What does Sandwell’s labour market look like?

- **Resident population**: 319,500
  - Male: 157,800 (49%)
  - Female: 161,700 (51%)

- **Population at working age (16-64)**: 200,100 (62.6%)

Economically active (% of working age population): 71.6%

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.

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

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

71.6% 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.

Sources: Labour Force Survey, ONS annual population survey (Apr 2015 – Mar 2016), Labour Market Futures Profile - Sandwell

Business in the Community

www.bitc.org.uk
Which sectors currently employ the most people as a % of employment:

- **Public Admin, Education and Health**: 24%
- **Wholesale and Retail, including Motor trades**: 20%
- **Manufacturing**: 18%
- **Financial and other business services**: 13%
- **Transportation and Storage**: 6%

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.

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.

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.
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:**

<p>| | |</p>
<table>
<thead>
<tr>
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<tbody>
<tr>
<td><strong>1621</strong></td>
<td>Total number of ‘Hard-to-Fill’ vacancies</td>
</tr>
<tr>
<td><strong>51%</strong></td>
<td>Vacancies classed as ‘Hard-to-Fill’</td>
</tr>
<tr>
<td><strong>36%</strong></td>
<td>Vacancies which are ‘Hard-to-Fill’ as a result of skills shortages (SSV’s)</td>
</tr>
</tbody>
</table>

**Causes of ‘Hard-to-Fill’ vacancies:**

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<tbody>
<tr>
<td><strong>63%</strong></td>
<td>Lack required skills</td>
</tr>
<tr>
<td><strong>13%</strong></td>
<td>Low number of applicants with required attitude, motivation or personality</td>
</tr>
<tr>
<td><strong>12%</strong></td>
<td>Not interested in doing the job</td>
</tr>
<tr>
<td><strong>12%</strong></td>
<td>Remote location / poor public transport</td>
</tr>
<tr>
<td><strong>10%</strong></td>
<td>Lack of work experience</td>
</tr>
</tbody>
</table>

**Impact on businesses:**

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<tr>
<th></th>
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<tbody>
<tr>
<td><strong>77%</strong></td>
<td>Increase workload for other staff</td>
</tr>
<tr>
<td><strong>53%</strong></td>
<td>Experience increased operating costs</td>
</tr>
<tr>
<td><strong>36%</strong></td>
<td>Having difficulties meeting customers service objectives</td>
</tr>
</tbody>
</table>

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.

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.

Sources: UKCES Employer Skills Survey 2015, Black Country LMI summary, UKCES
Which sectors are experiencing a growth in jobs?

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

- Health Support: 19%
- Caring Services: 17%
- Senior Management: 16%
- Customer Care: 16%

Key industries in the West Midlands:
- Digital technology and IT
- Vehicle Manufacturing
- Aerospace
- Rail Engineering

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

- Services: 1.3%
- Non-market services
- Business and other services: 1.0%
- Trade, Accommodation and Transport: 1.2%
- Construction: 0.5%
- Manufacturing: -1.5%
- Primary sector & utilities: -0.3%
- Other sectors: -0.9%

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.

**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: 15%
- Professionals: 13%
- Admin and clerical: 9%
- Skilled trades: 10%
- Machine operatives: 11%
- Caring, Leisure and Other services: 12%
- Associate professionals: 11%
- Sales and customer service: 11%
- Managers: 8%

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.

Sources: ONS annual population survey (unadjusted 2015), UKCES Working Futures annexes 2014, Black Country LMI summary, UKCES, Labour Market Futures Profile - Sandwell
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.

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.

Ensuring work experience opportunities are available and appropriate is vital.

**What are employers looking for?**

**What employers are looking for in the West Midlands:**

- Relevant work experience: 39% significant, 24% critical
- Maths and English GCSE: 36% significant, 22% critical
- Vocational Qualifications: 38% significant, 12% critical
- Academic qualifications: 33% significant, 14% critical

**In Sandwell:**

(% economically active aged 16-64)

<table>
<thead>
<tr>
<th>Qualification</th>
<th>% Sandwell</th>
<th>% GB</th>
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<tbody>
<tr>
<td>NVQ4 and above</td>
<td>23.0</td>
<td>41.6</td>
</tr>
<tr>
<td>NVQ3 only</td>
<td>15.5</td>
<td>17.1</td>
</tr>
<tr>
<td>Trade apprenticeships</td>
<td>2.3</td>
<td>3.5</td>
</tr>
<tr>
<td>NVQ2 only</td>
<td>17.4</td>
<td>15.5</td>
</tr>
<tr>
<td>NVQ1 only</td>
<td>14.9</td>
<td>10.5</td>
</tr>
<tr>
<td>Other qualifications</td>
<td>11.1</td>
<td>6.4</td>
</tr>
<tr>
<td>No qualifications</td>
<td>15.9</td>
<td>5.4</td>
</tr>
</tbody>
</table>

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:

In the West Midlands:

Top 10 skills lacking among applicants

- Specialist skills or knowledge needed to perform the role
- Ability to manage own time
- Solving complex problems
- Knowledge of products and services offered by organisation
- Knowledge of how the organisation works
- Customer Handling Skills
- Reading and understanding instructions, guidelines, manuals or reports
- Team working skills
- Managing or motivating other staff
- Writing instructions, guidelines, manuals or reports

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