



MANCHESTER
CITY COUNCIL

Skills Demand & Supply in Manchester

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Economy Scrutiny Committee 22nd July 2015

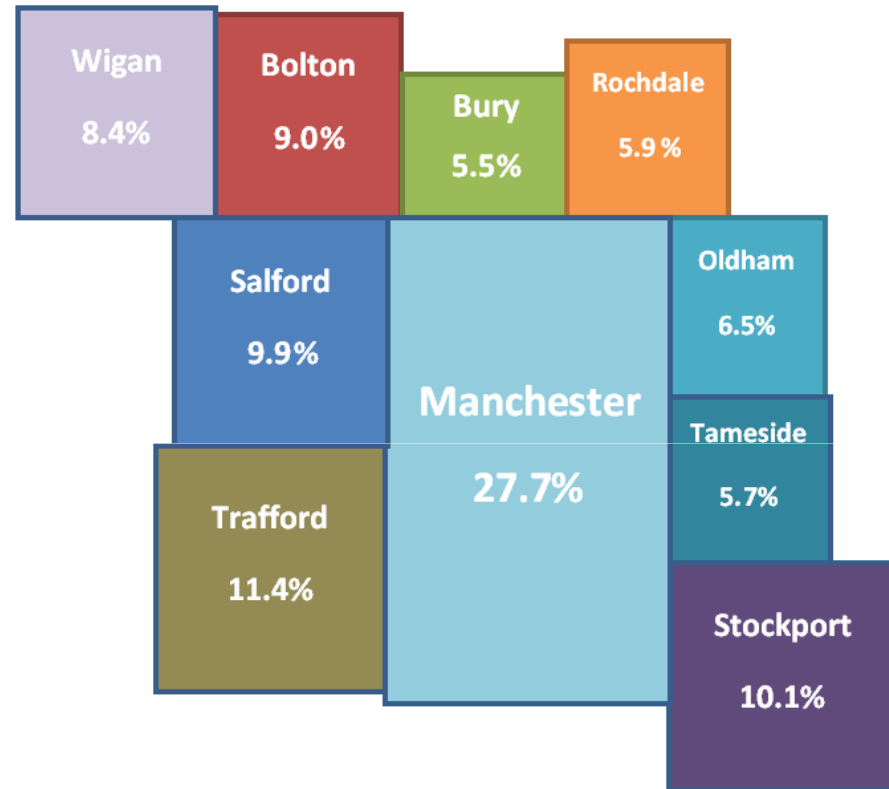
Demand

Job growth will be focussed in the core of the conurbation

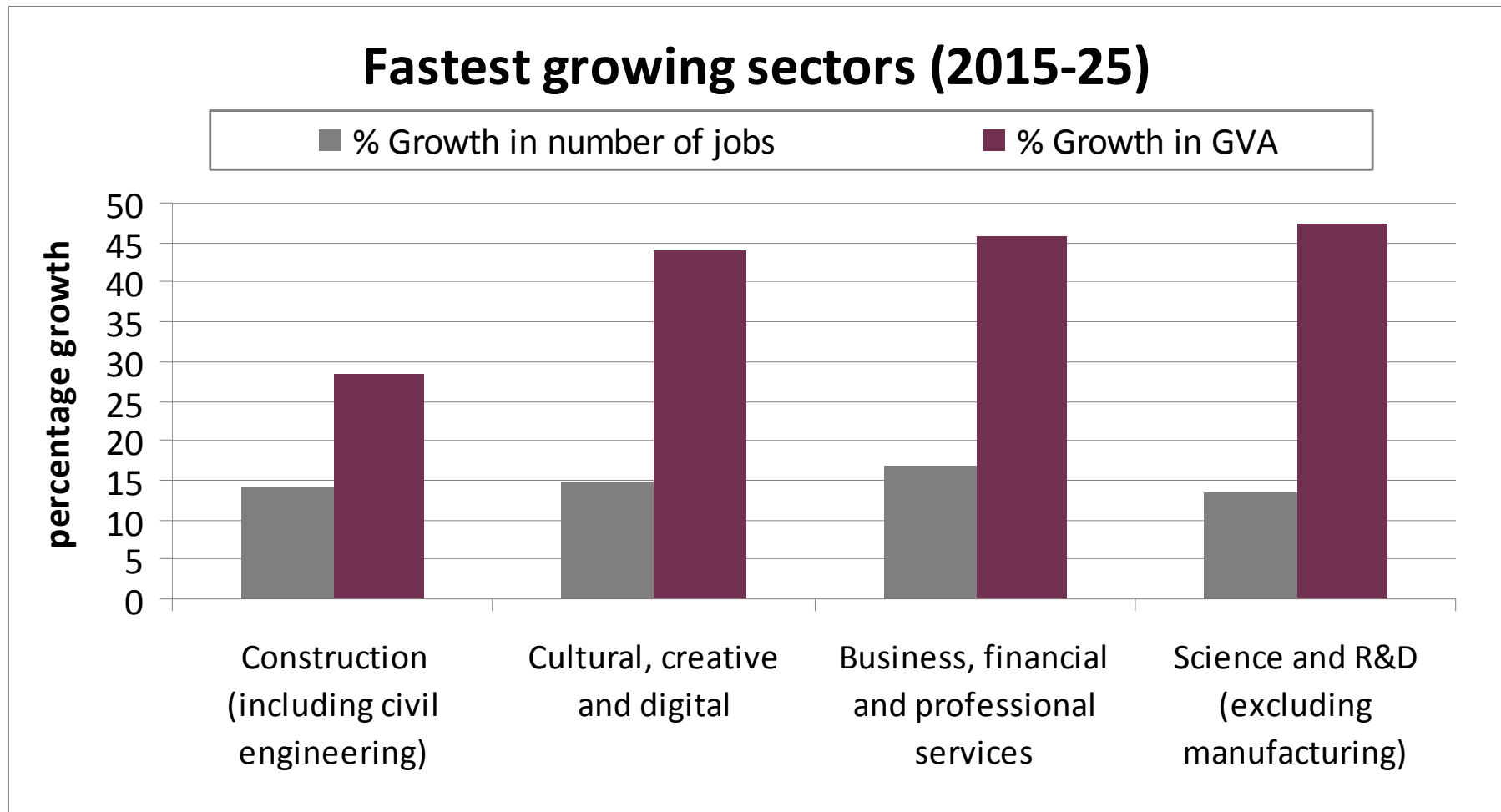
- 39% of new GM jobs over the next 10 years will be created in Manchester

Local Authority	Jobs 2014-2024
Manchester	43,000
Salford	17,000
Trafford	13,000
Bolton	11,000
Stockport	10,000
Bury	5,000
Wigan	4,000
Oldham	4,000
Rochdale	2,000
Tameside	2,000
Total	111,000

- Over 27% of all jobs in GM are located in Manchester



Manchester has 4 clear growth sectors over the next decade



Snapshot of job vacancies by occupation in Manchester 5th February – 5th May 2015

Occupation Group	% of Total Jobs 5 th Feb – 5 th May 2014	% of Total Jobs 5 th Feb – 5 th May 2015	Total Number of Jobs 5 th Feb – 5 th May 2015
PROFESSIONAL OCCUPATIONS	32.7	35.2	14,091
ASSOCIATE PROFESSIONAL & TECHNICAL	26.8	23.4	9,346
ADMINISTRATIVE & SECRETARIAL	10.0	9.4	3,753
MANAGERS, DIRECTORS & SENIOR OFFICIALS	8.7	8.6	3,434
SALES & CUSTOMER SERVICE	8.0	7.2	2,883
SKILLED TRADES	4.1	4.7	1,893
ELEMENTARY	3.0	4.1	1,631
PROCESS, PLANT & MACHINE OPERATIVE	3.1	4.1	1,625
CARING, LEISURE & OTHER SERVICE	3.6	3.4	1,369

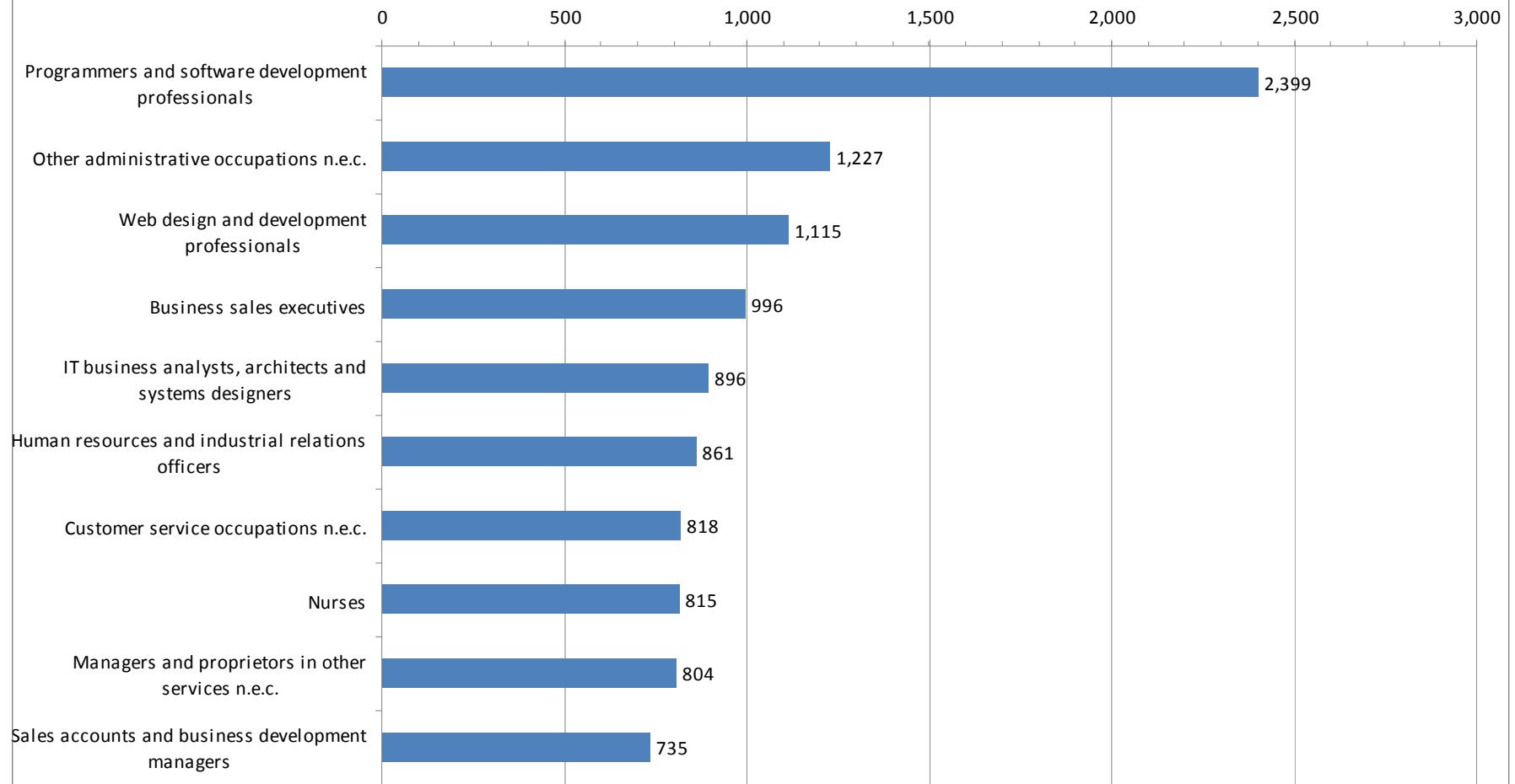
Source: Labour Insight

Slide 5

Note:

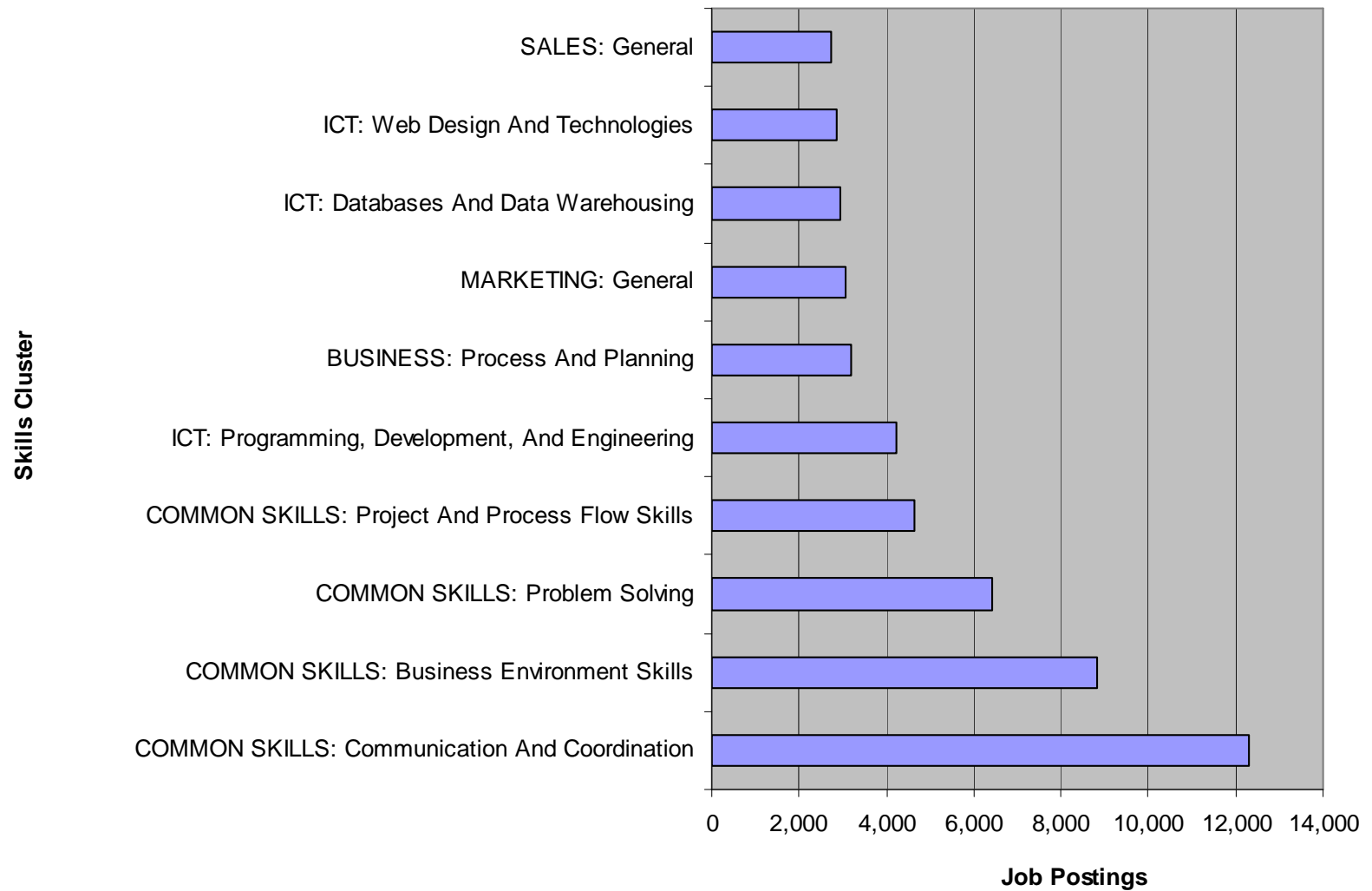
5th Feb – 5th May 2014 period = 33,245 postings,

Top 10 detailed Manchester occupations Feb 5th - May 5th 2015



Source: Labour Insight

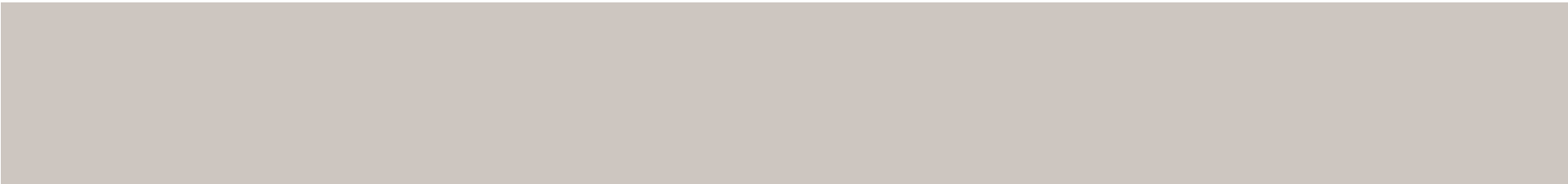
Top 10 Skills Clusters referenced in Manchester job adverts Feb 5th - May 5th 2015



Business Growth, next 12 months, GM Business Survey 2014

- Over 500 Manchester businesses surveyed –
- 31% of employers anticipate an increase in staff next year
- More than half (54%) of employers anticipate increasing turnover
- Sectors with highest number of positive respondents for predicted employee growth are Information and Communications (59%); Professional, Scientific/ Technical (45%); Transport & Storage (38%)
- Manufacturing respondents most likely to anticipate reduction in turnover (20% of respondents) and/or employee numbers (11% of respondents)

Participation in training

- Around seven in ten (69%) of employers provided internal training in last 12 months (73% in 2013).
 - 45% have provided external training (41% in 2013).
 - Levels of internal training were higher than average within larger businesses: 83% of those with 11-49 employees; 93% of those with 50+ employees.
 - Levels of external training were higher than average within larger businesses: 56% of those with 11-49 employees; 70% of those with 50+ employees.
 - Overall, 80% of employers in Manchester provided training in 2014, in line with 2013.
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Apprenticeships

- Just under one in five Manchester businesses (17%, compared to 15% in 2013) currently employs any apprentices, irrespective of age group.
- Larger companies (50+ employees) are more likely to employ apprentices, as are firms in the construction and professional/technical sectors
- Among all employers, 25% consider that they are likely to employ apprentices aged 16 to 18 in the future (14% in 2013), rising to 34% for apprentices aged 19 to 24 (19% in 2013) and 34% for apprentices 25 and older (17% in 2013).

View From Businesses

- GM Annual Business Survey 2014. 25% stated that lack of staff/skills was a constraint to growth
- Employers recognise the importance of school leavers achieving good academic qualifications
- Employers also recognise the value softer skills such as good communication, punctuality, enthusiasm and the right attitude for all ages
- A 2013 Confederation of British Industry (CBI) survey of 294 firms employing 1.24 million workers found:
 - 32% are dissatisfied with school & college leavers' basic literacy & numeracy skills
 - 55% say school leavers lack right work experience & key attributes required for success
 - 39% struggle to recruit worker with the advanced, technical STEM (Science Technology Engineering Maths) skills they need

Supply –

**SFA(&EFA) Datacube 2012/13
and 2013/14 analysis by age
and course**

Science and maths is still the most popular L3 course by some distance

Figure 2. Number of EFA funded course starts by Manchester residents (16-18) by subject and level 2012/13 - 2013/14

Course	Entry level		Level 1		Level 2		Level 3	
	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14
01 - Health, Public Services and Care	107	77	470	391	675	724	749	843
02 - Science and Mathematics			33	75	790	1,042	4,250	4,390
03 - Agriculture, Horticulture and Animal Care		1	51	47	53	33	61	35
04 - Engineering and Manufacturing Technologies	67	89	230	194	357	277	140	127
05 - Construction, Planning and the Built Environment	22	6	261	273	173	221	87	90
06 - Information and Communication Technology	27	9	451	91	193	167	618	585
07 - Retail and Commercial Enterprise	98	12	511	388	455	329	148	123
08 - Leisure, Travel and Tourism	32	1	431	146	580	381	580	613
09 - Arts, Media and Publishing	8	5	325	131	436	325	2,146	2,208
10 - History, Philosophy and Theology			1,571	1,334	1,150	1,067	634	719
11 - Social Sciences				1	63	36	1,199	1,340
12 - Languages, Literature and Culture	8	3	2	28	609	886	1,267	1,299
13 - Education and Training					3	7		4
14 - Preparation for Life and Work	6,235	4,548	6,844	4,466	2,605	1,537	550	655
15 - Business, Administration and Law	22	1	139	103	244	362	1,614	1,818
Grand Total	6,626	4,752	11,319	7,668	8,386	7,394	14,043	14,849

Source: SFA 2013/14

16-18 Overview

- The Manchester College, Loreto & Xaverian Colleges remain the 3 largest providers
- The largest % of course starts are at Level 3, varies by provider
- Many residents study outside the City Council boundary
- The 3 most popular Level 3 courses are; Science & Maths; Arts, Media & Publishing; and Business Administration & Law – strong match to growth sectors
- Advanced Apprenticeship starts have increased, Intermediate remain consistent
- Economic Solutions Ltd (now known as The Skills Company) are the largest apprenticeship provider, followed by The Manchester College
- The most popular apprenticeship sector areas (in order) are; Business Administration; Health & Social Care; Personal Services

Overall numbers have fallen at all levels & sectors with the exception of 'Manufacturing & Engineering'

Figure 6. Manchester resident (19-24) SFA funded course starts by sector 2012/13 - 2013/14

		Entry & Level 1		Level 2		Level 3		Level 4, 5 or Higher		N/A (Other)		Total	
		2012/13	2013/14	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14
High growth sectors	Creative	362	85	47	50	138	149	76	95	101	34	724	413
	Digital	528	330	208	105	91	79	43	13	81	65	951	592
	Education	13	23	65	52	54	43	20	17	34	10	186	145
	Business administration / F&P	410	313	483	404	173	155	95	63	95	75	1,256	1,010
	Health & Social Care	356	232	832	426	295	282	29	28	79	63	1,591	1,031
	Manufacturing & Engineering	129	186	176	233	34	45	16	22	24	11	379	497
Risk of undersupply sectors	Construction	237	64	218	161	51	67	17	7	53	90	576	389
	Retail	486	423	511	504	100	109	2	3	123	9	1,222	1,048
	Tourism	43	20	145	118	66	55	11	21	60	25	325	239
Other sectors	Environment	70	34	23	16	6	9	3	0	10	2	112	61
Non-sector specific	Employability	7,425	6,678	1,286	881	16	6	2	5	1,596	1,852	10,325	9,422
	Academic	9	21	588	657	207	128	7	36	94	22	905	864
	Not applicable	24	104	11	7	0	0	0	0	1,602	1,436	1,637	1,547
	Unknown	0	0	0	0	0	0	6	4	677	204	683	208
	Grand Total	10,092	8,513	4,593	3,614	1,231	1,127	327	314	4,629	3,898	20,872	17,466

Source: SFA 2013/14

19-24 Overview

- The Manchester College & MAES dominate provision
- Course starts have fallen across all levels & sectors with the exception of Manufacturing & Engineering
- Entry/Level 1 Employability accounts for a large proportion of provision
- A large proportion of provision is at Level 2
- The most popular courses are in the Retail; Business Administration, Financial & Professional; Health & Social Care sectors
- Intermediate & advanced apprenticeship starts have fallen
- The Manchester College & Economic Solutions Ltd are the largest apprenticeship providers but there are an array of private operators
- The most popular apprenticeship sector areas (in order) are; Business Administration; Health & Social Care; Tourism & Hospitality

Overall numbers have increased, largely driven by big increase in Entry Level 'Employability' (PFL)

Figure 11. Manchester resident (25+) SFA funded course starts by sector 2012/13 - 2013/14

		Entry & Level 1		Level 2		Level 3		Level 4, 5 or Higher		N/A (Other)		Total	
		2012/13	2013/14	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14
High growth sectors	Creative	613	638	256	139	96	70	40	42	1,553	558	2,558	1,447
	Digital	2,259	2,285	801	387	138	59	25	18	2,249	2,183	5,472	4,932
	Education	80	82	235	238	219	172	189	95	213	94	936	681
	Business administration /F&P	841	945	1,308	1,269	313	198	95	98	746	694	3,303	3,204
	Health & Social Care	1,147	1,236	2,612	2,030	683	414	54	76	669	465	5,165	4,221
	Manufacturing & Engineering	219	846	568	856	40	83	12	18	427	145	1,266	1,948
Risk of undersupply sectors	Construction	438	135	497	541	145	125	17	18	78	116	1,175	935
	Retail	1,299	1,515	1,096	1,409	128	120	3	3	524	92	3,050	3,139
	Tourism	91	25	244	228	44	45	8	12	101	85	488	395
Other sectors	Environment	277	69	77	76	7	13	1	1	48	25	410	184
Non-sector specific	Employability	23,659	30,739	2,845	2,536	11	0	0	3	7,291	10,126	33,806	43,404
	Academic	49	96	985	1,054	147	79	18	44	931	335	2,130	1,608
	Not applicable	36	333	20	29	3	12	0	0	2,596	2,330	2,655	2,704
	Unknown	0	0	0	0	0	0	3	3	1,410	487	1,413	490
	Grand Total	31,008	38,944	11,544	10,792	1,974	1,390	465	431	18,836	17,735	63,827	69,292

Source: SFA 2013/14

25+ Overview

- The Manchester College & MAES dominate provision
- Overall course starts have increased, largely due to a big increase in Entry Level Employability (Preparation for Life)
- A large proportion of provision is at Entry/Level 1 or Not Applicable so difficult to establish whether it matches employer needs
- The most popular courses are in the Digital; Health & Social Care; and Retail sectors
- Advanced apprenticeship starts have almost halved in a year – impact of Learner Loans. Intermediate levels are stable
- The Manchester College, EQL Solutions (Social Care Provider) & ESG Skills Ltd are the 3 largest apprenticeship providers
- Health & Social Care and Business Administration are the most popular apprenticeship sector areas by some distance

Conclusions

- Significant numbers of jobs will be created at the centre of the conurbation over the next decade
- Most vacancies being advertised are at Professional and Associate Professional i.e. generally requiring Level 3+ qualifications
- IT skills are in high demand which correlates with the growth of Creative & Digital
- Employers value common skills such as communication & problem solving
- Although there are 3 main local providers, young people in Manchester are willing to travel across GM to study
- Although the majority of young people aged between 16 to 18 are studying at level 3, there are large numbers of young people studying courses below Level 3
- Business Administration and Health & Social Care are consistently the most popular sector areas
- Government policy is impacting on apprenticeship numbers, particularly over 25, as seen by the impact of learner loans but the increased focus on starts needs to be accompanied by increased quality of provision, attainment and progression