

Date: 12th February 2021

Subject: Greater Manchester Economic Dashboard

Report of: Councillor Elise Wilson, Portfolio Lead for Economy & Business

PURPOSE OF REPORT

To provide GMCA with the latest version of the Greater Manchester Economic Resilience Dashboard.

RECOMMENDATION:

The GMCA is requested to note and comment on the latest update of the Greater Manchester Economic Resilience Dashboard

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Equalities Implications:

There are no direct equalities impacts arising from this report.

Climate Change Impact Assessment and Mitigation Measures:

1. *No direct impacts arising from this report.*

Risk Management:

None

Legal Considerations:

None

Financial Consequences – Revenue:

None

Financial Consequences – Capital:

None

Number of attachments to the report: 1

Comments/recommendations from Overview & Scrutiny Committee

None

BACKGROUND PAPERS:

The author of the report must include list of those documents on the subject matter which:

- Disclose any facts or matter on which the report or an important part of the report is based;
- Which have been relied on to a material extent in preparing the report

TRACKING/PROCESS		[All sections to be completed]
Does this report relate to a major strategic decision, as set out in the GMCA Constitution		No
EXEMPTION FROM CALL IN		
Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency?		Please state the reason the report is exempt from call-in
GM Transport Committee	Overview & Scrutiny Committee	

1. BACKGROUND

1.1 The Economic Resilience Dashboard aims to provide up to date intelligence on the conditions in the Greater Manchester economy following the outbreak of Covid-19.

The data is divided into four sections:

- Current Economic Conditions provides leading indicators on the economy and labour market.
- Business and Consumer Confidence provides measures of confidence in the economy as illustrated in retail spending and responses to national surveys.
- Greater Manchester Business Indicators provides data gathered by GM based organisations on business sentiment and confidence.
- Behavioural Insights provides information on the movement of people across GM.

1.2 The available economic data in response to Covid-19 is changing rapidly with frequent new datasets becoming available and others being withdrawn. The dashboard will be updated with the best available data each month.

1.3 The latest version of the dashboard can be viewed live at this link (and is attached as a PDF report):

https://www.gmtableau.nhs.uk/t/GMCA/views/GMEconomicResilienceDashboard/About/jack.james@greatermanchester-ca.gov.uk/4f3be3e5-759e-47ee-85f9-6c1538fc265c?:display_count=n&:showVizHome=n&:origin=viz_share_link&:isGuestRedirectFromVizportal=y&:embed=y

2. HEADLINE MESSAGES:

2.1 139,435 GM residents claimed unemployment related benefits in December, a slight decrease of -1.3% on the previous month and an 87% growth in the claimant count since March. This is less than the 105% growth in claimants across the UK as a whole. After rapid increases in the number of residents seeking unemployment related benefits between April and May 2020, the total number of claimants in GM stabilised in June and has remained steady since then. However, national surveys are showing a pronounced movement from employment into 'inactivity' rather than 'unemployment' in the North West (unlike other parts of the UK, including in the North). This is being analysed in more detail in case it is the early indicator of a trend.

2.2 There were 154,300 GM residents of furlough on 31 December 2020. This is an increase of 50,400 (49%) since 31 October 2020 but remains below the 213,300 employments furloughed in July, the earliest data available. Nationally 12.8% of residents eligible for the scheme were furloughed on 31 December, slightly more than in GM (12.1%).

- 2.3 75,600 GM residents had made a claim to the third round of the Self-Employment Income Support Scheme at 31 December 2020, 63% of those eligible for the scheme. This is a decrease from the uptake of the scheme in the first two rounds (79% and 73% respectively). As with earlier rounds, take up of the third grant has been higher amongst GM residents than the UK average (63% for GM vs 57% nationally). Applications to the third round of the scheme closed on 26 January.
- 2.4 The latest Growth Hub Survey conducted between 18th January and 1st February showed an 8% decrease in the number of businesses reporting a 'negative' impact from EU exit with 17% of firms reporting a negative impact, 52% of firms reported a 'neutral' impact, 29% are 'unsure' and 2% reported a 'positive' impact. As set out in the paper to the recent meeting on 29th January, this is reflected by GM Chamber of Commerce, who are reporting a dramatic increase in the number of Brexit and trade deal related enquiries. Whilst issues being raised are often very specific to individual firms, the two most common topics are VAT and documentation. Firms are reporting that the changes to the forms they use for transporting goods are resulting in some shipments being rejected or being unable to be certified. Firms are also reporting that information available on gov.uk is too generic to be useful. As yet however, there have been relatively few enquiries about the points based immigration system.
- 2.5 The number of firms that said they were considering making redundancies was 2.6% between 21st January and 1st February, down from 4.8% between 21st December and 21st January. 12% of firms said that they had already made redundancies.
- 2.6 £780m in Coronavirus Business Interruption Loans and £1.95bn in Bounce Back Loans had been offered to businesses in GM at 11th January. An average of £264,000 per applicant from CBILS and £30,700 per applicant from BBLS has been paid to firms in GM, compared to £257,000 per applicant from CBILS and £30,400 per applicant from BBLS across the UK as a whole.

3. RECOMMENDATION

- 3.1 The GMCA is requested to note and comment on the latest update of the Greater Manchester Economic Resilience Dashboard.