# North West Strategic Analysis

## Greater Manchester Sub Regional Report

## March 2008

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# SECTION:1 INTRODUCTION AND CONTEXT

## 1.1 Background and Purpose

1.1.1 In 2006 the NW Statement of Skills Priorities for the period 2007/08 to 2009/10 was published by the Regional Skills Partnership (RSP). The purpose of the Statement of Skills Priorities is to provide the region with a sound basis and rationale to guide the planning and purchasing of skills provision to meet the needs of employers and the economy in general. The Statement also articulates how the RSP will support the delivery of the Regional Economic Strategy.

1.1.2 As part of the work, we have produced a Regional Strategic Analysis, which is the quantitative evidence base that underlies the NW Statement of Skills Priorities. It also acts as the evidence base for ESF prioritisation and supports the LSC planning cycle and the regional strategic commissioning document, which was completed in December 2007.

1.1.3 This report presents an updated version of the sub-regional Strategic Analysis or evidence base for Greater Manchester produced in 2006. It is primarily a quantitative report, with analysis conducted at the sub-regional and district level, where appropriate. Its purpose is to highlight the issues which are of particular importance for the area.

## 1.2 Policy Background

1.2.1 The Regional Strategic analysis sets out the national policy context and the recent focus on skills as being vitally important to improving productivity levels in the UK. This can be summarised as:

- Leitch;
- Economic Development;
- Worklessness
- Economic development and skill priorities in the area.

## 1.3 LSC Area Priorities

**Priority 1: Creating Demand for Skills**

Key Challenges:

- Addressing high levels of young people who are not in education,
- employment or training (NEET)
- Too many young people are in employment without any formalised learning
- There are low levels of progression to Level 3 learning and beyond

1.3.1 To increase the demand for learning we need to drive forward a cultural shift in the perception of learning and ensure the benefits of skills acquisition are clear. In addition for 2008/09 we aim to:

- Plan, through local 14-19 Partnerships, **a comprehensive 14-19 offer**, maximising the utilisation and impact of ESF to provide pathways for young people to progress into mainstream learning within each borough
- Work with education partners to **maximise the impact of the Greater Manchester Challenge**, to increase levels of attainment and improve the progression of young people
- Increase the participation of young people through effective **NEET reduction strategies** with a clear focus on vulnerable learners including those with learning difficulties and/or disabilities
- Continue to raise the profile of learning and celebrate success by holding the **Greater Manchester Learner Awards in 2008** and promoting the benefits of learning through enhanced local skills campaigns
- Work with partners, including Greater Manchester Chamber, the Greater Manchester Employer Coalition, the Greater Manchester Universities and the brokerage service, to **promote the Skills Pledge** and increase the take up of Train to Gain

**Priority 2: Transforming FE**
Key Challenges:

- The need to increase capacity for level 2 and 3 learning through flexible learning opportunities
- Aligning the renewal of the FE capital infrastructure and facilities with the BSF programme for schools

1.3.2 transformation of the FE system as a whole with a clear focus on the areas where we believe we can add the greatest value, these include:

- **Understanding the needs and demands of learners and** employers through 'The Learner Voice', a comprehensive review of apprenticeships and a local assessment of employer responsiveness
- Working with colleges to **increase income generation** through effective fee policies and the agreement of individual income targets that reflect the local area and employer base
- Undertake a **structural review of the work based learning provider base** to provide high quality learning infrastructure to support the development of vocational pathways
- Through strategic investment, **expand the apprenticeship programme**, including increased volumes of Young Apprenticeships, the expansion of Programme Led Apprenticeships and additional volumes of adult apprenticeships
- **Continue to drive up quality** and in particular success rates at Level 3; only purchasing learning opportunities which exceed Minimum Levels of Performance and give value for money

**Priority 3: Better Skills, Better jobs, Better Lives**

Key Challenges:

- High need for Skills for Life learning with a focus on numeracy provision
- Low levels of attainment and skills within the working age population

1.3.3 We will focus our efforts and resources to engage more people from disadvantage groups to increase overall participation and achievement levels. We will drive forward the integration of skills and employment and focus training on addressing skills shortages in local labour markets. In addition we will:

- Contribute to borough level LAA targets and the **Greater Manchester Multi Area Agreement** (MAA) through effective procurement and programme management to ensure the integration of employment and skills
- Provide an increased focus on **engaging employers in learning**, with a focus on increasing apprenticeship places and reducing the high numbers of young people who are in employment without any formalised learning
- Ensure equality of opportunity, **targeting areas of disadvantage**, which result in improved success rates for minority groups, increased participation of underrepresented groups and reduced imbalances in learning and skills acquisition
- Work with those local providers who are trialling the **Foundation Learning Tier** and disseminate the outcomes in order that Greater Manchester providers can respond to the national roll out of the FLT for learning below Level 2
- Work with further education providers to target the learning offer to **adults without a Level 2 qualification,** focusing on those who are disengaged from learning and furthest away from the labour market

# SECTION:2 ECONOMIC CONTEXT

## 2.1 Introduction

2.1.1 This section contains a brief description of the economic context in Greater Manchester, focusing on productivity levels and enterprise as key driver of productivity. The other key drivers of skills, economic activity and employment are covered in detail later in the report

## 2.2 Productivity

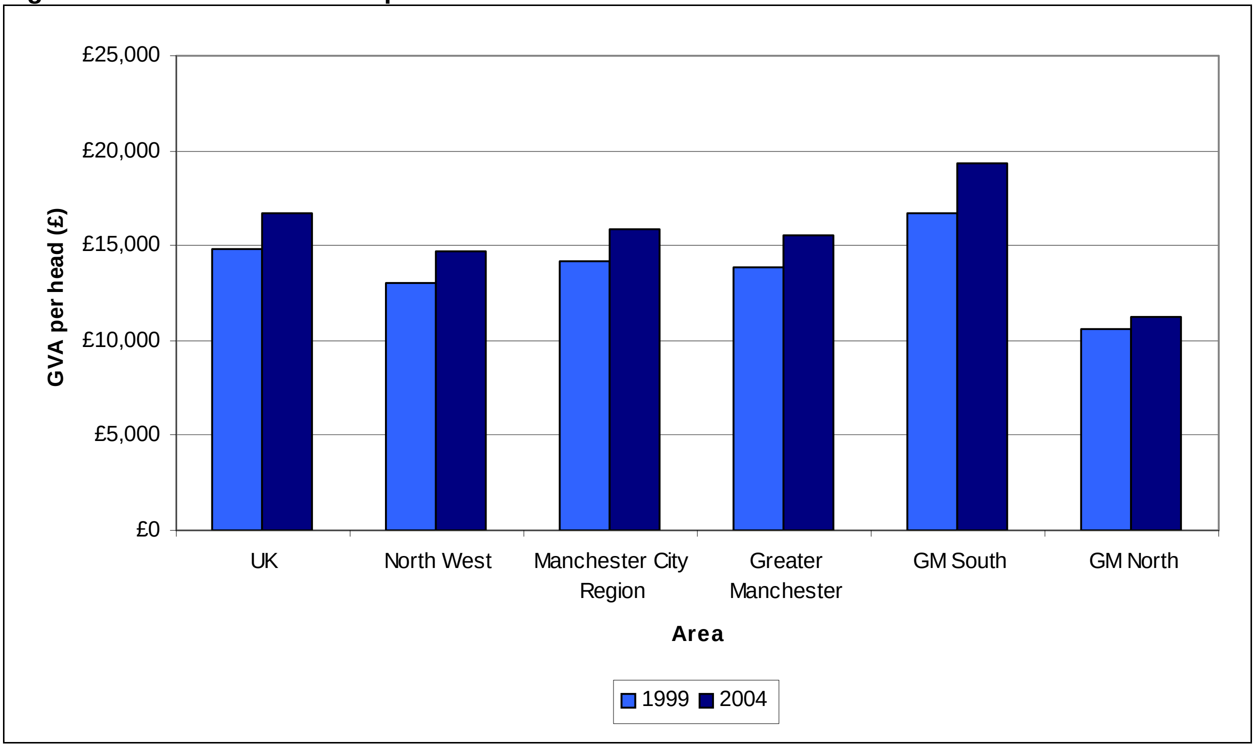
2.2.1 Gross Value Added (GVA) per head gives an indication of the level of the average economic wealth generated by each individual in an area. Residence-based figures for this are available from the Greater Manchester Forecasting Model (GMFM), which uses real data and forecasting methods to show the GVA per head at district levels.

2.2.2 GVA per head in Greater Manchester (£15,586) and the Manchester City Region (£15,849) is above that of the North West average (£14,681). However, these figures are still lower than the national average of £16,706. Additionally, there are significant differences in productivity between GM North and GM South, with GM South showing a GVA per head level of over £8,000 per annum more than GM North.

2.2.3 Using the most recent real figures (2004), GVA per head in the North West has increased significantly over the past five years, increasing by £1,612 (a growth of 12.3%). However, as can be seen from Figure 1, there still remains a significant output gap when compared to the UK average. The North West GVA per head is significantly below the UK average, and this is one of the reasons for targeting skills priorities at reducing these differences. If GVA per head could be raised to the UK average in the North West, individuals working here would be, on average, £2,025 better off annually than they are currently.

2.2.4 GVA figures also highlight significant growth in the sub-region. GVA per head has increased by £1,741 between 1999 and 2004 in Greater Manchester. This represents an increase of 12.6%, and an average growth of 2.4% per annum, in line with the North West but lower than the Manchester City Region (2.2% per annum). This change has largely been fuelled by the growth in GM South's GVA per head level, which grew by 15.9% over the period.

**Figure 1: Gross Value Added per Head 1999 and 2004**




*Source: Greater Manchester Forecasting Model, 1999 - 2004*

2.2.5 GVA per head is determined by a number of factors, including:

- The industrial base – higher value sectors show higher value productivity;
- The relative size of the working age population compared to the dependent population – a greater working age population is likely to add to the GVA per head value;
- Activity levels within the working age population – a more active workforce being more productive;
- The skill levels of those in employment – where higher skills are likely to lead to higher productivity; and
- The number of hours worked by those in employment.

2.2.6 Greater Manchester compares unfavourably to the national average in terms of levels of economic activity and the skills base of the workforce, which reduces the level of GVA per head, potentially stifling economic growth and development. In GM in particular:

- Economic activity is below the national average: 76.5% in GM, compared to 78.5% in the UK; and
- The proportion of the workforce qualified to Level 4 or above is 25.3% in GM, compared to 27.3% in the UK.

## 2.3 Enterprise

2.3.1 An important determining factor in the economic success of an area is the level of enterprise, or the rate of new business start up. The provision of skills that can ease the process of business start-up, and contribute to the success of new businesses would therefore be significantly beneficial to the economy.

2.3.2 Business start-up rates are indicators of the level of entrepreneurial activity in the economy, which are reliant on the skills and qualifications of the economy. The rate of business start-up is typically measured by the rate of new VAT registrations. Figure 2, shows VAT registrations and de-registrations within GM and wider regions.

2.3.3 Overall there were around 7,290 VAT registrations in GM in 2006, of which 1,240 were in the Manchester district. Comparatively, Tameside had the lowest number of VAT registrations in 2006, at 465. In the wider Manchester City Region, there were over 2,000 more VAT registrations than in GM alone, with a total 9,620 registrations in 2006.

2.3.4 The number of businesses have also shown a significant increase in the past 5 years, with VAT registered stocks (total businesses at years end) in GM increasing by 5,905 (+9.5%). Within GM, Salford showed the greatest change in business stocks between 2001 and 2006, increasing by +14.6%. Comparatively, Manchester shows the smallest change over the period, of only +2.8%. However, this was from a relatively high business stock base in 2001.

2.3.5 GM (+9.5%) has shown a similar increase in stocks between 2001 and 2006 as Great Britain (+9.5%). By comparison, the Manchester City Region (+10.5%) has increased beyond the national average.

**Figure 2: Business Start-Ups (New VAT Registrations) and Change, 2001 and 2006**

| Area | Registrations | Deregistrations | Registrations minus Deregistrations | Stocks at end of year | Change 2001-2006 | |
|---|---|---|---|---|---|---|
| | Number | Number | Number | Number | Number | Percent |
| Bolton | 785 | 550 | 235 | 6,870 | 530 | 8.4% |
| Bury | 545 | 430 | 115 | 4,965 | 440 | 9.7% |
| Manchester | 1,385 | 1,240 | 145 | 11,865 | 325 | 2.8% |
| Oldham | 520 | 385 | 135 | 5,055 | 570 | 12.7% |
| Rochdale | 480 | 350 | 130 | 4,805 | 510 | 11.9% |
| Salford | 665 | 475 | 190 | 5,755 | 735 | 14.6% |
| Stockport | 860 | 715 | 145 | 8,995 | 770 | 9.4% |
| Tameside | 465 | 365 | 100 | 4,970 | 440 | 9.7% |
| Trafford | 930 | 675 | 255 | 8,020 | 760 | 10.5% |
| Wigan | 655 | 460 | 195 | 6,635 | 825 | 14.2% |
| Greater Manchester | 7,290 | 5,645 | 1,645 | 67,935 | 5,905 | 9.5% |
| Manchester City Region | 9,620 | 7,250 | 2,370 | 92,250 | 8,755 | 10.5% |
| North West | 17,920 | 13,670 | 4,250 | 186,045 | 17,630 | 10.5% |
| England | 159,315 | 124,660 | 34,655 | 1,670,500 | 149,215 | 9.8% |
| Great Britain | 177,765 | 139,205 | 38,560 | 1,892,385 | 163,925 | 9.5% |

*Source: NOMIS VAT Registrations, ONS Crown Copyright Reserved*

2.3.6 Figure 3, highlights the business birth and death rates for different regions. GM as a whole (45.3 per 10,000 working age population) continues to have a higher rate of new business start ups than the North West, although relatively fewer when compared to the England or the GB average.

2.3.7 De-registrations in GM (35.1 per 10,000 working age population) are lower than the England and GB averages, but higher than that of the North West.

2.3.8 Of the GM districts, Trafford has by far the largest start up rate whilst Wigan and Tameside have rates well below the region and sub-region. De-registrations, however, are also high in Trafford, and low in Wigan, Tameside and Rochdale.

**Figure 3: Business Start-Up Rates (VAT De-/Registrations) by working age population, 2006**

| Area | Regstrations | Registrations per 10,000 working age population | Deregistrations | Deregistrations per 10,000 working age population |
|---|---|---|---|---|
| Bolton | 785 | 48.8 | 550 | 34.2 |
| Bury | 545 | 48.2 | 430 | 38.1 |
| Manchester | 1,385 | 45.0 | 1,240 | 40.3 |
| Oldham | 520 | 39.0 | 385 | 28.9 |
| Rochdale | 480 | 37.5 | 350 | 27.4 |
| Salford | 665 | 48.1 | 475 | 34.4 |
| Stockport | 860 | 50.2 | 715 | 41.7 |
| Tameside | 465 | 34.7 | 365 | 27.3 |
| Trafford | 930 | 71.1 | 675 | 51.6 |
| Wigan | 655 | 34.3 | 460 | 24.1 |
| Greater Manchester | 7,290 | 45.3 | 5,645 | 35.1 |
| Manchester City Region | 9,620 | 47.9 | 7,250 | 36.1 |
| North West | 17,920 | 42.3 | 13,670 | 32.3 |
| England | 159,315 | 50.4 | 124,660 | 39.4 |
| Great Britain | 177,765 | 48.5 | 139,205 | 38.0 |

*Source: NOMIS VAT Registrations, ONS Crown Copyright Reserved*

## 2.4 Priority Sectors

2.4.1 Six sectors have been identified by the Greater Manchester LSC as being important to the local economy and needing particular attention for skills development. These are:

- Construction;
- Retail;
- Healthcare;
- Finance and Professional Services;
- Creative Industries; and
- Public Services.

2.4.2 In addition, based on a detailed analysis of all the business sectors making up the City Region economy, the following 6 sectors have been identified by Greater Manchester partners as priority “sector accelerators” for the City Region:

- Manchester Airport;
- Financial and Professional Services;
- Life Science Industries;
- Creative / Digital / New Media;
- Manufacturing; and
- ICT Digital / Communications.

2.4.3 Four of the sector accelerators: Financial and Professional Services; ICT Digital / Communications; Life Science Industries; and Creative / Digital / New Media, have been chosen because they offer significant potential to deliver GVA growth and are driven by the private sector. In addition, they represent priorities in terms of creating a modern knowledge driven economy in the Manchester City Region.

2.4.4 Manufacturing has been chosen because it has the second highest current level of total GVA output and GVA per employee of any sector within the City Region. It is also a significant employer and has a number of high value sub-sectors which form a sound basis upon which to build future high value activity within the sector.

2.4.5 Finally, the Manchester City Region has a unique asset in Manchester Airport – the largest airport outside the Greater South East and the only truly international / intercontinental gateway to the Northern regions. The airport is critical to partners' aspirations of becoming a truly global economy and therefore Manchester Airport has been chosen as the sixth Sector Accelerator.

## 2.5 Sectoral Structure of Greater Manchester

2.5.1 The sectoral structure of Greater Manchester is crucial to the formulation of the Skills Priorities, as well as to the understanding of the skills demand in the GM economy. Importantly, the GM economy is vastly influenced by the requirements and production of a number of the priority sectors identified above. Manufacturing, for example, is a significant contributor to the GM economy, especially in terms of output, employment and future potential. Likewise, other sectors such as the Financial and Professional Services sector contribute significant value to the GM economy and are forecast to have significant potential growth.

2.5.2 Figure 4 and Figure 5 below show, respectively, the numbers and proportions of businesses and employees in GM. Priority sectors are discussed below.

2.5.3 Financial and Professional Services is the largest key sector in GM, accounting for over a fifth (21.0%) of all workplaces, compared with 19.4% in the NW and 20.8% in GB in 2006. The sector also employs one-in-six employees (15.4% or 178,300 employees), which is higher than the GB average (14.6%).

2.5.4 Manufacturing remains another significant employer, accounting for nearly one-in-six (11.4%) employees within GM. However, this is a smaller share than the NW and GB averages. Comparatively, manufacturing businesses constitute only 7.9% of all GM businesses, though this is higher than the North West or GB.

2.5.5 Life Science Industries, despite being a key sector accelerator, make up only 5.7% of businesses in GM, on a par with GB. This is because these businesses are large, and as such, have a higher share of total employees than of total businesses. As a significant employer within GM, Life Sciences accounts for 146,300 employees (12.6% of all employees in GM). This is, however, lower than the North West and GB.

2.5.6 Creative / Digital / New Media businesses account for one-in-ten (9.6%) of all workplaces in GM, which, along with the wider Manchester City Region (MCR) (10.0%), is on a par with GB. With a total of 57,600 employees (5.0%), Creative / Digital / New Media is a sector with a large number of small firms, and hence a significant driver of potential future growth in the sub-region. The proportion of employees within the Creative Industries is larger than in the region but a smaller proportion than nationally.

2.5.7 A slightly larger proportion of employees work in ICT Digital / Communications (3.7%) than in the NW, but this proportion is similar to the national level. This reflects the sector's strong, sustained growth in GM. However, the proportion of businesses in GM (6.1%) is on a par with both the North West and GB.

2.5.8 Of the remaining key sectors, logistics (4.0%) is over-represented in comparison to GB in terms of employees, whilst Hospitality and Tourism (6.4%) in GM is relatively under-represented.

2.5.9 In terms of workplaces, retail (13.2%) has a significantly higher proportional representation in GM than in GB (12.3%). However, this is still a lower proportion than the North West (13.8%).

**Figure 4: Key Sector Businesses (Workplaces), 2006 (Blue denotes accelerator sectors)**

| Sector | GM | | MCR | NW | England | GB |
|---|---|---|---|---|---|---|
| | Total number of workplaces | % of total workplaces | % of total workplaces | % of total workplaces | % of total workplaces | % of total workplaces |
| **Aviation** | **400** | **0.4** | **0.4** | **0.3** | **0.4** | **0.3** |
| **Creative / Digital / New Media** | **8,900** | **9.6** | **10.0** | **8.8** | **10.3** | **10.0** |
| **Financial & Professional Services** | **19,400** | **21.0** | **21.5** | **19.4** | **21.3** | **20.8** |
| **ICT Digital / Communications** | **5,700** | **6.1** | **6.6** | **5.6** | **6.5** | **6.2** |
| **Life Science Industries** | **5,300** | **5.7** | **5.5** | **6.1** | **5.5** | **5.7** |
| **Manufacturing** | **7,300** | **7.9** | **7.6** | **7.4** | **7.1** | **7.0** |
| Construction (including architecture) | 10,800 | 11.7 | 11.7 | 11.9 | 12.1 | 12.1 |
| Education | 1,800 | 2.0 | 1.9 | 2.1 | 1.8 | 1.9 |
| Hospitality & Tourism | 8,400 | 9.1 | 8.9 | 9.4 | 9.4 | 9.6 |
| Logistics | 2,700 | 2.9 | 3.0 | 2.9 | 2.7 | 2.7 |
| Public Services | 1,100 | 1.2 | 1.1 | 1.2 | 1.1 | 1.2 |
| Retail | 12,200 | 13.2 | 12.7 | 13.8 | 12.0 | 12.3 |
| Sport | 1,000 | 1.0 | 1.1 | 1.2 | 1.2 | 1.2 |
| Total | 92,500 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

*Source: ONS, Annual Business Inquiry, 2006*

**Figure 5: Key Sector Employment (Employees), 2006(Blue denotes accelerator sectors)**

| Sector | GM | | MCR | NW | England | GB |
|---|---|---|---|---|---|---|
| | Total number of employees | % of total employees | % of total employees | % of total employees | % of total employees | % of total employees |
| **Aviation** | **13,600** | **1.2** | **1.0** | **0.6** | **0.8** | **0.7** |
| **Creative / Digital / New Media** | **57,600** | **5.0** | **5.3** | **4.4** | **5.6** | **5.5** |
| **Financial & Professional Services** | **178,300** | **15.4** | **15.5** | **13.0** | **15.0** | **14.6** |
| **ICT Digital / Communications** | **42,600** | **3.7** | **3.8** | **3.0** | **3.8** | **3.6** |
| **Life Science Industries** | **146,300** | **12.6** | **12.7** | **14.0** | **12.5** | **13.0** |
| **Manufacturing** | **131,900** | **11.4** | **11.8** | **12.5** | **10.9** | **10.9** |
| Construction (including architecture) | 75,500 | 6.5 | 6.9 | 6.2 | 5.9 | 6.1 |
| Education | 99,200 | 8.6 | 8.2 | 8.6 | 8.3 | 8.3 |
| Hospitality & Tourism | 74,800 | 6.4 | 6.6 | 7.5 | 7.1 | 7.2 |
| Logistics | 46,600 | 4.0 | 3.9 | 3.5 | 3.5 | 3.3 |
| Public Services | 57,200 | 4.9 | 4.6 | 5.6 | 5.3 | 5.5 |
| Retail | 121,900 | 10.5 | 10.5 | 10.8 | 10.5 | 10.5 |
| Sport | 13,000 | 1.1 | 1.2 | 1.2 | 1.3 | 1.3 |
| Total | 1,159,800 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

*Source: ONS, Annual Business Inquiry, 2006*

## 2.6 Summary

2.6.1 Economic performance across the sub-region remains relatively strong, although performance is not distributed equally across the area. Productivity within Greater Manchester South remains high and the rate of growth each year is above the regional rate.

2.6.2 This section has highlighted the need to raise the levels of economic activity across Greater Manchester, in order to increase output levels and reduce the proportion of dependent people within the working age population. Further information on economic inactivity by local authority is available in chapter 6.

2.6.3 GVA in Greater Manchester North is also highlighted as key to improving the economic position of Greater Manchester. This could be achieved through raising activity levels, increasing the skills of the workforce, as well as developing enterprise skills and aspirations of the working age population of the area.

2.6.4 The sectoral structure of Greater Manchester is very important when used to formulate the Skills Priorities for the area, and should be seen as a key indicator in a demand led system of skills provision. The sectoral analysis in this and the following chapter gives important information as to the effects of key industrial groups on the GM economy.

2.6.5 Please note that information and analysis of overall employment and economic activity is located in chapter 6.

# SECTION:3 THE DEMAND FOR SKILLS

## 3.1 Introduction

3.1.1 This chapter looks at the demand for labour in Greater Manchester, both in terms of the volume of people needed for employment and the required occupation and skill levels. It considers:

- Historical changes in employment, and forecast changes;
- Employment levels within industrial sectors;
- The occupational structure of the workforce; and
- Economic development and skill priorities in the area.

## 3.2 Employment

3.2.1 The most recent figures on employment show that there are over 1,163,800 people employed in Greater Manchester, an increase of almost 42,000 since 2000. Over the last five years employment in the sub-region has grown by on average 0.7% per annum compared to around 1% regionally and nationally.

## 3.3 Change in Key Sector Businesses and Employment

3.3.1 Looking at the growth in employment and workplaces highlights the fastest growing sectors of GM. Targeting skills provision to support these growing areas will add value to the local economy, and allow individuals to take part in the development of the growing knowledge economy.

3.3.2 Data are taken between 1998 and 2006, with Figure 6 showing the sectors with the fastest net in year growth in the number of workplaces. Within GM, the ICT Digital / Communications, Financial and Professional Services, Creative / Digital / New Media and Hospitality and Tourism sectors showed the greatest sustained growth in business numbers according to the Annual Business Inquiry (2006). Manufacturing businesses, by comparison, decreased rapidly over the period.

3.3.3 However, Manufacturing was not the only sector to see a decrease in the number of workplaces. Retail and Aviation also saw the number of businesses fall. In the wider MCR, though, Retail businesses actually increased.

3.3.4 GB as a whole has seen a greater proportional increase in businesses in the Life Sciences industry than GM – an increase of +23.4% in GB in comparison to just +17.6% in GM. Financial and Professional Services have also seen lower growth rates in workplace numbers than in GB as a whole. In addition, Manufacturing workplaces have fallen by a greater proportion in GM than in GB. However, ICT Digital / Communications have grown significantly more in the GM economy since 1998 than in the overall GB economy.

3.3.5 This highlights the specialised structure of the GM economy in relation to the rest of the country. Great Britain as a whole has seen significantly different changes in these key GM sectors. As such, specialised skills priorities building on these GM distinctions will benefit GM more than a generalised strategy of skills and qualification provision.

**Figure 6: Change in Key Sector Businesses (Workplaces), 1998 to 2006 (Blue denotes accelerator sectors)**

| Sector | GM | | | | MCR | NW | England | GB |
|---|---|---|---|---|---|---|---|---|
| | 1998 | 2006 | 2006 vs 1998 | | 2006 vs 1998 | | | |
| | Number of workplaces | Number of workplaces | Net change (Number) | Net change (%) | Net change (%) | Net change (%) | Net change (%) | Net change (%) |
| **Aviation** | **400** | **400** | **0** | **-3.0** | **1.1** | **4.2** | **4.7** | **5.9** |
| **Creative / Digital / New Media** | **7,400** | **8,900** | **1,500** | **20.5** | **19.6** | **24.9** | **9.1** | **9.6** |
| **Financial & Prof. Services** | **15,000** | **19,400** | **4,400** | **29.6** | **30.3** | **35.3** | **32.5** | **31.7** |
| **ICT Digital / Communications** | **4,200** | **5,700** | **1,500** | **35.5** | **33.4** | **24.6** | **12.1** | **13.2** |
| **Life Science Industries** | **4,500** | **5,300** | **800** | **17.6** | **17.7** | **19.1** | **22.8** | **23.4** |
| **Manufacturing** | **8,500** | **7,300** | **-1,200** | **-14.1** | **-13.4** | **-9.8** | **-11.6** | **-11.2** |
| Construction (inc. architecture) | 9,100 | 10,800 | 1,700 | 18.3 | 17.6 | 22.6 | 21.2 | 19.8 |
| Education | 1,600 | 1,800 | 200 | 11.2 | 13.3 | 13.7 | 17.6 | 19.7 |
| Hospitality & Tourism | 7,000 | 8,400 | 1,400 | 20.0 | 20.9 | 20.3 | 20.2 | 19.8 |
| Logistics | 2,600 | 2,700 | 0 | 1.9 | 1.3 | 1.5 | 3.1 | 2.9 |
| Public Sector | 1,000 | 1,100 | 200 | 17.9 | 14.0 | 3.2 | 2.2 | -2.8 |
| Retail | 13,400 | 12,200 | -1,100 | -8.3 | -6.6 | -6.8 | -1.4 | -1.6 |
| Sport | 800 | 1,000 | 100 | 14.0 | 15.6 | 17.1 | 14.1 | 12.6 |
| Total | 83,600 | 92,500 | 8,900 | 10.6 | 12.0 | 13.2 | 14.5 | 13.9 |

*Source: ONS, Annual Business Inquiry, 1998-2006*

3.3.6 As Figure 7 illustrates, over the same timeframe (1998-2006) there was an increase of over a half in the number of ICT Digital / Communications employees (+54.8%), far above the national growth rate. This represents nearly two-thirds (63.5%) of the total growth in ICT employees seen in the whole of the NW, further emphasising the growth in knowledge intensive activities in the local GM economy.

3.3.7 The greatest overall increase in number of employees was in Financial and Professional Services, which grew by 50,700 employees (+39.8%), a higher rate than the NW and GB. Creative / Digital / New Media employee numbers also grew rapidly (+19.8%), again far higher than both than the NW and GB increases.

3.3.8 Between 1998 and 2006 the number of employees in Manufacturing decreased by -62,600 (-32.2%), a slightly faster rate than the NW (-28.8%) and GB (-29.1%) rates.

3.3.9 Of the key GM priority sectors, employee increases in the Creative / Digital / New Media sector constituted the greatest proportion of the North West's growth (85.9%). Only increases in the GM retail sector constituted a greater proportion of the NW increase (89.2%). This emphasises the regional growth hub that exists in GM in these sectors.

3.3.10 In addition, GM has been the source of more than half the regional employment growth in the Aviation, Financial and Professional Services, ICT Digital / Communications, Logistics and Sport Sectors.

3.3.11 The GM share of NW employment has increased in a number of sectors. This increase has been the greatest in the sport sector, where the GM share of NW employment increased by 5.8 percentage points. Comparatively, the smallest change was in the public sector, where the GM share of NW employment increased by around 0.1 percentage points between 1998 and 2006.

3.3.12 The considerable reductions in employment in the manufacturing industry constitute a significant skills challenge for GM. Aside from being one of the major employers in the region, despite its decline, manufacturing is an important contributor to the GM economy. With the vast reductions in employment comes the requirement to re-train and re-skill these individuals, as well as to provide skills and qualifications that will also help to support the industry.

**Figure 7: Change in Key Sector Employment (Employees), 1998 to 2006 (Blue denotes accelerator sectors)**

| Sector | GM | | | | MCR | NW | England | GB |
|---|---|---|---|---|---|---|---|---|
| | 1998 | 2006 | 2006 vs 1998 | | 2006 vs 1998 | | | |
| | Number of Employees | Number of Employees | Net change (Number) | Net change (%) | Net change (%) | Net change (%) | Net change (%) | Net change (%) |
| **Aviation** | **10,500** | **13,600** | **3,100** | **29.9** | **28.4** | **32.1** | **10.8** | **11.5** |
| **Creative / Digital / New Media** | **48,100** | **57,600** | **9,500** | **19.8** | **12.8** | **9.2** | **5.9** | **5.5** |
| **Financial & Prof. Services** | **127,600** | **178,300** | **50,700** | **39.8** | **33.1** | **30.7** | **21.2** | **22.4** |
| **ICT Digital / Communications** | **27,500** | **42,600** | **15,100** | **54.8** | **46.9** | **35.7** | **9.3** | **8.5** |
| **Life Science Industries** | **122,300** | **146,300** | **24,000** | **19.6** | **14.8** | **18.0** | **20.6** | **22.9** |
| **Manufacturing** | **194,400** | **131,900** | **-62,600** | **-32.2** | **-31.2** | **-28.8** | **-29.2** | **-29.1** |
| Construction (inc. architecture) | 68,400 | 75,500 | 7,000 | 10.3 | 9.9 | 14.7 | 14.8 | 13.5 |
| Education | 86,400 | 99,200 | 12,700 | 14.7 | 21.1 | 25.6 | 28.7 | 29.8 |
| Hospitality & Tourism | 59,200 | 74,800 | 15,600 | 26.3 | 22.8 | 23.5 | 20.1 | 20.9 |
| Logistics | 43,200 | 46,600 | 3,400 | 7.9 | 6.4 | 7.0 | 7.6 | 6.9 |
| Public Sector | 53,200 | 57,200 | 4,000 | 7.4 | 11.4 | 7.1 | 7.9 | 6.9 |
| Retail | 114,600 | 121,900 | 7,200 | 6.3 | 7.0 | 2.6 | 5.1 | 5.3 |
| Sport | 8,400 | 13,000 | 4,600 | 54.5 | 53.3 | 29.4 | 38.1 | 37.1 |
| Total | 1,072,100 | 1,159,800 | 87,700 | 8.2 | 7.8 | 8.0 | 7.6 | 8.1 |

*Source: ONS, Annual Business Inquiry, 1998-2006*

## 3.4 Occupational Structure

3.4.1 There has been a marked change in the occupational structure of the workforce in Greater Manchester, reflecting the changing nature of the economic base.

3.4.2 Figure 8 shows the number of people employed in different occupations in Greater Manchester in 2006, and compares this to the profile for England. The key difference between the Greater Manchester and England profiles is that Greater Manchester has a lower proportion of employees in higher skilled occupations compared to England. Most notably, the proportion of people in professional occupations in Greater Manchester is 10%, compared to 13% in England. (However, as the subsequent table shows, this is now one of the fastest growing areas of the Greater Manchester economy).

**Figure 8: Employment Change by Occupational Group, 2006**

| | Greater Manchester | | England | |
|---|---|---|---|---|
| | **Difference** | **%** | **Difference** | **%** |
| Managers and senior officials | 7,200 | 4.3% | 49,000 | 1.3% |
| Professional occupations | 19,200 | 13.2% | 155,400 | 5.0% |
| Associate prof & tech occupations | 11,700 | 7.2% | 145,800 | 4.3% |
| Administrative and secretarial occupations | -7,400 | -5.1% | -104,600 | -3.6% |
| Skilled trades occupations | -5,000 | -4.2% | -58,300 | -2.3% |
| Personal service occupations | -2,100 | -2.2% | 98,100 | 5.2% |
| Sales and customer service occupations | 8,400 | 8.3% | -7,200 | -0.4% |
| Process, plant and machine operatives | -5,400 | -5.9% | -33,400 | -2.0% |
| Elementary occupations | -13,700 | -10.9% | -3,600 | -0.1% |

*Source: Annual Population Survey, ONS Crown Copyright Reserved*

3.4.3 The Standard Occupational Classifications (SOC) changed in 2001/02, so that comparisons pre and post 2001 have to be undertaken with care. In Figure 9, we show changes in employment by occupational category between 1996-2001 and 2002-05.

3.4.4 Focusing on the changes between 2002 and 2005, it is evident that: There has been a major expansion in jobs in Manager and Senior Officials occupations;

Positions in Personal services have witnessed a 10% change; and Elementary occupations have faced the most significant decline.

## 3.5 Forecast Change in Employment and Sectoral Structure

3.5.1 The forecast change in employment in GM is taken from the Greater Manchester Forecasting Model (GMFM, 2007). GMFM was developed by Oxford Economic Forecasts in partnership with the GM Model Management Group (incorporating partners from the 10 GM Local Authorities, Manchester Enterprises and AGMA, as well as GMPTE and housing departments) to provide consistent, sophisticated and robust information on the current and likely performance of Greater Manchester and the county's hinterland, in terms of the economy, population and households.

3.5.2 Figure 9 shows how the manufacturing industry is expected to decline in employment between 2007 and 2017. In line with the findings from above, where the number of employees has declined significantly over the past 8 years, the forecast 10 year decline in manufacturing employment in GM is expected to continue, but by a smaller proportional. This decrease is expected to be proportionally greater than the wider City Region, the North West and the UK, indicating both the relatively high presence of manufacturing in the GM economy, and the significant decline expected in industrial employment over the next decade.

3.5.3 The Financial and Professional Services and Hospitality and Tourism sectors are expected to show the greatest employment increases of the key sectors in GM. Aside from manufacturing, logistics is the only other sector expecting to see a decline in employment between 2007 and 2017. However, this will be tempered by a forecast increase in employment in logistics in the wider Manchester City Region.

**Figure 9: Forecast Key Sector Employment (Employees and Self-Employed), 2007 to 2017**

| Sector | GM | | | | MCR | NW | UK |
|---|---|---|---|---|---|---|---|
| | 2007 | 2017 | Change 2007-2017 | | Change 2007-2017 | | |
| | Number ('000s) | Number ('000s) | Number ('000s) | Percent | Percent | Percent | Percent |
| Aviation | 14.0 | 15.1 | 1.1 | 8.0 | 8.3 | 9.3 | -0.5 |
| Creative / Digital / New Media | 64.4 | 76.4 | 12.0 | 18.7 | 17.6 | 11.6 | 7.3 |
| Financial & Professional Services | 195.2 | 238.3 | 43.0 | 22.0 | 20.6 | 17.8 | 18.9 |
| ICT Digital and Communications | 45.8 | 51.4 | 5.6 | 12.3 | 13.5 | 7.5 | 8.9 |
| Life Sciences | 158.2 | 175.5 | 17.2 | 10.9 | 9.3 | 7.4 | 10.3 |
| Manufacturing | 134.3 | 94.1 | -40.2 | -29.9 | -27.2 | -27.6 | -26.7 |
| Construction | 104.6 | 114.7 | 10.1 | 9.6 | 10.0 | 6.8 | 12.5 |
| Education | 101.8 | 115.2 | 13.4 | 13.2 | 12.5 | 12.9 | 9.6 |
| Hospitality and Tourism | 85.2 | 101.8 | 16.5 | 19.4 | 18.4 | 16.3 | 13.7 |
| Logistics | 50.1 | 49.4 | -0.6 | -1.2 | 1.8 | 3.8 | 7.1 |
| Public Sector | 64.4 | 65.4 | 1.1 | 1.7 | 1.7 | 0.1 | 0.8 |
| Retail | 142.8 | 147.1 | 4.3 | 3.0 | 2.7 | 1.2 | 2.0 |
| Sport | 19.4 | 27.7 | 8.2 | 42.4 | 37.3 | 30.2 | 31.6 |
| Total | 1,210.9 | 1,303.9 | 93.0 | 7.7 | 7.2 | 4.2 | 6.1 |

*Source: Greater Manchester Forecasting Model, 2007*

## 3.6 Occupational Structure and Forecast

3.6.1 Figure 10, indicates the proportion of individuals within each occupational type for Greater Manchester in 2006. In GM, the highest proportion of individuals are managers and senior officials (15.4%). This is a higher proportion than in the North West, but a lower proportion than in the MCR and the UK.

3.6.2 Comparatively, individuals in sales and customer service occupations constitute the smallest proportion of total employment in the GM economy, accounting for just 7.4%, lower than the regional average but on par with the national average.

3.6.3 Importantly, there are significantly more individuals in occupations that require higher skill level qualifications (such as managers and senior officials, professional occupations etc – occupations associated with high value added) than in the lower qualification level occupations.

3.6.4 There are smaller proportions of individuals in higher skill level occupations in GM than there are in the UK, however. This indicates the distinct disparity between high value added employment in GM and other areas of the country, particularly in London. Importantly, skills priorities that give individuals the opportunity and potential to progress to higher value added occupations will also benefit the GM economy by helping to develop and maintain the GM knowledge economy.

**Figure 10: Employment by Occupation, 2006**

| Occupation | GM | | MCR | | NW | | UK | |
|---|---|---|---|---|---|---|---|---|
| | Number ('000s) | Percent | Number ('000s) | Percent | Number ('000s) | Percent | Number ('000s) | Percent |
| Managers and senior officials | 199.8 | 15.4 | 259.2 | 15.8 | 488.4 | 14.6 | 4,885.2 | 15.6 |
| Professional occupations | 142.6 | 11.0 | 180.8 | 11.1 | 395.0 | 11.8 | 4,044.4 | 12.9 |
| Associate prof. and tech. occupations | 175.5 | 13.5 | 216.9 | 13.3 | 434.3 | 13.0 | 4,454.6 | 14.2 |
| Administrative and secretarial occupations | 178.9 | 13.8 | 217.0 | 13.3 | 418.3 | 12.5 | 3,819.6 | 12.2 |
| Skilled trades occupations | 136.5 | 10.5 | 171.2 | 10.5 | 339.2 | 10.2 | 3,185.3 | 10.2 |
| Personal service occupations | 96.1 | 7.4 | 119.5 | 7.3 | 266.0 | 8.0 | 2,334.8 | 7.5 |
| Sales and customer service occupations | 107.5 | 8.3 | 135.8 | 8.3 | 310.4 | 9.3 | 2,579.8 | 8.2 |
| Process, plant and machine operatives | 106.0 | 8.1 | 134.9 | 8.2 | 249.9 | 7.5 | 2,051.4 | 6.6 |
| Elementary occupations | 157.9 | 12.1 | 200.5 | 12.3 | 433.8 | 13.0 | 3,918.0 | 12.5 |

*Source: GMFM, 2007*

3.6.5 Forecast occupational figures show decreasing employment levels in only two broad occupational types: skilled trades and process, plant and machine operatives. The latter are forecast to decrease less than the regional and national rates. Similarly, the reduction in skilled trades is lower than the region, but is significantly higher than the national changes.

3.6.6 Personal service occupations expect to see the greatest proportional increase over the 10 year period of all the occupation types, a greater increase than regionally or nationally. However, administrative and secretarial occupations are forecast to see the lowest employment growth. Forecast GM growth in this grouping constitutes a regional growth hub, with both the wider MCR and region showing lower forecast growth in employment. Importantly, UK growth in these occupations is higher than in GM, indicating the different occupational demand spread across both the region and nationally

**Figure 11: Forecast Employment by Occupation, 2007 to 2017**

| Occupation | GM | | | | MCR | NW | UK |
|---|---|---|---|---|---|---|---|
| | 2007 | 2017 | Change 2007-2017 | | Change 2007-2017 | | |
| | Number ('000s) | Number ('000s) | Number ('000s) | Percent | Percent | Percent | Percent |
| Managers and senior officials | 200.0 | 226.2 | 26.2 | 13.1 | 12.2 | 8.4 | 10.5 |
| Professional occupations | 145.5 | 159.0 | 13.6 | 9.3 | 8.5 | 12.8 | 14.8 |
| Associate prof. and tech. occupations | 173.7 | 199.5 | 25.8 | 14.8 | 13.7 | 7.1 | 8.8 |
| Administrative and secretarial occupations | 179.8 | 183.5 | 3.7 | 2.1 | 1.5 | 0.5 | 2.8 |
| Skilled trades occupations | 136.6 | 129.8 | -6.8 | -5.0 | -5.8 | -8.1 | -5.3 |
| Personal service occupations | 101.3 | 120.5 | 19.2 | 19.0 | 18.2 | 12.9 | 14.4 |
| Sales and customer service occupations | 117.0 | 125.8 | 8.9 | 7.6 | 6.9 | 4.0 | 5.5 |
| Process, plant and machine operatives | 104.4 | 97.8 | -6.6 | -6.3 | -6.2 | -9.0 | -8.2 |
| Elementary occupations | 157.3 | 165.5 | 8.3 | 5.3 | 4.6 | 3.2 | 4.9 |
| Total | 1,315.5 | 1,407.7 | 92.2 | 7.0 | 6.3 | 4.1 | 6.2 |

Source: GMFM, 2007

3.6.7 The increased demand in 'higher order' occupations particularly managerial and professional occupations, will result in a huge increase in demand for jobs that require skill levels equivalent to NVQ Level 3 and above.

3.6.8 Overall economy growth, sectoral and occupational restructuring, and replacement requirements will create a huge demand for skills at intermediate and higher level. At the same time, more traditional craft skill areas are expected to sustain relatively stable levels of employment but will themselves be heavily affected by replacement demand. This generates a huge demand for skills, which will be a major constraint on growth if not dealt with.

## 3.7 Skills shortages and skills gaps

3.7.1 Skills issues in Greater Manchester are becoming even more important in the workplace, with employers increasingly demanding higher-level vocational skills at Level 3 and above. Indeed, between 2006 and 2021 half of all job opportunities will have a requirement of NVQ level 3 or above.

3.7.2 The levels of different types of vacancies and the numbers of employers reporting skills gaps are important measures of how successful the sub-region is being in addressing issues of skills supply and development. Figure 12 (drawn from the LSC National Employer Skills Survey – NESS – 2005 and 2004 for comparison) shows the most recent GM data for a number of such key measures.  It clearly shows that there are high instances of hard-to-fill and skill shortage vacancies, with distinct variations between different sectors, and with the incidence generally increasing. There are also high proportions of organizations reporting skills gaps in their existing workforce.

**Figure 12: National Employer Skills Survey Results for GM, 2004 and 2005**

| Sector | Hard-to-fill vacancies (% of vacancies) | | Skill shortage vacancies (% of vacancies) | | % of organisations with skill shortage | | % of organisations with skills gaps | |
|---|---|---|---|---|---|---|---|---|
| | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 |
| **All Sectors** | **43.2** | **33.6** | **36.0** | **15.4** | **5.8** | **4.5** | **16.8** | **19.4** |
| All manufacturing | 36.7 | 55.7 | 31.9 | 50.0 | 6.0 | 7.7 | 18.9 | 17.8 |
| - Auto | 30.6 | 34.0 | 28.0 | 26.6 | 3.8 | 4.4 | 13.4 | 13.8 |
| - Engineering | 40.2 | 57.1 | 33.8 | 57.1 | 5.2 | 4.8 | 20.5 | 12.0 |
| - Manufacturing | 34.9 | 55.2 | 31.0 | 47.4 | 6.5 | 10.6 | 18.0 | 23.6 |
| - Textiles | 87.4 | 81.4 | 75.2 | 81.4 | 6.3 | 4.1 | 18.8 | 31.2 |

| Sector | Hard-to-fill vacancies (% of vacancies) | | Skill shortage vacancies (% of vacancies) | | % of organisations with skill shortage | | % of organisations with skills gaps | |
|---|---|---|---|---|---|---|---|---|
| | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 |
| - Food & Drink | 6.8 | 40.4 | 6.8 | 24.9 | 2.3 | 35.7 | 16.5 | 59.2 |
| Aviation | 1.6 | 7.6 | 0.0 | 0.0 | 0.0 | 0.0 | 13.1 | 56.7 |
| Creative | 28.1 | 52.3 | 26.7 | 46.0 | 6.2 | 5.1 | 9.7 | 10.9 |
| Financial & Prof | 32.0 | 31.4 | 25.1 | 6.4 | 6.5 | 4.8 | 14.0 | 18.6 |
| ICT | 19.5 | 3.3 | 15.2 | 3.3 | 4.0 | 1.9 | 16.7 | 27.6 |
| Life Sciences | 41.5 | 41.2 | 31.2 | 20.8 | 8.1 | 9.9 | 18.1 | 25.7 |
| Construction | 50.0 | 66.0 | 43.3 | 35.4 | 4.7 | 4.8 | 14.3 | 17.0 |
| Education | 29.9 | 20.3 | 27.7 | 7.5 | 11.6 | 8.1 | 36.6 | 37.8 |
| Logistics | 21.1 | 24.5 | 12.6 | 19.5 | 6.6 | 6.0 | 15.7 | 17.1 |
| Public | 87.9 | 16.7 | 87.6 | 16.7 | 8.2 | 6.3 | 15.7 | 33.8 |
| Retail | 28.1 | 20.4 | 18.1 | 12.6 | 4.7 | 2.1 | 19.5 | 17.4 |
| Sport | 41.7 | 20.0 | 33.0 | 0.0 | 7.4 | 0.0 | 11.7 | 32.9 |
| Tourism | 32.3 | 35.5 | 21.0 | 23.7 | 6.5 | 2.2 | 16.3 | 20.5 |

*Source: National Employer Skill Survey, 2004 and 2005*

3.7.3 The 2005 NESS showed that across GM there were around 35,400 vacancies in around 62,300 establishments. Of these vacancies, just over two-fifths (around 15,300 vacancies) were described as being hard-to-fill, most of which (12,700) being due to recruits lacking the skills, experience and/or qualifications necessary for the job (skill shortage vacancies).

3.7.4 These skill shortage vacancies therefore make up over a third (36%) of total vacancies across GM. Importantly, around one in twenty organisations stated that they were currently recruiting for positions for which there was a skill shortage.

3.7.5 Looking at the survey results in more detail reveals that recruitment problems vary considerably depending on the size and sector of the establishment and the type of vacancy being recruited for. Analysis of the results by size-band shows that small establishments (1-10 employees) have the highest proportion of hard-to-fill vacancies with three-fifths of all vacancies (61%) falling into this category, compared with only around a third in larger establishments. Small establishments also have the highest proportion (52%) of skill shortage vacancies.

3.7.6 Analysing the survey results by occupation reveals that skilled trades and occupations (73%) have the highest proportion of skill shortage vacancies. This broad occupational group is followed by associate professionals (55%) and professionals (50%).

3.7.7 Across all the occupations, the main skills lacking in applicants were technical, practical or job-specific skills, customer handling skills, oral communication skills and team working skills. The main skill shortages found in vacancy applicants, by broad occupation, are identified below.

**Figure 8: Skill Shortages by broad occupation, 2005**

| | |
|---|---|
| Managers | Management and technical, practical and job-specific skills |
| Professional & Associated Professional | Technical, practical and job-specific, management, and problem solving skills |
| Administrative | Technical, practical and job- |

| | |
|---|---|
| | specific and literacy skills |
| Skilled Trades | Technical, practical and job-specific and problem solving skills |
| Personal Services | Customer handling and oral communication skills |
| Sales & Customer Service | Customer handling, oral communication and team working skills |
| Elementary staff | Customer handling, team working and oral communication skills |
| Machine operatives | Technical, practical and job-specific, team working and problem solving skills |

*Source: National Employer Skills Survey, 2005*

3.7.8 Technical, practical or job-specific skills were the most lacking in applicants for associate professional/professional positions, skilled trade occupations, machine operatives and admin/clerical staff. However for elementary staff, sales and customer services staff and personal services staff the skills most lacking were customer handling, oral communication and team working skills. For managers, the most significant skill shortage was management skills whilst amongst admin/clerical staff there was a shortage of applicants with literacy skills.

3.7.9 The survey also looked at whether organisations felt their existing employees had the necessary skills to make them proficient in their job roles. Almost a fifth (17%) of establishments felt that they had skills gaps in their current workforce, with around one in twenty employees (6%) being deemed as lacking the skills necessary for their job role. The main reason cited for employees having skills gaps was 'lack of experience' or them being 'recently recruited'. 'Lack of staff motivation', 'failure to train and develop staff' and the 'inability of the workforce to keep up with change' also featured highly as skills gap issues. The main occupations in which establishments had skills gaps were sales/customer service staff, admin/clerical staff, elementary staff and managers.

3.7.10 The NESS highlighted the requirement not simply for qualifications relevant to individual occupations and broad occupation types, but also skills necessary to these – including customer handling, oral communication and written skills, as well as team working and literacy skills. Qualifications alone are not the key drivers of economic growth and development, but need to be aligned with skills priorities to ensure that key growth sectors have both the skills and the qualifications necessary to add value to the economy.

## 3.8 Major Developments (To Be Updated)

3.8.1 Greater Manchester has a range of economic assets and a number of regeneration projects currently being delivered, or planned to be delivered, in the near future which if realised will help provide the environment to achieve the accelerated growth scenario. These include:

3.8.2 Housing Market Renewal:
Two of the four HMR areas in the Northwest are within Greater Manchester

(Manchester/Salford and Oldham/Rochdale). The Regional Economic Strategy identifies a number of Strategic Regional Sites including Ashton Moss (Tameside), Kingsway (Rochdale), Barton (Salford), Carrington (Trafford), Davenport Green (Trafford) and Central Park (Manchester). These sites are identified as being the key employment sites of the future.

3.8.3 Manchester Airport:
The largest airport outside the South East of England and the only international gateway in the North capable of handling the growth in business based and tourist traffic anticipated in the Northern Way Growth Strategy. The growth potential of the Airport and its surrounding business parks is expected to be large with potentially more than 10,000 jobs estimated to be created during the period from 2004 to 2010.

3.8.4 Science City:
The sub-region, (especially the Oxford Road Corridor in Manchester), contains the highest performing research and teaching institutions outside the South of England, both Universities and Hospitals, competing internationally for R&D. Project Unity has seen the merger of the University of Manchester and UMIST to form the largest University in the UK. The Manchester Knowledge Partnership is a driver of growth in high-value added activity in the knowledge economy and is leading on establishing Manchester as the first and one of the most significant Science Cities. The Oxford Road Corridor Strategy involves building on these existing assets to generate substantial additional employment and investment.

3.8.5 Regional Media Hub:
Greater Manchester is the North's centre for growth in Creative Industries, acting as home for ITV in the North and the largest BBC broadcasting base outside London. The sub-region is home to the largest and most dynamic independent media sector in the North and the planned relocation of the BBC will serve to transform the sector and reinforce Greater Manchester's position as the premier broadcasting and commissioning centre outside London. The growth expected in the sector will reap economic benefits, providing large scale employment increases within the sub-region.

3.8.6 New East Manchester:
Encompassing a 1,900 hectare site, New East Manchester is a regeneration area that has, and is continuing to, build on the opportunities made available by the Commonwealth Games. Substantial physical regeneration projects have taken place and further projects are planned.

3.8.7 Middlebrook, (Bolton): Is one of the largest integrated and sustainable employment, leisure, sports and retail schemes in the country. Housing the Bolton Wanderers' stadium in its centre the scheme provides large scale employment to the local area and further phases of development are due in the future, including Enterprise Park 3 and Futura Park (both office space), which will further increase the employment opportunities available.

3.8.8 Kingsway, Rochdale:
Rochdale's largest economic development project, this 170 hectare site will be developed as a business focused mixed used development to be created over a period of 10 – 15 years. Its aim is to change employment prospects for the area and attract new business and investment.

## 3.9 Summary

3.9.1 In Greater Manchester between 1998 and 2006 the following sectors showed the greatest sustained growth in business numbers:

- ICT Digital / Communications,
- Financial and Professional Services,
- Creative / Digital / New Media
- Hospitality and Tourism

3.9.2 However, Manufacturing, Retail and Aviation saw the number of businesses fall.

3.9.3 Greater Manchester has a lower proportion of employees in higher skilled occupations compared to England. Combining this with the forecast need for higher skilled employees in the future, and the proportion of skills gaps reported by employers highlights this issue and suggests a need to increase rates of progression to at least level 3 for the workforce of Greater Manchester.

# SECTION:4 THE SUPPLY OF SKILLS

## 4.1 Introduction

4.1.1 This chapter looks at the supply of labour in [insert area], both in terms of the volume of people available for work, and their skills levels. It considers:

- Historical changes in demographics, and forecast changes;
- Economic Activity rates according to people's characteristics;
- The qualification profile of the working age population; and
- Employer training behaviour.

## 4.2 Demographics – Population Growth

4.2.1 Figure 13 shows the total population between 1996 and 2006 down to district level in Greater Manchester. It is evident that the population in England has grown substantially, by 5 per cent over the ten year period, in comparison to a slight increase of 1 per cent in the North West region.

**Figure 13: Total Population 1996 to 2006**

| Area | 1996 Total | 2006 Total | Volume Difference | Growth |
|---|---|---|---|---|
| England | 48,519,100 | 50,762,900 | 2,243,800 | 5% |
| North West | 6,809,600 | 6,853,200 | 43,600 | 1% |
| Bolton | 260,100 | 262,400 | 2,300 | 1% |
| Bury | 179,700 | 182,900 | 3,200 | 2% |
| Manchester | 422,600 | 452,000 | 29,400 | 7% |
| Oldham | 219,200 | 219,600 | 400 | 0% |
| Rochdale | 204,700 | 206,500 | 1,800 | 1% |
| Salford | 225,600 | 218,000 | -7,600 | -3% |
| Stockport | 286,400 | 280,600 | -5,800 | -2% |
| Tameside | 216,000 | 214,400 | -1,600 | -1% |
| Trafford | 214,600 | 211,800 | -2,800 | -1% |
| Wigan | 302,600 | 305,500 | 2,900 | 1% |
| Greater Manchester Total | 2,531,500 | 2,553,700 | 22,200 | 1% |

*Source: ONS Crown Copyright Reserved*

4.2.2 Population growth is varied at district level with an increase of 7 per cent in Bury in contrast to a reduction of 3 per cent in Salford. Greater Manchester is forecasted to experience population decline in 4 areas (Salford, Stockport, Tameside and Trafford).

4.2.3 Figure 14 shows the age profile of the working age population in Greater Manchester at district level in 2006.

**Figure 14: Age Profile of Working Age Population 2006**

| | Aged 16-19 | Aged 20-24 | Aged 25-34 | Aged 35-49 | Aged 50-retirement age | 16+ Population |
|---|---|---|---|---|---|---|
| **North West** | **365,500** | **426,900** | **806,800** | **1,464,100** | **1,040,600** | **5,335,100** |
| **Greater Manchester** | **138,400** | **171,000** | **320,100** | **548,400** | **366,600** | **1,962,500** |
| Bolton | 15,400 | 18,300 | 30,200 | 55,600 | 41,700 | 209,200 |
| Bury | 12,000 | 8,900 | 19,800 | 39,400 | 33,100 | 147,500 |
| Manchester | 22,800 | 37,800 | 67,900 | 83,600 | 44,500 | 307,200 |
| Oldham | 10,900 | 14,400 | 29,100 | 44,500 | 32,900 | 168,300 |
| Rochdale | 11,100 | 13,400 | 26,600 | 46,800 | 29,200 | 160,400 |
| Salford | 9,600 | 14,500 | 29,500 | 45,700 | 31,200 | 168,800 |
| Stockport | 17,000 | 18,600 | 32,800 | 58,800 | 46,400 | 227,300 |
| Tameside | 12,600 | 14,300 | 26,200 | 48,000 | 31,900 | 166,900 |
| Trafford | 10,800 | 12,100 | 23,000 | 51,800 | 32,100 | 168,100 |
| Wigan | 16,200 | 18,700 | 35,100 | 74,100 | 43,600 | 238,900 |

Source: Annual Population Survey 2006

4.2.4 As can be expected there is great disparity between age groups of the population classified to working age in Greater Manchester. The population aged between 35 and 49 are the largest group of the 16+ population in Greater Manchester, and is currently 28 per cent of the total in the area, rising to 31 per cent in Wigan.

4.2.5 In most local areas, except Manchester Local Authority area, the second highest volumes of people are in the age 50 to retirement group. This illustrates the potential problem many areas are facing of an aging workforce.

4.2.6 Figure 15 shows the expected population change between 2005 and 2020 across Greater Manchester. The North West Region is expected to show growth of 4.4 per cent over the 15 year period.

**Figure 15: Population Change 2005 to 2020**

| | 2005 | 2010 | 2015 | 2020 | % Change 2005 – 2020 |
|---|---|---|---|---|---|
| Bolton | 263,500 | 267,000 | 271,200 | 275,800 | 4.5% |
| Bury | 182,100 | 183,800 | 186,400 | 189,500 | 3.9% |
| Manchester | 443,600 | 469,300 | 489,000 | 504,900 | 12.1% |
| Oldham | 219,300 | 220,700 | 222,900 | 225,600 | 2.8% |
| Rochdale | 207,700 | 212,000 | 216,700 | 221,600 | 6.3% |
| Salford | 216,100 | 215,700 | 216,600 | 218,400 | 1.1% |
| Stockport | 282,200 | 281,500 | 282,700 | 285,300 | 1.1% |
| Tameside | 214,300 | 216,500 | 219,900 | 224,000 | 4.3% |
| Trafford | 211,200 | 214,000 | 218,400 | 223,900 | 5.7% |
| Wigan | 304,500 | 308,100 | 312,300 | 316,700 | 3.9% |
| Greater Manchester | 2,544,600 | 2,588,600 | 2,636,100 | 2,685,700 | 5.3% |
| North West | 6,842,700 | 6,938,800 | 7,043,300 | 7,156,200 | 4.4% |

*Source: Revised 2004-based Sub national Population Projections, ONS*

4.2.7 The overall population of Greater Manchester is expected to grow by 5.3 per cent, 0.9 per cent higher than the North West average. As shown there is disparity of population change at district level in Greater Manchester. The district of Manchester has the largest population growth of 12.1 per cent. There are no districts showing overall decline across the decade, however both Salford and Stockport have the smallest population change of 1.1 per cent each.

4.2.8 Figure 16 shows the population change by age group between 2005 and forecasted to 2020. The North West has seen a decrease in the proportion of 0-24 year olds and 35 to 44 year olds between 2005 and 2020.

**Figure 16: Population Change by Age Group 2005 and Forecast 2020**

| | 0-14 | 15-24 | 25-34 | 35-44 | 45-54 | 55-64 | 65+ |
|---|---|---|---|---|---|---|---|
| Bolton | -2.4% | -6.2% | 9.6% | -16.9% | 12.0% | 6.5% | 21.9% |
| Bury | -4.5% | -9.2% | 12.7% | -20.4% | 8.5% | 8.7% | 22.4% |
| Manchester | 11.5% | -9.3% | 24.7% | 18.0% | 19.7% | 15.6% | 3.1% |
| Oldham | -2.2% | -4.7% | 9.6% | -21.2% | 9.0% | 6.0% | 18.5% |
| Rochdale | -2.0% | -9.9% | 16.4% | -10.2% | 7.7% | 14.3% | 22.9% |
| Salford | -4.4% | -19.0% | 15.5% | -7.8% | 8.5% | 7.9% | 5.1% |
| Stockport | -9.2% | -11.1% | 11.5% | -24.1% | 7.2% | 7.5% | 16.6% |
| Tameside | -4.1% | -11.7% | 14.4% | -21.8% | 14.0% | 10.8% | 20.2% |
| Trafford | 3.0% | -7.4% | 13.9% | -6.5% | 9.4% | 14.1% | 11.4% |
| Wigan | -7.2% | -10.9% | 7.6% | -23.7% | 14.8% | 3.1% | 27.6% |
| Greater Manchester | -1.0% | -9.9% | 15.4% | -9.8% | 11.8% | 9.4% | 17.2% |
| North West | -4.3% | -10.5% | 13.7% | -18.5% | 8.2% | 11.6% | 21.0% |

*Source: Revised 2004-based Sub national Population Projections, ONS*

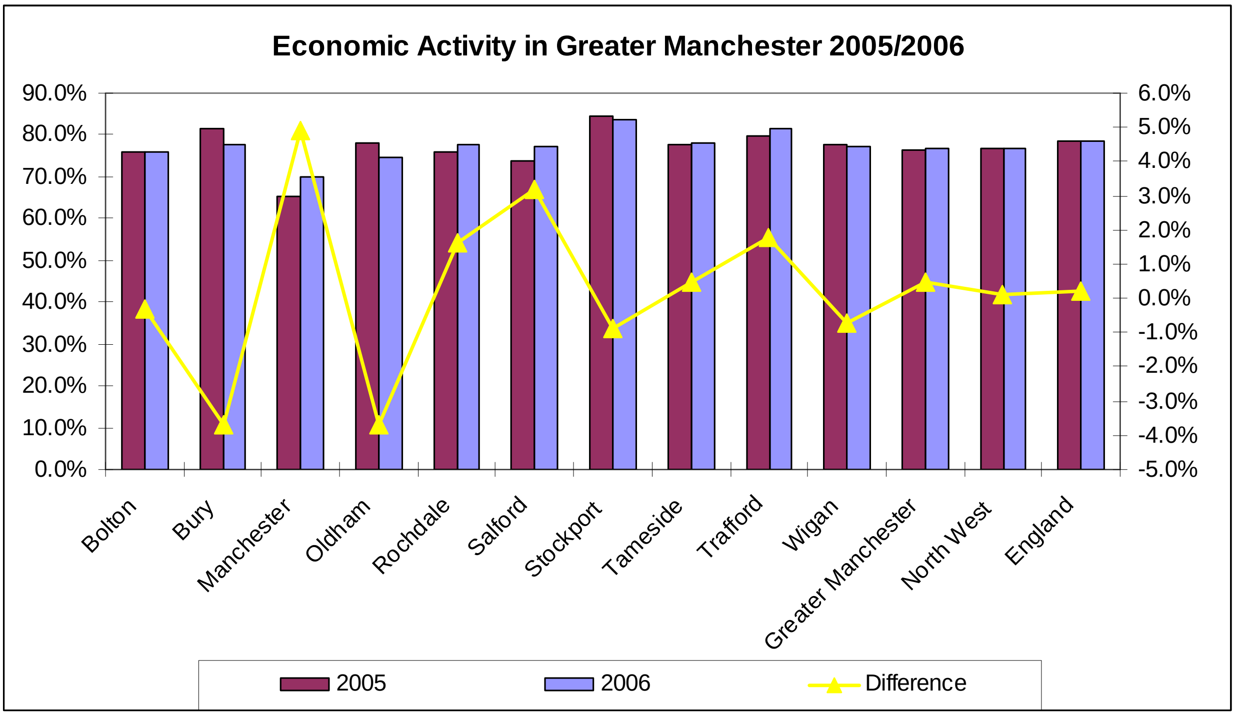
4.2.9 There is expected decline in 0-24 year olds across Greater Manchester. The decline is evident at district level with the exception of Trafford and Manchester which show expected growth of 3 per cent and 11.5 per cent respectively in the 15 to 24 age group of the population. The 35 to 44 population age group is also forecasted to decline across Greater Manchester. There is disparity of growth at district level between the population age groups. It is important to note that the 0-14 age group in Greater Manchester is forecasted to decline by 3.3 percentage points less than the Regional average, with a larger population decline in the 15 to 24 age group. The population of 65 year olds and upwards is expected to increase by an average of 17.2 per cent in Greater Manchester, 3.8 percentage points less than the Regional average.

## 4.3 Economic Activity

4.3.1

4.3.2 **Figure 17** shows the change in the economic activity rate by district between 2005 and 2006 in Greater Manchester.

**Figure 17: Economic Activity by District, 2005 and 2006**




*Source: Annual Population Survey 2006*

4.3.3 Greater Manchester has seen slight growth in the rate of economic activity, rising by 0.7 percentage points over the year. Although the rate has remained relatively static the GM rate 1.8 percentage points below the national average and 0.1 percentage points above the regional average in 2006.

4.3.4 The economic activity rate varies at district level, Stockport has a high proportion of economic activity, 4.9 percentage points above the national average. Manchester has the lowest rate of economic activity at 70.1 per cent in 2006, 8.5 percentage points below the national average.

4.3.5 Figure 18 shows economic activity by age group in 2006 and compares the districts in Greater Manchester to the regional and national average.

**Figure 18: Economic Activity by Age, 2006**

| | 16-19 | 20-24 | 25-34 | 35-49 | 50-retirement age | over retirement age |
|---|---|---|---|---|---|---|
| Bolton | 51.8 | 79.7 | 84.0 | 82.1 | 68.7 | 9.3 |
| Bury | 45.7 | 84.4 | 81.5 | 86.4 | 73.4 | 12.2 |
| Manchester | 44.1 | 65.4 | 74.2 | 77.1 | 67.6 | 4.5 |
| Oldham | 52.3 | 74.4 | 77.8 | 81.1 | 70.1 | 9.7 |
| Rochdale | 59.6 | 81.9 | 79.8 | 82.6 | 72.1 | 5.8 |
| Salford | 43.3 | 83.6 | 84.6 | 83.8 | 66.3 | 7.5 |
| Stockport | 59.9 | 85.7 | 91.9 | 88.5 | 78.1 | 10.6 |
| Tameside | 56.8 | 82.3 | 83.9 | 85.9 | 69.2 | 10.0 |
| Trafford | 57.3 | 73.8 | 93.1 | 88.7 | 73.3 | 10.4 |
| Wigan | 62.9 | 74.8 | 86.5 | 84.9 | 64.6 | 4.8 |
| Greater Manchester | 53.5 | 76.7 | 82.6 | 83.8 | 70.2 | 8.3 |
| North West | 53.2 | 77.8 | 83.2 | 84.3 | 68.6 | 8.9 |
| England | 54.9 | 76.4 | 83.7 | 85.2 | 73.7 | 11.2 |

*Source: Annual Population Survey 2006*

4.3.6 Economic activity rates in Greater Manchester are below the national average with the exception of those aged 20-24. In Greater Manchester 76.7 per cent of 20-24 year olds are economically active, 0.3 percentage points above the national average.

4.3.7 The economic activity rate Greater Manchester is above that for the North West for the 16-19 and 50 to retirement age groups. This could be significant as Greater Manchester has a high volume of people aged 50 to retirement age compared with other areas (35% of the regional total).

4.3.8 At district level rates of economic activity vary by age group in comparison to the national and regional averages. In Manchester 44.1 per cent of 16-19 year olds are economically active in comparison to 62.9 per cent in Wigan.

4.3.9 Figure 19 shows the rate of economic activity in Greater Manchester by gender in 2006.

**Figure 19: Economic Activity by Gender, 2006**

| | Male (%) | Female (%) |
|---|---|---|
| Bolton | 80.4 | 70.9 |
| Bury | 80.8 | 74.3 |
| Manchester | 75.3 | 64.8 |
| Oldham | 81.5 | 67.1 |
| Rochdale | 84.2 | 70.7 |
| Salford | 79.3 | 74.9 |
| Stockport | 85.3 | 81.6 |
| Tameside | 82.4 | 73.6 |
| Trafford | 85.5 | 77.1 |
| Wigan | 83.4 | 70.3 |
| North West | 80.6 | 72.5 |
| England | 83.6 | 73.3 |

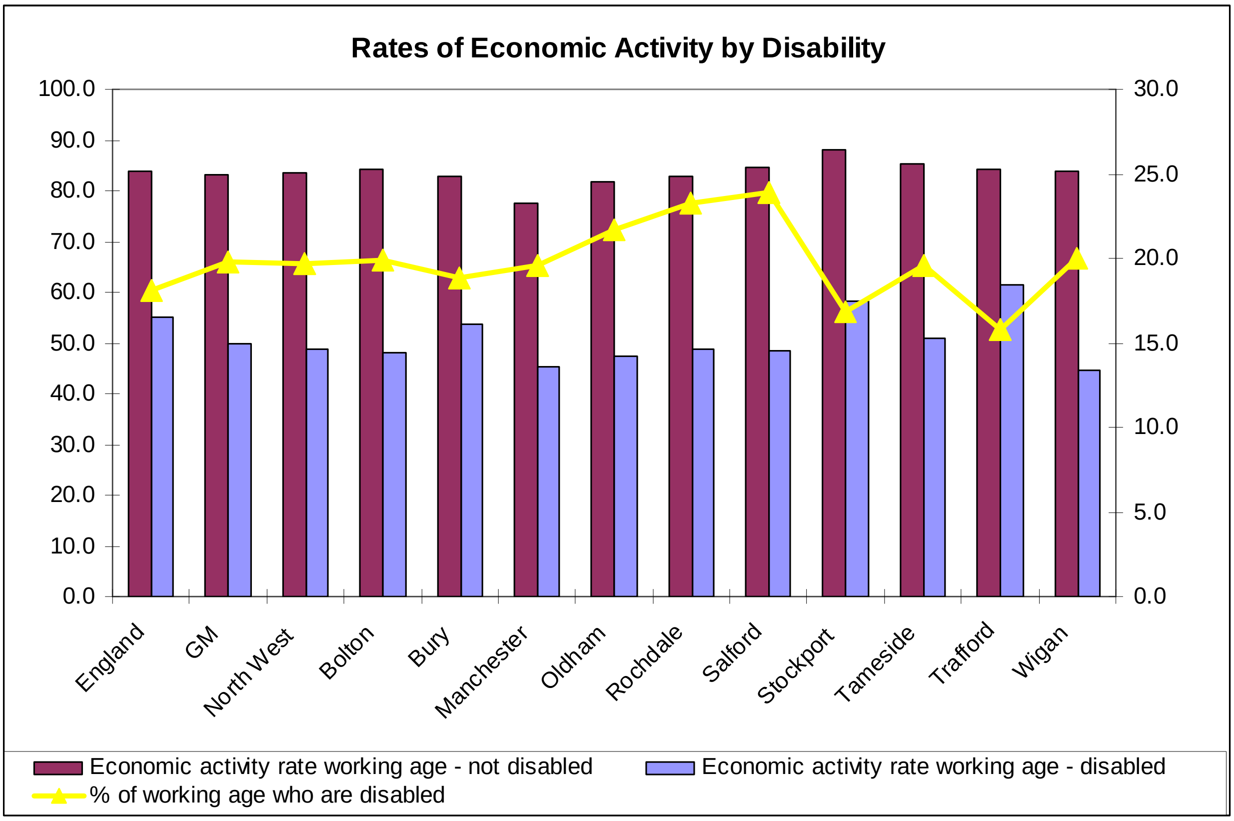
*Source: Annual Population Survey 2006*

4.3.10 The North West has a slightly lower proportion of economically active males (80.6 per cent) compared to the national average, a total of 3 percentage points less. The proportion of economically active females in the North West is substantially lower than the proportion of males, and is currently 0.8 percentage points below the number of females in England.

4.3.11 There is disparity across Greater Manchester in the proportion of the economically active population. Trafford has the highest proportion of economically active males (85.5 per cent) compared to 75.3 per cent in Manchester. Stockport has the highest proportion of economically active females (81.6 per cent), in contrast to Manchester (64.8 per cent).

4.3.12 Figure 20 shows that the rate of economic activity for disabled people is lower in each area than the rate of activity for those without a disability. This may seem an obvious point, however, the yellow line on the chart indicates the proportion of the working age population who have a disability, highest in Salford (23.9%), the rate of economic activity for those with a disability in Salford is also one of the lower rates (48.4%) compounding the problem in the Local Authority area. This is in contrast to an area such as Trafford, where the proportion of working age people who are disabled is lower (15.8%) and those who are disabled have a much higher rate of economic activity (61.5%).

## Figure 20:  Economic Activity and Disabled, 2006




*Source: Annual Population Survey 2006*

## 4.4 Qualifications

4.4.1 It is not just the number of people available for work which affects the supply of and demand for labour in the North West region. The quality of the labour force, in terms of expertise and skills available to employers, is also crucial especially so given the occupational profile that is emerging from recent employment growth.

4.4.2 Qualifications are also used as a proxy indicator for the skills of the workforce. Figure 21 shows the qualification profile of the working age population in the North West, local area and at district level. Whilst the qualification profile of the Greater Manchester is similar to the profile in the North West there is variation at district level.

**Figure 21: Qualification Profile of the Economically Active Population, 2006**

| | | Economically Active qualified to at least level 4 | | Economically Active qualified to at least level 3 | | Economically Active qualified to at least level 2 | | Economically Active adults without a level 2 qualification | |
|---|---|---|---|---|---|---|---|---|---|
| | Economically Active Population (000's) | Number (000's) | % | Number (000's) | % | Number (000's) | % | Number (000's) | % |
| England | 23,541 | 7,225 | 31.5% | 11,832 | 51.0% | 16,827 | 72.1% | 6,715 | 27.9% |
| North West | 3,068 | 897 | 29.4% | 1,525 | 50.4% | 2,188 | 72.2% | 880 | 27.8% |
| Greater Manchester | 1,157 | 349 | 30.2% | 594 | 51.3% | 839 | 72.5% | 318 | 27.5% |
| Bolton | 119 | 29 | 24.2% | 57 | 48.0% | 87 | 73.1% | 32 | 26.9% |
| Bury | 85 | 25 | 29.5% | 41 | 48.2% | 61 | 71.0% | 25 | 29.0% |
| Manchester | 176 | 72 | 41.1% | 105 | 59.7% | 132 | 74.7% | 44 | 25.3% |
| Oldham | 96 | 23 | 23.7% | 45 | 47.2% | 67 | 69.5% | 29 | 30.5% |
| Rochdale | 96 | 24 | 24.6% | 43 | 44.9% | 66 | 68.8% | 30 | 31.2% |
| Salford | 99 | 23 | 23.6% | 47 | 47.6% | 69 | 69.3% | 31 | 30.7% |
| Stockport | 141 | 56 | 39.5% | 85 | 60.3% | 110 | 77.9% | 31 | 22.1% |
| Tameside | 101 | 21 | 20.6% | 45 | 44.0% | 70 | 69.0% | 31 | 31.0% |
| Trafford | 103 | 42 | 41.4% | 63 | 61.7% | 83 | 80.9% | 20 | 19.1% |
| Wigan | 140 | 34 | 24.2% | 62 | 44.2% | 95 | 67.8% | 45 | 32.2% |

*Source: Annual Population Survey 2006*

4.4.3 Greater Manchester has a lower proportion of the economically active population qualified to a level 4 than the national rate,1.3 percentage points below. However it is above the regional rate.

4.4.4 Greater Manchester has a slightly lower proportion of the economically active population without a level 2 qualification than the national rate (-0.4 % points). With progression to intermediate and higher level qualifications set to become increasingly important it is vital that this rate decreases for Greater Manchester. Especially in areas such as Wigan, Rochdale and Tameside where the rates are highest.

4.4.5 Qualifications of the economically active population vary at district level. Trafford has a substantially high proportion of the economically active population qualified to level 4, at 41.4 per cent, 12 percentage points above the regional average. The majority of districts in Greater Manchester have a lower proportion of the economically active population qualified to a level 4 in comparison to England. Only 20.6 per cent of the economically active in Tameside have a level 4 qualification, -10.9 percentage points below the national average.

4.4.6 The qualifications of the economically inactive population are shown in Figure 22. The key point to note is the lower qualification levels of people who are economically inactive. In the North West 49 per cent of the economically inactive population do not have a level 2 qualification compared to 46.5 percent nationally.

**Figure 22: Qualification Profile of the Economically Inactive Population, 2006**

| | Economically Inactive Population (000) | Economically Inactive adults without a level 2 qualification | Economically Inactive qualified to at least level 2 | Economically Inactive qualified to at least level 3 | Economically Inactive qualified to at least level 4 |
|---|---|---|---|---|---|
| England | 7,127 | 46.5% | 53.5% | 30.9% | 15.4% |
| North West | 1,037 | 49.0% | 51.0% | 28.4% | 11.7% |
| Cheshire/Warrington | 114 | 44.6% | 55.4% | 34.3% | 18.1% |
| Cumbria | 65 | 45.6% | 54.4% | 30.3% | 12.2% |
| Greater Manchester | 387 | 52.6% | 47.4% | 24.6% | 10.5% |
| Lancashire | 217 | 49.9% | 50.1% | 28.7% | 11.6% |
| Greater Merseyside | 254 | 56.0% | 44.0% | 21.9% | 8.8% |

*Source: Annual Population Survey 2006*

4.4.7 Greater Manchester has a high proportion of the economically inactive without a level 2, 6.1 percentage points above the national average. Given that Greater Manchester has the largest volume of economically inactive people in the North West this issue is exacerbated, 52.6 percent without a level 2 equates to 203,562 people in Greater Manchester.

4.4.8 Greater Manchester has a low proportion of the economically inactive population with a qualification in comparison to the national and regional averages. Only 10.5 per cent of the inactive population are qualified to a level 4 in Greater Manchester, 4.9 percentage points below England.

4.4.9 These examples highlight the links between skills and employment, the data shows a trend of economic inactivity coupled with low skills attainment for a large volume of people in Greater Manchester.

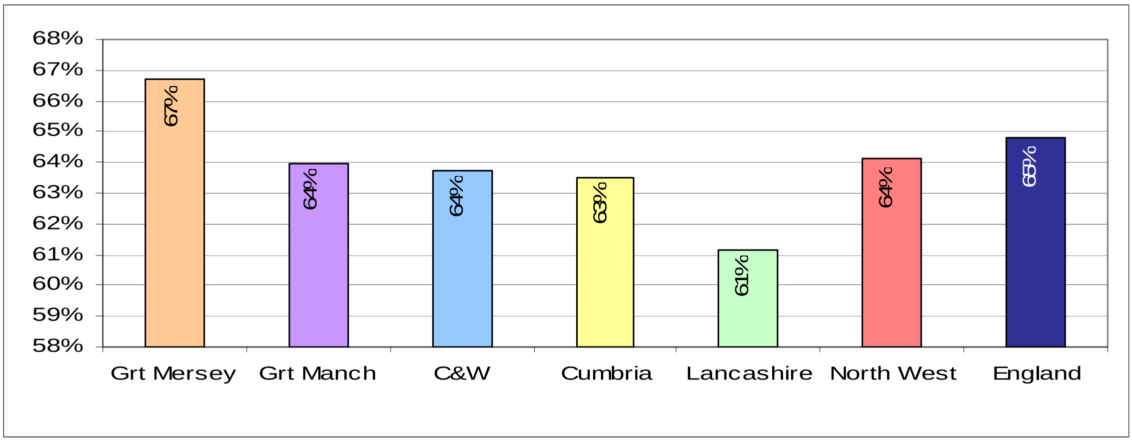
## 4.5 National Employer Skills Survey (NESS)

4.5.1 The following analysis uses data from the National Employer Skills Survey 2005 to describe the training behaviour of employers in Greater Manchester, particularly with regard to the skills gaps they identify in their workforce, and skills related recruitment difficulties they face.

4.5.2 The National Employers Skills Survey 2005 (NESS 2005) was commissioned by the Learning and Skills Council together with the Department for Education and Skills and the Sector Skills Development Agency. Its purpose is to provide a detailed analysis of the extent and nature of skills gaps, recruitment problems and training activity.

4.5.3 Figure 23 shows the proportion of employers who provided training during the previous twelve months. At 64% of employers, the Greater Manchester figure is in line with the North West and just below the England average (65%).

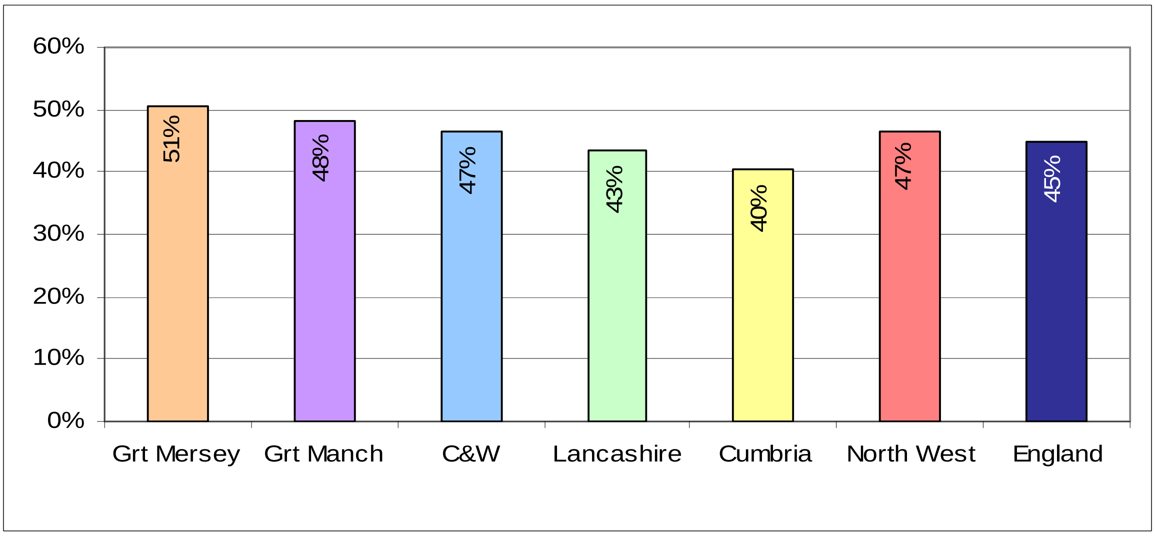
**Figure 23: Proportion of Employers providing Training in the past 12 months**




*Source: National Employer Skills Survey 2005*

4.5.4 Figure 24 shows the proportion of employers with a formal training plan – this figure is 48% in Greater Manchester, above the North West and England figures of 47% and 45% respectively.

**Figure 24: Proportion of establishments with a formal training plan**




*Source: National Employer Skills Survey 2005*

## 4.6 Summary

4.6.1 Change in population across the North West is important when considering competition for jobs, the volume of workers available, and the proportion of those needing skills development. Similar to the national picture the issue of an ageing population will be seen in Greater Manchester in future years. It is likely that an increasing number of people will remain in employment post retirement age which will have implications on Skills Provision and progression as the expected shift to a value-added economy occurs.

4.6.2 The links between skills attainment and employability are clear in Greater Manchester, with rates of skills attainment higher at all levels for those who are economically active, coupled with low skills attainment for a large volume of economically inactive people in GM, 35 percent of the regions economically inactive are in Greater Manchester. Work aimed at addressing this issue has to continue and be built upon with an emphasis on progression to both intermediate skills and sustainable employment.

4.6.3 Data from the National Employer Skills Survey suggests that Greater Manchester employers have a culture of workforce development on which to build. As shown 48 per cent of employers have formal training plans, 3 percentage points above the national average.

4.6.4 Although training opportunities are available in Greater Manchester skills vacancies remain in associate professional and skilled trades. Employers in the area consider customer service and administrative occupations are the key skill gaps in the market which is in contrast to England, in which skilled trades and professionals are the key skill gaps. This would suggest that continued development in training is required at both a high and low skill level in order to fill the skills gaps.

# SECTION:5 PROVISION AND PARTICIPATION

## 5.1 Introduction

5.1.1 This chapter looks at participation in learning and skills development in Greater Manchester, and the quality of provision, as measured by success rates and inspection grades. It focuses on learners whose main learning aim is a long course (greater than 24 weeks). The focus of this section is on post-compulsory education for young people and adults, excluding higher education which is covered in Chapter 10.

## Young People

## 5.2 Post-16 Participation

5.2.1 The proportion of young people in Greater Manchester who remained in Full time education or training after leaving school aged 16 varies at district level and is comparable to 63 per cent in England. Figure 25 shows the proportion of 17 year olds in education and training as a percentage of the total 17 year olds in the area.

**Figure 25: Post-16 Participation in Education and Training 2005**

| | 17 year olds | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Full-time education | | | | | | | Total |
| | Maintained schools[1] | Independent schools[2] | Sixth form college | Other FE[3] | Total | WBL | Part-time education | Education and WBL[4] |
| **England[6]** | **23** | **6** | **9** | **25** | **63** | **8** | **5** | **76** |
| **North West** | **17** | **4** | **14** | **26** | **60** | **11** | **5** | **76** |
| Bolton | 18 | 6 | 14 | 22 | 60 | 12 | 4 | 77 |
| Bury | 4 | 29 | 20 | 31 | 84 | 10 | 3 | 96 |
| Manchester | 6 | 11 | 18 | 32 | 68 | 6 | 4 | 78 |
| Oldham | 9 | 3 | 21 | 23 | 56 | 11 | 2 | 69 |
| Rochdale | 13 | 0 | 9 | 34 | 56 | 10 | 6 | 72 |
| Salford | 2 | 0 | 37 | 12 | 52 | 11 | 4 | 67 |
| Stockport | 4 | 7 | 36 | 16 | 63 | 10 | 3 | 76 |
| Tameside | 6 | 0 | 22 | 24 | 52 | 11 | 3 | 66 |
| Trafford | 29 | 1 | 11 | 29 | 69 | 8 | 5 | 82 |
| Wigan | 7 | 0 | 21 | 27 | 55 | 14 | 7 | 76 |

*Source: DFCSF SRF 22/2007*

5.2.2 There is variation of participation within Greater Manchester post-16. Across Greater Manchester there are a low proportion of young people in maintained schools compared to the National average with Trafford the only area to exceed the national average.

5.2.3 The majority of districts in Greater Manchester have a low proportion of 17 year olds in full time education compared to the national rate with the exception of 4 districts including Bury which is 21 percentage points higher than the national rate.

5.2.4 It is also important to note the relatively high proportion of learners in Work-Based Learning (WBL) at age 17 in Greater Manchester, with the exception of Manchester and Trafford Local Authority areas. This is a positive picture given the aspiration set out in the Leitch report for increases in the volume of apprentices.

## 5.3 FE Participation Rates

5.3.1 The table below shows how participation of young people in the Further Education (FE) sector has changed over the last three years in Greater Manchester.

**Figure 26: FE Participation: Number of Learners Aged 16-18**

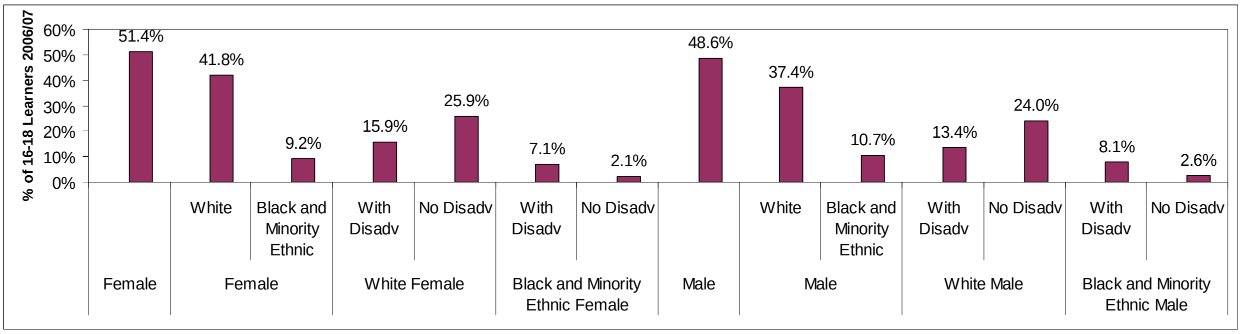
| | 2004/05 | 2005/06 | 2006/07 |
|---|---|---|---|
| North West | 111,262 | 115,621 | 119,950 |
| Greater Manchester | 47,647 | 48,552 | 50,375 |
| Bolton | 3,991 | 4,086 | 4,309 |
| Bury | 3,688 | 3,640 | 3,771 |
| Manchester | 8,992 | 9,124 | 9,231 |
| Oldham | 4,256 | 4,335 | 4,485 |
| Rochdale | 4,084 | 4,070 | 4,274 |
| Salford | 4,111 | 4,095 | 4,349 |
| Stockport | 5,532 | 5,393 | 5,423 |
| Tameside | 4,325 | 4,345 | 4,463 |
| Trafford | 3,277 | 3,364 | 3,558 |
| Wigan | 5,373 | 6,088 | 6,512 |

*Source: LSC North West Residency Platform*

5.3.2 The volume of FE learners (16-18) in Greater Manchester has increased by 3.7 per cent on last year, growing across the whole area. The rate of growth across the area has been similar across the districts with Wigan growing by 6.9 per cent between 2005/06 and 2006/07 compared to 1.1 per cent growth in Manchester, although Manchester has higher volumes of learners for both years.

5.3.3 Figure 27 shows young peoples participation rates by characteristics in 2005/06. The data taken from the North West LSC Residency Platform provides success rates by gender, ethnicity (White and Black and Minority Ethnic group), and disadvantage.

**Figure 27: Young People Aged 16 to 18 FE Courses Participation Rates by Characteristic**




*Source: LSC North West Residency Platform*

5.3.4 Figure 27 shows that a higher proportion of young people participating in FE are Female (51.4%).

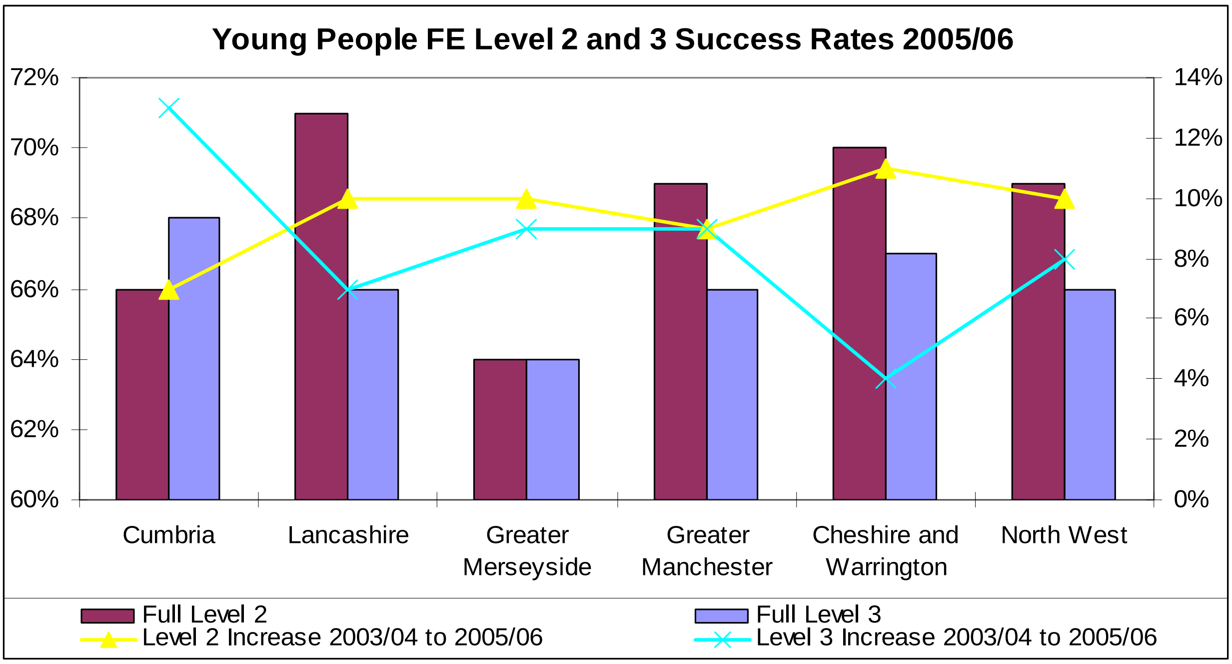
5.3.5 Learners from the white ethnic group make up a greater proportion of FE learners, around 80 per cent of learners are white, however given that only around 10 per cent of the working age population of Greater Manchester are from BME groups, these groups have high rates of participation in FE.

5.3.6 Of the total learners, the highest proportion with a disadvantage are white females (15.9% of total learners), followed by white males (13.4% of total learners).

## 5.4 FE Success Rates

5.4.1 The success rate is a qualification measure which calculates the number of qualifications achieved as a proportion of qualifications started. Success Rates are generally higher for short courses (less than 24 weeks) than long courses. The table below shows success rates for long courses in Full Level 2 and 3 taken up by 16-18 year olds.

**Figure 28: Young People Aged 16 to 18 FE Long Courses Success Rates by Level 2005/6**




*Source: North West Reporting Platform*

5.4.2 FE Full Level 2 success rates for young people in Greater Manchester have been in line with or above the North West average since 2003/04.

5.4.3 FE Full Level 3 success rates for young people in Greater Manchester are on a par with the regional rate and have increased at a slightly faster pace over the 3 year period.

## 5.5 Work Based Learning

5.5.1 Figure 29 shows how participation of young people in WBL has changed over the last three years. For 2006/07 the data displayed is up to period 12. In WBL additional data may be submitted after this point, however the outcome is not expected to alter greatly.

**Figure 29: WBL Starts: Number of Learners Aged 16-18**

| | 2004/05 | 2005/06 | 2006/07 |
|---|---|---|---|
| North West | 20,906 | 17,723 | 18,007 |
| Greater Manchester | 7,170 | 6,616 | 6,271 |
| Bolton | 769 | 796 | 772 |
| Bury | 487 | 448 | 438 |
| Manchester | 809 | 729 | 600 |
| Oldham | 658 | 650 | 616 |
| Rochdale | 652 | 649 | 553 |
| Salford | 740 | 699 | 655 |
| Stockport | 759 | 712 | 666 |
| Tameside | 790 | 667 | 622 |
| Trafford | 484 | 414 | 417 |
| Wigan | 1,021 | 852 | 932 |

*Source: North West Residency Platform*

5.5.2 The North West has seen an overall reduction of 13.9 per cent in the number of young people starting WBL courses between 2004/05 and 2006/07. The trend in the North West has not been steady with a fall of 15.3 per cent between 2004/05 and 2005/06 and a growth of 1.6 per cent in the following year. Greater Manchester has experienced a steady fall in starts since 2004/05, with a total reduction of 12.6 per cent.

5.5.3 Within Greater Manchester WBL learner numbers are varied at district level, for example, Wigan experienced a growth of 9.3 per cent compared to a fall of 17.7 per cent in Manchester.

## 5.6 Work Based Learning Success Rates

5.6.1 WBL success rates are calculated in a similar way to FE success rates. Success Rates for qualifications taken by 16-18 year olds in WBL are shown in Figure 30 for level 2 (Apprenticeship) and level 3 (Advanced Apprenticeship) qualifications.

**Figure 30: Young People Aged 16 to 18: WBL Success Rates by Level from 2004/05 to 2006/07**

| | Level 2 | | | Level 3 | | |
|---|---|---|---|---|---|---|
| | 2004/05 | 2005/06 | 2006/07 | 2004/05 | 2005/06 | 2006/07 |
| North West | 51% | 58% | 65% | 58% | 68% | 72% |
| Cheshire & Warrington | 49% | 56% | 68% | 57% | 65% | 73% |
| Cumbria | 55% | 56% | 67% | 58% | 77% | 73% |
| Greater Manchester | 53% | 56% | 64% | 58% | 66% | 66% |
| Greater Merseyside | 44% | 58% | 63% | 51% | 63% | 73% |
| Lancashire | 56% | 64% | 71% | 66% | 72% | 78% |

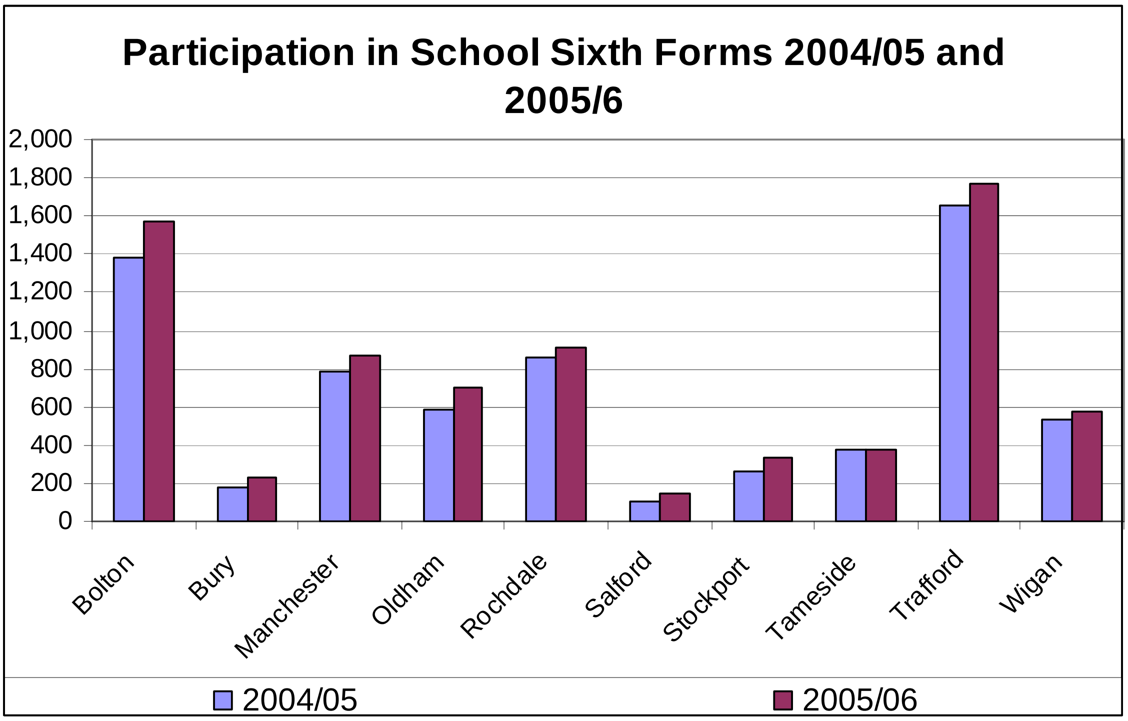
*Source: North West Reporting Platform.*

5.6.2 Although participation rates are declining in Greater Manchester Figure 30 highlights improvement in success rates for both Apprenticeship (level 2) and Advanced Apprenticeship (level 3). The area has seen an 11 percentage point increase in level 2 success rates between 2004/05 and 2006/07 and an 8 percentage point increase in level 3. Both success rates at level 2 and 3 in Greater Manchester are below the North West Regional average.

## 5.7 School Sixth Form

5.7.1 Figure 31 shows how participation of young people in school sixth forms in Greater Manchester has changed between 2004/05 and 2005/06 at district level.

**Figure 31: School Sixth Form Participation: Number of Learners Aged 16-18**




*Source: North West Residency Platform*

5.7.2 Greater Manchester has experienced an 11.4 per cent growth in participation on the previous year comparing to a growth of 5 per cent at Regional level. Most local areas have increased in volume, Tameside remained static

5.7.3 Figure 32 shows the education routes taken by young people as a proportion of all 16-18 year olds in learning in 2006 cohort.

**Figure 32: Proportion of Young People in Education & Training by Route in 2006**

| | SSF | FE | WBL |
|---|---|---|---|
| North West | 20.1% | 64.4% | 15.6% |
| Cumbria | 32.9% | 47.0% | 20.2% |
| Lancashire | 14.0% | 70.0% | 16.0% |
| Greater Manchester | 11.3% | 73.9% | 14.8% |
| Greater Merseyside | 29.8% | 54.4% | 15.8% |
| Cheshire and Warrington | 30.6% | 55.5% | 13.9% |

*Source: North West Residency Platform*

5.7.4 Figure 32 shows that Greater Manchester has the lowest proportion of it's learners in School Sixth Forms out of all local LSC areas of the North West, and is currently 8.8 percentage points below the regional rate. Conversely the proportion of young learners in Further Education in Greater Manchester is 9.5 percentage points higher than the regional average, the highest proportion its learners in FE in the region.

5.7.5 The proportion of young learners studying towards a WBL qualification is 14.8 per cent in Greater Manchester, 0.8 percentage points below the North West average. Building on work already underway to make an Apprenticeship a more attractive option is essential in producing Greater Manchester, and the regional contribution to apprenticeship targets set out by Leitch.

## Adults

## 5.8 FE Participation Rates

5.8.1 Figure 33 shows how participation for adults in the FE sector has changed over the last three years.

**Figure 33: FE Participation: Number of Adult Learners**

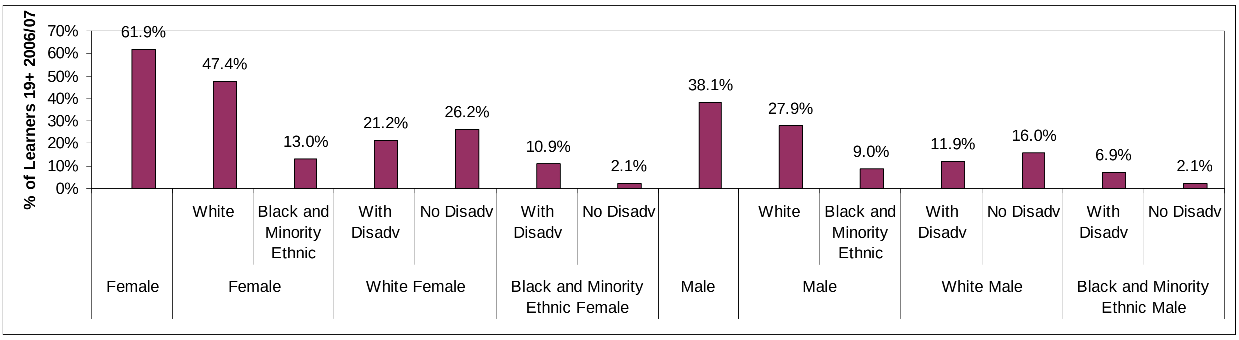
| | 2004/05 | 2005/06 | 2006/07 |
|---|---|---|---|
| North West | 396,602 | 332,914 | 238,521 |
| Greater Manchester | 145,033 | 122,349 | 85,896 |
| Bolton | 12,396 | 9,867 | 6,909 |
| Bury | 11,126 | 9,446 | 5,614 |
| Manchester | 30,008 | 28,043 | 21,028 |
| Oldham | 13,276 | 10,555 | 6,904 |
| Rochdale | 11,706 | 10,473 | 7,064 |
| Salford | 13,626 | 10,625 | 7,864 |
| Stockport | 13,812 | 11,279 | 8,007 |
| Tameside | 12,574 | 9,939 | 7,185 |
| Trafford | 12,317 | 10,294 | 7,543 |
| Wigan | 14,137 | 11,778 | 7,776 |

*Source: North West Residency Platform*

5.8.2 In the North West adult participation has fallen in each of the past three years in line with England. The Region has experienced a decline of 28.9 per cent on last years participation rate which is similar in Greater Manchester (29.2 per cent). There is variation at local authority level; with Bury experiencing a reduction of 40.6 per cent compared to only a 25.1 per cent drop in Manchester.

5.8.3 Figure 34 shows adult participation rates by characteristics in 2005/06. The data taken from the Residency Platform provides success rates by gender, ethnicity (White and Black and Minority Ethnic group), and disadvantage.

**Figure 34: Adult FE Course Participation Rates by Characteristic**




*Source: LSC North West Residency Platform*

5.8.4 Figure 34 shows that there is a substantially higher proportion of adult females participating in an FE course in comparison to males, 23.8 percentage points more.

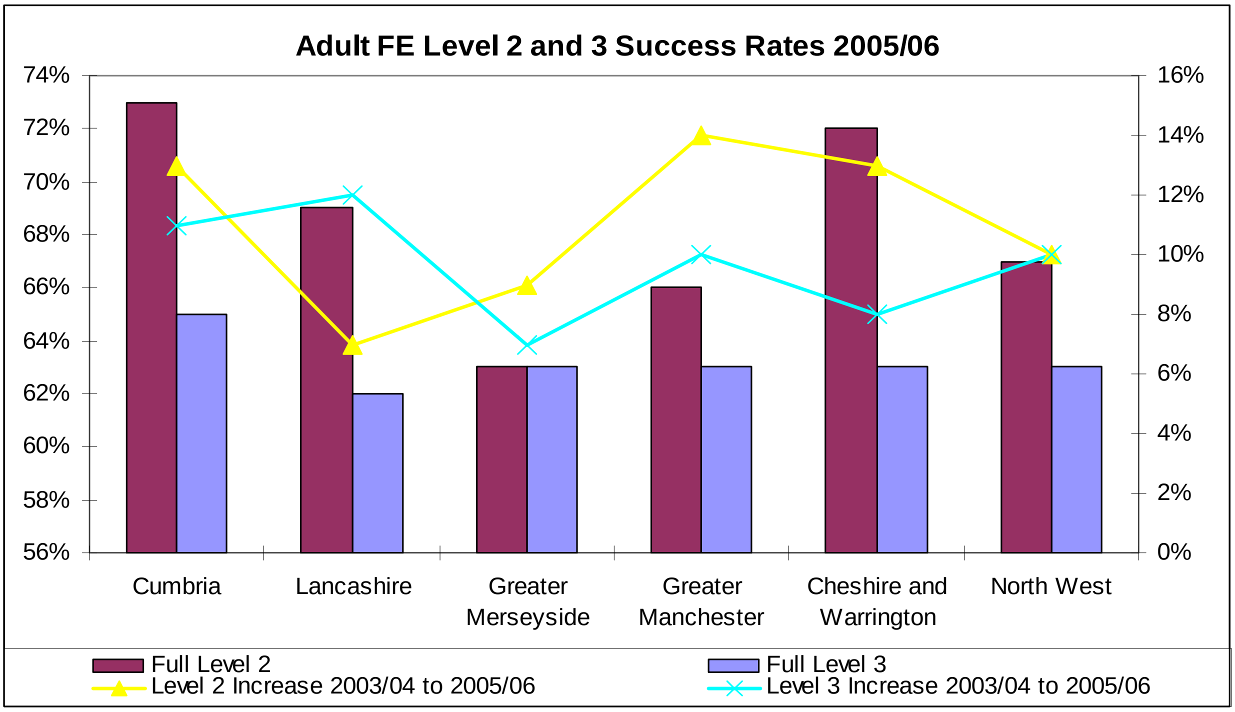
5.8.5 The proportion of adult FE learners from BME groups appears low when compared to the proportion of white learners, however, given that around 10 per cent of the working age population are from BME groups and roughly 22 per cent of adult FE learners coming from a BME background there is possible 'over-representation' of BME groups in FE.

5.8.6 A key difference shown in the data is that people from a white background with no disadvantage make up a larger proportion of the total FE learners than those with a disadvantage (for both males and females). The reverse is true for BME groups where the proportion of learners with a disadvantage is greater than those without. This may reflect demographic trends of the two ethnic groups.

## 5.9 FE Success Rates

5.9.1 Success Rates for adult FE long courses for Full Level 2 and 3 are shown in Figure 35.

**Figure 35: Adult FE Long Courses Success Rates by Level 2005/6**




*Source: North West Reporting Platform*

5.9.2 Adult success rates have experienced year on year growth at both full level 2 and 3. Greater Manchester has narrowed the gap with the regional success rate in the last 2 years at level 2, now only 1 percentage point behind.

5.9.3 Adult full level 3 success rates have mirrored the regional rate for the last three years. Increasing by 10 percentage points since 2003/04.

## 5.10 Work Based Learning

5.10.1 Figure 36 shows how participation of adults in WBL in Greater Manchester has changed over the last three years.

**Figure 36: WBL Starts: Number of Adult Learners**

| | 2004/05 | 2005/06 | 2006/07 |
|---|---|---|---|
| North West | 13,925 | 12,255 | 13,477 |
| Greater Manchester | 4,832 | 4,615 | 4,784 |
| Bolton | 591 | 559 | 599 |
| Bury | 327 | 330 | 402 |
| Manchester | 635 | 611 | 608 |
| Oldham | 426 | 457 | 447 |
| Rochdale | 424 | 508 | 480 |
| Salford | 465 | 401 | 418 |
| Stockport | 469 | 473 | 502 |
| Tameside | 465 | 385 | 407 |
| Trafford | 354 | 271 | 336 |
| Wigan | 675 | 620 | 585 |

*Source: North West Residency Platform*

5.10.2 WBL participation experienced a 'dip' in 2005/06 in many areas, rising in Greater Manchester in 2006/07. Many areas of north Manchester, including Bolton, Bury, Oldham and Rochdale, increased participation volumes in 2006/07 above those seen in 2004/05, where as most areas in south Manchester did not rise to previous levels.

5.10.3 Figure 37 shows Train to Gain starts in Greater Manchester in 2006 at Period 12, with the breakdown between Skills for Life and Level 2 & 3. Level 3 trials have not been included in the total.

**Figure 37: Train to Gain Starts in 2006.**

| | 2006/07 Period 12 | | |
|---|---|---|---|
| | Train to Gain Level 2 & Level 3 | Train to Gain SFL | Total |
| Bolton | 924 | 88 | 1,012 |
| Bury | 609 | 94 | 703 |
| Manchester | 1,988 | 317 | 2,305 |
| Oldham | 1,154 | 71 | 1,225 |
| Rochdale | 905 | 116 | 1,021 |
| Salford | 1,038 | 159 | 1,197 |
| Stockport | 844 | 66 | 910 |
| Tameside | 1,063 | 63 | 1,126 |
| Trafford | 527 | 53 | 580 |
| Wigan | 1,378 | 77 | 1,455 |
| Greater Manchester | 10,430 | 1,104 | 11,534 |
| North West | 26,069 | 2,315 | 28,384 |

*Source: North West Residency Platform*

5.10.4 As Figure 37 shows Greater Manchester is responsible for 40 per cent of all Train to Gain level 2 & 3 starts in the North West region in 2006/07, and 47.6 per cent of all Train to Gain skills for life. The start volumes across Greater Manchester vary at district level, with Manchester contributing 19 per cent of Greater Manchester's Train to Gain level 2 & 3 starts, while Trafford has 5 per cent.

## 5.11 Work Based Learning Success Rates

5.11.1 Figure 38 shows the success rates of adults undertaking WBL courses over the last three years.

**Figure 38: Adults: WBL Success Rates by Level 2004/05 to 2006/07**

| | Level 2 | | | Level 3 | | |
|---|---|---|---|---|---|---|
| | 2004/05 | 2005/06 | 2006/07 | 2004/05 | 2005/06 | 2006/07 |
| North West | 54% | 60% | 70% | 51% | 58% | 70% |
| Cheshire & Warrington | 53% | 58% | 70% | 52% | 60% | 69% |
| Cumbria | 58% | 62% | 69% | 57% | 64% | 70% |
| Greater Manchester | 54% | 60% | 69% | 53% | 58% | 68% |
| Greater Merseyside | 52% | 57% | 68% | 46% | 56% | 71% |
| Lancashire | 56% | 65% | 73% | 53% | 60% | 74% |

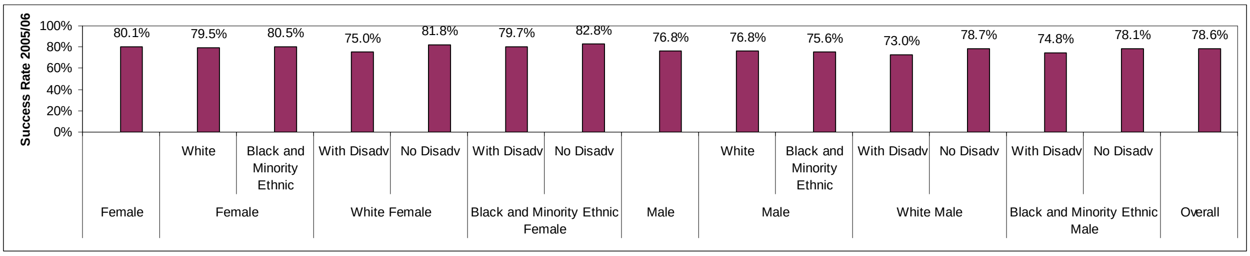
*Source: North West Reporting Platform*

5.11.2 There have been varying levels of growth across the region in adult WBL success rates. Greater Manchester is 1 percentage point below the Regional WBL Apprenticeship (level 2) success rate of 70 per cent, and has experienced overall growth of 15 percentage points over the three year period. Advanced Apprenticeship (level 3) success rates have also increased, and are now 2 percentage points below the Regional rate of 70 per cent, however, the regional rate of improvement has been faster than that seen in GM.

## 5.12 Learner Success Rates

5.12.1 The purpose of this section is to examine the extent to which FE success rates are affected by learner characteristics, including gender, ethnicity and disability.

**Figure 39: FE Success Rates by Disadvantage, Ethnicity and Gender 2005/6-young people**




*Source: North West Residency Platform*

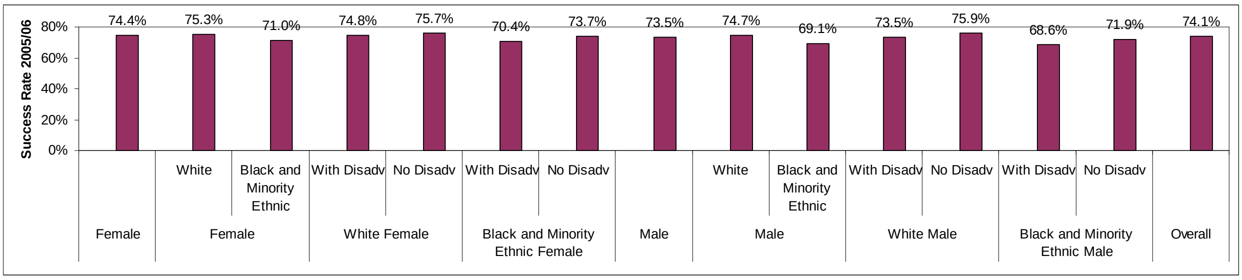
5.12.2 Figure 39 shows learner success rates by learner characteristic in 2005/06. The data provides success rates by gender, ethnic group (White and Black and Minority Ethnic group), and disadvantage.

5.12.3 Success rates across all 16-18 learners are strong, with Black and Ethnic minority females with no disadvantage the highest at 82.8 per cent.

5.12.4 The group with the lowest success rates are white males with no disadvantage at 73 per cent, further research may be required to find the cause of this apparent underperformance, and produce possible solutions.

5.12.5 Females have higher success rates than their male counterparts with 80.1 per cent overall compared to 76.8 per cent respectively. Analysis at sector subject level may be required to research into possible gender stereotyping trends.

**Figure 40: FE Success Rates by Disadvantage, Ethnicity and Gender 2005/6-Adults**




*Source: North West Residency Platform*

5.12.6 As with young people, adult success rates are reasonably high across all groups. Figure 40 shows male success rates are 0.9 per cent lower than female success rates.

5.12.7 White males with no disadvantage have the highest success rates in the area with 75.9 per cent, the group with the lowest success rates are male black and ethnic minority learners with disadvantage (68.6 per cent).

## 5.13 Independent Quality Assessment: Inspection

5.13.1 The Regional Strategic Analysis contains further analysis of FE College inspection scores from 2005/06 to 2006/07. Ofsted inspect colleges across the year assessing curriculum areas, quality, standards and management. Figure 41 shows the number of Colleges in Greater Manchester and the assessment results. Throughout the North West only two Colleges were deemed ‘inadequate’, and were also the only provision to rate as ‘poor’ in curriculum areas.

**Figure 41: FE Inspection Grades**

| | Overall effectiveness | Capacity to make further improvements | Achievement and standards | Quality of provision |
|---|---|---|---|---|
| Oustanding | 5 | 6 | 4 | 5 |
| Good | 4 | 3 | 4 | 4 |
| Satisfactory | 2 | 2 | 3 | 2 |
| Poor | 0 | 0 | 0 | 0 |

*Source: Ofsted*

5.13.2 All Colleges in Greater Manchester received satisfactory, good or outstanding assessments, the majority with ‘outstanding capacity to make further improvements’. Greater Manchester has no unsatisfactory or poor provision.

5.13.3 WBL providers are now being inspected by Ofsted, the quality of the sector has improved, as highlighted in the significant improvements in success rates.

## 5.14 Summary

5.14.1 Participation of Greater Manchester learners in Further Education is strong, as is participation of 16-18 year olds in Work-based learning. Further work may be required to make WBL a more attractive option for both young learners and parents in order to meet stretching government targets.

5.14.2 Analysis of participation and success rates by learner characteristic reveals trends that may help in the targeting of provision. Participation from disadvantaged BME groups in FE appears low, action could be taken to address this, however, overall participation by BME groups in FE is very strong when viewed alongside population demographics. BME participation in WBL is traditionally low, this trend is seen in most geographical areas.

5.14.3 These issues are relevant for both young people and adults. The LSC Single Equality Scheme (April 2007) states: “Members of black or ethnic minority groups form about one-tenth of the English population. They were under-represented in WBL, in full Level 2 and 3 programmes”

5.14.4 FE success rates for white males who are from a disadvantaged background are low. Further research may be required to assess the causes and possible solutions to this issue.

# SECTION:6 EMPLOYABILITY AND WORKLESSNESS

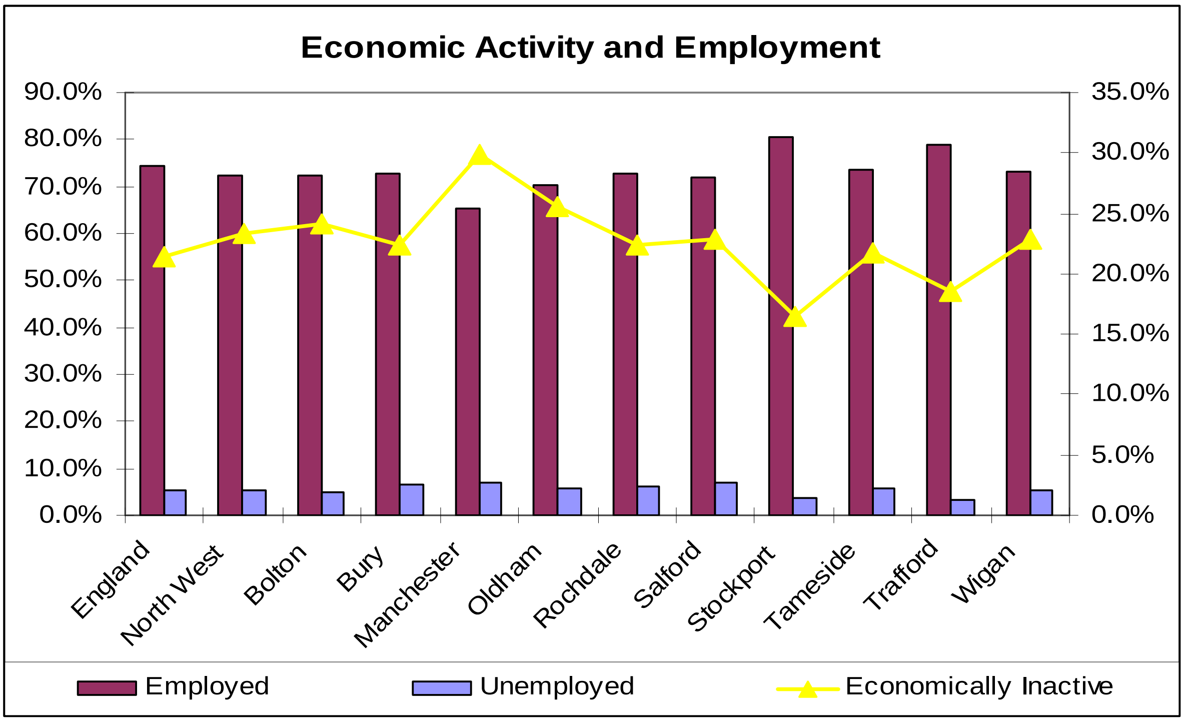
## 6.1 Introduction

6.1.1 Developing the skills of the current working age population is the subject of increased focus as the competitiveness of the regional economy develops. This section will look at rates of employment, unemployment and economic inactivity in order to quantify what must be achieved in order for the North West to compete.

## 6.2 Employment, Unemployment and Economic Inactivity

6.2.1 Levels of employment are mixed across Greater Manchester, however, only 2 local areas, Stockport and Trafford, have employment rates above the national average. These two local areas are also the only borough districts of Greater Manchester to have a rate of economic inactivity below the national average.

**Figure 42: Employment Status of Working Age Population (by %), 2005**




*Source: Annual Population Survey 2006*

6.2.2 The highest volume of employed people (working age) in Greater Manchester are in Manchester (city), the highest volume of economically inactive people are also in this local area. When cross-referenced to the percentages in Figure 42 we can see that Manchester (city) also has the highest rate of economic inactivity coupled with the lowest rate of employment[1], this issue is amplified due to the high volumes of working age people living in the area.

[1] Note: An individual can be economically active and unemployed

**Figure 43: Employment Status of Working Age Population (by Volume), 2005**

| | Economically Active | | Economically Inactive |
|---|---|---|---|
| | Employed | Unemployed | |
| England | 22,794,700 | 1,326,500 | 6,560,900 |
| North West | 2,978,000 | 168,900 | 958,400 |
| Bolton | 116,400 | 5,800 | 39,100 |
| Bury | 82,300 | 5,600 | 25,200 |
| Manchester | 167,000 | 12,500 | 76,500 |
| Oldham | 92,600 | 5,800 | 33,700 |
| Rochdale | 92,600 | 6,000 | 28,400 |
| Salford | 93,700 | 7,000 | 29,700 |
| Stockport | 139,700 | 5,200 | 28,700 |
| Tameside | 97,800 | 6,100 | 29,000 |
| Trafford | 101,900 | 3,500 | 24,100 |
| Wigan | 137,600 | 7,500 | 43,100 |

*Source: Annual Population Survey 2006*

## 6.3 Context

6.3.1 A breakdown of the reasons for economic inactivity in Greater Manchester shows that Stockport and Rochdale have high levels of people with a long-term sickness compared to regional and national averages. Every local area in Greater Manchester has a rate of those looking after family / home lower than the national rate.

6.3.2 Of the economically inactive the lowest rate of those who do want a job is in Wigan (14.7%), Wigan also has a corresponding rate of 85.3 per cent who do not want a job, this equates to 36,764 people resident in the Wigan area. Key issues for this local authority area could include the ‘attractiveness’ of working over benefits (Wigan has the 2$^{nd}$ highest rate of Incapacity Benefit claimants in GM) as well as progression, both to higher skills and into sustainable employment.

**Figure 44: Profile of Economically Inactive Population, 2005**

| | | | DO want a job (breakdown) | | | |
|---|---|---|---|---|---|---|
| % of economically inactive | DO want a job | DO NOT want a job | Long-term sick | Looking after family/home | Students | Other |
| England | 25.2 | 74.8 | 7.1 | 6.6 | 3.7 | 4.6 |
| North West | 20.1 | 79.9 | 6.8 | 4.3 | 2.8 | 3.7 |
| Bolton | 23.4 | 76.6 | 6.9 | 6.5 | 3 | 3.6 |
| Bury | 23.1 | 76.9 | 9.1 | 5.3 | 2.8 | 2.4 |
| Manchester | 22.7 | 77.3 | 5.5 | 3.6 | 4.5 | 5 |
| Oldham | 25.5 | 74.5 | 5.2 | 6 | 2.1 | 8.4 |
| Rochdale | 27.7 | 72.3 | 10.9 | 5.2 | 3.1 | 5.6 |
| Salford | 20 | 80 | 7.3 | 4.4 | 1.4 | 2.4 |
| Stockport | 28.8 | 71.2 | 11.9 | 4.4 | 5.1 | 5.4 |
| Tameside | 22.7 | 77.3 | 8.3 | 6.2 | 2.5 | 2.8 |
| Trafford | 17.5 | 82.5 | 4.4 | 3.3 | ! | 6.5 |
| Wigan | 14.7 | 85.3 | 6.8 | 1.6 | ! | 3 |

*Source: Annual Population Survey 2006*

## 6.4 Economic Inactivity by Gender

6.4.1 The rate of economic inactivity is higher for females than for males in every area of Greater Manchester, this trend is also seen at a regional and national level. This gap is most pronounced in Oldham, where females have a rate 14.4 percentage points higher than males.

6.4.2 The female rate of economic inactivity is closest to the male rate in Stockport, where the gap is 3.7 percentage points, Stockport also has the lowest rate of overall economic inactivity in Greater Manchester.

6.4.3 The lowest volume of economically inactive males is in Trafford (9,600) the lowest volume for females is in Bury (13,700).

**Figure 45: Economic Inactivity Rate by Gender, 2005**

| | Male | | Female | | Total | |
|---|---|---|---|---|---|---|
| | % | Number | % | Number | % | Number |
| England | 16.4 | 2,586,100 | 26.7 | 3,974,800 | 21.4 | 6,560,900 |
| North West | 19.4 | 409,700 | 27.5 | 548,700 | 23.3 | 958,400 |
| Greater Manchester | 18.6 | 147,900 | 28 | 209,600 | 23.2 | 357,600 |
| Bolton | 19.6 | 16,300 | 29.1 | 22,700 | 24.2 | 39,100 |
| Bury | 19.2 | 11,500 | 25.7 | 13,700 | 22.3 | 25,200 |
| Manchester | 24.7 | 32,300 | 35.2 | 44,200 | 29.9 | 76,500 |
| Oldham | 18.5 | 12,500 | 32.9 | 21,300 | 25.5 | 33,700 |
| Rochdale | 15.8 | 10,200 | 29.3 | 18,200 | 22.4 | 28,400 |
| Salford | 20.7 | 14,300 | 25.1 | 15,500 | 22.8 | 29,700 |
| Stockport | 14.7 | 12,900 | 18.4 | 15,800 | 16.5 | 28,700 |
| Tameside | 17.6 | 12,100 | 26.4 | 16,900 | 21.8 | 29,000 |
| Trafford | 14.5 | 9,600 | 22.9 | 14,500 | 18.6 | 24,100 |
| Wigan | 16.6 | 16,300 | 29.7 | 26,800 | 22.9 | 43,100 |

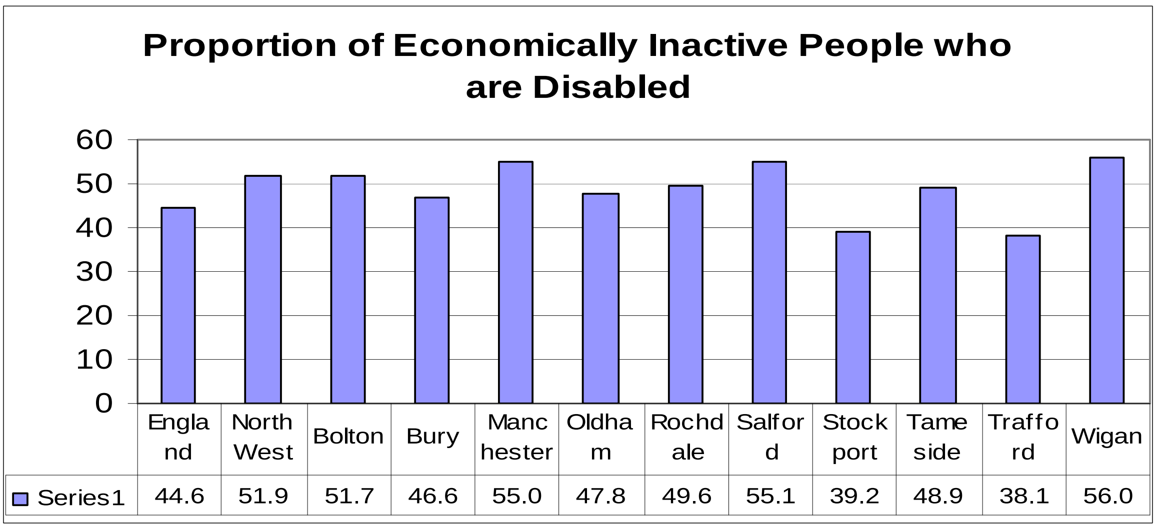
*Source: Annual Population Survey 2006*

## 6.5 Economic Inactivity by Disability

6.5.1 The rate of economically inactive people who are disabled is mixed across Greater Manchester. The national rate is 44.6 per cent, Greater Manchester has 2 areas that are below this level, Trafford and Stockport. Wigan has the highest rate of any local area (56%).

6.5.2 Analysis of the type of disability suffered by those shown in Figure 46 could provide valuable insight, this could give an indication of what level of support is required to provide a route into sustainable employment.

**Figure 46: Economic Inactivity Rate by Disability, 2005**




*Source: Annual Population Survey 2006*

## 6.6 Economic Inactivity by Ethnicity

6.6.1 The rate of economic inactivity, split by ethnic group is shown in Figure 47. Many areas do not have sufficient volumes of some ethnic groups to provide an accurate rate of economic inactivity. The rate of economic inactivity among the Pakistani / Bangladeshi group in Bury is particularly high (56.5%), the inactive rate of the Black or Black British group in Stockport is also high. 49.2 per cent of the Other ethnic group in Manchester are inactive. This analysis, both geographically and by ethnicity is important to further focus the targeting of provision.

**Figure 47: Economic Inactivity Rate by Ethnicity, 2005**

| | % of whites of working age who are economically inactive | % of mixed ethnic group of working age who are economically inactive | % of Indians of working age who are economically inactive | % of Pakistanis/Bangladeshis of working age who are economically inactive | % of Black or Black British of working age who are economically inactive | % of other ethnic group of working age who are economically inactive |
|---|---|---|---|---|---|---|
| England | 19.9 | 26.4 | 24.4 | 47.4 | 27.3 | 34.5 |
| North West | 22.3 | 29.9 | 25.9 | 47.9 | 32.6 | 35.5 |
| Bolton | 22.2 | 43.7 | 30.2 | 41.2 | 46.8 | 38.9 |
| Bury | 21.3 | ! | ! | 56.5 | 21.7 | 25.9 |
| Manchester | 26.4 | 30.4 | 17.2 | 44.2 | 36.1 | 49.2 |
| Oldham | 22.2 | ! | ! | 49.5 | 51.5 | 32.5 |
| Rochdale | 20.0 | ! | ! | 51.1 | ! | ! |
| Salford | 22.7 | ! | ! | 100.0 | ! | 25.4 |
| Stockport | 15.2 | 42.5 | ! | ! | 60.9 | 41.1 |
| Tameside | 21.5 | ! | ! | 44.9 | ! | 44.8 |
| Trafford | 16.8 | 51.6 | 16.4 | 46.3 | 25.9 | 33.6 |
| Wigan | 22.7 | ! | ! | ! | ! | ! |

*Source: Annual Population Survey*

## 6.7 Incapacity Benefit

6.7.1 Of the local authority areas of Greater Manchester, only Stockport and Trafford have rates of Incapacity Benefit (IB) claimants lower than the national average. The highest rate of claims amongst the working age population is in Manchester (city) with a rate of 13.8 per cent, this equates to 35,470 people. The second highest rate of IB claimants is in Wigan, with 20,870 people (11.1%).

6.7.2 Manchester also has the highest rate Job-seekers Allowance (JSA) claims in Greater Manchester (4.6%), which is above both regional and national rates. The high volumes of working age residents in Manchester, compared to other local authority areas, make this issue a greater concern; 4.6% of working age people in Manchester equates to 11,710 people, 6,400 more than the second highest volume of JSA Claimants (Wigan)

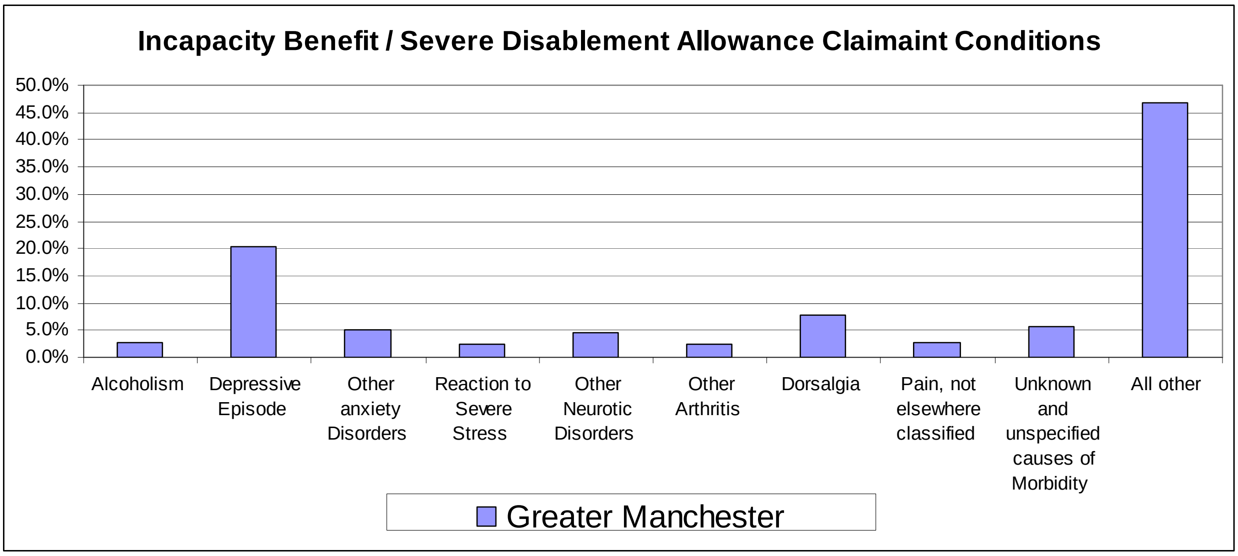
**Figure 48: Proportion of Working Age Population Claiming DWP Benefits by Type**

| | Incapacity Benefit & Severe Disablement Allowance | | Jobseekers Allowance | | Disability Living Allowance | | Income Support | |
|---|---|---|---|---|---|---|---|---|
| | Number | % | Number | % | Number | % | Number | % |
| England | 2662210 | 8.7% | 936300 | 3.1% | 1670020 | 5.4% | 2134170 | 7.0% |
| North West | 408220 | 9.9% | 9800 | 2.9% | 251620 | 6.1% | 306790 | 7.5% |
| Greater Manchester | 161750 | 10.5% | 46400 | 3.0% | 93010 | 6.0% | 124520 | 8.1% |
| Bolton | 16270 | 10.1% | 4680 | 2.9% | 9600 | 6.0% | 11860 | 7.4% |
| Bury | 9580 | 8.5% | 2490 | 2.2% | 5850 | 5.2% | 6370 | 5.6% |
| Manchester | 35470 | 13.9% | 11710 | 4.6% | 19360 | 7.6% | 35930 | 14.0% |
| Oldham | 13380 | 10.1% | 4170 | 3.2% | 7640 | 5.8% | 10090 | 7.6% |
| Rochdale | 14560 | 11.5% | 4130 | 3.3% | 8070 | 6.4% | 11090 | 8.7% |
| Salford | 16270 | 12.5% | 4450 | 3.4% | 9510 | 7.3% | 13160 | 10.1% |
| Stockport | 11750 | 6.8% | 3160 | 1.8% | 7340 | 4.2% | 8240 | 4.7% |
| Tameside | 14200 | 10.7% | 3620 | 2.7% | 8140 | 6.1% | 9730 | 7.3% |
| Trafford | 9400 | 7.3% | 2710 | 2.1% | 5970 | 4.6% | 6580 | 5.1% |
| Wigan | 20870 | 11.1% | 5280 | 2.8% | 11530 | 6.1% | 11470 | 6.1% |

*Source: DWP Tabulation Tool http://www.dwp.gov.uk/asd/tabtool.*

6.7.3 As with other areas of the North West, the most common reason given by those claiming IB or Severe Disablement Allowance (SDA) in Greater Manchester is a depressive episode (20.3% of Claimants). This trend is seen at regional and national level.

**Figure 49: IB/SDA Claimant Conditions**




Source: DWP Information Directorate 100% WPLS

## 6.8 Demand for Training

6.8.1 Around 27.5 per cent of the economically active working age population of Greater Manchester do not have a level 2 qualification, this is slightly below the regional average of 27.8 per cent. The highest rate of economically active working age adults without a level 2 is in Wigan, with 32.2 per cent. Combined with a larger than average (for Greater Manchester) economically active population sub-level 2 adult provision could be a priority in Wigan to ensure progression and higher levels of skilled workers.

**Figure 50: Qualification Profile of the Economically Active Population, 2006**

| | | Economically Active qualified to at least level 4 | | Economically Active qualified to at least level 3 | | Economically Active qualified to at least level 2 | | Economically Active adults without a level 2 qualification | |
|---|---|---|---|---|---|---|---|---|---|
| | Economically Active Population (000's) | Number (000's) | % | Number (000's) | % | Number (000's) | % | Number (000's) | % |
| England | 23,541 | 7,225 | 31.5% | 11,832 | 51.0% | 16,827 | 72.1% | 6,715 | 27.9% |
| North West | 3,068 | 897 | 29.4% | 1,525 | 50.4% | 2,188 | 72.2% | 880 | 27.8% |
| Greater Manchester | 1,157 | 349 | 30.2% | 594 | 51.3% | 839 | 72.5% | 318 | 27.5% |
| Bolton | 119 | 29 | 24.2% | 57 | 48.0% | 87 | 73.1% | 32 | 26.9% |
| Bury | 85 | 25 | 29.5% | 41 | 48.2% | 61 | 71.0% | 25 | 29.0% |
| Manchester | 176 | 72 | 41.1% | 105 | 59.7% | 132 | 74.7% | 44 | 25.3% |
| Oldham | 96 | 23 | 23.7% | 45 | 47.2% | 67 | 69.5% | 29 | 30.5% |
| Rochdale | 96 | 24 | 24.6% | 43 | 44.9% | 66 | 68.8% | 30 | 31.2% |
| Salford | 99 | 23 | 23.6% | 47 | 47.6% | 69 | 69.3% | 31 | 30.7% |
| Stockport | 141 | 56 | 39.5% | 85 | 60.3% | 110 | 77.9% | 31 | 22.1% |
| Tameside | 101 | 21 | 20.6% | 45 | 44.0% | 70 | 69.0% | 31 | 31.0% |
| Trafford | 103 | 42 | 41.4% | 63 | 61.7% | 83 | 80.9% | 20 | 19.1% |
| Wigan | 140 | 34 | 24.2% | 62 | 44.2% | 95 | 67.8% | 45 | 32.2% |

*Source: Annual Population Survey*

6.8.2 The rate of economically inactive working age people in Greater Manchester without a level 2 qualification is high in comparison to the national average, currently 6.1 per cent greater. However there is disparity at district level, Stockport has the lowest rate at 35.5 per cent, 11 percentage points below the national average. Trafford has the lowest rate of the economically inactive working age population without a level 2 qualification (32.4 per cent), and is 14.1 percentage points lower than the national average.

**Figure 51: Qualification Profile of the Economically Inactive Population, 2006**

| | | Economically Inactive adults qualified to at least level 4 | | Economically Inactive adults qualified to at least level 3 | | Economically Inactive adults qualified to at least level 2 | | Economically Inactive adults without a level 2 qualification | |
|---|---|---|---|---|---|---|---|---|---|
| | All Economically Inactive active | Number | % | Number | % | Number | % | Number | % |
| England | 7,126,790 | 1,094,717 | 15.4% | 2,200,430 | 30.9% | 3,810,305 | 53.5% | 3,316,485 | 46.5% |
| North West | 1,036,510 | 121,514 | 11.7% | 294,126 | 28.4% | 528,399 | 51.0% | 508,111 | 49.0% |
| Greater Manchester | 386,973 | 40,803 | 10.5% | 95,158 | 24.6% | 183,409 | 47.4% | 203,565 | 52.6% |
| Bolton | 42,306 | 4,986 | 11.8% | 10,628 | 25.1% | 20,581 | 48.6% | 21,725 | 51.4% |
| Bury | 27,692 | 3,399 | 12.3% | 6,775 | 24.5% | 14,936 | 53.9% | 12,756 | 46.1% |
| Manchester | 79,950 | 9,844 | 12.3% | 21,776 | 27.2% | 36,722 | 45.9% | 43,228 | 54.1% |
| Oldham | 36,050 | 2,559 | 7.1% | 5,847 | 16.2% | 13,442 | 37.3% | 22,608 | 62.7% |
| Rochdale | 31,259 | 2,324 | 7.4% | 5,655 | 18.1% | 12,138 | 38.8% | 19,121 | 61.2% |
| Salford | 31,122 | 2,307 | 7.4% | 6,766 | 21.7% | 13,253 | 42.6% | 17,870 | 57.4% |
| Stockport | 32,399 | 4,119 | 12.7% | 10,405 | 32.1% | 20,889 | 64.5% | 11,510 | 35.5% |
| Tameside | 31,615 | 1,940 | 6.1% | 5,752 | 18.2% | 13,292 | 42.0% | 18,323 | 58.0% |
| Trafford | 26,844 | 4,961 | 18.5% | 10,646 | 39.7% | 18,156 | 67.6% | 8,688 | 32.4% |
| Wigan | 47,736 | 4,364 | 9.1% | 10,908 | 22.9% | 20,001 | 41.9% | 27,735 | 58.1% |

*Source: Annual Population Survey*

6.8.3 It is important to note that the economically inactive population have a far greater proportion without a level 2 qualification than the economically active. This suggests that increasing the number of the working age population who are qualified to a level 2 could potentially increase the volume of the economically active population.

## 6.9 Not in Education, Employment or Training

6.9.1 The highest levels of young people not in education, employment or training in the North West are centred around the city areas, with Greater Manchester and

Greater Merseyside consistently having the highest rate. Figure 52 shows that the rate of NEET in Greater Manchester increased by 0.7 per cent between quarter 1 (Jan, Feb, March) 2006 and the same point in 2007.

**Figure 52: Percentage of 16-18 Year Olds in NEET**

| | 2006 Jan-March Average | 2007 Jan-March Average | Change 2006-2007 |
|---|---|---|---|
| England | 8.6% | 8.0% | -0.6% |
| North West | 9.8% | 9.5% | -0.3% |
| Cumbria | 7.5% | 6.8% | -0.7% |
| Lancashire | 9.9% | 8.3% | -1.6% |
| Greater Merseyside | 11.7% | 11.2% | -0.5% |
| Greater Manchester | 9.9% | 10.6% | 0.7% |
| Cheshire and Warrington | 6.9% | 6.3% | -0.6% |

*Source: DfES*

## 6.10 Entry to Employment

6.10.1 E2E starts declined in Greater Manchester in 2006/07 from 3,200 to 1,700 (-46%). The overall level of positive outcomes also fell slightly (note: data shown is period 12, further completions data to follow). In 2006/07, the highest rate of positive progression was in Bolton (56%). The lowest rate of positive progression were in Stockport (39%).

**Figure 53: Entry to Employment Starts and Progression**

| | 2004/05 | | | 2005/06 | | | 2006/07 | | |
|---|---|---|---|---|---|---|---|---|---|
| | Starts | Positive Leavers | Positive oucome % | Starts | Positive Leavers | Positive oucome % | Starts | Positive Leavers | Positive oucome % |
| North West | 9,539 | 4,493 | 47.3% | 9,255 | 5,196 | 52% | 4,643 | 2,187 | 50% |
| Greater Manchester | 3,197 | 1,530 | 49.1% | 3,215 | 1,718 | 51% | 1,737 | 818 | 48% |
| Bolton | 364 | 186 | 56.2% | 366 | 206 | 54% | 202 | 105 | 56% |
| Bury | 178 | 94 | 52.2% | 190 | 109 | 57% | 101 | 48 | 47% |
| Manchester | 728 | 316 | 48.4% | 738 | 376 | 48% | 443 | 207 | 47% |
| Oldham | 429 | 218 | 45.5% | 465 | 207 | 45% | 265 | 110 | 52% |
| Rochdale | 350 | 166 | 42.9% | 335 | 157 | 47% | 148 | 84 | 51% |
| Salford | 337 | 174 | 53.7% | 364 | 217 | 60% | 157 | 90 | 45% |
| Stockport | 120 | 82 | 66.7% | 113 | 78 | 55% | 87 | 24 | 39% |
| Tameside | 149 | 62 | 50.4% | 163 | 94 | 53% | 112 | 40 | 40% |
| Trafford | 129 | 68 | 46.6% | 101 | 53 | 46% | 25 | 20 | 51% |
| Wigan | 412 | 164 | 44.3% | 380 | 221 | 57% | 197 | 89 | 42% |

*Source: NW LSC Performance Reporting Platform*

6.10.2 Of those positive E2E progressions, the highest proportion of were into employment (46%), this is a higher rate than the regional average.

6.10.3 Only 17 percent of progressions were into Work-based Learning (WBL), this imbalance has to be redressed if the ambitious targets set out in the Leitch Report are to be met (500, 000 apprenticeships each year, nationally). Bolton and Oldham are the only two local areas that have a rate of progression into WBL that is above the regional rate.

**Figure 54: Entry to Employment Progression Route**

| | 2006-2007 | | | | | |
|---|---|---|---|---|---|---|
| | Into WBL | WBL % | Into FE | FE % | Into Employ | Employed % |
| North West | 484 | 22% | 811 | 37% | 892 | 41% |
| Greater Manchester | 140 | 17% | 303 | 37% | 375 | 46% |
| Bolton | 34 | 32% | 32 | 30% | 39 | 37% |
| Bury | 7 | 15% | 16 | 33% | 25 | 52% |
| Manchester | 14 | 7% | 96 | 46% | 97 | 47% |
| Oldham | 28 | 25% | 33 | 30% | 49 | 45% |
| Rochdale | 18 | 21% | 34 | 40% | 32 | 38% |
| Salford | 14 | 16% | 45 | 50% | 31 | 34% |
| Stockport | 1 | 4% | 5 | 21% | 18 | 75% |
| Tameside | 7 | 18% | 11 | 28% | 22 | 55% |
| Trafford | 1 | 5% | 10 | 50% | 9 | 45% |
| Wigan | 16 | 18% | 20 | 22% | 53 | 60% |

*Source: NW LSC Performance Reporting Platform*

## 6.11 Skills for Life

6.11.1 The volume of skills for life learners that contribute to target[2] in Greater Manchester increased by 5 percentage points between 2004/05 and 2005/06, the rise of 2,684 enrolments gave a growth rate of 12.4 per cent. Emerging policy on skills for life indicates a need for greater focus on numeracy provision. From 2008-9 providers should increase their delivery of numeracy provision in order to achieve Leitch ambitions. Providers should not only deliver effective numeracy programmes but also stimulate demand through employer engagement (Train to Gain) and community activity (Skills for Jobs, Family numeracy etc).

**Figure 55: Skills for Life Achievements Contributing to Target**

| | 2004/05 | | | 2005/06 | | | 2004/05 to |
|---|---|---|---|---|---|---|---|
| Local LSC | Number of learners contributing to target | Number not contributing to target | Learners contributing to target | Number of learners contributing to target | Number not contributing to target | Learners contributing to target | Change in learners who contribute to target |
| Cheshire and Warrington | 5,833 | 4,422 | 57% | 5,892 | 4,541 | 56% | -0.4% |
| Cumbria | 2,672 | 3,507 | 43% | 3,390 | 2,910 | 54% | 10.6% |
| Greater Manchester | 21,571 | 30,029 | 42% | 24,255 | 27,873 | 47% | 4.7% |
| Greater Merseyside | 12,035 | 17,837 | 40% | 11,060 | 17,810 | 38% | -2.0% |
| Lancashire | 8,395 | 13,590 | 38% | 9,720 | 11,846 | 45% | 6.9% |
| North West | 50,506 | 69,385 | 42% | 54,317 | 64,980 | 46% | **3.4%** |
| National | 334,518 | 516,970 | 39% | 367,635 | 494,808 | 43% | **3.3%** |

Source: NW LSC Performance Reporting Platform

## 6.12 Summary

## Young People

6.12.1 The key issue relating to young people from this chapter is the rate of NEET in Greater Manchester, currently there are around 20,000 young people in the NEET group in the North West, and the highest proportions of this group are centred around the urban areas. The rate of NEET in Greater Manchester rose from 9.9 per cent in 2006 to 10.6 per cent in 2007 (quarter 1 average). NEET is not a new issue for Greater Manchester and there are many examples of joint work between the LSC and it's partners to improve the position, future work could be carried out to further focus delivery aimed at the NEET group, for example, the participation rate for those age 16 is around 10 percentage points

[2] Refers to previous Skills for Life target, before the Leitch Review

higher than those age 17, this information can help target delivery more appropriately.

## Adults

6.12.2 The rate of adults who are contributing to the economy in Greater Manchester is vital to the overall economy of the North West. Only Stockport and Trafford have rates of economic activity above the national average, for the other local authority areas of Greater Manchester this represents 357,500 people who are unavailable to the labour market. 21.3 per cent of the economically inactive are in Manchester local authority (L/A), where as only 16.6 per cent of the working age population of Greater Manchester are in Manchester L/A. Further work could be carried out to target the workless group in Manchester L/A.

6.12.3 The rate of Incapacity Benefit / Severe Disablement Allowance claims is high in many areas, only Bury, Stockport and Trafford have a rate below the national average. Partnership work could be carried out to anticipate the effects of proposed government changes to the eligibility criteria for claiming disability benefits and the implications this could have on skills provision for people re-entering the work force.

6.12.4 As with other areas, the rate of economic inactivity is higher for females than for males, the Greater Manchester female rate of economic inactivity is 9.4 percentage points higher than the male rate. The highest rate for females is in Manchester L/A (35.2%), this equates to 44,200 females economically inactive in Manchester L/A. Cross referencing spatially and by gender helps to more effectively target provision..

# SECTION:7 LOWER LEVEL AND SKILLS FOR LIFE

## 7.1 Introduction

7.1.1 The following section analyses skills for life needs in Greater Manchester, looking at literacy, numeracy, English for speakers of other languages (ESOL) and information and communications technology subject areas to asses the supply to the labour market, and where there may be gaps.

## 7.2 Context

7.2.1 Below Level 2 qualifications, the focus is on providing individuals with the skills they need to participate in the labour market, including literacy and numeracy skills. The focus is as much about getting people onto the ‘skills ladder’ as meeting the needs of employers. However, the underpinning skills of literacy, language and numeracy are vital to ensure the region has a workforce which is able to support a move to higher productivity levels. Provision for those lower level skills, is delivered under the umbrella of the national ‘Skills for Life’ programme.

7.2.2 The North West Skills for Life Strategy (July 2006) is the region’s response to developments at a national level and shows how the region intends to implement the policy. This is summarised in the Regional Strategic Analysis report.

## 7.3 Scale of Need

7.3.1 The Regional Strategic Analysis report explores the scale of need for Skills for Life provision in the region. Over 1.4m adults of working age in the North West do not hold qualifications at Level 2 or above (35.1% compared to 33.5% in England) –the minimum considered necessary for productive participation in the modern labour market. In Greater Manchester, there are 552, 000 adults below Level 2.

7.3.2 Across the region only 70.2% of those without a Level 2 qualification are employed, compared to 87.9% of those qualified to Level 4 –this equates to nearly 250,000 fewer people in work than would be the case if the employment rates were in line with the national average. For those with no qualifications at all, the employment rate is just 45.3%. Many people without any qualifications are also likely to have basic skills needs. Therefore, Skills for Life provision should be targeted at those who are currently unemployed, inactive, or in low-skilled employment but vulnerable to redundancy.

7.3.3 Skills for Life gaps are causing North West employers recruitment difficulties. Based on the results of the 2005 National Employer Skills Survey, employers in the North West are more likely than employers anywhere else in the country to cite written communication, literacy, and numeracy skills as lacking amongst applicants for skills shortage vacancies. Of employers reporting skills shortage vacancies, 38% noted that written communication skills were lacking amongst applicants, 31% noted literacy skills as lacking, and 30% numeracy skills. In all cases, these were the highest responses of the nine English regions.

## 7.4 Targets

7.4.1 The region’s PSA target is to support 109,670 adults to improve their literacy, language or numeracy skills between 2004-2007. The October 2006 data shows an achievement figure of 128,063 (non-discounted). This means that the region has already over achieved its Skills for Life PSA target for 2007 by 117%, with further achievements due for 2006-7.

7.4.2 Not all Skills for Life achievements can be counted towards the target. There is a national benchmark set which encourages providers to work towards the balance and mix of 80% of Skills for Life provision to be target or approved provision, and the remaining 20% to be non-accredited provision.

7.4.3 Current performance in the North West and Greater Manchester is shown in the table below. The table shows for 16-18 year olds and adults separately, the proportion of Skills for Life achievements which count towards the target in 2004/05.

7.4.4 In 2004/05, in the North West, 89% of Skills For Life achievements by young people count towards the target - this is to be expected, as a large proportion of under 19 learners will be following key skills programme or re-taking GCSEs, which also contribute towards the target. In Greater Manchester, the proportion is higher, at 90%.

7.4.5 Most adults follow discrete Skills for Life programmes, which are less substantial in terms of guided learning hours. For adults in the North West, only 35% of achievements count towards the target. The Greater Manchester figure is lower at 33%. The challenge is to increase the number of adults on Skills for Life courses that count towards the target, and this challenge is likely to increase over time if school performance continues to improve, as this will have the affect that fewer 16-18 year olds require Skills for Life provision.

**Figure 56 Skills for Life Achievements (Target / Non-Target) in 2004/05**

| | Age | % count towards target | % achievements |
|---|---|---|---|
| Greater Manchester | 16-18 | 90% | 29% |
| | 19+ | 33% | 71% |
| | All ages | 50% | |
| North West | 16-18 | 89% | 29% |
| | 19+ | 35% | 71% |
| | All ages | 51% | |

*Source: NW LSC Performance Reporting Platform*

## 7.5 The Survey

7.5.1 The Regional Strategic Analysis report describes the results of the 2002 Skills for Life (SfL) Survey commissioned by DfES in 2002. Section 8.4 of the Regional report sets out estimated literacy, numeracy, ESOL and ICT needs in the region and sub-regions based on the survey proportions. In this report, we show the analysis at the district level, to get a picture of the areas with the greatest Skills for Life needs.

## 7.6 Literacy

7.6.1 The tables below show the proportion and number of people (adults aged 16-65) in each district with literacy skills at each of the three levels. There are significant Skills for Life needs across Greater Manchester, with 13% of people at Entry Level and 46% at Level 1. In total, 59% of 16-65 year olds in Greater

Manchester have literacy skills which are below Level 2; this compares to 56% for England and 60% for the region. There are about 934,000 adults in Greater Manchester with literacy skills below Level 2, indicating a significant requirement for provision to address this need.

7.6.2 Within the sub-region, Manchester L/A and Salford have the highest proportion (and highest number) of people with below Level 2 skills in literacy. Although Manchester L/A has nearly twice the volume of people sub-level 2 (literacy) than Salford.

**Figure 57: Adults (16-65): Distribution of Literacy Skills by Level of Need**

| Literacy | Entry Level | Level 1 | Level 2 |
|---|---|---|---|
| Bolton | 15% | 45% | 41% |
| Bury | 11% | 48% | 41% |
| Manchester | 20% | 45% | 38% |
| Oldham | 15% | 48% | 37% |
| Rochdale | 16% | 48% | 37% |
| Salford | 15% | 50% | 36% |
| Stockport | 9% | 46% | 44% |
| Tameside | 14% | 49% | 38% |
| Trafford | 10% | 43% | 46% |
| Wigan | 12% | 51% | 38% |
| Greater Manchester | 13% | 46% | 40% |
| **North West** | **13%** | **47%** | **40%** |
| England | 16% | 40% | 44% |

*Source: Skills for Life Survey 2002/03, DfES*

**Figure 58: Number of Adults (16-65) by Literacy Skill Level of Need**

| Literacy | Entry Level | Level 1 | Level 2 |
|---|---|---|---|
| Bolton LEA | 25,470 | 74,690 | 66,990 |
| Bury LEA | 12,540 | 54,750 | 46,660 |
| Manchester LEA | 48,030 | 110,300 | 93,700 |
| Oldham LEA | 20,660 | 65,320 | 50,260 |
| Rochdale LEA | 20,940 | 61,400 | 47,530 |
| Salford LEA | 19,730 | 66,670 | 47,670 |
| Stockport LEA | 16,050 | 83,040 | 79,470 |
| Tameside LEA | 18,790 | 66,470 | 50,860 |
| Trafford LEA | 13,730 | 57,810 | 61,600 |
| Wigan LEA | 22,730 | 98,980 | 73,570 |
| Greater Manchester | 208,800 | 725,200 | 630,600 |
| **North West** | **536,760** | **1,991,600** | **1,674,800** |
| England | 5,021,930 | 12,232,620 | 13,682,015 |

Source: Skills for Life Survey 2002/03, DfES

## 7.7 Numeracy

7.7.1 Figure 59 shows the proportion of people (adults aged 16-65) in each district with numeracy skills at each of the three levels. At the regional level, there is a significant Skills for Life need, with 53% of people at Entry Level and 30% at Level 1. In total, 83% of 16-65 year olds have numeracy skills which are below level 2, and this compares to 75% for England.

7.7.2 There is some variation across the sub-regions; Greater Merseyside has the highest proportion of adults with less than Level 2 numeracy skills, at 87%, and

Cheshire and Warrington has the lowest, at 79%. All sub-regions have a higher proportion of adults with numeracy skills below Level 2 than the England average.

**Figure 59: Adults (16-65): Distribution of Numeracy Skills by Level of Need**

| Numeracy | Entry Level | Level 1 | Level 2 |
|---|---|---|---|
| Bolton | 53% | 30% | 16% |
| Bury | 47% | 35% | 19% |
| Manchester | 67% | 25% | 12% |
| Oldham | 52% | 29% | 15% |
| Rochdale | 60% | 28% | 13% |
| Salford | 60% | 28% | 13% |
| Stockport | 47% | 32% | 22% |
| Tameside | 58% | 28% | 15% |
| Trafford | 38% | 37% | 23% |
| Wigan | 58% | 30% | 15% |
| Greater Manchester | 53% | 31% | 16% |
| **North West** | **53%** | **30%** | **17%** |
| England | 47% | 28% | 25% |

*Source: Skills for Life Survey 2002/03, DfES*

7.7.3 There is a substantial need for Skills for Life training in numeracy across the North West. The table below shows the number of adults with numeracy skills at different levels. There are about 3.5 million adults in the region with numeracy skills below Level 2, indicating a significant requirement for provision to address this need. Of these, Greater Manchester accounts for just over 1,314,500 adults with numeracy needs below Level 2. Manchester Local Authority and Wigan have particularly high volumes of adults below Level 2.

**Figure 60: Number of Adults (16-65) by Numeracy Skill Level of Need**

| Numeracy | Entry Level | Level 1 | Level 2 |
|---|---|---|---|
| Bolton | 87,640 | 50,150 | 26,860 |
| Bury | 53,110 | 40,040 | 21,710 |
| Manchester | 163,800 | 60,700 | 28,400 |
| Oldham | 70,520 | 39,390 | 19,980 |
| Rochdale | 77,420 | 35,460 | 16,920 |
| Salford | 79,340 | 37,780 | 17,670 |
| Stockport | 84,890 | 56,940 | 39,920 |
| Tameside | 77,870 | 37,860 | 20,670 |
| Trafford | 50,640 | 49,330 | 30,230 |
| Wigan | 112,500 | 58,920 | 29,870 |
| Greater Manchester | 834,600 | 479,900 | 250,400 |
| **North West** | **2,229,200** | **1,264,300** | **710,220** |
| England | 14,499,395 | 8,553,945 | 7,883,225 |

Source: Skills for Life Survey 2002/03, DfES

## 7.8 ICT

7.8.1 Figure 61 shows the results of the ICT assessment. In total, 63% of adults in the sub-region are classified as having ICT skills at Entry Level, the proportion at Entry level is well above the England average of 53%. There are 2.5 million people in the region with ICT skills below Level 1.

7.8.2 Again there is some variation by District: Rochdale and Salford have the highest proportion of adults at Entry Level (69%), and Trafford the lowest (51%).

**Figure 61: Adults (16-65): Distribution of ICT Skills by Level of Need**

| | Number | | Proportion (%) | |
|---|---|---|---|---|
| | **Entry Level** | **Level 1** | **Entry Level** | **Level 1** |
| Bolton | 97,850 | 66,735 | 59% | 41% |
| Bury | 67,700 | 46,460 | 59% | 41% |
| Manchester | 169,400 | 76,225 | 69% | 31% |
| Oldham | 87,450 | 48,575 | 64% | 36% |
| Rochdale | 87,940 | 40,370 | 69% | 31% |
| Salford | 91,660 | 41,065 | 69% | 31% |
| Stockport | 107,400 | 71,870 | 60% | 40% |
| Tameside | 87,340 | 48,040 | 65% | 35% |
| Trafford | 68,520 | 64,725 | 51% | 49% |
| Wigan | 129,800 | 65,755 | 66% | 44% |
| Greater Manchester | 993,500 | 571,375 | 63% | 37% |
| **North West** | **2,462,100** | **1,741,530** | **59%** | **41%** |
| England | 16,538,095 | 14,398,470 | 53% | 47% |

*Source: Skills for Life Survey 2002/03, DfES*

7.8.3

## 7.9 ESOL

7.9.1 As noted earlier, the survey provides an estimate of the number of people who may require ESOL training. Figures for the Local Authority areas within Greater Manchester are shown in Figure 62. The greatest need is in Manchester Local Authority with 13 per cent of adults in the ESOL group, this is the highest rate in Greater Manchester, but is not as high as other areas, for example Blackburn with Darwen (Lancashire) with a rate of 20 per cent.

7.9.2 The North West Skills for Life Strategy notes that there is now higher demand for ESOL in the region. This is not reflected in the 2003 Survey. This is a result of an inflow of migrants with ESOL needs. The North West has established an ESOL task group to identify the scale of demand and suggest ways to plan and address the increase in demand.

**Figure 62: Adults in the ESOL Group**

| | **ESOL(number)** | **ESOL (%)** |
|---|---|---|
| Bolton | 15515 | 9% |
| Bury | 4970 | 4% |
| Manchester | 31590 | 13% |
| Oldham | 14755 | 11% |
| Rochdale | 12145 | 9% |
| Salford | 4205 | 3% |
| Stockport | 5520 | 3% |

| | ESOL(number) | ESOL (%) |
|---|---|---|
| Tameside | 5980 | 4% |
| Trafford | 6590 | 5% |
| Wigan | 1510 | 1% |
| Greater Manchester | 102780 | 7% |
| **North West** | **173915** | **4%** |
| England | 2358060 | 8% |

*Source: Skills for Life Survey 2002/03, DfES*

7.9.3 Figure 63 shows the volume of Skills for Life Learners by local area within Greater Manchester. The highest volume of learners is in Manchester L/A with 20,249, when compared to the levels of need set out earlier in this chapter the balance of provision between local authority areas appears appropriate.

**Figure 63: Skills for Life Learners**

| Local Authority | Number of Learners |
|---|---|
| Bolton | 7,767 |
| Bury | 4,807 |
| Manchester | 20,249 |
| Oldham | 8,453 |
| Rochdale | 6,908 |
| Salford | 7,759 |
| Stockport | 5,885 |
| Tameside | 5,335 |
| Trafford | 5,438 |
| Wigan | 8,041 |
| **Greater Manchester** | **80,642** |

*Source: NW LSC Residency Based Performance Reporting Platform*

## Summary

7.9.4 Although Leitch ambitions concentrate on entry 3 for numeracy and level 1 literacy, the LSC would expect providers to offer the whole Skills for Life framework from entry level 1 and 2 provision, this will be supported by the development of the Foundation Learning Tier.

7.9.5 From 2008-9 providers should increase their delivery of numeracy provision in order to achieve Leitch ambitions. Providers should not only deliver effective numeracy programmes but also stimulate demand through employer engagement (Train to Gain) and community activity (Skills for Jobs, Family numeracy etc).

7.9.6 As with all other areas in the North West, skills for life: Numeracy is a potentially a more significant issue than Literacy, although both important, the rate of working age people in Greater Manchester who are qualified to a level 2 (Literacy) is 40 per cent, the rate of those with numeracy at level 2 is 16 per cent, given the identified requirement for higher level skills in sectors such as engineering and manufacturing, as well as the chemical industry being seen as key to the future of the regional economy, greater levels of attainment in science and mathematical subjects is essential to ensure sustainable employment.

7.9.7 Skills for Life continues to include ESOL provision and Leitch calls for a safeguard of funds to ensure provision still occurs. The LSC would encourage providers to deliver ESOL for work programmes (available at entry level 3 and level 1) for those ESOL learners in the workplace.

# SECTION:8 LEVEL 2

## 8.1 Introduction

8.1.1 This chapter looks at participation and success rates in full level 2 learning and skills development in Greater Manchester. Full level 2 qualifications are essential in increasing employment opportunities and the up-skilling of the workforce. In recent years there has been a clear focus on the inclusion of English and Maths achievements as part of the full level 2 qualification.

## 8.2 Context

8.2.1 The Regional Strategic Analysis explains in some detail the reasons for the national focus on level 2. The importance placed on level 2 attainment reflects a belief that this level is the minimum a person requires for employability. Attainment of level 2 is also a platform for progression to developing intermediate and higher level skills. Both DCSF and DIUS have PSA targets that relate to level 2 attainment by young people and adults.

## 8.3 Level 2 Attainment – Young People

8.3.1 Figure 64 shows the proportion of learners who achieved a level 2 by age 16 and 19, and also the rate of value added. The cohort of young people in the North West with a level 2 by age 19 is slightly below the National average of 73.9%, Only Stockport and Trafford in Greater Manchester have rates above the national average. Three areas in GM have rates of Value added equal to, or above the national rate, however, all of these areas (Oldham, Salford and Tameside) have rates of attainment at age 19 below the regional and national rates.

**Figure 64: Level 2 Attainment of Young People**

| | 2006/07 Actual | | |
|---|---|---|---|
| | Age 16 | Age 19 | Value Added |
| England | 53.0% | 73.9% | 20.9% |
| North West | 51.2% | 72.4% | 21.2% |
| Bolton | 48.6% | 68.2% | 19.5% |
| Bury | 55.4% | 72.3% | 17.0% |
| Manchester | 43.9% | 62.6% | 18.8% |
| Oldham | 46.1% | 67.0% | 20.9% |
| Rochdale | 44.8% | 64.4% | 19.6% |
| Salford | 37.9% | 59.4% | 21.5% |
| Stockport | 55.9% | 73.2% | 17.3% |
| Tameside | 43.7% | 66.4% | 22.7% |
| Trafford | 62.9% | 78.1% | 15.2% |
| Wigan | 50.8% | 69.1% | 18.4% |

*Source: http://www.lsc.gov.uk/Providers/Data/Statistics/learner/*

8.3.2 It has become evident over previous years that many young people lack basic numeracy and literacy skills leading to a national focus on young people attaining level 2 including Maths and English.

## 8.4 Level 2 Attainment – Adults

8.4.1 Figure 65 shows the proportion of the working age population who have attained a level 2. 66.2 per cent of the working age population of Greater Manchester is qualified to at least a level 2, equal to the regional rate, but below the national average.

**Figure 65: Working Age Population Qualified to Level 2**

| | Working age | Working age qualified to a least a level 2 | | Working age without a level 2 qualification | |
|---|---|---|---|---|---|
| | Population (000s) | Number (000s) | Percentage (%) | Number (000s) | Percentage (%) |
| England | 30,668 | 20,637 | 67.3% | 10,031 | 32.7% |
| North West | 4,104 | 2,716 | 66.2% | 1,388 | 33.8% |
| Greater Manchester | 1,544 | 1,022 | 66.2% | 522 | 33.8% |
| Bury LP | 113 | 75 | 66.8% | 38 | 33.2% |
| Bolton LP | 161 | 108 | 66.7% | 54 | 33.3% |
| Manchester LP | 649 | 435 | 67.0% | 214 | 33.0% |
| Oldham LP | 132 | 80 | 60.7% | 52 | 39.3% |
| Rochdale LP | 127 | 78 | 61.4% | 49 | 38.6% |
| Stockport LP | 173 | 131 | 75.4% | 43 | 24.6% |
| Wigan LP | 188 | 115 | 61.3% | 73 | 38.7% |

*Source: Annual Population Survey 2006*

8.4.2 Of the working age population in Greater Manchester, 33.8 per cent do not have a level 2 qualification, 1.1 percentage points higher than the national average. There is some variation in level 2 qualifications across Greater Manchester at district level. In Stockport 24.6 per cent of the working age population do not have a level 2 qualification in contrast to 39.3 per cent in Oldham.

8.4.3 The proportion of working age people with a level 2 qualification is mixed at borough level; the highest proportion is 75.4 per cent in Stockport, the lowest is 60.7 per cent in Oldham.

## 8.5 Supply

### Young People

8.5.1 Figure 66 shows the number of young people who are studying for a FE full level 2 qualification between 2004/05 and 2006/07. In Greater Manchester there were 9,807 learners studying towards a full level 2, representing 41.5 per cent of the North West total.

**Figure 66: Number of Young People in FE: Full Level 2 Participation**

| | 2004/05 | 2005/06 | 2006/07 |
|---|---|---|---|
| North West | 20,477 | 21,278 | 23,600 |
| Greater Manchester | 8,546 | 8,877 | 9,807 |
| Bolton | 767 | 863 | 930 |
| Bury | 592 | 529 | 579 |
| Manchester | 1,653 | 1,782 | 1,906 |
| Oldham | 713 | 705 | 864 |
| Rochdale | 889 | 891 | 954 |
| Salford | 808 | 774 | 917 |
| Stockport | 752 | 788 | 867 |
| Tameside | 815 | 850 | 922 |
| Trafford | 631 | 665 | 716 |
| Wigan | 926 | 1,029 | 1,152 |

*Source: North West Residency Platform*

8.5.2 Full level 2 participation rates in Greater Manchester have followed the regional trend of steady increase. Between 2004/05 and 2006/07 learner volumes increased by 14.7 per cent in the area, with a growth of 3.8 per cent in the first year and 10.4 per cent in the next. All districts in Greater Manchester have experienced an increase in the number of learners on last year.

8.5.3 Success rates for 16-18 year olds on FE full level 2 courses are shown below with the latest available data. The Greater Manchester success rate (70.6 per cent) is above the regional average in 2005/06.

**Figure 67: Young People in FE: Full Level 2 Success Rates**

| | 2003/04 | 2004/05 | 2005/06 |
|---|---|---|---|
| North West | 60.9% | 65.3% | 69.9% |
| Greater Manchester | 62.8% | 66.9% | 70.6% |
| Bolton | 54.3% | 59.5% | 63.5% |
| Bury | 70.8% | 75.6% | 78.9% |
| Manchester | 53.1% | 59.6% | 67.4% |
| Oldham | 67.6% | 70.9% | 71.5% |
| Rochdale | 53.2% | 61.5% | 58.4% |
| Salford | 66.1% | 70.4% | 73.7% |
| Stockport | 67.4% | 72.0% | 73.6% |
| Tameside | 66.9% | 64.8% | 71.8% |
| Trafford | 63.0% | 68.7% | 72.7% |
| Wigan | 62.2% | 62.9% | 72.1% |

*Source: North West Reporting Platform*

8.5.4 Figure 67 shows that success rates are mixed at Local Authority level. Bury has the highest success rate in 2005/06 and is 9 percentage points above the regional average. The district with the lowest success rate is Rochdale (58.4 per cent), which has experienced a reduction of 3.1 percentage points between 2004/05 and 2005/06.

8.5.5 Figure 68 shows the number of 16-18 year olds studying towards an Apprenticeship (level 2) in the WBL sector between 2004/05 and 2006/07. In Greater Manchester there are 4,813 young people starting a WBL apprenticeship, representing 35.6 per cent of the regional total.

**Figure 68: Number of Young People in WBL: Full Level 2 Starts**

| | 2004/05 | 2005/06 | 2006/07 |
|---|---|---|---|
| North West | 15380 | 13295 | 13506 |
| Greater Manchester | 5,304 | 5,177 | 4,813 |
| Bolton | 587 | 650 | 613 |
| Bury | 367 | 352 | 341 |
| Manchester | 623 | 591 | 491 |
| Oldham | 496 | 527 | 491 |
| Rochdale | 479 | 514 | 417 |
| Salford | 547 | 570 | 510 |
| Stockport | 555 | 516 | 495 |
| Tameside | 568 | 518 | 476 |
| Trafford | 338 | 292 | 299 |
| Wigan | 744 | 647 | 680 |

*Source: North West Residency Platform*

8.5.6 The number of young people starting a course in WBL Apprenticeships (level 2) has fallen across the region by 13.6 per cent between 2004/05 and 2005/06 and risen by 1.5 per cent from 2005/06 and 2006/07. Greater Manchester has seen a steady reduction of learner numbers over the three year period, totalling 9.7 per cent. Participation rates are varied at district level with the number of starts increasing 5.1 per cent in Wigan and falling by 18.9 per cent in Rochdale between 2005/06 and 2006/07.

8.5.7 Success rates of 16-18 year olds in WBL apprenticeships since 2004/05 are shown in Figure 69.

**Figure 69: Young People in WBL: Full Level 2 Success Rates**

| | 2004/05 | 2005/06 | 2006/07 |
|---|---|---|---|
| North West | 51% | 58% | 65% |
| Cheshire & Warrington | 49% | 56% | 68% |
| Cumbria | 55% | 56% | 67% |
| Greater Manchester | 53% | 56% | 64% |
| Greater Merseyside | 44% | 58% | 63% |
| Lancashire | 56% | 64% | 71% |

*Source: North West Reporting Platform*

8.5.8 Apprenticeship success rates in Greater Manchester have increased by 11 percentage points over three years and are currently 1 percentage point below the North West average. The sub-region has seen a faster rate of growth between 2005/06 and 2006/07 at a rate of 8 percentage points, compared to 3 percentage points in the previous year.

## 8.6 Adults

8.6.1 The number of adults studying for a full level 2 qualification in the FE sector between 2004/05 and 2006/07 are shown in Figure 70. In Greater Manchester there were 10,777 adults studying towards an FE full level 2 in 2006/07, representing 36.5 per cent of the regional total.

**Figure 70: Number of Adults in FE: Full Level 2 Participation**

| | 2004/05 | 2005/06 | 2006/07 |
|---|---|---|---|
| North West | 26,861 | 28,671 | 29,497 |
| Greater Manchester | 9,804 | 10,419 | 10,777 |
| Bolton | 891 | 923 | 965 |
| Bury | 634 | 612 | 692 |
| Manchester | 1,777 | 2,041 | 2,115 |
| Oldham | 854 | 988 | 793 |
| Rochdale | 852 | 828 | 856 |
| Salford | 898 | 859 | 1,207 |
| Stockport | 750 | 964 | 906 |
| Tameside | 1,107 | 1,066 | 967 |
| Trafford | 685 | 709 | 742 |
| Wigan | 1,354 | 1,424 | 1,533 |

*Source: North West Reporting Platform*

8.6.2 The North West has experienced a steady increase in learner volumes since 2004/05. Greater Manchester has seen a steady increase in the number of learners over the three year period, growing a total of 9.9 per cent. The participation rates at district level in Greater Manchester are varied with all districts showing growth with the exceptions of Oldham, Stockport, and Tameside (falling by 19.8%, 6.1% and 9.3% respectively).

8.6.3 Figure 71 shows FE full level 2 success rates for adult learners at Local Authority level.

**Figure 71: Adults in FE: Full Level 2 Success Rates**

| | 2003/04 | 2004/05 | 2005/06 |
|---|---|---|---|
| North West | 57.8% | 64.1% | 68.9% |
| Greater Manchester | 52.1% | 60.0% | 67.8% |
| Bolton | 58.5% | 61.6% | 64.8% |
| Bury | 57.9% | 69.0% | 74.4% |
| Manchester | 43.6% | 52.7% | 63.3% |
| Oldham | 56.6% | 71.6% | 71.8% |
| Rochdale | 51.4% | 56.8% | 53.9% |
| Salford | 44.1% | 55.7% | 67.2% |
| Stockport | 58.8% | 65.4% | 63.9% |
| Tameside | 59.5% | 56.4% | 68.5% |
| Trafford | 65.4% | 63.4% | 68.4% |
| Wigan | 40.1% | 59.1% | 78.0% |

*Source: North West Residency Platform*

8.6.4 Figure 71 shows that adult success rates in Greater Manchester are 1.1 percentage point below the regional average in 2005/06. Success rates in the area have risen substantially by 15.7 percentage points over the three year period compared to 11.1 percentage points in the North West. Success rates are varied at district level; Wigan has the highest rate of 78 per cent in comparison to 53.9 per cent in Rochdale.

8.6.5 Figure 72 shows the number of adults participating in WBL (level 2) apprenticeships at district level over the last three years.

**Figure 72: Number of Adults in WBL: Full Level 2 Starts**

| | 2004/05 | 2005/06 | 2006/07 |
|---|---|---|---|
| North West | 8,084 | 7,037 | 7,534 |
| Greater Manchester | 2,806 | 2,741 | 2,723 |
| Bolton | 334 | 341 | 352 |
| Bury | 185 | 190 | 227 |
| Manchester | 398 | 400 | 384 |
| Oldham | 254 | 267 | 248 |
| Rochdale | 263 | 309 | 291 |
| Salford | 273 | 252 | 220 |
| Stockport | 257 | 242 | 262 |
| Tameside | 256 | 224 | 229 |
| Trafford | 205 | 159 | 191 |
| Wigan | 380 | 357 | 319 |

*Source: North West Residency Platform*

8.6.6 Figure 72 shows that participation rates in the region have fallen over the three year period with an increase of 7 per cent since last year. Participation at district level is varied with Trafford growing by 20.1 per cent compared to a fall of 12.7 per cent in Rochdale.

8.6.7 Figure 73 shows success rates of adults participating in WBL apprenticeships (full level 2) between 2004/05 and 20006/07 at sub-regional level.

**Figure 73: Adults in WBL: Full Level 2 Success Rates**

| | Level 2 | | | Level 3 | | |
|---|---|---|---|---|---|---|
| | 2004/05 | 2005/06 | 2006/07 | 2004/05 | 2005/06 | 2006/07 |
| North West | 54% | 60% | 70% | 51% | 58% | 70% |
| Cheshire & Warrington | 53% | 58% | 70% | 52% | 60% | 69% |
| Cumbria | 58% | 62% | 69% | 57% | 64% | 70% |
| Greater Manchester | 54% | 60% | 69% | 53% | 58% | 68% |
| Greater Merseyside | 52% | 57% | 68% | 46% | 56% | 71% |
| Lancashire | 56% | 65% | 73% | 53% | 60% | 74% |

*Source: North West Reporting Platform*

8.6.8 Adult WBL Apprenticeship (level 2) success rates in Greater Manchester have grown at a similar rate to the regional average, and are currently 1 percentage point below the North West. Adult Advanced Apprenticeship (level 3) success rates have shown a slower rate of growth in comparison to the North West region and have increased by 15 percentage points since 2004/05.

## 8.7 Summary

8.7.1 Overall Full Level 2 performance in Greater Manchester is growing and improving at a steady rate, however this growth is to varying levels across the districts.

8.7.2 The proportion of 16 and 19 year olds with a level 2 qualification is slightly lower in Greater Manchester in comparison to the National averages. The rate of attainment is mixed at Local Authority level, with districts including Trafford, and Stockport having high rates of attainment compared to the National average.

8.7.3 The proportion of the working age population qualified to at least a level 2 is lower than the National average, this can have a negative impact on the productivity of the region as well as in Greater Manchester.

8.7.4 As a result of low Level 2 attainment in Greater Manchester providers will need to continue to work closely with Connexions to ensure that transition from school to post-16 learning is improved. It is important that there is continued developing and maintenance of the comprehensive online prospectuses in every area, Advice and Guidance and implementation of the September Guarantee for all 16 years old and extending this to 17 year olds.

8.7.5 Overall attainment of level 2 in Further Education is growing at a steady rate with a particularly large increase in 16-18 year olds participating between 2005/06 and 2006/07. The volume of 16-18 year olds taking up an Apprenticeship in WBL has fallen at a steady rate, slower than the regional decline, showing greater stability in the area. At district level variation of learner volumes is seen. Success rates in Apprenticeships are also increasing at a slower rate than the regional average and are currently lower than North West rates.

8.7.6 The decline in young people taking up Apprenticeships (level 2) needs to be countered if we are to achieve the ambitions of Leitch and new targets. This may include the raising of knowledge and awareness amongst young people, their families/carers and teachers through campaigns and targeted work amongst those who have traditionally not participated in Apprenticeships. It is also important that we continue to attract new employers to participate in WBL programmes in order for a steady route through learning and into work

8.7.7 Adult FE Full level 2 participation rates have decreased between 2004/05 and 2006/07 with a slight increase between 2005/06 and 2006/07. At district level there has been some decline in adult FE Full level 2 participation rates, noticeably so in Oldham declining by 195 learners. Adult FE success rates are improving at a faster rate than the regional average. Adult WBL starts have fallen between 2004/05 and 2005/06 and risen the following year, participation rates vary greatly at district level within Greater Manchester. Success rates are also growing at a steady pace over the three year period.

8.7.8 Adult performance in Greater Manchester is improving as a result of growth in level 2 qualifications; however due to growing plans we need to continue to target priority groups and especially those without a first full level 2. In addition it is important that we encourage engagement and participation by supporting colleges and providers to work with the voluntary and community sector to create progression pathways for people without a Level 2.

8.7.9 As evidenced in the Regional Strategic Analysis we need to continue to encourage colleges and providers to assist workless individuals in accessing employment opportunities (especially those from BME groups, people claiming working age benefits such as Incapacity Benefit and those aged 50+) allowing and encouraging individuals who gain employment are able to complete their qualification via Train to Gain level 2.

# SECTION:9 LEVEL 3

## 9.1 Introduction

9.1.1 This chapter looks at participation and success rates in full level 3 learning and skills development in Greater Manchester. Full level 3 qualifications are essential in increasing employment opportunities and the up-skilling of the workforce.

## 9.2 Context

9.2.1 There is a growing body of evidence that highlights the increasing importance of level 3. For example, the Leitch review notes that evidence of spillover effects, where lower skilled workers become more productive as a result of working with higher skilled colleagues, is only present for level 3 and above qualifications. Strong earnings returns to level 3 qualifications are also seen, indicating an impact on productivity.

9.2.2 It is also important to note that level 3 attainment is a platform for progression to HE and higher level skills, and the additional earnings and productivity benefits that this brings. These issues are discussed in further detail in the regional strategic analysis.

## 9.3 Level 3 Attainment – Young People

9.3.1 Figure 74 shows the proportion of 19 year olds who have attained a level 3 between 2004/05 and 2006/07.

**Figure 74: Level 3 Attainment of Young People**

| | 2004/05 | 2005/06 | 2006/07 |
|---|---|---|---|
| LEA Name | by age 19 | by age 19 | by age 19 |
| Bolton | 41.9% | 43.4% | 43.5% |
| Bury | 44.1% | 44.6% | 46.0% |
| Manchester | 35.7% | 37.9% | 38.6% |
| Oldham | 39.6% | 38.4% | 39.3% |
| Rochdale | 32.7% | 32.1% | 33.9% |
| Salford | 29.8% | 31.6% | 31.3% |
| Stockport | 48.4% | 50.8% | 49.9% |
| Tameside | 34.4% | 35.2% | 35.3% |
| Trafford | 49.0% | 51.7% | 54.9% |
| Wigan | 37.9% | 38.4% | 39.9% |

*Source: North West Reporting Platform*

9.3.2 Figure 74 shows that attainment of level 3 by age 19 in Greater Manchester is highest in Trafford (54.9%), this is 23.6 percentage points higher than the lowest rate, seen in Salford. Level 3 at age 19 performance is built upon many factors including GCSE performance, particularly including English and Maths, as well as traditional attitudes in the local area towards learning and skills as well as the information, advice and guidance available to young people.

## 9.4 Level 3 Attainment – Adults

9.4.1 Figure 75 shows the number and percentage of the working age population who are qualified to Level 3 across Greater Manchester.

**Figure 75: Adults of Working Age Qualified to Level 3**

| | Working age population | Working Age Population Qualified to at least a level 3 | | Working Age Population Without a level 3 Qualification | |
|---|---|---|---|---|---|
| | Number (000s) | Number (000s) | Percentage (%) | Number (000s) | Percentage (%) |
| Bolton | 161 | 68 | 42.0% | 94 | 58.0% |
| Bury | 113 | 48 | 42.4% | 65 | 57.6% |
| Manchester | 256 | 127 | 49.5% | 129 | 50.5% |
| Oldham | 132 | 51 | 38.8% | 81 | 61.2% |
| Rochdale | 127 | 49 | 38.3% | 78 | 61.7% |
| Salford | 130 | 54 | 41.4% | 76 | 58.6% |
| Stockport | 173 | 95 | 55.0% | 78 | 45.0% |
| Tameside | 133 | 50 | 37.9% | 83 | 62.1% |
| Trafford | 129 | 74 | 57.1% | 56 | 42.9% |
| Wigan | 188 | 73 | 38.8% | 115 | 61.2% |
| Greater Manchester | 1,544 | 689 | 44.6% | 855 | 55.4% |
| North West | 4,104 | 1,819 | 44.3% | 2,285 | 55.7% |
| England | 30,668 | 14,032 | 45.8% | 16,636 | 54.2% |

*Source: Annual Population Survey 2006*

9.4.2 As Figure 75 shows the proportion of the working age population in Greater Manchester who are not qualified to Level 3 is below the regional average and above the national average. In Greater Manchester the proportion of the working age population qualified to at least a level 3 is 1.2 percentage points below the national average.

9.4.3 There is disparity at districts level; Tameside has the largest proportion of the population without a level 3 qualification (62.1 per cent), and is currently 7.9 percentage points above the national average. Trafford has the lowest rate without a level 3 qualification, at 42.9 per cent, 11.3 percentage points below the national average. This variation also applies to the proportion of the working age with a level 3 qualification in Greater Manchester.

## 9.5 Supply

### Young People

9.5.1 The number of young people studying towards a full level 3 FE qualification across Greater Manchester is shown in Figure 76. In 2006/07 Greater Manchester there are 21,294 young people studying towards a Full Level 3 FE qualification, representing 41.5 per cent of the North West total.

**Figure 76: Number of Young People in FE: Full Level 3 Participation**

| | 2004/05 | 2005/06 | 2006/07 |
|---|---|---|---|
| North West | 47,753 | 48,337 | 51,206 |
| Greater Manchester | 20,693 | 19,998 | 21,294 |
| Bolton | 1,697 | 1,754 | 1,975 |
| Bury | 1,917 | 2,179 | 2,301 |
| Manchester | 2,833 | 2,799 | 2,998 |
| Oldham | 1,905 | 1,492 | 1,442 |
| Rochdale | 1,634 | 1,522 | 1,725 |
| Salford | 1,536 | 1,329 | 1,482 |
| Stockport | 2,563 | 2,631 | 2,866 |
| Tameside | 2,139 | 2,105 | 2,193 |
| Trafford | 1,386 | 1,441 | 1,435 |
| Wigan | 3,071 | 2,738 | 2,877 |

*Source: North West Residency Platform*

9.5.2 Full level 3 participation in the North West has increased at a steady rate over the past three years, growing by 7.2 per cent, compared to a slight increase of 2.9 per cent in Greater Manchester. There has been growth across all the districts with the exception of Oldham and Trafford which have experienced a fall of 3.4 per cent and 0.5 per cent respectively.

9.5.3 Figure 77 shows the success rates of young people in FE full level 3 between 2003/04 and 2005/06.

**Figure 77: Young People in FE: Full Level 3 Success Rates**

| | 2003/04 | 2004/05 | 2005/06 |
|---|---|---|---|
| North West | 58.0% | 62.2% | 66.0% |
| Greater Manchester | 56.4% | 64.3% | 65.7% |
| Bolton | 34.0% | 66.3% | 67.9% |
| Bury | 69.5% | 72.1% | 72.1% |
| Manchester | 53.7% | 57.7% | 60.6% |
| Oldham | 58.4% | 65.0% | 56.9% |
| Rochdale | 55.6% | 60.0% | 57.6% |
| Salford | 60.6% | 73.5% | 73.5% |
| Stockport | 64.1% | 67.6% | 73.6% |
| Tameside | 55.0% | 59.2% | 65.7% |
| Trafford | 54.8% | 67.8% | 65.9% |
| Wigan | 55.0% | 64.0% | 64.8% |

*Source: North West Reporting Platform*

9.5.4 The North West region has seen an increase in success rates of 8 percentage points between 2003/04 and 2005/06, compared to a larger growth of 9.3 points in Greater Manchester. Success rates in the area are currently 0.3 percentage points below the regional average. There is great variation across the area at district level; Stockport has grown the most since 2004/05 by 6.5 per cent, compared to a decline of 8.1 per cent in Oldham. The majority of districts have experienced slight growth.

9.5.5 Figure 78 shows the number of young people starting Advanced Apprenticeships (level 3) over the last three years.

**Figure 78: Number of Young People in WBL: Full Level 3 Starts**

| | 2004/05 | 2005/06 | 2006/07 |
|---|---|---|---|
| North West | 4,820 | 4,307 | 4,475 |
| Greater Manchester | 1,575 | 1,396 | 1,447 |
| Bolton | 156 | 142 | 158 |
| Bury | 99 | 94 | 97 |
| Manchester | 150 | 132 | 109 |
| Oldham | 107 | 121 | 125 |
| Rochdale | 129 | 129 | 136 |
| Salford | 167 | 126 | 142 |
| Stockport | 191 | 192 | 170 |
| Tameside | 190 | 146 | 144 |
| Trafford | 140 | 121 | 117 |
| Wigan | 245 | 193 | 249 |

*Source: North West Residency Platform*

9.5.6 Figure 78 shows there has been a fall of 7.2 per cent of learners in the Region between 2004/05 and 2006/07, however between 2005/06 and 2006/07 learner starts increased by 3.9 per cent. There has been little change at district level with Wigan growing by 29 per cent since 2005/06.

9.5.7 Figure 79 shows the success rates of young people studying WBL Advanced Apprenticeships (level 3) between 2004/05 and 2006/07.

**Figure 79: Young People in WBL: Full Level 3 Success Rates**

| | 2004/05 | 2005/06 | 2006/07 |
|---|---|---|---|
| North West | 58% | 68% | 72% |
| Cheshire & Warrington | 57% | 65% | 73% |
| Cumbria | 58% | 77% | 73% |
| Greater Manchester | 58% | 66% | 66% |
| Greater Merseyside | 51% | 63% | 73% |
| Lancashire | 66% | 72% | 78% |

*Source: North West Reporting Platform*

9.5.8 As shown in Figure 79 WBL success rates in the Region have increased by 14 percentage points over the three year period compared to 8 percentage points in Greater Manchester. The area is currently 6 percentage point below the regional average and has the lowest success rate in the region.

## 9.6 Adults

9.6.1 The number of adults studying for a full level 3 qualification in the FE sector is shown in Figure 80 from 2004/05 to 2006/07.Figure 80: Number of Adults in FE: Full Level 3 Participation

| | 2004/05 | 2005/06 | 2006/07 |
|---|---|---|---|
| North West | 24,604 | 23,838 | 22,768 |
| Greater Manchester | 9,360 | 9,342 | 8,745 |
| Bolton | 683 | 709 | 699 |
| Bury | 565 | 588 | 557 |
| Manchester | 1,973 | 1,978 | 1,888 |
| Oldham | 664 | 695 | 590 |
| Rochdale | 757 | 658 | 668 |
| Salford | 885 | 930 | 893 |
| Stockport | 1,064 | 980 | 879 |
| Tameside | 992 | 974 | 876 |
| Trafford | 758 | 802 | 828 |
| Wigan | 1,015 | 1,026 | 867 |

*Source: North West Residency Platform*

9.6.2 The North West adult level 3 participation rates have seen a steady decline of 7.5 per cent between 2004/05 and 2006/07. Participation in Greater Manchester has fallen by 6.6 per cent over three years, a slower rate of decline than the regional average. At district level change in participation is varied the majority of districts displaying small decline. Trafford has increased slightly by 3.2 per cent between 2005/06 and 2006/07, compared to a fall of 15.5 per cent in Wigan.

9.6.3 Success rates in adult FE Full level 3 are shown in Figure 81.

**Figure 81: Adults in FE: Full Level 3 Success Rates**

| | 2003/04 | 2004/05 | 2005/06 |
|---|---|---|---|
| North West | 53.8% | 59.0% | 62.6% |
| Greater Manchester | 53.6% | 59.1% | 62.4% |
| Bolton | 50.7% | 58.4% | 60.1% |
| Bury | 60.2% | 61.7% | 65.3% |
| Manchester | 51.4% | 55.2% | 62.2% |
| Oldham | 50.0% | 72.3% | 68.9% |
| Rochdale | 54.5% | 63.3% | 64.6% |
| Salford | 53.5% | 60.4% | 61.5% |
| Stockport | 63.7% | 64.1% | 58.3% |
| Tameside | 50.3% | 46.3% | 58.0% |
| Trafford | 51.4% | 62.2% | 69.6% |
| Wigan | 54.6% | 65.4% | 60.4% |

*Source: North West Reporting Platform.*

9.6.4 The North West has seen an 8.8 percentage point increase in success rates over three years and is currently 62.6 per cent, 0.2 per cent above Greater Manchester. Performance is varied between the Local Authorities of Greater Manchester; Stockport has seen a decline of 5.8 percentage points since 2004/05 in contrast to an 11.7 percentage point growth in Tameside.

9.6.5 The Figure 82 shows the number of adults starting WBL Advanced Apprenticeships (level 3) between 2004/05 and 2005/06.

**Figure 82: Number of Adults in WBL: Full Level 3 Starts**

| | 2004/05 | 2005/06 | 2006/07 |
|---|---|---|---|
| North West | 4,880 | 4,877 | 5,628 |
| Greater Manchester | 1,674 | 1,727 | 1,937 |
| Bolton | 208 | 202 | 234 |
| Bury | 122 | 132 | 162 |
| Manchester | 192 | 186 | 206 |
| Oldham | 126 | 178 | 191 |
| Rochdale | 116 | 195 | 185 |
| Salford | 163 | 133 | 185 |
| Stockport | 183 | 211 | 222 |
| Tameside | 167 | 135 | 162 |
| Trafford | 131 | 101 | 132 |
| Wigan | 266 | 254 | 258 |

*Source: North West Residency Platform*

9.6.6 The number of starts in the North West has increased by 15.3 per cent since last year with a slight reduction the previous year. Greater Manchester has experienced a steady increase in learner numbers, with growth of 12.1 per cent since 2005/06. Growth is evident at district level with the exception of Rochdale which has decreased slightly.

9.6.7 Figure 83 shows adult success rates in the North West for those studying WBL Advanced Apprenticeships (full level 3).

**Figure 83: Adults in WBL: Full Level 3 Success Rates**

| | 2004/05 | 2005/06 | 2006/07 |
|---|---|---|---|
| North West | 51% | 58% | 70% |
| Cheshire & Warrington | 52% | 60% | 69% |
| Cumbria | 57% | 64% | 70% |
| Greater Manchester | 53% | 58% | 68% |
| Greater Merseyside | 46% | 56% | 71% |
| Lancashire | 53% | 60% | 74% |

*Source: North West Reporting Platform*

9.6.8 Adult WBL performance in the North West region has increased at a growing rate over the last three years, growing by 19 percentage points in total. Growth in Greater Manchester has been at a slower rate than the regional average, and is 2 percentage points below the North West success rate in 2006/07.

## 9.7 Summary

9.7.1 Attainment rates in Greater Manchester are low in comparison to the national average; however they vary at district level. Greater Manchester has a high proportion of the working age population qualified to a level 3, the number of young people attaining a level 3 needs to rise to help continue this trend.

9.7.2 The number of 16-18 year olds participating in FE full level 3 courses has increased in the last three years, with a slight fall in numbers between 2004/05 and 2005/06, growing at a slower rate than the North West average. Success rates are improving in Greater Manchester with substantial growth over the last three years, increasing at a faster rate than the regional average. Although the FE full level 3 participation rates in Greater Manchester have increased over the last three years, there remains disparity across various learner characteristics. It is important that we continue to target those from black and ethnic minority groups as well as those with a disadvantage or disability.

9.7.3 The number of 16-18 year olds starting an Advanced Apprenticeship (level 3) fell between 2004/05 and 2005/06 and improved in the following year. Adult Advanced Apprenticeship success rates in Greater Manchester are improving at a slower rate than the regional average and are currently the lowest in the North West. Low attainment in WBL is an issue for the area especially with the increasing Minimum Levels of Performance (MLP) and the removal of poor provision.

9.7.4 Adult participation in FE full level 3 courses has fallen at a slower rate than the North West; again this varies greatly at district level. The decrease in participation volumes is counter-balanced by improving success rates in line with the regional average. WBL Advanced Apprenticeship starts have increased at a steady rate across the area with slight decline in Rochdale. Adult Advanced Apprenticeship success rates are currently below the regional average with a slower rate of growth.

9.7.5 Full Level 3 qualifications will become increasingly important in the years leading into 2020, with a shift towards a value added economy, and an expected decline in manufacturing it is anticipated that the minimum requirement for sustained employment is set to rise from a level 2 to a level 3. Activity needs to take place in Greater Manchester that builds on work already done, both with young people and those already in the labour market to ensure that as many individuals as possible are able to contribute to the GM, and regional economy.

# SECTION:10 HIGHER LEVEL SKILLS (LEVEL 4+)

## 10.1 Introduction

10.1.1 The following Chapter analyses level 4 skills in Greater Manchester, looking at both demand and current supply.

10.1.2 The Regional Strategic Analysis highlights the importance of higher level skills to the regional economy in the near future. Given the large volume of working age people resident in Greater Manchester, together with a large higher education base, the local area has the potential to provide a major contribution to the success of the North West region.

## 10.2 Context

10.2.1 Higher level skills at Level 4 and above are vitally important for ensuring that the North West is able to improve its regional competitiveness. The Leitch review highlights the importance of intermediate and higher level skills to support international competitiveness and productivity, in increasingly open global markets. Sector level evidence often points to intermediate and higher level skills needs.

10.2.2 In the North West, recent growth in new jobs has been concentrated in occupations requiring intermediate and higher level skills. Employment forecasts by occupational category suggest significant demand for Level 3 or higher qualifications, particularly in the Associate Professional and Professional occupational categories.

10.2.3 Currently, the North West has a deficit in intermediate and high level skills when compared to England. If the qualification profile of the North West working age population was in-line with the England average, the region would currently have an additional 80,000 people with higher level qualifications.

10.2.4 The National Employer Skills Survey 2005 indicates that recruitment difficulties in the North West are most prevalent in Skilled Trades and Associate Professional occupations, where intermediate (Level 3) and high level skills will typically be required. Sector level qualitative evidence tends to highlight skills gaps at intermediate and higher levels. This reflects the forward looking nature of these studies and the projected expansion in jobs that require higher skills levels, to support value-added corporate strategies in an increasingly competitive global market place.

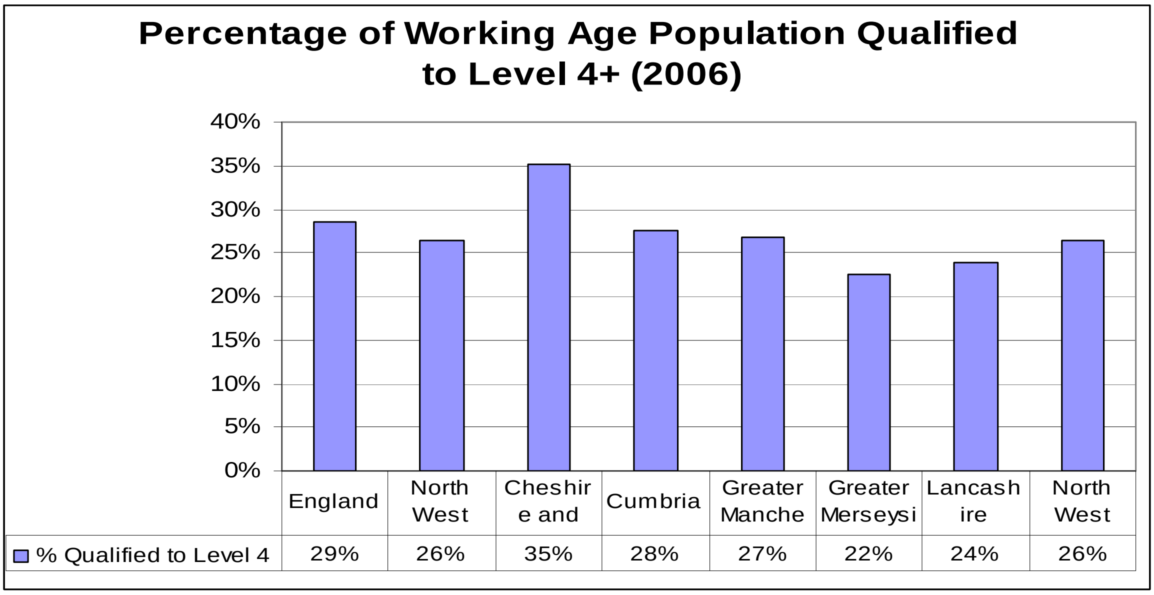
10.2.5 There is a strong sector dimension to intermediate and higher skills needs, with significant demand from the regions high growth sectors. Specific examples taken from the RES include: Energy and Environmental Technologies - deliver the National Nuclear Skills Academy; Advanced Engineering & Materials - extend “Grow Your Future Workforce” which delivers more science and engineering skills; Digital and Creative Industries - digital content development skills to support the Media Enterprise Zone, linked to the BBC relocation; and Business and Professional Services - support the development of the regional arm of the Financial Services National Skills Academy.

## 10.3 Demand

### Level 4 Attainment

10.3.1 Around 27 per cent of working age people in Greater Manchester have a level four or above qualification, which equates to 416,934 people. This is just above the regional average (26%) but below the national rate of 29 per cent. If the rate of level 4 attainment in Greater Manchester was on a par with the national average, there would be an additional 30,800 people qualified to level 4+.

**Figure 84: Participation in FE at Level 4 (Short & Long Courses)**




*Source: Annual Population Survey 2006*

## 10.4 Supply

10.4.1 Figure 85 shows the slight decline in all areas within Greater Manchester in FE Level 4 participation across 3 years. This is in line with the regional trend. The highest rate of decline was in Rochdale, where over the 3 years a reduction of 36.7 per cent has occurred (-113 learners). The highest volume decrease was in Stockport, where the learner volume decreased by 126.

10.4.2 The decline in level 4 provision needs to be examined more closely, the Leitch Review of Skills in England sets out the vision for over 40 per cent of the adult population to be qualified to level 4 and above, meaning that based on the current working age population, Greater Manchester requires a further 200,700 people qualified to level 4+.

**Figure 85: FE Success Rates at Level 4+ (Short & Long Courses)**

| | 2004/05 | 2005/06 | 2006/07 |
|---|---|---|---|
| North West | 10,229 | 9,336 | 8,183 |
| Greater Manchester | 3,781 | 3,391 | 2,973 |
| BOLTON | 305 | 290 | 274 |
| BURY | 270 | 221 | 182 |
| MANCHESTER | 694 | 708 | 621 |
| OLDHAM | 333 | 265 | 214 |
| ROCHDALE | 308 | 273 | 195 |
| SALFORD | 270 | 237 | 264 |
| STOCKPORT | 443 | 414 | 317 |
| TAMESIDE | 322 | 294 | 277 |
| TRAFFORD | 364 | 311 | 274 |
| WIGAN | 471 | 376 | 355 |

*Source: NW LSC Residency Based Performance Reporting Platform*

10.4.3 Figure 86 shows success rates for FE level 4+ courses in Greater Manchester. The highest success rate in 2005/06 was in Rochdale (83%), the lowest was in Wigan (41%), however, both of these local areas have had large percentage shifts from the previous year.

**Figure 86: FE Success Rates at Level 4+ (All Courses)**

| Success Rate | | | |
|---|---|---|---|
| Partnership Team | 2003/04 | 2004/05 | 2005/06 |
| Bolton | 56% | 69% | 77% |
| Bury | 80% | 73% | 63% |
| Manchester | 57% | 66% | 57% |
| Oldham | 38% | 63% | 73% |
| Rochdale | 45% | 50% | 83% |
| Salford | 68% | 65% | 76% |
| Stockport | 51% | 56% | 75% |
| Tameside | 63% | 39% | 60% |
| Trafford | 58% | 67% | 71% |
| Wigan | 64% | 67% | 41% |
| Greater Manchester | 58% | 61% | 64% |

*Source: NW LSC Performance Reporting Platform*

10.4.4 Greater Manchester has five higher education institutions that in combination deliver provision to 102,590 students, meaning that Greater Manchester has the highest volume of higher education places than any other area of the North West. This is an important factor in Greater Manchester’s ability to contribute to the higher level skills base of the region. The issue of graduate retention is important in analysis of level 4 attainment amongst the working age population, how many of the 102,590 students are from the North West originally? And how many will stay in the region upon graduation?

**Figure 87 Full & Part Time HE Provision by Institution**

| | | Total FE Students | | Post Graduate | | Undergraduates | |
|---|---|---|---|---|---|---|---|
| | All Students | Full Time | Part Time | Full Time | Part Time | Full Time | Part Time |
| The University of Bolton | 8,540 | 85 | 435 | 760 | 935 | 3,680 | 2,645 |
| University of Chester | 14,120 | 0 | 0 | 515 | 2,325 | 7,095 | 4,180 |
| Cumbria Institute of the Arts | 1,810 | 360 | 410 | 0 | 40 | 960 | 35 |
| Edge Hill University(#13) | 15,645 | 0 | 0 | 630 | 4,155 | 5,940 | 4,920 |
| Liverpool Hope University | 8,205 | 5 | 45 | 700 | 1,290 | 4,465 | 1,700 |
| Liverpool John Moores University | 24,085 | 0 | 0 | 1,435 | 2,745 | 15,100 | 4,805 |
| The University of Liverpool | 20,765 | 0 | 0 | 1,675 | 2,025 | 13,705 | 3,365 |
| The Manchester Metropolitan Univers | 32,795 | 180 | 55 | 2,320 | 3,675 | 22,990 | 3,575 |
| The University of Manchester | 40,420 | 0 | 0 | 6,230 | 4,840 | 24,590 | 4,755 |
| Royal Northern College of Music | 650 | 0 | 0 | 210 | 0 | 440 | 0 |
| The University of Salford | 20,185 | 0 | 0 | 1,465 | 2,570 | 12,915 | 3,235 |
| St Martin's College | 12,640 | 0 | 0 | 845 | 2,425 | 4,580 | 4,790 |
| The University of Central Lancashire | 28,850 | 0 | 0 | 1,090 | 3,085 | 16,115 | 8,560 |
| The University of Lancaster | 17,415 | 0 | 0 | 1,725 | 1,885 | 8,195 | 5,615 |

*Source: North West Universities Association*

## 10.5 Summary

10.5.1 Greater Manchester has the potential to make a very large contribution to the aspirations set out in the Leitch report (40% of working age qualified to level 4+). With a large working age population and a sizable university base that stretches beyond Manchester Local Authority area. The key challenge for the LSC and it’s partners and providers is to be ambitious for local people, to create sustainable progression routes into Higher Education.

10.5.2 The ambitious targets set out for level 4 also have implications for young people, also around the issue of progression, we must seek to increase the rates of attainment of level 2 and 3 at age 16 and 19 with English, Maths and Science, in order to attain greater levels of progression into higher education.