

**Manchester City Council
Report for Resolution**

Report to: Economy Scrutiny Committee – 20 June 2018
Subject: Delivering the Our Manchester Strategy
Report of: Leader of the Council

Summary

This report provides an overview of work undertaken and progress towards the delivery of the Council's priorities as set out in the Our Manchester Strategy for those areas within the portfolio of the Leader of the Council

Recommendations

The Committee is asked to note and comment on the report.

Contact Officer:

Name: Councillor Richard Leese
Position: Leader of the Council
Telephone: 0161 234 3004
E-mail: r.leese@manchester.gov.uk

1. Introduction

1.1 The Our Manchester Strategy was formally adopted by the Council in January 2016 and sets the ambitions for the city for the next ten years, to 2025, for Manchester to be:

- Thriving – creating great jobs and healthy businesses
- Filled with talent – both home-grown talent and attracting the best in the world
- Fair – with equal chances for all to unlock their potential
- A great place to live – with lots of things to do
- Buzzing with connections – including world-class transport and broadband

1.2 Executive Members are collectively and individual responsible for supporting the delivery of the Our Manchester Strategy and for providing political oversight and direction to officers for better outcomes for Manchester residents. In June this year the Executive adopted the pledges made in Manchester Labour's 2018 election manifesto "Building Together" as council policy, and it is these along with the Greater Manchester Strategy that will guide our work over the next year.

1.3 This report sets out how I as the Leader of the Council have sought to deliver Council priorities related to my portfolio over the past six months and my priorities for the next twelve months. A complete list of all my activities on behalf of the Council can be found in my public service contract reports.

2.0 Leader of the Council - Portfolio

2.1 As Leader of the Council my portfolio consists of overall policy co-ordination, external relationships, major economic development including City Centre regeneration, legal services, the digital economy (business development) and devolution.

3.0 Report back and priorities for the year

3.1 The Council's three year budget covering 2017/20 was under severe pressure in its first year, particularly because of growing demand in Adult Care, Children Services, and Homelessness. There were significant overspends in the first two of these leading to an overall budget overspend of around £2m. Notwithstanding this in the 2018/19 budget, the second year of the three year budget, we were able to commit additional spend in all three of these areas, although a combination of government policy with chronic government underfunding, particularly of Adult Care, is likely to intensify the pressure on the budget.

3.2 The Chief Executive is now well into her second year in post. In relation to the priorities I have set her we have made clearly identifiable progress, for example the improvement in Children Services found by Ofsted in their last inspection and the Local Care Organisation becoming operational in April this year. I continue to have regular 1:1 meetings with Joanne.

- 3.3 We are in the middle of the current round of Listening in Action sessions with a refreshed approach reflecting a high level of general awareness of the Our Manchester approach although the principles and behaviours are some way from being fully embedded into the way we work. In addition to the five independent members of the Our Manchester Forum I reported on in January, we are now recruiting a number of business representatives through open advertisement, and the Forum continues to play an important role in bringing a wide range of stakeholders together as custodians of the Our Manchester Strategy. I have now chaired three meetings of the Our Manchester Investment Board which has done work in measuring and evaluating progress on the Strategy and the effectiveness of the approach and is now looking at how we align organisational boundaries to support integrated working.
- 3.4 Passenger numbers continue to increase at Manchester Airport and new routes recently announced include Mumbai, a direct route to India has long been a top target, and Addis Ababa, which gives access to a large number of African destinations. There are clearly stresses in operating the Airport in the middle of the construction work associated with the Transformation programme and this summer will be a challenge. Airport City South is now close to completion. A number of hotels have been announced for Airport City North and Hut Group has announced that it is moving its headquarters there and projects the creation of over 6000 jobs.
- 3.5 The (Health and Care) Transformation Accountability Board continues to meet monthly, the big issues being the establishment of integrated neighbourhood teams and the implementation of new delivery models as the Local Care Organisation comes into being, the ongoing work to integrate the two previous Trusts into the Manchester Foundation Trust, the transaction to bring North Manchester General Hospital into the Trust, the maintenance of services at North Manchester General Hospital in the interim, the improvements in mental health services and their increasing integration into the neighbourhood model, and maintaining an overview of the financial position. These issues will continue to be live throughout the year.
- 3.6 I continue to chair the City Centre Infrastructure Group where current major schemes include Regent Road / Water Street / Mancunian Way capacity improvement, improvements to the Mancunian Way / Princess Parkway roundabout, and Great Ancoats Street. A revised City Centre Transport Strategy is being prepared which will start with an open conversation before a draft is prepared in the autumn for consultation.
- 3.7 This will be a crucial year for HS2, Northern Powerhouse Rail (NPR), Piccadilly Station, and the proposed Airport HS2/NPR Station. I am in the process of establishing a small board to oversee the work of the Council and TfGM on Piccadilly Station and the regeneration of the surrounding area. The Mayor and I have initiated a Pan-Northern Campaign aimed at ensuring we do not get short changed at Piccadilly. Having established Transport for the North as a statutory body and overseen the governance decisions required for the new body and for the integration of Rail North into it, I have now stood down from the board.

- 3.8 At the GM level I am heavily involved in the discussion about the Greater Manchester Spatial Framework. I am lead member for the development of the GM Local Industrial Strategy and for the Employers Charter. A new Business Advisory Panel has been established which the Mayor and I attend. It has met twice, was very well attended, and has established a work programme in which skills and support for SMEs and entrepreneurship feature heavily. Andy Burnham and I have also established a Strategic Transport Board bringing together the Combined Authority with other key organisations like Highways England and Network Rail. I will keep the same portfolio for 18/19.
- 3.9 The big ticket items related to the devolution deal are bus franchising where the lengthy consultation processes are underway and Health and Social Care Integration where most of the key activity is at district level. Adult skills devolution has been pushed back a year and we continue to push for greater local control of over 16 – 19 skills and apprenticeships. I am in the process of establishing an economic development board with membership of Lead Members for Economic Development from each district.
- 3.10 I continue as Chair of the LGA's City Regions Board which continues to promote Work Local, our plan for locally integrated skills and employment services and we have a commitment to regular meetings with Anne Milton, the Skills Minister. I am a member of the LGA's Fair Funding Review and Business Rates Retention Task and Finish Group which gives me direct input into the LGA's response to the two biggest issues facing the whole of local government over the next two years.
- 3.11 I have continued to chair a small group overseeing recovery post last year's Arena terrorist attack. Cohesion work is now main streamed but the health and welfare work stream is still very active. Members will be aware of the acts of remembrance that took place around this year's first anniversary and we will now increase efforts around a permanent memorial(s).
- 3.12 We have been involved in more potential job creating investments than ever before although for a variety of reasons I cannot name most of them but they include tech, life-sciences, and financial services companies. By the time of the committee we will have done a presentation to Channel 4. GCHQ have announced they are going to open a base in the city and that alone has led to a number of other agencies and companies expressing an interest in locating here.
- 3.13 In the City Centre, the hotel, residential, commercial and leisure sectors continue to thrive. Retail is doing better than most places but is not immune to the pressures of changing shopping habits although this is creating more space for independents. Following the City Centre review we are developing a City Centre business engagement strategy (within the context of a city-wide strategy), moving to a different relationship with City Co based on membership plus a service-level agreement, and the City Centre Accountability continues to drive service improvements in the City Centre. A number of strategic regeneration frameworks will be finalised over the next six months.

- 3.14 Governance arrangements have been reviewed for the Factory project and I now chair the Factory Strategic Board. Site preliminaries begin this month and we expect to start construction in January next year. A full report will come to the Executive in September.
- 3.15 The first project completed by ManLife, Cottonfield Wharf, is now fully let and sales to owner occupiers are going very well at Murrays Mill. All of the phase 1 developments will be concluded this year and we are already seeing a complete transformation of Ancoats. We are about to start demolition at Central Retail Park along with the master-planning of this site and the area at the 'back' of Ancoats.
- 3.16 Manchester Creative and Digital Assets has completed work at Space Studios and the conversion of One Central Park is underway. Progress is being made with the Etihad Campus masterplan and particularly with the proposals for Manchester Met's campus there.