

ROTHERHAM

Coronavirus Business Insight



RiDO
Rotherham Investment
& Development Office

Rotherham
Metropolitan
Borough Council



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Introduction

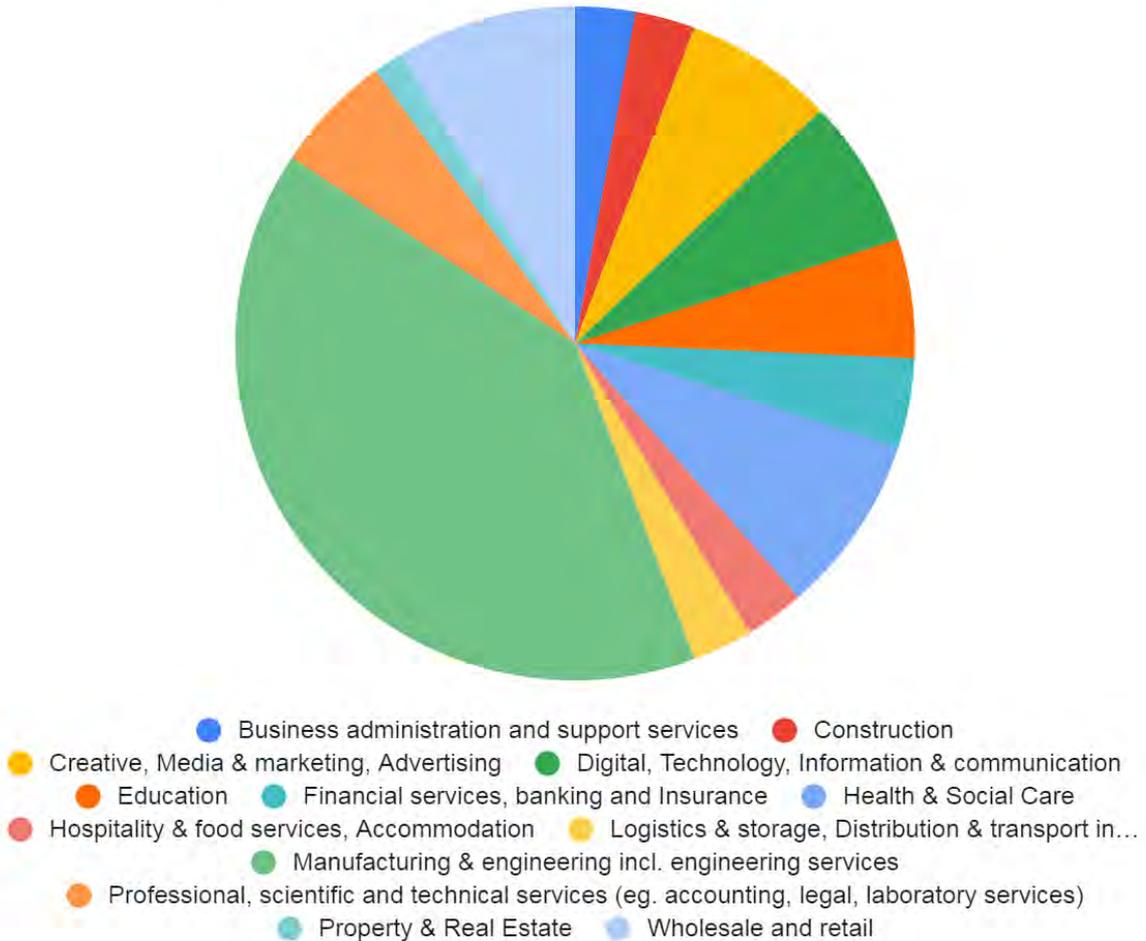
Rotherham Investment & Development Office, alongside the Barnsley & Rotherham Chamber of Commerce surveyed local companies in the Rotherham Borough during the second half of April 2020. The survey can be viewed [here](#).

Companies were asked to complete a number of questions to give insight into their current and predicted possible future condition, in relation to order book, cashflow, staff and overall confidence. Headline results are provided in this report and are indicative only.

Please note that size category 1-19 employees has been retired and sub-divided into 1-9 and 10-19 size bands to enable greater reporting accuracy.

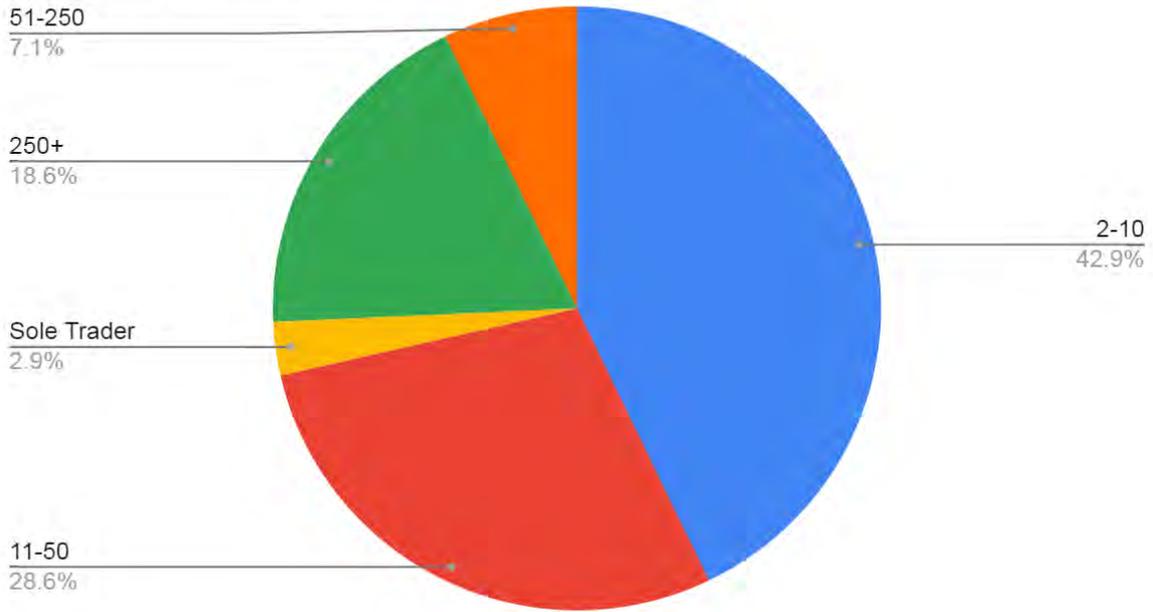
All Companies

Business by Sector



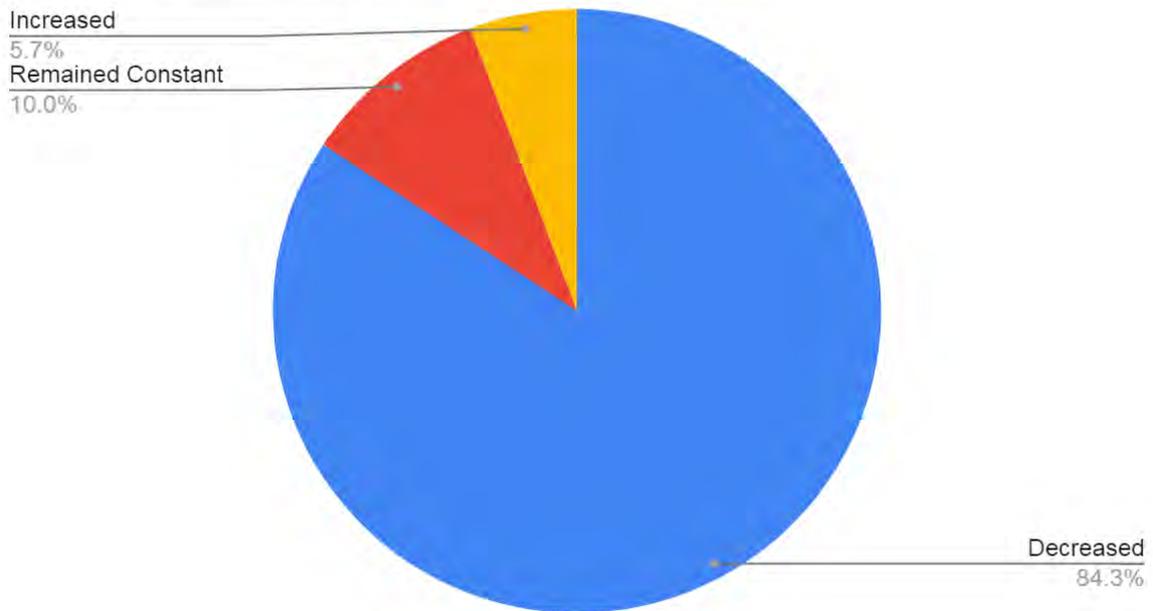
There is a predominance of manufacturing & engineering companies who have filled in the survey. This is partially accounted for by pre-existing contacts who have been targeted, as well as local business make-up. Health & Social Care and Wholesale & Retail also feature heavily, possibly highlighting the greater impact upon these sectors.

Company Size (global)



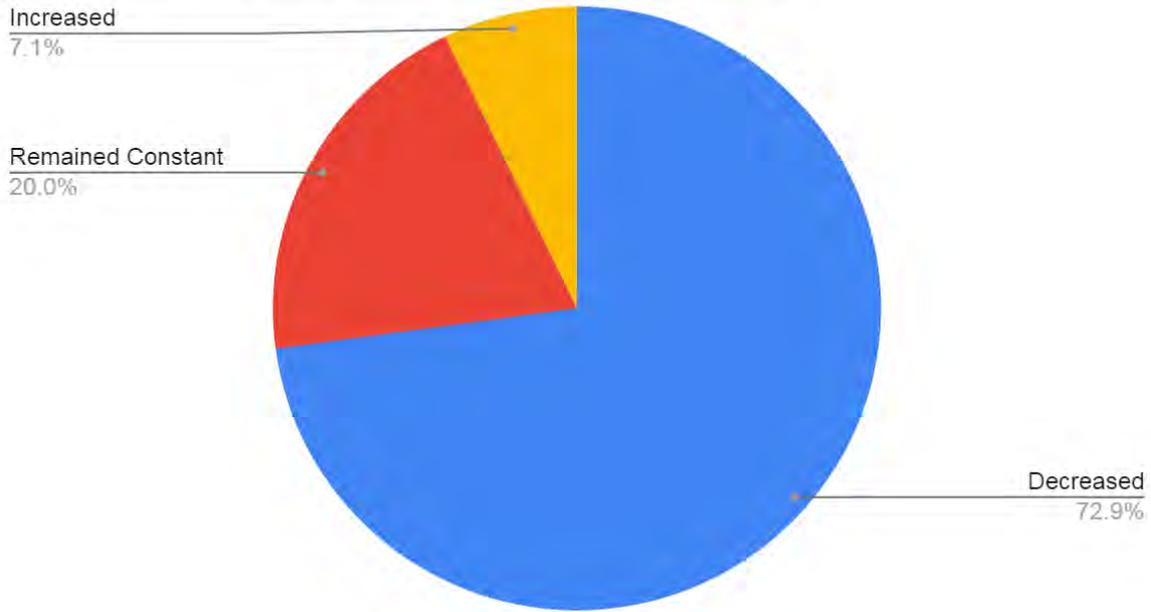
The majority of respondents are micro companies, with just under half having 1-10 employees.

Customer demand over the past few weeks



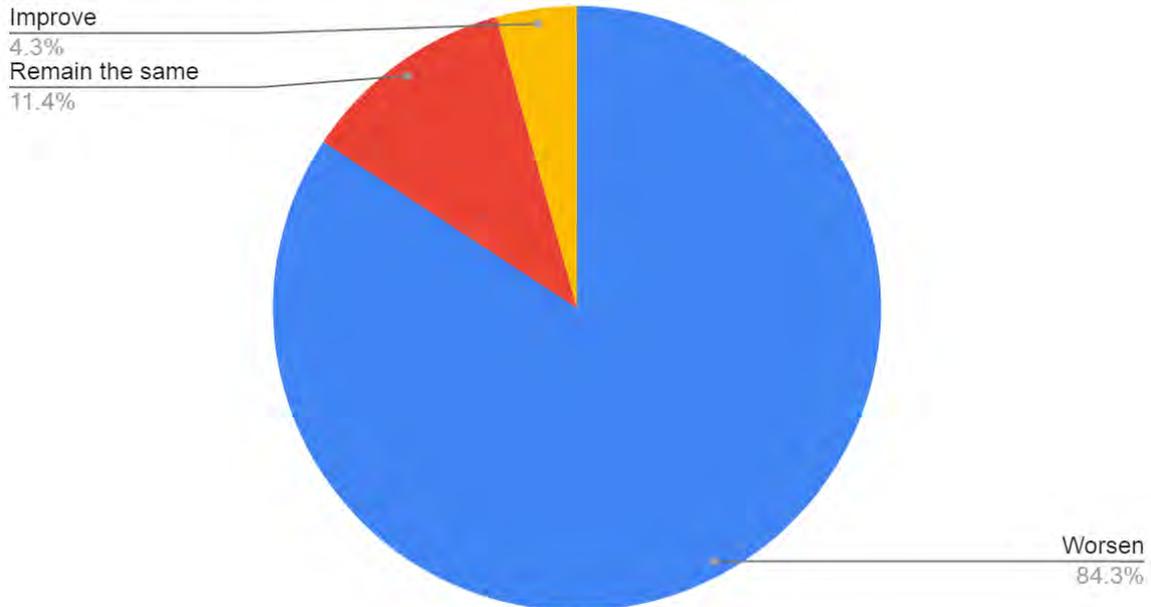
The vast majority of businesses across most sectors have seen a reduction in demand over the prior few weeks to being surveyed. Small increases are noted for companies with in-demand products, such as food, packaging and logistics as examples.

Predicted Demand over the next few weeks



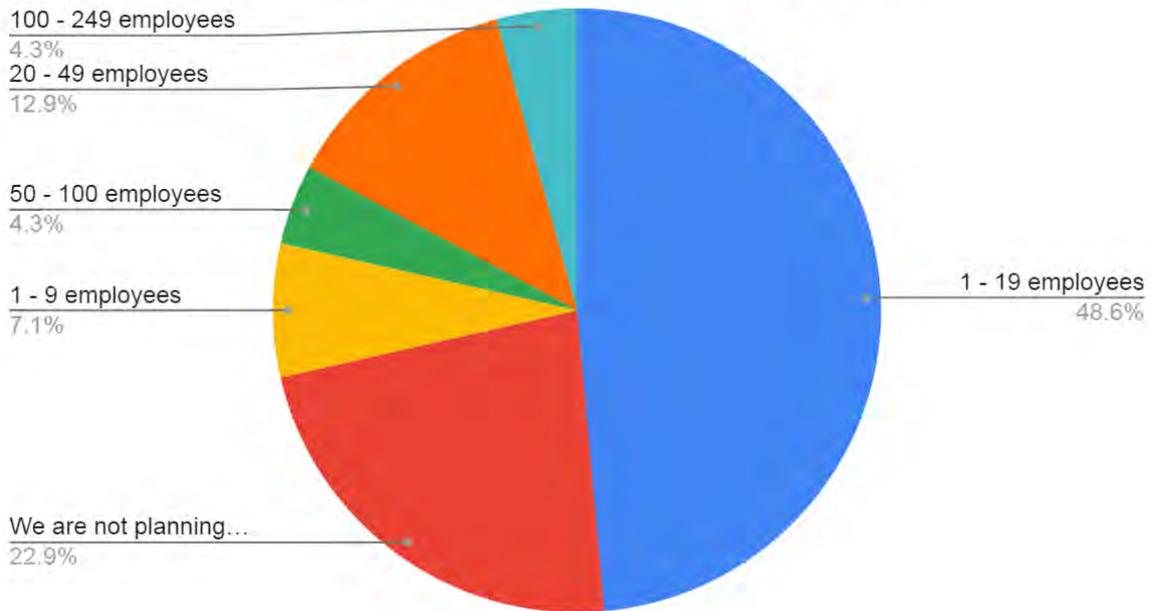
A continuing decrease in demand is predicted for most businesses, however, some businesses feel that demand (however low) won't fall further, with others predicting a marginal increase. This small increase is possibly related to companies diversifying, including PPE supply.

Predicted cashflow over the next few weeks



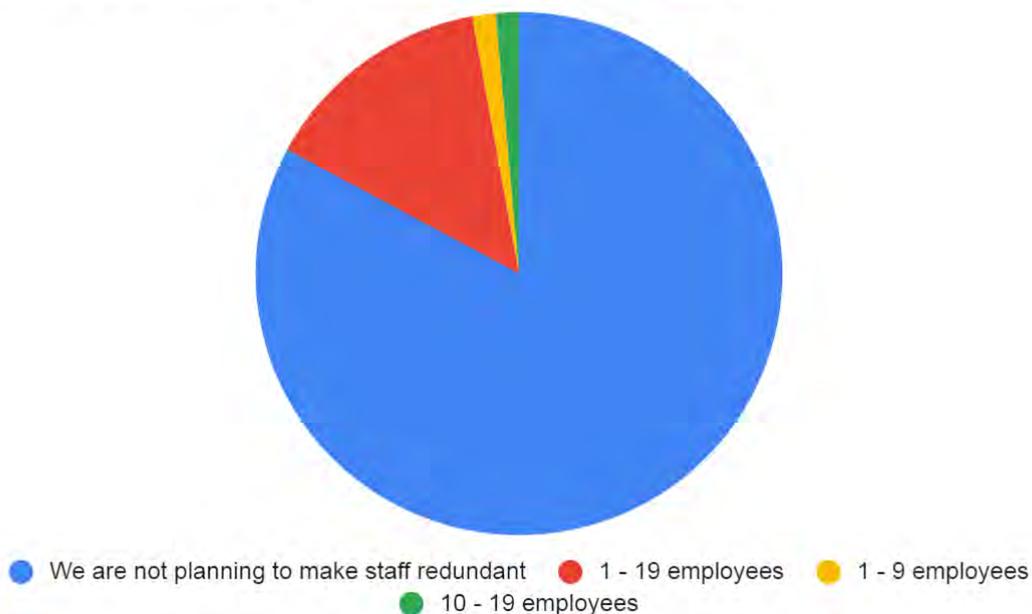
Most companies are predicting cashflow to worsen – this is likely to not factor in cashflow loans, based on feedback on the CBILS scheme and accessibility and low take-up.

Companies planning to furlough & number of staff



Many companies have furloughed some or all of their workforce, with only just under a quarter of the total not furloughing workers.

Companies planning to make staff redundant



All companies making redundancies account for around 17% of those surveyed to date. Of these, it is estimated that 50% are making less than 10 employees redundant. Further breakdown of redundancies for larger and smaller businesses is available and provides greater insight. No companies are making 20+ redundant, which in turn will not trigger the HR1 – advance notification of redundancies process

through the Job Centre. If this is replicated in the wider business community, it will be difficult to track redundancies as a whole.

Confidence of maintaining revenues and/or profitability over the next three months

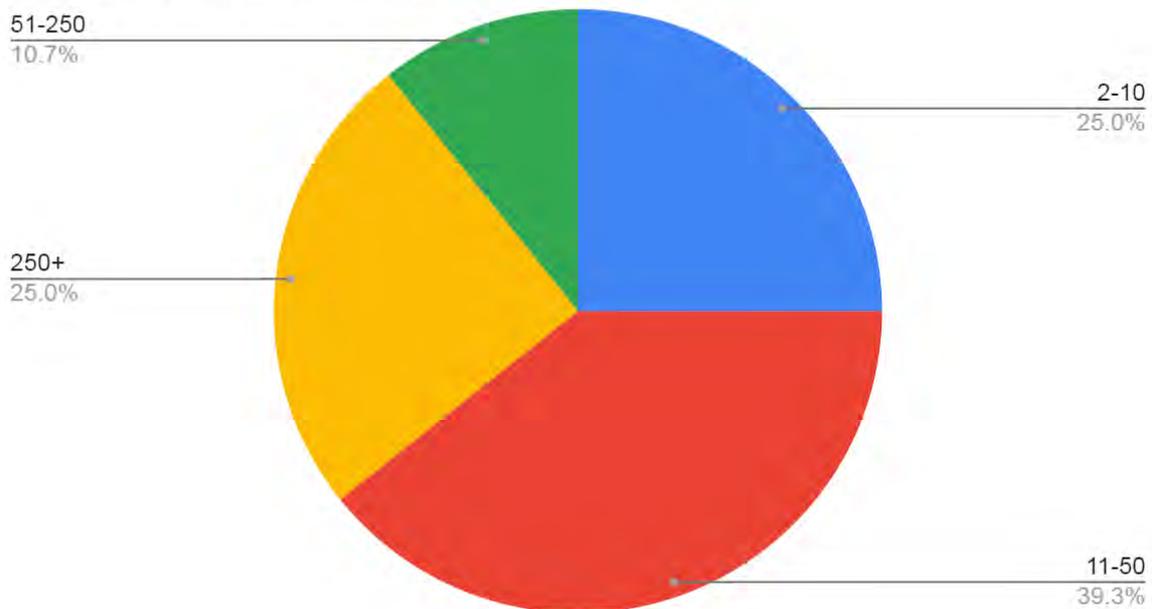


Businesses are overall 'not confident' to some degree. This is likely to be due to the unknown nature of when lockdown will be eased and may change as the picture becomes clearer.

Key Sector Breakdown: Manufacturing & Engineering

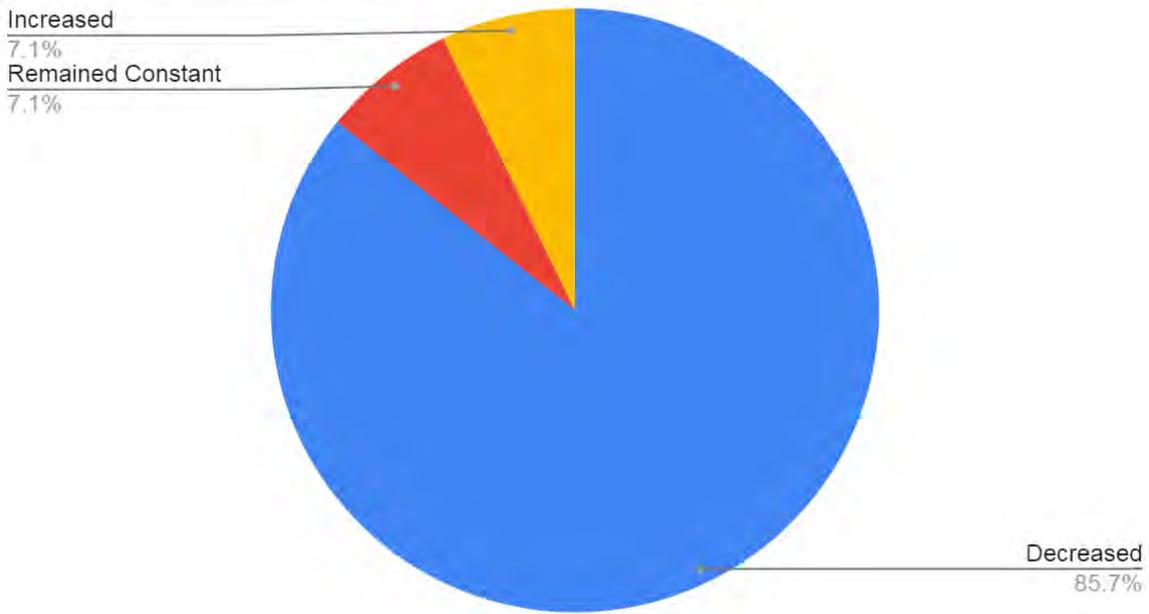
To try to understand the impact upon key sectors, an analysis of the largest sectoral group of survey respondents has been carried out. It should be noted that some businesses will operate in multiple sectors.

Company Size (global)



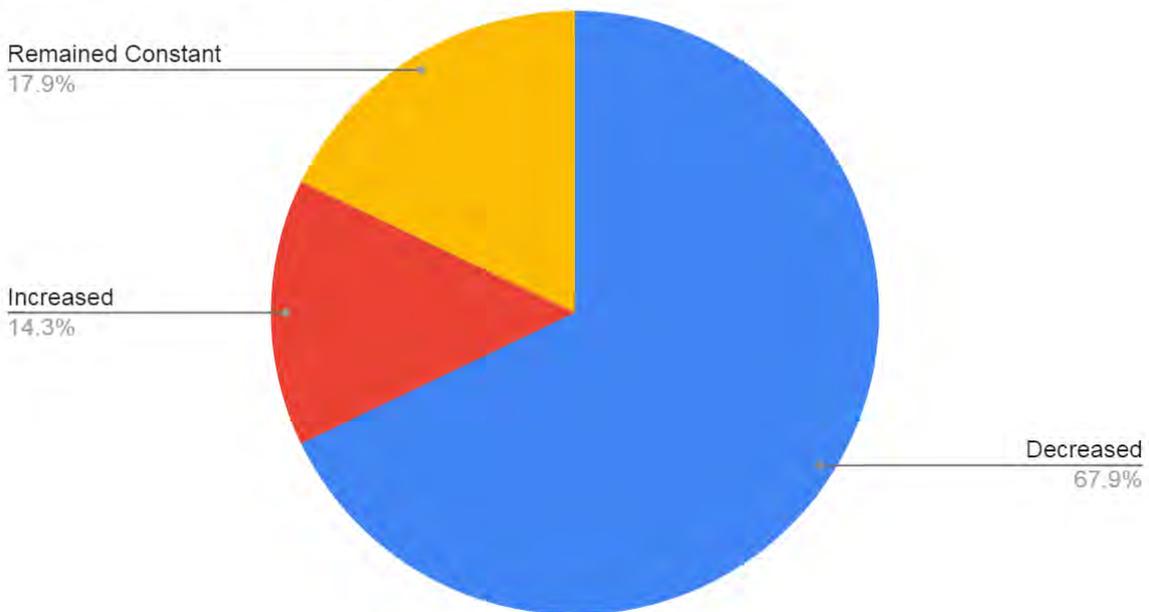
The majority of respondents are small companies, with just under 65% having 2-50 employees.

Customer demand over the past few weeks



The vast majority of businesses across this sector have seen a reduction in demand over the prior few weeks to being surveyed. Small increases are noted for companies with in-demand products, such as packaging as an example. Decrease is a larger percentage than businesses surveyed as a whole and indicates a larger impact than some other sectors.

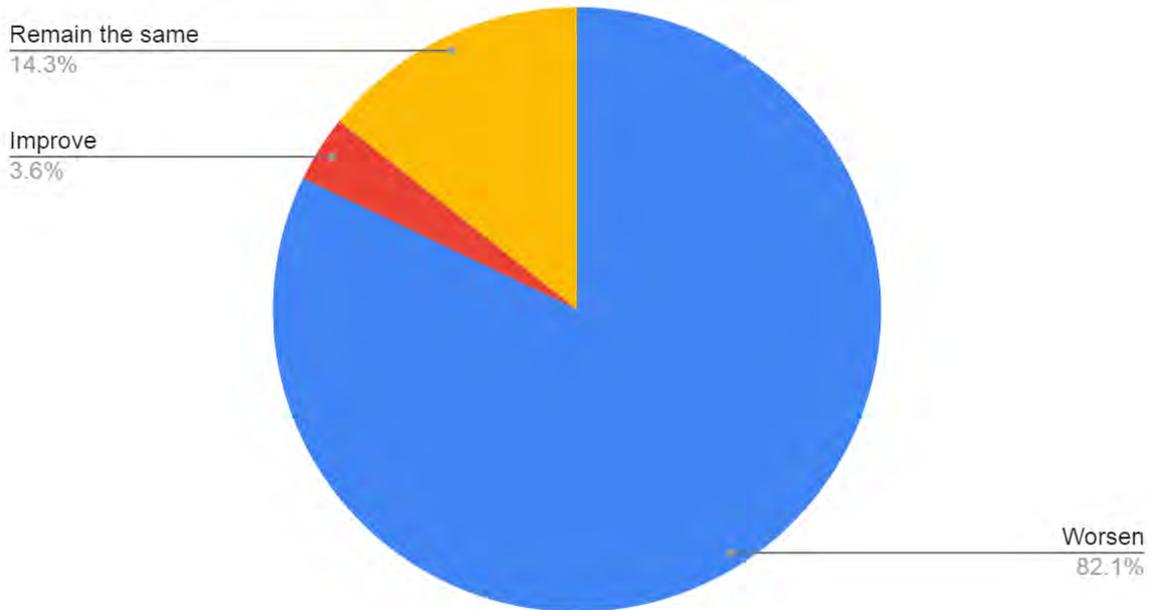
Predicted Demand over the next few weeks



A continuing decrease in demand is predicted for most businesses, however, some businesses feel that demand (however low) won't fall further, with some predicting a

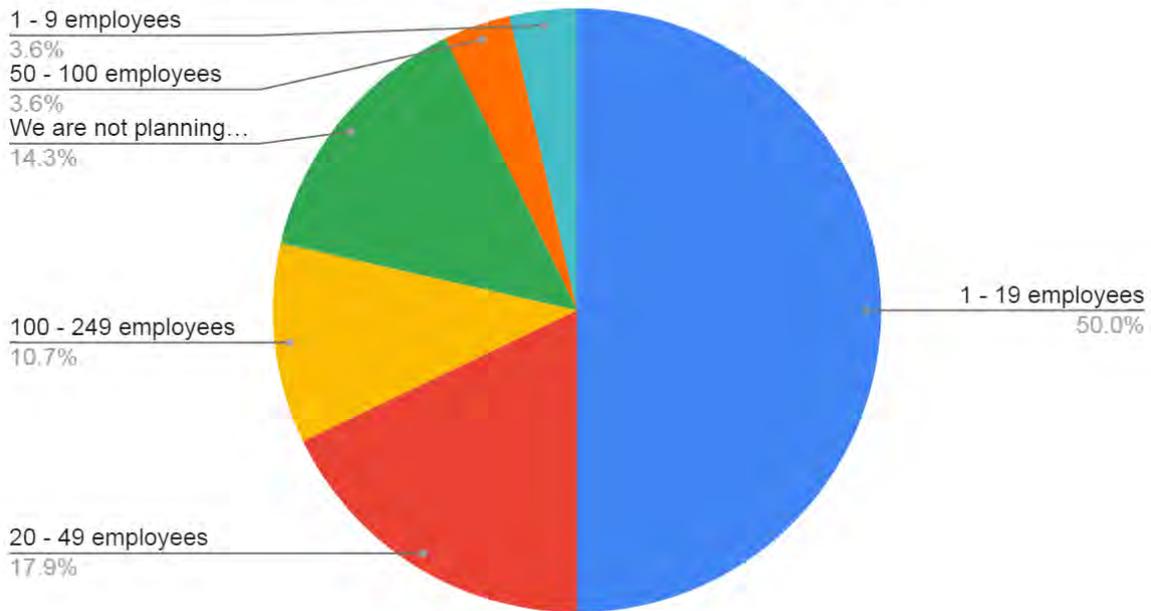
marginal increase. This small increase is possibly related to companies diversifying, including PPE supply, which manufacturers are in a position to produce compared to many other industries.

Predicted cashflow over the next few weeks



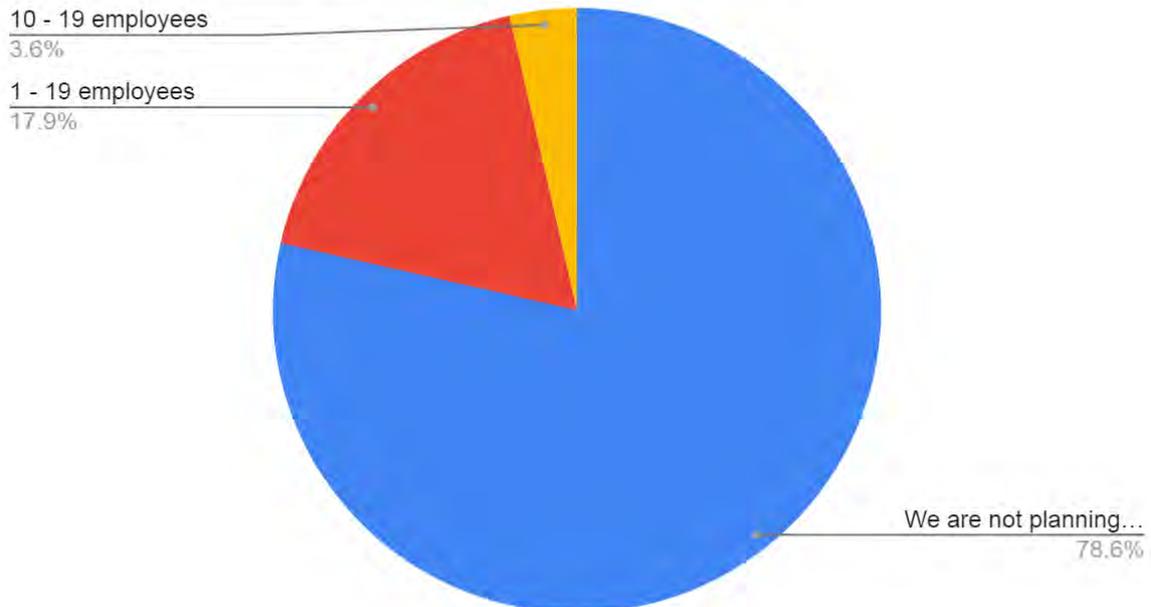
Most companies are predicting cashflow to worsen – this is likely to not factor in cashflow loans, based on feedback on the CBILS scheme and accessibility and low take-up. However, decreases are marginally lower than average across all sectors, again, perhaps relating to the ability to diversify production and stabilise cashflow, although this could as easily be explained by a more significant impact to date for these industries, meaning they are already in a worse position than other sectors on average.

Companies planning to furlough & number of staff



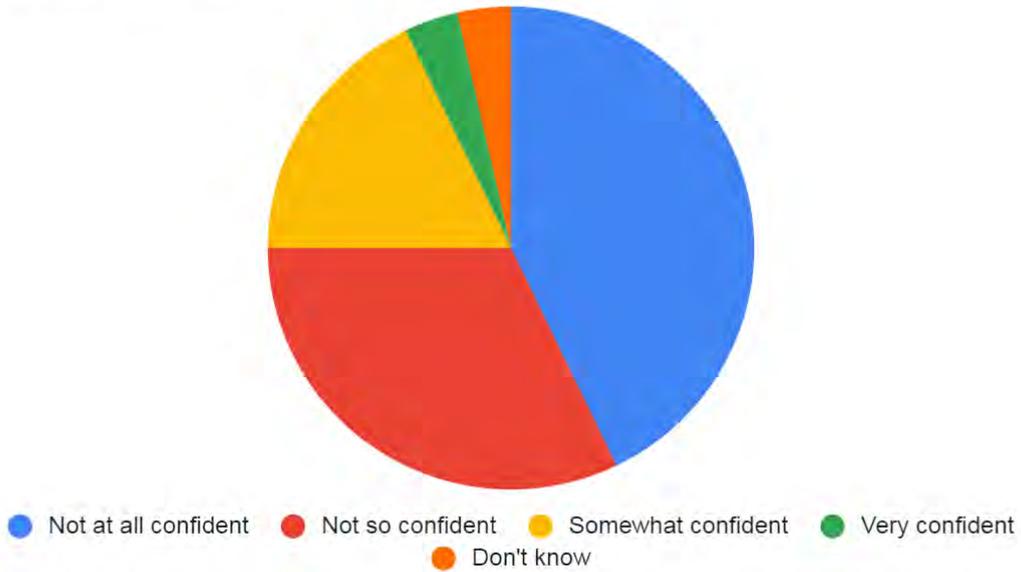
Many companies have furloughed some or all of their workforce, with only just under 15% of the total not furloughing workers. 15% is significantly lower than average, which perhaps indicates a greater impact to this sector to date and more workers being furloughed.

Companies planning to make staff redundant



All companies making redundancies account for around 17% of those surveyed to date, but manufacturing is disproportionately affected, with 21% of companies reporting redundancies to some degree.

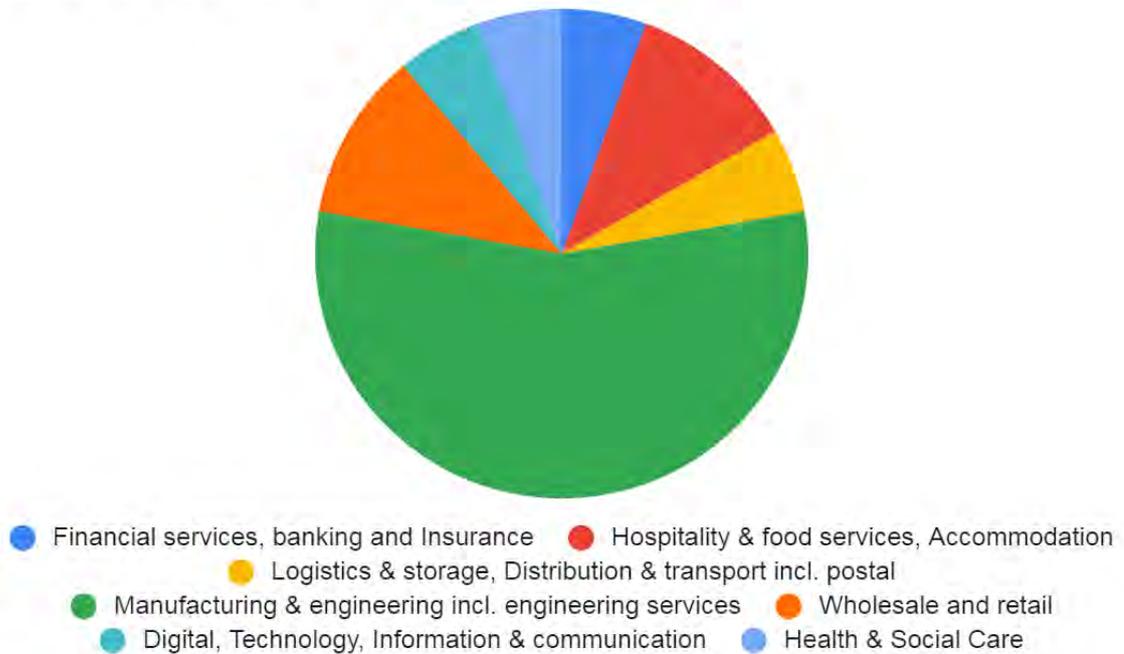
Confidence of maintaining revenues and/or profitability over the next three months



Businesses are overall 'not confident' to some degree (75%). This is likely to be due to the unknown nature of when lockdown will be eased and may change as the picture becomes clearer.

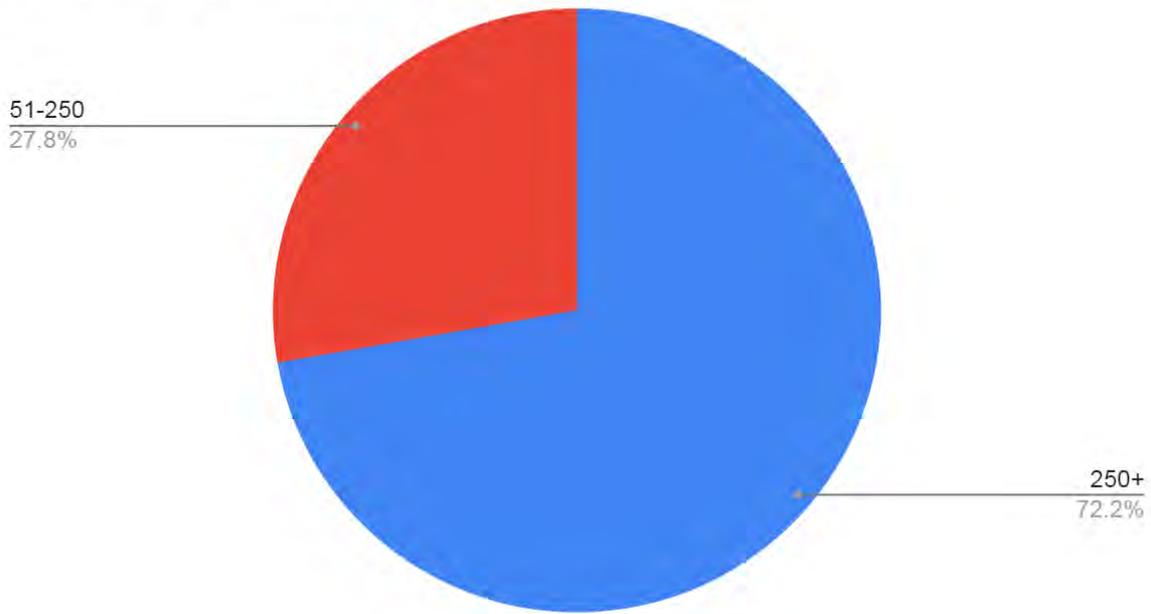
Larger Companies (50+ employees)

Business by Sector



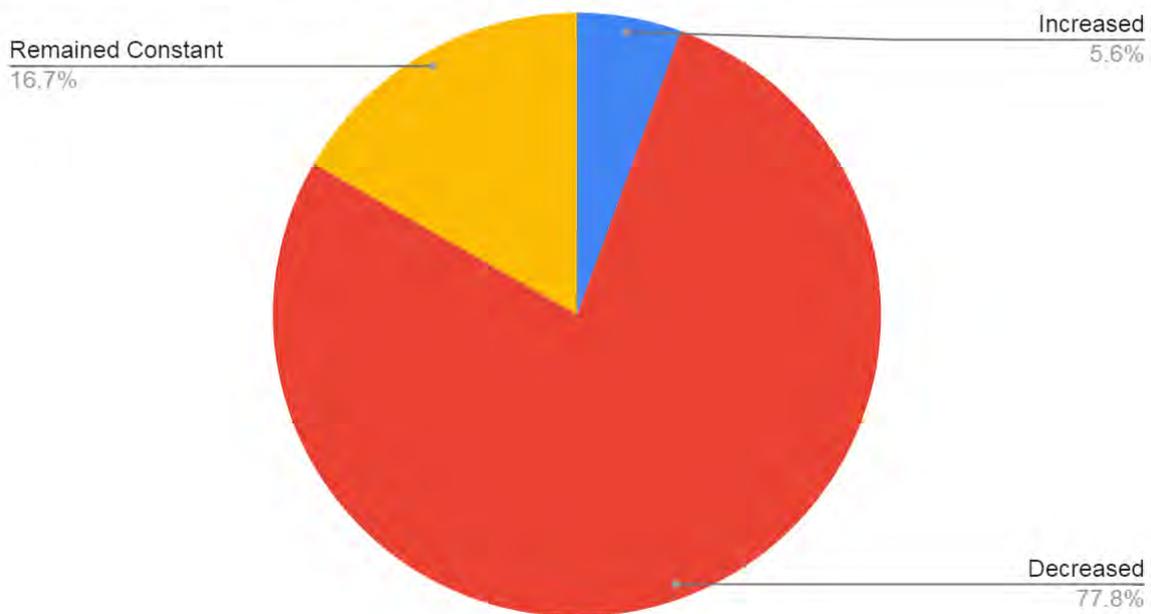
There is a predominance of manufacturing & engineering companies who have filled in the survey. This is partially accounted for by the make-up of contacts available, as well as local business make-up. Hospitality & Food Services and Wholesale & Retail also feature heavily, possibly highlighting a greater impact upon these sectors for larger companies.

Number of Employees (Global)



Whilst the majority of companies responding are over 250 employees, this can be accounted for by the direct targeting of companies of this size, to investigate impacts on the largest of employers in the borough. Medium sized companies (50-250) on the other hand make up a smaller percentage of historic contacts and therefore will have less respondents.

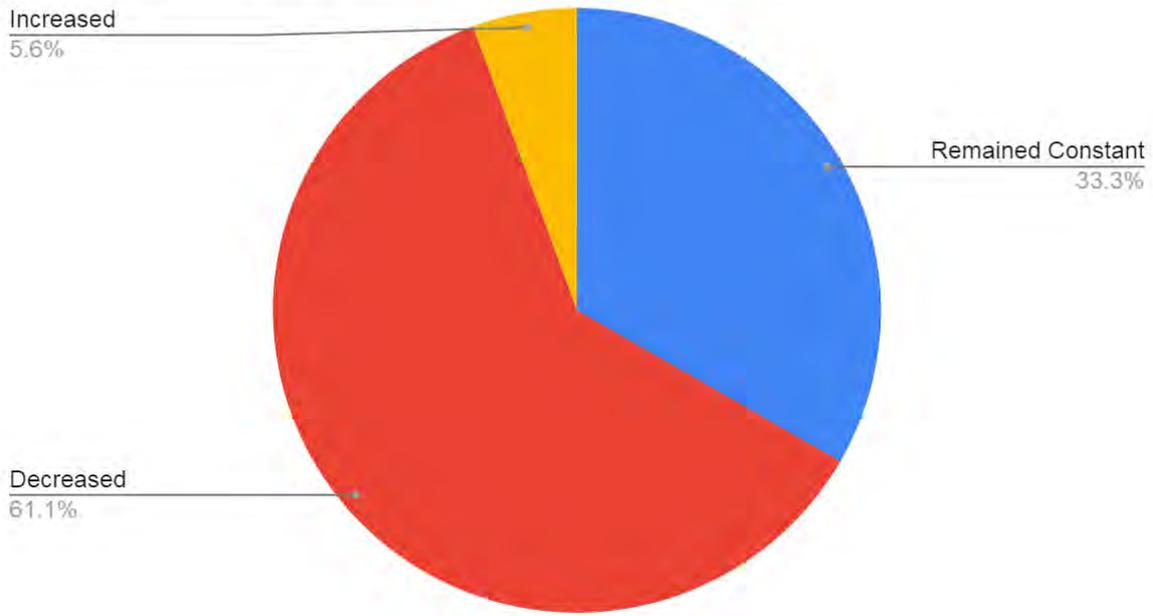
Customer demand over the past few weeks



The vast majority of businesses across most sectors have seen a reduction in demand over the prior few weeks to being surveyed, although larger businesses

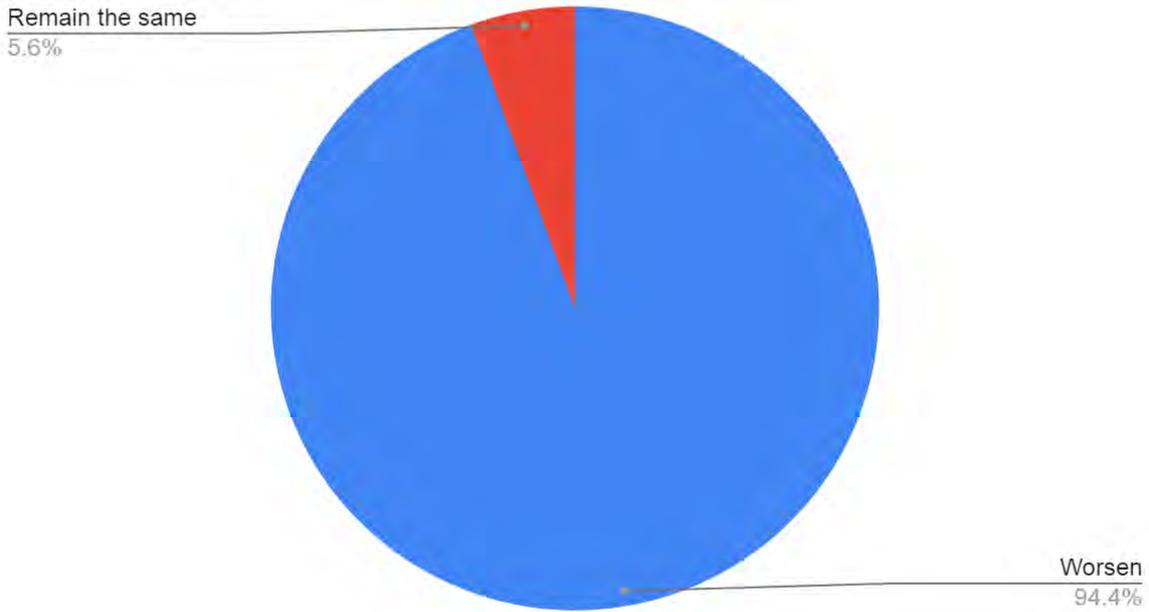
have seen less of a drop in demand than the average for all businesses. Small increases are noted for companies with in-demand products, such as food, packaging and logistics as examples.

Predicted Demand over the next few weeks



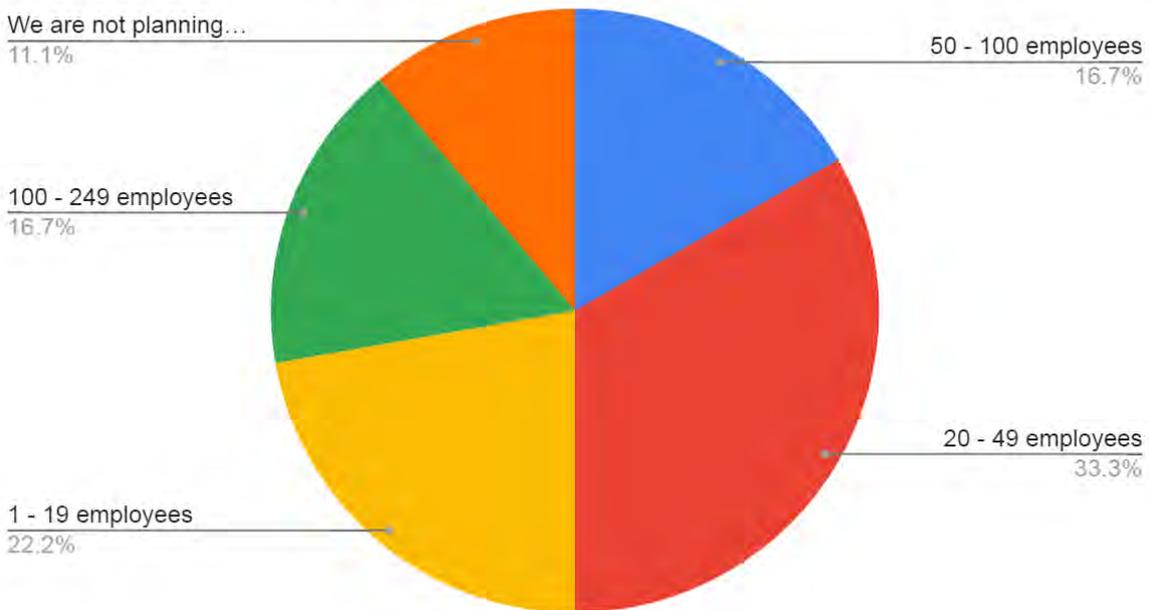
A continuing decrease in demand is predicted for most businesses, however, many businesses feel that demand (however low) won't fall further, with others predicting a marginal increase. This small increase is possibly related to companies diversifying, including PPE supply. Larger businesses are more likely to have a constant predicted demand over the course of the coming weeks, compared to all businesses.

Predicted cashflow over the next few weeks



Most larger companies are predicting cashflow to worsen – this is likely to not factor in cashflow loans, based on feedback on the CBILS scheme and accessibility and low take-up. This percentage is significantly higher than average and perhaps indicates a running out of cash reserves, which many smaller businesses are already facing.

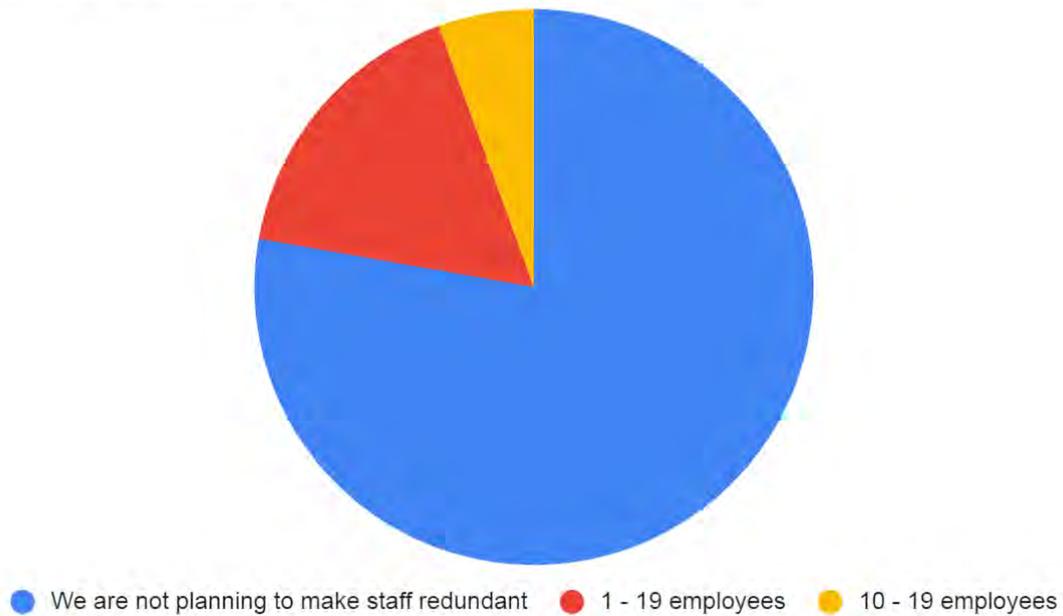
Companies furloughing & number of staff



Many companies have furloughed some or all of their workforce, with only just over 10% of the total not furloughing workers. The size of larger organisations matches

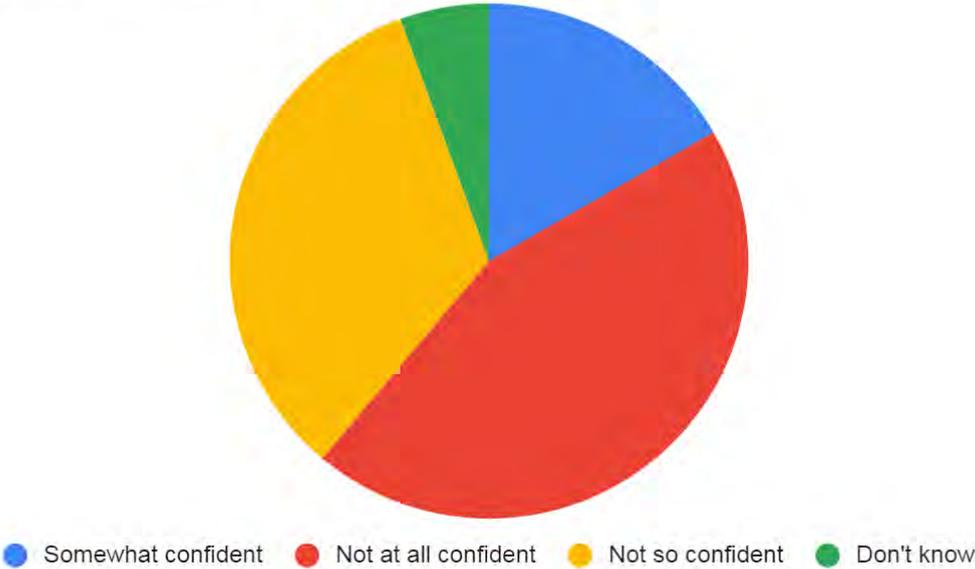
the larger numbers being furloughed. These figures however, need to be considered on a company by company basis in relation to their total workforce to give true insight.

Companies planning to make staff redundant



All companies making redundancies account for around 20% of those surveyed to date. Of these, it is estimated that all are making more than 10 employees redundant. No companies are making 20+ redundant.

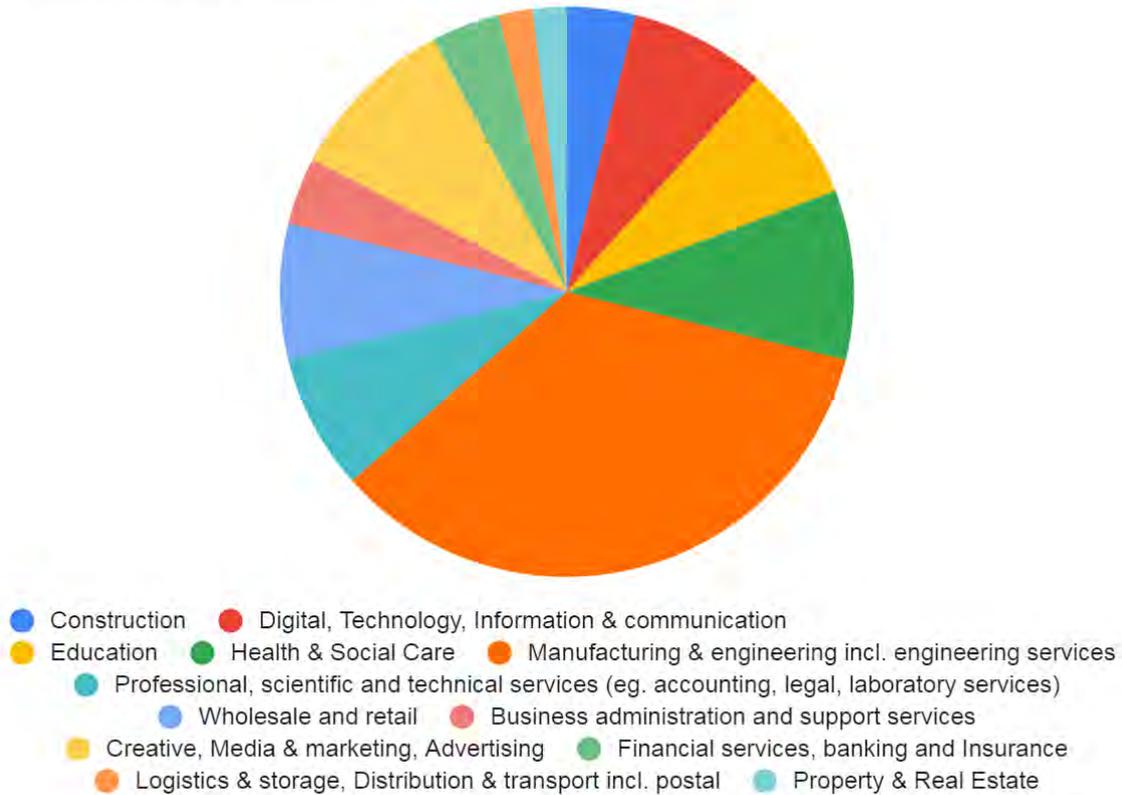
Confidence of maintaining revenues and/or profitability over the next three months



Businesses are overall 'not confident' to some degree. This is likely to be due to the unknown nature of when lockdown will be eased and may change as the picture becomes clearer. Larger businesses are marginally more confident than businesses as a whole, which could be related to their ability to react and adapt and the varied nature of larger businesses sectoral diversity within their group.

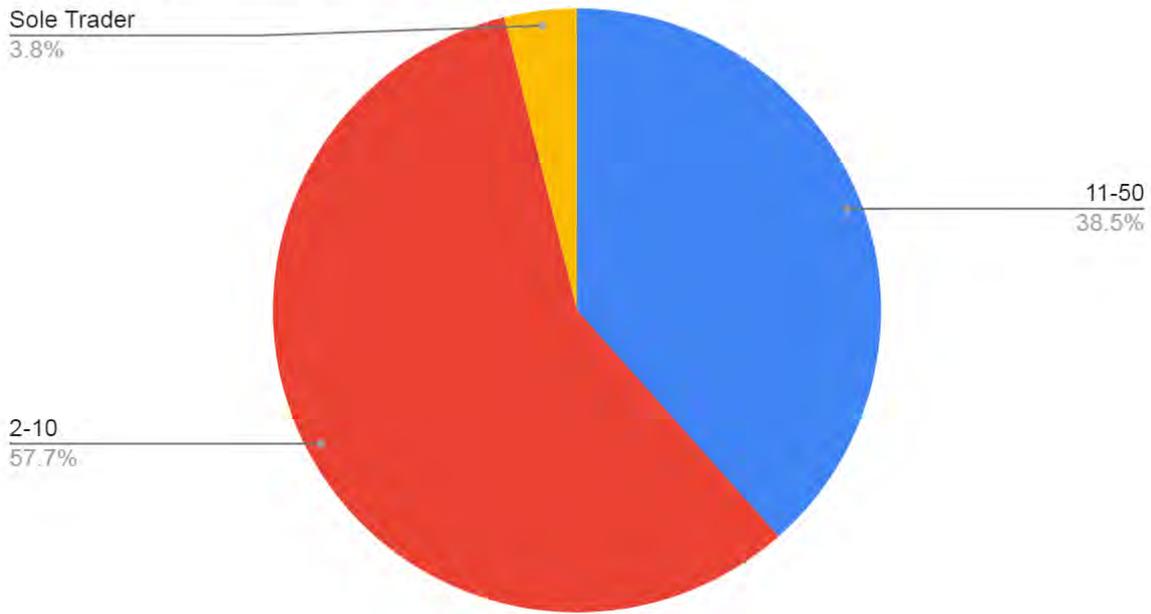
Small Businesses (less than 50 employees)

Business by Sector



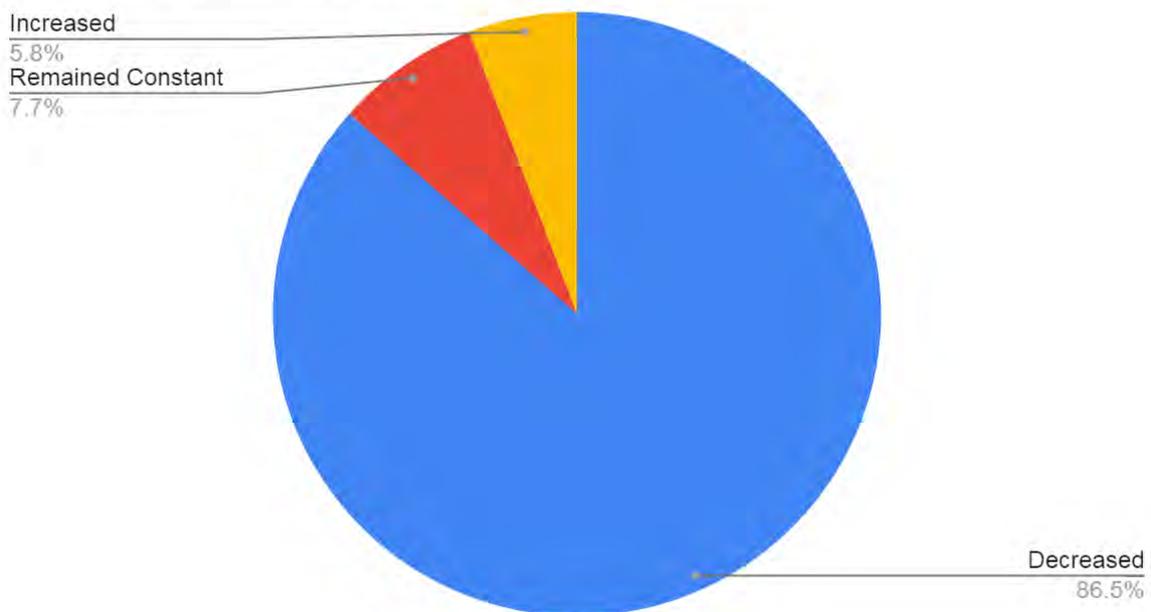
Whilst manufacturing & engineering still makes up the majority of businesses in the smaller company size category, other sectors are much more widely spread, highlighting the diversity of Rotherham's SME base.

Company Employees(Global)



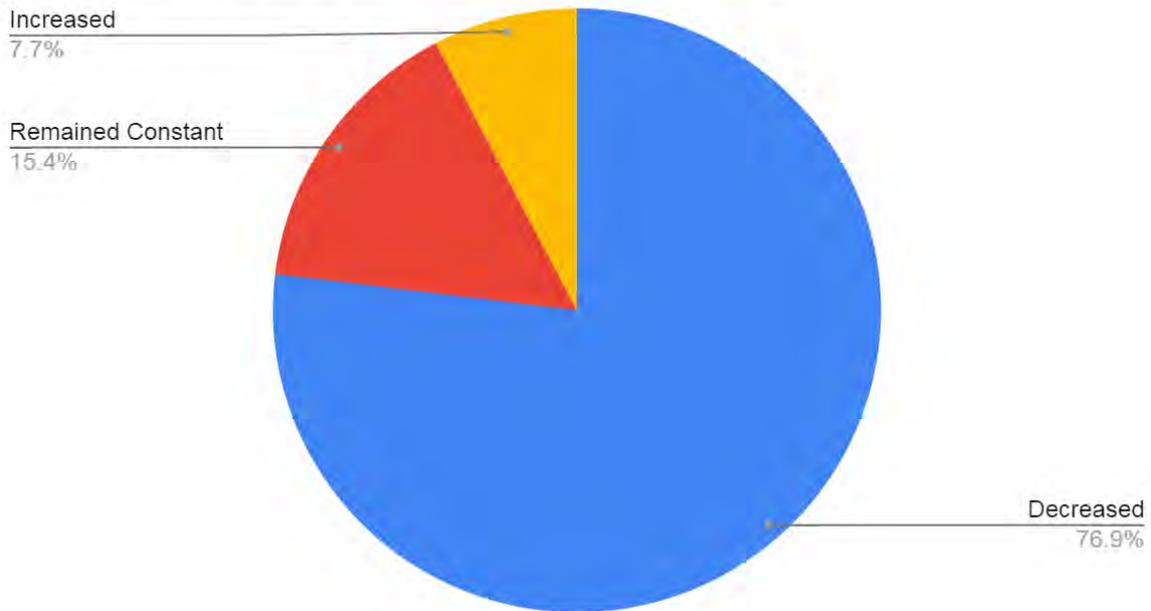
The majority of companies surveyed have less than 10 employees, but there is still a high percentage of those employing 11-50.

Customer demand over the past few weeks



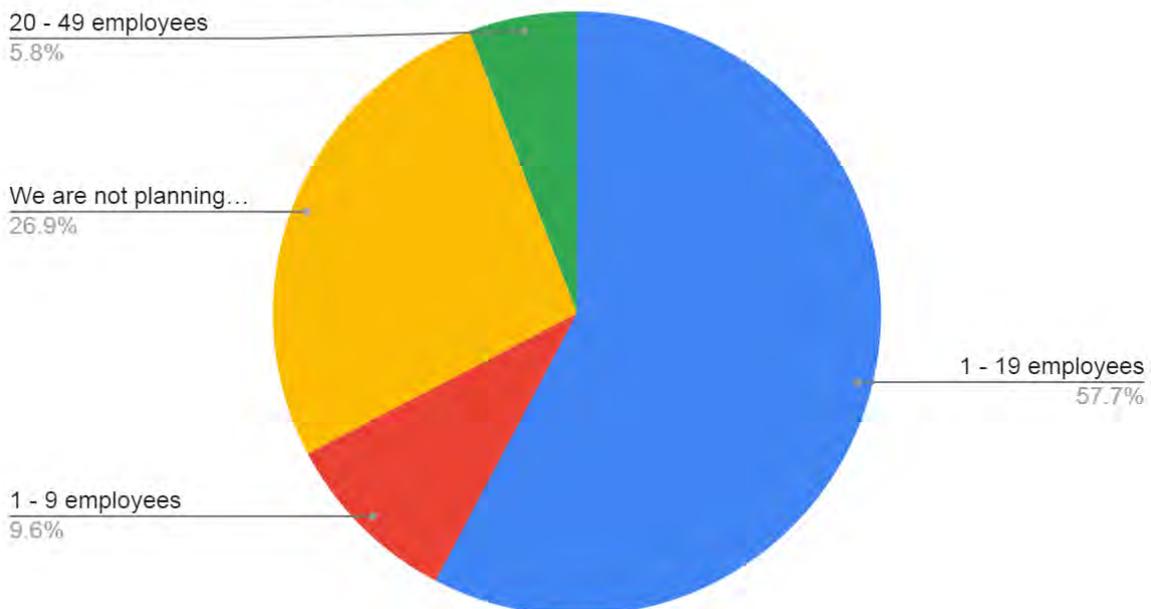
As with the wider picture, smaller companies have seen a dramatic decrease in demand. Small increases are noted for companies with in-demand products/services, such as food, packaging and logistics as examples.

Predicted Demand over the next few weeks



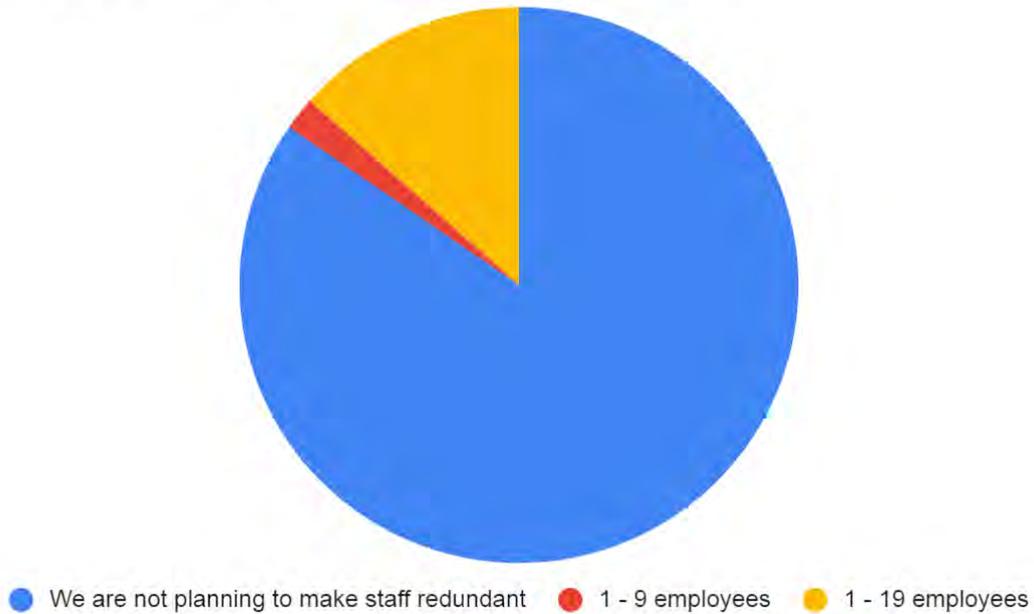
A continuing decrease in demand is predicted for most businesses, however, some businesses feel that demand (however low) won't fall further, with others predicting a marginal increase. This small increase is possibly related to companies diversifying, including PPE supply. Smaller businesses have a slightly higher decrease than the average across all businesses, highlighting potential greater threats to these companies.

Companies furloughing & number of staff



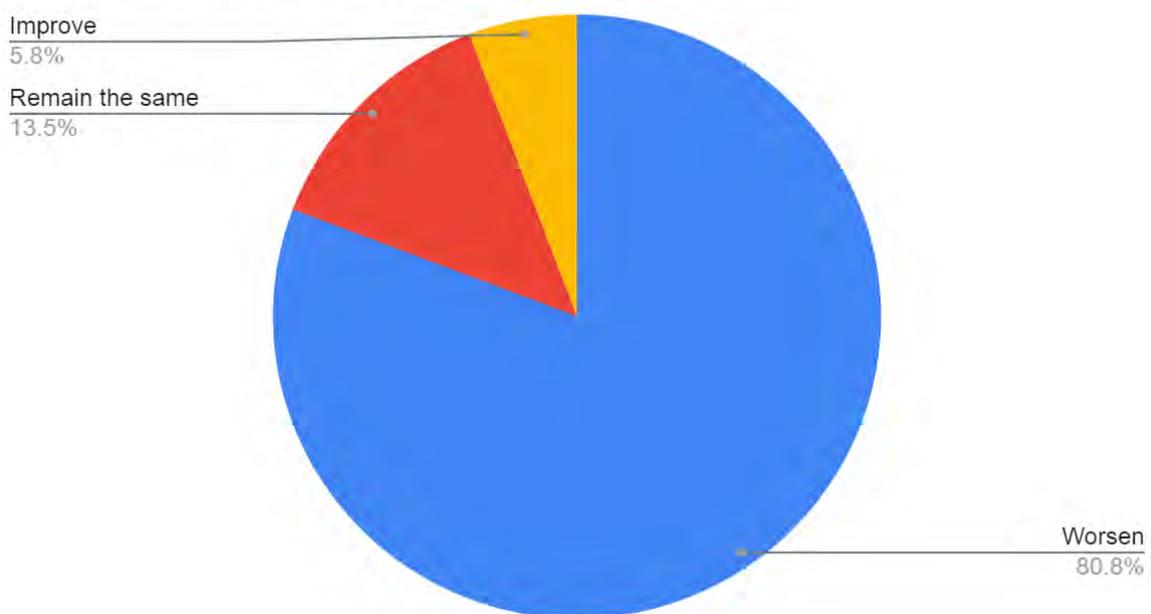
Many companies have furloughed some or all of their workforce, with only just over a quarter of the total not furloughing workers, slightly higher than the average across all businesses.

Companies planning to make staff redundant



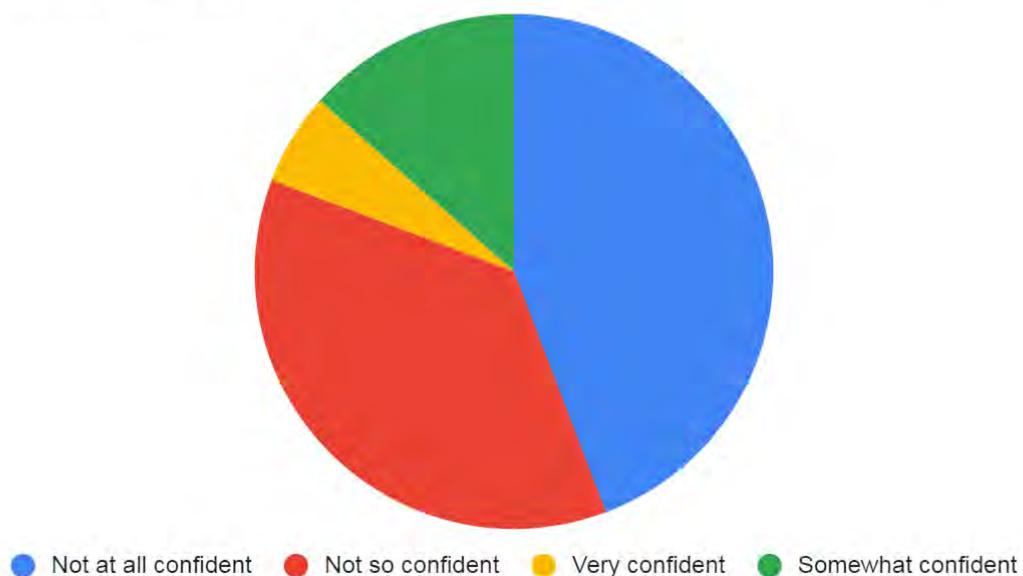
All companies making redundancies account for around 13% of those surveyed to date. It is estimated that all are making less than 10 employees redundant. No companies are making 20+ redundant.

Predicted cashflow over the next few weeks



Most companies are predicting cashflow to worsen. Smaller companies actually have a lower percentage than on average for cashflow worsening, but this could be accounted for by impacts already having been more severe than for larger businesses.

Confidence of maintaining revenues and/or profitability over the next three months



Businesses are overall 'not confident' to a large degree. This is likely to be due to the unknown nature of when lockdown will be eased and may change as the picture becomes clearer. Smaller businesses follow a similar trend to all businesses on this statistic.