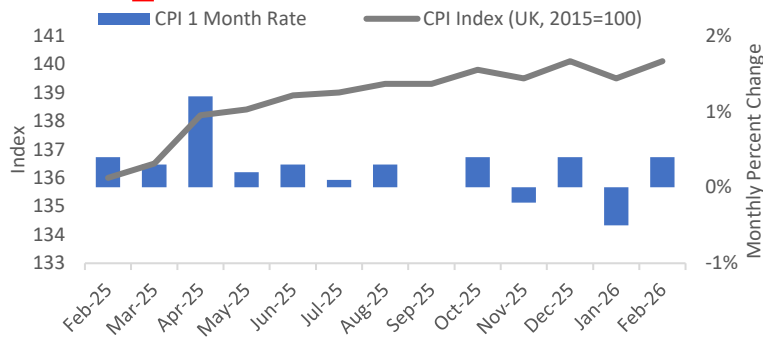


Sandwell Monthly Economic Insights, March 2026

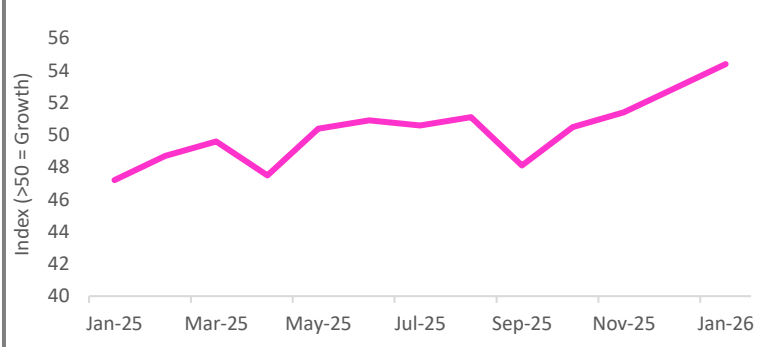
Sandwell's economic picture in early 2026 is mixed, with resilience sitting alongside clear cost and labour market pressures. Inflation picked up slightly in February, while regional business activity remained comparatively strong, suggesting the West Midlands economy still has momentum. Locally, job demand has weakened, with fewer postings and new vacancies, and claimant numbers rose on the month, although they remain below last year's level. House prices increased, but earnings have fallen and affordability has tightened, adding pressure for residents. The borough also faces wider social challenges, including high levels of child poverty, with 4 in 10 children in Sandwell living in poverty. At the same time, businesses in Sandwell have access to growing regional investment, innovation and skills initiatives, which provide some longer-term opportunities for renewal and inclusive growth.

Monthly Monitoring Indicators

UK Consumer Price Index (CPI)

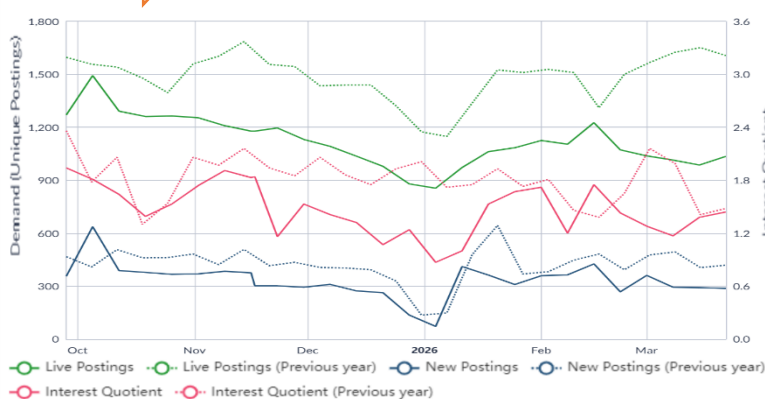


West Midlands Business Activity Index

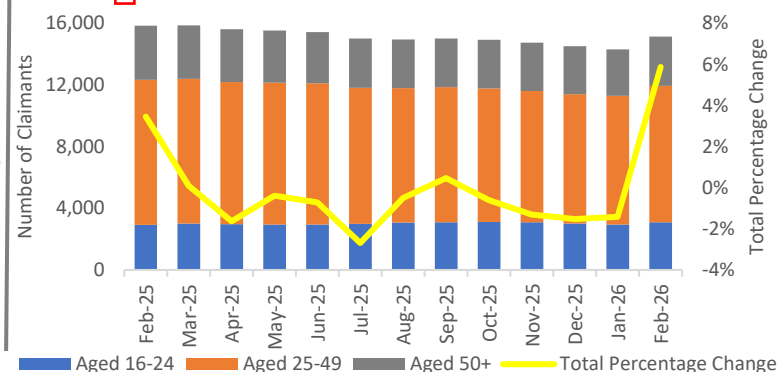


- Utilising a base year of 2015, UK CPI was **140.1** in February 2026, an increase of **0.4%** from the previous month.
- The West Midlands Business Activity Index increased from 52.9 in December 2025 to **54.4** in January 2026.

Sandwell Job Demand and Interest Trend

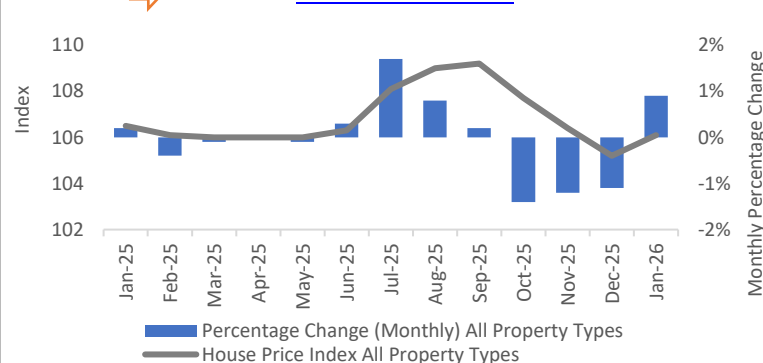


Sandwell Claimants

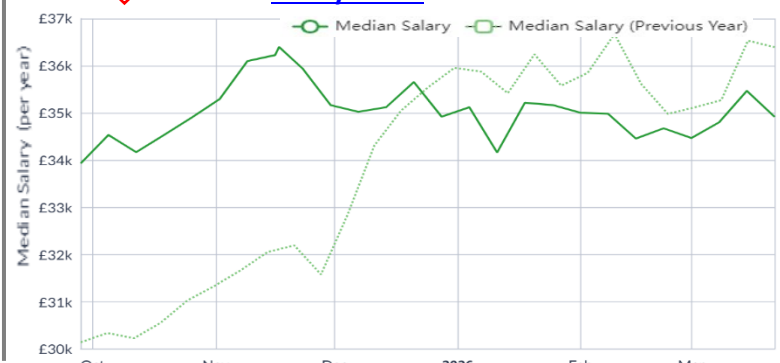


- In the past month: **2,388** job postings (-30.7% YoY), **1,238** new postings (-31.6% YoY). 1.3 (Avg.) Interest Quotient.
- In total, **15,140** claimants in February 2026; +840 since January 2026, (-710 since Feb '25).

Sandwell House Price Index



Sandwell Salary Trend



- Sandwell's House Price Index was **106.1** in January 2026. The monthly Index increased by **0.9%**.
- In the past month, on Adzuna: **Median Salary of £34,875**, -1.4% year on year.

Other Recent Releases

- The Office for National Statistics (ONS), have released [housing affordability in England and Wales](#) for 2025:
 - **Sandwell house price to residence-based earnings ratio: 6.57** (+0.15), England 7.64 (-0.20) compared to 2024.
 - **Sandwell house price to workplace-based earnings ratio: 6.45** (+0.06), England 7.63 (-0.21) compared to 2024.
- The ONS have published [estimates of green jobs](#) in Sandwell for 2024:
 - **30,000 jobs in high-emitting industries and 32,000 job in low-emitting industries.**
- The ONS have released [high streets and retail areas in Great Britain](#), for Sandwell in 2021:
 - **19.6% of the population live near a high street** (20.8% in GB).
- An update from Department for Work and Pensions (DWP) on [children in low income families: local area statistics](#) found for **Sandwell in the FYE 2025** that:
 - **40.2% (31,642) of children** (aged under 16) were living in **relative low-income families, after housing costs**, above the UK average of 26.0%.
 - **35.5% (27,977) of children** (aged under 16) were living in **low-income families, before housing costs** above the UK average of 19.3%.
- Joseph Rowntree Foundation have published [Pride in Place: funding gaps and capacity challenges](#), this report examines how doubly disadvantaged neighbourhoods are distributed across England, how Pride in Place funding allocations align with, and diverge from, patterns of concentrated need, highlighting critical funding gaps and considers whether funded neighbourhoods have the foundations for community-led delivery. **In Sandwell, Sandwell 040 received Pride in Place Programme funding in phase 1, Friar Park received funding in phase 2. Tibbington, Ocker Hill, Stone Cross & Hateley Heath and Tipton received no funding.**
- The latest [regional trade in goods statistics](#) released from the HMRC found for the West Midlands region:
 - Since 2024, the West Midlands region's **goods exports decreased** by £3.8bn **(-10.9%)** to **£31.5bn in 2025**.
 - Since 2024, the value of West Midlands region's **goods imports decreased** by £36m (-0.1%) to **£42.7bn in 2025**.
 - Meaning the West Midlands had a **trade in goods deficit of £11.3bn** in 2025.
- The Learning and Work Institute have released [Training and skills needs: Trends and challenges in UK growth sectors](#), this report explores the level of estimated skills needs in UK businesses, alongside the level and type of training that employers provide. **The variation in skills shortage vacancies density between regions and nations is greater for each sector than the wider economy.** For example, **finance and business services has a lower but still substantial gap of almost 30 percentage points (52% West Midlands vs 23% London).**
- The Centre for Social Justice have published a [rough sleeping tracker](#), this report outlines a blueprint for strengthening the homelessness strategy. In autumn 2025, the **estimated number of people sleeping rough on a single night in autumn was 378** in the West Midlands.
- The Productivity Institute's [Polycentricity and Regional Economic Development](#) paper examines the role of geography in shaping regional economic development. More specifically, it is interested in **whether economic performance depends on the presence of a dominant large city, or whether regions can achieve prosperity through cultivating a regional network of medium-sized cities and boroughs.**
- The Institute for Fiscal Studies have released insights into [Worker-firm matching across places](#), this article explores how young workers are matched to firms in local labour markets in England. Outside London, assortative matching largely takes place through educated workers working in high-paying industries, with virtually no matching within industries. **In general, workers and firms are more tightly matched in big cities. However, Birmingham and Manchester have less assortative matching than one would expect given their size.**

Economy and Business Intelligence

THEME	KEY INSIGHTS
Economic Outlook	• The Middle East has been plunged into chaos, with US strikes on Iran raising big questions about US–UK relations, international law, global security and economic impacts. • The Chancellor's Spring Forecast speech was deliberately light on taxation changes and policy announcements, in line with government briefings that the UK could expect to reap a "stability dividend" resulting from the tax rises and fiscal consolidation of the previous Autumn Budgets.

THEME	KEY INSIGHTS
	- On the one hand, it is to be welcomed that the government has committed to one fiscal event per year, particularly after the speculation and business uncertainty that preceded the last Budget. On the other hand, this apparent stability and predictability is based on a Spring Forecast that is already outdated. The OBR itself acknowledges this uncertainty on the basis that “conflict in the Middle East, which escalated as we were finalising this document, could have very significant impacts on the global and UK economies.” - While events in the Middle East overshadowed the chancellor's Spring Forecast, view details of the key takeaways here. - Recent data from the Office for National Statistics (ONS) reveals in the three months to January 2026, compared with the three months to October 2025: real gross domestic product (GDP) grew by 0.2%, following a growth of 0.1% in the three months to December, and no growth in the three months to November 2025 (revised up from a fall of 0.1%). In the month to January 2026, monthly GDP showed no growth, following growths of 0.1% in December and 0.2% in November 2025. - The headline figures from the OBR suggested slower than expected GDP growth in 2026 (1.1%, down from the previously forecast 1.4%). However, economic growth is expected to rise to 1.6% in both 2027 and 2028, up from the previous forecast of 1.5%. Inflation was forecast to decline from 3.4% in 2025 to 2.3% in 2026, while unemployment was forecast to rise to 5.3%. Meanwhile, net migration was set to fall to 235,000 a year on average between 2026 and 2030. These forecasts do not reflect the latest developments in the Middle East and so may not prove to be accurate. EY Parthenon say we are trending towards a severe conflict scenario, with bigger impact to UK economy compared to others. By Q4 2026, in a more severe scenario, UK inflation is expected to reach 5.6% (+2.2 pts), while Eurozone reaches 5.2% (+2.9 pts), and growth is expected to slow down to 0.1% (-0.6 pts), while Eurozone slows down to 0.3% (-1.0 pts). The British Chambers of Commerce economic forecast suggests subdued growth in 2026, higher inflation due to the Middle East crisis, and rising unemployment as the labour market softens. - GDP in 2026 has been revised down to 1.0% (from 1.2% in the previous forecast), with growth forecast of 1.3% in 2027, and 1.1% in 2028. Global uncertainty is expected to push UK inflation higher than expected, reaching 2.7%, before easing to 1.9% in 2027. Unemployment is expected to increase to 5.5% in 2026 (up from 5.1% in the previous forecast), and stay at that rate through 2027, due to persistent high labour costs and hiring uncertainty. The interest rate is expected to remain at 3.75% this year, before cuts to 3.25% by the end of 2027. Exports are projected to grow by just 0.7% in 2026 (down from 1.8% in the last forecast), as global uncertainty hits UK trade.
Trading Environment	- The Consumer Prices Index including owner occupiers' housing costs (CPIH) rose by 3.2% in the 12 months to February 2026, unchanged from the 12 months to January. On a monthly basis, CPIH rose by 0.4% in February 2026, the same rate as in February 2025. The Consumer Prices Index (CPI) rose by 3.0% in the 12 months to February 2026, unchanged from the 12 months to January. On a monthly basis, CPI rose by 0.4% in February 2026, the same rate as in February 2025. - The geopolitical kaleidoscope has been dramatically shaken since the Bank of England last met to set the interest rate. The decision to hold rates at 3.75% was therefore widely expected. - The IFS have published a paper documenting “Cheapflation”: within defined categories, prices rise fastest for low-quality essentials, disproportionately affecting poorer households. With oil and gas prices rising fast, the government is under pressure to manage the impact across the economy. Unlike the shock of 2022, the ongoing crisis is distinct in three ways: it is having a considerably bigger impact on oil prices, inflationary effects are coming on top of years of higher inflation, and renewables are protecting us more than ever before. The shock, depending on how long it lasts, will have far wider consequences than the previous crisis, while the economy is in a much weaker position to deal with it. Businesses across the UK have been struggling with rising energy costs for years, but recent developments in the Middle East have significantly increased the uncertainty they now face. The British Chamber of Commerce's research shows that over 56% of firms feel exposed to geopolitical risk, rising to 80% for firms exporting goods overseas. Around 20% of the world's crude oil supply travels through the Strait of Hormuz between Iran and Oman. Its effective closure, as well as reports of attacks on cargo ships, has pushed up oil prices. Earlier this week (wk/c 9th March), oil reached a high of \$119 a barrel. Towards the end of February, it was around \$70 a barrel. Even before these latest developments in the Middle East, 52% of businesses said they were facing pressure to raise prices because of their utility costs. A further increase in energy costs will likely see this pressure rise, similar to 2022, when 72% of firms were under pressure to raise prices. The ripple effects of increased prices will be particularly damaging for SMEs.

THEME	KEY INSIGHTS
	- On a more positive note, spinouts are a hotly watched segment of the UK's startups and scaleups. Equity investment totalled £1.96b across 384 deals. Unsurprisingly AI-focused spinouts have been a notable area of strength, recording 71 deals. The University of Birmingham ranked 13th for equity investment, raising £27.8m across 10 deals in 2025. - The British Business Bank's Small Business Finance Markets report 2025/26 showed that the West Midlands was one of only two English regions to see a year-on-year increase in the volume of equity finance deals (+6%), with an overall value of £209m across 37 deals. This is in contrast to the wider UK picture, which saw equity deals decrease by 23% overall during the same period. - The West Midlands has secured a £50m government-backed fund aimed at supporting innovative businesses and accelerating regional economic growth. The Local Innovation Partnerships Fund will target advanced manufacturing, health and life sciences, and creative immersive technology clusters, helping entrepreneurs, researchers, and companies scale up cutting-edge products and processes. The investment is expected to unlock an additional £190m of private sector funding, create or safeguard 2,000 jobs, and contribute £700m to the regional economy. - The British Business Bank's Midlands Engine Investment Fund II (MEIF II) has facilitated more than £100m into 225 businesses across the Midlands since it launched two years ago. The fund has so far directly invested over £65m into those regional businesses, alongside an additional £38.6m from the private sector. MEIF II is part of the British Business Bank's £1.6bn suite of Nations and Regions Investment Funds, which aim to increase the supply and diversity of early-stage finance for UK smaller businesses. - This comes as The West Midlands Pension Fund is aiming to allocate up to £1.1bn to investments within the West Midlands over the next six to eight years, following approval of its updated investment strategy. The fund's updated Investment Strategy Statement embeds its approach to place-based investment and sets out how local opportunities will be assessed alongside national and global investments.
Labour Market	- Overall the labour market remains pretty flat, with little change in the main measures of employment and vacancies and earnings growth continuing to ease. That leaves the Government needing another two million people in work to hit its 80% employment rate ambition. With economic risks ahead there's much more to do. - Estimates for payrolled employees in the UK fell by 49,000 (0.2%) between February 2025 and February 2026, but increased by 20,000 (0.1%) between January 2026 and February 2026. - Job vacancies and private sector pay growth suggest subdued labour demand from employers. The total number of job vacancies for December 2025-February 2026 stood at 721,000, a decrease of 76,000 on the year. Meanwhile monthly median pay increased by 4.1% on the year. - Hundreds of businesses have been fined for failing to pay the legal minimum wage, with many West Midlands employers on the list. As part of a recent government crackdown, around 60,000 underpaid workers will be directly repaid £7.3m, while 389 employers face an additional £12.6m in penalties. There are 5.4 people wanting to work for every vacancy, and wage growth in the last quarter was the lowest it has been since the height of the pandemic. Employers are facing a range of challenges which might slow their hiring decisions, from rising National Living Wage rates (although there are reports that increases to young people's NLW are being paused) to global geopolitical and economic uncertainty. Unemployment among the 16-24s has reached 16% – the highest rate in over a decade – and youth employment (or lack thereof) is once again the big story. - Worryingly, the number of young people not in employment or full-time education remains stubbornly stuck at 1.28 million. Recent announcements including hiring incentives for employers will help. - The government has announced a youth employment package, worth £1 billion over three years, to address the rise in young people who are not in education, employment or training (NEET). The NEET issue is most pronounced at the older end of the age range: detailed stats show that NEET rates (including young people not in any form of training at all) are highest among the over 21s. - Originally, this group was excluded from many of the Government's Youth Guarantee initiatives – but eligibility has been expanded, and the Jobs Guarantee scheme – providing subsidised 6-month placements for long-term unemployed young people – was extended up to the age of 24. Historically, young women were more likely to be NEET than young men – but the genders have converged over the last decade. Following a sharp climb in NEET rates among young men, the rates for men and women are now fairly close again (13.3% for men, 12.2% for women). - The number of people employed in hospitality and retail is down 1.4% overall on this time a year ago – so those tried and tested pathways into the world of work are not necessarily available. - Elsewhere, as the national debate around falling birth rates gathers pace, The Centre for Social Justice argue there is an opportunity to pursue supportive pro-natal policies with a focus on social justice. Currently, too few babies are

THEME	KEY INSIGHTS
	being born to maintain the future of our economic model. Without intervention the UK faces poverty, inflation, and sector shortages. Yet falling birth rates are not only a problem in Britain. Fertility has been falling across the world for more than fifty years, and a recent study in the Lancet predicted that, by the end of this century, just six countries in the world would have above-replacement birth rates. • Research from the Resolution Foundation examines how being in deep poverty in childhood – proxied by eligibility to free school meals at age 16 – continues to shape graduates’ earnings long after university. Using the Longitudinal Education Outcomes dataset to track the education and work pathways of 520,000 graduates in England born between 1986 and 1989, it shows that graduates who experienced deep poverty in childhood still face a significant earnings gap after a decade in work post graduation. This matters because higher education is a key route to upward mobility. Yet young people from poorer backgrounds are far less likely to attend university compared to their less disadvantaged peers, despite having the most to gain from doing so. Graduates who experienced deep poverty in childhood earn around 13% less than their better-off peers a decade after graduation. • New analysis has identified an overreliance on mandatory and compliance training in UK workplaces compared to other countries – at the expense of more in-depth upskilling required for the jobs of the future. • Employer investment in skills has fallen 30% per employee compared with 2011. The Learning and Work Institute (L&W) reveal that what little training remains is often of short intensity and driven by compliance. More than half of UK training episodes last a single day or less, which, at 58%, is the highest proportion in the OECD. Nearly one in five (19%) UK employees report security and health and safety as the primary focus of their training (the largest single category). In contrast, training in areas such as advanced digital skills or project management remains smaller in scale than in many comparator countries. For example, project management is the primary focus of training for 6% of UK employees, compared to 8% in the USA, 10% in Singapore and 13% in Japan. • Millions of Gen X, currently in their 40s to 60s, are likely to be shocked at the inadequacy of their pension. 54% of Gen X will receive inadequate pension incomes in retirement and 50% say they expect a higher income than they are projected to receive. • This comes as research reveals for decades, pensioners were one of the poorest groups in Britain. That is no longer true. Today, the average pensioner is at least as well off as the average working-age person, and in wealth terms many are far better off.

Economy and Business Intelligence – By Sector

SECTOR	KEY INSIGHTS
Manufacturing and Engineering	• A project explores why manufacturing SMEs in the West Midlands are not fully embracing the ‘Triple Transition’—the combined shifts in business digitalisation, adoption of net-zero practices, and productivity upgrading—despite government incentives. It identifies barriers such as limited resources, skill shortages, and lack of awareness and examines how overcoming these challenges can drive innovation, productivity, and sustainability, ultimately boosting the region’s economic growth. • Production and shipping chokepoints are impacting availability of inputs for global food, manufacturing & technology supply chains. With the part-closure of the Strait of Hormuz, global supply of helium will take time to recover, impacting critical industries including chipmaking. Helium demand is concentrated in high-value applications (semiconductors, chipmaking, aerospace and medical imaging). The shortage is yet to hit as stranded containers would have still taken weeks to reach Asia. Helium has 45-day delivery window before gas starts warming up and leaking. Conflict has triggered force majeure declarations and doubled spot prices.
Construction	• Total construction output is estimated to have fallen by 2.0% in the three months to January 2026; this is the fourth consecutive fall in the three-monthly series. Over the three-month period, both new work, and repair and maintenance, fell by 3.2% and 0.4%, respectively. • The West Midlands has set out plans to address growing labour shortages in the construction sector as development activity increases across the region. The Building Growth Action Plan aims to support up to 12,000 people into construction roles over the next three years, in response to demand linked to housing delivery, infrastructure investment and retrofit programmes.
Retail, Hospitality and Tourism	• The quantity of goods bought (volume) in retail sales is estimated to have risen by 0.1% in the three months to January 2026, compared with the three months to October 2025. The rise was because of better automotive fuel sales over the three months to January 2026, and a good start to the year for non-food stores, which was only partly offset by falls in supermarkets.

SECTOR	KEY INSIGHTS
Digital / Tech	• A National Grid trial has revealed data centres could cut their energy use by a third in as little as 30 seconds without impacting critical workflows. In a UK first, a data centre carrying out AI computing tasks was able to provide peak smoothing, long-duration shifting and grid resilience by responding in a similar timeframe to a battery storage system. National Grid says the trial proves that so-called “AI Factories” have the capacity to act as virtual power plants, cutting energy use at times of system stress. • This month saw the publication of the Government’s National Fraud Strategy. The strategy outlines a multi-year plan, from 2026-2029, to tackle fraud against both individuals and businesses in the UK and recognises that fraud is a rapidly evolving and technology-enabled crime which causes substantial economic harm to individuals and the economy. • Beaunhust Insights has compiled a regional snapshot of the UK’s tech ecosystem, encompassing active company count, employment, and investment in 2025. In the West Midlands there are 5,1800 tech companies employees 170,000 people, with 114 equity deals raising £399m.
Transport Technologies and Logistics	• Coventry City Council has announced plans for a major investment of £21 million in the city’s transport network over the next two years. • This comes as the West Midlands is approaching the completion of a major rail infrastructure programme with the opening of five new stations as part of a £185m investment designed to strengthen regional connectivity and support economic growth. Backed by Government funding, the project will reconnect communities across Birmingham and the Black Country to the rail network for the first time in decades.
Environmental Technologies	• One of the less obvious consequences of the Iran conflict could be a world shortage of fertiliser, with serious knock-on effects on planting schedules, crop yields and, eventually, food prices. With the strait of Hormuz effectively closed to shipping, the world’s fertiliser stocks will be diminishing fast. The essential elements to make fertiliser and to keep the world supplied with food pass daily through this vital shipping channel. • The UK Government has launched a consultation on new rules aimed at reducing speculative applications for electricity grid connections, after the queue for demand connections to the transmission network expanded sharply. • The UK Government will help to fund more than 600 flood management schemes in the financial year 2026/27, with £830m allocated across England. It forms part of the Government’s broader commitment to unlock £10.5bn in flood investment between 2024 and 2036.

NEW ECONOMIC SHOCKS			
COMPANY	LOCATION	SECTOR	DETAIL
Adient	Wednesbury	Manufacturing	Automotive seating manufacturer Adient has confirmed the closure of its Wednesbury factory following a consultation process. The site produces foam products for customers in the automotive industry and currently employs 86 people. The decision follows a consultation process that was initiated in response to "sustained structural and market challenges affecting the long-term viability of the facility".

NEW INVESTMENT, DEALS AND OPPORTUNITIES			
COMPANY	LOCATION	SECTOR	DETAIL
FBC Manby Bowdler / Jordans Solicitors	Blackheath	Legal	Wolverhampton-based FBC Manby Bowdler has acquired Black Country practice Jordans Solicitors, bringing a 30-strong team based in Blackheath and Halesowen into the Adeptio Law Group. Jordans will retain its existing client-facing operations during the transition period.
Goold Estates / Burbury Investments	Oldbury	Property	A Walsall industrial estate has been acquired in a deal worth £2.5m. Developer and property investor Goold Estates (based in Oldbury) has confirmed the sale of Fairground Way Business Centre to Burbury Investments. Fairground Way comprises more than 26,000 sq ft of fully let commercial space across 29 units.
Fabory	Sandwell	Wholesale	Fabory, based in Sandwell , has acquired Metrik Fasteners B.V. and Stern Instruments B.V. The acquisition strengthens Fabory’s specialist support for customers across the Benelux petrochemical and energy markets, reinforcing its position as a leading supplier of high-quality, critical fastening solutions.

NEW INVESTMENT, DEALS AND OPPORTUNITIES			
COMPANY	LOCATION	SECTOR	DETAIL
Sustainable Molecules Ltd	Wednesbury	Engineering / Circular Economy	A joint venture has launched which aims to accelerate the deployment of waste-to-molecules infrastructure across the UK, Europe and globally with the ambition to bring forward an investment plan of up to €500m. Wednesbury -based Sustainable Molecules Ltd (SuMo) has partnered with international project developer and asset investor Eren Groupe. The EREN-SuMo joint venture will deploy SuMo's modular advanced gasification technology to convert non-recyclable waste into clean carbon-capture-ready syngas.
Strut Direct	Wednesbury	Manufacturing	An offsite manufacturing business in the M&E building service sector has acquired an industrial building in Bloxwich. The property has been purchased by Wednesbury -based manufacturer Strut Direct which has developed the StrutFoot system for the M&E building service sector to support HVAC equipment, cable management and mechanical services without the need to penetrate the roof membrane.
Quantum Print & Packaging	Wednesbury	Manufacturing	A packaging manufacturer is preparing for its next phase of growth after being acquired by investment firm Continuance Capital. Wednesbury -based Quantum Print & Packaging has been bought by Continuance Capital in a deal backed by funding from Allica Bank. Quantum produces bespoke printed and plain carton packaging, supplying customers across the UK ranging from start-ups to established consumer brands.
The Substation	Wednesbury	Hospitality	An entrepreneur will open an event venue and café after securing a former industrial building in Wednesbury in a deal arranged by Christie & Co. The lease for The Substation has been acquired a local entrepreneur who plans to transform the property.