

OLDHAM ECONOMY AND ENTERPRISE STRATEGY AND ACTION PLAN

EXECUTIVE SUMMARY

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OLDHAM ECONOMY AND ENTERPRISE STRATEGY

1. INTRODUCTION

Oldham needs to recapture the spirit of entrepreneurship and innovation which secured its pre-eminence in the cotton spinning industry. That is a central conclusion of the stakeholder consultation which underpins this Economic Strategy. The Strategy seeks to improve the economic prospects of Oldham whilst strengthening the contribution which the Borough makes to the economic performance of the region and the North of England. It is aligned with the key strategic initiatives and commitments of: the Northern Way; the Regional Economic Strategy; The Greater Manchester Strategy and Action Plan; The Oldham and Rochdale Economy and Skills Alliance Strategy; Oldham's Local Area Agreement; Oldham's Community Strategy 2005 –2020; and the 2006 Cattle review, "Challenging Local Communities to Change Oldham".

The core theme is to reposition the Oldham economy by expanding the existing business base, increasing entrepreneurial activity, and through innovation creating an economy based upon higher value key sectors. An improved skills base that ensures that residents are able to meet the future demands of employers underpins this strategy increasing the employment rate.

The SQW Economic Assessment outlines the fundamental imperative is to reduce the Gross Value Added (GVA) gap between GM North and GM South, which will continue to grow without significant intervention. The challenge is significant but there are huge opportunities as evidenced by the ambition stated in Oldham Beyond.

The delivery of the strategy will be strengthened by improving partnerships with the private sector enabling improved connectivity and focus on the demand to meet the needs of business. Through joint working with Rochdale we will be able to provide an improved offer of business support, skills delivery and improved direction of resources to meet the needs of the future economy.

2. THE VISION

The strategy is directed by a clear vision statement:

'By 2017 Oldham will be thriving – playing a new and dynamic role in the economic growth of a world-class Manchester City region'.

3. STRATEGIC APPROACH AND AIMS

Strategic Approach

(a) Drivers of Change

Oldham Partnership will organise its focus around **5 Key Drivers** of change:

- Enterprise – to facilitate the creation and nurturing of new enterprises, while supporting the adaptation of the existing business base to meet the needs of the 21st century.
- Skills – to provide local residents with lifelong opportunities to improve their skill levels in order to access emerging opportunities.
- Innovation – to encourage the adoption of innovative products and processes in the Borough's enterprises.
- Investment – to improve the offer of land, property, sites and wider infrastructure to attract both indigenous and inward investment.
- Full Employment – to improve recruitment practices so that Oldham residents effectively engage with the local employment market.

(b) Cross-Cutting Themes

These drivers are underpinned by three cross-cutting themes:

- Foresight – developing better understanding of the likely future development of markets and technology.
- Knowledge Economy – developing Oldham as a 21st century economy competing on content and value rather than price.
- Public Sector – developing a direct public sector contribution to the well-being of the Oldham economy.

Strategic Aims

Enterprise

- To strengthen existing business and encourage investment.
- To maintain high economic activity in the Borough.

Skills

- To improve the skills of the local workforce to meet the needs of business and industry.
- To improve access to and the quality of employment opportunities.

Innovation

- To encourage sustainable economic regeneration.
- To support the creation of new businesses and the growth of existing ones.
- To implement the wealth creation proposals of 'Oldham Beyond'.
- To develop a tailored programme to support wealth-creation activities in the private and community sectors.

Investment

- To improve the image of the Borough as a destination for business and visitors.
- To conserve the best, as well as improve the quality, of the built environment.

Full Employment

- To assist people that are disengaged from the labour market
- To target areas where unemployment rates are concentrated.

4. THE ECONOMY AND ENTERPRISE STRATEGIC DRIVERS

4.1 DRIVER ONE: ENTERPRISE *This Driver supports LAA Outcome A (Improving Enterprise, Innovation and Business Growth).*

Aims:

- To strengthen existing business and encourage investment.
- To maintain high economic activity in the Borough.

The Context

Currently, a range of organisations operates in Oldham with the aim of helping start-up companies. These include: ChamberLink; The Prince's Trust; the Asian Business Association; Manchester Metropolitan University through the New Entrepreneurship Scholarship project; University Centre Oldham via Cl:One; and DHP Enterprises, who deliver the New Deal for self-employment contract with Job Centre Plus. There is, nevertheless, a lack of focused business start-up support in Oldham (especially for higher value enterprises) and of co-ordination between various business support agencies.

D1.1 Assisting Business Start-ups

Young Residents

Oldham has a high and increasing proportion of people aged 16-24, who are increasingly progressing into further and higher education, thereby creating a large pool of potential entrepreneurs. The University Centre Oldham provides business-related higher education courses in Accounting & Finance, Business Management, Computing and Personnel Development; this creates a real opportunity to encourage start-up businesses from within a pool of highly skilled and motivated people already living in Oldham.

Minority Ethnic Groups

As a particular focus, Oldham needs to foster the entrepreneurial potential of its minority ethnic communities. These communities represent almost 14% of Oldham Borough's resident population with over 1,200 businesses whose owners are of minority ethnic origin. In addition to strengths in the food retail sector and private road transport, businesses of minority ethnic origin are also making headway in other sectors such as professional and business services. Start-ups make a positive contribution to social inclusion, creating opportunities for under-represented groups and those living in disadvantaged areas.

D1.2 Supporting business growth

The focus on business start-ups has to be complemented by strategies to support the growth of the existing business community: increasing GVA per Capita and per Worker; expanding the higher value-added service sectors; supporting business competitiveness and growth; and focusing external funding on those businesses with the best growth potential.

4.2 DRIVER TWO: SKILLS

Note: *This Driver supports LAA Outcomes B&C (Improve the Skills and Employability of the Borough's Residents **and** Reducing Poverty and Inequalities).*

Aims:

- To improve the skills of the local workforce to meet the needs of business and industry.
- To improve access to quality employment opportunities.

The Context

Currently Oldham is a low skill economy. The Oldham Economic Assessment indicates that, in future, the local economy will become more reliant on value-added manufacturing, the business & professional service sectors and other specialised sectors, such as Digital & Media, and the Creative Industries. Local businesses will need to be able to adapt to these changes if they are to remain competitive. The business community will increasingly need to be supplied with highly-qualified and multi-skilled professionals. It is important that this demand is met in the main from the local labour market and not through migration from outside the region. Similarly, improvements in the transport network will mean that greater opportunities will be available for residents to access quality employment opportunities across the City Region.

D2.1 Raise Demand for Skills

Skills Shortages: 14-19

The Employers' Survey indicated some dissatisfaction with the skills of young employees. However, Oldham's young population is its future and we must ensure it is equipped to seize the opportunities presented by a new economy. In order to the skills demands of employers the Government has committed to re-shape secondary and tertiary provision by committing to the new Vocational Diplomas. Employers should be engaged in shaping the development and roll out of these diplomas, so that their future workforce needs are met.

Skill Needs: Workforce Development

Compounding the issue of skill shortages, there is an apparent lack of awareness amongst employers of the benefits of workforce training, which will be addressed, with specific interventions to support existing businesses to improve productivity and raising GVA.

Skills Brokers must engage more effectively with employers to identify and address skills gaps in the workplace, including shortages in communication, customer handling, problem solving, team working and specific technical and practical skills. It is vital that the initiatives such as the LSC funded “Train to Gain” are effectively deployed to strengthen the skill foundations of employees, improving both productivity and supporting progression opportunities within their chosen mode of employment.

Additionally, there is an array of work-based training providers in Oldham, such as Rathbone, The Oldham Colleges’ “Skills at Oldham” and OTC, who work with employers to provide workforce development services. It is critical that these local providers continue to offer a demand-led system where employers are the key customers of the providers.

D2.1 Raise Supply of Skills

Improving educational achievement: 14-19

The Borough’s A-level performance has been transformed over the last decade, remaining consistently above the national average; however, GCSE attainment is relatively poor. Compared with regional and national figures, Oldham has a higher percentage of working age residents with no qualifications and, correspondingly, a lower percentage with Level 4 or above.

Oldham’s Local Learning Partnership has developed the “14 to 19 Phase of Learning” strategy that focuses on key initiatives for improving the attainment of higher-level qualifications through, for example, Oldham’s Junior University. This provides enhanced support for young people in their secondary years to ensure that increasing numbers from non-traditional backgrounds progress to tertiary and, ultimately, higher education. Similarly Oldham’s Young Professional project promotes and supports young people into vocational pathways as a clear alternative to achieving their goals.

Training and Skills Requirement by sector

To ensure that training opportunities provide a direct route to employment opportunities, provision should be sector-sensitive. The Greater Manchester Learning and Skills Priorities report highlights key sectors for investment: financial & professional; engineering & manufacturing; retail; construction; creative industries; and environmental technologies. The four Centres of Vocational Excellence (CoVE) in Financial Management, Construction, Health and Digital Media based at The Oldham College are fundamental in delivering this approach.

Skills Foundations: Adult and Essential Skills

There are significant numbers of adults whose levels of functional literacy and numeracy will not be sufficient to access the future employment opportunities. The OLLP Skills for Life strategy has been effectively deployed to strengthen the skill foundations of adults who will otherwise become or remain effectively detached from the employment market and, consequently, from economic and social stability.

Providing Higher Level Skills

The emerging **New West End** will not only transform the physical environment of a major gateway into Oldham, but it will support the expansion of Level 2 and Level 3 provision in performance arts, creative industries and digital media all of which have been identified as economic growth sectors within the City Region Development Plan. The creation of the New West End will increase the proportion of young people staying in post 16 learning, which will increase the proportion of young people achieving higher skilled qualifications, and increasing transition pathways into Higher Education.

The **University Centre Oldham** was launched in May 2005, expanding the range and volume of Higher Education delivery in Oldham. The UCO is critical in widening participation in Higher Education, providing greater access to HE in Oldham. The Regional Economic Strategy, City Region Development Plan and Greater Manchester Economic Development Plan all place great emphasis on increasing access to Higher Education.

4.3 DRIVER THREE: INNOVATION

Note: *This Driver supports LAA Outcome A (Improving Enterprise, Innovation and Business Growth).*

Aims:

- To encourage sustainable economic regeneration.
- To support the creation of new businesses and the growth of existing ones.
- To implement the wealth creation proposals of 'Oldham Beyond'.
- To develop a tailored programme to support wealth-creation activities in the private and community sectors.

D3.1 Supporting Business Competitiveness and Growth

The Context

Many Oldham businesses do not recognise the need for innovation, even though competitiveness premised on price is increasingly unsustainable in a climate of intense global competitive pressures. A business culture change should be encouraged by, for example, the use of R&D expertise from both within and outside the Borough.

There are over 8,000 companies in Oldham, of which 4,500 are VAT registered. Most companies are small to medium sized firms, but Oldham benefits from accommodating international companies with registered offices in the Borough. These include Dew Construction, Zetex Semiconductors Plc, First Bus, Medlock Medical, Glyn Webb, Ferranti Technologies and Wiggett Construction.

Moving to High Value Added

Through a combination of inward investment, growth of existing businesses and increasing start-ups, Oldham needs to promote growth in the high value added sectors identified in the Economic Assessment, particularly Professional and Business Services. Another challenge is to work with the declining Manufacturing

sector to develop high value added capacity through innovation. A Markets and Technology Foresight function will be established to advise on this process. In part, this will draw upon examples of local companies, such as Zetex, Ferranti and Broadhurst Engineering, which maintain their competitiveness in an international context.

Growth Potential

Sectors with growth potential which are currently underdeveloped across the rest of the sub region include Creative Industries and Environmental Technologies. The proposed Eco-park in Royton and the creative industries quarters at Rhodes Bank and in the New West End will increase the business development opportunities in these sectors.

4.4 DRIVER FOUR: INVESTMENT

Note: This Driver supports LAA Outcome D (Attracting Investment to Create Quality Modern Floor Space and New Jobs).

Aims:

- To improve the image of the Borough as a destination for business and visitors.
- To conserve the best, as well as improve the quality, of the built environment.

The Context

Many Oldham businesses do not appreciate the value of investment as a means of staying ahead of their competitors and improving productivity. Oldham has also not been able to attract significant inward investment.

D4.1 Indigenous Business investment

The Oldham Economic Assessment suggests that Oldham businesses do not recognise the need for fixed capital asset investment. Managers appear to lack the necessary skills in investment decisions. This needs to be addressed if the economy is to restructure towards higher value-added activities.

D4.2 Inward Investment

Correspondingly, there is a dearth of inward investment, despite a number of strategic advantages such as lower rents than neighbouring Manchester and excellent transport links. This will be addressed by improved promotion of the Borough as well as a better offer of employment sites and premises.

D4.3 Land, Premises and Infrastructure

The Pressure on Land

The availability of land for employment is limited. New employment locations have been created on sites such as Salmon Fields and Oldham Broadway but the potential for similar developments is restricted, given the pressures from other potential users of land.

The Borough is therefore developing new opportunities via careful masterplanning and restructuring. Our key opportunities include:

- Hollinwood – a location of sub regional importance lying at the junction of the A62, Metrolink and the M60.
- New West End – will create a hub for learning and cultural businesses.
- Chadderton Advanced Technology Park – opportunity to develop a location for high technology businesses.
- Higginshaw Eco Park – opportunity to develop cluster of environmental technology businesses.

The Housing Stock

The Borough needs to improve the quality of its housing to retain and attract people in higher skilled occupations. The housing offer in Oldham is not sufficiently varied, with a very high proportion of terraced properties. There is a unique opportunity via housing market renewal to restructure the housing market, increase the availability of executive homes and improve the local physical infrastructure. This initiative, along with other physical regeneration activities, is creating major business opportunities for the construction sector.

4.5 DRIVER FIVE: FULL EMPLOYMENT

Note: *This Driver supports LAA Outcome C (Reducing Poverty and Inequalities).*

Aim:

- To assist people that are disengaged from the labour market
- To target areas where unemployment rates are concentrated.

The Context

Oldham's residents are and will continue to contribute to the sub regional economy. The high economic activity rate shows that .to some extent reliant on jobs outside of Oldham in the travel to work areas and this trend is set to increase over the coming years. Oldham must, therefore, maintain its labour market performance in response to economic and demographic change (including a rise in the proportion of young people and those of minority ethnic heritage) if it is to retain and capitalise upon the talents of its economically active population.

However, the recent rise in Oldham's level of economic inactivity makes it a priority to work with people within their communities to raise their aspirations and encourage them to enter the employment market, reducing the gap between the worst wards and the borough average

D5.1 Assisting people to access employment

There is a need to develop programmes that target key client groups such as lone parents, those on incapacity benefit and the long-term unemployed. Within these broad categories it is vital that these programmes deliver have an impact on youth unemployment, the over 50's and female members of some minority ethnic communities.

One challenge is to work with *individuals* to raise education, skill and aspiration levels, enabling individuals to have equal access to employment opportunities as well as promoting entrepreneurship; another is to challenge *employers' perceptions* and to raise awareness of employment issues, for example a national study stated that IB clients that have been reintegrated into the workforce are more productive, more loyal and less likely to be absent due to illness than their colleagues.

D5.2 Targeting concentrations of unemployment

Another challenge is the high unemployment rates people in certain wards, specifically that of young people (aged between 16-19 years) and , particularly given the high proportion of young people in Oldham. In the wards of Alexandra, Coldhurst, Hollinwood, St. Mary's and Werneth, the unemployment rate is more than twice the borough average for that group and nearly three times the national average. The Employers' Survey indicated some dissatisfaction with the skills of young employees. However, Oldham's young population is its future and we must ensure it is equipped to seize the opportunities presented by a new economy.

Initiatives on Youth Unemployment

There are various local agencies working with different segments of this target group: New Deal, administered by Job Centre Plus; The Connexions service; and the "Highway to Opportunities" scheme currently operating in the wards of Alexandra, Hollinwood and Werneth providing an outreach service and pre-employment support. It is important that this work continues and that job placement agencies work closely with skills providers to develop a tailored package of support services to help jobless individuals back into work.

5. CROSS CUTTING THEMES

In addition to the Five Drivers, we have added three cross-cutting themes, which embody new strategic areas:

- Foresight
- Knowledge Economy
- Exploiting the Public Sector

5.1 Theme One: Foresight

Attention will be given to a Market and Technology Foresight process, perhaps undertaken in collaboration with City Region and / or wider Regional partners. Evidence and intelligence will be collated from other Fore-sighting exercises. Short study tours will be arranged for Oldham businesses to innovative locations elsewhere where processes are already in place to anticipate and plan for future Market and Technology change.

5.2 Theme Two: The Knowledge Economy

The Strategy recognises the fundamental role of knowledge in developing Oldham as a modern economy that competes increasingly on the basis of content rather than price. It is intended that indigenous and networked knowledge becomes a key hallmark of Oldham's economy.

There is a high emphasis on the role of higher education in enabling business competitiveness. It is important that businesses are linked into the wider network of HEIs in the Region.

5.3 Theme Three: Exploiting the Public Sector

T4.1 Public Procurement

Council E-procurement Strategy

Public procurement is a major activity which already contributes substantially to local economy. It is estimated that Oldham MBC spends over £200m on goods and services. A priority is to maximise the proportion of this spend to local firms, social enterprises and community/voluntary groups via its newly-launched e-procurement strategy.

Social Enterprises

The biggest opportunity for new social enterprises is the exploitation of the 'procurement agenda' from the local authority and the NHS Trusts. The opportunities for Social Enterprise and SME development could be further enhanced by the emerging approach to Localism whereby public services would be increasingly personalised or tailored to meet differing neighbourhood needs.

T4.2 Public Sector Relocation

National policy, in the form of the Lyons Review, explicitly recognises the Borough as an appropriate location for certain types of public sector jobs – specifically those requiring level 2 skills. Subsequently, the case should be developed with Central Government to secure more knowledge-based relocations.

6. DELIVERING THE ECONOMY AND ENTERPRISE STRATEGY

6.1. INTRODUCTION

The Economy and Enterprise Strategy sets out the vision and aims needed to drive forward the change agenda, ensuring the revitalisation of the Oldham economy. The SQW Economic Assessment and the GVA Grimley Spatial Framework Assessment reported that Oldham is facing a significant transitional period that will need commitment and support if Oldham is to maximise its potential.

In order to deliver this aspirational agenda five sub groups have been tasked with developing a range of strategic action plans. These sub groups report directly to the Economic and Learning Partnership Executive groups to ensure strategic fit and deliverability. The Executive groups are responsible for prioritising these interventions, based on the information provided by the Performance Management Framework and the LAA Risk Assessment.

6.2 DEVELOPMENT OF THE ACTION PLANS.

The following table describes the five subgroups and their remits cross referenced to the Economy and Enterprise Skills Driver and LAA Outcome.

Sub Group	Remit	Strategic Driver	LAA Outcome
Enterprise, Innovation and Growth Group	Development of strategic programmes that will increase the number of business start ups, business survival rates and support Social Enterprises.	Driver 1 – Enterprise; Driver 3 – Innovation	E&E Block Outcome A: <i>Improving Enterprise, Innovation and Business Growth.</i>
14-19 Task Group	Implementation of the 14-19 Phase of Learning Strategy. Improving achievement, retention and progression rates of young people through the key educational phase for young people	Driver 2 – Skills	E&E Block Outcome B – <i>Improve the skills and employability of the borough's residents;</i> Linked to: Children & Young People Block Outcome C: <i>Children and young people excel through formal and informal education;</i> Outcome E: <i>Young people achieve economic well being.</i>
Adult and Essentials Skills Group	Implementation of the Skills for Life strategy. Development of Adult and Community based learning outcomes.	Driver 2 – Skills	E&E Block: Outcome B – <i>Improve the skills and employability of the borough's resident.</i>
Skills and Workforce Development Group	Development of strategic programmes that will support employers and employees achieve the skills requirements to meet the future needs of the Oldham and sub regional economies. Development of a Full Employment programmes, enabling Oldham resident to access employment opportunities.	Driver 2 – Skills; Driver 5 – Full Employment	E&E Block: Outcome B – <i>Improve the skills and employability of the borough's residents;</i> E&E Block: Outcome C – <i>Reduce poverty and inequalities.</i>
Oldham Image Group	Implementation of the Oldham Beyond strategy; promoting Oldham as an investment opportunity; attracting high value businesses.	Driver 4 – Investment	E&E Block: Outcome D – <i>Attracting Investment to create quality modern floor space and new jobs.</i>

7. ENTERPRISE, INNOVATION AND GROWTH GROUP ACTION PLAN SUMMARY

7.1 INTRODUCTION

The Enterprise, Innovation and Growth sub group is responsible for developing a range of new initiatives that will increase business start-ups, productivity and nurture social enterprise. The Enterprise, Innovation and Growth sub group reports to Economic Partnership ensuring employers are fully engaged.

The Enterprise, Innovation and Growth sub Group will be responsible for the programme management of the emerging Action Plan. The Group are currently in the process of finalising the delivery plan and will ensure that the new proposals fit within the commissioning framework.

7.2 DELIVERY PROGRAMMES

The following section outlines four key areas of activity that are currently under development to deliver the **enterprise, innovation and growth development** outcomes of the strategy. These proposals are based on the recommendations contained within the SQW Economic Assessment, GVA Grimleys report and the Economy and Enterprise Strategy.

7.2.1 Enterprise Activity

Identified issue: As identified through the development of our LEGI bid, Oldham has low start-up rates, reflected in a low business stock and enterprise gap, which has little sign of convergence with regional and national levels. Oldham suffers from high levels of economic inactivity and deprivation, with large numbers of people claiming out of work benefits. This has bred an inter-generational culture of low aspirations and low levels of entrepreneurship, resulting in an enterprise deficit.

Existing Activity:

The Enterprise Factory- business support incubation space located in the NDC area (Marlborough Mill) and dedicated business support. Provides space for 25 new or recently established businesses to enable business to flourish.

Outreach programme- advisers working within deprived areas to increase entrepreneurial activity. The first phase will look to create 30 new enterprises, create 70 new jobs and secure 30 residents into self-employment.

New Entrepreneur Scholarships (NES) programme- is a leading UK Government sponsored start-up programme, which helps people living in disadvantaged areas to start in business. People from disadvantaged areas and backgrounds often have the ideas and ambition to succeed in business, but many say they find it hard to find support and finance relevant to their needs. The first six-month programme in Oldham will engage 25 people, creating 20 new business start-ups.

Proposed Actions:

Promoting an Enterprise Culture- to raise aspirations of our young people to consider self-employment as a viable career choice. Includes early years enterprise programme; 14-19 enterprise programme; enterprise capacity building programme; online enterprise academy; enterprise carnival; young persons NES.

Talent Scouts- to engage and re-engage residents and broker pathways to training, employment and self-employment opportunities. Based on a national best practice model, this activity will un tap entrepreneurial talent by providing a new and innovative programme of outreach business counselling in our most deprived communities.

Enterprise Hubs- a network of locally accessible managed workspace and incubation units. To fill the gap in the lack of affordable and suitable business accommodation for the 21st century.

7.2.2 Productivity

Identified issue: In addition to nurturing the talent of new entrepreneurs, we will need to grow the existing stock of businesses in the area through encouraging innovation and diversification into new markets. National and international research has found that a small number of growing businesses have a disproportionate impact on employment creation, with just 9% of new firms formed in the 1980's providing over 50% of new employment after two to seven years.

Oldham has a similar rate of business failures to the national level. However, local research has identified that there is a significant lack of business growth in the area, with businesses simply trading to survive.

To facilitate the step change required in our economy, to overcome projected job losses and reduce the disparities between ourselves and the GM, North West and UK economy, significant intervention is needed to accelerate the growth of existing businesses and create new employment opportunities.

Existing Activity:

Oldham Business Environment Association- encourages new and established businesses to adopt green practices, increasing survival rates.

Chamberlink- provides support for new and pre start businesses. Involves awareness raising sessions, then two one-hour sessions for individuals. The future of regional business link service will provide virtual online support and individual support for potential growth businesses in key sectors stated within Regional Economic Strategy.

Proposed Actions:-

Business One Stop Shop- local network and contact point for Regional Business Link and other business support services. The main objective of the Business One-Stop Shop will be to ensure that the proposed new Regional Business Link Service has

profile on the ground and co-ordinate enterprise support activities within Oldham. It will add value to the Regional Business Link service by providing a local network and contact point for business support provision, ensuring activity complements and enhances other publicly funded programmes. It will ensure that entrepreneurs know where to go to for help; receive appropriate assistance following individual needs analysis; gain access to appropriate finance; receive appropriate aftercare; gain support from business mentors and provide feedback for ongoing improvement of business support provision.

The business one stop shop will consist of a walk in centre; local business directory; best practice network; business mentor programme and growth entrepreneurs.

Productivity programme- including bespoke support scheme; targeted programme to build on Ci1 (creative industries one) project; support for companies likely to be impacted by decline; company growth initiative; patents purchase scheme; export promotion and digital development service.

7.2.3 Social Enterprise¹/Procurement

Identified issue: There is lack of support for new and existing social enterprise. Social enterprise currently comprises less than 1% of the business stock within Oldham. Findings from the NW 'strategy for success' indicated a clear need within the sector for specialist training, support and guidance.

Existing Activity: The Oldham Collective- provides support to build the capacity of the third sector. Primary focus is to provide business development support to emerging, new and existing social enterprises.

Identified issue: Oldham has weak supply chain links and relatively low levels of locally owned businesses win local public sector contracts. Oldham MBC is committed to the SME concordat, to encourage SMEs to take advantage of their procurement opportunities. However, local businesses consider they do not have the capacity to compete for public sector contracts.

Proposed Action: Think Local- to work closely with public sector providers, the Regional Business Link service and GM Chamber of Commerce to exploit supply chain opportunities arising from public sector modernisation, new investment developments in the area and the growth of the GM sub-region.

Think Local will consist of a public sector forum; a training and bespoke support package for businesses and procurement staff; contract tendering events and think local website.

Where appropriate, clients will be signposted via the Regional Business Link Service to relevant trade bodies, the Manufacturing Institute, regional cluster organisations and Train to Gain. It will also proactively seek out businesses in our growth sectors,

¹ The Third Sector describes a range of institutions which occupy the space between the state and private sector. They share common characteristics in social, environmental or cultural objectives they pursue. They include Voluntary, Community and Charitable organisations who deliver services within and for the communities they serve, predominantly due to obtaining grants, funding and donations. They also include Social Enterprises that are fundamentally businesses that trade with social and/or environmental purpose on a not for private profit basis.

to develop their capacity to exploit new supply chain opportunities arising from the Kingsway and Hollinwood developments.

7.2.4 Cross Cutting Activities

Identified issue: Access to finance is a key barrier to business start up and growth. Low levels of home ownership can act as an inhibitory factor to accessing conventional sources of finance. Local research has identified access to finance as a key barrier. The Online Business Survey identified access to finance as the main barrier to business start-up and growth and fear of making the transition from benefits to self-employment.

Proposed Action: Access to Finance – loan finance for new and existing businesses and test trading opportunities. It will consist of two innovative strands: access to loan finance and test trading. Residents will be supported with test trading grants and start-up loans. In addition, existing businesses with few or no assets will be able to access loans to help them grow their business. The loan fund will be managed by an experienced panel to authorise allocation of loans.

Identified issue: Local pilot projects highlighted the need to be flexible in responding to and engaging with target groups and residents of our target neighbourhoods. There is a high proportion of female economic inactivity due to caring responsibilities. There are a high proportion of lone parents who have additional barriers to becoming entrepreneurs.

Proposed Action: Bespoke Response Package – individually tailored package of support to overcome barriers not addressed elsewhere. The purpose of the Bespoke Response Package is twofold. Firstly, this fund will aid individual beneficiaries to overcome personal barriers not addressed elsewhere. Secondly, it will fund cross-cutting activities to support other workstreams in addressing particular barriers. For example, a Business Mentor Programme co-ordinated through the Business Volunteer Programme (BVP), matching businesses with relevant mentors. The Bespoke Response Package will be managed by the Business One-Stop Shop.

By its very nature, requests for this funding will be varied. However, typical requests to this fund may include childcare, training taster sessions, transportation costs or translation services.

7.3 LAA OUTCOMES

All four of these programmes are fundamental in delivering the following E&E LAA outcomes:

- Increase total business stock
- Increase number of VAT registered businesses
- Number of social enterprises where income earned is at least 50% of annual turnover
- Increase in the types of businesses by key sectors based on number employed in construction and creative industries

8. 14-19 TASK GROUP ACTION PLAN SUMMARY

8.1 INTRODUCTION

Following the publication of the Tomlinson Report and the subsequent DfES 14-19 Educational and Skills White Paper, the Learning Partnership 14-19 Task Group published the ***OLLP 14-19 Phase of Learning Strategy 2005-2008***, which sets out to deliver an extensive programme to achieve its aims, encompassed in the Learner Entitlement Statement. The Learning Partnership has ensured that this strategy supports key outcomes within the Local Area Agreement contained within the Economy and Enterprise Block and the Children and Young People Block.

The 14-19 Task Group is responsible for the programme management of the 14-19 Phase of Learning Strategy 2005-2008. The Group are currently in the process of refreshing the delivery plan to ensure that they fit within the commissioning framework.

8.2 DELIVERY PROGRAMMES

The Learning Partnership has agreed a range of initiatives, which will deliver the outcomes of the strategy. The 14-19 Phase of Learning Strategy and Action Plan exists elsewhere and as such are not specifically summarised here. However, the following section highlights two flagship programmes.

The **Junior University** and **Young Professionals** programmes will specifically deliver elements of the Economy and Enterprise strategy and the local area agreement.

8.2.1 Junior University

Identified Issue: The Learning Partnership set out to increase participation and retention post-16. It made a commitment to establish a comprehensive 14-19 Citizenship Programme, combined with an extensive transition and support network, to operate across the 14-16 and 16-19 sectors, enabling vulnerable students and those with the potential to access Level 3 post-16 courses, to be fully supported and thereby succeed.

Implemented Action: The Junior University is improving the attainment, self-confidence and career determination of increasing numbers of young people from the age of 14 through to successful enrolment in Higher Education. By widening participation across all socio-economic groupings, this initiative is a major force in terms of social justice and economic prosperity as well as being the crucial element in the town's drive towards an eventual 50% participation rate in Higher Education.

8.2.2 The Young Professionals programme,

Identified Issue: The Learning Partnership set out to significantly increase the participation in vocational pathways, including Modern Apprenticeships. It made a commitment to establish a programme, which promoted vocational learning as an appropriate and valued pathway to young people and employers.

Implemented Action: The Young Professionals programme has increased participation in Modern Apprenticeships, providing and promoting an alternative pathway to Higher Education, providing valuable combination of accredited training provision with work experience, meeting the needs of young people and employers.

8.3 LAA OUTCOMES

Both of these programmes are fundamental in delivering the following E&E LAA outcomes:

- The number of learners achieving level 2 and level 3 qualifications by the age of 19;
- Number of FTE students entering UCO
- Percentage of 18 years progressing onto Higher Education.

9. ADULT AND ESSENTIAL SKILLS GROUP ACTION PLAN SUMMARY.

9.1 INTRODUCTION

The Adult and Essential Skills Group published the OLLP Skills for Life Strategy and Action Plan 2005-2008, targeting adults with basic skills needs. The strategy supports training provider collaboration to ensure that Learning and Skills Council (LSC) resources are maximised. The Learning Partnership has ensured that this strategy supports key outcomes within the Local Area Agreement contained within the Economy and Enterprise Block.

The Adult and Essential Skills Task Group is responsible for the programme management of the Skills for Life Strategy 2005-2008. The Group are currently in the process of refreshing the delivery plan to ensure that they fit within the commissioning framework.

9.2 DELIVERY PROGRAMMES

The Learning Partnership has agreed a range of initiatives, which will deliver the outcomes of the strategy. The Skills for Life Strategy and Action Plan exists elsewhere and as such are not specifically summarised here. However, the following section highlights two key programmes.

9.2.1 Development of a SfL collaborative delivery infrastructure

Identified Issue : There are significant numbers of adults in Oldham whose functional literacy and numeracy are insufficient to provide entry to their chosen mode of employment and effectively reduce the range of choice by removing professional occupations from perceived reach. This is coupled with a plethora of organisations from all sectors offering a myriad of basic skills courses ranging from 3 hour tasters and interest based sessions through to 90 hour accredited provision.

Implemented Action: Steered by the SfL Strategy Group with funding from a variety of sources, a partnership based delivery network has been established with distinct tiers of first-rung engagement based provision feeding into short literacy and

numeracy courses with accreditation, in turn supporting access to vocational skills training and associated continued key skill development.

9.2.2 Highway to Higher Education

Identified Issue : In order to supply the future, higher skills needs of the local and sub regional economy there is a need to support residents onto vocational pathways, underpinned by accredited learning. Adults without any qualifications can access a free information, advice and guidance service which will help them identify their employment options and signpost them onto a relevant course. However, provision is not available for residents that have achieved a level 2 qualification or above. It was identified as a significant gap in enabling residents to access higher level jobs and related training provision.

Implemented Action: The Highway to Higher Education programme is unique across Greater Manchester in providing impartial Information, Advice and Guidance for all residents. The programme supports adults to understand their employment options, raising levels of ambition and enabling them to access either appropriate training provision or new employment.

9.2.3 Adult Learner Review:

Identified Issue: There has been a significant decrease in the delivery of community based learning provision following changes in funding mechanisms from traditional “adult education” provision to workforce related initiatives (e.g. Train to Gain).

Proposed Action: The Learning Partnership is undertaking an Adult Learner Review, which will map the impact of changes in funding allocation, examining progression pathways and will be the focus of a strategic refresh.

9.3 LAA OUTCOMES

The Adult and Essential Skills programmes are fundamental in delivering the following E&E LAA outcome:

- The number of adults aged 16 or over achieving literacy, language, or numeracy qualifications at entry level 3, level 1 or level 2.
- Number of FTE students entering UCO

10. SKILLS AND WORKFORCE DEVELOPMENT GROUP ACTION PLAN SUMMARY

10.1 INTRODUCTION

The Skills and Workforce Development Group is responsible for developing a range of new initiatives that will deliver the two key strategic outcomes of **workforce development** and **full employment**. The Skills and Workforce Development sub group reports to both the Learning Partnership and the Economic Partnership ensuring that the supply of skills meets the demands of employers.

The Skills and Workforce Development Group will be responsible for the programme management of the emerging Action Plan. The Group are currently in the process of finalising the delivery plan and will ensure that the new proposals fit within the commissioning framework.

10.2 DELIVERY PROGRAMMES – WORKFORCE DEVELOPMENT

The following section outlines six potentially eligible activities that are currently under development to deliver the **workforce development** outcomes of the strategy. These proposals are based on the recommendations contained within the SQW Economic Assessment and the Economy and Enterprise Strategy.

10.2.1 Increasing the number of Employers who have a prioritised training plan

Identified Issue: Many employers do not have the ability and time to undertake a Training Needs, or Organisational Needs analysis of their business. Yet the creation of a simple yet formalised and prioritised training plan can often prevent employers from training staff in an ad hoc, often reactive way. Supporting them through this process will have the effect of getting them to think more about training, and how it can benefit their business. It can often initiate strategic training, such as succession planning rather than the compulsory training which is required to comply with legislation.

Proposed Action: Training Providers and Business Support agencies to create a standardised service for analysing training and organisational needs for Oldham Businesses.

10.2.2 Developing the Skills of the Employer Engagers

Identified Issue: There is a need to improve the effectiveness of employer engagement. The influence and credibility of those people who are employed to engage employers is key to getting employers to invest in upskilling their workforce. Their skills and knowledge is often restricted to a specific occupational area and/or funding stream. There is a need to maximise the value of employer interaction, meeting the needs of the employer and the changing needs of the economy.

Proposed Action: Training providers and business support agencies should develop a range of bespoke courses and workshops for the engagers of employers.

10.2.3 Providing a One-Stop shop for Employers to access training support and funding

Identified Issue: Employers find it difficult to source information, advice and guidance for workforce training needs. Although there are to be established national and regional information sites and brokers for accessing training, there appears to be a tangible need for a centralised local point of call. There is a need to provide workforce development advice alongside other business support services.

Proposed Action: Provision of workforce development related information, advice and guidance will be provided through the proposed Business One Stop Shop which will enable local employers to easily access the provision that local training providers and support agencies offer. They would be able to obtain advice on sourcing training through Train to Gain, ESF and Apprenticeships programmes.

10.2.4 Delivery of secondary level 2 training

Identified Issue: The ability for employees to multi-skill or retrain has become increasingly important for businesses to remain competitive. For example IT, customer service and team leading skills, often become a secondary skill to the employees main occupational skill. Little or no funding is available to support this training, which often inhibits the effectiveness of multi-skilling.

Proposed Action: Create a support fund to subsidise workplace training for secondary Level 2.

10.2.5 Delivery of Initial Level 3 and Level 4 training

Identified Issue: The SQW Economic Assessment identified that in order for businesses to be able to innovate and retain a competitive advantage, they will need access to a workforce with a higher skills base. Level 3 and 4 training for employees is often expensive in terms of cost and release time for employers. Funding for this type of training is also difficult to source, as the LSC have prioritised funding towards Skills 4 Life, 16-18 year olds, and first time level 2 qualifications.

There is significant need from local employers for this level of training both in the management and occupational specific sectors. If this training is to be taken up, the rationale of the skills escalator and concept of Aim Higher must be underpinned with financial support for employers to fund such training.

Proposed Action: Create a support fund to subsidise workplace training for initial Level 3 and Level 4.

10.2.6 Promotion of Skills for Life training in the workplace

Identified Issue: The SQW employer survey stated that a significant number of employers were unaware or unconvinced of the benefits of training their workforce. Furthermore many employers felt that their workforce had the required essential skills of literacy and numeracy to meet their needs. The key underlying issue here is that Skills for Life training needs to be contextualised to fit with the employers business model.

Proposed Action: Develop sector specific, bespoke and integrated basic skills support programmes to meet business needs.

10.3 DELIVERY PROGRAMMES – FULL EMPLOYMENT

The following section outlines four potentially eligible activities that are currently under development to deliver the **full employment** outcomes of the strategy. These

proposals are based on the recommendations contained within the SQW Economic Assessment and the Economy and Enterprise Strategy.

10.3.1 Job Brokerage

Identified Issue: There is the need to co-ordinate the range of existing employment support provision to better meet the needs of inward investors and existing employers. This would create a seamless and supported progression route between programmes ensuring residents in the most deprived areas are able to access the employment opportunities as they arise. In addition, it is important that there is a rapid and proactive response to business closures, ensuring that those being made redundant access new employment or enterprise opportunities.

Proposed Action: The Job Brokerage project will provide outreach employment and employer liaison support to help ensure that the workforce needs of employers, and in particular inward investors, are met through a single point of contact for all organisations.

10.3.2 Investing in a Boroughwide Customer Management Information System

Identified Issues: In order to achieve the LAA outcomes there is a need to ensure that limited resources are utilised to the greatest impact. The Skills and Workforce delivery plan will support individuals into a range of programmes such as pre-recruitment training, into employment opportunities etc. There is a wealth of information recorded by a number of organisations across a number of different platforms, which cannot be shared. If unlocked this information would increase the effectiveness of these programmes and would ensure that activities are targeted

Proposed Action: It is proposed that funding is invested in a trans-organisational Management Information System to record and track actions arising from the provision of information, advice and guidance and employment programmes. The system would enable organisations to more effectively target individuals, providing tailored support, promoting learning and employment opportunities. The Management Information System will also support the monitoring of Skills and Workforce interventions, ensuring that key target groups such as lone parents, BME communities and residents with disabilities are supported in employment.

10.3.3 Pre-recruitment Programme

Identified Issues: The current lack of appropriate skills availability is a significant factor in preventing potential inward investors relocating to Oldham. Inward investment is a key driver within the Economy and Enterprise Strategy to support the economy to restructure towards higher value-added activities.

Proposed Action: The Skills and Workforce Development group are currently in the process of developing a pre-recruitment programme for new Tesco Extra store in Failsworth. The programme is developing a range of interventions to reduce worklessness, targeting lone parents, incapacity claimants and BME communities to access a proportion of ring fenced employment opportunities. This programme will form the basis of a Retail pre-recruitment model and will be modified to meet the

needs of employers when appropriate. Similar pre-recruitment models will be developed for the identified growth sectors.

10.3.4 Incapacity Benefit Claimants into Work

Identified Issues: The Department for Work and Pensions Green Paper identified incapacity benefit claimants as a key target group requiring additional support. The LAA has a challenging stretch target of 260 claimants to be assisted in sustained employment.

Implemented Action: The Skills and Workforce Development group have developed a specific action plan to ensure the delivery of the stretch target. The Incapacity Benefit Claimants into Work programme has been commissioned as a pilot project to test the delivery model outlined.

10.4 LAA OUTCOMES

The Skills and Workforce Development Group programmes are fundamental in delivering the following E&E LAA outcomes:

- Increase the number of adults aged 16 or over achieving literacy, language, or numeracy qualifications at entry level 3, level 1 or level 2.
- Increase the total number of people who have been claiming an incapacity benefit and living in one of the 7 priority wards helped by Oldham Partnership into sustained employment of at least 16 hours per week for 13 consecutive weeks from 0 to 260 (an increase of 260 people over the three years of the LAA).
- Reduce the Borough average IB claimant rate
- Increase the number of lone parents moving into employment.

11. IMAGE GROUP ACTION PLAN SUMMARY

11.1 INTRODUCTION

The Image Group is responsible for developing a range of new initiatives that will deliver the Investment strategic outcomes. The Image Group reports directly to the Economic Partnership ensuring that the proposed programmes meet the needs of the private sector.

The Image Group will be responsible for the programme management of the emerging Action Plan. The Group are currently in the process of finalising the delivery plan and will ensure that the new proposals fit within the commissioning framework.

11.2 DELIVERY PROGRAMMES

The following section outlines key areas of activity that are currently under development to deliver the investment outcomes of the strategy. These proposals are based on the recommendations contained within the SQW Economic Assessment, GVA Grimleys report and the Economy and Enterprise Strategy.

11.2.1 Inward Investment/Image

Identified issue: There is a dearth of mobile inward and indigenous investment. This is despite a number of strategic advantages such as lower rents than neighbouring Manchester and excellent transport links. This should be addressed by improving the image of the Borough and by promoting it as a good place to do business.

Implemented Actions:-

- Joint working with MIDAS, the inward investment agency for Gtr Manchester.
- Developing and promoting international trade links with China.

Proposed Actions:-

- Perception study
- PR Image campaign
- Business ambassadors programme
- Target marketing of identified priority sectors
- Improvements to gateways and corridors.

11.2.2 Land, premises and infrastructure

Identified issue: Oldham traditionally had a relatively self-contained labour market based on a heavy reliance on manufacturing. The patterns of land use, particularly in the inner areas of the borough, reflected this. This was often to the detriment of environmental quality within residential areas and at the expense of other desirable land uses such as recreation. Now, the availability of land for employment is limited. Opportunities have been taken to create important new employment locations on sites such as Salmon Fields and Oldham Broadway but such possibilities are becoming increasingly hard to identify given the pressures from other potential uses of land. The Borough has high quality locations which can be developed to provide new employment, for instance Mumps and Hollinwood, but these are comparatively small in scale compared to the larger strategic locations in adjoining Boroughs – Kingsway in Rochdale; Central Manchester Business Park and the City Centre in Manchester; and Ashton Moss in Tameside. Consequently sites must be used judiciously as part of the efforts to modernise the economic base. The Oldham economy and labour market should be seen as part of the wider sub region with its enormous potential.

Implemented Actions:-

- Business Expansion Grant Scheme.
- SRB Business Improvement Scheme.
- New West End consultation
- Hollinwood consultation
- PEZ review

Proposed Actions:-

Support the development of:

- Hollinwood
- New West End
- Mumps
- Metrolink extension

- Clegg St/ Old Town hall
- Shaw District Centre
- Plateau 7 Salmonfields
- Failsworth District Centre
- Plot II Broadway Business Park
- Chadderton Town Centre
- Plots 15 and 16 Broadway Business Park

11.3 LAA OUTCOMES

All these programmes are fundamental in delivering the following E&E LAA outcome:

- Attracting investment to create quality modern floorspace and new jobs

12. PERFORMANCE MANAGEMENT

The Economic Strategy is intended to make a practical difference to the lives of local residents especially those in deprived areas and the performance of local businesses. Consequently, in order to monitor our progress, we need to be able to measure our impact at key stages or milestones throughout the course of the strategy.

Within the overall structure, we are using Balanced Scorecard and other methodologies to develop a performance management framework for our aims and objectives. The framework will use a range of key indicators that reflect the broad objectives of this strategy.

APPENDIX I

KEY TO ABBREVIATIONS:

ABA	Asian Business Association
ABI	Annual Business Inquiry
BAE	British Aerospace
DAF	Deprived Area Fund
DTI	Department of Trade and Industry
EDZ	Employment Development Zone
EEF	Engineering Employers' Federation
ERDF	European Regional Development Fund
EP	English Partnerships
FE	Further Education
GCSE	General Certificate of Secondary Education
GFCF	Gross Fixed Capital Formation
GMTIF	Greater Manchester Transport Innovation Fund
GONW	Government Office North West
GVA	Gross Value Added
H2O	Highway to Opportunities
HE	Higher Education
HEI	Higher Educational Institute
HMRF	Housing Market Renewal Fund
IB/SDA	Incapacity Benefit/ Sickness Disability Allowance
ICT	Information and Communication Technology
ILM	Intermediate Labour Market
IT	Information Technology
J21	Junction21 Construction Employment Partnership
JSA	Job Seekers Allowance
LAA	Local Area Agreement
LABGI	Local Authority Business Growth Initiative
LEGI	Local Enterprise Growth Initiative
LFS	Labour Force Survey
LLP	Local Learning Partnership
LSP	Local Strategic Partnership
MM	Marketing Manchester
NDC	New Deal for Communities
NRF	Neighbourhood Renewal Fund
NVQ	National Vocational Qualification
NWDA	North West Development Agency
TOC	The Oldham College
OMBC	Oldham Metropolitan Borough Council
ONS	Office for National Statistics
OREP	Oldham Racial Equality Partnership
OSFC	Oldham Sixth Form College
OTC	Oldham Training Centre
R&D	Research and Development
RES	Regional Economic Strategy
RMBC	Rochdale Metropolitan Borough Council
RSS	Regional Spatial Strategy
SME	Small and Medium size Enterprise
SQW	Segal Quince Wickstead
SRB	Single Regeneration Budget
TIE	Training Into Employment
UCO	University Centre Oldham
VAT	Value Added Tax