



SANDWELL'S INCLUSIVE RECOVERY ACTION PLAN FOR BUSINESS

Appendix 2 of the Sandwell Regeneration Strategy

March 2022



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1. FOREWORD

For Sandwell to succeed, our businesses need to succeed, creating new jobs and opportunities in the local area.

This is an important document for us. It sets out our first plan dedicated to supporting businesses. Successful businesses are fundamental to creating jobs, generating local wealth and prosperity.

Supporting our businesses is an area where we think we can do more, faster. We want to support our businesses to play their part and to help unlock the entrepreneurial potential of our population to drive a more inclusive economy. Last year we launched the Sandwell Skills Strategy. That focuses on supporting residents to develop the skills to access jobs. This plan provides the other side of the coin, setting out our plans to support businesses to create jobs for residents.

Circumstances have changed drastically over the past eighteen months. Businesses have adapted to the most difficult trading time in living memory, and I have been pleased to hear the positive stories of local businesses who have adapted their services to meet the demand for PPE or sanitiser and other vital products. Many of these were celebrated in the Black Country Chamber's Business Heroes Awards in 2020.

But this has been a very difficult year for businesses and residents. The Council has played an important role in supporting businesses through the challenges of the pandemic. In the last 18 months, Sandwell has delivered around £85 million grants and £336 million loans – more than any other Black Country Local Authority. As Government support for businesses winds down we need to manage that process, deliver major projects and make sure they lead to business investment that creates good jobs for residents, without them having to leave the borough.



Kerrie Carmichael
(Leader of Sandwell Metropolitan Borough Council)

The investments and infrastructure coming to Sandwell bring opportunity to level up the borough. But we know from experience that the business benefits from these investments will not happen automatically.

We need to be clear about our ambition and proactive, making sure local people and businesses get the chance and have the skills needed to make the most of these opportunities.

We have focused on a small number of actions, which can really make a difference to Sandwell. This doesn't mean that it is a plan for the Council to deliver alone. Over the coming months, we will work closely with partners on implementation to quickly see results.

This is not just a strategy to support businesses through recovery but a longer-term commitment to support that recognises and harnesses the significant contribution our businesses make to increasing local wealth.

We are ambitious for our businesses and our borough and focused and committed on what we want to achieve. This plan sets out how we plan to do it. Sandwell's businesses will be supported to grow, and to deliver jobs and inclusive growth for our borough and the wider region.



Cllr Iqbal Padda
(Cabinet Member for Regeneration & Growth)

2. INTRODUCTION

Sandwell is a great place to do business. A £6.5 billion economy, the most productive Black Country local authority with twice the number of manufacturing firms to the national average. It is home to fast growing, high employment and high turnover businesses, including East End Foods, Steel & Alloy and Hadley Industries. The borough benefits from open spaces, six interconnected towns, a tradition of locally-focused small businesses and an economy driven by private sector employment and growth.¹

But these strengths are not well known enough, and the borough is punching below its weight.

Investment is coming to Sandwell. It brings the opportunity to make real improvements to high streets, public assets, skills provision and transport to level up the borough. There is one area where we can move quicker - supporting our businesses. This includes support to meet the challenge of pandemic recovery, the net zero transition and Climate Change via emissions reductions and improved energy efficiency, and rapidly changing global and local markets and supply chains.

This means focusing on doing the things that the Council and partners can do to create the conditions for new jobs and skills, tackling inequality and keeping wealth local. The borough benefits from being part of the UK's largest Combined Authority, with the West Midlands Growth Company and the Black Country LEP's Growth Hub delivering regional business support. Other organisations like the Chamber of Commerce, SWEDA, the FSB, Sandwell College and universities work closely with our businesses.

This resource and expertise will be vital to deliver the priorities and actions set out here.

Over the past 2 years we have been listening to Sandwell businesses to understand the challenges facing businesses in Sandwell. We have used this to shape the action plan. This means doing things differently. Despite access to local business support services, across the UK it is estimated that about 40% of businesses have received formal external advice, 20% of which were from the public sector.² To maximise the impact of business support amongst those who do take it up, we need to target resources at the areas in which businesses want help and the support that they most need.

Our ambition is to accelerate business growth to create a wealthier Sandwell, gripping investment opportunities and addressing long term challenges. This plan sets out seven priorities to support businesses over the next five years, setting out the Council's commitment to a fresh approach that recognises the important contribution of business.



1. ONS Regional Gross Value Added (Balanced) by Industry, 2021; ONS Business Counts, 2020; ONS Population Estimates, 2020; ONS Annual Population Survey (2020).

2. Black Country Local Enterprise Partnership, Competitiveness Advisory Board Report, May 2021.

To achieve our ambition, over our five-year plan we will...

1. Make Sandwell the home of the successful start-up, bringing new businesses into our town centres and high streets

A high number of residents are starting new businesses but may lack the skills and information to make these successful. We want to change this through increased and tailored access to advice around starting a business, finance, recruitment and marketing.

2. Accelerate growth in higher value businesses, tapping into the growth of the West Midlands economy, to stimulate wider investment and opportunity

Sandwell businesses are part of West Midlands and national supply chains, creating essential components for modern engineering and manufacturing. We want to help them grow and create more good jobs by exporting more, investing in new opportunities, embracing digital markets, and changing their business models.

3. Deliver net zero carbon emissions in Sandwell by 2041

Many of our companies face high demand for energy and premises that are not climate resilient. We want to support them by providing easy access to advice on how to become energy efficient & reduce costs. We also want firms to adopt models of circular economy including recycling and re-purposing.

4. Increase new inward investment & investment from existing business to create more good jobs

With a young population and cheap land, Sandwell should be an attractive location for businesses to locate and grow, creating more jobs locally. Foreign Direct Investment is important to stimulating local jobs growth. We need to work more closely with the West Midlands Growth Company to have the employment land and investment offer ready to maximise investment from existing business and attract investment.

5. Establish Sandwell as a growing centre of health & care innovation, using the hospital development to stimulate a new cluster, with the participation of local people

Health & life sciences is a major priority of the WMCA but work is often focused around Birmingham. We need to work with the WMCA, NHS, education providers & businesses, looking at space, investment, skills & business support required to develop the new hospital site into a thriving health innovation cluster.

6. Improve the amount & quality of work available, focused on raising wages & skill levels

Employers told us that they like to recruit local people but sometimes struggle to find the skills they need. We need to work with employers to increase demand for higher level skills and create jobs with good pay and conditions, and with education providers to train pupils and students in the skills to meet workforce demands.

7. Make community wealth building a reality

We want to increase our spend with local business by changing how we procure contracts & monitor social value, embedding community wealth building across the Council. We also want to encourage our businesses to increase their local spending by raising awareness of local suppliers.

3. SANDWELL TODAY



Figure 1: Sandwell headline economic indicators.³

Major investment coming on stream over next two years on skills, connectivity, & town centre regeneration

Close to Birmingham, Sandwell is well-connected and affordable. Significant investment in regeneration and connectivity will improve access and open up development. Major projects are underway in new housing, the 5G pilot, the metro extension, and town centre regeneration. There are new multi-million-pound developments, such as the Midlands Metropolitan University Hospital development and Sandwell Aquatic Centre, as well as £67.5 million capital investment from Government's Towns Fund, creating opportunities to grow jobs, skills and businesses.

This should provide a strong foundation for growth.

But instead, we have seen challenges such as a trend of higher value jobs and skilled residents leaving the borough permanently, and lower than expected business survival rate at 5 years.

Sandwell is home to fast growing, high employment and high turnover businesses, with manufacturers accounting for 44% of the top 50 fastest growing companies in Sandwell last year

There are 124,000 jobs in Sandwell, employed across a diverse sector base. Manufacturing accounts for 21,300 jobs, with particular subsector strengths in rubber, plastics and metals. Sandwell businesses create the materials that are used in modern machinery such as automotive and aerospace.

These strengths are important for future success. However, supply chain firms are highly dependent on existing advanced manufacturing strengths in the region. Manufacturing is vulnerable to changing trends in the industry - automation, Artificial Intelligence and the phasing out of fossil fuels within industries all bring a need for investment in innovation. Industry 4.0, the digital industrial revolution, presents an opportunity if there is support for rapid innovation, with innovation in products and processes providing an opportunity to make local businesses more competitive and raise productivity levels within the borough.

3. ONS Population Estimates, 2020; ONS Regional Gross Value Added (Balanced) by Industry, 2021; ONS Subregional Productivity: Labour Productivity Indices, 2019; ONS Business Counts, 2020; ONS Business Register and Employment Survey, 2019.

Sandwell is an employment hub in the West Midlands

Residents and businesses benefit from the interconnected labour market with West Midlands neighbouring local authorities. Sandwell is a net exporter of labour to Birmingham, and a net importer of labour from the rest of the Black Country. Every day 59,000 people come to Sandwell from neighbouring areas to work, and almost 62,000 Sandwell residents work outside the Borough. This is set to increase through extensions to the Metro, the Sprint Bus network and HS2. Most of the borough's economic activity is centred

on the intersection of Oldbury, West Bromwich and Smethwick - with areas on the border looking to large urban centres outside of the borough for jobs and opportunity.

To level up means we must tackle the causes of deprivation

High deprivation levels present huge, long-term challenges, which have only been made more complex by the pandemic which has exposed health inequalities. We still do not know the full impacts of the pandemic but areas such as Sandwell who were already experiencing challenges around productivity,

skills, and deprivation are likely to see existing challenges exacerbated by the pandemic.

We face long-term challenges around low wages, low skills, and deprivation. This cycle needs to change. Wages have risen 6% in the past year, but they are still below the Black Country average.⁵ More residents are employed in traditionally lower paid roles, with fewer residents in top managerial positions than comparators. The employment rate is lower than elsewhere and there have been large increases in the claimant count since the start of the pandemic.

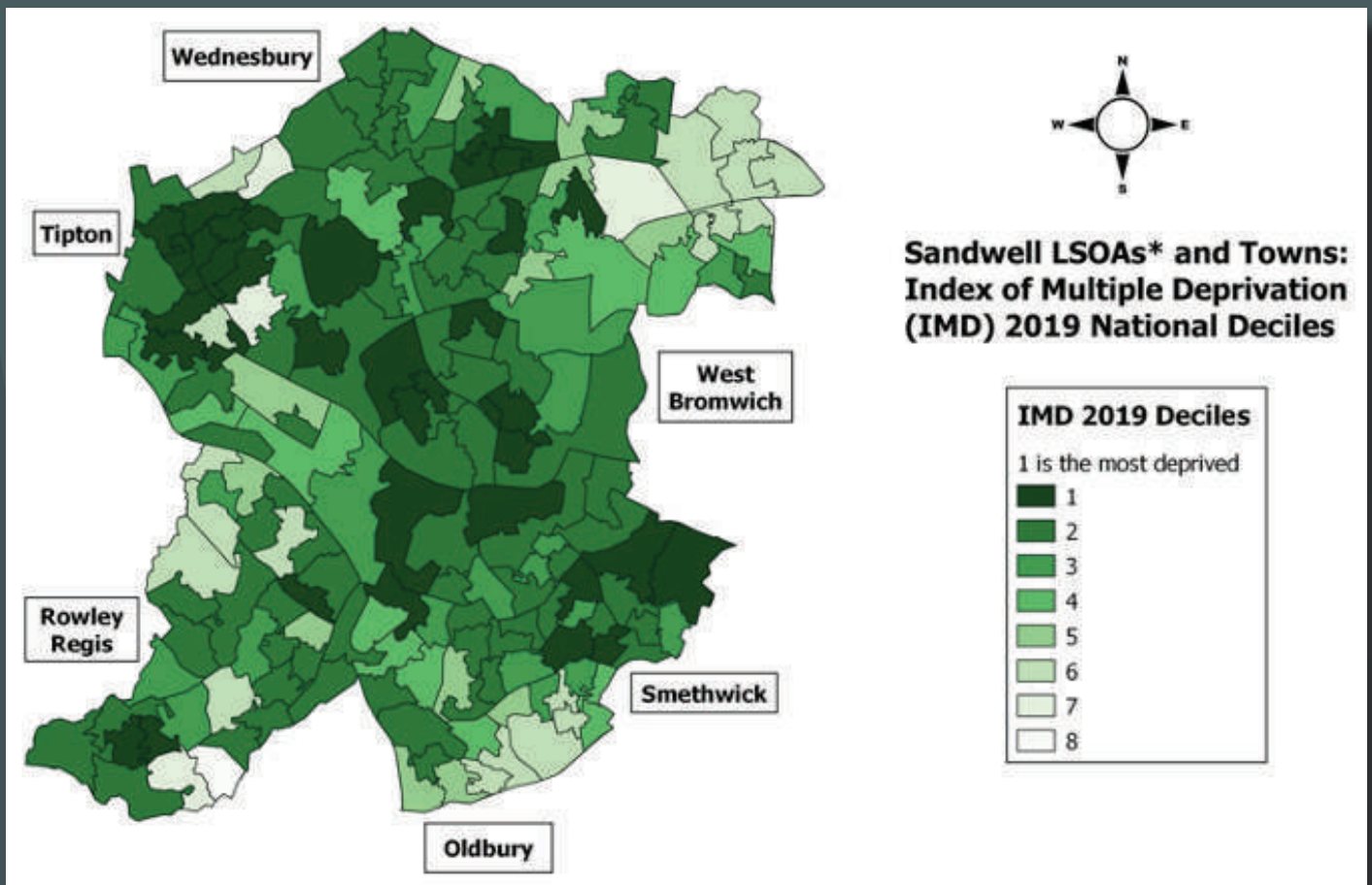


Figure 2: Deprivation levels measured across Sandwell.⁴

4. MHCLG Index of Multiple Deprivation (2019).

5. ONS Annual Survey of Hours and Earnings – resident analysis, 2020

6. ONS Annual Population Survey, 2019.

There are signs that things may be starting to change. In the 2020 data 26% of the working age population in Sandwell were qualified to NVQ4+ qualification levels, a 20% increase from 2019, which was above the Black Country average increase of 17% and the national average increase of 7%. However, this is starting from a low base; to reach the national average requires a further 33,411 of working age residents to obtain NVQ 4+ qualifications.⁶

It will take time to shift the dial on long term challenges around deprivation. Alongside the Skills Strategy, this plan must create the foundations for more good jobs in the borough, supporting residents to develop the skills to access local jobs. ugh based in West Bromwich, building from the desi-pubs and based around the revitalised indoor market.

Sandwell's population is young & diverse but there are concerns about inequality.

40% of residents are under 30 years old and only 15% of residents are over the age of 65. This provides a supply of talent and labour, which is vital for businesses as workers retire and new jobs emerge based around changing technology and demand.⁷

Sandwell is also diverse, with almost 40% of residents identifying within an ethnic minority.⁸ Ethnic minority-led businesses make important contributions to the borough's economy (as part of an annual contribution of £25 billion to the UK economy). They tend to be more innovative, more likely to export and are more likely to be led by women. However, ethnic minority-led businesses are often more detached from mainstream business support and struggle disproportionately when accessing finance. This is particularly concerning in

the context of the pandemic where many ethnic minority-led businesses were badly impacted. This plan needs to include support for ethnic minority-led businesses, including support to improve access to finance, to help with recovery and growth but also to harness and maximise innovation and exporting strengths.⁹

Amongst Sandwell's diverse population there are acute variations in educational attainment, employment rates, professional status, and aspiration levels. Employment rates are highest among white residents, followed by Indian ethnicities and lowest amongst Pakistani and Bangladeshi ethnicities.¹⁰ Sandwell sees a higher proportion of ethnic minority residents employed as top managers and professionals than white residents, but this is still below the West Midlands average. GCSE attainment levels are highest amongst Asian pupils, followed by white pupils and lowest amongst black pupils.¹¹ The Aspire Sandwell report identified the lowest aspiration levels in white British and Irish pupils. This plan needs a tailored approach to skills and work, targeting actions where they are most needed to ensure opportunities are extended to all residents and communities.¹²



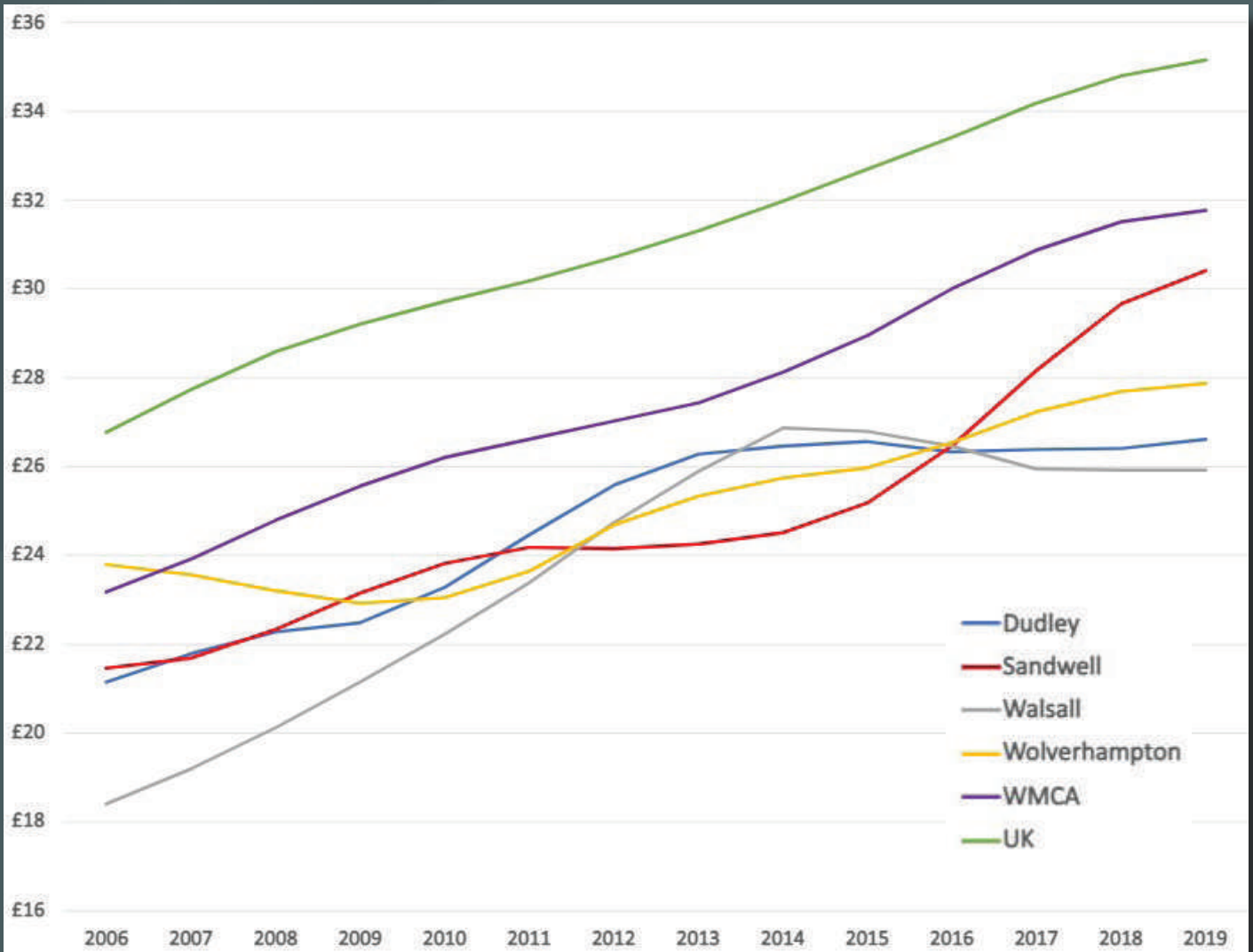


Figure 3: GVA per hour worked, compared across the Black Country, West Midlands & UK (2021)

Sandwell is closing the productivity gap

Whilst deprivation remains a significant challenge, there are positive signs in the economy. Last time we reviewed the state of the economy Sandwell was the least productive economy in the Black Country; now it is the most productive.¹³ Rapid increases in productivity are

also closing the gap with the WMCA average too. Productivity is an important driver of economic growth, as economic output can only be increased by either increasing the amount of inputs or by raising productivity. Without productivity growth, an economy can only increase its output of goods and services if more people worked or if they worked longer hours.

We cannot lose sight of the skills and wages challenges facing residents. But we must ensure that this positive trajectory for businesses continues. And we must make sure that success that we see in our businesses translates into higher wages for residents and more wealth generated and kept in Sandwell

6. ONS Annual Population Survey, 2019.

7. ONS Population Estimates, 2020.

8. ONS, Annual Population Survey, 2020.

9. Unlocking Opportunity: The Value of Ethnic Minority Firms to UK Economic Enterprise & Activity, <https://www.fsb.org.uk/resource-report/unlock.html>

10. ONS, Annual Population Survey, 2020.

11. Department for Education (2019/20)

12. Aspire Sandwell research report (2018).

13. ONS Regional Gross Value Added (Balanced) by Industry, 2021

4. LISTENING TO BUSINESS

Businesses told us about their challenges...	They also had suggestions on how this could be improved...
A lack of land	Address contaminated land from industrial use & create a map of available employment land
Low skills & skills gaps including “hard to fill” gaps, in sectors such as advanced manufacturing	Joint lobbying on funding for skills & a collective approach to workforce development, looking to the success of the Sandwell Guarantee
Lack of funding for training and development	Support businesses with grants, capital & finance
Difficulty in making connections into universities and regional research & development opportunities	Sandwell needs a strong narrative about the innovative businesses that are already here. The Council could help broker connections into regional assets and development opportunities for these businesses
Difficulties recruiting from the local labour market	More training courses available locally which link to the jobs available
Lack of clarity around which organisations to engage with & how to engage, including around business support, recruitment and skills	Create a single “front door” through which businesses can access a range of support services; & more proactive and dedicated support services

5. THE AMBITION

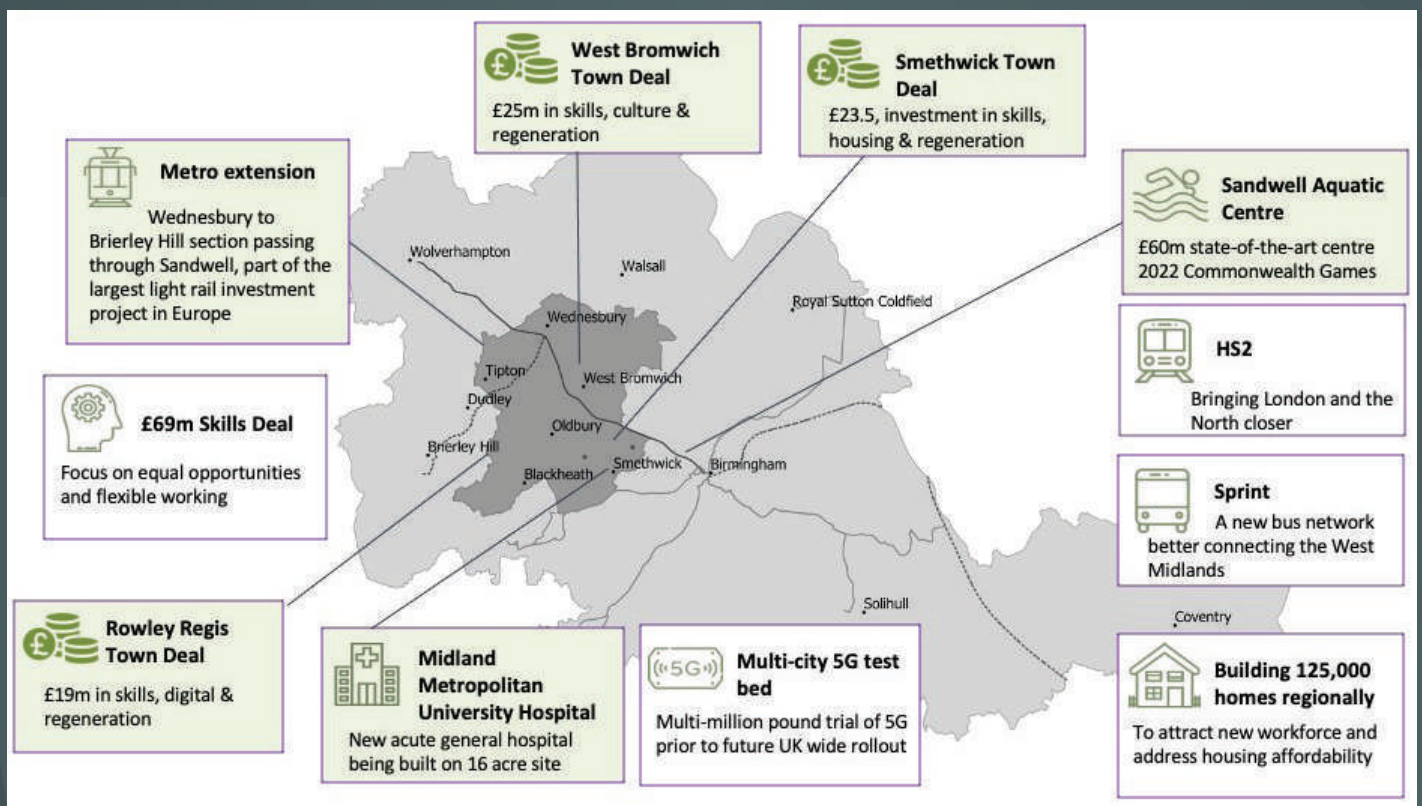
Our ambition is to create a wealthier Sandwell, the home of the successful startup, with vibrant high streets, fast growing businesses, and more good quality jobs.

To do this we need to accelerate existing action to maximise the major investments coming on stream in skills, connectivity, and town centre regeneration. This needs to be done in a way that generates business investment, driving recovery and tackling long-term challenges to lead an economic transformation of the borough.

Major opportunities

need to deliver greater wealth

to solve long term challenges



6. THE PRIORITIES

6.1 Start in Sandwell

We will make Sandwell the home of the successful start-up, bringing new businesses into our town centres and high streets.



10,090 new
businesses started
in Sandwell (2013 to
2019)¹⁴



+ 15% increase in the
number of start-ups since
2018 (5% UK avg.)



39% of these have
survived after 5 years
(43% UK avg.)¹⁵

Recently, Sandwell has seen a sharp rise in the number of new businesses, which increased by 15% between 2018 and 2019. This was above the Black Country average start up rate of 14% and the national average of 5%. However, survival rates for businesses after the first five years were 39%, below the Black Country (41%), and national averages (43%). This suggests a need for more support for businesses during the first five-year period in operation, with support targeted at areas where businesses report experiencing difficulty – accessing appropriate premises, finance and knowing where and who to turn to for advice.

This support will need to be tailored to reflect the business needs; it is critical that SMEs think through a financially viable business plan and we need to ensure that we reach out to all of Sandwell so that every business understands the support available. National research shows that some demographic groups have more difficulty accessing business support, including ethnic minority-led businesses, older people and women.¹⁶

14. ONS Business Counts, 2020

15. ONS Business Demography 2018 and 2019.

16. Unlocking Opportunity: The Value of Ethnic Minority Firms to UK Economic Enterprise & Activity, <https://www.fsb.org.uk/resource-report/unlock.html>

The actions: How we'll make this happen

Immediate actions (0-6 months)

Work with SWEDA, Chamber of Commerce and others to develop a stronger enterprise start-up programme that engages with business from all parts of the local community, offering impartial one-to-one and group support to start-ups in during the first five-years.

Work with the Growth Hub's Peer Networks programme to build Sandwell's peer-to-peer networks to mentor businesses and budding entrepreneurs.

Medium-term action (6 months to 2 years)

Explore how to repurpose empty and underused property on Sandwell high streets and in Council owned buildings to create "meanwhile uses" - temporary and longer term uses for the buildings where businesses and social enterprises can use them at low or no cost.

Longer term opportunities (2 years+)

Develop a new Community Enterprise and hyper local business programme which provides grants and wrap around business support focused on first time entrepreneurs, young people, ethnic minority-led businesses and the over-50s.



6.2 Grow in Sandwell

We will accelerate growth in higher value businesses, tapping into the growth of the West Midlands economy, to stimulate wider investment and opportunity.



9,105 VAT registered businesses in Sandwell (+4% increase since 2018 & cf. 3% national avg.)



97% of these are small and micro businesses



21% of businesses closed during 3rd national lockdown (cf. to 18% of national businesses)

The number of businesses in Sandwell is rising faster than regional and national growth rates. It is home to 864 of the Black Country's strategic companies and almost half of the top 50 fastest growing businesses are in the manufacturing sector. Productivity is rising, however low wages and skills levels remains a significant issue for residents and the total number of jobs is declining (-2%) resulting in the loss of around 3,000 jobs.¹⁷

Many businesses now face challenges to become more resilient and to take advantage of new opportunities around technology and new markets. Businesses may require support to remain competitive in this changing business landscape and to create more higher skilled roles. This support is wide ranging, covering advice around exporting, investing in new opportunities, changing business models and linking with growth sectors in the wider West Midlands economy.

17. ONS Business Counts, 2020; ONS Business Demography 2018 and 2019; Black Country Consortium, State of the Sub-region, 2021.

The actions: How we'll make this happen

Immediate actions (0-6 months)

Continue to support local businesses and sole traders impacted by the pandemic with £1.54m Additional Restrictions Top Up Grants, with a further £120,000 dedicated to business support services.

Strengthen local business intelligence by working with the LEP to monitor the impact of Covid and Brexit on local businesses and employment as government support and intervention schemes are withdrawn.

Working with the Black Country Growth Hub and West Midlands Growth Company to put in place a refreshed relationship management plan for the top 50 fastest growing companies to better understand their future investment, skills, premises and recruitment plans and where public support could be helpful.

Improve information sharing with Sandwell Business Ambassadors and agree future roles for the Ambassadors as the local interface with businesses.

Medium-term action (6 months to 2 years)

Work with local and regional agencies to revitalise the post pandemic local business support function, creating a simple to access "front door" for businesses to highlight how and where public business support is available. This will be informed by LEP and local intelligence, including the segmentation-led approach the LEP is undertaking.

Make connections to 'Be the Business' to use its digital platform focused on SMEs technology uptake and 'mentoring for growth' scheme.

Facilitate Sandwell business links to West Midlands research and development institutions such as the universities, with a particular focus on electric vehicles & batteries & clean energy technologies.

Work with the Chamber of Commerce to support local businesses to navigate post-Brexit trading opportunities, including new paperwork and customs arrangements to increase the number of firms trading in new markets.

Longer term opportunities (2 years+)

Work with Make UK to set up a new manufacturing supply chain network in Sandwell.

6.3 Climate Resilient in Sandwell

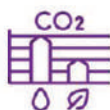
We will deliver net zero carbon emissions in Sandwell by 2041.



10% of business base are manufacturers (cf. 5% national avg.)



1,448Kt CO₂ emissions produced in Sandwell in 2018, the highest level in the Black Country



-2% reduction in emissions since 2017, below Black Country & national reduction rates¹⁸

In 2020, Sandwell Council declared a Climate Emergency and pledged to be carbon neutral by 2041. To reach this target, there will need to be a 78% reduction in carbon emissions by 2035. This means that all parts of Sandwell will need to play their part in reducing emissions. This includes businesses who currently produce around 33% of the borough's overall carbon emissions and thus have the potential to make a large contribution to overall reductions.

As a manufacturing and industrial hub, companies in Sandwell may see high demand for energy or be in premises that are not climate resilient. To change can sometimes require significant investment in time and money, which not all companies have the capacity to manage alone.

Despite the challenge, There is a big prize here, for the environment, future generations, and in creating new green jobs and cost savings for businesses. Where local businesses have received support, they reported it had been effective with reductions in energy costs. This success must be replicated with all our businesses by raising awareness of sector growth opportunities and providing easy access to advice on how to become energy efficient and reduce costs.

18. ONS Business Register and Employment Survey, 2019; Black Country Consortium State of the Sub-Region Report, 2021.

The actions: How we'll make this happen

Immediate actions (0-6 months)

Work with the LEP to understand data available around the size and make-up of the low carbon sector, green jobs and circular economy in Sandwell, building from the Sustainability West Midlands work.

Medium-term action (6 months to 2 years)

Work with the LEP's on the programme: 'Repowering the Black Country Prospectus', with a focus on the objectives to reconfigure supply chains to create circular economies; process optimisation within individual firms; and the creation of local zero carbon power hubs.

Publicise and signpost to regional and national grants to support businesses to develop individual decarbonisation plans and monitor Sandwell business uptake of support to identify if and where there are gaps in take up.

Longer term opportunities (2 years+)

Establish a local circular economy awards scheme working with local leading businesses to showcase good practice and opportunities. Encourage businesses to train in Carbon Literacy.



6.4 Invest in Sandwell

We will increase new inward investment & investment from existing business to create more good jobs



778 FDI projects funded in the West Midlands
in the past 5 years



823 jobs created in the Black Country as a
result of FDI, 2014-2019



25% of businesses have parent companies
outside the UK & account for 45% of employment



145 FDI projects in the West Midlands 2020/21
(9% of total UK FDI) with 4,443 jobs created by
foreign investors (+14% from 2019)¹⁹

With a young population and cheap land, Sandwell should be an attractive location for businesses to locate and grow. Yet the lack of high quality, market-ready employment land and an investment offer means the borough struggles to attract new businesses. And existing businesses tell us they struggle to find suitable grow-on space in Sandwell.

Alongside supporting existing businesses, wider economic growth requires more new companies locating to the region. Foreign direct investment is an important source of job creation. However, recently interim Black Country LEP figures for 2020/21 show a steep decline in Foreign Direct Investment (FDI) from previous years. This is despite that fact that the West Midlands is the most popular region for FDI outside of London and the South East, with significant benefits to regional job creation.

Working with partners, we need to better support existing firms and attract more to Sandwell with an improved employment land and investment offer that showcases the opportunity that comes from being a business in Sandwell.

¹⁹. Experian MarketIQ; ONS Business Register and Employment Survey, 2019; Black Country Consortium, Driving FDI through Account Management Report, 2021.

The actions: How we'll make this happen

Immediate actions (0-6 months)

Develop an Inward Investment Action Plan with the West Midlands Growth Company to identify a clear portfolio of investment sites and opportunities, starting with a review of the borough's investment pipeline of employment land projects.

Complete the Asset Strategy for the Council to unlock publicly owned sites for regeneration.

Regenerate town centres and high streets to create more attractive places for business location, starting with the Towns Fund proposals for West Bromwich, Smethwick and Rowley Regis, alongside bids to the Levelling Up Fund.

Complete the masterplans for West Bromwich and Grove Lane to support regeneration and create more space for housing and business growth.

Participate in West Midlands India Partnership events, enhancing and expanding economic ties between the borough and Indian businesses, boosting trade & investment, connectivity & partnerships opportunities. This includes the potential to create a partner network with businesses looking at investing in Sandwell.

Medium-term action (6 months to 2 years)

Build relationship management with the largest companies by size and employment alongside the Department of International Trade and West Midlands Growth Company to understand their plans for investment and opportunities for support, working with the LEP on the Driving FDI through account management programme.

Identify opportunities for funding from the WMCA to bring forward brownfield land to market and provide larger premises for growing local businesses seeking expansion.

Longer term opportunities (2 years+)

Review the potential through UK Shared Prosperity Fund to develop a Supply Chain business focused enterprise zone in Sandwell, creating a new location with employment space, training, innovation support around automation and process to attract investors, start-ups and support the needs of existing businesses to move up the value chain.

6.5 Inovate in Sandwell

We will establish Sandwell as a growing centre of health & care innovation, using the hospital development to stimulate a new cluster, with the participation of local people.



£350m invested in Midlands Metropolitan
University Hospital



**Plans underway for Midlands
Met Health Campus**

in Smethwick via Towns Fund Investment



18,250 jobs in health & social care²⁰

Health and life sciences is a priority of the WMCA and there have been recent successes such as the investment in Birmingham Health Innovation Campus. 2022 will see the completion of the £350 million new Midlands Metropolitan University Hospital, a 16-acre site in Smethwick. This will create more jobs in one of our biggest employment sectors.

We need to focus on ways to maximise the benefits of this new regional asset, working with the WMCA, Black Country LEP, NHS, skills providers and businesses to identify how this becomes part of the health innovation narrative and opportunity. The creation of a new health and skills campus in Smethwick is a good start, developing innovation in training, with a collaboration that includes the University of Wolverhampton, Sandwell College, the NHS and the Council. We now need to look at the additional space, investment, skills and business support required to develop the new hospital into a thriving innovation cluster.

The actions: How we'll make this happen

Immediate actions (0-6 months)

Develop the Smethwick Town's Fund business case for Sandwell's first all skills level health campus, linked to the new Midlands Metropolitan University Hospital.

Work with the Anchor Network to explore with the NHS how to maximise spend in local businesses through procurement.

Work with the LEP to develop their care skills pathways programme to deliver innovation in care training and progression through 'Skills for Care'.

Medium-term action (6 months to 2 years)

Build an innovation strategy around MMUH with the NHS, looking at how this new development can complement Birmingham's life sciences strengths.

Longer term opportunities (2 years+)

Develop a Sandwell Health & Wealth task force to better understand the health inequalities facing the population, how to create a healthier, more productive population, and how innovation in care can help shift the dial.



6.6 Good jobs in Sandwell

We will improve the amount & quality of work available, focused on raising wages & skill levels.



25% of employee jobs in Sandwell are below the real living wage (-30% since 2019)



Average skills levels are rising but **17% of residents have no formal qualification (c.11% above England avg.)**



Sandwell residents earn c.£5k less than the national avg.



19% are in low skill service or elementary occupations in Sandwell, slightly above that of the national average of 16%²¹

Wages are often low with a higher-than-average proportion of employee jobs earning below the Real Living Wage and a high number of jobs in traditionally low wage sectors. We need to work with employers to increase demand for high level skills and create jobs with good pay and conditions.

The Sandwell Skills strategy is focused on supporting residents to access training and skills development, looking at how to raise skill levels in young people and adults. This priority complements the Skills Strategy, ensuring that the training and skills available is responsive to employer needs, helping increase local recruitment and progression.

There are already a large number of initiatives underway in Sandwell, these need to be joined up and we need to learn what is working well and where improvements need to be made. For example, to address employer recruitment concerns we need to better align skills supply and demand. This includes better labour market intelligence and raising awareness of the opportunities available with young people, ensuring that we communicate to the next generation what opportunities will be available in Sandwell based on economic growth areas.

21. Employee jobs & Real Living Wage data - Annual Survey of Hours and Earnings (2020) & the Living Wage Foundation; Jobs growth, skills and occupations data - Business Register and Employment Survey (2009 - 2014).

The actions: How we'll make this happen

Immediate actions (0-6 months)

Work with the Black Country LEP, using its data analysis about the labour market, to identify skills needs and employer demand, now and in the future, including identifying inequalities in the labour market around gender, age and ethnicity.

Use the skills strategy to develop local skills and pathways to education, training and employment linked to the current & future skills demand from Sandwell businesses – reviewing where there needs to be increased focus (for example those with no formal qualifications).

Continue to deliver the Kickstart and Restart programme and build evidence as to what works well and where local improvements could be made.

Implement the Community Renewal Fund proposal around the 50 plus Hub – a new approach to supporting older residents with skills and information advice & guidance.

Medium-term action (6 months to 2 years)

Using data analysis provided by the LEP, work with the Employment & Skills Social Value Partnership to review the current employment support offer to consider if this responds to future skills needs and employer demand.

Work with the Chamber of Commerce and the Federation of Small Businesses to develop an employer campaign to promote good work for decent and safe conditions, training and pay.

Strengthen links to the WMCA Skills and Jobs Board to develop regional support solutions to Sandwell's employment and skills challenges.

Develop a careers fair for Year 7-9 pupils to showcase the career opportunities available in the borough and highlight local success stories.

Longer term opportunities (2 years+)

Design proposals with the LEP and WMCA for a more flexible approach to pooling resource for publicly funded employment programmes to work better for Sandwell. This could include a proposal for Sandwell Guarantee 2.0 potentially for the UK Shared Prosperity Fund – this would build from the Sandwell Guarantee and provide wage incentives and job matching in regional growth sectors such as digital and environmental for young people, with emphasis on looked after children and people with disabilities.

6.7 Spend in Sandwell

We will make community wealth building a reality.



Sandwell council spends £150m every year with suppliers



c. 15% of this is spent within Sandwell, up 2% over the last three years²²

Last year we undertook a lot of work to understand how and where the council spends its money with suppliers. We want to increase our spend with local business by changing how we procure contracts and monitor social value, embedding community wealth building across the Council.

Increased local spend retains wealth in Sandwell and creates jobs. Significant investments from the Town Fund, the new hospital, and Aquatic Centre will increase tendering opportunities for local businesses. As well as increase our own spend, we want to encourage our businesses to increase theirs by raising awareness of local suppliers.



22. CLES, *Community Wealth Building in Sandwell Diagnostic Report*, January 2020

The actions: How we'll make this happen

Immediate actions (0-6 months)

Review the Community Wealth Building report recommendations, starting by embedding the Anchor Network Co-Ordinator and establish Sandwell's Anchor Network

Work with West Midlands procurement leads to understand how other local authorities approach social value in procurement and monitoring

Medium-term action (6 months to 2 years)

Develop better information about local companies and suppliers, with a view to sharing this publicly on the Council website

Develop training for contract officers in all council departments on social value and monitoring impact in contracts

Upgrade the finance system and set it up to report on Community Wealth Building spend

Develop a new role for the Ambassadors around "check and challenge" to monitor business adherence to social value commitments on large contracts

Longer term opportunities (2 years+)

Embed community wealth building into council contracts, testing a new approach in the Towns Fund projects to capture social value and build in opportunities for community wealth building principles to play out in place



7. DELIVERING THE PLAN

This action plan is designed to complement and build on the existing work of the Council. It has been informed by existing strategies and reports on Skills, Community Wealth Building, the Corporate Plan and Climate Change, as well as Sandwell's Inclusive Economy Deal.

It has a specific purpose: to create a wealthier Sandwell. It sets out what Sandwell needs to do to address business challenges and opportunities and considers the resource and wider support that the borough needs to make this a reality. However, it is not a plan for the Council to deliver alone. The plan will need to be delivered with partners from local and regional organisations such as the LEP, Growth Hub, Chamber of Commerce, WMCA as well as businesses and education providers.

The plan's delivery will also be collaborative. Sandwell Council will use its role as a place leader to co-ordinate and lever in support from partner organisations to ensure the right resource and expertise for business to maximise success.

Bringing it all together: How this plan fits with our other work



Some of the partnership organisations we will work with to deliver this plan include:



The Black Country Consortium LEP & Growth Hub provide a central place for business support in the Black Country and the evidence and analytics to help inform what we do in Sandwell.



The West Midlands Combined Authority provides additional resource and a collaborative partnership through which to make collective decisions to support business and economic growth and development across council boundaries.



The Sandwell Business Ambassadors, made up of local business people, act as a bridge between the council and wider business community to encourage greater partnership between the two that enables businesses to thrive.



Skills Work Enterprise Development Agency (SWEDA), provides advice, guidance, training & mentoring to unemployed residents looking to access further training or education, employment or self-employment opportunities.



The Black Country Chamber of Commerce provides dynamic business support services via advice service, programmes & networking events to SMEs across the Black Country.

8. MONITORING PROGRESS

To create a wealthier Sandwell we have identified four main objectives that cut cross all priority areas listed in this action plan: making Sandwell the home of the successful start-up; revitalising our high streets; accelerating growth in high value businesses; and creating good quality jobs.

Given that this action plan comes at a crucial time for businesses, as support from central Government is withdrawn and businesses transition from immediate relief through the pandemic to longer-term recovery, we want to see results that benefit our businesses. We will track and

monitor the progress of our actions, in working towards these four objectives with clear performance indicators for each. These are set out in the table opposite.



Objective	How we'll measure success:		
	In three months, we will have...	In six months, we will have...	In five years, we will have...
1. Make Sandwell the home of the successful start up	- Completed first set of business referrals to Growth Hub's Peer Networks programme - Made a connection to SWEDA, the Growth Hub & Chamber to scope enterprise support programme	Developed a plan for a new enterprise support programme, identifying resource & delivery roles with partners	- Have increased business survival rates by over 5%, bringing them in line with the West Midlands average & surpassing national & Black Country rates - Have increased business support engagement with those more likely to be outside the system, ethnic minority-led businesses & women
2. Revitalise our high streets	- Developed a list of 10 potential premises for meanwhile use & identify cost of use - Finalised the Grove Lane Masterplan - Finalised the West Bromwich Masterplan	Developed a Levelling Up Fund proposal to complement Towns Fund developments.	- Have created more mixed-use high streets with increased leisure, cultural and business premises in town centres - Increased footfall on local high streets & town centres - Increased the amount of employment in high street areas
3. Accelerate growth in higher value businesses	- Spoken to all of Sandwell's top 50 fastest growing companies - Made a connection to the West Midlands India Partnership - Identified list of Sandwell's top 20 export focused companies	- Devised a new plan to help the top 50 fastest growing companies thrive - Developed an Inward Investment Plan - Developed a business case for the Midlands Met Health Campus - Established a strong case for investment in Sandwell, ensuring the borough gets its fair share	- Have increased the number of high value businesses - Have increased the number of exporting businesses - Increased share of West Midlands FDI projects
4. Create more good quality jobs	- Launched the Anchor Network - delivered Kickstart and Restart - Increased intelligence around employment skills needs and vacancies	- Reviewed the Community Wealth Building report recommendations and strengthened implementation - Set a date and programme of events for first careers fair for Year 7-9 pupils to showcase the career opportunities	- Increased overall employment rate, to close gaps with regional average - Reduced employment gaps between different ethnicities - Reduced the number of jobs paying below the Real Living Wage

9. CONCLUSION

The past eighteen months have been tough on our businesses and residents. During this time, we have worked hard as a Council to support them including providing companies with tens of millions of pounds of business grant support and have been proud of the resilience and adaptability that local businesses have shown. Now, as furlough and other Government support winds to a close, we start a new chapter.

Yet despite these uncertainties we are optimistic for the future. Sandwell is seeing major investment. Three successful Towns Fund bids, plus the Midlands Metropolitan University Hospital and Commonwealth Games Aquatic Centre developments, will bring almost half a billion pounds in

capital investments to Sandwell over the next few years. These new assets, with the right co-ordination, can help support new and existing businesses, creating jobs, attracting inward investment and kickstarting growth across the borough.

We know that businesses are vital to creating jobs and wealth in Sandwell and want to ensure that they are well-placed to capitalise on this investment. That's why we have developed this action plan and are determined to do everything it takes to ensure our businesses thrive. This includes a commitment to work more collaboratively with partners to maximise the resource and expertise available to businesses.

We have listened to business. A delivery plan is in development that will identify appropriate resources and allocate responsibility for each of the actions. Work will build on the work already underway through the Skills Strategy. We will look to review progress following the first phase of delivery.

After a trying period for our businesses and residents, investment and new opportunities are needed now more than ever. Let's continue to work together to make the most of this opportunity and make this Sandwell's time to prosper.





