



Productivity+ in Manchester: A place-based approach

Introduction

On Monday 11th April 2016 the British Academy held a roundtable in Manchester to discuss a place-based approach to productivity. The session was introduced by Dame Fiona Reynolds, co-Chair of the British Academy policy project *Where We Live Now*. The afternoon was comprised of two parts, the first on employment and skills, and the second on environment and culture. The session gathered academics from Manchester, representatives from NGOs, the arts and cultural community, as well as those involved in practical infrastructure and transport.

This briefing note summarises the discussion at the roundtable. As the roundtable was held under the Chatham House Rule, names have been redacted.

About *Where We Live Now*

The importance of place and locally driven policies has continually emerged as a common thread throughout British Academy policy activities – understanding place and understanding what places mean to people, their connection with place on many different levels, not just locally, and the feeling that that is poorly represented in public policy.

Devolution is a manifestation of a quiet revolution sweeping through public policy, but this project argues that devolution is not just something you impose on a place; it needs to be a much richer process. Manchester is a part of that thinking, but there are big questions about infrastructure, investment at different scales, and a discussion about what the Northern Powerhouse means and the area it represents. Is it just five or six cities, or is it about the North and all the places in between?

A focus on place could be a vital asset in promoting a richer debate on these issues, but also in finding better solutions. Would the results of devolution be better if it was more attuned to the particularities of place? Could localism and the future of local institutions, local authorities, and Local Enterprise Partnerships work better if place defined, first of all, the essential characteristics and the attributes and challenges that individual places have? There is enormous interest in a greener future, whether it is energy, nature, wildlife, the historic environment, and the cultural agenda. Could those agendas be pursued better through a more sophisticated understanding of place and relationships between places, starting with local distinctiveness and those attributes, rather than simply a blueprint across the whole country? Are there things that we can contribute in this discussion, to give ideas and help shape a better future?

Productivity and place in Greater Manchester: greater context

There is a significant productivity differential between Greater Manchester and London and the South East. Manchester has a disproportionately large number of working age adults not in work, which accounts for about 20% of the productivity gap, and a higher proportion of people in unskilled or low-skilled work, compared to the national average. The number of graduates in the national economy is approximately 36%, but 32% in Greater Manchester. The national average of those with no skills is 9%, but 11% in Greater Manchester. The proportion of adults in Greater Manchester in the low skill/low pay/low productivity margin has grown from 35% in 2000 to 45% today.

In addition, many services in Greater Manchester are structured in crisis response mode, rather than prevention, such as the number of people receiving benefits rather than the number of people being supported into work. These traditional ways of working align with a target-driven culture, meaning that we only do that which we can measure, rather than outcome-focused preventative policies to support individual needs before homelessness, unemployment and deskilling occur. It is difficult to put a pound sign on the money saved through those that *might* have struggled.

Positive examples include the Working Well programme in Greater Manchester, which, using an outcomes-focused approach – the ability to get people back into sustainable work – has been twice as effective as the Government's Work Programme. Similarly, Greater Manchester Police was facing the loss of 600+ working people each day largely due to stress and mental health issues, a figure which rose by about 50% in the last five years. Greater Manchester Police have gone some way towards reversing this trend through recognising the importance, and potential cost saving, of early intervention. Some of this thinking dates back to the 2009 Manchester Independent Economic Review, which included an objective that 'Health commissioning will be integrated with skills and work support to capitalise on the fact that good work is good for your health'. 70% of Working Well participants state mental health as the primary barrier to work, whilst 40% state bereavement, and a large number cite transport as a significant issue. If Greater Manchester as a whole followed the example of the police, some 300+ additional working days could be gained.

A less positive example is the area-based review of further education structures. This initiative, designed by central Government focuses on the cost of further education. Integrating further education with pre 16 education and higher education would have been logical and useful, however this total system view is prevented because of the way that the area-based review has been constructed. This example highlights some of the incoherence and tension between national policy objectives and targets, and regional and local policy implementation towards long term improvements, as well as the siloed nature of many services and existing bureaucratic models.

Employment, skills & social policy: what can a place-based approach bring?

Many of the statistics about productivity do not reveal much about the causes of low achievement and aspiration as they are based on measures such as the cost of goods and services, the structure of the economy and factors such as length of working hours. More thought is needed to look at a 'common sense' understanding of individual productivity and group behaviours, and structural patterns of behaviour – whether people work hard enough, are able to work, or are on sick leave or caring for others. Also important is the behaviour of employers, and how they can maximise the value of labour inputs through training and technology.

As a 'place', the workplace is an important realm of public life worthy of further analysis. As an institution this has changed a lot over the past 40 years. The workplace used to be almost coterminous with the community and the place in which one lived. People used to stay with a single employer for their entire careers, relying on them for many aspects of wellbeing and

security, as well as personal development and community. The skills debate is focused on the individual, but equally the capacity of workplaces in Greater Manchester to deliver skills ought to be assessed. Much of our socialisation and our aspiration come at least in part through the world of work. Similarly, the whole life course – education, work and then retirement – has become fragmented. Fairness is also part of this debate – for example, understanding the effects of zero-hour contracts and the inability to guarantee, for some, consistent working hours.

Productivity could in theory be achieved by, for example, simply transplanting the Cambridge scientific establishment to Greater Manchester – by importing people from elsewhere. However, this will not do anything for a young unemployed person in a poor part of Oldham. For the last 30-40 years the figure of unemployed working-age adults has been fairly static at around a quarter of a million. Adding 200 000 jobs in the conurbation over the next 25 years will not solve this, but simply gentrify the core of the conurbation. The culture of work has to be rethought through the integration of service delivery, such as with lifelong learning in the educational training system that can support the middle-aged, those returning to work or changing career just as much as the traditional education age groups. The implication here is a place-based redistribution of goods, with the goods being jobs and learning opportunities relevant to people in Greater Manchester.

Place may be a useful way of reimagining existing public institutions, but the place-based approach potentially also weakens or removes the need for traditional institutions that are in fact very necessary and important for many people. For example, robust, large-scale institutions such as the welfare state are required to support people throughout the life-course. Many of these institutions are already fragmented and we're only just beginning to feel the effects. Arguably the erosion of the great post-war institutions was partly responsible for the state of crisis in which many communities in Greater Manchester now find themselves. However, in many other aspects of public life, such as skills and employment, the place-based approach adds vigour and nuance that has been lacking.

Culture, ageing and the environment

Place is a construction for promoting particular types of narratives and ways of organising social life. Almost everything that one does besides work is culture. Related to this is the notion of a shared place-based identity – or culture – that moves beyond political, organisational constructs. Through this identity, communities can be empowered to think about sustainability for example reinvesting the profits of community energy projects back into the community through shares or a benefit fund. This can lead to other behaviours such as sharing or re-balancing services.

The flipside to improving cultural participation and thereby forming a shared identity (and boosting creative economies) is to change the very definition away from traditional high arts institutions to include many more everyday activities, which people imbue with meaning. These ought to be taken into consideration, for example, in funding streams. This involves questioning why certain forms of culture are ascribed a certain status, and how they mobilise to create different kinds of advantage. However, the purpose is not to ignore the importance of the arts, but to place it in a social context. Cultural repertoire is not set up to distinguish between social groups – collectivism must be critiqued. The Department for Culture, Media & Sport 'Taking Part' survey shows an increase from 71.5% to 77% in arts engagement in the North West in the last 10 years, and was the only English region to experience a significant increase.

There are other benefits to wider cultural participation, which relate to civic and democratic participation. A current project in Oldham led by the Director of Public Health looks at Arts, Health & Social Movements to understand how social movements come about, what role arts have in social movements and whether these can be catalysed to improve health outcomes in a Greater Manchester context. Greater Manchester can boast the strength of great arts institutions like the

Whitworth, the Hallé orchestra and others in outreach programmes for issues such as social isolation. However, a counterpoint to this would be the 'imperial philanthropy' of high arts institutions going into places with deep-seated problems.

Approximately 70% of retired people aged 70+ spend the majority of their time in their neighbourhoods – place is self-evidently important to those people. A place-based approach can therefore dissolve the tensions between the social needs of older groups and economic priorities. It is important to consider the proportion of the populations in these age groups (Greater Manchester is a young region) and the cohort (two sets of baby boomers – post-war and 1960s – which are very different). There is a vast disparity in employment levels of those aged 50-64 in some parts of Greater Manchester (<50%) compared to some parts of the South East (90%). Older workers suffer because they're detached from lifelong learning and training– they become de-skilled and part of the new 'precariat'. This is the reality of an extended working life due to improved longevity.

Environmental concerns can reveal tensions in place-based solutions to service needs. Transport is the origin of the Greater Manchester Combined Authority (GMCA), but we must also consider what will actually power the Northern Powerhouse. There is a disconnect between how people get around and goals to keep roads clear, and to reduce CO2 levels as set out in the Climate Change Act. Local government, conversely, is more focused on sustainability, which is broader and includes more of the social 'place' dimensions. This is another example of the dissonance between local realities and 'targets culture'. How do people travel from A to B if we are meant to reduce car usage?

75% of the population views renewables positively, with a small minority of 4% against them. There is also a growing understanding of the wider benefits of clean energy and new ways of achieving this such as community energy projects – for example: community cohesion, a sense of autonomy, increased understanding of energy markets as well as energy efficiency behaviours. A positive consequence of this is people becoming more aware of how they consume energy. These are difficult to measure but form part of the productivity-wellbeing ecosystem. Place informs how people interpret what the energy transition means for them.

Sustainability and green growth must be part of the Northern Powerhouse, which has been focused on infrastructure and the traditional definition of productivity. Evidence from Cornwall indicates the importance of strategic planning in spatial terms and developing spaces with citizens' needs in mind in order to enhance a sense of ownership and belonging. Similarly, many groups are beginning to think about where the rural spaces in between the Northern Powerhouse cities fit in to the devolution deals. The extent of green belt, national parks and Areas of Outstanding Natural Beauty cover enormous swathes of the North and are quite contiguous with the economic areas frequently discussed. The wealth of assets in the rural spaces includes ecosystems, climate resilience or climate resource in terms of renewable energy, public health, wellbeing and small local economies.

Governance and infrastructure

As discussed, many public services are designed with cost in mind and can only support individuals at the point of crisis, rather than with prevention in mind. This puts the onus on the individual, and additionally ignores the potential cost-saving of presenting solutions before problems become insurmountable as 'value for money' cannot be determined this way. There is a sense of a number of fragmented and misaligned services, which do *to* people rather than *with*, by and large.

Some of the cognitive dissonance between national policy levers and local and regional realities causes or underpins inequality – for example, national budget savings being made through large

swathes of workers in the North being stuck in low pay and low skilled work. The increasing use of zero-hours contracts and the dominance of low paid employment sectors in the North, such as hospitality and social care, are compounded with cuts to public services and local authorities, meaning national coffers can make a few savings whilst Northern infrastructure erodes. There needs to be a recognition of the fact that low wages are built into our measure of productivity, rather than thinking about how productive people actually are. This presents a potential danger of over-stressing the benefits of devolution when in fact it presents a bifurcation of society.

Another example is the centralisation of national curriculum assessment, versus the fragmentation of the system of delivery for education both locally and regionally. National Government policy operates at many different spatial spaces, and the same policy area is operating in multiple geographies, but can still be unhelpful as these layers of place don't actually accord with the place, and scale of place, with which people identify.

It is important to remember that with City Deals we are potentially centralising as much as we are devolving, as these proposals are approved from the centre with central government ideas in mind. Multiple geographies create an imperative for multiple scales – it will be increasingly important to consider how we create a sense of place on the Greater Manchester scale without eroding senses of place that are about local authorities, towns, communities and streets. Place is important in a relational way to other places where powerful people operate – place is not isolated, otherwise it has no meaning.

With this in mind, planning – which has become an unfashionable word - keeps surfacing as a vital function of strategic policymaking at various scales. A good example of this is the beginning of Greater Manchester's devolution in transport infrastructure – there is nothing quite as local as your bus shelter. Greater Manchester took the local train services from British Rail and turned it from a cost, with some investment, into an asset, now called MetroLink, which is for many synonymous with the Greater Manchester identity. Commuting is around 18% of all trips in Greater Manchester, education accounts for around 7%, and sport and entertainment a further 12%. Visiting friends is 10%, and the single biggest is shopping at around 24%. Most trips are local - around 70% of all trips are less than 5-6 miles. 70% of all trips into Manchester are by public transport. Place-making and public transport are inextricably linked. Shaping the transport system then supports health and social care agendas in a much more joined up way, as well as other agendas concerning participation.

There used to be strong city governance in the UK so City Deals are not new. If this is a reversion of sorts, questions will be raised concerning the visibility of and access to key institutions such as the town hall. This is formerly where people would pay rent, council tax, arrange for official documentation and so on. On the contrary, today there is a lack of clarity as to where decisions are made, and who is involved.

Conclusion

The potential creation of a 'guidebook to devolution' requires a word of caution: common standards and principles can be very useful, and lessons learned from Greater Manchester may be useful elsewhere. However, Manchester is very different to Liverpool, as it is to London – the transplantation of a successful programme from one location to another - where infrastructure, local economy and stakeholders differ – does not necessarily entail success. In many ways, devolution from the centre may be a contradiction in terms. Likewise, care must be taken to avoid designing places in reference to or in reflection of London.

Improving quality of life could be the best route towards boosting growth. Wellbeing should be the *end goal* of a tapestry of policy interventions – increased productivity would, hopefully, be a

natural by-product of greater wellbeing. Wellbeing and happiness have begun to be measured quite accurately through ONS and the Cabinet Office. This is done through life satisfaction, and a sense of meaning and purpose, which is important to workplaces. Evidence from across England shows that, given the opportunity to reinvest within the community, people will do so in ways that do not meet productivity targets, but rather wellbeing and cohesion.

People have an absolutely credible passion for place and places at a time when it can feel as if some of the supporting structures are disintegrating. A new contextual definition of productivity relies on knowing what people think, how they feel, and what they care about. If we have lost or eroded some of the institutional mechanisms for achieving that, possibly partly due to cuts to services and local authorities, charities and grassroots movements step in. This is not a new idea but these groups then face the additional challenge of bridging local realities with the high strategic level at which policy is conducted.

Reducing the focus on economic orthodoxy and silos in public service provision offers a radical challenge for the re-integration of services, and place may not be enough but it is a start and a creative contributor to the debate. The taxonomy of productivity requires revision. ONS sectoral codes give many false positives such as the increasing productivity in manufacturing in Greater Manchester, despite plummeting employment in that sector. There is potential here for Greater Manchester to pioneer a definition of productivity that looks more broadly at the changed societal structure, age, participation, sustainable work, energy and water supply.

Research in Greater Manchester

The Inclusive Growth Analysis Unit

Inclusive growth is normally considered in terms of: economic strategy, connecting people to jobs, and education and skills. The purpose of this unit is to broaden this traditional agenda to consider the reality and quality of the work that people do, the pay and the context of people's lives, and what enables them to do this, such as secure housing, an adequate benefit system, proper childcare, and good health services. Many of these services and necessities can only be considered 'in place'. These pillars of public life need to be considered at different spatial scales, and as an interconnected system rather than separate pillars.

Just Work

This large research project builds on a 2015 project called Just Greater Manchester, and will look at what constitutes sustainable work within Greater Manchester. Just Work will look at three main themes. The first is the impact of technology on various sectors such as changing production systems and how the systems of work will change. The second will be on regulating for decent work, looking at the role of key employers and key stakeholders in the region and their messaging. This strand will also look at NGOs, business organisations, trade unions and how they are linking into the wider region to promote decent work. The other major theme will look at decent sustainable work over the life-course. This will look at the problems of flexible and non-linear careers, and seek to address the mismatch between longer working lives, having everybody in work, but no policies to facilitate this. Employers have to be encouraged to change their attitude to their ideal employee, and there needs to be greater opportunities to return to work, change and learn amongst older workers in particular, but looking at the intersectionality of the workforce also. This project may include a human development report for Greater Manchester, which will take the life-course perspective.

Continued overleaf

This is a 5-year project ending in April 2017. It begins with the premise that those who do not participate in traditional, formal cultural activities are in some way in deficit both socially and morally, so effectively 'marked out'. There is a problem of demography with this stress of formal culture, because publically funded culture is mostly consumed by a small, socially privileged elite. Regular arts-goers constitute about 8% of the population. The project seeks to show that beneath the surface of arts participation there is a broader, more vibrant culture of everyday in which people invest meanings and relationships. This is potentially very creative in terms of cultural economies. The project seeks to answer why some activities are valued more than others, and where social boundaries stem from to help organisations promote participation on the community's own terms. How are different scales of local communities connected through this idea of everyday culture? One of the key points in this project is the research methodology, which is firmly within Humanities and Social Sciences, in particular Sociology - it is based on co-production and working closely with communities in 6 parts of the UK, with an ethnographer embedded in each place for 6 months. The project also includes ordnance and vernacular mapping exercises and social network analysis. The project looks at a number of issues including: parks, charity shops, community assets, those in care, village institutions, theatre, island diasporas, as well as older people and Eastern Europeans. This will have useful insights for new creative economies so demonstrates fairly direct impacts on local productivity once the project is concluded.

Age Friendly

Working with Manchester City Council, this programme seeks to determine whether places are age friendly, and whether they promote participation. There are three main challenges: urban policies and where ageing populations fit into economic growth, demography, cohort differences and the wide variations in ageing across Greater Manchester - only 9% of people in the city centre are over 65 -, and lastly low mid-life employment versus the impact on places of having everybody employed.

Statistics in this briefing are drawn from the discussion and presentations at the roundtable so cannot be cited directly. If you have any queries about this briefing, the *Where We Live Now* project or the British Academy's policy activities, please contact:

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