



Black Country Business and Labour Market Intelligence March 2022



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Introduction

Welcome to the March 2022 edition of the Black Country Business and Labour Market Intelligence report, produced by Black Country Economic Intelligence Unit (EIU). Using a mix of qualitative and quantitative insight, the analysis summarises key recent challenges and opportunities for Black Country businesses, while depicting the current status of local labour markets across sectors.

The production of this report reflects a collaborative local approach on business intelligence and engagement in the local area. Insight has been collated through multiple channels, including Growth Hub business engagement and through conversations with business groups and trade bodies. The Labour Market Information aspect uses data downloaded through the EMSI platform, providing live job vacancy data locally.

The intelligence provided is intended to influence policy and decision-making across relevant Black Country forums and those at the regional and national level. By utilising real time business insight and labour market data, we can more easily navigate key challenges and opportunities without the problem of data lags. This is particularly important in the context of Covid-19 recovery, adapting to the UK's exit from the EU, and tackling the newest crisis of Russia's invasion of Ukraine.

This March edition provides a comprehensive live picture reflective of both qualitative business insight and relevant quantitative data. There are three key sections:

- 1) Bi-Monthly Economic Context** – providing an overview of the local current economic environment as the region continues to recover from what seems to be the worst of the pandemic, but with more economic pressures on the horizon as a result of conflict in Eastern Europe.
- 2) Black Country Business Intelligence Summary** – collating the challenges, issues, opportunities, and trends arising from engagement with Black Country businesses in the last 2 months. Insight is collated from direct feedback from Black Country Growth Hub and in conjunction with other business group / trade body partners, as well as from relevant research and insight pieces from across the Black Country and wider region.
- 3) Black Country Labour Market Information** – summarising job vacancy data across the economy and within sectors, utilising the EMSI data platform. This provides a live picture of what roles Black Country businesses are looking for and the skills they require.

Summary of March 2022 Findings

● Economic Context

- Business-related concerns about the impact of Russia's invasion on Ukraine are already building mostly regarding the commodity supply and price hikes.
- But in the meantime, the new year did bring some confidence to local business activity, while still being tempered by pandemic and Brexit related issues: The West Midlands Business Activity Index and Future Index both increased in January, as have wider surveys of confidence in recent months.
- The number of people unemployed locally remained relatively stable: the Black Country had 49,650 claimants in January 2022, a small increase of 100 claimants (0.2%) since December 2021; the UK also decreased by 0.2% over this period. Youth claimants reduced slightly, but at a slower rate than the national average.

● Business Intelligence

- Concerns among local SMEs continue over proposed tax rises, rampant inflation caused by supply chain disruption, labour market shortages and soaring energy prices.
- There is growing pressures on Government to act, including by delaying the rise in National Insurance, maintaining lower levels of VAT, offering financial support for those suffering from huge energy bills, and continuing reform of the business rates system.
- In addition, Government are being urged to look at policies that will empower small businesses and start-ups to get the economy performing at its peak again, while harnessing the good approach in the Levelling Up White Paper with tangible action.
- Although primarily a humanitarian crisis, there are wider economic and business implications from the Russian invasion of Ukraine; not least even energy higher prices for UK businesses and communities. Rising energy / fuel costs were a critical concern for companies before the invasion, with the situation now set to worsen.
- Higher prices and supply difficulties are also likely for non-energy commodities such as industrial metals, foodstuffs and fertilisers.
- These will put further pressure on Black Country businesses already dealing with increasing material costs, rising labour costs due to the skills shortages, and the end of Government funded support. Sectors including metals and materials, transport and logistics, food and drink, automotive and construction are already being impacted.
- It's estimated that up to £100m worth of goods are exported from the Black Country to Russia or Ukraine each year. This reflects a small proportion of overall exports (£3.4bn) but individual businesses that do trade in that part of the world will be affected.
- There is also higher risk of cyber-attacks emanating from Russia, another concern for businesses and other organisations to consider, while concerns that the government has limited "bandwidth" to support the multiplicity of issues facing businesses.
- More widely, businesses continue to express fears that a lack of suitable qualified and experienced applicants for vacant positions will damage the prospect of business recovery.
- Another barrier to recovery is the continuously difficult international trading environment, with the data now suggesting a Brexit impact that disproportionately impacts the West Midlands.
- In the face of adversity, local business is up for the challenge, not least embracing net zero / green initiatives with the support of the LEP, Growth Hub and relevant partners.

● Labour Market Intelligence

- There was a total of 86,704 Black Country job postings in Jan-Feb 2022; 26,327 were unique.
- These numbers give us a Posting Intensity of 3-to-1: for every 3 there is 1 unique posting.
- The average salary was £26,327, this is up 4.0% in the past 6 months.
- Postings are now 78.1% above levels seen this time last year.
- There was significant demand for nurses, support workers, delivery drivers and warehouse staff.
- Analysis of locale shows that demand is highest (by volume) in Wolverhampton.

1) Economic Context

Just as the domestic economy began to settle down, recover and grow from what seems to be the worst of the pandemic, global military developments risk another economic crisis which whilst clearly secondary to the humanitarian crisis unfolding in Ukraine, will have an economic impact. The full economic impact of the invasion on the UK, West Midlands and the Black Country will evolve over time and will depend on any resolutions reached. As later sections will show, business concerns are already building mostly regarding commodity supply and price hikes. But in the meantime, the new year did bring [some confidence](#) to local business activity, while still being tempered by pandemic and Brexit related issues.

- **The West Midlands Business Activity Index increased from 51.9 in January 2022 to 58.4 in February 2022, this was the fastest rate of growth in eight months.** This increase was associated with a strong improvement of demand conditions amid the end of restrictions.
- **The West Midlands Future Activity Index decreased from 80.3 in January 2022 to 76.7 in February 2022.** Despite the overall level of positive sentiment falling to a three-month low, firms in the West Midlands remained upbeat towards growth prospects with a favourable demand environment expected to be sustained along with forecast of new client wins and a recovery in the automotive sector and productivity gains.

West Midlands Business Activity Index

sa, >50 = growth since previous month



- The latest [Business Barometer from Lloyds Bank Commercial Banking](#) said that confidence in the West Midlands **rose by eight points during the February to 47 per cent.** A net balance of 44 per cent of businesses in the region expect to increase staff levels over the next year, up 24 points on last month.

As for the labour market, the **number of people unemployed locally** increased slightly, in line with the national average:

- **The Black Country had 49,545 claimants in February 2022, an increase of 810 claimants (+1.7%) since January 2022;** the UK increased by 1.8% over this period. Compared to February 2021, Black Country claimants decreased by 17,515 (-26.1%); the UK decreased by 32.4% over this period. The Black Country has 11,270 more claimants since March 2020.
- **In February 2022, there were 8,630 youth (aged 16-24) claimants in the Black Country, an increase of 145 (+1.7%) since January 2022, while for the UK there was an increase of 2.5%.** When compared to February 2021, the number of youth claimants decreased by 4,945 (-36.4%) in the Black Country, while UK-wide decreased by 43.5%. The Black Country had 880 more youth claimants when compared to March 2020.

2) Black Country Business Intelligence Summary

Local, front-line business issues, challenges and opportunities are best understood by engaging directly with businesses in tandem with background data. The below sections summarise recent challenges and priorities raised by Black Country businesses or through representative bodies or local and national research.

Outlook

Figures released by the **Office for National Statistics (ONS)** reported the UK economy **rebounded in 2021 as Gross Domestic Product (GDP) grew by 7.5 per cent following the easing of Covid-19 restrictions**, and that the growth was ahead of forecast and occurred despite a contraction in December due to Omicron restrictions. GDP overall also remains below its pre-pandemic levels.

As the Black Country and wider West Midlands economy recovers and grows, **regional business leaders urge the Government to act on cost pressures now**. Concerns among SMEs continue over proposed **tax rises, rampant inflation caused by supply chain disruption, labour market shortages and soaring energy prices – now being exacerbated further by Russia’s invasion of Ukraine**. There are calls for the Government to take swift action to reduce the pressures businesses are currently facing and to support business confidence as we emerge from the pandemic by:

- **Delaying the rise in National Insurance.**
- **Maintaining lower levels of VAT.**
- **Offering financial support for those suffering from huge energy bills.**
- **Continuing reform of the business rates system.**

This reflects that businesses across several sectors have identified **existing government measures and policies have not been, and continue to not be, effective for their businesses to respond to the whirlwind of crises**. A range of firms in the manufacturing, travel and accommodation sectors, for example, have all been adversely affected by the pandemic and associated restrictions, but have seen **limited targeted support** to help them through the past two years. These firms continue to have concerns regarding Covid-19, and more recently Brexit and Ukraine related issues. They are **hoping that more support will be outlined in the upcoming Spring Statement, particularly with regard to addressing spiralling cost pressures**.

Bringing this into close focus is reports from [EY](#) that the **West Midlands is expected to be one of the regions that recover the slowest from the pandemic** due to the impact of Covid-19 on the automotive and manufacturing sectors. The region's gross value added (GVA) is forecast to be **only 5.3 per cent larger in 2025 than it was in 2019**. By comparison, the UK's GVA is forecast to increase by 8.3 per cent.

In addition, Government are being urged to **look at policies that will empower small businesses and start-ups to get the economy performing at its peak again**. With inflation surging, and the labour market exceptionally tight, **small businesses need pro-business policies**. A more long-term strategy from the Government will allow businesses to be able to return to a position where they can trade and grow in order to support the UK's return to prosperity.

Nevertheless, **announcements in the Levelling Up White Paper were generally well received by local businesses**, who see Government investment in infrastructure, transport, and skills as crucial for the West Midlands' future. Commitments regarding town centre regeneration and funding for new housing was welcomed, and the **investment in skills was seen as an extremely positive** first step towards alleviating the recruitment issues and skills gaps occurring in the region.

Russia's Invasion of Ukraine

Although primarily a humanitarian crisis, there are wider economic and business implications from the Russian invasion of Ukraine. The [CBI's](#) initial economic impact analysis outlines four main channels of impact for the UK economy:

1) Commodities

- **Higher energy prices are by far the greatest concern for the UK economy** which will likely result in further upward pressure on inflation and a modest hit to GDP growth over the next two years.
 - Around [5-6% of UK gas imports come from Russia](#). However, with Russia withholding resources over the last two years, the UK has been exposed to volatile international gas markets. While our supply is unlikely to be affected, the price we pay for gas is, leading to rising energy bills this year.
 - This will put further pressure on Black Country businesses which are already dealing with increasing material costs, rising labour costs due to the skills shortages, the end of Government funded support etc.
- **Higher prices for non-energy commodities (such as industrial metals, foodstuffs and fertilisers) together with the potential for supply disruption**, could exacerbate supply chain pressures in some sectors. Sectors at particular risk include automotive, technology and food & drink, given the prominent role of Russia and Ukraine in exports of key inputs/components.
 - Together, Ukraine and Russia account for:
 - more than half the world's exports of **pig iron**
 - double-digit shares of **semi-finish iron/steel products**
 - Russia supplies one fifth of the world's **nickel** exports (used in the production of lithium-ion batteries, for example).
 - Russia accounts almost one tenth of the world's **aluminium** (with uses ranging from car bodies to aircraft to household appliances) and copper (widely used in construction and electronics).
 - Russia also produces a range of other metals, including 43% of the world's **palladium** (a component of catalytic converters).
 - Ukraine is also a major exporter of **mineral products, such as ceramics and clays**. Other supply chains risks cited by analysts include key inputs used in the production of semi-conductors, such as **neon**, 90% of which comes from Ukraine and Russia.
 - Russia and Ukraine are the world's largest and third largest exporters of **wheat**, respectively, together supplying more than one-quarter of the world's wheat exports (8% from Ukraine). Ukraine supplies 12% of barley exports, almost 13% of corn exports and 40% of sunflower oil exports.
 - Russia is also the world's largest exporter of fertilisers.
 - **The isolation of these supplies due to sanctions will inevitably create shortages and increase costs further.**
 - Several important Black Country sectors will be particularly affected. They are likely to face either **supply shortages, price increases, or both**. Local evidence of problems is already surfacing within the business community:
 - **Metals and Materials:** As noted by Black Country manufacturers in the West Midlands Metals and Materials Forum, Russia supply a lot of raw materials (e.g. iron, minerals, steel) into Europe, which UK manufacturers import for wider processing and production. Restrictions of trade will therefore damage the supply and cost of these important commodities, impacting the wider supply chain.

- **Transport / Logistics:** Rising fuel costs – an issue before the invasion – is damaging local haulage firms. As [reported locally](#), businesses are seeking protection through the capping or lowering of fuel duty.
- **Food & Drink:** [Local food manufacturers](#) have warned that food costs could “leap like fuel” due to the war’s impact on the supply of foodstuffs. It is thought that national and local food security is under major threat, likely to have a damaging effect on businesses and communities.
- **Automotive:** Russia and Ukraine are key sources of chemical gases C4F6 and neon that are vital to semiconductor production. Chip manufacturers could be among the most badly affected if supplies from Ukraine are severely hampered for an extended period, lengthening issues in automotive and its related supply chains.
- **Construction:** Several analysts last week said that Russia’s invasion of its neighbour could drive inflation in the cost of products used on UK construction sites. Main contractors have been urged to act now to avoid catastrophic supply chain disruption because of the war in Ukraine. Shortages and price hikes affecting materials and deliveries could bring big projects to a standstill in the coming months unless solutions are found

2) Trade and Investment

- Overall, Russia and Ukraine represent relatively small export markets for the UK—around 1% for Russia, even less for Ukraine. **However, any escalation of sanctions against Russia that resulted in disruption to international payments would take a toll on international trade for individual businesses.**
 - UK exports to Russia are worth around **£4.3bn per year**, dominated by business services, cars, telecoms, pharmaceuticals and financial services. Imports are worth **£11.6bn per year**, dominated by energy and other commodities.
 - UK exports to Ukraine are worth around **£750m per year**, with imports worth £1bn, dominated by foodstuffs and steel.
- The **West Midlands region exports over £500m worth of goods exports to Russia and Ukraine a year.** This represents 2% of all the region’s goods exports, the **highest proportion of all regions – suggesting the region is more reliant on Russia and Ukraine markets than other places in the UK.** This is driven by the region’s automotive strength.
 - While official Black Country data is not available, its **estimated that up to £100m worth of goods are exported from the Black Country to Russia or Ukraine each year.**
 - This reflects a small proportion of overall exports (£3.4bn) but **individual businesses that do trade with this part of the world will be affected**, not least those in automotive and wider manufacturing supply chains.
 - Vehicle manufacturer [JLR](#) **has suspended sales to Russia.** The firm announced that it made the decision due to the “wellbeing” of its workforce and those “within our extended network”. Sanctions imposed on Russia have heavily restricted the ability of companies to sell goods there.
- DIT has expanded its helpline to act as a single-entry point of enquiry for businesses and traders relating to the situation in Ukraine and Russia. **Businesses with enquiries relating to Ukraine/Russia are encouraged to contact DIT’s Export Support Service helpline (0300 303 8955) or Digital Enquire Service.** The ESS landing page also features a dedicated link for Ukraine/Russia enquiries. ESS will be the first point of contact for business and trade enquiries relating to Ukraine/Russia, as well as continuing to provide support to businesses exporting to Europe.

3) Financial Conditions

- Financial links between Russia and the rest of the world are relatively limited. Reflecting this, **global financial conditions tightened only slightly following Russia's invasion**, with stock markets dipping by a couple of percentage points, and bond prices rising only slightly.
- According to J.P.Morgan, the total exposure of foreign banks to Russian corporates and banks (based on BIS locational banking statistics) is relatively small at \$89bn. Of this, UK banks have a total exposure of \$13.7bn, of which \$4.9bn is lent to Russian banks.
- The Black Country is not likely to **be more affected than anywhere else by changes in global financial markets**.

4) Sentiment and Confidence

- There is a possibility of an impact through broader sentiment channels. Previous episodes of conflict in the region (such as the annexation of Crimea in March 2014) did not have clear or lasting impacts on business surveys in Europe.
- However, the **scale and broader geo-political significance of Russia's actions this time, coupled with the extreme tail-risks for commodity supplies and prices, mean a more noticeable impact of business sentiment across Europe remains a possibility**, with knock-on impacts on consumer spending and business investment.
- Indeed, **Black Country businesses have reported their initial concern of the impacts of the crisis, particularly related to supply difficulties and price rises**.
- Beyond the humanitarian element, there is also **higher risk of [cyber-attacks](#) emanating from Russia**, to consider.
- There are wider concerns from business leaders about the **Government's 'bandwidth'** to deal with ongoing issues. Clearly the very serious issues arising from the crisis will focus much of the Government's attention over coming weeks and months, and will also start to impact Local Government, for example dealing with refugees. This will **compound the many other economic issues Government is already dealing, putting bandwidth under further pressure which may delay and restrict their decision-making processes**.

Labour Market

Businesses continue to express fears that a **lack of suitable qualified and experienced applicants for vacant positions** will damage the prospect of business recovery post-Covid. Specifically:

- **Recruitment Struggles** – Examples of local businesses **facing the reality of investing in the correct environment** for prospective employees as well as improving remuneration and salary packages.
- **Increased Wages** - Companies starting to see wage inflation affecting their ability to recruit, with companies saying that they have seen an up to 15% rise in hourly rates.
- **Post Pandemic Burnout** – Reports from businesses that they are overwhelmed with increased orders but the **lack of capacity and materials to fulfil these**, leading to **burnout** whilst trying to keep up. Alternatively, commitment to orders has added strain to business owner's available time which increases the pressure and is not helped by staffing problems.

Reports from Black Country Growth Hub engagement chime with findings from [BDO](#) that suggest **recruitment is firmly on the agenda for Midlands firms**.

- According to their latest Rethinking the Economy survey, more **than a quarter of medium-sized Midland's businesses intend to increase the size of their workforce over the next 12 months**, with 18 per cent planning to pay staff more to attract and retain talent.
- When asked about skills shortages, **32 per cent of firms in the region stated that finding enough people with the right skill set was one of their biggest concerns**, with a particular challenge finding enough apprentices.

Wider reports suggest the **ways in which businesses might direct their investment** to get the best out of staff and resource management:

- **Home working:** Most business leaders plan to keep remote working arrangements in place, with new research suggesting that staff often feel more productive. A survey of 700 business leaders found that more than one in four expect their organisation to be fully flexible, leaving it down to individual employees where they want to be based. Two in five respondents to the [Institute of Directors \(IoD\) poll](#) said they planned to allow one to four days of remote working a week.
- **Automation:** According to an RSM report, around half of UK employers are planning to invest in automation or IT over the next 12 months in response to increasing staffing challenges.

Black Country Growth Hub and wider LEP personnel continue to have multiple conversations with businesses recently focused on skills and labour shortages. Specifically:

- As we finally emerge from the restrictions of Covid, it appears its crunch time for **employers looking to fill vacancies. The high number of vacancies contrasts with the relatively low number of suitable candidates** supports employees desire for more flexible working arrangements.
- **Staff Retention** – As businesses continue to struggle to not only attract new staff, but to retain existing team members, reports of **increased salary packages continue** with one business bringing forward a scheduled annual wage increase forward by three months to try and mitigate the risk.
- Businesses are **struggling to find and recruit apprentices** and are still **disappointed that the Kickstart scheme didn't work as well as anticipated.**
- **Candidates Seeking Flexibility** –Working from home has proved immensely popular for many employees and those looking for new opportunities are seeking the opportunity to work where, and often when, they want. **Some employees not able to agree new working arrangements with current employees even quitting roles to pursue self-employment.** The draw of working from home has been reported more widely in [research](#) and through [Grant Thornton UK's latest Business Outlook Tracker.](#)
- All sectors are reporting a lack of **instructional staff, assessors, and those to carry out end point assessment.**

This current labour market imbalance is **expected to ease over the next 12 to 24 months**, although it is not expected to disappear altogether for some time. Whilst this problem isn't unique to the UK, it is likely that Brexit has exacerbated some of the problems.

Trading Environment

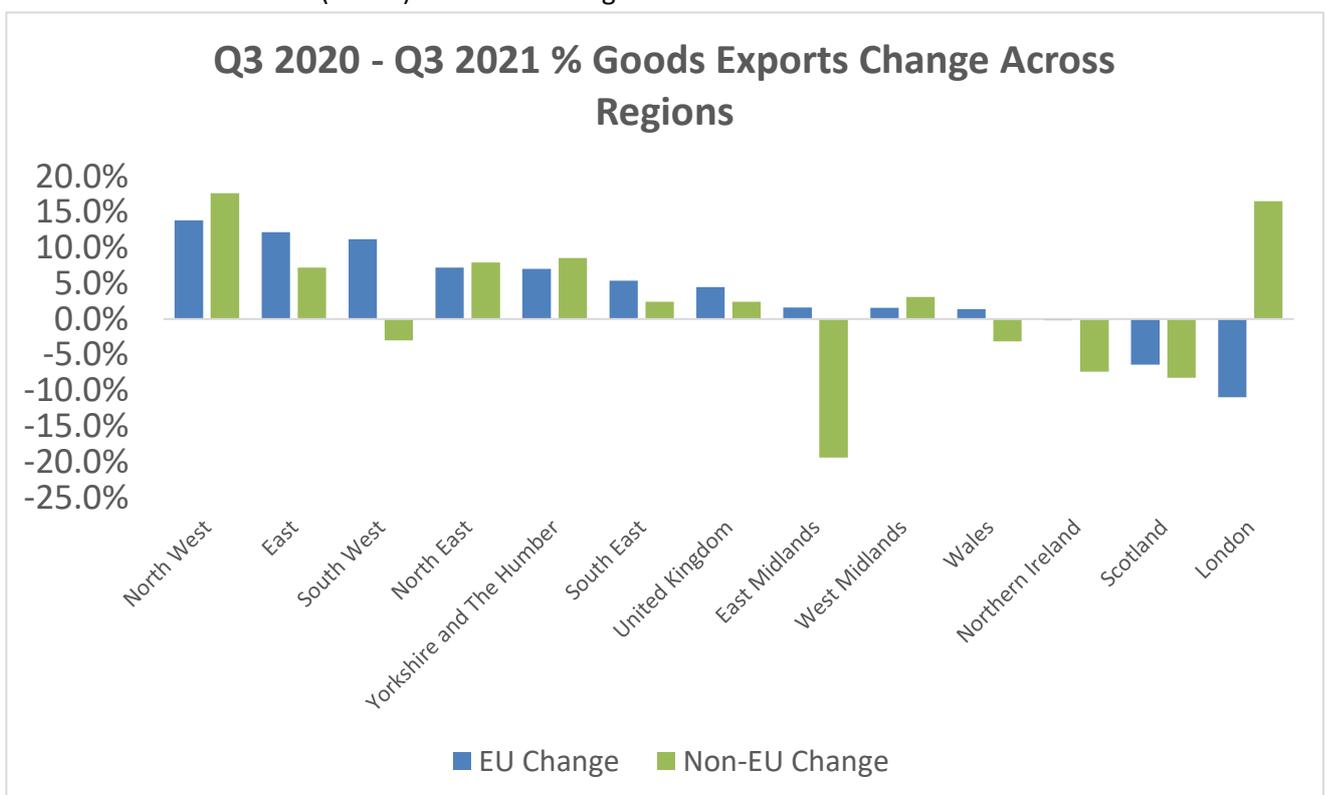
Local businesses have again highlighted their concern regarding **drastically increasing cost pressures and lack of governmental action.** Many have shared that, during an already difficult trading period, they have seen:

- energy costs rising
- wages increasing
- business rates change incoming, and
- National Insurance Contributions increases incoming.

Problems with supply chains persist, including difficulties accessing materials, price rises and persistent challenges surrounding new and existing EU Exit rules.

- Although there are reports that supply chain problems are starting to ease, businesses concerned about ensuring continuity are still **stockpiling materials** which is not only **affecting cash flow** but leading to **pressures on storage facilities** and increased demand on available premises which are already in short supply.
 - Furthermore, with Russia's invasion of Ukraine, any previous easing of supply issues may soon reverse

- **Delays at Borders** – This problem continuing to affect the fulfilment of orders and contracts.
- The **global shortage with electronic microchips remains an issue**, particularly to local car manufacturer JLR, with the [Guardian](#) highlighting how the EU are tackling the issue, **potentially leaving the UK exposed or potentially held to ransom**.
- At the Midlands Engine level, a **“Brexit: One Year On” report has been published**; exploring some of these key themes and the impact of Brexit and Covid on a wide range of issues, not least trading conditions. For example:
 - As well as the West Midlands region experiencing one of the sharpest falls in trade due to Covid, **it also may be experiencing one of the weaker recoveries**.
 - This relates to EU trade – **in which the West Midlands’ annual growth is among the lowest UK regions**.
 - The reason for modest growth or decline in West Midlands exports appears tied to its **reliance on trade of machinery and transport related equipment**. This category of goods represents over two-thirds of goods exports across the West Midlands, much higher than the UK rate (36.4%) and all other regions.



- The [West Midlands Global Growth Programme](#), a new Government-backed incentive package to bolster trade and investment between the West Midlands and global markets, launched recently, and is now welcoming applications globally.
- At the Black Country-level, the **LEP continues to work with DIT on a local trade and investment strategy** – aimed to support greater levels of exporting across sectors and attracting investment into the sub-region.

Furthermore, **rising energy costs remain a critical concern** for companies of all sizes as they seek support to **better understand how to reduce bills**. The [British Chambers of Commerce](#) have called on the Chancellor to **adopt their five-point plan to address these challenges**.

These include a **temporary energy price cap for small businesses and the extension of the financial support announced for households last week to include small firms**. Their recent survey shows that:

- **73% of firms in a new survey say they are raising prices** in response to rising costs
- **More than 3 in 5 (62%) cite soaring energy bills as driving factor**, rising to 75% for manufacturers.
- 63% site increased wage bills as driving prices rises.

As noted in previous sections, the **Ukraine crisis will only worsen heightened commodity prices, putting pressure on businesses to rise prices**. This will disproportionately affect the Black Country, given our **strengths in energy-intensive industries like manufacturing**. Reflecting this, cost and price pressures a key theme in MakeUK's most recent [Manufacturing Monitor](#).

Enquiries and Support

Recent business enquiries to Black Country Growth Hubs, and wider LEP / business discussions have included a focus on:

- **Net Zero** – A clear trend is emerging with businesses **embracing green initiatives** in efforts to reduce their carbon footprints and appear more attractive to clients.
 - There continues to be requests for funding toward costs related to Net Zero, as well as better understanding for companies of how specific sectors can make a difference and implement affordable changes.
 - The narrative amongst the broad West Midlands business community is now **shifting from 'setting net zero targets' to 'how can we deliver net zero'**. There has been interest in the grants available for businesses to decarbonise their operations or improve the energy performance of their buildings.
 - Concepts such as the **circular economy are proving very popular for businesses to explore**. Manufacturers that use wood and biomaterials are interested in exploring how they can repurpose and reuse waste materials. Discussions are beginning between potential partners around the creation of internal and regional supply chains for materials and heat.
- **Skills & Training** – Leads into both regional ERDF funded and SERCO national skills and training support programmes; while linked to the increased focus on the investment in existing staff and to attract potential new employees.
- **Demand for Grants** – Continued demand for grants from all sources to assist with projects related to capital machinery purchases, premises refurbishment, marketing/branding and website creation/development. Available funds are increasingly limited due to ERDF grants streams becoming exhausted which is also adding pressure on the remaining smaller schemes available. The situation likely to worsen as we await more information on the replacement UK Shared Prosperity Fund.
- **B2B Referrals** – Those businesses looking to expand product development, product lines and those diversifying are now more likely to pursue local supply chain opportunities.
- **Start-up companies and micro enterprises seeking funding and mentoring support**, mainly in marketing as they work on growth plans.
- Numerous businesses have been in touch following their **applications to the Omicron Hospitality and Leisure Grant scheme** and the ARG Omicron fund. Some **businesses continue to lack clarity as to which scheme – if any – they are eligible for**, and others have faced ongoing technical errors or confusion when applying.
- **Demand continues for knowledge** support following the end of the BCGH Expert in Residence programme as eligible businesses face continued new challenges.
- Those in the hospitality sector have again voiced their **concerns regarding the incoming changes to the existing VAT reduction**. Alongside mounting cost pressures – as highlighted above – and high levels of cancellations, several restaurants and bars have shared that the VAT reduction has been key to helping them through this difficult period. Several have flagged that, due to restrictions in place over the past two years, they have been unable to maximise the benefits of this economic policy and would like to see it maintained beyond the end of the financial year.

Other notable updates of late include:

- The **Government-backed Start Up Loans programme has provided more than [£25m to women entrepreneurs in the West Midlands](#)**. Since the scheme was established in 2012, 36,446 loans and £306m of funding has been provided to women-led businesses across the UK.
- The four Black Country Leaders have signed up to the Black Country LEP's **[Economy of Together Action Plan 2030](#)**. Unique to the Black Country, the Economy of Together Action Plan has been developed to use the power and strategic position of the LEP to turbo-boost the Black Country's social economy, and to drive inclusive economic growth.

Economic Shocks

NEW ECONOMIC SHOCKS			
COMPANY	LOCATION	SECTOR	DETAIL & SOURCE
Sven Christiansen Factory	Dudley	Manufacturing	Around 150 people have lost their jobs after the sudden closure of a Black Country furniture factory. The office furniture company had been trading for 47 years, with most of its staff based in the Black Country.
Jaguar Land Rover	Multiple Sites	Automotive	Jaguar Land Rover's sales continued to fall during the third quarter of its financial year because of the ongoing shortage of computer chips.
Automotive Industry	National	Automotive	The number of cars built in the UK last year fell to the lowest total since 1956 as the industry suffered a "dismal" 12 months, new figures have revealed. Production was down by 6.7% over the year to 859,575, and down by a third compared with the pre-pandemic 2019 figure.

New Investment Deals and Opportunities

NEW INVESTMENT, DEALS AND OPPORTUNITIES			
COMPANY	LOCATION	SECTOR	DETAIL & SOURCE
Private Investor	Dudley	Property	Commercial property agent Siddall Jones has acquired the former Mucklow headquarters in Halesowen on behalf of a private investor. The 21,139 sq ft property has been purchased for £2,610,000 from A&J Mucklow (Investments) Ltd.
Penny Post Credit Union	Wolverhampton	Credit Union	The Penny Post Credit Union is expanding, having completed a transfer of engagements from Voyager Alliance Credit Union. The new Wolverhampton-based Penny Post Group will have a combined membership of 19,500, accumulated savings of £47.6 million and a loan book of approximately £21.4 million. It will be amongst the largest credit unions in the UK.
Chamberlin Plc	Walsall	Engineering	Chamberlin, the Walsall-based foundry operator, says it is placing over 30 million shares on the market so that it can raise £1.8m to help pursue its turnaround strategy.

NEW INVESTMENT, DEALS AND OPPORTUNITIES

COMPANY	LOCATION	SECTOR	DETAIL & SOURCE
Lok'NStore	Wolverhampton	Storage	Growing Self-storage company Lok'nStore is to open a new site in Wolverhampton in March. The store at Pantheon Park, Wednesfield Way, is one of five new sites that Lok'nStore is currently at work on with 12 in the pipeline.
University of Wolverhampton Racing Team	Wolverhampton	Motor Racing	The University of Wolverhampton Racing Team (UWR) has secured a sponsorship boost of £200,000 from a commercial investment firm. After a year of racing in 2021 that involved UWR being crowned Formula 3 Cup Class champions, the team will now be competing in the 2022 Praga Cup following an investment in a new Praga car and branding from Highclear Investments.
LLP Properties	Walsall	Property	Plans have been lodged to create 3 new large industrial units with an investment of £3mil in Walsall. If approved the build could create many new jobs.
Bornmore Metals	Dudley	Metals	A metals specialist based in Dudley has been acquired by a £40m turnover firm. Bornmore Metals has purchased P&P Non-Ferrous, a stockholder, processor, and distributor of non-ferrous metals.
CLA Fabrications	Wednesbury	Manufacturing	Two units covering 45,000 sq ft have been sold at GWS Trading estate in Wednesbury for £2m. CLA Fabrications have purchased units 17 and 18 to add to its current site half a mile away on Potters Lane, increasing the size of its premises to 90,000 sq ft.
Westley Group	Cradley Heath	Manufacturing	Westley Group, which is one of Europe's largest privately-owned foundry and engineering groups, will use the cash to further invest in new CNC machinery to enable it to produce more products for its worldwide customer base. The funding will also allow the company to grow into existing and emerging markets and create a number of new, skilled jobs in the West Midlands
Hadley Group	Smethwick	Manufacturing	Hadley Group, a global steel engineering business, has taken the entire Pinnacle 191 scheme in Smethwick. Topland's 191,268 sq ft unit has been let to the firm on a 10-year lease.

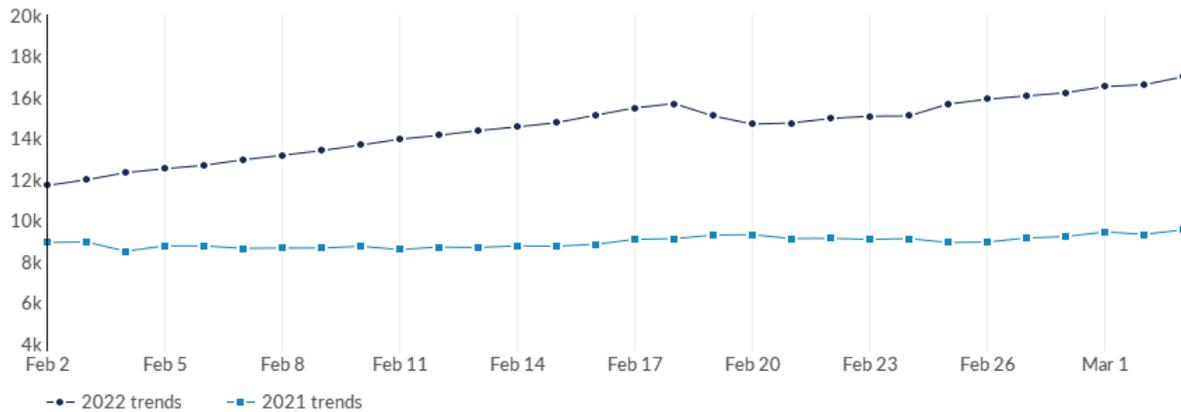
3) Black Country Labour Market Information

Using the EMSI data platform¹, this section summarises job vacancy data across the whole economy and within sectors. This provides a live picture of what roles Black Country businesses are looking for and the skills they require.

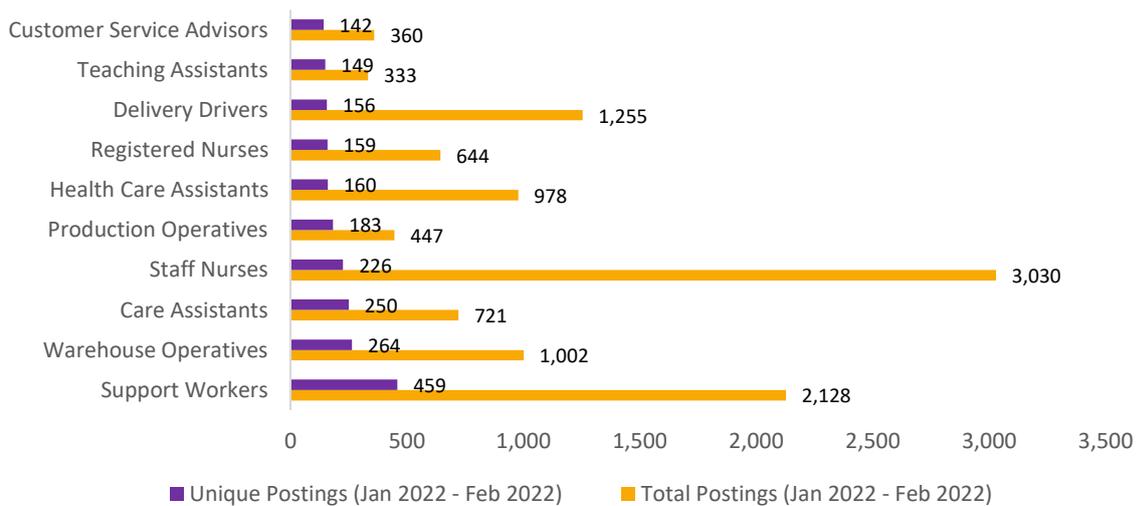
All Demand (January 2022 – February 2022)

- There was a total of 86,704 job postings in the Black Country, of which 26,327 were unique.
- These numbers give us a Posting Intensity of 3-to-1, meaning that for every 3 postings there is 1 unique job posting.
- The average salary was £26,327, this is up 4.0% in the past 6 months.
- Postings are now 78.1% above levels seen this time last year.
- There was significant demand for nurses, support workers, delivery drivers, warehouse operatives, health care assistants, care workers and teaching assistants.
- Analysis of locale shows that demand is highest (by volume) in Wolverhampton, followed by Dudley, Sandwell and Walsall.

January to February Job Posting Trends



January to February Top Job Titles

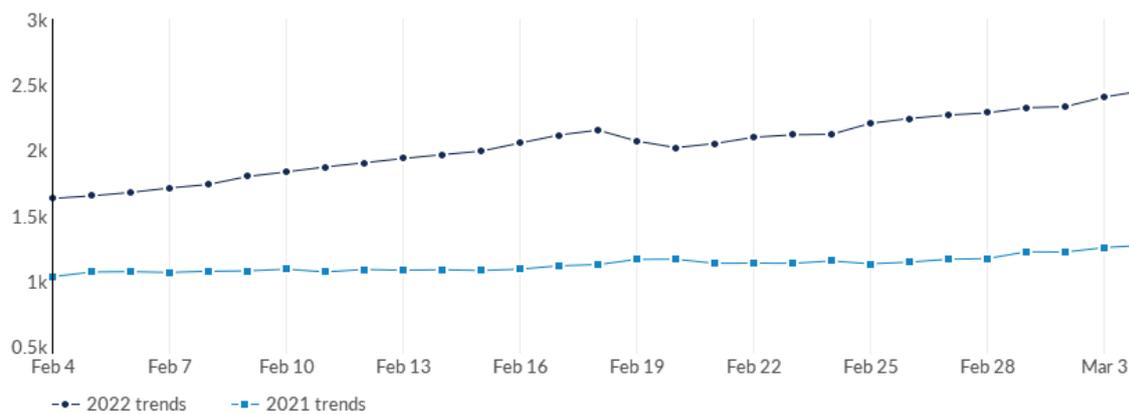


¹ As of March 2022, Emsi Burning Glass have implemented new data collection and processing procedures within the Analyst Tool. It is estimated that this will result in an approximate 22% reduction in overall job posting counts, which will vary depending on the filters used within the research. Emsi Burning Glass believe that these new procedures will mean fewer duplicates are collected upfront alongside an enhanced deduplication process.

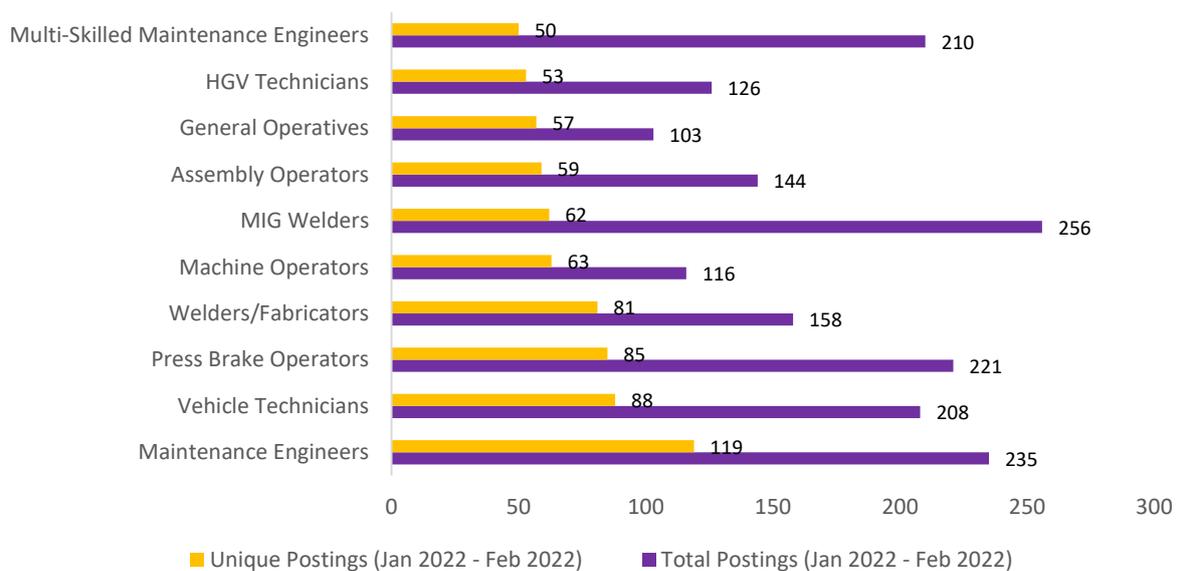
Advanced Manufacturing:

- In January to February 2022 there were 7,325 total job postings and 3,311 unique job postings in the Advanced Manufacturing sector across the Black Country.
- The posting intensity was 2-to-1, below the regional posting intensity of 3-to-1 suggesting that employers are putting in below average effort towards hiring for positions.
- The average salary was £27,456, which is up 3.4% in the past 6 months
- Job postings are now 88.0% above levels seen this time last year.
- Demand via job postings was highest for engineering technicians' occupations at 1,720 total postings in the past month and a posting intensity of 3-to-1.
- The job title most sought after was for maintenance engineers with 235 total postings and a posting intensity of 2-to-1. The most effort was put into hiring for MIG welders and multi-skilled maintenance engineers (both with a posting intensity of 4-to-1).
- Aviation, agriculture, machinery and MIG welding were the top hard skills requested, with agriculture having the largest skills gap at present, occurring in 23% of all postings but in no of workforce profiles.
- Marketing, communications and management were the top 3 common skills requested.

January to February Job Posting Trends



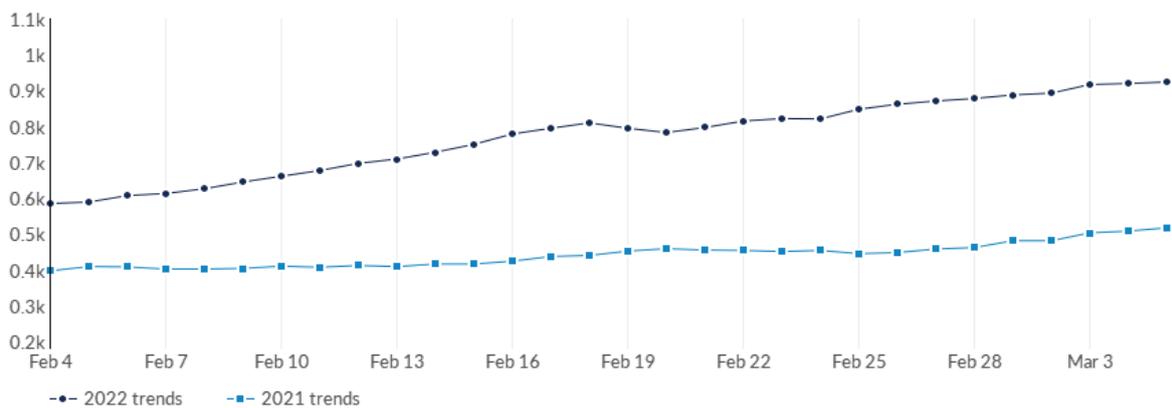
January to February Top Job Titles



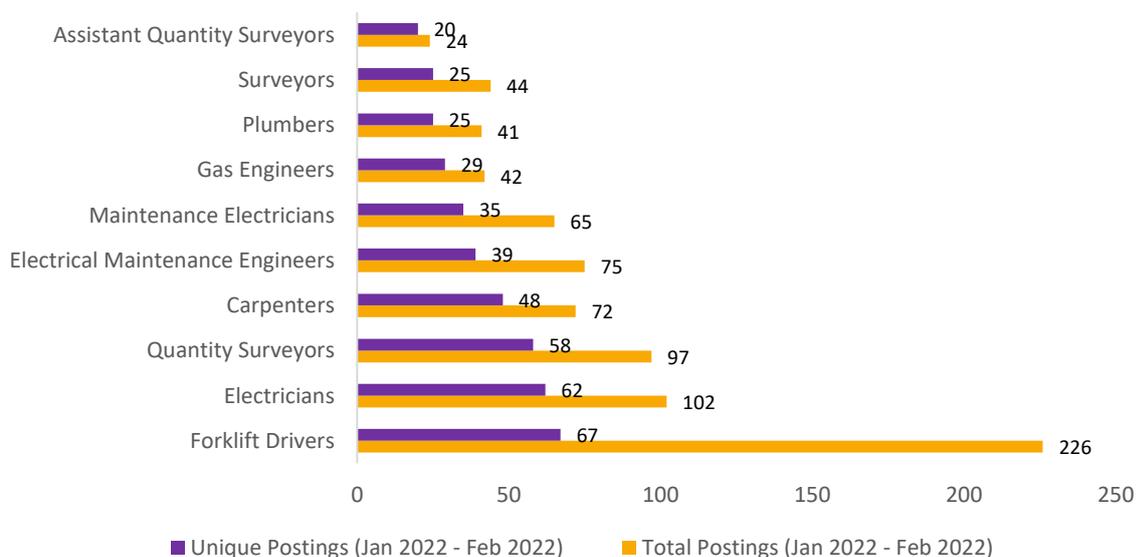
Building Technologies:

- In January to February 2022 there were 2,456 total job postings and 1,232 unique job postings in the Building Technologies sector across the Black Country.
- The posting intensity was 2-to-1, below the regional posting intensity of 3-to-1 suggesting that employers are putting in below average effort towards hiring for positions.
- The average salary was £32,448, up 0.8% in the past 6 months.
- Job postings are now 78.7% above levels seen this time last year.
- Demand via job postings was highest for electricians and electrical fitters' occupations at 350 total postings in the past month and a posting intensity of 2-to-1. Fork-lift truck drivers and construction project managers and related professionals have the highest posting intensity at 3-to-1.
- The job title most sought after was for forklift drivers with 226 total postings and a posting intensity of 3-to-1.
- Construction, building services engineering and carpentry were the top hard skills requested, with building services engineering having the largest skills gap at present, occurring in 11% of all postings and 2% of workforce profiles.
- Marketing, management and communications were the top 3 common skills requested.

January to February Job Posting Trends



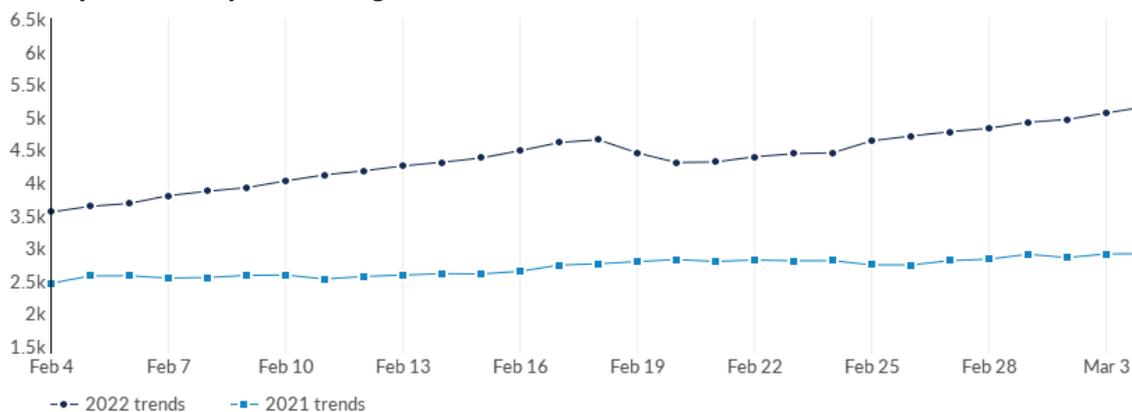
January to February Top Job Titles



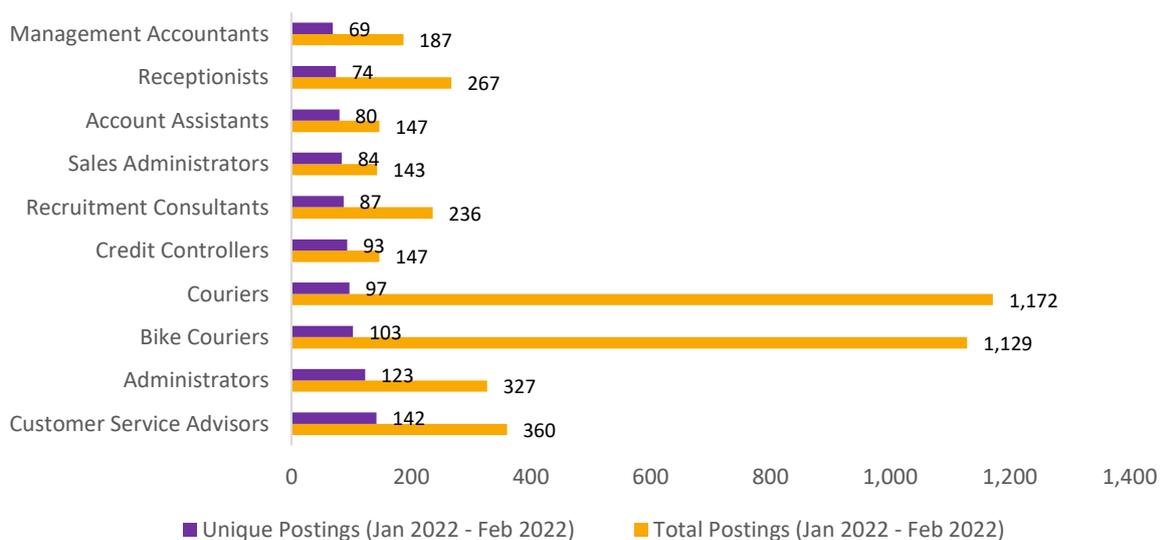
Business Services:

- In January to February 2022 there were 21,030 total job postings and 7,916 unique job postings in the Business Services sector across the Black Country.
- The posting intensity was 3-to-1, same as the regional posting intensity of 3-to-1 suggesting that employers are putting in average effort towards hiring for positions.
- The average salary was £25,024, down 2.0% in the past 6 months.
- Job postings are now 78.1% above levels seen this time last year.
- Demand via job postings was highest for other administrative occupations at 2,024 total postings in the past month and a posting intensity of 3-to-1.
- The job title most sought after was for couriers with 1,172 total postings and a posting intensity of 12-to-1.
- Finance, accounting and purchasing were the top hard skills requested, with finance having the largest skills gap at present, occurring in 10% of all postings and in 6% of the workforce profiles.
- Communications, management and customer service were the top 3 common skills requested.

January to February Job Posting Trends



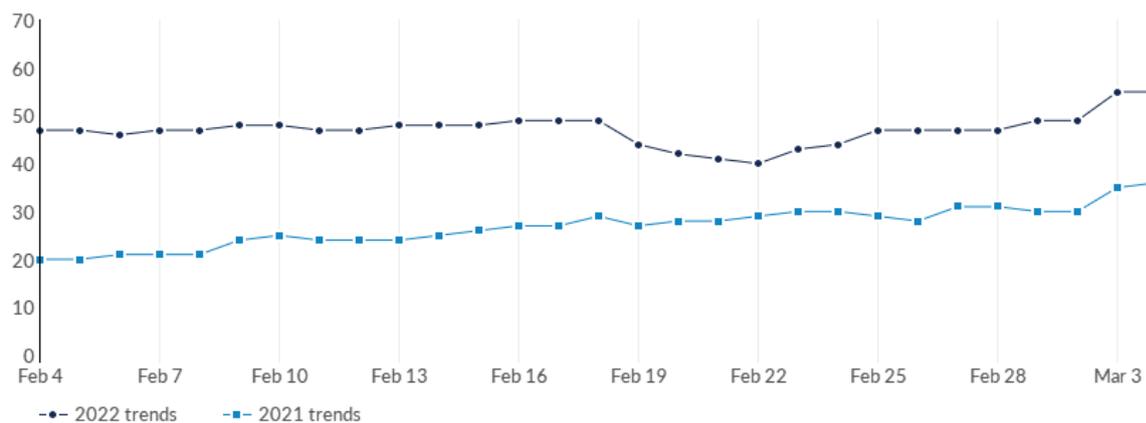
January to February Top Job Titles



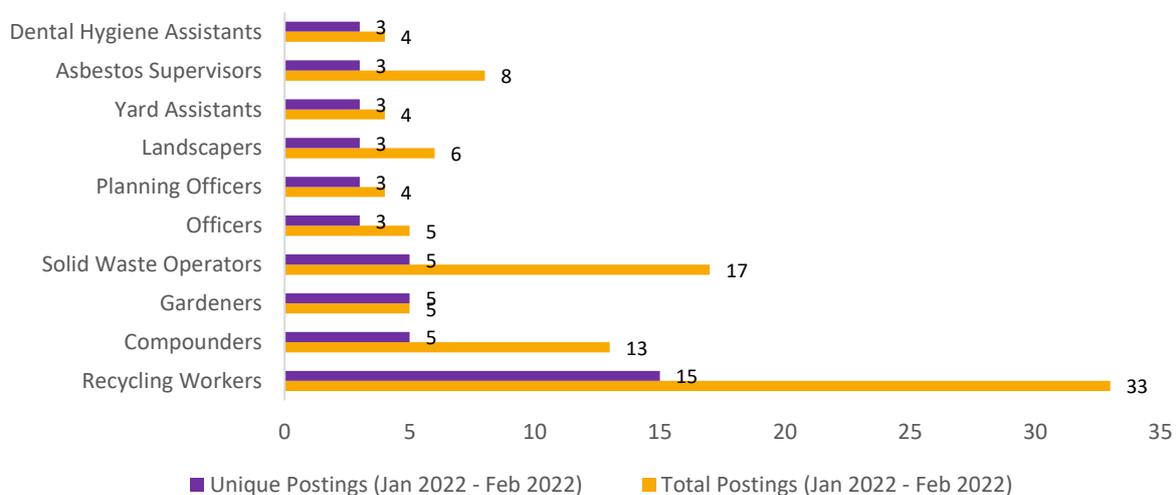
Environmental Technologies:

- In January to February 2022 there were 193 total job postings and 95 unique job postings in the Environmental Technologies sector across the Black Country.
- The posting intensity was 2-to-1, below the regional posting intensity of 3-to-1 suggesting that employers are putting in below average effort towards hiring for positions.
- The average salary was £21,696, down 0.3% in the past 6 months.
- Job postings are now 43.6% above levels seen this time last year.
- Demand via job postings was highest for refuse and salvage occupations at 76 total postings in the past month and a posting intensity of 2-to-1, but the largest effort was put into hiring for conservation professionals and conservation and environmental associate professionals, both at 3-to-1 posting intensity.
- The job title most sought after was for recycling workers with 33 total postings and a posting intensity of 2-to-1. But the job title with the highest posting intensity was for solid waste operators and asbestos supervisors, both at 3-to-1.
- Warehousing, numeracy and manual handling were the top sought after hard skills in the sector, with warehousing having the largest skills gap at present, occurring in 21% of all postings and only 1% of workforce profiles.
- Communications, management and planning were the top 3 common skills requested.

January to February Job Posting Trends



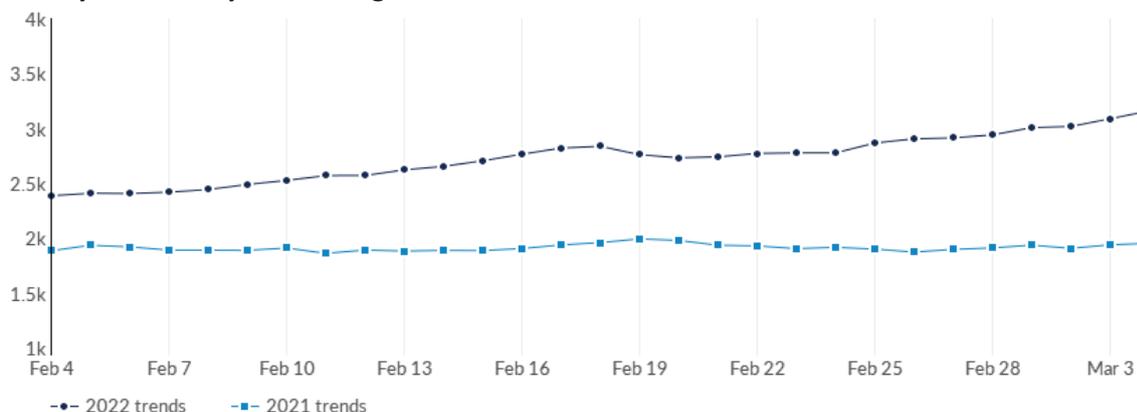
January to February Top Job Titles



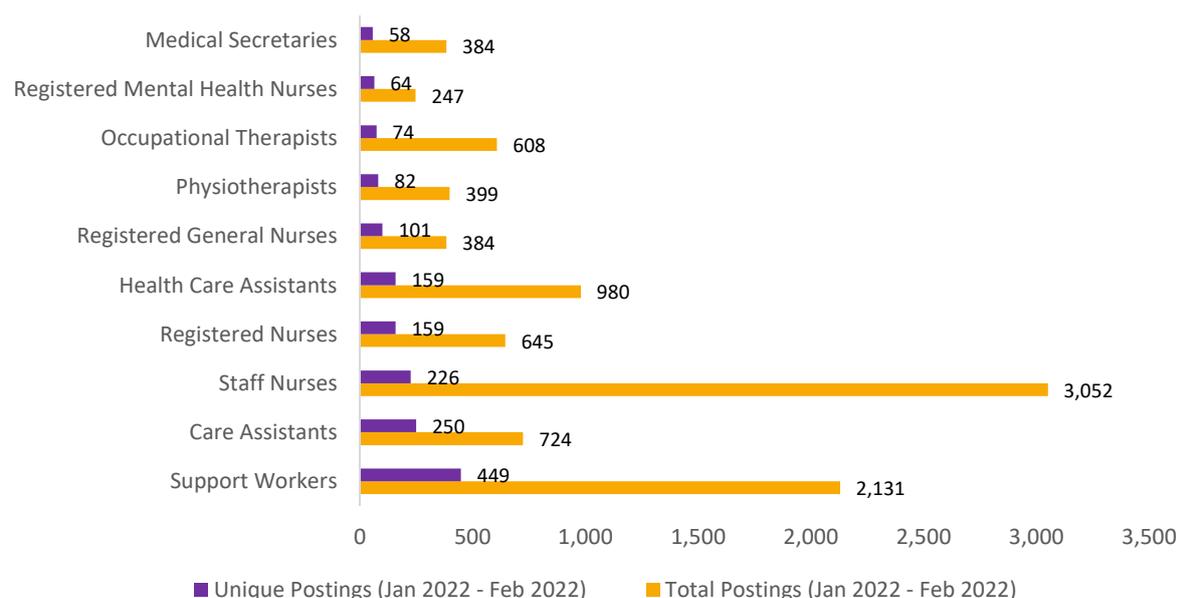
Health and Care:

- In January to February 2022 there were 33,399 total job postings and 5,190 unique job postings in the Health sector across the Black Country.
- The posting intensity was 6-to-1, higher than the regional posting intensity of 3-to-1 suggesting that employers are putting in above average effort towards hiring for positions.
- The average salary was £33,472, this is up 15.2% in the past 6 months.
- Job postings are now 62.6% above levels seen this time last year.
- Demand via job postings was highest for nurses at 15,514 total postings in the past month and a posting intensity of 9-to-1.
- The job title most sought after was for staff nurses with 3,052 total postings and a posting intensity of 14-to-1.
- Nursing, midwifery and mental health were the top hard skills requested, with nursing having the largest skills gap at present, occurring in 26% of all postings and in 3% of workforce profiles.
- Communications, management and leadership were the top 3 common skills requested.

January to February Job Posting Trends



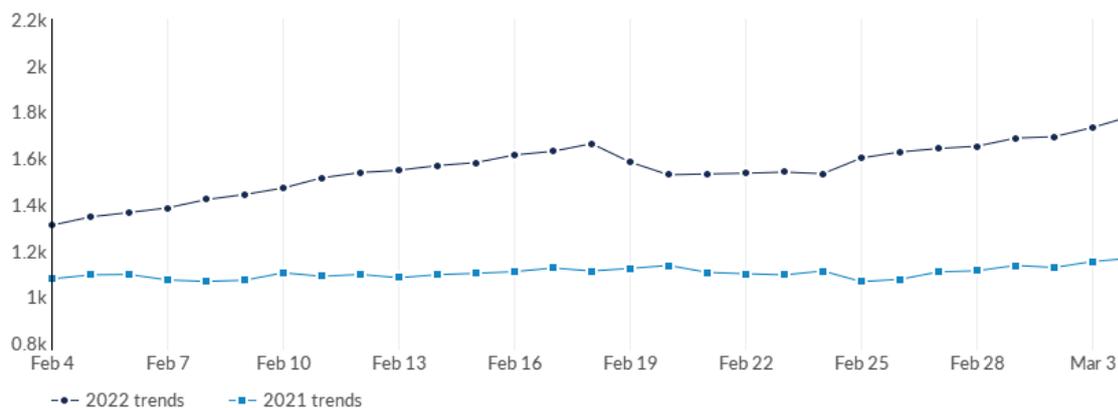
January to February Top Job Titles



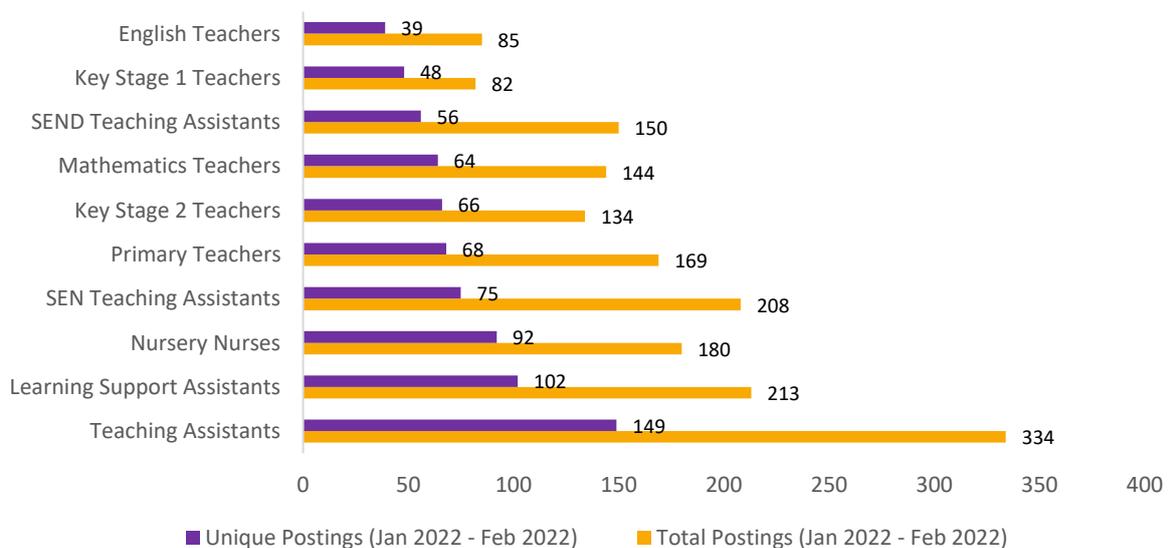
Public Sector including Education:

- In January to February 2022 there were 6,155 total job postings and 2,684 unique job postings in the Public Sector across the Black Country.
- The posting intensity was 2-to-1, below the regional posting intensity of 2-to-1 suggesting that employers are putting in below average effort towards hiring for positions.
- The average salary was £25,024, up 4.3% in the past 6 months.
- Job postings are now 53.6% above levels seen this time last year.
- Demand via job postings was highest for teaching assistants at 1,142 total postings in the past month and a posting intensity of 2-to-1, but the largest effort was put into hiring for social workers and special needs education teaching professionals, both with a posting intensity of 3-to-1.
- The job title most sought after was for teaching assistants with 334 total postings and a posting intensity of 2-to-1. The highest posting intensity was for SEN teaching assistants and SEND teaching assistants, both at 3-to-1.
- Working with children, child protection and autism spectrum disorders and were the top hard skills requested, with working with children having the largest skills gap at present, occurring in 15% of all postings but in 1% of workforce profiles.
- Teaching, communications and marketing were the top 3 common skills requested.

January to February Job Posting Trends



January to February Top Job Titles



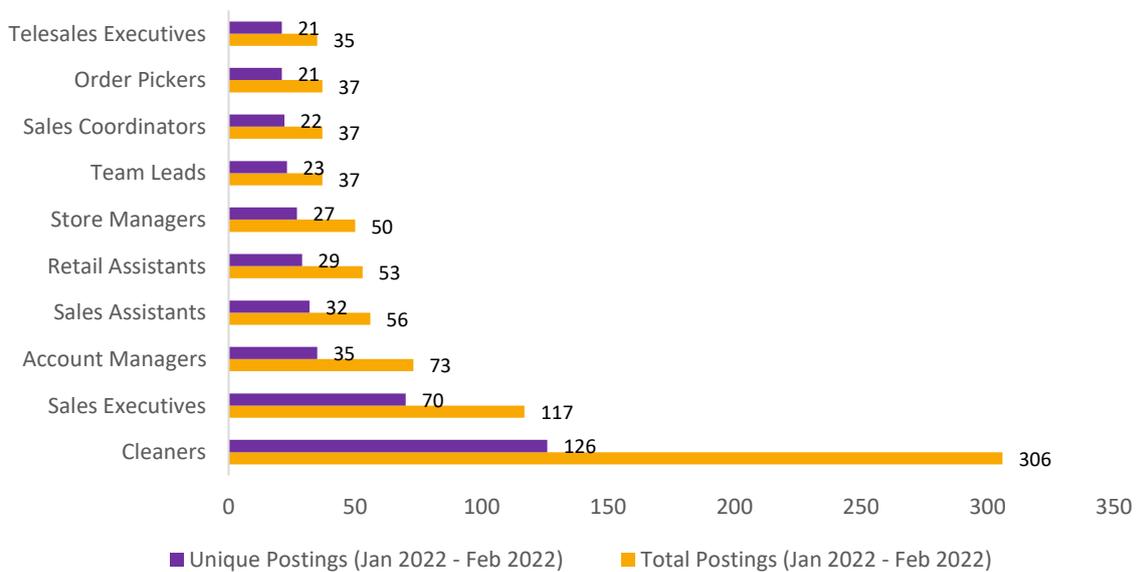
Retail:

- In January to February 2022 there were 3,710 total job postings and 1,806 unique job postings in the Retail Sector across the Black Country.
- The posting intensity was 2-to-1, below the regional posting intensity of 3-to-1 suggesting that employers are putting in below average effort towards hiring for positions.
- The average salary was £22,976, up 4.7% in the past 6 months.
- Job postings are now 84.1% above levels seen this time last year.
- Demand via job postings was highest for sales related occupations at 1,456 total postings in the past month and a posting intensity of 2-to-1, but the largest effort was put into hiring for stock control clerks and assistants and cleaning and housekeeping managers and supervisors at a posting intensity of 3-to-1.
- The job title most sought after was for cleaners with 306 total postings and a posting intensity of 2-to-1.
- Purchasing, procurement and account management were the top hard skills requested, with purchasing having the largest skills gap at present, occurring in 12% of all postings but only in 3% of workforce profiles.
- Sales, customer service and communications were the top 3 common skills requested.

January to February Job Posting Trends



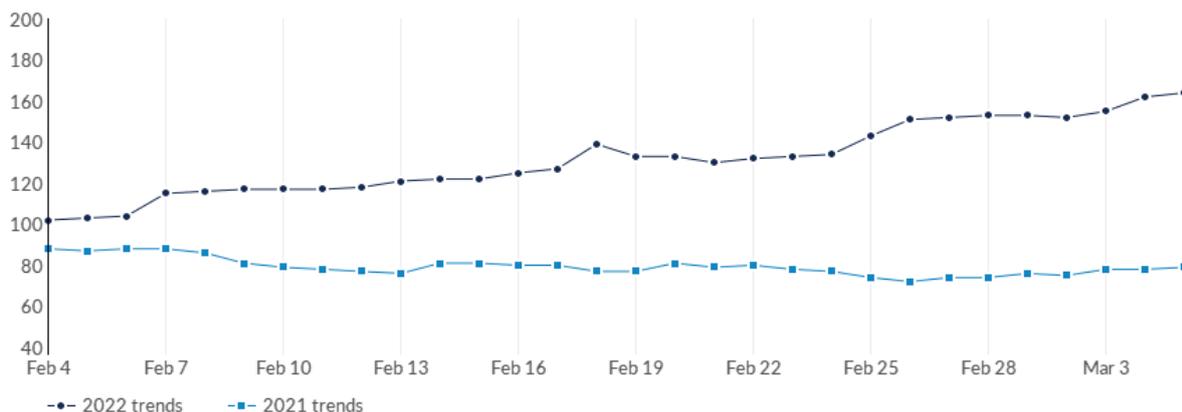
January to February Top Job Titles



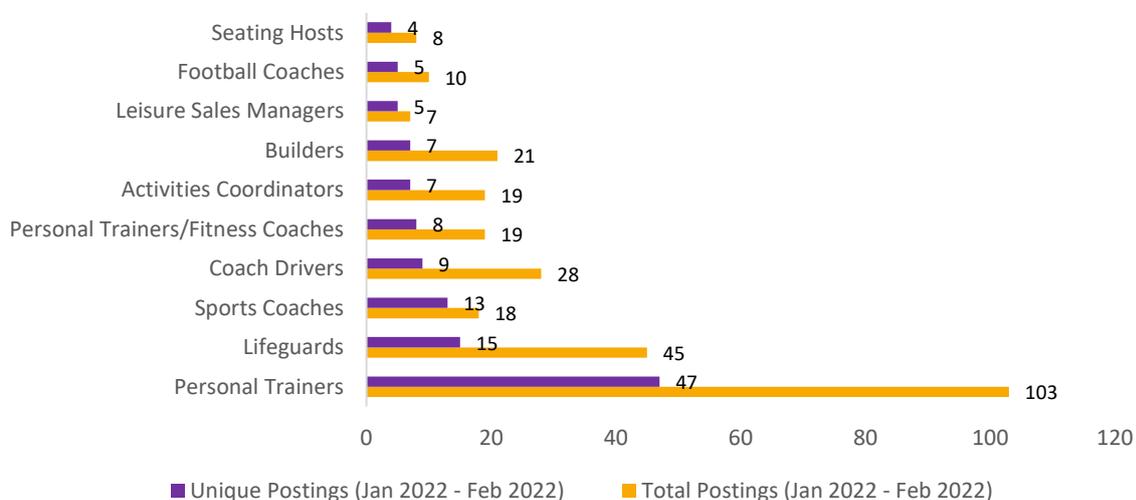
Sports:

- In January to February 2022 there were 513 total job postings and 208 unique job postings in the Sports Sector across the Black Country.
- The posting intensity was 2-to-1, lower than the regional posting intensity of 3-to-1 suggesting that employers are putting in less than average effort towards hiring for positions.
- The average salary was £22,592, no change in the past 6 months.
- Job postings are now 107.6% above levels seen this time last year as the sector has now recovered since the pandemic began.
- Demand via job postings was highest for sports coaches, instructors and officials at 181 total postings in the past month and a posting intensity of 2-to-1. The most amount of effort was put into hiring for sports players at 12-to-1 posting intensity.
- The job title most sought after was for personal trainers with 103 total postings and a posting intensity of 2-to-1. The highest posting intensity was for lifeguards and activities coordinators both at 3-to-1.
- Circuit training, instructing, and anatomy were the top hard skills requested, with circuit training having the largest skills gap at present, occurring in 21% of all postings but appearing in no workforce profiles.
- Customer service, planning and professionalism were the top 3 common skills requested.

January to February Job Posting Trends



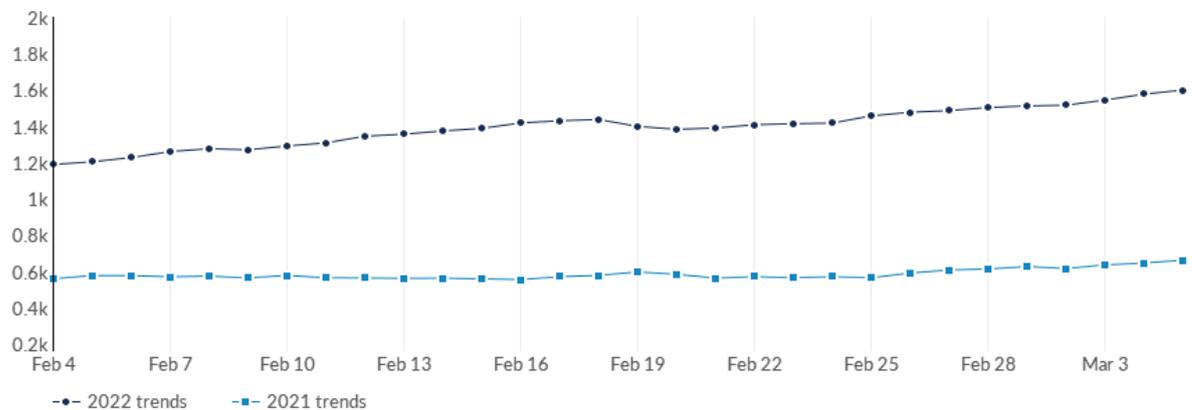
January to February Top Job Titles



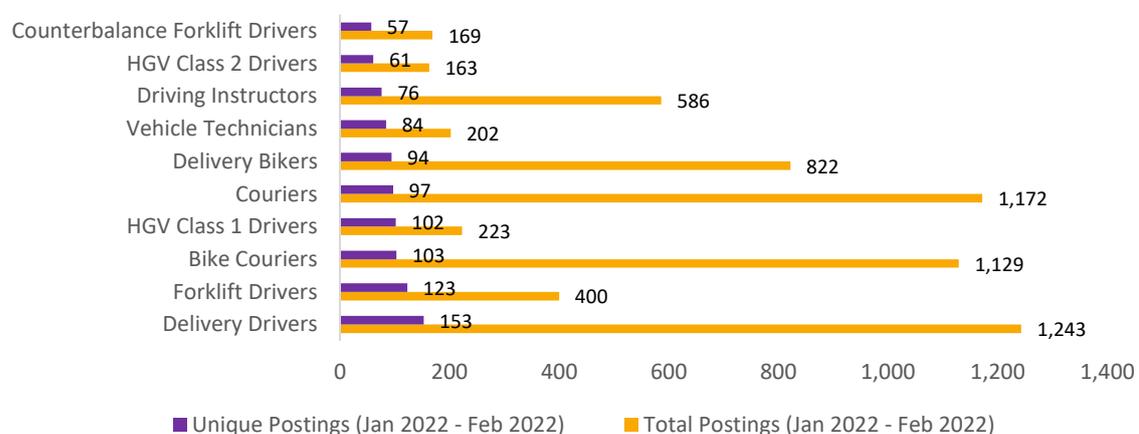
Transport Technologies:

- In January to February 2022 there were 10,358 total job postings and 10,342 unique job postings in the Transport Technologies Sector across the Black Country.
- The posting intensity was 4-to-1, slightly higher than the regional posting intensity of 3-to-1 suggesting that employers are putting in above average effort towards hiring for positions.
- The average salary was £24,640, up 10.1% in the past 6 months.
- Job postings are now 141.9% above levels seen this time last year as the sector has rebounded to levels seen before the pandemic.
- Demand via job postings was highest for van driving occupations at 3,586 total postings in the past month and a posting intensity of 5-to-1, but the largest effort was put into hiring for postal workers, mail sorters, messengers and couriers at 2,344 postings with a posting intensity of 11-to-1.
- The job title most sought after was for delivery drivers with 1,243 total postings and a posting intensity of 8-to-1. The highest posting intensity was for couriers at 12-to-1 and 1,172 total postings.
- Warehousing, mechanics and forklift truck were the top hard skills requested, with warehousing having the largest skills gap at present, occurring in 12% of all postings but only in 3% of workforce profiles.
- Customer service, communications and detail oriented were the top 3 common skills requested.

January to February Job Posting Trends



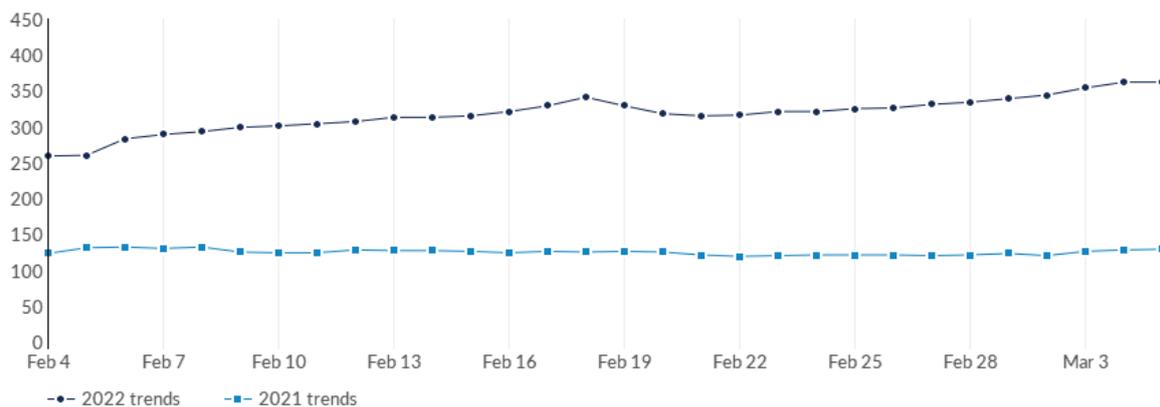
January to February Top Job Titles



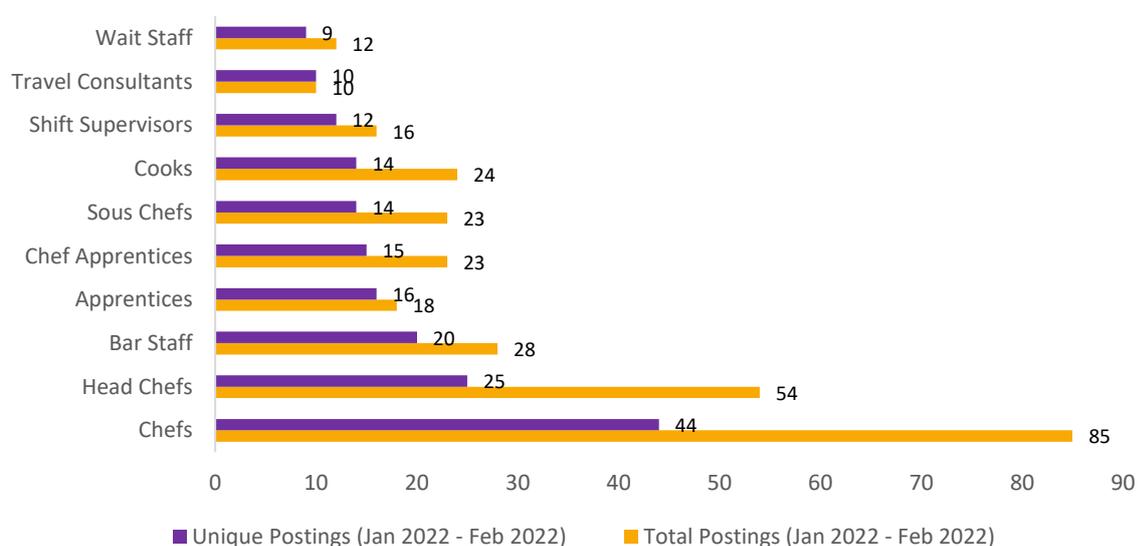
Visitor Economy:

- In January to February 2022 there were 1,024 total job postings and 519 unique job postings in the Visitor Economy Sector across the Black Country.
- The posting intensity was 2-to-1, below the regional posting intensity of 3-to-1 suggesting that employers are putting in below average effort towards hiring for positions.
- The average salary was £25,024, up 3.9% in the past 6 months.
- Job postings are now 180.6% above levels seen this time last year as the sector has rebounded to levels seen before the pandemic.
- Demand via job postings was highest for chef occupations at 385 total postings in the past month and a posting intensity of 2-to-1, but the largest effort was put into hiring for waiters and waitresses at 102 total postings and a posting intensity of 3-to-1.
- The job title most sought after was for chefs with 85 total postings and a posting intensity of 2-to-1.
- Restaurant operation, cooking and food safety were the top hard skills requested, with restaurant operation having the largest skills gap at present, occurring in 8% of all postings but only in 2% of workforce profiles.
- Communications, management and customer service were the top 3 common skills requested.

January to February Job Posting Trends



January to February Top Job Titles





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