



enterprise**m3**

Delivering prosperity through innovation

Enterprise M3 Economy, Labour Market and Skills Dashboard

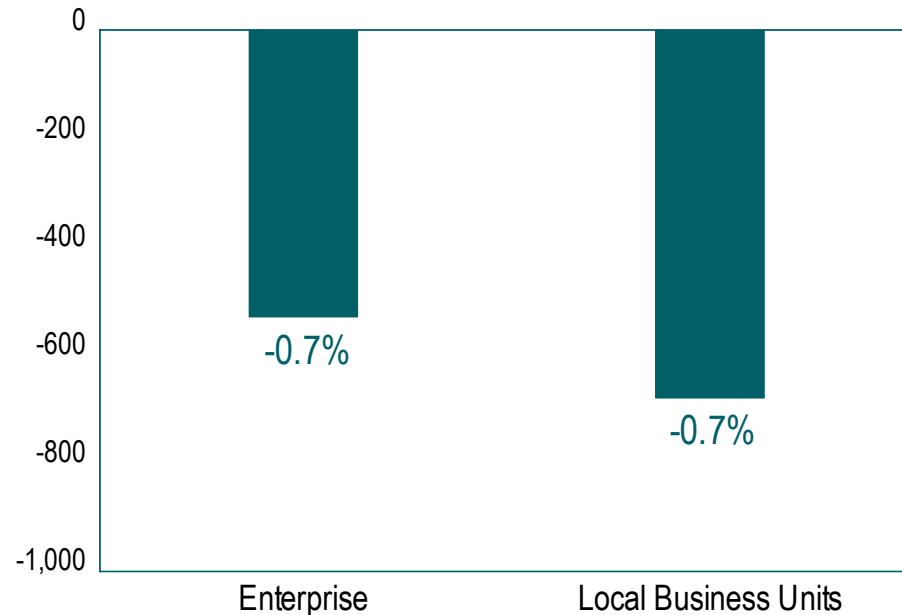
November 2021



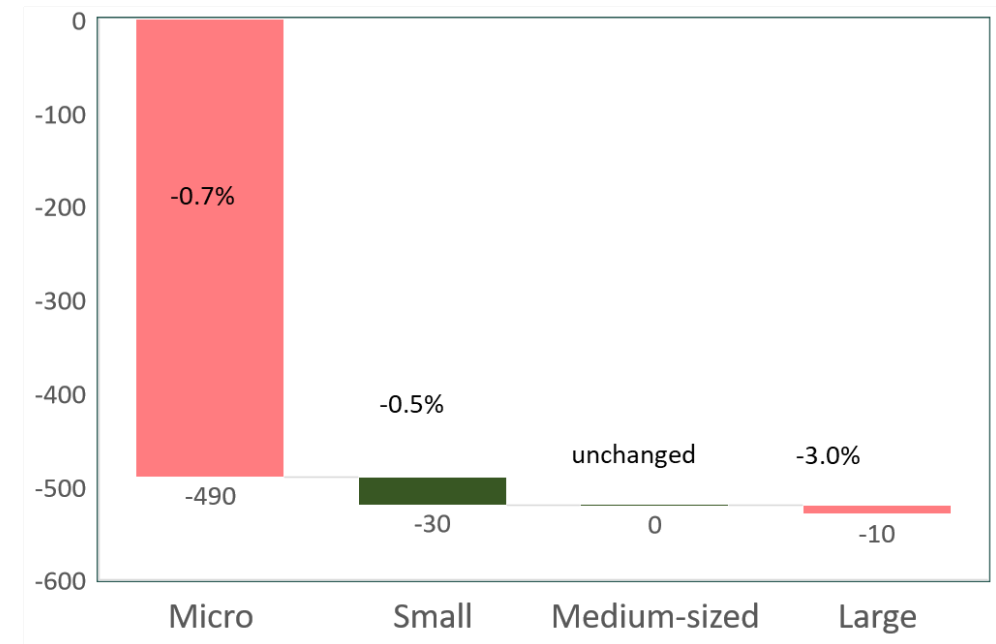
ECONOMY & BUSINESS

RELATIVELY MODEST IMPACT OF PANDEMIC ON BUSINESSES IN ENTERPRISE M3 AREA – BUT GREATER IMPACT ON MICROS AND LARGE COMPANIES

Impact on Enterprise M3 business stock
(Sept 2019 to Sept 2020)



Breakdown by size of the enterprise
(2019 to 2020)



Source: ONS (2021)

- Relatively modest impact on business stock
- The role of business support measures in dampening the impact
- Greater Impact on large and micro enterprises

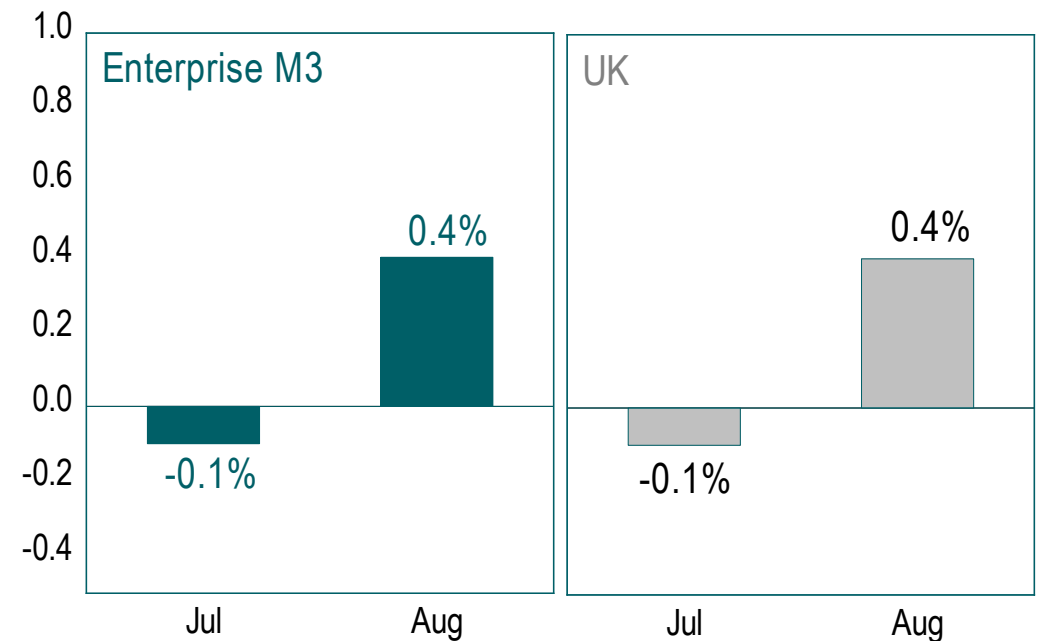
ECONOMIC RECOVERY SLOWS DOWN IN THIRD QUARTER

UK growth slowed from 5.5% in Q2 (March to June) to 1.3% in Q3 (July to September)

Economic growth in Q3 driven by consumer services (hospitality, arts & recreation) and health

Evidence of further slowdown in consumer sentiment and spending

Estimated growth in GVA



Source: ONS (2021) and EBIS estimates

RECOVERY HAS ENTERED MORE CHALLENGING PHASE

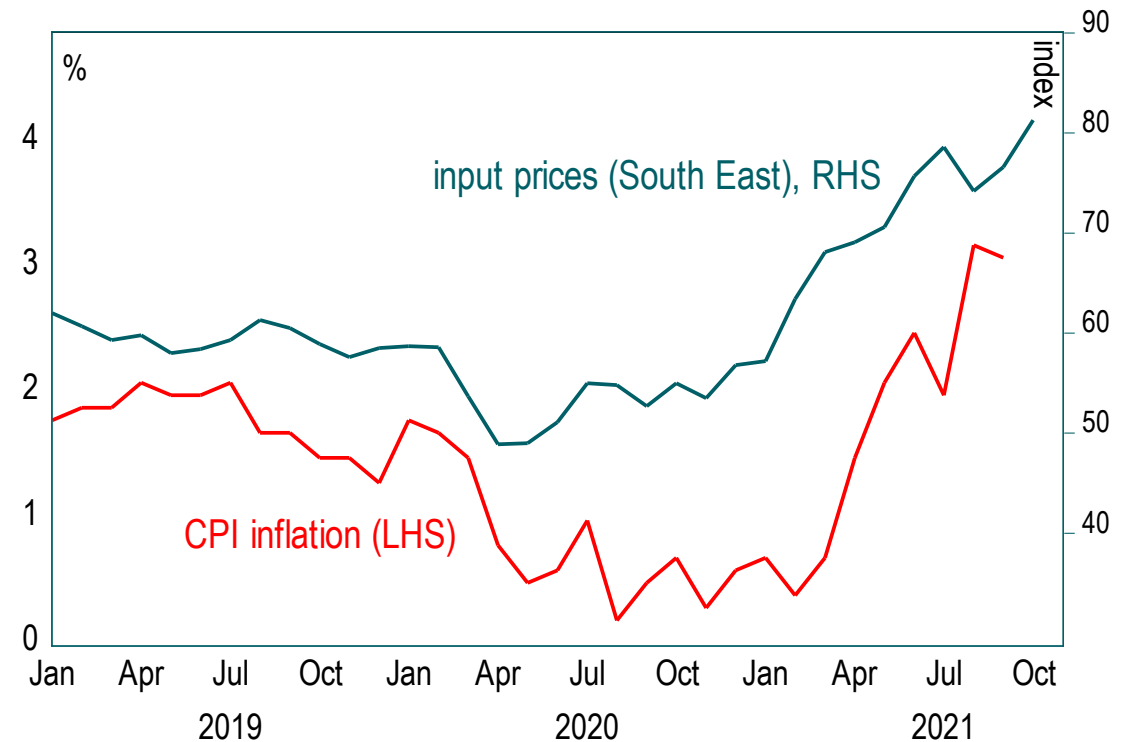
5th consecutive decrease in retail sales in September

Consumer sentiment falls back to April 2021 level

Factory prices in the South East increased at fastest pace since January 1997 in October

Sharp increase in inflation but Bank of England leaves the rates unchanged in November

Input (factory) prices and inflation



Source: ONS (2021)

HEIGHTENED UNCERTAINTY LIKELY TO DAMPEN BUSINESS ACTIVITY AND GROWTH OVER THE SHORT-TERM

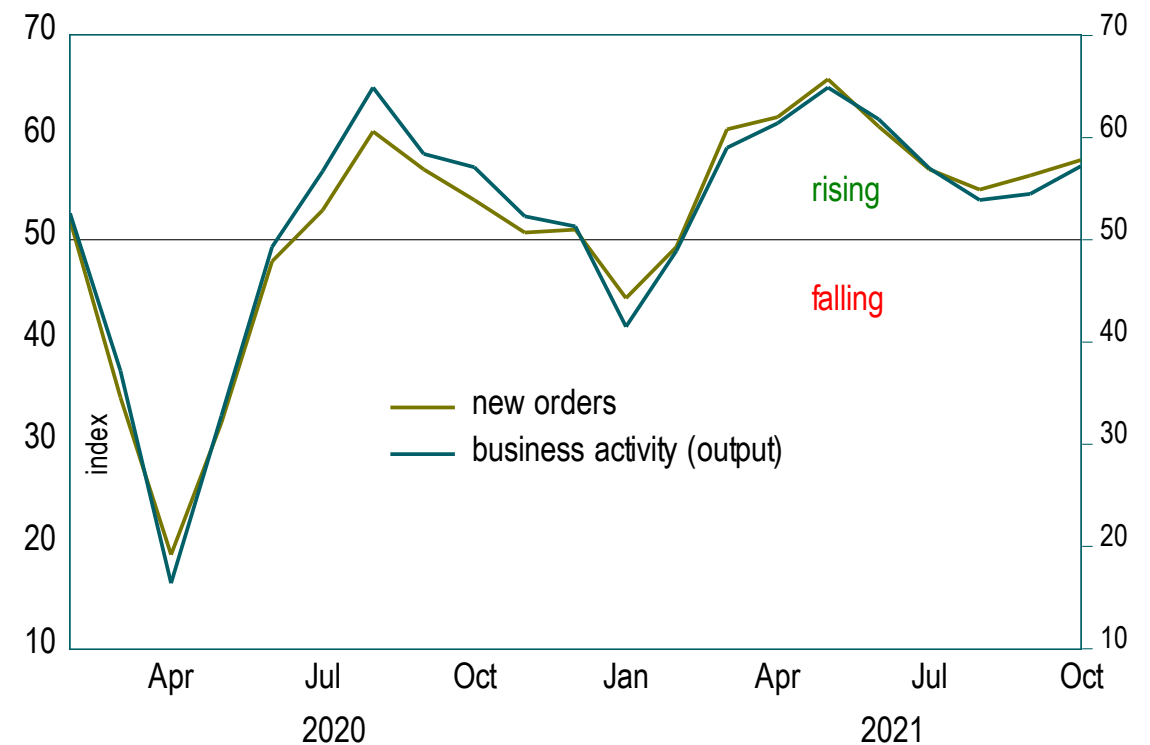
Business activity stronger than expected in October

Supply problems, higher fuel/energy/staff costs and Brexit hit the recovery

The near-term outlook for economic growth is looking more challenging

Labour demand in Enterprise M3 remains strong

Business activity and new orders – South East



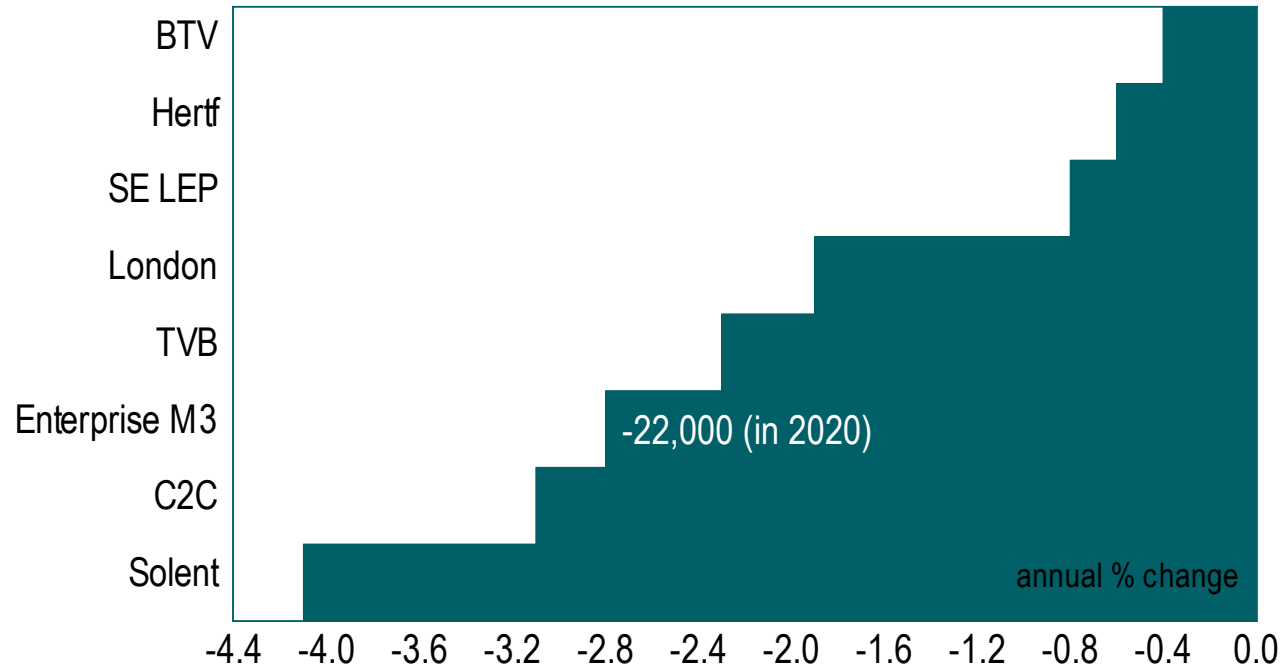
Source: Markit/NatWest (2021)



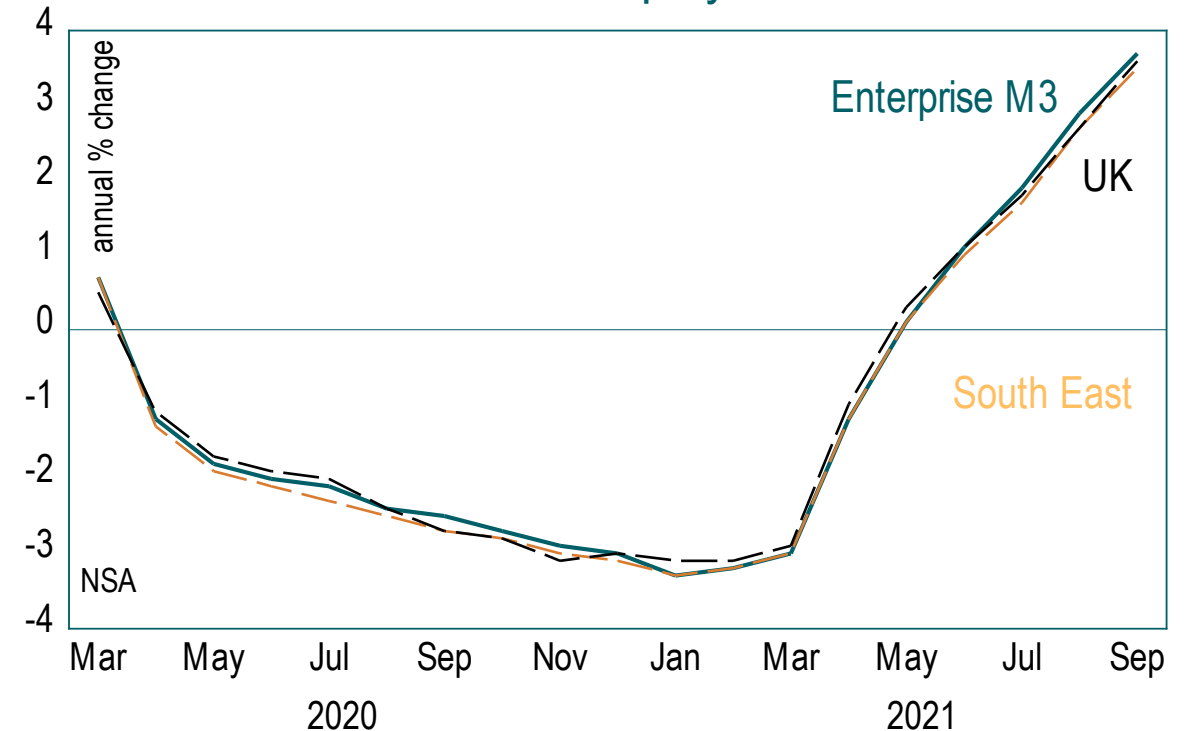
LABOUR MARKET & SKILLS

SIGNIFICANT IMPACT OF THE PANDEMIC ON JOBS IN EM3 AREA BUT STRONG RECOVERY IN RESIDENTS' EMPLOYMENT

Jobs in 2020



Growth in resident employment



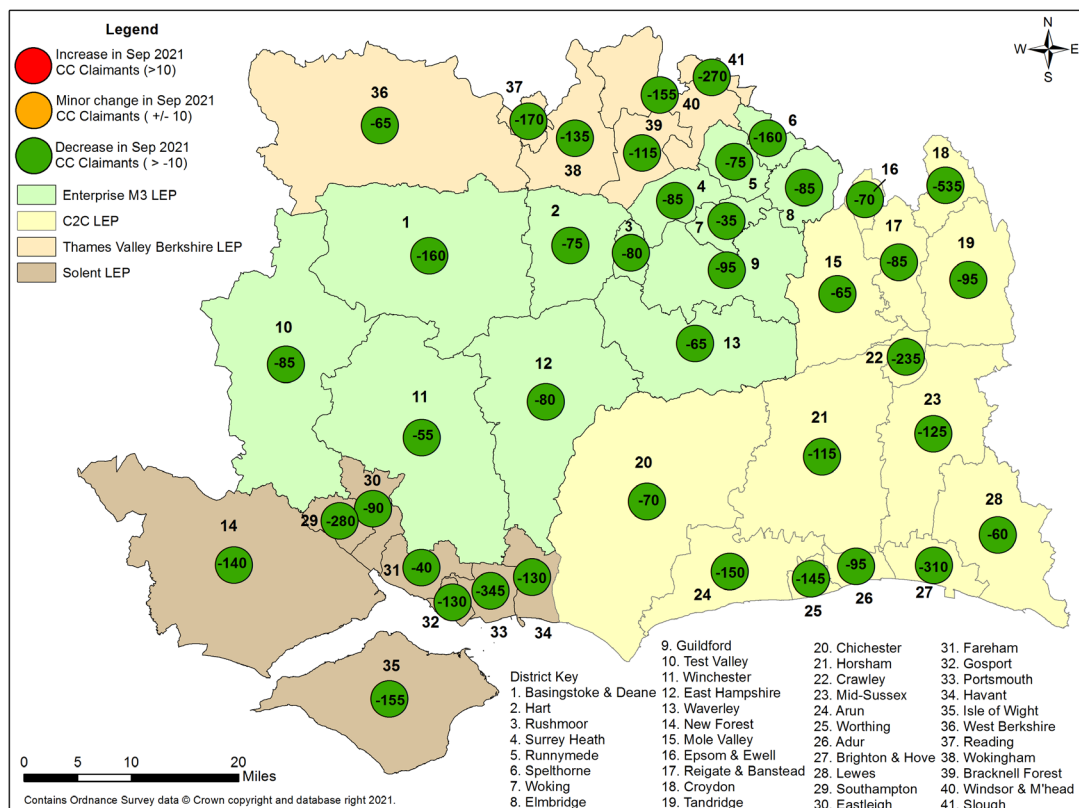
Sector changes

- Rising employment → finance & insurance, ICT, construction and real estate.
- Falling employment → admin & support; wholesale & retail, accommodation & food, professional services, manufacturing

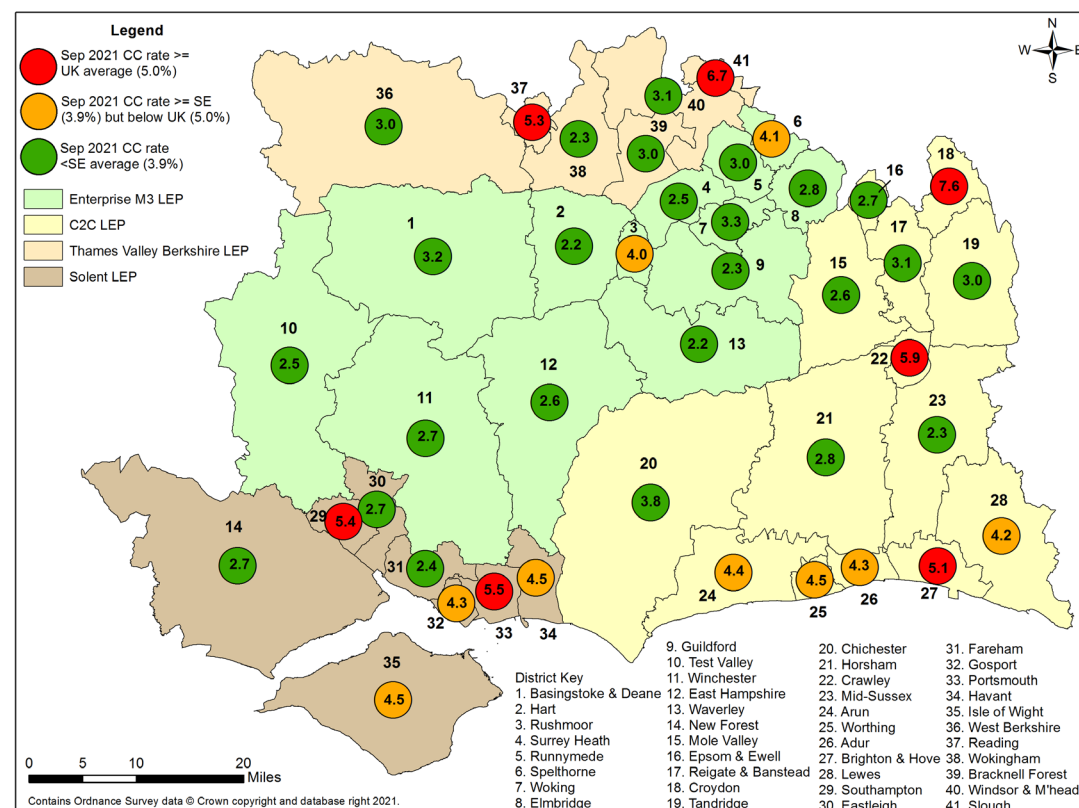
- +15,200 payrolled employees (residents in employment) in Q3, +2% on previous quarter and 3.7% on the year
- Slightly faster growth than in the region/nationally

UNEMPLOYMENT FALLS ACROSS ENTERPRISE M3 IN SEPTEMBER

Monthly change in unemployment – September 2021
(Claimant Count Unemployment)



Unemployment rates – September 2021
(Claimant Count Unemployment)

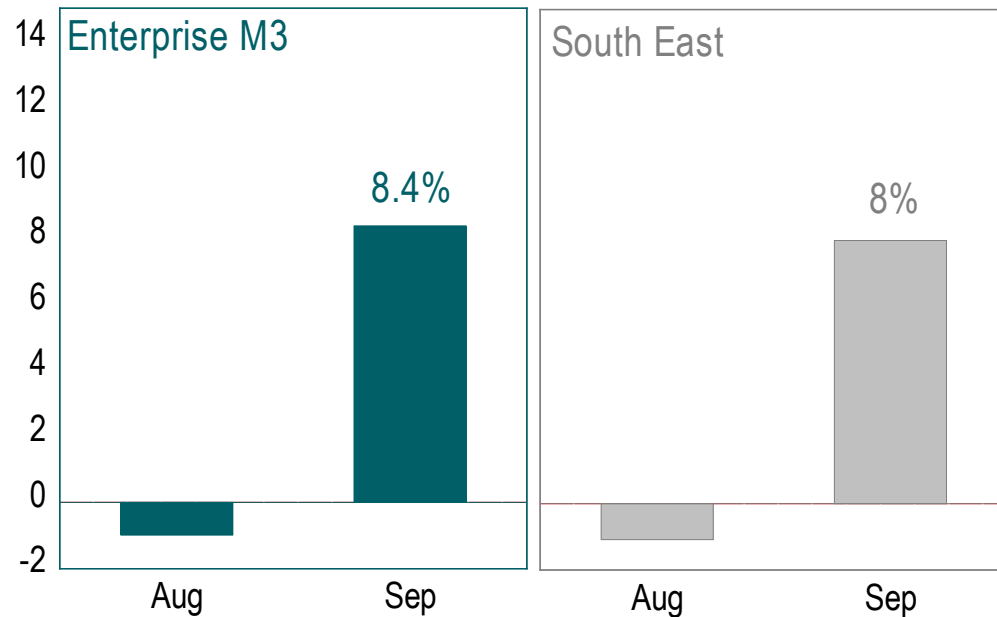


- 27,000 claimants, 2.9% rate (the lowest in the area); down 3,500 or -0.3pp over Q3 2021

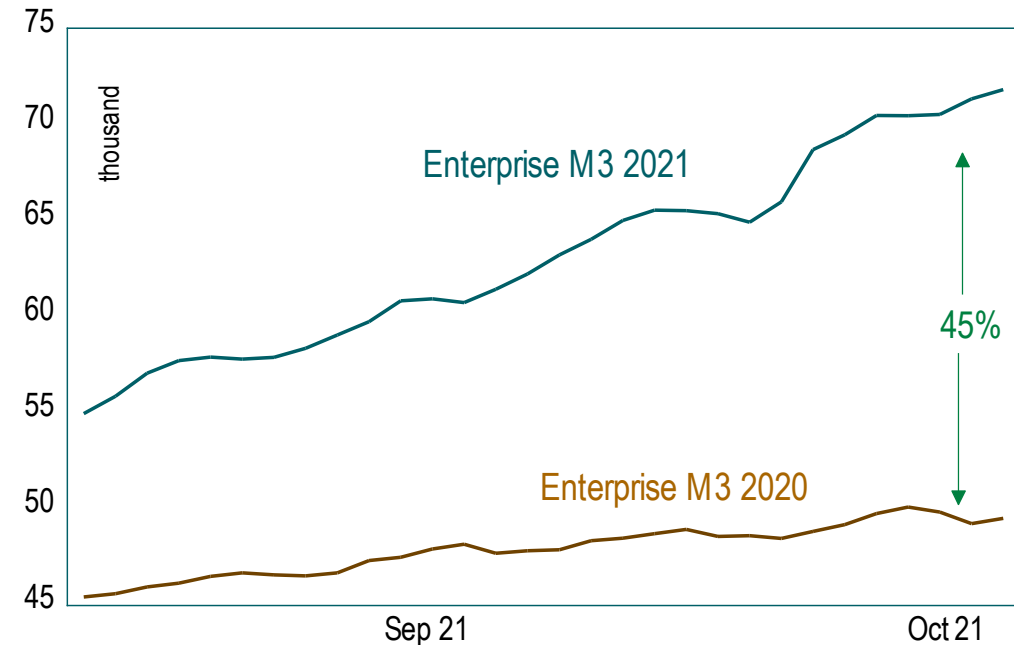
- 4600 young claimants (18-24 year olds), 3.9% rate, down 970 or -0.8pp over Q3 2021

STRONG DEMAND FOR LABOUR - INCREASINGLY CHALLENGING FOR EMPLOYERS IN SOME SECTORS TO RECRUIT STAFF NEEDED

% change in online job postings
(August to September 2021)



Online job postings relative to last year
(30 days to 6th October)



Source: Emsi (2021), all job postings

- Strong growth in demand for labour returns in September following a dip in August
- By early October jobs demand was close to 45% above last year's levels

SKILLS IN HIGH DEMAND IN ENTERPRISE M3 (I)

Relatively strong demand by occupation in Enterprise M3 - Top 10 Occupations
(August and October 2021)

Occupation (SOC) – August 2021	Unique Postings	%
Nurses	1,950	5.6
Sales accounts and business development managers	1,904	5.5
Care workers and home carers	1,591	4.6
Chefs	1,444	4.1
Kitchen and catering assistants	1,285	3.7
Programmers and software development professionals	1,241	3.6
Van drivers	1,212	3.5
Book-keepers, payroll managers and wages clerks	988	2.8
Business sales executives	952	2.7
Finance and investment analysts and advisers	940	2.7

Occupation (SOC) - October 2021	Unique Postings	%
Nurses	2,303	5.2
Sales Accounts and Business Development Managers	2,180	4.9
Care Workers and Home Carers	1,927	4.4
Kitchen and Catering Assistants	1,879	4.3
Chefs	1,777	4.0
Programmers and Software Development Professionals	1,555	3.5
Van Drivers	1,514	3.4
Other Administrative Occupations n.e.c.	1,455	3.3
Book-keepers, Payroll Managers and Wages Clerks	1,391	3.2
Sales and Retail Assistants	1,379	3.1

Source: Emsi (2021)

- Rising demand for nurses, care and sales occupations

- Stronger demand for sales and elementary occupations

Occupations in Green indicate new entrants to the top 10 list.

SKILLS IN HIGH DEMAND IN ENTERPRISE M3 (II)

Top hard skills in Enterprise M3 –June, August and October 2021

Top Hard Skills – June 2021	Top Hard Skills – August 2021	Top Hard Skills - October 2021
Auditing	Finance	Finance
Agile Methodology	Auditing	Auditing
Accounting	Accounting	Accounting
Business Development	Business Development	Agile Methodology
Key Performance Indicators (KPIs)	Key Performance Indicators (KPIs)	Key Performance Indicators (KPIs)
Selling Techniques	Agile Methodology	Warehousing
Nursing	Selling Techniques	Business Development
Customer Relationship Management	Business Development	Restaurant Operation
Forecasting	Warehousing	Selling Techniques
SQL (Programming Language)	Nursing	Customer Relationship Management
Warehousing	Restaurant Operation	Nursing
Procurement	Customer Relationship Management	Mental Health

- Hard to find skills in finance, auditing and accounting
- Mental health enters top 10 hard skills

Source: Emsi (2021)
Occupations in Green indicate new entrants to the top 10 list.

Occupations in Red indicate skills with declining demand from employers.

SKILLS IN LOW DEMAND IN ENTERPRISE M3

Occupation (SOC) – August 2021	Unique Postings	%
Elementary construction occupations	322	0.9
Records clerks and assistants	341	1
Production managers and directors in construction	356	1
Property, housing and estate managers	362	1
Managers and directors in retail & wholesale	365	1
Security guards and related occupations	366	1.1
Human resource and administrative occupations	370	1.1
Medical practitioners	371	1.1
Vehicle technicians, mechanics & electricians	389	1.1
IT operations technicians	390	1.1

Occupation (SOC) - October 2021	Unique Postings	%
Vehicle Technicians, Mechanics and Electricians	412	0.9
Medical Practitioners	417	0.9
Solicitors	418	0.9
Construction Operatives n.e.c.	421	1.0
Vocational and Industrial Trainers and Instructors	427	1.0
Records Clerks and Assistants	445	1.0
Property, Housing and Estate Managers	453	1.0
Managers and Directors in Retail and Wholesale	464	1.1
Educational Support Assistants	473	1.1
Plumbers and Heating and Ventilating Engineers	504	1.1

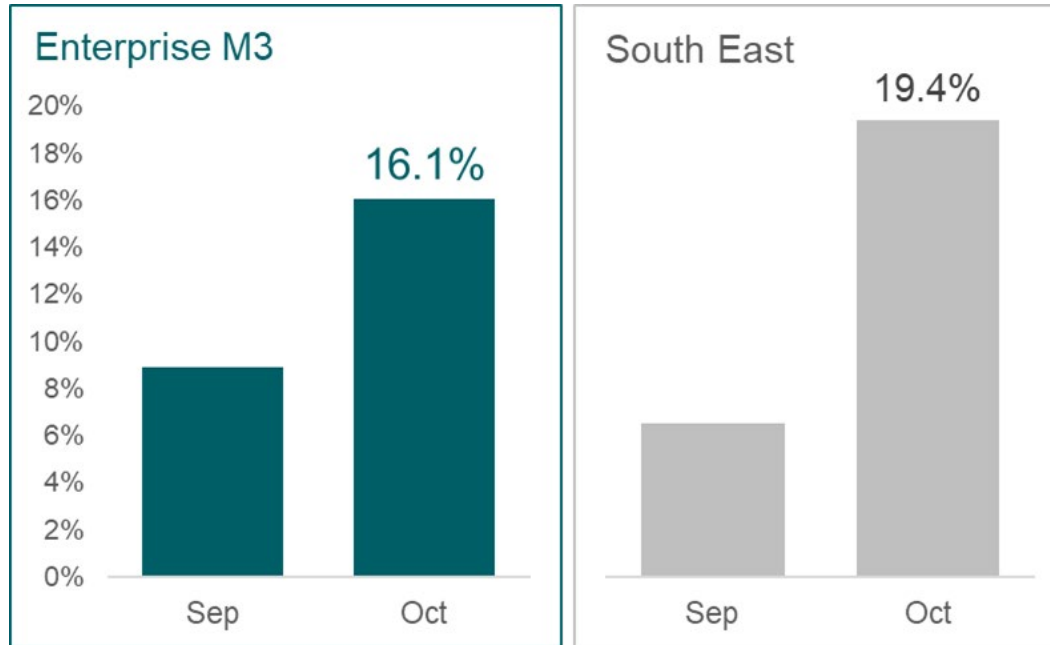
Source: Emsi (2021)

- Low demand for elementary, manual and some professional occupations

Green – new entry to bottom 10 occupations

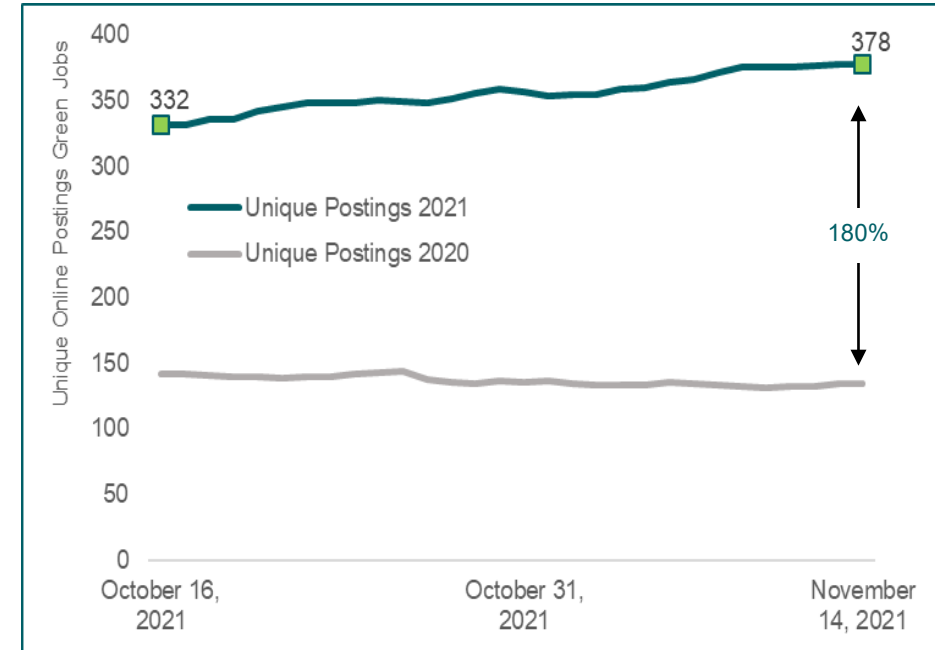
GROWING DEMAND FOR 'GREEN JOBS' IN ENTERPRISE M3

% change in online job postings
(September to October 2021)



Source: Emsi (2021)

Online job postings relative to last year
(30 days to 16th October)



Source: Emsi (2021)

- Strong demand for green jobs, particularly sustainability consultants and environmental occupations (e.g. environmental consultants, engineers, and managers).
- By Mid-November green jobs demand was 180% above last year's levels reflecting not only post lockdowns but rising climate agenda boosted by prominence of COP26.



BUSINESS UPDATES IN ENTERPRISE M3

BUSINESS NEWS HEADLINES

US logistics giant to invest £1.5bn into zero-carbon warehouses. Global logistics firm Prologis will plough around £1.5bn into the development of new zero-carbon warehouses in England. The San Francisco-based firm said the fund, to be invested over the next three years, will support around 14,000 jobs in London, South East and the Midlands.

Talkwalker expands with Surrey acquisition. Discover.ai, a Surrey-headquartered cultural insight platform, has been snapped up by national counterpart Talkwalker. Discover.ai has worked with some of the world's largest brands with more than 800 insights projects across 30 countries.

A major letting at the Space development in Woking has been struck. ID Business Solutions – which will move from Guildford on completion of the fit-out in January 2022 – has snapped up the entire sixth and seventh floors, totalling 19,490 sq ft.

A Kent-headquartered **records management business has been acquired by a Surrey counterpart** in a deal worth £6.5m. The Document Warehouse generates annual revenue of £550,000. It will provide an additional site with capacity to service the key London and the South markets for acquirer Restore's growing estate. It is the sixth acquisition by Restore this year.

Two new cardiac labs to open at Basingstoke hospital in 2022. The trust which runs Basingstoke hospital has confirmed the expansion of its cardiology services with the construction of two new cardiac catheterisation labs.

Elmbridge fencing firms set to lose 25 jobs as plans for housing on Cobham Green Belt site are passed. Plans have been passed that will see up to 25 people lose their jobs as a commercial site in Cobham will be turned into 27 residential dwellings.

BUSINESS NEWS HEADLINES

Farnborough-headquartered self-storage company Lok'nStore extends banking facilities by £25m. The increased facility will provide additional headroom to underpin the funding for Lok'nStore's pipeline of 13 secured stores.

Care company Home Instead with clients in Surrey announces 50 carer vacancies. The roles are based in Runnymede, West Spelthorne and Windsor.

PRODUCED BY ENTERPRISE M3 LOCAL ENTERPRISE PARTNERSHIPS IN PARTNERSHIP WITH THE ECONOMIC & BUSINESS INTELLIGENCE SERVICE (EBIS)

