's Cross was the preferred choice of location for a significantly higher proportion of manufacturing and public service sector firms. On the other hand, lack of premises in other areas led to a higher than average proportion of firms within the retail and transport sectors to set up at King's Cross.

By ownership, not-for-profit organisations were more likely that the overall proportion to have located in King's Cross because it was a better and cheaper area in comparison to other areas. While new and medium term firms have been drawn to King's Cross because it was deemed to be a comparatively better place, recent firms were put off from other areas due to high rents and presumably decided to locate in King's Cross because of its competitive rents.

Intentions to relocate

Two thirds of all businesses interviewed expressed an ongoing interest in the area – 36% percent hoped to remain in the area for the foreseeable future while another 30% had no intention of moving at all (Figure 3.9). On the other hand, 9% saw themselves relocating in less than a year and 16% within the next 1 to 5 years.

Figure 3.9 : Intentions to relocate



Source : King's Cross Business Survey 2000/01

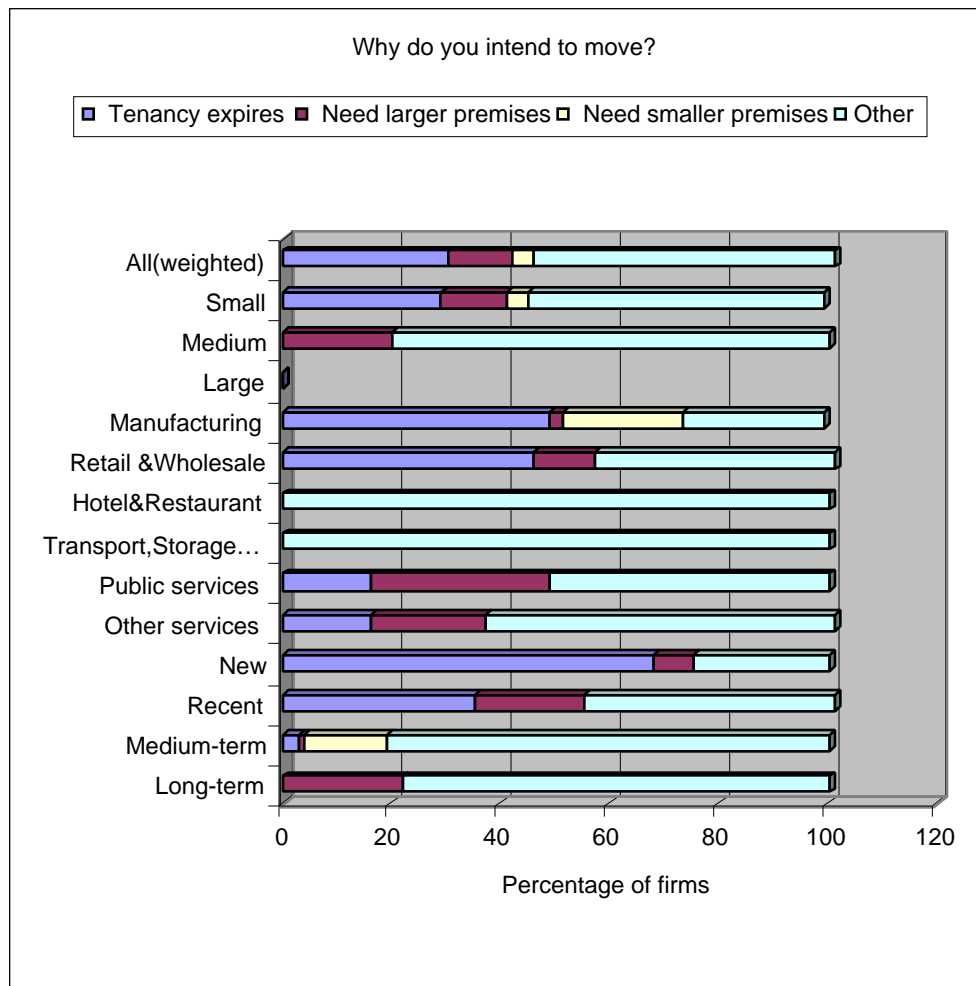
Two out of the three large firms hoped to remain in their location for the foreseeable future and the third had no intention of moving. Similarly, there were higher proportions within the small and medium size firms anticipating to stay than to relocate soon. Within the manufacturing sector, 31% of firms anticipated that they might relocate in between 1 to 5 years time. This was significantly higher than the average of 16% for all businesses. On balance, there was a higher proportion of businesses intending to remain in the current location for the foreseeable future across all sectors than say those that expected to relocate soon. In addition, at 62% and 45% respectively, transport, storage and communications and public service sector firms represented significant above average proportions of those firms with no intention of moving. By ownership, Privately

owned firms and companies were more likely to want to remain in their current location for the foreseeable future than not-for-profit and publicly owned firms were most likely not to have the intention of moving. While most new firms expected to stay in their current location for the foreseeable future, a considerable 18% (compared to an average of 9%) expected that they might be moving in less than one year. Similarly, 39% of recent firms had the hope or intention to remain in their location for the projected future. Equally, 32% of recent firms (twice the overall proportion) anticipated to move between 1 to 5 years. The tendency to not want to move was highest among long-term (48%) followed by medium term (32%) businesses. These relocation intentions will be linked to employment levels and to a wider policy debate in another report which will bring together our findings from both the household and business surveys.

Reasons for intentions to relocate

Asked why businesses wished or intended to move (Figure 3.10), the single most highest overall response was that tenancy expires (30%) followed by the need for: larger premises (12%) and smaller premises (4%). However, 55% gave a variety of other reasons.

Figure 3.10 : Reasons for intentions to move



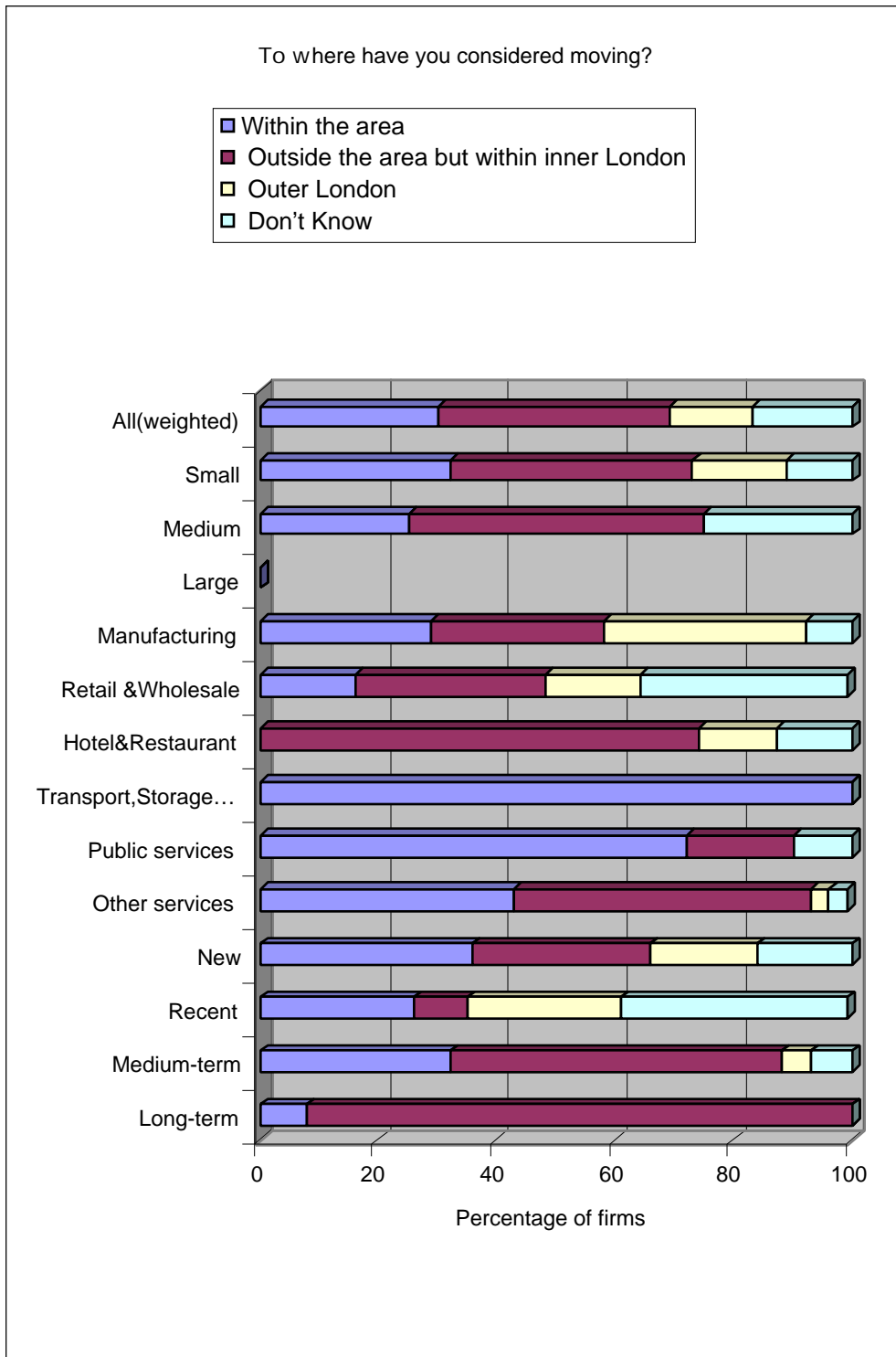
Source : King's Cross Business Survey 2000/01

With no large firm and only 5 medium size firms, the intention of moving was almost entirely exclusive to small firms. Disaggregated by sector, there was a considerably higher than the overall average 30% of firms who intended moving because their tenancy was coming to an end. Within manufacturing, the proportion was 49% and 46% within retail and wholesale sectors. In addition, 22% of manufacturing firms were looking to relocate to smaller premises exhibiting a significantly higher than average proportion. In all other cases a variety of reasons were given as the main factor for moving. In addition, however, thirty-three percent of firms within the public services sector were looking to move to larger premises. This was more than twice the overall average intending to move for this reason. By ownership, while 'other' reasons fared strongly in reasons for moving by private businesses, not-for-profit and public bodies, companies were more likely than average to cite need for larger premises (33%) but also need for smaller premises (23%). Sixty-eight percent of the new firms who were intending to relocate now or in the near future (1-5 years) gave the expiry of their tenancy as the main reason. Recent, medium-term and long-term firms on the other hand cited 'other' reasons as the main factor. Need for smaller premises among medium term businesses(15%) and need for larger premises among long-term businesses(22%) were however cited by proportions significantly higher than the average 4% and 12% respectively for the whole population.

Destinations of intending movers

Of those businesses with plans to relocate (Figure 3.11), 30% had considered relocating within the area, while 39% had considered moving outside the area but within inner London, another 14 had plans to move to outer London, and 17% did not know to where they would move.

Figure 3.11 : Destinations of intending movers



Source : King's Cross Business Survey 2000/01

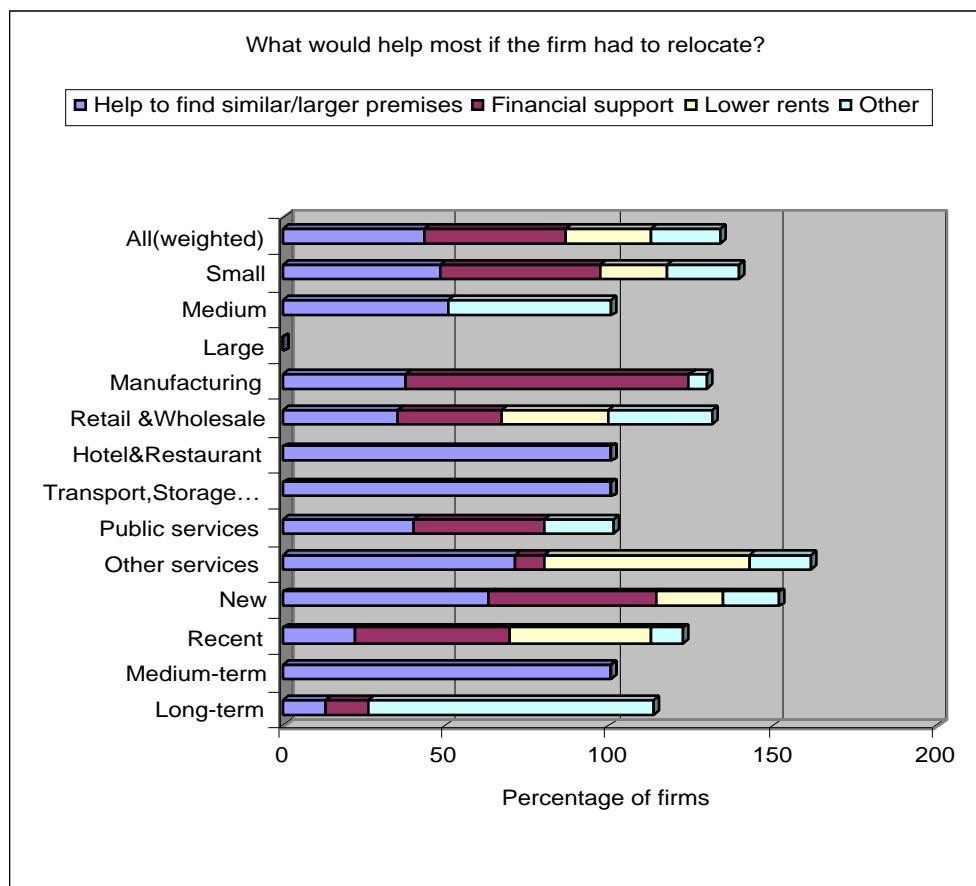
There were some significant above average proportions and differences in the locations considered by those firms with moving intentions. Both firms in the transport, storage and communications sector; 72% of public service firms and 43% other services firms exhibited

considerable above average proportions of firms who had considered relocating within the area. In the case of 'outside the area but within inner London', above average proportions could be found within the hotel and restaurant (74%) and again in the other services sector (50%). At 34%, manufacturing firms on the other had represented a significant above average proportion of firms intending to relocate in our London. By ownership, considerable above average proportions had considered to moving within the area, for example within companies this proportion was 77% and within public bodies it was 60% compared to the average of 30%. Fifty-seven percent of privately owned businesses had considered moving out but within inner London against an overall average of 39%. The likelihood to want to move within the area was highest among new firms (36%). Medium and long-term businesses on the other hand were more likely than the overall population to want to move outside the area but within inner London (56% and 92% respectively). The proportion of those intending to move to outer London was higher than the overall population among recent firms (26%).

Help with relocation

Forty three percent of all businesses with plans to relocate said that they would appreciate help in finding alternative premises (Figure 3.12). A similar proportion said that they would find financial support a great help with another 26% citing lower rents. Except for two medium size enterprises, almost all businesses requiring help with relocation were small.

Figure 3.12 : Types of help required with relocation



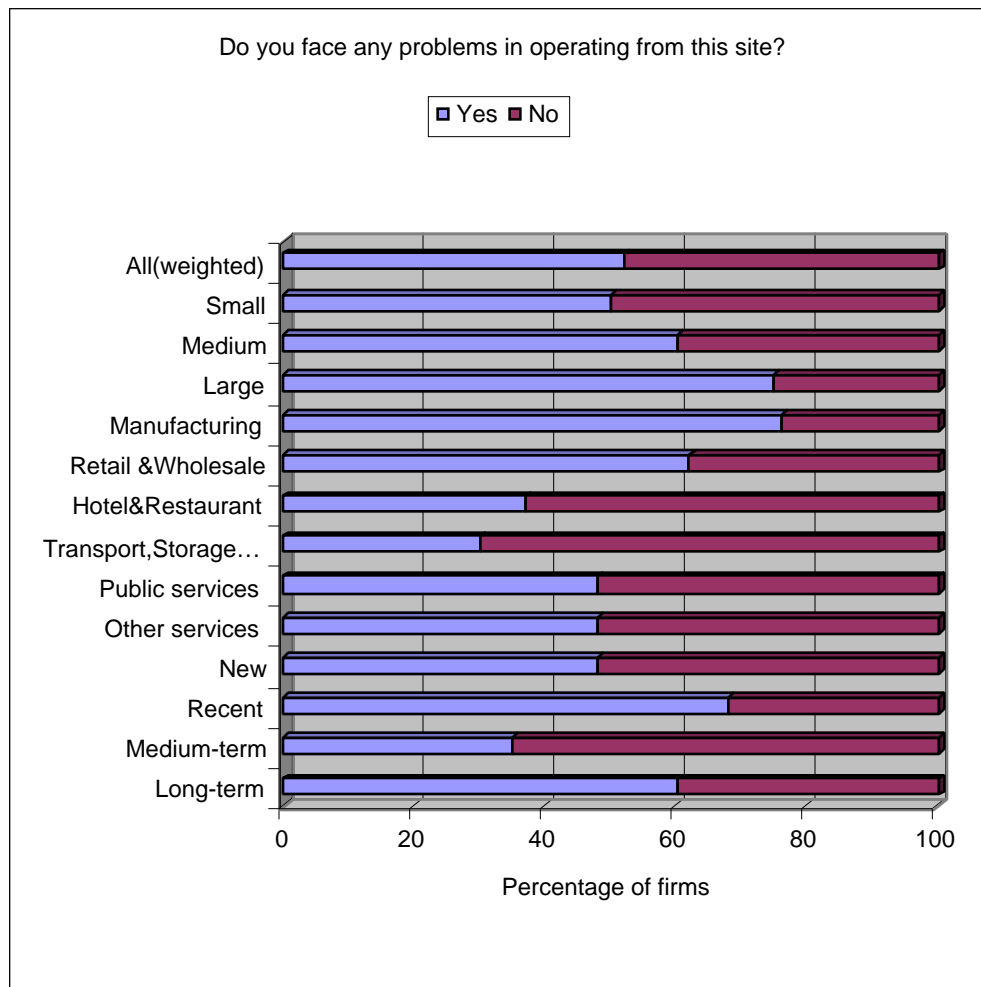
Source : King's Cross Business Survey 2000/01

Note: Total percentages exceed 100 because of multiple responses

Site operational problems

Slightly over half (52%) of all businesses interviewed said that they faced problems operating from their current location (Figure 3.13).

Figure 3.13 : Prevalence of site operational problems



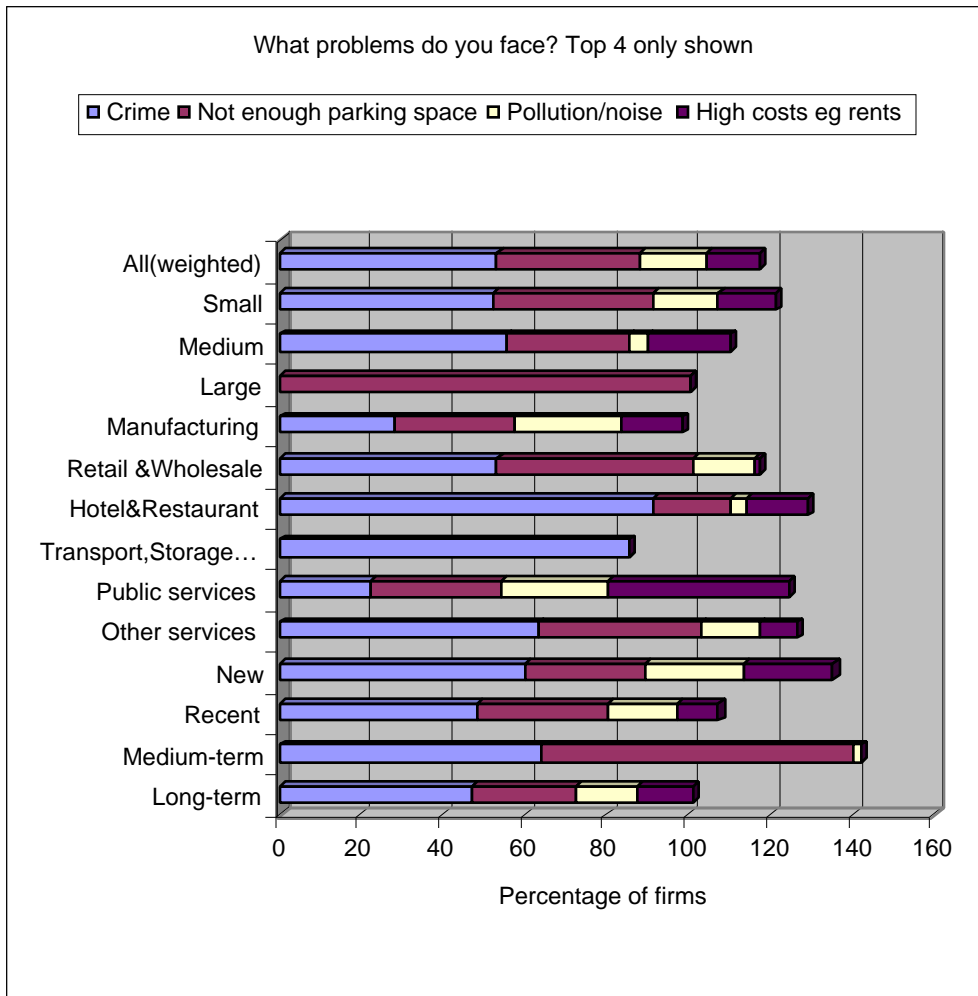
Source : King's Cross Business Survey 2000/01

The proportions of firms reporting problems was directly related to the size of the firm – lower among smaller firms and higher among large firms. Businesses within the manufacturing (76%) and retail and wholesale (62%) sectors were more likely than the overall population to face problems at their present site. Least likely to face any problems were those firms within the transport, storage and communications sector (30%). By ownership, 65% of not-for-profit firms said that they faced problems at their current location compared to the overall average of 52%. Least likely to face problems were companies (48%). This experience of problems was most acute among recent firms among whom the rate was 68% and least among medium-term (35%).

Nature of problems faced by businesses

Businesses operating in the area faced a number of problems ranging from criminal activity to the bad reputation of the area (Figure 3.14). The four mostly reported problems were crime (53%), not enough parking space (35%), Air/noise pollution (16%) and high rentals (13%).

Figure 3.14 : Types of problems



Source : King's Cross Business Survey 2000/01

Note: Total percentages exceed 100 because of multiple responses

By sector, hotel and restaurant sector, transport, storage and communications sector and other services sector had very high proportions of businesses reporting problems with crime. Businesses in the retail and wholesale sector were more likely than the overall average to face problems associated with parking. Firms within manufacturing and public services were more likely than the overall average to face problems of air/noise pollution and in the case of public services high rental costs as well.

Ranking of unfavourable locational/labour factors

Businesses were asked to rank from 1 upwards (beginning with the most unfavourable = 1) the effect of a number of negative or cost factors on their business (Table 3.1).

Table 3.1 : Absolute ranking order of unfavourable factors

Factors	% ranking 1	% ranking 2	% ranking 3	% ranking 4	% ranking 5	% ranking 6
Rents	52	27	10	8	3	1
Business Rates	50	27	10	5	1	6
Staff recruitment and retention due to high wages	24	24	21	14	17	1
Staff recruitment and retention due to poor skills	19	23	27	19	11	1
Costs of crime or crime prevention	12	24	26	21	12	5
Costs of inconvenience of parking, loading, access	33	36	17	8	5	2
Other	25	31	15	14	13	2

Source : King's Cross Business Survey 2000/01

The total percentage of those businesses ranking a factor in the bottom half of the rank order (4, 5 and 6) was subtracted from the total percentage of those businesses ranking the respective factor in the top half of the rank order (1, 2 and 3). The result gave us a figure representing the relative ranking of the factor overall (Table 3.2).

Table 3.2 : Relative ranking order of unfavourable factors

Factors	Overall % ranking negative factor as 1,2 or 3
Rents	77
Business Rates	75
Staff recruitment and retention due to high wages	37
Staff recruitment and retention due to poor skills	38
Costs of crime or crime prevention	24
Costs of inconvenience of parking, loading, access	71
Other	42

Source : King's Cross Business Survey 2000/01

Rents, business rates and the inconvenience of parking, loading and access – in that order – were the most adverse factors. Overall, the adverse effects of rental costs were ranked as 1, 2 or 3 by 77% of businesses, followed by business rates at 75% and the inconvenience of parking,

loading and access by 71%. At the bottom end was cost of crime and crime prevention at 24%, high wages at 37% and poor skills at 38%. Notice that although the area is perceived as a high crime area, its cost effects were ranked lower than other negative factors.

Ranking of favourable locational factors

Businesses were asked to rank from 1 upwards (beginning with the most favourable = 1) the effect of a number of positive or profit factors on their business (Table 3.3).

Table 3.3 : Absolute ranking of favourable factors

Factors	% ranking 1	% ranking 2	% ranking 3	% ranking 4	% ranking 5
Accessibility for customers and staff	81	15	1	3	0
Benefits of intense pedestrian flow	30	41	22	7	0
General reputation of the area	22	45	18	15	0
Attractive features of buildings/area	16	44	32	9	0
Other	4	40	53	0	3

Source : King's Cross Business Survey 2000/01

The total percentage of those businesses ranking a factor at the lower end of the rank order (4, 5) was subtracted from the total percentage of those businesses ranking the respective factor in the top end of the rank order (1, 2 and 3). The result gave us a figure representing the relative ranking of the factor overall (Table 3.4).

Table 3.4 : Relative ranking of favourable factors

Factors	Overall % ranking positive factor as 1,2 or 3
Accessibility for customers and staff	94
Benefits of intense pedestrian flow	86
General reputation of the area	70
Attractive features of buildings/area	83
Other	94

Source : King's Cross Business Survey 2000/01

Overall, accessibility, benefits of intense pedestrian flow, attractive features of buildings/area and general reputation of the area - in that order - were the most beneficial factors. Accessibility was ranked as 1, 2 or 3 by 94% of businesses. Intense pedestrian flow by 86%, attractive features of building/area by 83% and general reputation of the area by 70%. The fact that there was in the region of 70-83% businesses ranking as 1, 2 or 3 factors related to the reputation of and features of buildings in the area is evidence that in spite of the abhorrence the area generates with certain people, it is held in affection by others.

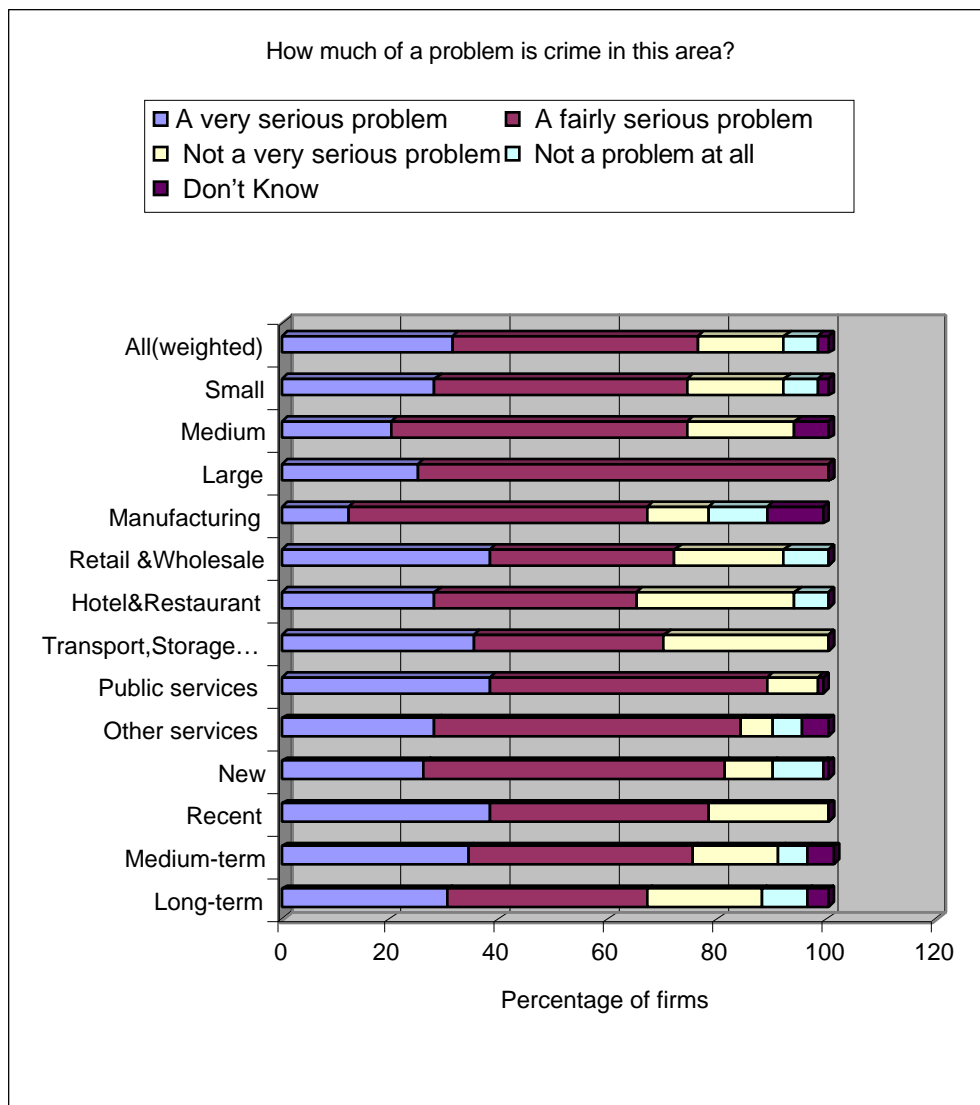
4 Crime

4.1 Perception of crime

Seriousness of crime

Turning to the specific problem of crime (Figure 4.1), slightly over three-quarters of businesses thought that crime was a serious problem in the area. Thirty-one percent rated it a very serious problem and another 45% thought it to be a fairly serious problem.

Figure 4.1 : Seriousness of crime



Source : King's Cross Business Survey 2000/01

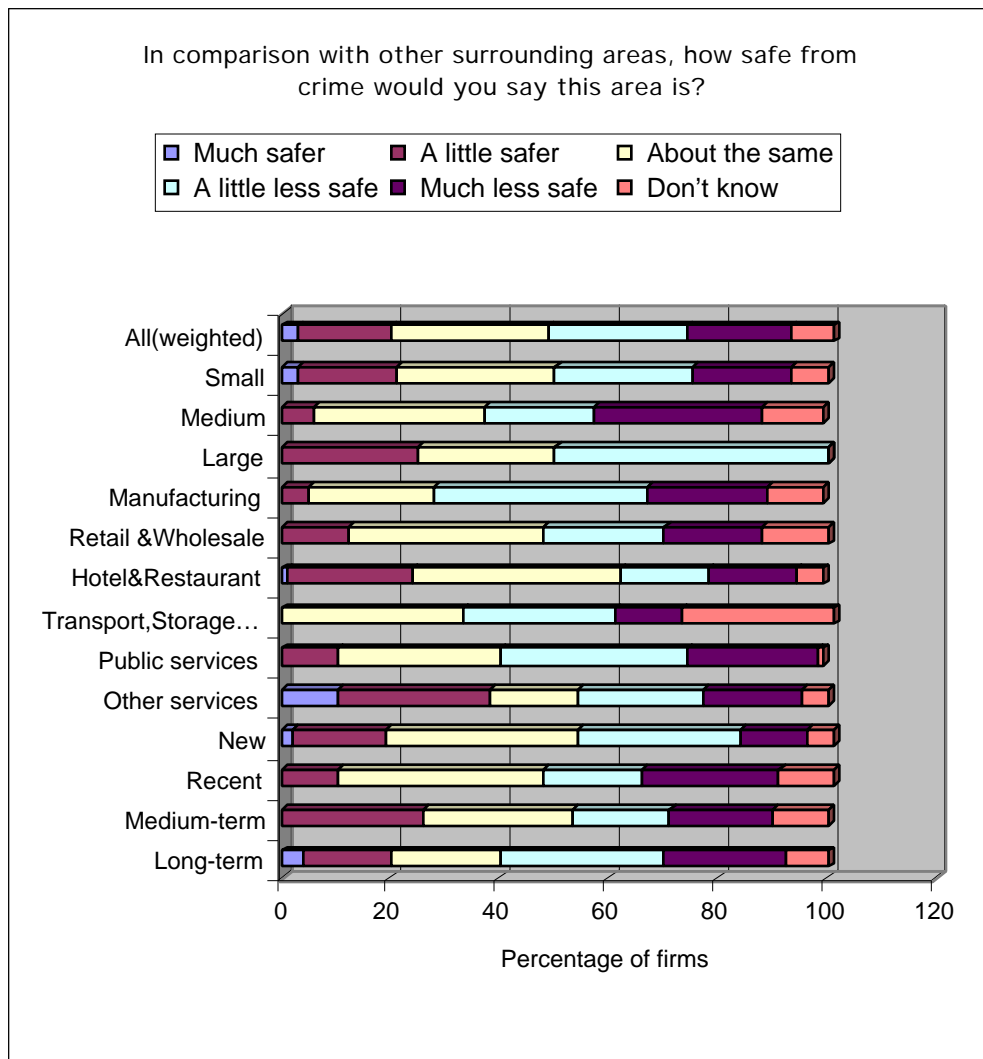
Sixteen percent said that crime was not a very serious problem with another 6% (all of them small firms) dismissing it as not a problem at all. All 4 large firms rated crime as a serious problem (very or fairly) while the proportion among small and medium size firms was 74%. Except for retail and wholesale, within which a higher proportion of 38% thought crime was a very

serious problem, all other sectors were more likely to think of it as a fairly serious problem. Within manufacturing and other services however, the proportion of firms saying crime was a fairly serious problem was significantly higher than the overall average of 45% (55% for manufacturing and 56% for other services). Twenty-nine percent of firms in the Hotels and restaurants and 30% within the transport, storage and communications sectors, reported that crime was not a very serious problem representing a considerable higher proportion than the average 16%. The perception about crime was worst among public bodies and not-for-profit organisations (88% and 84% respectively said that crime was a serious problem), compared to 73% among privately owned businesses and 74% among companies. New and recent businesses rather than medium and long-term ones were more likely to think that crime was a serious problem.

Safety in comparison with other areas

In comparison with other surrounding areas (Figure 4.2), 44% thought that their area was less safe (little less safe or much less safe), 29% said it was about the same, and 20% rated the area to be safer (much safer or little safer).

Figure 4.2 : Safety of the area in comparison with other areas



Source : King's Cross Business Survey 2000/01

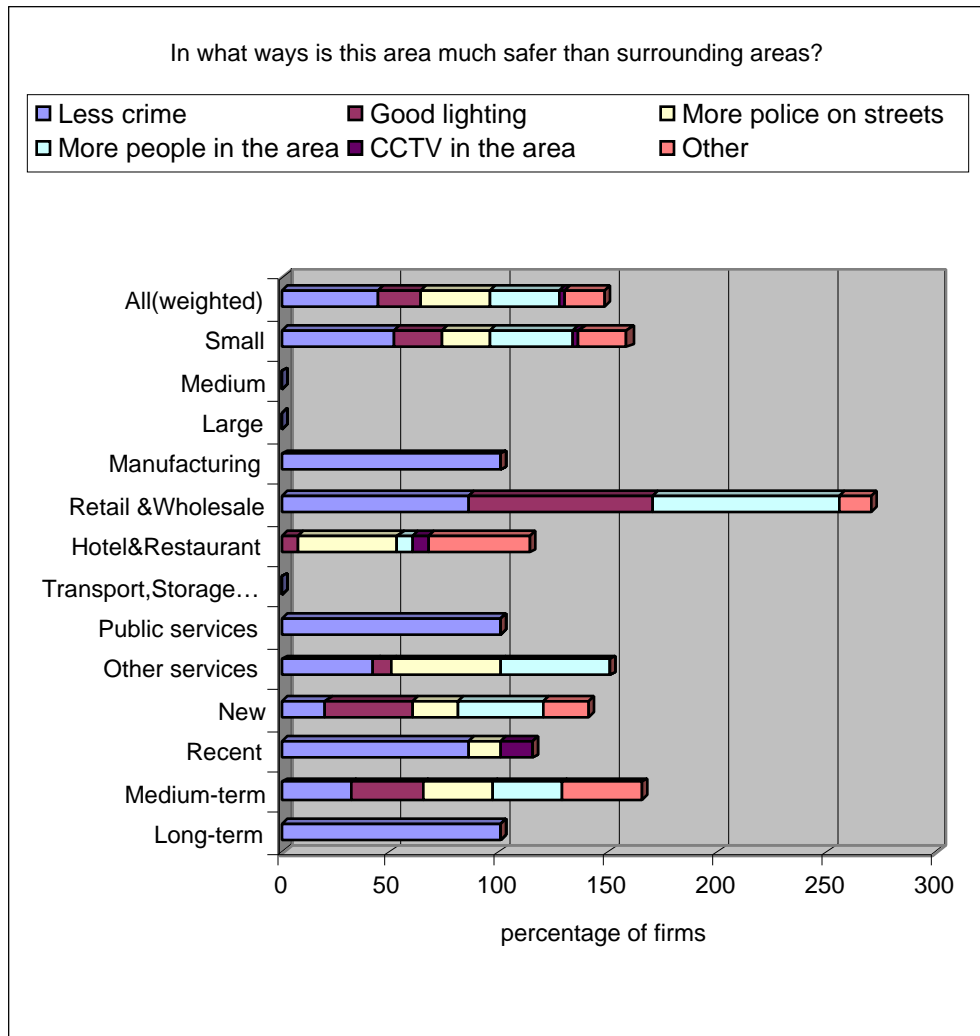
By size, a slightly higher proportion (25% or 1 out of 4) of large businesses and 21% of small businesses said the area was safer than other surrounding areas compared to only 6% medium size firms. On the whole therefore, medium size firms compared the area less favourably to other surrounding areas than did small and large firms. By sector, firms within the other services sector were, on average, more likely to state that the area was safer while those within manufacturing were, on average more likely to state that it was less safe. By ownership, although not much higher than the average, the view that the area was safer than other surrounding areas was rather strong among the privately owned firms (23%) and companies (20%) but much lower among the not-for-profit (9%) and public bodies (5%).

By number of years, a slightly higher than average (26%) medium-term and 20% long-term firms and 19% new firms said that the area was safer than surrounding areas compared to only 10% recent firms.

Reasons for thinking the area was much safer than surrounding areas

Those businesses expressing strong opinions on the safety of the area in comparison to other surrounding areas were further asked to state why they thought the area was much safer or much less safe. Those saying that the area was much safer than other surrounding areas (Figure 4.3) attributed their view to less crime (44%), more police on the streets (32%), more people in the area (32%), good lighting (19%) and only 2% thought the area was comparatively safer as a result of CCTV.

Figure 4.3 : Reasons for rating area much safer than surrounding areas



Source : King's Cross Business Survey 2000/01

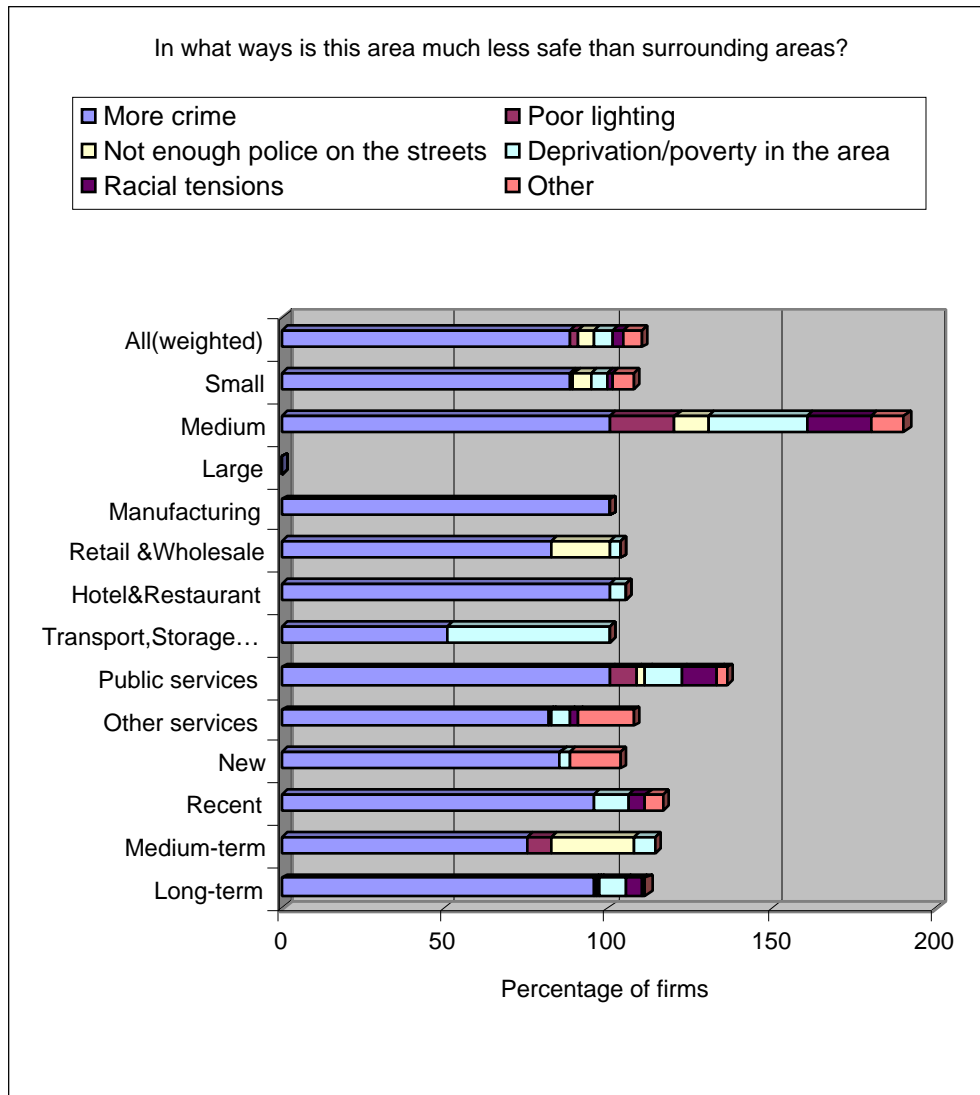
Note: Total percentages exceed 100 because of multiple responses

This positive assessment was only present among small firms. There was a variation across sectors on the main reasons why the area was rated safer than surrounding areas. All firms within the manufacturing and public services sectors cited less crime; firms in the retail and wholesale sector gave a number of reasons (less crime, good lighting, more people in the area); more police on the streets was the main safety factor among firms within the hotel and restaurants sector; and other services sector referred to more people and police in the area. Long-term and recent firms were more likely than the overall average to cite less crime while medium and new firms attributed this feeling of safety to good lighting.

Reasons for thinking the area was much less safe than surrounding areas

Of those rating the area as much less safe than other areas (Figure 4.4), the one main reason was that of more crime in the area (88%).

Figure 4.4 : Reasons for rating area much less safe than surrounding areas



Source : King's Cross Business Survey 2000/01

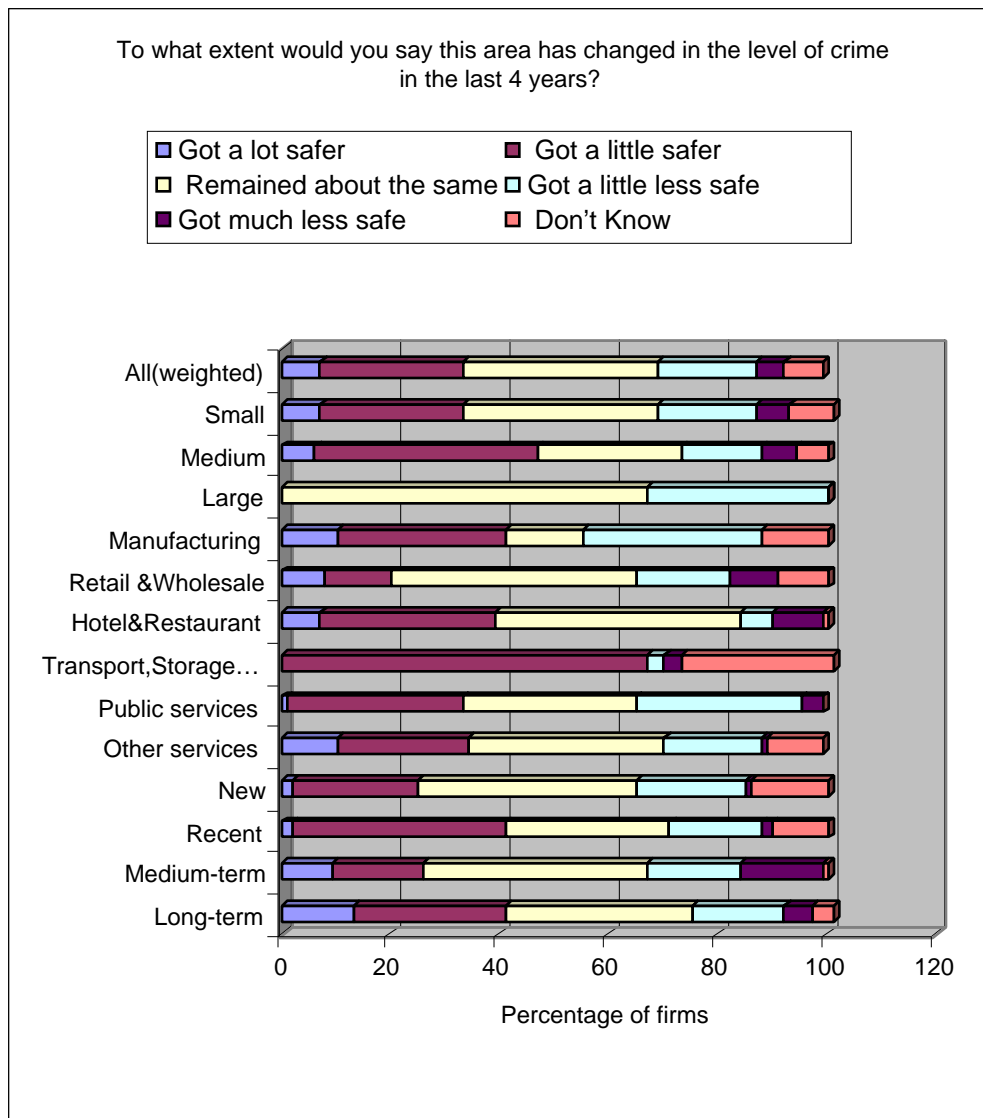
Note: Total percentages exceed 100 because of multiple responses

The proportion of firms citing this reason was significantly higher than the overall average for medium size firms, manufacturing, hotel and restaurants and public service sectors.

Change in the level of crime in the area in the last 4 years

In addition to comparing the area with other surrounding areas, businesses were asked to look back over the last four years (going back to 1996 when the King's Cross Partnership started its work), and state to what extent they thought that the area had changed in the level of crime (Figure 4.5). Thirty-three percent of all firms interviewed said that the area had become safer, 36% said that there had been no change in the level of crime while 23% thought that the area had become less safe.

Figure 4.5 : Change in level of crime within the area in last 4 years



Source : King's Cross Business Survey 2000/01

By size, thirty-three percent of small firms and 47% of medium-size firms thought that the area had become safer. Thirty-three percent (2 of the 3 large firms said there had been no change while one of them said that the area had become less safe.

The proportion of businesses stating that the area had become safer was highest (67%) within the transport, storage and communications sector and lowest (20%) within the retail and wholesale sector. On the other hand, 34% of firms within the public services sector and 33% in the manufacturing sector reported that the area had become less safe. By ownership, the view that the area had become safer was strongest among those businesses in private ownership in which the proportion reporting that the area had become safer was 36% and weakest within public bodies in which the proportion was only 12%. Vice versa, public bodies were more likely than private firms to state that the area had become less safe.

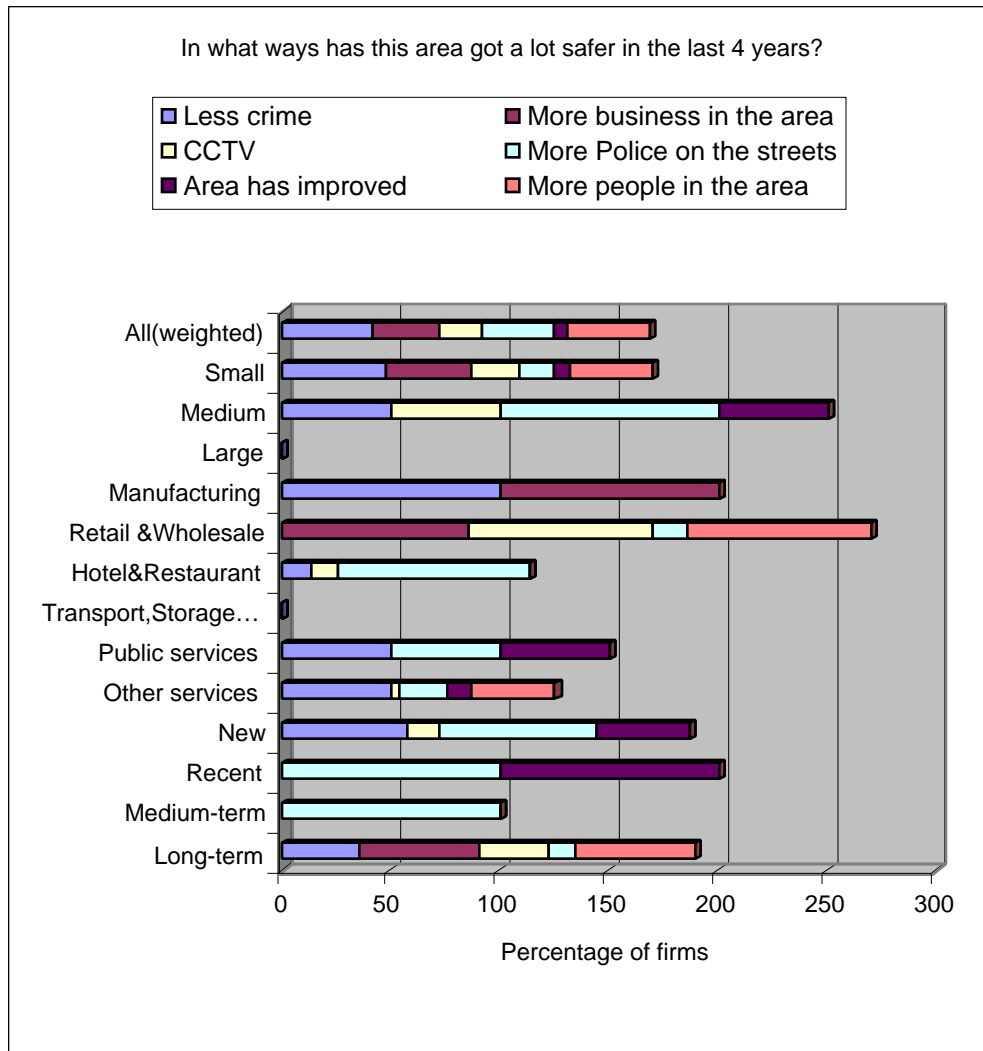
By number of years in the area, recent firms were just as likely as long-term firms to report positive changes in the level of crime over new or medium-term firms who were less positive by

similar proportions. The highest proportion reporting that the area had become less safe was within the medium-term firms.

Reasons for thinking the area had got a lot safer in the last 4 years

Those firms with strong opinions on the changes in the safety of the area were further asked in what ways they thought the area had got a lot safer or much less safe within the last 4 years (Figure 4.6). Overall those reporting improvement in safety referred to less crime (41%), more people in the area (37%), more police on the streets (32%), more business in the area (31%), CCTV (20%), and general environmental improvements (7%) as some of the pointers to their perceived safety improvements in the area in the last 4 years.

Figure 4.6 : Reasons for reporting improved safety in the last 4 years



Source : King's Cross Business Survey 2000/01

Note: Total percentages exceed 100 because of multiple responses

Reasons for thinking the area had got much less safe in the last 4 years

Among those reporting deteriorating safety there was a unanimity – all of them cited more crime as a reason why they thought the area had got much less safe in the last 4 years.

4.2 Experience of crime

The three most prevalent types of crime experienced by businesses in the area in the year before the study were burglary, theft by customers, and violent crime (Table 4.1).

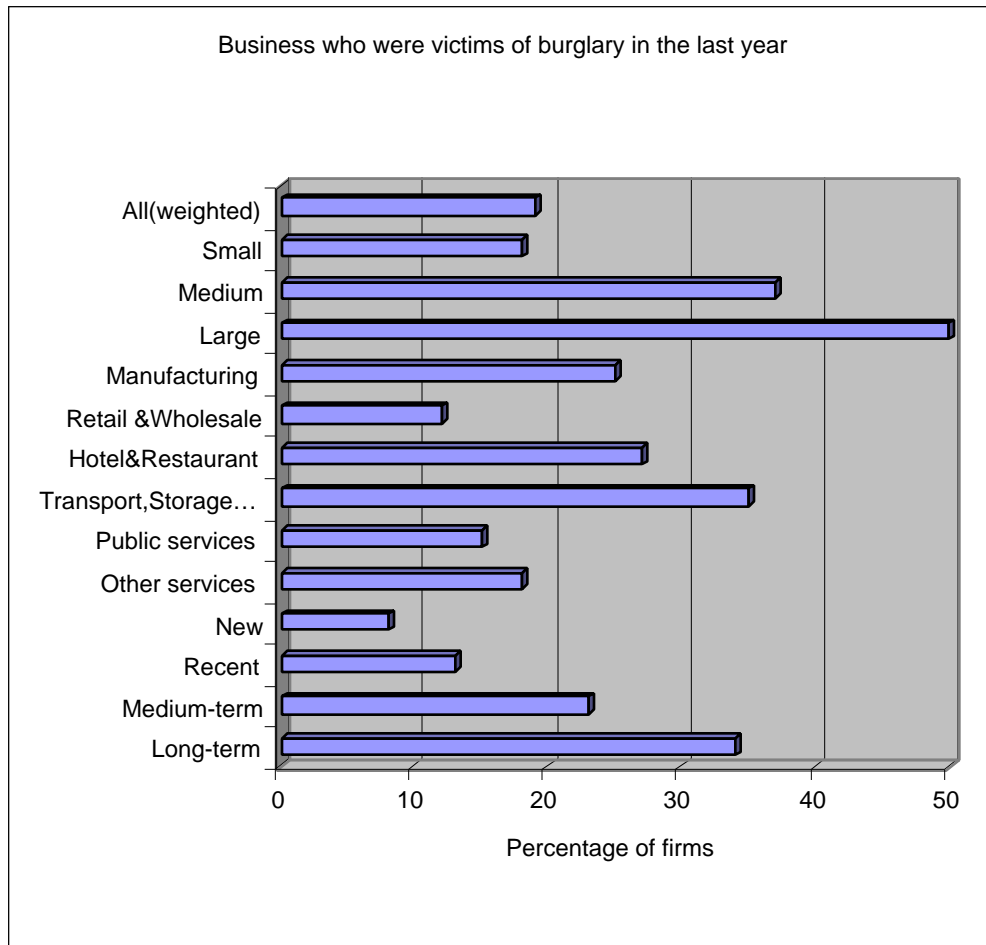
Table 4.1 : Type of crime experienced and proportion of businesses

Type of crime	% of businesses experiencing this crime
Burglary	19
Theft by customers	17
Fraud	2
Theft from vehicle	6
Theft of vehicle	4
Violent crime	10
Other crime	27

Source : King's Cross Business Survey 2000/01

When disaggregated according to size, sector, ownership and number of years business has been operational in the area (Figure 4.7), the experience of burglary was significantly higher than the overall average among medium (37%) and large firms (50%). Although it should be stated that with large firms, this represents 2 out of 4 businesses. By sector, this crime was highest in transport, storage and communications (35%) and lowest within retail and wholesale (12%). At 21%, companies were more likely than public bodies (7%) to get burgled. By number of years, the experience profile of burglary was worst among long-term establishments (34%) and best for new firms (8%).

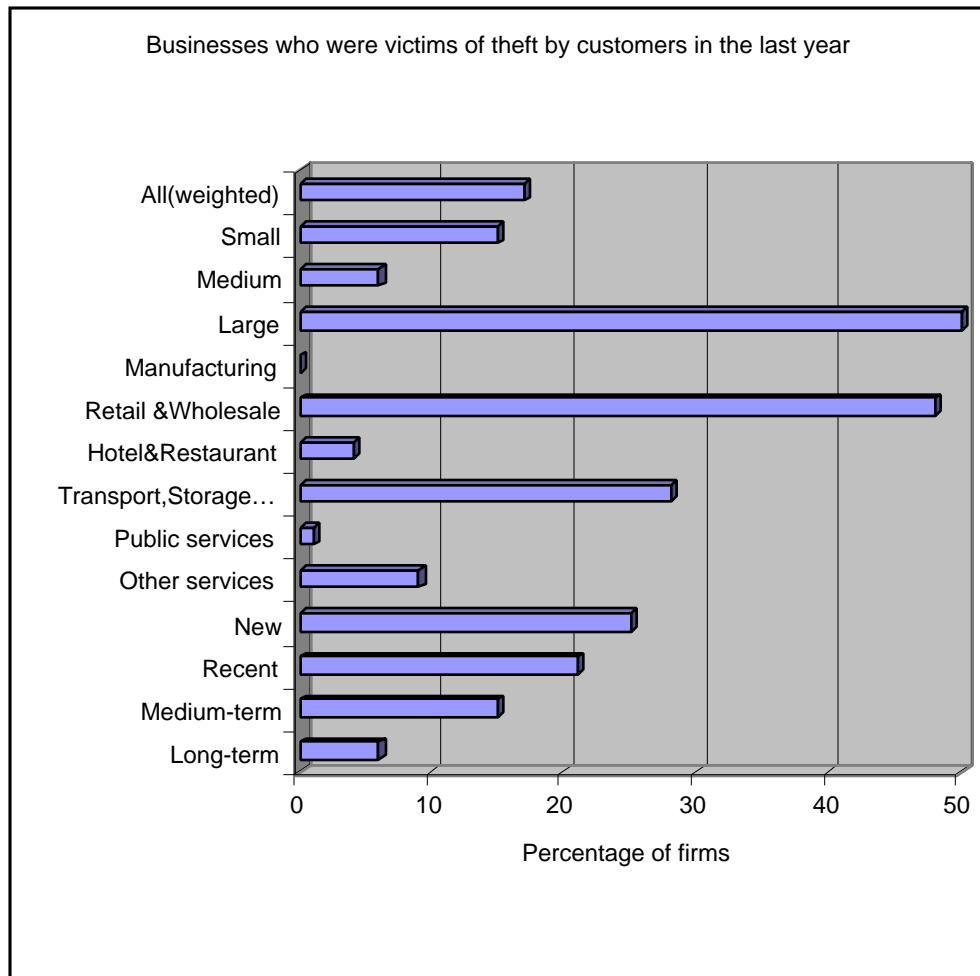
Figure 4.7 : Businesses who were victims of burglary in the last year



Source : King's Cross Business Survey 2000/01

When it came to theft by customers (Figure 4.8), 50% (2 out of 4) large businesses, 15% small and 6% medium size businesses were victims while by sector the experience was worst in retail and wholesale (48%) and best in manufacturing – within which there was no experience of this type of crime. Privately owned businesses suffered the highest (21%) rate of theft by customers while public bodies at 5% had the lowest proportion of businesses experiencing this type of crime. By age, new firms showed the highest (25%) proportion of firms who had suffered from theft by customers compared to only 6% for long-term establishments.

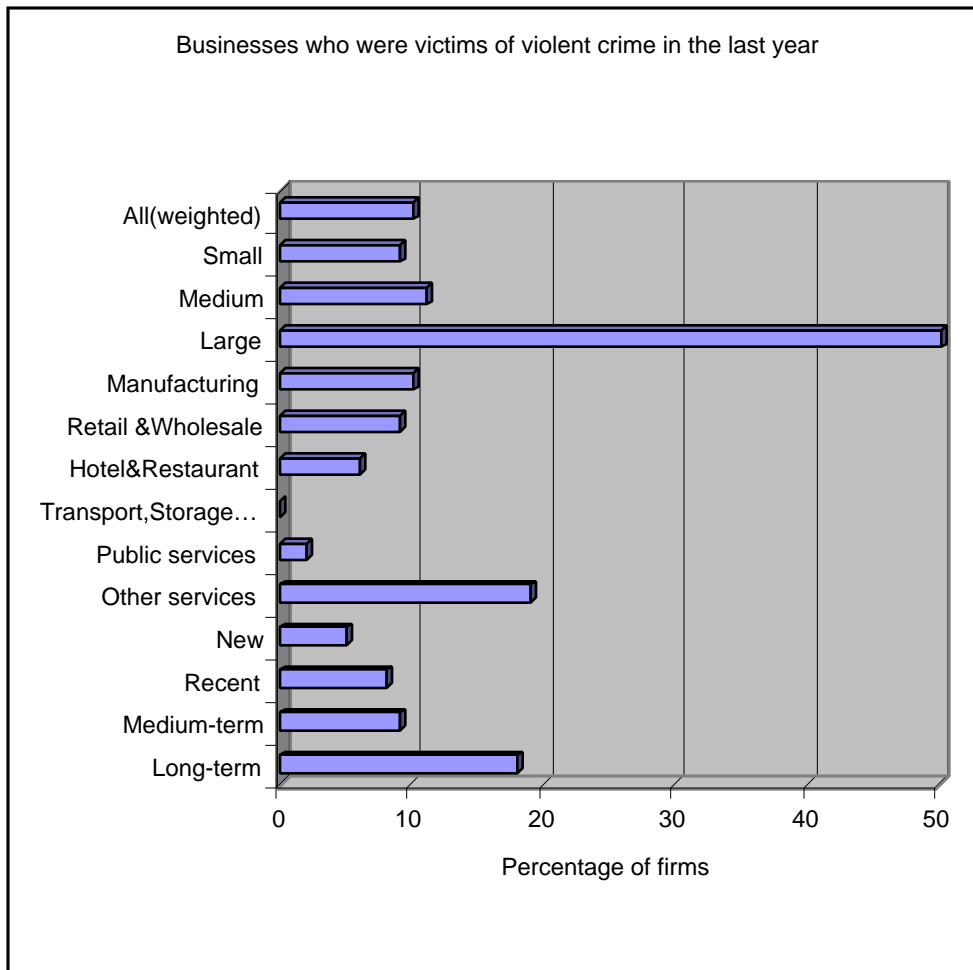
Figure 4.8 : Businesses who were victims of theft by customers in the last year



Source : King's Cross Business Survey 2000/01

A detailed analysis of the occurrence of violent crime (Figure 4.9) suggests once again the prevalence of this type of crime among large businesses (50% or 2 out of 4) followed by medium size businesses at 11% and small ones at 9%. Analysis by industrial sector shows that this was highest (19%) within the other services and nil in transport, storage and communications. Public bodies reported the highest (43%) experience of this type of crime in comparison to the lowest of 3% among companies. By number of years, violent crime was more common among long-term firms (18%) and least common among new ones (5%).

Figure 4.9 : Businesses who were victims of violent crime in the last year



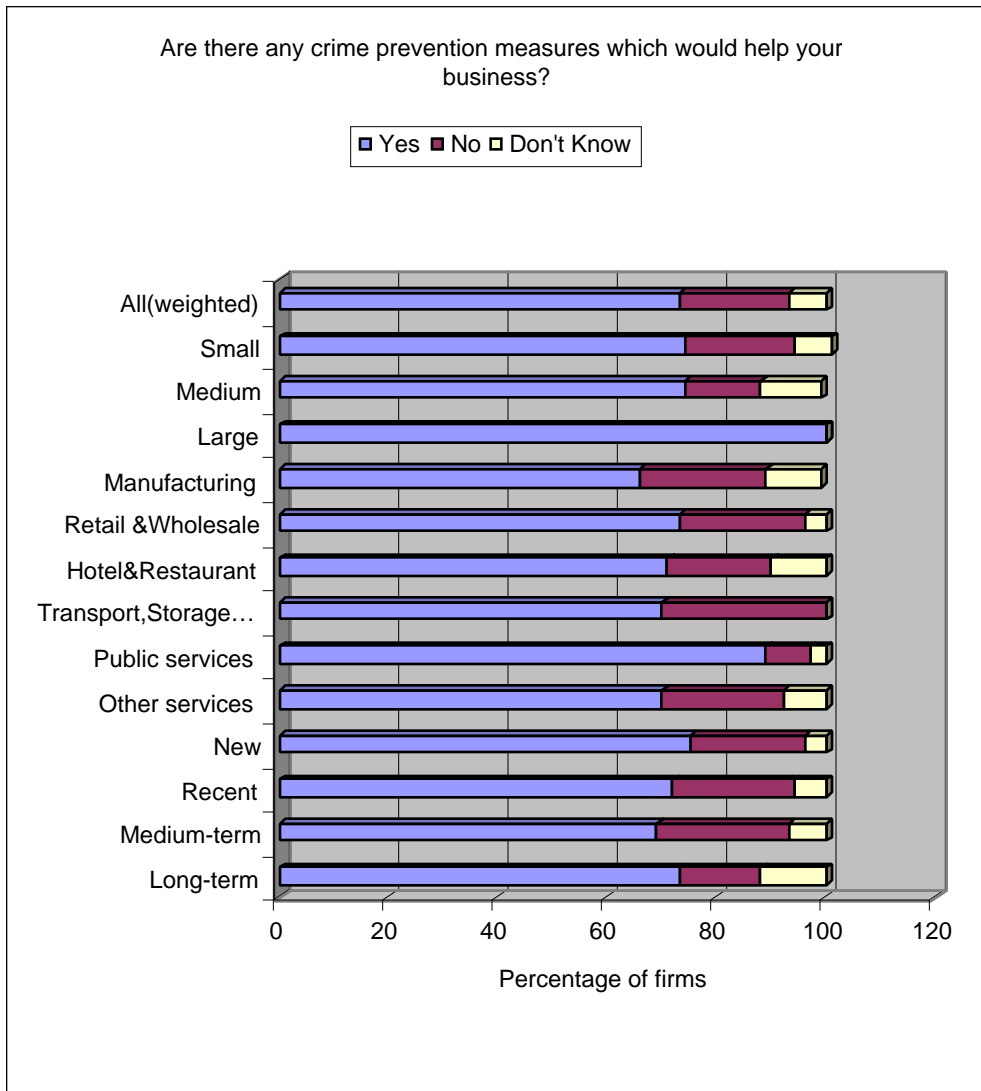
Source : King's Cross Business Survey 2000/01

On balance, and on the basis of the three most prevalent crimes – burglary, theft by customers and violent crime, large firms and long-term establishments have a worse crime experience profile.

Crime prevention measures

Almost three quarters (73%) of businesses interviewed said that there were measures for crime prevention which would help their business (Figure 4.10). This view was reasonably stronger among large firms, public service type of organisations and also among new firms.

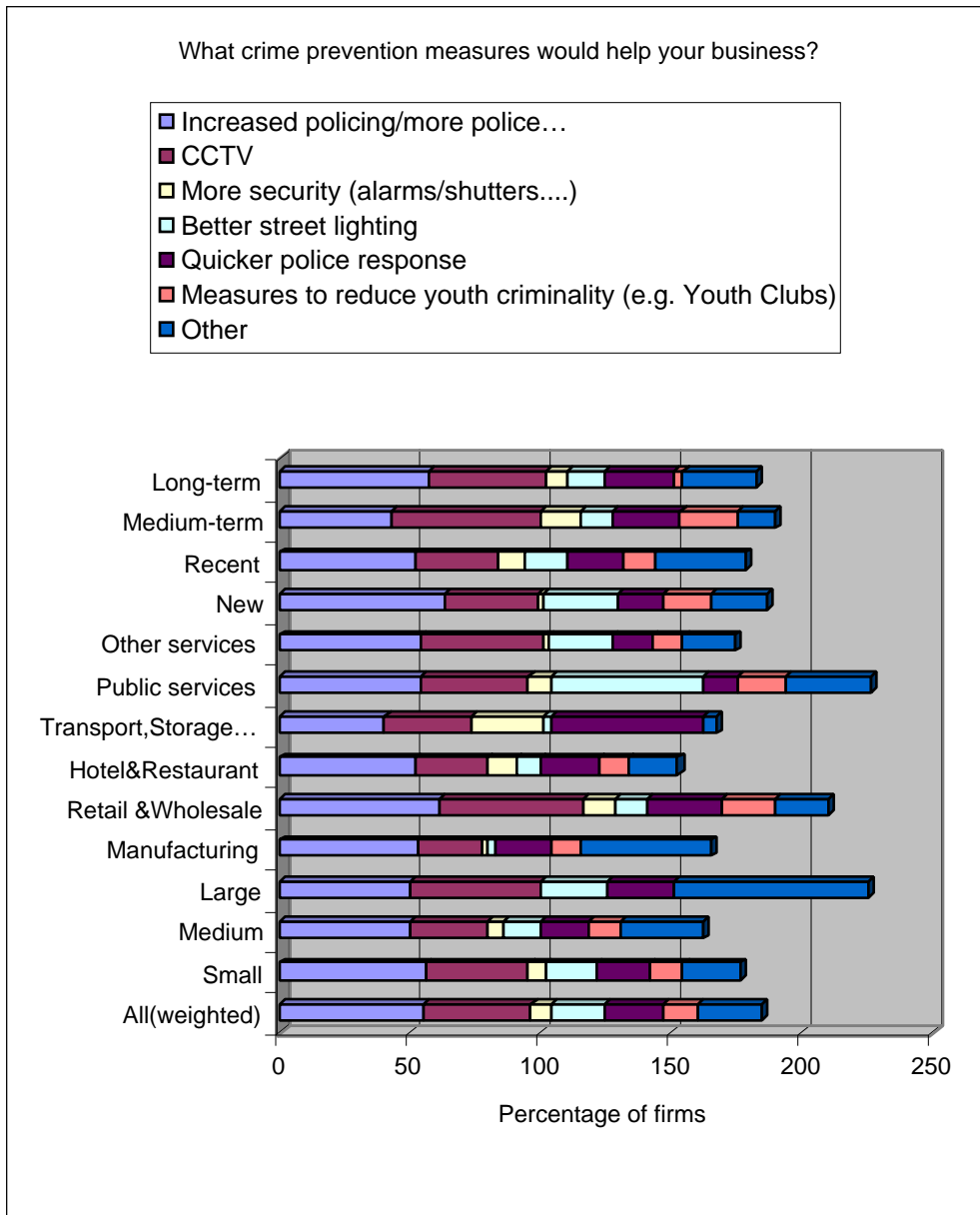
Figure 4.10 : Need for crime prevention measures



Source : King's Cross Business Survey 2000/01

Amongst those who thought there were measures which would help, the four most common suggestions (Figure 4.11) were increased policing/more police (55%), followed by CCTV (41%), quicker police response (22%), and better street lighting (20%).

Figure 4.11 : Types of crime prevention measures



Source : King's Cross Business Survey 2000/01

Note: Total percentages exceed 100 because of multiple responses

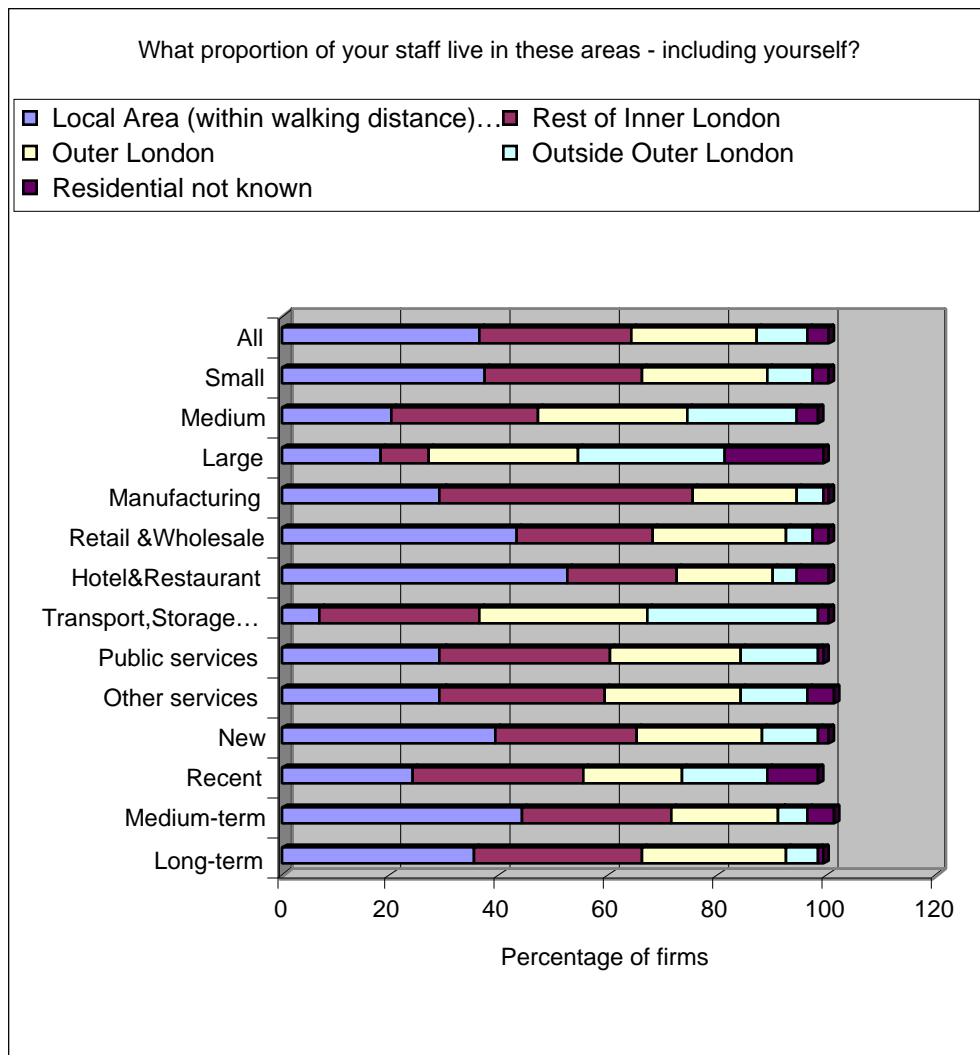
5 Work force, Recruitment and Vacancies

5.1 Workforce

Residential status of workforce and employers

The evidence suggests that at the time of the survey, King's Cross employers drew on a widespread pool of labour made up of both local people and commuters (Figure 5.1). On the whole, 36% of firms had one or more employees living within the local area. Twenty-eight percent drew their work force from the rest of inner London; another 23% from outer London; and 9% had workers commuting in from beyond outer London.

Figure 5.1 : Residence of workforce by employer



Source : King's Cross Business Survey 2000/01

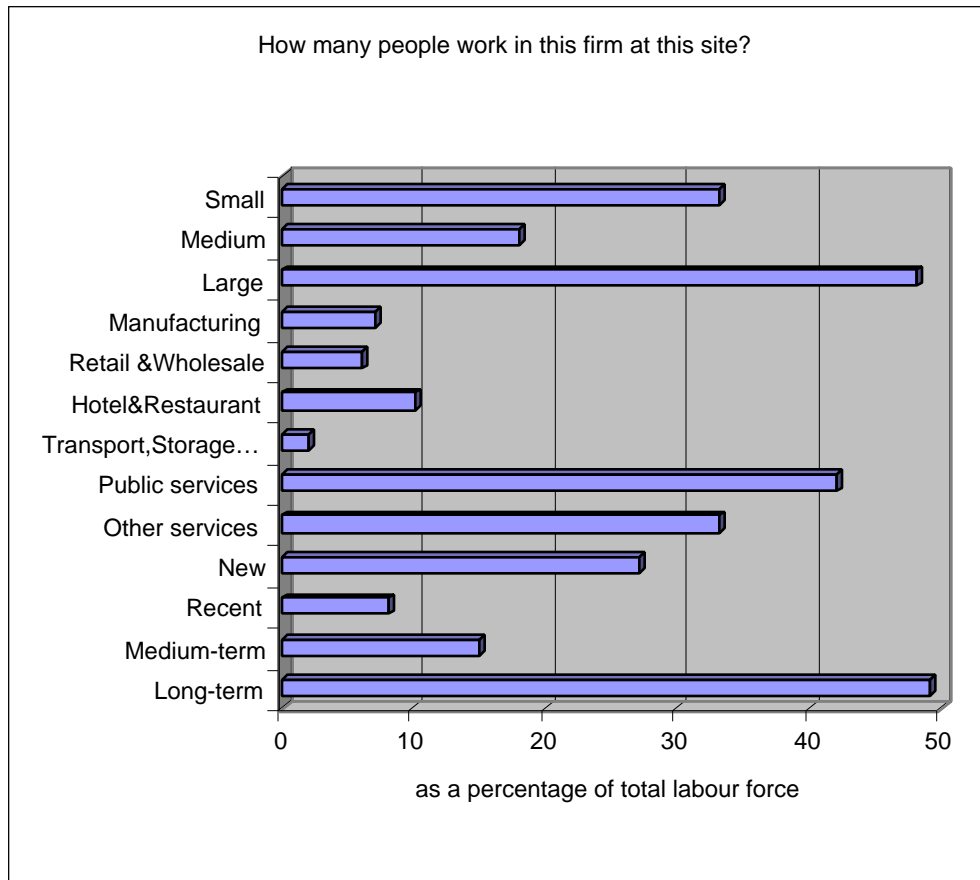
Proportionally, there were about twice as many small firms employing local residents than large or medium size firms who were more likely than the overall population to employ people from beyond outer London. The hotel and restaurant and to a less extent the retail

and wholesale sectors were the strongest employers of local labour while transport, storage and communications was the weakest. On the whole manufacturing, and transport, storage and communications were more likely than other sectors to employ from the rest of inner London and beyond outer London respectively. The proportion of firms employing local people was highest within private firms. While the highest proportion employing from the rest of inner London was to be found among companies and not-for-profit organisation. Outer London workers were more likely to be employed within public bodies. New, medium-term and long-term establishment were just as likely as each other to employ locally while recently established firms were less likely to do so.

Total employees

From the information provided by firms, the total workforce was estimated at about 11,000 (Figure 5.2). Large firms employed about half (48%) of the total workforce, followed by small ones who employed 33% of the labour force and lastly, medium size firms with 18%. By sector, the single biggest employer was the public sector with 42% followed by other services at 33%, hotels and restaurants accounted for 10% and the rest shared between manufacturing, retail and wholesale and the transport, storage and communications sector. The dominant position of public services as a major employing sector was also evident when data were analysed at ownership level. Forty-eight percent of all workers were employed by public bodies, 22% by private firms, while the rest were shared equally between companies (15%) and not-for-profit (14%). Although long-term firms employed nearly half (49%) of the labour force, new firms were also a significant employment base employing 27% of the work force, compared to 15% employed by medium-term and 8% recent firms.

Figure 5.2 : Total employees

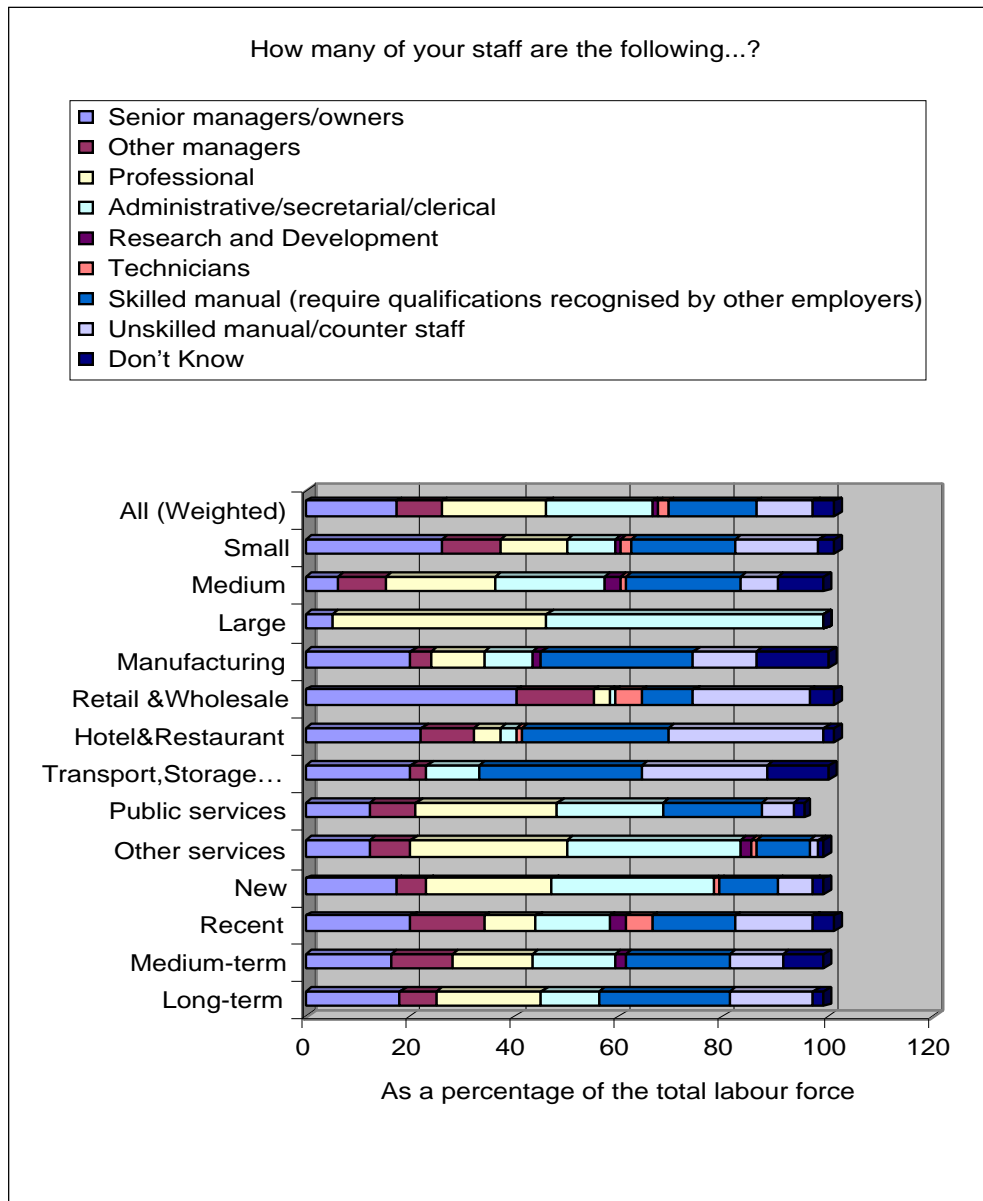


Source : King's Cross Business Survey 2000/01

Employees by occupation

Based on the occupational information of about 6,500 employees – this excludes 3, 435 Camden Local Authority employees on whom we had no occupational data - survey evidence shows the presence of a highly skilled workforce (Figure 5.3) with 47% employed in higher level occupations (managers, professional, associate professional/technical, research and development). A further 22% were employed in intermediate level occupations (secretarial/clerical, technicians) and 28% in lower level occupations (manual skilled/unskilled). Almost all manual workers were employed largely within small establishments and to a lesser extent medium size firms. Large firms on the other hand had a higher proportion of professionals and secretarial/clerical staff than small and medium size firms who had a higher proportion of senior and other managers. However, by sector, most of those employees classified as senior managers were found to be concentrated in the privately owned retail and wholesale sector. This suggests that these were mainly owners of small businesses rather than employees in the strict sense of the word. The 'other services' sector was more likely than all other sectors to be an employer of professional people and also of secretarial/clerical employees. On the other hand, manufacturing; retail and wholesale; hotel and restaurants; and transport/storage and communications were the more likely employers of manual workers.

Figure 5.3 : Employees by occupation



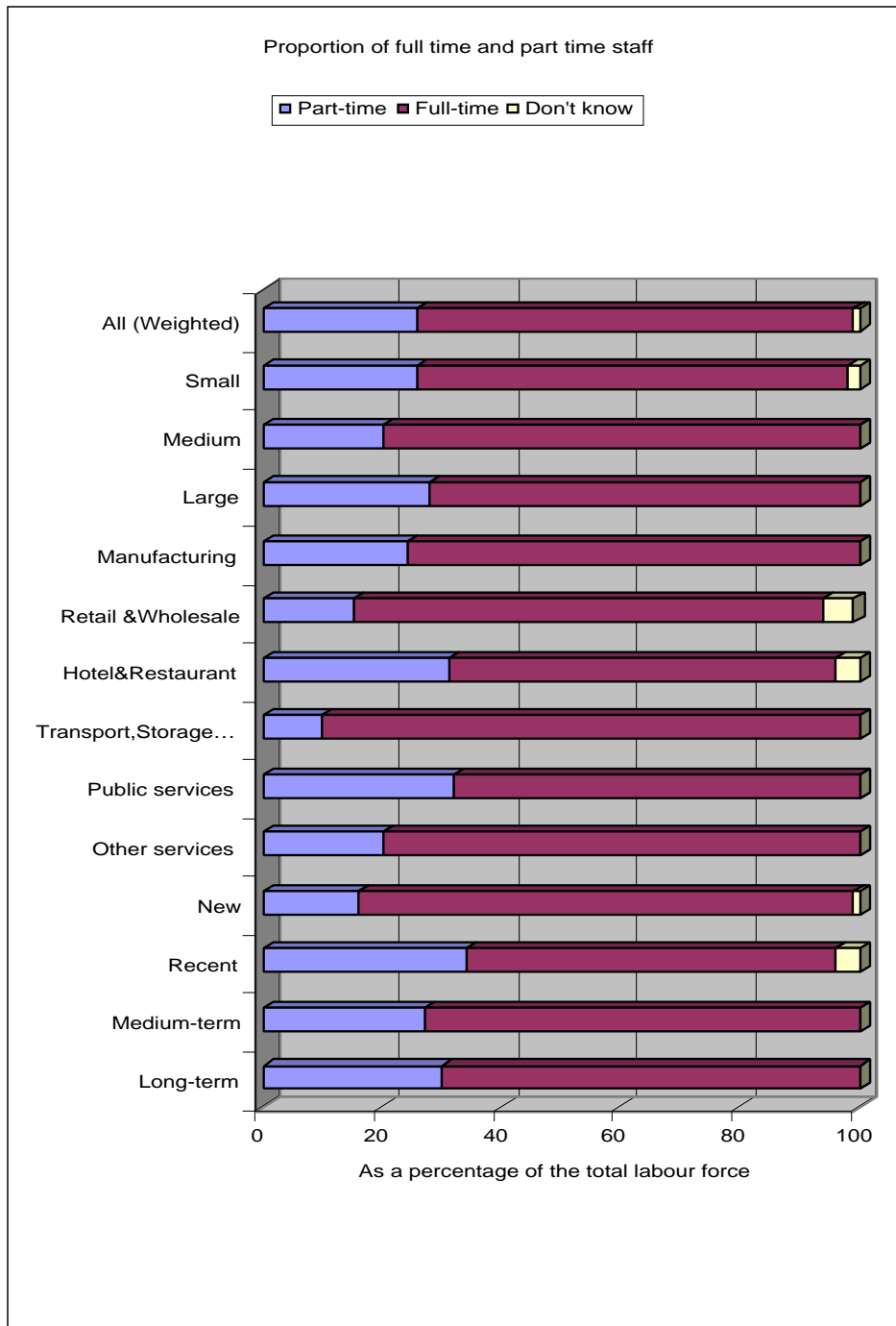
Source : King's Cross Business Survey 2000/01

By ownership, the proportion of senior managers was higher than the overall proportion within privately owned firms and that of professionals and secretarial/clerical was higher within publicly owned businesses. By length of time in the area, the distribution of high level occupation workers was almost the same across all firms while at the intermediate level the proportion of secretarial/clerical workers was highest within new establishments. At the lower end of the occupational scale, manual workers were more likely to be employed within long-term establishments rather than new ones. In fact the proportion of manual workers was lowest in new establishments. This has implications for policies related to economic regeneration and job creation is the subject of further discussion in another report.

Full-time and Part-time employees

Seventy three percent of the total workforce were employed on a full-time basis - working more than 30 hours per week excluding meal breaks – while 26% were employed on a part-time (Figure 5.4). There were no significant variations in the relative proportions of part-time/full-time employment patterns across size, sector, ownership or age of firm.

Figure 5.4 : Full-time and Part-time employees

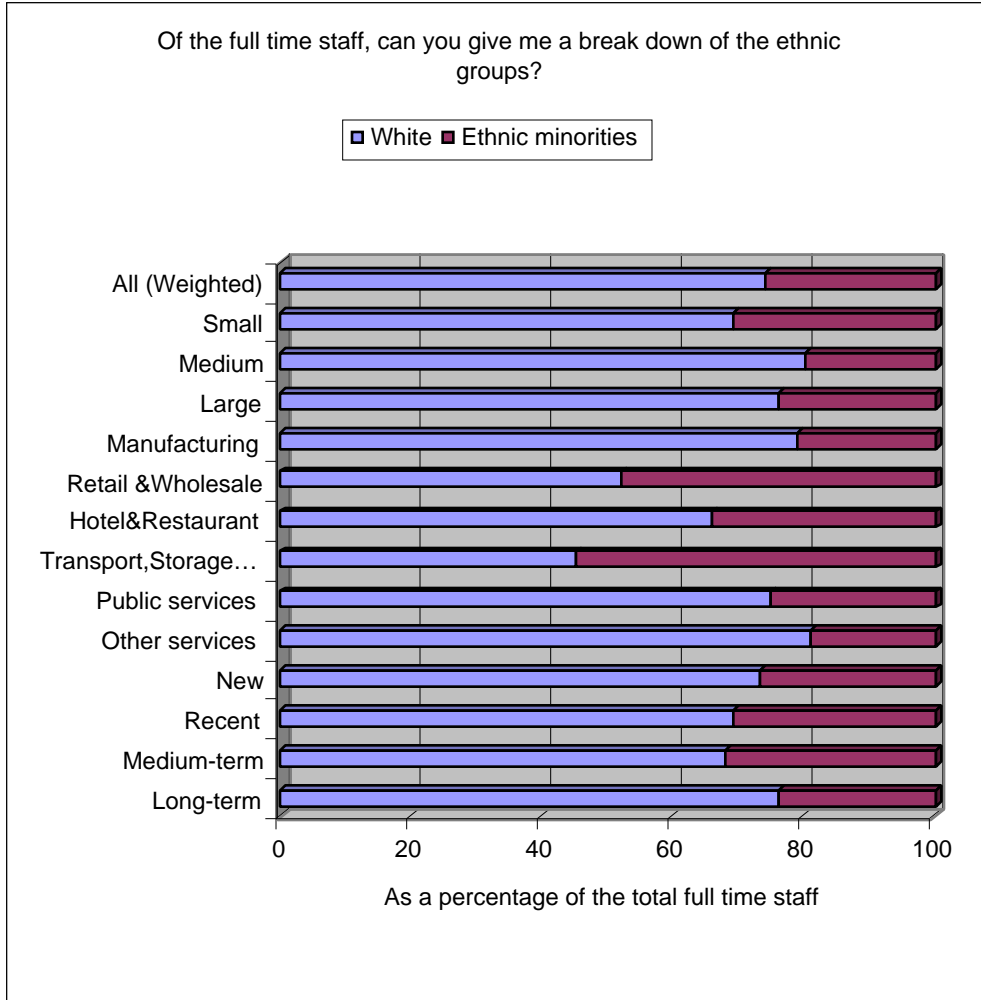


Source : King's Cross Business Survey 2000/01

Full-time employees by ethnicity

Seventy four percent of all full time employees were White with 26% being from ethnic minority groups (Figure 5.5). Full time ethnic minority employees were concentrated in small privately owned firms particularly in the retail/wholesale and transport, storage and communications sectors.

Figure 5.5 : Full-time employees by ethnicity

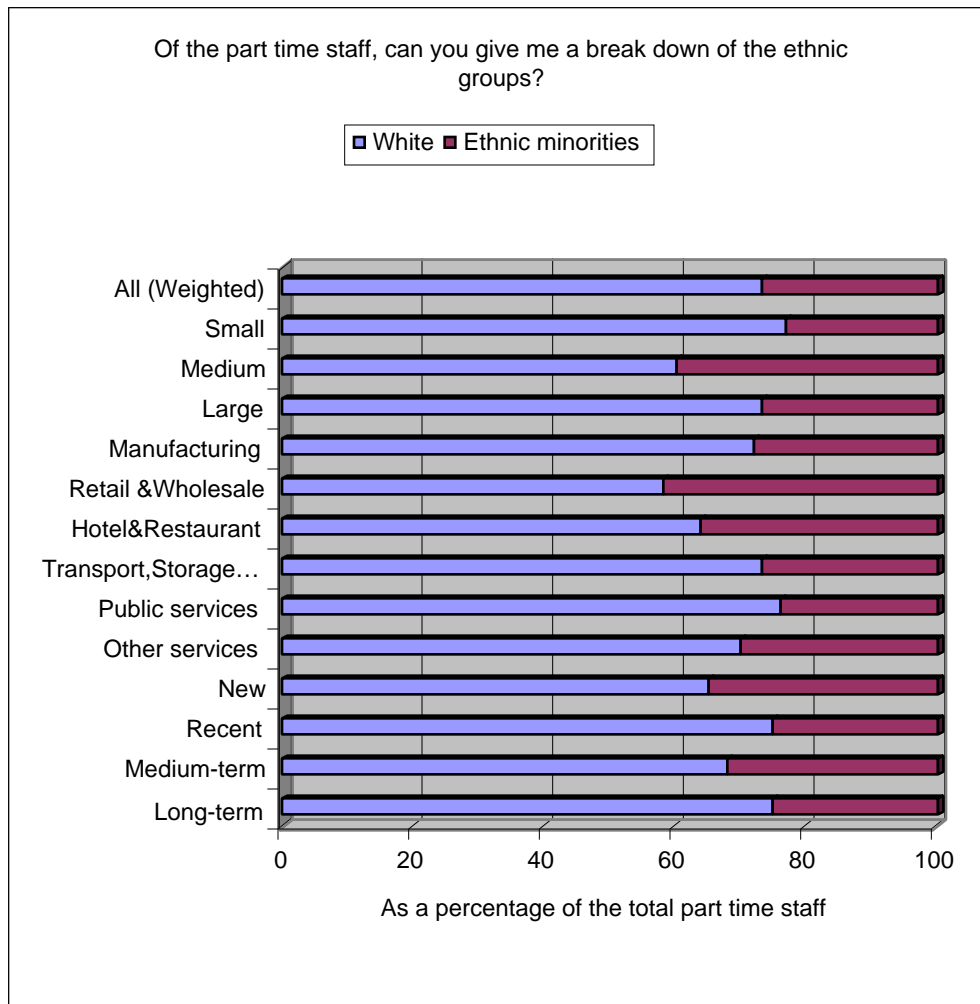


Source : King's Cross Business Survey 2000/01

Part-time employees by ethnicity

Proportions of part time employees were similar to those of full time employees with 73% White and 27% from ethnic minority groups (Figure 5.6). Part time ethnic minority employees were concentrated in medium size firms in company ownership. The proportion of part time ethnic employees was significantly higher than the average within the retail and wholesale sector.

Figure 5.6 : Part-time staff by ethnicity



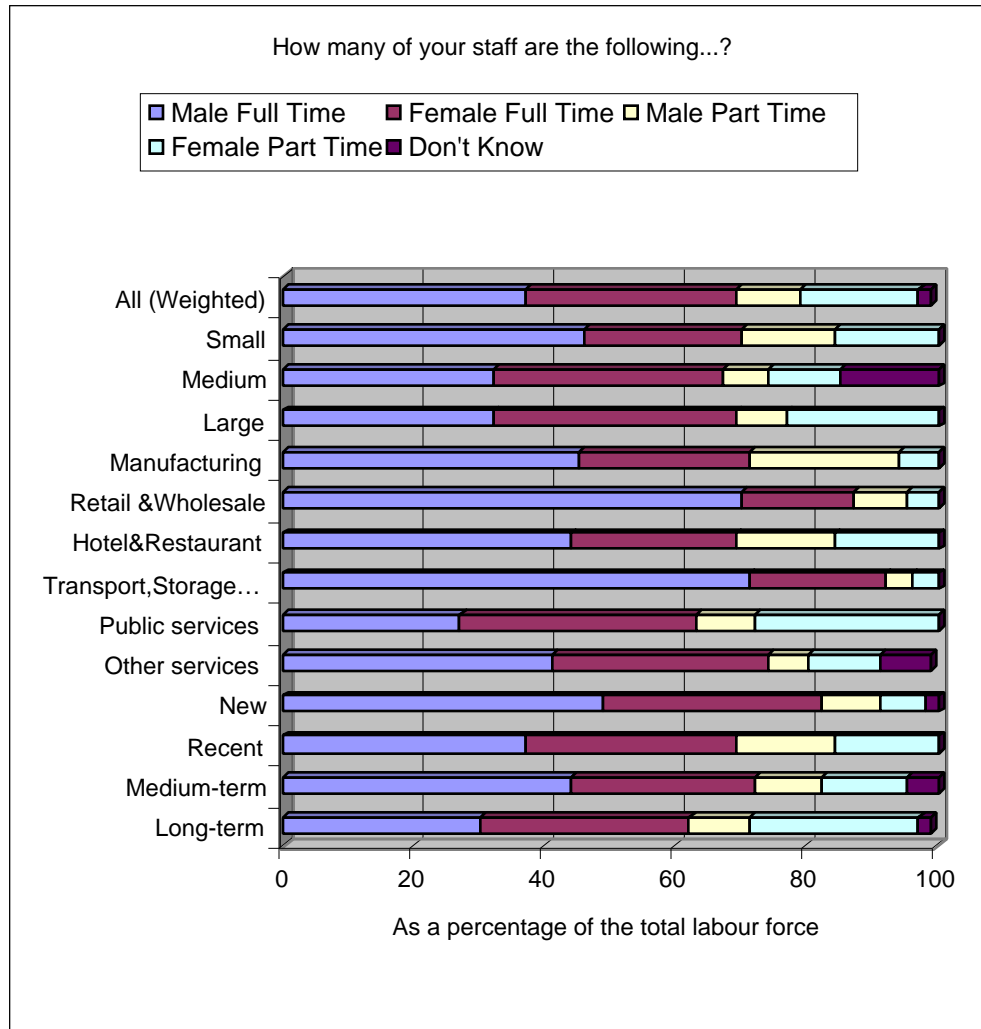
Source : King's Cross Business Survey 2000/01

Full-time employees by gender

The proportions of full time staff did not differ greatly between the two genders (Figure 5.7). Overall, 37% of all full time workers were male and 32% were female. Small firms had a higher proportion of male full time staff than large ones who, although not significant, had a higher proportion of female full time staff. There was a higher than average proportion of male full time workers within retail/wholesale and transport/storage and communications sectors and lower than average within public services. Although not significantly higher than the overall average, the proportion of female full time workers was higher than the male proportion within the public services sector. By ownership, businesses in private and company ownership employed a higher

proportion of male full time staff while public bodies and not-for-profit had higher proportions of female full time workers. A considerably higher than average proportion of male full time workers were employed within new businesses.

Figure 5.7 : Employees by gender



Source : King's Cross Business Survey 2000/01

Part-time employees by gender

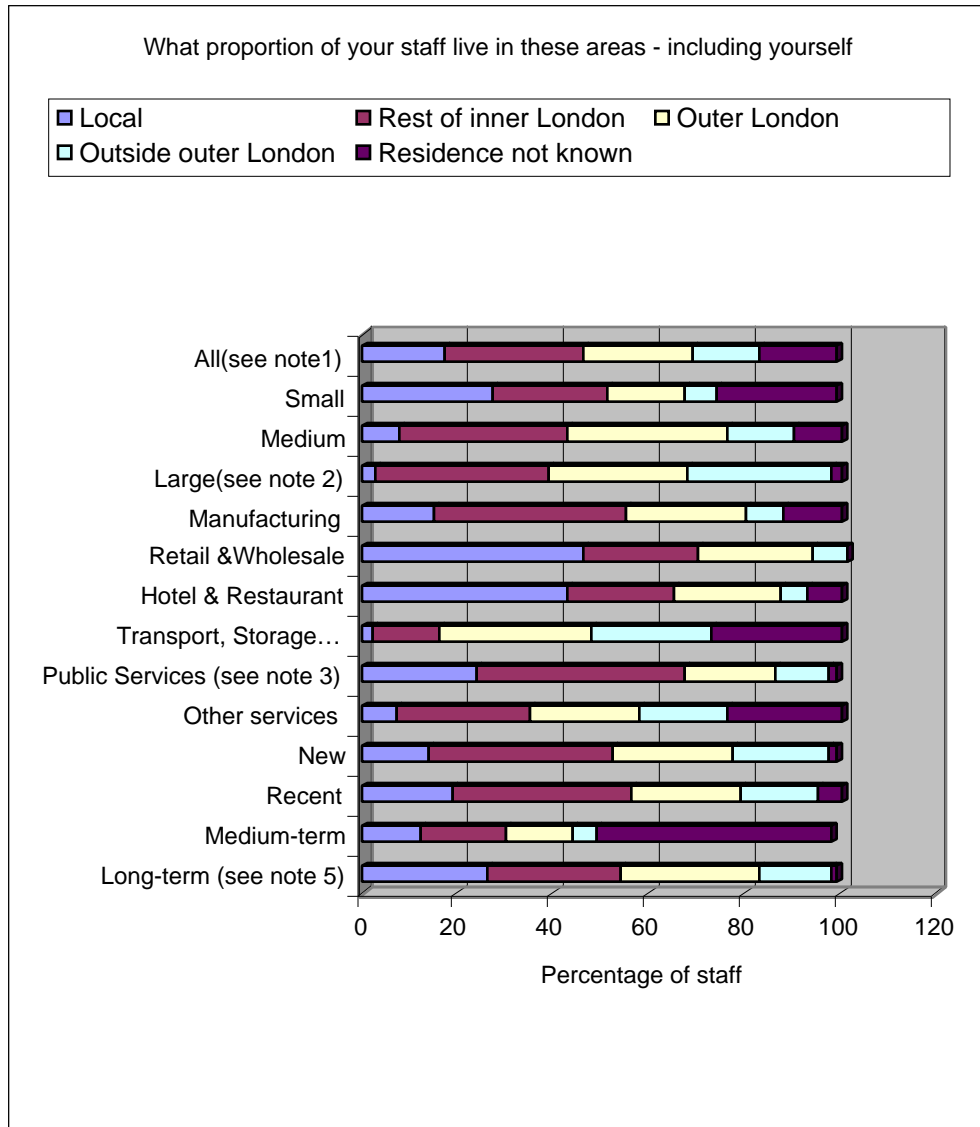
The overall level of male part time employees was 10%, this is lower than the 18% for female part time workers (Figure 5.7). While the proportion of male part time workers was higher than average in manufacturing, that of female part time workers was highest within public services – mainly not-for-profit organisations.

Employees by residence

At the time of this survey, only 17% of all employees in King's Cross also lived locally, 29% travelled from the rest of inner London, 23% were from outer London and 14% commuted from beyond outer London (Figure 5.8). Local residents were at least 3 times more likely to be employed in a small firm than in a medium or large firm. Employees travelling in from outer

London and beyond were more likely than the overall working population to work in a medium size and large firm respectively.

Figure 5.8 : Employees by residence



Source : King's Cross Business Survey 2000/01

Notes 1-5 : These exclude 3,500 LBC employees on whom we had no residential data.

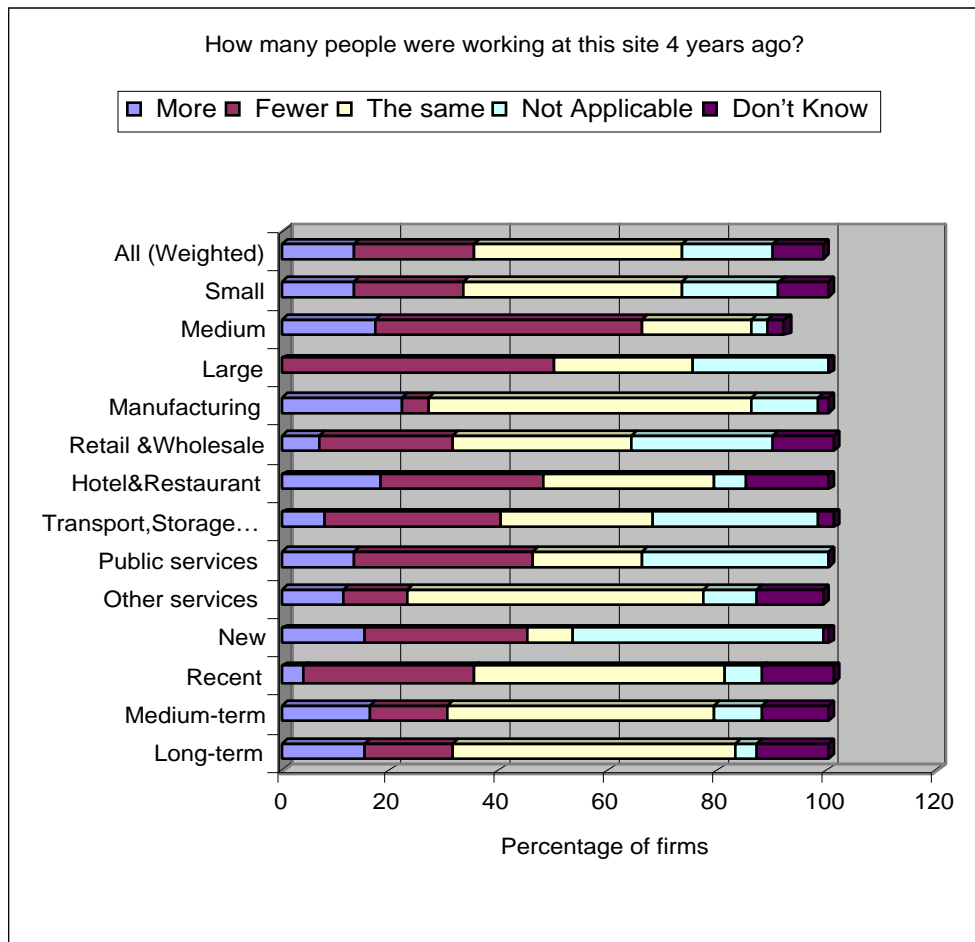
By sector, Local residents were more likely than the overall working population to work in the retail and wholesale and hotel and restaurant sectors and least likely to be employed in the transport, storage and communications; and other services sectors. Manufacturing and public services employed significantly more of rest of inner London labour than the overall average. Although transport, storage and communications had a high proportion of workers from outer London, it had a proportionally higher work force from beyond than the overall. By ownership, the greatest proportion of local labour was employed in privately owned firms, while companies had the highest proportion (significantly above the overall proportion) of commuters from beyond outer London. Not-for-profit and public bodies had most of their work force from the rest of inner London and in the latter case much higher than the overall proportion.

By age, new, recent and medium term firms all had the highest proportion of workers from rest of inner London while long-term firms had most of their labour from outer London.

Changes in size of work force

Twenty-two percent of firms reported an increase in their labour force in the 4 years before this study (Figure 5.9) during which time the labour force had contracted in 13% of firms. The majority 38% reported no changes in the size of their labour force. On balance, it does appear that there was a net growth in the labour force. But, it could well be that there were more jobs lost than created in which case, there would have been a net loss in employment levels. We do not however, have actual numbers of workers 4 years ago to begin to make such judgements.

Figure 5.9 : Changes in size of work force



Source : King's Cross Business Survey 2000/01

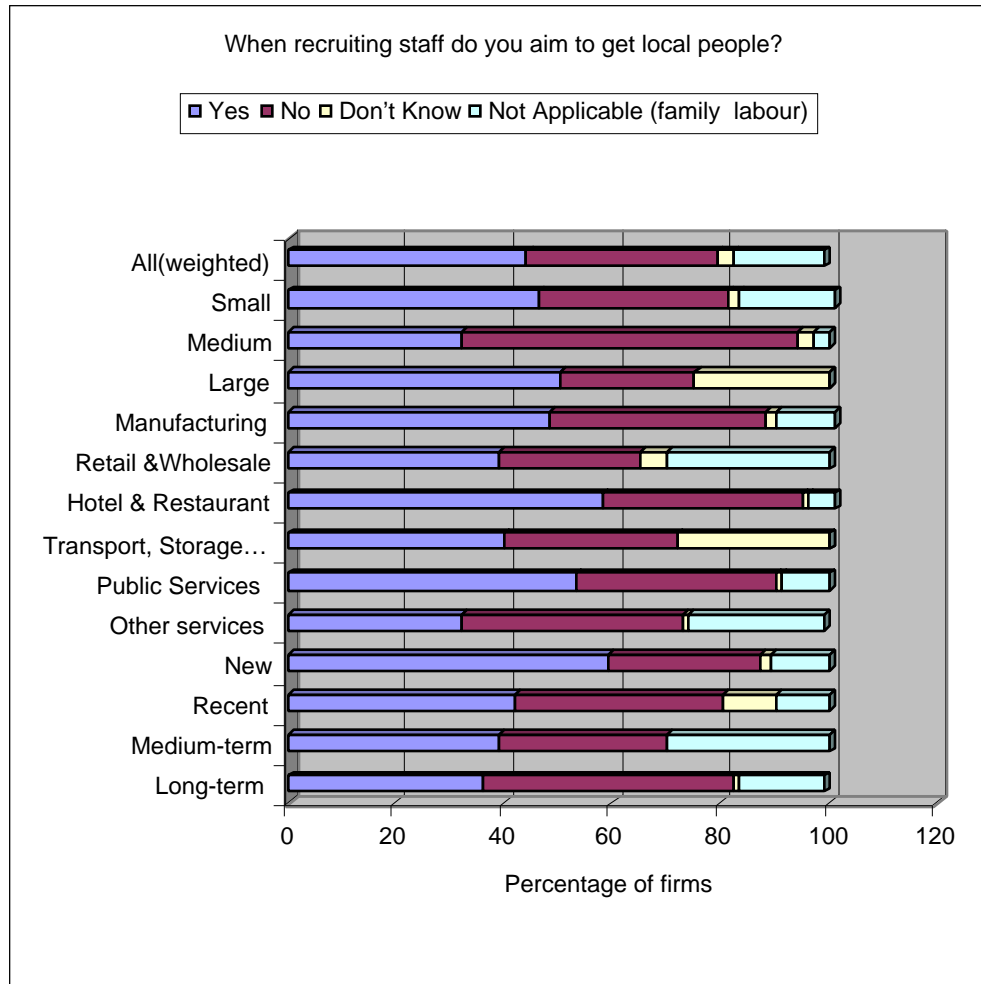
Medium followed by large firms were more likely than the overall position to have increased their labour force in the 4 years before this study. By sector, the least growth in employment was in manufacturing while transport, storage and communications and public services exhibited significantly above average growth. New and recent firms were more likely to have experienced growth with a greater tendency to stability among recent firms than new firms. While half of medium and long-term firms showed signs of stability, the other half showed signs of volatility with as many firms saying they had fewer workers as those saying they had more.

5.2 Recruitment

local people

Forty-four percent of all firms said that their aim was to get local people compared to 35% who did not (Figure 5.10). With 2 out of 4 large firms saying that they aimed at getting local people in their recruitment, this is about the same proportion (46%) for small firms whose intention it was to recruit locally. Medium size firms were least likely to want to recruit locally. At 58% hotel and restaurant were more likely than all other sectors with intentions to get local labour. Other services being least likely to go for local labour. By ownership, not-for-profit organisations fared strongly than all others in their pursuit of local labour – 60% aimed to recruit locally. Public bodies on the other hand had the lowest proportion of firms who had no intention to employ locally. New rather than long-term firms were more likely to want to recruit locally.

Figure 5.10 : Intentions to recruit local people

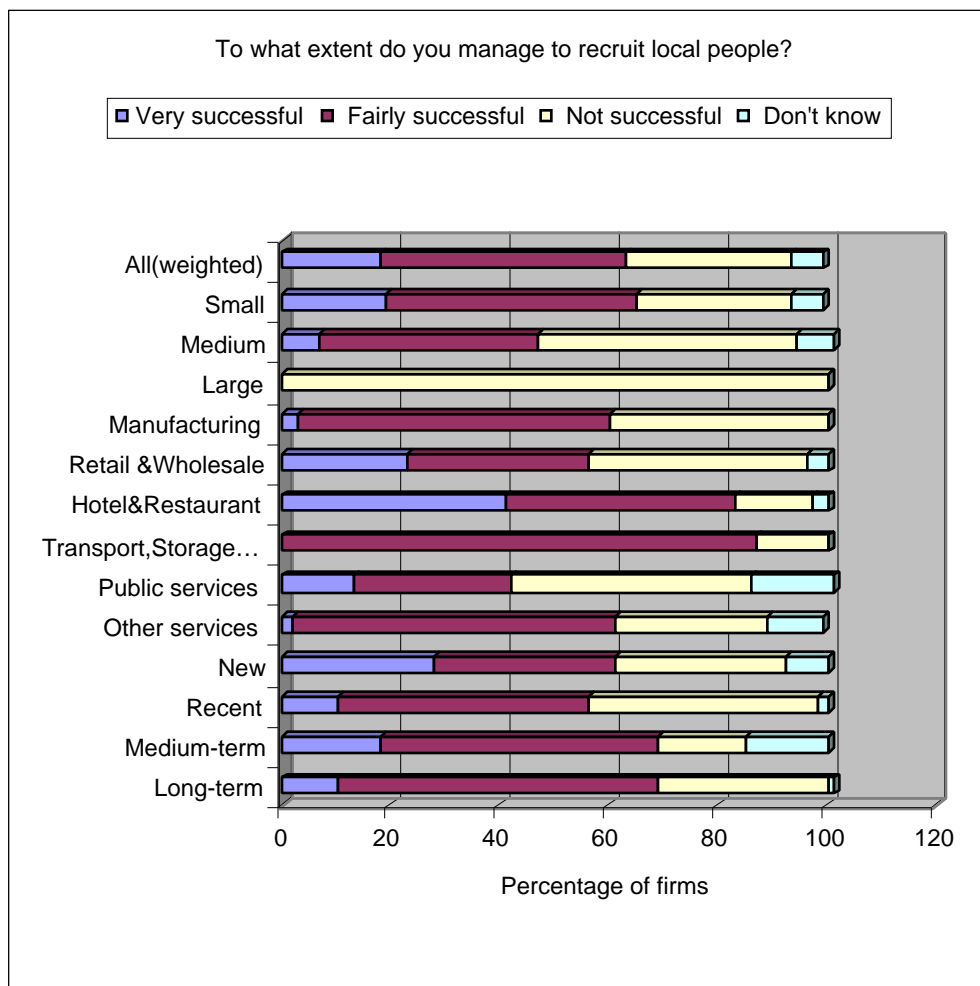


Source : King's Cross Business Survey 2000/01

Level of success with local recruitment

Of those firms that aim to recruit local people, only 18% claimed to have been very successful, another 45% had been fairly successful while 30 percent had not been successful at all (Figure 5.11). While a similar proportions of large and small firms had intentions of recruiting local labour, the latter had been more successful than the former. By sector, hotels and restaurants had been very successful, manufacturing; transport, storage and communications; and other services were fairly successful than the overall position. However, there was another significant proportion of manufacturing firms together with firms in retail and wholesale, and public services whose lack of success at local recruitment was worse than the overall position. Generally, it was privately owned firms who had been more successful at local recruitment with companies being the least successful. By age, medium and long-term firms showed the highest level of success in local recruitment, followed by new firms with recently established businesses being the least successful. Despite the claimed success in local recruitment by medium-term firms (Figure 5.11), they were less likely to aim at recruiting local people (Figure 5.10) and hence they had the lowest proportion of local labour when compared to other firms (Figure 5.8) and were more likely than the overall proportion to have unfilled positions as we shall see below.

Figure 5.11 : Level of success with local recruitment



Source : King's Cross Business Survey 2000/01

Vacancy notification

Some indication of the advertising methods used by employers in recruiting their labour is shown below (Table 5.1). Generally, the method of recruitment used reflects the nature of the occupation to be filled and the target group (this is subject to further interpretation and discussion in another policy implications report). National newspapers and shop windows, for example will generally deal with people at the opposite ends of the occupational spectrum.

Table 5.1 : Vacancy notification methods

Methods	Overall percentage of firms using this method
Local newspapers	23
National newspapers	15
Recruiting agencies	13
Tracks towards employment	3
Job centres	17
Trade/professional journals	7
Supermarket bulletin boards	1
Shop windows	8
Internet job sites	8
Word of mouth	45
Other	16

Source : King's Cross Business Survey 2000/01

Table 5.1 demonstrates the importance of word of mouth – in addition to other methods, 45% of all firms reported to use word of mouth. It also shows how important local newspapers, job centres, national newspapers and recruitment agencies were as mediums for advertising jobs and how less important were supermarket boards, shop windows, internet job sites, and perhaps more worrying even the partnership's own Tracks Towards Employment initiative. This, as hinted at earlier, might relate to the nature of jobs, employers and skills sought.

Disaggregated on size (Table 5.2), medium and large firms were significantly more likely than the overall proportion to use mainstream advertising methods such as newspapers, recruitment agencies, job centres, trade journals and internet job sites compared to small firms who relied to a large extent on word of mouth (48% used word of mouth). Although it ought to be mentioned that 50% percent of medium size firms, in addition to mainstream advertising also used word of mouth.

Table 5.2 : Vacancy notification method by size of firm

Methods	ALL	Small	Medium	Large
Local newspapers	23	22	41	67
National newspapers	15	13	85	100
Recruitment agencies	13	10	62	67
Job centres	17	16	41	67
Trade/professional journals	7	7	35	100
Shop windows	8	7	6	0
Internet job sites	8	7	35	67
Word of mouth	45	48	50	0
Other	16	17	15	33

Source : King's Cross Business Survey 2000/01

By sector (Table 5.3), recruitment in manufacturing was mainly through word of mouth, trade journals and local press in that order; retail and wholesale sector mainly relied on word of mouth; hotel and restaurants mainly used - in decreasing order - word of mouth, recruitment agencies, job centres, local press and shop windows; transport, storage and communication tended to advertise their jobs by word of mouth, national newspapers, job centres and local press (the last two being equally important); Half of the firms within public services used national newspapers, followed by word of mouth, recruiting agencies, local papers, job centres and internet job sites, and finally other services tended to use local papers, word of mouth, national newspapers, job centres, trade journals and internet job sites. Table 5.3 demonstrates that across all sectors, word of mouth recruitment was either the main or the second most used form of advertisement. This has implications in trying to reduce unemployment and these are discussed more fully in another report.

Table 5.3 : Vacancy notification by sector

	ALL	Manufacturing	Retail&Wholesale	Hotels&Restaurants	Transport, storage and communications	Public services	Other Services
Local newspapers	23	22	9	17	31	39	29
National newspapers	15	7	0	5	34	50	24
Recruitment agencies	13	6	0	21	0	41	8
Job centres	17	4	4	20	31	31	22
Trade/professional journals	7	23	1	3	0	9	14
Shop windows	8	0	5	14	0	8	9
Internet job sites	8	4	4	6	3	13	13
Word of mouth	45	48	42	65	69	43	27
Other	16	11	16	8	33	29	16

Source : King's Cross Business Survey 2000/01

By ownership, in addition to using word of mouth, companies, not-for-profit organisations and public bodies were also more likely to use local papers, national newspapers, recruitment agencies, job centres and trade/professional journals than say privately owned firms who tended to rely exclusively on word of mouth. There were no significant differences across age of the firm except that while word of mouth was used by the highest proportion of new, recent and long-term firms, local newspapers was the one media reported as used by the highest proportion of medium term firms.

Interviews

Overall, most firms (53%) used the one-to-one interview technique with only 20% using interview panels. In 18% of cases, employers said that practical skill testing was an aspect of interview. In only 8% of cases were written tests used in the interviewing process (Table 5.4).

Table 5.4 : Interview method by size and sector

	All	Small	Medium	Large	Manufacturing	Retail&Wholesale	Hotels&Restaurants	Transport, storage and communications	Public services	Other Services
Written test	8	7	44	100	2	0	3	5	22	18
Interview panel	20	19	74	100	15	1	2	33	65	31
One-to-one interview	53	56	41	33	41	39	76	44	72	44
Practical skills test	18	18	44	100	45	4	9	3	39	19

Source : King's Cross Business Survey 2000/01

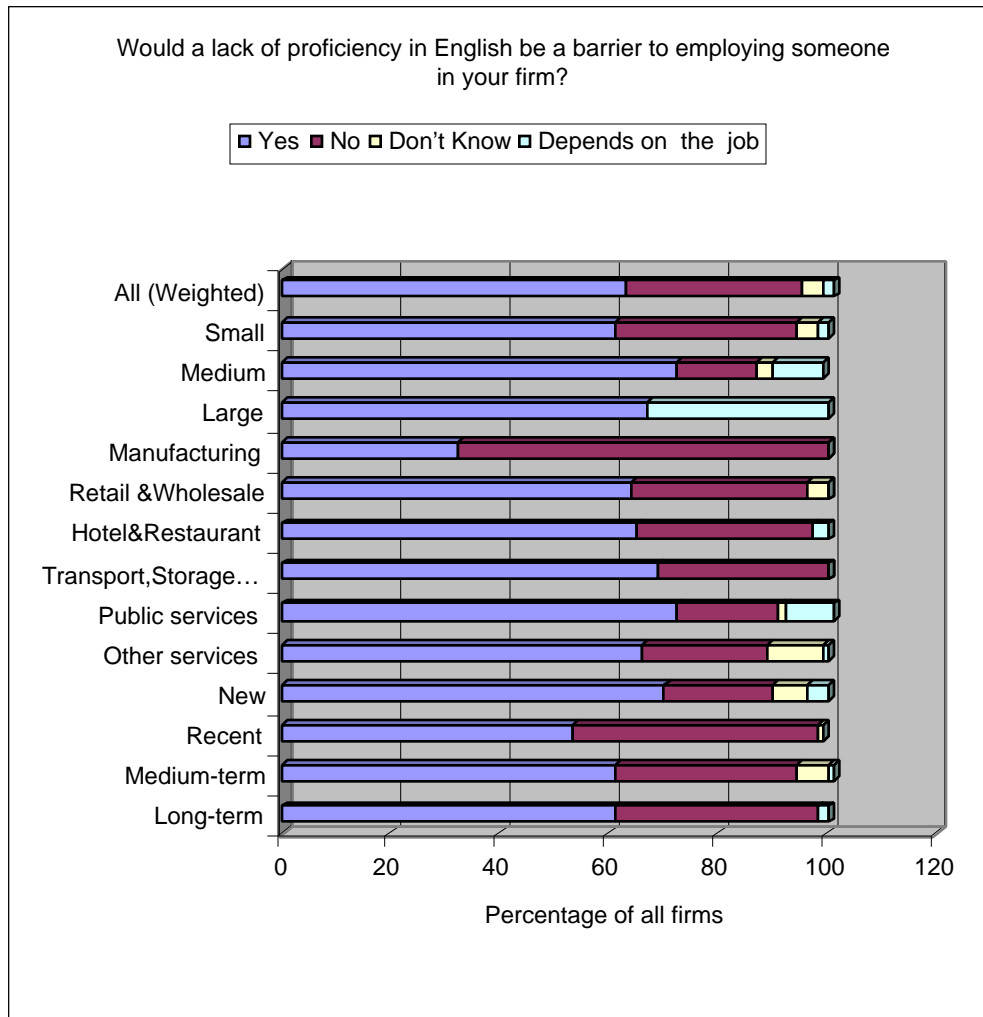
By size of firms, large firms were least likely to use the one-to-one method and would always use a written test, interview panel and practical skills test in combination. Small firms relied very much on the one-to-one interviews while medium size firms tended to use interview panels. By sector, public services and other services, and to a less extent manufacturing and transport, storage and communication, were more likely to use a combination of all interview methods compared to retail and wholesale, and hotels and restaurants who mostly relied on a one-to-one approach. As would be expected, it was mainly the not-for-profit and public bodies – who also constituted the large employers – who were more likely to a variety of interview techniques while privately owned firms and companies – comprised of mostly small and medium size firms were more likely to use the one-to-one approach. New firms were more likely than the overall proportion to use a one-to-one interview technique.

In addition, internal transfers was another form of recruitment mentioned by only 5% of firms. This was largely within large public bodies and to a less extent medium size firms. Another 5% said that they had no formal recruitment procedures. The transport, storage and communications sector dominated those firms without any formal recruitment method. Two percent of the firms said that they have never recruited – presumably relied on family labour or persons were sole self-employed.

English and soft skills

Sixty three percent of all firms agreed that a lack of proficiency in English would be a barrier to employing someone in their organisation (Figure 5.12). Thirty two percent reported that lack of proficiency in English would not prevent them employing someone with only two percent saying it depend on the job. The need for English was significantly higher than the overall average within companies and public bodies. Manufacturing had the lowest proportion of firms requiring good English when compared to the overall proportion.

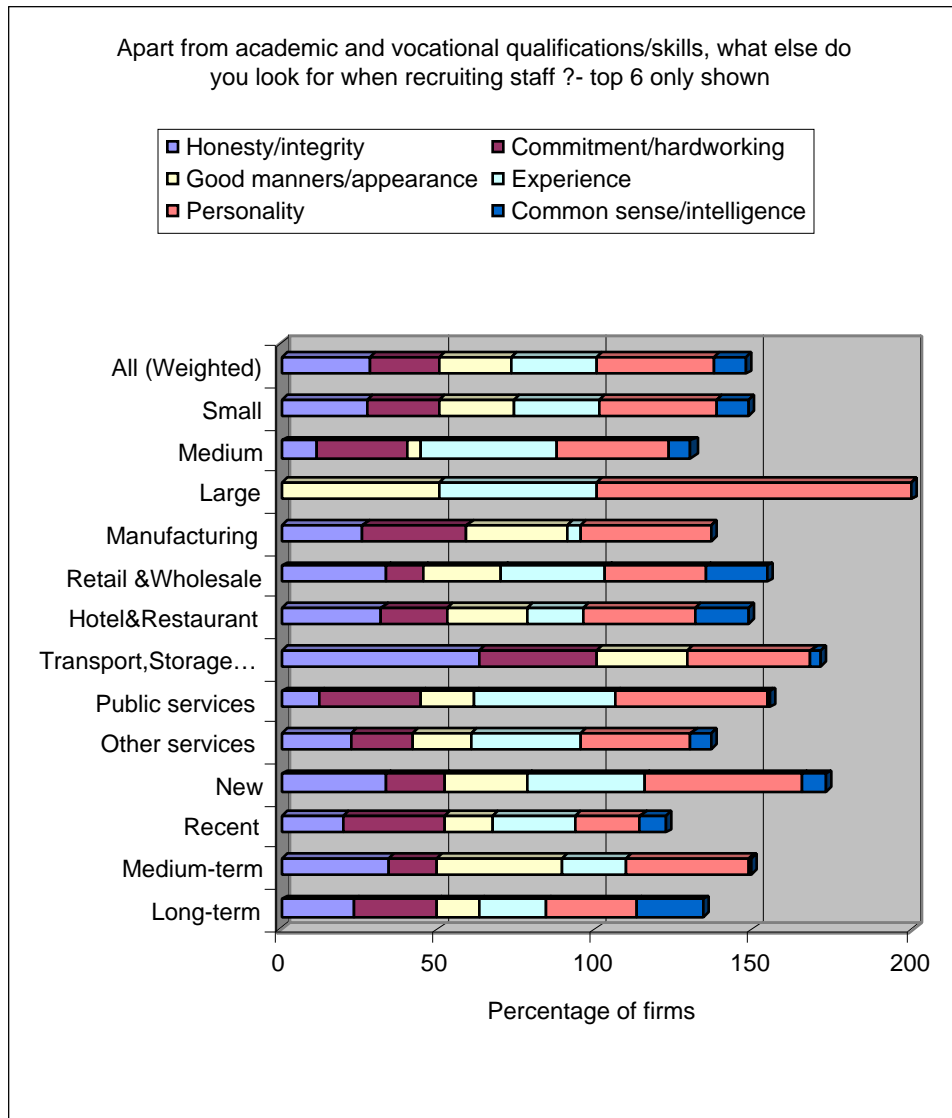
Figure 5.12 : English and employment prospects



Source : King's Cross Business Survey 2000/01

By soft skills is meant all other skills required by employers apart from vocational skills. Soft skills might include, ability to relate to other people, personal hygiene, honesty etc. In addition to academic qualifications and vocational skills, employers required a number of other so-called soft skills (Figure 5.13). Top of the list were personality (37%); honesty/integrity (28%); experience (27%); good manners/appearance (23%); commitment/hardworking (22%) and common sense/intelligence (10%). On the whole, new, medium to large, public sector firms and those in transport/storage and to a less extent manufacturing were looking for more rounded employees combining both academic, vocational and soft skills.

Figure 5.13 : Soft skills required by employers



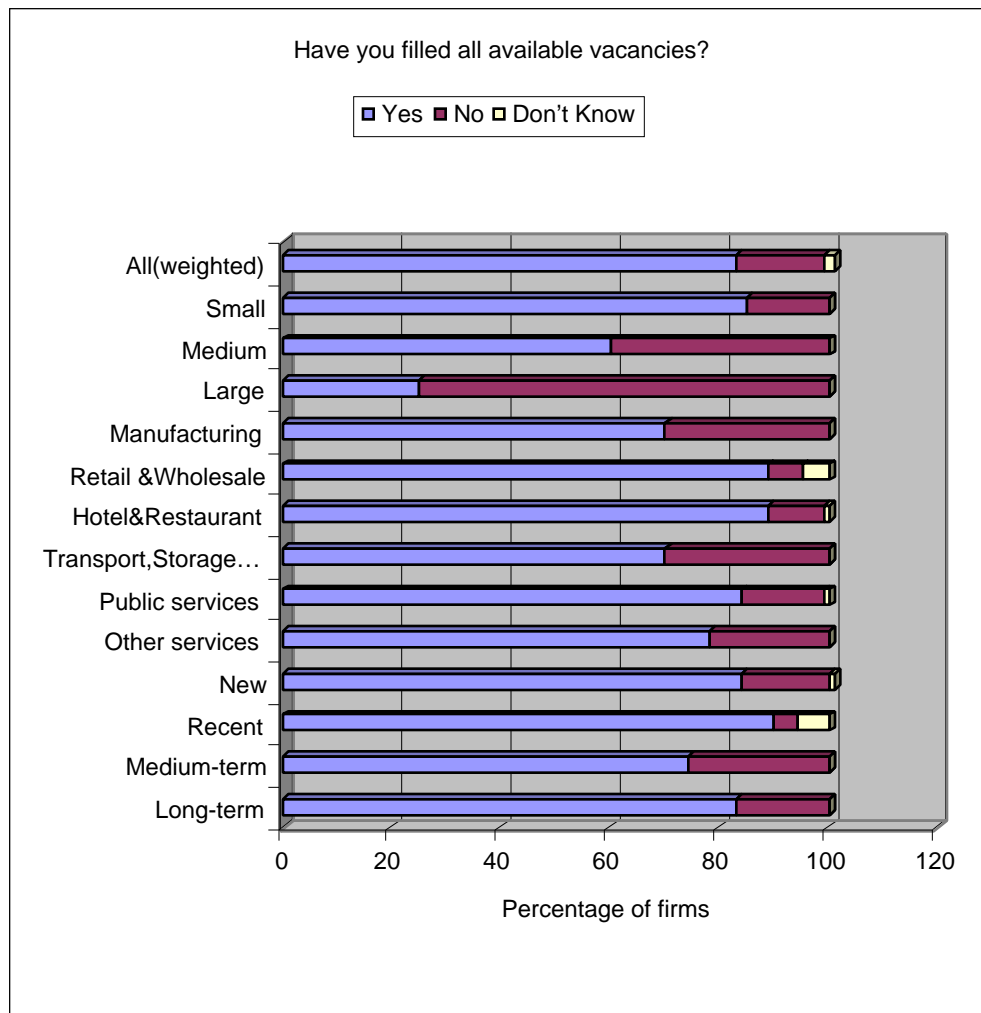
Source : King's Cross Business Survey 2000/01

5.3 Vacancies

Vacancy availability

At the time of survey, 84% of all businesses were working to capacity and only 16% had vacancies (Figure 5.14), notably medium and large organisations. By sectors, firms within the manufacturing and transport, storage and communications sectors were more likely than the overall position to have vacancies. Those within retail and wholesale were the least likely to have vacancies. By ownership, companies and public bodies rather than private and not-for-profit were more likely than the overall position to have vacancies. By age, vacancies were likely to be found within medium-term firms. Numbers of vacancies provide a simple indicator of labour demand in the local economy as well as providing insights into the relative demand of different types of skills

Figure 5.14 : Vacancy availability

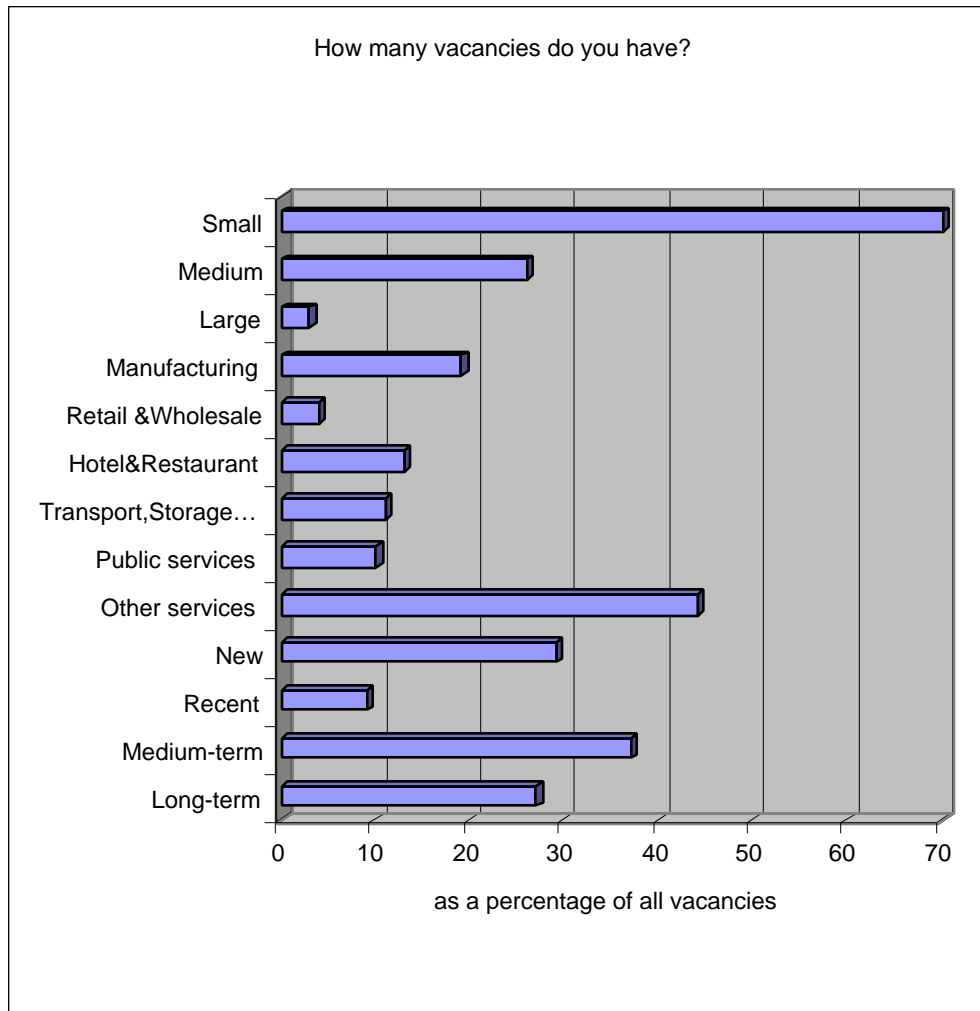


Source : King's Cross Business Survey 2000/01

Vacancy levels

In total, there were 271 vacancies (Figure 5.15), seventy percent of which were in small firms, 26% within medium size firms and 3% in large firms. Just under half (44%) of these vacancies were within the other services sector with another 19% in the manufacturing sector. At 4%, retail and wholesale had the least number of vacancies. By ownership, about one third (34%) of all vacancies were in private firms and another 25% in companies while the remaining proportion was shared equally between not-for-profit (20%) and public bodies (21%). By number of years in the area, there were more vacancies within the medium-term firms, followed by new firms. With recent firms being the least likely to have any vacancies.

Figure 5.15 : Vacancy levels



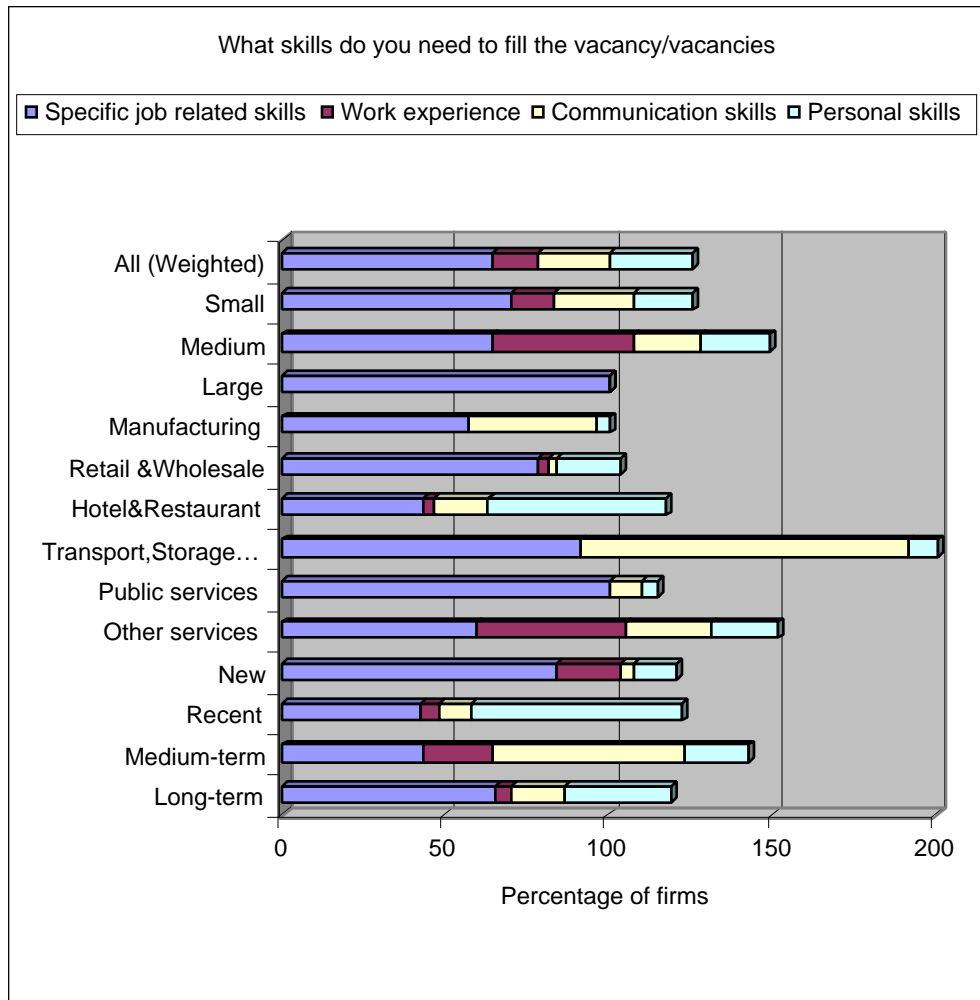
Source : King's Cross Business Survey 2000/01

Skills needed to fill vacancies

Figure 5.16 shows the range of skills needed to fill specific vacancies. These varied from specific job related skills (64%); personal skills (25%); communication skills (22%) and work experience (14%). Notice once again the relative importance of personal (soft) skills to employability.

There was a considerably higher than overall demand for specific job related skills for those vacancies within newly established firms and the 1 large firm which answered this question and also for vacancies in the following sectors: retail/wholesale; transport/storage and communications; and public services. While for demand for personal/inter-personal skills was significantly higher than average for those vacancies in recent firms; hotel and restaurant sector, and privately owned businesses.

Figure 5.16 : Skills needed to fill available vacancies



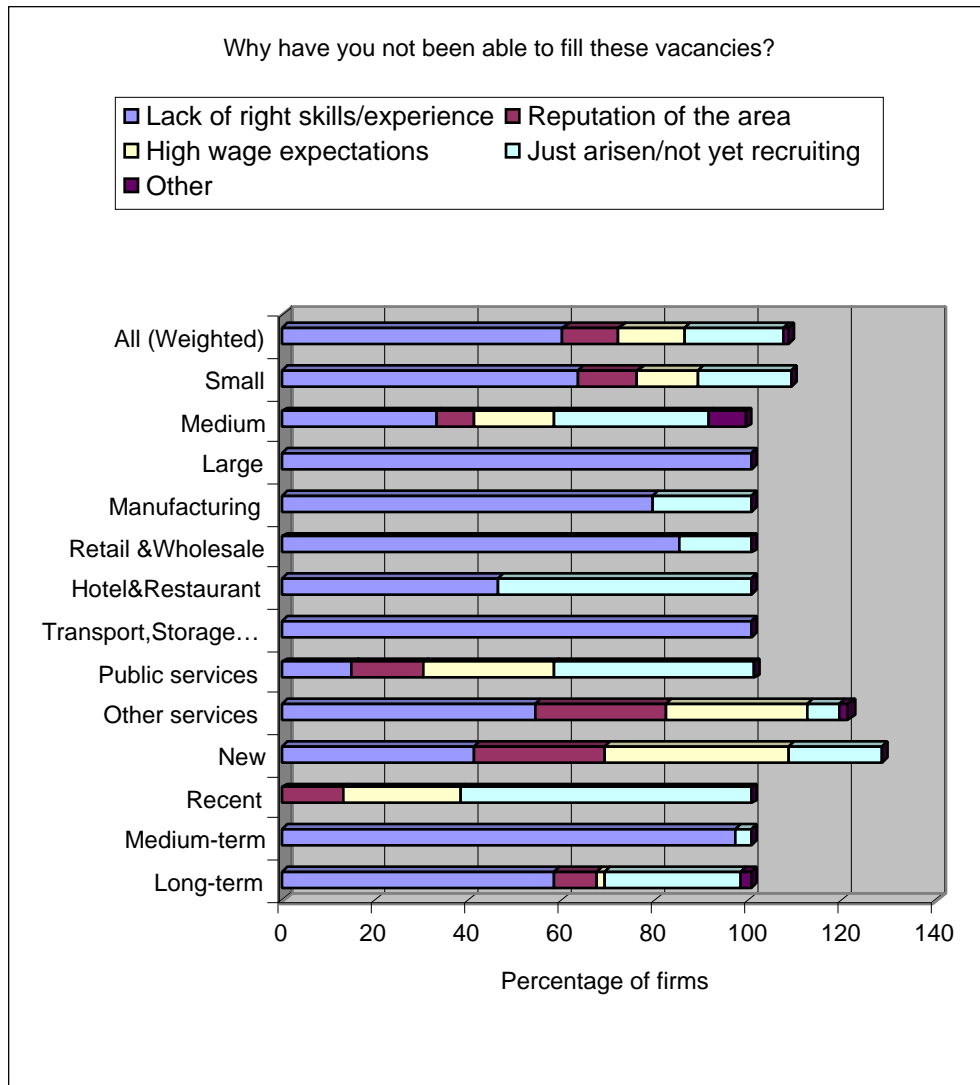
Source : King's Cross Business Survey 2000/01

Note : Total percentage exceeds 100 because of multiple responses

Reasons for failure to fill vacancies

Businesses attributed their recruitment difficulties to a number of factors (Figure 5.17). The one single predominant reason why vacancies had remained unfilled was the lack of right skills and experience (60%). This was particularly so in the one large firm with job vacancies. Other reasons relate to high wage expectations (14%) and the reputation of the area (12%). Manufacturing firms, those within the retail and wholesale sector, and firms within the transport/storage and communications sector were more likely than average to have unfilled vacancies due to skills shortages and lack of experience by applicants.

Figure 5.17 : Reasons for failure to fill vacancies



Source : King's Cross Business Survey 2000/01

Note : Total percentage exceeds 100 because of multiple responses

Firms in the public services sector and other services sector were more likely than average to attribute their recruitment difficulties to high wage expectations and in the case of the latter also to the reputation of the area. By ownership, companies had a significantly higher than average proportion of businesses with vacancies which they could not feel due to the shortage of experienced and/or skilled people. Publicly owned bodies on the other hand had a significant above average proportion of firms reporting that they could not fill available vacancies due to high wage expectations. By number of years in the area, new and recent businesses had a considerably higher than overall proportion of businesses citing high wage expectations and in the case of new firms the reputation of the area as well. Medium term firms were more likely than the overall average to cite skills shortages and lack of experience.

6 Business goals and local developments

Identifying the nature and distribution of current and future business goals is essential to understanding the level of dynamism and innovation in the different parts of the local economy. Such analysis may also help in identifying local economic driving forces with the potential to generate growth in output and employment.

6.1 Business goals

Table 6.1 : Business goals by size of firm - percent

	All	Small	Medium	Large
Survival	33	33	9	0
Reaching a certain critical size	9	9	11	25
Growth	66	44	69	25
Profit	32	31	17	25
Develop new products/services	15	14	23	50
Take a greater market share	8	8	34	0
Develop into new markets overseas	10	10	23	25
Becoming/remaining a local business leader	6	6	14	25
Becoming/ remaining a national business leader	8	8	20	25
Becoming/remaining an international business leader	3	3	3	25
Giving a better service to community	26	27	40	75
Introduce new technology	12	11	26	50
Other	8	8	14	25

Source : King's Cross Business Survey 2000/01

Table 6.1 lists a number of business goals in relation to the size of establishment. When analysed across all types of firms, we found that two thirds (66%) of businesses were looking to grow. As expected, the quest for growth was highest within medium followed by small firms and least within large organisation. However, there was also evidence that some businesses were under considerable pressure, for example, survival was a stated goal for 33% of businesses – almost all of them small in size and 9% of medium size firms. A similar proportion (32%) reported increased profit as their goal. Smaller firms had a preponderance for profit as a goal than medium or large firms. There was also evidence of a considerable level of social enterprise with about a quarter (26%) of firms stating 'giving a better service to the community' as their goal. The social goal was strongest among large organisations (75%) in line with the strong representation of public bodies in this sector. There was however a significantly higher (40%) than the overall proportion of community interest among medium size firms as well.

Although limited, there was also evidence of the existence of dynamic and innovative firms with ambitions to grow internationally (10%), develop new products and services (15%) and also introduce new technology (12%). In terms of size, these forward and outward looking firms were more likely to be medium or large enterprises and very rarely small.

Table 6.2 : Business goals by industry sector of firm - percent

	All	Manufacturing	Retail and wholesale	Hotels and restaurants	Transport, storage ...	Public Services	Other services
Survival	33	51	29	36	28	28	32
Reaching a certain critical size	9	0	11	10	0	11	9
Growth	66	46	53	41	68	66	31
Profit	32	16	38	28	40	20	40
Develop new products/services	15	12	17	6	5	30	14
Take a greater market share	8	16	6	5	10	11	9
Develop into new markets overseas	10	7	12	3	3	26	8
Becoming/remaining a local business leader	6	4	7	6	3	3	8
Becoming/ remaining a national business leader	8	12	12	0	5	4	10
Becoming/remaining an international business leader	3	11	1	2	0	9	1
Giving a better service to community	26	30	17	14	30	50	31
Introduce new technology	12	11	5	0	5	31	16
Other	8	0	0	9	28	19	9

Source : King's Cross Business Survey 2000/01

When analysed by sector, manufacturing, hotels and restaurants and other services were less likely than the overall proportion to be aiming for growth. Additionally, manufacturing was the one single sector with a significantly above average proportion of firms struggling to survive. Hence, it is not surprising that there was a comparatively very low proportion (16%) of firms within manufacturing who stated profit as a goal even lower than the 20% in the public services sector – traditionally associated with non-profit making. As we would expect, public sector firms were dominant among those who firms who cited community service as a goal and least in this group were firms within the hotels and restaurants sector. Contrary to expectations, we found that the level of dynamism and innovation was highest within the public services sector. Firms within the public sector, more than any other had plans to develop new products or services (30%), introduce new technology (31%) and also develop into new markets overseas (26%). Analysis by the length of time firms had been in the area revealed some differences but not significant (Table 6.3)

Table 6.3 : Business goals by length of time in area - percent

	All	New	Recent	Medium-term	Long-term
Survival	33	36	39	17	39
Reaching a certain critical size	9	11	6	9	8
Growth	66	52	35	46	51

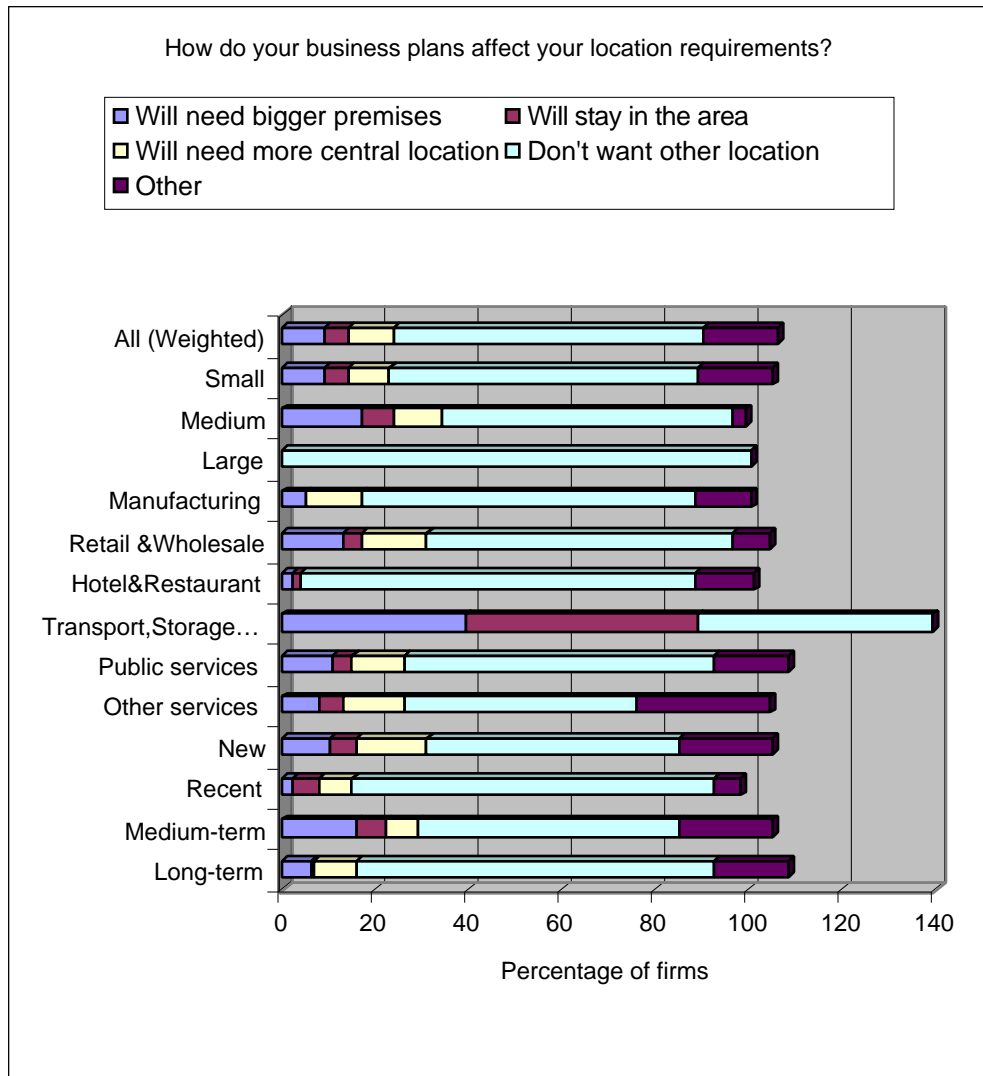
Profit	32	37	15	40	31
Develop new products/services	15	24	14	9	11
Take a greater market share	8	8	5	10	10
Develop into new markets overseas	10	18	8	8	5
Becoming/remaining a local business leader	6	5	9	3	7
Becoming/ remaining a national business leader	8	13	2	8	7
Becoming/remaining an international business leader	3	5	1	1	4
Giving a better service to community	26	28	24	20	30
Introduce new technology	12	9	2	18	14
Other	8	11	6	14	1

Source : King's Cross Business Survey 2000/01

6.2 Business plans and location requirements

Two thirds of businesses said their location requirements remained unaffected by their plans (Figure 6.1). Only 10% said they would need a more central location with another 9% saying they would need bigger premises. In other words there was a confidence in two-thirds of businesses that their plans could be realised in their current location. This can be partly explained by the fact that these were likely to be large firms and hence confident to weather any possible additional costs due to regeneration taking effect. These were also more likely to be within the hotels and restaurants sector among whom there was a high proportion of freeholds and hence would not suffer the effect of high rental costs. For all other firms the issue is how well prepared would these businesses be to adjust to possible regeneration pressures if they fail or refuse to anticipate these pressures (possible rises in rents, rates, parking costs etc)?

Figure 6.1 : Business plans and location requirements



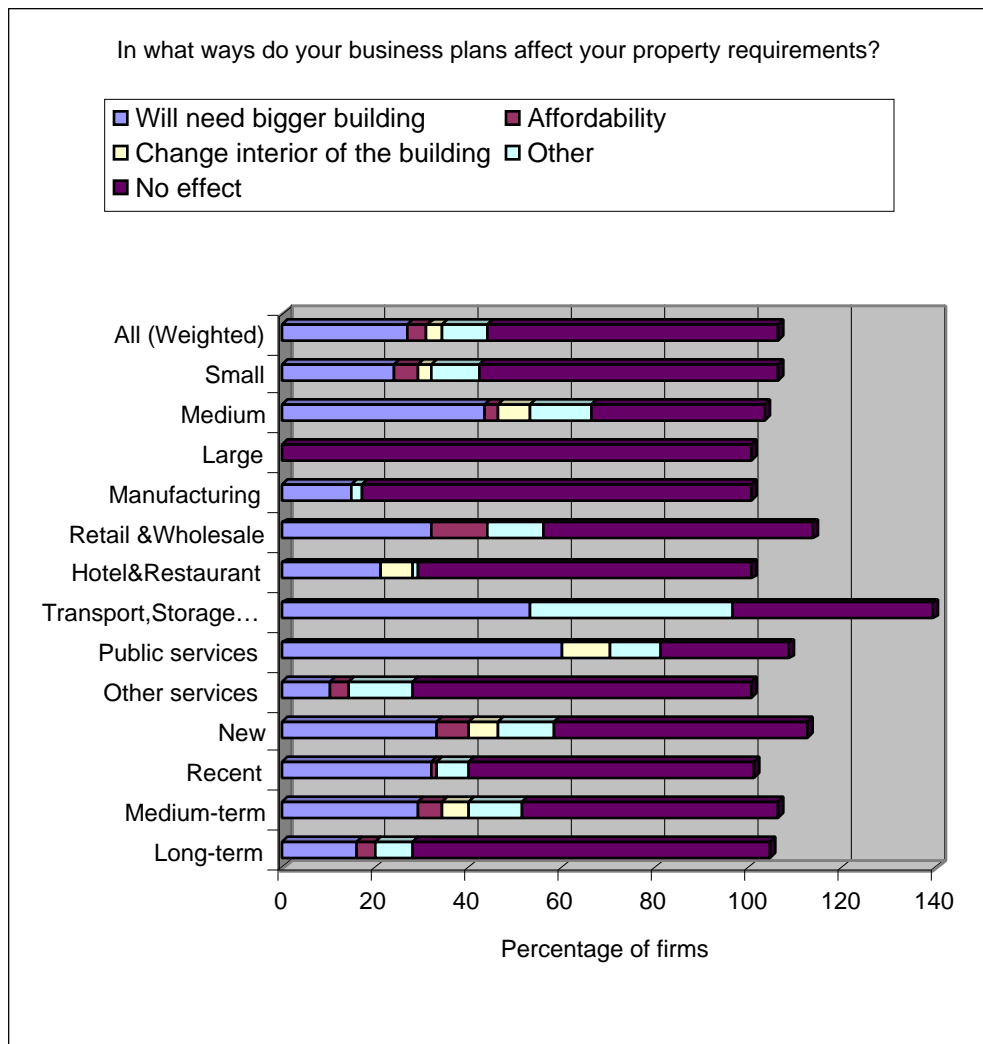
Source : King's Cross Business Survey 2000/01

Note : Total percentage exceeds 100 due to multiple responses

6.3 Business plans and building requirements

Similarly when businesses were asked to say in what ways their future plans would affect their property or building requirements 62% said these remained unaffected and 27% stated they would need a bigger building (Figure 6.2). Medium size firms, and those firms within the transport/storage and communications and public service sectors were more likely than the overall sample to need bigger buildings. It is possible that additional building space requirements for public sector firms may be had to realise if property costs rise with regeneration.

Figure 6.2 : Business plans and building requirements



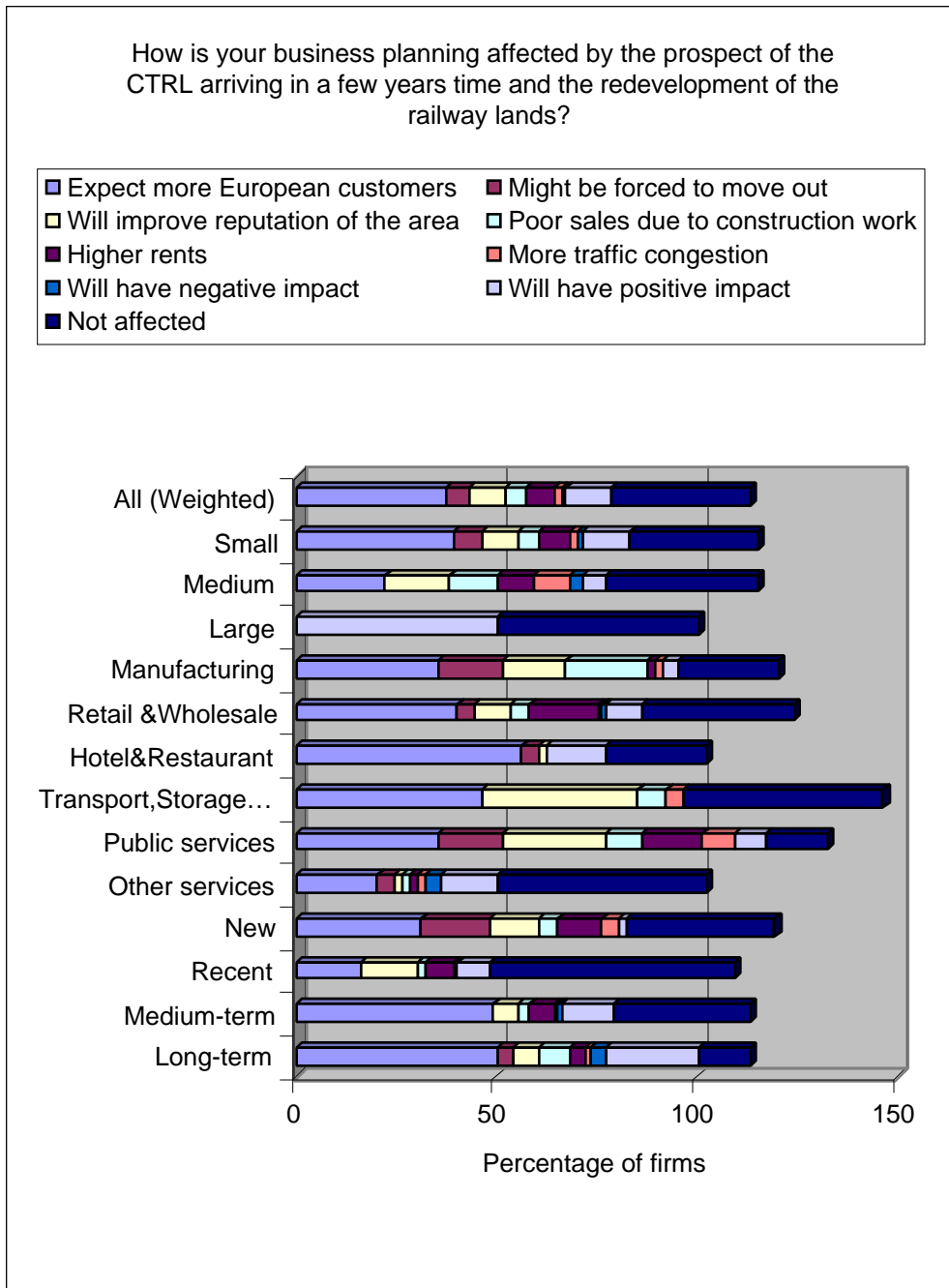
Source : King's Cross Business Survey 2000/01

Note : Total percentage exceeds 100 due to multiple responses

6.4 Business plans and CTRL

The question on how business planning was affected by the CTRL arriving at St Pancras and the redevelopment of the railway lands drew a range of responses some related to business planning others to the general effect on the area (Figure 6.3). Overall, a significant 37% said that they expected more mainland European customers – the hotel and restaurant sector having the highest proportion. Surprisingly, notwithstanding the magnitude of the potential development, 35% said it had no effect on their plans. But, there was a recognition (6%) that some of the businesses might be forced out. This feeling was higher than average among manufacturing and public sector firms and also among new firms. Another concern raised was the possibility of rent rises (7%) with the retail and wholesale sector being the highest proportion reporting such a concern. On the positive side, 11% said that the development was going to have a positive impact and will improve the reputation of the area (9%).

Figure 6.3 : Business plans and CTRL



Source : King's Cross Business Survey 2000/01

Note : Total percentage exceeds 100 due to multiple responses

7 Awareness of King's Cross Partnership, level of involvement and key priorities for business development

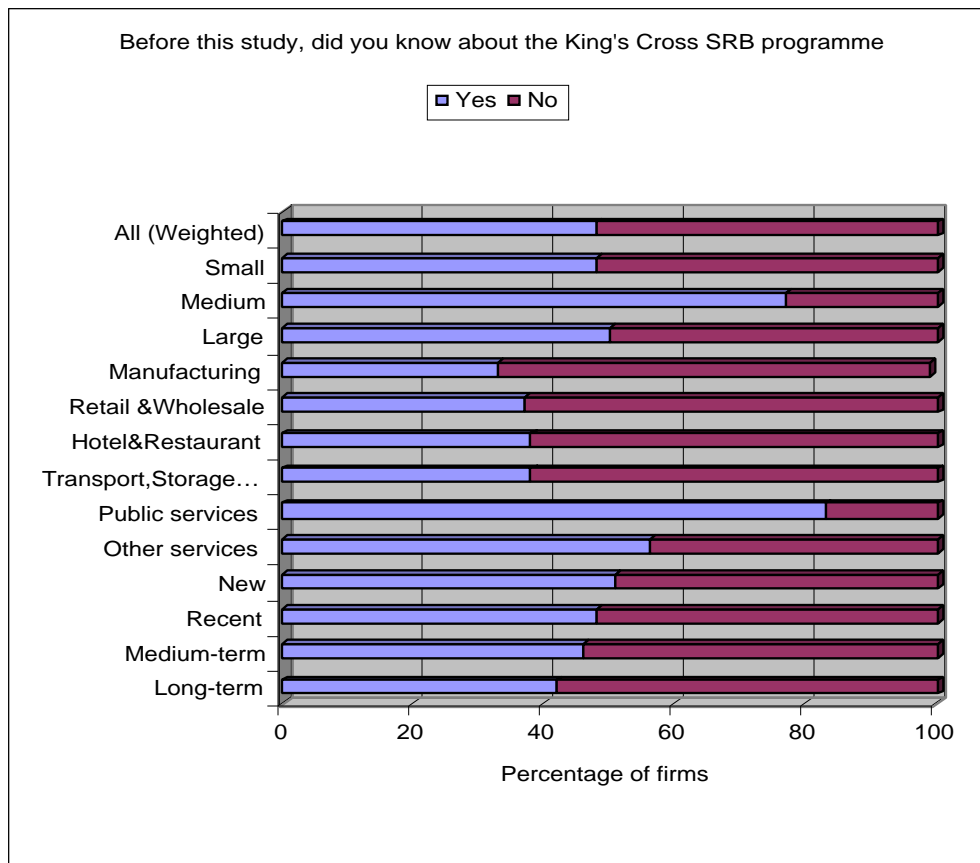
7.1 Awareness of King's Cross Partnership

This chapter discusses the level of awareness of the King's Cross Partnership and the level of involvement in its programmes within the business community but also explores other issues raised by business respondents.

Awareness of the SRB programme

Overall just under half (48%) of all businesses interviewed said that they had known about the SRB programme in the area before our study (Figure 7.1). This level of awareness was much higher than the average among large firms; those firms within the public services; companies, not-for-profit organisations and public bodies. On the other hand, privately owned firms, and those firms within manufacturing, retail and wholesale, hotels and restaurants, and transport, storage and communications sectors were least likely compared to the overall proportion to know about the SRB programme.

Figure 7.1 : Level of awareness of SRB programme

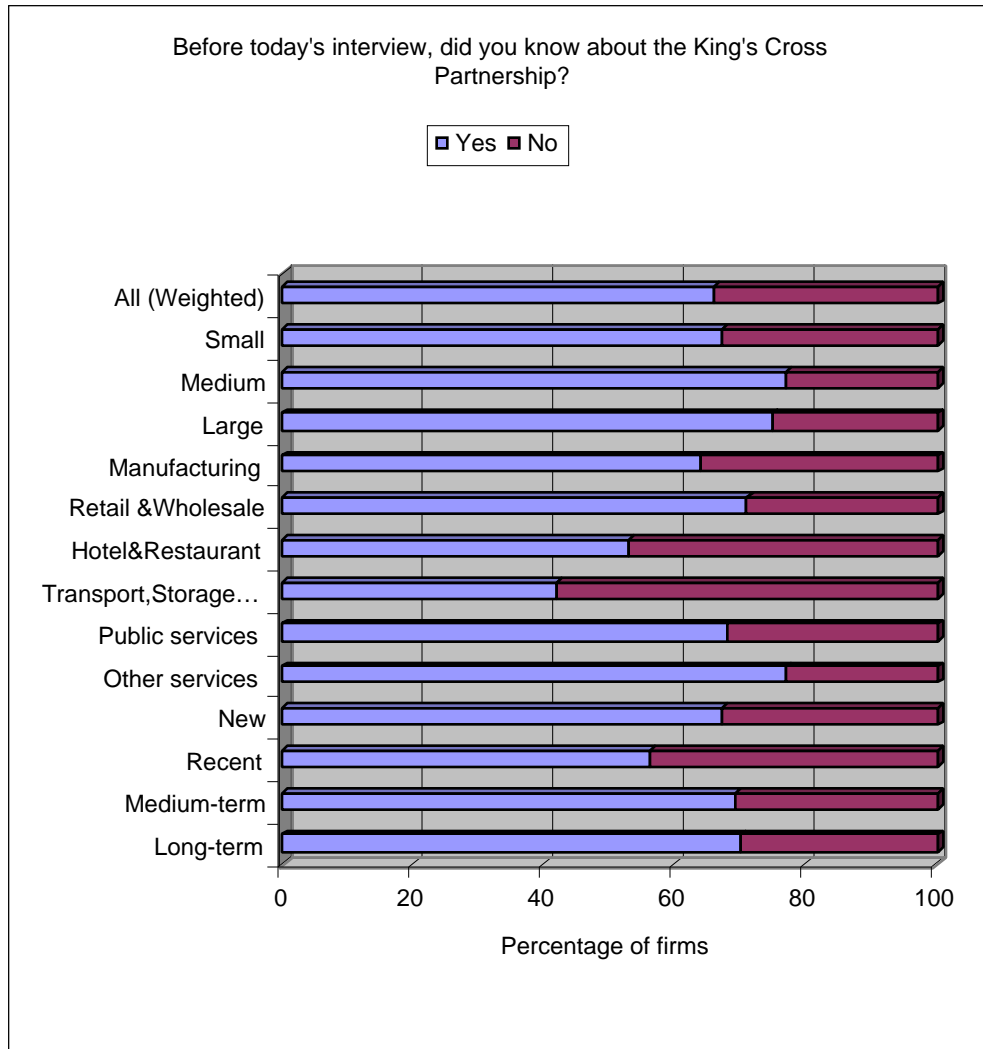


Source : King's Cross Business Survey 2000/01

Awareness of the King's Cross Partnership

While just under half of all businesses interviewed had knowledge of the SRB programme, two thirds (66%) knew about the Partnership (Figure 7.2). Once again, medium size firms were more likely than the overall proportion to know about the Partnership compared to small and large firms. By sector, 'other services' had the highest proportion of firms reporting to know about the Partnership. By ownership, we found that companies and not-for-profit organisation were more likely than the overall average to know about the Partnership. Recent firms and those within the hotels and restaurants, transport, storage and communications sector exhibited a considerably higher than average level of ignorance.

Figure 7.2 : Level of awareness of King's Cross Partnership



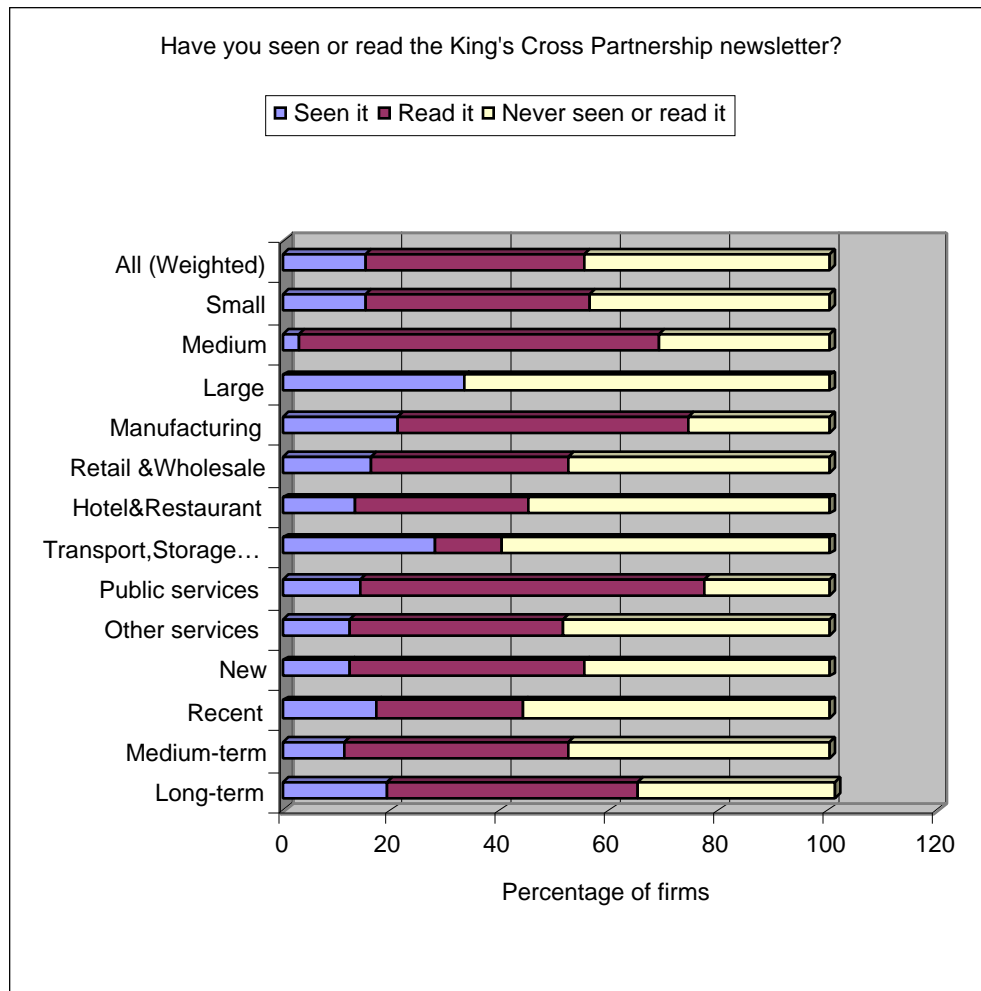
Source : King's Cross Business Survey 2000/01

Awareness of the Partnership Newsletter

The Partnership produces a business newsletter for distribution to the business community. Respondents were shown the newsletter and asked if they had seen or read it. Forty-five percent of all businesses interviewed claimed that they had never seen it (Figure 7.3). On the other hand, 15% said they had seen it but never read it while 40% had read it. Firms who had read the newsletter were more likely than the overall proportion to be medium in size, within manufacturing

and public service sectors, owned as companies or not-for-profit. Large firms and those within the transport, storage and communications sector – although more likely than others to have seen the newsletter - were least likely to have read it. Recently established firms were just as likely as any other firms to have seen the newsletter but less likely to have read it. There was a higher than average proportion of firms reporting that they had never seen or read the newsletter among large firms, hotels and restaurants, transport, storage and communications, privately owned firms, public bodies and recent firms. In some of these cases, it was also reflected in their higher than average level of ignorance about the SRB programme and/or the Partnership. For example, hotels and restaurants; transport, storage and communications; privately owned firms and recent firms.

Figure 7.3 : Awareness of the Partnership Newsletter

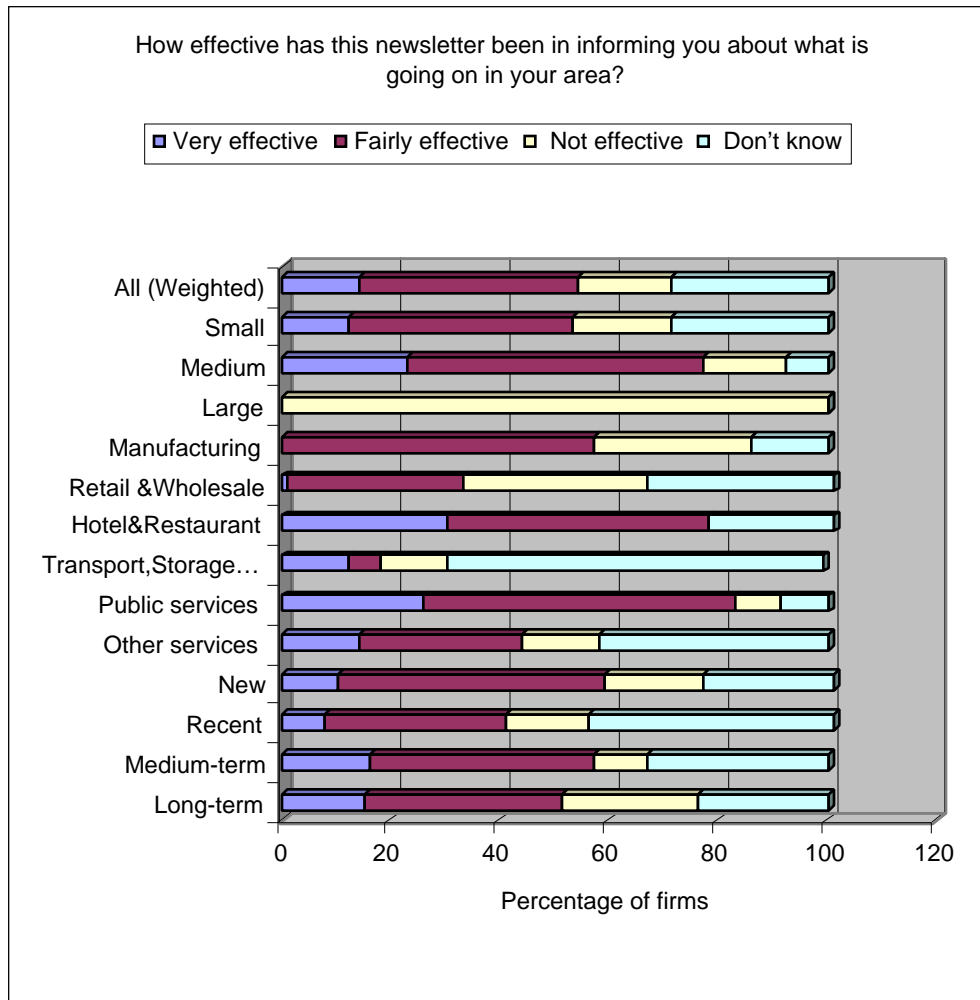


Source : King's Cross Business Survey 2000/01

Effectiveness of Partnership Newsletter

Of all those who had read the newsletter, only 17% said that it had not been effective in informing them about what was going on in the area (Figure 7.4). A combined 54% said that it was either very effective (14%) or fairly effective (40%). Another 29% expressed no opinion preferring to say that they did not know. On balance, the view of the business community on the effectiveness of the newsletter as a tool of informing businesses on developments in the area was a positive one.

Figure 7.4 : Effectiveness of Partnership Newsletter



Source : King's Cross Business Survey 2000/01

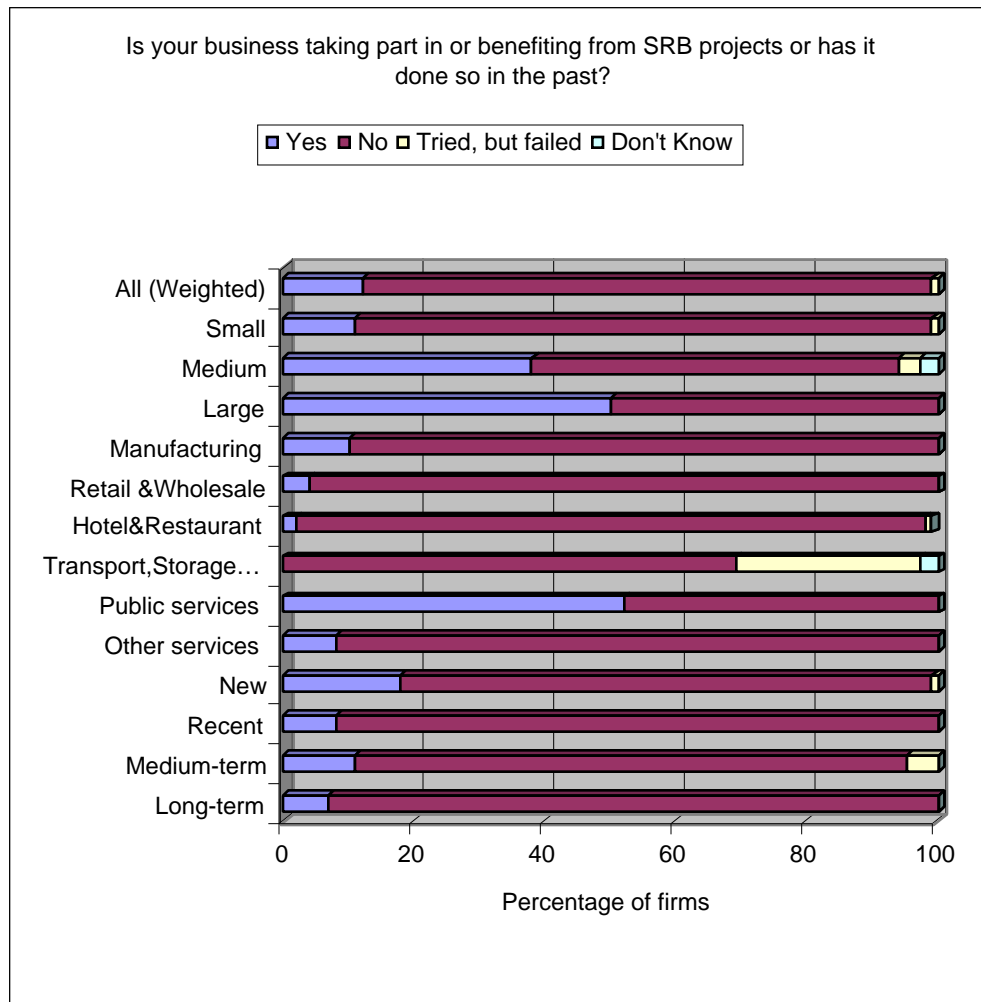
By size, medium size firms were more charitable in their opinion of the newsletter than small firms. Only one large firm answered this question and said the newsletter had not been effective. There was a significantly higher than average proportion of firms within the public service sector, and hotels and restaurants sector (the few who had read the newsletter) claiming it was an effective communication medium. Companies and not-for-profit were also much more positive about the newsletter than the average proportion. In terms of awareness, companies and not-for-profit organisations were more likely to know about SRB, know about the Partnership, likely to have read the newsletter and more charitable in their views.

7.2 Involvement in SRB programme and Local Business Forum

While the level of awareness of the SRB and Partnership were comparatively high, actual involvement was low with only 12% of all businesses interviewed saying that they were either taking part or benefiting from SRB projects or had done so in the past (Figure 7.5). Eighty seven percent had no involvement at all with only 1% saying that they had tried, but failed. Of those firms that were or had been involved it was mainly medium and large size firms, more likely to be in the public service owned as not-for-profit or as public bodies. The ones least involved were likely to be in the retail and wholesale, and transport, storage and communications sectors in

private ownership. The proportion of firms claiming that they had tried, but failed was significantly higher for transport, storage and communications than the average proportion.

Figure 7.5 : Involvement in SRB Programme



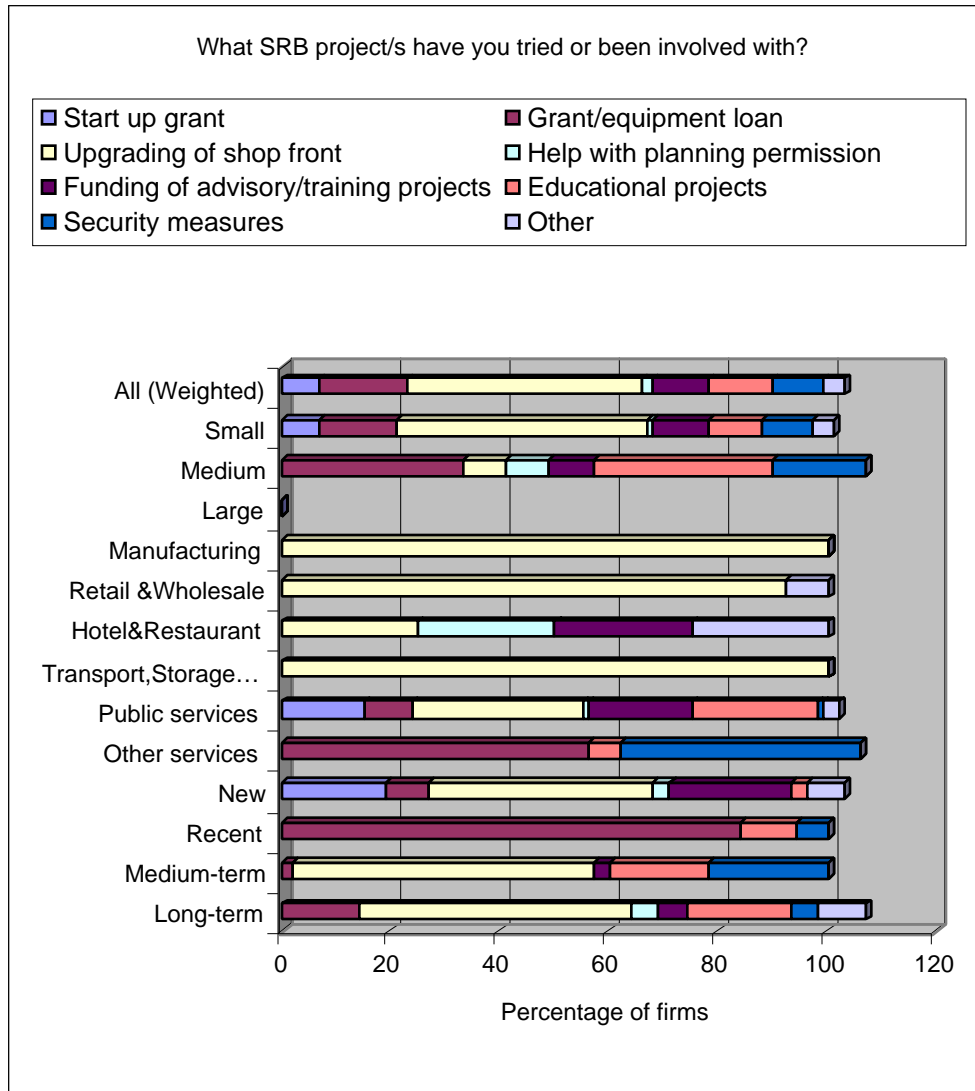
Source : King's Cross Business Survey 2000/01

Particular project involvement

Concerning particular project involvement (Figure 7.6), the most common project had to do with physical improvement of premises by way of upgrading of shop front. Forty three percent of businesses who had had any involvement (of which this was only 12% of all businesses – see above) reported the upgrading of shop front. Sixteen percent had received some form of grant or equipment loan; 12% had benefitted from educational projects; 10% had funded advisory services or training; another 9% said they had been involved with projects designed to improve security; there were also start up grants to 7% of businesses and help with planning permission (2%). While the public service sector seemed to have been involved in a wide range of projects, and to a less extent the hotel and restaurant sector and other services sector, the remaining sectors' involvement was mainly limited to the upgrading of shop fronts. There is an issue here relating to the funding of public services using regeneration money when these can be funded through main stream budgets. Is regeneration funding of public services new money – that is in

addition to main stream funding? or is the government diverting main stream funds to pay for public services through SRBs?

Figure 7.6 : Type of project involvement

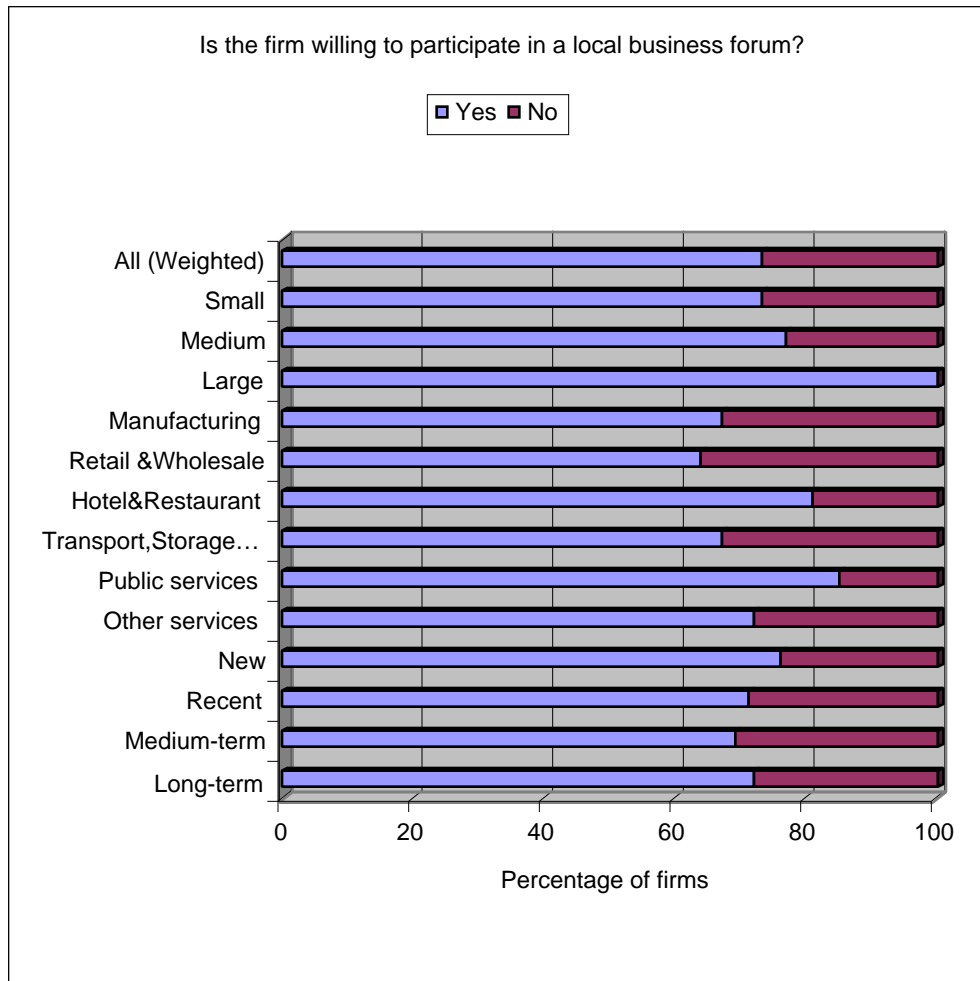


Source : King's Cross Business Survey 2000/01

Local Business Forum

It is generally acknowledged that small businesses have not been well organised to effectively influence regeneration efforts in the area. Asked about their willingness to participate in a local business forum, seventy three percent of all firms were prepared to do so as opposed to 27% who said no (Figure 7.7). All four large firms interviewed expressed willingness to take part the proportion falling to 73% for small firms. A significantly higher than average proportion of public services sector firms said they were willing to participate in a local business forum. But, there was also a considerable proportion of publicly owned organisations and companies who said no to such participation. In the case of companies a somewhat unexpected outcome.

Figure 7.7 : Willingness to join Local Business Forum



Source : King's Cross Business Survey 2000/01

7.3 Key priorities for business development

There was a wide range of opinion regarding what businesses considered as key priorities for business development in the area (Table 7.1). At the very top was a safer environment (35%); make area more attractive (20%); creation of mixed land uses and more parking (14%); and keeping the rents low (10%) etc.

Table 7.1 : Key priorities for business development

Key priority	Percentage of businesses
Safer environment	35
Make area more attractive	20
Create mix of land uses	14
More parking	14
Keep rents low	10
The construction of CTRL	9
Improve reputation of the area	9
Clean up the area	8
Re-organise traffic flows	5

Involve local community	5
More financial support for business	4
Provide premises for new businesses	3
Don't Know	19

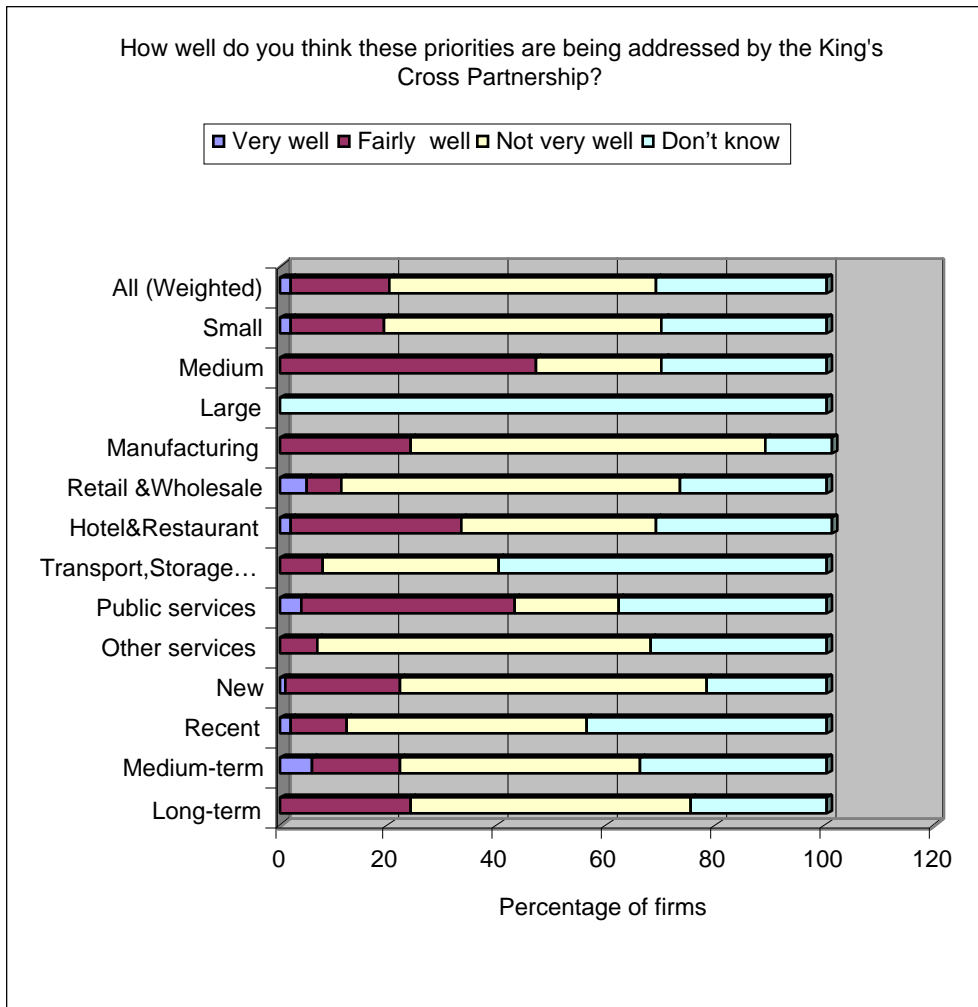
Source : King's Cross Business Survey 2000/1

7.3 Effectiveness of Partnership in addressing business development priorities

Twenty percent of all businesses interviewed said that the Partnership had done well (very well - 2%; fairly well – 18%) in addressing identified business development priorities as against forty nine percent who said otherwise (Figure 7.8). Thirty one percent of firms however failed or refused to give their verdict preferring to say they didn't know. Medium size firms, those within hotels and restaurants and public service sector, and in not-for-profit ownership were more likely than the overall proportion to be positive about the effectiveness of the Partnership activities. Firms within manufacturing, retail and wholesale, other services sector, were more likely than the overall proportion to be negative about the Partnership's work in addressing identified business development priorities.

In the final analysis, the Partnership should be judged not only on what are perceived as priorities by the businesses community, but also to the extent to which the Partnership is able to influence change having regard to the resources, and its remit. With reference to the list of 12 priorities in Table 7.1, the Partnership's capability to influence change probably extends to only half of them.

Figure 7.8 : Effectiveness of Partnership in addressing business priorities



Source : King's Cross Business Survey 2000/01

7.4 Additional/Other issues

At the end of the interview business respondents were asked if at all they had anything else to say on the issues raised during the interview (Table 7.2). The overwhelming view was that the area needed more and rapid improvements (43%). The issue of crime was returned to by a number of people with 28% stating that it had to be tackled. Local community/business involvement was raised by 21% of respondents who hoped that these groups would not be left out in the cold. Indeed 11% said that social issues were not being addressed. Knowing what was happening in the area was raised by 17% who wanted to be informed about new developments taking place. There was a level of dissatisfaction with the Partnership expressed by 12% who said it was not doing enough. This last question in a sense encapsulates the range of views, emotions, and expectations of the business community in King's Cross at the time of the survey.

Table 7.2 : Additional/Other issues

Comments	%
Area needs more and quick improvement	43
Crime has to be tackled	28
Hope that local community/business needs will not be ignored	21
Want to be informed of developments	17
King's Cross Partnership not doing enough	12
Social issues not being addressed	11
Feeling of being ignored	8
Fear of being priced out	6
Positive change noticed	5
Want to be relocated within	5
Appreciate that someone is willing to talk to them through this survey	3
Other	11

Source : King's Cross Business Survey 2000/01