



# Breaking barriers

Research basis for  
pilot activities in  
Greater Manchester

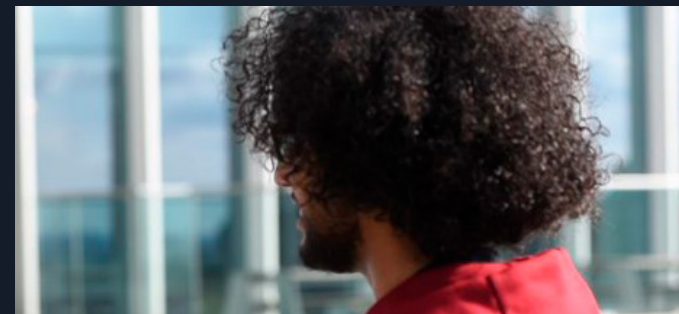


EY Foundation

In 2022, the EY Foundation commissioned Little Lion, an independent researcher, to understand how we can help achieve the scale of change needed to ensure young people from low-income backgrounds can secure meaningful employment in Greater Manchester. This report summarises the key findings from this research.



# Context



Greater Manchester's (GM) economy has grown in recent years, creating high skill, high wage jobs. This growth is forecast to continue. However, 16-19-year-olds in GM from low-income backgrounds risk being excluded from these opportunities. This group tend to have grown up in areas of low educational attainment, shutting off access to the best careers. They are not always aware of the training opportunities available to them<sup>1</sup> and face financial and social barriers<sup>2</sup> that mean they are less likely to go to university than their peers living in GM's southern boroughs<sup>3</sup>. If these inequalities persist, it will hinder GM's ambition<sup>4</sup> to deliver a fairer and more prosperous region which benefits all residents and neighbourhoods.

## A new approach is needed to support GM's young people from low-income backgrounds into work.

This report has been commissioned to help EY Foundation understand:

- ▶ The number and profile of young people from low-income backgrounds in GM
- ▶ The policy areas where a new approach would deliver impact for these young people

- ▶ What a new approach needs to include to effectively support young people from low-income backgrounds in GM into good quality training and employment

The report draws on a wide range of data, and consultations with GM businesses, training providers, policymakers, and support organisations.

1. For example, the Youth Voice Census 2022 reports that young people are most likely to rely on parents, teachers, and friends for careers advice, most of whom will not have experienced vocational education. The report goes on to note that: 'Young people would have liked to have received more careers advice and information whilst they were at school. Young people also wanted more support and information about the different routes into employment and further education.'

2. Office for Students, *Place matters: inequality, unemployment, and the role of higher education*

3. Office for Students, *TUNDRA data*, March 2021

4. GMCA, *Greater Manchester Strategy 2021-2031*

# Key findings

There are 30,000 16-19-year-olds in GM living in low-income households<sup>5</sup>. Demographic trends mean this figure will increase over the next decade. Over half of these young people live in GM's central and northern boroughs<sup>6</sup>, which are also areas with low levels of progression to university. Young people who leave education at 18 are more likely to become unemployed compared to a young person with a level 4+ qualification. They are more likely to be in low wage employment, working in sectors that are declining, and in roles which are at greater risk of becoming obsolete due to automation and macro-economic trends. In contrast, young people in GM from more affluent backgrounds are more likely to work in sectors that are expected to grow.

Training providers and policymakers recognise that young people want more flexible learning options. Employers recognise the value they and GM would get from having a more diverse workforce, but they need support to change how they train and recruit staff to achieve this.

The increased prominence of vocational training in national skills policy means the time is right for implementing the changes needed to remove the barriers to training and employment faced by young people from low-income backgrounds.

Effective youth engagement, training, and employment programmes involve employers in the design and delivery of training content and provide trainees with experiential learning opportunities. They include wellbeing support

for learners and help firms to change their recruitment processes. Any new approach should incorporate these design principles.



5. ONS/DWP, Households below average income (HBAI) statistics, 2021

6. ONS/Nomis, Mid-year population estimates, 2020

# Recommendations

A new approach is needed that will support young people in GM from low-income backgrounds into high skill, high wage jobs within GM's financial and professional services (fps) sector, by giving them the technical and soft skills employers want, together with wrap-around support they need to sustain their training and employment.

**Developing this approach will require the collaboration of several organisations from across the region.**



## GM Policymakers

- ▶ Promote level 4 progression pathways to young people and parents, via schools, colleges, and the voluntary sector, within target neighbourhoods.
- ▶ Provide support and funding so that training providers and employers can give young people the training and wrap-around support they need to stay in training and work.
- ▶ Ensure GM's skills strategy and policies highlight the importance of employer engagement, practical learning and wrap-around support in giving GM's young people from low-income backgrounds a better chance of benefiting from the region's growth.



## GM Chamber of Commerce and employers

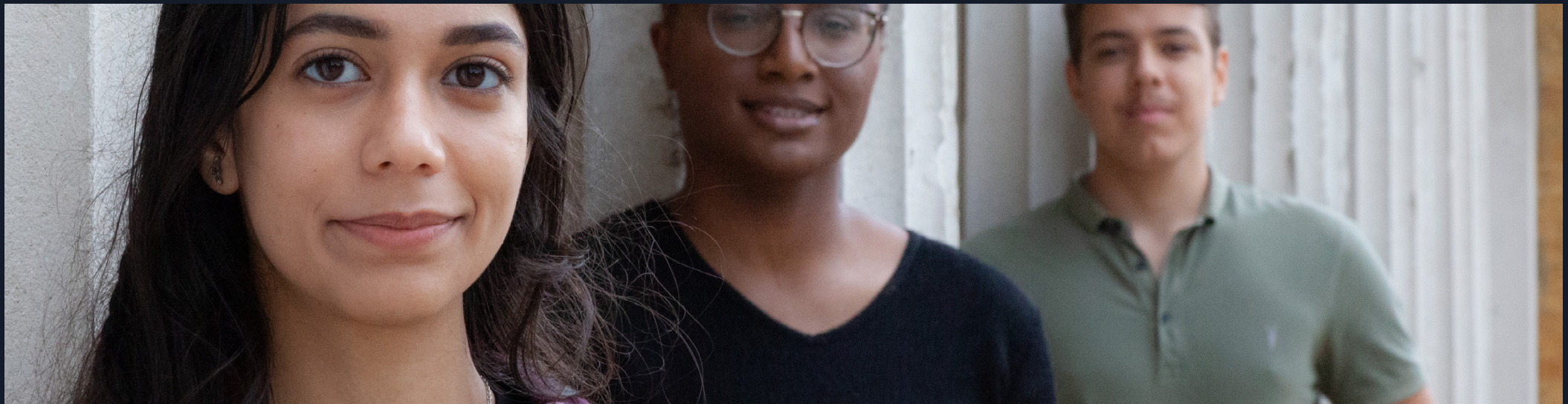
- ▶ GM Chamber of Commerce should ensure that GM's Local Skills Improvement Plan includes youth voice, and articulates the need for experiential learning through work-based placements, wrap-around support and pastoral care in vocational training courses.
- ▶ GM's financial and professional services employers should review and redesign their early years career progression pathways to ensure their recruitment and training methods are more inclusive.



# Next steps

## EY Foundation

- ▶ Secure support for a new approach from GM policymakers, training providers and employers by using the evidence collected through the research to develop a clear plan of action that better supports young people from a low-income background.
- ▶ Match employer needs to young people and providers by gathering insights and co-producing a checklist of best practices to shape employers approach to recruitment and plugging the skills gap.
- ▶ Share employer and youth insights more widely through the Local Skills Improvement Plan to shape provision and shape Careers Education, Information, Advice, and Guidance services.
- ▶ Put in place systems to monitor progress, using the evidence generated to campaign for the new approach to be extended, scaled-up and replicated in other regions.



## The EY Foundation

### About the EY Foundation

The EY Foundation is a UK registered charity that works directly with young people, employers and social entrepreneurs to create or support pathways to education, employment or enterprise. EY Foundation operates and is incorporated independently of EY and is governed by a separate trustee board.

The EY Foundation is a charitable company registered in England and Wales and Scotland with registered charity number 1157154 and SC045076. It is also a member firm of Ernst & Young Global Limited.

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UKC-027224.indd (UK) 11/23. Artwork by Creative UK.