

**MEETING OF THE GREATER MANCHESTER COMBINED AUTHORITY (GMCA)
ECONOMY, BUSINESS GROWTH AND
SKILLS OVERVIEW AND SCRUTINY COMMITTEE
FRIDAY 8 NOVEMBER AT 2.00 PM AT GMCA OFFICES, CHURCHGATE HOUSE**

Present: Councillor Michael Holly (in the Chair)

Bolton: Councillor Susan Haworth
Bury: Councillor Mary Whitby
Manchester: Councillor June Hitchen
Councillor Luke Raikes
Councillor Greg Stanton (substitute)
Oldham: Councillor George Hulme
Rochdale: Councillor Ray Dutton (substitute)
Stockport: Councillor Kerry Waters
Trafford: Councillor Barry Brotherton
Wigan: Councillor Charles Rigby
Councillor Michael Winstanley

In attendance

LEP Mike Blackburn, Chair of the GM Local Enterprise Partnership
GMCA Eamonn Boylan, Chief Executive of GMCA & TfGM
GMCA Andy Burnham, GM Mayor
GMCA Alison Gordon, Assistant Director of Business Innovation & Enterprise
GMCA Joanne Heron, Statutory Scrutiny Officer
GMCA Kevin Lee, GM Mayor's Office
GMCA Simon Nokes, Executive Director of Policy and Research
GMCA Phil Swan, Chief Information Officer, Digital
GMCA Lee Teasdale, Governance & Scrutiny Officer
Stockport Councillor Elise Wilson, GMCA Portfolio Holder for Digital City Region

E84/19 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Stephen Homer (Tameside), Jim King (Salford) and Daniel Meredith (Rochdale).

Apologies were also received from Sir Richard Leese (Leader of Manchester City Council) and Jim Taylor (CEX, City of Salford Council).

E85/19 CHAIRS ANNOUNCEMENTS AND URGENT BUSINESS

There were none.

E86/19 DECLARATIONS OF INTEREST

There were no declarations of interest received.

E87/19 MINUTES OF THE MEETING HELD ON 13 SEPTEMBER 2019

RESOLVED:

That the minutes of the meeting held on 13 September 2019 be approved as a correct record.

E88/19 GMS IMPLEMENTATION PLAN & PERFORMANCE UPDATE

The GM Mayor Andy Burnham introduced a report to the Committee, which highlighted progress made on his top priorities during his term of office to date. These included improvements in outcomes for disadvantaged children, the further development of mental health services for children & young people and increasing levels of engagement with sports activities.

Work around reducing levels of rough sleeping was also highlighted – it was expected that 401 places would be available to accommodate rough sleepers over the winter period – and the ‘Bed Every Night’ initiative had received funding to continue until at least mid-2020. The Housing First pilot was also up and running, with 80 references having been made to the service, however, due to a lack of available stock, only 35 referees had been accommodated so far. Work was taking place with housing providers to get stock availability coming through at a faster rate.

An update was provided on the ‘Our Pass’ scheme providing free bus travel for 16-18 year olds. This was a pilot scheme so did not presently have a guarantee of long-term funding – but the scheme had proved popular so far with 30,000 young people having taken advantage of the pass – resulting in 2.2m journeys to date. An added benefit of the scheme had been records of young people using the Pass to aid their attendance at cultural activities.

On the subject of transport – the ambition for Greater Manchester was to create an integrated scheme akin to that seen in London, where a ticket covers all modes of transport – rather than the current system that effectively traps users within a single mode of travel or face having to pay for multiple tickets in a single journey.

Comments and Questions from Members

The Chair asked the GM Mayor what he considered as his biggest disappointments faced in the last six months.

The Mayor answered that the process of making change was sometimes delayed by the complexity of the Greater Manchester system – and whilst progress was being made in all areas, there was still a lot he’d like to achieve that had to be considered as ‘work in progress’. There was also disappointment at the level of transport ‘chaos’ still being seen on the rail and occasionally the road networks. Whilst many good plans were in place, there now needed to be a distinct shift towards delivery on strategies.

It was asked if the Mayor felt the relationship between the GMCA and the ten GM authorities was working as well as it could.

The Mayor stated that the relationship was a distinctive one – different to that seen with the Greater London Authority for example, which acted as a body completely independent of all London Borough Authorities. It was felt that the GMCA model was stronger and more coherent by being jointly led by all ten GM authorities. Trying to achieve equity across all ten authorities was a balance being sought, and active work was taking place to ensure that the focus of work was not too concentrated on Manchester city centre – with a plan that the outlying towns of GM would see investment and the revival of their town centres.

Bus reforms were discussed – with concerns raised about the upfront costs required for the transformation. Was there confidence that the revenue subsidy required would be obtainable, and could there be a guarantee that this would also be used to improve services on less used routes?

The Mayor agreed that the costs involved in reforming the system meant that this would have to result in a noticeable difference in feel and quality, as otherwise the public would rightly ask questions about the value of the outlay. One of the key elements of this would be linking bus routes directly into other transport modes – as part of a move towards a more intelligent usage of the extant system. Subsidies would be sought, as it was considered unfair to place the full burden on the taxpayer when London had received considerable levels of subsidy funding for transport connectivity.

Members noted that as at December 2018 – 27.3% of GM working-age residents had qualifications below Level 2. What was being done to broach this issue?

The Mayor advised that there were some well-regarded colleges across GM providing excellent services to upskill residents. Another key element that would help in broaching this issue was that control of the £92m adult education budget was now in the hands of GM. This budget had not been used strategically in the past by Whitehall and had always been delivered in a ‘piecemeal’ way – so this would allow for more constructive and creative use of the budget to improve levels of adult education.

Members expressed concern about median pay changes – in particular why Bolton, Oldham and Wigan appeared to be growing at a slower rate than the other districts of GM – The Executive Director of Policy and Research advised that he would look at the figures and feedback further detail to the Committee.

The Mayor highlighted that the GM Good Employment Charter would be opening for applications in January 2020 – with paying the living wage being one of the strands of membership requirement.

Members made further reference to Our Pass. Was it expected that the retention of the scheme would become a manifesto commitment once the benefits of the pilot scheme had been fully analysed – and if so, were there plans in place for its continued funding going forward?

The Mayor stated that he remained passionate about Our Pass as it opened up the breadth of GM to young people in outer areas – previously costs in outlying areas such as Wigan were such that young people often felt trapped – the Pass helped to alleviate that. When taking the levels of current uptake into account, it suggested that it could be affordable going forward. Some financial benefits had been seen in GM colleges and they are contributing towards the scheme.

It was also advised that any future franchising arrangements would be expected to include a permanent Our Pass within its system. Bus operators in conversation so far had been supportive of the scheme, with some discussion taking place about making 19 year olds and beyond eligible for the Pass. Bus patronage within GM had been declining since the 1980s, this needed to be turned around to secure future investments, and Our Pass provided a big step towards gaining these increases.

Members asked if any further information was available about the devolution of rail services. The Mayor advised that lots of progress was being made – the rail debate having moved on considerably since 2018. The Williams Rail Review was being awaited, but the announcement of the General Election had held up its publication. There appeared to be a broad acceptance of a devolved element to the rail system – and the next stage would be about working out the details. GM had published a rail prospectus in early October that had included a positive vision for rail devolution.

Members referred to children’s mental health – and the positivity that this could now be talked about openly where once it would have been considered a ‘taboo’ subject. Birch Hill Hospital in Rochdale was highlighted for having done good work around the linking of poor attendance in school with possible mental health issues – and how early targeting could reduce the need for attendance at special needs schools. However, there was still a shortfall nationally in the number of mental health professionals available to ensure that all children received help at the earliest possible stages.

The Mayor agreed, stating that the youth justice system showed that seven in every ten youths going through the system had an undiagnosed mental health condition. Mentally healthy schools campaigns were being championed by organisations such as 42nd Street. There was a keenness to firm up the Care Leavers Guarantee in the New Year, as this was a cohort at the highest level of risk.

RESOLVED:

1. That the updated GMS Implementation Plan and Performance Dashboard be noted and agreed by the Committee.
2. That overall progress towards the achievement of the GMS 2020 ambitions and targets be noted.
3. That further information on median pay changes across Greater Manchester be fed back to the Committee.

E89/19 GM LOCAL ENTERPRISE PARTNERSHIP

The Chair of the Greater Manchester Local Enterprise Partnership (LEP) – Mike Blackburn, introduced a report that provided Committee Members with an update on the work of the GM LEP in overseeing the delivery of the Local Industrial Strategy (LIS) and progress on innovation initiatives.

Members were provided with information on the membership of the LEP. Private sector terms of office in the LEP were for two years and then reviewed, with the most recent review of private

sector members having concluded earlier in 2019. Two members had stepped away from the board – exceptional candidates had come forward, the majority of which were kept on as valued contacts and sub-board members. The two new members of the Board were agreed as Chris Oglesby (Bruntswood Plc) and Amanda Halford (GE Healthcare Life Sciences). There had been conscious efforts to ensure that the board moved towards gender parity and private sector membership now stood at six male and five female members (with the Board having agreed they wanted to retain an odd number of members should a voting situation ever arise).

Greater Manchester had been one of three designated trailblazer areas working in collaboration with the Government to develop a LIS. Whereas in other parts of the Country these were being developed in isolation, within GM the LIS was a subject of the overall GM Strategy.

This had involved looking at the outstanding areas of potential within GM – where opportunities lay to become world leaders, should the right levers be pulled. These included areas such as health innovation, life sciences and manufacturing. The LIS had been jointly launched with Government on 13th June 2019 and had been vital for business confidence.

Work was also being built around the strength of GM universities and related academic research – could the innovation being developed in GM be utilised at the pace seen in some other parts of the world for example?

Made Smarter had been launched in November 2018 as a 30 month £20m North West pilot – led by the Growth Company and regional business growth hubs. This was supporting local enterprises to adopt industrial technology and management practices in order to boost productivity. It would enable engagement with 3,000 small to medium enterprises (SMEs) and aimed to increase Gross Added Value by £115m.

Greater Manchester was also growing as a centre for digital excellence. This was evidenced by the opening of a Government Communications Agency (GCHQ) site in 2019. The Cyber Foundry, a partnership between the University of Manchester, Manchester Metropolitan University, the University of Salford and Lancaster University – had secured £3.2m of European Regional Development Fund (ERDF) money to deliver a programme of cyber innovation support and growth for SMEs in Greater Manchester. The Cyber Foundry would support 45 GM businesses into university collaboration and provide support to 50 local enterprises up to 2021.

Comments and Questions from Members

Members welcomed the work being undertaken around cyber security – as cyber threats needed to be on the agenda of every single company within GM.

Members asked whether Greater Manchester could benefit from a science leadership base of some form – providing a knowledge base on what science leadership should look like.

It was advised that innovation sharing in science did take place across GM – whilst each of the universities undertook very different research, sharing did take place where it was felt it could aid their work. It was agreed however that GM needed a way to better tell its stories about its products – whereas the discovery and final product stages were well covered, the production and development stages were often little understood. The GM Innovation Board also brought

people from the education, research and business communities together to share knowledge and generate further innovation.

Members expressed concern that smaller areas of employment opportunity appeared to be disproportionately represented over some of the larger employers in the region. Did board representation and engagement activities take this into account?

It was advised that some LEPs around the country had taken an approach where they tried to cover all sectors within the Board and had ended up with 40 people around the table, and unable to find a focus or consensus. For the membership of the main board, the focus was on ensuring that growth areas were represented, and a significant number of sub-boards were in place that allowed for a wider membership/cohort of employment sectors.

Members asked about the potential impact of the loss of ERDF funding. It was understood that at the current stage all monies were secure, but with caveats of targets and dates that had to be met. There was some concern about the Shared Prosperity Fund, as details around if and when it would happen were still unclear. The right form of funding needed to be in place to help support reasonable expansion in the region, as even the ERDF, despite its benefits, came with many strings attached that could stymie some planned expansion.

Made Smarter was discussed – members stated that it would be helpful to receive a geographical breakdown of the number of funded projects by district and the impact that had been seen on employment opportunities – so that a focussed message could be provided in communities getting these good news stories out. It was advised that this information could be provided following the meeting.

RESOLVED:

1. That the report updating members on the work of the GM Local Enterprise Partnership be noted.
2. That information be fed back to the Panel detailing the number of Made Smarter projects by district, and the resulting impact of these projects.

E90/19 DIGITAL STRATEGY

Councillor Elise Wilson (Leader of Stockport Council and Portfolio Lead for Digital City Region) presented a report outlining the draft refreshed Greater Manchester Digital Strategy. This was now being referred to as a 'Blueprint' for GM and was a result of significant stakeholder engagement, and reflected the speed at which the digital economy in GM had progressed since the first Digital Strategy had been adopted by the GMCA in February 2018.

Comments and Questions from Committee Members

Members asked for further information around the kind of stakeholders that were being engaged in the refresh.

It was advised that a wide range of engagement had taken place – from SMEs, to larger organisations and international organisations that were seeking a base for UK operations.

Specific digital events held been held to address all of these sectors, where officers had gone out to them to seek input – as if you asked for one-size fits all style input you end up with a self-selecting strategy that would not work for the whole region.

Members referred to digital skills – specifically how these could be improved and how performance in this area was monitored so that lessons could be learnt and taken forward.

It was agreed that people needed to be presented with life-long learning opportunities, and have the confidence in their skills necessary to find jobs. Digital here fed into a wider range of sectors looking at skills and promoting projects such as inspiring and energising children to pursue STEM subjects. Cyber resilience was considered an area of key importance, in ensuring that skills were kept up to date for students learning in the digital arena – so that they did not complete a course to find out that their learnings were already out of date.

Members noted that the presentation papers did not directly refer to measures and key targets being sought – were these in place elsewhere?

It was confirmed that key targets did exists – but feedback from stakeholders had indicated that they did not wish to see a heavily detailed 500 page document – but rather something that was visually striking and interested people who may otherwise be reluctant to read long text heavy documentation. Something was needed that showed to the public that they were at the heart of GM’s plans around its digital future. It was stated that the Blueprint clearly showed that GM was ‘ahead of the game’ and undertaking exciting innovation work that was helping to put GM firmly on the map as a global digital influencer.

It was advised that some of the specific measures and targets in place could be fed back to the Committee for information.

The Chair welcomed the approach and the enthusiasm shown, but indicated that the increasing of productivity and Gross Added Value (GVA) was imperative – and should be highlighted within the Blueprint somewhere.

RESOLVED:

1. That the progress on GM Digital be noted by the Committee.
2. That the draft refreshed Digital Blueprint be supported by the Committee.
3. That the GM Digital Blueprint should be reviewed annually to reflect the dynamic environment in which it is embedded.
4. That information around the Digital Blueprint’s specific measures and key targets be fed back to the Committee.

E91/19 GREATER MANCHESTER BREXIT PREPARATIONS UPDATE

An update on GM’s Brexit preparations following the latest extension was received for noting.

RESOLVED:

1. That the update by noted by the Committee.

E92/19 WORK PROGRAMME 2019-20

The Chair asked the Committee if, given that GMCA meeting business had been cancelled for December in light of the announcement of a General Election on December 12th – whether they were minded to cancel the December meeting of the Committee, and amalgamate the items from that meeting into the remaining meetings for the year ahead.

Following a discussion, Members agreed to the cancellation of the December meeting and agreed to delegate responsibility for the reshaping of the work programme to the Chair, Vice-Chair and supporting officers.

Members indicated that further to the Mayor’s comments on taking control of the £92m adult education budget – an item scrutinising the usage of the budget to date would be welcome.

It was advised that the timing of any such item would need to be appropriate so that informed performance data could be in place. It was also highlighted that the plans around the adult education budget had previously been brought to the Committee.

Members stated that not all of them were members of scrutiny when that item was brought and that a briefing outside of the meeting would be welcome.

RESOLVED:

1. That the updated work programme be noted.
2. That it be agreed by the Committee that the meeting of 6th December 2019 be cancelled following the announcement of a general election and the subsequent cancellation of GMCA business for December.
3. That permission be delegated to the Chair and Vice-Chair to incorporate the items for the December 2019 meeting into the remaining work programme where appropriate.
4. That information on the devolution of the adult education budget be supplied to Members for information.

E93/19 ITEMS FOR INFORMATION

There were none.

E94/19 REGISTER OF KEY DECISIONS

Received by the Committee.

E95/19 DATE AND TIME OF NEXT MEETING

Friday 10th January 2020.

