



DEVELOPING  
A MORE  
INCLUSIVE  
ECONOMY

OUR MANCHESTER  
INDUSTRIAL  
STRATEGY

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## FOREWORD

Manchester's significant transformation over the past 20 years has been well documented. The city has gone from strength to strength, with strong economic performance, vast regeneration and a growing population driving our positive change. Our globally recognised sectoral assets, vibrant cultural offer and international profile make Manchester a successful city that people want to work and live in.

However, we recognise that some challenges still remain. Despite our growth, our residents are underrepresented in Manchester's higher paid sectors and occupations, and develop life-threatening health conditions a decade earlier than peer groups across the UK. Globally, technology is rapidly changing employment, and we face the serious risks of a climate emergency.

Manchester has always chosen to view challenges as opportunities. Building on our history of innovation and social progress, this Strategy capitalises on our city's strengths to increase productivity whilst ensuring that Manchester is an inclusive city. We want all Manchester residents to be able to participate in and benefit from the city's economy, and all places within our city to thrive so that Manchester's success can continue. Our growth cannot come at the cost of our environment and achieving our zero carbon 2038 target.

This is an inclusive economic strategy that has been created in a truly inclusive way. Using the Our Manchester approach, over 1,000 engagement conversations were undertaken in all the city's neighbourhoods. The many different views gathered during this activity are reflected in each of the three pillars – People, Place and Prosperity.

We're not starting from scratch – there is already lots of positive practice across the city – but we need a renewed focus to increase the pace and scale of change to create an inclusive economy.

Manchester has a strong track record of working in partnerships across the city and wider region to achieve its ambition. This needs to continue across the public, private and voluntary sectors to drive inclusivity. We also need to work with Greater Manchester colleagues to ensure that the inclusive growth of the conurbation core supports the city region's economic aims.

Manchester does things differently. By working together, we will secure economic, social and environmental justice, ensuring that Manchester is in the top flight of world-class cities.

**Cllr Nigel Murphy**

Deputy Leader and Executive Member  
for 'Developing a More Inclusive Economy –  
Our Manchester Industrial Strategy'

## I INTRODUCTION

**D**eveloping a More Inclusive Economy – Our Manchester Industrial Strategy sets out Manchester’s vision and delivery plan for developing a more inclusive economy. By focusing on our people, our place and our prosperity, this Strategy will ensure that all of our residents can participate in and benefit from Manchester’s economic growth.

This Strategy sets out actions that will help to deliver the objectives of the **Our Manchester Strategy 2016–2025**, the overarching ten year ambition for the city to be in the top flight of world-class cities by 2025. This means developing a truly liveable city where all of the city’s residents are able to prosper economically whilst living in high quality residential neighbourhoods with first-class transport infrastructure that connects the city’s economy to the rest of the region. Continuing to attract talent and investment in a competitive global economy increasingly requires cities to demonstrate that they are economically strong, but also driven by a strong set of values, such as caring for their people and the environment. Manchester is already known for being a ‘city of firsts’, with a long history of innovation and progressive economic and social policies. Continuing this tradition will be crucial if the city is to achieve the collective ambitions contained within the **Our Manchester Strategy 2016–2025**.

**Developing a More Inclusive Economy – Our Manchester Industrial Strategy** is complementary to the **Greater Manchester Local Industrial Strategy**. A jointly agreed document between the Greater Manchester Combined

Authority and national government, the **Greater Manchester Local Industrial Strategy** sets out a joint plan to raise productivity and earnings across the whole of Greater Manchester by capitalising on the region’s unique assets and opportunities. This Strategy aligns to Greater Manchester’s objectives but specifically sets out Manchester’s contribution to delivering growth from our unique position as the conurbation core. As well as being necessary for Manchester to flourish, driving inclusive growth within our economy is essential to the wider city region achieving its economic aims.

The refresh of Manchester’s Local Plan is underway and, in conjunction with the **Greater Manchester Spatial Framework**, will set out Manchester’s future strategy in relation to spatial development. This Strategy will inform the development of the **Local Plan** and collectively they will ensure that future development will support our growing population and protect our environment, whilst simultaneously maximising our residents’ economic opportunities from these developments.

The current **Work and Skills Strategy** for the city has a strong focus on economic inclusion and creating a more demand-led skills system. This is due to be refreshed in 2020, and will directly respond to **Developing a More Inclusive Economy – Our Manchester Industrial Strategy** by setting out the specific activity required to ensure our residents are equipped with the essential educational, vocational and life skills required to succeed in our city’s evolving economy.

## 2 MANCHESTER'S SUCCESSSES AND CHALLENGES

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### MANCHESTER'S CITY CENTRE

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The city centre continues to be the engine of Manchester's growth. As noted in the Greater Manchester Independent Prosperity Review's Reviewers Report, one in five jobs in Greater Manchester is now located in the city centre, and there are 60 per cent more jobs in the city centre than in all other major employment locations within the city region. The population of the city centre has increased dramatically, growing by 120 per cent between 2001 and 2011, compared to 8.1 per cent across Greater Manchester as a whole. Now home to over 50,000 residents, the population is younger and more diverse than the rest of the region. A pipeline of planned residential developments means the population is expected to reach 100,000 by 2026.

As well as being the economic driver of the city region, the city centre also has a vital role to play in the rebalancing of the national economy. Sustaining the growth of the city centre will ensure that Manchester can continue to compete as a viable alternative to London and the South East, increasing the productivity of the UK and increasing its global profile.

To ensure the continued population and economic growth of the city centre, significant public and private investment is required in a number of strategic infrastructure and development projects. The City Centre Strategic Plan is currently being refreshed to capture these projects and the opportunities they present to the city. A refreshed City Centre Transport Strategy is also in preparation to ensure the connectivity of development.



Manchester's transformation over the past 20 years has been immense, and the city is regarded as one of the best examples of a revived and thriving post-industrial city. We are now recognised as a leading global city, with many strong assets and a significant international profile. The city's economic performance continues to exceed both regional and national figures. This economic growth has been reflected in a rise in total employment in the city, increasing from 332,700 in 2006 to 392,000 in 2017.<sup>1</sup> The economy is more diverse and resilient, with the city's fastest-growing sectors including business, financial and professional services, and cultural, creative and digital.<sup>2</sup> The construction sector and its supply chain continue to grow as the city undertakes major regeneration projects. The services sector now creates the majority of employment opportunities in the city, but the quality and pay of roles varies significantly between sectors and occupations. The industries currently employing the largest number of Manchester residents are: public administration, education and health; distribution, hotels and restaurants (which includes retail); and banking, finance and insurance.<sup>3</sup> Some of the city's old industrial strengths are still present today – Manchester has a strong engineering sector and a growing textiles industry. The city's universities ensure a strong talent pipeline for our growth sectors, with Manchester's graduate retention figures continuing to grow.



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1 ONS, Business Register and Employment Survey, 2017  
2 Greater Manchester Forecasting Model, 2018  
3 ONS, Annual Population Survey, 2018

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## SECTOR STRENGTHS

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The **Greater Manchester Local Industrial Strategy** identifies the following areas as unique sector strengths and assets of the city region that, if capitalised on, will drive growth and productivity:

- » **Health innovation** – global leadership on health and care innovation, extending healthy lives
- » **Advanced materials and manufacturing** – a world-leading city region for advanced materials, and a Made Smarter ecosystem
- » **Digital, creative and media** – a leading European digital city region
- » **Clean growth** – carbon neutral living in the city region by 2038.

As the main economic driver at the heart of the conurbation, these sector strengths have been driven in Manchester. We're home to Health Innovation Manchester, which is at the forefront of linking academic research and frontline delivery to improve the health of our residents. Advanced materials research is underway along the Oxford Road Corridor in the National Graphene Institute and Graphene Engineering Innovation Centre, and will continue with the Henry Royce Institute currently under construction and development plans

for ID Manchester. Manchester City Council has supported the Sharp Project and Space Studios in East Manchester to help solidify the offer to creative businesses. Technology firms now have the greatest space take-up in the city centre, and Manchester has the largest tech sector in the UK outside London. We have also worked with the Tyndall Centre at The University of Manchester to develop our science-based target to be zero carbon by 2038.

The city has a significant role to play in building on these strengths and continuing to develop our assets to drive Manchester's economy and ensure the city region achieves the aims of the **Greater Manchester Local Industrial Strategy**.

Other prominent sectors in Manchester include business, financial and professional services; construction; and health and social care. We need to ensure that our residents are equipped with the skills to access the jobs that will be created in these sectors to ensure they achieve their predicted growth outcomes. We must also ensure that these jobs are of a good quality, with career progression, and that they pay the real Living Wage.



Manchester Airport is the gateway to the North of the United Kingdom, and the adjacent development of Airport City is creating thousands of new employment opportunities in the south of the city. Recognised globally, Manchester continues to attract significant foreign direct investment. Major regeneration programmes have helped to transform many areas of the city, including the city centre, Ancoats and East Manchester. The investment in the Metrolink network, bus lanes and cycling has helped to increase capacity of the transport network and enabled the growth of the city centre, whilst simultaneously reducing the number of car journeys into the city centre. The vibrant cultural and night-time economy of the city has attracted businesses, investment and young professionals, who are driving residential growth in the conurbation core.

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## MANCHESTER AIRPORT AND AIRPORT CITY MANCHESTER

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Manchester Airport is the third-busiest airport in the UK and is the primary gateway for the North. Serving over 200 destinations worldwide and with long-haul routes to North America, the Middle East, Asia and Oceania, the Airport was used by over 28million passengers in 2018. The current £1billion transformation programme of investment and improvements will allow the Airport to support 50million passengers by 2030. The Airport is key to Manchester being the third-most-visited UK city by international visitors, with the city welcoming 1.32million visitors in 2017. It also makes a major contribution to Manchester's tourism industry, which generated £4.51billion in 2017 – a three per cent increase on 2016.

Airport City Manchester is a £1billion development value joint venture project with Beijing Construction Engineering Group. With capacity to create up to 8,000 jobs, this significant 5million sq ft development will be a hub for logistics and advanced manufacturing, alongside offices, hotels and retail amenities. The development's proximity to Manchester Airport, the M56 and M60, as well as regional and national railway lines (with a high speed railway station planned for the future), gives it unrivalled connectivity; this will enable it to become a truly global destination.



Manchester is the first city in the UK to adopt a science-based carbon budget. It has identified 2038 as the latest year it needs to become a net zero carbon city if it is to play its full part in meeting the objectives of the intergovernmental Paris Agreement. A full action plan to meet this aim is being developed by March 2020 to ensure urgent targeted action. Delivery of this ambition will require increased investment in low carbon energy, higher energy efficiency standards for new residential and commercial developments, a major retrofit programme, and investment in low carbon transport. This represents a major opportunity to both establish Manchester as a centre for green technology and services, and to work with local skills providers to ensure that the city's residents are given the best possible opportunities to access these exciting new careers.

The city is also becoming a major international player within innovative healthcare and life sciences. Health Innovation Manchester was formed in October 2017 to capitalise on the opportunities presented by the £6billion devolution of health and social care to Greater Manchester. It has a pivotal role in bringing forward a constant flow of targeted innovations to deliver innovation into frontline care at pace and scale. It has also supported a number of businesses to locate and expand within the city, including Qiagen, which is moving to Citylabs 2.0.

Although Manchester's economy is stronger and more resilient than in the past, significant challenges still need to be overcome. Analysis undertaken to inform the Strategy's development demonstrates that Manchester's residents are underrepresented in higher paid sectors and occupations, and overrepresented in lower paid ones, which leads to a significant gap between resident and workplace wages.

Gross Value Added (GVA) is still used as a comparative measure of economic performance. Analysis of recent data demonstrates that Manchester's economy has continued to grow and GVA per head of resident population was £36,136 in 2017, compared to £27,555 for the UK as a whole.<sup>4</sup> However, despite high levels of GVA, Manchester also has the highest concentration of highly deprived neighbourhoods in the region.<sup>5</sup> Health outcomes are a significant issue, with the highest rates per 100,000 of premature deaths from cardiovascular disease, cancer and respiratory disease in England.<sup>6</sup> Skill levels are generally better in younger age groups, with the largest proportion of people with low or no skills in the 50+ age category. While the increase in the gig economy has led to more flexible working opportunities, it has also created more insecure employment.

To address these challenges, it is essential that the next stage of Manchester's journey focuses on **boosting the city's productivity alongside creating a more inclusive economy** – an economy that all of our residents can participate in and benefit from. This Strategy aims to do just that: it sets out how we will continue to build on the city's strengths to increase productivity, support organisations to create better quality employment opportunities, and intervene where necessary to create a more inclusive economy in Manchester. It also aims to ensure that Manchester's economy is resilient to future economic shocks, which is particularly pertinent with the uncertainty surrounding the United Kingdom's planned exit from the European Union. A suite of indicators that go beyond traditional income metrics (such as GVA) will be developed to measure the extent of Manchester's economic inclusivity.



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- 4 ONS, Regional Gross Value Added, 2018
  - 5 RSA, Inclusive Growth Commission: Making Our Economy Work for Everyone, 2017
  - 6 Public Health England/ ONS, 2014–2016 3 Year average

### 3 DEVELOPING THE OUR MANCHESTER INDUSTRIAL STRATEGY

Using the Our Manchester approach, a wide-ranging engagement exercise was undertaken in autumn 2018 to inform the development of **Developing a More Inclusive Economy – Our Manchester Industrial Strategy**. Activity was carried out across Manchester’s neighbourhoods with a range of residents, businesses and organisations. Over 1,000 interactions took place, including face-to-face conversations, online surveys and workshops. To complement the large volume of qualitative information garnered from the engagement exercise, analysis of a range of quantitative data was undertaken, alongside a literature review.

The activity showed overwhelmingly positive feelings about Manchester. People are proud of Manchester, feeling that the city has strong potential, and enjoy its social and cultural amenities. Most residents feel as though there are opportunities for them in Manchester. Our young people have amazing ambition and a good understanding of the jobs available in Manchester. Businesses and organisations recognise the role they need to play in the city, with many already taking positive steps around flexible working and corporate social responsibility programmes.

However, the activity also highlighted some challenges that Manchester faces. Whilst generally very optimistic, there was a spatial divide in responses from residents, with those living in the north and east of the city feeling less connected to Manchester’s opportunities than those in the south. Some of our older working age residents struggle to find and stay in work. Although many of our young people know the career they would like to do, some are unsure of how best to achieve their potential. As well as looking to the Council and other public sector partners for strategic leadership, businesses and organisations also want specific initiatives to support their ambitions.



A number of overarching themes emerged from this activity:

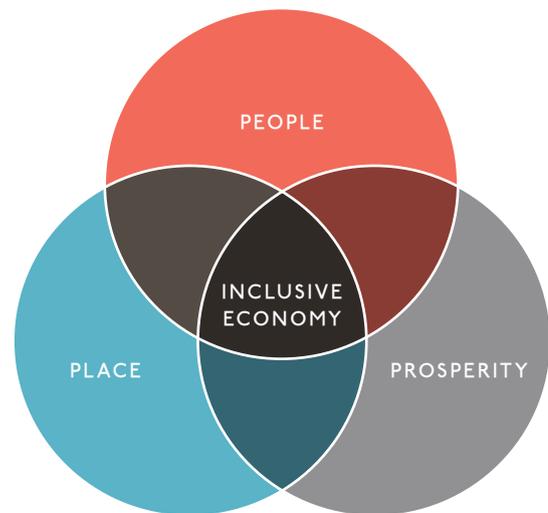
- » **Transport** – the current system is perceived negatively, despite the investment in Metrolink. Businesses and organisations feel that transport issues are becoming a serious impediment to their day-to-day operations. Specific issues were raised in the north of the city in relation to the cost and quality of bus services, and shift workers in particular feel that public transport does not support them to access employment.
- » **Skills and talent** – businesses and organisations need access to a strong talent pool, especially in relation to specialist digital skills. Barriers to accessing employment opportunities for older residents were identified.
- » **Digital** – this is an extremely important issue for businesses from all sectors, with specific references to the need for improved digital infrastructure. Better collaboration and networking were identified as priorities by digital businesses.
- » **Affordability** – affordability of business premises was identified as a major issue, with concerns over the rising costs of rent, business rates and energy. Residents referenced the need for more affordable housing, rents and transport.
- » **Environment** – there was strong support from businesses and organisations for the city's *Zero Carbon 2038* ambitions, but they want the public sector to provide leadership on this agenda. Businesses made it clear that the quality of public realm within the city centre and district centres, the overall cleanliness of the city, homelessness and the perceived lack of green spaces impact on their ability to attract investment and broader economic growth.

A more detailed overview of the methodology used to develop the Strategy, and the findings from our consultation and literature review, can be found in the appendix report **Our Manchester Industrial Strategy – Methodology and Findings**.

## 4 DELIVERING A MORE INCLUSIVE ECONOMY FOR MANCHESTER

This Strategy aims to promote economic and social justice in Manchester to ensure that all our residents can participate in and benefit from the city’s economic growth. To achieve this, there are three main themes that require focus – **people, place and prosperity**. These themes form the three pillars of this Strategy but do not operate in isolation from each other. Only by investing in all three will the desired outcome of a more inclusive economy for Manchester’s residents and workers be realised.

**Figure 1: Three pillars of the Our Manchester Industrial Strategy**



**Table 1: Summary of the three pillars**

People	Place	Prosperity
<p>Equip residents and workers with the qualifications and softer skills that will enable them to access more opportunities. Interventions and programmes should prepare them for work and connect them with better quality work, including more initiatives that feature social value.</p>	<p>Ensure sustainable growth is achieved in key assets, including the city centre and around the Airport. Create the conditions that will deliver a more inclusive economy by investing in transport infrastructure, digital infrastructure and the environment. Although the Strategy is a citywide document, it is essential that it is converted into local actions by people with a detailed knowledge and understanding of place.</p>	<p>Create higher quality job opportunities, including better pay, working conditions and flexibility, particularly within the foundational economy. Develop evidence based demand-side programmes, such as reimagining and repurposing buildings, to drive more inclusive economic activity.</p>

A number of interventions or investment programmes are required in each of these three areas to facilitate change and support more inclusive and sustainable growth.

A number of programmes of work are already underway within the city and Greater Manchester that will help to drive economic inclusivity; these programmes are referenced where appropriate. It is clear from the engagement activity underpinning this Strategy that there is strong support for these programmes but that the pace of delivery needs to be increased and additional resources need to be attracted.

The following section sets out the strategic areas of focus within each of the pillars and is based on the evidence summarised in Section 3 and explained further in the appendix report *Our Manchester Industrial Strategy – Methodology and Findings*. An action plan detailed in Section 5 – Implementation and Monitoring, sets out the specific interventions that have been identified.

“A PIPELINE OF  
WELL-QUALIFIED YOUNG  
PEOPLE WITH GOOD  
DIGITAL SKILLS.”

Response to consultation from employer

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## PILLAR I – PEOPLE

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### EQUIPPING PEOPLE WITH THE SKILLS TO PROSPER

Developing future talent, aspiration and ambition needs to run throughout a person’s life, starting at early years, then school, further and higher education, and learning throughout adulthood. There is a need to build on the work of Skills for Life to ensure our young people have the opportunity to be able to develop the softer skills that employers desire. The 2018 CBI / Pearson report noted that “Over half of employers (60%) value broader skills, such as listening and problem-solving, as one of their three most important considerations when recruiting school and college leavers. Furthermore, almost half (45%) of businesses rank readiness for work as the single most important factor.<sup>7</sup> More businesses, particularly from Manchester’s growth sectors, need to work with our primary schools, secondary schools and colleges to help our young people reach their full potential. As well as building their ambition and aspiration, this should include careers advice to ensure our young people understand and can access Manchester’s labour market.

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<sup>7</sup> CBI/Pearson, *Educating for the modern world*, 2018

A talent pipeline needs to be developed to enable employers to grow their own talent from within the city to meet their future growth ambitions. We need to ensure that our city's workforce is resilient, with the skills to adapt to the future economy, including the potential changes to the labour market with the increase of automation and artificial intelligence. The growth in sectors such as green tech and services and construction offers opportunities for the city's residents to take a high quality vocational route that fully utilises T-Levels, the Apprenticeship Levy and Advanced Learner Loans.

Science, technology, engineering and mathematics (STEM) qualifications continue to be in demand by employers in Manchester's growth sectors. Digital skills are an essential core requirement for most sectors, meaning the city's residents need to be digitally literate to thrive, especially younger people and over-50s. Businesses have also identified a need for higher level digital skills to mitigate the risk to the future sustainability of their organisation; this is a key factor when deciding whether to remain in the city. Manchester residents need to be able to engage with opportunities at the city region level, such as the Greater Manchester Fast Track Digital Workforce Fund.

The programme of work required for Manchester to meet its zero carbon ambitions is vast and will create jobs in several skilled areas, such as retrofitting, construction, energy generation and the circular economy. To support the delivery of this agenda, it will be essential for the local skills system to proactively respond to future demand. Industry and skills providers will need to work together closely to develop academic and vocational programmes which are fit for purpose. Paths for career progression should be built into these emerging opportunities. Further research is needed to establish the short, medium and long term demand for these skills; this should be undertaken with partners to ensure we have the supply to deliver mission-oriented clean growth programmes.



**“WE NEED A WELL-TRAINED  
WORKFORCE, IDEALLY  
COMPRISING PEOPLE  
FROM THE AREA.”**

Response to consultation from employer

## CASE STUDY: A COLLABORATIVE APPROACH TO MEETING THE SKILLS NEEDS OF A GROWING CITY

The Manchester Work and Skills Board drives delivery of the economic, employment and skills priorities of the city and helps to deliver the *Highly Skilled City* ambitions within the Our Manchester Strategy 2016–2025. The Board works in a collaborative way and includes representatives from Manchester City Council, Greater Manchester Chamber of Commerce, Manchester Growth Company, LTE Group, Department for Work and Pensions, Manchester Health and Care Commissioning, and local housing associations.

The Board has worked in partnership to proactively respond to the significant education and skills challenges facing Manchester. This collaboration has culminated in a new post-16 education and skills strategy. The collaborative delivery of the strategy has enabled the largest single investment in education and skills in the UK for more than 25 years.

The Manchester College (part of the LTE Group) is creating centres of excellence and neighbourhood hubs across the city to align with the city's priority sectors that have strong career progression and opportunities for pay progression. This will help equip people who typically take a more vocational and technical route

with the skills, attributes and experience that will help them to thrive in Manchester's economy. The strategy increases capacity for vocational and technical education by 22 per cent, whilst also creating pathways to many more higher level technical programmes in the city's key growth sectors.

The Strategy enables a £140million investment in skills, with extensions and expansion of several sites. The centrepiece of the Strategy is The Manchester College's acquisition of a 3.2 acre site opposite Manchester Arena. This will become home to a new Centre of Excellence for its students from the 2021/22 academic year. The site, close to major transport hubs and at the heart of a major regeneration scheme, has been made possible by the strategic and financial support of both Manchester City Council and the Greater Manchester Combined Authority.

Over the operational life of these new facilities, more than one million residents will learn new skills and gain new qualifications, supporting them to be able to access the higher paid jobs of the future.

STUDENTS FROM THE  
MANCHESTER COLLEGE'S  
OPENSHAW CAMPUS

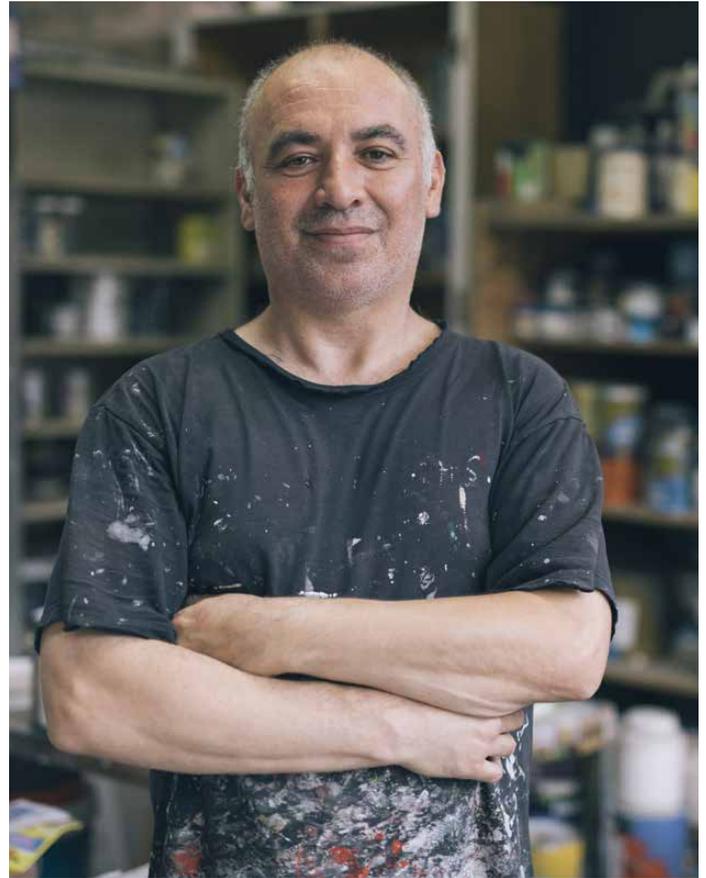


## CONNECTING PEOPLE TO GOOD EMPLOYMENT THROUGH SOCIAL VALUE

For Manchester's economy to become truly inclusive, people from all backgrounds and all areas of the city need to be given the opportunity to share in this economic success. Social value is a powerful tool that should be utilised by all public sector organisations and the private sector to better connect people to opportunities, or provide them with the additional support they need to compete in a competitive labour market. The voluntary and community sector has a vital role to play in advising how to best support and engage residents.

Manchester City Council now applies a 20 per cent scoring weighting for social value when considering tenders to ensure that publicly funded contracts generate the maximum possible benefit for the local economy and residents. A number of anchor institutions are also delivering significant social value; this work needs to be promoted so this good practice is universally adopted and becomes the norm throughout Manchester's organisations.

Social value can play a key role in improving outcomes for people who need additional support to reach their full potential, including: families living in poverty; care leavers; young people who are not in employment, education or training (NEET); young people with special educational needs and disabilities (SEND); longer term unemployed people with a health condition; and over-50s. The consultation with young people aged 11–18 with SEND demonstrated that they share the same future ambitions as other young people but that there are additional barriers that need to be overcome to access employment, and more adjustments that may need to be made within the workplace. Improving outcomes for these cohorts is crucial if Manchester is to become a genuinely inclusive and caring city; collective ownership will be required to achieve this ambition.



We want all Manchester employers to support the Greater Manchester Good Employment Charter. Large employers in the city will be asked to lead by example when it comes to demonstrating that they are paying the real Living Wage; providing good quality working environments, terms and conditions; and offering the right support and progression opportunities for their workforce. The gig economy needs to work well for those who work in it, with flexible working not being at the expense of security and good working conditions. For Manchester to become more inclusive, employers of all sizes and from all sectors must play their part, and must be scrutinised and held to account when they do not.

**“Manchester works really well for some people. If you come from a background where you are educated and have a solid foundation... I think where it’s problematic is for those people who are not from a stable background... they might not have the qualifications or confidence to do things.”**

Response to consultation from resident



## A HEALTHY AND PRODUCTIVE WORKFORCE

Manchester's poor health outcomes are well documented and a major long term programme of investment and transformation is underway to tackle these issues. The Greater Manchester Independent Prosperity Review identifies poor health as a major drain on the city region's productivity. This emphasises that there is a strong economic rationale for tackling health conditions as well as the obvious social imperative.

Although the health and social care system is critical to success, tackling preventable health conditions and ensuring younger people have a healthy start to their lives is the responsibility of many other stakeholders in the city. As demonstrated in the section above, employers have a vital role to play in supporting their workforce to be active and by offering incentives and a healthy working environment.

Opportunities to improve health through regeneration should be capitalised on to drive economic and community renewal, alongside the transformation and integration of health and care services in their broadest sense. The redevelopment of North Manchester General Hospital – a significant community asset in North Manchester – presents potential to stimulate economic regeneration whilst breaking the cycle of ill health to offer a better future for residents. Working in partnership on a health-led investment programme, alongside integrating local services tailored to the needs of the local community, has the potential to transform the surrounding community and lead to wider economic and social renewal in the north of the city.

“A HEALTHY WORKFORCE  
IS A PRODUCTIVE ONE.  
WE SHOULD BE LEADING  
THE WAY IN LOWERING  
STRESS YET INCREASING  
PRODUCTIVITY AND  
STAFF WELLBEING.”

Consultation response from employer

## CASE STUDY: WORKING WELL (WORK AND HEALTH PROGRAMME) – JAMES'S STORY

Working Well (Work and Health Programme) aims to support long term unemployed and disabled people into sustainable employment. It brings together expertise and local knowledge to include integrated health, skills and employment support, tailored to the individual participant.

James, aged 20, is partially sighted, and had never been able to find sustainable work. His lack of employment history counted against him, and he felt like he'd missed out on past opportunities due to the way his disability was viewed by employers. James was referred to Working Well (Work and Health Programme) as he wanted help to overcome his low confidence and anxiety, and to lead a full and normal life.

James was quickly assigned to a key worker, who helped him to put together a new CV and prepare for job interviews. He was also provided one-to-one wrap-around support to help him with his confidence and anxiety issues, which went a long way in terms of getting him to change his perception of himself.

Thanks to the tailored support he received, James was soon ready to apply for a warehousing role – a field he was keen to get into. To give him the best possible chance of getting the job, James was given one-to-one interview support, as well as additional help in relation to the disclosure of his health condition. We made sure James understood the duties of the role, and supported him in having conversations about reasonable adjustment.

James was successful in getting the job and began his employment. Despite some difficult days in his first month, James has adjusted into his role. To assist James further, we helped his employer to order colour-blindness correction glasses and encouraged his manager to explore more suitable ways of communicating with James. James now receives texts of his shift patterns, which he can easily read.

James is a prime example of how Working Well can help disabled people back into work. We're continuing our work with James, and are looking for alternative roles that provide the maximum support for his health condition.

## PEOPLE – STRATEGIC INITIATIVES

To help create a more inclusive economy, Manchester will:

- » Work with businesses and skills providers to ensure the development of a digital skills pipeline that addresses the industry's needs
- » Build on the Skills for Life work to ensure the development of softer skills and aspiration in all Manchester's young people by connecting them to civic and cultural opportunities in the city
- » Develop a specific programme for growing green tech and service jobs, and the skills needed to access roles in these sectors
- » Support volunteering initiatives where residents give their time to volunteer on tasks identified by other residents, organisations or businesses that will make a positive impact
- » Ensure that the opportunities of social value are utilised to support Manchester residents with additional needs who may face barriers to employment
- » Use the opportunity that the redevelopment of North Manchester General Hospital will present to target some of the challenges North Manchester faces, improving the health outcomes of residents, and the productivity and sustainability of the area.



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## PILLAR 2 – PLACE

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### A CITY OF THRIVING CENTRES

Manchester's city centre includes the Oxford Road Corridor, one of the major economic drivers for the city and wider city region. It supports a significant volume of knowledge-intensive jobs, as well as associated service roles and significant volumes of construction jobs. The Oxford Road Corridor is home to Manchester Science Partnerships, Citylabs and many businesses benefiting from the proximity to Manchester's universities and hospitals. The recent investments in advanced materials have been significant, including The National Graphene Institute, Graphene Engineering Innovation Centre and Henry Royce Institute. This is set to continue with ID Manchester, The University of Manchester's £1.5billion innovation district development project, which has the potential to create over 6,000 jobs. Scheduled to open in 2021, Manchester Metropolitan University's School of Digital Arts is a £35million investment which will support our growing creative and digital industries.

Continuing to build on the city's international strengths in relation to sport and creativity is important. The regeneration of the St John's area, including the creation of the Factory, will add to the city's world-class cultural facilities. The further development of the area in East Manchester around the Etihad Campus is a major opportunity to connect this growth with the residents of North and East Manchester.



**"Great, fantastic inner-city transport links, plenty of varied job opportunities, multiple places to live across the city and many notable companies and institutions in the city."**

Consultation response from employer

There are challenges of maintaining the growth of the city centre, in particular the balance between providing space for commercial buildings with the needs of the housing market. In 2018, there was c.215,000m<sup>2</sup> of new commercial space delivered across Manchester, consisting of c.140,000m<sup>2</sup> of office space, c.30,000m<sup>2</sup> of retail space and c.45,000m<sup>2</sup> of educational space, as well as 840 additional hotel rooms.<sup>8</sup> This is a significant volume of additional floor space but the end use needs to provide higher paid roles for local residents, including generating good quality secondary jobs in the service sector that have career progression at their heart.

The city centre also remains critical in the development of additional housing in Manchester to meet the ambitions of the Manchester Residential Growth Strategy. The latest Greater Manchester Spatial Framework documents state that Manchester is expected to deliver 27 per cent of all new homes in the city region between 2018 and 2037, with development around the city centre making up the majority of this total.

Manchester's strong international brand is one of its key assets this alongside the global connectivity provided by Manchester Airport and a pipeline of highly skilled graduates from the city's universities, continues to result in significant international investment in the city. Manchester Airport's current transformation programme and developments at Airport City Manchester will encourage growth in the south of the city, creating a number of jobs and driving Manchester as a global centre for logistics and advanced manufacturing. These developments should be linked into Wythenshawe town centre and Wythenshawe Hospital to ensure that our residents can access the opportunities they present.

Manchester has a number of district centres which, alongside hosting employment opportunities, are home to essential services for residents. Companies are increasingly expanding into district centre venues; Manchester's Local Plan refresh will present further opportunities for this growth by encouraging the repurposing of buildings and driving improvements in transport and digital infrastructure. Often, roles in our district centres have lower pay and productivity; improving the quality of work, pay and career progression in these jobs should be a focus on future growth to ensure our district centres thrive.

There are a number of strategic development sites across Manchester that present opportunities to support the city's future growth. Areas such as Strangeways and the former Central Retail Park have the benefits of being located near to the city centre, as well as being connected to the rest of the city. The regeneration vision for these areas will consider the flexible space needs of Manchester's growth sectors alongside the demand for additional housing, facilities and amenities.

“THERE’S TOO MANY BUS COMPANIES. THERE’S A REAL CONGESTION PROBLEM. IF BUS SERVICES WERE BETTER, THERE WOULDN’T BE.”

Consultation response from resident

### TRANSPORT INFRASTRUCTURE TO CONNECT PEOPLE AND PLACES

As stated above, Manchester’s economy is a major driver for the regional economy and is at the heart of the Northern Powerhouse. Strategic investments in High Speed 2 (HS2) and Northern Powerhouse Rail, alongside improvements to Manchester Piccadilly and Oxford Road railway stations, are essential in delivering the additional capacity and connectivity required if the city is to continue to grow and help rebalance economic growth away from London and the South East. The Greater Manchester Combined Authority’s HS2 and Northern Powerhouse Rail Growth Strategy highlights the strategic importance of new HS2 stations at Manchester Piccadilly and Manchester Airport to the city’s future economic growth.

The expansion of Metrolink has been extremely successful, but the challenge for the future is to fund additional routes beyond the existing Trafford Park and Trafford Centre extensions. As such, work is underway to establish funding opportunities for the Manchester Airport Extension to Terminal 2; the intention is to subsequently complete the entire Western Loop. Communities served by Metrolink are generally happy with the service they receive and their connections to other parts of the city, whereas areas without a service want to see significant improvements to their bus services.

The Bus Services Act became law in June 2017, giving mayoral combined authorities such as Greater Manchester powers to improve bus services by reforming the current bus market. Options for reform include moving to a franchise model. Buses are essential for the city’s economy and also for social inclusion in many areas of the city, including the north and east. Existing services vary in price, quality and frequency, with some residents unable to use buses to access employment, such as shift work at Manchester Airport. Building on the recent investment in free travel for 16 to 18-year-olds, there is now an opportunity for buses to be repositioned as part of a London-style integrated transport system that runs across different modes of transport with integrated ticketing.

Employers were clear about the impact congestion causes to their businesses and workforce, particularly around the city centre. Further investment in both cycling and walking infrastructure is one solution to reducing congestion, and it also helps to deliver the city’s health and air quality objectives. The Greater Manchester Bee Network was launched in 2018; a further refined plan was launched in 2019, which sets out the vision for both a new walking network and cycling system for the conurbation. Progress is already being made in Manchester, but significant additional funding will be required to fully realise its ambitions.

Alongside improving both walking and cycling infrastructure, we need to further develop our electric transport infrastructure to provide mass transport solutions that are not detrimental to the city’s air quality. This infrastructure must be accessible, linking people to Manchester’s employment opportunities and providing for those with limited mobility.

## COMPETITIVE AND RESILIENT DIGITAL INFRASTRUCTURE

Digital infrastructure is essential for Manchester to remain economically competitive. A recent national study by Regeneris estimated that the potential economic impact of upgrading to a full fibre infrastructure would deliver a £2.2billion productivity gain for SMEs, £2.3billion in innovation benefits, £1.9billion in flexible working benefits, and £2.3billion from new business start-ups.<sup>9</sup> Investment in a 5G network and the roll-out of full fibre to premises will help create the conditions for the city to continue to be at the forefront of innovation. Businesses and organisations were clear that this is a centrally important issue and shouldn't be viewed as something only 'digital' or 'tech' businesses need. The recent growth in the city's cyber security sector and the decision of both Amazon and GCHQ to locate in the city centre demonstrates the clustering and agglomeration taking place within Manchester's economy.

Vodafone and EE have both chosen Manchester as one of their 5G pilot areas, and some funding for full fibre to premises has been attracted from the Government; however, much more investment is required.

This infrastructure is also essential for developing the city's smart city infrastructure to build on the lessons from the CityVerve and Triangulum programmes. The application of digital technology is needed to enable Manchester to capitalise on the opportunities that the Internet of Things will bring and compete economically on the international stage. It will also aid solutions to some of our most entrenched social issues, driving greater inclusion for residents and workers. Projects have the potential to find technological solutions to health, mobility and environmental challenges by utilising the power of connected devices.

“BETTER DIGITAL  
INFRASTRUCTURE - SO  
AIMING FOR 5G. MORE  
FREE WI-FI AROUND  
THE CITY CENTRE.”

Consultation response from business



<sup>9</sup> Regeneris, The Economic Impact of Full Fibre Infrastructure in 100 UK Towns and Cities, 2018

**“... better decisions by local government in support of sustainable economy and low carbon business development... rapid transition to sustainable housing and economic activity to support long-term employment and economic wellbeing.”**

Consultation response from organisation

## NEW DEVELOPMENTS AS INCLUSIVE AND ZERO CARBON EXEMPLARS

Manchester is a rapidly evolving city that continues to benefit from significant investment in new residential and commercial developments. These developments represent a major opportunity to bring about a more inclusive and sustainable city and should be seen as enablers of the strategy to deliver clean growth. The work to review Manchester's Local Plan offers the opportunity to consider how development on Council and publicly owned land can consider the end use, quality of jobs and adherence to the city's zero carbon targets and the Greater Manchester Spatial Framework's requirement for all new development to be net zero carbon by 2028. Alongside new developments, retrofitting existing sites should be included within mission-led approaches to achieve our zero carbon aims.

Major new developments which are planned or underway need to be adequately resourced to bring about the kind of social, economic and environmental benefits the city desires. The Northern Gateway is an example of a project which can transform the northern part of the city centre; however, there is a risk that a lack of capacity within the public sector may result in suboptimal outcomes and a missed opportunity. Projects such as this, and the new developments around the Etihad Campus, need to be viewed as inclusive exemplars and should be one of the tools that can help to bring about transformative long term social, economic and environmental change. This should include considering the conditions, pay and career progression of roles in the construction sector, associated industries and their supply chains to ensure the maximum benefit to residents from these new developments.

## INNOVATIVE INVESTMENT MODELS TO IMPROVE THE ENVIRONMENT

Alongside the transition to a zero carbon city by 2038 at the latest, the consultation responses from businesses and organisations were clear that the quality of the city's environment is a major factor in their success and productivity. City centre businesses highlighted the importance of cleanliness, good quality public realm and well-managed open spaces to their customers, staff and visitors to the city. Residents stressed the importance of the quality of their surroundings – their housing, nearby green spaces and local amenities – to their quality of life.

A recent New Local Government Network workshop looking at the issue of productive growth concluded that "there is a danger that features of the wider environment, which in turn affect productivity, can be overlooked".<sup>10</sup> The quality of the environment and liveability are also major factors for attracting and retaining talent and investment.

Local developers, housing providers and the Council need to work together to develop new and innovative investment and maintenance programmes to ensure that our neighbourhoods remain places that people want to live and work in. Businesses also need to take responsibility for their surrounding environment. A robust evidence base is needed to demonstrate the benefits of green and blue infrastructure through programmes such as the EU Horizon 2020 funded Grow Green project. New parks, such as Brunswick Park in The University of Manchester's campus, and planned new parks in West Gorton and a riverside park along the Medlock in Mayfield, are all major opportunities.

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10 New Local Government Network, Productive Growth, January 2019

**“Manchester should embed ambitious action on the environment at the heart of the Local Industrial Strategy, on the basis of the economic and social benefits that can be achieved for local people and businesses.”**

Consultation response from organisation

CASE STUDY:  
ONE MANCHESTER –  
REGISTERED PROVIDER

At One Manchester, we deliver our mission of creating opportunities, transforming communities and changing lives through a place-based approach. We have led on the development of a Place-Based Giving Scheme, transforming funding in East Manchester and improving the co-ordination, community engagement and efficacy of place-based funding. In 2017, we introduced our Catalyst Fund, which offers potential or existing local businesses small grants of up to £5,000. In October 2018, we launched an innovation competition for East Manchester community businesses to develop proposals presenting opportunities for local economic growth and employment. We are now investing in the growth of two locally based social enterprises, developing a wood and textile recycling business.

It is important to us as an organisation to put our social investment values into practice. During procurement we weigh social value at 20 per cent, and proactively seek opportunities to engage with suppliers operating within the local area to support local businesses and jobs. These activities help create and sustain local employment opportunities, create new business, and grow the social economy. We shape the future vision for these places through our place plans to inform future developments and social investment.

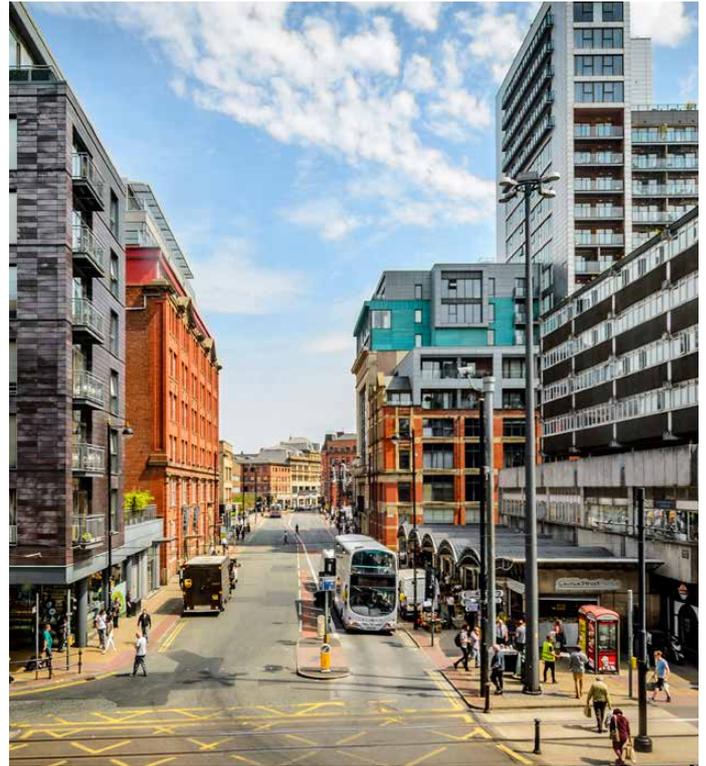
A RECENT RECYCLING SCHEME  
ONE MANCHESTER HAVE SUPPORTED  
WITH EMERGE RECYCLING



## PLACE — STRATEGIC INITIATIVES

To help create a more inclusive economy, Manchester will:

- » Ensure that future development in Manchester's centres supports our growth sectors whilst also delivering housing targets
- » Continue to push for bus reform, particularly in North Manchester and areas of the city without easy access to Metrolink
- » Continue to push for, create and support digital infrastructure, including investment in full fibre to premises and 5G
- » Create a framework for new development to ensure all major projects become inclusive exemplars economically, socially and environmentally
- » Develop and support innovative investment in environmental programmes, such as domestic retrofit.



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## PILLAR 3 – PROSPERITY

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### AN IMPROVED FOUNDATIONAL ECONOMY

The foundational economy tends to be described as not easily tradeable or exportable, and not high-tech or research and development intense. It is found in all places, and the challenges of pay and productivity tend to apply across all areas of the UK.

There are a number of different definitions but the one that is most commonly used is from the CRESC Manifesto for the Foundational Economy: “What we will call the foundational economy is that part of the economy that creates and distributes goods and services consumed by all (regardless of income and status) because they support everyday life”.<sup>11</sup>

The Manifesto goes on to list the following sectors as constituting the foundational economy:

- » the utilities, including piped or cabled services, such as energy, water and sewerage
- » retail banking; food and petrol retailing; food processing
- » networks and services, such as rail or bus for transport and distribution of people and goods
- » telecommunications networks
- » health, education and welfare/social care.

Although exact employment numbers in Manchester are difficult to accurately measure, approximately half of all jobs are likely to be in the foundational economy.<sup>12</sup> The recent Greater Manchester Independent Prosperity Review noted that the sectors with the lowest productivity in Greater Manchester are hospitality, tourism and sport (£22,800 GVA per employment), retail (£27,200) and health and social care (£28,000).<sup>13</sup>

Improving pay and conditions in these sectors is challenging, but there are opportunities to rethink the business models in some sectors that receive large volumes of public funding, such as health and social care. For example, we have asked homecare providers to pay the Manchester Living Wage for every hour of care delivered, which should include the time it takes to travel between visits, ensuring that workers are paid fairly and outcomes improve. The levers of current devolution deals should be used to their full potential to ensure that employment improvements are realised for workers in these industries, and this best practice should act as a positive influence on other sectors in the city. Future devolution must be ambitious in considering how to strengthen the offer of the foundational economy in the public sector.

There are also tensions within some of the city’s growth sectors. For instance, hospitality is a major employer with significant growth (13 new developments in the city centre alone since 2015 supporting new jobs), but many of these new jobs are relatively low paid. Technology is likely to have an impact on employment in some sectors, such as retail. Although some high street retailers have struggled, the recent growth in online retail in the city has been significant. Retail supports a large number of jobs across the city, and the shift to automation will result in the need to rethink the role of employees in settings such as supermarkets. With this, there are opportunities to grow independent retail and food and beverage businesses.

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11 CRESC, Manifesto for the Foundational Economy, 2013

12 ONS, Business Register and Employment Survey, 2017

13 Greater Manchester Independent Prosperity Review, Reviewers’ Report, 2019

**“They need to look after their employees. They need to support their growth, development and wellbeing. They also need to engage with the local community and other businesses.”**

Consultation response from employee

## AN INTERNATIONAL HUB FOR CREATIVE INDUSTRIES

Although this Strategy takes a 'horizontal approach' rather than focusing on specific sectors, there is an obvious opportunity to capitalise on the city's strengths within the creative industries. Manchester is already known for its music, television and digital content, but investments in the Factory at St John's, the School of Digital Arts at Manchester Metropolitan University, and the new Manchester College campus provide a major opportunity for the city to become a major international player in the creative industries. Manchester also has a vibrant grassroots cultural scene; continued support of this is required to ensure the sector continues to deliver its positive economic and social impact.

Culture, media and sports was the most referenced sector by young people during the engagement exercise when they were asked to name their dream job and to name the available jobs in the city. In order to capitalise on this level of interest, the Manchester International Festival has worked with other cultural organisations in the city to launch the Greater Manchester Cultural Skill Consortium to create opportunities for people to develop skills in the arts and culture sector and to help improve diversity. The Factory Academy is the operational training model that will deliver the aspirations of the Consortium by forming partnerships with existing training providers to test the model, and run apprenticeship and pre-employment programmes. Further work with creative industries employers within Greater Manchester will examine potential funding opportunities to continue to grow our creative sector, particularly in TV, film and drama content production.



**“DYNAMIC, CREATIVE,  
DIVERSE, FULL OF  
TALENT WITH A DIY AND  
COLLABORATIVE SPIRIT.”**

Consultation response from business

## CASE STUDY: REASON DIGITAL

Reason Digital is a social enterprise that changes lives for the better by using technology as a means to combat major societal issues such as food poverty, disease and loneliness. Founded in 2008, we now employ around 50 people and are based in the heart of Manchester's Northern Quarter.

We partner with charities, individuals and corporate social responsibility (CSR) leaders to create award-winning digital innovation. As a social enterprise, any profits we generate are reinvested into socially focused projects that bring about positive changes. Two examples of these projects are:

1. Charity Health Assistant Partnership – formed between Reason Digital and four charities. We use artificial intelligence to build more efficient, tailored support and guidance for people who have been diagnosed with serious health conditions such as Parkinson's disease or multiple sclerosis.
2. Impact Reporting – now its own business, Impact is a cloud-based CSR reporting tool that empowers organisations to monitor their CSR performance just as easily as their financial performance.

As an organisation that's proudly Mancunian, we try to give back. We work hard to support the local community around us in unique and innovative ways. For example, during Christmas 2017 we built a Christmas 'Stall for All' in the Northern Quarter, which raised over £4,000 for homeless people in Manchester.

People are our passion. We are working towards improving diversity in our team and in the sector in general with the implementation of a Women's Leadership Group and transparent publication of our gender pay gap analysis. We engage with local educational and community initiatives, and are currently working with InnovateHer to help encourage young girls from local schools to embrace the tech sector by providing them with strong female role models, mentoring and field trips to the office to give more insight into tech for good.



EMPLOYEES AT REASON  
DIGITAL'S NORTHERN  
QUARTER OFFICE

## AN INNOVATIVE AND ENTREPRENEURIAL CITY

Manchester has a strong history of innovation. From being the home of the Industrial Revolution to developing the world's first program-stored computer; from the birth of the co-operative movement to the discovery of graphene at The University of Manchester, Manchester has always been a 'city of firsts'. It remains an innovative and entrepreneurial city, with a leading reputation for enterprise. Despite the uncertain national economic outlook, the number of active enterprises in Manchester has continued to increase, rising to 23,845 in 2018.<sup>14</sup> This increase is in part driven by a culture of business start-ups, which are attracted to Manchester due to the city's talent pool and competitive rates compared to London.

Manchester has a wide-ranging business support offer, including the Business Growth Hub, which provides a fully funded offer to encourage businesses to start up and grow across Greater Manchester. During 2018/19, a total of 343 12-hour support slots were delivered to Manchester-based enterprises or start-ups by the Hub. The Council also delivered the 12 month Big Ideas Generators project, which delivered one-to-one business information sessions at libraries, with the aim of supporting those who are unrepresented in the business arena. During the project, more than 3,000 places were taken up at over 400 events and activities, where 57 per cent of participants were women and 28 per cent were from ethnic minority backgrounds. Independent evaluation of the project shows that for every £1 invested, there was a GVA productivity uplift of £4.58 to the Greater Manchester economy.

We need to continue to ensure that our residents can turn their entrepreneurial ideas into innovative business successes to drive Manchester's inclusive economy. As well as continuing a strong business support offer via the Business Growth Hub, it is necessary to ensure that there is a range of affordable commercial premises throughout the city and in our district centres available to the city's entrepreneurs, and a strong skills talent pipeline to develop these ideas. This includes leadership and management skills to ensure the sustained success and growth of businesses. Alternative finance and investment solutions – such as the Local Growth Fund and the Evergreen Fund – need to be considered so that funding opportunities are available to fill the gaps that traditional bank loans cannot provide. In addition, Manchester needs to encourage the commercialisation of our universities' research and development, which requires support on intellectual property, financing and licensing.

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<sup>14</sup> ONS, UK Business activity, size and location, 2018

CASE STUDY:  
CARDINAL  
MARITIME GROUP

The Cardinal Maritime Group is a global logistics provider which has its head office firmly rooted in Wythenshawe. Our business is perceived to be one of the leading lights in the logistics sector and is expected to generate revenues of £120million in 2019, up from £97.5million in 2018. We operate across three sites in Wythenshawe and employ 30 per cent of our workforce from within two miles of our head-office address. Our business enjoys the very highest levels of staff retention which, we believe, in addition to our strong sense of culture, is directly attributable to our recruitment strategy, which is focused on the local secondary

schools and four sixth-form colleges. For the past five years, working alongside Businesses Working With Wythenshawe (BW3) and particularly the Manchester Enterprise Academy, Cardinal has recruited a steady flow of apprentices and is committed to a programme of talent spotting within the region. The CEO, Brian Hay, who himself grew up in Wythenshawe, is an active member of BW3 and currently sits on the committee. Brian's time on the committee is focused on improving the lives of local residents, raising aspirations and directly influencing the delivery of vocational training within our schools and colleges.



CARDINAL MARITIME'S  
WYTHENSHAWE  
LOGISTICS HUB

## REIMAGINED, REPURPOSED AND RETROFITTED COMMERCIAL PREMISES

The continued growth and expansion of the city centre has created rising land values, which have helped to stimulate the redevelopment of older buildings on the fringes of the city centre that were previously not economically viable. This has placed accommodation pressures on a range of businesses and organisations that have traditionally relied on lower quality buildings with cheaper rents and overheads.

The city already has a strong track record when it comes to converting older buildings into more productive uses, and a history of taking bold demand-led approaches to vacant buildings. Examples include the Sharp Project and Space Studios, which utilised empty industrial buildings for uses that capitalised on emerging strengths within creative and digital industries, and TV and film production. Federation House has successfully repurposed an existing heritage building to provide flexible workspace in a good working environment, two qualities that are increasingly becoming the focus of driving commercial demand.

Upscaling this proactive approach has the potential to deliver a range of benefits to different areas of the city, many of which are in need of economic stimulus. Repurposing vacant or underutilised buildings is more environmentally sustainable than new build and can offer opportunities for retrofit to meet the city's zero carbon ambitions, while also reducing the cost of utilities for occupiers. Cheaper and flexible workspaces or incubators can encourage entrepreneurship and innovation in different neighbourhoods and can also offer alternative uses for buildings in district centres. Coupled with improved transport and digital infrastructure, this will bring more opportunities for the growth and expansion of businesses into district centres.

Repurposing under-utilised buildings generates economic output for local areas with the opportunity for organisations and businesses to progress to larger premises as they grow. Rethinking the city's existing buildings is an essential part of the Strategy and needs to run alongside the substantial investment in new commercial buildings in key areas of the city.

**“Businesses need the right mix of accommodation to support their growth. For example: co-working space, incubators, digital and technology centres, wet lab space, grow-on space etc.”**

Consultation response from business

## CASE STUDY: HMG PAINTS

HMG Paints is an established family run business that has been based in Collyhurst since 1930. We are the UK's largest and leading independent paint manufacturer but we definitely have a passion to invest even further in the company. We employ 200 staff who are mostly from the local area and they are as important to us as the company is to them. Our staff are always willing to evolve and change. There is often talk of young people not being work ready and of skills shortages, but we believe that this is often more of a case of softer skills and behavioural issues and as such, transitional work readiness is an area we are very passionate about. We see ourselves as a great and sustainable business operating with honesty and integrity. It's a simple philosophy of just trying to be a good neighbour! We have undertaken a lot of work in and around the local community as our way of giving something back.





HMG PAINT EMPLOYEES  
AT THE COMPANY'S COLLYHURST  
MANUFACTURING SITE

“GET MORE CORPORATE  
AND GOVERNMENT RUN  
BUSINESSES USING  
LOCAL SMES.”

Consultation response from employer

## COMMUNITY WEALTH BUILDING

Manchester City Council has worked with the Centre for Local Economic Strategies (CLES) since 2008 to develop a more progressive approach to procurement, which includes social value, local supply chains and more ethical procurement and commissioning. The most recent analysis of the Council’s top 300 suppliers by value of spend found that £307million out of a total spend of £430.7million was spent with Manchester-based suppliers, a proportionate rise of over 20 percentage points since work began in 2008/09.<sup>15</sup> Analysis of the Council’s expenditure demonstrates the positive impact on local job creation, apprenticeships and SMEs, all of which benefit Manchester residents via employment and training opportunities, and support to the city’s voluntary and community sector, creating a more inclusive local economy.

Organisations in Manchester need to view their procurement and commissioning activities as part of the drive to create more wealth in local communities. This is a part of the broader approach to social value and can bring about real change for smaller businesses and residents. Larger anchor institutions in the city, especially those that are publicly funded, need to consider their policies and whether they can do more. Many sectors are now working together to consider their collective impact, with the most recent Cultural Impact Survey covering 37 organisations – including all the city’s major cultural institutions. Their collective activity during 2017/18 generated an estimated £137.2million in GVA for the city, employed Manchester residents as just under half of their workforce (43 per cent), and engaged a total of 4,410 volunteers who collectively volunteered 219,706 hours at a value of £3.2million.

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<sup>15</sup> CLES, Power of Procurement, 2018

CASE STUDY:  
MANCHESTER CITY  
COUNCIL PROGRESSIVE  
PROCUREMENT

Manchester City Council introduced its Sustainable Procurement Policy in 2008 with the aim of maximising the social, economic and environmental benefits to the city's local communities from our significant spend with external suppliers and contractors. We also engaged CLES to undertake annual reviews of its impact with our top 300 suppliers and contractors. The CLES research was the first of its kind in the UK and is based on detailed surveys and sample interviews with our top 300 suppliers and contractors.

The 'Power of Procurement II: The Policy and Practice of Manchester City Council – 10 Years On' report in 2017 summarised the impact of this work. The amount respent back in the Manchester economy has increased from 25p in every pound to 43p in every pound. We now apply a 20 per cent social value weighting to all tenders and have developed a procurement and commissioning toolkit for our suppliers and our commissioning staff. Social value is also being driven through our strategic investments and projects, including Our Town Hall, Highways Investment Programme, and the Factory.

We held our third annual social value event in February 2019 to promote social value and to report survey figures back to contributing suppliers, including SMEs.



NORTH MANCHESTER  
BUSINESS NETWORK MEETING  
AT ARBETA, A CREATIVE AND  
TECH SPACE IN CENTRAL PARK

## PROSPERITY – STRATEGIC INITIATIVES

To help create a more inclusive economy, Manchester will:

- » Work with anchor institutions to look at how to improve Manchester's foundational economy, both in terms of direct employment, and procurement and commissioning, including promoting the real Living Wage
- » Capitalise on the Factory development to provide creative skills and training for Manchester's young people
- » Continue to work with partners, such as the Business Growth Hub, to increase the number of business start-ups from a diverse range of backgrounds
- » Develop a programme of work on future investment models to establish how to ensure the greatest impact from them in relation to supporting our economic, social and environmental aims, including examining targeted investments that will generate benchmark return
- » Work with anchor institutions to look at how to increase and improve community wealth building.

## 5 IMPLEMENTATION AND MONITORING

Many of the strategic priorities within this Strategy are not new, and delivering them will require a continuation of longstanding work with an emphasis on scaling up the inclusive ambition and investment. Other priorities require a new or more innovative approach to delivery, which requires key stakeholders to consider how they can deliver more inclusive outcomes.

The delivery plan below identifies the necessary areas of focus for some of the specific programmes of work or interventions that will be driven by the Our Manchester Industrial Strategy. The evidence-based initiatives build on good work already happening in Manchester but increase its pace and scale to ensure progress is made in creating a more inclusive economy. The delivery plan details the expected outcomes of these initiatives and shows how their delivery aligns with the implementation of the Greater Manchester Local Industrial Strategy. Manchester will continue to work in cooperation with the other nine Greater Manchester local authorities and the Greater Manchester Combined Authority to deliver the city region's ambition.

Creating a more inclusive economy will require partners across the city to work together united by the same vision. As such, as well as overseeing the development of programmes of work, partnership boards will play a role in the governance of their implementation. There is also a need for this work to influence beyond the city's formal structures so that considering increasing economic, social and environmental justice becomes the norm across Manchester's organisations.



Progress and outputs from this delivery plan will be reported alongside key citywide data, which will be used to measure the inclusivity of Manchester's economy. Existing economic indicators – typically traditional income measures – will be considered and revised where necessary to ensure they reflect inclusivity. We will also look to develop a Manchester 'basket of economic and social metrics' to chart the city's impact in creating a more inclusive economy. This goes beyond economic prosperity to consider overall wellbeing from childhood to later life, allowing residents to reach their potential at all life stages.

## OUR MANCHESTER INDUSTRIAL STRATEGY – DELIVERY PLAN

The delivery plan is organised around the three pillars of the Strategy:

### 1. PEOPLE

### 2. PLACE

### 3. PROSPERITY

The purpose of the Strategy is to:

- » put people at the centre of growth, creating a more inclusive economy in the city
- » align with the Greater Manchester Local Industrial Strategy (GM LIS) and the national Industrial Strategy, expressing our position and responsibilities to promote and drive inclusive growth in the conurbation core
- » support existing and future sectors, but crucially also ensure collective effort to support more residents into better quality jobs.



This delivery plan contains a small number of evidence-based initiatives to make Manchester's economy more inclusive, scaling up and adding value to existing programmes of work. The initiatives that have been identified align with the feedback collected from the engagement activity undertaken in an Our Manchester way with residents, businesses and young people in late 2018. As well as stating why the initiatives are needed to achieve the aims of the Strategy, the delivery plan also shows how they link to the Greater Manchester Local Industrial Strategy. Further work will be undertaken with partners to fully scope out the initiatives.

PILLAR: PEOPLE				
Theme	Initiative	Why it is needed	Link to GM LIS	Leads
Equipping people with the skills to prosper	Work with businesses and skills providers to ensure the development of a digital skills pipeline that addresses the industry's needs	To ensure residents have the digital skills they need to access job opportunities in the city, and to allow our growth sectors to increase productivity	GM LIS has a strategic priority of underpinning cross sectoral growth by developing a digital skills pipeline	Work and Skills Board Digital Skills Network
Equipping people with the skills to prosper	Build on the Skills for Life work to ensure the development of softer skills and aspiration in all Manchester's young people by connecting them to civic and cultural opportunities in the city	To ensure that our younger residents have the opportunity to develop the softer skills needed to partake in the city's labour market	GM LIS includes the aim to make sure all young people are work and life ready	Schools liaison mechanisms Work and Skills Board
Equipping people with the skills to prosper	Develop a specific programme for growing green tech and service jobs, and the skills needed to access roles in these sectors	To capitalise on the employment and growth opportunities that responding to climate change will present	GM LIS has clean growth as one of the city region's strengths and opportunities to build on	Work and Skills Board Manchester Climate Change Board
Equipping people with the skills to prosper	Support volunteering initiatives where residents give their time to volunteer on tasks identified by other residents, organisations or businesses that will make a positive impact	Both initiatives enable residents to develop skills by volunteering whilst also addressing the needs of others in the city	GM LIS has ambition to improve skills and employment for the city region's residents	Our Manchester Investment Board
Connecting people to good employment through social value	Ensure that the opportunities of social value are utilised to support Manchester residents with additional needs who may face barriers to employment	To enable all of our residents to participate in and benefit from the city's economy	GM looking to update social value procurement policy in light of GM LIS	Social Value Governance Board Our Manchester Business Forum
A healthy and productive workforce	Use the opportunity that the redevelopment of North Manchester General Hospital will present to target some of the challenges North Manchester faces, improving the health outcomes of residents, and the productivity and sustainability of the area	To address poor health which, particularly in North Manchester, is a constraint on productivity and prevents residents being economically active	GM LIS has health innovation as one of the city region's strengths and opportunities to build on	North Manchester General Hospital Partnership Steering Group

PILLAR: PLACE				
Theme	Initiative	Why it is needed	Link to GM LIS	Leads
A city of thriving centres	Ensure that future development in Manchester's centres supports our growth sectors whilst also delivering housing targets	To ensure that Manchester's economy continues to grow and attracts investment, whilst providing much needed housing for our growing population	GM LIS acknowledges that the success of the city centre is crucial to the productivity of the wider city region	District Centres Sub-Group
Transport infrastructure to connect people and places	Continue to push for bus reform, particularly in North Manchester and areas of the city without easy access to Metrolink	To ensure that people can access a range of employment opportunities across the city in an affordable manner, eg. residents in North Manchester who may be unable to access jobs at Manchester Airport if they rely on public transport due to the timings of shift work versus bus timetables	GM LIS has a strategic priority of short term action to improve transport system performance through bus reform, including the recent announcement of Our Pass	TfGM liaison mechanisms
Competitive and resilient digital infrastructure	Continue to push for, create and support digital infrastructure, including investment in full fibre to premises and 5G	To create conditions that will attract and retain businesses; to allow residents to be able to actively participate in the digital economy	GM LIS aims to meet national targets of nationwide full fibre coverage by 2033 and roll-out of 5G technologies for the majority by 2027	GM Digital Steering Group
New developments as inclusive and zero carbon exemplars	Create a framework for new development to ensure all major projects become inclusive exemplars economically, socially and environmentally	To ensure sufficient capacity to allow the maximum social, economic and environmental benefit to be derived	GM LIS commits to taking an integrated place-based approach to strategic regeneration proposals	Development sector liaison mechanisms Manchester Climate Change Board
Innovative investment models to improve the environment	Develop and support innovative investment in environmental programmes, such as domestic retrofit	To achieve our 2038 zero carbon goal and to ensure Manchester remains a place people want to live, work and study	GM LIS acknowledges the need to deliver environmental improvements to achieve the 2038 zero carbon target	Manchester Climate Change Board

<b>PILLAR: PROSPERITY</b>				
<b>Theme</b>	<b>Initiative</b>	<b>Why it is needed</b>	<b>Link to GM LIS</b>	<b>Leads</b>
<b>An improved foundational economy</b>	Work with anchor institutions to look at how to improve Manchester's foundational economy, both in terms of direct employment, and procurement and commissioning, including promoting the real Living Wage	As a high proportion of our residents work in the foundation economy, any progress will have a large positive impact; the Council should also lead by example	GM LIS references the Greater Manchester Good Employment Charter and the economic challenges presented by a large foundational economy	Family Poverty Core Group  Anchor Institution members
<b>An international hub for creative industries</b>	Capitalise on the Factory development to provide creative skills and training for Manchester's young people	To ensure our young people can access the employment opportunities within the creative sector and to allow the sector to continue to grow	GM LIS has digital, creative and media as one of the city region's strengths and opportunities to build on	Cultural Leaders Group
<b>An innovative and entrepreneurial city</b>	Continue to work with partners, such as the Business Growth Hub, to increase the number of business start-ups from a diverse range of backgrounds	To ensure that all residents can turn their entrepreneurial ideas into reality so that Manchester remains a city of innovation	GM LIS has 'sustain and develop the strong business support infrastructure based around the Business Growth Hub' as one of its priorities for Business Environment	Work and Skills Board
<b>Reimagined, repurposed and retrofitted commercial premises</b>	Develop a programme of work on future investment models to establish how to ensure the greatest impact from them in relation to supporting our economic, social and environmental aims, including examining targeted investments that will generate benchmark return	To ensure our buildings are able to be used for our growth sectors to drive productivity; also to consider the demand-led transition to zero carbon by 2038	GM LIS has carbon-neutral retrofit and new build for residents and industries as one of the projects on its mission roadmap for becoming a net zero carbon region by 2038	Manchester Climate Change Board
<b>Community wealth building</b>	Work with anchor institutions to look at how to increase and improve community wealth building	To increase local spend and provide opportunities for local residents, communities and organisations	GM LIS acknowledges the city region's strong history in business model innovation	Our Manchester Business Forum  Anchor institution members

**PILLAR: ALL**

Theme	Initiative	Why it is needed	Link to GM LIS	Leads
Developing a more inclusive economy	Develop social and economic metrics for measuring the inclusivity of Manchester's economy	Traditional income measures do not capture all of the dimensions that affect the development of a more inclusive economy	The evidence in the Greater Manchester Independent Prosperity Review shows how social factors of health and skills are constraining the city region's productivity	Performance, Research & Intelligence and City Policy services

