

LLEP Business and Economic Intelligence Update

Issue 19 – 30 April 2021

Contents

1.	Economic Roundup	1
	Government Announcements	1
	Research Reports.....	2
2.	Claimant Count	2
3.	Universal Credit Claimants.....	7
4.	Job Postings	8
5.	Business Closures and Incorporations.....	11
6.	Useful Links.....	15

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

Business rates relief boosted with new £1.5 billion pot. Business ratepayers adversely affected by COVID-19 are to get a discount on their bills. This will include:

- New Business Rates relief fund of £1.5 billion for businesses affected by COVID-19 outside the retail, hospitality, and leisure sectors.
- Targeted support delivered as appeals against rates bills on basis of material changes of circumstance due to the pandemic to be ruled out.

Fresh wave of grant funding launched as councils are called on to do their bit to continue supporting businesses. Hard-pressed businesses across the economy will receive fresh support from the new £5 billion [Restart Grants scheme](#) (launched 01/04/2021).

Businesses in England in the non-essential retail sector will be eligible for one-off grants of up to £6,000, while businesses in the hospitality, accommodation, leisure, personal care and gym sectors, will be eligible for one-off grants of up to £18,000. The £5 billion of government funding available through the Restart Grants scheme will be delivered by local authorities.

This is coupled with £425 million of top-up funding for the ongoing Additional Restrictions Grant scheme for councils to distribute to businesses in particularly urgent need of additional support – which could also be businesses who don't necessarily pay business rates like tour operators, B&Bs, caterers, freelancers and wedding service providers.

Research Reports

Catch-Up: An Education Recovery Plan, this survey from the Association of Colleges highlights the extent of damage to students' education during the pandemic, suggesting that three quarters (77%) of 16 to 18-year-olds are performing below normal expectations, between one and four months behind, with a similar number of adult students (69%) also below where they would normally be at this point in the academic year.

The impact on older workers is examined in a report from the Resolution Foundation, **A U-Shaped Recovery**, reporting that the pandemic has impacted on the ability of older workers to re-enter the labour market, and that this is compounded by lower wage levels.

The British Chambers of Commerce and Barclays LifeSkills reported on their recent work looking into workforce skills, needs and opportunities post-pandemic. In The **Next Normal: Futureproofing the Workforce for a Post-Pandemic World**, they conclude that the skills and capabilities necessary for workforces to thrive will be different and broader post-pandemic. They suggest a blueprint for future-proofing the workforce through more flexible, more supportive and more digital forms of working.

2. Claimant Count

In March 2021 the claimant rate in the Leicester and Leicestershire area was 5.3%. This translates to 35,640. In February the figure was 5.3% (35,250). The claimant rate in England was 6.6%. This is 1.3 percentage points higher than the local figure.

The picture was very different in the city and county with Leicester having a claimant rate of 7.8% and Leicestershire 4%. This is a difference of 3.8 percentage points. Leicester's claimant rate is 1.2 percentage points higher than the England average (6.6%).

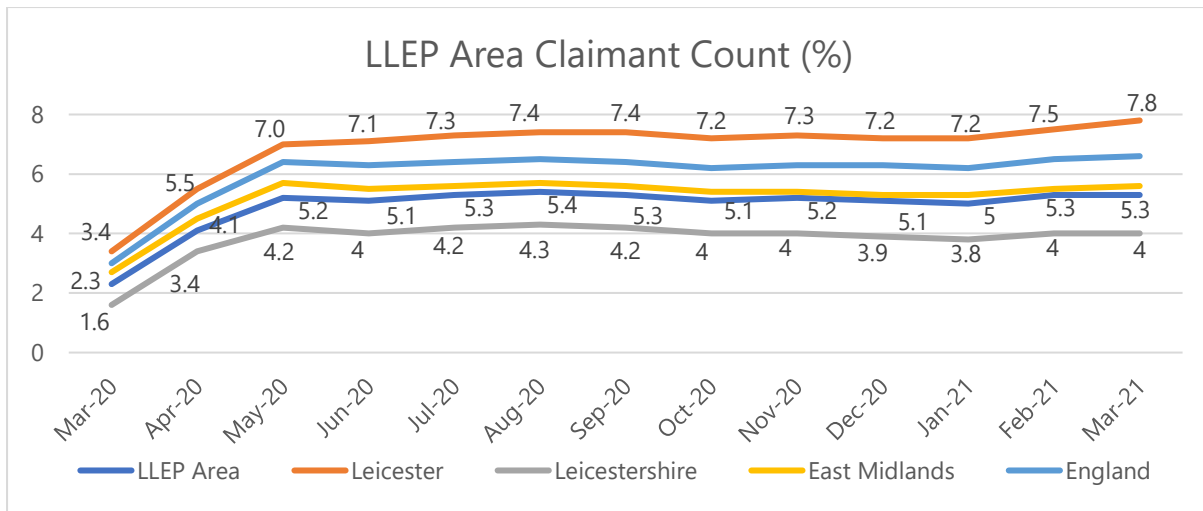


Figure 1 LLEP Area Claimant Count (%) March 20 – March 2021
Source: ONS

Of the 35,640 claimants over half (51.4% or 18,310) were based in Leicester. The claimant rate in both Leicester and Leicestershire grew from January to March. This was also the case nationally.

In March 2020 the claimant rate was 2.3% (or 15,145). Between March 2020 and the end of March 2021 the claimant rate increased by 3 percentage points to 5.3% (35,640). This translates to an additional 20,495 claimants or a percentage increase of 135.3%.

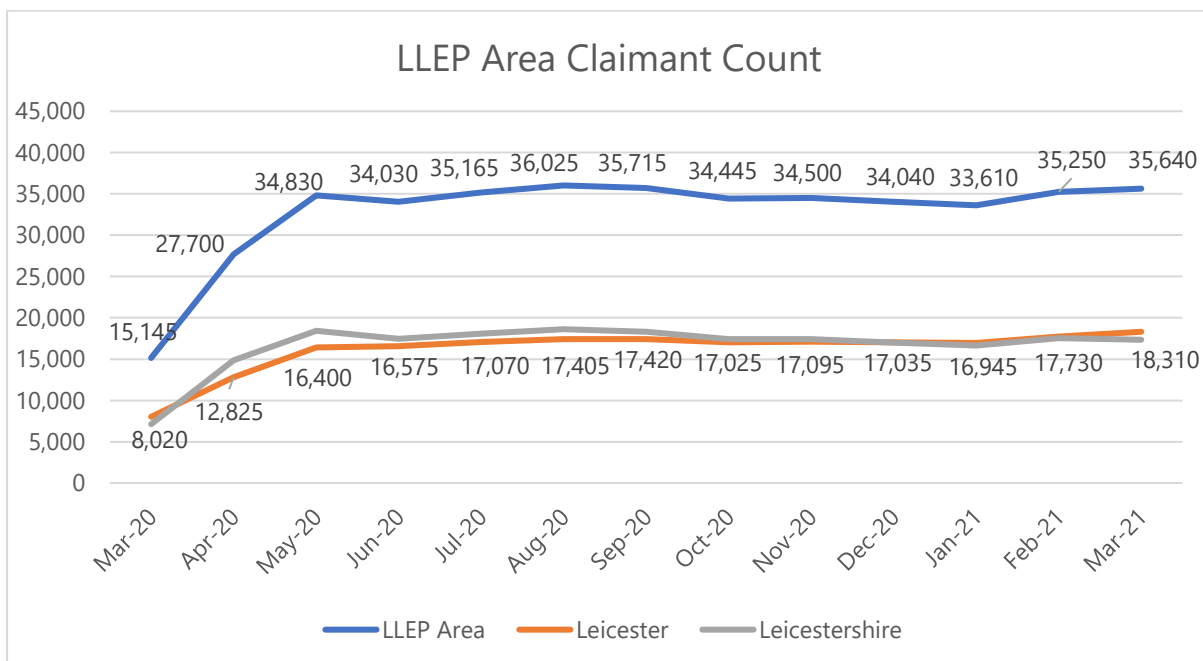


Figure 2 LLEP Area Claimant Count March 2020 - March 2021
Source: ONS

Over the period March to August 2020 the number of claimants rose from 15,145 to 36,025. This was a rise of 20,880 claimants. The majority of this was experienced over the period March to May 2020. From August to January there was a slow but continuous fall in the

number of claimants. Since January there has been growth in claimants. The sharp rise in claimants in March to May last year followed by small falls and then growth in claimants, reflects the initial shock of the pandemic and the uncertainty that followed. There is still uncertainty on how the pandemic will impact business and jobs.

The pandemic has affected all age groups. March figures demonstrate that there were on average a larger share of 18-24 years olds (6.2%) who were claimants than 25-49 years olds (5.9%) and claimants that were 50 and over (4.4%). From January to March this year all three age groups saw a rise in their claimant rates but from February to March these were static.

From March 2020 the number of claimants who were 18-24 grew by 3.6 percentage points, those who were 24-49 by 3.3 percentage points and those who were 50 and over by 2.6 percentage points. Nationally the claimant rates were significantly higher for 18-24 years olds (9.2%), 25-49 years olds (7.1%) and those who are 50 and over (5.2%).

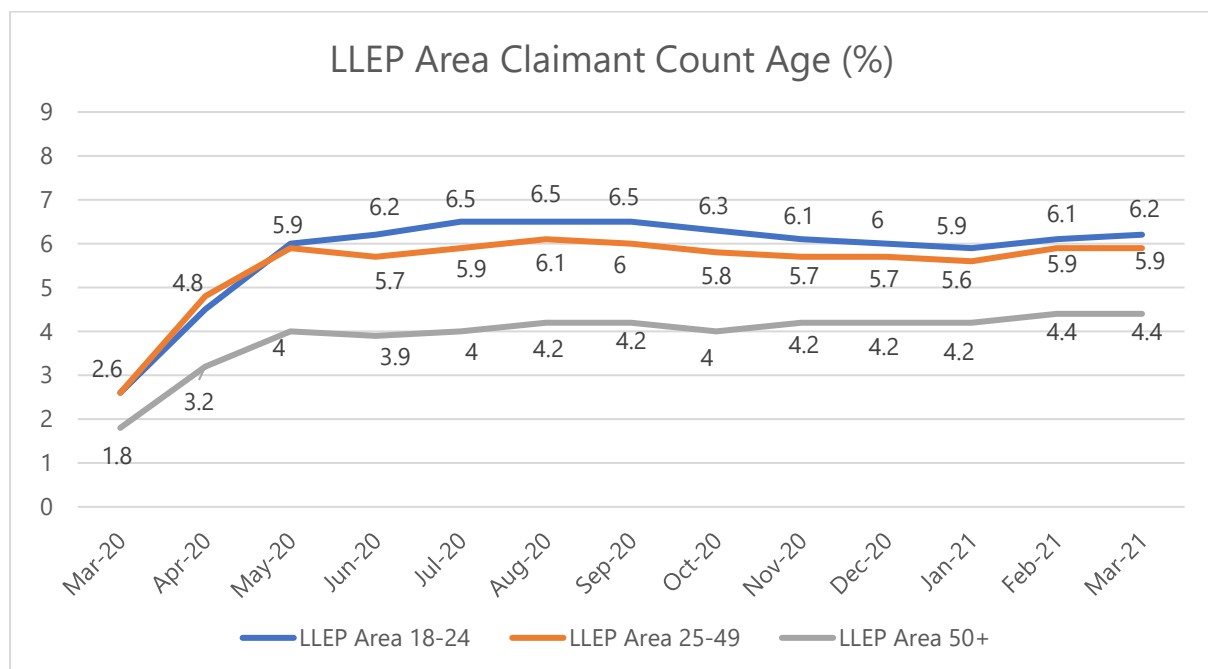


Figure 3 LLEP Area Claimant Count by Age (%) March 2020 – March 2021
Source: ONS

Figure 4 below demonstrates the claimant rate for 18-24 years olds for the Leicester and Leicestershire area and its component parts and compares these with the national average.

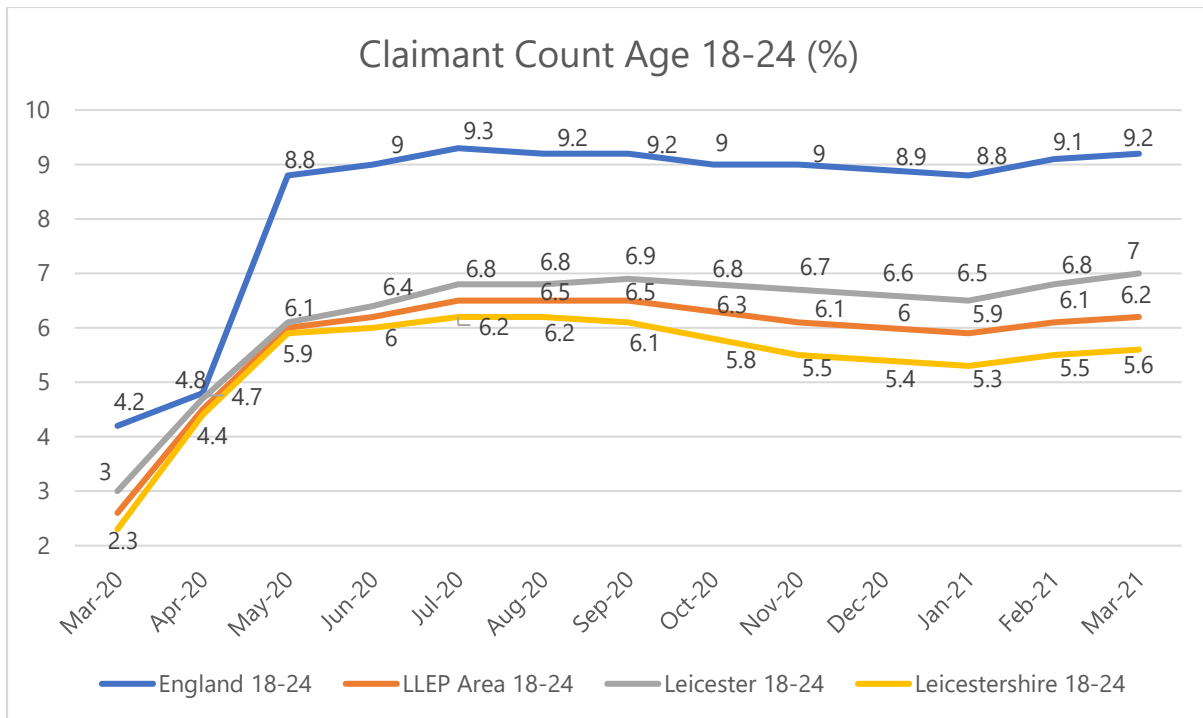


Figure 4 LLEP Area Claimant Count by Claimants Aged 18-24 (%) March 2020 – March 2021
Source: ONS

Male claimants totalled 20,690 (6.2%) and 14,955 (4.5%) were female. Both male and female claimant rates saw a rise in the number of claimants from February to March 2021.

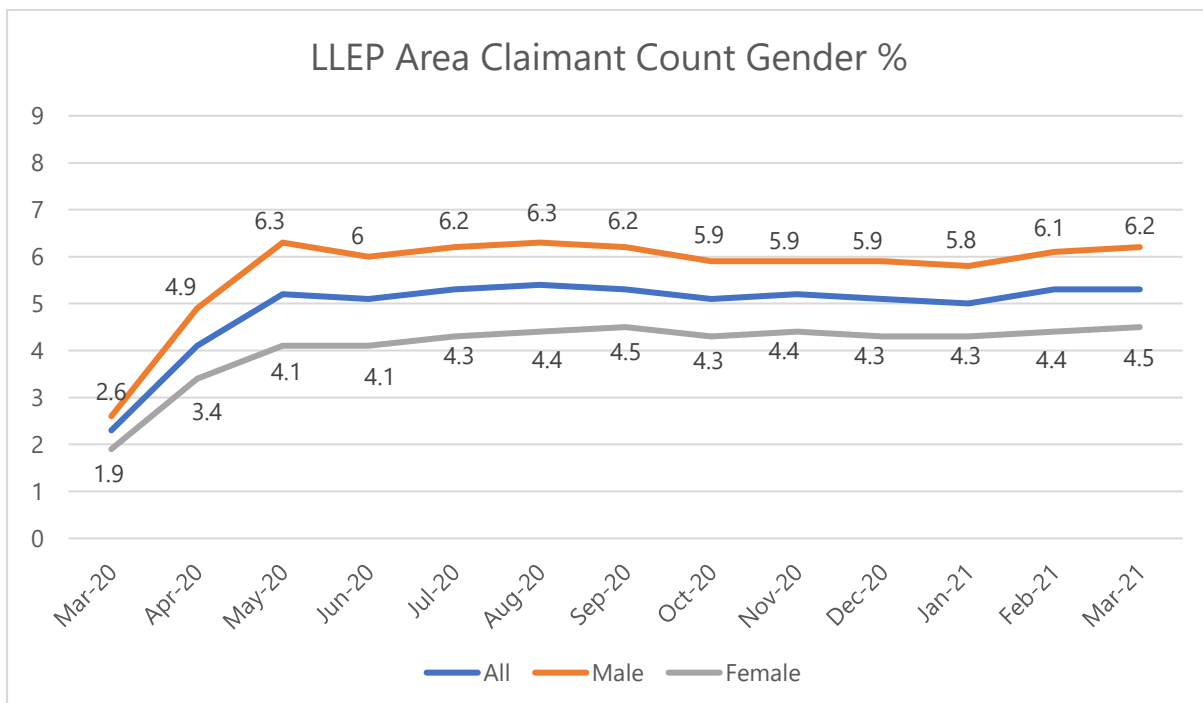


Figure 5 LLEP Area Claimant Count by Gender (%) March 2020 - March 2021
Source: ONS

The figure below demonstrates the number of claimants in the Leicester and Leicestershire area over the period March 2013 to March 2021.

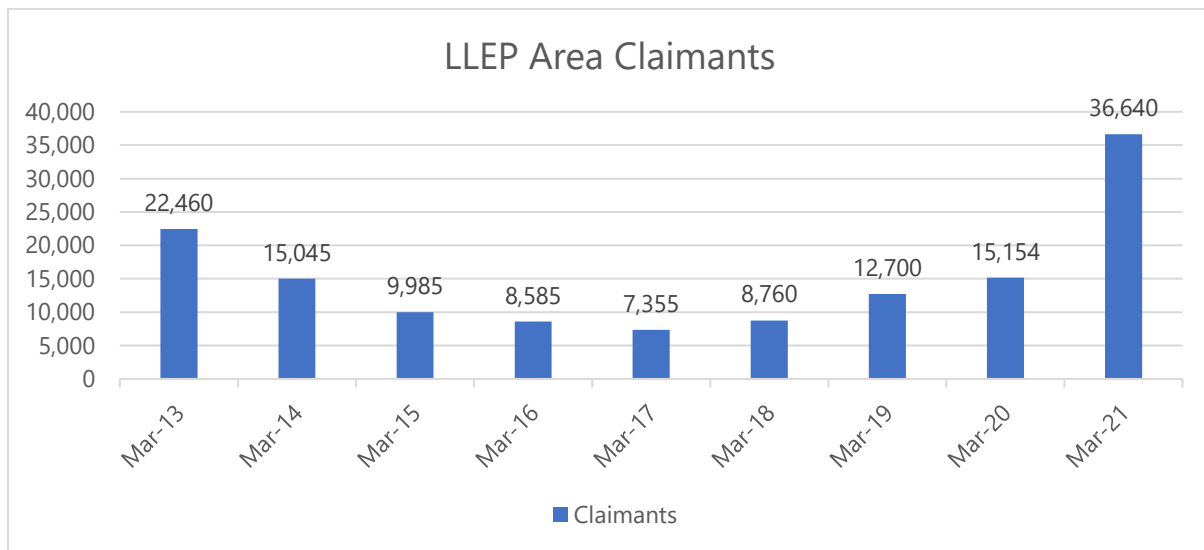


Figure 6 LLEP Area Claimant Count March 2013 – March 2021
Source: ONS

The figure below demonstrates the number of claimants at a district level.

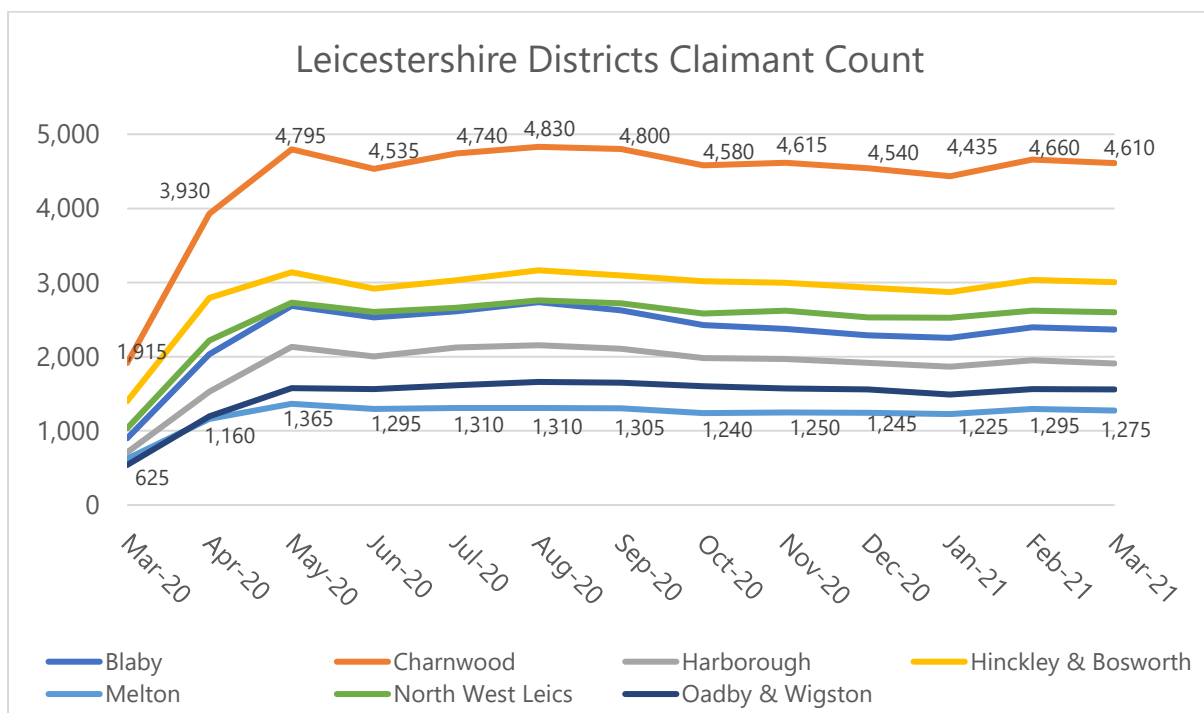


Figure 7 LLEP Area District Claimant Count March 2020 – March 2021
Source: ONS

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. Universal Credit Claimants

Universal Credit claimants are placed in a conditionality group based on their circumstances and work capability and this determines what is expected of them during their claim.

In the Leicester and Leicestershire area most of the claimants are in either the working conditionality group or the searching/planning/preparing for work group. When compared to March figures for 2020 all three groups identified have seen growth in their numbers. At 37,993 those searching, planning, or preparing for work in March 2021 is currently at its highest point.

Since March 2020 there has been a steady rise in the number of people who are not seeking work with numbers more than doubling during the period. In 2021 there was a decrease but figures for March show another rise.

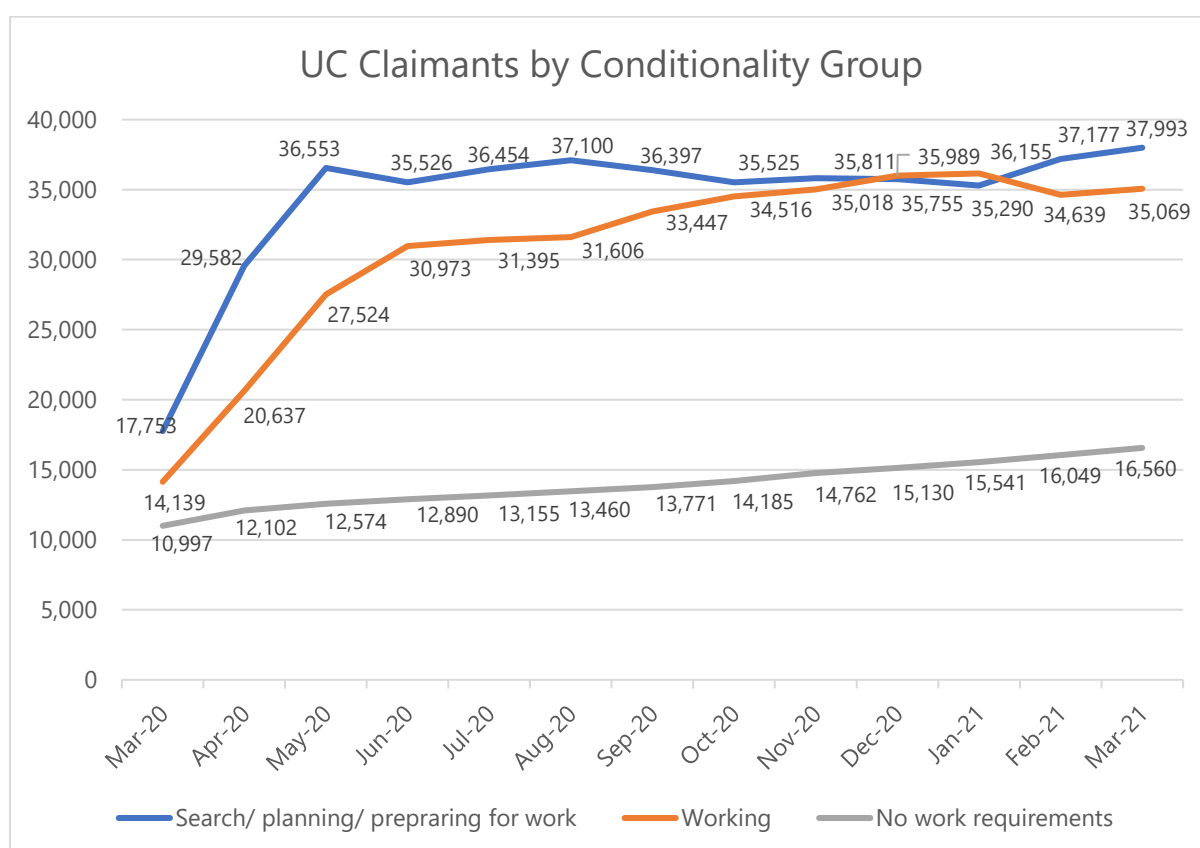


Figure 8 LLEP Area Universal Credit Claimant Count by Conditionality Group March 2020 – March 2021
Source: DWP via Stat-Xplore

	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
Search/ planning/ preparing for work	17,753	29,582	36,553	35,526	36,454	37,100	36,397	35,525	35,811	35,755	35,290	37,177	37,993
Working	14,139	20,637	27,524	30,973	31,395	31,606	33,447	34,516	35,018	35,989	36,155	34,639	35,069
No work requirements	10,997	12,102	12,574	12,890	13,155	13,460	13,771	14,185	14,762	15,130	15,541	16,049	16,560

Table 1: LLEP Area Universal Credit Claimant Count by Conditionality Group March 2020 – March 2021

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 Leicester and Leicestershire 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 2 demonstrate unique job postings by occupation for March 2021. These are compared with February 2020, March 2020, and February 2021. Standard Occupation Codes are at a two-digit level.

The unique Job posting figure for March 2021 is higher for March 2020 by 3,624 (34,368 compared to 30,744).

Over the last month the number of job postings grew from 27,585 to 34,368. This is a rise of 6,783 postings or 24.6%.

In terms of numbers over the last year there have been rises in job postings in all but 7 of the occupation areas. The occupation area that saw the largest fall was Textiles, Printing and other Skilled Trades. In the last month all occupations areas saw growth in the numbers of unique postings.

Over the last year the occupation areas that saw the largest growth in numbers of unique job postings were Elementary Administration and Service Occupations, Transport and Mobile Machine Drivers and Operatives, Skilled Metal, Electrical and Electronic Trades and Corporate Managers and Directors.

2 Digit SOC	Occupation	Feb 2020 Unique Postings	Mar 2020 Unique Postings	Feb 2021 Unique Postings	Mar 2021 Unique Postings	Annual Growth	Annual Growth %	Monthly Growth Feb to Mar	Monthly Growth % Feb to Mar	Cumulative Growth from Mar	Cumulative Growth % from Mar
11	Corporate Managers and Directors	1,647	1,561	1,558	1,948	387	24.8	390	25.0	387	25
12	Other Managers and Proprietors	555	527	499	587	60	11.4	88	17.6	60	11
21	Science, Research, Engineering and Technology Professionals	2,703	2,693	2,416	2,864	171	6.3	448	18.5	171	6
22	Health Professionals	1,809	1,787	1,849	2,062	275	15.4	213	11.5	275	15
23	Teaching and Educational Professionals	1,199	1,334	1,092	1,178	(156)	-11.7	86	7.9	(156)	(12)
24	Business, Media and Public Service Professionals	1,740	1,732	1,665	2,101	369	21.3	436	26.2	369	21
31	Science, Engineering and Technology Associate Professionals	1,531	1,385	1,321	1,583	198	14.3	262	19.8	198	14
32	Health and Social Care Associate Professionals	388	372	341	412	40	10.8	71	20.8	40	11
33	Protective Service Occupations	28	29	32	37	8	27.6	5	15.6	8	28
34	Culture, Media and Sports Occupations	435	412	232	350	(62)	-15.0	118	50.9	(62)	(15)
35	Business and Public Service Associate Professionals	4,713	4,600	3,827	4,893	293	6.4	1,066	27.9	293	6
41	Administrative Occupations	3,219	2,933	2,452	3,147	214	7.3	695	28.3	214	7
42	Secretarial and Related Occupations	487	429	285	361	(68)	-15.9	76	26.7	(68)	(16)
51	Skilled Agricultural and Related Trades	38	34	41	41	7	20.6	0	0.0	7	21
52	Skilled Metal, Electrical and Electronic Trades	2,121	1,959	1,938	2,350	391	20.0	412	21.3	391	20
53	Skilled Construction and Building Trades	509	502	656	820	318	63.3	164	25.0	318	63
54	Textiles, Printing and Other Skilled Trades	635	638	309	407	(231)	-36.2	98	31.7	(231)	(36)
61	Caring Personal Service Occupations	2,071	2,053	1,886	2,322	269	13.1	436	23.1	269	13
62	Leisure, Travel and Related Personal Service Occupations	195	187	129	168	(19)	-10.2	39	30.2	(19)	(10)
71	Sales Occupations	697	665	419	565	(100)	-15.0	146	34.8	(100)	(15)
72	Customer Service Occupations	741	668	463	612	(56)	-8.4	149	32.2	(56)	(8)
81	Process, Plant and Machine Operatives	492	449	489	693	244	54.3	204	41.7	244	54
82	Transport and Mobile Machine Drivers and Operatives	1,586	1,587	1,530	1,997	410	25.8	467	30.5	410	26
91	Elementary Trades and Related Occupations	319	279	379	441	162	58.1	62	16.4	162	58
92	Elementary Administration and Service Occupations	1,993	1,929	1,777	2,429	500	25.9	652	36.7	500	26
Total		31,851	30,744	27,585	34,368	3,624	11.8	6,783	24.6	3,624	12

Table 2 LLEP area Job Postings by Standard Occupation Codes

Source: EMSI

Table 3 demonstrates job posting numbers by district area. Other than Leicester and Melton, figures are higher this year than last year.

Area	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
Blaby	833	695	640	799	1,027	1,286	1,469	1,703	1,742	1,757	1,727	1,355	1,751
Charnwood	4,276	3,608	3,361	3,811	3,951	4,317	4,850	5,558	5,773	5,639	5,446	4,695	5,628
Harborough	2,206	1,865	1,598	1,592	1,890	2,114	2,487	2,756	2,561	2,308	2,209	1,828	2,409
Hinckley & Bosworth	1,858	1,700	1,615	1,889	2,138	2,465	2,728	3,115	3,211	2,997	2,880	2,574	3,450
Leicester	16,860	13,474	11,699	11,538	12,079	12,395	13,553	14,792	14,917	14,760	14,360	12,064	14,399
Leicestershire	13,884	11,862	10,745	12,061	13,422	15,307	17,271	19,348	19,756	18,766	18,247	15,521	19,969
Melton	1,281	999	888	916	976	1,050	1,199	1,309	1,288	1,115	1,112	950	1,173
North West Leicestershire	2,934	2,572	2,243	2,661	3,017	3,523	3,984	4,286	4,504	4,319	4,216	3,599	4,884
Oadby & Wigston	496	423	400	393	423	552	554	621	677	631	657	520	674
Total	30,744	25,336	22,444	23,599	25,501	27,702	30,824	34,140	34,673	33,526	32,607	27,585	34,368

Table 3 Unique Job Postings by Local & District Authority
Source: EMSI

Figure 9 provides a visual representation of the job postings for the whole of the Leicester and Leicestershire area from March 2020.

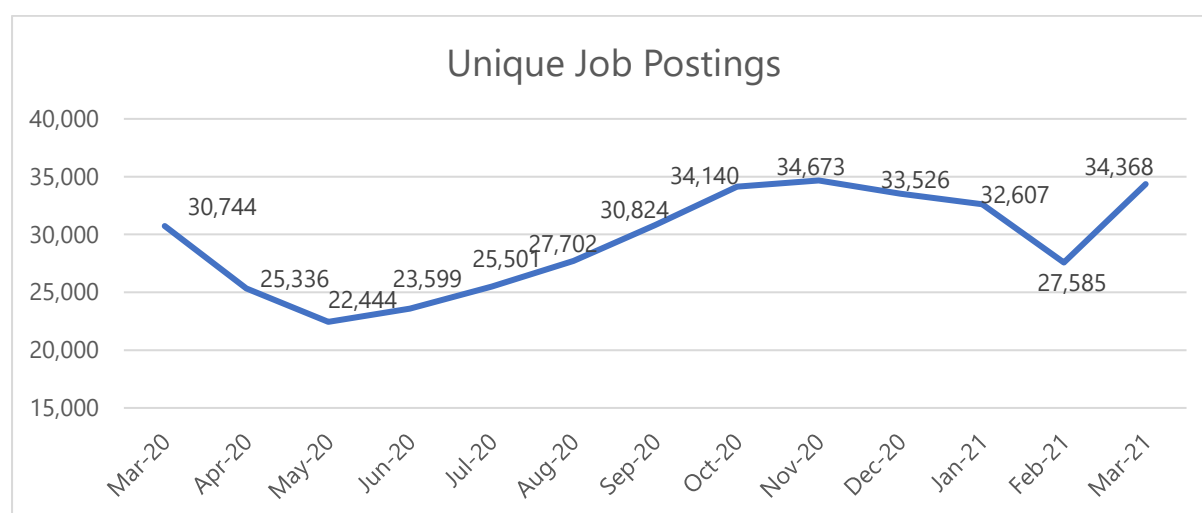


Figure 9 LLEP Area Unique Job Postings
Source: EMSI

Figure 10 provides a visual representation of job postings for the Leicester and Leicestershire areas. Job posting data in the Leicester and Leicestershire areas presents two very different pictures. In Leicestershire there were more unique job postings in March 2021 than in March 2020, this was not the case for Leicester. This demonstrates that Leicester has not recovered to pre-pandemic job posting levels.

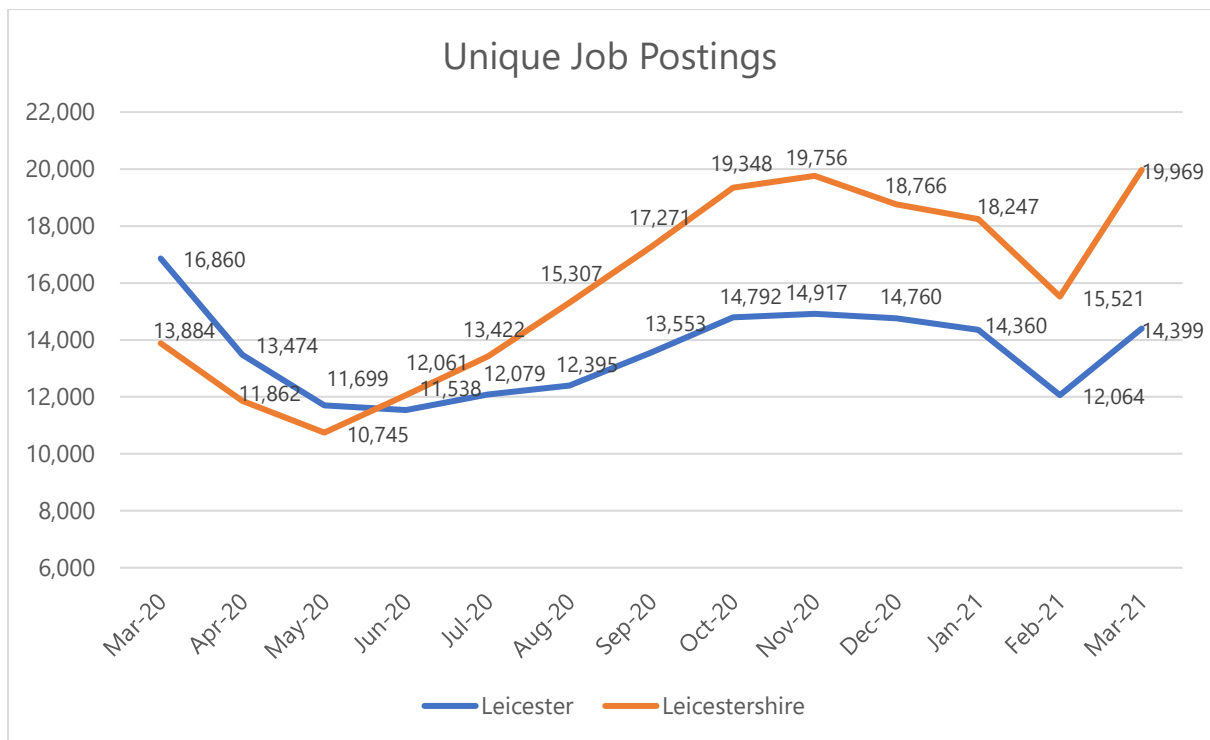


Figure10 Leicester and Leicestershire Unique Job Postings
Source: EMSI

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

5. Business Closures and Incorporations

Since the start of March 2020, 9,084 businesses have ceased trading in the Leicester and Leicestershire area. For the same period in 2019/20 the number was 8,128. This is a difference of 920 business closures.

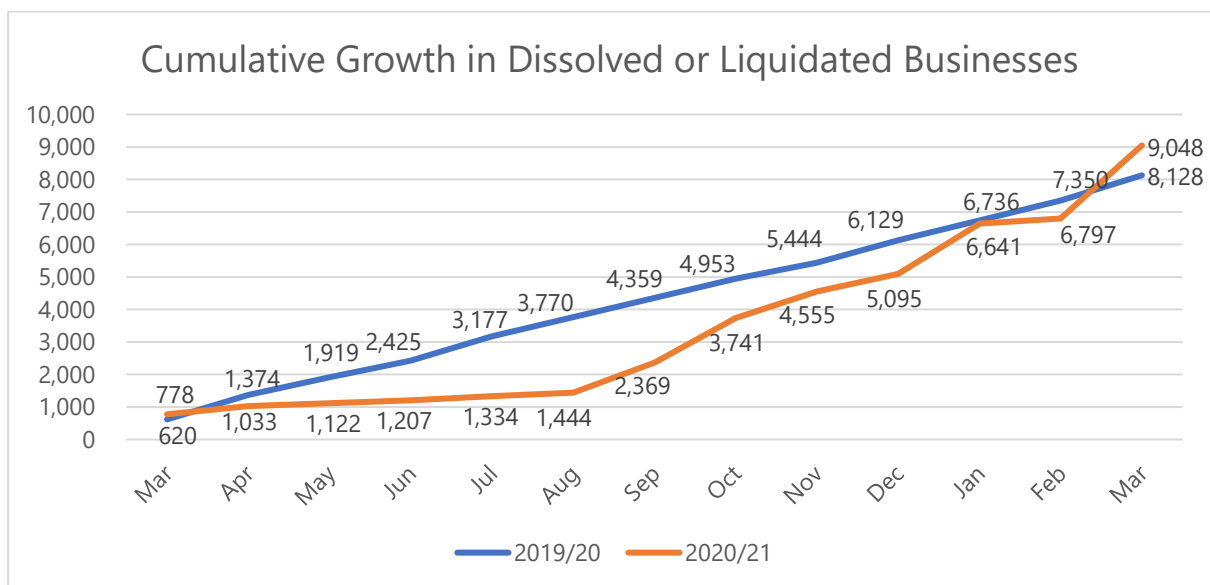


Figure 11 LLEP Area Dissolved or Liquidated Businesses Comparator
Source: BVD Fame

In March 2020 there were 778 closures. In August the number had fallen to just 110. The fall in business closures can be attributed to those measures brought in by Government during lockdown.

Figures for September and October demonstrated steep rises in businesses failures. The rise in business failures reflected the proposed closure of measures brought in by Government. However, these measures were extended. Business failures went from a high of 1,372 in October to 814 in November. In December there was a further fall to 540. After a sharp rise in January (1,546) there was a steep fall to 156 in February. The latest figure shows a significant rise to 2,251. This is the largest figure posted in 2019, 20 and 21 (so far). The figure for the same month in 2020 was 778 and 2019 607.

In 2021 there have been nearly 4,000 solved businesses. For the same period in 2020 the figure was nearly 2,000 and 2019 about 3,100.

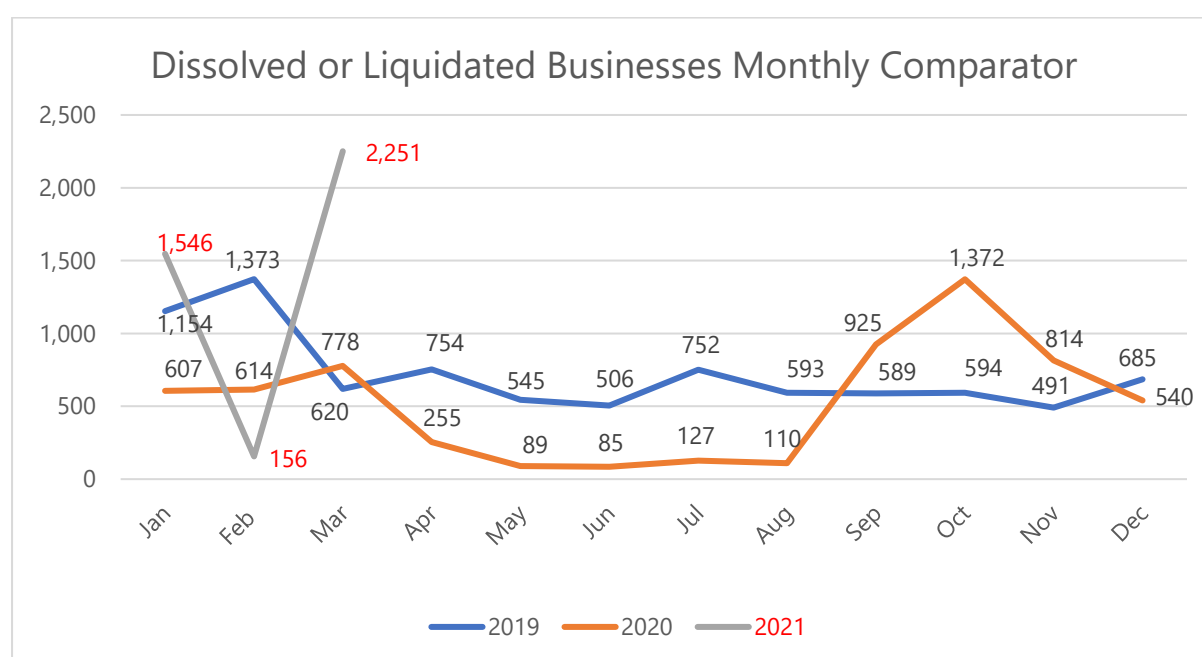


Figure 12 LLEP Areas Dissolved and Liquidated Businesses Monthly Comparator
Source: BVD Fame

Since the beginning of March 2020 13,197 businesses have been incorporated within the Leicester and Leicestershire area. Over the same period in 2019/20 11,940 businesses were incorporated. This is a difference of 1,257.

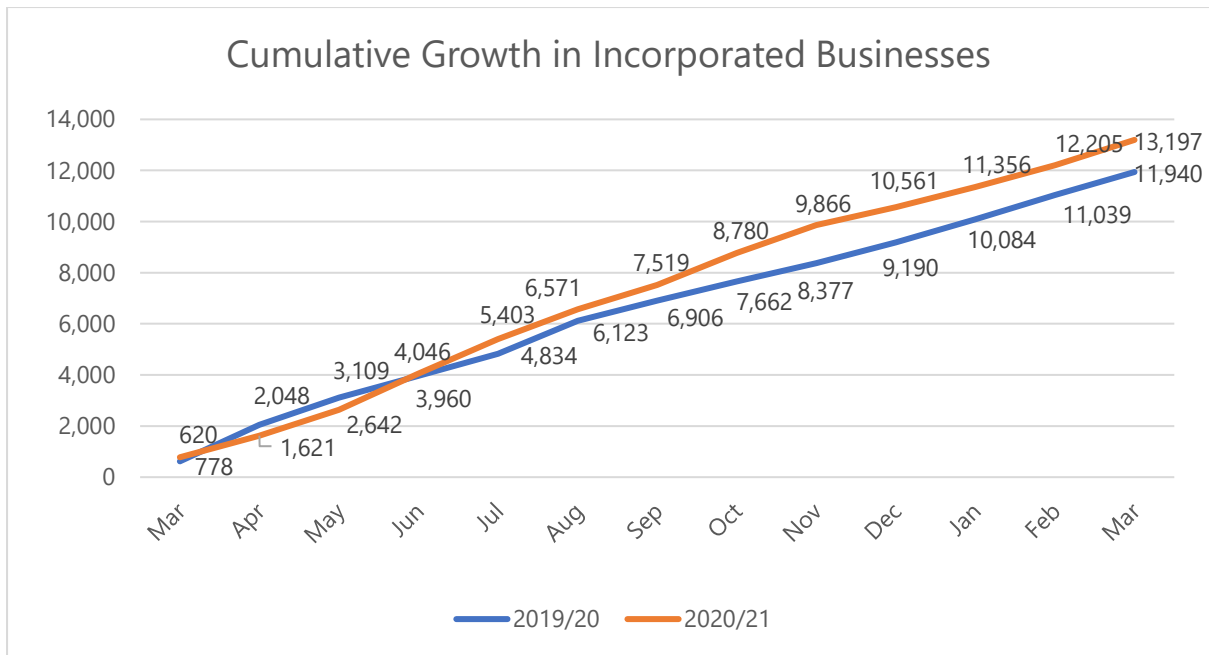


Figure 13 LLEP Area Cumulative Growth in Incorporated Businesses Comparator
Source: BVD Fame

In October of 2020 1,261 businesses were incorporated, in November 1,086 were incorporated. The number of incorporations fell significantly in December to 695. Since then figures have risen slowly over the following three months. The latest figure (March 2021) is 992. This is in line with the figure for the same period in 2020.

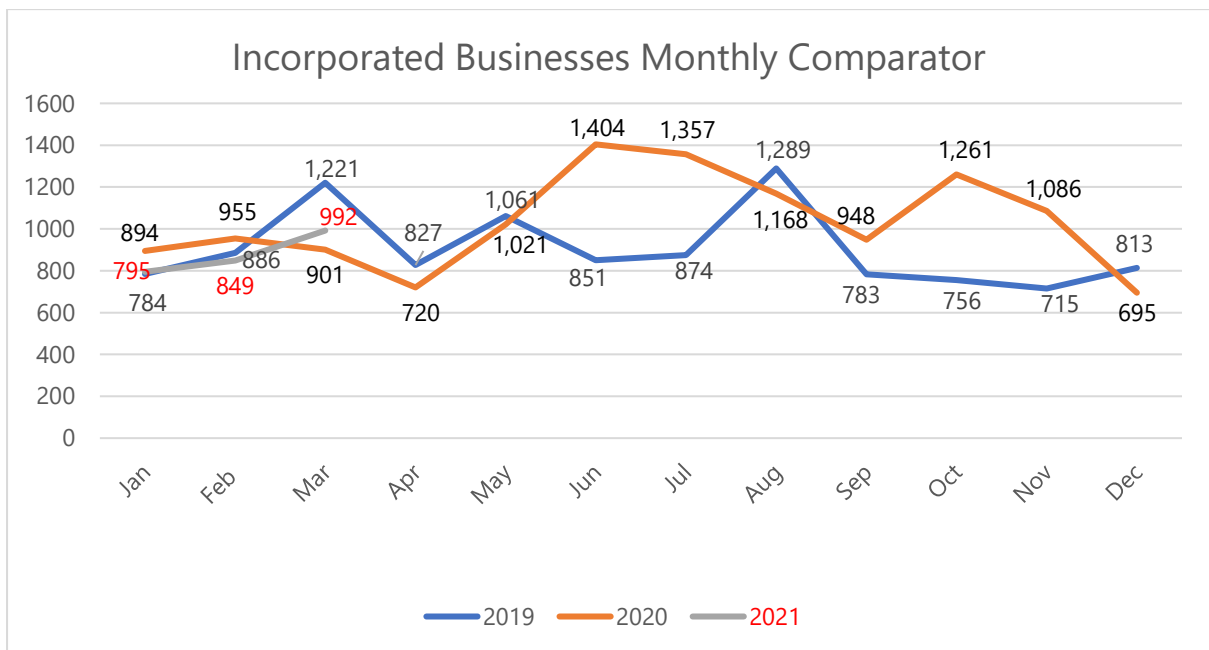


Figure 14 LLEP Area Incorporated Businesses Monthly Comparator
Source: BVD Fame

Table 7 demonstrates those sectors where there have been more than 10 business failures. For these same sectors the table also demonstrates the number of incorporations. Data contained in Table 4 is for March 2021. Table 7 also helps provide an understanding of the

impact of the pandemic on business and how different sectors are reacting to it. An example of this is that 534 office administrative, office support and other business support activities businesses were dissolved. Only 18 were incorporated. Retail sales on the other hand has seen considerably fewer dissolved businesses than incorporated ones.

Activity (prim. UK SIC 2007)	Dissolved	%	Incorporated	%	Dif Dissolved & Incorporated
Office administrative, office support and other business support activities	534	23.7	18	1.8	-516
Employment activities	336	14.9	7	0.7	-329
Other personal service activities	187	8.3	35	3.5	-152
Retail trade, except of motor vehicles and motorcycles	122	5.4	128	12.9	6
Computer programming, consultancy and related activities	91	4.0	31	3.1	-60
Activities of head offices; management consultancy activities	87	3.9	25	2.5	-62
Food and beverage service activities	69	3.1	76	7.7	7
Wholesale trade, except of motor vehicles and motorcycles	66	2.9	55	5.5	-11
Land transport and transport via pipelines	59	2.6	36	3.6	-23
Construction of buildings	56	2.5	43	4.3	-13
Real estate activities	55	2.4	120	12.1	65
Specialised construction activities	53	2.4	54	5.4	1
Human health activities	39	1.7	28	2.8	-11
Wholesale and retail trade and repair of motor vehicles and motorcycles	37	1.6	30	3.0	-7
Other professional, scientific and technical activities	33	1.5	12	1.2	-21
Education	28	1.2	21	2.1	-7
Sports activities and amusement and recreation activities	24	1.1	9	0.9	-15
Legal and accounting activities	23	1.0	9	0.9	-14
Financial service activities, except insurance and pension funding	22	1.0	34	3.4	12
Architectural and engineering activities; technical testing and analysis	22	1.0	10	1.0	-12
Warehousing and support activities for transportation	18	0.8	9	0.9	-9
Manufacture of wearing apparel	16	0.7	7	0.7	-9
Services to buildings and landscape activities	14	0.6	20	2.0	6
Manufacture of textiles	12	0.5	5	0.5	-7
Advertising and market research	11	0.5	9	0.9	-2
Manufacture of fabricated metal products, except machinery and equipment	11	0.5	4	0.4	-7
Creative, arts and entertainment activities	10	0.4	7	0.7	-3
Accommodation	10	0.4	6	0.6	-4
Information service activities	10	0.4	3	0.3	-7
Postal and courier activities	10	0.4	1	0.1	-9
Telecommunications	10	0.4	0	0.0	-10
All	2,251	100.0	992	100.0	-1,259

Table 7 LLEP Area Dissolved or Liquidated and Incorporated Businesses by Sector February 2021

Source: BVD Fame

Note: Latest figures were gained on the 13/04/2021 and they may be subject to some adjustment. Figures may also reflect delays in notification and processing of data returns to Companies House.

6. 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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