UK City Tracker Report

January 2023

Foreword

About this study

Welcome to latest economic report by Irwin Mitchell.

Produced in partnership with the Centre for Economic and Business Research (Cebr), this study provides expert analysis of the UK's economic landscape.

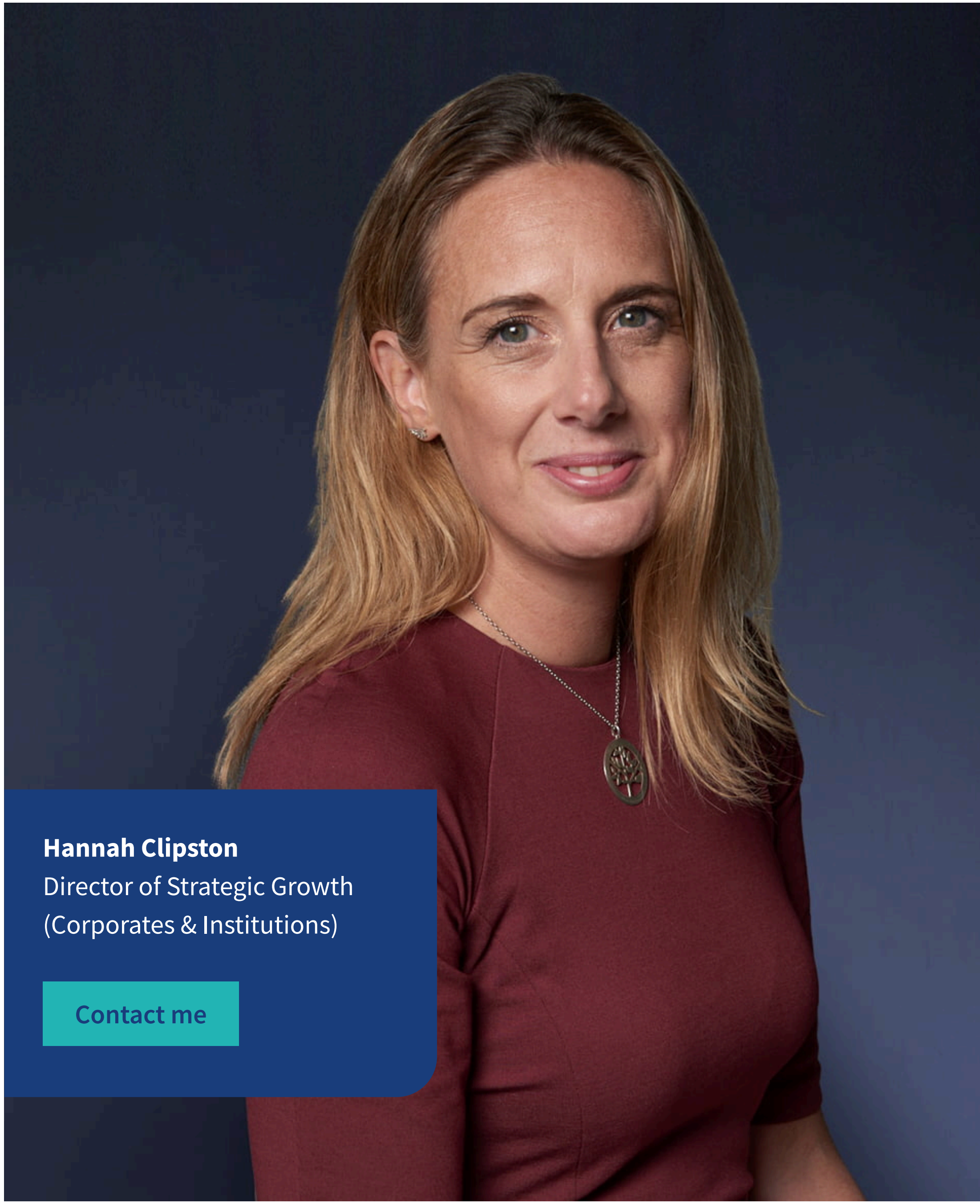
Despite the optimism at the start of 2022 caused by the lifting of COVID restrictions, the year presented new challenges. Inflation, supply chain issues, and disruption caused by the strikes made the economic landscape difficult to navigate for many businesses.

Our latest report estimates the UK is in a recession, with the cost-of-living crisis and consumer spending squeeze being felt. Unlike some other forecasters, we expect the UK's economy will be growing again by the second half of the year.

As this happens, recovery and growth won't dissipate evenly across the UK. We predict big differences in where these increases in output and employment will occur.

Similarly, we'll drill down to look to at the performance of the key UK industries and provide up-to-date economic analysis and insight from our lawyers and sector experts.

I'd like to take this opportunity to wish you a happy and prosperous New Year. I remain optimistic and hope it will offer plenty of opportunities for you.



Key Findings

The key takeaways from our analysis

Key Findings

The UK economy is estimated to have entered a recession, driven by the cost-of-living crisis which is expected to continue into 2023

Economic growth is forecasted to resume in the second half of 2023, with most cities expected to see an annual expansion in GVA by Q4 2023

Reading is expected to be the fastest growing city in Q4 2022, driven by improved rail connectivity to London

Huddersfield ranked third place on the Q4 2022 city tracker table, only behind Reading and Inner London

Exeter is forecasted to be the city with the fastest growth expected in the year to Q4 2023

Birmingham's expected to see economic decline in early 2023, but is likely to end the year in third place on the league table for economic growth

UK Economy Update

An overview of the country's economic landscape

UK Economy Update

The UK’s economy grew by 0.5% in October, marking a return to growth following September’s contraction of 0.6%.

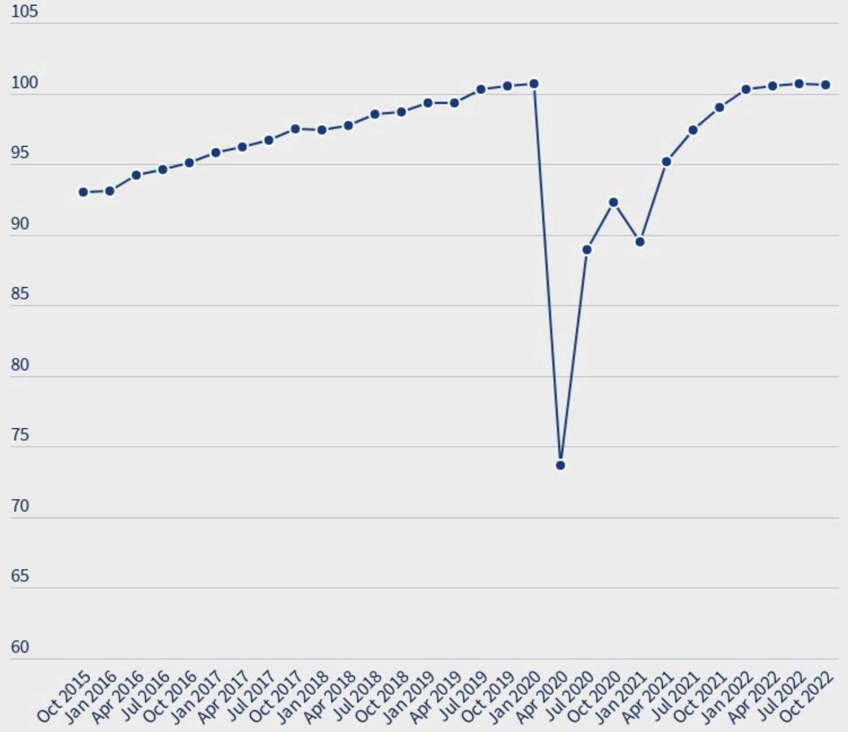
GDP had previously fallen by 0.3% in the three months to October, relative to the three months to July.

Despite October's growth, the UK economy faces a number of headwinds.

In addition to the much-discussed impacts of rising living costs and supply chain pressures, economic output has been hit by considerable industrial action in Q4 2022.

These large-scale strikes negatively affect the economy, reducing activity amongst those striking and having knock-on effects for those reliant on the services they provide.

Figure 1 – UK GDP, Monthly Index, 2019 = 100



Source: Cebr analysis

This feeds into our forecast for the whole of Q4 2022, during which we expect the economy to shrink by 0.3% compared to Q3. This will have put the UK economy into recession in the second half of 2022, when we combine it with the 0.3% contraction witnessed in Q3. This recession is expected to continue into 2023.

Falling consumption is set to be a key driver of the recession, as continued price pressures weaken living standards and encourage a withdrawal of spending activity. Across 2023, consumption is projected to be down 2.6%, outweighing the 1.6% decline forecasted for the economy as a whole.

> Consumption is projected to be down **2.6%**, outweighing the **1.6%** decline forecasted for the economy as a whole.

Impact on sectors

This downward pressure on spending activity will be concentrated amongst certain sectors, notably in wholesale, retail and hospitality. Cities with large retail sectors, such as Brighton and Birmingham, are likely to feel the impacts of the recession strongly in 2023.

Weak performance is also expected amongst other sectors, including construction and manufacturing.

These sectors will both be impacted next year by:

- Continued supply chain pressures
- Shortage of raw materials
- Skills shortages.

Construction in particular will be hit hard due to the tighter monetary policy environment and the expected slump in housing and commercial property markets.

Overall, anticipated declines across a variety of sectors highlight the unfavourable conditions faced by the UK economy.

Beyond these headwinds, Cebr forecasts that economic growth will resume in the second half of 2023, with most cities expected to see an annual expansion in GVA by Q4 2023.

Expert Opinion: Cost of Living Pressures

"We've started to see increased pressure on all sectors, particularly in the retail, leisure and hospitality sector. Businesses have cited rising energy prices and the cost of living pressures on households as having an adverse impact on consumer confidence.

"We've also seen more pressure from HMRC presenting an increased number of winding-up petitions against businesses. This demonstrates a stricter stance following the earlier relaxed approach towards repayments as businesses came out of the COVID period.

“For these reasons and more, unexpected cash flow issues are warning signs that should not be ignored, and seeking professional advice as early as possible could help ensure businesses remain solvent.”

Kunal Gadhvi
Partner
Restructuring & Insolvency
Irwin Mitchell

irwinmitchell

City Tracker Tables

How cities across the UK rank for past and predicted economic performance

City Tracker Tables

City economies shrunk this year as the country moved towards a recession. However, with growth predicted for 2023, there's still reason for businesses to be optimistic.

Reading

In Q4 2022, the fastest growing city economy is estimated to be Reading, with 1.9% annual GVA growth. Its employment growth was relatively weaker, however, at 0.3% annual growth. This suggests that productivity improvements are behind its strong performance.

In 2022, the opening of the Elizabeth line saw Reading benefit from improved connectivity to London. Its strong links to the capital and cheaper office rents make it an attractive city for businesses, such as Microsoft, Oracle and Cisco Systems, who have all located there.

Meanwhile, the Thames Valley Science Park is also home to many companies, including start-ups.

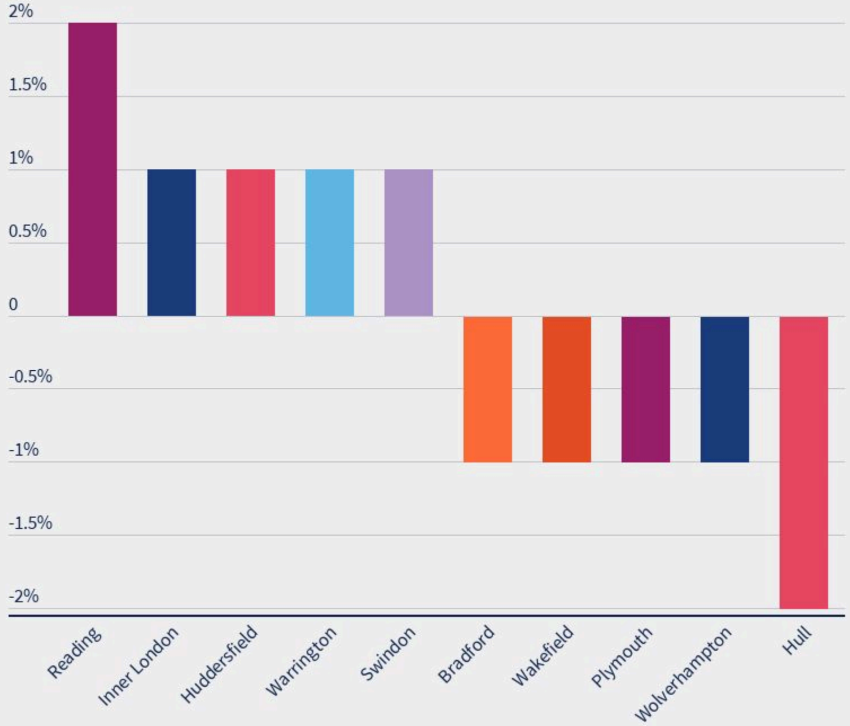
Reading won't be completely resilient to the upcoming recession, with an annual contraction in output expected in Q2 2023. However, the city is expected to rebound and see growth of 1.1% by Q4 2023, ending the year in second place on the city tracker tables for GVA.

London

Greater London is estimated to have seen 0.9% year-on-year GVA growth in Q4 2022, putting it in seventh place on the city tracker table. However, just looking at Inner London, growth is estimated to have been even faster, at 1.2%. Furthermore, Inner London comes in the top five cities for employment growth in Q4 2022 and is also expected to do so in Q3 2022.

London is home to a large portion of the UK's successful financial services industry, as well as a thriving technology sector, which has been a key source of growth in the past decade. Like Reading, the opening of the Elizabeth line has also contributed to the connectivity of the city.

Figure 2 – Top and bottom five cities by annual GVA growth, Q4 20221



Source: Cebr analysis

Huddersfield

Huddersfield ranked an impressive third place on the Q4 2022 city tracker table for GVA growth, only behind Reading and Inner London.

Though the economy is moderate compared to other cities with an output of £7.7 billion, this is still up by 1.1% compared to a year earlier. Furthermore, annual employment growth for the city is estimated to have stood at 0.2% in Q4 2022.

Looking ahead, annual contractions in economic output and employment are expected across 2023 for the Yorkshire town, as the UK experiences a recession driven by the cost-of-living crisis.

However, in Q4 2023, Huddersfield is expected to see the beginnings of a recovery, with 0.3% annual GVA growth forecast.

As highlighted by [a recent Irwin Mitchell report], it was the city with the largest sports economy relative to its overall size in 2020, with this accounting for 1.92% of the town's GVA. The town is home to Huddersfield Town AFC and Huddersfield Giants.

Exeter

The city with the fastest growth expected in the year to Q4 2023 is Exeter, which is set to be resilient to the cost-of-living crisis recession, with 1.3% annual GVA growth forecast. This is up from 0.9% growth estimated in Q4 2022, and puts Exeter in eighth place on the city tracker table for GVA growth in that quarter.

The Devon city is also expected to see annual employment growth of 1.7% in Q4 2022 and Q4 2023. In recent years, there have been large infrastructure investments in Exeter, and the city is prioritising carbon reduction for investment in the future. The Net Zero Exeter 2030 plan identifies projects needed to meet the ambition of a carbon-neutral city, requiring £200 million in investment.

Brighton

Brighton is expected to end 2023 as the fourth fastest-growing city, with 1.1% annual GVA growth. This will follow several weak quarters of growth and an annual contraction in output in Q2 2023, as cost-of-living pressures lead to weak demand.

Brighton has a large retail sector, which is likely to struggle as many consumers cut back spending amidst rising bills and mortgage costs. However, the city also has a thriving knowledge intensive business services sector, which is set to be less affected by the recession

Expert Opinion: The Consumer Sector

"The consumer sector holds the key for unlocking growth in the UK economy but 2023 looks set to be another very tough year.

"2022 presented numerous challenges to retail, hospitality, and leisure. Falling consumer demand, particularly in relation to discretionary items, caused by inflation and general unease about the economy has heavily dampened the optimism that we had for the sector at the start of the year.

"Although there were positive signs in November in relation to people returning to shops and restaurants, the train strikes have in some cases been a hammer blow to businesses that were hoping for a bumper December.

"It doesn't look as if 2023 is going to be a stellar year for the sector. Indeed there are predictions that things could be worse and businesses will need to be even more agile than they were in the previous 12 months.

"However, the consumer sector has been one of the most resilient and innovative in recent times. Those businesses that succeed during 2022 will be in a very strong position to take advantage of a more stable economic environment in 2023.

"ESG will continue to be a priority for those in the sector attempting to attract and retain the best talent and also in recognition of the pressure and scrutiny from consumers who are increasingly making their spending decisions based on ethical factors as well as financial ones.

"Despite the temptation that some businesses might feel at a time of economic difficulty, companies must be wary of green washing as well as making unfounded or indefensible claims around diversity and inclusion."

Charlotte Rees-John
Partner and Head of Consumer Goods and Services
Irwin Mitchell

Manchester

Manchester is estimated to already be experiencing the impact of the cost-of-living crisis, with the Greater Manchester area seeing GVA contract in the year to Q4 2022 by 0.2%.

Though the city centre is more resilient, seeing 0.7% GVA growth in Q4 2022, several quarters of annual contractions are expected in 2023 as the effects of the recession hit. However, by Q4 2023, Greater Manchester is expected to see 0.1% annual GVA growth.

Employment growth is also expected to be more resilient than economic output, with the number of people working in Greater Manchester set to rise by 0.6% in Q4 2023.

Key sectors that are expected to drive economic growth in Manchester include technology and advanced manufacturing. The Henry Royce Institute is the UK's national institute for advanced materials research and innovation and opened its Hub in Manchester in 2020.

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Expert Opinion: Manufacturing

"The environment is the golden thread running through the entire manufacturing sector. It incorporates a wide set of challenges, and these issues are moving up the corporate agenda, with the potential to reach the very top.

"The drive to bring all greenhouse gas emissions to net zero by 2050 and the current energy crisis is forcing many manufacturers to consider alternative sources of energy and how they can use much less power. Consumers are also demanding change and turning their backs on businesses and brands that don't operate in a sustainable manner.

"In 2023, manufacturers should be continuing to develop their ESG strategies and environmental issues such as climate change, carbon reduction and recycling are all part of the process.

"It's important to recognise however there is more to ESG than simply protection, compliance and risk management. It's about everything an organisation does and how it goes about doing it.

"It helps develop and implement sustainable business practices which can future proof businesses and create long-term goodwill with customers and stakeholders. It also offers an opportunity to engage investors and stakeholders through transparent reporting and cohesive business strategy.

"In 2023, UK manufacturers must grasp the nettle and take a proactive approach to tackling the myriad of environmental challenges they face. Those that do will be more robust and in far stronger positions to survive and succeed in the future."

Claire Petricca-Riding
Partner and Head of Manufacturing, Planning & Environment
Irwin Mitchell

Birmingham

Although Birmingham is expected to see declining economic output in early 2023, it's expected to end the year in third place on the city tracker table for economic growth, with a 1.1% annual rise in GVA in Q4 2023. This is up from just 0.3% annual growth in Q4 2022.

It's also expected to see robust employment growth, with a 1.4% rise in Q4 2023, putting it just outside the top ten locations for employment growth that quarter.

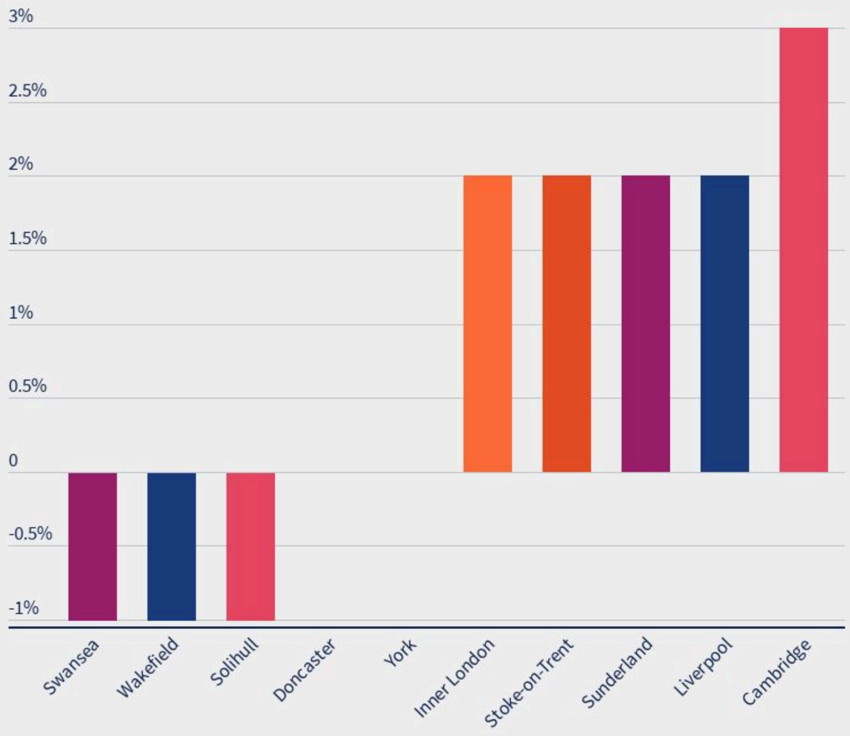
Birmingham's large retail and hospitality sector will be negatively impacted by the cost-of-living crisis in 2022 and 2023. However, other sectors in Birmingham, such as creative and digital technologies, are expected to drive growth.

Stoke-on-Trent

Stoke-on-Trent is set to be in the top five cities for employment growth in both Q4 2022 and Q4 2023, with 2.1% annual employment growth forecast for Q4 2023. Furthermore, despite economic activity being impacted by the cost-of-living crisis, 0.7% annual GVA growth is expected for Q4 2023.

The city has been successful at attracting investment from the Government's Levelling Up fund, which will fund major regeneration projects across the city. There are further plans for a Home Office innovation centre in the city, which will accommodate more than 500 staff by 2025 and the creation of a new Institute of Technology within the Stoke-on-Trent and Staffordshire LEP area.

Figure 3 – Top and bottom five cities by annual employment growth, Q4 2022



Source: Cebr analysis

Expert Opinion: Employment During Economic Turbulence

"Usually at this stage of an economic downturn, an employment lawyer like me would expect to be dealing with a large number of restructuring and redundancy scenarios. Although there are some businesses looking to reduce their headcount, there are still a lot with vacancies that they are struggling to fill.

"Businesses are having to adapt to quickly. The resilient ones will be those organisations that are able to retain their best employees whilst, at the same time, able to look ahead to the future and ensure they're in a strong position to take advantage when economic conditions improve.

"Organisations are increasingly having to be more creative in terms of how they attract new talent whilst also retaining their star employees. Building a culture that is strong and authentic is hugely powerful and there are great examples of organisations that demonstrate high levels of loyalty among staff even though they're not able to compete on salary.

"Culture is of huge significance and can quickly become self-perpetuating. A strong employer brand and culture creates employees who are strong advocates and the positive messages they share on social media, for example, can create a powerful and authentic message to potential employees.

"Employees are not solely interested in salary and will be curious about your organisation more generally, for example development and investment in employees, work-life balance, flexibility, CSR and ESG. They might ask about your diversity statistics or environmental policies. Failure to have this sort of information to hand can be the difference between winning and losing the talent war.

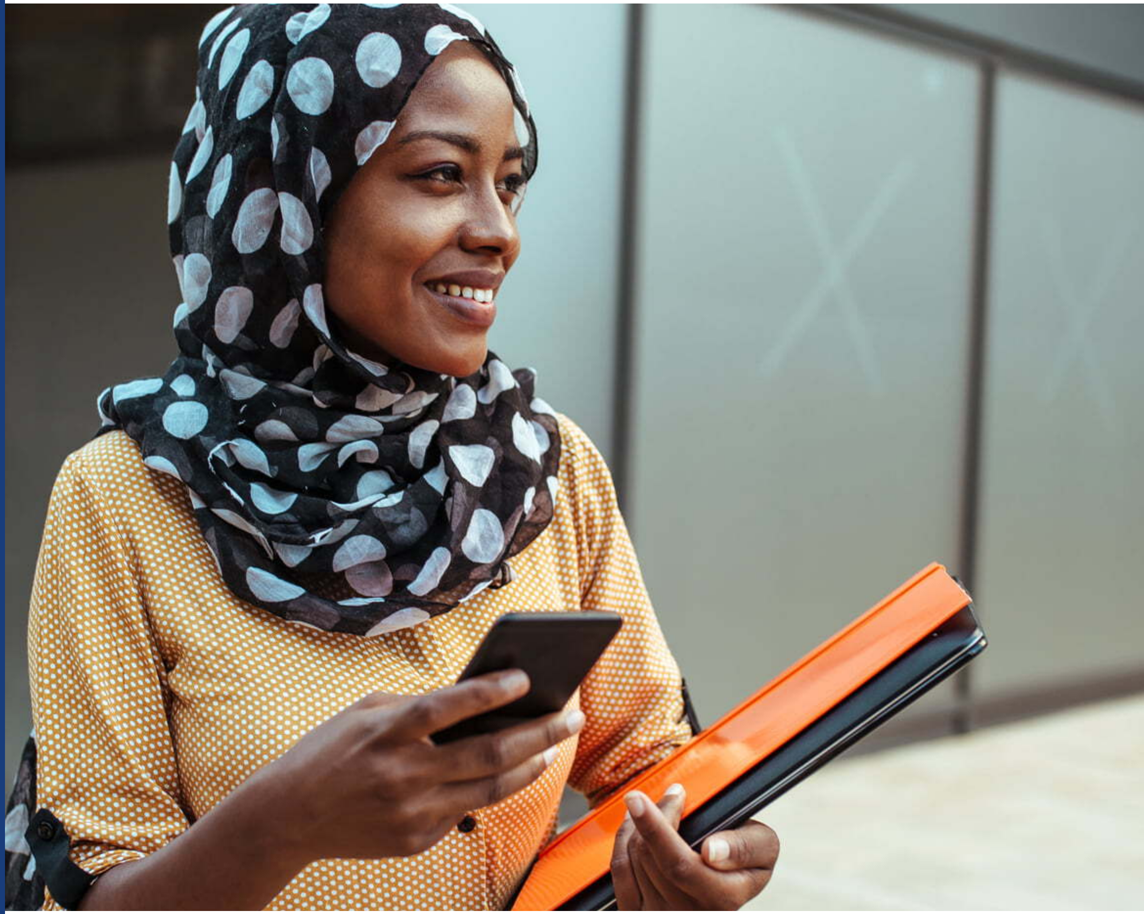
"Onboarding is also crucial in the current climate and the quicker you're able to attract new talent into your organisation, the better. It might sound straightforward, but why not consider tools such as colleague videos rather than reams of policy documents they have to wade through?

"Chances are the candidate you are trying to recruit, has also applied for other vacancies and may be interviewing (or even being offered a job) elsewhere. You need to make it as easy as possible for them to accept your offer and sign with you sooner rather than later.

"But, as well as recruiting, you can't take your eye of the ball with your existing talent.

"Considering protection in relation to your employees is always important, but even more so in a recession. You need to identify the risks within your workforce by knowing who your key employees are and by auditing your employment contracts. For example, is your organisation exposed to risk if key people decide to leave? And if they were to leave, is your confidential information and intellectual property protected? Do you have the ability to place the employee on garden leave during the notice period? Do you have suitable (and enforceable) restrictive covenants in place?"

Elaine Huttley
Partner, Employment Law
Irwin Mitchell



Leeds

Leeds is forecast to be in the top ten cities for employment growth in both Q4 2022 and Q4 2023, with annual employment growth of 1.5% in both quarters. Financial and business services is a key source of growth in Leeds, while the creative and digital sector is also expected to help the city through the expected recession.

Sheffield

Sheffield is already seeing the effects of the recession, with a 0.6% economic contraction estimated for Q4 2022 compared to Q4 2021. Despite this, it's still expected to experience annual employment growth of 1.1% for Q4 2022, which is expected to rise to 1.2% in Q4 2023.

Liverpool

Liverpool is expected to perform well in terms of GVA and employment growth by Q4 2023, in the recovery from the expected recession. 1.7% annual employment growth and 0.6% GVA growth is expected. Liverpool has successfully boosted visitor numbers to the city in recent years. With the city set to host Eurovision in 2023, the accommodation and food services industry should see a boost despite wider cost-of-living pressures.

League Tables: GVA

GVA	GVA Q4 2022, £mn (annualised, CVM constant prices)	Growth (YoY)
Reading	8,100	1.9%
Inner London	342,500	1.2%
Huddersfield	7,700	1.1%
Warrington	8,200	1.0%
Swindon	9,500	0.9%
Winchester	5,300	0.9%
London	482,900	0.9%
Exeter	5,700	0.9%
Brighton	9,100	0.7%
Bristol	16,600	0.7%
Oxford	24,500	0.7%
Manchester	25,800	0.7%
Northampton	12,800	0.6%
Solihull	9,600	0.6%
Cambridge	21,000	0.5%
Milton Keynes	14,700	0.5%
Edinburgh	25,000	0.4%
Peterborough	6,800	0.4%
Birmingham	29,300	0.3%
Glasgow	23,300	0.3%
Chelmsford	5,500	0.3%
Preston	4,500	0.2%
Nottingham	11,000	0.2%
Leeds	27,600	0.2%
Southampton	7,600	0.2%
Bournemouth	10,700	0.1%

GVA	GVA Q4 2023, £mn (annualised, CVM constant prices)	Growth (YoY)
Exeter	5,800	1.3%
Reading	8,200	1.1%
Birmingham	29,600	1.1%
Brighton	9,200	1.1%
Edinburgh	25,200	1.1%
Portsmouth	6,400	0.8%
Oxford	24,700	0.8%
Glasgow	23,500	0.8%
Peterborough	6,900	0.8%
Inner London	345,100	0.8%
Cambridge	21,200	0.7%
Stoke-on-Trent	6,500	0.7%
Preston	4,500	0.7%
Winchester	5,300	0.7%
Bournemouth	10,800	0.7%
Bristol	16,700	0.7%
Liverpool	14,400	0.6%
Milton Keynes	14,800	0.6%
Nottingham	11,100	0.6%
Leicester	9,500	0.6%
Coventry	10,300	0.5%
Southampton	7,600	0.5%
Derby	7,500	0.5%
London	485,500	0.5%
Swansea	5,800	0.5%
Swindon	9,600	0.5%

League Tables: Employment

Employment	Employment Level, Q4 2022	Growth (YoY)
Cambridge	136,900	2.5%
Liverpool	334,500	2.3%
Sunderland	119,200	2.1%
Stoke-on-Trent	137,500	2.1%
Inner London	3,359,600	2.0%
Exeter	110,700	1.7%
Belfast	121,300	1.6%
London	5,182,400	1.6%
Bristol	364,900	1.6%
Leeds	451,200	1.5%
Edinburgh	365,400	1.5%
Cardiff	231,700	1.4%
Hull	146,900	1.3%
Oxford	126,300	1.2%
Sheffield	302,200	1.1%
Chelmsford	87,200	1.1%
Rotherham	104,800	1.1%
Peterborough	114,100	1.0%
Birmingham	605,500	1.0%
Manchester	478,400	1.0%
Northampton	210,200	1.0%
Warrington	126,100	0.9%
Brighton	154,000	0.9%
Preston	90,600	0.9%
Derby	134,100	0.9%
Outer London	1,822,800	0.8%
Aberdeen	171,200	0.8%

Employment	Employment Level, Q4 2023	Growth (YoY)
Cambridge	140,400	2.5%
Stoke-on-Trent	140,400	2.1%
Inner London	3,425,300	2.0%
Liverpool	340,300	1.7%
Exeter	112,500	1.7%
Edinburgh	371,200	1.6%
Bristol	370,700	1.6%
London	5,262,700	1.5%
Cardiff	235,200	1.5%
Leeds	458,000	1.5%
Birmingham	613,800	1.4%
Oxford	128,000	1.3%
Sunderland	120,700	1.3%
Sheffield	305,700	1.2%
Chelmsford	88,200	1.1%
Northampton	212,300	1.0%
Peterborough	115,200	1.0%
Derby	135,300	0.9%
Brighton	155,400	0.9%
Glasgow	467,800	0.9%
Rotherham	105,800	0.9%
Hull	148,200	0.9%
Newcastle	210,700	0.9%
Manchester	482,700	0.9%
Wolverhampton	123,100	0.9%
Preston	91,400	0.8%
Outer London	1,837,400	0.8%

Overcoming Headwinds

Anticipating and navigating business challenges in 2023

Overcoming Headwinds

Understanding the value of your Intellectual Property

Businesses are experiencing turbulent times at the moment but they should not overlook protecting their brands and leveraging opportunities that intellectual property can bring.

The starting point for either of those objectives is to make sure that you know what you have in the store cupboard in terms of IP rights. Following an audit, a business might decide there are some things no longer of particular interest to it, but which might be of interest to somebody else. An IP audit can therefore develop the opportunity to perhaps sell some IP rights in order to generate income for other parts of a business or for new projects.

Experience shows that economic downturns tend to lead to an increase in IP disputes. Rather than spending money on acquisition, businesses tend to fortify, preserve and rely on what they already have. This in turn leads to a more defensive posture being exhibited by IP owners.

Taking a more proactive approach to litigation is one way to mitigate the risk of being infringed.

The first thing to do would be certainly to watch out for instances of potential infringement. This can include briefing sales staff going out into the market to be particularly vigilant.

In the instance of trade marks, having a good watching service in place for core brands is advisable to identify attempts at registering potentially conflicting marks.

Similar watches can also be set up for company names, internet domain names, and adwords used to promote the ranking of hits in online searches for a particular product.

When times get tough financially, the less scrupulous business may seek to make unjustifiable, or even downright false claims in advertising. They may even try unfairly to compare their goods with those of other traders.

This can lead to breaches of advertising regulation and rules about fair trading and comparative advertising. The threat of reporting a competitor to the Advertising Standards Authority ('ASA') for false or unverifiable advertising claims may, for example, result in the claim being withdrawn or altered. Should the falsehoods persist or threat not be heeded, then regulator could be invited to take an interest in investigating and pursuing the issue without the need for further action by the reporting party.

Green credentials such as claims to carbon neutrality or claims about product sustainability are frequent and attractive to businesses.

However, (often unwittingly) false or misleading claims of this sort are increasingly chastised by the ASA and the Competition and Markets Authority under the recent '*Green Claims Code*.'

Often in recessionary times, employees will see an opportunity to move elsewhere or perhaps set up their own business. Regrettably, they may also face redundancy and meet a highly competitive employment market.

As part of this, they might be tempted to take confidential information or proprietary know-how with them, particularly such things as customer lists and financial data.

In this context, it's a good opportunity to re-visit employee contracts to ensure that sufficient protection for confidential information is anticipated. It's also a good idea to make sure that data protection policies are not only rigorously enforced but also that staff are made fully aware of them.

A very easy tip for businesses is to seed databases and computer software code with traps. In the instance of a database, a fake contact could be created. If that contact were subsequently approached, it would suggest (and also may be excellent evidence of) the database having been taken and used without authorisation. Similarly, adding non-functional lines of code into a computer program would potentially reveal copying if it were to turn up in another business' software – there would be no other explanation for the superfluous code being present.

There is a lot to consider on this topic, but it's worth noting that research studies over the years show that business focused on innovation and IP tend to have higher growth and survival rates in comparison to less IP-savvy businesses. When economies decline, traditional, tangible assets such as real estate, plant and machinery can often decline in value; whereas, IP can retain its value or even appreciate. Though not always recession-proof, IP is often a buoyant asset, maintaining its value even through tough economic times. Businesses both big and small should understand the value of IP. During difficult times, it's arguably even more important to protect and exploit it.

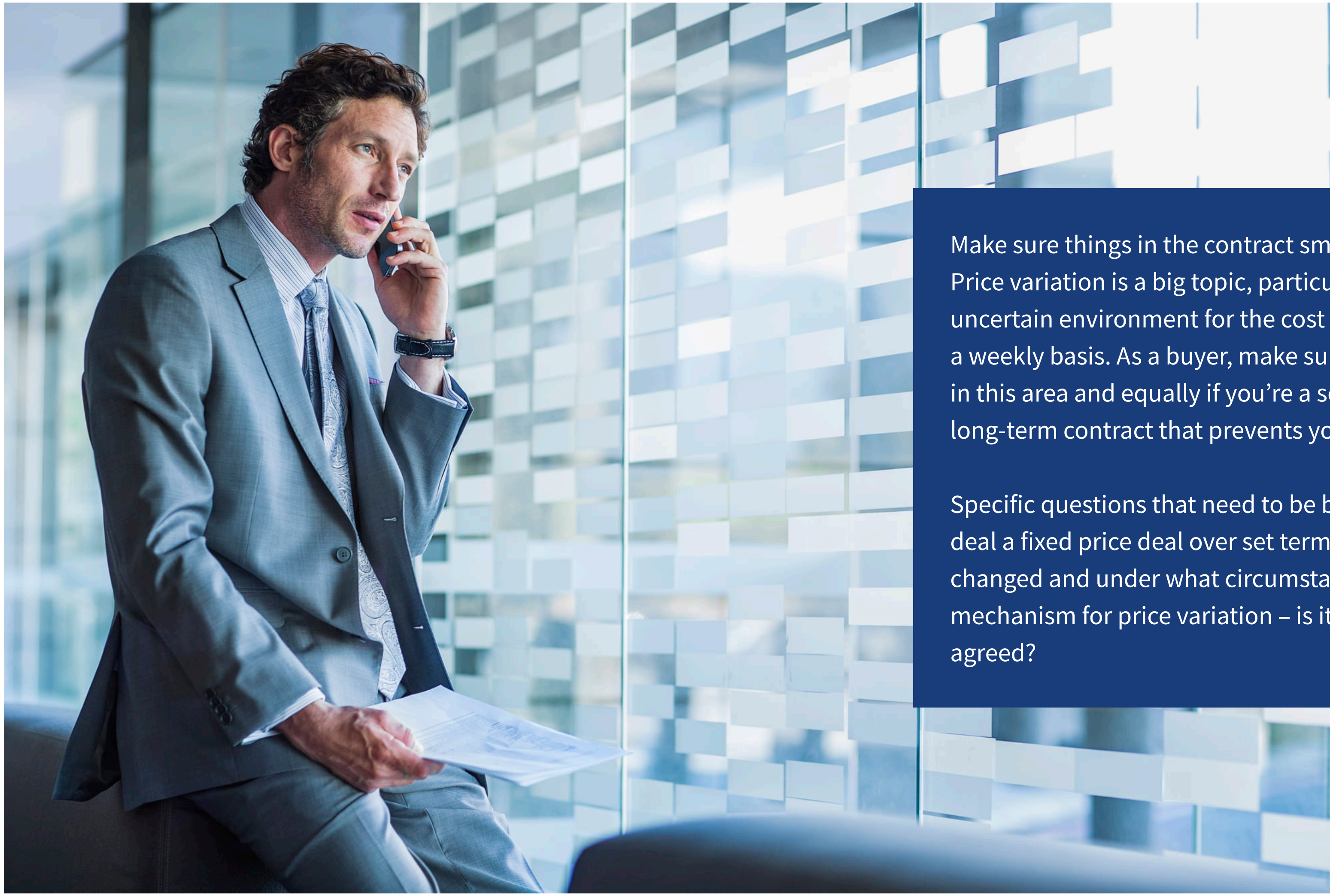
Marcus Collins
Partner, Intellectual Property Law
Irwin Mitchell

Mastering commercial contracts

Faced with all the uncertainty that exists currently, businesses are looking much more closely at their contracts. In these challenging times, it's important that your contract is ready to ensure that in the context of a disagreement, you're ready to defend or initiate a dispute.

It might sound obvious but when you are reviewing your contracts, the first thing you need to do is check that the other party's details are correct. This means checking whether the full company name has been used rather than the trading name and crosschecking these details with Companies House. I'd always advise that you know who you are contracting with, particularly if there are different businesses in the group trading in a similar way.

Different businesses within a company structure will have different assets and you will want to make sure that you are contracting with the right one, with the correct level of assets, in case anything should go wrong.



Make sure things in the contract small print align with what was agreed. Price variation is a big topic, particularly at the moment due to the uncertain environment for the cost of raw materials which can change on a weekly basis. As a buyer, make sure that you are aware of any provisions in this area and equally if you're a seller, make sure you are not tied into a long-term contract that prevents you varying the price where needed.

Specific questions that need to be built into your negotiations are is this deal a fixed price deal over set term? If not when can the price be changed and under what circumstances? You also need to understand the mechanism for price variation – is it unilateral or does it have to be agreed?

Finally, the duration of a contract is also a very hot topic in today's climate. Consider:

- Do you want long-term arrangements these days?
- Do you want the flexibility to move to another supplier easily?
- As a supplier do you want to be able to terminate on notice?
- If your supplier can terminate on notice, is the notice period long enough to enable you to find a new supplier?

In these uncertain times, these are some of the questions that you should be asking in your contract negotiations now.

Joanne Bone
Partner, Commercial Law
Irwin Mitchell

Preparing for commercial disputes

Commercial disputes tend to increase during economic downturns as businesses look to exit or vary contracts or contracts become challenging to perform but there are ways in which disputes and the chances of going to court and the costly legal bills that go with it can be reduced.

When agreeing a contract, it's tempting for parties to agree very basic details in terms of what will be produced or supplied and how much will be paid for it. However, the 'what if' scenarios need to be thought through. If they are not accounted for then disputes are likely to arise.

In the current climate with strikes increasing, delivery dates slipping, and the cost of raw materials going up, there are a lot of 'what if 'scenarios. Make sure you consider these and spell them out in the contract.

Sometimes the legal dispute is not about whether a contract was fulfilled by a certain time and for a certain price. The disagreement will often relate to whose T&Cs apply and which jurisdiction and law will govern the contract.

Whilst often overlooked as the 'legalities', making sure all these things are explicitly agreed at the outset can be crucial in helping you avoid a commercial dispute and, if a dispute arises, having clarity on T&Cs, jurisdiction and governing law will simplify the process of resolution.

Katie Byrne
Partner, Commercial Disputes
Irwin Mitchell

About the report

Official economic data sources for the UK's cities are often subject to a time lag, meaning it's difficult to obtain an up-to-date snapshot of economic performance.

To estimate recent economic activity, Cebr has used a range of more timely indicators to create a nowcast of GVA and employment for the 50 largest cities in the UK. Cebr also models the economies of these cities to produce a forecast of their performance in the years ahead.

The latest outputs of this analysis give us a picture of how the regional economies of the UK performed in Q4 2022 and how they're expected to perform in Q4 2023.

Disclaimer

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Authorship and acknowledgements

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The report does not necessarily reflect the views of Irwin Mitchell.

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