



Leicester & Leicestershire
Enterprise Partnership

LLEP Business and Economic Intelligence Update

Issue 14 – 25 November 2020

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1. Economic Roundup

A summary of some of the key government announcements since the last update together with a round-up of recently published research reports and insights from a range of organisations.

Government Announcements

The Prime Minister set out his [Ten Point Plan for a Green Industrial Revolution](#) which will create and support up to 250,000 British jobs. As part of this plan, an [£80 million fund was announced](#) for green jobs and new national parks to kick start a green recovery.

Figures published show that over [19,000 job placements for unemployed young people](#) have so far been created under the government’s £2 bn Kickstart Scheme, with tens of thousands more expected in the months ahead.

The Chancellor announced a five-month [extension of the furlough scheme](#) into Spring 2021 and an increase from 55% to 80% of average profits up to £7,500 for the next self-employed income support grant. The Government Job Support Scheme which was due to start on 1 November has been suspended temporarily.

The Business Secretary confirmed that cash grants of up to £3,000 per month will be made available for businesses in England that are required to be closed due to restrictions. Eligible businesses are those required to close under the national restrictions and on the LA rating list. A single allocation has been made to each local authority as an Additional Restrictions Grant to enable them to run a discretionary grant scheme.

Local

The [Loughborough Town Investment Plan](#) was submitted to government. Loughborough was invited to submit a bid under the Town Deal scheme and a board was formed to lead the project, which has now bid for £32 million from the Government, which could lead to £110 million total investment, with match funding.

Leicester City Council published its [Economic Recovery Plan](#) outlining its approach to economic recovery, including the creation of seventy jobs.

Hinckley and Bosworth Borough Council launched a consultation on its draft [Economic Regeneration Strategy 2021- 2025](#).

Research and Reports

The World Economic Forum published its [Future of Jobs Report 2020](#) which aims to shed light on: 1) the pandemic-related disruptions thus far in 2020, contextualized within a longer history of economic cycles, and 2) the expected outlook for technology adoption jobs and skills in the next five years.

2. Claimant Count

In October 2020 the claimant rate in the LLEP area was 5.2%. This translates to 35,120.

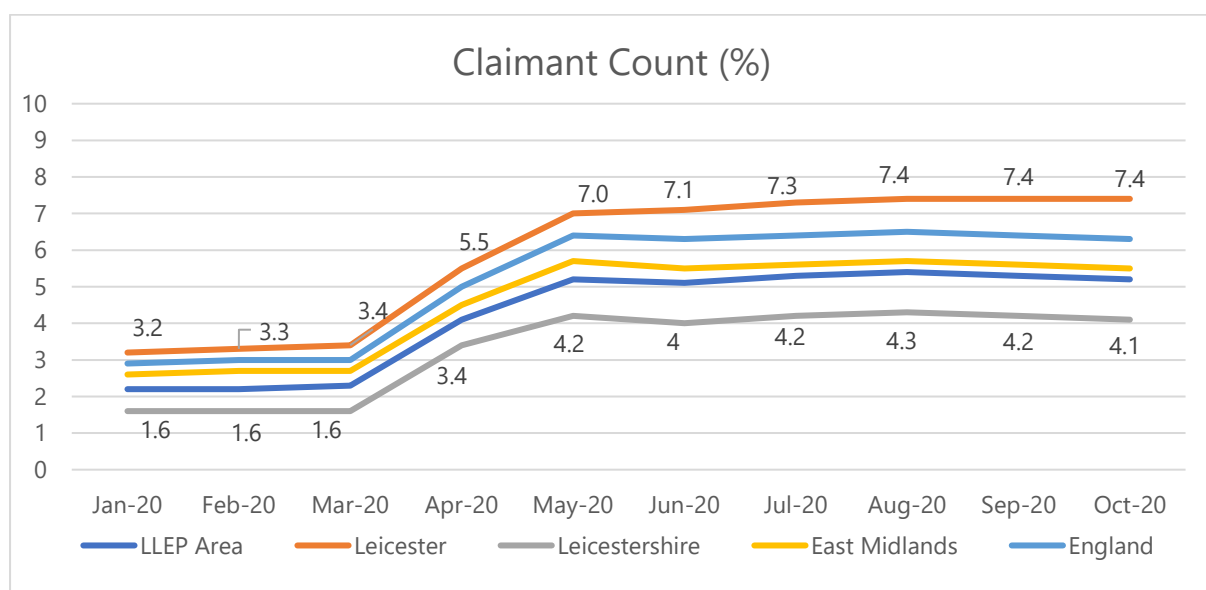


Figure 1 LLEP Area Claimant Count (%) January 2020–October 2020
Source: ONS

In March 2020 the claimant rate was 2.3% (or 15,145). Between March and October 2020, the claimant rate increased by 2.9 percentage points. This is an additional 19,975 claimants or an increase of 132%.

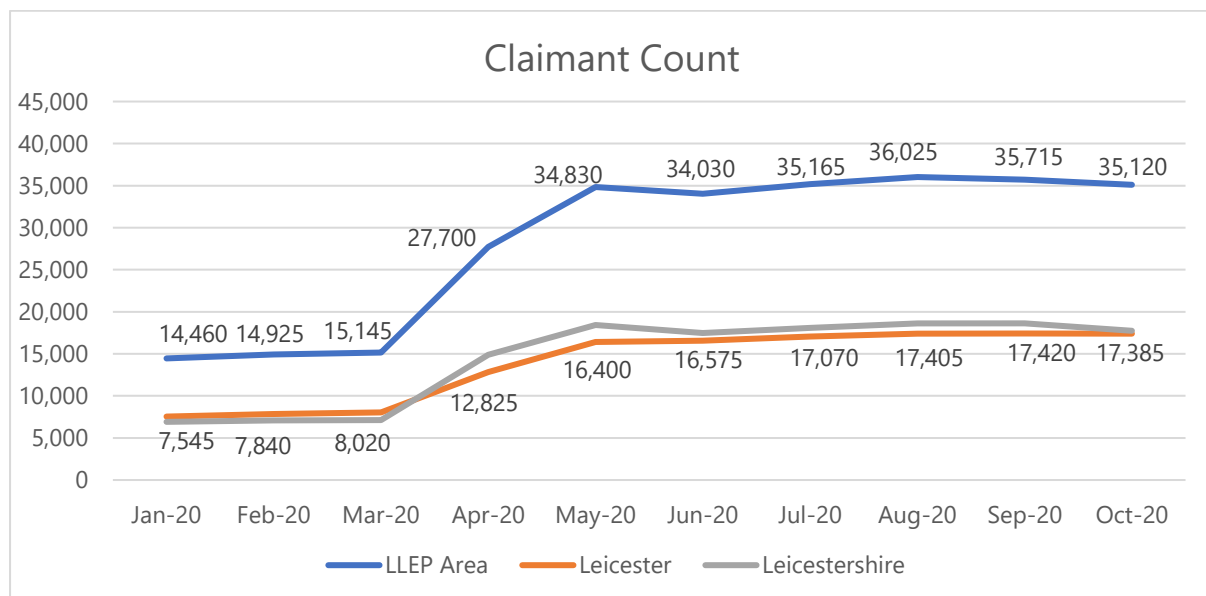


Figure 2 LLEP Area Claimant Count January 2020-October
Source: ONS

From August to October 2020 in the LLEP area there has been a fall in the number of claimants from 36,025 to 35,120. It is not certain whether this will continue. Falls have been seen in both Leicester and Leicestershire.

The pandemic has impacted all age groups. There is on average a larger share of 18-24 year olds (6.4%) who are claimants than 25-49 year olds (5.9%) and 50+ year olds (4.1%).

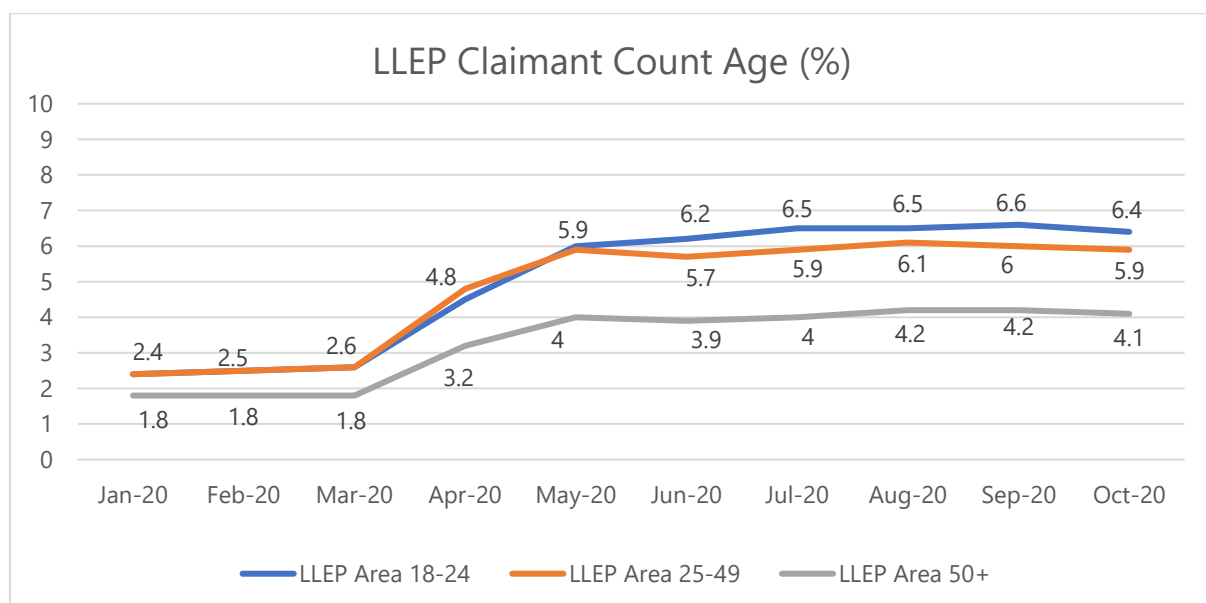


Figure 3 LLEP Area Claimant Count by Age (%) January -October 2020
Source: ONS

Twenty thousand three hundred and seventy-five were male (6.1%) and 14,745 (4.4%) were female. Both male, female and the different age groups have seen falls in claimant numbers over the last month.

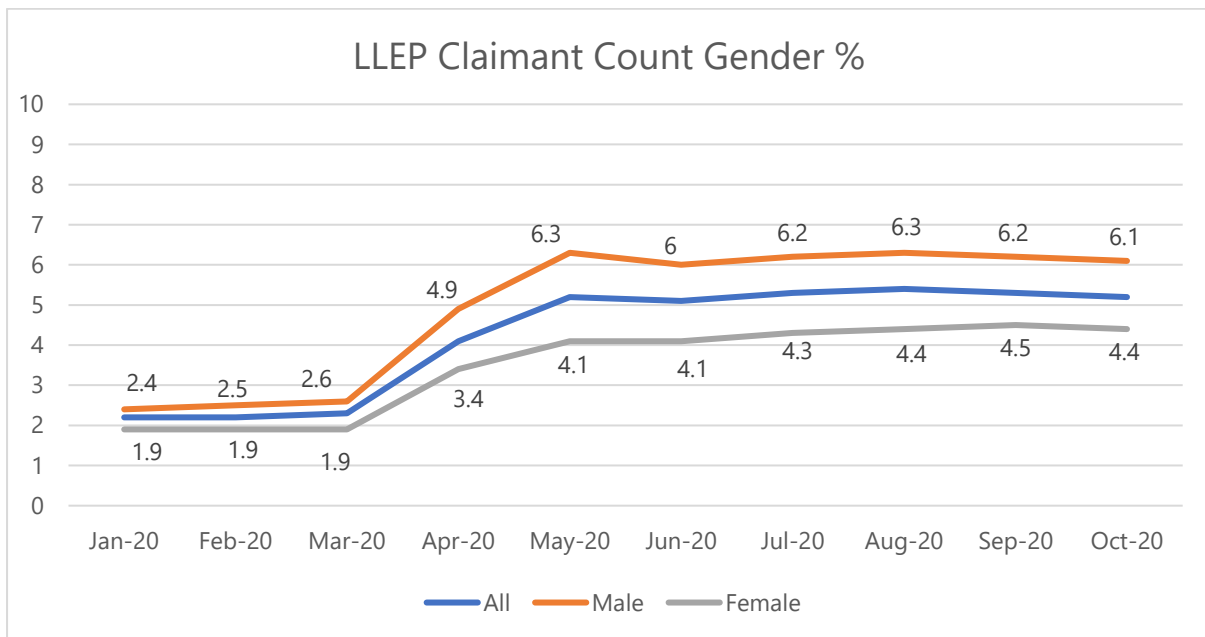


Figure 4 LLEP Area Claimant Count by Gender (%) January - October 2020
Source: ONS

Figure 5 below demonstrates the number of claimants for October 2011 to 2020. Between October 2019 and 20 the number of claimants has increased by 20,865.

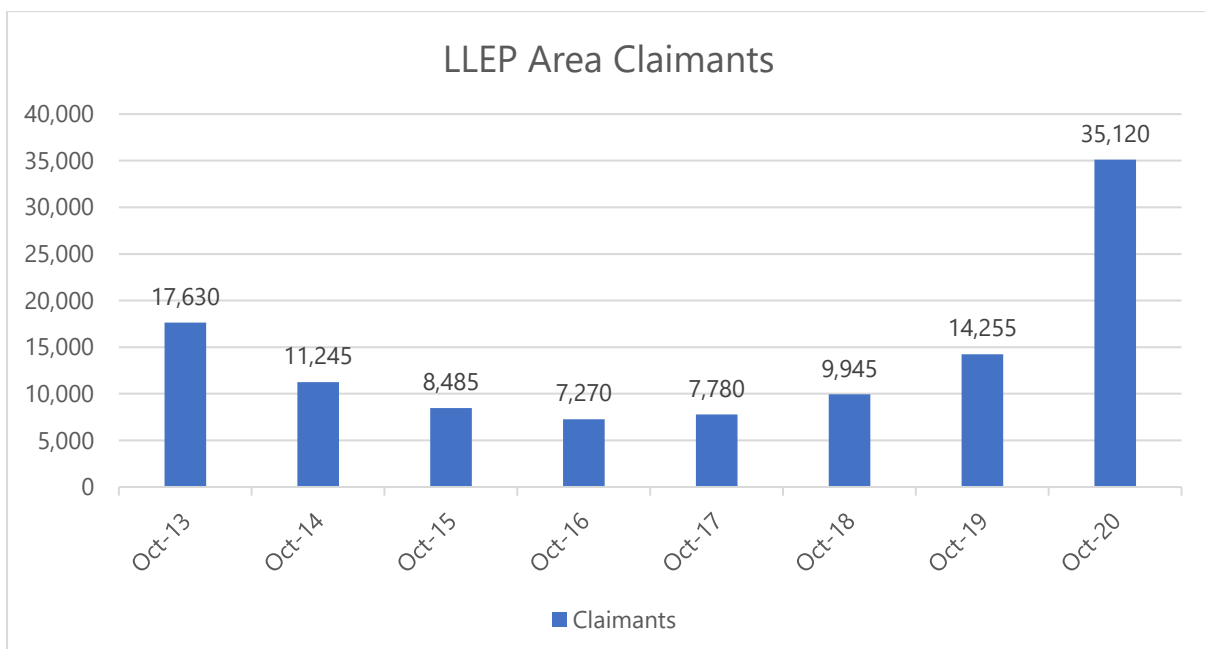


Figure 5 LLEP Area Claimant Count October 2013 -2020
Source: ONS

In Leicestershire there have been falls in the number of claimants in all the district areas. Over the period September to October.

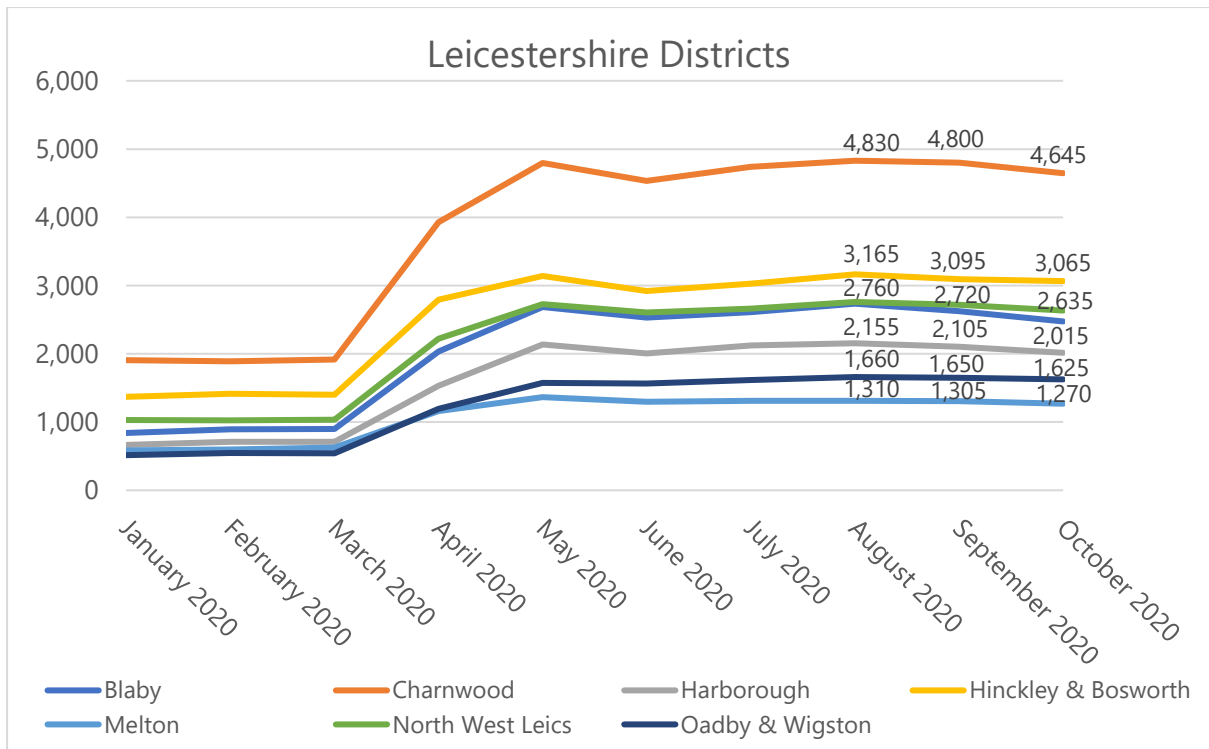


Figure 6 LLEP Area District Claimant Count January - October 2020

Source: ONS

For more detailed data on Job Seekers Allowance and Universal Credit claimant count data by district, visit the [Unemployment Dashboard](#) on the LSR Portal.

3. Furloughed Employees

There have been no national updates to the HMRC published data on numbers claiming the Coronavirus Job Retention Scheme since the last edition of this update.

For more detail including East Midlands comparators see the [Furloughed Staff Dashboard](#) on the LSR Portal.

4. Self-Employment Income Support Scheme (SEISS)

There have been no national updates to the HMRC published data on numbers claiming the Self Employment Income Support Scheme since the last edition of this update. For more detail see the [Furloughed Staff Dashboard](#) on the LSR Portal.

5. Job Postings

EMSI job posting data is drawn from a range of sources and provides timely data on how the trend in the number of live job adverts is changing in the LLEP area by occupation and geography.

However, the number of job adverts being posted is not a direct measure of labour force demand. Job adverts may not be removed from online job vacancy boards immediately once a position is filled, so the data may not fully reflect companies who have halted active recruitment.

The data is compiled from multiple job vacancy boards and adverts may still be considered “live” if the posting is still live on any board, even when it has already been removed from an alternative source.

The scope of online job adverts does not fully capture the region’s economic activity because of differing advertising methods, for example, casual work may be advertised by word-of-mouth.

Table 1 demonstrate job postings by occupation for October 2020. These are compared with October 2019, March 2020 and September 2020. Standard Occupation Codes are at a two-digit level.

Job postings figures for October exceed those for March by 3,403 (29,464 compared to 26,061).

From October 2019 to October 2020 the number of job postings grew by 2,252 from 27,212 to 29,464.

Over the last month the number of job postings grew from 26,135 to 29,464. This is an extra 3,329 postings.

In terms of numbers over the last year there have been falls in job postings in 7 of the 25 occupation areas. Occupation areas that have seen the largest falls are administration occupations, customer service occupations, sales occupations and textiles, printing and other skilled trades.

Those occupation areas that have seen the largest growth in job postings over the last year are transport and mobile machine drivers and operatives, elementary administrative and service occupations, caring personal services occupations, health professionals and corporate managers and directors.

Between September and October there has been growth in all but one of the occupation areas (textiles, printing and other skilled trades).

2 Digit SOC	Occupation	Oct 2019 Unique Postings	Mar 2020 Unique Postings	Sep 2020 Unique Postings	Oct 2020 Unique Postings	Annual Growth	Annual Growth %	Monthly Growth Sep to Oct	Monthly Growth % Sep to Oct	Cumulative Growth from Mar	Cumulative Growth % from Mar
11	Corporate Managers and Directors	1,299	1,319	1,283	1,545	246	18.9	262	20.4	226	17.1
12	Other Managers and Proprietors	467	472	509	561	94	20.1	52	10.2	89	18.9
21	Science, Research, Engineering and Technology Professionals	2,012	2,189	1,990	2,222	210	10.4	232	11.7	33	1.5
22	Health Professionals	1,585	1,637	1,680	1,936	351	22.1	256	15.2	299	18.3
23	Teaching and Educational Professionals	905	1,168	960	1,094	189	20.9	134	14.0	(74)	-6.3
24	Business, Media and Public Service Professionals	1,511	1,540	1,501	1,693	182	12.0	192	12.8	153	9.9
31	Science, Engineering and Technology Associate Professionals	1,290	1,148	1,096	1,268	(22)	-1.7	172	15.7	120	10.5
32	Health and Social Care Associate Professionals	371	358	434	468	97	26.1	34	7.8	110	30.7
33	Protective Service Occupations	20	27	20	29	9	45.0	9	45.0	2	7.4
34	Culture, Media and Sports Occupations	313	378	257	257	(56)	-17.9	0	0.0	(121)	-32.0
35	Business and Public Service Associate Professionals	3,594	3,808	3,153	3,675	81	2.3	522	16.6	(133)	-3.5
41	Administrative Occupations	2,557	2,440	2,003	2,292	(265)	-10.4	289	14.4	(148)	-6.1
42	Secretarial and Related Occupations	333	357	268	307	(26)	-7.8	39	14.6	(50)	-14.0
51	Skilled Agricultural and Related Trades	12	32	32	48	36	300.0	16	50.0	16	50.0
52	Skilled Metal, Electrical and Electronic Trades	1,656	1,529	1,500	1,716	60	3.6	216	14.4	187	12.2
53	Skilled Construction and Building Trades	428	445	568	615	187	43.7	47	8.3	170	38.2
54	Textiles, Printing and Other Skilled Trades	553	537	378	332	(221)	-40.0	(46)	-12.2	(205)	-38.2
61	Caring Personal Service Occupations	1,995	1,842	2,079	2,354	359	18.0	275	13.2	512	27.8
62	Leisure, Travel and Related Personal Service Occupations	172	166	147	177	5	2.9	30	20.4	11	6.6
71	Sales Occupations	620	530	428	526	(94)	-15.2	98	22.9	(4)	-0.8
72	Customer Service Occupations	714	490	419	448	(266)	-37.3	29	6.9	(42)	-8.6
81	Process, Plant and Machine Operatives	435	383	469	515	80	18.4	46	9.8	132	34.5
82	Transport and Mobile Machine Drivers and Operatives	1,715	1,354	2,056	2,154	439	25.6	98	4.8	800	59.1
91	Elementary Trades and Related Occupations	367	244	386	437	70	19.1	51	13.2	193	79.1
92	Elementary Administration and Service Occupations	2,288	1,668	2,519	2,795	507	22.2	276	11.0	1,127	67.6
Total		27,212	26,061	26,135	29,464	2,252	8.3	3,329	12.7	3,403	13.1

Table 1 LLEP area Job Postings by Standard Occupation Codes
Source: EMSI

Table 2 demonstrates that job posting numbers in Leicestershire districts in October exceed those posted in October 2019. However, the number of job postings in Leicester is significantly lower.

Local Authority	Oct 2019 Postings	Mar 2020 Postings	Apr 2020 Postings	May 2020 Postings	Jun 2020 Postings	Jul 2020 Postings	Aug 2020 Postings	Sep 2020 Postings	Oct 2020 Postings
Blaby	901	781	643	588	747	975	1,234	1,417	1,651
Charnwood	3,952	3,655	2,981	2,733	3,184	3,318	3,685	4,225	4,937
Harborough	1,882	1,777	1,439	1,171	1,163	1,461	1,687	2,061	2,329
Hinckley & Bosworth	1,812	1,430	1,267	1,185	1,458	1,704	2,032	2,294	2,682
Leicester	14,202	14,419	11,047	9,272	9,098	9,630	9,965	11,110	12,358
Melton	1,057	1,089	811	705	730	788	861	1,008	1,117
North West Leics	2,954	2,450	2,089	1,766	2,184	2,529	3,037	3,502	3,805
Oadby & Wigston	452	460	388	365	358	388	517	518	585
Total	27,212	26,061	20,665	17,785	18,922	20,793	23,018	26,135	29,464

Table 2 Job Postings by Local & District Authority
Source: EMSI

Figure 7 provides a graphical representation of job postings for the Leicester and Leicestershire area.

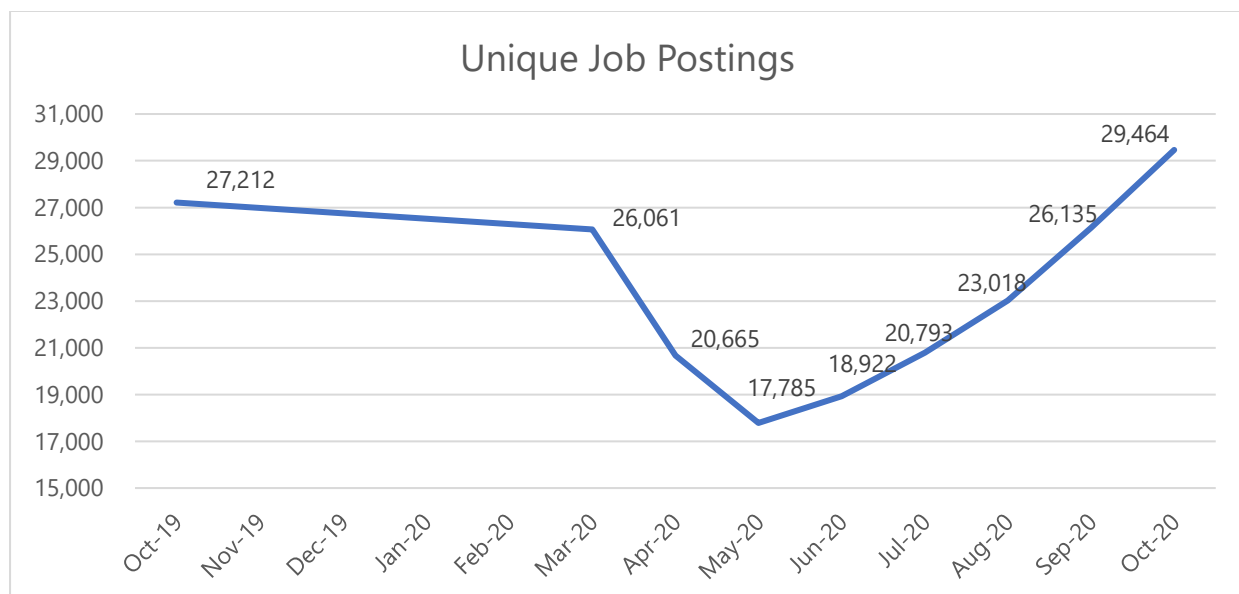


Figure 7 LLEP Area Job Postings
Source: EMSI

More detailed breakdowns of job postings by district are available from brendan.brockway@llep.org.uk.

6. Business Closures and Incorporations

Since 1 March, according to the FAME database, 3,695 businesses have ceased trading in the Leicester and Leicestershire area. For the same period in 2019 the number was significantly

higher. Between March and October 2019, the figure was 5,017. This is a difference of 1,322 business closures.

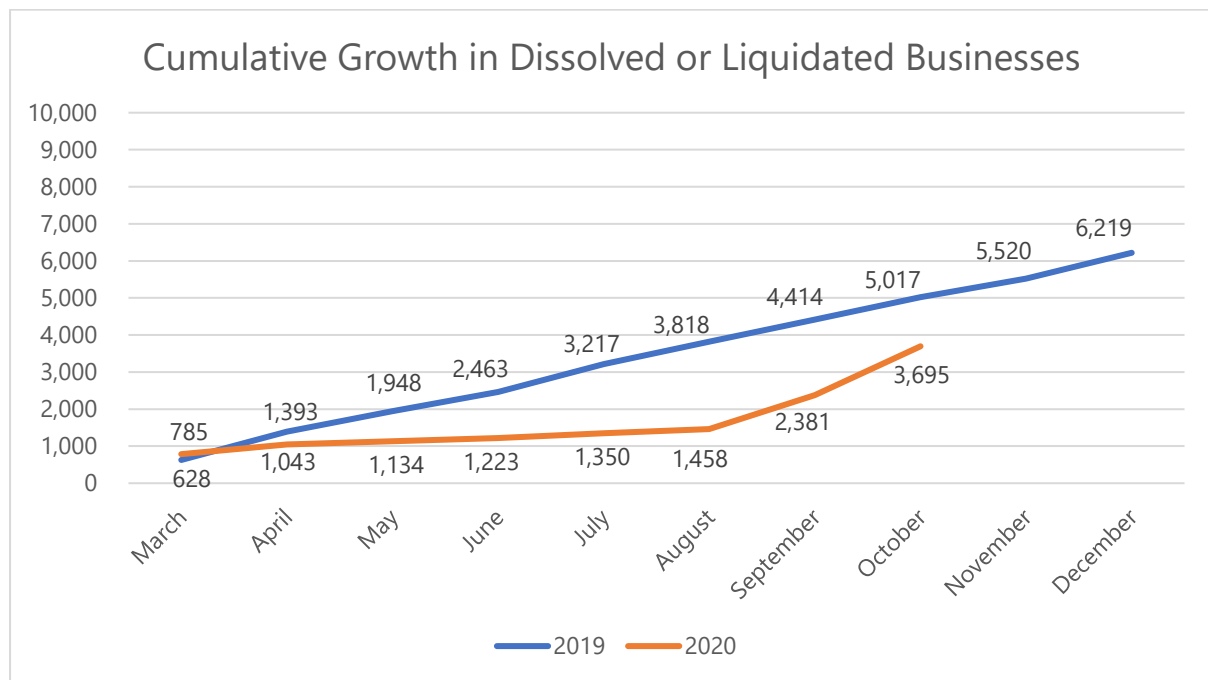


Figure 8 LLEP Area Dissolved or Liquidated Businesses 2019 and 2020 comparator
Source: BVD Fame

In March 2020 there were 785 closures. By August the number had fallen to 108. The fall in business closures may be attributed to those measures brought in by the Government during lockdown. These have provided support that would not normally have been available.

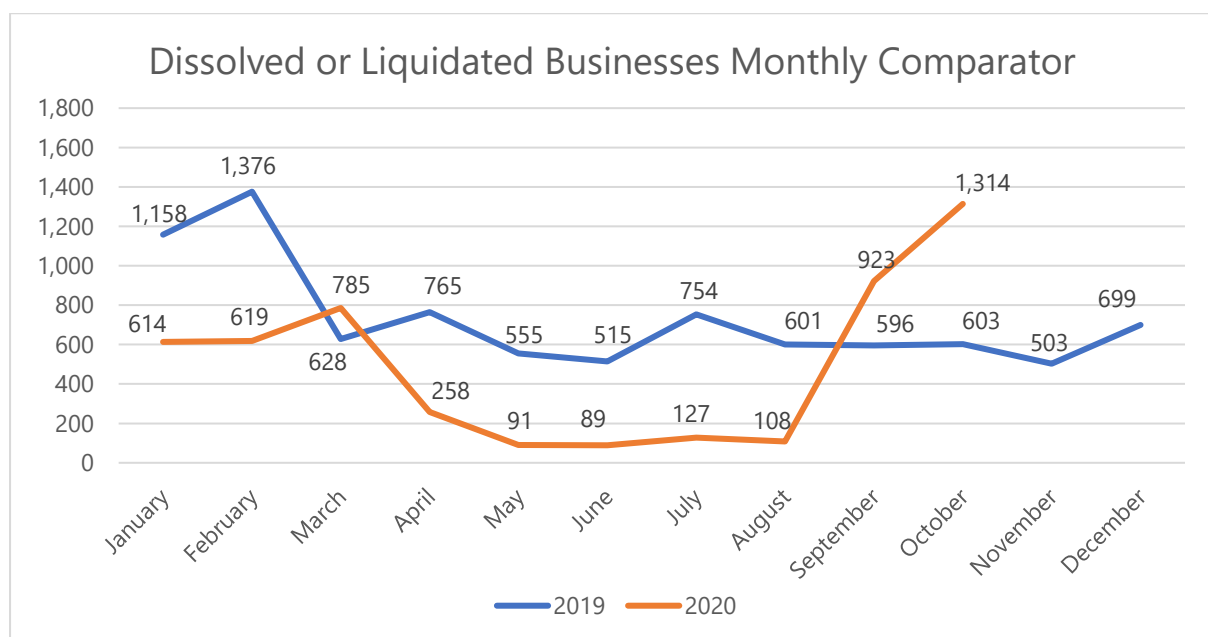


Figure 7 LLEP Areas Dissolved and Liquidated Businesses 2019 and 2020 Monthly Comparator
Source: BVD Fame

Figures for September and October demonstrate a change. In September there was a steep rise in the number of business that failed (923) and this has been followed by another substantial rise for October (1,314)

It is uncertain whether the businesses that failed in September and October would have closed regardless of Covid 19. If this is the case and we follow the trajectory of 2019 we would expect to see more businesses failing.

Since the beginning of March nearly 8,699 businesses have been incorporated within Leicester and Leicestershire area. Over the same period in 2019 7,621 businesses were incorporated.

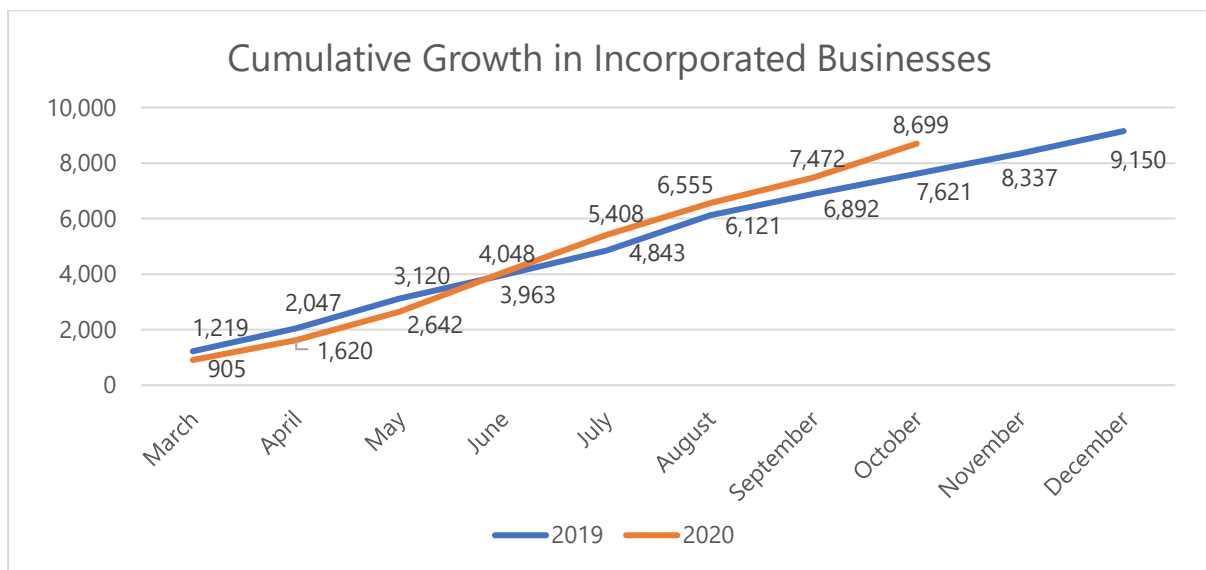


Figure 80 LLEP Area Cumulative Growth in Incorporated Businesses 2019 and 2020 comparator
Source: BVD Fame

In October of this year 1,227 businesses were in incorporated, compared to 729 in 2019.

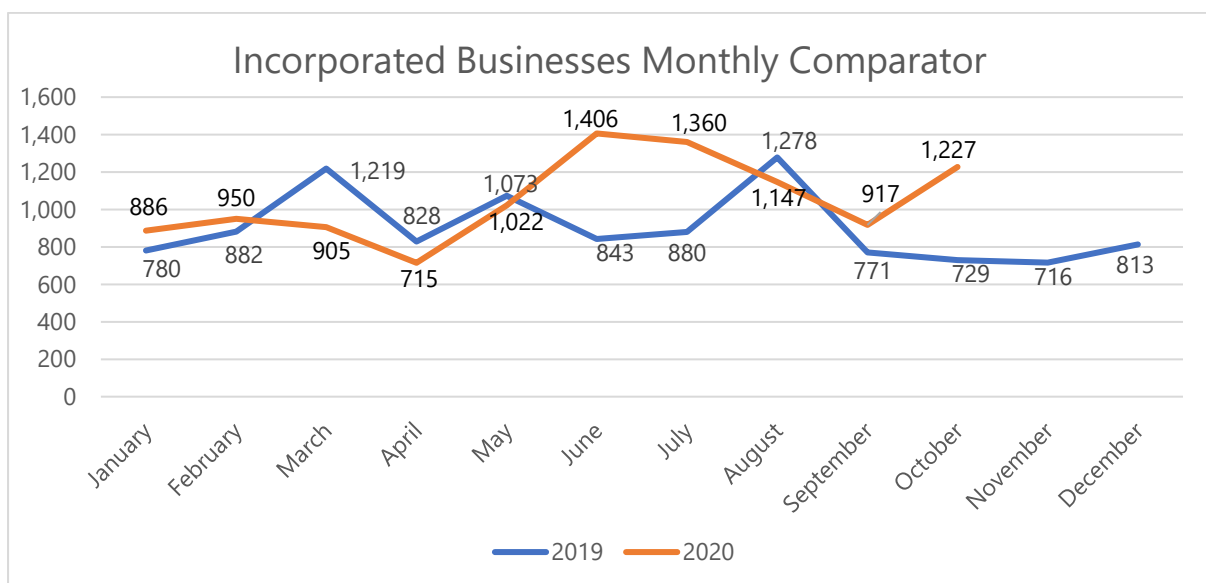


Figure 91 LLEP Area Incorporated Businesses 2019 and 2020 Monthly Comparator
Source: BVD Fame

Table 3 demonstrates those sectors that have been most negatively impacted. The 17 sectors outlined account for 963 of the business closures (or 73.3%)

Table3 also compares those sectors that have seen the highest shares of business failures with the same sectors business incorporations.

One sector where there have been significantly more incorporations has been in the wholesale trade, except of motor vehicles and motorcycles. Twenty nine percent of all incorporations were in this sector. When we drill down further, we see that a large share of these are described as "agents involved in the sale of a variety of goods".

Industry	Dissolved Numbers	%	Incorporated Numbers	%
82 : Office administrative, office support and other business support activities	97	7.4	18	1.5
62 : Computer programming, consultancy and related activities	96	7.3	26	2.1
47 : Retail trade, except of motor vehicles and motorcycles	94	7.2	121	9.9
70 : Activities of head offices; management consultancy activities	85	6.5	41	3.3
49 : Land transport and transport via pipelines	83	6.3	39	3.2
46 : Wholesale trade, except of motor vehicles and motorcycles	65	4.9	358	29.2
56 : Food and beverage service activities	62	4.7	61	5.0
43 : Specialised construction activities	60	4.6	39	3.2
68 : Real estate activities	48	3.7	87	7.1
96 : Other personal service activities	48	3.7	44	3.6
86 : Human health activities	45	3.4	32	2.6
45 : Wholesale and retail trade and repair of motor vehicles and motorcycles	36	2.7	31	2.5
85 : Education	35	2.7	17	1.4
41 : Construction of buildings	29	2.2	31	2.5
71 : Architectural and engineering activities; technical testing and analysis	28	2.1	13	1.1
74 : Other professional, scientific and technical activities	27	2.1	18	1.5
64 : Financial service activities, except insurance and pension funding	25	1.9	32	2.6
Total	963	73.3	1008	82.2
Overall Total	1314	100.0	1227	100.0

Table 3 LLEP Area Dissolved or Liquidated and Incorporated Businesses by sector
Source: BVD Fame

Note: Latest figures were gained on the 2/11/2020 and they may be subject to some adjustment. Low figures may also reflect delays in notification and processing of data returns to Companies House.

7. Leicester and Leicestershire Business Survey – Headline Findings

The Leicester and Leicestershire Business Survey is a telephone survey of 1,000 private sector organisations in the Leicester and Leicestershire area.

Although conceived in 2019 the uncertainty that existed around the date of the UK's departure from the EU prompted a delay in carrying out the survey. As a result, interviewing began on the 27 January 2020.

Interviewing was suspended at the end of March for an indefinite period due to the impact of the public health crisis. Between 27 January and 16 March 2020 335 telephone interviews were completed. These interviews were conducted prior to the Government issuing advice on social distancing.

A further 415 telephone interviews were conducted between 17 March and 30 March 2020 after the Government issued advice on social distancing. These interviews were conducted during a period of business closure, a move towards remote working and restrictions on journeys out of the home for non-essential purposes.

A further 250 telephone interviews were conducted between 3 August and 23 September 2020. These interviews were conducted following the national lockdown that was in place, a time when the pandemic was still on-going and during a period when local lockdown restrictions had been imposed in Leicester and the Oadby and Wigston district. The extent to which trading had resumed varied by industry sector and was influenced by measures such as social distancing with some customer-facing businesses still not allowed to trade at all

Some key headlines from the Leicester and Leicestershire Business Survey:

- There are clear indications of a downward trend across a range of indicators. Investment in new products or services have however held up better and may be a direct response to the impact of the Coronavirus;
- The Business Survey demonstrates that as the year has progressed there have been increases in the share of businesses reporting negative business performance;
- Expectations of general business conditions in the next two years suggest some recovery however, there is still a significant degree of pessimism amongst respondents;
- When asked what obstacles or difficulties businesses felt they might face over the next two to three years, the Coronavirus and related issues predominate (reduced customer demand, cash flow, customer confidence etc.);
- Concerns around the Coronavirus include a combination of factors, further outbreaks, staff and public social distancing restrictions, concerns around staff returning from furlough and associated costs and maintenance of supply chains;
- By the end of 2020 it is likely that 1 in 8 businesses will have made staff redundant. This is more likely within businesses that have continued to trade through lockdown but at significantly reduced or even slightly reduced levels than within those that closed during lockdown;
- Although the furlough scheme was designed to prevent redundancies, those businesses using it are more likely to have made staff redundant;

- The survey demonstrates that businesses are looking for increased flexibility and more businesses are employing staff on flexible contracts;
- Nearly two thirds of businesses taking part in the survey indicated that they have a skills gap within their workforce. Marketing and sales and communications were identified as areas that need developing. The move towards homeworking has demonstrated gaps in technical and job specific skills. The imposition of measures relating to social distancing etc. has also exposed a need for more businesses to understand issues relating to health and safety and
- As a direct result of the Coronavirus there has been a rise in businesses that have introduced or increased their ability to trade online. There is an association with investment in digital technologies and aims for growth. Nearly half of all those establishments that have invested in digital technologies expect to need new skills as a result.

8. Useful Links

LSR Online

Leicestershire County Council is working in partnership with the LLEP to provide a single online portal for local economic data across Leicester, Leicestershire and Rutland. The [LSR Portal](#) holds data across a wide range of economic indicators (in addition to other measures including health and wellbeing), the majority of which are available at district level.

Midlands Engine Economic Observatory

The [Midlands Engine Economic Observatory](#) is an analytical function of the Midlands Engine, providing comprehensive and contemporary data, analysis and intelligence on the whole Midlands economy including a fortnightly publication, *monitor*, reporting on the impact of Covid-19 on the region's economy.

Office for National Statistics (ONS)

The ONS produces comprehensive data and analysis on coronavirus ([COVID-19 in the UK](#)) and its effect on the economy and society.

NOMIS

[Nomis](#) is a service provided by the Office for National Statistics, ONS, to give free access to the most detailed and up-to-date UK labour market statistics from official sources.

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Whilst every effort has been made to ensure the accuracy of the information contained within this report, Leicester and Leicestershire Enterprise Partnership cannot be held responsible for any errors or omission relating to the data contained within the report.