

LLEP Business and Economic Intelligence Update

Issue 8

22 June 2020

1. Small Business Grant Payments

As of 15 June 2020 has been paid out to 15,673 business properties identified as eligible for these funds by local authorities in Leicester and Leicestershire. This translates to **91%** of eligible businesses receiving payments and **87%** of the total funds available being disbursed. BEIS have produced a summary of payments made to date to by Local Authority which can be accessed at the following link: <https://www.gov.uk/government/news/grant-funding-provided-to-businesses-by-local-authorities-in-england>.

2. Self-Employment Income Support Scheme

HMRC have published data on numbers claiming the Self Employment Income Support Scheme up to 31 May 2020. The full data tables broken down by Local Authority can be found [here](#).

Area	Total potentially eligible population	Total no. of claims made to 31/5/20	Total value of claims made to 31/5/20 (£)	Average value of claims made to 31/5/20 (£)	Take-Up Rate
Leicester City	11,800	8,200	20,700,000	2,500	70%
Leicestershire	32,400	23,100	71,200,000	3,100	71%
LLEP Area	44,200	31,300	91,900,000	2,900	71%
UK	3,397,000	2,380,000	6,974,000,000	2,900	70%

Figure 1: SEISS Claims to 31 May 2020

Source: HMRC

3. Coronavirus Job Retention Scheme

Coronavirus Job Retention Scheme payments made up to 31 May 2020 have been reported by HMRC and can be accessed at [Gov.UK](https://www.gov.uk/government/news/coronavirus-job-retention-scheme).

Further calculations have been made to estimate the numbers furloughed by sector in Leicester and Leicestershire and are attached at Appendix A. It should be noted that this

calculation is predicated on two different data sources and therefore should be considered as indicative only.

4. Claimant Count

Monthly claimant count¹ figures were published by ONS on 16 June 2020. Figures apply to the preceding month of May.

The ONS figure for **claimant count** in the LLEP Area is **35,055** in May, **up by 7,325** on April, and the **claimant rate** increased from 4.2% in April to 5.3% in May. The rise in claimants during April and May is **19,910** or a percentage rise of **131.5%** on the figures for March. This demonstrates that although in April ONS reported the largest monthly rise in claimants on record (from March to April the number of claimants rose from 15,145 to 27,730) this was not a single jolt to the economy and there has been a continued significant rise in claimant numbers.

The data shows that the County has been impacted more than the City. The claimant rate in the County since March has risen by 159.9% compared with 104.3% in the City (both are significant).

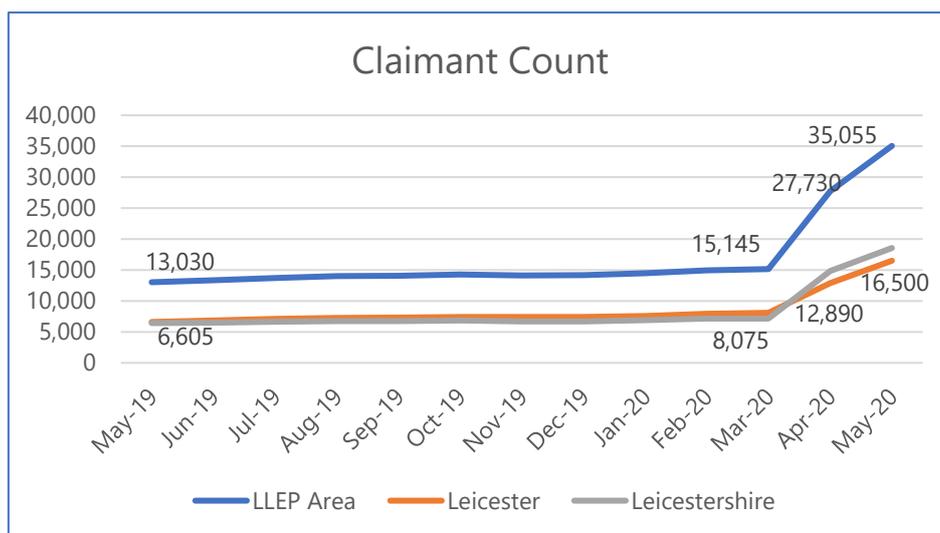


Figure 2 Claimant Count – number of claimants
Source: ONS

In the City the claimant rate (7%) is higher than that experienced at the height of the financial crisis (October 2009, 6.2%) and has not been as high since October 1996 (7.1%). In

¹ The Claimant Count is the number of people claiming benefit principally for the reason of being unemployed. This is measured by combining the number of people claiming Jobseeker's Allowance (JSA) and National Insurance credits with the number of people receiving Universal Credit principally for the reason of being unemployed. Claimants declare that they are out of work, capable of, available for and actively seeking work during the week in which the claim is made.

the County the claimant rate (4.3%) has not been as high since the mid-1990s (February 1994 4.3%)

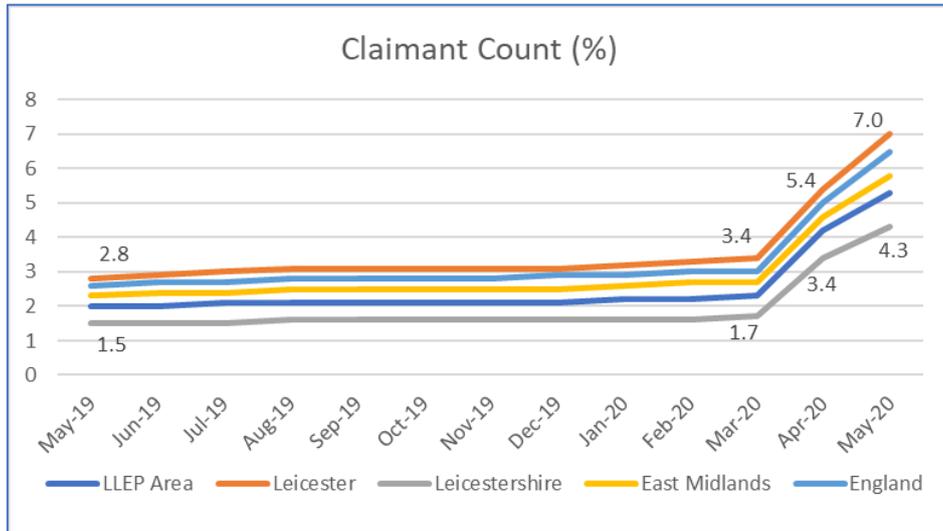


Figure 3 Claimant Count by percentage
Source: ONS

Those who are 25 to 49 are more likely to have become claimants. There are now 20,150 claimants within this age bracket. In March there were 8,585. This is a rise of 11,565 claimants or 134.7%.

In terms of male claimants there were 8,730 in March and in May this had risen to 21,215. this is a rise of 12,845 claimants or 143%.

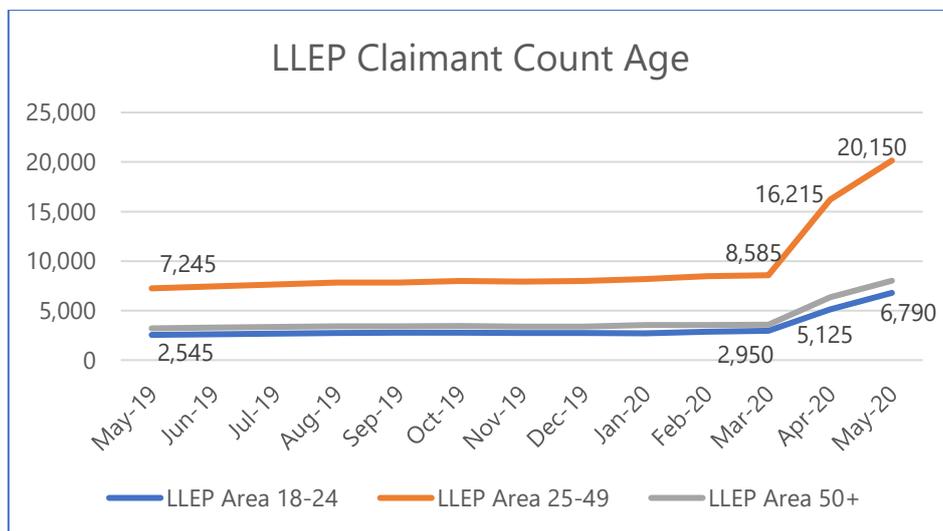


Figure 4 - Claimant Count by Age
Source: ONS

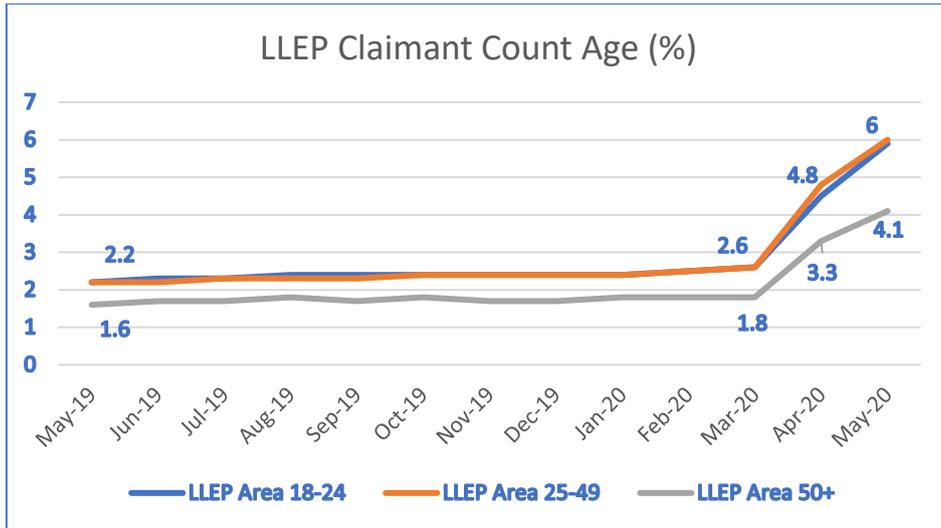


Figure 5 Claimant Count by Age (%)
Source: ONS

Males claimants make up 60% of the total claiming, whilst the rise in women claimants has not been as steep.

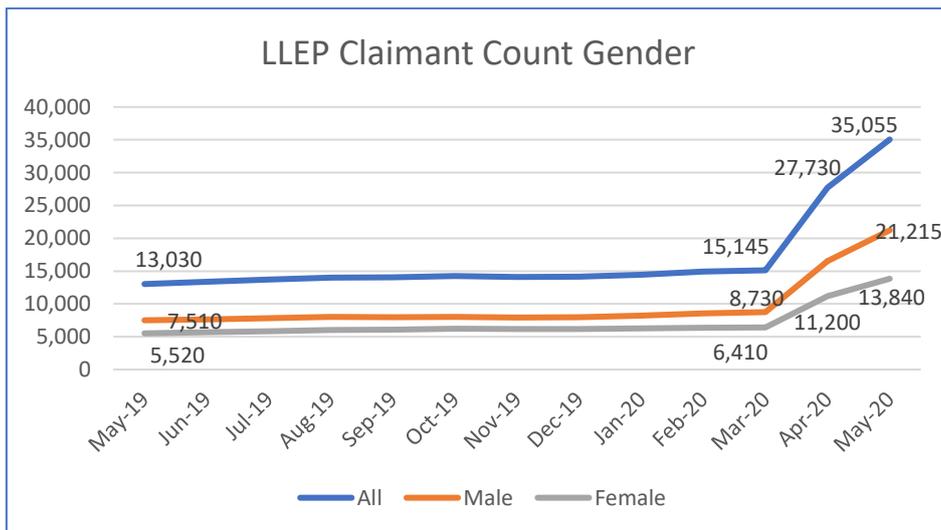


Figure 6 Claimant Count – gender
Source: ONS

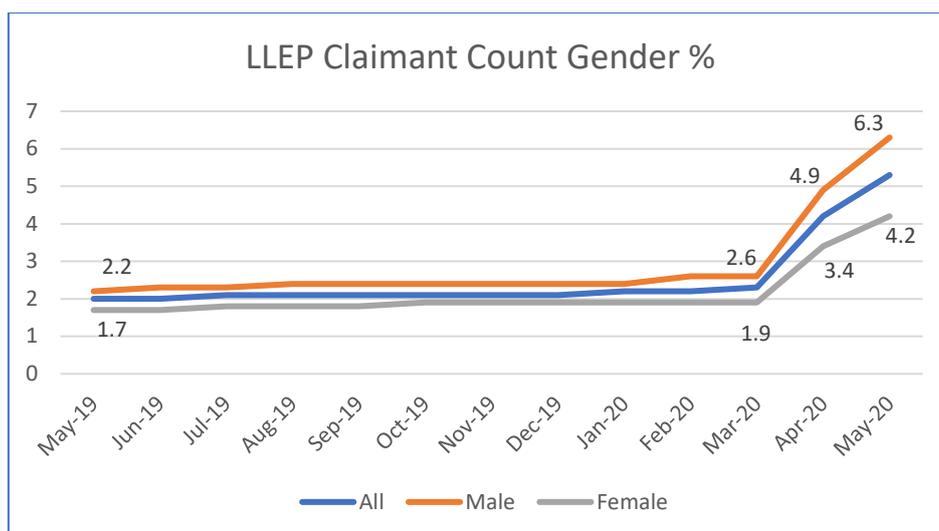


Figure 7 Claimant count by gender (%)
Source: ONS

Figure 7 shows the yearly and monthly changes in the Claimant Count by District. This data combines people claiming Universal Credit who are seeking employment and people claiming New-Style Jobseekers Allowance.

	May-19	Feb-20	Mar-20	Apr-20	May-20	Change on month	Change on year
Blaby	705	895	900	2,035	2,700	32.7%	283.0%
Charnwood	1,725	1,890	1,915	3,930	4,840	23.2%	180.6%
Harborough	600	710	710	1,530	2,150	40.5%	258.3%
Hinckley and Bosworth	1,335	1,415	1,400	2,795	3,165	13.2%	137.1%
Leicester	6,605	7,840	8,020	12,825	16,500	28.7%	149.8%
Melton	645	600	625	1,160	1,370	18.1%	112.4%
North West Leicestershire	955	1,025	1,035	2,220	2,740	23.4%	186.9%
Oadby & Wigston	460	545	540	1,195	1,590	33.1%	245.7%

Figure 8 – Claimant Count by District
Source: DWP North and East Midlands Group, State of the Group Report, June 2020

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, and that much of what is emerging is predictive and should be interpreted with caution until such time as robust quantifiable data becomes available.

Association of Colleges publishes Recovery Plan

On 18 June the Association of Colleges (AoC) published, [Rebuild: A Skills Led Recovery Plan](#). The plan urges the government to take bold and necessary action to reduce the “post-furlough” shock, minimise the effects of coronavirus on the economy and prepare to rebuild the country. The interventions outlined by AoC would cost the treasury £3.6 million.

Key asks are:

- The guarantee of a high-quality education or training place for every 16 to 18-year-old, funded to meet their needs and the learning lost.
- Offering a suite of work-focused training programmes, including expanded traineeships and apprenticeships designed to get young people into jobs as soon as they become available and including a comprehensive bursary system and incentives for employers.
- Provision of support for adults who lose their jobs to train or retrain flexibly up to higher-level technical/professional level, aimed at getting them back into the workforce as quickly as possible, with additional training to manage their transition once back in work.

IPPR Briefing: Public Finances after Coronavirus

The Institute for Public Policy Research has produced a report, [Inside the Black Box](#) which considers the implications of the Covid-19 crisis for the UK public finances. In addition, they have developed an interactive forecasting tool for public sector deficit and debt, designed to meet the following objectives.

1. It should produce plausible probability forecasts of the public finances.
2. It should remain accessible to non-specialists.

A number of potential scenarios can be explored to account for the various factors which might impede or hasten economic recovery. The report and forecasting tool can be accessed at the link given above.

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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.

APPENDIX A: Estimated employments furloughed in Leicester and Leicestershire by sector

Sector	England Employment 2018 (ONS)	England Employment Furloughed to 31 May 2020 (HMRC)	% of sector furloughed	Leicester Employment 2018 (ONS)	Leicester estimate	Leicestershire Employment 2018 (ONS)	Leicestershire Estimate	LLEP Area Employment 2018 (ONS)	LLEP Area Estimate
Agriculture, forestry and fishing	348,500	31,300	9.0%	25	2	6,000	539	6,025	541
Mining, quarrying and utilities	318,000	12,900	4.1%	1,250	51	9,500	385	10,750	436
Manufacturing	2,108,500	831,000	39.4%	20,000	7,882	39,500	15,568	59,500	23,450
Construction	1,279,500	679,600	53.1%	4,500	2,390	17,500	9,295	22,000	11,685
Wholesale, Retail, Motor Vehicle Repair	4,119,000	1,609,800	39.1%	24,500	9,575	53,500	20,909	78,000	30,484
Transport and storage	1,301,500	303,300	23.3%	4,000	932	23,500	5,476	27,500	6,409
Accommodation and food services	2,004,500	1,403,000	70.0%	9,000	6,299	20,500	14,348	29,500	20,648
Information and communication	1,166,500	168,000	14.4%	5,000	720	8,000	1,152	13,000	1,872
Financial and insurance services	911,000	62,800	6.9%	4,500	310	6,500	448	11,000	758
Property	517,500	128,500	24.8%	2,000	497	4,500	1,117	6,500	1,614
Professional, scientific and technical activities	2,426,500	495,800	20.4%	8,000	1,635	31,000	6,334	39,000	7,969
Business Administration and support services	2,428,000	644,800	26.6%	15,000	3,984	27,000	7,170	42,000	11,154
Public administration and defence	1,029,500	4,400	0.4%	9,000	38	11,500	49	20,500	88
Education	2,318,000	213,400	9.2%	21,000	1,933	26,000	2,394	47,000	4,327
Health	3,348,500	332,000	9.9%	30,000	2,974	23,500	2,330	53,500	5,304
Arts entertainment recreation & other services	1,216,000	357,000	29.4%	9,000	2,642	15,000	4,404	24,000	7,046
Other		1,418,000							
Total	26,841,000	8,695,600	32.4%	166,775	41,866	323,000	91,920	489,775	133,785

Source: HMRC, ONS

Methodological note: experimental statistics available from HMRC give the numbers of employments furloughed by Local Authority and at a national level the number of CJRS employments furloughed by sector. Therefore, we have used ONS data for the numbers employed in each

sector nationally to calculate the percentage of employments furloughed. These percentages have then been applied to the numbers employed in each sector in Leicester and Leicestershire. Whilst this gives an estimate of the numbers furloughed, the data should be treated with caution as:

- ONS employment data is subject to rounding
- The overall percentages furloughed in each sector may differ at a local level from the national average
- There is a discrepancy of **4,085** between the actual number of employments furloughed in Leicester and Leicestershire (**129,700**) and the estimated number using sector percentages (**133,785**) due to the above factors.

Therefore the data should be interpreted as an indication only of the potential numbers furloughed in each sector in the local area based on analysis of the information available.