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Inclusive Growth

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Manchester City Council Economy Scrutiny Committee

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Why 'inclusive growth' could be a useful idea: Joining up economic and social policy



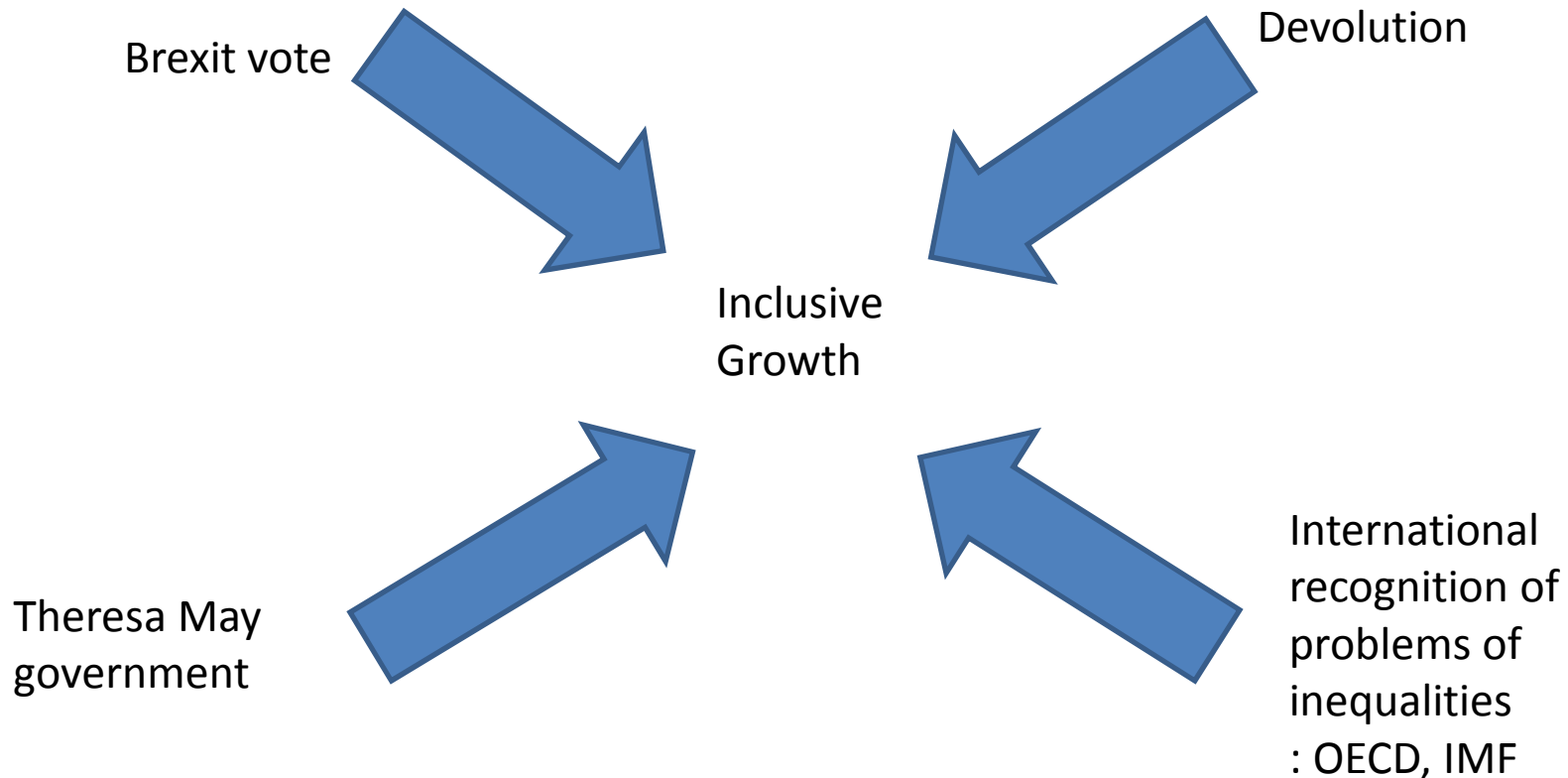
- Inclusion is good for growth (raises productivity)
 - Social welfare is therefore an investment not a drag
- Economic policies have to be seen not just in terms of output or employment growth but in terms of their contribution to social goals

“what kind of a city do we want to live in”



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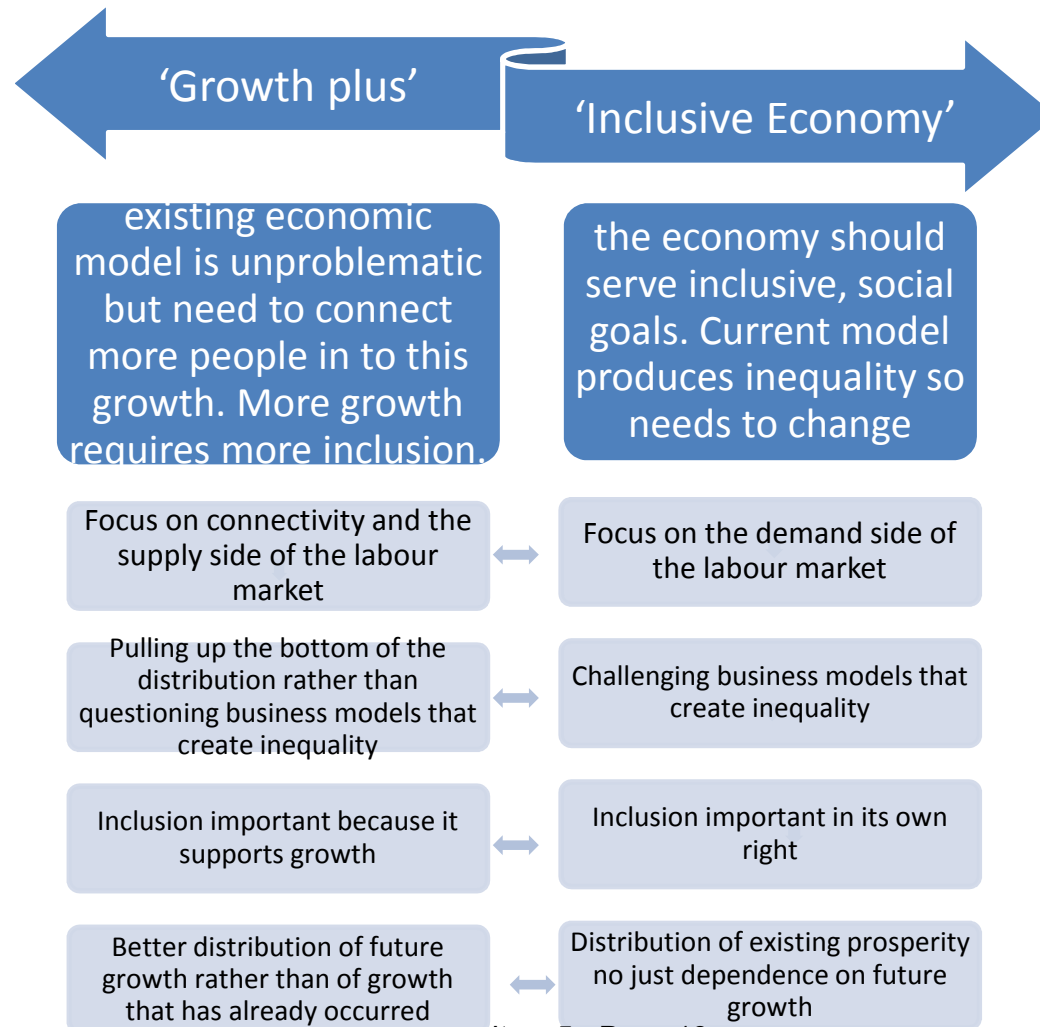
A moment to think and act differently?





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Enables a focus on the nature of growth





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IGAU

- Funded by Joseph Rowntree Foundation and UoM
- Set up Jan 2016, formal launch April 2016, 4 years initially
- Focused 80% on Greater Manchester, 20% other UK cities
- Emphasis on contribution of growth to poverty reduction

- Functions:
 - Research and analysis
 - Convening, influencing
 - Monitoring

An independent resource for the development of Inclusive Growth in Greater Manchester



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Research to date

- Two major reports:
 - Inclusive Growth in GM: Opportunities and Challenges
 - Achieving Inclusive Growth in GM: What can be Done?
- Other research:
 - Inclusive growth indicators for core cities and GM and LeedsCR local authorities.
 - Analysis of residential and travel-to-work typologies for GM and LeedsCR local authorities
 - GM Poverty Monitor (with GM Poverty Action)



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What can be done?

- Two important caveats:
 - IGAU's report was a listening exercise :
 - designed to raise awareness and start discussion
 - NOT a strategy.
 - Proposals not evaluated or costed.
 - Some big areas not well covered
(transport/schools/early years/housing)
 - Inclusive growth cannot all be achieved locally



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Overview

- Two main spheres of action:
 - Developing a more inclusive economy
 - Connecting more people to economic opportunity
- Issues around governance and leadership



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Developing a more inclusive economy

- Different business models – social economy/co-ops/mutual
- Local economic development – entrepreneurship, start-ups
- Balanced strategy - including lower growth, higher job quality sectors?
- Emphasis on living wage employment and what enables it
- Emphasis on workforce development, skill and pay progression
- Fair employment practices – disability/ethnicity/gender
- Job design and recruitment (flexible working)
- Recycling Manchester profit into Manchester businesses
- Social value procurement



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Including more people in economic opportunity

- Integrated and sustained working in worst-off neighbourhoods and with most disadvantaged groups
- Basic skills as well as higher skills
- Strategic use of apprenticeship funding to reach most disadvantaged
- Training and employment programmes linked to actual vacancies
- Advice, guidance and training to enable people to progress from entry-level jobs.

As well as:

- Wider educational engagement and closing disadvantage gaps
- Enabling factors (childcare, housing, transport)



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Governance and leadership

- Role of city leaders: shape and influence the economy to achieve social as well as economic goals
- Wider range of actors need to be involved and lead – employers/anchor institutions.
- But how? Persuasion, incentives, identity-making, more inclusive governance?
- Different kinds of knowledge and skills needed:
 - What measures of success, beyond GVA and employment?
 - What scope is there for increasing pay levels and how to engineer it?
 - Do foundational economies create more and better jobs in the long term (a transitional stage or a fundamental shift?)
 - What could be gained by major shifts in public expenditure (e.g free transport, health promotion). How to weigh different kinds of investment decisions?
 - How to factor inclusion into major project appraisal?
 - What are the risks of more inclusive growth and can we live with them?



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IGAU: upcoming work

- Series of briefing papers developing some of the themes into concrete proposals based on evidence review. GM level.
- Two new GM research projects:
 - Inclusive growth and responsible business
 - Inclusive growth and most disadvantaged neighbourhoods
- Convening and influencing:
 - hosting Fair Growth conference Nov 18 to feed into GM strategy refresh
 - hosting dinner for leading economic actors/anchor institutions/follow up work
- Other work includes:
 - Update inclusive growth indicators in April 2017
 - Contributions on school attainment/disadvantage and FE for GM Growth and inclusion review and new Human Development Report for GM