



GM LOCAL ENTERPRISE PARTNERSHIP BOARD

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

DATE: 24th February 2021

FROM: Mark Hughes, Group Chief Executive, Growth Company

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:

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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 (29th Jan – 15th 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 1st January 2020 and 31st December 2020 there were 147,374 users on the website and 220,427 sessions. In the previous comparative period (1st January 2019 to the 31st December 2019), there were 86,269 users and 133,719 sessions, an increase of 70.83% and 64.84% respectively.

Since 1st 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 15th 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 (BBL)**. The GM BBL Fund opened on 16th November 2020, to 4th February lending £3.78m to 142 GM SMEs and helping to protect 514 jobs. The BBL 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 2900m² as Phase 1 operative for 5 years for the external and internal storage of wheelsets. Phase 2 will occupy 2900m² 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.