



The
Growth
Company

GC SITUATION REPORT AND BUSINESS SURVEY RESULTS

RESULTS FOR 30TH JULY TO 2ND SEPTEMBER 2022

www.growthco.uk

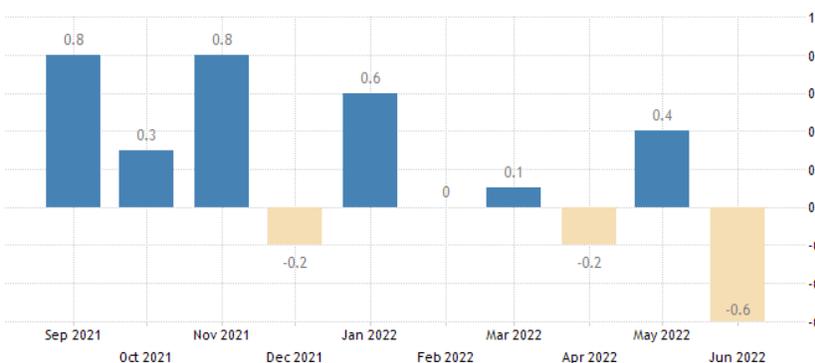
1. ECONOMIC CONTEXT AND SURVEY HEADLINES

The GC Situation Report August 2022 contains leading economic data from both national and local sources. This month's survey report findings are based on 311 surveys completed with firms (almost all in Greater Manchester), between the 30th July and 2nd September 2022. A supporting data annex provides intelligence for all firms, alongside the headlines for each local authority within Greater Manchester.

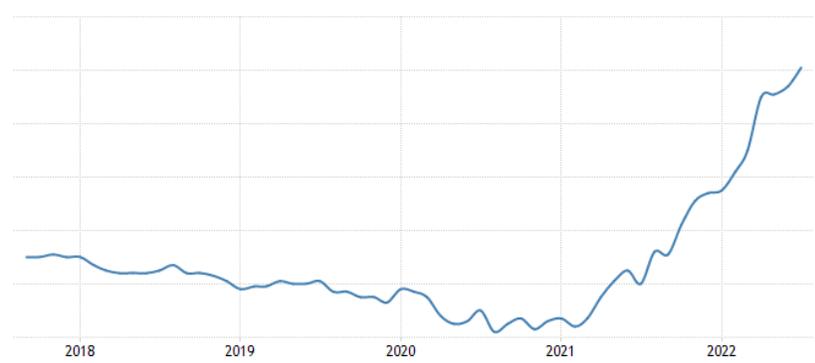
Economic context: The pace of growth is already slowing in most countries, due to sharp increases in the cost of energy, food prices, and raw materials. Geopolitical risks are at the highest level in 20 years in several parts of the globe. Most economic forecasters are suggesting that UK forecast growth in 2023/24 will be the lowest outside a recession year since 2008. A key factor behind deteriorating growth prospects remains high inflation, which is sapping consumers' real incomes and raising business costs. The UK economy is now projected to enter recession from the fourth quarter of 2022; and GDP fell by 0.2% in Q2-2022, with growth depressed by the run-down of NHS test and trace activity. UK Purchasing Manager Indices for August indicate a contraction in Manufacturing and Construction, and a slowing in UK services sectors (consumer services contraction). Despite these economic headwinds, the UK labour market remains tight. Unemployment has fallen to historically low rates (Q2 3.8%), while the number of vacancies has increased to record levels of almost 1.3m. Worker shortages most acute in hospitality, health & social care, logistics and construction.

GC survey headlines: The headline survey results up to the end of August shows that the proportion expecting sales to increase in the year ahead has risen by seven percentage points, and the proportion expecting profits to increase has increased by one percentage point. These levels of future confidence are at a time when many challenges are beginning to bear down on business. Future investment intentions have slightly decreased, but an increased proportion of firms are looking to increase spending on workforce development, product/service innovation, and digital transformation, compared to the previous month. The main areas of concern/impact for survey respondents are rising costs, supply chain issues, business travel visiting clients, alongside risks of falling sales. The main pressing challenges and business support needs focus on growing domestic sales, addressing innovation and workforce development, and developing the business plans/model; a quarter of firms are currently recruiting staff. The local labour market in Greater Manchester remains tight and the main skills shortages reported were ICT (basic and advanced), and sales and marketing skills.

UK GDP contracts by 0.6% in June 2022 (next 12 Sept)



CPI Inflation rises to 10.1% in July 2022



UK Vacancy numbers decline



- **Gross Domestic Product (GDP) contracted 0.6% month-over-month in June of 2022, following a downwardly revised 0.4% rise in May.** The Platinum Jubilee, and the move of the May bank holiday, led to an additional working day in May and two fewer working days in June.
- Services fell by 0.5% and was the main driver of the fall in GDP, led by human health activities as test and trace activity reduced further and vaccinations continued to tail off.
- Production fell 0.9%, prompted by a 1.6% drop in manufacturing and a 1.4% decline in construction. Meanwhile, output in consumer-facing services remained flat. The UK GDP is now estimated to be 0.9% above its pre-coronavirus levels in February of 2020.

- **The annual inflation rate in the UK increased to 10.1% in July of 2022 from 9.4% in the previous period and slightly above market forecasts of 9.8%.**
- It was the highest reading since February 1982, as prices rose faster for housing & utilities (20% vs. 19.6% in June), recreation & culture (5.6% vs. 4.8%), food & non-alcoholic beverages (12.6% vs. 9.8%) and restaurant & hotels (8.9% vs. 8.5%).
- On the other hand, transportation prices eased (14.8% vs. 14.9%). Compared to the previous month, consumer prices were up 0.6%, below 0.8% in June, but above forecasts of 0.4%.

- **The number of job vacancies in May to July 2022 was 1,274,400, a decrease of 19,800 from the previous quarter bringing to an end the sequence of quarterly increases, which started in July to September 2020.**
- With quarterly growth having slowed for 11 consecutive periods, it turned negative in May to July 2022, contracting by 1.5%.
- In May to July 2022, the ratio of vacancies for every 100 employee jobs fell to 4.2, the first fall since April to June 2020.

1. ECONOMIC CONTEXT – SECTORS AND OTHER DATA / INTELLIGENCE

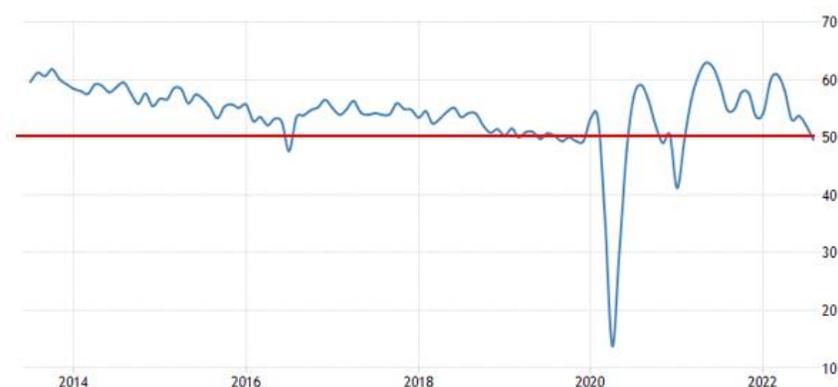
The S&P Global/CIPS Manufacturing PMI



The S&P Global/CIPS Service PMI



The S&P Global/CIPS Composite PMI



- **The S&P Global/CIPS UK Manufacturing PMI** was revised higher to 47.3 in August of 2022 from a preliminary of 46, but still pointed to the first contraction in factory activity since May of 2020, namely consumer, intermediate and investment goods sectors.
- Output, new business and new export orders contracted sharply, leading to a near stalling of jobs growth and drop in business optimism. Meanwhile, input inflation slowed to the weakest since November of 2020, but remained elevated on rising costs for commodities, containers, electronics, energy, packaging, raw materials and transportation.
- Selling price inflation also continued to ease in broad lockstep with purchase prices and supply chain pressures showed further signs of easing.

- **S&P Global/ CIPS UK Services PMI** was revised sharply lower to 50.9 in August of 2022 from a preliminary estimate of 52.5, the softest expansion in services activity in 18 months as inflationary pressures and the cost-of-living squeeze resulted in heightened economic uncertainty and reduced client confidence.
- The latest reading showed that inflows of new business rose at a much softer pace, with growth down to an over one-year low as sky-high inflation and growing recessionary fears continued to curb domestic and overseas demand. Meanwhile, the labour market remained resilient despite such macro headwinds.
- Firms reported higher operating costs despite input inflation easing slightly to an eight-month low. As a result, firms continued to pass on these costs to clients, resulting in a surge in output charges. Finally, confidence about the future was again historically subdued.

- **The S&P Global/CIPS UK Composite PMI (all firms)** decreased to 50.9 points in August from 52.1 points in July of 2022. August's result marked the worst reading since February 2021. As such, the index remained above the 50.0 no-change threshold, pointing to a continued, albeit moderating, improvement in private sector business conditions from the previous month.

Construction

- **The S&P Global/CIPS UK construction purchasing managers' index** — which measures month-on-month changes in activity in the sector — was at 49.2 in August, marginally above the 48.9 in July, but below the 50 threshold that indicates contraction. The construction sector performed well during the pandemic thanks to strong housing demand. However, inflation running at a 40-year high of 10.1 per cent is seeing housing and commercial building stagnate, with civil engineering activity dropping significantly.

- **Retail sales in the UK unexpectedly rose 0.3 percent over the previous month in July of 2022, recovering from declines in the last three months and beating market forecasts of a 0.2 percent fall.** Sales of non-store retailing (predominantly online retailers) rebounded by 4.8 percent as a range of promotions in July 2022 boosted purchases, while food store sales increased 0.1 percent.
- On the other hand, sales of automotive fuel (-0.9 percent) and non-food stores (-0.7 percent) declined. Sales volumes were 2.3 percent above their pre-pandemic February 2020 levels but down over the past year.

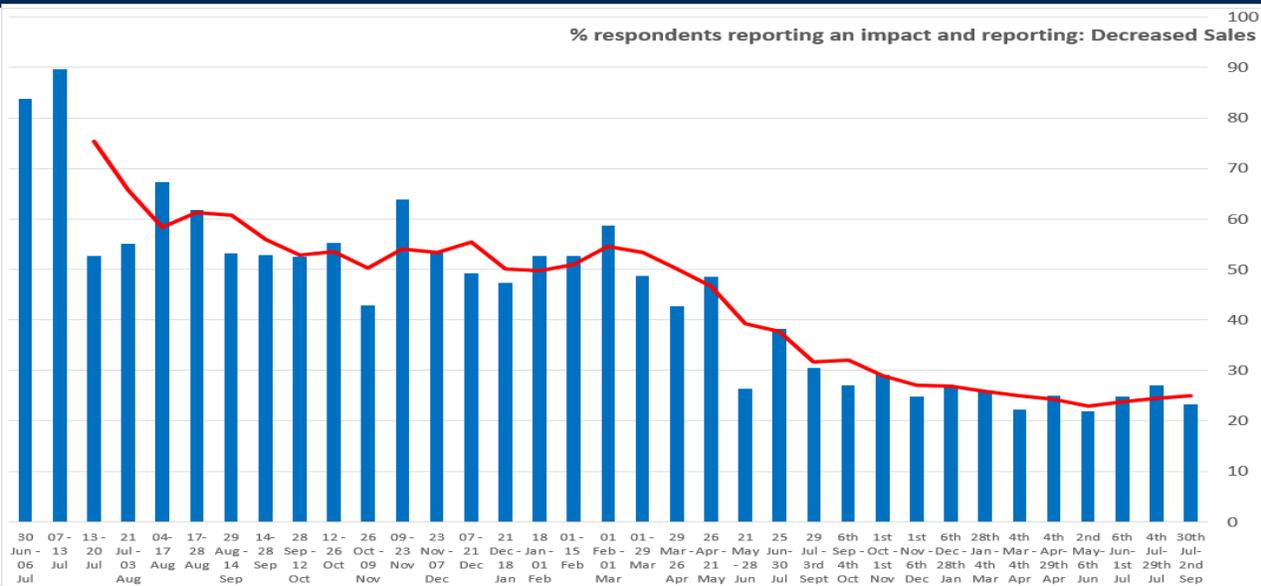
2. LOCAL BUSINESS SURVEY DATA

Last months survey results shown as comparator figures – typically following this months results

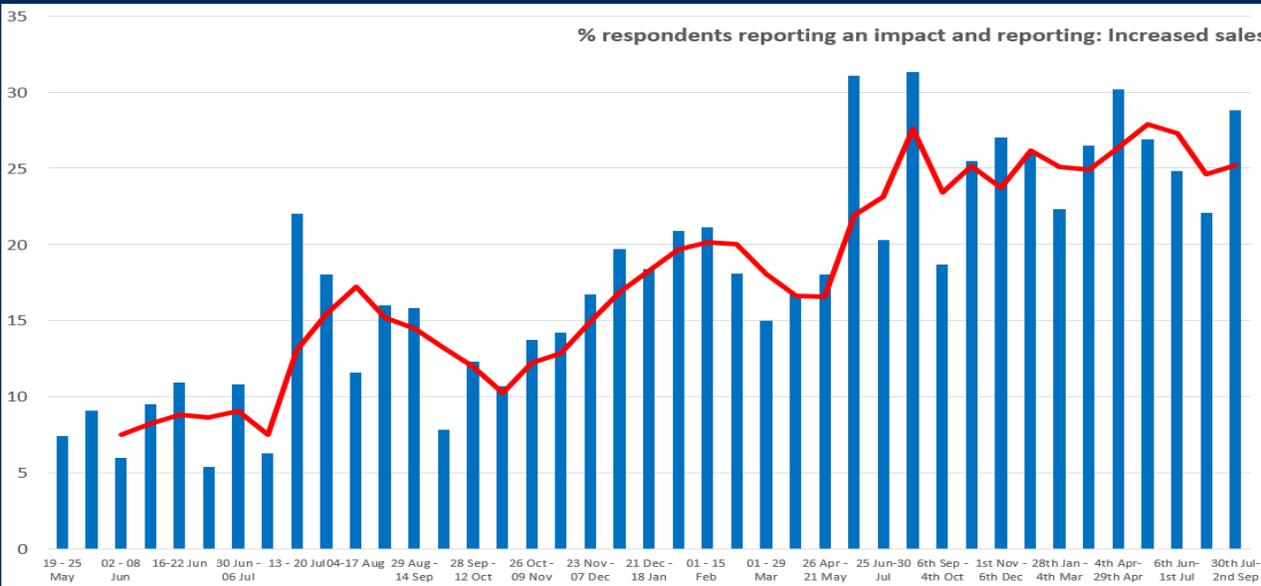
GROWTH, BUSINESS CONFIDENCE AND INVESTMENT	MAIN IMPACTS AND FINANCIAL RESILIENCE	BUSINESS CHALLENGES AND SUPPORT NEEDS
<ul style="list-style-type: none"> ➤ The GC Business Confidence Index (GC-BCI), a ranking of how confident businesses are on their growth prospects for the year ahead, currently stands at 7.2 out of 10, 0.1 index points lower than last month, and slightly lower than 7.3 recorded the same time last year. In-week figures show the index moved lower in the last week in August to 7.0. ➤ Sales and profits. 29% (vs 22% previously) of firms reported that they experienced an increase in sales in the last month, and 68% expect profits to increase (vs 67%, and similar to that seen in Jan/Feb 2022), whilst just 3% (vs 3% previously) expect profits to decrease. Construction and Life Sciences were the sectors most likely to expect profits to rise. ➤ Investment. 48% (vs 51%) of firms expect to increase Capex spend in the year ahead. 57% (vs 52%) of firms expect to increase their allocation towards investing in workforce development and skills, innovation (59% vs 53%), and just under half expect to increase their allocation to digital transformation (50% vs 46%). 	<ul style="list-style-type: none"> ➤ Impacts. The main impacts facing firms are decreased sales (23% vs 27%), rising costs (23% vs 23% previously), minor supply chain issues (19% vs 20%), and business travel to visit clients (18% vs 21%). ➤ Sales. The proportion of firms reporting decreased sales shows variation by sector, and was most prevalent in Hospitality, Tourism, and Sport, Logistics, and Health and Social Care. ➤ Cash reserves. 66% (vs 72%) of firms report that they have cash reserves to last over 6 months. This still represents one of the strongest positions recorded in the last 2 years. ➤ Cashflow. 14% (vs 14%) of firms said they had cashflow problems (24% at the same time last year). Firms are still more likely to report cashflow risks in the Health and Social Care sector. ➤ Cashflow and smaller firms. Micro-size firms (<10 employees) were slightly more likely to report cashflow issues this month compared to SMEs (10-249 FTEs) – micro-sized firms were less likely to report cashflow problems in the previous month. 	<ul style="list-style-type: none"> ➤ The main pressing challenges facing business. Access to new domestic sales opportunities (55% vs 60% previously), recruitment, workforce and skills development (46% vs 47%), developing business model and plans (46% vs 43%), managing overall business finances (35% vs 36%), and innovation (36% vs 29%). ➤ The main areas of future support. Workforce development (44% vs 38%), business planning (45% vs 34%), sales & marketing (34% vs 33%), innovation (29% vs 31%), and financial advice (29% vs 29%). 9% (vs 13%) are looking for support on managing environmental impact. ➤ Brexit. 59% (52% previously) of firms said the impact of transition and exit from EU had a ‘neutral’ impact, whereas 14% (vs 20%) said ‘negative’, 23% (vs 27%) ‘unsure’, 4% (vs 1%) said ‘positive’ overall. ➤ International trade. 27% (vs 30%) of firms undertaking overseas trade said they were looking to expand in current markets. Just over 30% of SMEs (10-49) are looking to expand in new markets and mainly in the business, financial, and professional services sector.
EMPLOYMENT AND SKILLS	INSOLVENCY RISK RATING AND CVLs	PULSE QUESTION: RETURN TO THE USUAL WORKPLACE
<ul style="list-style-type: none"> ➤ Recruitment. 25% (vs 26% previously) of firms are currently recruiting new staff, and 49% (vs 38%) said they had difficulties recruiting for specific occupations. The main occupational groups recruiting are technical support roles (44% vs 42%), customer facing / sales roles (35% vs 45%), and managerial positions (16% vs 9%). ➤ Workforce skill gaps. 56% (vs 55%) of firms said that their workforce skills are only ‘partly’ at the correct level to meet business plan objectives for the year ahead. ➤ Workforce development. 57% (vs 52%) of firms said they are looking to increase investment in workforce development in the next 12 months, 29% (vs 34%) said they thought investment levels would remain the same, and 13% (vs 13%) were unsure. ➤ Redundancy risk. 2% (vs 5%) of firms said they were in the process of considering making redundancies – mostly in back-office administrative / technical occupations, and customer facing roles. 	<ul style="list-style-type: none"> ➤ The number of registered company insolvencies in July 2022 was 1,827: 67% higher than in the same month in the previous year (1,096 in July 2021), and 27% higher than the number registered three years previously (pre-pandemic; 1,440 in July 2019). ➤ In July 2022 there were 1,609 Creditors’ Voluntary Liquidations (CVLs), 60% higher than in July 2021 and also 60% higher than July 2019. Numbers for other types of company insolvencies, such as compulsory liquidations, remained lower than before the coronavirus (COVID-19) pandemic, although there were 3 times as many compulsory liquidations in July 2022 as in July 2021, and the number of administrations was twice as high as a year ago. ➤ Insolvency risk (Greater Manchester firms with 10 or more employees). Data for July shows that 11.6% (11.2% last month) of businesses that have a risk rating, compared with 10.9% nationally (10.6% last month). Insolvency risk in GM is higher in large businesses, 16.3% with 1-3 flags, compared to the national average of 12.3%. Levels of insolvency risk in Greater Manchester are up 1.5 percentage point vs the level pre-covid (April 2020), similar to the national trend. 	<ul style="list-style-type: none"> ➤ Return to workplaces. 50% (vs 53% previously, and 55% in February) of firms have indicated that they will have all staff back into the office in the year ahead, with a further 15% (vs 7%) stating that there will be a planned gradual shift to hybrid working, and 3% (vs 6%) saying there has been a largescale permanent shift to working from home, and 33% (vs 34%) still unsure. ➤ Main challenges reported by firms when returning staff back into the workplace, include carrying out a risk assessment, implementing social distancing, the introduction of agile working practices, introducing suitable hygiene measures, and finding alternative suppliers. ➤ Main positive impacts of remote working are staff reducing commuting times, an increase in staff productivity, and the ability to give more attention to work-life issues / balance. ➤ The main negative risks were cited as challenges to promote knowledge sharing, continued social isolation, and the need to address work-life boundaries.

2. MAIN GC SURVEY TIMESERIES - IMPACTS

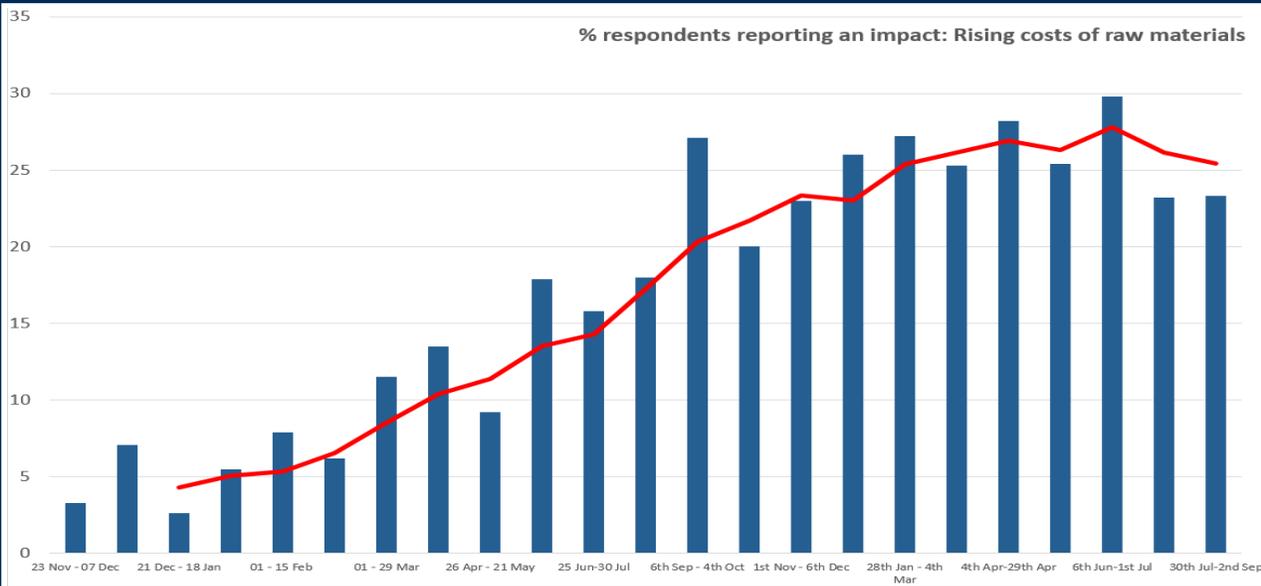
Decreased Sales (Red line = 3 week moving average)



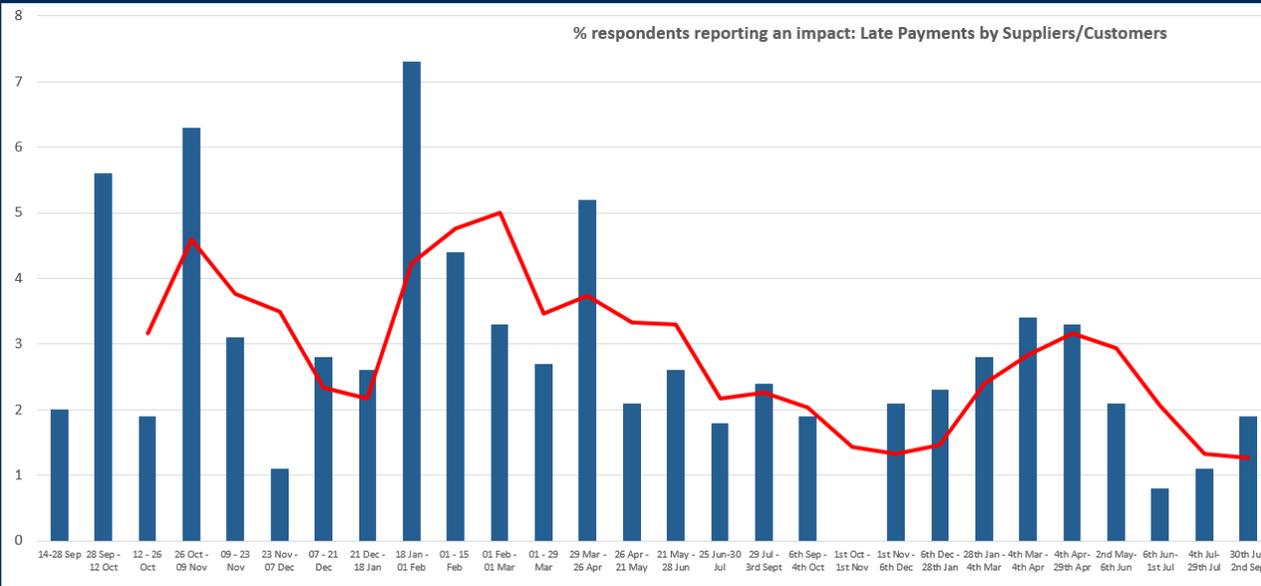
Increased sales



Rising costs

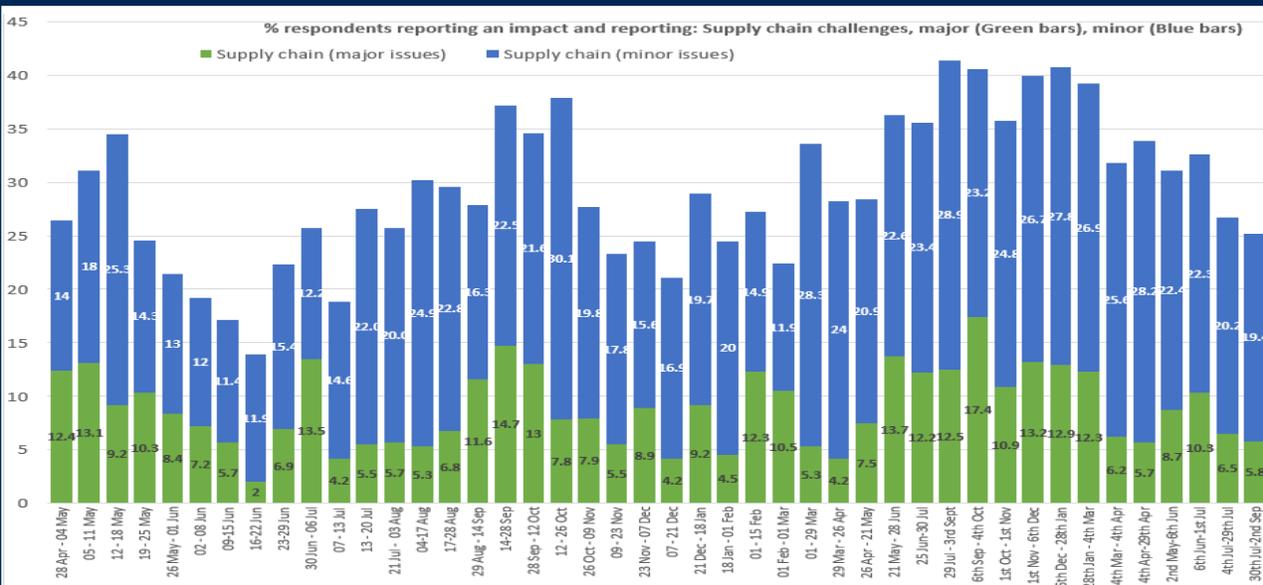


Late payments

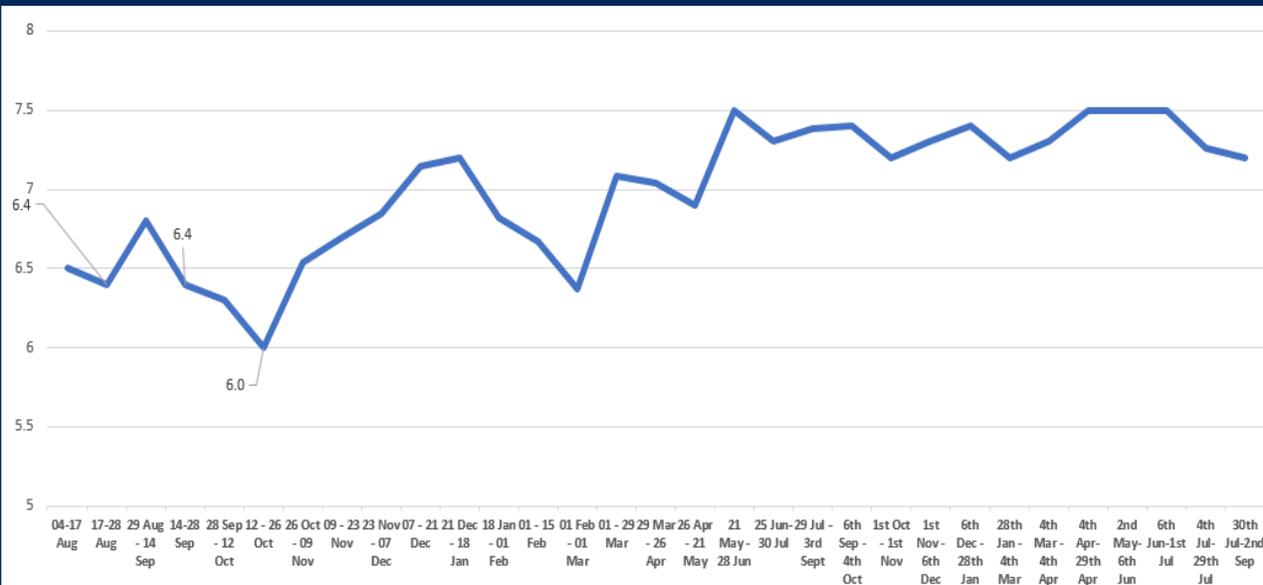


2. MAIN GC SURVEY TIMESERIES - IMPACTS

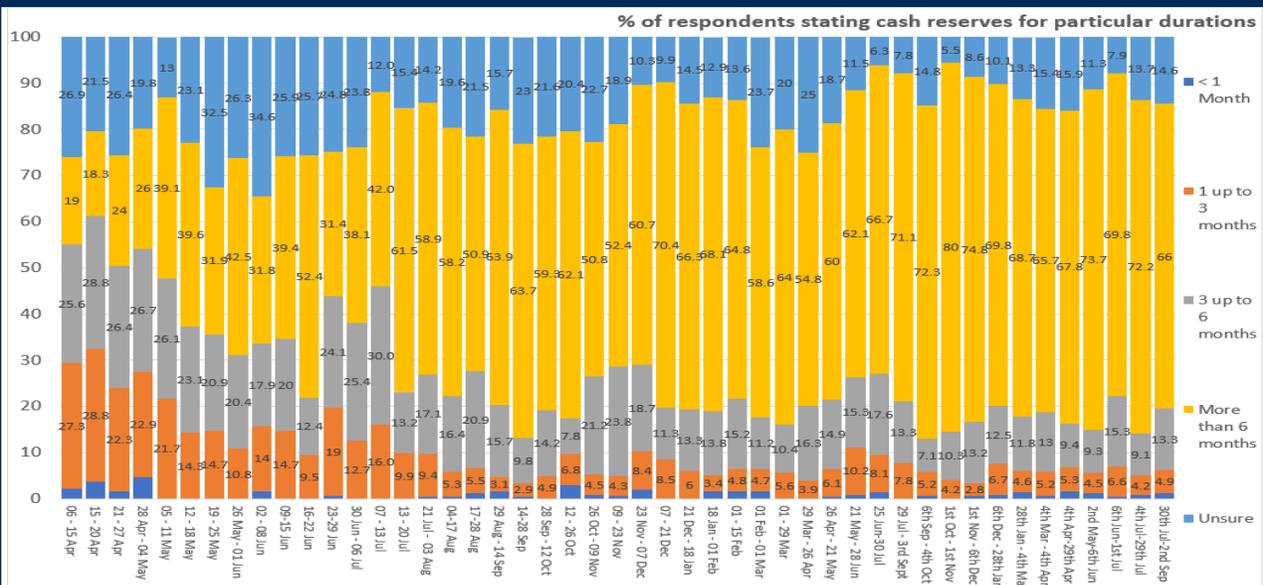
Percentage reporting minor supply chain issues (blue), major issues (green)



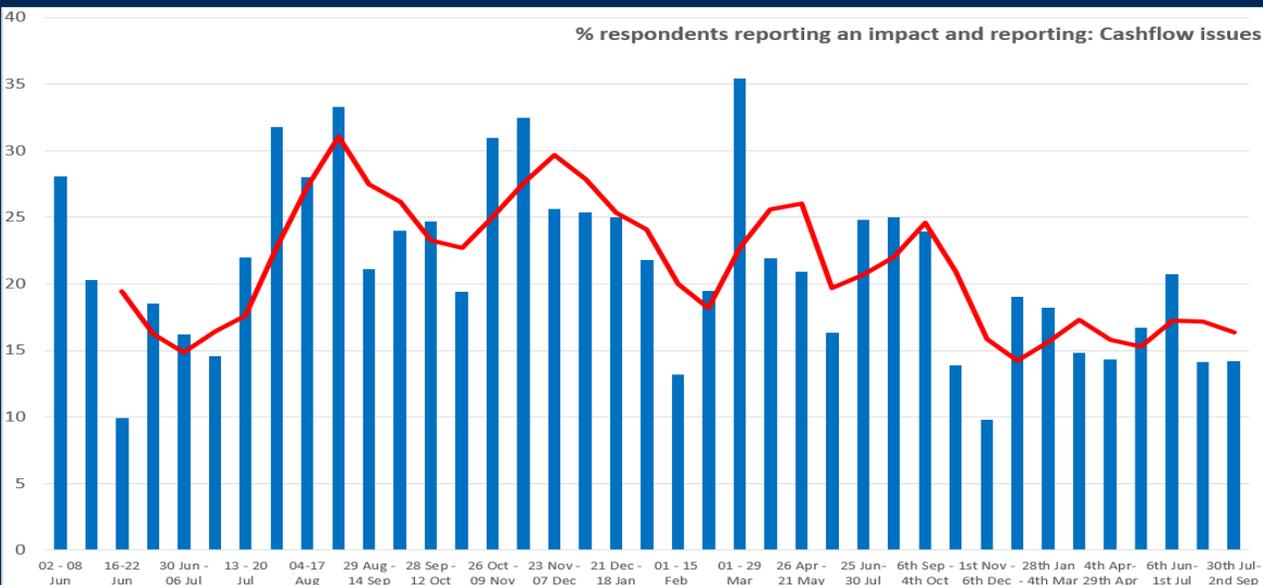
Aggregate confidence index – 1 low confidence, 10 high confidence



Percentage of respondents stating cash reserves can sustain periods of time



Percentage reporting cashflow problems



3. GROWTH COMPANY - SUPPORT ACTIVITIES

The Growth Company continues to proactively undertake a range of activities to engage and support businesses. Developments over the last week are set out below, alongside business enquiry data.

Theme	Activities
Business Enquiry Data	<ul style="list-style-type: none"> ➤ To date the Growth Hub has seen more than 46,803 enquiries, including 22,602 calls and over 4,672 COVID-19 related issues logged. We have seen a dramatic increase in enquiry levels, evidenced by an average of 651 enquiries per week compared to 514 in the last reporting period, and 351 before that. ➤ Likewise, we have yet to see the predicted dip in volume resulting from the summer holiday period, with enquiry levels remarkably high despite the usual seasonal variations. ➤ Again, COVID-19 enquiry volumes have stagnated, with no new enquiries received since 6th July 2022.
Website Traffic	<ul style="list-style-type: none"> ➤ To date there have been 1,248,589 visitors to the Business Growth Hub website with 24,693 unique visitors engaging with the site between 21st July - 24th August 2022. ➤ Coronavirus pages – The pages have seen by over 331,904 visitors and recent data shows that that 1,602 unique visitors engaged with the site between 21st July – 24th August 2022.
EU Transition Stats	<ul style="list-style-type: none"> ➤ The EU Transition webpages received 38 page views, with 34 unique page views between 21st July – 24th August 2022. There were no social media posts within that time.
Employ GM Website	<ul style="list-style-type: none"> ➤ The Employ GM website has now seen 23,978 visitors, an increase of 131 since the last report.

4. TOURISM, HOSPITALITY, LEISURE

VISITBRITAIN INTERNATIONAL TRAVELLER RESEARCH

- VisitBritain has revised and upgraded its forecast for inbound tourism to the UK during 2022.
- At the beginning of the year, the forecast was that there would be 21.1m overseas visitors during the year who would spend £16.9bn in the UK economy (this represents, respectively, 52% and 59% of pre-covid levels).
- This forecast has been revised to 26.7m visitors and spending of £21.6bn (respectively, 65% and 76% of pre-covid figures).

Link: <https://www.visitbritain.org/2022-tourism-forecast>

- In global terms this correlates with UN World Tourism Organisation (UNWTO) figures that put global international tourism arrivals in the first 5 months of 2022 at 54% down on pre-covid levels.
- However, the UNWTO's figures for international tourism arrivals to Western Europe at 79% of pre-covid level in May 2022, suggesting that the recovery in inbound tourism to the UK lags behind that of other European countries.

https://www.unwto.org/tourism-data/international-tourism-and-covid-19

INTERNATIONAL PASSENGER SURVEY

- The Office for National Statistics (ONS) and therefore VisitBritain, have revised the IPS Figures for 2021. The key figures are:
- There were 6.4 million inbound visits to the UK in 2021 with a gradual increase throughout the year as travel restrictions to the UK loosened and international travel resumed; 32% of visits were in Q3 and 59% were in Q4.
- Visitors spent £5.6bn in 2021 with Q4 generating the most spend at £3.0bn.
- The average spend per visit in 2021 was £884
- The travel purpose that provided the most recovery was VFR travel – which makes sense as people would want to visit friends and family when restrictions on travel were removed.

VISITENGLAND DOMESTIC SENTIMENT TRACKER

Hotel Performance Monitor – March 2022.

- VisitEngland has published the findings of the August wave of its domestic sentiment tracker.
- The top three 'financial barriers' for taking an overnight trip within the UK in the next six months are the cost of: fuel (48%), accommodation (45%) and drinking and eating out (38%).
- Consequently, around a third of consumers looking for cheaper accommodation options (33%) and more free things to do (32%).
- Around a quarter of consumers (24%) reported that the 'cost of living crisis' was unlikely to influence their short breaks over the next six months, compared to 29% of consumers that reported that it would be unlikely to influence their day trips over the next few months.

Link: https://www.visitbritain.org/sites/default/files/vb-corporate/2022-08-17_domestic_sentiment_tracker_report_-_august_release.pdf

MARKETING MANCHESTER CAMPAIGN IMPACT

Increases In The Cost Of Visitor Visas

- **Reach. 43m** across all channels - up from 41m to date last month.
- **Tourism and Hospitality Support Hub.** 26,227 visitors to the site, with industry updates and Talent Hub the most viewed pages.

5. GOVERNMENT MEASURES, OTHER DATA AND ANNOUNCEMENTS

THEME	ANNOUNCEMENT / ISSUE
UK to cut import taxes from some of world's poorest countries	<p>On 16th August, the government announced that the Developing Countries Trading Scheme will come into effect in January 2023. The scheme aims to boost trade links with some of the world's poorest countries by cutting import taxes on a range of products including clothes, shoes and goods not widely produced in the UK. The scheme also removes some seasonal tariffs on products that cannot be grown in the UK in the winter and simplifies trade rules such as Rules of Origin. In addition, the scheme includes powers to suspend a country on the grounds of human rights or labour violations, as well as for not meeting their climate change obligations. <Link></p>
Government extends Horizon Europe financial safety net	<p>On 1st September, the government announced an extension to the financial support provided to Horizon Europe applicants. The guarantee scheme will now cover all Horizon Europe calls that close on or before 31st December 2022. The scheme is aimed at protecting funding for UK researchers and businesses due to delays caused while the UK tries to encourage the EU to formalise UK association with the Horizon Europe scheme. Eligible, successful applicants will receive the full value of their funding at their UK host institution for the lifetime of the grant. Successful awardees will be able to remain in the UK to receive this funding. <Link></p>
Inflation could be 'significantly lower' than expected under bills plan	<p>The government is expected to introduce plans to reduce the cost of energy bills. The new Prime Minister wants to cap typical energy bills at £2,500, according to the BBC, full details are expected on Thursday 8th September. Economists at Goldman Sachs investment bank said this cap would see inflation peak at 10.8% in October rather than the 14.8% forecast before. The bank said a cap on household bills would lead to prices falling more quickly next year but cautioned that there was uncertainty around what would happen once any cap is lifted. <Link></p>
Second cost-of-living payments?	<p>On 2nd September, the second cost of living support payment was made by government. £326 was paid to around 1.1 million people who receive tax credits only. Earlier in the year a first payment was made to around seven million low-income households who receive other income support benefits such as Universal Credit, Working tax credit or pension credit. All 8 million people will receive a second instalment of £324 later in the year. No exact date has been confirmed for this payment. <Link></p>
Data reveal which banks have the largest exposure to default and fraud under the scheme	<p>More than £1billion of loans made under the UK government's Bounce Back Loan Scheme (BLS) have been identified as potentially fraudulent, according to official data published on Monday 5th September. Under the scheme, more than £46bn was lent to companies with only light checks on eligibility to encourage banks to lend quickly. The government data showed that £28.3billion of loans were being repaid on schedule, while a further £4.7bn had been fully repaid. However, officials have estimated the amount lost to fraudsters could be as high as £5billion. <Link. Paywall></p>
UK ministers plan to sell state buildings worth £1.5bn	<p>On 31st August, Jacob Rees Mogg, the minister for government efficiency announced a new 'government property strategy' designed to raise £1.5 billion through the sale of property and a further £500million by making buildings more efficient and negotiating cheaper leases. The sales represent 1% of the central government's estate but the new strategy does not set out in detail which buildings the government will seek to sell. Ministers have previously sold off property worth £5 billion between 2015 and 2020. <Link. Paywall></p>



DATA APPENDIX

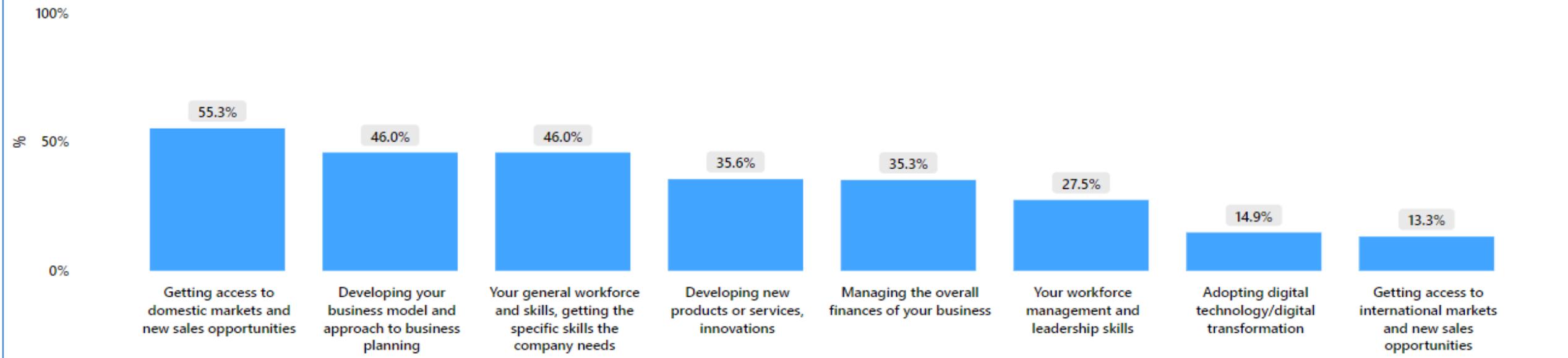
RESULTS FOR 30TH JULY TO 2ND SEPTEMBER 2022

(LOCAL AUTHORITY DATA COVERS THE 12 WEEKS UP TO AND INCLUDING 2ND SEPTEMBER)

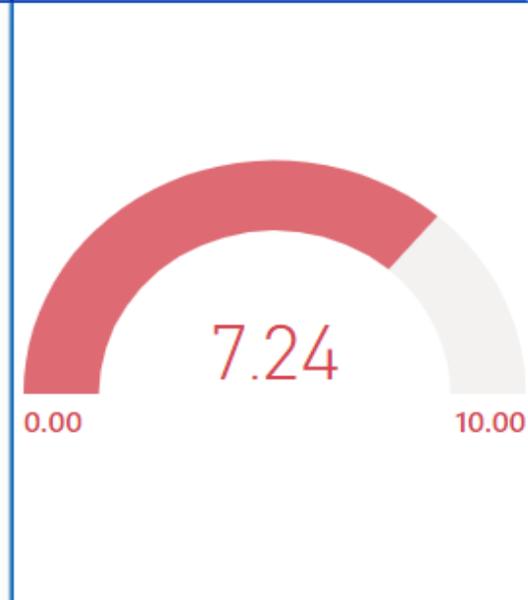
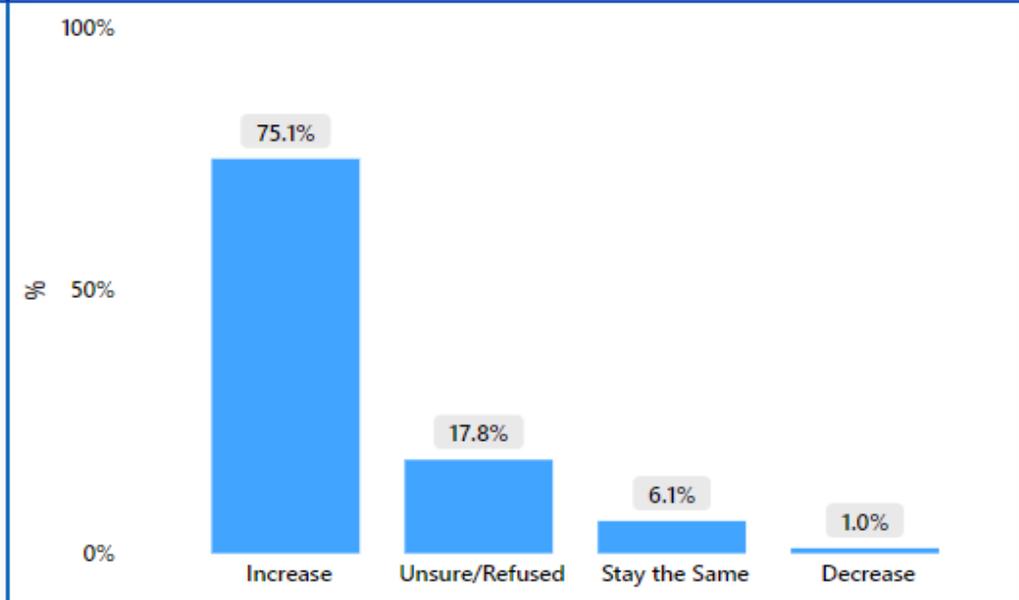
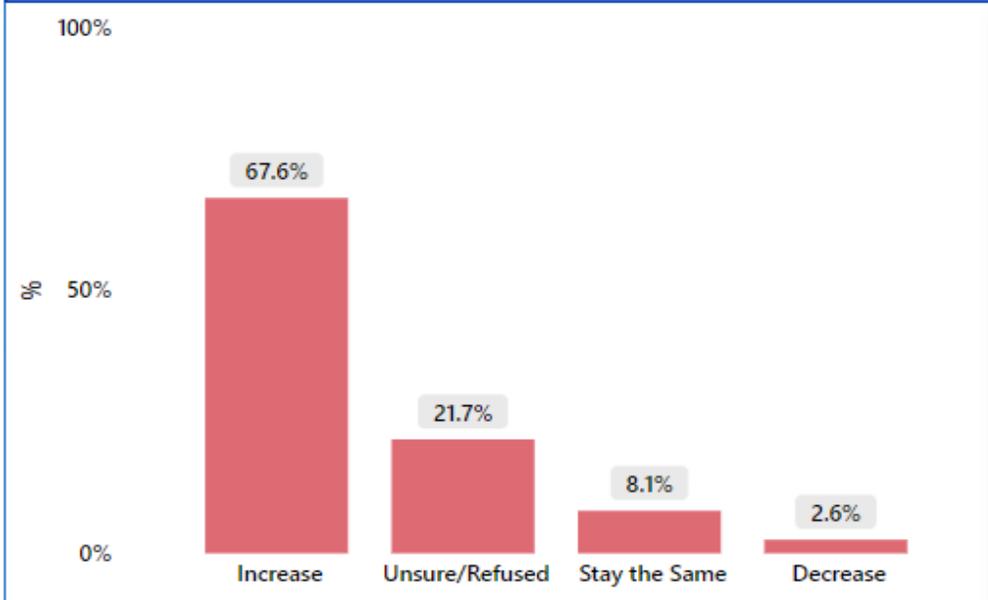
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BUSINESS CONFIDENCE ABOUT THE FUTURE – AND CURRENT PRESSING CHALLENGES

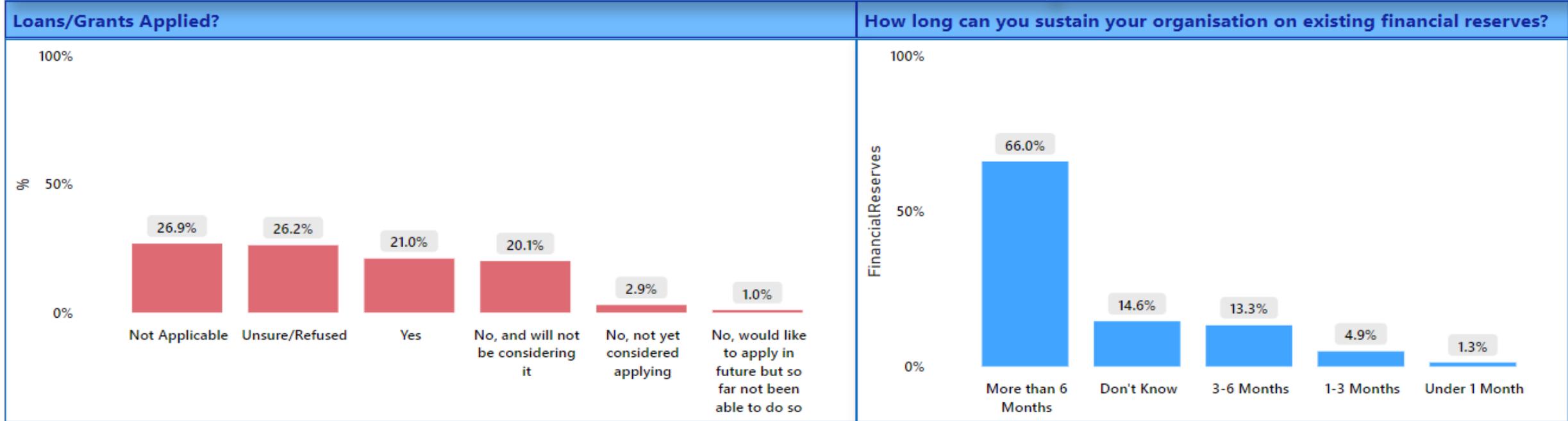
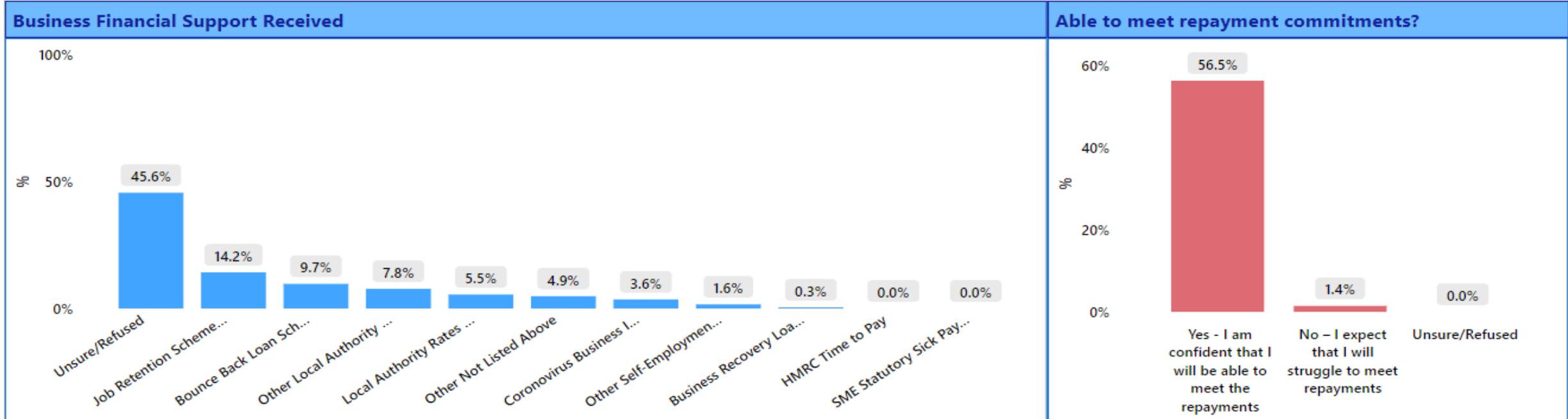
Pressing Challenges



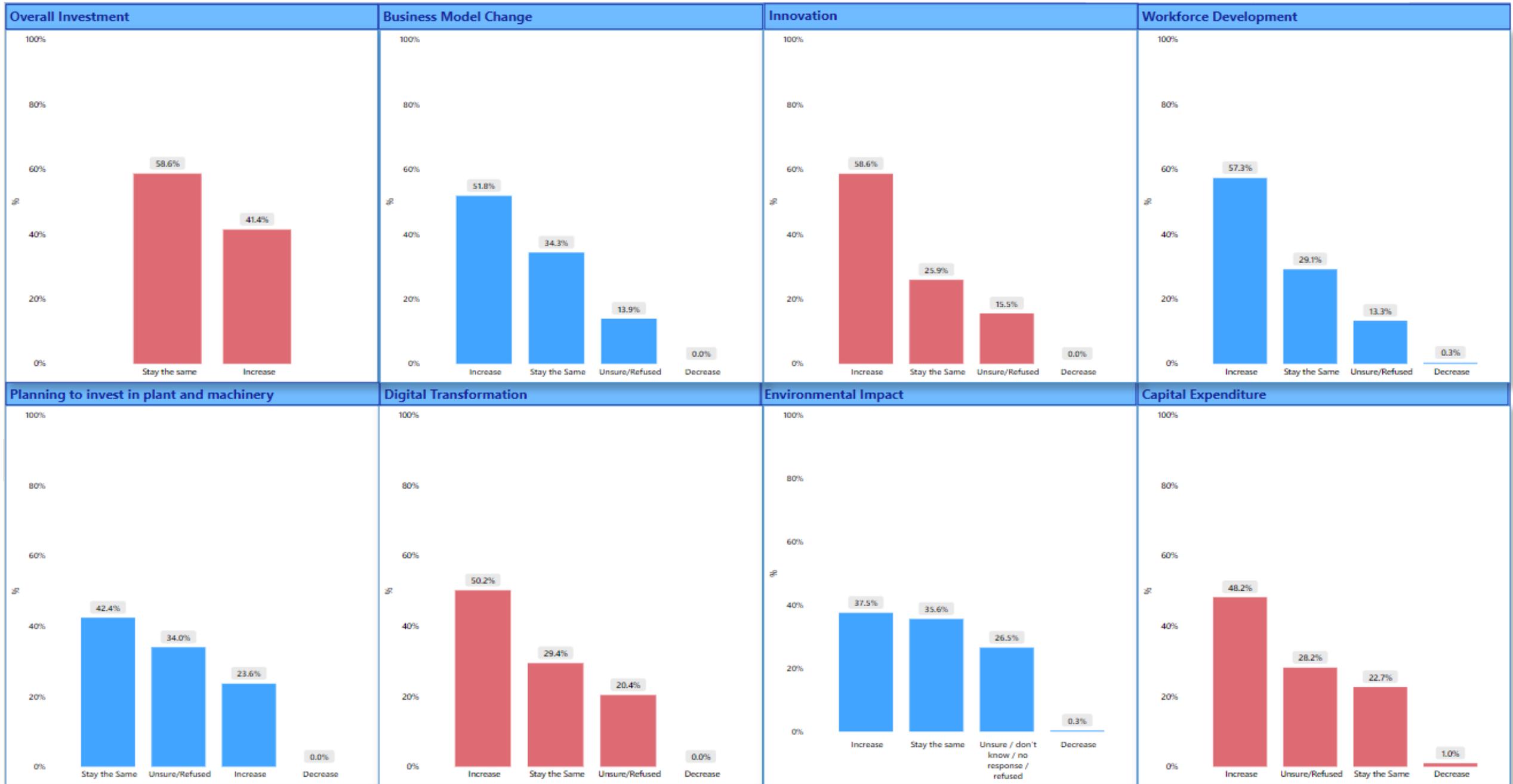
Future profitability Business turnover next 12 months Business Confidence Index



FINANCE AND ACCESSING SUPPORT AND ADVICE

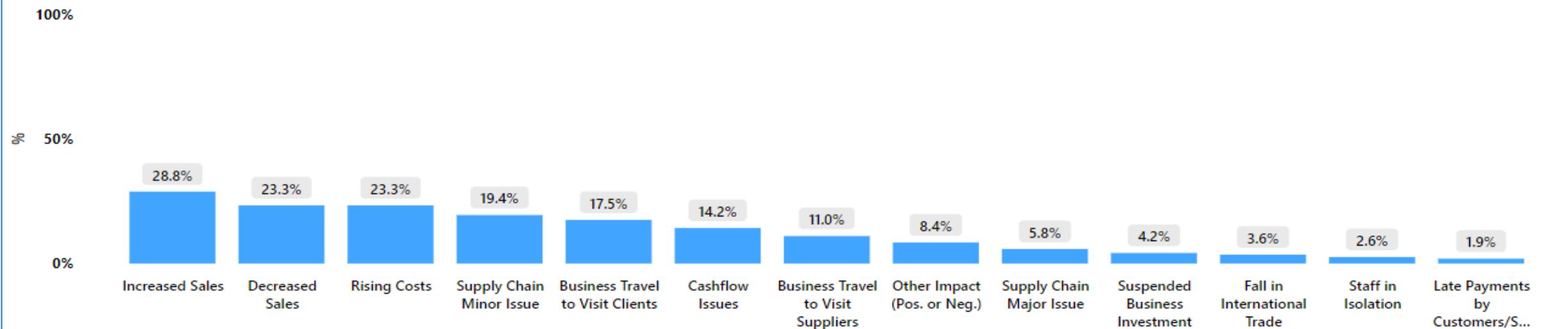


FUTURE INVESTMENT SENTIMENT

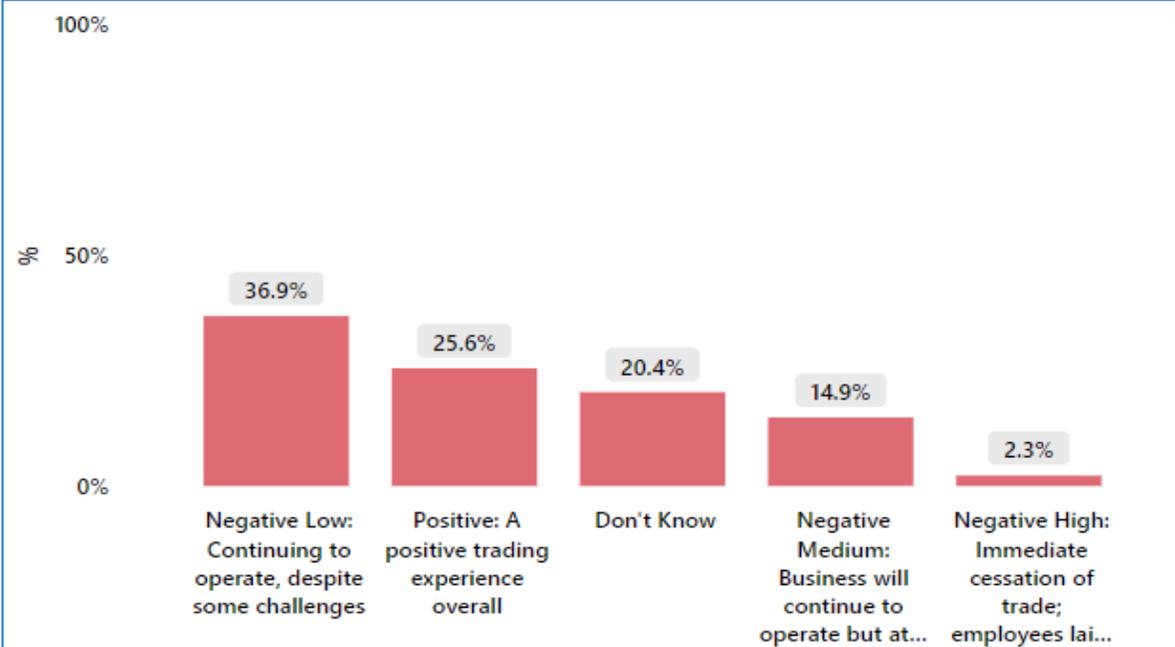


MAIN IMPACTS FACED BY BUSINESS FROM CURRENT ECONOMIC CLIMATE

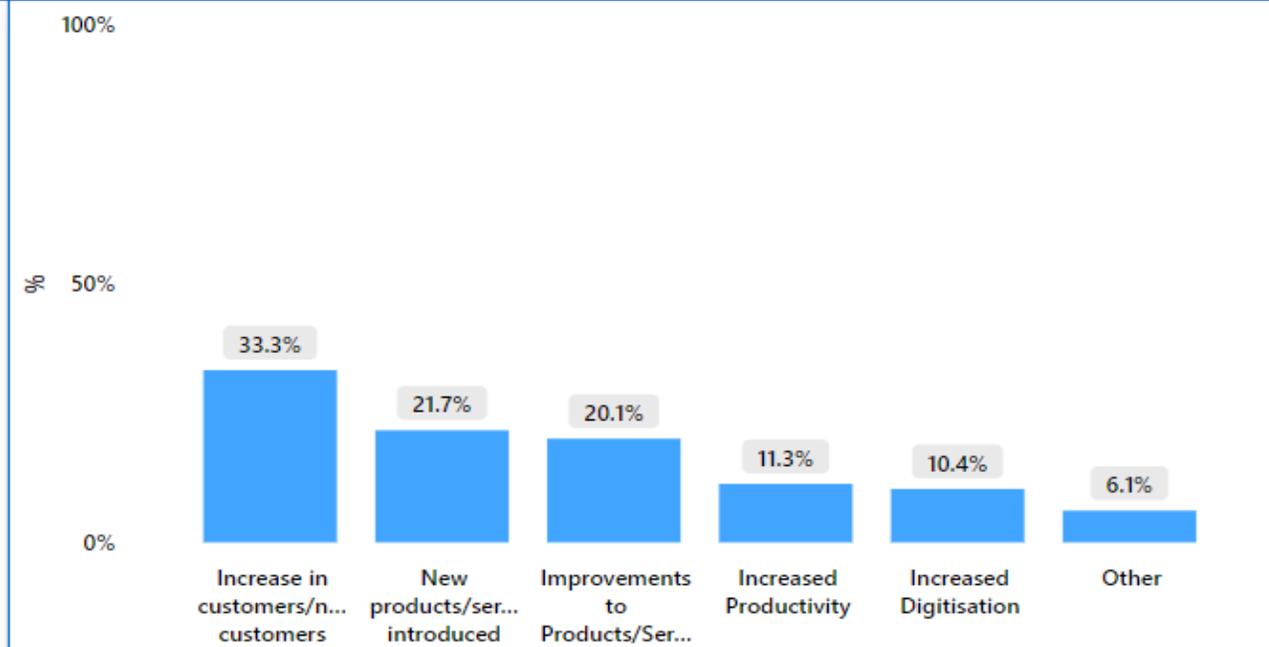
Main Challenges



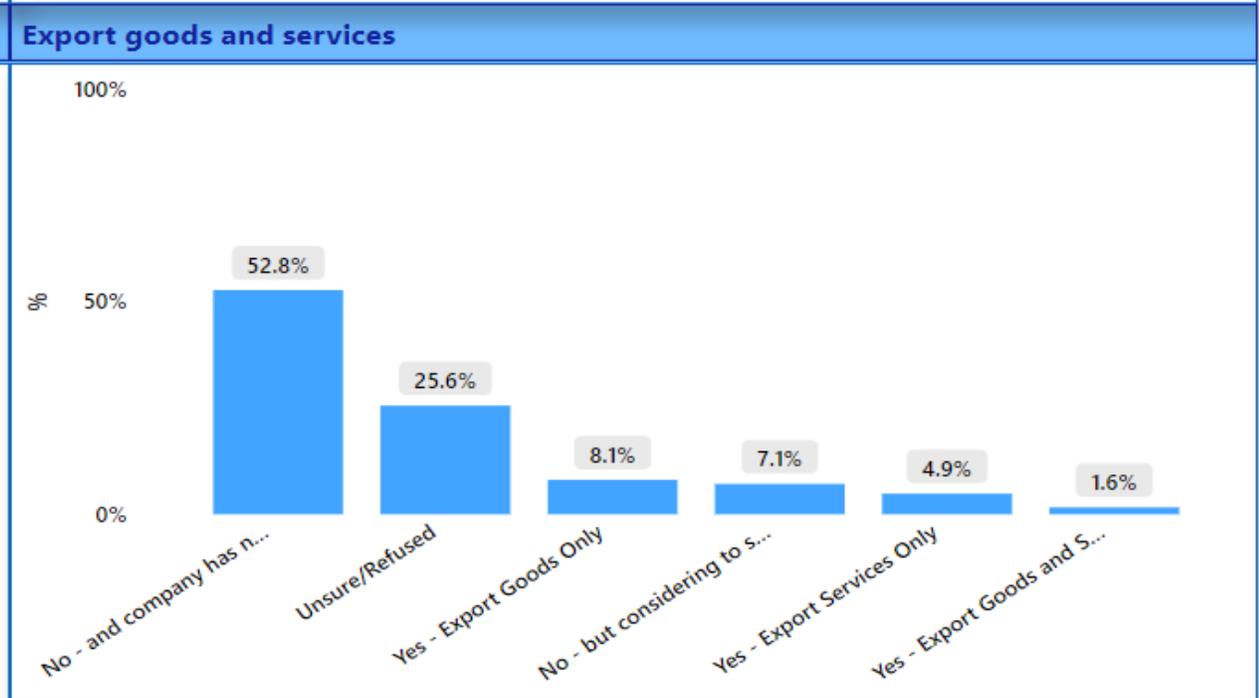
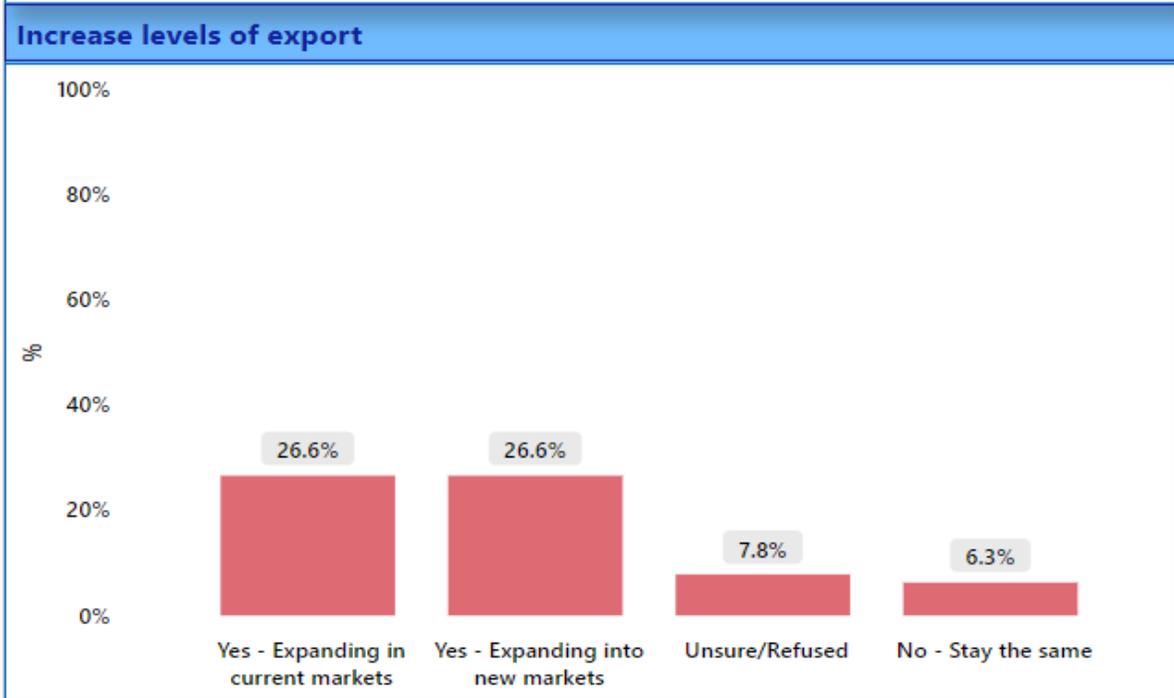
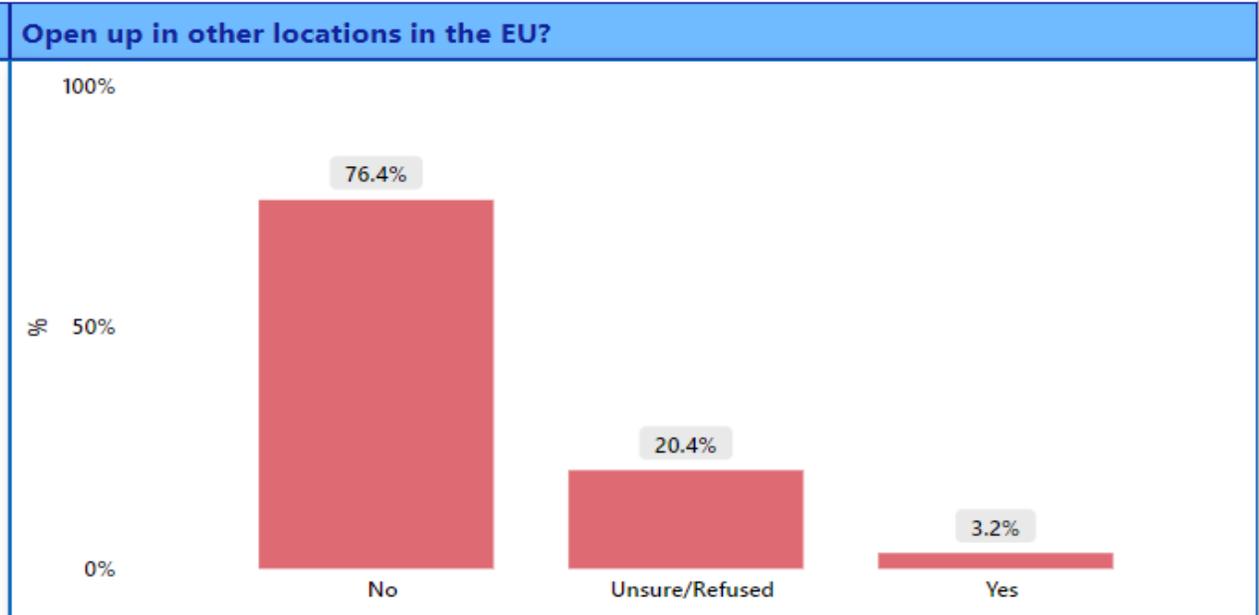
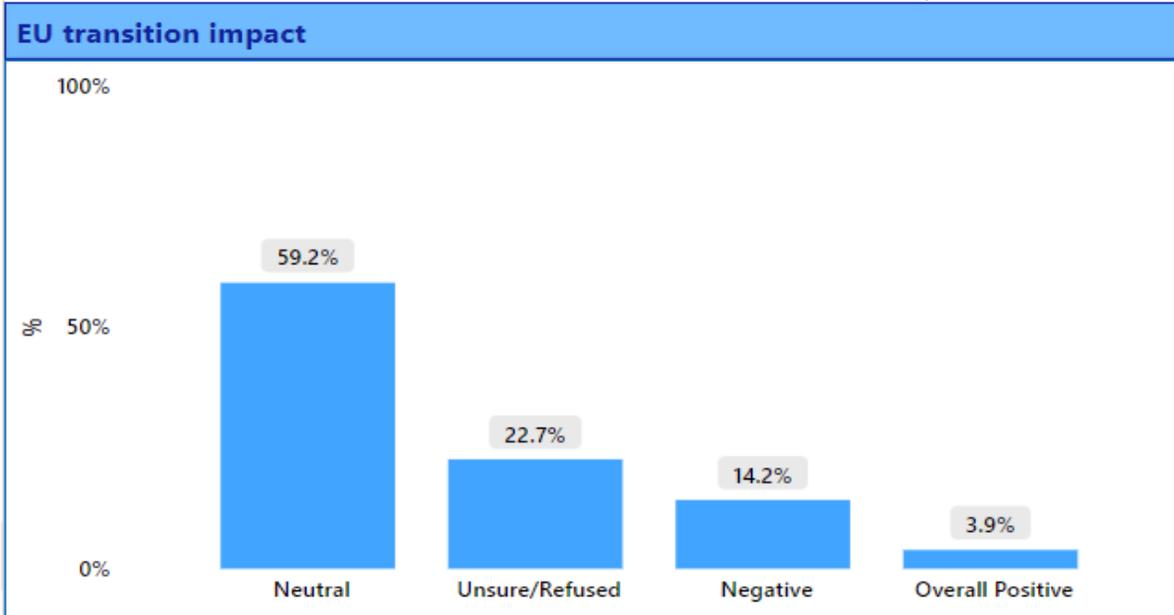
Overall Impact



Positive Impacts

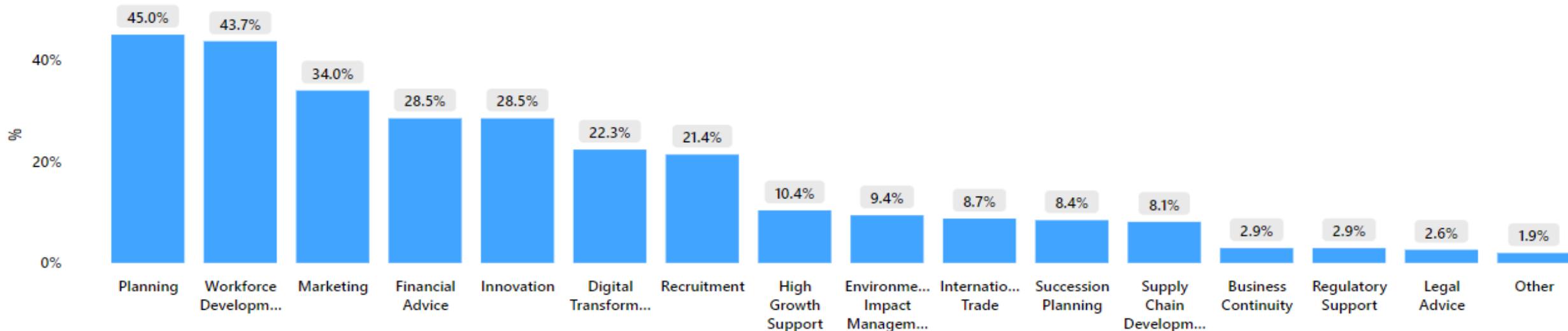


INTERNATIONAL TRADE, AND IMPACTS OF THE TRANSITION FROM THE EU



MAIN AREAS OF BUSINESS SUPPORT NEED IN THE YEAR AHEAD

Future Support



Interested in Impartial Brokerage Service?

Impartial Brokerage Service	Response	%
Yes	52	16.8%
Unsure / don't know / no response / refused	82	26.5%
No	175	56.6%
Total	309	100.0%

Interested in Traineeships?

Traineeships	Response	%
No	192	62.1%
Unsure / don't know / no response / refused	101	32.7%
Yes	16	5.2%
Total	309	100.0%

Interested in the Kickstarter scheme?

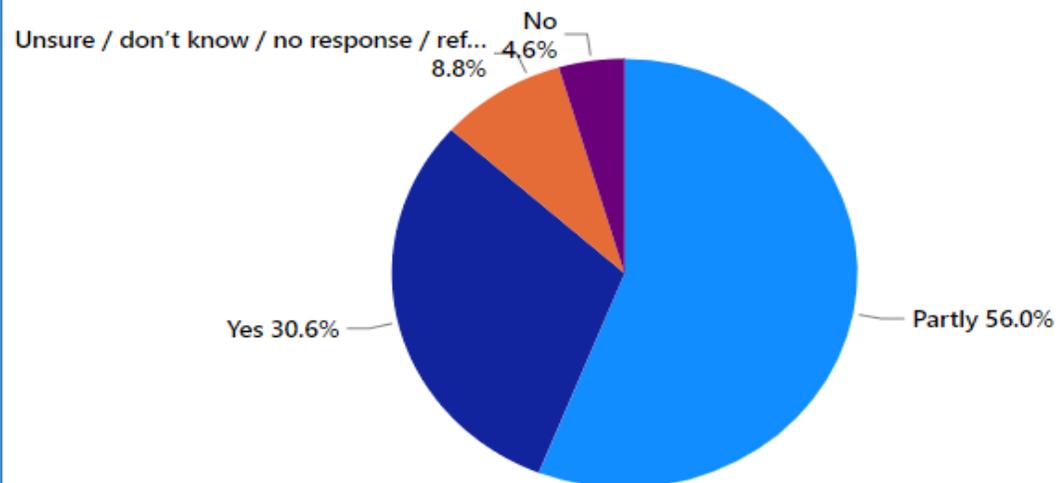
Kickstarter Scheme	Response	%
No	201	65.0%
Unsure / don't know / no response / refused	96	31.1%
Yes	12	3.9%
Total	309	100.0%

Interested in Apprenticeships?

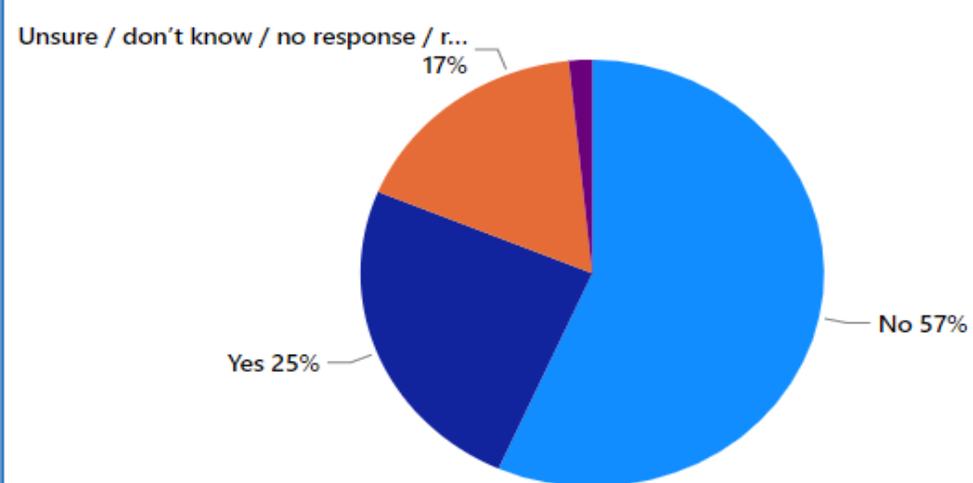
Apprenticeships	Response	%
No	165	53.4%
Unsure / don't know / no response / refused	106	34.3%
Yes	38	12.3%
Total	309	100.0%

EMPLOYMENT, RECRUITMENT AND HEADLINE SKILLS CHALLENGES

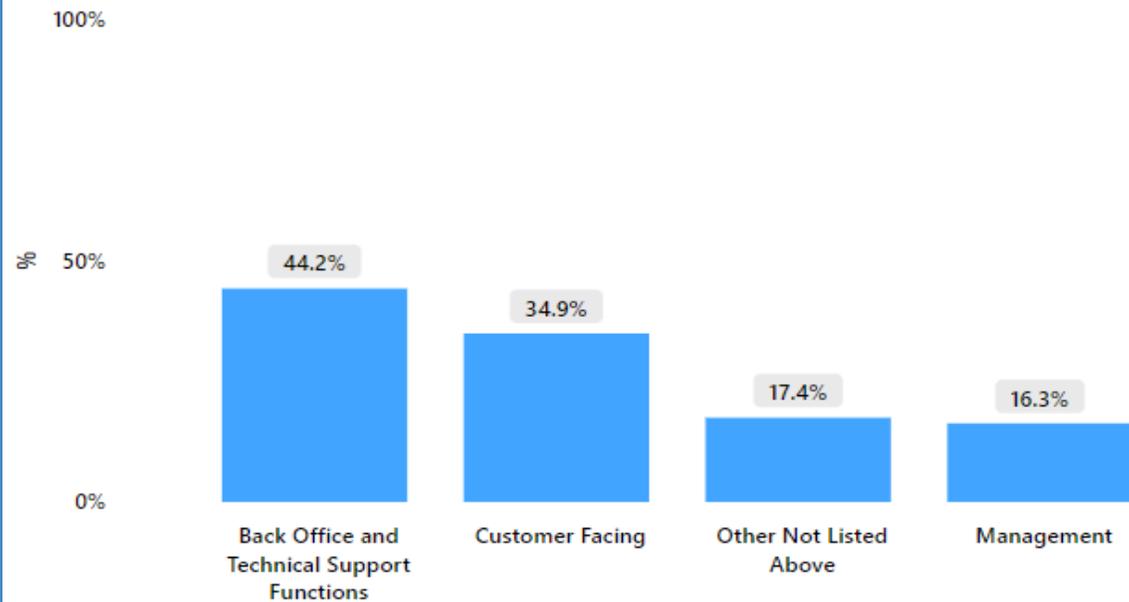
Do you think the current skills of your workforce are at the right level?



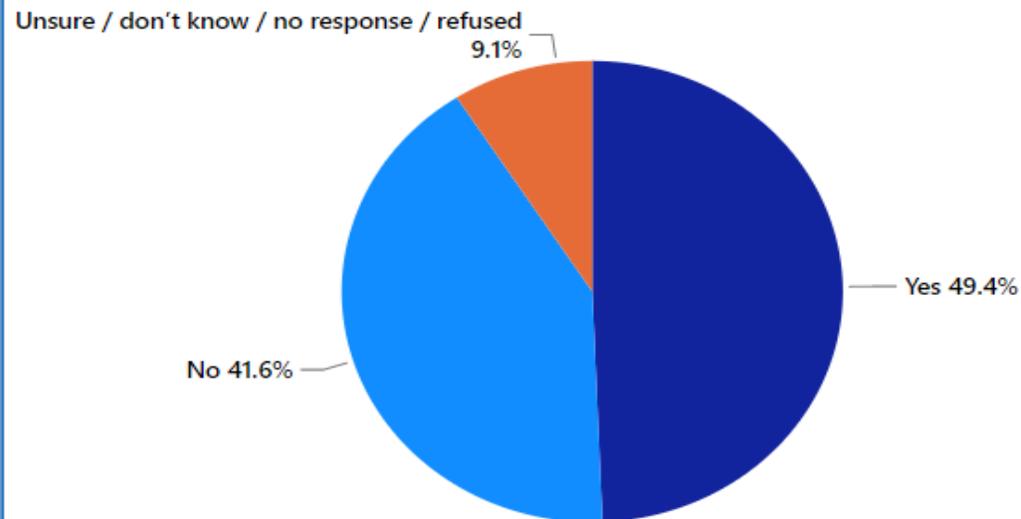
Are you currently recruiting new staff?



Occupations being recruited

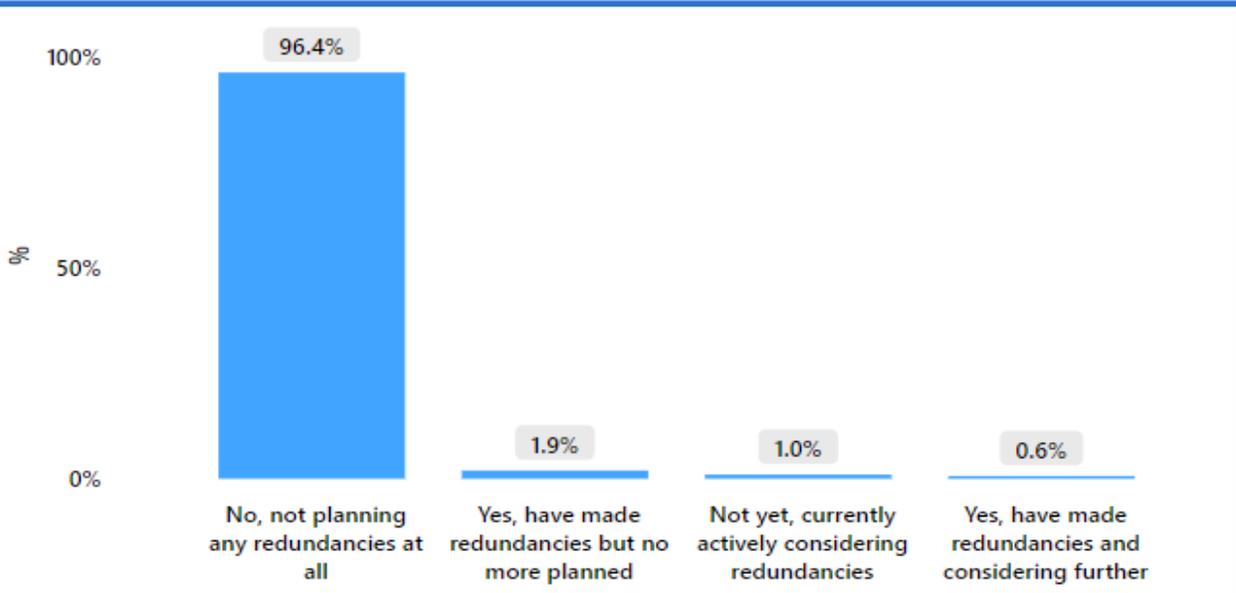


Are you currently experiencing difficulties recruiting for specific vacancies?

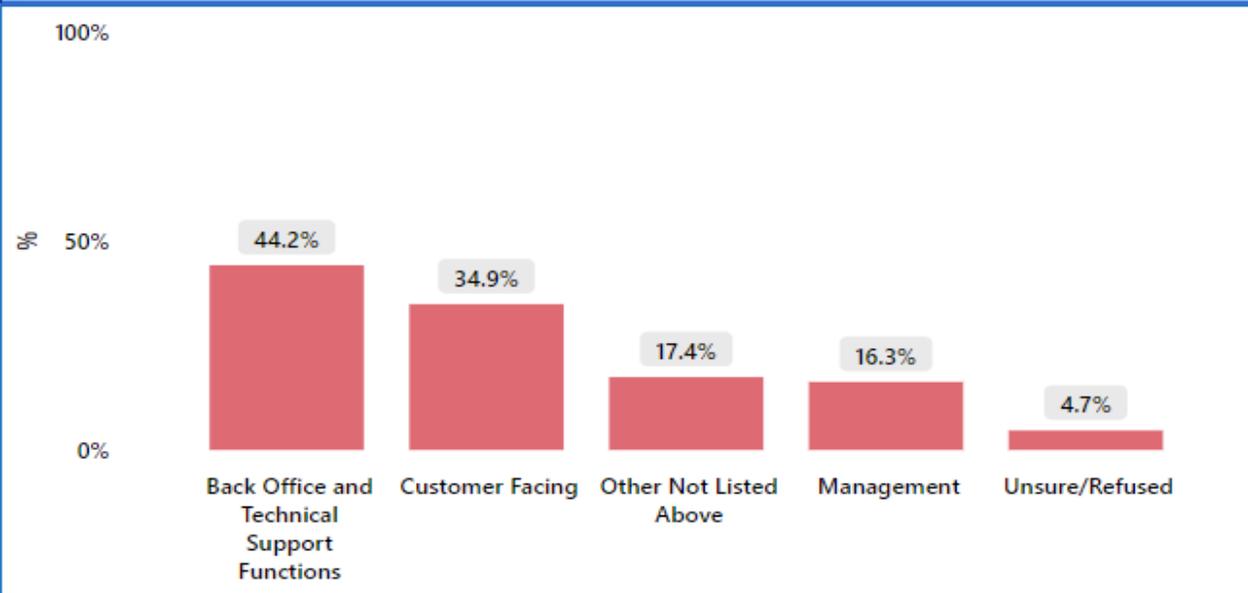


REDUNDANCY RISK

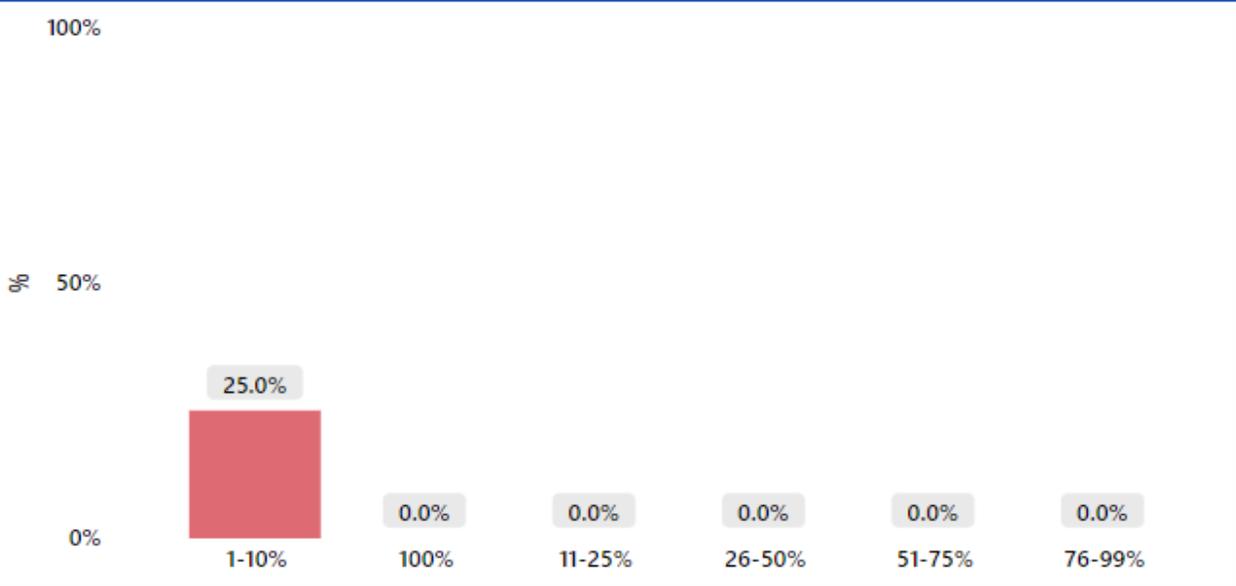
Have made or plan to make redundancies



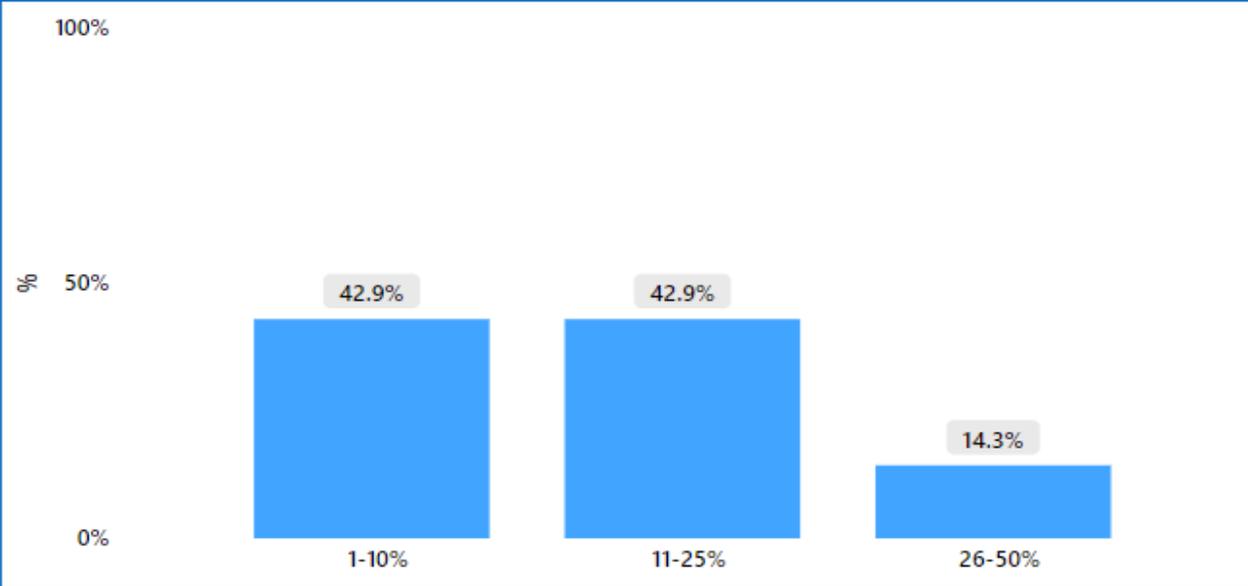
Occupations being made redundant



Percentage of staff are you planning to make redundant?

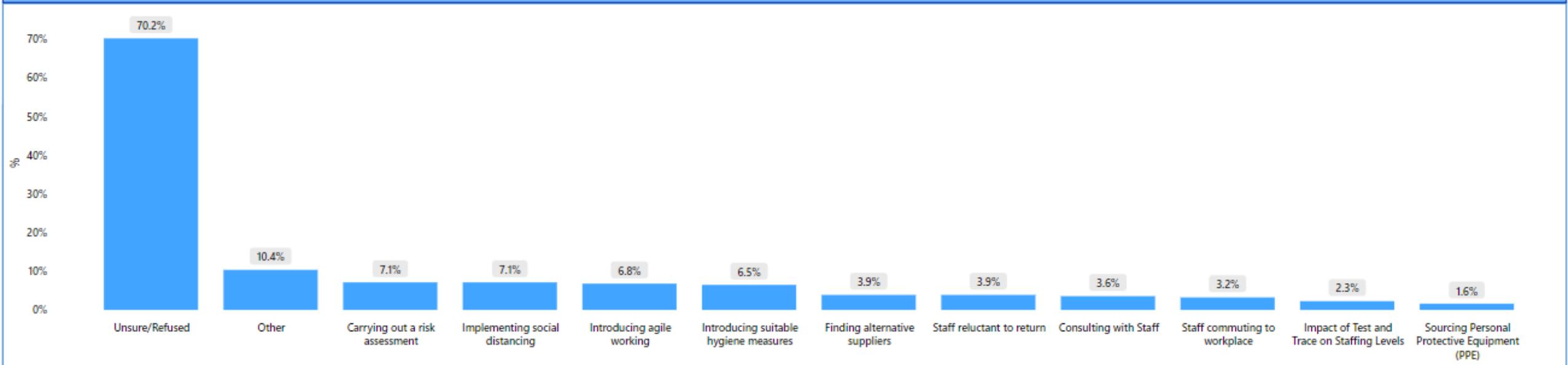


What percentage of staff have you made redundant to date?

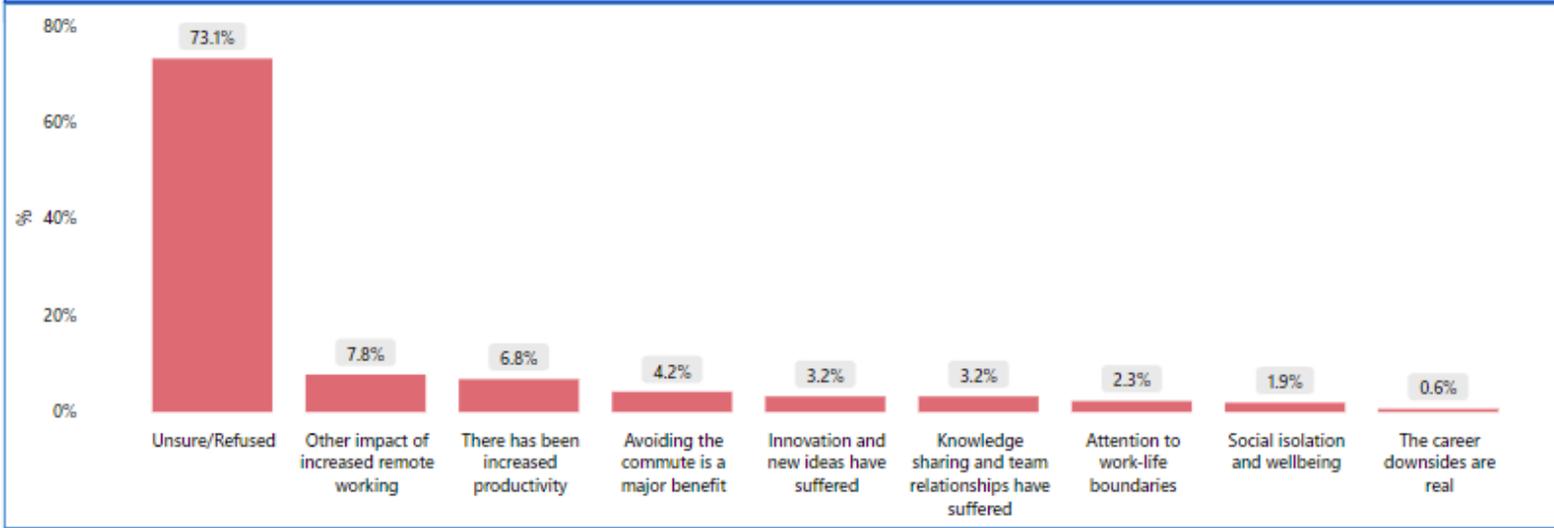


PULSE SURVEY QUESTIONS – BACK TO USUAL PLACE OF WORK (ISSUES AND BARRIERS)

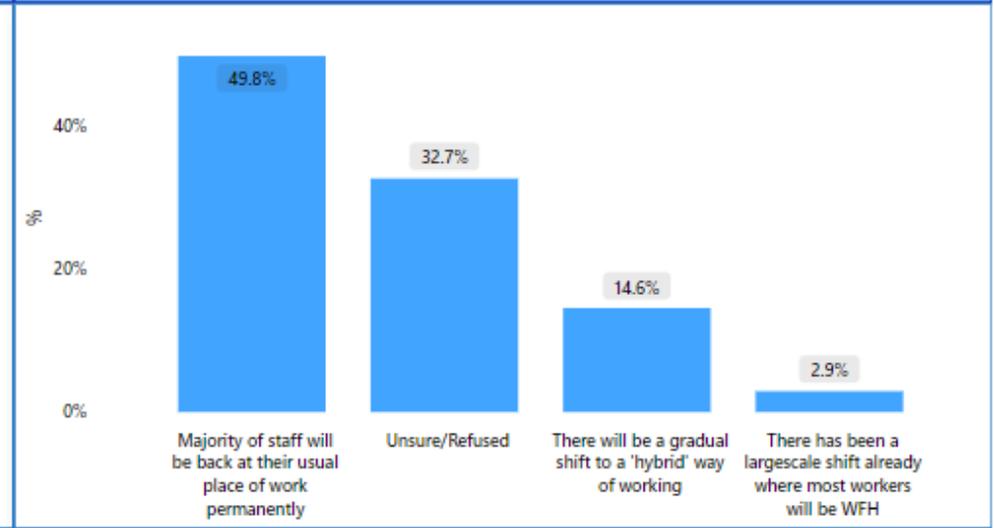
Challenges returning staff back into the workplace



Main impacts of remote-working

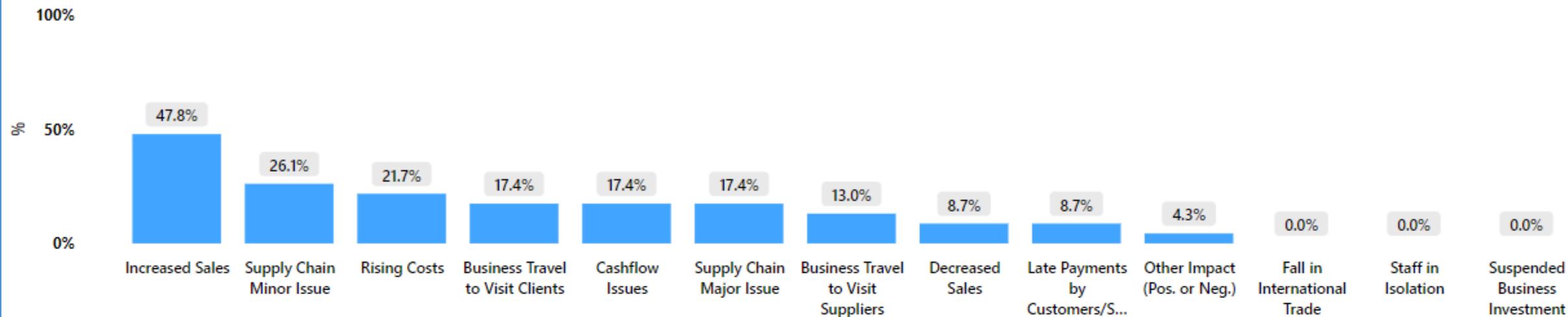


Future work practices

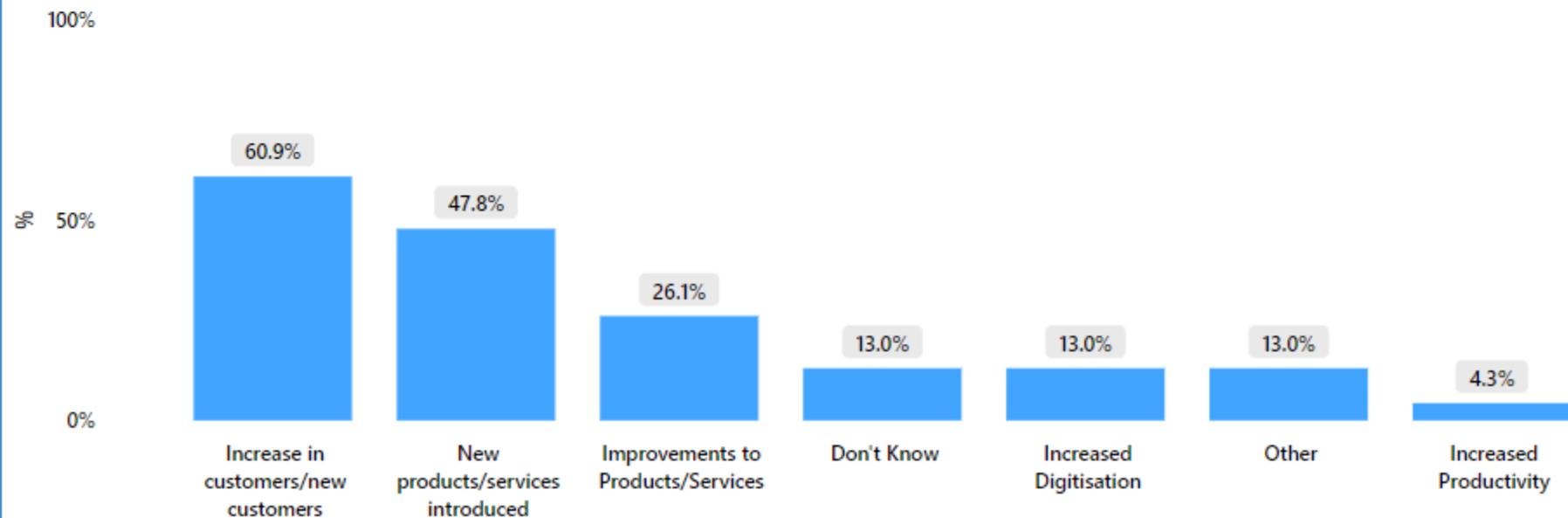


LOW CARBON, ENVIRONMENTAL GOODS AND SERVICES – SPECIFIC RESPONSES FROM LCEGS FIRMS (N=27)

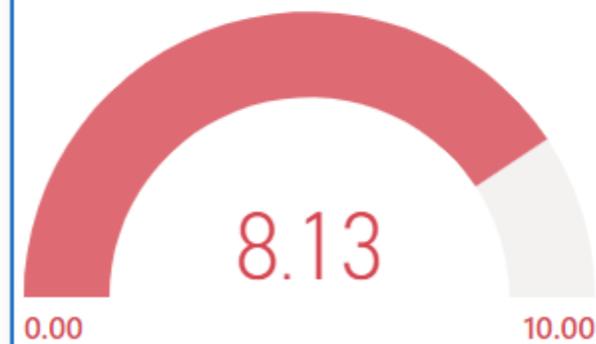
Main Challenges



Positive Impacts

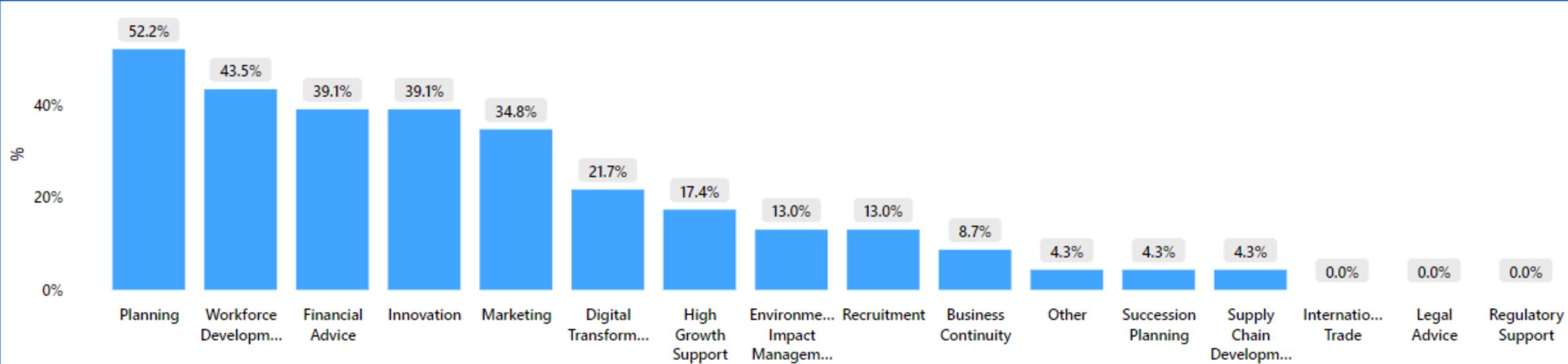


Business Confidence Index

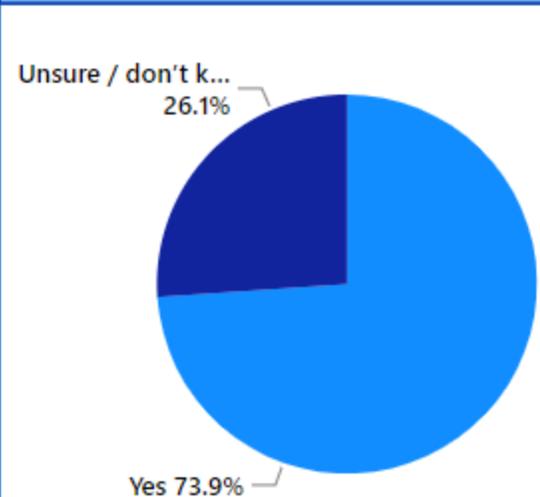


LOW CARBON, ENVIRONMENTAL GOODS AND SERVICES – SPECIFIC RESPONSES FROM LCEGS FIRMS (N=23)

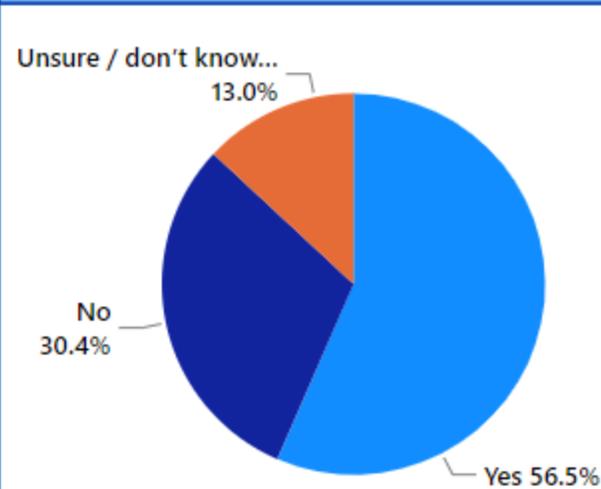
Future Support



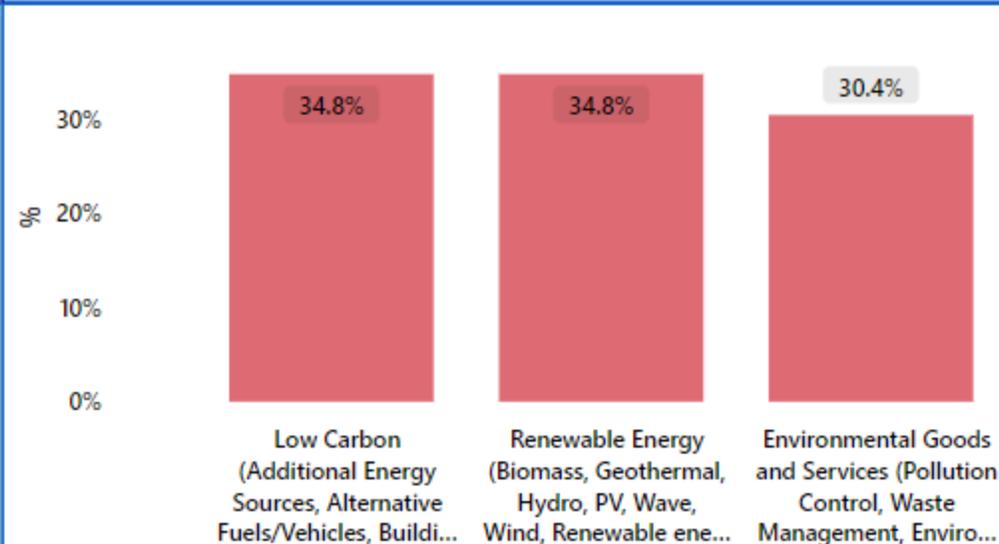
Support to deliver environmental ambition



Plan to minimise environmental impact



Any products/services classed as environmental goods/services



LOCAL AUTHORITY BREAKDOWN (12 WEEK, JUNE ONWARDS) – MAIN IMPACT VARIABLES (%)

Local Authority	Bolton	Bury	Manchester	Oldham	Rochdale	Salford	Stockport	Tameside	Trafford	Wigan	GM %
Business Travel to Visit Clients	19.6%	20.7%	20.1%	19.5%	14.6%	11.4%	13.3%	14.3%	19.2%	17.6%	17.5%
Business Travel to Visit Suppliers	10.7%	22.4%	8.7%	7.3%	14.6%	11.4%	6.7%	7.1%	13.7%	11.8%	11.1%
Cashflow Issues	14.3%	13.8%	17.9%	22.0%	22.0%	8.9%	20.0%	25.0%	15.1%	15.7%	16.8%
Decreased Sales	19.6%	25.9%	25.5%	24.4%	36.6%	25.3%	24.0%	39.3%	26.0%	33.3%	26.7%
Fall in International Trade	7.1%	3.4%	3.3%	0.0%	12.2%	1.3%	0.0%	3.6%	4.1%	0.0%	3.2%
Increased Sales	25.0%	29.3%	21.7%	14.6%	24.4%	27.8%	32.0%	25.0%	30.1%	19.6%	25.1%
Late Payments by Customers/Suppliers	1.8%	0.0%	1.6%	2.4%	0.0%	1.3%	2.7%	3.6%	0.0%	3.9%	1.6%
Other Impact (Positive or Negative)	12.5%	13.8%	6.0%	14.6%	12.2%	10.1%	8.0%	10.7%	2.7%	5.9%	8.6%
Rising Costs	30.4%	19.0%	22.8%	17.1%	43.9%	34.2%	21.3%	39.3%	13.7%	25.5%	25.1%
Staff in Isolation	8.9%	3.4%	2.7%	4.9%	2.4%	3.8%	2.7%	10.7%	1.4%	0.0%	3.5%
Supply Chain Major Issue	12.5%	6.9%	3.8%	4.9%	2.4%	8.9%	6.7%	10.7%	6.8%	5.9%	6.4%
Supply Chain Minor Issue	19.6%	27.6%	13.0%	26.8%	36.6%	17.7%	18.7%	25.0%	35.6%	21.6%	21.7%
Suspended Business Investment	7.1%	12.1%	4.9%	2.4%	2.4%	5.1%	1.3%	0.0%	1.4%	0.0%	4.1%
Overall Impact. Negative High	1.8%	0.0%	1.1%	2.4%	0.0%	0.0%	0.0%	0.0%	2.7%	2.0%	1.0%
Overall Impact. Negative Medium	16.1%	10.3%	16.3%	29.3%	19.5%	11.4%	14.7%	14.3%	24.7%	19.6%	17.1%
Overall Impact. Negative Low	26.8%	46.6%	40.8%	31.7%	39.0%	36.7%	40.0%	57.1%	32.9%	29.4%	37.9%
Overall Impact. Positive overall	28.6%	24.1%	17.9%	19.5%	22.0%	34.2%	20.0%	17.9%	19.2%	25.5%	22.4%
Overall Impact. Don't know / unsure / no response	26.8%	19.0%	23.9%	17.1%	19.5%	17.7%	25.3%	10.7%	20.5%	23.5%	21.6%
Respondents n=	56	58	184	41	41	70	75	28	72	51	686

LOCAL AUTHORITY BREAKDOWN (12 WEEK, JUNE ONWARDS) – MAIN IMPACT VARIABLES (%)

Local Authority	Bolton	Bury	Manchester	Oldham	Rochdale	Salford	Stockport	Tameside	Trafford	Wigan	GM %
Cash reserves. < 1 Month	1.8%		0.5%				1.3%				0.4%
Cash reserves. 1 up to 3 months	5.4%	3.4%	4.9%	2.4%	2.4%	5.1%	4.0%	7.1%	8.2%	3.9%	4.8%
Cash reserves. 3 up to 6 months	10.7%	8.6%	14.1%	29.3%	4.9%	16.5%	13.3%	21.4%	17.8%	5.9%	14.0%
Cash reserves. More than 6 months	75.0%	74.1%	68.5%	53.7%	80.5%	72.2%	69.3%	53.6%	61.6%	68.6%	68.5%
Cash reserves. Unsure	7.1%	13.8%	12.0%	14.6%	12.2%	6.3%	12.0%	17.9%	12.3%	21.6%	12.2%
Redundancy. Yes have made, and plan to make more	0.0%	0.0%	1.6%	0.0%	0.0%	0.0%	0.0%	0.0%	2.7%	0.0%	0.7%
Not yet, currently actively considering redundancies	1.8%	5.2%	1.1%	2.4%	0.0%	1.3%	1.3%	0.0%	4.1%	2.0%	1.9%
Yes have made redundancies (no more planned)	3.6%	6.9%	3.3%	0.0%	7.3%	2.5%	0.0%	0.0%	2.7%	0.0%	2.8%
No, and not planning on any redundancies at all	94.6%	87.9%	94.0%	97.6%	92.7%	96.2%	98.7%	100.0%	90.4%	98.0%	94.6%
Challenge. Adopting digital technology/transformation	16.1%	15.5%	18.5%	7.3%	31.7%	16.5%	37.3%	21.4%	16.4%	29.4%	20.7%
Challenge. Developing new products or service innovation	39.3%	37.9%	37.5%	41.5%	31.7%	39.2%	29.3%	21.4%	24.7%	35.3%	34.7%
Challenge. Developing business models/bus planning	57.1%	41.4%	46.7%	58.5%	41.5%	58.2%	48.0%	39.3%	52.1%	41.2%	48.8%
Challenge. Access to domestic markets /new sales	60.7%	60.3%	58.7%	65.9%	56.1%	64.6%	57.3%	57.1%	68.5%	56.9%	60.6%
Challenge. Access to international markets/new sales	7.1%	10.3%	13.6%	4.9%	14.6%	10.1%	14.7%	3.6%	13.7%	5.9%	11.1%
Challenge. Managing the overall finances of your business	32.1%	37.9%	38.0%	36.6%	34.1%	35.4%	33.3%	46.4%	38.4%	39.2%	36.9%
Challenge. Unsure/Refused	3.6%	12.1%	14.7%	9.8%	9.8%	5.1%	13.3%	14.3%	15.1%	17.6%	12.0%
Challenge. Workforce general an/or specific skills	53.6%	55.2%	44.6%	39.0%	48.8%	43.0%	41.3%	53.6%	42.5%	45.1%	45.8%
Challenge. Workforce management and leadership skills	30.4%	29.3%	27.7%	36.6%	31.7%	27.8%	25.3%	42.9%	28.8%	29.4%	29.4%
Respondents n=	56	58	184	41	41	79	75	28	73	51	686

LOCAL AUTHORITY BREAKDOWN (12 WEEK, JUNE ONWARDS) – MAIN IMPACT VARIABLES (%)

Local Authority	Bolton	Bury	Manchester	Oldham	Rochdale	Salford	Stockport	Tameside	Trafford	Wigan	GM %
Positive impacts. Don't Know	8.9%	12.1%	18.5%	12.2%	12.2%	6.3%	13.3%	10.7%	6.8%	17.6%	12.8%
Positive impacts. Improvements to Products/Services	30.4%	20.7%	19.0%	26.8%	7.3%	25.3%	17.3%	21.4%	15.1%	7.8%	19.2%
Positive impacts. Increase in customers/new customers	39.3%	34.5%	21.7%	22.0%	19.5%	36.7%	36.0%	21.4%	30.1%	19.6%	28.1%
Positive impacts. Increased Digitisation	25.0%	22.4%	14.7%	7.3%	19.5%	19.0%	17.3%	10.7%	12.3%	7.8%	15.9%
Positive impacts. Increased Productivity	5.4%	20.7%	12.5%	4.9%	4.9%	7.6%	14.7%	3.6%	8.2%	2.0%	9.8%
Positive impacts. New products/services introduced	28.6%	15.5%	19.0%	17.1%	22.0%	16.5%	22.7%	21.4%	23.3%	13.7%	19.8%
Positive impacts. Other	3.6%	3.4%	7.1%	7.3%	2.4%	5.1%	2.7%	7.1%	4.1%	11.8%	5.5%
Business Confidence – next 12 months (1 low – 10 high)	7.4	7.5	7.2	6.9	7.3	7.4	7.3	6.8	7.2	7.2	7.2
Respondents n=	56	58	184	41	41	79	75	28	73	51	686

Local Authority	Bolton	Bury	Manchester	Oldham	Rochdale	Salford	Stockport	Tameside	Trafford	Wigan	GM %
GM Business Profile %	9.9%	7.5%	22.1%	6.8%	6.4%	10.2%	11.3%	5.9%	11.2%	8.7%	100%
Monthly %	9.1%	5.6%	28.2%	6.6%	6.3%	10.1%	11.1%	5.2%	10.8%	7.0%	100%
Quarterly %	8.2%	8.5%	26.8%	6.0%	6.0%	11.5%	10.9%	4.1%	10.6%	7.4%	100%
Monthly Responses	26	16	81	19	18	29	32	15	31	20	287
Quarterly Responses	56	58	184	41	41	79	75	28	73	51	686

