

# Sandwell's Economy and Skills offer

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# Economy in distress

- **Lockdown**
- **Furlough & Economic Package**
- **Financial and cashflow challenges**
- **Social distanced workplace & high street**
- **Business closures and redundancies**



# Economic vulnerabilities

- Sandwell currently has the lowest gross disposable household income (GDHI) per head in West Midlands at £13,359; at 0.11 per thousand rate is the lowest number of high-growth firms per population in the West Midlands.
- The centre for progressive policy has predicted a productivity drop of 36% of gross value added in Sandwell during quarter 2 of 2020
- Research suggests that places with higher entrepreneurial activity recovered faster after the 2008 crisis. This makes the case for business support in Sandwell even stronger during downturns.
- The Federation of Small Businesses in the UK expects some 25% of SME businesses to close in 2020.
- 6.8% of people (16-64) in Sandwell are self-employed -around 13,818 people, and the self-employed are particularly vulnerable group within the crisis



# Financial support to businesses

## SBRR and Retail Leisure & Hospitality co-vid grants

- Support for applicants, business engagement, publicity, public enquiries
- £51.2 million through Revenues and Benefits Team totalling 4549 grants
- 1154 businesses contacted through outreach (grants exercise) to offer financial support

## Discretionary Grants for Business

- Max £3.36 million, section 30 money (Department of Business Energy & Industrial Strategy)
- 103 organisations , £843,000, £8,184 average grant to date by 22/06/20

## AIM for Gold project (ERDF) adapted to co-vid

- Tailored project provision to meet operational delivery or staff skills needs: i.e. co-vid workplace configuration work, reaching new markets, new product diversification, new machinery. Grants of £15k capital or 8K revenue to support business development, subject to a high financial intervention rate of 70% set by DHCLG.



# Partnership support & recovery plans

## Economic Engagement & Intelligence partners

- Intelligence gathering through surveys, reports, e-mail correspondence, regional meetings
- Website data, ONS, REDI University of Birmingham, BC Consortium, Economic blogs/articles

## Black Country (BC) co-operation

- Local Enterprise Partnership (LEP) Board; BC Chamber of Commerce, BC Growth Hub & Consortium; BC Officers Group, BC Business Festival to be mostly virtual Oct 2020
- 4 LA co-ordination of some work already co-delivery of Black Country Plan (housing & Transport infrastructure), Repowering the Black Country (Low carbon), AIM for GOLD, new Black Country Productivity Factory will support SMEs in key sectors

## West Midlands Combined Authority

- West Midlands Strategic Economic Development Board, WMGH Regen directors meetings.
- Working with Knowledge Account managers at West Midlands Growth Hub, some niche sector knowledge. Potential inward investment opportunities



# Outreach and Communication

## PPE outreach exercise

- 144 approached, 26 offered PPE, volunteer support – van delivery, food & shopping help, or other donations to Council

## Think Sandwell Business Support Website

- Information on grants and loans, co-vid safety, support on offer, contact details, social media
- 881+ incoming enquiries -supported businesses with advice or reassurance by e-mails or mobile phone calls (April & May 2020)
- 5552+ single interventions (April and May 2020- over period of 8 weeks) including enquiries, outreach and grants distributed by Revenues & Benefits Team

## Reopening High Streets Safely Fund (ERDF)

- Value £292,628. For supporting activity taking place between 1<sup>st</sup> June 2020 and 31<sup>st</sup> March 2021. 4% Admin support costs. Will be used to strengthen Sandwell Council communications and publicity around hygiene and social distancing, also offering more consistent messaging and safety advice to business and consumers ongoing.



## Social Value Procurement Portal

- Co-operation with Birmingham C.C and Solihull M.B.C
- Construction West Midlands Framework (Job brokerage & Apprenticeships)
- Engaging developers Wates (SAC) and Balfour Beatty (MMH) and other housing developers to agree to and deliver Social value outcomes for Sandwell through their delivery

## Inclusive Economic Recovery

- New Economic strategy during 2020/21 with consideration to Economic recovery plans
- Working with local stakeholders and regional partners. Intelligence gathering work.

## Local Supply chain

- Encouraging developers to spend more locally
- Offering Virtual meet the buyer events, setting up surgeries
- Building up scale through collaboration (winning supplier contracts)



## Out of work benefit – claimant count

Month	Sandwell Total	Sandwell %	West Midlands %	Great Britain %
Jan 2020	9,990	4.9	3.8	2.9
Apr 2020	15,215	7.5	6.0	5.1
May 2020	18,535	9.1	7.3	6.5

(Office for National Statistics Jun 2020)

## Out of work benefit – aged 18-24

Month	Sandwell Total	Sandwell %	West Midlands %	Great Britain %
Jan 2020	1,930	7.2	4.9	3.9
Apr 2020	2,880	10.7	7.6	6.6
May 2020	3,685	13.7	9.7	8.7

(ONS Jun 2020)





# Redundancy support

## Employment and Skills team offer

- Employer engagement
- Job brokerage

## Black Country

- Redundancy triage service
- 4 LA co-ordination
- Intelligence gathering
- Serco – Response to Redundancy programme



## West Midlands Combined Authority

- Rapid response vacancy sharing
- Tailored provision to meet changing demand i.e higher skilled learners



# Apprenticeships

## Redundancy support

- Redeployment service – linked to ESFA, WMCA, growth hub
- Mentoring – engagement with employers and apprentices

## Recruitment

- Vacancy management, 'growth vacancies'
- Government 'guarantee'

## Existing apprentices

- Most apprentices in work/working from home
- Break in learning/furlough

## Apprenticeship Levy Transfers

- Support for local businesses – upskills existing staff/recruit to fill gaps
- Health and Social Care/Education



# Training Provision

## Adult Education Budget

- Menu of online provision for unemployed and employed learners
- Virtual learning environments where possible
- Recovery plans in place for face to face delivery

## Black Country Impact

- Support for young people aged 16-29 in the Black Country
- Advice and guidance provided for careers advice, job search support
- Online training provision where possible



## Colleges

- Predominantly delivering online provision for students
- Re-introducing some face to face delivery for practical learning for completion of qualifications

## Work Experience

- Council programme currently suspended, exploring potential virtual work experience



# School leavers

## Connexions

- 1:1 Freephone Support and Guidance for year 11 and 13
- September offer survey – career intentions
- Parents/young people - appointments

## Employment and Skills

- Schools apprenticeships presentations
- Advice and guidance on apprenticeship options



## Virtual Events

- **Careers Expo – 17<sup>th</sup> July 10am-2pm**
- **Employment and Skills event – w/c 24<sup>th</sup> Aug (all ages)**



# Emerging trends

- **Spike in redundancies has not hit yet** – Unemployment count increase, redundancy forecasts, furlough employer contributions
- **Disproportionate impact on young people** – lack of apprenticeship vacancies, University options, unstable employment
- **Impact on those 50 plus** – as with other Economic crisis it is forecast people aged 50 plus will be disproportionately impacted
- **Skills and employment support demand will be different** – higher skilled cohort, more disadvantaged move further away from the labour market
- **Digital exclusion** – still a major barrier for residents to complete training/upskill
- **Mental health** – anxiety for those returning to work or accessing the labour market

