



The  
Growth  
Company

# Growth Company Business Survey

Results for four weeks up to 26th April

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

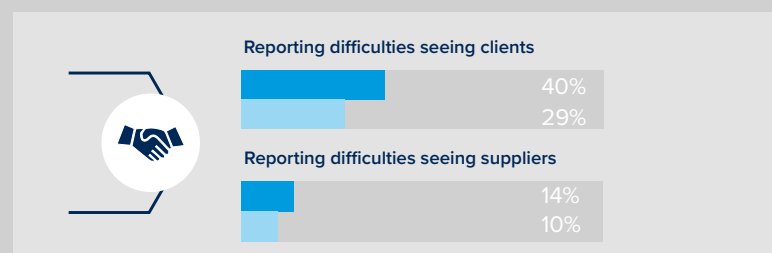
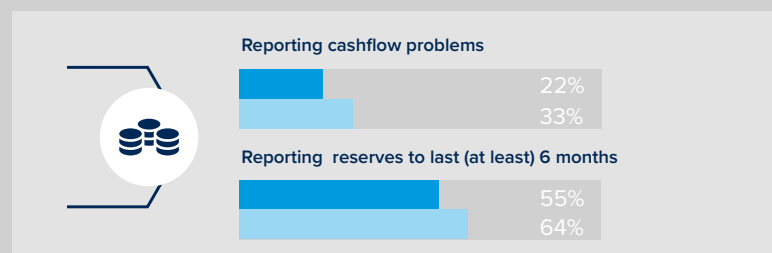
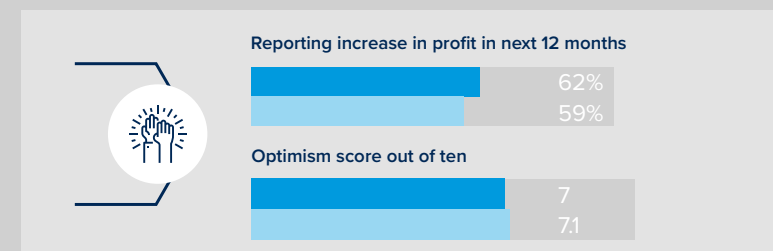
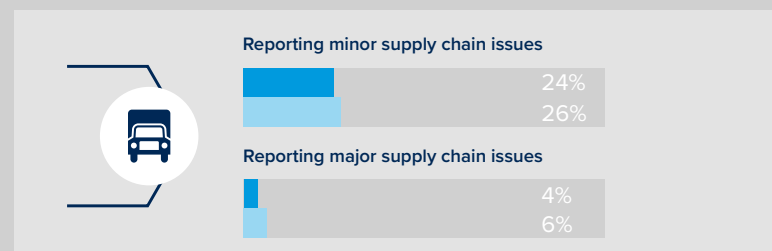
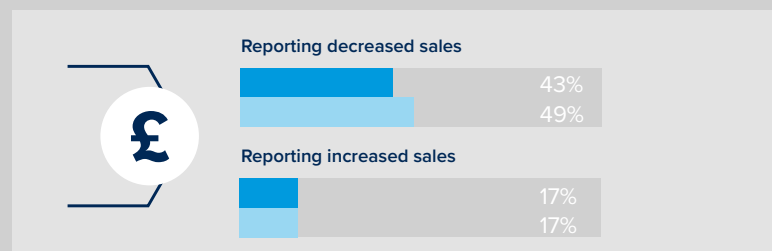
# GC Business Survey

The main survey findings reported by businesses in Greater Manchester during April 2021.

The Growth Company exists to enable growth, create jobs and improve lives. To inform how we support GM businesses and the economy we continually monitor a range of data and intelligence to understand the impact of Covid-19, and other economic risks and opportunities.

A total number of **104** GM businesses participated in our GC Business Survey between **29th March and 26th April**. The findings are presented in this report.

## The main impacts of the current economic climate on GM business



● CURRENT FIGURES    ● PREVIOUS REPORT (MARCH 2021)

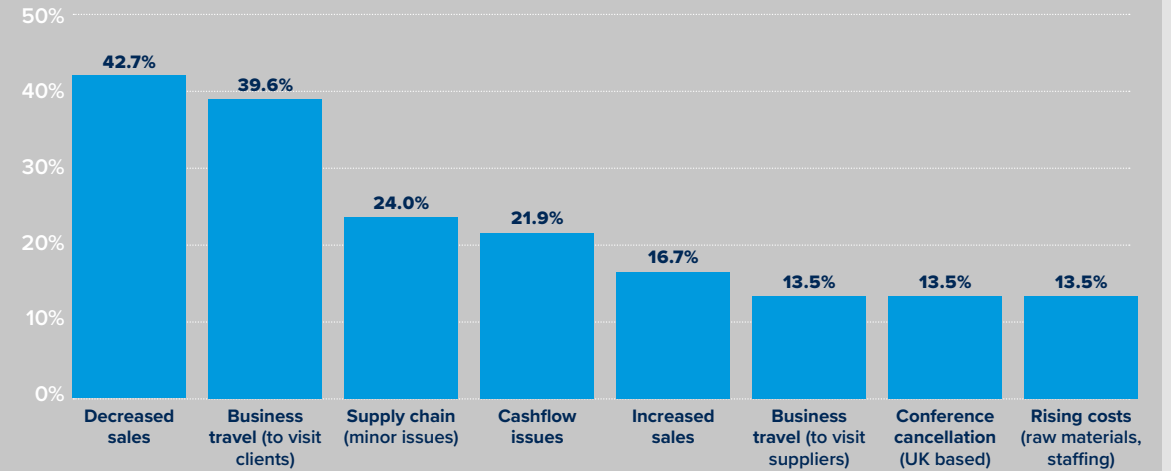
## UK Economy expands, with improved future growth prospects

- **IMF upgrades UK economy.** The International Monetary Fund (IMF) has upgraded both its UK and global forecasts for 2021 and 2022 compared to its January projections. The new UK forecast is for growth of 5.3% in 2021 and 5.1% in 2022. The UK economy contracted by 9.9% in 2020, the largest contraction among the G7 economies and is expected to return to its pre-pandemic level in late 2022.
- **PMI's rebound to record levels.** All three sectoral PMI's increased in March and are above the index=50.0 threshold that indicates growth. The Manufacturing PMI increased from 55.1 to 58.9, Services PMI increased from 49.5 to 56.3 and Construction PMI increased from 53.3 to 61.7. Services signalled the fastest rate of output expansion for seven months. The latest reading for Manufacturing signalled the strongest rate of output growth since September 2014. For Construction, the latest data suggests the steepest month of expansion in activity since February 2011.
- **UK property transactions at record high.** Data from HM Revenue and Customs (HMRC) show that UK property transactions reached a record high in March. There were 180,690 UK property sales in March, the non-seasonally adjusted HMRC figures show, which was more than double the number in March last year and 50% higher than February. The Office for National Statistics (ONS) said average house prices increased 8.7% over the year to the end of February in England to £268,000.
- **HMRC furlough data for Greater Manchester.** According to the latest HMRC data, 470,000 individuals are furloughed in Greater Manchester as of mid-March. This figure has held steady since the start of 2021. The total furloughed figure for GM is much lower than the peak achieved in July 2020 (600k). The furlough scheme will begin to taper off starting in May 2021 (up to 80% contribution) and decrease sequentially, ending in September 2021.
- **UK company liquidations in March increase to highest level in 2021.** According to the latest data published by the government's insolvency service office, UK company liquidations reached a peak in December 2020 (1,237). The number of firms decreased in January 2021 to 756 and subsequently increased to 992 in March (the highest in 2021). However, when compared with March 2020, the total liquidations figure is still lower year on year by -20%.

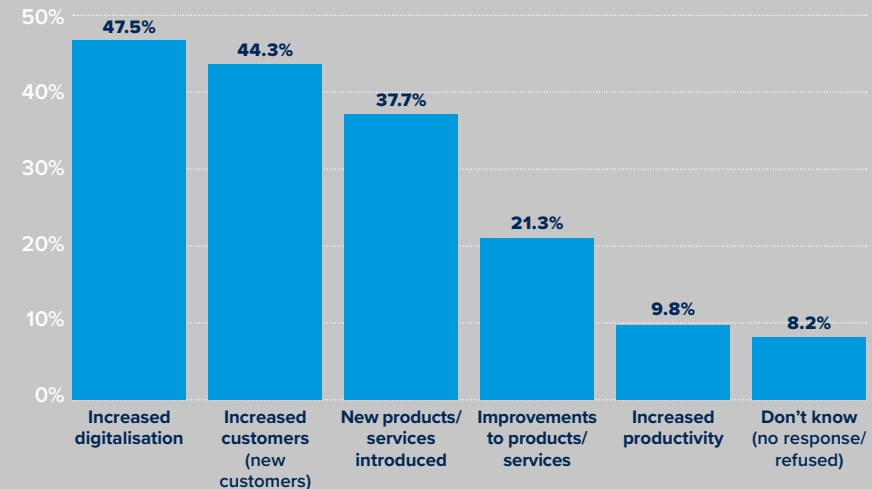
## GM businesses report optimistic outlook and steady improvement in confidence

- Our latest GC business survey results show continued optimism, as firms adapt to the current economic climate. Confidence in growth and sales have improved over the last four weeks to date, the top three impacts firms are reporting include: sales, travel disruption related to visiting clients and minor supply chain issues. Cash flow impacts have eased amongst the firms we have surveyed as business conditions improve.
- Business confidence has improved significantly over the last month, with an increasing number of firms reporting optimism about their future revenue and profitability prospects. Including firms in sectors that have previously reported challenges consistently.
- The number of firms actively recruiting has steadily increased to around a quarter of all firms. External labour market intelligence from Adzuna shows the number of vacancies advertised on job boards has increased consistently in GM since the start of this year, surpassing the number of vacancies advertised during the same period last year.
- Workforce development and sourcing the right talent (particularly for higher skilled technical roles) remains a key challenge for firms at present. As well as adopting digital ways of conducting business, in particular for firms that have not fully utilised a digital platform to improve business productivity.

## Main Impacts

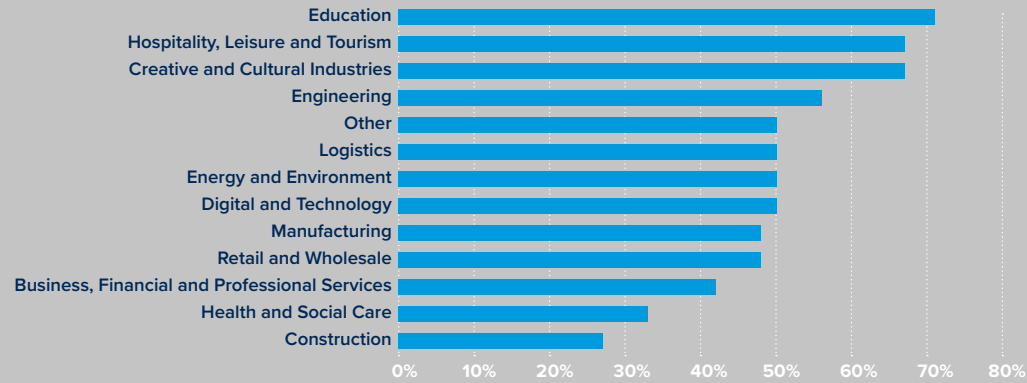


## Positive Impacts

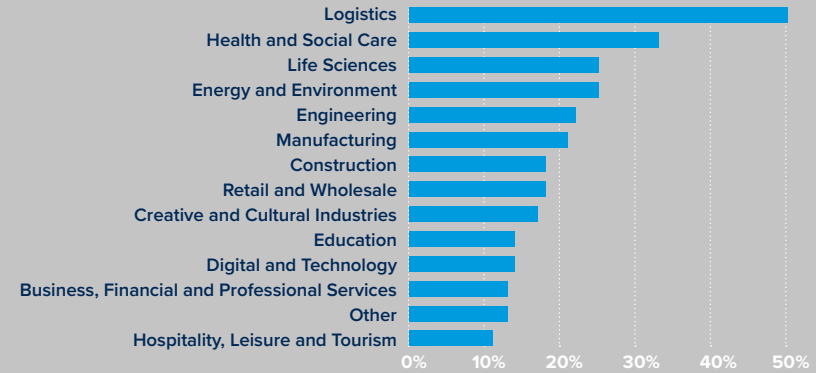


# Current challenges and opportunities: main impact variables by sector (last 2 months)

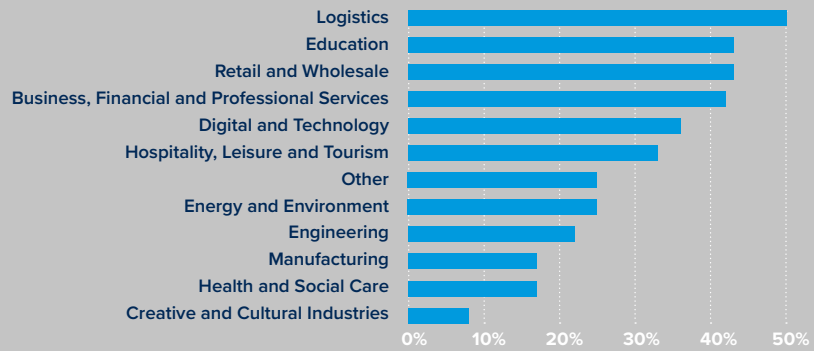
% of respondents impacted by decreased sales



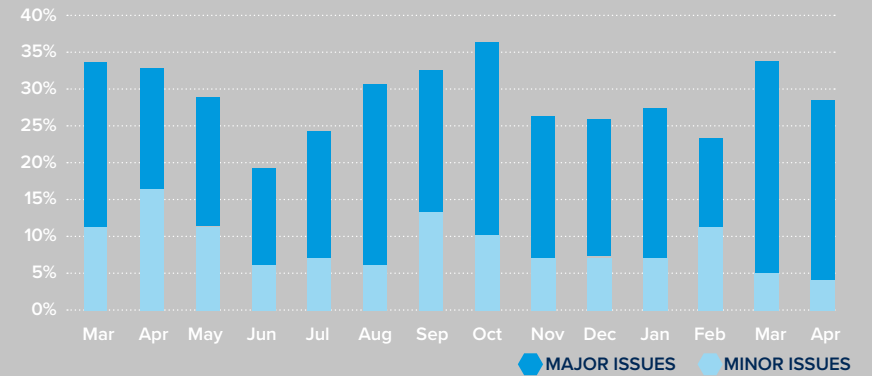
% of respondents impacted by increased sales



% of respondents impacted by cashflow issues

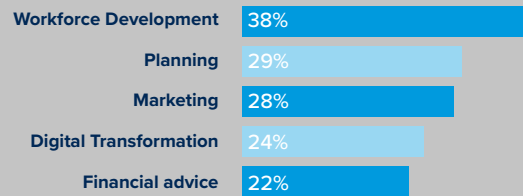


% of respondents impacted by major and minor supply chain disruption

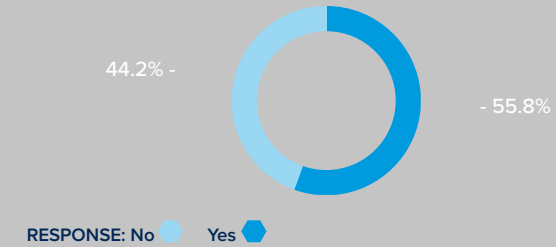


# Areas of interest and business support

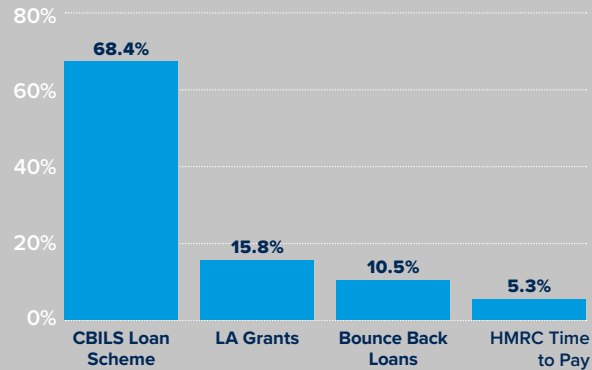
## Top 5 areas for business support in the future



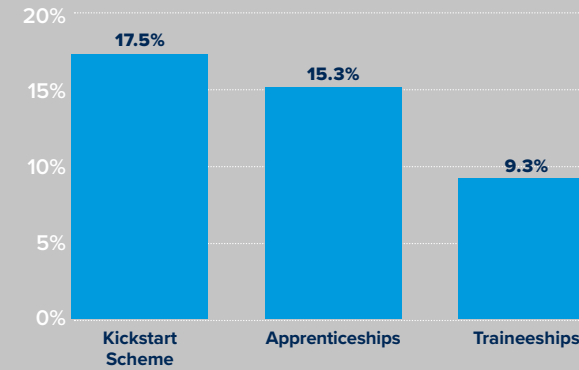
## % of respondents furloughing staff



## Firms receiving the following types of government support



## % of respondents interested in the following three initiatives



## Access support from the Growth Company

As a market leader in business and economy surveys, the Growth Company has engaged with firms throughout the pandemic and remains uniquely placed to provide invaluable intelligence on the challenges faced by business. Our survey intelligence reports provide regular weekly input to central Government, as well as supporting a variety of local stakeholders in planning their response. Here are some of the ways we can support you:

- Advice and support on navigating Covid-19 business challenges: [www.businessgrowthhub.com/coronavirus](http://www.businessgrowthhub.com/coronavirus)

- Guidance and practical business support on EU Exit: [www.businessgrowthhub.com/eu-exit](http://www.businessgrowthhub.com/eu-exit)
- Support for businesses and individuals within the hospitality, leisure and tourism industry across GM through skills, training and recruitment: [www.talenthub.growthco.uk](http://www.talenthub.growthco.uk)

For more information on the results presented here, or to take part in future surveys, please contact: [Muhammad.Uzman@growthco.uk](mailto:Muhammad.Uzman@growthco.uk)