

Greater Manchester Combined Authority

Date: 17 December 2021

Subject: Greater Manchester Economic Dashboard and Economy Portfolio Update

Report of: Councillor Elise Wilson, Portfolio Lead for Economy & Business and Joanne Roney, Portfolio Lead Chief Executive for Economy & Business

PURPOSE OF REPORT:

To provide GMCA with the latest version of the Greater Manchester Economic Resilience Dashboard. And an overview of activity related to the Greater Manchester Local Industrial Strategy and the Economy portfolio.

RECOMMENDATIONS:

That the GMCA note and comment on the latest update of the Greater Manchester Economic Resilience Dashboard and response, including delivery of the Local Industrial Strategy and Greater Manchester Economic Vision.

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BOLTON
BURY

MANCHESTER
OLDHAM

ROCHDALE
SALFORD

STOCKPORT
TAMESIDE

TRAFFORD
WIGAN

Equalities Impact, Carbon and Sustainability Assessment:

| Impact Indicator | Result | Justification/Mitigation |
|--|--------|--------------------------|
| Equality and Inclusion | | |
| Health | N/A | |
| Resilience and Adaptation | N/A | |
| Housing | | |
| Economy | | |
| Mobility and Connectivity | | |
| Carbon, Nature and Environment | | |
| Consumption and Production | | |
| Contribution to achieving the Greater Manchester Carbon Neutral 2038 target. | | |

No direct impacts arising from this report.

Risk Management:

None

Legal Considerations:

None

Financial Consequences – Revenue:

None

Financial Consequences – Capital:

None

Number of attachments to the report:1

Comments/recommendations from Overview & Scrutiny Committee

None

BACKGROUND PAPERS:

The author of the report must include list of those documents on the subject matter which:

- Disclose any facts or matter on which the report or an important part of the report is based;
- Which have been relied on to a material extent in preparing the report

| | |
|--|----|
| TRACKING/PROCESS | |
| Does this report relate to a major strategic decision, as set out in the GMCA Constitution? | No |
| EXEMPTION FROM CALL IN | |
| Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency? | |
| GM Transport Committee | |
| Overview & Scrutiny Committee | |

1. BACKGROUND

1.1 This report sets out the latest indicators for the Greater Manchester economy, captured in the GM Economic Resilience Dashboard, to understand how the C-19 pandemic, EU-exit and other factors are affecting the trajectory and resilience of the city-region's economy. It also summarises the latest responses to those insights, as the GMCA, Greater Manchester Local Enterprise Partnership (GM LEP) and other partners across the public, private and voluntary, community and social enterprise sectors continue to drive the recovery from C-19 and the longer term ambitions as set out in the Greater Manchester Local Industrial Strategy and Greater Manchester Economic Vision.

1.2 The Economic Resilience Dashboard aims to provide up to date intelligence on the conditions in the Greater Manchester economy following the outbreak of Covid-19.

The data is divided into six sections:

- Labour Market and Household Finances provides leading indicators on employment, pay and personal finance.
- Business Outlook provides data gathered by GM based organisations on business sentiment and confidence.
- Business Lending and Credit Risk provides information on coronavirus support measures and SME Lending.
- Behavioural Insights provides information on the movement of people across GM.
- International Trade provides the most up to date information available on exports at different geographies.
- National Indicators provides leading indicators on the state of the economy nationally.

1.3 The latest version of the dashboard can be viewed live at this link (and is attached as a PDF report):

https://www.ghtableau.nhs.uk/t/GMCA/views/GMEconomicResilienceDashboard/About/jack.james@greatermanchester-ca.gov.uk/4f3be3e5-759e-47ee-85f9-6c1538fc265c?:display_count=n&:showVizHome=n&:origin=viz_share_link&:isGuestRedirectFromVizportal=y&:embed=y

1.4 Since the beginning of the pandemic, the aim of the GM Economic Resilience Dashboard has been to assess the impacts of the crisis on the GM economy and monitor the usage of the various Government support schemes that have been initiated (furlough, self-employment support, business loans). As these schemes begin to be drawn to a close, the metrics in the dashboard need to be refocussed in order to better aid understanding of the nature and scale of the economic recovery in GM. This work is underway and will focus on data that is:

- Publicly available so the dashboard can be widely shared;
- Available at a local level, so the dashboard provides additional insight beyond that covered by reporting of the national economy;
- Up to date with a focus on data that is updated at least quarterly and ideally more often.

- 1.5 The revised set of measures will be developed, working with partners across sectors, over the coming weeks and the updated dashboard presented at a future meeting.

2. HEADLINE DASHBOARD MEASURES

- 2.1 The number of claimants of unemployment related benefits decreased by 3.6% to 112,110 between September and October. The fall in GM was lower than that nationally (4.0%). Trafford experienced the largest fall among GM districts (6.1%). After rising at an unprecedentedly rapid rate in the early months of the pandemic, the number of claimants has declined in each month since March 2021.
- 2.2 The 4-weekly average of online job postings decreased to 8,908 on 27th November. This is 21% lower than the 4 weeks to 30th October. Feedback from the Growth Company suggests that the number of GM firms that are currently recruiting new staff decreased slightly from 41% to 40% in the 4 weeks to 1st November. 42.4% (45.2% previous) of all respondents think that their workforce skills are only 'partly' at the correct level to meet their business plan objectives for the year ahead.
- 2.3 UK inflation as measured by the Consumer Price Index was 3.8% in the 12 months to October 2021. This was a 0.9% increase from the September figure of 2.9%. OBR forecasts issued alongside the Budget suggest rates are likely to rise to 4.4% during 2022 and could potentially reach 5%.
- 2.4 Data on credit risk from RedFlag, a provider of real-time business intelligence, shows that the percentage of GM businesses showing signs of financial distress fell slightly in the month to 1st November to 11.8%, down by 1%. This compared to 8.8% for the North West and 6.4% for the UK as a whole.
- 2.5 Overall passenger journeys recovered to around their pre-crisis levels in late May and have remained steady since, standing at 51 million total passenger journeys in week beginning 15th November. TfGM data shows that passengers are continuing to use public transport less frequently, Journeys by Bus, Metrolink and Rail are -5%, -16% and -2% below pre-crisis levels respectively. However, use of public transport has now increased for four consecutive months. Google data on the number of journeys taking place across GM shows the number of people travelling to Grocery and Pharmacy locations has largely recovered. On 26th November all 10 GM districts were above pre-crisis levels. Travel to workplaces across GM was -30% below its pre-crisis level on 26th November.
- 2.6 The UK Consumer Confidence Index increased three points to -14 in November 2021. Consumer confidence is seven points below its February 2020 level, following a low of -36 in May 2020.

3. RECENT ACTIVITY RELATED TO THE GREATER MANCHESTER ECONOMY PORTFOLIO

GOOD EMPLOYMENT & LIVING WAGE

- 3.1 The annual Living Wage Week took place between the 15th-21st November, with events throughout the week raising awareness of the real Living Wage campaign across Greater Manchester and celebrating the achievements so far.
- 3.2 On Monday 15th **Greater Manchester became the first Living Wage City-Region officially recognised by the Living Wage Foundation**, with a launch event at the People's History Museum, where the Foundation also **announced Bury Council as an accredited Real Living Wage Employer**. The Foundation are an independent body who offer accreditation to employers that pay the real Living Wage to all directly and subcontracted staff.
- 3.3 A panel event on the business benefits to paying the real Living Wage took place on the Wednesday, run in conjunction with Pro Manchester, supplemented by VCSE, third sector, and civil society facing events on the Tuesday, Friday, and Saturday respectively.
- 3.4 The real Living Wage campaign in Greater Manchester will **aim to accredit 650 employers (currently 384) by November 2024, covering 175,000 employees**. Anecdotal evidence suggests an increase in organisations in the city region engaging with the Living Wage Foundation following the week, beginning the path to accreditation.
- 3.5 Interest and participation with the **Good Employment Charter continues to accelerate with now c.800 employers engaged with the Charter Unit**. Focus continues to be on delivering appropriate content on the core priorities of EDI, Flexible Work, Mental Health and Wellbeing and Line Management.
- 3.6 **GM LEP ACTIVITY**
- 3.7 Greater Manchester Local Enterprise Partnership (GM LEP) held its November meeting at Stephenson's Solicitors in Wigan as part of a new initiative to host its bi-monthly meetings in locations across Greater Manchester.
- 3.8 **GROWTH COMPANY BUSINESS SUPPORT UPDATE**
- 3.9 **Northern Powerhouse Investment Fund** has almost fully invested the original £10.2m commitment and the Growth Company await receipt of an additional £5m from the British Business Bank to on-lend by the end of 2023 to growing SMEs across the North West.
- 3.10 **The Peer Networks programme** has begun the bulk of year 2 delivery for the GM cohorts. The 6 internal cohorts are full and have begun delivery with positive feedback and referrals for further support resulting from the 1-2-1 aspect of the programme. GC The Business Growth Hub has also been awarded £11k of funding by the GMCA to provide vouchers for digital products to a cohort that has been created in collaboration with Tech Adoption Service (TAS). This cohort is a pilot to test out working with specific local authorities (for the pilot Tameside LA was chosen) and combining with the TAS.