

LLEP Business and Economic Intelligence Update

Issue 13 – 22 October 2020

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1. Claimant Count

In September 2020 the claimant rate in the LLEP area was 5.5% or 36,495 claimants.

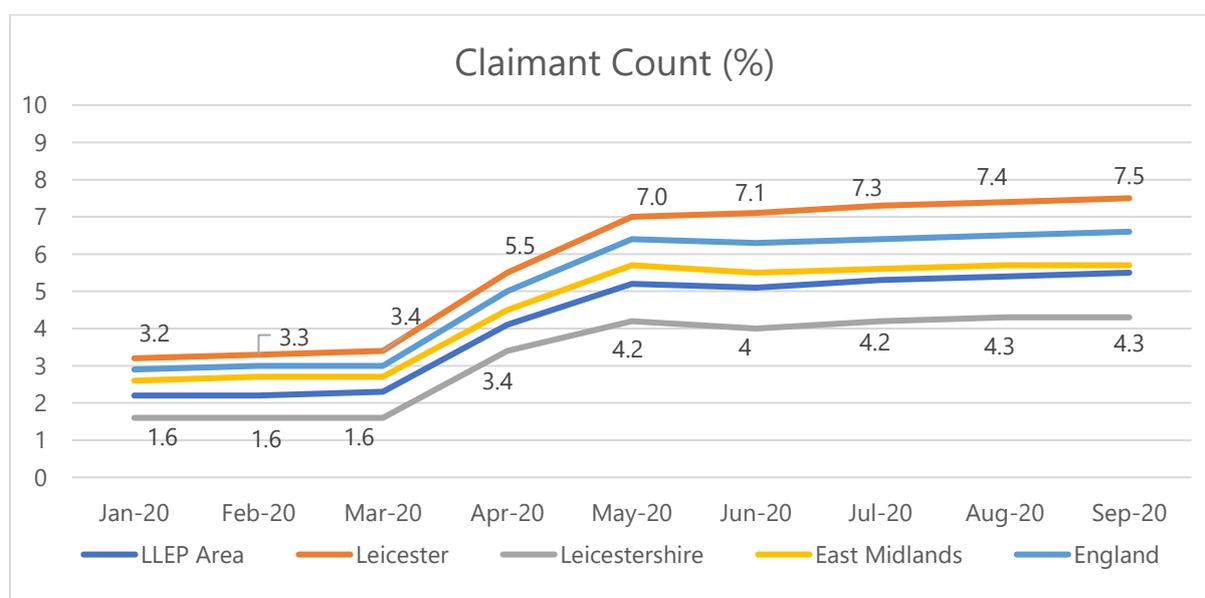


Figure 1 LLEP Area Claimant Count (%) January 2020 - September 2020
Source: ONS

In March 2020 the claimant rate was 2.3% (or 15,145). Over the last 6 months the claimant rate has increased by 3.2 percentage points. This is an additional 21,350 claimants or a percentage increase of 141%. In Leicester there was an increase of 163%.

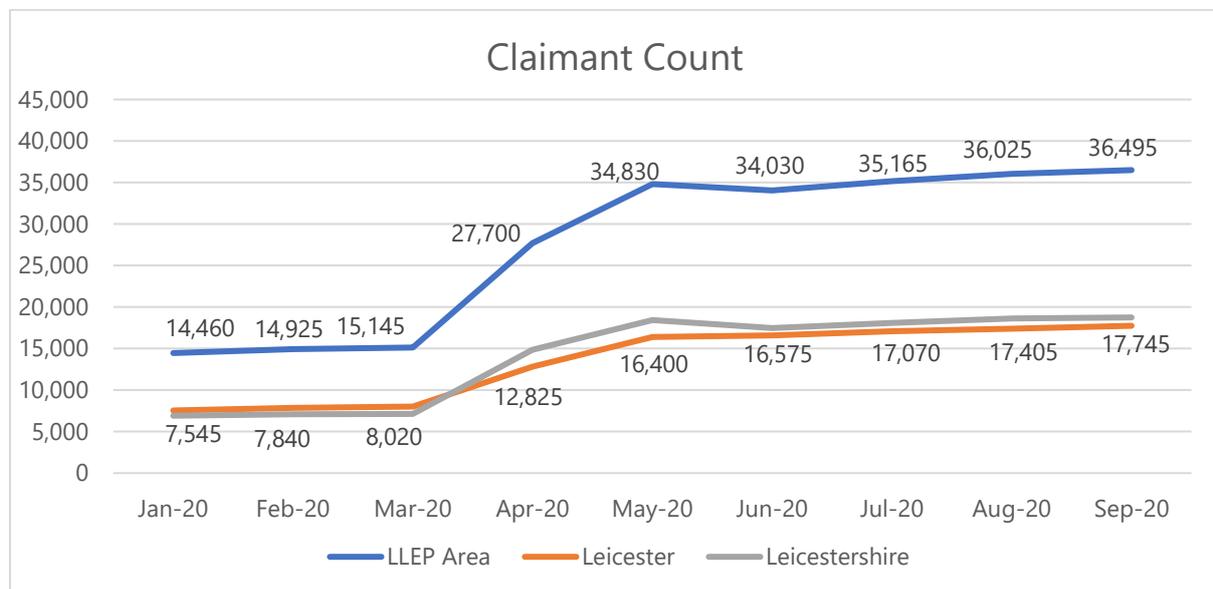


Figure 2 LLEP Area Claimant Count January 2020 - September 2020
Source: ONS

From June to September there has been continued growth in claimant numbers from 34,030 to 36,495. Growth has been steady. There is uncertainty on how this may change but it is likely that the rate of growth will continue with the potential to quicken.

Those aged 18-24 made up 20.5% (7,460) of claimants, 56.5% (20,590) were aged 25-49 and 23% (8,390) 50+. The pandemic has significantly impacted all age groups. There is on average a larger share of 18-24-year olds (6.6%) than claimants who are 25-49 (6.1%) and 50+ (4.3%). There are however larger numbers of 25-49 and 50+ year olds.

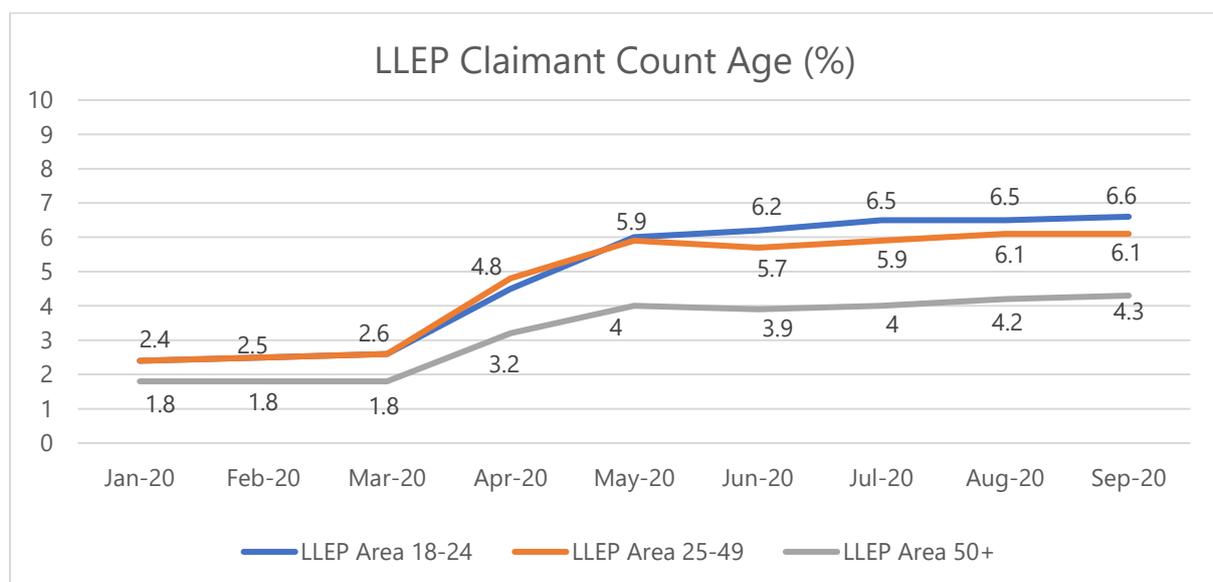


Figure 3 LLEP Area Claimant Count by Age (%) January 2020 - September 2020
Source: ONS

Twenty-one thousand three hundred and thirty-five were male (6.3%) and 15,160 (4.5%) were female.

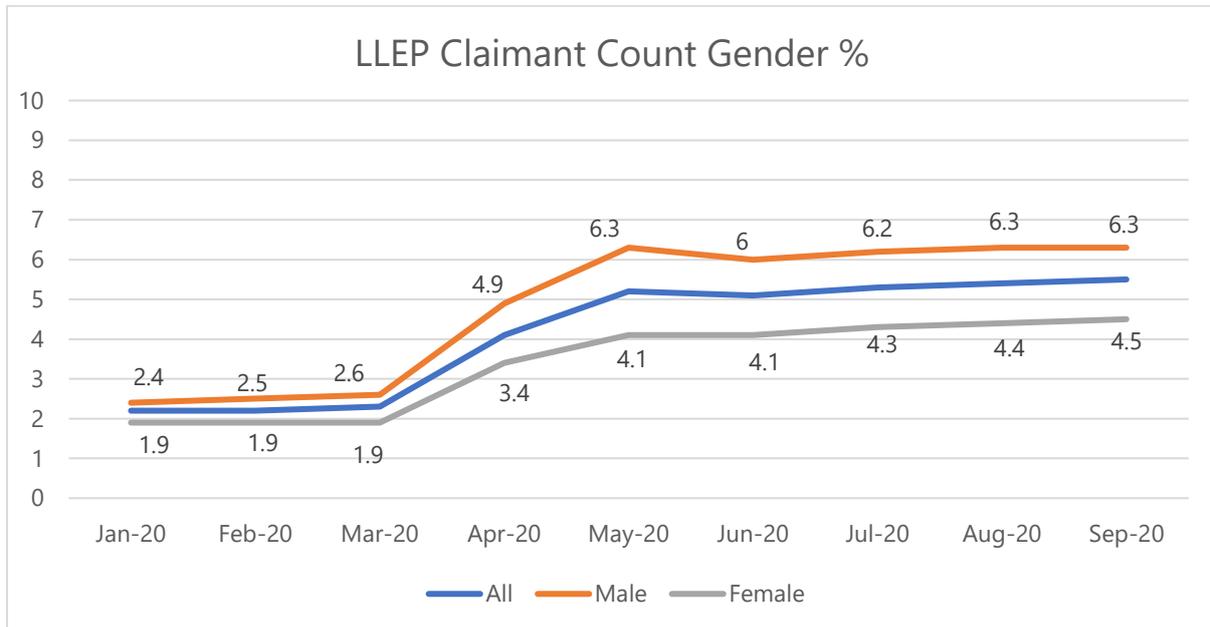


Figure 4 LLEP Area Claimant Count by Gender (%) January 2020 - August 2020
Source: ONS

Figure 5 below demonstrates the number of claimants for September 2011 to 2020. Between September 2019 and 2020 the number of claimants has increased by 22,445.

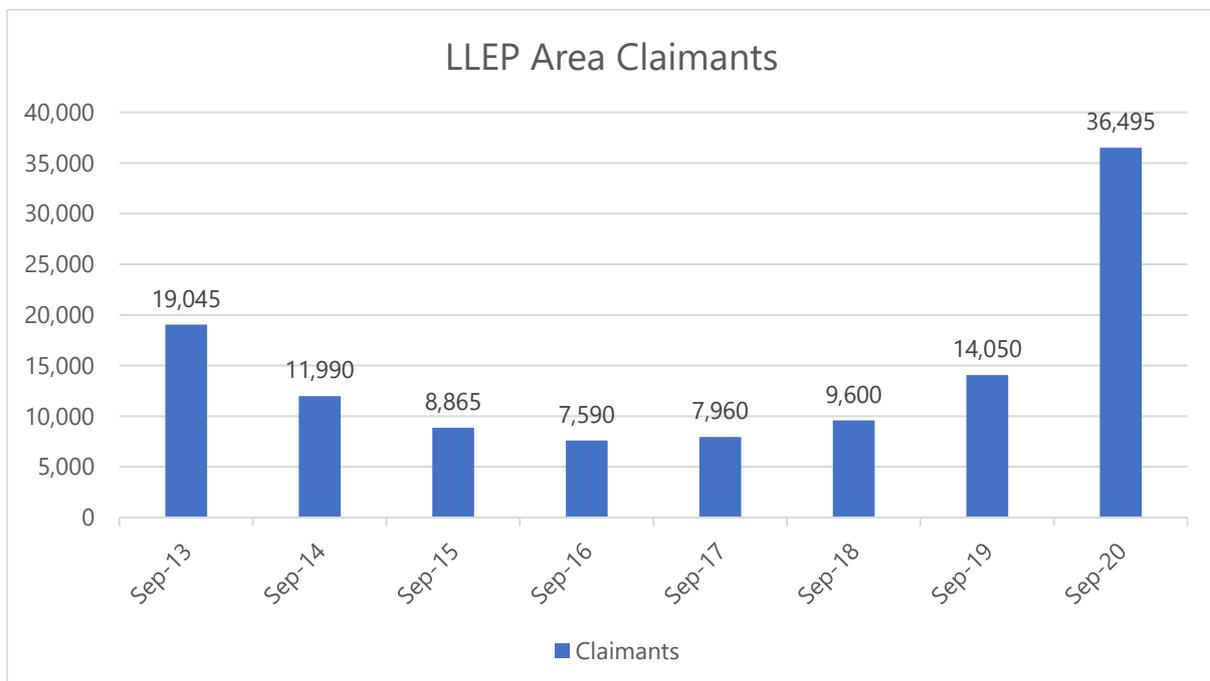


Figure 5 LLEP Area Claimant Count September 2013-2020
Source: ONS

From August to September there was a rise in the number of claimants in the City of 340 claimants and in the County 130. Forty nine percent of claimants were in Leicester and the rest (51%) in Leicestershire.

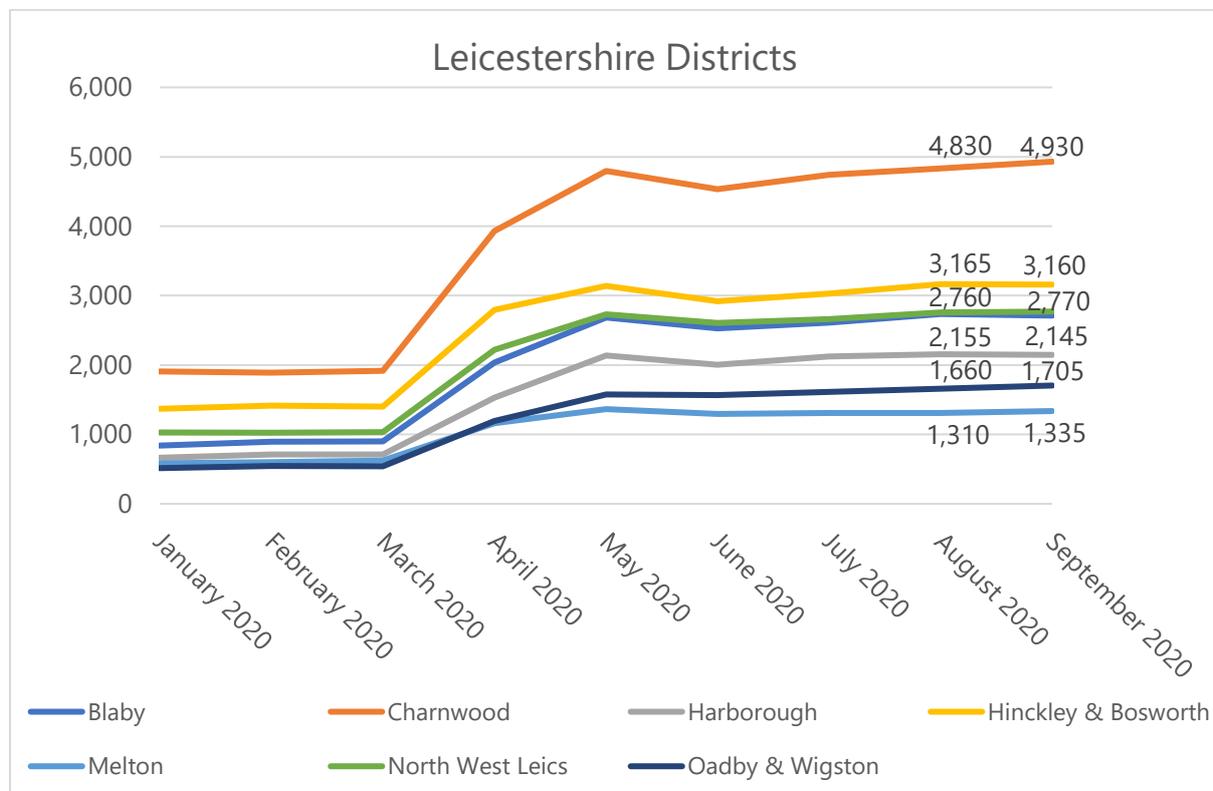


Figure 6 LLEP Area District Claimant Count September Jan-Sept 2020
Source: ONS

At a district level Charnwood over the last month has seen a rise of 100 claimants. Blaby, Harborough and Hinckley and Bosworth have all seen falls.

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

2. Furloughed Employees

At 31 August 2020 in the East Midlands area 10.3% of eligible employments were furloughed.¹ When compared to the national figure this is 1 percentage point lower than average (11.3%). Of the areas highlighted below the East Midlands was the fourth lowest.

¹ Until July HMRC data on furloughed employees was provided at Local Authority Level on a cumulative basis. In September the methodology changed to reflect the numbers currently furloughed at month end and was produced at area level only. It should be noted that this is experimental data and that figures may be adjusted in future data releases.

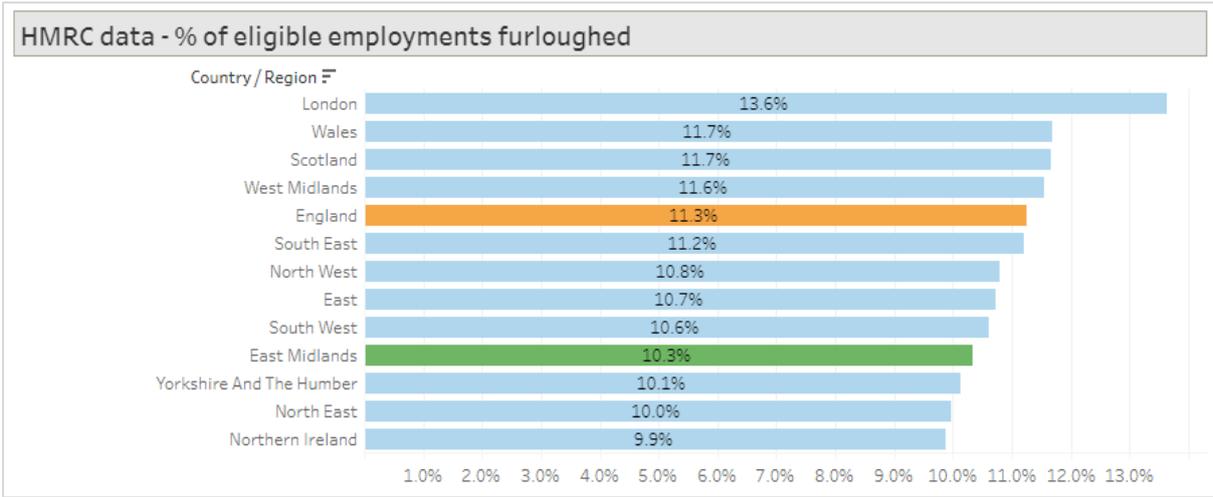


Figure 7 Furloughed Employments at 31 August 2020
 Source: HMRC

When looking at the percentage of eligible employments that are partly furloughed the figure for the East Midlands is 2.9%. This is lower than the average of 3.1%. Of the areas highlighted below the East Midlands figure is the second lowest.

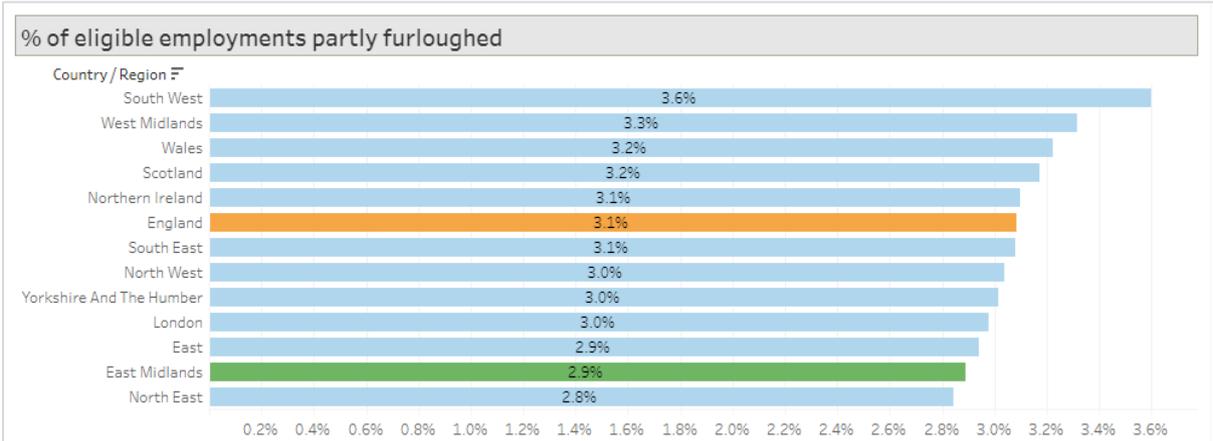


Figure 8 Furloughed Employments at 31 August 2020.
 Source: HMRC

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

3. Self-Employment Income Support Scheme (SEISS)

An average of 59% of all those eligible for SEISS in Leicester and Leicestershire have taken up the support.

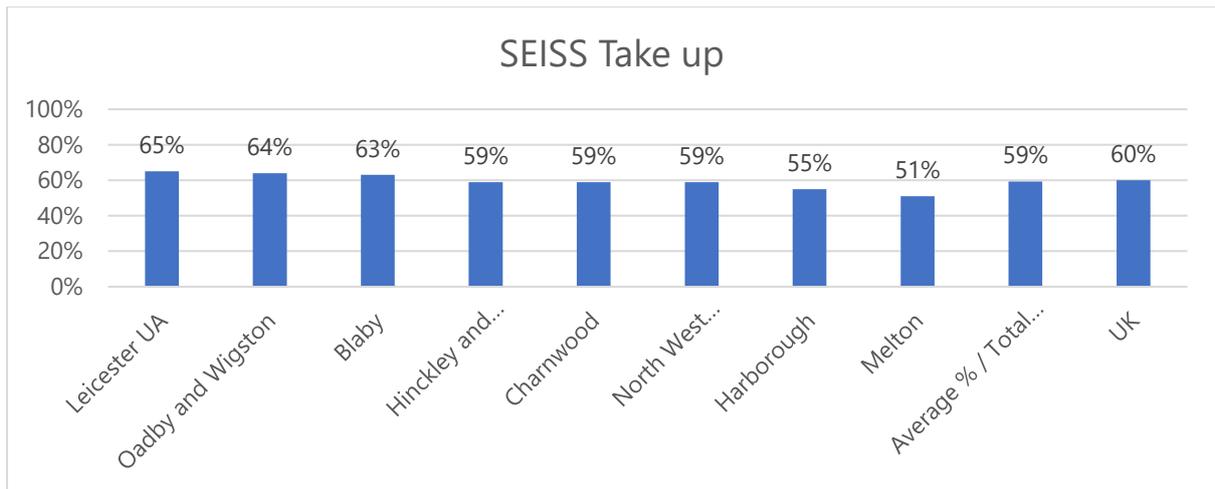


Figure 9 SEISS Uptake in LLEP Area to 31 August 2020
Source: HMRC

HMRC have published data on numbers claiming the Self Employment Income Support Scheme up to 31 August 2020. For more detail including East Midlands comparators see the [Furloughed Staff Dashboard](#) on the LSR Portal.

4. 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 occupations 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.

Figure 9 demonstrates job postings by occupation for September 2020. These are compared with September 2019, March 2020 and August 2020. Standard Occupation Codes are at a two-digit level.

With an extra 89 job postings figures for September have exceeded those for March and are the first that that go beyond those posted prior to the Covid-19 pandemic. (26,150 compared to 26,061).

From September 2019 to September 2020 the number of job postings grew by 1,015 from 25,135 to 26,150.

Over the last month the number of job postings grew from 23,018 to 26,150. This is an extra 3,132 postings.

In terms of numbers over the last year there have been falls in job postings in 12 of the 25 occupation areas. Occupation areas that have seen the largest falls are administration occupations, customer service occupations, business and public service associate professionals, textiles, printing and other skilled trades and science, engineering and technology associate professionals.

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 and skilled construction and building trades.

Between August and September there was positive growth in all but two occupation areas.

2 Digit SOC	Occupation	Sep 2019 Unique Postings	Mar 2020 Unique Postings	Aug 2020 Unique Postings	Sep 2020 Unique Postings	Annual Growth	Annual Growth %	Monthly Growth Aug to Sep	Monthly Growth % Aug to Sep	Cumulativ e Growth from Mar	Cumulativ e Growth % from Mar
11	Corporate Managers and Directors	1,203	1,319	1,198	1,286	83	6.9	88	7.3	(33)	-2.5
12	Other Managers and Proprietors	463	472	462	510	47	10.2	48	10.4	38	8.1
21	Science, Research, Engineering and Technology Professionals	2,050	2,189	1,760	1,990	(60)	-2.9	230	13.1	(199)	-9.1
22	Health Professionals	1,488	1,637	1,673	1,680	192	12.9	7	0.4	43	2.6
23	Teaching and Educational Professionals	854	1,168	897	959	105	12.3	62	6.9	(209)	-17.9
24	Business, Media and Public Service Professionals	1,380	1,540	1,357	1,503	123	8.9	146	10.8	(37)	-2.4
31	Science, Engineering and Technology Associate Professionals	1,242	1,148	953	1,099	(143)	-11.5	146	15.3	(49)	-4.3
32	Health and Social Care Associate Professionals	342	358	379	434	92	26.9	55	14.5	76	21.2
33	Protective Service Occupations	21	27	21	20	(1)	-4.8	(1)	-4.8	(7)	-25.9
34	Culture, Media and Sports Occupations	292	378	236	256	(36)	-12.3	20	8.5	(122)	-32.3
35	Business and Public Service Associate Professionals	3,361	3,808	2,817	3,159	(202)	-6.0	342	12.1	(649)	-17.0
41	Administrative Occupations	2,410	2,440	1,738	2,004	(406)	-16.8	266	15.3	(436)	-17.9
42	Secretarial and Related Occupations	341	357	223	268	(73)	-21.4	45	20.2	(89)	-24.9
51	Skilled Agricultural and Related Trades	17	32	33	32	15	88.2	(1)	-3.0	0	0.0
52	Skilled Metal, Electrical and Electronic Trades	1,626	1,529	1,307	1,499	(127)	-7.8	192	14.7	(30)	-2.0
53	Skilled Construction and Building Trades	402	445	478	567	165	41.0	89	18.6	122	27.4
54	Textiles, Printing and Other Skilled Trades	522	537	342	377	(145)	-27.8	35	10.2	(160)	-29.8
61	Caring Personal Service Occupations	1,835	1,842	1,889	2,078	243	13.2	189	10.0	236	12.8
62	Leisure, Travel and Related Personal Service Occupations	175	166	138	147	(28)	-16.0	9	6.5	(19)	-11.4
71	Sales Occupations	546	530	366	428	(118)	-21.6	62	16.9	(102)	-19.2
72	Customer Service Occupations	636	490	355	421	(215)	-33.8	66	18.6	(69)	-14.1
81	Process, Plant and Machine Operatives	405	383	399	468	63	15.6	69	17.3	85	22.2
82	Transport and Mobile Machine Drivers and Operatives	1,348	1,354	1,716	2,057	709	52.6	341	19.9	703	51.9
91	Elementary Trades and Related Occupations	307	244	319	386	79	25.7	67	21.0	142	58.2
92	Elementary Administration and Service Occupations	1,869	1,668	1,962	2,522	653	34.9	560	28.5	854	51.2
	Total	25,135	26,061	23,018	26,150	1,015	4.0	3,132	13.6	89	0.3

Figure 10 LLEP Area Job Postings by Standard Occupation Codes
Source: EMSI

Figure 10 demonstrates that job posting numbers in Leicestershire districts in September are in line with or exceed those experienced in September 2019. However, the number of job postings in Leicester is significantly lower.

Local Authority	Sep 2019 Postings	Mar 2020 Postings	Apr 2020 Postings	May 2020 Postings	Jun 2020 Postings	Jul 2020 Postings	Aug 2020 Postings	Sep 2020 Postings
Blaby	745	781	643	588	747	975	1,234	1,417
Charnwood	3,563	3,655	2,981	2,733	3,184	3,318	3,685	4,223
Harborough	1,737	1,777	1,439	1,171	1,163	1,461	1,687	2,064
Hinckley & Bosworth	1,553	1,430	1,267	1,185	1,458	1,704	2,032	2,297
Leicester	13,578	14,419	11,047	9,272	9,098	9,630	9,965	11,116
Melton	1,030	1089	811	705	730	788	861	1,011
North West Leics	2,555	2,450	2,089	1,766	2,184	2,529	3,037	3,503
Oadby & Wigston	374	460	388	365	358	388	517	519
TOTAL	25,135	26,061	20,665	17,785	18,922	20,793	23,018	26,150

Figure 11 Job Postings by Local & District Authority
Source: EMSI

Figure 12 provides a graphical representation of job postings for the Leicester and Leicestershire area.

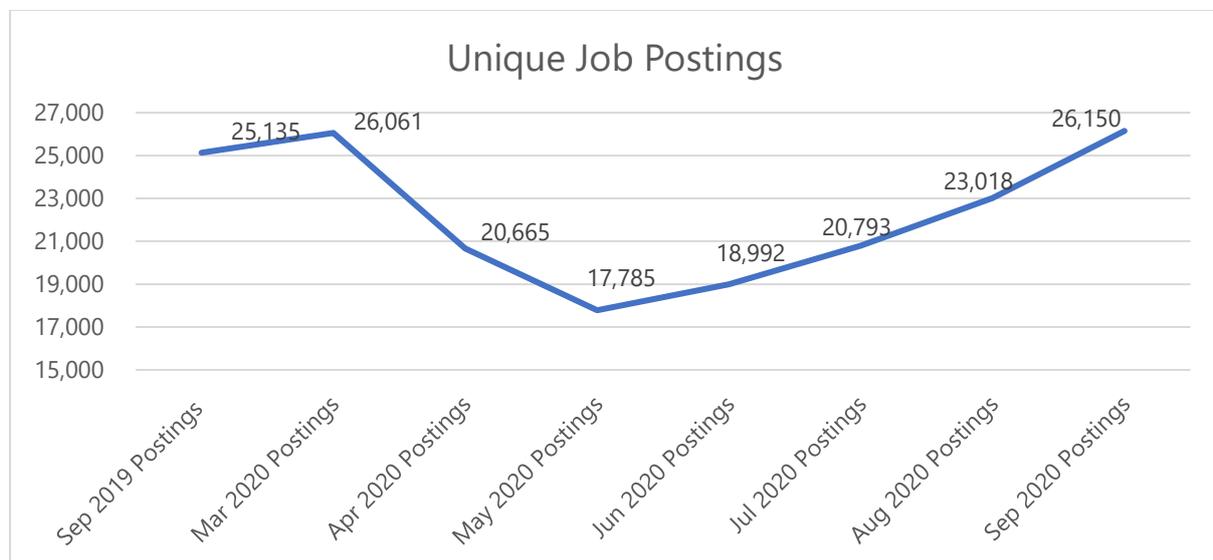


Figure 12 LLEP Area Job Postings
Source: EMSI

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

5. Business Closures and Incorporations

Since the first of March 2,324 have ceased trading in the Leicester and Leicestershire area. For the same period in 2019 the number was significantly higher. Between March and September 2019, the figure was 4,414. This is a difference of 2,090 business closures between 2019 and 2020.

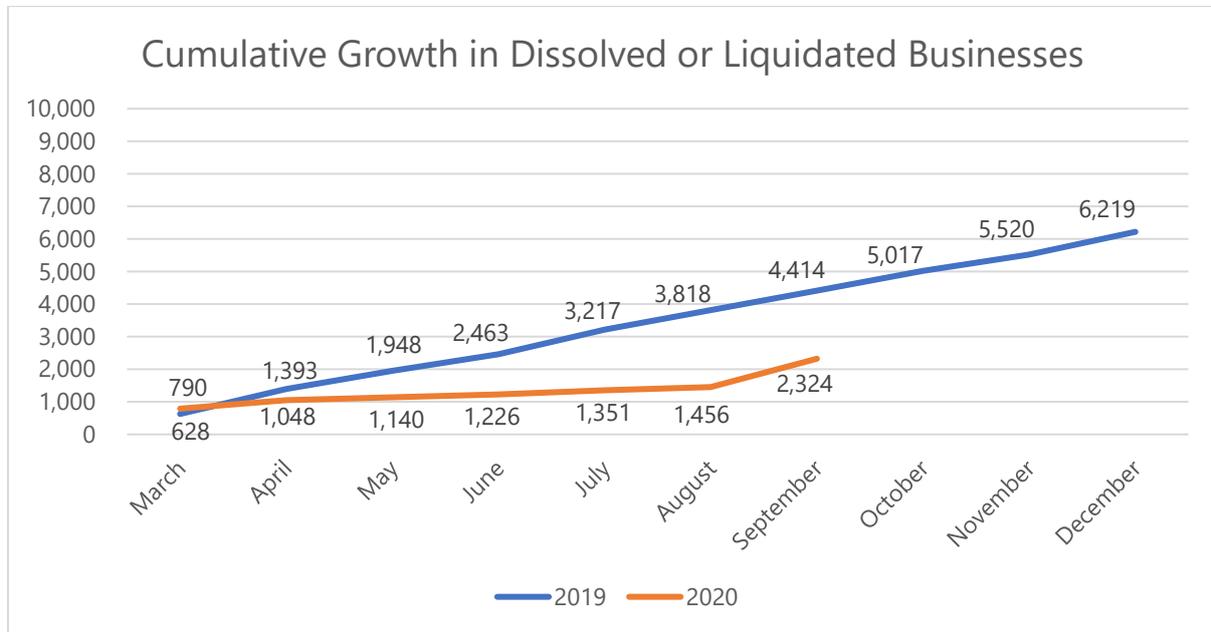


Figure 13 LLEP Area Cumulative Growth in Dissolved or Liquidated Businesses 2019 and 2020 Comparator
Source: BVD Fame

In March 2020 there were 788 closures. By August the number had fallen to just 105. In August of the previous year it was 601.

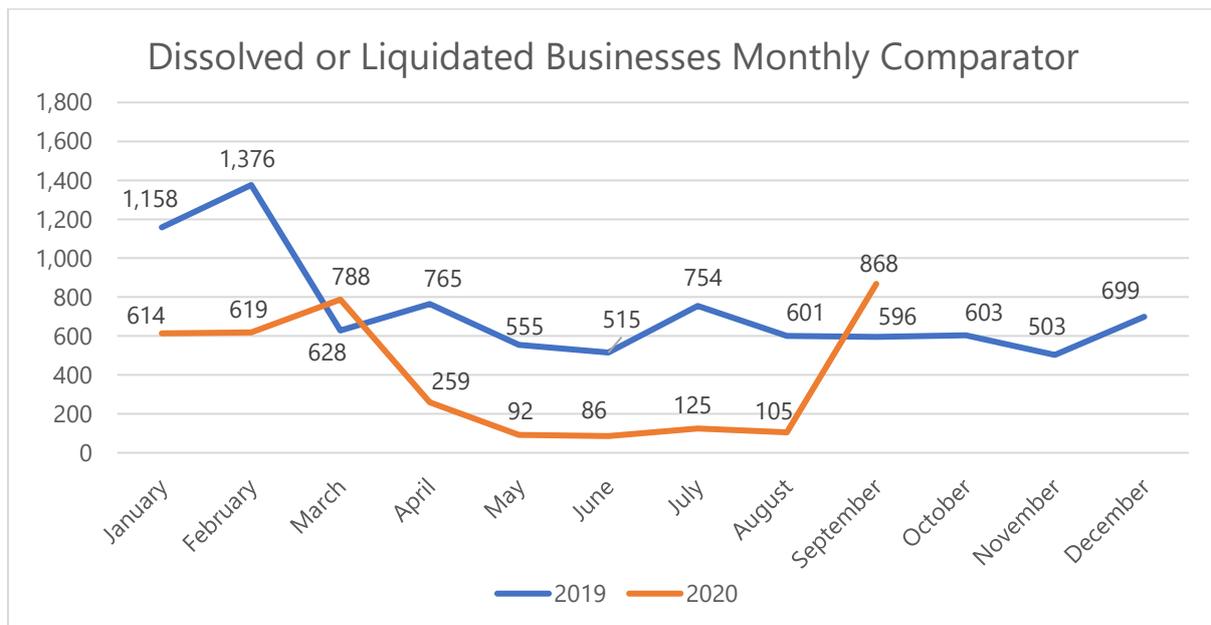


Figure 14 LLEP Area Dissolved or Liquidated Businesses 2019 and 2020 Monthly Comparator
Source: BVD Fame

The fall in business closures can be attributed to those measures brought in by the Government during lockdown. These have aided businesses by providing support that would not normally have been available.

New figures for September however demonstrate a change in the fortunes of some businesses and show a steep rise in the number of businesses that have failed. The number of businesses that failed in August was 105, in September the number rose to 868.

Some of those sectors that have been negatively impacted include:

- Activities of head offices; management consultancy activities **(the highest)**
- Retail trade, except of motor vehicles and motorcycles
- Food and beverage service activities
- Office administrative, office support and other business support activities
- Computer programming, consultancy and related activities
- Specialised construction activities
- Land transport and transport via pipelines
- Real estate activities
- Other personal service activities
- Construction of buildings
- Human health activities
- Wholesale trade, except of motor vehicles and motorcycles
- Education
- Architectural and engineering activities; technical testing and analysis
- Other professional, scientific and technical activities
- Services to buildings and landscape activities
- Manufacture of textiles
- Manufacture of wearing apparel
- Wholesale and retail trade and repair of motor vehicles and motorcycles

These 20 sectors make up 76.6% of all business closures in September.

It is uncertain whether the businesses that have failed in September would have closed regardless of Covid-19 as Government measures were acting as a holding mechanism. If this is the case and we follow the trajectory of data from 2019 there is the potential for another 2,090 businesses failing.

Since the beginning of March nearly 7,448 businesses were incorporated within Leicester and Leicestershire.

When comparing data for 2019 it is demonstrated that the number of businesses that have been incorporated is higher than the previous year's figures (6,892). In August 2020 the cumulative figure was 6,557 and in the previous year 6,121. When comparing the figures for 2019 and 20 these have been higher in 2020 since June.

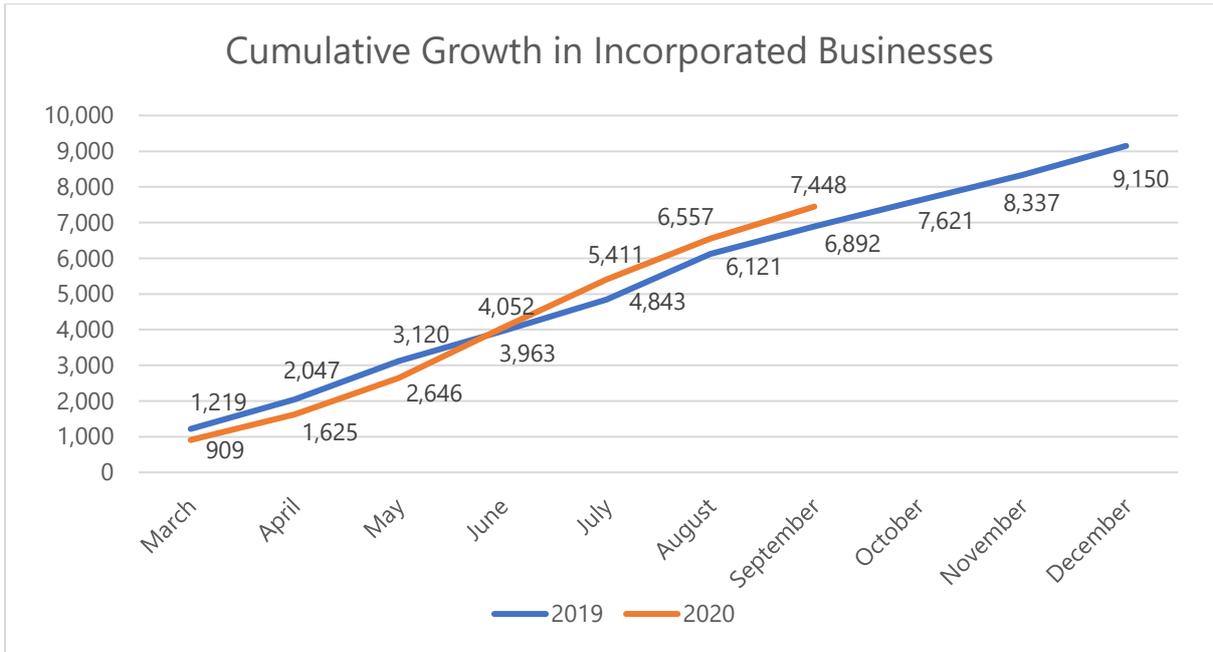


Figure 15 LLEP Area Cumulative Growth in Incorporated Businesses 2019 and 2020 Comparator
Source: BVD Fame

When comparing the monthly numbers of incorporated businesses, the noticeable effects are the rise in incorporations between April and June and the fall in incorporations between June and September. In April there were 716 incorporations and in June 1,406. This may reflect the economy reopening. The number of incorporations in September when compared to the previous year is higher (891 versus 771).

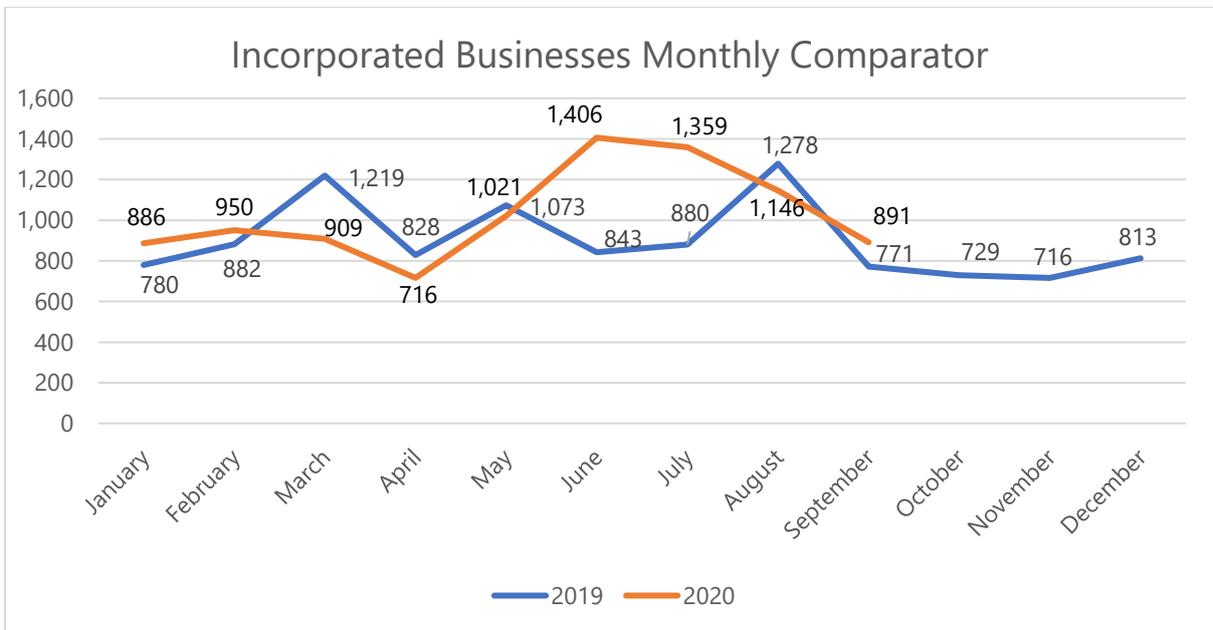


Figure 16 LLEP Area Incorporated Businesses 2019 and 2020 Monthly Comparator
Source: BVD Fame

Note: Latest figures were gained on the 1/10/2020 and they may be subject to some adjustment. Low figures may also reflect delays in notification and processing of data returns to Companies House.

6. Economic Intelligence Update

As the COVID-19 crisis develops, research and insights are emerging from a range of organisations and links and summaries of relevant publications are listed below. .

The Institute for Fiscal Studies (IfS) published its latest **economic outlook**, suggesting that the UK faces a long road to economic recovery with unemployment at around 8% in the first half of 2021, GDP at 4.7% below pre-Covid levels over the next 4 years, government borrowing at huge levels and a tax hike of £40bn pa needed over the coming years.

The latest **OECD Economic Survey of the United Kingdom** reinforces the importance of the support measures put in place to address the coronavirus crisis, but also stresses the need to continue to address longer-term challenges. It suggests that active labour market spending for displaced and low-skilled workers should be increased to help workers in sectors with uncertain futures move into quality jobs, and infrastructure spending should focus on the most deprived regions. Public investment should build on existing efforts to revive productivity growth and transition to a low-carbon economy.

Lastly, in briefing note supported by ESRC, **Carrying the work burden of the COVID 19 pandemic: working class women in the UK** researchers at Nottingham University and IER suggest that working-class women have borne the brunt of cuts to working hours as employers struggle to ride out the pandemic. Almost half of working-class women (43 per cent) did no hours of work in April compared to just 20 per cent of women in professional or managerial roles. By June fewer than half of all women in work (48 per cent) were still working full-time hours.

7. 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.