

Date: 26th March 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data in response to Covid-19 is changing rapidly with frequent new datasets becoming available and others being withdrawn.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 January, a slight decrease of -1.1% on the previous month and an 84% growth in the claimant count since March. This is less than the 102% 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 claimant count has been relatively stable since then, albeit with some slight declines.

2.2 There were 184,600 GM residents of furlough on 31 January 2021. This is an increase of 80,700 (78%) since 31 October 2020 but remains below the 213,300 employments furloughed in July, the earliest data available. Nationally 16% of residents eligible for the scheme were furloughed on 31 January, slightly more than in GM (15%).

2.3 Analysis of behavioural data shows a steady increase in activity around Greater Manchester since early January. Google Mobility data shows that the number of people making trips to grocery shops, pharmacies, retail and recreation areas have increased slightly since early January, the number of people visiting grocery shops and pharmacies was just -2% below

the baseline on 12th March. This is reflected by data from Transport for Greater Manchester, which shows that there were 36.9 million passengers across all modes of transport in Greater Manchester in week commencing 8th March, a 28% increase since week commencing 4th January. However, total passenger journeys remain 25% below pre-crisis levels.

- 2.4 84,000 GM residents had made a claim to the third round of the Self-Employment Income Support Scheme at 31 January 2021, 70% 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 (70% for GM vs 65% nationally). Applications to the third round of the scheme closed on 26 January.
- 2.5 The Growth Hub Survey conducted between 15th February and 1st March showed an 8.1% decrease in the number of businesses reporting a 'negative' impact from EU exit with 19.5% of firms reporting a negative impact, 40.7% of firms reported a 'neutral' impact, 39.0% are 'unsure' and 0.9% reported a 'positive' impact. The key short term issues that are being reported by businesses to the Business Growth Hub and the GM Chamber of commerce are a lack of familiarity with new requirements for exporting and importing and higher costs from increased red tape that are forcing businesses to consider alternative ways of trading in order to continue operating. Some businesses were also examining the feasibility of opening premises in the EU in order to better serve existing European contracts.
- 2.6 Longer term, the GM Chamber of Commerce and Business Growth Hub are reporting concerns amongst some companies about their ability to adapt to new trading costs particularly in relation to the rules of origin requirements imposed by the Trade and Cooperation Agreement. In some cases businesses have reported that the inability of their business models to adapt to these requirements may impact on their future viability. Some smaller companies who generate a low percentage of their turnover from exports are examining whether to continue exporting given the additional costs. In addition, there is concern that some businesses do not have the financial resources or available personnel to comply with the new rules.
- 2.7 The number of firms that said they were considering making redundancies was 4.8% between 15th February and 1st March, down from 5.6% between 1st and 15th February. 10.0% of firms said that they had already made redundancies.

3. RECOMMENDATION

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