

Date: 18th September 2020

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

CONTACT OFFICERS:

Simon Nokes, Executive Director Policy & Strategy, GMCA
Simon.nokes@greatermanchester-ca.gov.uk

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 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.

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data in response to Covid-19 is changing rapidly with frequent new datasets becoming available and others being withdrawn.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 at a PDF report):

https://www.gmtableau.nhs.uk/t/GMCA/views/GMEconomicResilienceDashboard-September2020v3/About?%3AshowAppBanner=false&%3Adisplay_count=n&%3AshowVizHome=n&%3Aorigin=viz_share_link&%3AisGuestRedirectFromVizportal=y&%3Aembed=y

2. HEADLINE MESSAGES:

2.1 The claimant count for August 2020 shows that after rapid increases in the number of residents seeking unemployment related benefits between April and May 2020, the total number of claimants in Greater Manchester (GM) stabilised in June and has remained steady through July and August. 144,480 GM residents claimed unemployment related benefits in August, an increase of 1.3% on the previous month and a 93% growth in the claimant count since March. However, this figure is lower than for the UK as a whole, which has seen a 114% rise in the number of claimants across the same period.

2.2 According to the Growth Company's fortnightly business survey, the number of GM firms planning to make redundancies increased to 9% between the 29th August and 14th September. This figure has risen steadily from 2% on 20th April. Further redundancies are anticipated over the next few months as the government's Coronavirus Job Retention Scheme (known as furlough) winds down.

2.3 Total online job postings in GM also remained steady at 4,416 in the week ending the 12th September 2020. In the first week of March, there were about 7,500 postings a week: in other words, vacancies have fallen by around 40%. However, vacancies appear to have hit a low in early May 2020 and since then there has been modest, somewhat faltering growth.

- 2.4 HMRC has stopped providing local authority level data on numbers of residents furloughed, making it more challenging to provide an accurate estimate of usage of the scheme at a Greater Manchester level. Nationally, usage of the scheme continued to fall in July from its peak in mid-May. Around 4 million fewer workers are now furloughed nationally than at the scheme's peak. The Accommodation & Food Services and Wholesale & Retail sectors continue to have the largest volumes of staff furloughed through the scheme (940,000 and 790,000 respectively). 61% of GM businesses responding to the most recent Growth Company survey reported that they had furloughed some of their staff.
- 2.5 Analysis by Centre for Cities shows a mixed picture in the recovery of footfall across GM's primary town centres. Whilst Wigan has recovered to pre-pandemic levels, other town centres have between 61% and 77% of the levels of footfall seen in March. The analysis shows the regional centre had around 49% of pre-pandemic levels of footfall in the final week of August. This contrasts with the data from footfall counters across ten Manchester neighbourhoods which shows footfall at around -12% of pre-crisis levels over the last four weeks. This suggests more localised footfall may have been more resilient and recovered more quickly during the pandemic.
- 2.6 Broader measures of business and consumer sentiment show some positive signs for the GM economy. All three sectoral Purchasing Manager's Indices are now above the 50.0 threshold score that indicates growth. Retail sales have also recovered to above their pre-crisis level. However, underlying consumer confidence has consistently remained 20 points below its pre-crisis level at -27 for each of the last three months, suggesting that there is still considerable uncertainty about the future.

3. RECOMMENDATION

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