

Manchester City Council Report for Information

Report to: Economy Scrutiny Committee – 22 July 2015

Subject: Draft Manchester Work and Skills Strategy

Report of: Head of Work and Skills

Summary

This Strategy has been developed in parallel with the emerging Manchester Strategy and will help to deliver the city's main work and skills objectives. The Strategy will also support delivery of the Greater Manchester Strategy by ensuring that Manchester's businesses have the skills and talents they need to prosper, and that residents are able to contribute to and benefit from sustained prosperity and a good quality of life. It highlights the priorities, opportunities and challenges which are specific to the city within the Greater Manchester context. Employers, providers and other partners have provided their input throughout the drafting process and previous versions of this document have been discussed by Manchester's Work and Skills Board and Partnership. The views of the Committee are now being sought before the launch of a formal consultation via the Manchester City Council and Manchester Partnership websites.

Recommendations

That the Committee notes and comments on the draft Strategy prior to the launch of a formal consultation.

Wards Affected: All

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

None

Draft Manchester Work and Skills Strategy 2015-2020

Vision:

“Manchester’s vision is to be in the top flight of world class cities, a thriving and sustainable city, as competitive as the best with an internationalised, dynamic and sustainable economy comprising highly skilled, enterprising and industrious people.”

Purpose:

To develop a work and skills system which meets the growth needs of all businesses and enables residents from all backgrounds to obtain the skills and attributes employers require. New and existing businesses will benefit from a growing pool of local talent, whilst residents will be much better equipped to compete within the local labour market. Increasing numbers of residents will be able to access sustainable and healthy work with opportunities for in work progression, resulting in a fairer and more equal city.

Introduction:

This Strategy has been developed to meet the specific needs of Manchester residents, businesses and organisations. It will also help to achieve the broader strategic priorities contained within the emerging Manchester Strategy. Successful delivery will require a collaborative cross-sector approach with available resources being invested in well evidenced early intervention initiatives. Although the Strategy is intended to be as inclusive as possible, there is a recognition that limited public resources mean that residents furthest from work and those in low paid work will be priority cohorts. The move to a more demand led skills system will also put more emphasis on employers to invest in the skills of their current and future workforce. The city’s Work and Skills Board will oversee the delivery of the Strategy.

Spines:

Business and Enterprise

Objectives:

- Develop a business support system focussed on the city’s existing and growing sectors which provides start-up support and enterprise skills
- Create a demand led skills system which is reflective of the city’s current and future economy
- Ensure businesses are at the heart of the skills system, influencing the design and delivery of provision and investing in their current workforce and the workforce of tomorrow
- Make connecting employment opportunities to Manchester residents a priority for businesses
- Develop an education and skills system with meaningful business engagement, which promotes enterprise and fosters an entrepreneurial culture

Outcomes:

- An increase in enterprise within the city evidenced by an increase in the number of business starts and survivals, especially in high growth sectors
- An increase in the number of businesses investing in their workforce and planning for future recruitment via schools and colleges
- More businesses able to grow through recruitment and development of staff that meet their skills needs
- Decrease in the number of businesses citing skills as a barrier to growth or productivity
- Manchester based businesses able to retain local talent
- A simplified skills system influenced by businesses and more responsive to their needs

Priorities:

- Develop an effective framework for employer engagement
- Create a simplified skills offer which employers understand, can engage with and are able to invest in
- Ensure employers in the city maximise employment opportunities for Manchester residents
- Build enterprise skills into education and skills provision to support flexibility and resilience, create a more enterprising workforce and increase business start-ups
- Increase the number of apprenticeships in the city, particularly in growth sectors
- Maximise GM resources within the city to develop a quality business start-up and growth service

Resident Skills

Objectives:

- Improve pathways for young people and adults (especially technical and vocational) via good quality careers advice underpinned by labour market intelligence
- Influence the GM Further Education redesign to ensure it is realigned to the city's needs
- Retain more highly skilled graduates in the city and increase the number of young people accessing advanced and higher level apprenticeships
- Work with the Manchester Strategic Education Partnership to ensure best possible outcomes for secondary school leavers
- Embed the teaching of skills required for emerging sectors within core education provision e.g. coding on the curriculum in schools for the digital sector
- More young people in education, employment or training

Outcomes:

- Increase post-training/education destinations to key growth sectors
- More Manchester residents qualified to Level 3+
- More Manchester residents receiving quality careers advice incorporating real time labour market intelligence

- Increase in the number of graduates living and working in the city particularly STEM (science, technology, engineering and maths) graduates
- More advanced and higher level apprenticeships
- Increase in the number of secondary school and college leavers obtaining the skills and qualifications which are valued by emerging sectors such as STEM subjects

Priorities:

- Prioritise the allocation of resources into those higher level and technical skills that meet the demand of core and growing sectors
- Create opportunities for the city's young people and unemployed residents to experience the world of work and develop their employability and enterprise skills
- Use Devolution powers to develop an effective work and skills offer aligned to the city's priorities which maximises the impact of available resources
- Simplify the skills offer and pathways for residents from all backgrounds, leading to sustainable jobs and career progression
- Improved careers advice with better use of real time labour market intelligence
- Establish and maintain productive relationships between higher education institutes, other providers and businesses to maximise the number of graduate level opportunities in the city

Addressing Inequality

Objectives:

- Develop a clear and coherent work and skills offer for people who are furthest from obtaining work and those cycling between unemployment and low paid work
- Embed work as an outcome in commissioning and reform programmes, especially for those that are at some distance from the labour market
- Reduce the gap between resident and workplace wages
- Support more Manchester residents into work which provides a good standard of living via the Living Wage and Healthy Work principles
- Promote opportunities for in work progression which will increase wages for existing employees and will also generate opportunities for new entrants to the labour market

Outcomes:

- More residents moving into and sustaining work (reduction in the number of out of work benefit claimants)
- Increased income/wages for those in work and career progression opportunities in lower paid roles (less reliance on in work benefits)
- Create a more equitable city by ensuring all residents have access to the same opportunities regardless of geography e.g. access to Higher Education
- Less people out of work because of poor or unhealthy working conditions
- More out of work residents progressing into work following public service reform programme interventions
- More residents achieving at least a Level 2 qualification to ensure they are able to achieve sustainable employment

Priorities:

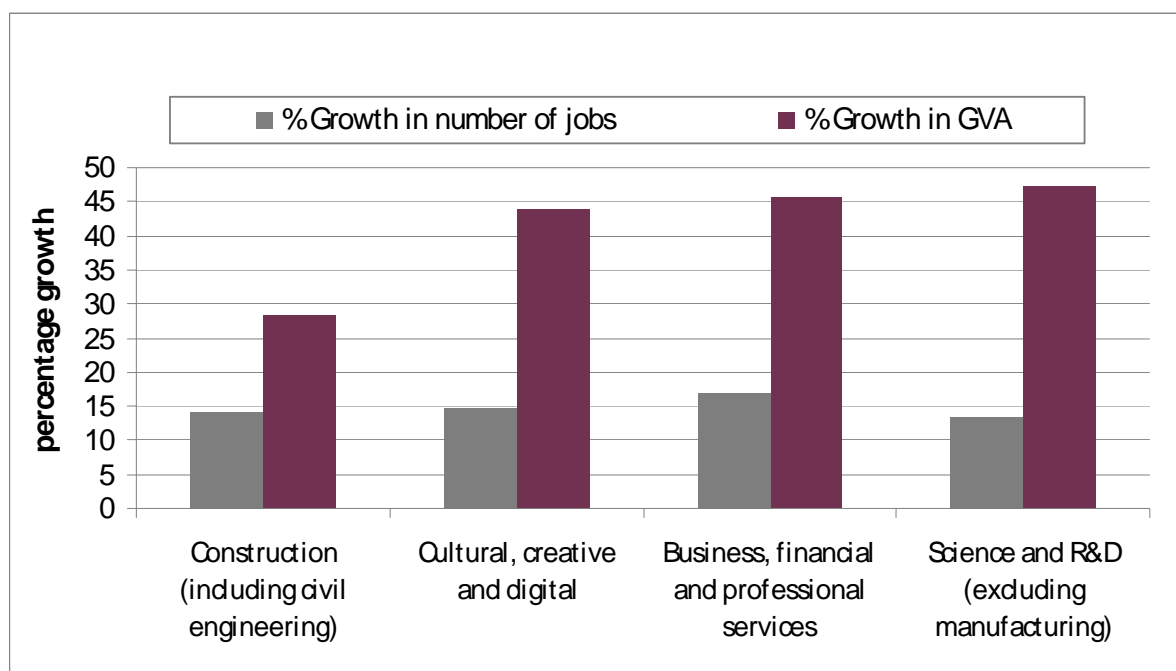
- Develop an intelligence led approach to prioritising and targeting services at specific neighbourhoods and those families and households adversely affected by welfare reforms
- Develop early intervention/prevention of NEET (not in employment, education and training) and embed work and skills within public service reform programmes
- Target reform programme interventions at residents who are furthest from the labour market and need most support to move into work
- Use the GM Devolution deal as a lever to prioritise and incentivise wage progression over job placement within welfare to work interventions
- Gain a greater understanding of employment agencies in the city and specifically whether their activities are contributing to perpetual and cyclical low paid work
- Promote healthy work via the Manchester Health and Wellbeing Board and GM Health Devolution
- Collectively promote the Living Wage to Manchester employers from all sectors
- Tackle digital exclusion by facilitating improved access to online applications for residents

Opportunities:

Growth Sectors

Manchester has four clear projected growth sectors over the next decade as shown in the chart below.

Figure 1: Fastest growing sectors 2015-2025



Source: Greater Manchester Forecasting Model (Oxford Economic Forecasting, 2014)

Key Developments

Future jobs growth will take place at the centre of the conurbation and at strategic locations across the city region. The table below provides a summary of some of the major projects which are planned or underway.

Table 1: Key Developments in the Greater Manchester City Region

Regional Centre Developments	Manchester Developments	GM Developments
<p>Spinningfields & St John's – Spinningfields is the largest centre for business, financial & professional services outside London & the South East. Grade A office space in high demand. St John's Quarter will comprise a mixed use redevelopment including three hotels, the Factory theatre & 2,500 apartments.</p>	<p>Airport City Enterprise Zone – Up to 7,000 new jobs in Business Services, Logistics, Advanced Manufacturing, Hotels & Retail. Key development sites including Airport City North, Medipark & Roundthorn Industrial Estate, Airport City South, Wythenshawe Town Centre & Atlas Business Park.</p>	<p>Port Salford – UK's first tri-modal (road, rail, short-sea shipping) inland port facility. 150 acres & up to 1.5 million sq ft of potential floorspace.</p>
<p>The Corridor – Health, Education, Science, Research & Development hub including world class universities, a hospital, National Graphene Institute, Manchester Science Park and Citylabs.</p>	<p>Manchester Place & Manchester Life – £1 billion of investment in 6,000 new homes. Full range of construction & end use opportunities including apprenticeships & local supply chain.</p>	<p>Salford Quays – Major centre for business, financial & professional services. MediaCityUK is home to over 200 businesses including BBC, ITV, SIS & BUPA.</p>
<p>NOMA – Mixed use development delivering over 4 million sq ft of new & refurbished office space, 15,000 jobs, 1 million sq ft of residential living, 400,000 sq ft of leisure & retail units including a hotel. Particular focus on local labour & apprenticeships within the construction phase.</p>	<p>Etihad Campus – Investment prospectus being created to promote commercial opportunities.</p>	<p>Trafford Park – Home to over 1,300 businesses employing over 35,000 people. New Metrolink line to be opened in 2019/20.</p>
<p>First Street – First Street North includes HOME, a 210 bed 4* hotel, multi-storey car park, Vita residential development & One First St. The overall development can accommodate at least 240,000 sq m of new commercial space & over 11,000 jobs</p>	<p>Strangeways – Resurgent fashion design and manufacturing. Former Boddingtons Brewery SRF which will incorporate a 50/50 residential & commercial split.</p>	<p>Logistics North – 4 million sq ft of floorspace across 250 acres at Junction 4 of the M61. Anchored by Aldi distribution centre which will create 400 jobs.</p>
<p>Civic Quarter – Major new Grade A office developments in St Peter's Square developments</p>	<p>Transport Infrastructure – Significant investment including the Metrolink</p>	<p>Kingsway Business Park – 420 acre site for companies involved in fast</p>

will total over 600,000 sq ft. A new Metrolink tram station is also under construction.	Second City Crossing, Northern Hub rail improvements, Bus Priority Package and future High Speed Rail 2 station at Piccadilly.	moving consumer goods & distribution. Located just off the M62 and served by a Metrolink tram stop which takes 12 minutes from the city centre.
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Challenges:

- Ensuring the Strategy is relevant at neighbourhood, Manchester and GM geographies
- Effective communication of the Strategy to Manchester businesses, providers and organisations
- Working with national and GM stakeholders to support delivery of Manchester's priorities
- Overcoming data sharing limitations between organisations and the inability to accurately track progression
- Using intelligence to project future demographic changes which may influence delivery
- Operating within a period of reduced public funding and possible national policy changes e.g. further welfare reforms