

Sandwell Annual Economic Review 2025

January 2026



| 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 ¹ | | Direction of travel relative to national average since 2004 | | Scale of the challenge (To reach England where applicable) | | |
| Grow our Population and Reverse Net Outward Migration Particularly to Environs | DUD | 331,930 | DUD | +3,577 (+1.1%) | DUD | +25,759 (+8.4%) | | | |
| | SAN | 353,860 | SAN | +4,026 (+1.2%) | SAN | +65,011 (+22.5%) | | | |
| | WAL | 295,678 | WAL | +4,441 (+1.5%) | WAL | +38,976 (+15.2%) | | | |
| | WOL | 281,251 | WOL | +5,650 (+2.1%) | WOL | +40,684 (+16.9%) | | | |
| | BC | 1,262,719 | BC | +17,694 (+1.4% BC) +1.2% Eng. | BC | +170,430 (+15.6% BC) +16.8% Eng. | | | |
| Raise Incomes | DUD | £35,486 | DUD | +£700 (+2.0%) | DUD | +£16,295 (+84.9%) | DUD | £35,486 | |
| | SAN | £33,029 | SAN | +£1,109 (+3.5%) | SAN | +£14,320 (+76.5%) | SAN | £33,029 | |
| | WAL | £34,036 | WAL | +£1,538 (+4.7%) | WAL | +£15,358 (+82.2%) | WAL | £34,036 | |
| | WOL | £35,858 | WOL | +£2,773 (+8.4%) | WOL | +£17,293 (+93.1%) | WOL | £35,858 | |
| | BC | £34,602 (avg.) | BC | +£1,530 (+4.6% BC) +4.3% Eng. | BC | +£15,817 (+84.2% BC) +74.9% Eng. | BC | £34,602 (avg.) | |
| Achieve Better Population Balance | DUD | 17.0% | | | DUD | -0.1pp | DUD | 17.0% | |
| | SAN | 10.8% | | | SAN | 0pp | SAN | 10.8% | |
| | WAL | 13.7% | | | WAL | -0.5pp | WAL | 13.7% | |
| | WOL | 13.4% | | | WOL | -0.3pp | WOL | 13.4% | |
| | BC | 13.6% | | | BC | -0.3pp BC +0.5pp Eng. | BC | 13.6% | |
| Transform the Environment | 70.5% of residents satisfied with Black Country as a place to live | | | | | | 77.8% resident satisfaction | | |
| Regenerated Our Economy (pp = percentage points) | | | | | | | | | |
| Reduce the Output Gap | DUD | £5.8bn | DUD | +£664m | DUD | +£3.5bn | DUD | -£5.8bn | |
| | SAN | £5.4bn | SAN | +£463m | SAN | +£3.9bn | SAN | -£5.4bn | |
| | WAL | £5.1bn | WAL | +£441m | WAL | +£3.1bn | WAL | -£5.1bn | |
| | WOL | £3.5bn | WOL | +£435m | WOL | +£2.4bn | WOL | -£3.5bn | |
| | BC | £19.8bn | BC | +£2.0bn | BC | +£12.9bn | BC | -£19.8bn | |
| Raise the Number of Local Jobs | DUD | 106,000 | DUD | -5,000 (-4.5%) | DUD | -12,000 (-10.2%) | | | |
| | SAN | 125,000 | SAN | -2,000 (-1.6%) | SAN | +2,000 (+1.6%) | | | |
| | WAL | 98,000 | WAL | -1,000 (-1.0%) | WAL | +4,000 (+4.3%) | | | |
| | WOL | 111,000 | WOL | +1,000 (+0.9%) | WOL | +7,000 (+6.7%) | | | |
| | BC | 440,000 | BC | -7,000 (-1.6% BC) +0.6% Eng. | BC | +1,000 (+0.2% BC) +19.8% Eng. | | | |
| Increase the Total Employment Rate | DUD | 75.1% | DUD | -1.6pp | DUD | +2.1pp | DUD | +1,296 | |
| | SAN | 65.7% | SAN | -1.9pp | SAN | +1.3pp | SAN | +20,953 | |
| | WAL | 71.8% | WAL | -3.2pp | WAL | +3.4pp | WAL | +6,875 | |
| | WOL | 75.1% | WOL | +10.5pp | WOL | +6.3pp | WOL | +1,036 | |
| | BC | 71.7% | BC | +0.6pp BC +0.2pp Eng. | BC | +3.0pp BC +2.9pp Eng. | BC | +30,083 Eng.: 75.8% | |
| Increase the Percentage of Knowledge Workers | DUD | 46.4% | DUD | +2.0pp | DUD | | DUD | +10,891 | |
| | SAN | 37.0% | SAN | +5.5pp | SAN | | SAN | +23,736 | |
| | WAL | 43.5% | WAL | +8.4pp | WAL | | WAL | +13,589 | |
| | WOL | 51.6% | WOL | -3.1pp | WOL | | WOL | +2,725 | |
| | BC | 44.5% | BC | +3.8pp BC +0.6pp Eng. | BC | | BC | +51,149 Eng.: 53.8% | |
| Raise Enterprise Births | DUD | 1,175 | DUD | +30 (+2.6%) | DUD | -15 (-1.3%) | DUD | +426 P.A. | |
| | SAN | 1,655 | SAN | +115 (+7.5%) | SAN | +715 (+76.1%) | SAN | +51 P.A. | |
| | WAL | 1,280 | WAL | -30 (-2.3%) | WAL | +235 (+22.5%) | WAL | +146 P.A. | |
| | WOL | 1,385 | WOL | +85 (+6.5%) | WOL | +385 (+38.5%) | WOL | Above National | |
| | BC | 5,495 | BC | +200 (+3.8%) +0.3% Eng. | BC | +1,320 (+31.6% BC) +13.8% Eng. | BC | +594 P.A. Eng.: 48 per 10,000 pop. | |
| Reduce the Percentage of Workless Households | 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% | |
| Increase the Number of Visitors to the Area | 35.05m | | +1.39m | | | | A leading UK visitor destination | | |

| In the Black Country we will: | Where we are now | | Change over the last year ¹ | | Direction of travel relative to national average since 2004 | | Scale of the challenge (To reach England where applicable) | |
|--|------------------|----------------|--|---------------------------------|---|---------------------------------------|---|--------------------------------|
| Sustainable Environmental Transformation | | | | | | | | |
| 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 ² Emissions (Tonnes per capita) | DUD | 2.9 | DUD | -0.2 | DUD | -3.3 | Net Zero by 2041 | |
| | SAN | 3.3 | SAN | -0.3 | SAN | -4.4 | | |
| | WAL | 3.1 | WAL | -0.2 | WAL | -3.8 | | |
| | WOL | 2.9 | WOL | -0.2 | WOL | -3.9 | | |
| | BC | 3.1 | BC | -0.2 BC -0.3 Eng. | BC | -3.9 BC -4.6 Eng. | | |
| Raised Education and Skills | | | | | | | | |
| Reduce the Number of People with No Qualifications | DUD | 7.4% | DUD | +5,400 (+62.8%) | DUD | -13,700 (-49.5%) | DUD | -1,529 |
| | SAN | 14.9% | SAN | +6,400 (+26.3%) | SAN | -9,500 (-23.6%) | SAN | -17,110 |
| | WAL | 11.8% | WAL | +300 (+1.6%) | WAL | -12,400 (-39.1%) | WAL | -8,568 |
| | WOL | 9.8% | WOL | -3,600 (-19.6%) | WOL | -19,900 (-57.3%) | WOL | -4,858 |
| | BC | 11.1% | BC | +8,400 (-0.7% BC) +6.8% Eng. | BC | -55,700 (-41.4% BC) -51.2% Eng. | BC | -31,965 Eng.: 6.6% |
| Increase the Number of People with RQF4+ | DUD | 38.9% | DUD | -2,400 (-3.2%) | DUD | +34,700 (+89.0%) | DUD | +14,882 |
| | SAN | 29.7% | SAN | -2,900 (-4.5%) | SAN | +34,200 (+125.7%) | SAN | +35,133 |
| | WAL | 28.4% | WAL | -8,000 (-14.7%) | WAL | +18,400 (+65.9%) | WAL | +29,935 |
| | WOL | 45.7% | WOL | +4,800 (+7.5%) | WOL | +44,300 (+178.6%) | WOL | +1,522 |
| | BC | 35.3% | BC | -8,500 (-3.3% BC) +0.5% Eng. | BC | +131,700 (+110.9% BC) +100.1% Eng. | BC | +81,471 Eng.: 46.8% |
| 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 | 21.5% | DUD | +833 (+101.3%) | DUD | | DUD | -1,655 |
| | SAN | 2.6% | SAN | -1 (-0.4%) | SAN | | SAN | -261 |
| | WAL | 5.2% | WAL | +15 (+3.6%) | WAL | | WAL | -427 |
| | WOL | 3.9 % | WOL | +28 (+11.1%) | WOL | | WOL | -281 |
| | BC | 7.8% | BC | +875 (+50.0% BC) +8.7% Eng. | BC | | BC | No NEETs -2,624 |
| Transformed our Environmental Infrastructure | | | | | | | | |
| Increase Net New Homes | DUD | 142,236 | DUD | +686 (+0.5%) | DUD | +13,110 (+10.2%) | DUD | |
| | SAN | 137,002 | SAN | +596 (+0.4%) | SAN | +16,595 (+13.8%) | SAN | |
| | WAL | 119,232 | WAL | +651 (+0.5%) | WAL | +12,741 (+12.0%) | WAL | |
| | WOL | 115,585 | WOL | +421 (+0.4%) | WOL | +13,739 (+13.5%) | WOL | |
| | BC | 514,055 | BC | +2,354 (+0.5% BC) +0.8% Eng. | BC | +56,186 (+12.3% BC) +19.1% 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 | -18,0000 sqm | BC | +62,000 sqm | BC | |

¹ 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.

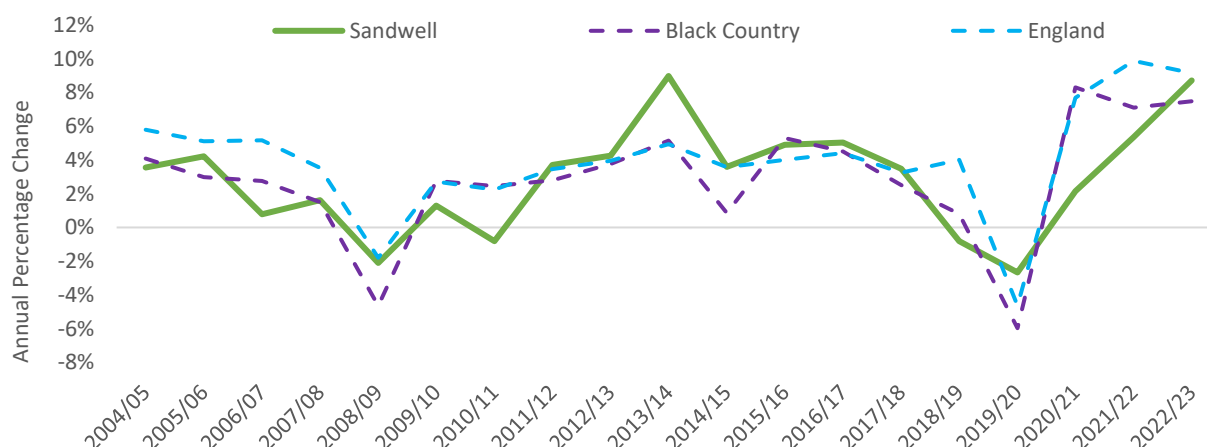
2025 KEY MESSAGES

1.1. Economy

Economy and Productivity

- Sandwell's total Gross Value Added (GVA)² has increased for the third consecutive year. The latest data shows **Sandwell's GVA increased from £6.7bn in 2022 to £7.3bn in 2023**. Equating to a **growth rate of 8.7%**, compared to 9.1% nationally. Sandwell's growth rates are the closest to national levels seen in the past three years.
- Insights for 2025 show that the **UK economy continues to expand**, but the pace of growth **remains modest and vulnerable** to disruption. Inflationary pressures persist, limiting real income gains and constraining consumer demand. Although **business investment shows signs of improvement**, rising cost burdens and an uncertain global environment are tempering overall economic momentum.

Annual Changes in Total GVA:



- **Sandwell's GVA per head remains substantially lower than the national average at £21,021 compared to £36,632 in 2023**. There was an **annual increase of 7.8% (+£1,519)**, below the national growth rate (+8.1%). For Sandwell, there was an **overall output gap³ of £5.4bn**, an annual increase of just over £463m and longer-term (since 2004) a significant increase of £3.9bn.
- **GVA per hour worked⁴ for Sandwell was £32.80 in 2023**, with a **slower annual growth rate** than nationally at 1.0% compared to 2.2%. Also, when compared to 2019, Sandwell performed behind the national average growth rate (+8.5% compared to +14.5%). In 2023 there was a **shortfall of £9.10 to reach the UK average (£41.90)**.
- **Sandwell's Gross Disposable Household Income (GDHI) per head⁵ increased from £15,360 in 2022 to £16,652 in 2023**, which equated to a **growth rate of 7.8%**, slightly below the national growth rate of 8.4%. Across all local authority areas, Sandwell had the 2nd lowest GDHI per person (remaining in the same place as in 2021 and 2022) and had a **shortfall of £8,274 to the national average (£24,836)**.

² Office for National Statistics (ONS), Regional economic activity by gross domestic product, released 2025

³ The EIU calculations based off ONS, Regional economic activity by gross domestic product, released 2024 and mid-year population estimates, released 2025

⁴ ONS, Subregional productivity in the UK, released 2025

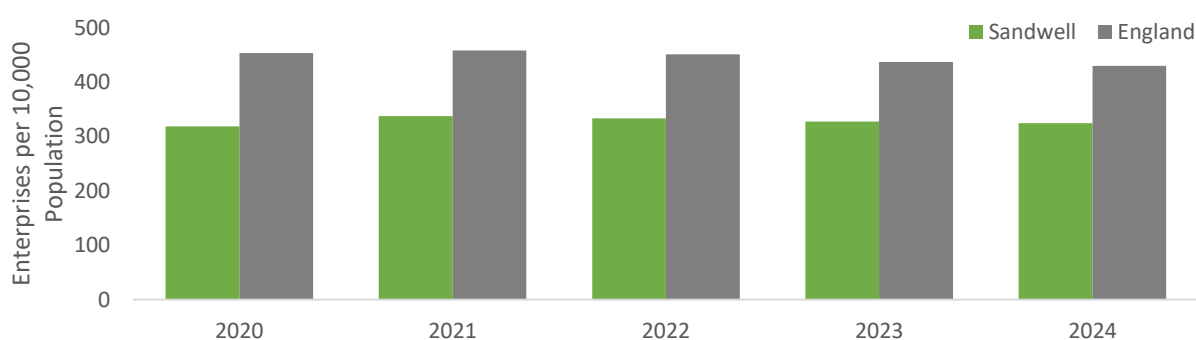
⁵ ONS, Regional gross disposable household income, released 2025

1.2. Business

Business Environment

- After two years of contraction, the total number of enterprises⁶ has returned to an upward trend, in contrast to the national trend. In 2024, there were **11,495 enterprises** in Sandwell, an **annual increase** of 0.3% (+30) while nationally there was a decrease of 0.4%. **Over the longer-term (2019 - 2024) enterprises in Sandwell have increased (by 12.0%) which contrasts with the national trend** of a decrease of 1.0%.
- There are still **too few enterprises in Sandwell at 325 enterprises per 10,000 population compared to 430 per 10,000 population for England in 2024**. For Sandwell to reach the national average it requires **an additional 3,725 active enterprises**.

Trends in Active Enterprises per 10,000 population:



- In 2024, there were **50 high-growth firms** in Sandwell. Since 2023, this **remains unchanged**, nationally there was an increase of 4.0%.
- **Sandwell's enterprise survival rates are lower than national levels on a longer-term but performed better on the short-term basis.** Of the 1,515 enterprise births in 2019, there were 36.6% still active after 5 years with England at 38.3%. Of the 1,540 enterprise births in 2023 in Sandwell, 93.8% were still active after 1 year with England at 93.4%.
- Between 2019 and 2024, **enterprise births in Sandwell rose by 9.2%, from 1,515 to 1,655**. This bucked the national trend (-13.1%). More recent trends show that after three consecutive years of declines, **enterprise births were on the up** in Sandwell between 2023 and 2024, with the latest annual increase at 7.5% (+115), above the national growth of 0.3%.
- There were **47 enterprise births per 10,000 population for Sandwell compared to 48 for England** in 2024. To match the national average, Sandwell requires an overall increase of 51 births per year.
- Experimental quarterly data⁷ shows an overall positive picture locally and nationally as **business births were back ahead of business deaths in Q3 2025** (405 births compared to 320 deaths in Sandwell).
- There is an opportunity to **harness innovative activity of the diverse business base locally**, 17.3% of companies in Sandwell are female-led⁸ (UK average 19.2%).

⁶ ONS, Business Demography, released 2025

⁷ ONS, Business demography, quarterly experimental statistics, low-level geographic breakdown, released 2025

⁸ The Gender Index, released 2025

Traditional Sectors

- Out of 9 defined sectors, Sandwell has **higher than the national proportion in 6 sectors for GVA⁹, 5 sectors in jobs¹⁰ and 3 sectors (with a further one matching) for enterprises¹¹.**

GVA, Jobs and Enterprises per Sector:

| | Sandwell GVA | % of Sandwell GVA | % of England GVA | Sandwell Jobs | % of Sandwell Jobs | % of England Jobs | Sandwell Enterprises | % of Sandwell Enterprises | % of England Enterprises |
|------------------------------|--------------|-------------------|------------------|---------------|--------------------|-------------------|----------------------|---------------------------|--------------------------|
| Advanced Manufacturing | £1.5bn | 20.8% | 10.7% | 19,360 | 15.5% | 9.5% | 1,110 | 10.8% | 11.4% |
| Building Technologies | £584m | 8.0% | 6.3% | 5,800 | 4.6% | 4.9% | 1,320 | 13.0% | 14.1% |
| Business Services | £1.6bn | 21.7% | 43.0% | 19,300 | 15.5% | 26.1% | 2,420 | 23.9% | 37.6% |
| Environmental Technologies | £209m | 2.9% | 2.4% | 1,550 | 1.2% | 1.1% | 55 | 0.5% | 0.5% |
| Health & Wellbeing | £903m | 12.4% | 8.2% | 19,300 | 15.5% | 14.0% | 520 | 5.1% | 4.4% |
| Public Sector inc. Education | £777m | 10.6% | 11.6% | 17,000 | 13.6% | 15.5% | 270 | 2.7% | 4.1% |
| Retail | £948m | 13.0% | 10.1% | 22,500 | 18.0% | 13.7% | 2,310 | 22.8% | 14.5% |
| Transport Technologies | £600m | 8.2% | 3.5% | 11,515 | 9.2% | 5.1% | 1,315 | 13.0% | 4.2% |
| Visitor Economy | £178m | 2.4% | 4.3% | 8,585 | 6.9% | 10.1% | 830 | 8.2% | 9.0% |
| Total | £7.3bn | 100% | 100.0% | 125,000 | 100% | 100% | 10,140 | 100% | 100% |

- Furthermore, **450 strategic companies¹²** have been identified in the Black Country area, **of which 137 were in Sandwell.**

West Midlands High Growth Clusters

- When aligning to the five high growth clusters¹³ as seen in the [West Midlands Growth Plan](#), Sandwell has some **strengths in the smart energy systems and advanced engineering, light electric vehicles & batteries clusters.**

Sandwell GVA, Employment and Businesses per High Growth Cluster:

| | Sandwell GVA | % of WMCA GVA | Sandwell Employment | % of WMCA Employment | Sandwell Businesses | % of WMCA Businesses |
|---|--------------|---------------|---------------------|----------------------|---------------------|----------------------|
| Advanced Engineering, Light Electric Vehicles & Batteries | £1.8bn | 14.6% | 27,111 | 14.4% | 2,604 | 15.7% |
| Digital Tech & Creative | £55m | 1.8% | 1,175 | 3.4% | 340 | 7.2% |
| Health & Med Tech | £11m | 2.6% | 260 | 5.2% | 25 | 6.8% |
| Next Generation Services | £886m | 4.5% | 9,770 | 6.0% | 1,345 | 7.3% |
| Smart Energy Systems | £178m | 13.0% | 2,105 | 10.2% | 300 | 8.9% |

⁹ ONS, Regional economic activity by gross domestic product, released 2025

¹⁰ ONS, Business Register and Employment Survey, released 2025

¹¹ ONS, UK Business Counts, released 2025

¹² The EIU analysis from The Data City, 2025.

¹³ Please note, these clusters do not cover all businesses/employment or GVA.

The Industrial Strategy (IS)-8 Sectors

- The UK Government has launched [The Modern Industrial Strategy](#) which identifies **eight growth-driving sectors**. These sectors are advanced manufacturing, clean energy industries, creative industries, defence, digital & technologies, financial services, life sciences, and professional & business services. Please note, data suggests that there is no presence in Sandwell for the defence sector. Data shows¹⁴ that Sandwell has either **the same or higher proportion than nationally in 2 sectors for enterprises and 3 sectors for jobs**.

Employees and Businesses per IS-8 Sector:

| | Employees | | | Businesses | | |
|------------------------------------|-----------|---------------------|---------------|------------|---------------------|---------------|
| | Sandwell | Sandwell % of Total | UK % of Total | Sandwell | Sandwell % of Total | UK % of Total |
| Advanced Manufacturing | 3,600 | 3% | 2% | 140 | 1% | 1% |
| Clean Energy Industries | 3,338 | 3% | 3% | 49 | 0.1% | 1% |
| Creative Industries | 1,075 | 1% | 5% | 375 | 4% | 10% |
| Digital and Technologies | 1,255 | 1% | 7% | 480 | 5% | 10% |
| Financial Services | 1,250 | 1% | 3% | 120 | 1% | 2% |
| Life Sciences | 20 | 0.1% | 0.1% | 5 | 0.1% | 0.1% |
| Professional and Business Services | 9,405 | 7% | 14% | 1,275 | 13% | 21% |
| Total | 19,943 | 16.1% | 34.1% | 2,444 | 25.2% | 45.1% |

- A Location Quotient (LQ) is a measure that compares the concentration of an industry, sector, or occupation in a specific region to its concentration at a broader geographic level (in this case, the national average). **Advanced manufacturing is highly concentrated** with a Business LQ of 1.50, Employee LQ of 1.32, and Turnover LQ of 1.62, marking it as a clear area of specialisation. Despite a weak Business LQ (0.53), **the clean energy industries sector shows strong labour specialisation with an Employee LQ of 1.70**, suggesting a concentrated employment base.

Sandwell Location Quotient per IS-8 Sector:

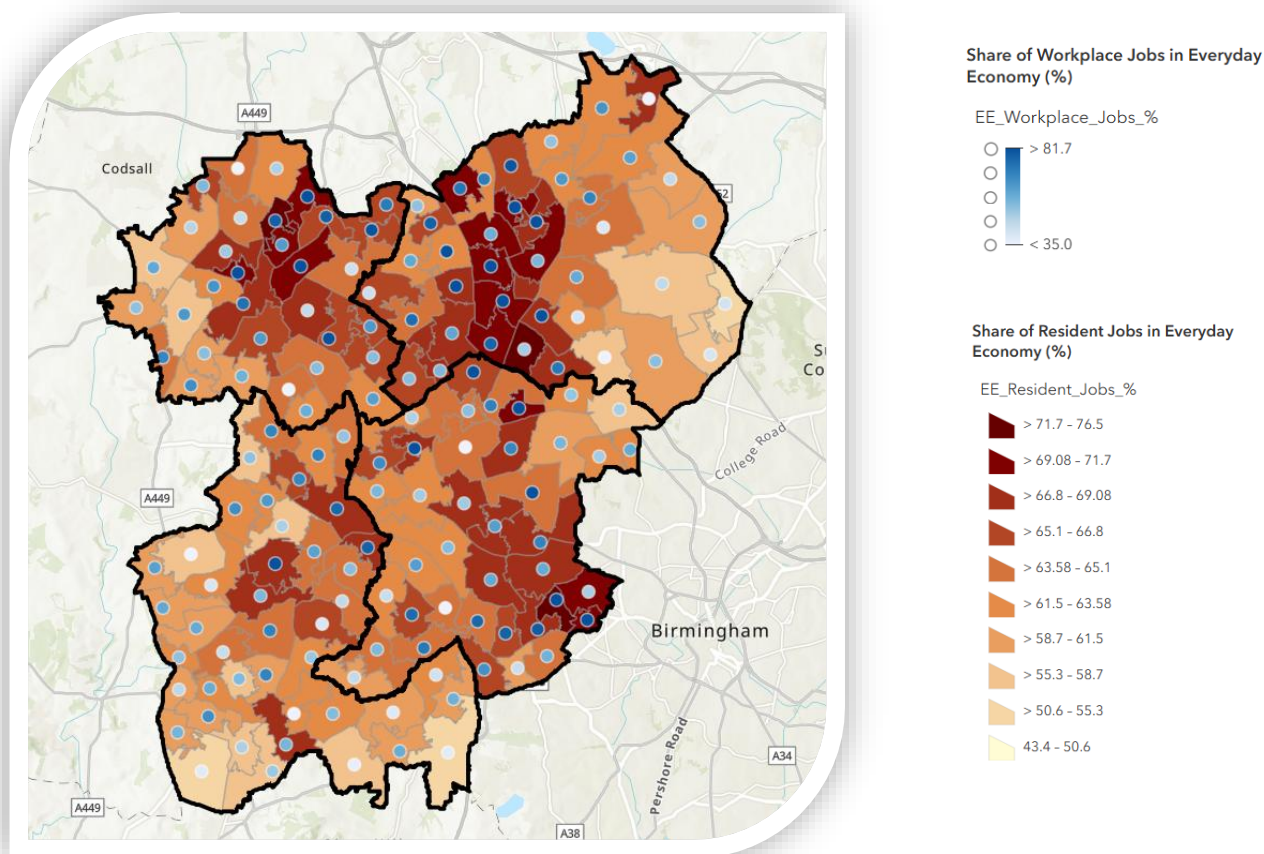
| Sector | Business LQ | Employee LQ | Turnover LQ |
|------------------------------------|-------------|-------------|-------------|
| Advanced Manufacturing | 1.5 | 1.32 | 1.62 |
| Clean Energy Industries | 0.53 | 1.7 | 0.93 |
| Creative Industries | 0.55 | 0.33 | 0.3 |
| Digital and Technologies | 0.36 | 0.64 | 0.75 |
| Financial Services | 0.33 | 0.29 | 0.24 |
| Life Sciences | 0.82 | 0.67 | 0.47 |
| Professional and Business Services | 0.57 | 0.8 | 0.72 |

Everyday Economy

- As defined in the [West Midlands Growth Plan](#), the everyday economy consists of jobs in health & care, teachers, school staff, retail, hospitality, tourism, leisure, the arts, night-time economy, construction, transport, logistics and utilities and these are seen as essential services that are the backbone of the economy. **For Sandwell, it is estimated that 65.0% of residents work in these jobs while 63.6% of workplace jobs are in these jobs.**

¹⁴ The EIU analysis from The Data City, 2025.

Workplace and Resident Jobs in Everyday Economy:



Innovation Funding

- Focusing on the project-level Innovate UK data¹⁵, since 2013/14, the Black Country has received almost £50m worth of funding across 358 grant awards. This represents 2% of the total West Midlands region awards over this time period, and 0.3% of the UK total. **Of the Black Country local authorities, Sandwell (£7.1m from 77 awards) received the second lowest amount of R&D/innovation funding via Innovate UK programmes in the last decade.**

International Trade

- In 2023, Sandwell **exported £910m of goods and services**¹⁶. An annual decrease of 19.4% (-£219m) while in contrast, England increased by 6.4%. Over this period, **Sandwell's imports increased by 9.0% to a total of £1.9bn** (England increased by 4.2%). Meaning in 2023, Sandwell had an overall trade deficit of £1.0bn.
- International trade activity** in Sandwell was a **similar level for exports in goods (£509m) and services (£401m)**. However, imports in goods were significantly higher (£1.7bn) than services (£196m).
- Meaning in 2023, Sandwell had a **trade in goods deficit of £1.2bn**. However, Sandwell had a **trade surplus of £205m in services**.

¹⁵ Innovate UK, 2025

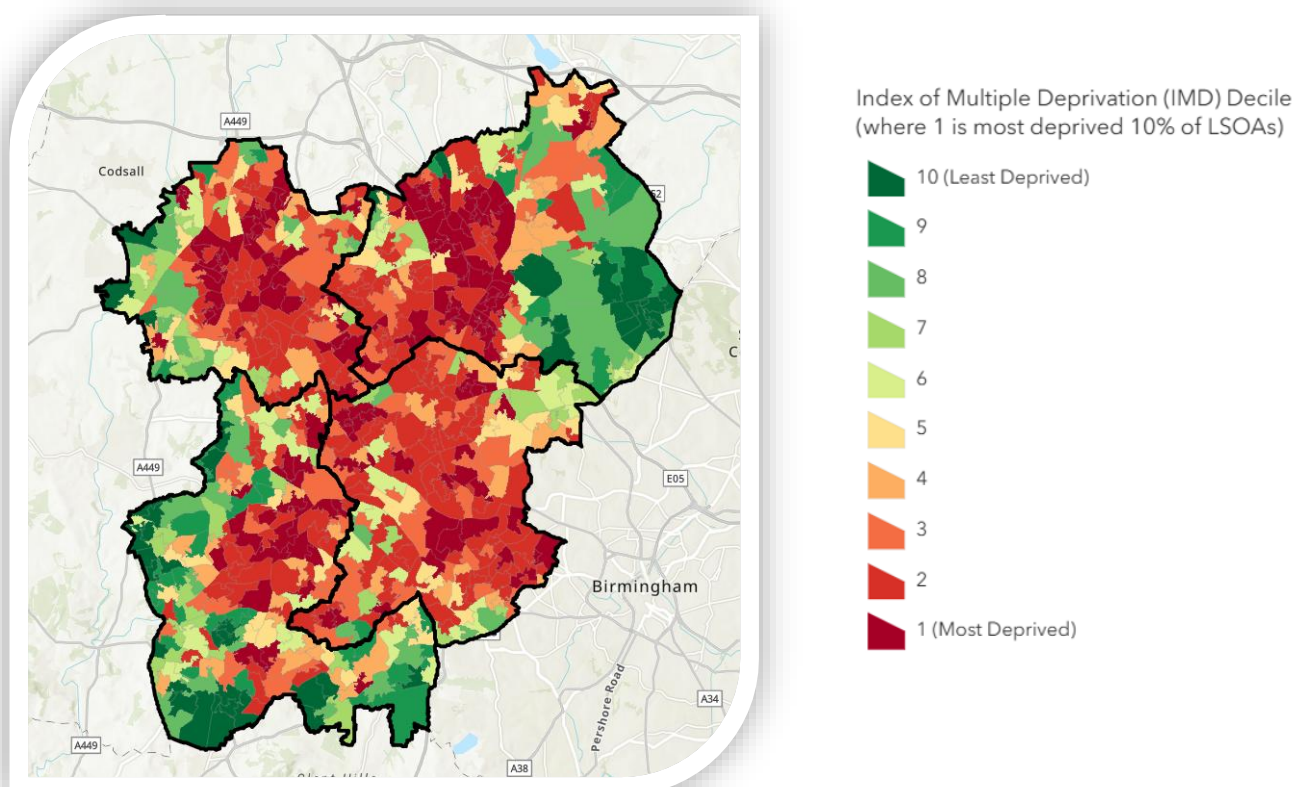
¹⁶ ONS, International trade in UK nations, regions and cities: 2023, released 2025.

1.3. Place

Deprivation and Low-Income Areas

- The Index of Multiple Deprivation (IMD)¹⁷ is the official measure of relative deprivation in England and is part of a suite of outputs that form the Indices of Deprivation (IoD). This allows local authorities to be ranked from 1 (most deprived) to 296 (least deprived) in England. **Sandwell's ranking improved in 2025 compared with 2019 - placed in 19th from 12th.**
- **56.3% (107) of Lower Super Output Areas (LSOAs) in Sandwell are in the top 20% most deprived areas in England.** Of these, 16.3% (31) of LSOAs are in the top 10% most deprived areas. Due to a change in geographical boundaries, a direct comparison to 2019 cannot be made. However, 105 LSOAs that were identified as deprived in 2019 are still active in 2025 analysis, **there were 6 fewer LSOAs in the top 10%, 7 fewer in top 20%, 12 had moved into the 3rd decile and 1 had moved into the 4th decile.**

IMD 2025, Overall Decile per LSOA:



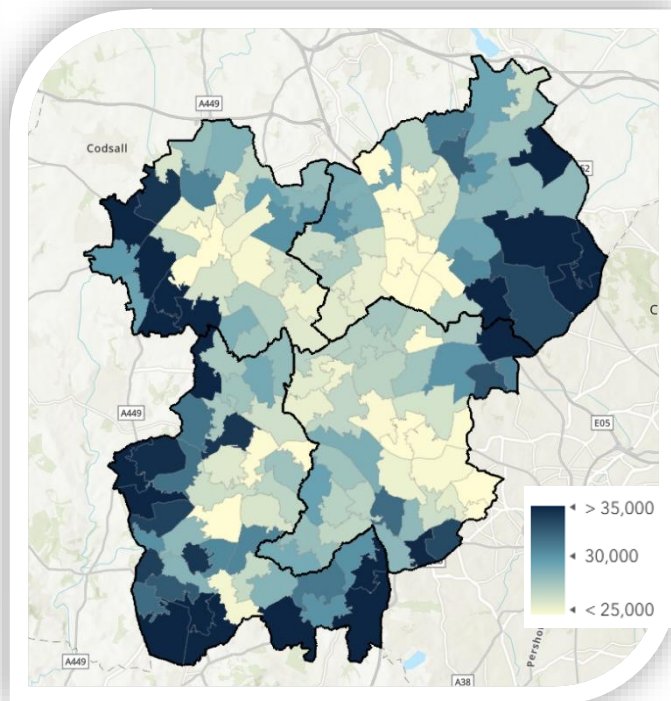
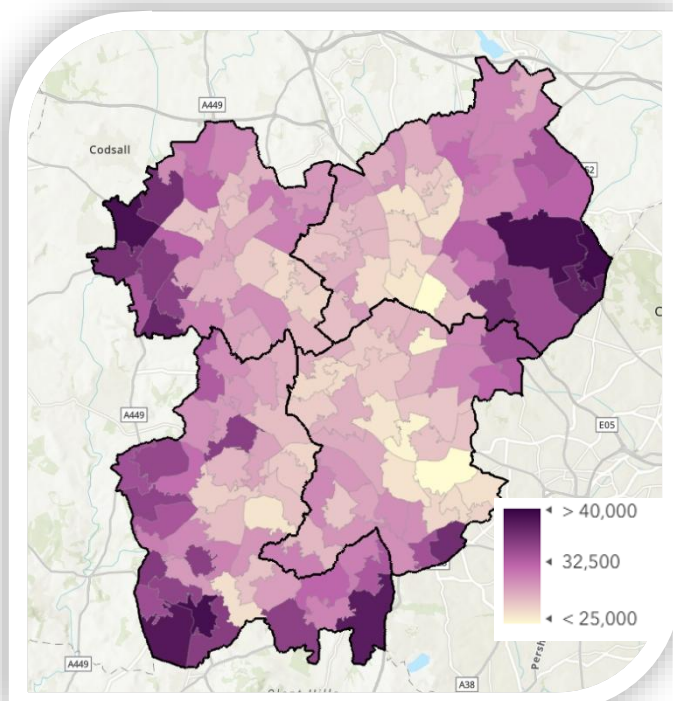
- In the financial year ending 2023, the mean equivalised household disposable (net) income¹⁸, before housing costs varied within Sandwell from £24,836 to £36,801, **with 97.4% (38 MSOAs) under the England and Wales average of £36,800.**

¹⁷ Ministry of Housing, Communities and Local Government, English indices of deprivation 2025

¹⁸ ONS, Income estimates for small areas, England and Wales: financial year ending 2023, released 2025

- While the mean equivalised household disposable (net) income after housing costs varied within Sandwell from £23,555 to £35,448. **With 94.9% (37 MSOAs) under the England and Wales average of £34,500.**

Net Annual Income Before Housing Costs (Left) and Net Annual Income After Housing Costs (Right):



Infrastructure

- 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, with the WMCA area setting a target of 12,200 homes per year. This also links in with the [WMCA Spatial Development Strategy \(SDS\)](#) where one element is about long-term plans for housing (as well as jobs, transport and green spaces). **Provisional estimates for Sandwell show 596 net additional homes leading to a total of approximately 137,002 homes¹⁹ overall in 2025.**
- There is also a region-wide **affordable housing crisis**, the Government have recently backed the [WMCA Social and Affordable Home Programme](#). In Sandwell, there were **no social housing completions²⁰ in 2024/25**, although none have been recorded since 2018/19. There were **226 affordable homes completed**, up from 164 completed in the previous year.
- Housing affordability ratios²¹ show that in 2024, residents in Sandwell could **expect to spend 6.4 times their annual earnings buying a home**, down from 6.8 in 2023. The equivalent figure in England is 7.7 times annual earnings, down from 8.4.

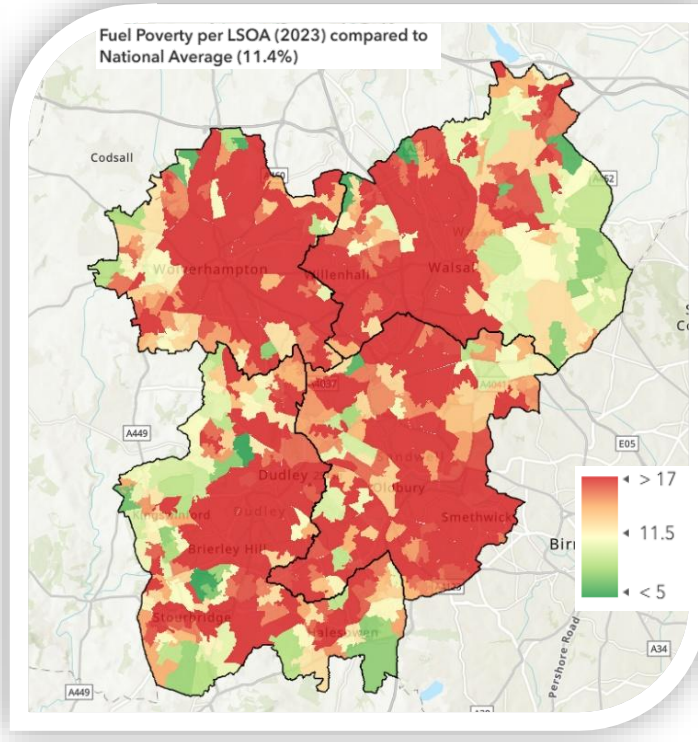
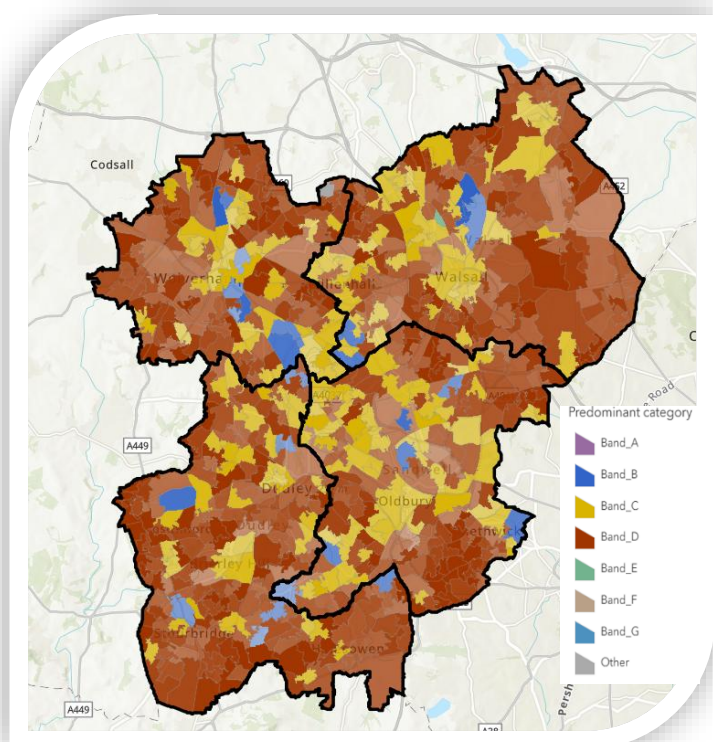
¹⁹ Department for Levelling Up, Housing and Communities, Live tables on housing supply: net additional dwellings and on dwelling stock, both released 2025.

²⁰ Ministry of Housing, Communities and Local Government, affordable housing supply statistics, 2025

²¹ ONS, Housing affordability in England and Wales, released 2025

- Looking at the efficiency of housing, by using Energy Performance Certificates (EPCs)²² shows in the year ending March 2024 (based on rating bands for a 10-year period), **where Band A is very efficient and Band G is very energy inefficient, that just over 88% of Sandwell lodgements were in Band D (42.0%), Band C (32.7%) and Band E (13.6%).**
- Challenges remain with households in fuel poverty²³**, as data shows the West Midlands region continues to have the highest rates at 16.7%, compared to 11.4% overall for England in 2023. **In Sandwell, 18.5% (24,435) of households were in fuel poverty, across all local areas in England, this was the 4th highest, moving from 5th place in 2022.**

EPCs (Left) and Fuel Poverty (Right), per LSOA:



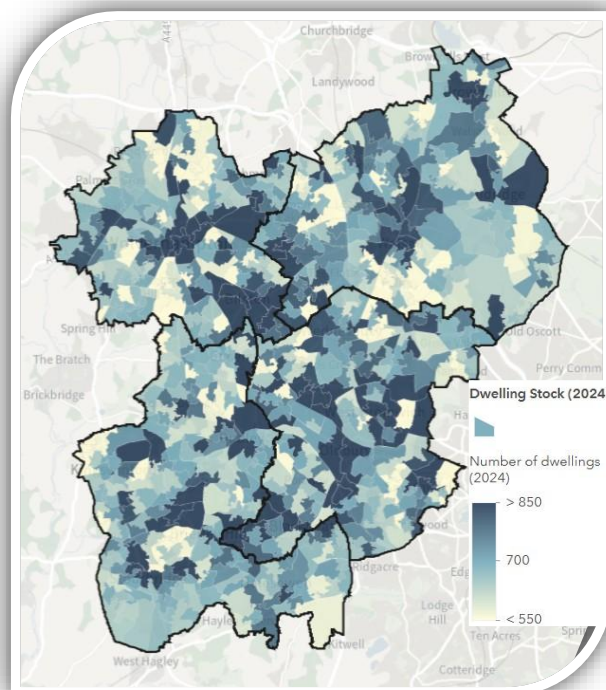
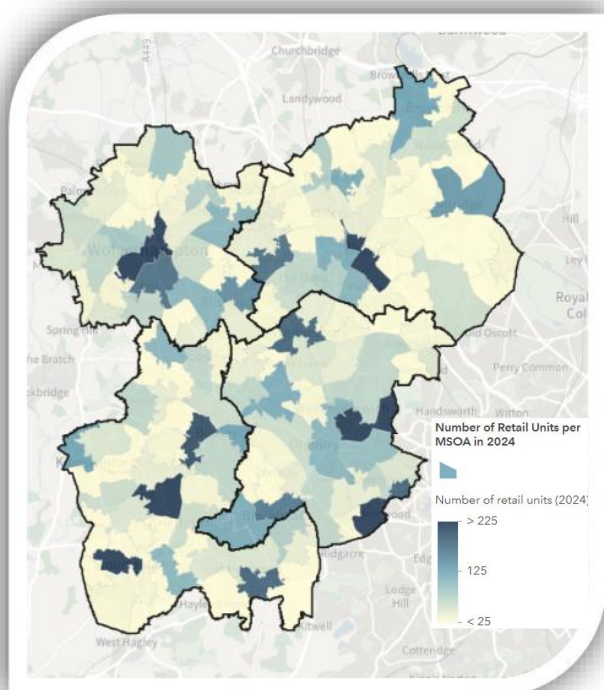
- Across Sandwell as of March 2025, there was a total of **10,930 non-domestic properties²⁴**. Reflecting national trends (-0.1%), there was a decrease of 0.2% (-20) in Sandwell when compared to March 2024.
- Analysing non-domestic properties by type, there was a total of **2,930 retail properties across Sandwell**. There has been an **annual decrease** of 0.7% (-20) in Sandwell, above the national decline of 0.3%. **Properties classed as 'other' also declined in Sandwell, by 20 to 2,460** (-0.8% compared to -0.4% nationally).
- Whereas industrial properties increased by 10 to 4,540 properties overall in Sandwell** (+0.2% compared to +0.4% nationally). **Office properties also increased annually in Sandwell by 10 to a total of 1,000 properties** (+1.0% compared to +0.1% nationally).

²² ONS, Energy efficiency of housing, released 2025. This data does not reflect all dwellings in England and Wales, because not every dwelling has an EPC

²³ Department for Energy Security & Net Zero, Sub-regional fuel poverty in England, released 2025

²⁴ Valuation Office Agency, Non-domestic rating: stock of properties collection, released 2025

Retail Properties (Left) and Dwellings (Right):

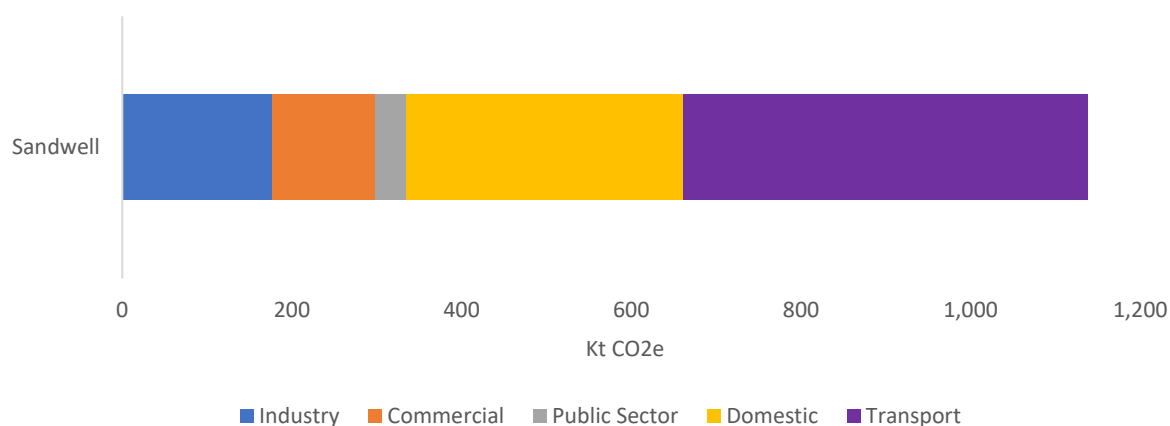


- As of July 2025, **88.9% of premises in Sandwell had full fibre connectivity²⁵**, above the UK-wide figure of 78.2%.

Carbon Dioxide Emissions

- In 2023, **total carbon dioxide emissions²⁶ were 1,142 kt CO₂e in Sandwell. This has decreased at a faster rate than nationally since 2022 (-6.5% compared to -5.7%).** Longer term (since 2005), emissions have also decreased at a faster rate, by 49.0% for Sandwell compared to 47.6% nationally. However, **there is still a long way to go to reach Net Zero by 2041.**

Breakdown by Main Sector for Sandwell's Carbon Dioxide Emissions, 2023:



²⁵ Ofcom, Connected Nations, released 2025

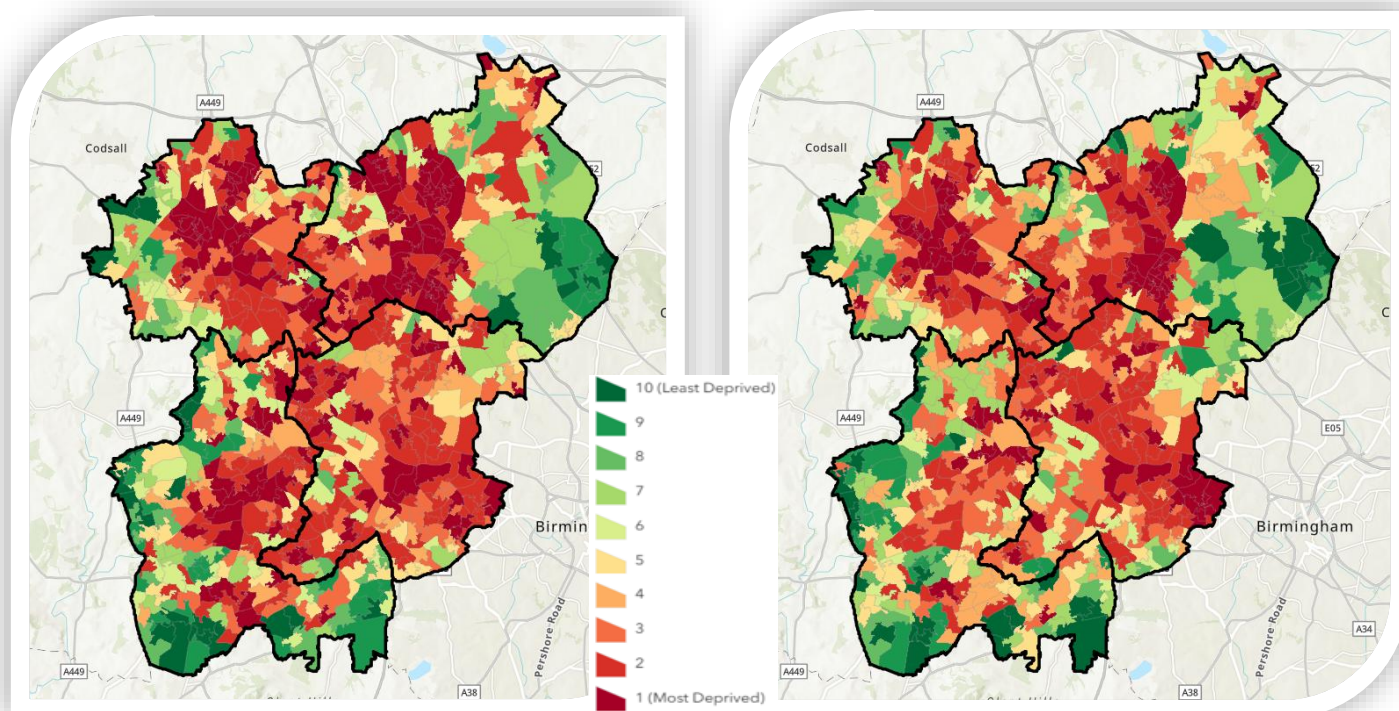
²⁶ Department for Energy Security and Net Zero, UK local authority & regional greenhouse gas emissions national statistics, released 2025

1.4. People

Population and Deprivation

- In 2024, Sandwell had a **population of 353,860 residents²⁷**, an **annual increase of 1.2% (+4,026)** which matched the national growth rate. Compared to England overall, Sandwell had **higher proportions of children** aged 0–15 (22.3% compared 18.4%, equating to 78,758 residents) and **adults aged 16-64** (63.3% compared to 62.9%, equating to 223,861 residents). As a result, the **population aged 65 years and over was lower at 14.5%** (51,241 residents) than the national figure of 18.7%.
- As part of the IMD suite²⁸, there are two supplementary indices, the first being Income Deprivation Affecting Children Index (IDACI) which measures the proportion of all children aged 0 to 15 living in income deprived families. **In Sandwell, 54.4% of children live in income-deprived families**, ranking the borough 13th highest in England for this measure. Geographically, **54.2% (103) of LSOAs in Sandwell fall within the 20% most deprived nationally**. Of these, 18.4% (35) are in the top 10% most deprived.
- In addition, there is also the Income Deprivation Affecting Older People Index (IDAOPI) which measures the proportion of all those aged 60 or over who experience income deprivation. **In Sandwell, 29.0% of residents aged 60 or over experience income deprivation**, placing the borough 24th highest in England for this measure. Geographically, **47.9% (91) of Sandwell's LSOAs fall within the 20% most deprived nationally**. Of these, 13.2% (25) are in the top 10% most deprived.

IDACI (Left) and IDAOPI (Right), By Overall Decile per LSOA:



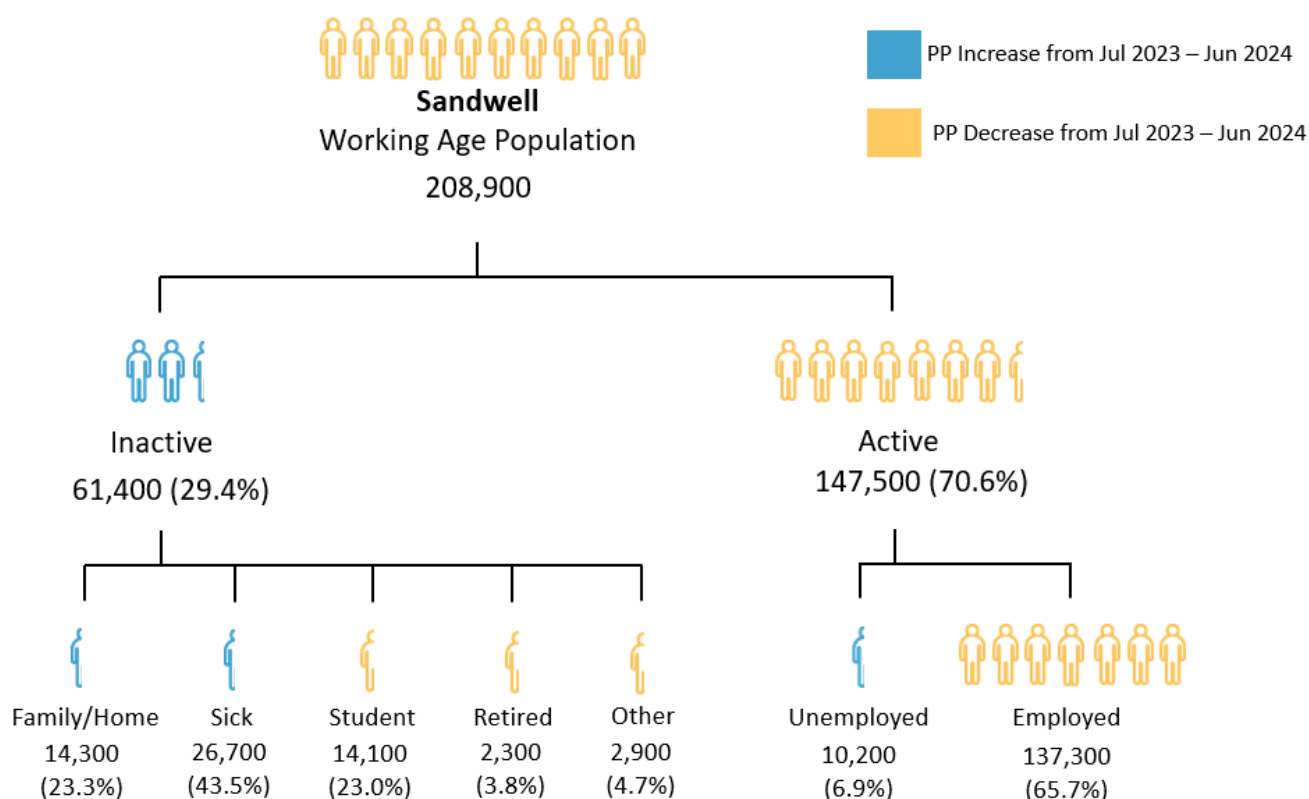
²⁷ ONS, mid-year population estimates, 2025

²⁸ Ministry of Housing, Communities and Local Government, English indices of deprivation 2025

Labour Market

- **Sandwell's labour market is likely to face acute pressures in 2026** amid the [UK's Get Britain Working](#) reforms. This national initiative aims for an 80% employment rate and measurable reductions in inactivity gaps. The employment rate²⁹ in Sandwell stands at 65.7% (compared to 75.8% nationally), requiring an **additional 29,820 people to enter work to meet the government target**.
- In addition, Sandwell's economic inactivity was nearly at 30%, **fuelled by long-term sickness, suggesting health barriers over mere vacancy shortages**.

Labour Market Activity, for the Period of July 2024 – June 2025 and the Percentage Point Change Since July 2023 - June 2024:



No data available for economically inactive – discouraged and temporary sick.

- The proportion of those aged 16-17 years old that are Not in Employment, Education or Training³⁰ (NEET) in Sandwell remains below the national average at 2.6% compared to 5.6%.
- In Sandwell, the **employment rate of those classed as Equality Act (EA) core or work-limiting disabled³¹ was at 31.8% which was 47.4pp lower than those classed as not EA core or work-limiting disabled (79.2%)**. This was **higher than the national average of 24.6pp** (57.6% compared to 82.2% respectively).
- **Sandwell's female employment rate (64.2%) was 3.1pp lower than the male employment rate (67.3%)**. However, this gap was **smaller than the national average of 6.5pp**.

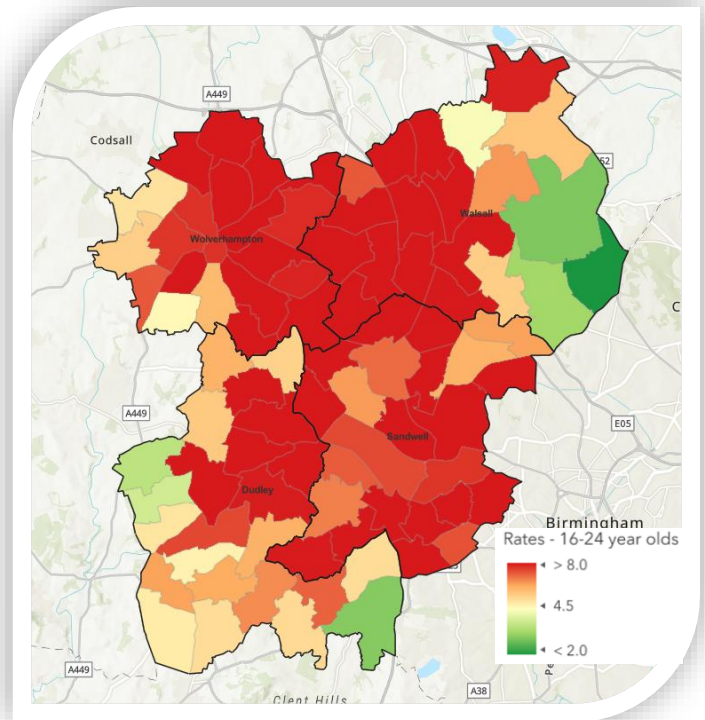
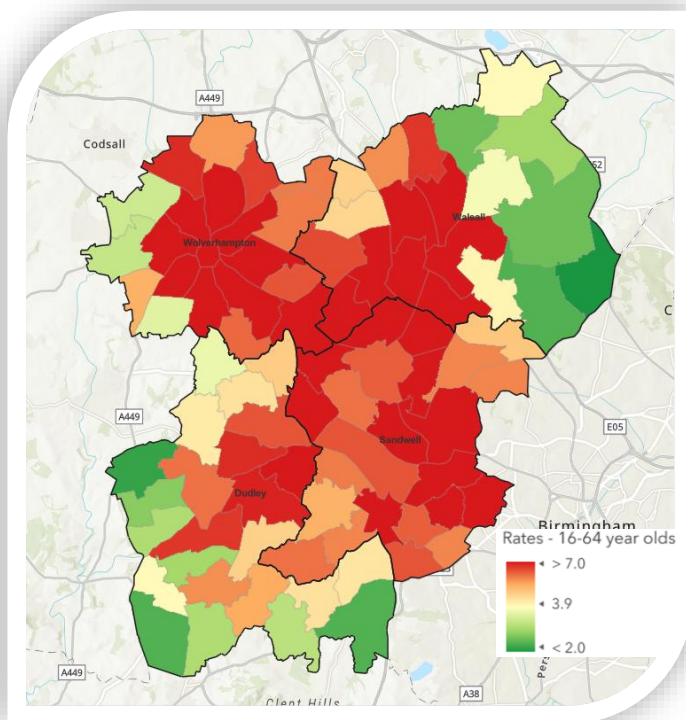
²⁹ ONS, Annual Population Survey, 2025.

³⁰ Department for Education, Participation in education, training and NEET age 16 to 17 by local authority, 2025. Please note, the figures include not known.

³¹ ONS, Annual Population Survey, 2025.

- To this end, the [West Midlands Works](#) framework offers a critical bridge, channelling national ambitions into regional action. **Prioritising Sandwell's most challenged areas**, it must scale integrated health and employment support to curb sickness-driven inactivity, boost higher-level qualifications and apprenticeships, and align training with resilient sectors. **A coordinated, place-based rollout is essential to reverse the region's trajectory**
- **Total claimant³² numbers remain heightened across Sandwell.** There are approximately 15,100 people claiming benefits who are looking for work. This equates to 7.0% of the population aged 16-64 years old, compared to the national rate of 4.0%. **Youth claimants (aged 16-24) remain stubbornly high with a rate of 7.8% compared to 4.4% nationally.** Across all local authorities, Sandwell came in at 4th highest.

Claimant Rates per Ward for those aged 16-64 (Left) and 16-24 (Right) Compared to National:



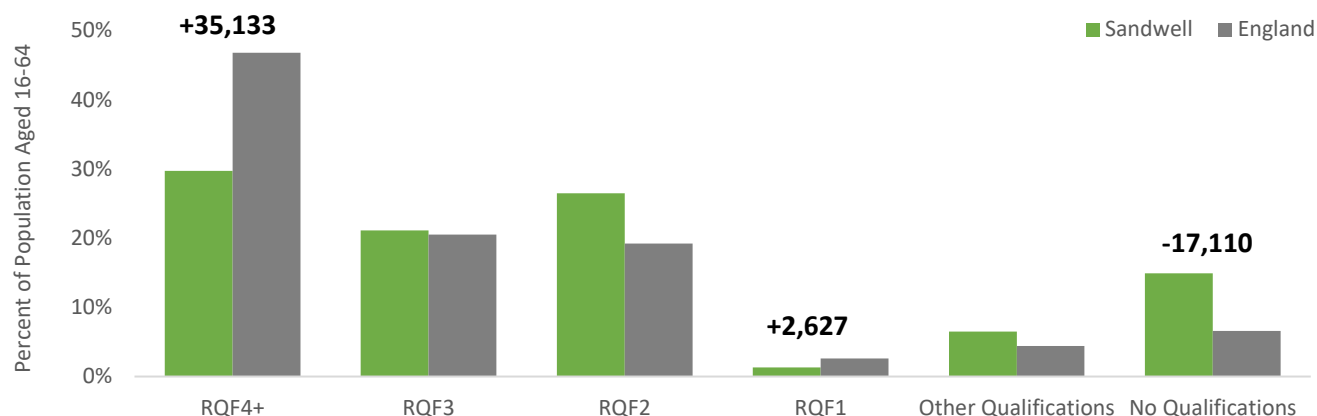
Skills

- **29.7% (61,400) of Sandwell residents had RQF4+ qualifications³³** compared to 46.8% nationally in 2024. This was an annual decrease of 4.5% (-2,900), in contrast to an increase of 0.5% nationally. **For Sandwell to reach the national level it requires 35,133 residents to gain a qualification at Level 4 and above.**
- At the other end of the scale, **14.9% (30,700) of Sandwell's working age population had no formal qualifications**, above the national average of 6.6% in 2024. This was an annual increase of 26.3% (+6,400) for Sandwell compared to an increase of 6.8% nationally. **For Sandwell to reach the national level it requires 17,110 residents to gain a qualification.**

³² ONS/ Department for Work and Pensions, claimant count, released 2024

³³ ONS, Annual Population Survey, released 2025

Qualification Profile, 2024:



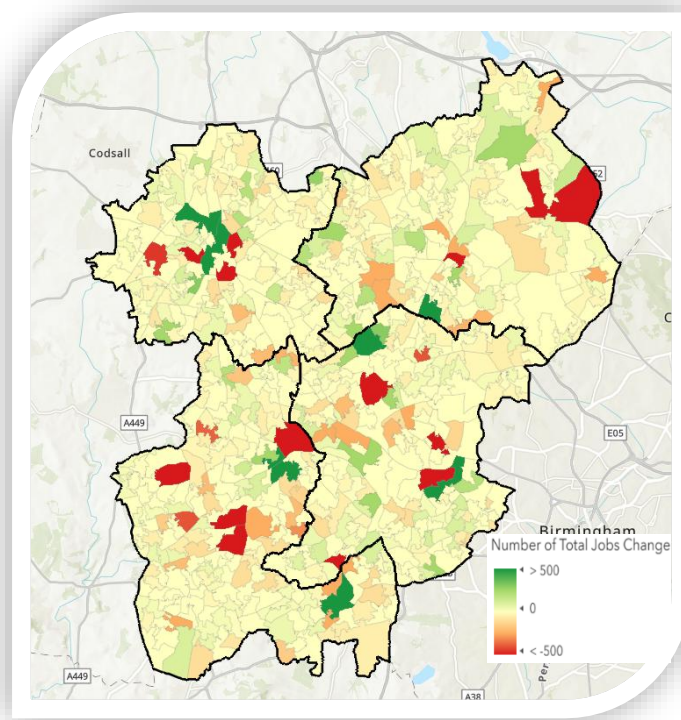
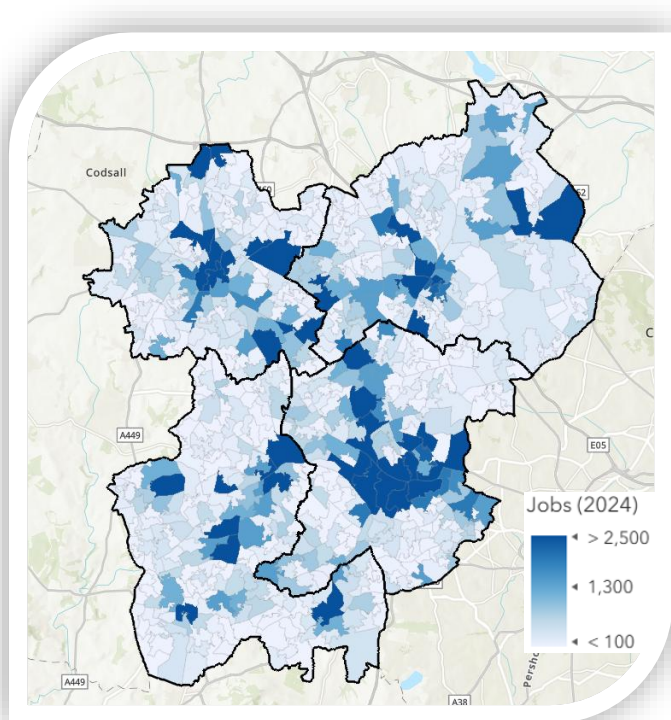
Apprenticeship Starts

- In the 2024/25 academic year, there were **2,050 apprenticeship starts³⁴** in Sandwell. When compared to 2023/24, this was **broadly unchanged**, whereas there was an **overall national increase (+0.7%)**.

Workforce Jobs

- After three consecutive years of growth in job³⁵ numbers, **the latest data shows an annual decrease of 1.6% between 2023 and 2024 with jobs now totalling 125,000**. Nationally there was an annual increase of 0.6%.

Total Number of Jobs (Left) and Annual Change (Right), per LSOA:



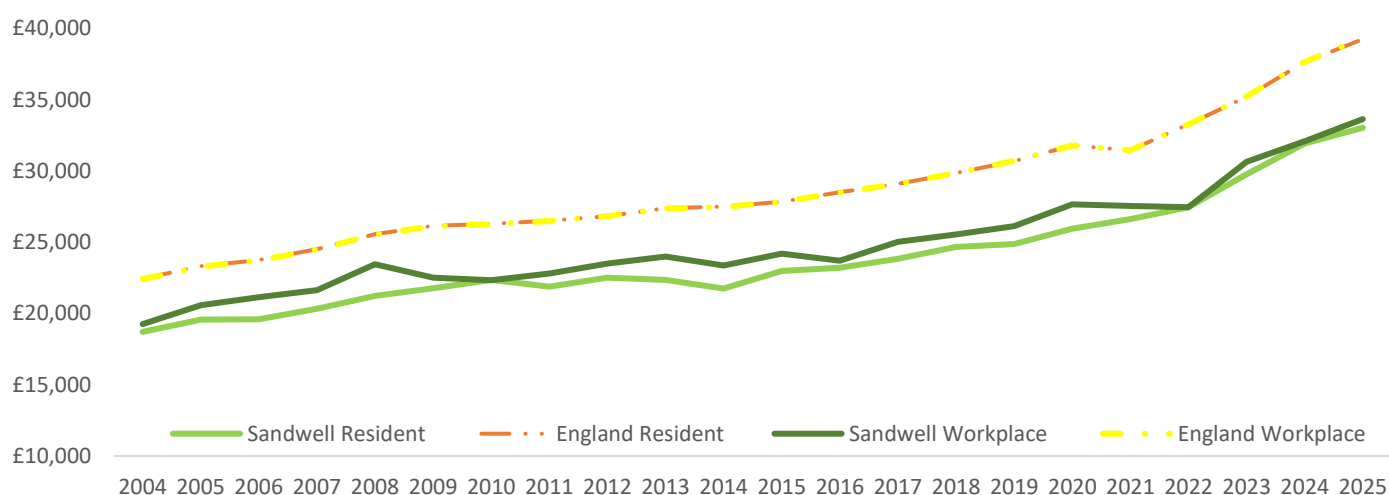
³⁴ Department for Education, apprenticeships, 2025

³⁵ ONS, Business Registers and Employment Survey, 2025

Earnings

- In 2025, full-time annual resident earnings³⁶ for Sandwell reached **£33,029**, an annual increase of **3.5% (+£1,109)** compared to an increase of **4.3% nationally**. However, earnings were approximately **84.2% of the England average** (£39,243 - a shortfall of £6,214).
- Whereas in 2025, full-time annual workplace earnings for Sandwell were higher at **£33,636**, (85.6% of the England average of £39,289). This was an annual increase of 4.9% (+£1,560), which was **above the national increase** of 4.4%. Notably for Sandwell, workplace data shows that **females earn more than males** (-8.7%).

Sandwell's Full-Time Annual Resident and Workplace Earnings Compared to National:



- Low pay³⁷ analysis shows that **19.0% of employee jobs in Sandwell were paid below the Living Wage Foundation rate** in 2025, this was **above the national average** of 14.6%.

Economy as a Driver of Health

- In total, the cost to the economy of working age ill-health and disability that prevents work³⁸ in 2022 is estimated to be between **£240 and £330 billion in the UK**. Where data is available, the cost to Sandwell has been calculated at **£1.8 billion**.

Summary of the Cost of Working Age Ill Health and Disability that Prevents Work:

| Cost element | Description | Cost to the UK | Cost to Sandwell |
|-------------------------------|---|----------------------|------------------|
| Economic inactivity | Lost output due to working-age ill-health which prevents work | £127bn-£188bn | £1bn |
| Sickness absence | Lost output due to sickness absence | £38bn-£56bn | £182m |
| Informal care giving | Lost output due to working age carers caring for working age sick | £37bn | £225m |
| NHS cost | The additional costs to the NHS when someone with a health problem is economically inactive rather than economically active | £2bn | £1.8m |
| Benefits payments | Cost of social security benefits related to health conditions that prevent people from working | £36bn-£47bn | £331m |
| Total | Total expenditure in 2022 | £240bn-£330bn | £1.8bn |
| of which: Exchequer flowbacks | Tax and National Insurance foregone due to health-related worklessness | £57bn | £380m |

³⁶ ONS, Annual Survey of Hours and Earnings, released 2024

³⁷ ONS, Low and high pay in the UK, released 2025. Living Wage Foundation rate in 2025 - £13.85 in London and £12.60 outside of London.

³⁸ The EIU analysis based off DWP, The cost of working age ill-health and disability that prevents work, 2025. These estimates are not a definitive assessment of what savings might be achieved by further interventions to reduce ill-health or increase employment. The estimates in this costing can be regarded as the difference between current economic output, and the potential economic output if working age health conditions were not limiting or preventing work. This does not assume that all health issues could be resolved when entering work, rather that ill-health is no longer a barrier to work.

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