



The  
Growth  
Company

# GC SITUATION REPORT AND BUSINESS SURVEY RESULTS

RESULTS FOR 3<sup>RD</sup> SEPTEMBER TO 3<sup>RD</sup> OCTOBER 2022

[www.growthco.uk](http://www.growthco.uk)

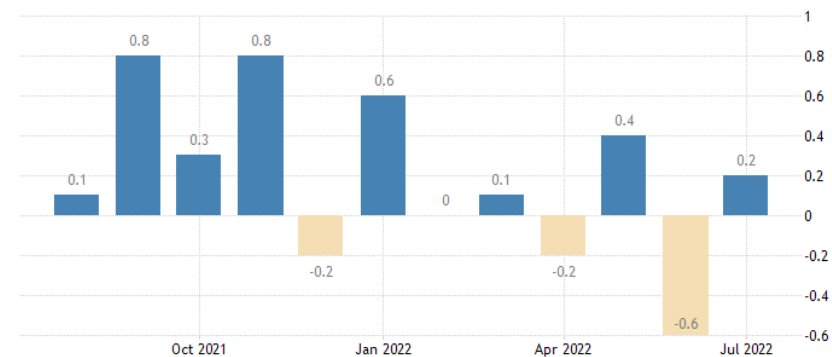
# 1. ECONOMIC CONTEXT AND SURVEY HEADLINES

The GC Situation Report September 2022 contains leading economic data from both national and local sources. This month's survey report findings are based on 233 surveys completed with firms (almost all in Greater Manchester), between the 3<sup>rd</sup> September and 3<sup>rd</sup> October 2022. A supporting data annex provides intelligence for all firms, alongside the headlines for each local authority within Greater Manchester.

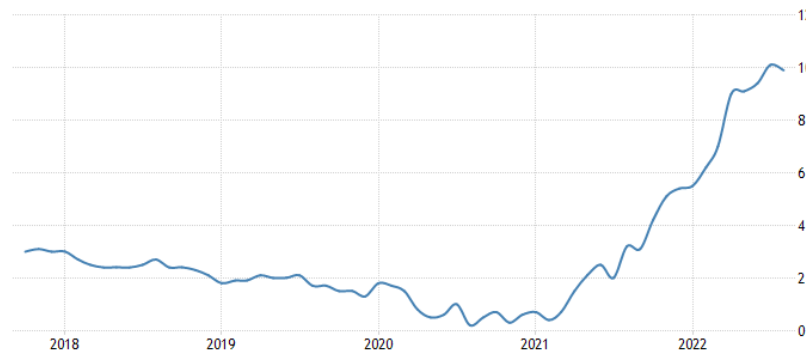
**Economic context:** The UK is the only G7 economy that remains smaller than it was before the pandemic, according to the latest (revised) figures from the Office for National Statistics. The ONS reported that UK GDP for the three months to June 2022 remained 0.2% lower than it was in the final quarter of 2019; and fell 0.6% in June, before expanding by 0.2% in July. High energy prices, input costs, and food prices led to a peak in inflation of 10.1% in July, but fell back slightly due to lower fuel prices. Year-to-date food prices have risen at the fastest rate since 2008. Pound Sterling fell by more than 3% to a 37-year low against the dollar on 24<sup>th</sup> September after financial markets reacted to the Chancellor's 'mini-budget', but regained some ground after the latest tax announcements. UK consumer confidence continued to decrease in August 2022, the GfK confidence index falling by three points to -44, reflecting the worsening state of household finances amid high inflation. The economic slowdown is also reflected in vacancy data. Quarterly growth fell for the 13th consecutive period, in June to August 2022, despite 1.3m job vacancies unfilled.

**GC survey headlines:** The latest results show a fall in the proportion of firms expecting sales to increase in the year ahead (a 6 percentage point shift to no change/unsure). Business confidence GC-Confidence Score has started to fall, but only slightly on the levels seen throughout last quarter; and future profit sentiment remains stronger in Business, Finance, and Professional Services despite, for the first time, UK Purchasing Manager surveys suggesting that the service sector has contracted in August. Key risks to business remain rising costs, though the proportion reporting this in the last few months has remained broadly level (slightly lower in July and August). The main stand out change this month is in the proportion of businesses reporting reserves that can support activity for over 6 months, rising from 66% last month to 75% of survey respondents (higher in larger SMEs than micro-size firms). Whilst this runs counter to the slow rise in the proportion of firms reporting cashflow problems (18% of respondents this month vs 14% last month), this could signal that firms have already made significant adjustments to their business plans in order to build reserves to hedge against uncertainty - though it remains unclear whether this also includes other loans / facilities taken out by companies in the last 18 months, including Government backed loans through lockdowns, that also remain 'unspent'.

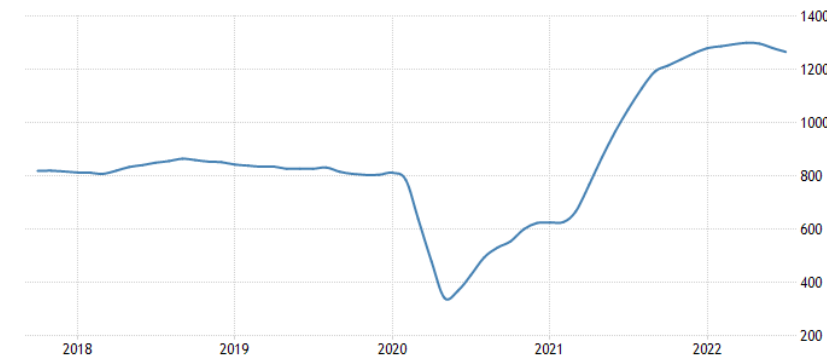
## UK GDP grows by 0.2% in July 2022 (latest from ONS)



## CPI Inflation rises to 9.9% in August 2022



## UK Vacancy numbers decline but still at 5 year high



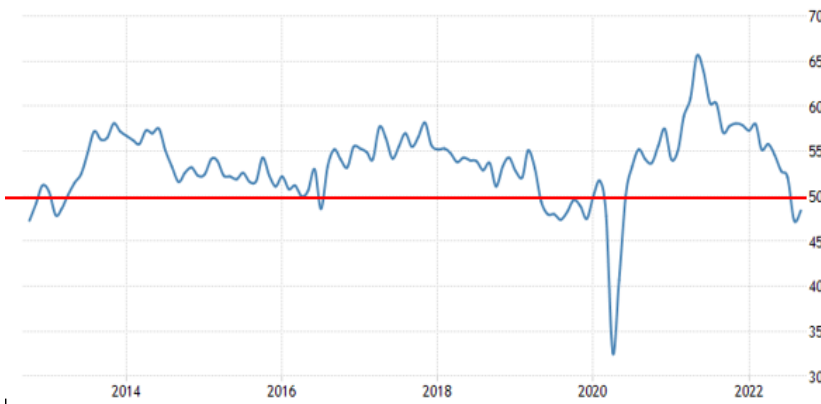
- The British economy expanded 0.2% in July from June 2022, rebounding from a 0.6% fall in the previous month.
- Services grew by 0.4% in July 2022, after a fall of 0.5% in June 2022, and was the main driver to the rise in GDP; information and communication grew by 1.5% and was the largest contributor to the services growth
- Output in consumer-facing services grew by 0.6% in July 2022, following flat growth in June 2022; consumer-facing services remained 4.3% below their pre-coronavirus levels (February 2022) in July 2022.
- Production fell by 0.3% after a fall of 0.9% in June 2022; this was mainly because of a fall of 3.4% in electricity and gas.

- Annual inflation rate in the UK unexpectedly edged lower to 9.9% in August of 2022 from 10.1% in July, which was the highest reading since 1982, and below market forecasts of 10.2%.
- A fall in the price of motor fuels (32.1% vs 43.7% in July) made the largest downward contribution to the change in both the CPIH and CPI annual inflation rates between July and August 2022.
- Rising food prices (13.1% vs 12.7% in July), made the largest, partially offsetting, upward contribution to the change in the rates; namely milk, cheese and eggs. Prices for housing and utilities went up 20%, the same as in July, with actual rents rising 4% (vs 3.8% in July).

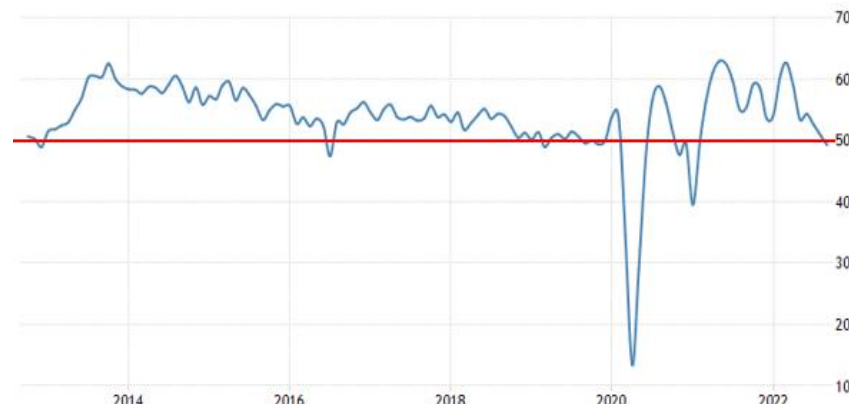
- The number of job vacancies in June to August 2022 was 1,266,000, a decrease of 34,000 from the previous quarter and the largest quarterly fall since June to August 2020.
- Quarterly growth fell for the 13th consecutive period, down to negative 2.6% in June to August 2022. In June to August 2022, vacancies were 470,000 (59.1%) above the January to March 2020 pre-coronavirus (COVID-19) level, and 215,000 (20.4%) above the same time last year.
- In May to July 2022, despite the fall in vacancies, the number of unemployed people per vacancy remains at an historical low of 1.0 for the sixth consecutive period.

# 1. ECONOMIC CONTEXT – SECTORS AND OTHER INTELLIGENCE

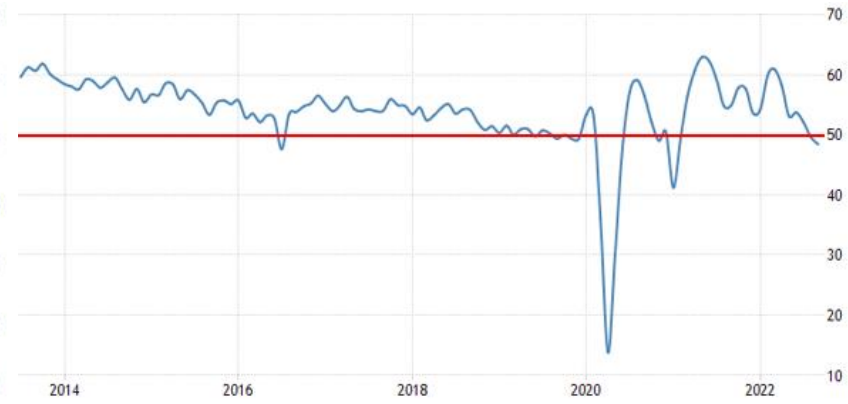
The S&P Global/CIPS Manufacturing PMI



The S&P Global/CIPS Service PMI



The S&P Global/CIPS Composite PMI



- **The S&P Global/CIPS UK Manufacturing PMI** was revised slightly lower to 48.4 in September 2022 from a preliminary estimate of 48.5, pointing to a second successive month of deterioration in the sector's business conditions.
- The steepest output decline was seen at intermediate goods producers, while consumer and investment goods industries also reported substantial rates of contraction in output.
- The level of new business dropped for the fourth month running, with new export business falling the most since May 2020, amid reports of expected orders being postponed, or cancelled, due to factors such as rising uncertainty, inflationary pressure and the cost-of-living crisis.
- Meanwhile, employment continued to increase, as companies reported success in filling existing vacancies, while outstanding business fell for the fifth straight month. On the price front, input costs and output charges both rose at faster rates, and remained elevated and well above their respective survey averages.

- **S&P Global/ CIPS UK Services PMI** fell to 49.2 in September of 2022 from 50.9 in August, missing market expectations of 50, flash estimates showed. This marked the first drop-in services activity since February 2021, though the rate of decline was only marginal.
- There were a number of reports that a slowdown in sales amid the cost-of-living crisis and rising economic uncertainty had weighed on activity levels in September. Looking ahead, expectations in the service sector hit 28-month lows.

- **The S&P Global/CIPS UK Composite PMI** slipped to 48.4 in September 2022 from 49.6 in August, below expectations of 49. Though modest, the rate of contraction was the quickest seen since January 2021, with businesses often commenting on the negative impacts of high costs and a weaker economic outlook on client spending and output.
- **S&P Global/CIPS UK Construction PMI** — which measures month-on-month changes in activity in the sector — edged higher to 49.2 in August of 2022 from 48.9 in July, compared to market forecasts of 48.
- The Construction reading pointed to a second consecutive month of falling output, as customer demand moved closer to stagnation amid cost pressures and economic uncertainty.
- Concerns about wider economic prospects led to a drop in business confidence and slower job creation, while firms' purchasing activity declined. Falling buying activity did alleviate some pressure on supply chains, with lead times lengthening to the least extent in two-and-a-half years, while inflationary pressures also showed signs of waning.

- **Retail sales in the UK fell 1.6% month-over-month in August of 2022, the biggest decline so far this year and following a 0.4% rise in July.** Figures came much worse than market forecasts of a 0.5% drop, with rising prices and cost of living weighing on consumer spending. Sales fell in all main sectors, namely food (-0.8%), auto fuel (-1.7%) and in non-food stores (-1.9%), particularly sports equipment, toys, furniture and lighting. Year-on-year, retail sales dropped 5.4%. When compared with the pre-coronavirus level in February 2020, total retail sales were still 0.5% higher.
- **The GfK – UK Consumer Confidence indicator** fell to -49 in September 2022 from -44 in August, hitting a new record low as British households continued to grapple with the cost of living crisis and wider economic uncertainties. The September figure also defied expectations for a slight improvement to -42 following the government's £150 billion package aimed at freezing household energy bills. The data came a day after the Bank of England lifted its policy rate by 50 basis points to 2.25% to combat high inflation, making borrowing costs more expensive. The BoE also expects UK inflation to peak at 11% in October from its current level of 9.9%.

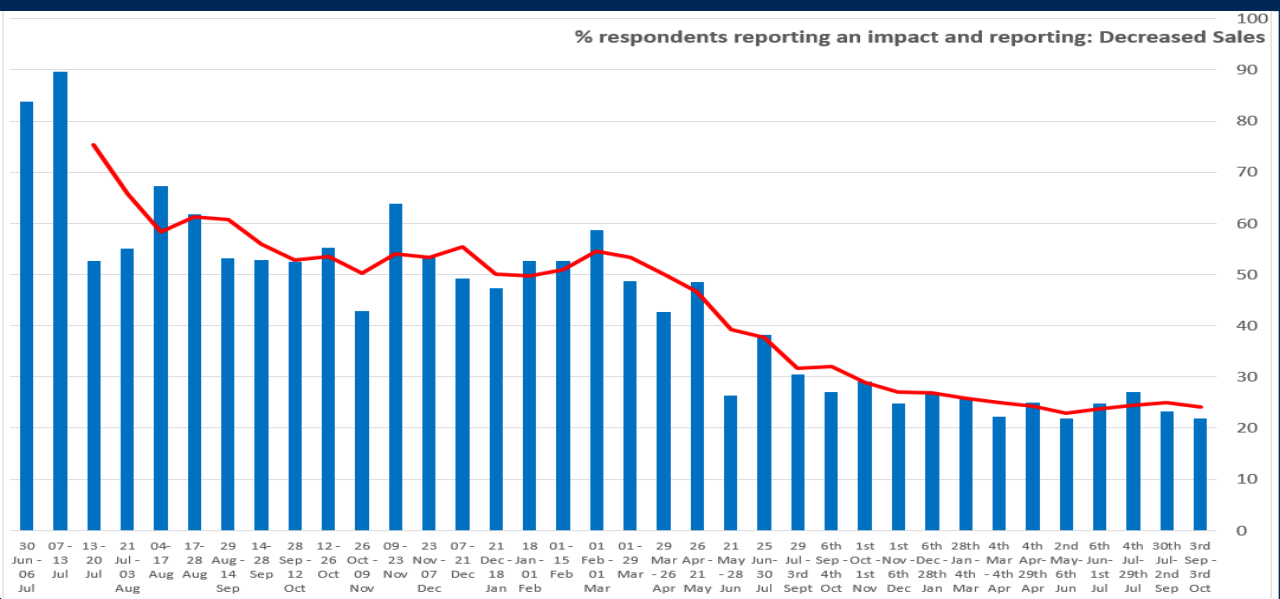
## 2. LOCAL BUSINESS SURVEY DATA

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

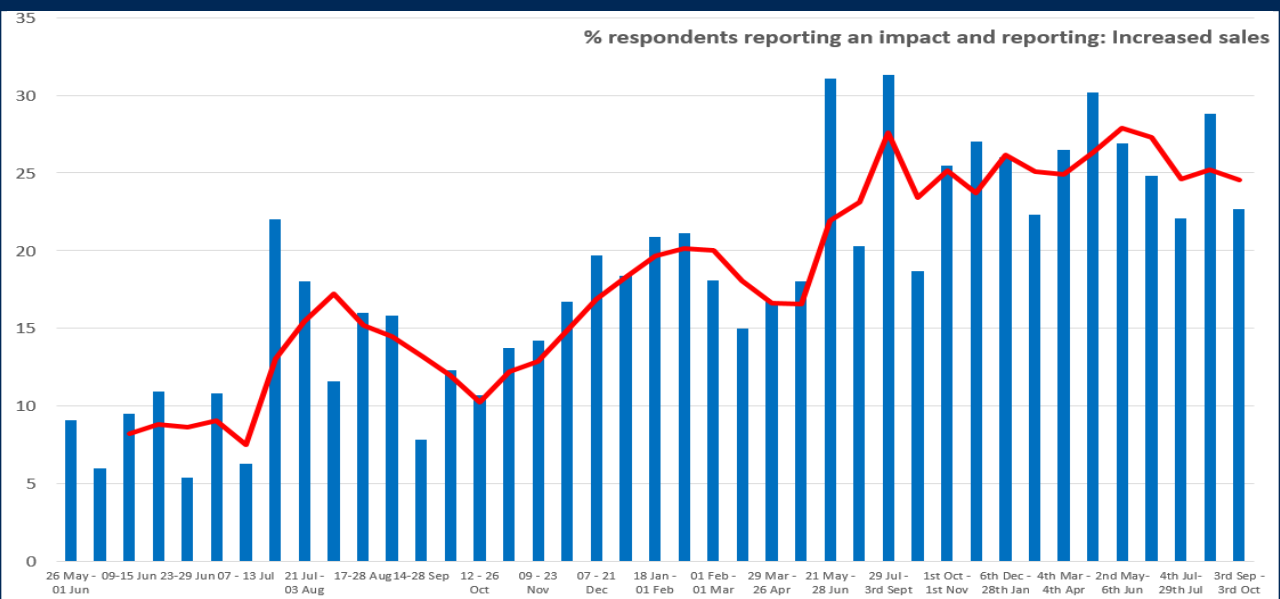
GROWTH, BUSINESS CONFIDENCE AND INVESTMENT	MAIN IMPACTS AND FINANCIAL RESILIENCE	BUSINESS CHALLENGES AND SUPPORT NEEDS
<ul style="list-style-type: none"> <li>➤ <b>The GC Business Confidence Index (GC-BCI)</b>, a ranking of how confident businesses are on their growth prospects for the year ahead, currently stands at 7.2 out of 10, the same as last month, and slightly lower than 7.3 recorded the same time last year. In-week data shows the index remained at 7.2 (i.e. just 0.02 points down on the previous week).</li> <li>➤ <b>Sales and profits.</b> 23% (vs 29% previously) of firms reported that they experienced an increase in sales in the last month, and 69% expect profits to increase (vs 68%, and similar to that seen in Jan/Feb 2022), whilst just 3% (vs 3%) expect profits to decrease. The tourism &amp; hospitality sector (85%) was most likely to expect profits to rise, followed by retail (81%), and business &amp; professional services (72%).</li> <li>➤ <b>Investment.</b> 53% (vs 48%) of firms expect to increase Capex spend in the year ahead. 61% (vs 57%) of firms expect to increase their allocation towards investing in workforce development and skills, innovation (59% vs 59%), and digital transformation (55% vs 50%). SME's (50-249) and businesses within the business &amp; professional sector are more likely to increase Capex spend in the year ahead.</li> </ul>	<ul style="list-style-type: none"> <li>➤ <b>Impacts.</b> The main impacts facing firms are rising costs (28% vs 23% previously), decreased sales (22% vs 23%), minor supply chain issues (22% vs 20%), and business travel to visit clients (11% vs 18%).</li> <li>➤ <b>Sales.</b> The proportion of firms reporting <u>decreased</u> sales shows variation by sector, and was most prevalent in the hospitality, tourism, and sport, and creative and digital technology sectors.</li> <li>➤ <b>Cash reserves.</b> 75% (vs 66%) of firms report that they have cash reserves to last over 6 months. This represents one of the strongest positions in the last 2 years. 82% of SME's with 10-49 employees have cash reserves to last over 6 months, with the majority in Digital Creative Technology (90%), BFPS (88%), and manufacturing (86%).</li> <li>➤ <b>Cashflow.</b> 18% (vs 14%) of firms said they had cashflow problems (24% at the same time last year). Micro-size firms (&lt;10 employees) were twice as more likely to report cashflow issues this month compared to SMEs (10-49 FTEs). By sector, green tech and education were more likely to report cashflow problems than other sectors in the survey.</li> </ul>	<ul style="list-style-type: none"> <li>➤ <b>The main pressing challenges facing business.</b> Access to new domestic sales opportunities (50% vs 55% previously), recruitment, workforce and skills development (44% vs 46%), developing business model and plans (55% vs 46%), managing overall business finances (37% vs 35%), and innovation (38% vs 36%).</li> <li>➤ <b>The main areas of future support.</b> Workforce development (47% vs 44%), business planning (43% vs 45%), sales &amp; marketing (39% vs 34%), innovation (35% vs 29%), and financial advice (28% vs 29%). 12% (vs 9%) are looking for support on managing environmental impact.</li> <li>➤ <b>Brexit.</b> 61% (59% previously) of firms said the impact of transition and exit from EU had a 'neutral' impact, whereas 15% (vs 14%) said 'negative', 22% (vs 23%) 'unsure', 1% (vs 4%) said 'positive' overall.</li> <li>➤ <b>International trade.</b> 21% (vs 27%) of firms undertaking overseas trade said they were looking to expand in current markets. Just under 30% of SMEs (10-49) are looking to expand in new markets and mainly in the retail and wholesale sector.</li> </ul>
EMPLOYMENT AND SKILLS	INSOLVENCY RISK RATING AND CVLs	PULSE QUESTION: RETURN TO THE USUAL WORKPLACE
<ul style="list-style-type: none"> <li>➤ <b>Recruitment.</b> 23% (vs 25% previously) of firms are currently recruiting new staff, and 40% (vs 49%) said they had difficulties recruiting for specific occupations. The main occupational groups recruiting are technical support roles (49% vs 44%), customer facing / sales roles (57% vs 35%), and managerial positions (16% vs 16%).</li> <li>➤ <b>Workforce skill gaps.</b> 52% (vs 56%) of firms said that their workforce skills are only 'partly' at the correct level to meet business plan objectives for the year ahead.</li> <li>➤ <b>Workforce development.</b> 61% (vs 57%) of firms said they are looking to increase investment in workforce development in the next 12 months, 25% (vs 29%) said they thought investment levels would remain the same, and 12% (vs 13%) were unsure.</li> <li>➤ <b>Redundancy risk.</b> Just 1% (vs 2%) of firms said they were in the process of considering making redundancies – mostly in back-office administrative / technical occupations, and customer facing roles.</li> </ul>	<ul style="list-style-type: none"> <li>➤ <b>The number of registered company insolvencies in August 2022 was 1,933:</b> 43% higher than in the same month in the previous year (1,348 in August 2021), and 42% higher than the number registered three years previously (pre-pandemic; 1,365 in August 2019).</li> <li>➤ <b>In August 2022 there were 1,662 Creditors' Voluntary Liquidations (CVLs),</b> 33% higher than in August 2021 and 73% higher than August 2019. Numbers for other types of company insolvencies, such as compulsory liquidations, remained lower than before the coronavirus (COVID-19) pandemic, although there were almost four times as many compulsory liquidations in August 2022 as in August 2021, and the number of administrations was more than twice as high as a year ago.</li> <li>➤ <b>Insolvency risk</b> (Greater Manchester firms with 10 or more employees). Data for September shows that 11.3% (11.6% last month) of businesses that have a risk rating, compared with 10.2% nationally (10.9% last month). Insolvency risk in GM is higher in large businesses, Levels of insolvency risk in Greater Manchester are up 1.2 percentage points vs the level pre-covid (April 2020), similar to the national trend.</li> </ul>	<ul style="list-style-type: none"> <li>➤ <b>Return to workplaces.</b> 54% (vs 50% 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 9% (vs 15%) stating that there will be a planned gradual shift to hybrid working, and 6% (vs 3%) saying there has been a permanent shift to working from home, and 32% unsure.</li> <li>➤ <b>Main challenges reported by firms when returning staff back into the workplace,</b> include carrying out a risk assessment, implementing social distancing, the introduction of agile working practices, introducing suitable hygiene measures, and finding alternative suppliers.</li> <li>➤ <b>Main positive impacts of remote working</b> are staff reducing commuting times, an increase in staff productivity, and the ability to give more attention to work-life issues / balance.</li> <li>➤ <b>The main negative risks</b> were cited as challenges to promote knowledge sharing, continued social isolation, and the need to address work-life boundaries.</li> </ul>

# 2. MAIN GC SURVEY TIMESERIES - IMPACTS

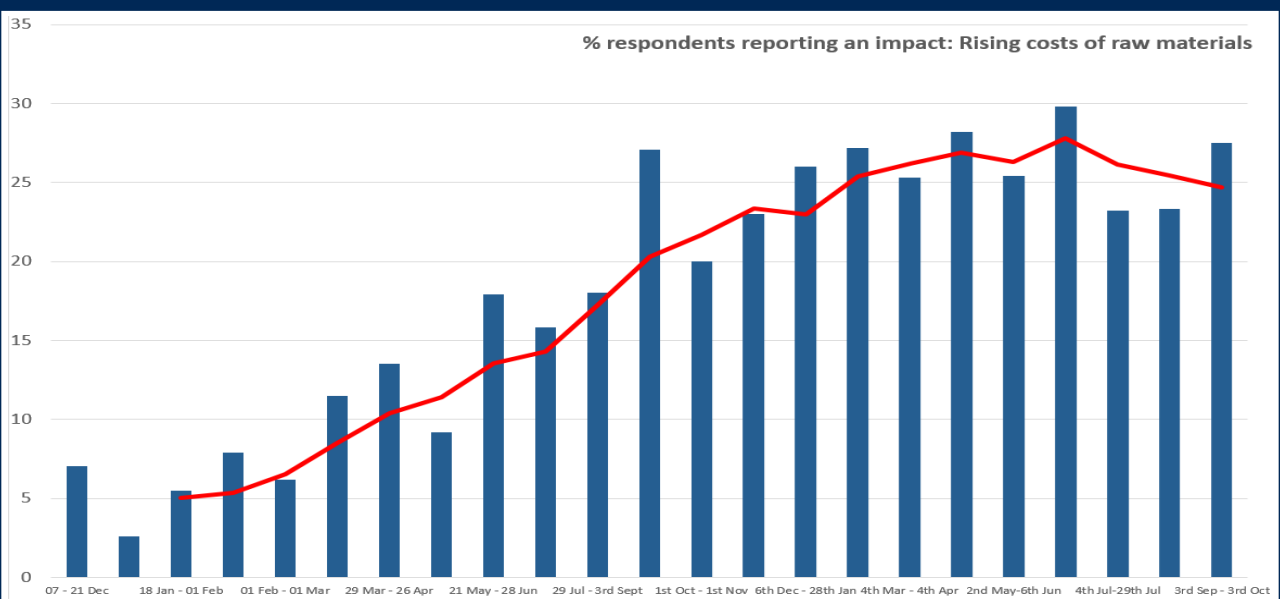
### Decreased Sales (Red line = 3 week moving average)



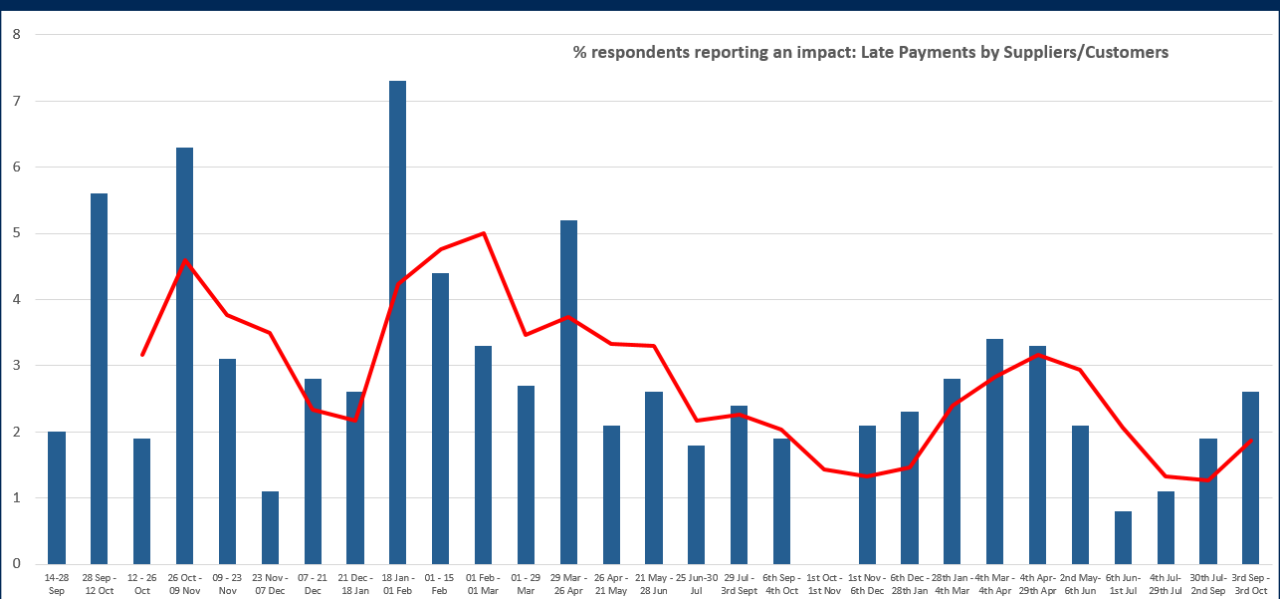
### Increased sales



### Rising costs

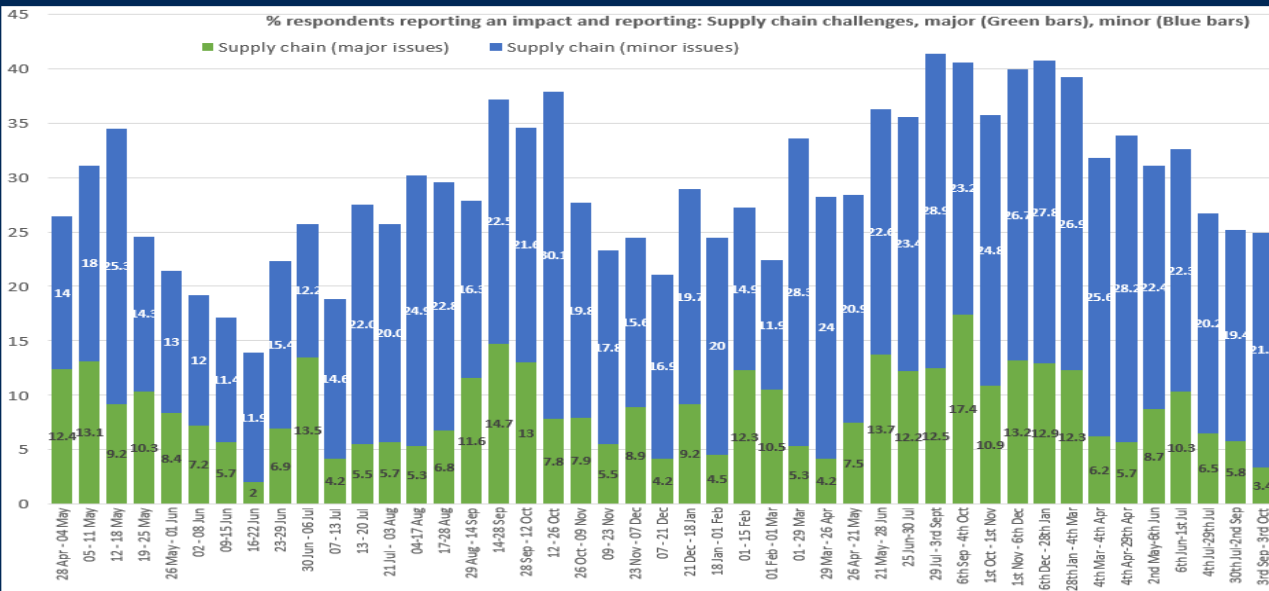


### Late payments



# 2. MAIN GC SURVEY TIMESERIES - IMPACTS

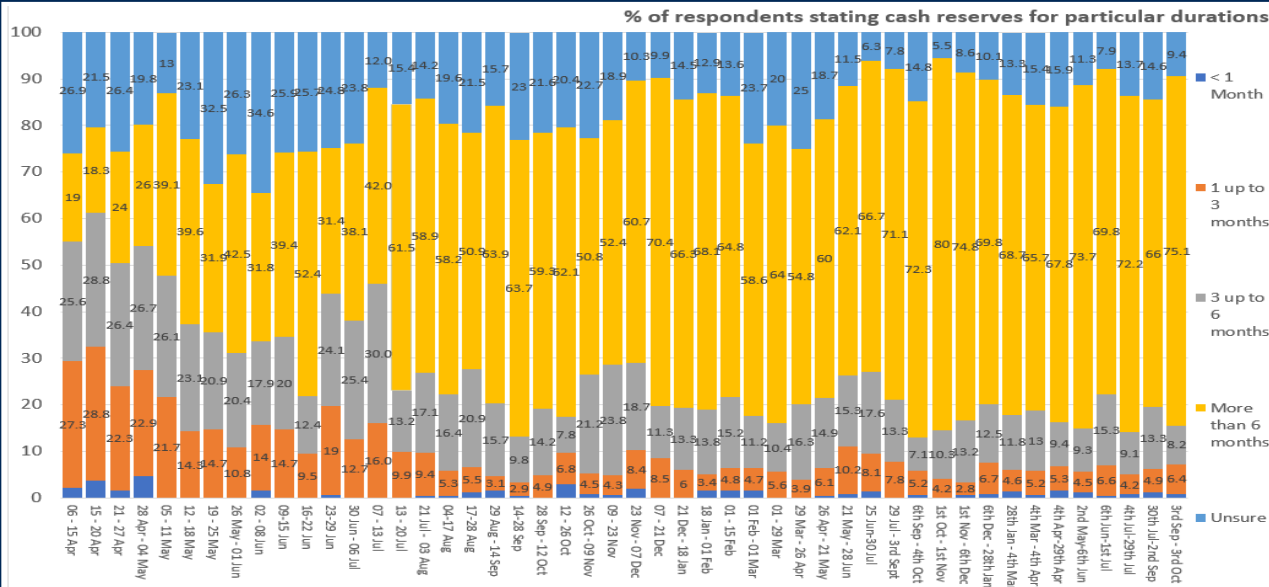
Percentage reporting minor supply chain issues (blue), major issues (green)



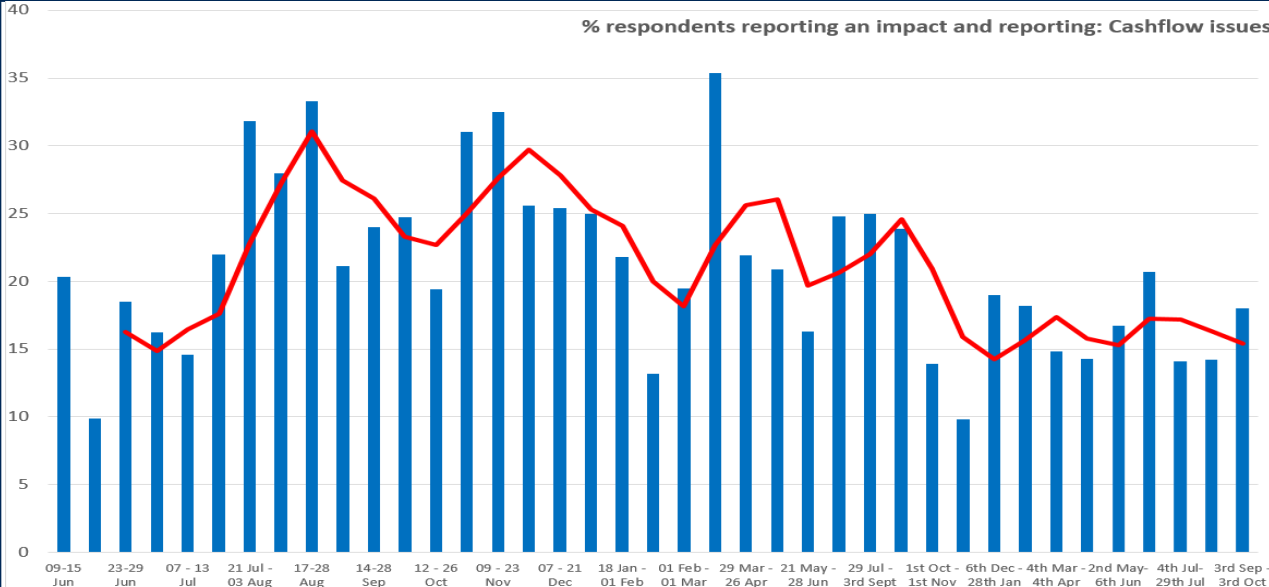
Aggregate confidence index – 1 low confidence, 10 high confidence



Percentage of respondents stating cash reserves can sustain certain periods of time



Percentage reporting cashflow problems





### 3. GROWTH COMPANY - SUPPORT ACTIVITIES (ISABELLA)

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
<b>Business Enquiry Data</b>	<ul style="list-style-type: none"> <li>➤ To date the Growth Hub has seen more than 48,856 enquiries, including 23,540 calls and over 4,672 COVID-19 related issues logged. Enquiry levels are returning to normal after an unseasonably high volume in the last two reporting periods; evidenced by an average of 326 enquiries per week compared to 651 in the last reporting period, and 514 before that.</li> <li>➤ Enquiries have been coming mainly by-way of digital media with a 55%/45% split between digital/email enquiries versus calls.</li> <li>➤ Again, COVID-19 enquiry volumes have stagnated, with no new enquiries received since 6th July 2022.</li> </ul>
<b>Website Traffic</b>	<ul style="list-style-type: none"> <li>➤ To date there have been 1,292,318 visitors to the Business Growth Hub website with 21,999 unique visitors engaging with the site between 1<sup>st</sup> – 28<sup>th</sup> September 2022.</li> <li>➤ Coronavirus pages – The pages have been seen by over 334,162 visitors and recent data shows that that 1,351 unique visitors engaged with the site between 1<sup>st</sup> – 28<sup>th</sup> September 2022.</li> </ul>
<b>EU Transition Stats</b>	<ul style="list-style-type: none"> <li>➤ The EU Transition webpages received 22 page views, with 19 unique page views between 1<sup>st</sup> – 28<sup>th</sup> September 2022. There were no social media posts within that time.</li> </ul>
<b>Employ GM Website</b>	<ul style="list-style-type: none"> <li>➤ The Employ GM website has now seen 24,065 visitors, an increase of 87 since the last report.</li> </ul>

# 4. TOURISM, HOSPITALITY, LEISURE

## ASSOCIATION OF LEADING VISITOR ATTRACTIONS – TOURISM OUTLOOK REPORT 2023

The report looks at the prospects for domestic, inbound and outbound tourism in 2023 within the context of the current Health, Global and National Economic Climate and Geopolitical factors. The report highlights the '3M's' as the foundations of a successful tourism industry - Motivation to travel; Money to spend and a Means of transport. The report concludes that 2023 is likely to be an exceptionally tough year for the UK tourism industry, as the cost of living crisis looks set to continue, suppressing tourism demand and making the provision of value for money offers more important than ever.

### Inbound Tourism Outlook

The total number of inbound visits is not likely to return to 2019 volumes over the next 2 – 3 years due to:

- Growth already showing signs of slowdown ahead of 2020.
- Cost of air travel is increasing sharply as are hotel room rates.
- Global economic outlook is for little or no growth in key source markets.
- Covid 19 continues to be a factor dampening demand from some markets.
- Markets with a degree of optimism are the USA, Australia and New Zealand. Asian markets look set to remain depressed.

### Domestic Tourism Outlook

- The volume and value of domestic tourism is unlikely to be manifestly impacted by Covid 19 in 2023.
- Demand will be highly price sensitive, with consumers adapting choices, but keen to protect their holiday experiences.
- A key determinant will be the extent to which financial pressures make consumers opt for a domestic break.
- Leisure demand has potential to be at pre-pandemic levels, however a weak economy will continue to affect business tourism and events.
- Energy and rising costs of living are particular risks for the winter period, putting a squeeze on discretionary spend.

### Tourism Alliance Updates for September (01-10-2022)

The Chancellor published his Autumn Statement, ['The Growth Plan 2022'](#) this month. The plan will tackle energy costs to bring down inflation, back businesses and help households. Measures include:

- Digital VAT-free shopping scheme. Aimed at boosting the high street and creating jobs in the retail and tourism sectors.
- Corporation tax rise has been cancelled, by keeping this tax at 19% government sets its sights on 2.5% trend rate of growth.
- Basic rate of income tax cut to 19% in April 2023, a year earlier than planned.

## HOTEL PERFORMANCE MONITOR

### Hotel Performance Monitor – August 2022.

- August demand levels are particularly influenced by the leisure market. The 5% occupancy rate in Manchester City Centre compares to 81% in 2019, whilst across Greater Manchester, the 77% occupancy rate compares to 80% in 2019. Both remain reflective of 2019 seasonality but at lower occupancy levels.

	MANCHESTER			GREATER MANCHESTER		
Ave>	Occupancy	Room rate	Revenue per room	Occupancy	Room rate	Revenue per room
<b>2022</b>	75%	£85	£63	77%	£79	£61
<b>2021</b>	68%	£91	£63	67%	£79	£55
<b>2019</b>	81%	£74	£60	80%	£69	£55

Source: Marketing Manchester

## MARKETING MANCHESTER CAMPAIGN IMPACTS

### 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
<b>Bank of England launches £65bn move to calm markets</b>	On 28th September, the Bank of England took emergency action to avoid major turbulence in the UK pensions sector. The Bank bought £65 billion in bonds to stem a crisis in government debt markets where the price of those bonds had fallen rapidly, forcing some pension funds to sell off assets, further forcing down the price. Kerrin Rosenberg, Chief executive at Cardano Investment said if the process had continued “around 90% of pension funds would have run out of collateral” and therefore collapsed. Following the Bank’s intervention, UK government bond markets recovered sharply. <a href="#">&lt;Link&gt;</a>
<b>A hand-up for start-ups: 33,000 new loans for small businesses as £900 million government scheme widened</b>	On 25th September, the government announced a widening of the Start Up loan scheme. 33,000 new loans have been made available and the programme’s eligibility has been expanded to support business trading for up to 3 years, up from 2 years. Start Up Loans provide a fixed interest rate of 6%, as well as mentoring, support and funding to potential business owners across the UK. In addition, a second loan will be available to businesses operating for up to 5 years, providing eligible businesses between 3 and 5 years old a much-needed government-backed finance to support their expansion at a crucial juncture. <a href="#">&lt;Link&gt;</a>
<b>Stamp duty cut in bid to help house buyers</b>	On 24th September, the government announced a cut to the stamp duty. The threshold at which stamp duty is paid has been raised to £250,000 from its current £125,000 level. The threshold for first-time buyers has been increased from £300,000 to £425,000. The changes should remove around 200,000 people from having to pay stamp duty. The value of a property on which first-time buyers can claim stamp duty relief has also increased from £500,000 to £625,000. <a href="#">&lt;Link&gt;</a>
<b>UK may already be in recession - Bank of England</b>	On 22nd September, the Bank of England raised interest rates from 1.75% to 2.25% due to rising prices. This is the seventh rate rise in a row and the interest rate is now at its highest level since 2008. Higher interest rates are intended to reduce spending and therefore reduce inflation however, people on a typical tracker mortgage will have to pay around £49 more a month, while those on standard variable rate mortgages will have to pay around £31 more. Those on fixed-rate deals will not be immediately affected but their costs could increase when deals come up for renewal. The Bank expects the UK economy to shrink by 0.1% between July and September. <a href="#">&lt;Link&gt;</a>
<b>Government announces Energy Price Guarantee for families and businesses</b>	On 8th September, the government announced the ‘Energy Price Guarantee’. From 1st October, a typical UK household will now pay up to an average of £2,500 a year on their energy bill for the next two years. This takes account of temporarily removing green levies, worth around £150, from household bills. The guarantee will supersede the existing energy price cap. The guarantee comes in addition to the £400 energy bill discount previously announced. <a href="#">&lt;Link&gt;</a>
<b>Mini-budget: key points at a glance</b>	On 23rd September, Chancellor Kwasi Kwarteng delivered the ‘Mini-Budget’. The key points of the mini-budget are summarised here: <a href="#">&lt;Link&gt;</a> On 3rd October, the Chancellor confirmed he was removing the 45p tax rate plan – which would have applied to earnings of more than £150,000. <a href="#">&lt;Link&gt;</a>



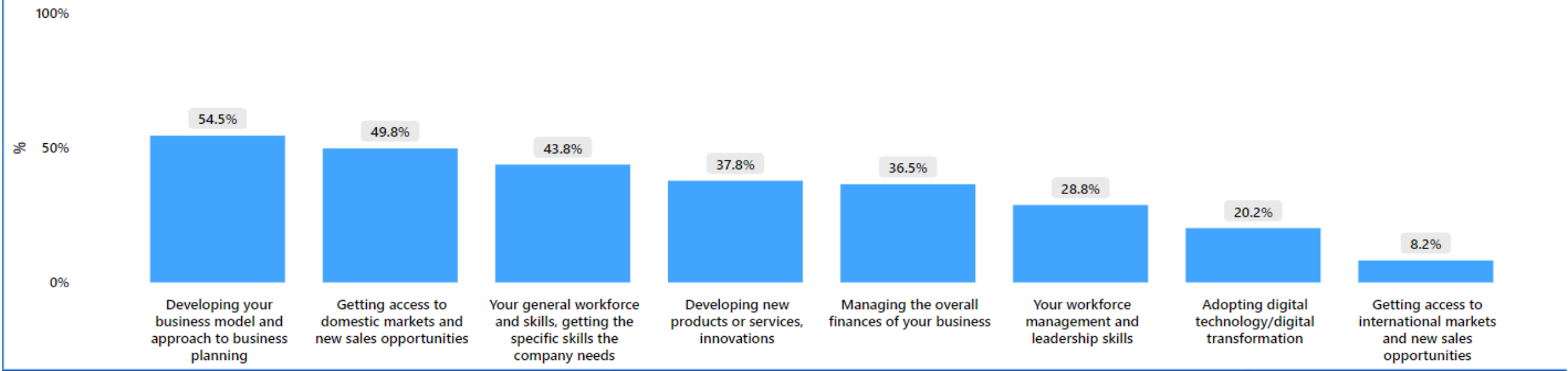
## DATA APPENDIX

**RESULTS FOR 3<sup>RD</sup> SEPTEMBER TO 3<sup>RD</sup> OCTOBER 2022**  
*(LOCAL AUTHORITY DATA COVERS THE 12 WEEKS UP TO AND INCLUDING 3<sup>RD</sup> OCTOBER)*

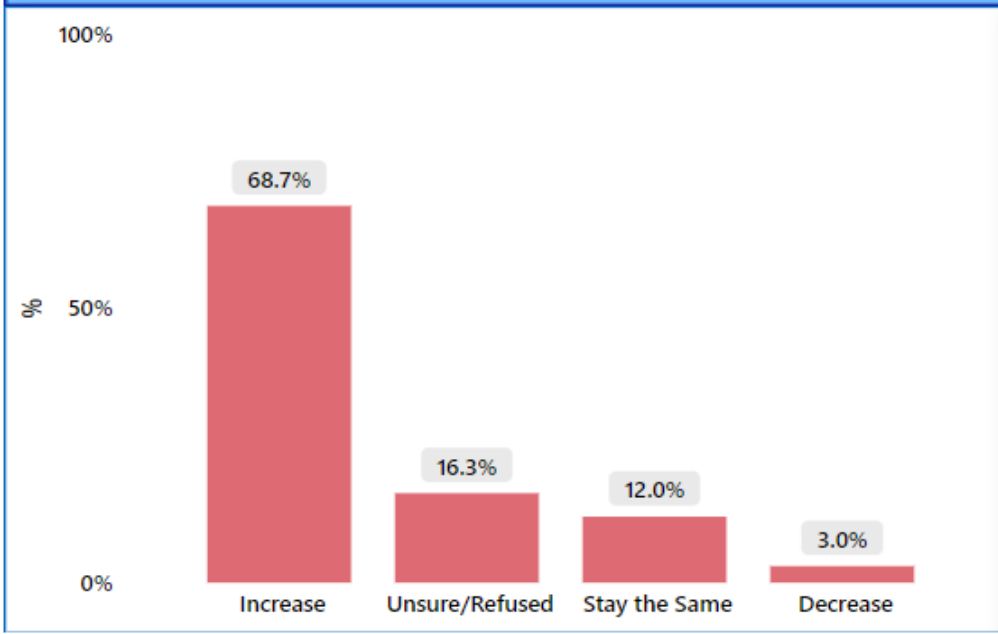
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# BUSINESS CONFIDENCE ABOUT THE FUTURE – AND CURRENT PRESSING CHALLENGES

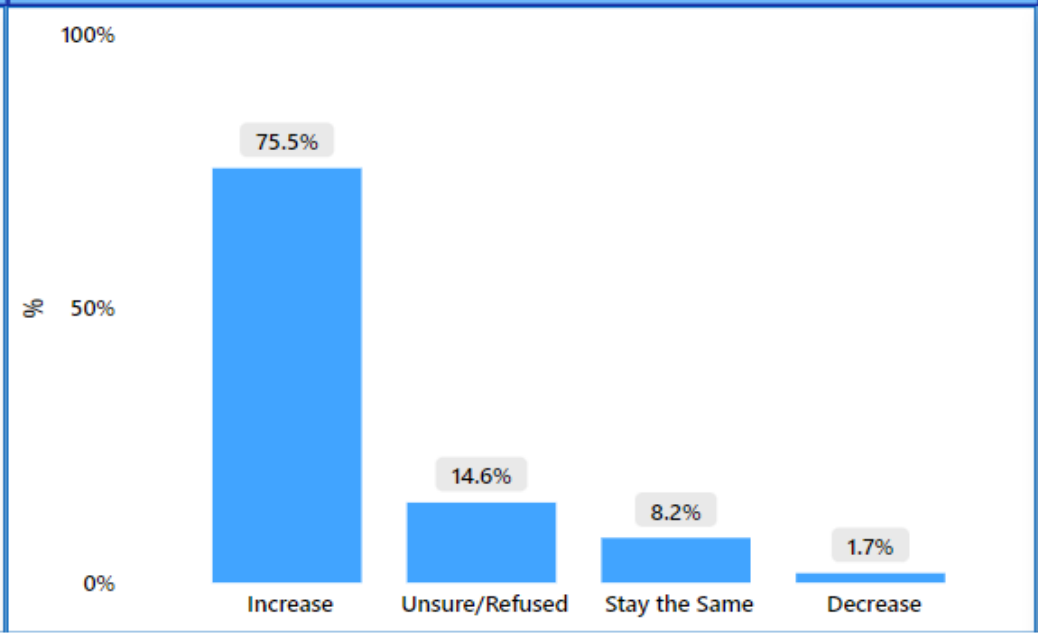
## Pressing Challenges



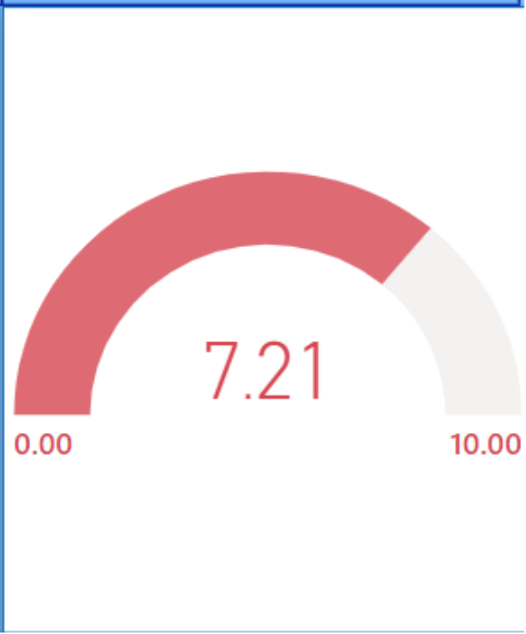
## Future profitability



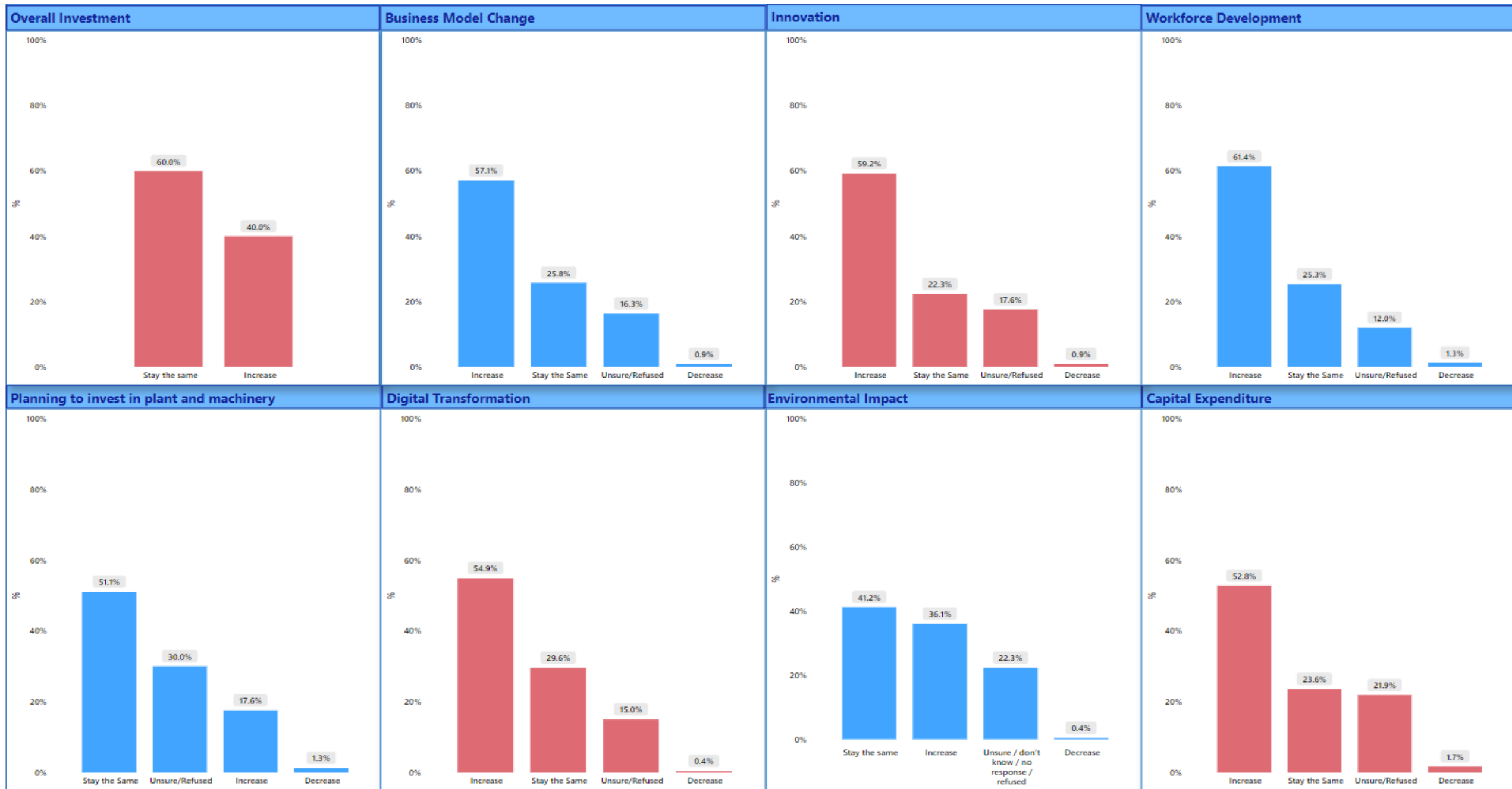
## Business turnover next 12 months



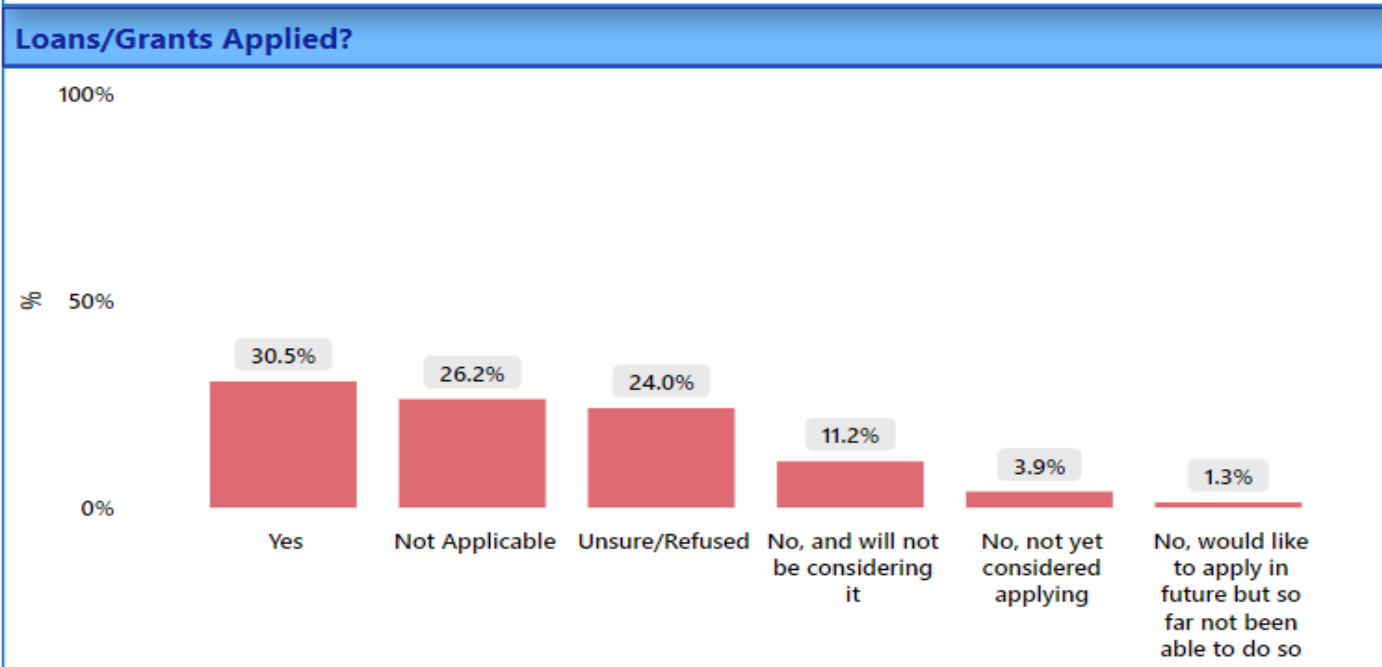
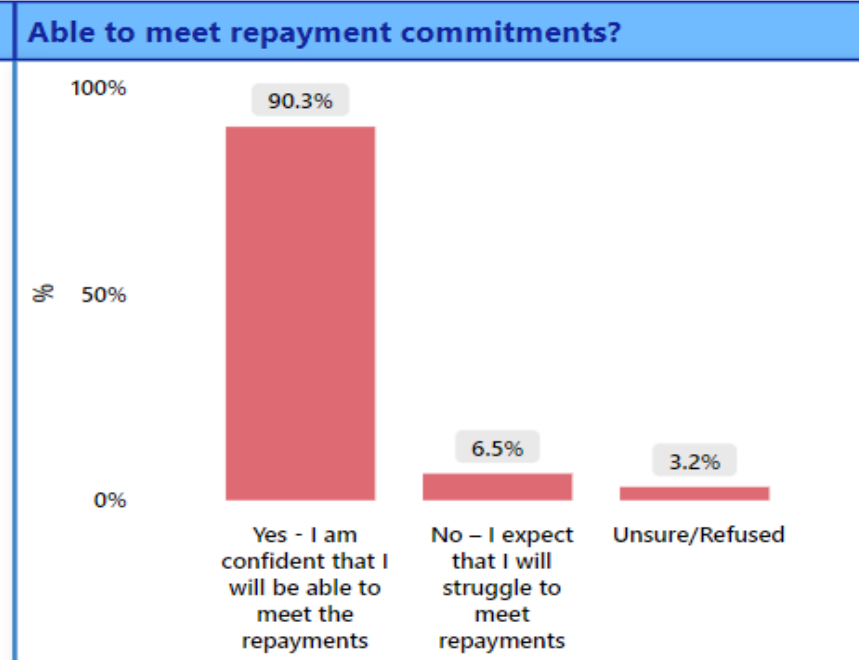
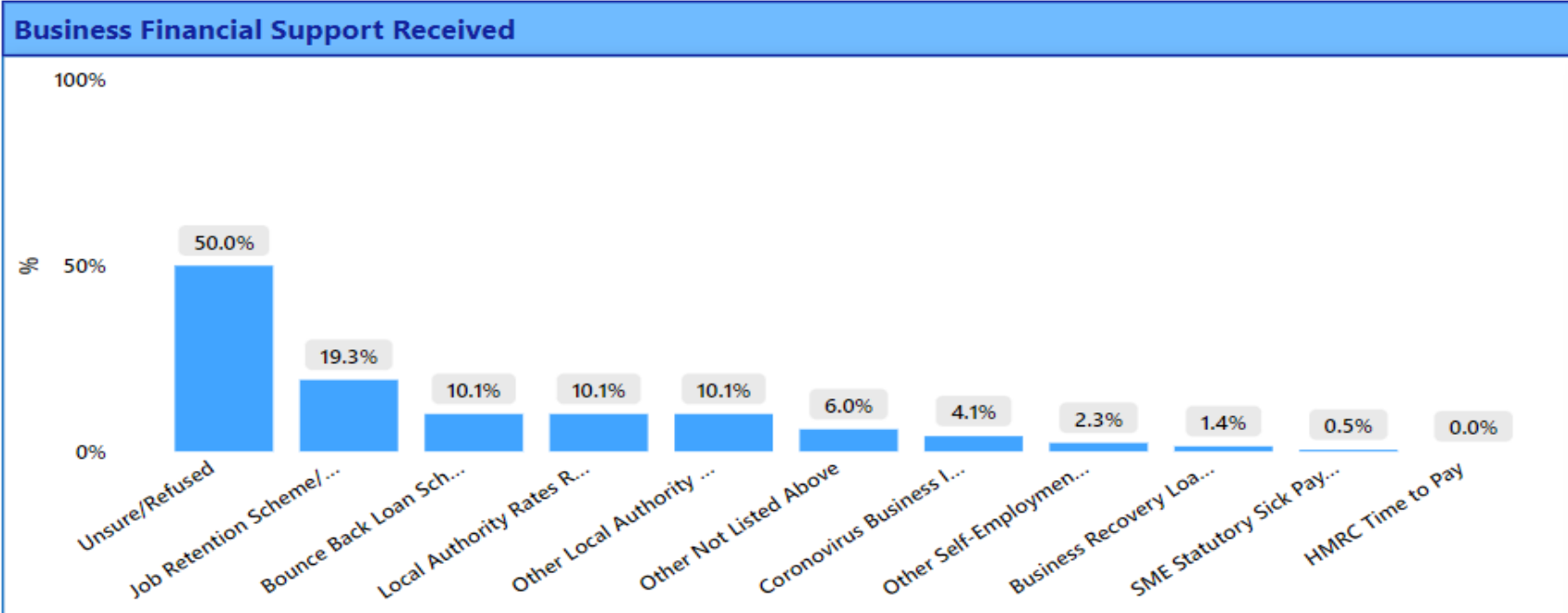
## Business Confidence Index



# FUTURE INVESTMENT SENTIMENT BY INVESTMENT THEME

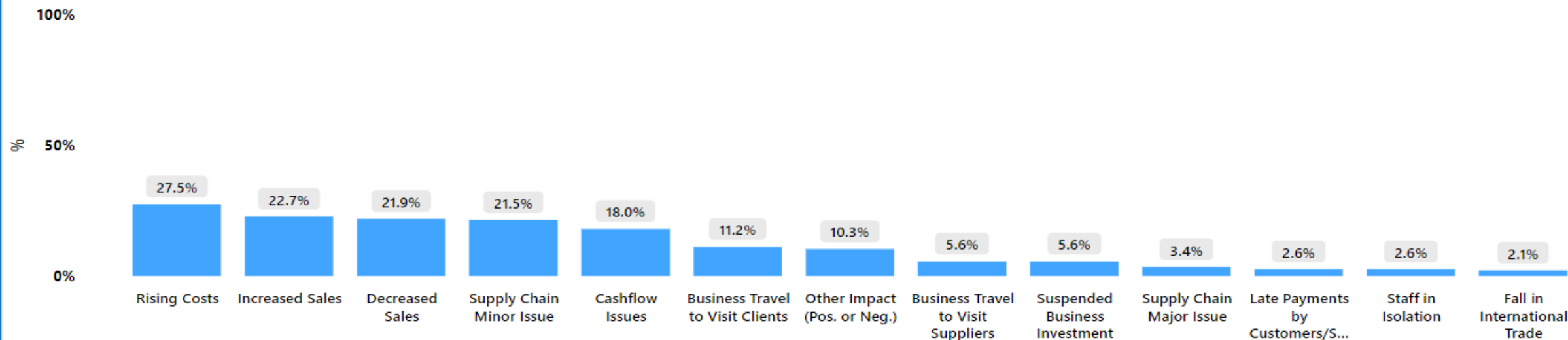


# FINANCE AND ACCESSING SUPPORT AND ADVICE

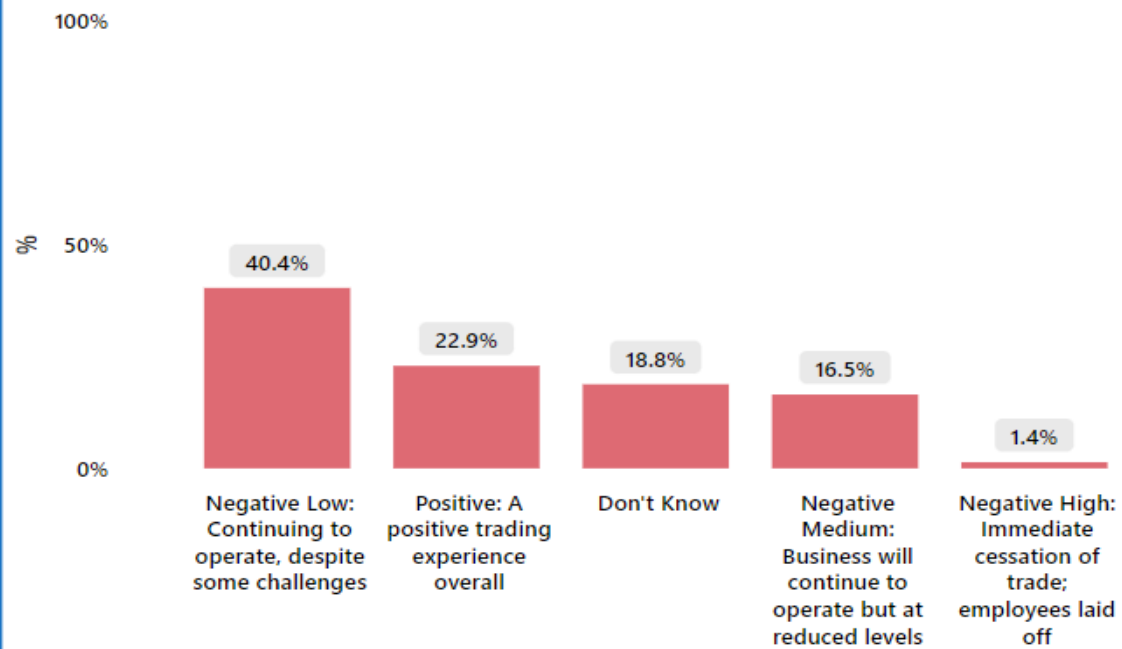


# MAIN IMPACTS FACED BY BUSINESS FROM CURRENT ECONOMIC CLIMATE

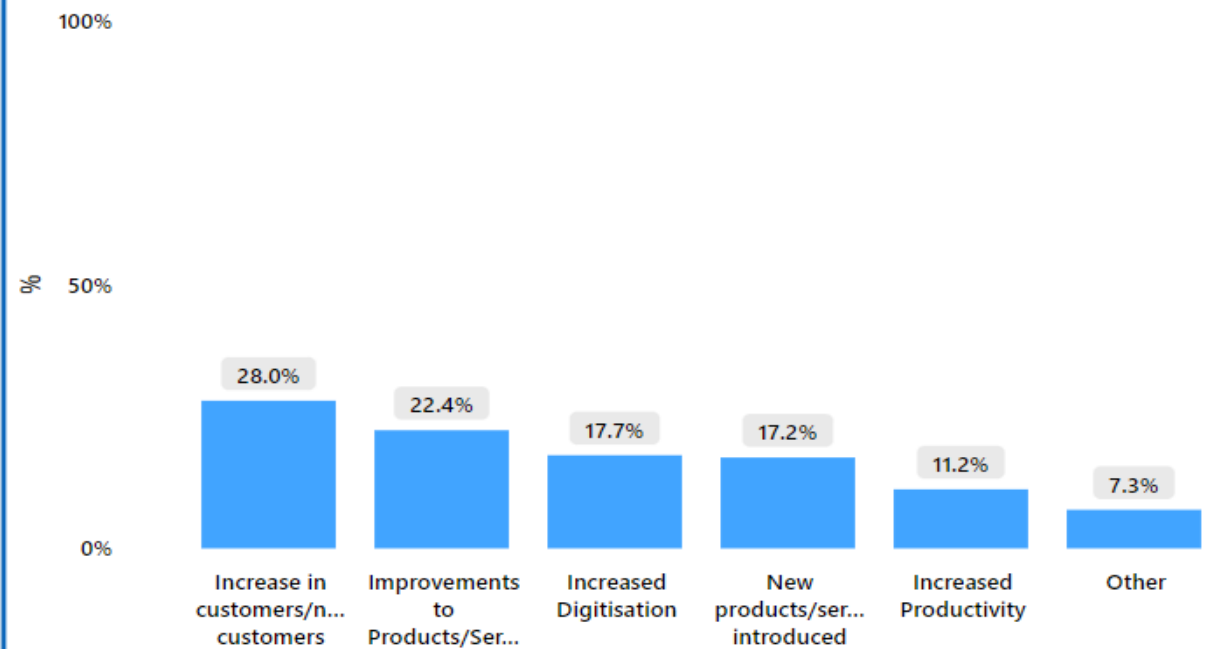
## Main Challenges



## Overall Impact

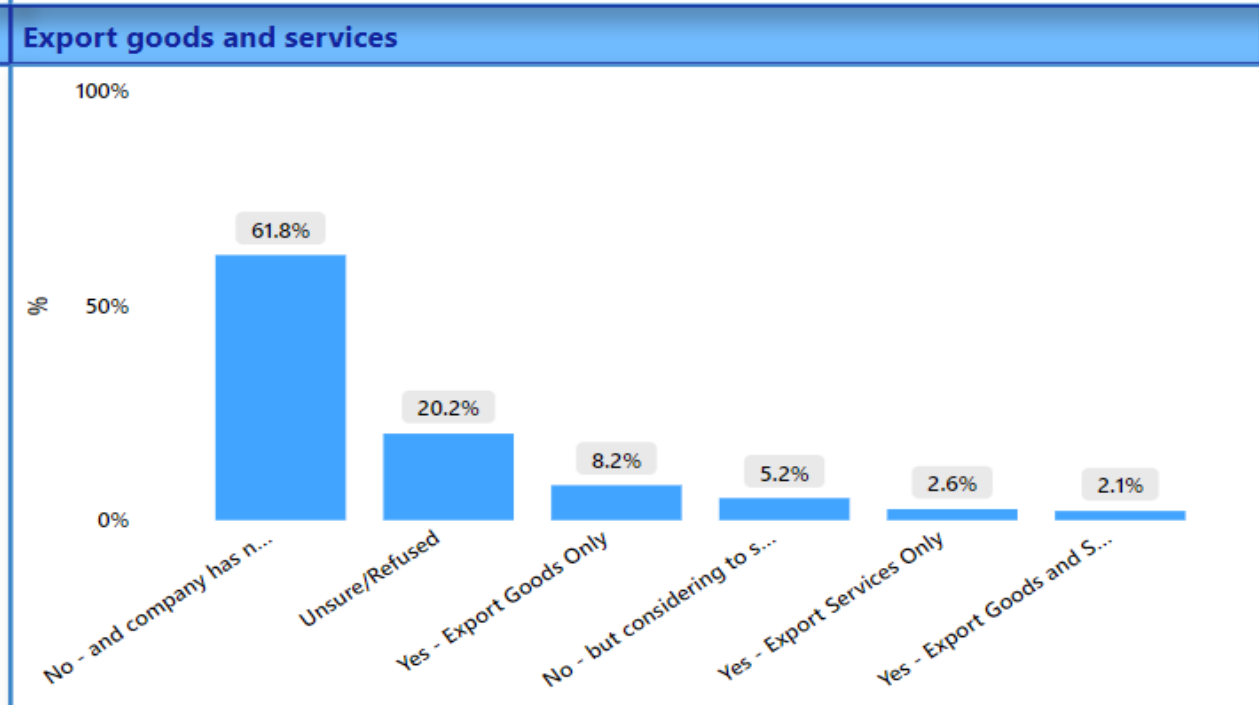
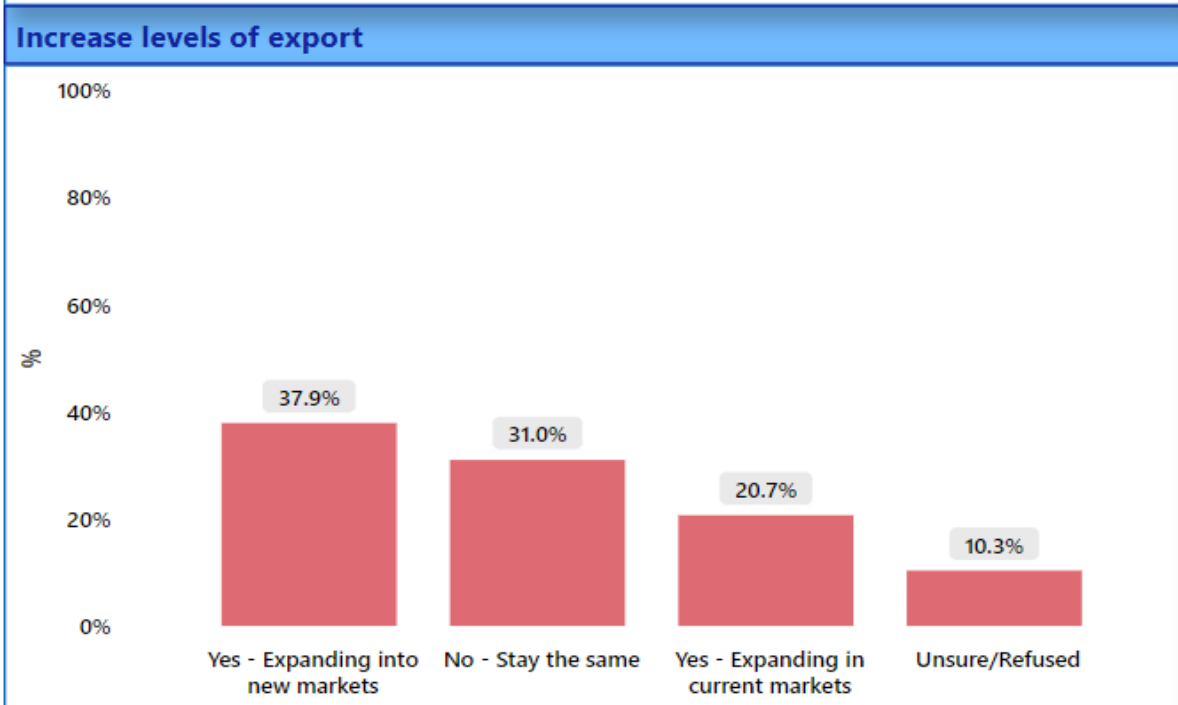
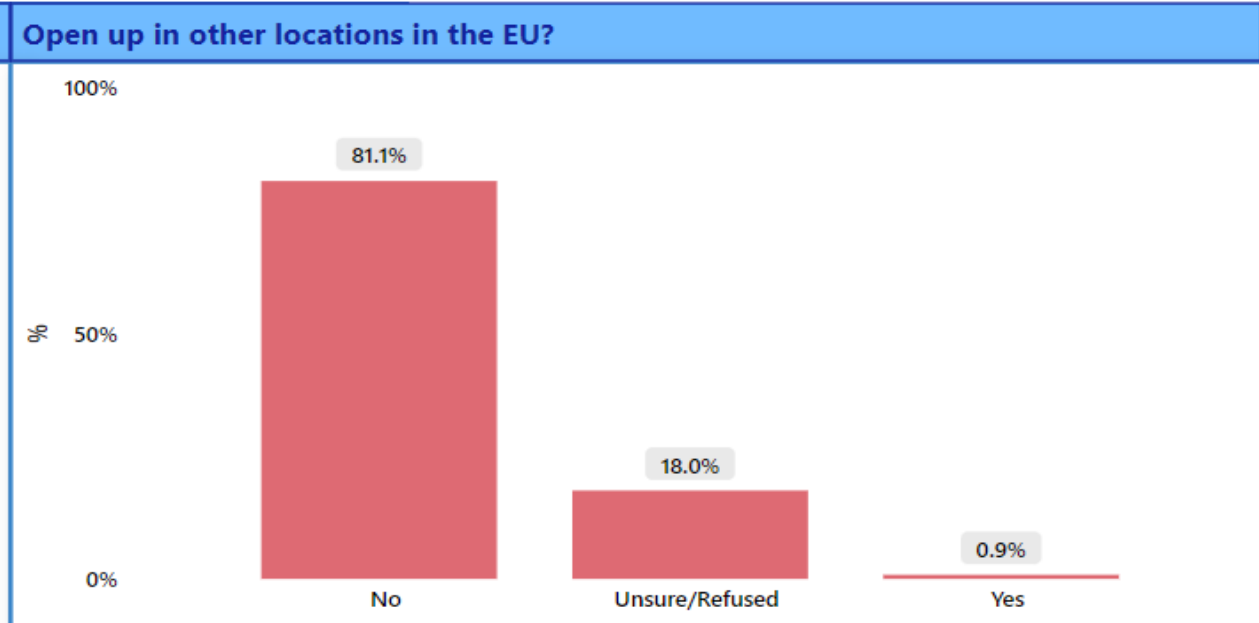
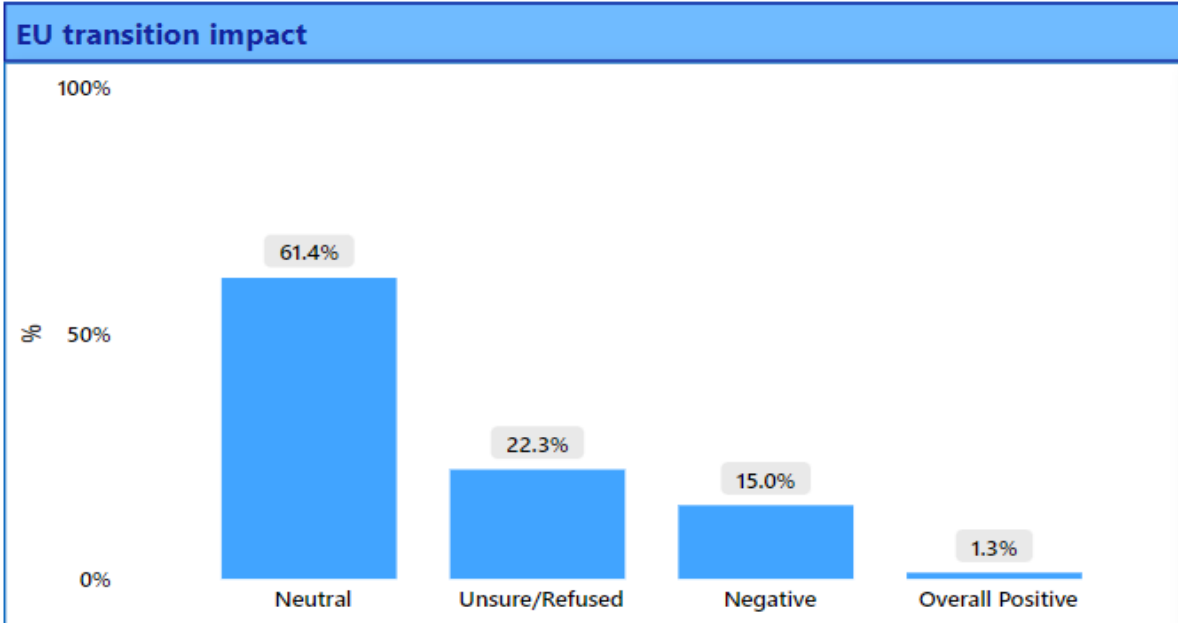


## Positive Impacts



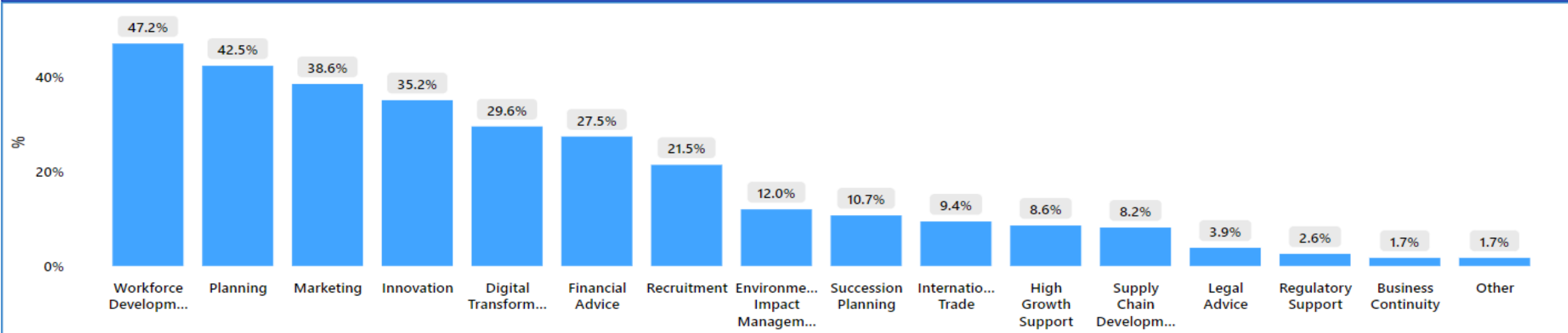


# INTERNATIONAL TRADE, AND IMPACTS OF THE TRANSITION FROM THE EU



# MAIN AREAS OF BUSINESS SUPPORT NEED IN THE YEAR AHEAD

## Future Support



## Interested in Impartial Brokerage Service?

Impartial Brokerage Service	Response	%
Yes	33	14.2%
Unsure / don't know / no response / refused	51	21.9%
No	149	63.9%
<b>Total</b>	<b>233</b>	<b>100.0%</b>

## Interested in Traineeships?

Traineeships	Response	%
No	158	67.8%
Unsure / don't know / no response / refused	63	27.0%
Yes	12	5.2%
<b>Total</b>	<b>233</b>	<b>100.0%</b>

## Interested in the Kickstarter scheme?

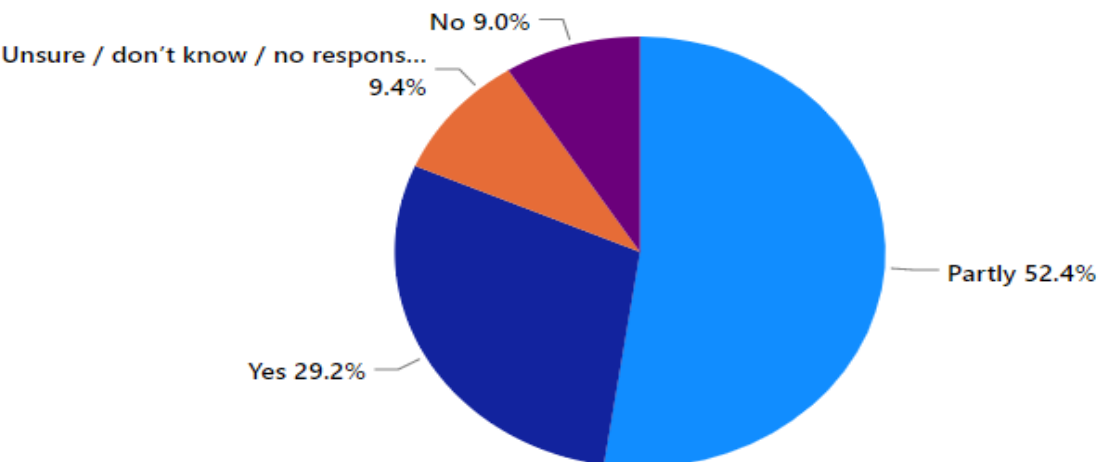
Kickstarter Scheme	Response	%
No	164	70.4%
Unsure / don't know / no response / refused	62	26.6%
Yes	7	3.0%
<b>Total</b>	<b>233</b>	<b>100.0%</b>

## Interested in Apprenticeships?

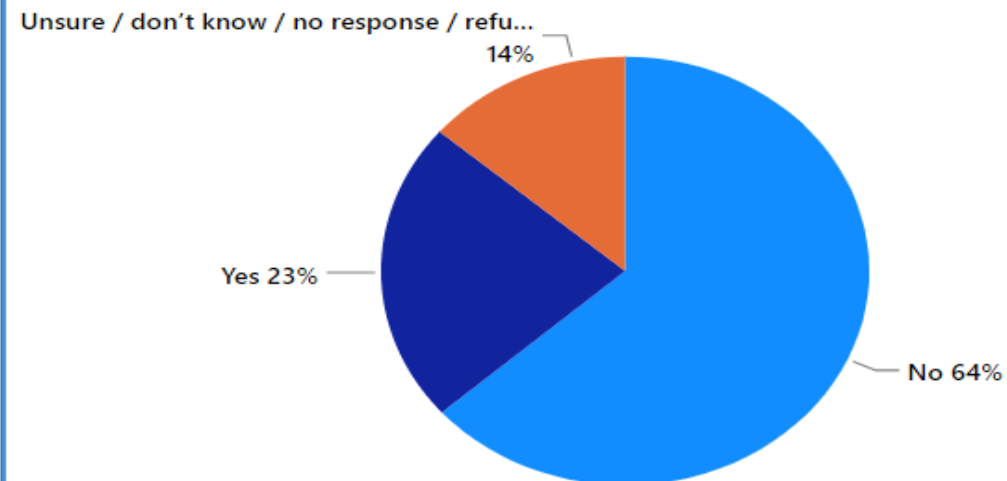
Apprenticeships	Response	%
No	148	63.5%
Unsure / don't know / no response / refused	58	24.9%
Yes	27	11.6%
<b>Total</b>	<b>233</b>	<b>100.0%</b>

# EMPLOYMENT, RECRUITMENT AND HEADLINE SKILLS CHALLENGES

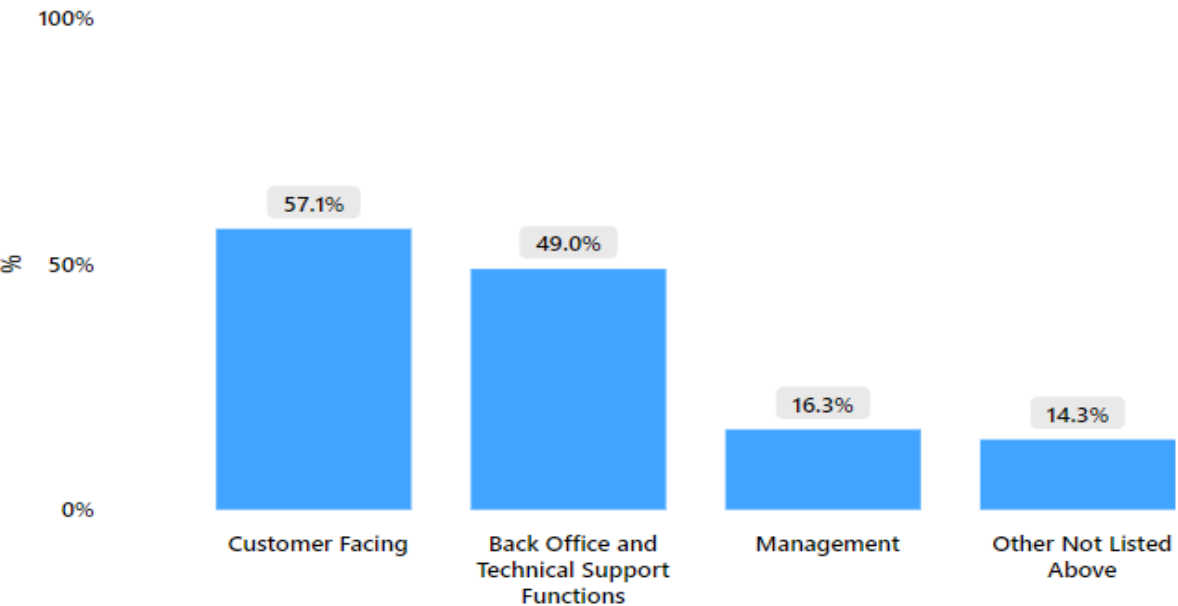
**Do you think the current skills of your workforce are at the right level?**



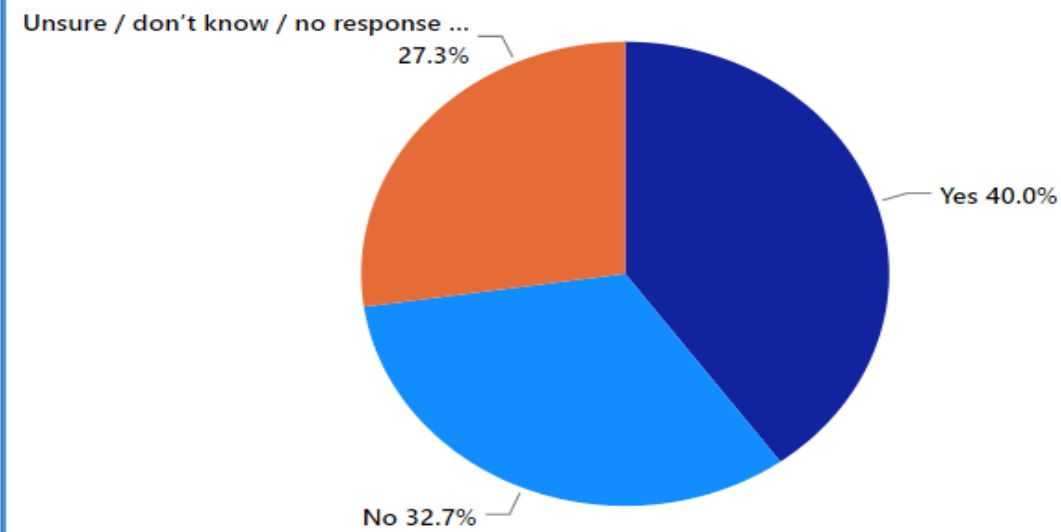
**Are you currently recruiting new staff?**



**Occupations being recruited**

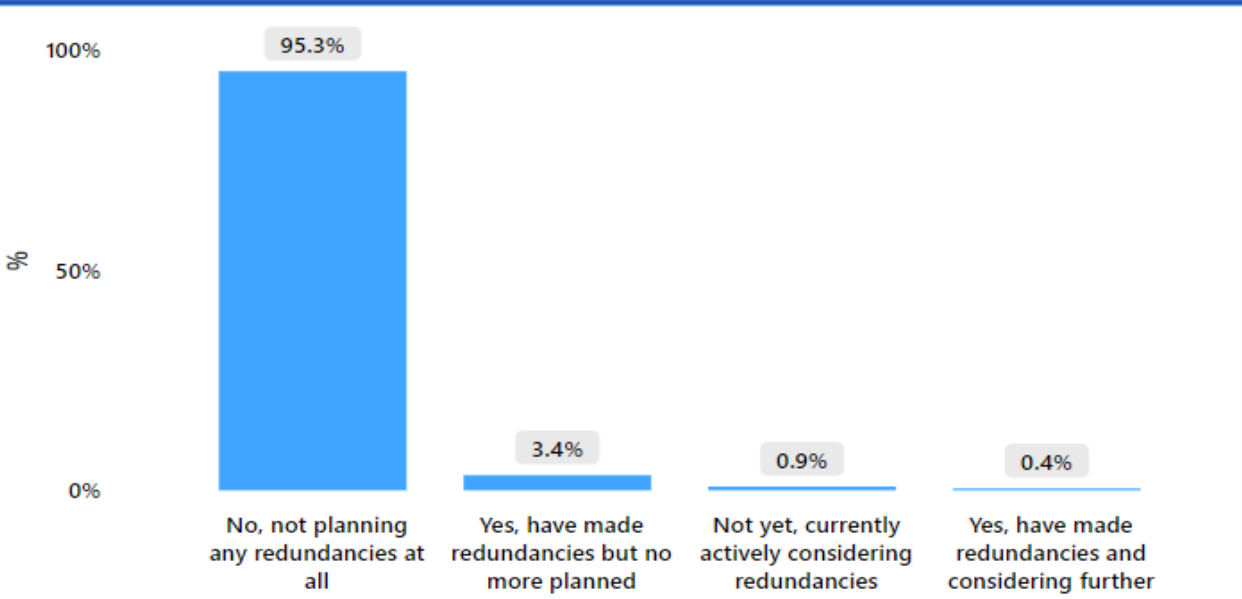


**Are you currently experiencing difficulties recruiting for specific vacancies?**

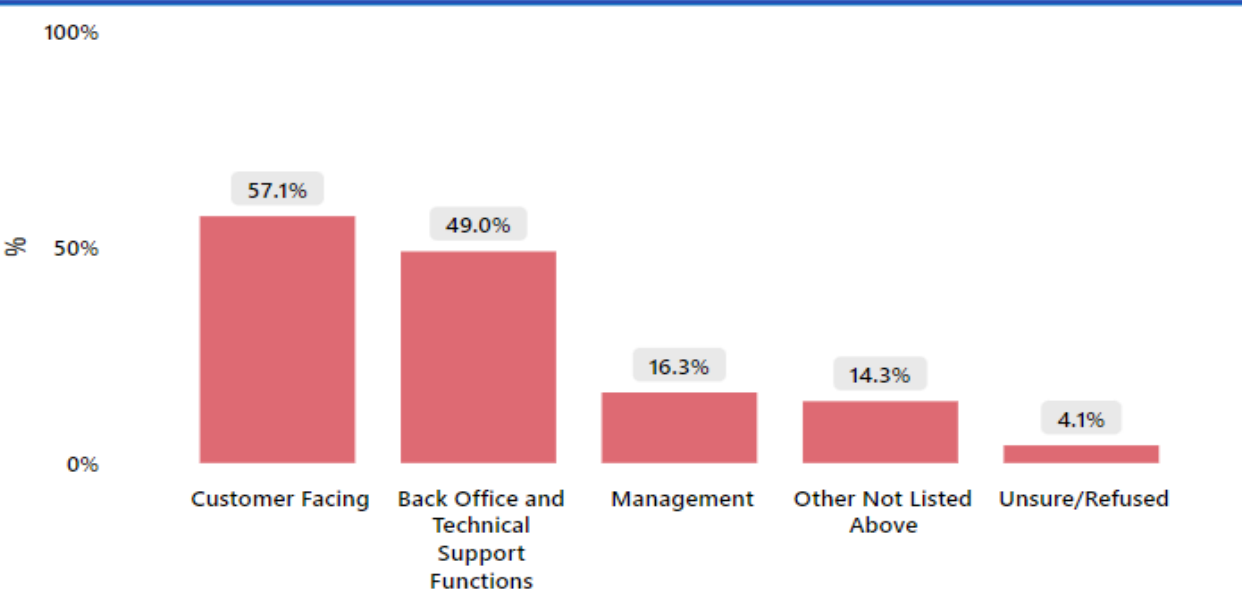


# REDUNDANCY RISK

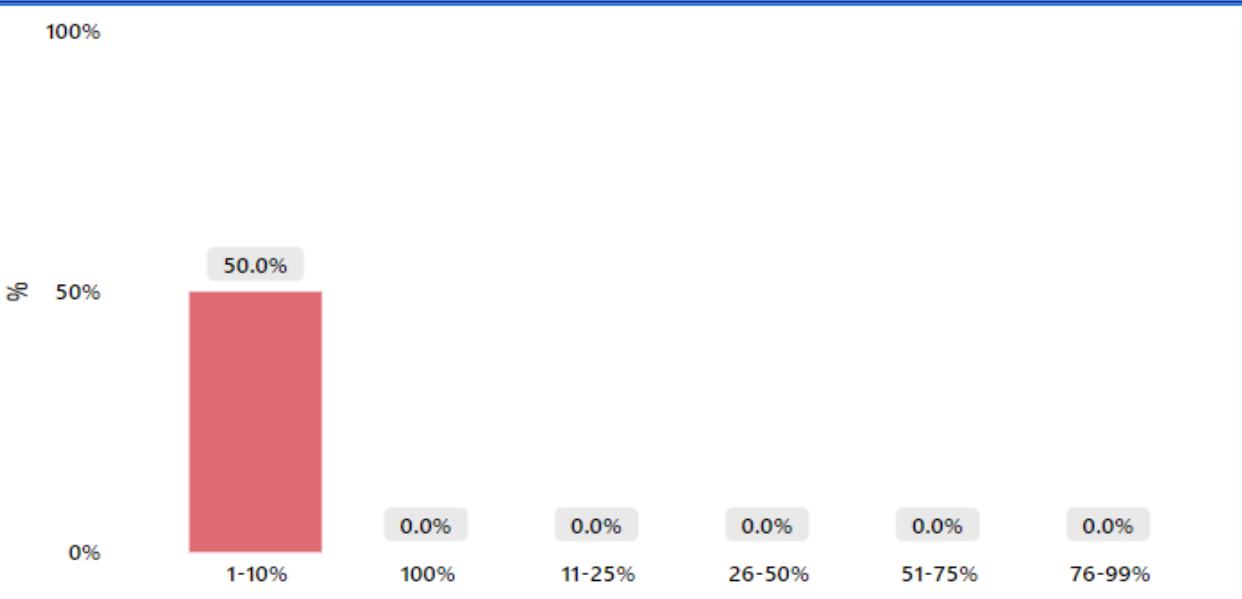
### Have made or plan to make redundancies



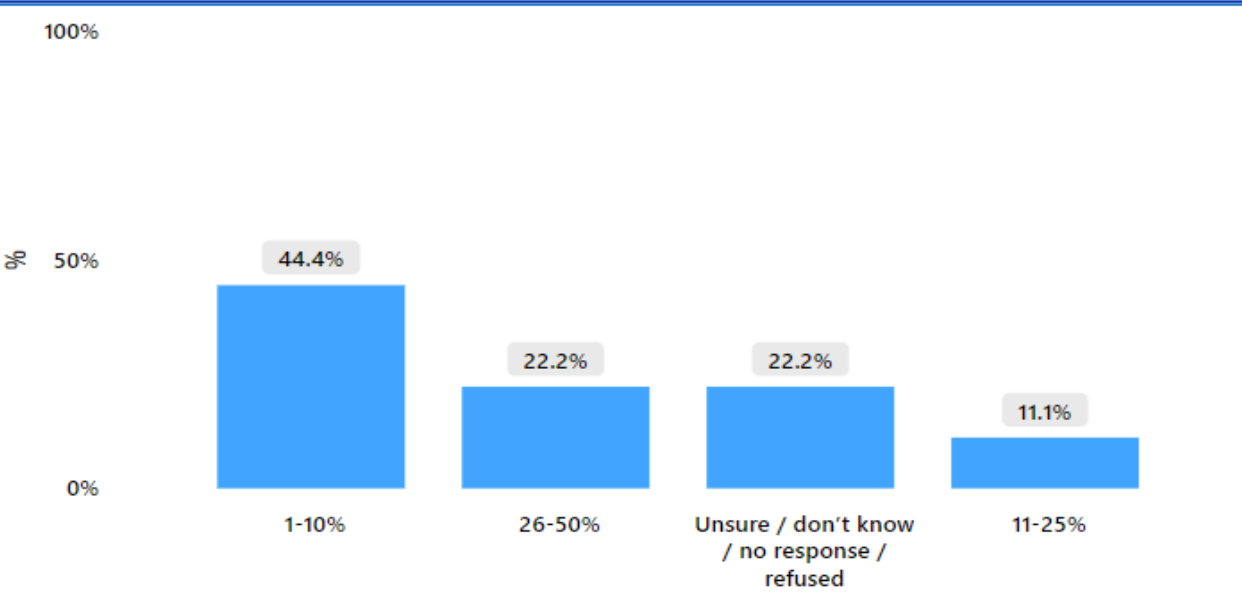
### Occupations being made redundant



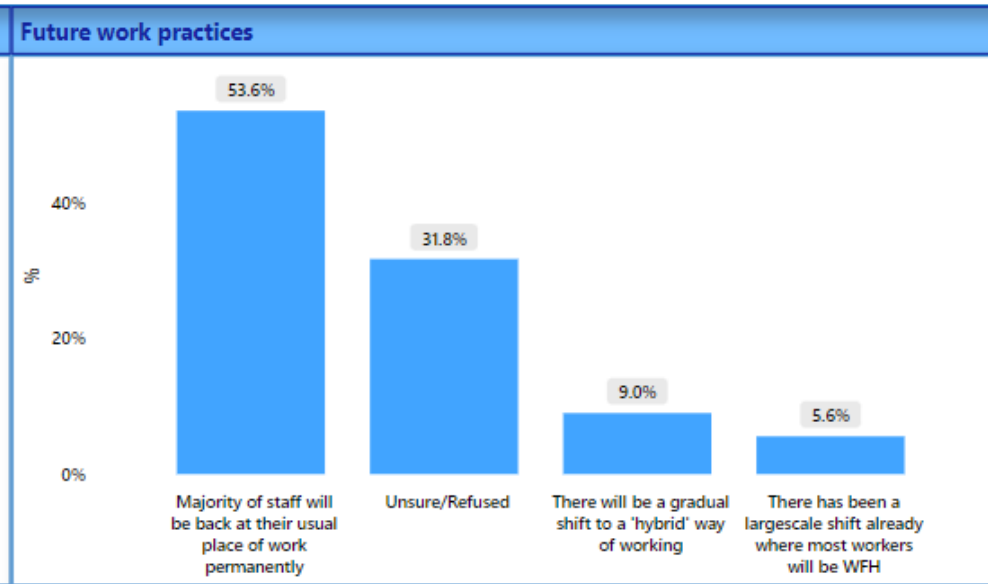
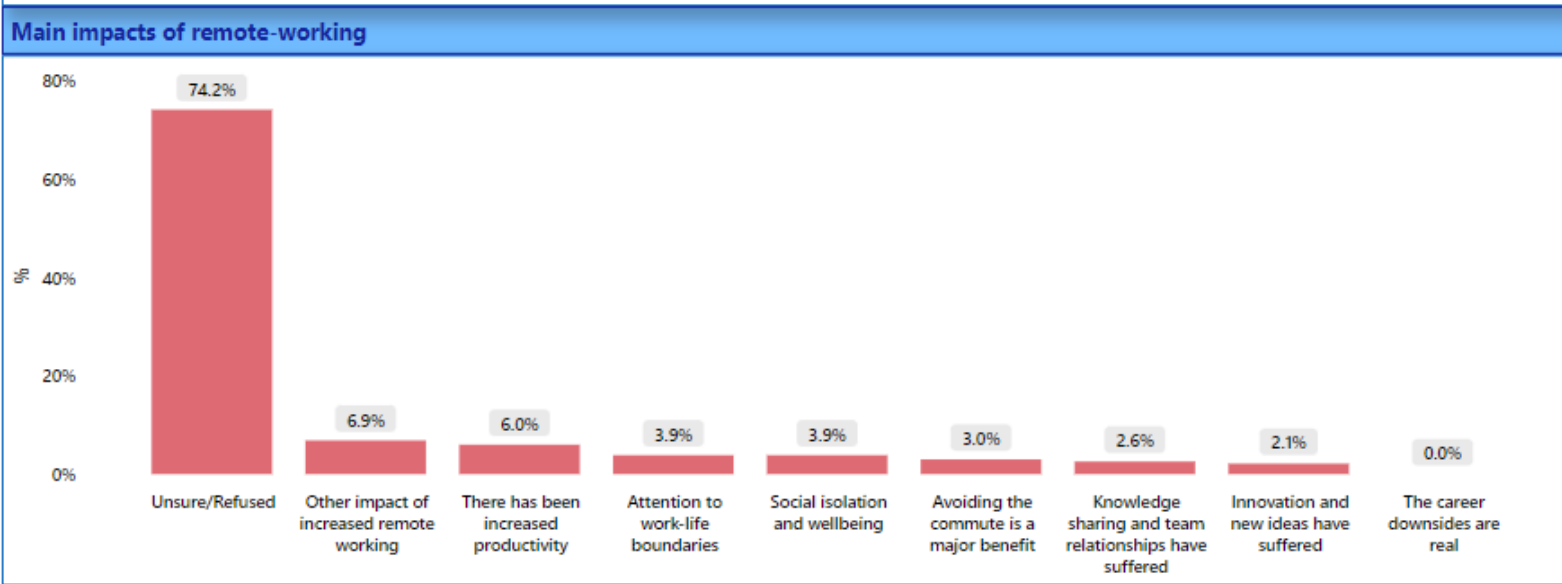
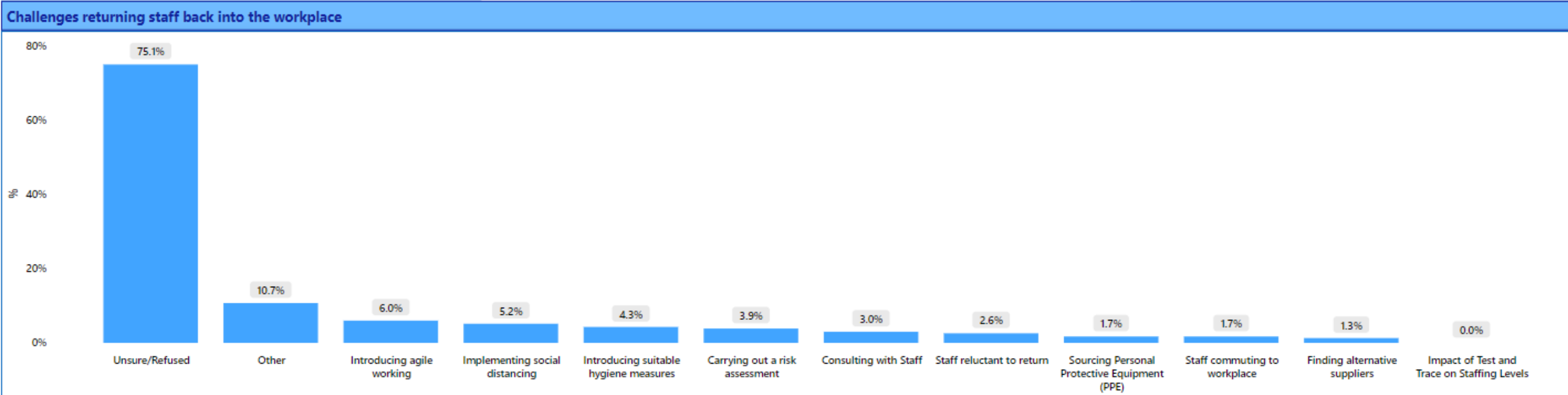
### Percentage of staff are you planning to make redundant?



### What percentage of staff have you made redundant to date?

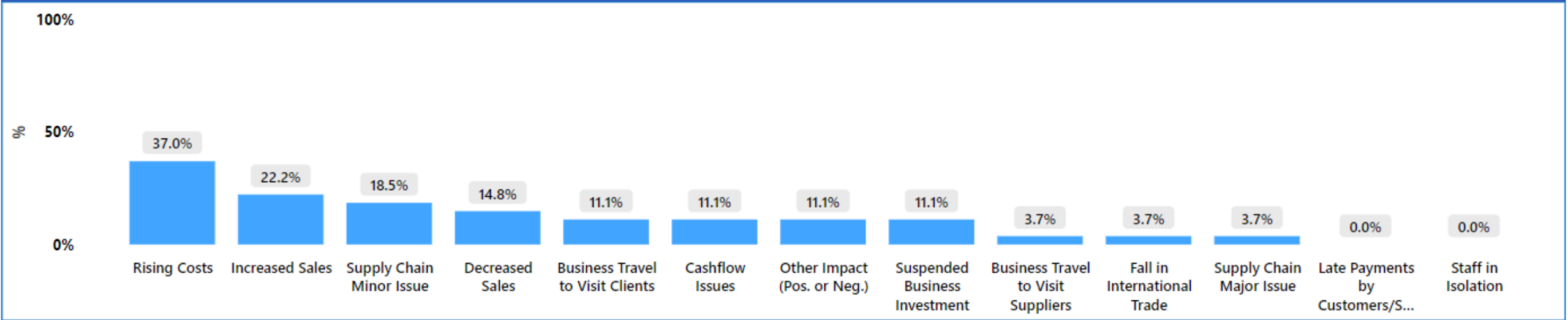


# PULSE SURVEY QUESTIONS – BACK TO USUAL PLACE OF WORK (ISSUES AND BARRIERS)

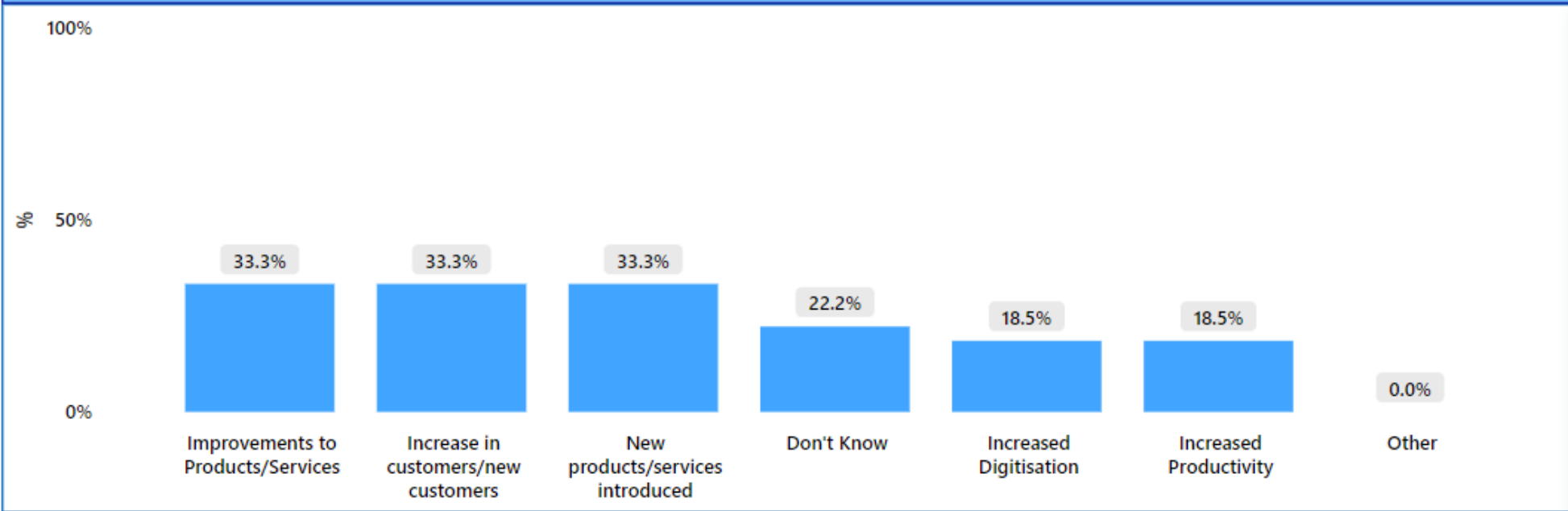


# LOW CARBON, ENVIRONMENTAL GOODS AND SERVICES – SPECIFIC RESPONSES FROM LCEGS FIRMS (N=27)

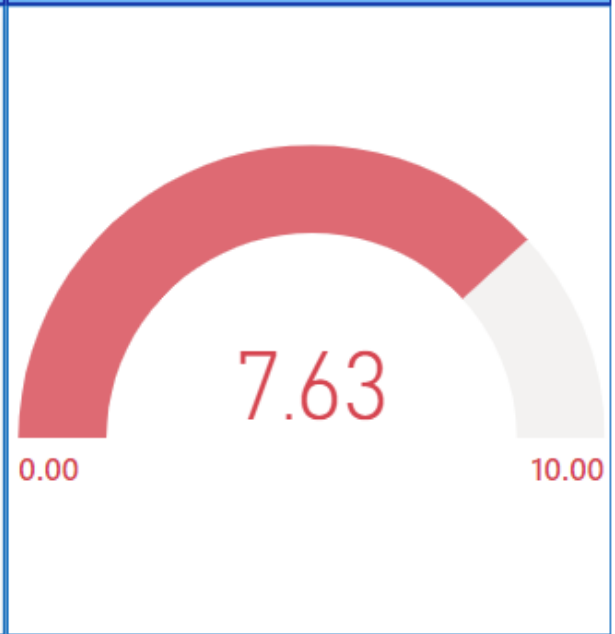
## Main Challenges



## Positive Impacts

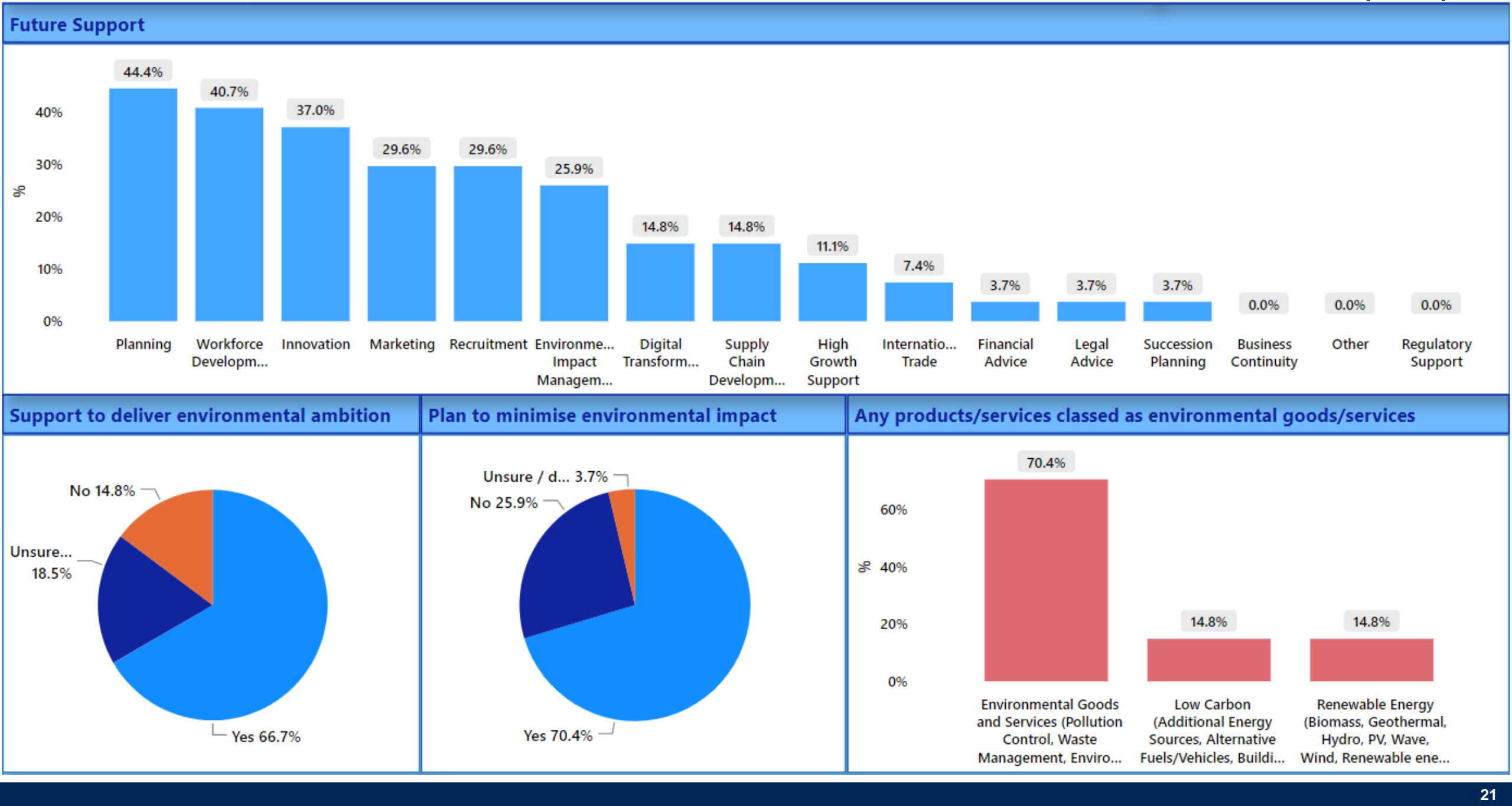


## Business Confidence Index





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



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

Local Authority	Bolton	Bury	Manchester	Oldham	Rochdale	Salford	Stockport	Tameside	Trafford	Wigan	GM %
<b>Business Travel to Visit Clients</b>	16.7%	21.7%	20.3%	17.9%	14.3%	11.0%	12.7%	15.4%	20.5%	17.4%	<b>17.4%</b>
<b>Business Travel to Visit Suppliers</b>	11.7%	13.3%	10.6%	7.7%	9.5%	12.2%	5.6%	7.7%	12.8%	13.0%	<b>10.7%</b>
<b>Cashflow Issues</b>	13.3%	18.3%	14.5%	25.6%	14.3%	14.6%	16.9%	23.1%	11.5%	19.6%	<b>15.9%</b>
<b>Decreased Sales</b>	20.0%	31.7%	19.3%	20.5%	23.8%	29.3%	19.7%	30.8%	23.1%	34.8%	<b>23.8%</b>
<b>Fall in International Trade</b>	3.3%	1.7%	2.9%	0.0%	7.1%	2.4%	2.8%	3.8%	5.1%	0.0%	<b>3.0%</b>
<b>Increased Sales</b>	20.0%	28.3%	24.6%	28.2%	28.6%	23.2%	33.8%	23.1%	25.6%	26.1%	<b>25.9%</b>
<b>Late Payments by Customers/Suppliers</b>	6.7%	0.0%	1.4%	2.6%	0.0%	2.4%	1.4%	3.8%	0.0%	4.3%	<b>2.0%</b>
<b>Other Impact (Positive or Negative)</b>	15.0%	15.0%	6.3%	7.7%	4.8%	9.8%	7.0%	7.7%	3.8%	4.3%	<b>7.9%</b>
<b>Rising Costs</b>	35.0%	15.0%	15.0%	17.9%	38.1%	39.0%	23.9%	46.2%	17.9%	26.1%	<b>24.1%</b>
<b>Staff in Isolation</b>	5.0%	3.3%	1.4%	0.0%	4.8%	3.7%	1.4%	7.7%	2.6%	0.0%	<b>2.5%</b>
<b>Supply Chain Major Issue</b>	8.3%	5.0%	3.9%	5.1%	4.8%	4.9%	7.0%	11.5%	5.1%	4.3%	<b>5.3%</b>
<b>Supply Chain Minor Issue</b>	20.0%	21.7%	11.1%	25.6%	35.7%	18.3%	15.5%	26.9%	33.3%	23.9%	<b>20.1%</b>
<b>Suspended Business Investment</b>	5.0%	6.7%	7.2%	2.6%	2.4%	8.5%	1.4%	0.0%	6.4%	4.3%	<b>5.5%</b>
<b>Overall Impact. Negative High</b>	1.7%	0.0%	1.8%	5.3%	0.0%	0.0%	0.0%	0.0%	4.4%	2.2%	<b>1.6%</b>
<b>Overall Impact. Negative Medium</b>	22.4%	13.3%	14.3%	21.1%	16.7%	11.8%	11.9%	11.5%	27.9%	13.3%	<b>16.2%</b>
<b>Overall Impact. Negative Low</b>	27.6%	48.3%	38.7%	39.5%	41.7%	39.5%	35.8%	57.7%	27.9%	28.9%	<b>37.5%</b>
<b>Overall Impact. Positive overall</b>	25.9%	21.7%	19.6%	18.4%	27.8%	31.6%	26.9%	23.1%	17.6%	31.1%	<b>23.7%</b>
<b>Overall Impact. Don't know / unsure / no response</b>	22.4%	16.7%	25.6%	15.8%	13.9%	17.1%	25.4%	7.7%	22.1%	24.4%	<b>21.0%</b>
<b>Respondents n=</b>	<b>60</b>	<b>60</b>	<b>207</b>	<b>30</b>	<b>43</b>	<b>83</b>	<b>71</b>	<b>26</b>	<b>78</b>	<b>46</b>	<b>711</b>

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

Local Authority	Bolton	Bury	Manchester	Oldham	Rochdale	Salford	Stockport	Tameside	Trafford	Wigan	GM %
Cash reserves. < 1 Month	1.7%		1.0%				1.4%				0.6%
Cash reserves. 1 up to 3 months	3.3%	8.3%	3.9%	7.7%		4.9%	2.8%	7.7%	6.4%		4.4%
Cash reserves. 3 up to 6 months	8.3%	5.0%	8.2%	23.1%	4.8%	13.4%	9.9%	19.2%	11.5%	8.7%	10.1%
Cash reserves. More than 6 months	80.0%	75.0%	73.4%	56.4%	78.6%	72.0%	76.1%	50.0%	69.2%	69.6%	72.0%
Cash reserves. Unsure	6.7%	11.7%	13.5%	12.8%	16.7%	9.8%	9.9%	23.1%	12.8%	21.7%	12.9%
Redundancy. Yes have made, and plan to make more	0.0%	0.0%	2.4%	0.0%	0.0%	1.2%	0.0%	0.0%	1.3%	0.0%	1.0%
Not yet, currently actively considering redundancies	1.7%	3.3%	1.0%	2.6%	0.0%	2.4%	1.4%	0.0%	2.6%	2.2%	1.7%
Yes have made redundancies (no more planned)	6.7%	6.7%	2.9%	0.0%	4.8%	1.2%	0.0%	0.0%	2.6%	0.0%	2.7%
No, and not planning on any redundancies at all	91.7%	90.0%	93.7%	97.4%	95.2%	95.1%	98.6%	100.0%	93.6%	97.8%	94.7%
Challenge. Adopting digital technology/transformation	13.3%	18.3%	14.5%	7.7%	28.6%	20.7%	33.8%	15.4%	10.3%	23.9%	18.0%
Challenge. Developing new products or service innovation	31.7%	40.0%	32.4%	43.6%	35.7%	41.5%	32.4%	30.8%	29.5%	32.6%	34.5%
Challenge. Developing business models/bus planning	61.7%	45.0%	45.9%	61.5%	31.0%	51.2%	40.8%	46.2%	48.7%	41.3%	47.3%
Challenge. Access to domestic markets /new sales	56.7%	60.0%	49.3%	61.5%	45.2%	53.7%	59.2%	50.0%	57.7%	65.2%	54.7%
Challenge. Access to international markets/new sales	6.7%	11.7%	14.5%	10.3%	11.9%	7.3%	15.5%	3.8%	11.5%	6.5%	11.3%
Challenge. Managing the overall finances of your business	28.3%	41.7%	32.9%	43.6%	33.3%	35.4%	38.0%	42.3%	33.3%	41.3%	35.6%
Challenge. Unsure/Refused	5.0%	6.7%	12.6%	10.3%	16.7%	4.9%	11.3%	11.5%	19.2%	17.4%	11.5%
Challenge. Workforce general an/or specific skills	61.7%	48.3%	51.2%	30.8%	45.2%	45.1%	42.3%	53.8%	37.2%	39.1%	46.6%
Challenge. Workforce management and leadership skills	35.0%	28.3%	24.6%	30.8%	26.2%	28.0%	19.7%	46.2%	29.5%	28.3%	27.7%
Respondents n=	60	60	207	39	42	82	71	26	78	46	711

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

Local Authority	Bolton	Bury	Manchester	Oldham	Rochdale	Salford	Stockport	Tameside	Trafford	Wigan	GM %
<b>Positive impacts. Don't Know</b>	8.3%	16.7%	18.9%	12.8%	11.9%	11.0%	14.1%	7.7%	14.1%	10.9%	<b>14.2%</b>
<b>Positive impacts. Improvements to Products/Services</b>	31.7%	18.3%	21.8%	25.6%	19.0%	25.6%	18.3%	34.6%	15.4%	13.0%	<b>21.7%</b>
<b>Positive impacts. Increase in customers/new customers</b>	35.0%	26.7%	27.7%	25.6%	31.0%	35.4%	42.3%	34.6%	23.1%	26.1%	<b>30.3%</b>
<b>Positive impacts. Increased Digitisation</b>	18.3%	18.3%	14.6%	5.1%	14.3%	14.6%	16.9%	7.7%	7.7%	6.5%	<b>13.4%</b>
<b>Positive impacts. Increased Productivity</b>	8.3%	23.3%	13.1%	5.1%	16.7%	11.0%	11.3%	3.8%	9.0%	4.3%	<b>11.5%</b>
<b>Positive impacts. New products/services introduced</b>	23.3%	8.3%	21.4%	20.5%	26.2%	17.1%	19.7%	30.8%	20.5%	15.2%	<b>19.9%</b>
<b>Positive impacts. Other</b>	5.0%	6.7%	5.3%	7.7%	4.8%	8.5%	4.2%	7.7%	5.1%	8.7%	<b>6.1%</b>
<b>Business Confidence – next 12 months (1 low – 10 high)</b>	7.3	7.3	7.2	6.9	7.3	7.2	7.3	6.8	7.2	7.3	<b>7.2</b>
<b>Respondents n=</b>	<b>60</b>	<b>60</b>	<b>207</b>	<b>39</b>	<b>42</b>	<b>82</b>	<b>71</b>	<b>26</b>	<b>78</b>	<b>46</b>	<b>711</b>

Local Authority	Bolton	Bury	Manchester	Oldham	Rochdale	Salford	Stockport	Tameside	Trafford	Wigan	GM %
<b>GM Business Profile %</b>	9.9%	7.5%	22.1%	6.8%	6.4%	10.2%	11.3%	5.9%	11.2%	8.7%	<b>100%</b>
<b>Monthly %</b>	9.0%	11.3%	27.6%	3.6%	5.4%	14.0%	7.7%	3.6%	11.3%	6.3%	<b>100%</b>
<b>Quarterly %</b>	8.4%	8.4%	29.1%	5.5%	5.9%	11.5%	10.0%	3.7%	11.0%	6.5%	<b>100%</b>
<b>Monthly Responses</b>	<b>20</b>	<b>25</b>	<b>61</b>	<b>8</b>	<b>12</b>	<b>31</b>	<b>17</b>	<b>8</b>	<b>25</b>	<b>14</b>	<b>221</b>
<b>Quarterly Responses</b>	<b>60</b>	<b>60</b>	<b>207</b>	<b>39</b>	<b>42</b>	<b>82</b>	<b>71</b>	<b>26</b>	<b>78</b>	<b>46</b>	<b>711</b>



SURVEY RESPONSE RATES OVER TIME VS ONS ENTERPRISE UNIT PROFILE FOR GREATER MANCHESTER												
Size / Sector (as identified by the business) C = Confidential, response 6 or less	Greater Manchester ONS figures from IDBR Enterprise Count 2022		Greater Manchester Survey response rates (SEP 2022)		Greater Manchester Survey response rates (AUG 2022)		Greater Manchester Survey response rates (Q3,2022)		Greater Manchester Survey response rates (Q2,2022)		Greater Manchester Survey response rates (Q1,2022)	
Size-band (employees)	count	percent	count	percent	count	percent	count	percent	count	percent	count	percent
'0' employment to 9 (MICRO)	95,190	89%	132	60%	181	63%						
10 to 49 (SMALL)	9,890	9%	48	22%	50	17%						
50 to 249 (MEDIUM)	1,615	2%	17	8%	13	5%						
250+ (LARGE)	365	0%	C	<5%	C	<5%						
UNKNOWN	-	-	20	9%	42	15%						
<b>TOTAL (including size unknown)</b>	<b>107,060</b>	<b>100%</b>	<b>221</b>	<b>100%</b>	<b>287</b>	<b>100%</b>						
<b>AGRICULTURE, FORESTRY, AND FISHING</b>	690	1%	C	<5%	C	<5%						
<b>BUSINESS, FINANCIAL, PROFESSIONAL SERVICES</b>	28,910	27%	48	22%	60	21%						
<b>CONSTRUCTION</b>	12,860	12%	12	5%	15	5%						
<b>DIGITAL, CREATIVE, TECHNOLOGY</b>	6,295	6%	48	22%	68	24%						
<b>EDUCATION</b>	1,605	1%	6	3%	13	5%						
<b>ENGINEERING</b>	3,345	3%	C	<5%	9	3%						
<b>GREEN TECHNOLOGIES &amp; SERVICES (LCEGS)</b>	N/A	0%	6	3%	C	<5%						
<b>HEALTH &amp; SOCIAL CARE</b>	4,950	5%	9	4%	15	5%						
<b>HOSPITALITY, TOURISM, &amp; SPORT</b>	13,950	13%	12	5%	14	5%						
<b>LOGISTICS</b>	6,080	6%	C	<5%	5	2%						
<b>MANUFACTURING</b>	5,670	5%	27	12%	30	10%						
<b>LIFE SCIENCES</b>	N/A	0%	6	3%	C	<5%						
<b>RETAIL &amp; WHOLESALE</b>	17,370	16%	25	11%	31	11%						
<b>OTHER SERVICES (excluding SIC unknown)</b>	5,340	5%	11	5%	19	7%						
<b>POSTAL AND COURIER SERVICES</b>	1,225	1%	20	10%	27	10%						
<b>PROPERTY AND CONSTRUCTION SERVICES</b>	1,000	1%	1	0%	1	0%						
<b>RECREATION, CULTURE AND AMUSEMENT</b>	1,000	1%	1	0%	1	0%						
<b>TRANSPORT AND STORAGE</b>	1,000	1%	1	0%	1	0%						
<b>WATER SUPPLY</b>	1,000	1%	1	0%	1	0%						
<b>WASTE MANAGEMENT</b>	1,000	1%	1	0%	1	0%						
<b>WHOLESALE AND RETAIL TRADE</b>	1,000	1%	1	0%	1	0%						