![llep - Leicester & Leicestershire Enterprise Partnership - creating economic prosperity]

The Leicester and Leicestershire Economy in 2024

Images include the National Space Centre, Leicester, and MIRA Technology Institute, Hinckley

Introduction and summary

This report aims to describe the current economy of Leicester and Leicestershire (the LLEP area), highlighting the dominant industries, the occupations within those industries and the skills required by the local economy.

The report also includes how demand for skills has changed in the previous five years and which sectors are more prevalent locally compared to the rest of England. The report also looks to the future and considers which sectors will continue to grow and where future demand may be.

Two sectors emerge from the analysis as locally significant:

Manufacturing:

- Second highest industry with far more jobs than national levels (figure 1)
- Process, Plant and Machine Operatives far higher than national (figure 2)
- Machinery skills far higher demand than national (figure 3)
- Second highest total wages and high wages per capita (figure 8)

Logistics:

- Transport and Storage has far more jobs than national levels (figure 1)
- Greater Elementary jobs and huge demand for Warehousing skills (figure 2 and 3)
- Warehousing skills showing fast growth (figure 4, 5 and 6) and growth in Transportation and storage jobs (figure 6)
- Large forecast growth (figure 7)

However, the second theme is the often-unseen presence of 'white collar' jobs which are large in both volume and demand:

- 'Professional' is the largest occupation but far behind national levels. Associate Professional and Technical; and Administrative and Secretarial are also both large and behind national levels (figure 2)
- Specialised Financial, Accounting and Auditing skills all high volume but below national levels (figure 3)
- Finance and Accounting skills second and fourth respective in skills demand (figure 3)
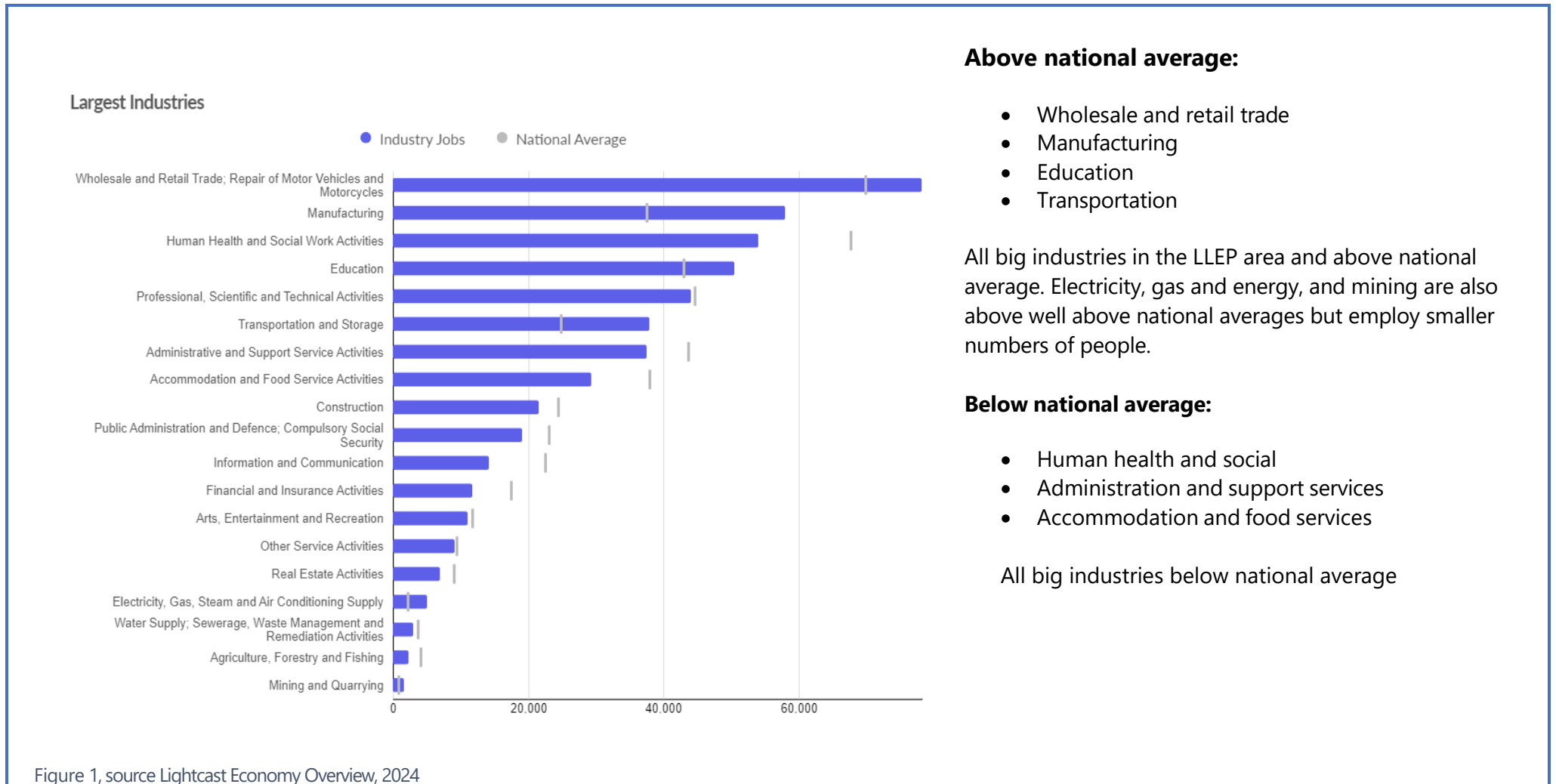- Professional, Scientific and Technical Activities high total wages and per capita (figure 8)

Contents

Setting the scene

The largest industries in the LLEP area compared to national levels

The chart below shows the largest industries in the LLEP area (blue bar) and how they compare to the national picture (grey line):

Largest Industries

● Industry Jobs   ● National Average

Above national average:

- Wholesale and retail trade
- Manufacturing
- Education
- Transportation

All big industries in the LLEP area and above national average. Electricity, gas and energy, and mining are also above well above national averages but employ smaller numbers of people.

Below national average:

- Human health and social
- Administration and support services
- Accommodation and food services

All big industries below national average

Figure 1, source Lightcast Economy Overview, 2024

The most common occupations in the LLEP area compared to the national picture

Largest Occupations

● Occupation Jobs   ● National Average

Occupation	
Professional	
Elementary	
Associate Professional	
Administrative and Secretarial	
Managers, Directors and Senior Officials	
Sales and Customer Service	
Process, Plant and Machine Operatives	
Skilled Trades	
Caring, Leisure and Other Service	

0   20.000   40.000   60.000   80.000   100.000
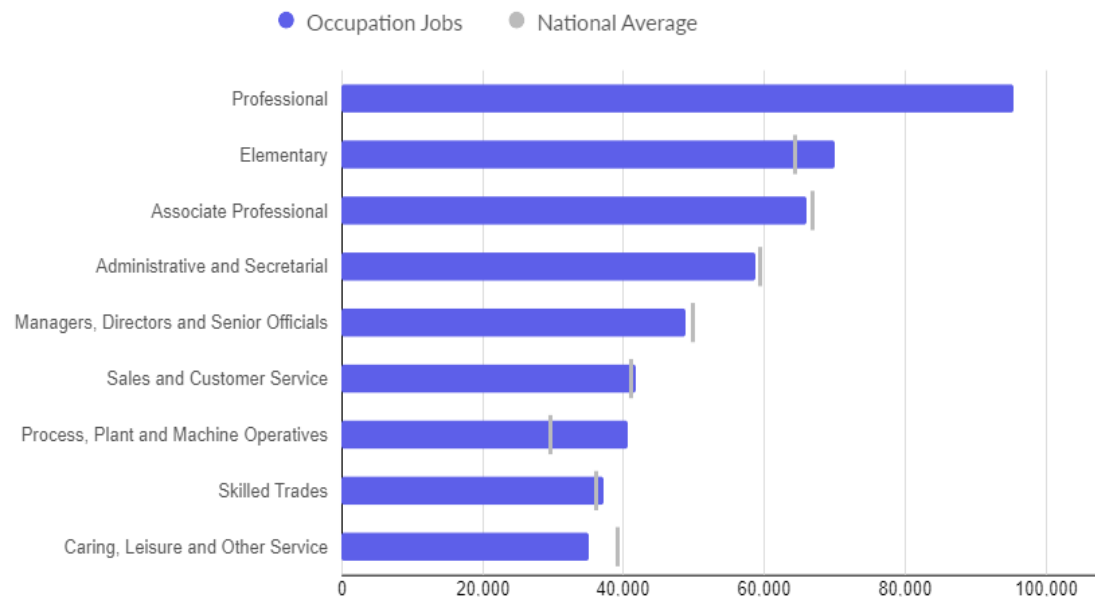
Above national average:

- Elementary and process
- Plant and machine roles
- Skilled

These occupational areas include logistics and manufacturing, known large sectors in Leicestershire.

Below national average:
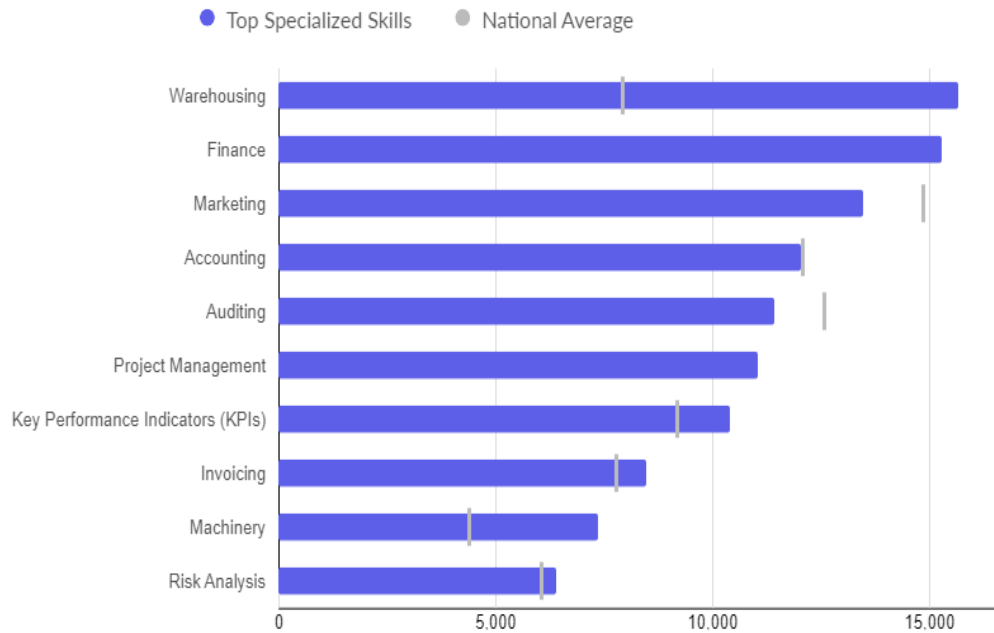
- Professional occupations
- Associate Professional and Technical roles
- Administrative and Secretarial

Many of the sectors below national level could be viewed as 'white collar occupations'

Figure 2, source Lightcast Economy Overview, 2024

Top specialised skills - LLEP area compared to national average

● Top Specialized Skills ● National Average

Warehousing	
Finance	
Marketing	
Accounting	
Auditing	
Project Management	
Key Performance Indicators (KPIs)	
Invoicing	
Machinery	
Risk Analysis	

0   5.000   10.000   15.000

Above national average:

Warehousing and machinery are significantly above national averages – and both are a clear characteristic of the LLR economy

Below national average:

Finance, marketing, project management and auditing are all significantly below national average.

This aligns with previous information that 'white collar' occupations have lower prevalence in the LLEP area.

How the local skills demand is changing:

Headline skills demand, last 5 years

Top 20 Skills Matching Your Search Results by Quarter

Skill volatility helps us understand how demand for skills is changing over time.

Apr 2019 - Mar 2020	Apr 2020 - Mar 2021	Apr 2021 - Mar 2022	Apr 2022 - Mar 2023	Apr 2023 - Mar 2024
Warehousing	Warehousing	Warehousing	Warehousing	
Accounting	Accounting	Marketing	Finance	
Finance	Finance	Finance	Accounting	
Project Management	Project Management	Accounting	Marketing	
Marketing	Key Performance Indicators (KPIs)	Project Management	Auditing	
Forklift Truck	Auditing	Key Performance Indicators (KPIs)	Project Management	
Key Performance Indicators (KPIs)	Marketing	Auditing	Key Performance Indicators (KPIs)	
Machinery	Forklift Truck	Invoicing	Invoicing	
Sales Prospecting	Risk Analysis	Machinery	Machinery	
Auditing	Invoicing	Risk Analysis	Agile Methodology	
Invoicing	Machinery	Procurement	Risk Analysis	
Business Development	Nursing	Forklift Truck	Mental Health	
Customer Relationship Manageme...	Sales Prospecting	Sales Prospecting	Nursing	
Agile Methodology	Mental Health	Customer Relationship Manageme...	Procurement	
Nursing	Business Development	Agile Methodology	Customer Relationship Manageme...	
Procurement	Customer Relationship Manageme...	Purchasing	Purchasing	
Risk Analysis	Procurement	Business Development	Business Development	
Supply Chain	Agile Methodology	Nursing	Supply Chain	
Purchasing	Supply Chain	Supply Chain	Sales Prospecting	
Mental Health	Purchasing	Mental Health	Forklift Truck	

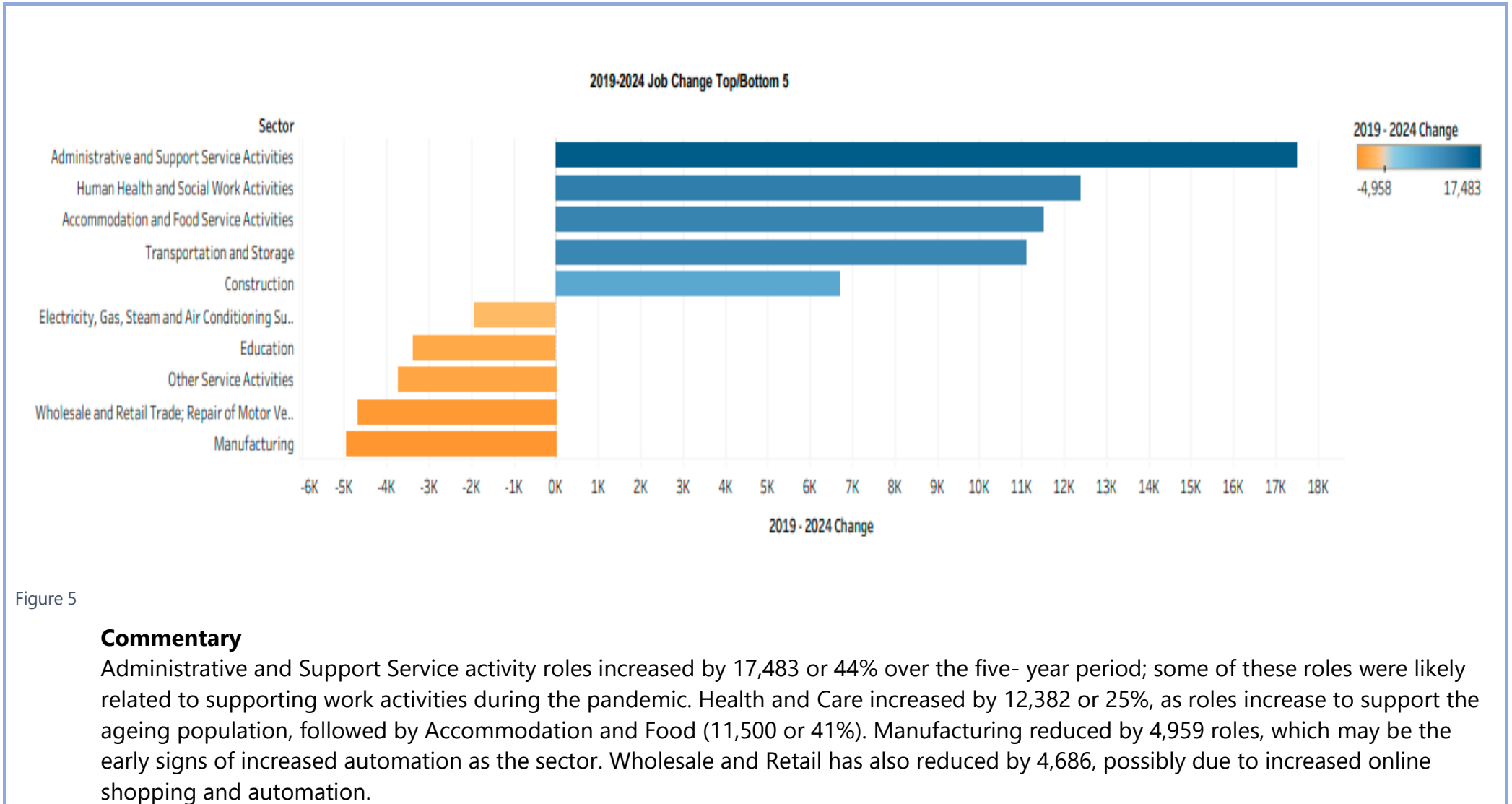Figure 4, source Lightcast Economy Overview , 2024

Commentary

Job roles involving warehousing skills have been high over the past few years – but note in the past year the growth in finance and auditing.

Project management, accounting, marketing, and KPI skilled roles are also consistently LLEP area most sought after skills.

Job-change by industry 2019 – 2024

The graph below shows the top 5 sectors for job increases and job decreases:

2019-2024 Job Change Top/Bottom 5

Figure 5

Commentary

Administrative and Support Service activity roles increased by 17,483 or 44% over the five- year period; some of these roles were likely related to supporting work activities during the pandemic. Health and Care increased by 12,382 or 25%, as roles increase to support the ageing population, followed by Accommodation and Food (11,500 or 41%). Manufacturing reduced by 4,959 roles, which may be the early signs of increased automation as the sector. Wholesale and Retail has also reduced by 4,686, possibly due to increased online shopping and automation.

Change in demand for Specialised Skills 2019-2024

The graph shows the specialised skills that have grown or reduced in demand over the past 5 years:

Top 10 Increases –
Finance (+65%), and Auditing (+94%) are two large skill areas in high demand.
There are also exponential increases in postings involving Accounting (+94%), Invoicing (+59%), Effective Communication (+221%), Customer Relationship Management (+110%) and Warehousing (+67%).

Bottom 10 Increases -
It is notable that several of the 10 bottom specialised skills are computer programming languages / software skills. This does not necessarily suggest reduced demand for IT skills in general but that skills demand changes in the sector as different languages and software are used.
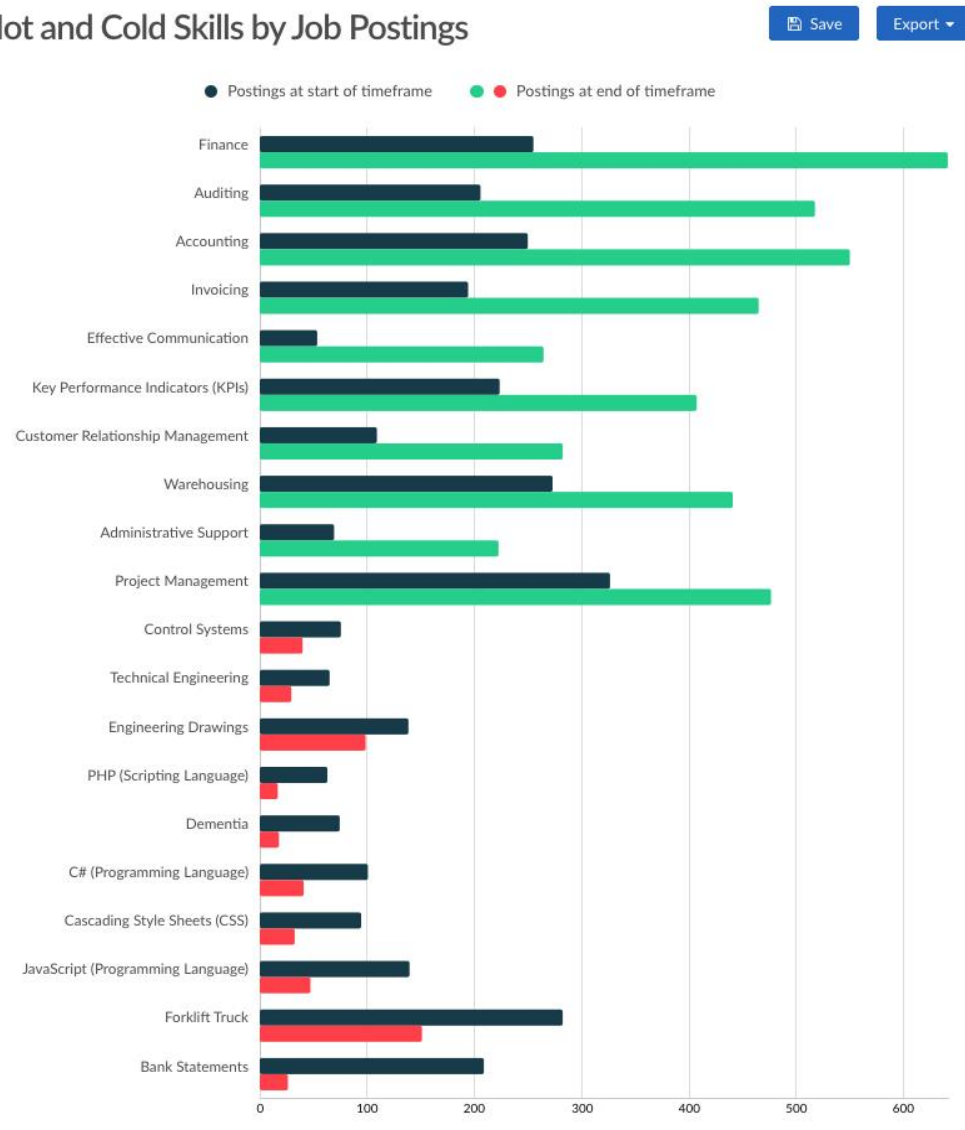

Hot and Cold Skills by Job Postings

● Postings at start of timeframe   ● ● Postings at end of timeframe

Figure 6, Lightcast job postings skills analysis, 2024

Forecast of future economy

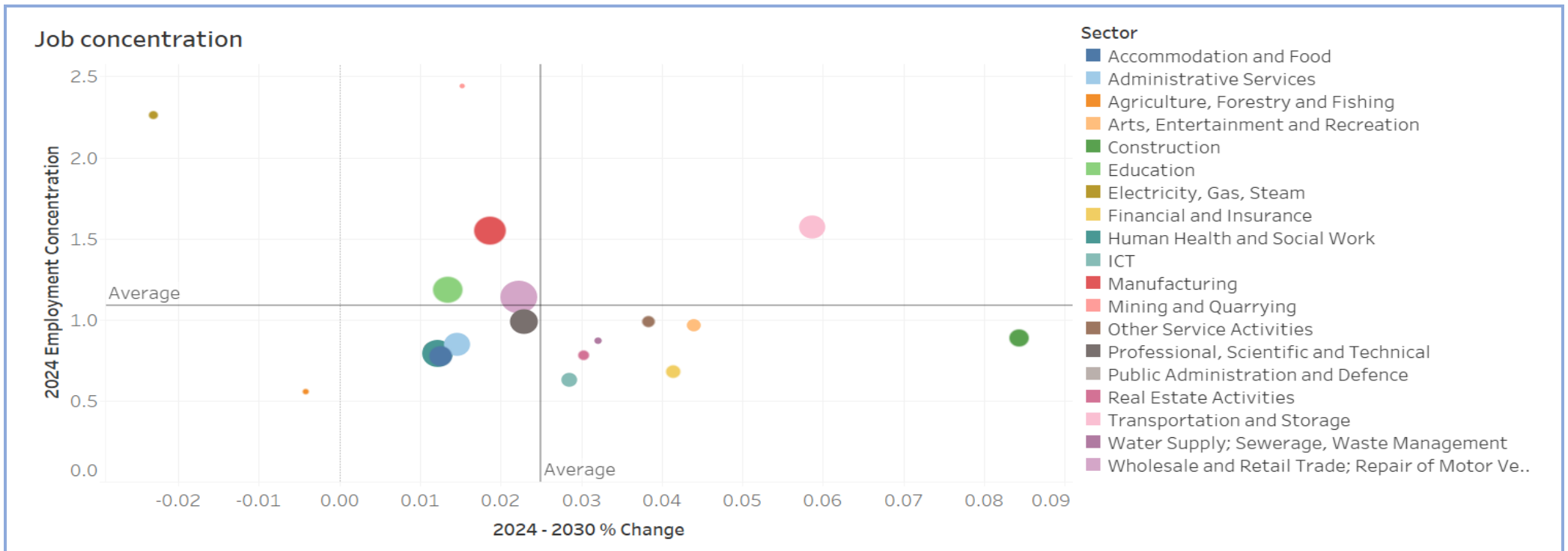**Predicted changes by industry 2024-2030 (location quotient changes)**

Figure 7, Lightcast location quotient and sector growth, 2024-2030

Transportation and storage look to be the growth industry for LLR in the next ten years, with both a strong LQ in 2024 and a positive rate of change for the LQ over the next 10 years.
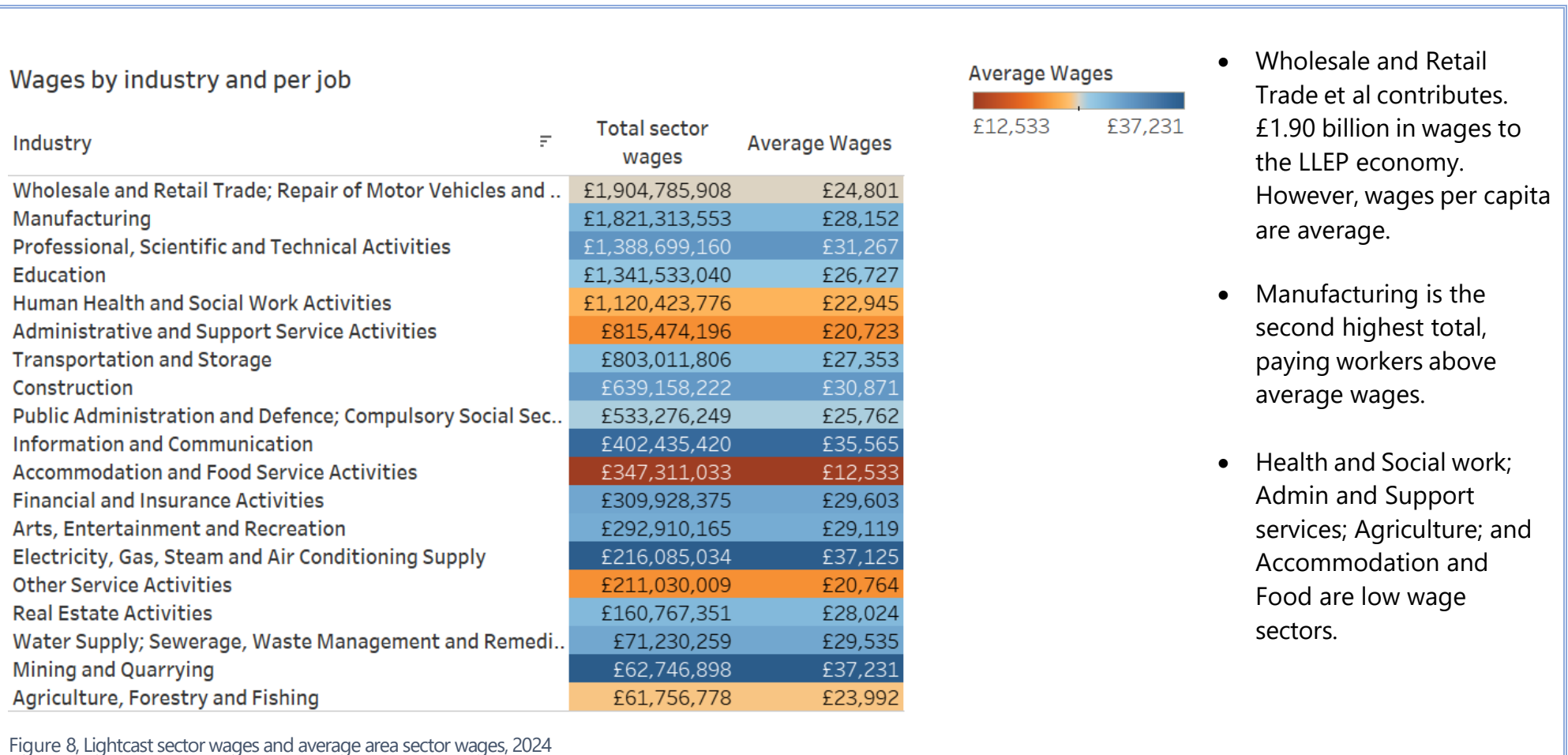
Manufacturing is an industry that posts a strong LQ in 2024 but that is predicted to decrease a little by 2030.
Construction has the highest growth in location quotient but is still under national averages.

Financial data

Total wages per Industry in the LLEP area

The graph below shows total wages paid per industry and is coloured by the average wage per capita. For example, although Manufacturing has fewer total wages than Whole and Retail Trade et al, average wages in the Industry are higher.

Wages by industry and per job

Average Wages

£12,533   £37,231

Industry	Total sector wages	Average Wages
Wholesale and Retail Trade; Repair of Motor Vehicles and ..	£1,904,785,908	£24,801
Manufacturing	£1,821,313,553	£28,152
Professional, Scientific and Technical Activities	£1,388,699,160	£31,267
Education	£1,341,533,040	£26,727
Human Health and Social Work Activities	£1,120,423,776	£22,945
Administrative and Support Service Activities	£815,474,196	£20,723
Transportation and Storage	£803,011,806	£27,353
Construction	£639,158,222	£30,871
Public Administration and Defence; Compulsory Social Sec..	£533,276,249	£25,762
Information and Communication	£402,435,420	£35,565
Accommodation and Food Service Activities	£347,311,033	£12,533
Financial and Insurance Activities	£309,928,375	£29,603
Arts, Entertainment and Recreation	£292,910,165	£29,119
Electricity, Gas, Steam and Air Conditioning Supply	£216,085,034	£37,125
Other Service Activities	£211,030,009	£20,764
Real Estate Activities	£160,767,351	£28,024
Water Supply; Sewerage, Waste Management and Remedi..	£71,230,259	£29,535
Mining and Quarrying	£62,746,898	£37,231
Agriculture, Forestry and Fishing	£61,756,778	£23,992

- Wholesale and Retail Trade et al contributes. £1.90 billion in wages to the LLEP economy. However, wages per capita are average.

- Manufacturing is the second highest total, paying workers above average wages.

- Health and Social work; Admin and Support services; Agriculture; and Accommodation and Food are low wage sectors.

Figure 8, Lightcast sector wages and average area sector wages, 2024

Wages per capita compared to Jobs

Professional, Scientific and Technical Activities job roles; Transportation and Storage; as well as Manufacturing roles are above average in both wages per capita and total jobs in the LLEP area.

Electricity et al and Mining and Quarrying are the highest paying sectors on average but employ low numbers of people (but still significantly higher than other areas on average).

Accommodation and Food Service Activities is one of a few industries above average in terms of total jobs, but below the wages per capita average LLEP sets. Other industries include Administrative and Support Service Activities and Human Health and Social Work Activities.
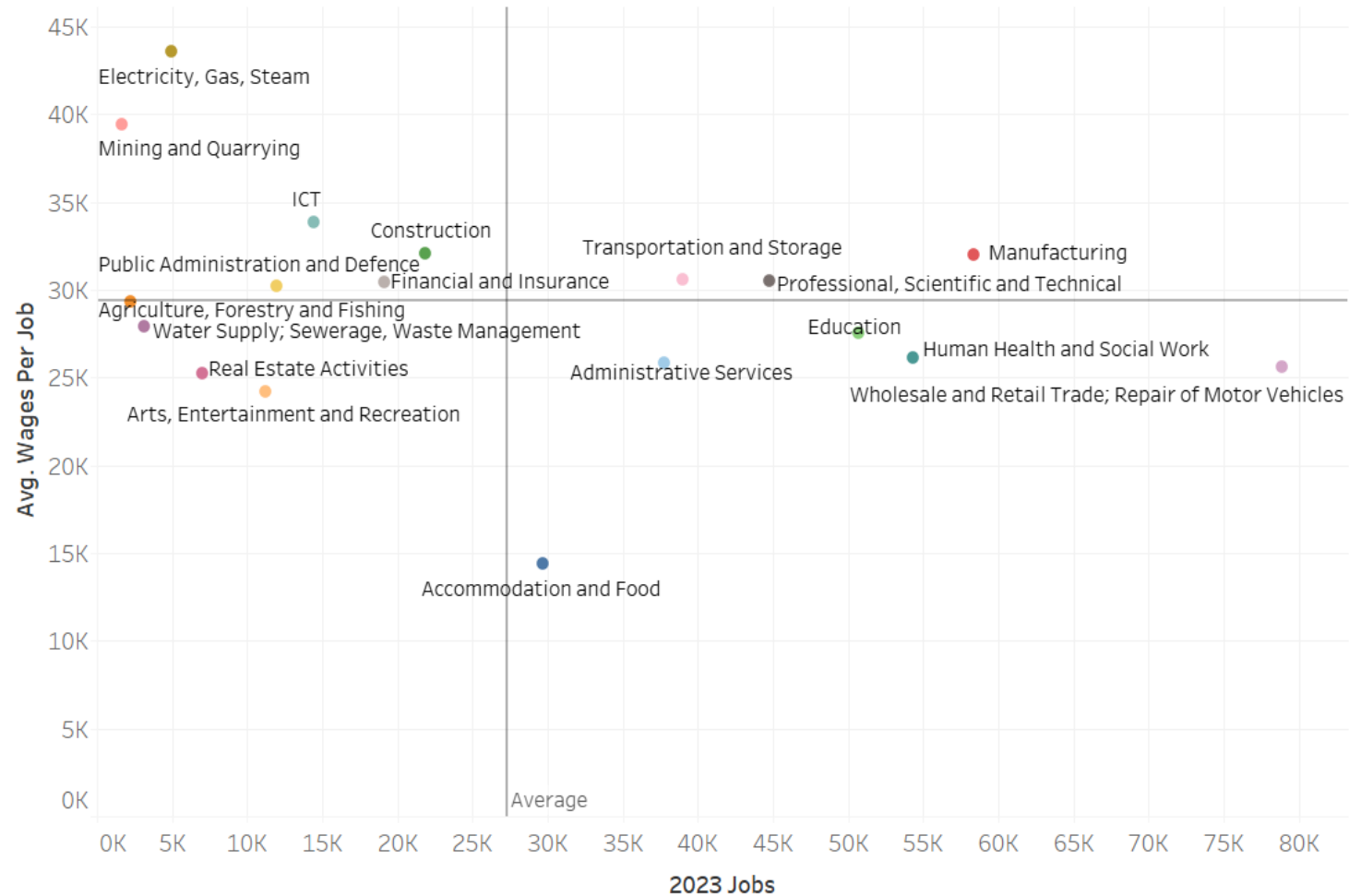
Wages per Capita

Figure 9, Lightcast area wages data and employment, 2024

Job Posting Trends

The graph shows the trend in Leicester and Leicestershire job vacancies posted online since April 2019.

Figure 10, Lightcast job vacancy data from online postings; please note, not all area vacancies are advertised online.

Commentary

The graph clearly shows the dip in vacancies (10,000 circa June 2020) across the region during the Covid lockdowns, with a boom in jobs when restrictions were listed (circa April 2021 onwards).

Advertised vacancies peaked in June 2023 at circa 37,000 and as of March 2024 were circa 24,000, still higher than pre-Covid numbers.

Data Sources

All data points have been sourced from economic modelling specialist Lightcast, who collate accurate and up-to-date labour market data from varies sources, including the following datasets:

Annual Business Inquiry (ABI) • Annual Population Survey (APS) • Annual Survey of Hours and Earnings (ASHE) • Business Register and Employment Survey (BRES) • Department for Environment, Food and Rural Affairs (DEFRA) • Labour Force Survey (LFS) • Working Futures (WF) Workforce Job Series (WJS) • Office for National Statistics (ONS)

These sources are collected and combined to create Lightcast's industry and occupation data, as well as staffing patterns used to connect the two.

Report updated in March 2024 by:

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