

# **Black Country Annual Economic Review 2024**

**January 2025**



## Our Measures of Success - The Black Country Performance Management Framework

In the Black Country we will:	Where we are now		Change over the last year <sup>1</sup>		Direction of Travel Relative to National Average since 2004		Scale of the Challenge (To reach England where applicable)	
<b>Grow our Population and Reverse Net Outward Migration Particularly to Environs</b>	DUD	326,680	DUD	+1,749 (+0.5%)	DUD	+20,509 (+6.7%)		
	SAN	347,551	SAN	+2,969 (+0.9%)	SAN	+58,702 (+20.3%)		
	WAL	288,736	WAL	+2,518 (+0.9%)	WAL	+32,034 (+12.5%)		
	WOL	272,425	WOL	+4,537 (+1.7%)	WOL	+31,858 (+13.2%)		
	BC	1,235,395	BC	+11,773 (+1.0% BC) +1.0% Eng.	BC	+143,103 (+13.1% BC) +14.9% Eng.		
<b>Raise Incomes</b>	DUD	£34,909	DUD	+£3,294 (+10.4%)	DUD	+£15,718 (+81.9%)	DUD	+£2,708
	SAN	£31,915	SAN	+£2,154 (+7.2%)	SAN	+£13,206 (70.6%)	SAN	+£5,702
	WAL	£32,624	WAL	+£2,144 (+7.0%)	WAL	+£13,946 (+74.7%)	WAL	+£4,993
	WOL	£33,205	WOL	+£2,730 (+9.0%)	WOL	+£14,640 (+78.9%)	WOL	+£4,412
	BC	£33,163 (avg.)	BC	+£2,581 (+8.4% BC) +6.9% Eng.	BC	+£14,378 (+76.5% BC) +67.6% Eng.	BC	+£4,454 Eng.: £37,617
<b>Achieve Better Population Balance</b>	DUD	17.0%			DUD	-0.1pp	DUD	+16,257
	SAN	10.8%			SAN	0pp	SAN	+36,179
	WAL	13.7%			WAL	-0.5pp	WAL	+22,370
	WOL	13.4%			WOL	-0.3pp	WOL	+21,620
	BC	13.6%			BC	-0.3pp BC +0.5pp Eng.	BC	+96,427 Eng.: 23.5% AB's
<b>Transform the Environment</b>	70.5% of residents satisfied with Black Country as a place to live						77.8% resident satisfaction	
<b>Regenerated Our Economy (pp = percentage points)</b>								
<b>Reduce the Output Gap</b>	DUD	£5.1bn	DUD	+£427m	DUD	+£2.8bn	DUD	-£5.1bn
	SAN	£4.9bn	SAN	+£608m	SAN	+£3.4bn	SAN	-£4.9bn
	WAL	£4.6bn	WAL	+£479m	WAL	+£2.6bn	WAL	-£4.6bn
	WOL	£3.0bn	WOL	+£227m	WOL	+£1.9bn	WOL	-£3.0bn
	BC	£17.7bn	BC	+£1.7bn	BC	+£10.7bn	BC	-£17.7bn
<b>Raise the Number of Local Jobs</b>	DUD	111,000	DUD	+1,000 (+0.9%)	DUD	-7,000 (-5.9%)		
	SAN	127,000	SAN	+1,000 (+0.8%)	SAN	+4,000 (+3.3%)		
	WAL	99,000	WAL	-3,000 (-2.9%)	WAL	+5,000 (+5.3%)		
	WOL	110,000	WOL	+1,000 (+0.9%)	WOL	+6,000 (+5.8%)		
	BC	447,000	BC	0 (0% BC) +1.3% Eng.	BC	+8,000 (+1.8% BC) +19.2% Eng.		
<b>Increase the Total Employment Rate</b>	DUD	75.9%	DUD	-0.6pp	DUD	+2.9pp	DUD	Above England
	SAN	67.4%	SAN	+2.0pp	SAN	+3.0pp	SAN	+17,326
	WAL	76.0%	WAL	+4.3pp	WAL	+7.6pp	WAL	Above England
	WOL	62.6%	WOL	-3.8pp	WOL	-6.2pp	WOL	+21,197
	BC	70.6%	BC	+0.6pp BC -0.1pp Eng.	BC	+1.9pp BC +2.8pp Eng.	BC	+37,495 Eng.: 75.7%
<b>Increase the Percentage of Knowledge Workers</b>	DUD	44.1%	DUD	-5.9pp	DUD		DUD	+14,108
	SAN	30.5%	SAN	-3.9pp	SAN		SAN	+33,445
	WAL	35.5%	WAL	-1.5pp	WAL		WAL	+24,740
	WOL	53.3%	WOL	+15.7pp	WOL		WOL	+94
	BC	40.0%	BC	-0.1pp BC +0.9pp Eng.	BC		BC	+72,387 Eng.: 53.4%
<b>Raise Enterprise Births</b>	DUD	1,145	DUD	-245 (-17.6%)	DUD	-45 (-3.8%)	DUD	+451 P.A.
	SAN	1,540	SAN	-95 (-5.8%)	SAN	+600 (+63.8%)	SAN	+158 P.A.
	WAL	1,310	WAL	+40 (+3.1%)	WAL	+265 (+25.4%)	WAL	+101 P.A.
	WOL	1,300	WOL	-210 (-13.9%)	WOL	+300 (+30.0%)	WOL	+31 P.A.
	BC	5,295	BC	-510 (-8.8%) -6.2% Eng.	BC	+1,120 (+26.8% BC) +13.4% Eng.	BC	+741 P.A. Eng.: 49 per 10,000 pop.
<b>Reduce the Percentage of Workless Households</b>	DUD	9.6%	DUD	-4,300 (-31.9%)	DUD	-6,500 (-41.4%)	DUD	Below England
	SAN	18.6%	SAN	0 (0%)	SAN	-400 (-2.1%)	SAN	-5,317
	WAL	10.6%	WAL	-6,300 (-42.3%)	WAL	-7,200 (-45.6%)	WAL	Below England
	WOL	18.1%	WOL	+1,100 (+8.0%)	WOL	-300 (-2.0%)	WOL	-3,827
	BC	14.3%	BC	-9,500 (-15.5%) +0.9% Eng.	BC	-14,500 (-21.9% BC) -14.6% Eng.	BC	-2,948 Eng.: 13.5%
<b>Increase the Number of Visitors to the Area</b>	33.66m		+61,000				A leading UK visitor destination	

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<b>Sustainable Environmental Transformation</b>								
Increase the Hectares of Local Nature Reserves	887.3ha		0ha		-		1ha of Local Nature Reserve per 1,000 pop.	
Have a Sustainable Environment- Reduce CO <sub>2</sub> Emissions (Tonnes per capita)	DUD	3.1	DUD	-0.3	DUD	-3.2	Net Zero by 2041	
	SAN	3.6	SAN	-0.3	SAN	-4.2		
	WAL	3.4	WAL	-0.3	WAL	-3.7		
	WOL	3.2	WOL	-0.3	WOL	-3.7		
	BC	3.3	BC	-0.3 BC -0.3 Eng.	BC	-3.7 BC -4.4 Eng.		
<b>Raised Education and Skills</b>								
Reduce the Number of People with No Qualifications	DUD	4.5%	DUD	-2,300 (-21.1%)	DUD	-19,100 (-69.0%)	DUD	Below England
	SAN	11.8%	SAN	+1,900 (+8.5%)	SAN	-15,900 (-39.6%)	SAN	-11,545
	WAL	11.1%	WAL	+1,400 (+8.0%)	WAL	-12,700 (-40.1%)	WAL	-8,448
	WOL	11.7%	WOL	-1,400 (-7.1%)	WOL	-16,300 (-47.0%)	WOL	-8,640
	BC	9.7%	BC	-500 (-0.7% BC) -3.4% Eng.	BC	-64,100 (-47.7% BC) -54.3% Eng.	BC	-25,449 Eng.: 6.2%
Increase the Number of People with RQF4+	DUD	40.0%	DUD	+14,100 (+22.7%)	DUD	+37,100 (+95.1%)	DUD	+12,904
	SAN	31.2%	SAN	+19,600 (+43.8%)	SAN	+37,100 (+136.4%)	SAN	+32,044
	WAL	31.9%	WAL	-2,900 (-5.1%)	WAL	+26,400 (+94.6%)	WAL	+25,402
	WOL	40.8%	WOL	+12,400 (+23.9%)	WOL	+39,500 (+159.3%)	WOL	+9,419
	BC	35.7%	BC	+43,300 (+20.1% BC) +6.3% Eng.	BC	+140,200 (+118.0% BC) +99.1% Eng.	BC	+79,769 Eng.: 46.7%
Improve Pupils Progress 8 Score	DUD	-0.12	DUD	-0.11	DUD		DUD	Improve by 0.09
	SAN	-0.16	SAN	-0.09	SAN		SAN	Improve by 0.13
	WAL	-0.22	WAL	-0.02	WAL		WAL	Improve by 0.19
	WOL	-0.05	WOL	-0.03	WOL		WOL	Improve by 0.02
	BC	-0.14	BC	-0.04	BC		BC	Improve by 0.11 Eng.: -0.03
Reduce the No. of 16–17-Year-Olds Not in Education, Employment or Training (NEET)	DUD	7.4%	DUD	-61 (-9.7%)	DUD		DUD	-571
	SAN	1.9%	SAN	-5 (-2.7%)	SAN		SAN	-181
	WAL	3.4%	WAL	+55 (27.9%)	WAL		WAL	-252
	WOL	3.1%	WOL	+27 (+15.4%)	WOL		WOL	-202
	BC	3.9%	BC	+16 (+1.3% BC) +13.6% Eng.	BC		BC	No NEETs -1,206
<b>Transformed our Environmental Infrastructure</b>								
Increase Net New Homes	DUD	141,550	DUD	+743 (+0.5%)	DUD	+12,424 (+9.6%)	DUD	
	SAN	136,406	SAN	+647 (+0.5%)	SAN	+15,999 (+13.3%)	SAN	
	WAL	118,581	WAL	+388 (+0.3%)	WAL	+12,090 (+11.4%)	WAL	
	WOL	115,164	WOL	+722 (+0.6%)	WOL	+13,318 (+13.1%)	WOL	
	BC	511,701	BC	+2,500 (+0.5% BC) +0.9% Eng.	BC	+53,832 (+11.8% BC) +18.1% Eng.	BC	
Provide Industrial Floorspace	DUD	2,371,000 sqm	DUD	+15,000 sqm	DUD	-590,000 sqm	DUD	
	SAN	3,908,000 sqm	SAN	-2,000 sqm	SAN	-915,000 sqm	SAN	
	WAL	2,201,000 sqm	WAL	+25,000 sqm	WAL	-596,000 sqm	WAL	
	WOL	2,194,000 sqm	WOL	+9,000 sqm	WOL	-574,000 sqm	WOL	
	BC	10,674,000 sqm	BC	+47,000 sqm	BC	-2,675,000 sqm	BC	
Provide Office Floorspace	DUD	258,000 sqm	DUD	-1,000 sqm	DUD	-48,000 sqm	DUD	
	SAN	180,000 sqm	SAN	-2,000 sqm	SAN	-16,000 sqm	SAN	
	WAL	166,000 sqm	WAL	-4,000 sqm	WAL	-7,000 sqm	WAL	
	WOL	211,000 sqm	WOL	+1,000 sqm	WOL	-32,000 sqm	WOL	
	BC	815,000 sqm	BC	-6,000 sqm	BC	-103,000 sqm	BC	
Provide Retail Floorspace	DUD	598,000 sqm	DUD	-5,000 sqm	DUD	-20,000 sqm	DUD	
	SAN	564,000 sqm	SAN	-3,000 sqm	SAN	+71,000 sqm	SAN	
	WAL	507,000 sqm	WAL	-4,000 sqm	WAL	+39,000 sqm	WAL	
	WOL	501,000 sqm	WOL	-6,000 sqm	WOL	-28,000 sqm	WOL	
	BC	2,170,000 sqm	BC	-18,000 sqm	BC	+62,000 sqm	BC	

<sup>1</sup> The **green** shading illustrates those indicators where the Black Country moved in a positive direction of travel compared to the national average (excluding output gap where the latest change is shaded green due to the positive change and not compared to England), the **red** shading indicates the reverse and the **orange** indicates no change or a growth rate in the right direction but less than the national average growth rate. Please note for qualifications, RQF's have replaced NVQs, and caution should be used when comparing change over time. West Midlands Growth Company (WMGC) provided the visitor economy figure for the Black Country via the STEAM model.

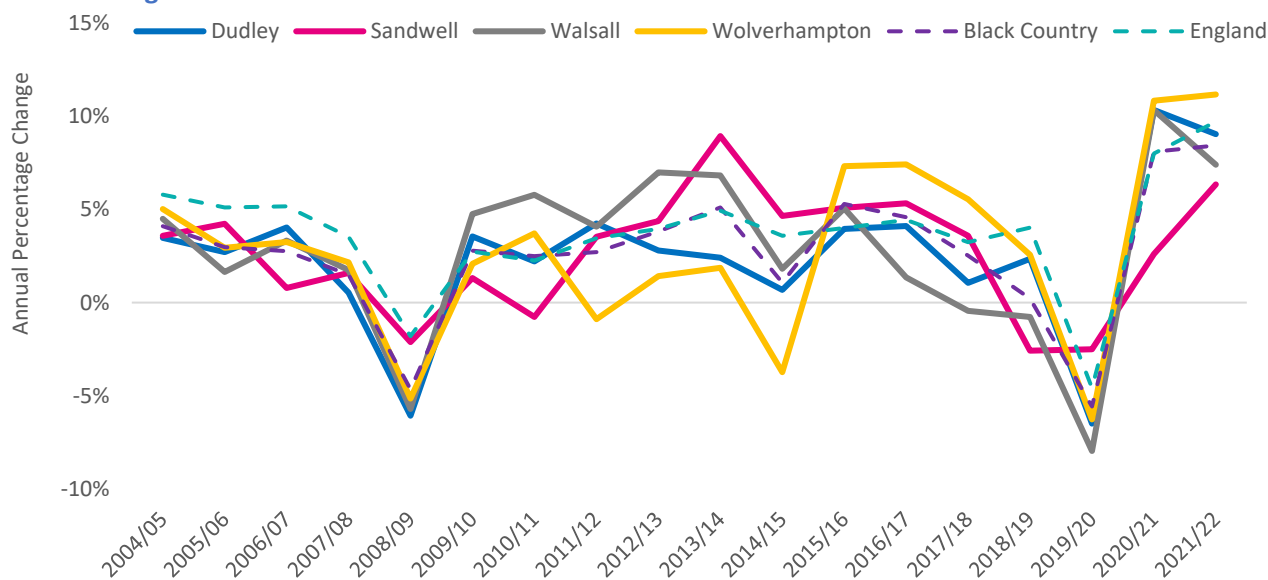
# 2024 KEY MESSAGES

## 1.1. Economy

### Productivity Challenge

- The Black Country has long-standing and complex socio-economic challenges, but data shows there has been some recovery from the recent years of economic shocks as total Gross Value Added (GVA)<sup>2</sup> increased from £22.0bn in 2021 to £23.9bn in 2022. Although, this equated to a slower growth than nationally at 8.4% compared to 9.7%.
- GVA increased across all four local authorities with Sandwell increasing by 6.3% (to £6.8bn), Walsall by 7.4% (to £5.1bn) and Dudley by 9.0% (to £5.9bn). Wolverhampton reported faster growth rates than nationally at 11.1% (total GVA at £6.1bn).
- However, national insights show that 2024 has been a difficult year for business and despite a strong start for the UK economy at the start of the year, growth fell in the second half.

### Annual Changes in Total GVA:



- The Black Country's GVA per head remains substantially lower than the national average at **£19,532 compared to £33,976**. Despite an annual increase in GVA per head, all four local authorities fall below the national average, with Walsall at £17,785, Dudley at £18,252, Sandwell at £19,750 and Wolverhampton at £22,677. This means that the Black Country local authority areas have a **shared challenge related to the overall output gap<sup>3</sup> of local economies, collectively totalling £17.7bn in 2022, an annual increase of over £1.7bn and longer-term (since 2004) a significant increase of just over £10.7bn.**
- Overall, **GVA per hour<sup>4</sup> for the Black Country was £31.90 in 2022, with a slightly stronger annual growth rate than nationally at 1.9% compared to 1.5%.** When compared to 2019, the Black Country performed above the national average growth rate (+11.1% vs +8.5%). However, in 2022 there was still a **shortfall of £7.80 to reach the UK average (£39.70).**

<sup>2</sup> Office for National Statistics (ONS), Regional economic activity by gross domestic product, released 2024.

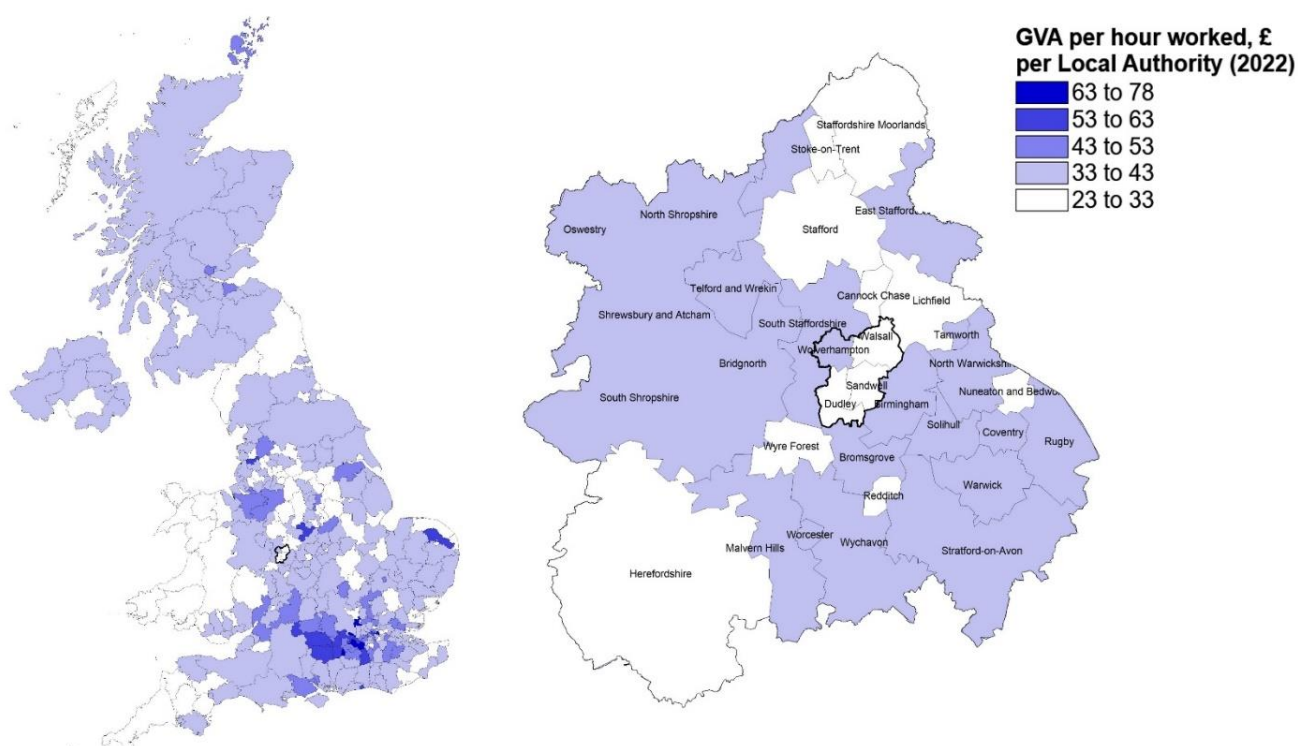
<sup>3</sup> The EIU calculations based off ONS, Regional economic activity by gross domestic product, released 2024 and mid-year population estimates, released 2024.

<sup>4</sup> ONS, Subregional productivity in the UK, released 2024

### GVA per Hour Worked:

	2021	2022	Annual Change	Shortfall
Dudley	£30.40	£30.80	1.3%	-£8.90
Sandwell	£31.70	£32.00	0.9%	-£7.70
Walsall	£30.10	£30.70	2.0%	-£9.00
Wolverhampton	£33.00	£34.00	3.0%	-£5.70
Black Country	£31.30	£31.90	1.9%	-£7.80
UK	£39.10	£39.70	1.5%	

### GVA per Hour Worked, 2022:



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- The **Black Country's economic underperformance is likely a contributing factor to its lower levels of prosperity, standard of living, and higher deprivation - with some communities worse off than others.** This is highlighted in data such as **Gross Disposable Household Income<sup>5</sup> (GDHI) per person** (which was £16,657 in the Black Country, compared to £22,789 across the UK overall in 2022). Across all (360) ITL3 areas, Sandwell was second lowest at £15,305 (same position as in 2021). Walsall was 15<sup>th</sup> lowest at £16,853 (same position as previous year), Wolverhampton was 19<sup>th</sup> lowest at £16,987 (moving from 18<sup>th</sup> place in 2021). Dudley was 35<sup>th</sup> lowest at £17,644 (moving from 28<sup>th</sup> place in 2021).

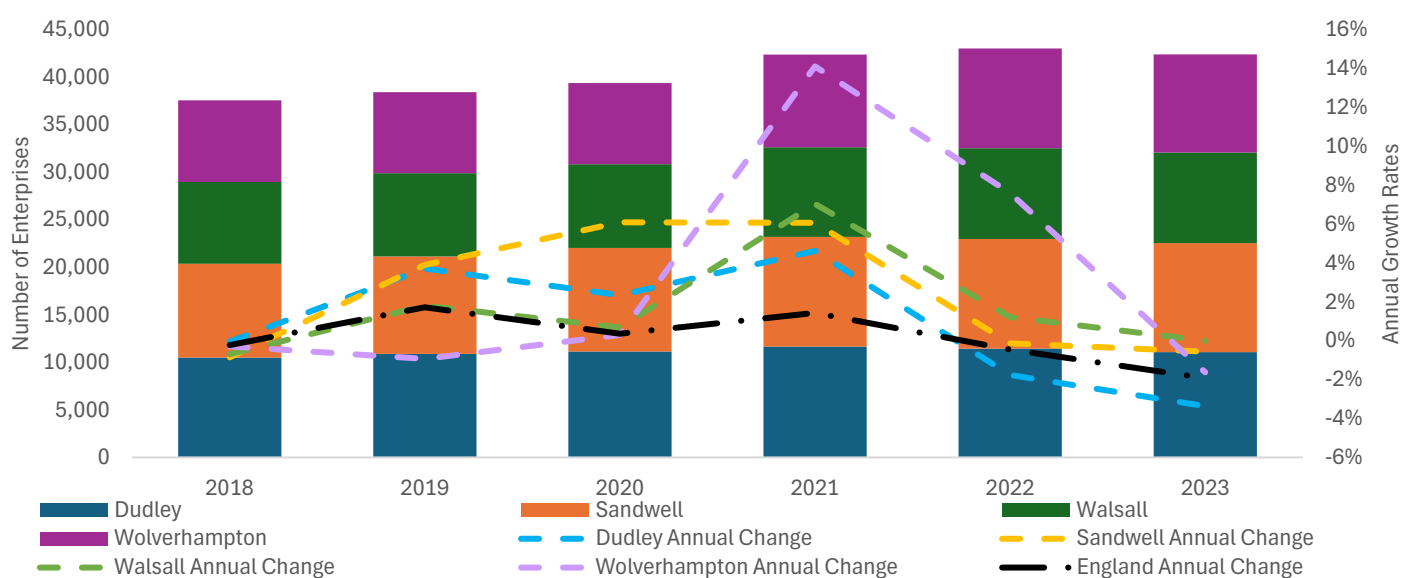
<sup>5</sup> ONS, Regional gross disposable household income, released 2023 Please note ITL3 refers to an International Territorial Level 3 (which replaced NUTS).

## 1.2. Business

### Struggling Business Environment

- In 2023, there were **42,395 enterprises<sup>6</sup>** in the Black Country, **following the national trend (-1.9%), there was an annual decrease** of 1.4%. Walsall retained the same level of enterprise stock, but declines were recorded in Dudley (-3.4%), Sandwell (-0.6%) and Wolverhampton (-1.6%). However, the Black Country is still at the second highest number of active enterprises (with 2022 the highest) since monitoring began in 2004. **During the period 2018 – 2023, enterprise growth across the Black Country has been higher than the national average (+12.9% compared to +1.1%).**
- Overall, there are still **too few enterprises** in the Black Country. There were 343 enterprises per 10,000 population for the Black Country area compared to 439 per 10,000 population for **England** in 2023. For the Black Country to reach the national average requires **an additional 11,815 active enterprises**. This is a **challenge across all four local authorities**, with the number of active enterprises per 10,000 population varying slightly from 330 in Sandwell to 331 in Walsall, to 339 in Dudley and 379 in Wolverhampton.

### Trends in Active Enterprises:

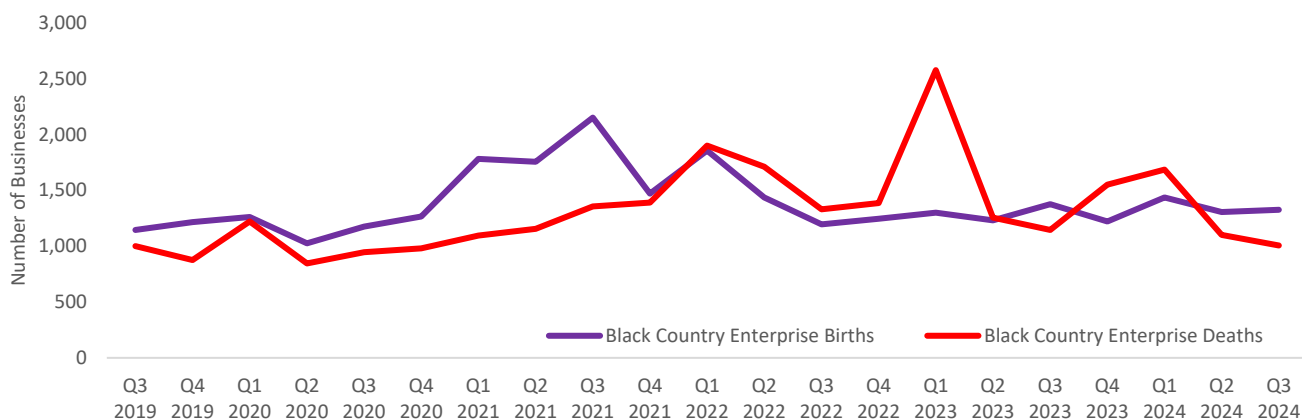


- Overall Black Country enterprise survival rates are lower than national levels on both a short-term and long-term basis.** Of the 5,805 enterprise births in 2022, there were 91.4% still active after 1 year with the UK at 92.3%. Of the 4,625 enterprise births in 2018 in the Black Country area, 39.2% were still active after 5 years with the UK at 39.4%.
- Between 2018 and 2023, **enterprise births in the Black Country rose by 14.5%, from 4,625 to 5,295**. This is in contrast to the national decline (-9.5%). **Growth was experienced in three of the Black Country local authorities:** Sandwell by 17.1%, Wolverhampton by 18.7% and Walsall by 25.4%. Dudley has experienced a small decline by 2.1%. However, there are **worrying more recent annual trends** as there has been **two consecutive years of declines** in enterprise births across the Black Country with the latest data for between 2022 and 2023, showing an overall 13.9% decline. This reflects the national trend (-6.2%).

<sup>6</sup> ONS, Business Demography, released 2024

- There were **43 enterprise births per 10,000 population for the Black Country area compared to 49 per 10,000 population for England** in 2023, to match the national average, requires an overall increase of 741 births per year. This is a **challenge across all four local authorities**, with the number of enterprise births per 10,000 population varying from 35 in Dudley (+451 births per year) to 44 in Sandwell (+158 per year), to 45 in Walsall (+101 per year) and 48 in Wolverhampton (+31 per year).
- Experimental quarterly data<sup>7</sup> shows an overall positive picture locally and nationally as **business births were back ahead of business deaths in Q3 2024**.

### Overall Black Country Enterprise Births and Deaths Trends:



- There is an opportunity across the Black Country to **harness innovative activity of the diverse business base locally**, including **female-led businesses, ethnic-minority owned businesses (EMBs) and voluntary and social enterprises (VCSEs)**. 19.2% of companies in the Black Country are female-led<sup>8</sup>, slightly above the UK average (19.1%). Proportions varied from 17.4% in Sandwell, 17.6% in Walsall, 20.4% in Dudley and 21.3% in Wolverhampton.

### Distinctive Sectoral Composition

- Out of 9 defined sectors, as seen in the table below, the Black Country has a **higher than the national proportion in 7 sectors for GVA<sup>9</sup>, 6 sectors in jobs<sup>10</sup> and 5 sectors for enterprises<sup>11</sup>** as illustrated by the green shading in the following three tables.

#### GVA per Sector:

Sector	Black Country GVA	Percentage of Black Country GVA	Percentage of England GVA
Advanced Manufacturing	£4.2bn	17.5%	11.1%
Building Technologies	£2.0bn	8.5%	6.2%
Business Services	£5.9bn	24.7%	42.8%
Environmental Technologies	£0.5bn	2.2%	2.0%
Health & Wellbeing	£3.0bn	12.6%	8.6%
Public Sector inc. Education	£3.1bn	13.0%	11.5%
Retail	£3.3bn	13.6%	10.5%
Transport Technologies	£1.4bn	5.7%	3.6%
Visitor Economy	£0.5bn	2.2%	3.7%
Total	£23.9bn	100%	100%

<sup>7</sup> ONS, Business demography, quarterly experimental statistics, low-level geographic breakdown, released 2024

<sup>8</sup> Gender Index, 2024

<sup>9</sup> ONS, Regional economic activity by gross domestic product, released 2024

<sup>10</sup> ONS, Business Register and Employment Survey, released 2024

<sup>11</sup> ONS, UK Business Counts, released 2024

### Jobs per Sector:

Sector	Black Country Jobs	Percentage of Black Country Jobs	Percentage of England Jobs
Advanced Manufacturing	63,610	14.2%	9.7%
Building Technologies	23,450	5.2%	4.7%
Business Services	69,820	15.6%	26.3%
Environmental Technologies	5,700	1.3%	1.0%
Health & Wellbeing	81,000	18.1%	15.7%
Public Sector inc. Education	67,500	15.1%	15.3%
Retail	82,000	18.3%	13.7%
Transport Technologies	30,955	6.9%	5.1%
Visitor Economy	23,800	5.3%	8.5%
Total	447,000	100%	100%

- Additional visitor economy analysis from the STEAM model<sup>12</sup> shows in 2023 that there were **33.66m visitors** to the Black Country which provided an **economic impact of £1.67bn** and supported **16,649 full-time equivalent jobs**.

### Enterprises per Sector:

Sector	Black Country Enterprises	Percentage of Black Country Enterprises	Percentage of England Enterprises
Advanced Manufacturing	4,015	11.0%	11.5%
Building Technologies	5,255	14.4%	14.0%
Business Services	9,970	27.4%	37.7%
Environmental Technologies	230	0.6%	0.5%
Health & Wellbeing	2,180	6.0%	5.8%
Public Sector inc. Education	1,050	2.9%	4.1%
Retail	7,515	20.7%	14.6%
Transport Technologies	3,670	10.1%	4.4%
Visitor Economy	2,495	6.9%	7.4%
Total	36,380	100%	100%

### Key Strengths in Sub-Sectors / High-Value Emerging Clusters

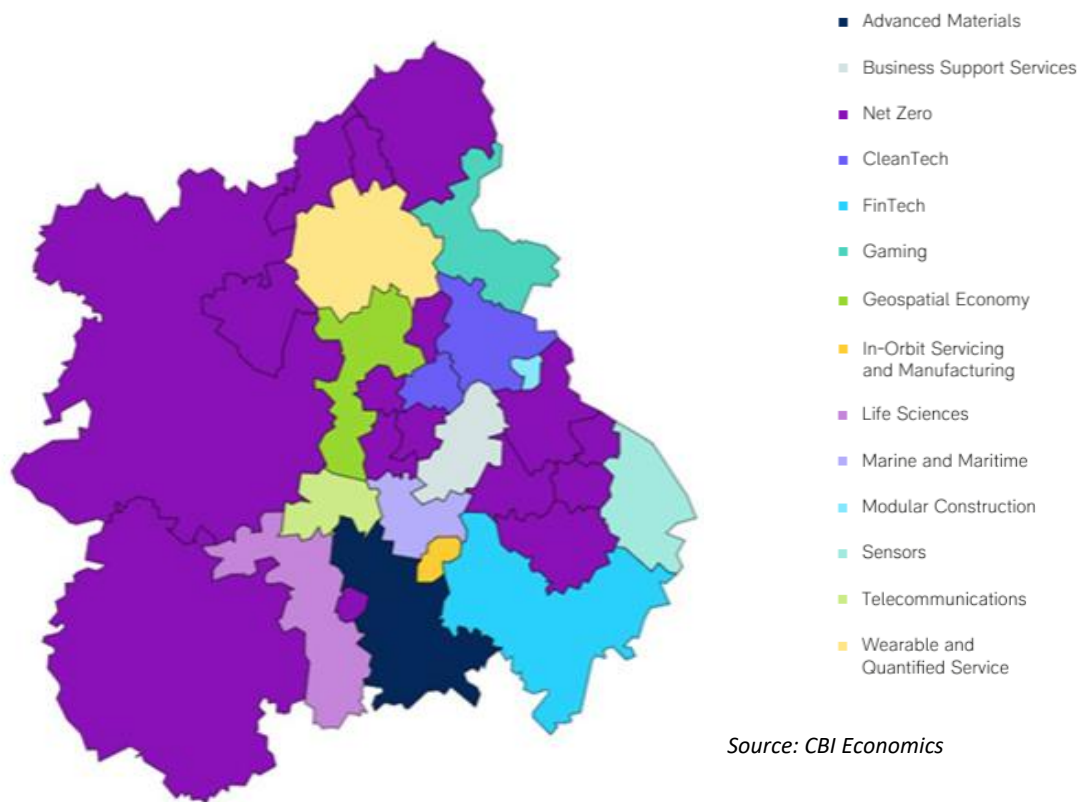
- Applying location quotient analysis to sub-sectors shows in more depth where strengths lie across the Black Country. There are similar strengths across all Black Country local authorities – especially in **manufacturing, in particular metals and materials supply chains and links to transport manufacturing along with retail / wholesale, and logistics / transport technologies**.
- CBI Economics have identified the UK's **high-value, innovative and productive clusters**<sup>13</sup>. The research (based off a Cluster Index) revealed locally that **Walsall's top cluster was CleanTech** while for **Dudley, Sandwell and Wolverhampton the top cluster was Net Zero**.

<sup>12</sup> WMGC, STEAM model

<sup>13</sup> CBI Economics, realising regional potential, released 2024



## West Midlands Top Clusters Within a Local Authority by Cluster Index:



## Shortfalls in Innovation Funding and Foreign Investment

- Focusing on the project-level Innovate UK data<sup>14</sup>, **since 2013/14, the Black Country has received almost £46m worth of funding across 333 grant awards.** This represents 1.9% of the total West Midlands region awards over this time period, and 0.3% of the UK total. Of the Black Country local authorities, Dudley has received the most funding (£22.1m from 94 awards), followed by Wolverhampton (£14.1m), which was the Black Country local authority with the most awards in total (129). Sandwell (£6.4m from 70 awards) and Walsall (£3.3m from 40 awards) have received a lower amount of R&D/innovation funding via Innovate UK programmes in the last decade.
- **The 2022/23 competition year for Innovate UK awards reported the highest receipt of funding to the Black Country in history: £11.3m, compared to £2.6m in 2021/22 and £5.1m in 2020/21.**
- Following on from the 2020-21 UKRI reported figures where findings included Black Country spend was £6 per head compared to £107 nationally and for Innovate UK was £3 per head compared to £23. As per 'sizing up the prize', the Black Country has a significant gap in Innovate UK awards as compared to the UK. Where, **per head the Black Country has a £291.4m gap in Innovate UK Awards received and per business, the Black Country has a £205.2m gap in Innovate UK Awards received.**
- **The Foreign Direct Investment (FDI) projects in the Black Country fell from 17 in 2022/23 to 11 in 2023/24, with the number of new jobs created falling significantly (from 634) to 186.**

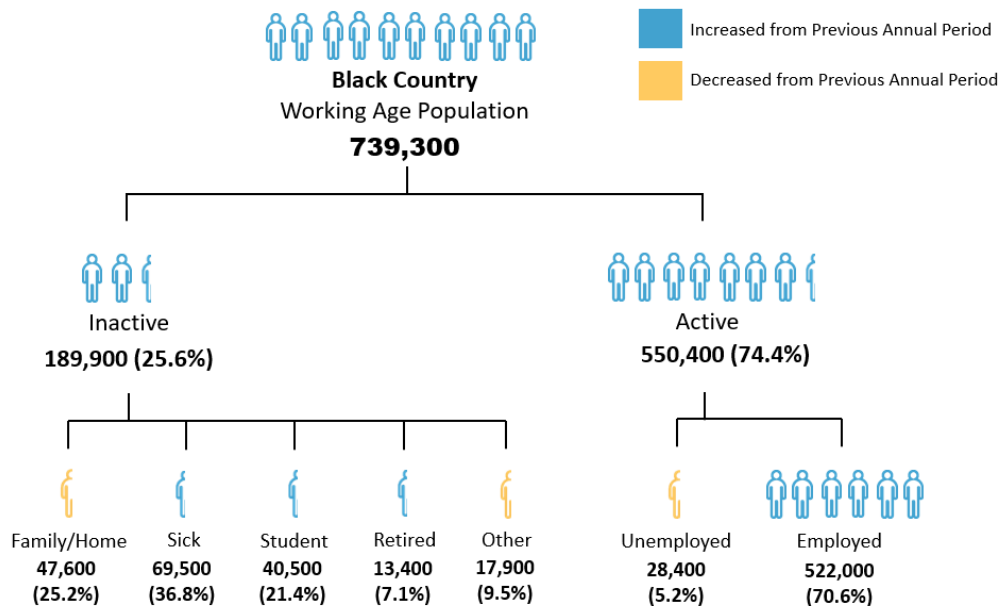
<sup>14</sup> Innovate UK, released 2024. Please note this relates to direct awards to all organisations including Catapults, which may distort the true picture as funding is spent on supporting businesses directly beyond the organisation's geography.

## 1.3 People

### Struggling Labour Market

- In the year ending June 2024, the Black Country employment rate remained below the national average (75.7%) at 70.6% and significantly below the government 80% employment rate target. **All four Black Country local authorities have a challenge in reaching the target as figures vary from 62.6% in Wolverhampton, 67.4% in Sandwell, 75.9% in Dudley to 76.0% in Walsall.** For the Black Country to reach 80% employment rate would require an additional 69,460 people in employment. There is a shortfall of 28,180 people in Wolverhampton, 26,400 people in Sandwell, 7,920 people in Dudley and 6,960 people in Walsall.
- Economic inactivity<sup>15</sup> is a significant issue in the Black Country as it continues to rise, and the latest figures show that just over a quarter of the population is inactive (25.6%).** It is particularly prevalent in Wolverhampton (31.9%) and Sandwell (28.5%). Economic inactivity in the last year has been heavily influenced by the number of individuals inactive due to **long-term sickness** which increased by 12,600 or 24.0%.

### Labour Market Activity, for the Period of July 2023 – June 2024 and the Change Since July 2022 - July 2023:

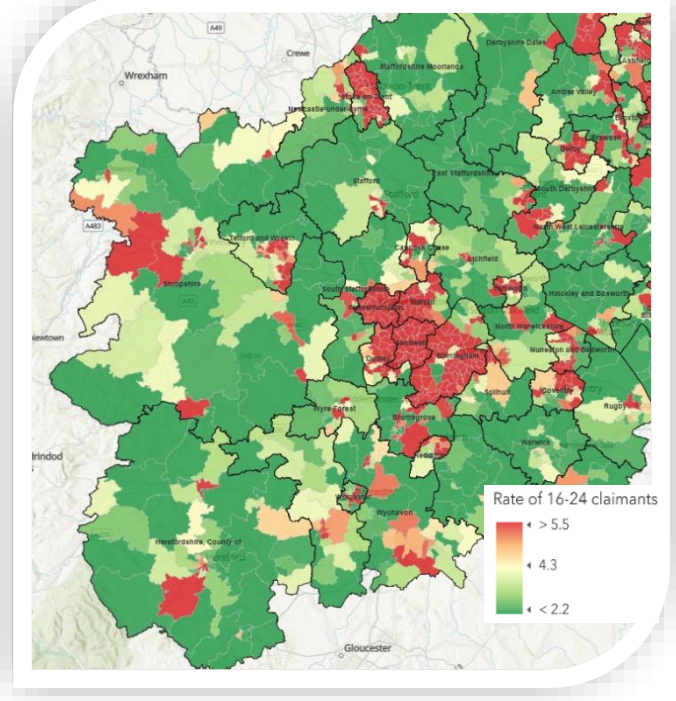
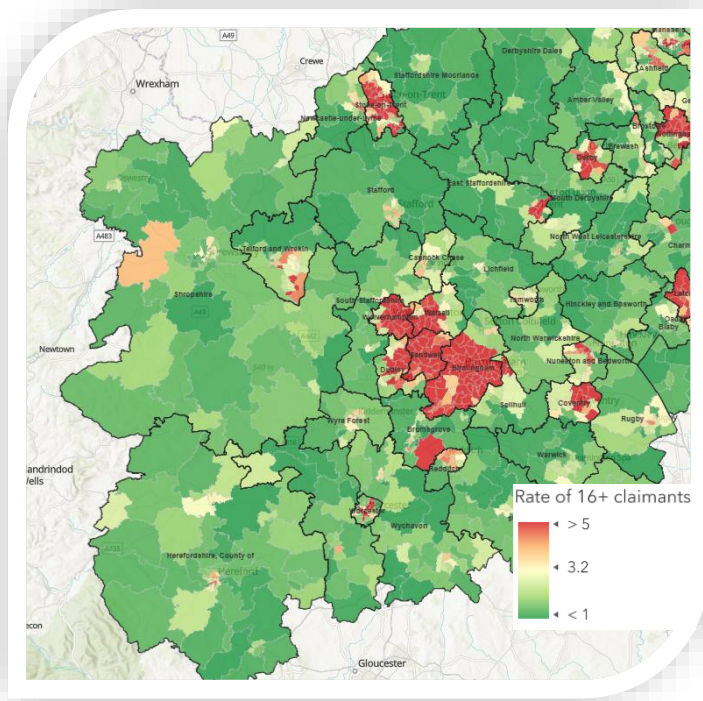


- Total claimant<sup>16</sup> numbers remain heightened across the Black Country.** There are approximately 51,000 people claiming benefits looking for work. This equates to 5.3% of the population aged 16 years and over, with the national rate at 3.2%. **Worryingly, youth claimants (aged 16-24) remain stubbornly high with a Black Country rate of 7.6% compared to 4.3% nationally.** Across all local authorities, Wolverhampton had the joint second highest youth claimant rates at 8.7%. Walsall came in 5th highest, followed closely by Sandwell in 6th place. Dudley came in at 34<sup>th</sup> highest.

<sup>15</sup> ONS, Annual Population Survey, 2024

<sup>16</sup> ONS/ Department for Work and Pensions, claimant count, released 2024

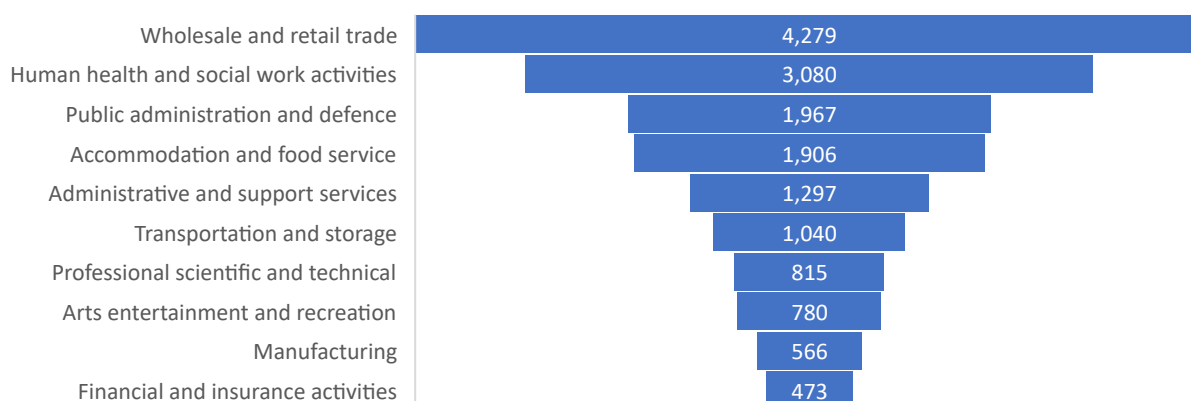
## Claimant Rates for 16+ (Left) and 16-24 (Right) Compared to National:



- Throughout 2024, the UK labour market experienced a **marked slowdown in job postings and vacancies**. **Rising costs and economic uncertainty led businesses to scale back recruitment efforts** as employers prioritised cost control and workforce retention. **For employees this meant increased caution, with fewer switching jobs**. This shift created a **restrained labour market**, where both business demand and workforce mobility reflected a focus on stability rather than expansion.
- **In the Black Country, job posting trends mirrored the national decline**, with the total number of postings dropping by 18.4% to 77,590, compared to a 25.2% fall across the UK. This **downward trajectory appears set to persist into 2025**, as new postings also continue to decrease (-18.9%). **Despite this challenging environment, interest among job seekers, measured by the Interest Quotient<sup>17</sup>, remains relevantly buoyant**.
- Despite the overall decline in job postings, **some sectors continued to show notable activity**. Wholesale and retail trade and human health and social work activities recorded high levels of postings, **reflecting sustained demand in these essential industries**. Specialised industries such as **professional, scientific, and technical services, arts, entertainment, and recreation, and manufacturing reported more moderate activity**, while financial and insurance activities had the fewest unique postings. This gap in the Black Country between **high-demand sectors and those with less activity suggests somewhat of a polarisation in the job market, with essential services driving demand**.

<sup>17</sup> Adzuna Intelligence, accessed January 2025. Please note, Interest quotient (IQ) is a metric that uses jobseeker data to quantify the level of jobseeker interest in roles for specific occupations, roles within specific industries, or roles requesting specific skills. This metric provides a proxy for talent supply to complement market demand data. By comparing interest quotient and demand, we can identify where there are mismatches in talent/supply and demand.

### Top Industries (SIC 2007) Hiring<sup>18</sup> in the Black Country:



- Analysis of the types of occupations reveals a **strong demand for 'primary school teachers' and 'teaching assistants', alongside 'SEN assistants'** to support children with additional needs. There is also **notable demand in the healthcare and social care sectors**, as evidenced by the number of postings for 'Healthcare Support Workers' and 'Social Care Workers'. **A relevantly high number of postings for 'maintenance engineer'** also indicates growth or ongoing requirements within the technical and industrial sectors.

### Top 10 Most In-Demand Occupations Across the Black Country in 2024:

Occupation	Median Salary	Demand	Location Quotient	Interest Quotient
Primary School Teacher	£38,211	1,509	2.0	6.2
Teaching Assistant	£21,396	1,407	1.5	21.4
Maintenance Engineer	£41,925	1,128	3.2	18.5
SEN Assistant	£21,600	906	1.5	11.2
Manager	£34,979	889	0.7	17.8
Teacher	£37,716	858	2.2	5.4
Healthcare Support Worker	£23,207	744	1.0	69.2
Driver	£33,325	677	1.9	38.8
Assistant	£25,448	676	1.1	23.2
Social Care Worker	£23,808	624	0.9	70.5

- Understanding which sectors show the most significant demand can help pinpoint where there might be skills gaps, enabling targeted training and development initiatives to fill those gaps.**

### Early Years and Skills Shortages

- Poor **educational achievement** is one of the strongest predictors of low healthy life expectancy, and a bad educational start in life fuels a trajectory of reduced educational attainment and weaker prospects. **Approximately 37% of Black Country pupils do not achieve a good level of development at the end of reception<sup>19</sup>.**
- Despite an improvement, the skills<sup>20</sup> challenge remains throughout the Black Country, overall, **35.7% of residents had RQF 4+ qualifications compared to 46.7% nationally in 2023. For the Black Country to reach the national level requires 79,769 residents to gain a qualification at Level 4 and above.**

<sup>18</sup> Note only postings where the employer can be identified are included.

<sup>19</sup> Department for Education, released 2024

<sup>20</sup> ONS, Annual Population Survey, released 2024

- At the other end of the scale, the percentage of the working age population with **no qualifications in 2023 remains near the 10% mark** - softened due to Dudley being under the national average (4.5% vs 6.2%). **For the Black Country to reach the national level requires 25,449 residents to gain a qualification.**

### Qualification Profile, 2023:

		Dudley	Sandwell	Walsall	Wolverhampton	Black Country	England
RQF4+	Numerator	76,100	64,300	54,300	64,300	259,000	16,043,100
	Percent	40.0%	31.2%	31.9%	40.8%	35.7%	46.7%
	Shortfall	12,904	32,044	25,402	9,419	79,769	
	Annual Change	22.7%	43.8%	-5.1%	23.9%	20.1%	6.3%
RQF3 only	Numerator	42,600	34,500	46,100	30,900	154,000	7,103,000
	Percent	22.4%	16.7%	27.0%	19.6%	21.2%	20.7%
	Shortfall	-	8,156	-	1,738	-	
	Annual Change	18.3%	-25.8%	29.1%	1.3%	3.5%	-0.3%
RQF2 only	Numerator	55,900	52,600	39,900	24,900	173,400	6,558,900
	Percent	29.4%	25.5%	23.4%	15.8%	23.9%	19.1%
	Shortfall	-	-	-	5,238	-	
	Annual Change	-68.4%	-72.3%	-74.7%	-82.7%	-74.0%	-80.4%
RQF1 only	Numerator	2,000	11,000	4,200	6,600	23,700	893,200
	Percent	1.0%	5.3%	2.4%	4.2%	3.3%	2.6%
	Shortfall	2,955	-	237	-	-	
	Annual Change	-66.1%	197.3%	35.5%	-2.9%	21.5%	-3.3%
Other qualifications	Numerator	5,200	19,400	7,000	12,600	44,300	1,597,500
	Percent	2.8%	9.4%	4.1%	8.0%	6.1%	4.7%
	Shortfall	3,663	-	936	-	-	
	Annual Change	-61.2%	92.1%	-31.4%	43.2%	4.0%	-1.1%
No qualifications	Numerator	8,600	24,300	19,000	18,400	70,300	2,124,000
	Percent	4.5%	11.8%	11.1%	11.7%	9.7%	6.2%
	Shortfall		-11,545	-8,448	-8,640	-25,449	-
	Annual Change	-21.1%	8.5%	8.0%	-7.1%	-0.7%	-3.4%

- New official statistics in development on skills and qualification suitability in the labour market<sup>21</sup>, shows **31.7% of employed Black Country adults were less qualified than average for their current occupation**, above the national average of 21.3%, figures varied from 32.4% for both Dudley and Sandwell, 32.0% in Walsall and 29.8% in Wolverhampton.

### Overall Falling Numbers in Apprenticeship Starts

- In the 2023/24 academic year, there were **7,670 apprenticeship starts<sup>22</sup> in the Black Country area**. When compared to 2022/23, this was a **decrease of 0.5% (-40)**, whereas there was an **overall national increase (+0.7%)**. However, exploring apprenticeship starts by level, Within the Black Country, **apprenticeship starts increased in Wolverhampton for advanced levels**. There were also **increases in all Black Country local authorities for higher apprenticeship starts**, reflecting national trends.

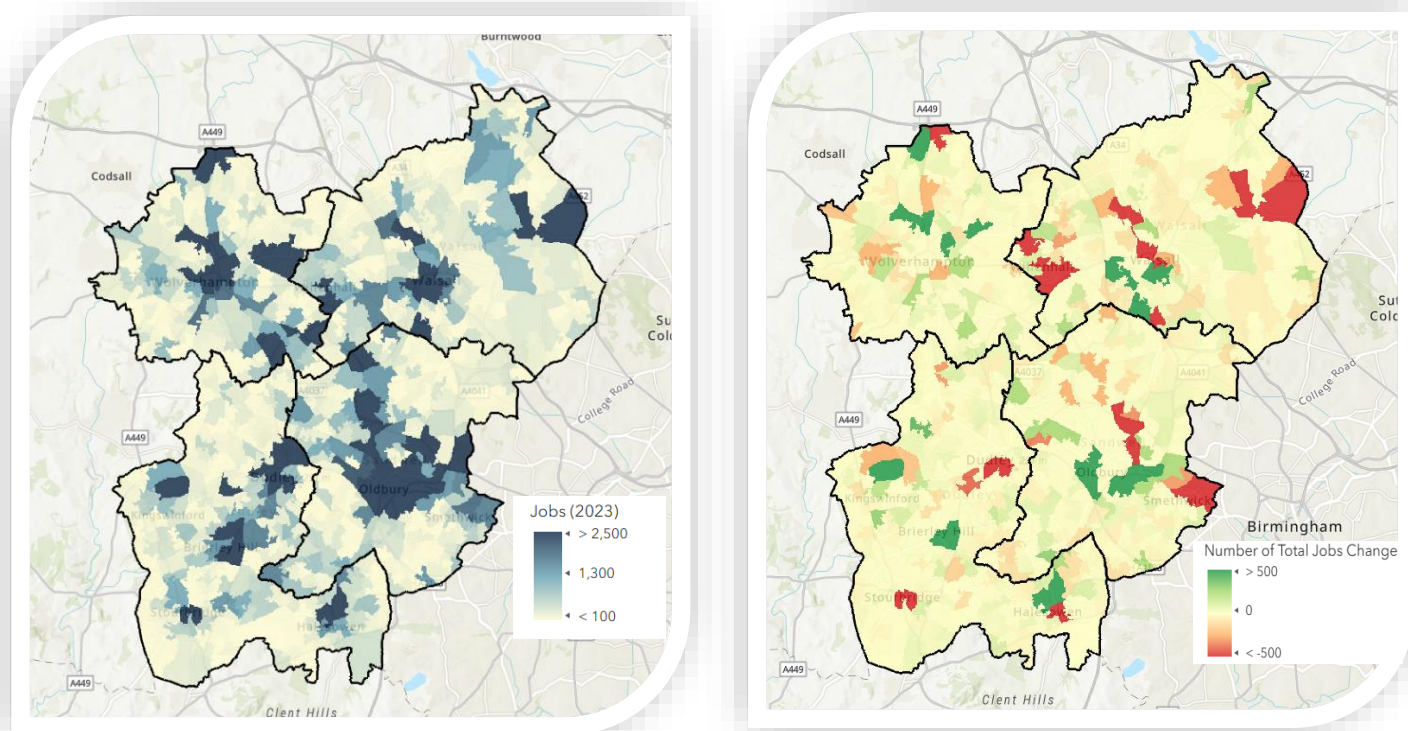
<sup>21</sup> ONS, Understanding skill and qualification suitability in the labour market, released 2024

<sup>22</sup> Department for Education, apprenticeships, released 2024

### Stable Numbers in Workforce Jobs

- After two consecutive years of growth in jobs<sup>23</sup>, in 2023 jobs remained at 447,000 in the Black Country, while nationally there was an annual increase of 1.3%. Within the Black Country, Dudley, Sandwell and Wolverhampton all increased by 1,000 jobs (to 111,000, 127,000 and 110,000 respectively). While Walsall experienced an annual decline in jobs by 3,000 (to 99,000).

### Total Number of Jobs (Left) and Annual Change (Right):



### Growth in Wages but Gap Remains

- In 2024, full time average annual resident earnings<sup>24</sup> for the Black Country reached £33,163, an annual increase of 8.4% (+£2,581) compared to an increase of 6.9% nationally. Black Country earnings were approximately 88.2% of the England average (£37,617 - a shortfall of £4,454). There was growth in all four Black Country local authorities, as seen in the following table.

### Residential Earnings Summary:

	2023	2024	Annual Change		Difference to National
Dudley	£31,615	£34,909	10.4%	£3,294	-£2,708
Sandwell	£29,761	£31,915	7.2%	£2,154	-£5,702
Walsall	£30,480	£32,624	7.0%	£2,144	-£4,993
Wolverhampton	£30,475	£33,205	9.0%	£2,730	-£4,412
Black Country	£30,583	£33,163	8.4%	£2,581	-£4,454
England	£35,194	£37,617	6.9%	£2,423	

<sup>23</sup> ONS, Business Register and Employment Survey, released 2024

<sup>24</sup> ONS, Annual Survey of Hours and Earnings, released 2024. Please note, the Black Country figure is an average.

- Notably for **Sandwell**, resident data shows that **females earn more than men** while work based data shows the inverse (-0.6% and 2.7% respectively). Furthermore, **both Dudley and Wolverhampton work-based earnings show higher earnings for females than males** (-9.3% and -3.3% respectively).
- Across the Black Country, **workplace earnings remain below the national average (average £33,670 vs £37,630 England) in 2024**. Workplace earnings vary from £32,076 in Sandwell, £33,581 in Walsall, £34,296 in Dudley and £34,726 in Wolverhampton. Compared to 2023, all Black Country local authorities saw increases in earnings, following the national trend.
- Low pay<sup>25</sup> analysis shows **for the West Midlands region, there were approximately 28,000 employee jobs who were paid below the National Living Wage** - this equates to 1.2% of employee jobs

### Economy as a Driver of Health

- **There were nearly 1.24 million residents in the Black Country in 2023**, the latest annual change matched the national rate of 1.0% and notably, Wolverhampton had higher than average growth at 1.7%. While longer-term (since 2004), Sandwell has increased by over 20% (+58,702) which was above national average growth rates (+14.9%).
- **The health of the diverse 1.24 million people living in the Black Country is dependent on more than the health care services available to them** – it is shaped by the social, economic, commercial and environmental conditions in which people live. **80% of an individual’s health outcomes’ is due to these “wider determinants of health”**.

**Life expectancy<sup>26</sup> remains below the national average** as in the 2021-23 period, for males in the Black Country this was on average 77.3 years (England 79.1 years). For females in the Black Country life expectancy was 81.5 years (England 83.1 years). **While healthy life expectancy<sup>27</sup> for males in the Black Country was 57.5 years (England 61.5 years) and 56.8 years for females (England 61.9 years).**

### Life Expectancy and Healthy Life Expectancy (in years), 2021-23:

	Male Life Expectancy	Female Life Expectancy	Male Healthy Life Expectancy	Female Healthy Life Expectancy
Dudley	78.6	82.7	60.7	60.6
Sandwell	76.3	80.8	55.5	54.8
Walsall	77.4	81.6	56.2	55.1
Wolverhampton	77	80.9	57.6	56.7
Black Country	77.3	81.5	57.5	56.8
England	79.1	83.1	61.5	61.9

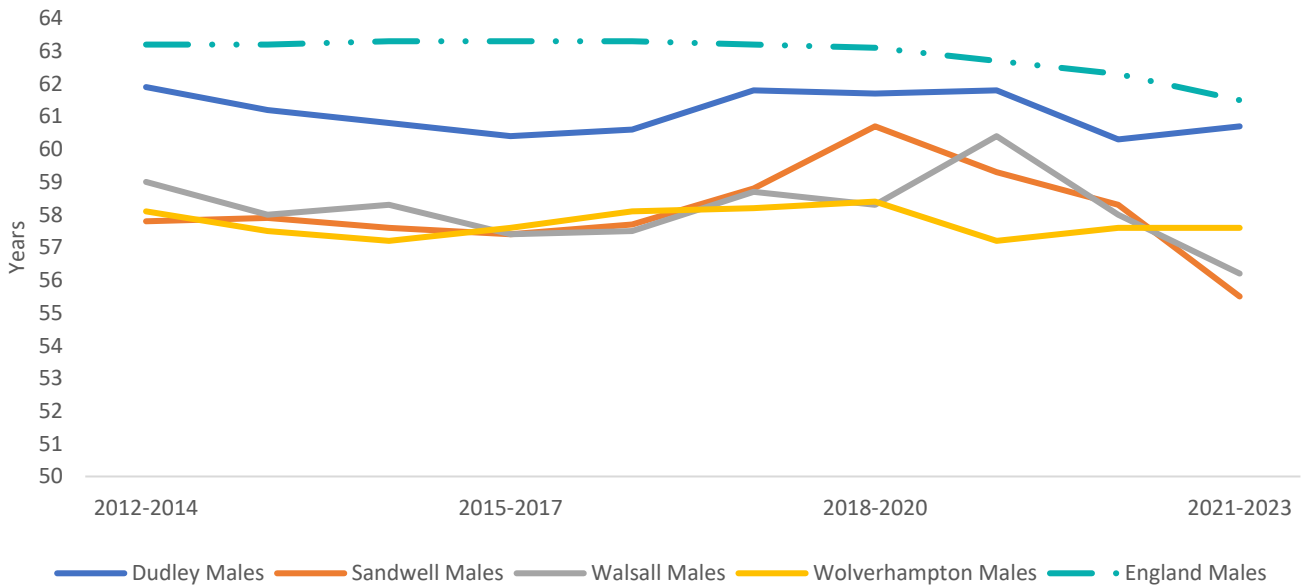
<sup>25</sup> ONS, Low and high pay in the UK, released 2024

<sup>26</sup> ONS, Life expectancy for local areas of Great Britain, released 2024

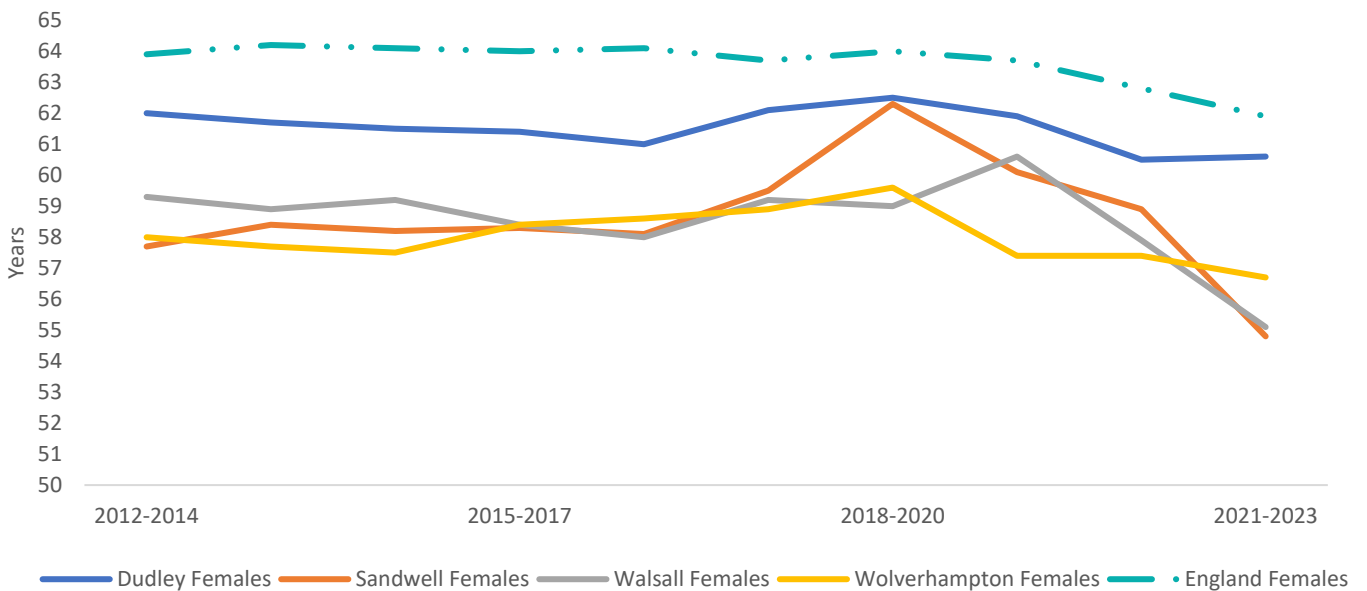
<sup>27</sup> ONS, Health state life expectancies in England and Wales, released 2024

- When compared to the 2018-20 period, reflecting national trends, **healthy life expectancy for both males and females decreased across all four Black Country local authorities**. There were notable declines in Sandwell by 7.5 years for females, 5.2 years for males and by 4.0 years for females in Walsall.

**Trends in Male Healthy Life Expectancy:**



**Trends in Female Healthy Life Expectancy:**



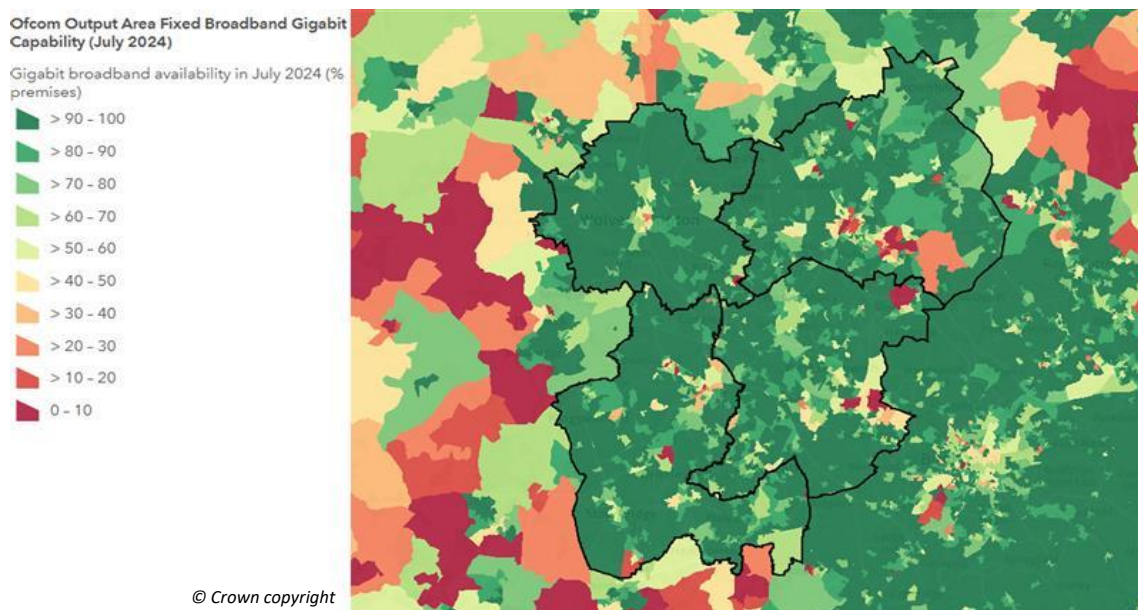


## 1.4. Place

### Developing a Connected and Built Infrastructure

- The Black Country continues to perform well overall for **broadband connectivity**<sup>28</sup>. As of July 2024, **92.7% of premises had gigabit connectivity, above the UK-wide figure of 81.7%**. All four areas were above the UK average. However, **69.8% of premises in the Black Country had full fibre connectivity, but again above the UK-wide figure of 67.4%** - due to Wolverhampton being significantly above at 87.9%.

#### Gigabit Broadband Connectivity:



- There are **shortfalls in housing supply to the demand**; to address this, the government has set a national target of building 1.5m new homes in the next five years. **Provisional estimates for the Black Country, in 2024, show 2,500 net additional homes leading to a total of approximately 511,701 homes overall**<sup>29</sup>.

#### Black Country Summary of Net Additional Homes, Total Stock and Government Targets:

	Net Additional Homes (2023/24)	Total Homes (2024)	Government Target Per Year
Dudley	743	141,550	1,462
Sandwell	647	136,406	1,346
Walsall	388	118,591	1,148
Wolverhampton	722	115,164	1,086

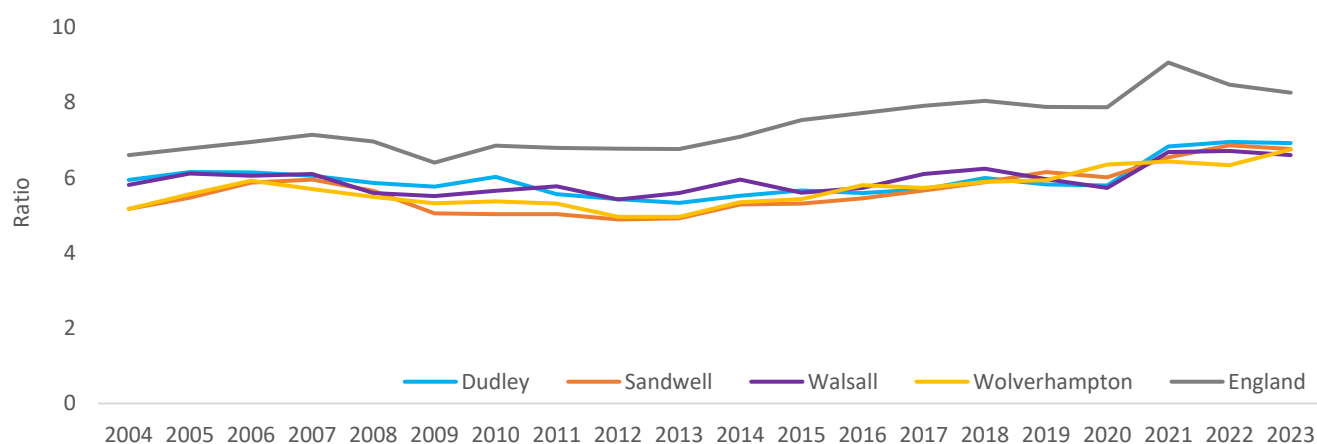
- Housing affordability ratios<sup>30</sup> show that in 2023, overall, for the Black Country, residents in the Black Country could **expect to spend around 6.7 times their annual earnings buying a home**. The figures were broadly similar across the four local authorities. The equivalent figure in England is 8.3 times their annual earnings.

<sup>28</sup> Ofcom, Connected Nations, released 2024

<sup>29</sup> Department for Levelling Up, Housing and Communities, Live tables on housing supply: net additional dwellings and on dwelling stock, both released 2024.

<sup>30</sup> ONS, Housing affordability in England and Wales, released 2024

### Ratio of Median House Price to Median Gross Annual Residence-Based Earnings Trends:



- In 2023/24, overall, for the Black Country, **there were 346 total additional affordable dwelling starts and 902 completions<sup>31</sup>.**

### Summary of Total Additional Affordable Dwellings Starts and Completions:

	Starts		Completions	
	2022-23	2023-24	2022-23	2023-24
Dudley	387	47	202	448
Sandwell	326	204	123	164
Walsall	244	32	70	171
Wolverhampton	2	63	43	119
Black Country	959	346	438	902

- Looking at the efficiency of housing, by using Energy Performance Certificates (EPCs)<sup>32</sup> shows in the year ending March 2023 (based of rating bands for a 10-year period), **where Band A is very efficient and Band G is very energy inefficient, shows that nearly 90% of Black Country lodgements were in Band C (29.5%), Band D (43.7%) and Band E (15.3%),** patterns were similar across all four local authorities.
- **Challenges remain with households in fuel poverty<sup>33</sup>,** the West Midlands region continues to have the highest rates at 19.6%, compared to 13.1% overall for England. **For the Black Country, 21.1% (105,756) of households were fuel poor** in 2022, an annual increase of 8.2% (+7,971). Across all local areas (in England), at 23.0%, Wolverhampton was the 3rd highest (remaining the same rank as 2021), Sandwell was 5th highest (remaining the same place) at 22.0%, Walsall was 6th highest (from 9<sup>th</sup> place) at 21.0% and Dudley was 21<sup>st</sup> highest at 18.8% (from 28<sup>th</sup> place).
- Across the Black Country as of March 2024, there was a total of **38,780 non-domestic properties,<sup>34</sup>** worryingly, this is the **lowest recorded since 2017 as there has been year-on-year continual decreases, whereas nationally this is the first annual fall (-0.6%) recorded since monitoring started in 2011.** Within the Black Country, when compared to March 2023, Sandwell remained the same with 10,890 non-domestic properties, Wolverhampton decreased by 0.7% (-60) to 8,870, Dudley decreased by 1.0% (-110) to 10,530 and Walsall decreased by 1.3% (-110) to 8,460 non-domestic properties.

<sup>31</sup> Ministry of Housing, Communities and Local Government and Department for Levelling Up, Housing and Communities, Live tables on affordable housing supply, released 2024

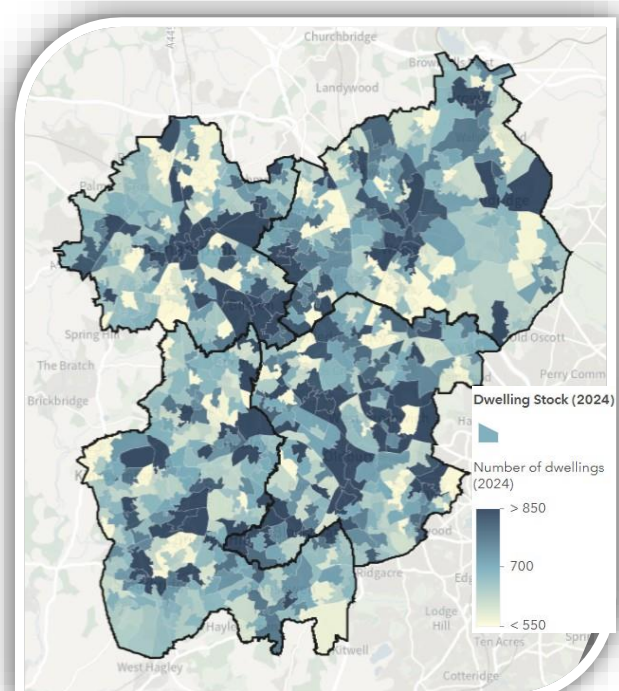
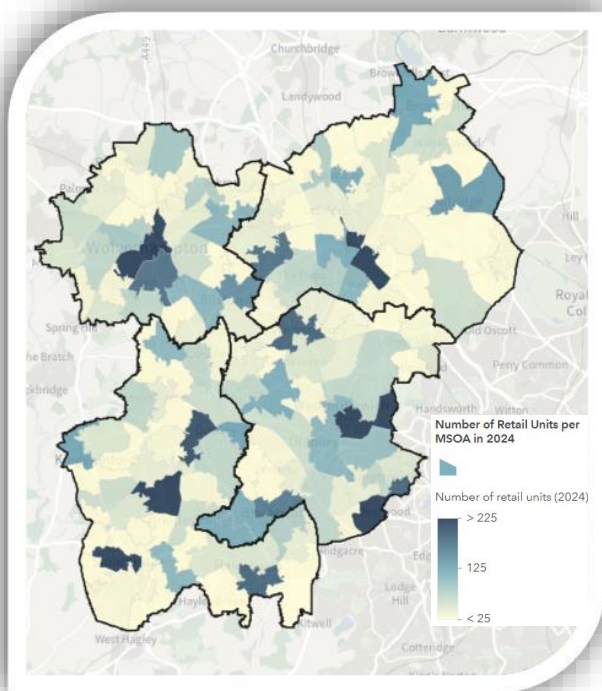
<sup>32</sup> ONS, Energy efficiency of housing, released 2024. This data does not reflect all dwellings in England and Wales, because not every dwelling has an EPC.

<sup>33</sup> Department for Energy Security & Net Zero, Sub-regional fuel poverty in England, released 2024

<sup>34</sup> Valuation Office Agency, Non-domestic rating: stock of properties collection, released 2024

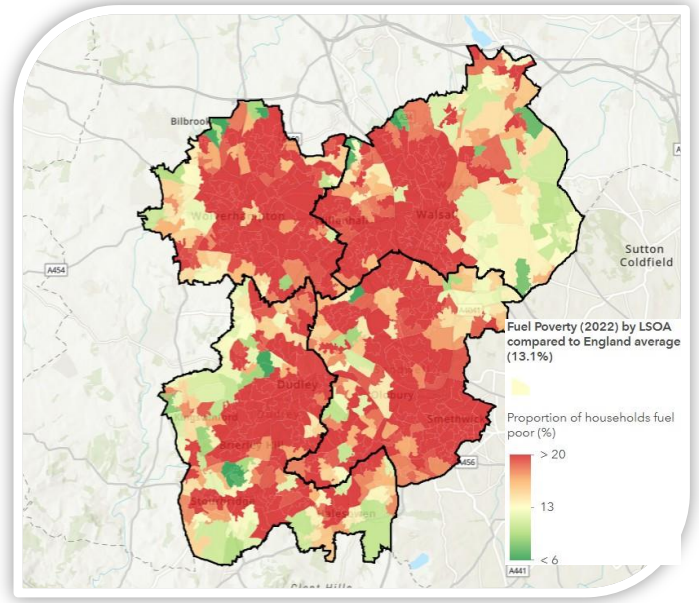
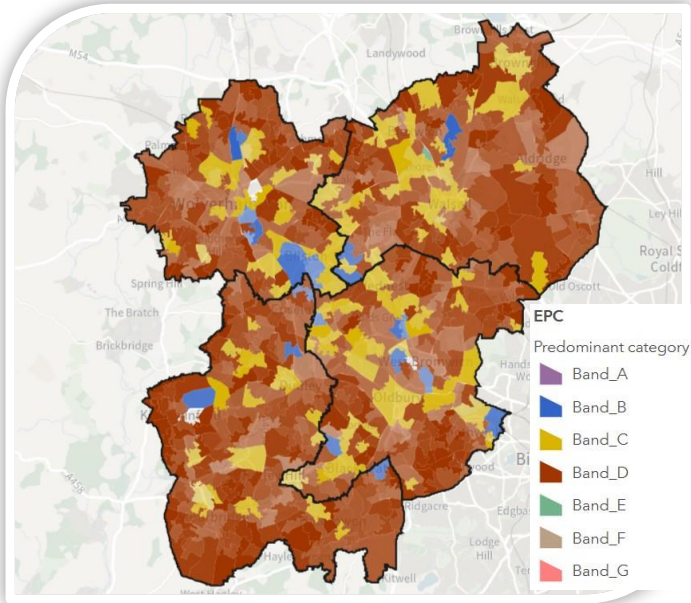
- Analysing non-domestic properties by type, there was a total of **10,590 retail properties across the Black Country**, with 2,410 and 2,470 in Wolverhampton and Walsall respectively, 2,760 in Dudley (lowest number on record) and 2,950 in Sandwell. Overall, there has been **an annual decrease of 0.5% in the Black Country, slightly above the national decline of 0.3%**. Within the Black Country, Sandwell remained unchanged with all other areas experiencing a small decline.
- The rateable value of retail properties in the Black Country fell from nearly £251m in 2023 to £211m in 2024 (-15.9% vs -10.5% nationally)**. There were falls across all four local authorities, by 8.8% (-£5.4m) to £55.9m in Sandwell, 13.1% (-£7.0m) to £46.6m in Walsall, 14.8% (-£8.1m) to £46.5m in Wolverhampton and by 23.9% (-£19.4m) to £61.7m in Dudley.
- Industrial properties declined by 10 to 14,330 properties overall for the Black Country** as Dudley, Walsall and Wolverhampton declined, whereas Sandwell had remained unchanged and nationally there was an increase.
- Office properties declined in the Black Country by 120 to a total of 5,460 properties**. All four local authorities decreased, as did the trend nationally.

**Retail Properties (Left) and Dwellings (Right):**



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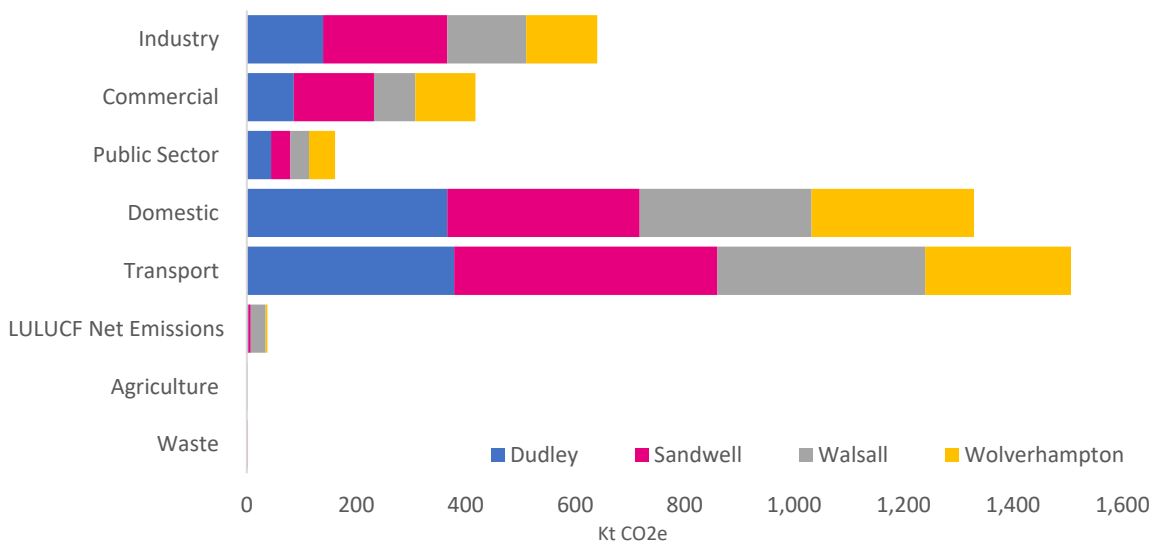
**EPCs (Left) and Fuel Poverty (Right):**



**Net Zero Challenge**

- In 2022, **total carbon emissions<sup>35</sup> were still slightly over 4,000 kt CO<sub>2</sub>e** in the Black Country area. However, **this has decreased at a faster rate than nationally since 2021** (-7.3% vs -6.1% respectively). All four Black Country local authorities decreased over this period. Longer term (since 2005), emissions have decreased by 46.7% for the Black Country overall (England decreased by 43.9%); Dudley decreased by 47.3%, Sandwell by 45.1%, Walsall by 46.6% and Wolverhampton by 48.5%. However, **there is still a long way to go to reach Net Zero by 2041** – especially in Sandwell (-1,247 kt CO<sub>2</sub>e) and Dudley (-1,018 kt CO<sub>2</sub>e).

**Breakdown of Black Country Carbon Dioxide Emissions, 2022:**



<sup>35</sup> Department for Energy Security and Net Zero, UK local authority & regional greenhouse gas emissions national statistics, released 2024

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