

GREATER MANCHESTER COMBINED AUTHORITY

DATE: Friday, 29th January, 2021

TIME: 10.00 am

VENUE: This meeting will be held virtually via Microsoft Teams and will be live-streamed for public viewing. The link to watch the meeting is available on the meetings page of the GMCA website

SUPPLEMENTAL AGENDA

5. **Minutes of the GMCA Overview and Scrutiny Committees held in January 2021** 1 - 8
- a) Corporate Issues & Reform – 19 January 2021 (attached)
7. **Minutes of the GMCA Audit Committee held 22 January 2021 (attached)** 9 - 14
12. **Monthly Economic Recovery Update (attached)** 15 - 26
- Report of Councillor Elise Wilson, Portfolio Lead for the Economy.

Name	Organisation	Political Party
Councillor Eamonn O'Brien	Bury Council	Labour
GM Mayor Andy Burnham	GMCA	Labour
Councillor David Greenhalgh	Bolton Council	Conservative
Councillor Brenda Warrington	Tameside Council	Labour
Deputy Mayor Beverley Hughes	GMCA	Labour
Councillor Richard Leese	Manchester CC	Labour
Councillor Sean Fielding	Oldham MBC	Labour
Councillor Allen Brett	Rochdale Council	Labour
City Mayor Paul Dennett	Salford City Council	Labour
Councillor Andrew Western	Trafford Council	Labour
Councillor David Molyneux	Wigan Council	Labour
Councillor Elise Wilson	Stockport MBC	Labour

BOLTON	MANCHESTER	ROCHDALE	STOCKPORT	TRAFFORD
BURY	OLDHAM	SALFORD	TAMESIDE	WIGAN

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For copies of papers and further information on this meeting please refer to the website www.greatermanchester-ca.gov.uk. Alternatively, contact the following
Governance & Scrutiny Officer: Governance and Scrutiny
✉ sylvia.welsh@greatermanchester-ca.gov.uk

This supplemental agenda was issued on 26 January 2021 on behalf of Julie Connor,
Secretary to the Greater Manchester Combined Authority, Broadhurst House, 56 Oxford
Street, Manchester M1 6EU

**MINUTES OF THE MEETING OF THE GREATER MANCHESTER COMBINED
AUTHORITY CORPORATE ISSUES AND REFORM OVERVIEW & SCRUTINY
COMMITTEE HELD TUESDAY 19 JANUARY 2021 AT 4.00 PM
VIRTUAL MEETING VIA MICROSOFT TEAMS**

PRESENT:

Councillor Tim Pickstone	Bury (Chair)
Councillor Chris Goodwin	Oldham
Councillor Colin McLaren	Oldham
Councillor Kallum Nolan	Rochdale
Councillor Tanya Burch	Salford
Councillor David Jolley	Salford
Councillor John McGahan	Stockport
Councillor Dena Reyness	Stockport
Councillor Teresa Smith	Tameside
Councillor Karina Carter	Trafford
Councillor Joanne Marshall	Wigan

OTHER MEMBERS IN ATTENDANCE:

Councillor Sean Fielding	Oldham
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OFFICERS IN ATTENDANCE:

Steve Wilson	Treasurer, GMCA
Phil Swan	Digital Director, GMCA
Amy Foots	Head of Implementation, GMCA
Paul Morgan	Head of Commercial Services, Waste, GMCA
Joanne Heron	Scrutiny Officer, GMCA
Jenny Hollamby	Governance & Scrutiny, GMCA
Nicola Ward	Governance & Scrutiny, GMCA
Matt Berry	Governance & Scrutiny, GMCA

CI&R/1/21 WELCOME AND APOLOGIES FOR ABSENCE

The Chair welcomed Councillor Karina Carter from Trafford who had replaced Councillor Anne Duffield to her first meeting of the Committee

Apologies for absence were received from Councillors Sam Al-Hamdani (Oldham), Paula Appleby (Manchester) and Hazel Gloster (Oldham).

Apologies for absence were received from Officers David Taylor (GMCA) and Sarah Todd (Trafford).

CI&R/2/21 CHAIR'S ANNOUNCEMENTS AND URGENT BUSINESS

The Chair welcomed everybody to the meeting, which was being held virtually and was being livestreamed to the public in accordance with new Local Government regulations allowing virtual meetings to take place during the coronavirus pandemic. Members were also reminded about the virtual meeting procedure and protocol.

Whilst there was no urgent business, a supplementary agenda was published and circulated to Members on 5 January 2021, which contained Item 7 - Budget 2021/22 Presentation.

The Chair, in agreement with Members, reorganised the agenda to take the business items first to allow for a full discussion on the Item 7 - Budget 2021/22 Presentation.

CI&R/3/21 DECLARATIONS OF INTEREST

There were no declarations of interest received at the meeting.

CI&R/4/21 MINUTES OF THE LAST MEETING HELD ON TUESDAY 8 DECEMBER 2020

RESOLVED/-

That the minutes of the last meeting held on Tuesday 8 December 2020 be approved as a correct record.

CI&R/5/21 LIVING WITH COVID RESILIENCE PLAN PROGRESS UPDATE

Members considered a report which, provided an update on the progress of the implementation of the Living with Covid Resilience Plan and the development of mechanisms to drive system change to better respond to environmental and equalities impacts arising. An update of progress against the Greater Manchester Strategy headline outcome measures was also provided.

The main points referred:

- A Member asked about the impacts of the new lockdown and considering restrictions could be in place for some time. The Member also enquired about the vaccination programme at a Greater Manchester level and who was responsible. It was explained that Officers had envisaged that when the plan was developed, Greater Manchester would be in the recovery stage. However, the plan was flexible and allowed context changes. It was evident from the first update that the change in approach was taking place as required dependant on need. Learning from this plan would be fed into the Greater Manchester strategy and be built into the medium term strategy. The plan was an immediate response to the challenges

being faced and provided a better outcome moving forward. The Officer agreed to answer the Member's point about the vaccination programme outside of the meeting.

- A question was raised about the role of the airport, and if any specific activity was being undertaken to understand the economic impacts arising from the pandemic on the airport and wider economy. It was explained that the impacts would be considered as part of the economy work stream and any future economic forecast/analysis would be provided to the Committee as they were produced.
- A Member asked about specific actions being undertaken to understand forecasted unemployment following end of furlough and what actions were being taken to support people when that scheme ended. It was acknowledged there was a rise in unemployment and it was expected this would increase when the furlough scheme ended. The economy team was considering this aspect by sector to understand, which sectors were most at risk and which could be supported. More detail about the work being undertaken could be provided about what would happen at the end of furlough and unemployment support.
- A Member asked for an update on the inequalities work around the plan and when would it be available. Officers explained there was a significant amount of work around the piste to support the inequalities agenda. Work was also taking place with the University of Manchester around a comprehensive impact assessment to better understand, not just equalities but environmental and broader impacts when proposals were being developed. A Tackling Inequalities Board had been set up by the GMCA Portfolio Lead for Inequalities, which was about providing a more co-ordinated system wide responses. This would then feed into the Greater Manchester strategy next year.

RESOLVED/-

That the Committee received and noted the progress made over the first quarter delivery and the overall progress as reported in the Greater Manchester Strategy outcomes dashboards.

CI&R/6/21 GREATER MANCHESTER PREPARATIONS FOR EU EXIT AND UPDATED ANALYSIS ON THE POSSIBLE ECONOMIC IMPACTS

A report, which provided Members with an update on the co-ordination of activities undertaken across Greater Manchester to prepare for the end of the transition period was considered. The report gave an overview of the current position regarding Greater Manchester activity around the international strategy and EU funding update. Finally, the report included a detailed analysis of possible economic impacts arising from Brexit.

The main points referred:

- A Member asked if the impacts of leaving the EU on business and industry in Greater Manchester would be monitored. It was reported that there were various strands of activity surrounding this and the research team would continue to produce a dashboard of leading indicators and understanding. Business engagement was taking place through the business representative organisation, working with The Growth Company and other partners to have on-going dialogue to understand issues as they arose.

RESOLVED/-

1. That the Committee noted the work underway by the Greater Manchester Brexit Readiness Group to understand the impacts arising from EU exit and to coordinate responses across the city-region.
2. Members received and noted the work underway on the Greater Manchester international strategy and ongoing partnership working with EU nations to develop Greater Manchester opportunities in the future.
3. That the Committee noted the update provided regarding EU funding sources.
4. That Members received and noted the refreshed economic analysis undertaken and possible implications for the Greater Manchester economy.

**CI&R/7/21 NATIONAL WASTE AND RESOURCES STRATEGY -
IMPLICATIONS FOR GREATER MANCHESTER**

The GMCA's Head of Commercial Services, Waste presented a report that set out an overview of the draft national waste and resources strategy, potential implications for waste collection and disposal in Greater Manchester and a draft timetable for implementation.

The main points referred:

- A Member asked how the strategy looked at reducing the amount of waste being disposed of by household waste collection. It was explained that waste minimisation was paramount and was a cornerstone of the waste hierarchy. There was funding to reduce waste; Officers drew Members attention to the Love Food Hate Waste campaign. There had also been a substantial campaign about single use water bottles. Waste minimisation was foundation for all waste strategies.
- Officers were asked to unpack the logic behind separating food waste from garden waste as both waste streams were biodegradable. Officers agreed with the Member. It was about how the material was treated. In Greater Manchester, the material was collected mixed and treated at the in-vessel composting facility. Separating food and garden waste to be treated separately did provide an opportunity to do something different with food waste to capture gas. However, that caused problems as it produced a digestates liquid, which was difficult to

dispose of. Garden waste would then be treated by open windrow composting but this required different waste containers and collection vehicles. Greater Manchester would strongly advocate to retain the current system because it was the least inconvenient for households and still captured a significant amount of material. How it was treated was a carbon argument, which would be considered by the GMCA.

RESOLVED/-

That the Committee noted the potential impacts for waste collection and disposal, the proposed scenario modelling agreed with District waste Officers and the draft timetable for implementation at section 5.0 of the report.

CI&R/8/21 GREATER MANCHESTER LOCAL FULL FIBRE NETWORK PROGRAMME

The Portfolio Lead for the Digital City-Region presented a report that provided an update on Greater Manchester's ambition for a world class digital infrastructure and specifically the Greater Manchester local full fibre network programme, which came to the Committee for consideration in October 2019 and subsequently to the GMCA in January and December 2020.

The main points referred:

- A question was raised about fibre in rural areas in Greater Manchester and the Government scheme that allowed £3.5k per household. It was asked if there was any potential for Greater Manchester to benefit from that and if it could be promoted to the appropriate residents. It was reported there were significant semi-rural and rural areas in the city-region. The Government's ambition had shifted slightly from 100% broadband at one gigabyte connectivity across the UK by 2025 to 85%. Nevertheless, there were still significant funds associated with that; some of those were announced in the spending review and brought forward. The UK gigabyte programme was being discussed regularly with the Department for Digital, Culture, Media and Sport (DCMS) about the Greater Manchester potential for areas within its boundary, which would not be commercially viable without support. A report that DCMS published recently, indicated that the assertion be supported. Semi-rural funding and the mechanisms around that were being discussed. The Outside In programme mechanism would allow for indicative amounts of funding to be drawn down by Greater Manchester. It was proposed and if DCMS agreed, was to look at how Greater Manchester could aggregate activity to maximise the benefit that would accrue into Greater Manchester at scale.
- A Member asked for clarity around the public sector building upgrade work and the different route taken by Manchester and Salford. It was clarified that Manchester and Salford did not go down the same route as other Districts as they had more fibre infrastructure. Discussions had taken place with Salford City Council and the view was given Salford's own plans, existing investment and in light of the

infrastructure already in place, it made more sense to withdraw from the scheme. There was investment going into Salford through the fire and rescue sites, air traffic control, Transport for Greater Manchester (TfGM) and other sites, which were driven through that mechanism.

- A further question was raised about the public sector sites and the upgrade of systems. The Member asked how successful would that be if equipment such as laptops were not available. It was also asked, to what extent was the programme being co-ordinated with the Department for Education (DfE) for instance, to ensure infrastructure was in place and to provide access for as many people as possible in schools and public libraries and to address some of the inequalities Greater Manchester was facing and touch upon in an earlier report today.
- Authors were thanked for their comprehensive report. Digital connectivity was extremely important given the pandemic. The accelerated programme was welcomed and would form part of Greater Manchester's recovery. The Member asked if there was any way to make sure that deprived areas were included as well as rural areas.
- In response to the questions around digital inclusion, Members were directed to Section 5 of the report, which acknowledge more work was needed to enable improvements and changes to public services to ensure nobody was excluded. Digital exclusion had been acknowledged and there was a huge piece of work underway to assess and develop a plan to make sure people could access the benefits of having high speed internet connectivity on their road.

RESOLVED/-

That the Committee noted and supported progress on the Greater Manchester Local Full Fibre Network programme.

CI&R/9/21 BUDGET 2021/22 PRESENTATION

The GMCA's Treasurer gave a presentation about the GMCA mayoral budget, business rates retention and general budget for 2021/22 and beyond.

The main points referred:

- A Member asked for an explanation about the business rates retention scheme reduction for the Greater Manchester infrastructure programme. Members were reassured that £7m would be funded by the Transforming Cities 1 fund and a further £7m from Transforming Cities 2 fund. In addition to that, new two allocations of revenue funding announced in the spending review would go alongside the capital fund. This was revenue funding to support capital investment.
- A Member queried some of the items in the original or new commitment and asked if they were one off items or if they were on-going. What was the expectation of the GMCA and for those parts of the city-region that had grown used to that money;

what were the plans moving forward. In response, it was explained that negotiations were taking place with Ministry of Housing, Communities and Local Government (MHCLG) about a partial reset. The growth generated over this period would be locked in as recurrent funding for the GMCA. It was estimated that £21m of the in-year growth of business rates had been driven by Greater Manchester's own investment. However, this had been put back a year because business rates had not been reviewed nationally. There was no risk in 2021/22 as it was largely covered by the money being carried forward but there could be an issue in 2022/23 if there was not a replacement for this funding. Risks were being assessed.

- A question was raised about the scale of the Metrolink risk. As the information was not readily available at the meeting, the run rate of losses would be provided to the Member outside of the meeting.
- A Member asked for an explanation about the cost of Our Pass. The Member understood the cost would be around £8m but the current figure was £16.2m. This equated to £415 per use, which was nearly the amount of a full adult pass and questioned if it value for money. It was explained that the £16.2m was for a full normal year. However, there had not been a normal year as such given the pandemic lockdowns and school closures. Following the pilot there would be a full analysis to understand the impact and inform decisions moving forward.
- A discussion took place about Greater Manchester police funding. A Member asked about precepts, the increase of £15 for tax payers in band D, the increase in funding over the past five years, police performance/efficiency and their substantial reserves. It was advised that the increases over the last three years, had led to an increased number of police officers (347 this year 341 next year). Other issues would be picked up in the public consultation and by the Police and Crime Panel. The Mayor would expand on this further when he attended the next meeting on 9 February 2021.
- A general question was raised about the fire budget and the one off solution last year to take money from reserves to deal with the staffing reductions that were not implemented. It was advised that In light of the Grenfell and Cube fires, the reduction programme did not take place last year. This was not covered by reserves but by an increase in the precept for fire. In setting the 2021/22 budget, it had been agreed again not to implement the saving proposals. A balanced budget would be achieved in 2021/22 without drawing down reserves or precept increase. The fire service was in a stable and relatively strong financial position. There was still uncertainty around pensions funding for fire service, which could be potentially problematic in future years.
- The Chair informed Members that the Greater Manchester Mayor would be attending the next meeting on 9 February 2021 to focus on the 2021/22 budget as it was a key function of the Committee. The Chair encouraged Members to think about what points needed to be raised.

RESOLVED/-

That the presentation be received and noted.

CI&R/10/21 WORK PROGRAMME FOR THE 2020/21 MUNICIPAL YEAR

The work programme for the 2020/21 Municipal Year was presented to Members for population for future meetings.

RESOLVED/-

That the work programme be updated with Member's suggestions following the meeting.

CI&R/11/21 REGISTER OF KEY DECISIONS

RESOLVED/-

That Members received and noted the register of key decisions dated 5 January 2021.

CI&R/12/21 DATES AND TIMES OF FUTURE MEETINGS

It was noted that the next meeting would take place on 9 February 2021 at 4.00 pm via Microsoft Live virtual event.

MINUTES OF THE GREATER MANCHESTER COMBINED AUTHORITY AUDIT COMMITTEE, HELD ON FRIDAY 22 JANUARY 2021 VIA MICROSOFT TEAMS

PRESENT:

Gwyn Griffiths	Independent Member (Chair)
Councillor Sarah Russell	Manchester City Council
Councillor Mary Whitby	Bury Council
Councillor Chris Boyes	Trafford Council
Councillor Tom McGee	Stockport Council
Catherine Scivier	Independent Member
Grenville Page	Independent Member
Susan Webster	Independent Member

ALSO PRESENT:

Daniel Watson	Mazars External Auditor
Mark Dalton	Mazars External Auditor

OFFICERS:

Steve Wilson	GMCA Treasurer
Rachel Rosewell	GMCA Deputy Treasurer
Dawn Docx	Deputy Chief Fire Officer
Tony Hunter	Assistant Chief Fire Officer
Sarah Horseman	Head of Audit and Assurance
Damian Jarvis	GMCA Internal Audit
Helen Fountain	Principal Finance Manager, GMCA
Lindsey Keech	Head of Finance, GMCA
Karen Macrae	Finance Lead, GMCA
Steve Annette	GMCA Governance and Scrutiny
Paul Harris	GMCA Governance and Scrutiny
Oliver Fenton	GMCA Governance and Scrutiny

AC/01/21 WELCOME AND INTRODUCTIONS

Steve Annette, Senior Governance and Scrutiny Officer opened the meeting and welcomed everyone to the Audit Committee. The Chair then explained how the virtual meeting would be conducted and the procedure and protocols to be adopted throughout the duration of the meeting.

AC/02/21 DECLARATIONS OF INTEREST

There were no items of personal or prejudicial interests declared in relation to any item on the agenda.

AC/03/21 MINUTES OF THE GMCA AUDIT COMMITTEE MEETING HELD ON 20 NOVEMBER 2020

Consideration was given to the minutes of the GMCA Audit Committee held on 20 November 2020.

RESOLVED/-

1. That the minutes of the meeting of the GMCA Audit Committee held on 20 November 2020, be approved as a correct record.

AC/04/21 MINUTES OF THE GMCA/GMP JOINT AUDIT PANELS HELD ON 21 OCTOBER 2020 AND 11 JANUARY 2021

The Chair reported that he had been invited to a meeting with the Police and Crime Commissioner and Chair of the Police GMCA / Audit Panel to discuss how the Police/ GMCA Panel operates and how to make sure that information flows to this Committee can be optimised.

RESOLVED/-

1. That the minutes of the Joint Audit Panels held on 21 October 2020 and 11 January 2021 be noted.

AC/05/21 2019/20 STATEMENT OF ACCOUNTS / AUDIT COMPLETION REPORT

Steve Wilson, GMCA provided an update on the accounts and responses to various matters raised by the external auditors and a series of adjustments subsequently made to the accounts, including matters relating to the valuation of various waste assets, the classification of police software assets and emerging changes to pension liabilities, which do not impact on the balance of the accounts overall.

The Auditors were then invited to give their comments on the accounts as detailed in their report and highlighted key messages and detailed findings. Subject to the satisfactory completion of the limited areas of outstanding work that Steve Wilson had already highlighted, the Committee was reassured that the Auditors anticipated being in a position to issue a clean and unqualified opinion on the financial statements for 2019/20.

From an audit perspective the auditors considered these to be an improved set of accounts on previous years and welcomed the Authority's helpful responses to the issues raised.

The Authority had disclosed in three of its financial statements issues in relation to the material valuation uncertainty relating to property assets, the Auditors recognise this is a sector issue not specific to the Combined Authority, and the emphasis of matter within the report is to draw a reader's attention to the Authority's disclosure.

The auditors outlined the outstanding areas of work where final queries required resolution.

The Committee was advised of the Value for Money conclusion to be made to address the audit responsibilities arising from the recent adverse HMIC report in relation to Greater Manchester Police in the context of GMCA's role of oversight.

A member referred to the reduction in asset valuations of £15M and officers confirmed that this represented a 15 percent reduction of the asset value.

Questions were also asked in relation (a) levels of materiality, and the extent to which fairly trivial areas could be an indicator of financial control weaknesses (b) management exercising review of valuations, and the arrangements and safeguards that existed for management to challenge and scrutinise external valuations and (c) volume of pre-payments and accruals, and whether sheer volume at year-end was an indicator of the need for greater rigour to be exercised on a monthly basis. In terms of materiality, the auditors agreed that a pragmatic approach was appropriate, and that all errors including those below the trivial threshold would be reported to management; discussions had already taken place on the issue of valuations and the importance of the Authority to be a more informed client was jointly accepted and more work was being done to deliver that would hopefully prevent multiple re-examinations or revaluations. On pre-payments and accruals, it was entirely accepted that greater emphasis was needed on monthly reconciliations rather than just a year-end exercise, but the fact that the Combined Authority budget was much more grant based than those of other authorities meant that a greater proportion of close down transactions were necessarily involved to ensure that all grant monies had been secured and applied.

RESOLVED/-

1. To note the progress made and the explanations now given in relation to outstanding areas of work; to thank the officers and the Auditors for their work undertaken in uniquely challenging circumstances, and to approve the final accounts subject to the anticipated resolution of all outstanding issues by 31st January 2021.

AC/06/21 ASSESSMENT OF GOING CONCERN STATEMENT

Steve Wilson, GMCA Treasurer, introduced a report which provided members with an update of an assessment of the Greater Manchester Combined Authority (GMCA) as a going concern with a forward look at the position for the next 12-18 months.

Metrolink revenues and the impact on patronage levels due to the third national lockdown remained a key consideration, financial implications for 2020/21 are able to be covered by GMCA's reserves, and discussions were already taking place with government in relation to recovery plans into 2021/22.

RESOLVED/-

1. To note the outcome of the assessment made of the GMCA's going concern position and the conclusion that it is appropriate to prepare the accounts on a going concern basis.

AC/07/21 TREASURY MANAGEMENT STRATEGY STATEMENT and CAPITAL STRATEGY

Steve Wilson, GMCA Treasurer introduced a report that set out the proposed Treasury Management Strategy Statement, Borrowing Limits and Prudential Indicators for 2021/22

to 2023/24 for the GMCA. The Strategy reflected the current approved 2021/22 capital programmes for GMCA transport, economic development, Fire, Police and Waste.

The capital programme would be revised as part of the budget strategy to be submitted to GMCA for approval on 12th February 2021. He outlined the benefits accruing to the capital programme of under-borrowing of £1billion, and the likelihood that the cost of borrowing was likely to remain subdued at least over the next 12-month period.

A member sought further information about the benefits of purchasing the loan of £12.1M committed by Evergreen to Protos Finance Limited. Protos Finance Limited is a subsidiary of Peel established to deliver the development of an industrial site in Cheshire for a variety of uses including waste to energy, biomass, and environmental technology facilities. The Treasurer indicated that the perceived benefit would be around the control and commitment of the investment funds available and avoiding having to return any uncommitted funds at the end of the period, but he would provide members with a more detailed written response.

Another member referred to the level of headroom on the capital programme and sought clarification about the scope this might create for missing regeneration investment opportunities. The Treasurer indicated that generally speaking most of the regeneration investment was generated by the districts, the GMCA being only directly involved in regeneration in relating to transport infrastructure and Metrolink in particular, but all aspects of capital investment were underpinned by guidance from the Core Investment Team in order to maximise investment potential across the piece. It was suggested that the Committee would benefit from a presentation to a future meeting on the work of the core investment team.

RESOLVED/-

1. That the Audit Committee recommends that the GMCA approve the proposed Treasury Management Strategy Statement and Annual Investment Strategy to apply from 1 April 2021, incorporating:
 - The Treasury and Prudential Indicators listed in Section **Error! Reference source not found.**
 - The Minimum Revenue Provision (MRP) Strategy outlined in Appendix A.
 - The Treasury Management Policy Statement at Appendix B.
 - The Treasury Management Scheme of Delegation at Appendix C.
 - The Borrowing Strategy outlined in Section **Error! Reference source not found.**
 - The Annual Investment Strategy detailed in Sections **Error! Reference source not found.**
 - Delegation to the Treasurer to step outside of the investment limits to safeguard the GMCA's position, as outlined in paragraph **Error! Reference source not found.** of the report.
2. To note the contents of the Capital Strategy and to recommend its approval to the Greater Manchester Combined Authority following any changes made to reflect the proposed 2021/22 budget and capital programme.

AC/08/21 RISK MANAGEMENT UPDATE

Sarah Horseman, Head of Audit and Assurance, GMCA introduced a report which informed members of the risk management activities undertaken since the last meeting and presented responses to specific questions previously raised by the Committee around risk.

She outlined progress being made in developing the Risk Management framework and roll-out. Five phases of implementation are involved, the first two phases which are developing the framework and undertaking a risk management maturity audit are on track, to be followed by launch, raising awareness, developing training, and beginning to develop risk registers in the new format.

The new version of the Risk Register framework will be presented to the next meeting of the Committee.

Welcoming the report and the progress clearly being made in terms of risks now being mitigated, a member enquired about the longer-term plan in respect of responses to a marauding terror attack. It was reported the GMFRS was progressing with retraining and the reintroduction of the MTA specialist responder teams which should be back up and running by March 2021. The agreement with the Fire Brigades Union was of 8 months duration and consultations will resume with the FBU during that time against a backdrop of shared good faith on both sides; evidence of the impact of retraining and re-equipping and service impact, and potentially against emerging national agreements that would supersede existing local arrangements.

In terms of the Risk Management Awareness programme, members enquired whether it was proposed that this would be delivered in house; officers confirmed that TfGM already had proven training models available that would be readily transferable.

RESOLVED/-

1. To note the report and the progress being made.

AC/09/21 INTERNAL AUDIT PROGRESS REPORT

Sarah Horseman, Head of Audit and Assurance, GMCA, introduced a report that informed Members of the progress to date in the delivery of the Internal Audit Plan for 2020/21 which also acted as a mechanism to approve and provide a record of changes to the internal audit plan. The plan continued to be implemented as envisaged but the pandemic was inevitably impacting on some elements of programming.

The Committee was brought up to date with the state of progress on a number of specific audits and associated investigations, including whistleblowing cases, and elements of work were identified which it was proposed to defer in order to make space for unforeseen additional audit investigations that were Covid related.

In terms of whistleblowing the Committee should be receiving periodic reports, and a member enquired whether there was a set programme of reporting, it was noted that an annual review is due to be submitted to the next meeting.

The Chair referred to cyber security and would welcome results of this work being brought to the Committee at the earliest possible stage, if necessary, in the form of interim findings.

RESOLVED/-

1. That the report be received, and that the proposed changes to the Audit Plan as detailed in section 3 of the report be approved.

AC/10/21 AUDIT ACTION TRACKER

Sarah Horseman, Head of Audit and Assurance, GMCA, introduced a report on the progress to date in implementing the agreed actions from internal audit assignments. Implementation had improved though there remained some outstanding elements dependent upon policy change approvals.

A member proposed, and it was agreed, that it would be helpful to invite the Head of Procurement and Head of Payroll and Pensions to attend the next meeting to discuss the rate of progress on outstanding issues.

RESOLVED/-

1. To note the report and welcome the progress being made.

Date: 29th January 2020

Subject: Greater Manchester Economic Dashboard

Report of: Councillor Elise Wilson, Portfolio Lead for Economy & Business

PURPOSE OF REPORT

To provide GMCA with the latest version of the Greater Manchester Economic Resilience Dashboard.

RECOMMENDATION:

The GMCA is requested to note and comment on the latest update of the Greater Manchester Economic Resilience Dashboard

CONTACT OFFICERS:

Simon Nokes, Executive Director Policy & Strategy, GMCA
Simon.nokes@greatermanchester-ca.gov.uk

Equalities Implications:

There are no direct equalities impacts arising from this report.

Climate Change Impact Assessment and Mitigation Measures:

1. *No direct impacts arising from this report.*

Risk Management:

None

Legal Considerations:

None

Financial Consequences – Revenue:

None

Financial Consequences – Capital:

None

Number of attachments to the report: 1

Comments/recommendations from Overview & Scrutiny Committee

None

BACKGROUND PAPERS:

The author of the report must include list of those documents on the subject matter which:

- Disclose any facts or matter on which the report or an important part of the report is based;
- Which have been relied on to a material extent in preparing the report

TRACKING/PROCESS		[All sections to be completed]
Does this report relate to a major strategic decision, as set out in the GMCA Constitution		No
EXEMPTION FROM CALL IN		
Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency?		Please state the reason the report is exempt from call-in
GM Transport Committee	Overview & Scrutiny Committee	

1. BACKGROUND

1.1 The Economic Resilience Dashboard aims to provide up to date intelligence on the conditions in the Greater Manchester economy following the outbreak of Covid-19.

The data is divided into four sections:

- Current Economic Conditions provides leading indicators on the economy and labour market.
- Business and Consumer Confidence provides measures of confidence in the economy as illustrated in retail spending and responses to national surveys.
- Greater Manchester Business Indicators provides data gathered by GM based organisations on business sentiment and confidence.
- Behavioural Insights provides information on the movement of people across GM.

1.2 The available economic data in response to Covid-19 is changing rapidly with frequent new datasets becoming available and others being withdrawn. The dashboard will be updated with the best available data each month.

1.3 The latest version of the dashboard can be viewed live at this link (and is attached as a PDF report):

https://www.gmtableau.nhs.uk/t/GMCA/views/GMEconomicResilienceDashboard/About/jack.james@greatermanchester-ca.gov.uk/4f3be3e5-759e-47ee-85f9-6c1538fc265c?:display_count=n&:showVizHome=n&:origin=viz_share_link&:isGuestRedirectFromVizportal=y&:embed=y

2. HEADLINE MESSAGES:

2.1 141,250 GM residents claimed unemployment related benefits in November, a slight increase of 1% on the previous month and an 89% growth in the claimant count since March. This is less than the 106% growth in claimants across the UK as a whole. After rapid increases in the number of residents seeking unemployment related benefits between April and May 2020, the total number of claimants in GM stabilised in June and has remained steady since then.

2.2 The latest Growth Hub Survey conducted between 18th December and 18th January includes some responses from businesses surveyed since the end of the Brexit transition period. The survey showed a large increase of businesses reporting a 'negative' impact from EU exit with 25.3% of firms reporting a negative impact, an increase of 18% from the previous report, which is most likely the result of the new trading relationship between the UK and the EU initiated on 31st December.

- 2.3 This is reflected by GM Chamber of Commerce, who are reporting a dramatic increase in the number of Brexit and trade deal related enquiries. Whilst issues being raised are often very specific to individual firms, the two most common topics are VAT and documentation. Firms are reporting that the changes to the forms they use for transporting goods are resulting in some shipments being rejected or being unable to be certified. Firms are also reporting that information available on [Gov.UK](https://www.gov.uk) is too generic to be useful. As yet however, there have been relatively few enquiries about the points based immigration system.
- 2.4 The number of firms that said they were considering making redundancies was 3.6% between 4th and 21st January. 18.1% of firms said that they had already made redundancies.
- 2.5 The number of online job postings decreased to 4,703 in week ending 16th January. Weekly job postings have fallen 36% since week 1st - 7th March. Vacancies recovered to their pre-crisis levels during the week ending 3rd October but have declined since then. However, vacancies appear to have hit a low in early May 2020 and have made a modest recovery since then.
- 2.6 £780m in Coronavirus Business Interruption Loans and £1.95bn in Bounce Back Loans had been offered to businesses in GM at 11th January. An average of £264,000 per applicant from CBILS and £30,700 per applicant from BBLS has been paid to firms in GM, compared to £257,000 per applicant from CBILS and £30,400 per applicant from BBLS across the UK as a whole.
- 2.7 Google Mobility data for GM shows that there were fewer people moving through all location types on 17th January except in residential areas, which was 10% above the baseline. The number of people in workplaces was -28% below the baseline on 17th January, up from -85% at the beginning of April.

3. RECOMMENDATION

- 3.1 The GMCA is requested to note and comment on the latest update of the Greater Manchester Economic Resilience Dashboard.

Economic Resilience Dashboard



Tracking the Greater Manchester Economy

The Economic Resilience Dashboard aims to provide up to date intelligence on the conditions in the Greater Manchester (GM) economy following the outbreak of Covid-19.

The data is divided into three sections:

- **Current Economic Conditions** provides leading indicators on the economy and labour market
- **Business and Consumer Confidence** provides measures of confidence in the economy as illustrated in retail spending and responses to national surveys
- **Greater Manchester Business Indicators** provides data gathered by GM based organisations on business sentiment and confidence.
- **Behavioural Insights** provides information on the movement of people across GM.

The economic data in response to Covid-19 is changing rapidly with new datasets becoming available and others being withdrawn on a regular basis. The dashboard will be updated with the best available data each month with the resultant analysis described in the Analysis tab.

We would welcome feedback on alternative measures to be included in the dashboard or insights on the data provided. If you have any feedback please email jack.james@greatermanchester-ca.gov.uk.

Analysis



89,100

GM residents have made a second claim to the Self-Employment Income Support Scheme, 73% of those eligible for the scheme.



141,250

GM residents were in receipt of unemployment benefits in November, a rise of 89% since March.



4,703

online job postings were recorded in the GM economy in w/e 16th January, around 36% fewer than w/e 7 March.

141,250 GM residents claimed unemployment related benefits in November, a slight increase of 1% on the previous month and an **89% growth in the claimant count since March**. This is less than the 106% growth in claimants across the UK as a whole. After rapid increases in the number of residents seeking unemployment related benefits between April and May 2020, the total number of claimants in GM stabilised in June and has remained steady since then.

The latest Growth Hub Survey conducted between 18th December and 18th January includes some responses from businesses surveyed since the end of the Brexit transition period. The survey showed a **large increase of businesses reporting a 'negative' impact from EU exit with 25.3% of firms reporting a negative impact, an increase of 18% from the previous report**, which is most likely the result of the new trading relationship between the UK and the EU initiated on 31st December.

This is reflected by GM Chamber of Commerce, who are reporting a dramatic increase in the number of Brexit and trade deal related enquiries. Whilst issues being raised are often very specific to individual firms, the two most common topics are VAT and documentation. Firms are reporting that the changes to the forms they use for transporting goods are resulting in some shipments being rejected or being unable to be certified. Firms are also reporting that information available on [Gov.UK](https://www.gov.uk) is too generic to be useful. As yet however, there have been relatively few enquiries about the points based immigration system.

The number of firms that said they were considering making redundancies was 3.6% between 4th and 21st January. 18.1% of firms said that they had already made redundancies.

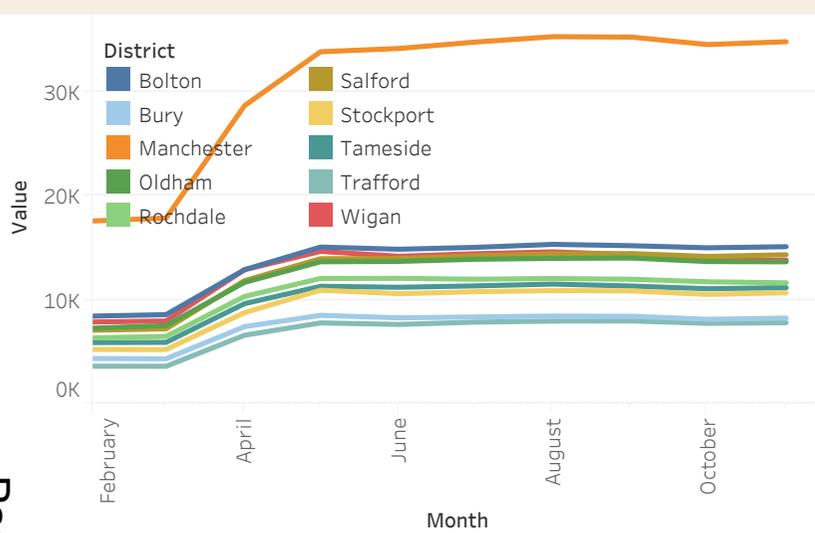
The number of online job postings decreased to 4,703 in week ending 16th January. Weekly job postings have fallen 36% since week 1st - 7th March. Vacancies recovered to their pre-crisis levels during the week ending 3rd October but have declined since then. However, vacancies appear to have hit a low in early May 2020 and have made a modest recovery since then.

£780m in Coronavirus Business Interruption Loans and £1.95bn in Bounce Back Loans had been offered to businesses in GM at 11th January. An average of £264,000 per applicant from CBILS and £30,700 per applicant from BBLS has been paid to firms in GM, compared to £257,000 per applicant from CBILS and £30,400 per applicant from BBLS across the UK as a whole.

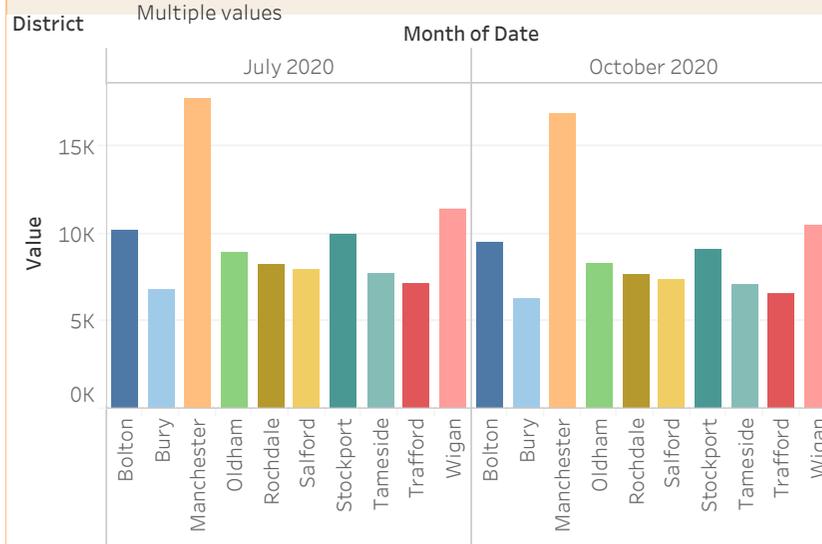
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Current Economic Conditions

Claimant count (Monthly)



No. of claims for first and second SEISS grants



Key Facts

The number of claimants increased by **1% to 141,250** between October and November. GM has seen an 89% rise in the volume of claimants between March and October.

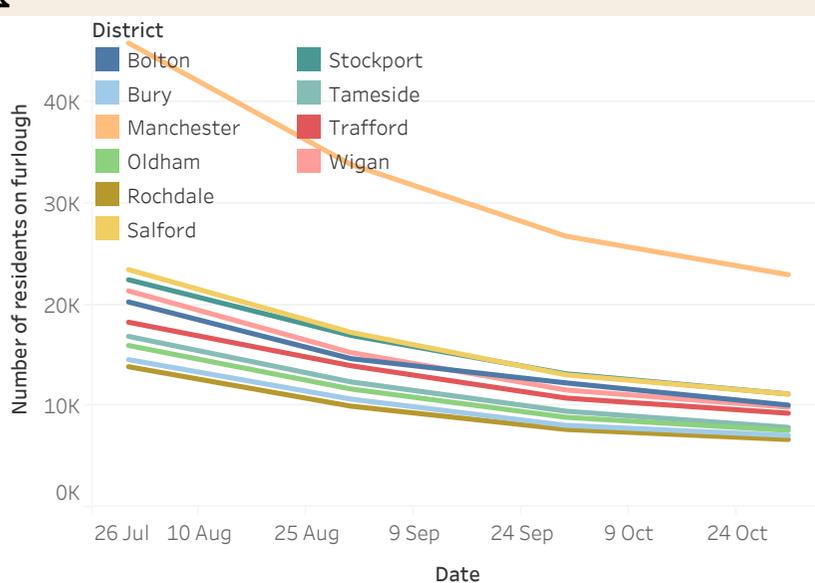
There have been **89,100** claims made to the second round of the Self-Employment Income Support Scheme up to 30th October. There was a total of 96,300 claims in the first round of the scheme up to 31st July.

There were **103,900** employees on furlough in Greater Manchester at 31st October, **18,000** fewer than at 30th September. This represents 8% of the total number of eligible employments.

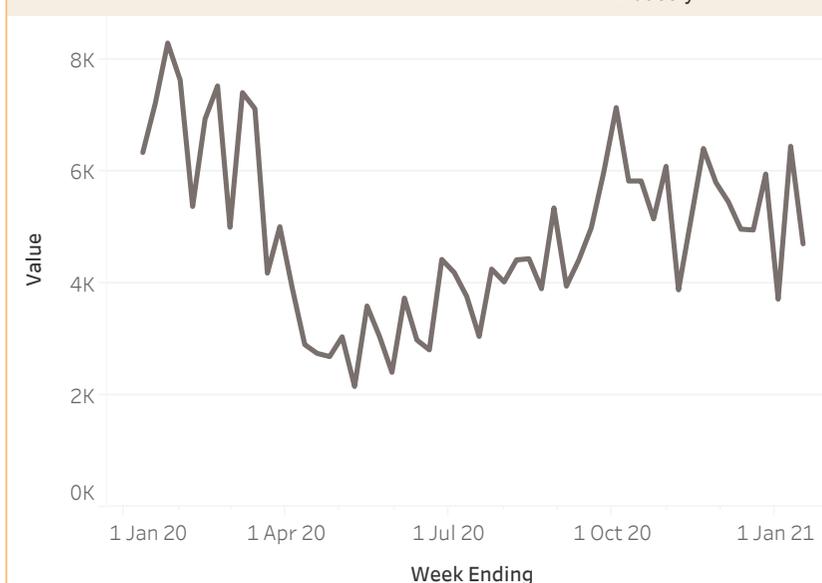
The number of online job postings decreased to **4,703** in week ending 16th January. Weekly job postings have fallen 36% since week 1st - 7th March.

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Furlough by Local Authority

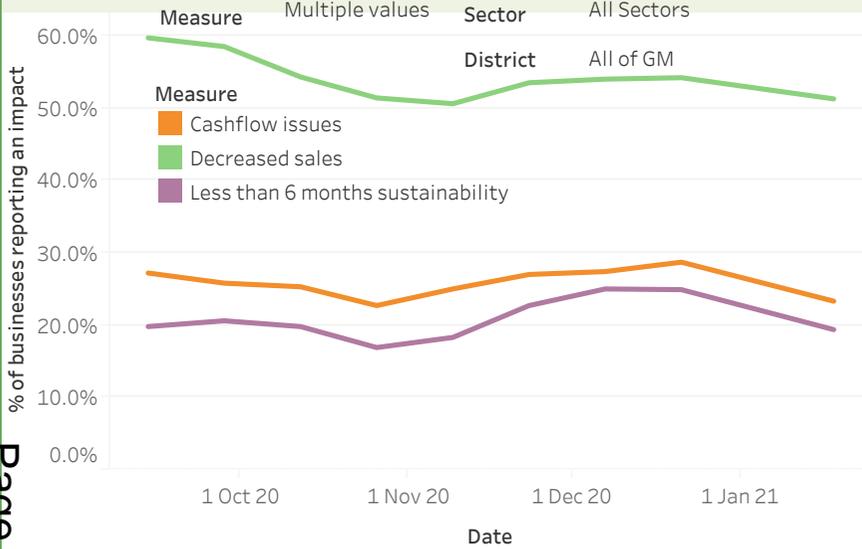


Job postings by industry (Weekly)

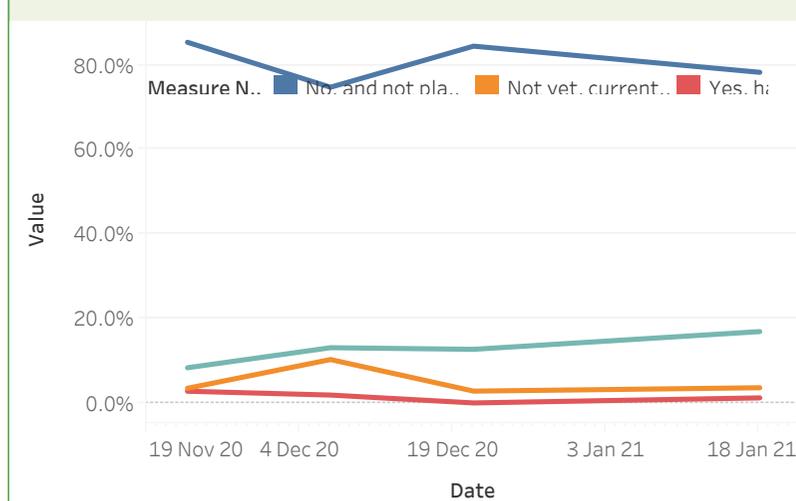


Greater Manchester Business Indicators

Business Growth Hub Survey on COVID Impacts (8 week average)



Business Growth Hub Survey: Business planning to make redundancies



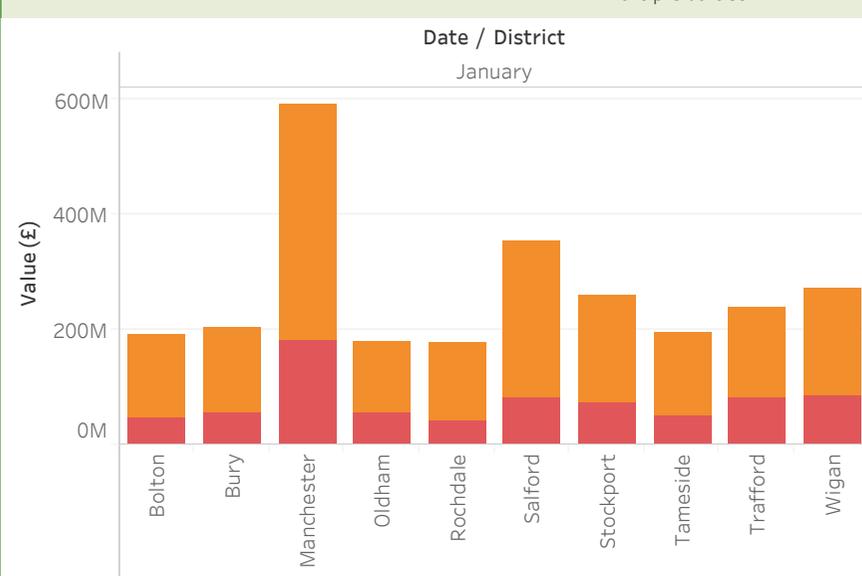
The most widely reported impact from the COVID crisis amongst businesses between 23rd November and 18th January was decreased sales. 51.3% of businesses reported decreased sales.

The number of firms that said they were considering making redundancies was 3.6% between 4th and 21st January. 18.1% of firms said that they had already made redundancies.

£780m in Coronavirus Business Interruption Loans and £1.95bn in Bounce Back Loans had been offered to businesses in GM at 11th January. An average of £264,000 per applicant from CBILS and £30,700 per applicant from BBLS has been paid to firms in GM, compared to £257,000 per applicant from CBILS and £30,400 per applicant from BBLS across the UK as a whole.

Export documents increased by 4% in December, from 2,222 to 2,306. The total number of export documents is down -19% since February.

CBILS and BBLs in GM

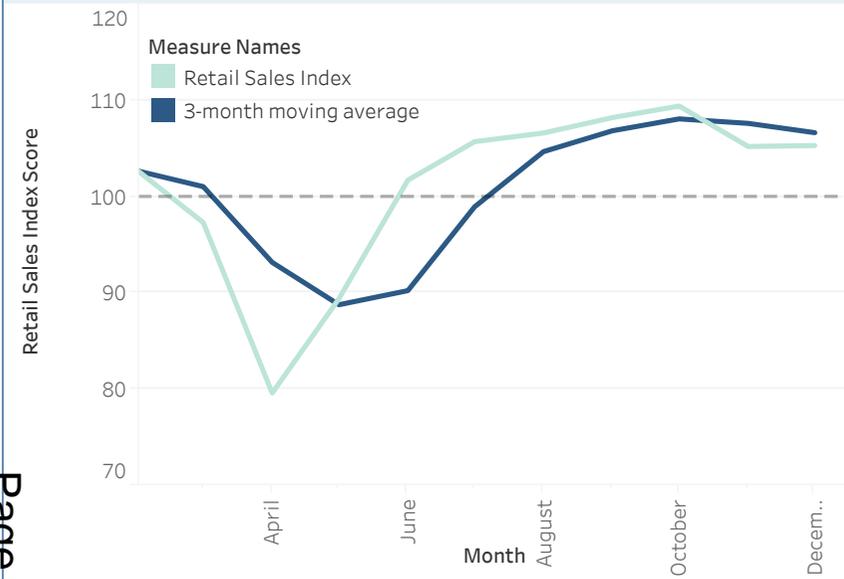


Export Documents (Monthly)

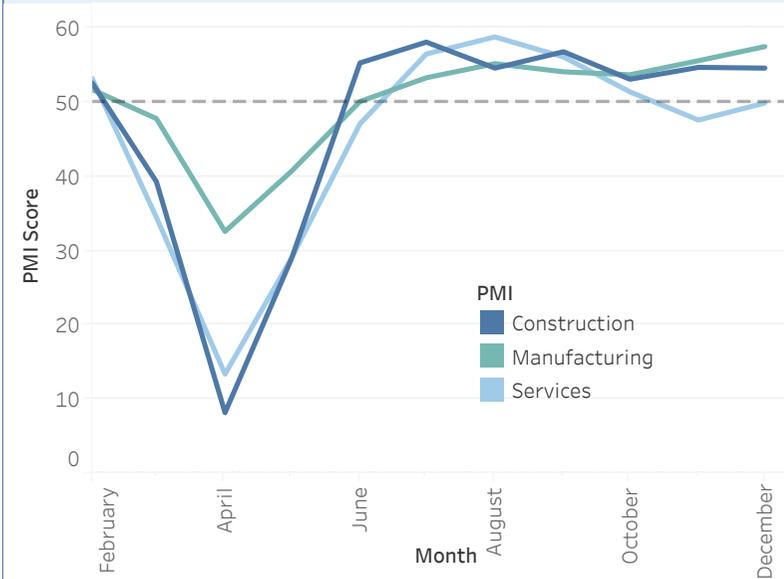


Business and Consumer Confidence

UK retail sales (Monthly)



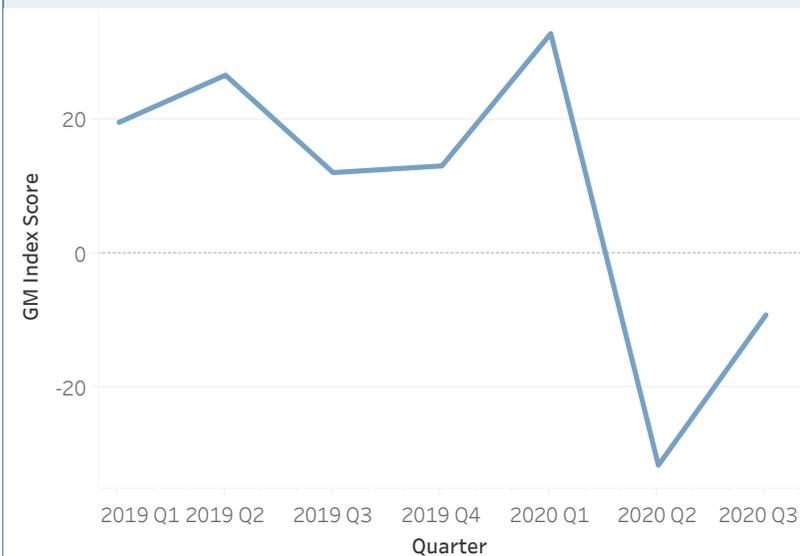
UK purchasing managers index (Monthly)



UK consumer confidence (Monthly)



GM Index (Quarterly)



Key Facts

The retail sales index increased slightly in December from 105.2 to 105.3. The index is now 2.7 points higher than it was in February 2020.

Two out of three sectoral PMI's increased in December.

Manufacturing PMI increased from 55.6 to 57.5 and Services PMI increased from 47.6 to 49.9. Construction PMI decreased from 54.7 to 54.6.

The UK Consumer Confidence Index increased to -26 in December 2020.

Consumer confidence has fallen 19 points since February 2020.

GM Chamber's GM Index increased from -31.7 in Q2 2020 to -9.2 in Q3 2020.

Behavioural Insights

Google Mobility Data

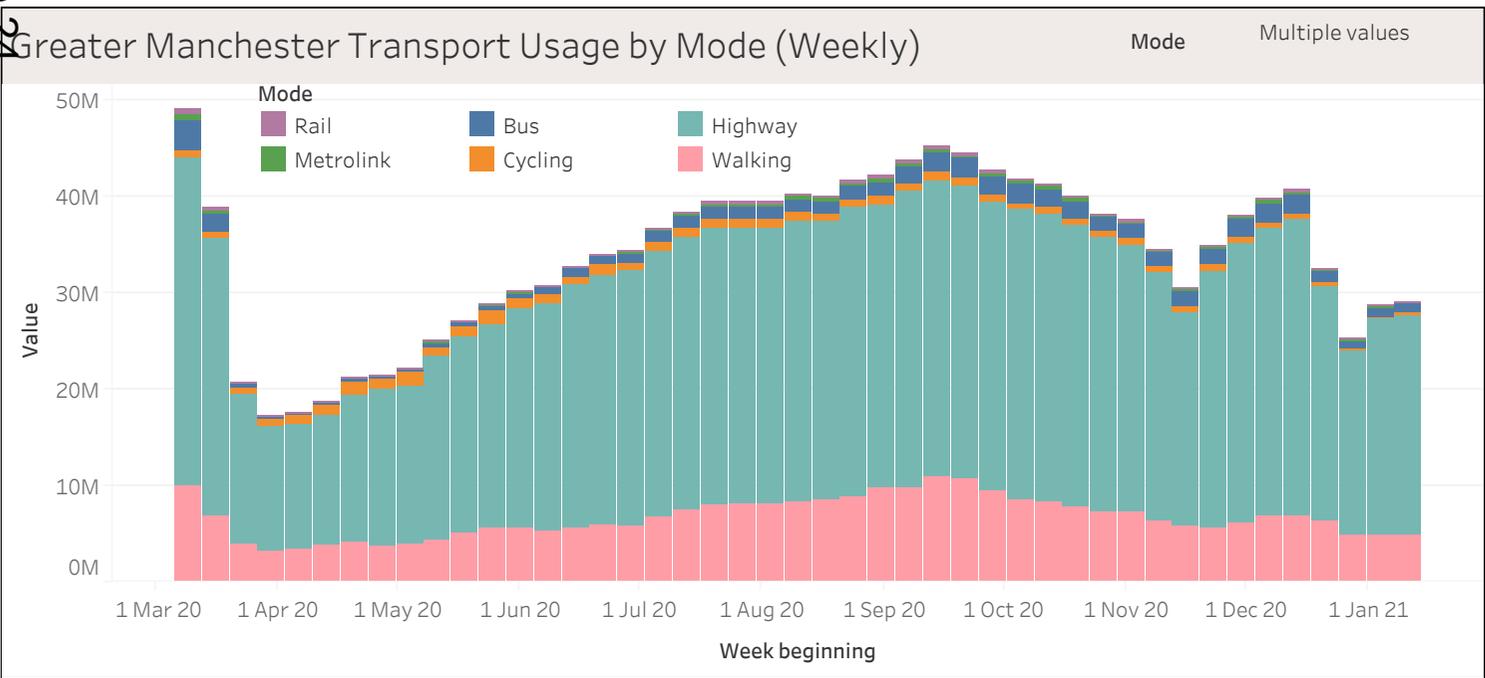


Key Facts

Google Mobility data for GM shows that there were fewer people moving through all location types on 17th January except in residential areas, which was 10% above the baseline.

There were 29 million passenger journeys across all modes of transport in Greater Manchester in week commencing 11th January. This represents a 41% decrease compared to the week commencing 9th March.

Greater Manchester Transport Usage by Mode (Weekly)



Definitions

Employees on Furlough in GM - This data is taken from the **monthly statistical release from HMRC** and provides figures for the number of employees who are currently on the government's Coronavirus Job Retention Scheme throughout the UK. Currently the HMRC release only provides cumulative figures for the GM area. The release is classed as experimental statistics because the methodologies used to produce the statistics are still in their development phase. As a result, the figures are subject to revision.

People on Self-Employment Income Support Scheme - This indicator measures the number of claims made to the Self-Employment Income Support Scheme (SEISS) administered by HM Revenue and Customs'. **The data is released on a monthly basis by HMRC.** As this is an experimental dataset, methodologies are still being refined and improved. Therefore, there may be revisions to these statistics.

Claimant Count - This data is taken from a **monthly statistical release by the Office for National Statistics.** Alternative Claimant Count experimental statistics measure the number of people claiming unemployment related benefits by modelling what the count would have been if Universal Credit had been fully rolled out since 2013 (when Universal Credit began) with the broader span of people this covers.

Job Postings - Job postings data is **taken from Burning Glass and updated on a weekly basis.** This measure indicates job vacancies for GM as a whole.

Growth Company Business Survey - Figures relating to the impact of COVID-19 on business are **taken from the Growth Company's weekly business survey.** The survey covers all businesses that are Growth Company Clients, this means that some businesses outside of GM that access Growth Company services may be included in the dataset.

CBILS and BBLs in GM - This data is taken from an irregular release by the British Business Bank. The release details the number and value of Coronavirus Business Interruption Loans and Bounce Back Loans by constituency which is subsequently merged into districts by GMCA.

Export Documents - This is a **monthly count of the number of export documents processed for GM businesses,** as reported to GMCA by the **GM Chamber of Commerce.** It gives an indication of the level of international trade happening in GM in the month.

Retail Sales - The Retail Sales Index provides retail sales data for Great Britain in value and volume terms, seasonally and non-seasonally adjusted. **Taken from a monthly statistical release by the Office for National Statistics.** The specific measure we use from the index is shows the volume of retail sales, seasonally adjusted, as a percentage change on the same month a year earlier.

Purchasing Manager's Index - The Purchasing Managers' Index (PMI) is an index of the prevailing direction of economic trends in the manufacturing, service and construction sectors. It consists of a diffusion index that summarizes whether market conditions, as viewed by purchasing managers, are expanding, staying the same, or contracting. **The Index is published on a monthly basis by IHS Markit Economics.** The purpose of the PMI is to provide information about current and future business conditions to company decision makers, analysts, and investors.

Consumer Confidence - In the United Kingdom, the consumer confidence survey measures the level of optimism that consumers have about the performance of the economy in the next 12 months. **Published on a monthly basis by GfK.** The GfK Consumer Confidence is derived from the survey of about 2,000 consumers which are ask to rate the relative level of past and future economic conditions including personal financial situation, climate for major purchases, overall economic situation and savings level.

GM Index - The Greater Manchester Index is a **quarterly composite indicator taken from seven measures in the Greater Manchester Chamber of Commerce's Quarterly Economic Survey.** Those seven indicators are Domestic Sales, Advance UK Orders, Export Sales, Advance Overseas Orders, Capacity Utilisation, Turnover Confidence, Profitability Confidence.

Google Mobility Data - This data is **from Community Mobility Reports published by Google.** The reports chart movement trends over time by geography, across different categories of places such as retail and recreation, groceries and pharmacies, parks, transit stations, workplaces, and residential.

Greater Manchester Transport Usage by Mode - This data is provided by Transport for Greater Manchester and measures the number of passenger journeys on each mode of transport (Car, Bus, Rail, Cycling, Metrolink).

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