#### UK Shared Prosperity Fund (UKSPF) People and Skills

## **Manchester Position**

Progression Towards Inclusive Employment & Skills and Community Grants

Work and Skills August 2023



## **Manchester Position**

This document is a position statement from Manchester on economic inactivity in the city. The aim of this document is to provide information, context and principles for organisations considering applying for funding under the GMCA commissioned UKSPF People and Skills.

Manchester is not the commissioner of UKSPF People and Skills, we work closely with GMCA and are providing this information to make sure organisations that can contribute to positive outcomes in Manchester are aware of this opportunity.

# Manchester will hold two webinars to provide further information and engage with organisations that aim to deliver services in the city.

WEBINAR 1 - GM UK Shared Prosperity Fund People and Skills. What this will mean for Manchester.

Date: 21 August 2023

Time: 10.30am - 12noon

Venue: Online

This session will cover an overview of the UKSPF and what we need it to do in Manchester.

WEBINAR 2 - GM UK Shared Prosperity Fund Community Grants Programme. How you can be directly involved in the delivery of support to our residents.

(Subject to information being available from the GM Managing Agent).

Date: 7 September 2023

Time: 10.00am - 11.30am

Venue: Online

This session will provide details on the Community Grants Programme including how it will be managed and how you can bid for funding.

#### **UKSPF People and Skills**

#### More information can be found at:

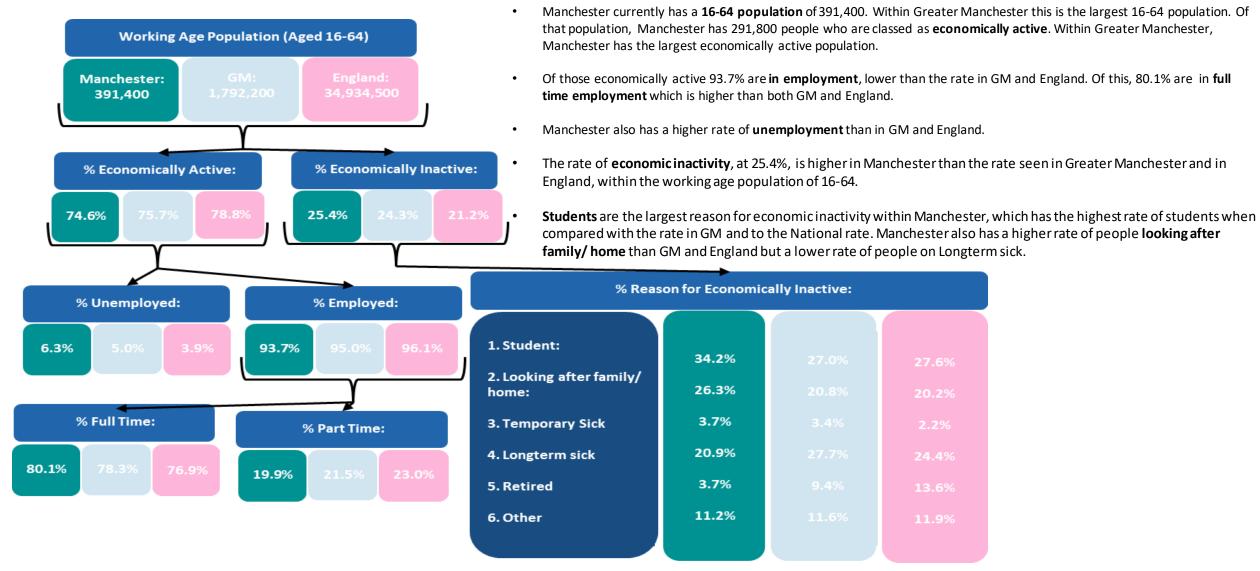
<u>UK Shared Prosperity Fund - Greater Manchester Combined</u> <u>Authority (greatermanchester-ca.gov.uk)</u>

This document relates to two elements focused on economic inactivity:

- Progression Towards Inclusive Employment and Skills (specification live)
- Community Grants (GMCA currently evaluating bids for a Managing Agent)

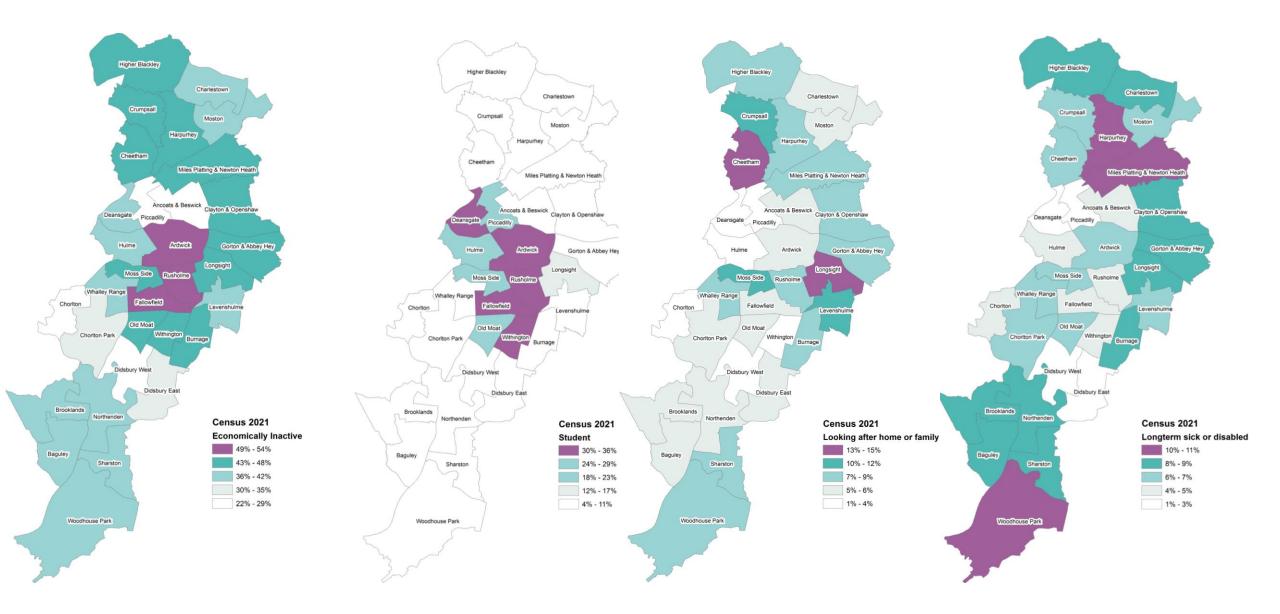
The following slides provide an overview and geographic breakdown of economic inactivity in Manchester emphasising that Looking after home/family (26,200 residents) and Long term sick (20,800 residents) are the core areas of focus (not students) with higher rates in certain Wards/Lower Super Output Areas (LSOAs).

#### Economic Activity Rate 16-64 12 month ending in June 2022

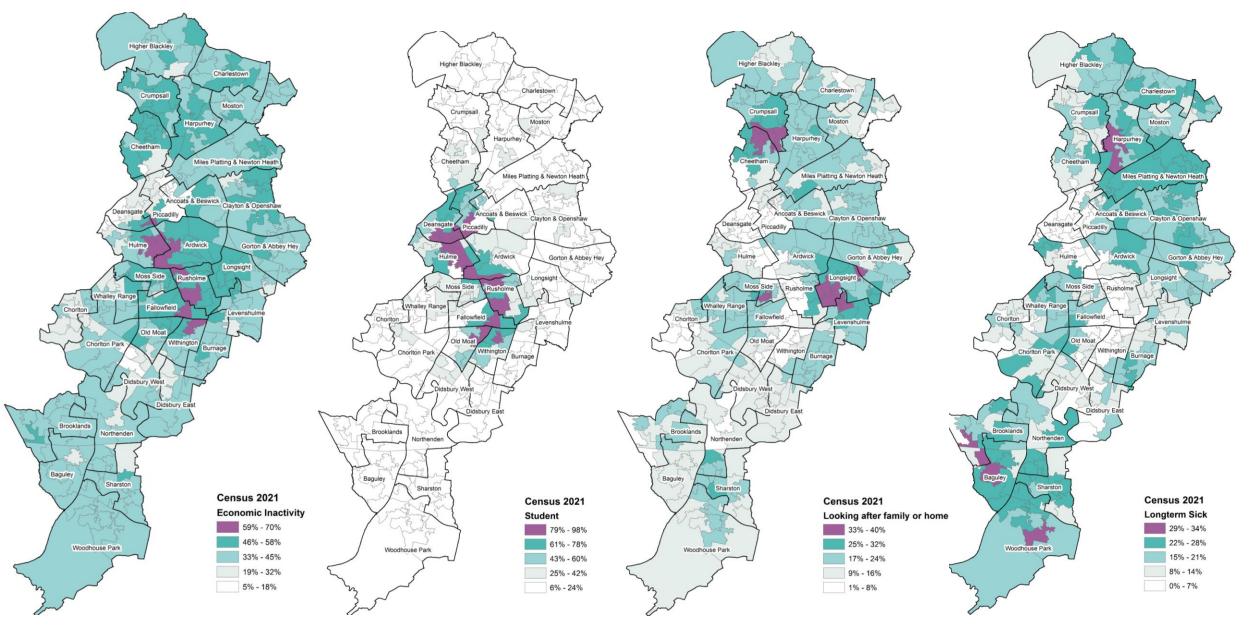


Source: Annual Population Survey, ONS

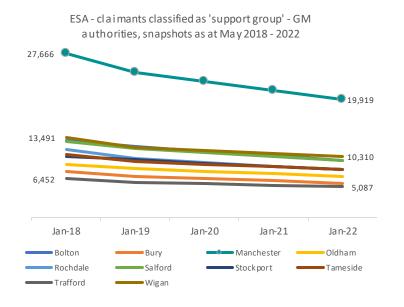
#### Economic Inactivity by Reason Mapped - Ward



#### Economic Inactivity by Reason Mapped - LSOA

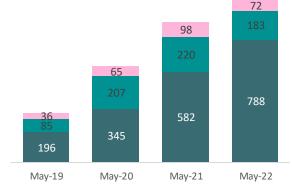


## Employment and Support Allowance (ESA)



ESA- claimant classification, Manchester 27,664 24,547 1,679 22,872 21,479 548 19,912 515 633 572 21,034 20,303 19,436 18,388 17,204 4,951 3.696 2.921 2.458 2.136 May-18 May-19 May-20 May-21 May-22 Work Related Activity group Support group Assessment phase **Total** 





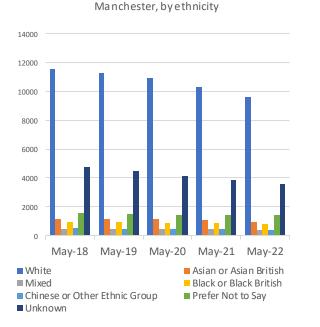
■ UC no work requirements ■ UC out of work ■ UC in employment

Manchester has the highest number of employment support allowance claimants of all the GM authorities totalling 19,912 at May 2022.

The number of claimants of employment support allowance in Manchester is decreasing, this mirrors what is happening in the other GM authority areas Manchester records the second highest % rate of decrease to support group numbers in GM The majority of claimants are classified as being in the support group - e.g. there is no expectation that they will seek work

The decrease in the number of claimants in the other classifications is higher than the decrease seen in the support group numbers Some claimants of ESA also claim universal credit - this figure is slowly increasing

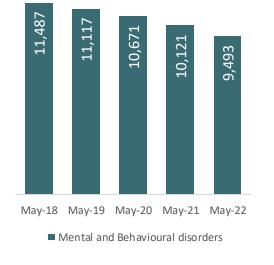
## Employment and Support Allowance (ESA)



Employment and support allowance claimants,

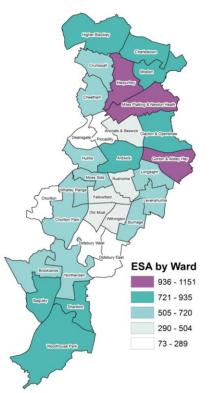
Employment and support allowance claimants, Manchester, by age band 4000 3500 65 and over 3000 Under 18 2500 **—** 18-24 25-34 2000 - 35-44 1500 45-49 **—** 50-54 1000 717 55-59 500 231 60-64 May May May May May 18 19 20 21 22

Employment s upport allowance, Manchester, Classification = s upport group, illness recorded as mental and behavioural disorders



The distribution of claimants ethnicity remains stable across the four snapshots May 2018 - May 2022

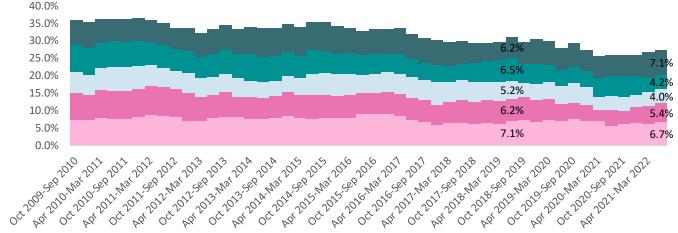
All age bands under 65 years old have a decreasing number of claimants, 65+ numbers are increasing Around 55% of claimants in Manchester have their medical condition recorded as 'mental and behavioural disorders', this is seen in the figures for GM and nationally.  $\mathsf{ESA}\,\mathsf{Claimants}\,\mathsf{by}\,\mathsf{ward}-\mathsf{May}\,\mathsf{22}$ 



Piccadilly is the ward with fewest ESA claimants (73), Harpurhey has the highest (1,151) both figures are as at May 22

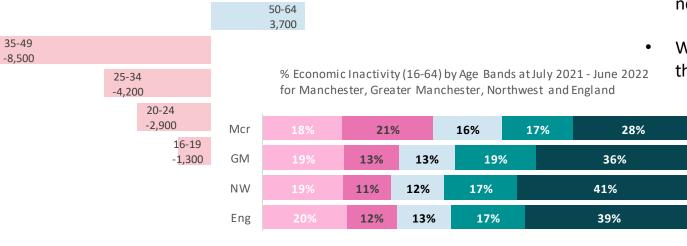
#### Economic Inactivity by Age

Economically Inactive as a % of the 16-64 population of Manchester October 2009-September 2010 to July 2021-June 2022



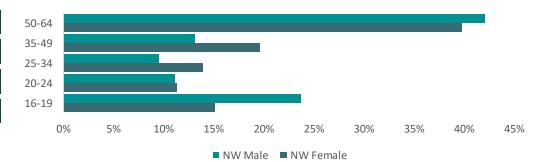
■ 16-19 ■ 20-24 ■ 25-34 ■ 35-49 ■ 50-64

Inactivity by Age, Change in Manchester from July 2018-June 2019 to July 2021-June 2022



<sup>■ 16-19 ■ 20-24 ■ 25-34 ■ 35-49 ■ 50-64</sup> 

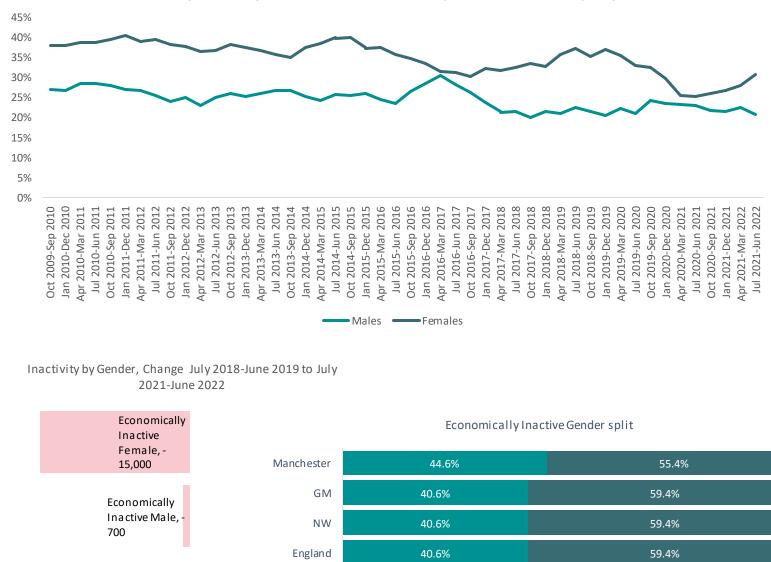
- **Currently, within Manchester the largest age cohort in terms of economic inactivity is the 50-64's**, this was not the case prior to the pandemic. Prior to the pandemic the largest economically inactive age cohort was the 16-19 in Manchester.
- Except for the 50-64 aged cohort, all other age bands saw a decrease in the number of economically inactive over the pandemic. The 35-49 aged cohort saw the largest decrease, which declined 33.9% from July 2018-June 2019 to July 2021-June 2022. Over the same period 25-34 declined 21.0%, 20-24 declined 12.1% and 16-19 declined 4.7%.
- Manchester's 50-64 cohort as a % of the economically inactive is smaller than the rates seen at GM, NW and nationally. The 20-24 cohort % rate is significantly larger than what is seen at GM, NW and nationally.
- At the national level, the largest cohort is also the 50-64 cohort. Within Manchester the 50-64 are only narrowly the largest cohort, but nationally it contains 1.4 million more economically inactive than the next largest aged cohort, which is the 16-19 cohort.
- Within the North West, 42% of economically inactive males are within the 50-64 cohort, for females this figure is slightly less at 40%.



Economic Inactivity by age and gender, North West, July 2021-June 2022

#### Economic Inactivity by Gender

Economically Inactive by Gender as a % of the 16-64 Population Manchester, split by Gender



In the 12 months to June 2022 figures show that within the **female population**, of those who are 16-64, 30.9% are economically inactive. **This figure has been increasing steadily** since 12 months to June 2021, when it was 25.4%.

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- In contrast, **the male population who are economically inactive did not see the same level of change and stayed relatively flat throughout the pandemic**, 12 months to June 2019 the rate was 22.7% and the latest figures show it at 20.9%.
- Prior to the pandemic the % of females was much higher following a period of increases, 12 months to June 2019 shows it being at 37.4%, which was the highest rate since 12 months to March 2016.
- The second chart shows how the economically inactive by gender count has changed. There has been a minor decline in the number of males who are economically inactive, however there has been a large decline in the number of females who are economically inactive.
- During the July 2018-June 2019 to July 2021-June 2022 period, the male population within the 16-64 population increased by 14,200. In contrast the female population reduced by 8,700.

#### **Manchester principles**

The specification for the Greater Manchester wide Progression Towards Inclusive Employment and Skills sets out '*Key principles*' and '*Menu of interventions*'. Manchester would like to emphasis the following points that should build on the core GM offer:

- Work closely with the Manchester Work and Skills Board and sub-partnerships to develop an integrated local offer building on pilots/programmes and learning especially in relation to Communities Experiencing Racial Inequality and Making Manchester Fairer.
- Targeted provision in places/neighbourhoods
- Provision located in places/neighbourhoods that co-locates with existing services including community organisations
- Provision should be targeted to the needs of the population in that place, for example a tailored service focusing on Looking after family/home in Cheetham and Longsight and focusing on Long term sick in Harpurhey, Miles Platting and Newton Heath and Woodhouse Park (please note LSOA level data provides greater accuracy)
- Provision should not focus on Student related economic inactivity
- Develop innovative provision that goes beyond a universal economic inactivity model and tackles the barriers facing those long term sick or looking after family/home including cultural reasons that impact on economic inactivity.
- Integrated delivery between provider and grass root organisations (including those accessing Community Grants) to
  enable the participant to have access to ongoing holistic support from multiple organisations appropriate to their needs
  in their local area
- Provision which is culturally appropriate and understands the needs of Communities Experiencing Racial Inequality
- Provision that builds for the medium to long term by creating sustainable and mutually beneficial relationships between provider and VCSE organisations providing grass root services to residents.

#### Manchester's offer

Manchester has a strong track record of integrating new Work and Skills provision into the City's existing partnership and network of services. The information below provides examples of how we can support new programmes and services.

- Provide integration into partnership forums to create relationships and maximise offers across the city, including:
  - Manchester Working Well Integration Board
  - Manchester Adult Skills Network
  - Manchester Work Club Network
  - Manchester Employment Partnership
  - Manchester Age Friendly Partnership
  - Place based Employment and Skills Partnerships
- Share knowledge about economic inactivity and existing infrastructure and organisations in the City e.g. understanding barriers to employment for Communities Experiencing Racial Inequality or linking to the Digital Inclusion Team and activity
- Broker and support the development of relationships with community based organisations across the City e.g. Work Club provision
- Align delivery and support understanding of core existing Manchester policy, strategy and action plans including:
  - Manchester Work & Skills Strategy | Manchester Work & Skills Strategy | Manchester City Council
  - Making Manchester Fairer Plan | Manchester City Council
  - Making Manchester Fairer: Anti-Poverty Strategy 2023-2027 | Manchester City Council
  - Manchester Digital Strategy 2021 2026 | Manchester Digital Strategy 2021 2026 | Manchester City Council

Further information <u>Dave.berry@manchester.gov.uk</u>, Work and Skills Leads <u>Elayne.redford@manchester.gov.uk</u>, Work and Skills Specialist

#### Economic Inactivity by Reason Definitions

There are various reasons a person could be classed as Economically Inactive, they are as follows:

Student: A high school pupil, someone enrolled in college or university, or someone on a full-time training course.

**Looking after family/home:** People who stay at home to care for members of the family do not have time to work in paid employment. This can also include people who stay at home to look after the children and the house.

**Temporary sickness:** those who are temporarily unfit to enter the labour market or on short term sick leave recovering from an illness or injury.

Long-term sickness/disability: those who are physically unfit to enter the labour market and gain full-time employment.

**Discouraged workers:** those who are not looking for work because they believe no jobs are available.

**Early retirement:** People who are made redundant may choose to take early retirement and live off savings rather than reenter the labour market.

**Other:** includes people who (i) are waiting the results of a job application, (ii) have not yet started looking for work, (iii) do not need or want employment, (iv) have given an uncategorised reason for being economically inactive, or (v) have not given a reason for being economically inactive.