



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. 4 - 2019

(Survey undertaken over three weeks in November 2019)

Headline

FIRST SHOOTS OF CHANGE APPEARING

This quarter is showing the first signs of changes in the local business economy, possibly due to the election looming and the never-ending shadow that is BREXIT.

Domestic sales seem to be gently slowing, whereas exports have moved from a static position to one where those seeing decline is equal in growth of numbers, to those seeing increases in orders.

Staffing, again movement however this shows a picture where in the past three months the number of businesses saying they have decreased their work force numbers has risen from just 11% last quarter to 23% this quarter. Forward projection for employment is a static picture.

Recruitment, 50% of companies said they had tried to recruit in the past 3 months, a decline from the previous quarter and quarter 4, 2018. The statistics show that 83% of those recruiting were looking for full time staff.

The key concern has returned to competition, with 40% saying this is a worry for them. Investment in plant is also moving, with equal shift from static to increasing or decreasing. Training is a different picture with 70% saying they have no plans to increase investment.

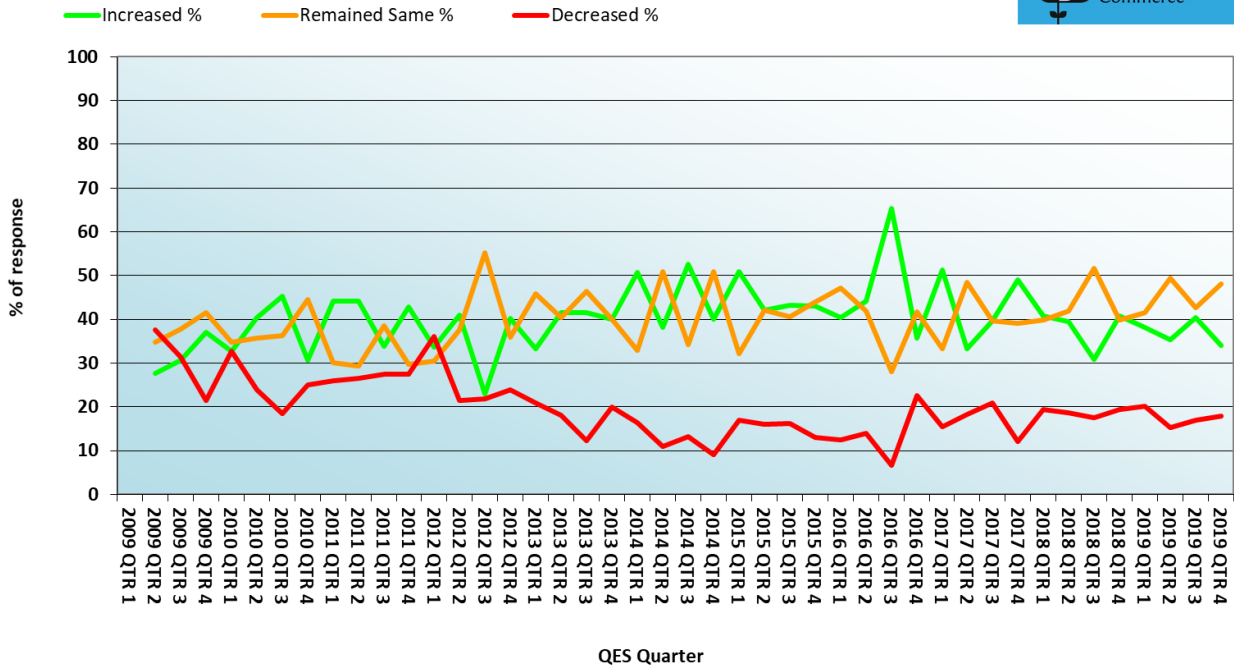
Confidence in both profitability and turnover has risen after the dip of the last quarter but is still subdued. Those working to full capacity has fallen back to 34%.

Companies are reporting that outstanding payments less of an issue than in the previous quarter. The number of companies being asked to accept less favourable terms from suppliers has reduced this quarter.

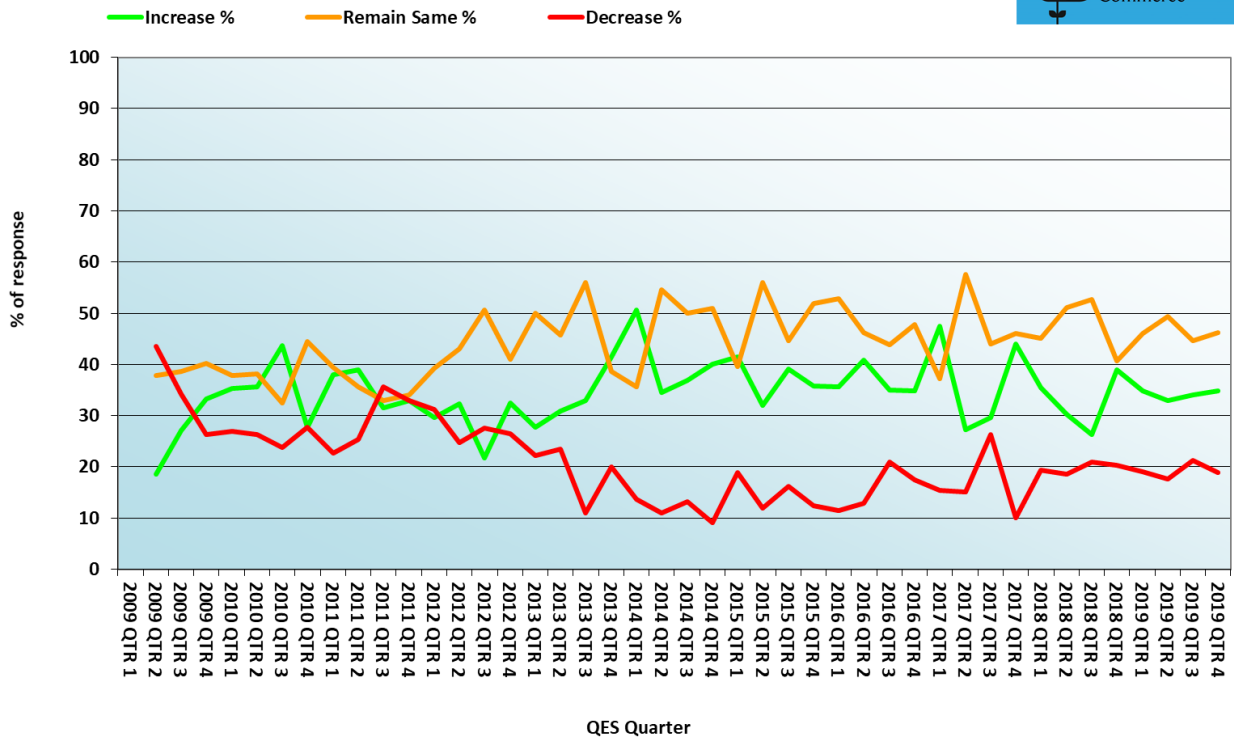
GDPR is reported as having little negative impact on the majority of businesses interviewed. Even though a new statistic for this survey we see the number of businesses feeling that Brexit is having a somewhat negative effect has risen to 40%.

UK SALES

UK Sales - for the past three month

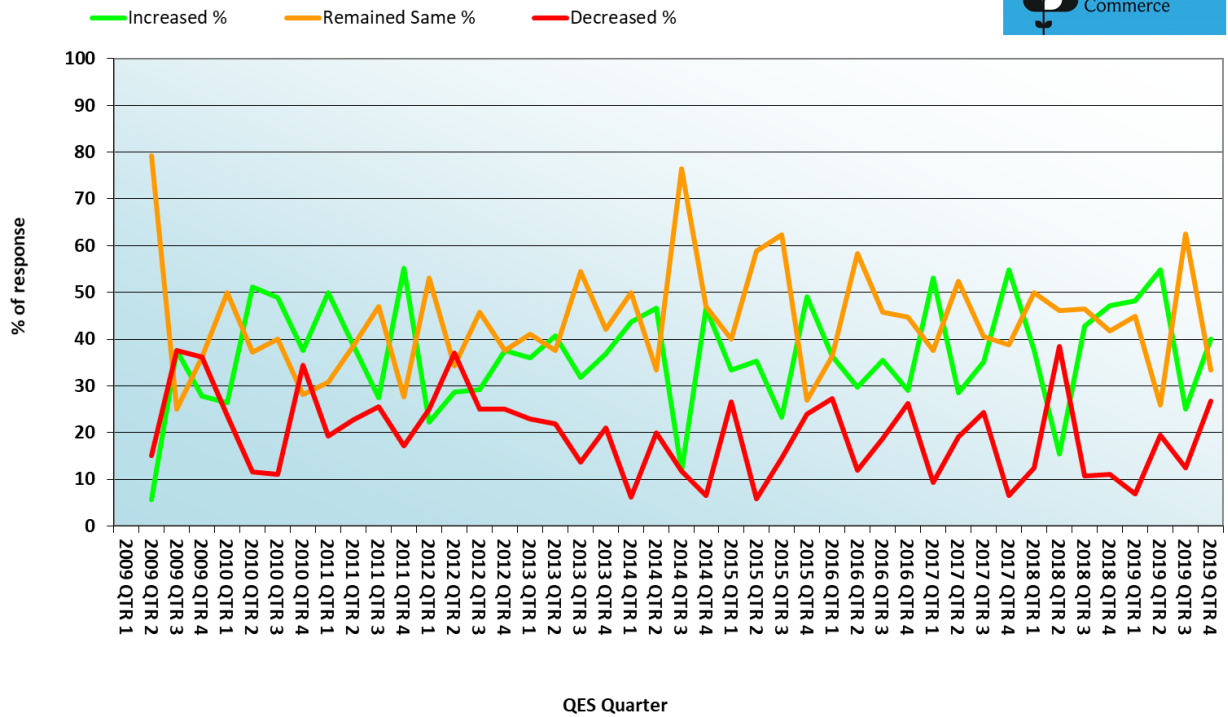


UK Orders - anticipated for the next three months

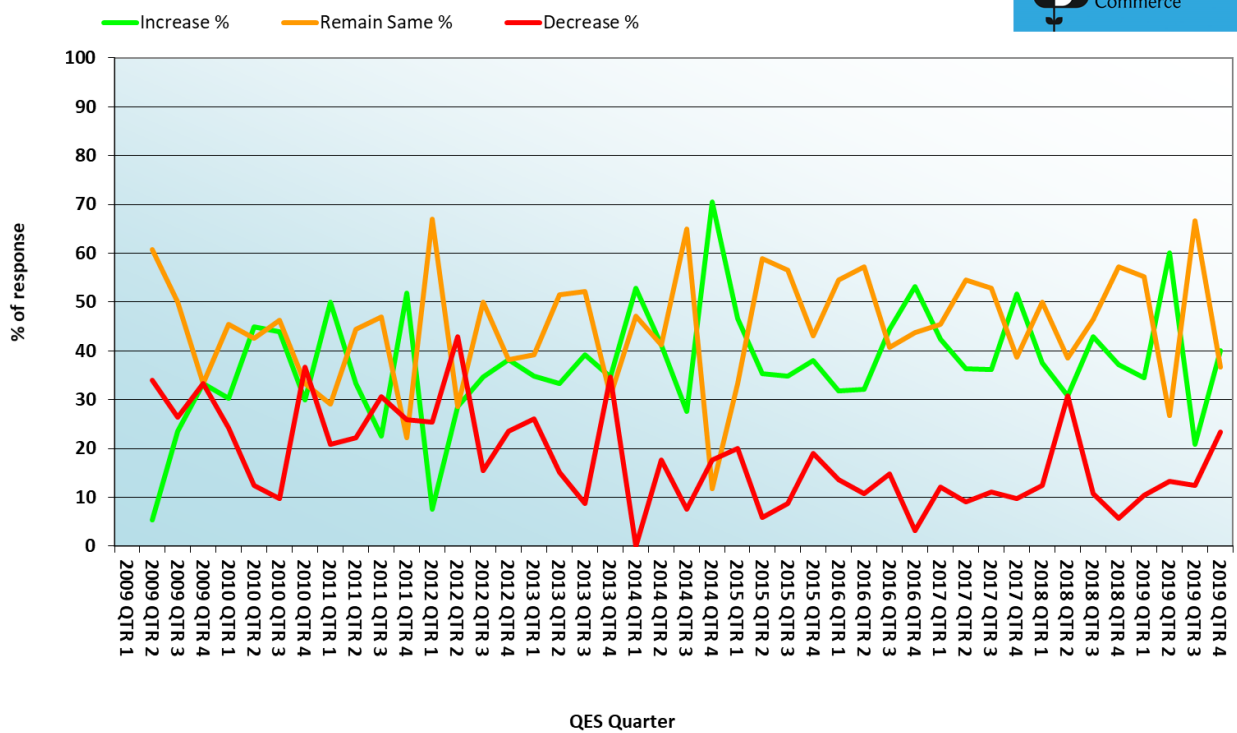


EXPORTS

Export Sales - for the past three months

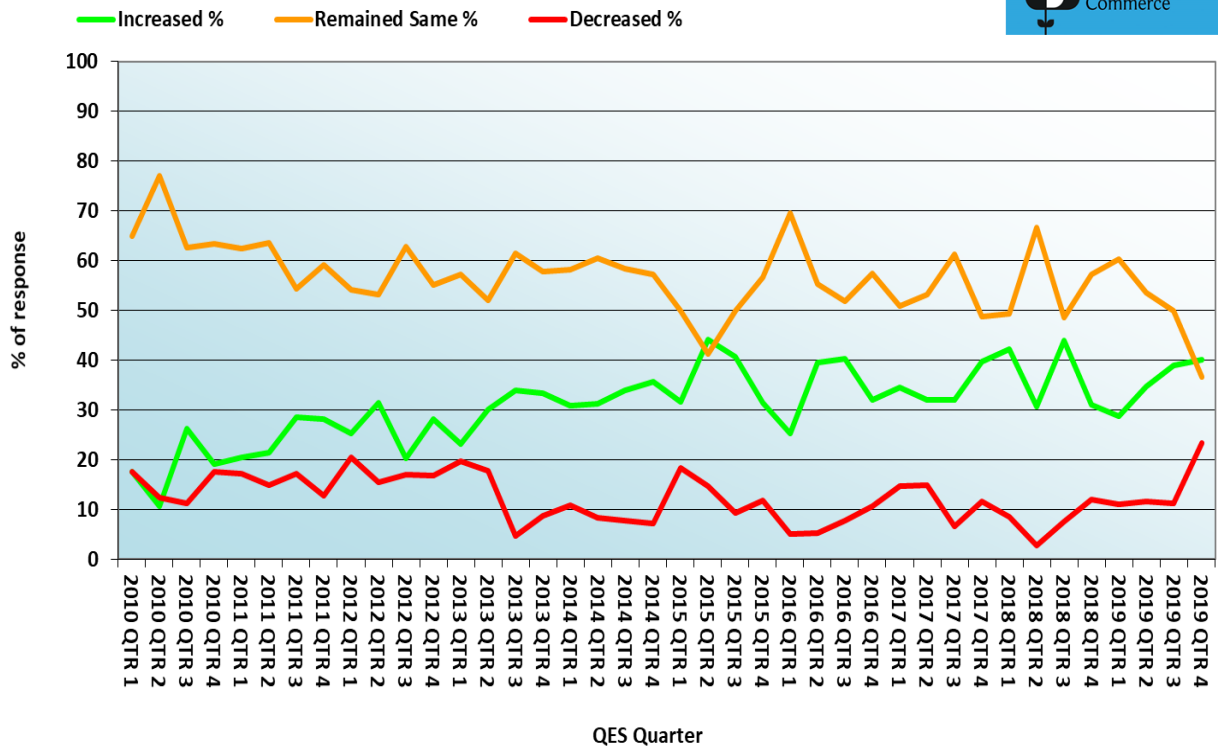


Export Orders - anticipated for the next three months

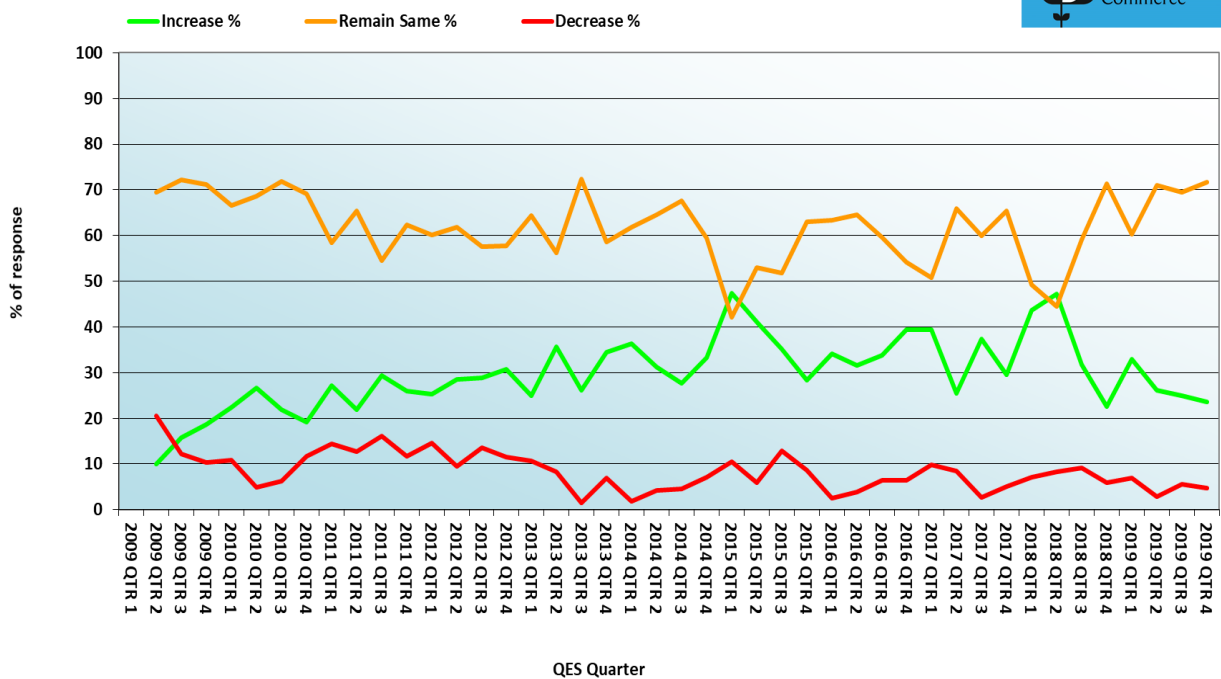


STAFF

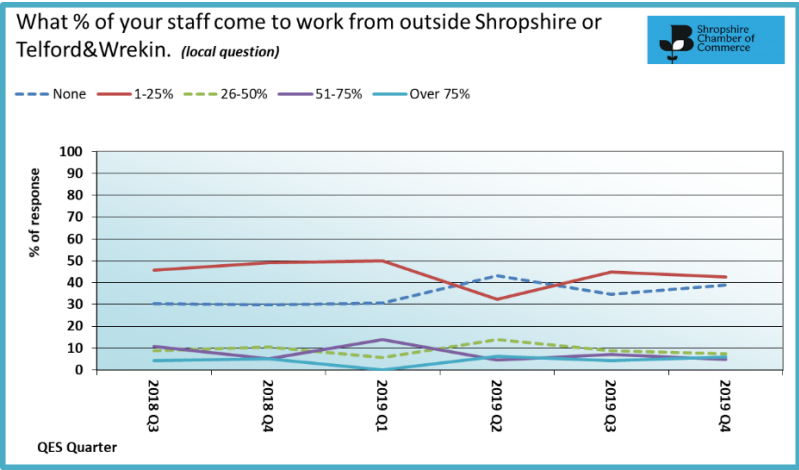
Workforce - past 3 months



Workforce - anticipated in the next three months



STAFF...continued

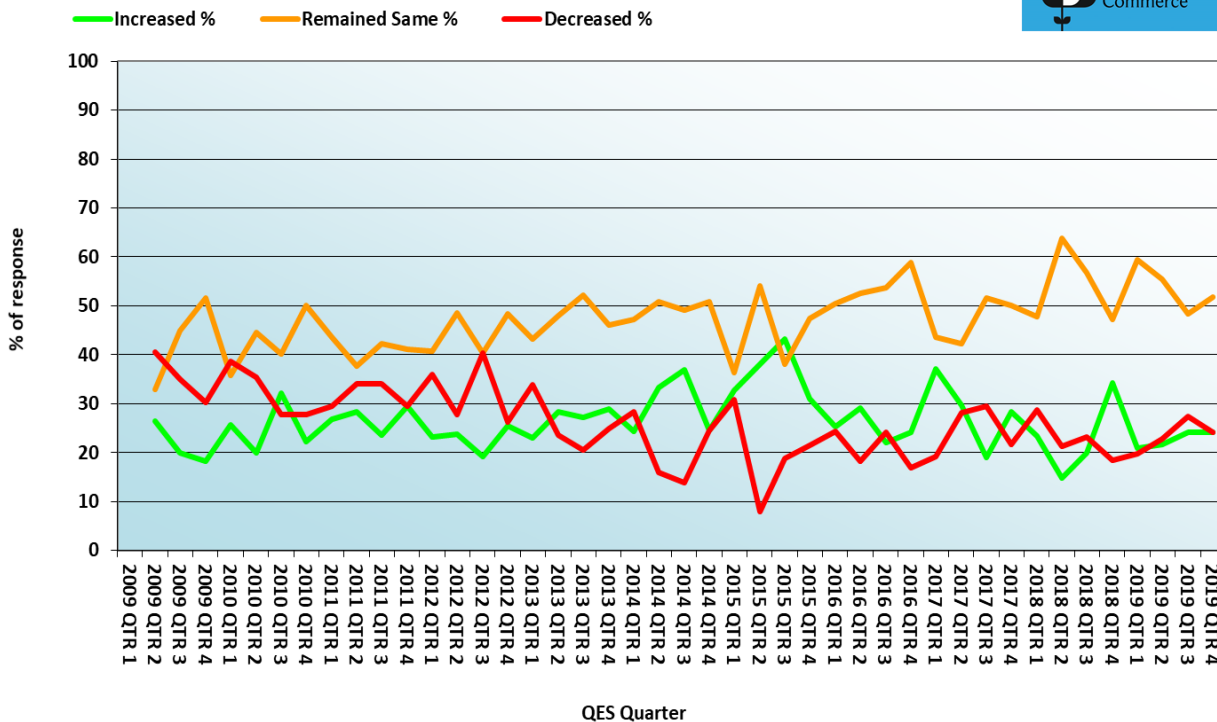


What barriers do you feel stop people coming to work in Shropshire?

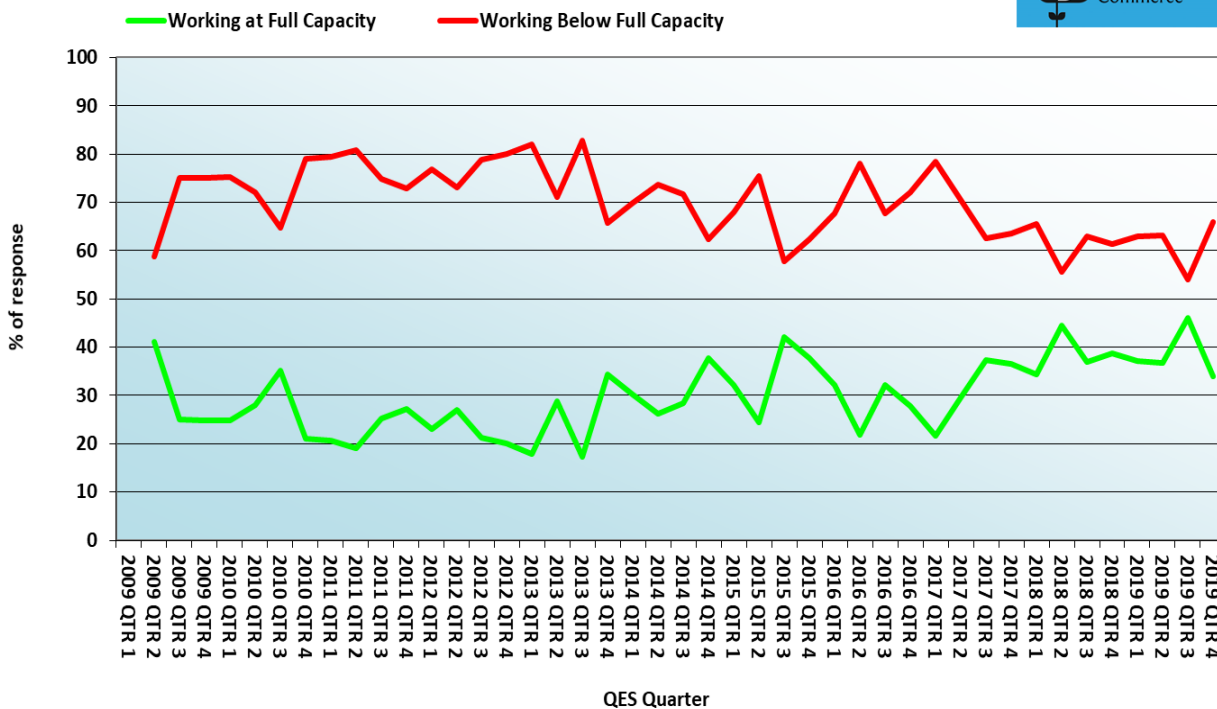
- Poor transport links
- Lower pay than they get elsewhere
- Isolation from peer group
- The county is a secret
- People will not commute in from other areas
- Cost of public transport and poor reliability
- Cost of Parking

CASH & CAPACITY

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



Capacity - working at full or below capacity

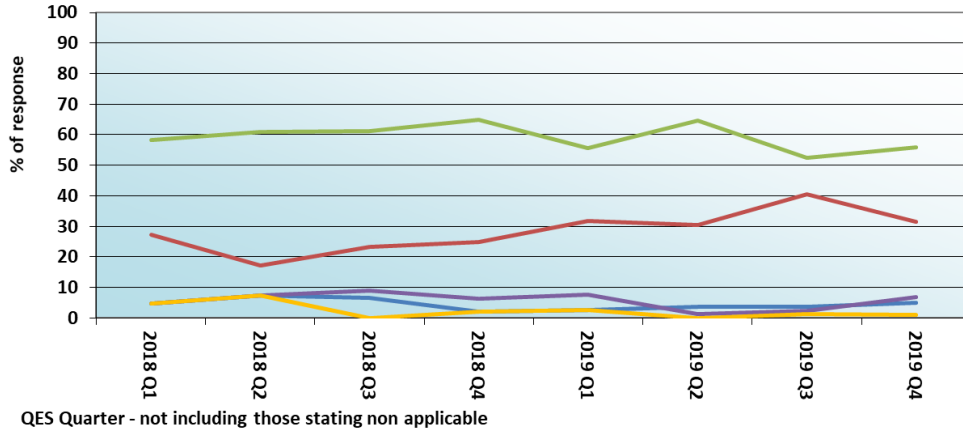


CASH & CAPACITY...continued

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



- Yes - got much worse
- Yes - got slightly worse
- No change
- No - got slightly better
- No - got much better

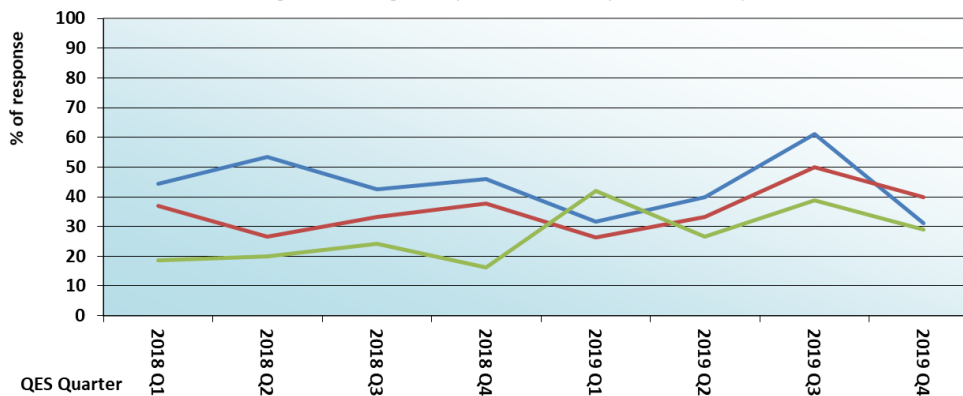


QES Quarter - not including those stating non applicable

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)



- Yes being asked to renegotiate by larger companies / national or multinationals
- Yes being asked to renegotiate by medium sized companies / regional companies
- Yes being asked to renegotiate by small or micro companies / local companies

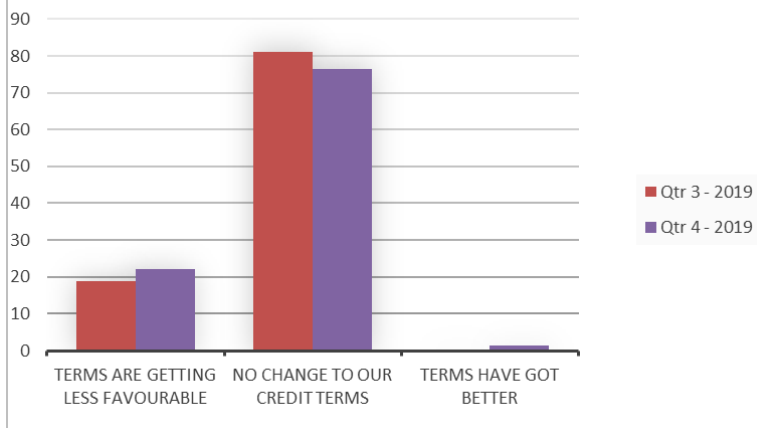


QES Quarter

Are the credit terms you are given for your business by lenders changing? (local question)

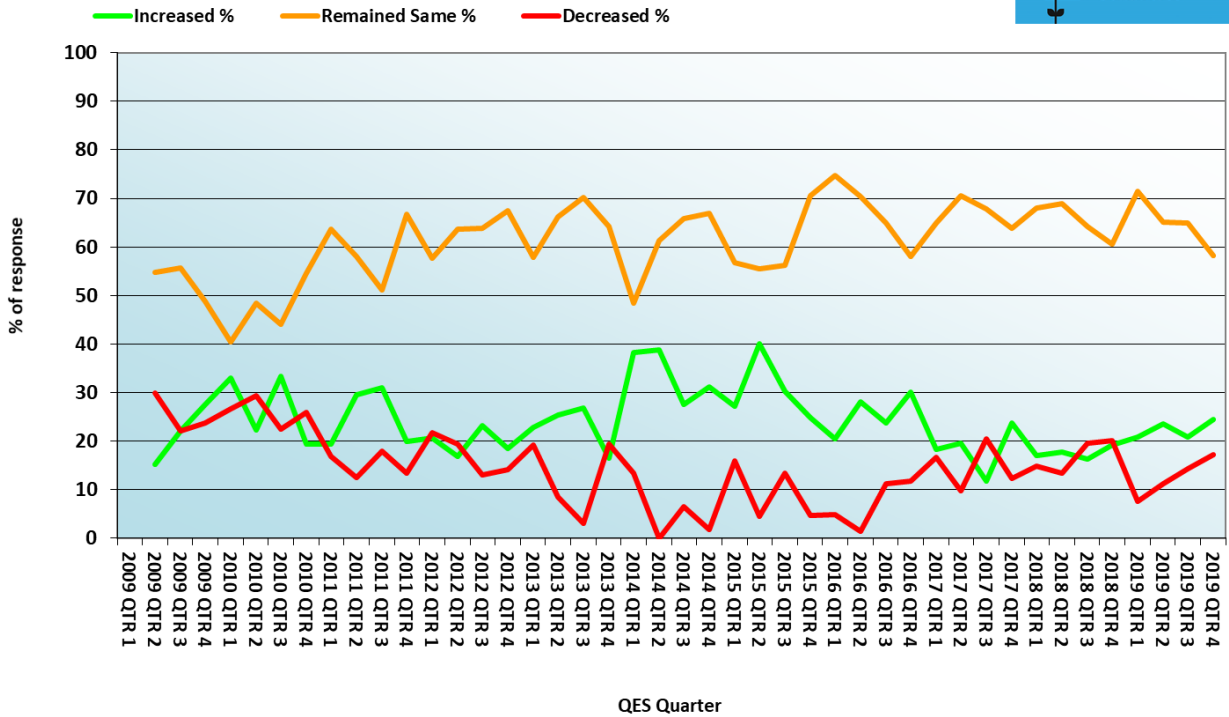


New question starting from Qtr3 2019

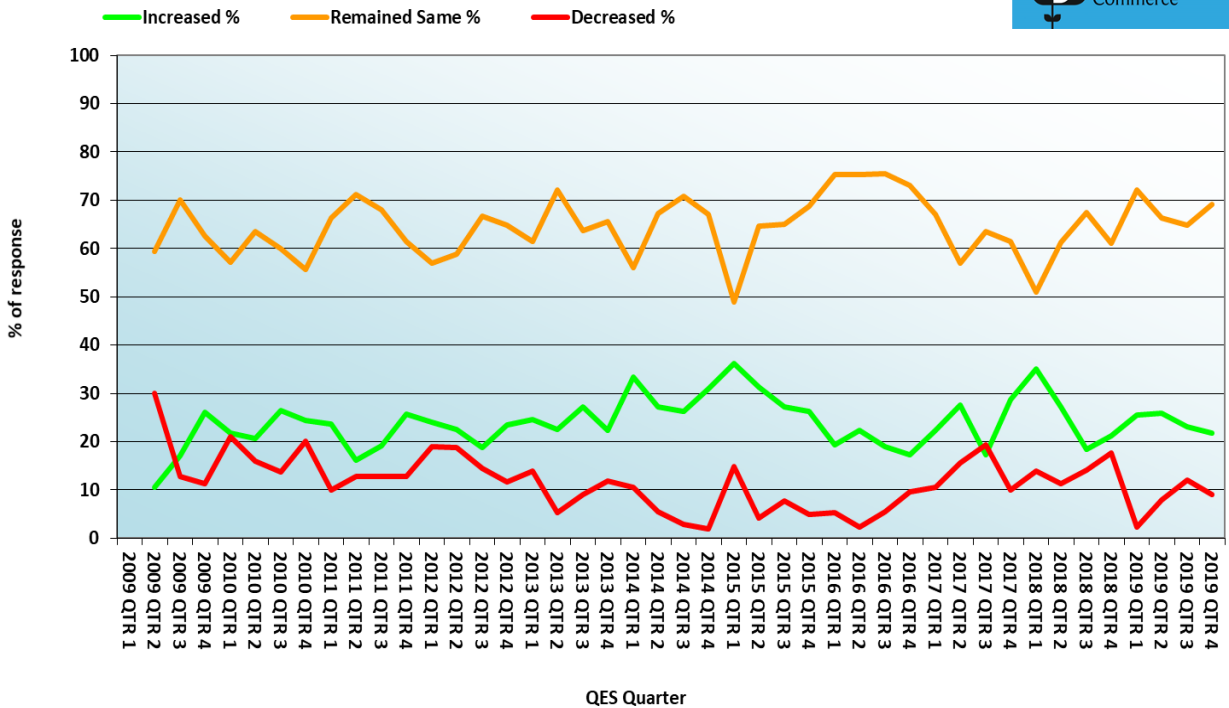


INVESTMENT

Investment Plans - Plant & Machinery

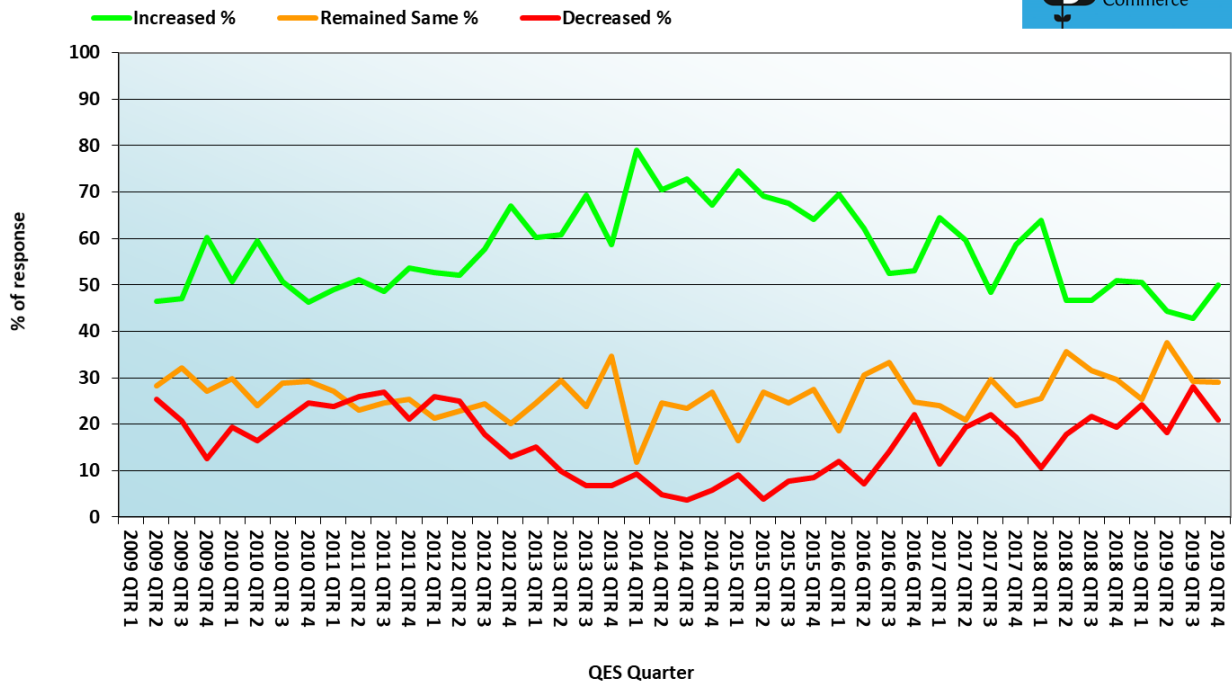


Investment Plans - Training

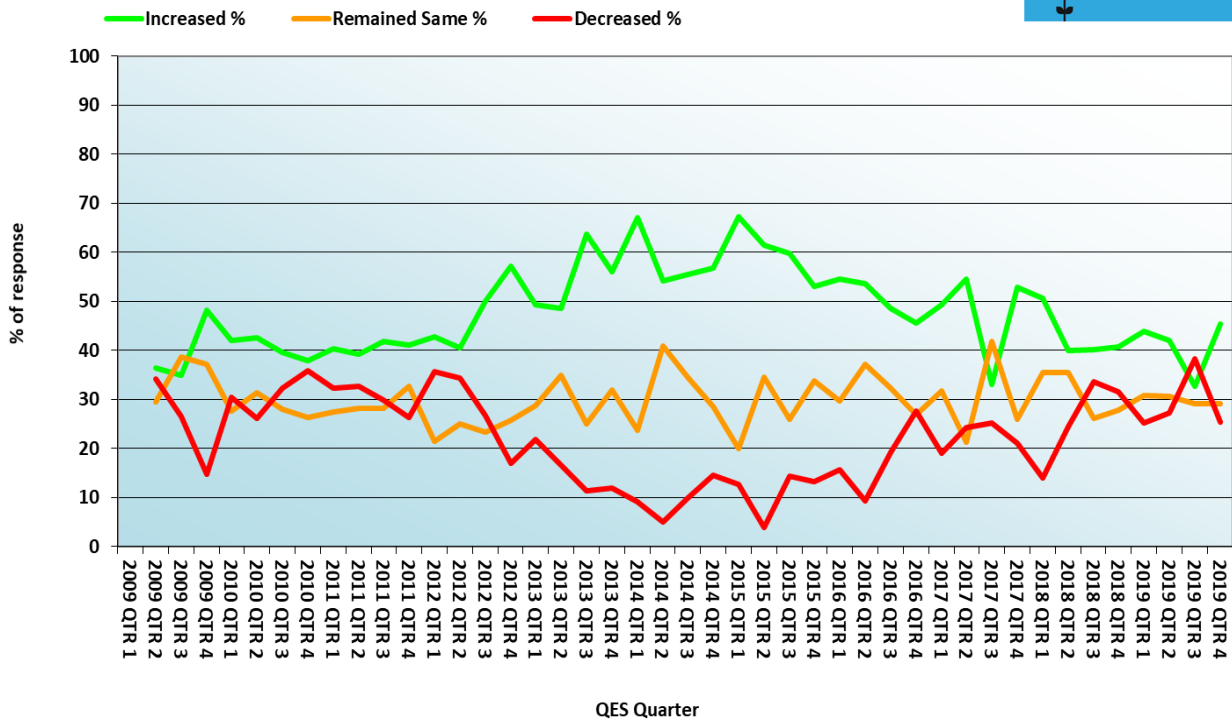


CONFIDENCE

Turnover Confidence - view of the next 12 months



Profitability Confidence - view of the next 12 months



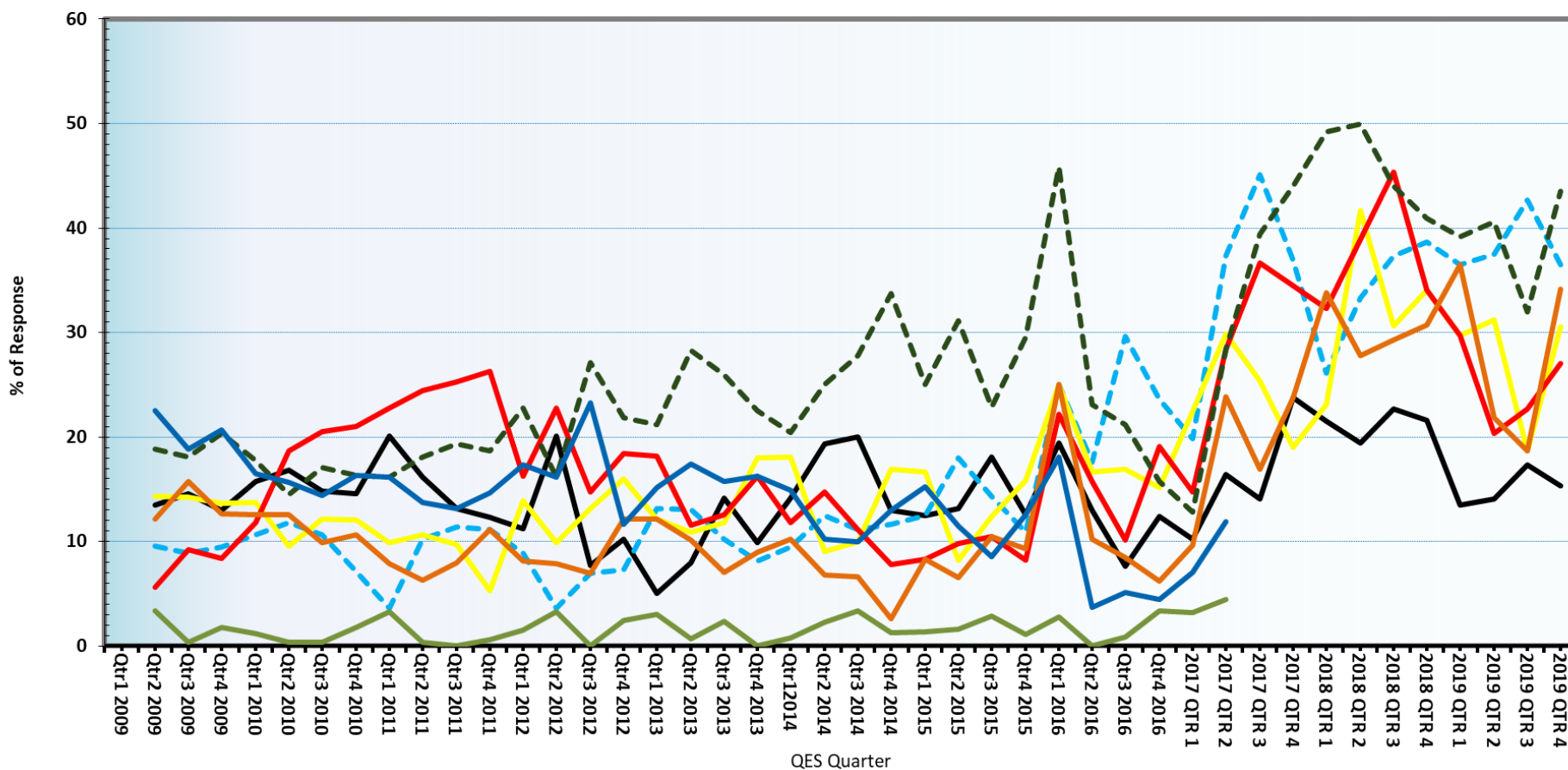
FEAR FACTORS

External Factors - Fear Factors

This chart depicts the most feared external factors that are felt may affect the respondents business. (Factors in brackets are no longer asked.)



- Interest Rates
- Exchange Rates
- Business Rates
- Inflation
- Competition
- Corporate Tax/Taxation
- (Better Industrial Relations)
- (Improved Cash Availability)



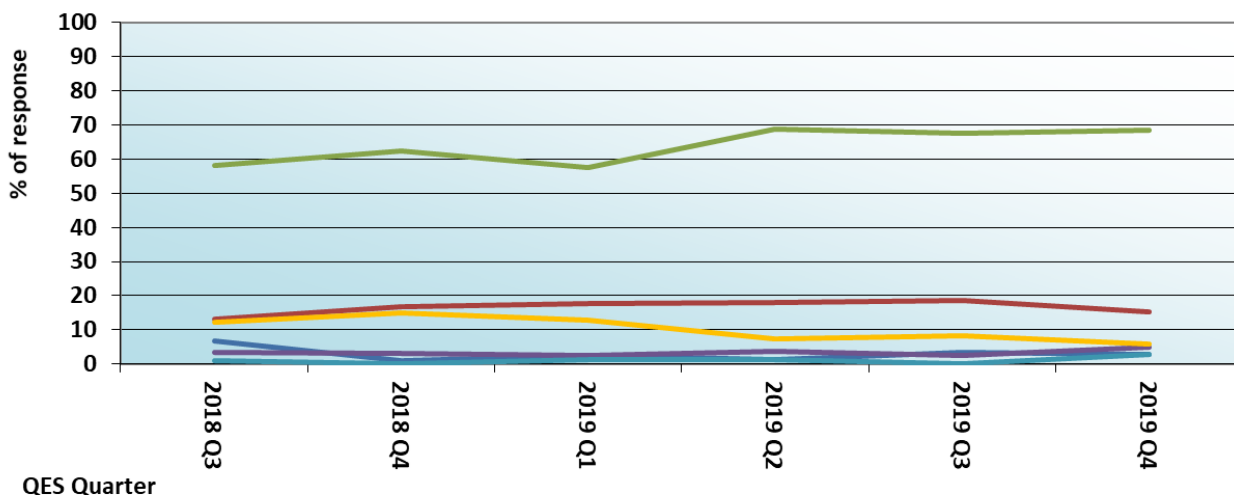
OTHER FACTORS

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)

- Very negative effect
- Somewhat negative effect
- No change
- Somewhat improved effect
- Greatly improved effect
- Too early to tell



What effect is Brexit having on your business?



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

- Very negative effect
- No change
- Greatly improved effect
- Somewhat negative effect
- Somewhat improved effect
- Too early to tell

