MINUTES OF THE GREATER MANCHESTER COMBINED AUTHORITY ECONOMY, BUSINESS GROWTH AND SKILLS OVERVIEW & SCRUTINY COMMITTEE, HELD ON FRIDAY 14 JANUARY 2022

Present:

Bury:	Councillor Mary Whitby
Manchester:	Councillor Greg Stanton
Rochdale	Councillor Michael Holly (Chair)
	Councillor Raymond Dutton
Salford:	Councillor Jim King
Stockport:	Councillor Kate Butler
	Councillor Becky Senior
Trafford	Councillors Barry Brotherton
Wigan:	Councillor Charles Rigby
	Councillor Debra Wailes (substitute)

Officers in attendance: -

GMCA	Joanne Heron, Statutory Scrutiny Officer, GMCA
GMCA	John Wrathmell, Director of Strategy, Research & Economy GMCA
GMCA	Lisa Dale-Clough, GMCA
GMCA	Paul Harris, Governance and Scrutiny, GMCA

EO&S21/30 APOLOGIES FOR ABSENCE

Apologies for absence were received and noted from Councillors Michael Winstanley, Susan Haworth, Stephen Homer and George Hulme.

Apologies were also received and noted from Councillor Elise Wilson and Simon Nokes, Executive Director, Policy and Strategy, GMCA.

EO&S21/31 CHAIR'S ANNOUNCEMENTS AND URGENT BUSINESS

a. Clean Air Zones

An update on the process for the introduction of Clean Air Zones in Greater Manchester was provided.

The update noted that GM is experiencing dangerous and illegal air quality due to nitrogen dioxide exhaust emissions and other vehicle pollution which is leading to serious health problems and 1200 premature deaths occurred last year that were attributed to poor air quality.

Members noted that there are 152 areas in GM where emissions remain higher than legally required levels. In March 2020, the Government issued a legal direction requiring the 10 GM local authorities to address the situation by introducing a

category C charging Clean Air Zone for commercial vehicles that do not meet the prescribed national standard for vehicle emissions by 2024 at the latest.

In response to this direction, a Clean Air Plan was developed by the 10 local authorities. In addition, consideration was also given to the economic impact of the CAZ requirements for businesses operating locally, particularly the ability of owners of non-compliant vehicles to change to compliant vehicles.

The mechanisms to support businesses through the transition, including the retrofitting and upgrades to existing commercial vehicles, were explained. Members noted that there continue to be some supply chain issues and inflation of the cost of vehicles, which have impacted upon the vehicle upgrade process.

For this reason, the Greater Manchester Air Quality Administration Committee will therefore be recommended to seek approval from the Secretary of State requesting to pause opening of phase two Clean Air Funds at the end of January 2022, to enable an urgent and fundamental joint policy review with government to identify how a revised policy can be agreed to deal with the supply issues and local businesses' ability to comply with the Greater Manchester Clean Air Plan. The Committee will also be asked to confirm that preparations to launch the first phase of the Clean Air Zone charging from May 2022 – buses, Heavy Goods Vehicles and non-Greater Manchester taxi and private hire vehicles - will continue.

Members raised the following points:-

- The most recent updates on the Clean Air Zone will be provided for Members following the meeting.
- A Member suggested if the Secretary of State did not implement this policy then there is potential for a legal challenge by environmental groups.
- A Member enquired if there was a process to check or understand how air quality measurements that have informed the CAZ requirements are calculated. In response, officers undertook to share details of the matrix for the calculation of the CAZ requirements.
- Members noted that the public health messaging in relation to the introduction of CAZ was important and is getting lost in the discussions around local economy.
- A Member noted that poor air quality has impacted upon the health of lots of GM residents with a consequential cost to the NHS.
- A Member highlighted some ambiguity with the integrated, online maps.
- A Member noted that the requirement for CAZ is a government directive and not a GMCA or local district initiative. The improved health benefits of removing the most polluting vehicles from the road network was welcomed, but there is a need for the government to provide appropriate funding to support businesses and residents in order for them to comply.
- A Member suggested that people continue to use private forms of transport because GM's public transport system requires improvements. The member suggested that if the level of transport subsidy for GM matched that of London then GM would quickly move to developing a world class integrated transport system. The Member explained that the CAZ is a GM wide requirement and should be adopted as such. Representations on the feelings of local residents in relation to CAZ should also be made to Government.

- A Member suggested that Clean Air Zone discussions will continue when the GM Mayor is in attendance at the next meeting.

RESOLVED/-

1. That the update be received with thanks and noted.
2. That a briefing note be shared with Members.

EO&S21/32 MINUTES OF THE MEETING HELD ON 10th DECEMBER 2021

The Minutes of the previous meeting of the Committee, held on 10th December 2021 were submitted for approval as a correct record.

A Member suggested that in respect of the Greater Manchester Strategy Refresh item (Minute EO&S21/22 refers), within the points made in the discussion on low carbon properties, the penultimate line in this bullet point should read "…a date of 2028 will seek for all new properties to be zero carbon. This policy proposal will be submitted to the Secretary of State in early 2022".

RESOLVED/-

That the minutes of the Economy, Business Growth and Skills Overview and Scrutiny Committee, held on held on 10th December 2021, be approved as a correct record, subject to the inclusion of the amendment set out in the preamble above.

EO&S21/33 GREATER MANCHESTER LOCAL INDUSTRIAL STRATEGY

Members received a report which provided an update on the GM Local Industrial Strategy, which reminded Members that on 13th June 2019, the Greater Manchester Local Industrial Strategy was jointly launched with Government. The report explained that since then, work has been underway to implement the strategy via a phase 1 Implementation Plan, and to establish delivery structures including an overarching Programme Delivery Executive.

The report provided a further update on implementation following the report to the 5 February 2021 meeting of the Committee and emphasised key highlights from 2021, as well as introducing the changing context for delivery of the strategy, including the COVID-19 pandemic and EU-Exit.

Members noted that the Greater Manchester Local Industrial Strategy is one of the country's first modern local industrial strategies. The ambitious strategy is designed to deliver an economy fit for the future, with prosperous communities across the city-region and radically increased productivity and earning power.

The LIS aims to create a highly productive, more inclusive and prosperous city region for all residents, with:

- A plan for communities across all of GM to thrive and prosper.

- Good jobs across the city region backed up by the right infrastructure, skills and networks.
- Supporting everyone to reach their full potential, giving people hope and optimism for the future, leaving nobody behind.
- Driving innovation and productivity in both our frontier and foundational sectors.

A presentation was also provided with an overview of the national industrial strategy white paper and the development of a GM local Industrial Strategy, the key findings of and recommendation of the Independent Prosperity Review and GM's response, and the impact of Brexit and Covid-19.

Members raised the following points:-

- A Member highlighted that once the LIS was originally developed, the main risk for consideration was Brexit. Since this point there has been the pandemic, geo-political changes in respect of China, Russia and Iran, inflation, and energy prices.
- In terms of energy supplies, a Member enquired if there were any sectors that have been impacted by the significant increase in energy supplies, In response, it was noted that this matter has been considered by Economic Resilience Group which has identified issues across all sectors. Industries such a steel fabrication face energy cost increases and are in discussion with Government around support. In addition, it was noted the hospitality and leisure businesses are also impacted by energy cost increases as they still need to heat and light their premises at a time where there is limited custom.
- A Member noted the issues with some of the larger UK based retailers being unable to satisfy public demand for some goods, particularly with the significant costs of shipping, and asked if this was an opportunity to re-set and review the Greater Manchester manufacturing base. In response, it was noted that matters such as the rise in energy costs, shipping and logistics, the commitment to carbon reduction and the UK's exit from the European Union may encourage some discussions on re-shoring for some UK manufacturing supply chains. It was also noted that the larger UK manufactures tend to be part of global manufacturing supply chains. There are some industries within the city region, such as textiles, that are future focused and are looking to develop local, regional and British partnerships.
- A Member noted that 1 in 10 people in GM have no qualifications and enquired on the demographic of this group. In response it was noted that an update will be provided at the next meeting of the Committee.
- In respect of the Energy Innovation Agency, a Member asked how proactive this organization is. In response, it was noted that a set of recommendation have been developed and they are looking to bring Small Medium size enterprises (SME) into the process,
- A Member welcomed the inclusion of childcare provision in the foundational economy.
- In respect of the recommendation of the Resilience review, a Member suggested that food security and what can be done as a city region to secure this provision. In response, it was noted that a task force has been launched to explore food security issues and develop a set of actions.

- A Member highlighted the fragmented education and training across Greater Manchester and enquired how the matter of skills is to be coordinated to ensure better outcomes. In response, it was noted that GM universities have signed an agreement to work together to support GM. It is also understood that Further Education colleges are also working together for Level 3 & 4. It was suggested that an update on this matter will be brought to a future meeting of the Committee.
- In respect of SME leadership training, a Member asked if there will be a set of measures to monitor productivity impact as a result of these training programmes. In response, it was noted that an evaluation process is being developed for this Leadership and Management Programme.
- With regard to supply chains, a Member highlighted the impact on wider industry supply chains whicha delay in the supply of microchips has had. The Member suggested that local manufacturing of such technology should be explored. In response, it was noted that some manufacturers are increasing their inventories in order to support supply chain.
- Following an enquiry from a Member, officers explained that the SME Energy Innovation Validation tool has been developed to help standardize products so that they meet industry energy standards.
- In respect of the SME Leadership Programme and following an enquiry from a Member around the proposed take up of this offer, officers noted that this programme has been developed following research on the training needs of businesses. The programme is due to launch in the upcoming months and it was suggested that some market research with business would be beneficial. The Growth Company and Business schools are involved in this process and have a large database of companies to engage with and understand demand.
- A Member welcomed the work taking place on skills. The member highlighted the need to engage with younger people to address training needs.
- A Member noted the importance of community wealth building and local sourcing. In response, it was noted that one of the findings of the independent inequalities commission was to develop a community wealth building hub to support new social enterprises, which is in development currently. An update to this will be brought to a future meeting.
- A Member noted that the report identified that the GM productivity was behind both the US and German economies and if there was anything from these two diverse economies that can be learnt. In response, it was noted that the recent Prosperity Review looked at the difference of local firms and the overarching skills and health base of the local population, the propensity of firms to export and the general leadership ability.
- In welcoming the presentation, a Member sought further information on what is being done to address digital skills pipelines. In response, it was noted that the digital skills provision has been supported for the skills for growth fund. Details on this will be provided at a future meeting of the Committee as part of the education and Skills update.
- In response to an enquiry from a Member regarding unemployment claimants, it was noted the demographic of claimants has changed throughout the pandemic. Currently men aged over 40 seem to be most affected. A monthly breakdown of the Office of National Statistics on claimant information will be shared to committee members.

- A Member suggested that utility companies should be encouraged to invest in bio-gas technologies. A report on the approach of Waste Authorities in this regard was requested. In response, officers undertook to discus the matter further with the GMCA Waste Committee and also GMCA Planning and Housing colleagues.

RESOLVED/-

1. That the update on the Local Industrial Strategy be received with thanks and noted.
2. That a further report on the Local Industrial Strategy be provided to the next meeting of the Committee, be noted.

EO&S21/34 REGISTER OF KEY DECISIONS

Members are asked to note and comment on the GMCA Register of Key Decisions for the period 1st December 2021 to 31st March 2022.

RESOLVED/-

That the Register of Key Decisions be noted.

EO&S21/35 COMMITTEE WORK PROGRAMME 2021-2022

Members considered the committee work programme for the 2021-2022 municipal year.

The Chair suggested that the Business Support and MIDAS update items be moved from the February to the March 2022 meeting of the Committee.

In addition to the inclusion of the above-mentioned items, it was also suggested that an update on skills be also included for the March meeting and in light of the additional business, the March meeting will be extended by 30 minutes.

RESOLVED/-

1. That the revised Committee Work Programme, be noted.
2. That it be noted that the Meeting of the Committee on 11 March 2022 will be extended by 30 minutes to allow for the proposed additional business.

EO&S2136 DATES AND TIMES OF FUTURE MEETINGS

RESOLVED/-

That the future programme of meetings, as set out below, be noted:-

Friday 4 February 2022 and Friday 11 March 2022.

All meetings will commence from 10:30 am.