The Growth Company

GROWTH COMPANY COVID-19 IMPACT SURVEY

RESULTS FROM SURVEY INCEPTION TO DATE
AND FOR THE WEEK 13TH TO 20TH APRIL

www.growthco.uk

SUMMARY AND LOCAL ECONOMIC CONTEXT

Local economy and business survey

- **Headline findings from the Growth Company Covid-19 impact survey**, show that 92.1% of firms (*of respondents during the last week*) report they have been affected by the crisis.
    - *Please note as the response rates grow, this report will be moving to a rolling/moving three week average to increase response for in-week figures and provide a picture more representative of the local economy – in addition to the aggregate survey results which show the response since the survey first started in March 12th 2020.*
- Over two-thirds (79%) of respondents **in the last week** have seen significant loss of sales, just over a third (37%) report cashflow issues (38% since the survey began).
- **Almost a third of firms (28%) said they can sustain their organisation on reserves, but only for 1 to 3 months – and 2.4% said for less than one month.**
- **44% of all respondents (and 49% during this week) said that they had furloughed staff – of these 52% said 'more than half staff furloughed'.**
- **More results on the survey are shown on the next page, and detailed results by sector and Local Authority in the appendix**. Important findings include:
    - All sectors of the economy are affected by the crisis, however those sectors with the highest proportions of firms reporting falling sales and cashflow issues, are in the Hospitality, Tourism and Leisure sectors, Creative, Digital, and Technology sectors, Construction and Logistics.
    - By Local Authority, Salford (75.4%) has the highest proportion of firms reporting decreased sales, followed by Manchester (69.8%) and Wigan (69.6%).
    - Although furlough and redundancy questions have recently been added, there has been over 440 responses to these additions. The areas with the highest proportion of firms reporting furlough are Tameside (67.9%) and Stockport 60.6%).

Analysis of credit and insolvency risk

- GC use credit and insolvency risk data from Duedil and RedflagAlert to provide a weekly outlook, included below:
- **Credit risk**: 5.8% of firms in GM (10+ staff) have 'high' credit risk, compared to 5.4% zin the UK', a decrease by 0.1% in GM and 0.3% across the UK from last week; 4.4% (increase from 4.2%) of GM firms with 250+ employees have 'high' credit risk compared to 3.0% (decrease from 3.2%) of large firms in the UK. **The accommodation and food activities sector (within Hospitality, Leisure and Tourism) indicate the largest percentage of businesses with 'high' credit risk**, both in GM (21.5%) and the UK (19.8%). (Duedil)
- **Insolvency risk:** 10.1% (no change from last week) of firms in GM (10+ staff) reported as having one or more red flags (a sign of financial stress) compared to 9.4% in the UK (no change last week). 12.9% of firms with 250+ employees in GM present with one or more red flags, compared to 10.2% in the UK (**an decrease of 0.2% in GM but overall increase by 0.1% percentage points in UK - from last week**). (RedflagAlert/Begbies).

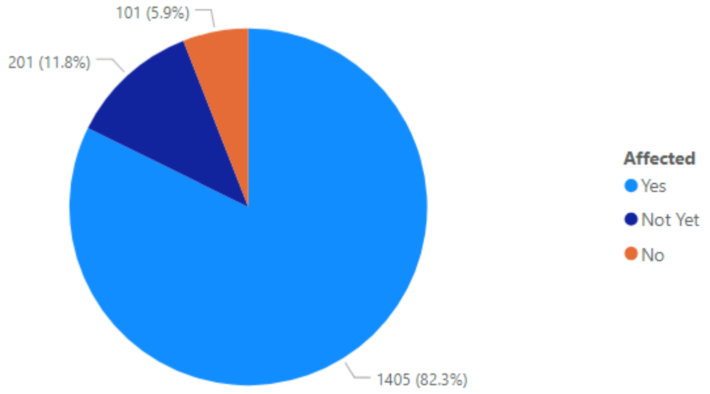
LOCAL BUSINESS INTELLIGENCE – HEADLINE IMPACTS

Note: This is a live database and some results may not match up exactly with other detailed tables, as screen-shots are taken at different times

The following is an analysis of the main C19 impacts reported by over 1,600 local business, from the start of the survey 11th March through to the 20th of April (latest).

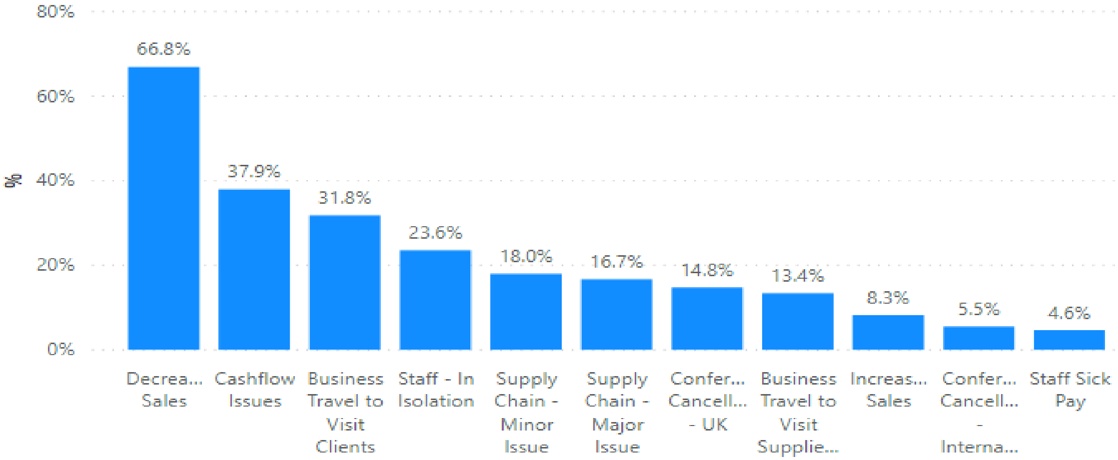
ALL RESPONDENTS - AGGREGATE RESULTS SINCE SURVEY STARTED 12 MARCH (THIS IS REPEATED FROM THE MAIN REPORT SO SECTION CAN STAND ALONE AS A REPORT)

Has your firm been affected by C19?



82.3% impact yes. 11.8% not yet. 5.9% no. n=1707

If yes, what are the main impacts on your business?

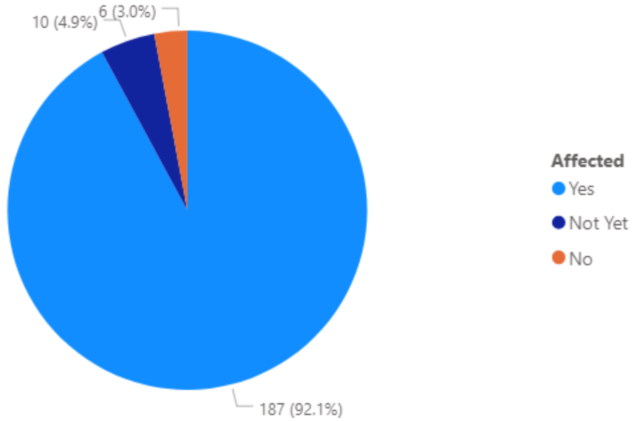


Top 5 (previous reported figures in brackets)

- ➢ Sales decreased: 66.8% (66.6%)
- ➢ Cashflow issues: 37.9% (37.9%)
- ➢ Business travel to clients: 31.8% (32.1)
- ➢ Minor supply chain impacts 18.0% (18.7%)
- ➢ UK Conferences cancelled: 14.8% (15.6%)

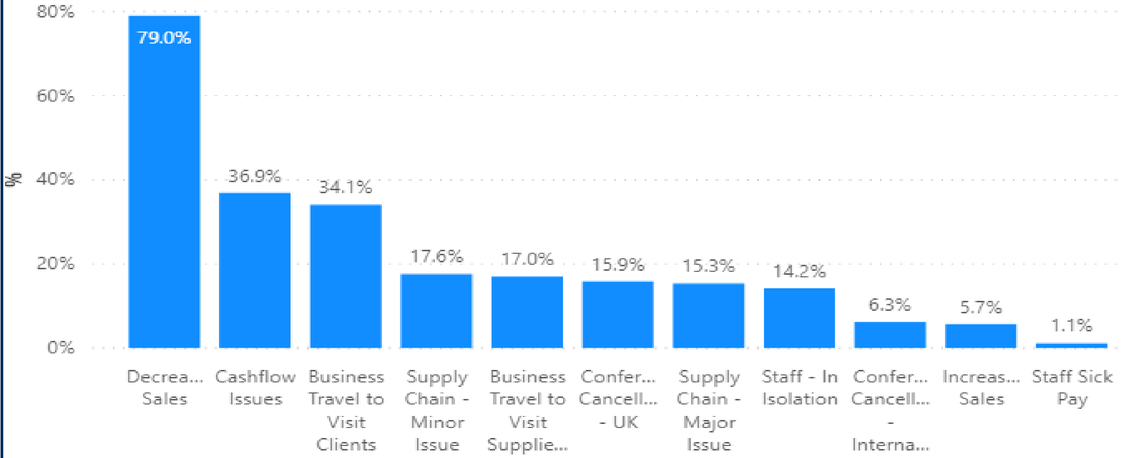
ALL RESPONDENTS - IN-WEEK FIGURES, 13 APRIL to 20 APRIL

Has your firm been affected by C19?



92.1% impact yes. 4.9% not yet. 3.0% no. n=203

If yes, what are the main impacts on your business?



Top 5 (previous reported figures in brackets)

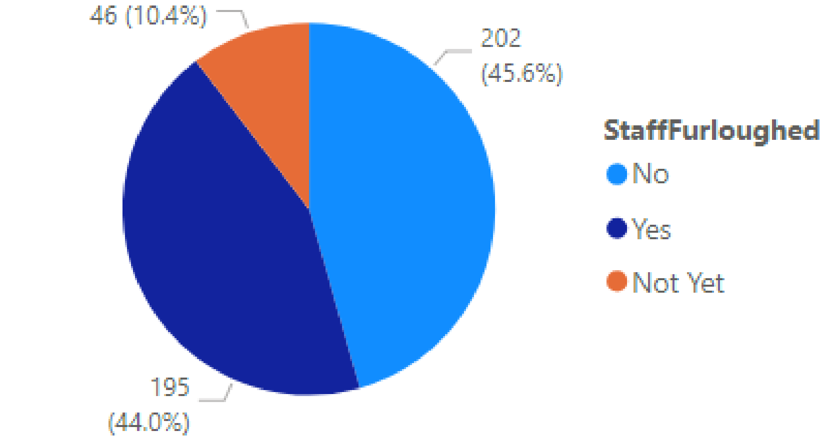
- ➢ Sales decreased: 79.0% (71.2%)
- ➢ Cashflow issues: 36.9% (31.2%)
- ➢ Business travel to clients: 34.1% (31.2%)
- ➢ Minor supply chain impacts 17.6% (20.5%)
- ➢ UK Conferences cancelled: 15.9% (11.6%)

RESPONSE: FURLOUGH STAFF

Note: This is a live database and some results may not match up exactly with other detailed tables, as screen-shots are taken at different times

ALL RESPONDENTS - AGGREGATE RESULTS SINCE SURVEY STARTED 12 MARCH

Have you furloughed staff?

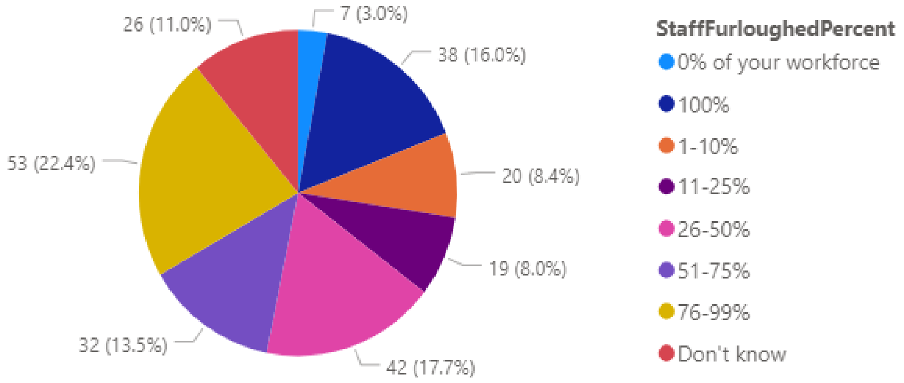


(Percentages and figures based on number of respondents)

- Yes: 44.0%
- Not Yet: 10.4%
- No: 45.6%

(Note these figures differ from detailed tables in back of report due to live data)

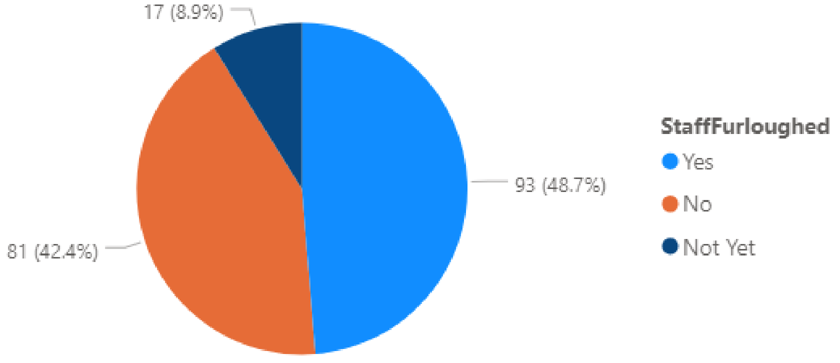
How many employees have you / do you anticipate having to furlough?



- 51.9% (123) said they have/intend to furlough more than half their staff.

ALL RESPONDENTS - IN-WEEK FIGURES, W/S 13th APRIL

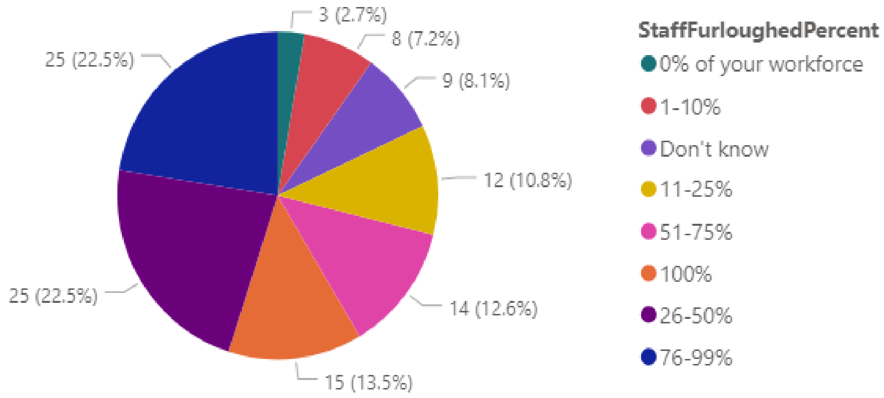
Have you furloughed staff?



- Yes: 48.7%
- Not Yet: 8.9%
- No: 42.4%

(Note these figures differ from detailed tables in back of report due to live data)

How many employees have you / do you anticipate having to furlough?



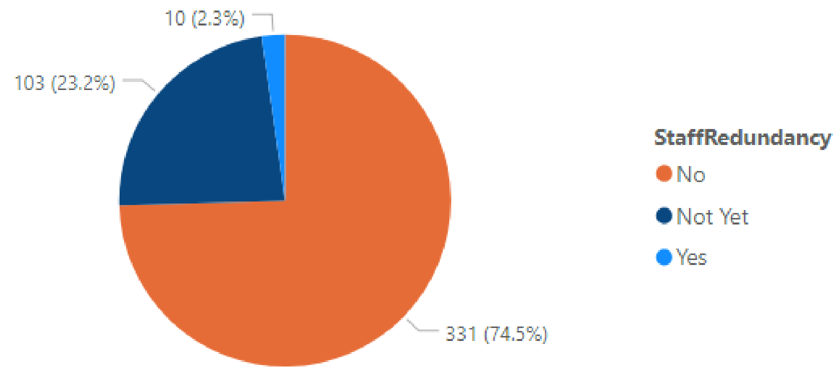
- Of those considering furloughs, 42.3% (54) of firms this week said that they would furlough more than half their staff.

RESPONSE: RISK OF REDUNDANCY

Note: This is a live database and some results may not match up exactly with other detailed tables, as screen-shots are taken at different times

ALL RESPONDENTS - AGGREGATE RESULTS SINCE SURVEY STARTED 12 MARCH

Have you, or do you plan to, lay off staff / make redundancies as a result of the outbreak?

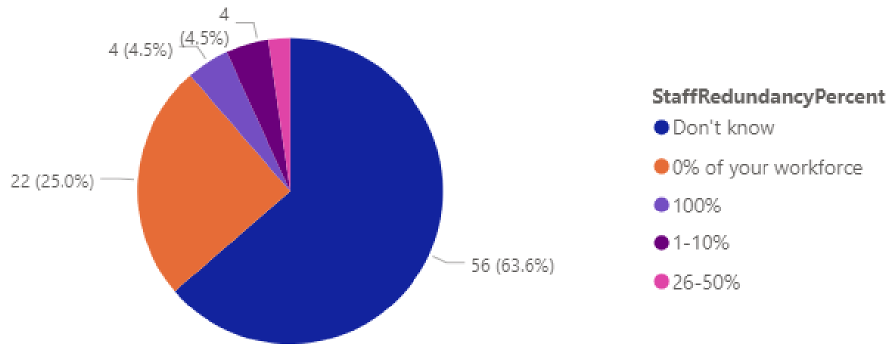


(Percentages and figures based on number of respondents)

- Yes: 2.3%
- Not Yet: 23.2%
- No: 64.5%

(Note these figures differ from detailed tables in back of report due to live data)

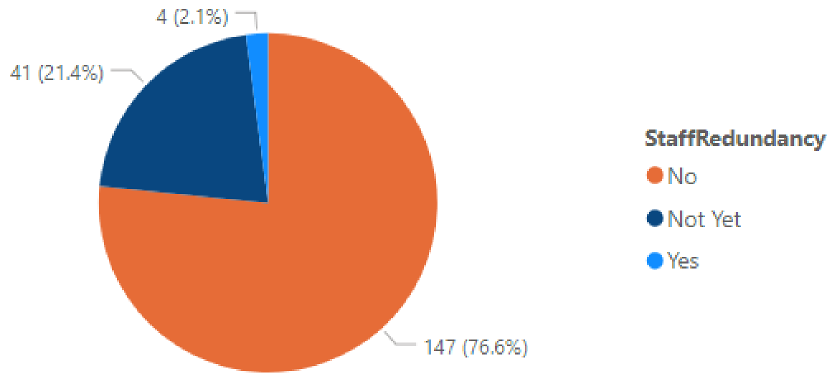
How many employees have you / do you anticipate having to make redundant?



- Note: This is an additional question, so the response rate is low. Of those considering redundancies, only four firms said that all staff would be made redundant.

ALL RESPONDENTS - IN-WEEK FIGURES, W/S 13th APRIL

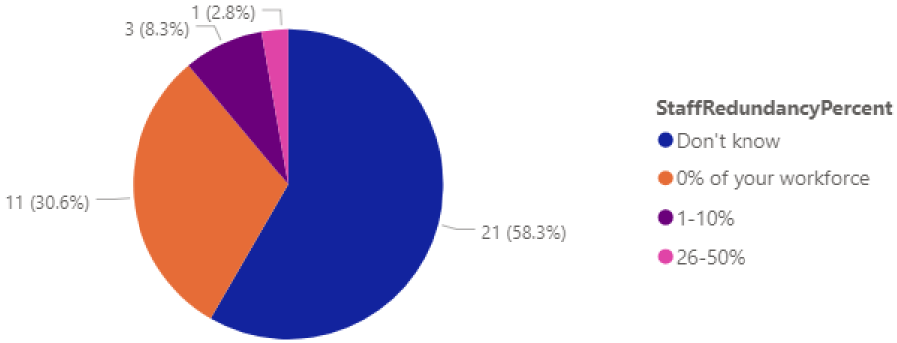
Have you, or do you plan to, lay off staff / make redundancies as a result of the outbreak?



- Yes: 2.1%
- Not Yet: 21.4%
- No: 76.6%

(Note these figures differ from detailed tables in back of report due to live data)

How many employees have you / do you anticipate having to make redundant?



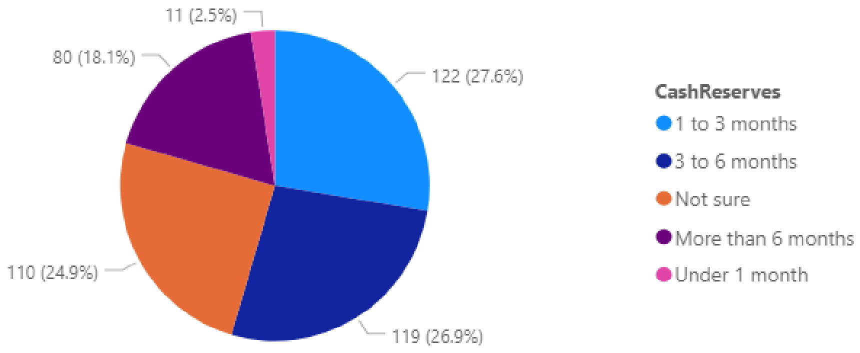
- Note: This is an additional question, so the response rate is low. Of those considering redundancies, only four firms during this week said that they would anticipate making staff redundant.

RESERVES, ACCESS TO LOANS/GRANTS, FURTHER SUPPORT

Note: This is a live database and some results may not match up exactly with other detailed tables, as screen-shots are taken at different times

ALL RESPONDENTS - AGGREGATE RESULTS SINCE SURVEY STARTED 12 MARCH

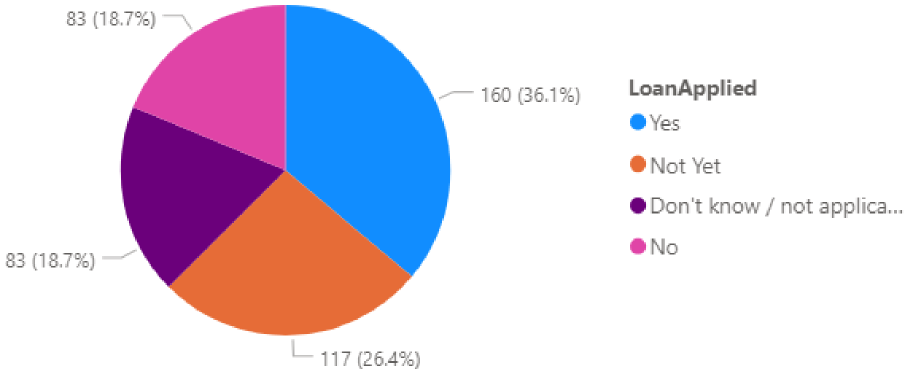
How long do you believe you can sustain your organisation on your existing financial reserves?



- Under 1 Month: 2.4%
- 1-3 Months: 27.6%
- 3-6 Months: 26.9%
- 6+ months: 18.1%
- Not Sure: 24.9%

(Note these figures differ from detailed tables in back of report due to live data)

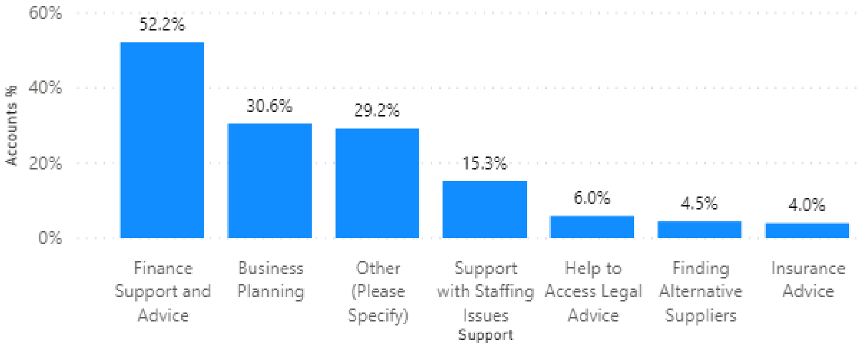
Have you applied for or intend to access loans or grants to help business cope with the outbreak?



- Yes: 36.1%
- Not Yet: 26.4%
- No: 18.7%
- Don't Know: 18.7%

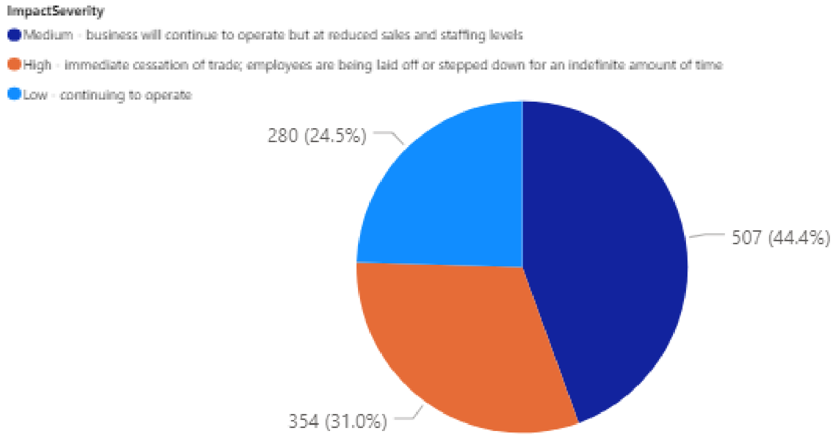
ALL RESPONDENTS - AGGREGATE RESULTS SINCE SURVEY STARTED 12 MARCH

Where would you appreciate further business support and information?



- Finance Support and Advice: 52.2%
- Other: 29.2%. Detail: **Further information and additional business support, particularly support with business rates and accessing grants.**
- Business Planning: 30.6%

What is the overall impact on your business? (advisor judgement based on interview)



- High: 31.0%
- Medium: 44.4%
- Low: 24.5%

IMPACTS (ALL) BY LOCAL AUTH

IMPACTS (ALL) BY LOCAL AUTH	Bolton	Bury	Manchester	Oldham	Rochdale	Salford	Stockport	Tameside	Trafford	Wigan	GM - percent	GM – number	ALL - percent	ALL – number
IMPACT HEADLINES (note that this table is based on live data and the results may vary slightly to the headline results presented in charts earlier in the report)														*Note: response rates of less than 5 firms have been suppressed and marked #*
Yes	80.8%	81.9%	83.4%	85.7%	81.7%	81.9%	80.3%	82.6%	87.8%	86.5%	82.3%	1146	82.3%	1405
Not yet	14.4%	11.7%	11.4%	10.5%	13.9%	13.0%	13.1%	11.6%	9.6%	8.7%	11.6%	162	11.8%	201
No	5.8%	7.5%	5.8%	4.8%	7.0%	5.1%	8.0%	8.1%	4.4%	5.8%	6.0%	84	5.9%	101
Respondents n=	105	95	381	106	118	138	139	88	117	105	-	1392	-	1707
IMPACT ISSUES (OF THOSE SAYING 'YES')														*Note: response rates of less than 5 firms have been suppressed and marked #*
Business Travel to Visit Clients	33.0%	23.5%	40.5%	22.3%	20.4%	29.7%	30.1%	41.7%	35.0%	37.0%	32.9%	393	31.8%	465
Business Travel to Visit Suppliers	14.3%	9.9%	15.7%	9.6%	10.2%	15.3%	10.6%	11.1%	11.7%	16.3%	13.2%	157	13.4%	196
Cashflow issues	44.0%	46.9%	39.0%	37.2%	44.9%	40.7%	32.7%	43.1%	36.9%	42.4%	40.2%	479	37.9%	555
Conference / Event Cancel (Intern'l)	7.7%	6.2%	8.5%	5.3%	2.0%	5.1%	0.9%	4.2%	3.9%	5.4%	5.5%	66	5.5%	81
Conference / Event Cancel (UK)	16.5%	9.9%	20.2%	7.5%	5.1%	22.9%	10.6%	11.1%	11.7%	15.2%	14.7%	175	14.8%	216
Decreased sales	65.9%	67.9%	69.8%	58.5%	68.4%	75.4%	67.3%	62.5%	59.2%	69.6%	67.3%	803	66.8%	978
Increased sales	14.3%	4.9%	6.0%	9.6%	9.2%	5.1%	10.6%	4.2%	8.7%	8.7%	7.8%	93	8.3%	121
Staff in isolation	18.7%	23.5%	20.9%	34.0%	21.4%	19.5%	26.6%	22.2%	13.6%	32.6%	22.7%	271	23.6%	345
Staff sick pay	5.5%	4.9%	2.7%	4.3%	5.1%	4.2%	4.4%	5.6%	5.8%	2.2%	4.1%	49	4.7%	68
Supply chain (major issues)	24.2%	18.5%	14.8%	16.0%	14.3%	17.8%	15.0%	18.1%	18.5%	17.4%	16.8%	201	16.7%	244
Supply chain (minor issues)	20.9%	18.5%	16.6%	16.0%	13.3%	22.0%	14.2%	16.7%	12.6%	30.4%	17.8%	212	18.0%	263
Respondents n=	91	81	331	94	98	118	113	72	103	92	-	1193	-	1463
WORKFORCE ACTIVITY														*Note: response rates of less than 5 firms have been suppressed and marked #*
Staff Furlough – Yes %	50.0%	45.5%	41.4%	38.5%	55.3%	35.3%	60.6%	67.9%	50.0%	40.0%	47.4%	172	44.0%	195
Staff Redundancy – Yes %	11.5%	4.5%	1.0%	3.8%	#	#	#	3.6%	9.4%	#	2.8%	10	2.3%	10
CASH RESERVES, ABLE TO SURVIVE:														*Note: response rates of less than 5 firms have been suppressed and marked #*
< 1 Month	3.9%	4.6%	6.1%	#	#	2.9%	#	#	3.1%	#	2.8%	10	2.3%	11
1 up to 3 months	23.1%	45.5%	28.6%	38.5%	5.3%	23.5%	39.4%	28.6%	31.3%	20.0%	27.6%	100	27.9%	122
3 up to 6 months	23.1%	13.6%	31.6%	26.9%	31.6%	23.5%	18.2%	25.0%	25.0%	36.0%	26.8%	97	25.5%	119
More than 6 months	15.4%	9.1%	19.4%	15.4%	15.8%	20.6%	30.3%	21.4%	21.9%	20.0%	19.3%	70	18.2%	80
Unsure	34.6%	27.3%	15.3%	19.2%	47.4%	29.4%	12.1%	25.0%	21.9%	24.0%	24.0%	87	26.0%	110
Respondents n=	26	22	98	26	38	34	33	28	32	25	-	362	-	440

IMPACTS (ALL) BY SECTOR	Agriculture Forestry Fishing	Business, Finance, Prof Services	Construc-tion	Creative, Digital & Technology	Education	Engineering	Green Technology Low Carbon	Health and Social Care	Hospitality, Tourism & Sport	Life Science	Logistics	Manufact-uring	Public Admin.	Retail & Wholesale	Other services
IMPACT HEADLINES (where sector not known – not shown in the figures below)															*Note: response rates of less than 5 firms have been suppressed and marked #*
Yes	83.3%	84.7%	82.8%	77.1%	97.4%	85.1%	86.1%	82.5%	84.3%	76.5%	87.1%	84.8%	100.0%	84.2%	84.5%
Not yet	8.3%	10.6%	8.6%	16.4%	#	8.5%	16.7%	12.3%	10.0%	5.9%	#	13.3%	#	13.2%	8.6%
No	8.3%	5.5%	9.7%	7.2%	2.6%	6.4%	#	5.3%	5.7%	17.7%	12.9%	3.4%	#	3.7%	10.3%
Respondents n=	12	276	94	295	39	47	37	57	70	17	31	421	6	192	60
IMPACT ISSUES (OF THOSE SAYING 'YES')															*Note: response rates of less than 5 firms have been suppressed and marked #*
Business Travel to Visit Clients	45.5%	36.4%	40.3%	30.5%	43.6%	38.1%	43.8%	25.5%	21.3%	50.0%	16.7%	32.9%	66.7%	23.3%	18.8%
Business Travel to Visit Suppliers	18.2%	7.0%	11.7%	8.5%	10.3%	19.1%	18.8%	4.3%	8.2%	35.7%	4.2%	22.3%	33.3%	15.7%	6.3%
Cashflow issues	18.2%	36.4%	42.9%	35.9%	41.0%	40.5%	40.6%	38.3%	60.7%	42.9%	41.7%	34.3%	-	40.1%	35.4%
Conference / Event Cancel (Intern'l)	9.1%	5.0%	1.3%	4.9%	2.6%	11.9%	6.3%	2.1%	4.9%	7.1%	4.2%	5.7%	33.3%	7.0%	6.3%
Conference / Event Cancel (UK)	18.2%	15.3%	3.9%	17.5%	25.6%	9.5%	-	21.3%	31.2%	14.3%	4.2%	11.4%	83.3%	15.7%	6.3%
Decreased sales	54.6%	65.7%	72.7%	71.8%	61.5%	64.3%	62.5%	63.8%	82.0%	50.0%	70.8%	61.7%	16.7%	73.3%	68.8%
Increased sales	27.3%	7.0%	1.3%	7.2%	15.4%	7.1%	9.4%	2.1%	1.6%	21.4%	8.3%	12.9%	-	9.3%	12.5%
Staff in isolation	27.3%	18.2%	23.4%	16.6%	10.3%	31.0%	28.1%	27.7%	21.3%	35.7%	20.8%	36.6%	50.0%	19.2%	20.8%
Staff sick pay	9.1%	2.9%	5.2%	2.7%	5.1%	4.8%	3.1%	17.0%	1.6%	-	-	8.3%	-	4.1%	4.2%
Supply chain (major issues)	18.2%	10.7%	20.8%	8.1%	12.8%	14.3%	15.6%	8.5%	13.1%	28.6%	16.7%	22.9%	-	32.0%	10.4%
Supply chain (minor issues)	18.2%	9.1%	29.9%	8.5%	10.3%	21.4%	9.4%	6.4%	16.4%	35.7%	8.3%	30.0%	16.7%	22.7%	10.4%
Respondents n=	11	242	77	241	38	42	32	46	61	14	26	368	6	172	48
WORKFORCE ACTIVITY															*Note: response rates of less than 5 firms have been suppressed and marked #*
Staff Furlough – Yes %	-	41.7%	76.2%	31.9%	41.7%	33.3%	66.7%	58.3%	64.3%	50.0%	25.0%	56.9%	100.0%	43.9%	8.7%
Staff Redundancy – Yes %	-	1.2%	-	1.5%	-	16.7%	11.1%	-	7.1%	-	-	2.0%	-	3.5%	4.4%
CASH RESERVES, ABLE TO SURVIVE:															*Note: response rates of less than 5 firms have been suppressed and marked #*
< 1 Month	#	2.4%	-	5.9%	-	-	11.1%	8.3%						1.8%	4.4%
1 up to 3 months	#	22.9%	28.6%	33.8%	25.0%	16.7%	44.4%	41.7%	28.6%	50.0%	33.3%	20.6%		28.1%	47.8%
3 up to 6 months	#	26.5%	23.8%	33.8%	16.7%	16.7%	22.2%	25.0%	28.6%		16.7%	31.4%		31.6%	8.7%
More than 6 months	#	24.1%	14.3%	11.8%	25.0%	33.3%	33.3%	8.3%	7.1%		8.3%	18.6%	100.0%	17.5%	21.7%
Unsure	#	24.1%	33.3%	16.2%	33.3%	33.3%		16.7%	35.7%	50.0%	41.7%	29.4%		21.1%	17.4%
Respondents n=	#	83	21	68	12	6	9	12	14	#	12	102	#	57	23

WEEKLY IMPACTS (GM & ALL)	CURRENT WEEK TOTALS				PREVIOUS WEEK TOTALS				DATA FROM START OF SURVEY TO DATE			
	GM - percent	GM – number	ALL - percent	ALL – number	GM - percent	GM – number	ALL - percent	ALL – number	GM - percent	GM – number	ALL - percent	ALL – number
IMPACT HEADLINES (note that this table is based on live data and the results may vary slightly to the headline results presented in charts earlier in the report)									*Note: response rates of less than 5 firms have been suppressed and marked #*			
Yes	92.4%	159	92.6%	187	87.6%	234	87.6%	295	82.3%	1146	82.3%	1405
Not yet	4.7%	8	5.0%	10	10.9%	29	5.0	35	11.6%	162	11.8%	201
No	3.5%	6	3.0%	6	3.0%	3	3.0	10	6.0%	84	5.9%	101
Respondents n=	-	173	-	203	-	266	-	280	-	1392	-	1707
IMPACT ISSUES (OF THOSE SAYING 'YES')												
Business Travel to Visit Clients	37.8%	57	34.1%	60	37.4%	148	35.0%	168	32.9%	393	31.8%	465
Business Travel to Visit Suppliers	18.5%	28	17.1%	30	14.7%	58	14.2%	68	13.2%	157	13.4%	196
Cashflow issues	37.8%	57	36.9%	65	38.9%	154	37.9%	182	40.2%	479	37.9%	555
Conference / Event Cancel (Intern'l)	6.6%	10	6.3%	11	4.6%	18	4.8%	23	5.5%	66	5.5%	81
Conference / Event Cancel (UK)	15.2%	23	15.9%	28	12.4%	49	12.9%	62	14.7%	175	14.8%	216
Decreased sales	77.5%	117	79.0%	139	64.7%	256	64.8%	311	67.3%	803	66.8%	978
Increased sales	6.0%	9	5.7%	10	7.6%	30	7.5%	36	7.8%	93	8.3%	121
Staff in isolation	13.3%	20	14.2%	25	19.2%	76	20.4%	98	22.7%	271	23.6%	345
Staff sick pay	1.3%	2	1.1%	2	2.8%	11	2.9%	14	4.1%	49	4.7%	68
Supply chain (major issues)	15.2%	23	15.3%	27	18.9%	75	18.1%	87	16.8%	201	16.7%	244
Supply chain (minor issues)	17.9%	27	17.6%	31	19.7%	78	19.0%	91	17.8%	212	18.0%	263
Respondents n=	-	151	-	176	-	396	-	480	-	1193	-	1463
WORKFORCE ACTIVITY												
Staff Furlough – Yes %	51.2%	83	49.2%	94	45.6%	89	41.8%	102	47.4%	172	44.0%	195
Staff Redundancy – Yes %	2.5%	4	2.6%	5	3.1%	10	2.5%	6	2.8%	10	2.3%	10
CASH RESERVES, ABLE TO SURVIVE:												
< 1 Month	3.7%	6	3.7%	7	2.1%	4	2.1%	5	2.8%	10	2.3%	11
1 up to 3 months	29.6%	48	28.8%	55	26.3%	51	27.3%	66	27.6%	100	27.9%	122
3 up to 6 months	27.8%	45	28.8%	55	25.8%	50	25.6%	62	26.8%	97	25.5%	119
More than 6 months	19.1%	31	18.3%	35	20.1%	39	19.0%	46	19.3%	70	18.2%	80
Unsure	20.4%	33	21.5%	41	26.3%	51	26.9%	65	24.0%	87	26.0%	110
Respondents n=	-	162	-	191	-	194	-	242	-	362	-	440