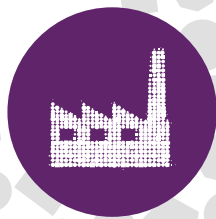
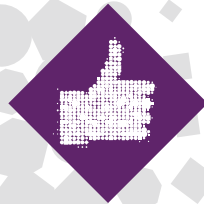


Act now to get **Manchester** working again



730,000

the number of UK workers on payroll that fell between March and July 2020.

3.4 million

people could be unemployed by the end of 2020. Up from a record low of 1.3 million

1 million

are expected to be young people aged between 18 and 24. The rest are over the age of 25.

National Challenge

According to the Office for National Statistics (ONS) the number of UK workers on payrolls fell by 730,000 between March and July¹. The Institute for Public Policy Research (IPPR) stated that as many as 3.4 million people would be unemployed by the end of 2020² – up from record lows of 1.3 million at the beginning of the year. Of the unemployed, 1 million are expected to be young people aged between 18 and 24 with the rest of the 2.4 million workers over the age of 25.

Even pre-Covid-19 the Government had a challenging, and much needed, plan to update the UK's infrastructure from rail to roads and energy to housing. Since the pandemic struck, the long awaited National Infrastructure Plan will become more relevant to the UK economy than ever as it presents the opportunity to create thousands of high skilled jobs across the country and could act as a major boost for our economy.

All of this coupled with a no deal Brexit on the horizon, more stringent immigration policies in place and continual advances in the use of workplace automation means that we need to act now in order to grow the workforce that is needed to make these ambitious plans a reality.

¹ <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/august2020>

² <https://www.ippr.org/research/publications/guaranteeing-the-right-start>

Manchester

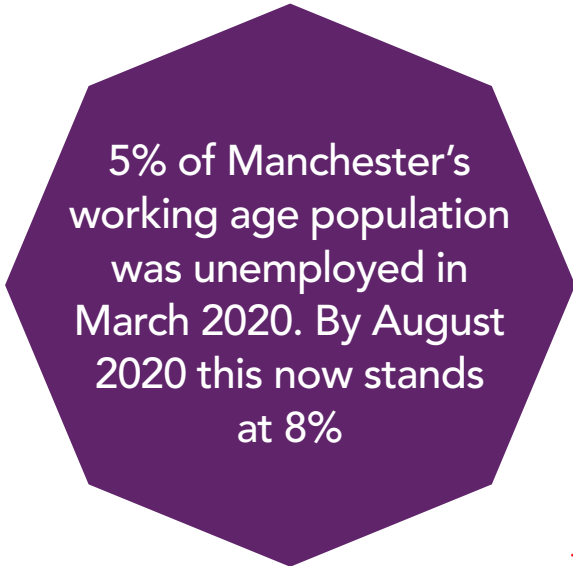
Known as the powerhouse of the North of England, Greater Manchester has a population of 2.7 million and the city has the third largest economic centre in the UK. According to the ONS, 5% of Greater Manchester's working age population was unemployed between April 2019 and March 2020³. By August 2020 this had risen to 8%.

Eight out of 10 of Manchester's metropolitan boroughs were put into local lockdowns during September and October which is expected to further impact the local economy.

Wholesale and retail trade; repair of motor vehicles and motorcycles (17%) are the industries that employ the most people in Manchester and

one of the sectors that has been most badly affected by the pandemic. This is problematic as the Centre for Cities High Street recovery tracker tells us that Manchester has suffered some of the lowest levels of recovery in terms of footfall and spend in the country⁴.

Skill levels in Manchester's population are also reasonably low with 37% having attained a Level 4 and above qualification compared to 40% nationally and 9% of the population having no qualifications at all.



5% of Manchester's working age population was unemployed in March 2020. By August 2020 this now stands at 8%



³ <https://www.nomisweb.co.uk/reports/lmp/lep/1925185547/report.aspx>

⁴ <https://www.centreforcities.org/data/high-streets-recovery-tracker/>

The Mayor's perspective – Mayor Andy Burnham

The Mayor's message to Government focuses on four priorities:

- 1 | **Levelling up can't be put on hold** – it needs to happen now to bring support to the region's economy.
- 2 | **Focus on the people** – support needs to be people-centric and accessible for all rather than focused on infrastructure.
- 3 | **Personalised approach** – the local skills ecosystem needs to be developed and empowered from the bottom up in order for it to respond to particular circumstances of the local economy.
- 4 | **Bigger devolution to the region** – to ensure that Manchester can create its own solutions to support the region out of the crisis.

Work already being undertaken in the region includes:

- A young person's taskforce and initiating a young person's guarantee to support young people with their mental health as well as working with local businesses to offer opportunities and digital connectivity.
- Strong partnership with the Department for Work and Pensions (DWP) supporting individuals who have been out of work for long periods due to health issues.

The Mayor highlighted the importance of conversion courses in Manchester providing ways for individuals to move into different sectors that reflect regional needs

Current labour market outlook in Manchester

Unemployment is up

The Claimant Count (of Job Seekers Allowance and those claiming Universal Credit out of work benefits) rose 91% between March and July⁵ with many of those seeking unemployment benefits coming from low skilled high volume jobs such as retail.

Job posting activity fell sharply but is returning

Unique job postings were down by 33% between February and June in the region but are bouncing back with postings up by 16% between June and August, which is a quicker upturn than the national average⁶. The recent rebound in job postings are largely for higher skilled roles.

Automation will displace more people

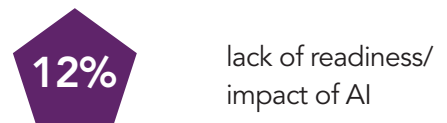
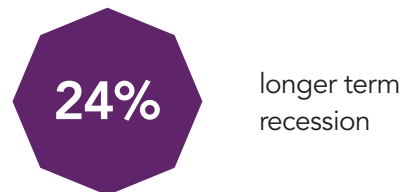
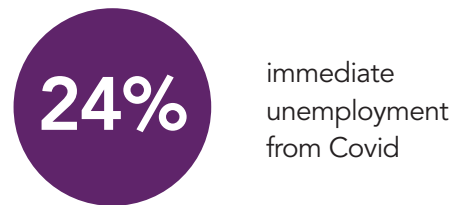
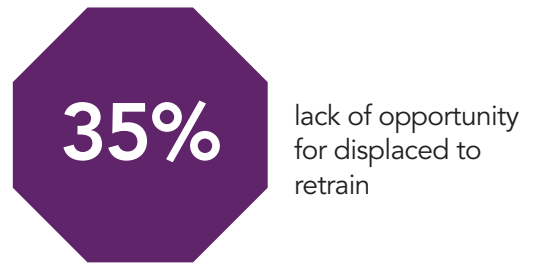
Approximately 25% of Manchester's workforce are in occupations with 50% or more of their tasks categorised as 'highly automatable'⁷ with roles including Cleaners and Domestic, Kitchen and Catering Assistants, Bar Staff and Packers, Bottlers, Canners and Fillers having over 75% of tasks considered at risk.

Skills Bridges

Created by City & Guilds as a solution for turning the tide on unemployment, Skills Bridges will identify the overall potential of an individual and determine whether their skills and motivation could be transferred seamlessly into other industries and occupations. It will offer candidates the tools and knowledge of the sector they need to gain direct entry into a new occupation and industry and give them an advantage in the recruitment process.

Poll.

What do you think is the biggest challenge facing the local labour market?



⁵ ONS Crown Copyright reserved (from Nomis on 3 September 2020)

⁶ Emsi 2020

⁷ Emsi 2020

What needs to happen in Manchester to address unemployment and job displacement now and in the future?

Below are the key recommendations from the discussions we had with our attendees during the event.

Common themes

We need to localise and personalise solutions

There needs to be more autonomy at a regional level in order to provide solutions and support to address specific local challenges. Policies need to be localised and targeted and built from the bottom up in order to provide solutions that are flexible, timely and able to adapt quickly in response to sector and regional needs.

An example discussed was the Kickstart Scheme – a £2 billion fund aiming to create hundreds of thousands of high quality 6-month work placements aimed at those aged 16-24, who are on Universal Credit and at risk of long-term unemployment. However, the scheme had minimal local input and due its time and funding commitments, businesses have found it very difficult to apply.

We need localised employment support schemes that will create jobs with measurable targets such as goals for zero carbon targets, retrofitting all properties to minimise carbon footprint and building zero carbon homes for rent in areas with housing shortage.

Help people to move between sectors

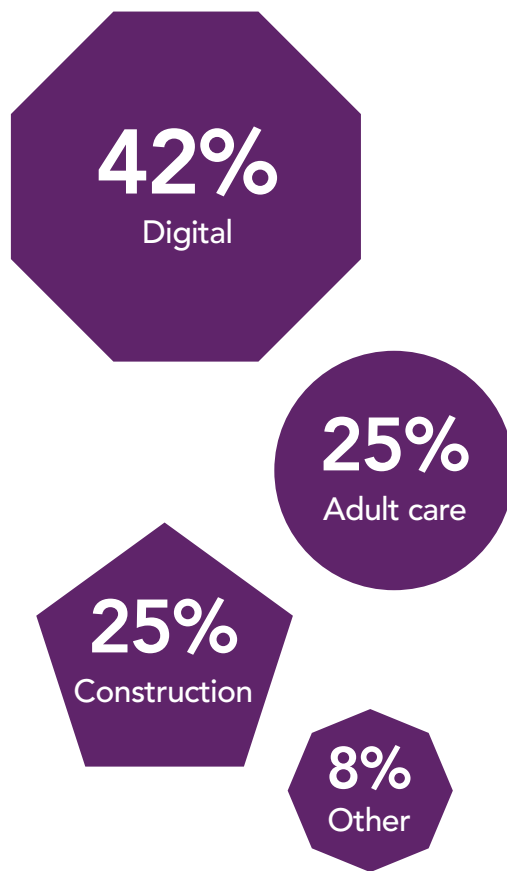
– It was noted that there is a need for a support structure to help people to move to sectors where there is workforce demand such as transport or energy. This is also the case within sectors where new skills are needed to meet changing requirements or ways of working for example within the construction industry which may need expertise and knowledge of the green agenda or digital skills.

Skills Bridges

Created by City & Guilds as a solution for turning the tide on unemployment, Skills Bridges will identify the overall potential of an individual and determine whether their skills and motivation could be transferred seamlessly into other industries and occupations. It will offer candidates the tools and knowledge of the sector they need to gain direct entry into a new occupation and industry and give them an advantage in the recruitment process.



Poll.
Which industry sector would Skills Bridges be most helpful for in addressing the unemployment challenge in Manchester?



If Skills bridges are introduced they should focus on core skills for all, alongside a more flexible or modular secondary focus on specific sector and industry requirements to allow people entry to that sector but also arming them with skills that could be used in other areas in the future.

Explain through practical examples – Skills Bridges need to be explained simply and effectively to individuals; using short videos showing the reality of the Skills Bridge in action would be a strong visual aid. Sharing practical examples of how you can successfully bridge between retail to adult social care or aviation to construction or logistics would positively show how this is working in practice

Accessibility for all

There is a risk that the long-term unemployed will be left even further behind as those more used to learning and reskilling and who already have more skills / access to skills are also looking for work. There needs to be better access to equipment, training, mentoring and support for the long term unemployed to try and even out the playing field.

It was noted that accessibility to the digital world is also critical. Some people won't have the means or skills to interview via online platforms and this needs to be built into any proposed training solutions. This includes those individuals where English is a second language who may have further challenges with understanding digital training.

Impact of family infrastructures

Uncertainty due to Covid-19 looks set to continue into the long term and not everyone has the access to the support they need to balance work with childcare and other responsibilities.

More flexibility is needed to preserve the family infrastructure, particularly for mothers. Let's not take a step back in society because of Covid-19 and find that mothers are being pushed back out of employment because of childcare issues. Employers must be more flexible and demonstrate equality across men and women at the same time.

Career advice and guidance

Better careers advice and clearer pathways – As always there is a need for better careers advice and guidance for all ages, particularly in an ever evolving landscape where people may need to retrain and reskill several times. People often don't know what is out there and what they need to do in order to get there. They also don't know what transferable skills they already have that could be used in other roles or sectors, so need help identifying those and with filling any skills gaps.

Funding support workers is key – Having support workers who are able to mentor and support individuals facing redundancies, helping them to understand their transferable skills is critical to the success of Skills Bridges. We need brilliant careers advisers and support networks that help people understand their skills and options, what they are great at and could move into. Hand-holding and support is key to help people transition from one career, that they may have been in for decades, to a brand new career opportunity.

Providing fit-for-purpose training

Funding for skills, not qualifications

– A plan for jobs won't be met by a plan for qualifications. Regions should be given more autonomy to agree success measures for skills and focus on the future skills needs of different industries. Funding should be reframed to focus on local success measures relevant to the region.

It was recognised that there is conflict between traditional models of education and skills training and what employers now need but we must shift focus to looking at success for further and higher education being what is the destination outcome (i.e. the person got a job) as a result of training rather than numbers of people taking particular courses.

Colleges and training providers need to be more joined up with employers, providing the right courses for the future. Colleges should be used as centres of innovation, mentoring and supporting others.

Need a more inclusive / rounded recovery plan

– We can't rely just on transportation infrastructure spend to restart the economy (the Government's National Infrastructure Plan). Infrastructure is part of the solution but digital is another critical component. We should be focusing on improving access to 5G, stop training gas fitters and train for digital working and the impact of green economies on different sectors.

