Greater Manchester Labour Market and Skills Review 2017/18

MAY 2018

GMCA BOLTON BURY MANCHESTER OLDHAM ROCHDALE SALFORD STOCKPORT TAMESIDE TRAFFORD WIGAN

Contents

Purpose of the review

- This document presents a comprehensive review of the work and skills landscape across Greater Manchester (GM).
- It analyses the latest data on labour market change, skills demand and skills supply in GM and its ten Local Authorities, comparing this with broader regional and national trends where possible, to set findings in context.
- The review seeks to provide an evidence base to inform the approaches of the Greater Manchester family of organisations towards work and skills issues in the context of delivering the Greater Manchester Strategy (GMS) 'Our People, Our Place' and the production of the GM Local Industrial Strategy.
- The review is also intended to inform the upcoming 'State of GM' report.
- The report provides a high level overview of the some of the latest policy responses to work and skills challenges in the conurbation, as set out in the GMS Implementation Plan.
- This document is broadly comparable to previous versions of the GM Skills Analysis produced by New Economy on an annual basis since 2014/2015, enabling progress tracking against a range of skills priorities.

Structure of the review

- An Executive Summary at the top of the document provides a succinct overview of the key points highlighted in the review. This is followed by an overview of some of the headline national work and skills policies for context.
- The main body of the review begins with an overview of recent labour market trends in GM to set the scene and provide context for the subsequent three sections, which present analysis of the latest data on key issues relevant to the three GMS priorities most directly linked to work and skills, namely:
  - GMS Priority 1: Children starting school ready to learn
  - GMS Priority 2: Young people equipped for life
  - GMS Priority 3: Good jobs, with opportunities for people to progress and develop
- A summary slide at the beginning of each section draws out the key findings, implications and policy approaches.
- Data on Further Education and apprenticeships is presented separately for young people aged 16-24 (in section relating to GMS Priority 2 – Young People) and adults aged 25+ (section relating to GMS Priority 3 – Good Jobs).
- For easier navigation around the document, please refer to the Contents page in the preceding slide.

Executive Summary

GM Labour Market

- GM is currently experiencing decade high levels of employment, with unemployment dropping to pre-recession levels, although there remain small but apparently growing gaps in employment/unemployment rates between GM and the UK. The gaps between GM's performance and the national average on many work and skills indicators are a reflection of the relatively high level of deprivation in GM compared to the rest of the country – GM was the third most deprived LEP area in England according to the 2015 Index of Multiple Deprivation.
- The number of out-of-work benefit claimants in GM has reduced drastically, with nearly 100,000 fewer claimants than a decade ago. However, with a raft of changes in the welfare system over this period it is difficult to tell with certainty the extent to which this is due to fewer people being in need of out-of-work benefits, as opposed to the welfare system becoming less accessible. With continued roll-out of the Universal Credit, more people will be required to look for work compared to previous systems, meaning claimant numbers will rise.
- Employment trends post-recession have been geared towards self-employment, part-time work and temporary work, with these types of work accounting for 90% of the new jobs created in GM since 2007 (equal to over 95,000 jobs). It is estimated that currently around a fifth of GM workforce are in 'atypical' forms of work, however GM does not appear to be significantly more affected than other areas, and there is some evidence to suggest that the prevalence of some of the more 'extreme' forms of atypical work, such as zero hours contracts, may be reducing.
- GM's broad and diverse labour market has seen solid growth in employment in recent years across a range of sectors, particularly in large sectors such as Business, Financial and Professional services (BFPS), Health & Social Care, and Retail. These sectors are also forecast to see strong employment growth in the future, as are Construction, Hospitality and Tourism, and Digital & Creative industries.
- However, comparatively low productivity continues to be an issue for GM labour market, with average GVA per job in GM only 88% of the UK average. The employment share of low productivity sectors in GM (including Social Care, Hospitality and others) has been increasing in GM over the last decade, while, equally importantly, some of the biggest productivity gaps with the UK average are in more productive sectors such as BFPS and Digital & Creative industries.
- Employment in GM is typically lower skilled than the UK average, and although employment in higher skilled occupations in GM has grown, GM has also seen growth above the UK average in mid- to low-skilled occupations such as caring, leisure, and elementary occupations.
- Trends in advertised vacancies in GM suggest increasing demand for talent in professional and associate professional occupations, although sales, administration and caring/personal service occupations – being lower paid and more prone to automation - continue to account for a significant proportion of vacancies.
- Overall, GM's outwardly positive labour market story on job growth and broadly based development in service sectors, sits alongside growing awareness of the difficulties of low job quality and stagnant wage growth, likely linked to the on-going expansion of work in low productivity sectors. GM's Good Employers' Charter, and programmes aimed at upskilling people to move into work, are the main policy interventions designed to address these issues.

Executive Summary

GMS Priority 1: Early Years

- On average, children in GM are less likely than the England average to have reached a good level of development (GLD) by the end of reception (seen as an indicator of school readiness), with a persistent gap since 2012/13, although the gap has slightly narrowed by 2016/17.
- The proportion of children achieving a good level of development varies considerably between GM districts and is affected by deprivation levels. Nationally, more deprived areas typically have lower GLD attainment – although some London authorities buck this trend.
- GM policy on early years involves a multi-strand programme of reforms covering young peoples' workforce, system leadership and ante-natal support covered in the document 'Improving Early Years and School Readiness in Greater Manchester'.

GMS Priority 2: Young People

- School attainment at a GM level was slightly behind the England average at three of the main assessment points during education: early years (end of reception class), KS4 (GCSE level) and KS5 (A Level) based on data from 2016/17. School attainment in GM has historically lagged the England average by a small margin, although a more significant issue are the large disparities in educational performance between schools in different GM districts. Average attainment tends to be lower in areas with higher levels of deprivation and disadvantage.
- The disadvantage gap in attainment is significant due to the number of pupils it affects in GM (over one in three at KS4) and the difference in attainment (one and a quarter of a grade).
- A slightly higher proportion of schools in GM are rated 'inadequate' or 'requires improvement' by Ofsted than the England average, with secondary schools more likely to be rated as 'inadequate' or 'requires improvement' than primary schools or early years settings.
- Following secondary school, the vast majority of 16 year olds in GM (92%) go on to further education, training or employment (with 88% continuing their education) while 7% do not progress to any sustained activity. This compares somewhat less well to the England average.
- 3.4% of 16-17 year olds in GM were not in education, employment or training (NEET) at the end of 2017, while the status of a further 2.9% of the cohort was not known. While the proportion of NEETs has remained relatively unchanged on the previous year in most parts of GM, the proportion of those not known has fallen, particularly in some local authorities, suggesting that tracking has improved.
- Apprenticeship starts for 16-24 year olds in 2016/17 fell by 9% on the previous year – a dip likely to be linked to the introduction of the Apprenticeship Levy, as numbers of starts have also fallen nationally. Although most SMEs will not be eligible to pay the Levy, they may have been put off from taking on any new apprentices until the recent apprenticeship reforms have bedded in and settled. Therefore, the wider uncertainty around the reforms is likely to be a bigger factor explaining the fall than a direct impact on the employers paying the Levy. There is also evidence to suggest that employers are increasingly investing in higher level (and costlier) apprenticeships, which may have meant taking on fewer apprentices.

Executive Summary

GMS Priority 2: Young People (ctd.)

- Construction is the only subject area where apprenticeship starts have grown across all age groups. This may be due to additional need for skills due to growth in commercial and residential development and large capital infrastructure projects in the pipeline such as HS2.
- Starts in further education and training were also down among young people. However, the fall in course starts does not necessarily imply a fall in learners. In 2016/17 there were 176,500 course starts among 16-18 year olds and 37,700 starts among 19-24 year olds.
- Level 3 (KS5) attainment in GM is broadly in line with the England average, although differences persist between GM districts, with Trafford and Wigan pulling up the average. The disadvantage gap in attainment is still clearly evident at L3, with disadvantaged pupils much less likely to achieve a L3 qualification by age 19 than non-disadvantaged. While this gap has reduced somewhat over the last decade in London and England as a whole, in GM it has slightly widened.
- More than half of KS5 leavers in GM go on to study at university, while one fifth go into employment, and 8% take up apprenticeships.
- Over 100,000 students were enrolled at GM HEIs (including RNCM), while around 33,000 students achieved a HE qualification in 2016/17. Business, subjects allied to medicine, and engineering & technology remain most popular subjects at GM HEIs. Around 40% of qualifiers from GM HEIs are working in GM 6 months after graduation (45% at Salford and Bolton unis). While the average graduate retention rate has remained relatively unchanged in recent years, there has been some improvement in the retention of students who were not previously resident in the conurbation. The retention of STEM graduates has remained at a similar level, with a small increase in retention of maths and biological sciences graduates.
- The Implementation Plan for the GMS Strategy commits the city region to a diverse range of policies, programmes and reforms designed to improve the education and life chances of young people. These include:
    - developing and implementing a ‘GM model for school improvement’, including raising attainment of English, maths and in digital competence;
    - developing and embedding a ‘Curriculum for Life’ from primary education to post-16;
    - developing and implementing a Young Person’s Careers Portal and expanding the roll-out of Bridge GM (a programme that links local employers and schools).
    - increasing the capacity and quality of technical education and apprenticeships;
    - improving NEET monitoring and prevention;
    - and developing targeted support for young people with complex needs.

Executive Summary

GMS Priority 3: Good Jobs

- The qualification profile of GM's working age population continues to improve, with 35.0% qualified to degree level or higher in 2017, although GM continues to lag the UK average, and there are large variations in qualification profile between GM districts.
- Apprenticeship take-up for adults has remained relatively stable over the last few years. Health and social care and business admin are the most popular areas for adult apprenticeships, while construction and digital & creative are also seeing positive growth. However, the majority of provision is still concentrated at Levels 2 and 3. Adult further education take-up has grown a little on the previous year, although it's below the level seen in 2014/15. The number of starts on courses related to BFPS, construction and logistics has grown, although digital & creative courses have seen a big fall. Participation in community learning courses has also fallen in the last couple of years.
- Average earnings in GM are yet to recover from the recession. Median pay in GM (adjusted for inflation) was over £1,500 a year less in 2017 compared to 2008. The gap in median pay between GM and the UK has generally grown since the recession and stood at £1,400 per year in 2017. The GM-UK pay gap is largest at the upper end of the earnings distribution (12% gap for the top 10% highest earners in GM).
- About 10% of GM employees earned wages at the level of the legal pay floor in 2017 (the National Living Wage, currently £7.50/h for those aged 25+), about the same as in the previous year. 21.8% of employees in GM earned wages below the level of the 'real' or 'voluntary' living wage (£8.75 outside London), representing a fall on the previous years, although the data is provisional and may be revised.
- The gender pay gap in GM was 4% for full-time employees and 11.8% for all employees in 2017 – both below the UK average, which is primarily due to fewer people (especially men) earning high wages, and a higher concentration of people at the lower end of pay spectrum.
- Illness and poor health significantly impact people's ability to lead a fulfilling working life. GM residents' ability to work is more affected by poor health than the England average, measured by the incidence of fit notes issued per 100,000 GP practice population. Mental health issues are by far the most common reason for fit notes being issued, followed by diseases of the musculoskeletal system.
- Findings from the national Employer Skills Survey and Employer Perspectives Survey suggest that GM employers are comparatively highly satisfied with skills supply (with a lower than average density of skills shortage vacancies and skills gaps) as well as skills utilisation (with a lower than average prevalence of over-qualification), although this is based on the employers' point of view, which may be subjective.
- Employer investment in workforce training is relatively low in the North West. On average, North West employers spend £250 less on training per employee per year compared to the UK average, and £700 less than employers in London and the South East.
- An important contribution to supporting better work will be the introduction of the GM Good Employers' Charter. Other policy interventions include skills-related programmes helping people access work and improve their skills once they have a job to progress to better paid work. However, further policy development may be needed to encourage better work in GM given evidence of how many new jobs are 'atypical' (part-time, self-employed and temporary).

Policy Context

Early Years

- All three and four year olds in Britain are entitled to 15 hours free childcare a week. People in work are entitled to 30 hours a week. Families who meet the criteria for free school meals – essentially those on low incomes and looked-after children - are also entitled to childcare for two year olds. Policy has been directed to increasing the number of places available and also ensuring greater rigour in the early years teaching workforce.

Young People

- **Study Programmes**: All students in full or part-time Further Education aged 16 to 19 are expected to follow a study programme, ensuring continuation in some form of learning carries on until at least the age of 18.
- **Apprenticeship Levy**: Government policy remains to expand apprenticeship volumes to three million starts a year by 2020. From 7 April 2017 employers with a pay bill above £3million were liable to pay a levy of 0.5% on their total pay bill, which can be claimed back in apprenticeship pay. Smaller employers do not have to pay the levy but can access some of the funds. The introduction of the levy is widely believed to have led to a drop in apprentice numbers. The data contained in this report includes data to the end of the 2016/17 academic year (i.e. July 2017); thus, four months are directly impacted affected by the levy.
- **GCSEs**: New accountability measures, known as Attainment 8 and Progress 8, were fully introduced in 2016. These replace the five GCSEs at grades A*-C that were the traditional means to track school performance. From August 2017 new GCSEs, beginning with English, maths and English literature are being progressively introduced. A grading system running from grade 9, at the top, to 1 at the bottom replaces traditional grades from A to E.
- **T levels**: From 2020 T levels will replace many vocational qualifications for 16-18 year olds to form the third learning route alongside A levels and apprenticeships. T levels operate through 15 routes to skilled work and contain a substantial amount of work experience.
- **Advanced Learner Loans**: From the 2013/14 academic year, loans have been made available for learners aged 24 and above studying courses at Level 3 and above, replacing grant funding for this group. The loan repayment threshold is £25,000.
- **University Tuition Fees**: Universities in England can charge a maximum of £9,250. Loan repayments start from the April after a student completes and they are earning above £25,000. Graduates pay 9% of their income once they are earning this amount.

Adults and Good jobs

- **Benefits:** Universal Credit was piloted in Greater Manchester from 2013 prior to national roll-out of the ‘full service’ from 2016. UC replaces six means-tested benefits including Job Seekers Allowance, Employment Support Allowance, housing benefit and tax credits.
- **National Minimum Wage/National Living Wage**: From April 2018 the national living wage (applying to employees over the age of 25) was set at £7.83 an hour. Workers aged between 21 and 24 were entitled to at least £7.38 an hour; 18-20 year olds were to receive £5.90; under 18s £4.20; and apprentices at least £3.70 an hour. The NMW/NLW is a legal pay floor for earnings and is a completely different concept from the living wage. The living wage is a voluntary scheme, supported by campaigners rather than legislation, under which employers commit to pay staff (irrespective of their age as long as they are above 18 years old) at least £8.75 an hour (£10.20 in London).

GM Labour Market

GM Labour Market – Issues and Implications

Issues

- Labour market outcomes in an area are considerably affected by deprivation levels. As a whole, GM is the third most deprived LEP in England, however there are some very prosperous areas in the conurbation, even by national standards. It's important therefore to bear in mind that some areas of GM perform relatively well compared to the GM average on most labour market measures, while others fall below.
- In GM as a whole, unemployment is relatively low and benefit claimant rates appear to be falling, however some residents, particularly in certain areas, still face barriers to participating in the labour market.
- The economic downturn has affected the types of work that we do, with an increase in 'atypical' forms of work – self-employment, part-time employment, temporary work etc. - and there is a general trend towards increasingly flexible forms of work, although it is difficult to know the extent to which this is due to individuals' active choice-making, or, conversely, a lack of choice or options.
- GM has a diverse labour market and strengths in a range of sectors including manufacturing and private and public services, which supports economic growth, resilience and competitiveness. However, relatively low productivity in GM compared to the national average continues to pose a challenge for the future economic performance, living standards and inclusive growth in the conurbation.
- Skills are a large factor influencing the productivity gap in GM. Although the skills profile in the conurbation is improving, GM's residents are less highly skilled than the national average, and less likely to be employed in high-skilled managerial and professional occupations.
- Employer demand for skills in GM (measured by numbers of job vacancies) quite closely reflects the occupational composition of the labour market, with strong and growing demand for high-skilled occupations, although medium- and low-skilled occupations (particularly in areas such as sales and customer service, administration, caring and personal services) also continue to be in demand.

Implications

- While the diversity of the labour market in GM is one of its strengths, the conurbation does suffer from issues of low productivity, low pay and limited opportunities for progression in many of the sectors which employ large numbers of local residents, such as retail, hospitality and some areas of health and social care, as well as having larger than average shares of employment in medium- and low-skilled occupations. Even in the higher-value and growing sectors such as BFPS, Digital and Creative industries, and Science and R&D, productivity in GM is lower than the national average, with the gap being higher than in lower-value industries.
- Achieving increased prosperity and inclusive growth across the city region will require a multi-pronged approach of encouraging growth in high-value, high skilled work while addressing the productivity gap which still exists, as well as raising productivity in the low value and low skilled work in which many residents are employed. Vital to this is ensuring that there is a good quality skills offer available to residents of all ages to enable them to develop their skills (particularly digital and STEM skills) and adapt to the changing demands of work in the future. To this end, we need to continue engaging employers to invest in skills and inform skills provision design to ensure it meets their needs.
- When work is becoming increasingly flexible and 'precarious' at times, there is a role for GM to encourage good employment practices across all local employers through the Employment Charter and other mechanisms, as well as leading by example in this respect.
- Also important is to provide relevant and forward-looking careers advice to young people to prepare them for the fast changing nature of the modern labour market, as well as supporting the existing workforce to adapt to such changes and gain the best possible outcomes.

Employment in GM at highest point in a decade

Figure 1.1: Resident 16-64 population in GM and UK by economic activity; indexed June 2007=100

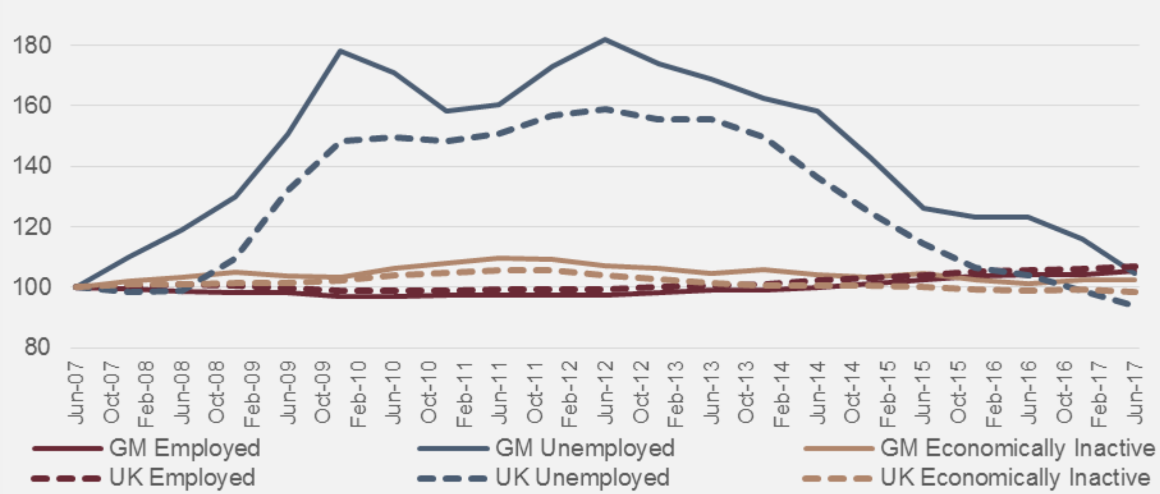
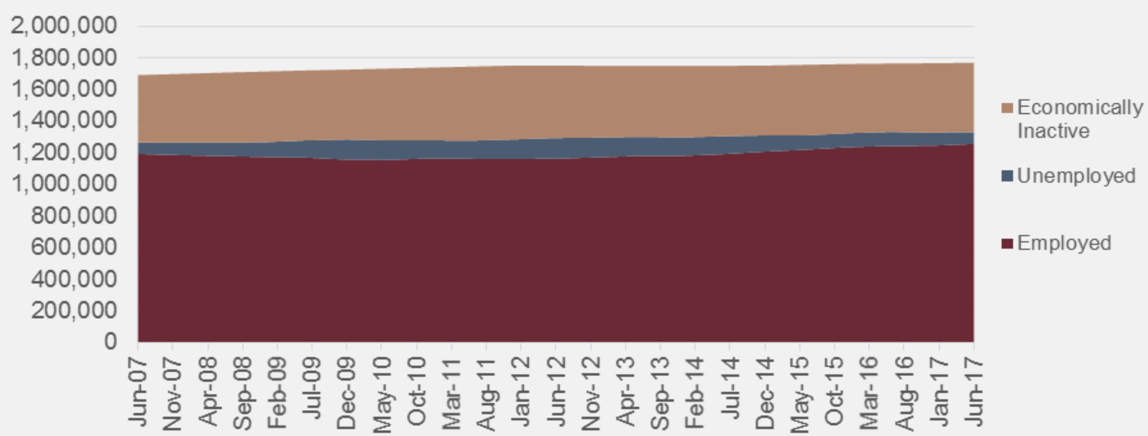


Figure 1.2: Resident 16-64 population in GM by economic activity

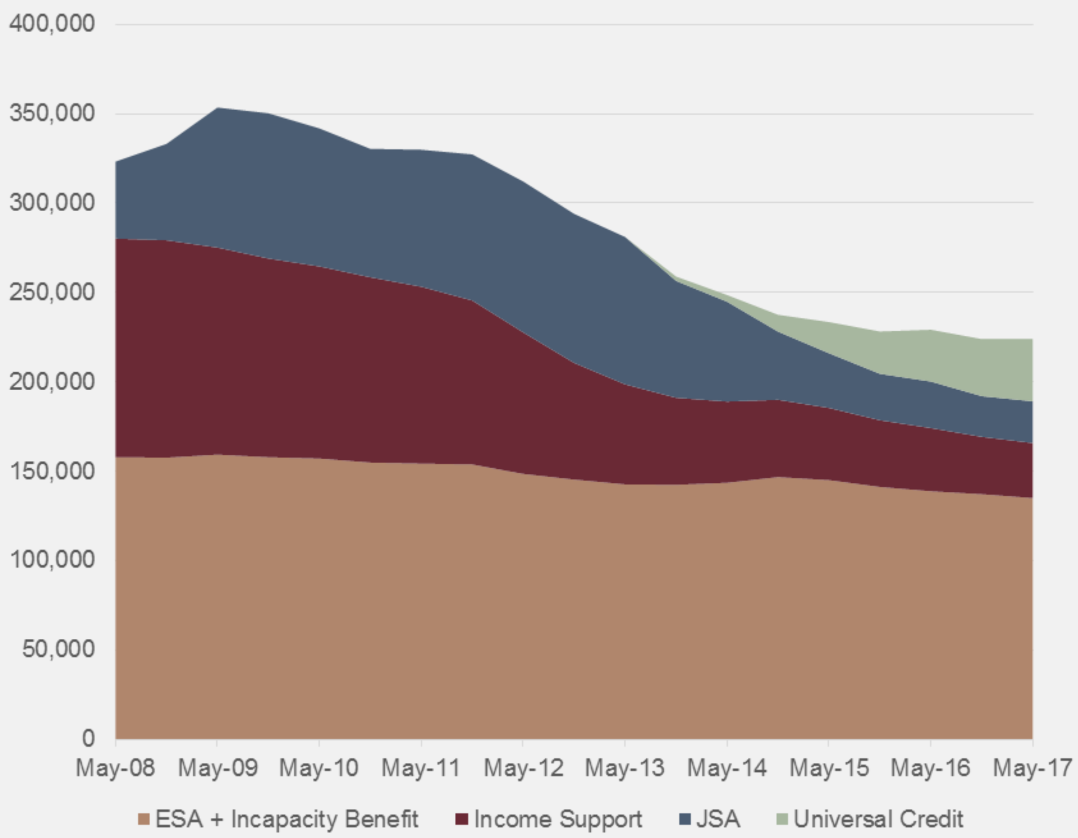


Source: Annual Population Survey, ONS

- Employment in GM is at its highest level in the last 10 years, with 1,255,000 GM residents of working age (16-64) in employment in June 2017. This equates to 71.0% of the working age population, the highest employment rate seen in the last decade.
- Unemployment (measured according to the International Labour Organisation definition) in GM stood at around 75,000 residents in June 2017. Equal to 5.6% of the economically active working age population, this unemployment rate is the lowest seen since June 2007.
- Around 438,000 working age residents in GM were economically inactive in June 2017 (nearly a quarter of the working age population). The size of this group has remained relatively similar over the last decade, and it includes the retired, the temporarily or long-term sick, those looking after the family or home etc.
- The employment and unemployment rates in GM have followed a similar trajectory to national rates during the economic downturn and gradual recovery, although there remain persistent and growing gaps in the GM and UK rates. In June 2007 the GM employment rate was 2% points (pp) lower than nationally, while unemployment was 0.4 pp higher, by 2017 that has widened to 3.2 pp and 0.9 pp respectively. This is a reflection of the relatively high level of deprivation in GM compared to UK as a whole.

224,000 GM residents claim out-of-work benefits – a fall of 100,000 in 10 years

Figure 1.3: Number of out-of-work benefit claimants in GM, 2008-2017



Source: Nomis, StatXplore, Resolution Foundation, New Economy
Edwards, R., 2017. Hidden: Who are 'hidden' young people and why are they not engaging with welfare support? New Economy.
Phillips, T., 2017. Falling through the cracks: the widening gap between unemployment and benefit statistics. Resolution Foundation.

- The welfare system in the UK is changing drastically with the introduction of Universal Credit (UC), which replaces six means tested benefits with a single payment. The previous benefits, now known as 'legacy benefits', include: Job Seekers Allowance (JSA), Employment Support Allowance (ESA), Income Support, Carers Allowance, Housing Benefit, Working Tax Credit and Child Tax Credit.
- The implementation of UC began with first time claimant, single job seekers, therefore the majority of UC claimants in Figure 1.3 are from this group. As of late 2017, most new benefit claimants will be eligible for UC so numbers will rise dramatically, and the job seeking proportion of UC claimants will decrease. In November 2017, job seekers accounted for just over half of UC claimants.
- Since the initial roll out in 2014, UC claimants have increased and JSA claimants have decreased. By November 2017, there were twice as many job seeking UC claimants as there were JSA claimants in GM (40,854 to 19,617). These numbers are set to rise dramatically with the roll out of full service UC.
- There has been a significant reduction in the numbers of people claiming the main out of work benefits in GM over the last decade, with 99,300 fewer people claiming the main out of work benefits.
- There is some evidence to suggest that some of the drop in benefit claimant numbers can be explained by people falling out of the welfare system, which has become less generous over the last few years. If this is the case it applies mostly to young people, who are more likely to be discouraged from claiming due to the less generous regime, and more likely to find alternative sources of support.

12.4% of working age residents in GM claiming benefits

Figure 1.4: Number and share of out-of-work benefit claimants by GM LA and type of benefit, May 2017

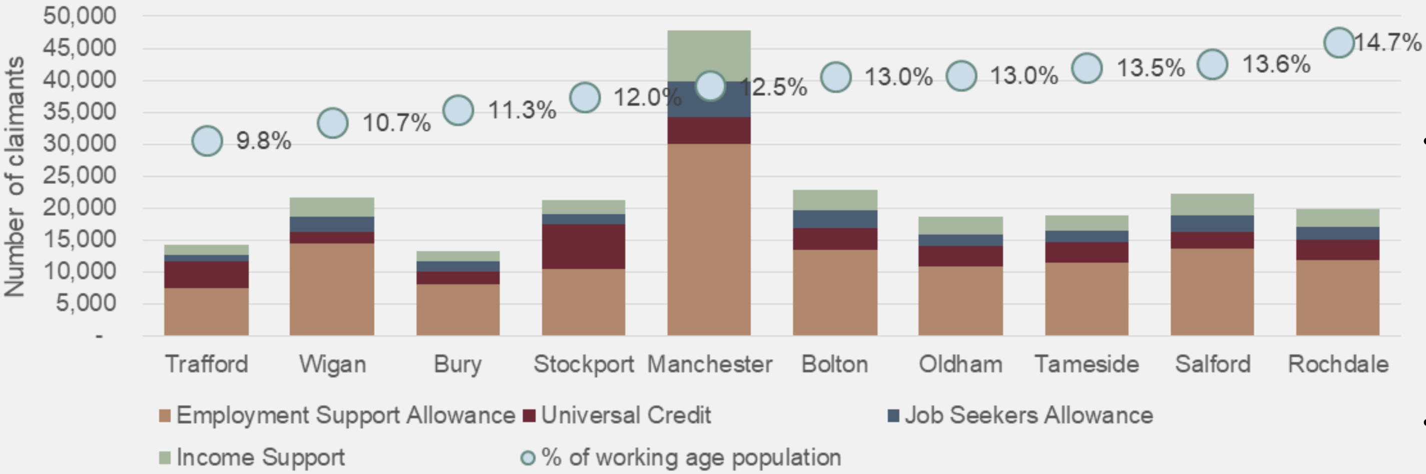
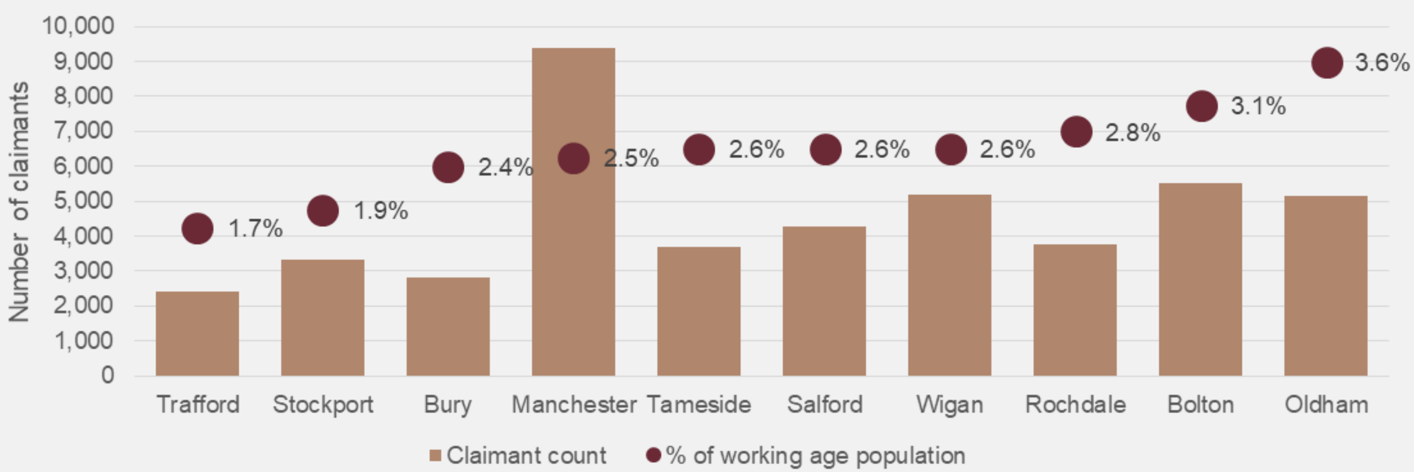


Figure 1.5: Claimant count and share of working age population by GM LA, November 2017

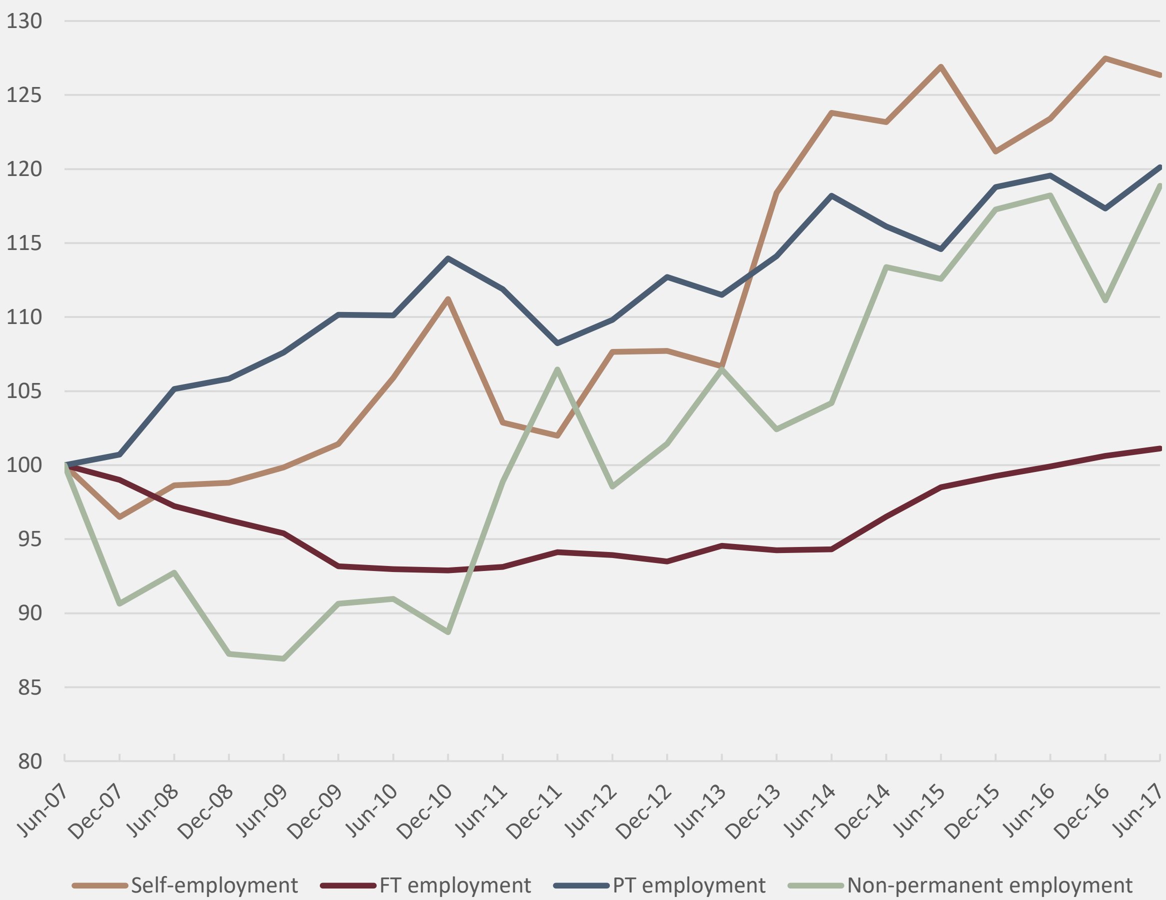


Source: DWP benefits and claimant count, Nomis, StatXplore

- Overall in GM 12.4% (221,000) of the working age population were claiming the main out-of-work benefits in May 2017. 60% (132,000) of these were ESA claimants.
- Figure 1.4 relates to everyone claiming benefits due to very low or no income. This does not include housing benefit. Rochdale had the highest proportion of residents claiming in May 2017, and Trafford the lowest.
- The claimant count in Figure 1.5 refers to JSA claimants plus those Universal Credit claimants who are required to look for work. Oldham had the highest claimant rate in November 2017, followed by Bolton, and Trafford the lowest.
- The total claimant count for GM was 45,545 in November 2017.
- Benefit claimant rates tend to reflect the context of inequality between the GM boroughs.
- More people are required to look for work under Universal Credit than the previous system. Therefore, as more people move onto the new benefit, the claimant count will rise and any area with a larger proportion of UC claimants will likely have a higher claimant count.

Self-employment, part time work and temporary work on the rise in GM

Figure 1.6: Types of employment in GM, 2007-2016 (indexed; 2007 level = 100)



Source: Annual Population Survey, 2017

- Over the past decade, levels of full-time employment have recovered to above pre-recession levels in GM, with 10,500 more people in full-time employment in 2017 than in 2007.
- Full-time employment remains the most common type of employment in GM in 2017 (with 946,400 residents working in full-time employment), followed by part-time employment (306,200), self-employment (158,700), and non-permanent employment (which includes agency, temporary, casual and fixed term work (73,700)).
- The less common types of employment have all seen significant increases in the number of workers post-recession in GM. Self-employment in particular has risen by 26% since 2007 (or 33,100 people) and non-permanent employment has risen by 19% (or 11,700 people).
- Only 10% of all the new jobs created since 2007 have been in full-time employment, while part-time employment accounted for nearly half, self-employment accounted for just under a third, and non-permanent employment for 10%. Just over 96,000 new jobs have been created in the less-typical types of employment since 2007 in GM.

About a fifth of work in Greater Manchester is 'atypical'

Figure 1.7: Share of different employment forms, 2017

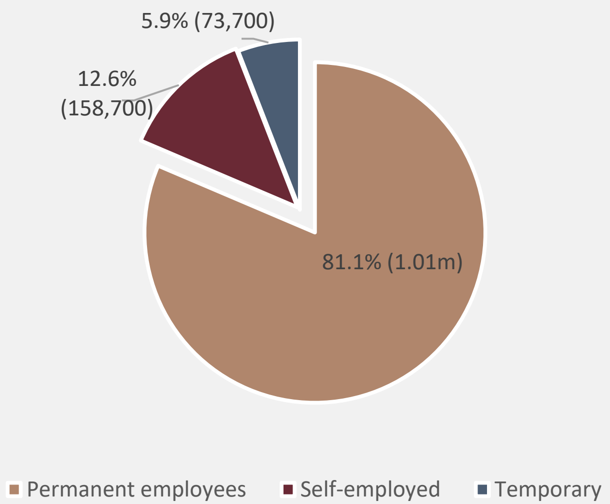
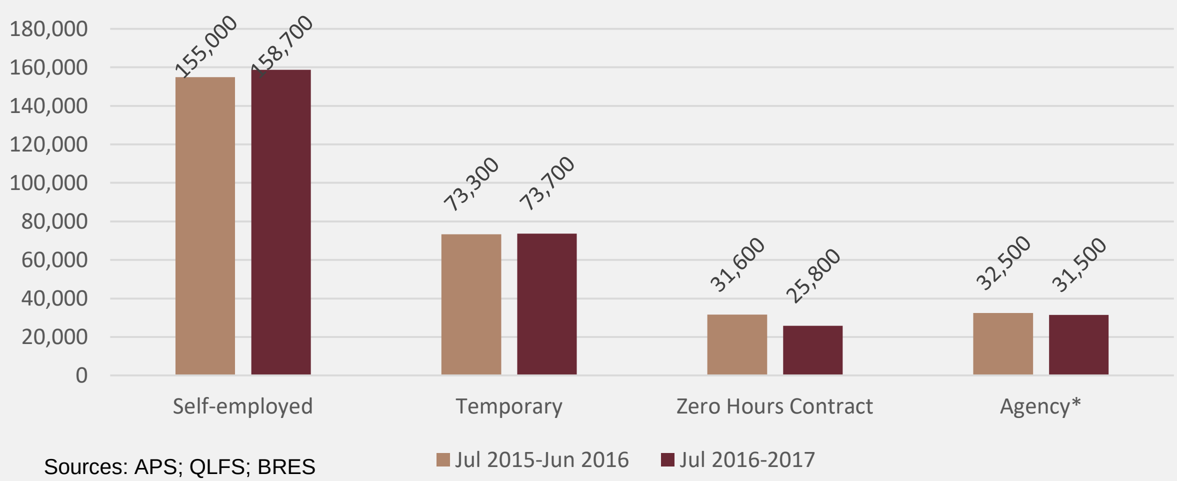


Figure 1.8: Principal forms of 'atypical' work in GM, 2015/16-2016/17

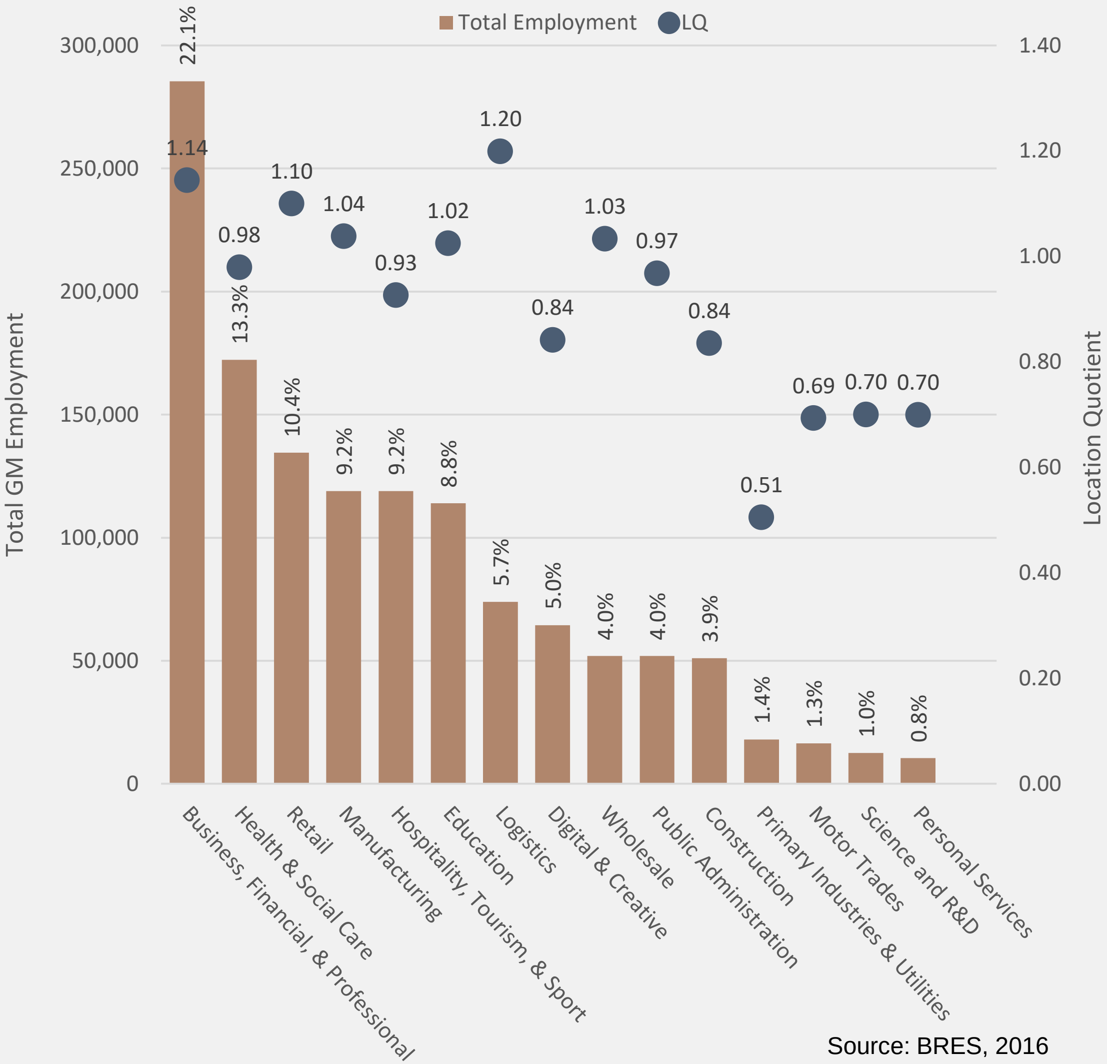


Sources: APS; QLFS; BRES

- Quantifying 'atypical' work is notoriously difficult. The various categories of 'atypical' work – sole-trading, freelancing, fixed-term contracts, zero hours contracts, agency, self-employment and the gig-economy, to name but a few – often overlap, creating the risk of double-counting.
- Here we define atypical work as the sum of self-employment, temporary work and zero hours contract work. Using this definition, about 21% of the labour force in GM are in these forms of work – sometimes identified with 'flexible' or 'low commitment' types of employment.
- GM differs from UK patterns in having lower rates of self-employment and fractionally higher rates of employee jobs and temporary work. Both forms of atypical work have grown very slightly between 2015/16 and 16/17. Overall, atypical work is slightly lower in GM than in the UK overall (22.2%).
- The evidence presented here confirms other ONS data in finding that the prevalence of zero hours contracts (ZHC) may have peaked in 2016.
- Self-employment and temporary work refers to workers aged between 16 and 64. However, data about ZHC and agency workers refers to all age groups (ie. 16+).
- *Temporary Employment Agency data from the Business Register and Employment Survey refers to 2016 and 2015.

GM labour market is broad-based and diverse

Figure 1.9: Employment levels, share of total employment, and location quotient (LQ) by industry sector in GM, 2016

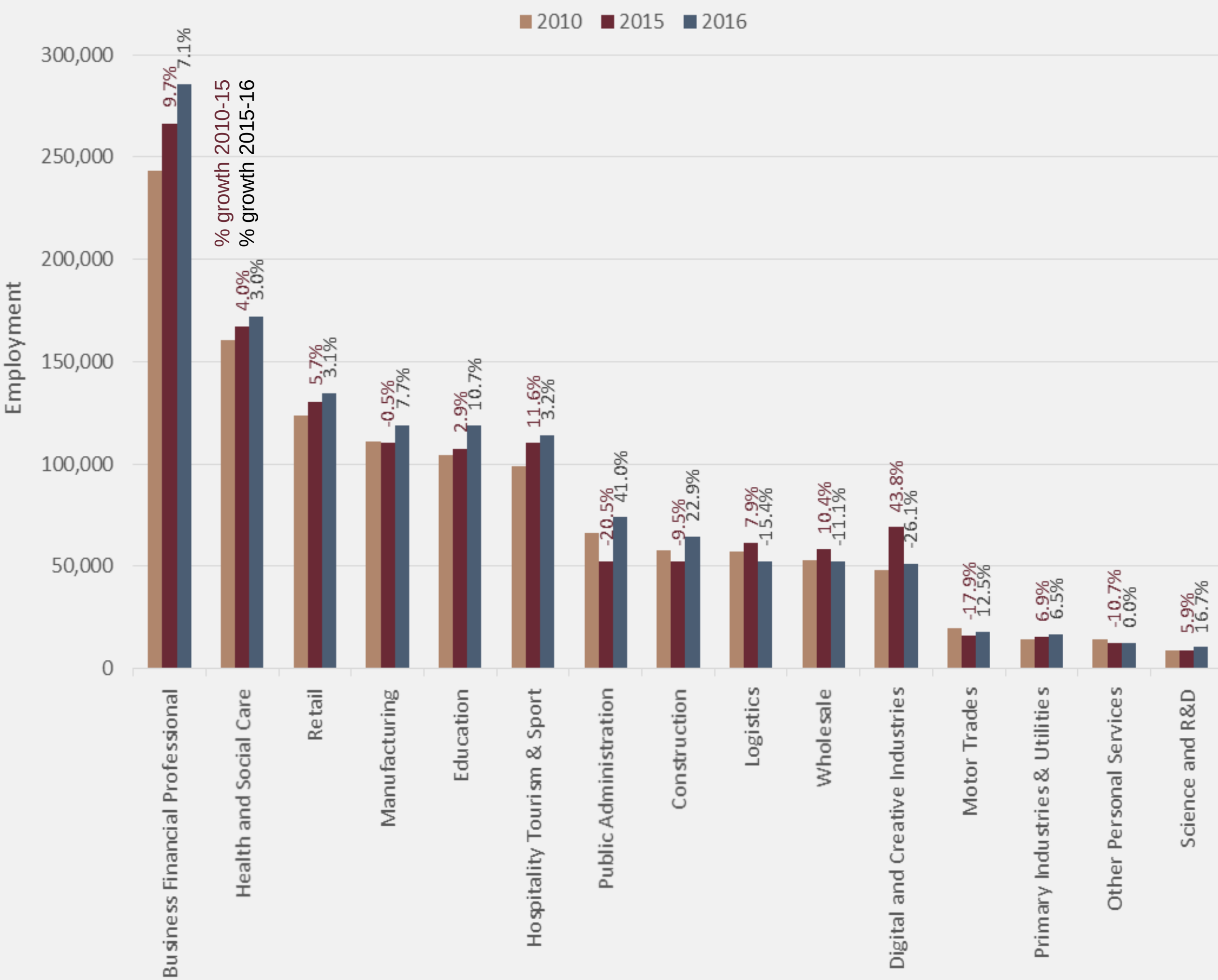


Source: BRES, 2016

- Greater Manchester's economy is very diverse with a variety of industries well represented, and not relying too much on any one sector for employment.
- Business, Financial and Professional Services is the sector employing most people in GM and accounting for nearly a quarter of total employment. Health and Social care is the next largest sector, accounting for over 13% of employment, followed by Retail and Manufacturing. Together these sectors account for over half of total employment in GM.
- Figure 1.9 demonstrates the location quotients (LQs) for each of GM's industries. A location quotient is a measure of employment concentration, comparing an industry's share of total employment in an area (such as GM) to its share of employment nationally. An LQ of 1 or above indicates that employment in that industry is more concentrated in GM than in Great Britain. Conversely, an LQ of below 1 indicates a lower level of employment concentration than the national average.
- A high LQ can be an indicator of agglomeration, as firms benefit from co-location (e.g. by skills matching, sharing of infrastructure, and knowledge spill-overs).
- Very few industries in GM have an LQ significantly above 1, and most industries' LQ hovers around 1, suggesting that the distribution of employment by industry in GM is relatively in line with the national picture. GM economy is notably broad-based, rather than having pronounced and distinctive sectoral specialisms.

Strong recent job growth in employment in business and professional services as well as in retail and hospitality

Figure 1.10: Employment levels and employment change by industry in GM, 2010-2015 and 2015-2016

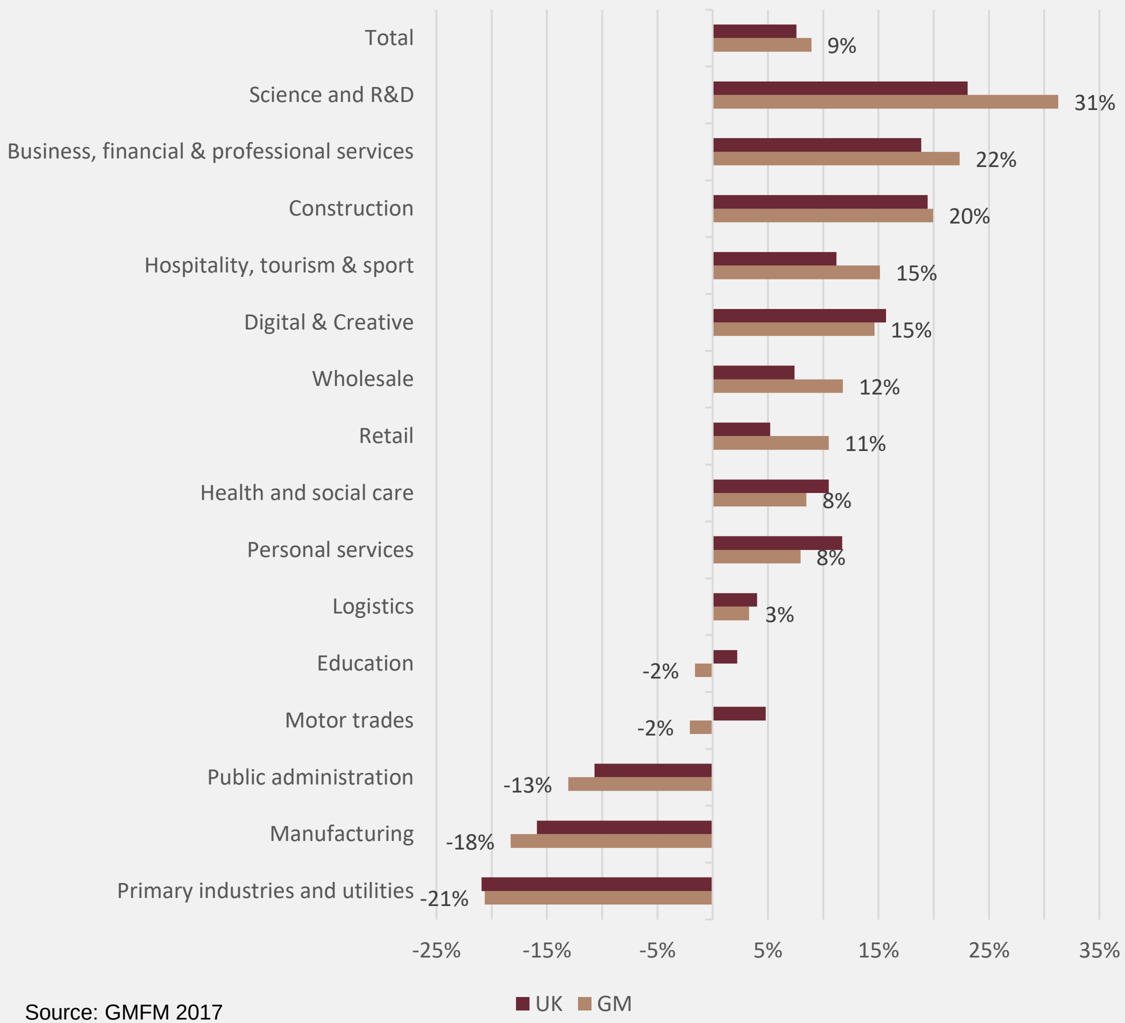


Source: BRES 2016

- Many of GM's largest sectors have seen steady growth in employment numbers over the last few years, including Business, Financial and Professional Services (which added 42,500 jobs since 2010), Health and Social Care, and Retail.
- Although employment in Manufacturing remained relatively flat between 2010 and 2015, it has increased notably between 2015 and 2016. A similar trend can be seen for employment in Education in GM, which added 11,500 jobs between 2015 and 2016.
- Employment in Public Administration and Construction in GM contracted between 2010 and 2015, however it has seen strong growth between 2015 and 2016 (particularly in Public Administration).
- Employment is also growing in Hospitality, Tourism and Sport, and Science and R&D.
- Meanwhile, employment in Digital & Creative Industries, Logistics, and Wholesale grew between 2010 and 2015, but decreased slightly between 2015 and 2016. Digital and Creative Industries did see a net gain of 3,000 jobs since 2010 though, while Logistics and Wholesale saw a loss. Motor Trades and Personal Services also saw a net loss since 2010.
- *Note: These employment trends should be interpreted with caution, as they are based on a relatively short period of time, particularly when looking at employment change from 2015 to 2016.*

Future employment growth forecast for BFPS, construction and hospitality

Figure 1.11: Projected employment change (% change) by sector in GM and UK, 2016-36

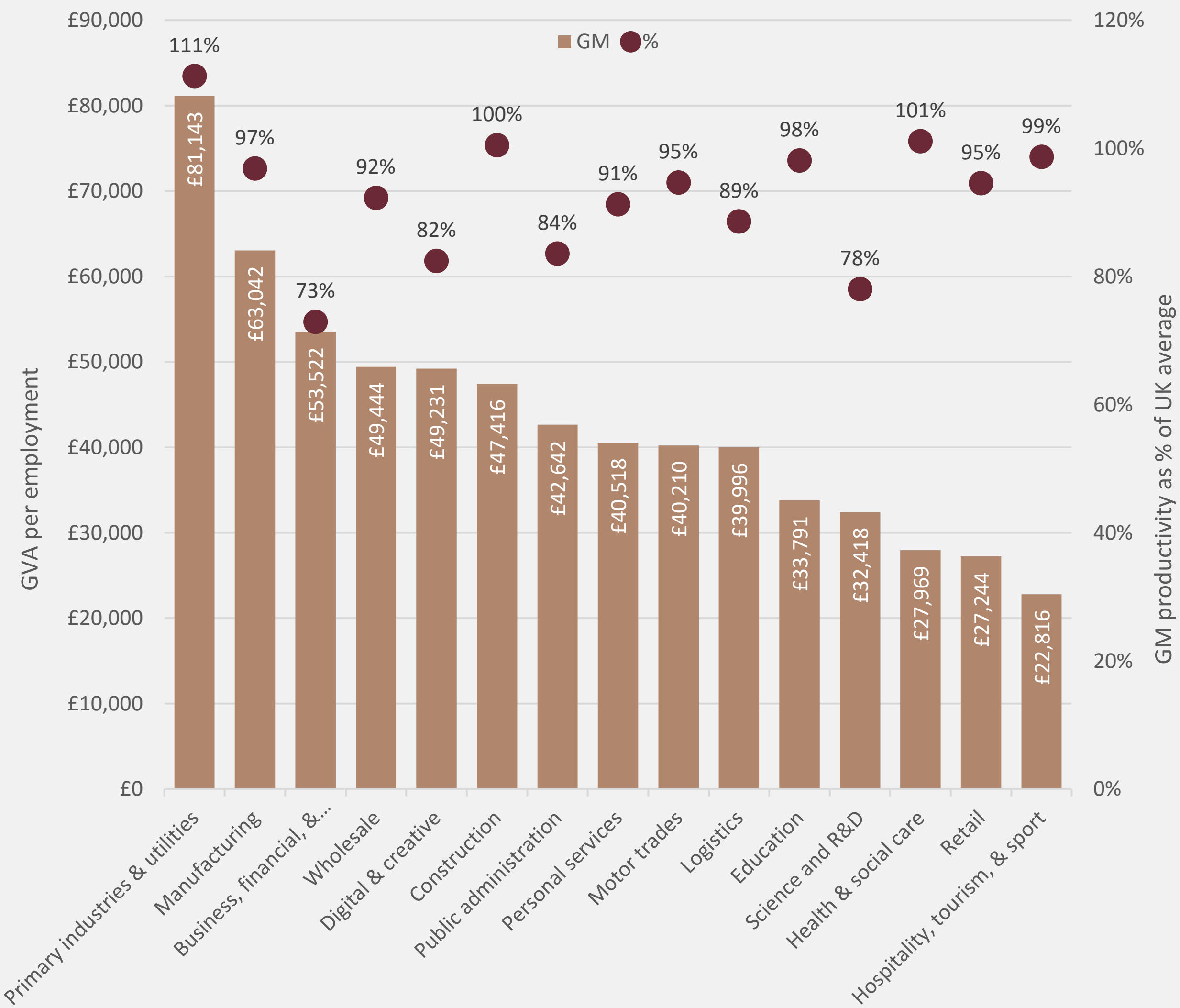


Source: GMFM 2017

- According to the Greater Manchester Forecasting Model, employment in GM is projected to grow by 9% (equal to 125,000 additional jobs) over the next couple of decades (2016 – 2036). It will outpace employment growth in the UK as a whole, which is projected to be 8% over the same period.
- In relative terms Science and R&D is expected to see the highest level of employment growth in GM over this period (also exceeding the national average for the sector) although the sector will remain relatively small in employment terms in GM.
- Continued growth is forecast for one of GM's largest sectors, Business, Financial and Professional services, which is expected to grow by nearly a quarter and add 67,000 new jobs. Construction and Hospitality, Tourism and Sport are also expected to see strong employment growth, adding 16,000 and 18,000 new jobs respectively. Digital & Creative Industries will also grow, but slightly below the rate that the sector is projected to grow nationally.
- Other sectors forecast to grow are Wholesale and Retail (growing above the national average) and Health & Social Care and Personal Services (growing slightly below the national average).
- A small decrease in employment is forecast for Education and Motor Trades in GM, although on a UK level a slight increase is forecast.
- Employment in Public Administration, Manufacturing and Primary Industries & Utilities is expected to continue to contract significantly both in GM and nationally (though the rate of decline is forecast to be slightly larger in GM than in the UK).

GM lags UK productivity levels by 12%

Figure 1.12: GVA per employment in GM's economic sectors, 2015

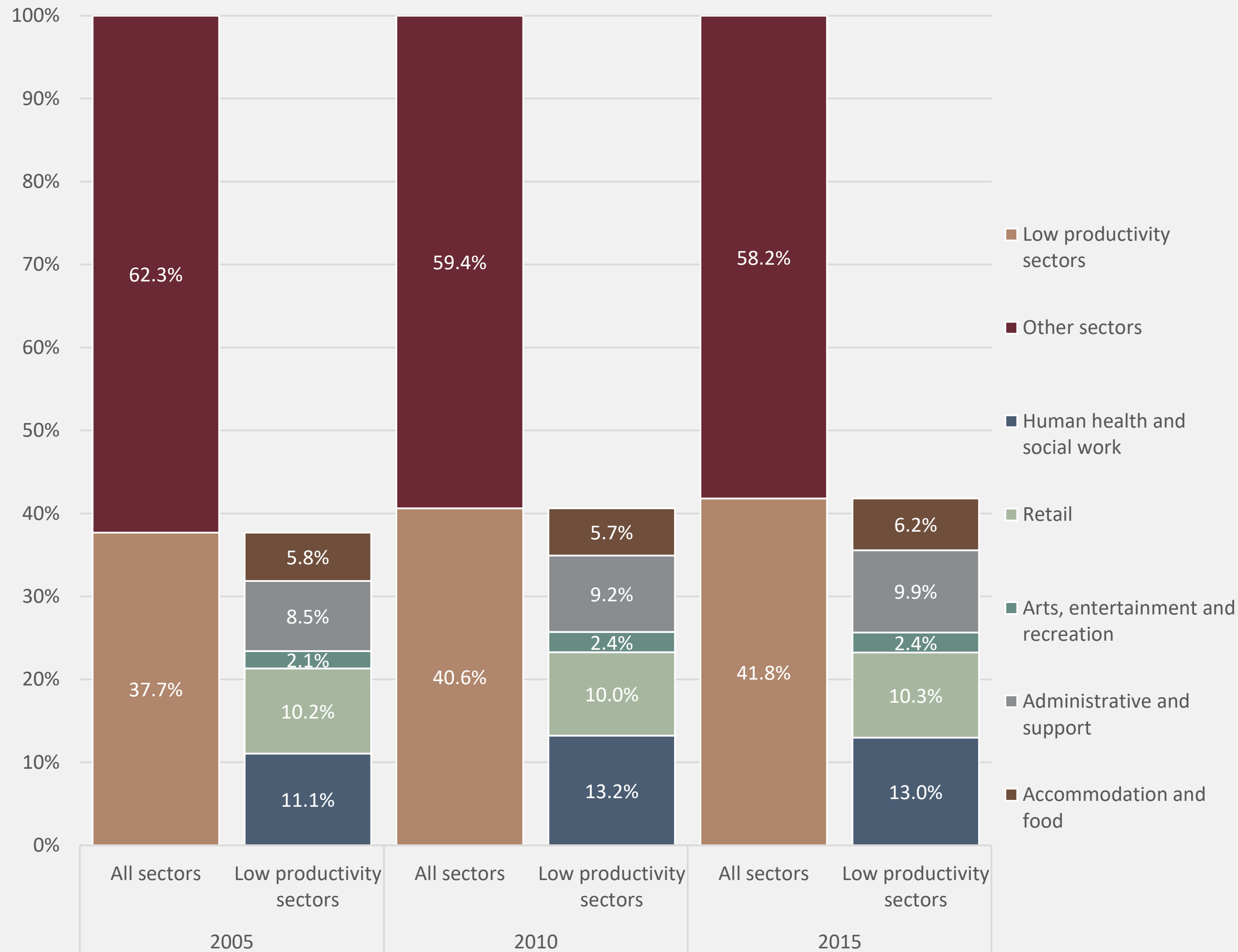


Source: GMFM, 2015

- Most sectors in GM are less productive (as measured in GVA per employment) than the national average for those sectors.
- GVA per employment in GM is 88% of UK. If GM were as productive as the UK it would have nearly £8bn more output.
- The most productive sector in GM is Primary Industries and Utilities, although this is primarily driven by Utilities where GVA per employment exceeds £100,000. Other sectors with high productivity are Manufacturing (£63,000 GVA per employment) and Business, Financial and Professional Services (£53,500).
- The biggest productivity gap compared to the UK average is in Business, Financial and Professional Services, where GM productivity is only 73% of the UK average. There is a significant productivity gap of 18% in Digital and Creative Industries too.
- The sectors with lowest productivity are Hospitality, Tourism and Sport, with £22,800 GVA per employment, and Retail and Health & Social Care (at £27,200 and £28,000 respectively).

Low productivity sectors account for growing share of employment in GM

Figure 1.13: Employment share of low productivity sectors in Greater Manchester, 2005-2015



- Low productivity sectors are defined as sectors with lower than £30,000 GVA per employment (at 2013 prices).
- The share of low productivity sectors in GM has increased from 37.7% in 2005 to 41.8% in 2015. The employment share of each of the low employment sectors has increased over this period, except for Retail, where it has remained at the same level.
- The increase in employment share has been highest in Health and Social Work (1.9 percentage points) and in Administrative and Support Services (1.5 percentage points).

Source: GMFM 2015

Employment in GM is typically lower skilled than the UK average

Figure 1.14: Share of employment in high-, medium- and low skilled occupations in GM and UK, 2007 and 2017

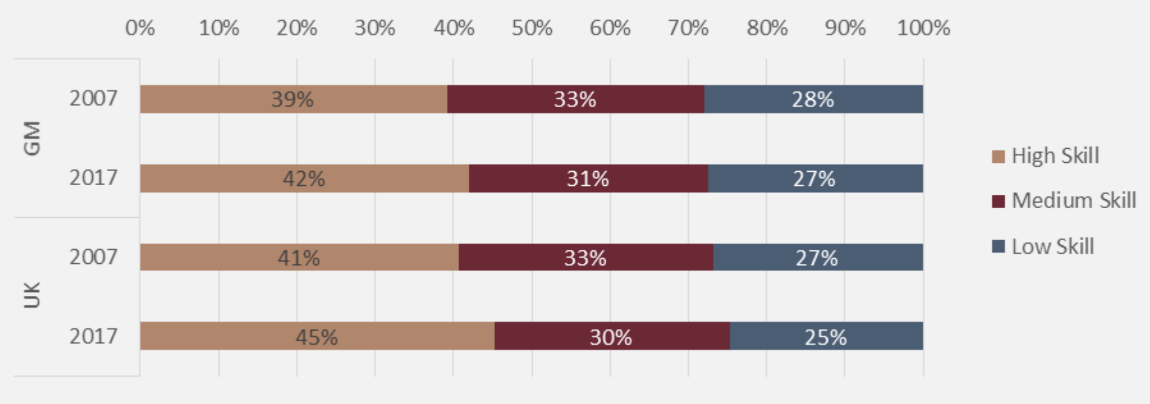
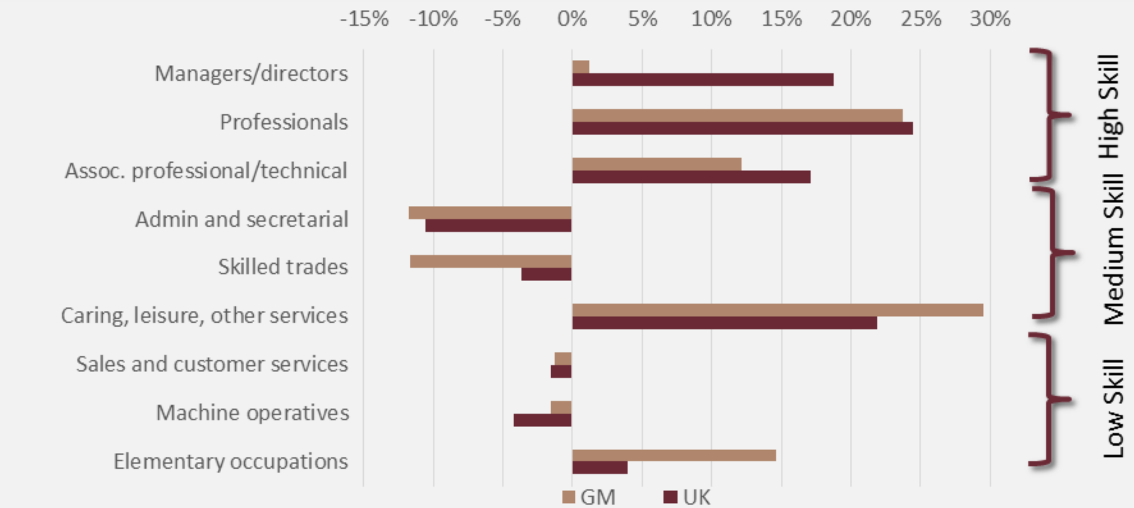


Figure 1.15: Change in employment by occupational group in GM and UK, 2007-2017



Source: Annual Population Survey, ONS

- Over the last decade the share of high-skilled occupations (managerial, professional and technical) in the GM workforce has increased (from 39% to 42%), while the shares of medium-skilled and, to a lesser extent, low-skilled occupations have fallen. While this is an improvement in GM labour market's occupational profile, it still lags behind the UK in the share of high-skilled occupations, and this gap has grown from 2% points in 2007 to 3% points in 2017.
- Professional and associate professional/technical occupations have seen strong growth in GM in the last decade, although below the level of growth seen nationally.
- Medium-skilled occupations such as admin/secretarial and skilled trades have seen a decline both in GM and nationally, although caring, leisure and other service occupations have seen a significant increase – particularly in GM, where their growth rate has outstripped the growth in any other occupational group.
- Low-skilled occupations have typically seen a decline (including sales occupations and machine operatives) although employment in elementary occupations has grown – and particularly so in GM.
- These trends suggest that GM still has some way to go to close the gaps in the occupational profile of its workforce compared to the UK average.

Professional, managerial, sales and admin occupations most in demand

Figure 1.16: Job vacancies in GM by 2-digit SOC code (2017)

SOC Code	Occupation Title	Number of Job Postings (2017)	Risk of Automation	Mean Advertised Salary
21	SCIENCE, RESEARCH, ENGINEERING AND TECHNOLOGY PROFESSIONALS	55,500	Low Risk	£44,323
35	BUSINESS AND PUBLIC SERVICE ASSOCIATE PROFESSIONALS	36,200	Low Risk	£30,386
24	BUSINESS, MEDIA AND PUBLIC SERVICE PROFESSIONALS	35,800	Low Risk	£40,662
71	SALES OCCUPATIONS	27,700	High Risk	£26,011
41	ADMINISTRATIVE OCCUPATIONS	25,800	Medium Risk	£22,153
11	CORPORATE MANAGERS AND DIRECTORS	24,200	Low Risk	£41,602
61	CARING PERSONAL SERVICE OCCUPATIONS	19,800	Low Risk	£19,188
22	HEALTH PROFESSIONALS	18,400	Low Risk	£38,776
23	TEACHING AND EDUCATIONAL PROFESSIONALS	17,900	Low Risk	£30,862
31	SCIENCE, ENGINEERING AND TECHNOLOGY ASSOCIATE PROFESSIONALS	16,900	Medium Risk	£30,544
72	CUSTOMER SERVICE OCCUPATIONS	11,700	Medium Risk	£20,420
12	OTHER MANAGERS AND PROPRIETORS	10,800	Low Risk	£39,059
92	ELEMENTARY ADMINISTRATION AND SERVICE OCCUPATIONS	9,900	Medium Risk	£18,110
52	SKILLED METAL, ELECTRICAL AND ELECTRONIC TRADES	8,000	Medium Risk	£28,345
82	TRANSPORT AND MOBILE MACHINE DRIVERS AND OPERATIVES	6,900	High Risk	£24,917
42	SECRETARIAL AND RELATED OCCUPATIONS	5,800	High Risk	£19,845
54	TEXTILES, PRINTING AND OTHER SKILLED TRADES	5,500	High Risk	£22,613
34	CULTURE, MEDIA AND SPORTS OCCUPATIONS	5,200	Low Risk	£29,445
32	HEALTH AND SOCIAL CARE ASSOCIATE PROFESSIONALS	4,200	Low Risk	£26,876
62	LEISURE, TRAVEL AND RELATED PERSONAL SERVICE OCCUPATIONS	3,200	Low Risk	£19,289
53	SKILLED CONSTRUCTION AND BUILDING TRADES	2,900	High Risk	£30,238
81	PROCESS, PLANT AND MACHINE OPERATIVES	2,700	Medium Risk	£26,264
91	ELEMENTARY TRADES AND RELATED OCCUPATIONS	1,900	High Risk	£20,721
33	PROTECTIVE SERVICE OCCUPATIONS	700	Low Risk	£34,663
51	SKILLED AGRICULTURAL AND RELATED TRADES	200	Low Risk	£23,312

Source: Labour Insight

- Labour Insight is an online database of live job postings which provides job vacancy data that can be analysed by occupation type, skills requirements and other characteristics.
- Job vacancies for roles in Professional and Associate professional & technical occupations were the most common in GM in 2017, accounting for 36% and 18% of all vacancies respectively. The distribution of job vacancies across broad occupational groups in GM is very similar to the UK average, except for a slightly higher share of vacancies in Sales and customer service occupations in GM (11%) than in the UK (9%).
- The share of vacancies for roles in Professional occupations increased by 5 percentage points (pp) between 2013 and 2017 in GM, demonstrating increased demand for these types of roles, while the share of sales and customer service occupations dropped by 3 pp. This is similar to the national trend over the same period.
- Looking at more detailed occupational groups, the highest number of vacancies in GM in 2017 was for science, research, engineering and technology professionals with over 55,000 vacancies. Other types of professional roles as well as managerial roles are also well represented. However, lower paid occupations such as sales occupations and administrative occupations continue to account for a large share of vacancies. In addition to being low paid, these occupations are at a medium to high risk of automation in the future. Caring personal service occupations also account for a significant number of vacancies, which are some of the lowest paid occupations, although less at risk of automation.

Continued demand for programmers, sales workers and nurses in GM

Figure 1.17: Job vacancies in GM by 4-digit SOC code (2016-2017)

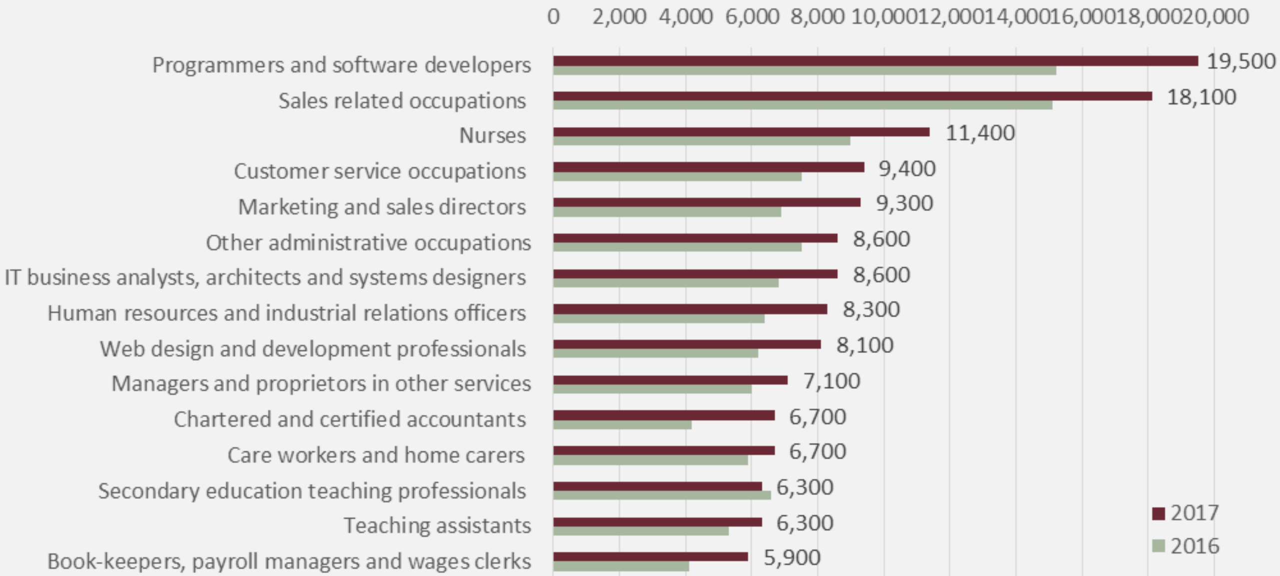
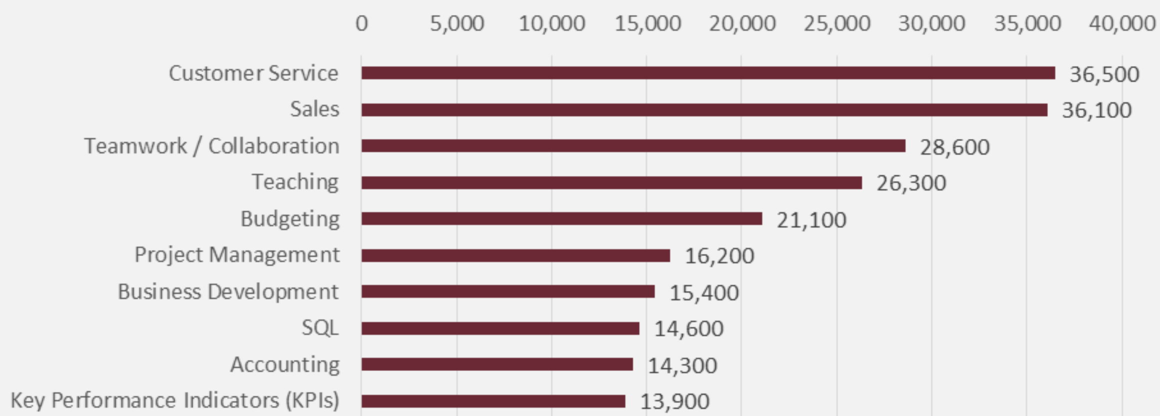


Figure 1.18: Specialist skills most in demand in job vacancies in GM in 2017

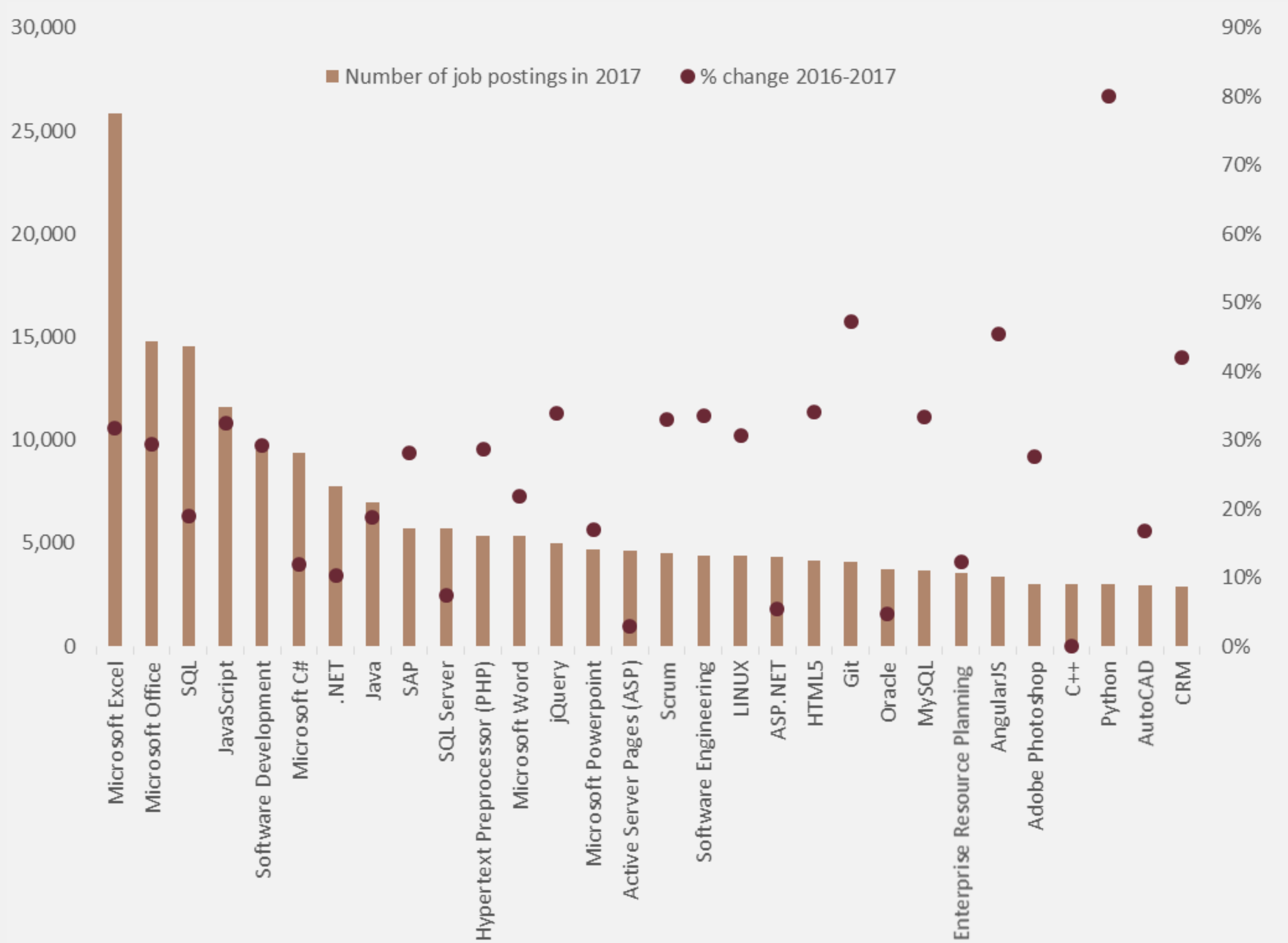


Source: Labour Insight

- Programmers and software developers, sales, and nurses topped the list of occupations most in demand in GM in 2017 based on the number of advertised vacancies. Customer service, administration, business services, social care and teaching occupations were also in high demand.
- Most of these occupations have seen an increase in the number of vacancies compared to the previous year*. Demand for chartered accountants and book-keepers/payroll managers increased the most in relative terms.
- Trends in the types of occupations most in demand in GM are similar to the national picture.
- The types of skills requirements that employers most commonly specified in job vacancies correspond with the types of occupations most in demand, with customer service, sales, teaching, business skills and digital skills all ranking highly on the list of skills that employers need most often.
- Transferable skills such as communication skills and organisational skills also continue to be very important for employers.
- *Note: changes over time need to be interpreted with caution as data may be subject to changes due to improved aggregation and reporting methodologies.

Increasing demand for digital skills in GM

Figure 1.19: Top 30 digital skills most in demand in job vacancies in GM in 2017



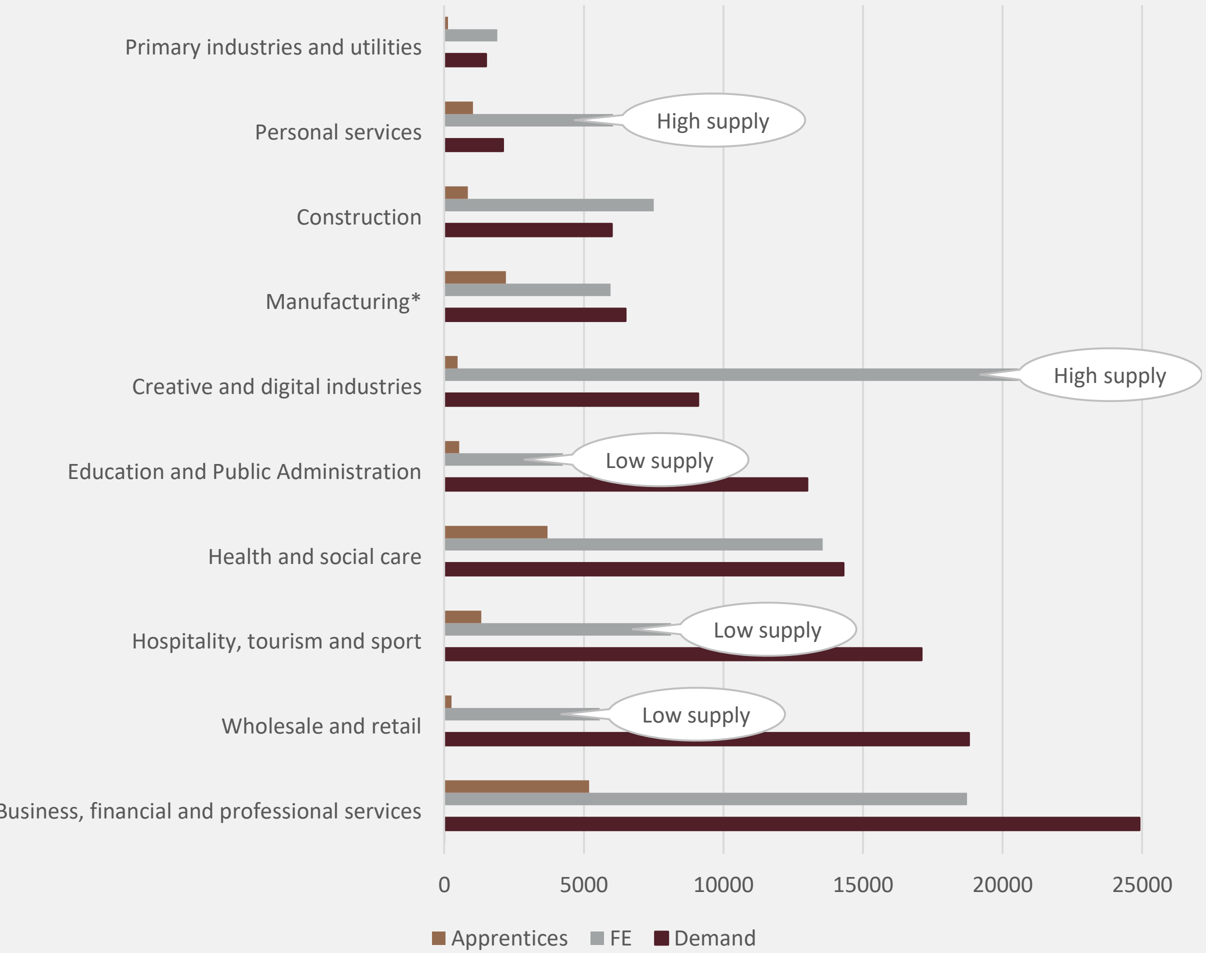
Source: Labour Insight
Note: % change 2016-17 for C++ is -3%

- Measured by the number of job postings that specify a particular digital skill requirement, the demand for digital skills in GM increased between 2016 and 2017 across nearly all types of digital skills*. Only one of the top 30 most in-demand digital skills in GM experienced a small decline in job postings over this period, compared to six in the UK as a whole.
- In 2017, Microsoft Office applications (particularly Excel) continued to be most in-demand digital skills in GM, while the most in-demand specific software development skills were SQL, JavaScript, Microsoft C#, .NET, Java, SAP, SQL Server and others.
- Of the 30 most in-demand digital skills in GM, those which saw some of the biggest relative increases in demand were Python (with nearly double the number of vacancies in 2017 than in 2016), Git, AngularJS, CRM (customer relationship management), jQuery, and HTML5.

- *Note: changes over time need to be interpreted with caution as data may be subject to changes due to improved aggregation and reporting methodologies.

Skills supply well balanced with demand – but some sectors have gaps

Figure 1.20: Skills demand and supply by sector in Greater Manchester



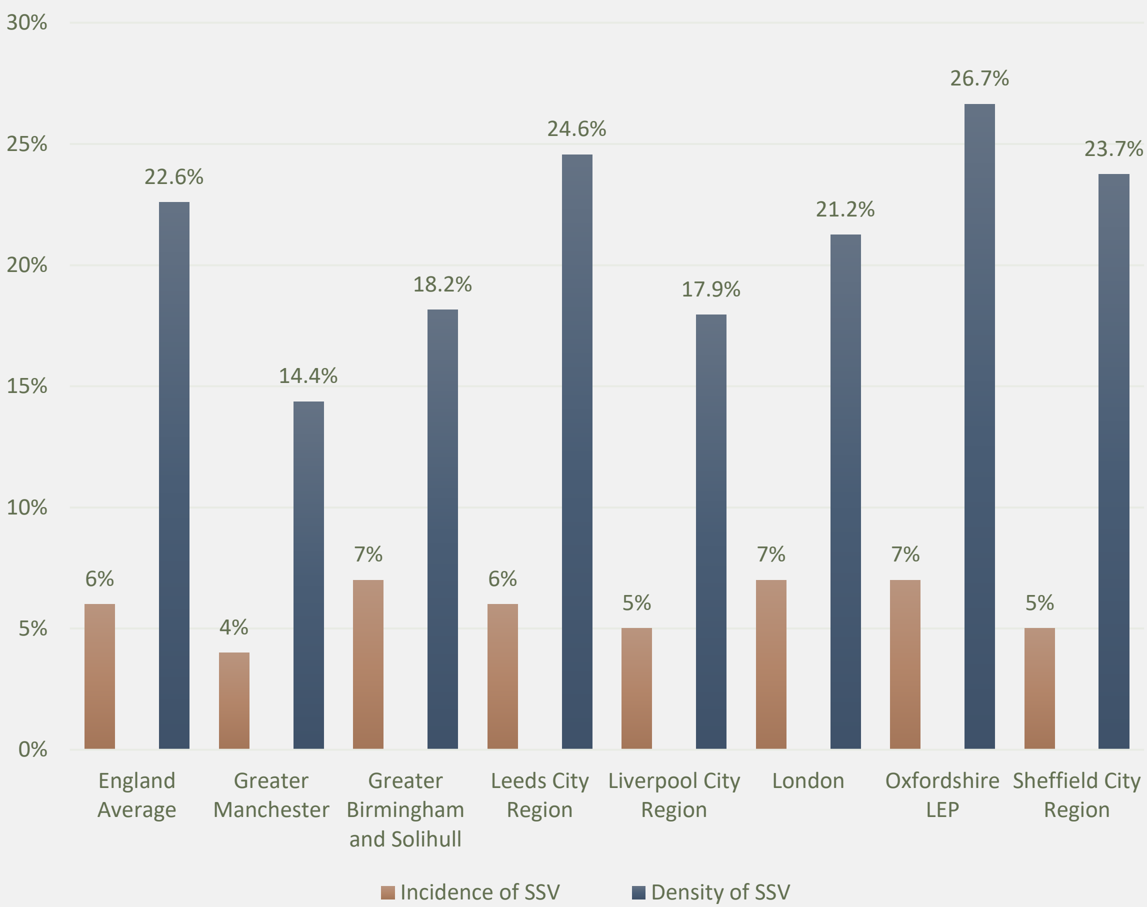
Sources: GMFM; ESFA datacube

Notes: 'Demand' refers to the average net requirement for jobs in each sector between 2016 and 2030 – ie.allowing for both anticipated growth/contraction of the sector and retirements and churn in a typical year. Supply uses one year's data from 2016/17. Sectors are defined by GMCA classification.

- This chart measures the supply of skills against the anticipated jobs ('demand') in each broad sector.
- The exercise comes with significant caveats. Sector definitions from the qualifications system and the economy do not match exactly; learning a course does not necessarily entail a career in a particular sector; employers are often seeking experienced staff rather than newly qualified people; and no allowance is made for skill level. Graduates are also not included.
- There is no such thing as perfect balance. The rule of thumb used is that if supply of combined FE and apprentices in 16/17 is between 70% and 130% of jobs that is a reasonable conception of balance. Only sectors with big gaps have been labelled.
- The presence of a label should not be taken to indicate an automatic mismatch without further examination of the labour market and skills context.
- Some sectors with apparently low supply, for example, hospitality and retail, have very high labour turnover and casualisation which may affect results.
- The reason behind the apparently high supply in the digital sector is likely to be the volume of people on relatively low skilled courses – for example, basic computer skills.
- The relatively high supply in 'personal services' – typically driven by hairdressing – is well-known. However, hairdressing courses often involve transferable skills and many people who do them are already in work.

Skills shortage vacancies less problematic for employers in GM

Figure 1.21: Incidence and density of skills shortage vacancies, selected areas, 2015



Source: Employer Perspectives Survey, 2016

- The Employer Perspectives Survey (EPS) runs every two years and interviews 18,000 UK employers regarding their attitudes towards recruitment and people development.
- For employers, inability to recruit skilled staff can result in loss of business or orders; quality issues; delays in developing new products and services; increased operating costs and additional workload for other staff.
- About 2,800 employers in GM said they had vacancies where they had found it difficult to find workers with the right skills (a ‘skills shortage vacancy’ (SSV)) in 2015. However, the incidence of SSVs was relatively low, affecting just 4% of all employers – slightly below the England average, at 6%, and below the incidence in comparator city regions.
- Another way to look at how significant the problem of SSVs is locally is to measure SSVs as a proportion of all vacancies – the ‘density of SSVs’. In 2015, the SSV density in GM was 14.4%, also below the averages in other areas.
- There can also be deficiencies in the skill levels of the existing workforce – known as a ‘skills gap’. Skills gap density refers to the number of staff judged to lack proficiency as a proportion of all staff. The density of skills gaps in GM is also relatively low, at 4%, compared with 5.1% in England.

GMS Priority 1: Early Years

CHILDREN STARTING SCHOOL READY TO LEARN

Early Years – Issues and Policy Priorities

Issues

- On average, children in GM are less likely than the England average to have reached a good level of development (GLD) by the end of reception (seen as an indicator of school readiness), with a persistent gap since 2012/13, although the gap had slightly narrowed by 2016/17.
- The 32.5% of children in GM who have not achieved GLD by the end of reception in 2016/17 represents over 12,100 children. If GM were to close the gap with the England average, then the number of children not achieving a GLD would be reduced by 1,200.
- The proportion of children achieving a good level of development varies considerably between GM districts and is affected by deprivation levels. Nationally, more deprived areas typically have lower GLD attainment – although some London authorities (e.g. Lewisham) buck this trend.

Policy Priorities

- Greater Manchester Strategy ‘Our People, Our Place’ sets out as its Priority 1 the ambition for all children in GM to start school ready to learn, through delivering high-quality and highly integrated early years services, providing children with excellent places to play, develop and learn, and supporting parents to give their child a healthy start in life and nurture their early development.
- To achieve these ambitions, some of the actions proposed in the GMS Implementation Plan include:
  - develop and roll out a new, consistent antenatal care package across GM
  - ensure that mobile devices are available for Health Visitors across GM and secure investment for wider digital solutions
  - develop and implement integrated support services for those with complex needs
  - provide access to high quality speech, language and communication support to all children who need it
  - design a new package of support for early years providers, supporting all to achieve Good or Outstanding Ofsted ratings
  - develop and roll out a consistent workforce development programme for early years settings
  - scope out a leadership role for schools within the GM early years model
- These proposed actions aim to support the delivery of high quality and consistent early years services across GM, although there is scope to develop additional actions designed to engage and support parents and carers, which is important to ensure improved take-up of early years services on offer, and to ensure that children can be supported in their learning and development at home as much as in other early years settings.

Children in GM less likely than average to reach a 'good level of development' by age 5

Figure 2.1: Proportion of children achieving a good level of development by the end of reception, 2016/17

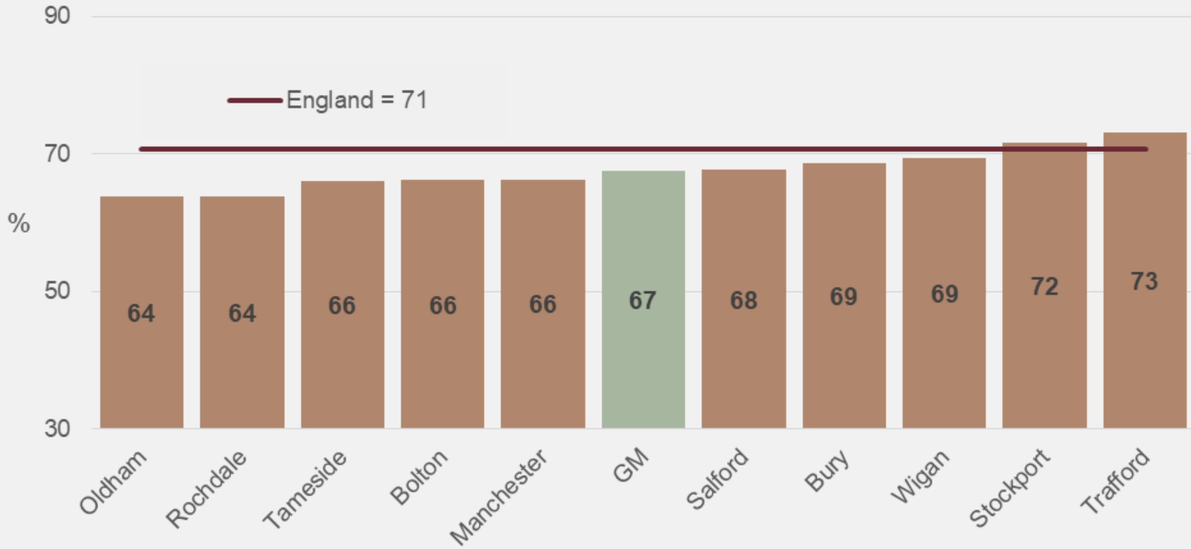
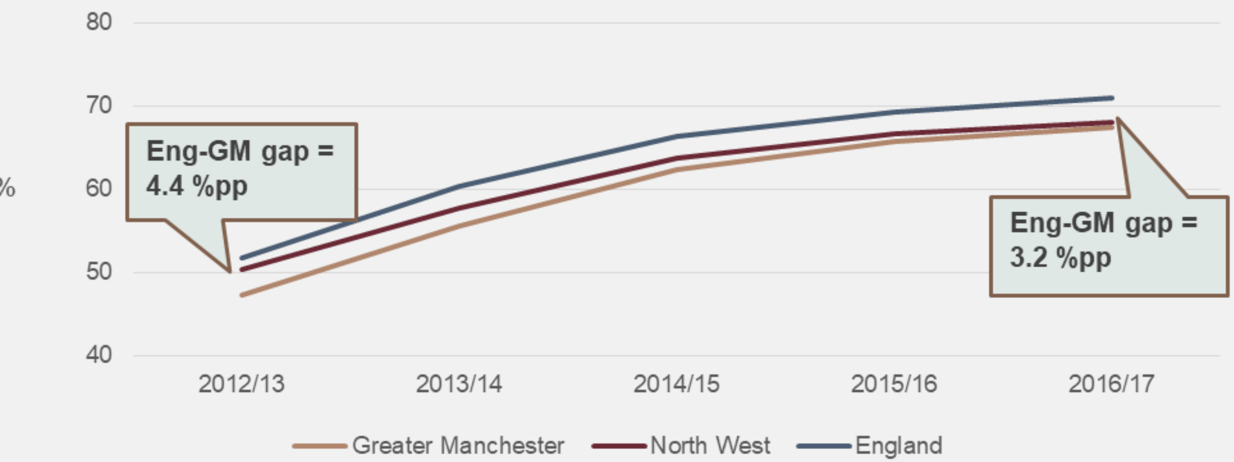


Figure 2.2: Proportion of children reaching GLD by the end of reception, 2012/13-2016/17



Source: Department for Education (DfE), 2016, EYFS Profile: EYFS Profile statistical series

- In the Greater Manchester Strategy, priority one is to ensure all children start school ready to learn. The average level of children's school readiness in an area is typically measured by the proportion of children who have achieved what is termed a 'good level of development' (GLD) by the end of their reception class (typically aged 5).
- The proportion of GM children achieving a good level of development by the end of reception rose from 47.3% in 2012/13 to 67.5% in 2016/17. Over this period, GM's performance has lagged behind the England average, although the gap has reduced from 4.4 to 3.2 percentage points.
- The 32.5% of children in GM who have not achieved GLD in 2016/17 represents over 12,100 children.
- If GM were to close the gap with the England average, then the number of children not achieving a GLD would be reduced by 1,200, and the GM total would stand at 10,900.
- There is a significant amount of variation in the achievement of GLD across the GM districts, ranging from 64% in Oldham and Rochdale (7 percentage points behind the England average) to 72% in Stockport and 73% in Trafford (both above the England average).

Deprivation affects levels of school readiness

Figure 2.3: Good level of development by Index of Multiple Deprivation (IMD) 2015 score

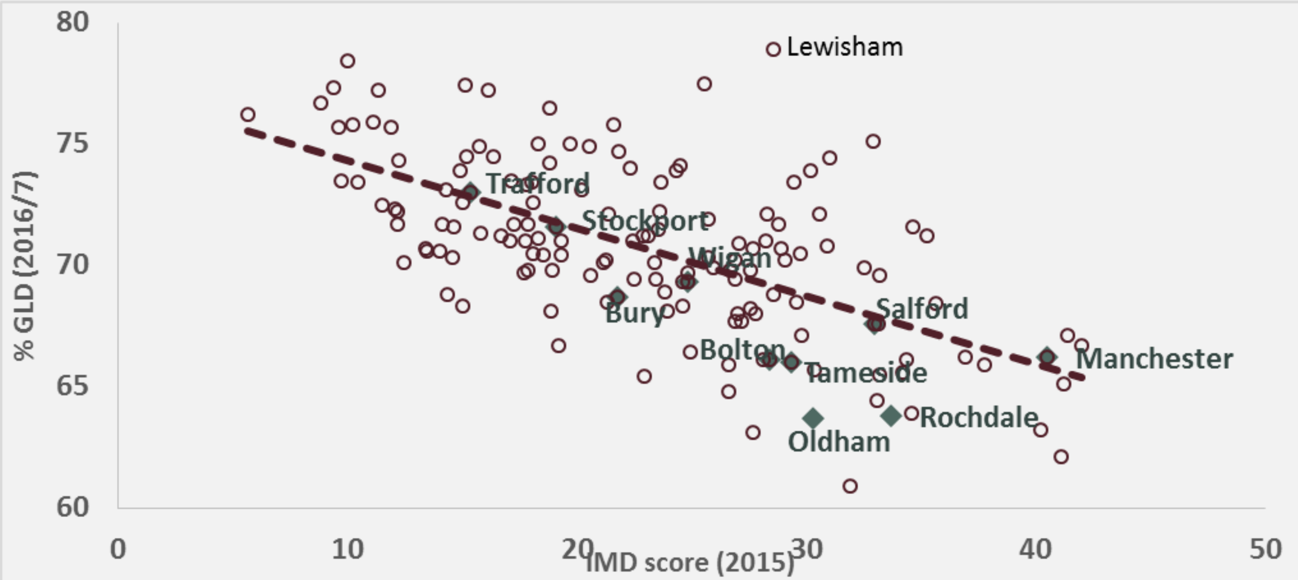
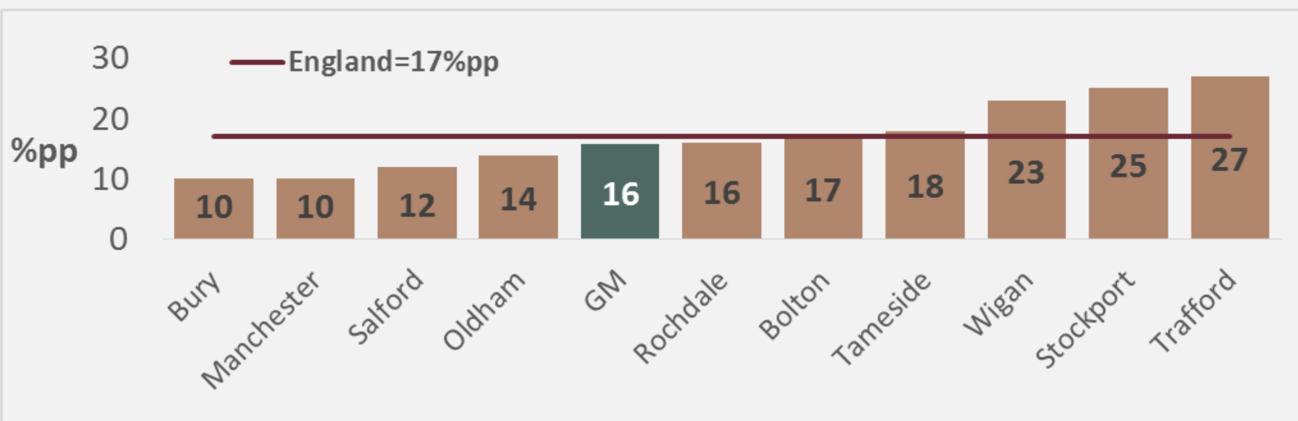


Figure 2.4: Good level of development – Percentage point gap between FSM and non-FSM pupils



Source: Department for Education (DfE), 2016, EYFS Profile: EYFS Profile statistical series

- Nationally, there is a clear inverse relationship between the level of deprivation (as measured by the Index of Multiple Deprivation) and school readiness. As deprivation increases, the percentage of children achieving a good level of development tends to decrease.
- The trend line in Figure 2.3 shows the national average GLD rate given any level of deprivation. Trafford, Stockport, Wigan, Salford and Manchester are close to the trend line indicating their GLD rates are close to the national average given their respective levels of deprivation. The remaining five districts (below the line) are underperforming based on their IMD scores.
- Other districts with similar IMD scores (notably, a number of London authorities) have considerably higher GLD rates. Lewisham, for example, has a similar IMD score to Bolton and Tameside but the highest GLD rate in the country.
- Nationally, the GLD attainment gap between children eligible for Free School Meals (FSM) and those not eligible is 17 percentage points. This gap is slightly lower in GM, at 16 pp.
- Across GM districts, the size of the FSM GLD attainment gap varies from 10 percentage points in Bury and Manchester to 27 pp in Trafford.

GMS Priority 2: Young People

YOUNG PEOPLE EQUIPPED FOR LIFE

Young People – Issues and Policy Priorities

Issues

- Demographic change forms an important background to the data presented in this section. The population of 16-18 year olds fell between 2014 and 2018 (from 100,400 young people in 2014 to 93,500 in 2018 (a difference of 6,800 young people)). It is projected to fall further in 2019 (to 92,900) before rising steadily to 107,500 16-18 year olds in 2024.
- In 2016/17 school attainment figures show a lag to the English national average in early years, at GCSE and at A level. Primary school performance is slightly higher, by contrast. Underlying these statistics are relatively high rates of disadvantage – well over a third, and in some areas about half, of children are from disadvantaged backgrounds. That said, London has higher rates of educational disadvantage, but achieves significantly higher scores, most notably at GCSE.
- The rates of young people's progression into further education, employment or training after leaving KS4 and KS5 in GM are similar to the England average, with small gaps of 1-2 percentage points. However, with local authorities now only required to track the participation of 16 and 17 year olds, there is limited support available for young people to navigate the transitions from school to further education and employment in their early adulthood; the options and possibilities outside the academic mainstream at age 16 can be especially bewildering to navigate.
- Apprenticeship starts for 16-24 year olds in 2016/17 fell by 9% on the previous year. Although most SMEs will not be eligible to pay the Levy, they may have been put off from taking on any new apprentices until the recent apprenticeship reforms have bedded in. Therefore, the wider uncertainty around the reforms is likely to be a bigger factor explaining the fall than a direct impact on the employers paying the Levy. There is also evidence to suggest that employers are increasingly investing in higher level (and costlier) apprenticeships, which may have meant taking on fewer apprentices.
- Apprenticeship achievement rates in GM match the NW and England averages, and the apprenticeship offer is relatively well-matched to labour market demand. Construction is the only sector subject area where apprenticeship starts have grown across all age groups. This may be partly explained by additional need for skills due to growth in commercial and residential development and large capital infrastructure projects in the pipeline such as HS2.
- In FE, there was an encouraging degree of alignment in general between high growth sectors and skills course starts. Large volumes of courses continue at relatively low skill levels.
- From 2020, the government aims to introduce T levels – new two-year study programmes that will lead to qualifications at level 3 and include a large element of work experience. These will replace many vocational and technical qualifications offered at level 3. A programme of activity to ensure GM is prepared for the introduction of T levels is currently under way.
- The disadvantage gap in attainment is still clearly evident at age 19, with disadvantaged pupils much less likely to achieve a L2 or L3 qualification by age 19 than non-disadvantaged. While this gap has reduced somewhat over the last decade in London and England as a whole, worryingly, this has not been the case in GM.
- More than half of KS5 leavers in GM go on to study at university. Around 40% of graduates from GM HEIs are working in GM 6 months after graduation, a rate which has been very stable in recent years.

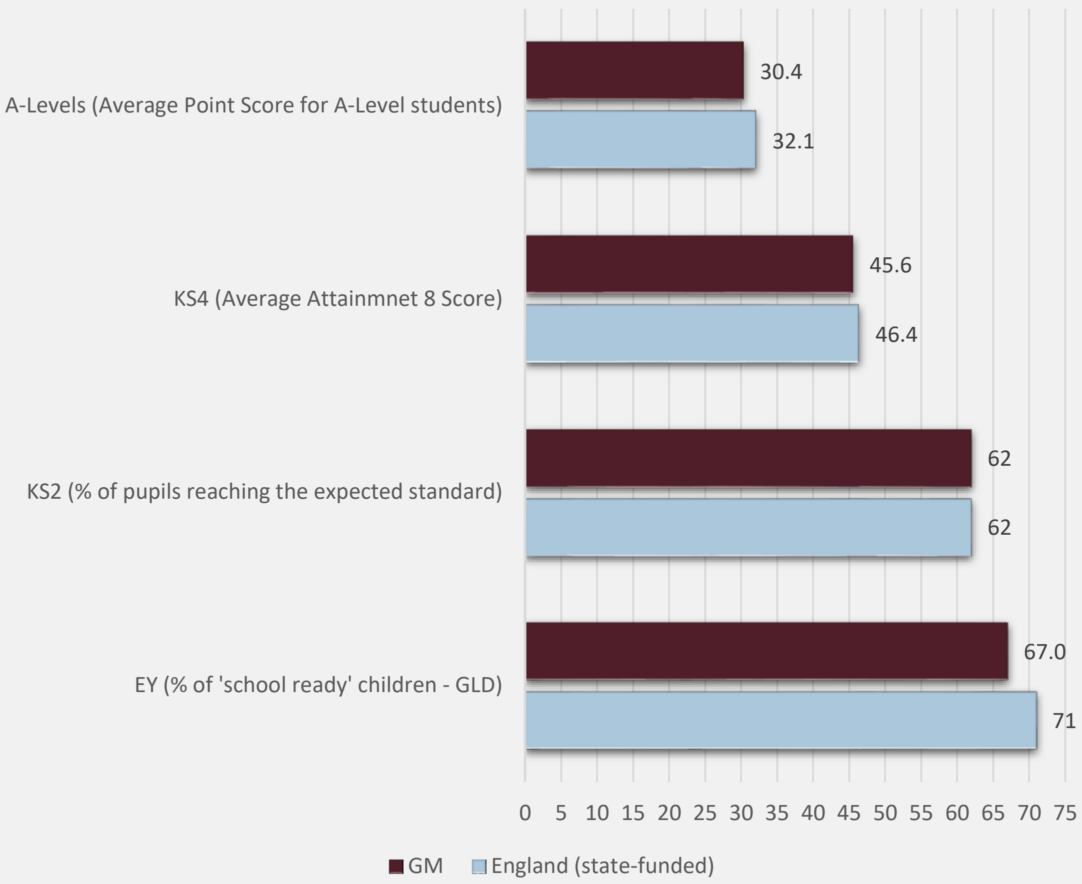
Young People – Issues and Policy Priorities

Policy Priorities

- Priority 2 of the GM Strategy outlines the ambition for all children in GM to have a good primary and secondary education, and to have a successful transition out of compulsory education, well prepared for the workplace and for adult life more broadly; while ensuring appropriate support is provided to children and families with complex needs. The actions proposed in the GMS Implementation Plan to help achieve these ambitions include:
  - develop and implement a GM model for school improvement, including raising attainment of English, maths and digital
  - develop and embed a Curriculum for Life from primary education to post-16
  - develop and implement a Young Person's Careers Portal; expand roll-out of Bridge GM
  - increase the capacity and quality of technical education and apprenticeships provision
  - design and deliver a consistent offer for care leavers across GM, launch a GM Early Intervention and Prevention Strategy, improve NEET monitoring, develop targeted support for young people with complex needs
- The GMS Implementation Plan has a comprehensive set of actions put forward to realise the ambitions of GMS Priority 2. Going forward into the implementation stage, it will be important to further develop some of the propositions in more detail in the light of the evidence from this review. One of these is the proposed GM model of school improvement, which needs to be informed by understanding of the disadvantage gap and reasons behind the relatively high school attainment in some areas with high proportions of disadvantaged pupils. Further school-level research is recommended to gain additional insights that can inform the GM school improvement model.
- The Curriculum for Life also needs thorough consideration to ensure it is fit for purpose and equips young people with the skills they'll need to successfully transition into adult life, including employability skills, digital literacy, as well as increasing their confidence, resilience and wellbeing. High quality careers advice and understanding of the world of work are crucial to young people's life readiness, so the plans for a Young Person's Careers Portal need to be informed by evidence on good practice to achieve the best possible outcomes, and employer engagement with learning providers needs to continue to be nurtured through programmes such as Bridge GM and others.
- Linked to this, improving the quantity, quality and attractiveness of technical education and training pathways available to young people after the age of 16 is key to ensuring all young people have the opportunity to transition into good quality, skilled work.
- Particular focus needs to be on developing actions designed to identify young people at risk of disengaging from education or the labour market after leaving compulsory education, and providing them with early intervention support.
- Any forms of support available for young people to navigate the transition from school to work should ideally be available up to the age of 24 for those who need it, to ensure everyone has a chance to get a good start to their working life, with far-reaching positive implications.
- Supporting the GMS and the Implementation Plan are a more detailed set of priorities for the skills system contained in the GM Work and Skills Priorities 2016-2019. Priorities include developing higher level skills, careers education, employer engagement and improving attainment from compulsory education.

Below average performance in GM in early years, at GCSE and A level

Figure 3.1: Education performance across different education phases in Greater Manchester and England, 2016/17



Source: Department for Education (2016/17)

- Figure 3.1 presents a view of education performance in GM across the four education phases (early years, end of primary school (KS2), GCSEs (KS4) and at A level (KS5)). The performance measures are imperfect and open to challenge in several respects. The overall picture also tends to fluctuate slightly each year – for example, in 2015/16 GCSE attainment was almost exactly the same as the national average.

- However, in the 2016/17 academic year, the data suggests there were lags to the English average in three phases: early years, attainment at GCSE (KS4) and at A level.

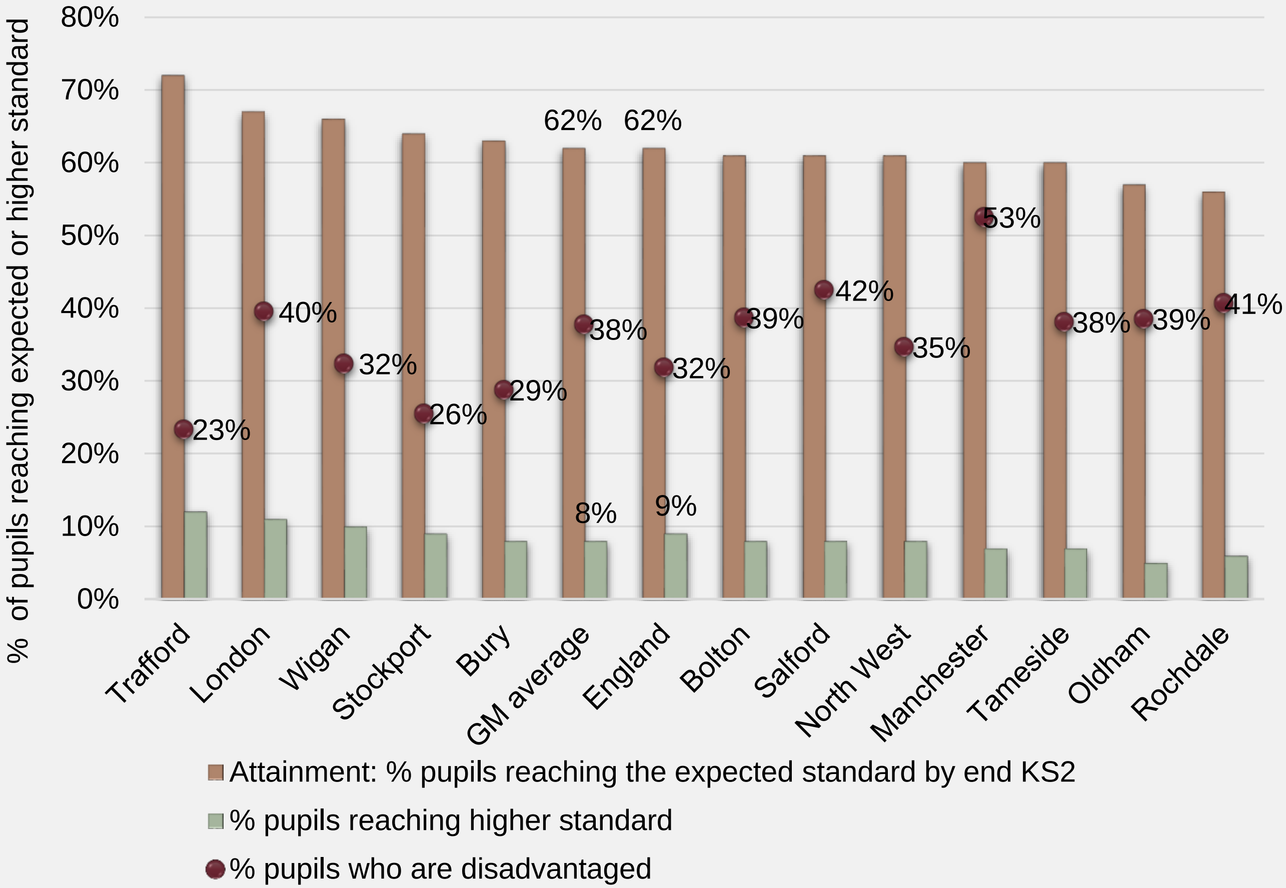
- Primary schools in GM have tended to score as well as, or better, than the English national average in recent years; in 2016/17 GM was level pegging.

- Secondary school education in GM up to the age of 16 has historically under-performed the English average. This was again the case in 2016/17 when attainment – as measured by the Attainment 8 calculation - was slightly below the English average. Progress 8 scores (the other main accountability measure for secondary schools – data not shown) also suggested a lag. Pupils in GM made about a tenth of a grade less progress than their peers elsewhere in England.

- Unusually, there was a further gap at A level in 2016/17. In recent years, Level 3 and A level attainment in GM has been consistently as good as or slightly above the England average.

GM primary school attainment matches national average

Figure 3.2: Proportions of pupils achieving expected standard by end of KS2, and proportion of disadvantaged pupils in 2017

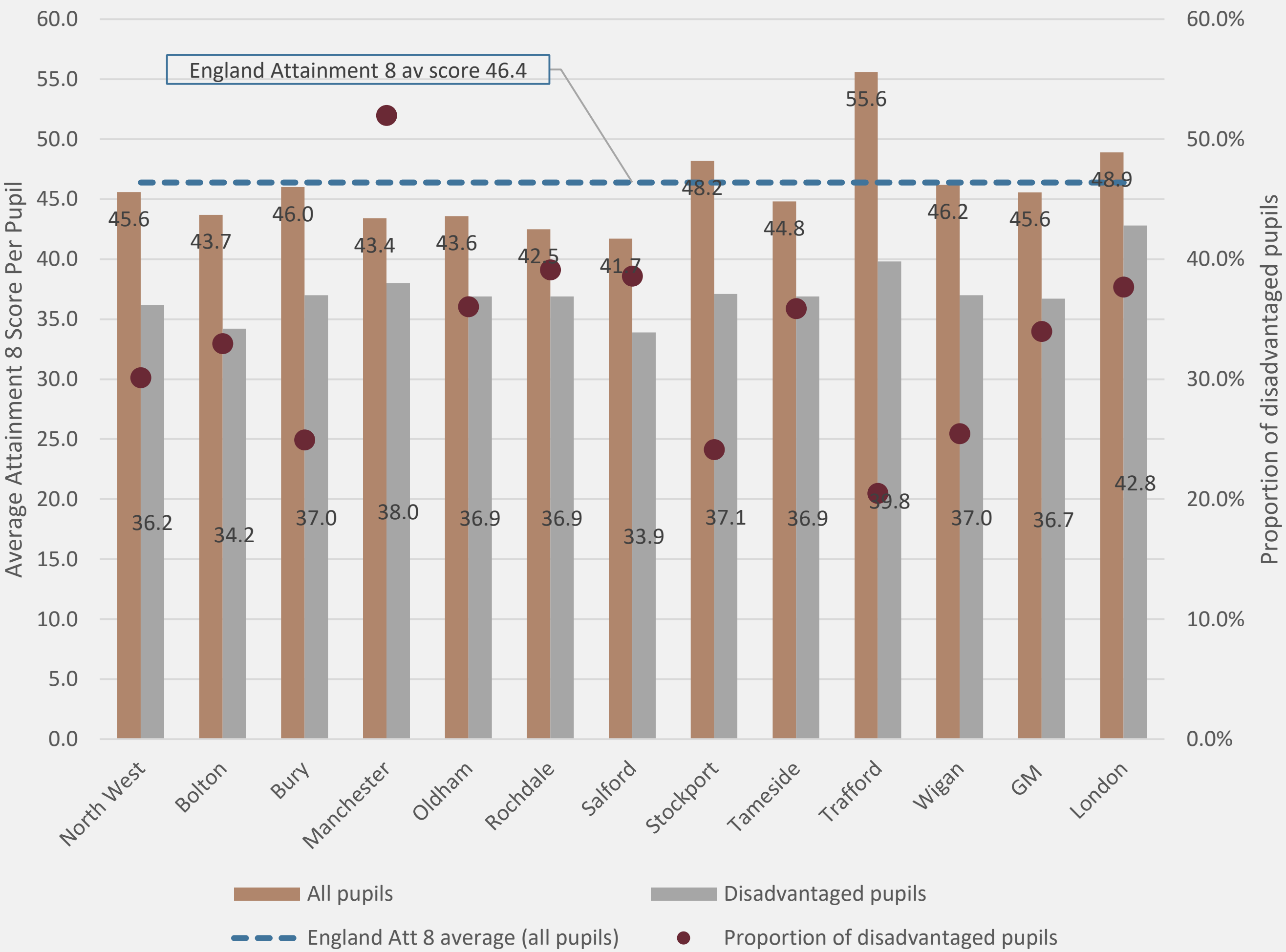


Source: Department of Education, National Curriculum Assessments at Key Stage 2 (state funded)

- Key stage 2 (KS2) refers to the tests sat by 10-11 year olds at the end of primary school.
- Attainment at KS2 in GM is the same as the England average, with 62% of pupils reaching the expected level in reading, writing and maths by the end of KS2, despite GM having more pupils who are disadvantaged than the England average.
- Some GM districts achieve better KS2 attainment than could be expected considering the proportion of disadvantaged pupils in the district. In Manchester, over half of all pupils are disadvantaged, compared to just under a third in England, yet Manchester is only 2% points behind the England average for KS2 attainment. Salford is also doing relatively well considering its high proportion of disadvantaged pupils.
- The definition of disadvantage includes children eligible for free school meals, looked-after children and children adopted from care.
- Data on children attaining a 'higher standard' at KS2 refers to those obtaining scaled scores of 110 or more, as well as those 'working at a greater depth' as assessed by teachers.

Most districts below national average for GCSE attainment

Figure 3.3: KS4 performance (Attainment 8 scores) and proportion of disadvantaged pupils in 2016/17



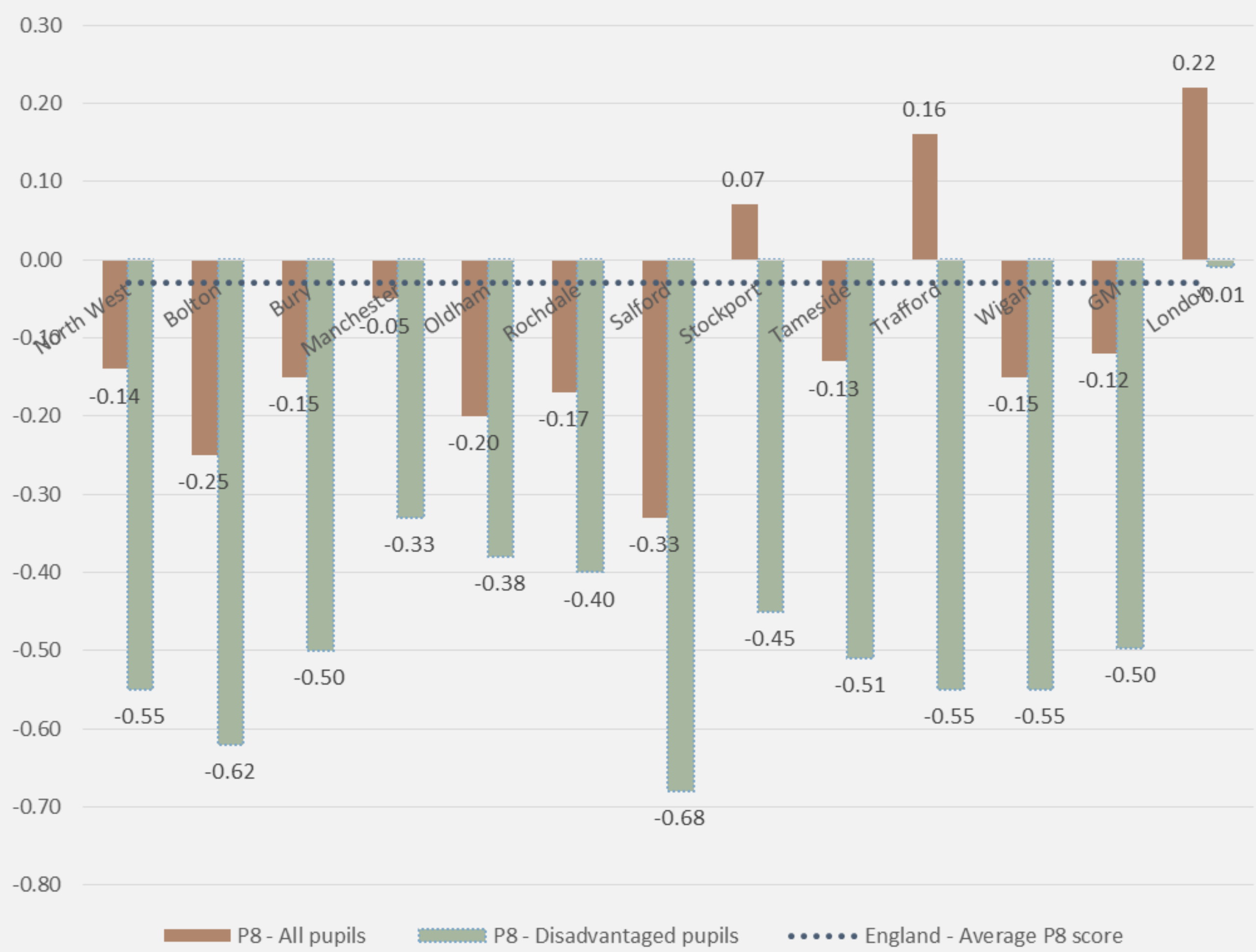
Source: Department for Education, GCSE and equivalent results in England, 2016/17 (state funded)

GMCA BOLTON BURY MANCHESTER OLDHAM ROCHDALE SALFORD STOCKPORT TAMESIDE TRAFFORD WIGAN

- Key Stage 4 (KS4) refers to GCSEs which pupils sit at age 16. KS4 performance is now measured by 'Attainment 8', which calculates attainment scores as an average for local authorities and 'Progress 8', which aims to assess progress achieved by pupils in secondary schools since the end of primary school.
- GM's A8 score (45.6) lags England's (46.4) by 0.8. Just two districts – Trafford and Stockport – were above the national average in 2016/17. GM has historically lagged national averages in educational attainment at KS4. In 2015/16 GM was level-pegging with England, although the gap re-emerged in 2016/17.
- Economic and social disadvantage has marked impacts on attainment. Pupils from disadvantaged backgrounds typically do worse than other pupils at GCSE.
- Levels of disadvantage in GM are relatively high: 34% of pupils are classified as disadvantaged compared with 27.3% in England.
- However, there are other city regions with comparable levels of disadvantage. London is notable for having much higher A8 scores *and* higher levels of disadvantage and is thus the focus of intense interest in education circles.

GM pupils make less progress in secondary school than peers elsewhere

Figure 3.4: Progress 8 scores in 2016/17



Source: Department for Education, GCSE and equivalent results in England, 2016/17

- Progress 8 is a measure of the ‘added value’ a secondary school makes given the academic abilities of the children they take on at age 11. A P8 score of 1 means that pupils make on average a grade more progress than the national average; a grade of -0.5 means they make half a grade less progress.
- In GM pupils make a tenth of a grade less progress than the average. Two districts – Stockport and Trafford – have positive Progress scores.
- Disadvantaged pupils in GM make considerably less progress than the average across all pupils. This is also the case in the North West, although in London disadvantaged pupils make as much progress as the England average for all pupils.
- Manchester has a relatively positive story to tell on pupil progress. Although more than half of pupils are disadvantaged, disadvantaged pupils in Manchester make better progress than their peers in any other GM district.

Matching national pupil attainment and progress norms varies by district

Figure 3.5: Numbers and proportions of schools in each GM district where average Attainment 8 and Progress 8 is lower than the England average, 2016/17

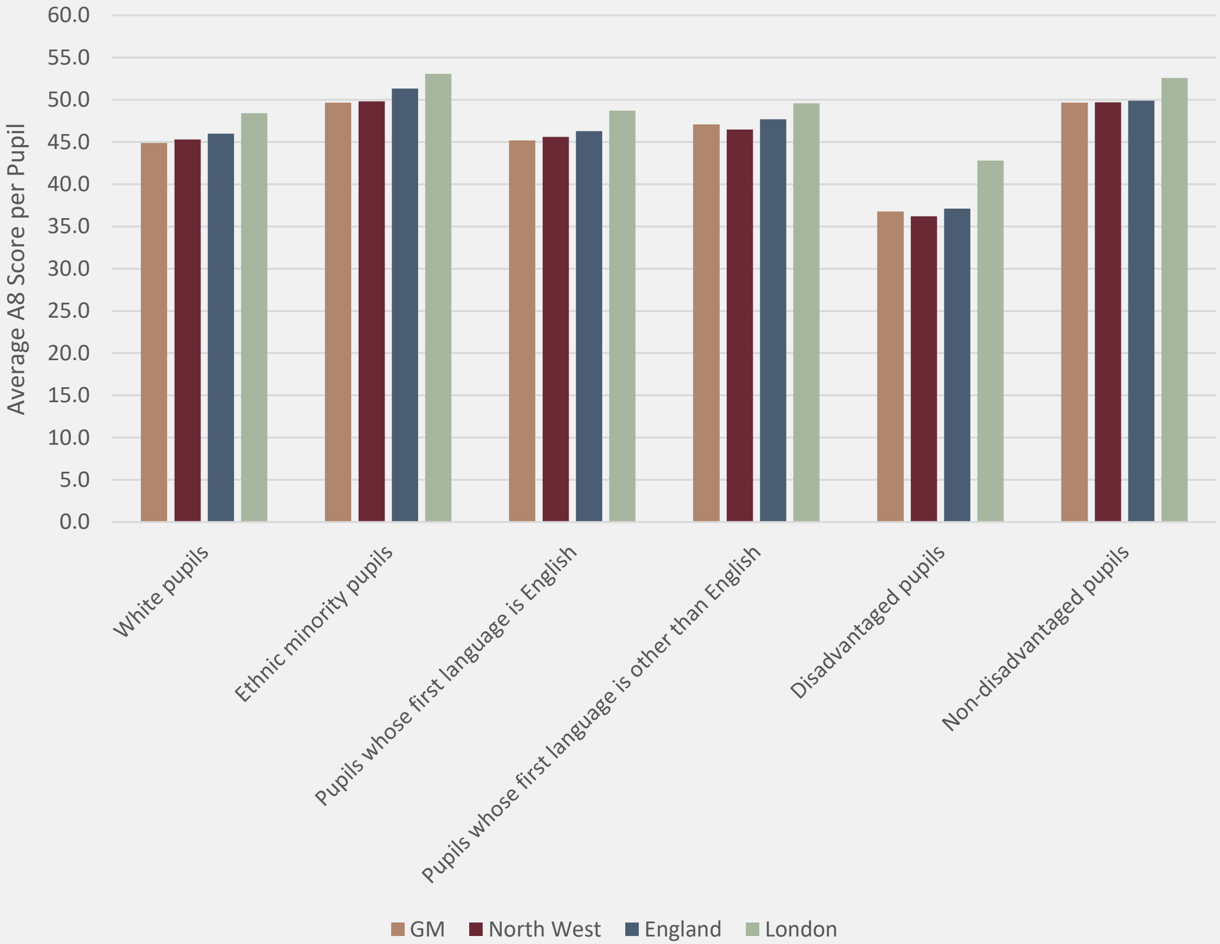
District	Number of schools below England Attainment 8 average	% of schools below England Attainment 8 average	Number of schools below England Progress 8 average	% of schools below England Progress 8 average
Bolton	8	61.1	14	77
Bury	5	38	9	69
Manchester	15	60	12	48
Oldham	9	75	9	75
Rochdale	8	67	7	58
Salford	11	73	10	67
Stockport	3	23	4	31
Tameside	7	50	9	60
Trafford	7	37	7	37
Wigan	11	61	13	72
GM (total/av)	**84**	**54.5**	**94**	**59.4**

Source: Department for Education 2016/17

- Figure 3.5 shows the number and proportion of mainstream secondary schools that fell below the English average on KS4 performance measures Attainment 8 and Progress 8 in 2016/17.
- 'Mainstream' is defined as state-funded schools, with all independent schools and all special schools of whatever type excluded from the calculation.
- Very high proportions of schools in Oldham and Salford – almost three quarters – achieved Attainment 8 average scores that are below the English average.
- Stockport was the district with the lowest percentage of schools obtaining Attainment 8 scores below the English average (23%).
- In terms of progress, in five districts about two thirds or more of schools fell below the measure of typical progress made by pupils that is standard in England.
- Again Stockport had the lowest proportion of schools where pupils on average made less progress than in England.

Ethnic minority pupils and those with second-language English score higher

Figure 3.6: KS4 performance measures in GM, North West, London and England in 2016/17 by pupil characteristics

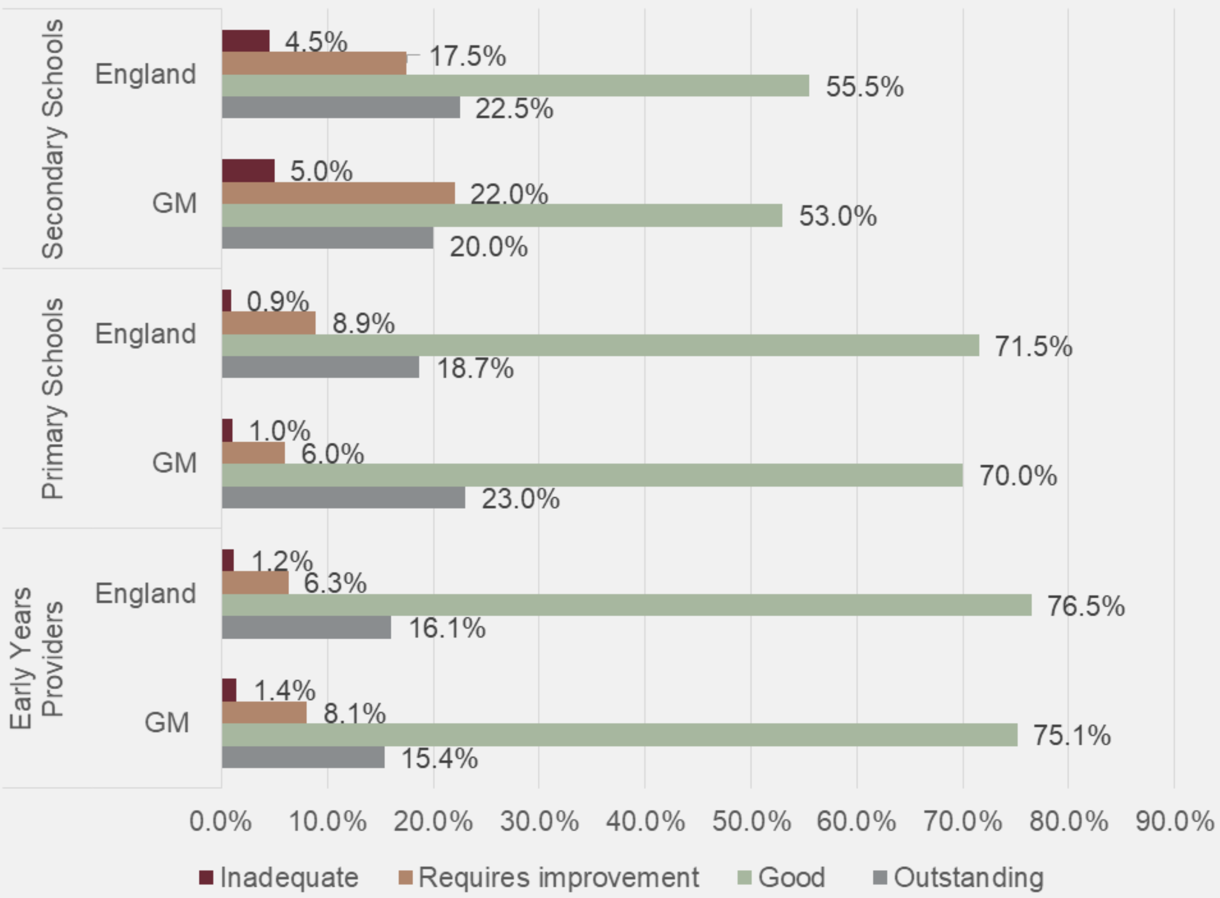


Source: Department for Education, GCSE and equivalent results in England, 2016/17

- The chart shows average Attainment 8 scores on the basis of pupil characteristics.
- White pupils score lower than pupils from ethnic minority backgrounds overall, although there is variation between ethnic groups. For example, pupils from Asian and Chinese backgrounds score especially highly.
- Similarly, pupils whose first language is not English outperform those for whom English is a first language, although this group varies hugely in country of origin.
- The label 'ethnic minority pupils' is an average of the following ethnicities: mixed race, black, Asian and Chinese. These are the only ethnic groups for which the DfE publishes data.
- As with all the education data contained in this review, it is important to remember the high proportion of disadvantaged pupils overall in GM (34%).
- The definition of disadvantage includes pupils eligible for free school meals, looked-after children and those adopted from care.

42,000 pupils study at GM schools rated as underperforming by Ofsted

Figure 3.7: Ofsted ratings across the education system in GM and England



Source: Ofsted, Maintained schools and academies inspections and outcomes as of March 2017

- While nine out of ten Early Years providers and primary schools are rated either outstanding or good by Ofsted, both in GM and nationally, just three in four secondary schools achieve the same rating, both in GM and nationally.
- Relatively fewer secondary schools in GM were rated outstanding by Ofsted compared to the England average (20.0% compared to 22.5%). The proportion of outstanding secondary schools in GM is boosted by Trafford's schools. Across the other nine GM districts, only 17% of secondary schools were rated as outstanding. GM's average secondary school Ofsted rating would match the England average with three additional schools receiving an outstanding rating, benefiting potentially around 3,000 more pupils at GCSE level.
- At secondary school level, more schools are rated as 'inadequate' - the lowest rating possible - than at any other phase of education, both in GM and nationally. One in 18 secondary schools in GM (or 5.0%) are rated as inadequate, compared to the England average of one in 22 schools (or 4.5%). If all of the nine secondary schools rated inadequate in GM improved the quality of their provision, around 2,000 pupils could potentially benefit.
- Overall, 45 GM schools are rated as inadequate or requiring improvement, currently affecting just under 42,000 pupils. This is a higher proportion than nationally, with well over one in four schools affected in GM (or 29%), compared to just over one in five schools in England (22%).

92% of 16 year olds in GM go into education, employment or training

Figure 3.8: Destinations of young people after key stage 4, 2014/15 and 2015/16

Destinations of key stage 4 cohort (%), 2015/16 (state-funded mainstream schools)											
Local Authority	Number of students	Any Education/ Employment /Training	Any education destination	Further Education College	Other FE Provider	School Sixth Form	Sixth Form College	Apprentice -ships	Sustained employment and/or training	Destination not sustained	Activity not captured in data
Bolton	3,315	94%	90%	46%	1%	24%	19%	7%	4%	5%	1%
Bury	2,090	94%	89%	48%	-	3%	38%	6%	5%	6%	-
Manchester	4,590	89%	86%	35%	1%	13%	37%	5%	3%	10%	1%
Oldham	2,880	92%	88%	38%	-	14%	36%	7%	4%	7%	1%
Rochdale	2,305	92%	89%	48%	-	6%	35%	7%	4%	7%	1%
Salford	2,060	89%	83%	66%	-	4%	12%	9%	6%	10%	1%
Stockport	2,740	93%	90%	23%	1%	8%	58%	8%	3%	6%	1
Tameside	2,540	93%	87%	37%	-	5%	45%	9%	6%	7%	-
Trafford	2,805	95%	93%	31%	1%	45%	15%	5%	3%	4%	1%
Wigan	3,515	93%	89%	44%	-	9%	35%	11%	5%	6%	1
GM	28,840	92%	88%	42%	1%	13%	33%	7%	4%	7%	1%
England	543,290	94%	90%	38%	1%	39%	13%	6%	3%	5%	1%

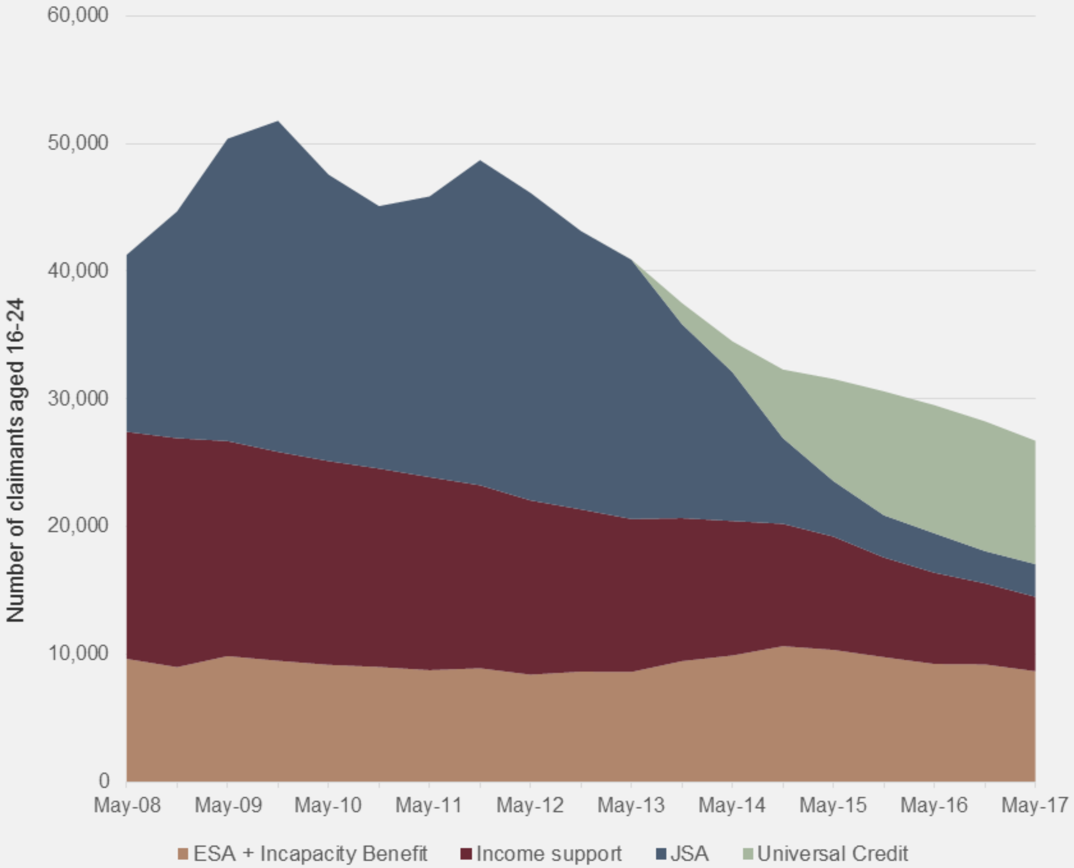
Destinations of key stage 4 cohort (%), 2014/15 (state-funded mainstream schools)											
Local Authority	Number of students	Any Education/ Employment/ Training	Any education destination	Further Education College	Other FE Provider	School Sixth Form	Sixth Form College	Apprentice -ships	Sustained employment and/or training	Destination not sustained	Activity not captured in data
Bolton	3,330	92%	88%	45%	1%	22%	21%	7%	3%	8%	1%
Bury	2,105	94%	92%	52%		4%	36%	5%	3%	5%	1%
Manchester	4,375	90%	87%	34%	1%	15%	37%	4%	3%	9%	1%
Oldham	2,920	93%	90%	39%	1%	15%	36%	6%	3%	7%	1%
Rochdale	2,370	92%	88%	48%	1%	7%	32%	6%	3%	8%	1%
Salford	2,115	91%	86%	71%	1%	5%	10%	9%	5%	8%	1%
Stockport	2,800	94%	91%	26%	1%	9%	55%	7%	3%	5%	-
Tameside	2,660	93%	89%	41%		8%	39%	8%	4%	7%	-
Trafford	2,880	96%	93%	33%	1%	45%	15%	5%	2%	4%	1%
Wigan	3,490	93%	88%	45%	1%	9%	33%	10%	4%	7%	-
GM	29,045	93%	89%	42%	1%	15%	32%	7%	3%	7%	1%
England	548,280	94%	91%	38%	1%	39%	13%	6%	3%	5%	1%

Source: Department for Education

- The vast majority of learners in GM (88%, equal to around 25,400 learners) went on to study at an education institution after their GCSEs in 2015/16, a slight decrease from 2014/15 when 89% went onto further study. This is also slightly below the England average of 90% in 2015/16.
- Similarly to 2014/15, the majority of these pupils (42% or 12,100 pupils) went to an FE college; 33% (or 9,500 pupils) went to a sixth form college; and 13% (3,750 pupils) went to a school sixth form.
- 4% of 16 year olds in GM went on to employment and/or training after their GCSEs, while 7% (around 2,000 pupils) did not go on to any sustained education, employment or training destination (above the England average at 5%).

Number of young people claiming out of work benefits has fallen

Figure 3.9: Number of young people aged 16-24 claiming out of work benefits (2008-2017)



Source: DWP benefits and claimant count, Nomis, StatXplore

- Numbers of young people aged 16-24 claiming benefits in GM have reduced significantly over recent years, reflecting wider trends within benefit claims. There were just over 26,700 young people claiming the main out of work benefits in GM in May 2017, representing a decrease of 9% since May 2016. Nearly half of this is accounted for by an 18% decrease in the numbers of young people claiming Income Support, but there have been reductions in the numbers of young people claiming all of the main out-of-work benefits.

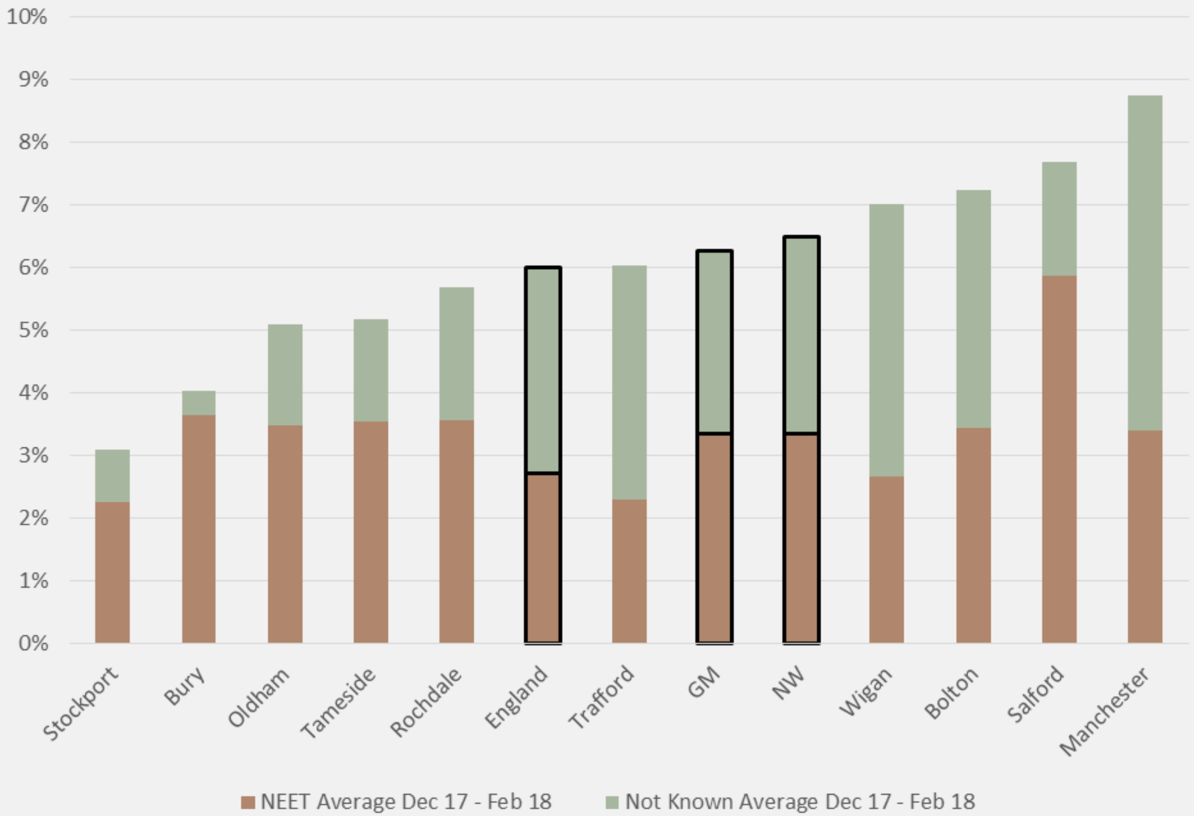
- The claimant count is the total number of people claiming JSA plus those claiming UC who are required to search for and be available for work. The claimant count for young people in November 2017 was 9,410. This represents a decrease of 9% since November 2016.

- Young people have been particularly affected by the implementation of Universal Credit, because the first group to become eligible were first-time claimant, single job seekers, who are younger than the average benefit claimant. Universal Credit claimants accounted for 36% of all 16-24 year old out-of-work benefit claimants in May 2017, compared to 16% of total out-of-work benefit claimants across all ages.

- Reductions in benefit claimant numbers should be treated with caution in the context of welfare reform. There is some evidence to suggest that part of this reduction may be due to young people in particular 'falling out of the system' due to challenges in accessing welfare in a less generous regime.

3.4% of 16-17 year olds in GM are NEET - with a further 2.9% ‘not known’

Figure 3.10: Proportions of 16-17 year olds who are NEET or Not Known (average of the three months between December 2017 and February 2018)



Source: NCCIS

- The term NEET, an abbreviation of Not in Education, Employment or Training, officially refers to the age range of 16 year olds to 24 year olds. This data is not published for GM, but a research project is planned to help understand it better.
- However, local authorities are obliged to track 16 and 17 year olds only.
- Between December 2017 and February 2018, 3.4% of 16 and 17 year olds in GM were NEET. A further 2.9% of the cohort was ‘not known’ (taking the combined NEET and Not Known total to 6.3% of 16-17 year olds).
- Over the period GM had a slightly lower Not Known rate than the NW and England average. The combined NEET and Not Known figure for GM was slightly higher than the England average, and slightly lower than the NW average.
- Within GM, the share of the NEET and Not Known cohort ranged greatly: from as low as 3.1% in Stockport to 8.8% in Manchester.

Significant variation within GM in proportions of NEET 16-17 year olds

Figure 3.11: Numbers and proportions of 16-17 year olds who are NEET or Not Known, three-month average (Dec 17-Feb 18)

	NEET			Not Known			Neet + Not Known		
	Number NEET (Dec 17-Feb 18)	% of cohort NEET (Dec 17-Feb 18)	NEET % point change in share of cohort (Dec 17-Feb 18 - Dec 16- Feb 17)	Number Not Known (Dec 17-Feb 18)	% of cohort Not Known (Dec 17-Feb 18)	NK % point change in share of cohort (Dec 17-Feb 18 - Dec 16- Feb 17)	Number NEET or Not Known (Dec 17-Feb 18)	% of Cohort NEET or Not Known (Dec 17-Feb 18)	NEET + NK % point change in share of cohort (Dec 17-Feb 18 - Dec 16- Feb 17)
Bolton	245	3.5%	0.9%	270	3.8%	-0.5%	515	7.2%	0.4%
Bury	155	3.6%	0.0%	17	0.4%	0.1%	172	4.0%	0.1%
Manchester	367	3.4%	0.5%	576	5.3%	-1.1%	943	8.8%	-0.6%
Oldham	212	3.5%	-1.4%	98	1.6%	-0.7%	310	5.1%	-2.0%
Rochdale	181	3.6%	-0.2%	108	2.1%	-0.8%	289	5.7%	-1.0%
Salford	275	5.9%	-0.1%	85	1.8%	0.5%	360	7.7%	0.4%
Stockport	141	2.3%	0.2%	52	0.8%	0.1%	194	3.1%	0.3%
Tameside	172	3.5%	-0.7%	79	1.6%	-2.0%	251	5.2%	-2.7%
Trafford	120	2.3%	0.1%	193	3.7%	-0.2%	313	6.0%	-0.1%
Wigan	189	2.7%	0.2%	308	4.3%	-1.5%	498	7.0%	-1.3%
GM	2,058	3.4%	0.0%	1,787	2.9%	-0.7%	3,844	6.3%	-0.7%
NW	5,219	3.4%	0.0%	4,900	3.1%	-0.1%	10,119	6.5%	-0.1%
England	30,832	2.7%	-0.1%	37,362	3.3%	0.1%	68,194	6.0%	0.0%

Source: NCCIS

- The proportion of 16-17 year olds who are NEET varies across the conurbation, from 2.3% in Stockport (141 young people) and Trafford (120 young people) to 5.9% (275) in Salford.
- The combined NEET and Not Known figure is considered to reflect a truer picture of the situation for 16 and 17 years olds.
- The NEET + Not Known proportion has decreased by as much as 2.7% and 2.0% in Tameside and Oldham respectively. Bury, Bolton, Salford and Stockport have all seen increases.
- The number of NEET or Not Known young people has decreased by 485 between 16/17 and 17/18, however due to decreases in the overall cohort size, the actual proportion of young people NEET or Not Known in GM has decreased by 0.7%. This is a bigger reduction than the England and NW averages.

Skills training is the typical route out of being NEET

Figure 3.12: Proportion of NEET cohort from October 2017 re-engaging in EET in November 2017

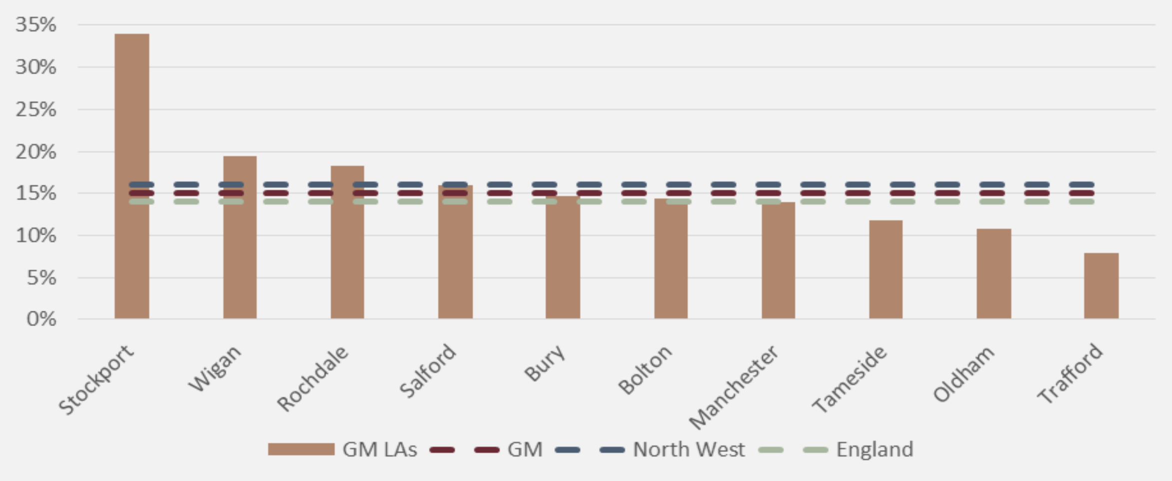
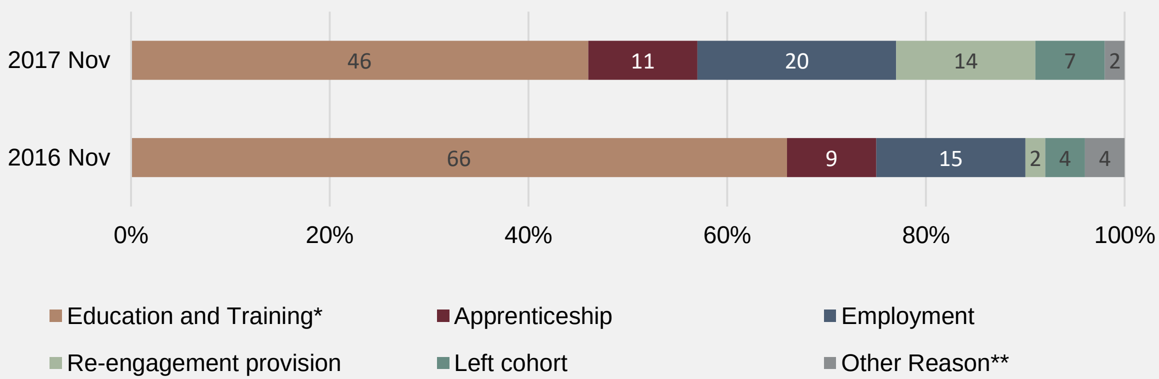


Figure 3.13: GM NEET leavers' destinations (%)



* Left Cohort includes: Transferred to another LA, Age reached, Left England, Duplicate, Deceased, and Moved away.
** Other reason includes: Unknown activity, Refused to disclose activity, Cannot be contacted, Custodial sentence and Other reason.

Source: NCCIS

- 15% of the NEET cohort in GM in October 2017 (equal to 264 young people) 're-engaged' in employment, education or training in November 2017, a marginally higher proportion than the England average of 14%.
- Stockport had the highest re-engagement rate of 34% in November 2017. This was mostly driven by young people leaving the NEET cohort via 're-engagement programmes' – specialist interventions targeting NEET young people. Some 28 out of 48 young people re-engaged in EET in this way.
- 46% of GM NEET leavers in November 2017 (123 young people) went onto education or training (in England this figure stood at 42%). This is a 20 percentage point drop in comparison to November 2016, when 66% of NEET leavers went into education or training.
- The proportion of young people in GM leaving the NEET cohort through re-engagement provision has increased from 2% in 2016 to 14% in 2017. This category includes programmes funded by the Youth Engagement Fund. Leavers through re-engagement provision are almost entirely concentrated in Stockport (at 78%).

Apprenticeship starts decrease by 6%; falls largest among young people

Figure 3.14: Apprenticeship starts 2016/17 by age band and level

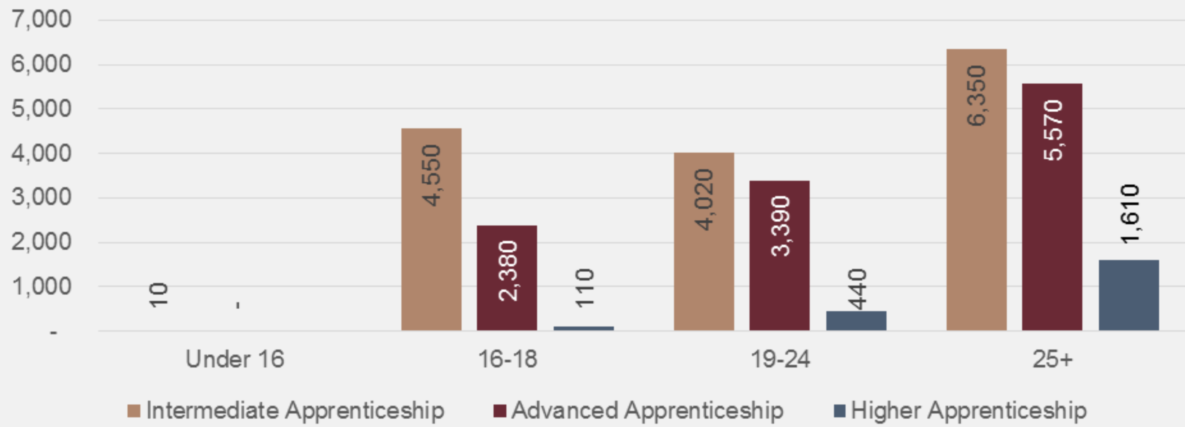
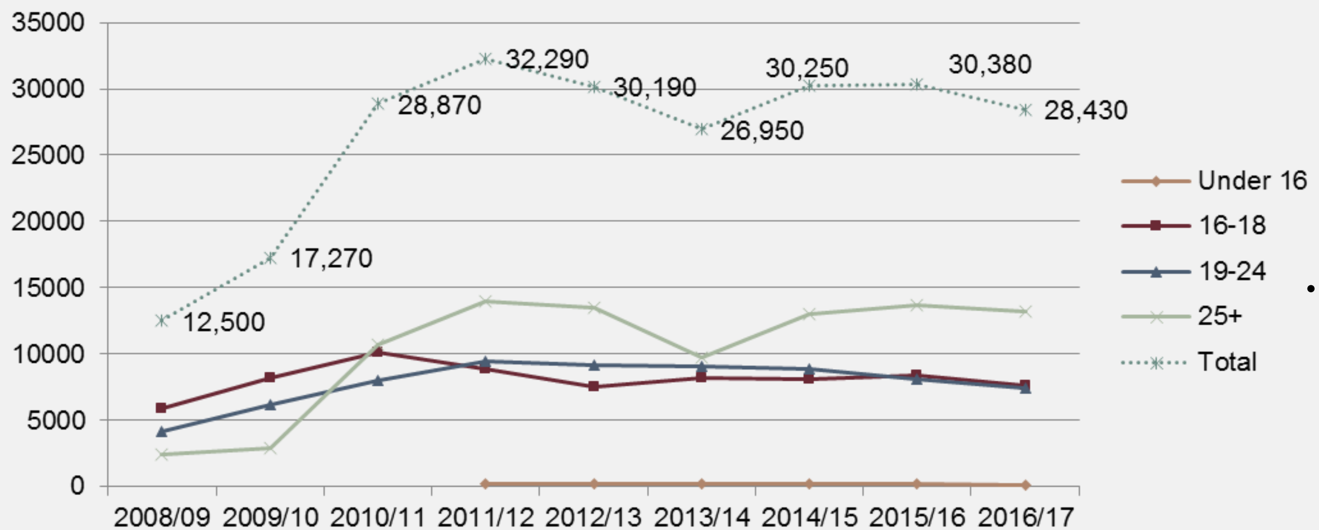


Figure 3.15: Apprenticeship starts by age band 2008/09-2016/17



Source: SFA datacube 2016/17. Numbers have been rounded to nearest 10

- There were 28,430 apprenticeship starts in GM in 2016/17. Just under half (47%) of apprenticeship starts were made by adults (aged 25+). Intermediate level apprenticeships (equal to Level 2) accounted for the majority of starts (52%).
- The number of apprenticeship starts in 2016/17 decreased by 6% (1,961) compared to 2015/16. There was a 9% decrease in apprenticeship starts for young people (aged 16-24) and a 4% decrease for adults (aged 25+).
- There were 6,550 apprenticeship starts in GM in Q1 (Sep-Nov) 2017/18, a 27% decrease compared to Q1 2016/17. This decrease could be explained (at least partially) by uncertainty among employers about apprenticeship reforms (notably the introduction of the Apprenticeship Levy in May 2017).
- However, apprenticeship take-up has fluctuated between around 27,000 and 30,000 starts per year since 2010, therefore a change of just under 2,000 starts is not exceptionally unusual when compared to trends over the last five years or so.
- ‘Apprenticeship starts’ refers to the number of apprenticeships started in a time period. A learner could start more than one apprenticeship in an academic year.

Apprenticeship achievement rates in GM in line with UK average

Figure 3.16: Apprenticeship achievement rates (%) by age band and level, 2016/17

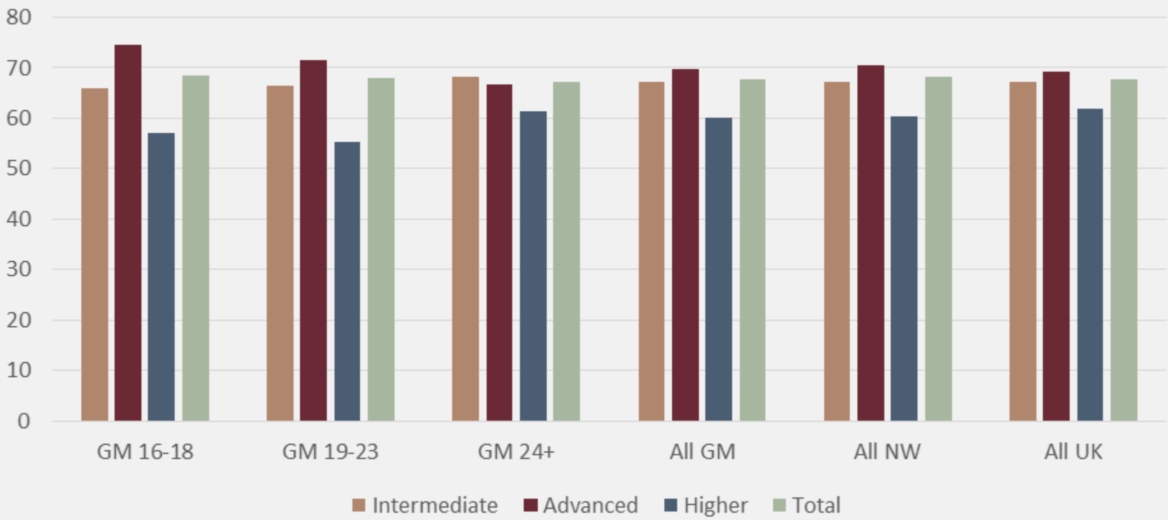


Figure 3.17: Apprenticeship achievement rates in GM by type of institution

Institution Type	Overall Cohort	Overall Achievement Rate %
Other Public Funded	630	62.5
Sixth Form College	190	70.2
Specialist College	80	84
General FE and Tertiary College	7,750	68.2
Private Sector Public Funded	15,190	67.5
All Institution Type	**23,850**	**67.6**

Source: Education and Skills Funding Agency, National achievement rates tables 2016/17

- The apprenticeship achievement rate is the number of apprenticeships that have been achieved as a proportion of the number of apprenticeships that have ended.
- At 67.6%, the overall apprenticeship achievement rate in GM is broadly in line with the UK average of 67.7%, and slightly below the NW average of 68.2%.
- There is little difference in the apprenticeship achievement rates between apprentices in the 16-18 and 19-24 age bands in GM. For 24+ apprentices, there is less variation in achievement rates across the levels, compared to the younger age groups.
- Private sector public funded institutions account for nearly two thirds of apprenticeship provision in GM, and their achievement rate is in line with the national average. The next largest type of provider, general FE and tertiary colleges, have a slightly higher achievement rate of 68.2%
- Among GM local authorities, Salford has the lowest apprenticeship achievement rate at 65.2% and Bolton the highest at 70.1%.

Business, finance and professional apprenticeships make up third of starts

Figure 3.18: Apprenticeship starts in GM by level and sector subject area, 2016/17 (all ages)

	Sector subject area	Intermediate	Advanced	Higher	Total	% of total
High jobs growth	Business, Finance and Professional Services	4,920	3,070	1,290	9,280	33%
	Construction	1,260	1,350	40	2,650	9%
	Digital and Creative	150	760	150	1,060	4%
	Personal Services	810	480	0	1,290	5%
Modest jobs growth	Health and social care and health innovation	3,330	3,510	610	7,450	26%
	Hospitality, tourism and sport	1,360	780	20	2,160	8%
	Retail and Wholesale Distribution	410	170	0	580	2%
	Transport Storage and Logistics	1,210	360	20	1,600	6%
Declining jobs	Manufacturing	1,100	170	10	1,280	5%
	Primary Industries	120	40	10	170	1%
	Public sector (Education and public administration)	260	650	0	910	3%
	Total	14,920	11,340	2,160	28,430	**100%**

Source: SFA Datacube 2016/17. Numbers have been rounded to nearest 10

- In 2016/17, 50% of apprenticeship starts were in subject areas aligned with sectors that have seen high recent jobs growth, while 41% of starts were in modest jobs growth sectors, and 8% in sectors with declining numbers of jobs.
- Looking at higher apprenticeships only, 69% of starts were in high jobs growth sectors, 30% in modest jobs growth sectors and 1% in declining jobs sectors.
- The higher the level of apprenticeship, the larger the proportion of starts within high and modest jobs growth sectors.
- This suggests that apprenticeship starts in 2016/17 were well mapped to labour market demand, as the majority of all apprenticeships were in high and modest job growth sectors, and this was even more pronounced at the higher apprenticeship level.

57% increase in higher apprenticeships since 2014/15 – mostly adults

Figure 3.19: Change in levels of apprenticeship starts by age 2014/15-2016/17

	2014/15	2015/16	2016/17	Change 14/15-16/17	% Change
Intermediate Apprenticeship					
16-18	5,100	5,060	4,560	-540	-11%
19-24	5,540	4,770	4,020	-1,520	-27%
25+	7,190	7,580	6,350	-840	-12%
Total Intermediate	17,830	17,400	14,920	**-2,910**	**-16%**
Advanced Apprenticeship	-	-	-		
16-18	2,320	2,430	2,380	60	3%
19-24	3,540	3,590	3,390	-140	-4%
25+	5,180	5,260	5,570	390	8%
Total Advanced	11,040	11,270	11,340	**310**	**3%**
Higher	-	-	-		
16-18	80	130	110	30	32%
19-24	300	370	440	140	48%
25+	990	1,210	1,610	620	62%
Total Higher	1,370	1,710	2,160	**790**	**57%**
Total	30,240	30,390	28,430	**-1,820**	**-6%**

Source: SFA datacube 2016/17. Numbers have been rounded to nearest 10

- Over the last two years, the spread of learners across apprenticeship levels has shifted towards higher apprenticeships.
- There has been a decrease in people starting intermediate apprenticeships across all ages, but most significantly so within the 19-24 age band which saw a 27% (1,520) drop in numbers of intermediate apprenticeship starts between 2014/15 and 2016/17.
- Advanced apprenticeships saw a moderate increase of 3% (310) during the same time period, although most of this came from an 8% increase in the number of 25+ people starting advanced apprenticeships. Advanced starts by people aged 19-24 decreased by 4% (140).
- Higher apprenticeship starts increased by 57% (790) from 2014/15 to 2016/17, although they remain relatively few as a total number (2,160 in 2016/17). The majority of this increase came from people aged 25+, who accounted for 620 additional starts.
- At least some of the increase of higher apprenticeships will be explained by workers taking them through their existing employers.

Young people starting apprenticeships decrease across most subjects

Figure 3.20: 16-18 apprentice starts by sector subject area and level, 2016/17

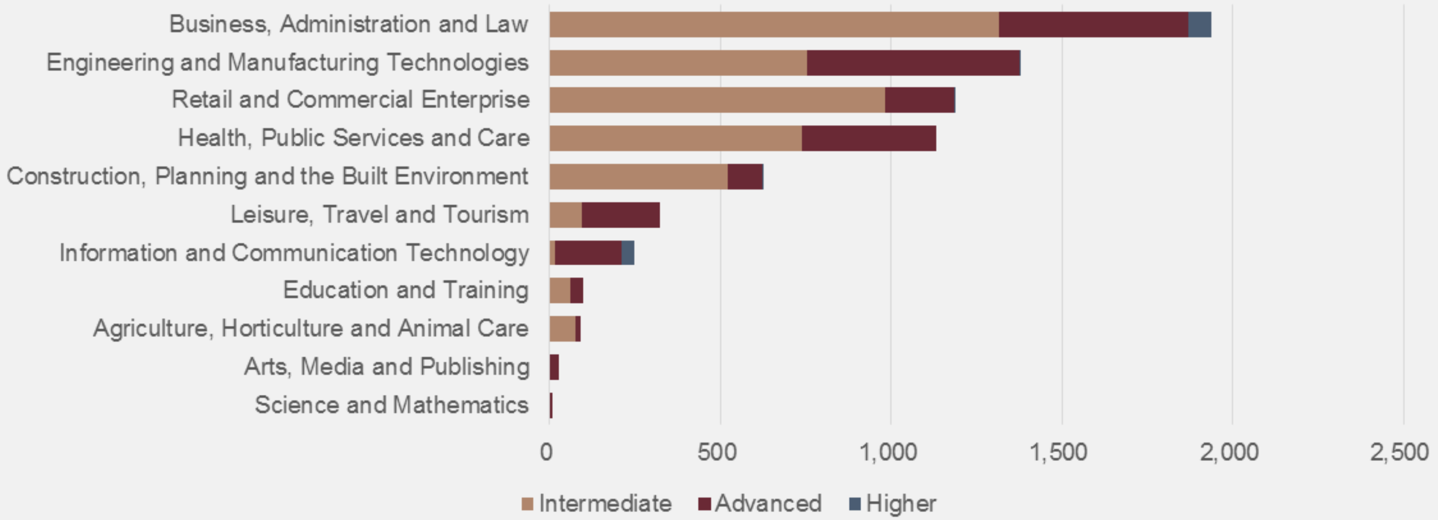


Figure 3.21: 16-18 apprentice starts 14/15-16/17 by industry and demand

	Sector subject area	2014/15	2015/16	2016/17	Change 14/15-16/17	% change
High jobs growth	Business, Finance and Professional Services	2,180	2,030	1,850	-340	-16%
	Construction	930	1,110	1,040	110	12%
	Digital and Creative	470	580	360	-110	-23%
	Personal Services	790	720	670	-120	-15%
Modest jobs growth	Health and social care and health innovation	960	1,040	1,070	110	11%
	Hospitality, tourism and sport	560	560	550	-20	-4%
	Retail and Wholesale Distribution	180	100	110	-70	-39%
	Transport, Logistics and Storage	590	650	570	-20	-3%
Declining jobs growth	Manufacturing	690	650	580	-110	-16%
	Primary Industry	30	40	50	20	67%
	Public sector (Education and public admin)	120	150	210	80	67%
	Grand Total	7,510	7,610	7,050	-460	-6%

- As with all age groups, the most popular apprenticeships for 16-18 year olds in 2016/17 were within business, administration and law. This was followed by engineering and manufacturing technologies apprenticeships, which were much more popular amongst 16-18 year olds than any other age group.
- Since 2014/15 there has been a 6% decline in the number of apprenticeship starts by 16-18 year olds (460 fewer starts).
- The number of starts has declined across most subject areas in this period, except those related to construction, health and social care, and education and public administration, where the number of apprenticeship starts has grown.

Source: SFA datacube 2016/17. Numbers have been rounded to nearest 10

Business and health remain popular apprenticeships for 19-24 year olds

Figure 3.22: 19-24 apprentice starts by sector and level 2016/17

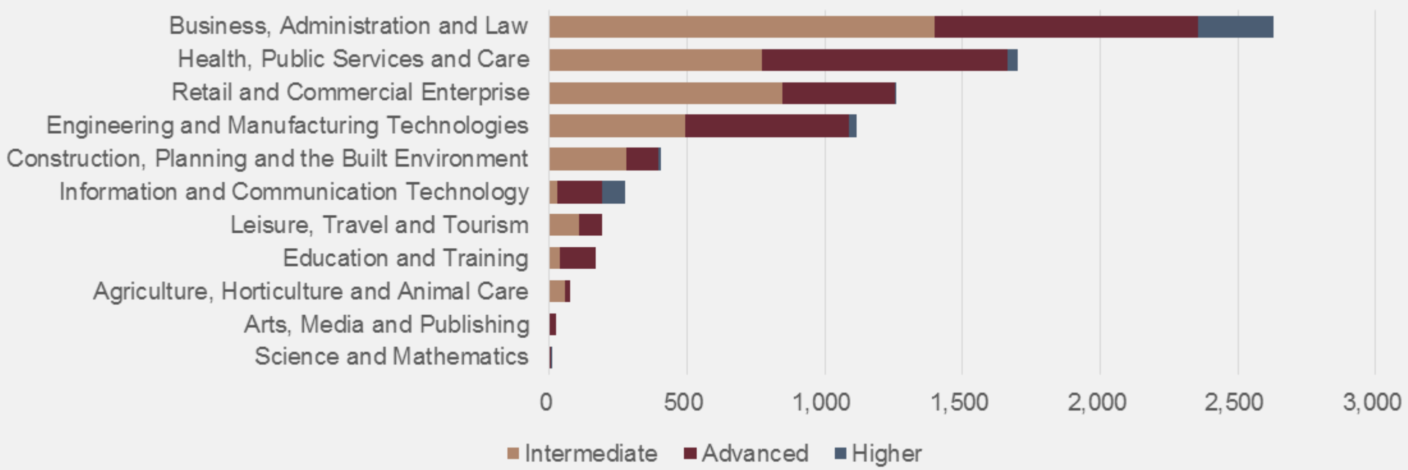


Figure 3.23: 19-24 apprentice starts 14/15-16/17 by industry and demand

	Sector subject area	2014/15	2015/16	2016/17	Change 14/15-16/17	% change
High jobs growth	Business, Finance and Professional Services	3,470	3,010	2,570	-900	-26%
	Construction	680	870	750	70	10%
	Digital and Creative	400	440	410	10	3%
	Personal Services	540	490	400	-140	-26%
Modest jobs growth	Health and social care and health innovation	1,730	1,650	1,680	-50	-3%
	Hospitality, tourism and sport	840	680	600	-230	-27%
	Retail and Wholesale Distribution	330	240	200	-130	-39%
	Transport, Logistics and Storage	580	590	510	-70	-12%
Declining jobs growth	Manufacturing	560	520	500	-60	-11%
	Primary Industry	60	60	50	-10	-17%
	Public sector (Education and public admin)	210	190	190	-10	-5%
	Grand Total	9,370	8,730	7,850	-1,520	-16%

- Business, administration and law apprenticeships were also the most popular for 19-24 year olds. This was followed by apprenticeships within the health, public services and care sector.
- 85% of apprenticeship starts within the 19-24 age band were concentrated in the four most popular sectors.
- The 19-24 age group has seen the biggest decline in apprenticeships between 2014/15 and 2016/17, with 16% fewer starts over this time period (equal to over 1,500 starts), compared to a 6% decline for 16-18 year olds and a 1% increase for 25+ year olds.
- This age group saw declines in starts within almost all sector subject areas, with construction being the only notable exception.

Source: SFA datacube 2016/17
Numbers have been rounded to nearest 10

FE colleges control third of young person apprenticeship market

Figure 3.24: Top 30 apprenticeship providers for 16-24 year olds in GM by level, 2016/17

Row Labels	Intermediate	Advanced	Higher	Total
THE GROWTH COMPANY LIMITED	670	410	30	1,110
BURY COLLEGE	380	180	10	560
DAMAR LIMITED	370	120	50	540
THE OLDHAM COLLEGE	290	210	10	510
TRAFFORD COLLEGE	290	210	10	510
WIGAN AND LEIGH COLLEGE	300	170	10	470
TOTAL PEOPLE LIMITED	180	240	20	440
LIFETIME TRAINING GROUP LIMITED	300	80	0	380
SALFORD CITY COLLEGE	220	150	10	380
BOLTON COLLEGE	240	110	0	350
ROCHDALE TRAINING ASSOCIATION LIMITED	180	140	30	340
INTERSERVE LEARNING & EMPLOYMENT (SERVICES) LIMITED	200	130	0	330
LEARNDIRECT LIMITED	190	130	0	320
TAMESIDE COLLEGE	200	90	0	290
NORTH LANCS. TRAINING GROUP LIMITED	230	60	0	290
ALLIANCE LEARNING	120	110	10	230
GP STRATEGIES TRAINING LIMITED	110	100	20	220
RATHBONE TRAINING	90	130	0	220
MICHAEL MCCORMACK	130	80	0	210
BABCOCK TRAINING LIMITED	140	80	0	210
EQL SOLUTIONS LIMITED	130	80	0	210
HOPWOOD HALL COLLEGE	140	50	0	190
QA LIMITED	0	120	50	170
JARVIS TRAINING MANAGEMENT LIMITED	100	60	10	160
CHESTERFIELD COLLEGE	120	40	0	160
KAPLAN FINANCIAL LIMITED	50	70	50	160
CITB	110	50	0	160
STOCKPORT COLLEGE	110	50	0	160
WIGAN METROPOLITAN BOROUGH COUNCIL	70	70	0	150
LTE GROUP	80	50	10	130

- Private sector public funded providers accounted for 62% of apprenticeship starts for 16-24 year olds in GM in 2016/17 while FE colleges accounted for 32%.'Other public funded including HEIs' accounted for 4%, 6th form colleges for 2%, and special colleges 0.4% (61 people).

- The Growth Company provided 1,110 apprenticeship starts by 16-24 year olds in GM in 2016/17, nearly double that of any other provider.

- The top 30 providers accounted for 64% of 16-24 apprenticeship starts. A further 324 providers accounted for the remaining 36%.

- The top providers of higher apprenticeships to young people aged 16-24 were QA Limited, Kaplan Financial, and Damar Ltd (each with around 50 starts). The top 30 higher apprenticeship providers accounted for 81% of higher apprenticeship starts.

Source: SFA datacube 2016/17. Figures refer to number of apprenticeship starts and have been rounded to the nearest 10

Learners in post-16 education system grew in 2016/17

Figure 3.25: Learner numbers in post 16 education and training by age and skill level, 2014/15-2016/17

	2014/15	2015/16	2016/17	Change 2014/15-16/17	Change (%)
Below Level 2					
18 and under	19,910	17,450	15,860	-4,050	-23.2%
19-24	11,490	8,110	7,690	-3,800	-46.8%
25+	42,770	31,320	31,440	-11,340	-36.2%
Below Level 2 Total	**74,170**	**56,880**	**54,990**	**-19,180**	**-33.7%**
Level 2					
18 and under	23,260	23,510	23,580	320	1.4%
19-24	10,870	6,820	7,030	-3,840	-56.4%
25+	34,120	21,080	22,790	-11,330	-53.7%
Level 2 Total	**68,250**	**51,410**	**53,400**	**-14,850**	**-28.9%**
Level 3					
18 and under	39,120	38,110	37,330	-1,800	-4.7%
19-24	4,990	4,320	4,820	-180	-4.1%
25+	8,610	8,310	8,950	340	4.1%
Level 3 Total	**52,730**	**50,740**	**51,090**	**-1,630**	**-3.2%**
Level 4+					
18 and under	850	900	880	30	3.4%
19-24	2,430	2,380	2,650	220	9.1%
25+	3,190	3,150	3,890	700	22.1%
Level 4+ Total	**6,470**	**6,430**	**7,410**	**950**	**14.7%**
No Level Assigned					
18 and under	13,470	13,430	16,950	3,490	26.0%
19-24	5,520	2,600	4,340	-1,180	-45.6%
25+	16,120	2,090	9,620	-6,500	-311.4%
No Level Assigned Total	**35,110**	**18,110**	**30,910**	**-4,200**	**-23.2%**
Total Learners	**181,020**	**140,260**	**152,370**	**-28,640**	**-20.4%**

Source: SFA datacube 2016/17
Note: This data refers to learner numbers; subsequent slides refer to course starts; a learner can have more than one 'start'. Numbers have been rounded to the nearest 10

- Over the three academic years of 2014/15 to 2016/17 the numbers of learners undertaking education and training have fallen and then more recently started to rise once more. The largest changes are concentrated among 25+ year olds learning at relatively low skill levels.
- In 2016/17 Greater Manchester had 152,370 learners in the post 16 education system doing a wide variety of courses, both academic and vocational – up from about 140,300 the year before. The data excludes apprenticeships, community learning and mainstream schools with sixth forms offering A levels to 16-18 year olds (sixth form colleges are included, however).
- The learners live in GM, but may learn at institutions outside GM as well as inside it.
- By age, about 44% were aged under 18. About 14% were aged between 19 years old and 24. A further 42% were over the age of 25.
- The information includes a relatively small number of learners who started their course in the previous year. For example, in 2016/17, 13,700 learners carried on into that academic year from previous years.
- If comparing total learners who begin each year (ie. excluding learners who begin in prior academic years) in 2014/15 there were about 162,200 learners. This fell to 129,000 in 2015/16. And in 2016/17 learners who began courses in the 16/17 academic year rose to 138,600.

FE and Sixth Form colleges provide 76% of further education and training

Figure 3.26: Education and training starts by level and age band, 2016/17

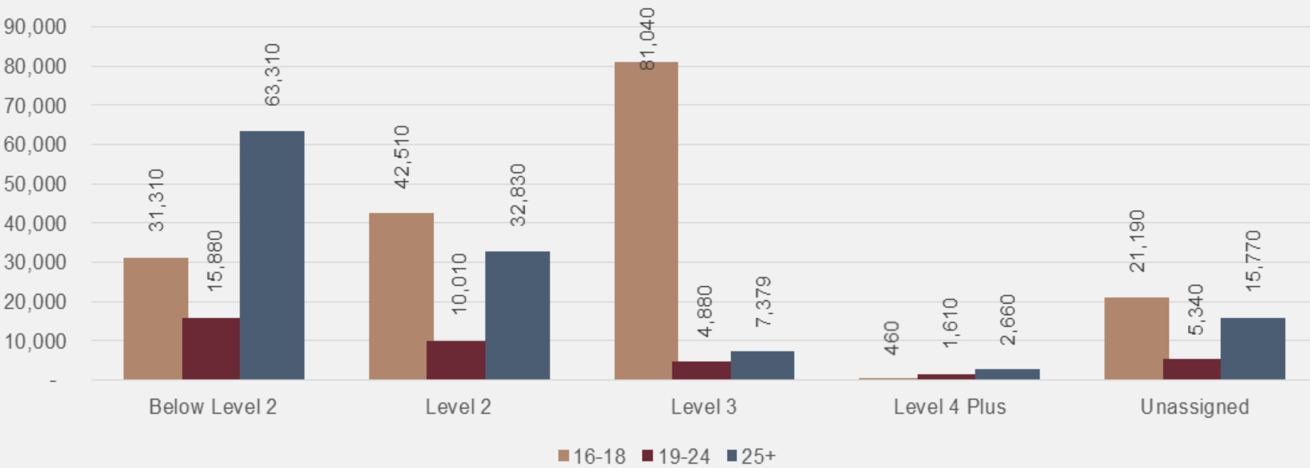
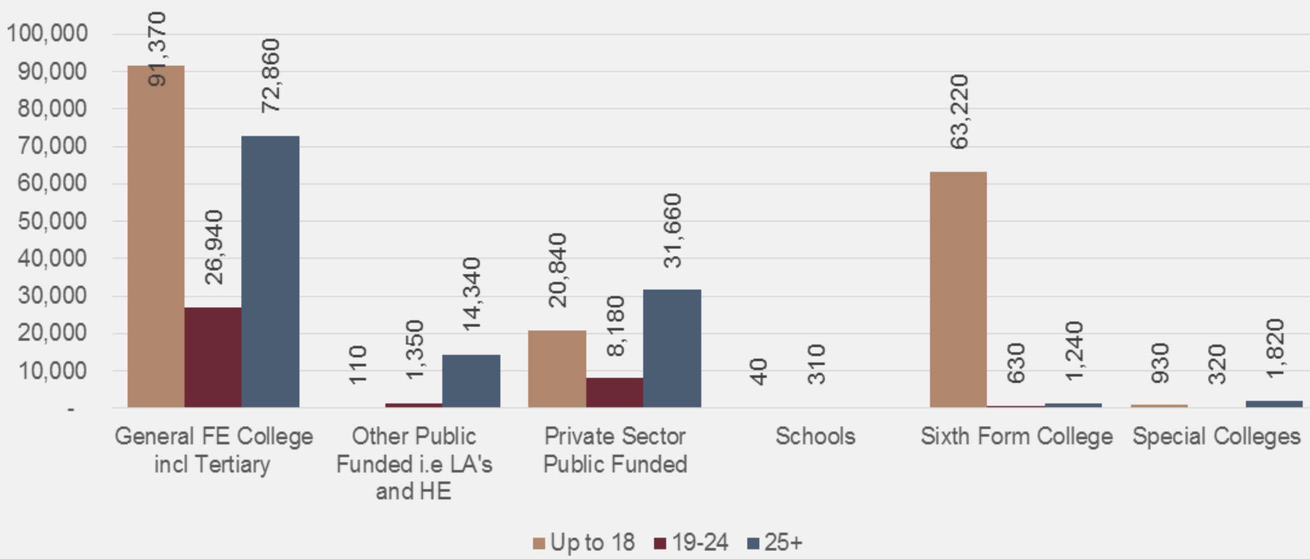


Figure 3.27: Education and training starts by type of provider and age band, 2016/17



- There were 336,170 further education and training course starts in GM in 2016/17. This represents an increase of 22,540 since 2015/16.
- 53% of courses were started by people aged 18 and under, 11% by those aged 19-24 and 36% by those aged 25 and over.
- The majority of adults (aged 25+) were studying below Level 2, as well as 19-24 year olds, whilst the youngest age group (16-18 year olds) were mostly studying at Level 3, although significant numbers were also studying at Level 2 and below.
- 57% of course starts were at FE colleges, 19% at Sixth Form colleges, 18% at private sector public funded providers, 5% at other public funded providers i.e LAs and HEIs, and 1% at special colleges.
- Sixth form colleges were almost exclusively catering to 16-18 year olds, whereas most 19-24 and 25+ year olds started courses at FE colleges and private sector public funded providers.
- Note: figures refer to course starts rather than the number of learners in a year. Numbers have been rounded to nearest 10.

Source: SFA datacube 2016/17

FE courses in high job growth sectors attract more learners at higher levels

Figure 3.28: Further education and training course starts in GM by level and sector subject area, 2016/17 (all ages)

	Sector subject area	Below Level 2	Level 2	Level 3	Level 4+	Unassigned	Total 2016/17
High jobs growth	Business Finance and Professional Services	5,070	6,390	11,820	1,210		24,490
	Construction	4,350	4,560	1,490	350	330	11,080
	Digital and Creative	6,290	3,670	16,110	850	50	26,980
	Personal Services	2,660	3,140	2,280	130		8,210
Modest jobs growth	Health and social care and health innovation	2,730	8,380	6,290	770	60	18,220
	Hospitality, tourism and sport	1,780	4,420	4,750	210	20	11,170
	Retail and Wholesale Distribution	1,140	310	130			1,580
	Transport, Logistics and Storage	2,210	5,330	440	20		8,000
Declining jobs growth	Manufacturing	540	1,550	1,850	360		4,290
	Primary Industries	600	1,040	780	90		2,500
	Public sector (Education and public admin)	250	1,460	1,350	560		3,620
Non-sector specific	Academic	2,040	32,970	42,000	150	10	77,170
	Basic Skills	80,830	12,130	4,020	40	24,560	121,580
	Not Applicable					17,260	17,260
	Total	**110,500**	**85,350**	**93,290**	**4,730**	**42,300**	**336,170**

Source: SFA datacube 2016/17. Numbers have been rounded to nearest 10

- Most course starts among young people are in academic subjects – for example, A levels – or in basic skills provision.
- Among the more vocational areas, FE course starts within the high jobs growth areas of Business, Finance and Professional Services, and Digital and Creative Industries had larger proportions of starts at Level 3 or above.
- 48% of FE course starts in high jobs growth sectors were at Level 3 or above.
- Most of the higher level courses within declining jobs growth sectors were in the areas of manufacturing and education and public administration.
- While the majority of apprenticeship starts in manufacturing were at intermediate level (Level 2), most of the FE course starts in manufacturing were at Level 3 with a significant number also at Levels 4+.
- The 17,264 course starts with a ‘not applicable’ subject area are primarily short ‘preparation for life and work’ courses.

Digital courses remain popular among young people, despite a fall in starts

Figure 3.29: 16-18 and 19-24 further education and training starts by sector subject area, 2014/15-2016/17

		16-18			19-24		
		2016/17	Change 14/15-16/17		2016/17	Change 14/15-16/17	
	Sector subject area		Number	%		Number	%
High jobs growth	Business Finance and Professional Services	11,720	420	4%	2,900	-150	-5%
	Construction	4,000	-470	-10%	1,830	-330	-15%
	Digital and Creative	18,360	-2,820	-13%	2,070	-600	-22%
	Personal Services	2,390	-440	-15%	1,510	-230	-13%
Modest jobs growth	Health and social care and health innovation	7,040	-350	-5%	2,260	-1,190	-34%
	Hospitality, tourism and sport	6,370	-1,730	-21%	1,470	-1,070	-42%
	Retail and Wholesale Distribution	160	-180	-52%	430	-90	-18%
	Transport, Logistics and Storage	2,000	-260	-12%	980	-80	-8%
Declining jobs growth	Manufacturing	1,760	-70	-4%	770	-580	-43%
	Primary Industries	1,210	-200	-14%	400	-30	-6%
	Public sector (Education and public admin)	1,550	-230	-13%	390	-290	-43%
Non-sector specific	Academic	69,430	4,630	7%	3,420	-420	-11%
	Basic Skills	44,150	-14,330	-25%	16,630	-6,420	-28%
	Not Applicable	6,390	4,420	224%	2,650	220	9%
	Unknown	0	-410	-100%	0	-700	-100%
	Total	176,510	-12,020	**-6%**	37,720	-11,940	**-24%**

Source: SFA datacube 2016/17. Numbers have been rounded to nearest 10

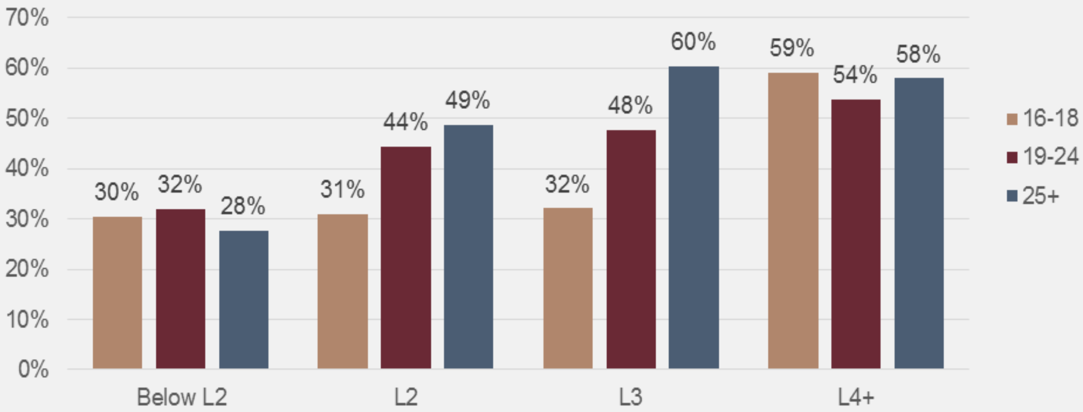
- Further education and training course starts by 16-18 year olds declined by 6% from 2014/15 to 2016/17.
- The only subjects which saw rises in course starts for 16-18 year olds were 'academic' courses with a 7% rise, and business, financial and professional services with a 4% rise. All other subjects saw a decline in course starts.
- Further education and training course starts by 19-24 year olds decreased by 24% from 2014/15 to 2016/17, the largest decline of all the age groups.
- All subject areas saw decreases in the number of course starts in the 19-24 age group.

Over 90% of GM-resident further education learners study in GM

Figure 3.30: Learner travel flows in education and training among GM residents (all levels and ages, 2016/17)

	Learn in home district	Learn in GM	Travel outside GM	Provider location unavailable	Total
Bolton	66.8%	88.7%	10.0%	1.3%	33,510
Bury	71.6%	92.9%	5.6%	1.5%	20,360
Manchester	73.2%	94.3%	2.7%	3.0%	84,810
Oldham	72.7%	94.9%	2.9%	2.3%	33,010
Rochdale	55.7%	92.2%	4.2%	3.6%	28,570
Salford	58.7%	93.2%	4.8%	2.0%	28,540
Stockport	67.1%	93.9%	4.0%	2.1%	27,060
Tameside	63.6%	94.7%	3.4%	1.9%	26,780
Trafford	40.3%	86.8%	5.4%	7.7%	16,810
Wigan	67.9%	78.3%	13.8%	7.9%	36,720
GM total 16/17	**66.2%**	**91.3%**	**5.4%**	**3.2%**	**336,170**
GM total 15/16	**65.7%**	**92.5%**	**5.4%**	**2.0%**	**313,630**

Figure 3.31: % of learners travelling outside their home district

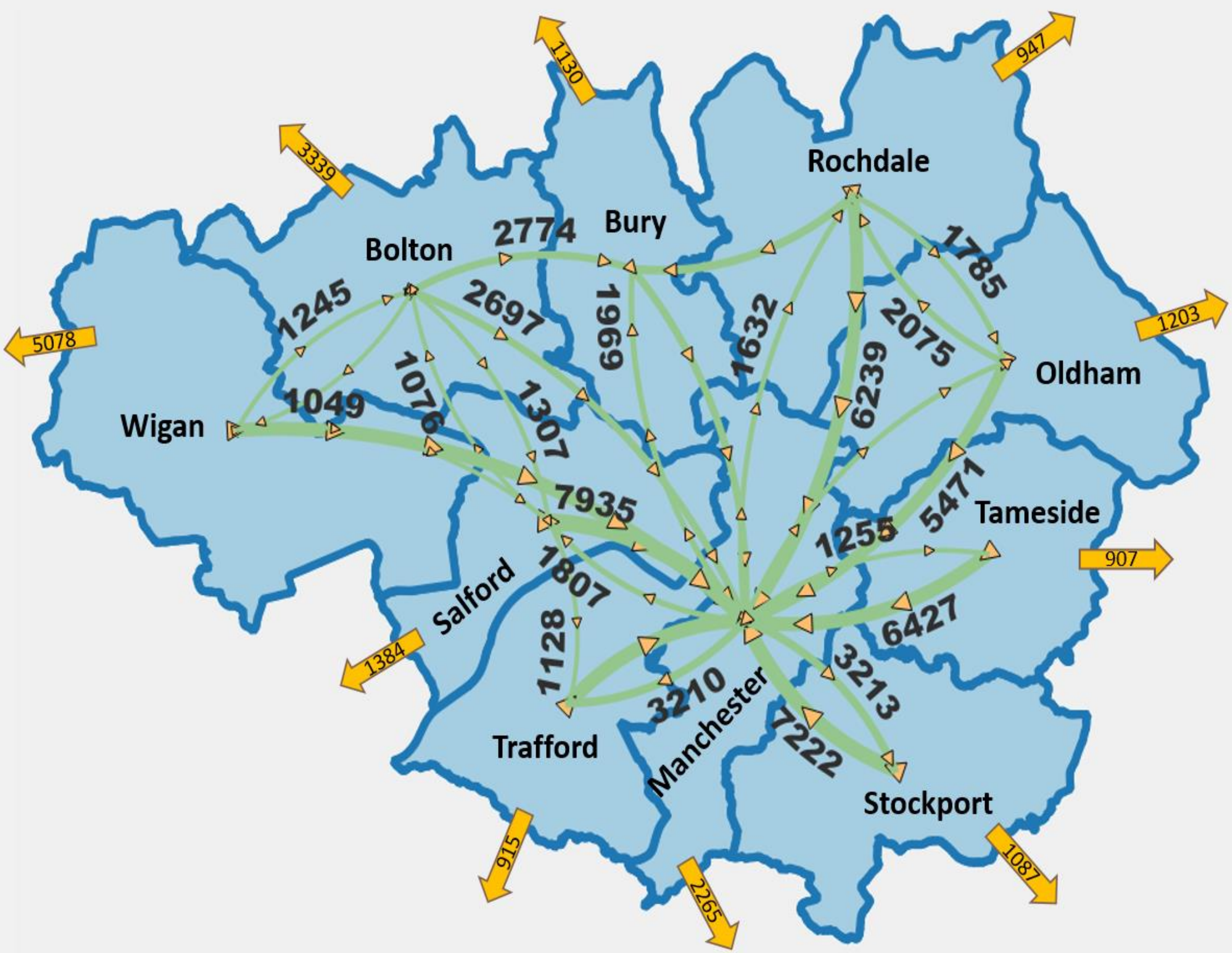


Source: SFA datacube 2016/17. N.B. This analysis is focussed on travel to learn for further education and training in GM, excluding apprenticeships. Numbers have been rounded to the nearest 10

- 66.2% of further education and training course starts in GM in 2016/17 were undertaken by learners who studied within their home district, a very slight increase of 0.5 ppt compared to the previous year.
- A further 25.1% of course starts were made by learners travelling to other districts within GM for study, leaving 5.4% of course starts undertaken by learners travelling outside GM (no change on the previous year).
- Provider location was not available for a further 3.2% of cases (higher in some districts), which can be expected to skew the data slightly. This is likely to be due to learners travelling outside of GM.
- There was a large amount of variation in travel patterns between the GM districts. Manchester was the most self contained, with 73.2% of resident learners studying within the district. Trafford was the least self contained, with only 40% of learners starting courses within their home district, although 86.8 % do stay within GM – mostly travelling to Manchester and Salford.
- Wigan and Bolton were both outliers, with 13.8% and 10% of learners respectively travelling outside GM to study.
- The higher the level of study, the more likely a learner was to be travelling outside their home district to study. For Level 2 and 3 courses, adult learners were more likely to be travelling outside their home district than younger learners, although for courses below Level 2 and above Level 4, proportions of learners travelling to study were similar across the age bands.
- Across all the age bands, 20-30% of Level 4 learners left GM to study.

31,000 GM residents travel into Manchester for further education

Figure 3.32: Travel to learn for further education map – all ages, all levels, 2016/17

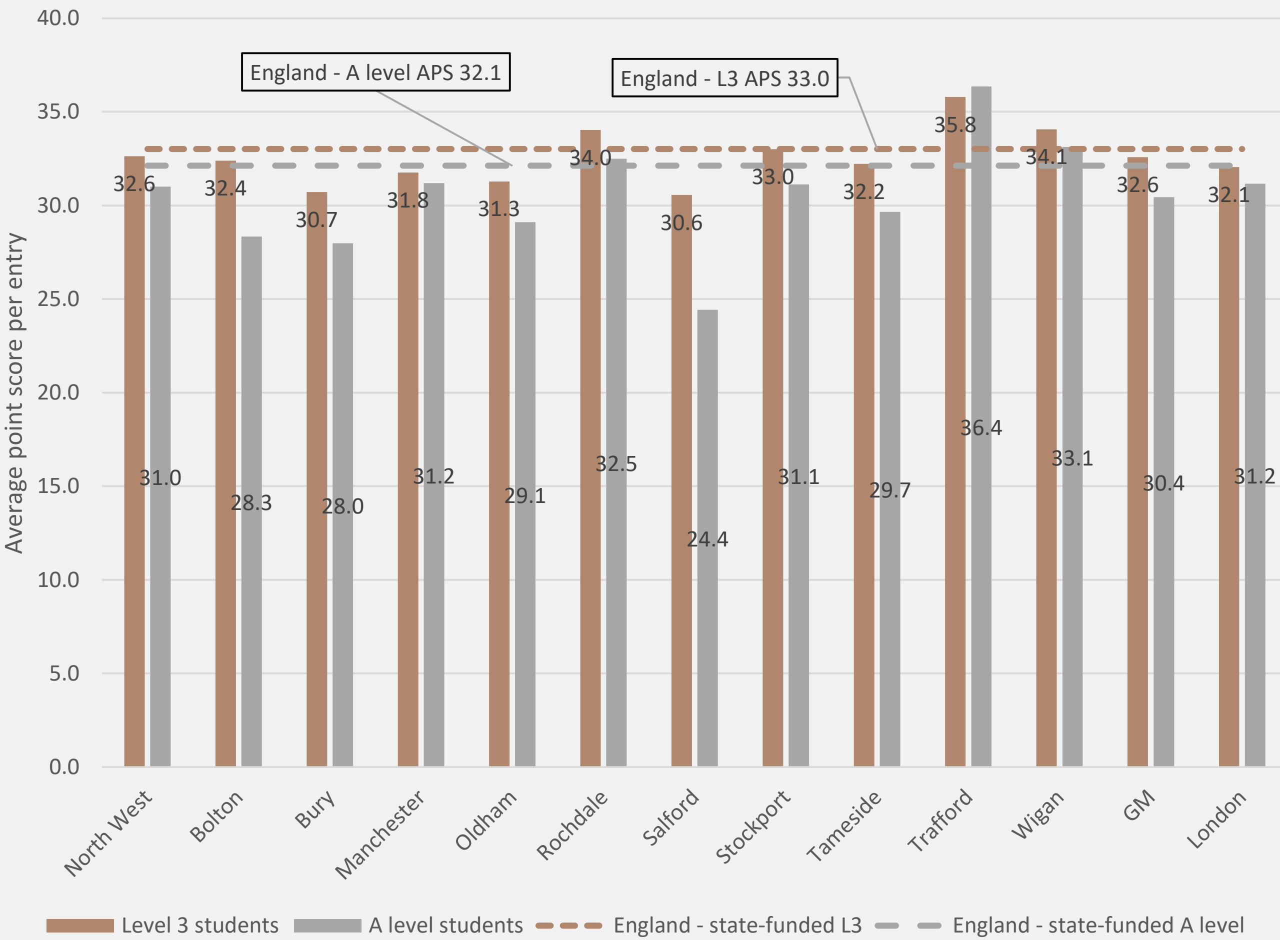


- This map shows the travel to learn flows for all further education learners who live in GM in 2016/17.
- In total, there were 18,255 course starts by people who live in GM, but study outside it. This represents an increase of around 1,255 since 2015/16, when 17,000 did so.
- Wigan exports significantly more learners than the other districts, with 5,078 leaving GM to study in 2016/17, a slight increase of 223 on 2015/16.
- Learners leaving Wigan tend to travel to St Helens, South Ribble and Warrington.
- Around 1,800 learners also left Bolton to study in South Ribble.
- There were also large numbers of learners travelling to Blackburn, Cheshire East and Wyre.
- Within GM, nearly 31,000 learners were travelling into Manchester from the other districts.
- In total, 25% of learners who live in GM left their district to study elsewhere in GM.
- Please see the Appendix for further detail on FE travel to learn patterns in GM districts by age group and level of study.

Source: SFA datacube 2016/17

Level 3 attainment slightly lower in GM as district differences persist

Figure 3.33: Average point scores (APS) per entry for L3 qualifications and A-Levels in 2016/17



Source: Department for Education, 2016/17

- The performance of students taking Level 3 qualifications (including A-levels, BTECs, Tech levels, and Applied General qualifications) is fractionally lower in GM than in England as a whole, but the difference is marginal (0.4 in average point score per entry).
- The difference in the better known and more academic A level scores is slightly larger – 1.7 in average point score per entry at a GM level. Only in Trafford, Wigan and Rochdale do A level pupils out-perform the English average.
- Salford's APS scores at A level are notably lower than elsewhere, but Bolton and Bury's are also relatively low.
- Comparing Level 3 attainment (measured by the APS per entry) for male and female students, females outperform males in all types of Level 3 study, both locally and nationally. In GM, female students' APS is around 3 points higher than males' APS for Level 3 students, as well as for A Level students only. This gap is somewhat higher in GM than it is in England, and quite a bit higher than in London.

Disadvantaged students less likely to achieve qualifications by age 19

Figure 3.34: Proportion (%) of 19 year olds with a L2 qualification by FSM eligibility, 2016

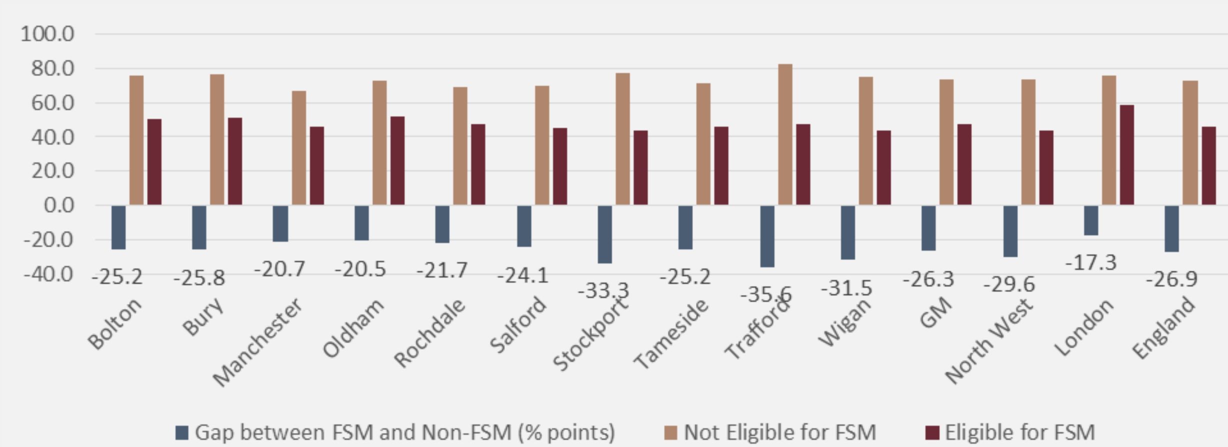
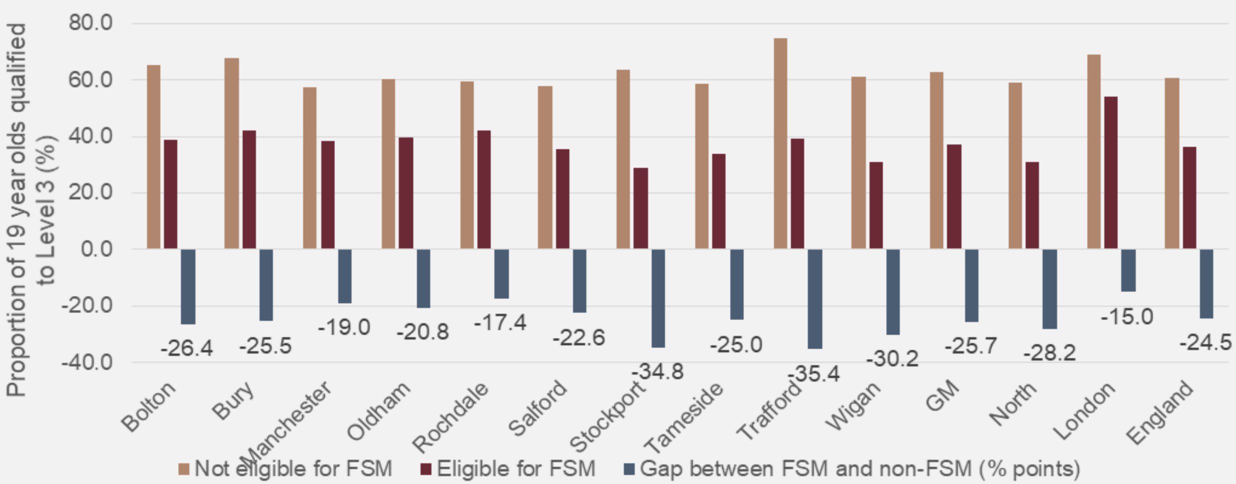


Figure 3.35: Proportion (%) of 19 year olds with a L3 qualification by FSM eligibility, 2016



- There is a significant gap both locally and nationally in the proportion of students who have achieved a Level 2 or Level 3 qualification by age 19 between students who were eligible for free school meals (FSM) at age 16 and non-FSM students.
- The proportion of FSM-eligible students achieving a L3 qualification is highest in London (54%), where the FSM/non-FSM gap is also smallest (15 percentage points), while GM (37%) performs quite a bit better than the North (31%) and marginally better than England (36.2%).
- In some GM districts where overall achievement of L3 qualifications at age 19 is comparatively low (e.g. Manchester and Salford) FSM-eligible students actually do better than FSM-eligible students in districts where overall performance is comparatively high (e.g. Stockport and Wigan).

…and this disadvantage gap is widening in Greater Manchester

Figure 3.36: Gap in the proportion of 19 year olds with a Level 2 qualification by FSM eligibility, 2005-2016

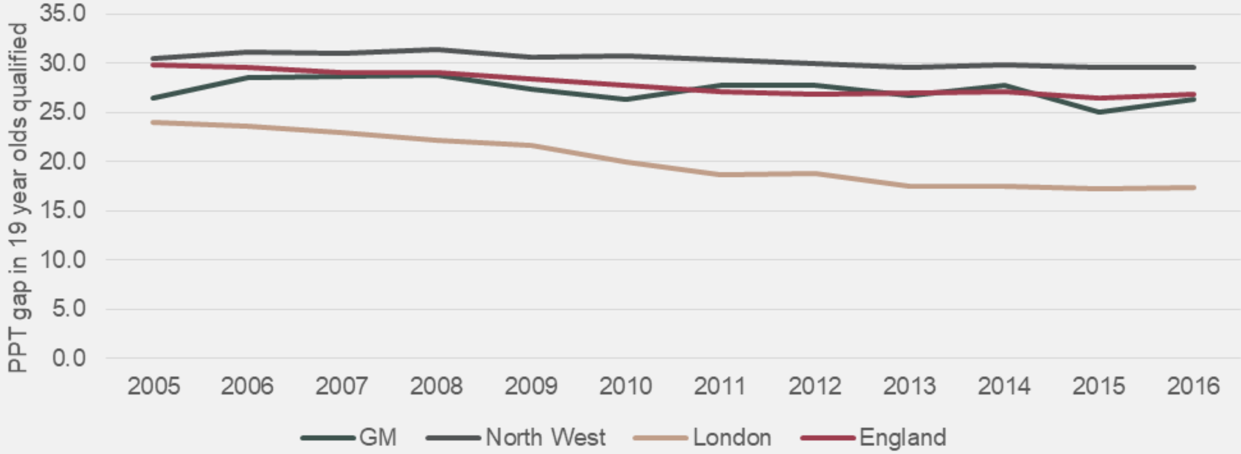
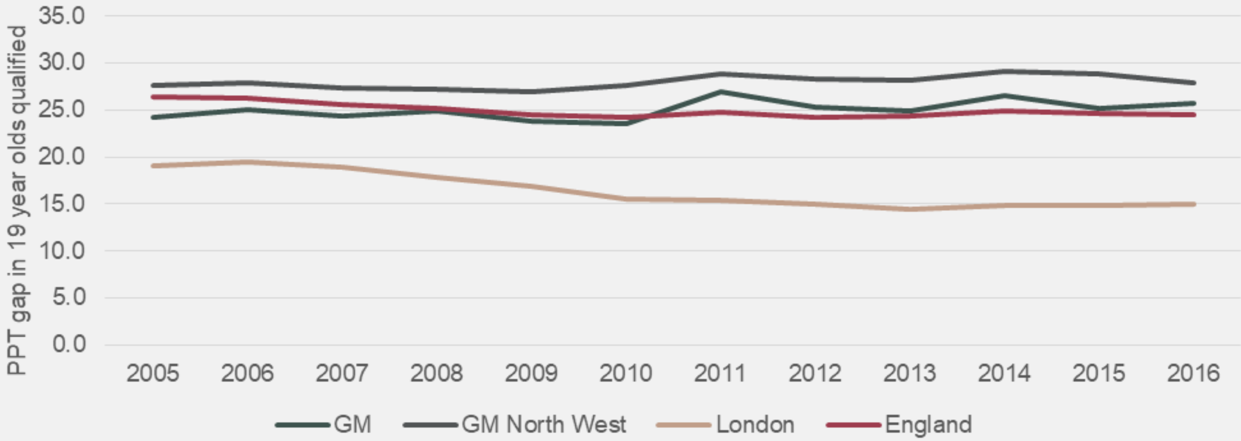


Figure 3.37: Gap in the proportion of 19 year olds with a Level 3 qualification by FSM eligibility, 2005-2016



Source: Department for Education

- Figures 3.36 and 3.37 demonstrate that the gap in the achievement of Level 2 or Level 3 qualifications by age 19 by FSM eligibility is persistent over time and that it has remained relatively unchanged over the last decade both in GM and nationally.
- However, while there has been a slight reduction in this attainment gap both at Level 2 and Level 3 in England on average, and a noticeable reduction of the gap in London, in the North West and in GM the disadvantage attainment gap has generally stagnated, and in GM at Level 3 it has actually widened from 24.2 percentage points in 2005 to 25.7 percentage points in 2016.
- These findings suggest that the gap in qualification attainment of disadvantaged pupils between the North and other parts of England is likely to widen in the future, if these trends continue.

More than half of KS5 leavers in GM go on to higher education

Figure 3.38: Destinations of young people after key stage 5, 2014/15 and 2015/16

Destinations of Key Stage 5 cohort (%), 2015/16 (Mainstream schools and colleges)										
Local Authority	Number of students	Any education destination	Further education college or other FE provider	UK higher education institution	Apprentice-ships	Destination not sustained	Activity not captured in data	Sustained Employment destination	Other education destinations
Bolton	1,585	86%	9%	57%	8%	10%	4%	19%	1%
Bury	2,210	87%	9%	54%	9%	9%	4%	23%	1%
Manchester	3,465	86%	15%	53%	4%	9%	5%	15%	3%
Oldham	1,665	89%	11%	63%	7%	8%	3%	15%	-
Rochdale	1,100	85%	10%	56%	8%	11%	4%	18%	2%
Salford	1,770	85%	9%	45%	8%	11%	4%	30%	1%
Stockport	1,960	89%	12%	47%	12%	8%	3%	24%	6%
Tameside	1,430	89%	9%	50%	9%	8%	4%	24%	5%
Trafford	1,840	91%	16%	56%	7%	6%	3%	19%	-
Wigan	2,270	91%	11%	59%	10%	6%	3%	19%	2%
GM	19,295	88%	11%	54%	8%	9%	4%	21%	2%
North West	50,380	89%	13%	53%	8%	8%	3%	21%	2%
England	366,145	89%	13%	51%	7%	8%	3%	23%	2%

Destinations of Key Stage 5 cohort (%), 2014/15 (Mainstream schools and colleges)									
Local Authority	Number of students	Any education destination	Further education college or other FE provider	UK higher education institution	Apprentice-ships	Destination not sustained	Activity not captured in data	Sustained Employment and/or Training destination	Other education destinations
Bolton	1,465	84%	8%	56%	7%	12%	2%	19%	1%
Bury	2,520	87%	10%	54%	8%	10%	2%	22%	-
Manchester	3,675	86%	19%	49%	4%	9%	3%	14%	4%
Oldham	2,065	91%	24%	51%	6%	7%	2%	15%	1%
Rochdale	1,140	84%	15%	42%	11%	12%	3%	25%	2%
Salford	1,735	84%	13%	45%	9%	12%	3%	26%	-
Stockport	2,105	90%	11%	49%	9%	8%	2%	23%	6%
Tameside	1,405	88%	13%	50%	11%	9%	2%	24%	1%
Trafford	1,845	90%	15%	56%	6%	6%	3%	19%	-
Wigan	2,145	91%	11%	59%	9%	7%	4%	19%	2%
GM	20,100	88%	14%	51%	8%	9%	3%	21%	2%
North West	51,970	88%	14%	51%	8%	9%	3%	20%	2%
England	362,930	88%	14%	48%	7%	0%	4%	23%	3%

- 54% of Key Stage 5 leavers (around 10,400 young people) in GM went on to study at university in 2015/16, up 3 percentage points on the previous year. This is above the average for England in 2015/16 (51%).
- However, there were significant variations between different GM districts, from 45% of the KS5 cohort progressing onto higher education in Salford, compared to 63% in Oldham.
- 8% of KS5 leavers moved onto an apprenticeship in GM in 2015/16, while 21% went into employment, although this varied from 15% in Manchester and Oldham to 30% in Salford.
- 9% of KS5 leavers in GM were not in sustained education, employment or training, compared to 8% in England.

Source: Department for Education

Over 100,000 students studied at GM HEIs in 2016/17

Figure 3.39: Higher education participation at GM HEIs by institution, domicile and level, 2016/17

	Bolton	MMU	UoM	RNCM	Salford	GM	% of totals
				Undergraduate			
UK	4,925	25,170	20,550	510	14,230	65,385	86%
Non-EU	145	830	5,565	80	670	7,290	10%
EU	155	780	1,780	50	580	3,345	4%
Total UG	**5,225**	**26,780**	**27,895**	**640**	**15,475**	**76,015**	
				Postgraduate			
UK	1,015	5,455	6,435	175	3,480	16,560	67%
Non-EU	160	485	5,345	105	790	6,885	28%
EU	20	295	815	35	250	1,415	6%
Total PG	**1,195**	**6,235**	**12,590**	**315**	**4,520**	**24,855**	
				Total			
All students	**6,420**	**33,015**	**40,485**	**955**	**19,995**	**100,870**	-
HEI % of total	**6%**	**33%**	**40%**	**1%**	**20%**	**100%**	

Figure 3.40: Higher education qualifiers at GM HEIs by institution and level, 2016/17

	Bolton	MMU	UoM	RNCM	Salford	Total GM	%
Undergraduate	1,560	8,400	7,960	180	4,100	22,020	66%
Postgraduate	415	2,105	6,785	110	1,970	11,275	34%
Total	**1,975**	**10,505**	**14,745**	**290**	**6,070**	**33,295**	

Source: Higher Education Statistics Authority 2016/17

- 100,870 students in total were enrolled at GM Higher Education institutions (HEIs) during 2016/17.
- Around three quarters of students were studying at undergraduate level, and the remaining quarter at postgraduate level.
- Students from outside the UK accounted for 14% of undergraduates, rising to 34% of postgraduates.
- The University of Manchester had the largest number of post graduates enrolled in 2016/17. At 12,590, this was more than all the other GM HEIs combined.
- Figure 3.40 shows the number of students who qualified from GM HEIs, which totalled 33,295 in 2016/17. Two thirds of students gained an undergraduate qualification and the remaining third a postgraduate.
- 46% of University of Manchester qualifiers gained a postgraduate qualification, a much higher proportion than the other HEIs.

- N.B. The Royal Northern College of Music (RNCM) is a specialist institution rather than an HEI with a general curriculum.

Business-related subjects remain most popular at GM HEIs

Figure 3.41: All GM higher education qualifiers by institution and subject, 2016/17

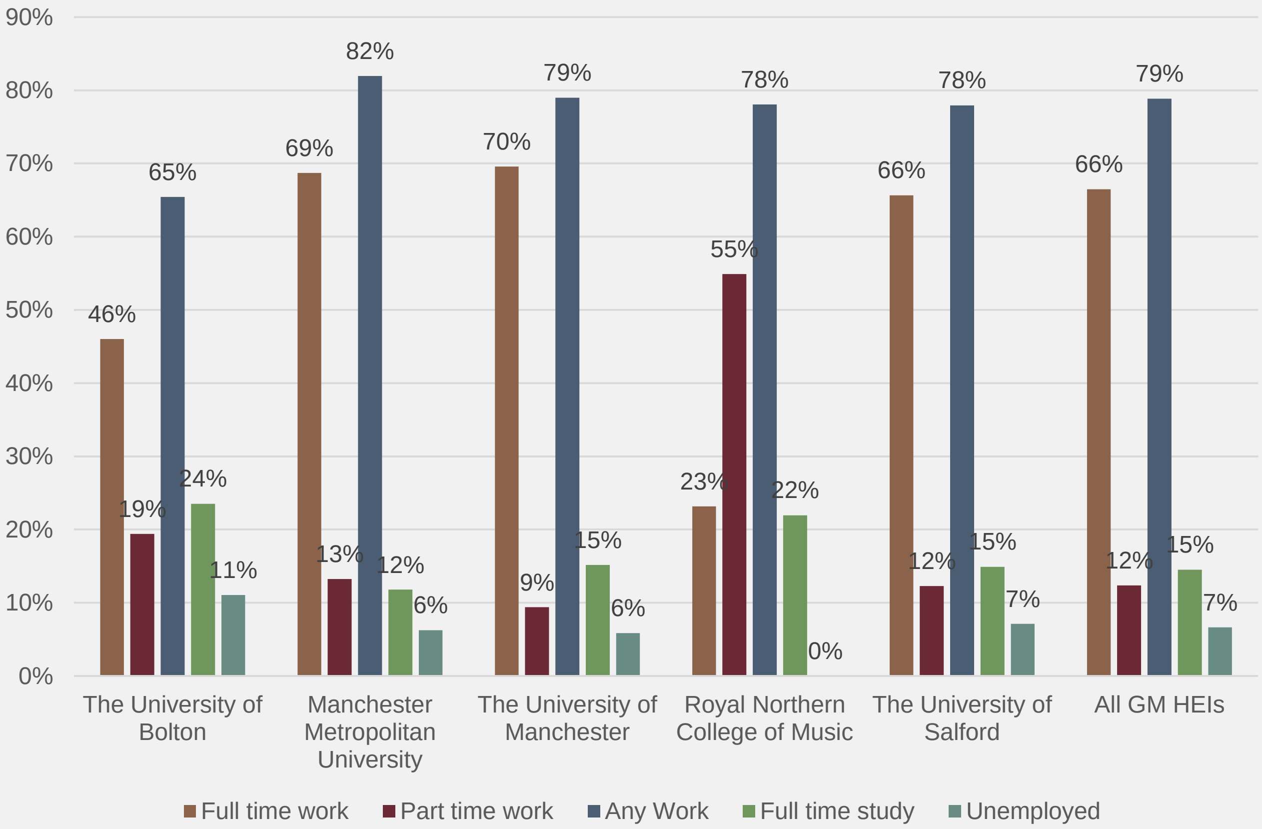
HE provider	Bolton	MMU	UoM	Salford	GM total	Subject %
Medicine and dentistry	-	5	780	-	**785**	2.3%
Subjects allied to medicine	360	695	1,305	1,535	**3,895**	11.6%
Biological sciences	185	1,115	950	475	**2,725**	8.1%
Veterinary science	-	-	-	-	**-**	0.0%
Agriculture and related subjects	-	20	-	-	**20**	0.1%
Physical sciences	5	260	1,030	140	**1,435**	4.3%
Mathematical sciences	15	85	530	20	**650**	1.9%
Computer science	140	400	470	200	**1,210**	3.6%
Engineering and technology	220	305	2,315	570	**3,410**	10.1%
Architecture, building and planning	75	295	200	405	**975**	2.9%
Social studies	20	790	1,610	525	**2,945**	8.8%
Law	55	435	495	135	**1,120**	3.3%
Business and administrative studies	210	2,590	2,645	915	**6,360**	18.9%
Mass communications and documentation	40	340	45	340	**765**	2.3%
Languages	15	260	865	110	**1,250**	3.7%
Historical and philosophical studies	-	265	605	20	**890**	2.6%
Creative arts and design	220	965	240	625	**2,050**	6.1%
Education	450	1,685	650	65	**2,850**	8.5%
HEI total	**2,005**	**10,510**	**14,740**	**6,075**	**33,330**	**99.2%**
HEI % of total	6.0%	31.5%	44.2%	18.2%	100.0%	

Source: Higher Education Statistics Agency 2016/17

- In 2016/17, around 33,330 students qualified from GM mainstream HEIs, representing a small increase from 2014/15.
- All GM HEI institutions saw a slight increase in qualifier numbers in the past two years except Bolton, which saw a slight decrease.
- We exclude RNCM here because it is a specialist institution. 290 students graduated from RNCM in 2016/17.
- The University of Manchester accounted for 44.2%, MMU for 31.5%, Salford for 18.2% and Bolton for 6% of all qualifiers in GM.
- Business and administrative studies was by far the most popular subject, accounting for nearly one in five qualifiers, followed by subjects allied to medicine, and engineering and technology.

80% of graduates from GM HEIs in work 6 months after graduation

Figure 3.42: Destinations of qualifiers from GM HEIs 6 months after graduation, 2015/16



Source: Higher Education Statistics Agency, DLHE, 2015/16

- Nearly 80% of graduates from GM HEIs were in work approximately 6 months after graduation based on 2015/16 data, with 66% working full-time and 12% working part-time. 15% of graduates were undertaking full-time study, and the remaining 7% were unemployed.
- Since 2013/14, the proportion of GM graduates who are in work 6 months after graduation has increased by 6 percentage points.
- Manchester Metropolitan University had the highest proportion of graduates in employment 6 months after graduation in 2015/16 (82%), while the University of Bolton had the lowest (46%).
- Graduates from the University of Bolton were the most likely to be in full time study 6 months after graduation, although the University of Bolton also had the highest proportion of graduates unemployed 6 months after graduation.
- Six months after graduation is still very early in a graduate's working life; these figures are not intended to present a long term picture of an individual's career.

39% of graduates from GM universities start their careers in GM

Figure 3.43: The proportion of graduates employed in GM 6 months after graduation by HEI, 2015/16

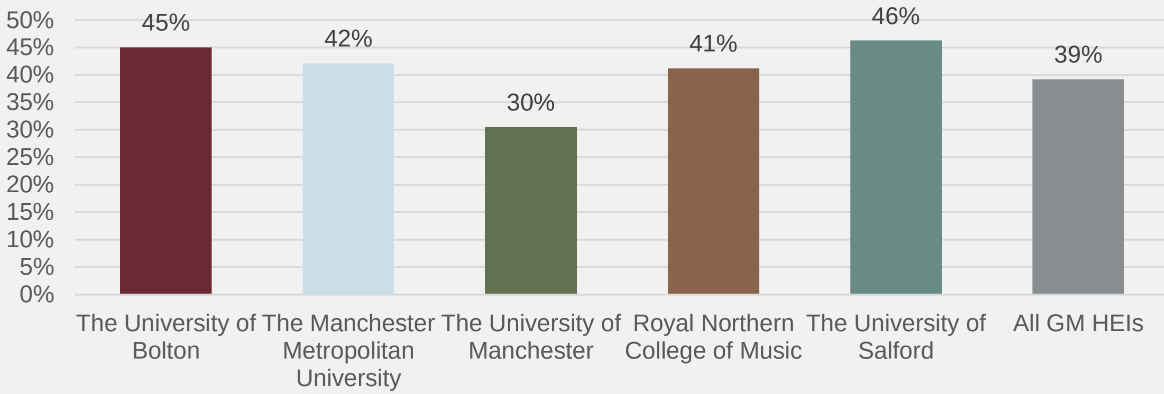
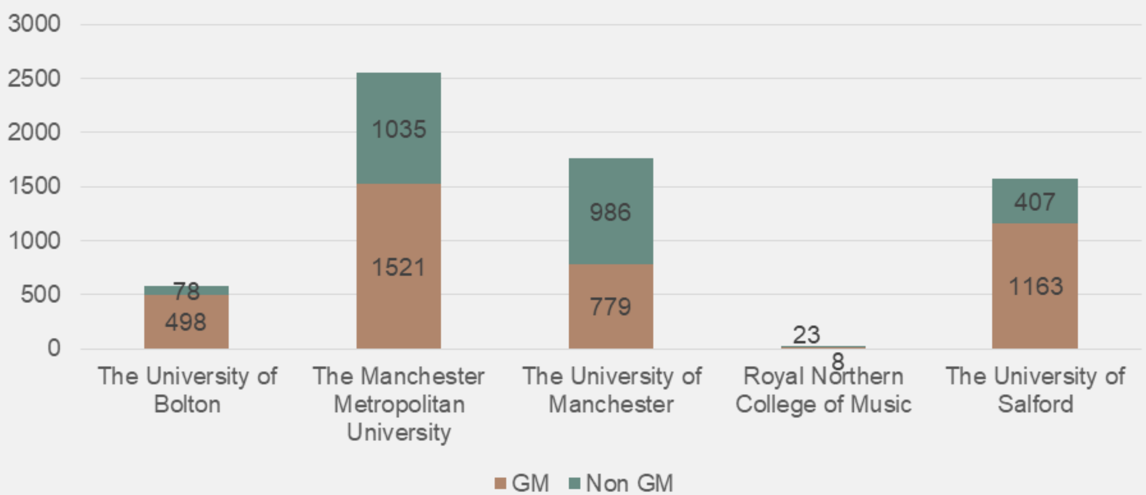


Figure 3.44: Graduates employed in GM 6 months after graduation by previous residence



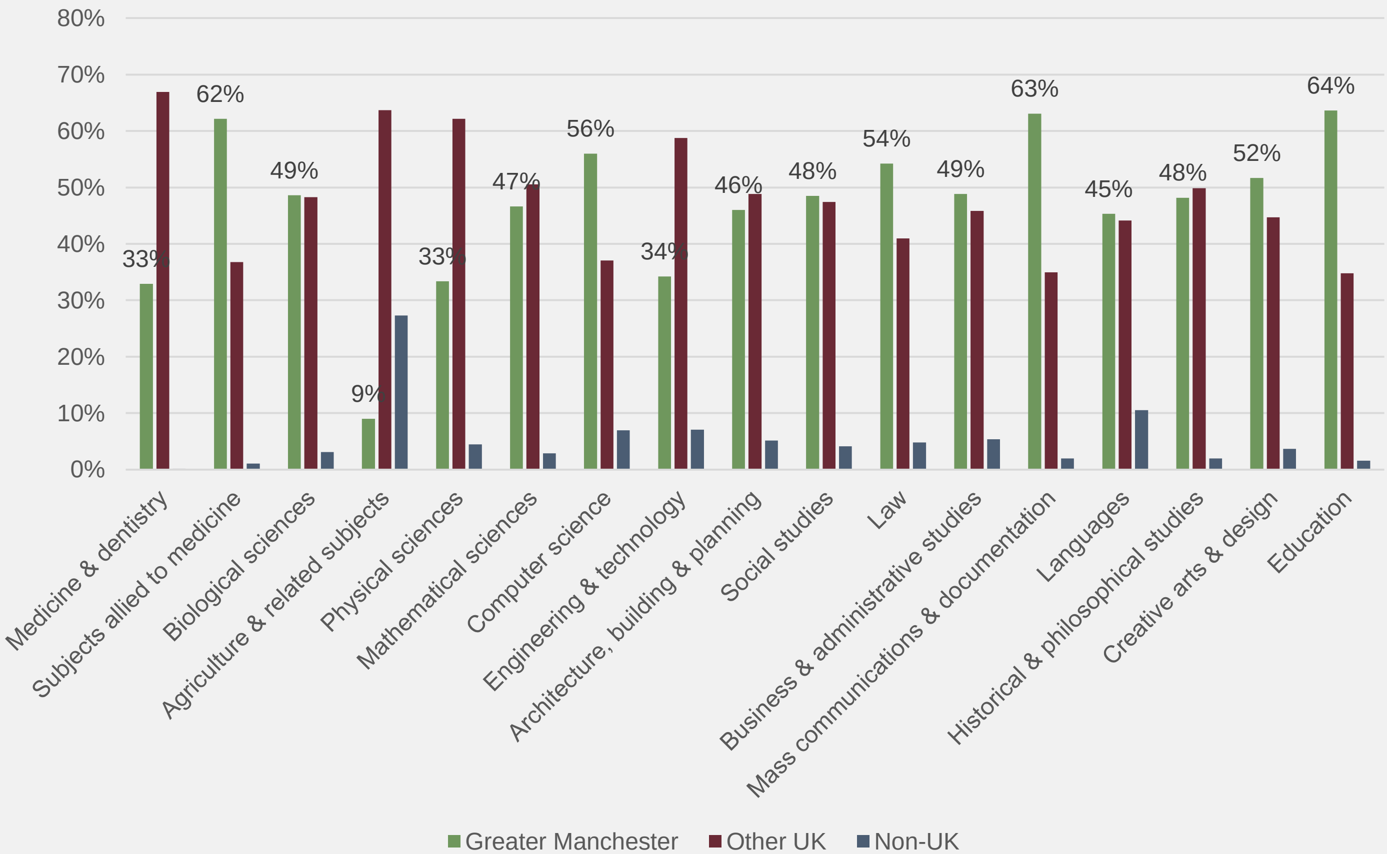
Source: Higher Education Statistics Agency, DLHE, 2015/16

- The proportion of graduates from GM HEIs working in GM six months post graduation has remained relatively unchanged over the last decade – 39% in 2002/03 and 41% in 2006/07*, still standing at 39% in 2015/16.
- Graduates from the University of Manchester were the least likely to stay in GM after graduation, with 30% doing so in comparison to the GM average of 39%.
- This contrasts with graduates from the University of Salford and the University of Bolton, who had 46% and 45% of graduates respectively staying in GM to work.
- Over the last couple of years, the proportion of graduates finding work in GM has increased at RNCM, MMU and to a lesser extent UoM, while it has remained unchanged at the University of Salford, and decreased at University of Bolton.
- Of those graduates who stay in GM to work, 61% (3,969) were resident here prior to attending university, and 39% (2,529) were not. In the last couple of years, this ratio has increased slightly in favour of those not previously resident in GM, but choosing to stay after graduation. This means there has been a positive increase in graduate retention in GM.
- People who moved to GM to study were most likely to stay and work after graduation if they attended UoM or MMU.

NB: the figures reported above include graduates in full time and part time work, those combining work with study, and those due to start work.
* Manchester Independent Economic Review 2009

Education graduates most likely to begin their careers in GM

Figure 3.45: Proportions of graduates from GM HEIs in work 6 months after graduation, by subject area and work location, 2015/16

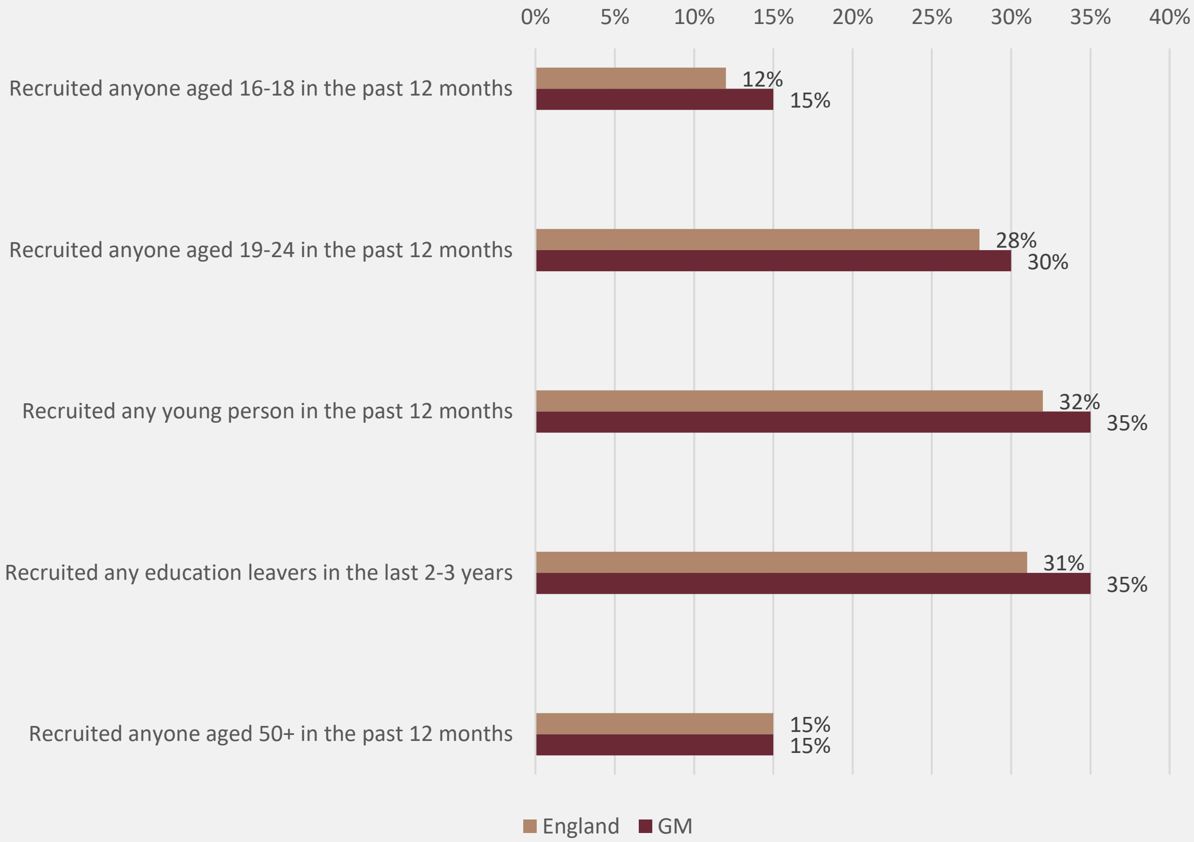


Source: Higher Education Statistics Agency, DLHE, 2015/16

- Students from GM HEIs who qualified in education (64%), communications (63%) and subjects allied to medicine (62%) were the most likely to begin their careers in GM, rather than elsewhere, in 2015/16. This trend has been relatively unchanged over the last couple of years.
- STEM skills are increasingly seen as critical for supporting local economic growth. GM's retention of STEM graduates has improved between 2013/14 and 2015/16 in some areas. There have been increases in proportions of maths and biological science graduates beginning their careers in GM (10 ppts and 6 ppts respectively).
- The shares of physical science and engineering graduates staying to work in GM have remained the same. For computer science graduates, 56% began their careers in GM, a figure which has also stayed the same since 2013/14.

GM employers more willing to hire younger workers than average

Figure 3.46: Age-related hiring patterns among employers, 2016



Source: Employer Perspectives Survey, 2016

- Employers in GM are more willing to hire younger workers, according to the Employer Perspectives Survey.
- A total of 35% of employers in GM said they had hired a young person in the past year. This compares with 32% in England.
- Some 15% of employers in GM had hired a 16-18 year old in the past year. In England the proportion was 12%.
- In GM 30% had hired a 19-24 year old. The proportion was 28% in England as a whole.
- However, at the other end of the working-age spectrum, GM employers were no more willing to hire a worker over the age of 50 than is typical elsewhere. 15% had hired a worker over the age of 50 in the past 12 months – exactly the same as for England as a whole.
- Overall, over half of employers (51%) had recruited in the past year. For England the figure was 49%.

GMS Priority 3: Good Jobs

GOOD JOBS, WITH OPPORTUNITIES FOR PEOPLE TO PROGRESS AND DEVELOP

Good Jobs – Issues and Policy Priorities

Issues

- The qualification profile of GM's working age population continues to improve, with 34.6% qualified to degree level or higher in 2016, although GM continues to lag behind the UK average, and there are large variations in qualification profile between GM districts.
- Apprenticeship take-up for adults has remained relatively stable over the last few years, while adult further education take-up has grown a little on the previous year, although it's below the level seen in 2014/15.
- Average earnings in GM are yet to recover from the recession. Median pay in GM (adjusted for inflation) was over £1,500 a year less in 2017 compared to 2008. The gap in median pay between GM and the UK has generally grown since the recession.
- About 10% of GM employees earned wages at the level of the legal pay floor in 2017, in line with the previous year. Provisional data suggests 21.8% of employees in GM earned wages below the level of the 'real' living wage, somewhat lower than in previous years.
- Illness and poor health significantly impact people's ability to lead a fulfilling working life. GM residents' ability to work is more affected by poor health than the England average, measured by the incidence of fit notes issued by GPs.
- Findings from national employer surveys suggest that, from an employers' point of view, GM employers are comparatively highly satisfied with skills supply (with a lower than average density of skills shortage vacancies and skills gaps) as well as skills utilisation (with a lower than average prevalence of over-qualification), and are more likely than average to support apprenticeships and to employ young people. However, these findings must be interpreted with caution as they are based on self-reported survey data.
- Employer investment in workforce training is relatively low in the North West. North West employers spend £250 less on training per employee per year compared to the UK average, and £700 less than employers in London and the South East.

Policy Priorities

- Improving jobs is one of the GM mayor's policy priorities. Developing the concept of 'good work' in a partnership between public and private sectors requires careful consideration and discussion.
- Important contributions to this goal include the introduction of a 'GM Good Employers Charter' which aims to encourage approaches to employment that boost productivity and improve the experience of work. A consultation on what the charter should look like has been issued.
- One element of good jobs is the concept of progression. This refers both to helping people participate in work, but also to move up within work once they have a foothold in the labour market. Skills support is vital to both aspects of progression.
- The GM Strategy and Implementation Plan commits GM to:
  - developing a GM approach to managing welfare reform that delivers job progression and addresses low pay;
  - support residents who need help to access and remain in work through Working Well, Work & Health Programme, and Early Help;
  - work with DWP and Jobcentre Plus to develop approaches to improve in-work progression;
  - improve the scale, quality and accessibility of adult skills provision through the Adult Education Budget and ESF commissioning.

Qualification profile of GM residents improves, but gap with UK persists

Figure 4.1: Change over time in the working age resident qualification profile in GM, 2004-2017

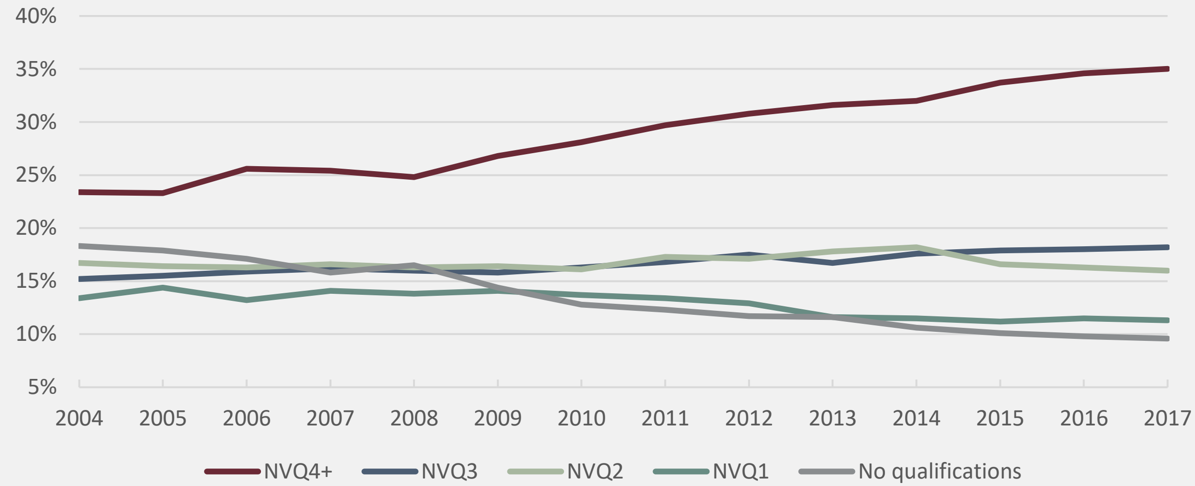
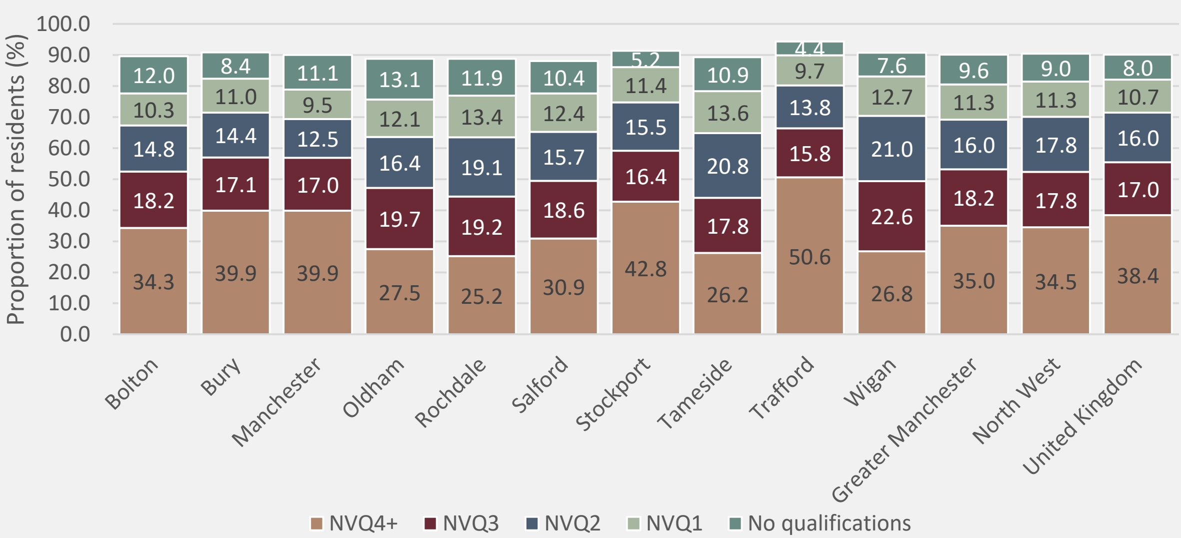


Figure 4.2: Qualification profile of resident population aged 16-64 by GM district, 2017



Source: Annual Population Survey, 2017

- The qualification profile of the resident working age population in GM continues to improve. The proportion of residents with a Level 4 qualification or higher has increased by 11.6 ppts between 2004 and 2017 (most people qualified to Level 4 are graduates, but Level 4 also includes specialised vocational qualifications, higher apprenticeships and foundation degrees). Meanwhile, the proportion of residents with no qualifications fell by 8.7 ppts in the same period.
- However, GM still lags slightly behind the UK. 35% of the working age population in GM were qualified to Level 4 and above in 2017, compared with 38.4% in the UK. The proportion of residents with no qualifications is also higher in GM (9.6%) compared to the UK (8.0%).
- There are large variations in the qualification profile of residents in different GM districts. In Bury, Manchester, Stockport and Trafford, the proportions of Level 4 qualified residents are relatively high. All other districts are below the UK average.
- The proportions of residents with no qualifications are highest in Rochdale (13.4%) and Oldham (12.1%). All areas apart from Trafford, Stockport and Bury have higher levels of residents with no qualifications than the UK average.

Business, management and care dominate adult apprenticeships

Figure 4.3: Adult (25 +) apprentice starts 14/15-16/17 by industry and demand*

	Sector subject area	2014/15	2015/16	2016/17	Change 14/15-16/17	% change
High jobs growth	Business, Finance and Professional Services	5,270	5,470	4,860	-410	-8%
	Construction	250	520	320	70	26%
	Digital and Creative	230	320	300	70	31%
	Personal Services	260	240	220	-40	-16%
Modest jobs growth	Health and social care and health innovation	4,150	4,140	4,710	560	13%
	Hospitality, tourism and sport	1,070	1,140	1,010	-60	-6%
	Retail and Wholesale Distribution	250	220	270	20	8%
	Transport, Logistics and Storage	510	680	520	0	0%
Declining jobs growth	Manufacturing	740	770	740	0	0%
	Primary Industry	70	50	80	10	15%
	Public sector (Education and public admin)	560	510	510	-50	-8%
	Grand Total	13,370	14,050	13,530	160	1%

Source: SFA datacube 2016/17

*Note: to create the table apprenticeship start data has been mapped to GMCA defined sector definitions
Numbers have been rounded to the nearest 10

- The most popular sectors for adult apprentices (aged 25+) in 2016/17 were Business, Finance and Professional Services and Health and Social Care, together accounting for 70% of starts. A further 14% of adult apprenticeship starts were in retail and commercial enterprise.
- 47% of adult apprentices were studying at intermediate level, and 41% at advanced level. 12% of adult apprentices were studying at the higher level (equivalent to Level 4), compared to 4% of 16-24 year olds.
- The 25+ age band was the only group which saw a very modest increase in starts over the last two years.
- The biggest increase in starts in absolute terms was in health and social-care related apprenticeships, while the high jobs growth sectors of digital & creative and construction also showed promise with the highest relative increases in starts of 31% and 26% respectively.
- Construction is the only sector within which apprenticeship starts have increased across all age groups over the last two years. This may be partly explained by additional need for skills due to growth in commercial and residential development and large infrastructure projects in the pipeline such as HS2.

Main providers of adult apprenticeships listed

Figure 4.4: Top 30 apprenticeship providers for adults (25+) in GM by level, 2016/17

Provider	Intermediate	Advanced	Higher	Total
GP STRATEGIES TRAINING LIMITED	270	310	140	720
INTERSERVE LEARNING & EMPLOYMENT (SERVICES) LIMITED	150	150	110	410
LIFETIME TRAINING GROUP LIMITED	120	160	80	370
TRAFFORD COLLEGE	190	220	50	460
ROCHDALE TRAINING ASSOCIATION LIMITED	120	180	50	360
EQL SOLUTIONS LIMITED	140	110	40	290
THE GROWTH COMPANY LIMITED	40	30	40	110
BURY COLLEGE	90	60	40	190
LEARNDIRECT LIMITED	20	60	40	120
BABCOCK TRAINING LIMITED	190	120	40	350
NORTH LANCS. TRAINING GROUP LIMITED(THE)	0	0	40	40
WIGAN AND LEIGH COLLEGE	40	50	40	120
SALFORD CITY COLLEGE	30	100	30	170
TOTAL PEOPLE LIMITED	160	170	30	360
EASTLEIGH COLLEGE	60	60	30	140
JARVIS TRAINING MANAGEMENT LIMITED	60	50	30	130
THE INTRAINING GROUP LIMITED	130	120	30	280
HIT TRAINING LTD	130	90	30	250
DAWN HODGE ASSOCIATES LIMITED	70	80	30	180
REMIT GROUP LIMITED	20	40	30	90
WEST NOTTINGHAMSHIRE COLLEGE	30	20	30	70
WIGAN METROPOLITAN BOROUGH COUNCIL	270	160	20	450
PROGRESS TO EXCELLENCE LTD	40	70	20	130
THE OLDHAM COLLEGE	270	310	140	720
XTP INTERNATIONAL LIMITED	150	150	110	410
MARR CORPORATION LIMITED	120	160	80	370
MICHAEL JOHN TRAINING LIMITED	190	220	50	460
SHREWSBURY COLLEGES GROUP	120	180	50	360
SYSCO BUSINESS SKILLS ACADEMY LIMITED	140	110	40	290
PARAGON EDUCATION & SKILLS LIMITED	40	30	40	110

- The top provider of apprenticeships for adults aged 25+ in GM in 2016/17 was GP Strategies Training Ltd. They provided significantly more adult apprenticeship starts than any other provider.
- The top 30 providers accounted for 58% (7,910) of all adult apprenticeship starts in 2016/17. There were 282 additional providers which accounted for the remaining 42% (5,620) of adult apprentices starts.
- GP Strategies Training Ltd was also the top provider of higher adult apprenticeships (140) followed by Trafford College (110).
- The top 30 higher apprenticeship providers accounted for 71% of higher apprenticeship starts for adults.

Source: SFA datacube 2016/17. Figures refer to the number of apprenticeship starts and have been rounded to the nearest 10

Adults starting skills courses in GM fluctuate each year

Figure 4.5: 25+ further education and training starts by sector subject area, 2014/15-2016/17

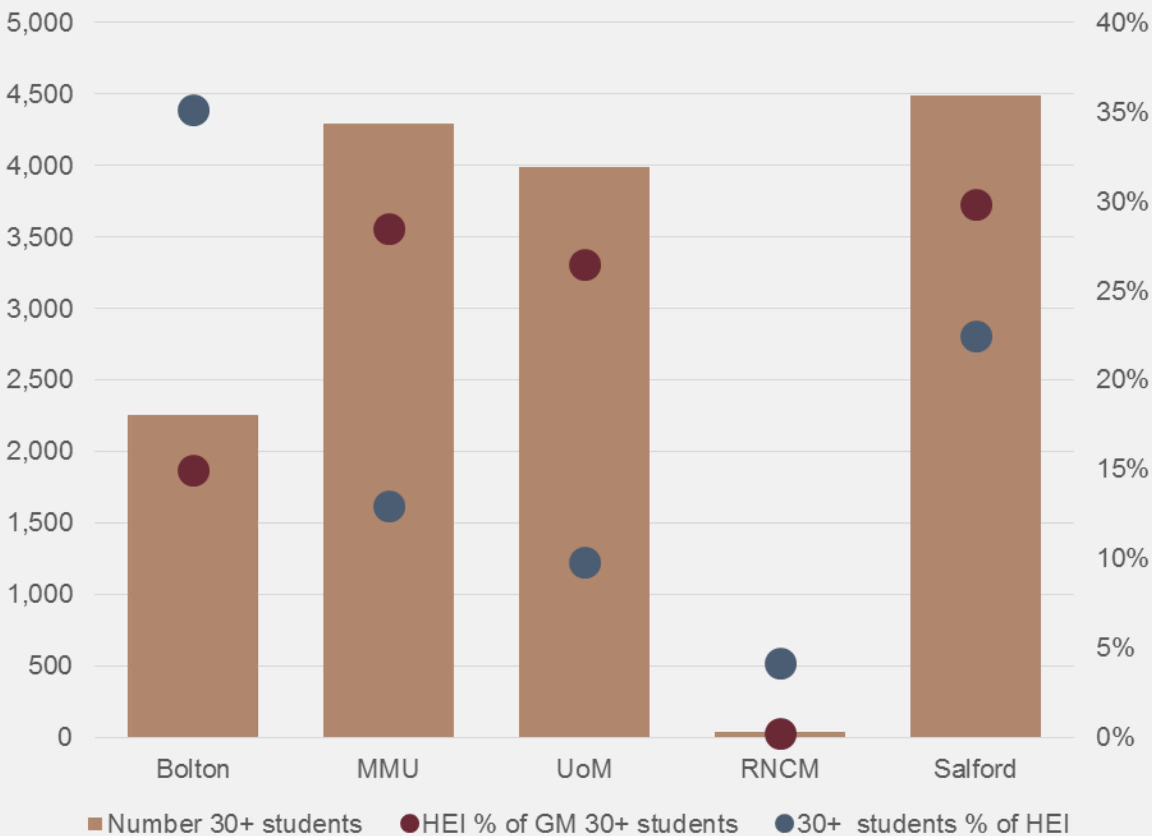
	Sector subject area	2014/15	2015/16	2016/17	Change 14/15-16/17	% change 14/15-16/17
High jobs growth	Business Finance and Professional Services	8,730	7,720	9,870	1,140	13%
	Construction	4,540	3,300	5,250	710	16%
	Digital and Creative	11,610	9,010	6,550	-5,070	-44%
	Personal Services	3,950	3,880	4,320	380	10%
Modest jobs growth	Health and social care and health innovation	13,380	7,510	8,920	-4,460	-33%
	Hospitality, tourism and sport	5,620	3,880	3,330	-2,290	-41%
	Retail and Wholesale Distribution	1,100	620	990	-110	-10%
	Transport, Logistics and Storage	4,500	4,550	5,030	530	12%
Declining jobs growth	Manufacturing	3,510	1,960	1,770	-1,740	-50%
	Primary Industries	890	780	900	10	1%
	Public sector (Education and public admin)	2,690	1,250	1,680	-1,010	-38%
Non-sector specific	Academic	6,510	4,680	4,320	-2,190	-34%
	Basic Skills	75,010	50,530	60,800	-14,210	-19%
	Not Applicable	5,650	880	8,220	2,580	46%
	Unknown	1,910	0	0	-1,900	-100%
	Total	149,590	100,540	121,940	-27,650	**-18%**

Source: SFA datacube 2016/17. Numbers have been rounded to the nearest 10

- In the two academic years since 2014/15, the number of adults beginning further education courses to improve their skills has fallen by 18%.
- The falls were across many sectors, but manufacturing-related courses saw a 50% drop, digital and creative a fall of 44% and hospitality a 41% fall.
- However, some high job growth sectors such as business and construction bucked the trend and saw a growth in course starts.
- The number of further education starts also grew in the transport, logistics and storage sector.
- The reasons behind the drop in adult course starts are not fully understood. Possible reasons include budget cuts, for example to the Adult Skills Budget, and the requirement of loan funding at level 3 and above for many learners.

Universities of Bolton and Salford have highest shares of students aged 30+

Figure 4.6: Number and proportion of students aged 30 or over at GM HEIs, 2016/17



Source: HESA

- There were 15,065 students over the age of 30 enrolled at GM HEIs in 2016/17, 15% of total students in GM.
- Students aged 30+ were fairly evenly split between the three largest institutions: the University of Manchester, Manchester Metropolitan University and the University of Salford.
- The University of Bolton had the highest proportion of students who were aged 30+ among their student cohort, at 35%, followed by the University of Salford, at 22%.
- The Royal Northern College of Music had the lowest proportion with 4% of their learners being aged 30+.

Mismatch between graduates and graduate jobs continues to grow

Figure 4.7: Numbers of people qualified to Level 4+ and of people employed at Level 4+ in GM, 2007-2016

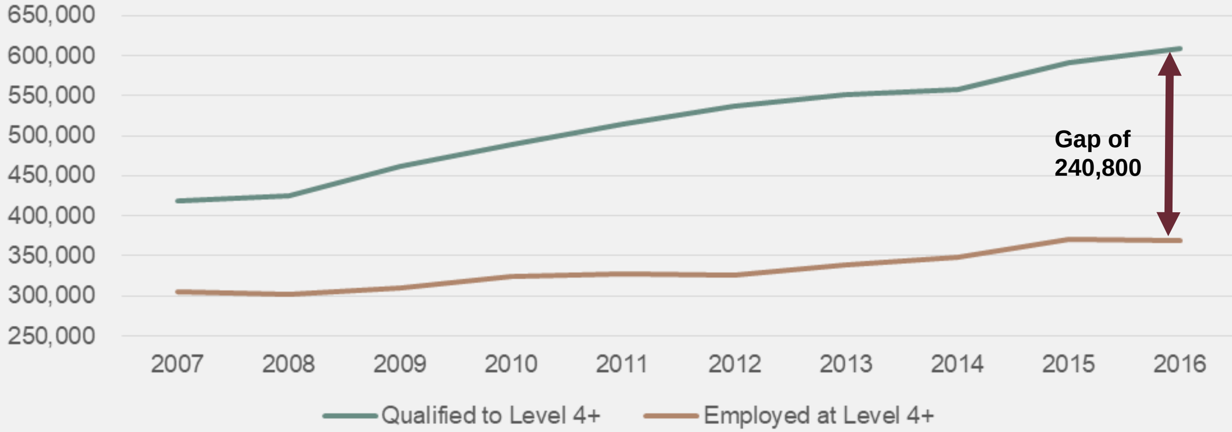
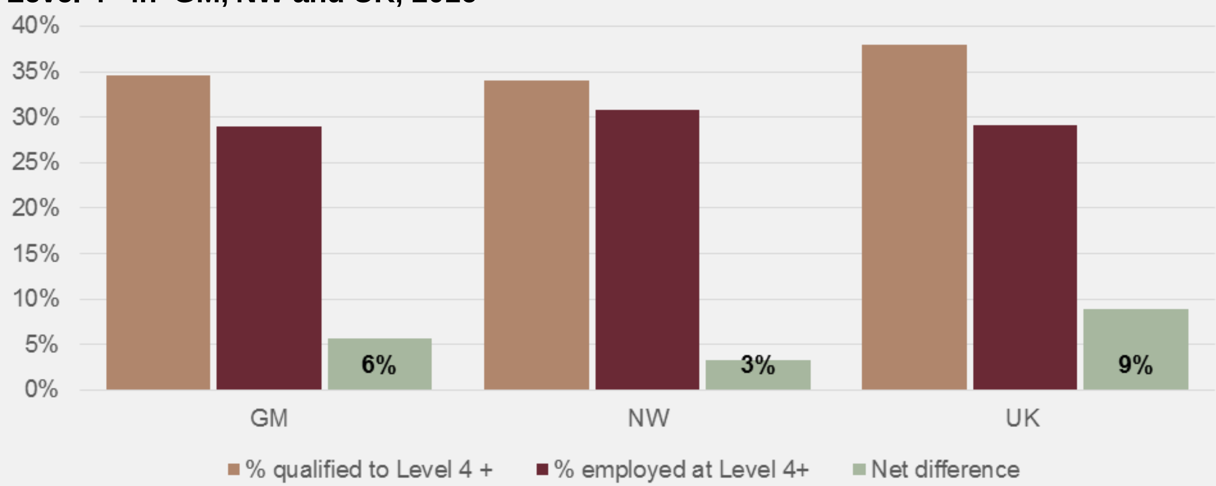


Figure 4.8: Proportions of people qualified to Level 4+ and of people employed at Level 4+ in GM, NW and UK, 2016

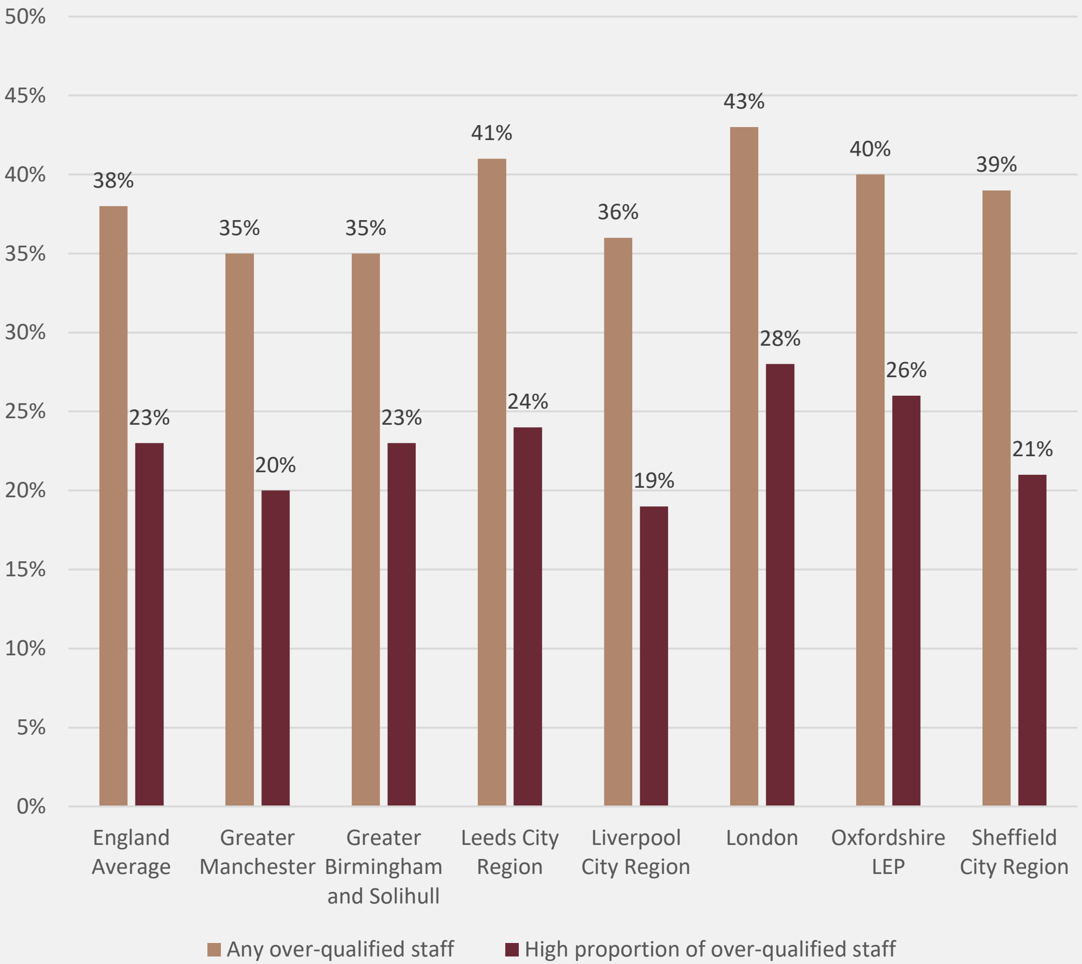


Source: ONS, Annual Population Survey

- Figure 4.7 highlights one of the paradoxes of the skills formation system: although employers continue to demand higher skill levels, there continue to be issues of poor skills utilisation once those skills are created.
- The gap between numbers of jobs requiring Level 4 qualifications and the numbers of people qualified to that level continues to grow.
- The number of people qualified to Level 4 has grown by 46% (191,500) between 2007 and 2016 whilst Level 4 jobs have only increased by 21% (63,800). The gap stood at 240,800 in 2016.
- As shown in Figure 4.8, the gap in GM is double that of the North West, but smaller than in the UK as a whole, where the proportion of graduate level jobs is similar to GM and NW, but the proportion of graduates is higher.
- Importantly, there is no formal definition of a ‘graduate level job’. The definition used here combines the following roles: corporate managers and directors; science, research, engineering, and technology professionals; health professionals; teaching and education professionals; and business media and public service professionals.
- Recent analysis by the ONS suggests that 40.5% of employed graduates in GM worked in non-graduate roles in 2017, above the NW and UK averages. This proportion increased from 38.3% in 2015 and 39.6% in 2016.

More than a third of employers in GM report having over-qualified staff

Figure 4.9: Proportion of employers reporting that they have over-qualified staff, selected LEP areas, 2015

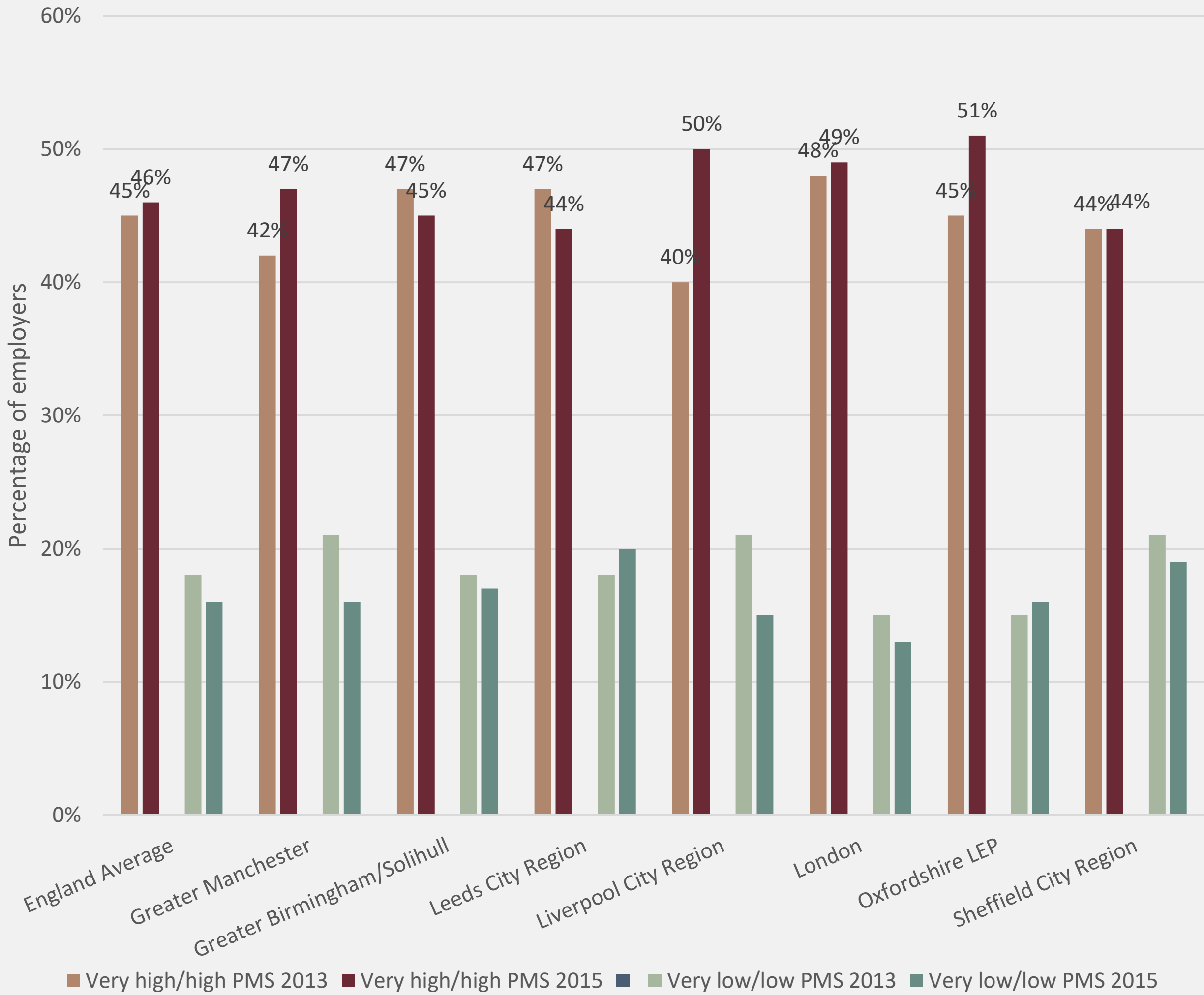


Source: Employer Skills Survey, 2015

- The best way to understand over-qualification is through surveys of individual workers who 'self-report' their perceptions of their jobs and the match with their qualifications. UK levels of over-qualification are known to be high. For example, according to the Chartered Institute of Personnel and Development, the UK HR managers' organisation, the UK has 59% of graduates in non-graduate jobs, a percentage exceeded only by Greece and Estonia. In contrast, countries such as Germany, the Netherlands and Slovenia, which have a history of strong vocational training, have shares of 10% or less of graduates in non-graduate jobs.
- However, self-reported data on over-qualification is not available by local area in the UK. By contrast, information from the Employer Skills Survey presents the employers' perspective. The ESS from 2015 finds that 35% of employers in GM (over 12,000 in both public and private sectors) say they have over-qualified staff.
- For a fifth of these (equal to 6,900 employers), large proportions of staff (between 30% and 100%) have qualifications in excess of what is required for the work that they do. This suggests both a lack of personal fulfilment for individual workers and a loss of productive potential.

Data suggests GM firms have been attempting to move upmarket

Figure 4.10: 'Product market strategies' of firms based in selected LEP areas, 2013-2015 (summary indicator)

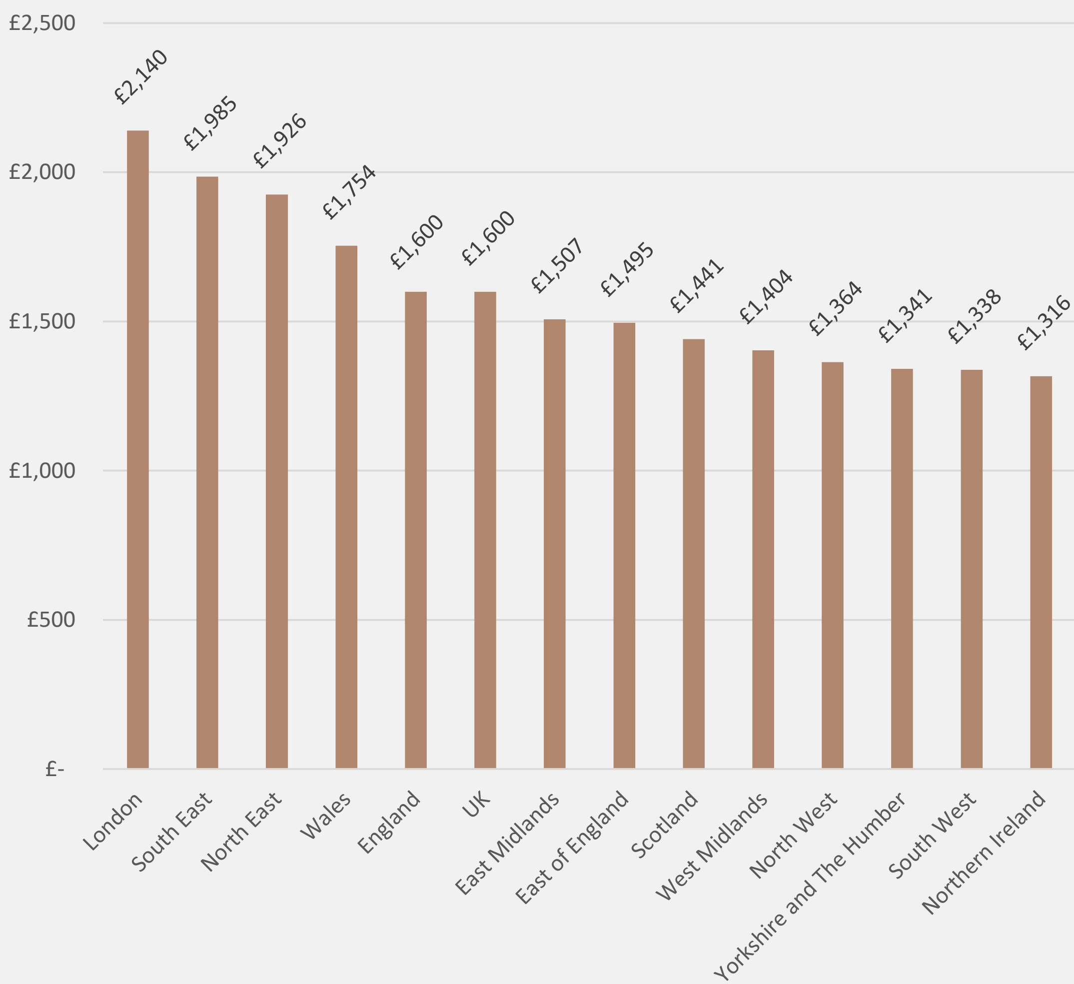


Source: Employers Skills Survey, 2013 and 2015

- 'Product market strategies' (PMS) refer to the ways in which private sector businesses choose to differentiate and position the products and services they provide within the markets in which they operate. Employers operating 'higher' product market strategies have a greater opportunity for sustainable business growth, which should, in turn, trigger a greater need for new skills and upskilling existing staff. By contrast, those competing on low price, high volume (low PMS) strategies tend to need fewer skills, as staff are relatively cheap to replace and to train.
- The method devised for measuring PMS in UKCES' Employer Skills Survey is a combination of four different aspects of strategy: price dependence; level of customisation; whether the firm competes in premium or basic quality product market; and whether the firm sees itself as 'leading the way' in new product development. These separate measures are then aggregated into a 'PMS summary' – the indicator shown here.
- The Employer Skills Survey suggests the proportion of firms in GM employing 'higher' product market strategies increased between the 2013 and 2015 surveys, although GM still lags behind London and Oxfordshire LEP on this measure.

Employer investment in training relatively low in the North West

Figure 4.11: Investment in training, spend per employee by nation and region, UK, 2015

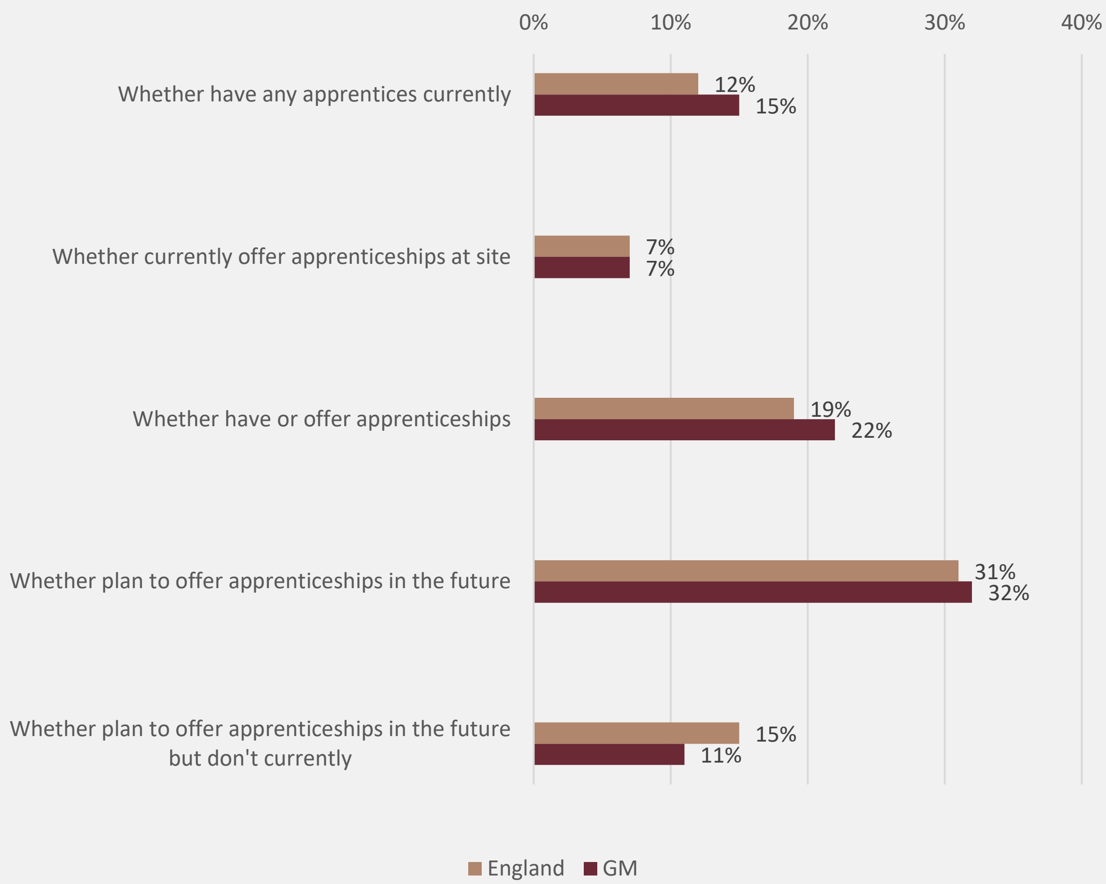


Source: Investment in Training Survey, 2015

- Investment in Training data suggests some of the richest areas of the country spend the most on training. Average spending for London and the South East is £2,063 per employee. Employers based in the North West spent £700 less on each employee in 2015.
- To catch up with levels of investment in London – the part of the country that invests most in developing its human capital – employers based in the North West need to spend about £780 more for each employee each year.
- There is also an investment gap of approximately £250 per year between average UK spending on training and spending in the North West.
- Elsewhere, there is a mixed picture. The North East, spending £1,900 per employee is a relatively high investor. Other areas of the North - the North West and Yorkshire and the Humber - have relatively low spending. Employers based in Wales spend the most on training out of all the nations of the UK.
- Nevertheless, there remains something of a North-South gap: average spending by employers on people development in the North is £500 less than average spending in London and the South East.
- The Investment in Training survey is carried out biannually as part of the Employer Skills Survey. Data is unavailable at lower geographical levels. Both private and public sectors, but not voluntary, are included.

GM employers more supportive of apprenticeships than peers elsewhere

Figure 4.12: Employer attitudes towards apprenticeships, 2016



Source: Employer Perspectives Survey, 2016

- According to the Employer Perspectives Survey 2016, some 15% of employers in GM say they currently employ apprentices. This compares with 12% in England as a whole.
- Well over a fifth of employers in GM either currently employ or offer apprenticeships (22%). This is also above the average for England (19%).
- However, the survey suggests that in GM there is a slightly lower than average proportion of employers who don't currently offer apprenticeships, but who plan to offer apprenticeships in the future.
- Since the last iteration of the EPS in 2014, the proportion of employers who said they plan to offer apprenticeships in the future in GM has fallen from 40% to 32%.
- Nationally, about 37% of employers say their decision to offer apprenticeships was influenced by an external agency, such as a training provider or government (local or national).

Average earnings still to recover from recession a decade ago

Figure 4.13: Residence-based gross median annual wages (full-time and part-time) 2006-2017 (adjusted for CPI inflation, 2016 prices)

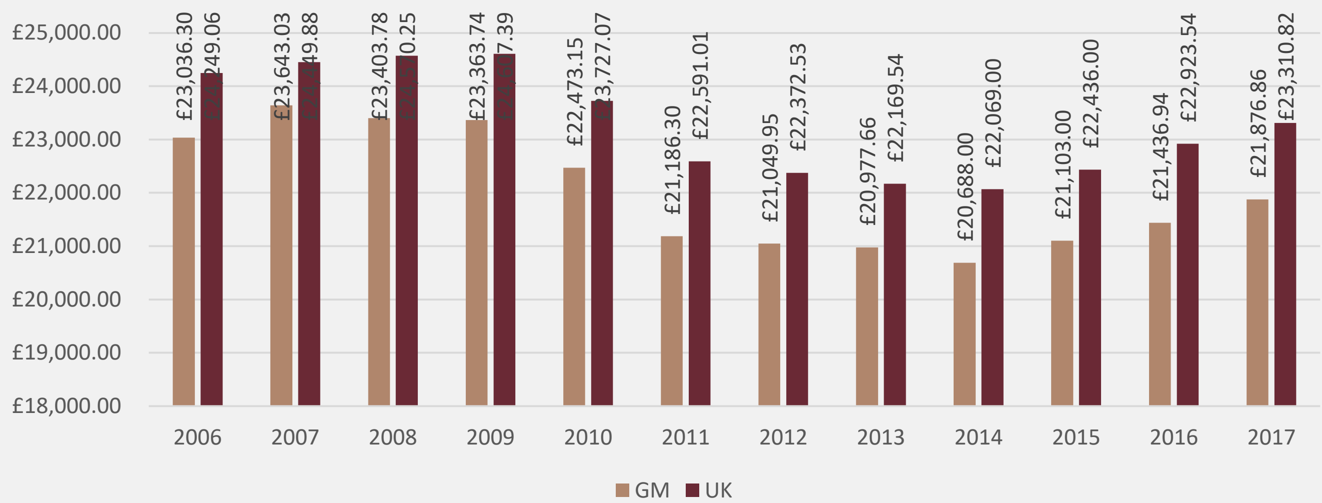
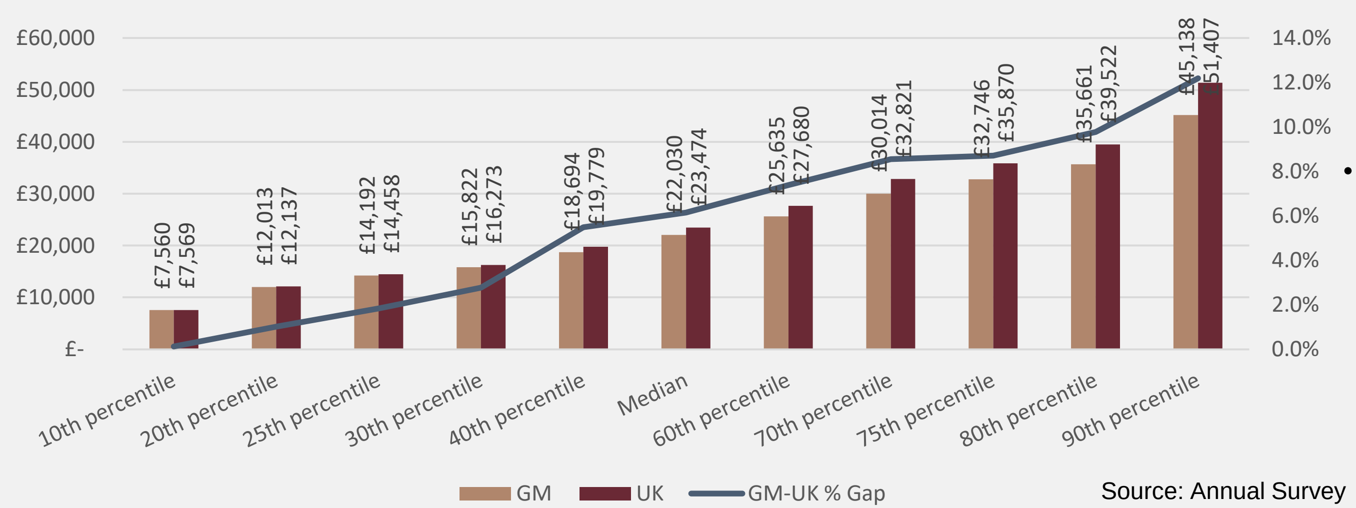


Figure 4.14: Residence-based gross annual wages by percentile in GM, 2017

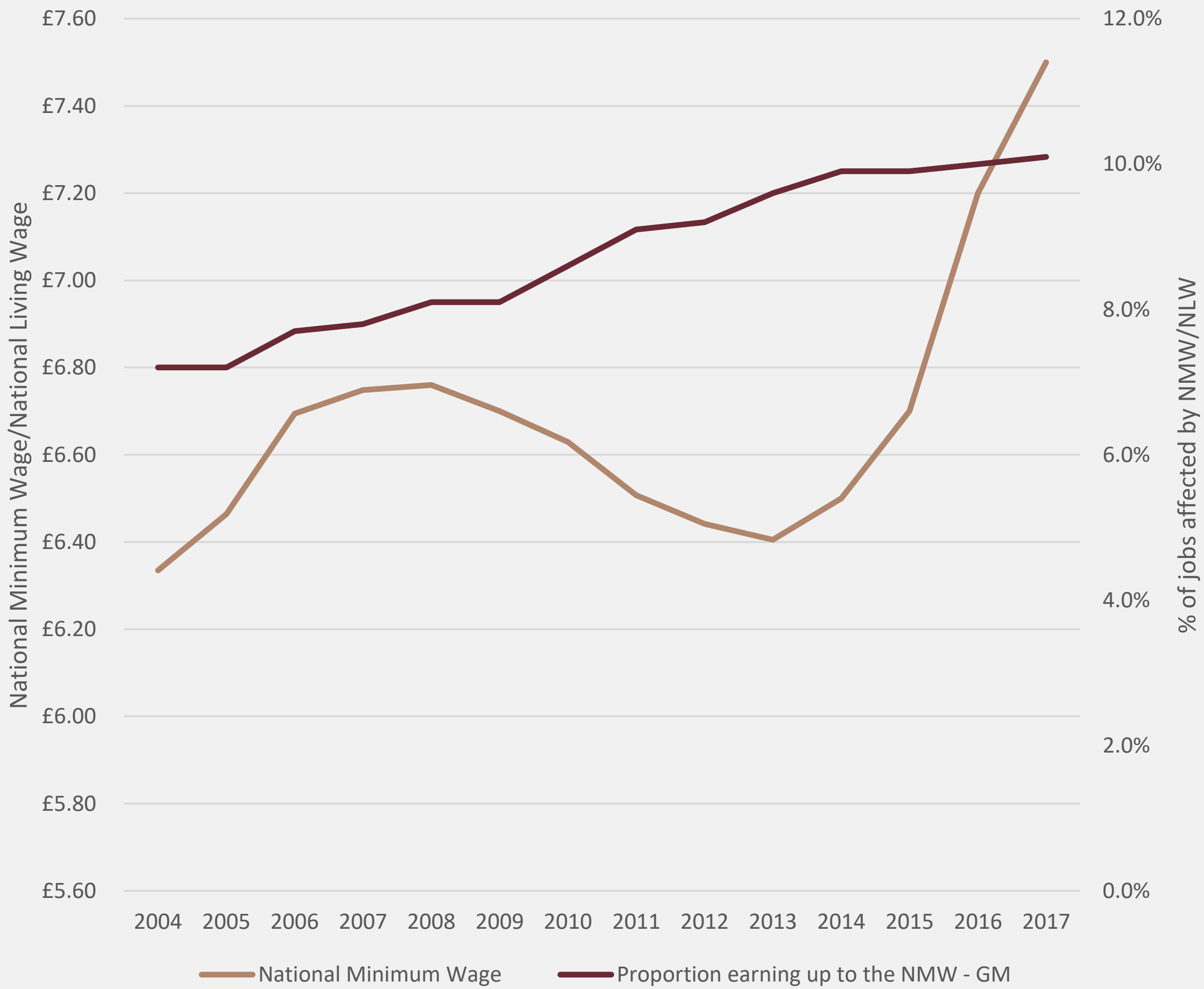


Source: Annual Survey of Hours and Earnings

- Median pay in GM, once adjusted for inflation, remains far below its level prior to the 2008 financial crisis and subsequent recession. Compared with 2008, median pay in GM was over £1,500 a year less in 2017.
- Employees in GM earned £1,400 less on average per year than the average for the UK in 2017. This represents a slight shrinking in the GM-UK pay gap which was at its widest in 2016. Since the recession, the GM-UK wage gap has in general become larger.
- People on relatively low wages earn almost exactly the same as their UK counterparts. However, the pay gaps increase further up the earnings distribution. In other words, relatively high earners in GM earn considerably less than high earners elsewhere, with a pay gap equivalent to almost 12%.

About 10% of GM jobs paid the minimum wage in 2017

Figure 4.15: Estimated proportion of residents earning at the level of the National Minimum Wage/National Living wage (adjusted for CPI inflation, 2016 prices; residence based)



Source: ASHE, 2017

- The National Living Wage (NLW) is the legal pay floor for all workers over the age of 25. The NLW was introduced in March 2016; effectively it created a new 'premium' on the National Minimum Wage for 'older' workers over 25.
- Figure 4.15 shows estimates of the proportion of jobs in GM which were affected by the NLW in 2017. We calculate that approximately 10% of employee jobs (i.e. excluding self-employed), were affected – similar to the previous year.
- The NLW is not to be confused with the 'voluntary' or 'real' living wage (see next slide). The living wage is based on calculations regarding the minimum wage needed by workers in order to sustain a 'basic, acceptable' standard of living; the NMW and NLW are based on assessments of affordability for employers.
- There is likely to be significant clustering in relatively low-paying sections of the labour market between the legal pay floor and the rate of the living wage. Over a fifth of workers earn pay rates lower than the voluntary living wage, as the next slide shows.
- In April 2018, the NLW rose to £7.83 an hour (from £7.50). Different rates apply to younger workers and apprentices.

Provisional data suggests a fall in workers earning less than a 'living wage'

Figure 4.16: Proportions (%) of jobs paid below the living wage in GM and England, 2013-2017 (workplace based)

	2013	2014	2015	2016	2017 - provisional	% point change 2016-2017	% point change 2013-2017
Bolton	27.4	28	25.8	23.4	24.5	1.1	-2.9
Bury	21.7	26.4	27.6	29.3	25.9	-3.4	4.2
Manchester	16.4	17.2	15.8	18	15.2	-2.8	-1.2
Oldham	32.3	33.7	32.9	32.1	29.3	-2.8	-3
Rochdale	26.7	32.6	29.6	32	28.7	-3.3	2
Salford	16	17.4	19.9	21.3	15.9	-5.4	-0.1
Stockport	20.4	23.2	23.9	25.5	25.7	0.2	5.3
Tameside	25.6	24.7	25.8	28.9	25.7	-3.2	0.1
Trafford	24.7	24.7	26.2	27.3	25.3	-2	0.6
Wigan	26.4	30.2	28.4	31.9	28.9	-3	2.5
GM	**21.7**	**23.3**	**23**	**24.4**	**21.8**	**-2.6**	**0.1**
UK	**20.8**	**22.6**	**22.8**	**22**	**22**	**0**	**1.2**
Living Wage*	**£7.45**	**£7.65**	**£7.85**	**£8.25**	**£8.45**	**£0.20**	**£1.00**

Source: Annual Survey of Hours and Earnings, 2017 (provisional)

- The 'real' or 'voluntary' living wage is announced in November each year. In November 2017, the living wage was set at £8.75 (£10.20 in London). In November 2016 it was £8.45 outside London, and in 2014 it was £8.25.
- The proportion of workers in GM earning less than the rate of the 'real' or 'voluntary' living wage was 21.8%, according to provisional data released in December 2017 referring to a survey carried out in April 2017. This was sharply lower than in 2016 when almost one in four workers in GM earned below a living wage (24.4%). 245,000 people earned less than a living wage in GM in 2017, compared with 266,000 in 2016.
- The proportion of workers earning less than a living wage in GM in 2017 was back at the same level as in 2013, having risen in the intervening years.
- The data also suggests that there was a slightly lower proportion of low paid workers in GM than in the UK as a whole in 2017 – a reversal of recent history.
- The data is subject to uncertainty of +/- 2% and may be revised. However, there has been a sharp increase in median hourly pay in GM workplaces (4.5%) between 2016 and 2017, compared with a 2.7% increase in the UK, which could partially explain the result.
- Not all of the GM districts experienced the same drop in proportions of low paid workers - in Bolton it increased by 1.1% point. Workplaces in three districts (Wigan, Oldham and Rochdale) have almost 30% of workers earning below the level of the living wage.

GM's full-time gender pay gap was 4% in 2017 - half the rate in UK

Figure 4.17: Hourly median pay for men and women in GM and UK, all employees, full-time and part-time (excluding overtime), 2017

	Median- All	Men	Women	Gap	Gap as %
All employee jobs					
UK	£12.44	£13.72	£11.20	£2.52	**18.4%**
GM	£11.96	£12.68	£11.18	£1.50	**11.8%**
Full-time employee jobs	**Median- All**	**Men**	**Women**	**Gap**	**Gap as %**
UK	£13.94	£14.48	£13.16	£1.32	**9.1%**
GM	£13.19	£13.42	£12.88	£0.54	**4.0%**
Part-time employee jobs	**Median- All**	**Men**	**Women**	**Gap (£)**	**Gap (%)**
UK	£9.12	£8.76	£9.21	£0.45	**5.1%**
GM	£8.92	£8.57	£9.06	£0.49	**5.7%**

Source: ASHE, 2017 (provisional)

- Women earned £1.50 an hour less than men in GM in 2017, compared with over £2.50 less in the UK.
- The gender pay gap in the conurbation for all employee jobs is markedly lower than in the UK (11.8% compared with 18.4%).
- This is likely to be caused by wage compression (fewer people, especially men, earning high wages in GM) and large concentrations of people on relatively low wages where pay gaps are narrower.
- Because different jobs have very different cultures and patterns, the most closely watched figure for pay gaps is the full-time gap. In GM this was 4.0% in 2017, compared to 9.1% in the UK.
- In terms of part-time work, there is a 'negative pay gap' – men who work part-time earn less than women. However, there are relatively few male part-time jobs (about 78,000 part-timers are men compared with 211,000 women).
- The methodology used for calculating pay gaps is the same as the government recommends for employers. Firms and public sector bodies with more than 250 staff were obliged to publish their pay gaps in April 2018.

Care and leisure workers among those with a 'skill-pay mismatch'

Figure 4.18: Highest level of qualification attained by GM residents by occupational group, 2017

Occupations (2 digit SOC)	Skills	Higher ed.	Degree or equivalent (Level 4 and above)	A-level or equival.	GCSE grades A*-C or equival.	Other qual.	No qual.	Pay ranking*	Median Pay 2017 (provis.) £ per hour
Managers & Directors	High skills	13.9%	**38.1%**	20.4%	16.0%	5.8%	4.0%	Highest pay	18.44
Professional		10.9%	**77.0%**	6.5%	4.4%	0.6%	0.3%		19.24
Associate Professional		6.3%	**45.7%**	27.1%	14.1%	5.0%	0.9%		15.14
Admin & Secretarial	Medium skills	**7.4%**	25.6%	27.3%	**30.7%**	5.8%	2.5%	Medium pay	10.93
Skilled Trades		**8.4%**	7.1%	**39.3%**	21.8%	12.7%	7.7%		11.98
Caring, Leisure&Other		**9.6%**	17.8%	**37.9%**	22.7%	3.7%	8.3%	Low pay	9.07
Sales & Customer Serv.	Low skills	1.3%	16.1%	30.0%	31.6%	8.6%	11.2%		9.2
Process, Plant & Mach.		4.4%	7.9%	25.3%	**23.5%**	**23.8%**	**14.2%**	Medium	10.78
Elementary		5.3%	10.3%	20.3%	26.4%	**18.5%**	**18.3%**	Low	8.88
TOTAL		7.7%	32.4%	24.6%	19.7%	8.1%	6.5%		

Notes:
* Skills classifications are based on the ONS definition of major occupation groups by skill levels.
* *The categorisation of pay into highest, medium, and lowest pay is based on ASHE income data on a North West level and refers to the relative rank of median pay for each occupation group.

Source: ONS Labour Force Survey, April – June 2017; Annual Survey of Hours and Earnings (ASHE) 2017

- As is well known, higher skilled staff tend to get higher pay. For most workers, this holds true. For example, those working in professional occupations in GM are generally qualified to the highest level - some 77% have a degree – and are also amongst the best paid, earning, on average, £19.24 an hour.

- But there are some large occupational groups for which this does not apply. Process, plant and machine operatives – normally associated with manufacturing – typically have relatively low skill levels (around 38% have a qualification above GCSE level), but they do not feature among the lowest paid.

- In contrast, over 65% of people working in caring and leisure occupations are qualified at Level 3 or above, and 17.8% have degrees. They are better characterised as 'medium skilled', but they are amongst the lower paid occupational groups. The same also applies to those working in sales and customer service jobs. Almost half have A-Levels or above, but they have the second lowest pay of all the occupational groups.

Three quarters of families receiving tax credits in GM are in work

Figure 4.19: Number of families claiming in and out-of-work tax credits in GM, 2007-2016

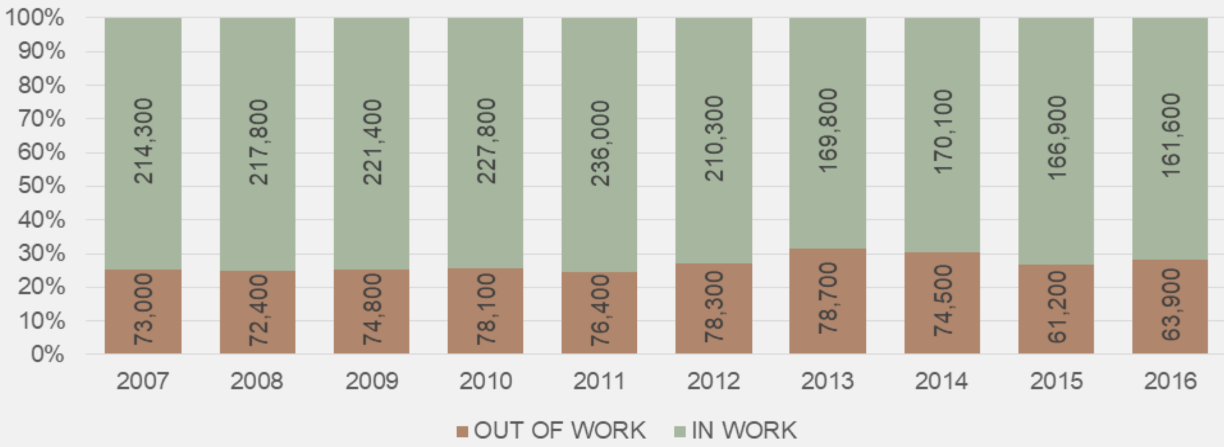
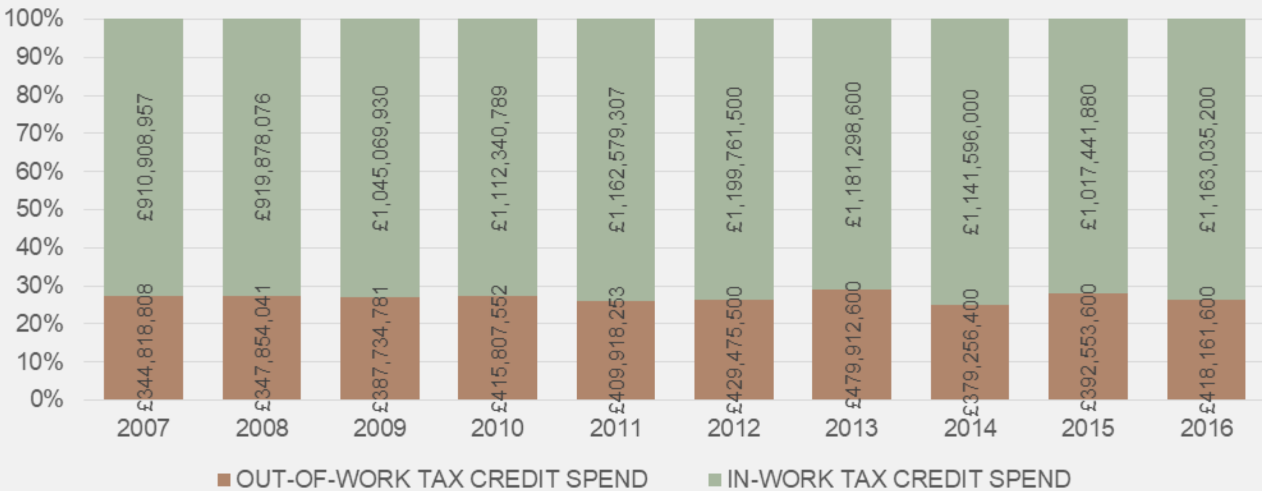


Figure 4.20: Spend on in- and out-of-work tax credits in GM, 2007-2016



Source: HMRC 2016, OBR Welfare Trends 2018 report

- A total of 225,500 families received income from the tax credit system in GM in 2016. 72% of these families were in work, a decrease of 1ppt since the previous year.
- The total number of families receiving tax credits decreased slightly from 2015 to 2016. The caseload of families has now been falling since 2011, apart from a slight rise in 2015.
- Total spend on tax credits in GM in 2016 was £1.58 billion, an increase of £171 million since the previous year. The majority of this comes from an increase in spending on in-work tax credits. The explanation for increased spending is likely to lie in higher average awards.
- From 2017/18 we expect to see a continued decrease in the numbers of families claiming tax credits and a fall in total spend due to cuts and changes to the welfare system. From April 2017, there has been a 2 child limit on tax credit support. Additionally, the family element of tax credits was removed.
- The remaining elements of the tax credits system are being absorbed by Universal Credit. As families become eligible for the new benefit from November 2017 onwards, numbers claiming tax credits are likely to fall.

GM's use of 'fit notes' lower than in the North, but above English norm

Figure 4.21: Number of fit notes issued and number of fit note episodes in GM

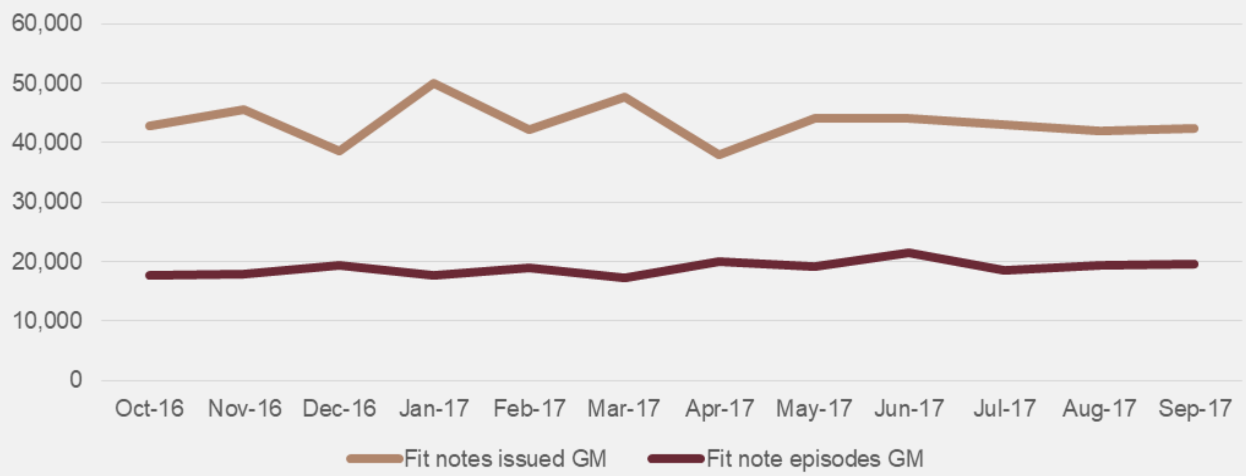
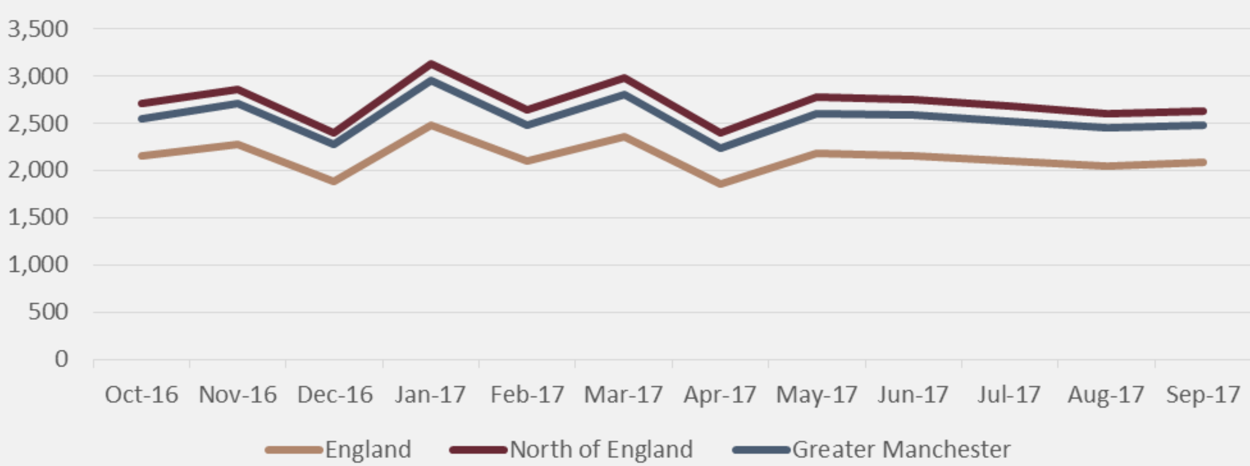


Figure 4.22: Number of fit notes issued per 100,000 GP practice population (18 to 65 year olds)

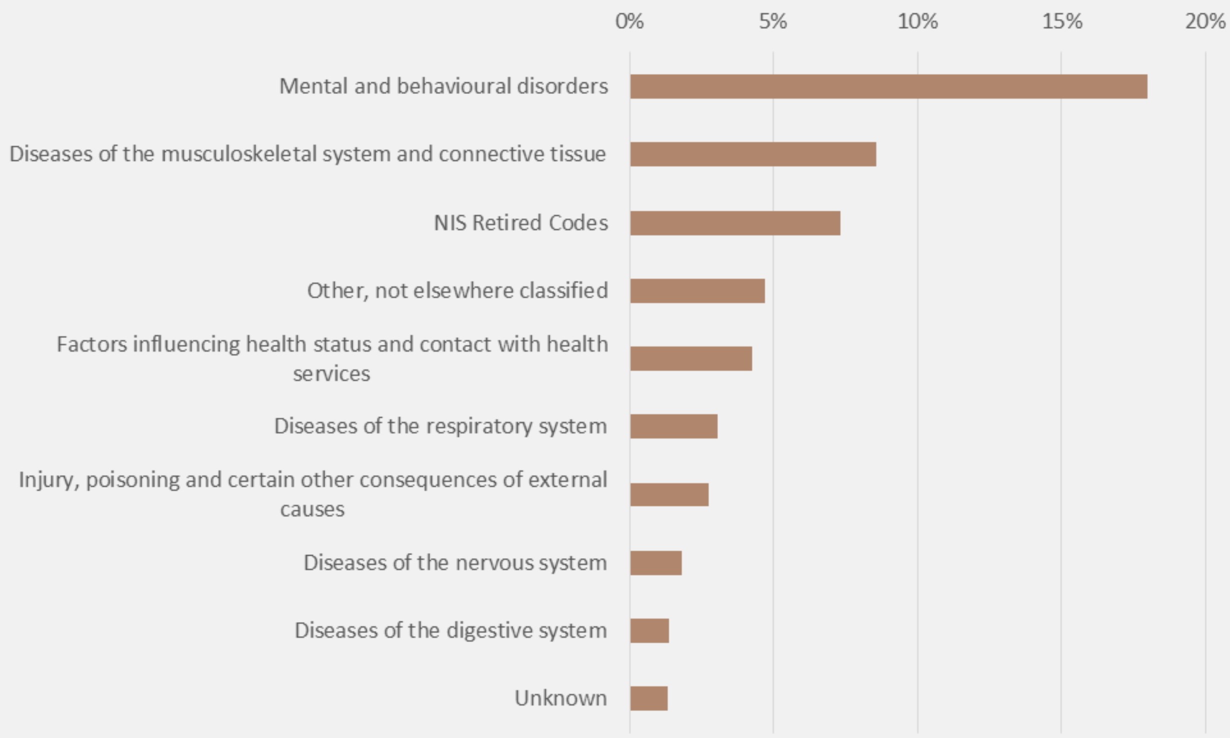


Source: NHS Digital, Fit notes issued by GP practices

- A fit note is a document issued by a doctor that provides guidance on a person's fitness for work. They are usually required by an employer if an employee is off work sick for more than 7 days. A fit note episode is one incidence of illness, which may include a number of individual fit notes issued concurrently.
- There were nearly twice as many fit notes issued in GM between October 2016 and September 2017 as there were fit note episodes. Therefore each fit note episode required on average two fit notes. Episodes remained fairly stable over the year.
- Figure 4.22 shows the prevalence of fit notes issued per 100,000 GP practice population. GM has a slightly lower incidence than the North of England (an average of 2,553 and 2,711 respectively in the 12 months to September 2017). However this is higher than the England average, which was 2,137 fit notes issued per 100,000 GP practice population.
- There is also significant variation among GM boroughs - from an average of 2,970 in Rochdale, to 2,268 in Trafford, which is still higher than the England average.

Mental health and behavioural conditions most common reason for fit notes

Figure 4.23: Top 10 most common conditions specified on fit notes in GM (as % of total), October 2016-September 2017



Source: NHS Digital, Fit notes issued by GP practices

- Mental and behavioural disorders were specified on 18% of fit notes in GM in the 12 months to September 2017 - more than twice the rate of any other condition.
- This suggests that there is a need for more effective support at work for people with mental health conditions.
- Diseases of the musculoskeletal system were the next most common condition, specified on fit notes, at 8.7%.
- This data provides a partial understanding of the health conditions specified on fit notes because it excludes the 39.5% of fit notes for which the condition was not provided.
- Furthermore, the data only covers fit notes which were issued electronically. Nevertheless, it provides us with an indication of the most common conditions.

Appendix

FURTHER EDUCATION TRAVEL TO LEARN PATTERNS IN GM

FE travel to learn – Learners aged 16-18 below L2 and at L2

Figure 5.1: Learner travel flows in further education aged 16-18 - below L2 (% by borough)

16-18 Below L2	Bolton	Bury	Manchester	Oldham	Rochdale	Salford	Stockport	Tameside	Trafford	Wigan	Outside GM	Total %	Grand Total
Bolton	86.9%	4.4%	0.9%	0.0%	0.1%	1.5%	0.1%	0.0%	0.1%	1.1%	4.9%	100.0%	**7,550**
Bury	10.8%	70.4%	6.7%	0.4%	4.0%	2.8%	0.3%	0.0%	0.2%	0.1%	4.2%	100.0%	**2,483**
Manchester	0.3%	2.2%	76.4%	1.9%	2.8%	2.1%	4.4%	1.1%	4.1%	0.0%	4.7%	100.0%	**11,583**
Oldham	0.1%	0.0%	7.2%	76.3%	7.8%	0.7%	0.2%	3.1%	0.1%	0.0%	4.4%	100.0%	**5,485**
Rochdale	0.4%	7.1%	4.6%	27.1%	49.0%	0.1%	0.0%	0.2%	0.2%	0.2%	11.2%	100.0%	**4,872**
Salford	8.2%	1.0%	10.2%	0.2%	0.3%	71.7%	0.0%	0.0%	4.4%	0.8%	3.3%	100.0%	**4,788**
Stockport	0.5%	0.4%	18.3%	0.1%	0.1%	1.2%	72.9%	1.1%	1.7%	0.0%	3.8%	100.0%	**3,471**
Tameside	0.4%	0.1%	17.6%	23.9%	0.5%	1.1%	3.0%	50.1%	0.3%	0.0%	3.0%	100.0%	**3,584**
Trafford	0.6%	0.2%	29.8%	0.1%	0.1%	4.5%	1.0%	0.0%	58.4%	0.2%	5.1%	100.0%	**2,104**
Wigan	5.1%	0.0%	1.1%	0.1%	0.1%	0.7%	0.0%	0.0%	0.2%	57.8%	34.7%	100.0%	**6,585**
Grand Total	**14.6%**	**5.2%**	**23.1%**	**12.6%**	**6.3%**	**7.8%**	**6.1%**	**4.1%**	**3.9%**	**7.5%**	**8.8%**	**100.0%**	**52,505**

Figure 5.2: Learner travel flows in further education aged 16-18 - L2 (% by borough)

16-18 L2	Bolton	Bury	Manchester	Oldham	Rochdale	Salford	Stockport	Tameside	Trafford	Wigan	Outside GM	Total %	Grand Total
Bolton	68.6%	15.6%	1.5%	0.0%	0.1%	4.5%	0.0%	0.1%	0.2%	3.4%	5.9%	100.0%	**3,816**
Bury	3.3%	83.0%	4.1%	0.0%	3.5%	2.6%	0.0%	0.0%	0.2%	0.0%	3.2%	100.0%	**2,472**
Manchester	0.0%	5.1%	57.7%	1.2%	4.2%	3.0%	8.8%	3.1%	10.3%	0.0%	6.5%	100.0%	**10,063**
Oldham	0.0%	0.2%	6.0%	72.6%	13.3%	0.2%	0.0%	6.3%	0.3%	0.0%	1.2%	100.0%	**4,872**
Rochdale	0.3%	19.1%	4.4%	7.2%	66.5%	0.4%	0.0%	0.4%	0.0%	0.1%	1.5%	100.0%	**3,693**
Salford	6.5%	2.6%	8.6%	0.0%	0.3%	67.9%	0.2%	0.2%	8.8%	0.4%	4.5%	100.0%	**3,078**
Stockport	0.1%	0.0%	17.7%	0.0%	0.0%	0.4%	70.2%	2.3%	2.2%	0.0%	7.0%	100.0%	**3,873**
Tameside	0.0%	0.0%	11.3%	2.6%	0.4%	0.3%	3.2%	79.0%	0.4%	0.0%	2.8%	100.0%	**4,175**
Trafford	0.0%	0.1%	20.8%	0.1%	0.2%	5.7%	0.7%	0.0%	67.5%	0.0%	4.8%	100.0%	**2,540**
Wigan	5.5%	0.0%	1.1%	0.1%	0.0%	3.2%	0.0%	0.1%	0.4%	77.5%	12.2%	100.0%	**3,924**
Grand Total	**7.4%**	**9.3%**	**19.8%**	**9.5%**	**8.6%**	**6.9%**	**8.9%**	**9.5%**	**7.5%**	**7.5%**	**5.2%**	**100.0%**	**42,506**

- Below level 2 courses for 16-18 year olds are primarily basic English and maths, plus some foundations for learning & life and work experience type courses. The majority of this group are staying within their home district to learn.
- Wigan is an outlier in most travel to learn patterns, and 16-18 year olds studying below Level 2 are no exception, with 34.7% leaving GM to learn, mostly to the surrounding areas of South Ribble, St Helens and Warrington.
- However, 77.5% of 16-18 year olds from Wigan studying at Level 2 stay in the area.
- 16-18 year old learners studying at Level 2 are more evenly distributed across GM than those studying below L2.

Source: SFA datacube 2016/17

FE travel to learn – Learners aged 16-18 at L3 and L4+

Figure 5.3: Learner travel flows in further education aged 16-18 – L3 (% by borough)

16-18 L3	Bolton	Bury	Manchester	Oldham	Rochdale	Salford	Stockport	Tameside	Trafford	Wigan	Outside GM	Total %	Grand Total
Bolton	44.1%	19.7%	1.6%	0.1%	0.0%	6.7%	0.1%	0.0%	0.1%	5.6%	22.0%	100.0%	**7,350**
Bury	1.1%	90.8%	3.6%	0.0%	0.8%	2.4%	0.0%	0.0%	0.1%	0.1%	1.1%	100.0%	**6,040**
Manchester	0.1%	6.7%	73.8%	1.5%	0.9%	4.2%	6.1%	2.8%	3.3%	0.0%	0.5%	100.0%	**14,418**
Oldham	0.1%	0.4%	8.7%	78.0%	5.1%	0.4%	0.1%	4.7%	0.1%	0.0%	2.6%	100.0%	**7,557**
Rochdale	0.4%	26.8%	4.4%	8.0%	57.7%	0.5%	0.1%	0.1%	0.1%	0.0%	2.0%	100.0%	**5,968**
Salford	3.2%	2.8%	22.0%	0.0%	0.1%	64.1%	0.0%	0.1%	1.1%	3.8%	2.7%	100.0%	**6,783**
Stockport	0.0%	0.0%	26.4%	0.0%	0.0%	0.5%	70.7%	0.8%	0.4%	0.0%	1.2%	100.0%	**10,971**
Tameside	0.1%	0.0%	16.4%	1.1%	0.1%	0.5%	6.4%	73.9%	0.1%	0.0%	1.3%	100.0%	**7,752**
Trafford	0.0%	0.1%	55.2%	0.0%	0.0%	10.7%	1.1%	0.0%	28.0%	0.0%	4.8%	100.0%	**4,668**
Wigan	4.8%	0.1%	0.7%	0.0%	0.0%	6.9%	0.0%	0.0%	0.1%	75.9%	11.6%	100.0%	**9,533**
Grand Total	**5.0%**	**12.0%**	**24.9%**	**8.3%**	**5.0%**	**8.5%**	**11.4%**	**8.1%**	**2.4%**	**9.8%**	**4.7%**	**100.0%**	**81,040**

Figure 5.4: Learner travel flows in further education aged 16-18 – L4+ (% by borough)

16-18 L4+	Bolton	Bury	Manchester	Oldham	Rochdale	Salford	Stockport	Tameside	Trafford	Wigan	Outside GM	Total %	Grand Total
Bolton	17.0%	14.9%	10.6%	0.0%	0.0%	2.1%	0.0%	0.0%	0.0%	10.6%	44.7%	100.0%	**47**
Bury	2.3%	53.5%	4.7%	2.3%	4.7%	2.3%	0.0%	0.0%	0.0%	0.0%	30.2%	100.0%	**43**
Manchester	0.0%	6.2%	52.3%	6.2%	7.7%	1.5%	0.0%	6.2%	7.7%	0.0%	12.3%	100.0%	**65**
Oldham	0.0%	0.0%	11.4%	47.7%	9.1%	0.0%	2.3%	4.5%	0.0%	0.0%	25.0%	100.0%	**44**
Rochdale	0.0%	35.1%	5.3%	5.3%	29.8%	1.8%	3.5%	0.0%	0.0%	0.0%	19.3%	100.0%	**57**
Salford	3.1%	3.1%	18.8%	0.0%	0.0%	21.9%	3.1%	0.0%	3.1%	6.3%	40.6%	100.0%	**32**
Stockport	0.0%	3.4%	13.8%	0.0%	0.0%	0.0%	55.2%	6.9%	0.0%	0.0%	20.7%	100.0%	**29**
Tameside	0.0%	5.0%	22.5%	2.5%	0.0%	0.0%	7.5%	45.0%	7.5%	0.0%	10.0%	100.0%	**40**
Trafford	0.0%	0.0%	15.4%	0.0%	0.0%	7.7%	15.4%	3.8%	38.5%	0.0%	19.2%	100.0%	**26**
Wigan	1.3%	0.0%	2.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	45.3%	50.7%	100.0%	**75**
Grand Total	**2.4%**	**12.7%**	**16.2%**	**6.6%**	**6.1%**	**2.8%**	**5.9%**	**5.9%**	**4.1%**	**9.0%**	**28.4%**	**100.0%**	**458**

- 16-18 year olds studying at L3 are the least likely of any level/age band to be travelling outside GM to learn, with only 4.7% doing so.
- However, within this age band learners in Bolton suddenly start travelling outside GM, with 22% doing so for L3 and 44.7% doing so for Level 4+, the most of any Local Authority bar Wigan.
- Manchester has the largest share of 16-18 year olds from GM studying at Level 3, with nearly 25% of all L3 learners in this age band studying there.
- Numbers of SFA funded 16-18 year olds studying at L4+ are very low (458), and 28.4% leave GM to do so.

Source: SFA datacube 2016/17

FE travel to learn – Learners aged 19-24 below L2 and at L2

Figure 5.5: Learner travel flows in further education aged 19-24 – below L2 (% by borough)

19-24 Below L2	Bolton	Bury	Manchester	Oldham	Rochdale	Salford	Stockport	Tameside	Trafford	Wigan	Outside GM	Total %	Grand Total
Bolton	75.7%	2.6%	6.6%	0.6%	1.0%	5.4%	0.4%	0.0%	1.0%	2.7%	4.0%	100.0%	**2,473**
Bury	4.6%	60.5%	17.9%	0.9%	5.2%	3.1%	1.3%	0.1%	1.5%	0.0%	4.7%	100.0%	**1,187**
Manchester	0.3%	0.6%	80.5%	2.3%	1.3%	3.3%	2.6%	0.7%	3.2%	0.2%	5.1%	100.0%	**6,272**
Oldham	0.1%	0.6%	14.2%	71.0%	6.9%	1.3%	0.8%	2.0%	0.2%	0.1%	2.8%	100.0%	**1,636**
Rochdale	0.1%	7.2%	11.5%	11.7%	59.1%	1.5%	1.2%	0.1%	0.9%	0.1%	6.7%	100.0%	**1,742**
Salford	3.8%	0.4%	30.0%	0.5%	0.3%	52.7%	0.5%	0.2%	7.6%	0.3%	3.7%	100.0%	**2,047**
Stockport	1.0%	0.7%	17.6%	1.1%	0.4%	3.3%	63.4%	1.6%	2.8%	0.2%	7.8%	100.0%	**913**
Tameside	0.2%	0.4%	23.1%	6.4%	0.2%	1.9%	3.9%	57.1%	1.7%	0.2%	5.0%	100.0%	**1,295**
Trafford	0.8%	0.0%	34.1%	0.8%	0.3%	9.5%	1.1%	0.1%	32.2%	0.0%	21.1%	100.0%	**745**
Wigan	1.5%	0.1%	4.6%	0.0%	0.5%	1.9%	0.4%	0.0%	0.3%	68.1%	22.6%	100.0%	**2,911**
Grand Total	**9.8%**	**4.6%**	**34.5%**	**7.8%**	**6.3%**	**7.9%**	**4.1%**	**3.9%**	**3.4%**	**9.8%**	**7.8%**	**100.0%**	**21,221**

Figure 5.6: Learner travel flows in further education aged 19-24 – L2 (% by borough)

19-24 L2	Bolton	Bury	Manchester	Oldham	Rochdale	Salford	Stockport	Tameside	Trafford	Wigan	Outside GM	Total %	Grand Total
Bolton	53.3%	6.8%	6.7%	0.8%	0.8%	6.8%	0.9%	0.0%	3.0%	8.0%	12.9%	100.0%	**854**
Bury	2.8%	45.6%	11.2%	2.6%	5.0%	2.8%	0.5%	0.5%	2.8%	0.5%	25.7%	100.0%	**614**
Manchester	0.3%	2.0%	58.5%	5.0%	2.3%	6.2%	7.2%	2.2%	7.9%	0.4%	8.0%	100.0%	**2,645**
Oldham	0.4%	1.3%	10.2%	56.4%	8.7%	1.1%	0.1%	8.7%	3.6%	0.1%	9.4%	100.0%	**929**
Rochdale	0.8%	10.2%	12.2%	14.0%	48.1%	1.3%	0.0%	0.1%	3.9%	0.0%	9.3%	100.0%	**967**
Salford	4.2%	1.6%	24.1%	0.5%	0.2%	43.3%	0.8%	0.4%	11.5%	1.2%	12.2%	100.0%	**829**
Stockport	0.3%	0.0%	13.9%	2.0%	0.3%	1.2%	57.0%	2.0%	5.3%	0.0%	17.8%	100.0%	**589**
Tameside	0.4%	0.6%	16.8%	5.8%	0.7%	1.2%	3.3%	59.0%	3.3%	0.1%	8.8%	100.0%	**901**
Trafford	1.5%	0.0%	19.9%	0.0%	0.7%	8.2%	3.0%	0.0%	48.9%	0.0%	17.9%	100.0%	**403**
Wigan	2.3%	0.2%	2.6%	0.0%	0.2%	1.7%	0.3%	0.0%	1.1%	68.3%	23.4%	100.0%	**1,280**
Grand Total	**5.7%**	**5.2%**	**24.3%**	**8.8%**	**6.6%**	**6.9%**	**5.9%**	**6.9%**	**6.9%**	**9.7%**	**13.1%**	**100.0%**	**10,011**

- Numbers of learners in the 19-24 age band are lower than within 16-18 and 25+ age bands, with 37,722 course starts from people living in GM in 2016/17.
- The majority of starts by people in this age band are on courses below Level 2. 34.5% of this group study in Manchester, which has a very high retention rate for this group of learners (80.5%). Manchester also attracts large proportions of this group from Salford (30%) and Trafford (34.1%).
- Trafford only retains 32.2% of 19-24 year olds studying below L2. These flows are most likely directed by provision rather than learner choice.
- Retention within home districts decreases at Level 2 for learners aged 19-24, with only between 43% and 59% of courses started within home districts. The exception again is Wigan, which retains over 68% of course starts at this level by 19-24 year olds.

Source: SFA datacube 2016/17

FE travel to learn – Learners aged 19-24 at L3 and L4+

Figure 5.7: Learner travel flows in further education aged 19-24 - L3 (% by borough)

19-24 L3	Bolton	Bury	Manchester	Oldham	Rochdale	Salford	Stockport	Tameside	Trafford	Wigan	Outside GM	Total %	Grand Total
Bolton	54.1%	9.6%	11.2%	0.0%	0.0%	6.1%	3.0%	0.2%	0.5%	4.4%	11.0%	100.0%	**429**
Bury	4.2%	46.6%	22.7%	0.4%	4.2%	4.2%	1.5%	2.3%	2.7%	2.7%	8.7%	100.0%	**264**
Manchester	0.4%	1.3%	67.5%	1.1%	1.6%	5.3%	8.1%	1.0%	6.4%	0.1%	7.3%	100.0%	**1,408**
Oldham	0.0%	0.2%	23.2%	40.3%	8.7%	5.3%	1.3%	6.7%	1.6%	0.4%	12.2%	100.0%	**449**
Rochdale	0.9%	9.6%	22.9%	9.0%	38.0%	3.2%	2.3%	1.2%	0.6%	0.0%	12.5%	100.0%	**345**
Salford	4.2%	2.1%	26.3%	0.2%	0.7%	45.5%	1.4%	0.7%	4.2%	0.9%	13.8%	100.0%	**429**
Stockport	0.5%	0.0%	29.0%	0.0%	0.0%	2.8%	54.3%	2.8%	1.5%	0.0%	9.1%	100.0%	**396**
Tameside	0.2%	0.0%	29.1%	2.3%	0.2%	6.4%	6.9%	39.0%	4.6%	1.1%	10.1%	100.0%	**436**
Trafford	1.3%	0.3%	30.0%	0.3%	0.6%	13.2%	2.3%	0.0%	39.7%	0.0%	12.3%	100.0%	**310**
Wigan	7.9%	0.0%	4.8%	0.2%	0.0%	7.5%	2.2%	0.0%	0.7%	58.2%	18.5%	100.0%	**416**
Grand Total	**6.3%**	**4.6%**	**35.0%**	**4.9%**	**4.3%**	**9.3%**	**8.4%**	**4.9%**	**5.7%**	**5.7%**	**10.8%**	**100.0%**	**4,882**

Figure 5.8: Learner travel flows in further education aged 19-24 L4+ (% by borough)

19-24 L4+	Bolton	Bury	Manchester	Oldham	Rochdale	Salford	Stockport	Tameside	Trafford	Wigan	Outside GM	Total %	Grand Total
Bolton	37.5%	10.2%	11.7%	0.8%	0.0%	3.1%	0.0%	0.0%	2.3%	10.2%	24.2%	100.0%	**128**
Bury	4.7%	39.3%	15.0%	1.9%	3.7%	0.0%	0.9%	0.9%	3.7%	1.9%	28.0%	100.0%	**107**
Manchester	0.5%	1.4%	73.5%	4.1%	1.9%	0.3%	3.2%	0.5%	4.3%	0.0%	10.3%	100.0%	**370**
Oldham	0.0%	1.6%	19.8%	46.2%	1.6%	0.0%	3.8%	6.0%	1.6%	0.0%	19.2%	100.0%	**182**
Rochdale	2.8%	11.9%	19.6%	11.2%	20.3%	0.0%	2.1%	2.8%	4.2%	0.7%	24.5%	100.0%	**143**
Salford	2.1%	0.0%	33.3%	5.2%	1.0%	12.5%	6.3%	0.0%	12.5%	4.2%	22.9%	100.0%	**96**
Stockport	0.7%	0.0%	21.3%	0.0%	0.0%	2.9%	52.2%	2.2%	5.9%	0.7%	14.0%	100.0%	**136**
Tameside	0.8%	0.8%	32.6%	6.2%	0.0%	0.8%	11.6%	28.7%	3.9%	0.0%	14.7%	100.0%	**129**
Trafford	1.0%	1.9%	32.4%	0.0%	0.0%	1.0%	6.7%	2.9%	35.2%	1.0%	18.1%	100.0%	**105**
Wigan	2.8%	0.0%	8.0%	0.5%	0.0%	0.9%	0.9%	0.0%	2.4%	52.8%	31.6%	100.0%	**212**
Grand Total	**4.4%**	**5.2%**	**32.4%**	**8.2%**	**2.7%**	**1.6%**	**7.7%**	**3.8%**	**6.2%**	**8.3%**	**19.6%**	**100.0%**	**1,608**

- Manchester accounts for 35% of course starts by 19-24 year olds studying at Level 3, although it loses a relatively high proportion of starts to Stockport and Trafford (8.1% and 6.4% respectively).
- 19-24 year old learners studying at L3 were much less likely to be travelling outside GM to learn than those at Level 4 (10.8% and 19.6% respectively).
- Numbers of 19-24 year olds studying SFA funded Level 4+ courses were low (1,608).
- Salford had the lowest retention rate for this group (12.5%), bearing in mind there were only 96 people aged 19-24 from Salford studying SFA funded L4+ courses.

Source: SFA datacube 2016/17

FE travel to learn – Learners aged 25+ below L2 and at L2

Figure 5.9: Learner travel flows in further education aged 25+ - below L2 (% by borough)

25+ Below L2	Bolton	Bury	Manchester	Oldham	Rochdale	Salford	Stockport	Tameside	Trafford	Wigan	Outside GM	Total %	Grand Total
Bolton	76.8%	1.5%	4.7%	1.2%	0.4%	4.7%	0.1%	0.0%	0.8%	3.4%	6.4%	100.0%	**7,278**
Bury	3.4%	66.3%	11.9%	2.3%	3.4%	3.4%	0.2%	0.2%	1.2%	0.3%	7.4%	100.0%	**4,383**
Manchester	0.1%	0.3%	84.3%	2.5%	0.6%	2.9%	1.8%	0.6%	1.9%	0.1%	4.8%	100.0%	**26,943**
Oldham	0.1%	0.4%	11.3%	79.6%	2.7%	1.2%	0.4%	1.2%	0.3%	0.1%	2.7%	100.0%	**7,434**
Rochdale	0.2%	3.5%	11.1%	12.4%	64.1%	1.2%	0.2%	0.1%	0.2%	0.1%	6.8%	100.0%	**6,580**
Salford	1.7%	0.6%	25.8%	1.8%	0.8%	55.6%	0.3%	0.4%	5.9%	0.3%	6.8%	100.0%	**6,911**
Stockport	0.2%	0.1%	18.6%	1.4%	0.4%	0.9%	67.6%	0.8%	1.2%	0.1%	8.6%	100.0%	**3,887**
Tameside	0.2%	0.5%	15.5%	7.0%	0.8%	1.1%	2.3%	65.3%	1.4%	0.1%	5.9%	100.0%	**5,077**
Trafford	0.4%	0.0%	41.0%	1.2%	0.1%	2.2%	1.4%	0.3%	30.4%	0.1%	22.9%	100.0%	**3,629**
Wigan	1.7%	0.1%	4.1%	0.3%	0.2%	1.8%	0.3%	0.0%	0.2%	72.6%	18.7%	100.0%	**6,953**
Grand Total	**7.7%**	**4.3%**	**38.2%**	**10.4%**	**6.2%**	**7.1%**	**4.3%**	**4.6%**	**2.9%**	**6.8%**	**7.6%**	**100.0%**	**79,075**

Figure 5.10: Learner travel flows in further education aged 25+ - L2 (% by borough)

25+ L2	Bolton	Bury	Manchester	Oldham	Rochdale	Salford	Stockport	Tameside	Trafford	Wigan	Outside GM	Total %	Grand Total
Bolton	51.5%	5.4%	6.1%	2.6%	0.2%	5.9%	2.0%	0.1%	0.9%	7.8%	17.4%	100.0%	**2,695**
Bury	3.9%	44.3%	10.4%	9.2%	3.7%	4.3%	0.6%	0.8%	3.4%	0.5%	18.8%	100.0%	**2,058**
Manchester	0.3%	1.3%	56.5%	11.9%	1.1%	6.6%	3.7%	1.8%	4.1%	0.4%	12.4%	100.0%	**8,829**
Oldham	0.2%	1.6%	8.1%	65.3%	6.2%	2.1%	0.5%	3.2%	1.5%	0.1%	11.3%	100.0%	**3,463**
Rochdale	0.4%	6.6%	7.4%	21.9%	43.1%	2.2%	0.5%	0.5%	1.8%	0.2%	15.4%	100.0%	**3,312**
Salford	3.9%	1.6%	16.1%	3.2%	0.6%	43.9%	0.6%	0.8%	9.0%	0.9%	19.4%	100.0%	**2,645**
Stockport	0.4%	0.6%	14.3%	6.1%	0.3%	1.8%	47.2%	1.9%	8.1%	0.4%	19.0%	100.0%	**1,980**
Tameside	0.3%	1.5%	12.4%	13.9%	0.7%	3.7%	5.6%	45.4%	2.2%	0.1%	14.2%	100.0%	**2,557**
Trafford	0.6%	1.5%	20.4%	3.1%	0.3%	6.3%	1.4%	1.1%	34.8%	0.4%	30.1%	100.0%	**1,593**
Wigan	2.5%	0.5%	3.3%	0.6%	0.0%	1.5%	0.8%	0.1%	1.3%	55.6%	33.7%	100.0%	**3,702**
Grand Total	**5.3%**	**4.8%**	**22.4%**	**15.0%**	**5.7%**	**7.4%**	**4.8%**	**4.7%**	**4.9%**	**7.2%**	**17.8%**	**100.0%**	**32,834**

- There were just over 79,000 below level 2 course starts by people aged 25+ in 2016/17. This does not include community learning courses.
- Numbers leaving GM to study below Level 2 courses were very low – only 7.6% of learners did so.
- Manchester had a large proportion of learners aged 25+ studying below Level 2 courses – 34% of this group were Manchester residents.
- Oldham had the highest retention rate of 25+ Level 2 learners (65.3%).
- In keeping with trends for all ages, Wigan attracted a large proportion of 25+ Level 2 learners from Bolton (17.4%).

Source: SFA datacube 2016/17

FE travel to learn – Learners aged 25+ at L3 and L4+

Figure 5.11: Learner travel flows in further education aged 25+ - L3 (% by borough)

25+ L3	Bolton	Bury	Manchester	Oldham	Rochdale	Salford	Stockport	Tameside	Trafford	Wigan	Outside GM	Total %	Grand Total
Bolton	40.9%	4.6%	5.4%	0.5%	0.5%	3.1%	1.8%	0.5%	2.8%	3.1%	37.0%	100.0%	**651**
Bury	2.8%	43.7%	11.3%	0.8%	3.0%	3.6%	2.2%	1.2%	2.6%	0.2%	28.3%	100.0%	**494**
Manchester	0.7%	1.0%	52.8%	0.7%	1.2%	6.0%	6.5%	1.3%	6.6%	0.1%	23.1%	100.0%	**1,641**
Oldham	0.3%	0.5%	15.2%	22.6%	9.3%	3.6%	2.3%	4.1%	2.9%	0.3%	39.0%	100.0%	**659**
Rochdale	2.0%	9.5%	13.0%	6.1%	36.2%	3.4%	1.0%	1.4%	2.0%	0.0%	25.4%	100.0%	**702**
Salford	6.5%	2.5%	22.4%	0.1%	0.1%	28.7%	2.5%	1.4%	11.3%	1.4%	23.2%	100.0%	**728**
Stockport	1.5%	0.3%	18.3%	0.3%	0.2%	4.2%	44.4%	1.8%	7.0%	0.0%	21.9%	100.0%	**597**
Tameside	0.8%	0.6%	20.8%	2.0%	0.0%	4.9%	3.6%	30.7%	9.2%	0.3%	27.1%	100.0%	**639**
Trafford	1.6%	0.8%	19.6%	0.0%	0.0%	5.2%	4.4%	0.8%	43.8%	0.2%	23.6%	100.0%	**504**
Wigan	3.6%	1.6%	4.7%	0.1%	0.0%	5.9%	1.3%	0.8%	2.7%	37.6%	41.8%	100.0%	**752**
Grand Total	**5.5%**	**5.1%**	**22.9%**	**3.1%**	**4.8%**	**7.0%**	**6.6%**	**4.0%**	**8.1%**	**4.3%**	**28.5%**	**100.0%**	**7,367**

Figure 5.12: Learner travel flows in further education aged 25+ - L4+ (% by borough)

25+ L4+	Bolton	Bury	Manchester	Oldham	Rochdale	Salford	Stockport	Tameside	Trafford	Wigan	Outside GM	Total %	Grand Total
Bolton	44.2%	6.3%	10.4%	0.8%	0.0%	0.8%	0.8%	0.4%	0.0%	6.7%	29.6%	100.0%	**240**
Bury	9.0%	38.4%	17.1%	1.4%	0.9%	0.5%	2.8%	0.5%	0.0%	1.4%	28.0%	100.0%	**211**
Manchester	0.9%	2.1%	64.3%	3.0%	0.9%	1.2%	9.5%	0.9%	3.3%	0.4%	13.7%	100.0%	**571**
Oldham	0.3%	2.0%	16.6%	26.0%	8.4%	0.0%	2.7%	3.0%	0.0%	1.4%	39.5%	100.0%	**296**
Rochdale	1.0%	11.5%	12.5%	10.9%	25.0%	0.5%	2.1%	2.1%	1.0%	0.0%	33.3%	100.0%	**192**
Salford	4.6%	5.7%	39.1%	1.1%	0.0%	10.3%	2.9%	1.1%	4.6%	7.5%	23.0%	100.0%	**174**
Stockport	1.8%	2.3%	14.2%	1.4%	0.5%	0.9%	53.4%	2.7%	1.8%	0.9%	20.1%	100.0%	**219**
Tameside	2.0%	1.0%	32.8%	6.1%	0.5%	0.5%	10.6%	23.7%	1.5%	0.5%	20.7%	100.0%	**198**
Trafford	3.3%	0.6%	42.8%	0.6%	0.0%	1.7%	6.1%	0.6%	21.1%	0.0%	23.3%	100.0%	**180**
Wigan	7.9%	0.0%	4.5%	0.3%	0.5%	1.6%	0.8%	0.3%	1.3%	58.5%	24.3%	100.0%	**378**
Grand Total	**7.0%**	**5.8%**	**28.5%**	**5.2%**	**3.2%**	**1.5%**	**8.7%**	**2.9%**	**3.0%**	**9.9%**	**24.4%**	**100.0%**	**2,659**

- Learners aged 25+ studying Level 3 courses were more likely than any other group to be travelling outside GM to study, with 28.5% doing so in 2016/17.
- This ranged from 21.9% of learners from Stockport to 39.0% of learners from Oldham. Only 22.6% of learners from Oldham stayed in the district to study Level 3 courses.
- Numbers of learners aged 25+ studying SFA funded Level 4 courses were low (2,659), and 24.4% of them left GM to study.
- Trafford and Salford both had low retention rates of 25+ Level 4 learners, with around 4 in 10 learners from both districts travelling to Manchester to study.
- Manchester again had the highest retention rate of 25+ level 4 learners, with 64.3% staying within the district to study.

Source: SFA datacube, 2016/17