

# GREATER MANCHESTER WORK AND SKILLS STRATEGY & PRIORITIES 2016 TO 2019: EXECUTIVE SUMMARY

Our vision is that, by 2035, the Greater Manchester city region will be one of the world's leading regions, driving sustainable growth across a thriving North of England. It will be ever more productive, innovative, creative, known for the excellent quality of life enjoyed by our residents who are able to contribute to and benefit from the prosperity that growth brings.

Greater Manchester needs a work and skills system which ensures that young people leave education ready to succeed in the labour market, that adults have access to the skills and support they need all the way from entering the labour market through to highly skilled employment, and which is flexible, resilient and adaptable enough to meet employers' needs for improved productivity and growth.

This will be delivered via an integrated work and skills system which has the needs of GM's employers – particularly in our growth sectors – and residents at its heart.

## CURRENT POSITION

There is a need to increase the number of young people in GM who leave school with five GCSEs (or equivalent) including English and maths, as 45% of our young people do not currently achieve this standard. This situation arises from a foundation of 40% of children entering school who are not "school ready", and has long term implications for the Adult Education Budget, over half of which is spent on 'second chance' qualifications in English and maths.

The proportion of GM residents with no qualifications has reduced substantially since 2004 but at 11% remains above the national average (9%). The number of people claiming benefits has remained static during periods of economic growth and recession in recent years at around 250,000, with almost 80% of those claiming out of work benefits and a significant proportion also claiming a health related benefit. This presents a real opportunity for GM to provide integrated health, skills and work related interventions which open doors for our residents into sustainable employment, rather than focussing on systems and services centred on benefit eligibility.

The upskilling of our workforce and better skills utilisation by employers will support businesses to engage in higher value activity by boosting productivity and innovation. It will also help move towards a higher wage economy with improved opportunities for residents' personal and professional development through career progression.

## THE CHALLENGE

Our ability to develop, attract and retain skilled labour, build resilience and sustain an adaptable current and future workforce is a prerequisite for economic growth. Over the medium term, GM needs a transformational education, skills and employment system which delivers the higher level technical and professional skills needed to drive productivity, and which delivers a step change improvement in basic and generic skills needed to support pathways into sustained employment.

To meet these challenges, analysis has identified four main skills trends which must be addressed:

- **Gaps in basic and generic skills which run across sectors**, including English, maths, digital skills and generic skills such as management, communication and problem-solving
- **The need to shift skills delivery to higher levels across most of the key growth sectors** (in terms of both GVA and employment), which increasingly need skills at higher levels, principally Level 4. It is forecast that almost quarter of a million jobs requiring skills to at least Level 4 will be created within GM in the years to 2022

- **The need to understand the specific skills needs and dynamics of GM's main growth sectors** (in particular Manufacturing, Financial & Professional Services, Digital & Creative Industries, and Health Innovation), as well as the sectors which support and enable that growth, and sectors in which specific skills gaps and shortages are reported
- An exclusive focus on reforming the skills supply system will be insufficient – **supporting businesses to move up the value chain will also enable skills performance and boost productivity**, thereby improving skills performance and helping GM firms to innovate and compete.

Employers will be required to play an active role in co-producing and co-funding skills at higher levels, as well as investing in their own workforces. Better connection between demand and supply sides of the skills system will be essential, with dynamic long-term relationships between employers and GM's FE and HE institutions and training providers. There will also be a requirement for better collaboration between schools, colleges, training providers and universities to ensure a flexible, responsive and accessible infrastructure which can adapt to new models of delivery.

## GM'S WORK AND SKILLS PRIORITIES 2016 – 2019

In GM we must be ambitious if we are to seize the opportunities which Devolution offers, capitalise on national developments and minimise risks associated with reduced levels of government investment. We must be realistic about the challenges we face and our baseline position, recognising both that the opportunities and challenges are not uniform across GM and that there is a lot of good work at local authority level upon which we can build.

In order to focus on activities which will add optimum value and maximise the impact of GM investment and initiatives, ten work and skills priorities have been developed for the next three years:

1. **Improving careers education, information, advice and guidance (CEIAG)** to support informed decision-making.
2. **Reforming the work and skills system to focus on outcomes not inputs**, with an outcome framework which will underpin all future commissioning of provision.
3. **Developing GM's work and skills infrastructure to meet the needs of the economy**, working through the Area Based Review, JCP's Estate Review and the One Public Estate programme.
4. **Improving attainment from compulsory education**, improving achievement of 5+ GCSEs including English and maths at age 16 and ensuring more young people achieve a Level 3 equivalent by age 19.
5. **Strengthening employer engagement**, developing a comprehensive approach which puts employers at the heart of the system, from entry level employment to higher level skills.
6. **Growing the quality and quantity of Apprenticeships**, harnessing the opportunities around improved CEIAG, improved employer engagement and activity linked to the Apprenticeship Levy.
7. **Developing higher level skills**, ensuring a seamless system which supports young people and adults to progress routinely to degree-level equivalent skills, and to retain that talent.
8. **Redesigning universal support provision**, providing an integrated and personalised support offer with a view to sustainable job outcomes.
9. **Developing specialist support for hard-to-reach groups**, utilising Working Well and the Work and Health programme to support adults who have been outside the labour market for long periods.
10. **Ensuring GM commissioned programmes have a skills and work focus**, working with partners across the ESF, business support and health landscape to ensure all commissioning activity supports delivery of GM's work and skills priorities.