



The
Growth
Company

GC SITUATION REPORT AND QUARTERLY BUSINESS SURVEY RESULTS

JANUARY 2025

WITH QUARTERLY DATA FOR 2ND NOVEMBER 2024 TO 2ND FEBRUARY 2025

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1. ECONOMIC CONTEXT AND SURVEY HEADLINES

The GC Situation Report contains leading economic data from both national (mostly ONS) and local business survey sources. This month's survey report findings are based on 782 surveys completed between 2nd November 2024 and 2nd February 2025 by GC clients from the Business Growth Hub and MIDAS. Comparisons have been made with last quarter's 775 responses completed between October and December 2024. The survey response profile is broadly representative of the Greater Manchester business base, but for an over-representation of SMEs, Manufacturing, DCT firms, and under-representation of Retail and Hospitality businesses – largely reflecting the Business Growth Hub and MIDAS client profile.

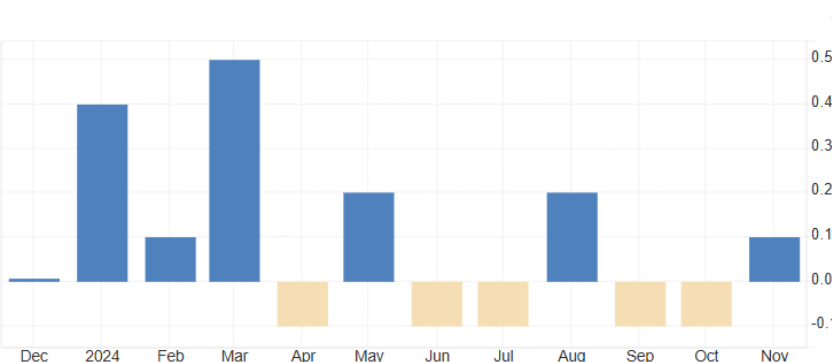
Economic context

- **Economic Growth Projections:** The UK economy will “struggle” to grow by any more than one per cent this year, according to EY, a significant downgrade on its previous round of forecasts. EY has significantly downgraded the UK's 2025 growth forecast to 1.0%, from 1.5% previously, indicating a marginal improvement over the 0.8% growth expected for 2024.
- **Inflation Outlook:** Input prices for UK manufacturers grew at the fastest rate in two years in January, according to S&P's PMI, highlighting inflationary pressures due to higher supplier costs, increased transportation expenses, and material shortages.
- **Interest Rate Reductions Anticipated:** The Bank of England has lowered interest rates to 4.5% this week, marking the third reduction in just over six months, to balance a weakening UK economy with potential short-term inflation increases. It has also downgraded its GDP forecast for 2025 from 1.5% to 0.7%.
- **National Business Confidence:** Business confidence remained historically low in January, with the IoD's economic confidence index at -59, indicating ongoing pressures from cost increases, declining investment intentions, and reduced headcount expectations, which threaten growth and public finance sustainability.
- Globally, Trump's suggested tariffs on Canada, Mexico, and China could negatively impact the UK's economy and have knock-on effects as well as complicate the UK Government's tax and spending plans.

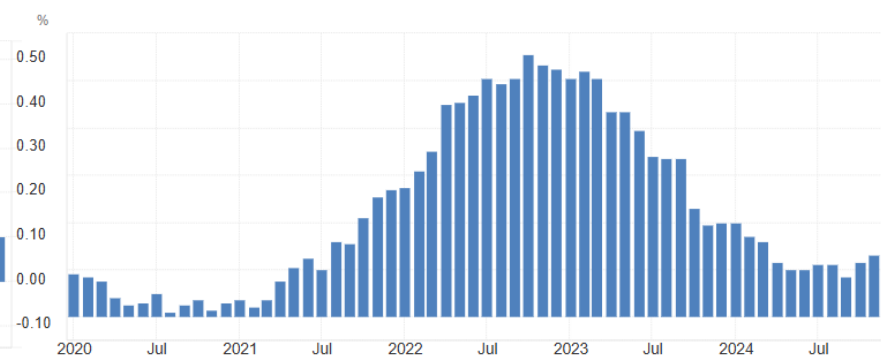
Organisation Growth Survey - business headlines, more detail in main report

- **Business Confidence and performance.** The GC Confidence Index remains at 7.2, unchanged to previous quarter. Sectors with highest confidence were Engineering & Manufacturing, Retail & Wholesale, Hospitality and lowest in Construction, Life Science & Green Tech. The proportion of firms stating that profits increased, decreased to 58% (vs 61%) on last month's figures. The main sectors in the survey expecting increased profits in future are DCTs, Manufacturing, and Business Financial & Professional Services.
- **Economic Impacts.** Key impacts of the current economy include rising costs 31% (vs 29%), cashflow issues 14% (vs 16%), decreased sales 11% (unchanged), and minor supply chain issues at 8% (unchanged).
- **The main current and pressing challenges** facing business include getting access to domestic market 51% (unchanged), developing new products / services 36% (unchanged), developing business models 28% (vs 29%), managing business finances 27% (vs 28%), and workforce development / skills 20% (vs 21%).
- **The main areas of future support.** These remain largely unchanged from last month, and include innovation 35% (unchanged), business planning 31% (vs 34%), sales & marketing 31% (vs 33%), workforce development and skills 25% (vs 21%), and financial advice & guidance 24% (vs 23%).

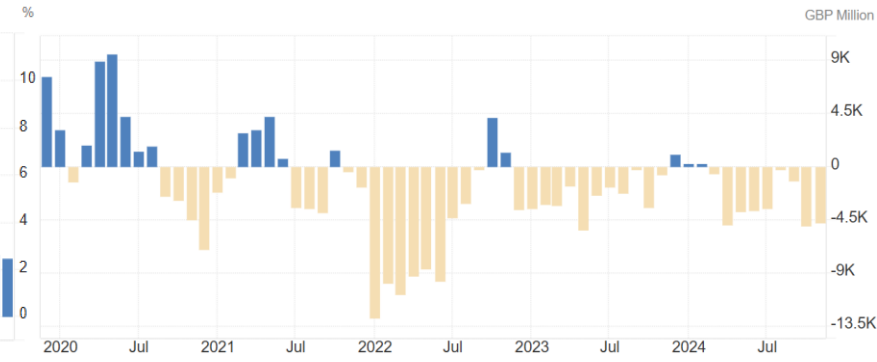
UK GDP grows in November 2024 (Latest)



UK CPI - Inflation lowers to 2.5% in December 2024



UK Balance of Trade declines to £4.76bn in November 2024



- UK GDP grew by 0.1% in November 2024, recovering from a 0.1% contraction in October 2024.
- The services sector was the largest contributor (0.1%), due to accommodation and food service activities, computer programming consultancy, and telecommunications. Construction expanded by 0.4%.
- Administrative and support service activities declined by 1.2%, particularly rental and leasing activities.
- The production sector contracted (0.4%). Other declines occurred in mining and quarrying (-1.5%) and water supply, sewerage, waste management, and remediation activities (-0.3%).

- Annual UK inflation decreased to 2.5% in December 2024, from 2.6% in November, below forecasts of 2.6%, but matching BoE's forecast in November.
- Prices slowed for restaurants and hotels (3.4% vs 4%) due to a 1.9% fall in prices in the hotel sector. Inflation also slowed for recreation and communication (3.4% vs 3.6%) and services (4.4% vs 5%) and steadied for food and non-alcoholic beverages (2%). Transport prices decreased less (-0.6% vs -0.9%). Prices rose slightly more for housing and utilities (3.1% vs 3%).
- Compared to November, the CPI rose 0.3%, above 0.1% in the previous period, but below forecasts of 0.4%. The annual core inflation rate declined to 3.2% from 3.5%, and the monthly rate went up to 0.3%, below forecasts of 0.5%.

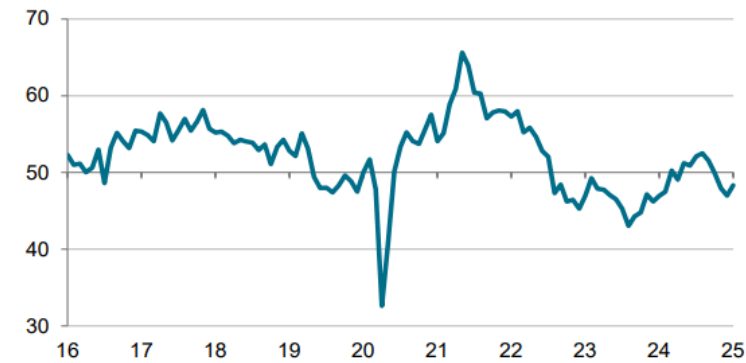
- The UK's trade deficit declined to £4.8bn in November 2024, down from an upwardly revised £5.0bn in October.
- Imports grew 0.6% to a five-month high of £72.8bn, while exports rose by 1.0% to a four-month high of £68.0bn. Goods imports grew by 0.5%, with non-EU imports remaining stable. EU imports fell by 1.2%, due to a £0.4bn drop in fuel imports, and UK services imports rose by 0.7%.
- Goods exports increased by 0.8%, with exports to non-EU countries growing by 3.0%, boosted by a £0.4bn rise in machinery and transport equipment. Exports to the EU fell by £0.2bn, due to a £0.2bn decline in chemical exports, partially offset by a £0.2bn rise in machinery & transport. Services exports rose by 1.1%.

2. SECTOR INSIGHT AND PURCHASING MANAGER INDICES

- **Retail sales** are estimated to have fallen by 0.3% in December 2024, following a small rise of 0.1% in November 2024. Food stores fell 1.9%, putting index levels at their lowest since April 2023. Non-food store sales particularly offset the fall in food stores as it increased by 1.1%. Online sales rose across most sectors, rising by 1.5% during December 2024, the first monthly rise since September 2024. Year-on-year, sales volumes rose by 3.6%, following a large fall in December 2023.
- **The GfK Consumer Confidence Indicator** fell to -22 in January 2025, marking its lowest level since November 2023 and missing forecasts of -18. The decline signals growing concerns over an economic slowdown and the sharpest monthly drop between December and January since 2011. The drop in confidence highlights the impact of the government's decision to raise taxes on businesses to fund investment and public services.
- **The S&P Global UK Composite Purchasing Manager's Index (PMI)** rose to 50.6 in January 2025 from 50.4 in December 2024, indicating an expansion (i.e. values above 50), recovering from a 14-month low and above market expectations of no expansion at 50. The reading pointed to two consecutive years of expansion in British private sector activity, carried by service providers during January which offset a slower contraction in manufacturing. New work at aggregate level fell at the fastest pace since 2023, with companies citing poor underlying demand as clients limited non-essential spending. Job shedding at the aggregate level was the steepest since the global financial crisis more than 15 years ago, excluding the momentary pandemic shock.
- **Company Insolvencies.** In December 2024, there was 1,838 company insolvencies in England and Wales, 6% lower than in November 2024 (1,962) and 14% lower than in December 2023 (2,139). Company insolvencies in December 2024 consisted of 273 compulsory liquidations, 1,421 creditors' voluntary liquidations (CVLs), 127 administrations, 17 company voluntary arrangements (CVAs). There were no receivership appointments. Compulsory liquidations and CVA numbers were higher than in November 2024, but CVLs and administrations were lower. In 2024, the number of company insolvencies remained much higher than those seen both during the COVID-19 pandemic and between 2014 and 2019. 52.4 per 10,000 companies entered insolvency, a decrease from the 57.2 per 10,000 companies that entered insolvency in 2023. The 12-month rolling rates are more comparable over longer time periods than the absolute numbers and reduce the volatility associated with estimates based on single months. The 2024 insolvency rate is much lower than the peak of 113.1 per 10,000 companies seen during the 2008-09 recession, even though 2023 and 2024 saw similar numbers of insolvencies to 2008 and 2009. This is because the number of companies on the effective register has more than doubled.

The S&P Global – UK Manufacturing PMI

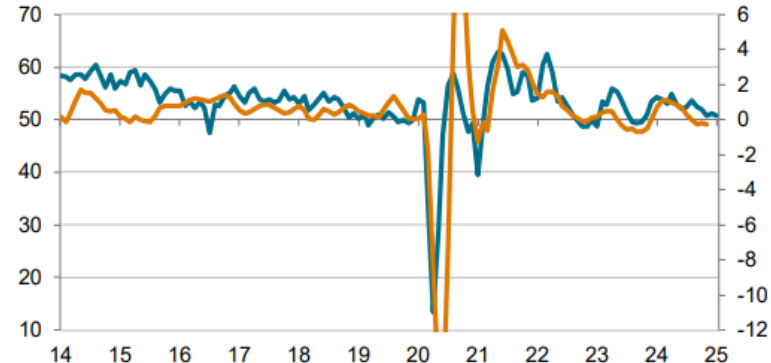
S&P Global UK Manufacturing PMI
Index, sa, >50 = improvement m/m



- **The S&P Global UK Manufacturing PMI** stood at 48.3 in January 2025, indicating a contraction (i.e. values below 50), above the initial estimate of 48.2, and up from December's 11-month low of 47.0.
- The PMI still indicates a sharp deterioration in operating conditions, as manufacturing output, contracted for the third consecutive month and new orders declined for a fourth straight month.
- Employment levels fell for the third month in a row, with job losses accelerating to their fastest pace in nearly a year. Average vendor lead times lengthened, reflecting ongoing supply chain pressures.
- Both input costs and output charges rose at an increased price, with purchase price inflation reaching a two-year high. Business sentiment remained among the weakest recorded in the past two years.

The S&P Global – UK Services PMI

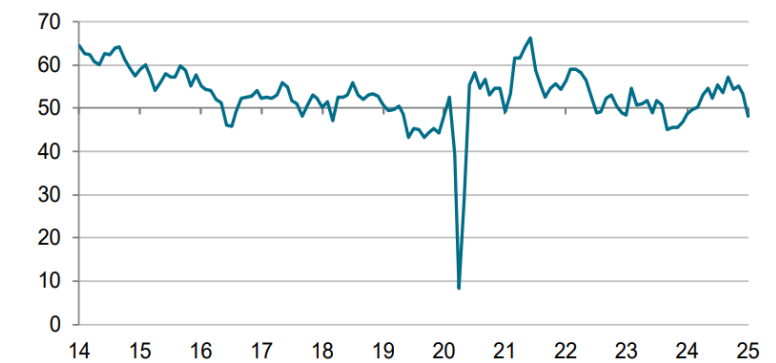
Services PMI Business Activity
Index, sa, >50 = growth m/m



- **The S&P Global UK Services PMI** declined slightly downward to 50.8 in January 2025, indicating an expansion (i.e. values above 50), below December's 51.1. This marks the joint-lowest level in 15 months, matching November's figure, and signalled only a modest expansion in business activity.
- Total new work declined, ending a 14-month streak of continuous growth, as firms cited global economic uncertainty, elevated interest rates, and weaker business confidence following the Autumn Budget.
- Employment levels fell for the fourth consecutive month, with job cuts accelerating at the fastest pace since January 2021, while backlogs of work declined sharply. Cost inflation hit its highest level since April 2024, and selling prices rose at the steepest rate in 13 months. Business optimism for the year ahead weakened to its lowest point since December 2022.

The S&P Global – UK Construction PMI

S&P Global UK Construction PMI Total Activity
Index, sa, >50 = growth m/m



- **The S&P Global UK Construction PMI** fell to 48.1 in January 2025, indicating a contraction (i.e. values below 50), from 53.3 in December 2024 and missed market expectations of 53.4.
- This signals a contraction in the overall industry output, ending a 10-month streak of sustained expansion, with firms citing the slowdown to delayed client decision-making on major projects and broader economic uncertainty.
- Housebuilding fell for the fourth consecutive month, contracting the fastest pace in a year. Civil engineering activity also declined sharply, while commercial construction slipped back into contraction. New business inflows dropped for the first time in 12 months, purchasing activity declined for the second straight month, and employment levels fell for the first time since August 2024. Input prices rose at the steepest rate since April 2023. Business confidence also weakened, reaching its lowest level since October 2023.

3. ORGANISATION GROWTH SURVEY RESULTS

Previous survey results shown in brackets

GROWTH, BUSINESS CONFIDENCE AND INVESTMENT

- **The GC Business Confidence Index (GC-BCI)** is a ranking of how confident businesses are on their growth prospects for the year ahead. Currently, the GC-BCI remains at 7.2 out of 10, the same as previously reported, indicating no overall change. Confidence levels are above average for organisations within Manufacturing & Engineering, Retail & Wholesale, Hospitality & Tourism, and Business Financial & Professional Services. The lowest confidence was reported in Construction, Life Sciences, Health & Social Care, Green Tech; and the latest survey responses show increasing uncertainty, especially in DCTs, and Health & Social Care.
- **Sales and profits.** 14% of firms reported an increase in sales, down from last quarter (15%). 58% expect profits to increase in the year ahead, down from the previous quarter (61%). 3% expect profits to decrease, which remains consistent with the previous report. The sectors most optimistic about future profitability are DCTs, Manufacturing, and Business Financial & Professional Services; and lower expectations in Engineering, Construction, and Logistics.
- **Investment.** 31% of firms expect to increase capital expenditure in the year ahead, down from last quarter (33%). DCTs, Manufacturing, Business Financial & Professional Services, Hospitality & Tourism are most likely to increase cap-ex spending overall. 26% of firms plan to increase investment in workforce development, up from last quarter (vs 24%). The sectors most likely to increase investment are DCTs, Manufacturing, Business Financial & Professional Services

MAIN IMPACTS AND FINANCIAL RESILIENCE

- **Main impacts.** Rising costs were reported by 31% of firms, up from last quarter (vs 29%), followed by cashflow issues at 14% (vs 16%), decreased sales at 11% (unchanged), and minor supply chain issues at 8% (unchanged).
- **Cash reserves.** 57% of firms (vs 60%) report having cash reserves to last over 6 months, with 80% of SMEs (0–49 employees) similarly reporting cash reserves for this duration. Reserves were highest in the Manufacturing, Business Financial & Professional Services and DCTs.
- **Cashflow.** 14% (vs 16%) of firms reported cashflow problems. Micro-sized firms (<10 employees) were more likely to face cashflow challenges than larger SMEs (50–249+ FTEs), with higher cashflow risks in DCTs, Construction, Business Financial & Professional Services. Additionally, 4% of firms reported late payments from suppliers and customers, up from the previous period (vs 3%).
- **Analysis of insolvency risk for January 2025** shows decrease in the total number of firms (10+ employees) in GM with 1-3 insolvency risk red flags.
- Data for GM: 884 (down from 1092 last month) firms in have 1 flag - some insolvency risk; 89 (down from 112) have 2 flags - medium risk; 47 (down from 60) 3 flags - insolvency imminent. The proportion of firms with a flag, within the business population decreased 1.2% month-on-month, but is 1 percentage point lower than 12 months ago. In comparison, the UK rate decreased 1.5% month-on-month, 11 percentage points lower in December than a year ago.

FUTURE BUSINESS CHALLENGES AND SUPPORT NEEDS

- **The primary challenges for businesses** in the near term are access to new domestic sales opportunities, with 51% (unchanged) citing this as a concern. This need is most pronounced in Manufacturing, DCTs, Construction, Business Financial & Professional Services, Education, and Green Tech Services.
- **The next most common challenges** include developing new products and services at 36% (unchanged), developing business models at 28% (vs 29%), managing business finances at 27% (vs 28%), and workforce development and skills 20% (vs 21%).
- **International trade.** 19% of firms (vs 18%) currently export goods or services, with 17% (vs 16%) expanding into new markets, a trend particularly notable in the DCTs and Manufacturing and Retail & Wholesale sectors. Additionally, 10% of firms engaged in overseas trade are looking to expand in their current markets which is unchanged from previous figures.
- **Key areas where businesses seek support** include innovation 35% (unchanged), business planning 31% (vs 34%), sales & marketing 31% (vs 33%), workforce development & skills 25% (vs 21%), and financial advice & guidance 24% (vs 23%).
- **13% (vs 16%) require assistance with managing their environmental impact.** This need is more pronounced in SMEs, and larger firms (250+ employees) and is more likely to be reported by Manufacturing, Hospitality, and DCTs sectors.

RECRUITMENT, EMPLOYMENT AND SKILLS

- **Recruitment:** 22% of firms (vs 21%) are currently recruiting new staff. Recruitment rates are higher among SMEs than other businesses. By sector, recruitment is more active in DCTs, Business Financial & Professional Services, and Manufacturing. Retail, Hospitality & tourism and Engineering sectors are least likely to be recruiting.
- **Workforce skill gaps.** 41% of firms (vs 44%) reported that their existing workforce skills are fully aligned with their business plan objectives. 45% (vs 44%) indicated that skills are only partially at the required level, and 2% (vs 1%) stated that their workforce skills are not at the level. Required. Small SMEs, particularly with 0–9 employees, were most likely to identify skill gaps.
- **The main technical skill gaps.** Specialist technical skills 24% (vs 25%), knowledge of products / services 10% (vs 9%), advanced specialist IT skills 9% (unchanged) solving complex problems 8% (vs 6%), and specific knowledge of how the organisation works 5% (vs 4%).
- **The main people and practical / personal skill gaps.** Sales and selling 17% (unchanged), motivating staff 10% (vs 11%), and customer handling skills 10% (unchanged).

RESEARCH, DEVELOPMENT AND INNOVATION

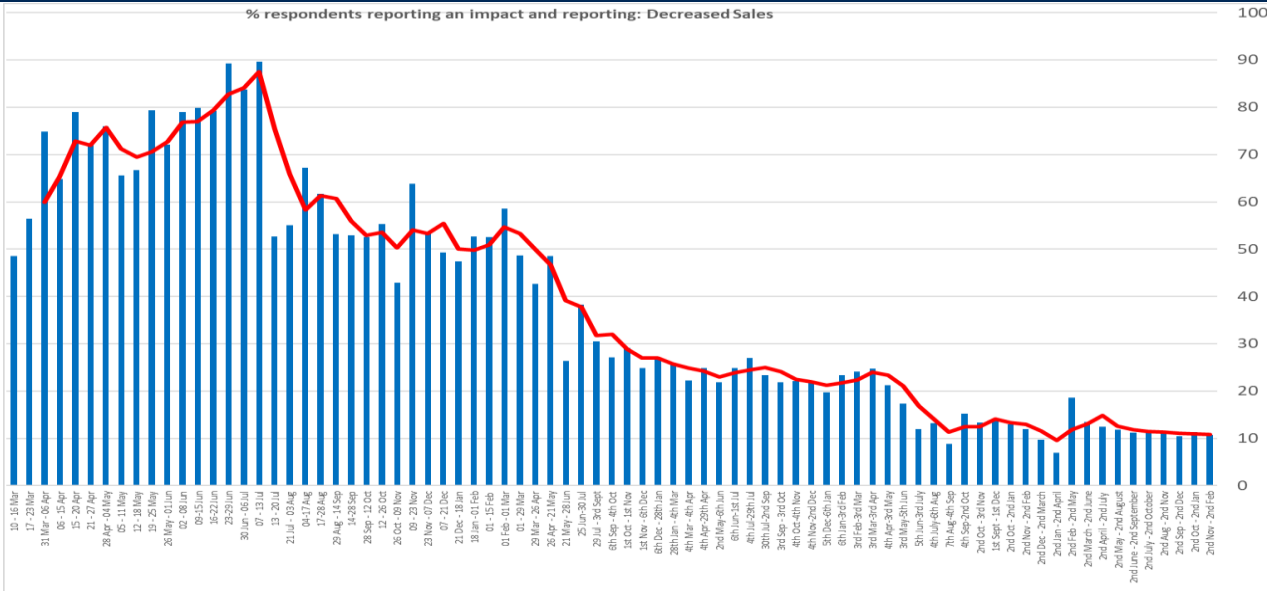
- **Innovation activity.** 38% (vs 39%) have invested in new / significantly improved services, 25% (vs 26%) in R&D, 19% (unchanged) introduced new / significantly improved goods, 18% (unchanged) new business practices, and 12% (unchanged) have invested in new production methods.
- **Digital innovation.** 11% (unchanged) have invested in acquisition of digital products, and 4% (unchanged) made investments in the acquisition of advanced machinery or equipment - specifically for DCTs, and Engineering & Manufacturing.
- **Future innovation.** 39% (vs 38%) of firms are most likely to look to increase investment and R&D in future, in particular, DCTs, Manufacturing, Life-Sciences Business Financial & Professional Services. 26% (vs 24%) said that they were likely to invest in workforce development and skills. Highest in Business Financial & Professional Services, DCTs and Manufacturing sectors.
- **Digital Transformation.** 16% (vs 17%) firms are looking to invest in Digital Transformation, highest in DCTs, Professional Services, and Manufacturing.
- **AI Adoption:** 38% of companies have adopted AI into business (vs 35%). Firms have implemented AI into Analytics, Administrative tasks and Sales and Marketing the most.

SOCIAL VALUE AND GOOD EMPLOYMENT PRACTICES

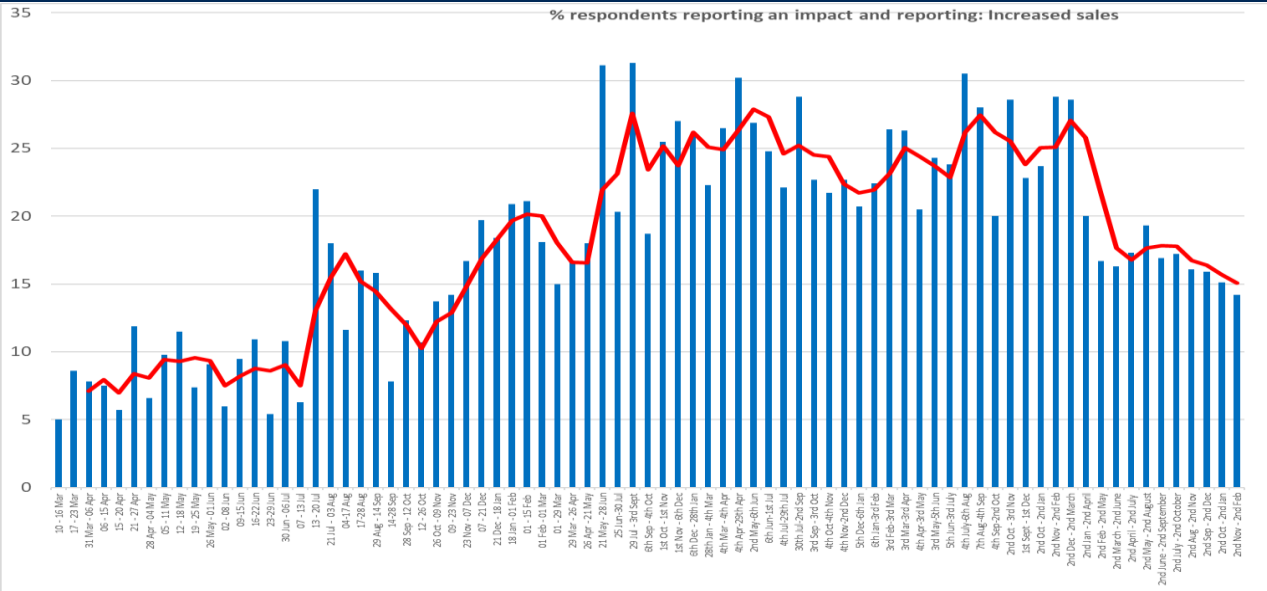
- Businesses were asked if they did the following:**
- **Guarantee at least 16 hours of work per week.** 93% (vs 87%) said this currently applies, and 5% (vs 10%) said that they are likely to consider in future.
 - **Paying the Real Living Wage.** 54% of firms (vs 52%) paid the RLW, while 22% (vs 27%) indicated they are likely to implement it in the future.
 - **Offer flexible working options to employees.** 47% (vs 45%) said this currently applies, and 29% (vs 31%) said likely to include in future.
 - **Involve employees in the overall direction of the business.** 36% (vs 34%) said this currently applies. 35% (unchanged) said likely to do so in future.
 - **Looking to increase the diversity of the workforce.** 42% of firms said this currently applies (unchanged), while 33% indicated they are likely to include this in the future (vs 33%).
 - **Promoting healthy work practices.** 46% of firms (vs 44%) said this currently applies, while 28% (vs 30%) indicated likely to do so in future.
 - **Invest in leadership.** 43% of firms (vs 42%) said that they are investing in leadership, while 39% (vs 38%) indicated likely to do so in future.

SURVEY TIME SERIES OF THE MAIN IMPACTS OF THE ECONOMY ON BUSINESS

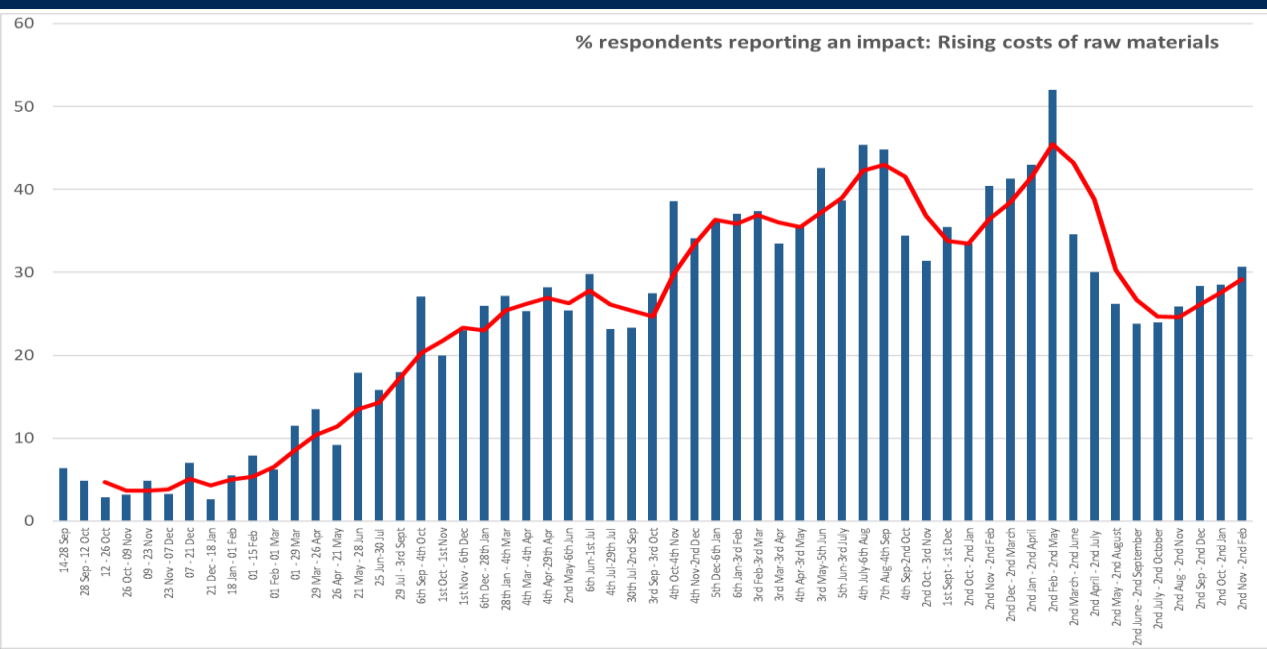
Percentage stating decreased sales (Red line = moving average)



Percentage stating increased sales

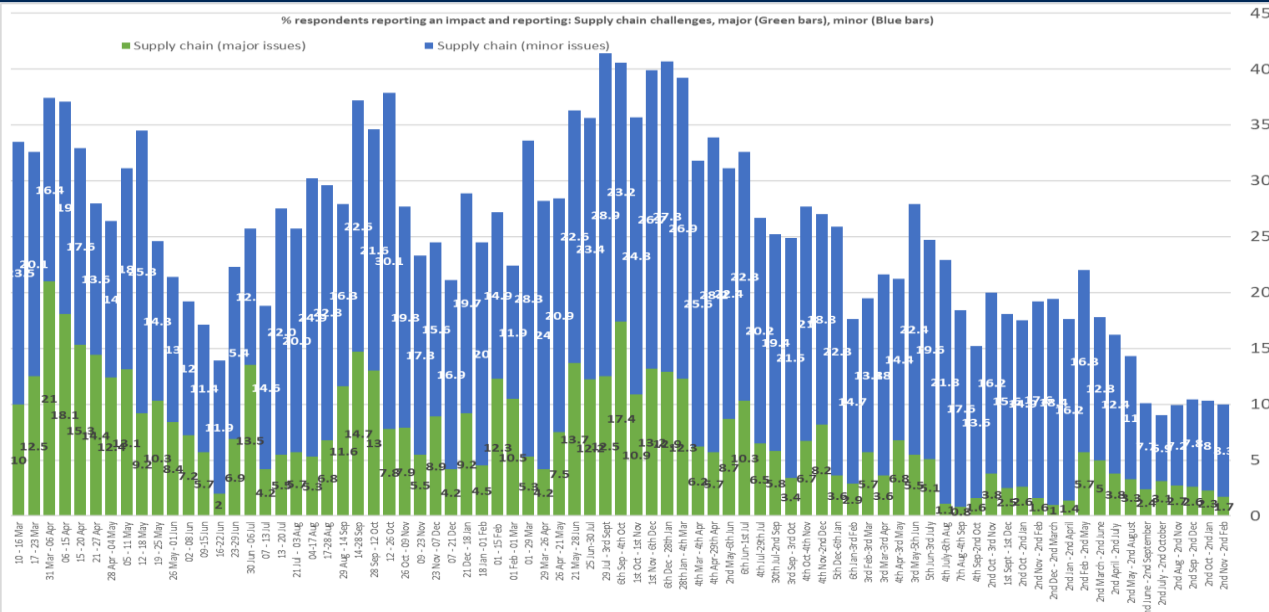


Percentage stating rising costs

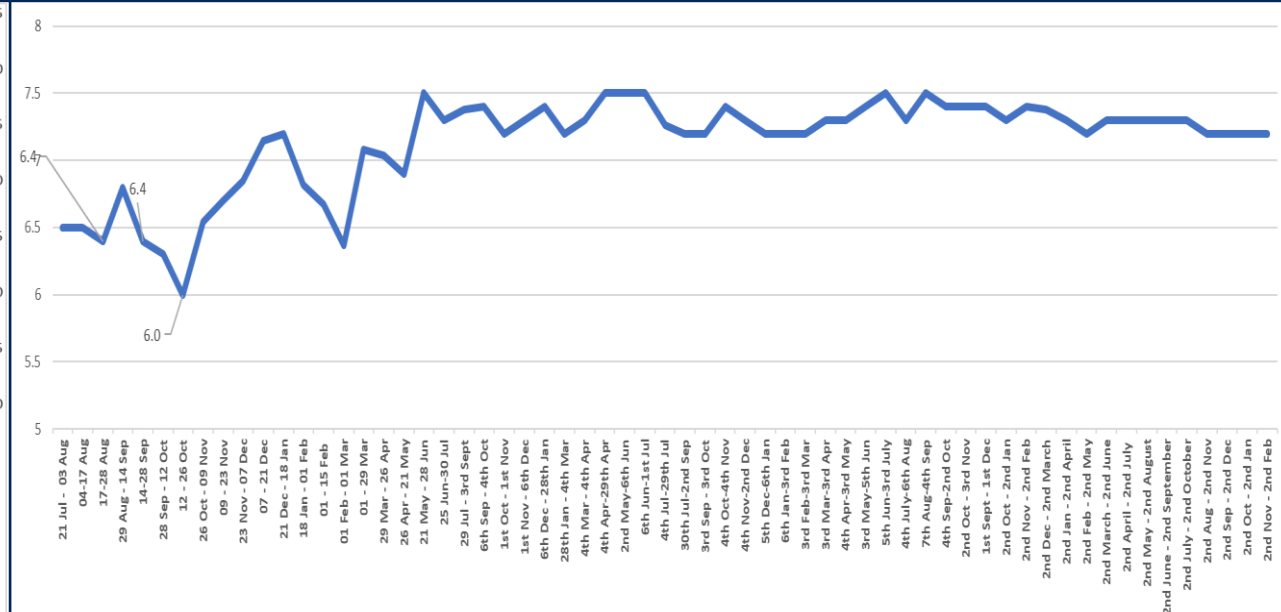


SURVEY DATA TIME SERIES OF MAIN IMPACTS OF ECONOMY ON BUSINESS

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

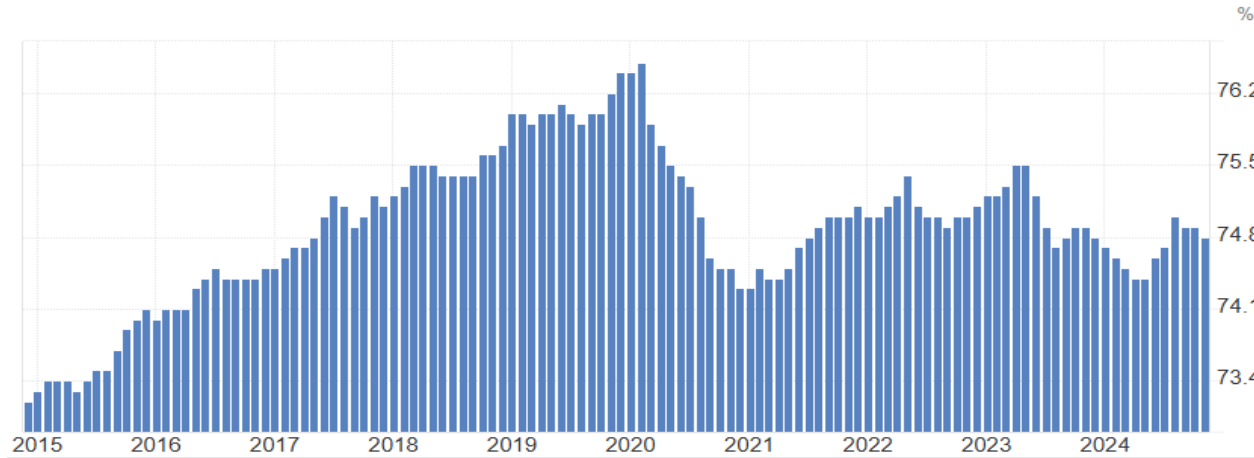


Aggregate confidence index – 1 low confidence, 10 high confidence



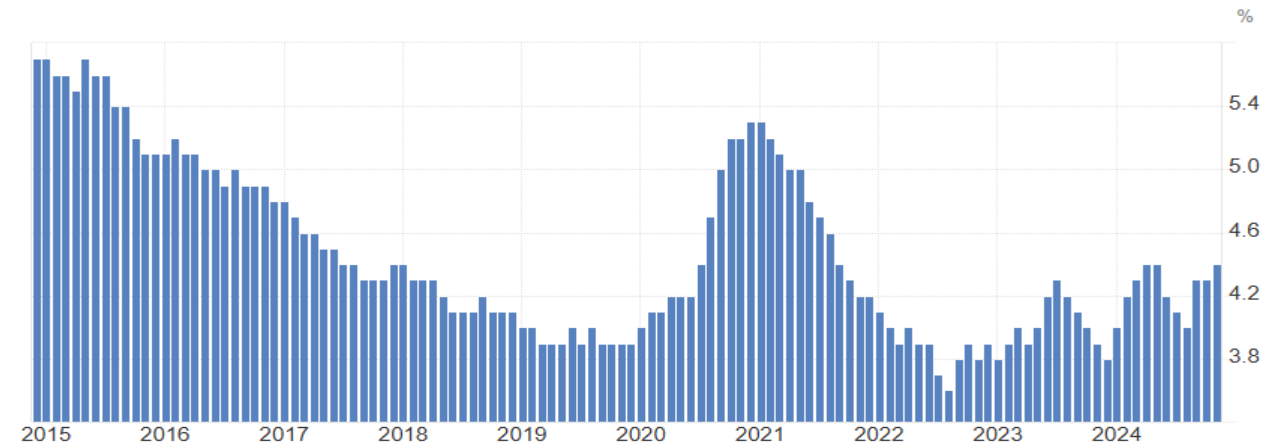
4. LABOUR MARKET HEADLINES – ONS QUARTERLY LABOUR FORCE SURVEY

United Kingdom - Employment Rate 75%



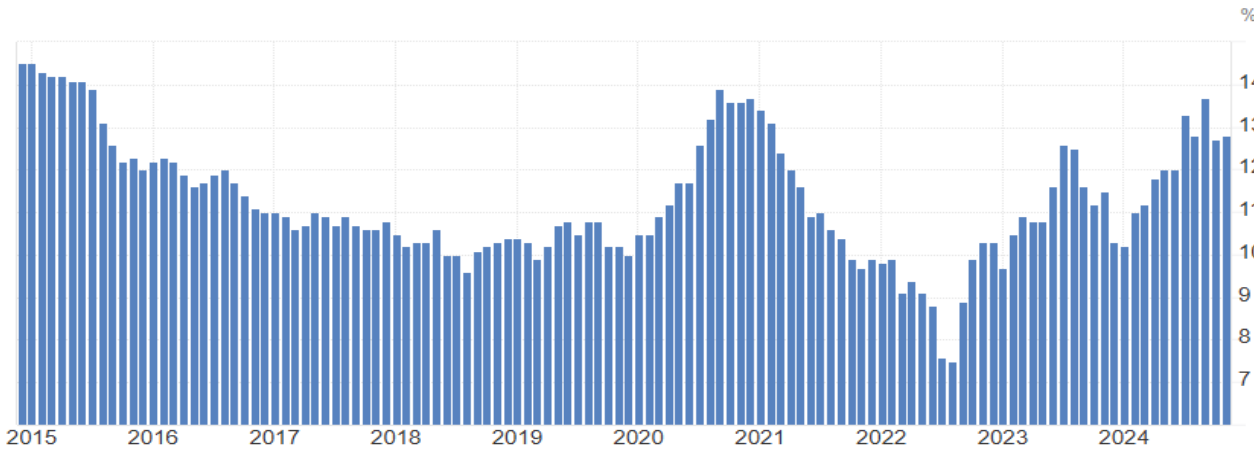
➤ **The Employment Rate** in the United Kingdom decreased to 74.8% in November from 74.9% in October of 2024, averaging 72.6% from 1971 until 2024 - reaching an all-time high of 76.5% in February of 2020, and a record low of 65.6% in April of 1983.

United Kingdom - Unemployment Rate 4%



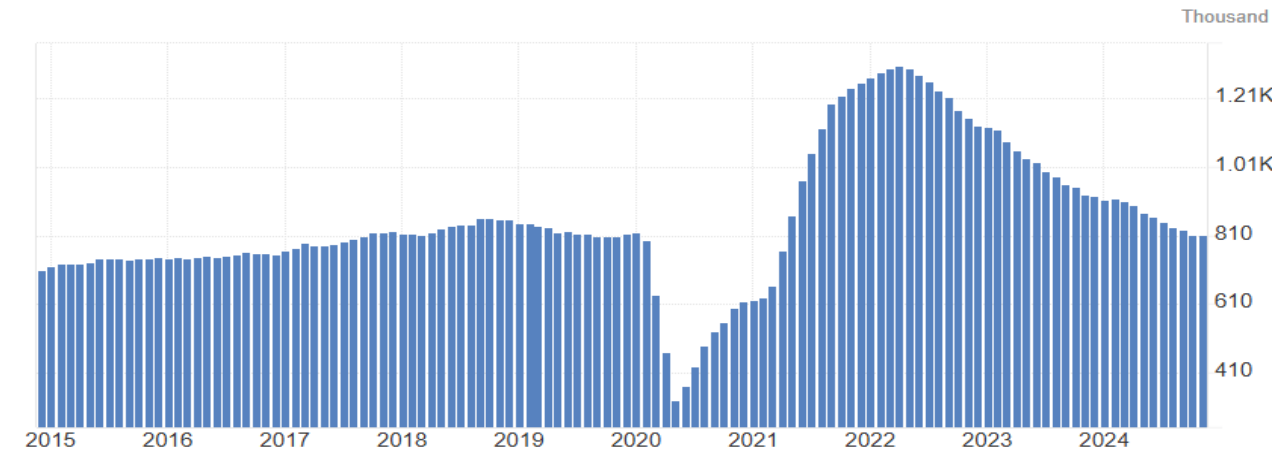
➤ **The Unemployment Rate** in the UK rose to 4.4% from September to November 2024. This marks the highest level since the three months ending in May, driven by an increase in individuals unemployed for up to 12 months. Meanwhile, the number of employed individuals rose by 35k to a total of 33.8 million, with year-on-year growth in both full-time employees and self-employed workers.

United Kingdom - Youth Unemployment Rate 13%



➤ **The Youth Unemployment Rate** in the United Kingdom increased to 12.8% in November from 12.7% in October of 2024. Youth Unemployment averaged 13.2% from 1992 until 2024, reaching an all time high of 20.3% in November of 2011, and a record low of 7.5% in August of 2022.

United Kingdom - Vacancy Notifications 818k



➤ **Job Vacancies** in the United Kingdom decreased to 812k in November from 813k in October of 2024. Job Vacancies averaged 696k from 2001 until 2024, reaching an all time high of 1,304k in April of 2022, and a record low of 328k in May of 2020.

5. HOSPITALITY, LEISURE, TOURISM - IMPACTS AND SUPPORT

VisitBritain - Domestic Consumer Sentiment Tracker (Fieldwork 2nd – 8th January 2025)

VisitBritain published results of the sentiment tracker in August 2023. This tracker looks to understand the impact of major events such as the cost-of-living crisis on the UK public’s intent to take overnight trips within the UK and abroad. It addresses areas such as current attitude to travel, intention to travel for daytrips, short breaks and holidays, when they plan to book and take the trip, destination and accommodation chosen.

The key headlines are:

- Perception of the ‘worst still to come’ regarding cost-of-living crisis is at 52% which is up 1% from December 2024.
- Proportion intending a UK overnight trip in the next 12 months is 80%, consistent with December 2024.
- Proportion intending an overseas overnight trip in the next 12 months 66%, up 2% on December 2024.
- UK weather, rising cost of living and personal finances remain the top 3 barriers to an overnight stay in the UK. Consistent with levels reported in December 2024.
- Top 3 areas for an overnight stay January 2025 to March 2025 is London, Southwest and Scotland. Northwest is in 4th spot, consistent with Dec 2024. Top 3 areas for overnight stays April 2025 to June 2025 is Southwest, Scotland, London. Northwest has dropped to 5th spot compared with December 2024.
- Top 3 destinations January 2025 to March 2025 are city or large town, countryside or village, coastal/seaside town consistent with levels reported in December 2024. Top 3 destination April 2025 to Jun 2025 are countryside or village, coastal/seaside town, city or large town. Countryside/village has taken the top spot over coastal/seaside since Dec 2024.
- Hotels remain top accommodation choice for March to June 2025, consistent with those reported in December 2024.

<https://www.visitbritain.org/research-insights/domestic-sentiment-tracker>

Marketing Manchester Campaigns Impact/ Reach: 111.8 million across all channels.

Hotel Performance monitor – December 2024 (Source MM)

The occupancy rates in November for Greater Manchester (75%) and Manchester city centre (75%) were consistent with 2023 (both at 75%) for both geographies.

The average daily rates for Greater Manchester (£92) were slightly below 2023 rates (£96), and Manchester city centre (£106), was slightly behind 2023 levels (£109).

The revenue per available room for Greater Manchester (£69) is below the 2023 rate (£72). Manchester city centre (£79) was below the comparable 2023 levels (£82) due to the occupancy remaining the same, but the average daily rate decreasing.

	GM Occupancy %	GM Average Rate (£)	GM REVPAR (£)	Mcr City Centre Occupancy %	Mcr City Centre Average Rate (£)	Mcr City Centre REVPAR (£)
2023	75%	£92	£69	75%	£106	£74
2022	75%	£96	£72	75%	£109	£82
Baseline (2019)	75%	£74	£56	78%	£86	£67

6. GOVERNMENT MEASURES, OTHER DATA AND ANNOUNCEMENTS

THEME	ANNOUNCEMENT / ISSUE - (HOLD CTRL AND CLICK ON <LINKS> TO ACCESS THE FULL ITEM)
Visitor Economy Advisory Council	<p>The Visitor Economy Advisory Council met on 20th January for the first time to boost collaboration between government and the tourism industry as part of the government’s Plan for Change. The advisory council will inform the government’s forthcoming National Visitor Economy Strategy. The council is co-chaired by Tourism Minister Sir Chris Bryant and Karin Sheppard, IHG Hotels & Resorts’ Managing Director for Europe. <Link></p>
Manchester Clean Air Zone	<p>A decision has been made by the government which rules out a Clean Air Zone in Manchester so motorists will not be charged to drive into the area. Instead, there will be a fleet of new buses and traffic-calming measures to improve air quality in the region. The investment package includes: £51.1m towards bus investment, including 40 zero emission buses, 77 Euro VI standard buses and charging infrastructure; £5m for local traffic management measures; £8 million to support moving Greater Manchester’s taxi fleet to cleaner vehicles and up to £21.9m for administration, delivery, monitoring and other associated costs. <Link></p>
Oxford-Cambridge Corridor	<p>Rachel Reeves has announced a package of investment into the Oxford-Cambridge Corridor which includes funding for transport links as well as new reservoirs in addition to unlocking development around Cambridge for housing and laboratory space. Sir Patrick Vallance has been appointed as Oxford-Cambridge Growth Corridor Champion to provide senior leadership to ensure the Government’s ambitions are delivered. The Chancellor also backed the plans to regenerate the Old Trafford area in Greater Manchester, and build a third runway at Heathrow Airport. <Link></p>
10 Year Infrastructure Strategy	<p>The government have published a working paper for their 10 Year Infrastructure Strategy which seeks to reduce uncertainty by bringing together a long-term plan for the country’s social, economic and housing infrastructure. The Strategy will also set out an institutional framework to support its implementation, including setting out the role of public financing institutions such as the National Wealth Fund and how the Strategy will support other strategies such as the Industrial Strategy. <Link></p>
Department for Work and Pensions ways of working	<p>The Department for Work and Pensions is seeking to transform its service for employers by :</p> <ul style="list-style-type: none"> • Hosting summits with employers and stakeholder representatives across sectors crucial to growth – including construction, social care and clean energy in the next three months. • Boosting the number of training programmes in these sectors on offer at Jobcentres to upskill jobseekers and provide employers with the work ready staff they need. • Serving employers through a dedicated team with highly experienced experts to provide recruitment support, including designing tailored campaigns to tackle large numbers of vacancies. • Providing an account manager for employers to get more information about how the JCP can help them and provide recruitment support. <Link>
Clean Energy Growth Area	<p>Aberdeen, Cheshire, Lincolnshire and Pembrokeshire have been identified as key growth regions for clean energy. Local partners will receive funding to identify the skills support that is needed in their area to deliver clean power by 2030. The funding could go towards new training centres, courses or career advisers - supporting local people into opportunities in industries such as welding, electrical engineering, and construction. Around £1 million will be available for each area, with local and devolved partners empowered to develop their own plans for how best to target the funding. Alongside this, the government is launching a ‘skills passport’ in collaboration with industry and Scottish Government. Oil and gas workers will be able to access the skills passport online, which will initially help them identify routes into offshore wind activity including construction and maintenance. <Link></p>



APPENDIX 1: SURVEY RESPONSE RATES

JANUARY 2025

WITH QUARTERLY DATA FOR 2ND NOVEMBER 2024 TO 2ND FEBRUARY 2025

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SURVEY RESPONSE RATES FOR GM OVER TIME VS ONS ENTERPRISE UNIT PROFILE FOR GM (EXCLUDES OUT OF AREA)

Size / Sector (as identified by the business) C = Confidential, 5 or less responses Percentages rounded to nearest figure	GM ONS IDBR Enterprise Count 2022	JAN 2025	Dec 2024	NOV 2024	OCT 2024	SEP 2024	AUG 2024	JUL 2024	JUN 2024	MAY 2024	MAR 2024	FEB 2024	JAN 2024	DEC 2023	NOV 2023	OCT 2023	SEP 2023	AUG 2023	JUL 2023
Size-band (employees)	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
'0' employment to 9 (MICRO)	89%	56%	59%	54%	55%	56%	62%	60%	58%	59%	57%	46%	49%	53%	51%	59%	41%	58%	52%
10 to 49 (SMALL)	9%	23%	20%	24%	25%	26%	24%	23%	24%	24%	26%	27%	22%	13%	20%	16%	24%	16%	21%
50 to 249 (MEDIUM)	2%	14%	15%	15%	13%	12%	9%	11%	6%	7%	9%	9%	7%	14%	16%	13%	19%	13%	15%
250+ (LARGE)	<1%	7%	7%	7%	7%	6%	C	7%	12%	10%	8%	10%	10%	11%	8%	7%	10%	6%	C
UNKNOWN	-	C	C	C	C	C	C	C	C	C	C	8%	12%	8%	C	C	6%	8%	7%
AGRICULTURE, FORESTRY, FISHING	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C
BUSINESS FINANCIAL, PROFESSIONAL SERVICES	27%	13%	12%	12%	12%	12%	10%	8%	10%	10%	10%	13%	14%	14%	18%	11%	22%	15%	14%
CONSTRUCTION	12%	5%	6%	6%	5%	C	C	C	C	C	6%	C	C	C	C	C	C	C	C
DIGITAL, CREATIVE, TECHNOLOGY	6%	23%	24%	25%	24%	21%	21%	22%	18%	16%	13%	18%	19%	22%	23%	23%	24%	23%	21%
EDUCATION	2%	6%	8%	9%	8%	6%	C	C	C	C	C	C	C	C	C	C	C	C	C
ENGINEERING	2%	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C
UTILITIES, ENERGY, WATER, WASTE, GREEN TECH	C	C	C	C	C	6%	6%	6%	7%	8%	10%	6%	7%	C	C	C	C	8%	9%
HEALTH & SOCIAL CARE	C	5%	C	6%	7%	9%	9%	8%	8%	7%	8%	C	C	C	6%	C	6%	C	C
HOSPITALITY, TOURISM, & SPORT	7%	5%	C	C	C	C	6%	7%	6%	7%	C	C	5%	7%	6%	10%	C	8%	6%
LOGISTICS	5%	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	6%	C	C
MANUFACTURING (excluding Engineering)	3%	15%	13%	12%	13%	13%	15%	17%	16%	16%	21%	26%	20%	19%	18%	19%	17%	22%	16%
LIFE SCIENCES	N/A	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C
RETAIL & WHOLESALE	18%	5%	C	C	C	C	6%	7%	9%	9%	9%	9%	11%	8%	7%	9%	C	6%	7%
OTHER SERVICES (excluding SIC unknown)	4%	6%	6%	C	6%	6%	8%	6%	C	C	C	C	C	C	C	C	C	C	C

LOCAL AUTHORITY SURVEY RESPONSE (EXCLUDING RESPONSES OUTSIDE AREA): PROFILE BY SIZE, SECTOR, AND LOCATION

Size / Sector (as identified by the business) <u>C = Confidential, 5 or less responses</u> <i>Percentages rounded to nearest figure</i>	GM ONS IDBR Enterprise Count 2022	GM	Bolton	Bury	Manchester	Oldham	Rochdale	Salford	Stockport	Tameside	Trafford	Wigan
Size-band (employees)	%	%	%	%	%	%	%	%	%	%	%	%
'0' employment to 9 (MICRO)	89%	56%	47%	51%	60%	49%	42%	62%	56%	57%	73%	43%
10 to 49 (SMALL)	9%	23%	24%	34%	17%	31%	37%	21%	27%	27%	14%	35%
50 to 249 (MEDIUM)	2%	14%	18%	7%	16%	18%	22%	9%	13%	11%	6%	12%
250+ (LARGE)	<1%	7%	11%	7%	7%	C	C	8%	C	6	6%	10%
UNKNOWN	-	C	C	C	C	C	C	C	C	C	C	C



**APPENDIX 2:
GROWTH SURVEY DETAILED RESULTS,
LOCAL AUTHORITY AND EDI DATA**

JANUARY 2025

WITH QUARTERLY DATA FOR 2ND NOVEMBER 2024 TO 2ND FEBRUARY 2025

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OGS: BUSINESS CONFIDENCE INDEX (GC-BCI)

Local Authority

Sector

Size Band

Submitted Date

All

All

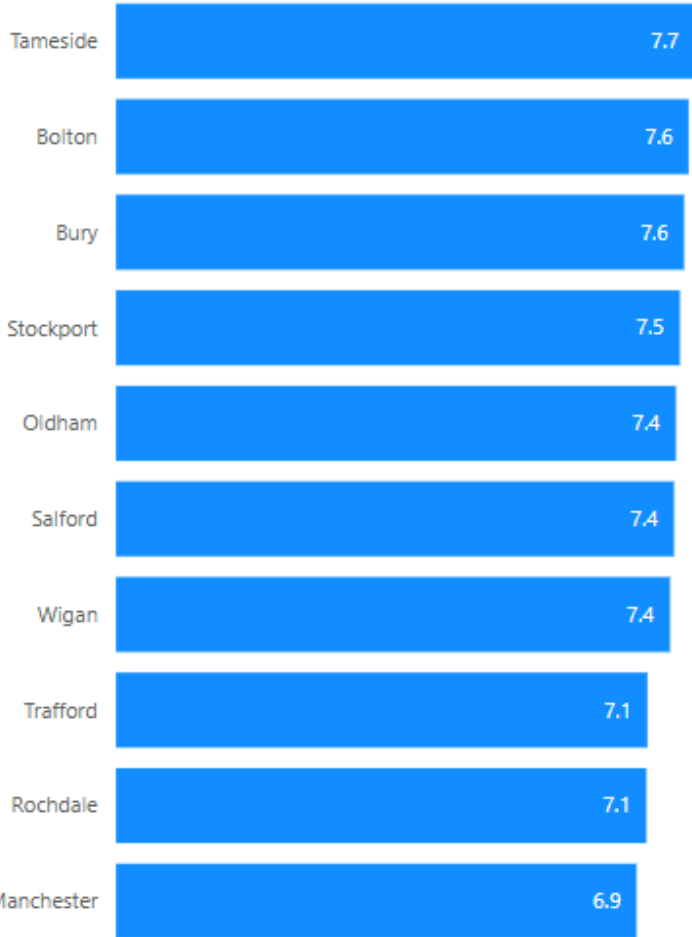
All

02/11/2024

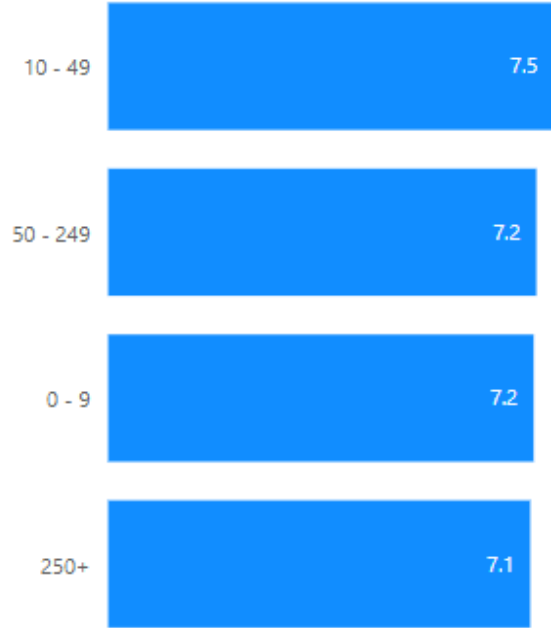
02/02/2025



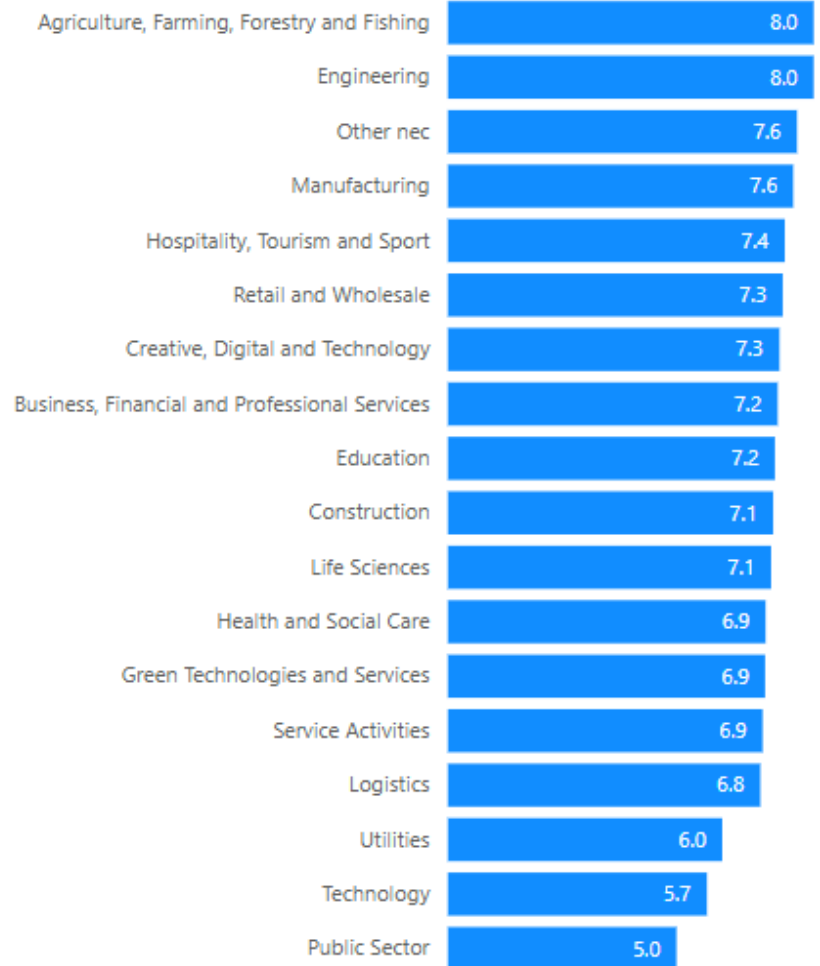
GC-BCI by LA# (1 low - 10 high)



GC-BCI by size - employees (1 low - 10 high)



GC-BCI by sector (1 low - 10 high)



GC-BCI average score (1 low - 10 high)

7.2

OGS: OPTIMISIM - PROFITABILITY / TURNOVER / CAP-EX SPENDING

Responses
782

Respondents
676

Local Authority

Sector

Size Band

Submitted Date

All

All

All

02/11/2024

02/02/2025

HOME

Expectations for profitability increase (%)

Expectations for turnover increase (%)

Expectations for cap-ex spending increase (%)

Increase

58%

Increase

67%

Don't know / no response / refused (no...

34%

Don't know / no response / refused (no...

25%

Don't know / no response / refused (no...

22%

Stay the same

32%

Stay the same

13%

Stay the same

Increase

31%

Decrease

Decrease

Decrease

OGS: CHALLENGES AND FUTURE SUPPORT NEEDS

Responses **782**
 Respondents **676**

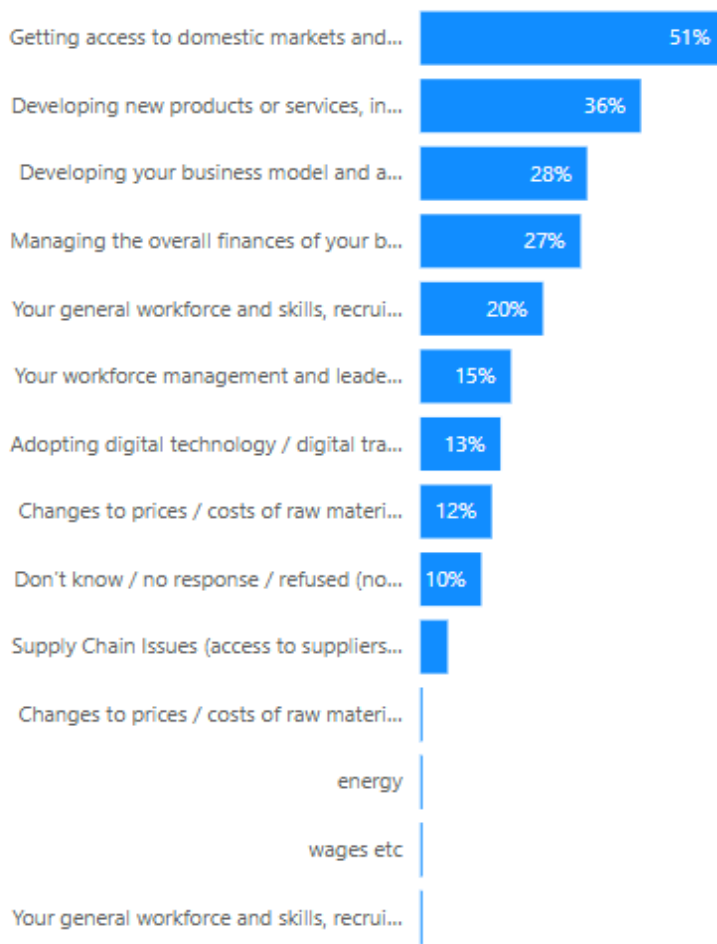
Local Authority **Sector** **Size Band** **Submitted Date**

[HOME](#)

Main economic impacts faced in last 3 months (%)



Main current challenges facing the organisation (%)



Future support needs in year ahead (%)



OGS: INNOVATION AND INVESTMENT

Responses
788

Respondents
682

Local Authority

Sector

Size Band

Submitted Date

All

All

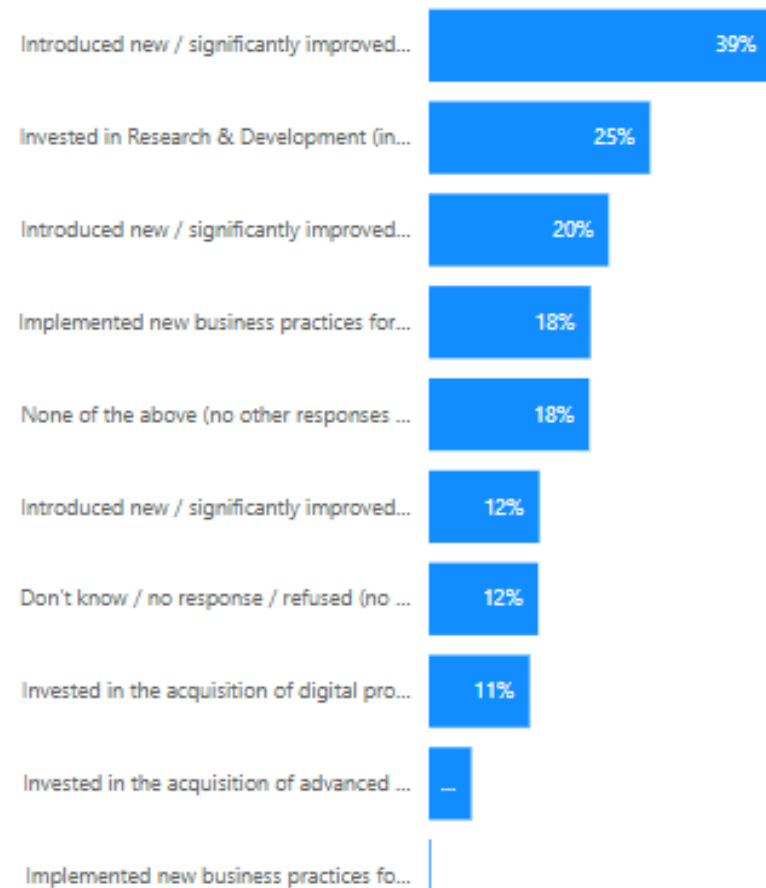
All

02/11/2024

02/02/2025

HOME

Innovation activities in last year (%)



Main barriers to Innovation (%)



Looking to increase investment in ... (%)



OGS: ARTIFICIAL INTELLIGENCE - BY TYPE AND BARRIERS TO ADOPTION

Responses **782**
Respondents **676**

[HOME](#)

Local Authority

Sector

Size Band

Submitted Date

All

All

All

02/11/2024

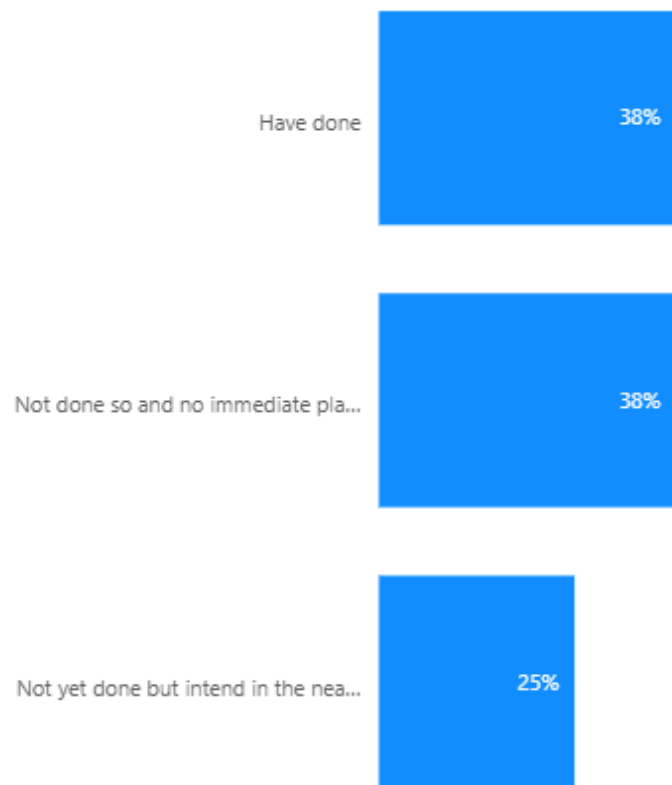
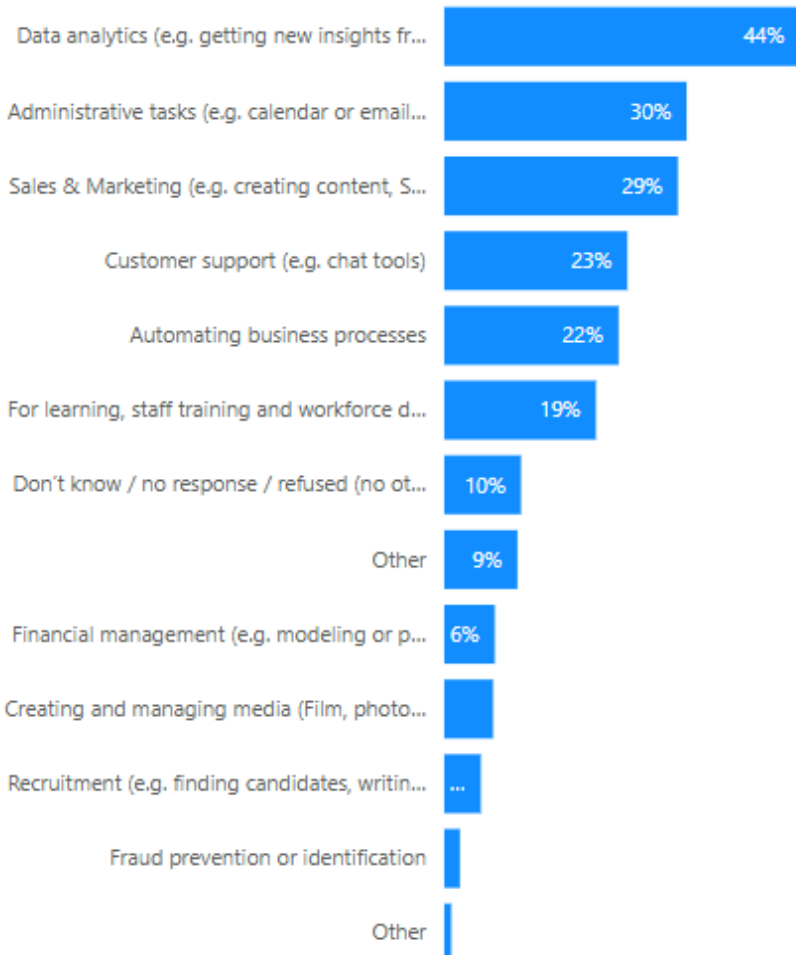
02/02/2025



Which areas of AI implemented (%)

Adopted AI into business (%)

AI - What is holding up plans (%)



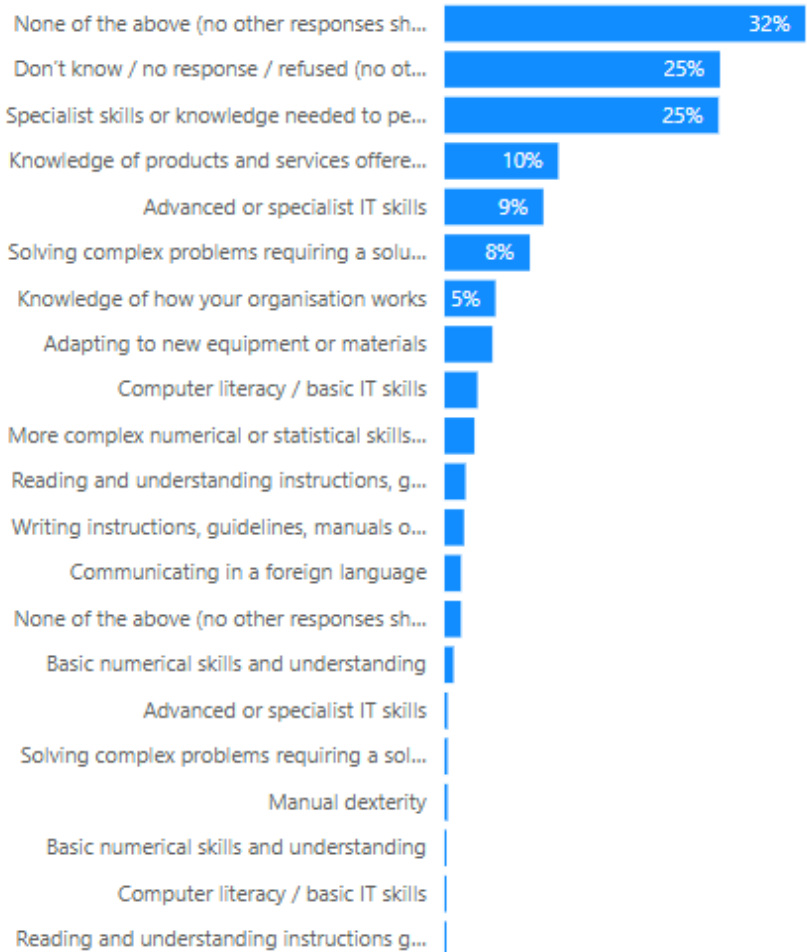
OGS: SKILLS GAPS

Responses **782**
Respondents **676**

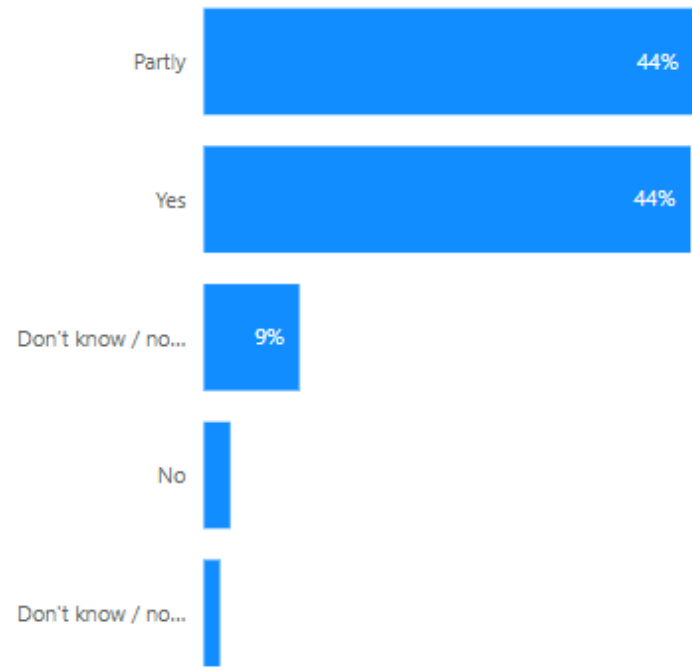
Local Authority: | Sector: | Size Band: | Submitted Date: to

[HOME](#)

Technical and practical skills gaps (%)



Current workforce skills at right level by size (%)



Current workforce skills at right level - average (%)

42.3

People and personal skills gaps (%)



OGS: SOCIAL VALUE

Responses **782**
Respondents **676**

Local Authority

Sector

Size Band

Submitted Date

All

All

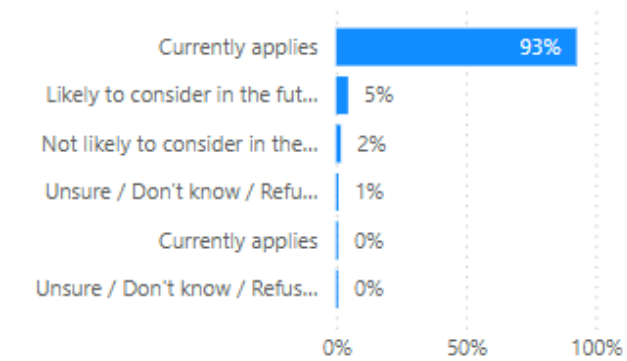
All

02/11/2024

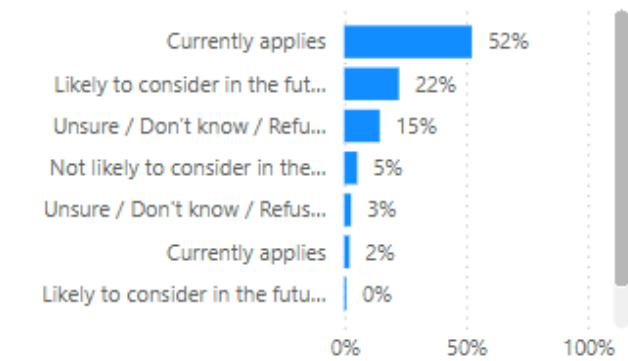
02/02/2025

HOME

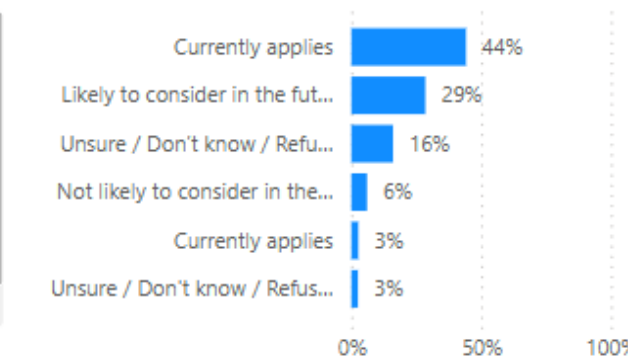
Guarantee at least 16 hours (%)



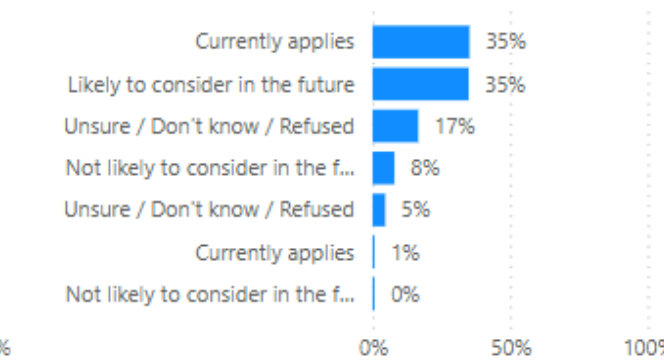
Pay real living wage (%)



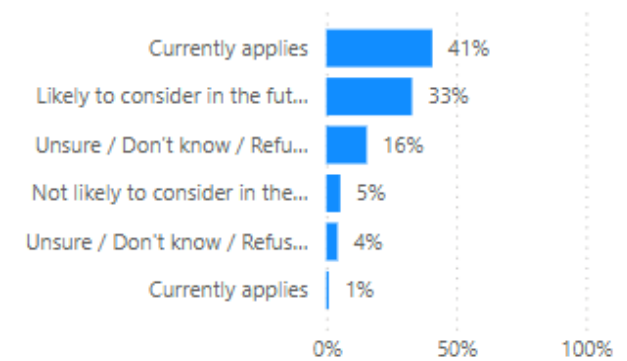
Flexible working options (%)



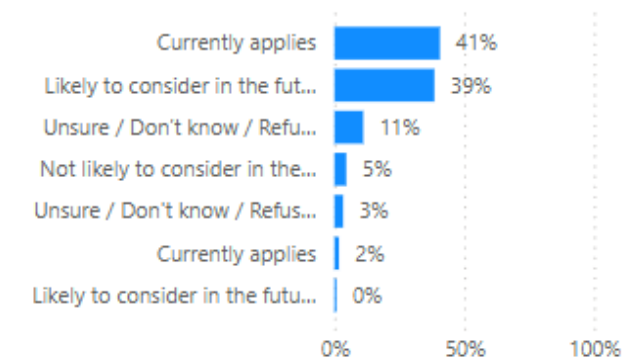
Involve employees in the direction of business (%)



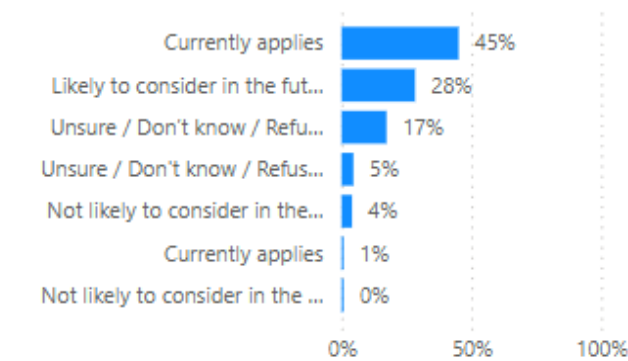
Looking to increase diversity of workforce (%)



Invest in leadership (%)



Promote healthy work practices (%)



Firms with Social Value

510

OGS: INTERNATIONAL TRADE

Responses **782**
Respondents **676**

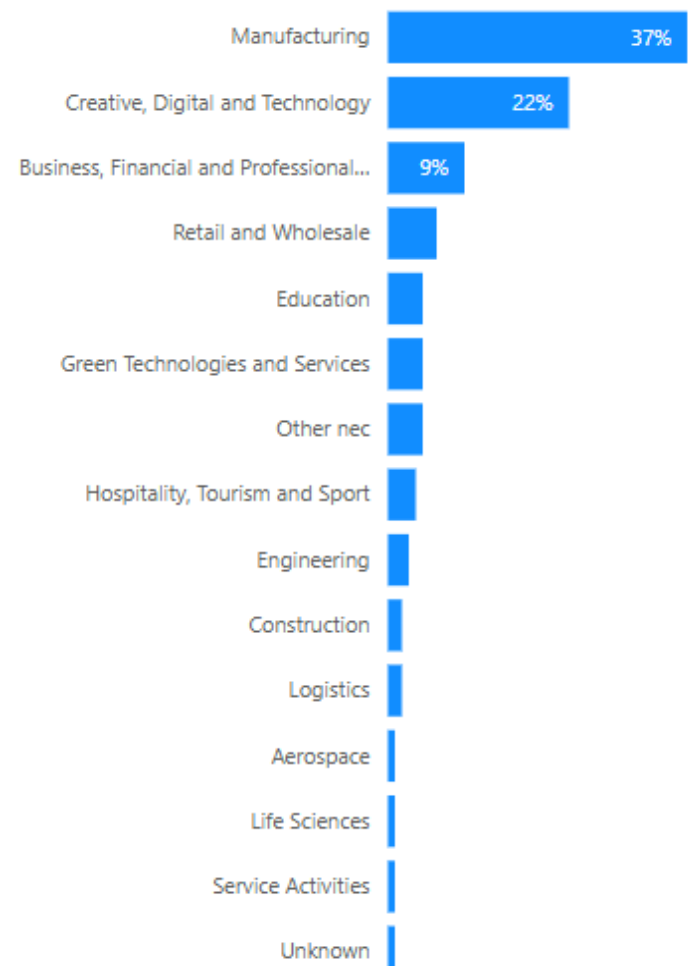
[HOME](#)

Local Authority **Sector** **Size Band** **Submitted Date**

Currently export goods or services (%)



Currently export goods or services by sector (%)



Planning to increase levels of exports next year (%)



OGS: RECRUITMENT

Responses **782**
Respondents **676**

[HOME](#)

Local Authority

All

Sector

All

Size Band

All

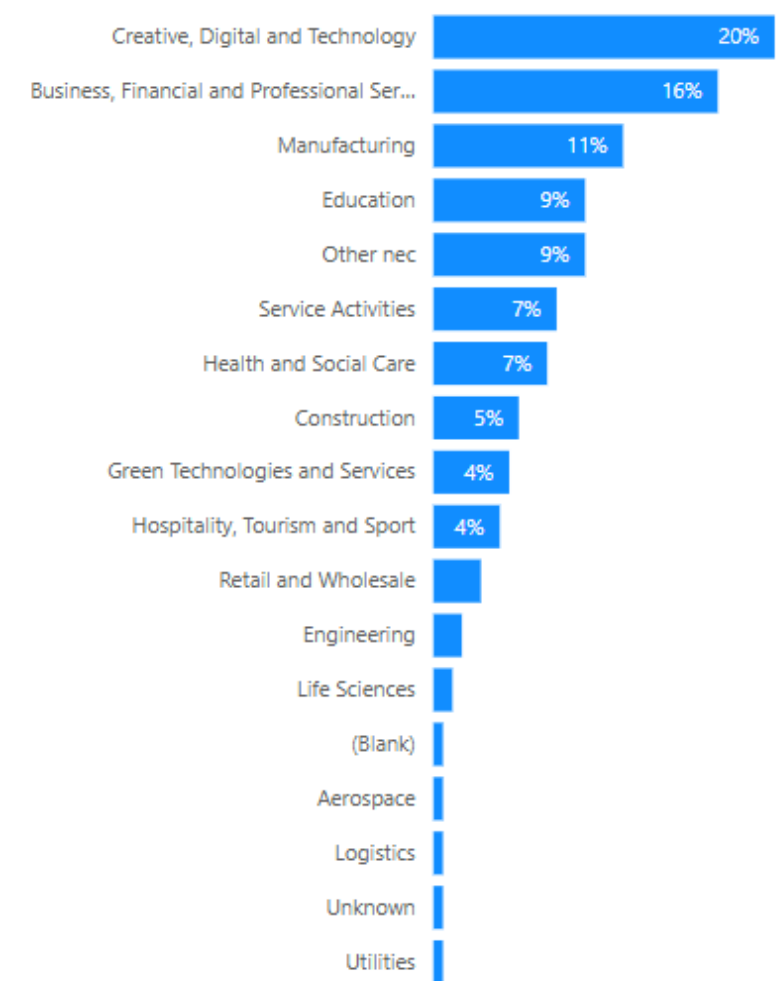
Submitted Date

02/11/2024

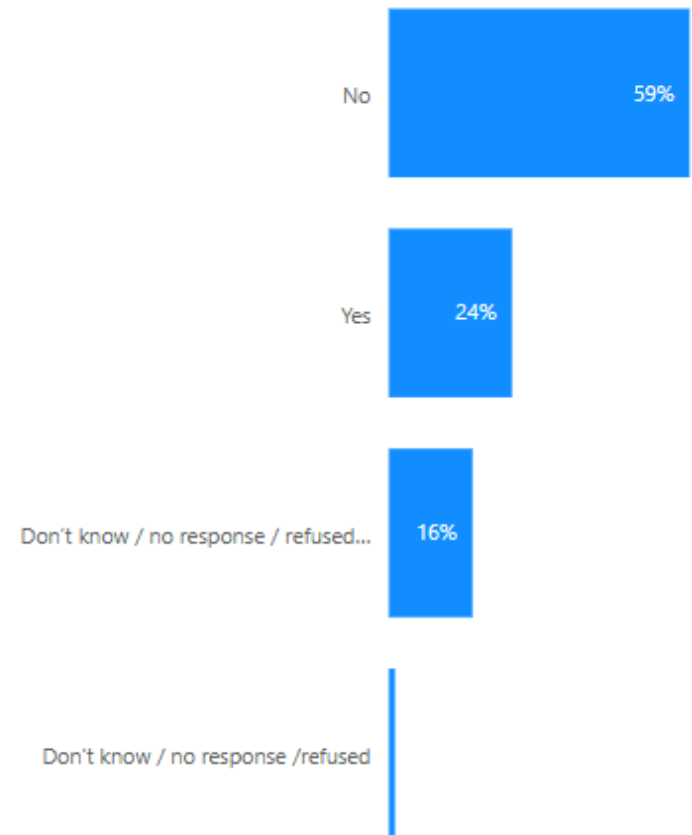
02/02/2025



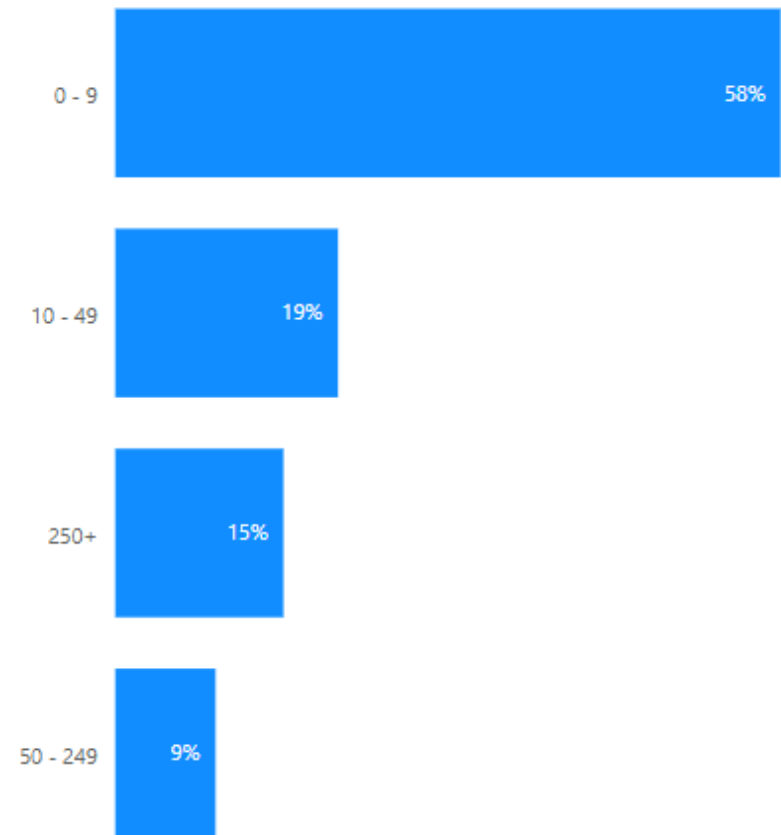
Currently recruiting new staff by Sector (%)



Currently recruiting new staff (%)



Currently recruiting new staff by size band



OGS LOCAL AUTHORITY DATA - FEMALE LED

Responses
278

Respondents
256

Local Authority

All

Sector

All

Size Band

All

Submitted Date

02/11/2024

02/02/2025

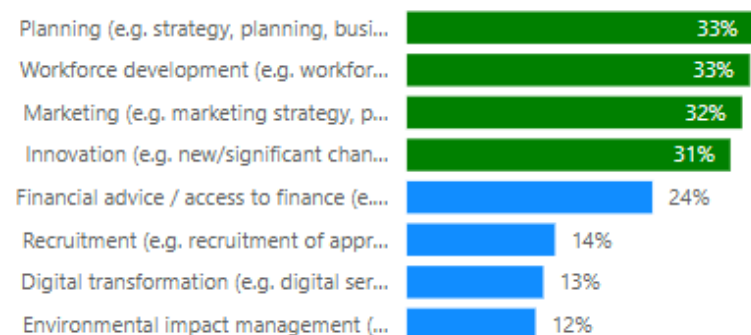
HOME

Note: BGH clients only for Female Led

Economic Impact



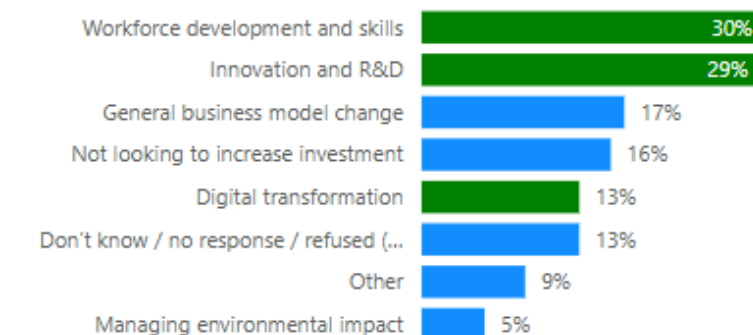
Current challenges facing firms (%)



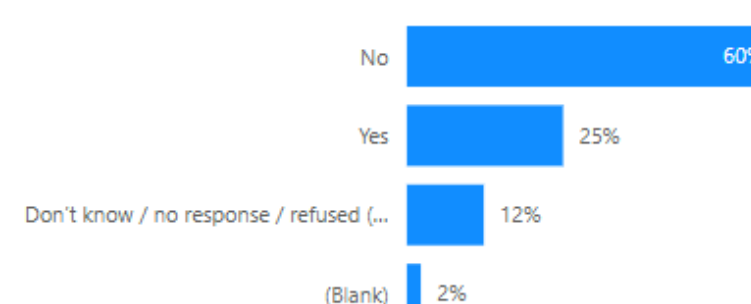
Future support needs (%)



Main area for investment (%)



Innovation activity (%)



Barriers to innovation (%)



OGS LOCAL AUTHORITY DATA - ETHNIC MINORITY GROUP

Responses **121**
Respondents **107**

Local Authority

All

Sector

All

Size Band

All

Submitted Date

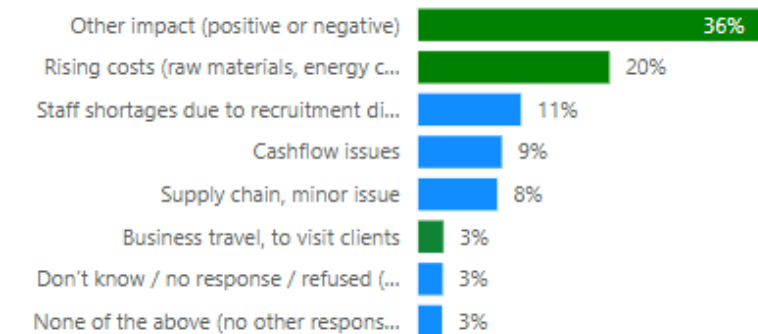
02/11/2024

02/02/2025

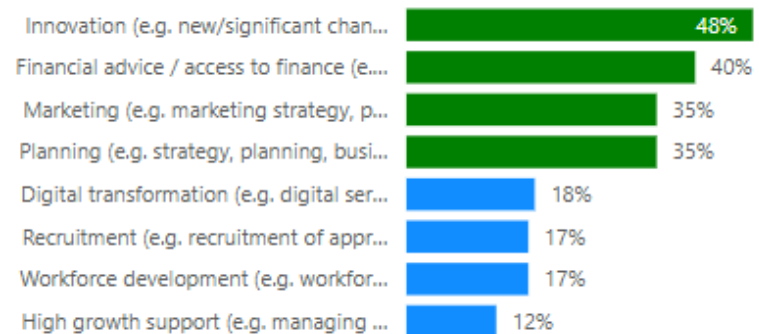
HOME

Note: BGH clients only for Ethnic Minority Group

Economic Impact



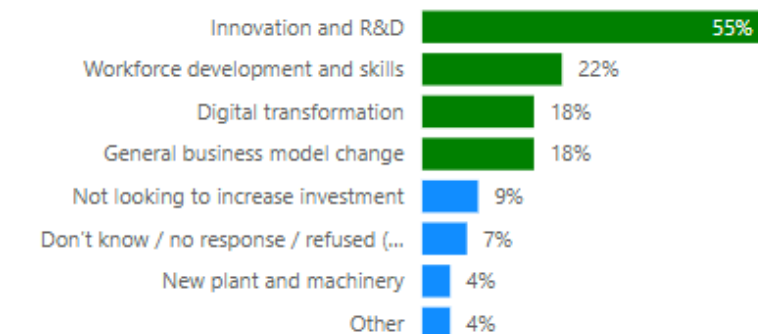
Current challenges facing firms (%)



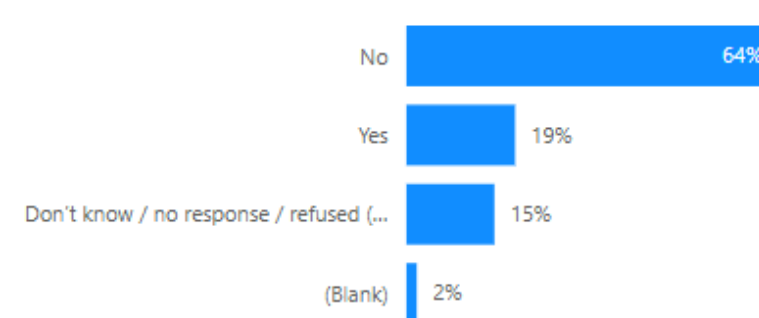
Future support needs (%)



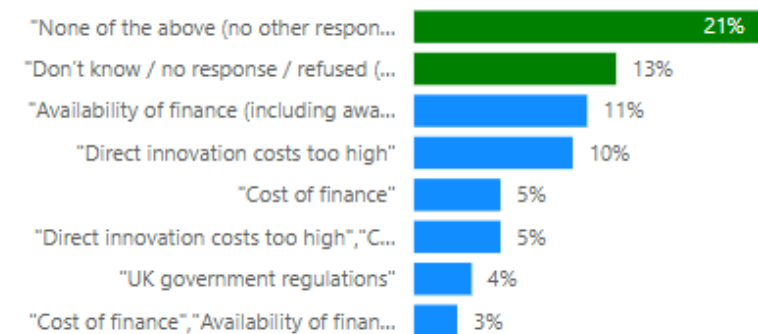
Main area for investment (%)



Innovation activity (%)



Barriers to innovation (%)



OGS LOCAL AUTHORITY DATA - OVER 50s LED INSIGHTS

Responses

204

Respondents

188

Local Authority

Sector

Size Band

Submitted Date

...

All

All

All

02/11/2024

02/02/2025

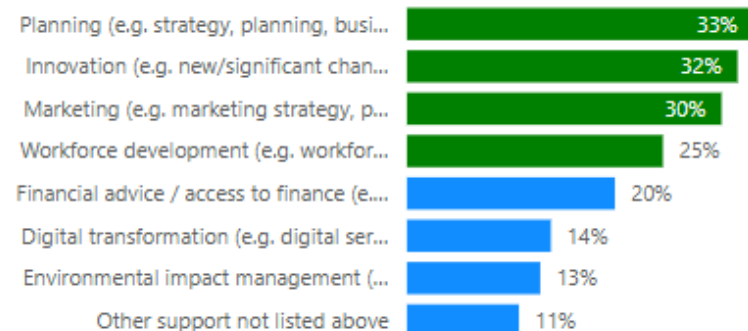
HOME

Note: BGH clients only for Over 50s

Economic Impact



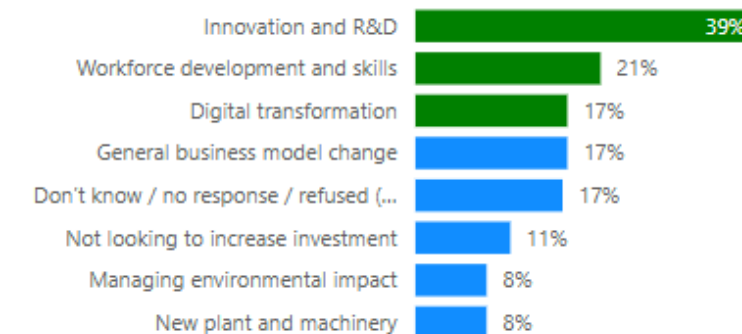
Current challenges facing firms (%)



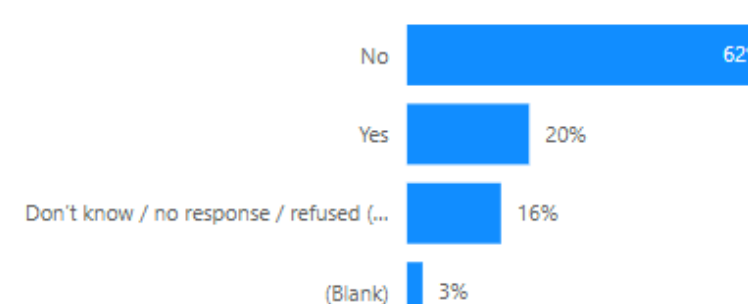
Future support needs (%)



Main area for investment (%)



Innovation activity (%)



Barriers to innovation (%)



OGS LOCAL AUTHORITY DATA - DISABILITY LED INSIGHTS

Responses **37** Respondents **36**

Local Authority

Sector

Size Band

Submitted Date

All

All

All

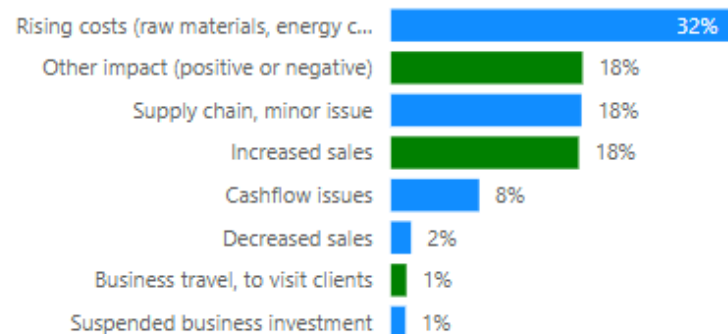
02/11/2024

02/02/2025

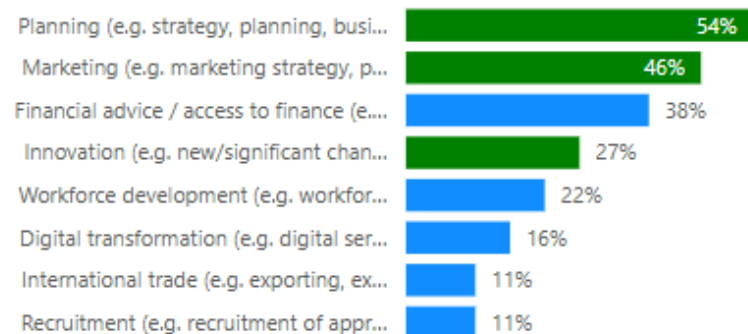
HOME

Note: BGH clients only for Disability Led

Economic Impact



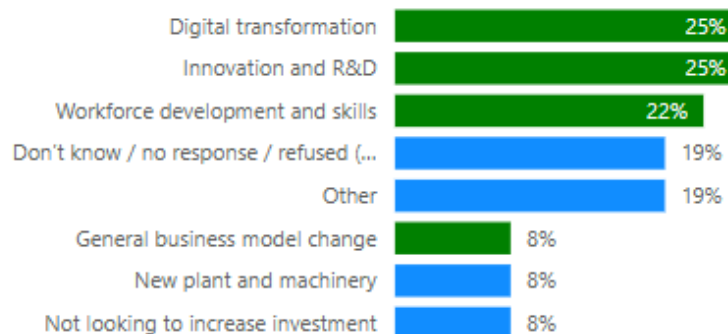
Current challenges facing firms (%)



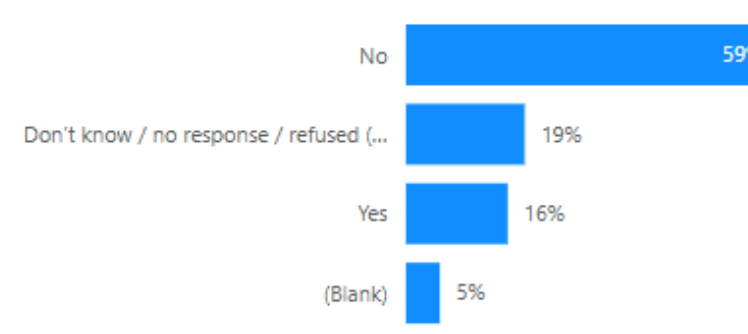
Future support needs (%)



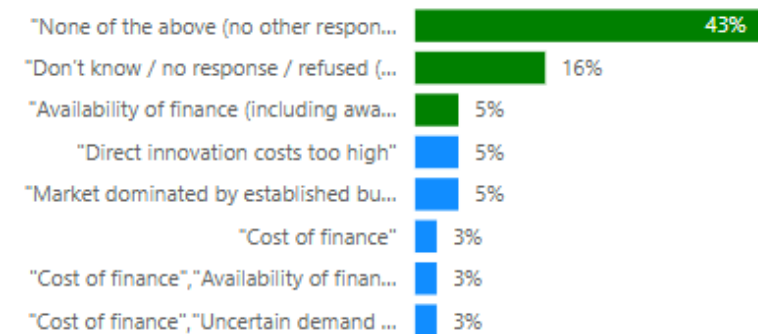
Main area for investment (%)



Innovation activity (%)



Barriers to innovation (%)



OGS LOCAL AUTHORITY DATA - GREATER MANCHESTER SUMMARY

Responses
782

Respondents
676

Local Authority

Sector

Size Band

Submitted Date

All

All

All

02/11/2024

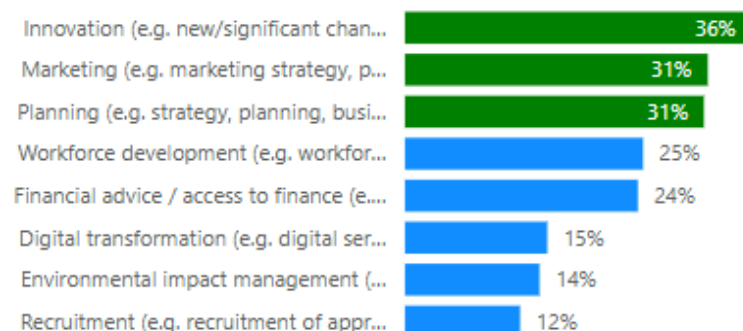
02/02/2025

HOME

Economic Impact



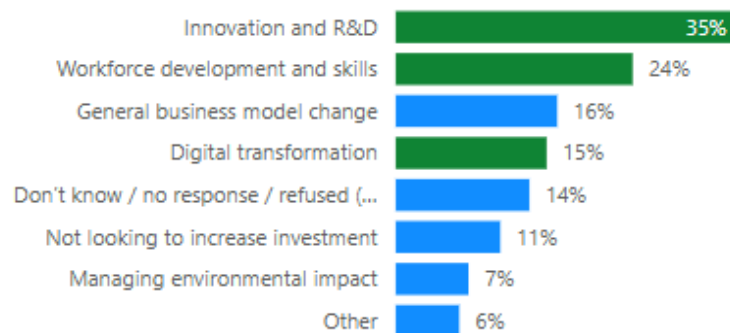
Current challenges facing firms (%)



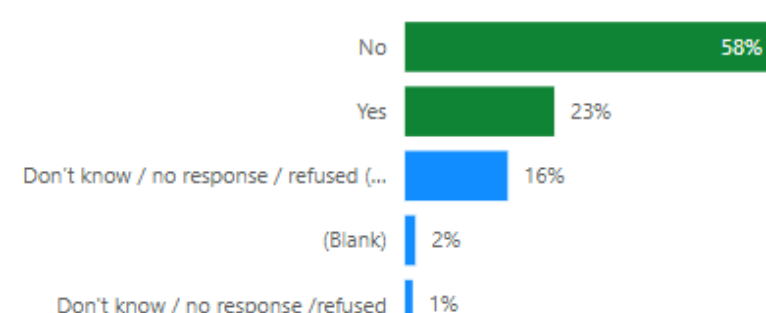
Future support needs (%)



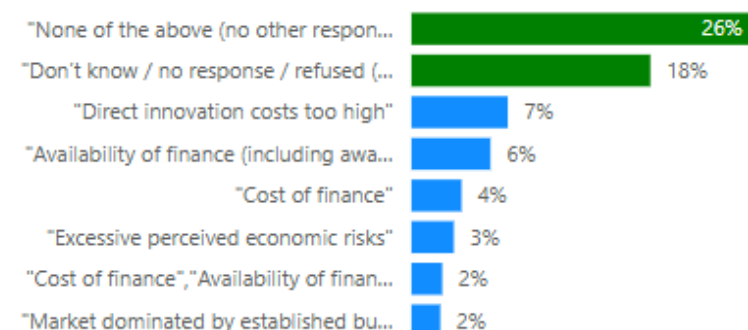
Main area for investment (%)



Innovation activity (%)



Barriers to innovation (%)



OGS LOCAL AUTHORITY DATA - BURY

Responses **41** Respondents **37**

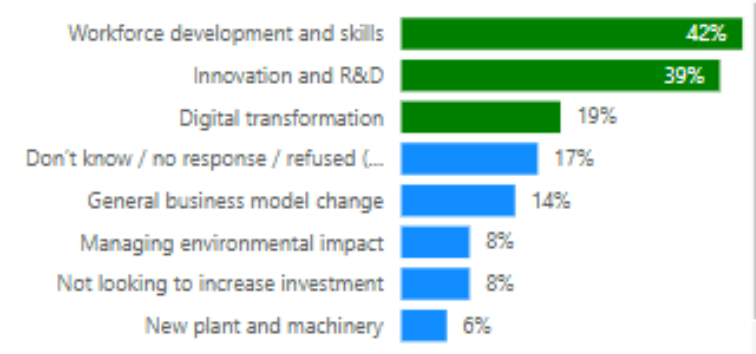
Local Authority: Sector: Size Band: Submitted Date: to

[HOME](#)

Economic Impact | Current challenges facing firms (%) | Future support needs (%)



Main area for investment (%)



Innovation activity (%)



Barriers to innovation (%)



OGS LOCAL AUTHORITY DATA - BOLTON

Responses **55** Respondents **48**

Local Authority

Sector

Size Band

Submitted Date

Bolton

All

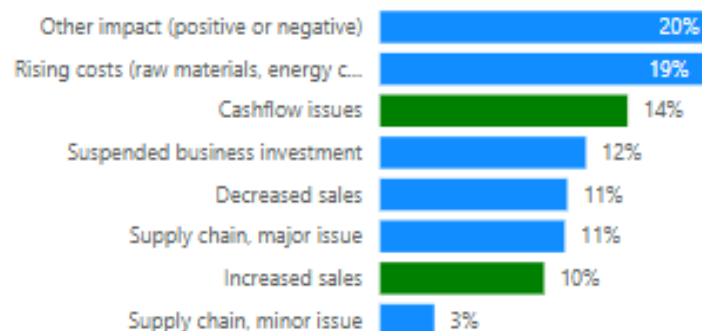
All

02/11/2024

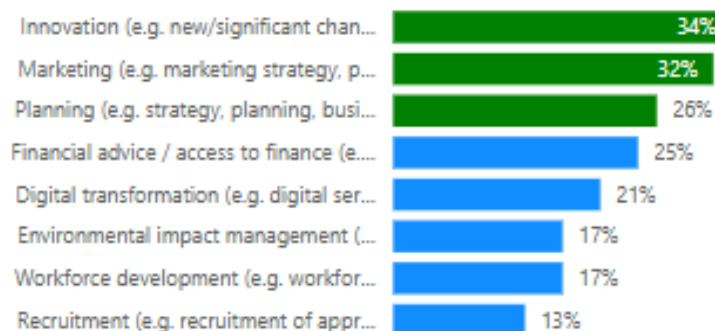
02/02/2025

HOME

Economic Impact



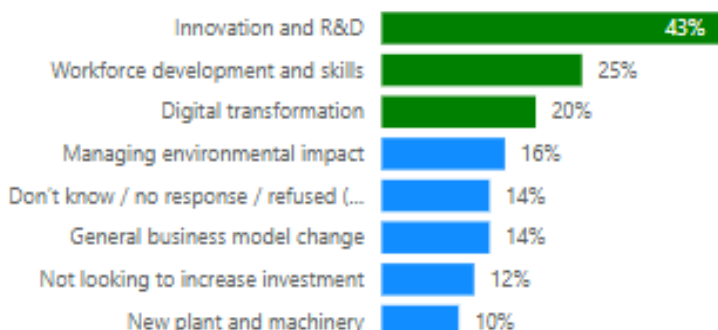
Current challenges facing firms (%)



Future support needs (%)



Main area for investment (%)



Innovation activity (%)



Barriers to innovation (%)



OGS LOCAL AUTHORITY DATA - MANCHESTER

Responses

262

Respondents

218

Local Authority

Manchester

Sector

All

Size Band

All

Submitted Date

02/11/2024

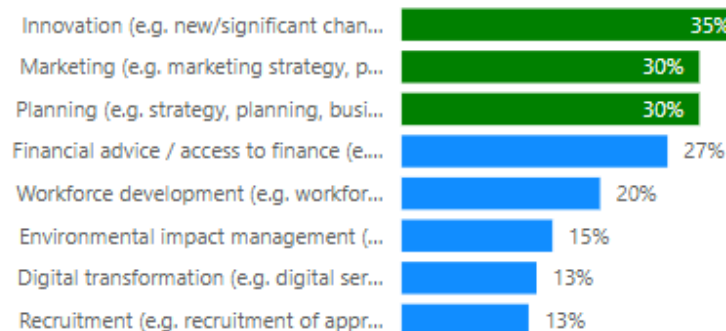
02/02/2025

HOME

Economic Impact



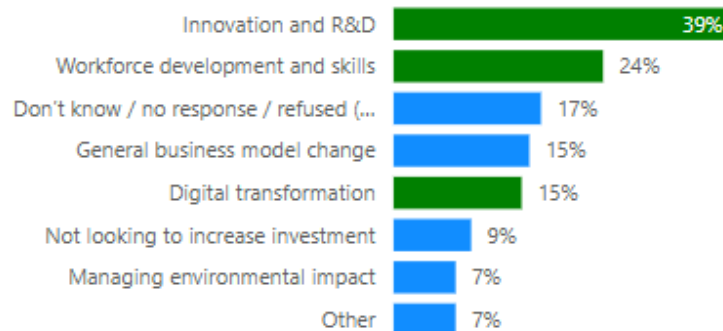
Current challenges facing firms (%)



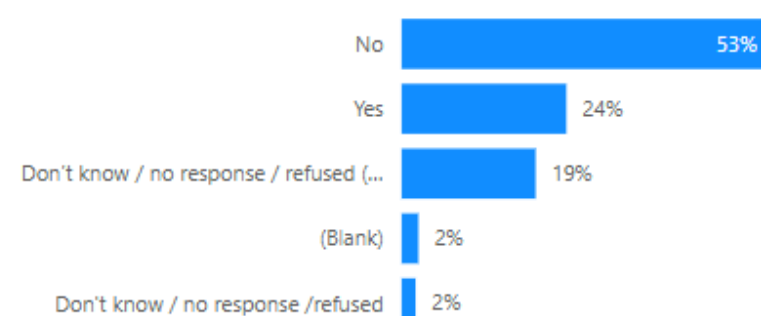
Future support needs (%)



Main area for investment (%)



Innovation activity (%)



Barriers to innovation (%)



OGS LOCAL AUTHORITY DATA - OLDHAM

Responses	Respondents
39	35

Local Authority
Sector
Size Band
Submitted Date -

[HOME](#)

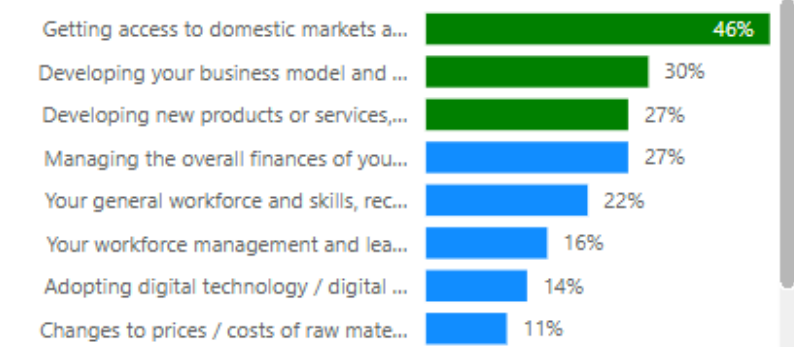
Economic Impact



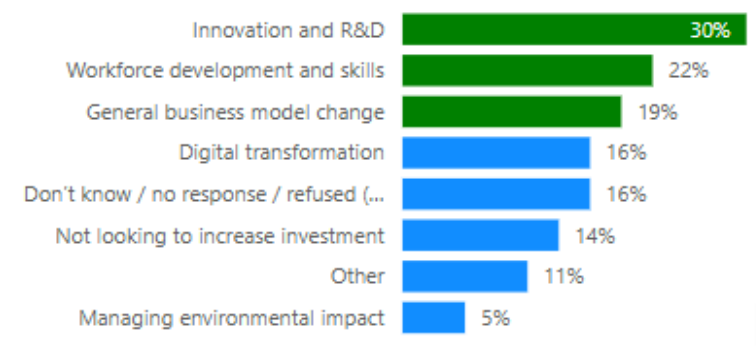
Current challenges facing firms (%)



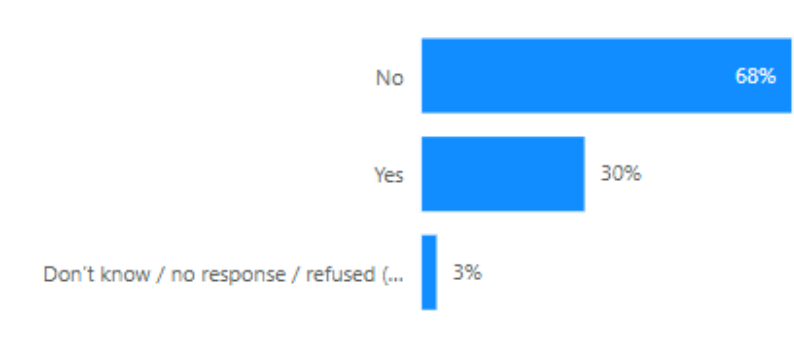
Future support needs (%)



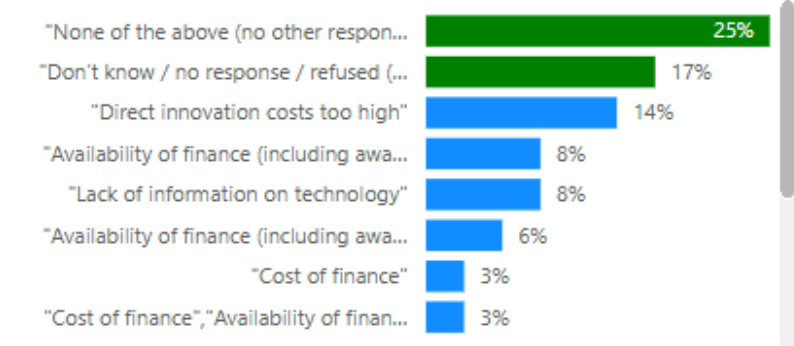
Main area for investment (%)



Innovation activity (%)



Barriers to innovation (%)



Local Authority

Sector

Size Band

Submitted Date

Rochdale

All

All

02/11/2024

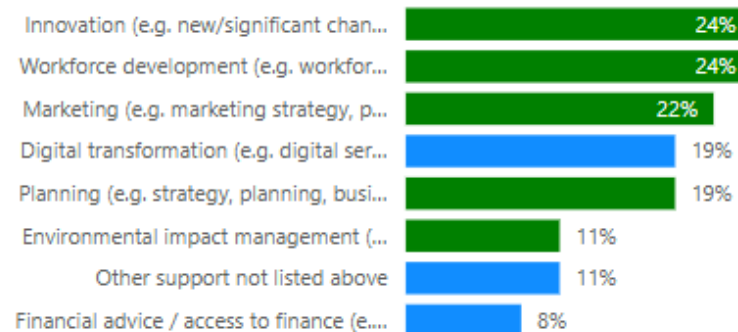
31/01/2025

HOME

Economic Impact



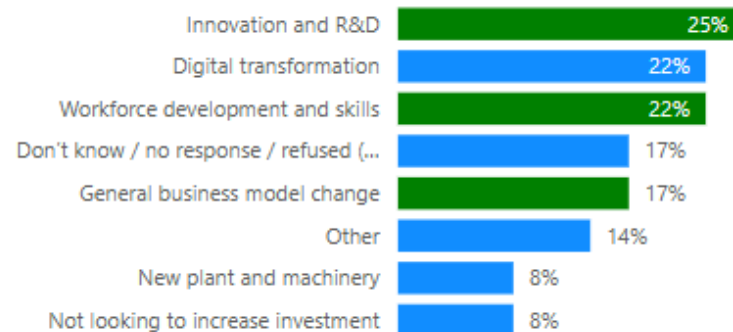
Current challenges facing firms (%)



Future support needs (%)



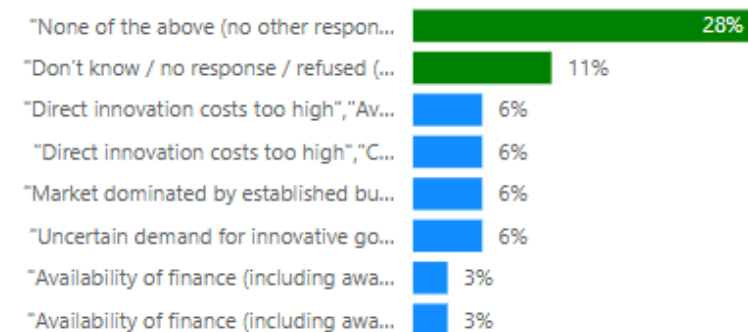
Main area for investment (%)



Innovation activity (%)



Barriers to innovation (%)



Local Authority

Salford

Sector

All

Size Band

All

Submitted Date

02/11/2024

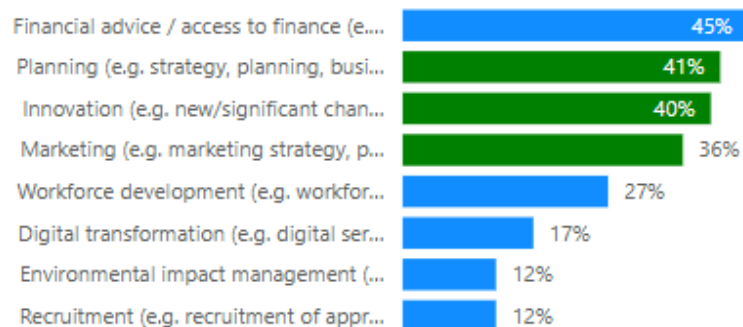
02/02/2025

HOME

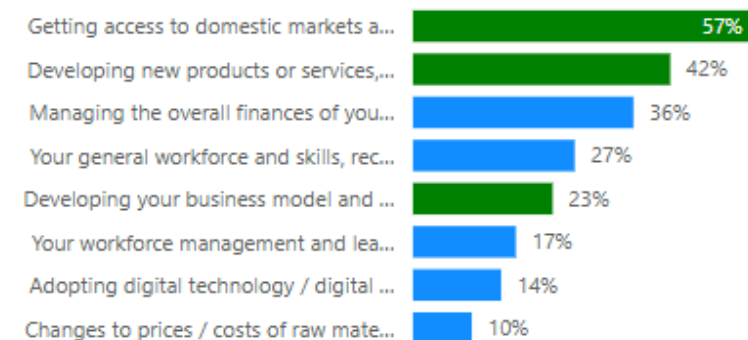
Economic Impact



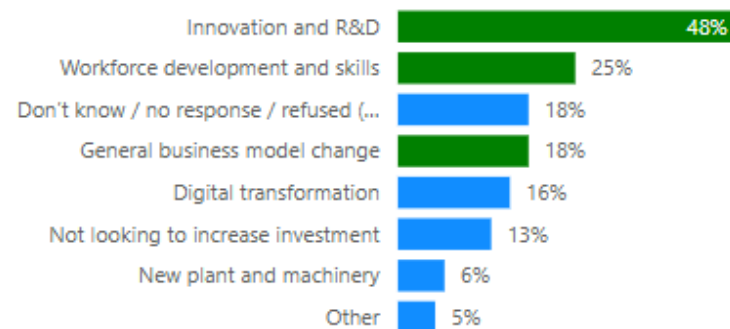
Current challenges facing firms (%)



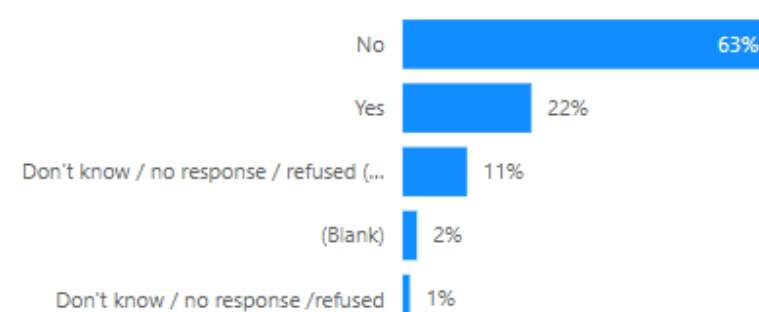
Future support needs (%)



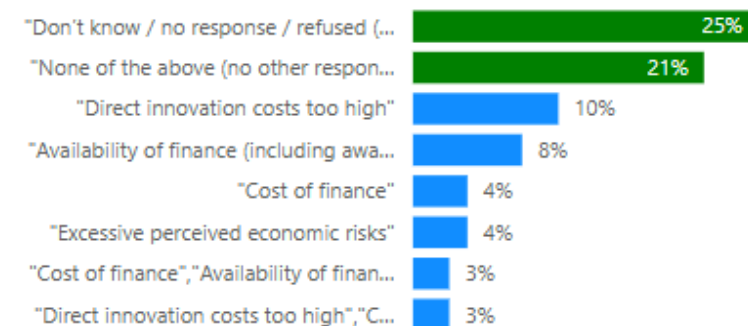
Main area for investment (%)



Innovation activity (%)



Barriers to innovation (%)



OGS LOCAL AUTHORITY DATA - STOCKPORT

Responses **98**
Respondents **87**

[HOME](#)

Local Authority

Sector

Size Band

Submitted Date

Stockport

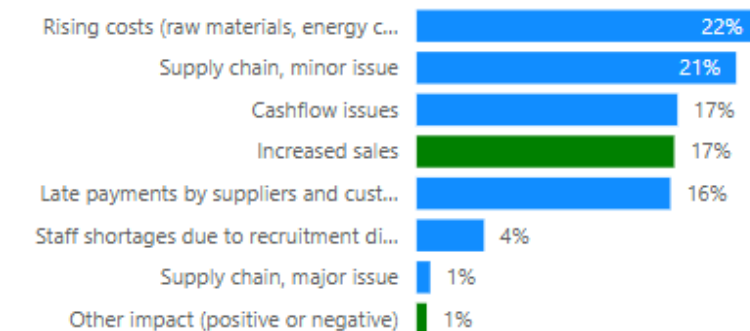
All

All

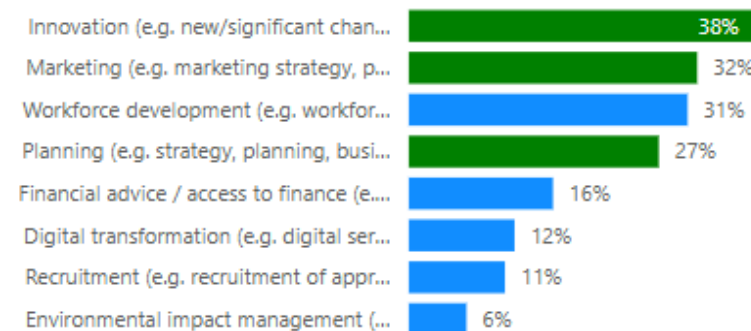
02/11/2024

02/02/2025

Economic Impact



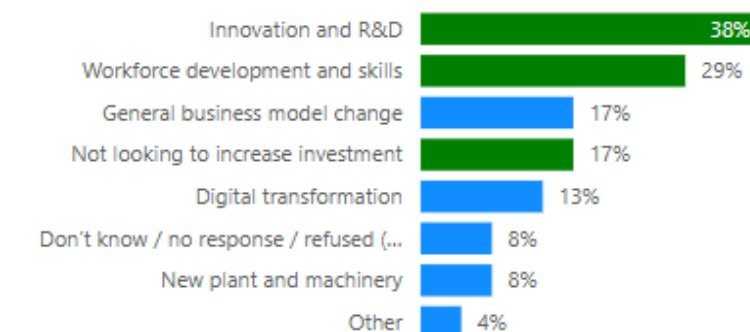
Current challenges facing firms (%)



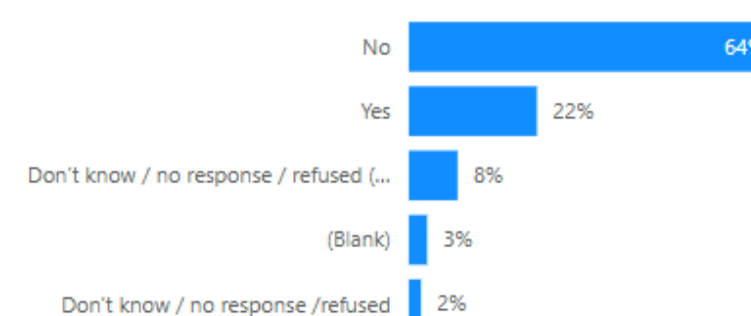
Future support needs (%)



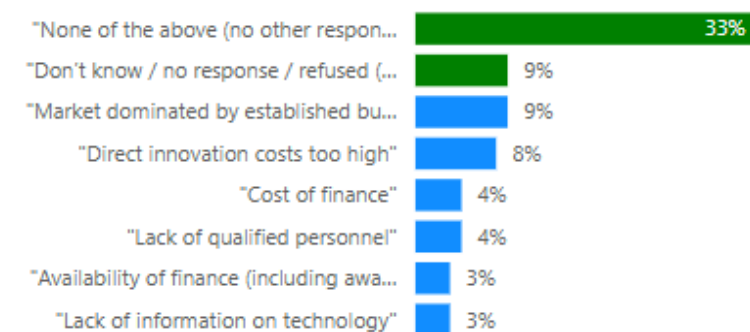
Main area for investment (%)



Innovation activity (%)



Barriers to innovation (%)



OGS LOCAL AUTHORITY DATA - TAMESIDE

Responses **37**
Respondents **34**

[HOME](#)

Local Authority

Sector

Size Band

Submitted Date

Tameside

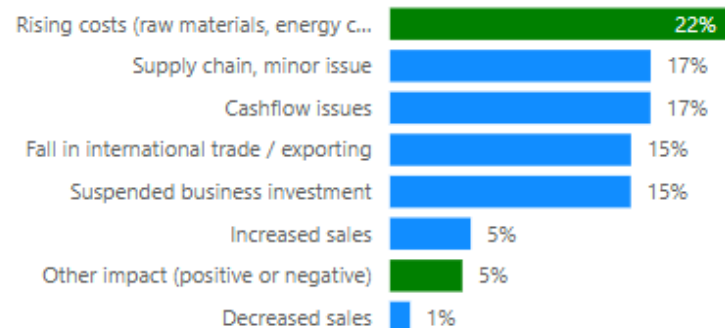
All

All

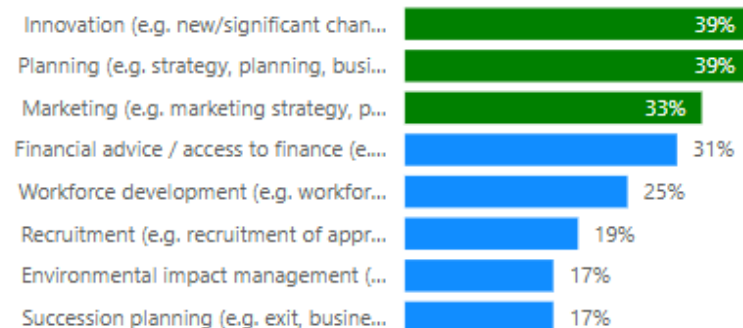
02/11/2024

30/01/2025

Economic Impact



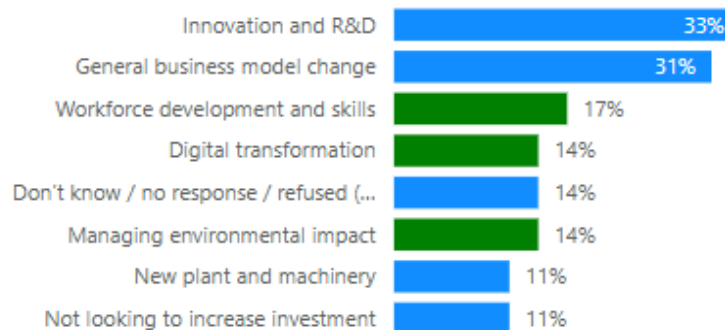
Current challenges facing firms (%)



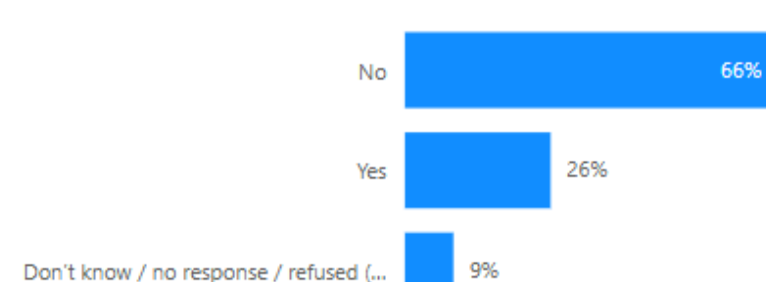
Future support needs (%)



Main area for investment (%)



Innovation activity (%)



Barriers to innovation (%)



OGS LOCAL AUTHORITY DATA - TRAFFORD

Responses **63** Respondents **58**

[HOME](#)

Local Authority

Trafford

Sector

All

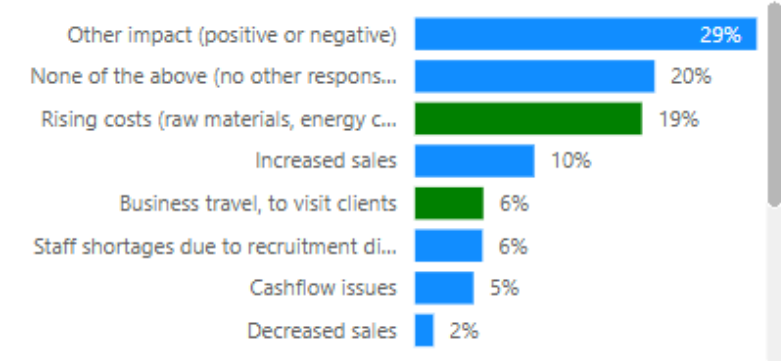
Size Band

All

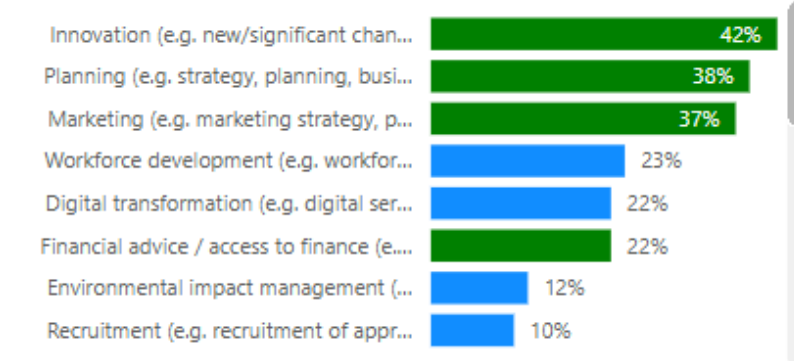
Submitted Date

02/11/2024 02/02/2025

Economic Impact



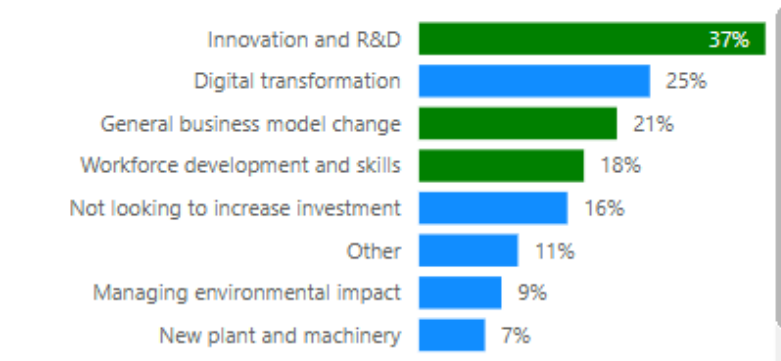
Current challenges facing firms (%)



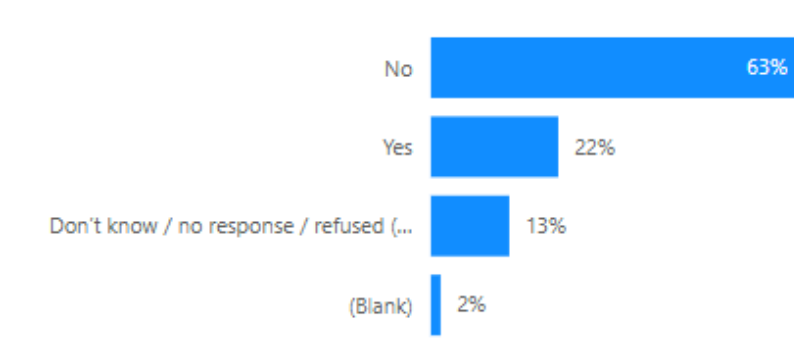
Future support needs (%)



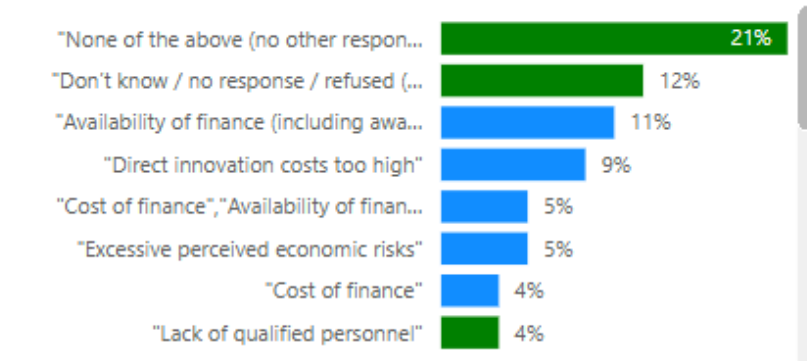
Main area for investment (%)



Innovation activity (%)



Barriers to innovation (%)



Local Authority

Sector

Size Band

Submitted Date

Wigan

All

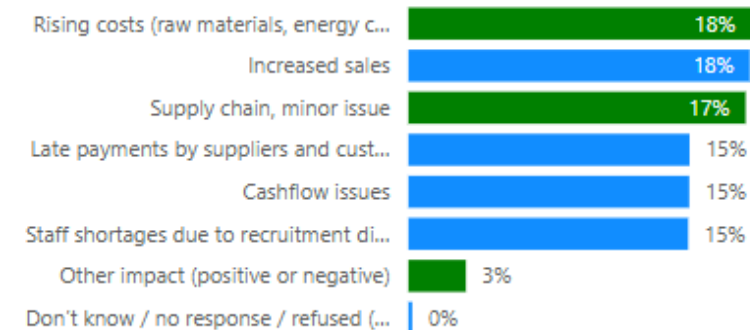
All

02/11/2024

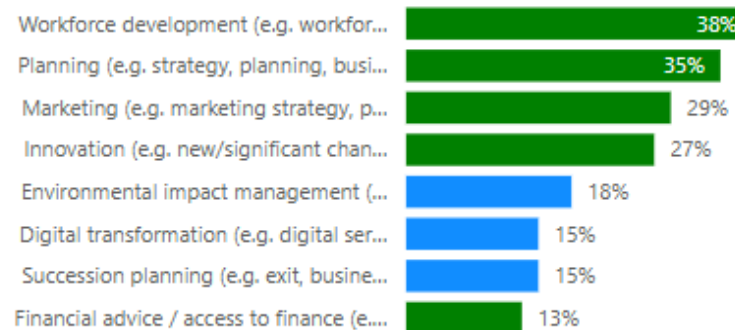
02/02/2025

HOME

Economic Impact



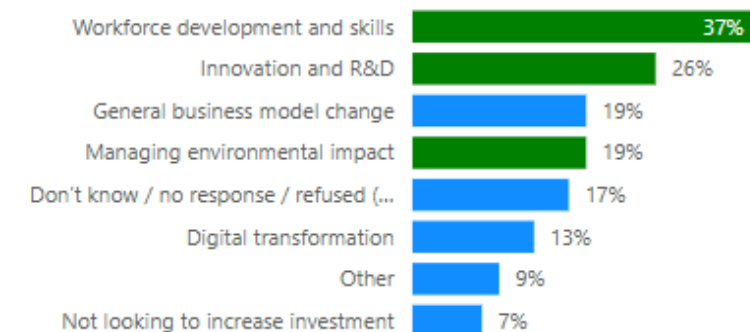
Current challenges facing firms (%)



Future support needs (%)



Main area for investment (%)



Innovation activity (%)



Barriers to innovation (%)

