

GM LOCAL ENTERPRISE PARTNERSHIP BOARD

SUBJECT: GC: Business Support, International and Marketing Update

DATE: 23rd February 2022

FROM: Mark Hughes, Group Chief Executive, Growth Company

PURPOSE OF REPORT

To provide an update on the business situation in Greater Manchester and how, in response, The Growth Company (GC) is providing support to GM's economy. The report focuses on GC's Business Growth Hub, Business Finance, Marketing Manchester and MIDAS services. **A new addition is the annex which sets out GC's current focus and mainstream programmes against the 9 LEP priorities.**

RECOMMENDATIONS:

The GM LEP Board is requested to:

Members are asked to note the contents of the report.

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Equalities Impact, Carbon and Sustainability Assessment:

GC is committed to putting equality, diversity and inclusion at the heart of its services. The activities which are updated upon within this report are delivered with the recognition of the importance of supporting a diverse range of businesses and individuals across Greater Manchester and providing equal opportunities for all. Programmes are designed and monitored for EDI. GC is committed to delivering 10 EDI pledges, as published on its website, and our Equality, Diversity and Inclusion Lead is currently supporting the recruitment of key EDI roles within GC, including working with our Social Value Lead and the chair of the African Business Forum to identify better ways to support African business owners in GM.

GC also supports and delivers services which contribute towards GM's ambition to achieve carbon neutral living in the city-region by 2038. This includes specific projects such as the Low Carbon programme and the newly launched online platform beenetzero.co.uk alongside the LEP, for businesses to access advice, support and funding on their journey to reducing carbon emissions. GC also provides a focused development programme for the Low Carbon and Environmental Goods and Services sectors. The Growth Company will move from its current position of Carbon Neutral to scope 1 & 2 with gold standard offset to Net Zero (Scope 1-3) with residual GHG offset through neutralisation measures in line SBTi guidance by 2035.

Risk Management:

N/A

Legal Considerations:

N/A

Financial Consequences – Revenue:

N/A

Financial Consequences – Capital:

N/A

Number of attachments to the report:

0

BACKGROUND PAPERS:

N/A

1. BUSINESS AND ECONOMIC CONTEXT

- **GC Business Survey.** Our COVID related Business Survey, running since March 2020, and with over 8,000 responses, is the largest scale survey of its kind in the UK. The following relates to the 8 weeks up to the 28th of January (including holiday period) and captures data from 449 respondents.

HEADLINES – TOP 5 ISSUES

- **Confidence** remains high. GC-Confidence Index remains above 7 (done so for 7 months).
- **Rising costs** is still a key issue, risk rising strongly since October from 20% up to 26% of firms.
- **Investment** intentions remain strong despite pressure on profits / business bottom line.
- **Current focus** of business is on growing customers and business planning for the year ahead.
- **Future support areas** focus on business planning, financial advice, marketing & workforce skills.

Growth, business confidence and investment

- **Business confidence.** The GC-Business-Confidence-Index (GC-BCI) currently stands at 7.4 out of 10, up slightly from 7.3 last month, and higher than the average of 7.2 at a similar time last year.
- **Sales and profits.** 26% of firms in the last month reported that they experienced an increase in sales (down slightly from 27%), and 69% of firms (up from 56%) expect profits to increase, whilst just 4% (same as last month) expect profits to decrease.
- **Investment.** 53% of firms expect to increase Capex spend in the year ahead (41% last month). 57% (vs 51% last month) of firms expect to increase their allocation towards investing in workforce and skills, followed by innovation (57%, vs 46%) and digital transformation (52%, vs 50%).

Main impacts and challenges from the current economic situation

- **Impacts.** The main impacts facing businesses are business travel to visit clients (31% vs 26% previously), supply chain (minor issues) (28 vs 27%), rising costs (26% vs 23%), and cashflow issues (19% vs 10%).
- **Falling sales.** The proportion of firms reporting decreased sales shows variation by sector. It was most prevalent in Hospitality, Tourism, and Sport (63%), Creative (30%), Business, Services (27%).

Labour market and workforce development

- **Recruitment and skills.** 29% (no change) of firms are currently recruiting new staff, and 11% said they were unsure. 48% of firms said that their workforce skills are only 'partly' at the correct level to meet their business plan objectives for the year ahead; and 6% said not at all.
- **Return to work.** 60% of firms have indicated that they will have all staff back into the office in the year ahead (up from 54% last month and 59% two months ago), with 14% stating that there will be a gradual shift to hybrid working, and 5% saying there has been a large shift to working from home.
- **Redundancy risk.** 92% (no change) of firms said that they were not planning to make redundancies at all. 3% said that they have made redundancies but no more are planned.

Financial resilience and cash reserves

- **Cash reserves.** 70% (75% previously) report that they have cash reserves to last over 6 months, - still one of the strongest positions recorded by the survey in the last 2 years.
- **Cashflow risk.** 19% (10% previously) said they had significant cashflow problems (25% same time last year). Sectors more likely to report this risk: Hospitality and Tourism, and Construction.

Other challenges and future support needs

- **Current challenges.** These include access to new domestic sales opportunities (63% vs 60% previously), developing business models/business planning (47% vs 37%), managing finances of the business (41% vs 33%), and developing new products or services, innovations (38% vs 39%).
- **Business support in future.** These include business planning (37%, vs 30% previously), financial advice (34%, vs 22%), marketing (34% vs 26%), workforce skills (30%, vs 24%); and 50% of firms are looking to develop a plan to minimise their environmental impact (no change)
- **Brexit.** 54% (57% previously) of firms said the impact of transition and exit from EU had a 'neutral' impact, 29% (21% previously) said 'negative', 12% 'unsure', and 5% 'positive' (down from 6%).

Insolvency risk

- **Insolvency risk data** for firms in GM from RedFlagAlert shows that 10.8% of firms (10 or more employees), showed some type of financial stress/insolvency risk. The data for January 2020 shows levels are down 4.3% year-on-year, but up 0.7% vs pre-covid March/April 2020. Levels are higher in GM than the national average 9.9%, down 5.0% year-on-year, but up 0.4% vs April 2020.
- **Insolvencies.** The number of UK registered company insolvencies in December 2021 was 1,486: 20% higher than the number registered in the same month in the previous year, and 33% higher than the number registered two years previously (pre-pandemic; 1,120 in December 2019).
- **Voluntary Liquidations.** In December 2021 there were 1,365 Creditors' Voluntary Liquidations (CVLs), 7% higher than in December 2020, and 73% higher than in December 2019. Other types of company insolvencies, such as compulsory liquidations, remained lower than before the pandemic.
- **Time-series.** From the start of the coronavirus (COVID-19) pandemic until mid-2021, overall numbers of company and individual insolvencies have remained low when compared with pre-pandemic levels. While CVL numbers are now higher than pre-pandemic levels, numbers for other insolvency procedures, such as compulsory liquidations for companies and bankruptcies for individuals, remain lower. This is likely to be partly driven by government measures put in place to support businesses and individuals during the pandemic, including:
 - Temporary restrictions on the use of statutory demands and certain winding-up petitions (leading to company compulsory liquidations).
 - Enhanced government financial support for companies and individuals.
- From 30 September 2021, some of these temporary measures ended or were replaced by new tapering measures, however it is not currently possible to state - with accuracy - the direct effect.

2. GC SUPPORT SERVICES & ACTIVITIES

Policy Update

The government's Levelling-Up White Paper was launched on 2nd February and the LEP will have been provided with the GMCA analysis so selected points particular to GC delivery in GM are highlighted:

- **Trailblazer devolution negotiations for Greater Manchester** which offer the potential to improve commissioning of services for businesses and individuals.
- **Innovation GM and R&D Expenditure.** The announcement of GM as one of three 'Innovation Accelerators', with an allocation of £100M for R&D expenditure with leverage and the commitment that BEIS will invest at least 55% of its R&D funding outside London and the South-East by 2024-25.
- **Shared Prosperity Fund.** The White Paper (and associated guidance) confirms the UKSPF will be significantly delegated to local leaders and along with the funding of BBB fulfils its commitment to replace EU funding. Local areas will need to agree an investment framework with Government. The future scale and shape of the SPF is vital to GC especially in respect of Growth Hub funding.
- Our **Made Smarter and Creative Scale Up programmes** were referenced, and we await final confirmation of future budgets.

BUSINESS SUPPORT

Commenced the next phase of **the Business Productivity, Innovation and Inclusive Growth Programme (BPIIG)** in January 2022 via contract extension of the BPIIG Programme until September 2023. £8.1m funding confirmed from retained business rates. 5 of the 6 GM ERDF extension projects have been approved by DLUHC with the final due going through the approval processes. As a result of the £8.1M GMCA funding, we have been able to leverage a further £8.2M of ERDF funding and £2.8M of other public and private funding giving a total funding package of £19.1M.

Access to Finance. New Investment Readiness Programme – Pathway 2 Equity - launched in January. This new modular programme offers a mix of 1-2-1 support and workshops and provides a bespoke pathway of support unique to each business' needs. 11 SMEs are taking part in the first pilot sessions and have already attended sessions relating to Intellectual Property, R&D Tax Credits and Pitch deck content and structure. This new programme will help to support more throughput of entrepreneurs and early-stage businesses into GC Angels.

Global Scaleup (GSU) is currently onboarding its 5th cohort, one of two cohorts in 2022. This year sees the return of in-person international visits, with the first being the GM and Liverpool Mayoral mission to Ireland March 28th/29th. GSU is also partnering with Liverpool Growth Platform and London & Partners (L&P) to deliver a CreaTech UK/Ireland mission this year, kicking off with a virtual session in April.

Planning has commenced on this year's REACH (Race Ethnicity & Cultural Heritage) mission in partnership with L&P which will take place in the USA in July. The programme is continuing to deliver alongside KPMG & DWF, along with a set of tier 2 partners focussed on supporting scale ups to expand internationally. To date the programme has seen 74 new markets entered, £31m funding raised and a turnover increase of £49m. Support is largely focussed on USA expansion as the market remains a priority for businesses going through the programme.

Creative Scaleup Programme. DCMS have announced the breakdown of their package for the Creative Industries from the recent Spending Review Settlement. This includes £18.4m for an expansion of the Creative Scale Up programme, in addition to £21m for the UK Global Screen Fund and £8.4m to the UK Games Fund. This brings the total package for the CIs close to £50m, which is more than the £42m originally announced in the CSR. Additionally, we've been made aware that the £18.4m CSU continuation funding will be split between 6 regions, however final decisions on which regions and relative portions of the funding have not been made yet. Operationally the team is planning an educational investor event, focusing on CreaTech investment in March and delivery for the 4th cohort of the current pilot.

Start-up Support. The new Community Renewal Fund (CRF) Start-up Vision Programme has now been mobilised and is fully staffed. Delivery will be starting in February and the programme will be present & promoted at the Festival of Enterprise on the 2nd March at Kampus Manchester.

On March 2nd the Startup team are holding a key event for any Greater Manchester pre-start & early-stage businesses – **The Festival of Enterprise** at Kampus MCR. The event will invite stakeholders and influencers along with businesses supported by BGH and those interested in our support. Confirmed speakers include: Cllr Bev Craig, Lou Cordwell, Sacha Lord & Mary-Ellen McTague. Already the event has over 170 registrations (target is 500) - social media marketing will be starting early February.

Recipe for Success. The latest R4S cohort launches in March at the Festival of Enterprise. The programme focuses on the Food and Drink sector and will look to support circa 20 SMEs within the sector to develop their products and their supply chains. Sacha Lord (Night-Time Economy Adviser for Greater Manchester,) and Mary-Ellen McTague (Winner of the Manchester Food and Drink Outstanding Person of The Year Award) are both keynote speakers at the launch.

Social Value Support. The Social Value team within the Business Growth Hub will commence the delivery of the first cohort programmes (Growing Inclusive and Developing Your Social Enterprise, respectively) from the 1st of March. Both programmes will be delivered on a bi-monthly basis with the Third Sector development advisor delivering bespoke local authority-based programmes following guidance from the State of the Sector report 2021. The team will be hosting further workshops which will cover: understanding and embedding social value, measuring impact, tender development, and modern slavery awareness workshops.

Peer Networks. The Business Growth Hub and Greater Manchester are currently delivering 31 cohorts vs a target of 25 cohorts, 22 of which have finished the programme, the highest number in the country for both figures. In the current year of this programme 341 participants have signed up to PN in GM each cohort starting with the full 11 participants vs the national average for a cohort to start with which is 9.1. The overall satisfaction rate is 97%. All KPIs are on track to overperform and all peer groups have started. Funding for the programme will end on 31/03/2022 and the evaluation has commenced with the external evaluation team.

Leadership and Management. GMCA, the Growth Hub, and the four GM business schools £2m Programme started in Jan 2022 to deliver executive coaching, targeted programmes and mentoring to 400 participants. A key focus of this service is a new digital portal of L&M content which GM leaders will be able to access, and it is anticipated that the platform will be ready by April 2022. An overarching brand - Leadership Hive - has been created. A customer journey map being produced to show entry/exit points from the various programmes and a leadership programme map to show the diverse range of leadership support available across GM. The first element of this programme will be the Growth Hub's Executive Development Programme and Mentoring offer which started delivering support in GM SME businesses at the beginning of January. A launch event for the programme scheduled to take place on 23/03/2022

Journey to Net Zero. Following customer feedback, we have launched cohort 5 starting on the 15/02/2022 and is fully booked (25 GM SMEs registered). We have opened registration for cohort 6 which will commence on the 27/04/2022. We have received an expression of interest from a larger business requesting support to engage their GM SME supply chain on the Journey To Net Zero and we will be progressing this over the coming weeks in addition to exploring the options for delivering JTNZ to a wider business audience through the Bee Net Zero campaign. We are currently reviewing options to deliver the JTNZ alumni and anticipate we will be able to promote this in coming weeks.

Energy Innovation Agency (EIA). The website landing page and branding will launch to the market in February - www.energyinnovationagency.co.uk. EIA board members have now been identified with the first meeting planned for March. The launch event will take place on 28 April 2022 which will be a combined public launch and innovator challenge event, the decarbonisation of non-domestic buildings with Bruntwood.

Innovate UK Edge. Innovate UK is finalising the new GFA for Innovate UK EDGE which will run for 3 years from April 22. The proposed budget has increased by 25%. GC will be one of the delivering partners for the North West. EEN activity ended on 31/12/2021.

Made Smarter. The current programme will complete on 31 March 2022 and the delivery of projects and internships is focussed on ensuring that clients draw down all the funds due to them ahead of the deadline. The L&M programme will run one final hybrid cohort starting in early March. This will incorporate both on-line and in-person sessions. The new marketing campaign to raise awareness more widely and generate new leads is now underway. Whilst it is still a little early to measure impact, the programme is seeing increased levels of new leads already. Discussions are ongoing with BEIS on the funding allocations for the 2022-2025 extension.

Good Employment Charter. The Charter unit continues to engage with Supporter employers ready to become full members of the Charter and is undertaking detailed assessments of c.9 employers ahead of the next Charter Board meeting in February. Well over 800 employers are engaged with the Charter Unit. The need for support on the effective introduction and management of flexible work continues through the Charter's partnership work with Timewise, and they will continue to deliver a series of Masterclasses on various aspects of Flexible and Hybrid working and will provide a range of toolkits and guidance resources for the Charter. The final workshop will take place on the 24th Mar 2022 – Job Design and Flex recruitment.

The Charter will also be supporting the GMCA and Timewise with the release of the Greater Manchester Flexible Work Index which will provide a baseline for the number of vacancies across GM that are available on a flexible basis.

A Members social networking event was held on 27th January where the eight new members approved in November 2021 received their membership plaques from the GM Mayor. Around 100 entries for the Greater Manchester Good Employment Awards were submitted and shortlisted employers have now been notified and promoted through social media. The awards ceremony will be held on 3rd March in central Manchester with guest speaker Susan Clews, Chief Officer at ACAS.

In the next quarter the Charter unit will begin recording the third series of Good Employment Charter podcast which will focus exclusively on EDI issues, will host the launch of the GMCA Ageing in the Workplace toolkit and will continue to work with Breakthrough UK / ACAS and CIPD on a joint campaign regarding disability in the workplace. Looking further ahead the Charter Unit continues to work closely with TfGM on engagement with potential suppliers in the forthcoming bus franchising processes.

Skills for Growth SME Support. 3,973 businesses have been engaged by the SFG brokerage service, with 1,163 Skills Productivity Plans, 1,609 Individual Skills Development Plans, 1,249 referrals into BridgeGM/Good Employment Charter, 90 Apprenticeship Starts and 392 completions achieved. The programme is on track against the new target profile agreed with GMCA in November 2021. The number of Skills Coaches on the programme is increased from 22 to 26 to deliver the increased numbers before the end of March 2022. GM Skills Map continues to grow as a strong engagement tool for the programme. Focus now on working with the procured providers to increase cross referrals on other elements of the GM SfG programme following excellent feedback from GMCA. We worked closely with GMCC to deliver an apprenticeship event on 08/02/2021 for National Apprenticeship Week.

EnterprisingYou (EY). To the end of **January** 2022, the programme has seen 5,199 enquiries, 1,926 starts on programme, and is ahead of target on most outputs. EY has appointed a number of providers

to deliver one to many workshops replacing the old TPD model, workshops will commence mid Feb 2022. EY has made a number of alliances with the new start up Visions team (CRF) to share best practice. Upcoming events include having a “Brew with Enterprising You” and the Business Networking targeted at existing clients and our EY after care clients. EY will also be present at the Festival of Enterprise on 2nd March at Kampus Manchester.

GC Kickstart. GC Kickstart has had 1210 placements approved by DWP, 522 have been filled there are 40 currently under offer. There are currently 450 vacancies live and available in the JCP system. To date, there have been 108 completers; 50% of whom have continued to be employed, 15% have become unemployed and 35% are being followed up. The programme is no longer sourcing new roles but is focussed on filling existing vacancies. No further vacancies can be submitted, and all current roles must be filled by 31st March 2022. Efforts include a ‘Kickstart your New Year’ event on the 26th of January which involves digital interviews being delivered with JCP.

3.2 Business Finance

Business Lending. GCBF has invested £2.96m in 84 GM businesses, and the Recovery Loan Scheme now in place, with the scheme available until June 2022. A further £5m of capital has now been released to support NPIF Microfinance to fund lending up to Dec 2023. The current pipeline holds 15 deals with a value of £1.5m, a consistent level of demand since the closure of the CBILS/BBLs end of March 2021.

GM Bounce Back Loan Fund Loan book now moves into collection with first repayments commencing January 2022. It’s too early to comment on book performance but feedback from other UK lenders is promising as 70% of BBLs are paying with only 7% in arrears of between 1-3 months. Some borrowers have taken advantage of the ‘Pay-as-you Grow’ scheme and benefited from a deferred payment.

GM Coronavirus Business Interruption Loans are now in the repayment phase, with net impairment remaining consistent at 10% of the loan book. This is within expectations and favourable compared to a net provision of 14% at the end of March 2020 as the pandemic began to impact. Overall, this confirms there has been no significant deterioration in the credit risk profile of the CBILS backed lending, but we continue to monitor closely but with the comfort of 80% government guarantee against capital risk.

Innovation and Angel Finance. Demand continues to be high across GM. GC Angels has successfully invested £2.8m of LGF funding leveraging £14m of private co-investment, with a large and growing qualified pipeline of circa £22m. GC Angels now needs to urgently address access to new capital and short-term options are being explored. Early discussions are underway with BBB following renewed funding of the BBB Regional Angel Programme, which, with a potential unlocking cornerstone from the GM review of business rates, may present an opportunity to build on the GC Angels more diverse investment model and create a scaled and more effective GM innovation finance solution.

Start Up Loans. Start Up Loan activity continues to be strong with 457 GM Start Ups supported with £5.8m of investment and consistent with previous years impact and slightly up on pre-covid levels of demand. The existing GCBF Start Up loans Delivery partner contract expires on the 31st of March 2022 and was due for re-procurement. While a procurement exercise will kick off in January 2022, the Start Up Loans Co have confirmed that the existing contract will be extended until March 2023.

3.3 International and Marketing: Marketing Manchester (MM)

Visitor Economy. In January, promotional activity continued to be focused on recovery of the Tourism and Hospitality sector, progressing the pipeline of conferences and sports events, and the continued delivery of sector marketing campaigns. At the beginning of January, Marketing Manchester surveyed a sample of tourism businesses across Greater Manchester to supply data into a national Business Barometer which was carried out by DCMS. The findings were to highlight to Government the impact of Plan B on the sector over the crucial Christmas trading period and identify ongoing challenges. The key take-outs from the Greater Manchester responses highlighted decreased consumer confidence (due to covid), staffing issues (pay, shortage, turnover) and financial vulnerability amongst smaller businesses.

Business Conferences and Events. There are 99 live conference opportunities in the pipeline which is a slight increase from last month. In the last month 3 bids have been submitted with a combined estimated economic impact of £3.7m and an estimated combined total of 1,200 delegates. With the easing of

restrictions, decision making has started to show some signs awakening, with new bids being submitted and buyer decisions being made. Year to date, 33 bids have been submitted for 2022 and beyond with a cumulative potential economic impact of £139m and 26,550 attendees. Year to date, 11 business conference bids have been won with £14.1m of economic impact and 15,020 attendees.

CityBreakMCR Planning is underway for the spring short break campaign's 2 strands - a value strand aimed at families and a luxury strand targeting pre-nesters from the south of England. Both campaigns will be in partnership with Avanti trains. Activity will be delivered over a 6-week period, from mid-February.

International Travel Trade Engagement Travel Trade engagement continued to be a priority, with the team attending 'Britain and Ireland Market Place' in January, where meetings were held with 42 travel trade companies. Plans to attend 'Dublin Holiday World' in March have been placed on hold after the event was postponed until next year due to ongoing impact of Covid. Marketing Manchester will attend 'Explore GB Virtual', ETOA's 'North America Market Place' and ETOA's South East Asia and North Asia travel trade events (both virtual).

Press & PR. In January we engaged with 20 journalists from top domestic consumer titles including The Telegraph (OTS 23.1m), Woman magazine (OTS 116k), and Time Out (OTS 14.6m). Coverage highlights included a four-page feature in London Planner magazine (OTS 100k), a republication of the 'What's New for 2022 List' in The Manc (OTS 49k) and support for the newly opened Clayton Hotel Manchester City Centre (combined OTS 665k); a new Marketing Manchester partner. The team also delivered media support for a letter to the UK government regarding support for inbound travel.

Future Visitor Economy Activity

- **Accommodation Business Improvement District (ABID).** Work is continuing on the proposal for a city centre Accommodation Business Improvement District. Working with Manchester Hoteliers Association, CityCo, and both Manchester and Salford City Councils, a timetable is being developed.
- **DCMS Inquiry into Promoting Britain Abroad.** Marketing Manchester compiled and submitted an industry response to DCMS for the Inquiry on 6 January 2022. We are waiting for a response and expect further interaction with DCMS.

Sector / Thematic Campaigns

Digital in our DNA Campaign – Following the success of the US online campaign, the 2nd phase will be delivered targeting businesses in Europe. The campaign will run throughout February.

Powering Innovation Campaign – Work continues on the campaign into the final quarter with online campaigns across LinkedIn and Google display adverts, targeting Europe throughout February.

Greener Greater Manchester. Content and news stories continued throughout January to be uploaded to www.greengreatermanchester.com. GGM social channels now have a reach of 20k. The media partnership with Edie.net continues, providing a OTS of 2.2million. Documentary filming continues and includes partners Siemens, Cadent Gas, Manchester Museum, TfGM and GMCA.

Sector Content, PR & Media - A separate Comms & Content paper gives details of activity, highlights:

- [article](#) in US publication Innovation & Tech in January, for Powering Innovation campaign.
- Culture Made in Salford culture films Draft versions of the films
- Return to the High Street - series of videos, editorial and [promotional content](#)
- The Times - [Everyone under 30 is moving to Manchester](#),
- Stockport: Conde Nast Traveller [Stockport cntraveller](#)
- Japanese-founded company Exergy Solutions - [Energy Digital](#)
- Roku announce Manchester Office tvbeurope.com and [Advanced television.com](http://Advancedtelevision.com)

3.4 International and Inward investment: MIDAS

Performance Overview:

- Performance remains strong in terms of projects concluding, with 51 project wins to date, creating 4,849 jobs and safeguarding 922. Project wins are 31% higher than this time last year and sit just

above the YTD pre-COVID-19 average (49). Jobs created is now over double the YTD pre-COVID-19 average of 2,350.

- Prior to COVID-19, new investors typically accounted for 52% of project successes. This dropped to 38% last year. So far this year, new investors account for 47% of project wins and 45% of job creations.
- Prior to COVID-19, foreign investors typically accounted for 67% of project successes. This increased to 76% last year. This year, foreign investors account for 78% of projects and 59% of job creations.
- In terms of split between FDI and UK investment and new business and expansions, the following table summarises, the difference pre-Covid, mid-pandemic and the situation this financial year:

	FDI		UK	
	New Investment	Expansion Project	New Investment	Expansion Project
Pre-Covid	50%	50%	60%	40%
Last FY	29%	71%	69%	31%
This YTD	43%	57%	64%	36%

- The majority of project wins have been in the Advanced Manufacturing sector. Most job creations come from this sector as well as Financial, Professional and Business Services (78% of job creations are attributable to either the Advanced Manufacturing or FPBS sector - although many of the jobs within FPBS projects are tech roles – e.g., PwC which was 1,000 tech jobs alone).
- Pipeline additions dropped slightly in Jan 2022, but have remained stable since October (20 projects added vs 23 in December). The number of jobs added also decreased slightly from December but remains stable when considering the last half year (837 jobs added vs 1,075 in December).
- Analysis of the current pipeline suggests 25-30 projects and 540-740 jobs could still close this year. It is important to remember that the final quarter typically sees project close dates revised to the next financial year, so the above projections may not be realised.

Recent Successes:

- **Cloud Imperium Games** – US independent video games developer relocating their UK studio from Wilmslow to Entrepise City, Manchester in May 2022 creating over 1,000 jobs over the next five years (relocating 400 jobs and creating 600 new jobs)
- **Hilti** – construction equipment company from Liechtenstein, now incorporating high-tech and digital solutions as a differentiator, opened new offices in Circle Square to attract future talent.
- **Werit** – account managed German plastics manufacturer. Supported their growth and to enable addition of a new production line creating 10 new jobs and safeguarding 10.

“Orphan” IP MIDAS and the GC Business Growth Hub commissioned Steer Economic Development to explore existing models (globally) around the exchange of Orphan IP, either through single corporate programmes or through multi-corporate programmes. This work was to investigate whether there are successful existing models that GM could potentially emulate, supporting the IP co-op concept that was included in the Local Industrial Strategy, and with the potential to this being the backbone of the continuation of the ERDF-funded Research and Innovation programme, delivered by GC/MIDAS.

Findings suggest that the idea of a collective Orphan IP programme is unlikely to succeed, based on current appetite and previous investigations/attempts in to creating such a platform, however, how GM interacts more generally with the IP Commercialisation programmes or wider SMEs engagement initiatives of major corporates such as Unilever, BT etc could provide opportunities for growing GM’s innovation base, thus contributing to Innovation GM. The final report is due in late February 2022.

Upcoming Activity:

Key planned activity for 2022/2023: MIDAS is finalising business planning across all sectors and confirming activities in Manchester, in the UK and in international markets. Key activities in planning:

- **Digital City Festival – 7th to 11th March.** MIDAS has a multi-tiered and sub sector approach, targeting cyber companies attending the National Cyber Summit on 7th March, targeting an international and UK delegation on Tuesday 8th March visiting GM's digital clusters, and targeting new and existing large investors to the Digital City Leaders Reception on Tuesday 8th March with Cllr Bev Craig doing the opening remarks.
- **GM Mayor Ireland Mission – 28th and 29th March. Joint GM and LCR city-region mission.** MIDAS is delivering two business events on Tuesday 29th March on net zero/sustainability opportunities and digital/tech opportunities targeting approx. 50 Irish businesses for each event working with DIT in Ireland and in partnership with Liverpool City region.
- **CyberUK – May 2022.** MIDAS alongside key partners such as University of Manchester and Cyber Advisory Group (TBC) will attend CyberUK in Cardiff to promote Manchester growing cyber cluster and the wider North West Cyber Corridor. CyberUK is UK government's flagship cyber security event.
- **JEC World, Paris – May 2022.** MIDAS Advanced Manufacturing team will attend the world's leading composites show targeting T20, core and SMEs.
- **BioMed, Israel – May 2022.** MIDAS Life Science Team will attend the leading event in life science and technology industry targeting T20, core and SMEs.
- **US Cross Sector Mission – Sept/Oct 2022.** Cross sector teams activities in relevant US key cities across tech, medtech, advanced materials and low carbon attending relevant exhibitions such as MedTech, Boston, or CAMX, California.
- **SIBOS, Amsterdam – Oct 2022.** MIDAS Financial and Professional Services Team will attend the world's premier financial services event targeting T20, core and SMEs.
- **SxSW, Austin, Texas – March 2023.** Potential GM Mayor mission to the world's premier events showcasing music, film, interactive media and tech.

Financial & Professional Services:

- Two In-visits are scheduled for February – one focused on property and one on recruitment for the same project that we hope to be able to announce by April.
- Work with Government Departments on creating a more joined up approach to recruiting new civil service roles (following announcements from BEIS, Home Office et al) are going well with some new NDPB/ALBs also joining in and contributing. This will link with a marketing campaign 'Closer to Home' expected shortly from the Government Recruitment Service – this will be both digital and on billboards, posters at main transport hubs across the city region.
- DCMS has now formally announced its regional HQ in Manchester, linked to wider releases by Cabinet Office following the Levelling Up White Paper release.
- Lord Mayor. Alderman Vincent Keaveny visit is now scheduled for w/c 21st Feb which will be focused on conversation around Social Mobility in Financial Services.
- Legal Hackathon - The weekend of 25-27th March the FPBS team are supporting University of Manchester with their Global Legal Hackathon stimulating digital innovation in legal services.
- Finnovate conference - The FPBS team are joining over 1000 delegates including 200+ C Suite at the Finnovate - FinTech and Financial Services digital conference in London on 22 and 23rd March.

Creative, Digital and Tech Activity:

- Continuation of eCommerce campaign targeting companies and their supply chain
- Launch of a cyber campaign to promote Greater Manchester as the UK's fastest growing cyber hub
- Hosting senior contacts from the Amazon Web Services Public Sector Ventures and Startup in US
- Ongoing work with GMCA Skills Team to map out the digital skills pipeline for employers in GM
- Working with PWC and the North West Tech Forum on initiatives to build the digital skills pipeline
- 7th to the 11th March - Digital City Festival. MIDAS is working with HOST and GMCA on the National Cyber Summit on 7th March. MIDAS is organising a delegation of international businesses and sponsoring the Digital City Leaders Reception on the 8th March.
- Virtual mission to Ireland to promote the Createch sector. This is a joint piece of activity with Liverpool and London aimed at attracting Irish creative businesses into the UK. Manchester will be putting forward the opportunities in content creation.
- Supporting Manchester Tech Week in April alongside Department of International Trade

Life Sciences and Healthcare:

- Promoting “Connected Health Ecosystem” event with Christabel Pankhurst Centre and Health Innovation Manchester on 10 February
- Digital health editorial piece due in USA media outlets will be launched w/c 21 February and building deepening relationships with the Greater Minnesota region
- New projects sourced with Chinese Biotech company, Zinwi, 3 jobs initially and also Singapore based COVID testing company sales office initially and then potentially a manufacturing base in GM
- Project Lighthouse: the project continues to be developed at pace. Ekosgen have been commissioned to for economic/strategic business case to support asks of national and local funding.
- Project Crystal: A medical device manufacturer looking for 60,000 sqft space in GM for their vaccine finish and fill project. Expanding search beyond Bolton due to limited availability of industrial space
- In planning phase of healthcare and life science digital transformation event with Accenture at Manchester Science Park

Advanced Manufacturing and Materials:

- **9th February – virtual Manchester-Japan event.** Working with GMCA / the Manchester-Japan Steering Group MIDAS are to run a virtual event targeting Japanese companies with a London-only presence, and targets with no UK presence, to highlight the opportunities and benefits in GM.
- **10th March** – MIDAS Advanced Manufacturing Forum meeting.
- **28th / 29th March - Mayoral Ireland Mission:** Joint Greater Manchester / Liverpool City region Mayoral mission – focus on Business (investment), Trade, Cultural. Business side to focus on the Low Carbon / Net Zero opportunities across the two regions, driven by Carbon Neutral 2038 in GM.

Project Pipeline:

- **Project Peacock-** Professional service firm looking at global Service centre 300 jobs
- **Project Staycation** – Business Services looking at 200 roles
- **Project Voltage** – US FinTech looking at 100 roles
- **Project Easy** – Chinese company to set up a game’s development studio in the UK – c.100 jobs
- **Project Contract** – a UK-based games - a games testing lab. C.250 jobs
- **Project Bore** – Chilean engineering business – first UK presence, 20 jobs.

Annex: LEP Priorities: GC Focus and Programme Activity

Priority	Current Focus	Programme Activity
<p>Driving delivery of GM carbon neutral by 2038 by ensuring that all GM businesses are on a journey to net zero.</p>	<p>BGH is supporting on the development and delivery of the wider campaign which includes;</p> <ul style="list-style-type: none"> ▪ Encouraging more businesses to join the national Race to Zero ▪ Communication to encourage switching business fleets to EV and sharing info on charge points, incentives in advance of the Clean Air Zone introduction ▪ A promotion to GM businesses for a reduced cost option for installing PV on business premises with a push on group purchasing of renewable energy options ▪ A push towards the big clean switch once the energy market settles ▪ Working with TFGM on a push towards active travel within GM businesses 	<ul style="list-style-type: none"> • BGH: <ul style="list-style-type: none"> ○ Resource Efficiency/Journey to Net Zero Service – grants, one to one and one to many support. Plans in progress to expand the programme to enable access by a wider audience of business via the Bee Net Zero campaign ○ Low Carbon Environmental and Goods Services Team – including the Low Carbon Network. ○ Support with the BeeNetZero campaign to encourage all businesses to engage and start the journey. 'Meet the supplier' events to support supplier sourcing will be scheduled to overcome the market failure around the uptake of low carbon tech. • MM: Greener Greater Manchester campaign development, GM LEP insights articles, International Strategy Launch. Japanese-founded company Exergy Solutions - Energy Digital • MIDAS: Engaging with potential investors on JTNZ. 8% of investment projects currently low carbon related. Post COP26 follow with major transport companies in particular. • Other: <ul style="list-style-type: none"> ○ Made Smarter Adoption Programme delivering Net Zero. ○ Skills delivery to support low carbon services
<p>Driving Low Carbon Innovation across our towns and cities and in all employers by supporting IGM.</p>	<ul style="list-style-type: none"> • Implement Energy Innovation Agency. • Developing Inclusive Innovation with IGM. 	<ul style="list-style-type: none"> • BGH: Eco-Innovation Programme – including collaborations with HEIs, one to many. • MM: IGM comms & media: <ul style="list-style-type: none"> ○ 'Material Gains: Building Better Cities for People and the Planet' report promoted by Powering Innovation campaign including article on Engineering and Technology Magazine website, receives 1.5m visitors pa ○ Film produced to raise awareness of innovation in GM towards achieving net zero, about Trafford Low Carbon Energy Park, the world-first cryobattery and plans for green hydrogen production - shared via GM LEP social (Twitter LinkedIn). • MIDAS: Large Co (SME) Innovation Challenge Programme review to investigate improvements. Likewise, Steer were commissioned in November to investigate whether there was potential to centre the programme around orphan IP, as per the LIS, and this study will report later in January. • Energy Innovation Agency Challenge Event - 28 April 2022 to launch service

<p>Supporting the implementation of plans to deliver high quality places where people want to live, work and invest with the right low carbon infrastructure including digital, ULEV and waste.</p>	<ul style="list-style-type: none"> December launch of BGH support CAZ business support service and engaging businesses to reduce operating costs through resource efficiency. 	<ul style="list-style-type: none"> BGH: Clean Air Zone business support service – go live day was 30th November 2021 with resource in place to manage support needs. MM: GreenerGreaterManchester campaign and curation of assets. MIDAS: Work continues with LA partners on Growth Locations work, to build competitive value propositions that reflect market demand. This also links into a discussion about how GM engages with CVC and wider Capital Investment opportunities, that could be applied to GM Funds supporting growth location work. Other: GC ULEV Scheme.
<p>Driving Government and private investment around GM four frontier sectors to support economic growth opportunities as well as tackling inequalities including health inequalities; digital exclusion; housing standards via retrofit; and green energy solutions via advanced manufacturing and materials.</p>	<p>Developing proposition to advance:</p> <ul style="list-style-type: none"> Ease of access to finance information. Corporate Venturing exploration. Scoping documents developed and reviewed 19th January. Additional work is taking place to develop a new A2F web portal. 	<ul style="list-style-type: none"> BGH: <ul style="list-style-type: none"> A2F service supporting businesses to access the right finance from a range of providers and building pitch skills. Continued business support for frontier sectors. Continued business support around digitisation and digital leadership. MM: Inward investment campaigns including promotional film content for the 4 frontier sectors. Developing/including green benefits in bids to attract conferences/events. MediaCity film and Trafford Town centre films. article in US publication Innovation & Tech in January, for Powering Innovation campaign. MIDAS: Significant lead generation and project delivery in progress, delivering strong performance across frontier sectors. Frontier/LIS sectors account for over 95% of jobs created from investment projects YTD. 30% of the related projects are HQs (high value) and 15% of projects are R&D. Other: <ul style="list-style-type: none"> GCBF & Angels investments have prioritised tech/digital business investments. GC is supporting GAMMA SIG to establish innovation networks for key advanced material and manufacturing sectors. Launch event planned on 15 February 2022.
<p>Driving diversity in Leadership and Management and Greater Manchester company workforces by working with the Good Employment Charter.</p>	<ul style="list-style-type: none"> Good employment charter working closely with the Race Equality and Disability Panels – developing partnerships to deliver joint work programmes Good Employment Charter continues to support the Chair of the LEP in leading the delivery of the ongoing Real Living Wage Region Campaign New GM wide leadership offer where all GM Leadership programmes will sit under the ‘Leadership Hive’ umbrella. 	<ul style="list-style-type: none"> BGH: <ul style="list-style-type: none"> New GM L&M approach – collaboration between GMCA, BGH and the 4 business schools to enable GM business leaders access leadership support. Executive Development Programme with new providers focusing on diversity along with working with EDI Advisor and cohort provision. Mentoring taking into account the specific needs of the mentee/mentor in the match process. ‘Inclusive Growth’ EDI cohort programme being delivered from the 1st March ‘Developing your social enterprise’ cohort programme being launch in Trafford from the 10th March – this will be delivered by BGH’s new Third Sector Development Advisor. BGH/SfG referrals for Good Employment Charter. MM: promoting Good Employment Charter to commercial partners. Developing new series of events for 22/23 MIDAS: promoting Good Employment Charter to account managed companies, also refining approach to identifying “good employers” within the targeting process. Other: <ul style="list-style-type: none"> Good Employment Charter team.

		<ul style="list-style-type: none"> ○ GC Business Angels improved diversity of investment portfolio including female and ethnicity investors ahead of national averages. ○ Working with UKBA and FoundHer networks to advocate diversity along with targeted events to build confidence and improve access. ○ Employment: Delivery of Disability Confident webinars to encourage more employers to recruit disabled people
Becoming the first city region to pay all employees a real living wage by driving the City Region Living Wage Action Group.	<ul style="list-style-type: none"> ● Completed RLW Week 15-19th November 2021. ● The Charter continues to engage with employers on pay issues including the RLW and sick pay. 	<ul style="list-style-type: none"> ● BGH: WFD team working with employers to support RLW ambition. Also captured baseline data from businesses who pay RLW. ● Other: <ul style="list-style-type: none"> ○ Good Employment Charter team continues to work with the CA and RLW foundation on promoting the value of paying the RLW as part of routine employer engagement with the Charter activities ○ Social Value Lead part of the GMCA's Living Wage Region action strands, specifically focusing on SME and large company working groups. ● MIDAS: 99% of jobs created from inward investment projects YTD are paid above living wage. ● Employment: Introducing an RLW sales team to encourage employers to adopt and to provide RLW opportunities to BU customers
Ensuring every large employer puts forward at least five work related opportunities for young people.	<ul style="list-style-type: none"> ● Promoting opportunity through existing social media channels and engagements etc. 	<ul style="list-style-type: none"> ● BGH: KAM team supporting large companies to get into initiatives such as Kickstart, apprenticeships, GEC and Community Schemes. ● Other: GC currently reviewing its work experience 'offer' to young people as part of the COVID-19 recovery which will include face to face and virtual encounters. ● MM: signposting and promoting opportunities. ● MIDAS: linking employers to the LA's work and skills team e.g., PWC now recruiting 1000 new tech roles in Manchester over next few years. Also, over 67 apprentices have been taken on from overall jobs created YTD. ● EMPLOYMENT: <ul style="list-style-type: none"> ○ GC is a Disability Confident Leader ○ 1210 Kickstart roles have been provided for young people since the scheme started ○ Employers pledging exclusive offers for Our Pass and to support our National Citizen Service curriculum ● SKILLS: <ul style="list-style-type: none"> ○ Supporting businesses with recruitment of Apprentices. ○ Traineeship opportunities promoted to support young people into work placements. ○ Work experience opportunities to be encouraged
Ensuring the right support is in place for people who have to transition in the Labour Market as a result of COVID.	<ul style="list-style-type: none"> ● Promotion of Employment Legal Advice Service ● Updating and development of EmployGM website 	<ul style="list-style-type: none"> ● BGH: <ul style="list-style-type: none"> ○ EnterprisingYou - 12-month extension to support the self-employed. ○ Start Smart Programme, alongside NEA programme. ○ CRF – Startup Vision – support and grants to the self-employed who have been trading for less than 4 months. ○ Real Modern Slavery awareness sessions for business – focus on recruitment and supply chains. ● MM: Tourism Talent Hub – including training for unemployed people into work.

		<ul style="list-style-type: none"> • MIDAS: <ul style="list-style-type: none"> ○ Offering redeployment support between companies to minimise job losses. ○ Linking employers with skills and training providers in GM. • EMPLOYMENT: <ul style="list-style-type: none"> ○ EmployGM provides information to those seeking training and new employment in a new career path ○ Participants referred to National Careers Service for personalised support to access, and progress in, work ○ Facilitators run LMI workshops on industries with the most vacancies ○ The Restart and JETS contracts were both implemented in response to tackling unemployment brought on by the pandemic ○ <u>UPDATE</u>: For those who have issues in the workplace, we have the Employment Legal Advice Service which supports GM residents to access free legal advice and support around employment. • SKILLS: <ul style="list-style-type: none"> ○ Delivery of provision to those young people furthest from the labour market, to support progression into employment or training via the NEET contract. ○ Delivering in work support and training for those who have had an enforced change of career due to COVID. ○ Delivering the Digital bootcamp provision across GM to support progression into prior job outcomes. ○ To work in collaboration with stakeholders to create learning pathways to support people who would like to transition in the labour market ○ AEB funding utilised to deliver pre-recruitment training to support those transferring between occupations.
<p>Promoting progressive procurement to drive social value and accelerate supplier diversity.</p>	<ul style="list-style-type: none"> • Development of Community Wealth Hubs also with Rose Marley and GMCA. 	<ul style="list-style-type: none"> • BGH: <ul style="list-style-type: none"> ○ SME procurement support advisors/associates - programmes around SME procurement. ○ Third Sector Development Advisor now recruited and will begin delivering cohort programmes from Feb 2022 ○ Delivering tender readiness workshops to businesses and third sector organisations over the next 12 months with the first due to take place in May. ○ Meet the buyer/procurer focus to cohort programmes. • Other: <ul style="list-style-type: none"> • Work with GMCA and other anchor institutions on wider public sector procurement including implementation of SV. • GC: New Inclusive SV/Procurement Paper taken to Board in Dec and recommendations provided for how to take paper forward. • GC supplier questionnaire capturing EDI characteristics and wider societal impacts of suppliers to be released Feb 2022