



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. 1 - 2020

(Survey undertaken over three weeks in February & March 2020)

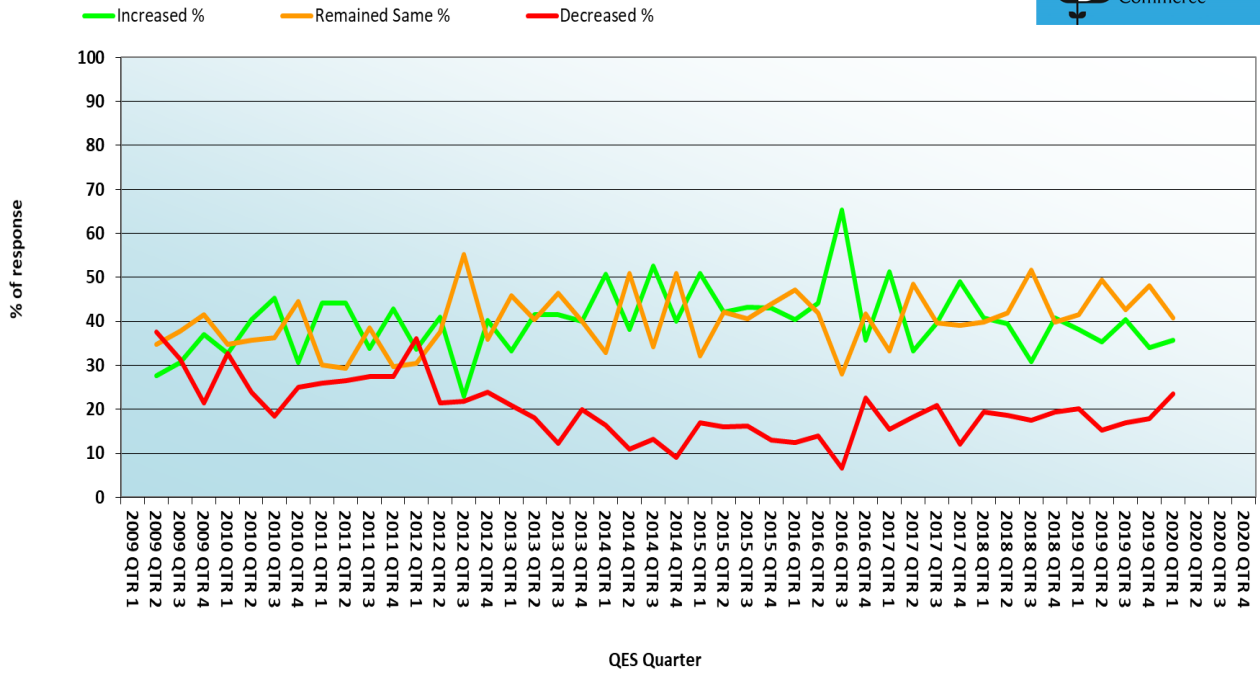
Headline

BREXIT STILL IN AFFECTING BUSINESS (PRE COVID-19)

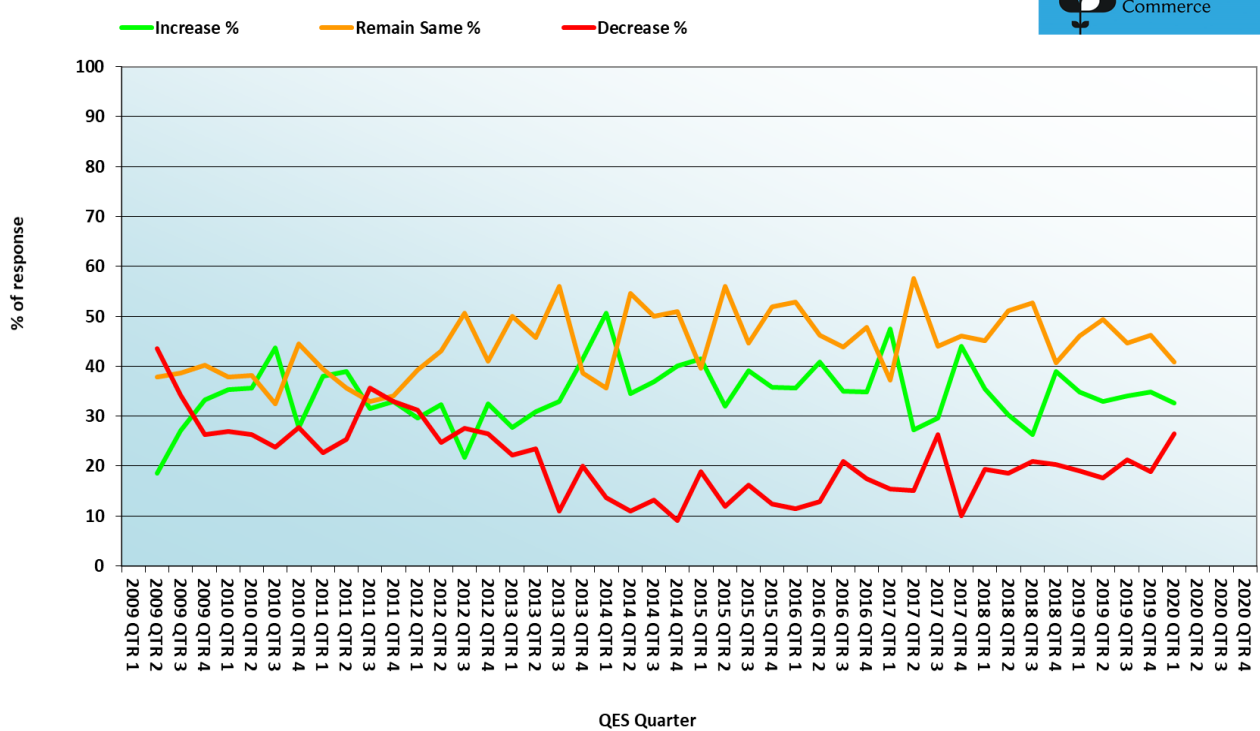
- UK sales tailed off and are projected to continue to do so. Exports sales past were stable but expected to rise in the next quarter, however some companies report lost EU clients due to Brexit. One interviewee stated “The effects of Brexit are both tangible and intangible, with EU employees avoiding the UK, EU suppliers treating UK customers as high risk and non-strategic, EU customers diverting to EU sources, and the effects on our economic growth holding us down considerably.”
- Workforce, static situation but expected rise in employing in next three months. (Please note most answered the survey before Covid-19 took hold in UK). 55% had tried to recruit and of those 73% struggled to find the right staff. The bulk of the roles that were being recruited were full time, whereas the vacancies were relatively evenly spaced across the skill levels. Slight rise in the number employing from outside the County (Inc. T&W) possibly reflective of the difficulties faced in locating the right staff. Reasons for people being unwilling to work in or move to the County remain unchanged, low wages, poor transport, negative rural perception and few progression opportunities.
- Cash flow eased slightly but those working to capacity fell to just 30%. A plus seems to be that credit terms are not changing but we see a very slight negative upturn in outstanding payments. Small increase in the number of small and large, but not medium, sized suppliers asking clients to accept less favourable terms.
- GDPR still does not seem to have had the negative impact feared. Brexit, though still mentioned by businesses as a negative, has calmed a little since the votes were passed before Christmas giving the country a defined date ahead.
- Not much appetite for investment in plant or training in these uncertain times. Confidence in both turnover and profitability fell away slightly.
- The top business fear remains competition. All fears we measure have calmed a little, but competition remains at 42%

UK SALES

UK Sales - for the past three month

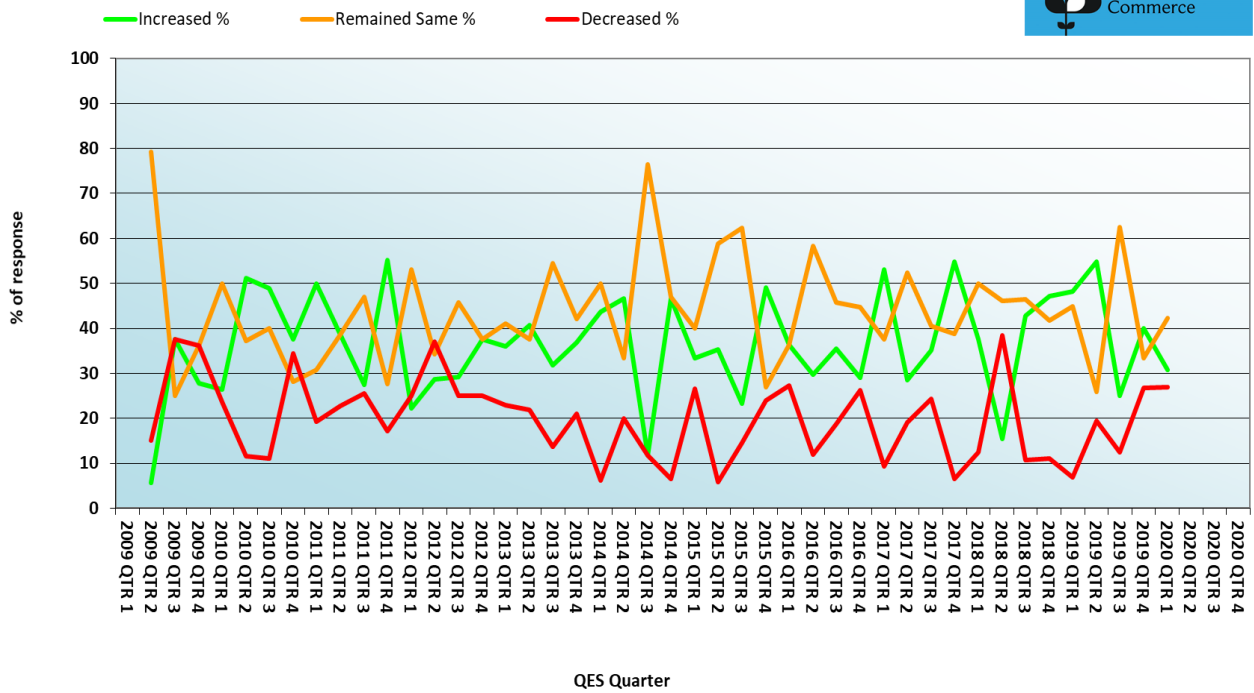


UK Orders - anticipated for the next three months

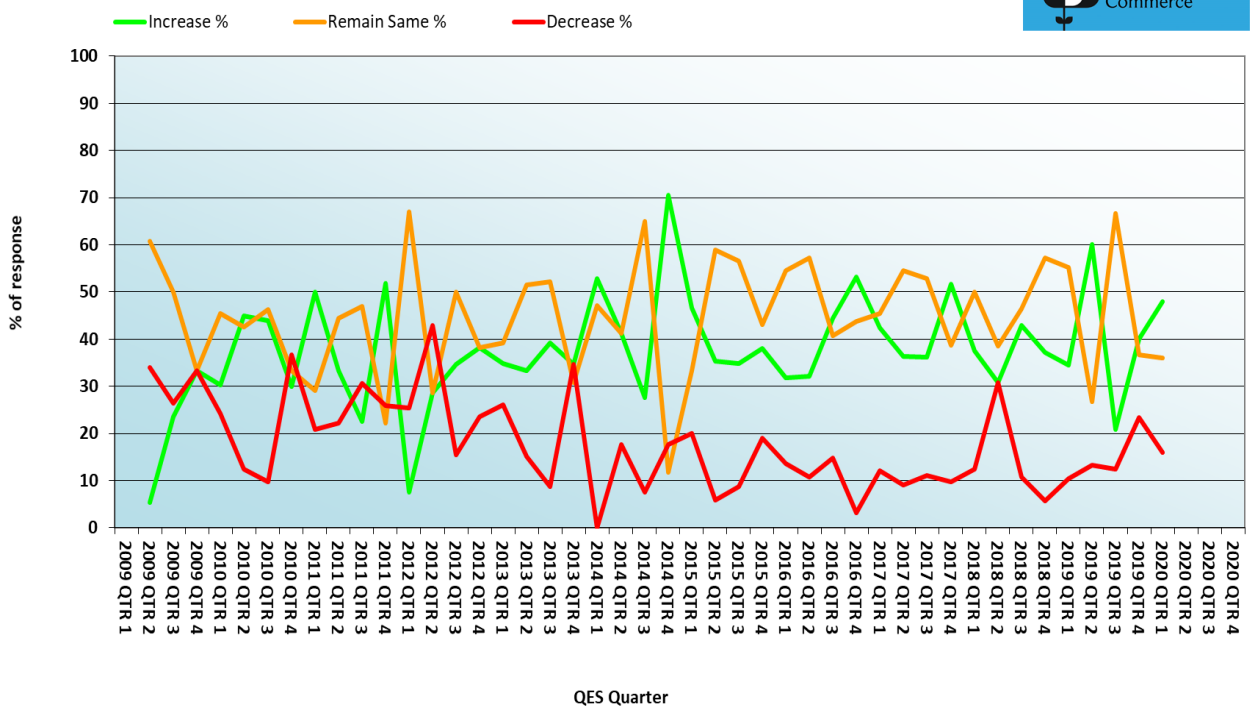


EXPORTS

Export Sales - for the past three months

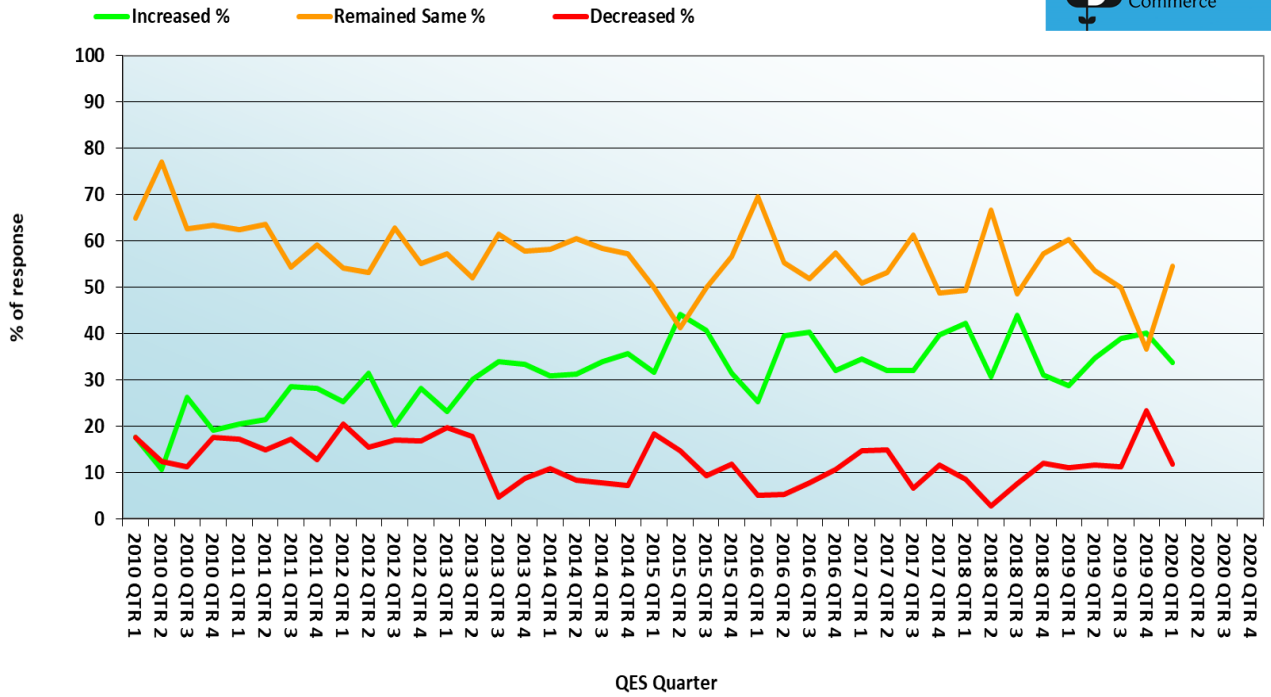


Export Orders - anticipated for the next three months

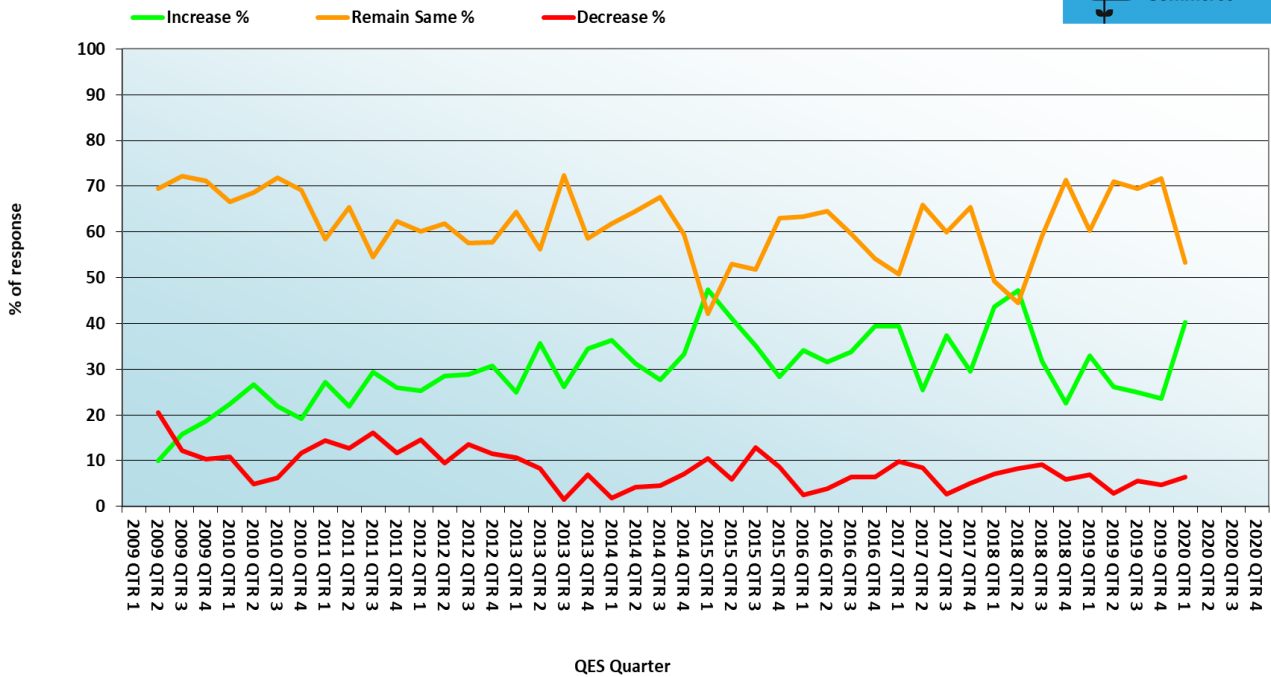


STAFF

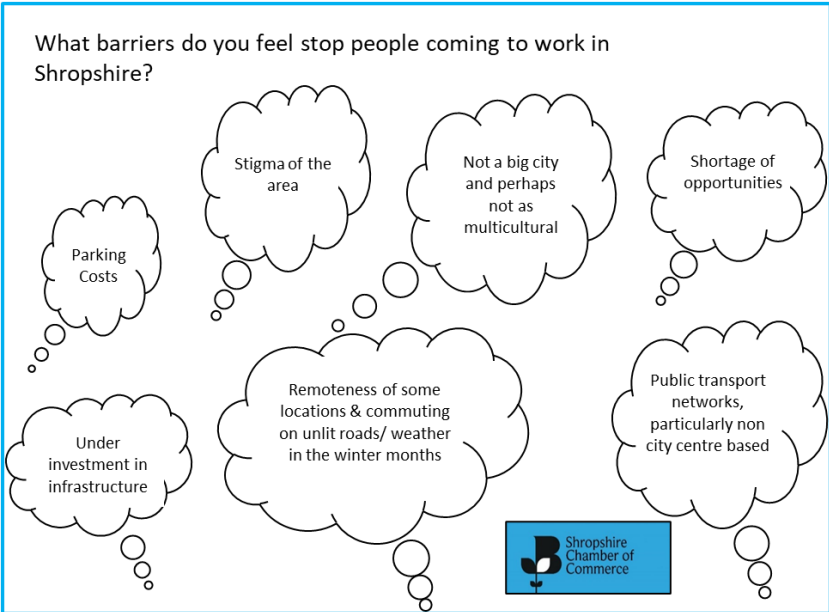
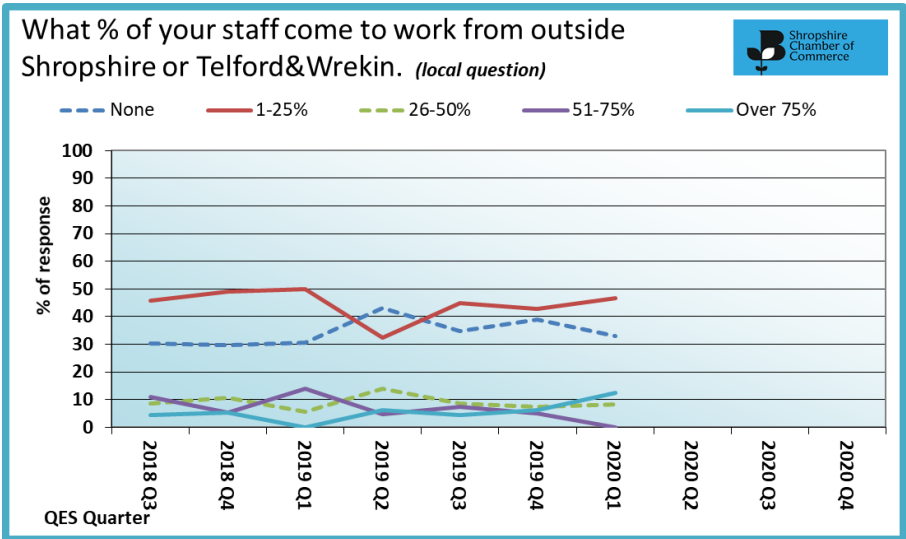
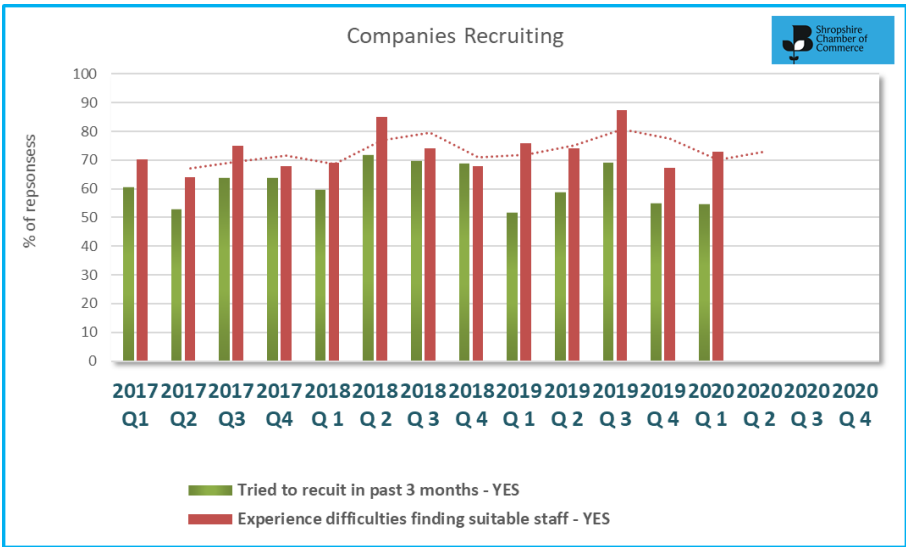
Workforce - past 3 months



Workforce - anticipated in the next three months

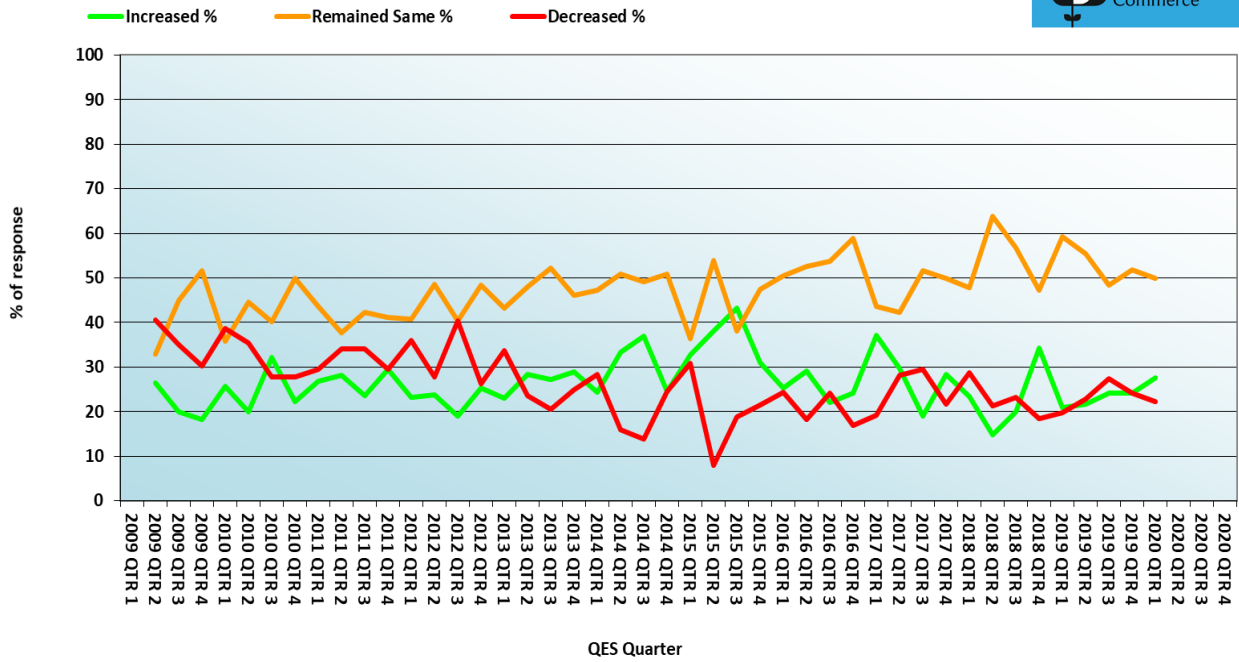


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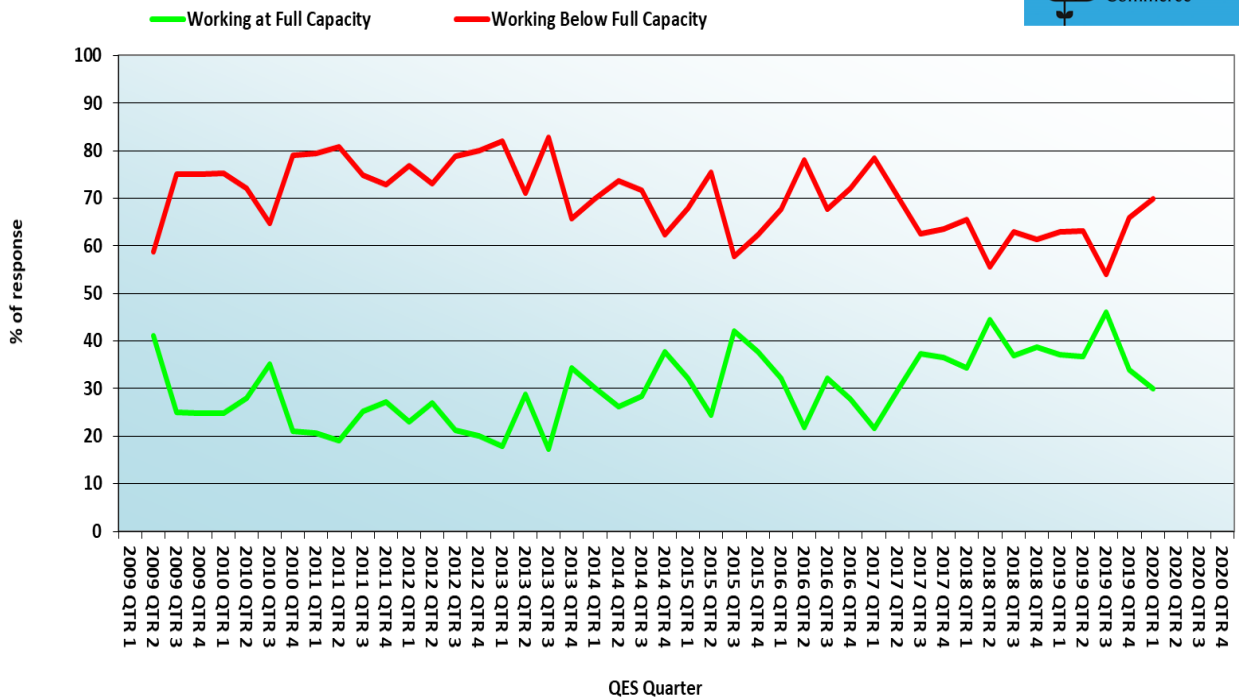


CASH & CAPACITY

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

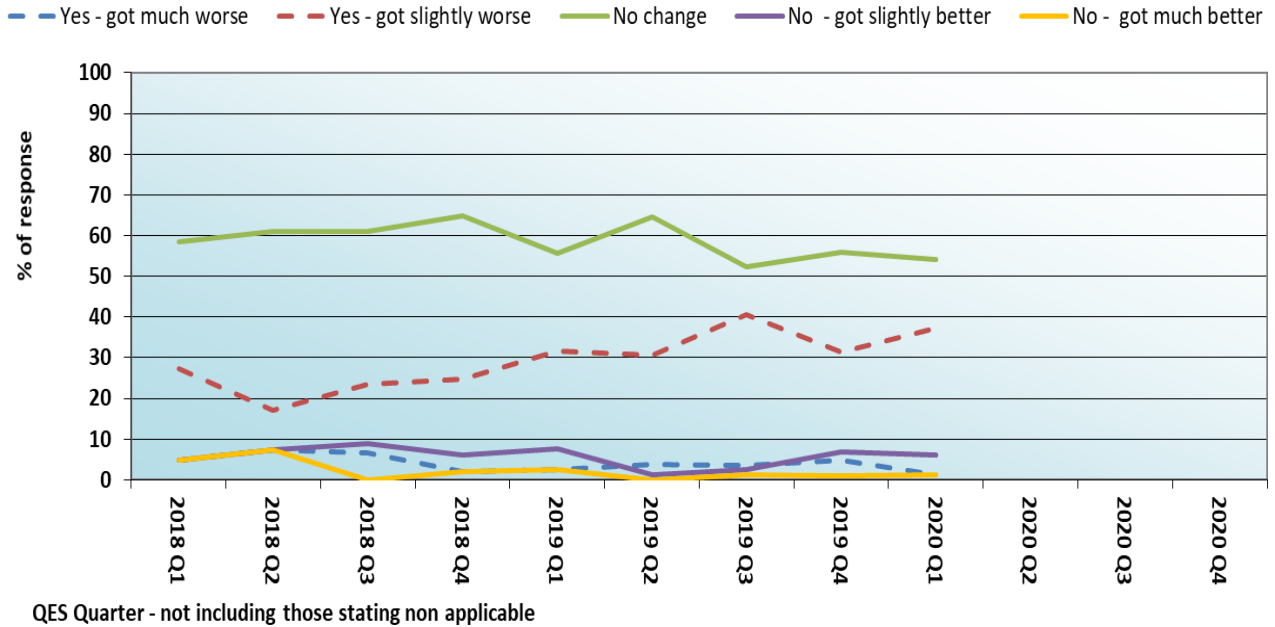


Capacity - working at full or below capacity

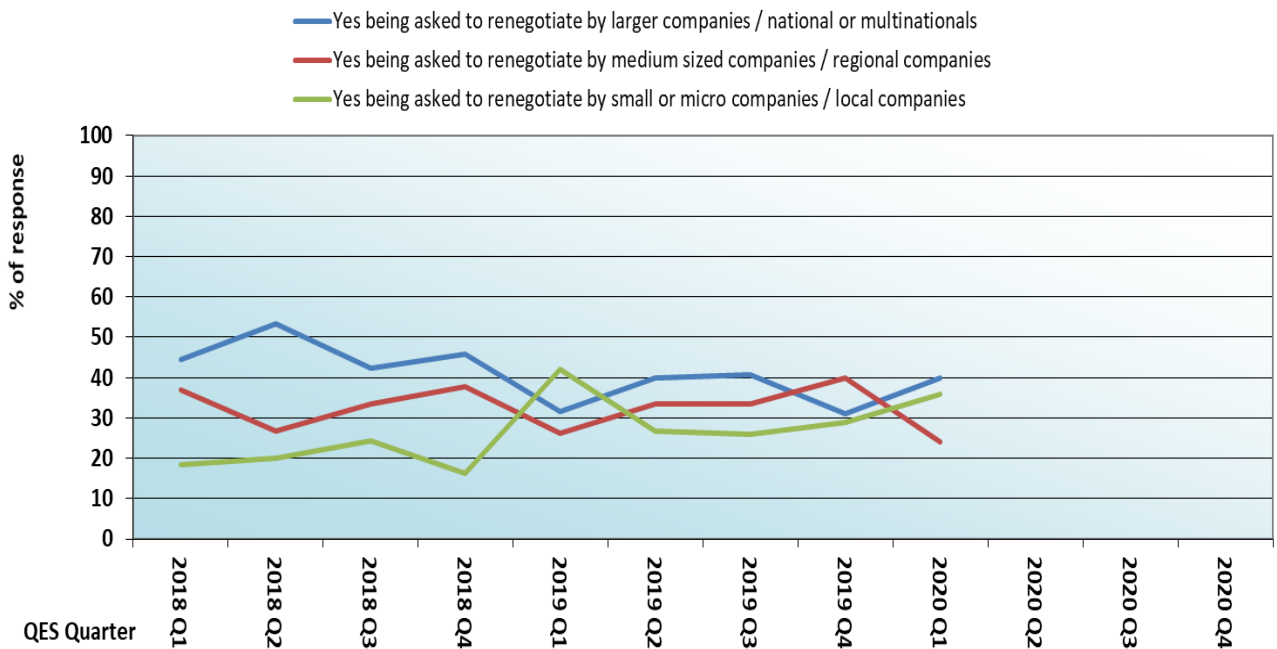


CASH & CAPACITY...continued

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

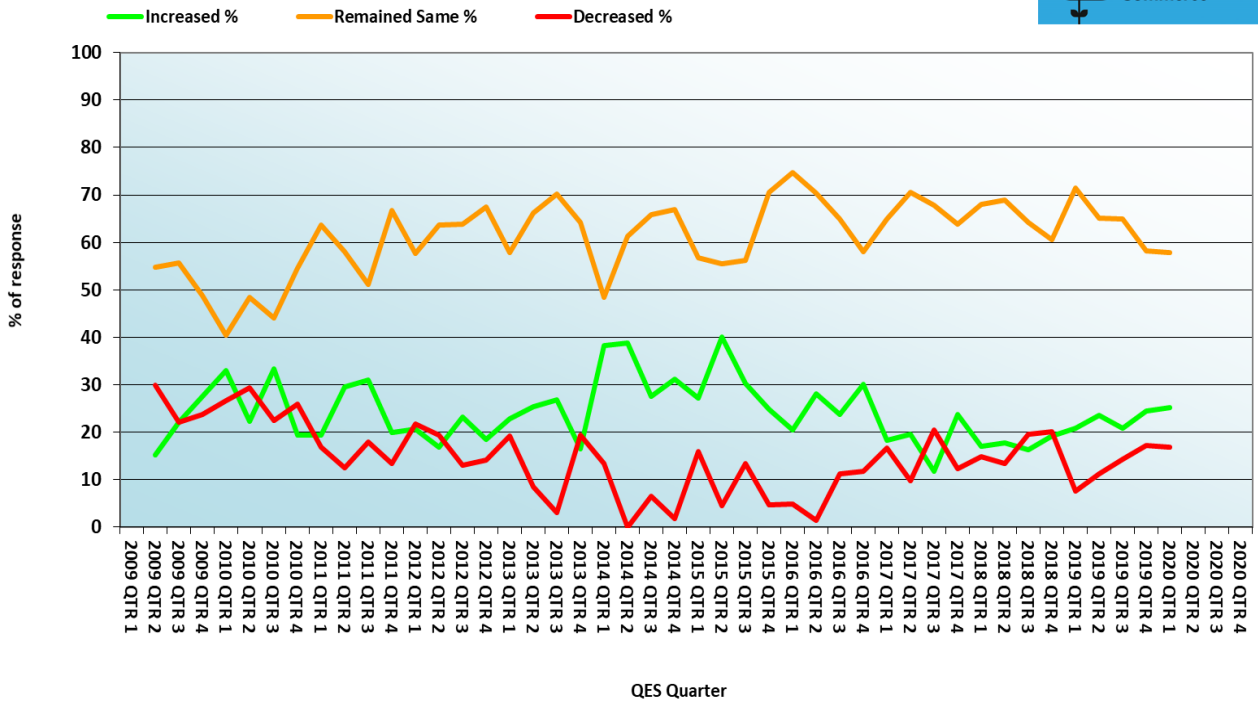


Are your suppliers asking you to renegotiate your payment contracts with them to less favorable terms? If so which types of companies are asking you to accept new contract terms? *(multi choice - local question - not including those stating non applicable)*

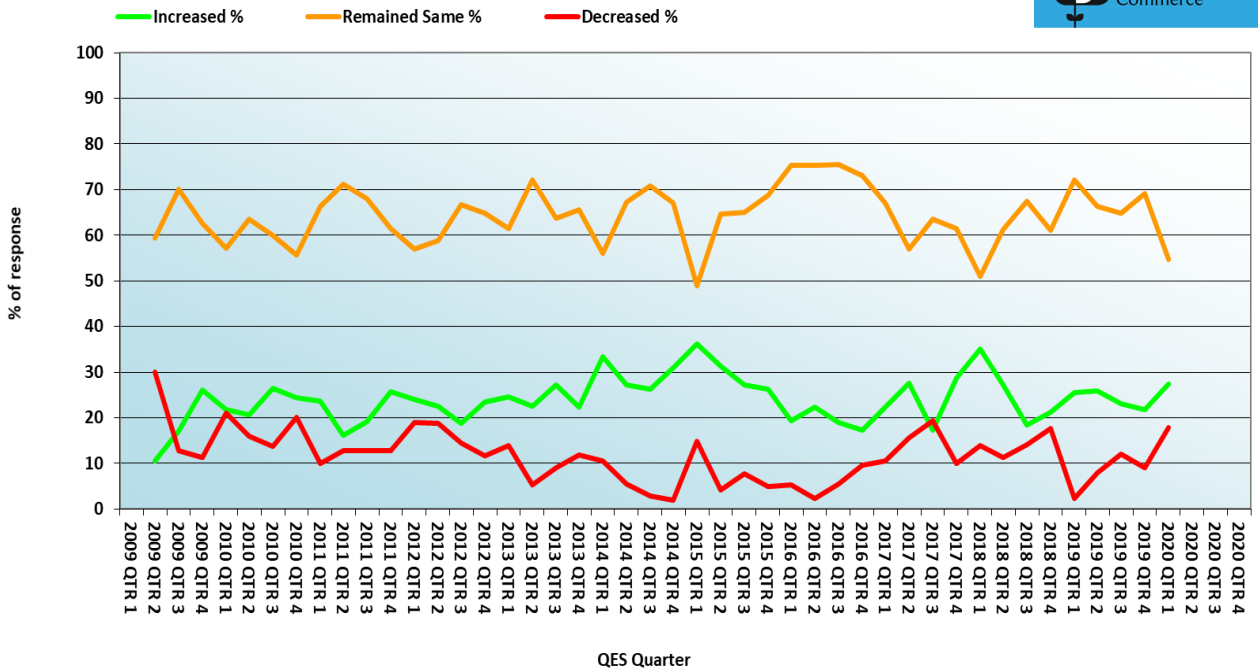


INVESTMENT

Investment Plans - Plant & Machinery

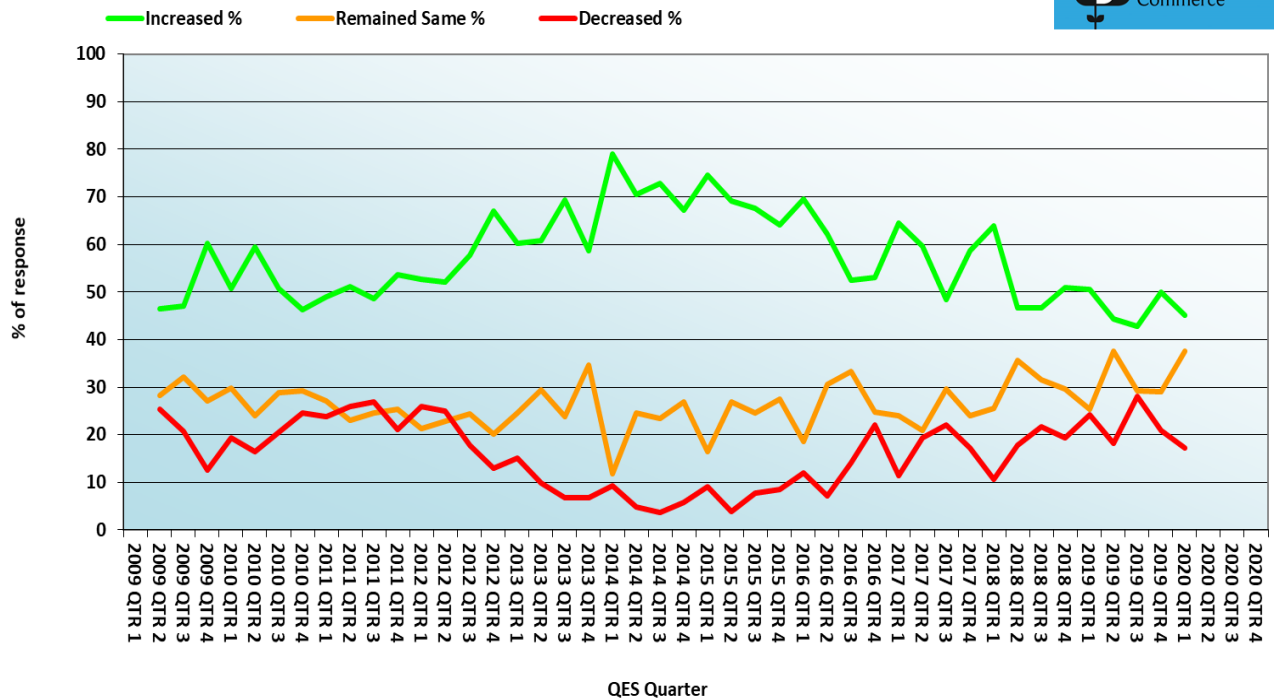


Investment Plans - Training

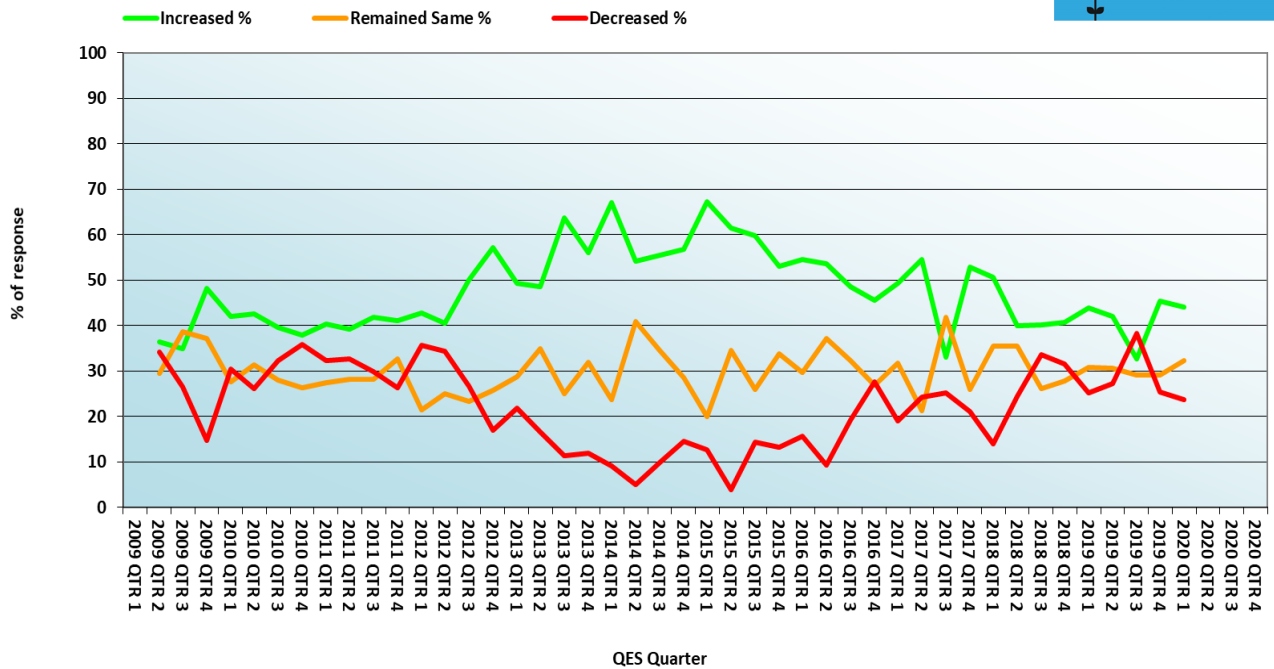


CONFIDENCE

Turnover Confidence - view of the next 12 months



Profitability Confidence - view of the next 12 months



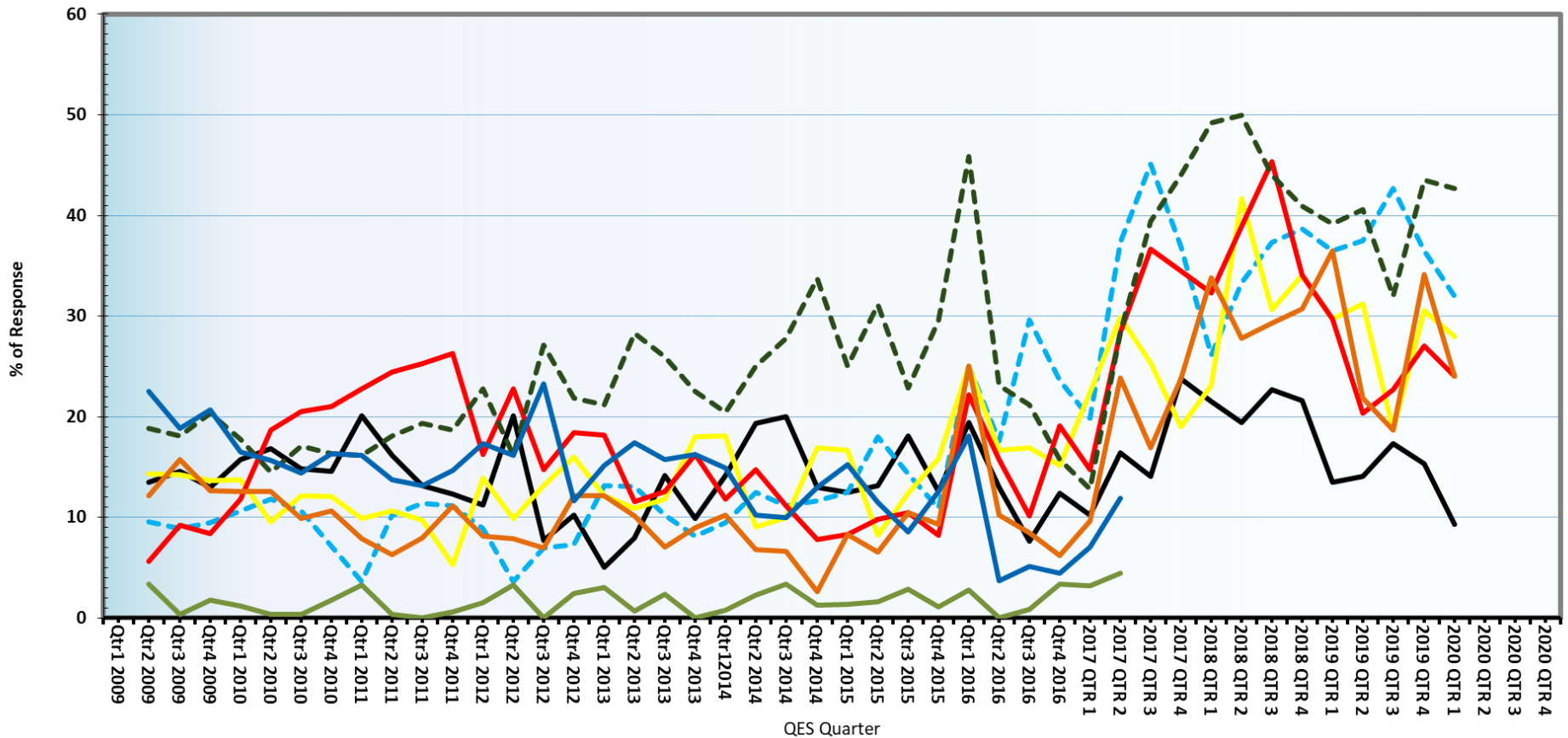
FEAR FACTORS

External Factors - Fear Factors - NB. due to the large number of factors measured the scale is 0-60, not 100, to allow for ease of reading

This chart depicts the most feared external factors that are felt may affect the respondents business. (Factors in



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



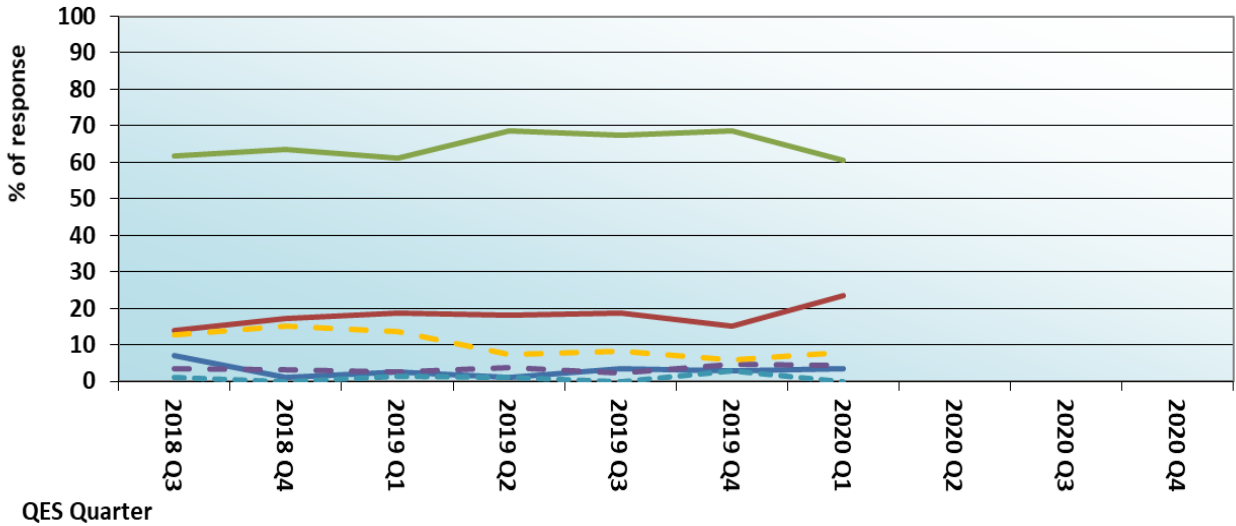
OTHER FACTORS

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) - Asked from Qtr.2 2019 onward

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

