

**ANNUAL GENERAL MEETING OF THE GREATER MANCHESTER COMBINED  
AUTHORITY (GMCA) ECONOMY, BUSINESS GROWTH AND  
SKILLS OVERVIEW AND SCRUTINY COMMITTEE  
FRIDAY 12 JULY AT 2.00 PM AT GMCA OFFICES, CHURCHGATE HOUSE**

Present: Councillor Michael Winstanley (in the Chair)

Bury: Councillor Mary Whitby  
Manchester: Councillor Greg Stanton (substitute)  
Oldham: Councillor George Hulme  
Rochdale: Councillor Patricia Sullivan (substitute)  
Salford: Councillor Jim King  
Stockport: Councillor Kerry Waters  
Councillor Colin MacAlister  
Trafford: Councillor Barry Brotherton  
Wigan: Councillor Charles Rigby

**In attendance**

GMCA Councillor Richard Leese, Portfolio Lead for Economy  
Councillor Sean Fielding, Portfolio Lead for Education, Skills, Work and  
Apprenticeships  
Simon Nokes, Executive Director Policy & Strategy  
Lisa Dale-Clough, Head of Industrial Strategy  
Joanne Heron, Statutory Scrutiny Officer  
Jamie Fallon, Governance and Scrutiny Officer

**E63/19 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Susan Howarth (Bolton), Musadir Dean (Bolton), June Hitchen (Manchester), Luke Raikes (Manchester), Daniel Meredith (Rochdale), Michael Holly (Rochdale), Stephen Homer (Tameside),

**E64/19 CHAIRS ANNOUNCEMENTS AND URGENT BUSINESS**

Members were informed that Councillor Michael Holly was unable to attend as he was recovering from a recent operation. The Committee wished Councillor Holly all the best in his recovery.

**E65/19 DECLARATIONS OF INTEREST**

There were no declarations of interest received.

**E66/19 MINUTES OF THE MEETING HELD ON 12 JULY 2019**

The minutes of the meeting held on 12 July 2019 were submitted for approval.

**RESOLVED:**

That the minutes of the meeting held on 12 July 2019 be approved as a correct record.

**E67/19 WORK PROGRAMME**

Joanne Heron, Statutory Scrutiny Officer, introduced the 2019/20 work programme, provided for Members to develop, review and agree. The Committee agreed that the outstanding 2018/19 action to consider a report on the economic impact of Manchester Airport, including a potential site visit be included in the Work Programme.

**RESOLVED:**

1. That the Committee consider the economic impact of Manchester Airport at a future meeting.
2. That a visit to Manchester Airport be arranged for Members.

**E68/19 GREATER MANCHESTER LOCAL INDUSTRIAL STRATEGY IMPLEMENTATION**

Sir Richard Leese, Portfolio Lead for Economy, provided an update on the implementation of the Greater Manchester Industrial Strategy (LIS), which had been developed in collaboration with Government and jointly launched on 13th June 2019.

The following key points were raised:

- It will be critical that districts are at the heart of the implementation and it is envisaged that the GM Growth Board (which is chaired by the Deputy Mayor for Business/Economy and its membership includes the economic development (or similar) portfolio holder member for each of the 10 GM districts) will have joint accountability for implementing the strategy, alongside the GM Local Enterprise Partnership (GM LEP). The Directors of Place Group (which is made up of the 10 Place Directors or similar from each district) acts as advisors to the Growth Board and will take a lead on ensuring that actions taken forward at a district and GM level are coordinated. This will ensure strong district input and leadership of both the development of the Implementation Plan and delivery thereafter.
- Appendix 1 sets out the main, non-business as usual, actions that were included in the GM LIS, whilst section 3 within the report sets out the priority actions for 2019/20. It was expected that the full Implementation Plan would be finalised and agreed with Government in autumn 2019, at which point a further update would be provided to the Committee. A key priority for 2019/20 would be embedding the strategy in Greater Manchester's (GM) governance framework, decision-making mechanisms, and the planning processes of delivery partners.

Members raised the following questions to Sir Richard Leese, Simon Nokes, Executive Director Policy & Strategy, and Lisa Dale-Clough, Head of Industrial Strategy, who were also in attendance:

- A Member referred to paragraph 2.5 within the report and sought clarity as to whether the GMCA would be carrying out their own evaluation as the strategy is rolled out. It was confirmed that planning was underway to develop an evaluation programme locally, noting that further information would be available in the autumn. The evaluation would include a suite of indicators which would be reported on regularly throughout the year.
- How will the LIS align with the cross-cutting activity referred to at paragraph 3.1? It was explained that the paragraph included activity that was already underway, accentuating the need to ensure that the activity is linked to the implementation plan.
- A Member highlighted the broad number of representatives on the Innovation Partnership on Healthy Ageing (referred to at paragraph 3.4) and questioned how effective it would be in its decision-making. It was acknowledged that the governance needed to be participative and inclusive. It was important that the executive arrangements, which sat under bodies, ensured that it was effective in its delivery.
- A Member referred to Annex 1 (page 9) within the report, noting that some districts had accelerated their targets to '2030' and explored how this would align to the GMCA's target of '2030.' It was confirmed that the GMCA's view was to seek to accelerate activity where possible,
- A Member requested clarification on the term a 'foundational economy'. It was explained that a foundational economy referred to the number 'low paid, low quality jobs with low productivity', which were mainly in the retail, hospitality, tourism and social care sectors as highlighted within the Independent Prosperity Review. The LIS recognised the need for action to improve jobs in those sectors such as the development of the 'Tourism Sector Deal' with government.
- A Member referred to the target of; '100 per cent full fibre coverage by 2033, and full rollout of 5G technologies by 2028' (Annex 1 priority 33) and queried who would be to blame if the targets were not met. It was confirmed that the Committee would consider an update report on full fibre roll out at a future meeting, noting that £23 million DCMS funding had been secured to maximise full fibre coverage within 1300 public sector buildings in GM, which was currently at procurement stage. In addition, private sector roll out had already commenced, with the switch on of Vodafone's 5g network.
- Could the LIS be subject to change if a new Mayor was elected in 2021? It was confirmed that the Mayor was clearly one of the signatories to the LIS, but if any changes were proposed they could only be implemented with the consent of the GMCA (two thirds majority) and Government.
- A Member requested further information on the 'cooperative intellectual property bank' (referred to in Annex 1 priority 37). It was advised that the idea was not a year one priority, and was still in embryo form, noting that funding had not yet been identified. It was envisaged that it would become a 'knowledge sharing bank', accessing intellectual property which had not been exploited by larger companies, and making it available to smaller companies or innovators to tackle problems and commercialise them.
- The Committee considered the GM LIS 2019/20 priority actions, within their remit, and agreed to consider post 16 skills, and management and leadership skills in more detail throughout the year.

#### **RESOLVED:**

1. That the joint sign off and launch of the Greater Manchester Local Industrial Strategy be noted.

2. That the governance arrangements for implementing the Greater Manchester Local Industrial Strategy in Greater Manchester be noted.
3. That the GM LIS 2019/20 priority actions; post 16 skills, and management and leadership skills be included within the 2019/20 work programme.

## **E69/19 SKILLS INVESTMENT**

Councillor Sean Fielding, Portfolio Lead for Education, Skills, Work and apprenticeships, outlined the proposed approach to bring forward innovative skills provision, linked to employer needs and skills gaps, by building on a sector approach, (agreed by the GMCA in October 18) and supporting the Local Industrial Strategy (LIS) focus on skills, as a driver for growth, particularly at the higher technical level.

The following key points were highlighted:

- In reviewing the LGF spend (as set out in a previous paper) an opportunity had arisen to allocate £8m to developing a proposal for an investment pot for skills, that will support specific LIS sectors, and also where appropriate bring this together with loan/equity sector investment funds to truly drive growth. There was also the potential to add further value to such a pot via other sources of funding for skills in particular those targeting certain cohorts.
- GM's growth sectors were underpinned by STEM skills and was therefore important to create a talent pipeline for STEM, where opportunities to develop skills and knowledge were made available for all residents. This would be achieved by enhancing the current offer by developing higher-level technical skills provision for the benefit of current and future STEM industries, as well as key growth sectors. This would create an agile and diverse workforce, which is flexible and responsive to developing technology and STEM needs.
- It was recognised that there was no one size fits all solution to addressing the skills gaps that employers face now, and would continue to face into the future. Any solution needed to bring together the key partners in a local area, and by improving coordination between employers, who could identify the roles they need to fill, and the skills needed, along with training providers, who can help design bespoke courses and work with training candidates. The fund would be as flexible as possible placing the onus on employers, providers (and any other relevant stakeholders) to devise provision including high quality equipment/facilities that they can both commit to that will use innovative approaches to meet both their needs.
- There was an opportunity to test this type of learning through the recently announced budget funding for a Digital Skills Pilot via DCMS. This funding is scheduled to go live in late June and would pilot innovative models of skills linked to specific job roles & vacancies. Also, where appropriate it was proposed to use the skills provision outlined, alongside the sector investment approach to loan/equity funds as set out in the recently updated GMCA Investment Strategy. Finally, if successful, it was proposed that this targeted approach to tackling key skills gaps would be used to roll out to other sectors via future funding sources such as the UK Shared Prosperity Fund.

Members posed the following questions to Councillor Sean Fielding and Simon Nokes, Executive Director Strategy and Policy:

- A Member queried how we could encourage employer buy in? It was advised that GM had a unique relationship with employers, noting their representation at the Employment and Skills Advisory Panel, along with other key stakeholders including DfE and DWP. It was acknowledged that the nature of the employment market was changing, and it may be necessary for some people to retrain to do something different at different points in their careers. It was noted that the £8m provided a great opportunity to focus on new sectors. If successful, it was envisaged that the new UK Shared Prosperity Fund (previous EU funding) would enable the approach to be rolled out to wider sectors (GM had previously received £160m in EU funding for training).
- Had an analysis been undertaken which identified employers who were unable to find resource with the required skills? It was confirmed that an analysis had been conducted in order to understand the extent of skills gaps, and how to pin point solutions. In addition, a vast amount of work was underway with employers/ employer groups to understand the nature of the roles and the required skills, such as within the digital sector, where some of businesses reported that they had lost work due to a lack of available skills.
- How did employers feed into the GMCA? Employers were able to provide information via the Employment & Skills Advisory Panel, along with via sector intelligence. An annual statement of skills was also produced, along with data regarding the movement of sectors within the economy, and associated occupations in order to identify skills gaps. It was acknowledged that there were various pots of funding (mainly from Government) focused on attaining level 1 and 2 skills, however, there was limited funding for technical skills. The Independent Prosperity Review highlighted the gaps at levels 3 and 4, along with technical skills.
- A Member reported issues in accessing the Adult Education Budget (AEB) funding. It was confirmed that the AEB was used to support people who were moving towards or into employment. The ambition was to improve the quality of education so that young people were able to attain their level 2 skills first time. The budget could also be used to support the attainment of higher-level skills whilst continuing to support people into employment.
- Could organisations like 'Think Employment' who are part funded by the European Parliament, and provide various courses including; English, maths, and the European Computer Driving Licence (ECDL) apply to deliver the training? It was acknowledged that the question related to the broader AEB, which was subject to a tendering process. Companies were welcome to tender for services commissioned by the GMCA if they met the specified criteria. It was highlighted that the Digital Skills Pilot taking place over the summer period would seek to encourage employers and training providers to work collaboratively to fill specific vacancies.
- What types of barriers to employment have been identified (paragraph 4.4)? It was confirmed that the statement applied to all skills provision, noting that the GMCA is committed to supporting priority groups who experience barriers to employment such as over 50's or people with disabilities. The Working Well programme was highlighted as an example of where the GMCA was supporting those that are close to or have fallen out of the labour market, and helping them retrain or up skill. It was confirmed that an analysis had been conducted and would be shared with the Committee.
- How can we evidence that we are world leading in the digital sector if employers are reporting at 30% shortage in skills? The Independent Prosperity Review emphasised our strengths in industries such as digital and creative. It was acknowledged that GM is already home to the largest cluster outside London due to the substantial talent pool we already have.

- A Member explored whether the LIS would seek to develop skills that could be used across GM, or focus on developing skills in areas where there is a high concentration of a specific role e.g. digital at Salford Quays. It was confirmed that the strategy was region wide. Did all of the 10 districts stand to be benefit from the LIS? It was acknowledged that it could not be considered in isolation, and must be considered in the round of everything the GMCA does in GM, which provides opportunities across the conurbation. It was confirmed that in addition to the £8m detailed within the report, there was additional funding for the AEB (£92m) and EU funding (£160m).
- A Member queried whether the criteria for assessing bids had been developed and explored whether the Committee would have the opportunity to pre-scrutinise the criteria. It was agreed that the criteria would be circulated to the Committee for comments as it develops. The Committee were informed that the pilot over the summer (which the Committee had previously reviewed) would provide lessons which would be incorporated into this proposal.

#### **RESOLVED:**

1. That Members agree to the proposed programme and priorities identified for an ‘investment Pot for Skills’ to be considered by the GMCA in July 2019.
2. That the priority groups analysis be circulated to the committee for information.
3. That the application criteria be circulated to the committee for comments as appropriate.

#### **E70/19 LOCAL GROWTH FUND ROUND 3 – CHRISTABEL PANKHURST INSTITUTE FOR RESEARCH INTO HEALTH, TECHNOLOGY AND INNOVATION (‘THE PANKHURST INSTITUTE’)**

Simon Nokes, Executive Director of Strategy and Policy, provided an update on the Full Business Case which had been put forward by the University of Manchester to the Local Growth Fund (LGF) for the Pankhurst Institute. The report was submitted to the Committee for information.

It was confirmed that since the £450m funding had been received from Government it had primarily been used to fund transport schemes and skills capital programmes, in terms of investing in skills providers, and other economic development projects.

Since a number of projects, including the Pankhurst Institute were formerly approved by the GMCA in 2017, the University’s plans had evolved. They now wish to establish a new institute which would exploit the University of Manchester’s strengths in advanced materials, digital technology and precision medicine to drive health benefit, business growth, productivity-gain, and employment in Greater Manchester (GM), filling a critical gap in the GM health innovation ecosystem.

A Full Business Case had been submitted for approval by the GM LEP and GMCA, following the process set out in the Assurance Framework agreed between GM and Government.

The following question was raised:

A Member referred to paragraph 2.6 and explored how the return of investment and impact would be measured? It was agreed that further information would be circulated to the Committee.

**RESOLVED:**

1. That it be noted that the GM Local Enterprise Partnership was being advised to approve the Pankhurst Institute business case (Gateway 3) at its July meeting. Subject to agreement at the July GMCA Board meeting, the GMCA (as the Accountable Body) would then issue a grant agreement to the University of Manchester.
2. That the Committee receive further information on the measurement of economic outcomes

**E71/19 REGISTER OF KEY DECISIONS**

**RESOLVED:**

That the register of key decisions be noted.

**E72/19 DATE AND TIME OF NEXT MEETING**

Friday 13<sup>th</sup> September 2.00 – 4.00pm, GMCA Offices