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FOUNDATION will provide a framework and roadmap for regions facing industrial closures, job losses and uncertainty, to develop economic resilience through collaboration.

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GREATER MANCHESTER - OLDHAM REGIONAL ANALYSIS

BUILDING REGIONAL RESILIENCE TO INDUSTRIAL STRUCTURAL CHANGE

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Foundation Introduction

FOUNDATION is an Interreg Europe funded SME Competitiveness project that brings together nine partners in a consortium led by Cork Institute of Technology from 1/08/2019 to 31/07/2023. Presently, across Europe, public bodies are pressed by an increasing need to provide preparatory support to the economic ecosystem in advance of the closure of anchor firms in their region which act as significant employers. The impacts of a closure of course go beyond direct employees and ripple, wave like throughout the regional services sector and economy. Management of such anticipated structural change requires proactive renewal of business approaches and policy supports. Regions are encouraged to introduce pilot projects based on their own strengths and to provide appropriate business supports for the re-alignment of the regional industrial base. This proactive approach by regional stakeholders is critical to building the resilience of these regions and enabling them to adapt to change.

The importance of SMEs and start-ups to the regional economy is widely recognised in terms of the provision of employment, contribution to GDP, driving innovation and supporting regional resilience. It is imperative that the relevant regional stakeholders keep informed, inspired and equipped to provide the appropriate SME and start-up supports, particularly in regions anticipating structural change.

FOUNDATION links its project partners to develop Regional Action Plans and an overall Framework and Roadmap for Anticipated Structural Change. It is imperative that industry players, business support organisations and policy makers understand how their ecosystems work and when faced with shocks (firm closures) to collaboratively develop alternative growth and employment through supportive policies and programmes to boost SME competitiveness. Key project activities included the exchange of experience and learning through interregional events (4 workshops, 4 seminars and 9 study visits).

Foundation Project Partners



Regional Overview

Greater Manchester (GM) is city-region located in north-west England. It has a population of 2.79 million and is home to 10 districts: Bolton, Bury, Manchester, Oldham, Rochdale, Salford, Stockport, Tameside, Trafford and Wigan. GM is governed by the Greater Manchester Combined Authority (GMCA) that consists of 10 indirectly elected members, from each district, and an elected city-region mayor. The GMCA and the GM Mayor are responsible for developing policy to support the economic growth of the city-region. They oversee the delivery of the GMESIF, the 2017 GM Strategy and the emerging Local Industrial Strategy, all of which set the regional policy context for business support within Oldham and GM.

The production of this analysis comes at an unprecedented time for both the UK and Greater Manchester. Over the past 12 months the city region has of course been hugely impacted by COVID-19. Measures that have been adopted to stem the growth of the virus has impacted differently across sectors. Sectors like hospitality and leisure seem to have been hardest hit.

The impacts of Covid have been experienced differently across our city-region. Individual localities, towns and the regional centre have all seen varied challenges and opportunities presented by the outbreak. One of the strengths of Greater Manchester's response to the pandemic was the ability of the system as a whole to respond to that variation and locality led need. Greater Manchester is now putting in place partnership governance to drive, lead and coordinate equalities activity across the city-region to accelerate the speed of our responses, and increase the impact of our activities to respond to evidenced inequalities.

In addition to the COVID pandemic Greater Manchester businesses have also had to try and prepare for the impacts of BREXIT. Following ratification of the Withdrawal Agreement Bill by the UK Parliament and European Union, the UK left the EU on January 31, 2020. A post-Brexit trade arrangement between the UK and EU was agreed on Christmas Eve 2020, and brings with it its own new rules and regulations. At the time of writing it is too early to understand exactly what the impact of this might mean to businesses but Greater

Manchester will continue to monitor the situation and take the appropriate action once the arrangements and impact are clearer. In order to help businesses prepare the Greater Manchester Growth Company has published a 10 point plan that includes measures they can take now:- <https://www.businessgrowthhub.com/eu-exit/ten-actions>

The focus of the analysis is Oldham, located in the north west of England and is home to approximately 220,000 people, 40% of which are between 16 and 44 years of age and one fifth under the age of 15. The Borough covers an area of 55sqm (142 km²) and is made up of the towns of Oldham, Failsworth, Chadderton, Shaw, Royton, Lees and the villages of Saddleworth.

Oldham is a Borough with a deep rooted tradition for enterprise and entrepreneurship evidenced by a strong business base of over 5,000 businesses which span a range of key

sectors including advanced manufacturing, construction, digital and creative and financial and professional services. The Borough is also home to a number of national and international brands and companies including the Mirror Group, Diodes Incorporated, Ferranti Technologies, Trinity Mirror Group, Innovative Technology as well as Oldham Athletic Football Club.

Oldham is located only 5 miles from Manchester city centre and is one of the ten Boroughs that form the Greater Manchester conurbation which is home to approx 2.79 million people. Oldham Council is the project partner on the Foundation project.

Oldham Population Profile and Industry Profile

As of mid-2017, Oldham's population was 233,759, making it the seventh largest borough in Greater Manchester.

Oldham has a higher proportion (22.5%) of non-white Black and Minority Ethnic (BME) residents than in Greater Manchester (16.3%), the North West (9.8%), and England (14.6%). This proportion has increased from 13.5% in 2001¹. The ethnic composition in Oldham currently stands at 77.5% White, 10.1% Pakistani, 7.3% Bangladeshi and 5.1% 'other'.

Oldham has a high proportion (22.5%) of residents aged under 16 and proportionally fewer (15.7%) aged 65 and over. The overall structure of the population has shifted downwards due to the growth in Oldham's Pakistani and Bangladeshi communities, which have younger age profiles.

According to the ONS, Oldham's population is projected to reach 255,200 by 2041 – a 9.2% increase from the 2017 population. This increase will come as a result of improving life expectancy, and the continued growth of Oldham's Pakistani and Bangladeshi communities. Higher fertility rates within these communities, along with some internal and international migration, will be key determinants in the town's future population growth.

Age Structure

The age structure of Oldham is relatively youthful with a high proportion of residents aged under 16 (22.6%) and fewer residents aged over 65 (15.8%). This is compared to the England averages of 19.1% and 17.9% respectively. Since 2001, the population across England has aged, with more people aged over 65 and fewer under 16s. This change has certainly been influenced by an increase in the average life expectancy; however the pattern is somewhat different across Oldham.

¹ *The latest official ethnicity figures are from 2011 census

Population by Ethnic Group

Oldham is predominantly white (77.5%), with Pakistani heritage (10.1%) and Bangladeshi heritage (7.3%) as the largest minorities. Oldham has a higher proportion (22.5%) of nonwhite residents than Greater Manchester (16.3%) or England (14.3%). This value has increased significantly from 13.9% in 2001.

The most recent official data on the ethnicity of Oldham's residents was published in 2011 (census to be updated 2021), but additional localised projections/estimates produced by the Business Intelligence Service have been used alongside these to examine changes over the past five years.³ These estimates suggest that since 2011 Oldham has become more diverse in terms of ethnic composition. There has been further growth in the Pakistani and Bangladeshi communities, in addition to some growth in the white 'other' category – a group primarily made up of Polish and Romanian heritage communities.

Challenges and Opportunities

- **Population Growth** – Increases in Oldham's population will in turn increase demand for universal services. However, it will also bring opportunities for economies of scale, as well as higher funding.
- **Working Age Shrinkage** – Due to Oldham's changing age profile, increases in the proportion (yet relatively steady number) of people of working age may impact on labour supply and GVA.
- **Older People Growth** – it is expected that the number of older people in Oldham's population will grow by 40% within the next 24 years. This will bring major challenges for adult social care and health provision.
- **Increased Diversity** – Changes in Oldham's ethnic composition are likely to affect patterns of residence within Oldham. There may be an increased need to support community relations, particularly within neighbourhoods where ethnic compositions are shifting rapidly.

Business, Enterprise and Competitiveness:

Oldham has continued to undergo economic restructuring, however it has yet to capitalise on the benefits from Greater Manchester's growth. Movement to a high wage high growth economy requires the successful continuation of the Invest in Oldham programme, along with a commitment from the GM Combined Authority to review and prioritise investment sites and business infrastructure in GM North.

Economic sectors

- Oldham's economy has **continued to restructure** with the largest growth in the Education, Motor Trades, Public Admin and transport and warehousing (which is growth within the low skilled employment sectors).
- Employment within the **retail** and **manufacturing** sectors has decreased.

- **Health** is Oldham's largest sector; employing 14.2% of the entire workforce has seen a 20% increase (between 2009 - 2015) but this is starting to slow down (between 2015 - 2017).
- **High value and growth sectors** are under-represented in Oldham.
- **Employment growth** is forecast at 7.9% over the next 20 years (0.37% annually).
- The **public sector retrenchment** has been a challenge and the local labour market is responding with mild growth of private sector jobs.
- Oldham's employment forecasts highlight that the **construction, business services** and **health** sectors will see significant **growth**, whilst manufacturing and jobs with the public sector will continue to decrease.

Business demographics and enterprise

- Oldham has **7,295 businesses** (increase of **1,000** since **2015**) employing **90,000 people** (increase of **9,000 new jobs** since **2015**).
- While most businesses are small to medium enterprises (SMEs), there are **higher proportions of microbusinesses (<9 employees)** than elsewhere, this is offset by a decline in small businesses (>10 employees) perhaps due to economic slowdown.
- In Oldham nearly **30% of all jobs** are provided by a **few large employers**.
- **Business start-up levels in Oldham are increasing** (43 per 10,000 population), but rates are still below GM (80 per 10,000) and England (57 per 10,000).
- Levels of **self-employment** are low, which may be linked to low levels of entrepreneurialism.

GVA and competitiveness

- Oldham's economy generated **£4.1 Billion** during 2018, providing around 6.3% of the total GVA generated within GM. GVA per head in Oldham is the fifth lowest within the region. Productivity in Oldham needs to be a focus for the next phase to include the outcomes of the local development framework
- The GM economy has become an economy of two halves, creating a micro-scale **north/south divide**.
- Underlining this is a lack of local competitiveness. The UK Competitiveness Index showed that Oldham ranked **365th out of 379** local authorities nationwide.

Sectoral makeup of Oldham

Historically, Oldham's economic strength was in manufacturing, especially textiles and mechanical engineering. However, like many other former industrial towns across the UK, Oldham's economy has experienced large scale deindustrialisation, and as a result has undergone significant restructuring. Since 2009, Oldham's **manufacturing sector** has

continued to shrink in size and has lost around 1900 jobs. There has been a loss of 240 jobs in the manufacturing sector alone from 2015 to 2017. There have been significant losses in the Healthcare industry as well as Businesses and Accommodation & Food Services. Jobs within these industries have a combination of low and high skilled individuals.

Not all manufacturing jobs are in fact low paid and there is a presence of more high valued employment often referred to as the “**advanced manufacturing**” sector. Jobs in this sector are often more skilled, more productive and as a result, better paid. Unfortunately this sector has also seen large job losses (-12.7% from 2015-2017), which is a concern for Oldham, as growth in this industry is vital as the economy continues to restructure.

The largest sector in Oldham is **health and social care**, employing more than 12,000 people. This sector has started to decline over the past few years (-21.4% from 2015-2017) with jobs being mainly created in hospital activities and within residential care, both of which are predominantly funded by the public sector. Other aspects of the health sector are showing decline, specifically **residential care**, which has seen a decline in the number of jobs across Oldham. This is likely to be directly associated with reductions to public and organisational funding, where social care has been greatly impacted in Oldham and across the country as a whole.

The **business services** sector has been the other major contributor to job growth in Oldham but has deflated over the past few years. In many ways this growth may be linked to growth of private rented accommodation and of flexible working practices, potentially associated with recent shifts in recruitment practices, e.g. zero hour contracts, and so may not be seen as wholly positive. The professional services subsector has deflated by 20% since 2015.

Along with manufacturing, **retail** has been the other sector where there have been significant job losses. The **accommodation and food services/entertainment and recreation** industry in Oldham has been disproportionately impacted. However, Oldham has seen substantial growth in sectors such as **transport and warehousing (+142%)**, **education (+16%)**, **construction (+9%)**, **public admin (+30%)**, **motoring trade (32%)** and **science R&D & ICT (32%)**. The Business Register and Employment Survey can be subject to inaccuracies due to administrative issues such as umbrella companies, which can distort the figures. Therefore, it is important to use these sectoral figures as a guideline instead of a hard statistic.

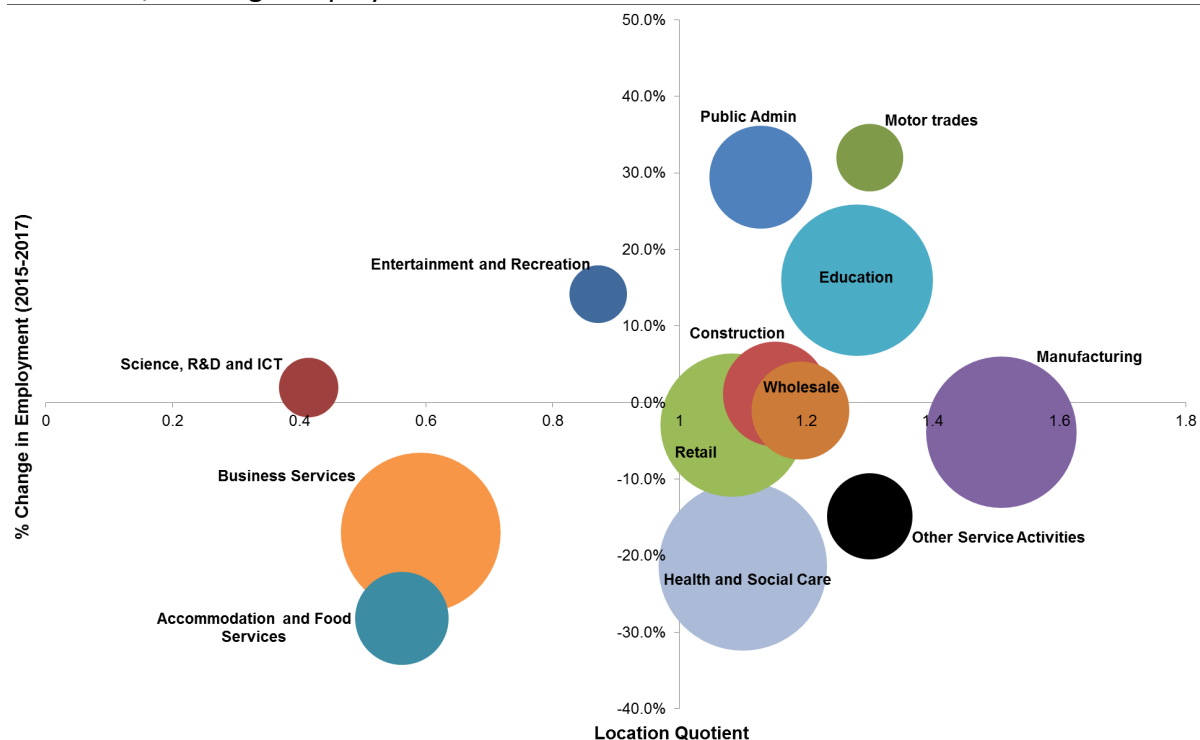
It is evident that Oldham’s economy still remains over-dependent upon relatively low-skilled and low-wage enterprise. Oldham has been slow in making the transition from a centre of industry and trade to a productive and high-value service-based economy. Over the last decade new jobs have been created, but the majority of these have been low value service jobs or low paid jobs within the health sector.

Sector Diversity

It is important that any economy has a broad and varied business base and is not over reliant on any particular sector. A diverse economy is more reliant, stable, and provides greater opportunity for future growth. The chart below compares employment by sector in Oldham with that of England. The closer the bubble is to the point where the axes cross, the greater

the similarity of Oldham's employment composition to that of England. The size of the bubble indicates the percentage of total employment in that sector during 2017.

Several sectors are over represented in Oldham, particularly manufacturing, warehousing, motor trades, education and Wholesale (typically sectors which produce mainly low wage jobs). However, sectors such as Science and R&D, Business Services and ICT (which typically produce more high valued/well paid jobs) are all underrepresented. It is vital that Oldham encourages growth in these high value sectors to absorb the continual employment being shed by manufacturing and retail and move away from an economy that is over reliant on a low skilled/low wage employment.



Forecast Growth Sectors

The Greater Manchester Forecasting Model (GMFM) produced by Oxford Economics provides forecasts on employment growth for all Local Authorities in Greater Manchester. Figure 3 identifies the projected increase in employment numbers over the next 20 years. Oldham is forecasted to lose 1275 jobs in the borough, a decrease of 1.4%. This is significantly worse than the Greater Manchester average (+7.2%) and the UK average (+5.7%) but is higher than Wigan, Rochdale and Tameside.

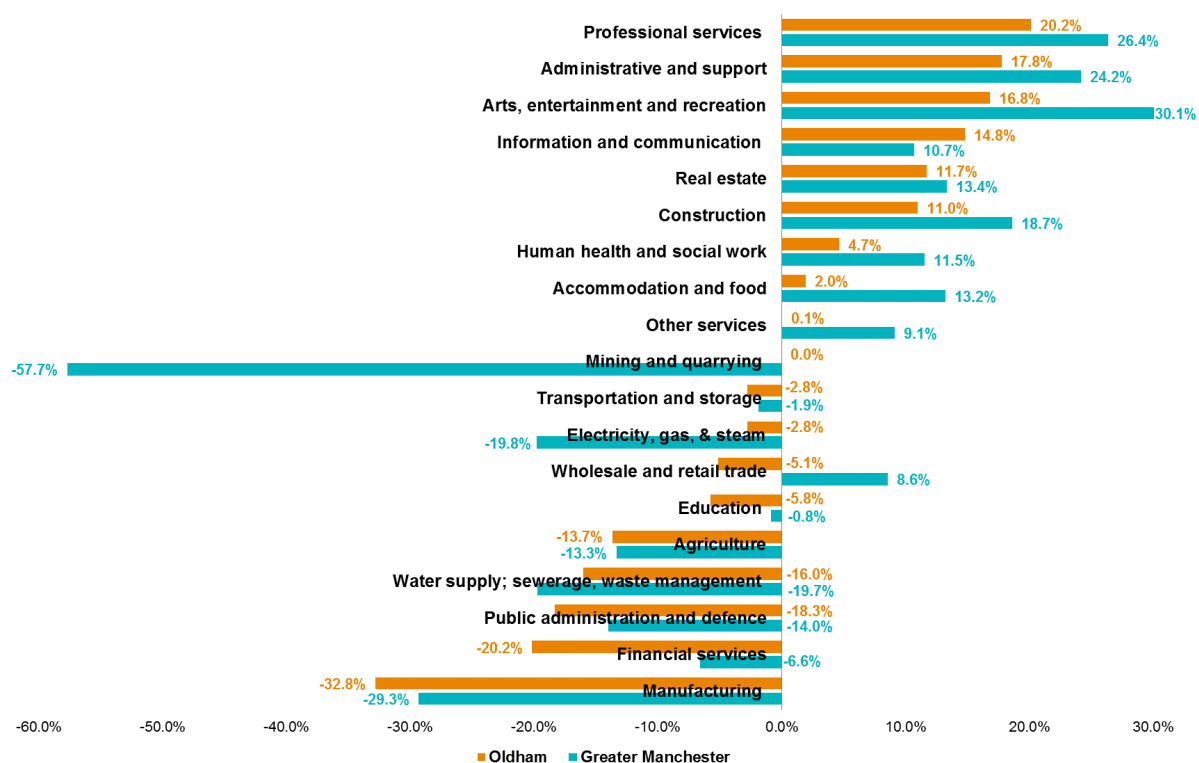
Growth in Oldham will likely take place mainly within the construction, professional services, business services, administrative support with the largest growth to take place in arts,

entertainment & recreation. The manufacturing sector is predicted to continue to shed jobs, whilst there will be less available employment within the public sector. This forecasted growth follows a different pattern across Greater Manchester, where a significant proportion of all growth will be dependent on predominantly business and professional services.

Growth within the professional sector is a positive outlook for Oldham, providing high-pay jobs in a currently under-developed sector. Growth within the administration, health and construction sectors is less positive as Oldham is currently over-represented in both these sectors, and jobs are less likely to be of high value and more likely to have low pay. The impact of these structural changes to Oldham's economy will therefore have minimal impact on raising average wages. (More detail on wage levels will be available in section 2).

It is also worth noting that although manufacturing as a sector is forecast to continue to decline, Oldham does have existing strengths in relation to high value manufacturing and engineering, against which there is the potential to develop and further enhance the Borough's export base.

Growth Sectors in Oldham 2018-2038

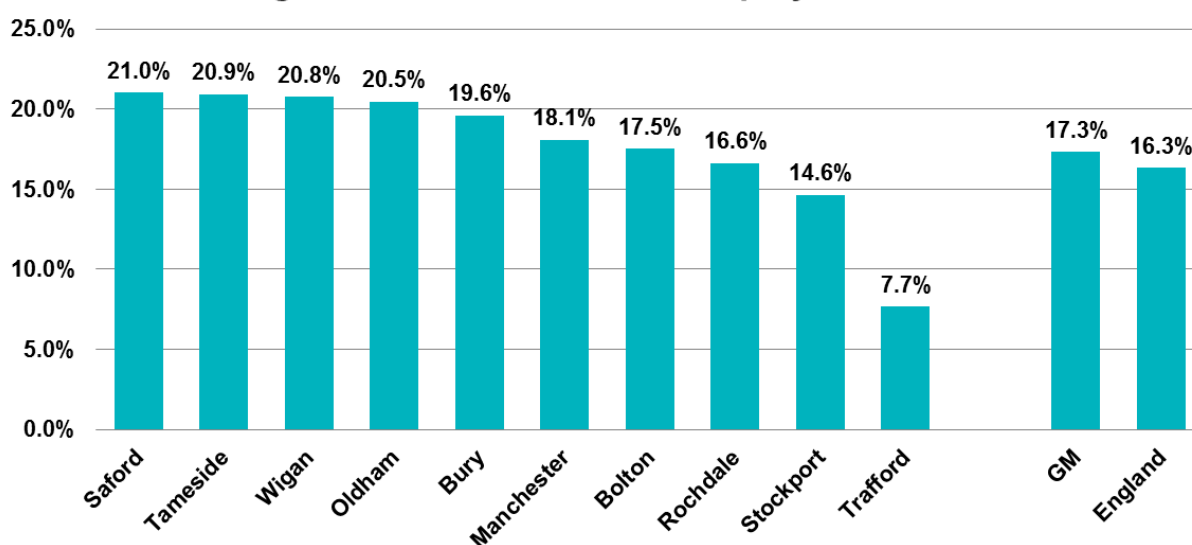


Public and Private Sector Employment

The public sector plays a fundamental role in Oldham's economy, employing thousands of local people. With the third highest rate of public sector employment in Greater Manchester, Oldham has a clear vulnerability to the continued public sector contraction.

The chart below shows that in 2017, 20.5% of employment in the borough is accounted for by the public sector, which is a significantly higher proportion of total employment than in Greater Manchester (17.3%) or in England (16.3%).

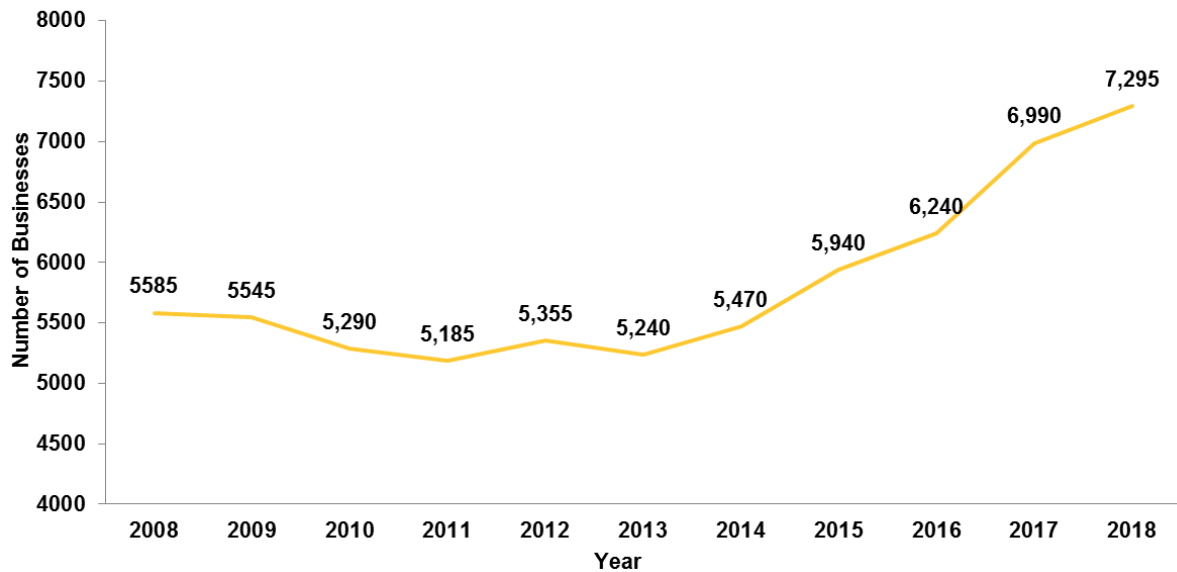
Figure 6 - % Public Sector Employment 2017



Businesses in Oldham

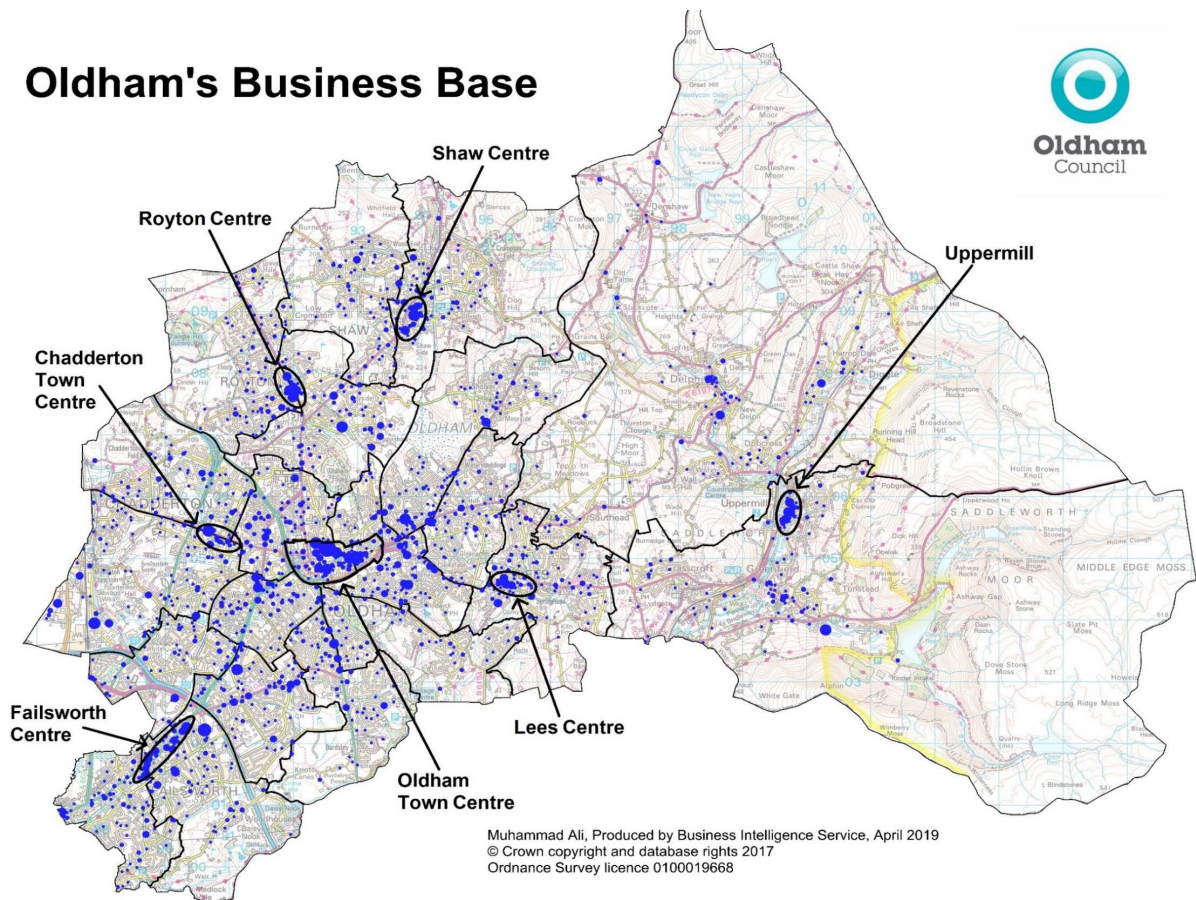
In 2018 Oldham is currently home to around 7,295 businesses² employing around 94,500³ people. As the chart below shows, the number of business within Oldham shrank between 2008 and 2011, as a consequence of the recession, but has showed some resilience since that time with significant growth between 2013 and 2018. This follows a similar pattern to the wider Greater Manchester and England economies. It is too early to understand the impact that Covid might have on the business base in Oldham.

Number of Businesses in Oldham



As can be seen in the graph below, businesses tend to be concentrated in Oldham town centre and district centres, along with key dedicated business zones. Particular concentrations can be seen to the East of the town centre in the area centred around Huddersfield Road and Lees Road.

Oldham's Business Base



Microbusinesses (classified as those with fewer than five employees) make up a large proportion of Oldham businesses (76.1%) - however, they form a lower proportion of Oldham's business base than nationally. At the other end of the scale, Oldham has around 25 large businesses, employing more than 250 people.

Business Turnover

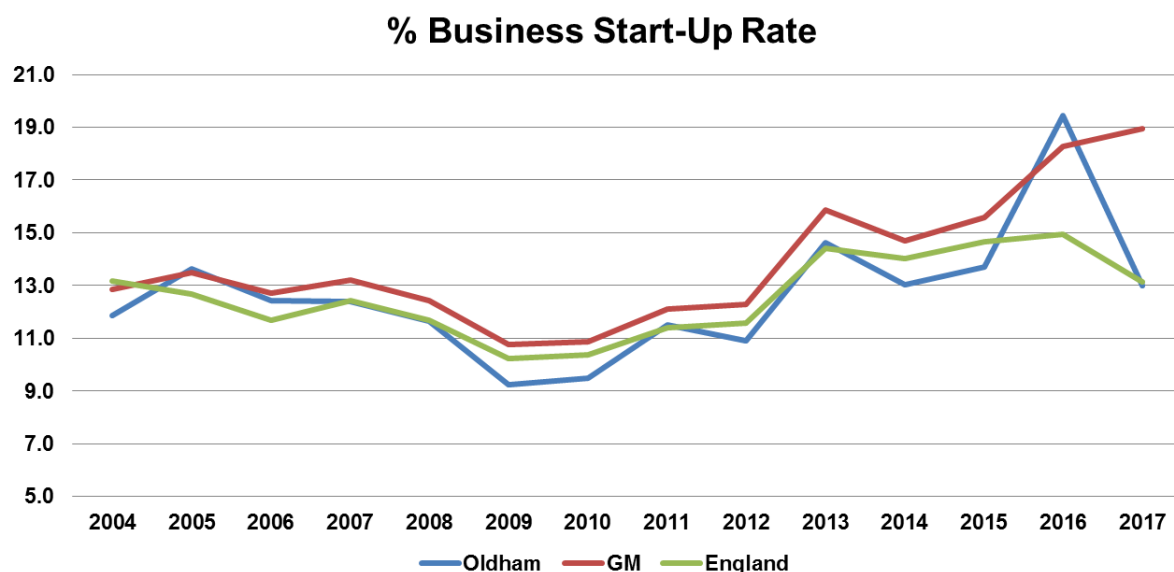
Turnover is a useful barometer in determining the relative performance of businesses. Businesses in Oldham seem to broadly perform similar to those across Greater Manchester and nationally. The largest proportion of businesses in Oldham (32.0%) has a turnover of £50,000 to £99,000. In 2015, the previous largest business turnover business rate in Oldham was \$100,000 to £249-999, which indicates a decline in business turnover in Oldham. The Oldham economy has a higher than expected proportion of businesses with a turnover of £500k to £999k and above (0.4% larger than GM and 0.1% above England).

Business Start ups

Another reason for Oldham's business base not being as competitive or productive as it could be is the large 'enterprise gap' within the borough – with relatively few businesses as a

proportion of the working age population and low numbers of business start-ups (43 per 10,000 population) compared to the GM (80 per 10,000 population) and national averages (57 per 10,000), both highlighting low levels of entrepreneurship in the borough.

Oldham's net growth in business start-ups is still better than other local authorities in GM. However, these businesses will be relatively smaller than those within other local authorities. Business start-up rates have shown a positive trend as the local and national economies have strengthened after the previous recession. It is noticeable that the Greater Manchester start-up rate is higher and continues to be higher than the England start up rate.



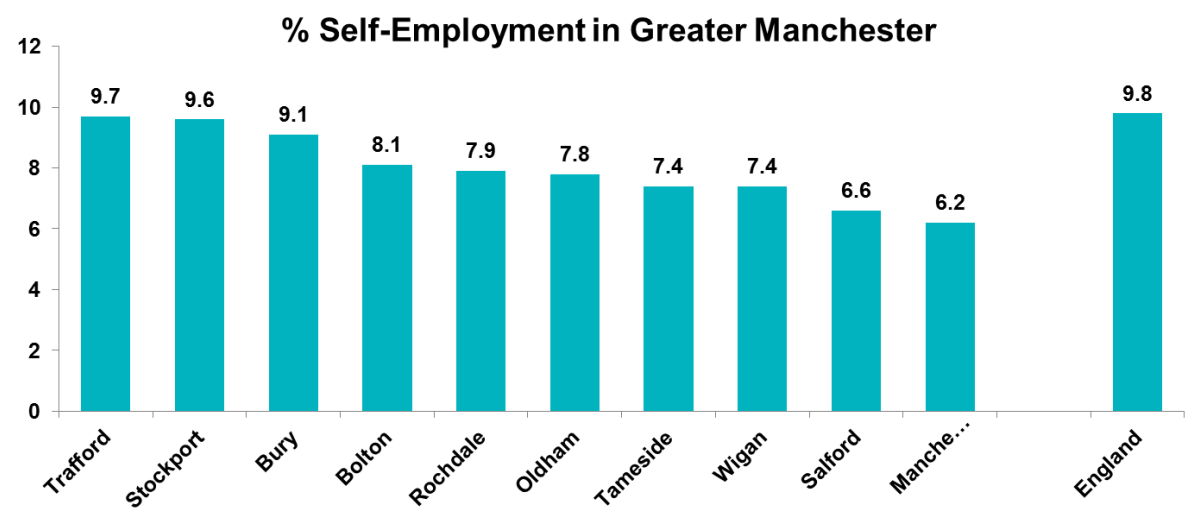
Business Survival Rates

Business survival rates also provide a useful way of assessing the health of new businesses in an area. The table below shows the total number of new businesses created since 2012 and what proportion were still in business each year after.

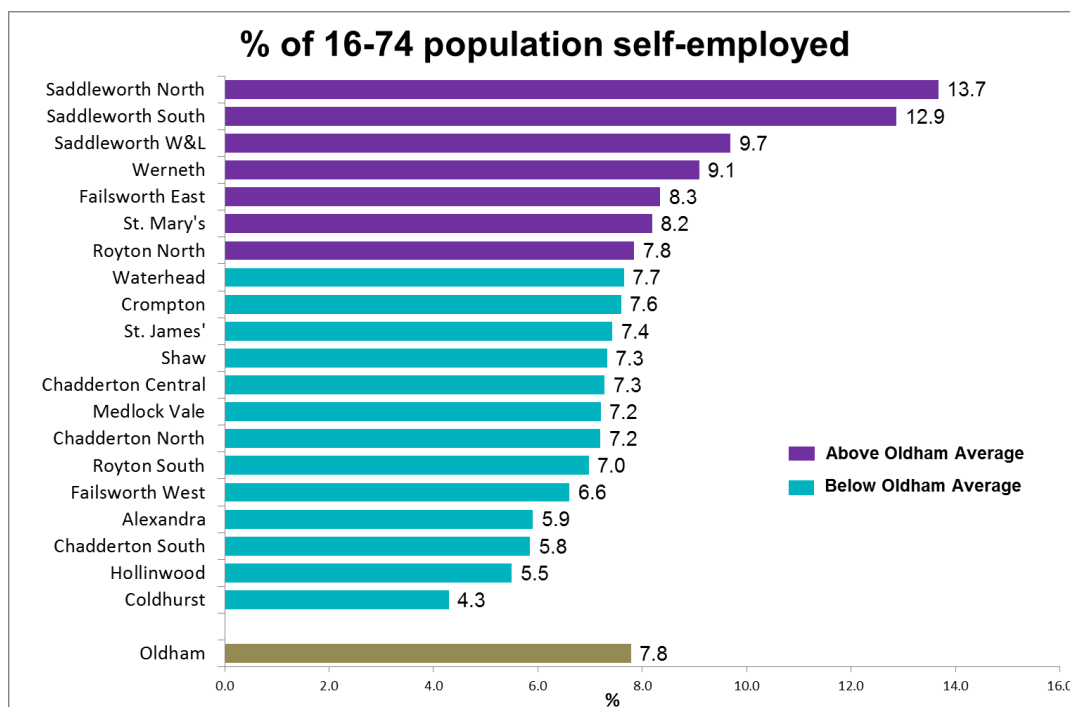
Survival rates for new business in Oldham have been relatively in line with the regional and national levels over the period at around 42%. Oldham has the 4th highest 5 year business survival rates in the GM region (at 43%). Businesses, which survive past the 5 year mark, have a much higher chance of staying active for many years in the future.

Self-Employment

Levels of self-employment can provide an indicative guide to levels of individual enterprise. Oldham (7.8%) has a lower proportion of residents self-employed than national norms (9.8%).



Within Oldham, levels of self-employment vary considerably. High levels of self-employment are often linked closely with areas of prosperity and Oldham's most affluent wards, Saddleworth North (13.7%) and Saddleworth South (12.9%) do have the highest rates of self-employment.



However, high rates of self-employment are not always a sign of healthy entrepreneurship but can be a reflection of the difficulties in obtaining paid employment and the flexibility that self-employment provides. Self-employment within Oldham's Pakistani community has been increasing, with a predominance of jobs found within the transport sector (specifically taxi

driving) and retail. This may explain why two of Oldham's most deprived wards, Werneth and St Mary's; have above average levels of self-employment.

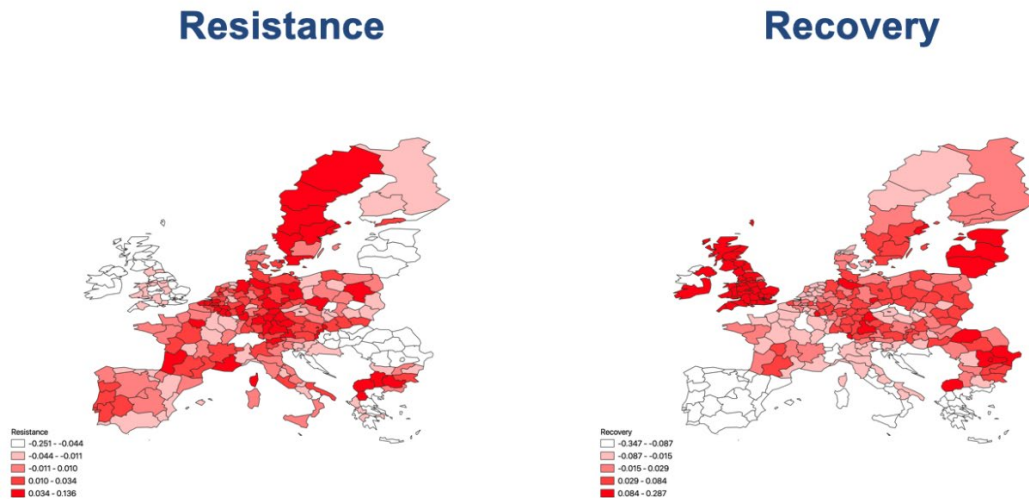
Economic Resilience across Europe

The 2007/8 economic crisis was the most severe shock to global financial markets since the great depression in the 1930s (Bordo and Landon-Lane, 2010; Barranco and Sudrià, 2012). Following the economic crisis there was a re-emergence of interest in how regional economies respond to and recover from economic shocks (Martin, 2012; Fingleton, Garretsen and Martin, 2012; Martin and Sunley, 2015; Doran and Fingleton, 2016). Most uses of the term resilience in economic geography refer to the ability of a region 'to anticipate, prepare for, respond to and recover from a disturbance' (Foster, 2007; 14). There are three main conceptualisations of resilience; engineering, ecological, and evolutionary. Engineering resilience is an equilibrium based notion of how an entity or system is plunged into disequilibrium, and off its steady state, following a shock and can be defined 'how fast the variables return towards their equilibrium following a perturbation' (Pimm 1984: 322). The concept of ecological resilience can be defined as the 'the persistence of relationships within a system and is a measure of the ability of these systems to absorb changes of state variables, driving variables, and parameters, and still persist' (Holling 1973: 41). The region may settle on an inferior path post-shock or recover and assume a superior path post-shock.

However, these two forms of resilience have been criticised as too limiting and evolutionary resilience has gained significant focus in recent years. Martin and Sunley (2015) introduced such a conceptualisation of resilience defining it as a changing process that is adaptive. The adaptive capacities are based on the ability of the region to resist, reorientation, and recover following shocks. Martin and Sunley (2015:13) defined 'adaptive resilience' as 'the capacity of a regional or local economy to withstand or recover from market, competitive and environmental shocks to its developmental growth path, if necessary, by undergoing adaptive changes to its economic structures and its social and institutional arrangements, so as to maintain or restore its previous developmental path, or transit to a new sustainable path characterized by a fuller and more productive use of its physical, human and environmental resources'.

There are four broad ways of measuring resilience; (i) case studies, (ii) indices of particular regions in a descriptive discussion, (iii) Time series analysis focusing on the evolution over time, (iv) causal economic models. In this overview of regional resilience, it is the final approach, causal economic models, which is employed. The conceptualization of Martin and Sunley (2015:13) and Martin et al (2016) is employed to assess the resistance and recovery of regions following the 2007/08 economic crisis.

Figure 1: The resistance and recovery of European Regions to the 2008 economic crisis



In Figure 1 the left hand side shows the resistance to the 2008 economic crisis while the right hand side shows the recovery following the 2008 economic crisis. In both instances the darker red colour shows that that region performed relatively better than the European average at resisting the shock (in the left figure) or recovering from the impact of the shock (in the right figure).

Regional Resilience Oldham – NUTS2 Greater Manchester

The NUTS 2 region of Greater Manchester is located in the United Kingdom. To provide insights into the impact of past shocks on this economy and its relative resistance and recovery following these shocks Figure 2 presents an analysis of the resilience of select NUTS2 regions of the UK. We can observe that the Greater Manchester region is similar to the national average in terms of the impact of the 2008 economic shock but subsequently has a slower recovery post 2009 relative to the other regions.

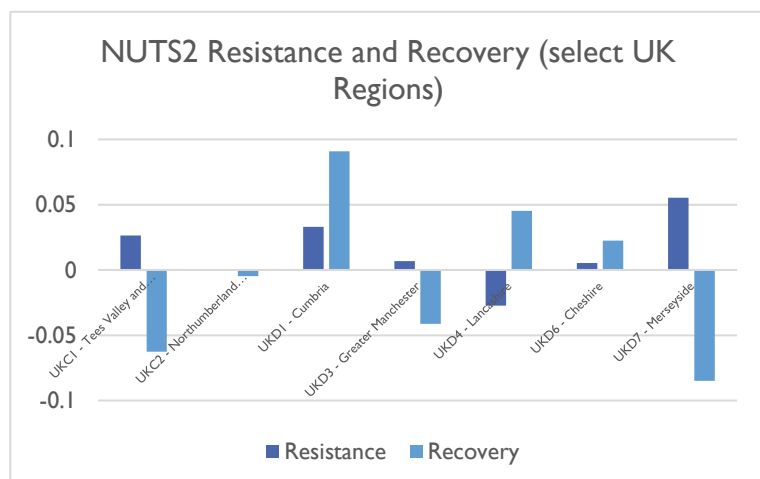
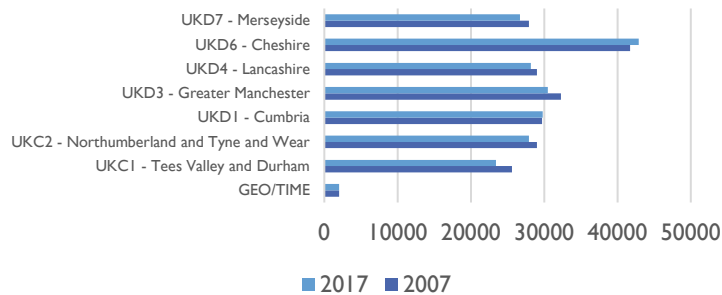


Figure 3 - GDP per capita in 2007 and 2017



The impact of this week recovery coupled with other factors such as Brexit results in Greater Manchester being in a worse position in 2017 than 2007 as can be observed in Figure 3. GDP per capita in 2017 is 86% of the national average. This is a worse position than in 2007, when it stood at 88% of the national average.

The proportion of the workforce employed across sectors in the Greater Manchester region is very similar to that of the overall UK economy. However, there are slightly more people employed in the wholesale and retail trade sectors of the economy with a lower proportion employed in the arts sectors.

Figure 4 - Proportion of employment by sector

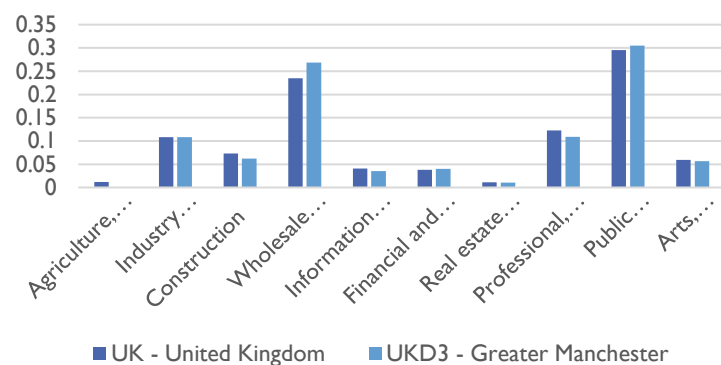
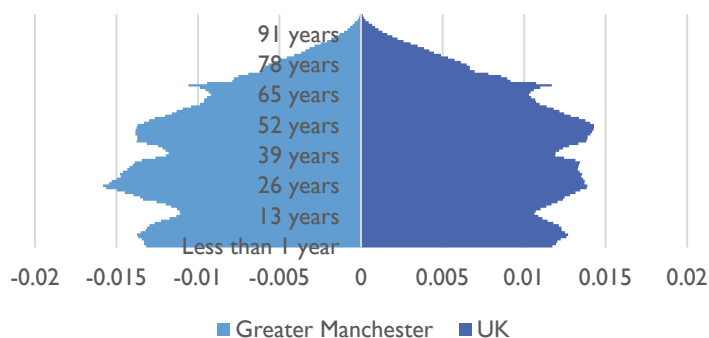


Figure 5 - Age profile of region



The age profile of the Greater Manchester region is similar to the national average, with the average age only being two years younger than the national average. The average age is 38 years old.

Regarding the engagement of the region in high-technology employment, Figure 6 compares the Greater Manchester region to the national average over the period 2008 to 2018. It can be noted that the region begins with a relatively lower levels of employment in high technology sectors but converges with the national average.

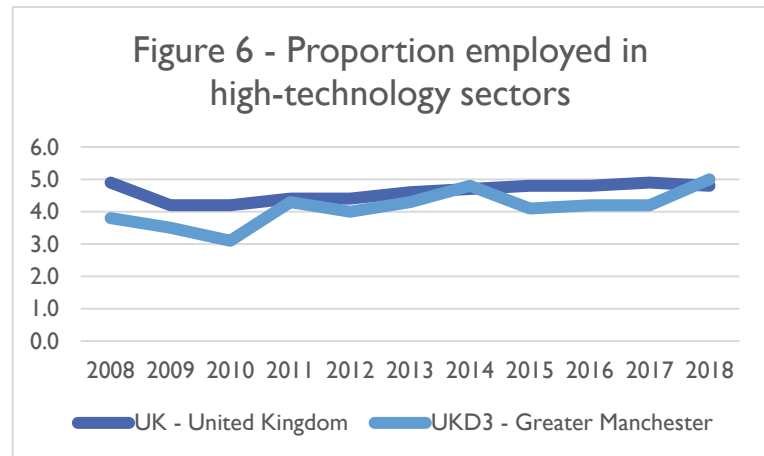


Table 1 below presents a brief comparison of the regions participating in this project. Significant variations can be observed across the regions with the Southern region of Ireland standing out with an exceptionally high level of GDP per capita and high-tech employment. While the Podkarpackie region of Poland has the lowest level of GDP per capita while the Vidurio ir vakaru Lietuvos regionas of Lithuania has the lowest level of high-tech employment as a proportion of employment.

Table 1: Comparison of Study Regions

Region	GDP - 2017	High Tech Employment - 2018
FI1D - Pohjois- ja Itä-Suomi	33,800	4.10%
UKD3 - Greater Manchester	30,500	5.00%
IE05 - Southern	74,700	7.40%
LT02 - Vidurio ir vakaru Lietuvos regionas	12,400	1.50%
PL82 - Podkarpackie	8,500	2.10%
HU22 - Nyugat-Dunántúl	13,400	3.90%
AT31 - Oberösterreich	43,100	3.00%
ITC2 - Valle d'Aosta/Vallée d'Aoste	35,200	3.30%
ES62 - Región de Murcia	20,600	1.60%

Key Policy Players

Oldham Council - Oldham, as part of Greater Manchester is developing its Covid19 Economic Recovery Plan with a view to a complete re-imagining of its economy. The plan sets out three key stages that are required to meet the economic challenges that the pandemic has created.

The first, **Response stage**, has simply been engaging with the business community, providing business grants, advice, guidance and promoting other fiscal packages such as the Government's loan schemes. This phase is expected to last until September 2021 and is concerned with reducing loss of businesses and jobs.

The second stage, **Recovery**, supporting businesses to re-open, re-engage pre-covid marketplaces, aiming to return to a "Business as usual" mode, provide re-training, redundancy support to citizens.

The third stage, **Renewal**, recognises that the "economy" has changed forever, for many companies and citizens, business is beyond usual, with new opportunities and new ways of working now existing. This recognises that some businesses innovated and changed and will require additional support and finances to restructure, for others it will focus on new opportunities which will open up post-pandemic. If policy is targeted and enacted correctly, this can dynamically change places.

The first Oldham Strategic Investment Framework (SIF) was published in 2016 to set out the Council's economic and investment ambitions, vision and objectives over a four year period. In 2019, Amion reviewed the priority economic sectors for Oldham and assessed the Borough's designated Business and Employment Areas and Saddleworth Employment Areas (BEAs and SEAs) as part of a SIF Refresh to see how they could accommodate the identified sectors. The sectors identified as being key for Oldham were: construction, health and social care, digital, manufacturing subsectors and logistics

The work concluded that some of the Borough's BEAs and SEAs may not be attractive to any priority sector and some may be attractive to one or two of the sectors. However, three of the BEAs were singled out for having the greatest potential to attract and accommodate priority sectors. They were: Foxdenton, Hollinwood and Greengate, all adjacent to the M60 and Manchester City Centre.



The map shows the remaining mill buildings lying within the BEAs identified as having the greatest potential to accommodate priority sectors.

New opportunities – New ways of thinking.

The Renewal stage will work across the key sectors developing business-led solutions, some will require financial and skills analysis in order to sustain transitioned business models. However, beyond the new ways of working there are also new opportunities. For example, the Green Economy will be boosted by the Government's commitment to decarbonisation. To support the economic recovery, the Chancellor announced a £3bn green investment package that was aimed at supporting the creation of an estimated 140,000 green jobs and targeting 600,000 beneficiaries through building energy efficiency improvement works. The package includes:

- £2bn Green Homes Grant scheme to upgrade the energy efficiency of homes in England of £500m of this funding will be delivered through local authorities to support low income household with up to £10k upgrades (£200m in Phase 1, £300m in Phase 2 later in 2020).
- £1bn public programme to make public buildings, including schools and hospitals across the UK more energy efficient
- £50m pilot funding for innovative approaches to retrofitting social housing at scale

This alongside, existing commitment for the city region to be carbon neutral by 2038 The retrofit and construction pipeline needed to meet these targets will require 62,000 homes to be retrofitted per annum. In spite of this, there is still a lack of analysis in terms of local capacity for companies to meet these targets and deliver these programmes.

The Oldham Action Plan will focus on this emerging opportunity and how we can create the business space that will allow for growth. It is clear that we will not be able to simply reopen the economy along the lines of business as before, so we will be examining how other regions

have approached a restructuring following major disruption. Examples have already been discussed following the departures of Ford and later Microsoft in Cork. In planning the development of the Action plan we are about to commission initial development work and as such we are proposing that a research programme is carried out to do a deep dive into the local Green Economy, examining capacity, capability, ambition and barriers.

GMCA

Greater Manchester is one of the country's most successful city-regions. Home to more than 2.8 million people and with an economy bigger than that of Wales or Northern Ireland. Our vision is to make Greater Manchester one of the best places in the world to grow up, get on and grow old. We're getting there through a combination of economic growth, and the reform of public services.

The Greater Manchester Combined Authority(GMCA) is made up of the ten Greater Manchester councils and Mayor, who work with other local services, businesses, communities and other partners to improve the city-region.

Bolton, Bury, Manchester, Oldham, Rochdale, Salford, Stockport, Tameside, Trafford and Wigan have worked together voluntarily for many years on issues that affect everyone in the region, like transport, regeneration, and attracting investment.

The GMCA and the GM Mayor are responsible for developing policy to support the economic growth of the city-region. They oversee the delivery of the GMESIF, the 2017 GM Strategy and the emerging Local Industrial Strategy, all of which set the regional policy context for business support within Oldham and GM. There is a new plan for Greater Manchester. It's our Greater Manchester Strategy, called **Our People, Our Place**. It has been written by all 10 councils, the Mayor, the NHS, transport, the police and the fire service, with help from businesses, voluntary, community and social enterprise organisations, and members of the public.

GMESIF is the Oldham policy instrument and this is managed by the GMCA. It was developed to recognize that EU structural funds will contribute towards a much larger investment programme and as such the GMESIF sits above the other suite of investment policies such as the GM Strategy and the Local Industrial Strategy. The GMESIF is a wide ranging general policy programme that allocates the GM ERDF and ESF funds to more general areas of activity. Project allocations are then measured against these more detailed industrial policies, so in effect the GM Strategy and Local Industrial Strategy are the implementation programmes for the GMESIF. The Innova Foster project has helped us to develop a programme that will help shape delivery of all three of these policies, but principally the GMESIF changing and shaping delivery of the ERDF allocations included in it. Oldham Council met with the Managing Agency to discuss our approach and they felt happy to endorse our action plan, recognizing the influence it will have on the GMESIF allocations.

The GM Strategy sets out an ambition to make GM one of the best places in the world. It's an overarching strategy that simultaneously addresses education and skills, wellbeing, the environment, work and economic growth through 10 key priorities including: Priority 4: A thriving and productive economy in all parts of Greater Manchester, which in turn was designed to deliver the Competitive Business strand of the GMESIF.

Under-pinning Priority 4 is the ambition for GM to be recognised as one of the best places in the UK to start up, develop and grow business, fostering the spirit of entrepreneurship. Success of which will be measured by increased business start-ups and inward investment, and improved business performance.

This will be reflected in the adoption of activity learned from Innova Foster by the GM Business Growth Hub, who manage a programme of business support activity supported by the GMESIF.

The GM Strategy sets the framework for the emerging GM Local Industrial Strategy (LIS). GM's LIS is designed to deliver an economy fit for the future, with prosperous communities across the city region and radically increased productivity and earning power. The GM LIS aims to create highly productive, innovative and international businesses by strengthening their leadership and management, increasing innovation commercialisation, adoption and diffusion, and raising levels of exports, foreign direct investment (FDI) and inward investment. It states that key to achieving are more strengthened and better coordinated existing business support programmes to enable more local businesses to access them and scale-up, and provide more targeted support including one-to-one advice, mentoring and peer-to-peer programmes.

This action plan will address the GM ESIF policy instrument and the implementation plans by helping to develop a business support offer that will create an eco-system to facilitate business start-up, growth and inward investment. Key outcomes that will be measured as part of this action plan that will be directly impact on these are new business start-ups and jobs created. As detailed in section 5 this action plan will help create 566 jobs and support 90 business start-ups.

If the policy instrument is required to change (following discussion with the lead partner and JS we will discuss the most appropriate alternative with GMCA.

Greater Manchester Growth Hub - Oldham Council has been working with the GC Business Growth Hub (BGH) since 2011 to deliver ERDF supported business support services in the Borough. In that time the GC BGH have developed their service offer beyond their core growth and start-up services to provide support on access to finance, innovation, workforce development, leadership, resource efficiency as well providing specialist expertise for a range of prime capability sectors and markets. They have also developed strong partnerships with key stakeholders, ensuring that they truly work as a 'hub', bringing together the best of both the public and private sectors to support businesses in GM.

The last GM business support programme came to an end in Dec 2018 and a new interim one was delivered from Jan 2019 until Dec 2021. With this in mind, the GC BGH has been working alongside Oldham Council throughout the first phase of the FOUNDATION programme to understand the best practice that exists throughout Europe, how this can help address the GM policy instruments and how it can be integrated into the new GM business support programme to provide the best possible outcomes for Oldham but also transferable across GM.

The GC BGH is developing a new programme of support that will aim to create a thriving and productive economy by unlocking and accelerating the growth potential of businesses across the whole of Greater Manchester. The Business Productivity and Inclusive Growth programme and it will form a key part of our action plan. The programme is developing in-line with the first stage outcomes of the FOUNDATION programme and the peer review that took place in Manchester in Feb 2020 as well as Oldham's Business and Investment Review.

Industry in Decline - Manufacturing



The north-west of England is renowned for its undulating topography with fast flowing rivers and tributaries. The prevailing winds from the west and the south, combined with high annual rainfall and high humidity made the north-west the ideal place for textile manufacture, serving the mills and enabling the finishing of the fabric. Textile mills have been central features of industrial landscapes in northern and western England for over two centuries and, consequently, mills are now perhaps the most characteristic type of historic

building in many northern towns, dominating the landscape and urban conurbations. Textile manufacture has been carried out in Lancashire for hundreds of years, however, its

development as a commercial industry of any scale is a comparatively recent event during the late 19th and early 20th centuries.

During the late 19th and 20th century Oldham was to become the main centre of cotton spinning in Lancashire and the leading mill town of the world during the two great booms of 1873-5 and 1904-8. The area attracted considerable numbers of migrant workers who sought well paid work during a time of high demand. At one point in Oldham there were more looms and Spinning Jennies in Oldham than anywhere else in the British empire. The bottom slowly fell out of the old textile industry, but in parallel another employment base had developed in engineering. And the manufacturing plants that came into their own during the war became the social as well as the economic heart of their communities. These included the huge AVRO's site that saw the development and construction of Lancaster Bombers, eventually changing to British Aerospace and manufacturing parts for the EU Airbus.

Due to the town's prevalence as an industrial centre and thus a hub for employment, Oldham attracted migrant workers throughout its history including those from elsewhere in England, as well as Scotland, Ireland and parts of Poland. The second boom period of the early 20th century saw the construction of 42 mills in the Oldham district and by the 1920s Oldham had built three times as many mills as neighbouring Bolton but in the service of a fundamentally different industry, concentrating on the courser yarn production.

The cotton spinning industry of Oldham had become of national, and potentially of worldwide significance, producing a considerable proportion of the world's cotton. During the mid-20th century there was an attempt to fill the shortfall of workers and revitalise local industries with encouragement of Commonwealth workers from the Caribbean and Indian subcontinent. Oldham now has a high level of people of South Asian heritage, particularly those with roots in Pakistan and Bangladesh.

As Britain's manufacturing base began to decline in the 1970s and especially the early 1980s, however, Oldham was hit again. The engineering plants withered just as remorselessly as the mills had, until cotton-spinning stopped altogether here in 1998. But this time the cut-backs and closures of the old factories came with the bitter twist that there was no new industry to ride to the rescue. Simultaneously, higher education was rapidly expanding nationwide and in spades in nearby Manchester, whose universities now include two of the largest in the country. But for a place like Oldham, which has a further education college but no university, the effect was to export many bright young people to the cities, while offering others vocational training—a poor relation in terms of government attention and resources.

The feeling is that towns like Oldham—places that don't have the benefit of a university in the "knowledge economy"—tend to be "forgotten." More generally, former industrial towns on Manchester's northern fringes, from Ashton to Wigan to Oldham itself, have not benefited from its growth in the way the more degree-educated areas to the south have done, in

particular in relation to employment opportunities. Greater Manchester has, many people here acknowledge, its own north-south divide.

That has been a source of political tension for some time, with council leaders in outlying areas pushing for more focus away from Manchester in a regional 'levelling-up' exercise. The counter argument is that in growing the opportunities areas will create jobs for everyone.

Greater Manchester's approach, despite tensions, has been one based on collaboration. Its combined authority, with Oldham's council leader Sean Fielding leading on skills, approved a £9m grant to the college to expand its construction courses. Oldham's growth sectors are—and need to be—construction, health and social care, digital and business, so the college is trying to skill up the next generation accordingly. There is evidence that, slowly, businesses in the town have been quietly innovating.

One of them, Ultimate Products, started as two men—Barry Franks and Simon Showman—selling suitcases on Oldham market in 1997. It now has a turnover of more than £100m. The converted mill housing its world headquarters is an Aladdin's Cave of household goods you would never know were distributed from, or developed, branded, even designed in Oldham: Russell Hobbs kettles, Salter kitchenware.

Marketing director Craig Holdham admits they could have long ago moved to a distribution hub somewhere on the side of the M6, but chose not to. "Oldham is a fundamental part of our history," he says, adding how crucial the conversion of the two mills was to the growth of the company

The remaining textile mill stock is fundamental to the history and growth of the Borough given the key role it played in the industrial revolution. A number of mills across the Borough continue to provide low cost premises for certain employment uses and provide opportunities to provide modern day and fit for purpose employment premises through refurbishment or redevelopment. The existing mill stock can therefore clearly make a contribution to established economic sectors across Oldham, as well as future requirements in terms of new business start-ups capitalising on agglomeration benefits of wider Greater Manchester sector growth.

By nature of their size, many of the mills lend themselves to use as storage and distribution facilities or factories for other purposes. This intensity of use often causes conflicts with neighbouring residential uses, resulting in high volumes of heavy traffic, associated noise, odour and activity.

The LEA indicates that although Oldham has continued to undergo economic restructuring in recent years but it has yet to capitalise on agglomeration benefits from Greater Manchester's growth. The LEA suggests that movement to a high wage, high growth economy requires the

successful continuation of the Invest in Oldham programme, along with a commitment from the Greater Manchester Combined Authority to review and prioritise investment sites and business infrastructure in northern Greater Manchester. However, there is a shortage of sites within the Borough and as a result the Council is starting to explore the potential of its remaining mills stock.

The remaining mills across Oldham provide clear symbols of the industrial heritage of the town and help define the distinctive character of the Borough. The prevalence of large scale mills and their distribution across the Borough ensures that they are permanent and ubiquitous reminders of the importance of the town as the main cotton spinning centre in Lancashire thereby helping to define local identity and a clear sense of place.

However, some mills have been derelict for many years or are underused with upper storeys not in use, which puts them at risk of falling into poor condition, making conversion more difficult in the future. They are also often close to existing residential properties and may not always be in the best location for their use. The mills are an important resource; however, they need to be managed to ensure a sustainable economic future in making the best use of the mills going forward.

The recently produced *Engines of Prosperity- New Uses for Old Mills* applied standard office floor space densities to empty mills across the north west of England floor area, the North West's vacant textile mills have the capacity to generate approximately 133,000 new net additional jobs (equivalent to £6bn of GVA per annum) or 25,000 new homes assuming an average home size of 79 sq m in line with the average unit size at The Cotton Works, Bolton. This offers the potential for mills to be an important means of accommodating the North West's growth needs.

Oldham is keen to capitalise on the opportunities that may arise from the vacant mills, however there has never been any strategic framework that allows an examination of the potential for each mill. There is no understanding around which ones have high, medium or low (no) potential.

Oldham Council is currently preparing a study of all of the vacant mills in the borough. The majority of the remaining mill stock is located within designated employment areas or within existing industrial / trading estate locations and is currently in active employment generating use providing accommodation for single tenants (e.g. storage and distribution warehouses) or low cost premises for a number of businesses within an individual mill.

There are however inevitably some mill buildings within established employment areas that are underutilised, particularly the upper floors, or which may become vacant in the short term, for example at the end of a lease period or due to business failure, which may become more prevalent as the wider economic impacts of COVID-19 become clearer. It is apparent

that the existing mill stock can provide low cost premises within established employment areas that could prove attractive to a number of employment sectors to help meet economic needs over the Plan period and beyond.

Conclusions – Goals for Policy Learning

The Mills Strategy is limited to a desk top study of the potential of the current redundant mills in generating employment uses. Given the limitations of the study, this exercise merely seeks to provide a high level overview of the economic potential of each mill based upon a limited range of criteria relating to heritage, condition, suitability, allocation and strategic location. The exercise is not therefore intended to provide a detailed appraisal of the suitability or viability of the conversion of individual mills to alternative or new.

Oldham Council should therefore undertake more detailed study on the economic potential for the remaining stock. These mills have often secured an appropriate viable use appropriate within their wider land use setting and, as such, continuation of the existing use will overwhelmingly represent the most sustainable option for those mills going forward. Individual mill buildings / sites could also provide suitable locations to support priority economic sectors within the Borough, particularly those that are well-related to Manchester and the motorway network with the designated BEAs to the west of the Borough. This could include providing premises and sites for the logistics; manufacturing sub-sectors; digital industries; financial and professional services; as well as the Green Technology Services sector.

This report therefore recommends that a supportive environment should be developed in order to maximise the contribution that suitable mill sites within appropriate and attractive locations can make to supporting established and emerging key sectors within Oldham through both a positive planning regime and other support mechanisms. This could include the inclusion of mill sites within identified Green Business Districts and providing business rates incentives for the occupation of mills by new and relocating businesses, where appropriate.

The Local Diagnosis that was developed in the run up to the Oldham and Greater Manchester presentation of this document gave us an opportunity to baseline existing activity for supporting businesses. It helps highlight any perceived gaps in the support ecosystem, and recommend good practice from partners that would help solve those gaps. This will be informed further by the developing Covid Recovery Plan currently in preparation by Oldham Council.

Oldham, as part of Greater Manchester is developing its Covid19 Economic Recovery Plan has developed a three stage plan with a view to a complete re-imagining of its economy.

The plan sets out three key stages that are required to meet the economic challenges that the pandemic has created.

The first, **Response stage**, has simply been engaging with the business community, providing business grants, advice, guidance and promoting other fiscal packages such as the Government's loan schemes. This phase is expected to last until September 2021 and is concerned with reducing loss of businesses and jobs.

The second stage, **Recovery**, supporting businesses to re-open, re-engage pre-covid marketplaces, aiming to return to a "Business as usual" mode, provide re-training, redundancy support to citizens.

The third stage, **Renewal**, recognises that the "economy" has changed forever, for many companies and citizens, business is beyond usual, with new opportunities and new ways of working now existing. This recognises that some businesses innovated and changed and will require additional support and finances to restructure, for others it will focus on new opportunities which will open up post-pandemic. If policy is targeted and enacted correctly, this can dynamically change places.

This Renewal phase has been identified in line with the ambitions of the GM Strategy and GM LIS which as well as identifying the need for a comprehensive business support offer, also highlights the need to close the productivity gap especially in towns like Oldham when compared to those in the south of the city region, which in part can be achieved by encouraging businesses to access start-up and growth support via a simple and effective engagement process. This action has also been shaped by the Oldham Peer Review but enhanced during the period of COVID and the good practice we saw from partner regions. The Inclusive Entrepreneurship Model engages with and targets specific groups of people to ensure maximum take-up and impact of the support. This is something that FOUNDATION has inspired, the adoption of this action whereby all businesses have access to support in Oldham and specific businesses are being identified, targeted and account managed to maximize business engagement, support take-up and business growth. The Inclusive Entrepreneurship Model is a package of support that uses physical and on-line channels to provide differing levels of support, offering both individual and group coaching in cooperation with the city's ecosystem. It will enhance 4 levels of support:

- Universal - that is open to everyone. This starts with a welcome session where all the available on and off-line support tools are presented. All the attendees can then access different services according to their needs including: personalised advice from

entrepreneurship experts, online toolkits, business plans, information about legal procedures, access to funding and market intelligence and training seminars.

- Blended – a combination of on-site and on-line services provides the model with a flexibility for those entrepreneurs facing mobility and time restrictions.
- Tailor made - programs designed for those groups that face specific hindrances due to their social/personal circumstances.
- Integrated - it has the ability to refer those who reach out to Business Advisor but are not ready to start a business to other services (i.e. those offered by the employment or training deps).

The Model is implemented in permanent contact with the different stakeholders operating at economic and social levels, which enables to adapt to the changes of the society and economy.

The Oldham Peer Review was also key to developing this action. This action wouldn't have taken place without the FOUNDATION work so far. Participants in our peer review highlighted that Oldham had access to a strong business support offer and were particularly impressed by the quality and breadth of the funded support provided by the GC BGH. However, participants did note that take-up rates of business support could be improved through improved business engagement and raised concerns about the impact that Brexit (and now COVID) could have on local businesses. To achieve the ambitions set out in the GM Strategy and GM LIS, we need to ensure that businesses and entrepreneurs in Oldham are aware of, and access the funded support that is available to them.

The operational delivery of business support was reviewed as part of the Oldham Local Plan with the view to developing an improved model. There are several key drivers behind the evolution a new engagement model. These changes were primarily client driven, but also considered the need to deliver against local policy developments including the revised Greater Manchester Strategy (GMS) and the revised Local Industrial Strategy as well as the emerging national policy framework set out in the Industrial Strategy.

Through this process GC BGH has developed a new mission: *“To create a thriving and productive economy by unlocking and accelerating the growth potential of businesses across the whole of Greater Manchester”*. This vision captures both the desire to create a growing “thriving” economy where the productivity gap identified in the GSM starts to close. It also highlights Greater Manchester’s desire to create a business support programme founded on inclusive growth where localities and individuals across the whole of Greater Manchester benefit from growth and productivity improvements.

As part of these aims Oldham Council is keen to ensure that the opportunities the mills programme will provide will compliment the service provided at a GM level. The Council will aim to ensure that businesses looking to relocate, grow or entrepreneurs looking to start a business are linked to the Investment ambitions of the Borough, which include the business opportunities that the new business spaces in Mills might offer.

The Council's policy aim will be to offer support that will provide a single point of contact, an introduction to the Borough and it's offers, support to find appropriate premises, support in recruitment, access to relocation finance and connections to other business opportunities from our private sector networking groups.