# LLEP Business and Economic Intelligence Update

**Issue 7**
**12 June 2020**

## 1. Growth Hub Business Intelligence Summary – May 2020

*Summary of views received by Business Gateway in May 2020*

The following analysis is of data captured by the Growth Hub in May 2020 using the online COVID-19 form. A total of 39 businesses have directly completed the form. This is just one of a number of routes through which businesses are engaging with the Growth Hub. In May over 175 businesses have been supported through the Growth hub advisor team. The responses captured here are therefore a sample of the support from the Growth Hub and therefore interpretation is not necessarily reflective of the whole support from the Growth Hub or the wider business community across the LLEP area.

A third (33%) of businesses categorised themselves as operating in the 'other services' sector, while a sixth (14%) operate in the manufacturing sector. Almost a tenth (8%) operate in the arts/entertainment/recreation sector. As displayed in Figure 1, half of those reaching out to the Growth Hub for support re micro-businesses with 2-9 employees, while a quarter are businesses with one employee only.

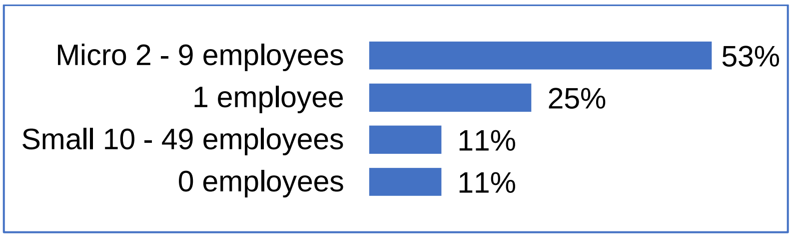


*Figure 1 Business Size*

Figure 2 displays the operational status of businesses that have submitted data. Half (54%) have been forced into temporary closure, although three out of ten (31%) have been able to continue operating as normal.

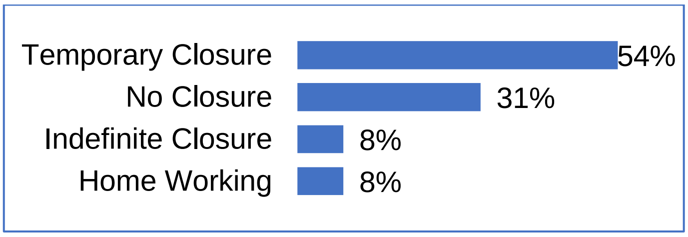


*Figure 2 Business Status*

Figure 3 highlights the impact of the ongoing pandemic on sales/bookings. While almost all (95%) have seen the pandemic impact negatively on sales, eight out of ten expect the pandemic to have a negative impact on future sales. A fifth (19%) do not expect the pandemic to have an impact on future sales/bookings.

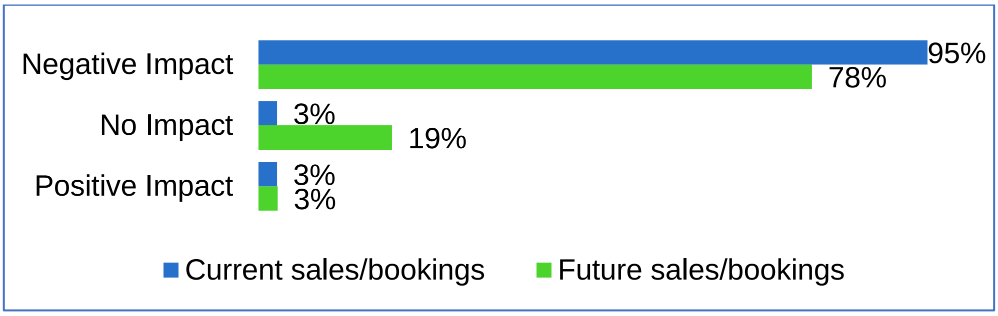


*Figure 3 Impact of Business Bookings / Sales*

Figure 4 highlights some of the key issues faced by businesses. Finance continues to pose an issue for businesses, with two-thirds (67%) citing this as a problem. Of this subgroup, two-thirds (65%) are unsure of the financial support available to them, whilst 13% of those experiencing financial issues report difficulties accessing grant funding.

A fifth (21%) have experienced order/booking cancellations, while a sixth (10%) have struggled with cashflow issues.

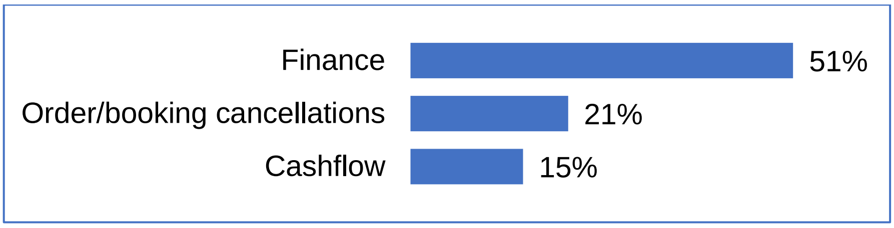


*Figure 4 Business Issues*

Businesses are keen to access general information and guidance, with three quarters (74%) seeking this type of support. Assistance with short-term working capital is also key for businesses, with two-thirds (66%) searching for support to help finance their business in the immediate future. A quarter (24%) are seeking support with business rates, whilst a sixth (16%) are keen to understand the assistance available regarding long term financial support.

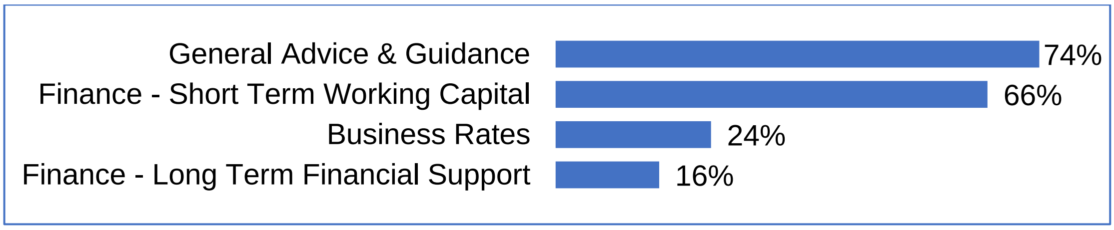


*Figure 5 Support Requested*

## 2. Job Posting Analytics – May 2020

| Job Postings in Leicester and Leicestershire May 2019 / 2020 | | | | |
|---|---|---|---|---|
| Occupation | May 2019 Unique Postings | May 2020 Unique Postings | Difference between 2019 and 2020 | % difference between 2019 and 2020 |
| **Health and Social Care Associate Professionals** | 252 | 293 | **41** | **16.3%** |
| **Caring Personal Service Occupations** | 1696 | 1715 | **19** | **1.1%** |
| **Skilled Agricultural and Related Trades** | 27 | 28 | **1** | **3.7** |
| **Other Managers and Proprietors** | 436 | 409 | **-27** | **-6.2%** |
| **Culture, Media and Sports Occupations** | 297 | 252 | **-45** | **-15.2%** |
| **Health Professionals** | 1583 | 1535 | **-48** | **-3.0%** |
| **Skilled Construction and Building Trades** | 323 | 245 | **-78** | **-24.1%** |
| **Leisure, Travel and Related Personal Service Occupations** | 201 | 117 | **-84** | **-41.8%** |
| **Teaching and Educational Professionals** | 1350 | 1235 | **-115** | **-8.5%** |
| **Secretarial and Related Occupations** | 374 | 200 | **-174** | **-46.5%** |
| **Customer Service Occupations** | 480 | 289 | **-191** | **-39.8%** |
| **Textiles, Printing and Other Skilled Trades** | 527 | 269 | **-258** | **-49.0%** |
| **Sales Occupations** | 528 | 233 | **-295** | **-55.9%** |
| **Process, Plant and Machine Operatives** | 527 | 227 | **-300** | **-56.9%** |
| **Elementary Trades and Related Occupations** | 451 | 150 | **-301** | **-66.7%** |
| **Science, Engineering and Technology Associate Professionals** | 1087 | 746 | **-341** | **-31.4%** |
| **Elementary Administration and Service Occupations** | 1573 | 1209 | **-364** | **-23.1%** |
| **Business, Media and Public Service Professionals** | 1436 | 1063 | **-373** | **-26.0%** |
| **Corporate Managers and Directors** | 1377 | 926 | **-451** | **-32.8%** |
| **Science, Research, Engineering and Technology Professionals** | 2077 | 1479 | **-598** | **-28.8%** |
| **Skilled Metal, Electrical and Electronic Trades** | 1633 | 1017 | **-616** | **-37.7%** |
| **Transport and Mobile Machine Drivers and Operatives** | 1625 | 639 | **-986** | **-60.7%** |
| **Business and Public Service Associate Professionals** | 3829 | 2142 | **-1687** | **-44.1%** |
| **Administrative Occupations** | 3073 | 1314 | **-1759** | **-57.2%** |
| **TOTAL** | **26,762** | **17,738** | **-9034** | **-33.7%** |

*Figure 6 Job Postings in Leicester and Leicestershire*
*Source: EMSI*

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 are 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 or in shop windows as opposed to online. This is likely to be the case in certain sectors, e.g. construction.

Figure 6 shows the number of online job postings in the Leicester and Leicestershire area for the periods May 2019 and May 2020. Data is presented for two-digit standard occupational codes. May 2020 data is compared with the previous year's job postings in terms of numbers and percentage differences.

In May 2019 there were 26,773 unique job postings. In May 2020 there were 17,738. This is a fall of 9,034 postings (or negative 33.7%).

Of the 25 standard occupation codes all but three saw falls in the number of job postings compared to the same period in 2019.

In terms of the numbers of job postings the largest falls were in:

- Administrative Occupations (1,759)
- Business and Public Service Associate Professionals (1,687)
- Transport and Mobile Machine Drivers and Operatives (986)
- Skilled Metal, Electrical and Electronic Trades (616)
- Science, Research, Engineering and Technology Professionals (598)

In terms of the number as a percentage fall the largest falls were in:

- Elementary Trades and Related Occupations (66.7%)
- Transport and Mobile Machine Drivers and Operatives (60.7%)
- Administrative Occupations (57.2%)
- Process Plant and Machine Operatives (56.9%)
- Sales Occupations (55.9%)

| Local Authority | Unique Postings from Jan 2020 - May 2020 | Jan 2020 Unique Postings | May 2020 Unique Postings | % Change (Jan 2020 - May 2020) |
|---|---|---|---|---|
| **Leicester** | 29,520 | 13,404 | 9,263 | (31%) |
| **Charnwood** | 7,958 | 3,382 | 2,711 | (20%) |
| **North West Leicestershire** | 5,540 | 2,331 | 1,771 | (24%) |
| **Harborough** | 3,972 | 1,587 | 1,160 | (27%) |
| **Hinckley and Bosworth** | 3,697 | 1,477 | 1,180 | (20%) |
| **Melton** | 2,336 | 975 | 702 | (28%) |
| **Blaby** | 2,050 | 830 | 593 | (29%) |
| **Oadby and Wigston** | 1,155 | 435 | 359 | (17%) |
| **TOTAL** | **56,228** | **24,421** | **17,739** | **(27%)** |

*Figure 7 Unique Postings January - April 2020 by location*
*Source: EMSI*

Looking at changes to job postings by geography, Figure 7 shows the change in job postings between January 2020 and May 2020 by District with, on average, job postings having reduced by just over a quarter from the start of the year.  As per the caveat above, it should be borne in mind that jobs may have been scheduled for advertising prior to the onset of lockdown and therefore numbers may not reflect this.

## 3. Coronavirus Job Retention Scheme Statistics

HMRC have published statistics for the Coronavirus Job Retention Schemes as Experimental Official Statistics using HMRC's Coronavirus Job Retention Scheme claims data.

This publication covers all Coronavirus Job Retention Scheme claims submitted by employers from the start of the scheme up to 31 May 2020. It includes statistics on the claims themselves and the jobs supported. Tables are can be accessed here: https://www.gov.uk/government/statistics/coronavirus-job-retention-scheme-statistics-june-2020

A total of 129,700 employees have been furloughed in Leicester and Leicestershire in the period to 31 May 2020.  This represents 24.5% or nearly a quarter of all employment in Leicester and Leicestershire.

| | Numbers of furloughed staff | Furloughed as % of total employment numbers | Total employment numbers |
|---|---|---|---|
| **Blaby** | 13,200 | 25.7 | 51,300 |
| **Charnwood** | 21,400 | 22.1 | 96,700 |
| **Harborough** | 11,500 | 23.5 | 49,000 |
| **Hinckley and Bosworth** | 14,500 | 23.7 | 61,200 |
| **Melton** | 6,500 | 25.7 | 25,300 |
| **North West Leicestershire** | 13,700 | 28.1 | 48,700 |
| **Oadby and Wigston** | 6,600 | 25.0 | 26,400 |
| **Leicester** | **42,400** | **24.8** | **171,200** |
| **Leicestershire** | **87,300** | **24.3** | **358,600** |
| **LLEP Area** | **129,700** | **24.5** | **529,800** |

*Figure 8 Percentage of staff furloughed in Leicester and Leicestershire*
*Source: HMRC, Coronavirus Job Retention Scheme Statistics: June 2020*
*ONS, Annual Population Survey*

## 4. Mobility Analytics

A High Street Recovery Tracker developed by Centre for Cities provides some granular timeseries data for Leicester City in terms of day and night-time footfall and where visitors have come from.

The tracker shows how quickly High Streets in Britain's largest cities and towns are returning to their previous levels of activity and will be updated monthly using anonymised mobile phone data from Locomizer. To explore the tracker go to: https://www.centreforcities.org/data/high-streets-recovery-tracker/

Google continue to publish their COVID-19 Community Mobility Reports which are available for Leicester and Leicestershire at the following link by downloading the United Kingdom PDF Report: https://www.google.com/covid19/mobility/

## 5. 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. It should be noted that we do not yet have a complete picture of the impact of COVID-19 and this is unlikely to emerge for some time, therefore much of what is emerging is predictive and should be interpreted with caution until such time as robust quantifiable data becomes available.*

### Construction Sector

The Construction Leadership Council (CLC) has published a Roadmap to Recovery, setting out how the construction sector, working with Government, can 'restart, reset, and reinvent' the industry.

### Digital Skills

Lloyd's Bank have produced their fifth annual UK Consumer Digital Index 2020 presenting a detailed view of digital engagement in Britain, using data from its own consumers and a stand-alone survey of 4,233 individuals. This is the largest survey of its kind and this edition does include a short section on digital skills and lockdown from a survey undertaken after the onset of Coronavirus and lockdown.

Overall, the report finds that the UK workforce is still digitally underpowered:

- An estimated **9 million people (16%)** are unable to use the Internet or their devices without assistance
- Circa **6.5 million (12%)** people cannot open apps
- The least digitally engaged are at a real disadvantage. They are more likely to be paying higher household bills irrespective of income, household or age. They are also less likely to earn as much – the Index transactional and job role data indicates that, for example, digitally enabled manual workers are earning an average of £2,160 extra per annum.

A significant proportion 42% of the workforce (c. 13.6 million) are able to go online and manage their day to day affairs, but don't have the digital skills required for work. This group represents the largest opportunity for interventions to support those employees and employers looking to achieve the minimum standard for digital skills at work.

- 15-24-year-olds are significantly less likely to have Essential Digital Skills for Work than their older counterparts who are 25-54. This could suggest that they are not leaving education with all the digital skills they need to be able to perform when they start in the workplace. This also may relate to the types of jobs younger people have, which are less likely to be office based (only 13% of 15-24-year-olds have a job where they sit at a desk compared to 41% of 25-54-year-olds).
- Both males and females are now equally likely to have Essential Digital Skills for Work. Females have had a positive year of improvement and have significantly increased from 43% to 48% since last year – now the same proportion as men
- Part-time workers are digitally disadvantaged. Those who work part-time are significantly less likely to have Essential Digital Skills for Life or Work than those who work full-time.
- Employers could do more, and may need more support, in order to effectively motivate and upskill their employees. Only 23% of the population have received digital skills and training support;

## ONS Labour market economic analysis, quarterly: June 2020

ONS continue to produce daily, weekly and monthly summaries highlighting relevant economic indicators. This month they have also produced the first of a new quarterly series of articles, giving additional economic analysis of the latest UK labour market headline statistics and long-term trends. The first article looks at the impact of the coronavirus (COVID-19) pandemic on hours worked and vacancies in different UK industries. Whilst these are national figures, they give an indication of overall trends, with the following main points emerging:

- Early indications of the impact of the coronavirus (COVID-19) pandemic on the labour market show that average weekly actual hours worked fell by 2.5% between January and March 2019 and the same period in 2020, compared with a decline of 2.2% in the period January to March 2008 and the same period in 2009.
- Between January to March 2019 and January to March 2020 the largest loss of average actual hours worked was recorded in the accommodation and food services industry (negative 11.8%)
- Young workers aged 16 to 24 years experienced the largest fall in average actual hours (negative 5.9%) compared with other age groups, followed by those aged 65 years and older (negative 4.8%).
- Vacancies decreased across all industries, with the largest percentage decrease recorded in the accommodation and food services industry (negative 41.5%) in the period between February to April 2019 and February to April 2020.

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