



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 – 2021
(Survey undertaken over three weeks in Feb/March 2021)

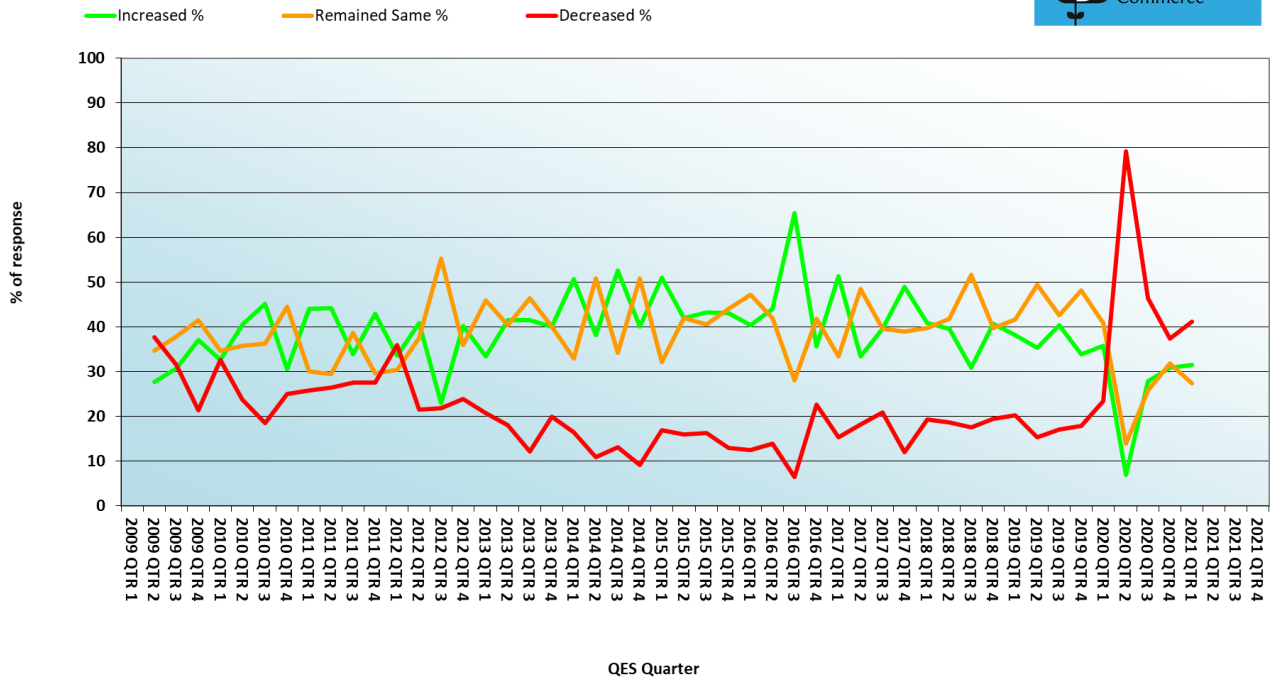
Headline YING AND YANG

This quarter is again dominated by Covid and the long tail it is creating but with the added problems created by Brexit. The stormy ride of 2020 carries on into the 1st Qtr. of 2021, as was predicated by economists and the Bank of England. The survey was carried out over three weeks, weeks that saw positives, with Boris announcing on 22nd February that schools were going back and that there is a four-part roadmap to return us to some level of normality. However, this was quickly followed by the Budget on the 3rd March, which had positives such as extended furlough and the holiday on stamp duty, but made it clear that increased taxation, especially on businesses was the way ahead. These tax rises have concerned businesses, as reflected on Page 11, showing that tax is currently the biggest fear factor for businesses from the selection provided. Confidence always out paces reality and it is no different this quarter, spurred on in part by the announcements that unemployment is expected to be lower than first through and that we are working slowly to re-open the economy fully. Of those interviewed 65% expected a rise in turnover in the next 12 months and 45% a rise in profits.

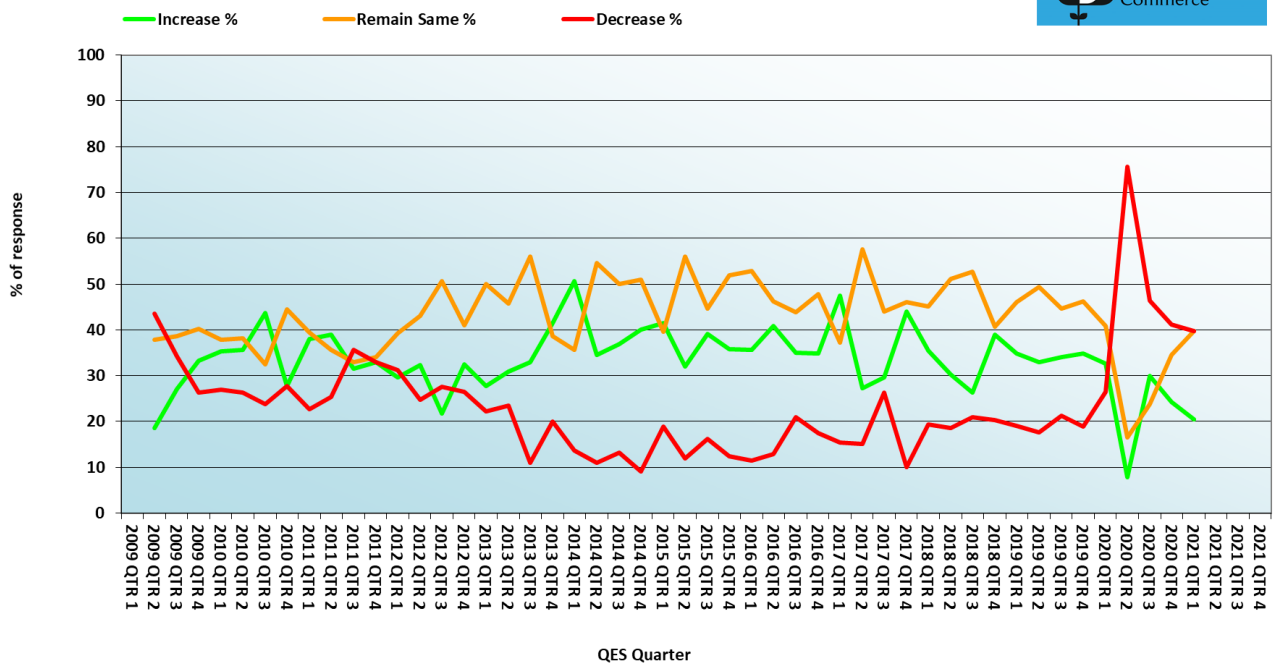
Domestic sales past and present did not see any real improvement. Exports were clearly affected by a mix of Covid and Brexit, a further downturn is expected in the next 3 months but more gradual than the previous quarters. Staffing paints a better picture with slight increases predicted. As expected, due to rising unemployment, businesses are starting to find it now easier to recruit suitable staff. Cash flow remains tight and those working below capacity rose to 70%, meaning vast amounts of spare capacity in the economy. One piece of good news is that late payments have not increased, which will ease cash flows slightly. However, large suppliers are asking more to accept revised terms, up now to 40%. Steep decline seen in investment plans for plant and machinery as companies find it impossible to predict the future. Investment in training remain largely unchanged.

UK SALES

UK Sales - for the past three month

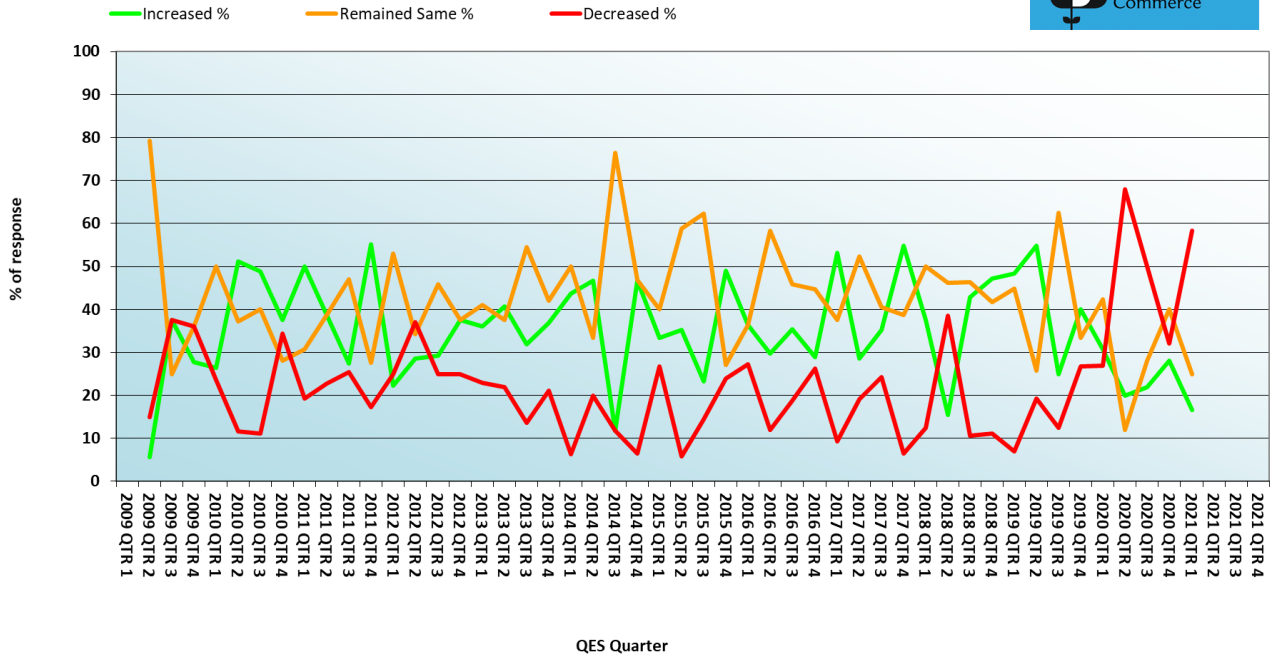


UK Orders - anticipated for the next three months

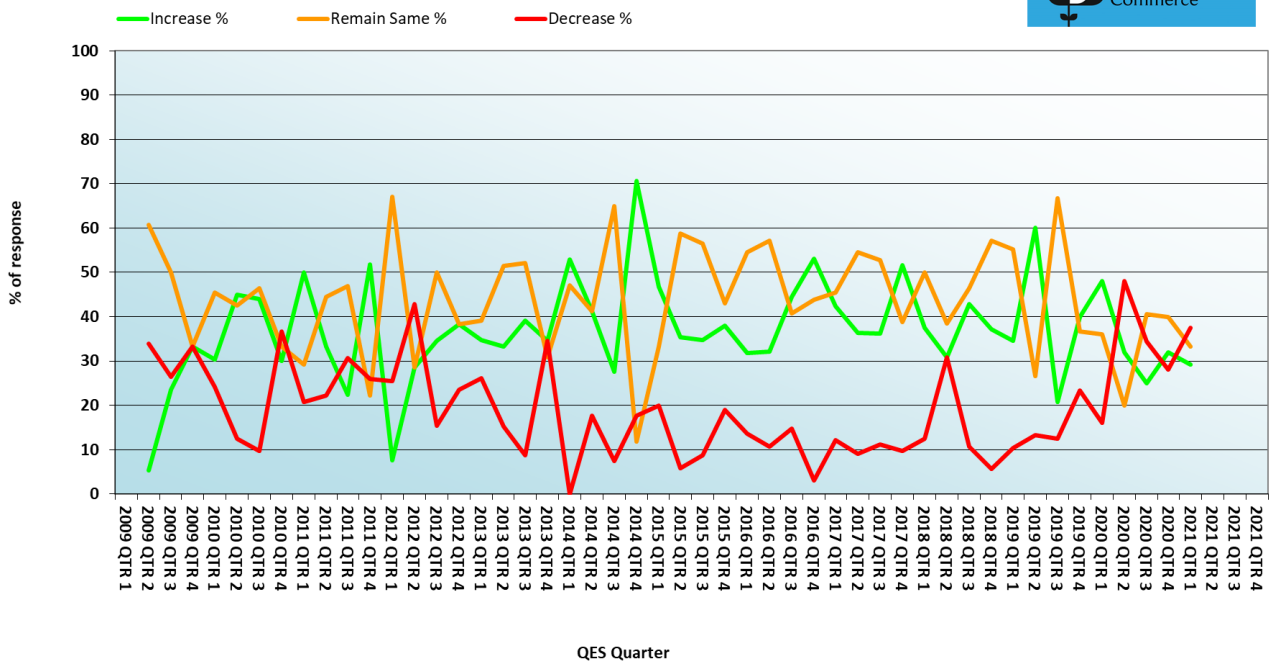


EXPORTS

Export Sales - for the past three months

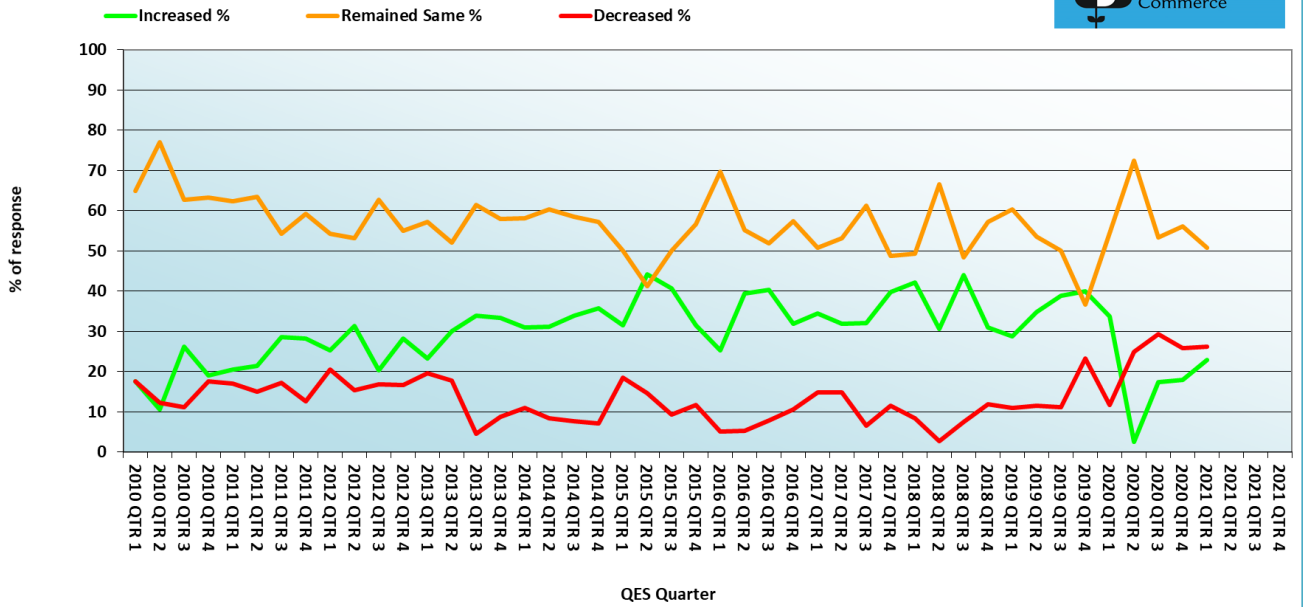


Export Orders - anticipated for the next three months

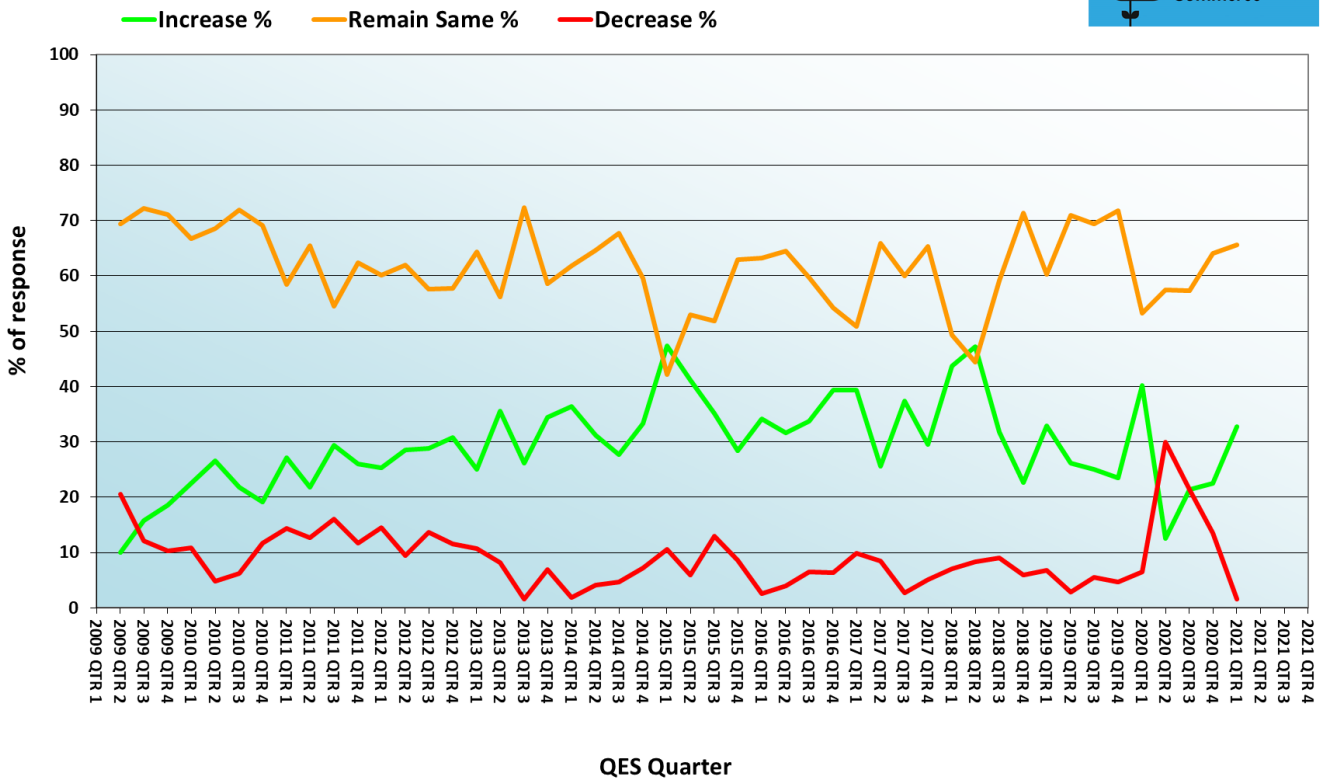


STAFF

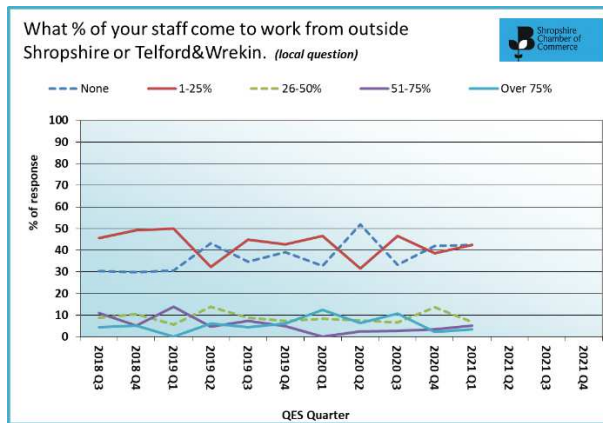
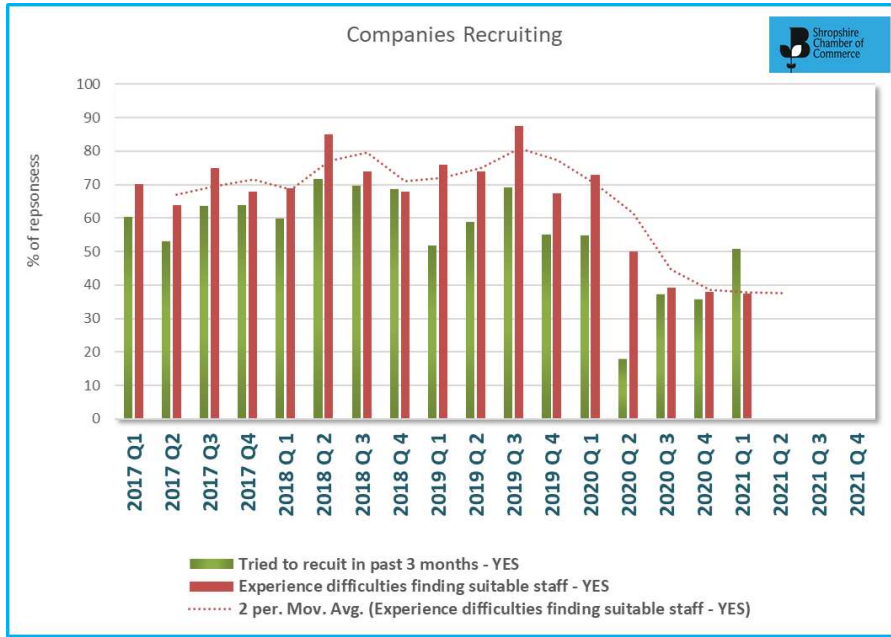
Workforce - past 3 months



Workforce - anticipated in the next three months



STAFF...continued



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

Extracted from the comments made by those taking part in the survey

Terrible public services

negatively perceived healthcare system

Level of commute required. Wages.

Parking near town centre

opportunities for progression as majority of SME's

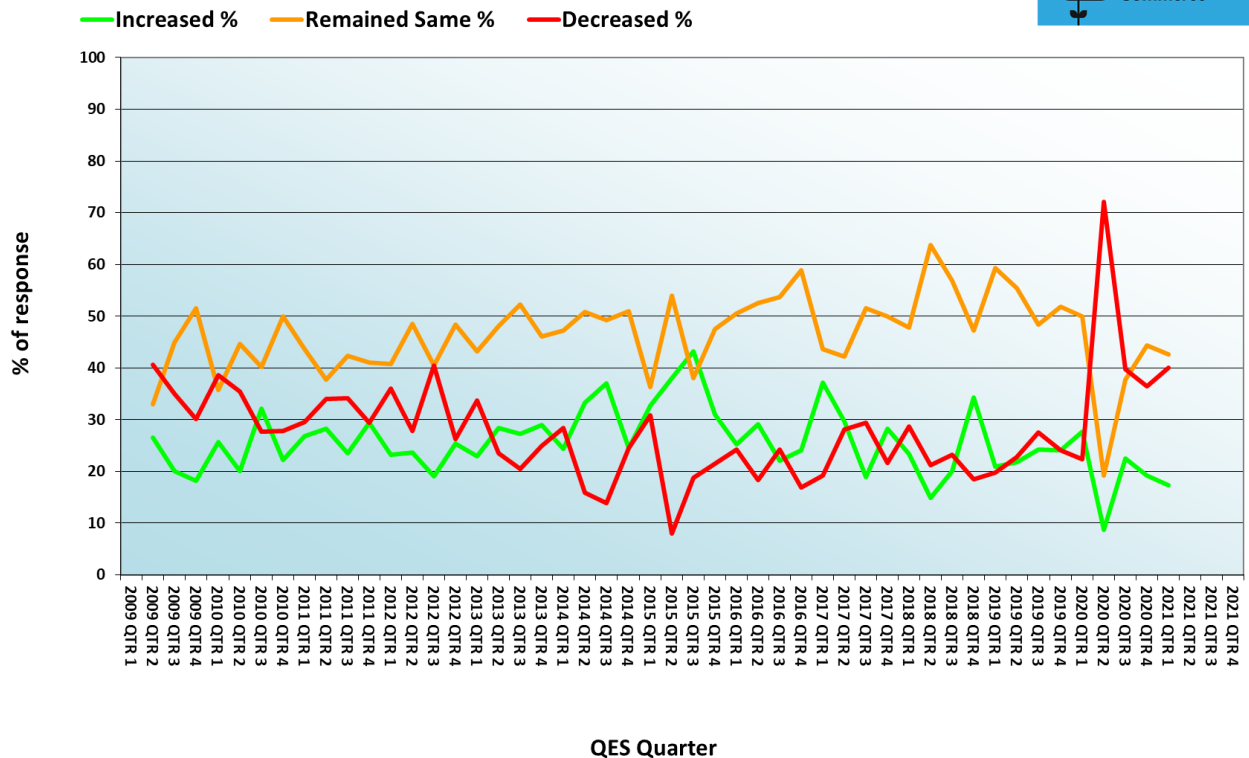
JLR who have their pick so to speak and drive costs for skilled people in engineering up

Public transport links from/to outlying areas which reduces employment opportunities to the younger workforce.

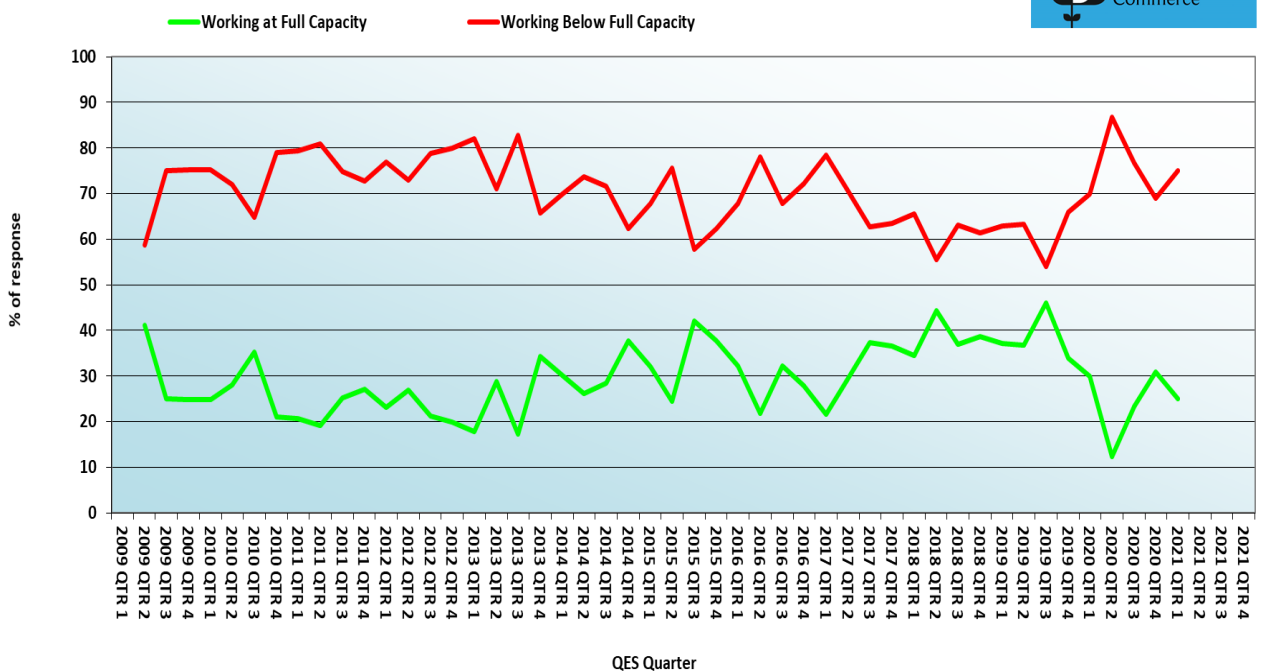
Shropshire Chamber of Commerce

CASH & CAPACITY

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

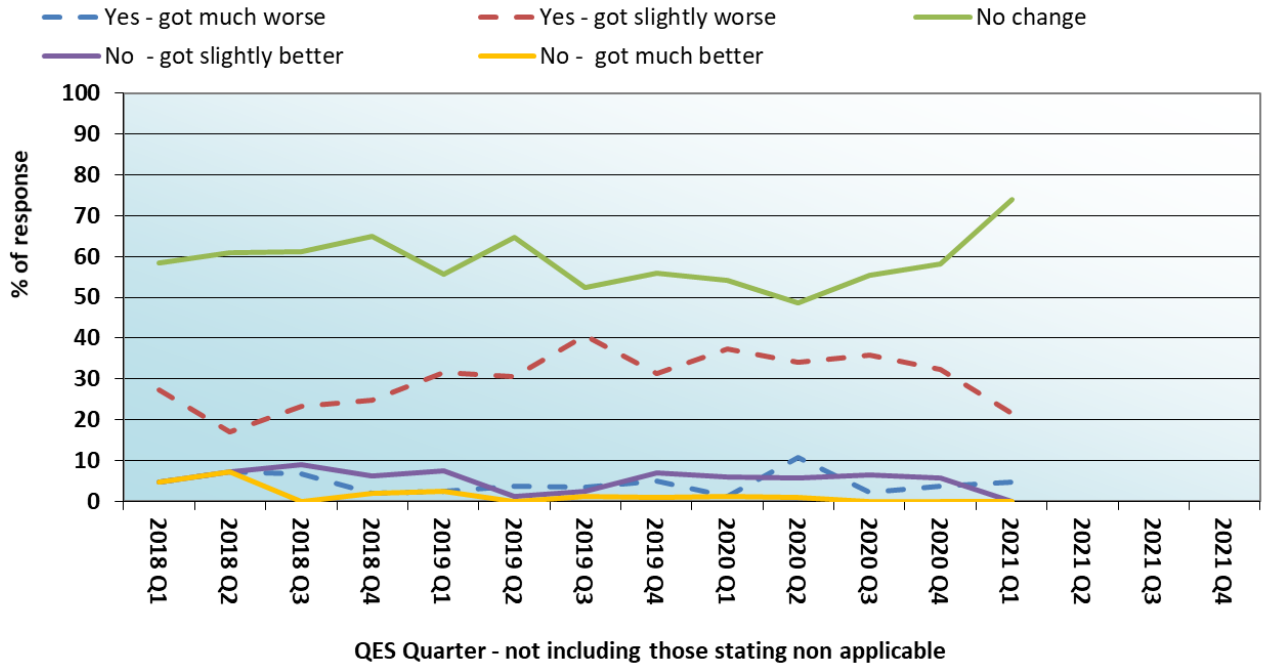


Capacity - working at full or below capacity

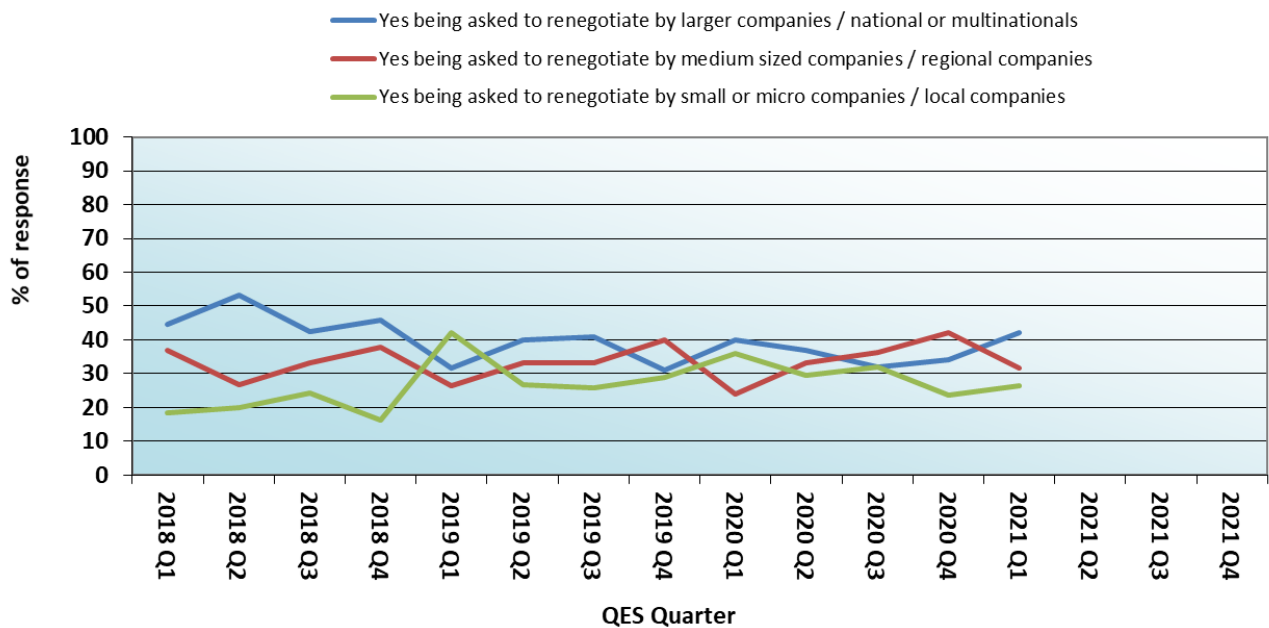


CASH & CAPACITY...continued

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

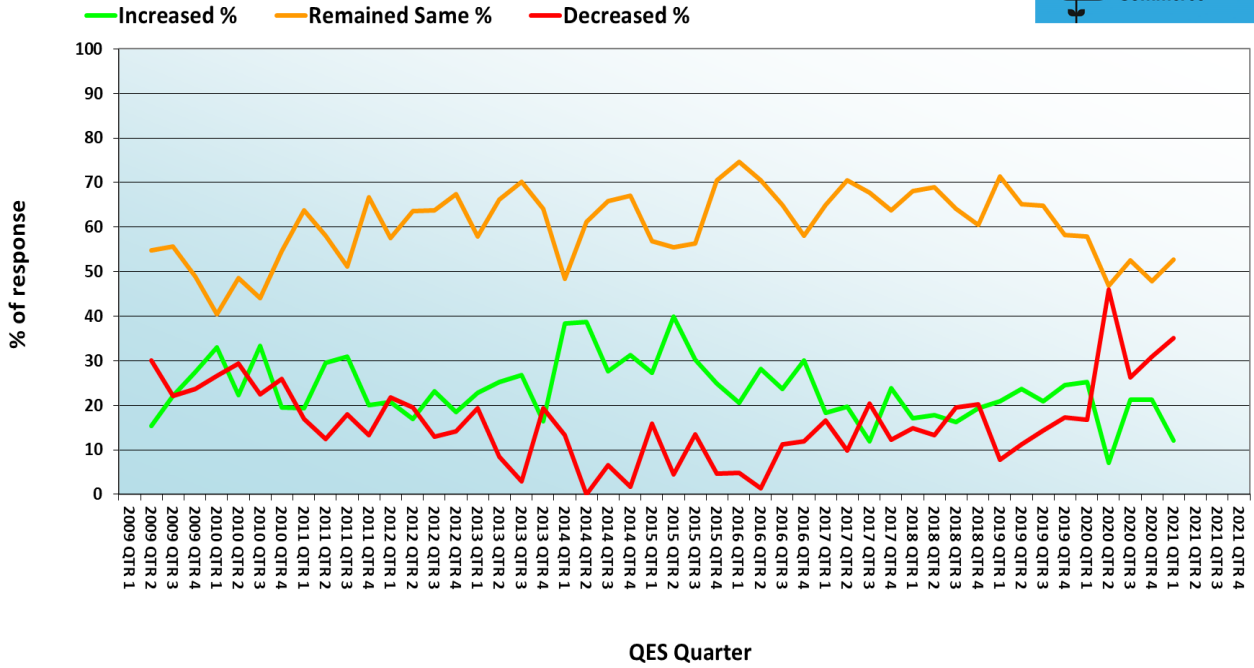


Are your suppliers asking you to renegotiate your payment contracts with them to less favorable terms? If so which types of companies are asking you to accept new contract terms? (multi choice - local question - not including those stating non applicable)

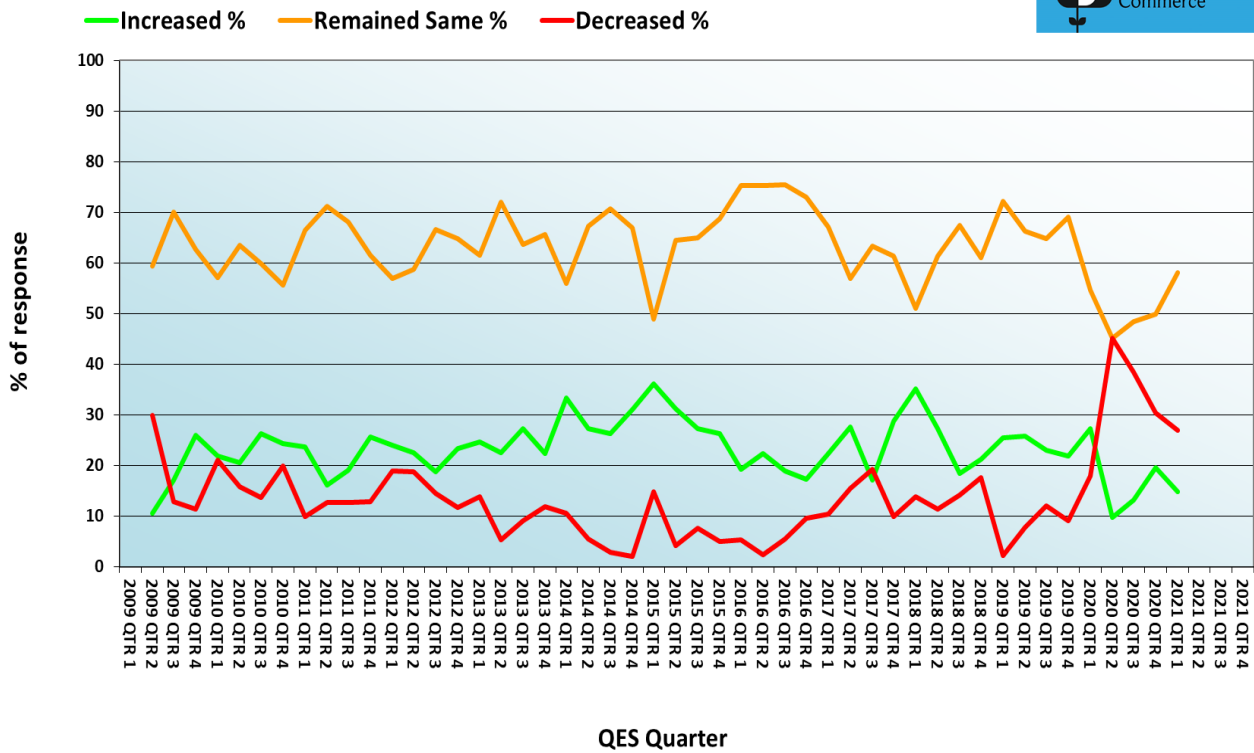


INVESTMENT

Investment Plans - Plant & Machinery

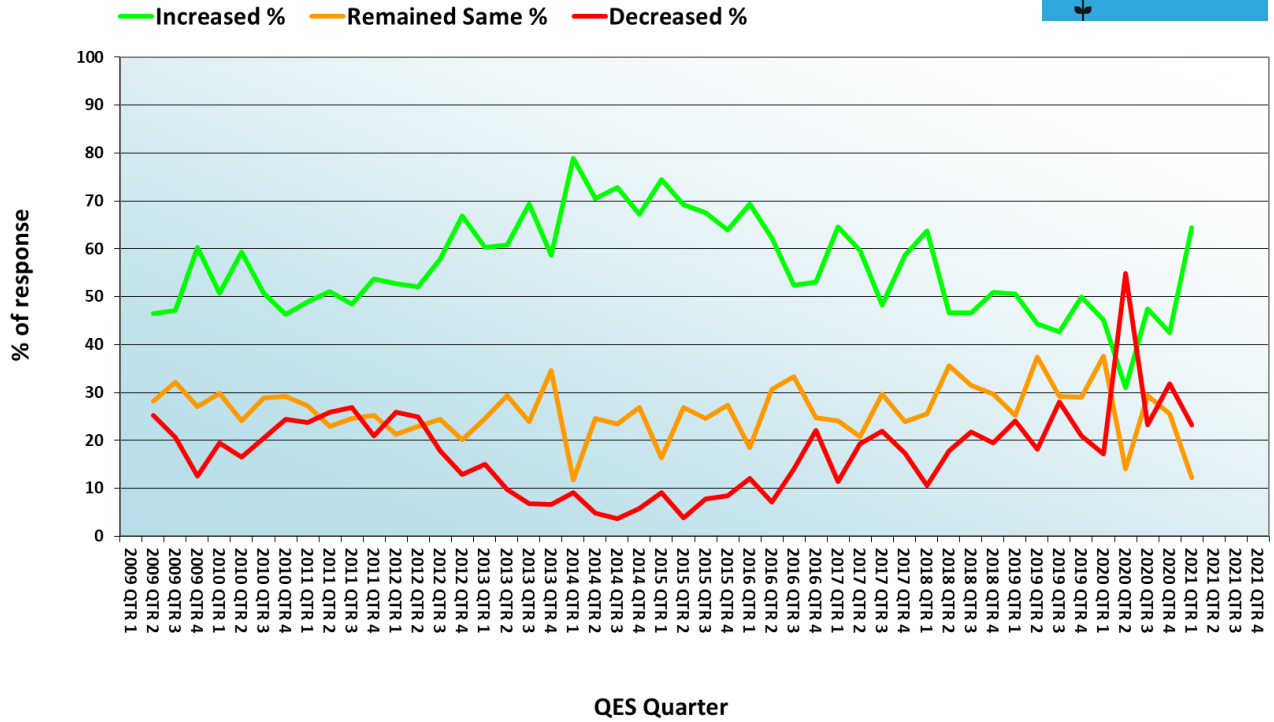


Investment Plans - Training

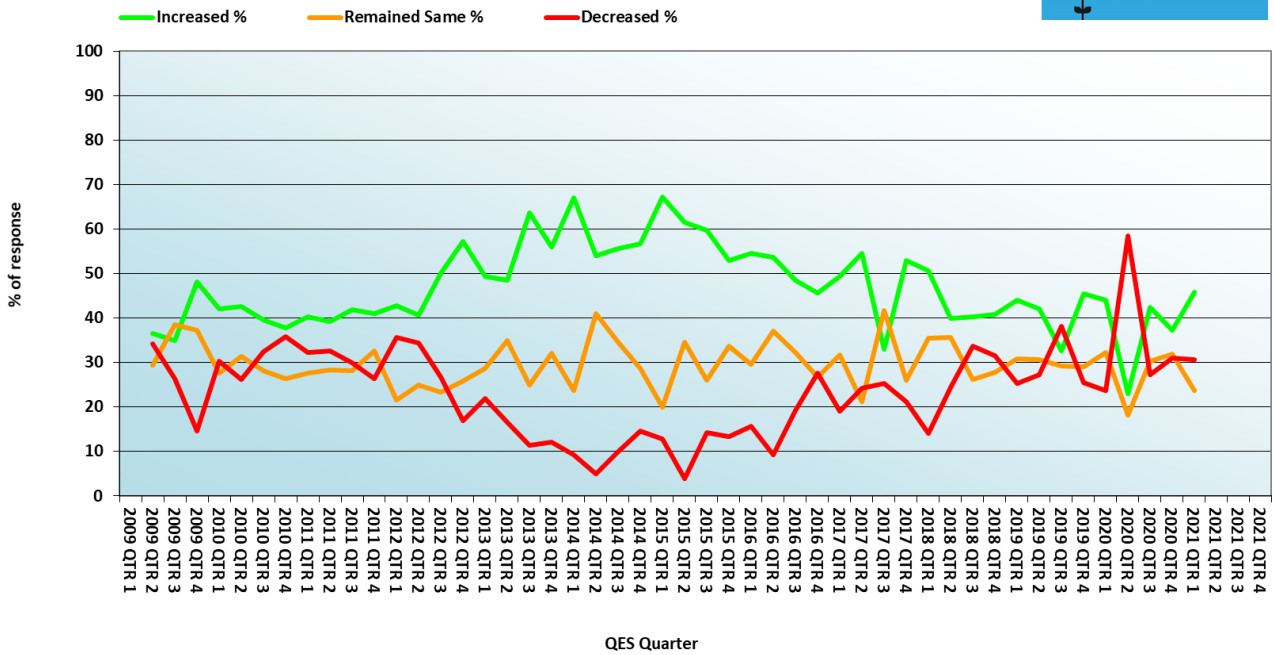


CONFIDENCE

Turnover Confidence - view of the next 12 months



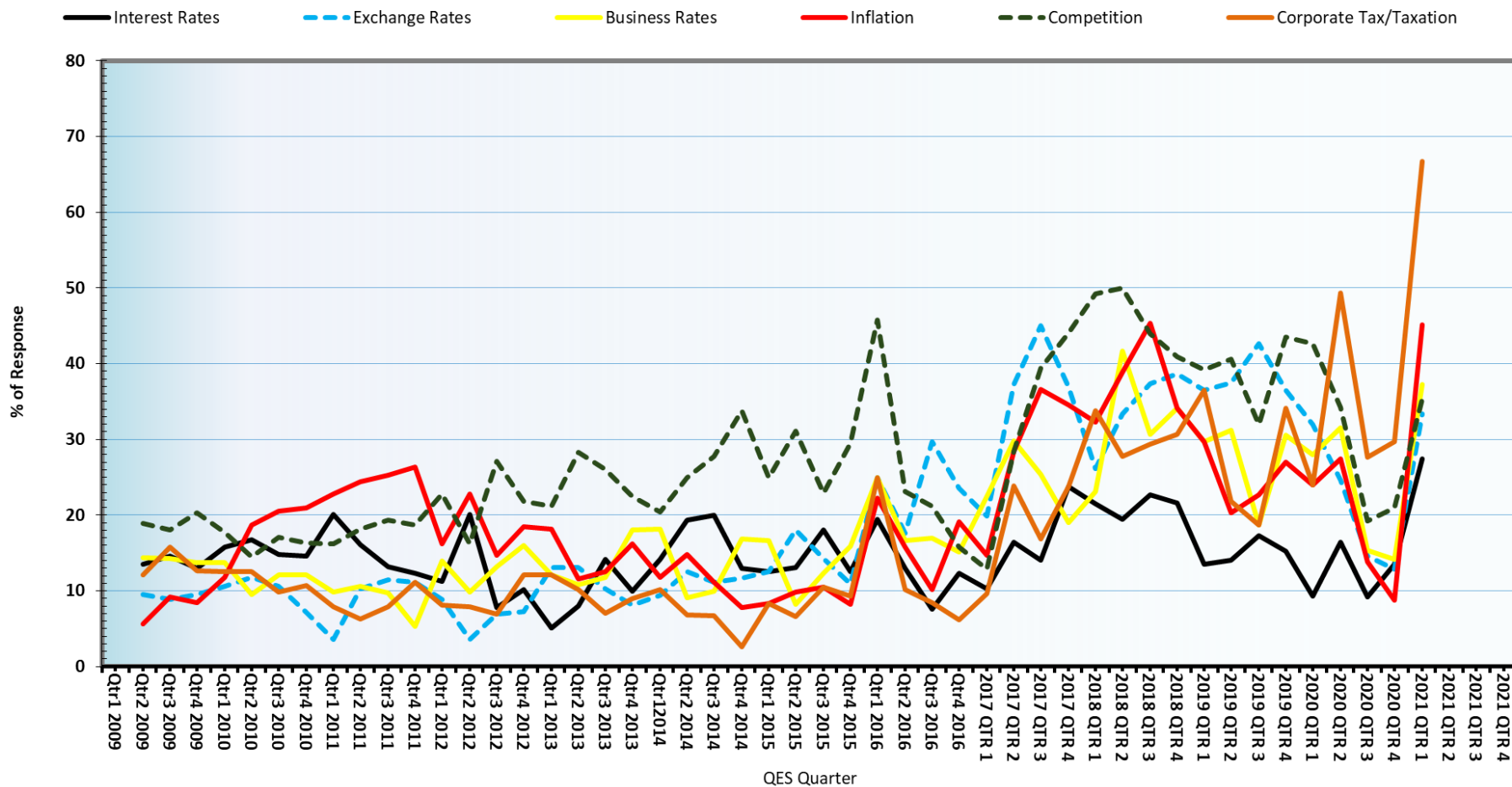
Profitability Confidence - view of the next 12 months



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

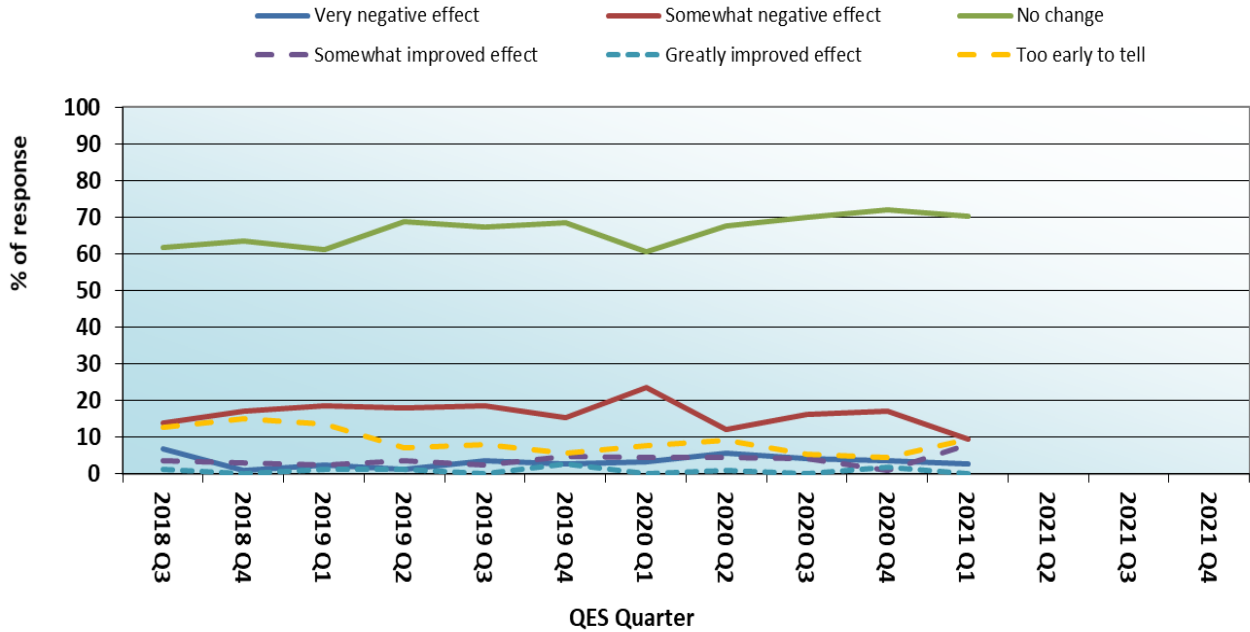
This chart depicts the most feared external factors that are felt may affect the respondents business.



ADDITIONAL TOPICS

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)



What effect is Brexit having on your business?

(local question) - Asked from Qtr.2 2019 onward

