



Shropshire – Quarterly Economic Update

Each quarter Shropshire Chamber takes part in the British Chambers of Commerce national economic survey. Below you will see the results for Shropshire, trending from as far back as 2009.

If you and your company would like to take part in these surveys please contact policy@shropshire-chamber.co.uk giving your name, company name and the e mail to which reminders should be sent. Please note this is only open to businesses in Shropshire and Telford & Wrekin, but Chamber Membership is not required to take part. Those in neighbouring counties should approach the [British Chambers of Commerce](#) to locate their nearest BCC accredited chamber. This survey is open to businesses from all sectors including public sector and third sector. The survey is open to any size of business from micro's, who employ no staff, to the very largest businesses.

The data is used both locally and nationally to lobby those in power on the main topics of concern. The national survey is highly respected and is used by Central Government to understand the economic situation and pressures facing businesses in the UK.

The greater our business voice, the more valuable the information becomes, so we want to encourage every business, Chamber member or not, to add their voice to this vital survey.

EXECUTIVE OVERVIEW

Executive Overview for Qtr.

Qtr. 3 – 2019

(Survey undertaken over three weeks in August/Sept 19)

Headline

THE BUSINESS ECONOMY IS STUCK IN LIMBO

As reported constantly by the BCC, the business economy is stuck in limbo while Brexit stalls and the political situation casts a shadow over the economy. Locally, the past 3 months saw a slight upturn in domestic sales, looking forward there is an equal measure of those saying expected decrease in sales vs. increased sales. Exports appear to be static.

Over 85% of those recruiting struggled to find the right staff. Recruitment was up in past 3 months, but this trend is not expected to continue. Barriers to working in the County continue to be around the assumption's candidates make about the rural economy, lack of facilities, poor career prospects and difficulty in commuting. Companies cashflow has decreased and increased in equal measure. Healthy rise in those working to capacity, one of the highest levels we have recorded. This may in part be that due to staffing difficulties, companies are less productive, being forced to be at capacity at a lower level than desired.

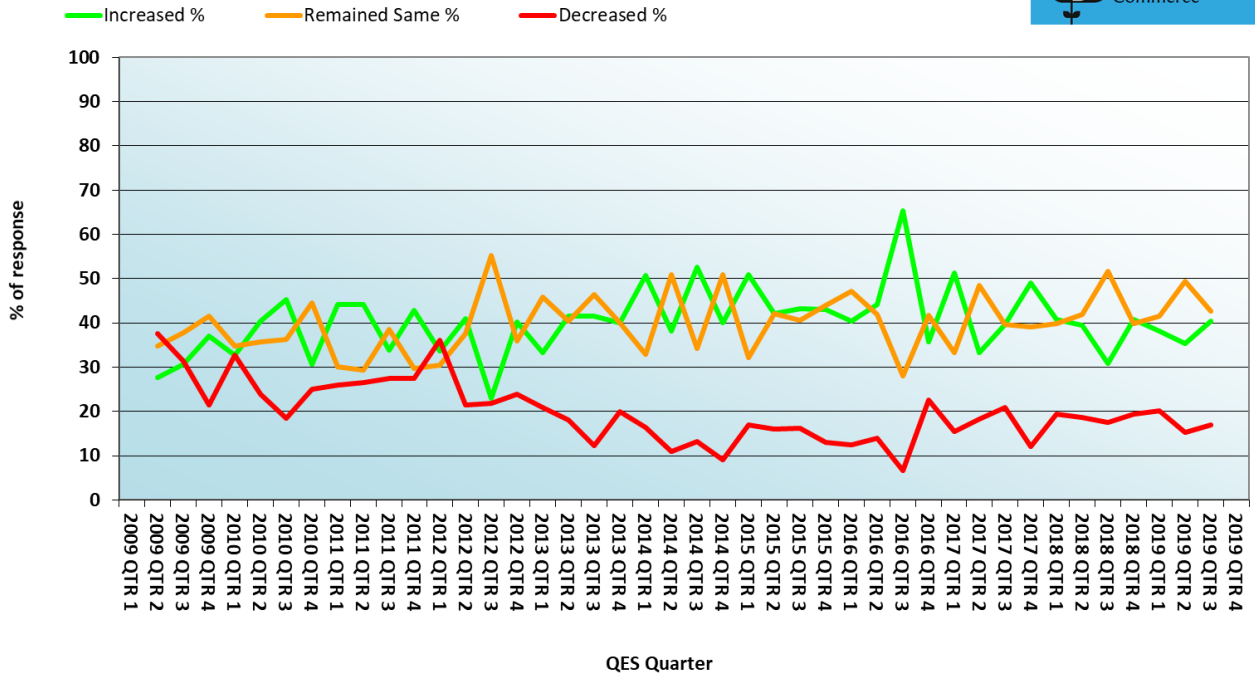
There is a slight worsening in outstanding invoice payments being reported. Companies are now being approached by all sizes of supplier to look to accepting revised, less favourable, terms. Credit terms, a new measure for this study, did not show any great rise in terms becoming more unfavourable. Investment remains stagnant both in plant and training. Interestingly businesses are focusing their concerns on changed factors, no longer is competition in the top spot, this is replaced by Exchange Rates.

GDPR is being reported as having had little effect on the ability of companies to sell and market, which is a relief after the initial worries. Businesses stating that the Brexit effect is damaging their business significantly, is growing.

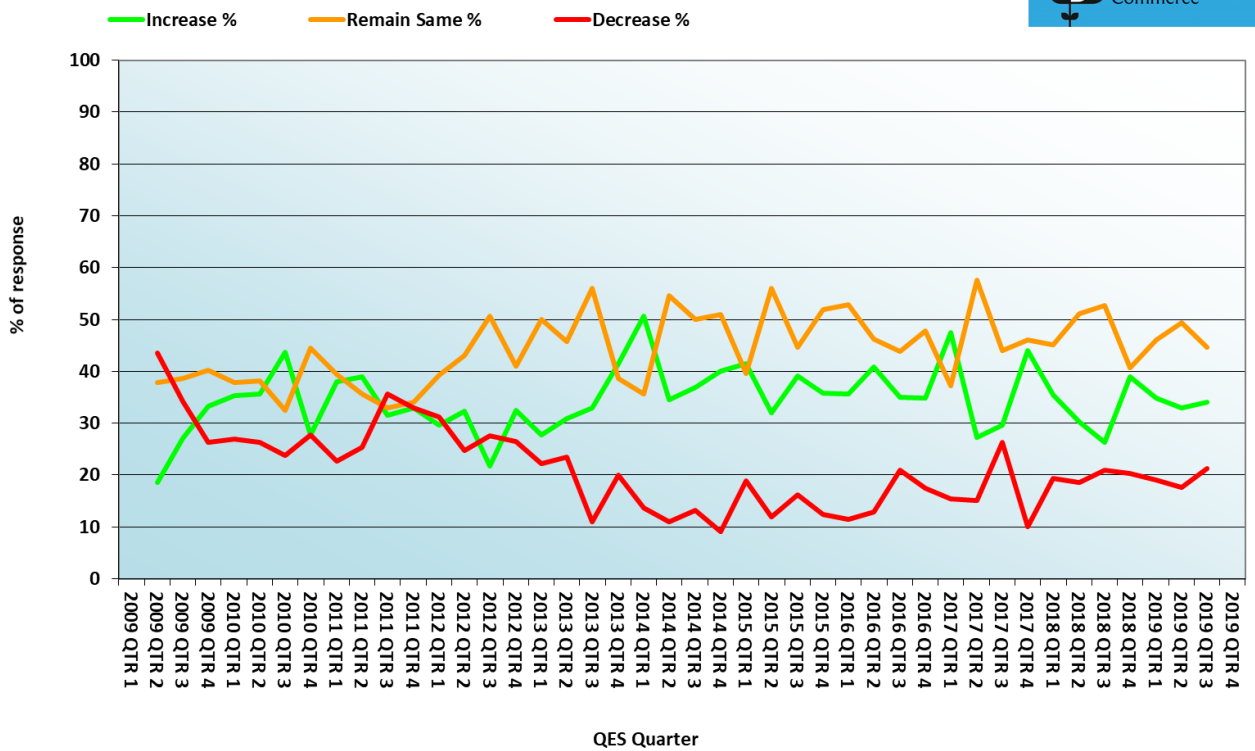
All this uncertainty has led to confidence levels dropping back to those of 2008/2009.

UK SALES

UK Sales - for the past three month

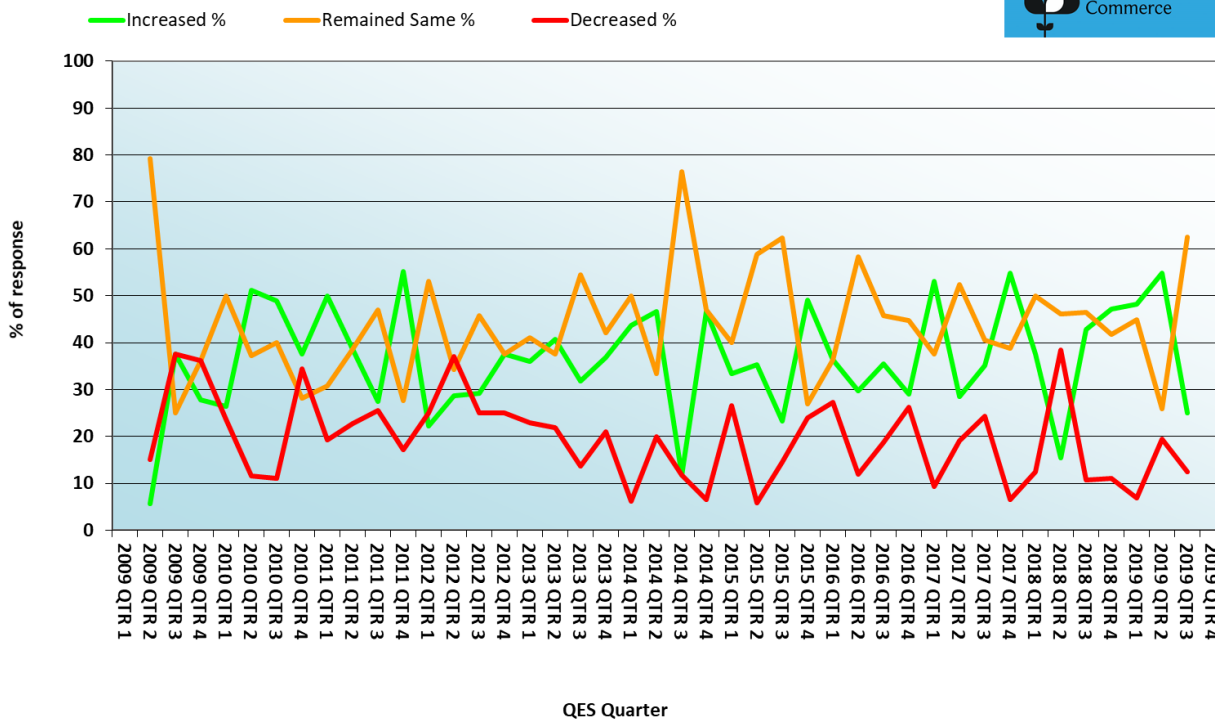


UK Orders - anticipated for the next three months

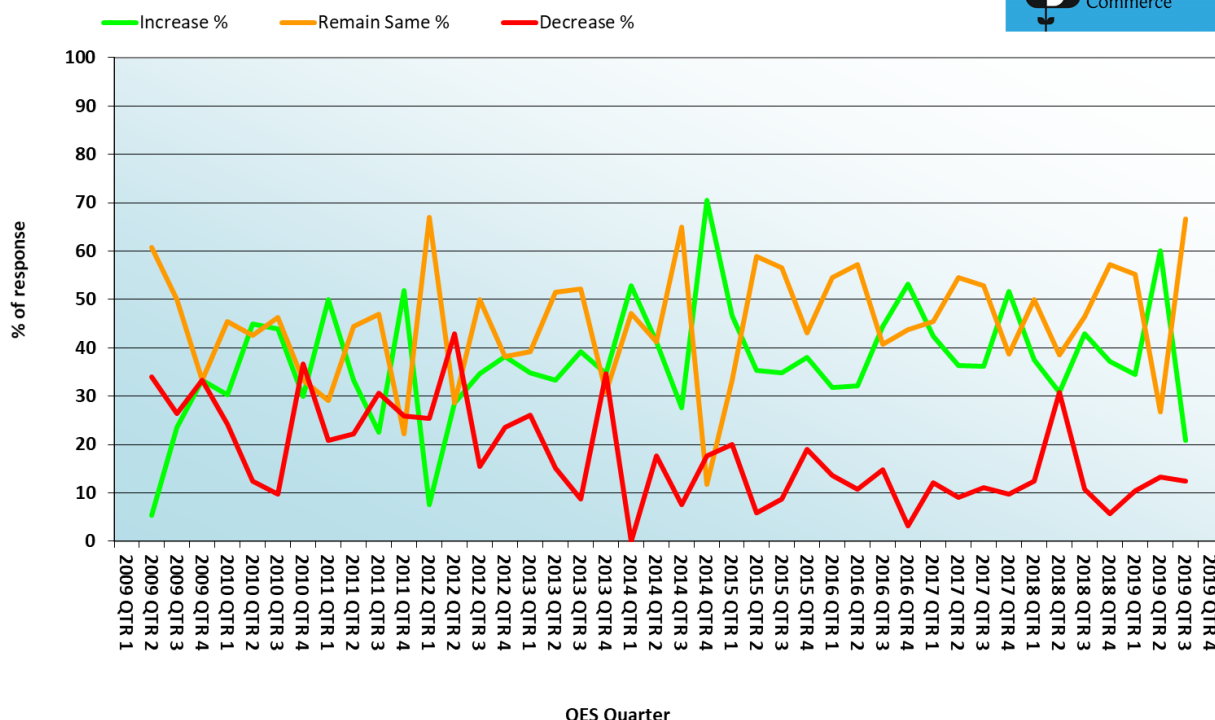


EXPORTS

Export Sales - for the past three months

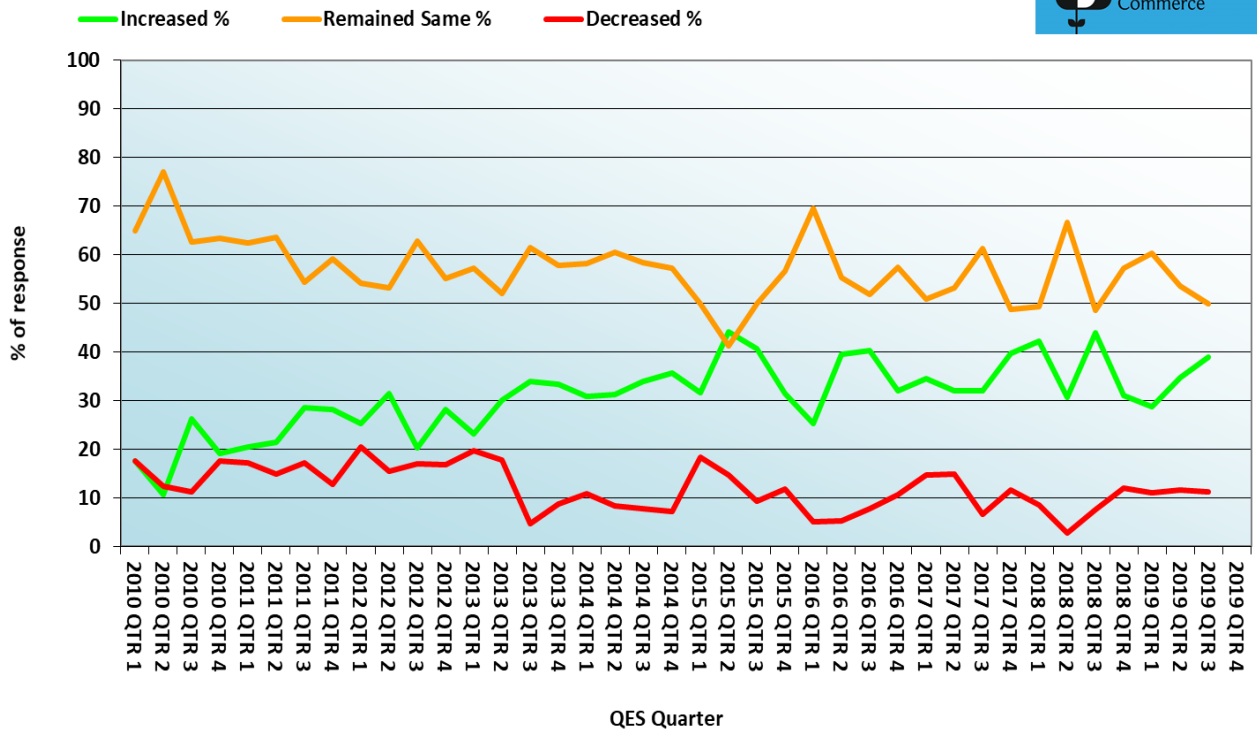


Export Orders - anticipated for the next three months

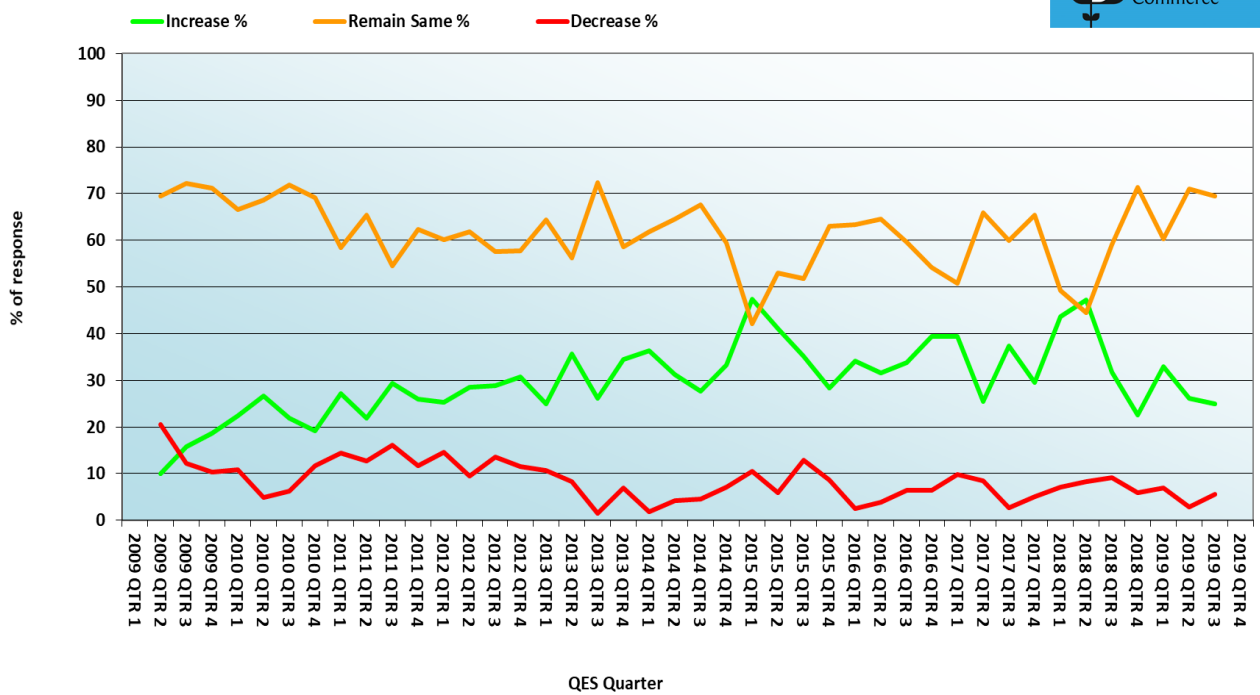


STAFF

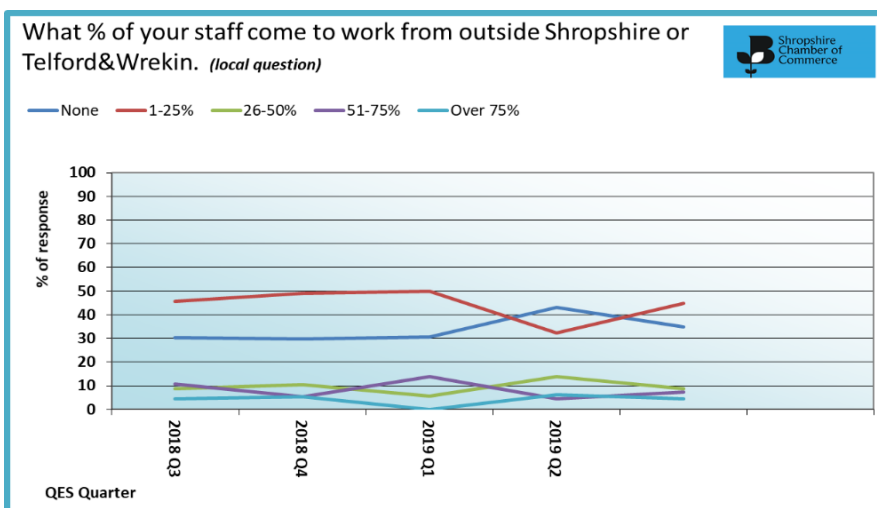
Workforce - past 3 months



Workforce - anticipated in the next three months



STAFF...continued



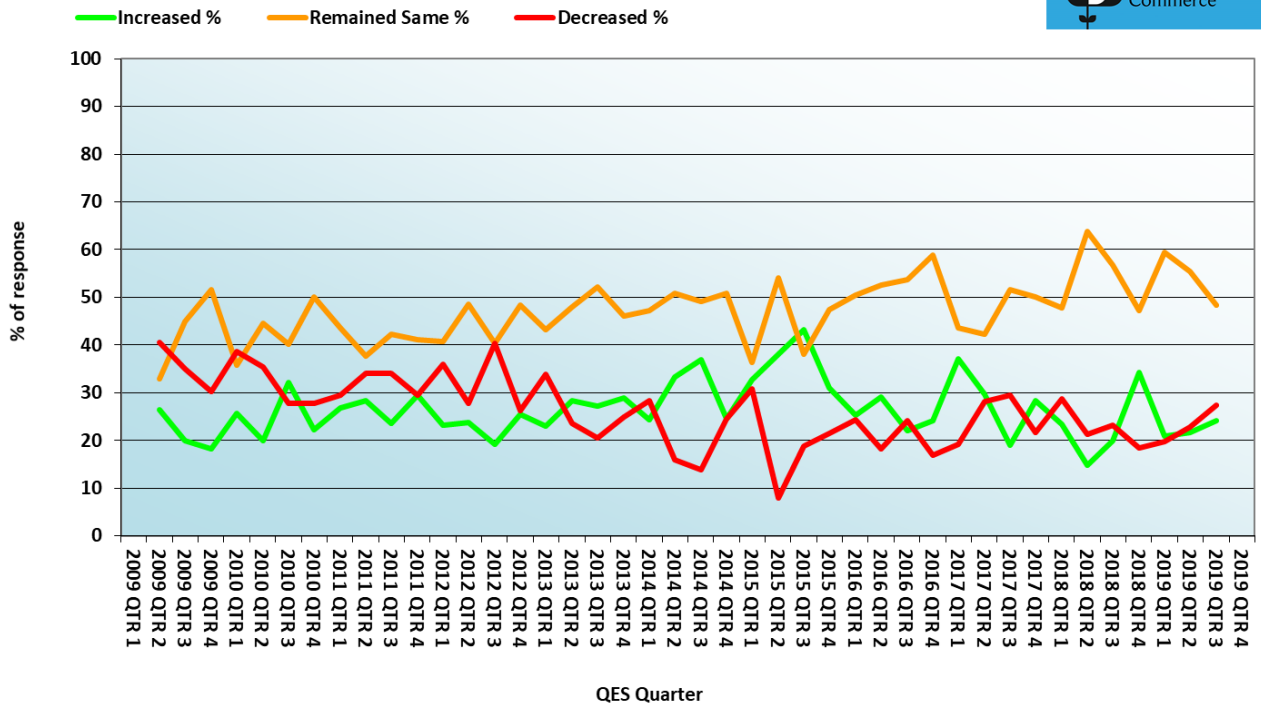
What barriers do you feel stop people coming to work in Shropshire?

- An incorrect perception that career opportunities are better in bigger cities
- They envisage too far to travel from main cities
- Transport to the Business Area outside of 9am - 5pm
- Travel times, lack of housing and public services
- Travel costs not helped by low pay
- Parking in Shrewsbury is the main issue
- Not seen as a good place for graduates to live. Older population.

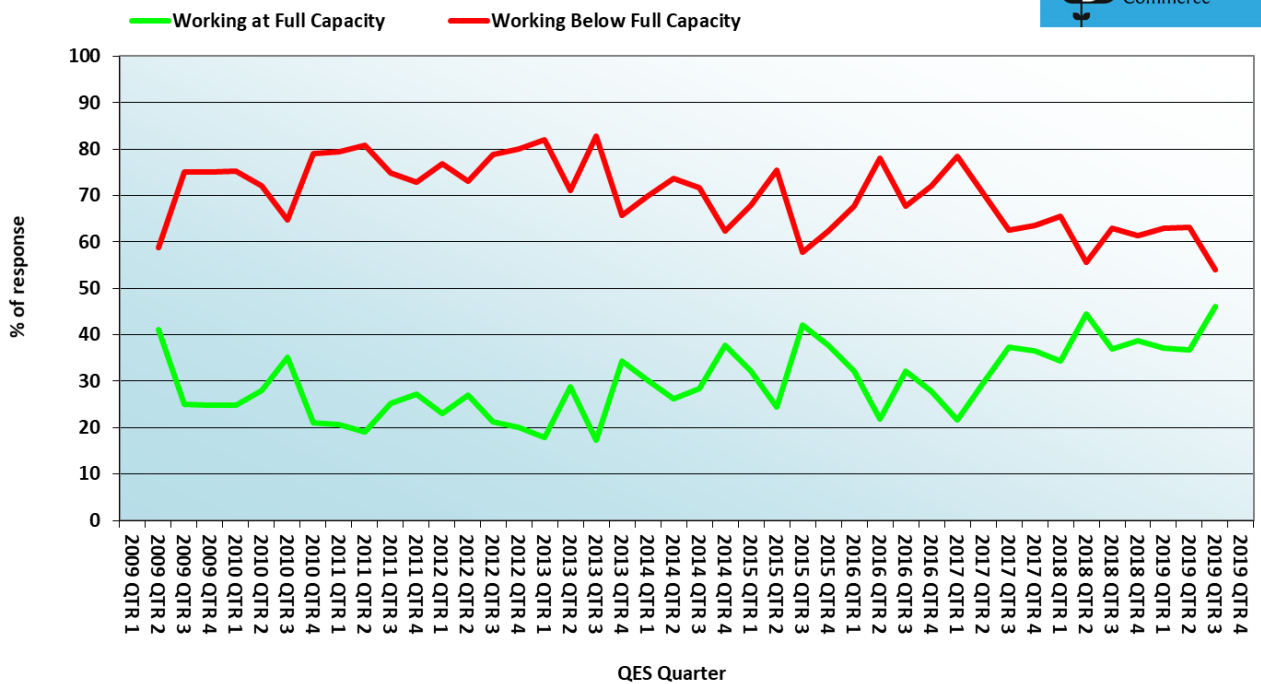
Shropshire Chamber of Commerce

CASH & CAPACITY

Cash Flow - how has it performed in the past three months



Capacity - working at full or below capacity

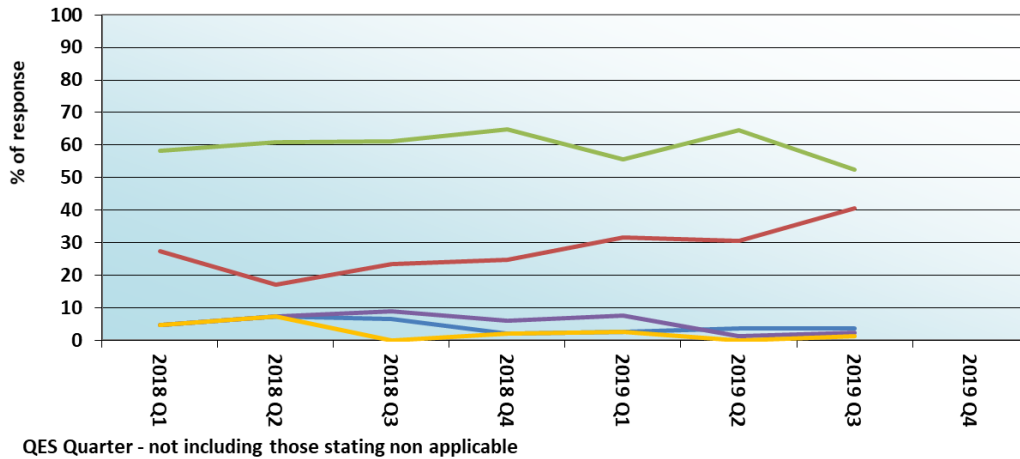


CASH & CAPACITY...continued

Have the number of outstanding payments due to your business got better or worse, generally? (local question)



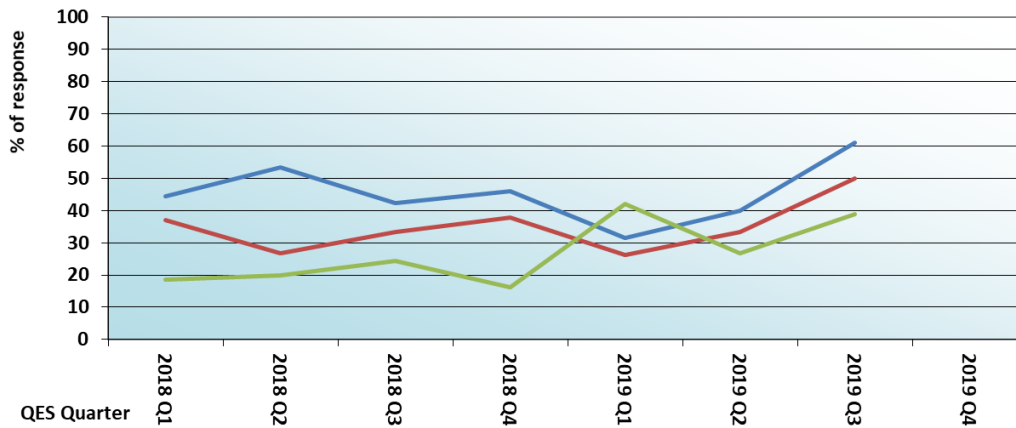
- Yes - got much worse
- Yes - got slightly worse
- No change
- No - got slightly better
- No - got much better



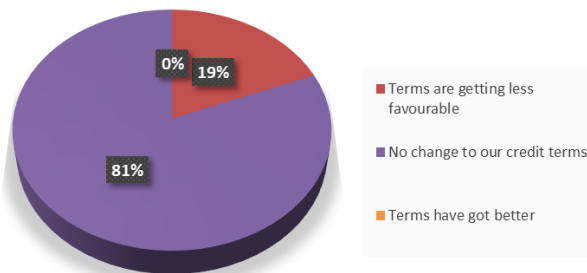
Are your suppliers asking you to renegotiate your payment contracts with them to less favorable terms? If so which types of companies are asking you to accept new contract terms? (multi choice - local question - not including those stating non applicable)



- Yes being asked to renegotiate by larger companies / national or multinationals
- Yes being asked to renegotiate by medium sized companies / regional companies
- Yes being asked to renegotiate by small or micro companies / local companies



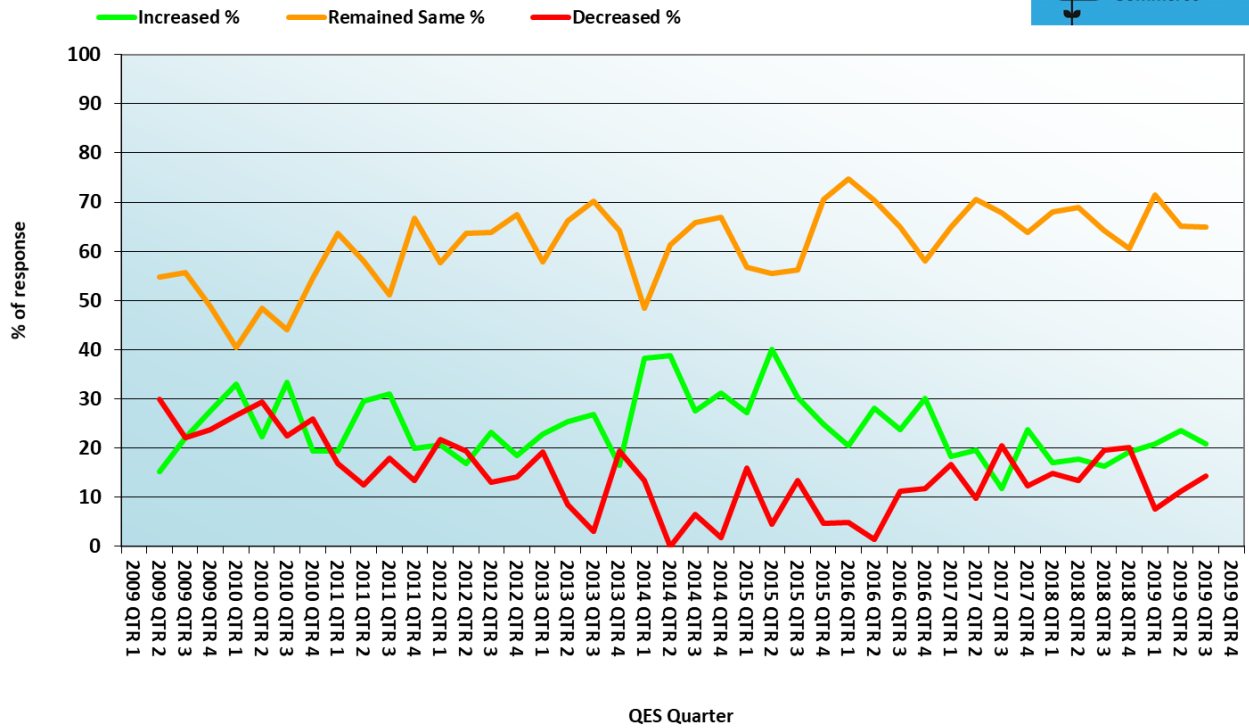
Are the credit terms you are given for your business by lenders changing? (local question)



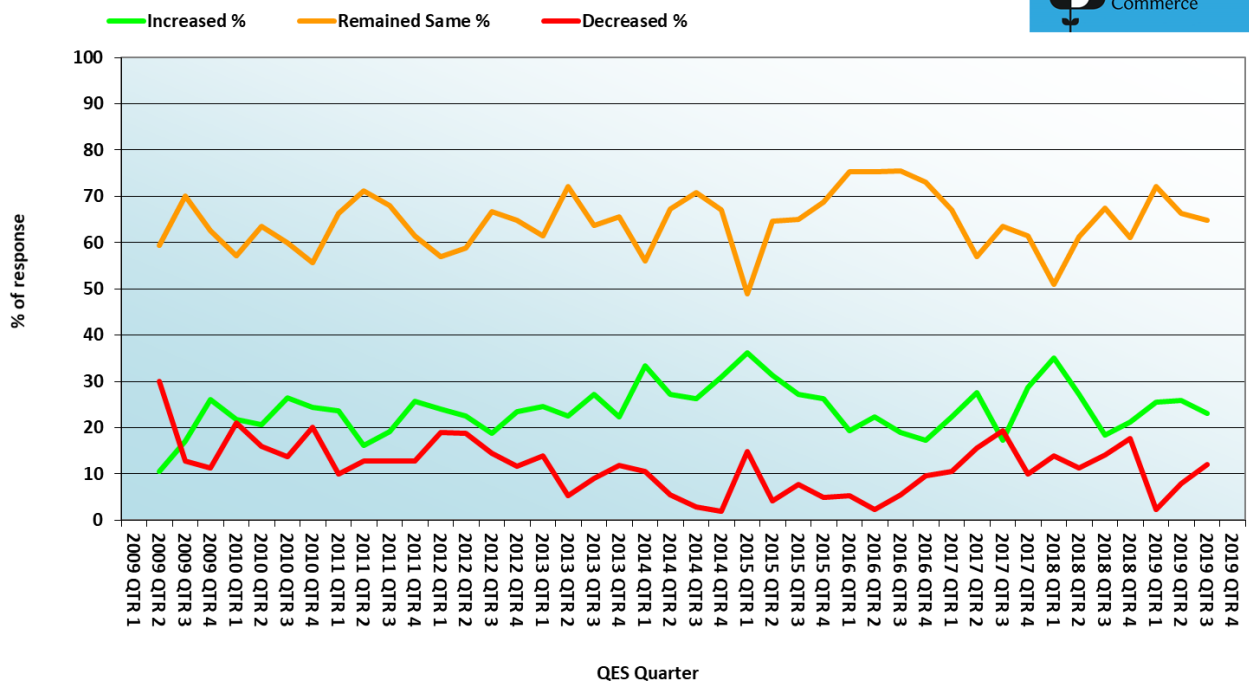
New question starting from Qtr 3 2019

INVESTMENT

Investment Plans - Plant & Machinery

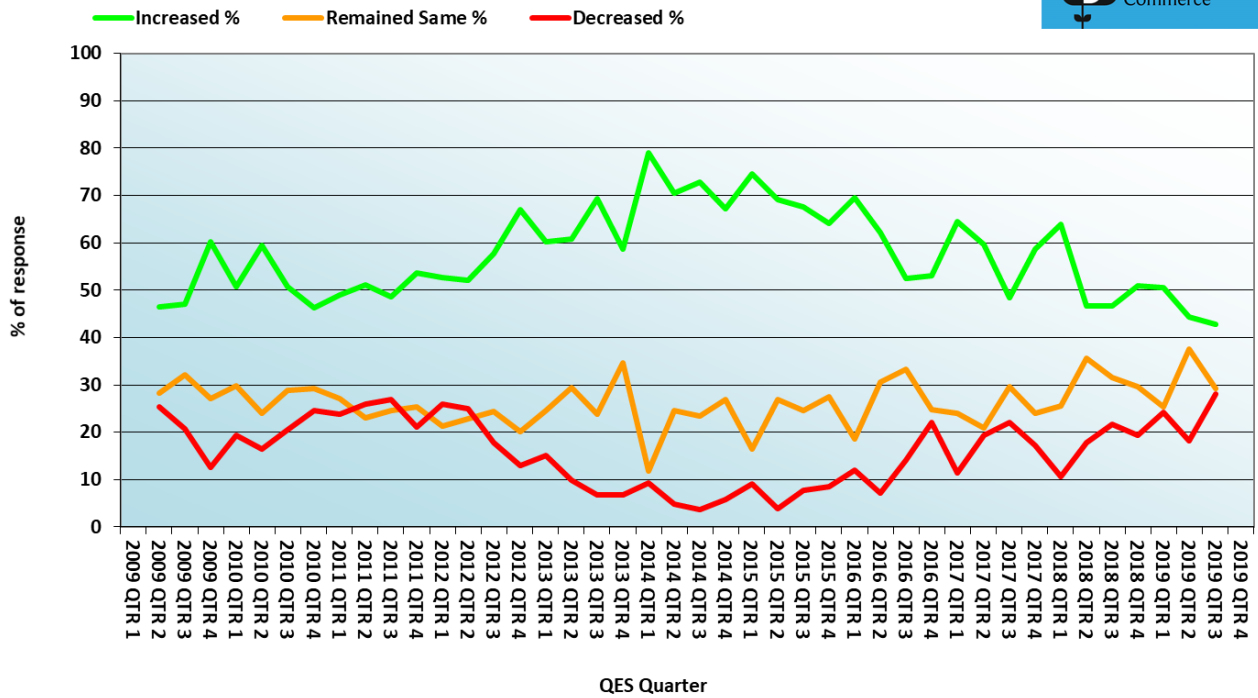


Investment Plans - Training

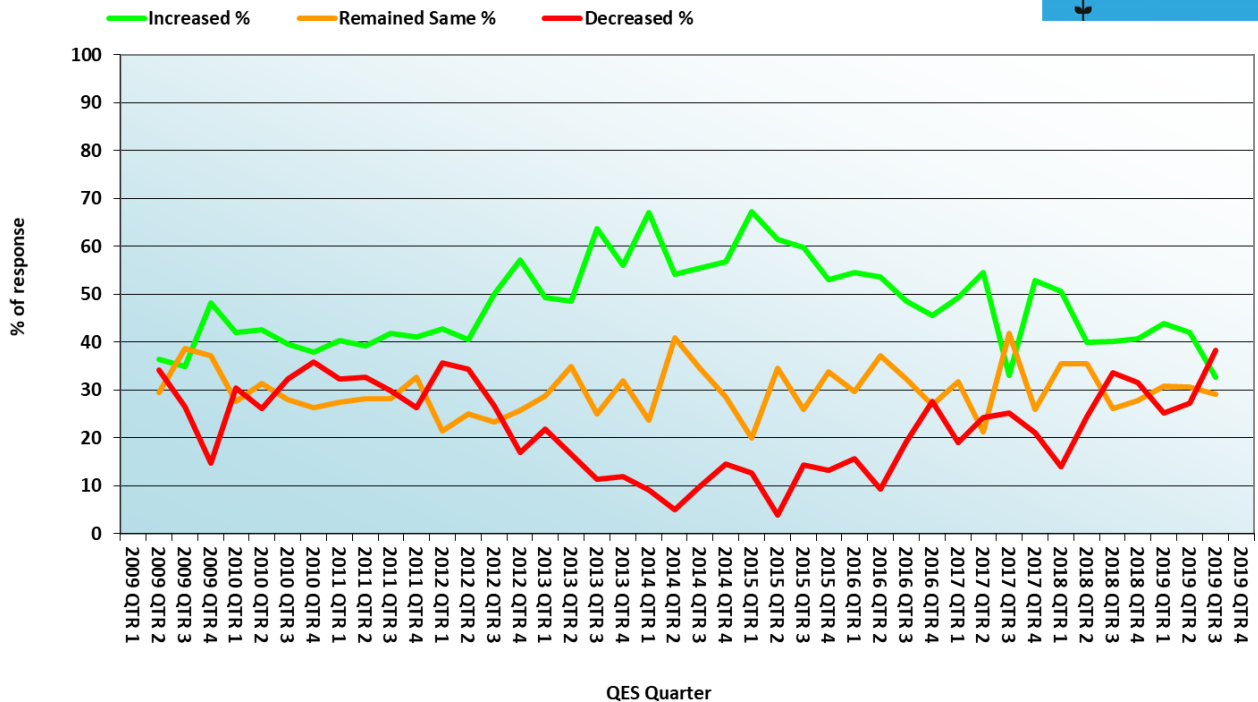


CONFIDENCE

Turnover Confidence - view of the next 12 months



Profitability Confidence - view of the next 12 months



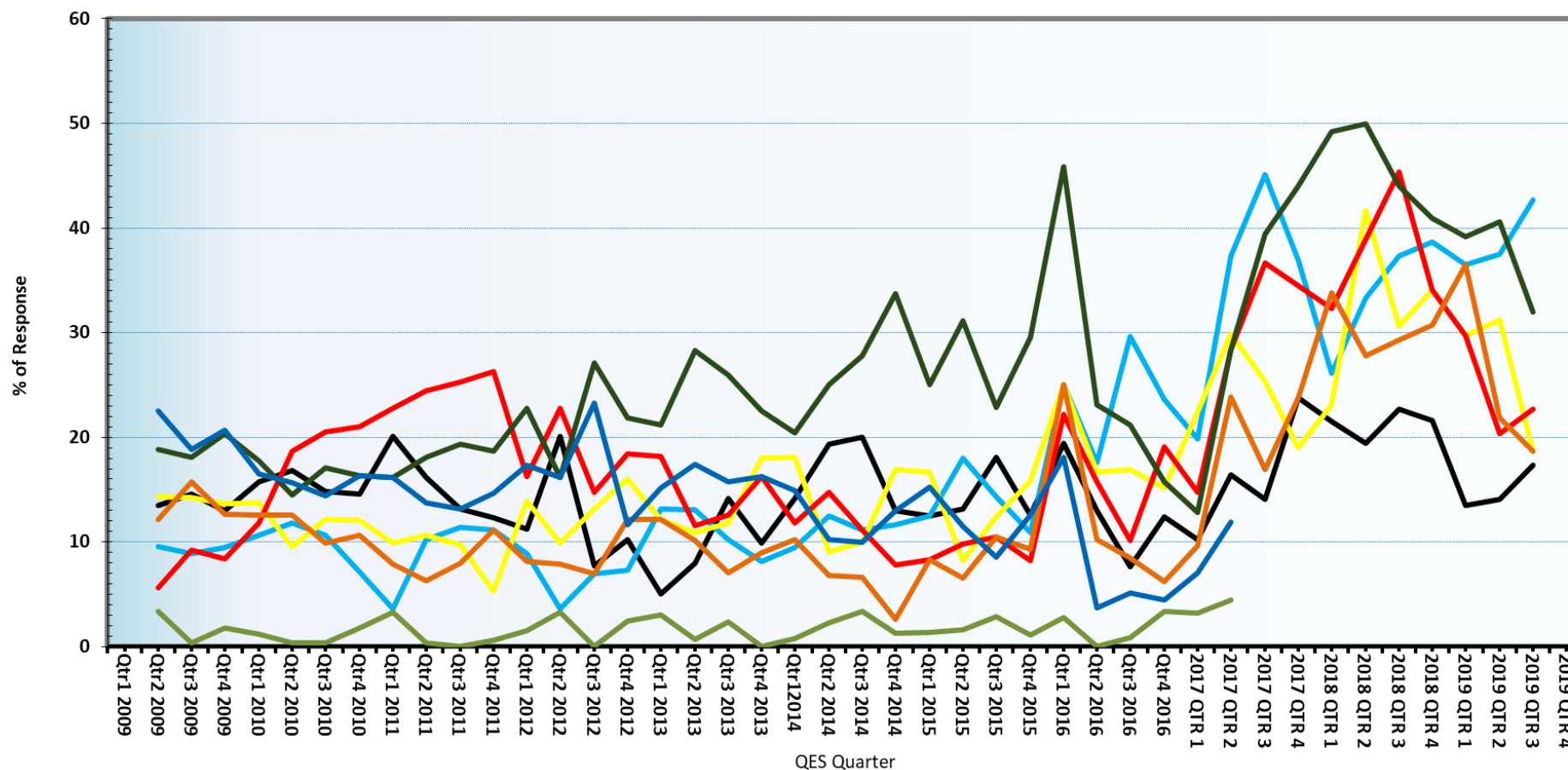
FEAR FACTORS

External Factors - Fear Factors

This chart depicts the most feared external factors that are felt may affect the respondents business. (Factors in brackets are no longer asked.)



Interest Rates Exchange Rates Business Rates Inflation Competition Corporate Tax/Taxation (Better Industrial Relations) (Improved Cash Availability)



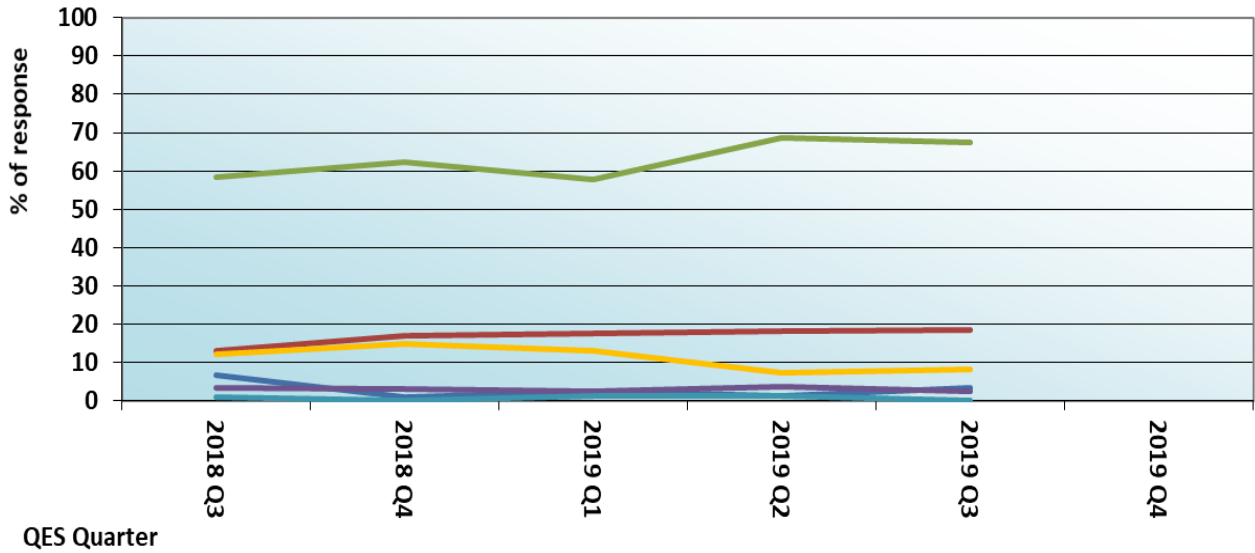
OTHER FACTORS

GDPR - have the steps you had to take or were advised to take had any impact on your ability to market or sell your product or services?



(local question)

- Very negative effect
- Somewhat negative effect
- No change
- Somewhat improved effect
- Greatly improved effect
- Too early to tell

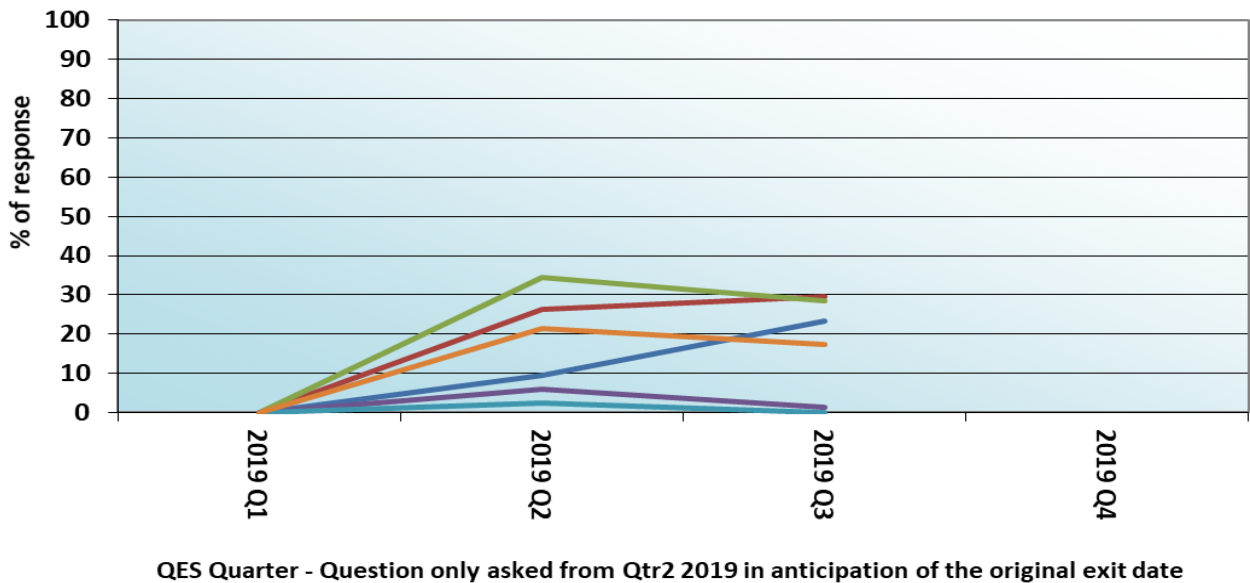


What effect is Brexit having on your business?



(local question)

- Very negative effect
- No change
- Greatly improved effect
- Somewhat negative effect
- Somewhat improved effect
- Too early to tell



QES Quarter - Question only asked from Qtr2 2019 in anticipation of the original exit date