Building a better working world

Warning signs

Analysis of profit warnings

Issued by UK quoted companies

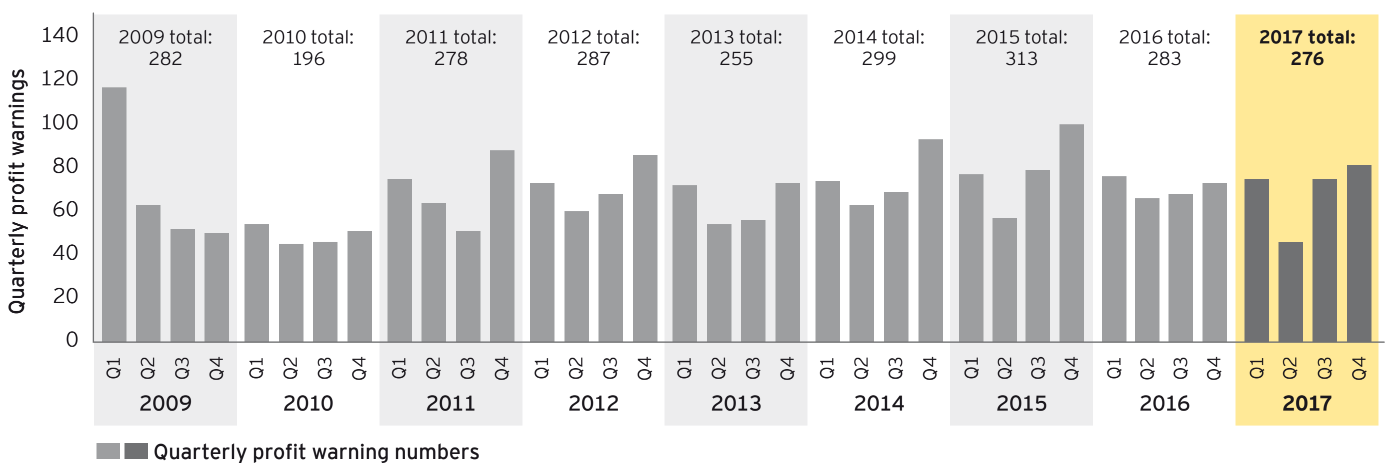
Q4 2017

UK profit warnings hit 81 in Q4 2017, their highest level in two years. In total, 2017 saw the lowest number of warnings since 2013, but this was very much a year of two-halves. Both the pace of profit warnings and share-price reaction have increased significantly since the summer, reflecting a more difficult domestic outlook and diminishing investor forbearance.

The UK economy is still expanding, aided increasingly by a strong global revival. Industrial sectors are still issuing a low number of profit warnings. But, our data also highlights several warning signs including increasing contract uncertainty, pricing pressures and the higher levels of investment required to stay in the digital race. These issues are particularly pressing in business-to-business sectors and those reliant on the consumer.

In 2018, we expect to see an increasing divide between winners and losers. There are still many opportunities to capture growth; but the cumulative impact of rising costs, falling growth and increasing competition – from within and across sectors – will expose weaknesses in any company that is struggling to get a handle on this changing economy.

Profit warning numbers, 2009–2017

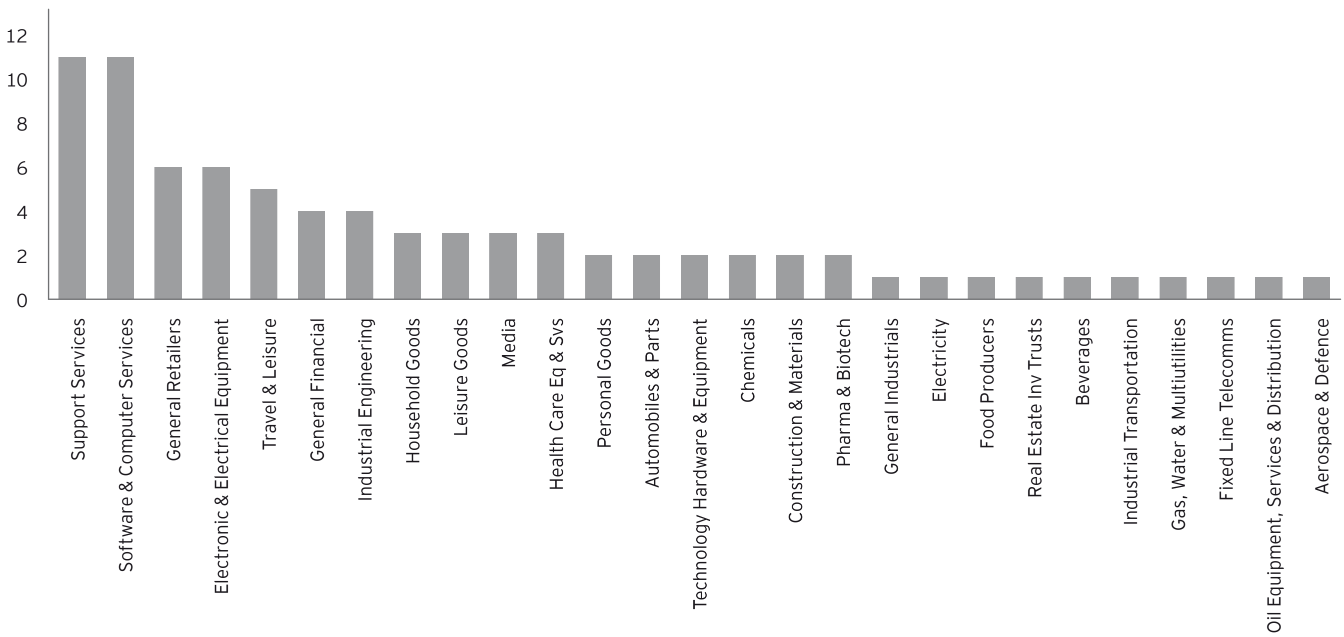


Profit warning highlights

- UK quoted companies issued 81 profit warnings in Q4 2017, 11% higher than the same quarter of 2016 and the highest quarterly total since Q4 2015.
- Overall, the annual number of warnings fell slightly to 276; but this was a year of two halves with 156 warnings issued in the second half of 2017 compared with 120 in the first two quarters.
- The FTSE sectors issuing the most profit warnings are in business-to-business and consumer-facing sectors exposed to rising costs and uncertainties:
  - **Q4:** Support Services (11), Software & Computer Services (11), General Retailers (6), and Electronic & Electrical Equipment (6).
  - **2017:** Support Services (42), Software & Computer Services (27), General Retailers (24), and Travel & Leisure (22).
- In 2017, 30% of warnings cited cost and competitive pressures, compared to 16% in 2016. The need to keep pace in changing markets compounded this squeeze, with investment pressures cited in 12% of warnings in 2017, compared to 7% in 2016.
- Contract uncertainties also continued to loom large in 2017, with 25% of companies citing delays or cancellations including 40% of warnings from the FTSE Support Sector and 60% from FTSE Software & Computer Services.
- Increasing price and competitive pressures in the FTSE Support Services sector have exposed weaknesses in contract portfolios and internal controls. In 2017, just under a quarter of the sector issued a profit warning.
- A third of FTSE General Retailers issued profit warnings in 2017, up from just over a quarter in 2016. The outlook remains tough in 2018, with sector profit warnings already exceeding last year's first quarter total in just the first two weeks.
- The median share price drop on the day of warning rose from 12% in the first half of 2017 to 14.9% in the second half and 15.2% in Q4 2017 – the highest since the Brexit quarter of Q2 2016.
- Valuation concerns may be a factor in this steeper fall, but it may also reflect a shift in attitude with investors regarding more profit warnings as a signal of deeper, structural issues rather than as one-off events.

Investors may be viewing more profit warnings as a signal of deeper, structural issues rather than one-off events.

Profit warnings by sector, Q4 2017



Economic and sector overview

What next?

Overall, 2017 turned out better than expected for much of UK plc, aided by a strong global economic revival. But, an increase in restructurings and profit warnings reflects the cost and demand pressures building across a significant portion of the UK economy. We may see some of these pressures ease in 2018, but new challenges are emerging and some existing concerns — most notably Brexit — will come to a head. Anxieties and optimism will coexist again in 2018 and it's no easier to predict which will win out — a significant challenge in itself.

Contrasting fortunes

Divisions are opening up across the UK economy. Sectors that moved increasingly onto the back foot in 2017 were those exposed to rising costs — be those influenced by the weaker pound, increasing commodity costs or regulatory change. This has hit sectors tied into fixed-price contracts and those reliant on disposable incomes especially hard. The consumer squeeze meant that the Christmas season proved especially disappointing for non-food retailers, as underlined by a high level of profit warnings in early January. The impact of sterling's post-Brexit fall should move out of the inflation figures in 2018, but the cost and pricing challenge will remain. Any pick-up in retail sales will be gradual rather than rapid, with the potential for rising interest rates and uncertainties in the wider economy to hold spending back further — even if wages rise.

In contrast, much of the UK manufacturing industry is entering 2018 in better health, buoyed up by the low pound and a global economy firing on more cylinders. Official figures show UK manufacturing output recorded a seventh consecutive month of growth in November, rising by 0.4%. The Markit/CPS purchasing managers' index (PMI) dipped slightly to 56.3 in December from a 51-month high the previous month. But significantly, this fall was due to slower output in consumer goods, with the output of capital and intermediate goods continuing to rise — as reflected in our profit warning data. Nevertheless, Brexit will loom here larger in 2018 one way or another, either in the pick-up in sterling or uncertainties with trade — depending how talks progress.

Taking all this together, our current expectation is that UK GDP growth will moderate from 1.8% in 2017 to around 1.4% to 1.5% in 2018, assuming a transitional arrangement around Brexit. This growth may be enough to prompt one more interest rate rise in 2018 — especially if consumer debt continues to rise. But, it's hard to make firm pronouncements given the considerable uncertainty around the exact path the UK will take on Brexit, which have an impact on sterling's fate in 2018 — and much more beside.

The global economy pulls away

As noted above, the revival in the global economy and especially the Eurozone has contributed increasingly to UK growth in the last year. The fact that major economies all expanded at the same time for the first time since the global financial crisis was one of the standout stories of 2017. Indeed, with the deflationary threat seemingly vanquished, the global economy grew at its fastest pace in seven years in 2017 and this expansion looks set to continue. The OECD's forecast for GDP growth for the global economy as a whole are 3.7% in 2018 and 3.6% in 2019. These aren't standout growth rates by any means in a long-term context; but given the shorter-term context of sluggish growth and political upheaval in many major economies, this will feel like remarkable growth.

This more positive outlook will be tested in 2018. In Europe, elections and the progress of Macron's reforms in France will test the region's newfound optimism — as will progress on Brexit, where there are still many questions to resolve. China is still attempting to execute a tricky deflation of its asset bubbles. The US is a wild card, with sharp political divisions playing out and mid-terms coming up that could define the second half of Trump's presidency. The ongoing impact of inequality and the growing question of how to balance the role of the state in the 'free market' will continue to play out — with additional impetus in the UK. Across the globe, we expect companies to face more political change and intervention in 2018. The so-called 'techlash' against the technology companies on both sides of the Atlantic is just one example of increasing tendency of governments to intervene.

But, the most immediate challenge to global growth undoubtedly still comes from how well central banks can execute their exit from extraordinary monetary policies and scale back their quantitative easing programmes. Can the global economy sustain this level of growth as central bank reign in their support? Thus far, the banks have seemed wary of moving too fast, but increasing capital market exuberance is a growing concern. There is some foundation for equity markets' record highs in expanding global growth. Still, there are concerns about how far and fast markets have moved, the sustainability of recent highs and increasingly risky behaviour. Investor protections have fallen to record low levels. US government bond supply is set to increase, testing appetite. On the surface, all seems calm, but there are some signs that nerves are creeping in — not least the sharp increase in investor reactions to UK profit warnings.

Navigating through uncertainty

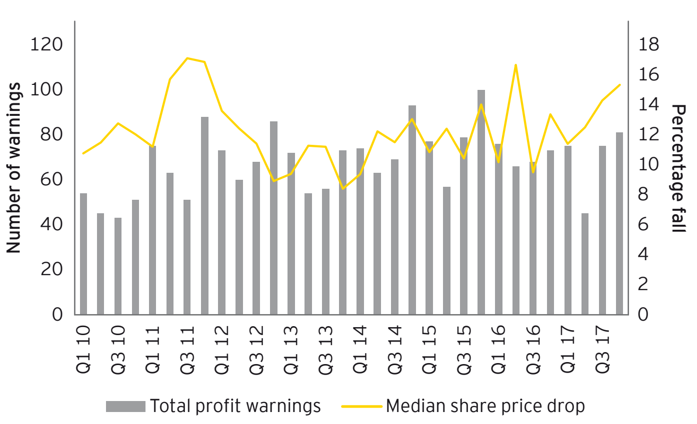
In the face of this mixed and still uncertain outlook, it remains imperative for companies to get a firm grip on their own business-critical risks, opportunities and assumptions. Armed with these insights, they will be in a better position to identify emerging issues earlier and move more quickly to fine-tune their profit guidance, should the need arise. Beyond politics, technological disruption will continue unabated, remaking sectors and the economy. Business cannot risk not having enough capital or management time to explore new opportunities and remake themselves.

Economic and sector overview (continued)

A year of two halves

In 2017, profit warnings hit a four-year low. But, this was a year of two-halves with the pace of warnings and investor reaction changing gear over the summer. The median share price reaction in Q4 2017 was the highest since the Brexit quarter of Q2 2016 and it has moved even higher in the first three weeks of 2018.

Median share price fall



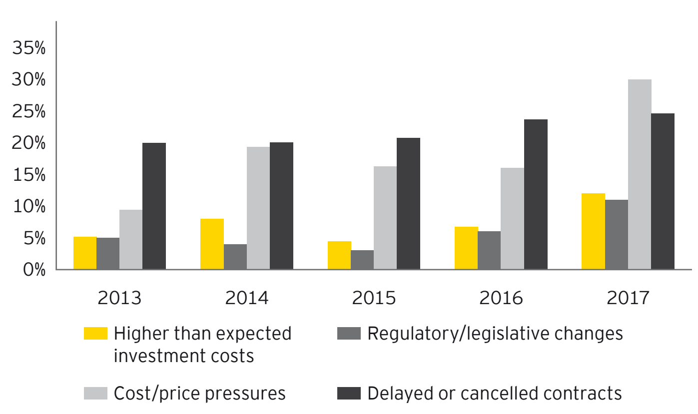
Pricing pressures and contract woes

FTSE sectors with highest number of warnings	H1 2017	H2 2017
Support Services	17	25
Software & Computer Svs	11	16
General Retailers	10	14
Travel & Leisure	12	10
Media	6	8
Household Goods	5	7

What caused this shift in pace and mood? We can't point to one event. Instead, it seems that we're seeing the cumulative impact of rising pricing pressures and uncertainty, which have driven exposed FTSE sectors to issue a higher number of warnings. As ever, it's a nuanced picture. The end to food price inflation helped FTSE Food & Drug Retailers issue their lowest number of warnings for ten years. But, the extra spending on food increasingly left less to go around elsewhere, with retail and other consumer sectors also struggling with increases in business rates and transport and labour costs. This stress is also passing down the supply chain, with profit warnings in FTSE Household Goods doubling year-on-year in 2017.

Selected reasons for warning

Percentage of total warnings by year



Increasing price and competitive pressures in the FTSE Support Services sector have also exposed weaknesses in contracts and internal controls – as we discuss in more detail later. Just to underline the increasing uncertainty in the business cycle, the number of warnings from FTSE Software & Computer Services companies doubled year-on-year. The need to invest and remain competitive is further compounding the pressure on many companies, as the sharp rise in warnings citing 'investment costs' illustrates. Regulatory changes have also increased in prominence – especially in financial sectors - and we expect this to continue in 2018.

Challenge and change

This complex picture of challenge and change may help to explain why UK companies cite the impact of Brexit in just a handful of profit warnings in 2017, compared to 20% in 2016. Clearly, not all of the vote's impacts have been negative. Sterling's fall is part of the reason why we saw 'Industrials' warnings hit a six-year low in 2017. Clearly, not all companies have benefited; but for most, Brexit has become an on-going reality and just one of many challenges going into 2018. It will be interesting to see how this picture develops as we move beyond the initial impact – primarily on sterling – and as the final shape of the agreement becomes clearer.

Meanwhile, 2018 looks tricky for parts of UK plc. Many companies are still struggling to adapt to the cumulative effects of economic and structural change in their sector – and these will continue to expose weaknesses. Some of the biggest drops in share price have come in sectors undergoing structural change such as FTSE Financial Services, Pharmaceuticals and Biotechnology, Support Services and General Retailers. Companies that issue profit warnings are now under greater scrutiny and investors are reacting with less patience and forbearance – especially in sectors where shareholders may view warnings as a sign of deeper issues.

Warnings as a percentage of FTSE sector, Q4 2017

	Number of companies warning	Number of companies in FTSE sector	% of companies warning
Aerospace & Defence	1	11	9%
Automobiles & Parts	1	6	17%
Beverages	1	8	13%
Chemicals	2	21	10%
Construction & Materials	2	34	6%
Electricity	1	11	9%
Electronic & Electrical Equipment	5	34	15%
Fixed Line Telecommunications	1	8	13%
Food Producers	1	25	4%
Gas, Water & Multiutilities	1	8	13%
General Financial	4	126	3%
General Industrials	1	10	10%
General Retailers	6	54	11%
Health Care Equipment & Services	3	37	8%
Household Goods	2	32	6%
Industrial Engineering	3	35	9%
Industrial Transportation	1	16	6%
Leisure Goods	3	12	25%
Media	3	65	5%
Oil Equipment, Services & Distribution	1	9	11%
Personal Goods	2	14	14%
Pharmaceuticals & Biotechnology	2	69	3%
Real Estate Investment Trusts	1	48	2%
Software & Computer Services	10	115	9%
Support Services	11	133	8%
Technology Hardware & Equipment	2	19	11%
Travel & Leisure	5	72	7%
Total no. companies warning	**76**		

FTSE General Retailers

FTSE General Retailers issued six profit warnings in the final quarter of 2017, one fewer than Q4 2016. But, 2017 was a progressively difficult year for the sector, with 33% of companies warning compared with 26% in 2016. A high pace of profit warnings has continued into 2018, with more retailers warning in the first two weeks than the whole of Q1 2017.

Retailers are working hard to protect margins and many outperformed this Christmas; but recent restructurings have underscored how the margin squeeze is exposing any weakness in retailers operations. Inflation may ease in 2018, but other cost pressures remain and we expect no let-up in the intensity of competition, whilst challenges could increase elsewhere.

Black Friday, Blue Christmas…

Since the UK introduction of 'Black Friday' in 2010, we've seen sales patterns evolve as consumers first embraced and then came to expect price reductions. It was especially noticeable this year how sales dipped in October and how early retailers moved to get sales moving – effectively creating a month of discounting. Nevertheless, whilst the level of discounting was high, it was actually slightly lower than last year despite this extended sales period. The sector has clearly learnt lessons from previous years – such as buying in special stock – and is working hard to maintain pricing discipline. These efforts made Black Friday period a relative success, with retail sales also rising significantly in November.

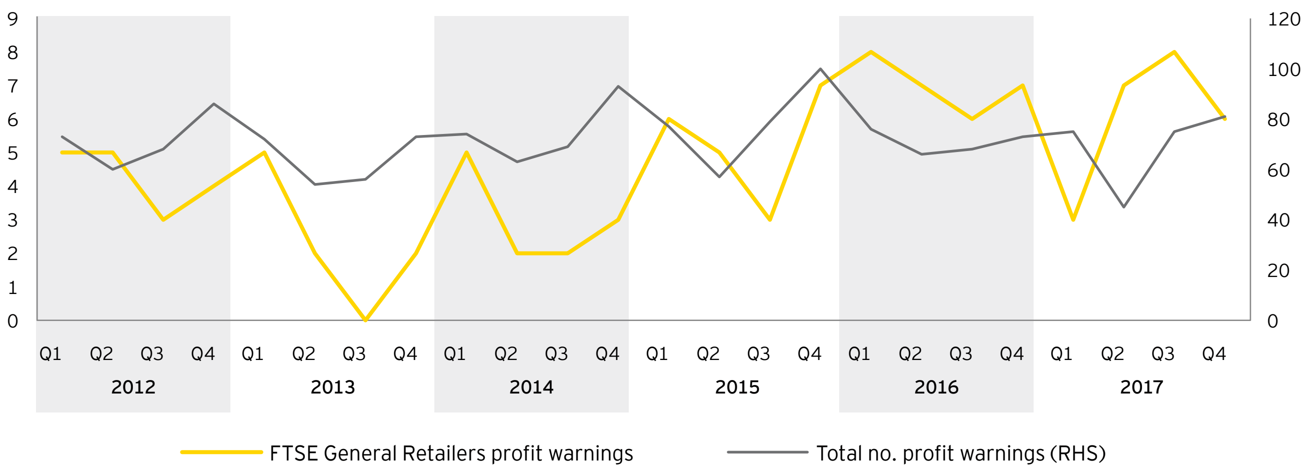
Nevertheless, it's hard to outrun the reality of the consumer squeeze for long and the shift of sales into November made it a tough December for many retailers. Overall, food retailers performed well, as they did throughout 2017. Over the course of the year, just 10% of the FTSE Food & Drug Retailers sector warned compared with 25% in 2016. But, extra spending here is leaving less to go around elsewhere. BRC data shows that December's entire rise in sales came in food and online. Like-for-like in-store sales of non-food items fell by 4.4% in December. Online sales of non-food products grew 7.6% in December, but this was still below the 12-month average of 8%. Meanwhile, December footfall also fell by 3.5%, the steepest decline in 5 years.

Red January?

Consumers are clearly taking a more considered and measured approach to their spending and it is getting harder and harder to drive sales – especially in-store. Consumers defied post-Brexit expectations through most of 2017, spending their savings and increasing credit; but the former is finite and the latter is coming under increasing scrutiny from the Bank of England as unsecured credit rises at almost 10% year-on-year. We may have hit the peak of inflation, but prices still look set to stay ahead of wages for most of 2018. The latest IHS/Markit survey shows the seasonally adjusted Household Finance Index dropped 43.0 in January from 43.7 in December. Any score below 50 signals financial pessimism amongst UK households and this is the sharpest drop in four months. Job security worsened at the sharpest pace in six months – despite recent falls in unemployment. Almost half of respondents expect another raise in UK interest rates in 2018.

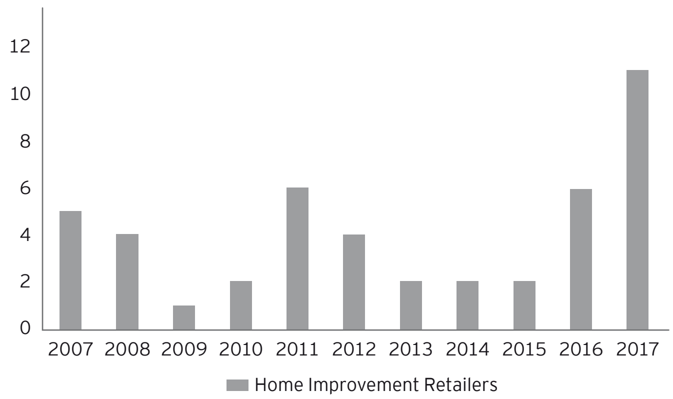
Thus, the domestic economic backdrop is unlikely to improve significantly for most of the year, whilst cost pressures from labour costs and business rates remain high. Meanwhile, the digital reinvention of the sector continues and retailers need to invest continuing capital and management time to ensure that their business stays relevant to consumer needs. Christmas showed some traditional brands struggling, as the stronger and more nimble online brand thrived. Big-ticket retailing is under particular pressure from the consumer squeeze, with profit warnings from Home Improvement Retailers up over 80% year-on-year to their

FTSE General Retailers



highest annual level. Profit warnings from apparel retailers halved in 2017, as the sector showed greater discipline and benefited from seasonal weather. Nevertheless, the highly competitive world of fast fashion still looks over-supplied and in need of further streamlining.

Home Improvement Retailer profit warning



Embracing innovation

We expect 2018 to bring little respite in top-line, margin or cost pressures and no let-up in the pace or demand for structural change. Many retailers will still thrive in these conditions, because they have the strong brand and operational fitness to capture and make the most of limited consumer spending. But, the cumulative weight of these pressures will strain working capital and capex and expose any operational or financial weaknesses. Retailers with high operational leverage will struggle to find the capital and breathing space to adapt. We expect to see more restructuring and distress in the next year as self-help measures and the patience of stakeholders is further exhausted.

What can retailers do to mitigate against this tougher environment? We'd advise a focus on inventory management, discounting discipline and using customer data to re-activate lapsed consumers and create targeted promotions to drive online basket profitability. Retailers need to think about how they can thrive as well as survive. The volume of retail spending clearly isn't going to increase substantially in the near-term. Therefore, retailers should be doing all they can to embrace advances in technology to grow sales and manage their business as well as supplier and customer relationships. Those who are using data analytics and AI to get to know their customers, drive traffic and build baskets are leading the way in this regard. Getting personal should really be on every retailer's agenda in 2018.

FTSE Support Services

FTSE Support Services companies issued 42 profit warnings in 2017, ten fewer than 2016, with the increase in oil price helping to lower warnings from Industrial Suppliers. But, in Business Support Services, including outsourcers and contractors, pricing pressures continue to build and it's here where we focus our attention. The outlook for 2018 remains difficult, but with potential bright spots for those who can capitalise on opportunities – especially in technological innovation.

How did we get here?

There is an inherent challenge in managing a diverse portfolio of contracts across their lifecycle. The decentralised nature of a business reliant on a portfolio of contracts makes it harder to manage, whilst the long and complex nature of outsourcing contracts heightens the risk of snags and delay. What's been lacking in many cases is the appropriate ongoing management information (MI) that will allow companies to keep track of their portfolio of contracts and act before they get into real difficulty.

FTSE Support Services

Focus on sectors (continued)

More fundamentally, many contracts have problems stored up since their inception. There is always a temptation to use aggressive terms to maintain volumes in periods of weak demand. The pressure on pricing has also been unrelenting across the private and public sector, where the use of payment by results contracts, a focus on performance oversight and actions on underperformance — including fines and penalties — has put further pressure on margins. Such tight contracts leave little room for manoeuvre when problems emerge or when costs rise — as they have in the last few years. Increasing material and labour costs have effectively wiped out the low-single digit EBITDA margins on many contracts.

In the last few years, companies caught on the wrong side of these pressures and poorly originated contracts have struggled to turn the situation around. It can only take a few contracts to turn bad for businesses to find themselves in trouble, especially if they also have high levels of leverage and high levels of operational gearing. The fact that we have regularly seen the FTSE Support Services sector top the profit warning charts each year and a quarter of Business Support Services companies warning every 12 months underlines these structural difficulties. But, some companies clearly have a better handle on these issues than others. Over half of Business Support Services profit warnings came from just seven companies. Four companies warned three times, but most didn't warn at all. So, what are the winners doing well?

Protecting the margin

Arguably, the most important step companies can take is to maintain discipline throughout the bidding process. There is more evidence of this happening in both the public and private sector — with organisations offering tenders also starting to acknowledge the risks of pushing too hard on pricing. It will take efforts from both sides to address this issue. Companies managing a complex range of contracts also need to ensure that rigorous and on-going processes are in place to monitor performance and to spot and address underperformance early before problems escalate. To address challenges — old and new — companies should also take a proactive approach, carrying out diligence to root out any rogue contracts before problems take root.

The need for accurate management information is arguably more acute now due to the accounting changes coming in the next two years. Under IFRS 15 companies will only be able to recognise revenue when a contract milestone is achieved, which has consequences for contracts across the sector, in particular in areas like bundled packages and variable contracts. IFRS 16 requires lessees to recognise most leases on their balance sheets. Lessees will have to recognise a lease liability reflecting future lease payments and a 'right-of-use asset' for almost all lease contracts. The implications on companies' income statement will vary by contract — some negative, some positive. Companies will need to take this contract-by contract approach and think about how they communicate the impact on current and future financial statements to stakeholders — especially if they have quoted equity or debt. The changes made in IFRS 15 have no impact on cash flow, but they do create the potential for earnings surprises if companies fail to understand the impact on their contracts or explain this clearly to the market.

Innovation

Given that UK is a mature market, where there are limited opportunities to raise prices and take out costs, companies also need to think innovatively about how they improve sales and productivity. Outsourcing might not spring to mind when it comes to innovation, but there is clearly considerable potential. Some companies are already using innovations such as robotics for cleaning; drones to survey buildings; 'The Internet of Things' to monitor and report on facilities management data; and data analytics to improve resource allocation. Thus far, most of this is happening at the margins as a means to cut jobs and save cash. Companies also need to be thinking about using technology to drive transformation and create new services. Innovative approaches will also help companies' standout from the crowd in tighter markets to develop adjacent and new markets.

The problem many businesses will face is the sector's low identification with innovation. Internal cash available for innovation is tight in low margin businesses and shareholders and lenders are unaccustomed to requests from outsourcers for cash for R&D. As the business transforms, companies will also need more people in higher-skilled technological roles. Attracting the right people to lead innovation could also be an issue unless companies can project the right image. Companies will need strong leadership and sponsorship to generate enough internal momentum and external support to overcome these barriers. Companies should also think about collaborative alliances with technology companies — not everything needs to be 'in house'.

Looking ahead

The sector will remain in the spotlight in 2018, with public sector contracts in particular under scrutiny. Uncertainty may also limit private sector demand, whilst activity in the construction sector has also turned down. Balanced against this will be the potential for activity on the 3Hs — Heathrow, HS2 and Hinkley. There will also be potential in acquisitions; although acquirers need to be aware that they are buying both the opportunity and the risk and will need to be sure they have the infrastructure in place to integrate. But there is the potential for companies with strong balance sheets and operational infrastructure to expand in 2018 and make the most of any gaps in the market.

Q4 2017 – by sector, size and region

FTSE sector	Turnover band	London	Midlands/ East Anglia	North West	South East	South West/Wales	Yorkshire/ North East	Scotland and NI	Grand total
Aerospace & Defence	£201m-£1b	1							1
Automobiles & Parts	over £1b		2						2
Beverages	under £200m			1					1
Chemicals	under £200m	1			1				2
Construction & Materials	under £200m							1	1
	£201m-£1b	1							1
Electricity	over £1b						1		1
Electronic & Electrical equipment	under £200m	2	3		1				6
Fixed Line Telecommunications	over £1b	1							1
Food Producers	under £200m	1							1
Gas, Water & Multiutilities	over £1b				1				1
General Financial	under £200m	2				1			3
	£201m-£1b	1							1
General Industrials	under £200m							1	1
General Retailers	under £200m						1		1
	£201m-£1b		1		3				4
	over £1b		1						1
Health Care Equipment & Services	under £200m	2							2
	over £1b				1				1
Household Goods	under £200m			2	1				3
Industrial Engineering	under £200m		3	1					4
Industrial Transportation	under £200m	1							1
Leisure Goods	under £200m	1			1		1		3
Media	under £200m			1			1		2
	over £1b	1							1
Oil Equipment, Services & Distribution	£201m-£1b			1					1
Personal Goods	£201m-£1b			1					1
	over £1b	1							1
Pharmaceuticals & Biotechnology	under £200m				1				1
	over £1b	1							1
Real Estate Investment Trusts	under £200m	1							1
Software & Computer Services	under £200m	5	1	1	2			1	10
	£201m-£1b				1				1
Support Services	under £200m	3			1		3		7
	£201m-£1b				1				1
	over £1b		1		1	1			3
Technology Hardware & Equipment	under £200m				1				1
	£201m-£1b	1							1
Travel & Leisure	under £200m	1				1			2
	£201m-£1b			1		1			2
	over £1b					1			1
Grand total		**28**	**12**	**9**	**17**	**5**	**7**	**3**	**81**

Number and percentage of warning companies by turnover and region, 2011–Q4 2017

Number and percentage of warning companies by turnover, 2011–Q4 2017

	Turnover band							
	Under £200mn		£201mn–£1bn		Over £1bn		Total	
2011								
Q1	45	60%	18	24%	12	16%	75	100%
Q2	40	63%	9	14%	15	23%	64	100%
Q3	37	73%	11	22%	3	6%	51	100%
Q4	53	60%	24	27%	11	13%	88	100%
2012								
Q1	39	53%	19	26%	15	21%	73	100%
Q2	37	62%	16	27%	7	12%	60	100%
Q3	35	51%	21	31%	12	18%	68	100%
Q4	42	49%	28	33%	16	19%	86	100%
2013								
Q1	43	60%	19	26%	10	14%	72	100%
Q2	33	63%	12	20%	9	17%	54	100%
Q3	42	77%	8	13%	6	11%	56	100%
Q4	35	48%	20	27%	18	25%	73	100%
2014								
Q1	34	46%	22	30%	18	24%	74	100%
Q2	41	65%	11	17%	11	17%	63	100%
Q3	39	57%	13	19%	17	25%	69	100%
Q4	59	63%	15	16%	19	20%	93	100%
2015								
Q1	43	56%	22	29%	12	16%	77	100%
Q2	38	67%	13	23%	6	11%	57	100%
Q3	42	53%	22	28%	15	19%	79	100%
Q4	49	49%	28	28%	23	23%	100	100%
2016								
Q1	43	56%	22	29%	12	21%	76	100%
Q2	38	58%	15	23%	13	20%	66	100%
Q3	45	66%	16	24%	7	10%	68	100%
Q4	37	51%	20	27%	16	22%	73	100%
2017								
Q1	40	53%	14	19%	21	28%	75	100%
Q2	29	64%	9	20%	7	16%	45	100%
Q3	43	57%	19	25%	13	17%	75	100%
Q4	53	65%	14	17%	14	17%	81	100%
4-year average	42	58%	17	23%	14	19%	73	100%

N.B.: Figures are to the nearest whole number. Totals may add up to slightly above or below 100%.

Number and percentage of warning companies by region, 2011–Q4 2017

	Region															
	London		Midlands/ East Anglia		North West		Scotland and NI		South East		South West/ Wales		Yorkshire/ North East		Total	
2011																
Q1	22	29%	10	13%	8	11%	2	3%	24	32%	2	3%	7	9%	75	100%
Q2	15	23%	4	6%	6	9%	2	3%	15	23%	11	17%	11	17%	64	100%
Q3	21	41%	5	10%	2	4%	2	4%	10	20%	5	10%	6	12%	51	100%
Q4	20	23%	9	22%	8	9%	1	1%	18	20%	9	10%	13	15%	88	100%
2012																
Q1	21	29%	3	18%	5	7%	5	7%	17	23%	5	7%	7	10%	73	100%
Q2	13	22%	7	12%	7	12%	5	8%	15	25%	3	5%	10	17%	60	100%
Q3	20	29%	12	18%	8	12%	4	6%	14	21%	5	7%	5	7%	68	100%
Q4	34	40%	10	12%	7	8%	5	6%	18	21%	8	9%	4	5%	86	100%
2013																
Q1	22	31%	11	15%	10	14%	2	3%	11	15%	7	10%	9	13%	72	100%
Q2	16	30%	5	9%	4	7%	7	13%	16	30%	2	4%	4	7%	54	100%
Q3	19	34%	10	18%	2	4%	3	5%	10	18%	5	9%	7	13%	56	100%
Q4	19	26%	6	8%	4	5%	8	11%	22	30%	9	12%	5	7%	73	100%
2014																
Q1	26	35%	9	12%	5	7%	3	4%	13	18%	9	12%	9	12%	74	100%
Q2	17	27%	8	13%	4	6%	3	5%	14	22%	6	10%	11	17%	63	100%
Q3	26	38%	9	13%	1	1%	5	7%	18	26%	7	10%	3	4%	69	100%
Q4	29	31%	12	13%	7	8%	4	4%	23	25%	11	12%	7	8%	93	100%
2015																
Q1	31	40%	6	8%	8	10%	3	4%	16	21%	7	9%	6	8%	77	100%
Q2	21	37%	9	16%	6	11%	4	7%	10	18%	3	5%	4	7%	57	100%
Q3	26	33%	9	11%	3	4%	6	8%	18	23%	11	14%	6	8%	79	100%
Q4	35	35%	11	11%	5	5%	7	7%	21	21%	10	10%	11	11%	100	100%
2016																
Q1	23	37%	16	21%	5	7%	9	12%	9	12%	4	5%	5	7%	76	100%
Q2	22	33%	6	9%	4	6%	2	3%	21	32%	4	6%	7	11%	66	100%
Q3	20	29%	7	10%	8	12%	3	4%	18	26%	4	6%	8	12%	68	100%
Q4	23	32%	10	14%	11	15%	5	7%	14	19%	6	8%	4	5%	73	100%
2017																
Q1	23	31%	12	16%	11	15%	5	7%	13	17%	9	12%	2	3%	75	100%
Q2	12	27%	1	2%	10	22%	2	4%	8	18%	7	16%	5	11%	45	100%
Q3	27	36%	9	12%	4	5%	3	4%	16	21%	2	3%	14	19%	75	100%
Q4	28	35%	12	15%	9	11%	3	4%	17	21%	5	6%	7	9%	81	100%
4-year average	25	34%	9	13%	6	9%	4	6%	16	21%	7	9%	7	9%	73	100%

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