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**N E W S R E L E A S E**

**Quarterly Bucks business survey shows improving trading conditions but rising costs**

[Buckinghamshire Local Enterprise Partnership](https://www.buckstvlep.co.uk/) and [Buckinghamshire Business First](http://www.bbf.uk.com/)’s latest Buckinghamshire Business Barometer survey shows that trading conditions for local firms improved considerably in the second quarter of the year, and business confidence grew. However, many firms were still experiencing ‘worse than normal’ trading conditions and challenges remain, not least rising costs.

The survey asked local firms about trading conditions between April and June 2021 (quarter 2). Just under half (45%) reported ‘worse than normal’ conditions, down from 74% in quarter 1. Improvements have been experienced by firms in their profits, turnover, order books/pipeline and sales in the second quarter of 2021 compared to the previous quarter. Costs have however increased for almost half of responding firms, most likely a result of supply chain challenges and labour shortages. This is reflected in the latest inflation data released this week by the Office for National Statistics.

Looking forward there are signs of optimism with a sizeable proportion of respondents reporting plans to invest in their business during the next quarter. 61% plan to invest in training and development, up from 44% last quarter. This is likely to reflect the surge in recruitment over recent months meaning firms have more newly recruited staff to develop. 58% plan to invest in marketing and/or advertising, a similar proportion to last quarter and 43% in digital technologies, again in line with

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last quarter’s figure. More respondents plan to increase their employee headcount (36%) than to decease their headcount (5%).

Businesses were asked some specific questions about their office space requirements. Whilst a sizeable minority have relinquished office space over the last 12 months, or plan to do so, most have maintained their office space and more plan to increase rather than decrease their office space in the future. Those relinquishing office space are most likely to be micro-firms.

The shift to hybrid, or full home-working models, has increased demand for meeting room (particularly small rooms) and co-working space. For more information on hub space available through Buckinghamshire Business First please visit [www.bbf.uk.com/hubs](http://www.bbf.uk.com/hubs).

Caroline Perkins, Research Manager at Buckinghamshire Local Enterprise Partnership, said: “The survey results suggest that trading conditions for Buckinghamshire businesses improved substantially in the second quarter of the year. The issue of rising costs does however appear to be hampering profits as businesses try to recoup Covid-19 losses. This is likely to impact the speed of economic recovery.”

Any Buckinghamshire businesses who would like to participate in the next Barometer survey, can register their interest via info@bbf.uk.com. The full Buckinghamshire Business Barometer report can be downloaded at: [www.buckstvlep.co.uk/useful-information/publications-reports/](http://www.buckstvlep.co.uk/useful-information/publications-reports/).

**Ends**

**Note to editors**

The **Buckinghamshire Business Barometer** is run by Buckinghamshire Business First and Buckinghamshire Local Enterprise Partnership. The Barometer began in 2021 and is conducted via an online survey on a quarterly basis. The survey can be completed by any business operating within Buckinghamshire and is promoted to businesses through Buckinghamshire Business First and its partners. Respondents are self-selecting and the results are not weighted, therefore the findings should be treated as indicative rather than representative of all Buckinghamshire businesses. The second Barometer survey (Q2 2021) was conducted between July and August 2021 and relates to the period April – June 2021. The next survey (Q3 2021) will be conducted in the Autumn.

The [**Buckinghamshire Local Enterprise Partnership**](http://buckstvlep.co.uk/) (Bucks LEP) is a business-led ‘partnership of equals’ between local government and the private sector, building the conditions for sustainable economic growth in the County.

[**Buckinghamshire Business First**](http://www.bbf.uk.com/) (BBF) is the Growth Hub for the county and is backed by Buckinghamshire-based entrepreneurs, thousands of SMEs, the Buckinghamshire LEP and Buckinghamshire Council. BBF provides the link between public policy and the business community in Buckinghamshire and works with partners to create a dynamic business environment in the Entrepreneurial Heart of Britain.

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