

GM LOCAL ENTERPRISE PARTNERSHIP BOARD

SUBJECT: GM Business Rates Funded 3 Year International & Marketing Programme

DATE: 18th March 2021

FROM: Mike Blackburn, Chair of Marketing Manchester and IMAB

GM Business Rates Funded 3 Year International & Marketing Programme

PURPOSE OF REPORT

To provide GM LEP with a programme overview and outcomes for GMCA Business Rates 3-year funding the Growth Company's Place Promotion and Investment/Tourist attraction activity via MIDAS and Marketing Manchester (MM) services.

RECOMMENDATIONS

GM LEP is asked to;

- Note and comment on the report
- Endorse the Programme and Outcomes

EQUALITIES IMPLICATIONS

The programme of work to be undertaken will support GMCA and LEP in tackling inequalities and encouraging economic growth by championing diversity, inclusion and equal opportunities and new outcome measures to be added. The programme recommends the adoption of a broader set out outcomes aligned to equalities impacts.

CLIMATE CHANGE IMPACT ASSESSMENT AND MITIGATION MEASURES

The Programme will:

- Increase awareness of GMCA and GM LEP's role in encouraging work to address, and mitigate against, the impact of climate change. It promotes GM's low carbon sector credentials and champions measures that will enable GM to achieve its ambition of carbon neutrality by 2038.
- Directly focuses on the attraction of companies that are specialists in low carbon technologies, or in the encouragement of companies to invest in net zero facilities in GM.
- Include the development and attraction of events and conferences that promote GM's ambitions and stimulate interest in and economic benefit to GM and its climate change agenda.

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Introduction

GM Local Authorities provide funding to promote and attract investment and visitors, delivered via Growth Company service areas of MIDAS (£1m p.a.) and MM (£377k p.a.). GMCA has agreed an additional 3-year funding allocation of £2.25million to strengthen this activity during a period of rapid market evolution, in part stemming from a post-Brexit and 'living with' Covid-19 world.

This paper sets out the:

1. Supporting Delivery of GM's Strategies
2. Value of Tourism and Foreign Investment to the GM economy
3. Existing Rate of Return on MIDAS and MM activity
4. Impacts of Covid-19 and changing operating environment; and
5. Programme Objectives and Outputs

1. Supporting Delivery of GM's Strategies

Place promotion, both domestic and international, and the attraction of inward investment, business events and tourism all contribute significantly to GM's economy, are directly align with the GMS, Covid-19 1 Year Recovery Plan, LIS and Economic Vision, and form critical elements of the GM International Strategy (see Annex 1 for summary).

These GM strategies are directly supported via this programme, as outlined in detail in the Programme Objectives and Outputs sections. An enhanced set of refocused success measures aligned to GM priorities with increased emphasis on quality, value-add and wider value (inclusivity and sustainability) reflecting GM's desire to "do things differently" are set out in Section 5.

These new success measures are highly progressive in their respective marketplaces of inward investment, promotion and tourism (e.g. against competitor agency KPIs) and will put GM at the forefront of a more inclusive and purpose led approach to economic growth. This also reflects that Covid-19 has stimulated a much deeper and wider debate around 'Purpose' of organisations and businesses (especially climate change and inclusivity) combining people-planet-prosperity agendas for which GM has a notable position. This approach therefore not only reflects doing the right thing but also has the potential to enhance GM's competitiveness in these markets.

A summary of the activity is below, and is provided in more detail at Annex 2:

- **Amplifying GM's narrative and Global Brand** amongst target audiences, media, influencers, and decision makers in a number of highly globally competitive marketplaces.
- **Building domestic and global influence** through international networks, city to city and cluster to cluster partnerships, that enhance GM's profile, whilst sharing best practice, innovation, investment, trade and talent.
- **Promote transformational sectors:** Heath Innovation and Care; Advanced Materials; Digital & Creative Industries and the Low Carbon sector to a wider domestic and international audience, raising GM's profile globally in these distinct specialisms, a critical part of cluster development.
- **Attracting inward investment** into these sectors, that enhances growth, creates good and high value jobs, transfers innovation and new technologies, stimulates productivity growth and ultimately, GVA.
- **Undertake Key account management** of large and foreign-owned firms in GM, that reduces flight/shrinkage risk through embedding them into the local economy, pro-actively identifying growth opportunities, increasing innovation take up with GM universities, increasing skills development, digital transformation, supply chain resilience and carbon reduction, as well as

encouraging better employment practices through initiatives such as the Mayor's Employment Charter.

- **Support international route development** alongside Manchester Airport (noting Covid-19 restrictions) that increases connectivity, business investment, international trade, visitors and international students.
- **Attract large-scale events and conferences** within the specific LIS sectors and wider cultural strengths such as sport, and purpose based themes, that help to enhance GM's place-offer and reputation in these areas, whilst bringing in high-value visitor spend into the city region.
- **Attract tourists** that bring direct visitor spend into the GM economy, stimulating demand in the visitor, cultural, retail and hospitality sector, a key inclusive employer in the foundation economy, allowing investment in skills and the digitalisation of the industry which increases productivity and value.
- **Create inclusive jobs**, with 70% of the jobs created through these activities taken by people residing outside of GM's central core.
- **Support Strategic Place development** through international benchmarking and market feedback, we can assess GM's global competitiveness through data and external perceptions, using this feedback to support "product" or place develop in GM as well as performance tracking over time.

2. Value of Inward Investment & Tourism to the GM Economy

Inward Investment

- Foreign Direct Investment (FDI) company stock is currently worth £37 billion and 172,000 jobs to the GM economy.
- The average productivity of FDI companies is around three times that of non-FDI companies. FDI companies also invest more in R&D, tend to be larger, better paid, have a higher prevalence of structured management than non-FDI companies and also have positive spill-over effects on indigenous SME's (DIT 2018).
- Foreign capital investment also plays a key role in the GM economy, with over £8bn of capital investment coming into the city region between 2008 and 2018.
- The current GM share of UK FDI is approximately 5%

Tourism

- Tourism contributes £9 billion p.a. visitor spend to the GM economy and supports 100,700 jobs - tourism activity within GM supports 69,861 FTEs within customer-facing businesses within the destination, and 30,852 within their supply chain (STEAM 2018 data).
- The Conference, Business Visits and Events sector is worth £904m p.a. alone (£862m from core activity and £42m from leisure extensions. Source Conference Value & Volume 2018 RJS Associates) to GM and is estimated to support 22,000 direct jobs, through its core activity, and 35,100 jobs when including the indirect jobs in the supply chain. Leisure extensions support a further 1,600 jobs (1,000 being direct jobs).
- UK's inbound tourism and hospitality is bigger than UK's Food & Beverage exports combined (UK Hospitality), pre-Covid-19 hospitality created 1 in 6 net new jobs, 3.5m jobs in total as well as 1.5m in the supply chain pa - it totals 11% of UK jobs, 7% of GDP, and £40bn of tax.
- Between 2017 and 2018, the value of tourism in GM grew by 7%, compared to national average growth of 4%
- GM is the third most visited UK destination by international visitors, behind London (1) and Edinburgh (2).

3. Existing Return on Investment (ROI)

Both services (MM and MIDAS) activities have been reviewed by external consultants and demonstrate a high return on investment (Hatchregeneris). Key attributes include:

Inward Investment

- On average MIDAS has supported the creation of 3,900 new jobs and 900 safeguarded jobs from 75 projects per annum over the last 3 years (2017 – 2020).
- The net additional economic value of this investment (i.e. as a direct result of MIDAS' intervention) has been calculated as 3,200 jobs; £189m in GVA; £5m in additional business rates generated; and a further £71m of private sector capex investment facilitated (Hatch Regeneris 2020).
- This results in an ROI of £1:80 for MIDAS (noting that this does not include wider partner resources expended).
- 96% of the projects won by MIDAS fall into GM's transformational AND enabling sectors, i.e. Advanced Manufacturing & Materials (including logistics); Life Sciences & Healthcare; Digital, Creative & Tech; and Financial & Professional Services.
- The majority of MIDAS projects are "high-value", with 60% of the jobs created by MIDAS over the last 5 years having an average salary over £30,000. Likewise, 10% of projects have been R&D focussed and 10% HQs during the same period.
- Projects are concentrated in the regional core whilst employees are resident across GM with 70% of jobs created taken by residents living outside of Manchester and Salford.
- Account management of large domestic and foreign-owned firms (350 companies) identifying additional investment opportunities, facilitates interaction with stakeholders and universities for innovation and helps to safeguard against the loss of jobs and investment where possible.
- Embedded market specific forums (Manchester China Forum and Manchester India Partnership) are award-winning and deliver significant value across the economic and cultural spectrum: helping to secure air routes, transport international students and facilitate trade and investment.

Destination Promotion, Tourism and Conferences

- Marketing Manchester generates £395m p.a. in visitor spend and net additional economic value of £80m, supporting 1,500 jobs for GM.
- Delivers ROI on GMCA funding of 20:1 for domestic and 10:1 for international campaigns.
- Leverages £6m from the private sector to promote GM, therefore creates a higher return to GM, resulting in £110 return per £1 of GMCA funding (Hatch Regeneris 2019).
- Incorporates the official Tourism Board and Manchester Convention Bureau for GM including product development (incl Discover England Programme) and coordination of GM's Tourism Strategy and businesses across the Tourism, Hospitality & Leisure sector
- Delivers a targeted programme of domestic and international B2B and B2C tourism leisure and business conference marketing campaigns focussed on GM priority sectors
- Key account manages a network of commercial marketing partners via The Manchester Partnership
- Supports MIDAS with marketing to attract inward investment in GMCA's priority sectors.
- Supports GMCA and the GMLEP to promote GM's LIS priority sectors and GM economic ambitions via content curation and communications.
- Represents GM nationally at national Tourism Boards and forums.

4. Covid-19 Impacts on Inward Investment and Tourism

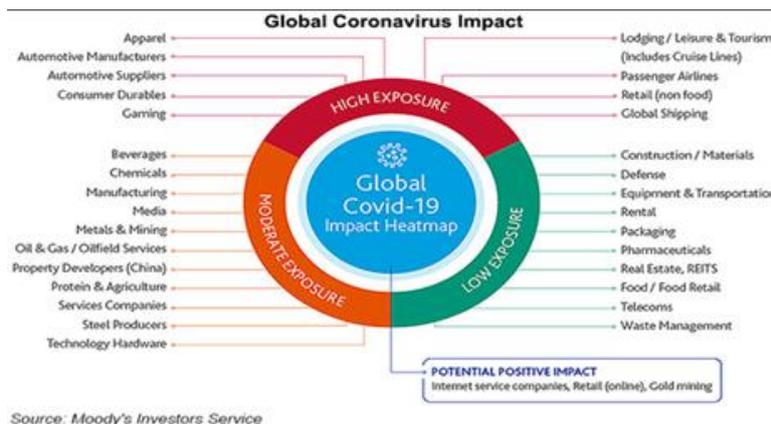
Inward Investment

Covid-19 has had a dramatic impact on inward investment. According to UNCTAD’s World Investment Report 2020, global FDI flows are forecast to decrease by up to 40 per cent in 2020, from their 2019 value of \$1.54 trillion. This would bring FDI below \$1 trillion for the first time since 2005. A more recent analysis of the UK market predicts a steep drop off in FDI of 50% in the UK in 20/21.

Predicting a future, of living with Covid-19 and post Brexit, pattern of inward investment is difficult. UNCTAD’s current view is that FDI will decrease by a further 5 to 10 per cent in 2021 and gradually recover from 2022. A rebound, with global FDI reverting to the pre- Covid-19 underlying trend sometime in 2022, is possible, but only at the upper bound of expectations and UK’s position in that may differ.

As the average inward investment project pre- Covid-19 had a gestation period of 13 months, something that has been elongated by the Covid-19 pandemic, it is critical that sales and marketing activity is strong over the next 12 – 18 months, to put GM in the best possible position to take advantage of this anticipated recovery in global FDI in 2022 and beyond. There is the potential for domestic demand to be more sheltered than FDI, not least due to travel restrictions affecting foreign investment and therefore activity to attract UK investment would be an obvious short-term priority.

Over the last 3 years, MIDAS has on average supported the creation of 3,900 new jobs per annum in GM, from 75 projects per annum. The implications of the above is that over the next 12 months FDI is likely to be 50% of pre- Covid-19 levels, i.e. job creation levels could fall below 2,000 new jobs, with project numbers falling below 40. This is likely to impact certain sectors more than others, with general manufacturing and business services having been very severely hit, the latter impacted both by the acceleration of digital transformation, as well as a rapid change in the workplace model to working from home, which has significantly reduced office demand in the short-term. The impact on manufacturing is probably a double whammy, as this is one of the sectors most impacted by Brexit over the last 3 years, with companies reluctant to invest in the UK whilst there was uncertainty around currency valuation; regulatory environment and potential tariffs on goods (whilst noting positive trends below).



These changes in market dynamics and the fall in overall investment levels means even maintaining current market share will become even more competitive, domestically and internationally across peer city-regions. This increased competition could also potentially become exacerbated by the impacts of Brexit, with European cities intensely targeting sectors that have traditionally looked to the

UK, such as financial services and digital and tech, seeing this as an opportunity to win back market share from the UK.

International market dynamics will also fluctuate, as traditionally strong FDI markets such as the US - traditionally GM's largest FDI market by jobs created - that have been hit particularly hard by Covid-19, may take longer to recover, whereas other markets such as China – a relatively modest market for job creation in GM - return to more normalised growth more quickly e.g. China has already returned to a 6% growth rate. Therefore, we will also have to remain agile in where we focus energies from an international market as well as sectoral perspective.

Reasons for Optimism

Some sectors have however continued to grow over the last 12 months.

Areas of healthcare, particularly related to Covid-19 - including diagnostics, manufacturing and digital health; have seen significant growth in recent months, which could have a lasting impact in terms of demand that goes beyond the immediate pandemic, as some of the impacts of Covid-19 create long-term demand for certain products and services. Also, as with other industries, behavioural change enforced by the pandemic will not necessarily revert back to pre-pandemic trends – such a greater use of digital health products – as we have found that they are more effective. Therefore that demand will remain.

Digital industries – in particular: e-commerce; cyber security; and wider AI & Data/Software Development; have also seen a significant increase in demand driven by the pandemic and an acceleration of digital transformation across industries, which in turn consumes AI and data and creates further risks around security which increases demand in cyber security.

Food manufacturing has seen an increase in activity as companies look to build resilience in UK supply chains, reflecting a slightly broader reshoring opportunity as well based around Brexit and resilience.

Finally, in business services, business interruption is driving disruption and the industry is currently focussing on costs, technology and resilience. This is driving business strategy around wholesale review of office space (particularly in London) and generating interest in reshoring, North-shoring and shared service operations. In addition to this, as part of the 'levelling up' agenda, Government is also looking to move 22,000 civil servants out of London by 2030, which presents a large-scale opportunity for GM as well, with DCMS already confirming that the city region will be the location of its second HQ and other departments showing strong interest.

Due to GM's strengths in these areas, it does afford the city-region a chance of countering those sectors negatively impacted by the pandemic. However, this still does not take away the lack of demand for office space in the short-term, as the majority of these sectors will continue to deploy at least a partial home-working model even after we begin to return to a more open society.

Recovery & Building Back Better

The global pandemic has both shone a light on, but also exacerbated, the economic inequalities that exist in society and has led to reflection by both politicians and business leaders alike on what a fairer, more inclusive, more sustainable economy could look like post-pandemic, with the aim to "build back better".

This has led to heightened interest in concepts such as "conscious capitalism" where a wider set of priorities are considered, leading to the need to increase our focus on a more balanced set of objectives to reflect broader aspirations. This will have implications for where we focus our efforts,

which international markets and companies we seek to work with and ultimately what success looks like with these broader priorities in mind.

Proposed Change in Measurement to Reflect a Change in Priorities

These two principal drivers above (market and purpose), and the three-year budget envelope, provide a strong rationale for a more progressive set of success measures for inward investment, rather than an over focus on a 'narrow' job volume of the last decade. Whilst quality/value of projects has been an important factor for inward investment, a focus on quantity of jobs has predominated with many stakeholders.

The above drivers also lead to the need to have a wider set of more economically inclusive measures, i.e. seeking to attract businesses that embed elements of 'good' and purpose led employers that buy in to the GM Vision of inclusive and sustainable growth.

Additionally, MIDAS has and will increase its assessment of client viewed 'value add' – both in terms of service quality, and in terms of MIDAS' influence in the decision-making process of potential investors, whether that be the initial decision to invest in GM, or the decision to make additional investment in GM, and this will now receive increased importance and form part of its KPI reporting.

Currently, MIDAS asks for client feedback on influence and quality, including:

- How would you rate the quality of support provided by MIDAS? (answer on scale of 1-5)
- To what extent did MIDAS influence your decision to invest in GM? (answer on scale of 1-5)
- In your own words, please outline the specific ways in which MIDAS supported your business.
- How could MIDAS improve its service?

An average score is taken from the second question and applied to MIDAS' overall figures as a percentage to create a 'net' figure, i.e. jobs, projects, GVA etc that can be directly attributed to MIDAS' work and therefore impact. This is then fed into wider impact calculations.

It is also proposed that UK market share becomes a more important measure of performance, on the basis that if FDI figures potentially drop globally, this will give GM a measure of MIDAS performance in a UK context, at least against our UK peers. This will need to focus on specific market areas e.g. high-value, R&D etc and be applied with some segmentation to reflect how MIDAS is being tasked rather than necessarily an overall general market share position. Although overall GM market share may remain similar, if some of the wider investment continues with minimal MIDAS involvement. Therefore, this measure is advised to be kept under review.

Section 5 (Figure 1) therefore sets out the refreshed set of proposed programme outputs that are more strategically aligned, more value and inclusive focused with a better timeframe to drive change and performance improvement. This includes a reduction in absolute job numbers to reflect the above approach, and an increase in focus on market share, value (GVA and average salary), sustainability, inclusivity and added-value aspects of MIDAS activities.

GM is not alone at considering a more progressive approach in this area; however, it could be the first in its UK marketplace (and thereby gain advantage) to adopt this approach.

Tourism, Conferences & Destination Promotion

Impact on The Tourism & Hospitality Sector

International and domestic leisure and business tourism were hit early and hard by Covid-19 and the outlook for recovery remains uncertain. OECD estimates UK international tourism fell by around 80% in 2020 and meaningful recovery will be directed by government Covid restrictions, with international probably lagging domestic, and overall likely to take some years.

City-Region destinations such as GM that rely heavily on international, business and events tourism which have particularly struggled, with many coastal and rural areas faring better than cities, demonstrated by drastically reduced hotel occupancy: in GM occupancy dropped to 15-20%, from an annual 80% occupancy rate. Whilst domestic tourism has provided a boost for some destinations and will be a key driver of recovery in the short to medium term, this has been hindered in GM due to continuous business closures across the majority of leisure and all business venues since March 2019. For GM, Covid-19 restrictions are estimated to result in a loss of £5.5 billion (61%) to the city-region's £9bn p.a. (STEAM 2018 data) tourism industry in 20/21.

The crisis has put millions of jobs in the tourism sector globally at risk. Tourism is labour intensive and provides a high volume of jobs for low skilled workers, together with higher skilled jobs (and entry points into the workforce). Across GM, many businesses have already made redundancies and many more are likely to face further cuts or closure when the Government's furlough scheme and other support measures end. 2020 data from the ONS reported that UK's Accommodation and Food sector was 64% down in terms of sector output and Arts & Entertainment down by 37% compared with pre-COVID levels of February 2020: a recent UK Hospitality survey showed that up to 560,000 redundancies across the sector in the UK were anticipated by the end of 2020.

Impact on MM's Commercial Income

Pre Covid-19, MM generated 70% of its income from private sources including sponsorship, commission and campaign partnerships via The Manchester Partnership that currently includes around 300 private commercial partners. Due to Covid-19, MM experienced a severe cut in income of 68% due to private sector withdrawal and the loss of £800k income from MAG and £1.5 million from commercial income. With such loss of income, MM utilised furlough, undertook significant restructuring with a reduction of 40% of staff and took the opportunity to reposition the team to be fit for purpose to embrace promotion of the wider ambitions of GM. Commercial partner income is not expected to return to pre-COVID levels until international tourism recovers in 2023/24.

MM's Role in Supporting GM's Recovery

As the vaccination programme continues, consumer confidence is expected to gradually return: it is vital that GM supports immediate action to mitigate the impacts outlined above to restore and re-activate the sector, while protecting jobs and businesses and developing measures to build a more resilient tourism economy post Covid-19.

Domestic tourism will restart first and will help mitigate the impact on jobs and businesses. Many of GM's high value markets (corporate business, conferences, city leisure breaks and international visitors) will be the slowest to return and may likely re-open in a stop-start fashion as restrictions are lifted. At the same time, GM's global competitor destinations (which were already better resourced to attract these markets) will be fighting for market share, compounded by impacts of anticipated visitor restrictions due to UK's transition out of the EU.

On a positive note leisure tourism business have reported pent-up demand from advance cultural bookings and accommodation enquiries and MM's business conference pipeline remains strong for future years.

It is vital that MM and GM support the recovery of the Tourism Hospitality & Leisure sector and the wider economy, and compete domestically and globally by delivering against the following key priorities and others identified in GM's Tourism & Hospitality Support & Recovery Plan and GM Internationalisation Strategy:

- **Confidence Building Campaigns** - MM has an important role to initially restore confidence, support businesses and coordinate partners via evidence-lead promotions targeted at the local GM audience, remaining flexible to continuously adapt and re-plan to respond to government restrictions before focussing on regional, national then international markets via B2B and B2C campaigns. Several campaigns have been developed and ready to roll out as restrictions lift through the year.
- **Supporting product development** - continue to deliver VisitBritain's Discover England Funded programme, working with suppliers and 3rd party tour operators (operating with a 9-12 month lead-in period) to include products in future promotions. As well as reinitiating existing product, this will include GM's new product that has continued to be improved: 7,000 new bedrooms are planned; and several major attractions are due to open in GM in 2021 including the new RHS Bridgewater, redeveloped Jewish Museum, Exhibition Hall at the Science & Industry Museum and new Asian Gallery at Manchester Museum. Followed by the major opening of the Factory in 2022/23 and the Coop Live Arena in 2023/4 (will be the largest arena in the UK).
- **Influencing National Tourism Policy** - raising the profile of GM and influencing national Tourism policy with DCMS and national tourism organisations including the development of the National Tourism Recovery Plan and the strategic review of DMOs for the benefit GM and the UK.
- **Conference pipeline development & bidding** - the business conference pipeline remains strong for the future with 18 bids pending decisions and more than 50 potential bids to submit for conferences up until 2027, as well as 17 conferences that are still confirmed for 2021 and require continuous account management to ensure they are not cancelled.
- **Align tourism and culture** to promote the vitality of the city region, creating a compelling narrative which makes GM attractive to investors and students as well as visitors.

The activity programme in Annex 2 outlines further details.

Building Back Better

The pandemic has exposed structural shortcomings in the tourism sector and vulnerability to external crises, whilst also presenting an opportunity to move towards a fairer, more sustainable and resilient model of tourism development. This aligns with GM's ambitions towards a fairer, greener more inclusive and prosperous society. This leads to proposed changes in MM's evaluation measures that include a wider set of more inclusive measures that support GM's Economic Vision and address these inclusion and sustainability issues.

Proposed Changes to MM Measurement to Reflect Change in Priorities

Based on the drivers outlined above including: Covid-19 impact on the Tourism & Hospitality sector and on MM's commercial income; MM's necessary widened role to support GM's recovery focussing on local confidence building as well as recovering domestically and nationally; increased global competition and Brexit challenges; and GM's ambition to be more inclusive, MM's activity and KPIs will evolve to:

- **Adapt to respond to the unlocking of restrictions** across different elements of the Tourism Hospitality & culture/leisure sector, from virtual digital content campaigns to launching hyper-local confidence building business and consumer campaigns, then widening campaigns to regional, national and then international as restrictions lift and air connectivity is reinstated – including skills and employment support to businesses.
- **Align more closely to and deliver against GM’s Recovery plans, Economic Vision, LIS, and 5 Year Environment Plan** by promoting, communicating and delivering events for GM’s wider themes including equality and inclusivity as well as green growth, digital and innovation. Strategy development and national engagements regarding the Tourism & Hospitality sector conducted by MM on behalf of GM will also be monitored.
- **Widen the scope of Convention Bureau** to target and bid for conferences & events in GM’s wider themes of equality, sustainability and good employment as well as continuing to target conferences in LIS priority sectors
- **Strengthen relationships, engage and encourage MM partners to be fairer, greener and prosperous** businesses - MM will now monitor businesses signed up to GM initiatives such as the Employment Charter as well as green and EDI initiatives workforce development and productivity improvements
- **Strengthen relationships and continue to input strategically into the national agenda including** development of the UK’s Tourism Recovery Strategy and DMO strategic review
- **Embrace Continuous improvement** - MM will measure customer and partner relationships in to support the strategic development of ‘place’ and improvement of MM activities.

Section 5 (Figure 1) sets out a refreshed set of programme outputs that are more strategically aligned, more value focused to drive the change necessary for recovery and also performance improvement, reflecting the aspirations of GM’s Economic Vision as well as MM’s currently reduced resource base.

5. Programme Outputs & Outcomes

The key benefits of the programme will be to significantly contribute to GM’s Vision, GM’s post- Covid-19 recovery plan and Internationalisation Strategy and in addition to regular performance reporting the 3-year programme will also be independently evaluated.

The programme is fully aligned to the GM ambitions and policy drivers set out above and focused on the following objectives:

- **Support GM’s ambitions towards a fairer, greener and prosperous society** by promoting and encouraging businesses to engage with GM’s equality, low carbon, employment and skills initiatives as encompassed in the GM Economic Vision, 5 Year Environment Plan and Employment Charter
- **Driving forward transformation and key LIS sector strengths** (health innovation, advanced materials, creative digital and tech and low carbon)
- **Implement the GM Tourism & Hospitality Covid-19 Support & recovery Plan** in line with government restrictions
- **Support recovery of the Business Conference sector**
- **Increase positioning, profile & positive perceptions** of GM to maintain market share via promotion, profile raising and benchmarking
- **Support districts to develop compelling propositions** - based on both existing local strengths but also incorporating future and leveraged strengths from across the wider region that elevate the overall proposition

- **Develop international market vehicles** such as the Manchester China Forum and Manchester India Partnership and look towards developing closer ties with other markets (particularly Europe post Brexit) that reflect GM's aspirations, through wider city-region diplomacy
- **Leverage partner investment in the Marketing of GM** including developing the Northern Gateway DMO Marketing Cluster, MIDAS and Manchester Partnership to leverage investment and increase marketing reach
- **Engage with and coordinate business networks** to support the development of GM's ecosystem and asset development within LIS foundation and frontier sectors
- **Conduct research and analytics to strengthen and differentiate/deepen value propositions** and provide market intelligence to GM stakeholders.

Figure 1: 3-Year Inclusive Value Outputs

Output	20/21	21/22 target yr 1	22/23 target yr 2	23/24 target yr 3	3-year total	Rationale / Comments
MIDAS Core KPIs						
Increased GVA	N/A	£125m	£142m	£158m	£425m	This is expected GVA based on 5-year average, pro-rata for job numbers
Jobs created	4,000	2,000	2,250	2,500	6,750	
Jobs Safeguarded	1,000	1,000	1,000	1,000	3,000	
Projects	90	50	55	60	165	
Additional Business Rates Generated	N/A	£2.6m	£2.9m	£3.2m	£8.7m	Based on GM averages
% of UK FDI	N/A	5%	5.25%	5.5%	5.5%	Currently 5%
Value Added KPIs						
Strategic Alignment						
%/No of R&D Projects (value)	N/A	5 (10%)	7 (12.5%)	9 (15%)	21 (12.7%)	10% successes in last 5 years
%/No of Low Carbon Projects	N/A	5	5	5	15	No previous metric to compare to
%/No of HQs	N/A	(10%)	(10%)	(10%)	16 (10%)	10% successes in last 5 years
People/Inclusive Value						
% of high value jobs (>£30k)	N/A	1,200 60%	1,463 65%	1,750 70%	4,413	Typically, 60% of jobs are above average salary Median wage is £29k, mean is £34k
% of jobs over living wage	N/A	90%	90%	90%	90%	
% of jobs in LIS sectors (incl FPBS)	N/A	90%	90%	90%	90%	Included FPBS in LIS as it is an enabling sector. 10% would include foundation jobs in logistics etc.
No of apprenticeships	N/A	65	75	80	220	We've averaged about 125 a year, so can expect around half of that next year
% of high-quality companies (e.g. signed up to	N/A	25%	27%	30%	28%	

UN/Mayoral Charter or similar)						
Reach/Influence						
Value Add - Ave client rating of MIDAS influence (New Projects)	N/A	4.0	4.1	4.2	4.2	
Companies Account Managed	N/A	250	250	250	250	
Strength of Acc Mgmt Relationships	N/A	65%	70%	75%	75%	% of accounts with good or above relationship (currently 56%)
Ecosystem Support (Referrals/value)	N/A	20	20	20	60	Referrals to stakeholders, universities, institutes, partners etc (ideally monetary value)
Output	20/21 Pre Covid target	21/22 target yr 1	22/23 target yr 2	23/24 target yr 3	3-year total	Rationale / Comments
MM Core KPIs						
No of conference bids						Yr 1 expects Q2/3 closures. Initial 3 year target 153 bids, annual target of 51 - revised 3 year target is 166, annual target of 55. Based on uncertainty of conference rotations and reduced staffing levels and current capacity. If staffing increases, then targets will be amends.
No of conferences won	85	40	50	76	166	
Economic impact for GM	30 won £30m	15 won £12m	17won £15m	20 won £25m	52 won £52m	
Media engagement, number of journalists and influencers with significant interaction	125	125	135	145	405	Hosting media visits, virtual interaction and online meet the media events.
Media coverage OTS (Opportunities to see)	900m	400m	600m	900m	1.9b	Y1 target set with what expect to achieve due to restrictions on hosting physical media visits to GM and coverage.
Of which, media coverage OTS of target sectors	9.5m	9.5m	12m	15m	37m	OTS, Opportunities to See is the measure for media coverage
Social media engagements	19m	14m	17m	19m	50m	
Of which, no. of social media engagements in target sectors	1.5m	1.5m	2m	2.5m	6m	
No. of unique visitors to destination websites	3m	2.05m	2.25m	2.45m	6.75m	Includes Visit, Meet, Invest, study and specific campaign sites
Of which, no. of visitors to investinmanchester.com	85,000	66,000	76,000	86,000	228,000	
Consumer engagements reach (marketing campaigns)	3m	2.5m	2.65m	2.8m	7.95m	Relies on campaign planned going ahead & ability to negotiate MIK from private partners. Lower than Pre COVID due to uncertainty of MAG funding
£m economic impact of promotional campaigns	£12m	£4m	£6m	£8m	£18m	Calculated annually once all booking data is received

Of which, £m economic impact of international campaigns	£8m	£1m	£3m	£5m	£9m	Calculated annually once all booking data is received. Lower due to uncertainty of MAG funding
Business engagements	4000	1500	2000	2500	6,000	e.g. THL presentations, info, meetings, newsletters, product updates, travel trade & operators
Business Assists (incl key commercial Partner accounts managed)	400	400	440	480	1320	e.g. marketing support, insights, sponsorship, routes to market for commercial partners & skills/ WFD services
MM Value Added / Strategic Alignment KPIs						
Funding Leverage	1:1	1:1	1:1	1:1	1:1	Leverage of partner investment and support in GM promotions
Strength of Commercial Partner Relationships	N/A	55%	65%	75%	75%	% of partners with good or above relationship
% of commercial partners signed up to GM Initiatives	N/A	15%	20%	35%	25%	Eg Mayoral Charter Green/ Zero Carbon & Skills/Workforce
No of conference bids in other non-priority sector topics	N/A	3	4	5	12	Eg wider GM Vision social and EDI conferences
No of events/seminars delivered focussed on GM's priority sectors/themes	N/A	24	26	28	78	E.g. social inclusion, EDI, employment - engaging and educating to influence, raise awareness & change perceptions.
No of businesses registered for events/seminars focussed on GM's priority sectors/themes	N/A	1200	1300	1400	3900	Engaging and educating to influence, raise awareness, change perceptions and strengthen the Manchester Partnership
No of National representations on behalf of GM	N/A	24	24	24	72	E.g. Visit Britain/ VisitEngland, DCMS, BVE Partnership, Tourism Alliance, Core Cities, UKH, ACE
Strategy development	N/A	2	2	2	6	E.g. GM TH&L Recovery Strategy, Tourism Strategy, BVE Strategy, Destination Management Plan, ABID

6. Governance, Measuring Performance & Evaluation

The programme will be monitored through the Growth Company's established procedures:

- Quarterly reports to the International Marketing Advisory Board & GC Board
- Quarterly reports to GMCA Growth Board and LEP if required
- Annual reports GMCA & Scrutiny Committee

Annex 1. High-level Summary of GM Strategies

Supporting / Delivering Against GM's Strategic Ambitions:

GM Economic Vision

Describes GM as a vibrant, confident network of interconnected towns and cities, at the heart of the Northern economy with assets vital to driving UK Growth that will:

- Build again on our heritage of innovation to drive economic and social advance
- 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
- Recognised around the world for our global strengths and progressive thinking in advanced materials and manufacturing, health innovation, digital and creative, clean growth and social advance

GM Local Industrial Strategy

The LIS sets out specific actions and long-term aspirations, aiming to:

- Set GM up to be a global leader on health and care innovation - creating new industries and jobs, improving population health and extending healthy life expectancy
- Position GM as a world-leading city-region for innovative firms to experiment with, develop and adopt advanced materials in manufacturing
- Build on GM's position as a leading European digital city region enable the digitalisation of all sectors; and capitalise on the links between digital and creative industries that feed internationally significant clusters in broadcasting, content creation and media, and maximise
- Growing assets in cyber security
- Achieve carbon neutral living in GM by 2038, by launching the UK's first city-region Clean Growth mission.

The GM Living with Covid-19 Resilience Plan

GM's overarching principles, which were determined early on in our response to the pandemic, and continue to shape and guide the development of our Living with Covid-19 Resilience Plan:

- Inequalities / poverty
- Safe GM / Standards
- Co-design, civil society and social infrastructure
- Building a confident city-region
- Resilient city-region
- Recovery in the context of GMS (opportunities to achieve our aims faster; risks to achieve aims)
- Behaviour change

Annex 2. Outline Programme Activity

This programme seeks to balance ambition with realism to enable GM to grow back and support economic recovery, protect its hard-won reputational gains to date, achieve recognition as a global city region, and deliver on its key strategic ambitions set out in GM’s Economic Vision, LIS, Internationalisation Strategy, 5 Year Environment Plan and Digital Blueprint.

An outline of activity that will be delivered against the objectives above is provided in Annex 2. Activity plans will be reviewed regularly to respond to the changing environment.

Objective	Activity
<p>Driving forward transformation and key LIS sector strengths (health innovation, advanced materials, creative digital and tech and low carbon), via sales and marketing activity supporting GM’s Economic Vision themes and delivering against Internationalisation Strategy</p>	<ul style="list-style-type: none"> • Develop in-depth sector plans to promote the LIS priority sectors, including identifying and developing focussed sub-sector propositions in areas such as Cyber security, Healthy Ageing and Advanced Materials. • Deliver a substantial Key Account Management (KAM) programme, encompassing 300 of GM’s most strategic businesses, both UK and foreign-owned, maintaining strong networks that gather market intelligence that can be fed back to stakeholders. • Develop and deliver analytics-led sales and marketing activity, led through a commercially competitive business development approach (T20, NextGen etc). • Continue to deliver an innovation programme that connects large businesses in GM with the universities and SME community (via the Business Growth Hub) with the LIS sectors • Support the development of place-based sector propositions that enhance GM’s attractiveness for inward investment – i.e. AMPI, Rochdale • Build relationships with other cities/clusters with strong supply chain/innovation specialisms similar to GM’s LIS specialisms in order to increase trade investment and R&D opportunities. • Work with DIT (both UK & NPH) to elevate GM’s strengths and propositions to national level, through initiatives such as the HPO programme. • Development and delivery of integrated marketing and comms plans including inward investment, focussing on 3 overarching sector campaigns: Green, Digital and Innovation: • Deliver a targeted marketing and events programme (incl virtual) • Deliver a coordinated social, digital, comms & media programme incl input from GMCA, business partners and stakeholders targeting priority audiences & media • Leverage commercial investment and wider support for campaigns from private partners to maximise campaign reach, aiming to achieved 1:1 match
<p>Implement the GM Tourism & Hospitality Covid-19 Support & Recovery Plan in line with gvt restrictions. Continue to influence the national tourism agenda including development of UK’s Tourism Recovery Strategy and DMO Strategic Review</p>	<p>Business Support</p> <ul style="list-style-type: none"> • Provide regular programme of business advice, support and support GC’s Tourism Talent Hub to promote recruitment, skills and workforce development services • Lobby Government for tourism support • Continue to coordinate TIER Group, and wider industry forums to develop shared initiatives and raise profile of GM’s tourism, hospitality & leisure sector at a national level to ensure voice is heard <p>Recovery (when the time is right)</p> <ul style="list-style-type: none"> • Rebuild consumer confidence in, and the profile of GM by development and delivery of 5 comms & marketing campaigns: Have a Night on Us (overnight stay), This One is on Us (food, drink & attractions), Back to Office and a cultural campaign in partnership with cultural leaders • Rebuild the region’s international profile and connectivity via international campaigns with partners including other DMOs, VB and transport/travel orgs • Input into UK’s Tourism Recovery Strategy • Seek a more sustainable UK structure for DMOs via strategic review • Reignite and continue to development of a tourist accommodation levy
<p>Support recovery of the Business Conference sector through marketing, researching, bidding for and securing national and international conferences,</p>	<ul style="list-style-type: none"> • Create a partner tool kit, digital content including Welcome Back & virtual fam/education film, social media assets targeted at conference organisers • Restart research, re-engage and reignite the conference pipeline (live enquiries, bids needed and pending decisions), focus on retaining postponed events and continue to target priority sectors events and new GM themes including equality and employment • Promote good practice via trade media and meetinmanchester.com and encourage venues to sign up to All Secure Standard and Good to Go kitemark

<p>widening scope to include GM Vision themes as well as LIS sectors. Influence the national agenda via the UK BVE Partnership.</p>	<ul style="list-style-type: none"> • Continue development and coordination of convention network including: Conference Organisers Newsletter (to 1500 recipients), re-engage with existing 1000+ GM Conference Ambassadors and communicate messaging around confidence to 70 GM Convention Bureau partners • Improve the Offer by promoting venues, highlighting green credentials, CSR and sustainability messages and those equipped to hold hybrid events. Develop delegate welcome and • Participate in VisitBritain’s ‘Virtual Roadshows’ to meet conference buyers from the primary markets of Europe and the US and participate in IMEX Frankfurt virtual in May 2021. Continue regular e-newsletter to Conference Organisers • Continue to work with Government to maintain profile with VisitBritain and DCMS as a key UK conference destination via regular contact and attendance at National Business Visits and Events Partnership.
<p>Conduct research and analytics to strengthen and differentiate/deepen value propositions and provide market intelligence to GM stakeholders</p>	<p>Tourism & Hospitality Research and Intelligence:</p> <ul style="list-style-type: none"> • North West Business Barometer survey (Covid-19 related) • STEAM annual tourism value and volume report for GM, broken down by LA • GM Tourism Fast Facts Data Update • Hotel Performance Monitors (monthly) • Events database covering large capacity for hotel planning and occupancy monitoring (monthly) • Hotel Market Outlook – pipeline of new hotels and bed • Most Visited Attractions • International Passenger Survey 2019 • International Markets Annual Snapshot & regular reviews re market recovery • Visitor Surveys <p>Sector Research:</p> <ul style="list-style-type: none"> • Undertake research to support the development of the Healthy Ageing proposition • Undertake research jointly with the GMCA on the Low Carbon sector to support a refreshed GM proposition • Support GAMMA in its research into priority areas for advanced materials • Build upon the Datacity research undertaken jointly by MIDAS/GMCA in 2020 to continue to assess GM’s strengths and progress in emerging digital technologies. • Collate and feedback intelligence from Key Account Management activity and related surveys such as the recent Covid-19 surveys. • Collate feedback from recent investors, both expansions and new investors, to assess MIDAS’ service quality, impact/influence and GM’s attractiveness. Likewise, collate feedback from unsuccessful projects where possible, to provide feedback on similar areas. • Run biannual post code data research on origin of employees in jobs attracted by MIDAS to understand geographic inclusivity
<p>Increase positioning, profile & +ve perceptions of GM to maintain market share via promotion, profile raising and benchmarking</p>	<ul style="list-style-type: none"> • Continue to refresh GM’s brand framework and narratives for national and international promotion for priority sectors and themes working with GMCA • Develop set of UK and global benchmarking indices to measure against and promote the priorities of the Internationalisation Strategy and LIS • Maintain a shareable content bank of images and film to promote GM • Deliver comms to promote relevant indices and accolades integrated in wider comms plan • Review global benchmarks and indices to assess GM’s global perceptions/performance, marketing where GM has achieved success and feeding areas for improvement back to stakeholders.
<p>Support GM’s ambitions towards a fairer, greener and prosperous society by encouraging businesses to engage with GM’s equality, low carbon, employment and skills initiatives</p>	<ul style="list-style-type: none"> • Continue to encourage partners and businesses to sign up to GM Strategic initiatives e.g. Employment, Green, EDI, Skills/Workforce • Refer investors, both new and existing companies into the GM skills and workforce system, to ensure that opportunities to work with employers and connect into the inclusive skills agenda are maximised • Where possible, refer companies in to the BGH carbon reduction programme. • Encourage new and existing investors to sign up to the Mayor’s Employment Charter.
<p>Support districts to develop their individual propositions, differentiators and offers, and coordinate complimentary</p>	<ul style="list-style-type: none"> • Support development of local place making strategies and town centre initiatives • Amplify LA comms working with LA comms contacts via the GM comms cell • Work with districts to support place-based sector propositions to support major employment sites – e.g. Light-weighting HPO - Northern Gateway, Rochdale.

<p>promotion across the city region</p>	<ul style="list-style-type: none"> • Seek opportunities stemming from the Key Account Programme to identify industry initiatives that could have catalytic impacts on localities – e.g. logistics and low carbon • Work with districts to understand the inward investment opportunities around town centres and key industrial employment sites.
<p>Continue development of market vehicles such as the Manchester China Forum and Manchester India Partnership and wider city-region diplomacy</p>	<ul style="list-style-type: none"> • Support the continuing development of the Manchester China Forum and Manchester India Partnership, seeking to increase income from public and private sources, in order that sufficient resource exists to build deeper partnerships in these markets. • Continue to build the networks of these market vehicles to increase their reach, enabling them to further support the local diaspora, international trade, connectivity, inward investment, culture and the visitor economy. • Reinstate existing city to city strategic partnerships, including Barcelona and New York City • Support GMCA in development of new relationships including Ireland, Japan and Germany
<p>Continue to Leverage Partner Investment in GM Marketing including developing the Northern Gateway DMO Marketing Cluster and Manchester Partnership to leverage investment and increase marketing reach</p>	<ul style="list-style-type: none"> • Develop The Manchester Partnership, maintaining and building on existing partnerships, and developing new partnerships with priority sectors and thematic marketing campaigns to leverage wider support and investment to promote GM • Deliver new partnership engagement programme including events and promote partner offer digitally • Continue to seek partnership activity with other DMOs to collectively promote the North and specific markets (e.g. London & WMids) • Maintain and grow the MIDAS Partnership, to channel further income into marketing and sales budgets. • Seek sponsorship for major event activity wherever possible, to elevate the scale of activity.
<p>Continue to engage with and coordinate business networks to support the development of GM’s ecosystem and asset development within LIS foundation and frontier sectors</p>	<ul style="list-style-type: none"> • Support development of local place making strategies and town centre initiatives • Continue to coordinate collaborative groups and networks incl: TIER, Universities Promotion Group, Cycle City Development group, Tourism Partners, Property/MIPIM Partners Museums Promotion Group, Influencers & Publicists Group, Quays Tourism Sector group • Maintain sector network groups that support the Key Account Management programme, such as the Advanced Manufacturing Forum (AMF), creative & digital forum etc, utilising them as feedback loops for stakeholders such as the GMCA, local authorities and the universities.