

# Work & Skills Strategy

Economy Scrutiny February 2022

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# Introduction

Today we will cover:

- Summary and context of the Work and Skills Strategy refresh in Manchester
- Overview of the research and initial consultation
- Recommendation: Members are recommended to consider, comment on and endorse the draft strategy

# Principles of the refresh

## **The refreshed strategy will:**

- Be developed with stakeholders across the city.
- Be Manchester specific, building on our strengths.
- Provide an overarching ambition for work and skills across the whole city, not just for the City Council.
- Be informed by evidence from recent engagement such as the Our Manchester reset.
- Retain the focus from the previous strategy on:
  - connecting Manchester residents to skills, training and employment opportunities, and
  - connecting Manchester businesses to services that help them thrive and grow.
- Increase the focus on inequality, inclusion and zero carbon.
- Be flexible enough to respond to significant economic uncertainty and changing government priorities.
- Look to influence and maximise opportunities from central government and devolved programmes.
- Be overseen by the Manchester Work and Skills Board.
- Run alongside - and contribute to the delivery of – the refreshed Our Manchester Strategy, to 2026.

# Context of the refresh

Manchester's Work and Skills Strategy 2016-21 was developed alongside the original Our Manchester Strategy, with the following vision:

*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, while 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.*

A refresh is now required to build on the success of the previous strategy and consider the changes, challenges and opportunities that have arisen, such as the impact of Covid-19, digitization, Brexit, the current labour market and the climate emergency.

This offers the opportunity to more effectively target the city's work to develop a more inclusive economy and address the disconnections felt by many to the city's economic success, whilst driving the benefits that can be derived from our most resilient and growing sectors.



# Data and GM Labour Market Context

- COVID-19 has been the most significant labour market event since the financial crisis of 2008.
- The full impact of this event will not be known for some time, however we are starting to see trends in the data.
- It is difficult and perhaps unhelpful to draw strong conclusions at this time, especially given the potential impact of the Omicron variant.
- November 2021 ONS data suggests a continuation of the improving labour market situation. The ending of the furlough scheme in September did not trigger a large rise in job losses.

The only conclusions that can be made at this point in time are that significant disruption and uncertainty will continue.

**Therefore it is proposed that the W&S Strategy is kept deliberately high-level, but is supported by a delivery plan that is updated on a quarterly basis and which can respond to changing conditions, under the framework established by the wider strategy.**



# Research and engagement approach

## Mixed methods approach

- Analysis of existing strategy and current data and statistics.
- Analysis of previous recent engagement with residents.
- Online and in person conversations with stakeholders.
- Open ended approach undertaken before initial draft produced and before priorities identified.
- 56 conversations with partner organisations – learning providers, employers and VCS organisations.
- 18 group conversations – focus group style held with service users in work clubs, MAES, network meetings etc.
- 11 conversations with individuals – individual residents and other stakeholders.



# Conclusions from research and engagement

- Governance arrangements will need to be strong and clear to ensure work between major city-wide themes is not siloed.
- Good links and working relationships between stakeholders working on linked strategies will need to be formed and maintained.
- There is an opportunity to make better use of existing data to judge progress and success, to target interventions to more specific groups or areas, and to improve connections between learning and work.
- There is an opportunity to set a target on some indicators on the direction of travel. Rather than absolute targets this could be to close a gap with an average (e.g. Core Cities).
- We can harness our strengths but we need to make better use of these strengths in capturing the benefits of our own growth for residents.
- The impact of COVID and continued uncertainty, particularly around the changing labour market, means the strategy will need to be high level. An additional action or delivery plan, operating on a shorter timescale, will enable the strategy to be responsive to change.
- The strategy needs to respond directly to issues around accessibility and equalities; this should form a major theme of future work.
- Communication and engagement should be addressed directly; a good stakeholder network exists to support with this.



# Work and Skills Strategy Structure

The outcomes that the Work and Skills Strategy will achieve directly connect to each of the five Our Manchester Strategy themes, and for this reason we have used the Our Manchester Strategy themes to structure the priorities, outcomes, and indicators that we will use over the life of this strategy.

## Thriving and Sustainable

*“We will work to ensure Manchester has a strong, inclusive and innovative economy with diverse growth sectors, where our residents are recognised for their contribution via fair contracts and are paid at least the Real Living Wage.”*

## Highly Skilled

*“We will ensure that all of Manchester’s young people have access to good- quality education, and we will support them to be work-ready”*  
*“We will continue to support all our residents to learn, progress, upskill and retrain so they can access the city’s current and future employment opportunities.”*

## Progressive and Equitable

*“We will strive to create a truly equal and inclusive city, where everyone can thrive at all stages of their life, and quickly and easily reach support to get back on track when needed.”*

*“We will improve physical and mental health outcomes and ensure good access to integrated health and care services across the city.”*

## Liveable and Zero Carbon

*“We will achieve our zero-carbon ambition by 2038 at the latest via green growth, sustainable design, low- carbon energy, retrofitting buildings, green infrastructure, and increasing climate resilience.”*

## A Connected City

*“We will become a digitally inclusive city, with better digital infrastructure, access to digital technology and strong digital skills.”*





A thriving and sustainable city

Priorities	Outcomes	Indicators
<div>1. Develop and grow Manchester's business support ecosystem and promote awareness of the city's business support offer to our business community to enable them to innovate and grow.</div> <div>2. Influence Manchester’s business support ecosystem to support sustainable self-employment and business start-up, as well promoting sustainable models of ownership including co-operatives and social enterprises.</div> <div>3. Encourage and support employers to offer good quality employment, including secure contracts, predictable hours and to pay at least the Real Living Wage.</div> <div>4. Work with our partners to develop and deliver specific labour market interventions to connect residents to more highly paid opportunities in growth sectors.</div> <div>5. Ensure the maximum possible skills and employment benefit from the city’s capital and inward investment pipeline.</div> <div>6. Maximise the skills and employment benefit from place based public and private investment and regeneration in North Manchester, Wythenshawe and other major capital projects.</div>	<div>• To become an accredited living wage city</div> <div>• To increase the proportion of Manchester residents who are paid a Real Living Wage</div> <div>• To increase the number of active enterprises operating in the city</div> <div>• To increase the proportion of Manchester residents working in growth sectors</div>	<div>• The number of Manchester residents being paid a real living wage (<i>Office of National Statistics, Annual Survey of Hours and Earnings, Annual</i>)</div> <div>• The change in and number of Active Enterprises (<i>Office of National Statistics, Business Counts Data, Annual</i>)</div> <div>• The number of opportunities created through the city council’s capital projects pipeline (<i>MCC</i>)</div> <div>• The number of Manchester businesses signed up to the GM Good Employment Charter, (<i>GMCA</i>)</div>

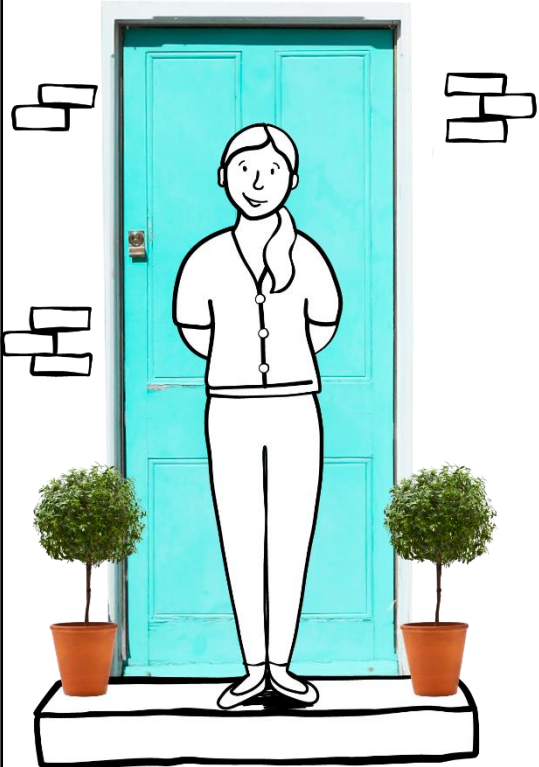


A highly skilled city		
Priorities	Outcomes	Indicators
<ol style="list-style-type: none"><li>1. Create opportunities for people to learn and demonstrate core skills and entrepreneurship.</li><li>2. Ensure all 16 and 17 year olds are in education, employment or training.</li><li>3. Increase the supply of vocational learning and the number of young people accessing advanced and higher-level skills provision including T-Levels.</li><li>4. Work with employers to understand barriers to employment and ensure careers, skills and employment services actively reduce and remove these barriers.</li><li>5. Work with training providers to ensure training meets the demands of the labour market, is of good quality and can respond to changes in the economy.</li><li>6. Maximise the impact of available government funding (including levelling up fund and shared prosperity fund) on employment and skills outcomes in Manchester.</li><li>7. Work with partners to develop, fund and deliver new labour market interventions to address specific needs identified through our ongoing research and engagement work.</li><li>8. Strengthen the link between Manchester Universities and post-16 colleges and providers with highly-skilled occupations in the city to connect young people to our growth sectors and retain them in the city.</li><li>9. Ensure that good quality careers education, information advice and guidance, supported by labour market intelligence, is available to all Manchester residents and supports them to learn about higher skilled and higher paid employment opportunities</li><li>10. Influence the development and delivery of the GM Local Skills Improvement Plan to ensure the best outcomes for Manchester residents.</li><li>11. Widen access to learning across Manchester’s communities by increasing the availability of learning opportunities outside of formal or traditional settings and engagement methods.</li></ol>	<ul style="list-style-type: none"><li>• More Manchester residents moving into highly paid and highly skilled careers</li><li>• Improved quality of careers education, information, advice and guidance</li><li>• Greater range of choice in learning and qualification routes</li><li>• Reduce the number of people with no or low qualifications and increase the number of people with higher level qualifications</li><li>• Fewer businesses citing skills needs as a barrier to growth</li><li>• Reduction in residents claiming Universal Credit In-Work Benefit</li><li>• Reduce the NEET rate</li><li>• Increase graduate retention</li><li>• Increase the take up of technical and vocational education</li></ul>	<ul style="list-style-type: none"><li>• The % resident working age population (aged 16 to 64) with zero qualifications (<i>Annual</i>)</li><li>• The percentage of working age residents with qualifications at level 4+</li><li>• The number of Manchester residents starting technical and vocational education in Manchester (<i>Constit &amp; LA, Annual</i>)</li><li>• The number of residents claiming Universal Credit in work benefit, (<i>ONS, Quarterly</i>)</li><li>• The number of schools achieving the Gatsby Benchmarks</li><li>• The graduate retention rate, (<i>HESA Graduate Outcomes Survey, Annual</i>)</li></ul>





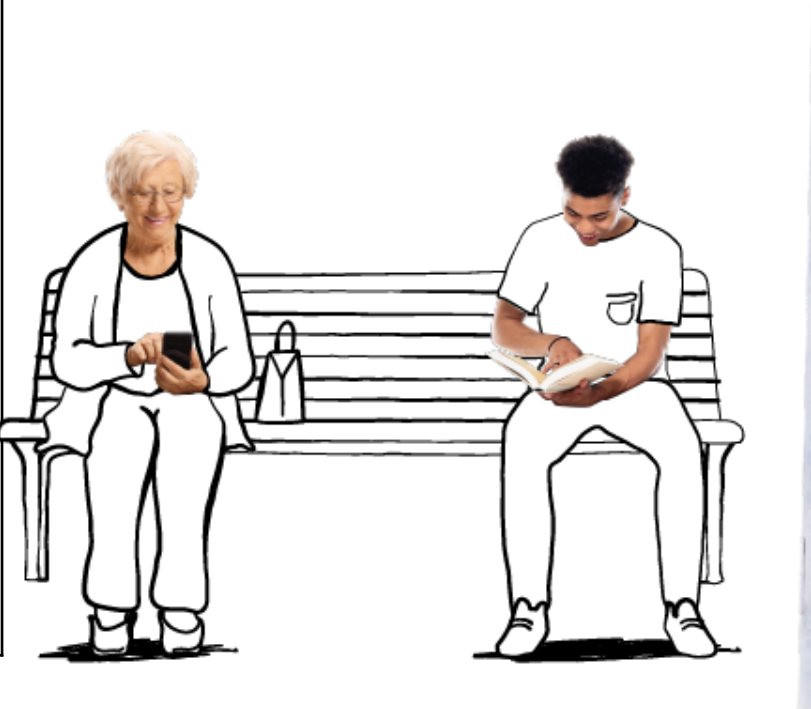
A progressive and equitable city		
Priorities	Outcomes	Indicators
<ol style="list-style-type: none"><li>1. Use data and intelligence to identify residents most in need of learning and employment support, and design and target interventions accordingly.</li><li>2. Pro-actively work to reduce and remove the barriers that some people and communities face when accessing learning and employment.</li><li>3. Contribute to the implementation of the recommendations set out in <i>Building Back Fairer for Greater Manchester</i>.</li><li>4. Work with employers to adopt and promote flexible recruitment and working practices that make employment accessible to more of our residents.</li><li>5. Develop routes for residents and employers to access finance to pay for training and qualifications where lack of funding is a barrier to participation.</li><li>6. Use social value to connect learning and employment opportunities, created through supply chains and investment in Manchester, to the people and communities who will benefit most, particularly those experiencing inequalities.</li><li>7. Work collectively to make sure more employers consider social value in their own practices.</li><li>8. Work with our partners to ensure that local delivery of regional and national labour market interventions (such as work and health programmes) responds to local priorities.</li></ol>	<ul style="list-style-type: none"><li>• Improved health and wellbeing of residents</li><li>• Reduced inequalities in access to skills and employment opportunities</li><li>• Increased volume of learning and employment opportunities through social value</li><li>• Reduced number of working age residents dependent on out of work benefits.</li></ul>	<ul style="list-style-type: none"><li>• Health related out of work benefit claimants as a % of Working Age Population (<i>ONS, Quarterly</i>)</li><li>• The number of residents claiming Universal Credit &amp; JSA out of work benefit, (<i>ONS, Quarterly</i>)</li><li>• New indicators for this theme will be developed with Performance, Research and Intelligence as part of the consultation process.</li></ul>



A liveable and zero carbon city		
Priorities	Outcomes	Indicators
<ol style="list-style-type: none"><li>1. Use our collective influence and spending power to create demand for green skills such as in retrofit and construction, maintenance of green infrastructure, green energy and biodiversity.</li><li>2. Support and enhance ongoing carbon literacy and communications with businesses, schools, colleges and other learning and training providers.</li><li>3. Use research and intelligence to ensure that information about future job opportunities in the zero-carbon economy is included in labour market information and guidance that is shared with schools, colleges and other learning and training providers.</li><li>4. Develop and deliver a green skills action plan for the city that will ensure businesses and residents are supported with the skills needed to deliver the net-zero agenda.</li><li>5. Work with training providers and employers to plan for and build capacity for identified future skills needs.</li></ol>	<ul style="list-style-type: none"><li>• Increased carbon literacy amongst Manchester's young people, residents and businesses</li><li>• Increase the volume of learning and training to support transition to a zero-carbon economy</li><li>• Reduced carbon emissions</li><li>• Increase the commissioned provision providing green skills training in Manchester</li></ul>	<ul style="list-style-type: none"><li>• The number of people who have completed carbon literacy training in Manchester (<i>MCC</i>)</li><li>• Spend in GM on commissioned Green Skills Provision (<i>MCC, bespoke, CRF, AEB</i>)</li></ul> <p>We will continue to work with colleagues at GMCA, MCCA and others to develop new sources of information, intelligence and explore use of proxy indicators.</p>



A connected city		
Priorities	Outcomes	Indicators
<ol style="list-style-type: none"><li>1. Support the delivery of the priorities set out in the Manchester Digital Strategy to ensure that residents have the digital skills they need to find and access learning and employment opportunities, especially highly skilled opportunities that meet the needs of the digital sector in the city.</li><li>2. Work closely with partners delivering the Manchester Digital Strategy, and the Digital Inclusion Team, to ensure that residents have access to the devices and networks they need to get online.</li><li>3. Connect Manchester's VCSE organisations and Work Clubs to our Digital Strategy and Digital Inclusion Teams to improve digital skills amongst priority groups, particularly the over 50s.</li><li>4. Encourage greater use of remote working to make opportunities more accessible to our residents.</li><li>5. Ensure that basic digital skill support is provided as standard by services providing employment support.</li><li>6. Influence transport policy in Manchester and use the opportunity of the re-regulation of bus services in Greater Manchester, to ensure that residents are connected to opportunities through public transport and good quality active travel options.</li></ol>	<ul style="list-style-type: none"><li>• More residents have access to the devices and networks that they need to get online</li><li>• More residents have the confidence to use digital skills to find and access learning and employment opportunities.</li><li>• More residents accessing learning to enhance digital skills at all levels, from wherever they are and using a device which suits them.</li></ul>	<ul style="list-style-type: none"><li>• Manchester Digital Device Scheme and Skills Support Data, (<i>Manchester City Council, Monthly</i>)</li><li>• Digital Exclusion Index (<i>MCC</i>)</li></ul>



# Discussion and next steps

**Based on the 5 key themes is there anything further we might consider?**

The key areas the strategy needs to focus on include:

- ✓ Out of work residents particular emphasis on communities experiencing racial inequality and specifically Black and Pakistani and Bangladeshi, over 50 and those long term out of work on health related benefits
- ✓ Residents with no or low skills
- ✓ Residents who are NEET or transitioning between school and college/work
- ✓ Support for employers to take advantage of support available to grow
- ✓ Apprenticeships
- ✓ Higher level skills including graduate retention

**Next steps following Economy Scrutiny comments:**

1. Phase 2 consultation – Public online consultation (February/March)
2. Final Strategy presented to Executive for approval in May/June 2022





Thank you

