

Manchester City Council Report for Information

Report to: Economy Scrutiny Committee – 9 March 2023

Subject: Labour Market and Recruitment

Report of: Director of Inclusive Economy

Summary

This report provides an overview of the labour market in Manchester, how it has changed particularly in the last 3 years and the current issues and opportunities. It also shows the approaches being used by Manchester City Council in collaboration with partners to meet skill and labour market needs to combat the challenges faced by businesses and residents with the volatile economy and labour market conditions.

Recommendations

Members are asked to discuss the report and provide comment on the analysis provided within the report.

Wards Affected: All

Our Manchester Strategy outcomes	Contribution to the strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The report will provide detail on how collaborative working with partners supports the creation of skills, employment and training opportunities that aids business growth and connect employment opportunities to our residents.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	The report will address the theme of inclusion, and how we have ensured that more of our residents are able to benefit from the city's economic success.
A connected city: world class infrastructure and connectivity to drive growth	The report addresses the theme of digital skills and how we can ensure that residents can develop the digital skills they need to access and be successful in the labour market and that digital businesses in the city have the access to the talent they need to continue to grow.

Financial Consequences – Revenue

None.

Financial Consequences – Capital

None.

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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.

- Our Manchester Strategy – Forward to 2025, Executive (March 2021)
- Work and Skills Strategy 2022-27 (February 2022)
- Work and Health Report (October 2021)
- Employment and Training Opportunities from Major Capital Programmes (January 2023)

1.0 Introduction

1.1 This report provides an overview of the labour market in Manchester, how it has changed in the last 3 years, including current issues and opportunities and the approach taken in Manchester to meet sector and area needs. It also shows the approaches being used by Manchester City Council in collaboration with partners to meet skills and labour market needs to combat the challenges faced by businesses and residents with the volatile economy and labour market conditions.

1.2 The report covers:

- Overview of the labour market – key intelligence and trends for employment and sector growth
- Strategy and approach – the Manchester Employment Partnership’s strategic approach and activity to co-ordinate a response and shape the future labour market
- Sector recruitment – examples of activity supporting health and social care and construction sectors, work to support digital and hospitality features throughout the report also.
- Area recruitment – examples of activity supporting North, Central and South areas of the city.

1.3 The City’s labour market remains tight with comparably low unemployment, high number of vacancies and demand for basic and higher-level skills from candidates across our core sectors. The labour market has overcome challenges in the last year through partnership working with a strong combined focus of delivering an inclusive and highly skilled local economy. The report includes several case studies that demonstrate partnership approaches to delivering recruitment and core and technical skills pipelines.

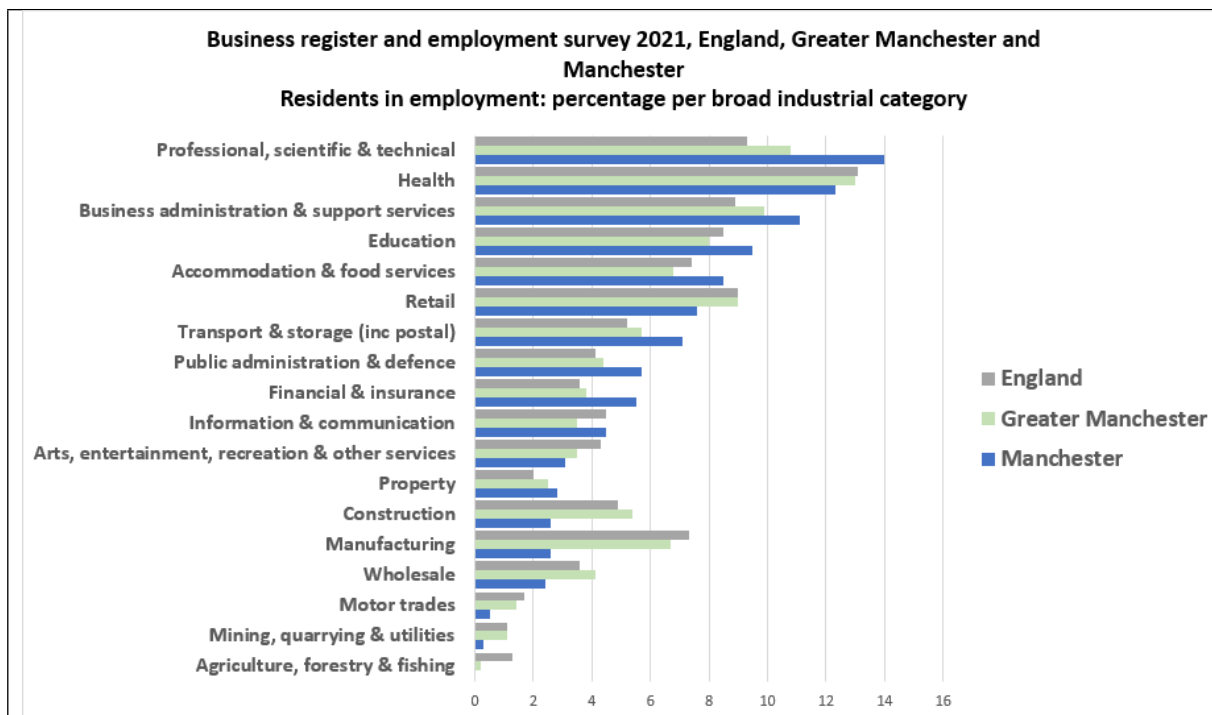
There have been notable successes including:

- Over 48 Manchester businesses supported on their bespoke recruitment needs by the City Council.
- 28 providers and 138 people attended a specialist health and social care recruitment event in September 2022.
- 19 businesses and 173 people attending the first Central Library recruitment event in November 2022.
- 12 Airport Roadshows held around Greater Manchester to support recruitment.
- 55 careers events between March and September 2022 directly supporting the Airport with more than 1000 Greater Manchester residents gaining jobs.
- 24 Manchester City Council staff deployed onto interview panels to support Manchester Airport recruitment in 2022 to increase capacity with 400 hours of support.
- Over 150 sector-based work academies have been delivered to Manchester residents with over 25 delivered from the Airport Academy including 18 for airport security.

- 11,000 Manchester residents into work through the DWP the Way to Work Campaign in 2022.
- Worked with over 70 digital champion volunteers who have supported over 500 residents to increase their digital access and skills to support employability.
- New world class learning facilities opening in the city to expand the pipeline of talent entering the labour market, especially in the digital sector.

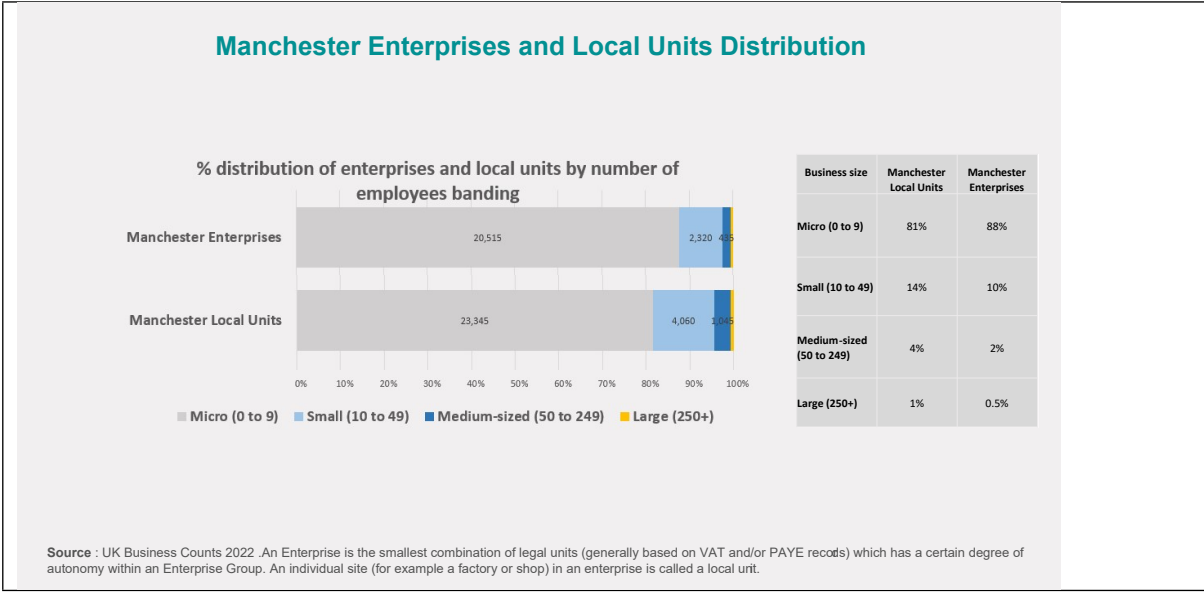
2.0 Overview of the Labour Market

- 2.1 The UK and local economy have seen unprecedented changes in the last 3 years with Brexit and COVID19 both having an impact. The war in Ukraine has led to geo-political instability which has in turn contributed to increasing prices. The “cost of living crisis” has seen surging inflation rates to 10.1% and interest rates of 3% affecting prices of essentials such as food, energy, and housing costs.
- 2.2 Retail, hospitality and the visitor economy were amongst the worst affected sectors by lockdowns, leading to increased pressures on the workforce and a shortage of labour when emerging from the pandemic. There is a general uncertainty and increased business risk, disrupted supply chains and highly variable business and market conditions. The end of furlough did not result in high unemployment through redundancy; however, the longer-term impact of the difficult market has impacted businesses with a slight increase in HR1 (redundancy notices), issued in the winter of 2022.
- 2.3 Our most vulnerable communities lack protection against current volatility and challenges in the economy. This was highlighted in the Build Back Fairer: The COVID19 Marmot Review.

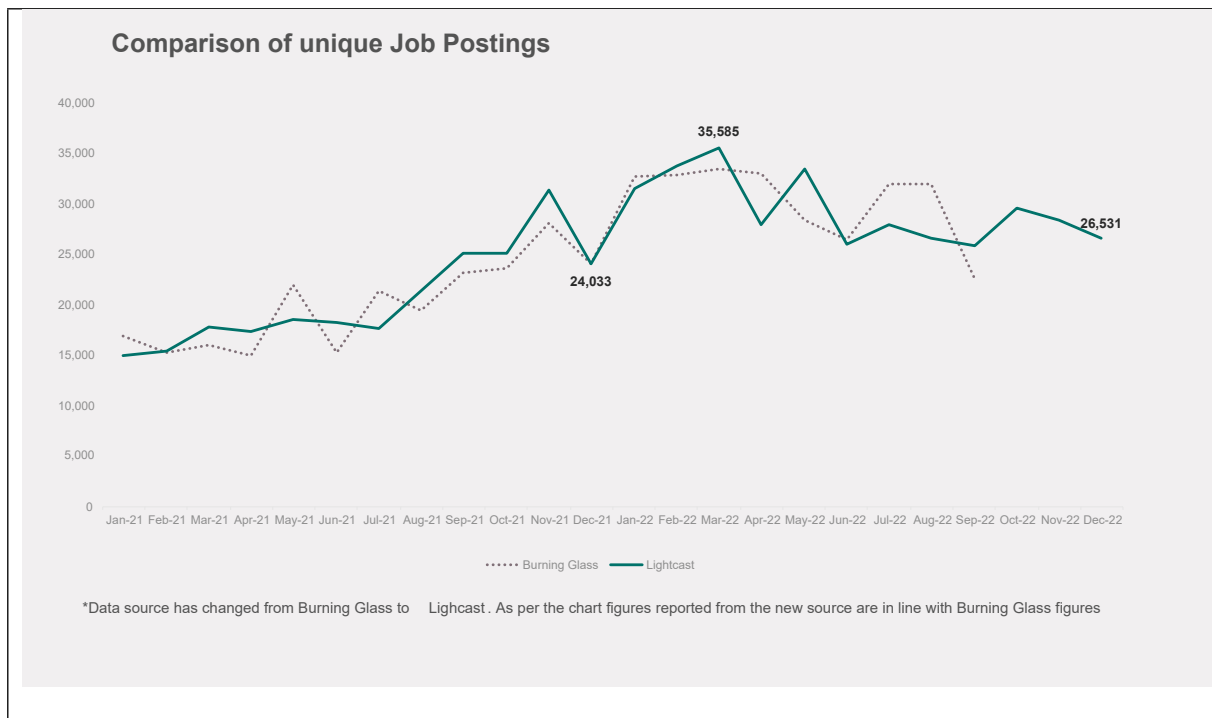


2.4 The main sources of employment in Manchester are in professional, scientific, and technical then health, followed by business administration and support services then education. One in five jobs in Greater Manchester is now located in Manchester city centre, and there are 27% more jobs in the city centre since 2015. Main sectors of employment growth are:

- Business, Financial and Professional services: +31,000
- Hospitality, Tourism, Sport: +5,000
- Construction: +5,000



2.5 The diagram above shows the make-up of businesses by their size. This indicates that the majority of businesses are micro with less than 9 members of staff employed. Large business employing more than 250 people contribute substantially to employment in the city despite making up 1% of the total number of businesses.

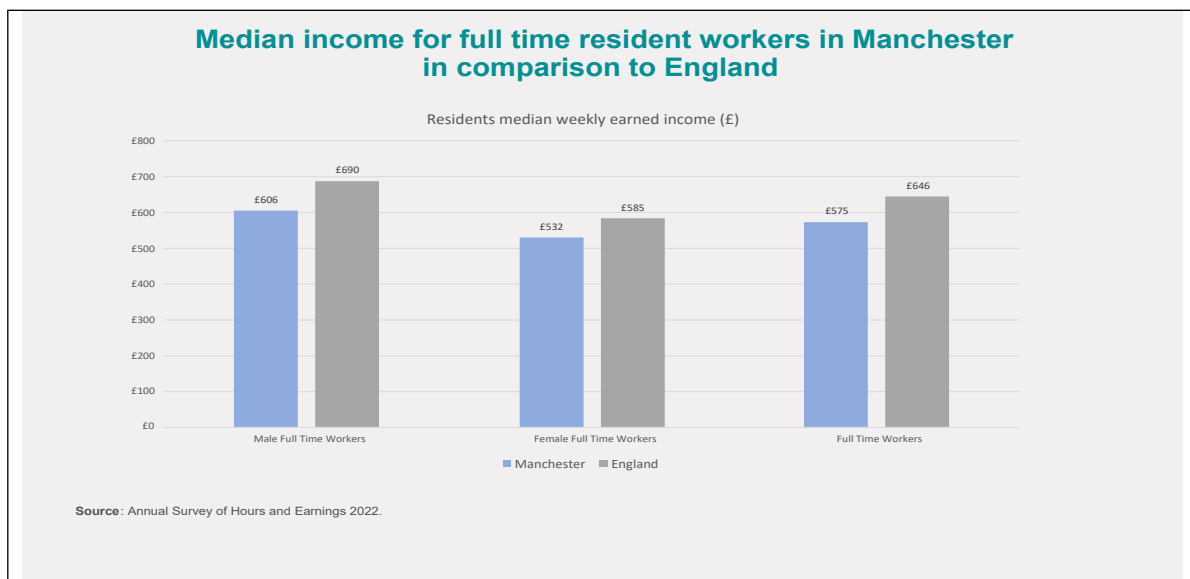


- 2.6 Vacancies have been buoyant in recent years despite fears of high unemployment. Data from Lightcast shows that there was a peak in job postings in March 2022 reaching a 3-year record high of 35,585. When comparing December 2022 against 2021 there has been an increase of 10.4%. From October 2022 there has been a downward trend indicating that high inflation is impacting on the labour market with reducing vacancies.
- 2.7 Recruiting talent in the current labour market remains an issue for Manchester businesses. There is competition for talent across the economy, as well as in sectors and industries where this has been a longer-term issue such as digital and construction. The Growth Company SIT Rep Report (December 2022/January 2023) showed, for overall recruitment, that 23% of firms are currently recruiting new staff, and 13% said they had difficulties recruiting. The main occupational groups recruiting for are in customer facing roles (41%), managerial (12%) and others not listed (22%). The number of pay-rolled employees in Manchester has increased by 9.9% since November 2019 and currently stands at 250,618 in November 2022. This rise in pay rolled employees emphasises that the labour market is still tight with high demand across all sectors. Just 2% of businesses said they were in the process of considering making redundancies.
- 2.8 The Growth Company has reported workforce skill gaps with 54% of firms reporting that their workforce skills are only 'partly' at the level to meet business plan objectives. The main technical skill gaps identified are specialist skills (30%), knowledge of products/services (11%), and solving complex problems (11%). The main people and personal skill gaps identified are sales skills (18%), managing or motivating staff (12%), and team working (12%).
- 2.9 A Manchester 'Skills for Life' universal approach has been developed which aims to raise the profile of core skills. The five key skills are Communication,

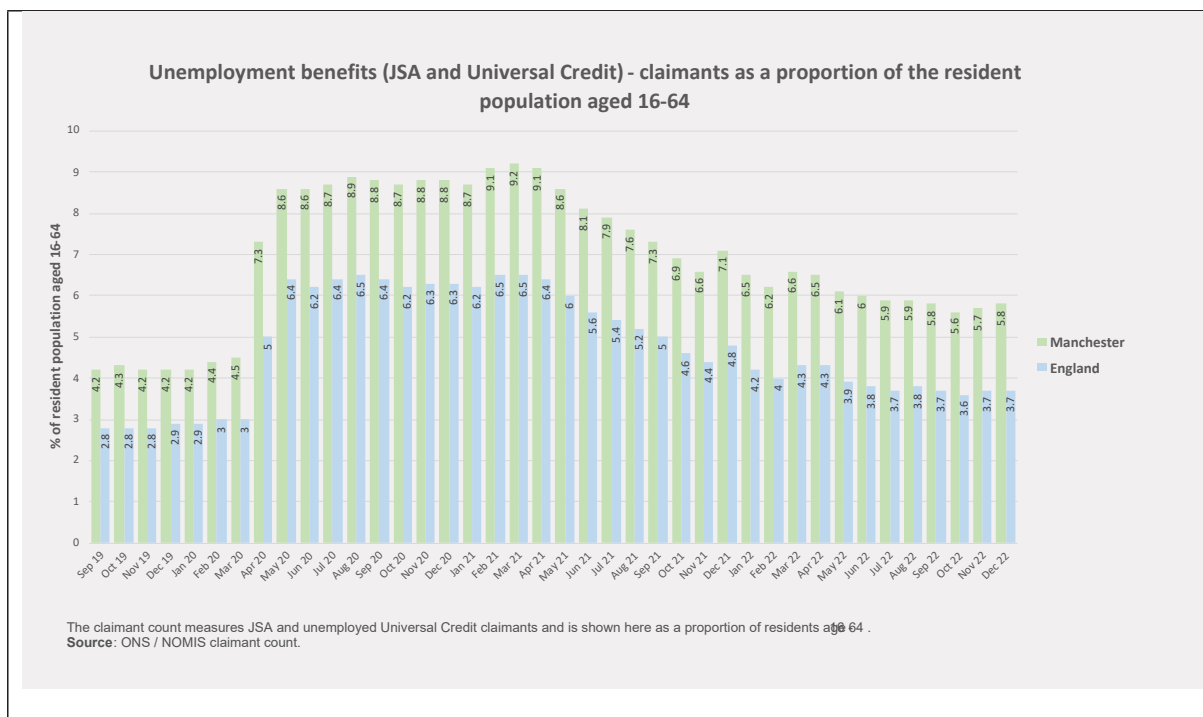
Problem Solving, Self-belief, Self-management, and Teamwork. The approach aims ensure young people have transferable skills to adapt and gain roles within an evolving jobs market. Adult Education Budget courses in the city also support people aged 19+ to increase their core skills with packages of support aimed at employability.

- 2.10 Changes in recruitment practices have seen more digitally led recruitment which can disadvantage those who are digital excluded. Feedback, received from the British Chamber of Commerce, through business surveys is showing that employers believe the UK workforce needs to be future proofed following the pandemic to adjust to a new working environment particularly around the use of technology to increase productivity. There has to be a focus in the workplace on managing wellbeing and mental health issues to aid in the identification and creation of support strategies. There will be a requirement for more flexible working practices to underpin the culture. Businesses need to be tailored around how to communicate effectively using the varied channels of communication and technological advancements with the move to more hybrid working practices. Priorities for training have shifted towards wellbeing and digital advancements. The Growth Company reported that 54% of firms said they are looking to increase investment in workforce development in the next 12 months.

3.0 Manchester Residents

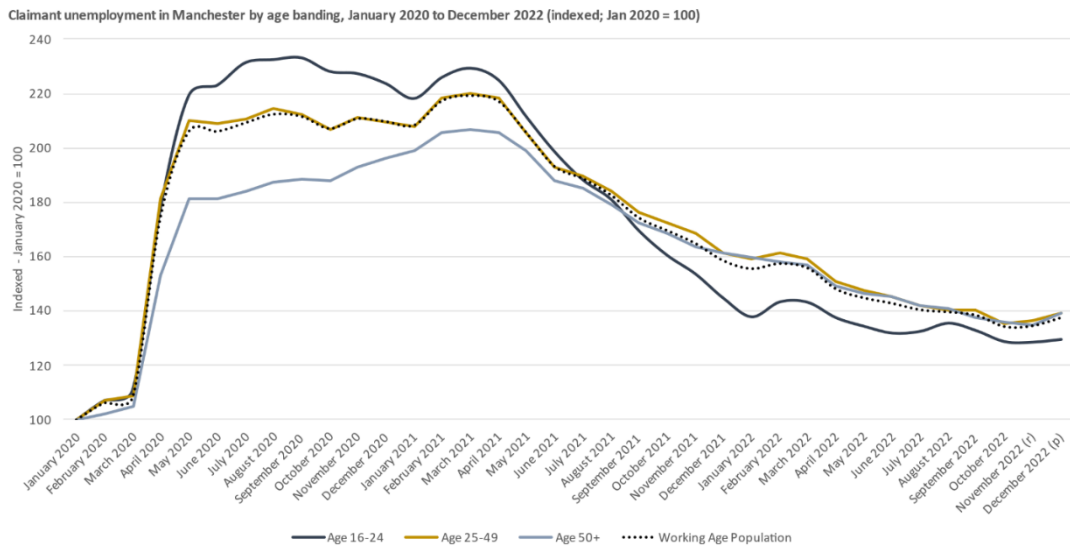


- 3.1 Manchester residents, on average, receive 11% lower income than people within England. In real terms this equates to £71 less per week than other areas of the country. For women, they receive £53 less than other women across the country but this increases to £114 less per week than other areas of the country for all of full-time workers.



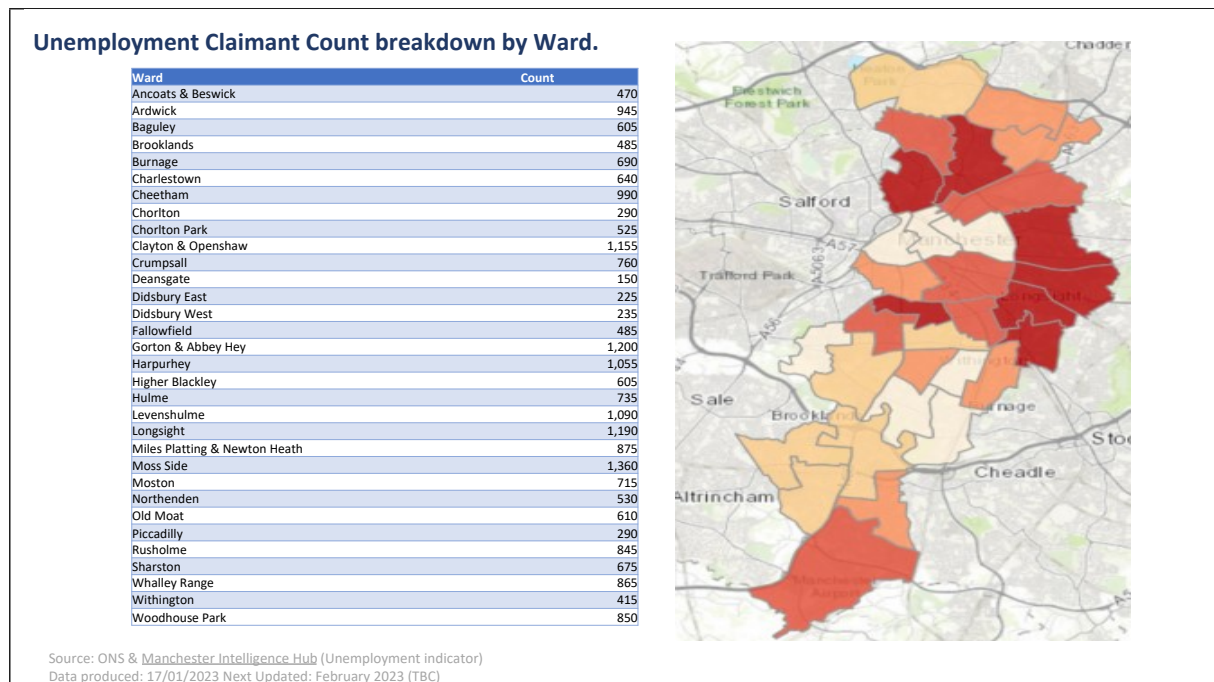
- 3.2 The UK unemployment rate was at 3.7% between October 2022. According to the ONS, this is one of the lowest rates since 1974. It has led to employers experiencing a tight labour market where it can be difficult to recruit. Even though this is the case, Manchester still has the second highest unemployment rate of the English core cities with the Unemployment Claimant Count standing at 22,325 in November 2022. It stands at 5.7% which is 2% higher than the whole of England at 3.7%.
- 3.3 March 2021 saw the high point of unemployed claimant counts in Manchester at 35,895. Since that point the Unemployment Claimant Count rate had been declining month on month until December 2022 (showing a 2.2% increase from November 2022). As of October 2022, Manchester has the second highest number of UC claimants of any English core city.

Claimant Unemployment by Age Groups

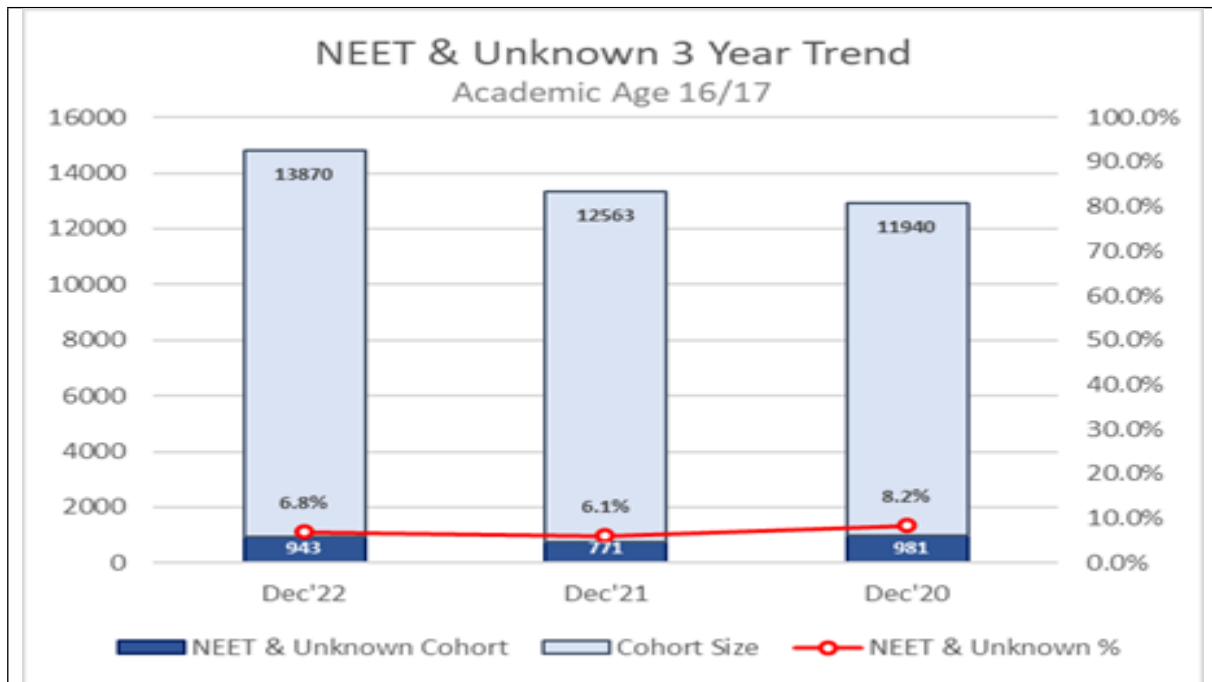


Source: Claimant Count, ONS
Data Released: 17/01/2023 Next Updated: February 2023 (TBC)

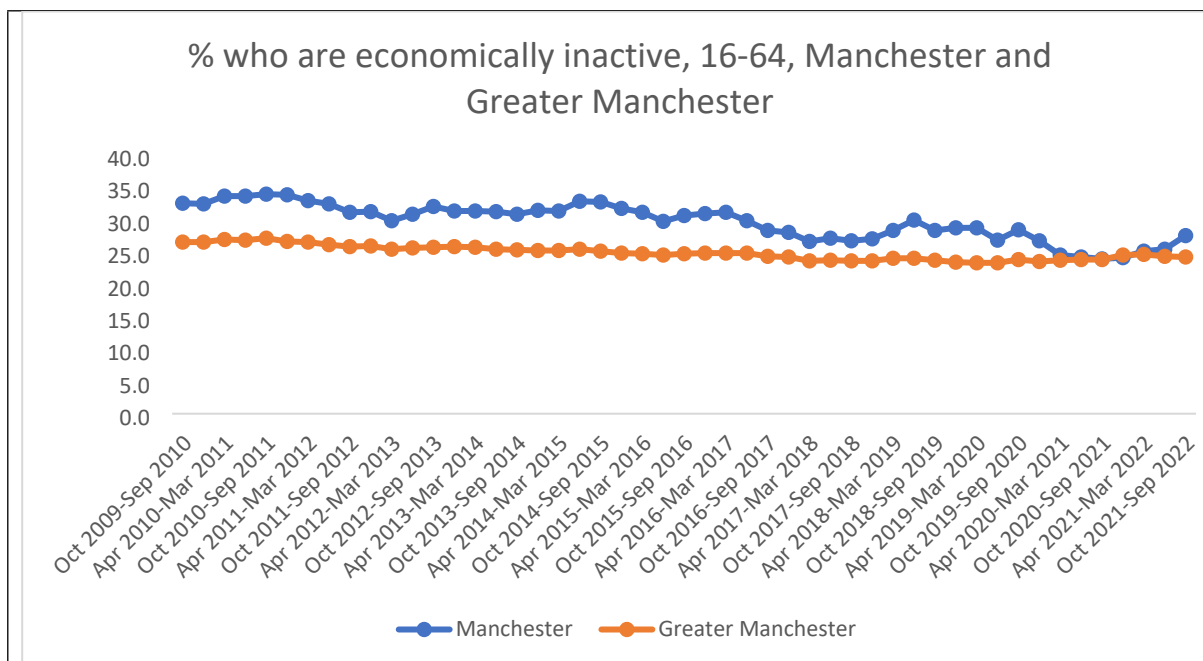
3.4 During the previous 3 years all age groups have followed the similar pattern with an increase in claimants from March 2020 starting to reduce around spring 2021. Recently claimant unemployment has risen slightly. Provisional data for December 2022 shows that there has been an increase across all age groups, with the age groups 25-49 and 50+ areas of focus moving forward.



3.5 The ward in Manchester with the highest unemployment claimant count is Moss Side with 1,320. Gorton & Abbey Hey has the second highest rate in Manchester with 1,195, Longsight ranks third highest with 1,135 claimants. There are 6 wards with over 1,000 individuals within the unemployment claimant count.



- 3.6 In the coming year there will be an increase in young people entering the labour market. There has been a significant increase in the academic age 16 and 17 cohort since last year. The cohort has grown from 12,563 last year to 13,870 this year which is a rise of 1349 (10.4%). This places additional pressure on the skills system as young people participate in learning.
- 3.7 Overall, the combined NEET and unknown figures have increased to 943 (6.8%) in December 2022 compared to the previous year of 771 (6.1%). The graph shows the increase in cohort from 2020 in comparison to the numbers of NEET and unknown.
- 3.8 Overall, the numbers of young people who are participating in RPA (Raising the Participation Age) compliant education and training has increased to 12,657 (91.3%) in December 2022. Last year this was 11,601 (92.4%). Considering the larger cohort size this year, this still shows a 6.8% increase in the numbers of young people participating this year.



3.9 The graph above shows the percentage of economically inactive people in Manchester and Greater Manchester over the past 12 years. The percentage for Manchester has varied hitting the highest point of 32.8% between July 2014 to June 2015. Manchester has been considerably higher than Greater Manchester until 2021 when the percentages are comparable. This picture changes during 2022 when Manchester moved 3% higher than Greater Manchester. The City’s economic inactivity rate is driven by Students 34%, Looking after family/home 26%, and Long-term sick 20.9%. The impact of health conditions on the labour market can be seen in the high volume of Employment Support Allowance (ESA) claimants in Manchester (currently 19,912). ESA is now a legacy benefit due to be phased out by 2028. It is important to note that some Manchester residents are joining this benefit type while some join Universal Credit and therefore it is important that we continue to monitor both. Increasing economic activity through skills, health and employability activity will support the labour market.

4.0 Strategy and Approach

4.1 Strategic Approach

4.1.1 Manchester’s Work and Skills Strategy (2022-27) received Executive approval on 29 June 2022. It sets out how we will use learning and employment to meet the Our Manchester Strategy vision of being a more highly skilled city and how we will help create a more inclusive and low-carbon economy in Manchester - where more of our residents are connected to our City’s success. The strategy is based on five key priorities:

- Thriving and Sustainable - making sure that Manchester is a thriving place where people can get good jobs with fair pay
- Highly Skilled - ensuring Manchester is a place that helps local people of

- all ages to learn, in school and beyond, so they can get good jobs
- Progressive and Equitable - creating an inclusive and equal city where everyone can thrive and easily get support when they need it
- Connected - making sure everyone in Manchester has the skills, technology and transport they need to connect with opportunities and services, in person and online
- Liveable and Zero Carbon - the city will reduce its carbon emissions to zero by 2038 at the latest.

4.1.2 The Manchester Adult Education and Skills Plan 2019-2025 underpins the Work and Skills Strategy and provides a focus on labour market, looking at current and future employment opportunities, business skills requirements and the current employment status and skill levels of residents.

4.2 Interventions

4.2.1 Manchester's labour market is supported by several types of interventions for adults as set out below. These interventions are essential in shaping and responding to the labour market.

- Jobcentre Plus (JCP) - delivered primarily from 8 JCP offices across the City and the Employer Suite in Manchester Town Hall Extension, in the first 6 months of 2022 11,000 Manchester residents were supported into employment under the Way to Work approach. The JCP offer is the primary route for newly unemployed or those available for work to enter employment via support from their Work Coach or Disability Employment Advisor. For those claimants that require additional and more intensive support JCP refer onto several programmes. JCP also drive provision through specific schemes such as Way to Work and Kickstart (case studies below).
- Work programmes – these programmes include the GMCA commissioned Working Well Work and Health Programme and nationally commissioned Restart programme. These programmes are designed for residents who are further away from the labour market with one or more barriers to employment (including skills and health conditions). The tailored one-to-one support is a level above the intervention by JCP supporting fewer claimants.
- Apprenticeships – Includes Levy and non-Levy funding for 16+. The apprenticeship system has been redesigned over the last 5 years with new standards and a levy system on employers. This provision enables the learner to earn while they study over a longer period of time. Apprenticeships numbers have fallen nationally, and the employers are increasingly reporting challenges in delivering this form of provision. Traineeships were an entry point pathway provision to apprenticeships but have recently been ended by Government due to low take up and challenges with delivery.
- Adult Education Budget – this is commissioned by GMCA through devolution arrangements. It provides learning for adults 19+ including basic skills and employability programmes. Sector Based Work Academy (SBWA) programmes are an example of short-term provision funded by

the skills system to enable residents to access targeted employability training bespoke to an employer and labour market.

- National Skills Fund – this provision funds Bootcamps which initially focused on digital but have been broadened out to meet labour market requirements. They typically last for 12 weeks and provide an intensive pathway into the chosen bootcamp area.

Case Study One - Department for Work and Pensions Interventions

Way to Work

From January 2022, Way to Work was a national approach to help people benefit from the record number of vacancies available in the jobs market. This included many in sectors vital to national recovery following the Covid pandemic with a goal to get half a million claimants into work by the end of June 2022.

The end of June 2022 saw the conclusion of the campaign, and Jobcentre Plus supported over 11,000 Manchester residents into work. This was achieved through regular contact with customers, better engagement with employers in the job centres and collaborative working with the Authority understand the local labour markets and build more links with employers. They were able to increase direct interviews in the job centres, thereby linking customers with employers face-to-face resulting in job offers.

Kickstart

The Kickstart Scheme was announced by the Chancellor in July 2020. The aim was to support 18–24-year-olds into work as this group of residents had been disproportionately affected by COVID19. A Kickstart paid placement was for 25 hours per week and would last for 6 months. The salary was funded by the Government at national minimum wage for their age. By the end of the scheme, they had helped 3,000 young people be placed via Manchester job centres. Of these, their key Gateway Organisations, have reported 75% - 85% of these young people have continued in employment or moved into education.

Case Study Two - Sector Based Work Academies and Adult Education Budget

The **Sector-based Work Academy Programme (SWAP)** is to help people who are ready to start a job and need support to learn the skills and behaviours that employers in particular industries look for. Placements are designed to help claimants build confidence to improve their job prospects and enhance their CV, whilst helping employers in sectors with current local vacancies to fill them.

SWAPS have been delivered in all sectors including Health and Social Care, Digital, Security, Retail, Warehouse, Transport, Facilities Management, Education, Construction, Hospitality and Administration. Over last 12 months just over 150 SWAPs have been delivered in Manchester job centres to support their customers.

AEB funding, worth over £90m annually, was devolved from Central Government in 2019. Greater Manchester Combined Authority (GMCA) manage this budget. Adult learning, within this fund ranges from community learning (non-accredited) to

Level 3. Manchester City Council's role is to work with the AEB provider network to advocate for learners and employers and challenge the skills eco-system, whereby it is not meeting local needs. A key priority is to mobilise adult learning, to enhance the presence of delivery across the city region. Between 1st August 2021 and 31st July 2022:

- 1,276 Manchester residents enrolled onto AEB digital courses.
- 1,652 digital learners, from across Greater Manchester, accessed courses in Manchester.

Case Study Three - Skills Bootcamps

GMCA has secured £7m, in April 2022, for Skills Bootcamps. The Bootcamps, for those aged 19+, provide sector specific training and guaranteed interviews with employers. The programme is fully funded for unemployed residents and co-funded, by employers, for existing employees. Within this Digital Skills Bootcamps (worth approximately £4.5m), which aim to help reduce the skills shortages across the sector, were commissioned by GMCA in June 2022. Manchester City Council is working with industry, bootcamp training providers and GMCA, to maximise the uptake, tweak existing delivery to align with employer needs and feed into the co-design of future Bootcamp commissions. Digital bootcamp delivery started in July 2022, so it is too early to provide impact data. Nevertheless, it is anticipated that 941 Greater Manchester residents will engage with the digital bootcamps with a sustained employment target of 75%.

4.3 Partnership Working

- 4.3.1 The Council works in partnership with employers across Manchester to support their current recruitment needs including creating future pathways into employment (Appendix A sets out the businesses supported by the Council in the last 12 months). Support offered is bespoke and tailored around business needs. Being a first point of contact, with key local knowledge and links into employment pathways and partnerships, the team is able to add valuable expertise to guide businesses around their unique requirements. The offer can be provided in a variety of ways including support with the recruitment process with vacancy promotion, applications, giving details of Government promotions and events like roadshows and recruitment fairs as well as offering guidance on the use of work placements, internships, and apprenticeships.
- 4.3.2 The Council created and managed an Employment Partnership to provide a rapid response to large-scale redundancies and coordinated support to those economically affected by COVID19 across Manchester. This was a partnership approach between Manchester City Council, Job Centre Plus, the Growth Company and Combined Authority to enable joint working and support for businesses. Referrals were received through HR1s (reporting on employers making redundancies), employers, residents, and partner organisations. The area of focus included:

- Establishing and maintaining relationships with employers in sectors at risk of redundancy.
- Business support and training offer to support the retention of staff.
- Skills offer for staff at risk including sector-based work academies.
- Ensuring that work clubs and the local infrastructure can support neighbourhoods in the city most adversely affected.

4.3.3 The Council will continue to work in partnership with employers across Manchester to support their current and future recruitment needs. This will be overseen by the Employment Partnership to ensure a collaborative partnership approach with employment providers alongside DWP. This work has already commenced with ongoing support being offered to businesses on their large-scale recruitment throughout 2023 and beyond with organisations like Co-op Live, Manchester International Festival, Manchester Foundation Trust and the HS2.

Case Study Four - Employment Partnership Hospitality Response

In Summer 2021 the Employment Partnership worked with City Co and other organisations to support the hospitality sector to recruit following the devastating impact of lockdowns on the sector. Many workers had left the sector for logistics roles and previous sources of temporary labour such as students had also been impacted.

The Employment Partnership worked with established sector bodies to create employment marketing bulletins (providing career advice, skills and training information, live vacancies to residents), focus work and skills provision to create pathways and encourage unemployed clients into opportunities, create Sector Based Work Academies and broker relationships with Jobcentre Plus with hospitality employers. This activity supported the sector in its recovery and introduced employers to new recruitment approaches.

5.0 Sector Recruitment

5.1 Health and Social Care

5.1.1 Social care employers have experienced considerable difficulties in retaining staff in particular with care staff that provide direct care and support. In March 2022 almost two thirds of social care employers were recruiting with hard-to-fill vacancies reported as support workers, care workers or assistants.

5.1.2 The Council supported the sector by providing a specific jobs bulletin to explain the opportunities available in working for the NHS and different roles across the health and social care sector within Manchester. Case studies were provided on what is it like working in health and social care as well as signposting the 4,500 bulletin subscribers to different pathways into the sector, learning providers and the type of skills required to be successful in the roles.

5.1.3 The Manchester Adult Education and Skills (MAES) promoted roles within Manchester City Council adult social care to previous students to their health and social care courses. This involved inviting previous learners to an information session where they were briefed on what it is like working for the Council, the roles available and the rewards/benefits being offered. Out of the 40 invites sent 15 people attended with 3 securing a job. From this MAES plans to work with Council on a long-term basis with a view for team to engage with students at the start of their course to gauge who might want to progress to one of these opportunities and build this into the planning of the courses.

5.2 Manchester City Council's Reablement and DSAS

5.2.1 Manchester City Council's Reablement and DSAS teams have been struggling to recruit to direct care and support roles which mirrors the trend in the sector. The Council engaged with local colleges to build relationships and strengthen pathways directly into the Reablement and DSAS roles for students studying in Manchester.

5.2.2 An information session was held for all Xaverian and Loreto Colleges students who were studying on health and social care programmes to highlight the roles that are available. Strong relationships have been created with The Manchester College with regular communication and information sharing. An information session was held in June 2022 with all students who were leaving courses. Overall, 52 students and 3 tutors attended as well as the recording being disseminated to all students who could not attend. It resulted in DSAS successfully recruiting 3 Manchester residents.

5.3 Supporting Manchester's Commissioned Providers

5.3.1 In March 2022 the Council surveyed over 200 Adult Social Care (ASC) providers in Manchester. When asked what area they felt was their biggest priority or area of concern, over 30% of providers stated it was recruitment. The survey showed that 69% do not have someone dedicated to hiring and instead this function it is mainly managed by the care management team. Almost 40% of respondents described their recruitment processes and success as poor, with a further 39% describing this as okay but hiring takes a lot of time and effort. Only 28% described this as good. Overall, 21% had over 11 current vacant positions, 19% had over 6 positions, 29% had up to 5 positions and 31% have 1-2 positions they are were recruiting for.

5.3.2 In response a targeted health and social care recruitment event that was held at the end of September 2022 at the Etihad campus. The event was successful with 138 people attending and feedback obtained from 91 of them. 88% thought the event was outstanding or good. Out of the 91 people who gave feedback, 27 said they received an interview on the day of which 16 stated they were offered the job on the day subject to recruitment checks.

5.3.3 There were 28 providers attending with 89% stating the event was good or outstanding. Nine providers interviewed more than 5 people on the day and 47% of providers had 5 people that visited their stand, completed an

application form with the intention of attending for an interview at a later date. Other outcomes included 31 applications to go onto the Steps in Care courses and Manchester Adult Education Centre (MAES) being able to promote their offer to providers and attendees.

5.3.4 *“The careers event was a good opportunity for The Manchester College students to explore the opportunities of various agencies and organisations within health and social care. As tutors, we encouraged the students to go to each stand and introduce themselves to the employers, explaining to them that they are health and social care students looking for part time work. On the day, some students were successful in terms of being interviewed and being offered a job subject to checks based on their interview skills.”* Sharon Howard and Jeanette Murray - Tutors from The Manchester College.

5.4 Construction

5.4.1 Manchester’s construction pipeline continues to be a key driver for investment in the city with the latest analysis undertaken in 2021 shows a £5bn 2021-2025 Manchester pipeline. Key levers for the Council including MCC procurement 20% Social Value weighting and Planning Local Labour conditions create employment and skills opportunities for Manchester residents and the opportunity to challenge traditional recruitment and training with a local focus, however the sector has long faced challenges in recruiting the people it needs and lacks diversity.

5.4.2 The construction sector has been cited as seeing some of the worst skills and labour gaps when compared with other industries. Competition with other sectors for skills is getting more intense. CITB [Construction Skills Network](#) report estimates an additional 53,200 workers will be required per year from 2022-2026. Construction also has an ageing workforce based on research conducted by the Chartered Institute of Building (CIOB) and a reliance on agency/contract work shown in the Institute for Employment Studies report for [CITB \(Jan 2022\)](#). This is driving up rates of pay and providing appeal for short term insecure contracts.

5.4.3 The Council are working to address the skills challenge and is engaged with a multitude of partners to establish support mechanisms, to ensure residents are well engaged to maximise the opportunities through emerging industry specific courses and programmes including skills bootcamps, development of T-Levels and flexi apprenticeships.

5.4.4 The Manchester Construction Skills Network (MCSN) brings together tier one construction contractors who have an interest in Manchester and the wider Greater Manchester region, with an aim of alleviating the construction industry skills gap through effective delivery of social value and skills provision. The group meet quarterly with involvement from CITB giving current insight into training, funding, and skills.

5.4.5 The Manchester College is investing in its premises to accelerate and deliver construction skills training alongside employers at both their Wythenshawe

and Openshaw campuses. The [Industry Excellence Academy](#) for Construction and Engineering provides a unique learning platform to gain a Level 2 or Level 3 qualification and a placement with an industry employer of at least 15 days.

5.5 Digital

5.5.1 The Digital Sector continues to grow and be essential to Manchester's highly skilled ambitions, employing 88,000 people and worth over £5bn. The 2023 Manchester Digital Skills Audit shows that 78% of digital companies saw expanded revenue growth with 72% increasing staffing levels in the last year. Recruitment continues to be a challenge for this sector, 43% of digital companies were unable to fill their digital and tech vacancies (while still high is an improvement of 11% on 2022). Employers reported that lack of desired skills (60%), unable to meet salary demands (45%) and lack of applications (30%) were the main reasons for inability to recruit. This sector has adapted well to hybrid working and has benefited from attracting talent from across the country by enabling people to not relocate. The main route into the industry is through Degree (53%), apprenticeship (40%), degree apprenticeship (23%) or retrain/upskill/bootcamp (17%). Further work is needed to diversify technical roles in the sector with regards to gender, age and ethnicity with 2023 results comparable to previous years.

5.5.2 The Manchester Digital Strategy and Work and Skills Strategy are aligned on increasing digital inclusion, skills and diversification of talent. The city has seen new investment in world class facilities in 2022 (School of Digital Arts, The Manchester College City Centre Campus) with the new Institute of Technology starting in 2023 with National College for Digital Skills/ADA's involvement. Alongside investment in learning facilities there has been a continued focus on strengthening the Digital Skills Network in the city to support the talent pipeline and co-ordination and delivery of digital bootcamps and complimentary vocational provision (See Case Studies in section 4). Encouraging Manchester residents to pursue sustainable and highly skilled careers in the Digital Sector remains a core priority to support inclusive growth.

6.0 **Area Recruitment**

6.1 **Central**

6.1.1 Recruitment Events

6.1.2 The Council are planning to hold 3 recruitment events per year in Central Library within the Performance Space. The aim is to create links for Manchester residents wanting to secure Manchester jobs with Manchester businesses who are struggling to recruit due to the tight labour market and skills shortages. Work in Central and the City Centre focuses heavily on the firms listed in Appendix A who have been supported in the last 12 months.

6.1.3 The first event was held on 2nd November 2022 and the central location enabled accessibility ensuring that the event was inclusive for all residents.

There was a total of 16 employers offering jobs from a variety of sectors as well as support services including DWP, Manchester Adult Education Service and Smart Works. The event was a success with 173 people attending. Out of the 150 people who agreed to provide information 25% live in North Manchester, 27% central and 10% from South Manchester. There were 38% from other local authority areas. Of the people attended 8% stated they have a disability and 60% are BAME. On the 24th January 2023 an Emergency Services recruitment event was held including armed/specialist forces. This specialist event was attended by just under 100 people.

6.1.4 SME Support

6.1.5 As part of the SME Business Support Roadshows, the Council visited high streets and district centres to hold discussions with employers to assist with any recruitment needs. Outcomes can be for one vacancy for an employer rather than volume recruitment. Other guidance can be around exploring the routes to apprenticeships leading to help being offered via the Growth Company to talk through the process of taking on an apprentice. Offers to support business recruitment are explored with a collaborative approach using the Growth Company recruitment support and the Work & Skills offer around promotion of roles, for example, through the Work & Skills Bulletin.

Case Study Five - Hospitality - Treehouse Hotels

Through the Employment Partnership, the Work & Skills Team were made aware of Treehouse Hotels' intention to expand to Manchester in Spring 2023 and made contact to build relationships supporting them with their recruitment campaign (SH Hotels & Resorts is a global brand management company. Treehouse Hotels is one of their collection of hotels already operating in London). The City Council supported Treehouse's introduction to the City's labour market and supported the development of a recruitment and advertising strategy. Partnerships were also created with Manchester International Festival, local schools, the Mustard Tree, and Fare Share as well as Manchester Young Lives (MYL).

"We are looking forward to working together (with Treehouse Hotels) to help the disadvantaged young people that we work with to achieve success" Sam Parsons, from MYL.

Introductions were achieved with The Manchester College resulting in them joining their Hotel Alliance Group, where the business is one of 4 from the hospitality sector, that will support in the development of the curriculum, offer work experience, and promote their job opportunities to students. They are being fully supported in their recruitment campaign with the use of the DWP's Employer Suite, recruitment events and extensive promotion of their roles. The main bulk of recruitment will take place in February and March 2023.

6.2 North

6.2.1 North Manchester Construction Recruitment

6.2.2 The North Manchester Strategy sets out the shared ambition of key partner organisations to use the planned investments as a stimulus to drive economic regeneration and improved health and wellbeing to the local population. The Council supported the development of the North Manchester Social Benefits Framework, which enables partners across North Manchester to work collaboratively to achieve social value outcomes for residents. This includes a commitment to moving Manchester residents into sustainable, good quality and living wage employment opportunities connected to North Manchester General Hospital and the Victoria North developments.

6.2.3 To date, the outcomes for North Manchester social benefit work, include:

- 1015 jobs have been created across the developments in total. 100% of employees across all projects are paid the Real Living Wage.
- 7% of all jobs have been taken by North Manchester residents, an increase from 5% in the previous quarter.
- 35% of all jobs across the developments are from Tier 1 and Tier 2 localities (North Manchester wards, All Manchester, Bury, Oldham, Rochdale and Salford).
- 490 hours of volunteering has been committed to date across the community resilience, digital and zero carbon themes.

6.2.4 NHS – Manchester Foundation Trust (MFT)

6.2.5 MFT are working with the Council to develop an enhanced health career pathway focussed on North Manchester General Hospital (NMGH). The overall objectives include increasing North Manchester residents accessing MFT employment opportunities in NMGH. Many approaches are being explored including:

- Working with the DWP in a collaborative approach to support North Manchester residents to access employment opportunities with utilisation of the jobcentre's in Cheetham Hill and Newton Heath to undertake engagement and information session to jobseekers.
- Review of application and recruitment strategies, due to 40% of job applications to MFT being started but not submitted.
- Supporting the Armed Forces community to access opportunities both within the NHS itself and the scheduled developments of the hospital.
- The arrangement of various pop-up events to engage the community by undertaking small employment fairs, training and development provision, work experience and offering a provision of up-to-date Information Advice and Guidance.

Case Study Six - Work Clubs and Manchester Foundation Trust

Work clubs operate across Manchester who provide a range of support specifically targeting disadvantaged groups and communities who are experiencing barriers to work. An opportunity was identified to collaborate with the NHS who are experiencing difficulties in recruitment due to the current tight labour market and focus on supporting these groups into employment to their entry level roles and pre-employment opportunities. A pilot was undertaken during the Autumn 2022 when all 8 North funded work clubs were invited to attend an online upskilling session delivered by Manchester Foundation Trust. Staff from 6 of these work clubs attended on the day and all received the information on pathways into the NHS, the different types of roles/careers available, how to support residents in applying as well as myth busting information to eliminate barriers for residents who have a fear of applying.

The session was successful, with work clubs commenting on the fact that they felt confident in encouraging residents to apply and support them through the application process. John Curtin from NMCP stated *"we recently attended one of the upskilling classes, where we not only found the session interesting and very informative. It was bursting with great opportunities for local people with masses of vacancies available"*. Due to the success of the pilot, plans are in place to roll out the sessions to Central and South work club staff. This will aid plugging the gaps in recruitment shortages and enable easier pathways into employment for Manchester residents.

6.3 South

6.3.1 Manchester Airport

6.3.2 Airport City is one of the largest investment and employment hubs in the North of England. Capitalising on its opportunities and ensuring that residents benefit from the scale of job and training opportunities available within Airport City is central to work and skills delivery in South Manchester. Manchester City Council supports this agenda through a variety of joint working arrangements with public sector partners such as, Manchester Airport Group (MAG), The Airport Academy (AA) and MIDAS, in addition to Airport City and Enterprise Zone employers such as Amazon and Virgin Media.

6.3.3 In 2020 work with MAG was re-aligned to support existing airport staff impacted by organisational change. Employees of MAG and its supply chain were offered dedicated assistance through In-Work GM and the Help to Get Work schemes. The Employment Partnership led the redundancy rescue support with DWP colleagues providing on the ground support where needed. Virtual Manchester Airport careers events were held on 8th December 2021 and 25th January 2022. These events were promoted to all residents, support services and work clubs. As part of the Employment Partnership approach DWP have held 12 Airport Roadshows around Greater Manchester with over 25 Sector Based Work Academies (SWAPS) delivered from Airport Academy since March 2022 including 18 MAG Security SWAPS.

Case Study Seven - Manchester Airport Recruitment Support

Activity

- With a post-pandemic spike in demand for travel and staff shortages the Airport passengers faced long queues with some flights being cancelled. Manchester City Council co-ordinated and deployed staff to support with direct recruitment on interview panels in a collaborative approach to bridge the gap in the vacancies available. In total there were 24 staff deployed with daytime re-deployment staff hours totaling 349 hours and overtime evening and weekend staff working 52 hours.
- On 24th March 2022, MAG, Airport Academy DWP and Work and Skills coordinated a large-scale airport careers event at the Wythenshawe Forum, with 30 airport employers and over 600 residents attending.
- On 24th May 2022, a careers event was held at the Wythenshawe Forum for airport and airport supply chain roles, in addition to wider Airport City and South Manchester opportunities. Just under 600 residents visited on the day. 27 employers attended the event, together with employment support services for residents to access jobs, training, advice, and guidance opportunities.
- On 22nd September 2022, a smaller Airport City careers event was held at the Wythenshawe Forum for MAG, Airport City and Airport supply chain employers requiring additional staff beyond the 2022 summer peak period. 14 employers attended the event, alongside employment support services. 212 residents visited on the day.
- To compliment Airport City recruitment, the Council together with colleagues from DWP arranged a general careers event for South Manchester residents on 28th April 2022 at the Forum. There were 323 residents in attendance at the event, with 38 employers and 6 providers showcasing jobs and training opportunities both at the airport and across South Manchester.
- The Work and Skills Team, together with partner organisations such as DWP have also assisted MAG to deliver smaller scale Manchester Airport Jobs roadshow events across Manchester as a wraparound to the large-scale airport careers events. In total 55 careers events have been held between March and September 2022. As a result of this MAG has directly engaged with approximately 1600 residents. DWP have reported over a 1000 of their Greater Manchester customers have gained jobs.

Resident Pathway to Work

Manchester resident J was out of work was hoping to refocus his career aspirations towards a role at the airport. J attended a careers event where he spoke to the MAG Airport Academy Team. After receiving advice from the team, he enrolled on a two-week sector-based training course. This programme helped him with confidence building, mental health awareness, CV building, interview techniques, aviation terminology and teamworking skills. The course also provided J with formal qualifications to improve his employment chances, including customer service and basic aviation awareness.

These qualifications, together with airport employer specific training received at the academy acted as a bridge for J into employment, via a guaranteed interview with

Jet2. In May 2022 J was employed by Jet 2 in a Customer Service role. J: *'The Airport Academy gave me confidence in my own abilities. The training I received was very informative and helped me to find a job at the airport'*.

7.0 Forward Look

- 7.1 The City's labour market, employment and skills policy needs to shape future inclusive economic growth and also be responsive to changing demands and external influences such as Government policy and global economic trends.
- 7.2 The Local Skills Improvement Plan (LSIP) is flagship Government policy of employer lead skills design. Greater Manchester chamber of Commerce began its role of designated Employer Representative Body (ERB) for GM in September 2022. The Chamber's role is to work alongside the business community, training providers and stakeholders including the City Council. The LSIP must contain actionable priorities outlining changes required to help individuals improve their skills and prospects and provide business with workforce they need.
- 7.3 The LSIP will be based on consultation, engagement and research and submitted to Government in May 2023. The City's key growth areas of digital and tech, construction, business finance and professional services and hospitality need to sit at the heart of the LSIP and wider policy. The City's labour market and employment and skills policy will also continue to support sectors that face challenges such as health and social care.

8.0 Conclusion

- 8.1 Manchester has responded well to the issues created by a rapidly changing labour market. The city has supported sector recruitment (hospitality) and specifically Manchester Airport to rebuild their labour force in a challenging environment. Attracting skilled labour is a pressure that many sectors and businesses are facing, unemployment remains comparably low and economic inactivity continues to drive a tight labour market. This may have longer term benefits to the local economy as pay and benefits reflect the recruitment landscape with the Real Living Wage Place and Good Employment Charter programmes at the forefront of our approach.
- 8.2 The demand for both core and higher skills places emphasis on the delivery of the Manchester Adult Education Skills Plan as part of the delivery of the Work and Skills Strategy. In a tight labour market providing the employability and skills opportunities for residents who are inactive or disengaged from their career aspirations is essential.
- 8.3 The Employment Partnership will continue to lead the City's response (proactive and reactive as needed) through the recession to deliver a thriving, sustainable, inclusive and highly skilled and connected economy. Major recruitment drives for Manchester International Factory and Co-op Live will be

considerable areas of focus in 2023 alongside the development of the employer driven Local Skills Improvement Plan lead by Greater Manchester Chamber of Commerce.