



Delivering local economic value through Capital Programmes and Apprenticeships

Exploring the cost-benefits of the Manchester People into Construction Scheme:

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Key results of 2010 research

- MCC spent £357,382,215.03 upon its top 300 suppliers (08/09)
- MCC spent £183,967,557.15 upon Manchester based suppliers (51.5%)
- £43,164,744.32 is spent in Ardwick
- £87,541,509.18 is spent in Manchester neighbourhoods in 10% most deprived nationally
- £309,055,609.74 (86.5%) is spent in Greater Manchester
- All suppliers re-spent £89,345,553.76 in the Manchester economy
 - This equates to 25p in every £1 received
 - Manchester procurement contributes towards the support of 5225 jobs in the Manchester economy
- Range of wider local economic, social and environmental benefits



Implementing recommendations

- Cross-departmental procurement working group
- Network of suppliers
- Engagement with suppliers in area regeneration localities
- Spend analysis for financial year 2010/11
- Outcomes framework development
- Cost-benefit analysis study with Capital Programmes



Key results of 2011 research

- MCC spent £547,382,215.03 upon its top 300 suppliers (53% increase)
- MCC spent £294,836,725.96 upon Manchester based suppliers (53.9%)
- £68,709,428.04 is spent in Harpurhey
- £154,770,295.70 is spent in Manchester neighbourhoods in 10% most deprived nationally (77% increase)
- £497,712,492.26 (90.9%) is spent in Greater Manchester
- All suppliers re-spent £233,422,039.95 in the Manchester economy
 - This equates to 43p in every £1 received



About the MPiC research

- To identify and quantify the benefits of MPiC for:
 - Apprentices, construction partners, MCC
- What value is generated by MPiC?
- What would be lost if MCC didn't invest in MPiC?

Approach

- Focus Groups with apprentices
- Interviews with construction partners
- Cost Benefit Analysis (DWP and National Apprenticeship Service)



About MPiC

- Developed in 2008, generating apprenticeships via Capital Programmes and NWCH.
- 3 year opportunities within admin, trades and management roles.
- A Partnership approach
 - MCC, ASPIRE, Manchester College, Connexions, Construction partners
- **Strategic fit?**
- A total of 114 apprenticeships, 92 of which are currently on placement.
- ASPIRE, Direct employees and FJF



The outcomes generated by MPiC for.....

....the apprentices

- o Practical skills development
- o Greater respect – peers / family / tutors
- o A structure to their lives
- o Understanding of the world of work

....construction partners

- o Enables the achievement of community benefit
- o Risk free, high quality, apprentices
- o Changes perception of apprenticeship



The outcomes generated by MPiC for.....

...Manchester City Council

- Delivers social and economic benefits from procurement
- Raises profile and relationship with contractors



What value is MPiC generating?

Costs

- Manchester City Council - £86,500 per year
- Wages – (Average of £10,665 per person per year)
- Supervisory and training costs to construction partners
- Minimal costs to the apprentice



What value is MPiC generating?

Benefits

- Productivity of the Manchester economy (£11,643 per person per year)
- Reduced welfare benefit costs (£8,100 per person per year)
- Reduced spending of healthcare (£508 per person per year)
- The value of reduced crime (£3,494 per person per year)
- Other softer benefits – Not valued but still important.

A total of £5.46m of social, economic and environmental benefits generated

For every £1 invested an additional £4.74 is generated in social, economic and environmental benefits



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The value of Apprentices to my organisation:

John Shannon, Director of North West, Wates
Stephen Morris, Group Chairman, Crudens



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Discussion at round tables



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Summary from Chair:

Neil McInroy, Chief Executive, CLES



Contact details

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