



Walsall State of the Borough

January 2024

Economy

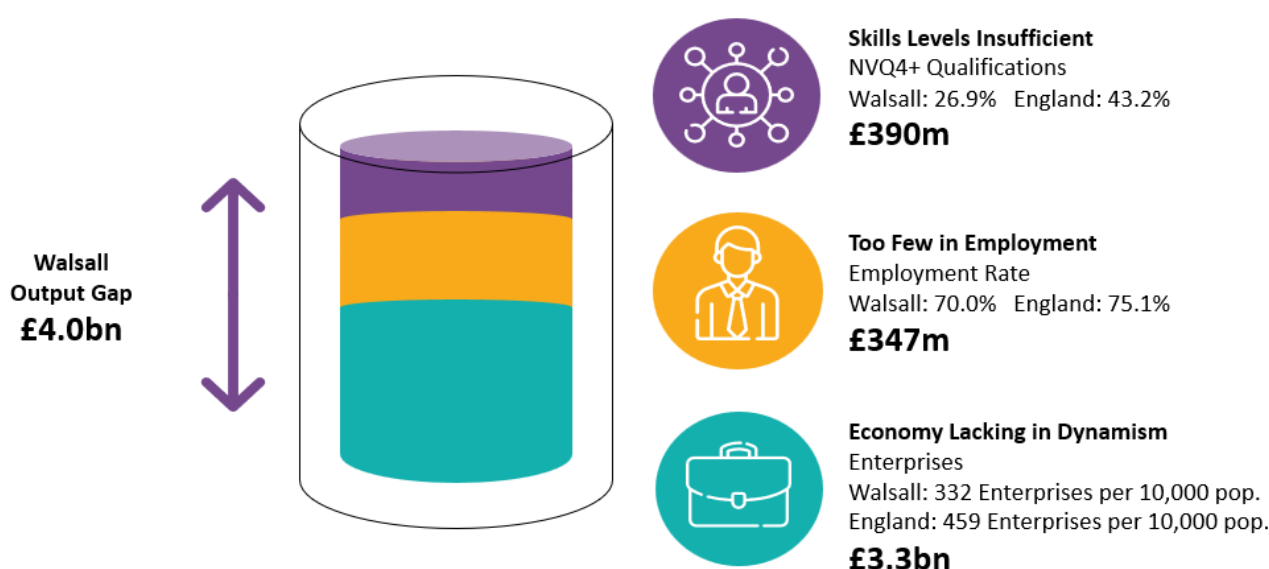
Gross Value Added (GVA)

Despite another challenging and turbulent year, total GVA¹ for Walsall was £4.8bn in 2021. There was annual growth of 9.5% (+£419m) which was above the national growth rate of 7.1%.

GVA per Head and Output Gap

In 2021, GVA per head² was £16,995, a strong annual growth of 10.4% (+£1,605) with the national-wide rate increasing by 7.1%. Even with the annual growth, there remains a significant shortfall to the national figure (£31,138), by £14,143. This means that there is an overall output³ gap of £4.0bn and this increased annually by £102m.

Walsall Output Gap, 2021:



GVA per Hour Worked

GVA per hour worked⁴ was £30.36 in Walsall for 2021. There was strong annual growth of 3.4% which was above the national increase of 1.5%. However, there was still a shortfall of £7.97 to the national figure (£38.91).

Gross Disposable Household Income (GDHI)

In 2021, total GDHI⁵ for Walsall reached nearly £4.6bn. An annual increase of 3.3% (+£147m) which was below that of the national growth rate of 3.7%. Walsall's GDHI per head increased from £15,149 in 2020 to £16,106 in 2021, which equated to a growth of 4.2%, above the national growth rate of 3.7%. Across all ITL3 areas, Walsall had the 10th lowest GDHI per person and had a shortfall of £6,107 to the national average (£22,213).

¹ ONS, Regional economic activity by gross domestic product, released 2023.

² ONS, Regional economic activity by gross domestic product, released 2023.

³ Office for National Statistics (ONS), Regional economic activity by gross domestic product, released 2023, mid-year population estimates, released 2022, Annual Population Survey, released 2022 and Business Demography released 2022.

⁴ ONS, Subregional productivity in the UK, released 2023.

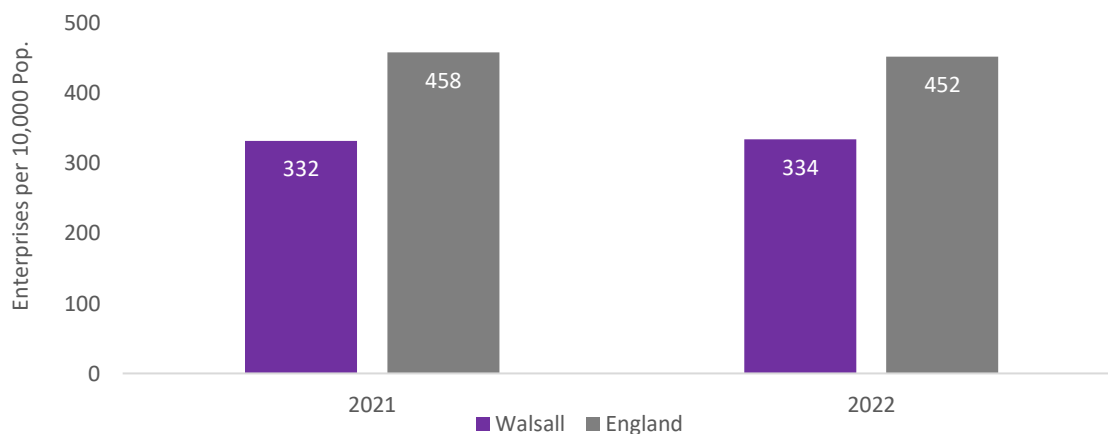
⁵ ONS, Regional gross disposable household income, released 2023 Please note ITL3 refers to an International Territorial Level 3 (which replaced NUTs)

Business

Enterprises

Bucking the national trend (-0.5%) in 2022, active enterprises⁶ in Walsall annually increased by 1.2% (+115) to total 9,545. However, there are still too few enterprises in Walsall, at 334 per 10,000 population. For Walsall to reach the national average (452 enterprises per 10,000), requires an additional 3,386 active enterprises.

Walsall and England's Enterprises per 10,000 Population:

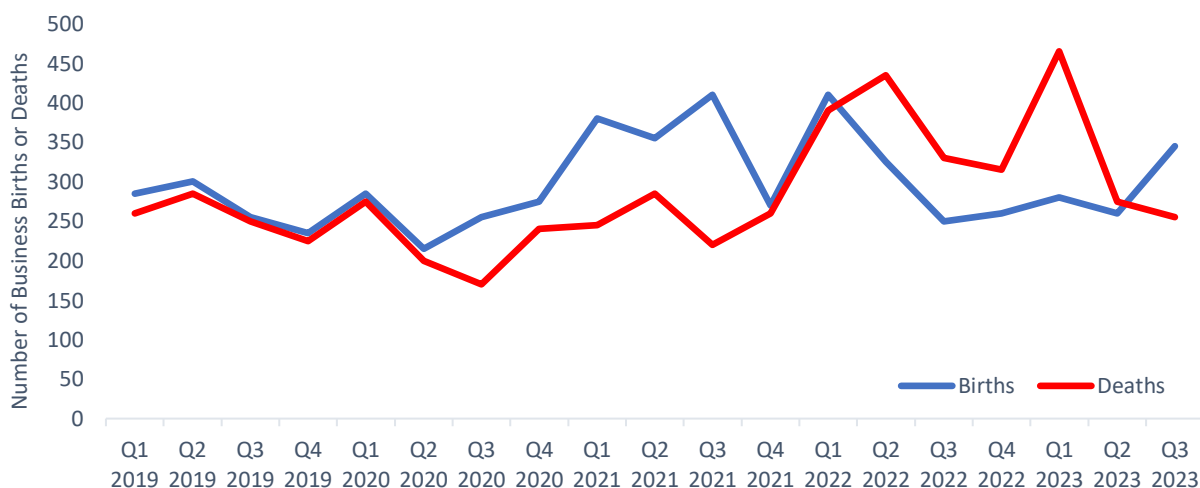


Enterprises Births & Deaths

However, data for 2022 shows that there was an annual decrease in enterprise births⁷ by 17.3% (-265) to 1,270. This decrease reflects the national trend (-7.4%). In 2022, there were 44 enterprise births per 10,000 population compared to 53 per 10,000 population nationally. For Walsall to reach the national average requires an additional 236 enterprise births. There were also 1,345 enterprises deaths in Walsall in 2022. An annual increase of 33.2% (+335) following the England pattern of an increase of 6.0%.

More up to date experimental data⁸ shows for Walsall that in Q3 2023 that business births were back above deaths (345 and 255 respectively) for the first time since Q1 2022.

Walsall (experimental) Enterprise Births and Deaths Trends:



⁶ ONS, Business Demography, released 2023.

⁷ ONS, Business Demography, released 2023.

⁸ ONS, Business demography, quarterly experimental statistics, low-level geographic breakdown, released 2023.

Sector Composition

Out of 9 defined sectors, as seen in the table below, Walsall has a higher than the national proportion in 7 sectors for GVA⁹, 5 sectors for enterprises¹⁰ and 4 sectors in jobs¹¹.

Defined Sectoral Composition:

Sector	Percentage of Walsall GVA	Percentage of England GVA	Percentage of Walsall Jobs	Percentage of England Jobs	Percentage of Walsall Enterprises	Percentage of England Enterprises
Advanced Manufacturing	14.4%	11.3%	14.0%	9.9%	11.6%	11.7%
Building Technologies	6.1%	6.0%	4.0%	4.8%	15.0%	13.9%
Business Services	29.2%	42.4%	20.3%	26.2%	26.5%	37.3%
Environmental Technologies	2.9%	2.7%	0.9%	1.1%	0.6%	0.5%
Health & Wellbeing	10.0%	9.1%	15.4%	15.1%	6.2%	5.5%
Public Sector inc. Education	15.5%	11.7%	14.2%	15.2%	2.6%	4.0%
Retail	12.9%	10.7%	17.7%	14.0%	19.7%	14.8%
Transport Technologies	7.5%	3.2%	8.9%	5.1%	10.9%	4.8%
Visitor Economy	1.6%	2.9%	4.6%	8.5%	7.0%	7.4%

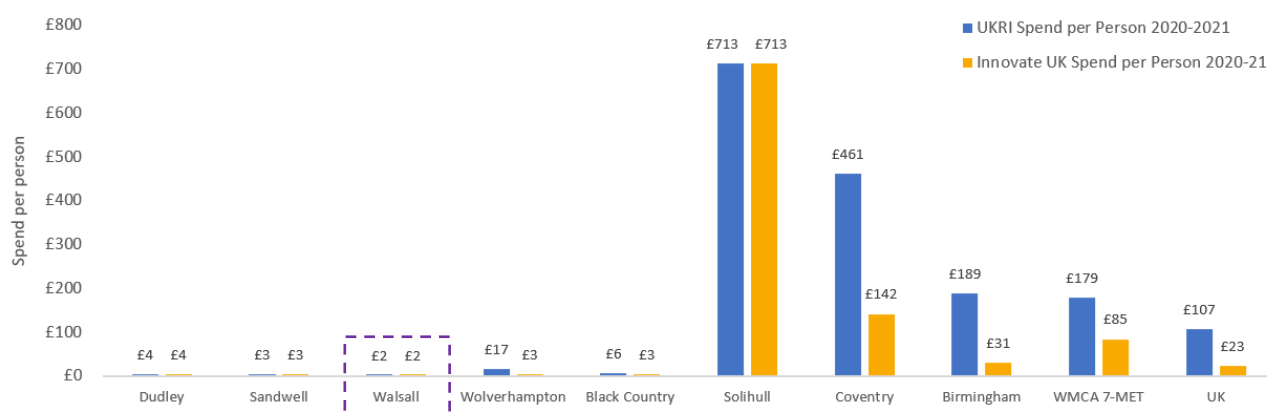
Blue indicates the sector is above the national proportion.

Walsall has distinct local sector strengths in logistics and transport, circular economy principles and automotive/wider manufacturing supply chain.

Innovation

Innovation spending from government agencies¹² is low in Walsall. UKRI spend per person and Innovate UK spend per person were both at £2 with the UK at £107 and £23 respectively.

UKRI and Innovate UK Spend per Person, 2020-21:



Trade

In 2022, Walsall exported £682m worth of goods, an annual increase of 25.8% (+£140m). Walsall also imported £957m worth of goods with an annual increase of 29.1% (+£216m). This means there was a trade deficit of £275m.

Although, 2021 data shows that Walsall exported £479m of services with an annual decrease of 33.9% (-£246m). While imports increased by 28.0% (+£42m) to £192m. Despite the increase in imports, there was a trade surplus of £287m.

⁹ ONS, Regional economic activity by gross domestic product, released 2023.

¹⁰ ONS, UK Business Counts, released 2023.

¹¹ ONS, Business Register and Employment Survey, released 2023.

¹² UKRI: Geographical distribution of funding (2020-21). Note this relates to direct awards to all organisations including Catapults, which may distort the true picture as funding is spent on supporting businesses directly beyond the organisation's geography.

People

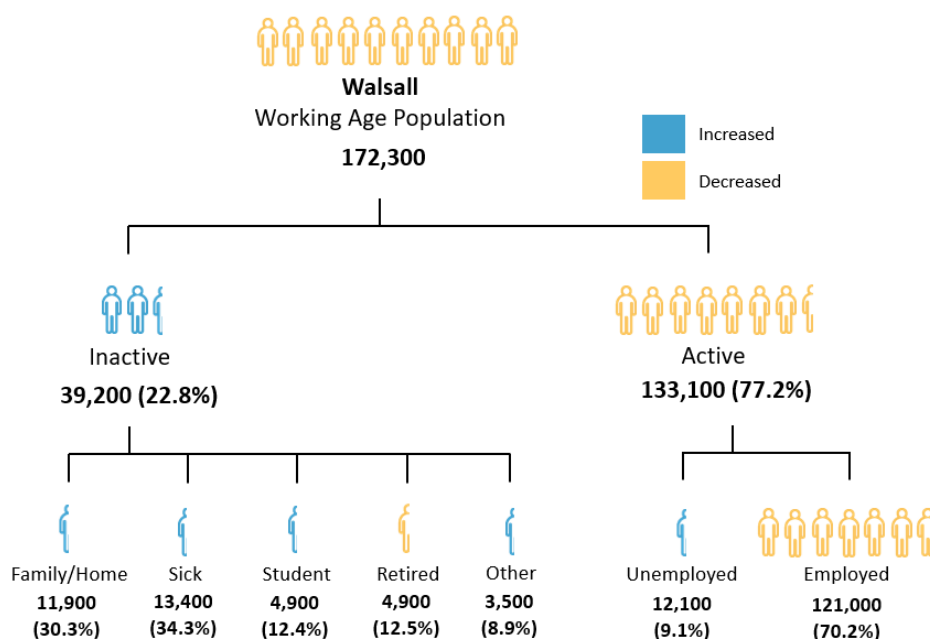
Population

Mid-year 2022 population estimates¹³ show Walsall had a total of 286,105 residents. An annual increase of 0.6% (+1,713), with the national average increasing by 1.0%. Walsall has a young population with 21.5% of the population aged under 15 years (England 18.5%). With 61.0% of the population aged 16 to 64 years (England 62.9%) and 17.5% were aged 65 years and over (England 18.6%).

Labour Market

Labour market activity¹⁴ in the year ending September 2023 shows that Walsall’s employment rate and economically active rate declined, and the unemployment rate and the economic inactive rate rose when compared to the previous annual year. Meaning, 22.8% (39,200 working age Walsall residents) were now classed as economically inactive, an annual increase of 18.1% (or +6,000) compared to a national decrease of 0.8%. Worryingly, 34.3% of those economically inactive were due to sickness.

Labour Market Activity, for the Period of October 2022 - September 2023 and the Change Since October 2021 - September 2022:



Claimants

There are approximately 9,500 people claiming benefits looking for work¹⁵ in Walsall. This equates to 4.3% of the population aged 16 years and over, with the national rate at 2.8%. Youth claimant rates were also above the national rate (7.0% compared to 3.9%).

Employee Jobs

In 2022, there were 102,000 jobs¹⁶ in Walsall, split by 68,000 full-time and 34,000 part-time. Overall, there was an annual increase of 2.0% (+2,000 – due to full-time employees), compared to the national increase of 3.4%.

¹³ ONS, mid-year population estimates, released 2023.

¹⁴ ONS, Annual Population Survey, released 2024.

¹⁵ ONS/ Department for Work and Pensions, released 2024.

¹⁶ ONS, Business Register and Employment Survey, released 2023.

Earnings

In Walsall, annual resident full-time gross median earnings¹⁷ were £30,295 in 2023. An annual increase of 7.0% (£1,974), above the national growth rate of 5.5%. Despite the higher growth rate, there was still a gap of £4,805 to the national figure (£35,100). Notably, looking at work-based gender pay gaps, females earned more than males.

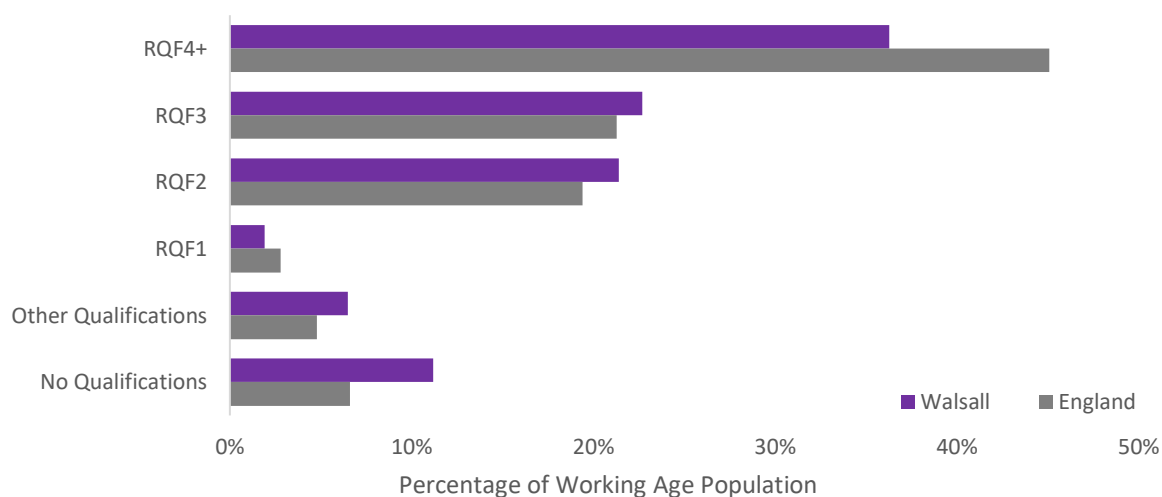
Apprenticeship Starts and Achievements

In the 2022/23 academic year, there were 1,780 apprenticeship starts¹⁸ in Walsall. When compared to 2021/22, this was a decrease of 6.8% (-130), reflecting national trends (-3.5%). There were also 880 apprenticeship achievements in Walsall for the 2022/23 academic year. When compared to 2021/22, there was an increase of 20.5% (+150) with the national growth rate at 18.3%.

Qualification Profile

In 2022, 36.3% of the working age population in Walsall had RQF4+ qualifications¹⁹. This was below the England average of 45.1%. To reach this proportion, requires 13,920 people to be upskilled. At the other end of the scale, 11.2% had no qualifications. This was above the national proportion of 6.6%. To reach the national level, requires 7,241 people to gain a qualification.

Walsall and England Qualification Profile, 2022:



Health Index

The ONS Health Index²⁰ provides a picture of health in its broadest sense recognising the importance of health outcomes, risk factors and the social, economic and environmental drivers to support health to improve now and for the longer term. Utilising a base year of 2015, the overall summary shows for 2021 that Walsall was lower at 89.1 (England slightly above at 100.8). However, more notably Walsall performs well for mental health (104.4), access to green space (103.6) and to services (104.1).

Walsall and England Health Index Headlines, 2021:

	Walsall	England
Health Index	89.1	100.8
Healthy People Domain	95.7	97.7
Healthy Lives Domain	82.0	100.2
Healthy Places Domain	94.9	104.2

¹⁷ ONS, Annual Survey of Hours and Earnings, released 2023.

¹⁸ Department for Education, Apprenticeships and traineeships, released 2023.

¹⁹ ONS, Annual Population Survey, released 2023.

²⁰ ONS Health in England: 2015 to 2021, released 2023

Place

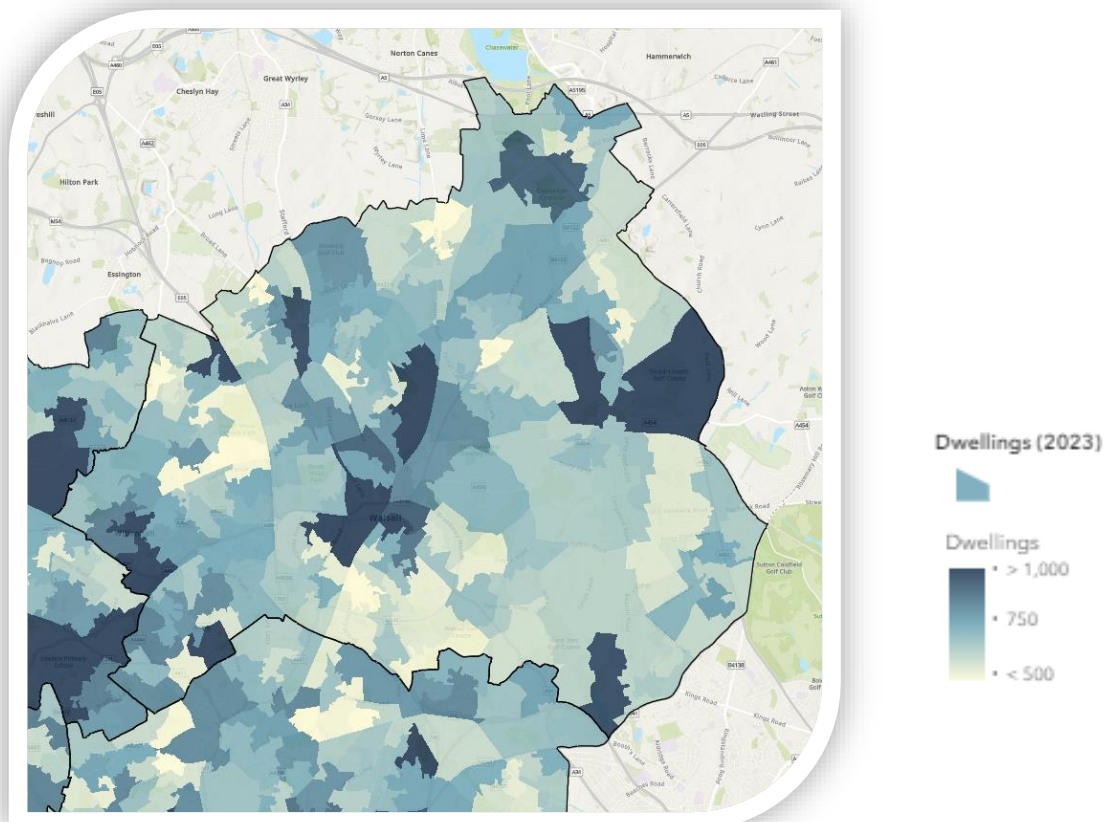
Broadband Connectivity

As of September 2023, 86.8% (103,467) of premises had gigabit connectivity²¹, above the UK-wide figure of 76.0%. This was also a 9.3 percentage point increase when compared to September 2022, slightly above the 9.2 percentage point national increase. Although, there are still pockets where connectivity is a real issue.

Domestic Properties

Locally there were 117,700 homes²² as of March 2023. This was an annual increase of 0.3% (+370) with the national average increasing by 1.0%.

Walsall's Dwelling Stock, 2023:



Employment Floorspace

As of March 2023, there was a total of nearly 3.1m sqm of employment floorspace²³ in Walsall. An annual net increase of 0.5% (+16,000 sqm) which was above the national growth rate of 0.1%.

Analysing Walsall's employment floorspace by type, the majority (71.4%) is dominated by industrial at 2.2m sqm. The latest annual change in industrial floorspace for Walsall shows a net increase of 25,000 sqm (+1.1% compared to +0.8% nationally).

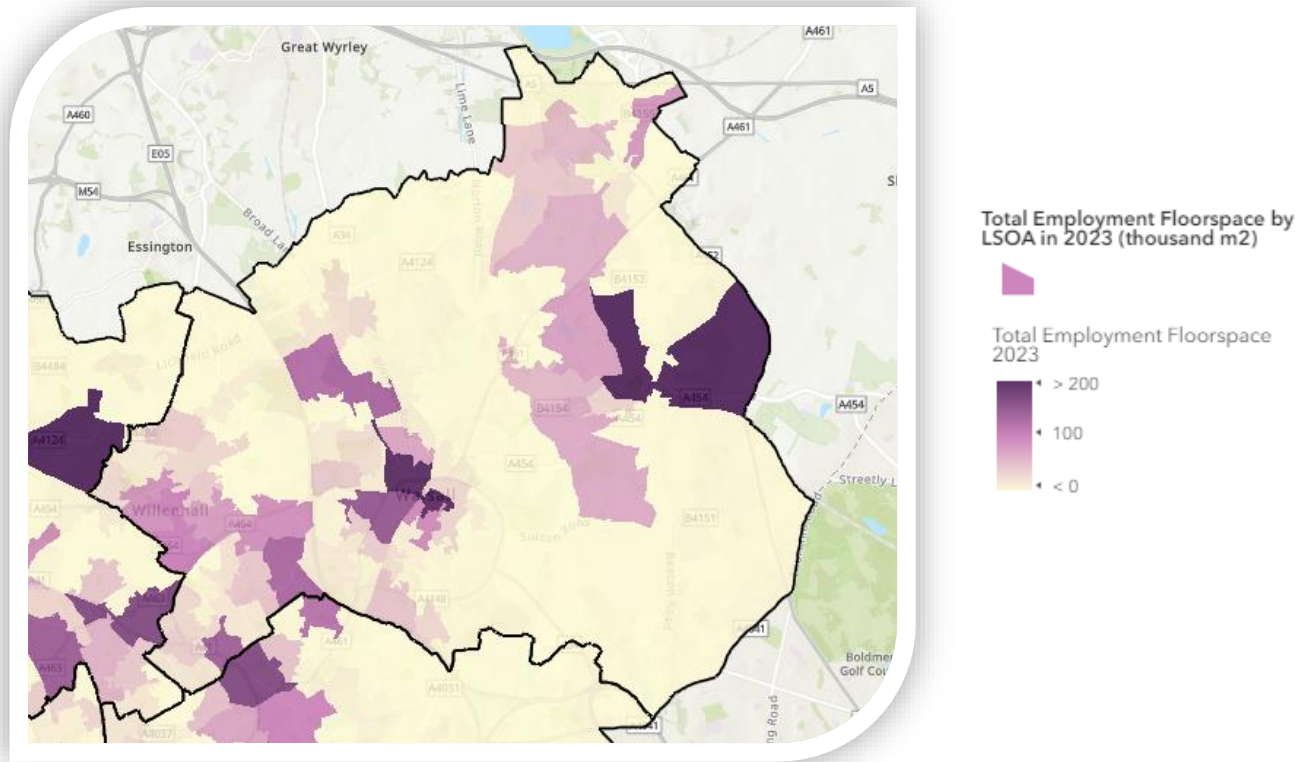
²¹ Ofcom, Connected Nations, released 2023.

²² Valuation Office Agency, Council Tax: stock of properties, released 2023.

²³ Valuation Office Agency, Non-domestic rating: stock of properties including business floorspace, released 2023.

This was followed by retail floorspace which accounted for 16.4% (507,000 sqm) of the total. The latest annual change in retail floorspace shows a net decrease of 4,000 sqm (-0.8% matching the national net change). Also, 5.4% (166,000 sqm) of Walsall's employment floorspace is in the office sector. The latest annual change in office floorspace shows a net decrease of 4,000 sqm (-2.4% compared to -1.8% nationally).

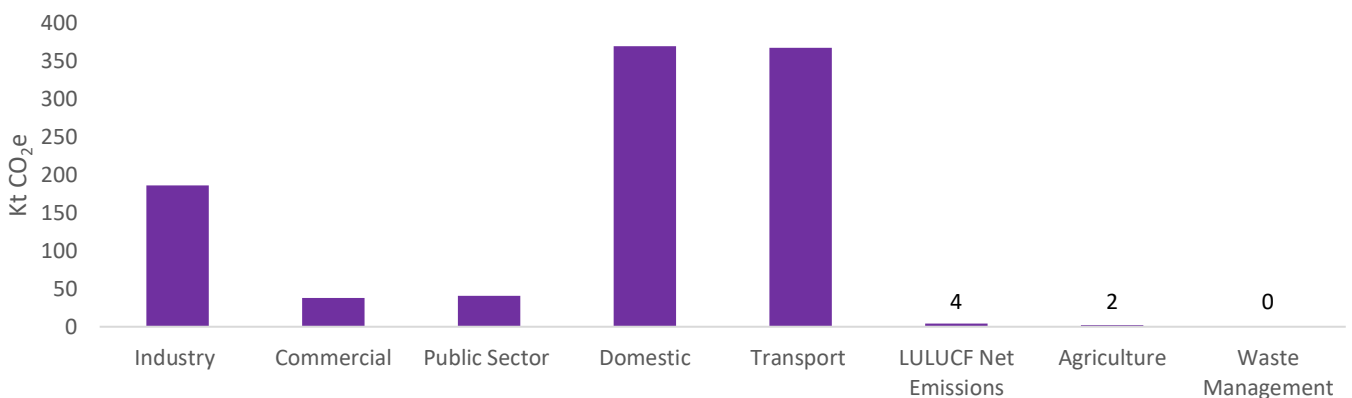
Walsall's Total Employment Floorspace, 2023:



Carbon Dioxide Emissions

In 2021, Walsall produced a total of 1,008kt of carbon dioxide emissions²⁴ (CO₂e), an annual increase of 9.3% (+86 Kt CO₂e), reflecting national trends of an increase of 7.2%. As seen in the following chart, domestic and transport account for the majority (36.7% and 36.4% respectively) of carbon dioxide emissions in Walsall.

Breakdown of Walsall's Carbon Dioxide Emissions, 2021:



²⁴ Department for Energy Security and Net Zero, UK local authority & regional greenhouse gas emissions national statistics, released 2023.

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