

**BUSINESS
IN THE
COMMUNITY**



**THE PRINCE'S
RESPONSIBLE
BUSINESS NETWORK**

REGIONAL INFOGRAPHIC

Sandwell

September 2016

What does Sandwell's labour market look like?



319,500

Resident population



157,800

Male

49%



161,700

Female

51%

200,100



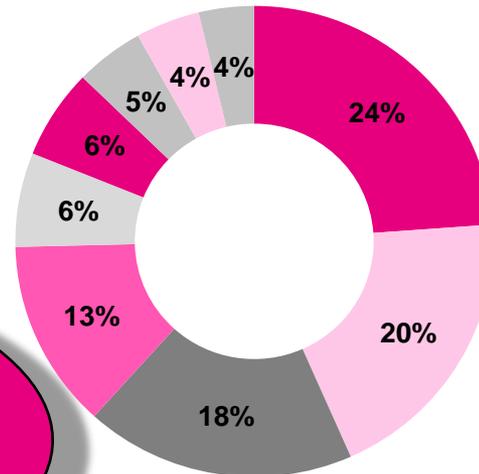
62.6% Population at working age (16-64)

71.6% Economically active (% of working age population)

Manufacturing still forms a significant part of the labour market in Sandwell, higher than the West Midlands average (12%) and more than double that in Great Britain (8.5%).

Whilst the public sector still employs a quarter of the workforce, its market share is smaller than national representation, but will still face cuts in the next decade

Employment by industry (%):



- Public Administration, Education and Health
- Wholesale And Retail Trade; Repair Of Vehicles
- Manufacturing
- Financial And Other Business services
- Transportation And Storage
- Other Service Activities
- Energy and Water
- Construction
- Accommodation And Food Service Activities

How many people work in Sandwell and what do they do?

71.6%



Economically active
% of working age population
(age 16-64)



83,000

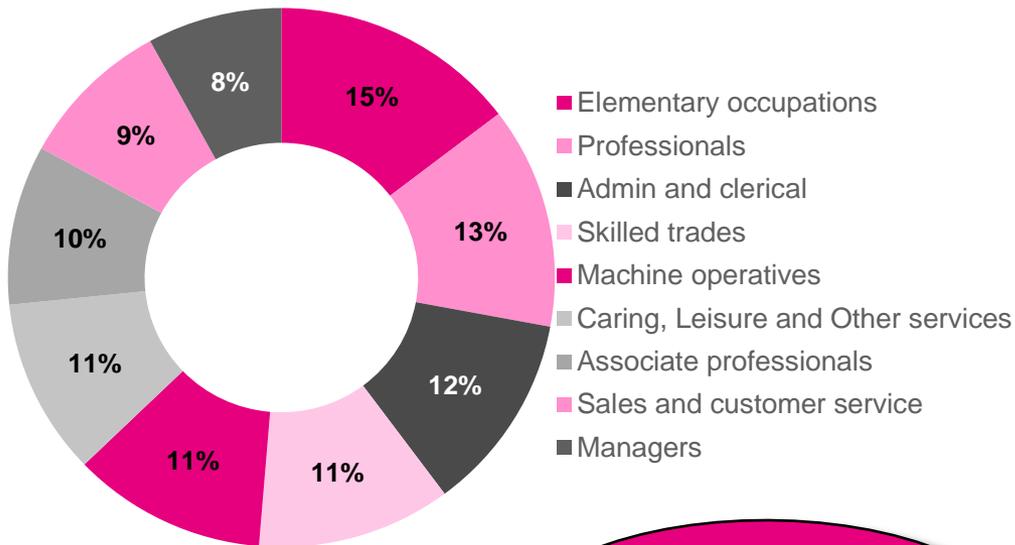
81.1%



62,300

62.1%

Employment by occupation:



Top 2 occupations in Sandwell:

Elementary Occupations

For example: Cleaners, Security guards, Labourers, Goods handlers

Professional Occupations

For example: Engineers, Doctors, Nurses, Teachers, Social workers, Accountants, IT professionals

It is vital that people of working age in Sandwell are up-skilled in order to take advantage of jobs available

Sandwell's job market is contracting, and by 2020 there won't be enough jobs for those who want to work. Yet by 2020, there will be 26,000 more higher skilled jobs than higher skilled people, but there will be 16,000 more unskilled 16-64 year olds than unskilled jobs

Which sectors currently employ the most people?

Which sectors currently employ the most people as a % of employment:



24%

**Public Admin,
Education and
Health**

Sandwell's economy continues to be focused on manufacturing (production), construction, wholesale and retail, although these sectors contracted proportionally since 2011. Much of this change has been picked up by the transport and storage, accommodation and food services, and health industries



20%

**Wholesale and Retail,
including Motor trades**

Although Sandwell holds a comparative advantage in manufacturing and has been in a good position to take advantage of recent government investment in the sector, it must also continue to develop other sectors if economic resilience is to be achieved



18%

Manufacturing

Progress to more businesses in the professional, scientific and technical, and information and communication industries are required as this is where high levels of gross value added (GVA) will be achieved



13%

**Financial and other
business services**



6%

**Transportation
and Storage**

Who are some key employers in Sandwell?



- Sandwell Metropolitan Borough Council
- Sandwell College
- Sandwell and West Birmingham Hospitals NHS Trust



- Olympus Distribution Ltd
- Direct Corporate Clothing Plc



- BT – Customer Services
- The AA



- Geopost UK Ltd
- Sheldon Clayton Logistics Ltd



- Pargat & Co Ltd
- KUKA Robotics
- Avery Weigh-Tronix
- Hadley Industries Plc
- Metsec
- East End Food
- Huf UK Ltd



- Harper Group Construction Ltd
- Generation UK Ltd



There is a predominance of low value adding and low growth sectors in Sandwell, with relatively low levels of diversity in the local economy. In order to diversify the economy to produce a wider range of opportunities, these need to be made attractive to a wider range of residents, especially as only around half of employment in Sandwell is taken up by Sandwell residents

Why are there job vacancies and still unemployment?

In Sandwell:

1621 Total number of 'Hard-to-Fill' vacancies

51% Vacancies classed as 'Hard-to-Fill'

36% Vacancies which are 'Hard-to-Fill' as a result of skills shortages (SSV's)

Causes of 'Hard-to-Fill' vacancies:

63% Lack required skills

13% Low number of applicants with required attitude, motivation or personality

12% Not interested in doing the job

12% Remote location / poor public transport

10% Lack of work experience

A significant skills mismatch is found in Sandwell. Raised awareness of local growth sectors and potential jobs could inspire and motivate the future workforce

Apprenticeships provide work experience and develop key skills needed in the local economy and are seen as key drivers for prosperity in Sandwell

Impact on businesses:

77% Increase workload for other staff

53% Experience increased operating costs

36% Having difficulties meeting customers service objectives

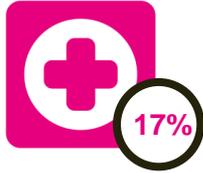
The quality of candidates is more important than the quantity of candidates. Work needs to be done to attract applicants with the right skills to fill vacancies

Which sectors are experiencing a growth in jobs?

Sectors set to grow in the West Midlands by 2020 (% of total employed):



Health Support



Caring Services



Senior Management



Customer Care

Key industries in the West Midlands:

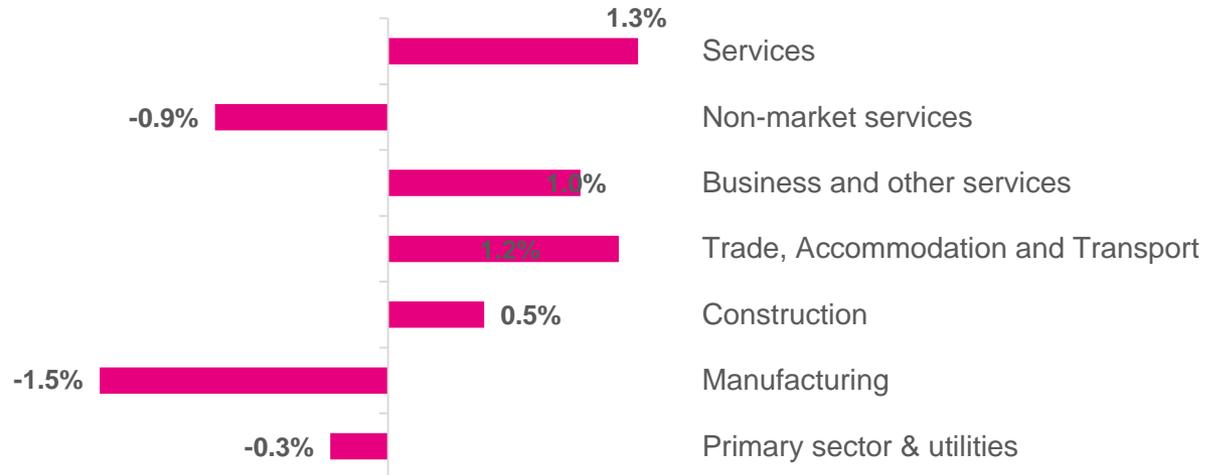
Digital technology and IT

Vehicle Manufacturing

Aerospace

Rail Engineering

Projected % employment growth in the West Midlands (2014-2024):



There will be a much higher demand for care workers, both at professional level and elementary skilled workers. The services sector will help drive the economy and shows the biggest projected growth in the West Midlands

Which sectors are experiencing a growth in jobs?

Growth sectors in the Black Country:



Advanced
Manufacturing



Building
Technologies



Business
Services



Transport
Technologies
(inc. aerospace)

Environmental Technologies

Cuts across all sectors

What opportunities are there for Sandwell?



Investment in high tech, high value manufacturing capital equipment, including creation of a 'Fab Lab' in West Bromwich



The food sector is already well established and offers considerable opportunity for product development, the transfer of skills from other sectors and supplying the regional marketplace.



Regeneration of West Bromwich will provide new opportunities for office based activities



Key markets for development are renewable energy, energy management and water treatment. With opportunities for linkage with construction

Black Country City Deal promises to create 1,500 additional HVM (high value manufacturing) apprenticeships over five years

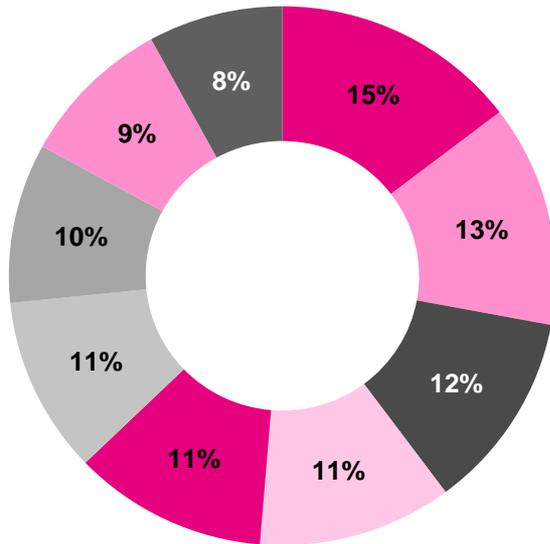
Despite manufacturing declining across the UK, it is still a key sector in Sandwell, employing 18% of the workforce. Diversification in advanced manufacturing will be key to the sector's growth

Business in the Community

Sources: Black Country Core Strategy 2011, Black Country Strategic Economic plan, Black Country Growth Deal, Black Country City Deal, National Careers Service, Sandwell Economic Prospectus

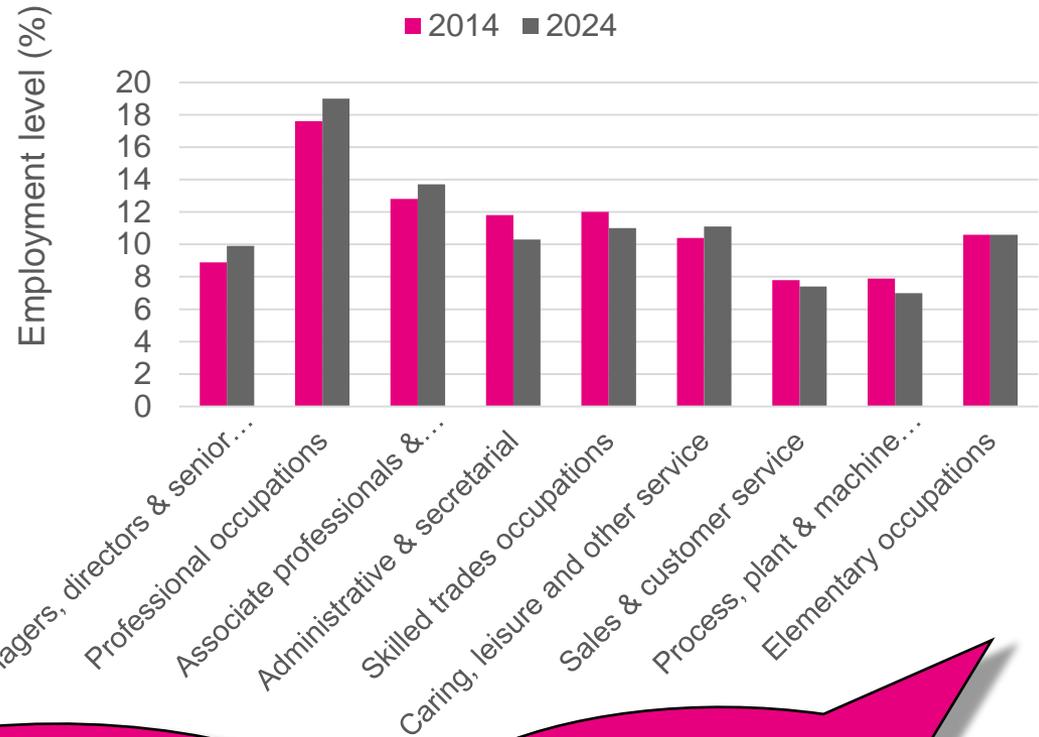
Which occupations are growing in UK?

Sandwell employment by occupation (2015) (% of total employment):



- Elementary occupations
- Professionals
- Admin and clerical
- Skilled trades
- Machine operatives
- Caring, Leisure and Other services
- Associate professionals
- Sales and customer service
- Managers

Predicted occupational growth in the West Midlands (by 2024):

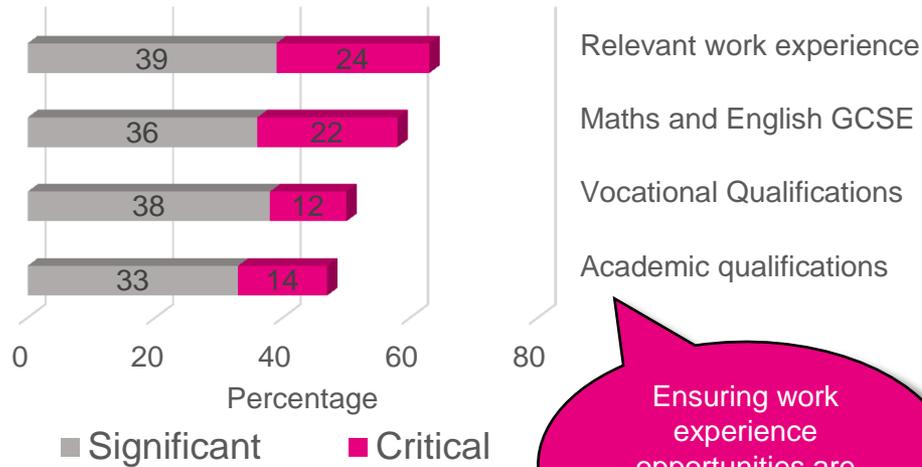


Elementary occupations are set to lose jobs by 2020, as well as skilled trades, which could have an impact on employment in Sandwell

Higher skilled jobs are set to increase in Sandwell, which will help drive the economy.

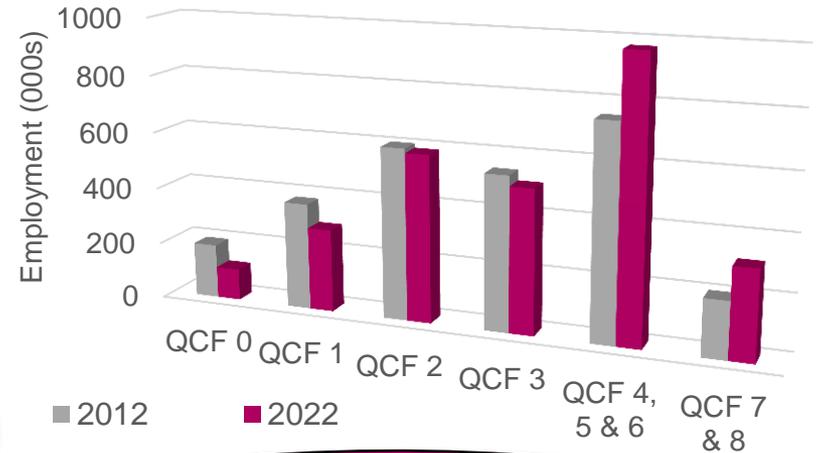
What are employers looking for?

What employers are looking for in the West Midlands:



Ensuring work experience opportunities are available and appropriate is vital

Qualification predictions for those employed in the West Midlands by 2022:



Apprenticeship starts are higher in Sandwell than the rest of the borough, but still low compared to national figures. Increased apprenticeship take up may help to fill the skills gap found in Sandwell

In Sandwell: (% economically active aged 16-64)



Despite Sandwell having significantly higher levels of people with no qualifications, the 5 A*-C GCSE rate is now above the national average which should improve the NVQ rates over time. No. of NEETs has significantly reduced since 2010 but still high

What skills are in short supply?

59%

Of employers who reported having vacancies that were difficult to fill due to skills shortages believe applicants lack:

practical

technical

job-specific



skills

In the West Midlands:

Top 10 skills lacking among applicants



Jobs using these skills in sectors set to grow:



Engineers



Operation Managers



Food scientists



CAD Designers



Customer Service assistant



Sales and Marketing professionals

Sandwell Business Needs Survey 2013 identified local businesses find it difficult to recruit the right calibre employees from Sandwell particularly in managerial, professional and technical roles