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# Volume 1 – A Refreshed Employment and Skills Strategy for Wigan: The Data Pack



# Purpose

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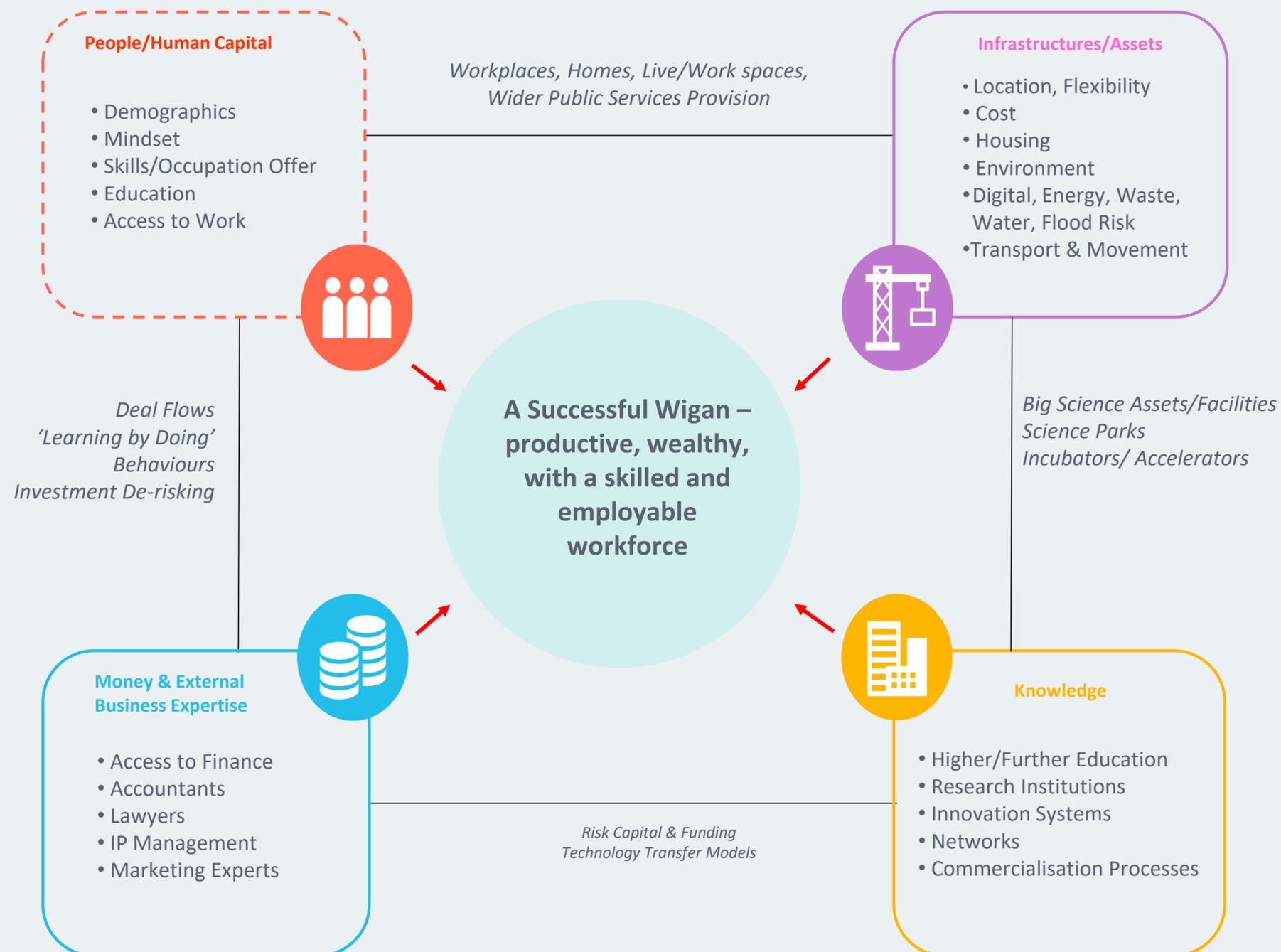
The purpose of this Data Pack is to provide an **evidence base** for the development of the Refreshed Employment and Skills Strategy for Wigan

The data pack is organised to cover the following sections:

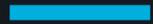
- The Vital Statistics
- The Policy Hierarchy
- Qualitative Insights from Study and Consultees
- Drilling down into Skills and Employability
- Health and Inequalities
- Views of the future – Econometric Projections for Wigan from Oxford Economics
- To a Summary SWOT

# To begin with . . . Taking an Ecosystem View

Although the emphasis of this work is on Skills and Employability, it is important to recognise that these domains do not operate in isolation from the wider parts of an economic development 'ecosystem'



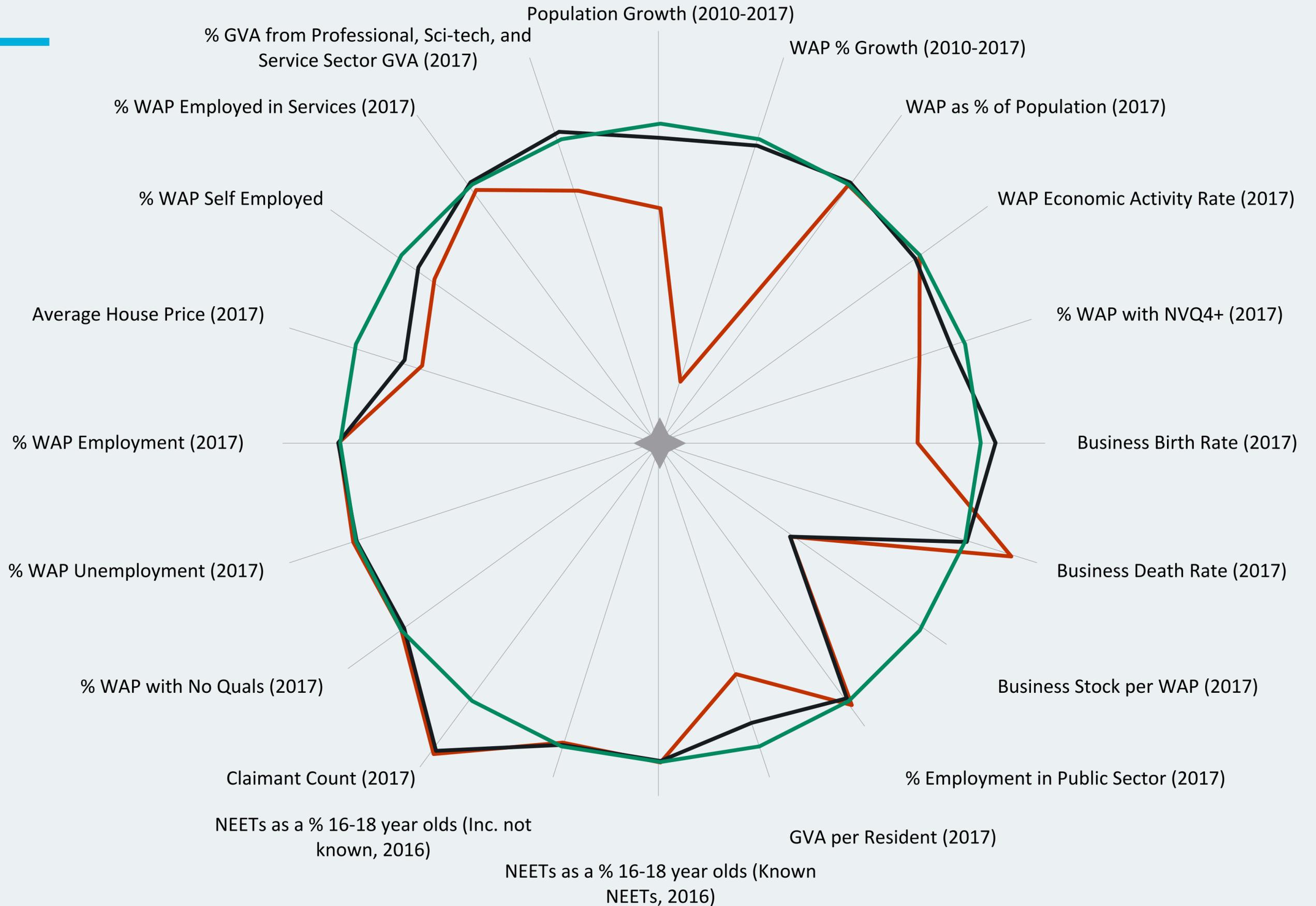
# The Vital Statistics



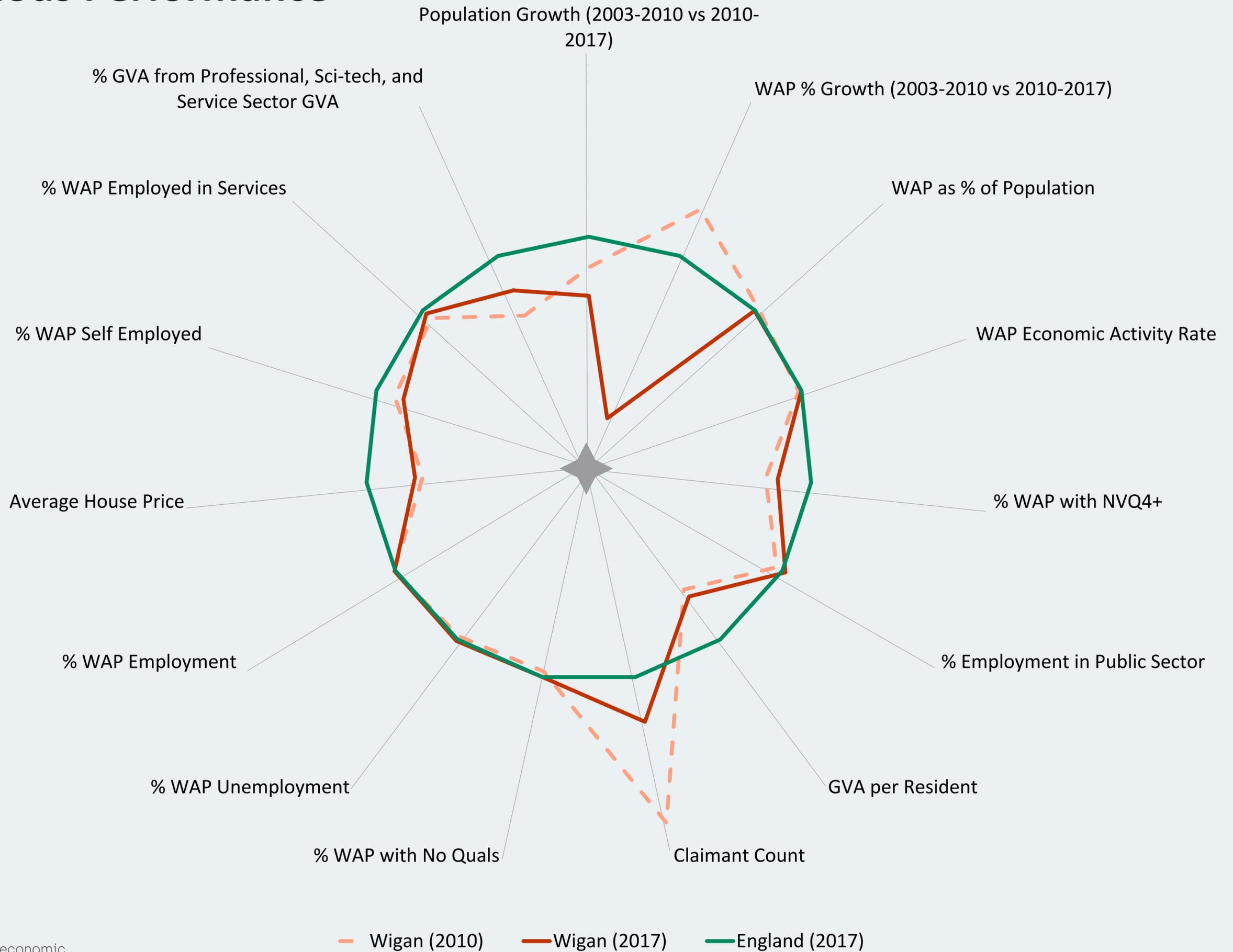
# Wigan's Vital Statistics

Indicator	Wigan	Greater Manchester	England
Population (2017)	324,700	2,798,800	55,619,400
Working Age Pop (2017)	62.5%	63.8%	62.8%
GVA (£m, 2017)	£4.8	£66.4	£1,563
GVA/employee (aka Productivity £k, 2017)	£35	£60	£71
GVA/resident (£k, 2017)	£15	£24	£28
WAP Employment Rate (2017)	75.6%	75.8%	74.9%
WAP Unemployment Rate (2017)	2.9%	5%	4.5%
Claimant Count/WAP (2017)	2.6%	2.6%	1.9%
Active Enterprises per 10k population (2017)	299	402	450
3-year Survival Rates of Enterprises Born 2014	61%	59%	61%
Population with 5 A*-C at GCSE (2017)	28%	22%	22%
WAP with No Qualifications (2017)	7.6%	9.6%	7.6%
WAP with NVQ4+ (2017)	26.8%	35%	38.3%
NEETS as % of 16-18 year olds (including Not Known) (2016)	8.3	6.9	6.0
NEETS as % of 16-18 year olds (known to be NEETs) (2016)	2.5	3.4	2.8
Employers with Skills Gaps (2017)	17%	12%	13%
Average House Price (£k, 2017)	£130	156	£230

# Current Performance

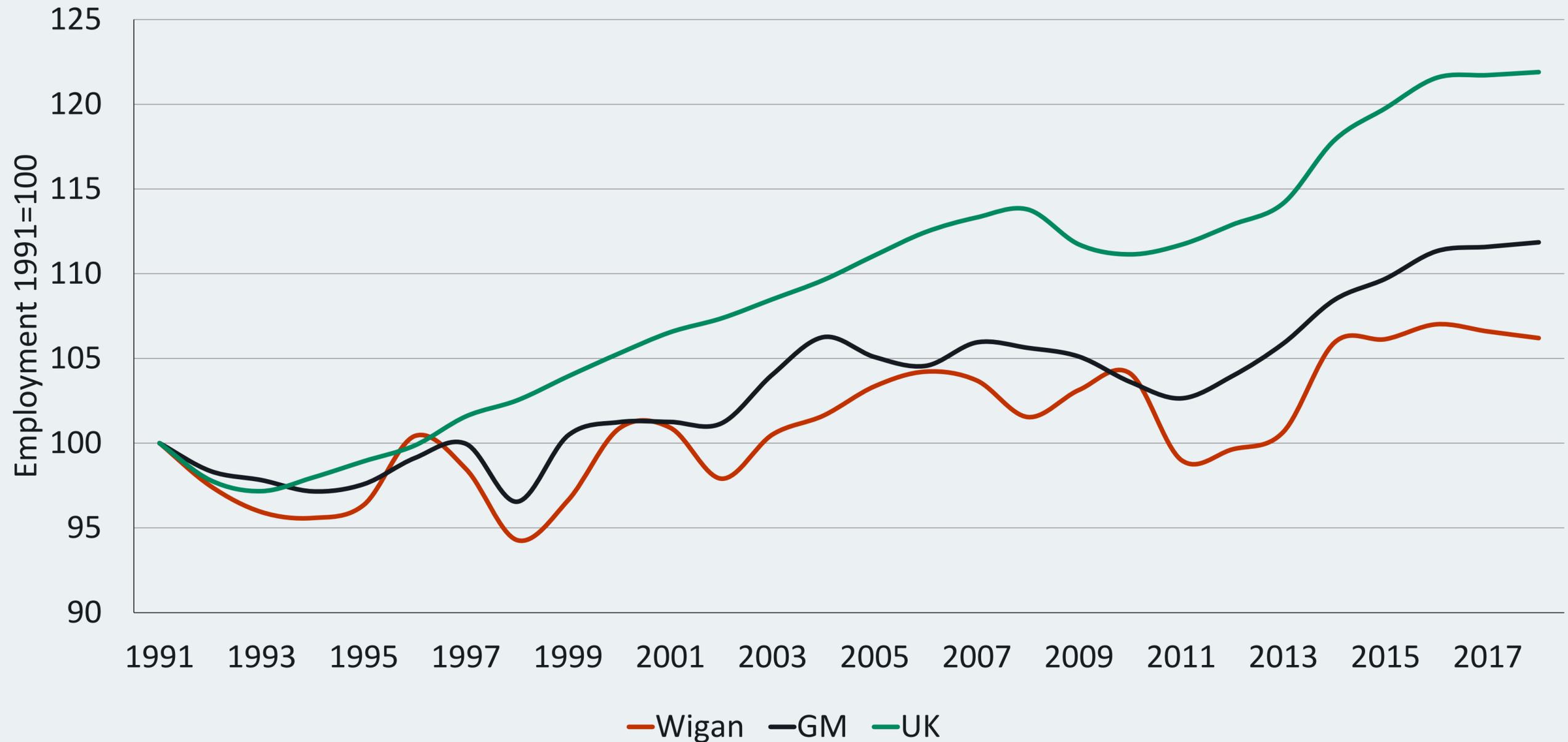


# Previous Performance



# The Long View - Jobs

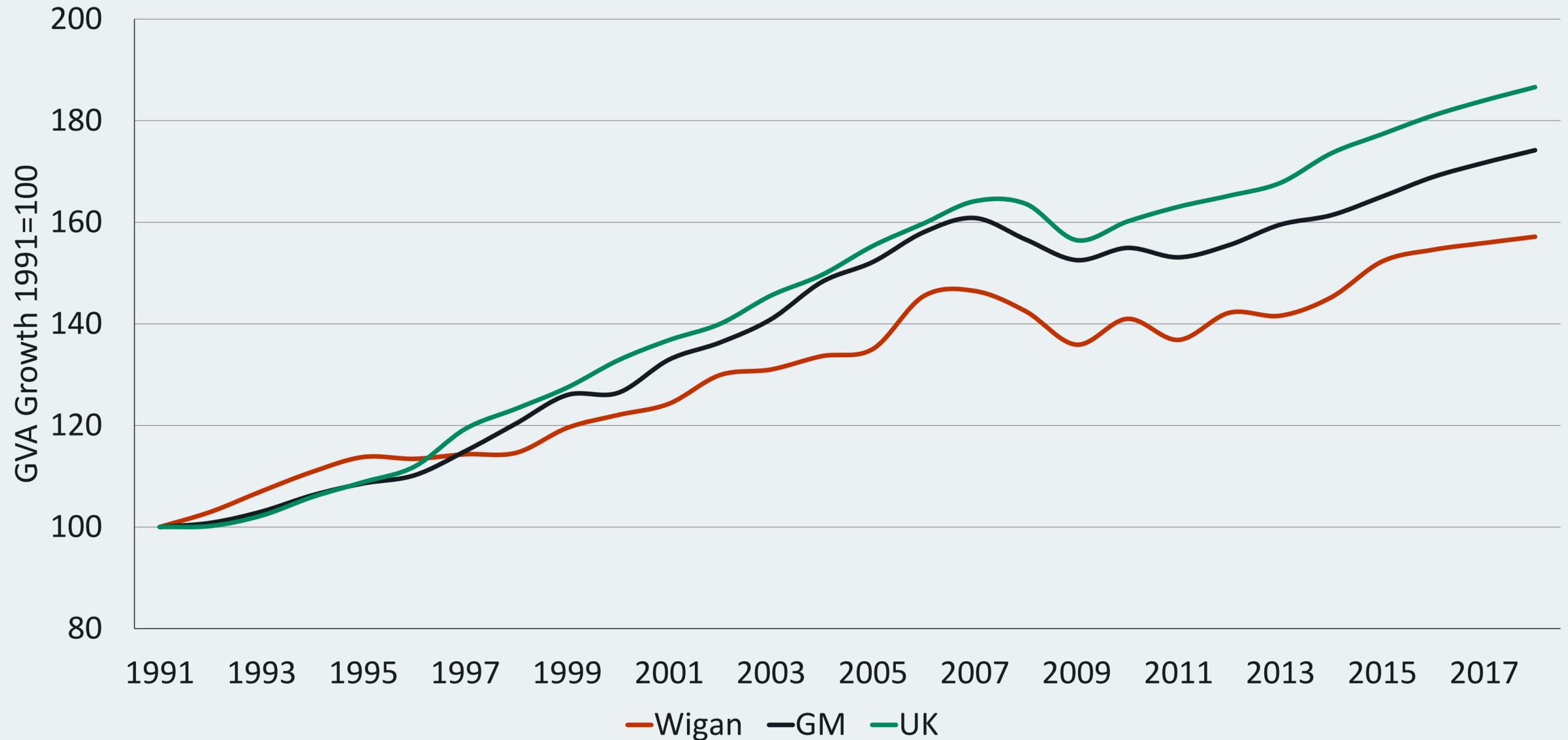
## Employment Growth



- Employment in Wigan ~120k
- Wigan has experienced slower growth than UK since 2011
- Recovery from 2011 dip now tailing off

# The Long View – GVA Growth

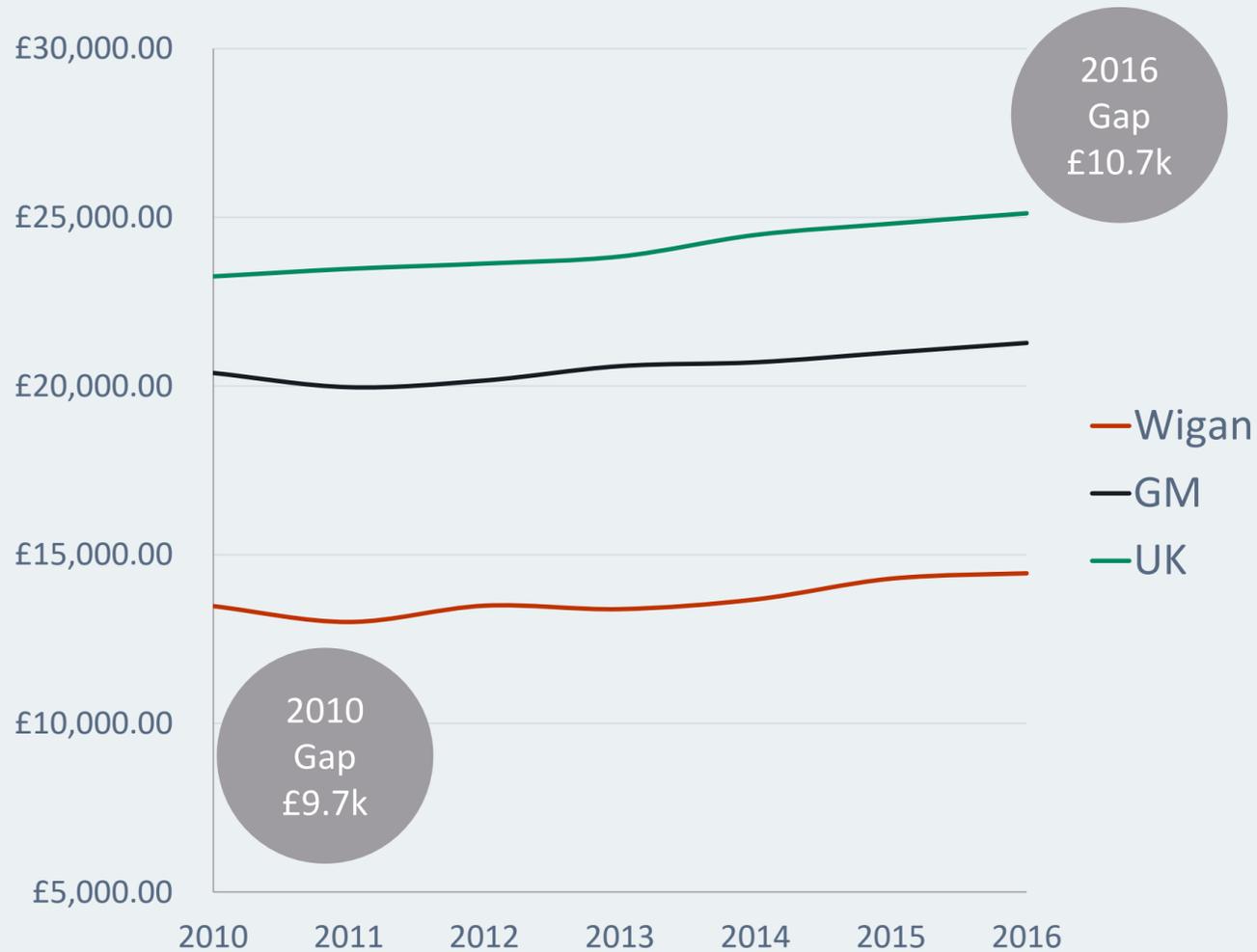
## GVA Growth



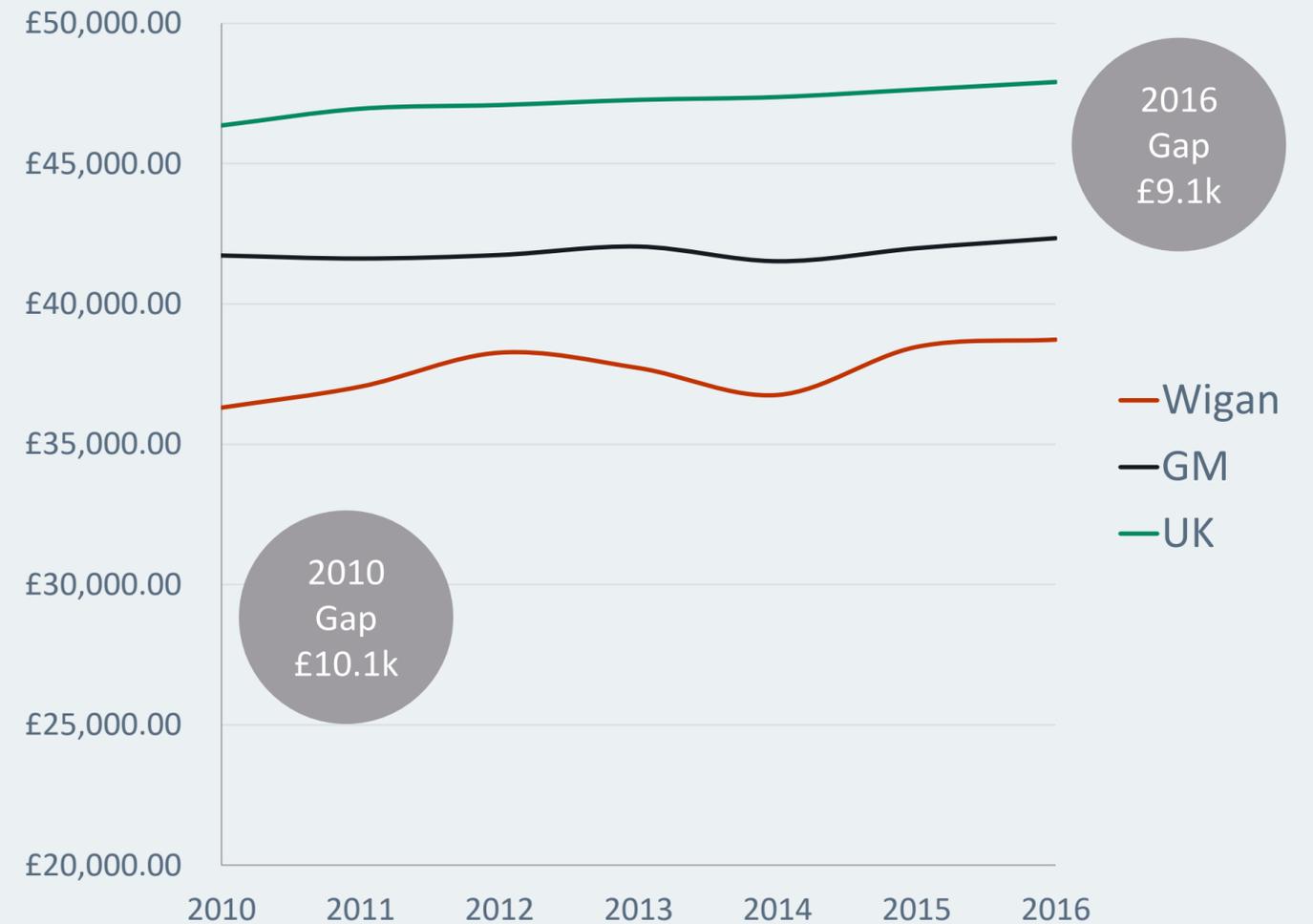
- GVA in Wigan ~£4.7bn
- Wigan's GVA accounts for 7% of GM
- Mimicking, but losing ground, to peers

# GVA – Per Resident and Per Employee

## Per Resident (measure of overall wealth)

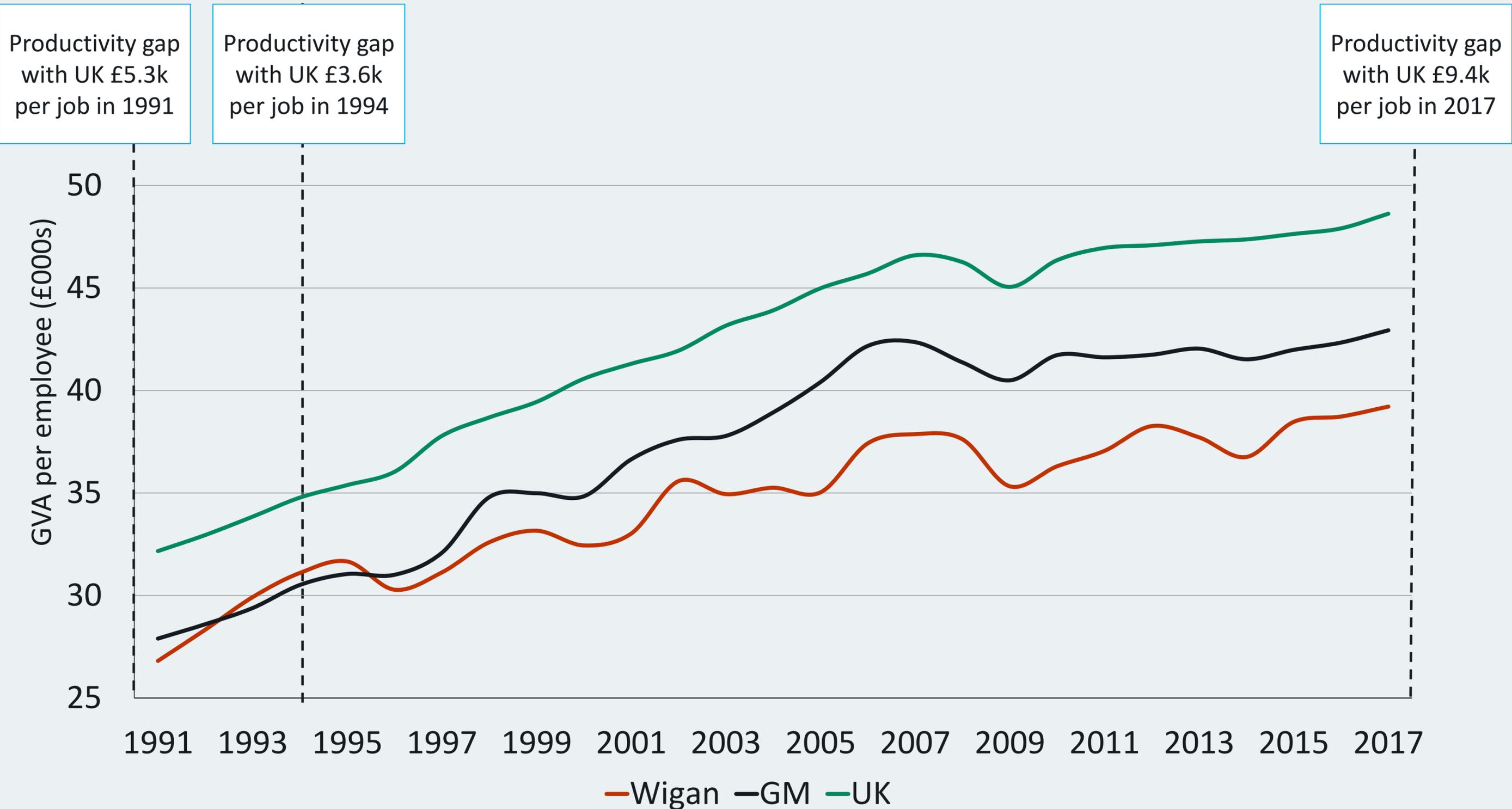


## Per Employee (measure of worker productivity)



- Gap is widening for GVA per resident but narrowing for GVA per employee, when comparing Wigan to the UK

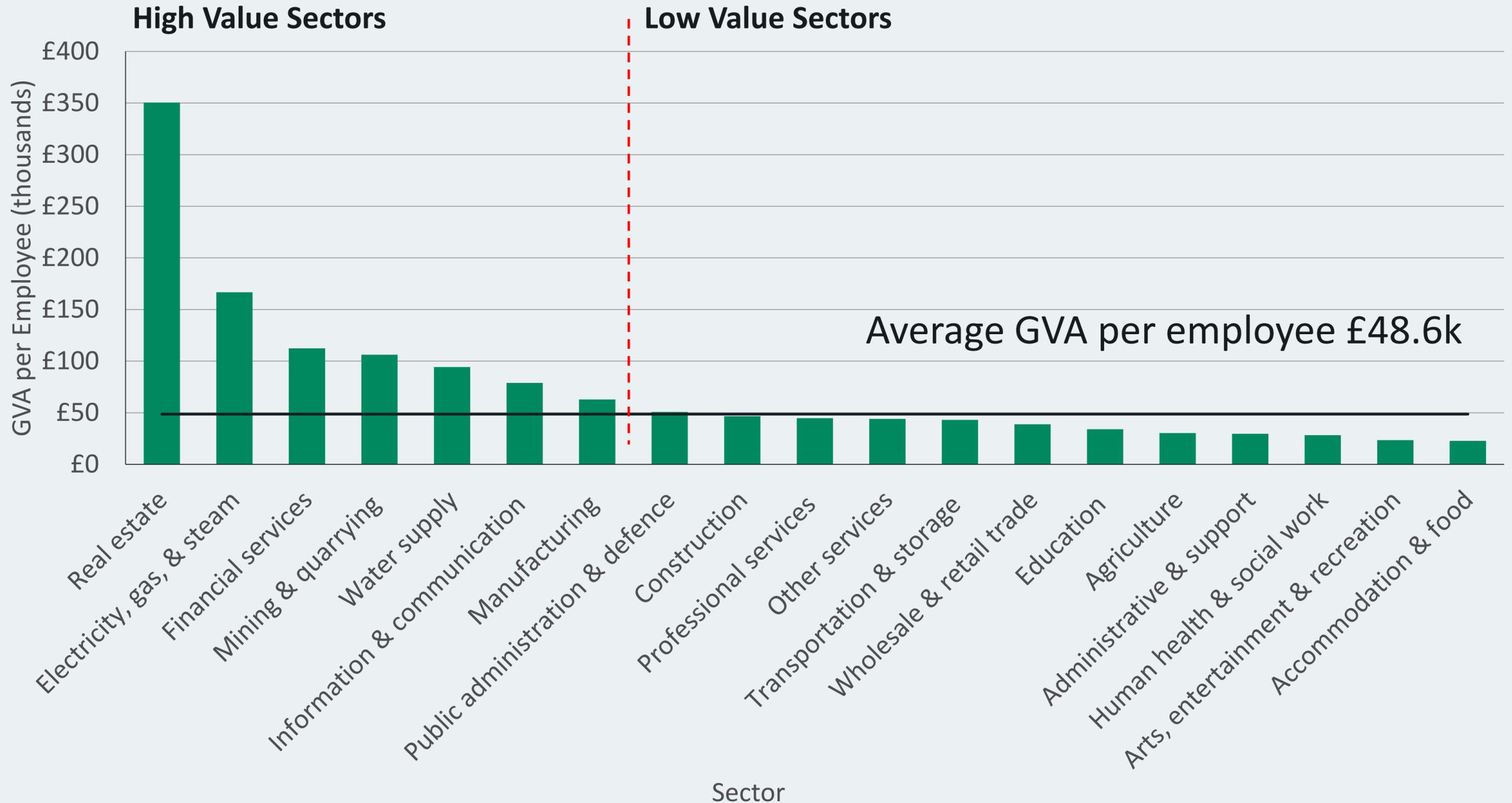
# The Long View - Productivity



- Wigan is lagging consistently, and gaps to GM & UK widening

# Sector Productivity at National Level

## The UK's Most Productive Sectors



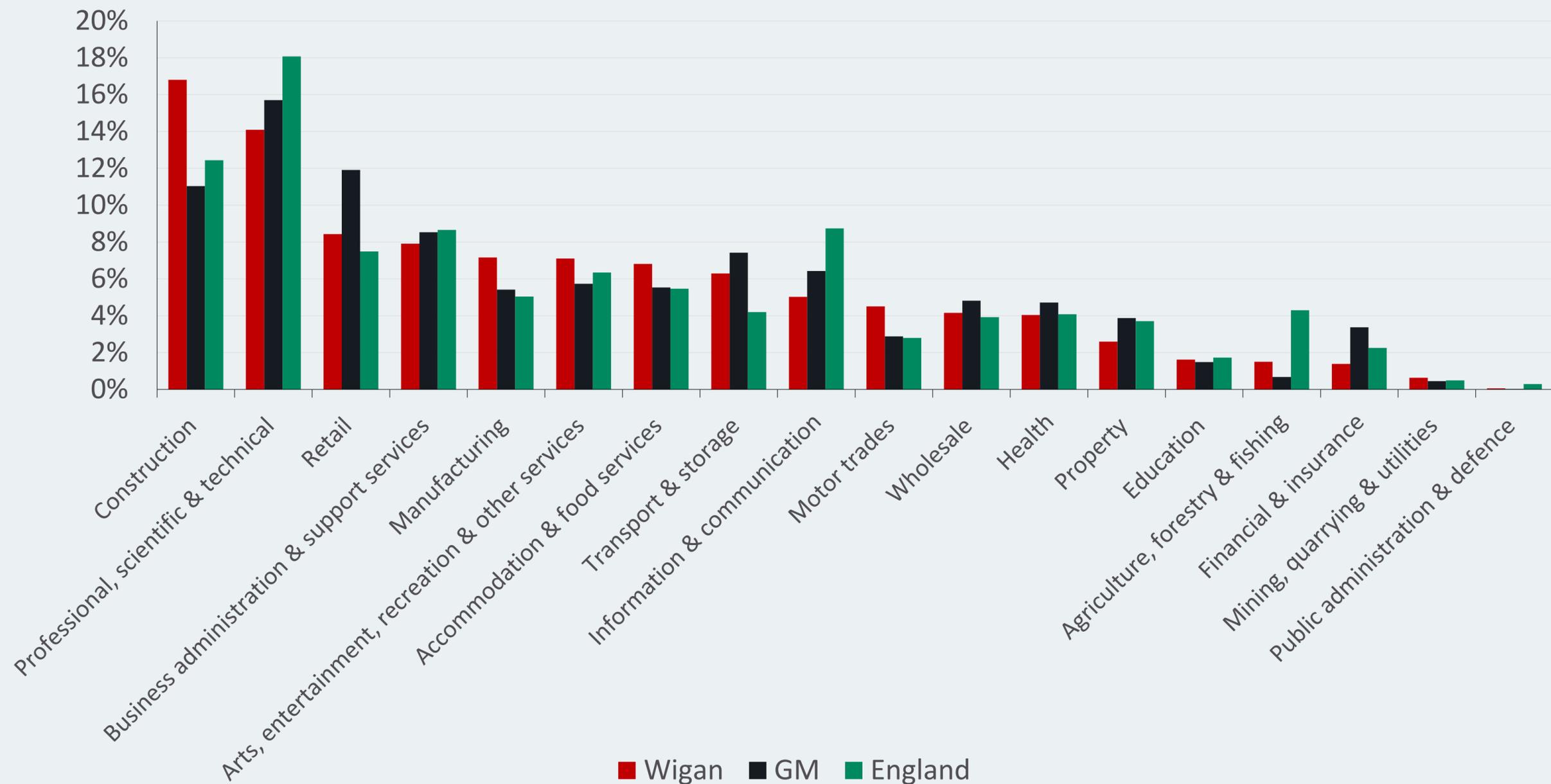
- Wigan has a low proportion of people employed in the high value sectors and a higher proportion of people employed in the low value sectors, including Construction

# Employment in Wigan cut by national productivity of Sectors

High Value Sectors		Employment LQ
Manufacturing		1.4
Water supply; sewerage, waste management		1.2
Real estate		0.9
Information & communication		0.4
Financial services		0.3
Electricity, gas, & steam		0.1
Mining & quarrying		0.1
Low Value Sectors		Employment LQ
Construction		1.4
Public administration & defence		1.3
Administrative & support		1.1
Human health & social work		1.1
Wholesale & retail trade		1.1
Arts, entertainment & recreation		1.1
Transportation & storage		1.0
Education		1.0
Other services		1.0
Accommodation & food		0.6
Professional services		0.6
Agriculture		0.2

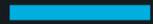
- Wigan has a higher proportion of people employed in lower value sectors . . .
- . . . But Wigan does have a high proportion of people employed in Manufacturing and Water Supply/Sewerage/Waste Management, both higher value sectors

# Business Stocks (Business Counts)

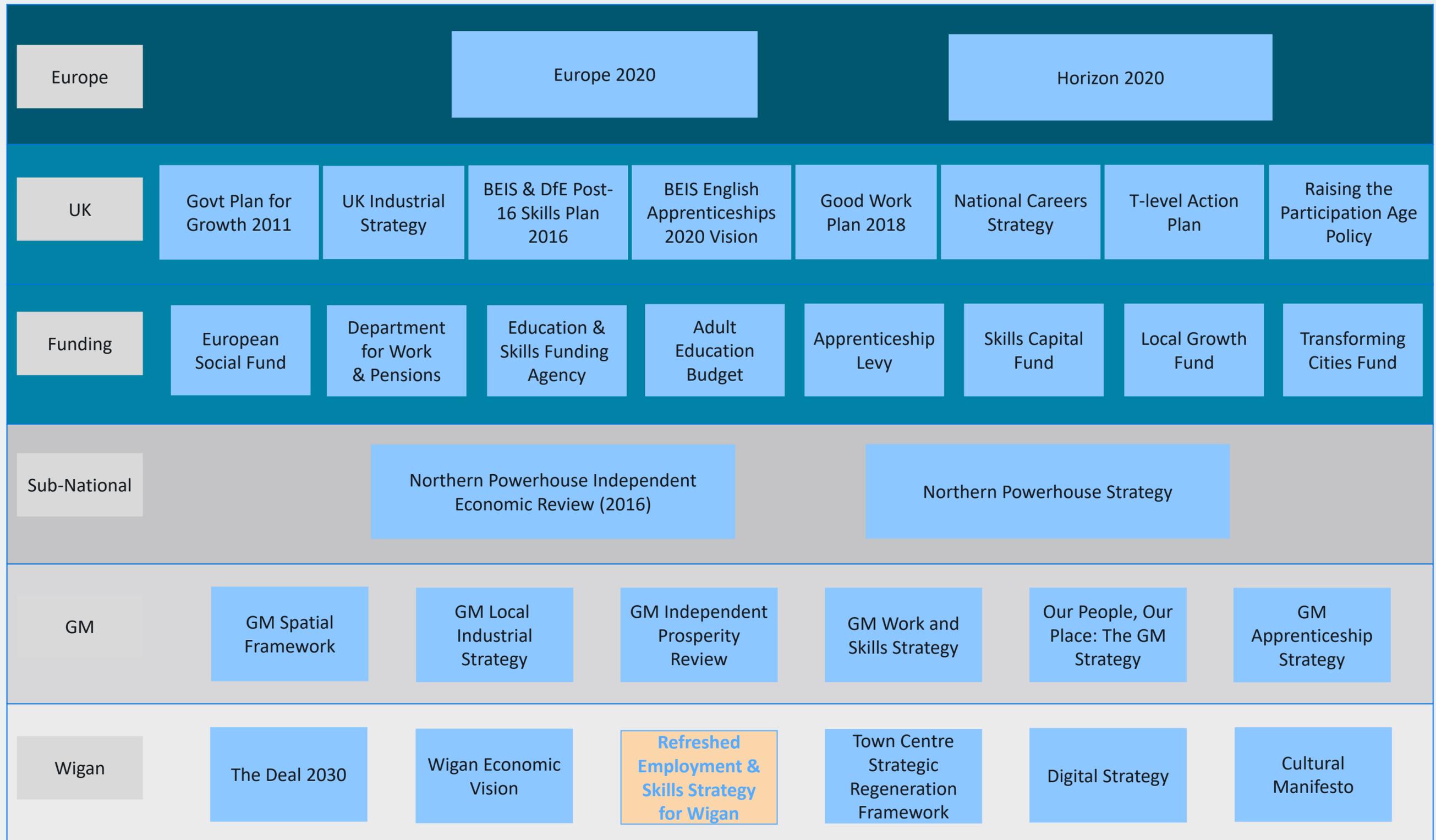


- A high percentage of Wigan’s business stock operates in Construction, relative to GM and England
- Wigan’s second key business area, in terms of numbers, is Professional/Scientific/Technical – however, Wigan is slightly lagging when compared to GM and England
- Positively, Wigan performs well compared to GM and England for number of businesses operating in Manufacturing, Arts, Accommodation/Food Services and Motor Trades

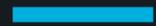
# The Policy Hierarchy



# The Policy Hierarchy . . . and where Wigan's Employment and Skills Strategy Fits



# Qualitative Insights from Study and Consultees



# What about the qualitative insights?

As part of the study, qualitative scoping calls were undertaken by six partners. Their headline views on Wigan's Employment and Skills issues are captured below

## The economy

- Low levels of productivity
- Lots of small businesses – but lack of key employers
- Many low-paid, low-skilled jobs
- As GM grows, Wigan can benefit

## Skills in Wigan

- Skills levels perceived to be low
- Graduate retention is difficult – is our offer competitive?
- Education provision is strong – especially at Primary
- There is a disconnect between skills & business
- Good take-up of Apprenticeships
- Need to improve opportunities & aspirations across the board

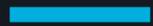
## Priorities

- Ensure skills needs, provision & guidance are linked seamlessly
- Improve digital inclusion
- Give greater emphasis to vocational skills
- Make Wigan an attractive place to live and work for young, skilled workers

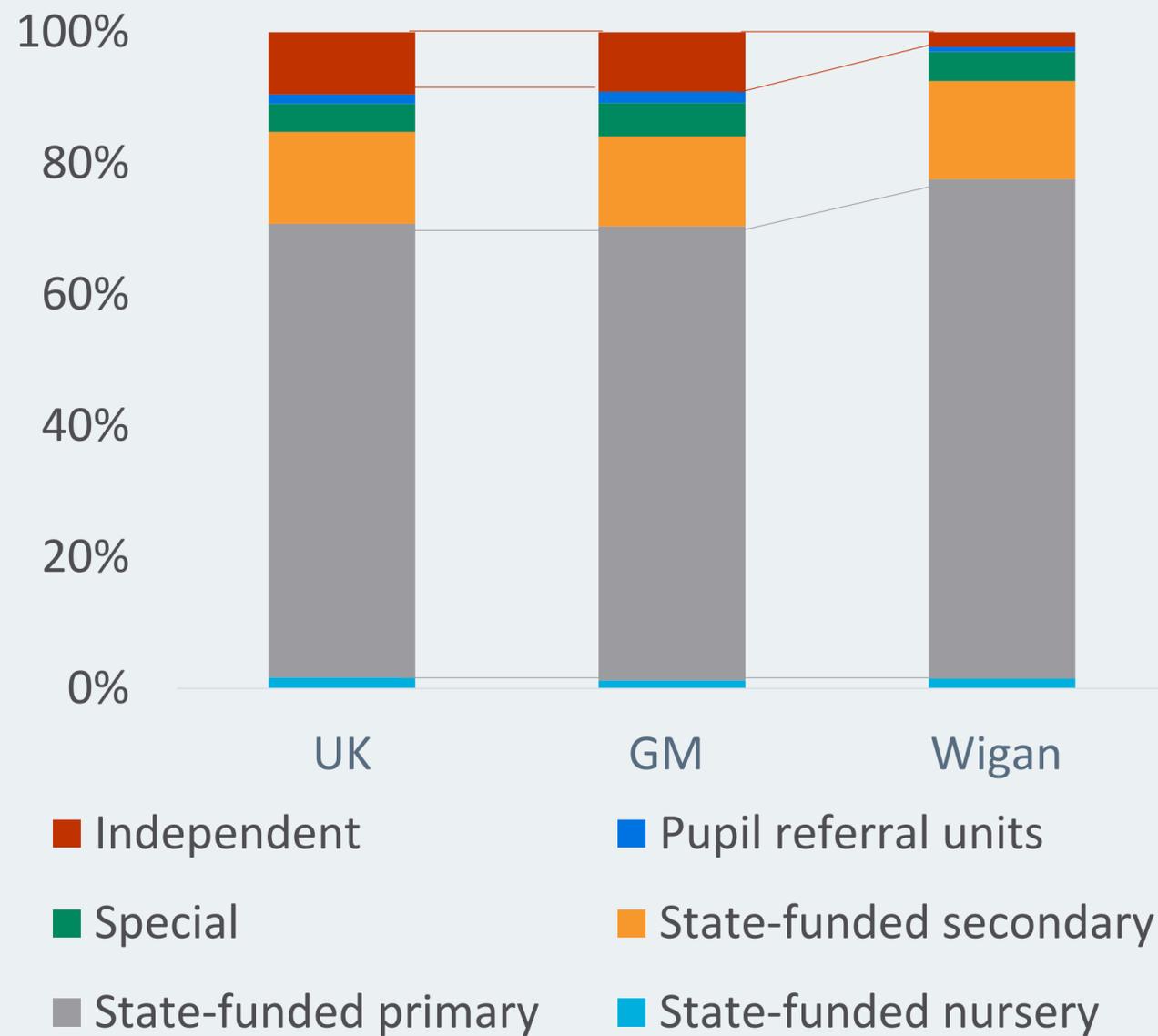
## Future opportunities/challenges

- Lack of digital skills
- Alerting young people of their future opportunities in Wigan
- Ageing population
- Industrie 4.0, the Internet of Things, and disruption to existing business models
- Tough funding landscape
- Uncertainty around the impact of BREXIT

# Drilling down into Skills and Employability



# Skills – Education: Number of Schools



Type of school	Number
State-funded nursery	2
State-funded primary	112
State-funded secondary	21
Special	4
Pupil Referral Units	1
Independent	4
<b>Total</b>	<b>144*</b>

Types of state-funded secondary school	Number
Comprehensive	13
Selective	0
City Tech College	0
Academies	6
University technical colleges & studio schools	2
<b>Total</b>	<b>21</b>

\*144 is the representative sum of the types of schools in Wigan. However, the aggregate number of schools is routinely quoted as 143.

# Skills – Education: Average number of pupils per school

Pupils per school	State-funded nursery	State-funded primary	State-funded secondary	Special	Pupil Referral Units	Independent
England	107	281	948	117	48	251
GM	102	324	947	118	69	205
Wigan	116	249	855	117	136	15

## Pupils to Schools

- Wigan has lower pupil to school ratios for state-funded primary, secondary and independent schools, with a particularly high ratio for pupil referral units

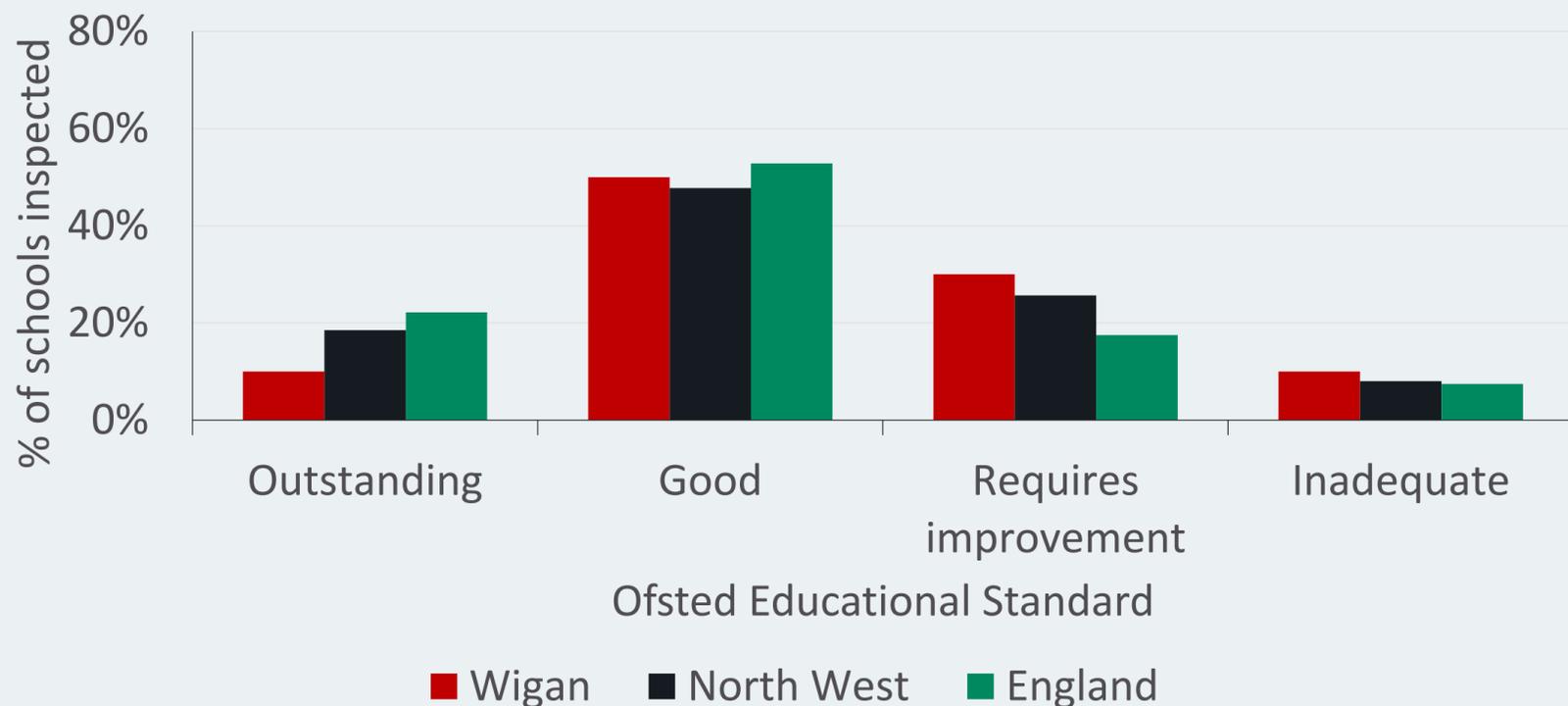
# Skills – Education: Performance

## Primary



- Primary education is performing well, & achieves above average levels of attainment

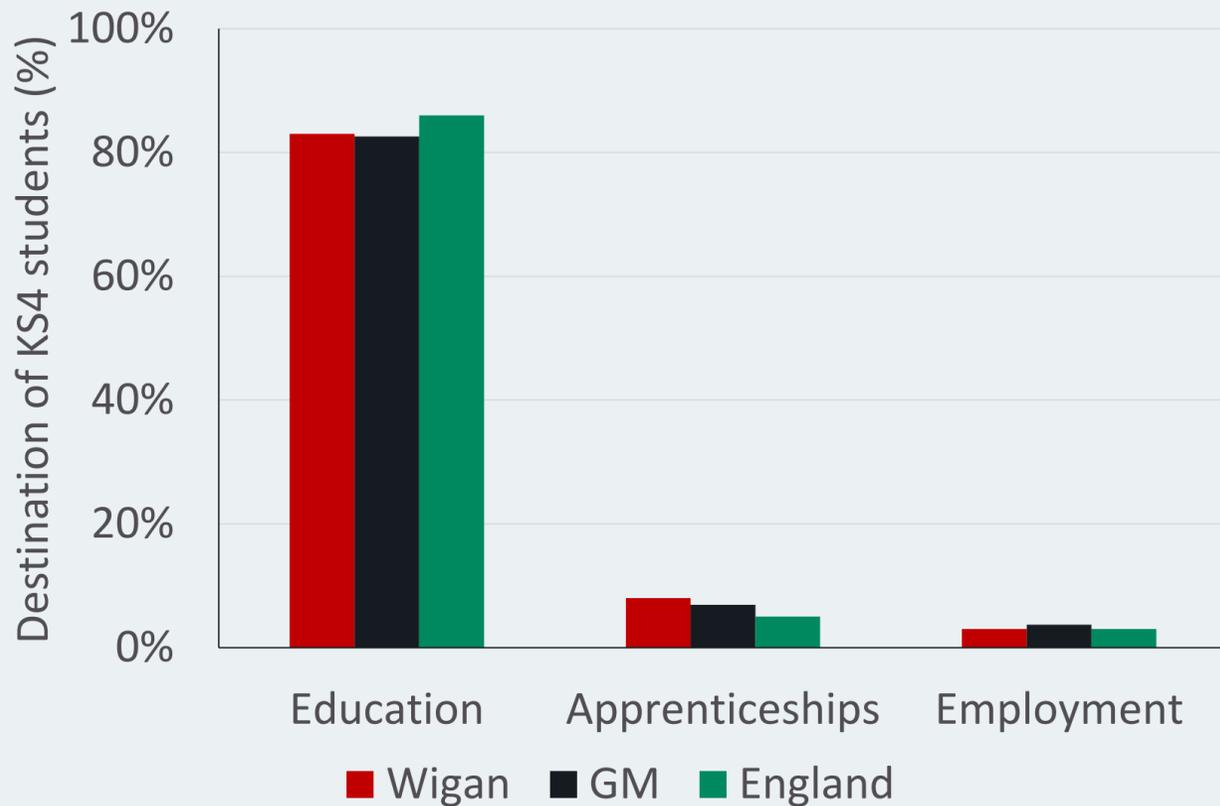
## Secondary



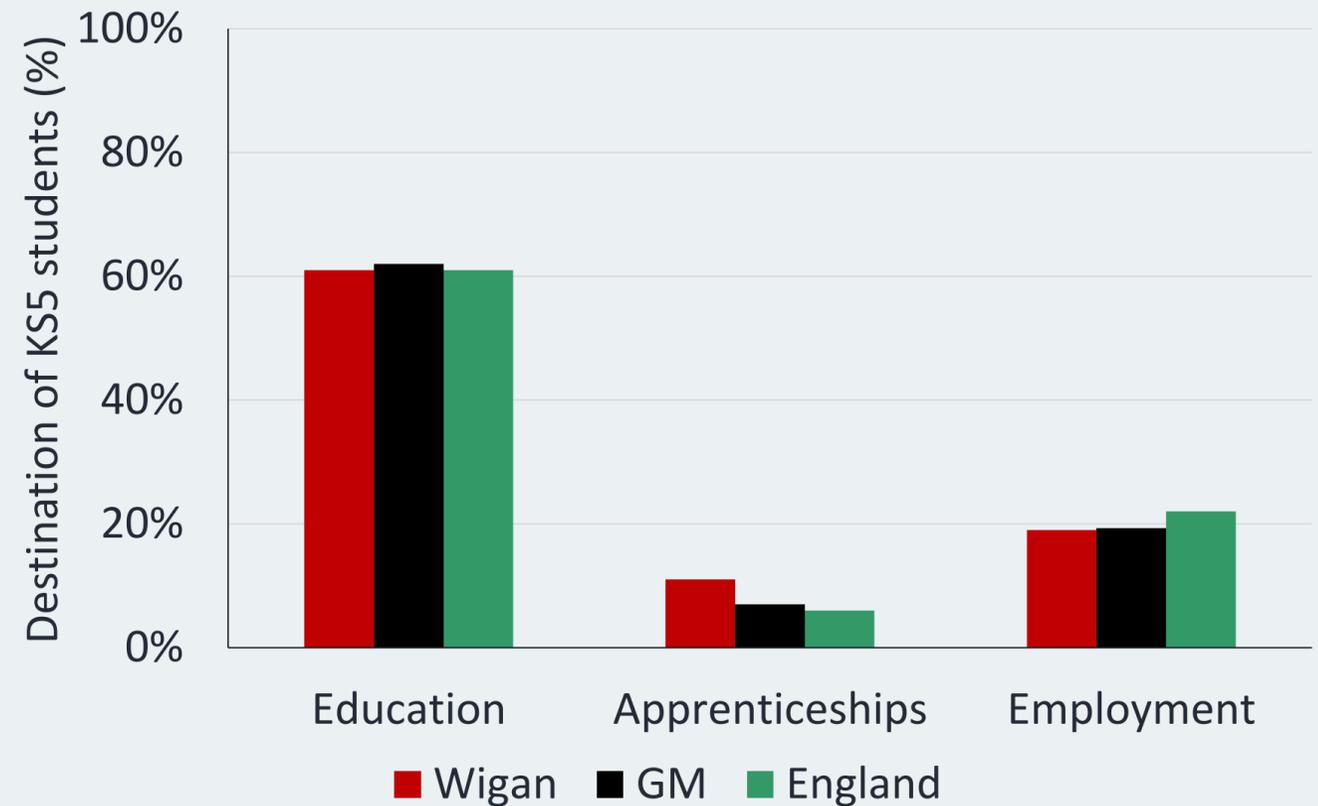
- Secondary schools perform less well, & attainment falls to below national averages
- There is a key challenge of 'discouraged' British white boys

# Skills – Education: Post-16 (KS4) and Post-18 (KS5) Destinations

## Post-16 (KS4)



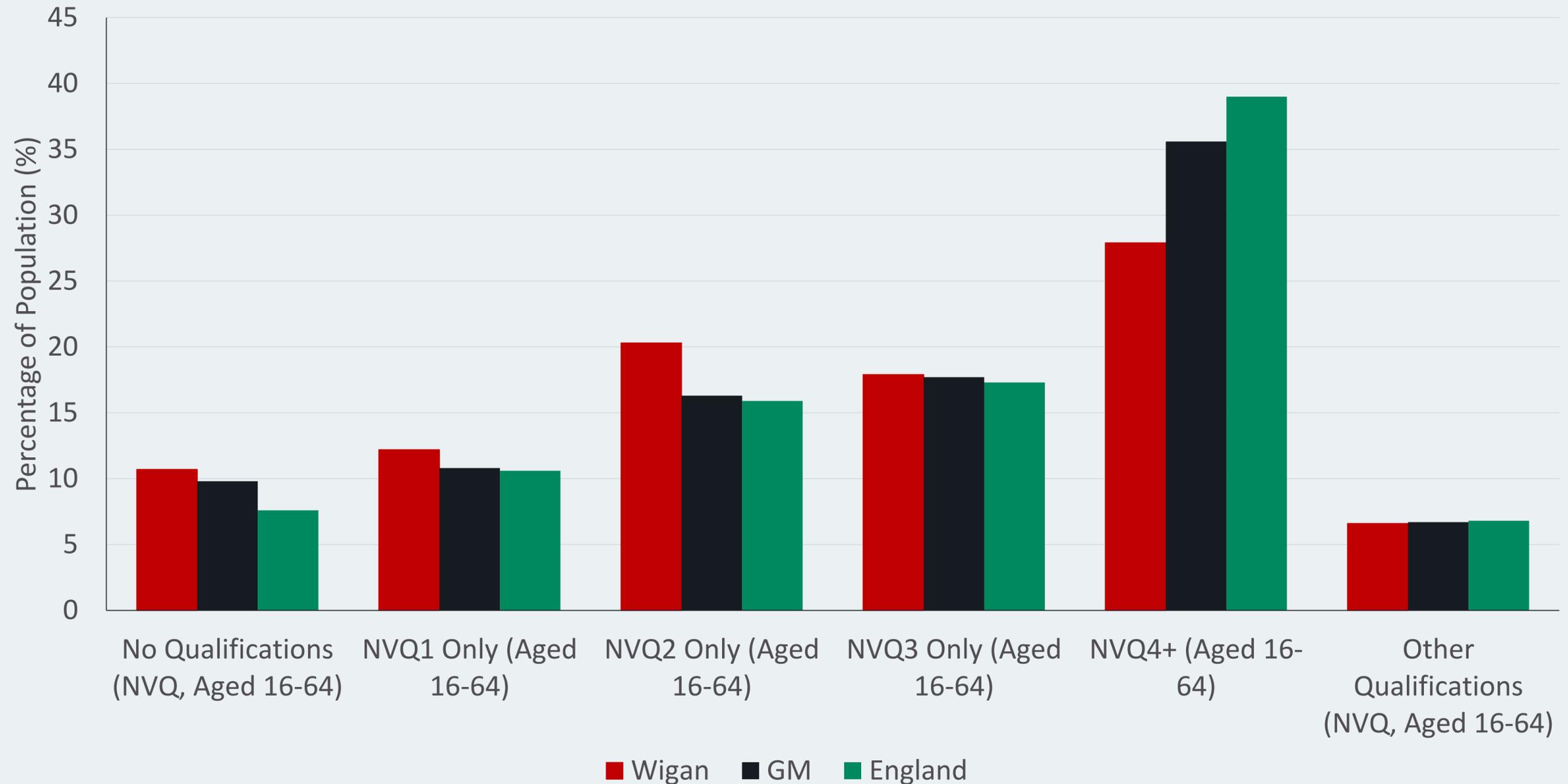
## Post-18 (KS5)



- Wigan is largely in line with the percentage of pupils continuing in Education or securing employment post-KS4, and performs well in the percentage of pupils sustaining Apprenticeships

- Compared with GM, Wigan has a slightly lower percentage of students in education post-KS5 compared with GM, though the Borough is in line with the England average
- Similar to post-KS4 destinations, Wigan performs well in percentage of students securing Apprenticeships post-KS5, compared with GM and England

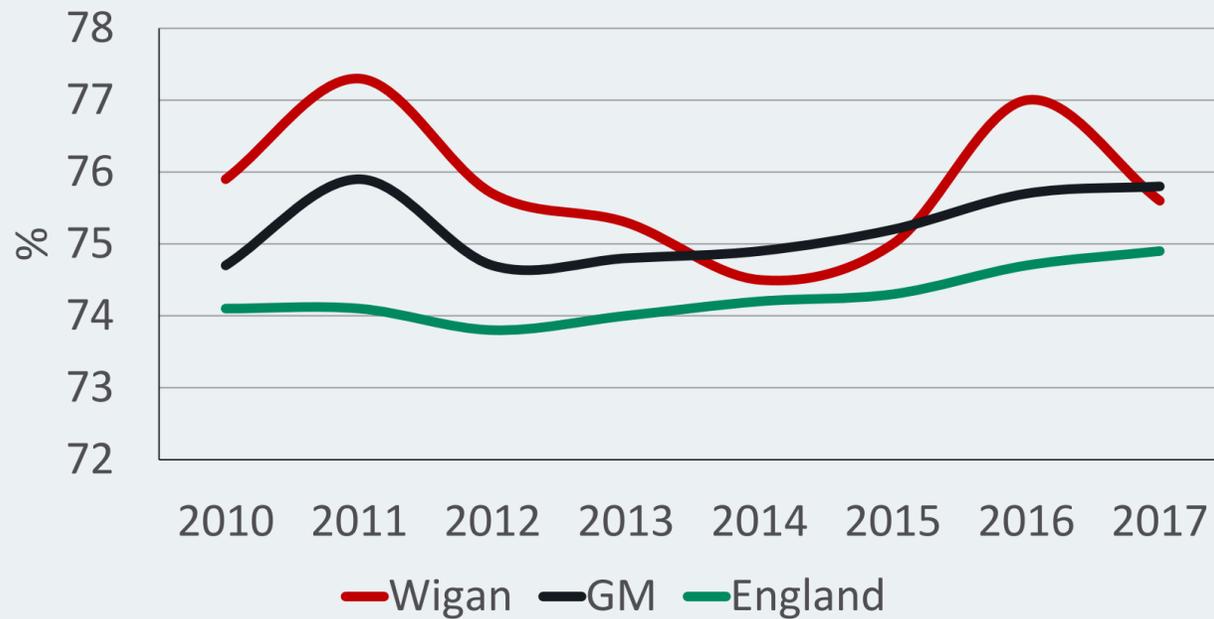
# Skills – Education: Further Education Skills Levels



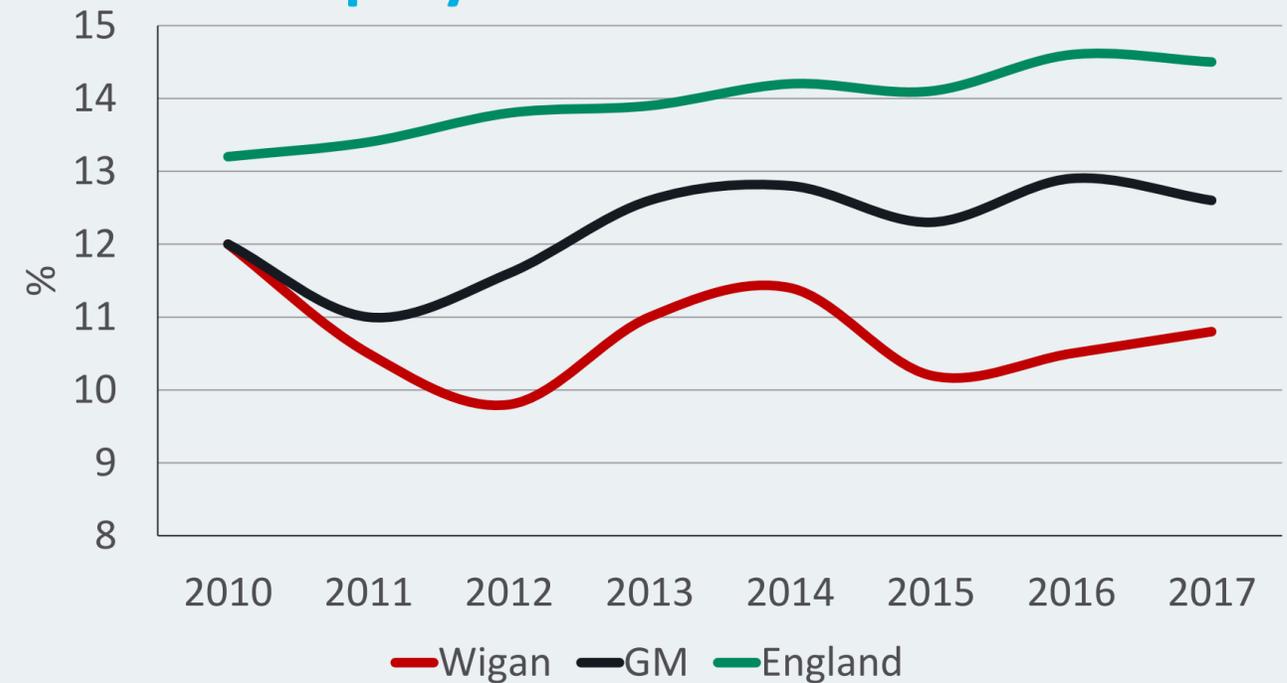
- Wigan has a low proportion of Highly Qualified (NVQ 4+) in its population compared to GM and England
- But, it has an encouragingly low proportion of its population with No Qualifications (relative to GM)

# The Employment Position

## Full-Time Employment Rate

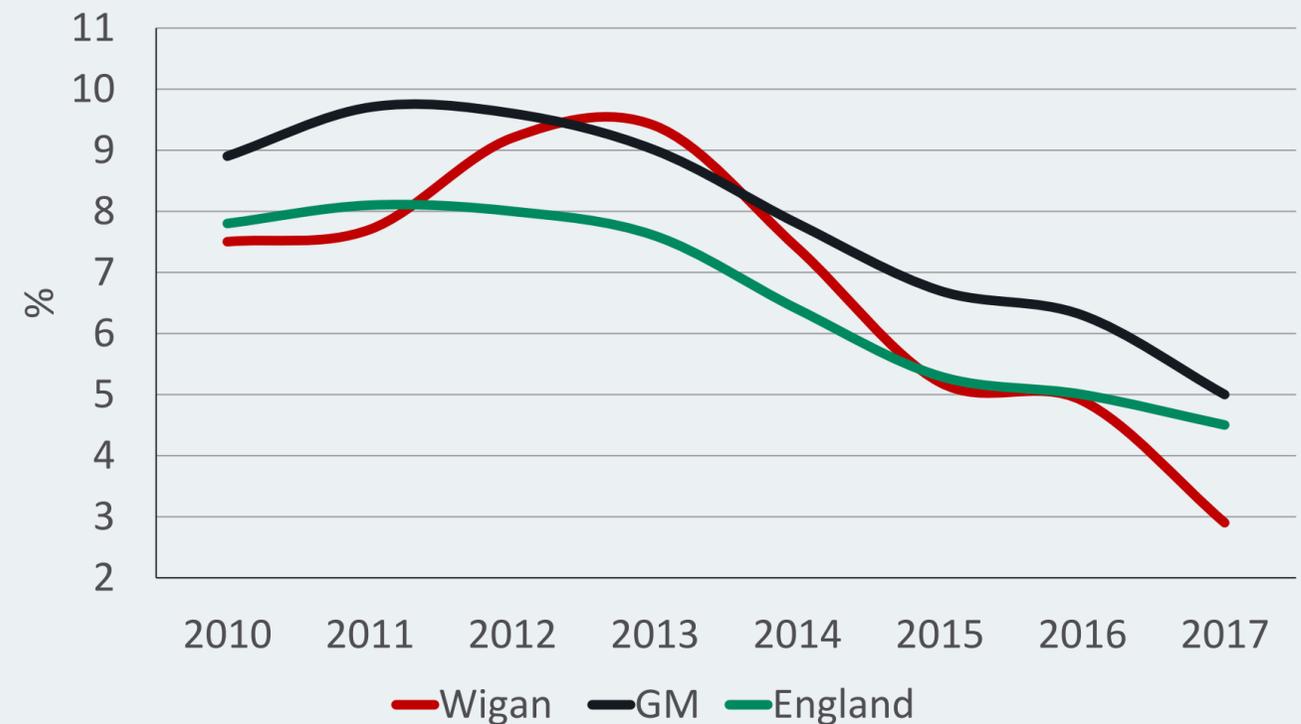


## Self-Employment Rate

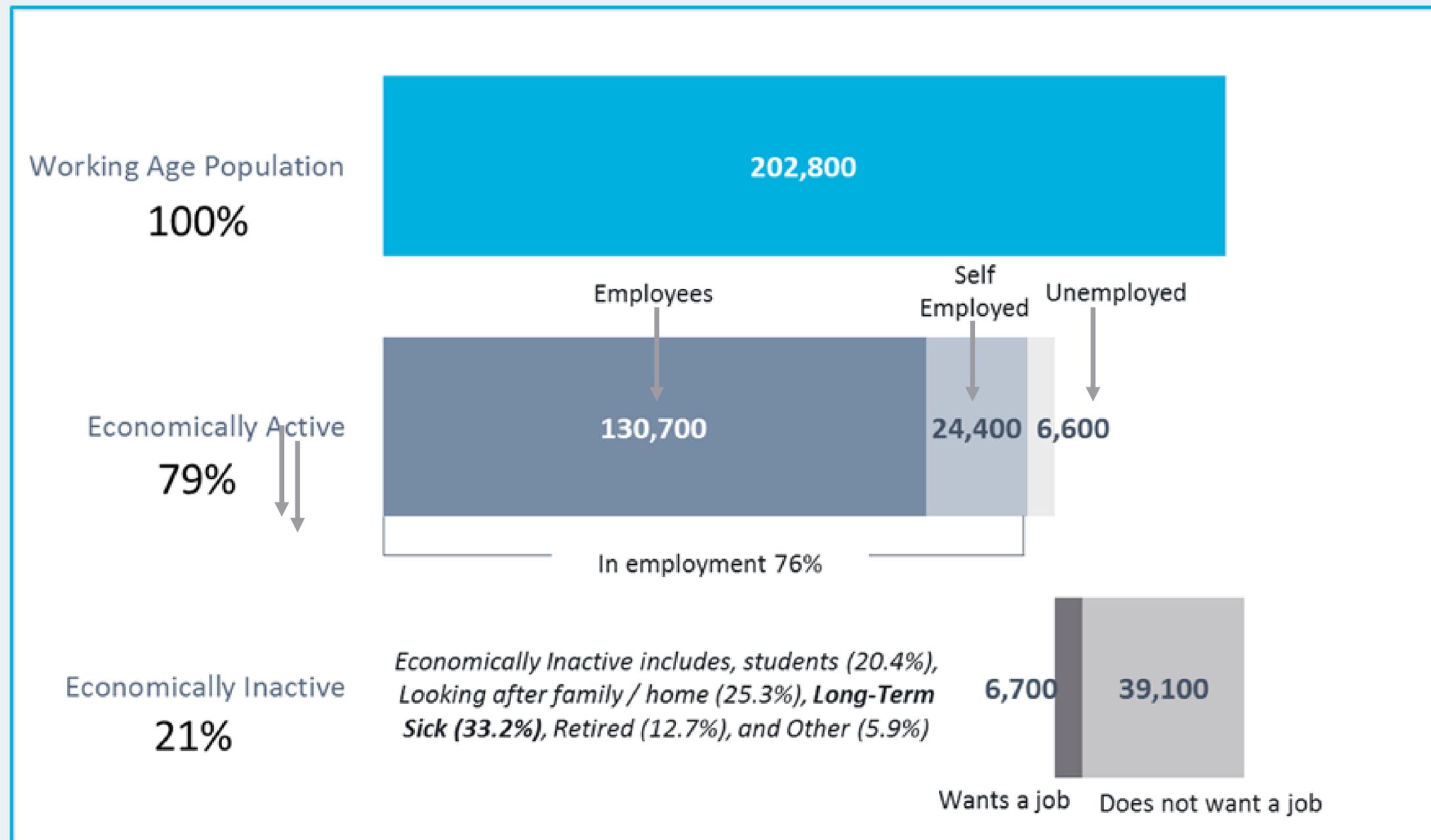


- The **employment rate** in Wigan higher than England
- The **full-time employment** fell significantly from 2011 ...
  - ... Recovering 2014 to 2016 ...
  - ... Decreasing 2016 onwards
- Levels of **self-employment** in Wigan are relatively low
- Wigan has experienced falling levels of **unemployment** since 2013

## Unemployment Rate

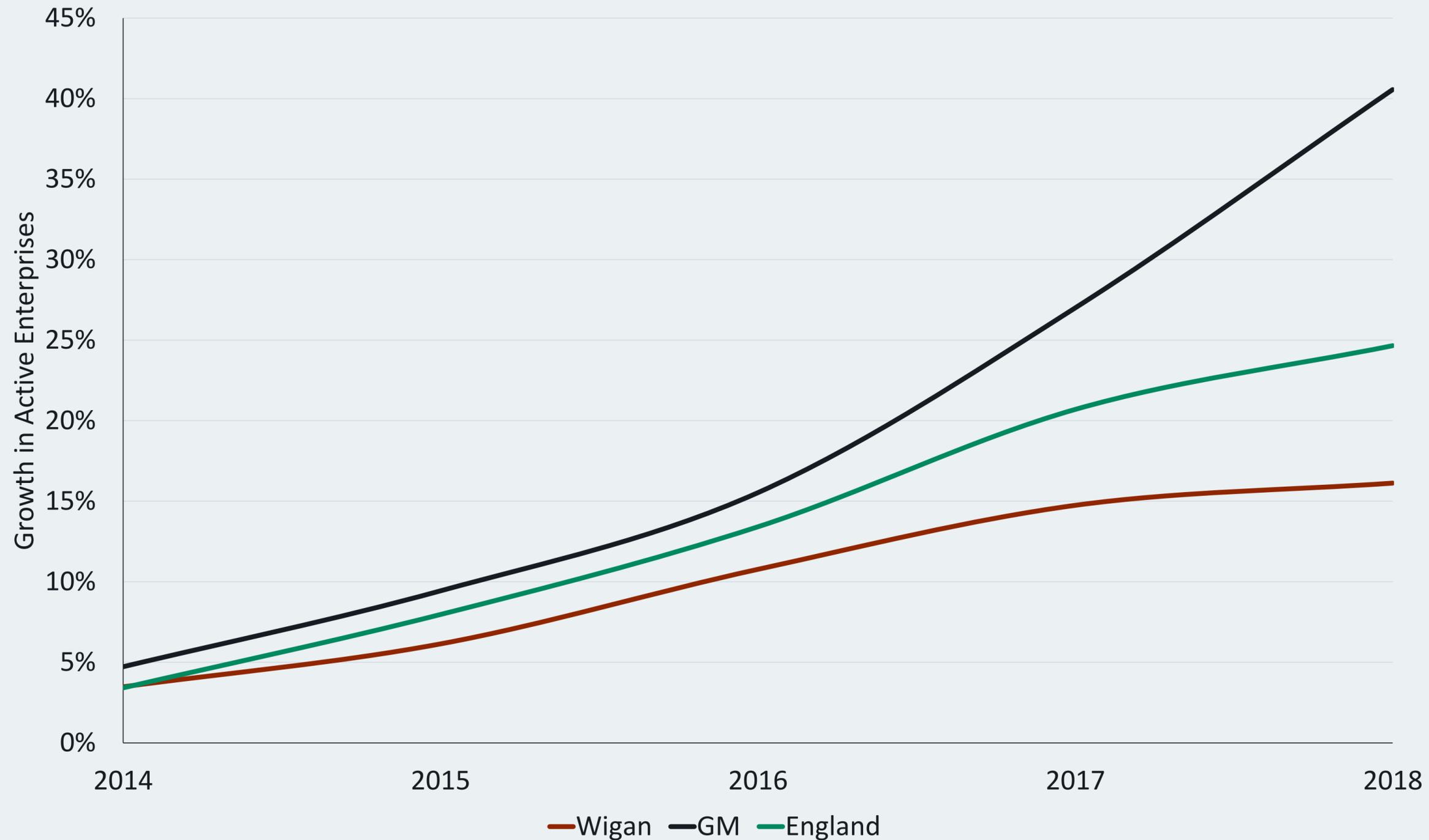


# Employment – components of Wigan’s Labour Supply



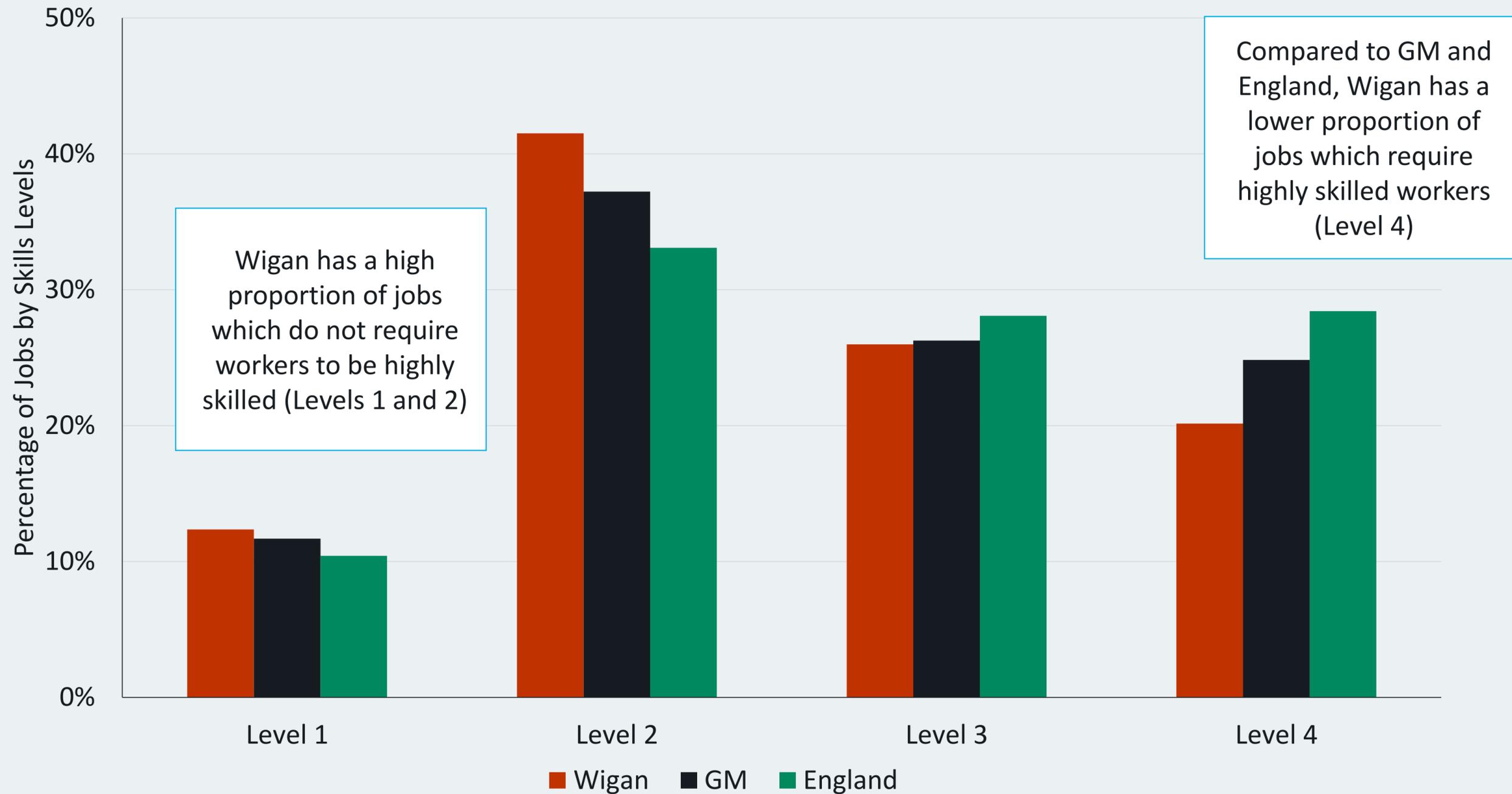
- Wigan has relatively low proportions of its population which are unemployed or economically inactive
- Students and those looking after family/home are included in the number of economically inactive who do not want a job; a proportion of these will seek work in future years

# Active Enterprises

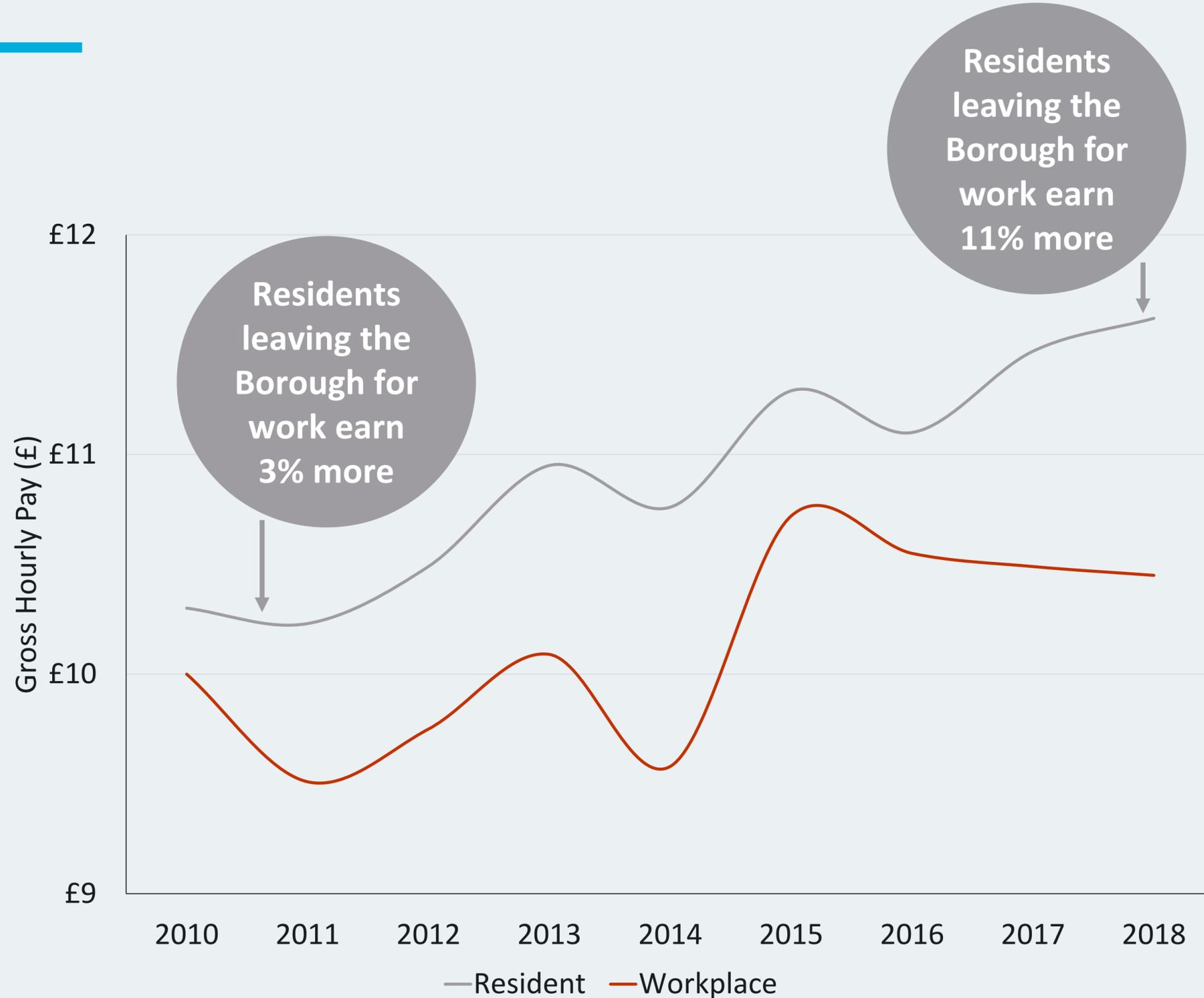


- The number of active enterprises in Wigan has grown year-on-year, but at a consistently slower rate than that in GM and England

# Jobs by Skills Levels



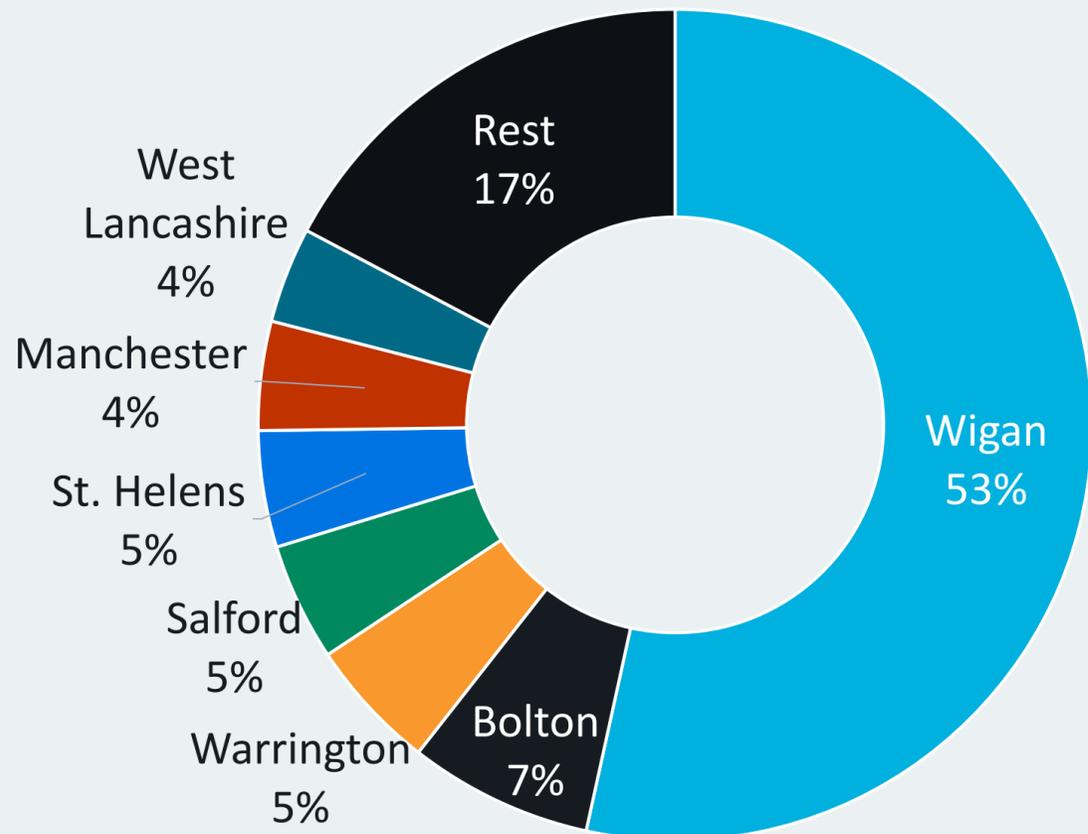
# Workplace and Resident Earnings



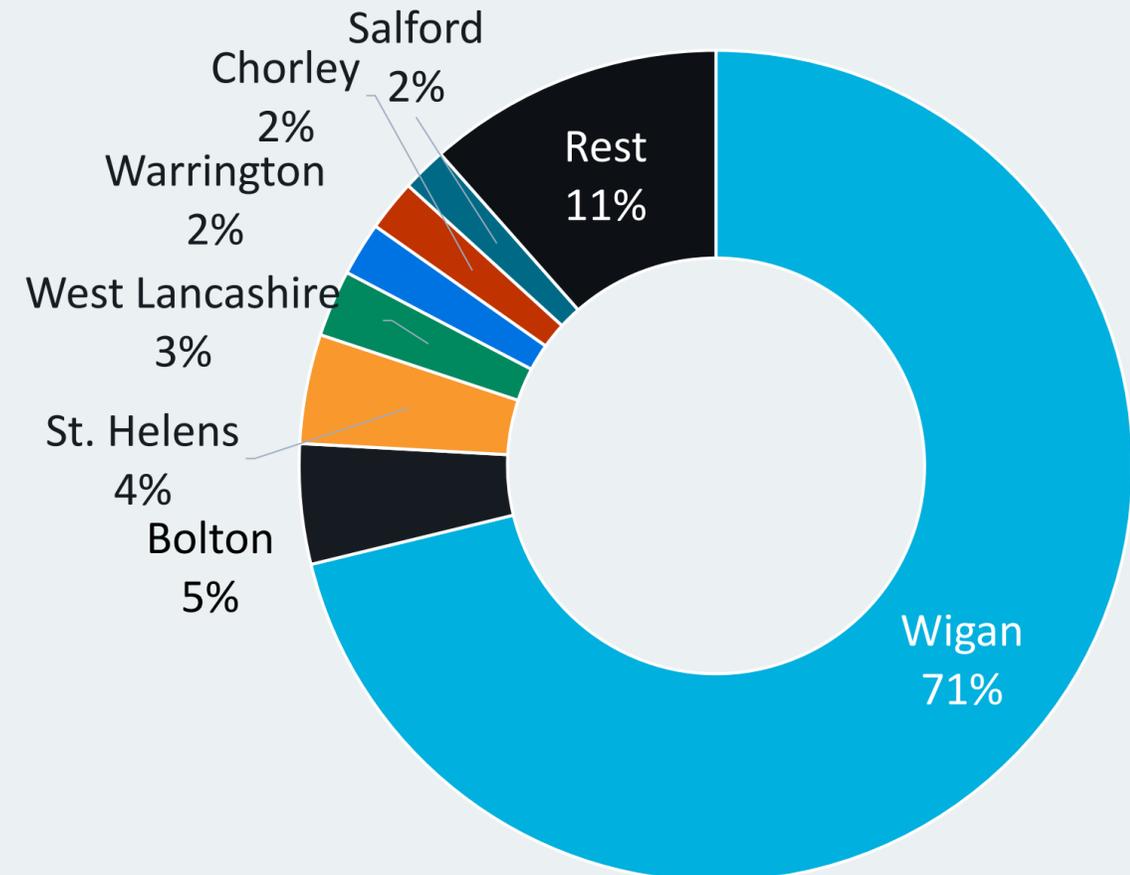
- Almost half of Wigan's workers access employment elsewhere
- In 2018, residents employed outside of the Borough earned 11% more than those working in the Borough

# And where do people live & work?

Where Wigan's Residents work . . .



Where Wigan's workers live . . .



- 47% of working residents commute from Wigan to other Local Authorities and only 29% of Wigan's workers commute from other Local Authorities - net migration of workers out of the area
- 53% of Wigan's working residents commute within the Borough, representing 71% of Wigan's workers
- Wigan must improve its local employment offer to ensure those wishing to seek employment locally are able to find suitable opportunities

# What jobs do workers do now?

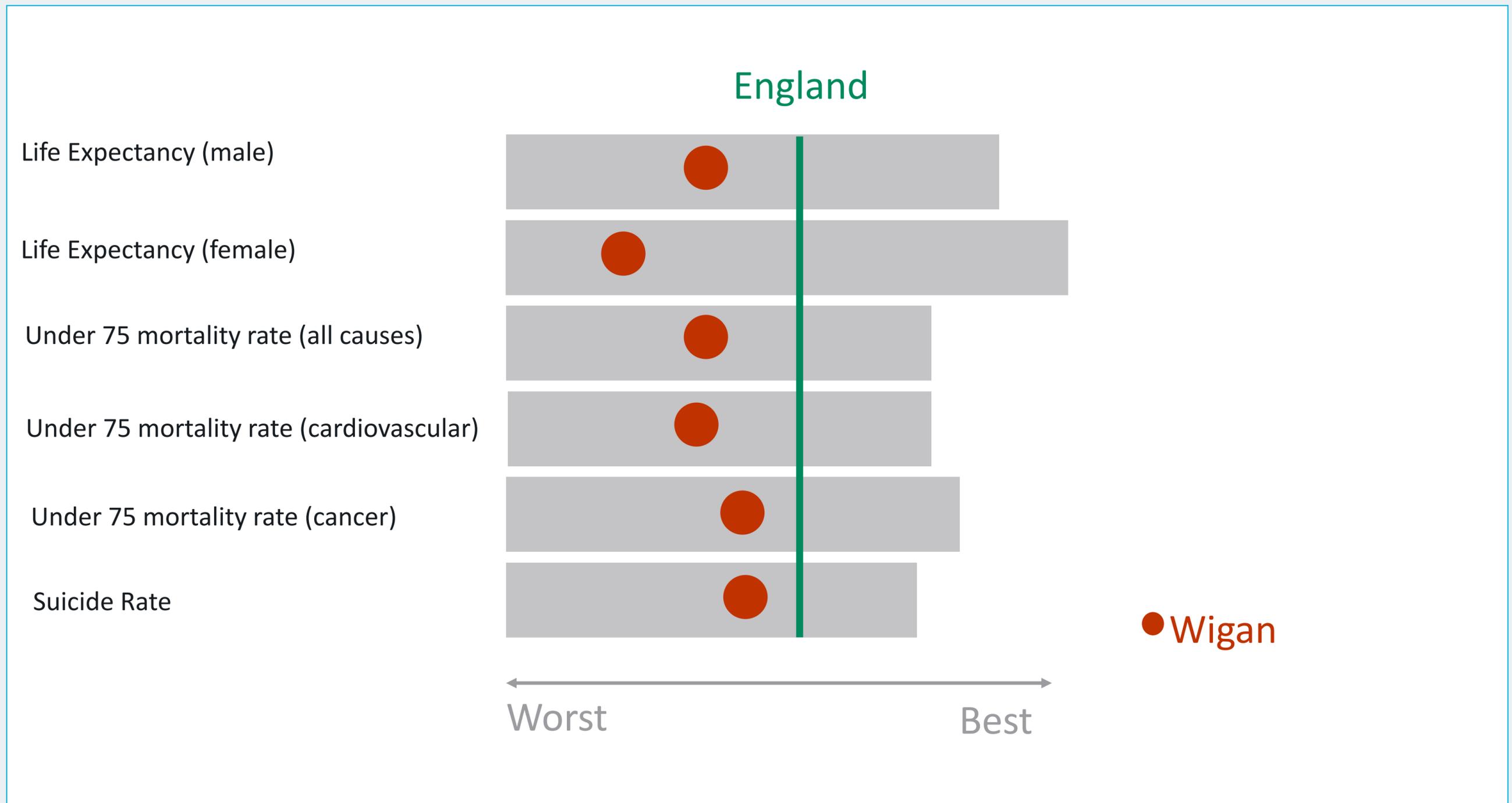
Occupational Group	2010 (%)	2017 (%)	Change
Culture, Media and Sports Occupations	0.6	1.2	100.0
Leisure, Travel and Related Personal Service Occs	2.5	4.4	76.0
Administrative Occupations	7.6	10.8	42.1
Transport & Mobile Machine Drivers/Operatives	4.0	5.3	32.5
Textiles, Printing and Other Skilled Trades	1.4	1.8	28.6
Elementary Administration & Service Occs	8.8	11.3	28.4
Science, Research, Engineering and Technology Profs	3.8	4.3	13.2
Sales Occupations	7.2	7.3	1.4
Corporate Managers and Directors	5.3	5.3	0.0
Other Managers and Proprietors	2.5	2.5	0.0
Teaching and Educational Professionals	4.9	4.9	0.0
Secretarial and Related Occupations	1.6	1.6	0.0
Caring Personal Service Occupations	7.7	7.5	-2.6
Business & Public Service Assoc. Professionals	7.6	7.0	-7.9
Skilled Construction and Building Trades	4.5	4.1	-8.9
Business, Media and Public Service Professionals	3.0	2.7	-10.0
Health Professionals	3.2	2.8	-12.5
Science, Engineering and Technology Associate Profs	2.3	2.0	-13.0
Health & Social Care Assoc. Professionals	1.3	1.1	-15.4
Process, Plant and Machines Operatives	4.8	3.5	-27.1
Skilled Metal, Electrical and Electronic Trades	7.0	5.0	-28.6
Skilled Agricultural and Related Trades	0.6	0.4	-33.3
Customer Service Occupations	2.1	1.0	-52.4
Elementary Trades and Related Occupations	3.0	1.0	-66.7
Protective Service Occupations	2.3	0.7	-69.6

- Wigan's three sectors which have had the greatest employment growth between 2010 and 2017 are Culture, Media and Sports, Leisure and Travel. Growth is welcome but the value added from these sectors tends to be lower

# Health and Inequalities

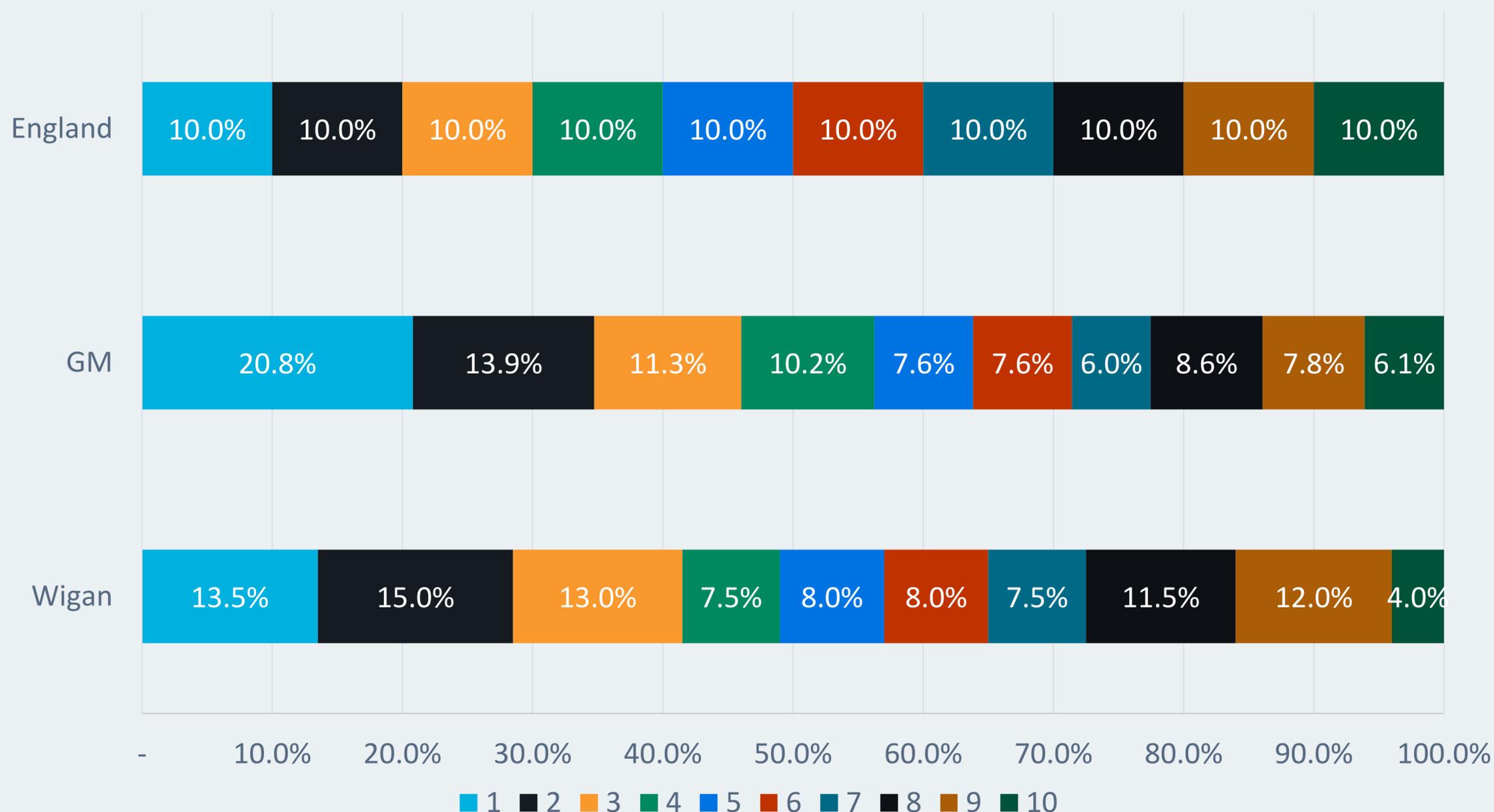


# Health & Inequalities



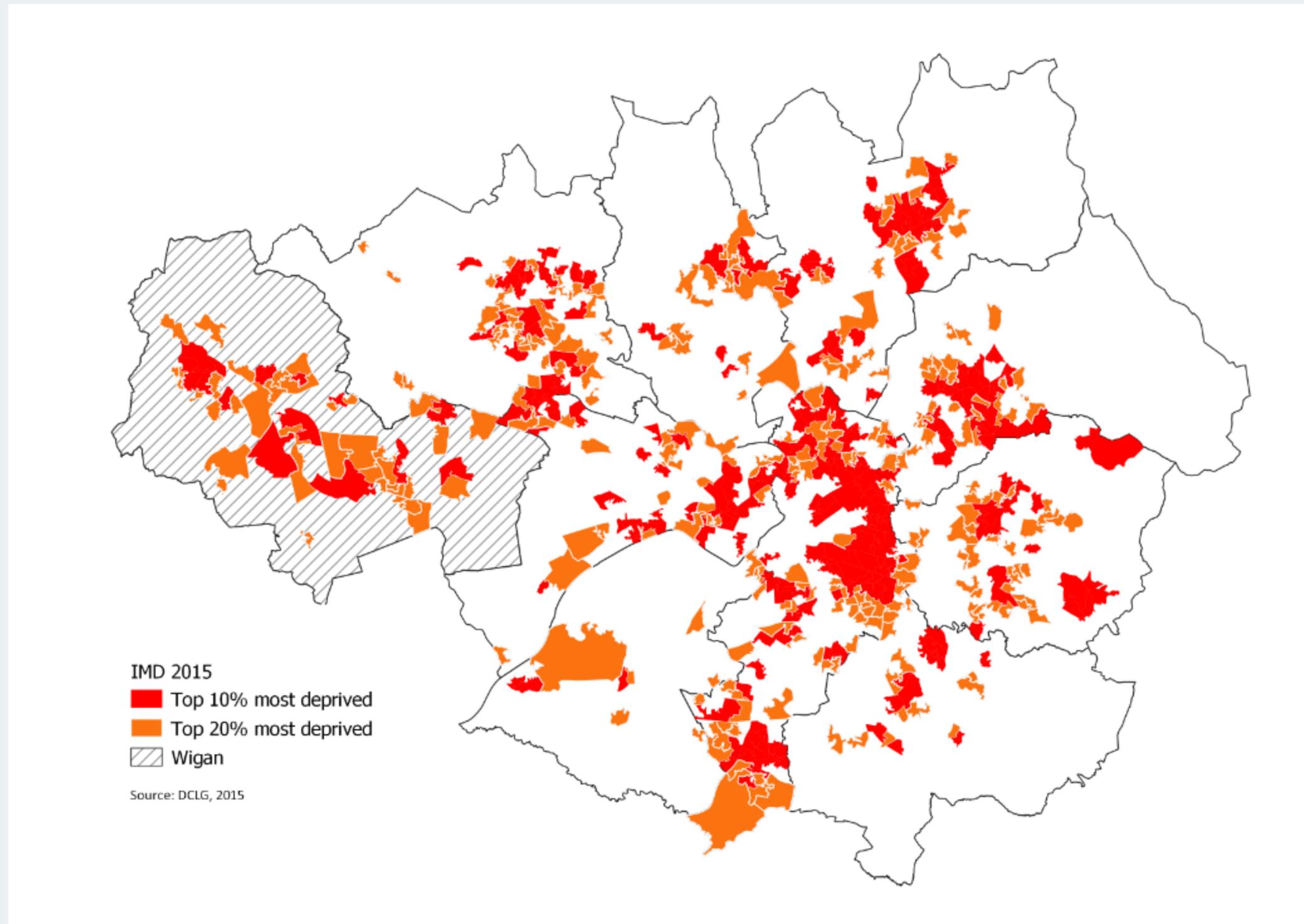
- Wigan does not have a favourable health profile
- This matters because health impacts both employment & productivity. In a real sense, 'health is wealth'

# Health & Inequalities – Index of Multiple Deprivation



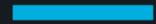
- Over 40% of Wigan’s LSOAs are considered to be in the top 30% most deprived LSOAs in England. Whilst this is poor when compared to England, Wigan does have lower levels of deprivation than GM as a whole.
- Positively, Wigan has a high percentage of LSOAs in the least deprived LSOAs in England, again performing better than GM.

# Health & Inequalities



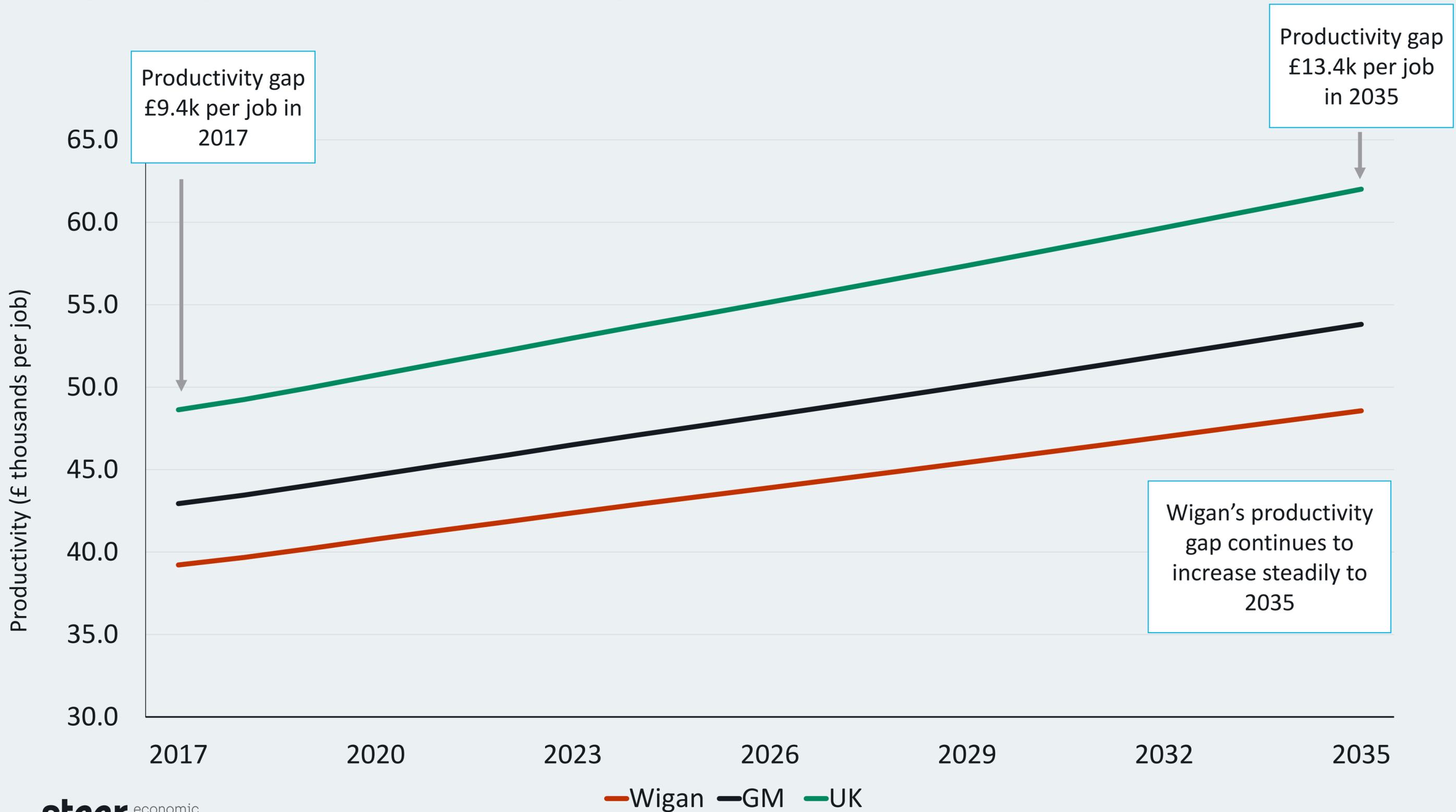
- There are pockets of deprivation in Wigan
- But a similar story across GM (& the UK)

# Views of the future – Econometric Projections for Wigan from Oxford Economics

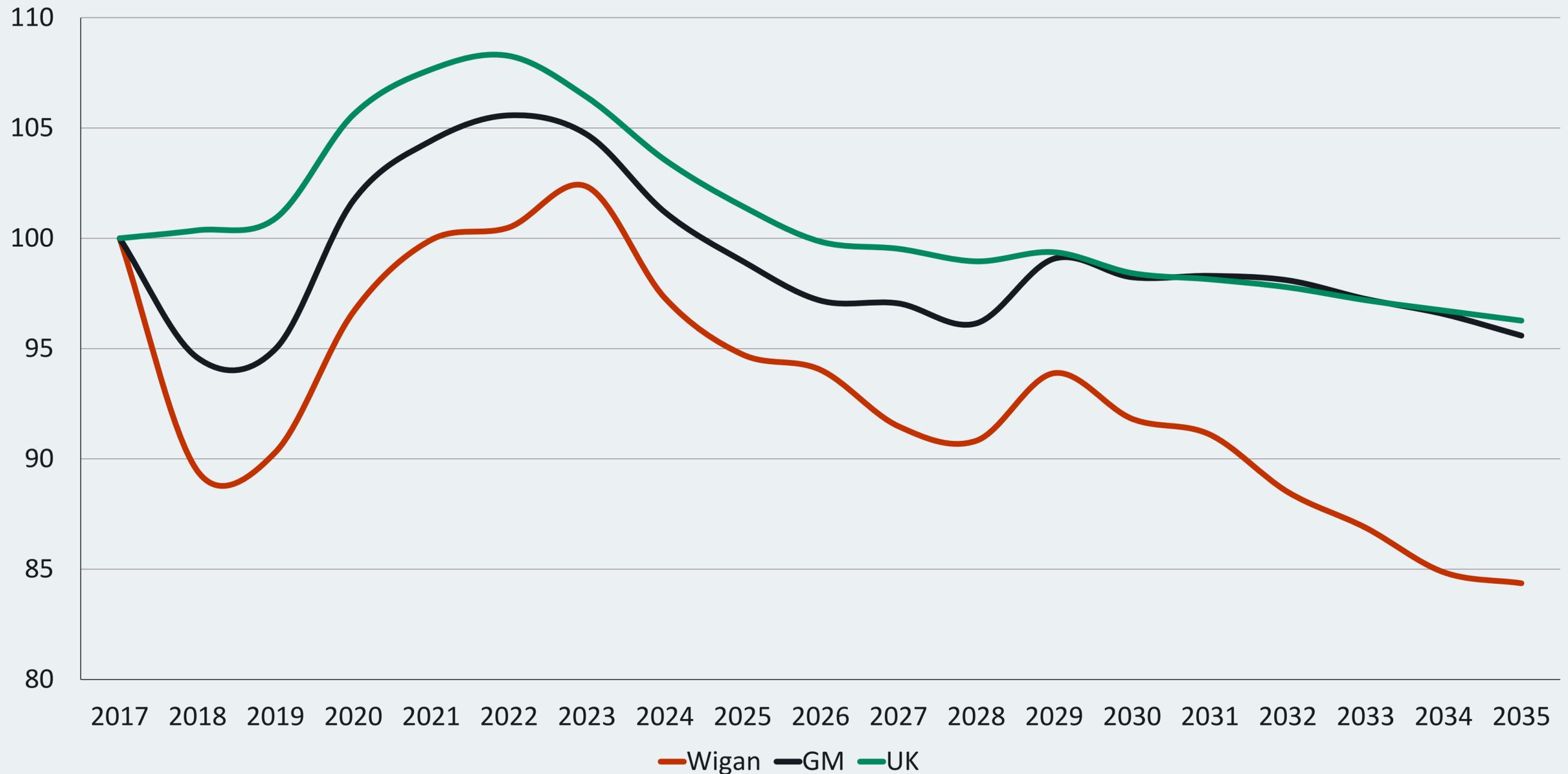


# Productivity Projection

This, and the following slides are projections for the Wigan economy. They are part of the pack of projections presented for the GM economy, produced for the GMCA by Oxford Economics Ltd



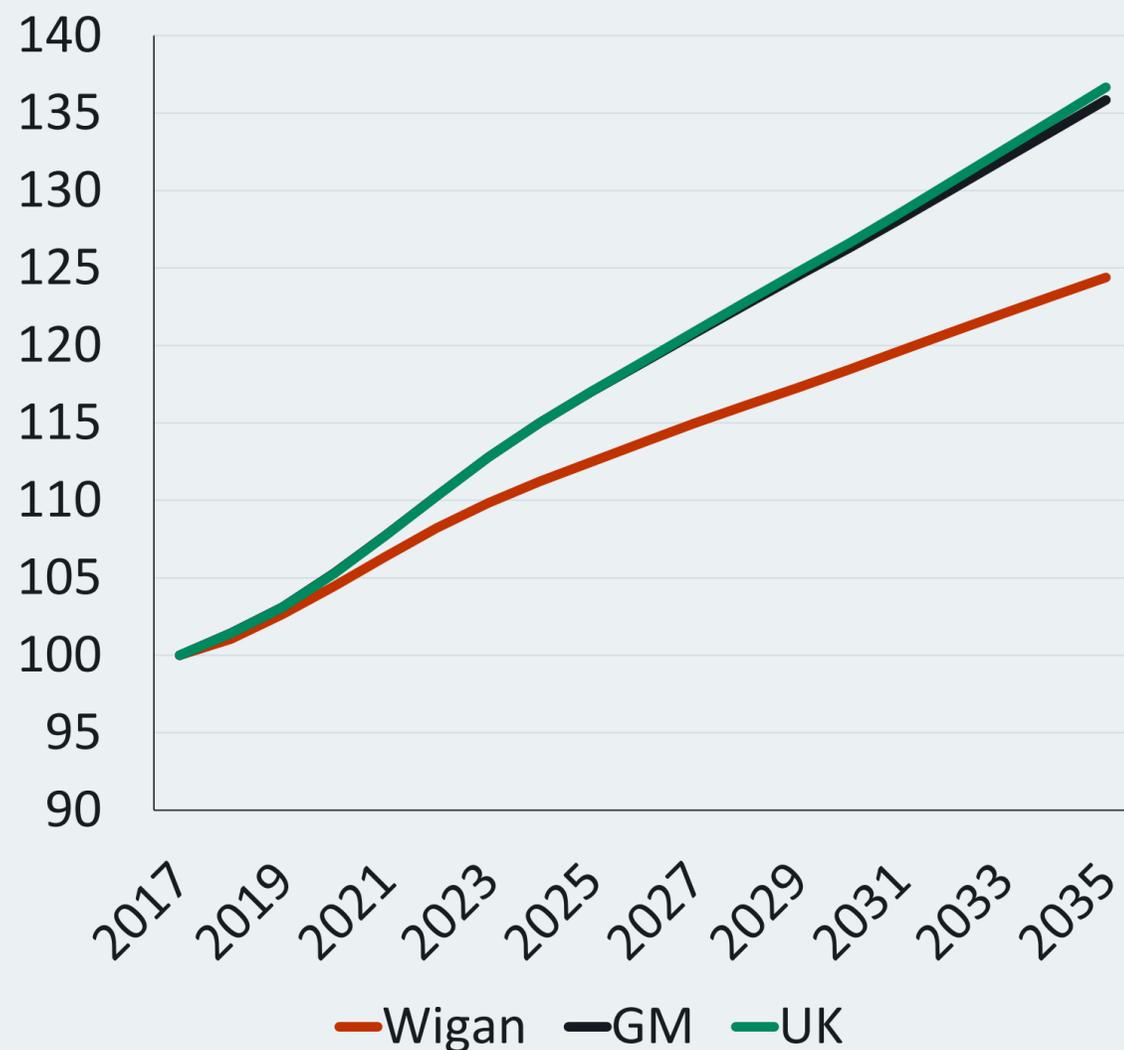
# What is the future need – the total demand for jobs



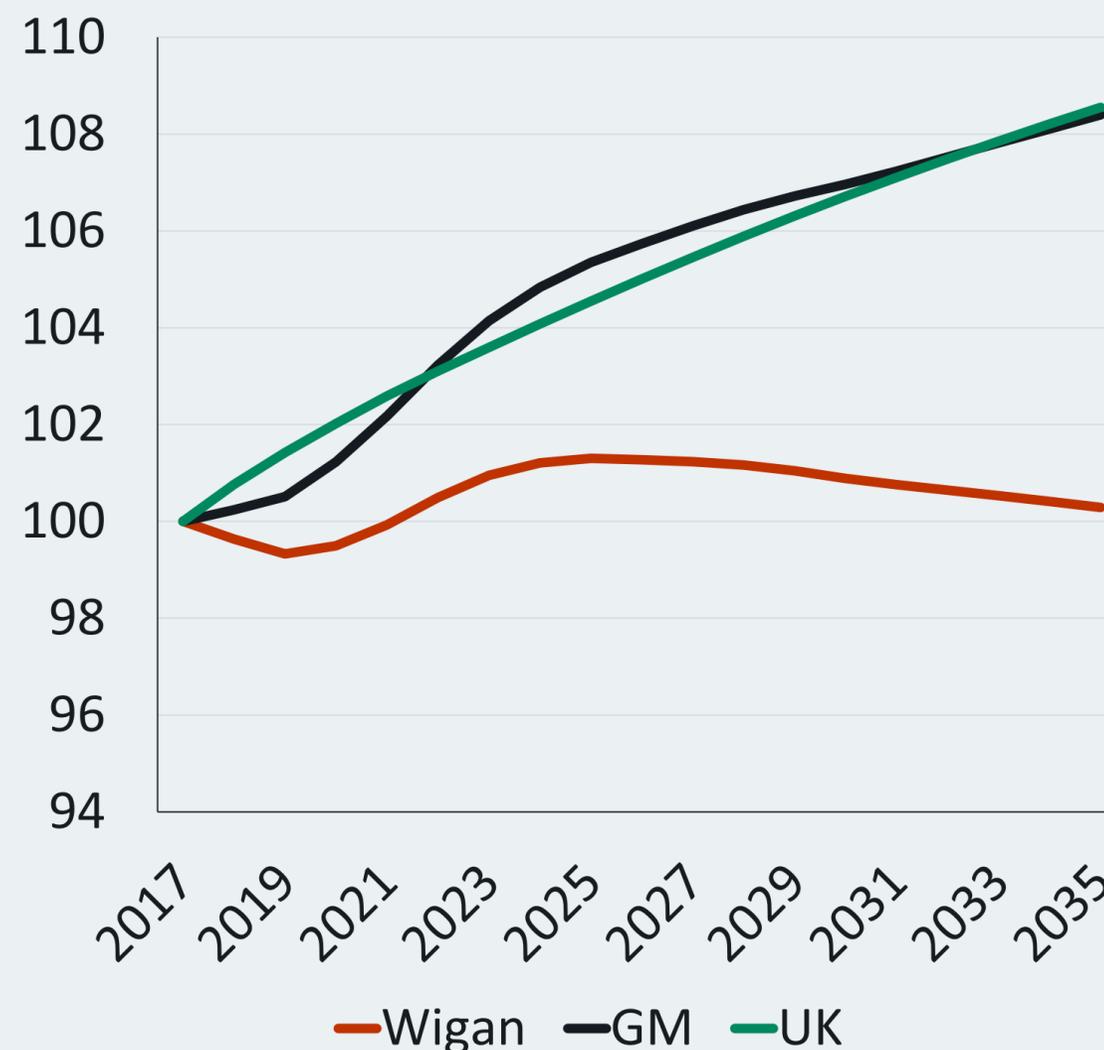
- Indexed demand for jobs set to decline in all regions beyond 2023, but markedly more so in Wigan than GM & the UK

# Growth Forecasts for GVA and Employment

## GVA Growth



## Employment Growth



- Wigan's GVA growth is forecast to increase. . .
- But, at a lower rate than with benchmarks, so that Wigan's output gap with GM & UK widens

- Wigan's employment is projected to fall over the next 15 years. This is not helpful for the labour market
- Importantly, this is at the same time as a GVA growing. This implies that economic growth in Wigan over the next 15 years will be 'jobless' – i.e. growth will come from increased populations

# Projected Sector Shapes

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## 3 types

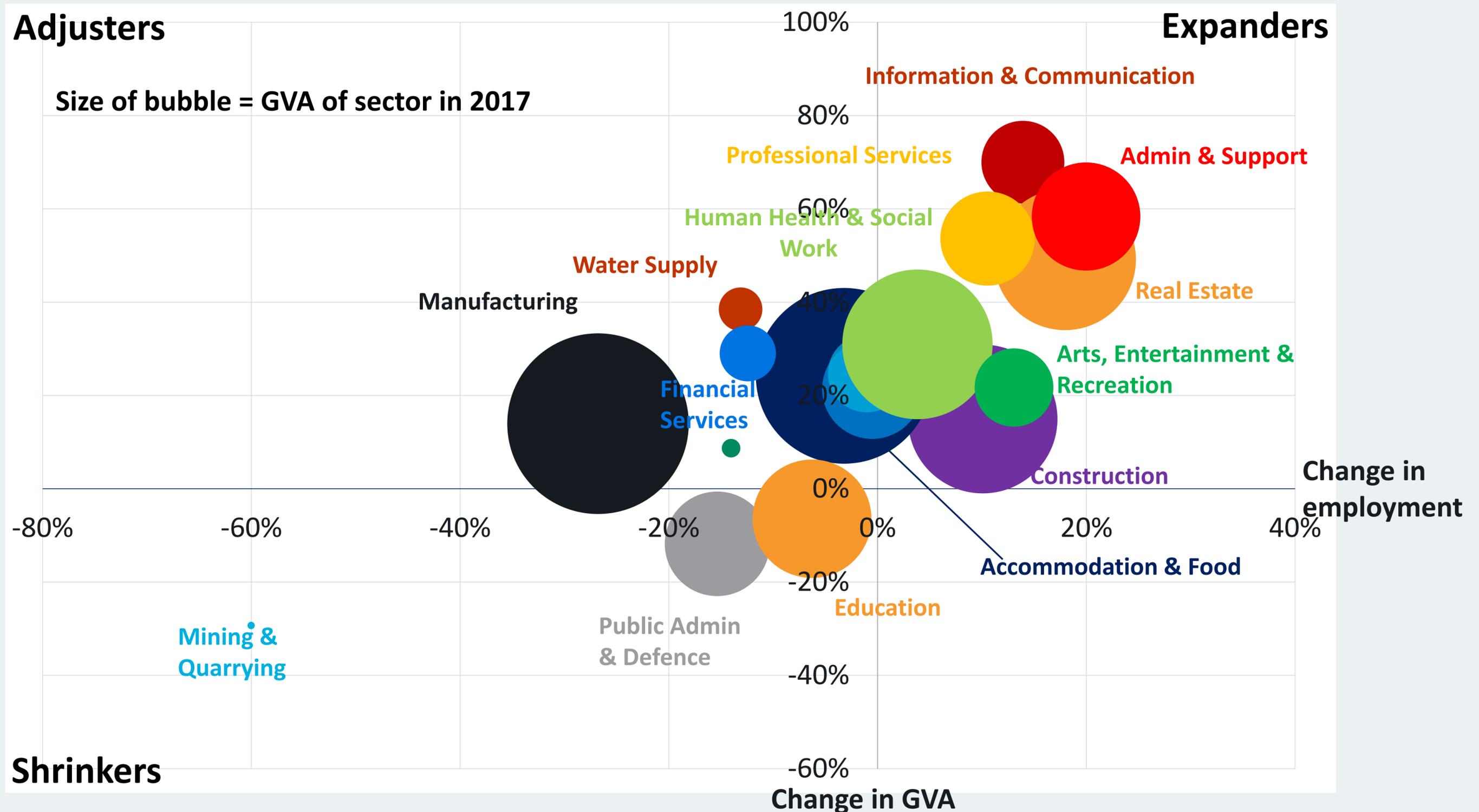
- **Expanders** = increases in GVA & employment to 2035
- **Adjusters** = increases in GVA & decreases in employment to 2035
- **Shrinkers** = decreases in GVA & employment to 2035

# Wigan's projected Sector Shapes

**Expanders** = increases in GVA & employment to 2035

**Adjusters** = increases in GVA & decreases in employment to 2035

**Shrinkers** = decreases in GVA & employment to 2035



## ... Wigan's projected Occupational Shape

Occupational Group	2017 (%)	2035 (%)	Change
62 Leisure and Other Personal Service Occupations	3.5	3.9	10.1%
34 Culture, Media and Sports Occupations	1.5	1.6	8.0%
24 Business and Public Service Professionals	3.7	4.0	6.5%
72 Customer Service Occupations	1.7	1.8	5.7%
51 Skilled Agricultural Trades	0.9	1.0	5.5%
61 Caring Personal Service Occupations	10.9	11.5	5.1%
53 Skilled Construction and Building Trades	7.1	7.4	5.0%
92 Elementary Occupations: Clerical and Services related	13.5	13.9	3.0%
32 Health and Social Welfare Associate Professionals	1.8	1.8	2.4%
35 Business and Public Service Associate Professionals	5.8	5.9	2.3%
42 Secretarial and Related Occupations	2.9	2.9	-0.5%
71 Sales Occupations	10.0	9.8	-2.5%
82 Transport and Mobile Machine Drivers and Operatives	6.1	6.0	-3.1%
41 Administrative Occupations	10.3	9.9	-3.9%
54 Textiles, Printing and Other Skilled Trades	2.8	2.6	-5.9%
91 Elementary Occupations: Trades, Plant and Storage related	2.9	2.7	-6.7%
23 Teaching and Research Professionals	4.9	4.5	-6.9%
31 Science and Technology Associate Professionals	1.7	1.6	-8.4%
52 Skilled Metal and Electrical Trades	5.9	5.2	-11.0%
33 Protective Service Occupations	2.0	1.7	-13.3%
81 Process, Plant and Machine Operatives	6.9	5.9	-14.7%

- Between 2017 and 2035 it is predicted Wigan will continue to grow in the low value sectors including Leisure and Culture

So, to a Summary SWOT



# The emerging SWOT – bringing it all together

## Wigan's Key STRENGTHS

- Higher than average employment rate
- A falling unemployment rate
- Productivity has risen since the early 1990's
- Primary school attainment levels
- Primary Ofsted ratings
- School population ratios
- Good take-up of apprenticeship opportunities
- A low proportion of workers with no qualifications
- A low proportion of known NEETs
- A large number of areas with low levels of deprivation
- Access to major cities/labour markets
- A low cost of living
- A low cost of housing
- Outwards connectivity
- **Leadership from the Council**
- **A consistent desire for ambition**

## Wigan's Key WEAKNESSES

- Too much employment in lower-value sectors
- A lack of large, key employers
- Too many disconnected skills providers
- Overall skills levels
- A widening productivity gap with GM & UK
- Secondary education attainment
- Secondary education Ofsted ratings
- Perceptions
- Graduate retention
- Digital skills
- Alignment of skills to business needs
- Pockets of deprivation
- Low life expectancy
- High mortality rates
- A high % of WAP with No Qualifications
- A shortage of attractive places
- Underdeveloped pathways to employment

# The emerging SWOT – Bringing it all together

## Wigan's Key OPPORTUNITIES

- Greater business engagement
- Enhanced skills provision
- Expanding sectors
- T-levels
- Improving the Talent Pipeline
- HS2 and its investment opportunity
- Improved pathways to employment
- Employment growth in Expanding sectors
- GVA growth in Expanding sectors
- Technology advancements
- Improving productivity
- New technologies
- Growth of the Health Sector
- Adopting 'health is wealth'
- Making Wigan 'sticky' for workers and residents – once here, always stay
- Physical regeneration plans
- Access to HE in GM
- Changing work patterns
- Jobs for the future
- **Thinking creatively & doing something**

## Wigan's Key THREATS

- Automation
- Funding availability for Further Education & Adults Skills
- An outdated curriculum offer
- An ageing population
- A shrinking WAP
- Low future demand for jobs
- Slow productivity growth rates
- Limited FE funding
- The challenge of discouraged White British boys
- A reputation and brand of yesteryear
- 'Living in the Shadows' – of Manchester, and not securing benefit to us



- Talent Pipeline
- Changing technologies
- Brexit



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**For further details about this Data Pack, please contact:**

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