



Economy Scrutiny Committee

Date: Thursday, 25 June 2020

Time: 10.00 am

Venue: Virtual meeting - https://manchester-public-i.tv/core/portal/webcast_interactive/485339

This is a **Supplementary Agenda** containing additional information about the business of the meeting that was not available when the agenda was published

Advice to the Public

The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020

Under the provisions of these regulations the location where a meeting is held can include reference to more than one place including electronic, digital or virtual locations such as internet locations, web addresses or conference call telephone numbers.

To attend this meeting it can be watched live as a webcast. The recording of the webcast will also be available for viewing after the meeting has concluded.

Membership of the Economy Scrutiny Committee

Councillors - H Priest (Chair), Abdullatif, Green, Hacking, Johns, Noor, Raikes, Shilton Godwin, K Simcock and Stanton

Supplementary Agenda

5. **Update on activity under COVID19** 3 - 52
Report of the Director of City Centre Growth & Infrastructure and Director of Inclusive Economy attached.

This report provides a brief summary of the current situation in the city in relation to COVID-19 and an update on the work progressing in Manchester in relation to areas within the remit of this committee.

Further Information

For help, advice and information about this meeting please contact the Committee Officer:

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This supplementary agenda was issued on **Monday, 22 June 2020** by the Governance and Scrutiny Support Unit, Manchester City Council, Level 3, Town Hall Extension (Lloyd Street Elevation), Manchester M60 2LA

**Manchester City Council
Report for Information**

Report to: Economy Scrutiny Committee – 25 June 2020

Subject: Covid-19 - Update

Report of: Director of City Centre Growth & Infrastructure and Director of Inclusive Economy

Summary

In light of the current national and international public health emergency situation, Manchester and Greater Manchester (GM) declared a major Incident on Friday 20 March 2020. This activated the multi agency response arrangements in line with the GM generic response plan and the pandemic flu plan. The Prime Minister's unprecedented announcement at 8.30 pm on Monday 23 March 2020 set out the seriousness of the situation and the expectations of all residents, businesses and public services. Reports to Executive on the 6 May 2020 and on 3 June 2020 set out in detail the Council's response to this crisis. Over the last days and weeks, the lockdown guidance has eased and a number of further specific guidance notes have been received which are informing our actions and response.

This note is intended to provide Scrutiny with a brief summary of the current situation in the city in relation to Covid-19 and the work progressing in Manchester in relation to areas within the remit of this committee. Further detail on specific issues will be available as required.

Recommendation

The Committee is asked to note the report.

Wards Affected: All

Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the city

There has been a positive short-term impact on the city's carbon emissions, as a result of significantly reduced travel during the lockdown period. Short-term changes to the public realm have been brought in to manage social distancing and support business re-opening, which has included a re-balancing of highway, pedestrian and cycling use in some areas.

There are opportunities to accelerate the medium term move towards the low carbon economy through, for example, supporting investment in green technology business opportunities and employment.

However, it should be recognised that ongoing social distancing measures could increase the level of car travel in the short-term, as more people return to work and access leisure opportunities as they are gradually unlocked. Short and longer-term travel patterns will continue to be monitored by TfGM and MCC.

Manchester Strategy outcomes	Summary of how this report aligns to the OMS
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	This unprecedented national and international crisis impacts on all areas of our city. The 'Our Manchester' approach has underpinned the planning and delivery of our response, working in partnership and identifying innovative ways to continue to deliver services and to establish new services as quickly as possible to support the most vulnerable in our city. A reset of the Our Manchester Strategy is now underway following a meeting of the Our Manchester Forum on 16 June 2020. An extensive engagement exercise will take place to inform a draft document in late 2020 and a final version in February 2021.
A highly skilled city: world class and home grown talent sustaining the city's economic success	
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	
A liveable and low carbon city: a destination of choice to live, visit, work	
A connected city: world class infrastructure and connectivity to drive growth	

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

Our Manchester Strategy 2016-2025

Our Manchester Industrial Strategy; Towards a more inclusive economy

1. Introduction and background

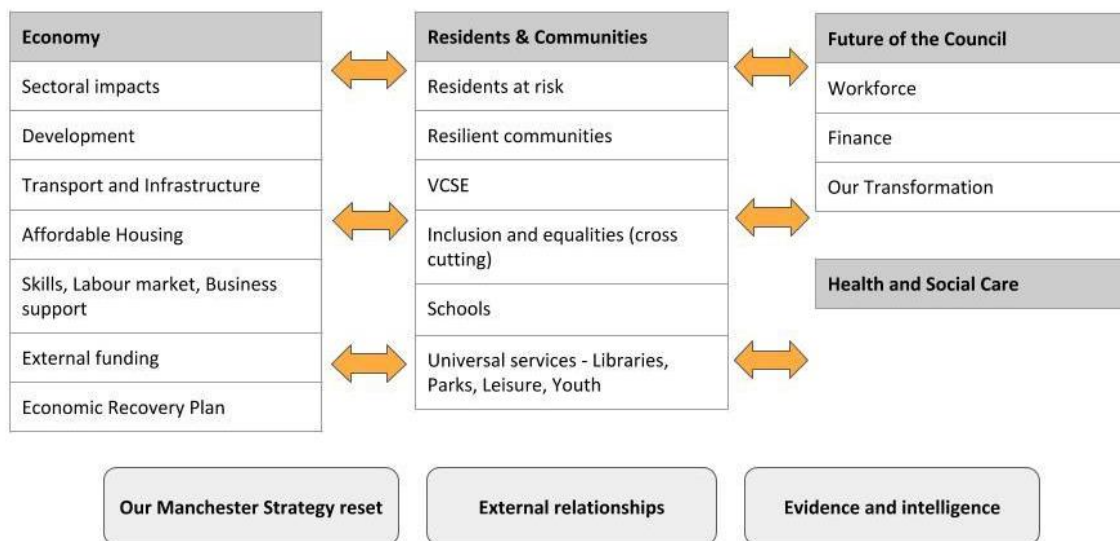
1.1 In light of the current national and international public health emergency situation, Manchester and Greater Manchester (GM) declared a major Incident on Friday 20 March 2020. This activated the multi agency response arrangements in line with the GM generic response plan and the pandemic flu plan. The Prime Minister’s unprecedented announcement at 8.30 pm on Monday 23rd March set out the seriousness of the situation and the expectations of all residents, businesses and public services. Over the last days and weeks, the lockdown guidance has eased and a number of further specific guidance notes have been received which are informing our actions and response.

1.2 Four workstreams are being progressed in order for the Council and the city to prepare effectively for the recovery. These are highly interdependent, as illustrated in the diagram below. Each workstream involves a significant portfolio of work, and each is in the process of identifying short, medium and longer term priority actions. The workstreams are:

- Economy
- Residents and Communities
- Impact on the Council / Future Council
- Health and Social Care

Underpinned by:

- Evidence base and impact for each of the above workstreams
- External relationships with a range of key partners
- Reset of the Our Manchester Strategy



1.3 This note is intended to provide Economy Scrutiny with an update on the work progressing in Manchester in relation to areas covered within the remit of this Scrutiny committee. Further detail on specific issues can be provided as required.

2. Economic Recovery Phase 1 April- June 2020

Overall Economic Impact

- 2.1 It is now widely recognised that the economic crisis we are facing will lead to the most severe economic disruption experienced in modern times. ONS figures released this week report a contraction of UK productivity by 20.4% in April and a drop in payroll numbers by 600,000 between March and May. The full impact on employment is not expected to be felt until October when the furlough scheme ends. Officers are in regular dialogue with economists who suggest that a full resumption of economic activity is unlikely until a vaccine is available or effective treatment is in place. Forecasts are currently being made on the basis of a vaccine becoming available in July 2021, although this is by no means certain.
- 2.2 The latest KPMG UK Economic Outlook Report for June suggests that a partial recovery may take place from the second half of 2020. However, Quarter 1 next year may see another contraction due to the end of the transition period with the European Union. The forecasts for Manchester's economic performance show a projected reduction in overall productivity of - 7.6% for 2020, followed by an increase of 3.5% in 2021. The report highlights particularly vulnerable sectors such as hospitality, tourism and activity associated with international travel, which will be impacted disproportionately and whose recovery will be more lengthy.
- 2.3 The latest data from the Department for Work and Pensions (DWP) and Her Majesty's Revenues and Customs (HMRC) reveal that:
- Manchester's claimant count for 18-24s stands at 5,620, rising by 60% between March and April 2020.
 - 62,200 Manchester residents are currently furloughed via the Government Coronavirus Job Retention Scheme and 15,900 are receiving self-employment support. Taken together this represents 30% of Manchester's working age population;
 - There has been a 34% increase in Universal Credit claims and an 89% increase in all unemployment related benefits claims between March and May 2020. This increase affects all age groups, but is particularly acute for young people and over 50s;
 - All LSOA areas in the City show an increase in unemployment related benefit but larger increases in areas with high concentrations of Black, Asian and minority ethnic communities including Cheetham, Moss Side, Rusholme & Longsight
 - National decline in the start of 16-18 apprenticeships during April of 74%
 - The number of workers on UK payrolls fell by 612,000 between March and May 2020, a drop of 2.1%.
- 2.4 Data from Labour Insight via Burning Glass Technologies showed that the number of Manchester job vacancies posted online fell from 4,272 during the week of 7 March 2020 to a low of 1,149 on week of 9 May 2020. Recent weeks have shown a slight recovery to 2,027 and 1,606 on 6 June and 13

June 2020. There have been falls in all sectors but health, education and ICT showed a less severe drop.

- 2.5 As mentioned in section 1 above, an Economy Recovery Workstream has been established to lead the work within the city. Full details of the structure of this workstream, and key themes and tasks are set out in Appendix 1 alongside the latest weekly Situation Report at Appendix 2.

Financial Support Packages

- 2.6 The immediate focus on recovery had been to ensure that residents, workers and businesses were able to access financial and other support they required, from the various schemes in place.
- 2.7 The Council's Revenues and Benefits Services has worked closely with other business facing services to maximise the take up of the Small Business Rate Relief and the Retail, Leisure and Entertainment Grant, supported by the Work & Skills, City Centre Growth & Infrastructure and Policy Teams. Businesses have been contacted by letter, phone calls and emails. To date 7,430 grants totalling £92.915 million have been paid, this represents 82.7% of the total expected payments. Significant time is being spent chasing up businesses that have not claimed, as well as time dealing with those businesses that do not meet the criteria and feel that they should get a grant.

	Grants/relief awarded and value	Outstanding on <u>potential</u> eligibility
SBR Grant - £10k	Total 5,675 (83.9%) paid £56.75m	1,086
Retail Leisure and Entertainment (RLE) Grant - £10k/£25k	Total: 1,755 (78.4%) paid 36.165m	469
Extended Retail relief – 100% paid to BRates account	3,918, total £145.5m	Complete
Nursery relief paid to BRates account	77, total £855k	Complete

- 2.8 Despite the establishment of a number of national schemes to support businesses, the Council recognised that there was a gap in support for businesses in shared or co-working spaces where Business Rates are paid as part of the overall package of rent, rates and service charges. Direct lobbying to the Government was undertaken alongside collective lobbying from Greater Manchester and via UK Core Cities. A Discretionary Grant scheme was subsequently agreed and launched on 4 June 2020, receiving 1,261 grant applications by the close on 12 June 2020. These applications are currently being assessed and processed. Officers in the City Centre Growth &

Infrastructure and Work and Skills Teams worked proactively to identify and alert businesses who may be eligible.

Business Support Measures

- 2.9 On 23 April 2020 the City Centre Growth & Infrastructure team launched a weekly bulletin for businesses in Manchester to inform them about how to access support, guidance and updates during the Covid-19 pandemic and subsequent recovery period. The bulletin has been developed through collaborative working and information sharing with other Council services and external partners and agencies, who provide support and advice to businesses across the city. The distribution list for the bulletin has grown on a weekly basis and currently is sent out to approximately 7,500 businesses. The work on the bulletin is also being used to inform the development of a comprehensive central directory of businesses in Manchester.
- 2.10 Officers have been working to support the objective of Manchester being a safe, clean and healthy city both now as lockdown eases and moving forward. Attention has been focussed on the city centre initially via the Day Time and Night Time Economy groups but consideration has also been given to neighbourhoods and district centres. There has been ongoing dialogue with colleagues from GMP, TfGM and through business networks alongside highways, licensing, comms, events and public health amongst others, to understand the challenges faced by the city centre and main retail areas in the district centres, as non-essential businesses start to open and the use of public transport and footfall across the city centre and local centres gradually increases.
- 2.11 All City Council recovery activity is underpinned by the circumstances of COVID-19, and thus the need to assist and advise members of the public in following guidance which prevents spread of infection when leaving lockdown. Efforts have been focused around public reassurance measures including signage, how to keep safe and the use of professional accredited stewards to engage with the public, manage queues and de-escalate as necessary.
- 2.12 The focus now is on managing space safely, and conveying a nuanced message that whilst the city is gradually coming out of lockdown, the risk remains and needs active management. We will be developing a full PR strategy and comms messaging on a range of channels to be implemented over the next six to twelve months, which will encourage people into the city as and when it is safe to do so. This includes the *Welcome Back Manchester* campaign which launched last week.
- 2.13 Many businesses, especially independents and the hospitality sector, are under threat with their previous business models not viable with social distancing. In many cases, their ability to operate will depend on increasing space (or extending hours). The City Council is receiving applications for licenses from numerous premises for use of outdoor space and officers are considering a strategic approach to balance support for businesses but also the importance of maintaining safe pedestrian flows.

- 2.14 It is likely that a national process will be expedited to relax public consultation and planning consent, though no date has been set by the government. In the absence of this, a multi-agency approach has been adopted by the City Council to explore the use of outdoor space. This approach is to be as flexible as possible, with public safety remaining a priority. The approach involves: streamlining the application process for new temporary tables and chairs licences; a review of all existing tables and chairs licences; proactively identifying potential highway measures to make space available ie parking bays, pedestrianised streets; and identifying areas of public realm with potential to be used for licensable activity. Work on a cross service enforcement protocol and communications plan is underway.

Sectoral Impacts & Response

- 2.15 The nature and unprecedented scale of the crisis and the diversity of the City's economy is such that impacts will vary from sector to sector and over time, as the immediate crisis unfolds. How the Council and its partners are equipped with the necessary intelligence base to inform timely decisions will be crucial: the use of in-depth analysis and structured engagements to inform our thinking will be important to define and develop the nature and scale of our interventions, which will continue to evolve over time.
- 2.16 The Council will need to be agile and flexible in responding to the requirements of different components of the city's economy, with a focus on activities that will support sustained growth over time while helping, where it can, to remobilise those sectors that are disproportionately affected.
- 2.17 The current crisis is likely to accelerate some of the impacts and behaviours on certain sectors that were evident prior to lockdown including: demand for different types of office accommodation, with a greater emphasis on workspace as opposed to large floorplate models; a move away from single purpose shopping centres to more local, independent and on-line retail and a requirement for a richness and diversity in the customer experience; a renewed requirement to boost national innovation, research and manufacturing; changes in travel patterns and behaviours; the imaginative re-use of public realm and spaces; the balance between meeting the needs of pedestrians (and social distancing measures) and maintaining highway network functionality; street scene and regulatory management arrangements; better utilisation of digital development to support our communities; how we assist young people of all incomes to be able to live and work in our neighbourhoods and the city centre.
- 2.18 All of the above will play an important role in underpinning our future growth, including supporting the provision of new infrastructure and different residential types and tenures. The Council, with strategic oversight and democratic accountability for the city, needs to address these issues with our stakeholders including business and residents. A programme of transformation is needed, and this will require government, sub-regional structures, the private and third sectors to collaborate and work with the Council to deliver on these priorities.

- 2.19 The government must use its resources, and new fiscal instruments to support place based recovery programmes, on the understanding that cities and their regions are best placed to understand what is required in their localities, and will be central to the recovery process and wider transformation. There have been calls for a national, appropriately-scaled, business re-capitalisation fund to reduce the incidence of debt which will have been intensified by the crisis. This has also encouraged businesses to consider how they could play a fuller part in meeting societal priorities around training and skills, transition to a zero carbon economy and research and development. Core Cities and the GMCA have called for greater devolution around skills and employment support to help people transition from what will be a huge loss of employment. There is also a need to enhance local investment capacity to support transition generally, boost innovation, business formation, and address likely market failure in accessing debt to support the delivery of a variety of commercial developments.
- 2.20 The creation of investment funds will help support our overall economic resilience, accelerate the transition to a low carbon economy, help deliver our residential growth plans which are critical to the city's future economy, and support health innovation and data utilisation to enhance healthcare practices. Opportunities for these proposals could be delivered through existing platforms, for example, the Corridor Lifesciences Enterprise Zone, a location already at the forefront of innovation in many of these fields.
- 2.21 As part of this initial stage of recovery, Council officers have been working closely with representatives from key business sectors in the city, to understand the impact on their businesses and the support required to enable recovery and allow them to take advantage of any opportunities which are emerging.
- 2.22 Regular dialogue is taking place directly with businesses and organisations across all sectors to understand the latest picture including with the Growth Company, Federation of Small Businesses, Manchester Airport, Manchester Digital, MIDAS and Marketing Manchester. Key issues of concern have been raised as part of the Council's lobbying activity. The fallout from Covid-19 has impacted disproportionately with sectors such as retail, hospitality, leisure, tourism, culture, sports, education and aviation all facing significant challenges.
- 2.23 A business-led and managed Sounding Board has now been established in order to support the recovery process. The intention is that this will inform the Council's strategic thinking and lobbying response over the medium to long term. Representatives on the Sounding Board cover all of the city's sectors and will contribute their insights, ideas and solutions on an informal basis.
- 2.24 Work has been commissioned to understand the way in which different sectors are being impacted and are responding to the challenge posed by the pandemic. The intention is to systematically track changes over the coming months in business attitudes and in the responses and decisions they are making in different sectors, so that the Council is informed about the up-to-

date position and is able to take what action is possible to support business during this very challenging period.

2.25 A range of intelligence and insight has been gathered across sectors via direct contact and initial survey work. Some of sectoral headlines on impact and outlook include:

- **Culture-** Council surveys and conversations with over 100 cultural organisations based in Manchester have identified a number at serious risk of closure this financial year, many of which are Council funded. Arts and cultural venues are not likely to be fully open until late Autumn 2020 (some may be unlikely to reopen until 2021) and then only with social distancing measures in place. With the lack of any earned income or sponsorship revenues and with normal grant schemes suspended, a number of individuals and companies in Manchester have secured emergency support from Arts Council England (ACE). Many organisations will face significant financial challenges when the furlough period ends coupled with the lack of an Autumn season.

The Oxford Economics report released this week describes a 'Cultural Catastrophe' where 400,000 (1 in 5) creative jobs could be lost. The UK creative industries are projected to lose £1.4 billion a week in revenue in 2020. The impact will be felt in all parts of the UK, with creative industries projected to be hit twice as hard as the wider economy overall and up to three times as hard regionally. The 2018/19 MCC Cultural Impact Data reported a total number of 2,010 employees, across 1128 full-time equivalent (FTE) roles and total number of 2,112 FTE freelancers. Across the wider creative industries sector, the freelance rate is even higher, with over 80% reported in the film and broadcast industries.

Officers are aware that some companies have already started or are planning to begin redundancy consultation processes. It is envisaged that all companies in performance venues will make redundancies as the furloughing funding tapers and come to an end in October and there is little chance of operating until after Christmas.

- **Commercial-** Initial survey work undertaken by the Council and organisations such as MIDAS suggest that many office based organisations are not planning to return to office locations until September 2020 at the earliest, while a number are reviewing their property plans. This could have a potential impact on the office market in the city centre and other key employment locations, and also on those businesses which depend on office workers as customers. More positively, MIDAS has also reported a strong investment pipeline, particularly for local expansion, and a number of larger projects are now beginning to re-engage in positive discussions. Location consultants consider Manchester to be well placed for 'north shoring' as companies continue to consider establishing regional hubs outside London.

- **Hospitality-** Officers are in regular dialogue with businesses through the Day time and Night time economy groups and are aware of concerns regarding a lack of government guidance on the mooted reopening on 4 July 2020. Many businesses will struggle to meet the July and September rent quarters and raise concerns about viability once they are able to trade.
- **Tourism-** Since the Government's announcement on 24 March 2020 around social distancing and hotel closures, the impact on Manchester's visitor economy has been widespread and catastrophic. The effects of the lockdown are severe and far-reaching on both tourism operators, their employees and the wider supply chain. Marketing Manchester reports that Greater Manchester will suffer an estimated economic impact loss of £4.2bn over the period March- end August. Business conference cancellations reported to MM equate to lost revenue in excess of £5.9m and lost economic impact of £14.2m+. Two key areas of current lobbying relate to guidance around social distancing and quarantine rules. The Manchester Hoteliers Association report that 80% of hotels will not open in July, most are planning to re-open in August or September. A slow second half of the year is expected with anticipated occupancy of 30% (80% normal). A number of initiatives are underway including the #ManchesterMissesYou campaign, the new Recovery campaign (Find Your Space) and the Tourism and Hospitality Talent Hub which offers support to those seeking employment.
- **Retail-** Officers are in regular contact with retailers and retail consultants to understand the latest picture, forecasts and opportunities around online retail. The latest KPMG modelling predicts that in the UK, 25 % of stores will close in the near term. Other uses such as healthcare and education will need to be considered to replace retail activity. The sector is forecast to decline by 3.7 % this year and 2.5 % in 2021. Grocery will see an uplift by 5% over 2020-21, however clothing and footwear will decline by 3 % this year and a further 11% in 2021. Current intelligence points to the continued growth of online retail with a return in popularity to shop local. Regular monitoring of footfall has taken place in both the city centre and in district centres across the city. During the lockdown the reductions in footfall were significant across the city but were generally less pronounced in the local and district centres than in the city centre given the higher proportion of shops selling food and other essential goods. Footfall will continue to be closely monitored as the recovery gets underway.
- **Aviation-** The Council have been engaged with MAG to understand the impact on Manchester Airport. Operations have almost ceased at the airport during lockdown. The latest available data (from the end of May) show passenger numbers down by 99% and cargo tonnage by 89% compared to the same time last year (although cargo has increased slightly at East Midlands and Stansted Airports, which are also part of MAG). However, some flights are due to re-start from this week, and more are planned from July. We are supporting MAG's call for the reconsideration of the quarantine requirement, given its impact, with a

view to limiting the period and extent of the quarantine, and an aviation support strategy to aid recovery. It is also worth noting that the scaling back of operations at the airport will be having an impact on residents in surrounding communities, who are directly or indirectly employed at the airport.

- **Construction and Development-** The existing development pipeline will play a major part in recovery. Council officers have been working closely with developers during lockdown, and into the recovery period, both to ensure ongoing safe working, but also to ensure that developments are in a position to start or re-start as soon as possible. This has included providing guidance; ensuring that the planning service is able to continue to operate virtually; supporting developers to bring forward planning applications; and working with them to identify blockers which need to be resolved (locally or nationally) as part of recovery plans. For example, we understand that there are concerns amongst some of our developer partners that the current economic uncertainty might lead to lower valuations which could impact on the ability to raise finance. Supply chain availability is another area of concern.

Overall, main contractors report onsite productivity between 20-50% and this is expected to ramp up by August to around 80%. (Gardiner & Theobald Market Intelligence). Reduced manufacturing output is causing some material shortages on non-critical projects. Main contractors are considering buying up parts of the supply chain to keep schemes running. New enquiries are falling, but most projects are proceeding through design phases. Section 4 provides some examples of projects which are ready to begin development.

The Council is also continuing to engage with Government directly, and via Greater Manchester and Core Cities group, to lobby for support for the city's economy including funding for 'shovel ready' projects and catalytic projects that can support the city's economic growth, creating significant levels of new jobs and investment, while also meeting our inclusive and zero carbon ambitions as set out in the *Our Manchester Industrial Strategy* and *Climate Change Action Plan 2020-25*. Please also see the investment section below.

- 2.26 This has included responding to a call on 12 June (for return this week) from the Secretary of State for Housing, Communities and Local Government (via GMCA/LEP) for exceptional, shovel-ready capital projects, which can be delivered within 18 months and can drive up economic growth and jobs. The Council and partners have submitted a number of projects, and await the outcome. An indicative figure of £20m has been suggested as being available for each LEP, but this is still to be confirmed, and may vary depending on size of the area.

Affordable Housing

- 2.27 In 2015 the City Council adopted a residential growth target of a minimum of 25,000 homes between April 2015 and March 2025. The September 2019 meeting of the Executive was informed that the forecast residential growth delivery target for new homes in Manchester should be 32,000, an addition of 7,000 homes. The Executive was also informed that at least 20% or a minimum of 6,400 of the projected 32,000 homes would be affordable homes. The actions listed are part of a package of interventions that will accelerate the delivery of the 6,400 affordable homes.
- 2.28 The Council are managing the existing onsite, pipeline and planned development with Registered Providers. An active dialogue is being maintained that ensures that there is an understanding of any COVID-19 related impacts on existing programmes and future plans.

Development includes the following:

- Tenders for Silk Street have been returned, with evaluation scheduled for 19/06/2020.
- Progressing the establishment of a Local delivery vehicle. Approval was given at Executive on 3 June. A detailed work programme is now being developed to accelerate progress.
- Project 500 is progressing, which will deliver 500-600 homes. Sites are being reviewed by the Registered Providers group. Standard documentation is being drafted by MCC legal and development to speed up the disposal process. A dedicated legal team has been established to process land titles as required.
- The Council is entering into a formal agreement with Homes England and signing an MOU to take a partnership approach to accelerated development. We are working towards approval at September Executive to enter into a formal agreement with Homes England.
- Pre-planning consultation on the first phases of Collyhurst redevelopment is being undertaken with local Members, which will deliver 270 homes (including 130 new Council properties). A planning application anticipated in summer, following consultation.
- Prioritisation of land assembly and due diligence to allow acceleration of the build programme.

Transport and Infrastructure

- 2.29 There has also been a major focus on managing the city's emergence from lockdown including creating additional space for pedestrians in areas of high footfall such as the city centre. This work has included widening pavements on key routes including Princess St, the pedestrianisation of Deansgate between Blackfriars and King Street West and working with Transport for Greater Manchester and bus operators to ensure that the city's public transport is safe for workers.

- 2.30 Officers have been working closely with TfGM colleagues to plan for the phased re-opening of the city centre. A TfGM Covid-19 Recovery Survey has been undertaken to understand how travel preferences may change in the coming months. Although this is not based on a representative sample across Greater Manchester, the survey findings from over 14,700 respondents show 43% intention to shop closer to home and a 50% intention to change how people travel to and from work. Further analysis work is being conducted for a more detailed understanding.
- 2.31 Members of the public are being encouraged to find alternative means of travel rather than public transport. A range of road closure and pavement widening schemes are supporting pedestrians being able to maintain social distancing. High footfall pinch spots have been identified and are being addressed. Cycling is also encouraged and the need for additional cycle stands/storage is being considered.

Growth Opportunities

- 2.32 In addition to work on vulnerable sectors outlined above, officers are working with businesses and organisations to identify and accelerate work around growth sectors where Manchester already has expertise. These include sectors such as life sciences, health innovation, advanced manufacturing, clean growth, digital, technology and telecommunications (including cyber, artificial intelligence and medtech). The City Council plays an active role in groups such as the GM Cyber Advisory Group and GAMMA- the Greater Manchester Graphene, Advanced Materials and Manufacturing Alliance (GAMMA), two areas which will be key to future economic activity.

Skills & Labour Market

- 2.33 The figures in 2.3 set out the impact that Covid-19 has already had on the labour market and the unprecedented rise in the number of Manchester working age residents claiming out of work benefits. The rise in claimant count has affected every area of the city but there are more significant concentrations in areas with high numbers of Black, Asian and minority ethnic residents.
- 2.34 The rise in unemployment has also affected every age group but with higher increases experienced by young people and the over 50s. Research by the Resolution Foundation, based on the evidence following the financial crash, shows that young people with lower levels of education achievement (GCSE level & below) could have employment outcomes, as low as 40% three years after leaving education. Nationally, in April there was a decline of 74% in the start of 16-18 year old apprenticeships but worth noting that April traditionally has low levels of apprenticeship starts for this age group and the August /September period is the critical time for apprenticeship starts. Of the circa 19,000 UK domiciled students who will graduate from the University of Manchester and MMU this year, based on our recent graduate retention rate of 51%, we would expect 10,000 to be seeking jobs in the City. Inevitably the lack of graduate jobs will lead to displacement further down the system.

- 2.35 As the Government funded furlough scheme & support for the self employed comes to an end, which taken together currently support 30% of Manchester's working age population, there is a risk of further sharp increases in unemployment. This represents a double challenge of ensuring that there are opportunities & interventions in place to reconnect the newly unemployed back into work but also means that the residents who are furthest from the labour market e.g. long-term unemployed with health conditions, over 50, NEET young people are even less competitive in the labour market.
- 2.36 In terms of response, we have been working with post-16 education & training providers to plan & manage transition for Year 11 students and 66% of this year's cohort have a secure post-16 offer, recorded on the system but in reality the number is likely to be higher. This compares well with previous years. Of the 450 young people identified as high risk of becoming NEET, 300 have a secure offer and there is a programme of planned summer activities to keep them engaged. Post-16 providers are also working intensively with their Year 12s as the transition point to year 13 is a big driver of NEET numbers in the City. NEET figures for May are 6.9% & have not seen a significant change during the COVID-19 period. The GM Colleges Group, which includes the Manchester College, has a guaranteed offer for all 16-18 year olds who need it.
- 2.37 More broadly we are working closely with colleagues in DWP and GMCA on the offer for those on furlough, the newly unemployed and building on the Working Well offer for those who need intensive support. This will involve aligning and flexing AEB & ESF programmes already commissioned at a GM level; ensuring that there is a very good and widely promoted online offer for those who can self-serve, with a top-up of skills and employment support for those who are lower skilled and/or need support to transition to a different sector. There is a need for more work to identify and meet the needs of furloughed workers in sectors where there is the highest risk of them becoming redundant.
- 2.38 We have commissioned THINK to update our labour market intelligence & use the evidence base to develop recommendations for priority labour market interventions where there are gaps in current provision. Some will be interventions that we can /should deliver as a City, some at a GM level and others will be common across all core cities. We are working closely with core cities to position the ask of Government that will be needed to support the interventions.

3. Economic Recovery Phase 2 - July 2020 to March 2021

- 3.1 The next phase of recovery work will be guided by a number of principles and measures, which include:
- Developing measures to support growth as set out in paras 2.13-2.17;
 - Developing our intelligence base, to identify and respond quickly to sectoral dynamics;

- Structured engagement through the various Task Groups to define and develop the nature and scale of our interventions, which will continue to evolve over the coming months;
- Develop our investment capacity to respond to strategic initiatives;
- Developing a more inclusive economy which supports good work, alleviates poverty and promotes equality and diversity;
- Accelerating the city's zero carbon ambitions and facilitating natural recovery;
- Creating an economy which is more resilient to climate change and future economic shocks;
- Improving the built environment of the city including place making, retrofit and delivering affordable housing; and
- Digitisation to stimulate economic growth, capitalise on changes in homeworking, improve infrastructure and address digital exclusion.

3.2 A dynamic Economic Recovery Plan is currently being developed which will set out further details on the proposed priorities and suggested interventions which align to the *Our Manchester Industrial Strategy* themes of People, Place and Prosperity. Work is currently underway, focused around the following areas:

Business & Sector Support

- 3.3 Work has been commissioned from an opinion research company (Ipsos Mori), to carry out a more detailed survey of key sector impact/needs. This is expected to initially be a 3 month piece of work (with further work to be determined), with a stakeholder inception workshop planned for late June.
- 3.4 We will use the intelligence gathered from the survey, together with that from the Business Sounding Board and other networks, business groups and contacts to work with sectors who have the potential to grow and create new employment opportunities. Some larger e-tailer businesses such as Amazon and Boo Hoo have continued to expand and there are opportunities to capitalise on Manchester's strengths in health innovation, bio-science and life sciences. We will develop bespoke approaches for sectors where possible such as the Cultural Recovery plan. We will also continue to lobby the government for packages of bespoke support to enable the recovery and growth of specific sectors.
- 3.5 At the GM level, the LEP Recovery Group has started some work to identify potential short-term early commercial opportunities that contribute towards long-term aims of the GM Local Industrial Strategy. Key themes of green recovery, on-shoring production, and boosting digital infrastructure have been identified as potential thematic focus areas. This work is at a very early stage, with no detail yet available, but we will work with GMCA as the detail emerges.

Investment to Incentivise Growth

- 3.6 Investment, both nationally and locally, to promote economic growth will be crucial to driving the recovery of the city over the medium to long term. The Council are engaged with a GM/LEP Investment Task Force which has been established to look at the opportunities for enhancing local investment capacity and to request from Government significant investment stimulus as part of the July fiscal event, autumn Comprehensive Spending review and ongoing discussions on fiscal devolution and flexibilities. This will include a call for new national programmes to help transition from the impact of the crisis, and flexibilities to enhance existing investment and funding vehicles (including Housing Investment Funding, Evergreen and Low Carbon Fund, Local Growth Fund, Enterprise Zones and retained business rates).
- 3.7 The Panel has identified the following priorities which additional investment capacity should seek to meet:
- Boosting innovation and associated development activity in and around Enterprise Zones (EZ's). Members may be aware that there are currently 2 EZ's in Manchester - one covering the area surrounding the airport, and the other focused on the Oxford Road Corridor;
 - Facilitating the delivery of commercial development;
 - Boosting residential development;
 - A near term "recovery package" through the deliverable elements of the GM transport pipeline;
 - Further development of GM's strengths in digital capability and deployment in place-based transformation of health, economic and social outcomes; and
 - Investment in low carbon initiatives.
- 3.8 The Council is considering its own submission to the July fiscal event, seeking investment in our priority projects, such as Mayfield, Northern Gateway, and North Manchester General Hospital.
- 3.9 Early intelligence from property agents has indicated a continued need for more high quality office space over the medium term, suggesting strong opportunities for commercial development. A number of further phases of commercial development are close to commencing delivery, including at NOMA and First Street, and we will continue to facilitate this development, including identifying potential blockers and solutions.
- 3.10 Developers, for example, at NOMA have indicated that they are using the opportunity to accelerate a step change in environmental design and standards in their commercial developments, to attract investors and occupiers. This can also help the growth of the green technology sector and provide new jobs in this area.
- 3.11 Stimulating residential growth will also both aid economic recovery and help the city to meet our residential growth and affordable housing targets. The largest area of investment that is expected to begin in the next few years will

be Northern Gateway, where the Council has recently received approval for Housing Investment Fund. Development has recently re-started on major schemes, such as Great Jackson Street.

- 3.12 In addition, we will work with Core Cities and GMCA to lobby for a domestic (and potentially commercial) retrofit programme to support new employment opportunities, address climate change, reduce fuel poverty and improve health. We will also look for opportunities to make direct representation to the Government on this activity.
- 3.13 The Covid-19 pandemic has made more apparent the need for new digital infrastructure - we will explore opportunities to attract new investment into the city's digital infrastructure including full fibre to premises and 5G.

Labour Market, Skills & Social Value

- 3.14 A major part of the next phase will be the response to the rise in unemployment, as referred to in section 2 above. The end of furlough period creates a risk that this will rise further if a significant number of businesses either fail or reduce staffing.
- 3.15 This will include activities in the following areas:
- Labour Market Interventions building on the recommendations from the commissioned work, we will work with partners on delivering interventions to reconnect residents to new employment opportunities; upskill residents who may need to work in a different sector; & work closely with businesses which have the capacity to recruit including apprentices. Intermediate Labour Market solutions are being considered to support the city's young people & residents who need additional support;
 - Social Value - scaling up the use of social value across the city to respond to the socio-economic challenges of Covid-19; and
 - Re-skilling the population - to ensure that the skills system can respond with a focus on affected cohorts including young people, over 50's, women, and Black and Minority Ethnic communities.

4. Cross Cutting Themes

Our Manchester Strategy Reset

- 4.1 There is a need to review and reset the Our Manchester Strategy 2016-2025, to respond to the post-Covid-19 challenges the city now faces. The forward planning work will start this reset with a consultation that is firmly rooted in the Our Manchester approach, addressing the significant challenges but also some of the opportunities over the next five years. This work will be led by the Our Manchester Forum and will conclude in February 2021.
- 4.2 The global, national and local context in 2020 is very different to that in 2015-2016 when the strategy was developed. As well as the highly uncertain

impacts of the Covid-19 pandemic, the need to tackle climate change has become even more urgent and is one of the defining challenges for the city's economy, transport, energy, buildings, and green and blue infrastructure.

5. Conclusion

- 5.1 The Committee are invited to comment on the themes outlined in this report, the workstream structure included in Appendix 1, and the sitrep report at Appendix 2.

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ECONOMIC RECOVERY WORKSTREAM

Purpose: Sub-workstream of the COVID-19 Recovery Coordination Group. Responsible for overall coordination of the economic response and production of a Dynamic Manchester Economic Recovery Plan with appropriate reporting and management.

SRO: Pat Bartoli (with support from Strategic Director for Development to enable continuity and succession planning);

Lead support: Richard Elliott. **Workstream Members:** Pat Bartoli, Angela Harrington, David Houliston.

Objectives

Development of a Dynamic Manchester Economic Recovery Plan and local interventions to support the recovery and rebuilding of the economy.

Ensure effective evidence based casemaking to support Manchester's economic recovery through GMCA and Core Cities and directly with Government.

Attracting new funding to further the city's economic ambitions including; business survival, residential & commercial development, affordable housing zero carbon, future growth & infrastructure.

Expected Outcomes

Managed opening up of the city's economy to enable businesses to survive & those with the potential to grow are supported to thrive.

Enabling high quality developments and investments to progress.

Creating the longer term conditions for a more zero carbon, resilient, inclusive and liveable city, including addressing skills, infrastructure & transport challenges.

Sectoral Impacts (see sub-structure below)	Development	Affordable Housing	Transport & Infrastructure	Skills, Labour Market & Business Support	External Funding to support recovery	Strategy & economic narrative review	External influence/ lobbying
<p>Lead: Pat Bartoli Members: Ruth Ashworth, Hilary Sayers, Mike Cunliffe</p>	<p>Lead: Pat Bartoli Members: David Lord, Ian Slater, Hilary Sayers, Liam Crichlow</p>	<p>Lead: Kevin Lowry Members: Steve Sheen, Hilary Sayers, Ian Slater, Dave Lord, Marie Hodgson</p>	<p>Lead: Richard Elliott Members: Kevin Gillham, Gill Christmas, Hilary Sayers, Stephanie Dick, Rob Scott, Alex Cropper TfGM</p>	<p>Lead: Angela Harrington Members: Mike Cunliffe, Sherelle Fairweather, Peter Norris, Ryan Tracey, Elaine Morrison, Elizabeth Mitchell, Karen Andrews</p>	<p>Lead: Mark Duncan/Finance Members: Elizabeth Baker, Adrian Slatcher</p>	<p>Lead: David Houliston Members: Elizabeth Mitchell, Lisa Turner, Ruth Ashworth</p>	<p>Lead: Joanne Roney/Eddie Smith Members: David Houliston, Elizabeth Mitchell</p>

Appendix 1, Item 5

Cross Cutting Workstream - Economic Intelligence

Lead: Nick Cole/Paul Holme **Workstream Members:** Liam Crichlow, Persephone Galanis, Adam Merchant, Elisa Bullen, Tim Robinson

SECTORAL IMPACTS SUB-WORKSTREAM STRUCTURE

Lead: Pat Bartoli

KEY MANCHESTER SECTORS FOR INITIAL FOCUS

Aviation	Financial & Prof. Services	Public Transport
Advanced Material & Manufacturing	Health & Social Care	Retail (offline & online)
Construction	Hospitality	Retail (district centres)
Arts, Culture & Sport	Low Carbon/Clean Growth	Tech, Creative, Media & Telecoms
Education/HEIs	Life Sciences/Health Innovation	Tourism/Visitor Economy

KEY ISSUES TO COVER / LINES OF ENQUIRY

- Review impact on development & construction sector
- Identify projects to support recovery and support measures to allow them to move forward quickly.
- Develop short, medium & long-term measures within and across the sector
- Identify issues to feed into lobbying workstream

APRIL - JUNE 2020 PRIORITIES

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- Identify key ready to go projects which can support recovery (April/May)
- Understand current impact through intelligence gathering. (April/May)
- Assess sources and levels of investment, and any obstacles (access to debt).
- Seek financial and other support needed to enable early start of key projects (e.g. through Core Cities & other lobbying).
- Understand supply chain issues and identify appropriate support measures.
- Develop guidance/share good practice for safe operation of sites. (Could include extended site openings where appropriate)
- Expedite design & planning phases of projects.

JUNE 2020 - MARCH 2021

- Understand progress made and any obstacles.
- Understand impact of a potential second lockdown and develop support.
- Identify longer term support needed - e.g. stimulation measures, finance guarantees, further support for GM Investment Funds to enable further development - & feed intelligence into lobbying workstream.
- Identify longer term project pipeline.

BEYOND APRIL 2021

- Understand progress, obstacles and ongoing impact.
- Identify future measures needed.
- Explore opportunities for innovation to improve productivity & outcomes

TEMPLATE: SECTORAL IMPACTS

PAT BARTOLI

KEY ISSUES TO COVER / LINES OF ENQUIRY

- Review impact on individual sectors
- Develop short, medium & long-term measures within and across sectors
- Identify issues to feed into lobbying workstream

APRIL - JUNE 2020 PRIORITIES

- Page 26
- Understand current impact through intelligence gathering and sector-based discussions and working with umbrella/representative organisations. (April/May)
 - Understand different level of impacts on different sectors.
 - Use industry recognised intelligence sources to identify immediate measures.
 - Develop safe opening guidance and toolkit and safety materials.
 - Signposting to available support.
 - Understand skills shortages and potential for skills matching, feeding into skills & labour market workstream.

JUNE 2020 - MARCH 2021

- Identify effectiveness of initial measures.
- Understand ongoing impact on businesses not able to open until later stages.
- Feed through to skills & labour market workstream to identify job matching opportunities for people made redundant from other sectors.
- Identify longer term support needed & feed intelligence into lobbying workstream - e.g. specific support packages for sectors remaining closed.
- Understand & support areas of opportunity for sectors - e.g. biomedicine, digital & cyber, manufacturing, green technologies.

BEYOND APRIL 2021

- Understand effectiveness of measures to date and ongoing impact.
- Identify future measures needed.

Appendix 1, Item 5

KEY ISSUES TO COVER / LINES OF ENQUIRY

- Review impact on individual delivery agencies and sectors
- Develop short, medium & long-term measures within and across delivery agents
- Identify issues to feed into partener and bidding workstream
- Identify and address barriers to delivery

APRIL - JUNE 2020 PRIORITIES

Page 27

- Identify key ready to go projects which can support recovery (May/June)
Understand current impact through intelligence gathering. (May/June)
- Assess sources and levels of investment, and any obstacles
 - Seek financial and other support needed to enable early start of key projects (e.g. through Core Cities & other lobbying).
 - Understand supply chain issues and identify appropriate support measures.
 - Develop guidance/share good practice for safe operation of sites. (Could include extended site openings where appropriate)
 - Expedite initiation phases of projects.

JUNE 2020 - MARCH 2021

- Develop and establish MCC's Local Delivery vehicle
- Understand progress made on live projects and address any obstacles.
- Understand impact of a potential second lockdown and develop support.
- Identify longer term support needed - e.g. stimulation measures, finance guarantees, or further support for GM Investment Funds to enable further development - & feed intelligence into lobbying workstream.
- Identify longer term project pipeline.

BEYOND APRIL 2021

- Establish reliable anual supply through LDV and RP's
- Understand progress, obstacles and ongoing impact.
- Identify future measures needed.
- Explore opportunities for innovation to improve productivity & outcomes

Appendix 1, Item 5

KEY ISSUES TO COVER / LINES OF ENQUIRY

- Development of a comms plan with TfGM to instill confidence and promote safe use of public transport and support economic recovery
- Monitor and understand trends in transport use as the city recovers.
- Put in place public realm and other measures that contribute to supporting a phased and safe return to work
- Develop a transport plan jointly with TfGM that supports the city’s economic recovery

APRIL - JUNE 2020 PRIORITIES

JUNE 2020 - MARCH 2021

BEYOND APRIL 2021

Page 28

- Continue with highway works that can be undertaken during lockdown
Identify interventions that support social distancing and procure necessary equipment to facilitate this.
- Work with TfGM to agree a broad plan to support gradual opening up of the city. focus on active travel and safe use of public transport
- Identify opportunities to pilot new ideas
- Agree priorities for and Identify key “shovel ready” infrastructure projects (transport/digital etc) that could be commenced to provide economic stimulus.

- Comms to give people confidence that there is an overall transport plan that enables people to return to work safely
- Implement measures developed during phase 1
- Continue to monitor demand and make any necessary adjustments to support continued recovery
- Carry out further development work on longer term projects and make the case for their delivery as part of longer term recovery
- Identify any support the airport may need as the aviation sector begins to recover.
- Publish revised City Centre Transport Strategy (CCTS) and Clean Air Plan for consultation.
- Continued lobbying for more investment.

- Continue to monitor demand and to understand long term impacts
- Finalise and implement CCTS and Clean Air Plan.
- Deliver key infrastructure projects that support the city’s recovery

KEY ISSUES TO COVER / LINES OF ENQUIRY

- Review impact of Covid-19 on levels of unemployment and economic activity in the City;
- Develop short & longer term interventions to (re)connect Manchester residents with employment opportunities
- Ensure Manchester businesses benefit from Government, regional & local support to enhance viability

APRIL - JUNE 2020 PRIORITIES

JULY 2020 - MARCH 2021

BEYOND APRIL 2021

- Page 29
- Maximise the no of Manchester businesses benefitting from SBRR & grant schemes incl those in shared spaces;
 - Promote GM employ to residents who lose their jobs during this time;
 - Work with GMCA & Core Cities to design skills & labour market interventions;
 - Work with post-16 providers to manage transition and reduce the impact of Covid on NEET;
 - Maintain the focus on social value from strategic MCC funded projects & supporting robust supply chains.

- Active comms to businesses & residents through networks, social media etc to support the safe return to work;
- Clear priorities for skills investment in the City needed by residents & businesses to connect to employment opportunities (sector based);
- TMC & MAES & other AEB providers are supported to deliver & flex learning to support residents who are out of work;
- Implementation /scale up of labour market interventions for those furthest from the labour market & young unemployed;
- Support new businesses & connect Manchester businesses with support, financing & investment opportunities
- Maximise social value opportunities with anchor institutions to "build back better"

- Evaluate the impact of measures to date & maintain investment in those that are effective;
- Implementation of the City's Digital Strategy;
- Focus on North Manchester opportunities & Airport City for residents & businesses
- Strengthen business networks
- Progress Living Wage Place initiative.

TEMPLATE: EXTERNAL FUNDING TO SUPPORT RECOVERY

MARK DUNCAN

KEY ISSUES TO COVER / LINES OF ENQUIRY

- Continue existing bids
- Define priority areas for external funding work stream based on Covid recovery workstreams, priorities and intelligence
- Research and consider known bidding opps including identifying adequate resources to respond effectively (internal & external)
- Work with GMCA, Core Cities & Govt to shape future funding calls and opps e.g. UKSPF / a new Cities Fund / Future European

APRIL - JUNE 2020 PRIORITIES

• Page 30

- Continue to work to secure approvals for existing bids (April 2020 briefing)
Share funding April 2020 funding opps briefing, take feedback and use to establish agreed priorities for external funding bids through this Workstream inc. pipeline projects in need of funding
- Agree key roles and responsibilities and leads within wider workstreams inc. collaboration and information sharing on opportunities across the workstreams to understand their work, co-dependencies and avoid any duplication

JUNE 2020 - MARCH 2021

- Regular funding briefings focussed on our agreed priorities and project pipeline
- Creation of joint teams as needed to make bids and establish project systems for effective delivery of bids and projects
- Agreed strategy for GMCA and UK Government lobbying & joint working with Core Cities on future UK grant funding programmes
- Work with GMCA, Core Cities & Eurocities on post 2020 European programmes and future UK relationship with these programmes.
- Utilise wider partnerships to develop opportunities including the Climate Change Partnership, Corridor Manchester etc

BEYOND APRIL 2021

- Maintain our national and international networks and partnerships
- Assess outcomes of post-Brexit transition and future relationship between UK and EU
- Access post-Brexit funding opps within UK and European context subject to the post-Brexit relationship with the EC / EU

KEY ISSUES TO COVER / LINES OF ENQUIRY

- Reset the city’s economic narrative to reflect the recovery from COVID-19
- Maintaining existing inclusive economy and zero carbon ambitions
- Focus on addressing inequality including quality of jobs and pay for foundational/key workers

APRIL - JUNE 2020 PRIORITIES

Page 3

- Undertake a short review of existing Strategies to inform the Economic Recovery Plan
- Strategies to be reviewed include the Our Manchester Industrial Strategy; Family Poverty Strategy; Work and Skills Strategy; Residential Growth Strategy; and City Centre Strategic Plan
- Work with GM to ensure that the core of the conurbation & the Airport are central to the GM Economic Recovery plan
 - Shape the Core Cities resilience and recovery narrative to ensure that it reflects Manchester’s priorities

JUNE 2020 - MARCH 2021

- Input to the Our Manchester Strategy reset to ensure that the city’s economic narrative reflects the economic recovery work with input from sector representatives
- Start the reset of the Manchester Work and Skills Strategy
- Develop the Manchester Digital Strategy
- Start the reset of the Manchester Family Poverty Strategy
- Input into GM led strategies such as the GMS refresh and the Internationalisation Strategy

BEYOND APRIL 2021

- Implementation of new strategies to ensure that the recovery is as inclusive as possible

Appendix 1, Item 5

TEMPLATE: EXTERNAL INFLUENCE & LOBBYING

JOANNE RONEY/ LOUISE
WYMAN

KEY ISSUES TO COVER / LINES OF ENQUIRY

- Ensure that Manchester's economic priorities drive the work of GM and Core Cities, including influencing Government
- Utilise the roles of senior elected members and officers within the Council and senior stakeholders from across the city.
- Ensure that the narrative, policy asks and interventions are coordinated and consistent.

APRIL - JUNE 2020 PRIORITIES

- Page 32
- Input into the GM Economic Resilience Group & other sectoral groups including the nighttime economy group
 - Work with Core Cities on the economic resilience and recovery work via Cabinet, Chief Execs & PAG
 - Push for a 'Cities Fund' which recognises the challenges at the core of the conurbation
 - Leverage the Manchester's role on the Local Economic Recovery Group to feed in Manchester's evidence, ideas & lobby for interventions to support the economic recovery.

JUNE 2020 - MARCH 2021

- Use the Economic Recovery Plan as the evidence base to lobby for investment and support for the city's recovery
- Work with Core Cities to develop a cities offer to Government which summarises the collective impact of Economic Recovery Plans and catalytics/stimulus projects
- Input into the Core Cities commissioned OECD work to refresh their recent report.

BEYOND APRIL 2021

- TBC

Appendix 1, Item 5

KEY ISSUES TO COVER / LINES OF ENQUIRY

- Provide analysis and intelligence to support: Sectoral Impacts, Development, Affordable Housing, Transport and Skills, Labour Market & Business Support workstreams
- Monitor and analyse the impact on the city's residential and commercial property markets including work to inform future strategies and investment planning to facilitate economic regeneration, and the recovery of the employment and business base
- Commission a representative survey of businesses across all sectors in Manchester on the impact of Covid-19 and the prospects for / activities that are required to facilitate growth
- Understanding the resident population in relation to Economic Recovery

APRIL - JUNE 2020 PRIORITIES

Establish Analytic Partnerships/Sources

- List sources of information and gaps that may need to be filled

Population - Manchester Forecasting Model

- Update the MFM with forward forecast, but with scenario range based on different assumptions

Residential

- Analyse effects on the housing market
- Monitor status of residential development sites & forecast delivery
- Provide an evidence base to support a new Local Delivery Vehicle for housing
- Work with partners to identify sites suitable for government support
- SHLAA Consultation & Local Plan

Commercial

- Analyse effects on the commercial property market
- Monitor the status of commercial development sites & forecast delivery
- Appraise future business rates growth at the Airport & Corridor EZs

Skills and Jobs

- Review of resident skill base (existing sources) and analysis against sectors at risk analysis
- NEET Post-16 analysis

JUNE 2020 - MARCH 2021

Business Survey

- Commission & undertake survey including evaluation / impact of government interventions (in place & planned)

Residential

- Analyse the impacts on the lettings market - listings, rents, students, short term lets & co-living (working with partners)
- Analyse the impacts on the sales market - volumes, prices, Help to Buy & the drivers of change (incl lending market)
- Develop affordable pipeline monitoring activity (LDV)
- Continue to support production of refreshed Local Plan
- Refresh Council Tax forecasting modelling
- Market sentiment engagement (property consultants & high st agents)

Commercial

- Work to understand the demand for Grade A office space
- Analyse the impacts on sectors - hotels, retail, science & R&D
- Refresh business rates forecasting modelling

Business Grants Support

- Business Rate Support Grant Analysis

Develop Monitoring and Evaluation Framework

- Develop a high level M&E framework proposition that support aspirations of each of the workstreams, including options for how the M&E might be delivered

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Covid-19 Sitrep Summary

Economic Recovery Workstream as at 19/06/20

For Economy Scrutiny Committee Meeting: 25/06/20

Issue/theme/activity area	Impact/ challenges experienced	Key planning and response activity being undertaken
<p>Sectoral Impact</p>	<p>Varying impact across sectors:</p> <ul style="list-style-type: none"> • Retail, hospitality, leisure, tourism, culture/creative, aviation, HEIs experiencing severe impacts. • Growth opportunities for tech, telecomms, life sciences & health innovation, advanced materials & manufacturing, low carbon/clean growth.. <p>Retail Reports predicting opportunity for growth of local high streets/ increase in shopping more local. (ie KPMG Retail report- May,</p>	<ul style="list-style-type: none"> • Intelligence gathering from sector representatives continues, to understand impact, issues, opportunities and support needed. Used to inform workstream plans and lobbying. • Work has been commissioned from an opinion research company, to carry out more detailed surveys of key sector impact/needs. • Sectoral (business led and managed) Sounding Board now established. • Involvement in GM Groups, e.g. Economic Resilience Group, GM Tourism Industry Emergency Response Group & Place Directors. • Feed into national lobbying work, e.g. Core Cities evidence gathering, Chief Executive meetings with HMT, BEIS etc. • NW LA Chief Execs mtg 18/06- Calling on govt for a comprehensive strategic recovery plan for medium term. <p>Re-opening update- The re-opening of non-essential shops went smoothly. Measures were in place such as signage, organised queuing and the uniformed stewards. Most retailers managed queues effectively</p>

	<p>TfGM travel survey). Online retail will continue to grow. Opportunity for Mancr re online eg Boohoo, The Hut Group. KPMG Retail predicts 25 % of UK stores will close in the near term. Sector forecast to decline by 3.7 % this year and 2.5 % in 2021. Grocery will see uplift by 5% over 2020-21, clothing and footwear will decline by 3 % this year and a further 11% in 2021. Need to reduce costs by 30-50% (non essential retail).</p> <p>Visitor economy- Severe and wide reaching effects. Immediate concerns around business survival and city competitiveness. Estimated economic impact loss of £4.2 bn March- end August. Business conference cancellations reported to MM equate to lost revenue in excess of £5.9m and economic impact of £14.2m+.</p>	<p>and public complied with guidance on social distancing. Market Street was the focus for shoppers with Primark customers queuing from 7am. Stores staggered opening times with, for instance, Selfridges not opening until 11am. The atmosphere was lively and optimistic helped by Monday's sunshine. Footfall was around 52,000 on Monday dropping to 38,000 on Tuesday with a peak around 13.00 to 14.00.</p> <p>GMP strategy of high visibility and pro active engagement from the Street Engagement Team meant few people begging were in evidence. No issues reported by partners.</p> <p>No issues connected to reopening were reported from other parts of the city. City centre and neighbourhoods teams sharing intel and learning to ensure support available to businesses in district centres.</p> <p>One issue for consideration: buskers and peddlars are active and a) inhibiting movement of pedestrians b) attracting crowds. Some other cities have decided to restrict such activity on public health grounds.</p> <p>Visitor economy- Manchester Misses You campaign continues. New recovery campaign due to be launched shortly by Marketing Manchester- Find Your Space. Lobbying activity for clearer guidance on social distancing measures and quarantine rules. Talent Hub providing single point of contact for employment support within the tourism and hospitality sector.</p>
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	<p>Manchester Hoteliers Association- Expecting a slow second half of the year- planning for 30% occupancy (80% normal).80% of hotels not planning to open in July- most in Aug or Sept. GM TIER Group- consumer reassurance will be vital. Working on flexible booking arrangements. Domestic bookings- expected to start slow with gradual growth from Sept back to a max of 50% of activity.</p> <p>Hospitality- concerns re lack of clear govt guidance in relation to possible reopening on 4th July. Many businesses may not be viable even if they can open. Widespread concern that businesses will be unable to meet July/Sept rents.</p> <p>Cultural Sector Arts and cultural venues not likely to be fully open until late Autumn 2020 (some later into 2021) and only then with social distancing measures. Hugely damaging impact. With changes to the furlough scheme, some performance venues have</p>	<p>Hospitality- Multi agency approach has been adopted to explore support use of outdoor space. Likely that a national process will be expedited to relax public consultation and planning consent, though no date set by govt. MCC exploring other options. Approach is to be as flexible as possible, with safety a priority.</p> <p>Streamlined application process for new temporary tables and chairs licences (completed). Review all existing tables and chairs licences (ongoing). Proactively identify potential highways measures to make space available ie parking bays, pedestrianised streets (ongoing). Identifying areas of public realm with potential to be used for licensable activity. Compliance and communications update to follow.</p> <p>Cultural Sector update <u>Recovery plans</u> underway with the first meeting of the Culture Recovery Group on 1st June, chaired by Cllr Rahman. Industry led subgroups are working on plans for a Summer 2021 Programme around MIF21 in July and re-opening strategies, which include event modeling on social distancing requirements for:</p> <ul style="list-style-type: none"> ● Cultural Participation
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	<p>started or are considering redundancy procedures.</p> <ul style="list-style-type: none"> • Major financial issues persist for all cultural organisations due to business interruption, lack of any earned income, sponsorship revenues and grant schemes suspended. • A number of individuals and companies have secured emergency support from Arts Council England. National Portfolio Organisations (those funded by ACE on a four yearly agreement) decisions due end June. • October (end of furlough & lack of autumn season) is when the majority of organisations are going to face significant challenges - unsure what ACE response to this is as yet. <p>Findings from Cultural sector surveys (April & May) have been compiled. Identifies companies at risk before the end of the financial year.</p> <p>Aviation- Traffic at Manchester Airport currently 99% down but are rising slowly (e.g. Emirates have relaunched to Dubai) and are expected to begin growing more strongly from July. Terminal 3 is due to reopen on 1 July to accommodate flights airlines currently have on sale. Some airlines (Virgin, Tui, and Jet2) have delayed relaunch, other main carriers are relaunching fuller programmes from July, though this remains dependent on</p>	<ul style="list-style-type: none"> • Museums & Galleries • Performance Venues <p><u>DCMS</u> Response to Inquiry of impact of Covid-19 Crisis on the Cultural Sector (25 May). Cllr Rahman has also sent an open letter to the Secretary of State for Culture (12 June) about the importance of the sector, the need to take an inclusive approach (addressing lack of diversity & place based focus) and calling for engagement in the recovery plan for the sector.</p> <p><u>Second sector survey</u> sent to over 100 cultural contacts 15 May. 24 companies experiencing and forecasting very serious financial difficulties.</p> <p><u>1-2-1 support to companies</u> has been provided by to 40 cultural companies to ensure businesses are accessing the government's rate relief, business grants and discretionary grant, and the job retention scheme.</p> <p>Aviation- Engagement with MAG to understand the impact on Airport. MAG working on recovery plans. MA aim is to protect jobs wherever possible. With quarantine measures, the long-term future remains in serious jeopardy, placing the jobs and economic activity at risk. MA is asking for the 14 day travel quarantine to be time-limited, with a target date for review, and for quarantine to be linked to levels of risk. MCC supporting MAG to call for consideration of the impact of the quarantine requirement and an aviation support strategy to aid recovery.</p>
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	<p>changes to quarantine regime and/or the introduction of ‘air bridges’, and if change does not happen. Longer-term recovery of the sector is generally expected to take 3–4 years to return. Note onsite employment figures- direct employment: 23,000 (not including Thomas Cook or Flybe) and £1.4m GVA. Additional indirect employment 19,700. Wider NW economy: 75,200 jobs supported, either in tourism or through wider productivity improvement, e.g. support for exporting, enhanced business communications.</p> <p>Higher Education Institutions- Significant concerns re potential deferrals by students, significant potential loss of income in relation to international students, loss of revenue from conferencing and events.</p> <p>Financial and professional services/shared services- most looking to re-open offices in Sept at the earliest. MIDAS report a number of larger investment projects are re-engaging. Strong investment pipeline, particularly local expansion. Location consultants consider Mancr to be well placed for ‘north shoring’ as companies look to set up hubs outside London.</p>	<p>Parliamentary Report (13 June) on sector impact raises concerns about the blanket 14 day quarantine. Calls for measures including 12-month business rates relief for airlines and airports and a six-month temporary suspension of Air Passenger Duty payment. Also calls on govt to revise rules of JRS to prevent, or strongly penalise, companies for making large-scale redundancies, while in receipt of funds from the taxpayer. Recommended that before the Government brings forward Airline Insolvency Bill, it consults on whether protections should be introduced for airline passengers in the event of pandemic or other extraordinary circumstances. Aviation Restart, Recovery, and Engagement Unit set up by DfT to support recovery. Concerns raised re lack of detail and pace given precarious situation.</p> <p>Higher Education Institutions- Regular dialogue with universities to discuss potential loss of income and support required. Work and skills team in regular discussion. 10,000 expected to graduate- employment support needed to be in place to ensure city does not lose this talent.</p> <p>MIDAS reviewing future inward investment strategy including digital tours and virtual in-visits. Working with Dept for International Trade to promote message that Mancr is open for business.</p> <p>DiT Feedback- CEX/DiT mtg with Director and Minister for Investment- Minister keen to have direct contact with cities. DiT re-thinking FDI strategy- working with investors in Japan, NZ, Australia and US. Focus for investment: Sustainability projects, tech (Smart Cities,</p>
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	<p>Investment, FDI and Exports Uncertainty re investment in UK- forecast to be lower than previous fall in 2005. Mancr still considered to offer VfM. JLL consider Manchester to be most protected and is UK's best investment offer. EY FDI Report- positive on UK outlook- continued investment especially on tech projects and US investors.</p> <p>Tech Sector- concerns regarding smaller tech companies in shared work spaces not eligible for initial financial support.</p> <p>Office trends- (Savills survey update- June) Majority of people would like to work from home 2 days per week inc financial sector. Covid accelerating this trend. Short term blip in cancelled lets - medium term remains positive. Limited total impact on floorspace as offices requiring more space for social distancing. Category B offices will have biggest changes in layout and density. Viewings and enquiries have restarted at Savills. Coworking hardest hit - and longer term negative impact, as traditional serviced office market will remain. Younger generation of employees are more eager to return.</p>	<p>Smart Tech, IOT, Health) and housing. Identifying most investable sectors to link with places for opportunity to attract investment. DiT want to strengthen links with localities & new approach to info flows between overseas markets and regions.</p> <p>Tech sector- Working closely with Tech Hub (DCMS funded) operators- All Work and Social (Bonded Warehouse) and Manchester Science Partnerships (Mi-Idea and Tech Incubator) to ensure businesses are receiving financial support through discretionary grant. 1-2-1 engagement engagement on financial support and mentoring.</p> <p>Office trends - Ongoing dialogue with Manchester Office Agents Forum members and others to understand latest picture of demand and potential future trends.</p>
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	<p>Growth opportunities exploring opportunities around different sectors</p>	<p>Growth opportunities- active participation in groups including GM Cyber Advisory Group, Corridor Enterprise Zone to grow accelerate initiatives At the GM level, the LEP Recovery Group has started to identify potential short-term early commercial opportunities that contribute towards long-term aims of the GM Local Industrial Strategy. Key themes of green recovery, on-shoring production, and boosting digital infrastructure have been identified as potential thematic focus areas. This work is at a very early stage, but we will work with GMCA as the work develops.</p>
<p>Development</p>	<p>Stimulating development & investor confidence, including:</p> <ul style="list-style-type: none"> ● Understanding current impact through intelligence gathering. ● Assessing sources and levels of investment, and any obstacles (access to debt). ● Seeking financial and other support needed to enable early start of key projects ● Understanding supply chain issues and identifying appropriate support measures. It is becoming increasingly apparent that the appetite of contractors to bid for apartment led residential schemes has been significantly impacted in the short term due to issues in the supply chain (i.e. loss of subcontractors and access to materials). This concern has also 	<ul style="list-style-type: none"> ● Initial list of “Shovel ready” projects that can help stimulate recovery submitted to GMCA, to feed into GM approaches to the Government on an investment package. The Council and partners have submitted a number of projects to a call on 10 June (for return by 18 June) from the Secretary of State for Housing, Communities and Local Government (via GMCA/LEP) for exceptional shovel-ready capital projects, which can be delivered within 18 months and can drive up economic growth and jobs. The Council is planning its own submission to Government in the next 2 weeks, seeking investment in our priority projects. ● A number of further phases of commercial development are close to commencing delivery, including at NOMA and First Street, and we will continue to work with developers to facilitate this development, including identifying any blockers and potential solutions. The developers at NOMA have indicated that they are using the opportunity to accelerate a step change in

	<p>been raised by developers of commercial schemes.</p> <ul style="list-style-type: none"> ● Developing guidance/share good practice for safe operation of sites ● Expediting design & planning phases of projects. ● Productivity increased across most major sites- 97% of infrastructure and construction sites now operating. Social distancing measures impacting on programmes. Issues re supply chain/access to materials. Infrastructure sites are now achieving 89% of pre-Covid productivity. Housing sites 93% of sites now open. Reports that contractors are planning to reduce workforce by 11 % within the next 3 months. 	<p>environmental design and standards in their commercial developments, to attract investors and occupiers.</p> <ul style="list-style-type: none"> ● Pre contract discussions have been held with Homes England on Northern Gateway, with a view to entering in a contract in September, securing £51.6m in Housing Investment Fund grant that must be fully expended by March 2024. ● Pre-planning consultation on the first phases of Collyhurst redevelopment being planned with local Members, which will deliver 270 homes (including 130 new Council properties). Planning application anticipated in summer, following consultation with Collyhurst residents. ● Prioritisation of land transactions or contractual arrangements that are close to completion to preserve delivery arrangements. Examples include Bendix Street to unlock residential scheme, Adair Street to support commercial (hotel). ● Progressing variations to land transactions at Crown Street to facilitate submission of next phase planning applications including school and public realm. ● Facilitating funding discussions for Phase 1 Mayfield with GMCA (Evergreen). Hoping to progress by late July.
Affordable Housing	<p>Risk to developer and investor confidence.</p> <ul style="list-style-type: none"> ● Working with RP's and other developers to understand current impact and forward plans. ● Assessing sources and levels of 	<ul style="list-style-type: none"> ● Managing existing onsite, pipeline and planned development with RP's. ● Silk Street tenders returned <ul style="list-style-type: none"> ○ Evaluation scheduled for 19/06/2020

	<p>investment, and any obstacles</p> <ul style="list-style-type: none"> ● Investigating grant funding, financial and other support needed to enable early start of key projects ● Understanding supply chain issues and identifying appropriate support measures. ● Developing guidance/share good practice for safe operation of sites ● Expediting design & planning phases of projects. ● Risk of registered providers slowing down or pausing programmes to consolidate finances/liquidity ● Ensure Zero Carbon and Fire safety provision are part of the programmes. ● Potential flooding of the PRS sector as the short term let market shrinks. 	<ul style="list-style-type: none"> ● Progressing the establishment of a Local delivery vehicle. Looking to start on site with key projects and novate across. <ul style="list-style-type: none"> ○ Approval at Exec 3 June. Detailed work programme now underway to accelerate progress. ○ £1.5m from Housing Investment Reserve required ○ External support being commissioned. ● Project 500 progressing. Will deliver 500-600 homes. <ul style="list-style-type: none"> ○ Sites being reviewed by RP group ○ Standard documentation being drafted by MCC legal and development to speed up disposal process ○ Legal are putting together an internal team to deal with the increase in title searches relating to both the LDV and P500 ● Entering into formal agreement with Homes England and signing an MOU to take a partnership approach to accelerated development. Complements similar arrangements with GMCA. (see development) <ul style="list-style-type: none"> ○ Action Plan in development following 3 workshops ○ Working towards a September Executive for formal approval to enter into formal agreement with HE ● Pre-planning consultation on the first phases of Collyhurst redevelopment being planned with local Members, which will deliver 270 homes (including 130 new Council properties). Planning application anticipated in summer, following consultation.
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<p>Transport and Infrastructure</p>	<p>Work with TfGM to agree a broad overall transport plan to support gradual opening up of the city with a focus on pedestrian movement and safe use of public transport linked to an agreed package of measures to support safe pedestrian access.</p>	<ul style="list-style-type: none"> ● Work has been commissioned to develop an overall plan to support development of short and medium term plans for reallocating space to pedestrians in the city centre linking it to key origin and destination points. ● Analysis of predicted public transport requirements- TfGM have undertaken a 'Future Travel' Survey" to gather the public's views on using public transport after lockdown. 14000 responses received and initial findings have been shared with members of this group and the Business Reopening Analysis group (including MCC reps). ● Data from 15/6 following opening of non-essential shops shows : <ul style="list-style-type: none"> ○ Metrolink use up 35% on previous week but 86% down on average day. ○ Bus use up 19% on previous week - 74% down on an average day. ○ Train use (Piccadilly Station Footfall) 20% increase on previous week but 84% down on typical day.

		<ul style="list-style-type: none"> ○ Highway Traffic - 8% increase on previous week but 30% down on a typical day. ● All journeys from mobile phone data were up across GM by 8% compared to the previous week. Nationally the figure was 9%. ● A submission was made on 5 th June to access funding from phase one of a fund for Emergency Active Travel Measures announced by the Government. The fund is aimed at supporting pedestrian and cycling measures that reduce demand on public transport. The submission was made by the Combined Authority and a response is expected imminently to the Greater Manchester bid.
	Analysis of businesses' plans for reopening, working with TfGM, CA, Chamber, Growth Company	<ul style="list-style-type: none"> ● Gathering business intelligence related to when and how businesses plan to reopen. Started a business survey of businesses planning to reopen to inform TfGM's transport planning and public space management. ● TfGM linked into Day Time Economy recovery group work especially re Social Distancing
	Identify and implement interventions that support social distancing and procure necessary equipment to facilitate this.	<ul style="list-style-type: none"> ● Deansgate temporary closure to motor vehicles implemented on 16th May. ● Thomas Street temporary closure was implemented on 31st May. ● Temporarily widening pavements in a number of locations across the city to support walking as social distancing measures and have already started on London Road and Princess Street learning lessons as we progress. Other schemes delivered: Cheetham Hill Road, Chorlton- Manchester Road- Claridge Road and

		<p>Warwick Road, Wilmslow Road in Rusholme, Withington Village (Wilmslow Road), Openshaw-Ashton Old Road.</p> <ul style="list-style-type: none"> • Tasked our CCTV monitoring staff to monitor how the public act on returning to work to support reacting to events and that is supported by the TfGM control room. • Decluttering pavements where we can using a new find and fix team to carry out audits, bearing in mind need to support businesses reopening who may need to use pavements (eg for tables and chairs) • Welcome Back Manchester campaign launched on 12 June, to provide confidence to encourage people back into the city centre and district centres.
	Continue with highway works that can be undertaken during lockdown	<ul style="list-style-type: none"> • Continuing with all our major projects that are on site and continuously monitoring government guidance about construction • Finding ways to accelerate all our programme of walking and cycling schemes aiming to have early starts on all our programmed projects • Maintaining our roads at business as usual levels by inspecting them and making repairs • Resurfacing and treating many more main roads than originally planned to take advantage of lower traffic levels • Working with TfGM to review bus stops and increase pedestrian phasing at signalised crossings.
Skills, Labour Market and Business Support	<p>Significant growth in the number of Manchester residents claiming Universal Credit. Evidence base for THINK work shows:</p> <ul style="list-style-type: none"> • 89% rise in claimant count in 	<ul style="list-style-type: none"> • Working with GMCA & Jobcentre Plus on planning the response for the newly unemployed including maximising GM Employ opportunities for Manchester residents;

	<p>Manchester during April & May - 33,825 additional claimants;</p> <ul style="list-style-type: none"> ● affects every LSOA in the City & all age ranges; ● particular impact on young people which has seen an increase of 98% (national fig 109%) & over 50s (73%); ● concentrations in areas with large Black, Asian and ethnic minority communities e.g. Longsight, Moss Side, Cheetham ● 32% of Manchester residents are either furloughed (62,200) or receiving self-employment support (15,900); ● Job losses compounded by significant drop in levels of vacancies; ● 800 16-18 year olds who would normally pursue apprenticeships or move into employment at risk; ● 74% national decline in apprenticeships ● circa 10,000 graduates who would normally stay in the City will struggle to get graduate level work. <p>Businesses in the City significantly affected by Covid-19 with access to markets & cash flow the most significant issues</p>	<ul style="list-style-type: none"> ● Working with GMCA to influence and take advantage of opportunities, e.g. Skills for Growth, and develop responses for different labour market sector ● Think Trinity developing recommendations on the most effective labour market interventions to tackle unemployment & working with Core Cities to align ● Transition work with post-16 organisations is going well and 66% of all Year 11s have a secure offer recorded on the system- will be higher in reality and 300 of the 450 young people identified as high risk of being NEET have an offer and will benefit from a programme of summer activities; ● The discretionary business grants scheme to support small & micro businesses received 1261 applications by 10 June closing date - now being processed.
<p>Funding</p>	<p>No specific known impacts on current external funding bids caused by C19 as</p>	<p>City Policy team to work with Economic workstream leads to establish agreed priorities for external funding bids through this Workstream inc. pipeline projects in</p>

	<p>yet. Known bids progressing through funding approval processes as expected.</p> <p>Team in City Policy developing a funding action plan based on C19 recovery and Corporate priorities</p>	<p>need of funding.</p> <p>New funding released by MHCLG for Reactivating High Streets from national ERDF (so subject to usual ERDF rules). MCC have been allocated £448,668 to support a range of eligible activities including:</p> <ol style="list-style-type: none">1. Support to develop an action plan for how the local authority may begin to safely reopen their local economies.2. Communications and public information activity to ensure that reopening of local economies can be managed successfully and safely3. Business-facing awareness raising activities to ensure that reopening of local economies can be managed successfully and safely.4. Temporary public realm changes to ensure that reopening of local economies can be managed successfully and safely. <p>Focus has been on reopening of non essential shops for 15th July. An updated list of eligible and non-eligible expenditure received from MHCLG. (e.g. ShowSec wardens are not eligible.)</p> <p>Once high street reopened looking to prioritise activities that can be funded, to support businesses, inc. looking at temporary changes to street infrastructure, parking, street closure. (Kate Macdonald and Clare Kenyon to lead on this, with Sue Parkinson).</p> <p>Note that some aspects of the Transport programme bid to GMCA could potentially be eligible for funding through this ERDF High Street fund.</p>
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		<p>MHCLG is launching a new Digital Innovation Fund for Covid-19. MCC via PPR Directorate has fed back city priority areas. (Likely to be projects up to £100k). Couple of small EC funds under investigation - minor funding levels around data and intelligence research - relevant for partners e.g. UofM</p> <p>Emergency Active Travel Fund announced with allocation to TfGM. Two tranches for GM totalling £15m over two phases - Phase 1 £3.17m (closes 5th June) and Phase 2 £12m (likely to close in August). First phase bid went in 5th July including 10 schemes in Manchester & around city centre (inc. Deansgate closure). Steve Robinson in Highways leading on this. The allocation per authority from TfGM has been split equally 10 ways, so we are expecting around £1.5 million in total. (see above for potential link to the ERDF High Streets Fund)</p> <p><u>Potential Smart Cities Opportunity</u> We have been asked to provide a briefing for JR on scope for a “smart city” recovery programme that can be pitched to DCMS. Dave Carter who has been leading on digital strategy has put together an early stage proposal looking to leverage existing digital assets across the city (e.g. coworking spaces, Tech hubs, university research, maker spaces, central library) to develop a proposal to support digital ecology, to increase digital inclusion, to pump-prime digital innovation, and improve digital connectivity. With a focus on using digital capacity in the city centre as a “hub” to support districts and local area needs. The programme would use existing staff seconded from different organisations, be led by MCC, and have a recovery focused work programme that could quickly</p>
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		<p>commission digital pilots, and support new ideas. Looking at a potential “ask” from Govt of £4-£6 million, with 15% on set up and programme management costs. Briefing paper going from Mark Duncan and Angela Harrington to the Chief Exec this week.</p> <p><u>Supporting Other Workstreams</u> Reached out to other workstreams to understand priorities and funding gaps</p> <p>Likely to be specific requests coming out of at-risk sectors highlighted in our sector workstream.</p> <p>Healthy Ageing Trailblazer - led by GMCA, Phase 1 bid was successful (£100k). Health Innovation Manchester coordinating phase 2 bid of c.£6m plus match. Adult services looking at MCC involvement. 7 projects are shortlisted and all should be funded if complete Phase 1 successfully.</p> <p>New fast track Electric Vehicle funding announced by Innovate UK Opens: 17 June. Closes; 29th July. Must start October 2020</p> <p>These are 6-month rapid delivery projects to develop on vehicle and charging technologies to help secure the future of zero emission vehicles industry in the UK. £10 million available (£50k to £100k per project).</p> <p>Potential for MCC project at Hammerstone Road / New Smithfield being investigated (inc. MMU and Cadent): https://apply-for-innovation-funding.service.gov.uk/competition/652/overview#summary</p>
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Strategy & Economic Narrative Review	C19 has necessitated a review of existing strategies to understand whether they are fit for purpose given the predicted exacerbation of existing inequalities. This will inform the Economic Recovery Plan & Our Manchester Strategy reset. Formal refreshes would not take place until 2021 when the Our Manchester Strategy has been reset and the full impact of C19 is known.	Economic Recovery Plan being drafted to submit to Government in July which builds on Our Manchester Industrial Strategy. The document will be informed by recent intelligence and external commissions and will set out the priorities and interventions which are required to support the economic recovery at the core of the conurbation. The document will also set out the benefits for Government and will be submitted directly, through the GMCA and via UK Core Cities. A list of catalytic and shovel read projects will be included as an appendix.
External Influencing & Lobbying	The Government's economic response to C19 has been fast moving and feeding in Manchester's priorities has required a coordinated approach.	Letter from Executive Member for Skills, Culture and Leisure sent to the Secretary of State for Digital, Culture, Media and Sport 12/06/20 to request support for Manchester's cultural sector. Manchester's 'shovel ready' projects included on Greater Manchester list being submitted to Government following letter from Secretary of State for Housing, Communities and Local Government. Chief Executive presented a summary of the work of Core Cities to the Local Economic Recovery Group. Economic Recovery Plan (see above) being prepared for submission to Government and GMCA in July ahead of the planned Budget.
Economic Intelligence	<ol style="list-style-type: none"> 1. Need to engage with Manchester Businesses and Key sectors to understand current status re Covid related impacts 2. Understanding of businesses in rented spaces and analysis to support the Business Rates Discretionary Grants 	<ol style="list-style-type: none"> 1. Ipsos Mori appointed to undertake business survey work- will look at cross sector economic impact and sector specific issues. 2. Working with Leeds Council and Data City to commission / create a dataset to support allocation work in Manchester 3. Tracking already in place, however specific refresh and analysis needed to support this 4. Update in progress, but more difficult and time consuming than normal due to macro

	<ul style="list-style-type: none"> 3. Need to understand status of development pipeline across the city 4. Need to update population modelling (MCCFM), reflecting both the impacts on and from the economy 5. Challenge re the scale of analytical capacity required to support this, other Covid-19 workstreams and Business as Usual activities 	<p>uncertainties</p> <ul style="list-style-type: none"> 5. Ongoing discussions to re-prioritise work areas and understand where the gaps may be. Risk we could run out of internal capacity.
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