



Regional Skills Assessment 2009 Skills issues in key Business Clusters

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Regional Skills Assessment 2009

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1 Introduction

The 2009 Regional Skills Assessment has been produced to inform the planning and strategic thinking of the RSP Board and Executive Group and a wide range of individual partners. This report, which considers key skills issues for the region's key business clusters, supplements and underpins the main Skills Assessment. In particular the report provides intelligence to inform:

- Organisations providing support businesses in areas such as recruitment, skills and training
- Organisations commissioning demand-led education and training
- The institutions developing and delivering appropriate provision
- Organisations providing careers information, advice and guidance to young people and adults
- Organisations connecting disadvantaged communities with emerging employment opportunities
- Local authorities developing Local Economic Assessments

For each cluster we highlight recent trends in employment and the impact of the recession as well as the impact of changing workforce demographics. We then consider future prospects, drivers of skills change, associated labour and skill needs.

This report is one of a series we are producing highlighting key skills and labour market issues across the region¹. The others include:

- A main report, which highlights key messages and policy implications
- A report identifying key skills needs and issues in each of the region's key sectors
- A series of sub-regional skills profiles that assess recent trends and future prospects for both the demand for and supply of skills and highlight key issues to support, in particular the development of Local Economic Assessments and the commissioning of 16-19 learning

¹ Please see related reports at <http://bit.ly/5htbc3>

2 Key headlines and conclusions

2.1 National and regional ambitions

At a national level there is an ambition to move from the second to the first quartile of OECD countries for jobs and productivity. It is recognised that skills play a key role in achieving this and the Leitch Review of Skills commissioned by the government in 2006 highlights the need to achieve a step change in the UK's skills performance. To this end the review sets a series of stretching targets. While some 89% of adults need to achieve at least a level 1 in literacy and at least entry level 3 in numeracy by 2011, 79% need to be qualified to at least level 2 and 34% need to be qualified to at least level 4.

The West Midlands Economic Strategy highlights the need to close the region's £15 billion output gap with the UK in terms of GVA per head which is widening year on year. In particular there is a need to tackle an under-representation of higher value added sectors, a lower proportion of high growth firms and lower rates of innovation and enterprise than in many other regions - which are all limiting the demand for higher level skills and the creation of higher skilled, well paid jobs in the region. The Region's Skills Action Plan recognises that, if these challenges are to be addressed, a step change in skills performance is needed. To this end the plan sets ambitious targets for qualification attainment for 2011, with the aim of meeting the targets set for the UK in the Leitch Review of Skills.

2.2 Skills and economic performance

The Skills Action Plan also recognises that, in combination with other key drivers such as enterprise, innovation and investment, skills can play a key role in realising these ambitions. Skilled people are one of the building blocks of successful businesses. Skilled workers can carry out more complex tasks, work more effectively and produce higher value products and services. They are also better at adapting to changing working environments, enabling firms to respond better to changing global competition and technology. This tends to be particularly effective when businesses use these skills in combination with investment in innovation and technology.

2.3 Demand side issues

Encouragingly the region's overall skills performance has improved in recent years, closing the gap with England. This has been underpinned by an upturn in employer investment in skills, notably via programmes such as Train to Gain and Apprenticeships.

Nevertheless the region's 'output gap' with the UK continues to widen and to make an impact on economic performance and productivity there is a need to support the development of higher value added, knowledge intensive clusters that provide highly skilled jobs and are linked to the government's New Industries New Jobs agenda. While accounting for only a limited share of GVA and employment a number are gaining a foothold in the sub-region. They include ICT, digital media, environmental technologies and medical technologies. There is also a need to support the further expansion of clusters which, while less knowledge intensive, have grown rapidly in recent years and offer opportunities for those with fewer skills to access and progress in employment. These include business & professional services, tourism & leisure and building technologies.

There also clusters in which, while declining in employment terms, there are still business and market opportunities in specific areas. These include transport technologies, food & drink and interiors & lifestyle. Falling employment is partly due to rationalisation and business closures as activity has been transferred off-shore to lower cost economies such as India and China. However they are also a product of efforts to reduce overheads and drive up productivity and the need to exploit the benefits of new technology to boost value added and market share. This is particularly the case for the many companies based in the region operating in global markets

2.4 Supply side issues

If businesses are to acquire the skill sets they need to exploit market opportunities to the full investment in workforce training and up-skilling is essential. Across all sectors and clusters there will need to be a greater emphasis on higher level skills to exploit new technologies and new ways of working, driving up productivity and value added. However while overall there has been an upturn in employer investment in skills in recent years rates of qualification and skills attainment by employees varies widely by cluster.

It is encouraging that emerging high value added clusters such as digital media, ICT; medical and environmental technologies have already developed a highly skilled workforce. However others such as tourism & leisure, transport technologies, food & drink and interiors & lifestyle have a much weaker skills profile with a significant proportion of staff with no formal qualifications. In many cases skill any gaps and problems are likely to be exacerbated in the future due to an ageing workforce. Significant numbers of staff will be retiring in the coming years making succession planning vital.

2.5 Skills and the recession

The impact of the recession has varied widely by cluster. Transport technologies and interiors & lifestyle, where there has been a significant contraction in employment and short time working and pay and recruitment freezes to avoid redundancies and retain skills have been particularly affected by the recession. Building technologies (notably within the house building, civil engineering and commercial sub-sectors) and tourism & leisure have also been significantly affected. However a number of other clusters have fared better. In business and professional services higher value financial services have been significantly affected but lower value added activities such as property, housing, facilities management and cleaning services have been relatively 'recession proof'. This has also been the case for ICT and environmental technologies.

2.6 Future prospects

While there are tentative signs of an upturn in the labour market, with more firms looking to recruit new staff and invest in training, the economic recovery is expected to be weak, protracted and be characterised by significant 'jobless growth'. The sub-region's headline GVA is not expected to begin to rise until 2010 and an upturn in employment is not expected until 2012. The pace of recovery, however is expected to vary widely by cluster. In the medium term (i.e. by 2014) growth is expected to resume in business & professional services and in key emerging high value added clusters such as ICT and environmental technologies. Growth in employment is expected to be limited, however, as businesses focus on maintaining and increasing productivity in a highly competitive market place. In the longer term (i.e. by 2024) broader based growth is expected. This is likely again to be driven by business & professional services, ICT and environmental technologies, together with other emerging clusters such as building technologies. GVA is also forecast to grow in the transport technologies, food & drink and interiors & lifestyle clusters, although employment levels are likely to continue to fall as businesses continue to focus on cutting overheads and exploiting new technology to drive up productivity and boost value added.

2.7 Focusing skills investment to support recovery

We are faced with these challenges, moreover, at a time when public investment in skills is likely to be reduced and re-prioritised. If we are to boost the pace and strength of the sub-region's recovery there is a need to focus this investment in areas where it will make the most impact. To develop the sub-region's knowledge economy and stimulate more demand for higher level skills there is a need to support high value added clusters linked to the New Industries, New Jobs agenda such as ICT, digital media, environmental technologies and medical technologies. While so far they only account for a limited share of employment and GVA they are in a position, providing that they have access to the right skills, to exploit a range of business and market opportunities. There is also an opportunity to exploit the considerable expertise and research capability available at universities based in and around the sub-region.

At the same time there is a need to promote up-skilling and diversification into higher value added products, services and markets in other clusters that continue generate significant employment opportunities. These include business & professional services, building technologies and tourism & leisure. There is a need to provide similar support to businesses in transport technologies, food & drink and interiors & lifestyle where there are opportunities to exploit specific business and market opportunities.

2.8 Emerging skill needs

In particular the region's businesses need support to help them exploit new technology, adapt to new legislation (notably relating to low carbon and sustainability issues), meet the demands of an ageing population and satisfy ever more demanding consumers. In turn these trends are stimulating demand for a range of new and upgraded skills. In particular there will be a growing need for higher level technical skills specific to sectors, industries and individual businesses. For example:

- In ICT there is a growing need for leadership and relationship management, project and programme management skills, business intelligence, information analytics and architecture skills and for a range of specific software skills.
- In digital media there is a need for skills in developing and exploiting digital content for a range of markets including film, television, games, audio and music, education, health, training and business planning

- In environmental technologies employers are increasingly looking for scientific specialists, operational waste plant specialists, installation skills relating to renewable energy systems and appropriately skilled and qualified energy assessors. There is also a demand for more generic skills such as an ability to combine technical skills and commercial acumen, awareness of environmental technology development globally and a broad based understanding of sustainability issues
- In medical technologies there is a growing need for engineers with specialist expertise in new healthcare technology and for leadership and management skills
- In business & professional services there is an increasing requirement for skilled paraprofessional staff such as legal executives and accounting technicians and for better developed generic skills in areas such as leadership & management, managing teams, making sales and managing relationships
- In building technologies changing business practices are generating a demand for skilled and experienced managers and specialist professional staff
- In transport technologies there is an emerging need for graduates and highly skilled technicians and for management and leadership and high level organisational management skills
- In food & drink there is a growing demand for food technologists, chemists, microbiologists, engineers and fitters

Across all occupations there will be a growing requirement for ICT skills to exploit the potential of new technology and inter-personal skills such as communication and working in teams, problem solving and customer service.

2.9 Potential hot spots for growth

Geographically one of the drivers of economic and employment growth and the demand for new skills will be the impact Investment locations within the sub-region that have been identified by the Shadow Joint Strategy & Investment Board². There is also likely to be a significant demand for labour and skills in locations that are acting as a focus for inward investment such as central Birmingham, Solihull, Coventry and Telford.

² These include New St Station, Eastside and Longbridge in Birmingham, Birmingham International Airport and North Solihull, Ansty Park in Coventry, Bilston, Dudley, West Bromwich, Walsall and Wolverhampton town centres in the Black Country, i54, Stafford town centre and Stoke city centre in Staffordshire, Edgar St Grid in Herefordshire and Telford town centre in Shropshire

3 Building Technologies

3.1 Headline statistics

| GVA³ & Employment⁴ trends | |
|--|---|
| Current GVA (2006) | £11.5bn |
| Employment (2007) | 230,000 |
| Employment trend (03/07) | 25,400 |
| Employment hotspots | Staffordshire, Birmingham, Warwickshire and Wolverhampton |
| Impact of the recession⁵ | |
| Redundancies (Oct 2008-Oct 2009) | +5% |
| Notified vacancies (Oct 2008-Oct 2009) | -56% |
| Future prospects - GVA⁶ | |
| Short term (2009-2010) | -£127m |
| Medium term (2009-2014) | +£431m |
| Longer term (2009-2024) | +£1.7bn |
| Future prospects - employment⁷ | |
| Short term (2009-2010) | -6,000 |
| Medium term (2009-2014) | +6,000 |
| Longer term (2009-2024) | Net change +27,000 replacement demand +36,000 |
| Workforce demographics⁸ | |
| Aged 16-24 years | 15% |
| Aged 45+ years | 39% |
| % BME groups | 8% |
| % qualified to level 4 | 21% |
| % with no qualifications | 11% |

³ WMRO Measuring Regional Innovation report (October 2009)

⁴ ONS Annual Business Inquiry 2007

⁵ Jobcentre Plus 2009

⁶ WMRO Integrated Policy Model

⁷ WMRO Integrated Policy Model

⁸ ONS Labour Force Survey 2008

3.2 Recent trends in employment and drivers of change

Building technologies employed nearly 230,000 people in 2007 (accounting for nearly 10% of jobs in the region). The cluster has created more than 25,000 net new jobs since 2003 (growth of 12%) as the booming economy generated a strong demand for many types of building and for in the residential sector in particular. In particular nearly 10,000 net new jobs were created in general construction, more than 2,000 in building completion and nearly 6,500 in architecture and building consultancy.

3.3 Sub-regional hot spots of employment

Staffordshire, Birmingham, Warwickshire and Wolverhampton are key locations for building technologies. While Wolverhampton and Warwickshire have seen a rapid growth in employment in recent years significant numbers of new jobs have also been created in Solihull and Coventry.

3.4 Impact of recession

In the month of December 2008 construction shrank at its fastest pace since records began. The most significant decline was found to be in the house building, civil engineering and commercial sub-sectors⁹ with a knock-on effect for plumbers, electricians, consultants and other building services for new build projects. Public sector activity has held up better, however, as has demand for building services associated with repair and maintenance¹⁰. Between October 2008 and October 2009, there were 1700 redundancies in construction and vacancies notified to Jobcentres fell by 56%.

⁹ The Times, 5th August 2009

¹⁰ Alliance of Sector Skills Councils -The impact of the economic downturn on business and skills in England – 28th May 2009

3.5 Future prospects

3.5.1 Drivers of skills change

Notwithstanding the impact of the recession, the building technologies cluster faces a range of key long term challenges in the coming years, many of which are associated with the sustainability agenda:

- The Government (through the Sustainable Construction Strategy and the Climate Change Bill) has set a target that by 2016 all new homes will be zero carbon, and that by 2019 all commercial buildings will be zero carbon.
- In addition there will be a need to 'retro-fit' the current building stock and make it more environmentally friendly.
- More homes are likely to generate their own energy from photo-voltaic cells and heat pumps
- Lower Stamp Duty for low carbon homes and the introduction of Green Mortgages (offering cheaper loans to people who purchase low carbon homes) may bring further incentives for people to change their behaviour and adopt a low carbon way of life.

3.5.2 Emerging skill needs

These requirements will necessitate a significant change in the skill-sets required within the building and construction sectors. In particular:

- There will be an increasing need for skills relating to the installation and maintenance of new energy efficient equipment such as photovoltaic cells
- There will be a need for expertise in the use of new building fabrics
- The increased use of 'offsite' manufacturing for building products will lead to an increasing need for installation skills

4 Business & Professional Services

4.1 Headline statistics

| GVA ¹¹ & employment ¹² trends | |
|---|--|
| Current GVA (2006) | £4.5bn |
| Employment (2007) | 115,000 |
| Employment trend (03/07) | 26,800 |
| Employment hotspots | Birmingham, Warwickshire, Staffordshire & Solihull |
| Impact of the recession ¹³ | |
| Redundancies (Oct 2008- Oct 2009) | +3% |
| Notified vacancies (Oct 2008- Oct 2009) | -47% |
| Future prospects - GVA ¹⁴ | |
| Short term (2009-2010) | -£42m (Professional Services) & -£109m (Banking & finance) |
| Medium term (2009-2014) | -£773m (Professional Services) & -£607m (Banking & finance) |
| Longer term (2009-2024) | +3.5bn (Professional Services) & +£2.9bn (Banking & finance) |
| Future prospects - employment ¹⁵ | |
| Short term (2009-2010) | -5,000 |
| Medium term (2009-2014) | -15,000 |
| Longer term (2009-2024) | Net change +13,000, replacement demand +96,000 |
| Workforce demographics ¹⁶ | |
| Aged 16-24 years | 5% |

¹¹ WMRO Measuring Regional Innovation report (October 2009)

¹² ONS Annual Business Inquiry 2007

¹³ Jobcentre Plus 2009

¹⁴ WMRO Integrated Policy Model

¹⁵ WMRO Integrated Policy Model

¹⁶ ONS Labour Force Survey 2008

| | |
|--------------------------|-----|
| Aged 45+ years | 43% |
| % from BME groups | 10% |
| % qualified to level 4 | 56% |
| % with no qualifications | 3% |

4.2 Recent trends in employment and drivers of change

Business and professional services employed more than 115,000 people and accounted for nearly 5% of all jobs in the region in 2007 (latest available figures). The cluster has expanded its employment by nearly 27,000 since 2003 - representing growth of some 30%. The cluster has strength across a wide range of activities, is larger in employment terms than that in Leeds or Manchester and is second only to London in terms of its breadth¹⁷. Over the period nearly 2,000 net new jobs were created in accountancy, nearly 2,500 in market research, more than 3,000 in legal services and nearly 4,500 in business & management consultancy. However, a significant proportion of this employment is in lower skilled back office activities.

4.3 Sub-regional hot spots of employment

Birmingham, Warwickshire, Staffordshire and Solihull are key centres for business & professional services. In addition employment has grown particularly rapidly in recent years in Walsall and Dudley and in Shropshire and Telford & Wrekin.

4.4 Impact of recession

There were nearly 1,000 redundancies in banking, finance & insurance and vacancies fell by 47% between October 2008 and October 2009.

¹⁷ Source: AWM Cluster Research 2008

4.5 Future prospects

4.5.1 Drivers of skills change

The Head Office for Islamic Bank of Britain (IBB) is based in Birmingham and there are a number of other ethnic banks with the specialist knowledge and expertise required for this market. There is an opportunity for banks and other services (notably lawyers) to develop services in this area. UK Trade and Investment, West Midlands Business Council, the Minority Ethnic Business Forum, the Regional Finance Forum and the Cluster are keen to develop and promote the West Midlands as a 'centre of excellence' for Islamic Finance, building upon our cultural diversity and professional expertise.

There is a growing demand for professional advice and services to support e-commerce across the region. In particular a small number of 'niche' providers (especially lawyers) have begun to develop expertise in the area of law relating to e-commerce and there is significant room for further growth.

There is a large and growing market-place of older people who will require good legal advice, financial advice, inheritance tax planning, wills & probate services. Many of the region's firms have some degree of expertise in this area, but there is scope to improve the quantity and quality of available advice.

4.5.2 Emerging skill needs

If the cluster is to fully capitalise on these opportunities there will be a need for:

- More skilled paraprofessional staff such as legal executives and accounting technicians
- Better developed generic skills in areas such as leadership & management, managing teams, making sales and managing relationships
- More investment in training and up-skilling and better progression routes for staff
- Better information, advice and guidance for young people about opportunities in the cluster

5 Digital Media

5.1 Headline statistics

| GVA ¹⁸ & employment ¹⁹ trends | |
|---|--|
| Current GVA (2006) | +£156m |
| Employment (2007) | 11,000 |
| Employment trend (03/07) | -730 |
| Employment hotspots | Birmingham, Warwickshire, Worcestershire & Staffordshire |
| Impact of the recession ²⁰ | |
| Redundancies (Oct 2008-Oct 2009) | +8% |
| Notified vacancies (Oct 2008-Oct 2009) | -43% |
| Workforce demographics ²¹ | |
| Aged 16-24 years | 6% |
| Aged 45+ years | 57% |
| % BME groups | 0.2% |
| % qualified to level 4 | 64% |
| % with no qualifications | 4% |

5.2 Recent trends in employment and drivers of change

In 2007, the cluster supported just over 11,000 jobs in the region with 2,400 in TV and radio and 7,200 in the performing arts and associated facilities. It is becoming a growing and dynamic part of the regional economy with a national and international profile in 'Serious Games', 20% of the UK Games production market, Birmingham's position as 'one of the world's top five music hotspots'²², a growing Interactive media sector with high profile blue-chip clients, and an expanding talent base in film and television production

¹⁸ WMRO Measuring Regional Innovation report (October 2009)

¹⁹ ONS Annual Business Inquiry 2007

²⁰ Jobcentre Plus 2009

²¹ ONS Labour Force Survey 2008

²² Source: Billboard Magazine 2008

5.3 Sub-regional hot spots of employment

The digital media cluster is centred on Birmingham, Warwickshire, Worcestershire and Staffordshire. The most significant growth in employment, between 2003 and 2007, meanwhile, has been in Wolverhampton, Sandwell and Walsall.

5.4 Future prospects

5.4.1 Drivers of skills change

Key growth market opportunities within digital media include:

- Developing digital content for entertainment, with a focus on film, television, games, audio and music
- Exploiting digital content to develop innovative and future focused education and encourage a healthy lifestyle
- Using digital media in a range of business activities such as training, scenario and business planning and virtual conferences

5.4.2 Emerging skill needs

The region's businesses need to develop the skills required to successfully exploit these opportunities. To make this happen there is a need to address skill gaps among graduates looking to move into the cluster and for training for existing staff to help them keep abreast of new developments and technological advances.

6 Environmental Technologies

6.1 Headline statistics²³

| GVA ²⁴ & employment ²⁵ trends | |
|---|---|
| Current GVA (2006) | +£3.8bn ²⁶ |
| Employment (2007) | 74,000 |
| Employment trend (03/07) | -3,300 |
| Employment hotspots | Birmingham, Staffordshire, Warwickshire, Sandwell & Walsall |
| Workforce demographics ²⁷ | |
| Aged 16-24 years | 11% |
| Aged 45+ years | 32% |
| % BME groups | 6% |
| % qualified to level 4 | 28% |
| % with no qualifications | 11% |

6.2 Recent trends in employment and drivers of change

The environmental technologies cluster employs some 74,000 people in almost 4,200 companies in the region. The region has a strong base of businesses with particular strengths in renewable energy and waste and a record of innovation in markets such as electrical engineering.

6.3 Sub-regional hot spots of employment

Environmental Technologies is most significant in employment terms in Birmingham, Staffordshire, Warwickshire, Sandwell and Walsall. The most rapid job growth between 2003 and 2007 has been in Sandwell and Walsall.

²³ Please note that Jobcentre Plus data on the impact of recession and forecast data from the Observatory's Integrated Policy Model is not available for the very specific activities covered by the cluster. We have included intelligence from other sources, however, in the commentary.

²⁴ WMRO Measuring Regional Innovation report (October 2009)

²⁵ Source: West Midlands Regional Observatory/Labour Market Solutions Ltd – environmental technologies skills review, 2009

6.4 Impact of recession

While the recession has had an impact on the region's environmental technologies businesses in terms of a reduction in orders and profitability, environmental technologies firms have fared better than many other sectors of the regional economy. The majority of firms expect trading conditions to pick up by the end of 2009 and there is a consensus that medium and longer term prospects for growth are good - both in the UK market and in key export markets such as India, China and the USA²⁸.

6.5 Future prospects

6.5.1 Drivers of skills change

In environmental technologies significant market opportunities are identified relating to renewable energy technologies, recycling and waste management and clean and waste water management.

However there is a limited emphasis on R&D and new product development. Investment in R&D is vital if firms are to move into higher value added products, services and markets and fully capitalise on the potential for growth. Strong links between the region's businesses and universities are key to this process.

6.5.2 Emerging skill needs

A substantial proportion of jobs in the cluster require a degree or higher degree. There are still significant job opportunities, nevertheless, for school leavers, non-graduates with appropriate vocational qualifications and those with only basic skills. At the same time the sector's workforce is ageing and a significant number of key staff are likely to retire over the next few years, taking valuable skills and experience with them.

The region's businesses need to develop the skills required to successfully exploit market opportunities. In particular there is growing demand for:

²⁶ WMRO Measuring Regional Innovation report (October 2009)

²⁷ ONS Labour Force Survey 2008

²⁸ Source: West Midlands Regional Observatory/Labour Market Solutions Ltd – environmental technologies skills review, 2009

- Scientific specialists, operational waste plant specialists, installation skills relating to renewable energy systems and appropriately skilled and qualified energy assessors
- More generic skills such as an ability to combine technical skills and commercial acumen, awareness of environmental technology development globally and a broad based understanding of sustainability issues.
- Staff that are multi-skilled and for staff that can help companies adapt to the implications of climate change

7 Food & drink

7.1 Headline statistics

| GVA²⁹ & employment³⁰ trends | |
|--|---|
| Current GVA (2006) | +£3bn ³¹ |
| Employment (2007) | 58,000 |
| Employment trend (03/07) | -121 |
| Employment hotspots | Birmingham, Worcestershire, Shropshire & Sandwell |
| Impact of the recession³² | |
| Redundancies (Oct 2008-Oct 2009) | +1% |
| Notified vacancies (Oct 2008-Oct 2009) | -38% ³³ |
| Future prospects - GVA³⁴ | |
| Short term (2009-2010) | +£8m |
| Medium term (2009-2014) | +£41m |
| Longer term (2009-2024) | -£13m ³⁵ |
| Future prospects - Employment³⁶ | |
| Short term (2009-2010) | -100 |
| Medium term (2009-2014) | -6,00 |
| Longer term (2009-2024) | Net change -1,500, replacement demand +12,000 |
| Workforce demographics³⁷ | |
| Aged 16-24 years | 11% |
| Aged 45+ years | 41% |
| % BME groups | 25% |
| % qualified to level 4 | 22% |

²⁹ ONS Annual Business Inquiry 2007

³⁰ WMRO Measuring Regional Innovation report (October 2009)

³¹ WMRO Measuring Regional Innovation report (October 2009)

³² Jobcentre Plus 2009

³³ Jobcentre Plus (June 08-June 09) figure for Manufacturing Industry

³⁴ WMRO Integrated Policy Model

³⁵ Figure taken from nearest match 'Other Services'

³⁶ WMRO Integrated Policy Model

³⁷ ONS Labour Force Survey 2008

| | |
|--------------------------|-----|
| % with no qualifications | 17% |
|--------------------------|-----|

7.2 Recent trends in employment and drivers of change

The food & drink cluster supported nearly 58,000 jobs in the region in 2007. The region has particular strengths in dairy, red meat, bakery & confectionery, alcoholic beverages, fruit and vegetables and a growing ethnic foods industry³⁸.

7.3 Sub-regional hot spots of employment

Key centres for the food & drink cluster include Birmingham, Worcestershire, Shropshire and Sandwell. While Worcestershire has seen a rapid growth in employment in recent years, increasing its relative importance as a centre for the cluster, significant numbers of new jobs have also been created in Warwickshire and Herefordshire.

7.4 Future prospects

7.4.1 Drivers of skills change

The combined impact of the demands of the major retailers and more diverse consumer demand, aligned global sourcing of raw materials, tighter requirements for waste management and the need to control energy use and carbon emissions is set to create major challenges for the cluster going forward³⁹.

7.4.2 Emerging skill needs

To respond effectively to these challenges companies need to address labour and skill gaps associated with an ageing workforce. Despite falling overall employment levels there are expected to be around 12,000 vacancies within the sector by 2012, notably in roles such as food technologists, chemists, microbiologists, engineers and fitters. Unfortunately, however, the sector is not regarded particularly highly as a career path and there are difficulties attracting school leavers and graduates.

³⁸ Source: AWM Cluster Skills Research 2008

³⁹ Improve Sector Skills Council – Sector Skills Agreement West Midlands Summary 2007

8 ICT

8.1 Headline statistics

| GVA⁴⁰ & employment⁴¹ trends | |
|--|---|
| Current GVA (2006) | +£4.4bn |
| Employment (2007) | 67,000 |
| Employment trend (03/07) | -600 |
| Employment hotspots | Birmingham, Warwickshire, Solihull, Worcestershire, Telford & Wrekin & Coventry |
| Impact of the recession⁴² | |
| Redundancies (Oct 2008-Oct 2009) | +11% |
| Notified vacancies (Oct 2008-Oct 2009) | -25% |
| Future prospects - GVA⁴³ | |
| Short term (2009-2010) | +£60m |
| Medium term (2009-2014) | +£662m |
| Longer term (2009-2024) | +£3bn |
| Future prospects - employment⁴⁴ | |
| Short term (2009-2010) | - |
| Medium term (2009-2014) | +3,000 |
| Longer term (2009-2024) | Net change +15,000, replacement demand +17,400 |
| Workforce demographics⁴⁵ | |
| Aged 16-24 years | 9% |
| Aged 45+ years | 29% |
| % BME groups | 9% |
| % qualified to level 4 | 49% |
| % with no qualifications | 2% |

⁴⁰ WMRO Measuring Regional Innovation report (October 2009)

⁴¹ ONS Annual Business Inquiry 2007

⁴² Source: Jobcentre Plus 2009

⁴³ WMRO Integrated Policy Model

⁴⁴ WMRO Integrated Policy Model

⁴⁵ ONS Labour Force Survey 2008

8.2 Recent trends in employment and drivers of change

The ICT cluster has strengths in hardware manufacturing and reselling, software development, installation & maintenance, outsourced ICT Services and IT consultancy & training. It supports nearly 68,000 jobs in the region⁴⁶

8.3 Sub-regional hot spots of employment

The digital media cluster is centred on Birmingham, Warwickshire, Worcestershire and Staffordshire. The most significant growth in employment, between 2003 and 2007, meanwhile, has been in Wolverhampton, Sandwell and Walsall.

8.4 Future prospects

8.4.1 Drivers of skills change

Key growth market opportunities within digital media include:

- Developing digital content for entertainment, with a focus on film, television, games, audio and music
- Exploiting digital content to develop innovative and future focused education and encourage a healthy lifestyle
- Using digital media in a range of business activities such as training, scenario and business planning and virtual conferences

8.4.2 Emerging skill needs

The region's businesses need to develop the skills required to successfully exploit these opportunities. To make this happen there is a need to address skill gaps among graduates looking to move into the cluster and for training for existing staff to help them keep abreast of new developments and technological advances.

⁴⁶ Source: AWM Cluster Skills Research 2009

9 Interiors & Lifestyle

9.1 Headline statistics

| GVA ⁴⁷ & employment ⁴⁸ trends | |
|---|---|
| Current GVA (2006) ⁴⁹ | +£991m |
| Employment (2007) | 30,000 |
| Employment trend (03/07) | -10,100 |
| Employment hotspots | Stoke-on-Trent (ceramics), Birmingham (Jewellery), Worcestershire (carpets in Kidderminster) & Walsall (leather goods). |
| Workforce demographics ⁵⁰ | |
| Aged 16-24 years | 8% |
| Aged 45+ years | 59% |
| % BME groups | 2% |
| % qualified to level 4 | 9% |
| % with no qualifications | 27% |

9.2 Recent trends in employment and drivers of change

The interiors & lifestyle cluster employed more than 30,000 people in 2007 and accounted for nearly 1.5% of jobs in the region. More than 10,000 jobs have been lost since 2003, a decline of some 25%, as activity has been transferred off-shore to lower cost economies such as India and China⁵¹. In particular there was a net loss of more than 7,000 jobs in ceramics. Nevertheless the cluster has strengths in a range of luxury goods markets that are predicted to grow strongly in the future.

⁴⁷ WMRO Measuring Regional Innovation report (October 2009)

⁴⁸ ONS Annual Business Inquiry 2007

⁴⁹ WMRO Measuring Regional Innovation report (October 2009)

⁵⁰ ONS Labour Force Survey 2008

⁵¹ Source: AWM Cluster Skills Research 2008

9.3 Sub-regional hot spots of employment

Employment in the interiors & lifestyles cluster is concentrated in Stoke-on-Trent (ceramics), Birmingham (jewellery), Worcestershire (carpets in Kidderminster) and Walsall (leather goods). There has been particularly significant job shedding in Stoke-on-Trent, Birmingham, Worcestershire and Dudley.

9.4 Impact of recession

Many companies have shed staff to address spare capacity resulting from falling activity and new orders. Between October 2008 and October 2009 there were about 7,300 redundancies in metals & minerals, over 3,000 in other manufacturing and 940 in manufacturing of ceramics & non-metals. In addition the number of vacancies notified to Jobcentres fell by 38%.

9.5 Future prospects

9.5.1 Drivers of skills change

The worldwide market for luxury goods is growing as prosperity and disposable income expands, particularly in rapidly developing countries. Going forward the region has real strength in many of these markets and a wide range of creative businesses and leading brands, notably furniture, furnishings, textiles, carpets, floor and wall coverings, kitchens, bedrooms, bathrooms, ceramics, lighting, window products, interior architecture, fixtures and fittings, jewellery and silver-ware, fashion, clothing and accessories, travel-goods, leather-goods, sports and leisure goods, home-wares, gift-ware and art-wares.

9.5.2 Emerging skill needs

To realise the potential for growth the region's businesses will need to develop new skills in areas such as:

- Business and entrepreneurial skills to complement the design and technical skills within many small and micro businesses
- Skills in design and branding within many more established businesses

10 Medical technologies⁵²

| GVA ⁵³ & employment ⁵⁴ trends | |
|---|--------|
| Current GVA (2006) | +£237m |
| Employment (2007) | 8,000 |
| Employment trend (03/07) | +240 |
| Workforce demographics ⁵⁵ | |
| Aged 16-24 years | - |
| Aged 45+ years | 37% |
| % BME groups | 15% |
| % qualified to level 4 | 36% |
| % with no qualifications | 7% |

10.1 Recent trends in employment and drivers of change

The cluster supports just under 8,000 jobs and employment is rising year on year. Factors such as rising public spending on healthcare products and services and the development of new healthcare technologies are creating significant opportunities for the region's businesses⁵⁶.

⁵² Please note that Jobcentre Plus data on the impact of recession and forecast data from the Observatory's Integrated Policy Model is not available for the very specific activities covered by the cluster. The limited size of the cluster in employment terms also means that reliable data on key employment hot spots is limited.

⁵³ WMRO Measuring Regional Innovation report (October 2009)

⁵⁴ ONS Annual Business Inquiry 2007

⁵⁵ ONS Labour Force Survey 2008

⁵⁶ Source: AWM Cluster Skills Research 2008

10.2 Future prospects

10.2.1 Drivers of skills change

The medical technologies market provides a key opportunity for the region's manufacturing companies. Public spending on healthcare products and services is expected to rise significantly in the coming years, driven by the demands of an ageing population. At the same time there are opportunities associated with the development of new healthcare technology such as telecare and portable diagnostics and treatment and the need to address trends such as the increase in musculo-skeletal disorders and hospital acquired infections.

10.2.2 Emerging skill needs

To be in a position to exploit these opportunities to the full companies need to address shortages in:

- Engineering skills with a medical technology slant
- Management & leadership skills

11 Transport technologies

11.1 Headline statistics

| GVA⁵⁷ & employment⁵⁸ trends | |
|--|---|
| Current GVA (2006) | +£4.1bn ⁵⁹ |
| Employment (2007) | 92,000 |
| Employment trend (03/07) | -36,200 |
| Employment hotspots | Birmingham, Staffordshire, Warwickshire & Wolverhampton |
| Impact of the recession⁶⁰ | |
| Redundancies (Oct 2008-Oct 2009) | +10% |
| Future prospects- GVA⁶¹ | |
| Short term (2009-2010) | -£32m |
| Medium term (2009-2014) | +£244m |
| Longer term (2009-2024) | +£1.2bn |
| Future prospects- employment⁶² | |
| Short term (2009-2010) | -2,000 |
| Medium term (2009-2014) | +1,000 |
| Longer term (2009-2024) | Net change +11,000, replacement demand +72,000 |
| Workforce demographics⁶³ | |
| Aged 16-24 years | 9% |
| Aged 45+ years | 45% |
| % BME groups | 12% |
| % qualified to level 4 | 23% |
| % with no qualifications | 11% |

⁵⁷ WMRO Measuring Regional Innovation report (October 2009)

⁵⁸ ONS Annual Business Inquiry 2007

⁵⁹ WMRO Measuring Regional Innovation report (October 2009)

⁶⁰ Jobcentre Plus 2009

⁶¹ WMRO Integrated Policy Model

⁶² WMRO Integrated Policy Model

⁶³ ONS Labour Force Survey 2008

11.2 Recent trends in employment and drivers of change

Transport technologies employed more than 92,000 people in 2007 and accounted for nearly 4% of all jobs in the region. In particular there was a net loss of almost 21,000 jobs in the automotive industry and a significant knock-on effect within the component supply chain (for example over 5,000 jobs were shed in fabricated metal products over 4,000 jobs were lost in electrical engineering). The rail has also shed nearly 900 jobs since 2003. However, the aerospace industry has created 300 jobs over the same period. While these trends reflect rationalisation and business closures within the cluster they are also a product of⁶⁴:

- Efforts to reduce overheads and drive up productivity
- The need to exploit the benefits of new technology to boost value added and market share
- This is particularly the case for the many companies based in the region operating in global markets

11.3 Sub-regional hot spots of employment

Birmingham, Staffordshire, Warwickshire and Wolverhampton are home to the greatest concentrations of jobs in transport technologies. Wolverhampton, Birmingham, Staffordshire and Coventry have seen particularly sharp contractions in employment.

11.4 Impact of recession

Between October 2008 and October 2009 there were over 3100 redundancies in motor vehicles and the number of automotive vacancies notified to Jobcentres fell by 10%. While employment in the region has contracted by 10% since the start of 2008 8,000 (4%) engineering jobs in the region were estimated to be still at risk in early 2009. Employers have introduced short term working, short term closures and pay and recruitment freezes in an attempt to avoid redundancies and to retain skilled and experienced workers⁶⁵.

⁶⁴ Source: AWM Cluster Skills Research 2008

⁶⁵ Alliance of Sector Skills Councils- The impact of the economic downturn on business and skills in England – 28th May 2009

11.5 Future prospects

11.5.1 Drivers of skills change

In aerospace the key market opportunity for the region's businesses (and indeed those worldwide) will be the development of the new short range replacement aircraft for the Boeing 737 and Airbus A320. In automotive key market opportunities in the immediate future relate to low emission vehicles, intelligent transportation systems and specific niche export markets. In rail there are a number of factors driving future development:

- Higher demand for rail travel is likely due to factors such as increased road congestion and congestion charging in major cities
- There is a need to upgrade trains and stations to conform with the Disability Discrimination Act
- Increasing competition between rail companies is prompting improvements in the quality of the customer experience

11.5.2 Emerging skill needs

In order to win a share of these emerging markets:

- Aerospace businesses will need to develop skills in core disciplines such as design and stress in materials and in strategic leadership & management. There is also a need to recruit more production engineers, apprentices and graduates.
- Automotive firms need to develop skills in strategic management and upgrade basic skills in the workforce. There is also a need to recruit more electronic and control engineers and recruit and retain more graduates.
- Rail firms need to recruit engineers with 'rail specific' knowledge and skills and make a concerted effort to address the problems of an ageing workforce - which reflects a lack of investment in recruitment and training within the industry from the 1970s through to the 1990s.

12 Tourism & leisure

12.1 Headline statistics

| GVA⁶⁶ & employment⁶⁷ trends | |
|--|--|
| Current GVA (2006) | +£3.8bn ⁶⁸ |
| Employment (2007) | 200,000 |
| Employment trend (03/07) | 22,000 |
| Employment hotspots | Birmingham, Staffordshire, Warwickshire & Worcestershire |
| Impact of the recession⁶⁹ | |
| Redundancies (Oct 2008-Oct 2009) | +2% |
| Notified vacancies (Oct 2008-Oct 2009) | -30% |
| Future prospects - GVA⁷⁰ | |
| Short term (2009-2010) | -£27m |
| Medium term (2009-2014) | +£179m |
| Longer term (2009-2024) | +£769m |
| Future prospects - employment⁷¹ | |
| Short term (2009-2010) | -7,000 |
| Medium term (2011-2014) | -9,000 |
| Longer term (2011-2024) | Net change -4,000, replacement demand 72,000 |
| Workforce demographics⁷² | |
| Aged 16-24 years | 38% |
| Aged 45+ years | 27% |
| % BME groups | 15% |
| % qualified to level 4 | 17% |
| % with no qualifications | 10% |

⁶⁶ WMRO Measuring Regional Innovation report (October 2009)

⁶⁷ ONS Annual Business Inquiry 2007

⁶⁸ WMRO Measuring Regional Innovation report (October 2009)

⁶⁹ Jobcentre Plus 2009

⁷⁰ WMRO Integrated Policy Model

⁷¹ WMRO Integrated Policy Model

⁷² ONS Labour Force Survey 2008

12.2 Recent trends in employment and drivers of change

The tourism & leisure cluster employed more than 200,000 people in 2007 (accounting for more than 8% of jobs in the region) and has created nearly 22,000 net new jobs since 2003 (representing growth of 12%). In particular more than 2,000 net new jobs were created in hotels and some 15,000 in the restaurant trade. The region's position in the heart of England and its proximity to the motorway network, which has attracted significant numbers of budget hotels, has helped fuel development and sustain visitor numbers⁷³.

12.3 Sub-regional hot spots of employment

Birmingham, Staffordshire Warwickshire and Worcestershire are key locations for tourism & leisure. While Birmingham has seen a rapid growth in employment in recent years, increasing its relative importance as a centre for the cluster, significant numbers of new jobs have also been created in Dudley, Stoke-on-Trent and Shropshire (see table 1).

Table 1: Key tourism and leisure assets

| Sub-region | Key asset |
|----------------|---|
| Birmingham | International Convention Centre, the National Sealife Centre, the City of Birmingham Symphony Orchestra and Birmingham Royal Ballet |
| Staffordshire | Drayton manor and Alton Towers |
| Warwickshire | Warwick Castle and Shakespeare's Stratford-on-Avon |
| Worcestershire | Severn Valley Railway and the West Midlands Safari Park |
| Dudley | Black Country Living Museum |
| Stoke-on-Trent | Wedgwood Visitor Centre |
| Shropshire | Ironbridge world heritage site |

⁷³ Source: Skills Active Sector Skills Council: review of education and training in the tourism & leisure sector, 2007

12.4 Impact of recession

There were about 630 redundancies in distribution, hotels & restaurants and vacancies fell by 30% between October 2008 and October 2009. Nationally employment declined by just under 1.5% during 2008. Hotels, restaurants and the travel and tourism industry have borne the brunt of the downturn. Pubs, bars and nightclubs and contract catering have fared better, however and are still increasing employment⁷⁴.

12.5 Future skills needs

Going forward tourism & leisure businesses have identified the need to develop a number of important skills, including:

- More competent and effective managers
- Chefs with a high level of technical skills to meet a growing consumer demand for freshly prepared ingredients, cooking from scratch and for a wider range of international cuisines
- Good customer service skills to include behaviours such as genuine interest in the consumer, the ability to spot potential problems and conflict management - which are increasingly seen by employers as a key contributor to competitiveness⁷⁵

⁷⁴ People 1st Sector Skills Council Sector Skills Agreement, 2009

⁷⁵ People 1st Sector Skills Council Sector Skills Agreement, 2007

Appendix 1 - Cluster definitions

Building technologies

- 1411 : Quarrying of stone for construction
- 1413 : Quarrying of slate
- 1421 : Operation of gravel and sand pits
- 2010 : Saw milling and planing of wood, impregnation of wood
- 2020 : Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards
- 2030 : Manufacture of builders carpentry and joinery
- 2430 : Manufacture of paints, varnishes and similar coatings, printing ink and mastics
- 2523 : Manufacture of builders ware of plastic
- 2622 : Manufacture of ceramic sanitary fixtures
- 2626 : Manufacture of refractory ceramic products
- 2630 : Manufacture of ceramic tiles and flags
- 2640 : Manufacture of bricks, tiles and construction products, in baked clay
- 2651 : Manufacture of cement
- 2652 : Manufacture of lime
- 2661 : Manufacture of concrete products for construction purposes
- 2662 : Manufacture of plaster products for construction purposes
- 2663 : Manufacture of ready-mixed concrete
- 2664 : Manufacture of mortars
- 2665 : Manufacture of fibre cement
- 2666 : Manufacture of other articles of concrete, plaster and cement
- 2670 : Cutting, shaping and finishing of stone
- 2681 : Production of abrasive products
- 2721 : Manufacture of cast iron tubes
- 2722 : Manufacture of steel tubes
- 2732 : Cold rolling of narrow strip
- 2733 : Cold forming or folding
- 2811 : Manufacture of metal structures and parts of structures
- 2812 : Manufacture of builders' carpentry and joinery of metal
- 2821 : Manufacture of tanks, reservoirs and containers of metal
- 2822 : Manufacture of central heating radiators and boilers
- 2863 : Manufacture of locks and hinges
- 2923 : Manufacture of non-domestic cooling and ventilation equipment
- 3150 : Manufacture of lighting equipment and electric lamps
- 4511 : Demolition and wrecking of buildings; earth moving
- 4512 : Test drilling and boring
- 4521 : General construction of buildings and civil engineering works
- 4522 : Erection of roof covering and frames
- 4523 : Construction of highways, roads, airfields and sports facilities
- 4524 : Construction of water projects
- 4525 : Other construction work involving special trades

4531 : Installation of electrical wiring and fittings
4532 : Insulation work activities
4533 : Plumbing
4534 : Other building installation
4541 : Plastering
4542 : Joinery installation
4543 : Floor or wall covering
4544 : Painting and glazing
4545 : Other building completion
4550 : Renting of construction or demolition equipment with operator
5113 : Agents involved in the sale of timber and building materials
5153 : Wholesale of wood, construction materials and sanitary equipment
5154 : Wholesale of hardware, plumbing and heating equipment and supplies
5182 : Wholesale of mining, construction and civil engineering machinery
7132 : Renting of construction and civil engineering machinery and equipment
7420 : Architectural and engineering activities and related technical consultancy

Digital media

2231 : Reproduction of sound recording
2232 : Reproduction of video recording
2233 : Reproduction of computer media
2465 : Manufacture of prepared unrecorded media
9211 : Motion picture and video production
9212 : Motion picture and video distribution
9220 : Radio and television activities
9231 : Artistic and literary creation and interpretation
9251 : Library and archive activities

Environmental technologies

2830 : Manufacture of steam generators, except central heating hot water boilers
2911 : Manufacture of engines and turbines, except aircraft, vehicle and cycle engines
2912 : Manufacture of pumps and compressors
3110 : Manufacture of electric motors, generators and transformers
3120 : Manufacture of electricity distribution and control apparatus
3710 : Recycling of metal waste and scrap
3720 : Recycling of non-metal waste and scrap
4011 : Production of electricity
4012 : Transmission of electricity
4013 : Distribution and trade in electricity
4021 : Manufacture of gas
4022 : Distribution of gaseous fuels through mains
4030 : Steam and hot water supply
4100 : Collection, purification and distribution of water
5157 : Wholesale of waste and scrap
9001 : Collection and treatment of sewage
9002 : Collection and treatment of other waste
9003 : Sanitation, remediation and similar activities

Food & drink

1511 : Production and preserving of meat
1512 : Production and preserving of poultry meat
1513 : Production of meat and poultry meat products
1520 : Processing and preserving of fish and fish products
1531 : Processing and preserving of potatoes
1532 : Manufacture of fruit and vegetable juice
1533 : Processing and preserving of fruit and vegetables not elsewhere classified
1541 : Manufacture of crude oils and fats
1542 : Manufacture of refined oils and fats
1543 : Manufacture of margarine and similar edible fats
1551 : Operation of dairies and cheese making
1552 : Manufacture of ice cream
1562 : Manufacture of starches and starch products
1571 : Manufacture of prepared feeds for farm animals
1572 : Manufacture of prepared pet foods
1581 : Manufacture of bread; manufacture of fresh pastry goods and cakes
1582 : Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes
1583 : Manufacture of sugar
1584 : Manufacture of cocoa, chocolate and sugar confectionery
1585 : Manufacture of macaroni, noodles, couscous and similar farinaceous products
1586 : Processing of tea and coffee
1587 : Manufacture of condiments and seasonings
1588 : Manufacture of homogenised food preparations and dietetic food
1589 : Manufacture of other food products not elsewhere classified
1591 : Manufacture of distilled potable alcoholic beverages
1592 : Production of ethyl alcohol from fermented materials
1593 : Manufacture of wines
1594 : Manufacture of cider and other fruit wines
1595 : Manufacture of other non-distilled fermented beverages
1596 : Manufacture of beer
1597 : Manufacture of malt
1598 : Manufacture of mineral waters and soft drinks
1600 : Manufacture of tobacco products
2953 : Manufacture of machinery for food, beverage and tobacco processing
5111 : Agents involved in the sale of agricultural raw materials, live animals, textile raw materials and semi-finished goods
5117 : Agents involved in the sale of food, beverages and tobacco
5121 : Wholesale of grain, seeds and animal foods
5122 : Wholesale of flowers and plants
5123 : Wholesale of live animals
5124 : Wholesale of hides, skins and leather
5125 : Wholesale of unmanufactured tobacco
5131 : Wholesale of fruit and vegetables
5132 : Wholesale of meat and meat products
5133 : Wholesale of dairy produce, eggs and edible oils and fats
5134 : Wholesale of alcoholic and other beverages

5135 : Wholesale of tobacco products
5136 : Wholesale of sugar and chocolate and sugar confectionery
5137 : Wholesale of coffee, tea, cocoa and spices
5138 : Wholesale of other food including fish, crustaceans and molluscs
5139 : Non-specialised wholesale of food, beverages and tobacco
5188 : Wholesale of agricultural machinery and accessories and implements, including tractors

ICT

3002 : Manufacture of computers and other information processing equipment
3210 : Manufacture of electronic valves and tubes and other electronic components
3220 : Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy
3230 : Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods
5184 : Wholesale of computers, computer peripheral equipment and software
6420 : Telecommunications
7133 : Renting of office machinery and equipment including computers
7210 : Hardware consultancy
7221 : Publishing of software
7222 : Other software consultancy and supply
7230 : Data processing
7240 : Data base activities
7250 : Maintenance and repair of office, accounting and computing machinery
7260 : Other computer related activities

Interiors & lifestyle

1751 : Manufacture of carpets and rugs
1810 : Manufacture of leather clothes
1821 : Manufacture of workwear
1822 : Manufacture of other outerwear
1823 : Manufacture of underwear
1824 : Manufacture of other wearing apparel and accessories not elsewhere classified
1830 : Dressing and dyeing of fur; manufacture of articles of fur
1920 : Manufacture of luggage, handbags and the like, saddlery and harness
1930 : Manufacture of footwear
2613 : Manufacture of hollow glass
2621 : Manufacture of ceramic household and ornamental articles
2741 : Precious metals production
3350 : Manufacture of watches and clocks
3611 : Manufacture of chairs and seats
3612 : Manufacture of other office and shop furniture
3613 : Manufacture of other kitchen furniture
3614 : Manufacture of other furniture
3621 : Striking of coins and medals
3622 : Manufacture of jewellery and related articles not elsewhere classified
5115 : Agents involved in the sale of furniture, household goods, hardware and ironmongery
5116 : Agents involved in the sale of textiles, clothing, footwear and leather goods
5141 : Wholesale of textiles
5142 : Wholesale of clothing and footwear

5143 : Wholesale of electrical household appliances and radio and television goods

5273 : Repair of watches, clocks and jewellery

Medical technologies

2441 : Manufacture of basic pharmaceuticals

2442 : Manufacture of pharmaceutical preparations

3310 : Manufacture of medical and surgical equipment and orthopaedic appliances

3340 : Manufacture of optical instruments and photographic equipment

5146 : Wholesale of pharmaceutical goods

Business & Professional Services

7310 : Research and experimental development on natural sciences and engineering

7320 : Research and experimental development on social sciences and humanities

7411 : Legal activities

7412 : Accounting, book-keeping and auditing activities; tax consultancy

7413 : Market research and public opinion polling

7414 : Business and management consultancy activities

7415 : Management activities of holding companies

7440 : Advertising

7487 : Other business activities not elsewhere classified

Tourism & leisure

3630 : Manufacture of musical instruments

3640 : Manufacture of sports goods

3650 : Manufacture of games and toys

5510 : Hotels

5521 : Youth hostels and mountain refuges

5522 : Camping sites, including caravan sites

5523 : Other provision of lodgings not elsewhere classified

5530 : Restaurants

5540 : Bars

5551 : Canteens

5552 : Catering

6120 : Inland water transport

6322 : Other supporting water transport activities

7110 : Renting of automobiles

7122 : Renting of water transport equipment

9213 : Motion picture projection

9232 : Operation of arts facilities

9233 : Fair and amusement park activities

9234 : Other entertainment activities not elsewhere classified

9252 : Museum activities and preservation of historical sites and buildings

9253 : Botanical and zoological gardens and nature reserve activities

9261 : Operation of sports arenas and stadiums

9262 : Other sporting activities

9271 : Gambling and betting activities

9272 : Other recreational activities not elsewhere classified

Transport technologies

2511 : Manufacture of rubber tyres and tubes

2512 : Retreading and rebuilding of rubber tyres
2751 : Casting of iron
2752 : Casting of steel
2753 : Casting of light metals
2754 : Casting of other non-ferrous metals
2840 : Forging, pressing, stamping and roll forming of metal; powder metallurgy
2851 : Treatment and coating of metals
2852 : General mechanical engineering
2874 : Manufacture of fasteners, screw machine products, chains and springs
2914 : Manufacture of bearings, gears, gearing and driving elements
2951 : Manufacture of machinery for metallurgy
3140 : Manufacture of accumulators, primary cells and primary batteries
3161 : Manufacture of electrical equipment for engines and vehicles not elsewhere classified
3410 : Manufacture of motor vehicles
3420 : Manufacture of bodies (coachwork) for motor vehicles: manufacture of trailers and semi-trailers
3430 : Manufacture of parts and accessories for motor vehicles and their engines
3511 : Building and repairing of ships
3512 : Building and repairing of pleasure and sporting boats
3520 : Manufacture of railway and tramway locomotives and rolling stock
3530 : Manufacture of aircraft and spacecraft
3541 : Manufacture of motorcycles
3542 : Manufacture of bicycles
3543 : Manufacture of invalid carriages

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