

Engineering and Manufacturing Sector Profile

Skills and Employability Team

Staffordshire County Council

2024



- Above average earnings in sector₁
- Business confidence in region 4th highest in UK₂
- Excellent connectivity to support growth
- Growing business base₃
- Job growth rate predicted to be above regional level to 2030₄
- Produced £2.8bn GVA 2020 (Manufacturing)

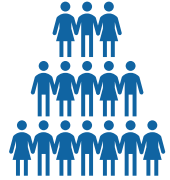
- Capitalise on new technologies such as AI, automation, green to drive key sector
- Develop strong enterprise offer to encourage new SMEs in sector
- International market demand
- Attract more diverse workforce given low level of female/minority ethnic workers₅
- Engineering & Technology jobs predicted to grow in all UK regions₆
- Job postings in sector increased by 1 million 2019 to 2023₇



- Adult skills levels lower in this sector and shortages of skilled workers
- Declining apprenticeship starts₈
- Job vacancies bias towards low skilled roles
- Investment in R&D and training lower in this sector₉
- Lower level of business growth than regional and national levels

- Addressing labour skills gaps in sector
- Attracting new business investment
- Increasing productivity and supporting new business development
- Raising aspirations amongst young people to pursue careers in sector and improve skills levels generally
- Supporting sector to progress new technologies, AI, automation, to be more efficient

Headline Findings



45,000 Engineering and Manufacturing jobs in 2022, **12%** of all jobs in Staffordshire, higher than the **7%** of all jobs for England¹



Decline Staffordshire Engineering & Manufacturing jobs 2019-2023 **-5.9%** compared to **-4.4%** region, **-0.6%** England. However, **0.6%** growth 2022-2023 in Staffordshire



Produced GVA of **£2.8bn** in 2020, **17%** increase from 2011



Median Advertised Salary for Engineering & Manufacturing sector 2023 in Staffordshire is **£36,500, +33%** higher than average advertised salary for all sectors

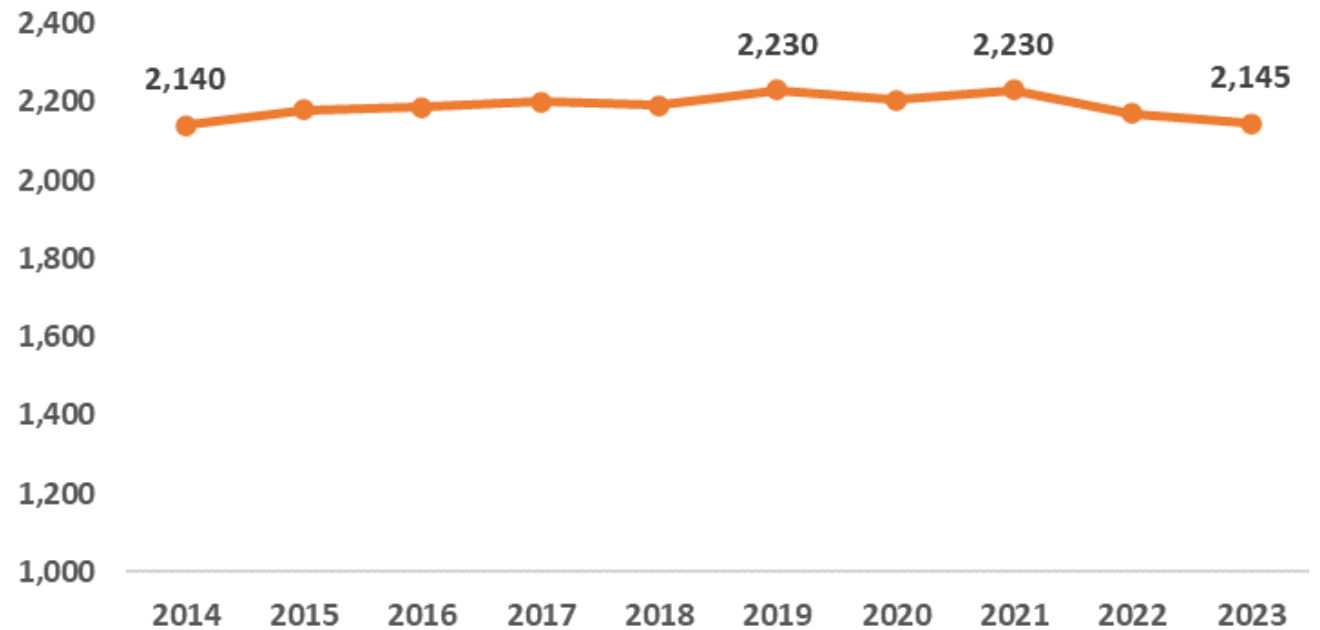
Manufacturing Businesses

There were **2,145** manufacturing businesses based in Staffordshire in 2023. Between 2014-23 there were 5 additional businesses, **+0.2% growth**.

Over the same 10-year period the West Midlands region saw an increase of 2.0% and nationally there was an increase of 6.4%. Therefore, Staffordshire has seen a lower level of recent business growth in this sector.

Notable increases of **+90** businesses or **+4%** in 2019 and 2021 to 2,230 businesses. However there has been a decline in the number of businesses in this sector since 2021 across the county, region and nationally. This is likely reflective of the impact of COVID, Brexit, higher energy costs and Cost-of-living crisis.

Manufacturing Businesses in Staffordshire



Source: UK Business Counts, 2023

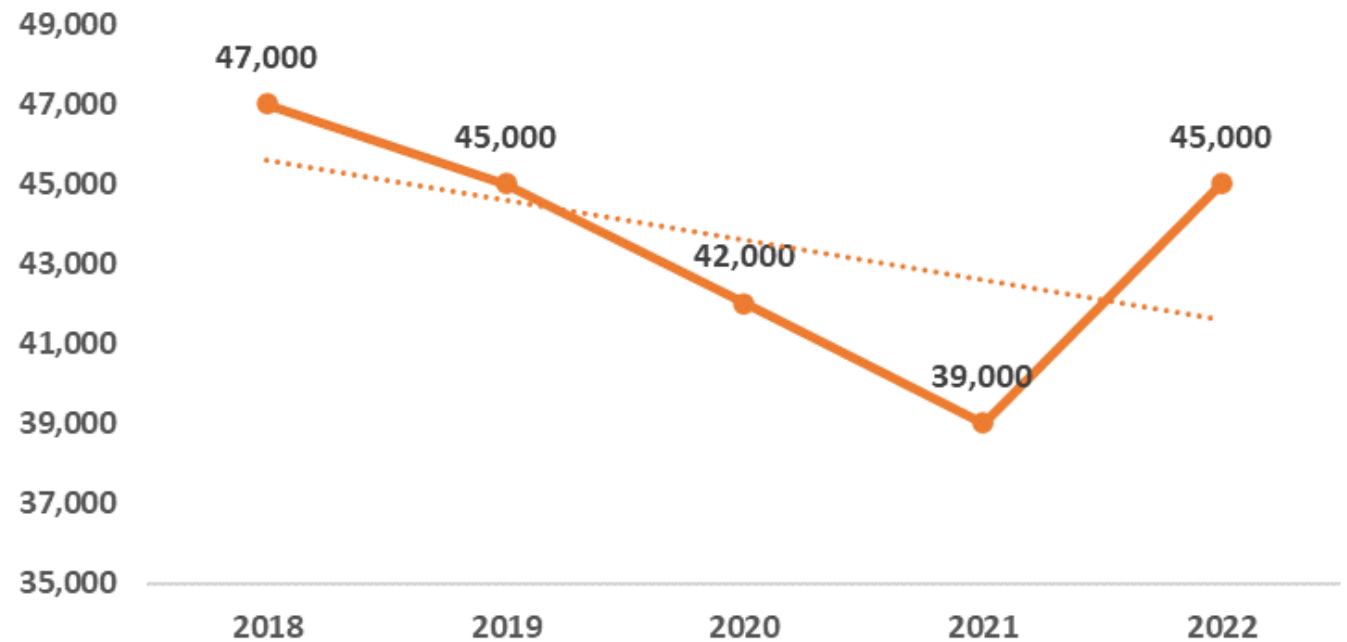
Manufacturing Jobs

In 2022 there were a total of **45,000** manufacturing jobs in Staffordshire. Between 2018 and 2022 there was a decrease of **-2,000 manufacturing jobs or -4.3%**.

Over the same 5-year period the West Midlands region saw a decrease of -0.3% whereas nationally there was a -2.6% decrease. Therefore, Staffordshire has followed a similar trend to the national picture.

Notable decrease in Manufacturing jobs from 2018 to 2021 of -8,000 or -17%. However, in 2022 there was an additional **+6,000 jobs or +15%**. This follows a similar trend regionally and nationally, reflecting the recovery following the pandemic.

Manufacturing Jobs in Staffordshire



Source: Business Register & Employment Survey (BRES), 2022

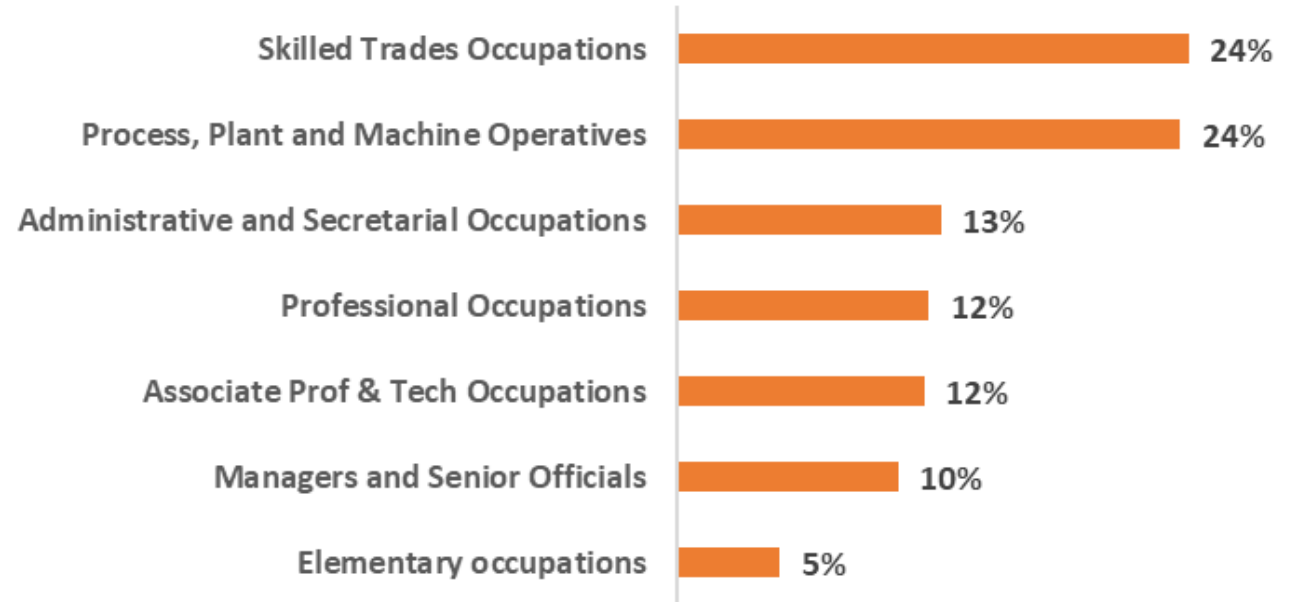
Manufacturing Occupations

24% jobs in Skilled Trades and Process, Plant & Machine Operatives occupations in Staffordshire, compared to regional average 17% to 25% and national average 18% to 20%

34% of jobs in top 3 higher professional occupation groups in Staffordshire compared to regional average 37% and national average 43%

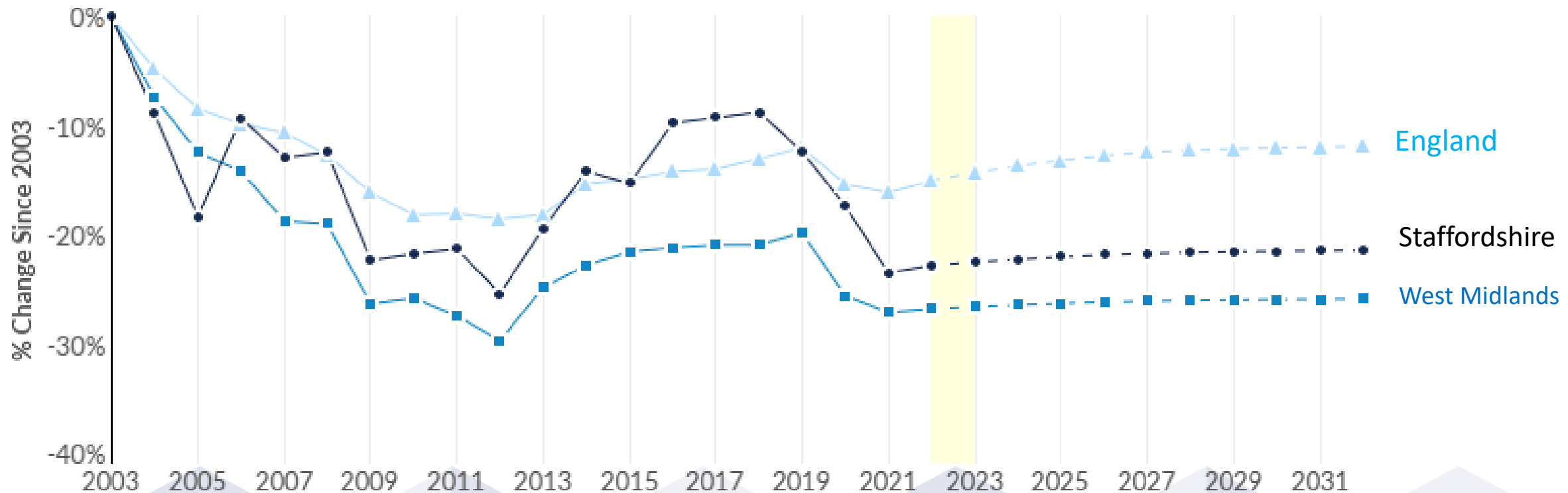
Source: ONS Annual Population Survey – Workplace Analysis, 2023

Occupations in Staffordshire Oct21-Sept22 (%)



Engineering and Manufacturing Jobs Growth Projection

Staffordshire predicted to have a higher level of growth than the region but lower than national: **+2.7%** growth in jobs 2022-2030 (661 more jobs) compared to West Midlands +1.4% and England +3.5% growth.

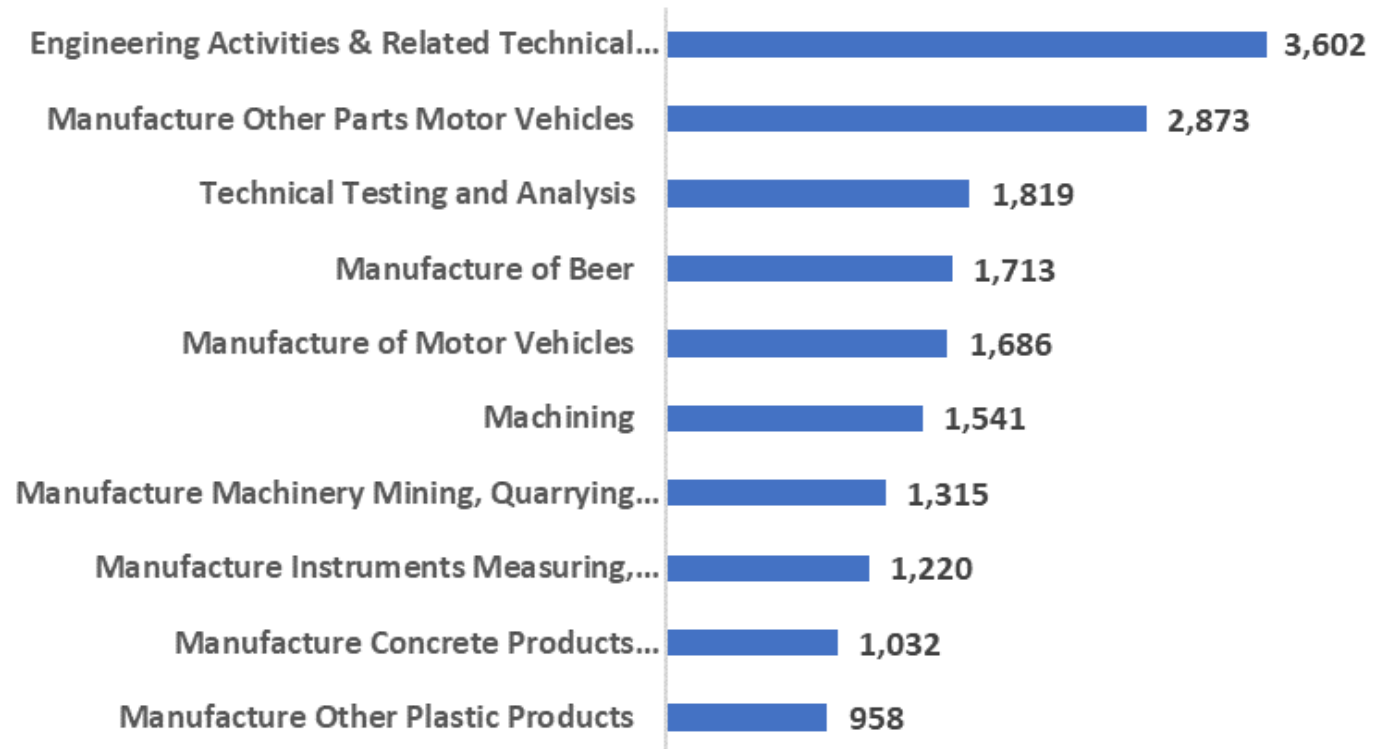


Source: Lightcast Engineering & Electronic Engineering Industry Overview 2023

Engineering and Manufacturing – Sector Make-up

In 2022 the main sub-sector activities for jobs in Staffordshire Engineering and Manufacturing sector included

- **Engineering Activities & Related Technical Consultancy**
- **Manufacture of Parts/Accessories for Motor Vehicles**
- **Technical Testing & Analysis**

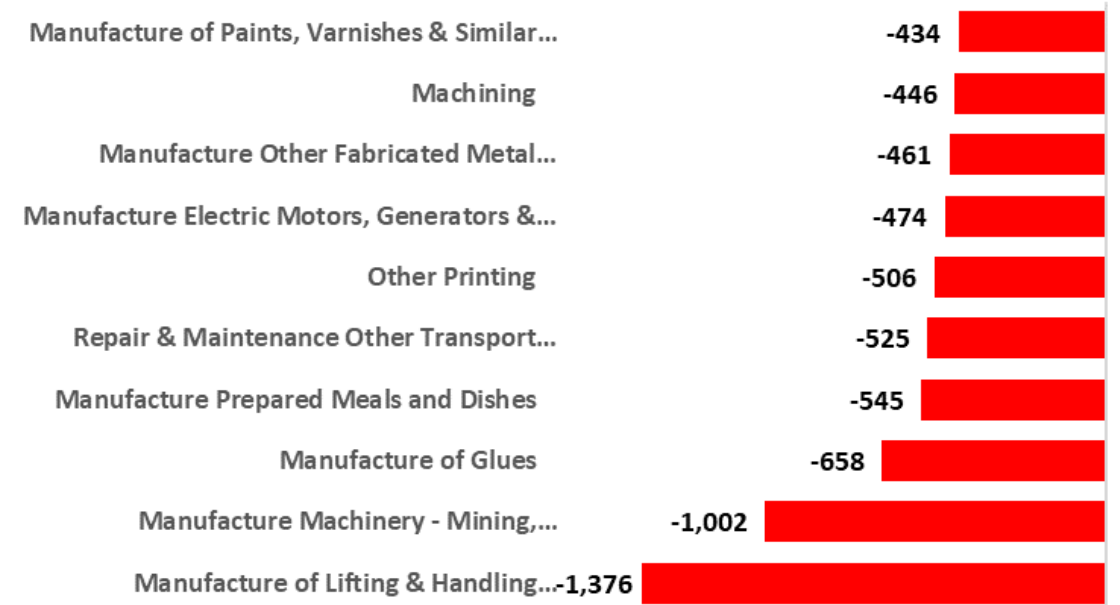
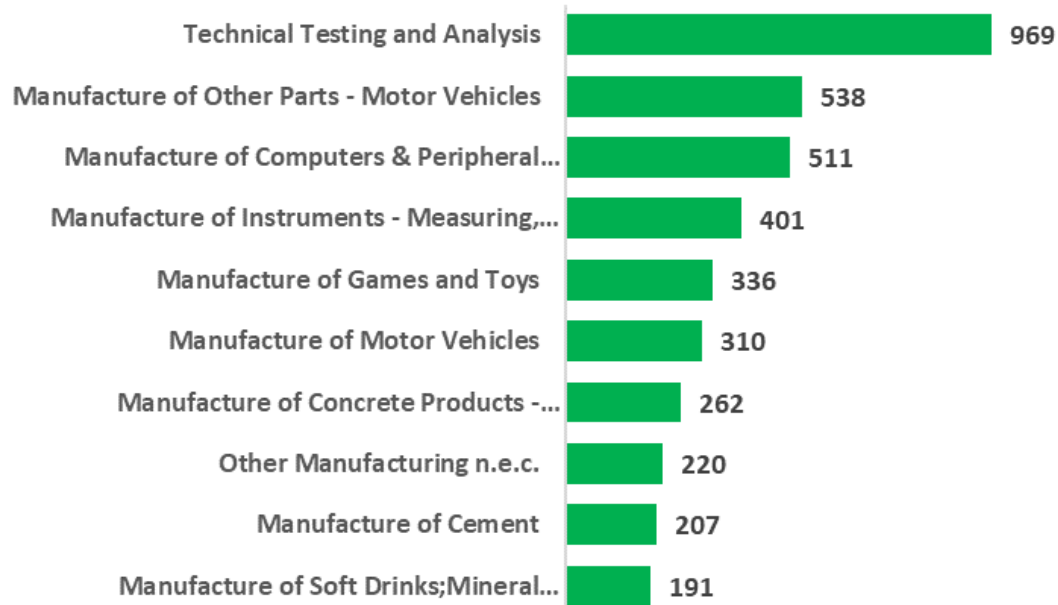


Source: Lightcast Engineering & Electronic Engineering Industry Table, 2022

Engineering & Manufacturing - Sector Jobs Growth & Decline

Top sub-sector growth areas between 2018-22 in Staffordshire included **Technical Testing & Analysis, Manufacture of Other Parts for Motor Vehicles, Manufacture of Computers & Peripheral Equipment**

Main sub-sector decline between 2018-22 in Staffordshire included **Manufacture of Lifting & Handling Equipment; Manufacture of Machinery for Mining, Quarrying & Construction; Manufacture of Glues**



Engineering and Manufacturing Job Postings Trend

Engineering and Manufacturing Job Postings recovered well from the COVID impact and exceeded pre-pandemic levels in June 2023 with 2,023 unique postings.

Engineering Job Postings are 13% higher in November 2023 compared to a year ago, and 236% higher than pandemic levels in May 2020 showing a strong level of growth overall.



Source: Lightcast Job Posting Analytics 2023


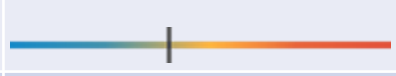


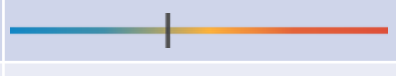
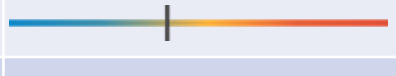
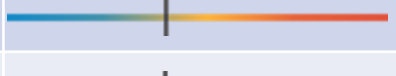

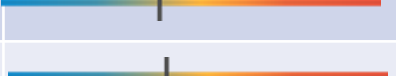
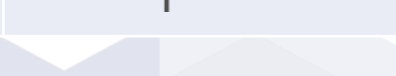
Engineering and Manufacturing – Occupations in Demand

8,100 Unique Postings Nov2022-Oct2023

**Mechanical Engineers,
Engineering Technicians
Production/Process Engineers,**
highest number of vacancies Nov2022-
Oct2023

Average Posting Intensity **2:1** in line with
Regional average

Source: Lightcast Engineering Occupations Nov2022-Oct2023

Occupation	Total/Unique Nov22-Oct23	Ratio	Posting Intensity
Mechanical Engineers	3,592/1,479	2:1	
Engineering Technicians	2,469/1,016	2:1	
Prod./Process Engineers	2,031/944	2:1	
Electrical Engineers	1,625/626	2:1	
Welding Trades	1,160/564	2:1	
Electricians/Elec. Fitters	1,044/427	2:1	
Prod.Manager/Director	798/355	2:1	
Metal Machining Setters	781/318	2:1	
Quality Assurance	511/274	2:1	
Civil Engineers	571/259	2:1	

Engineering and Manufacturing Sector Earnings

Between 2019 and 2023 the median advertised salary for engineering and manufacturing sector in Staffordshire was **£33,500 (+19% growth)** and **+26%** higher than the median advertised salary for all sectors in Staffordshire which stood at £26,600.

Staffordshire has seen a recent increase in the median advertised salary for the engineering and manufacturing sector to **£37,600** in December 2023 with a **+4%** rise during 2023. This improvement is slightly higher than the regional increase +3% but below the +7% growth seen nationally.

Source: Lightcast Job Posting Analytics 2023

Advertised Wage Trend

▲ **19.1%** Jan 2019 – Dec 2023
 £33.5k Median



16,697 Job Postings

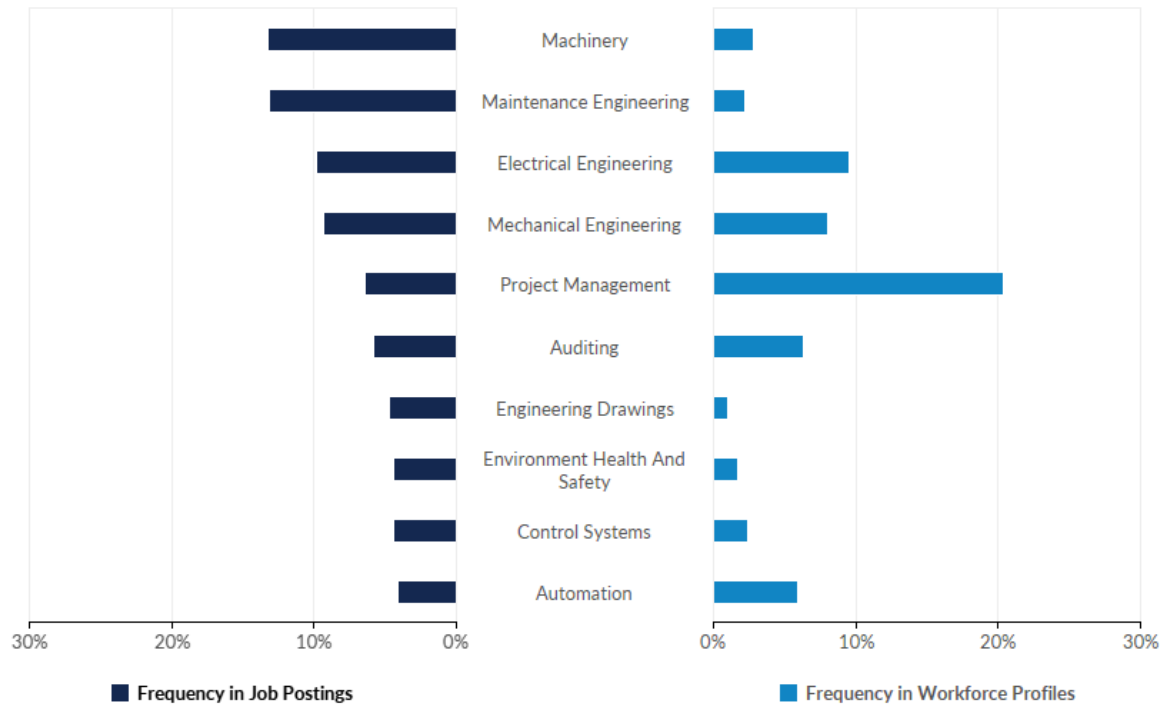


Engineering & Manufacturing Sector Skills Demand & Gaps

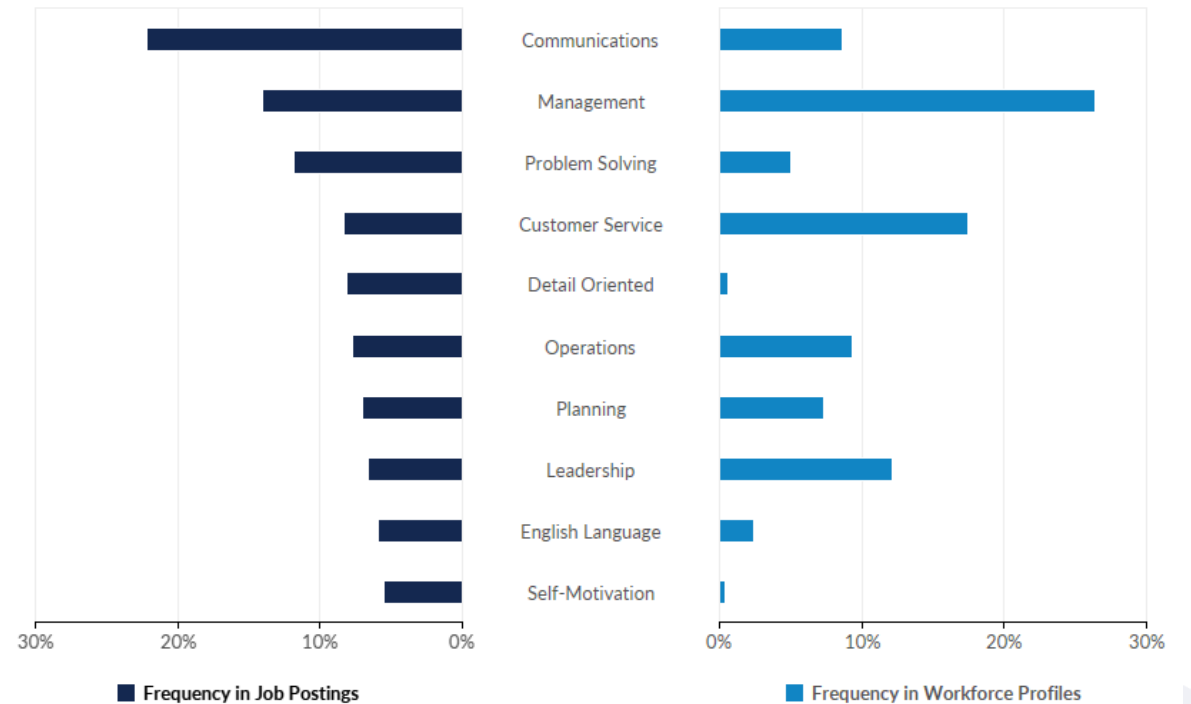
Machinery, Maintenance Engineering & Electrical Engineering most in demand specialised skills

Communications, Management & Problem Solving most in demand common skills

Specialised Skills in Demand (Nov22-Oct23)



Common Skills in Demand (Nov22-Oct23)

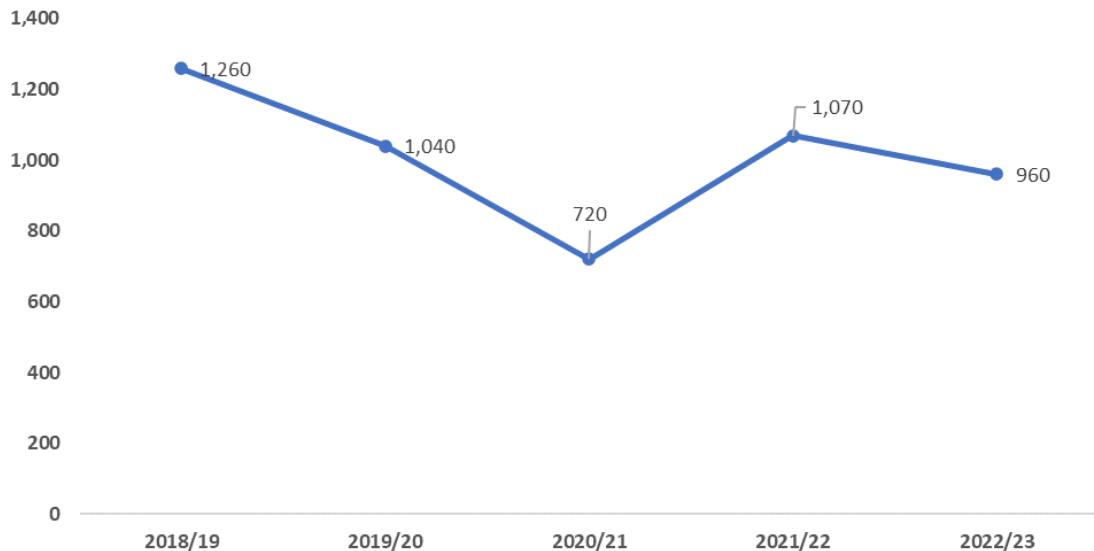


Engineering & Manufacturing Apprenticeship Starts and Achievements

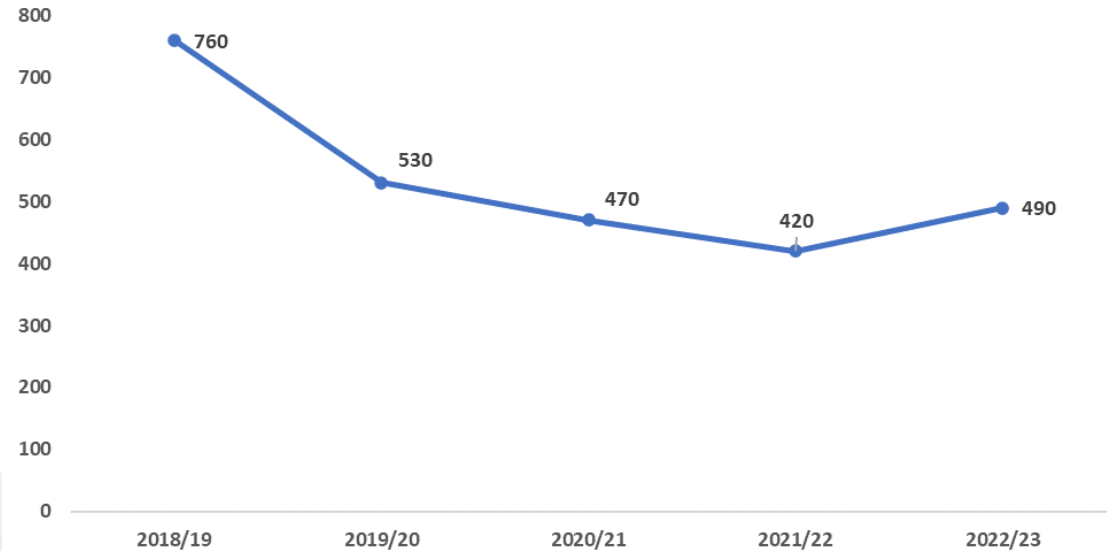
There were 960 Engineering & Manufacturing apprenticeship starts in Staffordshire in 2022/23, showing a **-24%** fall since 2018/19. This compares to a -23% fall over the same 5-year period in England.

There were 490 Engineering & Manufacturing apprenticeship achievements in Staffordshire in 2022/23, showing a **-36%** fall since 2018/19. This compares to a -30% fall over the same 5-year period in England.

Staffordshire Engineering and Manufacturing Technologies Apprenticeship Starts



Staffordshire Engineering and Manufacturing Technologies Apprenticeship Achievements



Opportunities for Growth and Development



Further develop partnerships and support for businesses to gain investment to develop new technologies and grow. Staffordshire has a strong business base of **2,145** Manufacturing businesses to build upon.



Support businesses to capitalise on international market demand to grow the local economy as the West Midlands region accounts for **8%** of the UK's total goods exports.



Further support learner achievement and raise adult skill levels to ensure the future workforce has the right technical and **STEM** based skills as 1 in 5 jobs - **19%** of jobs in the UK are in Engineering.



Address declining trend of apprenticeship starts **-24%** since 2018/19 and achievements and encourage young learners to pursue careers in this sector as Staffordshire is predicted to have a higher level of growth than the region to 2030.