

Greater Manchester economy: response to crises

Dr Marianne Sensier

Alliance Manchester Business School, The University of Manchester

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Summary

In this report, I assess the depth of economic scarring in Greater Manchester (GM) from the coronavirus pandemic recession and the 2008 global financial crisis. I analyse the business cycles in output and employment in the GM boroughs to see how they have recovered following each crisis. This report accompanies a [Greater Manchester Dashboard](#) of statistics.

- Following the 2008 global financial crisis Greater Manchester's economy recovered with a smaller hit to output (-4.1%) than the national economy (-4.4%). This concealed larger output falls in GM boroughs with the largest hit to Wigan (-7.6%) between 2007 and 2009. Tameside took the longest to recover its output pre-recession peak in 2017 (ten years).
- GM employment following the 2008 global financial crisis experienced a longer recession (three years compared to one year nationally) with greater fall of -2.3% compared to -1.6% for the UK as a whole. For GM boroughs Stockport experienced the biggest fall in employment at -9.5% and has not recovered (lower now than it was in 2004).
- The COVID-19 pandemic led to loss of UK output from peak business cycle turning points to trough of -21.6%. The ONS estimated the fall in the North West of England output was slightly less at -20.8% with a recovery underway.
- The Greater Manchester employment series is yet to regain its pre-pandemic peak level but the boroughs of Manchester, Bolton, Bury and Wigan have recovered. Within employment the number of self-employed workers have fallen substantially in all boroughs.
- The monthly ONS real-time information for GM employees on company payroll has grown at a faster rate than the UK and North West since 2014. Manchester and Salford gained 25% additional employees over 7 years. All the employee series across GM have recovered.

Introduction

The coronavirus pandemic has shone a spotlight on the inequalities in our society. Those in comfortable jobs have largely been able to work remotely from home. Those in precarious sectors and occupations have lost the most, particularly in deprived communities.

In this report, I interrogate sub-regional data to investigate the extent of economic scarring that Greater Manchester has sustained following the 2008 recession and during the coronavirus pandemic. I analyse the business cycle in output, employment, unemployment, weekly wages and house prices.

Noting the tighter restrictions imposed on Greater Manchester since the easing of the first lockdown in July 2020 I will discuss the scale of the policy response with reference to future policy priorities around the COVID-19 recovery and “levelling-up”.

GM business cycle resilience since the 2007-8 global financial crisis

The financial crisis had an immediate impact on the real economy with business closures, job losses, reduced working hours and pay freezes throughout 2008 and 2009. I review the impact of the 2007-8 global financial crisis to Greater Manchester boroughs. In a 2020 [Policy@Manchester blog](#), I worked with colleagues to examine the resilience of UK regions’ recovery from the 2008 financial crisis and we found that the South East and South West of England had been the most resilient regions, the North West had medium resilience and the North East and Yorkshire and Humberside were the least resilient English regions (along with Northern Ireland). When we examined sub-regions we found most resilience to the 2008 financial crisis within the South East along with Bristol, Cumbria and Aberdeen. Greater Manchester (GM) had medium resilience with slower recovery in output. GM also had a longer recovery in employment but then higher growth from 2012. Employment growth in GM was not matched by increases in labour productivity, suggesting increases in low-wage employment.

Table 1: GDP business cycle phases in Greater Manchester over 2008 financial crisis

Place	Peak Date	Trough Date	Loss (%)	Recession Duration	Recovery Date	Time to Recover
UK	2007	2009	-4.38	2	2012	5
North West	2007	2009	-4.28	2	2012	5
GM	2007	2009	-4.08	2	2012	5
Bolton	2007	2009	-5.26	2	2012	5
Bury	2007	2009	-3.89	2	2012	5
Manchester	2008	2009	-2.40	1	2011	3
Oldham	2007	2009	-5.30	2	2014	7
Rochdale	2007	2009	-6.60	2	2012	5
Salford	2008	2009	-4.50	1	2012	4
Stockport	2007	2009	-1.42	2	2010	3
Tameside	2007	2009	-5.05	2	2017	10
Trafford	2007	2009	-6.51	2	2013	6
Wigan	2007	2009	-7.78	2	2014	7

Source: [ONS](#), annual GDP chained volume measures for Local Authorities.

In Table 1 I present the business cycle turning point dates for GDP in Greater Manchester and loss over the 2008 global financial crisis with recovery dates. The Greater Manchester economy reached its peak turning point in 2007 so was in recession for two years, reaching its trough turning point in 2009. The hit to output (-4.1%) was smaller than to the national economy (-4.4%) and the North West (-4.3%).

This conceals larger GDP falls in GM boroughs with the largest hit to Wigan (-7.8%), then over 6% for Rochdale (-6.6%) and Trafford (-6.5%). Manchester and Salford had GDP recessions that lasted one year as they experienced the peak turning points a year later than the national series in 2008. Stockport had the shallowest recession losing -1.4% of output and regaining its pre-recession peak first in 2010, and then Manchester in 2011, both only taking three years to recover peak levels. Tameside took the longest time to recover its pre-recession peak in 2017 (ten years).

Table 2 shows the turning point dates for the employment cycle for the UK and those resident in the North West and Greater Manchester during the global financial crisis. Greater Manchester employment went into recession one year earlier than the national series with the peak reached in 2007; it was then in recession for three

years with the trough in 2010, and experienced a larger loss of employment (-2.25%) compared to the UK (-1.59%) and the North West (-1.64%). The fall in employment in GM boroughs ranged from a shallow recession for Rochdale (-0.1%) with a deep fall for Stockport employment (-9.5%) from the start of the sample in 2004. After an eight year recession in employment to a trough in 2012 Stockport has not recovered its 2004 employment level by the end of sample in 2021. Oldham's employment loss was second highest at -8.9% and Tameside -7.7%. These boroughs took 14 and 11 years respectively to recover their pre-recession peak levels. Manchester and Rochdale experienced short recessions lasting one year.

Table 2: Employment Business Cycle Phases in GM over 2008 Financial Crisis

Place	Peak Date	Trough Date	Loss (%)	Recession Duration	Recovery Date	Time to Recover
UK	2008	2009	-1.59	1	2012	4
North West	2007	2009	-1.64	2	2014	7
GM	2007	2010	-2.25	3	2013	6
Bolton	2007	2013	-5.15	6	2015	8
Bury	2005	2009	-5.31	4	2012	7
Manchester	2007	2008	-3.85	1	2012	5
Oldham	2005	2008	-8.88	3	2019	14
Rochdale	2010	2011	-0.11	1	2012	2
Salford	2008	2010	-6.05	2	2012	4
Stockport	2004	2012	-9.48	8	NR	
Tameside	2007	2011	-7.67	4	2018	11
Trafford	2008	2010	-5.34	2	2014	6
Wigan	2009	2013	-1.92	4	2014	5

Source: [Nomis](#) Employment, all over age 16 years.

Table 3 and Figure 1 shows how real wages in Greater Manchester (nominal wages/ consumer price index) were affected by the 2008 recession. The peak turning point for real wages in the UK and the North West was in 2008, with GM's peak reach a year later in 2009. In 2009 the weekly wage in GM was £578.95 (in 2021 prices), compared to the UK level of £620.21 and North West £584.03. Manchester weekly wages were £568.16 in 2009, only two boroughs had higher wages than the UK in 2009 - these were Trafford (£681.28) and Bury (£633.16). The hit to wages for GM (-

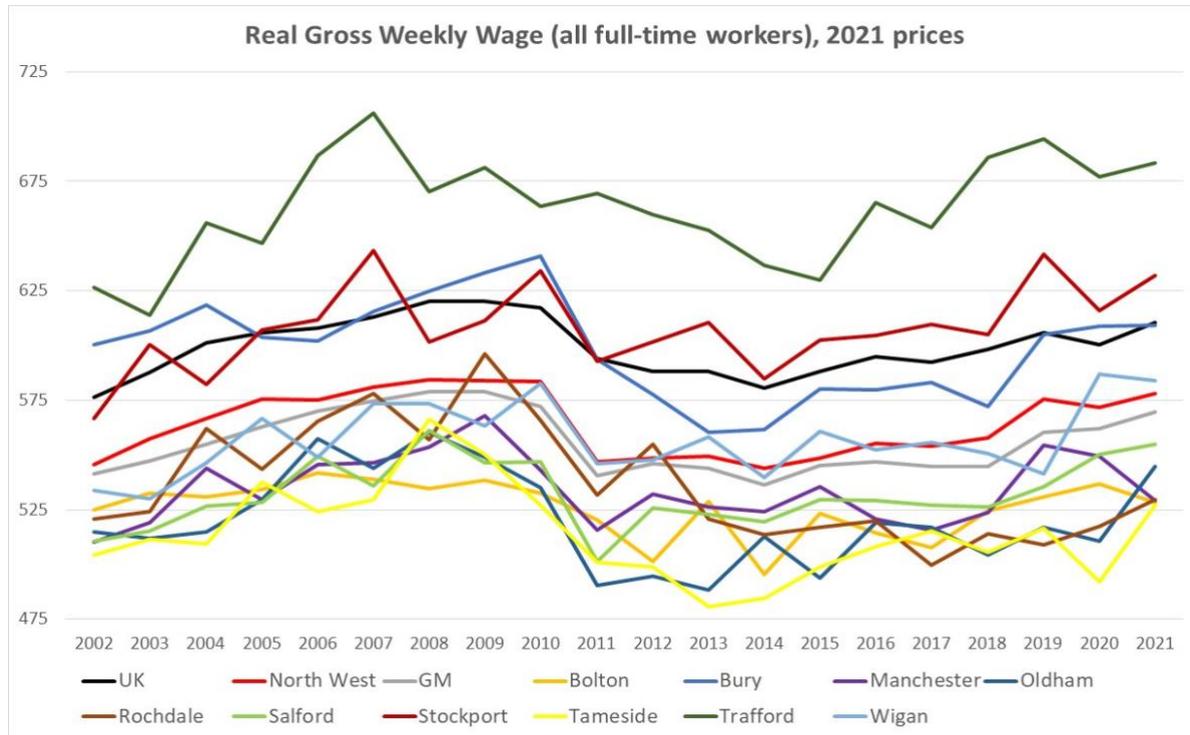
7.3%) was greater than the UK (-6.4%) and the North West (-6.9%). Only Wigan experienced a smaller fall in wages (-6.3%) than GM; this is the only borough to have recovered its pre-recession peak wage level in 2020. The largest fall in wages in GM boroughs was in Tameside (-15.1%), then Rochdale (-12.8%), with Bolton and Trafford experiencing the longest duration wage recessions of eight years until the trough turning points.

Table 3: Real Weekly Earnings Business Cycle Phases in GM over 2008 Financial Crisis

Place	Peak Date	Trough Date	Loss (%)	Recession Duration	Recovery Date	Time to Recover
UK	2008	2014	-6.37	6	NR	-
North West	2008	2014	-6.93	6	NR	-
GM	2009	2014	-7.31	5	NR	-
Bolton	2006	2014	-8.49	8	NR	-
Bury	2010	2013	-12.59	3	NR	-
Manchester	2009	2014	-7.74	5	NR	-
Oldham	2008	2013	-12.79	5	NR	-
Rochdale	2009	2014	-13.85	5	NR	-
Salford	2008	2011	-10.63	3	NR	-
Stockport	2007	2014	-9.10	7	NR	-
Tameside	2008	2013	-15.13	5	NR	-
Trafford	2007	2015	-10.79	8	NR	-
Wigan	2010	2011	-6.26	1	2020	10

Source: [Nomis](#)/ ONS annual survey of hours and earnings - resident analysis. Median weekly earnings for full-time workers living in the area. Real wages are nominal wages divided by the [ONS CPIH](#) index. End of sample 2021. Duration and recovery in years. NR is not recovered.

Figure 1: Chart for real wages in Greater Manchester



Following the financial crisis the coalition government came to power in 2010 and embarked on budget reductions. This reduced local government funding and led to public services cuts, which in turn has been shown [to hit more deprived communities harder](#). For example when we look at the service spending cuts across Greater Manchester ([calculated by the IFS between 2009/10 to 2016/17](#)) Salford had the deepest cut of -45%, then Oldham (-42%), Wigan (-43%), Manchester (-37%), Rochdale (-35%), Tameside (-33%), Bury (-32%), Bolton (-31%), Stockport (-27%) and Trafford (-26%). Communities across Greater Manchester, therefore, entered the pandemic with local government services under strain.

In the [Government's Index of Multiple Deprivation \(IMD, 2019\)](#), Manchester, Oldham, Salford and Rochdale are in the top 20 English local authorities with the highest proportion of neighbourhoods in the most deprived 10% and all these boroughs suffered large cuts to their budgets. The proportion of these deprived neighbourhoods in those four GM boroughs has increased since the IMD (2015), with a 7.8% increase for Oldham. The [IFS \(2021\)](#) note the inequity of these spending cuts as “between 2009/10 and 2019/20, spending on non-education services by the tenth of councils serving the most deprived areas fell by an average 31% per resident, almost twice as much (16% per resident) as among the tenth serving the least deprived areas.”

Economic recession during the COVID-19 pandemic

The coronavirus pandemic emerged from Wuhan, China in January 2020 and the rapid spread of this around the world led the World Health Organisation to declare a global pandemic on 11 March 2020¹. The spread of virus infections in the UK was widely reported in March 2020 and the UK Government imposed a national lockdown from 23 March 2020.

The national lockdown between March and June 2020 meant many sectors of the economy closed down and the subsequent hit to the economy registered in the national accounts by a second quarter fall in Gross Domestic Product (GDP) of 19.5% (19.4% in the North West of England). UK output measured by GDP actually reached its business cycle peak level in the third quarter of 2019, as noted in Table 4. The trough turning point date was reached in the second quarter of 2020, so the national economy was in recession for three quarters and from peak to trough lost 21.6% of output. In the third quarter of 2020 UK GDP bounced back with a 15% quarterly rate of growth but by 2021 quarter 4 (though the ONS monthly GDP series has returned to the pre-recession level) had still not reached its pre-recession peak level². In Table 4 I compare the UK national business cycle turning points with the estimates for the North West³. The North West peak turning point was reached in 2019 quarter 4, one quarter later than national output, and was in recession for two quarters reaching its trough in 2020 quarter 2 losing 20.8% of GDP. The North West is also yet to recover its pre-recession peak level (with the last ONS release of the regional data up to 2020 quarter 2).

Table 4: GDP business cycle phases in UK & North West over 2020/1 COVID-19 crisis

Place	Peak Date	Trough Date	Loss (%)	Recession Duration	Recovery Date	Time to Recover
UK	2019q3	2020q2	-21.6	3	NR	-
North West	2019q4	2020q2	-20.8	2	NR	-

Note: Duration and recovery in quarters. NR means not recovered. **Source:** [ONS](#) UK GDP (YBEZ) and Regional GDP index from [ONS](#).

¹ See <https://www.who.int/director-general/speeches/detail/who-director-general-s-opening-remarks-at-the-media-briefing-on-covid-19---11-march-2020>

² See [ONS GDP release on 11/2/22](#):

³ See [Economic Observatory article comparing all UK regions](#):

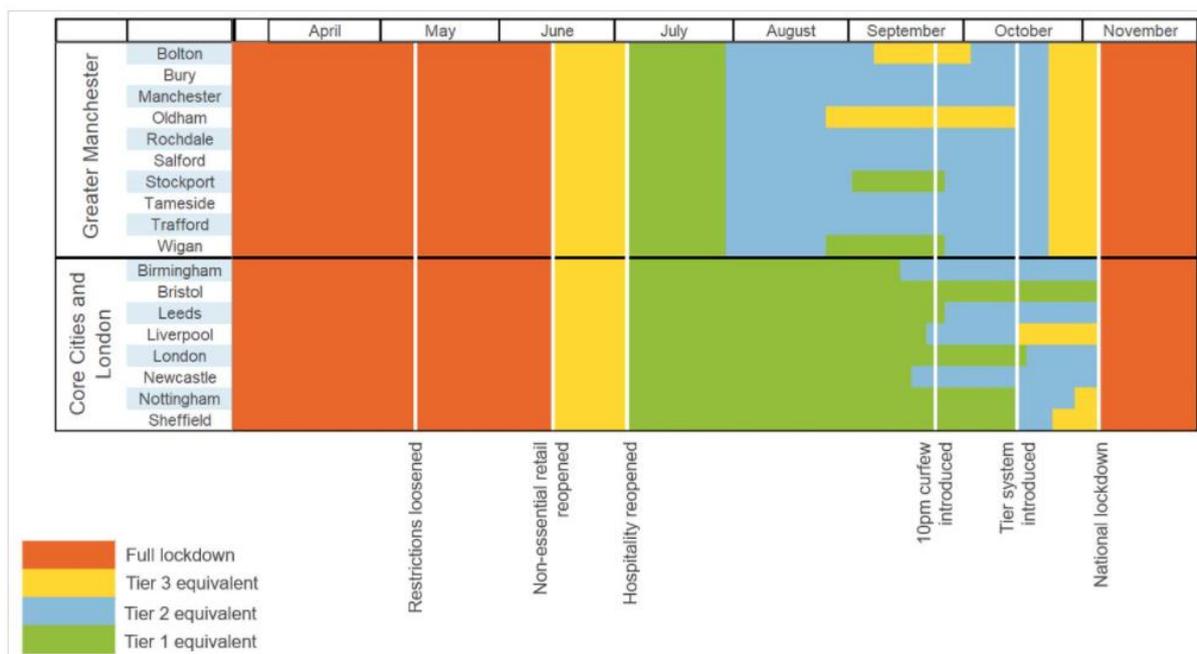
The government provided support to people in work through the Coronavirus Job Retention Scheme, allowing employed people to be on furlough and provided income support for the self-employed, along with local authority grants and business loan schemes. The coronavirus crisis has caused economic scarring on people in the form of unemployment and on businesses that have been forced to close. The national lockdown eased through June and July 2020, with construction and manufacturing urged to return to work in June, along with selected school years, and the hospitality sector opening on 4 July 2020⁴.

Figures of COVID-19 cases suggested that Greater Manchester was later than London in experiencing the spread of infections and deaths, and the national lockdown may have been eased too early for the region. Further local restrictions on household mixing were then imposed in Leicester during July and in Oldham and some parts of West Yorkshire and Lancashire at the end of July 2020. See Figure 2 for the timeline of GM boroughs' local lockdowns compared to other core cities, with tighter restrictions imposed in October before a full national lockdown in November 2020 going into the second wave of the pandemic in 2021.

The Prime Minister then announced a four step roadmap for England to emerge from the pandemic in February 2021 with the final step of this roadmap then delayed until 19 July 2021, with some restrictions still in force after this date. Later in 2021 further restrictions were announced with the arrival of the Omicron wave and a further vaccine booster programme.

⁴ For the full range of measures introduced by the UK National and Devolved Governments see: <https://www.bsg.ox.ac.uk/research/research-projects/coronavirus-government-response-tracker>

Figure 2: Restrictions across Greater Manchester, April-November 2020



Source: Timms et al, (2020), [Economic Observatory](#).

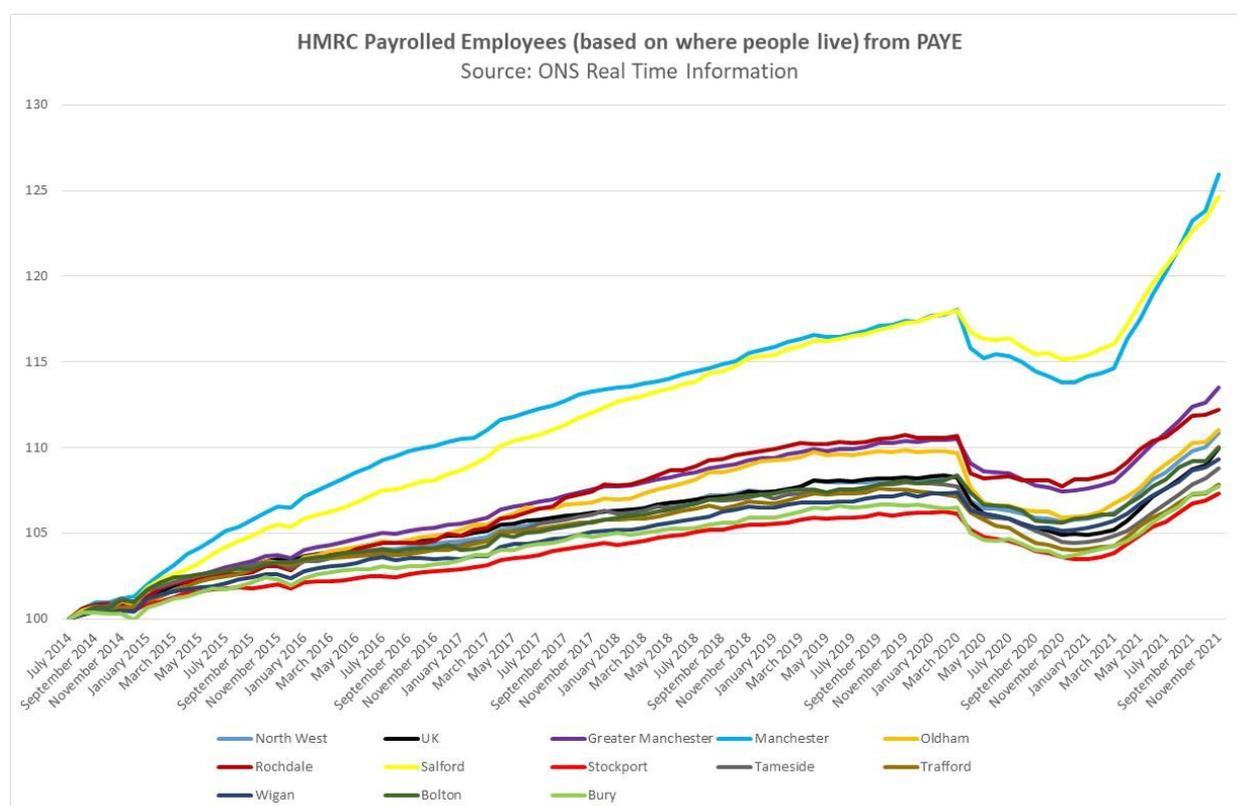
In order to gauge how the boroughs of Greater Manchester fared over the coronavirus pandemic I will analyse the business cycle in employment and also analyse separately the component series of employment: employees and the self-employed. In 2019 the ONS Labour Market Statistics published real-time information of employees on company payrolls (HMRC PAYE data). During the pandemic the PAYE employee data illustrated how the pandemic was hitting regions of the UK in close to real time. In January 2021 the ONS released information at an ITL 2 level (GM) and later in 2021 at the Local Authority District level. This data has allowed analysis of the GM Labour Market with a half month lag, so for example the February 2022 data was released on 15 March 2022. In the North West the self-employed make up between 8-15% of the employment total. The Institute of Employment Studies (IES, 2022⁵) explain how although UK PAYE employee numbers have recovered their pre-recession level, total employment in the UK has not yet recovered and is still 600,000 lower with the employment rate 75.9% at the peak down to 74.4% at the trough and now at 75.6%⁶. The IES say this is partly due to people moving from self-employed to company payrolls (complying with IR35 legislation or enabling them to get furlough payments) or dropping out of the labour market.

⁵ See <https://www.employment-studies.co.uk/system/files/resources/files/IES%20briefing%20-%20Labour%20Market%20Statistics%20January%202022.pdf>

⁶ See [ONS Labour Market Statistics 15/3/22 release](#)

I compare the ONS real-time information on employees for GM boroughs, the UK and the North West in Figure 3 (these are standardised to be 100 at the start of the sample in July 2014). Here we can see how the Greater Manchester employees on company payrolls grew by 10% pre-pandemic, higher than the UK and North West growth of 8%. Manchester and Salford have experienced the greatest growth of all GM boroughs, gaining 25% additional employees between July 2014 and November 2021. To understand the effect of the pandemic on the labour market I date business cycle turning points in both the quarterly employment series (Table 5) and monthly employee series (Table 6). In the [GM Dashboard](#) we also show the employment rate).

Figure 3: HMRC employees on payroll (ONS seasonally adjusted data)



Source: See [ONS Earnings and Employment Pay As You Earn Real Time Information](#).

In Table 5 we can see that the series for UK workforce in employment peaked in 2020 quarter 1 and was in recession for three quarters until the trough turning point in 2020 quarter 4, losing 2.6% from employment. North West employment reached its peak turning points earlier than the national series in 2019 quarter 3 and had longer recession, lasting five quarters, before reaching the trough in 2020 quarter 4.

The GM employment series reached its peak at the same date as the UK in 2020 quarter 1 but experienced a shorter recession of two quarters, reaching the trough turning point in 2020 quarter 3. The employment share lost in GM was -1.1%, less than the UK (-2.6%) and the North West (-4.6%). Of the GM boroughs, Bury, Stockport and Tameside employment reached the peak turning point first in 2020 quarter 1 with the peak of 2020 quarter 2 reached for Bolton, Manchester, Salford, Trafford and Wigan. Oldham employment peaked in 2020 quarter 3 and Rochdale in 2020 quarter 4. The greatest fall was for Stockport, estimated to have lost 8.4% of those in employment (in Table 7 we see that Stockport also lost the most self-employed). Manchester had the shortest downturn of one quarter, along with Bolton, Salford and Wigan. The GM borough that recovered its pre-recession level earliest in 2020 quarter 4 is Bolton, with Manchester and Wigan recovering in 2021 quarter 1 and Bury in 2021 quarter 3, taking six quarters to recover its peak level. The other six boroughs had not recovered their peaks and were still in recession (note the data sample analysed here ends in 2021 quarter 3).

Table 5: Employment Business Cycle Phases in GM over 2020/1 COVID-19 Crisis

Place	Peak Date	Trough Date	Loss (%)	Recession Duration	Recovery Date	Time to Recover
UK	2020q1	2020q4	-2.61	3	NR	-
North West	2019q3	2020q4	-4.63	5	NR	-
GM	2020q1	2020q3	-1.07	2	NR	-
Bolton	2020q2	2020q3	-2.57	1	2020q4	2
Bury	2020q1	2020q4	-1.34	3	2021q3	6
Manchester	2020q2	2020q3	-2.29	1	2021q1	3
Oldham	2020q3	2021q3	-2.79	4	NR	-
Rochdale	2020q4	2021q2	-1.77	2	NR	-
Salford	2020q2	2020q3	-3.07	1	NR	-
Stockport	2020q1	2021q2	-8.38	5	NR	-
Tameside	2020q1	2021q1	-3.98	4	NR	-
Trafford	2020q2	2021q3	-4.75	5	NR	-
Wigan	2020q2	2020q3	-1.00	1	2021q1	3

Note: End of sample 2021q3. Duration and recovery in quarters. NR means not recovered.

In Table 6 we can see that the UK employee monthly series peaked in January 2020 and was in recession for ten months until the trough turning point in November 2020, losing 3.2% employees. The North West and GM employees reached peak turning points two months later in March 2020 and had shorter 8 months duration of recession reaching the trough in November 2020. From peak to trough GM lost 35,231 employees from company payrolls, a fall of -2.9%, greater than the North West (-2.4%).

Of the GM boroughs, Trafford and Bury employees' series reached their peak turning points first in October 2019 with Rochdale in the following month in November 2019. Oldham and Tameside reached peak turning points in January 2020, followed by Stockport in February 2020 with the remaining boroughs in March 2020.

The greatest loss was for Manchester with 3.9% employees lost from the payroll (8,861 employees). Manchester, Salford and Bolton had the shortest recession of 8 months with the majority reaching trough turning points in November 2020 (exceptions being Stockport and Tameside with trough turning points in December 2020). Manchester and Salford bounced back first recovering their pre-recession peak levels by May 2021 with a 14 month recovery from the peak turning point date. Bury and Trafford experienced the longest recession duration of 13 months, and Trafford subsequently then took the longest time to recover its pre-recession employee peak in January 2022 (27 months). All other boroughs have regained their pre-recession peak levels.

Table 6: PAYE Employees Business Cycle Phases over 2020/21 COVID-19 Crisis

Place	Peak Date	Trough Date	Loss (%)	Recession Duration	Recovery Date	Time to Recover
UK	2020m1	2020m11	-3.22	10	2021m9	20
North West	2020m3	2020m11	-2.44	8	2021m7	16
GM	2020m3	2020m11	-2.89	8	2021m7	16
Bolton	2020m3	2020m11	-2.59	8	2021m8	17
Bury	2019m10	2020m11	-2.93	13	2021m9	23
Manchester	2020m3	2020m11	-3.91	8	2021m5	14
Oldham	2020m1	2020m11	-3.60	10	2021m9	20
Rochdale	2019m11	2020m11	-2.70	12	2021m8	21
Salford	2020m3	2020m11	-2.40	8	2021m5	14
Stockport	2020m2	2020m12	-2.65	10	2021m9	19
Tameside	2020m1	2020m12	-3.36	11	2021m11	22
Trafford	2019m10	2020m11	-3.25	11	2022m1	27
Wigan	2020m3	2020m11	-2.11	10	2021m7	18

Source: [ONS Earnings and employment from Pay As You Earn Real Time Information](#). GM boroughs seasonally adjusted employees updated to February 2022.

To get a fuller understanding of the labour market dynamics in GM boroughs I analyse the self-employment data and present turning points in the series in Table 7. Here we can see that the UK self-employment series reached a peak level at the end of 2019 at nearly 10.9% of the working age population and is estimated to have reached 4,970,000 people. This series then declines until the 2021 quarter 2 trough losing 13% to a low of 4,324,900 (rate of 9.4%) – a loss of 645,100 self-employed workers. The Institute for Employment Studies (2022) reports that many self-employed workers moved onto company payroll, due to IR35 changes when contractors that are working solely for one company are moved onto the payroll and for the need for some companies to claim furlough payments for workers at the start of the pandemic.

When assessing the situation in the North West we can see that the rate of self-employed workers is lower, with peak reached in 2020 quarter 2 of 9.9% with a steady decline to the end of sample at 2021 quarter 3 with a fall of 14.9%. GM has a slightly larger share of self-employed workers than the North West average at 10%

but this conceals a range of rates in GM boroughs varying from the lowest recent estimates in Salford at 7.1% of the working age population to 14.5% in Trafford at the peak turning point. From Table 7 we can see that the number of self-employed workers has declined for all GM boroughs, with Stockport losing the greatest share of workers with -39% drop. This contributed to the large drop in total employment for Stockport of -8.4% in Table 2 (the self-employed rate fell from 10% to 6.4% peak to trough).

Table 7: Self-employed business cycle phases in GM over 2020/1 COVID-19 crisis

Place	Peak Date	Trough Date	Loss (%)	Recession Duration	Recovery Date	Time to Recover
UK	2019q4	2021q2	-12.98	6	NR	-
North West	2020q2	2021q3	-16.41	5	NR	-
GM	2020q2	2021q3	-14.86	5	NR	-
Bolton	2020q2	2021q3	-34.38	5	NR	-
Bury	2020q1	2020q3	-13.48	2	NR	-
Manchester	2019q4	2020q4	-32.65	4	NR	-
Oldham	2020q4	2021q3	-29.22	3	NR	-
Rochdale	2020q3	2021q2	-30.38	3	NR	-
Salford	2020q4	2021q2	-24.22	2	NR	-
Stockport	2020q1	2021q2	-39.23	4	NR	-
Tameside	2020q2	2021q1	-9.21	3	NR	-
Trafford	2020q1	2021q1	-28.32	5	NR	-
Wigan	2019q3	2020q1	-15.44	4	NR	-

Note: End of sample 2021q3. Duration and recovery in quarters. NR means not recovered.

The main scarring effect of recession is when people lose their job and become unemployed. I compare the UK, North West and GM (and its boroughs) hit to the level of unemployment in Table 8. For the UK unemployment series the peak turning point is the lowest level it reaches before the pandemic which is at the end of 2019 when it was estimated that 1,290,000 people were unemployed (rate of 3.8% of the economically active population). This steadily increased during 2020 to reach a

trough turning point of 1,771,000 (rate of 5.2%), a gain of 481,000 in unemployment over a year (increase of 37.3% in the level).

The increase to the North West unemployment total is 27.3% (or 38,000 people), with turning points reached slightly later and a shorter recession of three quarters. The increase for Greater Manchester is 22.6% (or 14,500 people). The amount of increase in the unemployed varies across GM boroughs from 19.6% in Tameside to 40.8% in Oldham. Unemployment generally lags the output and employment cycle and no areas have returned to pre-pandemic levels.

Table 8: Unemployment Business Cycle Phases in GM over 2020/1 COVID-19 Crisis

Place	Peak Date	Trough Date	Gain (%)	Recession Duration	Recovery Date	Time to Recover
UK	2019q4	2020q4	37.3	4	NR	-
North West	2020q2	2021q1	27.3	3	NR	-
GM	2020q2	2021q2	22.6	4	NR	-
Bolton	2019q3	2020q1	29.2	2	NR	-
Bury	2020q2	2021q2	38.2	4	NR	-
Manchester	2020q3	2021q2	25.7	3	NR	-
Oldham	2020q2	2021q2	40.8	4	NR	-
Rochdale	2020q2	2021q2	34.8	4	NR	-
Salford	2019q3	2021q2	24.1	7	NR	-
Stockport	2020q2	2021q2	36.7	4	NR	-
Tameside	2019q4	2020q4	19.6	4	NR	-
Trafford	2020q2	2021q2	32.5	4	NR	-
Wigan	2019q3	2020q4	37.5	5	NR	-

Note: UK [ONS unemployment](#), rest from Nomis (model based estimates). Duration in quarters. NR means not recovered.

The scale of the policy response: building community resilience

The challenge now is for localities to increase their resilience as they move into the recovery phase once public health risks have receded. In recovery from the crisis, we have seen the rise of mutual aid community organisations and support for local business. Local development strategies for “levelling up” regions have a crucial role to play in the pro-active recovery of regions from the crisis to encourage reorientation

and renewal within local economies. The government needs to increase local capacity and link up the provision between local government and agencies. As the Local Resilience Forums have been at the forefront on this crisis they could help direct investment into re-shoring manufacturing capacity to supply the health service (for example, with personal protective equipment) so local communities can cope with further outbreaks. Development strategies could offer green innovation vouchers to firms following the crisis to incentivise investment into green activity to strengthen environmental resilience. These will enhance the capacity of firms to adjust their products and processes, and adapt and transition in response to the climate crisis. Environmental policies and green infrastructure investments should be linked up with work retention, training schemes and finance provision to shore up existing employers and provide new employment opportunities to enhance regional economies.

To mitigate the long-term unemployment scarring effects on their local populations, action could include job guarantee schemes, designed to keep young people engaged with the labour market (across GM the [Good Employment Charter](#) implementation is vital here for employers to pay the real living wage). It is also imperative to open opportunities for young people to stay on or return to further education, through access courses and recovery apprenticeships linking to jobs in the green economy (for example, retrofitting, energy).

Community strategies from the “bottom up” also need to be encouraged to strengthen community resilience in recovery from the pandemic. Building on the success in Preston’s community wealth building strategy, councils should be encouraged to procure goods and services to local co-operatives. These could be developed in partnership with further and higher education institutes that help graduate start-up co-ops.

In the [Levelling Up White Paper](#), the government have announced a consultation on a Community Wealth Fund (championed by the [APPG for Left Behind Communities](#)) created from the [Dormant Assets Scheme](#) which will go towards youth and social investment. An example of a group that could benefit from this in Greater Manchester is [Middleton Cooperating](#), a community-led partnership between the voluntary sector, community groups and Rochdale Borough Council which aims to deliver community-led economic development via co-operatives providing services in areas like care, banking and restorative justice. The [Greater Manchester Strategy](#) is currently developing a Community Wealth Building Hub and is including voluntary and community groups in the design. It is essential to rebuild communities from the ground up with groups collaborating to improve localities for future generations.

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Appendix: GM Policy Dashboard Sources

[Policy@Manchester](#) data sources for Local Economies, Dashboard indicators

Series	Update	Next update	Source
Employment	18/1/22	4/22	Local authority district level employment data on Nomis (APS/ LFS)
Unemployment	18/1/22	4/22	Local authority district level employment data on Nomis (APS/ LFS)
Employees	15/3/22	12/4/22	ONS Employment, monthly Labour Market Statistics, HMRC PAYE employees
Self-employment	18/1/22	4/22	Local authority district level employment data on Nomis (APS/ LFS)
Nominal Weekly Wages	26/10/21	10/22	Nomis/ONS Annual Survey of Hours and Earnings - resident analysis . Median weekly earnings for full-time workers living in the area. Real wages are nominal wages divided by the ONS CPIH index.
CPIH	16/2/22	23/3/22	ONS, CPIH INDEX 00: ALL ITEMS 2015=100
GDP	11/2/22	31/3/22	ONS UK GDP (YBEZ)
	18/2/22		ONS quarterly estimates by region, NW
	26/5/21		ONS by Local Authority Area (annual) from Table 10
House Prices	16/2/22	23/3/22	UK Government, House Price Index: data downloads