

LINCOLNSHIRE QUARTERLY ECONOMIC SURVEY 2021

FULL REPORT AND ECONOMIC BRIEF

Q1

Q1/ 2021 LINCOLNSHIRE ECONOMIC BRIEFING

Businesses have responded overwhelmingly to the Prime Minister's roadmap out of lockdown with significant positive shifts in confidence levels this quarter, but cashflow and prices are weighing on business performance.

These are the latest findings from the first Lincolnshire Quarterly Economic Survey of 2021 which ran from 15th February to 8th March.

The announcement of the roadmap for easing restrictions and bringing the country out of lockdown (which was made on the 22nd February), looks to have had a major influence on local business confidence levels, with a resounding shift in the balance of responses for future turnover, profitability, and (to a lesser extent) future recruitment, out of negative territory and into high positive levels. This is particularly the case for businesses in the Service sector.

The Chancellor of the Exchequers budget speech, which took place on the 3rd March, is also likely to have had some positive effect with, in amongst many other announcements, forecasts for growth in the UK economy of 4.0% in 2021, followed by 7.3% in 2022.

These are particularly big growth numbers if we consider the fact that the UK economy has averaged around 1.5% growth per year over the last five years.

The Lincolnshire Economic Briefing is produced by Lincolnshire County Council in partnership with Lincolnshire Chamber of Commerce and the University of Lincoln.

Analysis provided by Codename Consulting.

The QES is conducted by British Chambers of Commerce.

Lincolnshire
COUNTY COUNCIL
Working for a better future

UNIVERSITY OF
LINCOLN

Greater
Lincolnshire
Local Enterprise Partnership

**UK SALES &
ORDERS**



**OVERSEAS
ORDERS**



**CURRENT & FUTURE
RECRUITMENT
ACTIVITY**



**BUSINESS
CONFIDENCE
IS ON THE RISE**



Q1 / 2021 QUESTION ANALYSIS

■ PLUS FIGURE ■ MINUS FIGURE

UK MARKET

-9% ▲

+ LAST QUARTER: -28%

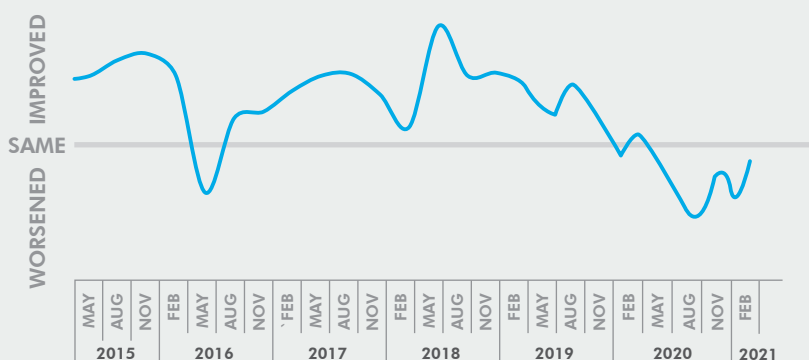
Balance of respondents reporting improvements in **DOMESTIC SALES**

-11% ▲

+ LAST QUARTER: -20%

Balance of respondents reporting improvements in **DOMESTIC ORDERS**

Sales performance over time



**ACTIVITY LEVELS IMPROVE
BUT REMAIN NEGATIVE**

OVERSEAS MARKETS

-30% ▲

+ LAST QUARTER: -60%

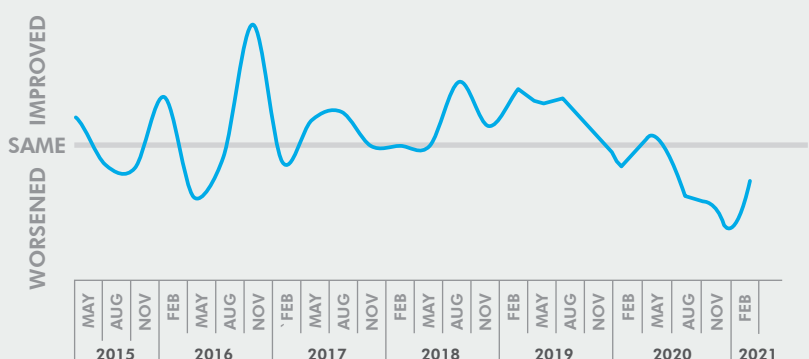
Balance of respondents reporting improvements in **EXPORT SALES**

-24% ▲

+ LAST QUARTER: -57%

Balance of respondents reporting improvements in **EXPORT ORDERS**

Sales performance over time



**OVERSEAS SALES & ORDERS ACTIVITY REMAINS
NEGATIVE BUT WITH SOME IMPROVEMENT**

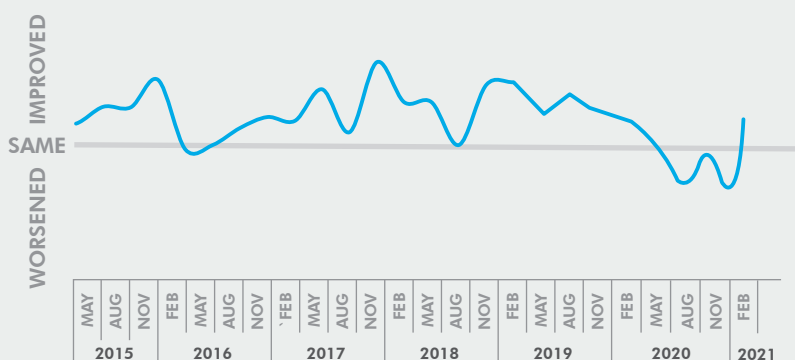
Q1 / 2021 QUESTION ANALYSIS

■ PLUS FIGURE ■ MINUS FIGURE

WORKFORCE

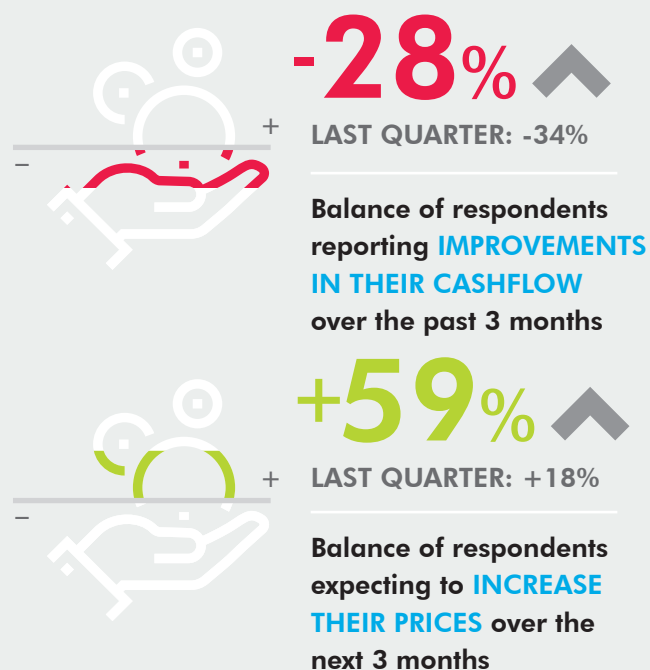


Recruitment plans over time

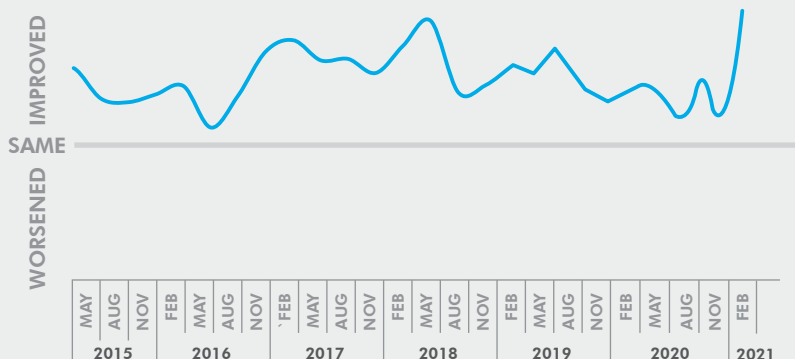


FUTURE RECRUITMENT PLANS RETURN TO POSITIVITY FOR FIRST TIME SINCE Q1 2020

CASHFLOW & INVESTMENT



Prices over time



PRICE PRESSURES AT RECORD HIGH

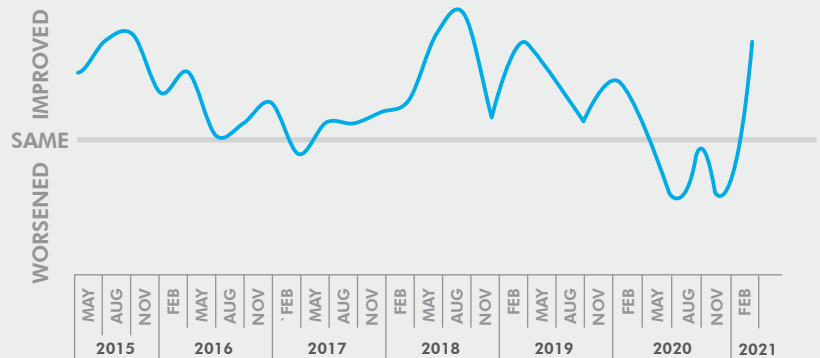
Q1 / 2021 QUESTION ANALYSIS

■ PLUS FIGURE ■ MINUS FIGURE

BUSINESS CONFIDENCE



Profitability next 12 months



BUSINESSES RESPOND TO ROADMAP OUT OF LOCKDOWN ANNOUNCEMENT



Lincolnshire
Chamber of
Commerce

The Ultimate Business Network

ABOUT THE QES AND BRIEFING

The Quarterly Economic Survey (QES) is the flagship economic survey of the British Chambers of Commerce and the largest independent business survey in the UK.

It is a prominent tool used to measure the state of business sentiment and is monitored by a range of national and international organisations, such as the Bank of England, HM Treasury, European Commission, and IMF.

All information contained in this briefing is the most up-to-date available at time of publication (April 2021).



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