

# GREATER MANCHESTER LOCAL ENTERPRISE PARTNERSHIP

**DATE:** Wednesday, 24 February 2021  
**TIME:** 4.20pm - 5.30pm  
**PLACE:** Via Microsoft Teams Live Events

## AGENDA

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1. Welcome, Apologies & Introductions Lou Cordwell	
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3. Draft Minutes of Meeting of 19 January 2021	3 - 10
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9. [GM Economic Dashboard](#)

Simon Nokes

10. Growth Company Business Support Update

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Mark Hughes

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## DECLARATIONS OF INTEREST

**24 February 2021**

(To be completed as necessary by all board members and advisors)

**Name:** .....

Minute Ref / Item No	Nature of Interest

**COMPLETE THIS FORM IF YOU HAVE AN INTEREST IN ANY PARTICULAR ITEM ON THIS AGENDA (SEE GUIDANCE OVERLEAF).**

**ANY COMPLETED FORMS SHOULD THEN BE HANDED IN TO ALLAN SPARROW AT THE START OF THE MEETING**

## GUIDANCE ON DECLARATION OF INTERESTS (AS PER DRAFT TERMS OF REFERENCE)

1. Subject to point 3) below, members (and advisors) must declare any interests (on the form provided), either at the **start of the meeting or as soon as any potential interest in an agenda item becomes apparent** during the course of the meeting.
2. Members must declare an their interest when the business being discussed specifically relates to
  - Their business
  - Any body of which they are a member
  - Any person or body who:-
    - Employs them
    - Makes payments to them
    - Has a contractual relationship with them
  - Any land or property in which they have an interest

This also applies to any close member of their family or person with whom they have a close relationship.

3. For the purposes of the above:
  - An interest of which a member has no knowledge and of which it is unreasonable to expect him or her to have knowledge shall not be treated as an interest of his or hers.
  - In relation to a non-pecuniary interest, a general notice given to the LEP that a member is to be regarded as having an interest, of the nature and the extent specified in the notice, in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the member has an interest in and such transaction of the nature and extent so specified.
4. Members (and advisors) with a declared interest in an item of business would usually be required to leave the room. **BUT** the board may want such an individual to contribute their knowledge and experience to the discussion despite the interest so declared. If this is the case the affected member can remain in the room - functioning as a resource that can be drawn upon to assist the board in their deliberations. The affected member should then withdraw when the decision on the matter is being taken and must withdraw at the decision-making stage if the member has a pecuniary interest unless otherwise determined by the Chair of the meeting. In the absence of the Chair or where an item of business relates to the Chair or an interest of the Chair, the meeting shall be chaired by a nominated Vice Chair if there is any or by a member selected by the meeting for that purpose.

**NOTES FROM THE GREATER MANCHESTER LOCAL ENTERPRISE PARTNERSHIP BOARD  
HELD AT 16:20 ON TUESDAY 19 JANUARY 2021 VIA MICROSOFT TEAMS LIVE EVENTS**

**Board Members:**

Lou Cordwell (In the Chair)

Mike Blackburn, Mayor Andy Burnham, Lorna Fitzsimons, Amanda Halford, Mo Isap, Sir Richard Leese, Juergen Maier, Vanda Murray, Nancy Rothwell, Cllr Brenda Warrington & Cllr Elise Wilson.

**Advisors:**

Eamonn Boylan (GMCA), Lisa Dale-Clough (GMCA), Gemma Marsh (GMCA), Ross McRae (GMCA), Simon Nokes (GMCA), David Rogerson (GMCA), Lee Teasdale (GMCA), Nichola Wallworth (GMCA), Steve Wilson (GMCA), John Wrathmell (GMCA), Nicola Kane (TfGM), Simon Warburton (TfGM), Simon Donahue (Marketing Manchester), Mark Hughes (The Growth Company), Leila Mottahedeh (BEIS) and Sheona Southern (Marketing Manchester).

**GM LEP/21/01 WELCOME, APOLOGIES & INTRODUCTIONS**

The Chair welcomed all present to the meeting.

Apologies were received from GM LEP Members David Birch & Chris Oglesby

**GM LEP/21/02 DECLARATIONS OF INTEREST**

Juergen Maier advised the Board that he had recently taken up the position of Vice-Chair on the Northern Powerhouse Partnership.

**GM LEP/21/03 MINUTES OF THE MEETING OF 15 DECEMBER 2020**

The Board received the minutes of the meeting of 15 December 2020 for approval.

**RESOLVED:/**

That the minutes of the meeting of 15 December 2021 be agreed as a true and correct record of the meeting.

**STRATEGY**

- The progress that had been made against the year one priority actions of the LIS were highlighted. GM had worked quickly with the Government and partner organisations to put in place new policies and solutions. The LIS had also been embedded into the plans of GM's local authorities.
- The LIS and LIS Implementation Plan supported the ambitions outlined in the GM Economic Vision, and would aid in the delivery of a world class innovation eco-system in GM. Key areas of activity and alignment included: Innovation GM; health innovation and devolution; green growth and low carbon innovation; digital and cyber; employment and skills provision; business support; and driving good employment.
- Studies had begun into the impact of Covid-19 on the ambitions of the LIS, and these studies would continue as the outcomes from the pandemic evolved. This was aiding the identification of priority actions that would support GM's recovery from Covid-19 and long-term growth prospects.
- Three high impact programmes would form the core of GM's recovery from Covid-19 and the focus of year two LIS implementation priorities. These were:
  - Leadership and Management Programme: Supporting small businesses in every LA to adapt their operations and plans. It would also focus on increasing the diversity of people entering leadership and management positions.
  - Improving Jobs and Productivity in the Foundational Economy: the plan would help ensure the jobs and business models that emerged through the recovery increased GM's resilience to future shocks and pandemics, improving the lives of people living in every part of the city-region and addressing inequalities.
  - Innovation GM: Delivering on the government's ambitions for levelling-up and global Britain and building on the city region's existing assets to drive innovation-led growth in all GM's towns and cities.
- Other year two priorities included: M62 North East Growth Corridor & Advanced Materials City; development of a robust digital skills pipeline; establishing the UK's first city region Clean Growth Mission; and further embedding the GM Good Employment Charter.

### **Comments and Questions**

- Members enquired about the impact of Brexit on the ambitions of the LIS. It was advised that there would be complex outcomes from Brexit that would have to be unpicked – particularly upon the service sector within the region. The importance of driving innovation in the region was highlighted as more vital than ever in the post Brexit marketplace.

- It was suggested that in terms of priorities going forward, they could be presented to reflect the strategic pillars of the LIS.
- The importance of illustrating how achieving the strategic ambitions of the LIS will benefit all GM's residents was noted. It was suggested that visual framing of LIS outcomes could help.

**RESOLVED:/**

1. That the GM LIS Implementation Plan year one review be received by the Board.
2. That the priorities for the Year 2 LIS Implementation Plan be approved by the Board.

**GM LEP/21/05**

**ENSURING AN APPROPRIATE TALENT PIPELINE**

- It was advised that the Industry, Labour Market & Skills Intelligence Team would play a key part in the development of a fully aligned labour market response in GM where there is a credible, current, employer led and shared understanding of the jobs, talent and competencies employers need across Local Industrial Strategy frontier and foundation sectors.
- The importance of young people, and of adults, understanding where opportunities existed in their districts was highlighted, and there needed to be deliberate targeting in place through the intelligence function.
- The Pipeline was about providing a better understanding for employers and potential employees of progression pathways to priority jobs as well as identifying the true gaps in talent development across the GM economy. This in turn would create a more aligned and responsive talent and skills offer for residents and employers, and support employers and skills providers to work collaboratively to make a bigger impact.

**Comments and Questions**

- Members commended the quality of the presentation, stating that it demonstrated how the needs of employers and residents could be better matched against skills provision. It was felt that the Pipeline plans clearly presented a way to 'square the circle'.
- It was stated that the LEP has an opportunity to take an ownership role in promoting business engagement with the Pipeline to maximise the opportunities the scheme could provide.

**RESOLVED:/**

1. That the presentation on ensuring an appropriate talent pipeline be received.

**GOVERNANCE**

**GM LEP/21/06 BOARD MEMBER FEEDBACK ON MEETINGS ATTENDED**

- It was advised that board member feedback on meetings they had attended would now become a standing item on the agenda going forward.
- Sir Richard Leese advised that he was a member of a newly established task force on Urban Centre Recovery, jointly chaired by the Secretary of State for Housing, Communities & Local Government, and the Chair of Homes England. The task force was focussing on major urban centres and the policy initiatives that could be used to drive recovery.

**RESOLVED:/**

1. That the updates from board members providing feedback on meetings attended, be noted.

**PERFORMANCE**

**GM LEP/21/07 GM ECONOMIC DASHBOARD**

- A brief update was provided highlighting key points from the latest update of the GM Economic Dashboard.

**RESOLVED:/**

1. That the updated GM Economic Dashboard be received by the Board.

**GM LEP/21/08 GROWTH COMPANY BUSINESS SUPPORT UPDATE**

- Latest survey information included an increasing amount of concern about the impact of Brexit; reductions in the number of businesses planning redundancies as a positive; and notable increases in the levels of business optimism, though the timelines in which they expected recovery to occur had lengthened.
- Overall businesses who were able to operate in the current lockdown environment were better prepared than they had been previously. However, concerns around mental wellbeing were being highlighted at an increasing rate.
- Another positive arising from the survey was that certain sectors are continuing to show growth leading to further job creation.



## **Comments and Questions**

- Concerns around mental health provision were echoed, and it was asked how this could be addressed. It was advised that the Good Employment Charter unit is exploring relevant business support alongside a number of existing Growth Company programmes tackling these issues.
- It was noted that despite the challenges of leaving the EU noted by some businesses, a number had reported an increased appetite for exporting on a more globalised scale.

### **RESOLVED:/**

1. That the contents of the Growth Company Business Support Update be noted by the Board.

### **GM LEP/21/09**

### **GM FREEPORTS UPDATE**

- The Board received an update on discussions with partners on potential freeport bids, particularly with Liverpool City Region and other partners in the Northwest

### **RESOLVED:/**

1. That the Freeport bidding criteria meaning that a GM only bid is not being progressed, but opportunities to work with partners across the North West to support their work, and ensure that GM's businesses and economic assets are able to benefit from any Freeports established, and prepare for any future rounds which build upon the initial Freeports, be noted by the Board.
2. That the continuing conversations with other partners were updated upon and noted by the Board.
3. That officers keep the Board updated on progress around Freeports and other opportunities in relation to them, as they arise.

### **GM LEP/21/10**

### **MARKETING AND COMMS UPDATE**

- Since Christmas stories had been released on Manchester's music sector; investment in cycling & walking; and 2D materials.
- Coming up were pieces on health innovation; a virtual event with BBC digital cities; the Innovation GM strategy launch; and working with new LEP members to communicate the GM Economic Vision.

- The steering group had noted the importance of acknowledging both the short and long term challenges facing businesses in the Covid-19 environment.
- Work was taking place to ensure that communications and content was aligned with public affairs efforts in GM to ensure that messages were consistent and replicated at all levels.

**RESOLVED:/**

1. That the Board notes the marketing and comms update.

**GM LEP/21/11            TFGM UPDATE**

**GM Transport Strategy 2040 & Five-Year Transport Delivery Plan and Local Implementation Plan**

- It was advised that the tabled plans were the culmination of 18 months' work amongst LA partners. This now set out a very clear list of investment priorities and policy reform to set GM on the path to deliver the GM Mayor's vision.
- The timing of the plan was particularly important in terms of the context of the autumn budget statement. Work had been taking place with the Department for Transport to maintain the case for urban transport investment, and the intra-city transport fund referenced in the statement was welcomed.
- The GM Mayor referenced his hopes for a London style transport system that would include a cap on daily spend, and that his commitment to a continued push for devolved city region spending on transport remained a key pillar of his vision.

**RESOLVED:/**

1. That the Board endorses the Greater Manchester Transport Strategy 2040.
2. That the Board endorses the final version of the Five-Year Transport Delivery Plan (2021-2026).

**GM LEP/21/12            ANY OTHER BUSINESS**

- The GM Mayor advised Board Members about developments that had taken place with Transport for the North which could have consequences for pan-Northern transport ambitions. This included a 40% cut to the core funding of the body and a freezing of its funding for the development of Northern Powerhouse Rail.

- Board Members noted this development and suggested writing to the Prime Minister setting out the importance of continuing investment in northern rail infrastructure and its importance to the wider transport network.
- It was advised that the Northern Powerhouse Partnership would also look to add their support on this issue.

Meeting closed at: 17:45

The next meeting of the Board would take place on Wednesday 24<sup>th</sup> February 2021

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## **GM LOCAL ENTERPRISE PARTNERSHIP BOARD**

**SUBJECT:** Greater Manchester Strategic Infrastructure Board (SIB)

**DATE:** 24 February 2021

**FROM:** Roger Milburn (SIB Chair) and Simon Nokes (GMCA and deputy SIB Chair)

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## **PURPOSE OF REPORT**

The purpose of this paper is to:

- Provide an update to the Local Enterprise Partnership (LEP) Board from the Strategic Infrastructure Board (SIB).
- Identify and/or confirm the short and longer term outcomes that the LEP wish to achieve in relation to infrastructure and the activities that will support them.
- Promote better engagement between the SIB and the LEP, the wider business community and business leaders across the north west where there is value in doing so.

## **RECOMMENDATIONS**

The LEP Board is asked to provide views on:

- Its role in supporting the SIB and infrastructure development in the future and
- Provide views on future engagement with the SIB and the wider business community on future infrastructure development.

## EQUALITIES IMPLICATIONS

There are expected to be no significant equalities implications arising from any recommendations within this report. The vision for infrastructure as set out in the Infrastructure Framework is to develop and maintain a holistic infrastructure system that is robust, accommodates sustainable growth and supports the aims of the Greater Manchester Strategy. The SIB is an opportunity to work with infrastructure providers to ensure that equality benefits are maximised through infrastructure delivery within Greater Manchester.

## CLIMATE CHANGE IMPACT ASSESSMENT AND MITIGATION MEASURES

The [Greater Manchester Infrastructure Framework](#) and SIB directly support the delivery of the [5-year Environment Plan](#). Population change, economic growth and climate change are identified as pressures that give rise to the following challenges that the SIB is addressing:

- Low/Zero carbon heat
- Reduction in heat demand from existing and new buildings
- Changing electricity demands
- Improve transport capacity and connectivity
- Low Emission vehicles
- Managing flood risk
- Green and blue infrastructure to provide ecosystem services and
- Resilience

## CONTACT OFFICERS:

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## **1. THE IMPORTANCE OF INFRASTRUCTURE**

- 1.1 We are dependent on the physical infrastructure that supports our cities, towns and villages, in fact it is critical to the survival and success of any modern and developing community. Our cities and towns do not have governance over the infrastructure (apart from elements of transport) that is critical to their ambitions. Private sector infrastructure providers are regulated monopolies responsible for our infrastructure and have 5-to-8-year investment plans which are approved by their regulators.
- 1.2 We define physical infrastructure in three equal parts - utilities (energy, water, drainage, blue and green infrastructure) transport and digital. It does not include waste or social infrastructure. As an example of the importance of our infrastructure, the 100km long Haweswater aqueduct, built 75years ago, supplies water from the Lake District to 2 million homes in Greater Manchester. It now needs a £750 million upgrade.

## **2 STRATEGIC FOCUS AND LEP ENGAGEMENT**

- 2.1 The Greater Manchester Infrastructure Advisory Group (IAG) was initially established by the LEP in 2014 as a small working group given the recognised importance of economic infrastructure at a City Region level in delivering the LEPs growth agenda.
- 2.2 In early 2019 and following the adoption of the Greater Manchester Infrastructure Framework 2040, the Greater Manchester Combined Authority established the Strategic Infrastructure Board reporting jointly to the LEP and the GMCA political portfolio holder for Housing, Homelessness and Infrastructure (currently this is the City Mayor of Salford – Paul Dennett).
- 2.3 Digital and resilience issues are considered by the SIB. A parallel group was established focusing on digital infrastructure (fibre and mobile) reporting to the SIB and the Digital Infrastructure Advisory Group (DIAG). The group has a mix of private and public sector representatives chaired by Roger Milburn with officers from the GMCA’s digital directorate. Greater Manchester is a member of “Rockefeller 100 Resilient Cities”, an initiative pioneered by the Rockefeller Foundation since 2013 to help more cities build resilience to 21st century physical, social and economic challenges – now a global network of member cities that can learn from and help one another. Infrastructure has been identified as a key resilience issue.
- 2.4 The SIB has been instrumental in creating the platform for infrastructure delivery across Greater Manchester and collaboration and engagement with the key infrastructure providers such as Electricity North West, Cadent, the Environment Agency and United Utilities.
- 2.5 Engagement between the LEP and the SIB has commenced with discussions between the LEP Chair and the SIB Chair. This could pave the way for a more

dynamic relationship with the LEP over the coming year. The purpose of this stronger relationship needs to be defined such that there a benefit to this increased ongoing interaction.

- 2.6 The LEP published it's economic vision last November in response to the coronavirus pandemic which has brought a global reappraisal of economic priorities, putting people and the planet first. Building on our frontier sector strengths in advanced materials, green growth, health innovation and digital and creative, Greater Manchester is now poised to lead UK economic recovery with a plan for innovation, green growth and addressing inequalities. It's an opportunity to build back better, creating a Greater Manchester and in turn, a Greater Britain.
- 2.7 The vision includes priorities to stimulate investment to create desirable places where people thrive. The first step to this is:
- a) delivering the Greater Manchester Infrastructure Programme and arguing for a place-based settlement and the funding flexibilities within existing funds to build local capacity to support place regeneration and
  - b) supporting Innovation Districts in all parts of Greater Manchester, as part of Innovation GM attracting private and venture capital investment into Greater Manchester from organisations who share our aims, to support companies and place infrastructure
- 2.8 The current activity provides the necessary spatial link between the desired growth locations and on the ground infrastructure delivery. Initiatives such as Innovation GM which is reliant on the infrastructure being in place at specific growth locations such as the M62 Growth Corridor and in town centres. This link is being made via the Greater Manchester Infrastructure Programme (GMIP).
- 2.9 The SIB was charged with proposing the strategic direction for infrastructure delivery rather than being the official governance structure under which activity is delivered. Accountability for the broad range of activity that is being undertaken has been developed for each key programme with specific Greater Manchester governance arrangements set up.
- 2.10 Given the future funding landscape, it is likely that centralised funding decisions will be made by government based on its understanding of the issues that need to be addressed in order to deliver against its own priorities. Funding will continue to be allocated through existing Whitehall departments e.g. transport,(DfT) flood risk management (Defra), green recovery (Defra/BEIS), site specific (MHCLG) digital (DCMS) and existing regulated price review processes Ofwat/Ofgem etc.
- 2.11 The importance of infrastructure delivery to meet Governments objectives is understood at a Greater Manchester level. However, the case will need to be made across different levels of government to ensure appropriate national decision making. This will require the Greater Manchester voice to be heard at a



national level and the SIB and LEP has a potentially vital role in conveying those critical messages.

### **3. NATIONAL POLICY DIRECTION**

3.1 The long awaited National Infrastructure Strategy has provided some further clarity over the direction of travel from Central Government. The key messages coming through the National Infrastructure Strategy are:

- a. Boosting growth and productivity across the whole of the UK by levelling up and strengthening the Union. With investment in rural areas, towns and cities, from major nation projects to local priorities
- b. Putting the UK on the path to meeting its net zero emissions target by 2050 by decarbonising the UK's power, heat and transport networks and adapting to the risks posed by climate change
- c. Supporting private investment by providing investors with clarity over the plans through this Strategy and the following Energy White Paper
- d. Accelerating and improving delivery, transforming how infrastructure projects are delivered through reforms to the planning system, project selection and procurement, and use of cutting-edge construction technology.

3.2 The Spending Review has seen a move towards the centralisation of funding pots, with the exception of the Intra-city Transport Funding settlement that will only be available to Mayoral Combined Authority (MCA) areas. While this is a disappointing development from a devolution perspective, the GMCA is focussed

on ensuring it is accessing the relevant national funding pots to unlock growth across the conurbation.

- 3.3 In infrastructure planning terms this means that Greater Manchester has a consistent view on the growth requirements across the conurbation and a stable platform for the planning of infrastructure delivery.

#### **4. CURRENT ACTIVITY**

- 4.1 The 11 Infrastructure Framework Challenges and the 2019 Infrastructure Action Plan set the scope of the challenges that need to be overcome and a set of actions to address these challenges. The challenges are:

1. Low/zero carbon heat
2. Reduction in heat demand from existing and new buildings
3. Changing electricity demands
4. Improve transport capacity and connectivity
5. Low Emission vehicles
6. Managing flood risk
7. Green and blue infrastructure to provide ecosystem services
8. Digital connectivity
9. Collaboration and co-ordination
10. Long term investment
11. Resilience

- 4.2 The SIB is currently considering the appropriateness of the challenges alongside any short and longer term priorities. This review will be finalised at the 23 March SIB meeting. The actions have been taken forward either through the creation of specific thematic groups or as part of broader GM programmes of activity.

- 4.3 The GM Infrastructure Programme has been developed over the last 18 months to give a focus to infrastructure delivery in the next 5 to 7 years and create an approach to working across stakeholder groups that aligns activity around strategic Development Plan Documents, Transport Plans and the Mayoral Development Corporation area.

- 4.4 While there is a great deal of publicly funded infrastructure that will need to be delivered for Greater Manchester to achieve its growth ambitions, there is a large part of the strategic plan that requires private investment through utility providers to achieve these objectives. Bi-lateral working arrangements with each of the infrastructure providers continues to be critical to deployment of investment in the most appropriate areas across Greater Manchester.

- 4.5 Specific project working groups are being set up around key growth locations in Greater Manchester such that all infrastructure providers are involved in those project specific discussions to enable the necessary collaborative working that

will result in exemplar infrastructure delivery approaches that achieve greater carbon reduction benefits and efficient deployment of capital.

## **5. RECOMMENDATIONS**

- 5.1 Recommendations are outlined on page 1 of this report.

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## **GM LOCAL ENTERPRISE PARTNERSHIP BOARD**

**SUBJECT:** LEP Funding Update

**DATE:** 24 February 2021

**FROM:** Simon Nokes, Executive Director, Policy and Strategy

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### **PURPOSE OF REPORT**

This report provides an update on the 2021/22 LEP core funding and sets out the proposed priorities for its allocation in the forthcoming year in line with the GM Economic Vision.

### **RECOMMENDATIONS**

The LEP is asked to note and approve the allocation of the 2021/22 LEP Core Funding.

### **EQUALITIES IMPLICATIONS**

The GM Economic Vision provides a blueprint for remodelling the city-region's economy. It includes a range of long-term initiatives to help businesses innovate more effectively and become more productive, creating a greener and more resilient Greater Manchester.

This includes a clear commitment to tackle inequalities, embrace diversity and recognise the importance of civil society with actions aiming to encourage diversity in company leadership with a focus on women and BAME groups, promote better health and wellbeing support and turn Greater Manchester into a living wage city-region.

### **CLIMATE CHANGE IMPACT ASSESSMENT AND MITIGATION MEASURES**

The GM Economic Vision reflects the GM Local Industrial Strategy and its Clean Growth Mission while recognising the shift in attitudes among people, businesses and investors caused by the coronavirus pandemic. As such, it builds on GM's bold target of carbon neutrality by 2038 and will support Greater Manchester in driving the UK as a global leader in low carbon innovation

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## 1. INTRODUCTION

- 1.1 The Greater Manchester Local Enterprise Partnership is a private-sector led, voluntary partnership sitting at the heart of the city region's governance arrangements, ensuring that business leaders are empowered, working with the Greater Manchester Combined Authority to shape the strategic course, determine local economic priorities and drive growth and job creation within the city region.
- 1.2 GMCA and GM LEP form an integrated partnership underpinned by the shared vision set out in the Greater Manchester Strategy (GMS), GM Local Industrial Strategy (LIS) and GM Economic Vision providing an effective model of governance and decision making.
- 1.3 Together they are supported by the GMCA Executive Team allowing joint access to the comprehensive GM evidence base and the capacity to provide the necessary governance, strategy and delivery functions.
- 1.4 The Cities and Local Growth Unit confirmed in January 2021 the availability of £500,000 core funding to deliver LEP priorities. As with previous years, LEPs are required to match fund this locally to a minimum of £250,000 and this report sets out a proposed allocation for 2021/22 to support delivery of the GM Economic Vision.

## 2. DELIVERING LEP PRIORITIES

- 2.1 The Executive Director, Policy and Strategy, acts as the LEP Chief Executive and leads the GM secretariat in bringing together key officers and partners to deliver shared GMS/LIS priorities and implement the GM Economic Vision: Building a Greater Manchester, Making a Greater Britain. He is supported in the management of the LEP by his Executive Assistant and a dedicated LEP Principal Officer.
- 2.2 In addition, it is important to recognise that delivering the priorities of the LEP is supported by a wide range of staff within thematic teams within GMCA/TfGM, working with districts and partners, as follows:
  - **Work and Skills:** Developing an integrated employment and skills ecosystem through projects focused on Apprenticeships, Young Person's Guarantee, GMACS, Bridge GM and Employ GM
  - **Investment:** The GM Investment Fund is a series of investment funds (including Local growth Fund and Get Building Fund) aimed at encouraging business growth and investment in property and infrastructure.
  - **Digital:** Realising the ambition for GM to be recognised as a world-leading digital city region through the Digital Blueprint and its key priorities and enablers
  - **Low Carbon:** Driving the Five-Year Environment Plan and its long-term environmental vision to be carbon neutral by 2038
  - **Culture:** Overseeing the development and delivery of an ambitious, overarching strategy for culture, arts and leisure
  - **Transport:** Working with partners in TfGM to develop an integrated public transport network

- **Economy & Business:** Delivering the Local Industrial Strategy and other economic and business priorities, working with partners at the Growth Company to support local business and bring trade, investment and growth to Greater Manchester
  - **Governance:** GMCA acts as the LEP's Accountable Body, maintaining a robust audit trail to demonstrate compliance with appropriate protocols and regulations
  - **Research:** the LEP is supported at every meeting with relevant data and economic analysis to enable it to understand, and respond, to economic trends
- 2.3 In previous years, the LEP has agreed to supplement this activity with additional capacity from its core funding to support research, policy and strategy development along with targeted funding for individual LEP priorities.
- 2.4 For instance, this current year's allocation for 2020/21 was discussed at the Board meeting in November March 2020 and it was agreed to allocate £250k to support the GMCA Executive research and strategy function
- 2.5 Key impacts of this funding, when put alongside additional GMCA funding is a comprehensive research, policy and strategy programme which, between the LEP and CA, has been able to deliver in priority areas for the LEP including:
- Development of the GM Living with Covid Resilience Plan and **GM Economic Vision** and submission to the Comprehensive Spending Review
  - Maintaining a robust **research and evidence base** to ensure that GM remains at the forefront of current strategic thinking and developments including updating the Independent Prosperity Review in light of the Covid pandemic
  - Continued delivery of the **GM LIS Implementation Plan** with the Annual Review brought to the LEP in January 2021, identifying progress against each action and proposing how Year 2 implementation and milestones needed to be adapted in light of the Covid pandemic. (The LIS Implementation Plan is also supported by a significant investment of retained Business Rates)
  - Development of **Innovation GM**; a whole ecosystem approach to diversify the business base, transform ways of working, build vibrant places, create future resilience, support pathways to work and tackle social issues
  - Strengthening the **GM Employment Charter** to support employers to develop good jobs, deliver opportunities for people to progress, and help employers in the city-region grow and succeed. (Again this is supported by investment of retained Business Rates)
  - Refreshing the **GM International Strategy** setting out a framework of objectives delivering on the long-term vision of becoming a top global city-region.
  - Development of a LEP focused **Public Affairs function**, engaging with Ministers, MPs and Government departments to raise the profile of the GM Economic Vision and work together to realise shared ambitions.
  - Ensuring that LEP priorities are delivered in a way that makes a difference to the lives of **people across all our communities** with key themes such as the GM Social Enterprise Advisory Group, the GM Social Value Framework and the GM Inequalities Commission

- 2.6 A further £250k was allocated to a number of key LEP priorities including the LEP Membership Review; delivery of the LEP Foresighting Group; the annual contribution to the LEP Network; and small contingency for ad hoc activity including expenses with any remainder funding allocated to LIS implementation activity.

### **3. LEP CORE FUNDING 2021/22**

- 3.1 The previous year has seen a number of significant developments to the context in which GM LEP priorities are being delivered including the challenges and opportunities presented by the Covid crisis, the development of the GM Economic Vision and the current Board membership review.

- 3.2 Therefore, in agreement with the Chair, it is proposed that the £500k is allocated alongside GMCA investment to drive LEP delivery of the GM Economic Vision in the following crucial ways:

#### ***Delivery across Policy areas in line with the Vision - £250k***

- 3.3 It is proposed that £250k is allocated to support capacity in research, policy and strategy to support the implementation of the GM Economic Vision along with supporting the city region's continuing response to Covid and the longer term approach to recovery.

- 3.4 This additional LEP capacity funding will continue to be used alongside GMCA funding to deliver the comprehensive management of the LEP, supporting the Chair and Board members in their roles, as well as enhancing the significant programme of support and activity to enable the LEP to drive forward its agenda in priority areas as outlined above. This will include implementation of key aspects of the GM Economic Vision as discussed at previous meetings.

- 3.5 Working with the GMCA and its partners, the LEP will drive an economic recovery that puts people first, embraces the benefits of diversity, rebalances inequalities, creates lasting resilience, supports the move to net zero carbon and rethinks productivity.

#### ***Promoting Greater Manchester's Economic Vision and Assets - £123.5k***

- 3.6 Marketing Manchester and GMCA Communications have been collaborating on strategic and tactical communications activity to raise the profile of the GM Economic Vision, GM LIS and the GM International Strategy, to position Greater Manchester as a city-region that can support UK economic recovery and growth, while leading green growth and innovation and tackling inequalities

- 3.7 It is proposed that £123.5k is allocated to continue this approach with £100k for Marketing Manchester to deliver content creation and £23.5k for GMCA for the provision of a Senior Communications Officer.

- 3.8 See Annex A for further details on the programme to date and the proposed way forward in 2021/22.

#### ***Delivery of specific projects to take forward the agreed Yr 2 LIS implementation plan - £100k***

- 3.9 It is proposed that the remainder of the strategic funding is allocated to support the agreed Yr 2 LIS implementation activity, in line with the GM Economic Vision and shaped by Board members in their respective LIS portfolio roles to help drive overall delivery.



**LEP Oversight and Governance - £26.5k**

3.10 In addition to this strategic work, it is proposed the following funds are allocated to support the LEP's role in oversight and governance. This includes:

- *GMCA: LEP Membership Review – £10k*  
A comprehensive Board review is current being carried out to recruit new Board members to fill a number of vacant positions with a view to the fully refreshed Board being in place by April 2021. It is proposed that funding is allocated for 2021/22 should there be any further changes in Board membership
- *GMCA: Delivery of LEP Foresighting Group - £5k*  
The Foresighting Group brings together senior representatives of the business community whose advice on key issues will help develop the LEP's long term thinking and implementation of the GM Strategy
- *Contribution to the LEP Network - £7k*
- *LEP contingency for ad hoc activity including expenses - £4.5k*

## **Annex A**

### **Marketing Manchester and GMCA Strategic Communications for GM LEP: Activity Proposal for 2021/2022 Date: 24 February 2021**

#### **Background/Context**

Marketing Manchester and GMCA Communications colleagues have been collaborating on strategic and tactical communications activity and in support of GM LEP and its aspirations for the Greater Manchester economy since September 2020. This work supports themes within the Greater Manchester Economic Vision, Greater Manchester Local Industrial Strategy and the Greater Manchester One Year International Strategy, to position Greater Manchester as a city-region that can support UK economic recovery and growth, while leading green growth and innovation and tackling inequalities. It also follows on from the LEP Communications plan written by GMCA and approved in 2019. This communicated the LEP's implementation of the Greater Manchester Strategy, International Strategy and Local Industrial Strategy to local and national stakeholders with a comprehensive media, communications and engagement approach.

This work builds on the content curation project funded by the GM LEP, developed and successfully delivered by Marketing Manchester, which began in November 2017 to enhance Greater Manchester's reputation nationally and internationally through PR, content and communications activity. In time, the strategy is to develop and grow this area of work to enable it to become self funding.

This paper outlines proposed activity to continue communications programme in support of GM LEP for 12 months from April 2021 – March 2022.

#### **Previous delivery**

Between November 2017 and March 2020, Marketing Manchester provided content curation support on behalf of GM LEP, delivering event, content and PR activity generating coverage providing 600 million+ opportunities for Greater Manchester's key messages to be seen or heard, including 212+ individual content packages (KPI was 6m OTS, 112 pieces of individual content). Between September 2019 and September 2020 GMCA, delivered the LEP's communications plan, building the profile of the board through a variety of traditional and social media platforms. This work increased the reach of the LEP's messaging through exponential increases in social media audiences and ensured that LEP decisions and investments were highlighted to key audiences through a programme of external facing communications.

Beginning in September 2020, the global pandemic provided a revised focus on strategic and tactical communications activity in support of the themes within the Greater Manchester Economic Vision. In the past financial year a LEP steering group has overseen the work of MM in the delivery of content, digital and events, and GMCA in the delivery of media and comms.

#### **Results to Date: Evaluation / Outputs Sep – February 2021**

Marketing Manchester and GMCA communications colleagues started work on GM LEP Economic Proposition Strategic Communications activity in September 2020. In the six months to February, this work has delivered outputs including:

- **Website and thematic content development:** Delivery of a new Insights section for the GM LEP website, with development of a new form of content marketing to highlight priority themes and stories, including in depth articles, video storytelling and associated social media.
- **Content:** Planning and execution of a suite of strategic content for use and promotion via the GM LEP Insights section and other channels. To date, work has been done to deliver 20+ pieces of original content, including original Insight articles, social video production, and social media assets.
- **PR and media relations:** Proactive PR and media relations activity in support of the GM LEP Economic Strategic Communications has delivered in excess of 1 million+ Opportunities To See or hear communications messaging from GM LEP. Highlights include coverage in Tier 1 rated media (Sky News, Bloomberg Radio) media interviews with GM LEP leaders and coverage relating to the launch of the Greater Manchester Economic Vision, including management of a paid media partnership.
- **Partner relationships:** Building relationships with a broad range of partners – within the GMCA, the 'GM family' and external organisations. Established the LEP as a trusted 'voice of business' for the city-region, providing comments and supporting partner communications.
- **Greater Manchester Economic Vision launch:** Planning, promotion and delivery of the Greater Manchester Economic Vision launch, including the development of supporting content (Economic Vision film), PR and media relations activity – including a paid media partnership with North West Business Insider, Economic Vision [landing page](#), and digital marketing support (paid and organic social media).
- **Events:** Planning is underway for the promotion and hosting of further events featuring GM LEP speakers and content, including BBC Digital Cities, health and wellbeing, female entrepreneurs and Innovation GM.
- **Social Media:** Creation and management of social media posts via the GM LEP channels, including Twitter and LinkedIn. A key channel for the GM LEP, LinkedIn follower numbers have increased from circa 700 to 1,150 during this period, Twitter followers have grown to 2,828.

## Proposal for 2021/22

Guided by a Steering Group (comprising GM LEP board members, GMCA Economic Lead and GC Chief Exec), Marketing Manchester and GMCA communications colleagues will deliver a rolling programme of strategic and tactical communications support for GM LEP, emphasising the role for Greater Manchester in enabling UK economic recovery and growth, the UK's levelling up agenda, innovation, and green growth.

This work will be delivered in line with the aspirations and ambitions within the GM Economic Vision, Greater Manchester Local Industrial Strategy and Greater Manchester One Year International Strategy, and the forthcoming Greater Manchester Strategy.

Both organisations work together to deliver a strategic and tactical communications framework.

Marketing Manchester will lead on content, events and digital elements of this work, developing and delivering strategies to achieve standout for key sector narratives and overarching themes (see below: green growth, innovation, CSR, LIS sector ambitions, Business Recovery).

GMCA communications colleagues will lead the media relations and public affairs elements of this activity, with an emphasis on the profile of the GM LEP board and ensuring that Government / stakeholder engagement is supported by clear and consistent communications.

### **Key Messaging and Target Audience**

The programme will support the GM LEP in communicating that Greater Manchester is perfectly positioned to work with Government to achieve UK economic growth and recovery, level up/address inequalities, as well as deliver green growth and innovation.

Activity will target senior UK Government officials and academic, scientific and business leaders both locally and nationally who can corroborate, support and amplify Greater Manchester's reputation in delivering economic activity unlocking prosperity. This will be achieved by delivering content, communications, PR and events aligned to the following **key themes and delivery activity**:

- **Green growth, COP26:** Activity building on GM's strengths and ambitions in delivering low carbon solutions to global challenges, including retrofitting properties, delivering a smart city and green transport solutions. This work would align with Greater Manchester's ambitions to make an impact at COP26.
- **Innovation GM:** Activity building on the Innovation GM initiative, demonstrating Greater Manchester's abilities to address inequalities and build prosperity where it is most needed by building and mentoring a supercluster of innovative businesses that can deliver jobs and opportunities.
- **Positioning in line with CSR asks**
- **LIS sector ambitions:** Building on the sector strength narratives published in the LIS and reinforced by the Greater Manchester Economic Vision, including health and social care innovation, digital and advanced materials.
- **Business Recovery:** Broadening awareness of GM LEP's work to support UK economic growth and recovery to increase confidence among the business community, signpost resource and celebrate success.

### **KPIS and Evaluation**

- To deliver at least 50 packages of bespoke content creation, to include video, thought leadership, social media posts for own channels.
- 10 x thought leadership articles for GM LEP leaders; 4 x sector themed campaigns (to include news creation, PR, social media, content)
- Delivery of at least 5 GMLEP hosted events
- Opportunities to See (OTS) 20million
- 15% increase of social media followers to GMLEP channels including Twitter and LinkedIn

### **Delivery**

Marketing Manchester's communications, events, digital and sector marketing colleagues and the GM LEP Senior Communications Officer will work alongside MIDAS Business development sector leads, and other colleagues across GC and industry partners to collaborate in the creation and delivery of:

- **A rolling communications plan** with immediate, medium and long-term outputs.

- **Reactive media/profile raising opportunities**, with provision of briefing materials and content to support GM LEP leaders in reinforcing Greater Manchester's economic strengths.
- **Develop and deliver GM LIS priority sector-specific PR and communications campaigns** (health and social care innovation, advanced materials, digital sector, low carbon), in collaboration with industry and academic partners. Targeting key UK national and sector media with a rolling programme of content highlighting Greater Manchester economic strengths, with messaging nuanced towards economic recovery. Led by Marketing Manchester.
- **Programme of GMLEP hosted events**. Led by Marketing Manchester
- **Media support to place GMLEP at the heart of GM's Innovation Story**. Led by Marketing Manchester.
- **Profile raising opportunities and supporting assets** for GM LEP board members; GMCA economic portfolio lead Elise Wilson; and Mayor of Greater Manchester Andy Burnham where appropriate. To include identifying speaking and Tier 1 media interview opportunities, drafting comment and opinion articles and capturing interviews for social media use. Led by GMCA Comms. Marketing Manchester (working with CA) will also support GM LEP board members with economic briefing notes for content and comment to be used via social media and in media interview opportunities.

### **Budget Proposal**

- £100k - Marketing Manchester for provision of resources to deliver Content creation including: content curation and comms staffing resource; production of film editorial, collateral and marketing assets; digital development and maintenance of GMLEP website; social media; and delivery of the programme of events.
- £23.5k - GMCA for the provision of a Senior Communications Officer. (Previous funding agreed for this post ran from September – September and this role is currently funded until September 2021. The requested £23.5k would ensure the role continues until the end of the financial year 21/22 and bring all LEP comms funding in line with the financial year).

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## **GM LOCAL ENTERPRISE PARTNERSHIP BOARD**

**SUBJECT: Local Growth Fund Management Update**

**DATE: 24 February 2021**

**FROM: Simon Nokes, Executive Director Policy & Strategy, GMCA**

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### **PURPOSE OF REPORT**

This report provides an update on progress on the delivery of the Local Growth Fund (LGF) (also referred to as the Local Growth Deals), and indicative feedback received following the recent LGF Annual Performance Review with Government.

### **RECOMMENDATIONS**

The LEP Board is asked to:

1. Note the positive feedback from the recent LGF Annual Performance Review with Government;
2. Note that good progress is being made towards achieving full LGF grant spend on both the transport and non-transport programmes by the 31 March 2021 grant deadline; and
3. Grant delegated authority to the Local Authority and TfGM / GMCA Chief Executives to, where necessary, vary individual scheme allocations for the Growth Deal programmes, in order to optimise LGF/Growth Deal grant expenditure by 31 March 2021.

### **EQUALITIES IMPLICATIONS**

The Growth Deal programme is managed in line with current legislation and assessments are carried out by the promoters of each scheme.

### **CLIMATE CHANGE IMPACT ASSESSMENT AND MITIGATION MEASURES**

The Growth Deal programme objectives are to introduce measures to enable economic growth within Greater Manchester. The programme contains measures to enable growth to be accommodated through improvements to the public transport network and to encourage increases in active travel.

### **CONTACT OFFICERS:**

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## **1. INTRODUCTION**

- 1.1 The Government awarded a total of £493.5m over three Growth Deals to the GM LEP from 2015-2021 for capital projects that will benefit the local area and economy.
- 1.2 The outcomes agreed in the original profile with Government were for 6,250 jobs to be created and for the public sector investment to generate £210m of private sector investment. These are set to be generated from Skills Capital, ED&R and Transport projects.
- 1.3 An Annual Performance Review with Government is carried out in January/February each calendar year and is the formal way by which the Government and each LEP meet to discuss the contribution the LEP has made towards driving forward local economic growth, particularly in the delivery of key local growth programmes such as the Local Growth Fund (LGF).
- 1.4 The Review is also an opportunity to review LEP governance and assurance processes as well as discuss the LEP's strategic impact, priorities and challenges for the year ahead.

## **2. ANNUAL PERFORMANCE REVIEW**

- 2.1 The 2020/21 Annual Performance Review took place earlier this month with a focus on the key themes of focus on three themes of Governance, Delivery and Strategic Impact.
- 2.2 Following the Review meeting, the Cities and Local Growth Unit undertook a performance assessment with a view to highlighting areas of good practice and identifying any areas for further development.
- 2.3 At the conclusion of the process LEPs will receive an outcome of either "requirements met" or "action needed". 'Indicative feedback provided by the Cities and Local Growth Unit before and during the Review was positive and a further update will be given at the meeting.
- 2.4 Formal feedback from Government is expected early in the next financial year once the final outturn on LGF grant expenditure is known.

## **3. PROGRESS UPDATE**

- 3.1 The forecast outturn for 2020/21 for both transport and non-transport LGF/Growth Deal projects is showing that the grant is currently forecast to be fully expended by 31 March 2021, in line with the relevant grant conditions.
- 3.2 Monitoring of expenditure on individual projects is carried out on a monthly basis and, dependent on progress on individual schemes across the programme, there may be some individual scheme variances, albeit that overall grant spend will be maintained.
- 3.3 Greater Manchester is able to utilise financial flexibilities under the 'Single Pot' framework. This means that, if required, the amount of LGF/Growth Deal grant against each approved individual scheme may be varied in order to maximise the grant expended by 31 March 2021.
- 3.4 It is therefore recommended that delegated authority is granted to the Local Authority and TfGM / GMCA Chief Executives to, where necessary, vary individual scheme allocations for the LGF/Growth Deal programmes, within the overall approved grant



allocations in order to optimise grant expenditure across the programme, as set out at recommendation 3 to this report.

3.5 Any such variations will be reported to the GMLEP as part of the close out of the LGF/Growth Deal grant expenditure, once the final position is known.

#### **4. RECOMMENDATIONS**

4.1 Recommendations are set out at the front of this report.

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**GM LOCAL ENTERPRISE PARTNERSHIP BOARD**

SUBJECT: GM Business/Economic Update & Growth Company Support Activities

DATE: 24<sup>th</sup> February 2021

FROM: Mark Hughes, Group Chief Executive, Growth Company

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**PURPOSE OF REPORT**

To provide an update on the business and economic situation in Greater Manchester and how, in response, The Growth Company (GC) is providing vital support to the GM economy. The report specifically focuses on GC's Growth Hub, Business Finance, Marketing Manchester and MIDAS activities, with a specific focus on new initiatives or significant changes, rather than reporting on all components of GC's support to businesses since Covid-19 impacts commenced.

**RECOMMENDATIONS:**

Members are asked to note the contents of the report.

**EQUALITIES IMPLICATIONS**

The Growth Company are committed to putting equality, diversity and inclusion at the heart of its services. The activities which are updated upon within this report are delivered with the recognition of the importance of supporting a diverse range of businesses and individuals across Greater Manchester and providing equal opportunities and for all. Programmes are designed and monitored for EDI.

**CLIMATE CHANGE IMPACT ASSESSMENT AND MITIGATION MEASURES**

Whilst not covered under the details of this report, The Growth Company support and deliver services which contribute towards GM's ambition to achieve carbon neutral living in the city-region by 2038. This includes specific projects such as the Low Carbon programme and providing support and advice to businesses to accelerate their implementation of energy and material efficiency measures in the design and production of their products and services. GC also provides a focused sector development programme for the Low Carbon and Environmental Goods and Services sectors.

**CONTACT OFFICERS:**

Mark Hughes – Group Chief Executive, The Growth Company

## 1. BUSINESS AND ECONOMIC CONTEXT

- 1.1 GC Business Intelligence team continually monitors a range of data, information sources and indicators to understand the continued impact of Covid-19 on the economy and business, with this intelligence used to inform and direct GC's activities.
- 1.2 GC also utilises the insight gained from its advisors working with thousands of businesses across GM and since Covid-19 hit and has undertaken a continuous survey of business impacts and issues with over 7,000 surveys now completed. The latest observations are shared below.
- 1.3 The UK economy shrank by 9.9% in 2020 according to the Office for National Statistics (ONS). However, the UK economy avoided a 'double dip' recession in December as it grew by 1.2% after shrinking by 2.6% in November. The ONS said that the hospitality sector, car sales and hairdressers all recovered slightly in December. Growth was also fueled by a rise in healthcare activity, mainly because of coronavirus test and trace schemes across the UK. The UK economy grew by 1% in the final quarter of 2020.
- 1.4 The UK unemployment rate rose to 5.0% in the three months to November, 0.6% higher than the previous quarter and 1.2% higher than a year earlier. 1.72 million people did not have a job in November, 418,000 more than a year earlier and the highest level for 5 years. Hospitality was the sector with the biggest rise in unemployment, followed by manufacturing and those aged 25-30 are most at risk of losing their jobs, according to the data released by the ONS.
- 1.5 The number of company incorporations in the fourth quarter of 2020 increased by 45,870 (29.4%) compared with the same quarter of the previous year. This is the largest quarter four increase year on year since 2012, when quarterly breakdowns were first recorded. The number of dissolutions in the fourth quarter of 2020 increased by 40,212 (33.1%) compared with the fourth quarter of 2019. The number of companies in the course of removal increased by 57,562 (28.7%) compared with the same period last year. This was partly as a result of the phased dissolution release between September and December 2020. The size of the total UK register increased by 358,277 companies (8.3%) in the fourth quarter of 2020 compared with the fourth quarter of 2019. This represents the largest year on year quarterly increase since 2012, when quarterly data were first recorded.
- 1.6 There were 31,059 individual insolvencies in Q4 2020, an increase of 57% from Q3 2020 driven by a rise in the number of registered individual voluntary arrangements (IVAs). The rate of individual insolvency per 10,000 adults also increased in the 12 months ending Q4 2020 (23.8%) in comparison to the 12 months ending Q3 2020 (23.2%). Whilst the number of individual insolvencies increased in the latest quarter compared to the previous quarter, there were fewer total individual insolvencies in 2020 than in the previous year. The reduction in individual insolvencies in 2020 compared with 2019 is driven by the supportive Government measures put in place in response to the Coronavirus.
- 1.7 Despite all the uncertainty and disruption that very quickly defined 2020, investment into start-ups and scaleups remained relatively steady. There were 1,957 equity investments worth £9.8 billion announced to the media, down from 1,977 worth £11.7 billion in 2019. Against the odds, investment activity remained resilient, despite the global pandemic. The quarterly picture is emphatic of that resilience. As expected, Q1 was the busiest quarter for deal numbers and amount invested, with £2.82 billion deployed across 511 rounds. This almost meets the total number of equity deals completed in the whole of 2011 (516). Deal numbers dropped to 481 in Q2 – the quarter shrouded in the most uncertainty – and continued at that rate through Q3 and Q4. In terms of the amount invested, Q4 almost matched up to Q1, with £2.80 billion of capital deployed. Deals in the North West saw a small decline in 2020 to 2019 (106 and 126 respectively) and 65 deals worth £191m were in Manchester. (Source Beauhurst The Deal 2021).
- 1.8 The main findings from GC's Business Survey (29<sup>th</sup> Jan – 15<sup>th</sup> Feb) are summarised below:

### Main impacts and challenges:

- The four main impacts facing businesses remain **decreased sales** (53% vs 53% previous report), **business travel to visit clients** (30% vs 33%), **supply chain minor issues** (15% vs 20%) and **cashflow problems** (13% vs 22%).

- By sector, the impact of decreased sales is most prevalent in hospitality, leisure and tourism.
- 84% of firms said that they were **not planning to make redundancies** at all, a slight decrease from the previous reporting period. 11% said that they **have made redundancies but no more are planned**, 3% said that they have **not made any redundancies yet but they are actively considering** making redundancies in the future, and the remainder 2% stated that they have **made redundancies and more were planned**.
- The main challenges are currently seen as **getting access to new domestic sales opportunities** (40% down from 43% previously), **impact of EU transition** (21% up from 20%), **managing the overall finances of the business** (20% down from 25%), **workforce and skills** (20% up from 19%), and **developing new products and services** (19% down from 28%).
- 41% of firms said that the impact of transition and **exit from the EU** had a 'neutral' effect on their business, whereas 27% said '**negative**' (up from 17 % previously), 30% are '**unsure**' and 2% said '**positive**'.
- The main "other" future challenges highlighted by firms include **regulatory issues and minor supply chain disruption due to the UK's new trading regime with the EU**, issues with **staff safety** and general concerns over the **Covid 19 government restrictions and business confidence**. The main areas of further support identified by businesses include **workforce development, planning, financial advice and marketing**.

### **Growth and Business Prospects:**

- 42% of firms (47% previously) expect **profits to increase**. The logistics and manufacturing sectors, followed by the business, financial and professional services sector are most likely to report an increase in profit.
  - The main positive impacts reported by businesses are **increase in customers** (32%), **increased digitalisation** (17%), **improvement to products/services** (15%), **new products/services introduced** (13%).
  - 65% of firms report that they have **cash reserves to last over 6 months** (down from 68% previously).
  - In terms of business optimism, the **average optimism score was 6.67** (where 0 = no optimism and 10 = really optimistic).
  - 38% of businesses expect the **UK to take over 1 year (but less than 3 years) to recover** back to its previous/pre COVID performance (down from 47% in the previous report) and 19% of firms expect it will take **more than 3 years to recover** (down from 21% in the previous report).
- 1.9 The impact of Brexit has been a particular feature since January, and key themes/challenges facing GM businesses being reported to GC BGH and the NW Trade Team include:
- Rules of origin / payment of import duty / re-thinking logistics, shipping & pricing strategies
  - Concerns around additional paperwork and the costs attached, plus the perceived future barriers to trading between the UK & EU
  - Commodity codes & customs shipments costs to Europe – queries regarding tariff codes & customs declarations. Additional costs levied by freight forwarding companies
  - More information re: labelling of goods going to Northern Ireland
  - Advice regarding VAT / Duty on imports & exports regarding various EU countries
  - Lack of resources to focus on dealing with the challenges of the EU TCA. Re-thinking and diverting their market focus from Europe to North America
  - Gaining clarity on product classification & export health certificates required
  - Supply chain challenges
- 1.10 The NW Trade team have been engaging with the DIT EU Transition team on the specific issues' companies are raising, to facilitate more detailed information and webinars on specific topics such as rules of origin and VAT. In addition, support is being provided by ITAs to help businesses understand all routes to market, market research, supply chain and logistics options; and reviewing export development plans, as appropriate. The team are also running a programme of export led

events to enable businesses to seek out worldwide business opportunities to encourage export growth and spread risk.

- 1.11 Additional anecdotal feedback for advisors is that there is still strong appetite to export and that a growing range of countries are being considered by some businesses.

## 2. RESPONSE – GC SUPPORT ACTIVITIES

### Business Support

- 2.1 **Website traffic and enquiries.** There has been 489,892 unique visits to the Business Growth Hub website to date. Between 1<sup>st</sup> January 2020 and 31<sup>st</sup> December 2020 there were 147,374 users on the website and 220,427 sessions. In the previous comparative period (1<sup>st</sup> January 2019 to the 31<sup>st</sup> December 2019), there were 86,269 users and 133,719 sessions, an increase of 70.83% and 64.84% respectively.

Since 1<sup>st</sup> March, GC Business Growth Hub has received more than 18,620 enquiries, including 9,160 calls, with over 4,069 Covid-19 related issues logged. More recently enquiry levels have experienced a slight increase week on week, with 465 enquiries received in week up to 15<sup>th</sup> February, compared with 442 from the previous week and 428 from two weeks ago. Access to local funding schemes has been a significant interest point.

- 2.2 **EU Exit.** BGH is supporting the delivery of the Government's campaign to enable businesses to adjust to the UK's new trading relationship with the EU. Operating at both local and national levels (and in addition to our DIT contract). Across GM, activity has included the development of a specialist 121 advisory service, delivery of a number of topical webinars, signposting to specialist support services and to Government tools and information bank. Partnerships with GMCC and Marketing Manchester have been developed in response to sector-based or topical demand. Nationally, tools, training and a live dashboard has been rapidly established and well received. The dashboard provides insight on engagement metrics, hot topics and concerns, and is directly informing BEIS policy response. It is also demonstrating the capability and impact of the Growth Hub Network as a collective.

- 2.3 **Enabling access to grant funding to deal with the effects of Covid.** BGH are delivering the ERDF Small Business Grants (£1.2m) to provide 100% grants of up to £5k to businesses impacted by Covid. The target is to award 426 grants. £1m of the total fund is now apportioned with a further 157 grant applications to process. The most pressing needs of SMEs include 63% specifically requesting the purchase of essential IT/Digital Equipment to enable the shift to home working and remote service delivery. Whilst revenue projects include Marketing (9%), Process Improvement (11%), and Professional Fees (10%) such as accountancy and HR advice. By sector support is going to Visitor Economy (26%), Creative Industries (15%), Food and Drink (12%), Business Services (9%) and Professional Services (14%).

- 2.4 **Business Support for Tourism, Hospitality & Leisure.** A programme of support specifically tailored to the needs of the tourism and hospitality sector across GM was created by GC BGH and Marketing Manchester. Since this programme was established, we have supported 168 businesses within the sector, support has mainly focused on strategy, reducing costs, accessing finance and workforce planning. We anticipate seeing a further upturn in enquiries for support once plans for exiting lockdown are known and linking to the campaigns planned within Marketing Manchester.

- 2.5 **Peer Networks Programme – Greater Manchester.** The Growth Hub national network is currently delivering a Peer Networks programme to businesses across England through grant funding from BEIS. GC BGH is overseeing this programme across GM; managing the delivery of 30 cohorts of 11 businesses per cohort by March 2021. The facilitation of the sessions is being done through 15 delivery partners including the Greater Manchester Chamber of Commerce, Bruntwood, Manchester Metropolitan University, pro-Manchester and Salford University. GC Business Growth Hub continues to manage the national co-ordination of the programme on behalf of BEIS and is currently in discussions to agree the potential extension of this programme beyond March 2021.

2.6 **Skills for Growth SME Support.** Project commenced at end of October 2020, to support businesses that need to better understand and develop their staff skill sets and business models to enable growth. To the end of January, 800 businesses have been engaged by the brokerage service, with 160 Skills Productivity Plans and 93 Individual Skills Development Plans produced. The GM Skills Map was launched on 13th January with just over 100 providers attending the launch. Following the launch 28 providers have registered on this platform and 67 learning activities uploaded to date. Being part of the GM Skills Map will increase providers exposure to the businesses supported through the programme alongside an open access website available for the public to search for learning activities.

2.7 **Made Smarter.** We have been notified that the 12-month extension for the NW activity has now been approved by the Secretary of State and we are in discussion with BEIS to review the budget and associated activity. This has been possible due to the performance of the pilot and the evidence that has been developed over the last 2 years. There will also be a roll out into other regions, but not on the scale that was hoped for due to the limited budget. It is hoped that the next CSR will provide for an England-wide extension of activity and the National Commission (jointly chaired by Juergen Maier and the Secretary of State, Kwasi Kwarteng) is already working on this.

To date there have been 2,456 company interactions; 1,165 initial one-to-one engagements with advisors; 177 projects have now been approved for intensive support that includes grant funding; there are 61 delegates on leadership and management training; and there are 36 students undertaking placements with SMEs in the region, with a further 10 placements approved and 8 students have been offered full time employment.

Projects agreed are forecast to generate an additional £139m Gross GVA for the North West and create 832 new jobs and upskilling 1,703 jobs by March 2023. It should be noted that both outcomes are pre-pandemic estimates. Projects remain predominantly focused on use of data and systems integration, robotics and automation and data analytics are in high demand.

2.8 **The Good Employment Charter.** The Good Employment Charter has continued to engage with employers throughout the pandemic and has provided support delivering webinars on 'Doing Redundancy the Right Way' and specific support for the Hospitality Sector and Financial Wellbeing. The charter is continuing to work with partners - specifically ACAS and CIPD on a campaign to raise management capacity at this time, and with MMU to facilitate the Good Employment Learning Lab, which will provide insight on the best learning methodologies for managers.

2.9 **EnterprisingYou.** Provides support for GM residents who are self-employed or Gig workers with earnings of less than £27,000, who have been trading for 4 months or more and are over 18 years old. The programme includes 1-2-1 access to a Business Coach & Specialist Advisors (Mentoring, Personal Finance & Health & Wellbeing); free access to a digital portal including Health & Wellbeing support; Career support & Training/Development provision.

To date there have been 808 starts on programme, 226 clients have accessed the Finance Specialist, 173 the Health & Wellbeing specialist & 133 accessed to be matched with a Mentor (191 referrals in progress to mentoring). 338 clients have accessed the Training & Development provision and attended 678 training activities. The programme has also developed and provided Covid related factsheets, social media comms, specific webinars and web content.

2.10 **GC Kickstart.** 298 employer placements, submitted by GC, have been approved to date by DWP (which includes 31 placements within GC), whilst 16 employer applications (totalling 41 placements) having been rejected on a fiscal checks basis, giving GC an 88% application success rate. GC also have a further 884 placements which are being processed at various stages within the application process. It has been recently announced that the minimum requirement of 30 vacancies will be removed by government, which will mean that any business will be able to apply direct to DWP instead of via a Gateway organisation such as GC. GC are also still pursuing our Tier 3 proposal which offers the potential for Aspire to directly employ a Kickstarter, who is then placed/hosted in a business. After some delay with DWP our first vacancy has now gone live.

2.11 **Employment Legal Advice Service.** We have continued to deliver the service in partnership with Manchester Citizen's Advice and have recently started also working with Bury & Bolton Citizen's

Advice to provide individuals across GM to access free employment-related legal support, with legal experts donating their time on a Pro Bono basis. Law firms taking part include: Glaisyers, Linder Myers, Peach Law, Stephenson, Wrigley Claydon, Hattons Solicitors, DBF Law, Keoghs Nicholls Lindsell & Harris, MSB Law and JMR Solicitors. Enquiries to the service are passed on to a dedicated triage advisor to review the case and decide on the correct pathway for the user, including whether to refer them to an expert from the network of legal partners.

### **Business Finance**

- 2.12 **Bounce Back Loan Scheme (BLS).** The GM BBL Fund opened on 16th November 2020, to 4<sup>th</sup> February lending £3.78m to 142 GM SMEs and helping to protect 514 jobs. The BLS scheme will close on 31st March 2021, at which time GCBF is targeting to have lent £10m to 360 GM based businesses, based on the current run rate of £27.2k per approved loan. This will be challenging given the high percentage of ineligible applicants largely from outside GM and the number of applicants falsely reporting their trading figures, however, clients are telling us that without this support they would have really struggled, if not closed. A renewed promotional effort has been relaunched to encourage new applications.
- 2.13 **Coronavirus Business Interruption Loan Scheme (CBILS).** In terms of larger business loan activity, GCBF have invested £3.85m, with £2.54m of the total invested funded by NPIF micro loans. This takes total NPIF investment to £8.44m of the available £10m, with 18 months of the initial investment phase remaining. The announcement of the availability of a further £100m to NPIF in the Spending Review coincides with a bid from GCBF to the fund for further capital which was submitted before the announcement. The CBILS scheme will close for applications on 31 March 2021.
- 2.14 **Innovation & Angel Finance.** Demand continues to be high across GM with a reduced supply of private capital in the early stage market continuing, particularly focussed on first time raises and seed rounds. GC Angels has now invested £2.1m of LGF funding which has generated £9.2m of co-investment, with a further pipeline worth £18.5m. A recent investment saw GC Angels contributing £100k to unlock £1.25m private funding into Culture Shift Ltd, a Stockport tech innovation business supplying UK universities with harassment and bullying management tools. The business is currently performing well and gearing up for another raise in 2021.
- 2.15 **Start-up Loans.** After a slow start as a result of the immediate impact of Covid-19, Start Up Loan activity continues to increase and has invested £4.37m, which is 132% of cumulative target (to period 10) and up 26% on this lending for the same period last year. Funding has supported 364 new GM start-ups year to date.

### **Support For Tourism, Hospitality & Leisure**

- 2.16 **Tourism and Hospitality Support Hub:** The Tourism and Hospitality Business Support Hub signposts and connects the sector to advice, support, research and reopening guidance. To date the website has received 20,583 visitors. The most visited pages are the 'Industry Updates' and the 'Tourism Talent Hub', where businesses receive workforce development, recruitment and skills advice from Growth Company colleagues. In consultation with Manchester Hoteliers Association, the Tourism Talent Hub has developed an approach to best support employees and employers. The services have been promoted via MM's newsletter, MHA briefings, a webinar and an Industry Support brochure distributed to employers and their employees.

With the extension of the furlough scheme announced at the beginning of quarter 3, more businesses acknowledged the need to stay engaged with their furloughed staff and started to engage with the Tourism Talent Hub to utilise our offer of training courses for their staff, leading to an increase in staff undertaking training via Skills Support for the Workforce (SSW).



This quarter has also secured a new large client – the soon to open Qbic Hotel. The Tourism Talent Hub is supporting Qbic on their recruitment, generating 30-50 vacancies, and offering 'Skills Support for Workforce' training as part of their staff development for those who pass their probation period.

2.17 **Recovery Campaigns:** MM with partners is developing a number of recovery campaigns ready to launch when restrictions lift, including:

- **Have A Night on Us Short-break** – in partnership with MHA (Manchester Hoteliers Association) to promote offers from hotels which include a free night;
- **This One is on Us** – a tactical offer lead campaign to drive footfall into hospitality, leisure and tourism businesses;
- **Space to Meet** – focused on business tourism;
- **Culture recovery campaign** – working in partnership with +14 venues / cultural organisations and GMCA, MM are supporting the development of strategy for cultural recovery, which includes audience engagement work, creative and content development, and delivery of a tactical marketing campaign;
- **Back to Office campaign** - in preparation for when the time is right to begin encouraging commuters and workers back to their workplaces in city centre Manchester, MM is developing a campaign which will help to raise confidence in returning to the city and town centres and to remind people of the social, health and well-being benefits of travelling to work and re-engaging in previously pleasurable leisure activities. MM will work with TIER group members to develop the content, collateral and supporting narratives to ensure compliance with partners restrictions and operational challenges.

The **Manchester Misses You** campaign from the original lockdown last year has been turned back on. As before, the campaign aims to inspire from the sofa, providing vibrant virtual content including cultural and education experiences about Greater Manchester. The campaign is supported by a social media campaign and new content from partners is welcome.

2.18 **GM Priority Thematic Campaigns:** In Q3 planning and creative development of 3 new thematic campaigns was undertaken in preparation for launching in Q4, which includes Digital, Green and Innovation themes that align and deliver against GM LIS, GM Economic Vision and International Strategy. Each will be an integrated campaign delivered in collaboration with stakeholders across GM. The integrated campaigns will include paid and organic digital & social, content curation and distribution, development of targeted collateral, event facilitation and delivery.

'**Powering Innovation**' campaign will position GM as a leading centre for innovation across key sectors including Advanced Manufacturing, Digital, Low Carbon and Life Sciences, sharing success stories of GM's innovation districts such as Oxford Road Corridor. The campaign will amplify the work of Innovation GM and support our aim to attract inward investment and high value jobs to GM.

'**Digital in the DNA**' campaign will showcase Greater Manchester's digital strengths and position the city region as a digital exemplar on a global scale. The campaign will enhance GM's reputation as the business location of choice for digital sub-sectors where it outperforms all other UK cities – cyber security, eCommerce, AI and data, service design, IoT, MedTech (& strengthening the foundations of economy). Talent will be at the heart of the campaign, promoting GM as a net importer of talent alongside the city regions' efforts to develop a diverse and sustainable pool of digital talent.

'**Greener Manchester**' campaign will amplify GMs strengths, innovation and bold Low Carbon ambitions in the run up to COP26, which takes place in Glasgow in November 2021. With the aim of positioning GM as a clean, green capital of the UK which attracts overseas investors and an integral player in helping the UK achieve its ambitions as outlined in the Ten Point Plan for a Green Industrial Revolution. Work is underway to explore a unified GM presence at COP26.

2.19 **GM Convention Bureau - Business Visits and Events.** The sector continues to face huge challenges with no road map or start date for re-opening, but the Convention Bureau remains ready with a delivery plan when the sector re-opens. The team's focus is on future conferences which had

been confirmed for Greater Manchester pre Covid-19 that require significant intervention to secure this business for dates in the future.

### 2021 Current Conference Situation

Of the conferences that the Convention Bureau won, 41 conferences were due to take place in 2021, however, due to the following changes there are only 17 conferences that are still confirmed including 1 virtual, and 8 of these are at high risk of cancellation:

- 12 conferences have cancelled altogether due to Covid-19
- 3 conferences have been lost, due to skew in rotations and the changing situation due to the pandemic these editions of the conference will not be taking place at all
- 4 conferences will take place fully virtual
- 3 conferences have moved to 2021
- 2 conferences are actively exploring future dates in Manchester

### Future Pipeline

There are over 60 other live conference opportunities in the pipeline, and these are being re-visited and explored case by case to ascertain if there is potential for organisers to consider a bid from a UK destination for future years. The Convention Bureau continues to work closely with VisitBritain and key stakeholders on new opportunities for Greater Manchester, as well as maintaining a dialogue with clients and re-negotiating and re-submitting fresh bids where necessary.

During Q3 the team submitted 2 bids for future years, 2024 – 2026 which have a potential economic impact of £11.5m and a potential 3,250 delegates to the city should these convert. One conference (for 2024) and 2 sporting events (for 2021 and 2023) converted in Q3.

### **Inward investment**

2.20 **Performance.** To date MIDAS have closed 42 projects, creating 1,527 new jobs and safeguarding a further 529. Forecasts suggest a year end position of approximately 2,000 – 2,500 jobs created across 60-65 project successes. This would signify a fall of at least a third on the previous year of both jobs and project successes.

MIDAS have held 655 meetings across 283 key accounts year-to-date as part of an accelerated response to COVID-19. A total of 269 enquiries have been sourced, with monthly intake falling by around 40% compared to pre-COVID. This fall has been sustained since April with the monthly average remaining at a similar level throughout and has yet to indicate an increase towards pre-COVID levels.

2.21 **Project Successes.**

- **Concentrix.** US-owned company, which has bases in Salford, Stockport and Trafford, has secured eight new contracts to provide call centre services for clients in the utilities, finance and service sectors. Across the eight contracts, **374 jobs will be created**. Recruitment will run between Jan-March 2021 and the jobs will give people the opportunity to work from home, as well as from one of its Greater Manchester locations. MIDAS have engaged with all 10 Local Authorities, GC Employment, National Careers Service and DWP to help fill the roles.
- **Awaze.** Relocated their UK HQ to Manchester City Centre to drive forward their Digital Transformation plans. **100 jobs** to be created with potential future growth and 25 already in place, mostly Tech positions but also Senior Leadership, Marketing and other support roles. Initial discussions taking place to involve themselves in EDI projects and once the office is established develop apprentice and graduate schemes.

- **Lucchini.** Secured initial agreement to occupy 2900m<sup>2</sup> as Phase 1 operative for 5 years for the external and internal storage of wheelsets. Phase 2 will occupy 2900m<sup>2</sup> and will include the overhaul of wheelsets and re-machining of refurbish items. **(60 jobs, 4 apprentices, £2m investment)**
- **English Fine Cottons/Culimeta.** Have developed a new range of support mats using polycrystalline alumina fibre. This has led to a potential expansion at the mill with a new production facility. They are currently building a second and third line to produce catalytic support mats for trucks in India and China for the Bharat Stage VI and Clear Skies programmes. The contracts are worth \$5-8 million per year for the next four years. **(Safeguarding 35 jobs, creating 20 new jobs, £650,000 investment).**

## 2.22 Current Projects in Pipeline

- Project Bubble – U.S. manufacturer looking to establish a European Shared Service Centre in 2021, with an estimated **200 jobs** and further R&D jobs planned in next 18 months to 2 years.
- Callsign – Identity management company looking for a Manchester Campus from which to grow their business from. Property viewings have been conducted in Salford and a tour of MediaCityUK SOC. **100 jobs** initially stated but internal changes may affect this number, both positively or negatively.
- Project Nelson (**300 jobs**) – involves the relocation of a growing ecommerce company already based in North West into GM. The client is currently finalising property and MIDAS hope to conclude a deal in the next couple of weeks.
- Project Cloud (**500 jobs**) – Gaming company looking to expand from Wilmslow into Greater Manchester. Discussions on timelines and size of space still taking place due to Covid-19 but could conclude by April '21.
- Project Oklahoma (**up to 900 jobs**) – in collaboration with DIT, MIDAS are working with a US Diagnostics company looking to establish 3 UK Covid-19 diagnostics manufacturing sites, 1 in England, 1 in Scotland, 1 in Wales, and employing approx. 900 staff in each.
- Abingdon Health (**300 jobs**) – UK diagnostics company seeking to expand its manufacturing footprint. Rochdale shortlisted to last 2 in competition with Yorkshire site.
- Confidential Auto Project – Indian automotive company looking to set up a manufacturing facility in the UK. Anonymised enquiry received from DIT in September 2020. GM have been shortlisted, with an NDA signed and company introduced. An updated proposition has been produced, with industrial properties put forward. Client recently shortlisted sites in Rochdale, Wigan and Salford. **(Estimated 660 jobs in 3 years, 1,600 in 5 years).**
- Further work is being delivered both directly to UK Government departments to support levelling up projects and via Places for Growth (Places for Growth are the agency tasked by Government to manage and oversee relocation of departments out of Westminster).

2.23 **Initiatives.** Continued development of a Greater Manchester Low Carbon Innovation Park, particularly focused on e-bike manufacturing and R&D, with interest from several manufacturers and supply chain companies. The concept was put forward for CSR and has been developed since with input from GMCA.

## 3 RECOMMENDATIONS

Recommendations appear at the front of this report.

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