



LLOYDS BANK

# PRESS RELEASE

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## UK FIRMS BACK PACE OF COVID-19 LOCKDOWN EASING

- Almost six in ten (58%) UK businesses support the pace of easing lockdown restrictions
- Two-thirds (66%) say they can operate at close to full capacity when restrictions are lifted
- Services sector has the least number of businesses (64%) that say they can operate at close to full capacity, while manufacturing has the most (73%)

The majority of UK businesses support the pace of easing of lockdown restrictions, according to the latest data from Lloyds Bank Commercial Banking research, with two-thirds ready to operate at close to full capacity when COVID-19 restrictions are lifted from Monday, 12 April.

When asked whether their business would have preferred or benefitted from a different pace of easing, 58% said they preferred neither a faster nor slower easing of restrictions. However, a net balance of 34% of firms said they would have preferred a faster route out of lockdown and just 9% said they would have preferred a slower easing of restrictions.

The majority of those questioned (66%) said they will be able to operate at near-full capacity (80% capacity) or full capacity when restrictions for their sector are lifted.

The results of the research come a week after Lloyds Bank's Business Barometer research revealed that UK business confidence reached a one-year high during March, when a quarter (25%) of firms also said they were planning to create new jobs in the 12 months ahead.

### REGIONAL AND SECTOR INSIGHTS

Firms in the South East are most confident, with 70% of businesses in the region ready to operate at 80% capacity or more once they are permitted to reopen. Companies in the North West and the East of England also showed high levels of confidence, with two thirds (69% and 68% respectively) saying they could operate at close to full capacity. By contrast, less than half (47%) of Northern Irish firms said they will be able to operate at more than 80% capacity.

From a sector perspective, manufacturing is where the most businesses (73%) said they can operate at close to full capacity, followed by construction (68%), retail (66%) and services (64%).

**Paul Gordon, Managing Director for SME and Mid Corporates, Lloyds Bank Commercial Banking, said:** "Following an extremely challenging 12 months for businesses everywhere, it's encouraging to see firms' optimism boosted by the imminent lifting of lockdown restrictions, with the majority being ready to operate at close to full capacity. Despite

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these positive signs, however, there is still a great deal of uncertainty and the coming months will be crucial to the UK's recovery. Whatever the future holds, we believe the resilience UK businesses continue to show in the face of adversity will stand them in good stead well beyond the end of lockdown."

ENDS

### Notes to editors

The data are sourced from the Lloyds Bank Business Barometer. The Business Barometer's measure of overall business confidence is the average of responses about how businesses regard the economic outlook and their own trading prospects.

- The overall 'balance' of opinion weighs up the percentage of firms that are positive in outlook against those that are negative. Responses are weighted to reflect the composition of the economy.
- The industrial sector in this report represents mainly manufacturing and construction; the consumer services sector comprises distribution and transport & communications; business & other services consists of financial & business services and the public sector.
- The Business Barometer results provide early signals about UK economic trends. The survey started in January 2002 and research is carried out monthly on behalf of Lloyds Bank by BVA BDRC.
- This survey was conducted with 1,200 companies between 1<sup>st</sup> – 15<sup>th</sup> March 2021

### About Lloyds Bank

- Lloyds Bank Commercial Banking provides comprehensive expert financial services for small businesses, mid-sized businesses and multinational corporations.
- Maintaining a network of relationship teams across the UK, as well as internationally, Lloyds Bank Commercial Banking delivers the mix of local understanding and global expertise necessary to provide long-term support to its clients.
- Lloyds Bank Commercial Banking offers a broad range of finance beyond term lending and this spans import and export trade finance, structured and asset finance, securitisation facilities and capital market funding. Its product specialists provide bespoke financial services and solutions, including tailored cash management, international trade, treasury and risk management services.

### Support for SMEs

- Lloyds Banking Group is committed to helping businesses of all types and sizes, giving them the funding and support they need to grow at home and abroad. We have set out our pledges in our Helping Britain Prosper Plan.
- In 2020, we extended more than £18 billion in gross new lending to start-ups, SMEs and Mid-Market UK businesses.
- To see the latest supporting businesses factsheet, please visit: <https://www.lloydsbankinggroup.com/globalassets/documents/media/media-kit/cb-factsheet/190220-cb-factsheet.pdf>
- For more information on the Lloyds Bank Working Capital Index, please visit: [www.lloydsbank.com/workingcapitalindex](http://www.lloydsbank.com/workingcapitalindex)

### Financing businesses through the crisis

- Businesses can borrow from Lloyds Bank Commercial Banking using the normal process and we remain committed to helping our customers with their lending needs.
- For SMEs with a turnover above £3m, we have set up a fast track process to get fast credit approval.