

## Appendix 1

### BUSINESS AND ECONOMIC CONTEXT

- **GC Business Survey.** The following sections relate to the 132 responses completed between the 04 April 2023 to 03 May 2023. The survey has over 9,000 responses since its launch in March 2020. Previous month's results are provided in brackets. The profile is broadly representative of the GM business base - but for an over-representation of SMEs, and manufacturing and DCT businesses, and under-representation of retail and tourism and hospitality businesses.

#### Growth, business confidence and investment

- **The GC Business Confidence Index (GC-BCI)**, a ranking of how confident businesses are on their growth prospects for the year ahead, currently stands at 7.3 out of 10, the same as the previous month.
- **Sales and profits.** 21% (vs 26% previously) of firms reported that they experienced an increase in sales in the last month, and 66% expect profits to increase (vs 68%), and slightly higher than the same time last year. Just 2% (vs 3%) expect profits to decrease.
- **Investment.** 41% (vs 47%) of firms expect to increase Capex spend in the year ahead. 45% (vs 55%) of firms expect to increase their allocation towards investing in workforce development/skills, business model change (43% vs 52%), innovation (42% vs 54%).

#### Main impacts from the current situation and financial resilience

- **Impacts.** Rising costs (36% vs 34% previously), decreased sales (21% vs 25%), and supply chain - minor issues (14% vs 18%). The hospitality, tourism, & sport sector and other personal services / support activities were most likely to report decreased sales.
- **Cash reserves.** 75% (vs 81%) of firms report that they have cash reserves to last over 6 months and this has remained fairly stable over the last 2 years ranging from 69% (low) to 81% (highest last month). 85% of SME's with 50-249 employees have cash reserves to last over 6 months, and reserves were highest in retail and wholesale (87%), BFPS (83%), and manufacturing (74%).
- **Cashflow.** 22% (vs 18%) of firms said they had cashflow problems. Micro-size firms (<10 employees) were more likely to report cashflow issues this month compared to SMEs (10-249 FTEs). The 'other services' sector, retail and wholesale, and hospitality, tourism, and sport were the most likely to report cashflow problems than other sectors.

## **Employment, skills and workforce development**

- **Recruitment.** 19% (vs 21% previously) of firms are currently recruiting new staff, 15% (vs 12%) said they had difficulties recruiting. The main occupational groups recruiting are for customer facing roles (35% vs 23%), managerial roles (12% vs 17%), and other roles (14% vs 44%).
- **Workforce skill gaps.** 56% (vs 59%) of firms said that their workforce skills are only 'partly' at the level to meet business objectives. The main technical skill gaps identified are: specialist technical skills (33%), advanced specialist IT skills (8%), computer literacy/basic IT skills (4%), knowledge of products/services (7%), and complex problem resolution (11%). The main people and personal skill gaps identified are: sales (15%), customer handling (12%), HR/training people (9%) and team working (9%).
- **Workforce development.** 45% (vs 55%) of firms said they are looking to increase investment in workforce development in the next 12 months, 50% (vs 43%) said they thought investment levels would remain the same, and 2% (vs 2%) were unsure.

## **Research, development, and innovation (new questions added to survey)**

- **Innovation activity.** 32% (24% previously) have invested in new / significantly improved services, 23% (vs 19%) implemented new business practices, 17% (22%) had invested in advanced R&D activity, and 20% (19%) of firms introduced new / significantly improved goods.
- **Digital innovation.** 7% (vs 8%) Invested in the acquisition of digital products or digital services specifically for innovation; and 4% (5%) had made investments in the acquisition of advanced machinery or equipment - specifically for innovation.
- **Main sources of innovation.** The top 3 sources of innovation within firms were 40% (vs 46%) said staff within their own business, 23% (vs 17%) said clients / customers; and 11% (vs 8%) suppliers of equipment, materials and services.
- **The main barriers to growing innovation.** 17% (vs 15%) cited direct innovation costs are too high, 10% (vs 11%) stated lack of available finance, 7% (vs 10%) cited lack of qualified personnel, 15% (vs 8%) said finance costs is too high, and 30% (vs 34%) of firms said they faced no barriers to innovation.

## **Social value and good employment practices (new questions added to survey)**

The GC survey now asks about businesses' approach to social value. This includes the extent to which companies have the following:

- **Guarantee at least 16 hours of work per week for employees.** 65% (62% previously) said this currently applies, and 12% said they were likely to include in future.
- **Pay the Real Living Wage.** 63% (65%) said this currently applies, and 13% said they were likely to include in future.
- **Offer flexible working options to employees.** 41% (48%) said this currently applies, and 18% said they were likely to include in future.
- **Actively look to increase the diversity of the workforce** (through recruitment and progression practices). 49% (50%) said this currently applies, and 21% said they were likely to include in future.
- **Actively promote healthy work practices.** 41% (45%) said this currently applies, and 22% said they were likely to include in future.

### **Other challenges and future support needs**

- **The main pressing challenges facing business.** Access to new domestic sales opportunities (61% vs 52%) previously and continuing to rise, (highest impacts in construction and retail and wholesale services), developing the business model (42% vs 46%), managing overall business finances (39% vs 39%), developing new products/services (34% vs 34%), general workforce development & skills (27% vs 33%).
- **The main areas of future support.** Business planning (45% vs 38%), marketing (41% vs 38%), innovation (34% vs 30%), workforce development (33% vs 43%), and financial advice (19% vs 25%). 13% (vs 11%) are looking for extra support to manage their environmental impact.
- **International trade.** 3% (vs 9%) of firms undertaking overseas trade said they were looking to expand in current markets. 17% of small SMEs (10-49 employees) are looking to expand in new markets - and mainly firms within the manufacturing sector.

### **Business Organisation Surveys**

- **GM Chamber of Commerce Quarterly Economic Survey** (Q1 2023 published April 2023) shows that domestic sales decreased in Q1 2023. However, there were overall increases in cash positions, business confidence and export sales in Chamber members. Recruitment activity remained stable, though recruitment difficulties persist (despite easing overall since mid-2022). Business investment improved in the latest quarter, and concerns around inflation are starting to ease, but half the respondents expect to increase prices in the year ahead.

- **FSB North West Quarterly Small Business Index Q1 2023** which measures confidence amongst businesses, remains negative in Q1 2023. It currently stands at -11, whereas in Q4 2022 it was -48. Despite the recent improvement, North West small businesses continue to face low confidence levels. Net revenue in the North West remains negative in Q1 2023, but shows a stronger performance versus previous quarters reflecting nationwide trends. Investment intentions for small businesses have improved since the previous quarter, standing at net 18% from the net 12% recorded in Q4. General economic conditions (49%), utility costs (43%), and consumer demand (36%) are the main barriers to growth over the next 12 months.

### **Insolvency**

- **Insolvency.** Nationally the number of registered company insolvencies in April 2023 was 1,685, 15% lower than in the same month in the previous year (1,988 in April 2022). However, this was higher than levels seen while the Government support measures were in place in response to the coronavirus (COVID-19) pandemic and higher than pre-pandemic numbers.
- **Insolvency risk data for Greater Manchester** shows that 11.3% (11.7% previously, & 1.2 percentage points higher than pre-C19) have a 1-3 flag risk rating (a measure of insolvency risk), compared with 10.6% nationally (10.9% previously). Insolvency risk has increased in small firms in GM by 2.2 percentage points compared with pre-covid - however the latest data shows that risk is highest in medium size firms.

## **GC SUPPORT SERVICES & ACTIVITIES**

### **COMMISSIONING/FUNDING UPDATES**

**GM Shared Prosperity Fund (SPF).** During April, GMCA released an open tender for £7.5m of UK Shared Prosperity Funding (UKSPF) for a contractor to deliver a holistic GM wide business support programme. The Hub has created a strong proposal based on the various GM and local priorities, BPIIG best practice and evaluation learnings. We are awaiting notification of the results of this process. There may also be further local authority level opportunities within GM as the implementation plan develops, particularly around SME workspace. Activity will be delivered primarily in years 2 and 3 of the SPF programme (April 2023 to March 2025). Marketing Manchester (MM) has been included in the tender for tourism sector development, and GC Angels for early-stage finance support.

**GM Providers Forum.** The Greater Manchester Providers Forum has been created to establish a regular forum through which all publicly commissioned or publicly financed advisory and service providers, with activities relevant to Greater Manchester businesses, can co-ordinate and align through the sharing of activity, insights and best practice. The Greater Manchester Providers Forum aims to ensure co-ordination and alignment of business support activity across Greater Manchester to maximise impact and reach and the identification of opportunities for collaboration in line with Greater Manchester business demands and needs with a view to increasing the number of joint B2B events, cross referrals and sharing of best practice amongst members

**Business Rates Funding.** GC submitted five business rate proposals for 2023/24 funding to support the continuation of key programmes, these were approved at the end of March, and we are now awaiting the contracts for each of these:

- GC BGH - £6,005,000
- Support for Growth & International Engagement - £930,000
- Support for Net Zero - £550,000
- Good Employment Charter - £545,000
- GM Frontier Sector FDI Inward Investment Attraction & Promotion Programme - £1,750,00

**Foundational Economy Funding.** BGH is now mobilising two new projects for delivering innovation support to the foundational economies (retail, night-time economy, care) across Greater Manchester. Whilst small scale (£170,000), they are strategically important and will provide specialist innovation advice and create a community eco system for recipients of innovation grant until March 2025.

## **BUSINESS SUPPORT**

**Cost of Doing Business.** The Business Growth Hub completed the delivery of a series of activities across Greater Manchester in March 2023, alongside partners including other business representative organisations and Local Authorities, to support businesses in responding to the increased costs of doing business, under the banner of a #HereForBusiness dedicated media/comms campaign. The support that was delivered included informing businesses of the Government's Energy Relief measure, energy related cost saving/ROI opportunities along with the wider cost of operations, access to finance,

decarbonisation, restructuring, productivity, and leadership well-being support. The programme has achieved a strong response, with 1,517 businesses attending the seminars, webinars, workshops, and drop-in clinics, provided through the programme.

A further 184 businesses have received dedicated targeted support to address the clients' individual challenges with the cost of doing business. This further support includes a dedicated executive development programme, marketing strategy and planning workshop, sales strategy workshop, and advice and guidance around managing finances. The Hub will continue its focus on businesses with growth ambition to ensure these opportunities are utilised.

**Good Employment Charter.** Over 1,500 employers are engaged with the Charter Unit, with c.500 supporters and some 90 Full Members. There is an increasing pipeline of employers seeking to become full Members of the Charter and the Unit will be utilising associates to help assist in delivering membership assessments. The impact of the linkages between public procurement, the Charter and employment standards more generally has seen an uplift of interest from employers who are interested in delivering public services. Significantly, one of the recently appointed bus franchise holders, Diamond Buses, have recently become Charter Members, largely driven by contract conditionality.

In partnership with the GMICP, a member of staff has been seconded to work specifically to engage with and develop a 'community of practice' across health and social care providers. This is already bringing benefits, as a number of health care providers and GP practices are coming forward as Supporters of the Charter with a keen interest to becoming full Members. This approach of developing a community of practice has also been attempted with the Early Years Sector. However, current pressures on this sector have meant this is difficult to develop at this time. An alternative approach of working with potential champions in the sector is being developed to raise awareness and best practice in the sector.

The Good Employment Awards for 2023 were held on the evening of 27<sup>th</sup> April 2023. Around 250 attendees gathered to recognise employers across a number of categories. The Employer of the Year was awarded to Anchor Removals, based in Salford. Peter Cheese, CEO, CIPD, was the guest speaker and praised Greater Manchester in its leading efforts on the good employment agenda.

The Charter will also hold a GM Good Employment Week (19<sup>th</sup> – 24<sup>th</sup> June), which will be the first week of its kind in the country; focus will be on employees and the employee voice,

reflecting the need to empower employees to understand and be able to demand 'good employment'. A number of local authorities and Charter partners are planning events across the City Region during the week. A high-profile public awareness campaign utilising social and mainstream media is planned to promote the week and activities through MCC & TfGM assets as well as partners and charter members.

The principal tool to engage people will be a dedicated Good Employment Week microsite <https://goodemploymentweek.co.uk> which will also be mobile friendly. Directed via QR code, visitors will be directed to take a quiz to establish how good their job is. The concept is that in 21 questions, participants will be provided with a rating on their job, and information and advice provided on where it could be improved. The feedback will be provided so that individuals can share their results to encourage others to take the quiz.

**Social Value Support.** The team's work with diverse communities has continued with several business support providers being commissioned to engage and support LGBTQ+, ethnic minority and female-led businesses. Providers are supporting over 80 businesses within GM, which has built both trust and understanding with diverse communities accessing mainstream business support services. This work has also helped shape our ongoing service provision across the Business Growth Hub and wider GC services. This work continues through a research project being commissioned by the Business Growth Hub, working with the Black United Representation Network, and Aston University who produced the Time to Change Report in 2022. The research will be focused on 'Barriers to Innovation for Ethnic Minority Business Owners' of which findings will be produced in September 2023.

The Social Value Team continue to deliver its core programmes of support and in April, added the introduction of 'Maximising Growth for Social Enterprises' which is now the Hub's primary social enterprise offering. The Hub continues to deliver themed cohort programmes and workshops that cover: Understanding Social Value, Legal Governance re: Social Enterprise, a VCSE/Private Sector Partnership panel event, and the BGH Match – Value in Volunteering Network event. These sessions, alongside Bespoke Bids' Tender Readiness workshops, now provide a suite of vehicles to support organisations on various themes under the banner of Social Value.

The team's work with the VCSE (Voluntary, Community or Social Enterprise) sector has seen involvement in the development of the GM Inclusive Ownership Hub (formerly known as the Community Wealth Hub), which will be hosted by GC. GC continues to be involved

in the design and implementation of the Inclusive Ownership Hub and will support its launch over the summer.

**EnterprisingYou (EY).** Since the programme began (March 2020), the programme has seen 8,286 enquiries, with 2,941 people starting on the programme (62% female, 38% male, 25% ethnic minority leaders, and 22% aged 50+). A range of events have taken place over the last quarter including our unique 'Olderpreneurs' Networking event aimed at the over 50s, which 30 people attended, generating 3 new sign ups to the programme on the day. The EY Spring Networking event, which offered a variety of learning workshops with the opportunity to network, was a huge success with 45 attendees and 7 new sign ups on the day.

Growth within the programme has remained steady with 32% of those that have completed the programme reporting an increase in pre-tax profit to £4.7M. 55% of those who have completed also reported an increase in their current turnover levels to £12.7M, and 16% report no longer being reliant on benefits.

**Skills for Growth SME Support.** The SFG programme continues to be on track against profile and all 5 critical success factors are at 100% or above. To date, 7,373 businesses have been engaged, 3,577 SME Productivity Plans completed, 4,507 referrals have been made to GM Bridge and Good Employment Charter, 238 new apprenticeships, 9,464 individual skills plans created, and 2,170 completions claimed. We have now moved into the contract extension profile, where we are on track to achieve our targets, with more focus now on the individual skills plans as we move into the last 5 months of the contract.

**Leadership and Management - GM Leadership Hive.** GMCA, the Business Growth Hub, and the four GM business schools are working together to deliver the £2M programme of executive coaching, targeted programmes and mentoring to GC BGH/University participants. The Leadership Hive is comprised of 4 main programmes: Executive Development (EDP), Workforce Development, Mentoring, and OPEN SME.

Since January 2022, the BGH leadership programmes have intensively supported 352 SMEs, with 477 leaders from those businesses on the EDP and Mentoring programme accessing leadership development. A further 60 are predicted to be supported in Quarter 1. The programme will be supporting a further 56 individuals between May and June this year; exceeding the assist target by 62. The team continues to focus on the impacts of support and the collection of these through to the end September 2023.



iMentor continues to receive new applications for mentors and mentees daily, necessitating an increase in new mentors to meet the increase in mentee referrals. The Grow Your People – Grow Your Business cohort programme relaunched in April 23 with 8 sessions planned till the end of June 23.

**Access to Finance.** The Access to Finance team is currently heavily focused on finalising ERDF Business Assists; 863 completed since Oct 2015, with just 3 remaining to achieve the overall target of 866. In addition, the team have helped businesses to create 378 new jobs and generated 533 Funding Offers, totalling £62.8m (£34m debt-based products and £26m in equity investments). The team supported a total of 38 businesses through the Here for Business campaign funded via UK SPF. The team continues to deliver via two cohort programmes (Pathway 2 Equity, and Finance Simplified); the content of which is currently being updated, pending transition to UK SPF funding in late 2023. Work is also ongoing to support the Create Growth Investment Readiness programme managed through the DCT team.

**Growth Hub Innovation Service.** Since 2019, the Innovation service has generated circa 876 business assists, 107 collaborations, 126 new to firm products, 66 new to market, and a total of 334 new jobs created. Programme collaborations continue between SMEs and the GM Universities across technology areas, including rapid prototyping, eco/environmental, advanced materials/chemistry, manufacturing, digital and creative, and AI/machine learning. The innovation voucher scheme has offered/awarded circa £300k in grant funding to support GM SME investment in R&D and has now committed all grant funding to SMEs.

**Innovate UK EDGE.** This financial year, 220 individual SMEs were engaged and supported in the Northwest by the Innovate UK EDGE team. We have helped these companies attract over £10M in external investment, created over 150 new jobs, and have increased turnover by over £17M, with approximately 100 of the companies flagged as having “High Growth” potential. We continue to hit our target of signing up new clients (~30/month).

We have had our new contract offer from Innovate UK for the current financial year, confirming the renewal of the grant, which has risen slightly to £755k, with the creation of a new Investment Readiness, Ecosystem Specialist role.

We have supported two separate bids and consortia for the national facility and a regional hub for the UKRI (UK Research and Innovation) (Arts and Humanities Research Council) call in the Digital and Creative space, for Convergent Screen Technologies and performance

in Realtime (CoSTAR). This is for the creation of a national facility and a series of regional spokes to ensure the UK stays at the forefront of the motion capture and virtual performance area. GC's role will be to support the planned ecosystem of SMEs that will be working with, and in, the facility and sector. Both bids have now progressed to formal interview stage, and we will be supporting the MMU bid for a regional spoke.

**Green Economy.** The Green Economy team have recently launched the de-mystifying green tech webinar series and kicked off with a session on solar PV. Speakers included local GM suppliers ENSPEC and KAST renewables, the Pilot Group, the solar trade association and had a great range of attendees from businesses looking to procure solar, to those that supply it, looking to better understand their customers. The next session looks to de-mystify green finance solutions. Building on this theme we facilitated a green tech panel of experts at the pro-manchester green tech conference to bring awareness to supply chain capabilities. We also partnered with Electricity NW to run an interactive clinic on grid connections which was really well received by our members.

The team's recent month has achieved a total of 172 company profiles in the marketplace, 21 new sales opportunities have been shared with members. This month 394 engagements have been received through the website and social media platform and 83 searches of our marketplace. We now have 2,049 subscribers to our Green Intelligence newsletter.

**ERDF Carbon Reduction.** Contract achieved 98% Enterprises Supported and 63% Carbon Savings at April 2023 month end against full contract targets. Pipelines are strong and the team anticipate concluding the contract at 18 over target for Enterprises Supported and 540 tonnes of carbon savings over contract target.

**Made Smarter.** The Made Smarter programme successfully delivered all its KPIs for digital transformation workshops, specialist advisor support, student placements, Leading Digital Transformation programme delegates, and funded projects in 2022/23. Delivery of the Made Smarter Adoption Programme for 2023/24 has now started following a necessary team restructure following the 25% budget reduction for the year.

Programme spend delivered the full budget and a further £190k of additional support from DBT allowed the funding of 5 additional adoption projects, additional marketing spend, and the procurement of some sensors to allow the team to show the power of low-cost tech.

The programme budget and KPIs for 2023/24 have been confirmed by DBT. Additional spend of £180k on top of the £1.8M core budget has also been agreed by DBT, and this will

cover national marketing activity, including maintenance and development of the Made Smarter website. DBT have asked for a proposal to re-introduce the Digital Technology Internship (DTI) programme (student placements) which has been provided. The re-introduction of the DTI programme would be a welcome change of policy if it were to receive ministerial and treasury approval.

**Manufacturing Sectors Service.** The GM Manufacturing Sectors Service have achieved 92% of Enterprises Supported, 88% Jobs Created, 90% New to Market Products, and 65% New to Firm Products against full contract targets. The team have 30 enterprises to support in the pipeline against the remaining target of 28 to be achieved by June 2023 quarter end. The Made for Manufacturing Service had achieved 112% Enterprises Supported at April 2023 month end against full contract target.

**Create Growth (CG).** The Create Growth Programme has successfully completed its first cohort with strong feedback of 9.5 out of 10. 20 creative sector businesses participated from a variety of subsectors, such as design, publishing, performing arts and production. The curriculum for the SME's was centred around investment readiness but also included inclusive leadership, product innovation, sales and marketing, IP and trademark strategy as well as value based pricing. A BDM has been recruited, and recruitment for a Programme Coordinator is still ongoing. Advertising and recruitment for the second cohort to start in July has commenced and 20% of places have already been filled.

**Global Scaleup (GSU).** The GSU team have delivered a series of masterclasses around international market penetration and sales in cultures outside of the UK. The target audience for these sessions has been more closely aligned with early-stage exporters and smaller SME's. This activity has generated interest from a wide variety of SMEs across GM and will inform the development of GSU service design going forward. Alongside this delivery, the team has driven forward the collaboration with DISH (Manchester Digital Security Hub) to be part of their Cyber SME support programme. The GSU team will be delivering another internationalisation sprint and international IP support for their 2<sup>nd</sup> cohort in June.

**BGH Match.** BGH Match continued to grow across the local authorities as the team visited Oldham, Tameside, Manchester, and Salford, following respective themes of International Women's Day, economic plans, volunteering, and low carbon. The team have also hosted their second 'Value in Volunteering' event which is aimed at connecting the third sector with the private sector to encourage private organisations to engage with the charity sector. This

edition was well received, and the team will look to deliver this again later in the year to support our commitments to the third sector.

## **BUSINESS FINANCE**

**Angel & Innovation Finance.** GC Angels invested £475k in four Companies in the quarter Jan-Mar 2023, unlocking £1m of private capital investment. Three companies are pre-revenue where the innovation is high but the investor appetite low. MolyMem and Vector Homes are Graphene Engineering Innovation Centre (GEIC) based and focused on commercialising graphene-based technologies in sustainable and advanced materials to support clean water filtration and green housing, respectively.

The GC Angel portfolio now stands at 36 investments with total value of £3.1m, which has attracted direct co-investment of £16.8m and follow on investment has been received by 40% of the portfolio companies, who have raised a further £13.5m. Over 40% of the companies are female founded and 25% founded by ethnic minorities. We are expecting a realisation in Q1 of our investment in a cyber security training business. It will be our second return of capital which provides the evidence and track record required to begin the journey of raising a dedicated £30m fund to sustainably support growth in GM for the next 10 years.

Our pipeline and partnerships have broadened in anticipation of this capital visibility. We now have over 200 GM opportunities that we are tracking and an integrated suite of partner advice for companies not yet ready to receive external funding.

**Business Lending.** In the year to the end March 2023, GCBF invested £11.6m into GM SMEs, including £9.86m in loans to 743 GM start-ups and £1.1m of growth businesses loans into 18 more established SMEs, despite delays with RLS3 government backed guarantee accreditation process with BBB. The business loan WIP is consistent, with £1.2m across 21 businesses applications. The lending team continue to monitor the cost-of-living crisis, however, current provision levels within the loan books remain in line with prior year expectations. Pro-active support is offered to borrowers affected by both post-Covid market change and the impact of the cost-of-living crisis.

**Start Up Loans.** Prior to contract start on 1<sup>st</sup> April 2023, GCBF successfully recruited and trained 11 new staff to deliver the two 3-year contracts for both the North West and national. This offers a significant scale up of direct GCBF lending nationally, will increase loan

volumes with an additional £30m per year and 3,000 jobs. These awards cement the key role of GC in the UK Government's approach to start-ups across the UK. In GM, for the year to 31<sup>st</sup> March 2023, GCBF issued 743 Start-Up Loans, to the value of £9.9m continuing to work closely with the Growth Hub, integrating workshops and one 2 one support.

**GM Bounce Back Loan Fund.** Arrears on the GCBF book currently sits at just under 30% and reflects the more vulnerable customers the GM BBLs scheme targeted and the on-going impact of energy/cost of living crisis on these smaller businesses. While identification of initial fraudulent applications continues to be a key concern across the wider scheme, no further cases have been identified within the GM scheme at this time. Performance reflects the high risk of both the Scheme and the GM targeted SMEs, but is in line with expectations/tolerances as it stands.

**GM Coronavirus Business Interruption Loans** – All loans are now in the repayment phase, with 1 of the 9 GM funded CBILS loans in default. The current provision against this loan represents 13% of the total loan book, with the defaulting loan in the hospitality sector and experiencing key pressures.

## **INTERNATIONAL, MARKETING, AND INWARD INVESTMENT**

### ***Marketing Manchester***

**Local Visit Economy Partnership.** In April, Marketing Manchester (MM) received confirmation of VisitEngland Local Visitor Economy Partnership (LVEP) status, joining 14 other DMOs, including neighbouring Cumbria Tourism, Visit Peak District and Derbyshire, Liverpool City Region Combined Authority, and Marketing Cheshire. The new national portfolio of strategic and high-performing LVEPs will support collaborative working locally and nationally on shared priorities and targets to grow the local visitor economy. The creation of LVEPs was part of the UK Government's response to the recommendations of 'The de Bois Review: an independent review of DMOs in England', to reshape destination management across England, to reduce fragmentation, and to bring coherence to its DMO landscape.

**Accommodation Business Improvement District (ABID).** The newly elected ABID Board has met twice since March to agree the company's Articles of Association and to approve the first year workstream plans. The ABID Company started on 1 April and the City Visitor

Charge came into force on that date. There was extensive media coverage which was overwhelmingly positive for the introduction of the new charge. Manchester was hailed as a “trailblazer” for being the first UK destination to introduce a visitor charge. ABID businesses have not reported any significant pushback from their guests against the City Visitor Charge. The current focus for the ABID Manager is the development of the delivery plans for the four workstreams, which will be carried out in May and June with input from ABID businesses, and finalising the operating arrangements with MCC for levy calculations and collections which will commence in May.

**Business Conferences and Events.** In Q4 (Jan-March 2023), 13 bids were submitted with a potential for 14,440 delegates and an economic impact of £30.1m. 7 bids were won in Q4 with an economic impact of £16m (£10m of which is the Davis Cup in September 2023) bringing 1,660 delegates/participants to Greater Manchester. The Sports Bidding Unit continues to bid for and support several high-profile sporting events that align with Manchester’s sports strategy, including support for Rugby League World Cup and future tennis and cycling events. For the full 2022/23 financial year, the Convention Bureau submitted 72 bids with a potential for 55,815 delegates and an economic impact of £129.9m. The Bureau won 28 bids bringing a potential 31,080 delegates and an economic impact of £42.8m.

Currently the pipeline is buoyant with 146 live opportunities, 19 bids are required and 39 bids are pending decisions. To continue to raise the profile of Greater Manchester as a destination for business visits and events, the team are preparing to attend IMEX Frankfurt on the VisitBritain stand week commencing 22 May, and have a full diary of appointments over three days and will also be attending a Corporate and Incentive MICE Buyer dinner with up to 50 senior buyers in attendance and an Association Breakfast with up to 20 senior Association organisers. The team are also preparing to attend The Meetings Show at the end of June with 5 business tourism partners attending on the Manchester stand.

### **SXSW – 11-15 March**

- Manchester Day Takeover of UK House on 13 March included 6 Sessions: Culture, Music Talent, E-sports, Digital City, Beyond the Music (new music conference and festival scheduled 1-14 Oct in Manchester) followed by Manchester DJ Mix. Significant media and social coverage of the evening Manchester music showcase at the Moody Theatre including The Orielles, Loose Article and New Order. There was also significant

positive interest in Beyond the Music showcase on 14 March and New Order panel on 15 March which was included in the main stage programme.

- Significant promotion and awareness was achieved as a result of Manchester Day - listings in main SxSW programme, comms by UK House team, social media coverage by home team in-market and media coverage generated by home team.
- Singapore Airlines sponsorship was secured including flights between Manchester and Austin for the delegation. Meetings with US sales & marketing teams were held to strengthen the partnership for future joint B2B and B2C activity. Consul General Texas is supporting with introductions to DMOs in Texas: Austin, Houston & San Antonio with aim of joint activity. Meetings were also held to scope out options for GM's future presence at SXSW, and building relationships with UK House, DIT teams, German House and Vancouver House organisers.
- MIDAS focused on GM digital and tech offer. A particular success was a cyber roundtable in partnership with the Austin incubator space, Capital Factor, and chaired by Cllr Bev Craig. We also established relationships with other economic development agencies in Texas.

### **Business Mission to New York – 16-17 March**

- Discussion with Visit Wales team in NY re: US B2C and B2B campaigns, activity around MUFC tour in US and co-op B2B/2C campaign with GCS and Visit Wales. Met with VisitBritain International Director and US team to strengthen relationship, gain an overview of new VisitBritain structure and four priority pillars, and discuss potential for involvement in agent/influencer fam trip and Co-op B2C campaign US-wide.
- Met with NYC & Company (NY DMO) to re-initiate our city-to-city tourism partnership that kicked off in Jan 2020 pre-Covid and agreed in principle to work with Aer Lingus on a three-way tourism partnership and launch with an event in NYC in 2023. We were joined by Manchester Airport Strategy Director to meet Aer Lingus Sales & marketing team to strengthen our relationship and agreed in principal to a tourism partnership with MM and NYC & Co.
- Supported the networking reception in partnership with Trade Commissioner and DIT - 61 guests attended including a mix of inward investment/trade, airlines, tourism, media and travel trade. Focus of speeches was on culture, connectivity, trade & investment and visitor economy.
- The business meetings in New York were particularly useful from a MIDAS and Inward Investment perspective. It allowed us the opportunity to announce that BNY Mellon had chosen Greater Manchester as one of its key international growth locations, and to take further meetings with investors to discuss the potential for fintech growth in GM.

## **Place Partnership Programme**

**MIPIM – 14-17 March.** Marketing Manchester coordinated GM's presence at MIPIM 23. A delegation of 75 delegates from 39 companies including 34 private partners and five Local Authorities to MIPM. There were 36 events that partners were invited to join as part of the programme, including 16 off stand sessions. The delegation was led by Joanne Roney, Eamonn Boylan and Paul Dennett. The overarching theme was 'Generation Manchester' supported by four golden thread themes: Innovation, Green, Smart and Fairer. 2.9 million social media reach, 58 pieces of coverage and 25.9m opportunities to see in the media were achieved.

**UKREiiF – 16-18 May.** Marketing Manchester coordinated GM's presence at UKREiiF taking place in Leeds 16-18 May 23. GM exhibited in partnership with Opportunity London to deliver a joint city presence at The Canary, a prime location venue at the event. 29 partners joined the partnership from across public and private sectors. A total of 24 speaking opportunities for the GM delegation across the 3-day programme, including sessions such as Atom Valley, Devolution, Transforming Transport, and Levelling Up. The partnership was led by Bev Craig, Andy Burnham and Eamonn Boylan.

**London Real Estate Forum (LREF) - 28-29 September.** Greater Manchester aims to return to LREF for a second time in 2023 and a partnership proposal is being reviewed and our presence will be confirmed in May.

## **Domestic Marketing**

**JC Decaux Out-of-Home Campaign.** Throughout the months of January - March, MM delivered a short break campaign across key OOH sites throughout London. These in-kind OOH placements delivered over 10.2m impressions, with an in-kind value of £400K. Call to Action was [visitmanchester.com](http://visitmanchester.com)

## **International Marketing**

**Ryanair France and Germany Campaign.** A short break campaign was delivered in partnership with Ryanair targeting key routes/cities within France and Germany. The campaign was live between 23 February – 13 April. The campaign utilised a mix of display advertising, social, e-newsletters and push notifications encouraging consumers to take a



short break in Manchester, focusing on key messages for GM – events, shopping, football, food and drink and gateway. The paid media campaign generated 2.9million impressions, delivering an average click-through rate (CTR) via web banners of 0.29% and an average CTR via ECRM of 0.29%. The campaign generated an uplift across 6 French routes of 8%, with Beziers standing out with a huge 28% uplift in bookings. Across the two German routes (Berlin and Cologne), there was an uplift in bookings of 8%. Direct booking figures show that overall, the campaign delivered £808K of economic impact and a ROI of 14:1.

## Travel Trade

- **ExploreGB.** MM participated in the annual ExploreGB event, from 27 Feb – 2 March. The virtual event enabled MM to meet with 52 buyers from around the world, with particular focus on our priority markets of the US and Europe. In addition, MM had meetings with VisitBritain reps from offices around the world to hear market updates and discuss opportunities for collaboration.
- **ITB Berlin.** MM exhibited at ITB Berlin, the world’s largest travel trade show, 8-10th March. Over the course of three days, the team met with over 45 buyers through meetings and walk-ups to the Manchester pod on the VisitBritain stand. The team also attended a networking event hosted by VisitBritain, held at the British Embassy in Berlin, where they met and networked with German buyers.
- **ETOA’s North American Marketplace.** This one-day virtual event in March, saw MM have 13 appointments with US tour operators. The appointments focussed on sharing updates on what’s news and upcoming in Greater Manchester in 23-24, alongside the gateway message.

**Aer Lingus MICE FAM trip.** In March, MM hosted a FAM trip for five meetings and events professionals from the East Coast of the US. The 3-day itinerary was delivered in partnership with MeetEngland and Aer Lingus. It included highlights of Greater Manchester’s conference and incentive product including Kimpton Clocktower Hotel, Manchester City Football Club, The Monastery, RHS Garden Bridgewater, Manchester Central, and The Edwardian Manchester. In total across 2022/23, MM engaged with 842 global travel trade, attended 12 B2B events and hosted 43 travel trade on familiarisation visits to Greater Manchester.

**PR and Content.** MM ended the 2022/23 financial year with a total OTS of 1.3 billion and 337 media engagements. A high proportion of these media engagements were a result of the team attending IMM UK in March 2023. On the place promotion side, the team supported with press and content for MIPIM 2023 in March, as well as preparations for UKREiif in

May. MM is currently developing a new website for Innovation Greater Manchester. Two campaigns have been created to support Bee Net Zero. Event films have been produced for MIPIM, SXSW and UKREiiF.

**Digital.** Unique visitor numbers to the destination sites for 22/23 was just over 4 million with social reach at 14 million. The digital campaign delivered in the final quarter was Chinese New Year 2023. The total reach across all digital campaigns for 22/23 was over 30 million.

### **Sector / Thematic Campaigns**

- **Digital in our DNA.** Digital in the DNA Campaign delivered a Cyber campaign across social platforms reach 540,000 impressions. In addition a Fintech campaign was delivered across social platforms with reach 1.1m.
- **Greener Greater Manchester (GGM).** The 2022/23 partnership with Edie.net has continued - OTS of 2.2m. GGM has a total of 834 LinkedIn followers and 624 followers on Twitter. Online content published on GreenerGreaterManchester.com in Q4 includes stories about a new task force established to help the city-region's textiles and fashion sector, new orchard planting in Stockport to support biodiversity, Rochdale Council's solar farm plans in Heywood, and Social Housing Decarbonisation Fund grants for GM. Overall, 73 stories were posted in 2022/23.
- **Powering Innovation Campaign.** Robotics campaign launched in the NY Times, and Manufacturing Global reach 600,000 impressions. Oncology and smart energy campaigns in FT.com reach to date 800,000 impressions.

**Sector media and PR.** In Q4, the PR reach totalled 2.1m and focused on three key announcements. This was achieved through active engagement with local stakeholders including GMCA, Greater Manchester leadership figures and businesses. The appointment of Joe Manning as MIDAS new MD was combined with the results of the FDI International Investment Rankings published by the Financial Times. The US mission also gained coverage and was followed by the announcement of Starling Bank's expansion in Greater Manchester and BNY Mellon's interest in investing in the city.

### ***Inward investment: MIDAS***

- Year to date, there have been 5 successful inward investment projects and 96 jobs. This is a stronger start to the year than 2020/21 and 2021/22 although lower than 2022/23 YTD position which benefited from Covid pent up demand.
- The project successes so far involve 1 R&D project (see Holiform below).
- Of the total job creations, 79% will be paid above the real living wage. 50% will be paid above £35,000. While both salary related targets are currently behind target, it is expected that this will be corrected with the creation of further jobs in the coming months.
- There have been 21 new projects added to the pipeline with 693 corresponding jobs. The MIDAS pipeline currently shows a further 37 projects and 2,631 jobs with a strong-very strong chance of successfully closing this financial year. This includes 7 R&D, 31 HQ and 8 low carbon projects.

### **Recent successes:**

- Holiform – an innovative chemicals business who have outgrown their initial space at Manchester Science Park, and MIDAS have supported their relocation to a larger site on Trafford Park, creating 60 new jobs and safeguarding the initial 15. This was an R&D project, involving the consolidation of their R&D and Manufacturing teams. R&D is focused on the development of a fermentation process to support the manufacturing of chemical and cosmetic products, as well as product development.
- Ecolab – a US Account Managed company who have made an acquisition and are expanding their presence in Rochdale to produce generic/branded hygiene wipes with the creation of 7 new jobs.
- MI-GSO | PCUBED – a French Project Management Consultancy growing their Advanced Manufacturing / Lean offering, creating 100 new jobs over 3 years.
- City Law Practice – an Indian owned law firm expanding their UK presence to enter the Northern market. Starting small with 2 jobs.
- Scitech – a Life Sciences consultancy business opening a Northern office to service clients in the region with the creation of 17 new jobs.
- Cellerate – a business established by former UoM / GEIC teams developing battery technologies that MIDAS supported to secure premises for their expansion, creating 10 new jobs.

### **Examples of Current Project Pipeline:**

- Project Manor – a Cyber Company looking to expand in GM creating circa 60 jobs.

- Project X – a confidential multi-million investment by a global business into an R&D facility which would create 20 high value R&D roles in very advanced technology.
- Project Innovate – a confidential project with an account managed company looking to create an AI centre of excellence which would create 200 jobs.
- Project Scanner – a European proptech software company looking to open first UK presence in GM, creating circa 5 jobs initially.
- Project Site – A European Account Managed consultancy / software company looking to grow significantly at their GM site creating 40 jobs.
- Project Swell – a German logistics business looking to invest and grow their GM presence with the creation of 15 new jobs.

**ERDF Sectors Programme.** There has been progress in recording jobs from foreign-owned SMEs that have landed in GM. We have currently claimed 125 jobs and aiming to reach 150-170 jobs by end of September. As part of the sectors programme, the City to Scale film was launched in April 2023 and the social media campaign is ongoing. The aim of this film is to showcase Greater Manchester as the destination for SMEs to be based, to grow, and to expand. Through creative film execution, Manchester is positioned as a vibrant city region and a market leading destination with a mature scale-up ecosystem that helps firms drive productivity and profitability.

**Innovate Manchester Programme.** From September 22 until January 23 three workshops and follow-on pitches sessions were successfully completed, with very complimentary feedback from the large companies and SMEs. The large companies involved were musicMagpie, Syngenta and Accenture. Syngenta collaboration has progressed to the pilot stage, while Accenture and musicMagpie collaborations are finalising the terms of their collaboration and working on the solution. No university engagement has been identified, but both MIDAS and BGH Innovation Team are working to support the collaborations between large companies and SMEs.

The Innovate Manchester filming that will promote the collaborations developed during phase 2 and phase 3 of the programme, is going to be finalised and launched during Spring 2023. The film will highlight the different stages of Accenture, Syngenta and musicMagpie collaborations, including Chiesi from phase 2.

**Financial & Professional Services (FPS):**

- 17/04/2023 - 18/04/2023 Innovate Finance Global Summit: Annual event at Guildhall, London that brings together leading figures from the fintech industry, investors, policymakers, and regulators. It serves as a platform for discussions, collaborations, and knowledge-sharing to drive innovation and advancement in the financial sector. MIDAS attended to promote the Greater Manchester Fintech offer, meet key clients and intermediaries and for information to inform propositions.
- 10/05/2023 - 11/05/2023 - BIBA conference in Manchester hosts 8000+ attendees and more than 220 exhibitors including insurers, service providers, brokers and software houses making it a leading insurance networking event, where building relationships and doing business are a priority. MIDAS attended to meet key accounts, previous investors and identified two projects.
- 06/06/2023 - 08/06/2023 - Money 20/20 Leading global event in Amsterdam that brings together professionals from the fintech and payments industry. It serves as a platform for networking, collaboration, and knowledge-sharing among industry leaders, innovators, and disruptors. MIDAS will be attending on a DBT stand alongside other Northern Cities as part of Fintech North's campaign 'Move Your Fintech North'. This is a key event for the FPS team where we will be targeting large FS firms as well as innovative FinTechs.
- 12/06/2023 - Northern Sustainability Summit Conference on the topic of Sustainability/ESG/Green held at Manchester Central where attendees will hear from business leaders about the challenges and the opportunities of the green revolution and levelling up. The FPS team will be attending and taking a Green Finance view as well as bringing an interested FDI client from the travel industry.
- 13/06/2023 - PA@Manchester sponsored by KPMG Popular networking reception for Payment Association members. This will be the first one in the north (they're usually hosted in London) and will be hosted at KPMG's offices in Manchester and partnered with Sky Parlour.
- The Whitecap Fintech [review](#) was launched in April 2023 and findings for Greater Manchester demonstrate the city region maintaining its stronghold over other regional cities with FinTech GVA expected to reach £1bn by end 2023, and a workforce exceeding 10,000 across 237 firms.

### **Creative, Digital and Tech (CDT):**

- 27/04/2023: CDT sectoral update to MIDAS property partnership quarterly event.
- 23/05/2023: MIDAS delivering webinar with techUK, GMCA & Microsoft on implications of devo deal for business.

- 24/05/2023 – 25/05/2023: MIDAS attending International Retail Expo (IRX) in Birmingham as part of eCommerce business development strategy.
- 24/05/2023 – 25/05/2023: MIDAS in London meeting with clients/multipliers/stakeholders
- 31/05/2023 – 01/06/2023: MIDAS attending Dublin Tech Summit in Ireland as part of international business development plan. MIDAS working closely with DBT and have a series of FDI meetings set up.

### **Life Sciences and Healthcare (LS):**

- 07/04/2023: Invited account managed company, Chiesi, to a meeting with the Italian Ambassador as he visited Manchester, building upon the strong AM relationship we have with local companies and adding value. The LS team also assisted the visit on the day with hosting and logistics.
- The team have been working on its first formal approach into the Japanese market which we've anchored around the MedTec Japan conference 19th - 21st April which resulted in 3 amber/green projects being added to the pipeline including a T20 target.
- 27/04/2023: Attended the new office opening of ProteinTech Europe, an account managed company for us and were personally thanked by the international Group CEO for our support over the years. Further press releases and content generation to come.
- 23/05/2023: 24/05/2023. World Digital Health Congress. MIDAS attending for lead generation, including our T20 companies and cross sector CDT targets.
- 06/06/2023: Greater Manchester Health Inequalities Roundtable with the Mayor, local community leader and a large American Pharmaceutical company. MIDAS have arranged this invite only event with GMCA as part of a wider investment project.
- 14/06/2023 – 15/06/2023: June NHS Confed Expo. Hosted in Manchester Central, MIDAS are hosting 2 international delegations and supporting DBT on their stand at the conference. Starting to target and arrange meetings with attendees.

### **Advanced Manufacturing and Materials (AM):**

- JEC World, Paris 24/04 – 27/04//203: MIDAS joined Composites UK stand at one of Europe's composites show. The team set up c.40 meetings with key targets ahead of the conference, which resulted in some strong projects and leads from companies looking to benefit from Greater Manchester's Advanced Materials ecosystem.
- Battery Show Stuttgart 22/05 – 27/05/2023 – a show for battery manufacturers, suppliers, engineers, thought leaders and decision-makers for a conference and battery

tech expo focused on the latest developments in the advanced battery and automotive industries. This is the first year MIDAS will be attending and will be targeting exhibitors and speakers ahead of the event as well as gaining insights to help develop the region's proposition.

- Advanced Materials Show, Birmingham 28/06 – 29/06/2023 – MIDAS will be joining the Graphene and Engineering Innovation Centre (GEIC) at their stand at the show in Birmingham. The show will be an opportunity to meet with target companies and catch up with some live projects.
- The Graphene Conference, Manchester 27/06 – 30/06/2023 – the Graphene Conference is taking place in Manchester this year, which provides a spotlight on the region to the global graphene community. MIDAS will be participating in the business-focused activity with a view to identifying new inward investment opportunities.

### **Manchester China Forum**

- MCF has hosted a number of senior visits to Manchester over the past few weeks from the British Embassy Beijing (HM Business and Trade Commissioner, Head of Export Strategy) and British Consulate-General Guangzhou and Wuhan – reflecting the uptick in activity since China's reopening. These visits have helped to progress discussions around future plans and priorities for bilateral/regional engagement, trade and investment, and education/culture links. MCF have also been involved in supporting City Football Group (CFG) with arrangements to tour the Premier League trophy in-market.
- In partnership with the British Embassy Beijing and the Tianjin Foreign Affairs Office, MCF co-organised the hybrid Greater Manchester – Tianjin Green & Low Carbon Session. Speakers and attendees included senior representatives from FCDO, TfGM, EIA, and the GMCA as well as senior government and industry partners in Tianjin and was focused on nurturing collaboration opportunities focused on both city-region's respective paths to net zero.
- For other city-to-city engagement, MCF has hosted the visits of InvestHK, Invest Shanghai, as well as chief representatives of Shenzhen European Office UK and Qingdao International Centre for Business & Commerce for exploring wider collaboration opportunities in key areas.
- MCF has continued to work closely with Hainan Airlines, MAG, and relevant partners to push for resumption of direct connectivity between Manchester and Beijing. Hainan Airlines will resume pre-pandemic frequency (4 flights per week) from 22<sup>nd</sup> April onwards.

- Executive Director of MCF was invited to the Celebration of the United Nations International Chinese Language Day 2023 in Paris, France, who presented alongside the Vice Minister of China, Ambassador and Permanent Delegate to UNESCO for China as well as senior UNESCO and international representatives on the importance of language and cultural exchange in today's increasingly polarised world.
- Manchester China Friendship Programme has continued its success in student engagement and integration. Over the past few months, the programme successfully organised several social events – Chinese New Year celebrations, Lord Mayor of Manchester Afternoon Tea event, Tour of Etihad Stadium, badminton competitions, and informal gatherings at local restaurants.
- On May 15th, MCF and MIDAS hosted a group of Chinese Infrastructure delegation in Manchester ahead of UKREiiF. The delegation met with Eamonn Boylan, Joe Manning, and Rhys Whalley for overview of GM investment landscape and potential opportunities.
- Separately, MCF was awarded the “Special Contribution Award for Cross-border Cultural Exchange and Collaboration of the Year” at the 3rd China-Europe Cross-Border E-Commerce Forum.

### **Manchester India Partnership**

- Manchester India Partnership is working on a Department of Business and Trade delegation from India of tech firms in partnership with MIDAS sector team for 21 June. A delegation of 25 tech firms which are interested in setting up in the UK will travel to Manchester to gauge investment opportunities in the city region. This will be on the back of the London Tech Week.
- Manchester India Partnership is working with India's premier business association for tech companies NASSCOM to offer 10 free desk spaces for their members for a year to be based out of the 4M building at the Manchester Airport. A NASSCOM delegation of potential tenant companies will be visiting Manchester on 28 June for the signing of a tripartite MoU between NASSCOM, Manchester Airport and MIP/MIDAS. They will also meet key city-based stakeholders and network with other tech firms in the city region.

### **Japan Steering Group**

- Following on from the visit by Osaka officials and businesses in January, dialogue has continued on both streams with MIDAS working on a confidential project.



- MIDAS have also been developing the relationship with Osaka Chamber of Commerce and Industry with a view to running at least one webinar for their members in the coming months.
- The Steering group met in February to update on activity, and to discuss draft Terms of Reference with the group.
- Discussions have been ongoing about the potential for a GM Mayoral delegation to visit Osaka and Tokyo in late 2023 and planning continues.
- MIDAS are commencing mapping of key Japan stakeholders, Japanese companies already invested in GM, target companies, and are liaising with DBT colleagues in market on this.
- Initial discussions have been held with the UK team planning the UK's presence at Expo 2025 in Osaka, for GM to consider involvement.