

**MEETING OF THE GREATER MANCHESTER COMBINED AUTHORITY (GMCA)
ECONOMY, BUSINESS GROWTH AND SKILLS OVERVIEW AND SCRUTINY
COMMITTEE FRIDAY 12th MARCH 2021 AT 10.30 AM VIA WEBCAST**

Present:

Bolton: Councillor Samantha Connor
Bury: Councillor Mary Whitby
Manchester: Councillor Basat Sheikh
Councillor Greg Stanton
Oldham: Councillor George Hulme
Rochdale: Councillor Michael Holly (in the Chair)
Councillor Raymond Dutton (Substitute)
Salford: Councillor Jim King
Stockport: Councillor Becky Senior
Wigan: Councillor Charles Rigby
Councillor Michael Winstanley

In attendance: -

Councillor Sean Fielding, GM Lead Member for Skills and Digital
Lou Cordwell, Chair GM Local Enterprise Partnership
Mark Hughes, Chief Executive, Growth Company
Tim News, Chief Executive, MIDAS
Sheona Southern, Chief Executive, Marketing Manchester

Officers in attendance:-

GMCA Joanne Heron, Statutory Scrutiny Officer, GMCA
GMCA John Wrathmell, Director of Research and Strategy, GMCA
GMCA Gemma Marsh, Director Skills, GMCA
GMCA Sharon Kelly, Work and Skills, GMCA
GMCA David Rogerson, Strategy, GMCA
GMCA Phil Swan, Director for Digital, GMCA
GMCA Lisa Rice, Digital Team, GMCA
GMCA Jamie Fallon, Governance and Scrutiny, GMCA
GMCA Paul Harris, Governance and Scrutiny, GMCA

E74/20 APOLOGIES FOR ABSENCE

Apologies for absence were received and noted from Councillors Barry Brotherton, Susan Haworth, Stephen Homer, Daniel Meredith and Kerry Waters.

Apologies were also received and noted from Councillor Elise Wilson, GM Lead Member for Economy and Business and from Simon Nokes, Executive Director, Policy and Strategy, GMCA

E75/20 CHAIR'S ANNOUNCEMENTS AND URGENT BUSINESS

There were no items of urgent business reported.

E76/20

DECLARATIONS OF INTEREST

There were no declarations of interest received.

E77/20

MINUTES OF THE MEETING HELD ON 5th FEBRUARY 2021

The minutes of the previous meeting of the Committee, held on 5th February 2021 were submitted for approval as a correct record.

RESOLVED/-

That the minutes of the Economy, Business Growth and Skills Overview and Scrutiny Committee, held on 5th February 2021, be approved as a correct record.

E78/20

GM LOCAL ENTERPRISE PARTNERSHIP UPDATE

Lou Cordwell, Chair of the GM Local Enterprise Partnership (GM LEP) introduced a report which provided an update on the work of the GM LEP in overseeing delivery of the Greater Manchester Strategy and GM Local Industrial Strategy, as set out in the Annual Delivery Plan and Report.

The following questions and comments were raised:-

- In welcoming the report, a Member highlighted the low level of UK productivity when compared to other nations and North West productivity is currently lower than in London and in the South East. The Member explained a way to increase wealth is to improve productivity and enquired how this disparity can be addressed. In response, it was noted that improving working practices and technologies can help increase productivity. In addition, it was noted that the Skills Strategy will support this approach. The happiness of employees is an important driver for increasing productivity. Workforce skills such as good leadership and leadership training is also important.
- A Member noted that the pandemic may provide an opportunity to be innovative and improve productivity.
- A Member enquired if the creation of a Freeport in Liverpool City Region will affect investment and growth in GM. The Member also highlighted a reported 40% drop in UK exports to the EU state nations. In response, it was noted that GM had collaborated with the Liverpool bid and explained that there is a direct link to this Freeport through Port Salford. The economic benefits for GM in collaborating with the Liverpool City Region were highlighted, particularly in relation to innovation and logistics. In terms of exports, the impact of Covid and Brexit on trade was explained and it was also noted how challenging it remains for some business sectors. It was also noted that the acceleration of digital technology during lockdown had allowed for some service sectors to maintain and develop their business.
The Growth Company highlighted that there are long-term changes in supply chains and the cost of doing business ..
- A Member commented that service sectors were not part of the EU Single Market. It was suggested that the public sector was in a position to support business

investment in the correct areas and direct inward investment to help economic growth. The importance of skills was reiterated.

- A Member highlighted the benefits of vocational training and employer led skills. It was noted that this approach enables for skills to be developed on the job. The Member noted an example of how artificial intelligence can take on those role deemed lower skilled.
- A Member highlighted the ambition to be a global leader for health and care innovation and enquired how this ambition can be achieved and funded. In response, it was noted that the health care innovation was particularly relevant during the pandemic which identified how critical this sector is. Health innovation is a priority of the Local Industrial Strategy and has been accelerated during the pandemic. Members noted that Health technology is the single biggest investment area globally. The assets and thinking on health innovation within the Local Industrial Strategy puts GM in a strong position to be a global leader on new models and areas of expertise. Socially, there is a responsibility to get health innovation working. Digital platforms are already providing health and care services.
- A Member commented that it would be helpful to have comparative data by district in future reports.
- A Member enquired if there were any specific areas where ambitions were not being realised. In response, it was noted that the Culture sector continues to be significantly affected by lockdown and it will take a great deal of time and energy for this sector to recover. Culture is an important factor in attracting people to GM and part of the economic eco-structure for the city region.

RESOLVED/-

That the updated on the work of the GM LEP, as set out in the report be received with thanks and noted.

E79/20 GM BUSINESS RATES FUNDED 3 YEAR INTERNATIONAL & MARKETING PROGRAMME

Mark Hughes, Growth Company, introduced a report which provided an update on the GM Business Rates funded 3 year International and Marketing Programme. The report gave a programme overview and outcomes for the Growth Company's Place Promotion and Investment/Tourist attraction activity delivered via the MIDAS and Marketing Manchester (MM) services.

Members noted that GM Local Authorities provide funding to promote and attract investment and visitors, to the city region, which is delivered via the Growth Company service areas of MIDAS (£1m p.a.) and MM (£377k p.a.). Members noted that GMCA had recently 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.

The update explained to Members how the Growth company was supporting the delivery of GM's strategies, explained the value of tourism and foreign investment to the GM economy, highlighted the existing rate of return on MIDAS and MM activity,

the impacts of Covid-19 and changing operating environment, programme objectives and outputs

In introducing the paper, Mr Hughes explained the Business Productivity and Growth programme will be brought to a future meeting of the Scrutiny Committee.

The following comments and questions were raised:-

- In relation to productivity, a Member asked how local companies can be encouraged to invest to a similar level that companies in other countries do, particularly in relation to research and development. In response, the need for the right incentives for investment were highlighted. Leadership and management of the companies was also noted as important. The work of the Growth Company had identified some direct investment, although this is challenging.
- In relation to the work of the Manchester China Forum, a Member highlighted concerns in relation to the treatment of Uighur peoples by the Chinese Government and trade arrangements. In response, it was noted that political leaders will provide a steer on investment delivery once a final position is determined. In addition, it was noted that the relationships that have been developed in China are with city leaders. National political decisions will inform any future inward investment discussions.
- A Member asked if there has been a reduction in the numbers of students from China studying in Manchester. In response it was noted that the uptake of Chinese students remains good, although challenging. The benefit of a dialogue channel through the China forum has enabled students receive the correct accreditations to study in Greater Manchester.
- In reference to the Programme of Activity as outlined in the report, a Member asked if an update on outcomes will be presented in the next report to the Committee. In response, it was noted that the next report will present information on Key Performance Indicators performance, together with an independent evaluation on the programme.

RESOLVED/-

1. That the update be noted.
2. That the Programme and Outcomes, as set out in the report, be endorsed.
3. That it be noted that the Business Productivity and Growth Programme will be brought to a future meeting of the Scrutiny Committee and that the Committee Work Programme will be updated accordingly.

E80/20 ADULT EDUCATION BUDGET UPDATE

Councillor Sean Fielding, GM Lead Member for Skills and Digital introduced a presentation on the Adult Education Budget. The presentation provided Members with an update on the journey so far of the GM Devolved Adult Education Budget (AEB) programme, from year 1 (2019/2020 academic year) through to continuing plans for year 3 (2021/2022 academic year).

The following comments and questions were raised:-

- A Member asked if the funding to local authorities would continue going forward. In response, it was noted that an approach to funding for future years was being explored.
- A Member highlighted that in relation to course enrolments, most districts, with the exception of Manchester, were down in their enrolment numbers. In response, it was noted that the figures showed where there was demand from learners. In order to address this, the Local Authority Grant Programme has been introduced to help to drive up local participation.
- A Member enquired if there had been any barriers in working with districts. The Member also enquired if students were given assistance in helping to purchase bicycles. In response it was noted that the working relationship with local authorities was a real benefit of the adult education programme. The LTE Group is part of the Manchester College and they will be contacted in relation to the assistance for learners to have access to bikes.

RESOLVED/-

That the presentation including progress of AEB, the impact of Covid 19 on provision, case studies and arrangements for payments due to the impact of Covid19 and the direction of travel, be noted.

E81/20 GM DIGITAL BLUEPRINT: 1 YEAR ON

Councillor Sean Fielding, GM Lead for Skills and Digital, introduced a report which provided Members with an update on the GM Digital delivery and achievements 2020/21. An outline of activity planned for 2021/22 was also presented.

The Blueprint set out five priorities and two enablers as the focus of activity and influence:

- **Empowering people:** We want to make sure that everyone in Greater Manchester, whatever their age, location or situation, can benefit from the opportunities digital can bring
- **Enabling innovative public services:** We want to apply exemplar digital ideas and practice to delivering public services in Greater Manchester, linking innovative business, academic and public sector thinking with the needs of Greater Manchester's people.
- **Digitally enabling all businesses:** Businesses of all sizes should have the means and skills to digitise their business and make the most of the opportunities that brings.
- **Creating and scaling digital businesses:** We're encouraging and supporting businesses to start, grow or move to Greater Manchester, recognising the importance of the continued expansion of our digital, creative and tech sector and the opportunities this brings for our people.
- **Being a global influencer:** Greater Manchester is taking its position as an internationally recognised centre of digital innovation, research and practice.

Enablers:

- **Strengthening our digital talent pipeline:** Our vision is to create a critical mass of digital talent, positioning Greater Manchester as the key place for businesses seeking a digitally-skilled workforce to invest in outside of London.
- **Extending our world class digital infrastructure:** We will ensure that Greater Manchester has the digital infrastructure it needs to be a world class digital city region.

The report highlighted that the first year had focussed on responding to the impact of Covid, particularly digital inclusion, with an ambition to have 100% digital inclusion and the development of the Digital Inclusion Task Force. Members noted that work is continuing with the Department for Digital, Culture Media and Sport to address rural connectivity.

It was noted that GM had overtaken Cambridge as the area with the second highest venture capital investment in the UK and this trend was continuing.

The following comments and questions were raised: -

- A Member highlighted that 1.2 million people in GM were digitally excluded and noted that they will be further excluded as the digital programme rolls out. In response, it was noted that demographically, the over-70 group are impacted by digital exclusion. Younger people were also impacted where the cost of broadband or technological equipment was prohibitive.
- A Member enquired if there was any impetus from Government to address rural broadband connectivity inequality. The Member also highlighted that Universal Credit applications will require online applications. In response, GM is campaigning for a greater proportion of homes to be provided with super-fast broadband. The mapping of rural and semi-rural areas has been undertaken. Members noted that the Government has said that the market will deliver 80% of broadband to homes by 2025. The Government has also identified £1billion to address the remaining 20%. The challenge will be address rural connectivity on a return on investment basis and discussions were continuing with the Government in relation to this aspect.

RESOLVED/-

1. That the progresses against the GM Digital Blueprint's ambitions during 2020/21 and consider the key activities planned for 2021/22, as set out in the report, be noted.
2. That the direction of travel and prioritization of GM Digital activity, as set out in the report, be supported.

E82/20 REGISTER OF KEY DECISIONS

Members considered the register of key decisions.

RESOLVED/-

To note the Register of GMCA Key Decisions for the period 1 December 2020 to 28 February 2021.

E83/20 COMMITTEE WORK PROGRAMME 2020-2021

Members received a summary of the items considered by the Committee during the 2020-2021 municipal year.

RESOLVED/-

That the Committee Work Programme be noted.

E84/20 CONCLUDING REMARKS

The Chair noted that this is the last meeting of the municipal year and thanked members of the Committee and officers for their contribution and attendance at committee meetings. He wished members well for the future.

The Chair also recorded his thanks to Councillors Elise Wilson, Sean Feilding and David Greenhalgh as respective GM Lead Members for Economy, Skills and Digital and Culture for their contribution and to Councillor Michael Winstanley for his support as Vice Chair of the Committee.

In response, Committee Members offered thanks to the Chair for the way he had conducted his role, particularly in allowing all Members to contribute to the discussions.