

Economic Resilience Dashboard



Tracking the Greater Manchester Economy

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 three 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.

The economic data in response to Covid-19 is changing rapidly with new datasets becoming available and others being withdrawn on a regular basis. The dashboard will be updated with the best available data each month with the resultant analysis described in the Analysis tab.

We would welcome feedback on alternative measures to be included in the dashboard or insights on the data provided. If you have any feedback please email jack.james@greatermanchester-ca.gov.uk.

Analysis



30%

of Greater Manchester's eligible workforce were on furlough during the month of June under the Government's Coronavirus Job Retention Scheme.



141,000

GM residents were in receipt of unemployment benefits in June, a rise of 88% since March.



3,050

online job postings were recorded in the GM economy in w/e 18 July, around 59% fewer than w/e 7 March.

385,000 GM residents were on furlough under the Government's Coronavirus Job Retention Scheme in June, equivalent to **30%** of the working population eligible for the scheme in the city region. This is in line with the take up of the scheme across England (also 30%). The CJRS is now closed to new applicants. From 1 August employers will be required to contribute towards pension and National Insurance contributions and then to make further contributions towards salaries in September (10%) and October (20%). It will be important to monitor the pace at which employers take employees off furlough and any resultant effect in the claimant count over the coming months.

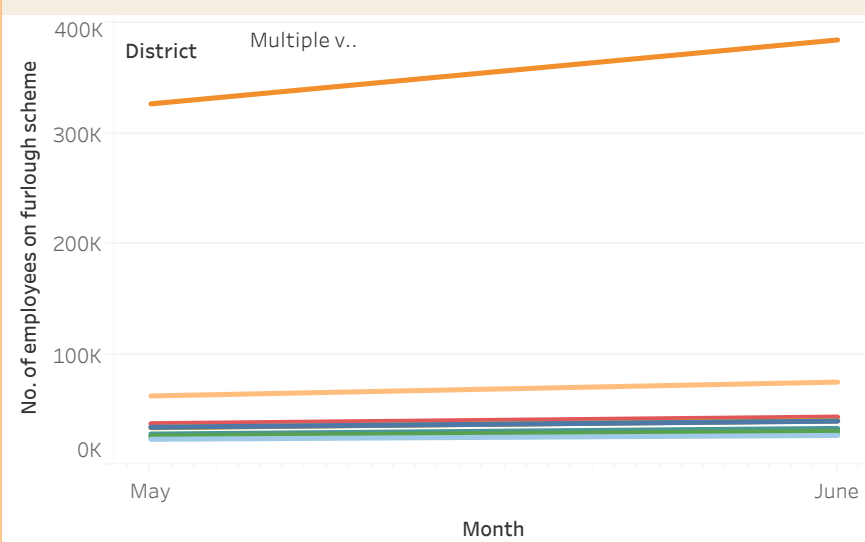
The claimant count for June 2020 shows that after rapid increases in the number of claimants of unemployment benefits between April and May 2020, the total number of claimants in GM stabilised in June to **141,000 claimants**. This was a change of less than 1% on the previous month but still represents a large growth in the claimant count of 88% since March. This figure is lower than for the UK as a whole which has seen a 106% rise in the number of claimants across the same period.

Total online job postings in GM were **3,050** in the week ending the 18th July 2020. In the first week in March there were about 7,500 postings a week: in other words, vacancies have broadly fallen by a half. However, vacancies appear to have hit a low in early May 2020 since then there has been modest, somewhat faltering growth.

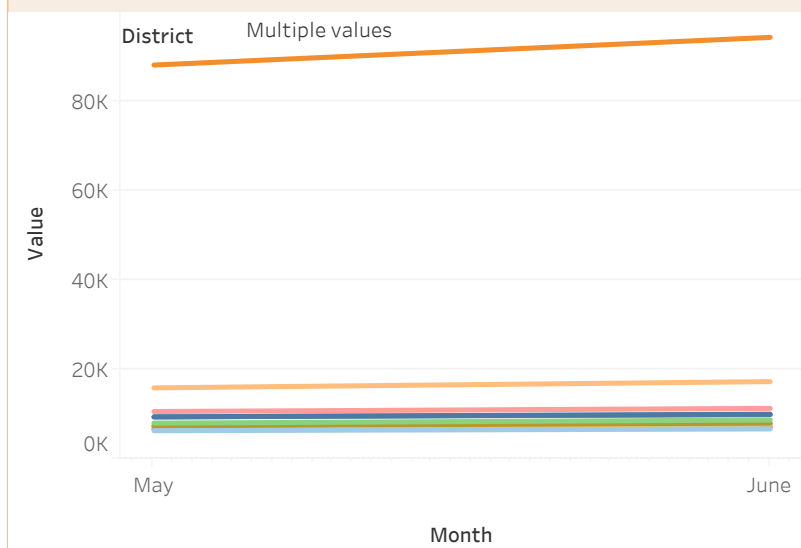
Broader measures of business and consumer sentiment included in the dashboard suggest **economic indicators both in Greater Manchester and nationally have either levelled out following the initial economic shock of Covid-19 and lockdown or, in some cases, begun to show signs of growth or positive sentiment**. Nationally, both retail sales and sentiment amongst supply chain managers (as measured by the Purchasing Managers Index) have shown improvement whilst national consumer confidence has levelled out (albeit at low levels). Measures of the resilience of Greater Manchester's businesses (as measured by numbers of businesses reporting cashflow issues or lower levels of reserves in the Growth Company's survey) have also shown a slight improvement in recent weeks. It is important however not to overstate the extent of this positivity. In most cases **measures remain at historically low levels and there remain significant economic challenges in the near future, most immediately with the withdrawal of the furlough scheme which will need to be closely monitored**.

Current Economic Conditions

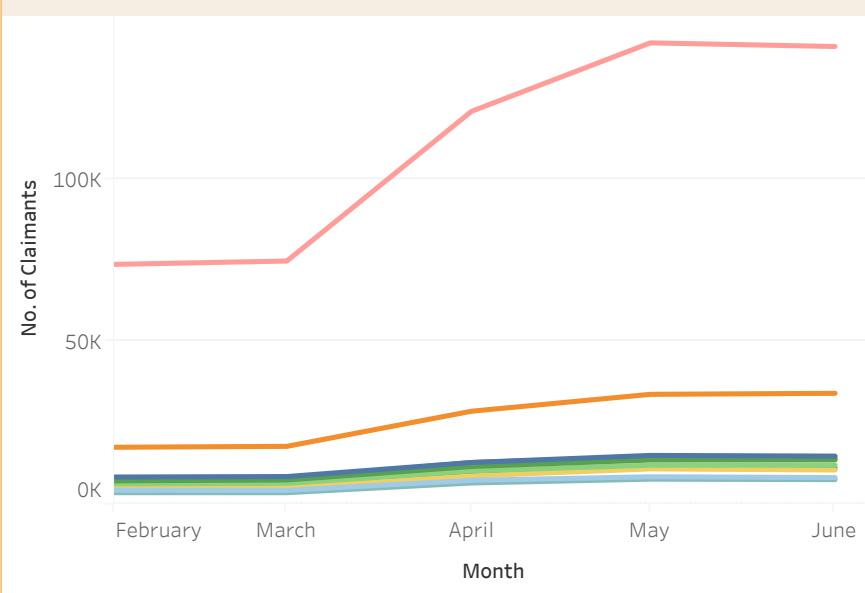
Employees on furlough scheme (Monthly)



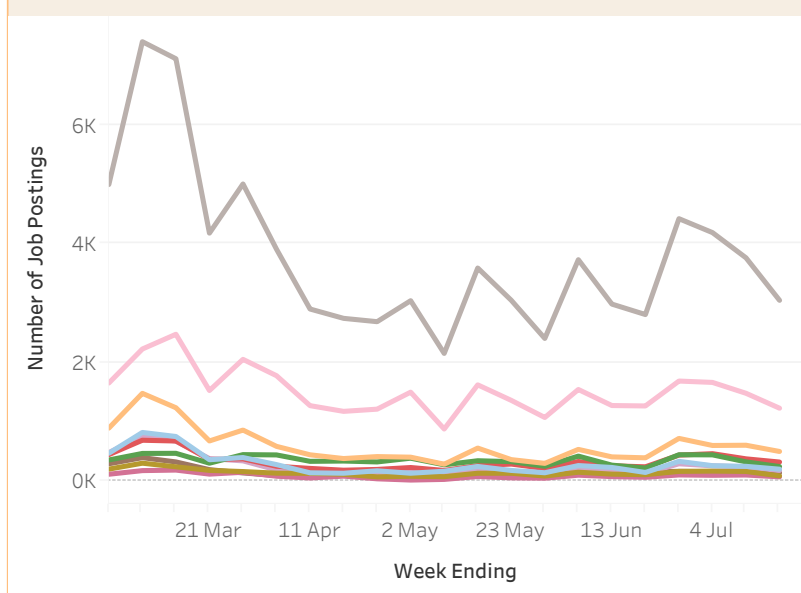
Number of self-employed people accessing support (Monthly)



Claimant count (Monthly)



Job postings by industry (Weekly)



Key Facts

The number of GM employees on furlough rose 18% to 384,700 between May and June.

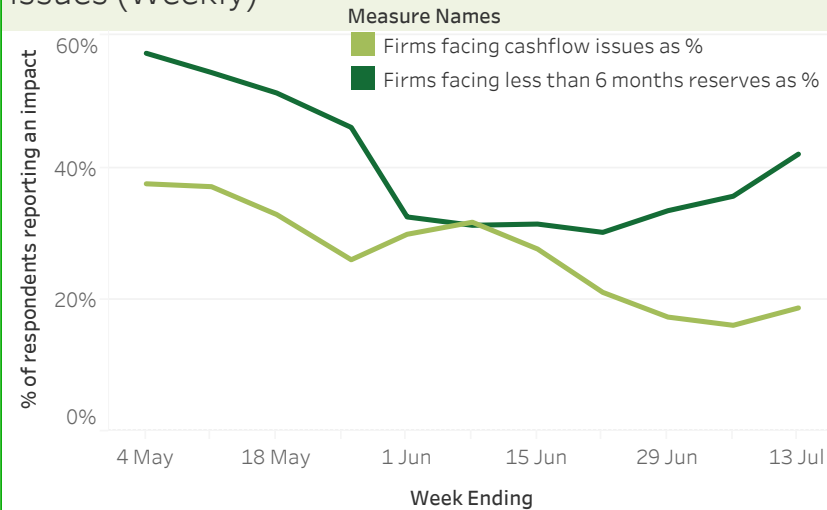
The number of people in GM accessing the Self-Employment Income Support Scheme rose 7% to 94,400 between May and June.

The number of claimants decreased by 0.8% to 140,630 between April and May. GM has seen an 88% rise in the volume of claimants between March and June.

Weekly job postings fell by 714 (19%) between 11th and 18th July. Weekly job postings have fallen 59% since week 1st - 7th March.

Greater Manchester Business Indicators

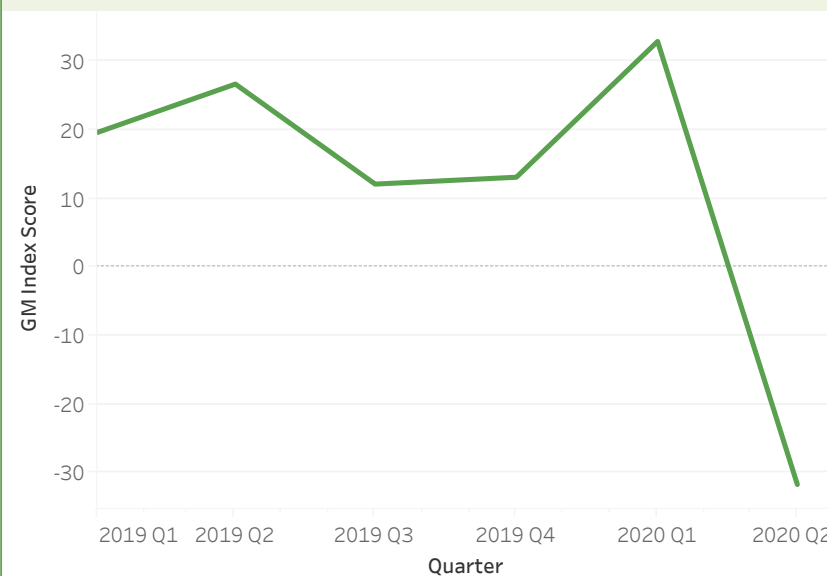
GC Survey: Firms reporting cashflow and reserves issues (Weekly)



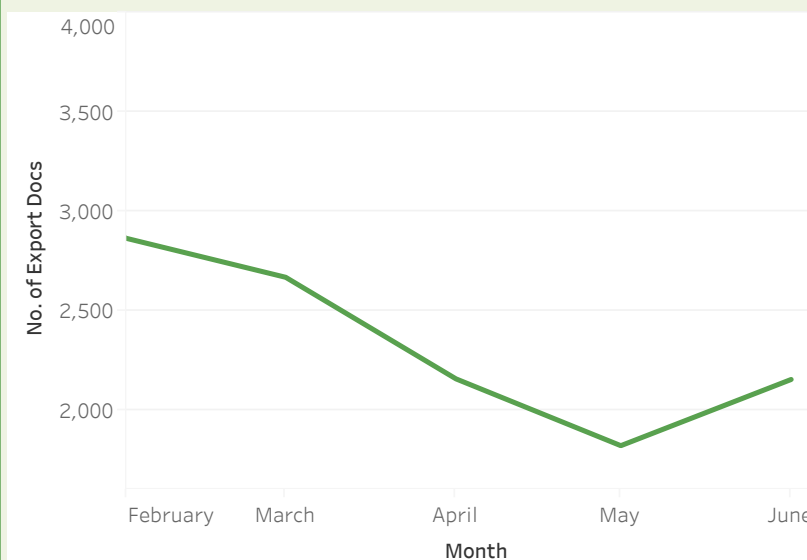
GC Survey: Firms planning to make redundancies (Weekly)



GM Index (Quarterly)



Export Documents (Monthly)



Key Facts

GM Chamber's GM Index decreased from 32.9 in Q1 2020 to -31.7 in Q2 2020. It should be noted that the Q1 2020 figure only includes a short period at the end of March during lockdown.

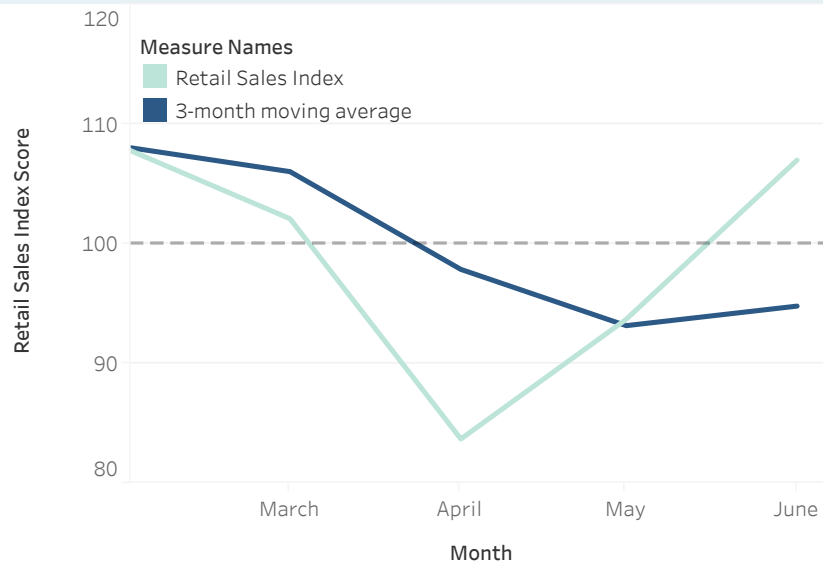
Export documents increased by 18% in June, from 1,821 to 2,154, however the total number of export documents is down 19% since March.

The number of GM businesses reporting cashflow issues increased to 19% in the week 6th - 13th July. However, this is down 18% since week 5th - 11th May.

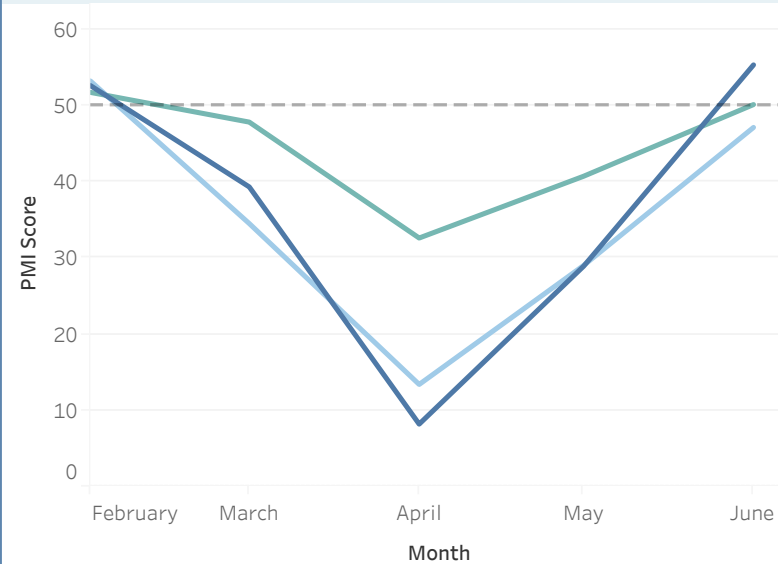
The number of GM business reporting less than 6 months reserves increased to 42% in the week 6th - 13th July. However, this is down 12% since week 5th - 11th May.

Business and Consumer Confidence

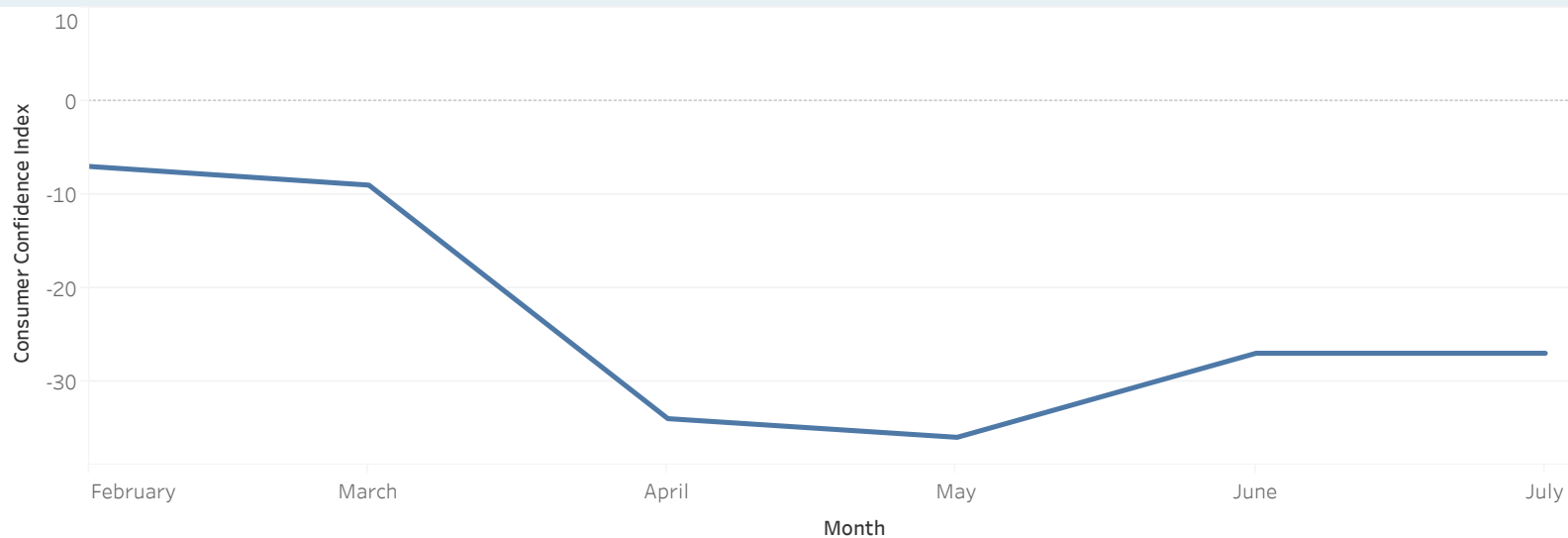
UK retail sales (Monthly)



UK purchasing managers index (Monthly)



UK consumer confidence (Monthly)



Key Facts

The retail sales index recovered in June from 93.7 to 107.0. The index is down 1 point compared February 2020.

All three measures of PMI made a recovery in June, with Manufacturing and Construction PMI's getting back over the 50.0 growth threshold for the first time since February.

The UK Consumer Confidence Index remained at -27 in July 2020. Consumer confidence has fallen 20 points since February 2020.

Definitions

Current Economic Conditions

Employees on Furlough in GM - This data is taken from the **monthly statistical release from HMRC** and provides figures for the number of employees who are currently on the government's Coronavirus Job Retention Scheme in each of Greater Manchester's districts. The release is classed as experimental statistics because the methodologies used to produce the statistics are still in their development phase. As a result, the figures are subject to revision.

People on Self-Employment Income Support Scheme - This indicator measures the number of claims made to the Self-Employment Income Support Scheme (SEISS) administered by HM Revenue and Customs'. **The data is released on a monthly basis by HMRC.** As this is an experimental dataset, methodologies are still being refined and improved. Therefore, there may be revisions to these statistics.

Claimant Count - This data is taken from a **monthly statistical release by the Office for National Statistics**. Alternative Claimant Count experimental statistics measure the number of people claiming unemployment related benefits by modelling what the count would have been if Universal Credit had been fully rolled out since 2013 (when Universal Credit began) with the broader span of people this covers.

Job Postings - Job postings data is **taken from Burning Glass and updated on a weekly basis**. This measure indicates job vacancies for GM as a whole.

Greater Manchester Business Indicators

GM Index - The Greater Manchester Index is a **quarterly composite indicator taken from seven measures in the Greater Manchester Chamber of Commerce's Quarterly Economic Survey**. Those seven indicators are Domestic Sales, Advance UK Orders, Export Sales, Advance Overseas Orders, Capacity Utilisation, Turnover Confidence, Profitability Confidence.

Export Documents - This is a **monthly count of the number of export documents processed for GM businesses**, as reported to GMCA by the **GM Chamber of Commerce**. It gives an indication of the level of international trade happening in GM in the month.

Growth Company Business Survey - Figures relating to the impact of COVID-19 on business are **taken from the Growth Company's weekly business survey**. The survey covers all businesses that are Growth Company Clients, this means that some businesses outside of GM that access Growth Company services may be included in the dataset.

Business and Consumer Confidence

Retail Sales - The Retail Sales Index provides retail sales data for Great Britain in value and volume terms, seasonally and non-seasonally adjusted. **Taken from a monthly statistical release by the Office for National Statistics**. The specific measure we use from the index is shows the volume of retail sales, seasonally adjusted, as a percentage change on the same month a year earlier.

Purchasing Manager's Index - The Purchasing Managers' Index (PMI) is an index of the prevailing direction of economic trends in the manufacturing, service and construction sectors. It consists of a diffusion index that summarizes whether market conditions, as viewed by purchasing managers, are expanding, staying the same, or contracting. **The Index is published on a monthly basis by IHS Markit Economics**. The purpose of the PMI is to provide information about current and future business conditions to company decision makers, analysts, and investors.

Consumer Confidence - In the United Kingdom, the consumer confidence survey measures the level of optimism that consumers have about the performance of the economy in the next 12 months. **Published on a monthly basis by GfK**. The GfK Consumer Confidence is derived from the survey of about 2,000 consumers which are ask to rate the relative level of past and future economic conditions including personal financial situation, climate for major purchases, overall economic situation and savings level.