

### Introduction

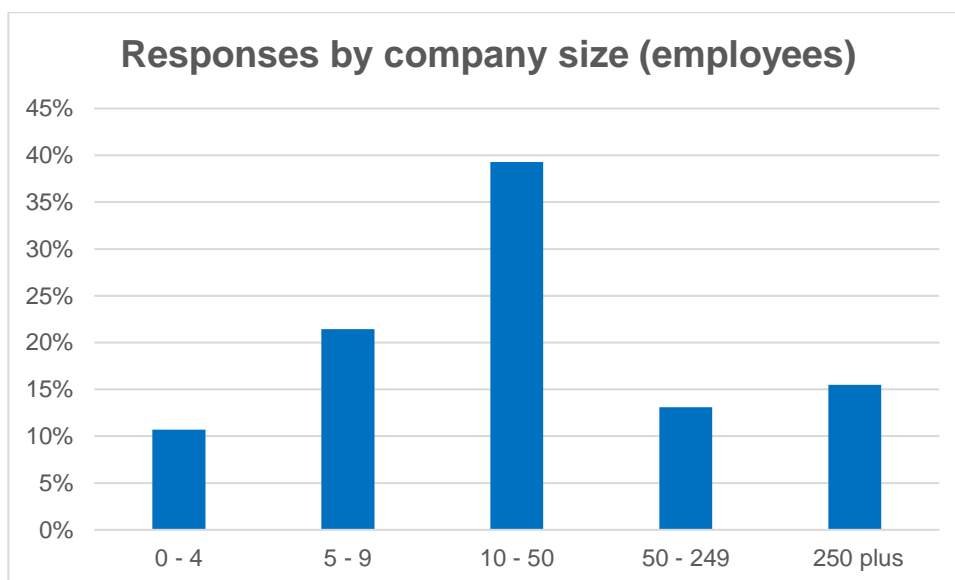
Crawley was identified by a number of studies (e.g. Centre for Cities) as being particularly vulnerable to the imposed COVID-19 lockdown measures. In response Crawley Borough Council set-up an Economic Recovery Taskforce, which the Manor Royal BID was invited to be a part of. One of the first tasks was to survey businesses to find out how the crisis was affecting them and their confidence about re-starting. These are the results for Manor Royal of that snapshot survey.

### Caution and limitations

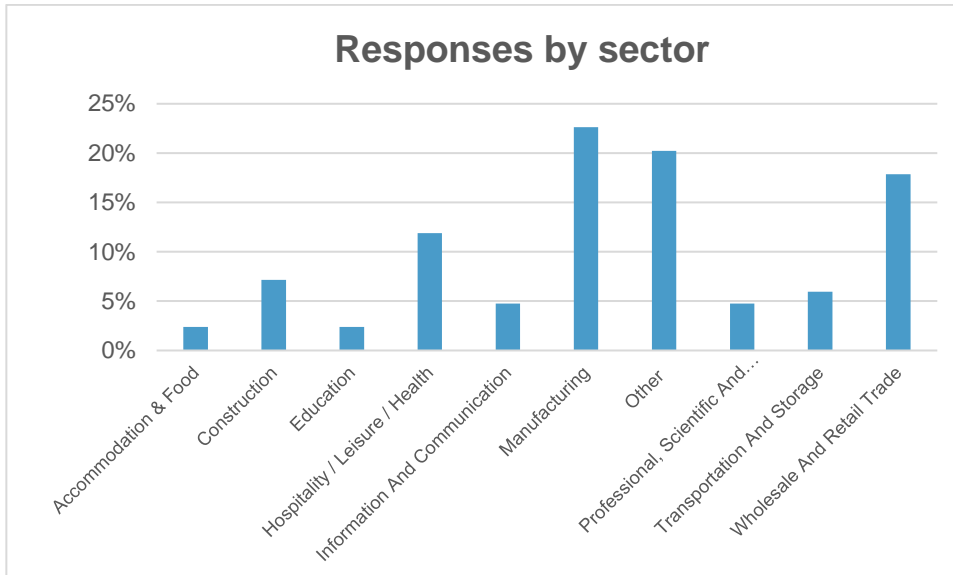
This survey is based on obtaining responses very quickly from a representative sample of Manor Royal businesses. It does not necessarily reflect the individual circumstances of every business. The impact of COVID-19 will vary from business-to-business dependent on a range of factors. This survey gives an insight and forms only one strand of evidence to inform action by the Manor Royal BID and Crawley Economic Recovery Taskforce.

### Who responded

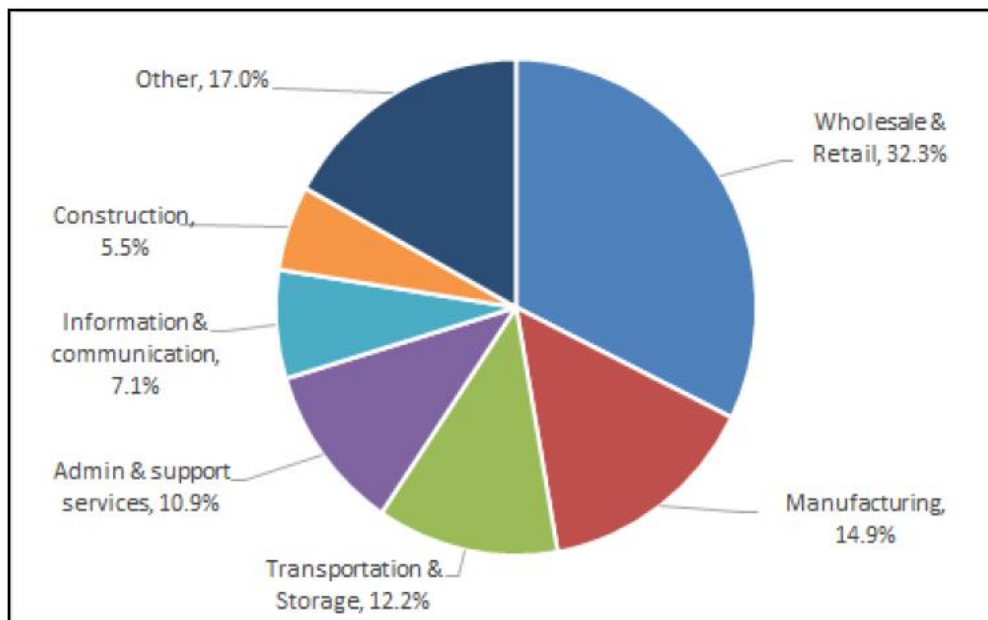
The survey generated 84 individual responses from Manor Royal businesses. Some responses were from businesses that operated multiple sites or businesses, in these cases a single response covered a number of business interests. Overall, this represents approx. 14% of Manor Royal companies.



This is a reasonable representation of Manor Royal businesses based on the number people they employ, where 85% of all businesses employ less than 50 people. The very smallest companies are slightly under-represented by this sample and the largest companies slightly over-represented when compared to the profile of companies operating in Manor Royal.

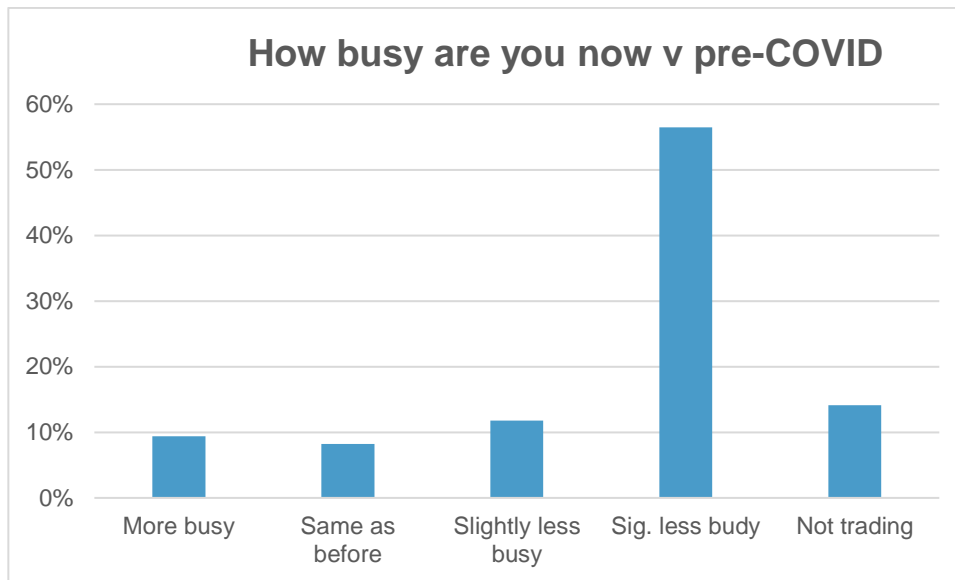


The bar-graph above shows the profile of responses by sector. The pie-chart below shows the actual representation of companies by sector. Of the key sectors Wholesale & Retail and Transportation are slightly under-represented in the sample. Although there are some differences in sector classifications between the two data sets. Overall, the survey data provides a reasonable representation by sector.



The rest of this analysis will concentrate on the impact of COVID-19 and provide some suggestions for areas where further support is needed.

**On activity and turnover**



Unsurprisingly most companies report being significantly less busy (56%), with 14% not trading at all. More positively 17% are either no less busy with some reporting they are busier. Turnover mirrors this pattern.

Analysis by sector (below) shows that all sectors have been impacted. Among those most commonly reporting being “significantly less busy” or “not trading” are Hospitality & Leisure (90%), Wholesale & Retail (87%) and Information & Communication (75%) businesses.

Business sector	More busy	Same as before	Slightly less busy	Significantly less busy	Not trading
Accomm & Food	0%	0%	50%	0%	50%
Construction	0%	33%	0%	50%	17%
Education	0%	50%	0%	50%	0%
Hospitality / Leisure / Health	0%	0%	10%	40%	50%
Information & Communication	0%	0%	25%	75%	0%
Manufacturing	5%	5%	26%	63%	0%
Other	24%	0%	18%	53%	6%
Professional, Scientific & Technical	0%	25%	50%	25%	0%
Transportation & Storage	20%	20%	20%	40%	0%
Wholesale & Retail (inc motor repairs)	13%	0%	0%	60%	27%

Analysis by company size suggests smaller companies are more likely to report being less busy and with reduced turnover as a result of COVID.

Employees	More busy	Same as before	Slightly less busy	Significantly less busy	Not trading
0 - 4	0%	0%	0%	56%	44%
5 - 9	0%	0%	22%	56%	22%
10 - 50	9%	6%	18%	61%	6%
50 - 249	8%	17%	8%	50%	17%
250 plus	33%	17%	25%	25%	0%

The downturn in business and revenue was most commonly attributed to a loss of customers, customers refusing/unable to pay and the cancellation of orders. Some companies though have managed to continue to trade and others have adapted their business to provide new products or services e.g. PPE.

75% of companies had taken advantage of the Coronavirus Job Retention Scheme (Furlough) to protect their business. 19% had accessed a Government support loan (mostly linked to Small Business Rate Relief, 14%) while only 4% of Manor Royal businesses report being able to benefit from the larger Retail, Hospitality and Leisure grants. Over a quarter (27%) had applied for a Government backed loan.

Of those who had furloughed staff almost half (47%) had furloughed between 75% and 100% of their workforce.

The experience of Government support is highly mixed. Some have had a very positive experience while for others it has been much less straight-forward. The majority of companies have been unable to access a grant and it would appear in these cases the application for a loan has sometimes taken too long or else been rejected entirely, effectively leaving them without support.

Of significance were those companies whose business was fundamentally linked to supporting the Leisure or Hospitality industry (e.g. events based activities) but not “strictly” classified as being a leisure or hospitality business in their own right. This classification for allocating Government grants, or its interpretation, has meant these companies received no financial support or help with business rates in spite of the lockdown measures having the same impact as if they were a leisure or hospitality business.

Similarly any business that relied on customers visiting them to access services (e.g. fitness, health or vehicle sales) but either not classified as a retail, hospitality or leisure business or in a property over £51,000 rateable value were equally disadvantaged.

**Confidence**

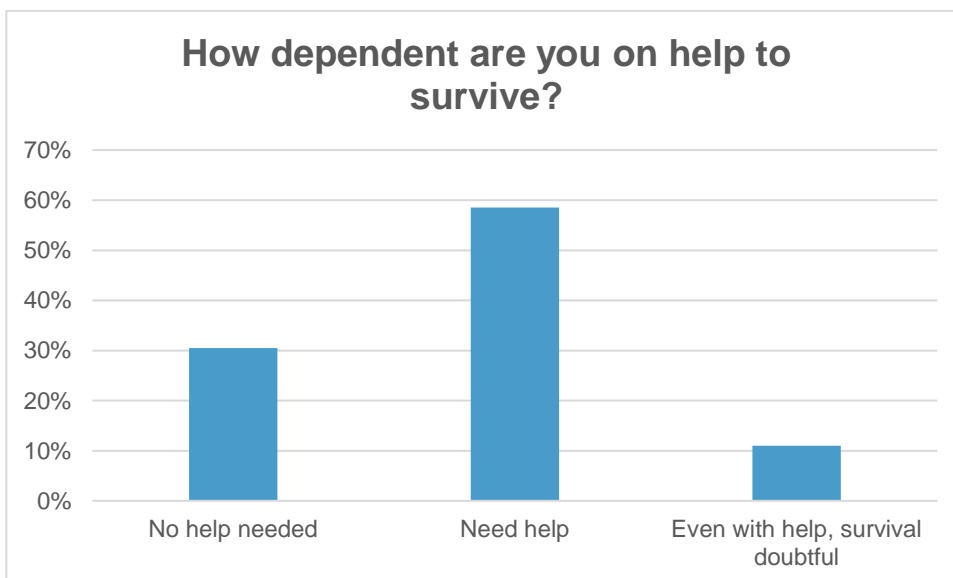
65% of companies report feeling either “Confident” or “Very Confident” that they will survive. However, almost a quarter were unsure of their survival and the rest felt pessimistic about their chances.



When asked how long companies thought it would take to recover 57% expected to recover within one year, this rose to 84% who hoped to recover within two years. This was felt to be dependent on a number of factors including easing of lockdown restrictions and non-re-emergence (second wave) of the virus.

**More help is needed**

Many (59%) felt they needed help to survive and 11% felt even with help survival was doubtful. 30% felt confident without outside help. Help with rent and rates was the most frequently mentioned (57%).



### Confidence by company size

The larger companies in Manor Royal are generally more confident of their survival than smaller companies.

Employees	Very	Confident	Unsure	Not Confident	Not at all
<b>0 - 4</b>	11%	22%	56%	11%	0%
<b>5 - 9</b>	17%	33%	44%	6%	0%
<b>10 - 50</b>	18%	48%	21%	6%	6%
<b>50 - 249</b>	25%	50%	8%	17%	0%
<b>250 plus</b>	42%	58%	0%	0%	0%

### Confidence by company sector

There are some good levels of confidence in a number of key sectors, notably: “Professional, Scientific & Technical” and parts of the “Transportation and Storage” and “Information & Communication” sectors. However, even in these sectors there are companies who are much less confident. The “Hospitality & Leisure” sector is the least certain about their future.

Sector	Very	Confident	Unsure	Not Confident	Not at all
<b>Accomm &amp; Food</b>	0%	50%	0%	50%	0%
<b>Construction</b>	0%	50%	33%	17%	0%
<b>Education</b>	50%	50%	0%	0%	0%
<b>Hospitality / Leisure / Health</b>	0%	30%	60%	10%	0%
<b>Information &amp; Communication</b>	25%	50%	0%	25%	0%
<b>Manufacturing</b>	26%	42%	26%	5%	0%
<b>Other</b>	24%	47%	12%	18%	0%
<b>Professional, Scientific &amp; Technical</b>	25%	75%	0%	0%	0%
<b>Transportation &amp; Storage</b>	40%	40%	0%	0%	20%
<b>Wholesale &amp; Retail (inc motor repairs)</b>	33%	33%	27%	7%	0%

### Exposure to Gatwick

17% of companies surveyed felt there were very exposed to downturn at Gatwick airport. This is consistent with previous “stress test” carried out by the BID that calculated approximately 15% of all employment was linked to the aviation sector (circa 4,000) jobs.

Very exposed	Somewhat exposed	Not very exposed	Not at all exposed
17%	42%	15%	26%

Of those reporting being “somewhat exposed” this appeared to relate the impact of a general dampening effect a significant downturn at Gatwick would have rather than any specific direct trade link. There was no particular sector pattern that can be discerned.



## Conclusion

This survey reinforces previous analysis carried out by the Manor Royal BID and the need for additional support, including: providing a place-specific response, access to larger grants (using a different basis for administering grants) and help with rent and rates (regardless of sector, size or value of property occupied).

70% of Manor Royal businesses were either “significantly less busy” or “not trading at all” at the time of the survey with a corresponding impact on turnover, requiring many to take advantage of the Government’s Coronavirus Job Retention Scheme (CJRS).

As previously reported, there were some businesses who were trading well and there are decent levels of optimism overall with 65% reporting feeling either “Confident” or “Very confident” of survival, of which 57% hoped to have recovered within one year. However, this was contingent on a resumption of the economy and the easing of lockdown measures. 70% also needed help to survive, with rent and rates being the most frequently mentioned area in which help was most needed.

Larger companies tended to report higher levels of confidence, while those operating in the “Hospitality and Leisure” sectors were the least confident regardless of their size. The survey also highlighted concern linked to Gatwick Airport. 17% felt they were very exposed to Gatwick while a greater number (42%) were concerned about the generalized and in-direct impact a slowdown at Gatwick would have.

## Manor Royal BID response

While continuing to progress projects and deliver and adapt core services throughout the lockdown period, including the provision of information, raising the awareness of available grants and providing new services, the Manor Royal BID has had to deal itself with lower and slower levels of levy income.

The BID also recognises the vital role Manor Royal has to play now and into the future and has published its own Manor Royal Recovery Plan to guide activity through to its renewal in 2023. While subject to change as circumstances change, this Plan helps the BID be more effective and coherent in its role as part of the Crawley Economic Recovery Taskforce, including looking for ways to secure support for projects that will transform the Business District in the longer term.

The immediate concern is the number of companies reporting the need for additional help. With help there are high levels of confidence that Manor Royal businesses can continue to be a major driver of employment for the town within 1-2 years. Without help the picture is much less optimistic. The Manor Royal BID will continue to press this point while remaining focussed on the longer-term objectives for the area.

**Acknowledgements** We are grateful to all those companies who took the time to participate in the survey. We also acknowledge the support of Crawley Borough Council who we worked with on the survey.

**[For the Manor Royal Recovery Plan, bespoke advice and supplier lists visit www.manorroyal.org/covid19](http://www.manorroyal.org/covid19)**