



Executive

Date: Wednesday, 20 October 2021

Time: 2.00 pm

Venue: Council Chamber, Level 2, Town Hall Extension

This is a **combined agenda pack** for information only

Access to the Public Gallery

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Meetings of the Executive are 'webcast'. These meetings are filmed and broadcast live on the Internet. If you attend this meeting you should be aware that you might be filmed and included in that transmission.

Membership of the Executive

Councillors

Leese (Chair), Akbar, Bridges, Craig, Midgley, Rahman, Rawlins and White

Membership of the Consultative Panel

Councillors

Butt, Karney, M Sharif Mahamed, Ilyas and Taylor

The Consultative Panel has a standing invitation to attend meetings of the Executive. The Members of the Panel may speak at these meetings but cannot vote on the decisions taken at the meetings.

Agenda

- 1. Appeals**
To consider any appeals from the public against refusal to allow inspection of background documents and/or the inclusion of items in the confidential part of the agenda.
- 2. Interests**
To allow Members an opportunity to [a] declare any personal, prejudicial or disclosable pecuniary interests they might have in any items which appear on this agenda; and [b] record any items from which they are precluded from voting as a result of Council Tax/Council rent arrears; [c] the existence and nature of party whipping arrangements in respect of any item to be considered at this meeting. Members with a personal interest should declare that at the start of the item under consideration. If Members also have a prejudicial or disclosable pecuniary interest they must withdraw from the meeting during the consideration of the item.
- 3. Minutes**
To approve as a correct record the minutes of the meeting held on 15 September 2021. 5 - 18
- 4. COVID 19 Public Health & Economic Recovery updates** **All Wards**
Report of the Director of Public Health the Director of City Centre Growth and Infrastructure attached 19 - 42
- 5. Our Manchester - Progress Update** **All Wards**
Report of the Chief Executive attached 43 - 48
- 6. Capital Programme Update** **All Wards**
Report of the Deputy Chief Executive and City Treasurer attached 49 - 62
- 7. Large Scale Renewable Energy Generation Feasibility Summary Study** **All Wards**
Report of the Deputy Chief Executive and City Treasurer attached 63 - 154
- 8. Manchester Fort - Draft Development Framework** **Cheetham**
Report of the Director of City Centre Growth and Infrastructure attached 155 - 170
- 9. Youth and Play Commissioning Arrangements** **All Wards**
Report of the Strategic Director (Neighbourhoods) attached 171 - 238

Information about the Executive

The Executive is made up of 8 Councillors: the Leader and two Deputy Leaders of the Council and 5 Executive Members with responsibility for: Children's Services; Health and Care; Environment; Housing and Employment; and Neighbourhoods. The Leader of the Council chairs the meetings of the Executive

The Executive has full authority for implementing the Council's Budgetary and Policy Framework, and this means that most of its decisions do not need approval by Council, although they may still be subject to detailed review through the Council's overview and scrutiny procedures.

It is the Council's policy to consult people as fully as possible before making decisions that affect them. Members of the public do not have a right to speak at meetings but may do so if invited by the Chair.

The Council is concerned to ensure that its meetings are as open as possible and confidential business is kept to a strict minimum. When confidential items are involved these are considered at the end of the meeting at which point members of the public and the press are asked to leave.

Joanne Roney OBE
Chief Executive
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Further Information

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

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Executive

Minutes of the meeting held on Wednesday, 15 September 2021

Present: Councillor Leese (Chair)

Councillors: Akbar, Craig, Midgley, Rahman, Rawlins, White

Also present as Members of the Standing Consultative Panel:

Councillors: Butt, M Sharif Mahamed, Ilyas and Taylor

Apologies: Councillor Bridges and Karney

Exe/21/83 Minutes

Decision

The Executive approve as a correct record the minutes of the meeting on 28 July 2021.

Exe/21/84 COVID 19 Public Health & Economic Recovery updates

The Executive considered a report of the Director of Public Health and the Director of City Centre Growth and Infrastructure, which provided an update on the COVID-19 situation within the city and the progress that was being made with the city's economic recovery.

The Executive Member for Health and Care advised that infection rates within the city were now 289.7 per 100,000 population and Manchester was currently 9th amongst Greater Manchester's Local Authorities in terms of infection rates, with rates remaining stable over the last week and the infection rate amongst the over 60's was 191.4 per 100,000 which put Manchester 8th across Greater Manchester.

It was noted however, that the full impact of the return of children to schools and students to colleges and universities had yet to be felt and rates were expected to rise again throughout September and in order to mitigate against this the COVID-19 12 Point Plan for the City had been refreshed with the aim to help reduce pressure on the health and social care system in Manchester.

The Executive Member for Health and Care also reported that a vaccination programme for 12 to 15 year olds and booster vaccinations for those over 50 or anyone who had a health condition would commence as of next week and the vaccination offer was still in place for all residents.

In relation to the city's economic recovery, the Director of City Centre Growth and Infrastructure advised that there was continued pressures around recruitment, especially in the hostility and entertainment sectors. It was also reported that there would be additional pressures to the city's economy as the national furlough scheme came to an end at the end of September 2021.

It was reported that whilst the city's construction sector was buoyant, with a strong pipeline of development there was the possibility of a shortage of materials in the supply chain and although Office take up in the city centre was positive, the use of public transport was at approximately 70% of pre-COVID-19 levels.

The Director of City Centre Growth and Infrastructure concluded positively reporting that Manchester had been named the third best city in the world, coming behind San Francisco and Amsterdam by media brand Time Out, who surveyed 27,000 people, looking at nightlife, restaurants, and cultural highlights. Manchester's ability to come together through difficult times was applauded and reference to the Manchester International Festival (MIF), Grayson's Art Club and The Factory described the city as "creative" and the city was also commended for its "general great vibes".

Decision

The Executive note the update.

Exe/21/85 Our Manchester - Progress Update

The Executive considered a report of the Chief Executive which provided an update on key areas of progress against the Our Manchester Strategy – Forward to 2025 which reset Manchester's priorities for the next five years to ensure the Council could still achieve the city's ambition set out in the Our Manchester Strategy 2016 – 2025.

The Deputy Leader (Human Resources) provided an update on the work being undertaken to tackle homelessness advising that the Council had embarked on five key projects designed to shift the balance further from response to prevention, see fewer people in temporary accommodation and achieve better results for those who do end up there. He commented that over the past few years, the Council's Homelessness service had responded to exponentially growing need and, more recently, the challenges of the pandemic and these challenges were only likely to grow as the impact of an end to the eviction ban during the pandemic and the removal of the £20 uplift in Universal Credit came into effect.

The Executive Member for Environment provided an update on the progress being made on the Greater Manchester Electric Vehicle Charging Infrastructure strategy. The strategy, which complemented the region's 2040 Transport Strategy, set out a vision to make Greater Manchester an exemplar city region so that by 2030 residents, businesses and visitors would be able choose to travel by electric car or van with the confidence that they could conveniently re-charge their vehicles. This in turn would help improve air quality and support the wider goal of Manchester, and the wider region, becoming zero carbon by 2038 at the latest.

The Executive Member for Housing and Employment provided an update on the steps being taken to reduce the Council's carbon emissions. He advised around 300 council-owned homes in Newton Heath and Higher Blackley would receive £15m worth of sustainability improvements, benefitting from measures such as new heat pump systems, new radiators to replace existing gas heating systems, triple glazing, extra insulation and the installation of renewable, low energy lighting where needed in order to save 750 tonnes of carbon emissions a year. He also advised that since

2005, Northwards Housing had spent £80m on making Manchester City Council-owned homes more energy efficient, reducing carbon emissions from them by 48%.

The Executive Member for Health and Care provided an update on the Carers Manchester Contact Point helpline, which had been set up to provide support and advice to unpaid carers in the city. The Contact Point, set up in collaboration between Manchester Local Care Organisation adult social care commissioners and local voluntary and community sector organisations, had helped more than 1,000 different carers since it was set up in August 2020 – in the midst of the Covid-19 pandemic.

The Leader commented that it was important that the city had been recognised as the 3rd best city in the world by Time Out magazine with many of the themes of the Our Manchester Strategy coming together in the findings of a survey in which 27,000 residents and visitors participated. He added that the growth of a diverse economy with high levels of skill made Manchester an attractive proposition for companies to locate to and people to live and work.

Decision

The Executive note the update

Exe/21/86 Capital Programme Update

The Executive considered a report of the Deputy Chief Executive and City Treasurer, which informed Members of requests to increase the capital programme. The report also sought approval for those schemes that could be approved under authority delegated to the Executive and asked the Executive to recommend to Council proposals that required specific Council approval.

The proposals which required Council approval were those which were funded by the use of reserves above a cumulative total of £2million, where the use of borrowing was required or a virement exceeds £0.5m. These included the following proposed changes:-

- Children's Services – Manchester Creative Media Arts Academy Completion Works. A capital budget increase of £0.661m was requested, funded by borrowing for completion of the outstanding works; and
- Growth and Development – Manchester Equipment and Adaptations Partnership (MEAP) Relocation. A capital budget virement of £2.025m was requested, funded by the Asset Management Programme budget for the service to consolidate their operation from Poland Street, Tulketh Street and Fulmead, providing them with a fit for purpose operational property and the space for a Smart House which was pivotal to the Prevention and Early Intervention Agenda.

The report then went on to detail the proposals that did not require Council approval which were funded by the use of external resources, use of capital receipts, use of reserves below £2million, where the proposal could be funded from existing revenue

budgets or where the use of borrowing on a spend to save basis was required. These included:-

- Private Sector Housing – Rough Sleepers Accommodation Programme (RSAP) Property Acquisitions. A capital budget increase of £3m was requested, funded by £1.350m Government Grant and £1.650m Capital receipts to acquire 20 x 1bed flats to support 20 rough sleepers and people living in emergency accommodation to move-on to new homes;

The report highlighted that there had been increases to the programme totalling £0.320m as a result of delegated approvals since the previous report to the Executive on 28 July 2021 and if the recommendations in the report were approved, the General Fund capital budget would increase by £3.661m across financial years which would also result in an increase in the prudential indicator for Capital Expenditure in corresponding years.

Approval had also been given for a capital budget virement from the Parks Development Programme budget totalling £0.960m for the Parks In Partnership Scheme. This project would carry out improvement works to Manchester's parks and green spaces, across 32 wards, that raised standards and sustainability within parks, whilst widening participation, access and inclusivity

It was also reported that detailed designs for the Public Sector Decarbonisation Scheme (PSDS) funded works were currently being developed. Early indications were that the programme would come in underbudget although the final position would not be confirmed until designs were completed and cost plans were finalised in late September 2021. In anticipation of an underspend on the PSDS budget, the programme had been working on a pipeline of additional projects that could be delivered rather than returning funds unspent. The programme was requesting approval to commission up to £2m of additional energy efficiency works, to be funded by prudential borrowing from the approved Carbon Reduction Programme budget in the event PSDS underspend was not available or approved. This approval would be an early draw down against the previously budgeted £15m for energy efficiency works between 2022 and 2025.

Decisions

The Executive:-

- (1) Recommends that Council approve the following changes to Manchester City Council's capital programme:
 - Children's Services - Manchester Creative Media Arts Academy Completion Works. A capital budget increase of £0.661m is requested, funded by Borrowing.
 - Growth and Development - Manchester Equipment and Adaptations Partnership (MEAP) Relocation. A capital budget virement of £2.025m is requested, funded by the Asset Management Programme budget.
- (2) Approves the following changes to the City Council's capital programme:

- Private Sector Housing – Rough Sleepers Accommodation Programme (RSAP) Property Acquisitions. A capital budget increase of £3m is requested, funded by £1.350m Government Grant and £1.650m Capital receipts
- (3) Notes the update on Public Sector Decarbonisation Scheme additional works and approve the funding strategy.
 - (4) Notes the increases to the programme of £0.320m as a result of delegated approvals.
 - (5) Notes the virements in the programme of £0.960m as a result of virements from approved budgets.

Exe/21/87 Revenue Monitoring to the end of July 2021 (P4)

The Executive considered a report of the Deputy Chief Executive and City Treasurer, which outlined the projected outturn position for 2021/22, based on expenditure and income activity as at the end of July 2021 and future projections.

The report identified a forecasted underspend of £2.558m for 2021/22, based on activity to date and projected trends in income and expenditure, and included the financial implications of COVID-19, government funding confirmed to date and other changes.

However it was noted that the anticipated implications of COVID-19 would have a significant impact on the Council's finances for a number of years. With the likely scale of funding pressures and future resource reductions, it was important that the Council held a robust position on reserves and maintained the ability to deal with issues that arose during the financial year.

The Deputy Leader (Finance) commented that the Government's increase in employee National Insurance contributions and reliance on long term efficiencies and the social care precept to address the funding gap in Adult Social Care (ASC) was lacking in a long term vision and this Council would continue to push the Government for an adequate and fair long term vision and plan for ASC.

Decisions

The Executive:-

- (1) Notes the global revenue monitoring report and forecast outturn position which is showing a £2.558m underspend.
- (2) Approve budget virements to be reflected in the budget as outline in paragraph 2.7 of the report.
- (3) Approve additional COVID-19 grants to be reflected in the budget as outlined in paragraphs 2.9 to 2.19 of the report.
- (4) Approve the use of unbudgeted external grant funding (non COVID-19) as outlined in paragraph 2.12 of the report.
- (5) Approve the use of budgets to be allocated as outline in paragraph 2.13 of the report

Exe/21/88 The National Football Museum

The Executive considered a report of the Strategic Director (Neighbourhoods), which set out plans for a new lease and grant funding agreement for the National Football Museum, taking into account the Council's investment to date, the museum's impact and achievements over the last ten years, and plans for the next funding period.

The National Football Museum was England's only national museum for football and at the heart of its practice held a nationally accredited collection which was the largest of its kind in the world and over the last 10 years had played an important role in establishing Manchester as an international sporting city.

The head lease between Manchester City Council and the Millennium Quarter Trust, was established in 2002 to oversee the area of the city centre comprising Cathedral Gardens, Exchange Square, the Cathedral Visitor Centre and Urbis. The Millennium Quarter Trust sublet the Urbis building to the National Football Museum. The current sublease was for a 10 year term, coterminous with the existing grant agreement and is due to expire on 4 July 2022. In order to provide assurance to the museum during this unprecedented time of instability during the pandemic, a new Agreement for Lease would be signed in Autumn 2021 (on the same terms as the existing 10 year sublease) to enable the 25 year sublease to commence on 1 April 2022, in tandem with a new funding agreement, commencing from the same date for the National Football Museum.

The new grant funding agreement would be for a period of three years from 1 April 2022. The agreement set out an annual tapering of the current £1.45million allocation and would enable the museum to have time to progress the work outlined in the report, and to make a substantial impact in terms of delivery of the Strategic Plan and Transformation Project - including investment in exhibition spaces, audience development, carbon reduction, digital strategy and fundraising and income diversification.

Decisions

The Executive:-

- (1) Approve the granting of a new Sub Lease between the Millennium Quarter Trust and the National Football Museum for a period of 25 years from 1 April 2022, which will be granted out of the lease dated 5 July 2012 between Manchester City Council and the Millennium Quarter Trust for a term of 85 years from 27 June 2002 ("the Head Lease").
- (2) Approve a three year grant funding agreement with the National Football Museum from 1 April 2022 with revenue support of £1.4million in 2022/23, £1.35million in 2023/24 and £1.25million in 2024/25.
- (3) Delegates responsibility to the Strategic Director (Neighbourhoods), Deputy Chief Executive and City Treasurer and the City Solicitor in consultation with the two Deputy Leaders to negotiate and finalise the terms of the arrangements.
- (4) Authorises the City Solicitor to complete all documents and enter into all agreements necessary to give effect to the recommendations.

Exe/21/89 Manchester's Digital Strategy

The Executive considered a report of the Director of Inclusive Economy, which sought approval for the adoption of the Manchester Digital Strategy, which set out how the Council would use digital and technology to meet the priorities of the Our Manchester Strategy and achieve its ambition of being in the top flight of world class cities by 2025.

An extensive consultation process took place from September 2020 to March 2021 with business, public and VCSE sectors and community organisations and networks. The consultation and development process led to the strategy being divided into four themes.

- Smart people – everyone able to gain and sustain the skills, aspirations, and confidence to fully participate in the digital world ;
- Digital places – providing access, connectivity and support for all residents and businesses and digitally enabling enhanced health and wellbeing;
- Future prosperity – to attract new digital businesses & sectors and support a resilient and inclusive economy; and
- Sustainable resilience – meet zero carbon and climate resilience goals and to create open inclusive connectivity with enhanced digital infrastructure as a utility not just a commodity.

These themes were intended to align with the city's existing priorities, particularly the Our Manchester Strategy and the Local Industrial Strategy and it was anticipated that these themes would keep Manchester at the forefront of technological change in a way that was sustainable and accessible to everyone.

It was reported that the delivery of the Strategy would be overseen by a Digital Strategy Governance Board, comprising of relevant Council Officers alongside representatives from external partner organisations and networks and the final strategy document would undergo design work to make it more readable and presentable to a wider audience following agreement on its content and adoption.

The Leader commented that whilst the city was recognised for its ability to draw direct investment into the city through its digital sector, the Strategy would also need to ensure it addressed the growth in unemployment in the city's older population in order to maintain the level of investment it received.

Decision

The Executive agrees to adopt the Manchester Digital Strategy as part the City's policy framework.

Exe/21/90 Manchester's support for families living in poverty

The Executive considered a report of the Director of Inclusive Economy, which highlighted the breadth of work undertaken by the Council and our partners to tackle the issue of poverty including progress made to date and the importance of maintaining a focus on tackling poverty for the future.

Poverty in Manchester was a huge challenge and continued to have a significant impact on the life and outcomes of too many of the city's residents. In the 2019 Index of Multiple Deprivation (IMD), Manchester was ranked as the 6th most deprived local authority in the country. This was reflected in the number of children living in poverty. At the end of March 2020, the End Child Poverty Coalition estimated that around 46,700 children (42%) in Manchester were living in poverty. The scale of the challenge had been further exacerbated by the COVID-19 pandemic which caused a 90% rise in claimant unemployment (unemployed people claiming benefits) between March and May 2019. This rise was reflected in the demand for food support, with the Council's food response team delivering food parcels to an average of 250 households a week.

Since the launch of the Family Poverty Strategy in 2017, good progress had been made, and the report highlighted a wide range of examples of current activity and best practice across various service areas.

Poverty remained a difficult challenge for Manchester and affects the life-chances and outcomes of too many of our residents. The Our Manchester Strategy recognised through the fair and equitable city theme the need to work hard to make sure that Manchester residents, particularly those most vulnerable were connected to those opportunities as the best way of building wealth and reducing poverty.

The Executive Member for Health and Care stressed the Council's commitment to addressing poverty within the city. It was noted that the Council had always responded to the challenge using direct and targeted programmes of work. It had redoubled its efforts in response to the impact of the COVID-19 pandemic, which came at a cost of £56m for 2020/21 and was forecast to cost £144m over 2021/22. As well as specific interventions, the Council had supported people experiencing poverty through our wider range of core services.

To mitigate against and reduce poverty in the city, the Council would need to continue to provide residents with a wide ranging and extensive support offer, not just in tackling the causes and symptoms of poverty, but also in making sure that families could participate in cultural and leisure activities that improved quality of life.

The Assistant Executive Member for Antipoverty advised that in 2022, the Council had the opportunity to refresh the current Family Poverty Strategy 2017-22 to ensure it was fit for purpose, had the greatest possible impact and targeted a broader cohort of residents. He advised that he would be leading on the process to refresh the strategy would begin in early 2022, and like the original strategy would place significant emphasis on listening to and learning from the lived experience of residents experiencing poverty

The Deputy Leader (Finance) referenced the Council's overall commitment to tackling poverty in becoming a Living Wage Foundation accredited employer and in partnership with the Executive Member for Health and Care and the Assistant Executive Member for Antipoverty, had recently launched Manchester's bid to become and accredited Living Wage City. The Deputy Leader (Finance) also advised that she would be writing to Government setting out the case of 80,000

residents who stood to lose over £1000 per year with the loss of the additional £20 in Universal Credit.

Decisions

The Executive:-

- (1) Note the progress that has been made in delivering the Family Poverty Strategy 2017-22.
- (2) Note the Council's commitment to tackling poverty and its overall offer to residents.
- (2) Note the recommendations of the Poverty Truth Commission Report as outline in Appendix 3 to the report
- (4) Endorse the suggested approach to the refresh of the Family Poverty Strategy to address poverty more broadly and support all residents experiencing poverty including those with and without children.

Exe/21/91 Development Strategy for the Back of Ancoats - Progress Update Report

The Executive considered a report of the Director of City Centre Growth and Infrastructure, which provided an update on the activities to bring forward investment and development in the next phases of sustainable growth in the Ancoats area since the preparation of a Neighbourhood Development Framework (NDF) in July 2020.

The Executive Member for Housing and Employment reported that the next phase of investment and development would create a forward looking, low carbon neighbourhood for aspirational young people and families along with balanced approaches to providing a mix of tenure. A sequenced programme of development would help to meet the comprehensive needs of a changing resident and working population in east Manchester, adjacent to the regional centre with all of its employment and cultural attractions.

A range of development proposals linked to the Ancoats Mobility Hub (AMH) and a wider public realm strategy were all being progressed, details of which were provided in the report.

Other sites in a mix of ownerships were also being prepared for future development and Planning consent had already been gained for key components of the plan, but further land assembly would be necessary to achieve the required comprehensive approach.

It was also reported that the public realm strategy integrated with further land assembly would be required and co-ordination of transport and movement interventions would deliver the next high quality, sustainable phase of neighbourhood development in Ancoats.

The Leader commented that what had been achieved in the redevelopment of Ancoats, especially in the last five years, had been the most amazing transformation

of a neighbourhood that had been seen in the city and there was now a real opportunity to build on the redevelopment that had taken place to date

Decisions

The Executive:-

- (1) Note the progress being made to bring forward sustainable development at the Back of Ancoats.
- (2) Note the progress made to gain planning permission and complete site assembly to support the realisation of the Ancoats Mobility Hub (AMH) and that a further report will be brought to the Executive in due course that sets out proposals for the delivery and operation of the AMH.
- (3) Note progress towards the preparation of a public realm strategy integrated with the next phases of development and that the draft strategy will be brought back to the Executive in 2021 prior to undertaking stakeholder consultation.
- (4) Note that £4.7 million is being sought from the Brownfield Land Fund administered by the Greater Manchester Combined Authority to undertake public realm works in the Back of Ancoats.
- (5) Agree to delegate approval of the funding agreement to the Deputy Chief Executive and City Treasurer.
- (6) Endorse the on-going collaboration with landowners to support delivery of the sustainable place making vision of the Back of Ancoats.
- (7) Note that a number of remaining land and property acquisitions are still required to achieve the overall vision of the NDF.
- (8) Note that if the Council is unable to secure the voluntary acquisition of outstanding land interests required for the delivery of the overall development programme a future report will be brought to Executive to seek authority to make a Compulsory Purchase Order.

Exe/21/92 Climate Change Action Plan Annual Report 2020-21 and Work Programme 2021-22

The Executive considered a report of the Deputy Chief Executive and City Treasurer, which provides an update on the progress that has been made in delivering the Climate Change Action Plan (CCAP) during the first year (CCAP Annual Report 2020-21) and the work programme for the second year of the Action Plan (CCAP Work Programme 2021-22).

Overall, the Council's direct emissions had reduced by 21% (-6,783 tonnes CO₂) compared to 2019/20 and against an annual target to reduce emissions by 13%. The Work Programme for 2021/22, outlined the key CCAP actions, or critical milestones, which were to be delivered during this period categorised under the five work streams:-

- Buildings and Energy;
- Transport and Travel;
- Reducing Consumption Based Emissions;
- Climate Adaptation; and
- Catalysing Change.

The work programme took account of a small number of actions that were delayed last year due to the COVID-19 pandemic and incorporated milestones for new projects, such as the Public Sector Decarbonisation Scheme, the Social Housing Decarbonisation Fund and the 'In Our Nature' communities programme, none of which had featured in the original CCAP 2020-25.

It was also reported that there was wider activity underway across the council that was not reflected within this plan including the Manchester Economic Recovery and Investment Plan and the Green & Blue Infrastructure Strategy

The Executive Member for Environment highlighted the importance of the Catalysing change workstream and the Council's role in influencing, which could not be done in isolation and it was acknowledged that Manchester Climate Change Agency (MCCA) was key to realising this and achieving the targets that had been set.

The Leader sought clarity on the concerns that had been raised at the Environment and Climate Change Scrutiny Committee in relation to the capacity and ability of the MCCA to lead and deliver on such an important issue for the city. The Executive Member for Environment advised that the Manchester Climate Change Partnership (MCCP) and MCCA enabled the Council to be affective and contribute to "Catalysing Change" workstream. She reminded members that the Council was only responsible for a minor part of the city's emissions and it would not be possible for the Council to have the impact and deliver what was required in addressing climate change for the city if it was to try to do so on its own.

Decision

The Executive note the progress that has been made in delivering the Action Plan during the first year (CCAP Annual Report 2020-21) and the work programme for the second year of the Action Plan (CCAP Work Programme 2021-22).

Exe/21/93 Closure of Wythenshawe Indoor Market

The Executive considered a report of the Strategic Director (Neighbourhoods), which informed Members of the intended closure of Wythenshawe Indoor Market.

The Executive member for Neighbourhoods explained that as part of the budget proposals for 2021/22, the closure of the indoor market in Wythenshawe had been proposed as it required an ongoing subsidy of c.£110k per annum to continue to operate. It had been agreed to continue to operate the market for a period of six months to provide the opportunity to attract more traders and evidence that the market could be made financially sustainable.

It was reported that there had been no improvement in the sustainability of the indoor market since April 2021 and a number of traders had already vacated into alternative premises. There were currently only four traders remaining on the market, one of which had indicated that they would be retiring when the market closed and alternative trading opportunities for the three remaining traders on the other retail markets had been made available.

It was therefore confirmed that the closure would go ahead by the end of September 2021, in line with the agreed budget savings.

It was also reported that the lease for the current indoor market was being considered by the Strategic Development team in the context of the potential redevelopment of the district centre. Discussions would take place with the landlord around the current obligations within the lease and any amendments or surrender that may be required. Work was also being commissioned from a specialist provider to create recommendations for a potential new food and drink offer in Wythenshawe that would meet the needs of the residents and the local economy; and deliver enhanced social impact. This work would include consultations with local residents, community groups, businesses and other stakeholders.

Decision

The Executive note the closure of Wythenshawe indoor market at the end of September 2021

Exe/21/94 This City: Manchester's Housing Delivery Vehicle

The Executive considered a report of the Deputy Chief Executive and City Treasurer, which provided an update on progress to date, outlining the intention to deliver the first two Council housing schemes through the wholly owned Council Housing Delivery Vehicle (HDV) which was to be called This City.

The creation of a HDV aimed to boost housing supply within the city and offering a range of tenures across a number of different housing markets to support the achievement of the Council's residential growth targets and provide homes that were truly accessible to Manchester residents

A £1.5m development budget had been allocated in order to progress activity in relation to the establishment of This City. To date, there were commitments of £1.2m, including a 10% contingency, with c£500k of the budget committed towards design fees for the first two schemes, with the remaining budget allocated to cover a range of surveys, investigations and professional advice to ensure that the approach to This City was well informed and officers had relevant advice in order to develop the company within the appropriate legal and legislative parameters.

The Executive Member for Housing and Employment advised that as part of the first phase of development, it was intended to deliver 204 new homes across the Ancoats and Beswick and Piccadilly Wards, with at least 54 of these new homes being let at an accessible rent, which would be set at or below Local Housing Allowance levels.

The Executive Member for Housing and Employment advised that in order to maintain momentum with the design work on these schemes, the Executive was requested to approve funding of £0.347m to cover design team fees until the end of December 2021, when there would be critical checkpoint dates on both schemes in order for the Executive to agree next steps for development and delivery.

For phase 2 and beyond, it was intended that This City would seek an investment partner to work with to drive forward new developments, rather than fund through further PWLB debt. Any new schemes which would be delivered in partnership with an investor would still seek to follow the core principles of This City, namely the development of new, high quality, sustainable homes which would be accessible to the people of Manchester.

Decisions

The Executive:-

- (1) Note the progress made to date with the creation of This City Housing Delivery Vehicle.
- (2) Note that a further report will be presented to the Executive outlining a detailed business case and financial proposal for the delivery of the first two schemes under This City.
- (3) Approve an increase to the capital budget of £0.347m to cover design team fees for the continued development of proposals for the first phase of delivery, to be funded from borrowing, noting that it is expected that this will be recoverable from This City once it is established.

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**Manchester City Council
Report for Information**

Report to: Executive – 20 October 2021

Subject: COVID Progress updates - Population Health and Economic Recovery

Report of: The Director of Public Health the Director of City Centre Growth and Infrastructure

Summary

This note provides the Executive with a brief update on the COVID-19 situation and an update on the Economic Recovery situation

Recommendation

It is recommended that the Executive 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 had been a positive short-term impact on the city's carbon emissions, as a result of reduced travel during the road map period. 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.

Our Manchester Strategy outcomes	Summary of how this report aligns to the Our Manchester Strategy
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 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	

Contact Officers:

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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.

1.0 Introduction

- 1.1 Over the early part of October Manchester has seen a gradual increase in case rates, however, this increase is below the national average and Manchester is ranked in the bottom quartile of local authorities nationally and in Greater Manchester;

7-days ending	Daily number of cases	7 day total number of cases	Rate per 100,000 population	7-day rate of change (%)
04/10/2021	258	1,306	235.0	10.6%
05/10/2021	232	1,327	238.8	9.0%
06/10/2021	218	1,365	245.6	11.9%
07/10/2021	242	1,419	255.3	14.7%
08/10/2021	192	1,456	262.0	20.1%
09/10/2021	196	1,518	273.1	22.8%
10/10/2021	204	1,542	277.5	19.8%
11/10/2021	292	1,576	283.6	20.7%
12/10/2021	246	1,590	286.1	19.8%
*13/10/2021 *provisional	31	1,403	252.5	2.8%

- 1.2 The impact of the return of children to schools as expected is the main driver for the increase in rates as set out below. However, at this stage the picture for universities and colleges is much more stable:

Number of confirmed cases of COVID-19 and rate per 100,000 population in Manchester, by age group: 7-days up to 9 October 2021

	Number of cases	Rate per 100,000	Abs. change	7-day rate of change*
Pre-school (0-4 years)	48	132.8	17	54.8%
Primary school (5-10 years)	191	433.9	51	36.4%
Secondary school (11-16 years)	325	857.0	40	14.0%
Older teenagers (17-18 years)	27	219.1	-20	-42.6%
Younger working age (19-24 yrs)	77	97.3	0	0.0%
Working age (25-59 years)	700	254.9	145	26.1%
Younger older people (60-79 yrs)	126	215.4	41	48.2%
Older people (80+ years)	24	183.4	8	50.0%
Total (All ages)	1,518	273.1	282	22.8%

- 1.3 The refreshed COVID-19 12 Point Plan for the City was received by the Executive in September. It will be refreshed again at the end of this month to incorporate more detailed winter plans, particularly in relation to the vaccination programme (booster for priority cohorts and single dose for 11–15-year-olds).

2.0 Recommendations

- 2.1 It is recommended that the Executive note the report

Economic Recovery Workstream- Sitrep Summary

As at 30/09/2021 for meeting on 01/10/2021. Updated fortnightly. Latest updates shown in yellow.

Issue/theme/activity area	Impact/ challenges experienced	Key planning and response activity being undertaken
<p>General Overview</p>	<p>Rising wholesale prices affecting industries: the cost of wholesale electricity has risen enough to cause a pause in production for a range of products at certain times in the day in the UK. The production of steel has been hit, fertiliser production (which uses massive amounts of energy) has shut down which has meant that carbon dioxide, which is produced as by-product of fertilisation production, and used in food production is resulting in food supply issues.</p> <p>IFS report on job opportunities: the Institute for Fiscal studies released a report on the demand and supply of the labour market in summer 2021. The report found that layoffs and furloughing during the pandemic were heavily concentrated in close-contact service roles and that new opportunities were below 30% of their usual level for three-quarters of people. For the majority (64%) of unemployed workers, competition for relevant new job openings is at least 10% greater than pre-pandemic.</p> <p>First ever civic university agreement for Greater Manchester signed</p> <p>The five higher education institutions of Greater Manchester have launched a flagship agreement to work together to drive social and economic change in the city region.</p> <p>The Greater Manchester Civic University Agreement was signed by the vice-chancellors of</p>	<p>Powering Recovery: Manchester's Recovery and Investment Plan' launched in Nov. Four investment priorities around: innovation; city centre and urban realm; residential retrofit programme; and North Manchester regeneration. Seeking govt funding for over 50 projects of £798.8 m. The plan can be accessed here.</p> <p>United City business-led campaign launched 22/11 and supported by MCC.</p> <p>Business Sounding Board and Real Estate subgroup continue to meet regularly to share intel across sectors and to help support MCC lobbying.</p> <p>Weekly MCC newsletter issued to over 9,000 businesses with updates.</p> <p>Comms update</p> <p>Link to the film: Manchester is back. Stronger than ever. - YouTube</p> <p>The film performed most well on Twitter with over 100k impressions, 13k view of the video and over 300 likes. Our Twitter followers tend to include partners and well as residents and businesses. It also did well on LinkedIn with 7k views and 367 likes.</p> <p>The Welcome Back campaign moved into the next phase of lockdown messaging from the 17th May with emphasis on culture venues opening back up. We produced another film with the</p>

	<p>the University of Bolton, The University of Manchester, Manchester Metropolitan University and the University of Salford, the principal of the Royal Northern College of Music and Greater Manchester Mayor Andy Burnham, alongside the 10 local authority leaders of the city region. Pledges have been made for collective action on six priority areas of education and skills; reducing inequalities; jobs and growth; the digital economy; net zero; and the creative and cultural economy.</p> <p>Priority areas of action in the civic university agreement include Innovation GM – the £7bn innovation blueprint for the city region, pressing on with action to reach net zero by 2038 and supporting the growth of the digital economy through initiatives such as the AI Foundry and the Cyber Foundry. The pledge also builds on a recent commitment to collaboration with further education colleges in Greater Manchester and will seek to build partnerships with wider stakeholders across the public and private sector.</p> <p>Boost for live events industry at PROGRESS21 event at Manchester Central on 23rd September</p> <p>PROGRESS21, designed and produced by The Growth Company, featured a wide-ranging programme of presentations, workshops and support in a bid to progress skills, careers and business opportunities across Greater Manchester and beyond. It was also one of the first major in-person conferences held in the North since lockdown restrictions eased. Early feedback is positive and estimated 2000+ in attendance.</p> <p>Latest Economic Survey Reports that Business Prospects are Stabilising across Greater Manchester</p> <p>Increased consumer spending after the lifting of all Covid-19 related restrictions in July has contributed</p>	<p>Contact Theatre on what opening up meant to them and how important it is to support our cultural venues. Manchester art & entertainment venues are opening 🎨 #WelcomeBackMCR - YouTube</p> <p>Alongside this, visitors to the city will see a raft of Welcome Back messaging from outdoor digital advertising, poster sites, shop windows and in taxis to name a few.</p> <p>The weekly Welcome Back ebulletin signposts to the events taking place, such as the flower show, along side key advice to ask that people continue to follow the advice and guidance so we can all return safely.</p> <p>Re-opening update</p> <p>c. 400 licences have been issued to the hospitality sector. Overall businesses have responded to all requirements positively, have engaged with authorities and are overwhelmingly compliant. However the impact does continue to be significant for them. The delayed lifting only delays their recovery and makes for continued higher operational costs. More widely than that because as a sector they are required to record customer contacts in a way that other sectors are not required to (retail/transport for example), they are harder hit when an individual tests positive – and isolations/temporary closures are required that are not mirrored in the retail sector.</p> <p>There has been a shift in employment within the sector as already reported, with many leaving it altogether and there is a real shortage of staff at the minute that is compounding all the aforementioned issues meaning some businesses also have to shut due to staff shortages.</p> <p>19th July- Several city centre nightclubs did a NYE's style countdown and one venue had a full capacity ticketed queue of 800. Most nightclubs operating a tickets only entry. Of the 650</p>
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to an increase in economic activity in the third quarter according to the findings of this quarter's Economic Survey (QES) conducted by Greater Manchester Chamber of Commerce. The QES based composite indicator for the city region, the Greater Manchester Index™, improved marginally with trade in services and manufacturing recording growth in the quarter. The survey of 483 businesses reveals that sales to both domestic and overseas customers increased in this quarter.

The Greater Manchester Index™ now stands at 31.9, an increase of 1.5 points from the previous quarter's results. Current sales and advance orders from domestic customers increased relative to Q2 2021. Inflationary pressures persist - a third of businesses expect to have to raise the price at which they sell their goods and services to meet higher input prices and operational costs (due to labour costs, transport and supply chain issues and cost of raw materials increasing).

Manchester venues set to boost economy by millions

Depot Mayfield, Manchester's 10,000 capacity venue for culture located at the former railway, has been host to Escape to Freight Island and other events bringing in thousands of visitors each month. The timetable of events at Depot Mayfield and the economic and social impact for this will be key in the recovery for the night-time industry.

In addition to each ticket holders spend on every event ticket and within the venue itself, it is calculated -using the metric from Deltic – that each person will bring in £35 revenue during their time in the city, injecting an estimated total of £10.5m into the local economy for Q4 of 2021. In addition Escape to Freight Island, with an estimated footfall

hospitality venues, almost all will be open by the coming week end (only 6% were not operating in some form). Many night time venues had reinvented themselves during the pandemic to allow trading to continue and are now reverting back or upgrading to previous operating patterns.

Prior to stage 4, additional opening and operating safely guidance has been issued to businesses and venues including for nightclubs and for weddings and funerals. Bulletins continue to encourage staff vaccination and regular use of Lateral Flow Tests with comms that protecting staff protects the business. The Licensing and Out of Hours Team is visiting all nightclub premises and engaging re risk assessments and now working until 04.30hrs; officers are also monitoring re noise levels (particularly with current ventilation advice) and waste from external operations. 'Pinging' is having impact on hospitality staff and on waste and cleansing staff availability.

14 September – temporary licences enabling use of outside space by hospitality will not be renewed in most cases over the winter. This will give the opportunity to look long term at use of space. Where licences are part of already approved schemes, these will continue. Comms going out this week.

24 September – Christmas markets will return to the city centre for 2021. Piccadilly Gardens will be the site for an expanded 'winter gardens' featuring market stalls, lighting, food and drink, seating areas and entertainment space.

figure of around 10,000 visitors per week there will be over £2.4m spent within the local economy.

Manchester Central launches 'Incubator' initiative to find the event of the future: A new incubator programme is set to launch in the coming weeks, offering businesses the opportunity to bring their next big idea to life with the backing of Manchester's iconic city centre events venue. The scheme will be open to all businesses across the UK, from start-ups to FTSE listed companies, giving them the opportunity to present groundbreaking large event concepts which envision what the 'event experience of the future' will look like. Experts from the venue and industry will review submissions, inviting shortlisted concepts to begin commercial conversations, with the most promising 'big idea' offered the chance to partner with the 10,000 capacity Manchester Central venue and gain the support, insight and expertise of the team to develop and grow the new event concept for future years.

Final tourism business barometer: Marketing Manchester released the final wave of their business barometer for September. The main findings are: business travel was still significantly impacted, but weekend leisure was at the same level or better than pre-pandemic; 13% of businesses were supported by CJRS (compared to 92% in May 2021); most businesses saw staff wages at all levels increase; 25% of respondents were at or above bookings compared to 2019, but 25% of businesses said that forward bookings were down 30-44% on 2019. The main concerns for the businesses were the threat of another lockdown and recruiting and retaining staff.

NHSA report on Northern Supercluster: a new Northern Health Science Alliance (NHSA) report concludes that a Northern Supercluster of life

sciences businesses across the North of England could contribute £16.52bn to the UK's economy and lead to the creation of a further 64,600 jobs by 2040. The [report asks that the](#) Government, UKRI, NHS and NP11 work together to support the cluster approach. It identifies advanced therapies, infectious diseases, diagnostic and MedTech and healthy ageing as some of the sectors that would benefit from the supercluster.

Consumer confidence dips: [GfK reports that consumer confidence has fallen](#) in the start of September, reversing gains that were made when restrictions started to ease in April. This was around concerns about rising prices for fuel and food, the growth in headline inflation, tax hikes, empty shelves, and the end of the furlough scheme.

Footfall

Footfall trends- City Centre (Springboard / CityCo)

Week 38 19th Sept – 25th Sept

	Week on week %	Year on year %	Pre Covid
St Ann's Sq	0.2%	38.8%	-30.5%
Exchange Sq	-3.0%	-42.1%	-63.1%
King Street	3.2%	3.7%	-41.3%
Market Street	-0.2%	37.6%	-20.5%
New Cathedral St	6.0%	37.6%	-15.0%

	<p>Footfall trends- District Centres (Springboard)</p> <p>Week 38 20th Sept – 26th Sept</p> <table border="1"> <thead> <tr> <th></th> <th>Week on week %</th> <th>Year on year %</th> </tr> </thead> <tbody> <tr> <td>Cheetham Hill</td> <td>5.4%</td> <td>12.2%</td> </tr> <tr> <td>Chorlton</td> <td>-1.2%</td> <td>-5.7%</td> </tr> <tr> <td>Fallowfield</td> <td>4.6%</td> <td>-41.7%</td> </tr> <tr> <td>Gorton</td> <td>-7.7%</td> <td>-15.7%</td> </tr> <tr> <td>Harpurhey</td> <td>-3.2%</td> <td>1.3%</td> </tr> <tr> <td>Levenshulme</td> <td>-2.6%</td> <td>5.9%</td> </tr> <tr> <td>Northenden</td> <td>-1.7%</td> <td>-4.8%</td> </tr> <tr> <td>Rushholme</td> <td>4.8%</td> <td>18.5%</td> </tr> <tr> <td>Victoria Avenue</td> <td>-1.4%</td> <td>0.6%</td> </tr> <tr> <td>Withington</td> <td>21.7%</td> <td>-10.4%</td> </tr> </tbody> </table>		Week on week %	Year on year %	Cheetham Hill	5.4%	12.2%	Chorlton	-1.2%	-5.7%	Fallowfield	4.6%	-41.7%	Gorton	-7.7%	-15.7%	Harpurhey	-3.2%	1.3%	Levenshulme	-2.6%	5.9%	Northenden	-1.7%	-4.8%	Rushholme	4.8%	18.5%	Victoria Avenue	-1.4%	0.6%	Withington	21.7%	-10.4%	
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<p>Higher Education Institutions</p>	<p>MMU - Teaching on campus commenced, testing and vacs taking place on campus.</p> <p>RNCM - 90% students back, 10% still online due to Covid.</p> <p>UoM - have 2k more students in the first year intake than in previous years, but had anticipated and planned for this. MECD and the Royce Institute opened this Sept.</p>																																		
<p>Aviation</p>	<p>From 4am Monday 4 October 2021, the rules for international travel to England will change from the red, amber, green traffic light system to a single red list of countries and simplified travel measures for arrivals from the rest of the world. The rules for</p>	<p>Statement from MAG CEO</p> <p>'The simplification of the UK's international travel system, including doing away with pre-departure tests and switching to</p>																																	

travel from countries and territories not on the red list will depend on your vaccination status.

If you are **fully vaccinated** you will have to:

- book and pay for a day 2 COVID-19 test – to be taken after arrival in England
- complete your passenger locator form – any time in the 48 hours before you arrive in England
- take a COVID-19 test on or before day 2 after you arrive in England

Under the new rules, you will not need to:

- take a pre-departure test
- take a day 8 COVID-19 test
- quarantine at home or in the place you are staying for 10 days after you arrive in England

If you **are not fully vaccinated** from 4am Monday 4 October, you must:

- take a pre-departure COVID-19 test – to be taken in the 3 days before you travel to England
- book and pay for day 2 and day 8 COVID-19 tests – to be taken after arrival in England
- complete your passenger locator form – any time in the 48 hours before you arrive in England

After you arrive in England you must:

- quarantine at home or in the place you are staying for 10 days
- take a COVID-19 test on or before day 2 and on or after day 8

lateral flow on arrival, will make it easier and cheaper for people to travel abroad.

For too long, the recovery of UK aviation has lagged behind the rest of Europe. The changes announced today will help to close that gap by encouraging more people to book foreign travel.

But for as long as vaccinated travellers have to pay for tests, the recovery of one of the UK's major industries will be held back.

Government must now find a way to give people back the freedom to travel without the barrier of testing.'

- Charlie Cornish, CEO, MAG

	<ul style="list-style-type: none"> You may be able to end quarantine early if you pay for a private COVID-19 test through the Test to Release scheme. 	
Culture	<p>Culture Recovery Fund CRF Round 3 announced 25/6 for the cultural, heritage and creative sectors. £218.5 million will be available through the Culture Recovery Fund:</p> <ul style="list-style-type: none"> <u>ACE Emergency Resource Support</u> programme (now live) Application deadline is 14 October & deadline to get permission to apply is 30 September. <u>Culture Recovery Fund Round 3 Resource Grants</u> - Historic England & National Lottery Heritage Fund are also delivering two further CRF funds (now live) a) Emergency Resource Support aims to provide emergency funding for organisations who are at imminent risk of failure (EOI by 30/9). b) the Continuity Support fund for those that have already received support from the CRF opened for applications 16/8 will close 29/10. Other CRF Funds now closed. <p>ACE Capital Investment Fund £20m grants pot for England.</p> <ul style="list-style-type: none"> Expressions of Interest by 26/10 Full applications can be submitted from 10/11 to 13/12. The grant range is between £100,000 to £750,000. 5% match is required for grants up to £250,000 and 10% for grants above that. 50% 	<p>Culture Re-openings</p> <p>Corridor of Light Oxford Road Corridor based partners are arranging a major light-based festival for 21-23/10</p> <p><i>"BRIGHT LIGHTS - Celebrating new ideas, innovation and creativity"</i></p> <p>Artworks on display include a new neon work atop Booth Street East Bridge, a projected poem travelling around different corridor sites, 'Stories under our Feet' projected text spilling out under benches around Central Library and an immersive sound and light installation at the Holy Name Church. Venues involved also include Circle Square, Manchester Central, RNCM, HOME, The Whitworth, Manchester Poetry Library and SODA. The programme is accompanied by talks & a wider hospitality offer across the area including at Hatch.</p> <p>Contact Contact reopened fully to the public on 20/9 following its refurbishment and extension. Works completed early in the pandemic and first national lockdown and the venue has been open for participatory activities and talent development as restrictions have allowed.</p> <p>Music</p>

	<p>of match must be cash. This capital scheme is the only one planned for 2021-24.</p> <p>Officers are working with potential applicants to review the scheme and support applications</p> <p>Staffing</p> <p>Cultural partners are consistently reporting difficulties in recruiting staff especially in the hospitality related roles.</p>	<p>Classical music season opened last weekend: Halle Orchestra and BBC Philharmonic at BWH, Psappha at Halle St Michael's and Manchester Collective at Halle St Peter's. Chet's/Stoller Hall held their Medieval weekend.</p> <p>HOME</p> <p>HOME's new theatre production War of the World opened last week 22 September (first HOME production since lockdown).</p> <p>Manchester Museum - building closed</p> <p>Construction of the new and South Asia Gallery and Exhibition Hall have completed, and the Museum is now closed until late 2022 to allow for completion of redevelopment works.</p>
<p>Development</p>	<ul style="list-style-type: none"> Continued development interest in the city for both commercial and residential scheme. All schemes are back on site, and construction levels increased since the beginning of the pandemic, although with some overall delays to programmes. Risks around supply chains/access to materials, with associated increases in costs. Access to finance for hotel and retail schemes likely to be more challenging. 	<ul style="list-style-type: none"> Brownfield Housing Fund - Officers continue to work with GMCA on grant agreements for the 2nd round and additional 10% schemes. Planning & Highways Committee 23 September: Refurbishment and conversion of Brunswick Mill to provide 277 apartments and townhouses were approved. Joint venture partners Greater Manchester Pension Fund (GMPF) and property developer HBD have secured detailed planning permission for Island, their 100,000 sq ft next generation office building in the heart of Manchester city centre. Occupying an entire city block site in the central business district on Bridge Street and St. James Square. Island will

	<ul style="list-style-type: none"> • <i>Economic Recovery & Investment Plan identifies key schemes which can drive recovery and create new jobs. Ongoing work to identify funding opportunities for schemes.</i> • <i>Long term impact on office demand being monitored on an ongoing basis, but positive indications from office agents and the Business Sounding Board.</i> • <i>Government increased housing target by 35% in UK's 20 largest cities, including Manchester, in December 2020. The implications of this are currently being assessed.</i> 	<p>comprise 10-storeys with a roof terrace and be HBD's first net zero carbon smart enabled building.</p> <ul style="list-style-type: none"> • St Michael's shift to offices: a further planning application for St Michael's has been submitted, which has changed the 29-bedroom boutique hotel to office space. The number of car parking spaces has decreased, and the amount of leisure space has also reduced. The rest of the project remains the same. • Swan Street: a 118 apartment, the Kamani Property Group and Capital & Centric backed scheme was approved last week. It will feature roof terraces, ground floor retail and workspace, as well as a 270 metre canvas on the side of the building for artwork.
<p>Affordable Housing</p>	<ul style="list-style-type: none"> • Risk to developer and investor confidence. • Working with RP's and other developers to understand current impact and forward plans. • Assessing sources and levels of investment, and any obstacles • 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 	<p>Current forecasts suggest 497 new affordable homes will be built across Manchester in 2021-22 – 30 of which have already completed. This includes 278 social rent, 104 affordable rent, 113 shared ownership and 2 rent to buy homes.</p> <p>In addition, there are currently over 1,000 new affordable homes currently under construction across the city and expected to complete over the next few years. This includes a number of large-scale developments including the Former Belle Vue Stadium Site (130 affordable homes) and Gorton Lane (109 affordable homes) and 2 city centre schemes delivering Affordable Private Rent at Swan Street (19 homes) and Addington Street (50 homes).</p> <p>Feedback from MHPP Growth is suggesting that problems with supply chains for products and materials are beginning to impact on delivery timescales and costs</p> <p>Updates on further key schemes:</p> <ul style="list-style-type: none"> • Planning has been approved for MCC's development of 69 social rent homes at Silk Street

	<ul style="list-style-type: none"> • 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"> • Alongside their purchase of the Former Boddingtons Brewery Site, Latimer - the development arm of Clarion – have acquired the final phase at Islington Wharf which will provide 54 shared ownership homes as part of a mixed tenure development • Mosscares St Vincents are set to acquire the Boundary Lodge student accommodation block in Hulme and redevelop it into a supported living scheme for up to 30 young people to add to their existing accommodation on Booth St West • Great Places secured planning consent for 68 new affordable homes at Downley Drive and 39 new affordable homes at Ancoats Dispensary at July Planning Committee. • Grey Mare Lane Estate – One Manchester have started construction on the first two phases of the Estate Regeneration programme (Blackrock Street & Windermere Close). The redevelopment is set to deliver c.290 new affordable homes (incl. 124 of re-provision) and the retrofit of 169 homes over the next 5 years. A Master Plan will be submitted to MCC Executive in the autumn of 2021.
<p>Transport and Infrastructure</p>	<p>GM Bus Service Improvement Plan</p> <p>Work is underway to finalise Greater Manchester’s Bus Service Improvement Plan (BSIP), which details how TfGM, councils, bus operators will work together, in conjunction with local communities, to deliver better services for all passengers.</p> <p>TfGM has led this work in consultation with local authorities. The final plan is due to be submitted to government by 31 October, in order to unlock funding outlined in their National Bus Strategy which was published earlier this year.</p>	<p>Summary of transport activity for week ending 24 September (GM-wide)</p> <ul style="list-style-type: none"> • There were an estimated 52.6m trips made in Greater Manchester last week, this is consistent with the previous week – with estimated trips exceeding typical pre-pandemic levels by around 2%. • Weekday trips reduced by approximately 1% compared to the previous week. While weekend trips increased by 3%, with large scale events driving demand and continuing the recent trend of leisure trips during the Friday to Sunday period leading the recovery of overall trip numbers.

GM Electric Vehicle Charging Strategy

On 24 September, the GMCA approve the Electric Vehicle Charging Infrastructure strategy, which sets out a vision for 2030 in which businesses and residents who choose to travel by car or LGVs, will be able to use electric vehicles with the confidence that they will be able to conveniently recharge them. The strategy was developed by TfGM in consultation with local authorities. Building on the GM strategy, MCC officers are continuing work to develop locally-specific plans and approaches to EV charging for Manchester, as well as continuing to bid into charging infrastructure funding bids being coordinated by TfGM to deliver chargepoints across the city.

- Trips on public transport increased by 6% overall, where again demand was higher over the weekend – with levels up 8% compared to a 5% increase in weekday trips.
- Cycling increased by 3%, with events in the regional centre and universities returning contributing to increased cycle activity. While highways trips increased by 1%.
- Estimated walking trips across GM reduced by 5% overall. This was largely due to a fall in weekday walking trips, which could be the result of more people returning to education and workplace settings potentially reducing the opportunity for multiple short trips in one day.

Transport activity by mode (GM-wide)

Bus (patronage): +4.4% on previous week; -10% on pre-Covid levels. The busiest day was Wednesday with 449,035 passengers.

Metrolink (patronage): -+8.6% on previous week; -32% on pre-Covid levels. The busiest day was Saturday with 87,590 passengers.

Rail (passenger footfall Piccadilly): +10% on previous week; -22% on pre-Covid levels. The busiest day was Saturday with 105,070 passengers.

Highway (private vehicle trips): +1% on previous week; +1% on pre-Covid levels. The busiest day was Friday with 5,435,606 trips.

Cycling (trips): -+3% on previous week; -12% on pre-Covid levels. The busiest day was Tuesday with 147,096 trips.

Walking (pedestrian trips): -5% on previous week; +14% on pre-Covid levels. The busiest day was Sunday with 1,814,630 pedestrian trips.

Skills, Labour Market and Business Support	Headlines include <ul style="list-style-type: none"> • In August 2021 there were 30,500 claimants of unemployment benefits in Manchester – down from 33,464 in July. • The number of furloughed residents has continued to drop sharply as COVID-19 restrictions on the economy have been lifted. 14,900 residents were furloughed in July (p), down from 18,200 in June. The majority of residents that remain furloughed are employed in accommodation & food services or wholesale & retail. There is no evidence, yet that formerly furloughed residents have moved onto UC, where the number of claimants has remained broadly stable at just under 80,000 since the start of the year. 	Newly Unemployed Support <ul style="list-style-type: none"> • Progress 21 – successfully took place on the 23 Sept with 1,000 live vacancies and around 2,000 registered attendees • Employer Suite set to re-open in Town Hall Extension from 4 October, this will support employer lead recruitment. • Insights from hospitality - Bar/Restaurant/Nightclub only <ul style="list-style-type: none"> ○ Staffing still an issue but calmed down slightly, students are joining workforce but inexperienced ○ 90% of venues still need staff ○ Skilled staff still needed – Chefs and Sous Chefs ○ Duty managers and experienced bar staff being recruited with assistant manager wages rising accordingly ○ Pay rates have gone up with some venues offering £12p/h, some venues offering to pay for taxi's home as an extra benefit ○ Security still an issue for some venues
	Offer for 16-19 year olds <p>All schools have now completed the verification of their lists of high and medium risk of NEET students. Out of a total cohort of 5,823 – 560 (9.6%) have been identified as high risk with more than one risk factors and 605 (10.4%) have been identified as medium risk with the majority having one risk factor.</p>	Offer for 16-19 year olds <p>Transition Mentors – employed in Five High Schools to work with their high-risk of NEET (RONI) students into the autumn term. This will be evaluated in the autumn term.</p>

	<p>September DfE submission was NEET 4.0% and Unknown is 3.6% which has increased slightly since the June Update which was at 3.1%</p> <p>September guarantee has increased to 79% from 67% at the same time this year – this means recorded on the CCIS system 79% of year 11’s has a guaranteed offer of a post 16 destination.</p>	
	<p>Youth unemployment</p> <p>Maximise the opportunities from and work with partners to roll out the Kickstart Scheme.</p> <p>Supporting youth employment programmes</p> <p>Developing a clear offer to support our graduates</p>	<p>MCC Kickstart opportunities – due to slow referrals, we are looking to hold an open day in the Employer Suite, mid-October to fill cohort 1 and 2 opportunities (10 roles).</p> <p>Work and Skills has been successful in helping to secure funding for MCFC and Reform Radio through the Prince’s Trust Sustainable Futures Programme. The projects will support NEET and other disadvantaged young people with training linked to employment.</p> <p>Our SME Grads offer with MMU continues to be promoted via networks and social media. We are now looking at additional promotional routes.</p>
	<p>Skills and employment support for adults</p> <p>Challenges -</p> <ul style="list-style-type: none"> • Roll out of phase 2 of the MCC Digital Device Scheme – reaching groups 	<p>Support all residents to access and effectively engage with the internet for both work and life. Bridging the cities digital divide through the DI Action Plan.</p> <ul style="list-style-type: none"> • 336 assessments for phase 2 device scheme • Following consultation, digital skills campaign “Let’s Get Digital” will launched October during get online week.

	<p>identified as most excluded via the Digital Exclusion Index.</p> <ul style="list-style-type: none"> • Ensure that the City's learning provision is responding to new challenges as well as existing challenges. • MAES Enrollment <ul style="list-style-type: none"> ○ At present MAES have 3,766 learners starting on courses over the next two weeks, an overall average of 11.1 learners per class. ○ This is 89% of the total in 2019 (last time September was unaffected by Covid) when there were 4,192 at a comparable point and there was an average of 13.2 per class. ○ The budget was overachieved in 2019/20. However, MAES will be continuing to promote and enroll to courses on an ongoing basis 	<ul style="list-style-type: none"> • Digital Exclusion Index – first draft of User guide complete and out for consultation. <p>Providers having access to up-to-date Labour Market intelligence to support them to design their skills offers to better align with the cities current and future needs.</p> <ul style="list-style-type: none"> • Reconvening Manchester Adult Education and Skills Plan Partnership – providers approved of action plan. Next session to allocate action to providers. <p>Take action that contributes to tackling inequalities - ensuring adult learners across curriculum are representative of our communities – with a particular focus on age (i.e. 50-64), race (i.e. Black and Asian), disability and gender.</p> <ul style="list-style-type: none"> • Population Health have highlighted a lack of support for black people linked to training and employment based on the disproportionate impacts from Covid – particularly for young black men in low paid low skilled work. Meeting to be convened with workstream leads to address.
	<p>Social Value and Local Benefit</p> <p>Challenge: Many residents are not connecting to opportunities created in the city – how can we use social value internally to maximise creation of employment/skills/training opportunities targeted at our residents and use our influence to do the same with organisations externally?</p>	<p>Separately, planning started this week on the MCC-CLES social value conference to be held Feb/Mar 2022. MCC officers and CLES will be working together over the coming weeks to develop the proposed programme and the prior work (including a survey of MCC's top spend suppliers on the social value they are creating).</p> <p>Following the Social Value Governance Board, officers are reviewing system approaches for monitoring and managing social</p>

	<p>Ensure that MCC’s approach to SV reflects current economic circumstances and <i>Think</i> recommendations.</p> <p>Coordinate employment and skills related social value “offers” from across MCC’s largest suppliers and capital projects into a pipeline of opportunities that can be promoted to residents and employment/skills/training organisations.</p>	<p>value, drawing on the experiences from different directorates across the council.</p> <p>Maximise Social Value opportunities arising from Victoria North and North Manchester General Hospital developments –</p> <ul style="list-style-type: none"> Options appraisal looking at establishing a construction skills hub produced by Think Trinity Ltd leading, was considered at Work and Skills Board and work will continue to be developed. CLES commissioned to review FEC development area business plans from a social value perspective provided with initial learning disseminated into the contractors and social value implementation approach.
	<p>Business Support, Sustainability & Growth</p> <p>Business Grants</p>	<p>Business Grants</p> <ul style="list-style-type: none"> A new business grant scheme for businesses with last remaining ARG grant expected to go live mid October to support businesses with ongoing fixed property and employee costs. Officers in place to reach out and survey some of those businesses who benefitted from a grant. <p>Small Business Saturday Tour</p> <p>The Small Business Saturday team are touring the UK with (24 stops across the UK) Manchester being one of the chosen locations:</p> <p>Date: 11 November 10-2pm</p> <p>Location: Wellington, Piccadilly</p>

	<p>Growth</p>	<p>An overview / communications brief will be available to share w/c 4th October. A joint communications plan is being drawn up with partners to support this key event for the city.</p> <p>Working closely with the Manchester Business support group and events team to plan, safely co ordinate and support this for the city. A small project team has been formed to support the event including W/S team, BGH, Growth Co the Cyber Resilience Centre and Environmental Health team to support on the day.</p> <p>Manchester Enterprise Group reconvened. This network includes all key partners providing Business start up support in the city. The group have agreed to meet again to develop a campaign and work jointly on shared priorities for the City.</p> <p>SME and District Centres Support</p> <ul style="list-style-type: none">• Planning the next SME business support webinar (date tbc).• The Manchester Business Support group has grown in membership to help support SMEs / District Centres / High Streets.
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	<p>Equalities/ Disadvantaged</p> <p>Ensure that disadvantaged and underrepresented groups are supported by activity included in Workstreams 1-6. This would include Black, Asian and Minority Ethnic groups, young people, over 50's, homeless, veterans, survivors of DV&A, ESA claimants, and those experiencing family poverty.</p> <p>Covid has worsened the situation for many already experiencing inequality – the challenge is to ensure support is targeted to reach the communities in most need.</p>	<p>'Uncertain Futures '– women over 50 and work art commission. W&S team leading on a series of 'Careers Talks/Events to coincide with the art commission from October 21 through to March 22. The first webinar on the 6th October will be covering the topic of Finding Work at 50.</p> <p>Support being given to Adult Social Care, Carers in Employment project. A working group is being established to support the promotion of the carers contact point website and make links with the business networks</p>
<p>Funding</p>	<p>No specific known impacts on current external funding bids caused by C19 as 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>Working with City Centre Growth to map funding opportunities through the 2020 Spending Review</p>	<p>Funding Announcements</p> <p>Public Sector Decarbonisation Fund Round 3 has been announced – MCC secured c.£19m from round 1 of the fund and delivery of that programme is our priority. Officers are looking at options to bid into Round 3. Deadline for bids is 3rd November 2021. The level of funding available will not be confirmed until the Spending Review on 27th October.</p> <p>Digital Connectivity Infrastructure Accelerator launched 9th September, closing date 18th November. DCMS will allocate up to £4 million of funding to pilots “which support the implementation of digital asset management solutions to open up public assets for the rollout of wireless communication networks.” This is to encourage 5G pilots in conjunction with industry. Details have been shared with the Digital Strategy Governance Group.</p> <p>Funding in Progress</p>

		<p>Levelling up Fund bids for Withington Village and Culture in the City were submitted ahead of the deadline on Friday 18th June. We have received an automatic confirmation of receipt. Withington Village bid has been asked to supply legal advice regarding Subsidy Control (was State Aid) by 24th September to progress application to next stage. This is in progress.</p> <p>Community Renewal Fund –applicants were expected to hear by end of July, extended then to 1st September but this has been delayed. No further update at present.</p> <p>On both Levelling Up Fund and Community Renewal Fund, Government have informed NW Local Govt Chief Executives that they are working hard on processing both funds as quickly as they can.</p> <p>Proptech Engagement Fund – MHCLG have announced a new fund to pilot new approaches to digital engagement around the planning process. 12 awards up to £100,000 each will be made with EOIs in by 31st August 2021. MCC have made a submission to support engagement around the Local Plan.</p> <p>Funding Approved</p> <p>Energy Savings Trust’s (EST) eCargo Bike Grant Fund, Local Authority Scheme 2021/2022. . Confirmation of funding received.</p>
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<p>External Lobbying</p>	<p>Parliament returns from summer recess on 6 September 2021 with an announcement on the date of the 2021 Spending Review expected soon after. There is currently uncertainty surrounding the 2021 Spending Review period in relation to a 1 or 3 year settlement for local government. Direct lobbying of Government is needed as well as working via Greater Manchester and networks such as Core Cities UK, Convention of the North and the LGA.</p>	<p>Manchester's submission to the 2021 Spending Review has now been submitted via the government portal. The documents have also been shared with key senior civil servants and ministers. Greater Manchester's 'levelling up deal' submission has also been submitted and is aligned to Manchester's.</p> <p>The Deputy Chief Executive and City Treasurer attended a Local Government Association climate change round table with Permanent Secretaries from DLUHC, BEIS, DfT, Defra, DfE and a senior official from HM Treasury on 27 September. This provided an opportunity to share Manchester's perspectives on the role local government can play in delivering this agenda and to highlight some of the projects within the Spending Review submission.</p> <p>The Convention of the North event will take place in Liverpool in January 2022 with a senior representative from government expected to attend. Metrodynamics have worked with Leaders and Mayors across the North plus NP11, Northern Powerhouse Partnership and other agencies to produce a paper which sets out a pitch to government. The paper focuses on 5 game changers and 10 high level propositions and is centred around the opportunities presented by delivering 'Net Zero' to make 'Levelling Up' an economic reality. The report will be launched on 14 October 2021 and the Convention are offering to work with the Levelling Up Taskforce on a detailed operational plan for the duration of Andy Haldane's secondment.</p>
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**Manchester City Council
Report for Information**

Report to: Executive – 20 October 2021

Subject: Our Manchester Progress Update

Report of: The Chief Executive

Summary

The report provides an update on key areas of progress against the Our Manchester Strategy – Forward to 2025 which resets Manchester’s priorities for the next five years to ensure we can still achieve the city’s ambition set out in the Our Manchester Strategy 2016 – 2025

Recommendations

The Executive is requested to note the update provided in the report.

Wards Affected - All

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

Our Manchester Strategy outcomes	Contribution to the strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The work to reset the Our Manchester Strategy considered all five of the Strategy’s existing themes to ensure the city achieves its aims. The themes are retained within the final reset Strategy, Forward to 2025.
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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Full details are in the body of the report, along with any implications for

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

None

Financial Consequences – Capital

None

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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.

Executive Report – 17th February 2021 - Our Manchester Strategy – Forward to 2025

1.0 Introduction

- 1.1 This is the fourth in an ongoing series of reports highlighting examples of areas where strong progress is being made against key strategic themes identified in the Our Manchester Strategy.

2.0 Emergency Business Support Grant

- 2.1 The Council has launched an Emergency Business Support Grant to help support Manchester's economic recovery and safeguard jobs in the city.
- 2.2 The £1.3m fund, which will use the remainder of the Additional Restrictions Grant (ARG) given by Government to support businesses impacted during the Covid-19 pandemic, will award grants of up to £25k.
- 2.3 Viable Manchester-based businesses with more than five employees on the payroll, which offer good quality and otherwise secure jobs, will be eligible to apply providing they can demonstrate that they have been affected by the pandemic and that their cashflow issues are at a level where the grant will make a tangible difference to their prospects for ongoing success.
- 2.4 The closing date for application is 31 October 2021. Eligible businesses can visit www.manchester.gov.uk/EBSG for details.
- 2.5 This use of the remaining ARG funding was agreed by the Chief Executive and Treasurer under delegated powers.

*Relates to Our Manchester Strategy themes:
Thriving and Sustainable City
Progressive and Equitable City
Highly Skilled City*

3.0 October Half Term Free School Meals provision

- 3.1 Supermarket vouchers worth £15 per eligible child, from nursery through to Year 14, will be funded by the Council over the October half term.
- 3.2 The move is a response to the Government's decision to end the Universal Credit uplift and growing fuel prices and financial pressures on the the most in-need Manchester families. The vouchers, which are being distributed via schools, are for all children who are currently in receipt of free school meals.
- 3.3 The voucher scheme is being funded through government grants.

*Relates to Our Manchester Strategy Themes:
Progressive and Equitable City*

4.0 Tower of Light switch on and Civic Quarter Heat Network

- 4.1 Manchester's new Tower of Light structure has been switched on - marking a milestone in the development of the city's new Civic Quarter Heat Network.
- 4.2 The illuminated 40m tower flue is a striking new landmark in the city centre and the most visible manifestation of the Council-owned network which will provide heating and electricity to some of Manchester city centre's most iconic buildings. The network, which will go live in early 2022, will help reduce each building's carbon emissions and support the city's transition to zero carbon by 2038.
- 4.3 Using low carbon power generated in an energy centre located underneath the railway arches by Manchester Central, the network will serve the Bridgewater Hall, Manchester Central Convention Complex, Central Library, Heron House, Manchester Art Gallery and Manchester Town Hall and Town Hall extension buildings via 2km of underground pipes.
- 4.4 The network will also have the capacity to connect to other buildings in the vicinity - both existing and future, whether public or private-owned – helping them to reduce their carbon footprints too.

*Relates to Our Manchester themes:
Liveable and Zero Carbon City*

5.0 Low carbon homes approved

- 5.1 Planning permission has been granted for the development of 69 low-carbon social homes on Silk Street, Newton Heath.
- 5.2 The underused brownfield site will see 36 one-bedroom apartments, 12 two-bedroom apartments, 17 three-bedroom houses and four four-bedroom houses. 16 of the apartments will be available for people aged over 55.
- 5.3 Electric vehicle charging points will be included as part of the development. The houses will have generous gardens and solar panels, while the apartments will feature living green roofs as part of the project's low carbon commitment. This will also include the use of Ground Source Heat Pumps and mechanical ventilation with heat recovery to keep utility costs down for residents.
- 5.4 The homes, to be constructed by Rowlinson, will be managed by Northwards Housing. Work is expected to begin on site in the New Year.
- 5.5 The development is being part-funded through the Government's Brownfield Land Fund, which will help deliver 522 new homes on disused land across the city over the next five years.
- 5.6 The city is already on track to surpass the affordable homes delivery target, which was to support at least 6,400 affordable homes to be built in the city

between 2015 and 2025. The Council now expects to deliver more than 7,000 affordable homes in this period, more than meeting the 20% affordable target for all housing development in the city.

*Relates to Our Manchester themes:
Liveable and Zero Carbon City
Progressive and Equitable City*

6.0 Green Flag Awards for city open space

- 6.1 Two Manchester parks and four cemeteries have been awarded the prestigious Green Flag Award, the international quality mark for well-managed parks and green spaces.
- 6.2 Heaton Park and Alexandra Park, along with Gorton, Phillips Park, Southern and Blackley Cemeteries, have all been awarded the status which is a recognition of the hard work of both staff and volunteers to maintain and improve the spaces.
- 6.3 Heaton Park has also been awarded the coveted Green Heritage Site accreditation, supported by Historic England, for the management of its historic features.
- 6.4 For more information about the Green Flag scheme, which is overseen by environmental charity Keep Britain Tidy, visit www.greenflagaward.org

*Relates to Our Manchester Strategy themes:
Liveable and Low Carbon City
Thriving and Sustainable City*

7.0 Contributing to a Zero-Carbon City

- 7.1 Achieving Manchester's zero carbon target has been reflected throughout the work on the Our Manchester Strategy reset, with sustainability being a key horizontal theme throughout. Forward to 2025 restates Manchester's commitment to achieving our zero carbon ambition by 2038 at the latest.

8.0 Contributing to the Our Manchester Strategy

- 8.1 The reset of the Our Manchester Strategy will ensure that the city achieves its vision. The five themes have been retained in the reset Strategy, with the new priorities streamlined under the themes.

9.0 Key Policies and Considerations

- 9.1 There are no particular equal opportunities issues, risk management issues, or legal issues that arise from the recommendations in this report.

10.0 Recommendations

10.1 The Executive is requested to note the update provided in the report.

**Manchester City Council
Report for Resolution**

Report to: Executive – 20 October 2021

Subject: Capital Programme Update

Report of: Deputy Chief Executive and City Treasurer

Summary

This report informs members of requests to increase the capital programme, seeks approval for those schemes that can be approved under authority delegated to the Executive and asks the Executive to recommend to the City Council proposals that require specific Council approval.

Recommendations

- (1) To recommend that the Council approve the following changes to Manchester City Council's capital programme:
 - Neighbourhoods – Blackley Crematorium Cremator Replacement Additional Funding. A capital budget increase of £0.203m is requested, funded by Borrowing.

- (2) Under powers delegated to the Executive, approve the following changes to the City Council's capital programme:
 - Highways Services – Manchester Cycleway. A capital budget increase of £3.716m is requested, funded by External Contribution.
 - Children's Services – City Centre School. A capital budget increase of £2.7m is requested, funded by External Contribution, also, a capital budget virement of £3.5m is requested, from approved Education Basic Need Unallocated budget.
 - ICT - Highways Maintenance & StreetWorks Asset Management Software. A capital budget decrease from ICT Investment Budget of £0.356m in 2021/22 and £0.075m in 2022/23 is requested and approval of a corresponding transfer of £0.431m to the revenue budget, funded by Capital Fund.
 - Highways Services - Transfer of Great Ancoats Street (GAS) Funding to the A6. A capital budget virement of £0.155m is requested, funded by Borrowing from Great Ancoats Street approved budget.

- (3) To note:
 - The increases to the programme of £0.376m as a result of delegated approvals.
 - The virements in the programme of £1.165m as a result of virements from approved budgets

Wards Affected - Various

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

All capital projects are reviewed throughout the approval process with regard to the contribution they can make to Manchester being a Zero-Carbon City. Projects will not receive approval to incur costs unless the contribution to this target is appropriate.

Our Manchester Strategy outcomes	Contribution to the strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	Contributions to various areas of the economy including investment in ICT services, Housing, and leisure facilities.
A highly skilled city: world class and home-grown talent sustaining the city's economic success	Investment provides opportunities for the construction industry to bid for schemes that could provide employment opportunities at least for the duration of contracts
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	Improvements to services delivered to communities and enhanced ICT services.
A liveable and low carbon city: a destination of choice to live, visit, work	Investment in cultural and leisure services and housing.
A connected city: world class infrastructure and connectivity to drive growth	Through investment in ICT and the City's infrastructure of road networks and other travel routes.

Full details are in the body of the report, along with any implications for

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

The recommendations in this report, if approved, will increase the Council's revenue budget by £0.431m.

Financial Consequences – Capital

The recommendations in this report, if approved, will increase Manchester City Council's capital budget by £6.188m across the financial years as detailed in Appendix 1.

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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.

- Report to the Executive 17 February 2021 – Capital Strategy and Budget 2020/21 to 2024/25
- Report to the Executive 17 March 2021 - Capital Programme Update
- Report to the Executive 2 June 2021 – Capital Programme Update
- Report to the Executive 30 June 2021 – Capital Programme Update and Capital Programme Monitoring 2020/21 Outturn
- Report to the Executive 28 July 2021 – Capital Programme Update
- Report to the Executive 15 September 2021 – Capital Programme Update

1.0 Introduction

- 1.1 This report outlines the requests for changes to the capital budget from 2021/22.

2.0 Background

- 2.1 In February each year the Executive receives a report on the capital budget for the forthcoming five financial years and approves a series of recommendations to the City Council which then constitute the approval of the five-year capital programme. Proposals for the capital budget were presented to the Executive on 17th February 2021.
- 2.2 The capital programme evolves throughout the financial year, and as new projects are developed, they will be reviewed under the current governance framework and recommendations made regarding whether they should be pursued.
- 2.3 The following requests for a change to the programme have been received since the previous report to the Executive on 15th September 2021. Impact of changes to the Capital Budget from previous reports are detailed in Appendix 3.
- 2.4 Note that where requests are made in the report to switch funding from capital to revenue and to fund the revenue spend from the Capital Fund, this is a funding switch from within the capital programme and will not have a negative impact on the Fund itself.
- 2.5 For the changes requested below, the profile of the increase, decrease or virement is shown in Appendix 1 for each of the projects.

3.0 City Council's Proposals Requiring Specific Council Approval

- 3.1 The proposals which require Council approval are those which are funded by the use of reserves above a cumulative total of £2.0m, where the use of borrowing is required or a virement exceeds £1.0m. The following proposals require Council approval for changes to the capital programme.
- 3.2 Neighbourhoods – Blackley Crematorium Cremator Replacement Additional Funding. The original project was approved by Executive in November 2019. In order to meet new environmental requirements, minimise service disruption maintenance costs, ensure a high standard of service and deliver financial contribution targets the cremators need to be replaced as they are reaching the end of their lifespan. Since commencement of the project additional required works have been highlighted including, increased ventilation requirement, electricity supply upgrade, increase in the amount of builder works required to align new cremators with existing openings and inflation costs. A capital budget increase of £0.203m in 2021/22 is requested, funded by Borrowing.

4.0 Proposals Not Requiring Specific Council Approval

- 4.1 The proposals which do not require Council approval and only require Executive approval are those which are funded by the use of external resources, use of capital receipts, use of reserves below £2.0m, where the proposal can be funded from existing revenue budgets or where the use of borrowing on a spend to save basis is required. The following proposals require Executive approval for changes to the City Council's capital programme:
- 4.2 Highways Services – Manchester Cycleway Construction (Fallowfield Loop and Yellow Brick Road). The scheme will provide upgraded pedestrian and cycle facilities with improvements from a safety, access, lighting and ecological perspective on the Fallowfield Loop and Yellow Brick Road; bringing two of the busiest off-road cycle routes in Manchester up to Transport for Greater Manchester (TfGM) Bee Network standard. The Fallowfield loop line links up eight wards to the Yellow Brick Road which then incorporates a further two wards. The scheme has been approved for funding from the Mayors Challenge Fund. A capital budget increase of £0.375m in 2021/22 and £3.341m in 2022/23 is requested, funded by External Contribution.
- 4.3 Children's Services – City Centre School. This project will create a new primary school at the Crown Street Phase 2 development in the ward of Deansgate. The school will include 210 places for primary age children and a 26-place nursery. A capital budget increase of £2.450m in 2022/23 and £0.250m in 2023/34 is requested, funded by External Contribution, also, a capital budget virement of £0.250m in 2021/22 and £3.250m in 2022/23 is requested, from the approved Education Basic Need Unallocated budget.
- 4.4 ICT - Highways Maintenance and Street Works Asset Management Software. The project will implement a new software solution for Highways which will make Manchester City Council more efficient and effective in discharging its statutory duties with regard to Highways Maintenance and Streetworks. A capital budget decrease from ICT Investment budget of £0.356m in 2021/22 and £0.075m in 2022/23 is requested and approval of a corresponding transfer of £0.431m to the revenue budget, funded by Capital Fund.
- 4.5 Highways Services - Transfer of Great Ancoats Street (GAS) Funding to the A6 Stockport Road Pinch Point Scheme. The GAS project is complete with final costs currently being negotiated with the contractor prior to moving to final account. The scheme will complete with a budget underspend. With the A6 Stockport Road overspending, due to unforeseen costs encountered during the construction phase of works due to ground conditions and a water main requiring additional works, a capital budget virement from the underspend on the GAS approved budget is proposed. A capital budget virement of £0.155m in 2021/22 is requested, funded by Borrowing from the Great Ancoats Street Improvement Works approved budget.

5.0 Delegated budget Approvals

- 5.1 There have been increases to the programme totalling £0.376m as a result of delegated approvals since the previous report to the Executive on 15th September 2021. These are detailed at Appendix 2.

6.0 Virements from Approved Budgets

- 6.1 Approval has been given for a capital budget virement from Unallocated Education Basic Needs budget to The Barlow RC High School. The £1.050m for the project will add a resource provision of 16 places to the school's capacity for children with an Education, Health, and Care Plan (EHCP). The proposed works will deliver additional space for resourced provision children who can require time outside of mainstream lessons.
- 6.2 A capital budget virement was approved to ensure the final outstanding payment to the contractor for the expansion of Crab Lane Primary School in 2015-16. £0.010m was vired from the Unallocated Education Basic Needs budget.
- 6.3 A virement for Wythenshawe Track Changing Rooms was also approved utilising Parks Development Programme budget. The additional £0.105k for the project will ensure the replacement of accessible changing and toilet facilities at Wythenshawe Athletics Track. The facility is no longer fit for purpose and has been deemed as at the end of its useful life. The specification for the new changing room block has been upgraded to comply with Manchester City Councils Low Carbon Build Standard as well as increased material and labour supply costs.

7.0 Prudential Performance Indicators

- 7.1 If the recommendations in this report are approved the General Fund capital budget will increase by £6.188m across financial years, as detailed in Appendix 1.
- 7.2 This will also result in an increase in the prudential indicator for Capital Expenditure in corresponding years. Monitoring of all prudential indicators is included within the Capital Monitoring Report during the year.

8.0 Contributing to a Zero-Carbon City

- 8.1 All capital projects are reviewed throughout the approval process with regard to the contribution they can make to Manchester being a Zero-Carbon City. Projects will not receive approval to incur costs unless the contribution to this target is appropriate.

9.0 Contributing to the Our Manchester Strategy

(a) A thriving and sustainable city

9.1 Contributions to various areas of the economy including investment in ICT services, housing, and leisure facilities.

(b) A highly skilled city

9.2 Investment provides opportunities for the construction industry to bid for schemes that could provide employment opportunities at least for the duration of contracts.

(c) A progressive and equitable city

9.3 Improvements to services delivered to communities and enhanced ICT services.

(d) A liveable and low carbon city

9.4 Investment in cultural and leisure services and housing.

(e) A connected city

9.5 Through investment in ICT and the City's infrastructure of road networks and other travel routes.

10.0 Key Policies and Considerations

(a) Equal Opportunities

10.1 None.

Risk Management

10.2 Risk management forms a key part of the governance process for all capital schemes. Risks will be managed on an ongoing and project-by-project basis, with wider programme risks also considered.

(c) Legal Considerations

10.3 None.

11.0 Conclusions

11.1 The revenue budget of the City Council will be increased by £0.431m if the recommendations in this report are approved.

11.2 The capital budget of the City Council will increase by £6.188m, if the recommendations in this report are approved.

12.0 Recommendations

12.1 The recommendations appear at the front of this report

Appendix 1 - Requests for Adjustments to the Capital Budget Provision

Dept	Scheme	Funding	2021/22	2022/23	2023/24	Total
			£'000	£'000	£'000	£'000
<u>Council Approval Requests</u>						
Neighbourhoods	Blackley Crematorium Cremator Replacement – Additional Funding	Borrowing	203			203
<u>Total Council Approval Requests</u>			203	0	0	203
<u>Executive Approval Requests</u>						
Highways Services	Manchester Cycleway Construction Costs	External Contribution	375	3,341		3,716
Highways Services	A6 Stockport Road Pinch Point Scheme	Borrowing	155			155
Highways Services	Great Ancoats Improvement Scheme	Borrowing	-155			-155
Children's Services	City Centre School	External Contribution		2,450	250	2,700
Children's Services	City Centre School	Government Grant	250	3,250		3,500
Children's Services	Education Basic Need Unallocated	Government Grant	-250	3,250		3,000
ICT	Highways Maintenance & StreetWorks Asset Management Software	Borrowing reduction, funding switch via Capital Fund	-356	-75		-431
<u>Total Executive Approval Requests</u>			19	5,716	250	5,985
<u>Total Budget Adjustment Approvals</u>			222	5,716	250	6,188

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Appendix 2 - Approvals under authority delegated to the City Treasurer

Dept	Scheme	Funding	2021/22	2022/23	2023/24	Future	Total
			£'000	£'000	£'000	£'000	£'000
Growth and Development	Estate Changes arising from Future Ways of Working	RCCO	226				226
Growth and Development	Angel Meadow Land Acquisition	Capital Receipts	150				150
Total Delegated Approval Requests			376	0	0	0	376

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Appendix 3 - Capital Programme Budget 2021-25

Approvals				
	Council	Executive	Delegated	Total
	£'000			
Capital Outturn 2020/21 June 2021		1,034,971		1,034,971
Budget Increases (Approved 2 June 2021)	-2,372			-2,372
Budget Increases (Approved 30 June 2021)	19,013	3,781	75	22,869
Budget Increases (Approved 28 July 2021)	21,556	7,149	295	29,000
Budget Increases (Approved 15 September 2021)	661	3,347	320	4,328
Total Revised Budget	38,858	1,048,901	690	1,088,796

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**Manchester City Council
Report for Resolution**

Report to: Environment and Climate Change Scrutiny Committee – 14
October 2021
Executive – 20 October 2021

Subject: Large Scale Renewable Energy Generation Feasibility Summary
Study

Report of: The Deputy Chief Executive and City Treasurer

Summary

The Council's Climate Change Action Plan (CCAP) has a target to reduce direct emissions of CO₂ by 50% over the five-year period of 2020-25. In addition, the Council has a target to be zero carbon by 2038.

Action 1.4 of the CCAP targets 7,000 tonnes of annual CO₂ by 2025 savings to be delivered via a “feasibility and business case for a large-scale energy generation scheme from large scale Solar PV or Onshore or Offshore Wind on Council land and buildings, or sites in third party ownership”.

Local Partnerships were appointed in November 2020 to deliver the feasibility study and their study, “**Feasibility Study and Options Appraisal for Large Scale Energy Generation for Manchester City Council**”, was completed in April 2021 and is attached as Appendix 1 to this paper.

The Feasibility Study concluded that the Council has two options: either purchase a solar PV facility or negotiate a suitable power purchase agreement (PPA). Both options were assessed to be better than the “do nothing” option.

Recommendations

The Environment and Climate Change Scrutiny Committee is:

1. Invited to comment on the report and note the options in Section 3.1 available to the Council; and
2. Endorse the recommendation that the Executive is asked to agree that the Deputy Chief Executive and City Treasurer and the Chair of the Zero Carbon Coordination Group establish a delivery team to develop the options further, with a view to returning to the Executive with a proposal.

The Executive is asked to:

1. Note the options in Section 3.1 available to the Council; and
2. Agree that the Deputy Chief Executive and City Treasurer and the Chair of the Zero Carbon Coordination Group establish a delivery team to develop the options further, with a view to returning to the Executive with a proposal.

Wards Affected: All

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

Action 1.4 of the Council's Climate Change Action Plan 2020-25 targets 7,000 tonnes of annual CO₂ savings by 2025. The CCAP sets out the actions that will be delivered to ensure that the Council plays its full part in delivering the city's Climate Change Framework 2020-25 which aims to half the city's CO₂ emissions over the next 5 years.

Our Manchester Strategy outcomes	Contribution to the strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The transition to a zero carbon city will help the city's economy become more sustainable and will generate jobs within the low carbon energy and goods sector. This will support the implementation of the Our Manchester Industrial Strategy and Manchester Economic Recovery and Investment Plan.
A highly skilled city: world class and home grown talent sustaining the city's economic success	Manchester is one of a small number of UK cities that have agreed a science-based target and is leading the way in transitioning to a zero carbon city. It is envisaged that this may give the city opportunities in the green technology and services sector.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	Transitioning to a zero-carbon city can help to tackle fuel poverty by reducing energy bills. Health outcomes will also be improved through the promotion of more sustainable modes of transport and improved air quality.
A liveable and low carbon city: a destination of choice to live, visit, work	Becoming a zero carbon city can help to make the city a more attractive place for people to live, work, visit and study.
A connected city: world class infrastructure and connectivity to drive growth	A zero carbon transport system would create a world class business environment to drive sustainable economic growth.

Full details are in the body of the report, along with any implications for

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

It is expected that the Revenue requirements needed to take this forward will be met from existing directorate budgets; if this is not possible, the financial consequences will be that an additional funding requirement is needed to establish a delivery team, including the cost of engaging the necessary external technical support.

Financial Consequences – Capital

It is not expected that there will be any immediate financial consequences to the Capital budget from the content of this report. However, it should be recognised that the outcome of the report options will have capital cost implications.

Contact Officers:

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Position: Strategic Lead Policy and Partnerships
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Name: Mark Duncan
Position: Strategic Lead - Resources & Programmes
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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.

Feasibility Study and Options Appraisal for Large Scale Energy Generation for Manchester City Council – Local Partnerships (April 2021)

1.0 Introduction

- 1.1 Action 1.4 of the CCAP targets 7,000 tonnes of annual CO₂ savings via a “feasibility and business case for a large-scale energy generation scheme from large scale Solar PV or Onshore or Offshore Wind on Council land and buildings, or sites in third party ownership”.
- 1.2 Local Partnerships were appointed in November 2020 to deliver a Feasibility Study. A working group to inform, support and manage the study was established led by the Deputy Chief Executive with officers from Estates, Commercial Services, Financial Services and the Zero Carbon Team.
- 1.3 The Local Partnerships brief was to consider:
- The amount of energy generation assets required to deliver the 7,000 tCO₂ annual savings.
 - The size and type of assets with the potential to deliver this, including options for Council-owned land and buildings, partnerships with other land and building owners or developers in the city as well as options both within and beyond the city boundary and Greater Manchester.
 - Funding and financing options including prudential borrowing, private financing, government grants etc.
 - The range of operating models available including power purchase agreements (PPAs), own and operate, etc.
 - The opportunity to deliver maximum, medium to long-term benefits for the Council in both commercial and climate action terms to, and beyond, 2025.
 - An assessment of the risks and benefits of individual opportunities.
 - The Council’s current and future capacity to deliver, including the administrative and specialist capacity requirements for the development, procurement, commissioning and operation.
 - An assessment of the different business models available in terms of investment cost, commercial risk and speed of deliverability supported by an option appraisal on Net Present Value (NVP), using commercially available data.
- 1.4 The study, “Feasibility Study and Options Appraisal for Large Scale Energy Generation for Manchester City Council”, was completed in April 2021.
- 1.5 Progress updates were presented to SMT in August and December 2020 and the final study was presented to SMT in June 2021. A briefing was held with the Leader, Cllr Craig and Cllr Rawlins on the 8th September 2021.

2.1 Key findings of the Feasibility Study and Next Steps

- 2.2 Solar PV is recommended as the most appropriate renewable technology. Onshore wind developments are very limited in availability and are often subject to planning challenges. Offshore wind is generally too large a scale to be suitable.

- 2.3 The size of requirement needed to deliver 7,000 tCO₂ annual savings is equivalent to ~33MW of solar PV. To deliver benefits beyond this point and contribute more significantly to the Council meeting its target to be zero carbon by 2038, then ~45-50MW of solar PV would be required. The Council should consider adopting this size of requirement to future-proof residual emissions through to 2038, facilitating an earlier reduction of a greater proportion of the Council's (Scope 2) electricity emissions and maximising the potential for carbon reduction through renewable energy.
- 2.4 The Council has maximised capacity on its own buildings for renewable energy generation. 6.67MW is already scheduled to be installed via roof-mounted solar PV installations on the Council's estate. These are being delivered by Phase 1 of the Estates Carbon Reduction Programme, the Public Sector Decarbonisation Fund and the ERDF Unlocking Clean Energy project. The generation from these schemes is already accounted for in the CCAP.
- 2.5 There is no suitable land in Council ownership to deploy 45-50MW of solar capacity. An area of ~100 Ha of land is required to deliver the 7,000 tCO₂ requirement. The study examined 35 historic landfill sites across the city, concluding that many had been reclaimed as amenity spaces or were not suitable due to location issues, e.g. proximity to housing. They also looked at opportunities at Heaton Park and the adjacent reservoir, both excluded due to land use and heritage status. The study also explored Council-owned land adjacent to Wythenshawe Hospital which was excluded as it is allocated for employment in the spatial framework. Manchester Climate Change Partnership (MCCP) members were also canvassed and there was a review of planning applications to identify any schemes submitted with potential partnership opportunities.
- 2.6 No opportunities were identified within Manchester for a partnership project. Two ground mounted solar projects are planned in Rochdale (5MW) and in Salford (1.7MW). The size of these schemes is not large enough to facilitate collaboration. No other third-party developments were identified for acquisition.
- 2.7 Since the publication of the feasibility study, the GMCA Go Neutral project has assessed opportunities for small-scale renewable energy assets across the city-region. Based on initial findings it is estimated that ~7-14MW of additional capacity could be available on Council-owned buildings and small parcels of land in Manchester.
- 2.8 The feasibility study concludes that the Council needs to look out of area to deliver the required size of generation, given there is no local opportunities for solar PV at the required scale. Additionally, the study noted that where levels of irradiance are higher, solar PV schemes deliver a better return on investment (ROI). Irradiance levels are potentially 13% higher in the south of the UK compared to Manchester and would generate a higher ROI.
- 2.9 To provide the Council with a deeper understanding of the available options, Local Partnerships used data from Aurora Energy Research (provider of commercial modelling and forecasting data for renewable technologies) to

generate an options appraisal based on current and forecasted pricing. The Net Present Value (NPV) calculations were appraised over an 8 year and a 25-year period and were compared to a 'do nothing' scenario, i.e. the Council's current green tariff.

- 2.10 This calculation showed that all options have positive NPV outcomes compared with 'do nothing'. There is a solid value for money basis to either enter into a suitable PPA or asset purchase agreement and the Council should therefore seek to change its current supply arrangements.
- 2.11 A budget of £27m–£30m is the estimated cost for an asset purchase. A solar asset is anticipated to have a life of 35-40 years. Should this option be selected, and a suitable facility identified, the Council would need to be prepared to move at speed as the numbers of projects of this kind coming to market are relatively few and are likely to be in high demand.
- 2.12 To progress effectively, we are bringing together a project team that incorporates appropriate internal capacity within our Corporate Landlord functions (including our Energy Management and Facilities Management Teams). We will supplement this by securing appropriate expert advice to implement the recommendations around purchase of a solar facility twin-tracked with a PPA. This twin-track approach allows us to progress the two recommended options in line with the findings of the feasibility study and is necessary to allow us to make the right purchase to meet our needs within the CO2 targets and timescales set in our Climate Change Action Plan.
- 2.13 The project team will develop a business plan which will be brought back to Executive to secure the appropriate approvals that will allow us to make any future asset purchase and / or enter into a PPA in a timely and effective manner.

3.0 Recommendations

- 3.1 The Council will act on the findings of the feasibility study and undertake work to deliver the purchase of a solar PV facility, and alongside this, develop options to enter into suitable Power Purchase Agreements (PPAs). This twin-track approach is to ensure we meet the overall objective of reducing the overall emissions target as the availability of solar sites of the size required is dependent on market availability and the PPA option is also needed to ensure we can meet the target in full within the timescales set in the Climate Change Action Plan.
- 3.2 Carol Culley, as Deputy Chief Executive and Chair of the Zero Carbon Coordination Group is delegated to establish a delivery team which builds on existing Council capacity and skills and draws in necessary external experts to develop the options, with a view to returning to the Executive with a proposal having carried out appropriate due diligence work on these options.

4.0 Contributing to a Zero-Carbon City

- 4.1 Action 1.4 of the CCAP targets 7,000 tonnes of annual CO₂ savings by 2025 and is a key action to ensure that the Council plays its full part in delivering the city's Climate Change Framework 2020-25 which aims to half the city's CO₂ emissions over the next 5 years.

5.0 Contributing to the Our Manchester Strategy

(a) A thriving and sustainable city

- 5.1 The transition to a zero carbon city will help the city's economy become more sustainable and will generate jobs within the low carbon energy and goods sector. This will support the implementation of the Our Manchester Industrial Strategy and Manchester Economic Recovery and Investment Plan.

(b) A highly skilled city

- 5.2 Manchester is one of a small number of UK cities that have agreed a science-based target and is leading the way in transitioning to a zero carbon city. It is envisaged that this may give the city opportunities in the green technology and services sector.

(c) A progressive and equitable city

- 5.3 Transitioning to a zero-carbon city can help to tackle fuel poverty by reducing energy bills. Health outcomes will also be improved through the promotion of more sustainable modes of transport and improved air quality.

(d) A liveable and low carbon city

- 5.4 Becoming a zero carbon city can help to make the city a more attractive place for people to live, work, visit and study.

(e) A connected city

- 5.5 A zero carbon transport system would create a world class business environment to drive sustainable economic growth.

6.0 Key Policies and Considerations

(a) Equal Opportunities

- 6.1 There are no equal opportunity issues to note that should arise from the content of this report.

(b) Risk Management

- 6.2 The key risk is to successful delivery of the Council's Climate Change Action Plan as action 1.4 is targeted to generate 7,000 tonnes of annual CO₂ savings by 2025 and the earlier this is delivered, the greater the contribution to stay

within the carbon budget for the five year period.

(c) Legal Considerations

- 6.3 The legal issues to note from the content of this report are that in regard to a an asset purchase, PPA or a hybrid it will be necessary to consider the relevant public contracts regulations and the Council's own Contractual Standing Orders in regard to procurement and the processes associated with procurement and associated decision making along with relevant decision making processes for the acquisition of an asset and any agreements entered into in association with any proposal. In this regard appropriate delegated decision making powers and approvals will also need to be considered. Legal Services will provide support and advice in regard to such matters and also in regard to the recommendations in this report seeking such appropriate expert technical and professional support and advice as shall be appropriate.



JOINTLY OWNED BY



HM Treasury



Feasibility Study and Options Appraisal for Large Scale Energy Generation for Manchester City Council

Version No: FINAL

Issue Date: 12 April 2021





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1 Executive Summary

1.1 Background and Purpose

Manchester City Council (“the Council”) has declared a climate emergency and set a science-based target to be zero carbon by 2038. It has already reduced its direct emissions by 48% from a 2009/10 baseline¹. Ongoing work to reduce emissions further is set out within the Council’s Climate Change Action Plan (CCAP) for 2020-25. The CCAP includes a target to halve emissions again within this 5-year period and sets a carbon budget for the period too.

Work is underway across several different strands to meet these emission reduction targets – from improving the energy efficiency of street lighting to decarbonising heat within the estate and investing in large scale renewable energy generation capacity. In October this year, Local Partnerships was appointed to carry out a feasibility study to investigate options for large-scale renewable energy generation - in line with Action 1.4 of the CCAP which sets a target to reduce CO₂ emissions by 7,000 t pa.

1.2 Methodology

This report is based on a desk-based review of opportunities on land assets owned by the Council, a review of potential market opportunities to acquire assets from third parties and a review of potential power purchase agreement (PPA) options. For the reasons set out in section 3.1 of this report the analysis of self-development and asset purchase concentrates on solar PV generation. PPA options consider all alternatives.

1.3 Size of the requirement

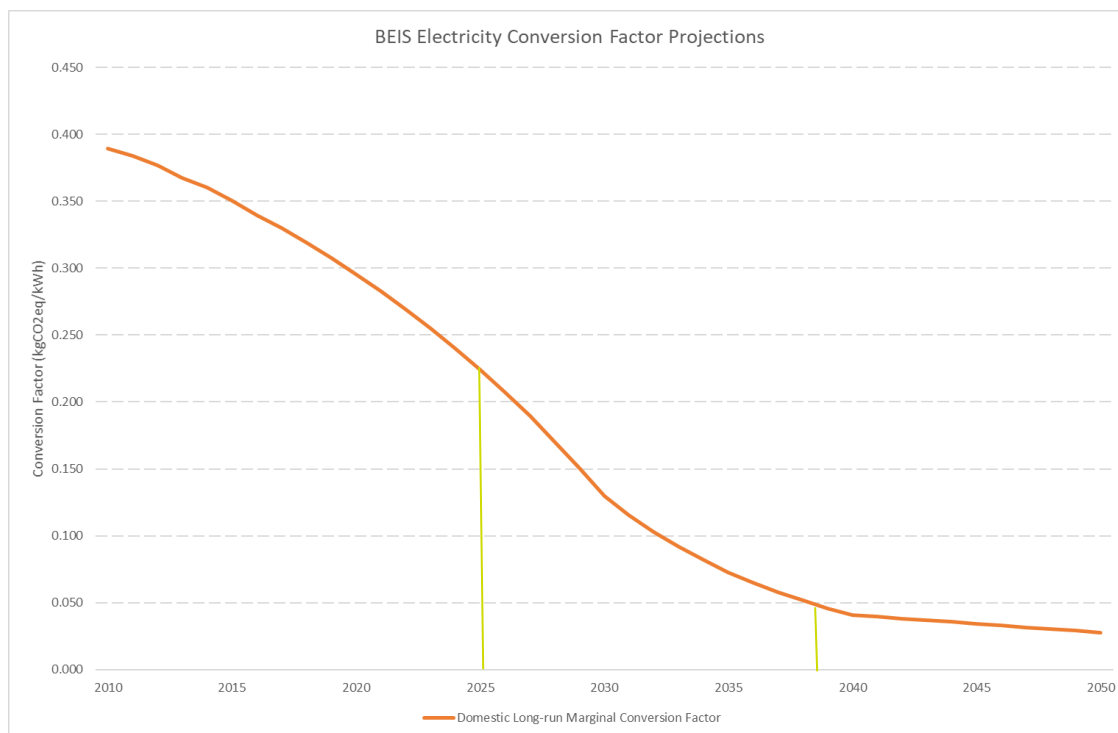
Carbon displaced through renewable energy generation can be described as the avoidance of carbon emissions through grid supplied electricity. The UK has seen significant reductions in the carbon intensity of grid supplied electricity over the last ten years resulting from the retirement of most of the UK coal fired power stations and the introduction of gas fired power stations and renewable energy.

For the UK to achieve net carbon zero emissions by 2050 the complete decarbonisation of the electricity supply will be needed. This will require several measures including a fourfold increase in renewable energy generation. As this happens the carbon intensity of grid supplied electricity falls (see Figure 1)

1

<https://democracy.manchester.gov.uk/documents/s16275/Final%20MCC%20Climate%20Change%20Action%20Plan%202020-25.pdf>

Figure 1: Forecast for electricity grid decarbonisation 2010-2050



Based on the requirement to avoid 7,000 tonnes of tCO₂e by 2025, the Council would require a solar PV portfolio of 33 MW in addition to that already identified in its carbon savings programme. By the Council's net zero emissions date of 2038 the carbon intensity of grid supplied electricity has fallen significantly. In 2038 it is anticipated that the Council will have residual emissions of around 2,913 tonnes of tCO₂e which would require a solar PV portfolio of around 60 MW to offset. The methodology for calculating the 2025 and 2038 requirements is set out in section 3.2.1 and 3.2.2.

The Council will only be able to offset emissions from electricity generation against its electricity consumption (i.e. scope 2 emissions). In setting a target requirement consideration also needs to be given to the future consumption of electricity by the Council. 2018/19 electricity consumption was around 49GWh (excluding schools). A further 4GWh/pa reduction is forecast from the street lighting programme, leaving a residual requirement of around 45 GWh/pa. No further assumptions have been made on volumes due to uncertainties, with volumes set to decrease as a consequence of energy efficiency and rationalisation of property, but also set to increase through the electrification of heat and transport.

At an irradiance level of 945 kwh/kwp (see section 3.2 for further details) the annual consumption would equate to around 47.6 MW.

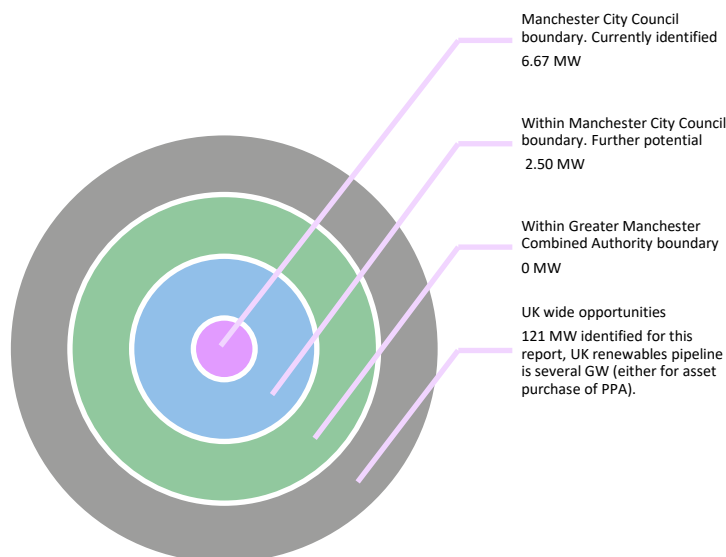
Bringing together these assumptions the Council should consider adopting a target of around 45-50 MW of generation (solar PV or equivalent wind) in order to meet its ongoing requirement.

Recommendation 1: The Council should consider adopting a target of 45-50 MW of solar PV generation (or equivalent wind) now as this will:

- a) Provide a future proof solution which will also deal with residual emissions in 2038.
- b) Allow a larger proportion of the Council's scope 2 electricity emissions to be reduced from an earlier point in time. This will help the Council in achieving its carbon budget target.
- c) Maximise the potential of carbon reduction through generation or power purchase.

Figure 2 below sets out how this requirement is likely to be met.

Figure 2: Opportunities for renewable energy generation



1.4 Council owned sites

The Council has already identified around 6.67 MW of rooftop and carport solar PV (see Table 1) that could realistically be delivered on its own assets.

Table 1: Manchester City Council – Estate wide opportunities for renewable generation

Opportunity	Sites	Solar capacity (MW)
Potential roof mounted solar schemes (Phase 1 Buildings Carbon Reduction)	a) Wythenshawe Forum	0.165
	b) The Sharp Project	0.790
	c) Space Project	0.494
	d) Hough End Leisure Centre	0.188
	e) East Manchester Leisure Centre	0.179
	f) Arcadia Sports Centre	0.166
	g) Moss Side Leisure Centre	0.101
	h) Belle Vue Sports Centre	0.375
	i) Manchester Tennis and Football Centre	

		0.103
Potential roof mounted solar schemes (Public Sector Decarbonisation Fund)	j) Arcadia Library & Leisure Centre k) Manchester Aquatics Centre l) Manchester Tennis and Football Centre m) North City Family & Fitness Centre n) Sharp Project Media Centre o) Wythenshawe Forum p) Zion Arts Centre q) Space Studios	0.082 0.367 0.165 0.146 0.273 0.142 0.102 1.20
Potential roof mounted and carport schemes (ERDF Unlocking Clean Energy)	r) Hammerstone Road – roof mounted s) Manchester Velodrome - carport	0.717 0.915
Total Solar PV		6.67

These schemes are already accounted for in relation to carbon accounting and therefore do not contribute towards the 7,000 tCO₂e target.

1.5 Further potential sites

The Council has limited land available to support large-scale solar PV generation. The requirement identified in section 1.3 will require around 100 Ha of land to achieve, which would be hard to find in a densely built-up area.

Table 2 sets out the criteria that have been considered in assessing sites for potential suitability:

Table 2 – screening tests for potential projects – Solar PV

Risk Category	Action and Information Sources
Viability	<p>Size and orientation. For a scheme to offer sufficient financial return on investment to pay for a grid connection it is likely to need to be > 1MW. A site of this size would require 5 acres of land.</p> <p>Shading from trees or adjacent buildings which would prevent the solar panels from working effectively.</p>
Planning	<p>Planning designations (greenbelt, Area of Outstanding Natural Beauty (AONB) etc).</p> <p>Sites allocated for housing – local plan Proximity to housing – we would recommend at least 300m. Potential loss of amenity either through loss of established public use of a site.</p> <p>Transport and access constraints.</p> <p>Other development issues such as flooding, proximity to historic buildings, complex ecology etc.</p>

Risk Category	Action and Information Sources
Land	<p>Agricultural land grade 3b or below. Indicative land grade is provided by Natural England . http://publications.naturalengland.org.uk/category/5954148537204736).</p> <p>Land ownership including underlying interests and covenants, tenancies etc – Land Registry and deed packets Does the land have direct access to the public highway?</p> <p>Suitability of ground conditions and ground contamination/ stability.</p>
Grid	<p>Available and affordable grid connection capacity for the export of power generated</p>

We have examined a range of land holdings including 35 historic landfill sites across the city. Many of these closed landfill sites have been reclaimed as open space (for example, Clayton Vale and Tweedle Common) or are not suitable for development as a result of location issues where adjacent land uses effectively rule out development (also see Appendix 4). For example, Shack Liffe Green is nestled between the houses of Horncastle Road and Boggart Hole Clough Park. The site has received minimal intervention and as a result now has a very diverse habitat with ecological value.

We also identified potential opportunities for solar PV at Heaton Park and on Council owned land south of Wythenshawe Hospital. Further investigation of these sites suggests that there are issues which would prevent them providing solar PV capacity as follows:

- Heaton Park is a large, historic, Grade II listed municipal park and reservoir, containing a number of historic structures dating from its original use as a country estate. It is used for a mix of formal and informal recreational opportunities in a primarily informal landscape. Heaton Park is a site of heritage value and as such a heritage impact assessment will be required to determine any potential harm or opportunities on the listed buildings within the setting. Heaton Park is also designated as a green belt area. At the time of writing, grid capacity of around 8 MW was the available in the vicinity of the site.

Discussions with the Council's planning department has precluded a development of this scale due to the impact on heritage assets. As an alternative a significantly smaller solar carport project was considered, but again this is likely to be unsuitable in planning terms.

- The land south of Wythenshawe Hospital under is included within Allocations 11 and 46 for employment within the Greater Manchester Spatial Framework Publication Plan 2020. These allocations and supporting planning documents have been through extensive consultation and as such it would be very difficult to make representation to amend the allocations for a ground mounted solar scheme to be brought forward on the site. The plan is currently going through all ten Greater Manchester Combined Authority councils for approval. The consultation on the final plan is scheduled from 1 December 2020 to 26 January 2021.



There remains potential for up to 2 MW of solar PV on both the car park and roof areas at the site, however it is likely that this will be required by the eventual occupiers of the site.

Further investigation of the planning constraints associated with these assets suggest that **none of this will contribute** to the overall requirement as the sites are unsuitable in planning terms.

A review of planning applications within the Council's area over the last two years has not provided any potential third-party schemes within the Council's boundary.

1.6 Greater Manchester Combined Authority Sites

Other councils within the Greater Manchester Combined Authority area are also exploring potential opportunities for solar farm sites. The ground mounted projects planned include solar farms at Chamber House farm in Rochdale (5 MW) and Kenyon Way in Salford (1.7 MW). The size of these schemes are not large enough to necessitate a collaboration with the Council and we have not been able to identify any third party developments which could be acquired.

1.7 Market Schemes – UK wide opportunities

We have identified no additional potential for schemes within the Greater Manchester area.

As the Council's requirement cannot be met from within its own asset base it is likely to need to acquire assets from the open market or enter into a suitable PPA. Section 8 of this report sets out how the Council can position itself to be able to respond to market opportunities as they arise. It is most likely that schemes available to purchase will be onshore solar PV for the reasons set out in section 3.1.

There is a substantial pipeline of new solar PV projects in the UK, but many of these projects are either already owned by, or committed to, existing investors. There are two types of developers of solar PV assets in the UK, those who are part of or commercially attached to the major funds (e.g. Greencoat, BlackRock and Octopus Renewables), and those who fund their own developments and sell projects. This report has been produced following dialogue with developers who sell projects.

There are examples of local authorities successfully purchasing Low and Zero Carbon (LZC) most notably Warrington Borough Council who have acquired around 100 MW of solar PV and storage assets from Gridserve.

The solar development market has focused in recent years on the development of larger schemes, typically larger than 30 MW capacity and mostly concentrated just under 50 MW in size. These schemes are a good fit with the Council's overall requirement.

During the course of this process, Local Partnerships has identified three potentially suitable projects for the Council to review. Other schemes may become available over time and these schemes may no longer be available when the Council is in a position to act, so implementation of an asset purchase scenario is likely to require new market

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intelligence. We are not able to disclose commercially sensitive information in relation to projects identified, so these have been anonymised for the purpose of this report.

1.7.1 Project A – North West – 30 MW

Project is in development. Grid and land rights appear to have been secured by the developer. Planning is yet to be submitted. Earliest energisation date Q4 2023. Community development company.

1.7.2 Project B – The Midlands – 45 MW

Project has grid and land rights secured. Planning consent has been granted for the scheme. This scheme has a grid connection at 132kV which will add some complexity. Opportunity to purchase post construction. Earliest energisation date Q1 2022. Commercial developer.

1.7.3 Project C – Southern England – 46 MW

Project has grid and land rights secured. Planning consent has been granted for the scheme. Earliest energisation date Q3 2021. Commercial developer.

There will be competition for the acquisition of these projects, and the Council cannot therefore be certain at this stage of securing a particular project. The purpose of this report is not to identify and secure a project, it is to develop the Council's understanding of what is required to meet its objectives and the extent to which that is possible. This will enable the Council to take the necessary decisions to put in place measures which would allow it to engage with projects and move at the speed that is likely to be necessary to secure project rights. This report therefore does not contain a specific recommendation to pursue any particular option.

1.8 PPA options

Renewable energy PPA's are available either through major electricity suppliers or direct with generating stations. These are generally on terms ranging from 8-15 years. Renewable energy PPAs have some risks in carbon accounting terms in relation to permanence as the arrangement can be easily reversed at the end of the contract period.

1.8.1 Electricity supplier green PPAs

For this report we have reviewed options available from npower (the Council's current electricity supplier). Under these arrangements the Council are able to source their power directly from an identified renewable energy generating station, with pricing tied to the particular technology.

Various pricing options are available ranging from a fixed price option to options indexed at either CPI or RPI.

In addition to the carbon accounting risk in relation to permanence PPAs with major suppliers are harder to justify in terms of additionality as most of the schemes listed would have entered into a PPA with a large electricity supplier regardless of the specific demand from one customer. There is also the possibility of being accused of 'green washing' as by allocating particular renewable energy generation to a specific customer

the supplier is potentially increasing the carbon intensity factor for electricity supplied to its other customer who are not on a specifically 100% renewable energy tariff.

1.8.2 Direct PPAs with generating stations

It is possible to procure electricity directly from a generating station, through either a sleeved or a synthetic PPA. Either of these arrangements is compliant in terms of carbon accounting.

Whilst the permanence argument remains in relation to carbon accounting the additionality argument is much stronger when taking this alternative.

1.9 Value for Money

A financial appraisal of each of the options was undertaken and compared to the current state (do nothing scenario) using a net present value (npv) calculation. This modelling was undertaken by Local Partnerships on behalf of the council and utilises third party data from Aurora Energy Research (Aurora). The outputs of this modelling are shown in Table 3.

Local Partnerships are subscribers to Aurora, who are a market leading provider of energy price forecast information. Using high quality forecast information for forward energy prices provides the council with the highest likelihood of a robust npv calculation. Aurora's information is the basis of their business and clients are tied with strict contractual terms that prevent the release of forecasts to non-subscribers. Local Partnership's agreement with Aurora allows them to use the information in financial modelling and to release the outputs of that modelling in a form where the original data cannot be reverse engineered, but not to release the financial models as these contain the embedded data sets. We have therefore included the assumptions for the financial modelling and the outputs of the npv calculations in this report.

Local Partnerships and Aurora have undertaken a workshop with council officers to ensure that the council understands the basis of the data and the financial models that produce the npv information used in this report.”

Table 3: Outputs from NPV modelling

Manchester City Council Scenario Comparisons (February 2021)

		Total Cost (25 yrs)	Cost after 8 years	25 year npv	8 year npv
With sleeved PPAs					
1.	Do Nothing (assumes Aurora wholesale plus inflation)	-£85,558,054	-£21,965,089	-£43,366,132	-£17,091,133
2.	Fair Value Solar PPA Option	£15,808,392	£2,593,361	£7,235,495	£1,966,242
3.	Fair Value Wind PPA Option	£22,385,253	£5,528,952	£11,169,161	£4,258,268
4.	Solar Own/Operate Option Site 1 (southern England)				
4. a)	Solar own and operate with 25 year finance (southern England)	£22,017,266	£3,055,525	£9,977,925	£2,207,730
4. b)	Solar own and operate with 35 year finance (southern England)	£30,147,626	£5,765,645	£14,403,842	£4,347,664
5.	Solar Own/Operate Option Site 2 (the Midlands)				
5. a)	Solar own and operate with 25 year finance (the Midlands)	£20,225,002	£1,081,277	£8,263,154	£629,010
5. b)	Solar own and operate with 35 year finance (the Midlands)	£28,230,442	£3,749,757	£12,621,068	£2,736,065
6.	npower wind PPA (£48.50) indexation 2.0%	£20,089,059	£3,232,759	£9,293,783	£2,382,890
7.	npower solar PPA (£47.10) indexation 2.0%	£16,988,517	£3,773,486	£8,076,710	£2,807,458

From the table it is clear that all options represent value for money in relation to 'do nothing' and there is therefore a compelling reason to act.

Over a 25 year operation period both the asset acquisition options offer good value for money. If a shorter 8 year time horizon is considered then the a fair value (direct) PPA

with a third party or an asset acquisition of a site in southern England represent best value.

Recommendation 2: All options have positive NPV outcomes when compared with 'do nothing'. There is therefore a solid value for money basis to either enter into a suitable PPA or asset purchase agreement.

1.10 Options Appraisal

Four scenarios were taken forward into the options appraisal. These represented the best value alternatives from the NPV comparison exercise and include:

1. nPower wind PPA
2. Fair price wind PPA (direct with a generator)
3. An asset purchase of the site in southern England
4. An asset purchase of the site in the Midlands.

A total of seventeen criteria based around desirability, feasibility and viability were agreed with the Council and each option was scored against the criteria. Detail of this process can be found in section 10 and Appendix 5.

The output scoring from the options appraisal is set out in table 4.

Table 4: Options appraisal scoring

Option	Description	Score	Rank
1.	nPower wind PPA. A wind based PPA with nPower (current electricity supplier) linked to specific projects. This is for an 8 year duration and pricing has been obtained from nPower.	61%	4
2.	Fair Price Wind. A wind based PPA direct with a turbine operator. This assumes an 8 year duration with pricing based around the Aurora Energy Research fair pricing model.	72%	2=
3.	Asset Purchase (Southern England). An asset purchase of a 49 MW solar farm post construction. The farm is based in southern England and terms have been discussed directly with the owners. Financing is through a 35 year PWLB loan at 1.46%.	80%	1
4.	Asset Purchase (The Midlands). An asset purchase of a 46 MW solar farm pre-construction. The farm is based in the Midlands and terms have been discussed directly with the owners. Financing is through a 35 year PWLB loan at 1.46%.	73%	2=

From the options appraisal it can be seen that the purchase of a site in southern England represents both the best value for money and the best fit with the Council's objectives. There is little to choose between an asset purchase in central England and direct wind PPA.



1.11 Preferred option and PWLB risk

In November 2020 the Government published its response to a consultation on Public Works Loan Board (PWLB) lending terms. The consultation was aimed directly at preventing local authorities borrowing for projects which were purely or largely for yield and contained a specific note around investments being in the local economic area.

The asset purchase options are not in the Council's local economic area and it is highly unlikely that a suitable asset will ever become available in the Council's economic area. Furthermore, if investment in renewable energy generation is allowable (and within the local area it appears to be), then local authorities in the north of England are at a disadvantage to those in the south as irradiance levels (and therefore carbon saved and cost savings per £ spent) are less.

Before the Council can decide whether or not an asset purchase is its preferred option it needs to establish with HM Treasury whether or not it is permitted to make this investment under the new PWLB lending criteria.

Recommendation 3: Having undertaken a thorough options appraisal exercise the Council is now able to articulate that asset purchase is a value for money option to achieve their carbon targets and should now explore with HM Treasury whether or not an asset purchase would be compliant with PWLB lending terms.

1.12 No regrets actions and next steps

In order to deliver the strategy of reducing emissions by 7,000 tCO₂e by 2025, the Council will need to determine its preferred way forward. In order to do that the following are recommended:

1. Develop an understanding of the likely future requirements for electricity over the next decade. This should provide a view as to the likely overall requirements and the degree of certainty which could be attached to this forecast. In all scenarios there is a benefit in having reliable information on which to base assumptions.
2. Follow up established conversations in relation to the use of PWLB to ascertain whether an out of area asset purchase would be allowable under the new prudential regime.

If the Council determines that it wants to pursue an asset purchase strategy, then it will need to put in place measures to allow it to implement that strategy including:

3. Establishing sufficient delegated decision-making powers to allow the Council to enter into an exclusivity agreement with a developer and invest in the necessary due diligence work to determine whether a project is a viable prospect.
4. Establish a supplier base to facilitate the due diligence work including technical specialists and lawyers.
5. Develop its financial and carbon modelling to ensure that all costs and benefits for a particular project are understood.



6. Determine whether or not to proceed further with due diligence in relation to any of the large-scale projects identified.

If the Council determines that it wants to pursue a PPA strategy, then it will need to put in place the following:

7. A clear policy in relation to carbon accounting, tested with the Council's advisors in this area, setting out how additionality, permanence and traceability will need to be demonstrated by any procurement.
8. A suitable procurement for a direct 'fair value' PPA agreement.



2 Methodology

2.1 Site Generation Hierarchy

This report has been developed with reference to the methodology set out below.

1. Express the carbon reduction target in terms of renewable energy generation capacity. Review overall Council electricity consumption and combine the two to provide an overall renewable energy target that achieves a 7,000t CO₂e reduction in 2025.
2. Review Council owned assets to ascertain how much renewable energy generation could be accommodated on Council owned assets, in addition to that already identified. This took the form of a desk-based review of suitability from an asset list supplied by the Council and references land, planning and grid connection constraints.
3. Once the Council's own estate has been exhausted, look for other opportunities in the Greater Manchester Combined Authority area with other public sector bodies. These opportunities were highlighted by the Council and reviewed on a similar basis to the asset review.
4. Third party schemes in the Council area were searched for through the planning registers, although no suitable schemes were identified as having been submitted for planning within the last two years.
5. Look for surplus generation capacity in the open market to fulfil any shortfall in relation to capacity. This was done by direct approaches to renewable energy developers known to sell projects and project rights on the open market. Local Partnerships has Non-Disclosure Agreements (NDAs) with these developers which allows us to provide anonymised data to the Council (who do not currently have an NDA). Three projects were identified through this process (see section 8.10). These sites have not been subject to due diligence and the information provided in the term sheets has been used to generate the information for the report.
6. Review available PPA alternatives. This took the form of dialogue with Aurora Energy Research to gain market insights and intelligence and a meeting with the Council's current energy supplier nPower to discuss alternatives they could offer.

The schemes in section 8.10 have also been subject to outline financial appraisal to ensure the Council has a broad understanding of scheme economics.

2.2 Key Considerations

The options are quite different in their approach, in order to analyse them further the following considered:

1. Is the size of the scheme a match with the Council's requirements
2. Work required by the Council to deliver the scheme



3. Timing – likely date of first generation
4. Irradiation
5. Potential for community involvement
6. Risks
7. Carbon benefits (a function of size, irradiation and timing)
8. Investment criteria (a function of size, irradiation, capital cost and Power Purchase Agreement (PPA) assumptions).

To assist the Council in understanding the different characteristics, we have run workshops with key personnel to cover each of the topics in detail and to provide the opportunity for assumptions to be explored and risks to be analysed. Further information in relation to PPAs, subsidy and price support mechanisms are found in Appendix 1.

The approach taken to the acquisition or development of schemes will also have risk and procurement implications. To assist in the understanding of this further information is provided in Appendix 2 in relation to procurement.

3 Sizing the Council's renewable energy generation requirement

3.1 Background

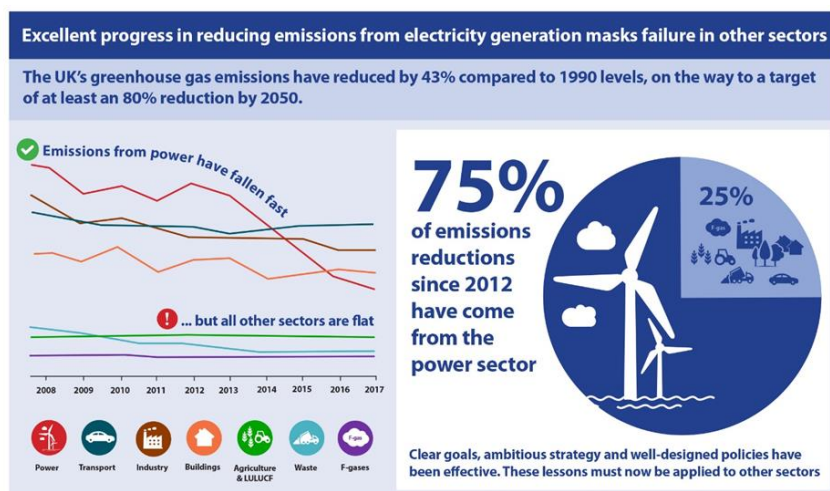
The Council has declared a climate emergency and set a science-based target to be zero carbon by 2038. It has already reduced its direct emissions by 48% from a 2009/10 baseline. Ongoing work to reduce emissions further is set out within the Council's Climate Change Action Plan (CCAP) for 2020-25. The CCAP includes a target to halve emissions again within this 5-year period and sets a carbon budget for the period too.

Work is underway across several different strands to meet these emission reduction targets – from improving the energy efficiency of street lighting to decarbonizing heat within the estate and investing in large scale renewable energy generation capacity. In October this year, Local Partnerships was appointed to carry out a feasibility study to investigate options for large-scale renewable energy generation - in line with Action 1.4 of the CCAP which sets a target to reduce CO₂ emissions by 7,000 t pa.

3.2 Grid decarbonisation

The UK has seen rapid decarbonisation of its electricity supply over the last eight years. Figure 3, produced by the Committee on Climate Change, sets out the progress towards decarbonisation made by the main sectors of the economy since 2012.

Figure 3: UK progress towards decarbonisation²



The UK Government has committed the UK to be a net zero emitter of greenhouse gases (GHG) by 2050. In order to achieve this commitment, decarbonisation of electricity generation will be a pre-requisite. The UK has continued to make progress with deployment of renewable energy and there are a number of measures in place (or in the

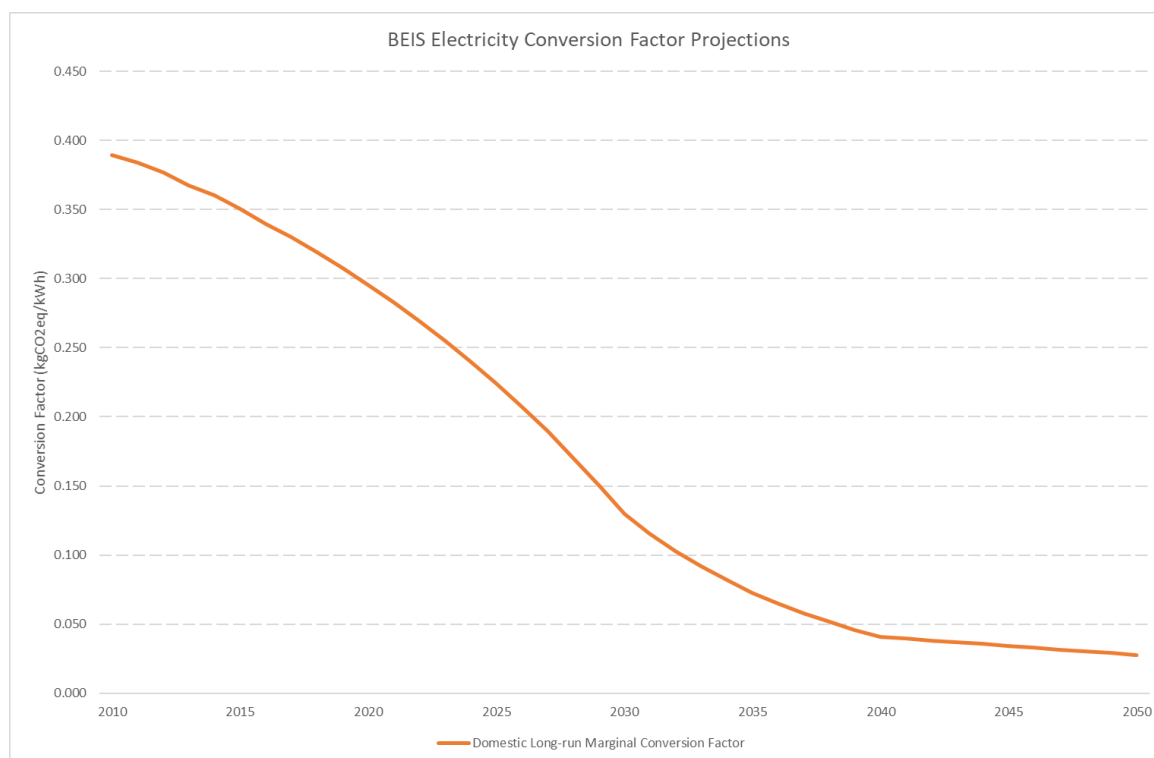
² Source: Committee on Climate Change 2018 progress report to Parliament – June 2018

pipeline) that should provide confidence that grid decarbonisation is likely to continue for the foreseeable future. These measures include:

1. Offshore wind sector deal – aiming to triple current capacity to 30 GW by 2030. A further commitment to increase this to 40 GW by 2030 was included in the ten-point plan for a 'Green Industrial Revolution' made in November 2020³.
2. Introduction of the Smart Export Guarantee Scheme – guaranteeing both an export market and a positive tariff at all times for small generators under 5MW.
3. Announcement that there will be a 12 GW allocation for mature technologies in the next round of Contract for Difference Auctions in late 2021. This in effect provides a mechanism for price guarantees for both onshore wind and solar PV schemes that are successful in the auction.

UK Government forecasts for the carbon intensity of the electricity supply were last produced by the Department of Energy and Climate Change in 2010. Decarbonisation has been happening at a rate slightly quicker than the forecast figures. The future forecasts are shown at Figure 4.

Figure 4: Forecast for electricity grid decarbonisation 2010-2050



Grid decarbonisation looks set to continue, but the rates of decarbonisation are likely to be less pronounced as almost all coal fired power stations have already been removed from the generation mix. In order to achieve net zero by 2050 the UK will have to increase its supply of renewable energy to around four times current levels. This is to allow for the removal of the gas fired power stations from the generation mix. These

³ The ten point plan for a green industrial revolution - GOV.UK



forecasts are now ten years old and current rates of grid decarbonisation are running approximately 13.5% ahead of the forecast figures.

3.1 Renewable energy technology selection

Solar PV and wind turbines represent the best value for money in UK renewable energy technology installations. There may be some small opportunities to generate power from other technologies, however the returns on investment are generally lower. We have not been made aware of any specific opportunities the Council has in relation to other technologies.

Development of new onshore wind turbines in England and Wales has been problematic since the introduction of new planning criteria in 2016 (see section 6.1), with the result that almost no new onshore wind capacity has been delivered in England or Wales in the last five years. Most new onshore turbines are in Scotland. Schemes in Scotland run the risk in the event of devolution that the Council has an investment outside of the country in which it is located. These schemes are also normally developed directly for investors and rarely come to the market. For these reasons it is considered unlikely that an onshore wind scheme would meet the Councils' requirements.

The Crown Estate is currently in the process of running its fourth leasing round, creating the opportunity for at least 7 GW of new offshore wind projects (see section 7.1). The Round 4 leasing process consists of five stages, the pre-qualification stage of which has already been completed. It is currently anticipated that Round 4 projects will become operational towards 2030. The size and delivery timing for offshore wind assets makes them unlikely to be a good fit with the Council's requirement.

These constraints, coupled with the largely urban nature of the Council's area, mean that our analysis for development or acquisition projects has focused on solar PV which represents the most realistic and affordable opportunities to meet the requirement. However, where a scheme may be improved by the incorporation of on-site storage then commentary on this has been provided.

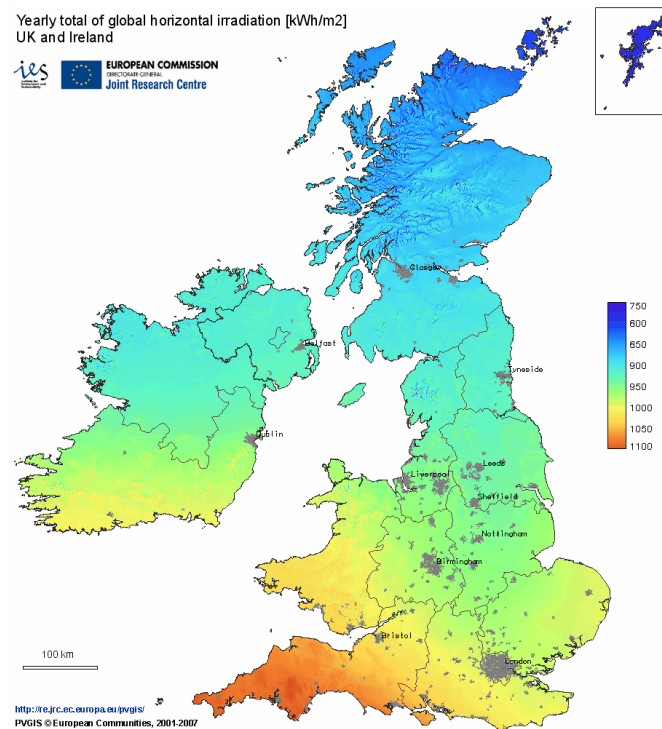
PPA options have also considered wind projects, although these are likely to be located in Scotland or offshore.

3.2 Calculating the appropriate size of a solar PV scheme to meet existing targets

The original brief was to offset 7,000 tCO₂e in 2025. Figure 3 shows that the carbon intensity of grid supplied electricity falls from 0.224 Kg CO₂e/kWh in 2025 to 0.052 Kg CO₂e/kWh in 2038. The Council's offsetting requirement also falls during the period 2025 – 2038, with a residual requirement in 2038 of 2,913 tCO₂e. We have therefore calculated the equivalent solar PV requirement for both 2025 and 2038.

The other significant variable in calculating the size of the requirement is solar irradiance. Irradiance varies across the UK and significantly affects project economics, as higher irradiance is in effect free fuel. Figure 5 on page 16 shows irradiance levels across the UK. As it is not yet known where any potential scheme might be located we have assumed a generic figure of 945 kWh/kWp of installed solar PV in our calculations, which is similar to the figure in Manchester. Schemes in southern England may have significantly higher levels of irradiation.

Figure 5 – UK solar irradiance levels (Source PVGIS)



3.2.1 Solar equivalent sizing - 2025

By 2025 grid supplied electricity is forecast by BEIS to have a carbon intensity factor of 0.224 Kg/ kWh.

Converting the **7,000-tonne requirement** into the equivalent grid supplied electricity can be done as follows:

1 Kg/kWh = 1 tonne/ MWh therefore:

7,000 tonnes/ 0.224 = 31,250 MWh of grid supplied electricity equivalent

The projected irradiance for Manchester is in the region of 945 kwh/kwp⁴. For the requirement to be met by locally produced solar PV in 2025 the Council would therefore need:

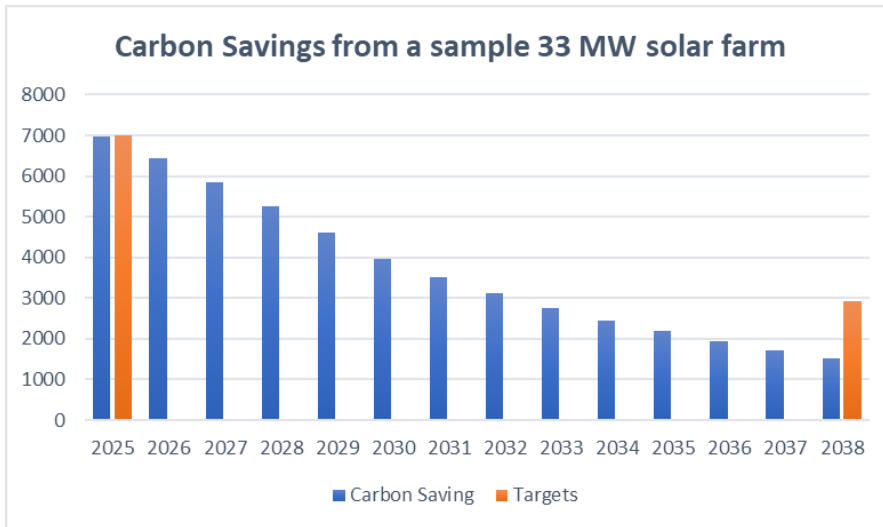
$31,250 \times 1,000$ (conversion MWh to kWh) / 945 = 33,069 kWp or the equivalent of around **33 MW solar**.

Figure 6 sets out how a 33 MW solar farm, sized to meet the 2025 target would fall short of the 2038 target.

⁴ PVGIS Version 5 - CMSAF



Figure 6: Carbon savings from a 33 MW solar farm against targets



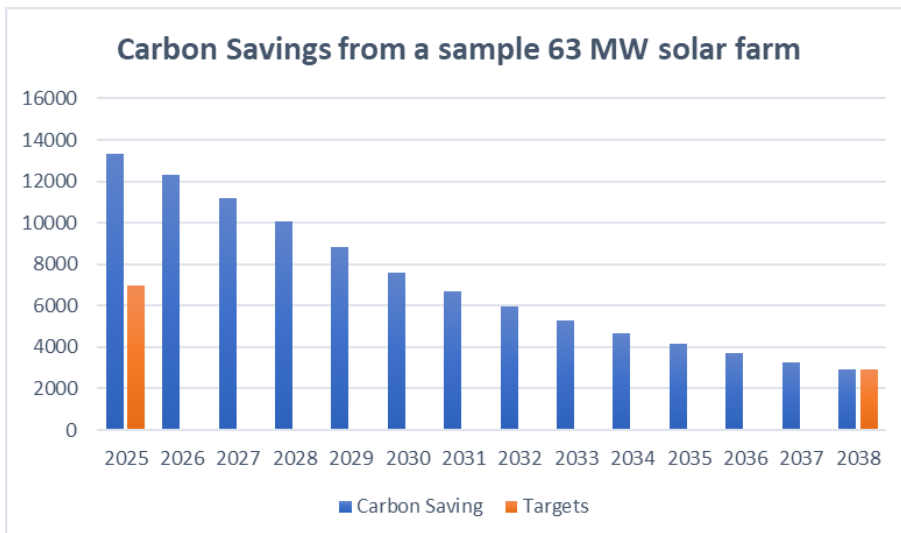
3.2.2 Solar equivalent sizing – 2038

By 2028 grid supplied electricity is forecast by BEIS to have a carbon intensity factor of 0.052 Kg/ kWh.

Following the same methodology set out above, but also allowing for the 0.4% annual degradation the 2038 **2,913-tonne requirement** is equivalent to a 63 MW solar requirement in the Manchester area.

Figure 7 sets out the carbon savings from 63 MW of solar against the targets in 2025 and 2038.

Figure 7: Carbon savings from a 63 MW solar farm against targets





3.2.3 Sizing by electrical consumption

The Council will only be able to offset emissions from electricity generation against its electricity consumption (i.e. scope 2 emissions). In setting a target requirement we therefore also need to consider the future consumption of electricity by the Council. 2018/19 electricity consumption was around 49GWh (excluding schools). A further 4GWh/pa reductions are forecast from the street lighting programme, leaving a residual requirement of around 45 GWh/pa.

There is considerable uncertainty around future levels of consumption. The Council have ongoing energy efficiency programmes and will potentially also review their estates requirement following a year of homeworking through the Covid-19 lockdowns. These measures may see a significant decrease in electricity consumption, although analysis of previous years trends suggests that aside from the street lighting programme the Council has achieved year on year energy efficiency savings of around 2%.

Set against this the Council will need to use electricity for more things in the future if it is going to remove its scope 1 emissions (i.e. petrol, diesel and gas). It is likely that much of the fleet will need to be electrified and heating systems will require more electricity in the future.

45 GWh in 2038 would represent around 2,088 tCO₂e in 2038. This is less than the 2,913 tCO₂e identified in earlier work, and therefore assumes that the Council will achieve greater energy efficiency savings than previously identified.

Bearing in mind the uncertainty over electricity consumption we have used the 45 GWh/pa in the remainder of this report and focused on flexibility in our assessment of different alternatives.

At an irradiance level of 945 kwh/kwp (see section 3.2.1 for further details on methodology) the annual consumption would equate to around 47.6 MW of solar PV.

3.3 Carbon Accounting Practice

The Council will be able to account for the electricity produced from the renewable energy generators against its scope 2 emissions. These are the emissions produced by the consumption of grid supplied electricity. It is not possible to use renewable energy generation to offset against scope 1 emissions in the UK.

Recommended practice in the UK is for organisations to undertake dual accounting for the use or generation of renewable energy. Under this methodology the initial assessment is undertaken using grid supplied electricity and then an adjustment is shown 'below the line' for the renewable energy. In this way it is possible to retain visibility over both total consumption of electricity (and the success or otherwise of energy efficiency measures) and the use of carbon.

In order for renewable energy to be reliably used in carbon accounting it is necessary to consider three things:

1. Whether or not the use of renewable energy directly contributes to additional renewable energy resource in the UK. Any scheme which would have gone ahead regardless of the arrangement should not be included in carbon

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accounting measures. In particular the Council should be wary of supplies which are part of much wider arrangements where the allocation of a project to a particular customer would lead to the general supply for customers not on a 'green' tariff having a higher carbon intensity.

2. Permanence of the arrangement. Any initiative which can easily be reversed eg if budget cuts are required should not be included in carbon accounting measures.
3. Traceability. This means the extent to which it is possible to be certain that the electricity purchased has been generated at the point specified. This is governed in the UK by the Renewable Energy Generation of Origin (REGO) certificates, a scheme which is administered by Ofgem. For the purposes of the remainder of this report it is assumed that all schemes will be able to provide suitable REGO certificates.

3.4 Size range and target size

The 2025 target requires a solar farm of around 33 MW, whereas to meet the 2038 target a much larger 63 MW solar farm would be required. These are both assuming an irradiance of 945 kWh/ kWp (Manchester area). If a suitable project could be found in an area with 10% higher irradiance, then the requirement would fall by the same amount.

If a larger project was selected, then it would meet the 2025 requirement and potentially the 2038 residual emissions target. A larger scheme would also have the benefit of contributing more to the earlier carbon budgets.

In order to contribute to CO₂e reductions a scheme will have to be no larger than the Council's equivalent scope 2 emissions. We would therefore recommend that the correct size for the requirement is in the order of 45 MW – 50 MW of solar PV.

Recommendation 1: The Council should consider adopting a target of 45-50 MW of solar PV generation (or equivalent wind) now as this will:

- a) **Provide a future proof solution which will also deal with residual emissions in 2038.**
- b) **Allow a larger proportion of the Council's scope 2 electricity emissions to be reduced from an earlier point in time. This will help the Council in achieving its carbon budget target.**
- c) **Maximise the potential of offsetting through generation or power purchase.**

Background – Key Points

The report sets out a requirement for the equivalent of 45-50 MW of solar PV.

Solar PV projects are more realistic than wind turbines due to planning restrictions.



4 Review of ground mounted solar PV opportunities on land assets owned by the Council

4.1 Overview

The use of large-scale ground mounted solar has been popular in the UK and represents around two thirds of the UK's overall installed solar capacity. Ground mounted solar PV schemes need scale to be cost effective as investment yields are typically relatively low (<6%).

Land recovered from former landfill activities can be used for ground mounted PV systems, but this increases the costs as mounting structures need to be surface mounted (as opposed to piled into the ground). It is also possible to install floating solar arrays on reservoirs, although these schemes are more expensive.

The requirement identified in section 3.4 will require in excess of 100 Ha of land to achieve. Our analysis (see Appendix 4) concludes that the Council has limited scope for ground-mounted solar that merit further investigation. The Council currently holds land interests at 35 historic landfill sites across the City. Many of these closed landfill sites have been reclaimed as open space (for example, Clayton Vale and Tweedle Common) or are not suitable for development as a result of location issues where adjacent land uses effectively rule out development. For example, Shack Liffe Green is nestled between the houses of Horncastle Road and Boggart Hole Clough Park. The site has received minimal intervention and as a result now has a very diverse habitat with ecological value.

Potential opportunities for solar PV exist at Heaton Park and on Council owned land south of Wythenshawe Hospital (see sections 4.4 and 4.5), however planning and other designations mean that these sites cannot realistically be brought forward for solar PV.

4.2 Development of ground-mounted solar PV schemes

In progressing ground mounted solar schemes on its own sites, the Council will need to consider the best approach to take to managing the development process. Detailed guidance on this can be found at [Renewable Energy Good Practice guidance for the LGA](#).

Working with a third party brings skills and potential development finance but will require the benefits to be shared and a procurement will be necessary.

In this analysis we have not contemplated the Council developing sites on third party land as this would require the identification of suitable sites before any appraisal could take place. If the concept of ownership of large-scale ground mounted solar PV projects is agreeable this alternative could be considered as a potential delivery route, although it is resource intensive and carries significant development risk. Under the Prudential Code, local authorities cannot borrow from the PWLB or any other lender for speculative purposes.



The options for development of schemes on Council owned land are:

1. The Council acts as developer by directly managing the grid connection application and the submission of the planning application – this approach will maximise the financial benefits but carries the greatest risk in terms of development finance and failure to develop. The approach will require staff capacity and capability to manage the process.
2. Partnering with a solar developer who would take on some of the project risk. Given the relatively small size of the pipeline and the complexity of the procurement exercise that would be required, this route would be unlikely to provide best value.
3. Energy performance contracting – this approach uses a framework to appoint a suitable contractor who will then work up the scheme and manage the development process. Costs are incurred by the Councils for the development work, but financial returns are guaranteed.

4.3 Elements of development

Table 5 below sets out the initial screening tests that have been applied to Council owned sites in assessing their suitability to host solar PV projects.

Table 5 – screening tests for potential projects – Solar PV

Risk Category	Action and Information Sources
Viability	<p>Size and orientation. For a scheme to offer sufficient financial return on investment to pay for a grid connection it is likely to need to be > 1MW. A site of this size would require 5 acres of land.</p> <p>Shading from trees or adjacent buildings which would prevent the solar panels from working effectively.</p>
Planning	<p>Planning designations (greenbelt, Area of Outstanding Natural Beauty (AONB) etc).</p> <p>Sites allocated for housing – local plan Proximity to housing – we would recommend at least 300m.</p> <p>Potential loss of amenity either through loss of established public use of a site.</p> <p>Transport and access constraints.</p> <p>Other development issues such as flooding, proximity to historic buildings, complex ecology etc.</p>

Risk Category	Action and Information Sources
Land	<p>Agricultural land grade 3b or below. Indicative land grade is provided by Natural England . http://publications.naturalengland.org.uk/category/5954148537204736).</p> <p>Land ownership including underlying interests and covenants, tenancies etc – Land Registry and deed packets Does the land have direct access to the public highway?</p> <p>Suitability of ground conditions and ground contamination/ stability.</p>
Grid	<p>Available and affordable grid connection capacity for the export of power generated</p>

There are three basic elements for developing a solar farm; land rights, grid connection and planning.

4.3.1 Land rights

The schemes we have reviewed are on land owned by the Council. There are, however, other land considerations which any scheme would need to we have reviewed are on land owned by the Council. consider. These are as follows:

1. Any leases, licences, covenants or other rights over the land.
2. Any third-party land rights which will be needed to lay a cable between the site and the point of connection identified by the electricity grid network operator Electricity North West (ENW).
3. Any alternative uses for the land which the Council may have and whether a solar farm represents the optimum use of scarce resources.

4.3.2 Grid connection

In order for any scheme to work it needs access to a grid connection. This needs to be at a suitable scale and affordable cost. Grid access is provided by the local network operator via a formal process of a grid application. Prior to the grid application, informal advice can be sought either via surgeries or via a 'budget estimate' process. These informal processes are helpful, but do not provide certainty either in terms of price or guarantee that a connection will be available when required. The grid offer process takes around 65 working days and involves an up-front cost (of the order of £2,000 per site).

Types of grid connection offer

ENW grid connection offers provide two alternative prices; one is for ENW to undertake all connection works i.e. from the project site on to their network (usually known as 'all works' offer). The second offer is for ENW to undertake only those works on the network which others are not allowed to undertake (for example upgrading their transformers to facilitate the connection).



This second type of offer is known as a Competition in Connections (CIC) offer. This form of offer is likely to be cheaper but will require the procurement of an Independent Connection Provider (ICP) to undertake the remainder of the works. Developers typically pursue the use of an ICP for the following reasons:

- Greater choice
- Greater flexibility
- Faster delivery
- It can be more cost effective
- They are more likely to use language you understand and have knowledge from other projects, especially where dialogue with ENW is required to optimise the connection.

Greater efficiencies and economies of scale (cable and staffing costs) are more prevalent on longer connections. From our experience, ENW are very conservative on programme timescales resulting in higher contractor's costs (for weekly site establishment and management) in comparison to ICPs who typically drive the shortest and most efficient programme of works.

If the Council decided to accept a CIC offer, then it would require either the procurement of an ICP or for the ICP works to be procured as part of the solar farm construction contract. This may add to the complexity of procurement activities. Further complexities arise through the need for the cable route to be included in the planning submission (ENW has permitted development rights which do not extend to the CIC contractors) and the management of road opening licences (which will normally be managed by the ICP).

4.3.3 Planning

Information to submit a planning application for large scale solar PV usually takes around six months to collate and three months to determine.

Key planning considerations generally include:

- Landscape and visual impact/amenity impact
- Ecology
- Transport, construction and noise
- Glint and glare
- Rights of way
- Flood risk
- Specific local policy designations and constraints

Planning for renewable energy schemes does carry an inherent level of risk.

Biodiversity net gain (BNG) is an increasingly prevalent requirement in planning decisions. This will become mandatory under the forthcoming Environment Bill. Any planning submission is likely to be required to demonstrate a 10% gain under the legislation, using the recently issued metric from the Department for Environment, Food and Rural Affairs (DEFRA).

Local buy-in to any scheme will be important in the urban area. There are instances where buy-in has been enhanced by working with community development groups or offering Community Municipal Investments (CMI). The Council could consider using a

CMI as an alternative to, or alongside the Public Works Loan Board (PWLB) to fund the schemes.

For example, West Berkshire Council has looked to tackle its climate emergency by investing in its first CMIs. The Council offered residents and community groups an opportunity to invest directly with them to help build a greener future for the district. The council was seeking to raise £1 million to fund new rooftop solar power on council-owned buildings around West Berkshire. The CMI successfully closed reaching its £1m target five days ahead of the proposed deadline, attracting 640 investors who each invested an average of around £1,500. Similarly, Warrington Borough Council launched a CMI bond to raise £1m to help finance the construction of a solar farm near Cirencester and its co-located battery storage facility (a 24 MW hybrid project).

4.4 Heaton Park

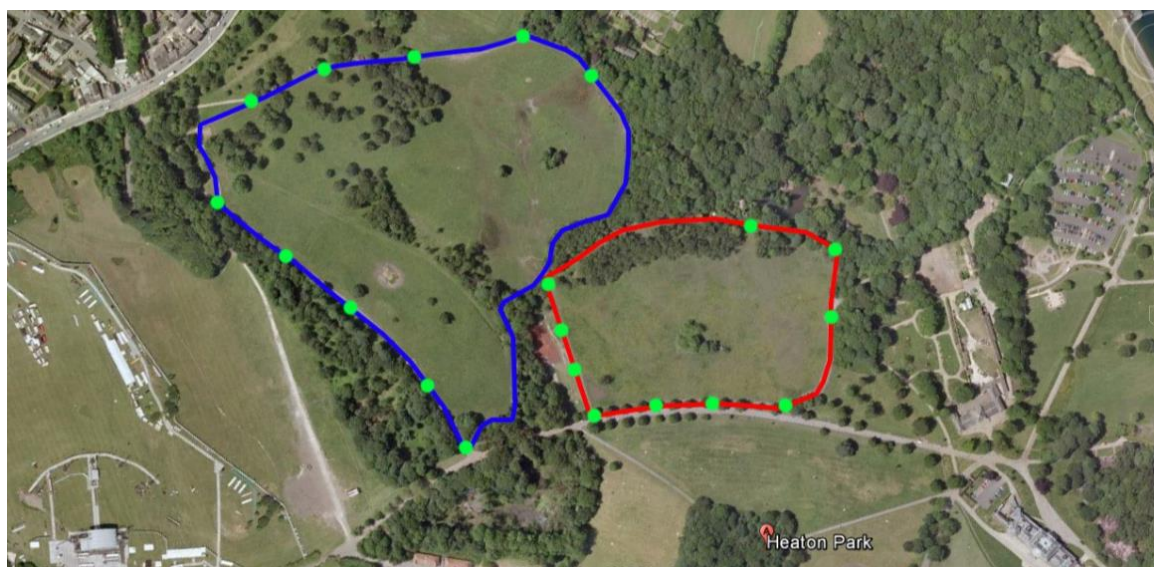
This is a desk-based analysis based on information that can be gained from websites, Google Earth and other electronic media. A site visit has not been undertaken by Local Partnerships as part of this assessment.

4.4.1 Site description

Heaton Park is a large, historic, Grade II listed municipal park, containing a number of historic structures dating from its original use as a country estate. It is used for a mix of formal and informal recreational opportunities in a primarily informal landscape.

The Council's Re:fit Service Provider, Ameresco, has identified two land parcels within Heaton Park as having potential for solar PV (see Figure 8). The area shown in red is approximately 4 Ha in size and at its closest point is 230m from Heaton Hall and orangery. There is a cluster of trees in the centre of the land parcel. The land is bounded by a tree lined perimeter path which forms part of a wider path network. Ameresco has indicated that the land parcel could support a 3.9 MWp solar PV scheme.

Figure 8: Potential land parcels for PV development at Heaton Park



The area shown in blue is a larger land parcel (circa 10.5 Ha) which is undulating with a gradual slope to a peak of mature trees. The land parcel is bounded by a tree lined



perimeter path which provides screening from Heaton Hall. There are three football pitches adjacent to the site. At its closest point the land is 510m from Heaton Hall.

Installation of a solar farm on the site would require considerable removal of trees. Consideration will also need be given to the existing site contours as it is likely that some levelling works would be required to facilitate the development of a solar panel array. Ameresco has indicated that the land parcel could support a 6.5 MWp solar PV scheme.

4.4.2 Planning

Key planning and design constraints for the site include:

1. Cultural Heritage and listing
2. Tree belts
3. Greenbelt
4. Nature and biodiversity considerations
5. Leisure and open space policies

The significance of Heaton Park, both as a heritage asset and a recreational resource mean that it is unlikely that any significant scheme could be brought forward at the site without significant harm.

Installing solar carports is becoming increasingly popular for local authorities looking to generate renewable energy, and whilst it remains an expensive method of solar PV construction, a solar carport project at Heaton Park could provide the Council with the opportunity to generate renewable energy on the site whilst protecting the setting of the park. Ameresco has outlined a potential 500 kW scheme for one of the main car parks at Heaton Park. The Council recently obtained planning permission for a 915 kWp Solar carport at the National Cycling Centre, so is familiar with the technology. Discussion with the Council's planning department suggest that even a scheme of this size would not be suitable in planning terms.

United Utilities own the reservoir, meaning even if a floating solar scheme were possible in planning terms it would not be available to the Council.

4.4.3 Grid

A connections surgery call took place with ENW on 11 November 2020 to understand connections and capacity available in the vicinity of the site. An 11kV firm connection to support up to 8 MW of export was available circa 3.5km from the site. A budget connection cost was also provided by ENW, although firm costs will not be available until a formal offer is applied for and analysis of the connection route is completed.

4.4.4 Heaton Park Potential

The feedback from the Council's planning department means it is unlikely that any scheme could be brought forward at Heaton Park.



4.5 Land south of Wythenshawe Hospital

4.5.1 Site description

The land area under consideration (13.8 Ha) for a solar farm is located in the far south of Manchester, a short distance to the south of Wythenshawe Hospital. The area is bordered by Fairywell Brook to the southwest, which also forms the border with Trafford; by Dobbinetts Lane to the northwest; by a surface car park to the north; and, by Floats Road / Barnacre Avenue / Newall Road / Whitecarr Lane to the east and southeast.

4.5.2 Planning

The land under consideration is included within Allocations 11 and 46 within the Greater Manchester Spatial Framework Publication Plan 2020. The site has been allocated to provide around 2,400 high quality homes along with 60,000 square metres of employment land to provide high quality office space. These allocations and supporting planning documents have been through extensive consultation and as such it would be difficult to make representation to amend the allocations and therefore for a ground mounted solar scheme to be brought forward on the site. There is however the potential to target up to 2MW of solar car ports and rooftop solar as the site is developed.

4.5.3 Grid

A connections surgery call took place with ENW on 4 November 2020 to understand connections and capacity available in the vicinity of the site. ENW outlined that a firm connection to support up to 10 MWA of export was available circa 1.9km from the site (Green Lane (Altrincham) (33 kV / 11 kV)). The Council could also consider a private wire connection to provide a renewable energy supply to Wythenshawe Hospital.

4.5.4 Private Wire Connections

The term 'private wire' is used to describe a connection made directly to a customer's premises. Private wires can significantly enhance investment yields as the customer avoids paying the network distribution charges for grid supplied electricity, which typically constitute around two thirds of their bill. This leaves scope for a higher price (relative to the wholesale price alternative) to be charged to the customer for the power supplied, whilst still representing a significant cost saving to the customer.

Further advice would need to be sought on the impact of any private wire connections in relation to carbon accounting practice and whether there would be any allowable reductions under this type of arrangement if the Council is not the customer.

4.5.5 Land to the south of Wythenshawe Hospital potential

As the land has been allocated for employment use it is very unlikely that it would come forward as a solar farm. There is however scope for up to 2 MW of solar (a combination of rooftop and carports). There is no certainty that the Council would act as developer and landlord at the site, so it may lose control of any solar potential through the development process. The economics of any scheme located on the site would be much improved by a 'private wire' direct to the occupiers. We therefore consider it unlikely that

any generation at this location would be utilised towards the Council's target and have discounted it from further analysis.

Ground Mounted Solar PV – Key Points

Our analysis has failed to find any significant sites with renewable energy generation potential which are under the Council's control and not already identified as part of the Council's existing programme for solar PV.

5 Battery Storage

5.1 Overview

Many councils have a diverse property portfolio which offers the opportunity to benefit from the growing demand for energy storage infrastructure. With recent advances in technology, falling costs and better regulation, local authority investment in this type of technology is becoming increasingly popular as a means of optimising existing assets and utilising renewable energy.

Battery storage systems do not provide direct carbon benefits, although they are required for the smooth operation of the electricity grid with the increasing prevalence of renewables. Standalone battery storage projects, unless the power is used by the Council, may be harder to justify as suitable for Public Works Loan Board (PWLB) funding.

Battery storage systems are becoming a popular addition to new and existing solar PV systems in a bid to increase the amount of self-consumption, mitigate against price cannibalisation risks and to reduce energy costs. For example, Exeter City Council is currently constructing a 1.2 MW ground mounted solar array co-located with energy storage technology, with a separate connection (private wire) to provide a renewable energy supply to its nearby operations depot.

Charging during daylight hours uses 'free' solar electricity and, if this energy is then discharged when electricity supply costs are higher this has the potential to offset the cost of grid supplied electricity.

5.2 Potential for battery storage across the Council estate

In March 2019, the new Greater Manchester 5-year Environment Plan was launched, setting a new target for the city region of carbon neutrality by 2038. The plan included a range of commitments for local authorities, including a target to develop 45 MW of energy storage over the next 5 years. Opportunities exist for large scale energy storage with the Council boundary which again requires further consideration of the land use at the sites identified. Table 6 sets out the opportunities which exist for large scale energy storage across the Council estate, which requires further consideration of the land use at the sites identified.

Table 6: Large scale energy storage opportunities

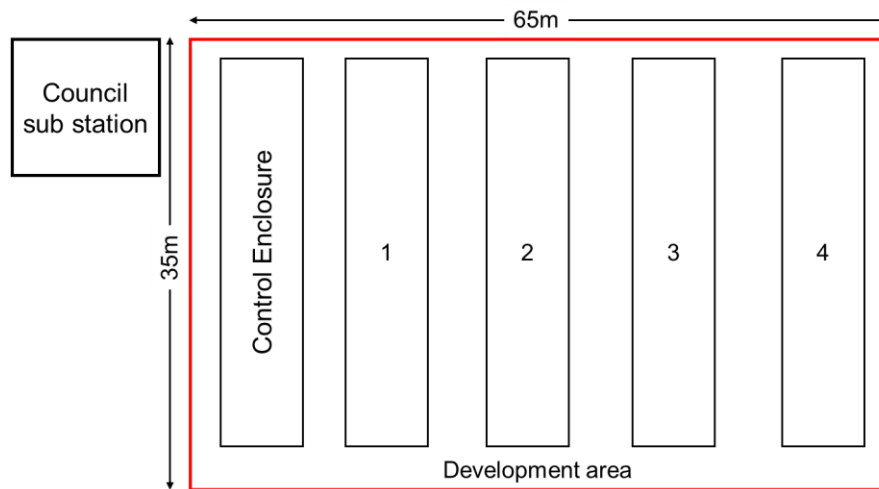
Site	Substation Name	Distance from substation	Battery energy storage headroom
Bradford Gas Works	Bradford (33 kV / 6.6 kV)	2.2km	7.8 MW
Airport Woodhouse Park	Moss Nook Primary (33 kV / 11 kV)	1.3km	11.2MW
Land south of Wythenshawe Hospital	Green Lane (Altrincham) (33 kV / 11 kV)	1.9km	10.0 MW

5.2.1 Land utilisation

A grid scale battery system consists of a group of containerised battery cells (usually Lithium Ion) that are connected to a major substation via a high voltage cable.

Figure 9, below, is a simplified and conservative system layout sketch for a 5 MW battery storage facility (including 4 x 1.26 MWh capacity enclosures and their associated transformers). This layout would occupy less than 0.25 Ha. A 2 MWh capacity battery storage system would typically be housed in 12.5m long containers which would reduce the development footprint further.

Figure 9: Simplified and conservative system layout sketch for a 5MW battery storage facility



Given the limited land requirement and access to a close grid connection point a battery storage facility could be included within the Council's overall employment use ambition for the land south of Wythenshawe Hospital.

As set out in section 4.5.3, the Council could consider a private wire connection to provide energy storage to Wythenshawe Hospital. A battery storage system would allow the hospital to control the timing and amount of electricity it purchases, sells or stores. This capability would enable the hospital to take advantage of a variety of opportunities to reduce electricity costs and generate revenues. Wythenshawe Hospital benefits from a recently installed Combined Heat and Power (CHP) unit which delivers almost all the power needed to run the hospital, as well as four new high-efficiency boilers. Supplementing the CHP with battery storage would give the hospital more flexibility over how to manage their energy.

A hospital's highest electricity usage typically occurs between 8 AM and 8 PM when demand for electricity and peak charges are high. Large-scale battery storage can help a hospital reduce peak costs by "shifting" all or part of its load to off-peak hours. By recharging a large-scale battery system during off-peak hours, the hospital pays the lowest rates for electricity. It can then use the stored electricity during the day to minimize the hospital's electricity purchases when charge rates are highest.

Both the Council and the hospital should seek specialist procurement advice in relation to any potential project.

5.2.2 Economics

We have estimated a cost of £2,535,000 for the installation of a 5 MW battery storage facility (including cell, balance of system and grid connection). Allowance would also need to be made for development costs e.g. planning application, surveys etc.

Revenue streams from storage projects are complicated and it is highly likely that the Council will need to work with an aggregator to ensure that they access the best sources of revenue at any given time.

Early battery storage projects were characterised by a revenue stack of 24/7 frequency response plus capacity market operated in a standalone fashion. Whilst this model was far from simple there are now several sources of revenue available, with the most lucrative options changing between capacity, ancillary services, trading and the Balancing Mechanism (BM).

Currently no one revenue stream holds the answer to a battery storage business case, revenue agility is required. An asset needs access to ancillary services, Distribution System Operator (DSO) services, reliable triad management, energy markets, BM, and any other services that emerge, to be truly optimised. Aggregators are currently indicating to potential clients annual revenues of £50,000 - £60,000 per MW for a 1-hour battery and £70,000 - £80,000 for a 2-hour battery. For a new build battery delivered from the early to mid-2020's we would expect an IRR between 9-10% to be achieved.

5.3 Next steps

- The Council needs to consider whether stand-alone battery storage would meet the new criteria for PWLB lending.
- The Council should consider the use of land for the three battery storage opportunities identified. Undertake engagement with stakeholders to achieve broad support and buy-in if a battery storage facility is considered a good use of the land available.
- The Council will need to submit a formal distribution grid connection application to secure grid capacity and engage with aggregators and technology suppliers to firm up costs and revenues.
- The Council should consider the addition of battery storage to any large-scale solar installation in order to hedge against price cannibalisation and improve viability.

Battery Storage – Key Points

Battery Storage projects will not directly contribute to the Council's carbon offsetting aims but are an essential part of the grid infrastructure required to deliver a decarbonised electricity system.

There is potential to investigate battery storage projects at the three sites identified. Battery storage should be considered on any large-scale solar projects to improve viability and hedge against price cannibalisation.



6 Onshore Wind

6.1 Background

Onshore wind turbines are also potential projects in which a local authority could invest. In wind energy projects, to produce renewable electricity and thereby reduce their scope 2 carbon emissions. For example, Bristol City Council became the first local authority in England to develop and own wind turbines. The two-turbine project was installed at the former Shell Tank site at Avonmouth and was commissioned in December 2013.

The most recent example is Cornwall Council's commercial investment into a single turbine (2.3 MW) project which became operational in September 2020. The turbine is sited on Cornwall Council land at Ventonteaue, near Carland Cross, on the A30. The rationale for the turbine is to help Cornwall better manage its energy supply and power the equivalent of around 1,180 Cornish homes, representing a significant contribution towards the Council's climate emergency agenda. Cornwall Council own and operate the wind turbine. Earlier this year Orkney Islands Council submitted a planning application for a six-turbine wind farm which is in the process of being determined by Scottish Government. There are also micro wind turbine installation examples.

In comparison to solar PV, there are very few examples of local authority commercial scale development of onshore wind projects, with deployment being at the single or two turbine level and benefitting from niche land assets (such as Bristol City Council's project at Avonmouth). This is largely due to planning permission being one of the biggest barriers to project development for larger wind turbines and commercial wind farms. Project development is generally riskier than solar PV and can take up to several years to deliver.

Onshore wind is an established technology and offers one of the least-cost options for renewable energy supply; delivering electricity cheaper than conventional fossil-fuel technologies. Despite the strengths of onshore wind energy, widescale deployment of the technology in England and Wales has been largely restricted since 2015 due to the local and national planning requirements. Proposals often face local opposition, with visual impact, noise, site access and ecological impacts cited as reasons for objection. In the UK, 55% of historic onshore wind projects (between 1993 to 2019) were refused permission or abandoned (planning application withdrawn) by the developer.

Furthermore, legislation introduced under the Energy Act 2016 provided local authorities with the final say for all onshore wind energy projects and only allows wind turbines to be proposed for sites which have been identified within local or neighbourhood development plans. These changes effectively provided local communities with a veto to block the development of wind turbines.

In 2014 (the year before the planning changes were implemented) there were 156 onshore wind planning applications (51 in England). In contrast, only one application was submitted into the English planning system in 2020, with a capacity of 4.2 MW. This highlights the extent to which the local veto has all but stopped this form of development in England.

Historic planning consents in England have been at a total height of 125m. In recent years tip heights for schemes have generally increased to around 200m and the manufacturers are understandably concentrating on this larger market. In effect any [Feasibility Study and Options Appraisal for Large Scale Energy Generation for Manchester City Council](#)



smaller schemes in England would therefore be unlikely to access the latest, most cost-effective turbines unless there is a softening of the planning consenting regime in England. Most commercial turbine manufactures (such as Enercon, GE, Nordex, Siemens Gamesa and Vestas) have phased out production of turbines below 150m to focus on the next generation of turbines at 180m tip heights and above. 180m tip height turbines have already been consented in Scotland, with projects at 200m+ also in the planning system.

Onshore wind turbines are typically located in areas with adequate wind speeds and in exposed locations free from obstacles like trees or buildings that can interfere with turbine performance. Table 7 outlines some of the key considerations for onshore wind site identification.

Table 7: Screening criteria for wind development

Key consideration	Comment
Wind resource/ viability	A minimum average windspeed of 6m/s+ will be required to obtain a reasonable return.
Monitoring wind speed	Wind speed monitoring is advisable prior to developing a wind energy project, to obtain more accurate data on wind speeds at the height of the proposed turbine. Wind monitoring also allows energy output for the project to be estimated. For commercial developers seeking project finance, this monitoring will be undertaken for a full year. Planning permission is also likely to be required for the wind monitoring mast.
Spacing	If more than one turbine is being installed, a space of at least five times the diameter of the rotor should be allowed between turbines to optimise power output by reducing wind shadowing and or turbulence.
Access	Access for the installation also needs to be taken into account. More remote locations will typically have a better wind resource, however access for vehicles to construct the turbine foundations and transport the turbine blades and other components to the project site may be constrained.
Grid connection	One of the main challenges wind development faces generally is the cost of procuring access to local grid infrastructure. Underground or overhead power lines can be very expensive, so the closer the site is to a suitable connection point the better.

Like for solar, sites identified for planned wind farms are subject to a formal application assessment. The National Planning Policy Framework aims to protect Areas of Outstanding Natural Beauty, Sites of Special Scientific Interest and areas of high national heritage value from negative impacts of wind farm development. In addition to this, most commercial scale onshore wind turbine applications will require an Environmental Impact



Assessment (EIA), which assesses the potential visual impacts and changes to landscape and biodiversity that could result. Other areas the EIA covers includes:

- archaeology, hydrology and geology
- aviation and radar
- noise and shadow flicker impacts
- ecological impact

New onshore wind projects cannot receive planning permission unless an area is identified as suitable for wind energy in a local or neighbourhood plan. Table 8 sets out other key designated areas which need to be avoided along with some typical set back distances for onshore wind projects.

Table 8: Key designated areas and set back distances for onshore wind development

Key consideration	Comment
Designated nature conservation areas	Designated nature conservation areas should be avoided. Where sites are used by birds, ecologists may recommend set back distances from the boundary of designated areas.
Designated landscape	Designated landscapes may or may not be suitable for wind turbines, depending on the reason for their designation and the impact that wind turbines may have on this. Views from designated landscapes to wind turbine sites will also need to be considered.
Bats	Hedgerows and woodland areas need to be avoided to reduce the potential impact on bats. Ecologists will recommend separation distances.
Residential properties	A setback distance of at least 600 - 800 metres from residential properties for large wind turbines is recommended. However, as local communities have a veto to block the development of wind turbines, engagement with the local community should be sought on setback distances.
Infrastructure	Minimum distances from roads, power lines, gas pipelines and other infrastructure, which are required by the Highways Agency and other infrastructure operators including National Grid.
Exclusion areas	Exclusion areas around airports, airfields and MOD land exists. Depending on the nature of the project, this should be determined in advance in consultation with the relevant body.
Communication equipment (telecoms)	Communications equipment need to be taken into account in consultation with the relevant telecoms operators such as Openreach.



6.2 Potential for onshore wind across the Council estate

We have reviewed the Council's land assets and were not able to identify any suitable areas that could potentially support one/two commercial size turbines, or the deployment of micro turbines.

6.3 Onshore wind market review

An analysis of the BEIS Renewable Energy Planning Database quarterly extract for September 2020 indicates that there are 84 onshore projects greater than 5MW that have been consented between 2016 and 2020 that are still awaiting construction. This pipeline totalling 3.6 GW is comprised of 65 projects only one of which is in England. The remainder are in Scotland (65), Northern Ireland (13) and Wales (5). In terms of the MCC requirement (range 20MW to 60MW) there are 45 projects all of which are outside England. This would mean that the Council would need to be open and able to invest outside England. Developers of these projects have not historically sold assets or are already committed to existing investors.

The announcement that there will be a Contract for Difference (CfD) pot 1 allocation in 2021 (see Appendix 1) will also provide further certainty in this market and drive competition. Large projects or portfolios of projects in high wind speed areas in Scotland and Wales are likely to be the main beneficiaries in the fourth allocation round.

6.4 Next steps

- The Council needs to determine whether it can invest outside England.
- Approaches could be made to wind turbine developers who have assets which have not been constructed, but as these are generally tied in to a particular investor it is unlikely that would be available for purchase.

Onshore Wind – Key Points

Onshore wind is one of the most established technologies and offers one of the least-cost options for renewable energy supply and delivers electricity cheaper than conventional fossil-fuel technologies.

We have reviewed the Council's land assets and were not able to identify any suitable areas that could potentially support one/two commercial size turbines, or the deployment of micro turbines.

Only one onshore wind application was submitted into the English planning system in 2020, with a capacity of 4.2 MW.

There is potential for the Council to investigate the acquisition of consented projects which are still to be constructed, however any acquisition would be outside England and it is not likely there would be a significant number (if any) assets available for a transaction of this nature.



7 Offshore Wind

7.1 Background

The Crown Estate manages the seabed around England, Wales, and Northern Ireland. The Energy Act 2004 vests rights to The Crown Estate to license the generation of renewable energy on the continental shelf within the Renewable Energy Zone out to 200 nautical miles.

In 2001, The Crown Estate announced the first UK offshore wind leasing round and since has run two further leasing rounds in 2003 and 2008. Thirty-nine offshore wind farms have been built by the sector, comprised of 2,292 turbines with an operating capacity of 10.4 GW. In September 2020, the Crown Estate awarded lease agreements to six proposed offshore wind project extensions in the waters around England and Wales (totalling 2.8 GW).

The Crown Estate is currently in the process of running its fourth leasing round, creating the opportunity for at least 7 GW of new projects. Prospective developers have been given the opportunity to identify and propose project sites within four broad seabed Bidding Areas. The Round 4 leasing process consists of five stages, the pre-qualification stage of which has already been completed. Invitation to Tender Stage 2 and bidding cycles are expected to take place in early 2021.

The Crown Estate is expecting to enter into a wind farm agreement lease with successful bidders in Spring 2022. Once seabed rights have been awarded, project developers will apply for the required statutory development consents. This is required as each project will be at least 400 MW. Developers will also require consent for the construction of the wind farm's offshore cable connection to the onshore grid and associated onshore permissions.

The development and consenting stage of the process is managed by the wind farm developer. The main offshore UK developers are: EDF Renewables, EDP Renewables, E.ON, Equinor, Innogy, Ørsted, Red Rock Power, ScottishPower Renewables, SSE and Vattenfall. A guide to an offshore wind farm was published on behalf of The Crown Estate and the Offshore Renewable Energy Catapult⁵ in 2019. This guide sets out the costs associated with the development, construction and operation of an offshore wind farm. Development costs alone (development and project management) for a 1 GW installation are estimated at £120m. There are no speculative developers in this market and most projects are developed and owned by these companies

Once consents are granted, developers will then need to take part in CfD auctions to bid for support to build and run the wind farm. It is currently anticipated that Round 4 projects will become operational towards 2030.

There is no real market to purchase offshore wind turbines other than to participate in the auction for leasehold rights and then go on to develop assets.

⁵ <https://ore.catapult.org.uk/wp-content/uploads/2019/04/BVGA-5238-Guide-r2.pdf>



7.2 Offshore wind – suitability

Offshore wind is not considered to be a suitable investment to meet the Council's requirements due to the scale of investment, the capacity required to acquire and develop assets and the extended timescale for assets coming on stream. The extended timescale would mean that an acquisition of this nature would not deliver the Council's carbon budget requirements.

Offshore Wind – Key Points

The MCC requirement would represent less than 1% of the current Round 4 opportunity.

The pre-qualification stage for Round 4 has already been completed.

Development costs associated with offshore wind are significant and any partnering/acquisition opportunity (given the MCC requirement) is likely to be extremely limited.

Round 4 projects are not forecast to become operational until the end of the decade and this would not meet the Council's carbon budget requirements.



8 Solar PV Market Review

8.1 Background

In order to meet its targets to offset 7,000 tonnes of CO₂e by 2025 the Council will need around 45-50 MW of solar PV generation (depending on location).

8.2 Opportunities within the Council's boundary

A review of Council owned sites and planning applications within the Council's area over the last two years has not provided any potential schemes within the Council's boundary.

8.3 Opportunities within the Greater Manchester Combined Authority boundary

Other councils in the Greater Manchester Combined Authority area are also exploring potential opportunities for solar farm sites. The ground mounted projects planned include solar farms at Chamber House farm in Rochdale (5 MW) and Kenyon Way in Salford (1.7 MW). Initial indications are that the size of the schemes are not large enough to benefit from a collaboration with the Council.

8.4 Out of area opportunities

We understand from discussions that the Council is open to financing an out-of-area investment if that is the best alternative and it is able to do so within the new PWLB lending criteria. Engagement with active solar PV has identified three potential projects that are in development and are available to purchase. The purpose of this section is to set out those opportunities and how the Council can position itself to be able to respond, either to these opportunities or to further market opportunities as they arise.

8.5 Solar PV market investments

The market for well developed, de-risked and subsidy backed solar PV projects remains high. This drives high prices and relatively low yields due to the secure nature of the income streams.

Local Partnerships has been tracking the pricing of operational disposals and have seen an upward value trend for operational (subsidy backed) solar PV transactions with prices of circa £1m per MW representing a current market benchmark. The majority of investors in the subsidised market are looking to move into the unsubsidised market. Those with large subsidised portfolios have substantial experience of managing merchant risk within these portfolios as a proportion of their income will be from trading wholesale power within their existing generation fleets.

We expect, and have already seen, that investors who need to continue to deploy capital into renewable generation and have experience in solar PV will invest in unsubsidised projects. The announcement that there will be a Contract for Difference (CfD) pot 1 allocation in 2021 (see Appendix 1) will also provide further certainty in this market and [Feasibility Study and Options Appraisal for Large Scale Energy Generation for Manchester City Council](#)



drive competition. Without CfD, projects require a relatively long-term Power Purchase Agreement (PPA) to cover eight to ten years of operation at the start of the project in order to create financial certainty in the early years. Renewed interest from the funds has resulted in project developers returning to the market. There has been a significant shift towards larger projects with the smallest new projects typically exceeding 25 MW.

To date there have been relatively few transactions of operational subsidy-free solar projects. Gridserve purchased the first subsidy-free solar farm from developer Anesco as recently as August 2020 (for an undisclosed sum). From discussions with active solar PV developers we understand developers are targeting pricing in the range of £550,000 to £650,000 per MW for constructed and connected assets. This reflects the greater risk of variable income associated with subsidy free development in comparison to £1m per MW for subsidy backed operational projects. It is likely that any solar projects which secure CfD will be more valuable than those trading on a merchant basis. One of the main challenges renewable energy development faces is the cost of procuring access to local grid infrastructure. Grid connection cost is therefore a key driver of project viability generally and price expectation within the range where viability is established.

Private sector developers are able to access significantly lower construction pricing than has been seen to date in the public sector. Public sector construction pricing is similar to the costs quoted for completed projects, so serious consideration should be given to projects which can be bought as they become operational. These projects represent a cost-effective solution for the public sector with significantly better risk profiles than schemes in development or at shovel ready.

8.6 Useful life

In the pre-construction solar PV market we are seeing increased focus on the useful operating life of projects, with developers seeking to obtain planning consent for 40 years and including provisions to extend land leases to match. This has led to an increased understanding of the potential value and technical requirements of investors to apply this extended life. This will result in more aggressive assumptions being made by funds on the potential project duration when assessing the viability of projects.

8.7 Technological improvements

Panel manufactures have continued to increase the efficiency of their technology. The emerging technology within the industry (bifacial modules and single-axis solar trackers) provide greater land-use options and offer a higher yield. Bifacial solar panels generate power by exposing both sides of the cells to sunlight, increasing total energy generation. The technology is relatively new and reported outputs are higher but sufficient data is not yet available to allow reliable modelling to take place in the UK. This coupled with reducing panel costs and the significantly larger size of new developments is having a positive impact on the economics of subsidy free solar PV. We expect investors bidding into market opportunities to factor in these improvements.

Single access tracker systems are common in the United States but have not featured to any significant extent in the UK so far. Build and maintenance costs are higher, but so are yields. The Warrington BC/Gridserve sites are the first deployment of large-scale single access trackers in the UK (examples of technology are shown in Figure 10 and Figure 11 for information).



Figure 10: Traditional fixed mounting structure solar farm with standard solar panels⁶



Figure 11: Single access tracking solar farm with bi-facial panels⁷



⁶ Image bsg-ecology.com

⁷ First4solar.co.uk



8.8 Structuring

The buyer pool for large projects are all astute financial institutions who will employ different but effective structuring to ensure that their investors' tax exposure is limited. As such, assumptions on structuring are variable and can also impact value.

From discussions with active solar PV developers who sell assets there is recognition of the advantages that local authorities would bring to transactions (e.g. motivations for investment, low cost of borrowing, their own power purchase requirements, return expectations and the ability to look at longer term project time horizons). It is likely that local authorities would be competitive in bidding processes. Subject to acceptable valuation, there is also willingness to align transaction timelines with council approval processes.

8.9 Positioning the Councils to respond to market opportunities

The pipeline of UK solar farms (as at September 2020) was 10.6 GW across 442 sites. 24.8% of the entire ground-mount pipeline capacity in the UK is coming from sites planned to operate at between 40 and exactly 49.9 MW. 29.6% of projects fall into the 250 kW to 5 MW band. These smaller sites are often local-council, public sector or landowner-based projects. The key message for the Council is that developers don't have the capacity to build every consented project, but the Council will need to be flexible both on location and size of project.

From our engagement with active solar PV developers who sell assets, it is clear that smaller size projects are available (5-10 MW) however the viability of projects that we have appraised has been difficult to establish. We therefore recommend that the Council should shape its approval processes and governance around a single 40 – 50 MW stand-alone project (on a subsidy free basis), with the flexibility to invest in two smaller size projects should they be financially viable and the projects become available.

Appendix 3 sets out more detail about the nature of activities required in the purchase of a large solar farm. Transactions of this nature are relatively competitive and there is a need to be able to take decisions relatively rapidly. The Council should consider what preliminary and delegated authorities are required to allow it to properly analyse and progress a transaction of this nature.

8.10 Active Projects

We have identified three currently available PV projects across the UK.

Project A – North West – 30 MW

Project is in development. Grid and land rights appear to have been secured by the developer. Planning is yet to be submitted. Earliest energisation date Q4 2023. Community development company.

Project B – The Midlands – 45 MW

Project has grid and land rights secured. Planning consent has been granted for the scheme. This scheme has a grid connection at 132kV which will add some

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complexity. Opportunity to purchase post construction. Earliest energisation date Q1 2022. Commercial developer.

Project C – Southern England – 46 MW

Project has grid and land rights secured. Planning consent has been granted for the scheme. Earliest energisation date Q3 2021. Commercial developer.

Table 9 sets out the different solar irradiance at these locations and compares them to the irradiance in central Manchester, together with the tCO₂e each scheme would offer between 2025 and 2038.

Table 9: Schemes irradiance and potential carbon savings (2025-2038)

Location	Forecast Irradiance (kWh/kWp)	Delta to Manchester	tCO ₂ e
Manchester	945	n/a	n/a
North West	958	+1%	48,238
The Midlands	989	+5%	74,699
Southern England	1065	+13%	82,227

8.11 Public Works Loan Board Consultation

On 26th November 2020 the UK Government published its response to the consultation on future lending terms for PWLB⁸. The aim of the consultation was to “..develop a proportionate and equitable way to prevent local authorities from using PWLB loans to buy commercial assets primarily for yield, without impeding their ability to pursue service delivery, housing, and regeneration under the prudential regime as they do now.”

The Government has now introduced new terms to apply to all loans arranged after 26 November 2020. Under these terms the s151 Officer will need to confirm that there is not an intention to buy investment assets primarily for yield, based on their professional interpretation of the guidance.

In relation to specific concerns raised by some respondents (item 3.99 of the response to the consultation) that they carry out some capital spending on green or renewable energy developments which support the local authority’s policy objectives to achieve carbon neutrality but were not necessarily located within the authority’s wider economic area, the Government response was: “The government will not restrict local authorities’ ability to carry out capital projects in neighbouring districts or the authority’s wider economic area

⁸https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/938043/Response_to_consultation_Public_Works_Loan_Board_future_lending_terms_1.pdf
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where these projects are for service delivery, housing, preventative action, or regeneration”

8.12 Next steps

- Develop sufficient outline business case authority to set up a decision making framework which allows the Council to act with sufficient speed to maintain market interest in a transaction whilst remaining within the decision making framework of the Council.
- Obtain in-principle support to enter into an exclusivity period/undertake project due diligence as opportunities arise.
- Review the project specific information in relation to the three currently identified projects and determine whether to pursue an exclusivity agreement in relation to any of these opportunities.

Market Opportunities – Key Points

There are opportunities to purchase solar PV schemes directly from developers, but these are unlikely to be within the Council boundary area.

50 MW schemes are available in the current market although the Council may need to show flexibility around actual sizing. The numbers of projects coming to the market are relatively small and the Council needs to be prepared to move at speed and be flexible in how they meet their requirement.

A budget of £ 27 - 30m would allow the Council to purchase sufficient assets to meet the requirements set out in this report.

The Council's s151 officer will need to be satisfied that an investment of this nature meets the new PWLB lending criteria.



9 The PPA alternative

A number of local authorities are exploring the route of purchasing 'green' electricity in order to meet their current carbon budgets.

Section 3.3 sets out the basis for carbon accounting for scope 2 emissions (grid supplied electricity). If dual accounting is to be used then good practice suggests there needs to be a very clear rationale for the inclusion of other electricity sources and in particular; additionality (i.e. demonstrating you triggered new capacity), traceability (i.e. how you can demonstrate where the power is generated) and permanence (i.e. long term arrangements that cannot easily be reversed) will be required to justify inclusion.

The duration of a PPA is an important factor in whether it would be legitimate to account for the carbon savings, with longer term agreements being beneficial. Longer term agreements however come at the risk of mismatch between the Council's requirements and the supply levels in the agreement. Longer term PPAs are likely to have a minimum supply requirement, below which the offtaker (i.e. the Council) will pay for power generated whether or not they are able to consume it.

If the Council were to pursue a green PPA there are two main scenarios i.e:

- a) Purchase a 'green tariff' from a supplier
- b) Direct purchase of electricity from a renewable energy generating station

9.1 Green Tariffs

A green tariff means that some or all of the electricity you buy is 'matched' by purchases of renewable energy that your energy supplier makes on your behalf. These could come from a variety of renewable energy sources such as wind farms and hydroelectric power stations. Renewable energy generation is demonstrated by the Renewable Energy Guarantees of Origin (REGO) certificates.

The Council's current supplier, nPower, offer tariffs for 10-15 years linked back to specific, identifiable generating stations.

9.1.1 Applying the tests of additionality, traceability and permanence

Before a green tariff is included in an organisation's carbon accounting it should meet the requirements of additionality, transparency and permanence.

I Additionality – green tariffs

Green tariffs rarely meet the additionality criteria as they may be part of an existing portfolio of assets. Furthermore, new green tariff customers will increase demand for green electricity which will be taken from the general portfolio of the provider, potentially making the general electricity supply from the provider to customers not on a green tariff more carbon intensive.

A green tariff is therefore unlikely to meet a specific additionality test even where it is from a clearly defined source. There is also nothing in the nPower agreement which

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would preclude the supplier from applying for a CfD for the scheme. Where as scheme has CfD certainty it is very unlikely that the supply contract with the provider would be sufficient to meet the requirements of additionality.

II Traceability – green tariffs

Green tariffs should be able to provide REGO certificates for every unit of power consumed. Provided they are able to do this then potentially they do pass the transparency test, although it is preferable if the certificates are traceable to a single nominated source. REGO certificates can be traded independently of the source from which they originate which reduces their value in the eyes of some observers.

III Permanence – green tariffs

Permanence is the most difficult test for any form of PPA as they are often short term contracts, after which time there is no obligation on the accounting organisation to continue the arrangement. Whilst flexibility is often valued in PPAs it is to the detriment of accounting for the carbon saved.

There are no hard and fast rules for the length required of a PPA before it is considered to have a degree of permanence. Forecasts for decarbonisation of UK electricity range from 2030-2050 and arguably any green tariff would need to be for a period until grid decarbonisation has occurred i.e. 10-30 years. Most green tariffs are of a significantly shorter period than this.

9.2 Direct PPAs with a generator

It is possible to purchase electricity directly from renewable energy generators through a direct PPA agreement. This can either be synthetic or sleeved (see Appendix 1 for a description of the differences). A direct PPA with a specific asset that is not part of a larger pool of assets supplying a range of customers has a potentially stronger weighting in carbon accounting terms than a green tariff.

A PPA of this nature would require a procurement exercise to put it in place and could be on the basis of either a sleeved or synthetic PPA.

9.2.1 Applying the tests of additionality, transparency and permanence to a PPA directly with a generator

I Additionality

Any tender exercise could state that the generation capacity was not subject to any forms of subsidy and was new build generation. This would potentially meet the criteria of additionality.

II Transparency

In addition to the REGOs the Council would benefit from a direct relationship with the energy generator to demonstrate the source of the electricity consumed.



III Permanence

This will depend on the length of the PPA agreement. Current market PPAs are largely of the 5-8 year duration. Beyond this longer term arrangements are available but come at a premium of around 10%.

It may be possible to make a case for permanence in that the new generating asset would have been created because of the initial PPA, however it does not provide permanence to the decarbonisation of the Council's electricity supply.



10 Options Appraisal

This options appraisal has been based around the Treasury Green Book recommendations.

10.1 Options for Appraisal

The following options have been considered in this options appraisal:

1. Do nothing
2. Fair value solar PPA – direct with a solar farm operator
3. Fair value wind PPA – direct with a wind turbine operator
4. a) Asset purchase of 49 MW site in southern England with PWLB lending over 25 years
b) Asset purchase of 49 MW site in southern England with PWLB lending over 35 years
5. a) Asset purchase of 46 MW site in the Midlands with PWLB lending over 25 years
b) Asset purchase of 46 MW site in the Midlands with PWLB lending over 35 years
6. nPower wind PPA
7. nPower solar PPA

10.2 Preliminary appraisal – affordability

Before proceeding further with the options appraisal net present value (NPV) calculations were produced for all of the alternatives and compared to option 1 – ‘do nothing’.

This modelling was undertaken by Local Partnerships on behalf of the council and utilises third party data from Aurora Energy Research (Aurora). Local Partnerships are subscribers to Aurora, who are a market leading provider of energy price forecast information. Using high quality forecast information for forward energy prices provides the council with the highest likelihood of a robust npv calculation. Aurora’s information is the basis of their business and clients are tied with strict contractual terms that prevent the release of forecasts to non-subscribers. Local Partnership’s agreement with Aurora allows them to use the information in financial modelling and to release the outputs of that modelling in a form where the original data cannot be reverse engineered, but not to release the financial models as these contain the embedded data sets. We have therefore included the assumptions for the financial modelling and the outputs of the npv calculations in this report.

Local Partnerships and Aurora have undertaken a workshop with council officers to ensure that the council understands the basis of the data and the financial models that produce the npv information used in this report.”

10.2.1 NPV assumptions

All NPV calculations have been appraised over an 8 year and a 25 year period and compared to a ‘do nothing’ scenario based around ongoing purchase of wholesale

electricity. The 'do nothing' scenario relies on the Aurora Energy Research central power price curve for wholesale power. Table 10 shows the assumptions embedded in the NPV model.

Table 10 – NPV assumption fields in the model

	Input Data	
MCC total requirement (excluding schools)	45,000	MWh
Site 1 (southern England) Installation Size	46,092	kW
Site 1 P50 Generation Specific annual yield	1,065	kWh/kWp
Site 2 (the Midlands) Installation Size	45,000	kW
Site 2 P50 Generation Specific annual yield	989	kWh/kWp
Deterioration	0.40%	Module degradation
Inflation	2.0%	
Inflation base year	2019	
npv discount rate	5.6%	
Differential between central and fair value	2.0%	
Solar sleeving costs (£ 6/MWh)	£0	per MWh
Wind sleeving costs (£ 7/MWh)	£0	per MWh

10.2.2 PPA Duration

An 8 year duration has been taken for the PPA agreements following a discussion with Aurora Energy Research, with the view being that prices for longer term PPAs would be higher than the values modelled. For the fair value PPAs it does not make a significant difference to the scenarios if the duration is longer as the prices revert to the Aurora solar central case less 2% adjustment for fair value. A more significant impact is seen in relation to the nPower PPAs, although the wind PPA offers considerably lower value in the short term where prices would be higher than modelled for the first four years.

The asset purchase models are unaffected as they are based on costs incurred rather than price paid. The gap between costs incurred and price paid increases over time so in all scenarios the asset purchase models look better over a longer duration.

10.2.3 Deterioration

The speed at which solar panel efficiency decreases over time. The assumed rate at 0.4% is within the industry standard rate, but less than the likely module guarantee rate of around 0.5% pa.

10.2.4 Inflation

2% CPI has been used throughout as this is the Government target figure. Base year relates to the base year for Aurora price information.

10.2.5 NPV discount rate

This is the Treasury Green Book rate adjusted for schemes which include inflation.

10.2.6 Differential between central and fair value

Adjustment applied to Aurora central solar price forecast curve to achieve the Aurora fair price. This price represents the price most likely to be paid by an offtaker when all factors are taken into account (such as transaction costs etc).



10.2.7 Sleeving Costs

Differential rates for wind and solar have been discussed with Aurora. We have not applied sleeving costs in the final models as they can be avoided by the use of a synthetic PPA agreement and destroy considerable value in all schemes (except the nPower options). Synthetic PPAs are compliant for greenhouse gas accounting (as confirmed with Anthesis).

10.2.8 Asset purchase schemes – traded balances.

As these schemes are not exactly sized to the Council's requirement there are differences between the energy produced and the energy consumed. With a synthetic PPA the Council will have PPAs in place with energy suppliers as well and these additional volumes can be included in these contracts. The models have therefore included for a revenue where there is over generation and for purchased electricity where there is under generation.

10.2.9 Operating and maintenance costs for asset purchase schemes.

The model allows for the following: £ 10,500 O&M contract including cyclical replacements, £ 1250 insurance, £ 2,800 rent, £ 2,000 rates, £ 2,500 asset management, £ 5,000 contingency and the Council's internal costs. All costs are per MW installed per year. The asset management service will in effect run the farm for you and manage the contractors, billing etc. The contingency amounts to around £ 230,000 pa and will allow the Council to have a member of staff who can deal with this and as well as providing general contingency to the investment. The costs allowed are all reasonably generous.

10.2.10 Finance period

The asset purchase scenarios have reviewed both a 25 year financing period and a 35 year financing period. A solar asset is anticipated to have a life of 35-40 years.

The 35 year asset financing scenarios have a residual balance on both schemes of around £ 11m at the end of year 25.

10.2.11 Post PPA assumptions for the 8 year PPA scenarios

For all of these scenarios (both nPower and the fair value agreement directly with an asset operator) the schemes revert to the fair value solar price curve for the respective technology after the end of the 8 year PPA period.

10.3 NPV outputs

Table 11 below sets out the outputs from the NPV exercise undertaken by Local Partnerships and utilising the confidential Aurora data.

Table 11: outputs from NPV comparison exercise

Manchester City Council Scenario Comparisons (February 2021)

		Total Cost (25 yrs)	Cost after 8 years	25 year npv	8 year npv
With sleeved PPAs					
1.	Do Nothing (assumes Aurora wholesale plus inflation)	-£85,558,054	-£21,965,089	-£43,366,132	-£17,091,133
2.	Fair Value Solar PPA Option	£15,808,392	£2,593,361	£7,235,495	£1,966,242
3.	Fair Value Wind PPA Option	£22,385,253	£5,528,952	£11,169,161	£4,258,268
4.	Solar Own/Operate Option Site 1 (southern England)				
4. a)	Solar own and operate with 25 year finance (southern England)	£22,017,266	£3,055,525	£9,977,925	£2,207,730
4. b)	Solar own and operate with 35 year finance (southern England)	£30,147,626	£5,765,645	£14,403,842	£4,347,664
5.	Solar Own/Operate Option Site 2 (the Midlands)				
5. a)	Solar own and operate with 25 year finance (the Midlands)	£20,225,002	£1,081,277	£8,263,154	£629,010
5. b)	Solar own and operate with 35 year finance (the Midlands)	£28,230,442	£3,749,757	£12,621,068	£2,736,065
6.	npower wind PPA (£48.50) indexation 2.0%	£20,089,059	£3,232,759	£9,293,783	£2,382,890
7.	npower solar PPA (£47.10) indexation 2.0%	£16,988,517	£3,773,486	£8,076,710	£2,807,458

Several of the scenarios are effectively derivatives of the same option i.e. the fair value PPAs and the nPower PPAs together with the different finance options for the asset purchase options. The asset purchase options are not directly derivatives of each other as aside from variations in size and output the Midlands opportunity represents what might normally be available in the market where the southern England scheme is a particularly good one and may not be representative of what is available when the Council have decided on their preferred approach.

Recommendation 2: All options have positive NPV outcomes when compared with ‘do nothing’. There is therefore a solid value for money basis to either enter into a suitable PPA or asset purchase agreement.

10.3.1 Options for Further appraisal

In order to keep the options appraisal to a manageable exercise, the best value alternatives of each of the derivatives have been taken forward into the next stage as follows:

1. A wind based PPA with nPower (current electricity supplier) linked to specific projects. This is for an 8 year duration and pricing has been obtained from nPower.
2. A wind based PPA direct with a turbine operator. This assumes an 8 year duration with pricing based around the Aurora Energy Research fair pricing model.
3. An asset purchase of a 49 MW solar farm post construction. The farm is based in southern England and terms have been discussed directly with the owners. Financing is through a 35 year PWLB loan at 1.46%.
4. An asset purchase of a 46 MW solar farm pre-construction. The farm is based in the Midlands and terms have been discussed directly with the owners. Financing is through a 35 year PWLB loan at 1.46%.

10.4 Criteria and weighting for options appraisal

The following criteria have been developed for the options appraisal based around the Green Book criteria of desirability, feasibility and viability.

The weighting figures are out of a maximum of 10 for each criteria (and balance to 100 overall and are shown in table 12). These represent the relative importance of different measures in reaching a decision and have been developed from the workshops run with the Council to develop their understanding of options and associated risks.

Table 12 – Weighting and criteria for options appraisal

Criteria	Weighting
Desirability	
Reduction of CO2e emissions by 7,000 tCO2e by 2025	10
Are CO2e savings lasting upto and beyond 2038 (this criteria is included as a measure of the permanence provided by the option)?	7
Is the option available to current MCC partners?	2
Feasibility	
What is the earliest implementation date?	7
How well does the option fit with the likely scope 2 emissions for MCC?	6
Does the option have reputational risks?	7
Does the option expose MCC to a risk of challenge through procurement?	7
Does the option expose MCC to a risk of challenge to its carbon accounting practice?	8

Criteria	Weighting
Viability	
What savings can be realised by the option during a typical 8 year PPA time horizon (NPV v do nothing)?	8
What savings can be realised by the option during a typical 25 year financing period for an asset purchase?	8
Are there savings available beyond 25 years? This measure is included to show whether an option provides cashable savings beyond year 25.	4
Are there viable mechanisms for adjusting supply volumes over time?	8
Does the option provide protection against energy price increases (short and long term)?	3
Are MCC able to resource the option with suitable capacity and capability?	5
What capital is required by MCC to implement the option?	5
What resources are required by MCC to manage the option on an ongoing basis?	3
Will the option positively impact the market?	2

10.4.1 Scoring methodology

Each of the criteria has a documented methodology by which each option is scored, these are set out in table 13 below.

Table 13 – Basis of scoring for each criteria

Criteria	Points allocation basis
Reduction of CO ₂ e emissions by 7,000 tCO ₂ e by 2025	10 points if 7,000 tCO ₂ e reduction by 2025. Less one point for each -5% reduction by 2025. Less one point for each -5%
Are CO ₂ e savings lasting up to and beyond 2038 (this criterion is included as a measure of the permanence provided by the option)	0.5 points for each year of certainty offered for each year from year 5 onwards (all schemes provide certainty for at least 5 years)
Is the option available to current MCC partners?	1 point for up to 20% of partners supply that could be offered and 1 point for each additional 20%. To reflect flexibility remaining 5 points are as follows 5 points for agreement of 2 years or less, 4 points for 2-3 years, 3 points for 3-4 years, 2 points for 4-5 years, 1 point for 5-8 years
What is the earliest implementation date?	H2 2021 = 10 points, H1 2022 = 8 points, H2 2022 = 6 points, H1 2023 = 4 points, H2 2023 = 3 points, H1 2024 = 2 points, H2 2024 = 1 point
How well does the option fit with the likely scope 2 emissions for MCC?	First 8 years - within 10% = 6 points, within 25% = 4 points, less than 75% = 0 points. PLUS long term after year 8 - very flexible = 4 points, flexibility can be achieved (e.g. through sale or purchase outside the contract) = 2 points, none = 0 points
Does the option have reputational risks?	Likely to occur and attract ongoing publicity as issue cannot easily be resolved = 0 points, could occur on a one off basis, but can be mitigated = 5 points, unlikely to occur = 10 points
Does the option expose MCC to a risk of challenge through procurement?	Existing framework can be used = 10 points, one off new procurement = 8 points, specialist advice to structure agreement = 6 points



Criteria	Points allocation basis
Does the option expose MCC to a risk of challenge to its carbon accounting practice?	Assumes all options can demonstrate that the energy is renewably produced via the issue of REGO certificates. Ability to demonstrate additionality = 5 points, PLUS ability to demonstrate permanence = 5 points
What savings can be realised by the option during a typical 8 year PPA time horizon (NPV v do nothing)?	(option value/value of best option)*10
What savings can be realised by the option during a typical 25 year financing period for an asset purchase?	(option value/value of best option)*10
Are there savings available beyond 25 years? This measure is included to show whether an option provides cashable savings beyond year 25.	Yes =10, No = 0
Are there viable mechanisms for adjusting supply volumes over time?	Assessed in two parts. Part 1 - flexibility in years 0-8. +/- up to 10 % = 2 points, +/- 25% = 5 points. Part 2 - rebalancing. Ability to rebalance supply volume at year 8 = 5 points, no = 0 points
Does the option provide protection against energy price increases (short and long term)?	Yes =10, Yes, but only for first 8 years = 4, No = 0
Are MCC able to resource the option with suitable capacity and capability?	Within existing capacity and skills = 10, will require some bought in capacity (up to £ 50k expenditure) = 6 points, will require significant additional support = 3 points
What capital is required by MCC to implement the option?	Capital requirement 10 points for nil capital investment. Less 1 point for each £ 5m capital investment required
What resources are required by MCC to manage the option on an ongoing basis?	Costs fully included or within existing resources = 10 points, - 3 points for each uncosted FTE required for support
Will the option positively impact the market?	Impact on the UK energy mix - up to 3 points. Sector leadership up to 7 points

10.5 Options Appraisal Outputs

Utilising the weighting and criteria set out in section 10.4 each of the four options has been appraised. The weighting scheme provides a score as a % with higher scores being a closer fit with criteria than lower scores.

A full copy of the options appraisal matrix is in appendix 5 to this report (Excel Workbook).

The outputs from the scoring exercise are as follows (table 14):

Table 14 – outputs of options appraisal scoring exercise

Option	Description	Score	Rank
1.	nPower wind PPA. A wind based PPA with nPower (current electricity supplier) linked to specific projects. This is for an 8 year duration and pricing has been obtained from nPower.	61%	4
2.	Fair Price Wind. A wind based PPA direct with a turbine operator. This assumes an 8 year duration with pricing based around the Aurora Energy Research fair pricing model.	72%	2=
3.	Asset Purchase (Southern England). An asset purchase of a 49 MW solar farm post construction. The farm is based in southern England and terms have been discussed directly with the owners. Financing is through a 35 year PWLB loan at 1.46%.	80%	1
4.	Asset Purchase (The Midlands). An asset purchase of a 46 MW solar farm pre-construction. The farm is based in the Midlands and terms have been discussed directly with the owners. Financing is through a 35 year PWLB loan at 1.46%.	73%	2=

10.6 Options Appraisal Summary

As all options represent better value for money than do nothing there is a clear case for developing and implementing a new regime in relation to the Council's electricity procurement.

The scoring exercise for the options appraisal has a clear front runner in the site in southern England, however this site represents a particularly good option and may not always be replicable in the market place if the Council are not able to act quickly enough to secure this option.

There is little to choose between a wind based fair value PPA and a more usual asset purchase alternative, although the financial modelling assumptions for the asset acquisition are more conservative.

The pursuit of a PPA agreement with a major electricity supplier is unlikely to represent the best alternative due to both value for money and carbon accounting compliance.



11 Risks and other considerations in decision making

11.1 PWLB risk factor

The options appraisal has not taken account of the potential PWLB lending risk in relation to an out of area asset purchase. This has been taken out to allow the Council to understand the best option in terms of delivery of its objectives.

The PWLB risk remains and before the Council could pursue an asset purchase strategy it would need to seek assurances from HM Treasury that borrowing for this purpose would not breach the PWLB lending terms. In relation to investment for yield there is a clear case that an asset purchase would represent delivery of the Council's decarbonisation targets and would represent value for money compared to existing arrangements to procure electricity. The more significant risk lies with the criteria to invest in the 'economic area' and this would need to be explored further.

Recommendation 3: Having undertaken a thorough options appraisal exercise the Council is now in a position to explore with HM Treasury whether or not an asset purchase would be compliant with PWLB lending terms.

11.2 Asset acquisitions

Market engagement has identified three potentially suitable schemes which are currently available and could meet some or all of the Council's requirements. In order to progress opportunities, the Council will need to take sufficient early decisions to enable it to enter into an exclusivity agreement and undertake due diligence. Speed of decision making is key to success in acquiring projects in a competitive market.

A number of local authorities have successfully invested in renewable energy generating assets and there are likely to be opportunities for other local authorities to follow suit. Whether it is better to seek to develop an asset, or buy one from a commercial developer, will depend on the opportunities available and how each local authority responds to individual challenges.

Local authorities should not assume that it will be more cost effective to develop their own schemes. Solar PV and wind developers have worked hard to drive down costs in recent years and bring considerable leverage and expertise to the market. Some of these schemes are likely to offer better value for money, and at less effort, than development of schemes from scratch.

An asset purchase would tie the Council's electricity costs to the cost of operating the asset and servicing debt raised; representing a saving of around 10-15% of current electricity costs. Predicting the costs of financing and operation is relatively straightforward and an asset purchase would therefore provide a degree of cost certainty to the Council's energy planning as well as potential cost savings.

If the Council's electricity demand diminishes over time, there would be the ability to sell any surplus generation to a third party.

Schemes which combine solar PV with battery storage will generally provide a better match against the Council's electricity usage profile and improved savings as fixed cost infrastructure can be shared across the two technologies.

11.3 PPA opportunities

In considering a PPA option the Council will need to balance its desire for flexibility with the need to demonstrate permanence in order to meaningfully account for the carbon saved. An agreement directly with a generating station is preferable to a green tariff from a larger energy supplier.

11.4 Preferred Option

Whilst the southern England site appears to be the preferred option the question of PWLB risk remains unresolved. There is a strong possibility that by the time this issue is resolved the southern England site will no longer be available.

Without the southern England site there is little to choose between a directly procured fair value PPA and an asset purchase in terms of the options appraisal exercise.

11.5 Risk Management

The Council's attitude towards risk and reward is likely to be the determining factor in making a decision between the options of a fair value PPA and an asset purchase. Table 15 sets out the key risks and the solutions they apply to.

Table 15: Summary of key risks

Risk Description	Asset Purchase	Fair Value PPA
Achieving the carbon benefits - production (i.e. the risk that specified volumes will not be available)	Low	Low
Flexibility risk – supply arrangement that no longer matches the Council's needs	Low/Medium	Medium/High
Wholesale electricity price inflation risk leading to higher than forecast electricity costs	Low	Medium – after end of PPA
Carbon accounting – additionality	Low	Low
Carbon accounting – permanence	Low	Medium/High
PWLB lending criteria	Possible	Low

11.5.1 Risk consequences and mitigation

This section sets out the impact of risks, the extent to which they are capable of being mitigated and the measures likely to be necessary.



11.5.2 Production Risks

These risks are associated with the ownership of an asset and whether it produces the electricity that was originally expected. The main causes of this risk are set out below together with methods of mitigation.

- a. Failure to operate effectively or consistently. Mitigation is via a suitable operation and maintenance contract with an experienced contractor. The contract should include clear specifications of work and availability guarantees. Failure to produce the guaranteed levels of power should be covered in a two-year testing period at the end of the construction contract. Further mitigation can be afforded by the engagement of an asset manager.
- b. Irradiance. Overall, there is no significant risk with irradiance as the data available has been collected over many years and is robust. There is however variance year on year in the levels of irradiance. Returns should match those in the original modelling in an average year – but some years will be better than others. Variance is likely to be less than 5% of gross yield.
- c. Component failure. The construction contract should provide product warranties for all key components in the early years of the project and this should be managed as part of the operation and maintenance services contract. Ensuring the construction contract has suitable warranties is a key part of the technical evaluation of a project in due diligence.

11.5.3 Flexibility and permanence risks

Flexibility and permanence risks are closely related. The higher the degree of flexibility the lower the level of permanence. Permanence is dependent on how difficult it would be for the Council to reverse its decision and revert to standard grid supplied electricity. It is likely that the green tariff would not be able to demonstrate sufficient permanence to meet the criteria for carbon accounting, unless the contract is for an extended period.

The Council has a commitment to become a carbon neutral organisation by 2038, some 17 years into the future. The Council, in common with most local authorities, currently procures electricity over a much shorter timeframe.

The current short-term nature of electricity procurement does not require the Council to be able to accurately forecast its needs into the future. With estate rationalisation, building energy efficiency measures, electrification of heat and transport all due to take place in the coming years accurate forecasting is likely to be difficult.

All of the options are likely to require the Council to form a reasonable view on likely power requirements in 2038. The consequences under different arrangements are potentially different and are likely to be most manageable under the green tariff scenario. Under a direct PPA agreement it is likely there will be a 'take or pay' clause in the contract, committing the Council to a particular volume of supply for the period of the contract. There may be provisions for the council to sell surplus power to a third party if they do not require the power for their own consumption, but this arrangement could be complicated.

Under the asset purchase scenario there would be a need to have a PPA in place to sell power generated where this is in excess of Council requirements. This volume could

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potentially be flexible. This leaves an element of price risk and a risk that the asset is significantly larger than the Council's actual requirement. In this circumstance there would be market opportunities to sell the asset either with or without the benefit of a PPA for the Council's ongoing electricity requirement.

11.5.4 Wholesale electricity price risk

Shorter term and more flexible arrangements carry the risk of prices rising faster than forecast and the Council incurring a higher level of spend as a consequence. Price forecast information shared with the Council suggests a real terms price increase in wholesale electricity prices in addition to inflationary increases until around 2035, thereafter there may be real terms reductions in electricity prices.

An asset purchase would tie the Council's electricity costs to a combination of the costs of operation and maintenance, debt and finance repayments and sleeving and balancing costs. This is potentially more predictable and less volatile than energy prices and may provide a higher degree of certainty at lower cost than the other alternatives.

The shorter the term any PPA or green tariff arrangement is, the greater the wholesale price risk. Agreements for 8-10 years may provide a significant variance to market when they end.

11.5.5 Additionality

Both the direct PPA and asset purchase options provide a strong argument for additionality and are therefore robust in carbon accounting terms.

11.5.6 Transparency and traceability

Directly linking supply to a single generating station provides the clearest link in carbon accounting terms and is met by both the direct PPA and the asset purchase options.

Green tariffs are more likely to rely on REGO certificates. Whilst a REGO certificate demonstrates that the supplier has purchased green energy to back this demand it does not provide any degree of assurance where that supply has actually come from (as certificates can be sold independently of supply). The separation of certificates and supplies also allows larger suppliers to direct more green power to direct green tariffs, whilst their standard supply mix becomes increasingly 'brown' as a direct consequence.

11.5.7 PWLB risk

There is no PWLB risk with the PPA options.

There is potential PWLB risk with the asset purchase option. The potential risk lies more around the location of the generating station than the nature of the activity. The ownership of renewable energy generation assets to cover the Council's own use is likely to meet the 'service delivery' criteria in the guidance. The more difficult issue relates to whether any asset would be deemed to be in the Council's Economic Area (and whether these criteria should be strictly applied as in doing so northern authorities would potentially be disadvantaged compared to those with higher levels of irradiance in the south).



11.6 Value for Money

Entering into a PPA or agreement asset purchase is likely to result in a cost reduction when compared to the Council's existing electricity supply arrangements.

Sleeving contracts offer significantly reduced value for money when compared with synthetic PPA agreements and unless there are compelling commercial reasons to use a sleeving contract a synthetic PPA would offer a preferred option.

Asset ownership reduces the price of electricity to the Council by eliminating the margin that would normally go to the owner of the generation asset. This would represent a saving of around 10% on the price currently paid for electricity.

If asset ownership is pursued then schemes in the south of England offer better value for money as the irradiance is higher (see section 3.2) and the £/tCO₂e factor is therefore better.



12 Conclusions and Recommendations

12.1 Preferred option

This report sets out a total requirement of around 45 MW of solar PV or an equivalent PPA to enable the Council to meet its 2025 and 2038 targets.

The Council has two potentially attractive options available to it in order to meet the requirement; either the procurement of a suitable asset from a third party, or procurement of a PPA direct with a generating station suitable to meet carbon accounting requirements. There are no realistic options for the Council to meet the full requirement without pursuing one of these strategies. Both of these options represent value for money in relation to a 'do nothing' scenario.

Before a final decision can be made the Council need to understand the magnitude of the PWLB risk. If this risk is significant then the preferred option is clearly a direct PPA with a generating.

If PWLB does not represent a significant risk the Council needs to decide on its appetite for the long-term ownership of a generation asset. This option is likely to represent the best value for money but will require more resource to implement and maintain as well as introducing a new range of (manageable) risks.

12.2 Recommendation

Through this report we have made the following recommendations:

Recommendation 1: The Council should consider adopting a target of 45-50 MW of solar PV generation or equivalent direct PPA with a generating station (wind or solar).

Recommendation 2: All options have positive NPV outcomes when compared with 'do nothing'. There is therefore a solid value for money basis to either enter into a suitable PPA or asset purchase agreement and the Council should therefore change its current supply arrangements.

Recommendation 3: Having undertaken a thorough options appraisal exercise the Council is now able to articulate that asset purchase is a value for money option to achieve its carbon targets and should now explore with HM Treasury whether or not an asset purchase would be compliant with PWLB lending terms.

12.3 Next steps and no regrets actions

In order to deliver the strategy of reducing emissions by 7,000 tCO₂e by 2025, the Council will need to determine its preferred way forward. In order to do that the following are recommended:

1. Develop an understanding of the likely future requirements for electricity over the next decade. This should provide a view as to the likely overall requirements and the degree of certainty which could be attached to this forecast. In all scenarios there is a benefit in having reliable information on which to base assumptions.



2. Follow up established conversations in relation to the use of PWLB to ascertain whether an out of area asset purchase would be allowable under the new prudential regime.

If the Council determines that it wants to pursue an asset purchase strategy, then it will need to put in place measures to allow it to implement that strategy including:

3. Establishing sufficient delegated decision making powers to allow the Council to enter into an exclusivity agreement with a developer and invest in the necessary due diligence work to determine whether a project is a viable prospect.
4. Establish a supplier base to facilitate the due diligence work including technical specialists and lawyers.
5. Develop its financial and carbon modelling to ensure that all costs and benefits for a particular project are understood.
6. Determine whether or not to proceed further with due diligence in relation to any of the large-scale projects identified.

If the Council determines that it wants to pursue a PPA strategy, then it will need to put in place the following:

7. A clear policy in relation to carbon accounting, tested with the Council's advisors in this area, setting out how additionality, permanence and traceability will need to be demonstrated by any procurement.
8. A suitable procurement for a direct 'fair value' PPA agreement.



APPENDIX 1 Income from Electricity Generation - Subsidies and Power Purchase Agreements

Generation subsidies

Subsidy schemes for the generation of renewable electricity have all recently closed. There are however two potential support mechanisms which may be of benefit to the Council if electricity generated is exported. These are Contracts for Difference (CfD) and the Smart Export Guarantee (SEG).

Contracts for Difference

The Government has announced that there will be a 'pot 1' allocation of up to 12 GW in the CfD auction due to take place in late 2021. Pot 1 covers mature technology and includes solar PV and onshore wind. Wind projects generally have better economics than solar PV (especially wind projects in Scotland) and it is therefore unclear at this stage whether any solar PV projects will qualify for the price certainty that CfD brings. Arguably a CfD could also prejudice whether or not any scheme would be an allowable reduction in carbon accounting terms as it would be more problematic to sustain the proposition that the Councils' investment has led to the construction of new capacity.

Smart Export Guarantee Scheme

On 1 January 2020, the Government introduced the Smart Export Guarantee (SEG) scheme, which will enable anaerobic digestion, hydro, micro-combined heat and power (micro-CHP, with an electrical capacity of 50 kW or less), onshore wind and solar PV exporters with up to 5 MW capacity to receive payment for exported electricity. The SEG scheme replaces the feed in tariff (FiT) scheme that closed in Q1 2019. The purpose of the scheme is to guarantee a market for small scale renewable energy generation projects which export power directly to the grid.

Under the SEG scheme all licenced energy suppliers with 150,000 or more customers must provide at least one SEG tariff. The Government has set out that, in order to provide space for the small-scale export market to develop, there will not be any specified minimum tariff rate other than that a supplier must provide payment greater than zero at all times of export. The SEG licensees therefore decide how they want their SEG export tariff to work in terms of its rate, type and length. Storage is also eligible to receive export payments, although suppliers will be able to exclude 'brown' electricity from those payments and require the generator to put metering in place that isolates 'green' exports.

Under the scheme exported power must be metered with a meter capable of reporting exports on a half-hourly basis and meters must also be registered for settlement – though the SEG design is flexible and does not necessarily require half-hourly readings.

Power Purchase Agreements

All schemes will require some form of Power Purchase Agreement (PPA) to sell the electricity produced. It is unlikely that any scheme will secure a PPA at the outset for the life of the project, other than for self consumption by the Council. Different arrangements may apply during the lifespan of the project. This is particularly true under a private wire

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arrangement when you need to consider when designing the infrastructure how you will export power to the grid if the arrangement subsequently changes.

Grid export PPAs come in two main forms, either relatively short-term arrangements generally with the major energy suppliers, or longer-term arrangements with a single (or small group) customer. Shorter term arrangements often offer a better spot price than the longer-term ones – but there is more exposure to general price volatility.

Longer term PPA agreements are generally with commercial third parties and seek to fix prices over a set period which helps protect those entering into the PPA (both buyer and seller) from market volatility. Large corporates, such as Google and Amazon have used corporate PPAs for their energy needs. There are currently 260 RE100 companies which have made a commitment to go 100% renewable and are taking actions such as entering into corporate PPA's to deliver on their RE100 and wider sustainability commitments.

Where power is sold as renewable energy the Renewable Energy Guarantees of Origin certificates (REGOs) will be sold with the electricity and therefore any greenhouse gas emissions savings will normally benefit the purchaser of the power rather than the owner of the renewable energy generator.

It is likely that the Council will be the PPA offtaker for an amount of supply equivalent to its electricity consumption. Any surplus power will need to be sold via a PPA agreement.. Key benefits gained from public bodies entering into a PPA with a third-party generator (or their own arm- length generator) are as follows:

Secure energy price - as part of any prudent risk management approach, entering into PPAs provides some insulation against volatile wholesale power markets;

Long term hedge – utilising a PPA gives access to longer date prices;

Additionality/provenance – purchasing directly from a new incremental green generator demonstrates commitment to reducing demand on carbon emitting fuel and provides clear linkage to supply for carbon accounting purposes;

Support UK climate change policy – the UK has made a legal commitment to net zero emissions by 2050. Many local councils have declared climate emergencies and have set targets to achieve carbon neutrality as early as 2030.

PPA structures

Whilst PPA structures continue to evolve there are typically three contract structures:

- Physical (also referred to as a 'sleeving' arrangement)
- Synthetic (or virtual)
- Private Wire

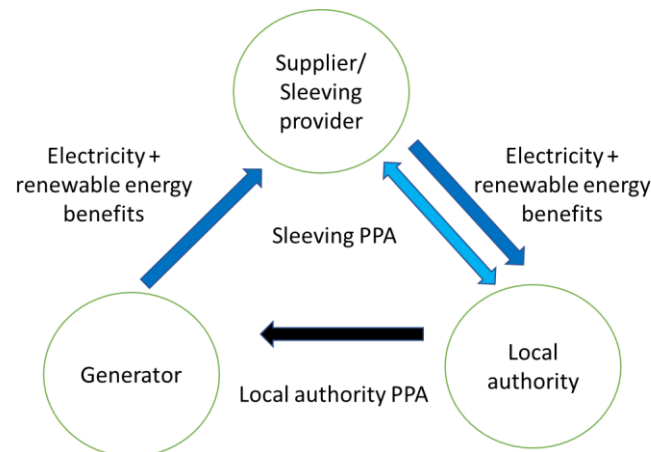
Physical PPA

A Physical PPA is between a customer and a generator who are remote from one another. The public electricity network provides the connection and network charges apply. This form of contract provides a direct and verifiable connection between the electricity produced and the electricity consumed.

An overview of the contractual arrangement is shown in Figure 11 below:

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Figure 11: Contractual arrangements for a physical PPA with local authority as the off-taker



- Under this structure the off-taker enters into a long term PPA with a renewable energy generator to take some or all of the energy generated by its plant (or portfolio of plants) with a defined amount of power sold at a fixed price per MWh. Typically, the PPA will contain provisions for the sale and purchase of electricity and the allocation of any applicable renewable energy benefits, and the provisions governing that sale and purchase.
- The PPA will also include obligations to provide or procure certain metering and regulatory activities that can only be undertaken by licensed electricity suppliers (such as npower, Centrica etc). As such, the off-taker will need to enter into a back-to-back agreement with its licensed supplier under which the licensed supplier commits to undertake these obligations.
- In parallel to this arrangement the off-taker will have an electricity supply agreement with its licensed supplier under which electricity may be supplied to meet the off-taker's energy demands from time to time. The terms of supply under this supply agreement will take into account the electricity purchased under the PPA and passed through to the licensed supplier under the licensed supplier agreement. This ensures that the off-taker has the benefit of the fixed pricing for renewable energy under the PPA but the reliability of a supply agreement with a licensed electricity supplier to meet its day-to-day energy demands.
- There is generally a charge for the sleeving PPA with the sleeving provider which amounts to around 5% of the value of the wholesale electricity traded.

Both wind and solar developers have built up extensive pipelines of renewable energy projects which can give off-takers flexibility around choosing a PPA start date and the ability to dovetail into their long-term energy buying/risk management strategies. Options also exist for individual public bodies to aggregate smaller volumes to benefit from pricing.

Synthetic PPA

In a synthetic PPA structure no power is physically traded. Instead it is a purely financial structure where the off-taker and generator agree a defined 'strike price' to fix the cost of power between themselves for the power generated by a renewable energy facility. Each



party will then enter into separate agreements with their electricity/licenced supplier to sell/acquire electricity at the spot price.

A synthetic PPA works as a financial hedge in that if the spot price in a settlement period exceeds the PPA defined strike price, the generator pays the excess amount to the off-taker for power generated in that period. Where the market price for power is less than the strike price in a settlement period, then the off-taker pays the shortfall amount to the generator for power generated in that period.

A synthetic PPA is relatively simple to enact and provides price certainty to both parties. It can be harder to demonstrate a direct connection, but this should still constitute a valid carbon reduction for an authority participating as an off-taker, provided the contracts also secure the associated renewable energy accreditations.

Private Wire PPA

Private wire PPAs are concerned with the sale of electricity from a generator to an off-taker. Under this PPA agreement, power will normally be sold directly from the generator's facility to the off-taker, rather than being notionally passed through a national power grid. Typically, the generating facility only supplies power to the off-taker and will be located at, or close to the off-takers assets. Private wire PPAs are often utilised in conditions where the off-taker wishes to secure its own source of power. In the case of a local authority for example, an energy intensive depot or industrial estate owned by the local authority.

APPENDIX 2 – Procurement and risk management

For local authorities looking to own a renewable energy asset there are four basic options:

- Develop a project on owned land
- Develop a project on third party land
- Acquire project rights (land agreements, planning consent and grid connection offer) from a commercial developer prior to construction
- Acquire a fully built and commissioned project

Table 8 below sets out the pros and cons of different the different approaches.

Table 8 – Options for Project Acquisition and Development

Option	Potential Advantages	Things to consider
Self-develop on your own land	<ul style="list-style-type: none"> • No rental payments • No need to acquire land rights and establish clean title • No onerous restrictions or lease end date • Likely to be within the geographical boundary of the authority 	<ul style="list-style-type: none"> • Is suitable land available • Will you be forgoing an existing income stream? • Do you have another use for the site? • Reputational issues if the site is in proximity to housing or has been promised for another use • Do you have the skills and capacity for the development? • Are you prepared to risk the development costs? • Design, procurement and construction risks to be managed
Develop a site on third party land	<ul style="list-style-type: none"> • Identify site for its suitability (both size and location) rather than its ownership • Wider search area and therefore more chance of finding a viable grid connection or private wire 	<ul style="list-style-type: none"> • Viability model will need to account for landowner rent • Capacity to acquire the site • Time constraints introduced through the land acquisition period (for example option periods) • Asset lifespan limited by lease arrangements • Do you have the skills and capacity for the development? • Are you prepared to risk the development costs? • Design, procurement and construction risks to be managed • Whether the development is speculative and therefore not able to meet PWLB criteria



<p>Acquire project rights from a third party</p>	<ul style="list-style-type: none"> Removes development risk, avoiding potentially abortive costs and providing certainty <p>Land rights, accepted grid offer, and planning consent will be in place significantly reducing capacity required in the authority to deliver the project</p>	<ul style="list-style-type: none"> Viability model will need to account for the landowner rent and for costs of acquiring the project rights Asset lifespan limited by lease arrangements Design, procurement and construction risks still to be managed Project rights are well sought after in a competitive market. A local authority can potentially lack credibility as a purchaser compared to a financial institution who has undertaken several similar transactions Rights are unlikely to be available at a scale or location which is preferable to the authority (bear in mind for example managing construction of a project several hundred miles away) and flexibility may be required
<p>Acquire a completed project from a third party</p>	<ul style="list-style-type: none"> Removes development and construction risks, avoiding potentially abortive costs and providing certainty Land rights, accepted grid offer, planning consent and functioning asset will be in place significantly reducing capacity required in the authority to deliver the project Private sector developers often prefer to sell post construction and commissioning <p>Private sector contractors can procure more freely and consequently often build at a price significantly lower than the public sector. Quality may also be higher due to ongoing relationships with construction companies</p>	<ul style="list-style-type: none"> Viability model will need to account for the landowner rent and for costs of acquiring the project – although this may be less than the combined cost of acquiring project rights and constructing the asset through public procurement Asset lifespan limited by lease arrangements Projects are well sought after in a competitive market. A local authority can potentially lack credibility as a purchaser compared to a financial institution who has undertaken several similar transactions Authorities will only have the ability to bid on existing projects and cannot therefore drive scale or location

Risk Management

Development of renewable energy projects carries a number of risks which need to be managed and mitigated. Key areas of risk are:

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1. Development risks – particularly in relation to land rights, availability of grid connection, planning risks and viability. Whilst local authorities possess many of the necessary skills in relation to land rights and planning, they are likely to require specialist support in obtaining and managing grid connection offers and in assessing project viability.
2. Construction and procurement risks – these relate to ensuring that the asset delivers the levels of electrical production anticipated by the business case. Much of this risk can be mitigated by selection of an appropriate form of contract with suitable production guarantees, accompanied by the appointment of a competent technical advisor.
3. Operational risks – these largely relate to ensuring that revenues are as anticipated in the business case. Many of these risks can be mitigated against by appropriate forms of contract, strong technical support, contractual guarantees on availability and appointment of an asset manager.
4. Income risks - These are a combination of production and price. Production risks can be mitigated against by strong build and maintain contracts transferring as much production risk as possible to the contractor.

Price risk is key in assessing viability. BEIS (Department for Business, Energy and Industrial Strategy) produce forecasts for wholesale electricity prices, but these are not technology specific. It is likely as renewable energy generation becomes more prevalent that differential pricing will prevail, with lower price being offered when there is over production. Local Partnerships use Aurora Energy Research (Aurora) forecast data in the production of financial information and we would recommend that the Council purchases appropriate data from Aurora if they want to proceed with either development or acquisition of a scheme.



APPENDIX 3 – Solar Farm Acquisition Briefing Note

Purpose

This briefing note is to provide the Council with background information about the processes and resource requirements associated with the acquisition, ownership and operation of a solar farm. It is not a definitive guide and has been provided to build general awareness and to aid understanding.

Acquisition Process

At this stage we are concentrating on acquiring a site which will be purchased as it becomes operational, the process may vary (with additional steps) if a shovel ready scheme was being contemplated.

Figure 12 on page 44 sets out the most common route for a transaction of this nature to take, together with tasks to be undertaken during each stage of the process. In general, Stage 1 (initial appraisal) takes 4-8 weeks depending on the urgency of the vendor and speed at which the purchaser is willing to respond.

Stage 2 (due diligence) typically takes around 6-12 weeks to complete depending on how well kept the vendor's records are and how hard the purchaser pushes their contractors.

Stage 3 (completion and commissioning) of the process takes a further two years and ensures that the solar farm produces the electricity guaranteed under the terms of the design and construction contract.

Figure 12: Acquisition process





Council Resources required

This section sets out the key tasks and likely time involvement required at the various stages of acquisition and during the operational phase of the project.

I Acquisition Stage 1: Initial Appraisal

The purpose of this stage is to determine whether you want to make an indicative offer. Resources to support that include the ability to model the potential financial position and the ability to make the decision to make an offer.

The offer is only indicative and can be withdrawn by the purchaser at any time, right through until the point of completion. Equally the vendor can withdraw the site from the transaction, but the exclusivity agreement would prevent them from commencing discussions with any third parties during the exclusivity period. These agreements are generally well honoured within the renewables industry.

Council officers are currently determining the resources required to put the Council in a position to make an indicative offer and ensuring that necessary briefings and decisions are being properly taken.

II Acquisition Stage 2: Due diligence

During this stage the Council will need resources to procure or appoint the following workstreams and to manage input:

1. Land legal advisors to review all land rights associated with the development. This will generally include full legal searches, review of lease and option documentation and the review of all other land rights required to ensure the scheme can be accessed and connected to the grid. Agreements with the network operator will also need to be reviewed to ensure they have been properly entered into. Some vendors (although not all) will provide a certificate of title which simplifies this process to an extent.

If acquisition is via an assignment of project rights (as opposed to purchase of the SPV) then the land agreements will require assignment to a new target entity.

2. Planning consultants – to review the planning consent and any associated conditions and advise as to whether they have been fully complied with. Advice should be sought as to the extent of any gaps in the compliance and any ongoing requirements the operator of the site will need to comply with.
3. Technical Assessment. Ideally a technical advisor (TA) will be engaged as soon as possible to review the design and forecast output. The TA should provide a full design review and energy yield assessment. In addition, it would be advisable for the TA to monitor construction quality and oversee the testing and handover

procedure under the EPC contract.

4. Grid offer. The grid offer and acceptance should be checked by commercial lawyers to ensure that they have been validly accepted. The grid offer must be novated to the SPV. If acquisition is via an assignment of project rights (as opposed to purchase of the SPV) then a novation agreement will be required from the network operator.
5. Commercial legal and tax advice. This relates to the overall structure of the deal and preparation or review of the transaction documents. There is likely to be a significant commercial input to this dialogue, bringing together any due diligence concerns into conditions precedent being specified in the contracts.

Whilst the technical input can be procured, the Council will need the resource capacity to procure and instruct specialists, project manage the process, negotiate with the developer and write a business case prior to completion of any transaction. It is typical for transactions of this nature to require some negotiation and hands on resolution of issues during the transfer process. Understanding the risks and potential routes to resolution is key to ensuring the transaction either progresses to completion or is terminated at an appropriate stage.

The Council will also need to consider any potential milestone payments and determine whether it has the necessary skills and expertise to certify such payments. These can be supported by the TA if their role is sufficiently scoped.

Alongside the negotiation with the developer, the Council would also need to prepare for owning an operational solar farm – key activities would include:

1. Appointment of an energy supplier and offtaker for the site. Even if you are planning on acquiring the power you will need some form of offtake or sleeving contract. Meters at the site cannot be installed without a supplier appointed (so this may initially be put in place by the vendor – but you will need clear input to the process).
2. Review how and when you can start to purchase the power and put the necessary agreements in place. Put arrangement in place to sell any surplus power.
3. Write the business case and obtain the approvals for the transaction.

Bearing in mind the timescales (i.e. up to 12 weeks), it is a relatively intense process and will require a full-time dedicated officer, with further specialist internal and external support also being required.

III Acquisition Stage 3: Completion and Commissioning

Once the full business case is approved and the contracts exchanged the solar farm will be operational.

The first two years of operation are critical as it is during this time that you can properly assess whether the solar farm is producing the energy guaranteed by the EPC contractor. The Council will need technical support during this period to assess the ongoing testing and to ensure that calculations are properly carried out. This could be



achieved either by extending the services provided by the TA to cover this period or by the appointment of an asset manager.

Asset managers work on behalf of the client and perform an 'intelligent client' function. A typical asset manager scope of services includes ongoing optimisation/ analysis, management of the O&M contractor, review of real time monitoring information and accounting, bookkeeping/ filing accounts etc. Generally, this costs around £2,000 - £3,000 per MW pa plus VAT. Whilst an asset management service is not cheap, the costs are often offset by improved performance and income.

The Council will need to determine whether they need and can afford an asset manager and procure a suitable one if required. An asset manager can also be used to help the Council scope an ongoing O&M contract and provide support during the procurement process if required.

Time commitments required will eventually reduce and this is typically achieved by procuring the right support to the project, although these contracts will still require management and periodic re-procurement.

Without an asset manager the solar farm will require around 1 day per week of staff time to monitor outputs, manage bills, etc. With an asset manager the requirement will be less, but there will still be an ongoing requirement of 1 day per month. In addition to this further resource will be required when any agreements need re-procurement, health and safety incidents occur, insurance incidents occur or if there is any other material change in circumstances.

APPENDIX 4 – Review of ground mounted solar PV opportunities on land assets owned by the Council

Site	Commentary regarding suitability for solar PV development
Clayton Vale	Clayton Vale is an area of green space in Clayton, Manchester, through which the River Medlock flows. Former landfill site which was redeveloped in 1986. The area is now a natural habitat for wildlife and it has been designated a Local Nature Reserve
Tweedle Hill/Plant Hill	Tweedle Common is a former landfill site that has been reclaimed as open space. It sits north of Plant Hill Road adjacent to Plant Hill School. It is characterised by relatively flat grass land and some tree planting. Westwards from Plant Hill Park is an expanse of three natural open spaces split by French Barn Lane and Chapel Lane. The site is enclosed on all sides by urban development.
Shack Liffe Green	A former landfill site which was reclaimed in the late 1970's. The site is nestled between the houses of Horncastle Road and Boggart Hole Clough Park. The site has received minimal intervention and as a result now has a very diverse habitat with ecological value.
Queens Road Tip	Ongoing urban development at the site. Forms part of Manchester Fort 2020 Vision and Development Framework. Consideration for battery storage.
Church Lane Church Lane North	Both sites reclaimed as open space containing informal footpaths. Currently used for recreational usage and enclosed on all sites by residential properties.
Matthews Lane	Site forms part of Nutsford Vale which is a park and community wildlife space. The site is located between Matthews Lane and Longsight Road, behind the Gorton Mount and Grange Schools. Former landfill site which has been turned into an area of recreation and wildlife preservation which is managed by The Friends of Nutsford Vale.

Cringle Road	Site is allocated as an Environmental Improvement Area. Enclosed by residential properties and Highfield Country Park.
Ivy Green Road	Restored former landfill site turned into green woodland space. Site joins onto other woods and meadows extending alongside the River Mersey. The site forms part of Chorlton Ees and Ivy Green Nature Reserve.
Parrs Wood Road	Site forms part of the nature reserve of Stenner Woods, Millgate Fields and the River Mersey. Millgate Fields are adjacent to Environment Agency Flood Zones 2 and 3.
Crescent Road	The area is predominantly residential in character. The land area forms part of the Abraham Moss College estate. No firm demand headroom at closest grid connection point (Cheetham Hill (33 kV / 6.6 kV)).
South of Blackley New Road	Former landfill site which was reclaimed and landscaped in the early 1980s. Site forms part of the wider Blackley Vale. Significant levelling works would be required to facilitate the any development. Large pond adjacent to the site.
Russett Road/Factory Lane	Parcel of land contains substantial tree coverage. Forms a tree corridor between residential properties.
Rear of Fairway	Land predominantly consists of substantial tree coverage offset from residential properties. Land contains a network of footpaths. Forms part of Moston Fairway nature reserve which is maintained by the Wildlife Trust.
Graver Lane	Parcel of land contains substantial tree coverage. Forms a tree corridor between residential properties.
Scotland Hall Road	Small land parcel adjacent to four high rise flats. Site area also contains a recreational ground. Enclosed by residential properties and railway line and neighbouring Clayton Vale.
Annie Leigh Playing Fields, Mount Road	Site forms part of Gorton recreational ground, consisting of a children's play area, multi-use games area and football pitches.
Barlow Hall Farm	Site contains substantial tree coverage and is adjacent to Chorlton Water Park, which is a local nature reserve. Installation of a solar farm on the site would require removal of significant areas of

	scrub vegetation. Grid connection would require crossing the River Mersey. Closest grid connection point is South Manchester 132 kV GSP. Connecting a small solar PV scheme at this voltage is unlikely to be viable.
Sand Street, Collyhurst	Small embanked land parcel adjacent high-rise flats. Site enclosed by residential properties.
Rear of Romer Avenue	Parcel of land contains substantial tree coverage. Forms a tree corridor between residential properties.
Fitzgeorge Street	Small land parcel near high rise flats. Enclosed by residential properties, a railway line and urban development.
Riverdale Road, Blackley	Parcel of land contains substantial tree coverage. Forms a tree corridor between residential properties.
Bluestone Road	Small land parcel which lies between a cemetery and allotments.
Joyce Street	Small land parcel. Enclosed by residential properties and a railway line.
High Bank	Small land parcel enclosed by residential properties. Land parcel contains recreational use sports pitches.
Abbey Hey Tip	Small land parcel which forms a corridor between surrounding residential properties.
Harpurhey Road	Small embanked land parcel. Adjacent to weir and reservoir.
Pike Fold Lane	Site contains substantial tree coverage with a network of paths.
Bradford Road, New Viaduct Street, Cambrian Street	Very small land parcel of scrub vegetation enclosed by gas works and railway line. No firm demand headroom at closest grid connection point (Eastlands (33 kV / 6.6 kV)).
Great Ancoats Street	Small land parcel containing significant tree coverage, enclosed by residential properties.
Crabtree Lane, Rear of Eva Bros	Very small land parcel enclosed by urban development and allotments. The site is fairly isolated, however there is no firm demand headroom at the closest grid connection point (Bradford (33 kV / 6.6 kV)).

Princess Road / Kenworthy Farm	Land parcel enclosed by substantial tree coverage forming part of Kenworthy Wood. The site contains a network of walking paths and cycle tracks. Closest grid connection is South Manchester 132 kV GSP. Connecting a small solar PV scheme at this voltage is unlikely to be viable.
Princess Parkway	Site currently forms part of Northenden golf club.
Airport Woodhouse Park	Very small isolated land parcel. Consideration for battery storage.
Former Stockport Branch Canal Footpath	Canal footpath
Bradford Gas Works	Existing car park area adjacent to the Etihad Stadium. No firm demand headroom at closest grid connection point (Eastlands (33 kV / 6.6 kV)) to support solar PV. Consideration for battery storage connecting into the Bradford (33 kV / 6.6 kV) substation.

Site	Ground Mounted Solar PV				Grid Management Services
	Land Size, location and access	Planning	Technical	Grid Firm demand availability for solar PV, connection length, connection voltage	Potential for Grid Management Services
Clayton Vale					
Tweedle Hill/Plant Hill					
Shack Liffe Green					
Queens Road Tip					
Church Lane					
Church Lane North					
Matthews Lane					
Cringle Road					
Ivy Green Road					
Parrs Wood Road					
Crescent Road					
South of Blackley New Road					
Russett Road/Factory Lane					
Rear of Fairway					
Graver Lane					
Scotland Hall Road					
Annie Leigh Playing Fields, Mount Road					
Barlow Hall Farm					
Sand Street, Collyhurst					
Rear of Romer Avenue					
Fitzgeorge Street					
Riverdale Road, Blackley					
Bluestone Road					
Joyce Street					
High Bank					
Abbey Hey Tip					
Harpurhey Road					
Pike Fold Lane					
Bradford Road, New Viaduct Street,Cambrian Street					
Great Ancoats Street					
Crabtree Lane, Rear of Eva Bros					
Princess Road / Kenworthy Farm					
Princess Parkway					
Airport Woodhouse Park					
Heaton Park					
Former Stockport Branch Canal Footpath					
Bradford Gas Works - solar carport					
Land south of Wythenshawe Hospital					

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**Manchester City Council
Report for Resolution**

Report to: Executive – 20 October 2021

Subject: Manchester Fort – Draft Development Framework

Report of: Director of City Centre Growth and Infrastructure

Summary

This report informs the Executive of the outcome of a public consultation exercise with local residents, businesses and stakeholders, on the draft Development Framework for the Manchester Fort site and seeks the Executive's approval of the framework.

Recommendations

The Executive is recommended to:

1. Note the outcome of the public consultation on the draft Manchester Fort Development Framework, and subsequent suggested revisions to the draft framework.
 2. Subject to the views of the Executive, approve the Manchester Development Framework and request that Planning and Highways Committee take the framework into account as a material consideration when considering planning applications for the area.
-

Wards Affected: Cheetham

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

This report provides detail on a Draft Development Framework for the Manchester Fort Shopping Park, an existing and important retail facility which is located on a main arterial road and on a major bus route. The site is adjacent to the Victoria North SRF area, where the City Council is seeking to bring forward up to 15,000 new homes as the city centre expands northwards as a residential destination. The provision of appropriate retail facilities and other supporting uses in this location will reduce car journeys from the communities in the north of the city to more distant out of town retail locations.

The modification or development of new facilities will seek to increase and promote use of public transport and active travel and will seek to utilise state of the art technologies and low carbon construction methods in order to transition towards zero carbon targets.

Manchester Strategy outcomes	Summary of the contribution to the strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	<p>The Manchester Fort Shopping Park provides over 700 jobs. The purpose of the Framework is to guide and co-ordinate future redevelopment opportunities to sustain and grow the long-term employment potential of this location.</p> <p>The potential for new hotel accommodation will further stimulate the growth of the city as a popular visitor destination and provide a range of employment opportunities.</p>
A highly skilled city: world class and home-grown talent sustaining the city's economic success	The provision of good quality retail facilities helps to attract and retain economically active residents.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	The Manchester Fort is an important local employment centre in North Manchester. The Draft Framework seeks to promote opportunities to safeguard existing and promote new employment opportunities for local communities.
A liveable and low carbon city: a destination of choice to live, visit, work	The provision of appropriate neighbourhood retail and leisure amenities is important in the creation and sustenance of neighbourhoods of choice in North Manchester. The improved offer helps to maximise the contribution of the Shopping Park to the urban fabric, economy and social wellbeing of the area, thereby supporting the wider regeneration ambitions for North Manchester.
A connected city: world class infrastructure and connectivity to drive growth	<p>The provision of retail and leisure facilities in accessible and appropriate locations plays a critical role in connecting neighbourhoods and driving economic and residential growth.</p> <p>The Development Framework promotes a mix of public and active modes of transport and improved pedestrian connectivity. The site benefits from being located on a main arterial bus route with the city centre, and Metrolink services at the Queens Road tram stop.</p>

Full details are in the body of the report, along with any implications for

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

There are no direct revenue consequences resulting from this report, however, the Development Framework will support the retention and development of existing and new commercial space, maintaining and generating Business Rate income.

Financial Consequences – Capital

None directly from this report.

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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 officers above.

- Manchester Fort Draft Development Framework – March 2020
- Report to the Executive – Manchester Fort Draft Development Framework – 11 March 2020

1.0 Introduction

- 1.1 On 11 March 2020, the Executive endorsed, in principle, the draft Development Framework for the Manchester Fort site and requested that a public consultation be undertaken in relation to it with the local community and other stakeholders. This report summarises the outcome of the public consultation on the draft Development Framework.

2.0 Background

- 2.1 The Manchester Fort Shopping Park occupies a strategic location in North Manchester; adjacent to the intersection of the main radial routes of Cheetham Hill Road and Queens Road.
- 2.2 Manchester Fort was established as a bulky goods shopping destination in 2004 and has since evolved into one of the largest and most successful retail parks of its kind in the North West. It is a well-known feature of the city's shopping landscape.
- 2.3 The Shopping Park is a key economic driver in North Manchester, supporting local employment, with over 700 employees and generating a total consumer spend of over £500 million annually. The site benefits from a largely local customer base and offers a mix of 'high-street brands', along with a limited selection of leisure uses.
- 2.4 The framework was produced in collaboration with Nuveen who are the owners of the site. In response to evolving market trends within the retail sector, Nuveen are seeking to diversify the shopping park in order to maximise its potential and create flexibility to adapt to the changing market. The vision and development principles set out within the framework seek to secure the long-term prosperity of the park and ensure that it continues to play an important role for the communities of North Manchester.
- 2.5 North Manchester is set to benefit from major investment over the next decade and beyond. The £4bn Victoria North scheme will deliver 15,000 new homes for a community of over 40,000 people phased over the next 20 years. The regeneration of this 155-hectare scheme will create new park space and public realm alongside amenities including new schools, healthcare facilities and transport links. The £600m redevelopment of the 67-acre North Manchester General Hospital site also represents a transformational redevelopment project in the north of the city. The development of this "healthy living campus" is a catalyst for several surrounding residential schemes and infill housing sites being delivered.

3.0 The Consultation Process

- 3.1 A consultation was undertaken in July 2019 by the landowner during the initial development of the draft proposals.
- 3.2 Following the presentation of the draft proposals at the Executive in March

2020, formal consultation took place between Monday 2 November and Monday 28 November 2020. The consultation was accessible on the Manchester City Council Consultations webpage.

- 3.3 Publicity for the consultation was provided via Manchester City Council social media channels and media releases.
- 3.4 The consultation webpage also directed interested parties to the external development project website (www.manchesterfort2020svision.co.uk). This site provided details of three online drop-in sessions that stakeholders could attend. The sessions were led by Nuveen's representatives, Turley, and were also attended by a Manchester City Council Neighbourhood Manager.
- 3.5 The online drop-in sessions were scheduled across a range of times and days to increase accessibility and took place at the following times:
- Saturday 14 November 2.15pm -2.45pm
 - Friday 20 November 3.15pm - 3.45pm
 - Thursday 26 November 6.15pm – 6.45pm
- 3.6 Across the drop-in sessions, six people registered their attendance with one resident requesting a recording of a session which was provided. It is felt that the low attendance, and the low number of responses to the consultation, may partly be explained by the fact that the consultation took place during a period of lockdown due to Covid-19.

4.0 Consultation Comments

- 4.1 A total of 33 responses were received to the consultation, broken down as follows:
- 23 online feedback forms via the MCC consultations webpage.
 - 10 emails.
- 4.2 The consultation provided three pre-set questions alongside the opportunity to provide any additional comments on the proposals. The results from the pre-set questions are as follows.
- 4.3 73% of respondents 'strongly agreed' that they supported the long-term plan to introduce new flexible retail space, an expanded food and drink offer, a hotel and a cinema whilst 18% 'agreed', 5% (one respondent) 'didn't know'; and 5% (one respondent) 'strongly disagreed'.
- 4.4 70% of respondents 'strongly agreed' that they supported plans to extend the usage of Manchester Fort Shopping Park to contribute to the evening economy. 13% (three respondents) 'agreed'; 9% (two respondents) 'strongly disagreed'; and 9% (two respondents) 'neither agreed nor disagreed'.
- 4.5 83% of respondents 'strongly agreed' with plans to enhance the environment of the shopping park whilst providing better accessibility for pedestrians. A

further 4% (one respondent) 'agreed'; 4% (one respondent) 'strongly disagreed' and 9% (two respondents) 'neither agreed nor disagreed'.

4.6 The feedback from the text comments is categorised and summarised below.

4.7 Nine respondents noted their general support for the scheme, with specific comment given to:

- The positive impact that the proposals would have on the local community and North Manchester.
- The welcome need to update the retail offer of the park and introduction of new uses.
- The creation of new employment opportunities

Tenant and Use Mix

4.8 Several comments received in response to the consultation related to the current and proposed retail / leisure mix at Manchester Fort. These comments included:

- The park lacks affordable stores which are needed for local residents that don't drive.
- There aren't enough cafés on the site.
- Two respondents noted the benefits that a supermarket would deliver.
- Gym provision would benefit the local area.
- The site lacks a newsagent style offer.
- Drive through food outlets should be avoided.
- Expanding the offer is welcome and will mean that a full day can be spent at Manchester Fort.

4.9 Three respondents raised specific concern regarding the potential removal of B&Q from the site. These respondents noted that the store was the only supplier of this type locally with the nearest alternative B&Q in Ashton. Two of these respondents also expressed concern about the potential loss of Halfords.

4.10 Two respondents expressed support for a potential cinema / leisure complex whilst a single respondent questioned demand for this type of use.

4.11 Three respondents questioned the inclusion of a hotel on the site with one citing that the hotel adjacent to the Irish World Heritage Centre and nearby city centre offer would satisfy demand in this location, whilst a second felt the site too remote.

4.12 A single response suggested the inclusion of the site opposite (currently B&M retail use) could house the cinema or hotel, in order to increase retail and leisure options at Manchester Fort.

Litter and Anti-Social Behaviour

- 4.13 A single respondent raised concern that there would be increased anti-social behaviour and noise in the evenings, while a further response noted a concern that there would be an increased level of littering from any food outlets.

Detailed Delivery

- 4.15 A number of suggestions were made for specific facilities at the site. These included:
- The inclusion of a Juke Box within a coffee store.
 - The creation of a food court style space made up of independent operators and with the ability to hold events.
 - Weekend food and drink and craft markets with fixed or semi fixed vendors.
 - A cinema with a seating and dining option similar to modern facilities such as Vue (Media City).

Highways, Transport and Parking

- 4.16 A respondent suggested improved access to the site could be provided as currently there are increased traffic volumes when entering from the south.
- 4.17 A request was made to simplify the Cheetham Hill Rd junction to make it friendlier for pedestrians/cyclists.
- 4.18 One respondent requested an increase in vehicle parking facilities, whilst conversely, a second felt there should be a reduction. A respondent was concerned by visitors parking in inappropriate locations when the car parks reached capacity.
- 4.19 Three respondents noted the need for safe and secure cycle parking to reduce vehicle use.
- 4.20 Two comments received related to bus provision, with one respondent stating that a free local electric bus service should be considered and a second noting the potential to improve bus stops along Cheetham Hill Road to better serve the shopping park.
- 4.21 A respondent felt that the Queens Road Metrolink stop could be better connected so that pedestrians do not need to walk out of the site and around the front to enter.

Environment, Public Realm and Pedestrian Access

- 4.22 Three respondents highlighted the importance of including green infrastructure within proposals to provide a barrier to the roads and create a space that is attractive to spend time in. One response so added a desire to see all-weather outdoor seating.

- 4.23 A respondent commented on the importance of properly reflecting the images shown and implementing design of the highest standards.
- 4.24 A respondent commented on the impact of the site's drainage. The respondent felt that the current situation overloaded local drains, potentially causing flooding in both the River Irk and Irwell. A request was made for the consideration of Sustainable Urban Drainage Systems to be incorporated into the new designs.
- 4.25 Three responses welcomed the emphasis that the proposals place on enhancing pedestrian access, and the opportunity to improve this from the current situation.
- 4.26 A comment was also received highlighting the importance of enhanced connectivity and accessibility within the site particularly for those with limited mobility.

Planning, Construction and the Consultation Process

- 4.27 A respondent was critical of only becoming aware of the draft proposals at the formal consultation stage and commented that local residents could have been contacted directly.
- 4.28 Clarification on whether an Equality Impact Assessment had been undertaken was requested.
- 4.29 Clarification on the timescales for both planning and construction was requested by one respondent.
- 4.30 A respondent asked whether a professional team had yet been appointed for the delivery of proposals on the site.

5.0 Additional Stakeholder Representation

- 5.1 An additional response was also received on behalf of a landowner and operator of a site within Manchester city centre which includes a range of leisure operators, which, due to its length and content, has been summarised separately below.
- 5.2 This landowner has recently secured planning permission to deliver a range of works to the external and internal appearance of their site, to ensure that it remains at the forefront of the leisure market.
- 5.3 The response highlights that the committed investment could be impacted, should a major leisure-led development come forward at Manchester Fort. The concerns raised within their response predominantly focus on the proposed expanded uses detailed within the draft Development Framework for Manchester Fort, and are set out below from 5.4 – 5.13.

Proposed Uses and Demand

- 5.4 The leisure uses proposed at Manchester Fort have the potential to divert custom away from the range of leisure venues within the city centre.
- 5.5 The ongoing Covid-19 pandemic continues to significantly impact the leisure economy. Demand assessments for an additional multi-screen cinema (at appendix 1), fails to account for the current commercial climate and the impact of the pandemic on the leisure market and particularly the cinema market.
- 5.6 The city centre's vitality and footfall have been particularly impacted as a result of Covid-19. It is imperative that the Council actively protects the regional centre and supports the future recovery of its existing retail and leisure offer.
- 5.7 The demand analysis provided is based on 5 and 10-minute drive-time catchments from existing facilities, and fails to recognise the importance of customers using public transport interchanges, such as Victoria Station to access leisure facilities in the city centre, and therefore the wider catchment area that is served by the city centre.
- 5.8 A more sophisticated commercial market and capacity assessment is needed, which takes account of, not only the qualitative capacity, but also the quantitative capacity within the city. The analysis used is based on 2017 figures, which was a record-breaking year for cinema takings and is not reflective of the current market.
- 5.9 The response highlights that the Strategic Regeneration Framework (SRF) for Great Northern Warehouse (which includes a cinema and other leisure uses), notes that it has generally been underutilised, and recommends that the proposals for the site reflect demand and include additional commercial office space. In their view, this indicates that Manchester has struggled to support two vibrant major entertainment complexes near one another.
- 5.10 The proposed impact of the new arena at Eastlands together with new retail and commercial uses will also divert a significant amount of custom away from the city centre and its leisure operators.
- 5.11 It is recognised that the framework is an aspirational document, however, large-scale strategic developments should be the subject of scrutiny to determine whether they represent the most appropriate strategy for the area and for the city as a whole.

National Planning Policy

- 5.12 This response also questions the application of the National Planning Policy Framework (NPPF) in relation to the retail and leisure proposals in the Development Framework. It notes that the Manchester Fort proposals seek to provide significant future leisure uses, but fails to objectively identify the need which the proposals would cater for.

5.13 The sequential and impact tests set out within NPPF are felt to be of direct relevance to retail and leisure development and the framework should clearly set out the tests to be applied to future planning applications, as follows:

- The NPPF sequential test, states that edge of centre locations should only be considered if suitable sites are not available / expected to become available within a reasonable period.
- The impact test requires an impact assessment for retail and leisure development outside town centres, which are not in accordance with an up-to-date plan, including the impact on public and private investment in surrounding centres, and town centre vitality and viability and the wider retail catchment.

6.0 Response to comments

6.1 The following section provides detailed comments in response to the points raised by respondents.

Tenant and Use Mix

6.2 The general support given to the long-term plan to introduce new flexible retail space alongside an expanded food and drink offer, hotel and a cinema is noted and welcomed.

6.3 The retail mix will be considered in the coming years, as the leases of existing stores come up for renewal. The retail and leisure offer will be responsive to market demand and requirements.

6.4 As the leases of existing retail tenants expire it is proposed within the framework to review the type of uses including the bulky goods offer. This will enable the delivery a more diverse visitor experience which will help to secure the future success of Manchester Fort.

6.5 In response to the comment on drive-through food provision, there has been this type of use on the site for a number of years. No management issues have been reported in relation to these facilities. The type and mix of future food offer will be considered and subject to a planning application, which will require further consultation.

6.6 Based on the latest available figures (2018), the tourism sector supports over 100,000 FTE's within Greater Manchester, 53,000 of which are within Manchester (Source: STEAM; Scarborough Tourism Economic Activity Monitor, Global Tourism Solutions (UK) Ltd.). Hotels have, and continue to play, a key role in this sector. In recent years there has been a significant increase in the total number of hotel rooms available across the region, with much of this growth in accommodation concentrated in the city centre. Whilst Covid-19 significantly impacted the sector in the short-term, evidence suggests that recovery in hotel demand has been particularly buoyant, driven by leisure users. Evidence shows that prior to the pandemic, during major events at the nearby AO arena, theatres and surrounding sporting venues,

hotels often reached capacity. Despite this, as any detailed planning application for hotel usage is submitted, further demand analysis will be required. A response to the particular issues around uses raised by the city centre leisure operator is provided in section 7.

Litter and Antisocial Behaviour

- 6.7 Manchester Fort is a privately-owned site, with the operators holding responsibility for its maintenance, and cleaning. Outside of the site, on the adjacent public highway, street cleansing is undertaken on a scheduled basis. The response relating to litter has been passed on to the relevant Council service to allow for investigation.
- 6.8 It is not envisaged that the proposed uses for the site would lead to any increase in anti-social behaviour within the area. Both the operators and individual tenants will be required to continue to manage safety and security with their respective premises and the wider site. A management plan for the site, including arrangements for dealing with any anti-social behaviour, will be a requirement of any future planning application for the site. Greater Manchester Police would also be engaged as a statutory consultee of any future planning applications for the site.

Detailed Delivery

- 6.9 In response to the comments related to specific facilities at the site, it should be noted that the role of the Development Framework is to provide the overarching strategic principles for development, not prescribe detailed design proposals. The design and operation of new retail and leisure units will be addressed as part of any future planning applications, which themselves will be subject to public consultation.

Highways, Transport and Parking

- 6.10 The general support provided for plans to enhance the environment of the shopping park and providing better accessibility for pedestrians is welcomed.
- 6.11 A preliminary Highways Feasibility Study has been undertaken to understand the potential implications of the proposals on the surrounding highway network. There will be a requirement, moving forward, for any future planning applications to be accompanied by an appropriate Transport Assessment, to demonstrate that the proposed developments can be safely accommodated within the highways network.
- 6.12 The framework seeks to encourage sustainable and active travel. However, there will be a specific requirement for future planning applications to be accompanied by an appropriate Transport Assessment, to demonstrate that sufficient car park provision exists to accommodate the anticipated demand. The preliminary Highways Feasibility Study shows that capacity exists in the current car park to accommodate the anticipated increase in demand.

- 6.13 The draft Development Framework states that future development proposals should encourage sustainable travel including provision for cycle parking. This aligns with major investment being made across the region into cycling infrastructure. Greater Manchester's 'Bee Network' is a 10-year, £1.5 billion plan to create 1,800 miles of routes and 2,400 new crossings connecting every neighbourhood, school, high street and public transport hub in the city-region.
- 6.14 Manchester Fort is located on an arterial bus route into / from the city centre, with services providing frequent connections from the site to north Manchester and the city centre. These services are currently used by both residents, commuters and would be able to facilitate additional demand created by the new proposed uses. On this basis, there aren't currently any proposals to introduce a free bus service into the area.
- 6.15 There is a range of activity and initiatives being progressed in relation to bus travel across the city. The creation of City Centre Bus Routing Plan is in the early stages of development. This will set out the overarching plan for buses in the city centre. The Council are also working with TfGM on the Northern Gateway/M62 corridor express bus corridor, seeking to enhance connectivity in this part of the city.
- 6.16 The Irish World Heritage Centre is located between the Queens Road Metrolink stop and the Manchester Fort site, making a new pedestrian route unfeasible. The existing access to the stop serves both Manchester Fort and the residential communities immediately to the north and east of the stop.

Environment, Public Realm and Pedestrian Access

- 6.17 Comments highlighting the importance of green infrastructure and appropriate seating are noted. All sketches included within the draft Development Framework are indicative of the ambition and vision for the site. The detailed proposals for both street furniture and planting will form a component of any future planning applications brought forward for the site.
- 6.18 The landowner has been reminded of the need to engage with United Utilities at the earliest opportunity to discuss their development proposals. Opportunities to review drainage on the site and any potential for Sustainable Urban Drainage Systems will be considered in respect of planning applications brought forward for the site.
- 6.19 Enhancing pedestrian connectivity for all users is a key aim of the Development Framework. The landowner will be expected to present proposals at planning stage which are fully accessible.

Planning, Construction and Consultation Process

- 6.20 Early informal consultation was undertaken by the landowner in July 2019 with local residents. Following this, the draft proposals for the site were presented to the Executive, which gave approval for a formal consultation process to be

carried out. Given restrictions and social distancing measures in place during this consultation period, it wasn't possible to facilitate in-person events. Instead, three online events, open to residents and at a range of times, were hosted in addition to comments being invited online. Any detailed planning applications developed which relate to this site will themselves be subject to further formal consultation, to which stakeholders can provide their views.

- 6.21 An Equality Impact Assessment will be a requirement of any future planning applications for the site.
- 6.22 The draft Development Framework sets out the long-term vision for the site. The current retail and leisure occupiers hold leases for the spaces which they occupy. As a result, there are no specific timescales for development delivery, and appointment of a professional team has not yet been made.

7.0 Additional Representation Response

- 7.1 The points raised by the city centre leisure site owner are noted. In the Development Framework, it is acknowledged that the site's principal function should be to support a vibrant mix of commercial floor space, with a strong and sustainable retail and leisure offer. Achieving this will be fundamental to the long-term future of Manchester Fort.
- 7.2 The role of the Development Framework is to provide the overarching strategic principles for development and not prescribe detail on the design or future tenants for the site. However, careful consideration has been given to what would be appropriate uses, based on the site and the requirements of the local community.
- 7.3 The proposals seek to deliver an appropriate balance between retail outlets, building on the success of the existing offer, whilst responding to trends within the sector, accelerated by the Covid-19 pandemic. Alongside this retail offer, delivering a mix of leisure uses will ensure the long-term sustainable function of the site.
- 7.4 The city centre continues to function as the region's economic hub, providing a strategic employment location, visitor destination and place to live. The growth in the numbers living, working and visiting the city all helps to sustain a thriving leisure sector within the city centre.
- 7.5 Whilst the rate of growth in the short term has been impacted by Covid-19, the city centre is expected to continue to grow over the medium-longer term, and this growth will be essential to the city's, and the UK's economic recovery. Manchester's Recovery and Investment Plan was developed and launched last year in partnership with the private sector to ensure the expedited return to pre-pandemic momentum, as the UK's leading regional city for growth. A fundamental element of this will be focused investment in the city centre, to help it attract further investment and support further growth, for example, through enhanced public spaces and improved environmentally friendly travel options.

- 7.6 When assessing future demand both for Manchester Fort and within the city centre, it is important to note the scale of development at Victoria North, one of the country's largest regeneration projects. Victoria North covers 155 hectares running adjacent to Manchester Fort and the city centre in addition to the communities of north and east Manchester. The scheme will see the creation of 15,000 new homes across seven neighbourhoods over the next 20 years. The redevelopment project will also create better-connected public spaces, new and improved transport links, and more homes, parks and retail spaces for the city's growing population.
- 7.7 In addition to Victoria North, there are a range of other schemes which would increase demand in this part of the city. For example, the Manchester College's new city centre campus is currently under construction with the facility set to open in September 2022. This new academic campus is also a short walk from NOMA, a phased regeneration project delivering the redevelopment of the historic Co-operative Group's Estate to create a distinctive neighbourhood to live, work, create and innovate in. NOMA has recently begun its next phase of development, with a further 5,300 jobs expected to be delivered within the area in the next two years. NOMA has the potential to deliver a further 1.7m sq. ft. of commercial space once fully developed. Given its location, it would be envisaged that the retail and leisure offer of both the city centre and Manchester Fort will benefit from the growth delivered at Victoria North, NOMA and the new Manchester College campus.
- 7.8 The draft Development Framework has been updated to emphasise the continued future importance of the city centre and its vitality as the region's economic and employment hub.
- 7.9 The draft Development Framework has been strengthened with regards to the requirements set out within the National Planning Policy Framework, highlighted by the consultation respondent. Future planning applications for the site will need to be supported by appropriate sequential and impact assessments, as set out in the NPPF, which robustly demonstrate:
- A thorough assessment of the suitability, viability and availability of locations for the proposed town centre uses.
 - The impact of proposals on existing, committed and planned investments in a centre or centres in the catchment area of the proposal, and
 - The impact of the proposal on town centre vitality and viability. These assessments are to be in accordance with both Local Planning Policy the National Planning Policy Framework.

8.0 Conclusion

- 8.1 The draft Development Framework has now been subject to an initial period of landowner-led consultation activity in July 2019 and formal consultation in November 2020. Manchester Fort is an important retail and leisure outlet for the communities of North Manchester. The response rate to the consultation was fairly low, but it is felt that this could be attributed to the consultation being

delivered at a time of government restrictions resulting from Covid-19. The consultation was delivered in the most appropriate way possible in the circumstances, consistent with other consultations undertaken in this period.

- 8.2 The response received from individuals to both consultations has been generally positive, with some specific issues of detail raised.
- 8.3 The Manchester Fort Shopping Park occupies a strategic location in North Manchester. The development of the site will seek to provide existing and emergent local communities with access to a range of retail and leisure amenities. Diversifying the offer at the park will ensure its long-term future viability as a visitor destination, north of the city centre.
- 8.4 In response to the consultation, the draft framework has been updated to accurately capture the role and importance of the city centre and reaffirm the need for future relevant planning applications to be subject to planning policy requirements throughout as detailed in paragraph 7.8.

9.0 Key Policies and Considerations

(a) Equal Opportunities

The draft Development Framework is seeking to protect and sustain the function of the Manchester Fort shopping park, an important retail amenity and employment centre in North Manchester. The Framework will help safeguard and create new employment opportunities and support plans for the creation of new residential growth in the adjacent Victoria North and NOMA areas.

(b) Risk Management

N/A

(c) Legal Considerations

If approved by the Executive, the Manchester Fort Development Framework will not form part of the Council's Development Plan but would be a material consideration when development management decisions are made.

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**Manchester City Council
Report for Resolution**

Report to: Children and Young People Scrutiny Committee - 13 October 2021
Executive – 20 October 2021

Subject: Youth and Play Commissioning Arrangements

Report of: Strategic Director of Neighbourhoods

Summary

This report follows the Young Manchester review, which was commissioned by the City Council in December 2020, with a subsequent report presented to Executive in March 2021. That report considered the response to the review and actions proposed to build stronger and more effective arrangements going forward. An alternative delivery model was proposed to be designed and developed in 2021. This report provides a summary of the evidence and research collated during consultation with the wider youth and play sector during the spring and summer and sets out a revised model of delivery for the commissioning of the youth and play sector, which is currently a role undertaken by Young Manchester. The report considers the response to the questions asked of the youth and play sector, as well as information collated from discussions with other Local Authorities in terms of their commissioning and youth partnership arrangements.

Recommendations

The Children and Young People Scrutiny Committee is asked to endorse the recommendations to the Executive.

The Executive is recommended to:

1. To note the findings from the sector consultation and Local Authority research which have informed the future commissioning arrangements.
 2. To agree the option presented for the future commissioning of the youth and play sector, which will enable the Council to a) fulfil its Statutory Youth Duty; b) fulfil the priorities identified in the Our Manchester Youth Strategy; c) align with the priorities and focus of the Children & Young People's Plan.
 3. Delegate responsibility to agree the grant payments for 2022/23 totalling £1.44M to the Deputy Chief Executive & City Treasurer and Strategic Director of Neighbourhoods, in consultation with the Executive Member for Children & Young People and the Deputy Leader.
-

Wards Affected: All

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

The recommendations set out will enable the Council to directly influence Strategic Commissioning decisions to ensure that they make the strongest possible contribution to achieving the zero-carbon target for the city.

Our Manchester Strategy Spine	Summary of the contribution to the strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	Through the city's varied youth offer, young people have opportunities and access to activities which contribute towards their personal, social and economic wellbeing. The revised commissioning arrangements will enable the Council to develop and strengthen local partnerships to create opportunities for our young people to learn, be active and have fun in their free time.
A highly skilled city: world class and home grown talent sustaining the city's economic success	Through the city's varied youth offer young people have opportunities to develop their life skills to succeed in education and employment, and have opportunities to increase aspirations, achieve and gain economic independence. The revised commissioning arrangements will continue to support young people have opportunities to develop key skills for life which include communication, problem solving, teamwork, self-belief, and self-management.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	Young people have opportunities which enable them to think progressively and build resilience underpinned by the principles of equality and acceptance. The revised commissioning arrangements will ensure that young people have access to good quality youth and play provision within their neighbourhoods which encourages a sense of belonging, develops their identity and ensure their voices are heard.
A liveable and low carbon city: a destination of choice to live, visit, work	Young people have opportunities to live, lead and enjoy safe, active, and healthy lives. Engagement with young people will ensure that they understand the impact they can make within their neighbourhoods, and the wider community. The revised commissioning arrangements will place a sharper emphasis on this.
A connected city: world class infrastructure and connectivity to drive growth	Young people are listened to, valued and connected across their neighbourhoods and city. Young people inform continuous improvement and are involved in service design, delivery, and governance. Young people receive the support they need to participate, ensuring representation

	of the full diversity of local people, and those who may not otherwise have a voice.
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Full details are in the body of the report, along with any implications for

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

The Council's currently provides annual funding of £1.59m to Young Manchester, and this is broken down £1.44m budget for commissioned youth and play activity and a £150k management fee for the work undertaken in administering the programme. It is proposed that the City Council will administer the £1.44m commissioning budget going forward, and the commissioning budget will remain unchanged. The £150k management fee will be used to fund any capacity requirements to take on the function and surplus funds will be utilised to strengthen the commissioning budget.

Financial Consequences – Capital

There are no immediate capital financial consequences arising as a result of these proposals.

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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.

- Children's Scrutiny Committee Report – January 8th 2019
- Children's Scrutiny Committee Report- November 6th 2019
- Valuing Young People's Strategy 2016-2019
- Our Manchester Youth Strategy 2019-2023
- Young Manchester Review Executive Paper – March 17th 2020

1.0 Introduction

- 1.1 This report follows the report that was agreed at Executive on March 17th, 2021 in relation to the Young Manchester Review. The Executive agreed several actions to build stronger and more effective arrangements going forward in order to improve the outcomes for Children and Young People. The principle of developing an alternative delivery model was agreed and that the full implications would be presented back to the Executive for determination.
- 1.2 Following the release of the review report, the City Council & Young Manchester agreed several questions which could be used with the wider youth and play sector to understand what the key requirements were for any future commissioning arrangements.
- 1.3 In order to ensure true engagement with the sector, the Council commissioned Youth Focus NW to lead on the consultation engagement sessions with the sector – this was also agreed by the Young Manchester management team. Young Manchester also had their own engagement session with Youth Focus NW as they are a part of the sector.

2.0 Developing the New Model

- 2.1 The Council currently contracts with Young Manchester to deliver the following objectives:
- To sustain a Youth and Play commissioning programme across the city which ensures all young people have sufficient access to services that contribute to them leading Safe; Happy; Healthy and Successful lives.
 - To ensure young people have sufficient access to high quality universal Youth and Play services with funding being prioritised for areas of most need, identified through a robust needs' analysis using weighted funding formulas.
 - To leverage to secure additional third-party investment which supports the sustainability of youth and play services across the City.
 - To ensure service users feel they have an active role in decision making processes to ensure services meet children and young people's needs.
 - To capture and provide quantitative and qualitative data and measure impact.
 - To communicate and promote young people services across the City.
- 2.2 Since March Officers have been working alongside the sector and undertaking research of other Local Authorities to ensure that any future arrangements:
- build on the strengths and progress made by Young Manchester;
 - reduce operational overheads and remove any duplication to ensure more funding reaches grassroot organisations who are working directly with children & young people;
 - ensure a citywide youth advisory board works alongside the current Neighbourhood based youth partnerships to provide the sector with a stronger voice which advises the Council and informs commissioning

- practices, therefore increasing engagement from across the sector;
- place data and insight at the centre of decision making; and,
- provide more direct control to the Council over its own resources.

2.3 The financial year 2021/22 is being utilised as a transitional year to ensure no youth organisations are impacted by the changes other than the positive benefits which will be derived from an alternative model of delivery.

3.0 Sector Engagement Findings

3.1 Youth Focus NW were commissioned as an independent, regional organisation to lead sector engagement sessions across the City.

3.2 They met with the existing youth & play partnerships, Young Manchester, Sector Leaders Group and the Detached Youth workers group

3.3 Themes collated from the feedback are highlighted below:

Partnerships: Building on the strengths of Young Manchester it is clear that the sector values the youth & play partnerships, which have been established over the past 4 years. Partnerships need to be an equal process, and not return to hierarchal processes of the past. There is a need to continue the partnerships in order to continue the support to the smaller organisations.

Investment: The Voluntary Sector have concerns around the short-term funding for the youth and play sector, citing that Young Manchester provided the security of 2-year funding, as opposed to the one year / short term funding streams often offered by the Local Authority. There was an ask to try and align funding streams, which would reduce the amount of work for small organisations. The majority of the responses highlighted the value in working in the youth & play partnerships in situ, but acknowledge that the current partnerships are all operating at various levels and provide varying levels of support.

Training & Development: Through the engagement sessions and direct sessions with the Sector Leadership group, there is a need for more formal, qualification-based training across Manchester, with a recognition that there has been a hiatus in the youth work degree courses being offered in the City. There is also an overwhelming view that the sector could provide some of this training as well as skills-based training – utilising the knowledge and experience which exists in the City already. It is also needs to be acknowledged that Play work is just as important as Youth work, with a clear focus of developing those skills and expertise.

Relationships: The sector feedback highlights that there is a need to have a more collaborative, equal relationship between the City Council and VCSE organisations, one which is based on mutual respect rather than commissioner and commissioned. This relationship should acknowledge the skills and experience within the sector, starting from a point of acknowledging that the sector understands their areas and what is needed.

4.0 Research Findings

4.1 As part of the research into different approaches to youth & play commissioning, officers spoke to Heads of Youth (or equivalent) in five other Local Authorities, as well as Head of Service from across Manchester City Council, to understand what works well and what is needed.

4.2 Key themes from the research were:

Partnerships: Successful partnerships work when all organisations have something to bring to the table; For example, in Blackburn with Darwen, the Local Authority has entered a 3-way partnership with Onside and the VCS – the three organisations work together to provide infrastructure and funding support to smaller organisations. In all areas, working in locally placed based partnerships was seen as being beneficial. There was a clear acknowledgement that there will be different partnerships based on the relationship / topic, for example, specialist providers or localised provision.

Investment: All Local Authorities were still receiving direct funding within their budgets, however, distinct recognition that it was not enough to provide a sufficient offer which is why partnerships were important. In Lancashire & Birmingham, the youth team receive direct commissions from the Public Health team with the acknowledgement that good youth work can reduce some of the public health requirements in later years. It is fair to acknowledge that all the areas directly provide youth work but do provide direct grants to the VCSE sector for specialist work, such as, detached youth work.

VCSE Support: The research and the review findings highlighted the need to ensure there are support mechanisms which provide infrastructure support to the sector, particularly those smaller organisations. Whilst there is an acknowledgement of the strength of the place-based partnerships systems which are already in operation in Manchester, there is still a requirement to ensure all organisations have access to this support, not just those who receive funding.

5.0 Future Commissioning

5.1 Some respondents involved in the engagement have expressed concern that if any future arrangements are delayed it will create uncertainty for organisations across the City, which in turn will have a negative impact on children and young people.

5.2 The engagement work has also highlighted that prior to any new commissioning arrangements being established there needs to be an update of the needs analysis which underpins the funding allocations, in order to ensure the current perceived inequalities are reduced. The last needs analysis was undertaken by Young Manchester in 2019 and set out in Appendix 1.

5.3 Any future commissioning arrangements would need to be underpinned by a programme of workforce development and strategic leadership – both of which

have been highlighted as a high priority during the Young Manchester Review and the Sector Engagement sessions.

- 5.4 Following the engagement that has been undertaken it is proposed that the commissioning arrangements for Manchester City Council funding for youth and Play activity is directed under a new model, with the Council's role to administer, manage and provide continued support to all organisations involved in the delivery of the wider youth and play offer. The proposed new arrangements would see providers within the 6 youth and play partnerships and Neighbourhoods supported directly by their Area Youth Lead to submit applications for youth and play funding. These applications would be reviewed by a local youth advisory panel, who would make funding recommendations to the Youth Commissioning Board
- 5.5 The new arrangements will align seamlessly with the recent changes to the Youth, Play & Participation team. By establishing this format for commissioning, the service will be able to ensure stronger alignment of funding allocated from youth and play commissioning to those investments made, e.g. Community Safety Partnership / Neighbourhood Investment Fund. By bringing services together it is anticipated that the following benefits will be derived:
- Place-based commissioning will be embedded, which would be approved by a panel of individuals who are based and have in-depth knowledge of the area.
 - Area youth leads would work alongside the current youth and play partnerships and MACC to provide support to organisations to complete funding applications and develop good working practices. Providing organisations with a link MCC officer, therefore reducing duplication for the sector.
 - Place-based commissioning would further ensure that funding streams offered via the Local Authority could be streamlined which would maximise resources, financial and otherwise, as well as, reducing the additional stress placed on smaller organisations.
 - Provide the City Council with increased influence over the effective deployment of its own resources.
- 5.6 The approach proposed would require a commissioning manager who would sit within the Youth, Play & Participation team and oversee the place-based commissioning processes. This would ensure a standard commissioning process for all youth and play funding streams.
- 5.7 The revised approach will also reduce the amount of funding spent on management fees, therefore increasing the amount which could be redirected to the sector to support training and development opportunities, particularly in those areas that were identified as needing improvement in the recent review.
- 5.8 In order to ensure a standard commissioning process and respond to the need for more place-based commissioning, it is proposed that each area would make funding recommendations to the Youth Commissioning Board. The

youth and play advisory panels would have impartial representatives. These representatives will bring knowledge and neutrality. It is envisioned that the panel will source individuals from the following areas:

- Elected Members, Youth Council / Area Youth Forum, Area youth lead, Youth & Play Partnership, Schools, Neighbourhood Team, GMP.

The youth and play advisory panel would provide recommendations to the youth commissioning board which would have the following representatives:

- Manchester Youth Council – Shadow Exec, Executive Member for Children & Young People, VCSE Rep, Director of Neighbourhoods, Strategic Lead – Parks, Leisure, Events and Youth, Head of Youth, Play & Participation, and Director of Education.

5.9 It is proposed that Elected Members play an active role as follows:

- Championing the revised approach in communities and play a supportive role with community organisations so that they are reminded of the parameters and limitations of the Commissioning Fund.
- Ensuring strong alignment with the deployment of other community-based funding at a ward level.
- Identifying suitable Elected Members to participate in the Advisory Panels. These will be Members who:
 - bring an understanding of neighbourhoods and communities to the process;
 - bring enthusiasm and energy but also have knowledge and expertise in relation to the area of work and are able to act objectively; and
 - not employed by an organisation or a board member of organisation delivering activity in response to the Strategy in the locality.
- It is proposed that nominations are made by Ward Councillors in each partnership area.

6.0 Conclusions and Next Steps

6.1 The proposed new model of delivery will build on the existing strengths and progress made over the last four years, it will reduce operational overheads and seek to remove duplication. In time it is anticipated that more funding will reach grassroot organisations who are working directly with children & young people. The new arrangements will ensure that place-based commissioning will be embedded, which would be approved by a panel of individuals who are based and have in-depth knowledge of the area and will also provide the City Council with increased influence over the effective deployment of its own resources.

6.2 The following next steps are proposed.

- Exploration of implications for the current employees within Young Manchester and establish a clear plan for managing an orderly transition.
- Development of a robust needs analysis which is produced in conjunction with children, young people, providers and elected members - commencing this autumn.
- Development of future youth, play and strategic leadership commissioning processes, which are based where possible on 2-year funding agreements.

6.3 In order to ensure the above points are completed fully and robustly, it is recommended that Council extends the current commissioning arrangements in place for a one-year period. All current arrangements issued under the Youth & Play fund end on March 31st, 2022. Whilst the one-year extension would be with the same organisations under the same monitoring requirements, new grant agreements will be issued and managed via the City Council Youth, Play & Participation team. The proposal is to agree and execute all grant funding arrangements for 2022/23 by end of December 2021. As per existing agreements, all grant funding contributions will be subject to providers evidencing appropriate match funding. The organisations that were previously funded by Young Manchester and their work in in each ward is set out in Appendix 2.

7.0 Contributing to a Zero-Carbon City

7.1 The recommendations set out will enable the Council to directly influence Strategic Commissioning decisions to ensure that they make the strongest possible contribution to achieving the zero-carbon target for the city.

8.0 Contributing to the Our Manchester Strategy

(a) A thriving and sustainable city

8.1 Through the city's varied youth offer, young people have opportunities and access to activities which contribute towards their personal, social and economic wellbeing. The revised commissioning arrangements will enable the Council to develop and strengthen local partnerships to create opportunities for our young people to learn, be active and have fun in their free time.

(b) A highly skilled city

8.2 Through the city's varied youth offer young people have opportunities to develop their life skills to succeed in education and employment, and have opportunities to increase aspirations, achieve and gain economic independence. The revised commissioning arrangements will continue to support young people have opportunities to develop key skills for life which include communication, problem solving, teamwork, self-belief, and self-management.

(c) A progressive and equitable city

- 8.3 Young people have opportunities which enable them to think progressively and build resilience underpinned by the principles of equality and acceptance. The revised commissioning arrangements will ensure that young people have access to good quality youth and play provision within their neighbourhoods which encourages a sense of belonging, develops their identity and ensure their voices are heard.

(d) A liveable and low carbon city

- 8.4 Young people have opportunities to live, lead and enjoy safe, active, and healthy lives. Engagement with young people will ensure that they understand the impact they can make within their neighbourhoods, and the wider community. The revised commissioning arrangements will place a sharper emphasis on this.

(e) A connected city

- 8.5 Young people are listened to, valued and connected across their neighbourhoods and city. Young people inform continuous improvement and are involved in service design, delivery, and governance. Young people receive the support they need to participate, ensuring representation of the full diversity of local people, and those who may not otherwise have a voice.

9.0 Key Policies and Considerations

(a) Equal Opportunities

Equality impact assessments will be carried out in relation to the revised commissioning arrangements and any associated staffing and structural changes.

(b) Risk Management

These proposals require regular engagement with Young Manchester and the youth and play sector to manage risk.

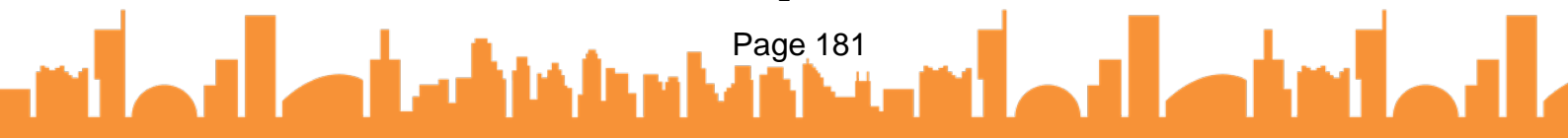
(c) Legal Considerations

These proposals will require new legal agreements to be drawn up between Manchester City Council and Young providers.



**Data analysis of the youth and play needs
of children and young people in Manchester**

by Graham Whitham and Dr Necla Acik,
Greater Manchester Poverty Action



About Greater Manchester Poverty Action

Greater Manchester Poverty Action (GMPA) is a not-for-profit organisation based in Greater Manchester that works to address poverty across the city region. We convene and network organisations from across the public, private and VCSE sectors to foster collaboration and innovation and to maximise the impact of efforts to address hardship and deprivation across Greater Manchester. We carry out research and we campaign for changes in policy both locally and nationally so that the structural and systematic causes of poverty are addressed.

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Foreword

Young Manchester is a relatively new charity, though since our launch in November 2017 we've supported over 70 organisations with more than £5m of funding across the city of Manchester. This activity has provided an excellent initial platform for change, however, we want to do much more – provide more support, more funding and build stronger partnerships across Manchester to enable outcomes for children and young people.

Having a strong understanding of the current context for children and young people in the city is critical to helping us, and our partners, make the right decisions including ensuring that we are reaching the right communities in the right ways.

This is why we've commissioned Greater Manchester Poverty Action to review the data we use to inform our assessment of the needs of children and young people, and present the most up-to-date data we have on life for children and young people in the city. This analysis presents some clear challenges, whilst also outlining the opportunities the city holds too – our job is to ensure that all children and young people can access the very best that Manchester has to offer, and that those opportunities are of the highest quality.

Informed by this analysis, and Young Manchester's strategy, we will be delivering a number of programmes of work and grant schemes during 2019/20 and 2020/21. Underpinning this work will be a number of critical principles:

Children and young people's voice – the voices and lived experiences of children and young people will be critical to all of our work, and we prioritise support for organisations which place children and young people at their heart, including supporting high quality social action.

Tackling poverty, inequality and exclusion – our work will seek to challenge and address the direct impact of poverty and inequality, as well as seek to understand and tackle the root causes which keep children, young people and their families in poverty, and continue to create an unequal society.

Our work will also place significant emphasis on inclusion and equity, ensuring that opportunities are accessible to all, no matter the barriers and challenges that they may face.

Quality and impact – we will ensure that our work is making a difference, and work with partners and stakeholders to build our evidence, demonstrate value and champion the impact that youth and play work has on children, young people and communities.

Partnership – we will prioritise collaboration and collective impact, seeking to work with, and build up others, whilst building strong alliances and networks across the city.

This analysis forms part of our ongoing commitment to ensure that our work, and wider work with and for children and young people across Manchester, is informed by their needs. By itself, this data provides only part of a wider picture of the context of children and young people's lives in the city – it cannot, and does not seek to, provide a full picture. It does not reflect the passion, skills and drive of our children and young people, their hopes and dreams, and their ambitions for themselves, their peers and their communities.

Key to ensuring that our work is informed by real need is ensuring that children and young people's voices and lived experiences are prioritised. We will do this through our own work,

ensuring children and young people are directly shaping Young Manchester – this includes informing future funding decisions, shaping where and how investment in the city is made.

We are also supporting our new Young Ambassadors to present their views on Manchester and what they want to see in their city.

Children and young people’s views and experiences will also be a crucial element of all future funding from Young Manchester – funded organisations must demonstrate how they are working with children and young people to ensure that provision meets their needs.

For more information about what Young Manchester is doing, including our current funding opportunities, please visit **youngmanchester.org**

Part one: Introduction

Manchester is a vibrant, globally-connected city. Its population growth is fuelled by one of the fastest-growing economies in Europe and the city's economic potential exceeds that of all other UK city regions.¹ Manchester is also a young and highly diverse city, with over a quarter of the population aged between 0 and 19 and nearly two-thirds of school age children being from a minority ethnic group. A vibrant, growing city creates opportunities for residents to thrive. Yet too many of Manchester's young people are not able to take an active part in the city's prosperity.

To address this, Young Manchester is working with partners and stakeholders to act as a catalyst for radical change. Young Manchester's role is to provide children and young people with increased opportunities in all aspects of their lives by commissioning projects that respond to their ever-changing needs. Young Manchester aims to meet the ambitions that children and young people have for themselves and their communities, and the collective ambition that Manchester has for all children and young people across the city.

As part of this, Young Manchester has recently updated its strategy ('Our Manchester is Young'), covering the 2019 to 2024 period. To help deliver against the strategy, this needs analysis compiles data on the experiences of children and young people across the city.

The data categories identified for analysis have been chosen following a review of Young Manchester's core themes and project assessment criteria. It includes data on poverty and deprivation, marginalisation, education and health outcomes, crime and anti-social behaviour, economic independence and participation.²

The needs analysis will assist Young Manchester with the evidence it needs to understand the current experiences of children and young people in the city and to support the delivery of projects that directly address the challenges children and young people face. As such, the needs analysis should help inform Young Manchester's commissioning decisions. It should also inform additional research and analysis in areas relevant to Young Manchester's work where additional data is required.

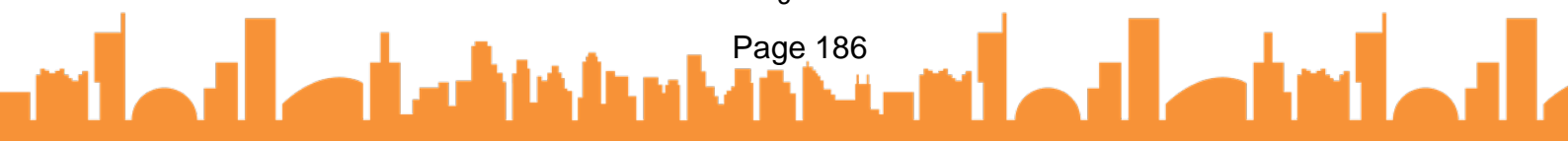
The needs analysis has been undertaken by Greater Manchester Poverty Action (GMPA). GMPA works to support efforts to address poverty across the Greater Manchester city region, and has been working closely with a range of stakeholders from across sectors in Manchester to raise the profile of poverty as an issue and to advance efforts to address it. Through its work, Young Manchester both directly addresses the impact of poverty and seeks to tackle the root causes which keep children, young people and their families in poverty.

The necessity for a strong focus on poverty is underlined by the evidence set out in this document. This highlights the extent to which poverty acts as the backdrop to the lives of many of Manchester's children and young people, with 45% of children living below the poverty line.

National poverty data shows that there are a range of factors that can increase the likelihood of children experiencing poverty. These are detailed in part three and include household work status, housing tenure, disability and ethnicity. Manchester City Council's Family

¹ Manchester City Council *State of the city report 2018* Sourced from https://secure.manchester.gov.uk/info/200088/statistics_and_intelligence/7353/state_of_the_city_report_2018/1

² Data is provided at ward level where possible



Poverty Strategy finds that Manchester is home to large numbers of households where these risk factors are present.

Poverty correlates strongly with poor outcomes for children and young people, including many of the indicators detailed in this needs analysis (for example, poor health and educational outcomes).

Poverty also intersects with key characteristics such as ethnicity, with poverty in Manchester concentrated in traditional working class communities and areas where there is a high ethnic minority population. Looked after children, children with special educational needs, young carers and LGBT+ children and young people all face a range of challenges and disadvantages that need to be taken into account in the commissioning, design and delivery of projects and services.

Young Manchester can ensure that the barriers and challenges facing these groups of children and young people can be taken into account in the design and delivery of services. This can help maximise participation rates among these groups and contribute to addressing poor health, education and other outcomes.

Therefore, Young Manchester's focus on voice, poverty, equality and inclusion, quality and partnerships are key foundations for making a real difference in the lives of children and young people in Manchester. Alongside them, partners and all stakeholders across Manchester will work to make sure that Manchester is the best place for children and young people to grow up.

Key findings

The report illustrates that outcomes are improving for children and young people in Manchester against certain indicators, but that high levels of poverty persist and Manchester fares worse than the national average on a number of outcomes (particularly health outcomes). The city is home to large numbers of children and young people who are often marginalised and face a range of multiple disadvantages. Outcomes and experiences vary considerably by ward, particularly in respect of levels of poverty and deprivation and attainment. The key findings are summarised below.

Population

Manchester has a much younger population than England as a whole. Over a quarter of people living in Manchester are between 0 and 19 years of age. Manchester's population has been growing steadily since 2011, from 506,278 to its current figure of 575,419 in 2019. During the same period the number of children and young people age 0-19 increased by 19,687 to 149,097.

Manchester has an ethnically diverse population. In 2018 60.9% (52,465) of school aged children in Manchester were from a minority ethnic group. This is also reflected in the proportion of school aged children whose first language is not English. In 2018 40.9% of school aged children were recorded as having a language other than English, compared to the national average of 21.20%.

The highest percentage of pupils whose first language is not English live in Cheetham (81%), Crumpsall (70.4%), Rusholme (69.3%), Moss Side (68.5%) and Levenshulme (65.16%) wards. Chorlton, Baguely, Brooklands and Woodhouse Park on the other hand represent the lowest proportion of pupils whose first language is not English at 14-15%.

Child poverty and deprivation

Manchester has the 8th highest local authority child poverty rate in the country with 45.5% (63,427) of children in Manchester living below the poverty line in 2017/18. Future projections for UK child poverty rates suggest that it will rise further over the coming years, and areas with already high levels of child poverty, such as Manchester, are likely to see the most significant increases.

Households where the head of the household is aged 16-24 are at greater risk of poverty than those households where the head of the household is older.

Child poverty in Manchester disproportionately affects minority groups and large white working class communities as shown within ethnically diverse wards such as Longsight, Cheetham, Hulme, and Rusholme and traditional white working class areas such as Gorton, Crumpsall, Ardwick, Bradford, Miles Platting & Newton Heath and Ancoats and Clayton.

The Index of Multiple Deprivation ranks Manchester as the 5th most deprived Local Authority area in England. Two in five of the city's low super output areas (small statistical areas) are in the most deprived 10% in the country and Miles Platting & Newton Heath is ranked as the most deprived Ward in Manchester. The most deprived wards in Manchester are located within North and East areas of the city.

Economic independence and status

In 2018 there was a higher percentage of children living in workless households (13.2%) in Manchester than the UK average (10.4%). Both figures have fallen markedly since the aftermath of the financial crash. In 2009 37.2% of children in Manchester were in workless households (16.3% across the UK as a whole).

In March 2019 there were 391 (3.6%) 16 and 17 year olds not in education, employment or training (NEET). Woodhouse Park (7.6%), Northenden (6.4%) and Fallowfield (5.7%) have the highest proportion of NEET young people while Hulme (5.9%) Longsight (5.6%) and Gorton & Abbey Hey (5.5%) have the highest proportion of young people whose economic activity is not known.

Harphurhey, Moss Side, Mile Platting & Newton Heath, Clayton & Openshaw, Gorton & Abbey Hey and Longsight are home to the highest numbers of young people (aged 16-24) in receipt of out-of-work benefits.

Education

A large proportion of children in Manchester are in receipt of free school meals (FSM) compared to the national average. Almost two thirds of the wards in Manchester have above average rates of pupils on free school meals with Miles Platting & Newton Heath (35.3%) having the highest proportion of primary school pupils on FSM. For secondary schools, Sharston ward (37.4%) has the highest rate of pupils on FSM.

Ward level data on school attendance for 2017/2018 shows that half of Manchester wards are above the national average of 4.2% for primary school absence rates. Secondary school persistent absence shows over one third of wards have a higher rate of persistent absence than both the Manchester and national averages of 13.1% and 13.9% respectively.

Fewer children in Manchester achieve a good level of development by age 5 (67%) than across England as a whole (72%). At Key Stage 2, 62.2% of pupils in Manchester met the expected standard in reading, writing and maths combined in 2018 (slightly below the national average).

Attainment levels vary considerably across Manchester. For example, the Attainment 8 score for pupils at Key Stage 4 in Didsbury East ward is 58.9 compared to Woodhouse Park ward at 34.9.

The Manchester Attainment 8 score for boys of 40.3% was significantly below the Manchester Attainment 8 for girls of 46.2%. These are both lower than the national average with 41.5% and 49.4 respectively. This showing that girls are continuing with the trend of outperforming boys locally and nationally.

Health

In 2017/18 the rate of hospital admissions for mental health conditions amongst young people aged between 0-17 in Manchester was 75.9 per 100,000, which is lower than the national figure of 84.7. The trends for Manchester have improved from previous years. Children aged 11 to 16 years olds are also more likely (11.5%) than 5 to 10 year olds (7.7%) to experience mental health problems.

In recent years, after a period of increase, the hospital admission rates for young people age 10-24 as a result of self-harm has been decreasing. In Manchester the admission rate went down from 369 in 2015/2016 to 294.4 in 2017/2018, which is significantly better than the national average of 430.5 and 421.2 per 100,000.

Manchester has had historically high rates of teenage pregnancy, but that has fallen markedly over the last 10 to 15 years. The under 18 conception rate peaked at 71.9 per 1,000 (15-17 year old female population) in 2005 and has fallen since, standing at 23.5 per 1,000 in 2017 (compared to the England wide figure of 32.9).

Just under one in ten (8.9%) of 15 year olds in Manchester report being current smokers, compared to 8.2% in England. 23.9% of 15 year olds in Manchester report trying e-cigarettes, compared to 18.4% in England.

Over four in ten (43.8%) of young people report having ever had an alcoholic drink, compared to 64.3% in the North West and 62.4% in England. More than one in ten (12.7%) of young people in Manchester report having ever tried cannabis, compared to 10.7% in England.

Data from 2017/2018 shows a slight increase in obesity among young children from previous years and that obesity rates in Manchester are higher than the national average (12% for Reception year in Manchester, and 26.3% for year 6, compared to 9.5% and 20.10% respectively across England as a whole).

Anti-social behaviour, crime and youth offending

First time entrants to the youth justice system for children age 10-17 has decreased in Manchester as well as nationally. However, the rates per 100,000 for Manchester have been considerably higher compared to the national average. Figures for 2017 show that the rate of first time entrant to the youth justice system at 427.9 compared to 292.5 in England. This is down from a rate of 520.8 per 100,000 for Manchester from previous year.

The number of young victims of crime in Manchester has increased over the last three years, with around 1,400 more 18-24 year old victims of crime in 2018/19 compared to 2016/17. The number of 10-17 year old victims of crime increased considerably between 2016/17 and 2017/18, but fell back again between 2017/18 and 2018/19.

There is a slightly higher risk for males aged 10-17 of being a victim of crime compared to females of the same age group. For young people aged 18-24, this is reversed with females being a greater risk than their male counterparts.

Over the last three years the number of victims of hate crimes in Manchester was higher in each of 2017/18 and 2018/19 than in 2016/17 and that this was true for those aged 10-17 as well as those ages 18-24. Race hate accounted for well over half of the hate crime against 10-17 and 18-24 year olds in Manchester in 2018/19.

Marginalised children and young people

Certain groups of children and young people are at greater risk of poor outcomes. This includes Looked after Children, LGBT+ young people, children with special educational needs and young carers.

Manchester has a high number of Looked after Children (104 per 10,000) compared to the national average (64 per 10,000). Although the total number of Looked after Children has reduced in Manchester, from 1,381 in March 2014 to 1,257 in 2018.

For the academic year 2017/2018, in Manchester the proportion of Looked after Children who are on SEN support is 28.9% and those with an statement of SEN or EHC plan is 24.7% compared to 29% and 23.2% respectively in all local authorities in the North West.

In Manchester, 27.4% of children in need are on SEN support and 17.5% of children in need have a statement of SEN or EHC plan. In the North West, 26.0% of Children in Need are on SEN support and 18.1% have a statement of SEN or EHC plan.

The Attainment 8 score for pupils with statements of SEN or EHC plans was 12.1 score and 25.5 score of pupils on SEN support in Manchester. This compares to a North West average of 12.8 for pupils with statements of SEN or EHC plans, and 30.7 for pupils on SEN support. For comparison, the Attainment 8 score of pupils with no SEN was 46.5 score in Manchester and 48.0 in the North West.

There is limited data on the experiences of LGBT+ children and young people in Manchester. However national data shows that these groups can face discrimination and a range of challenges. For example, nationally 45% of LGBT+ children and young people say they have experienced harassments or threats and intimidation, 23% have experienced physical assault and 49% said their time at school was affected by discrimination.

Research Study in to the Trans Population of Manchester (2016) found that trans people in Manchester are experiencing particular inequalities in relation to bullying in education, housing and homelessness, poor mental health and general wellbeing and experiencing domestic abuse.

Data from the 2011 Census indicates that there were 1,138 children aged 0-16 living in Manchester who identified themselves as providing some form of unpaid care. This is equivalent to just over 1% of the population in this age group and is similar to the average for England as a whole. Around 11% of these young carers were providing 50 or more hours of unpaid care a week compared to the England average of 9%. Recent data on the experiences of young carers in Manchester is limited.

Part two: Methodology

This needs analysis covers children and young people aged between 5-24. Therefore, the main focus will be children aged 5-14 (play) and young people aged 13-19 and up to 25 years for those with additional needs (youth). Data by age group is reported differently in different sources and therefore age group breakdowns of the data in this report varies between categories.

The analysis of children and young people's needs in Manchester is a challenging and complex exercise particularly when considering its demographic makeup, such as population size, ethnic diversity, and religion. This is further complicated when analysing the interaction between socially demographic factors such as economic, social and cultural processes which influence and shape an urban population. These interactions inevitably create different groups, neighbourhoods and communities with different, often multi-layered and intertwined needs. Analysis of need can be further skewed when making comparisons of information drawn together, given that it is collected from different data sources along with information that is comprised from a neighbourhood, city-wide, regional and national level.

This needs analysis is primarily based on quantitative data. The data presented is the culmination of secondary research. The data categories included in this report were identified following a review of a previous youth and play provision needs analysis produced by Manchester City Council in 2016, through conversations with the staff team at Young Manchester and through a review of Young Manchester's strategic focus (detailed in 'Our Manchester is Young' - Young Manchester's 2019-2024 strategy).

Analysis has been undertaken at ward level where possible, however in some instances data was not available at that level. The analysis has used the most up-to-date data sources and referenced them accordingly. However, data continually changes meaning data can become redundant quite rapidly. It is therefore important to note that when using the needs analysis to shape and target service delivery, care needs to be taken in ensuring that data is still relevant in supporting decision making processes. It is therefore necessary for Young Manchester to maintain an ongoing awareness of new and updated evidence, alongside referring to this needs analysis.

New electoral ward boundaries came into effect in Manchester in May 2018. Therefore, data by ward in this need analysis reflects both the old and new ward boundaries depending on the time period the data was gathered.

Part three: Poverty risk factors in the UK

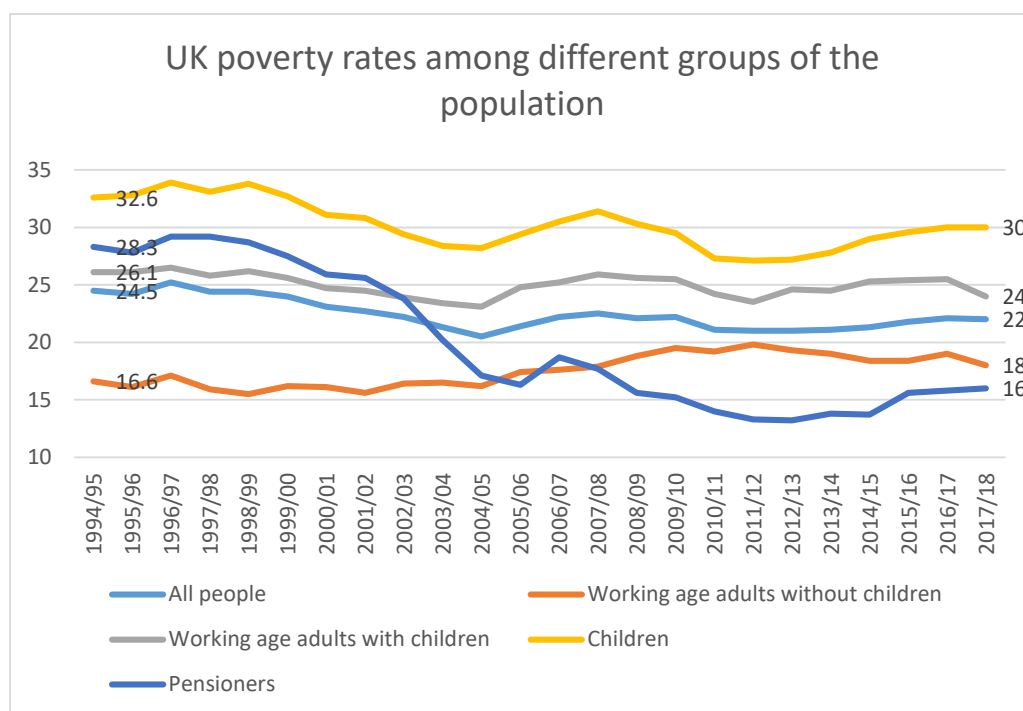
Poverty in the UK is not static. Rates of poverty have varied considerably over recent decades, as have the extent to which different groups of the population are at risk of poverty. Understanding this is important for those commissioning and delivering services and projects that seek to respond to the needs of those on low incomes.

National poverty statistics record poverty rates against a range of characteristics. This data is geographically limited and does not allow analysis at a local authority level. However, this section provides a short overview of the risk of poverty for children and different groups of children at a national level to support Young Manchester's understanding of poverty risk factors.³

3.1 Child poverty over time

Figure 1 shows trends in child poverty in the UK over time against other groups of the population. Children have remained at higher risk of poverty compared to the rest of the population throughout the time period covered by figure 1. Child poverty fell in the 2000s, but has risen since 2013/14 and is returning to 1990s levels. On the main measure of poverty, 30% of children in the UK are living below the poverty line. Future projections for UK child poverty rates suggest that it will rise further over the coming years, and areas with already high levels of child poverty, such as Manchester, are likely to see the most significant increases.⁴

Figure 1: UK poverty rates overtime across different groups of the population



Source: Department for Work and Pensions, March 2019, *Households below average income: 1994/95 to 2017/18*

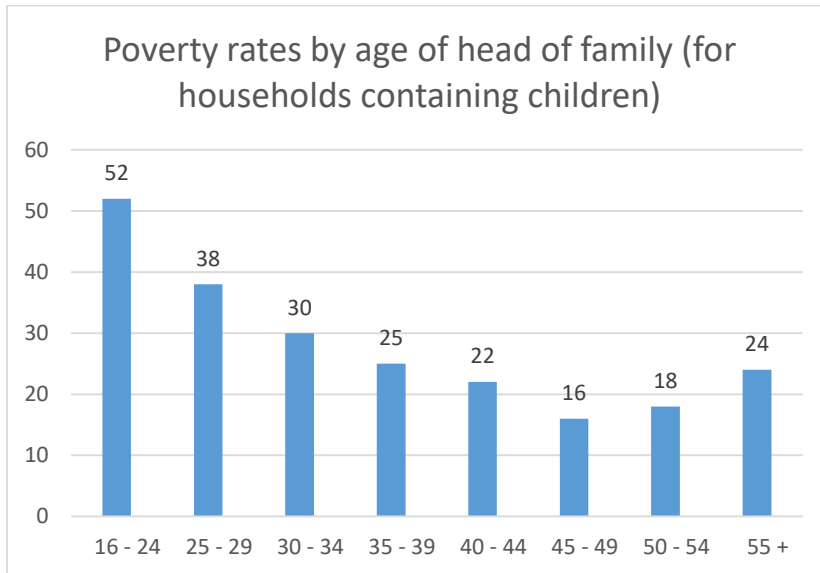
³ All the data in this section looks at poverty when defined as those households with incomes below 60% of the median (the main measure of poverty in the UK and in most developed nations) after housing costs.

⁴ Belfield, C., Cribb, J., Hood, A. and Joyce, R., 2014. Living standards, poverty and inequality in the UK. *Institute for Fiscal Studies, London*. Available online at <http://www.ifs.org.uk/publications/> [Accessed July 2019].

3.2 Poverty by age of head of household

Figures 2 and 3 show that households where the head of the household is aged 16-24 are at greater risk of poverty than those households where the head of the household is older. For example, over half of households (52%) containing children where the head of the household is aged 16-24 are living in poverty compared to 16% of households where the head of the household is aged 45-49.

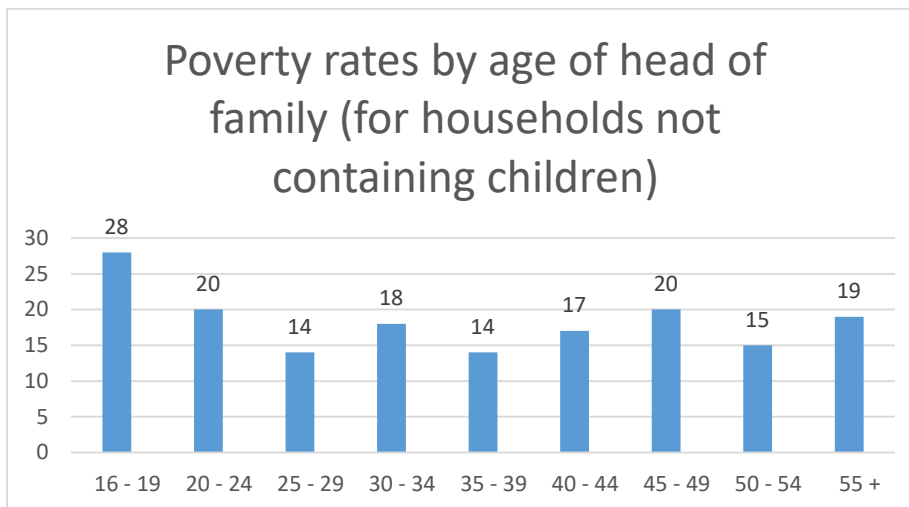
Figure 2: Poverty rates by age of head of the family (households with children)



Source: Department for Work and Pensions, March 2019, *Households below average income: 1994/95 to 2017/18*

Figure 3 shows a similar situation for households not containing children. Households where the head of the household is aged 16-19 or 20-24 have a higher risk of poverty (28% and 20% respectively) than most other age groups.

Figure 3: Poverty rates by age of head of the family (households not containing children)

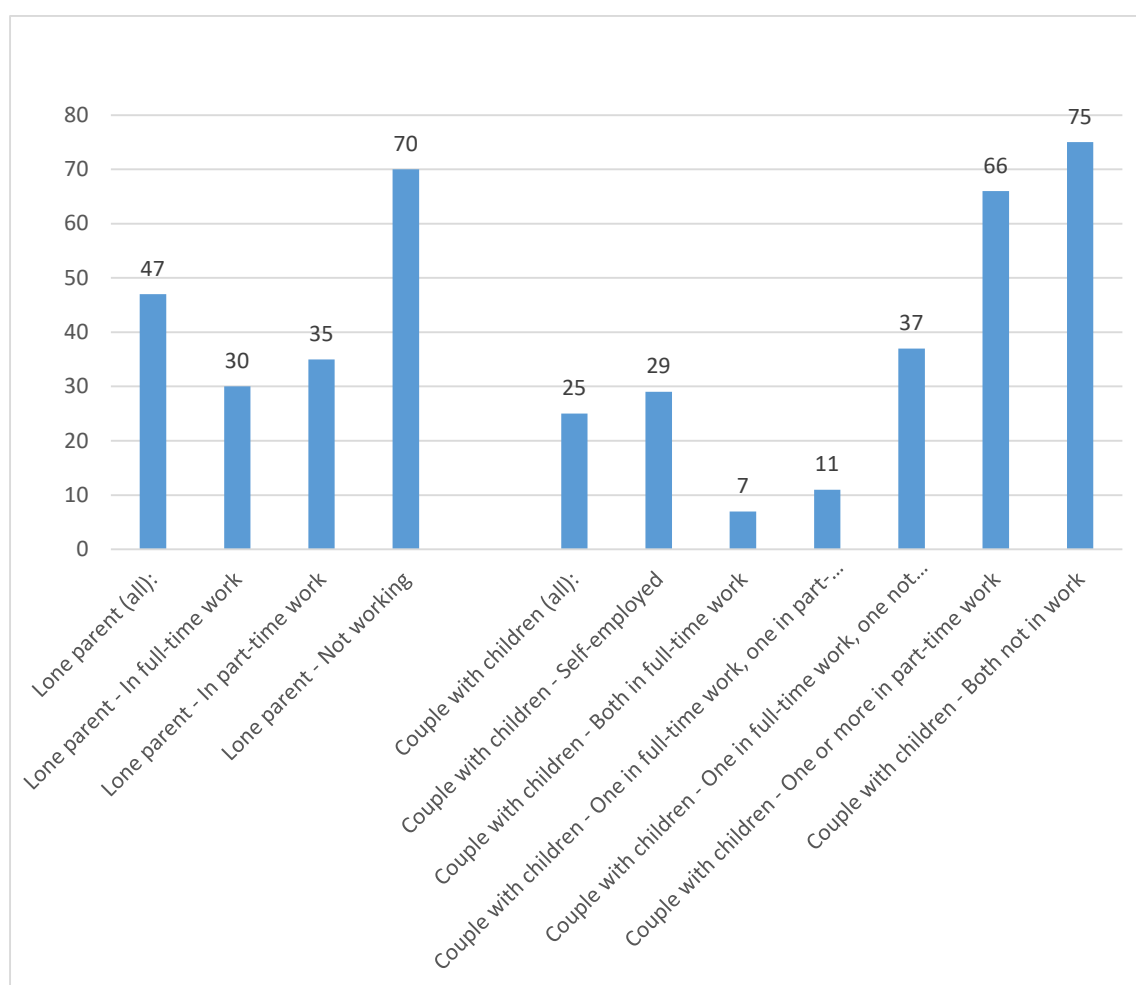


Source: Department for Work and Pensions, March 2019, *Households below average income: 1994/95 to 2017/18*

3.3 Work status

Lone parent households remain at greater risk of poverty than couple households with children. Figure 4 shows that in 2017/18 just under half of all children living in lone parent families (47%) were in poverty compared to a quarter (25%) of children living in couple families. Work status also plays a part (also shown in figure 4), with households where there is an adult in full time work less likely to be in poverty compared to households where no one is in work. In lone parent households, 30% of children are living in poverty where the parent works full time compared to 70% of children where the parent is not in work. In couple households, just 7% of children are in poverty where both parents are in full time work, and 11% where one parent is in full-time work and one parent is in part-time. This compares to 75% of children living in couple families where no parents are in work.

Figure 4: Poverty rate by lone parent and couple parent households by work status



Source: Department for Work and Pensions, March 2019, *Households below average income: 1994/95 to 2017/18*

3.4 Disability in the household

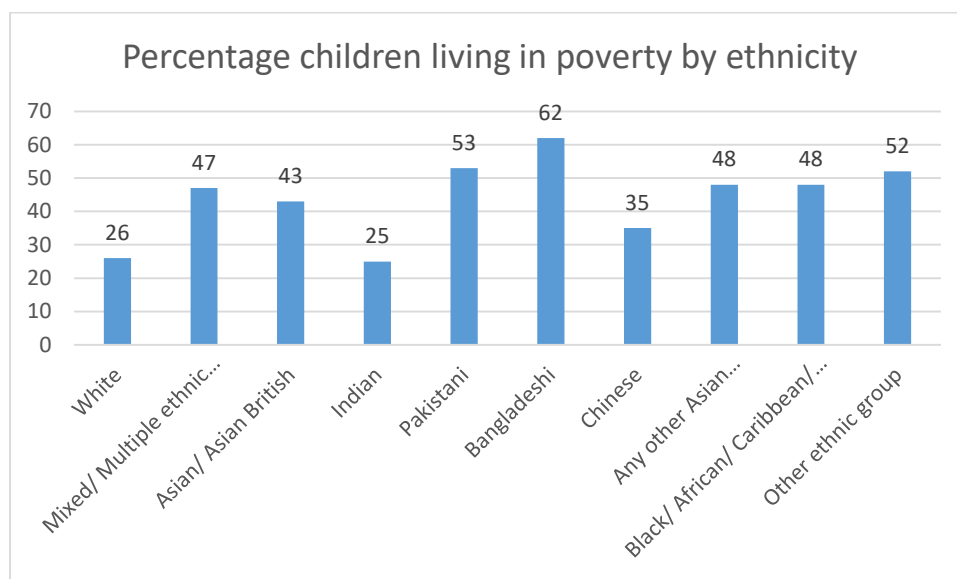
In the UK, households containing at least one disabled person are at greater risk of poverty than households where no one is disabled because disability can restrict the ability of the household to be economically active. Households containing disabled people also tend to

face higher living costs.⁵ Children are at particular risk of poverty if they themselves are disabled or if they have a disabled parent or sibling. A total of 35% of children living in households where there is a disabled person are in poverty, compared to 27% of children where there is no disabled person in the household.

3.5 Ethnicity

Risk of poverty varies by ethnicity as shown in figure 5. Nearly two-thirds (62%) of children living in households that identify as Bangladeshi are living in poverty, compared to just over a quarter of households that identify as white.

Figure 5: Risk of poverty for children by household ethnicity

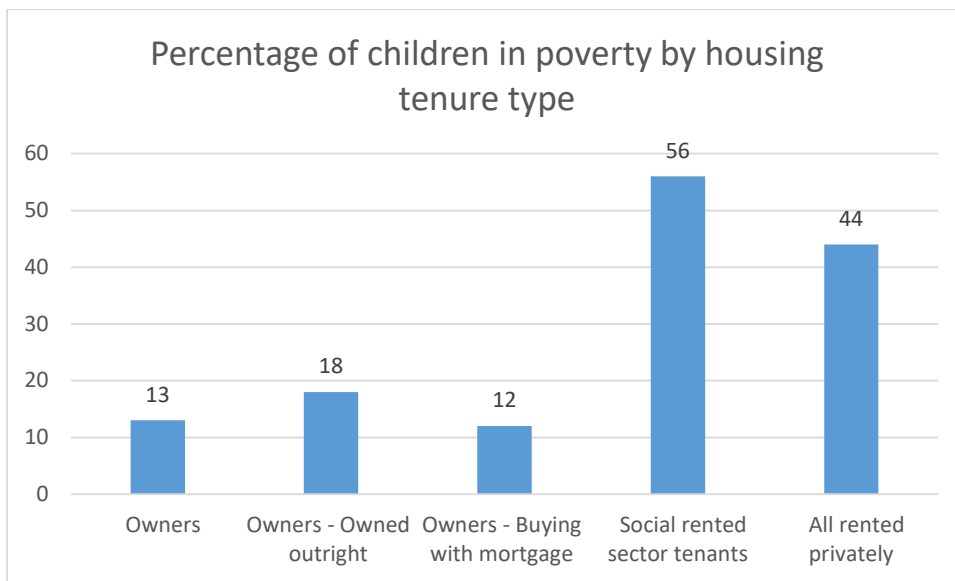


Source: Department for Work and Pensions, March 2019, *Households below average income: 1994/95 to 2017/18*

3.6 Housing tenure

Children living in rented accommodation (whether privately or socially rented) are at much greater risk of poverty than children living in households that are owner-occupied. Figure 6 shows that 56% of children living in socially rented accommodation and 44% of children living in privately rented accommodation are in poverty, compared to 13% of children living in owner-occupier accommodation.

⁵ See for example: <https://www.scope.org.uk/campaigns/extra-costs/disability-price-tag/>

Figure 6: Risk of poverty for children by housing tenure type lived in

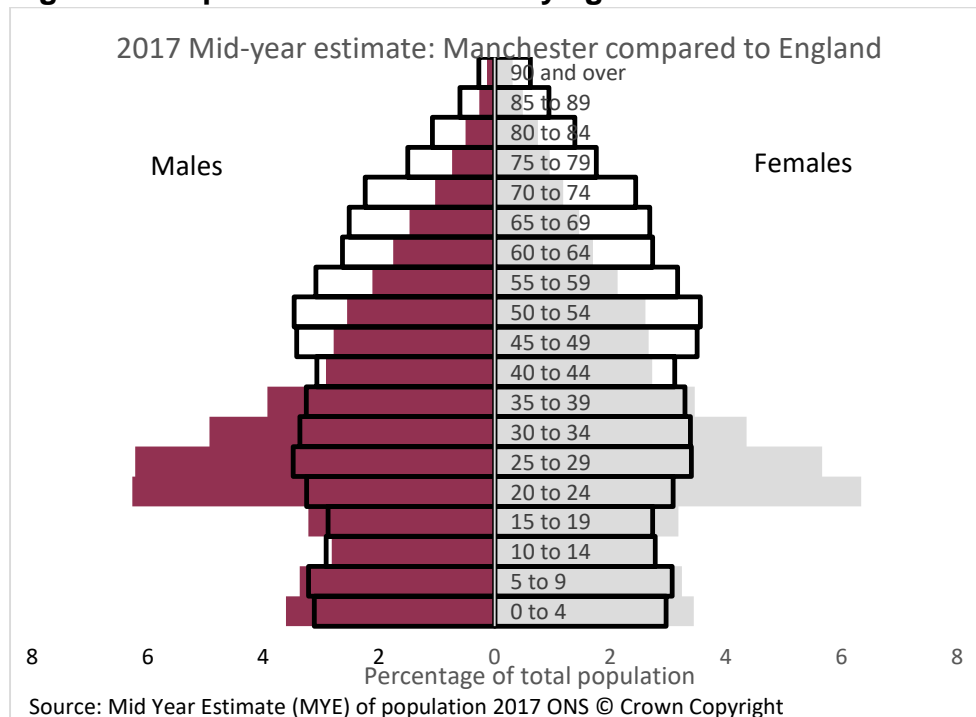
Source: Department for Work and Pensions, March 2019, *Households below average income: 1994/95 to 2017/18*

Part four: Understanding the youth and play needs of children and young people in Manchester

4.1 Population

Manchester has a growing young population. The population pyramid in Figure 7 shows the 2017 ONS Mid-year estimate of the age population of Manchester compared to England. The graph shows that Manchester has a much younger age population (ages 0-9 and 20-39) than England.⁶

Figure 7. Population distribution by age and sex: Manchester and England

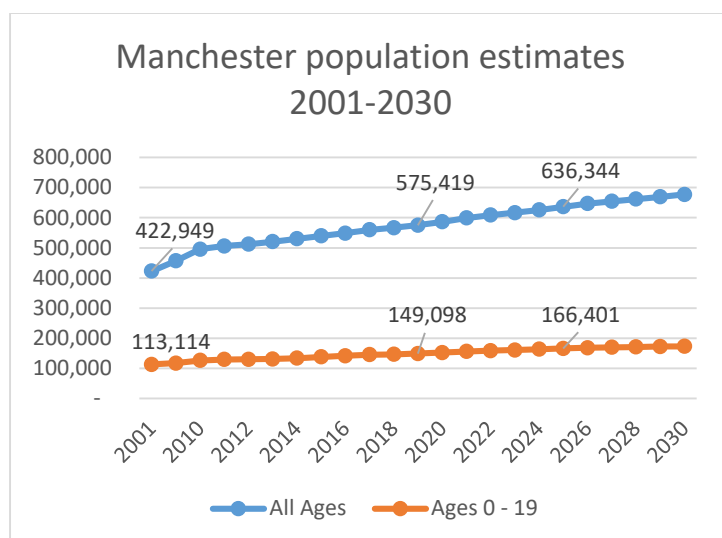


Below are the population estimates for Manchester produced by Manchester City Council.⁷ These estimates are more accurate when looking at Manchester figures only. Figure 8 shows the yearly rates of the total Manchester population for 2001, 2005 and 2010-2030 as well as for children and young people 19 and under. The line graph shows that Manchester's population has been growing steadily since 2011, from 506,278 to its current figure of 575,419 in 2019. This represents an increase of 12.02% or 69,141 over 8 years. During the same period the number of children and young people age 0-19 has increased by 13.2% or 19,687 to its current figure of 149,097 in 2019. By 2025 it's estimated that the overall population increase will decline slightly and only increase 10.4% over the next six years rising the overall Manchester population by 60,925 reaching a total population of 636,344. The child population (age 0-19) is estimated to increase at the same rate for the same period reaching 166,402 in 2025 which is an increase of 17,304 more children and young people. In 2019 children and young people (0-19) represent 25.9% of the total population in Manchester.⁸

⁶ The Subnational Population Projection (SNPP) produced by ONS estimates a much lower figure while, the Manchester City Council Forecasting Model (MCCFM) is more accurate and it's recommended by the MCC to use the MCCFM figures when referring only to the Manchester population. Where national comparison are made, this report will use the ONS estimates.

⁷ Manchester City Council Forecast Model (MCCFM) W2018 Public Intelligence, PRI (2018)

⁸ Manchester City Council Forecast Model (MCCFM) W2018 Public Intelligence, PRI (2018)

Figure 8: Manchester population estimates 2001-2030

Source: Manchester City Council, MCCFM W2018 Public Intelligence, PRI (2018)

The initial growth in Manchester's child population was due to the substantial rise in the number of children under the age of four between 2005 and 2008, in particular from the increase in the number of births. This coincided with the rise in immigration from countries that had just joined the EU, such as Poland, as well as from non-EU countries such as Pakistan. Although the level of growth is estimated to have reduced slightly since 2013, preschool numbers have continued to increase because more babies are being born to settled migrants, more young children are joining the city from both the UK and abroad and, while numbers leaving for the rest of the UK are at similar levels to the last decade, fewer children have left to live abroad.⁹ Growth over the last ten years in the number of 0-19 year olds has averaged 2.6% per annum, dropping to 1.5% in 2019.

Cheetham ward has by far the highest number of children with around 7,450 children aged 0 to 16 resident, as shown in Table 2, in part because it is geographically large and a very densely populated ward, with an estimated 26,216 residents. However, children form a greater proportion of the residents in Gorton South and Harpurhey (29.7% and 28.8% respectively) than in Cheetham (28.4%), higher than the Manchester average.¹⁰

Manchester is a diverse city, with a large proportion of the population being from non-white ethnic backgrounds. The 2011 census found the racial and ethnic composition of Manchester was:

- White: 66.7% (59.3% White British, 2.4% White Irish, 0.1% Irish Traveller or Gypsy, 4.9% other white)
- Mixed race: 4.7% (1.8% white and black Caribbean, 0.9% white and black African, 1.0% white and Asian, 1.0% other mixed race)

⁹ Bullen, Elisa (2018) Children in Manchester: A profile of Manchester's children from birth to 16 year olds supplemented by young adults aged 17 to 19. Manchester City Council, Public Intelligence, PRI Chief Executive's Department. 47pp.

¹⁰ Data set out in full in: https://secure.manchester.gov.uk/downloads/download/4220/public_intelligence_population_publications

- Asian: 17.1% (8.5% Pakistani, 2.7% Chinese, 2.3% Indian, 1.3% Bangladeshi, 2.3% other Asian)
- Black: 8.6% (5.1% African, 1.6% other black)
- 1.9% Arab
- 1.2% other ethnicity.

The ethnic minority population, as measured by non-white residents, increased between 1991 and 2011 by 104,300 in Manchester. Despite this growth, the White British ethnic group, only measured since 2001, remains the largest ethnic group in the city, accounting for 59% of the population.

Pakistani is the largest ethnic minority group in Manchester accounting for 9% of the population. The group is clustered in Longsight and Cheetham. The second largest ethnic minority group in Manchester is African, which has grown fourfold and faster than any other group since 1991. The group is fairly evenly distributed across the city with the largest cluster in Moss Side ward.¹¹

There is greater ethnic diversity among children and young people in Manchester compared to the population as a whole. This is reflected in the school population. In 2018, 60.9% (52,465) of school aged children in Manchester were from a minority ethnic group.¹² This is also reflected in the proportion of school aged children whose first language is not English. In Manchester, for 2018, 40.9% of school aged children were recorded as having a language other than English, compared to the national average of 21.20% (see section 4.4i for further information).

4.2 Poverty and deprivation

Many young people in Manchester face social and economic deprivation and inequality which can have a devastating impact upon their day-to-day experiences as well as their future life chances. The high levels of poverty and deprivation in Manchester mean that poverty is a central consideration for those developing and delivering services and projects in the community.

4.2i Local child poverty figures

Manchester has the 8th highest local authority child poverty rate in the country with 45.5% (63,427) of children in Manchester living below the poverty line in 2017/18 (when measured after housing costs).¹³ Manchester has the highest absolute number of children living in poverty at 63,427. In comparison, Tower Hamlet has the highest proportion of children in poverty (56.7%) affecting approximately 42,775 children. Child poverty in Manchester increased by 2.7% after housing costs and by 4.5% before housing costs between 2016/17 and 2017/18.¹⁴

Manchester has a number of nationally identified risk factors associated with child poverty (see part three). These can be determined as low pay, worklessness, family size and

¹¹ The above is taken from the following University of Manchester briefing: <http://hummedia.manchester.ac.uk/institutes/code/briefings/localdynamicsofdiversity/geographies-of-diversity-in-manchester.pdf>

¹² Public Health England, *Manchester Child Health Profile*, March 2017

¹³ <http://www.endchildpoverty.org.uk/wp-content/uploads/2019/05/child-poverty-indicators-2019-report-to-ecp-1.pdf>

¹⁴ Stone, J. and Hirsh, D. (2019) [Local indicators of child poverty, 2017/18: Summary of estimates of child poverty in small areas of Great Britain, 2017/18](#). Centre for Research in Social Policy (Loughborough University) & End Child Poverty. 10pp.

composition, children with disabilities and additional needs and ethnicity.¹⁵ Manchester has the second highest child poverty rate in the North West. Table 1 shows the top 10 LAs in the North West with the highest percentage of children living in poverty after housing costs.

Table 1: The top North West local authorities with highest percentage of children living in poverty 2017/18 (after housing)

Local Authority	After Housing
Blackburn with Darwen	47%
Manchester	45%
Pendle	45%
Hyndburn	41%
Oldham	40%
Rochdale	40%
Burnley	40%
Salford	39%
Blackpool	38%
Preston	38%

Source: *End Child Poverty (2019) Local indicators of child poverty, 2017/18.*

A breakdown by wards in Manchester shows stark differences in child poverty levels across the city. Table 2 (below) shows the percentage of Manchester wards with children living in poverty (after housing) for 2017/18. Only Didsbury West, Didsbury East and Chorlton wards have child poverty rates below the UK rate.

Child poverty in Manchester disproportionately affects minority groups and large white working class communities as shown within ethnically diverse wards such as Longsight, Cheetham, Hulme, and Rusholme and traditional white working class areas such as Gorton, Crumpsall, Ardwick, Bradford Miles Platting & Newton Heath and Ancoats and Clayton. All of these wards are in the top 10 most deprived wards in the city. There has not been much change over time in terms of the wards with the highest percentage of child poverty.¹⁶

Table 2: Percentage of children living in poverty in Manchester by ward (2017/2018)*

Above Manchester Average (45.4%)		Below Manchester Average	
Longsight	59.5%	Sharston	44%
Cheetham	57.8%	Charlestown	43.2%
Hulme	56.7%	Moston	43.1%
Gorton South	55.9%	Old Moat	42.7%
Rusholme	54.4%	Burnage	42.2%
Crumpsall	54.1%	Woodhouse	
Ardwick	54.1%	Park	41.8%
Bradford	52.1%	Baguley	40.6%
Miles Platting & Newton Heath	52.0%	City Centre	39.2%
		Brooklands	36.9%

¹⁵ See: https://secure.manchester.gov.uk/downloads/download/6929/family_poverty_strategy_2017-22

¹⁶ See previous versions of End Child Poverty's local child poverty research.

Gorton North	50.5%	Whalley Range	36.6%
Ancoats and Clayton	50.0%	Northenden	35.7%
Levenshulme	48.2%	Chorlton Park	33.4%
Moss Side	47.0%	UK	30%
Fallowfield	47.0%	Didsbury West	28.4%
Harpurhey	46.4%	Didsbury East	24.5%
Higher Blackley	46.3%	Chorlton	23.60%
Withington	45.6%		

Source: End Child Poverty (2019) Local child poverty figures 2017/18

4.2ii Low income households

In addition to End Child Poverty's local child poverty figures, it is possible to look at the numbers of children living in low income households using data from HMRC. This is not as up-to date, but is another means of ranking wards. Table 3 shows the proportion of children (0-17) in low income families in receipt of CTC (less than 60% median income) or IS and JSA for August 2016. The table gives the counts as well as the percentage of families within wards and is ranked by percentage.¹⁷

Table 3: Proportion of children in low income families in August 2016 by wards in Manchester

Moss Side	2,293	38.5	Woodhouse Park	1,089	26.9
Miles Platting & Newton Heath	1,780	36	Whalley Range	982	26.1
Ardwick	1,406	35.4	Northenden	1,006	25.7
Harpurhey	2,018	34.6	Baguley	1,015	24.8
Clayton & Openshaw	1,810	32.4	Burnage	1,250	24.3
Hulme	747	32.3	Crumpsall	1,201	23.7
Fallowfield	752	32.2	Levenshulme	1,345	23.7
Ancoats & Beswick	629	31.9	Withington	424	23
Gorton & Abbey Hey	1,733	31.5	Chorlton Park	849	21.9
Rusholme	1,022	31.5	Deansgate	74	21.8
Old Moat	824	31.3	Brooklands	718	21
Charlestown	1,362	29.4	Didsbury East	302	10.9
Longsight	2,014	29.2	Piccadilly	13	7.5
Sharston	1,262	29.1	Chorlton	165	6.7
Cheetham	1,705	28.6	Didsbury West	120	6.5
Moston	1,354	27.8	Manchester	34,500	27.8
Higher Blackley	1,233	27.5	England	1,974,035	17

Source: MCC Public Intelligence, PRI (2018), based on HMRC data.

In August 2016, 34,500 children in low income families (those who had less than 60% median income) and received Child Tax Credit (CTC,) or Income Support (IS) and JSA (Job Seekers Allowance). This represents a proportion of 27.8% compared to the national

¹⁷ These figures are based on the data from HMRC, provided by MCC Public Intelligence, PRI (2018)

average of 17%. Moss Side (38.5%) has the highest proportion of children in low income families, with 2,293 children.

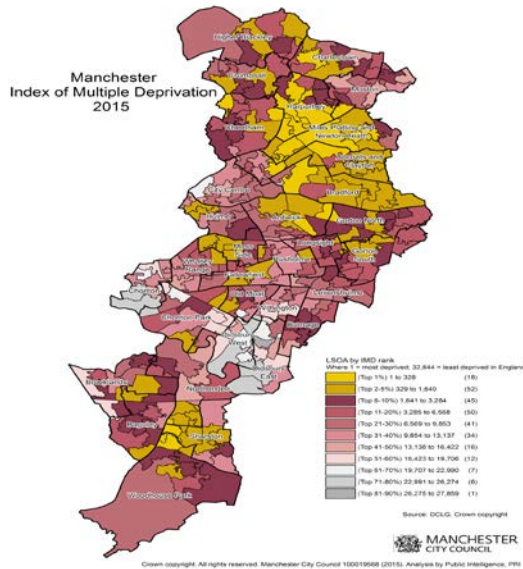
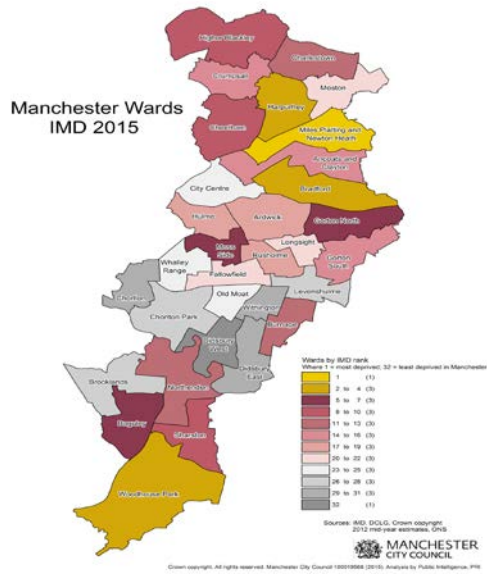
4.2iii Indices of deprivation

The English Indices of Deprivation 2015 are relative measures of multiple deprivation at the small area level (Lower Super Output Areas). The model of multiple deprivation which underpins the Indices is based on the idea of distinct dimensions of deprivation which can be recognised and measured separately. The overall Index of Multiple Deprivation (IMD) 2015 is a measure of multiple deprivation based on combining together seven distinct domains of deprivation:

- Income Deprivation
- Employment Deprivation
- Education, Skills and Training Deprivation
- Health Deprivation and Disability
- Crime
- Barriers to Housing and Services Living Environment Deprivation.

The maps below show the levels of deprivation in Manchester at Ward level and Lower Super Output Area (LSOA) in which deprivation is concentrated.

Figure 9: Maps showing the index of multiple deprivation ranking by ward and lower super output area in Manchester



IMD 2015 ranks Manchester as the 5th most deprived Local Authority area in England. This is a slight improvement from IMD 2010 where Manchester was ranked 4th. 40.8% of the city's LSOAs are in the most deprived 10% in the country and Miles Platting and Newton Heath is ranked as the most deprived Ward in Manchester and is in the top 100 of the most deprived LSOA areas in England. 18 other LSOA's within Manchester are within the top 1% of the most deprived in England.¹⁸

Manchester's 10 most deprived Wards are ranked as follows:

- 1) Miles Platting and Newton Heath
- 2) Harpurhey
- 3) Bradford
- 4) Gorton North
- 5) Ancoats and Clayton
- 6) Moss Side
- 7) Woodhouse Park
- 8) Charlestown

¹⁸ Manchester City Council, *Indices of Deprivation, 2015*

- 9) Sharston
- 10) Higher Blackley

Significantly, the most deprived wards in Manchester are located within North and East areas of the city with seven wards ranked within the top 10 most deprived wards.

4.3 Economic status and independence

In addition to poverty and deprivation data, it is possible to look at the employment status of households containing children as well as whether young people are in employment, education or training, to understand the economic status of children and extent to which young people are economically active.

4.3i Economic status of households containing children

Policymakers in Manchester have long focussed on unemployment and long-term and intergenerational worklessness as a key barrier to efforts to tackle poverty and deprivation. However, as with other parts of the country, recent record high employment rates and record low unemployment rates have highlighted the extent to which employment isn't always an effective route out of poverty. Nationally two-thirds of children living in poverty are in households where at least one adult is in work.¹⁹ That said, children in workless households remain at greater risk of poverty than children in households where at least one adult is in work.²⁰

In 2018 there was a higher percentage of children living in workless households (13.2%) in Manchester than the UK average (10.4%). Both figures have fallen markedly since the aftermath of the financial crash. In 2009, 37.2% of children in Manchester were in workless households (with the UK figure standing at 16.3%).²¹

4.3ii Unemployment rate

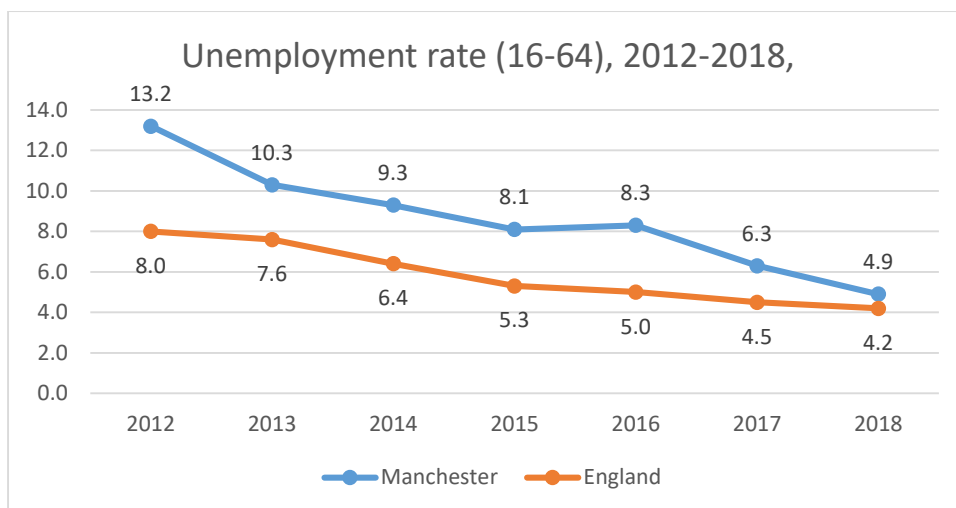
The unemployment rate in Manchester and England for people age 16-64 has been declining since it reached a peak in 2012 with 13.2% and 8% respectively. The latest annual figures in Manchester for people aged 16 -64 between January 2018 to December 2018 was 4.9%, showing the gap between Manchester and England (4.2%) is getting much smaller.

Figure 10: Unemployment rate of people age 16-64, 2012-2018

¹⁹ Department for Work and Pensions, March 2019, *Households below average income: 1994/95 to 2017/18*

²⁰ Department for Work and Pensions, March 2019, *Households below average income: 1994/95 to 2017/18*

²¹ Office for National Statistics: Children by combined economic activity status of household2 members: Jan-Dec 2009 and Jan-Dec 2019 (exc. Student Households).



Source: APS data from Nomis, ONS Copyright, downloaded 11 June 2019

Further detailed information for specific youth fund age ranges is shown in the Not in Education, Employment or Training (NEETs) section below.

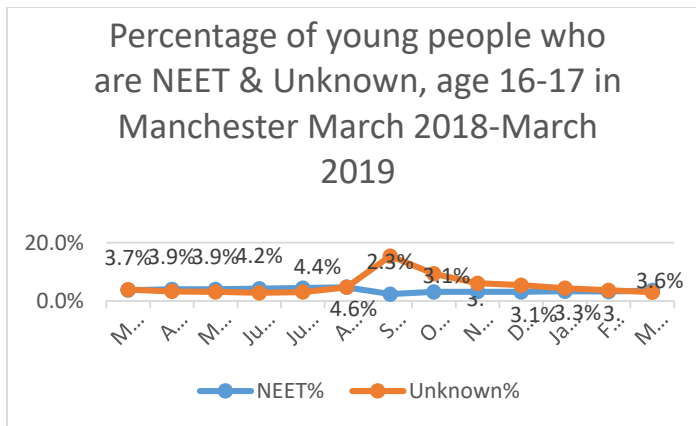
4.3iii Young people who are not in education, employment or training (NEET)

Young people who are not in education, employment and training (NEET) are more likely to be experiencing poverty and poor outcomes, and more likely to experience poverty later in adult life.

Figure 11 shows the overall percentage of young people who are NEET and Unknown age 16-17 in Manchester from March 2018 to March 2019. The monthly trend line shows that the rate of young people registered as NEET decreases in September sharply from 4.6% in August 2018 to 2.3% in September 2018 and increases thereafter slowly until 3.6% in March 2019. A comparison with previous years shows similar trends in terms of peaks. In addition to young people who are NEET, a relatively large proportion of young people are 'unknown' which means they are neither registered as NEET, nor have a known employment, education or training status. Their figures peaked at 17.7% (1656) in September. This means that at the beginning of the academic year, there were 1,656 young people in Manchester of whom there was no formal information available about their economic activity.

The latest figures for March 2019 shows that there were 391 young people who are NEET in Manchester between the academic ages of 16-17, which represents 3.6% of the cohort. This is a slight increase from the previous year by 1% in March 2018.

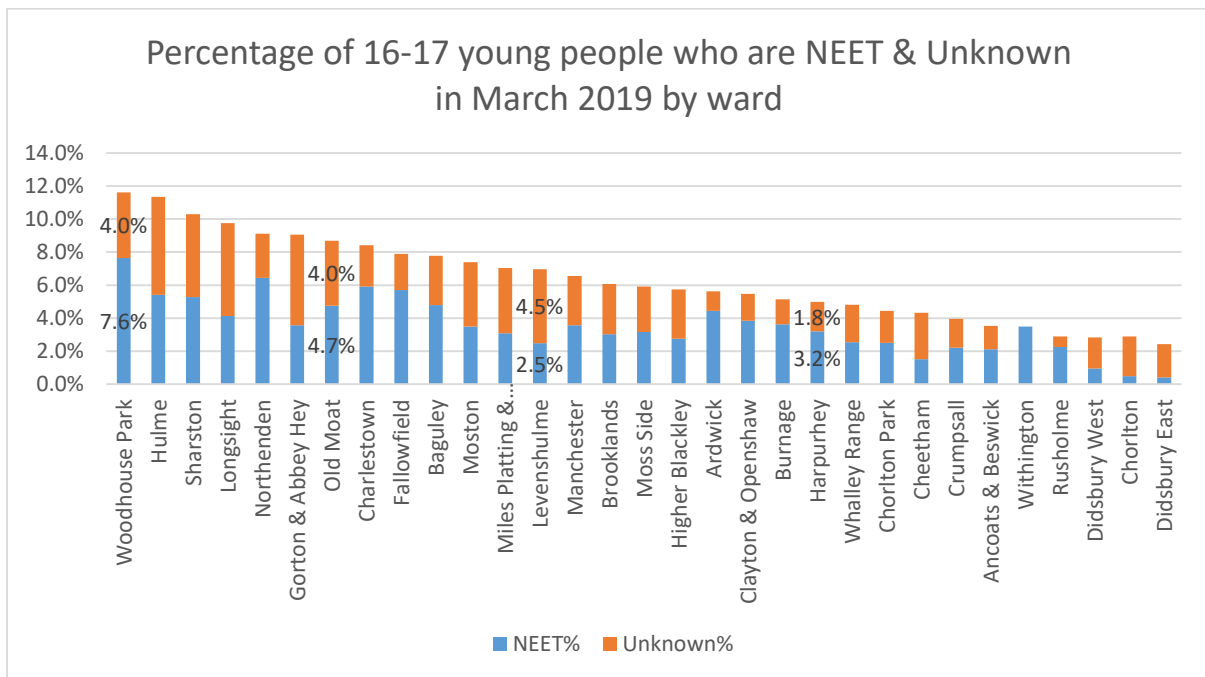
Figure 11: Percentage of young people who are NEET and Unknown aged 16-17 (academic age), March 2018-March 2019



Source: CCIS Data Governance Team, MCC (2019)

A breakdown by ward shows great variation within Manchester wards (Figure 5)

Figure 12: Percentage of young people in Manchester who are NEET & Unknown by ward, March 2019



Source: CCIS Data Governance Team, MCC (2019)

Based on the data for March 2019, the wards with the highest proportion of young people who are either classified as NEET or who's status is unknown were Woodhouse Park, Hulme, Sharston, Longsight and Gorton and Abbey Hey (see figure 12). In terms of NEET only, Woodhouse Park (7.6%), Northenden (6.4%) and Fallowfield (5.7%) have the highest proportion of NEET young people while Hulme (5.9%) Longsight (5.6%) and Gorton & Abbey Hey (5.5%) have the highest proportion of people whose economic activity is not known. These figures fluctuate considerably.

Table 4 compares data from September 2018, when the 'Unknown' category reaches a peak with data from March 2019. None of the top five wards in March 2019 appear among the first five top wards in September, although they still have above average combined rates for young people who are NEET/Unknown in Manchester.

Table 4: Economic activity of people age 16-17 by wards with highest rates of young people who are NEET in Manchester, comparing September 2018 to March 2019

	Cohort	Employment, Education or Training (EET)	Not in Employment, Education or Training (NEET)	Not Known (NK)	NEET%	NK%	Comb.%	Rank
Mar-19								
Woodhouse Park	353	312	27	14	7.6%	4.0%	11.7%	1
Hulme	185	164	10	11	5.4%	5.9%	11.4%	2
Sharston	379	340	20	19	5.3%	5.0%	10.3%	3
Longsight	677	611	28	38	4.1%	5.6%	9.8%	4
Gorton & Abbey Hey	373	339	24	10	6.4%	2.7%	9.2%	5
Manchester Average	10218	391	326	4	3.6%	3.0%	6.6%	
Sep-18								
Woodhouse Park	350	274	13	63	3.7%	18.0%	21.8%	6
Hulme	183	149	5	29	2.7%	15.8%	18.6%	15
Sharston	370	294	12	64	3.2%	17.3%	20.6%	9
Longsight	675	549	11	115	1.6%	17.0%	18.7%	14
Northenden	370	294	9	67	2.4%	18.1%	20.6%	10
Manchester Average	8837	244	1656	0	2.3%	15.4%	17.7%	

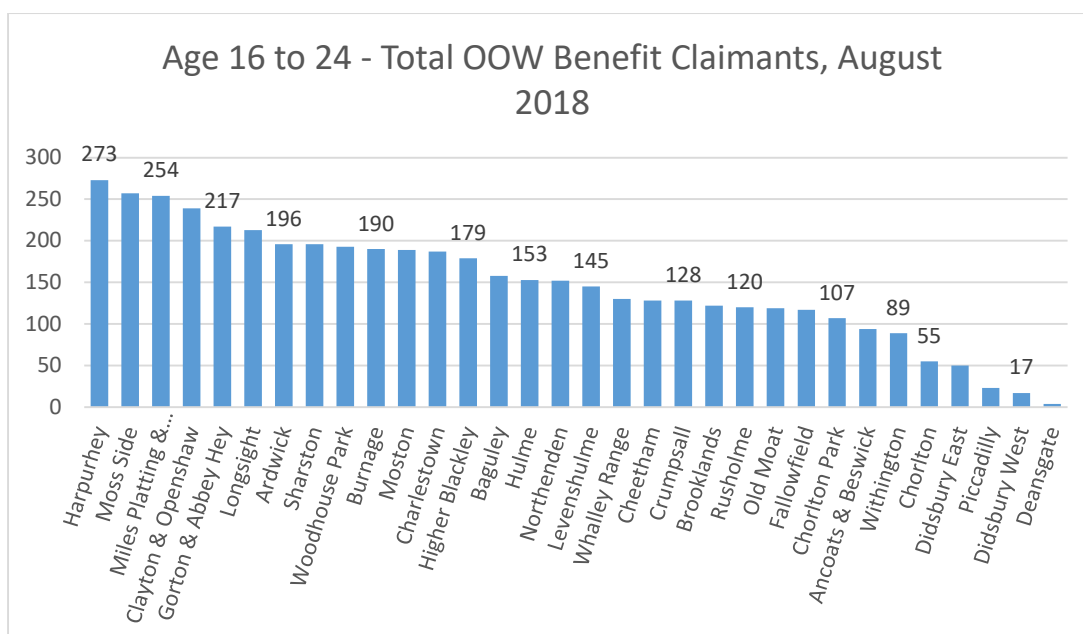
Source: CCIS Data Governance Team, MCC (2019)

4.3iv Out of work benefit claimants (16-24 year olds)

It is possible to look at out-of-work (OOW) benefit data by age to understand how many young people are in receipt of out-of-work benefits. Snapshot OOW benefit data from August 2018 on the number of young claimants (aged 16 to 24) by Manchester wards, places Harphurhey (273), Moss Side (257), Mile Platting & Newton Heath (254), Clayton & Openshaw (239), Gorton & Abbey Hey (217), Longsight (213) with the largest number of young people claiming OOW benefit.²²

Figure 13: Number of young people age 16-24 claiming Out of Work Benefit in August 2018 by ward in Manchester

²² Department for Work and Pension, DWP Stat Xplore, ONS 2017 Mid-Year Estimates



Data Source: DWP Stat Xplore, ONS 2017 Mid-Year Estimates

4.4 Education

4.4i Characteristics of school pupils

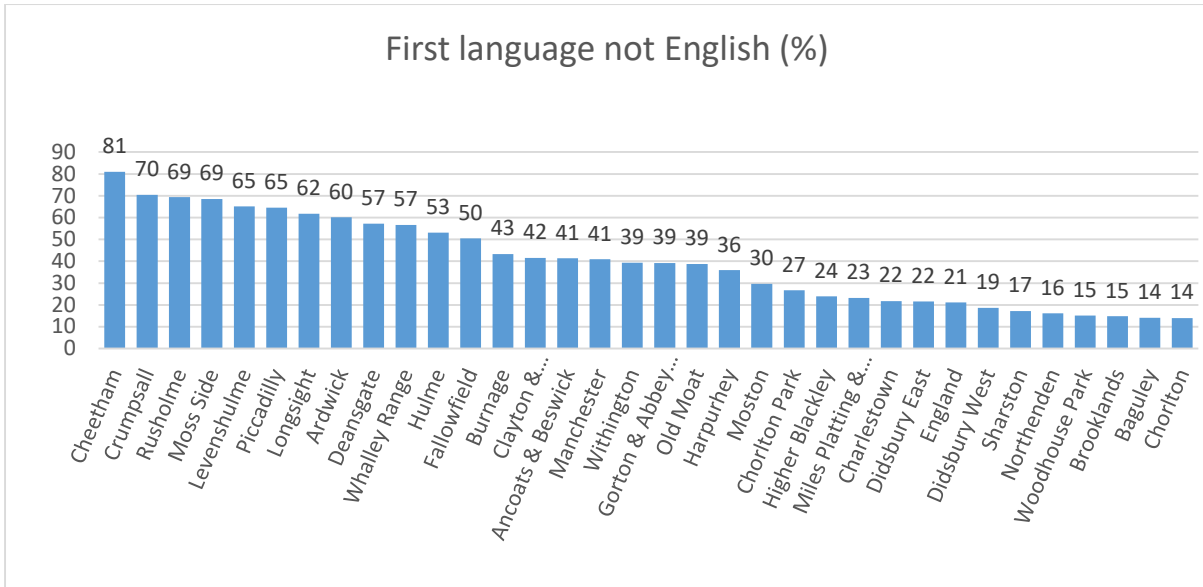
Diversity

Manchester has an ethnically diverse population. In 2018, 60.9% (52,465) of school aged children in Manchester were from a minority ethnic group.²³ This is also reflected in the proportion of school aged children whose first language is not English. In Manchester, for 2018, 40.9% of school aged children were recorded as having a language other than English, compared to the national average of 21.20%.

A comparison of wards within Manchester (figure 14) shows in one third of the wards, the percentage of pupils whose first language is not English is above 50% with Cheetham (81%), Crumpsall (70.4%), Rusholme (69.3%), Moss Side (68.5%) and Levenshulme (65.16%) representing the highest proportion. Chorlton, Baguley, Brooklands and Woodhouse Park on the other hand represent the lowest proportion of pupils whose first language is not English at 14-15%. The city centre wards of Piccadilly (64.5%) and Deansgate (57.2%) which have 62 and 49 pupils in total represent an unusual and transient population.

Figure 14: Percentage of pupils (primary/secondary school) whose first language not English by wards in Manchester, 2018

²³ Public Health England, *Manchester Child Health Profile*, March 2017

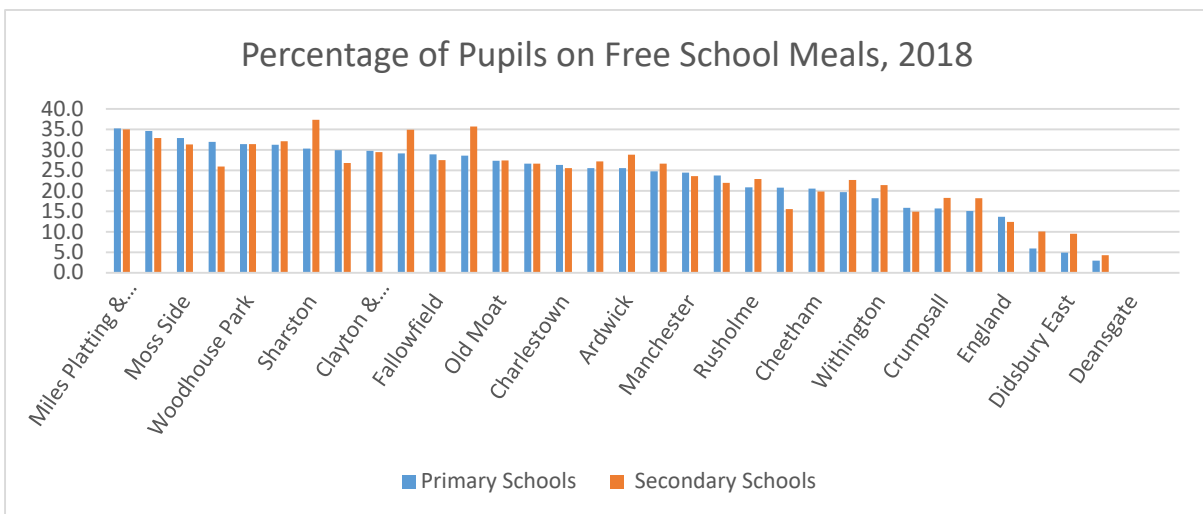


Source: Manchester City Council, MCCFM W2018 Public Intelligence, PRI (2018)

Free school meals

Figure 15 shows the percentage of pupils (primary/secondary school) on FSM by wards in Manchester in 2018. The overall percentage of pupils in primary and secondary school in Manchester on FSM is 24.5% for primary schools and 23.6% for secondary schools which exceeds considerably the average for England at 13.7% and 12.4% respectively. Almost two thirds of the wards in Manchester have above average rates of pupils on free school meals with Miles Platting and Newton Heath (35.3%), Baguley (32.9%) and Moss Side (31.4%) representing the top three wards for highest proportion of primary school pupils on free school meals. For secondary schools, the top three wards are Sharston (37.4%), Northenden (35.7%) and Miles Platting and Newton Heath again with 35%. Deansgate and Piccadilly have no children on free school meals.²⁴

Figure 15: Percentage of pupils (primary/secondary school) on Free School Meal by wards in Manchester, 2018



²⁴ Manchester City Council, MCCFM W2018 Public Intelligence, PRI (2018)

Source: Manchester City Council, MCCFM W2018 Public Intelligence, PRI (2018)

4.4ii School absence rates

School absence can be an indicator of wider disengagement from services and opportunities. Table 5 shows the change in absence comparing 2014/15 to the latest data for 2017/18. The overall absence in primary schools in Manchester for 2018 is 4.10% which is 0.1% lower than the rates for the national average of England (4.2%). This is a slight increase from 2015 where Manchester was in line with the national absence rate for primary schools at 4%.

Ward level data on school attendance for 2017/2018 shows that half of the Manchester wards are above the national average of 4.2% for primary school absence rates with Baguley (4.8%), Sharston (4.7%) and Levenshulme (4.7%) ranking at the top followed by Piccadilly and Deansgate. The latter two city centre wards have combined just over 100 pupils thus representing a relatively small and perhaps transient population (data not shown here).

Table 5: Absence rates for Manchester and England 2015 and 2018

School Absence in %	Manchester		England	
	2014/15	2017/8	2014/15	2017/8
Primary School	4.0	4.1	4.0	4.2
Secondary School	5.2	5.2	5.3	5.5
Persistence Absence in %				
Primary School	9.3	9.5	8.4	8.7
Secondary School	13.8	13.1	13.8	13.9

Source: Manchester City Council, MCCFM W2018 Public Intelligence, PRI (2018).

For secondary schools the absence rate for Manchester has generally declined if looked at trends since 2012 which was 6.1% compared to 5.2% in 2017/18. The same applies to England, which experienced a downward trend (5.9% and 5.5% respectively) over the last 7 years. Current figures show that the overall absence rate for secondary schools in Manchester is 0.3% below the national average although the variations within wards in Manchester range from 3.3% in Didsbury West to 12.8% in Baguley.

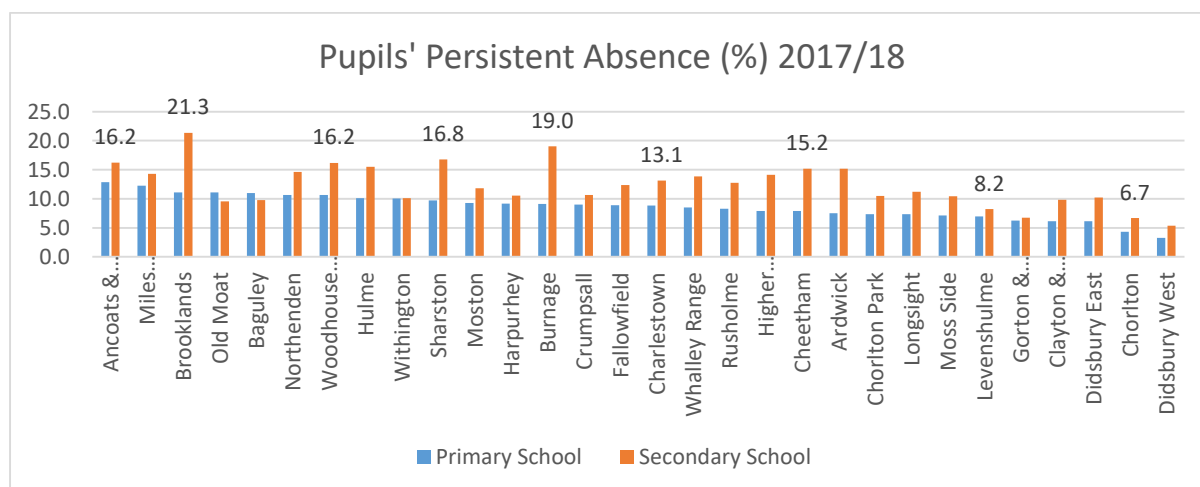
Secondary school ward level attendance data for 2017/18 shows that 12 wards have a higher overall secondary school absence rate than the Manchester average of 5.2% with Deansgate (7.5%). Miles Platting & Newton Heath (7%) and Brooklands (6.5%) representing the top three wards (data not shown here).

In comparison, persistent absence (pupils missing more than 10% of their possible sessions) in primary and secondary schools has generally increased (see table 4). For primary schools in Manchester persistence absence increased from 9.3% in 2014/15 to 9.5% in 2017/2018. This is a much higher trend than the national averages with 8.4% and 8.7% respectively.

Ward level data for Manchester, as shown in Figure 16, shows the percentage of persistent absence within primary schools ranked by highest rates for 2017/2018. Ten wards have a higher persistent absence rate than the Manchester average of 9.5% and 18 wards have a higher rate than the national average of 8.7% (Figures for Deansgate 12.5% and Piccadilly 9.76% are outliers and have been excluded from the analysis here). Ancoats & Beswick (12.8%), Miles Platting & Newton Heath (12.2%), Brooklands and Old Moat (11.1%),

Baguley (11%), Northenden (10.7%), Woodhouse Park (10.6%), Hulme (10.1%), Withington (10%) and Sharston (9.7%) have persistent absence rate above the Manchester average of 9.5%.

Figure 16: Pupils' Persistent Absence (%) 2017/18 by wards in Manchester



Manchester City Council, MCCFM W2018 Public Intelligence, PRI (2018)

For secondary schools the persistent absence rates are much higher (see also Figure 16). In 2015 the national average and the Manchester average rates were both at 13.8% and while the rate decreased for Manchester to 13.1% in 2018, for England the rate increased to 13.9% leading to a 0.7% percentage point gap.²⁵

Secondary school persistent absence shows over one third of wards have a higher rate of persistent absence than both the Manchester and national averages of 13.1% and 13.9% respectively. The wards with the above average rates of secondary school persistent absence are: Brooklands (21.3%), Burnage (19%), Sharston (16.8%), Ancoats & Beswick and Woodhouse Park (16.2%), Hulme (15.5%), Cheetham and Ardwick (15.2%), Northenden (14.6%), Miles Platting & Newton Heath (14.3%), Higher Blackley (14.1%), Whalley Range (13.9%), Charlestown (13.1%).

4.4iii Attainment

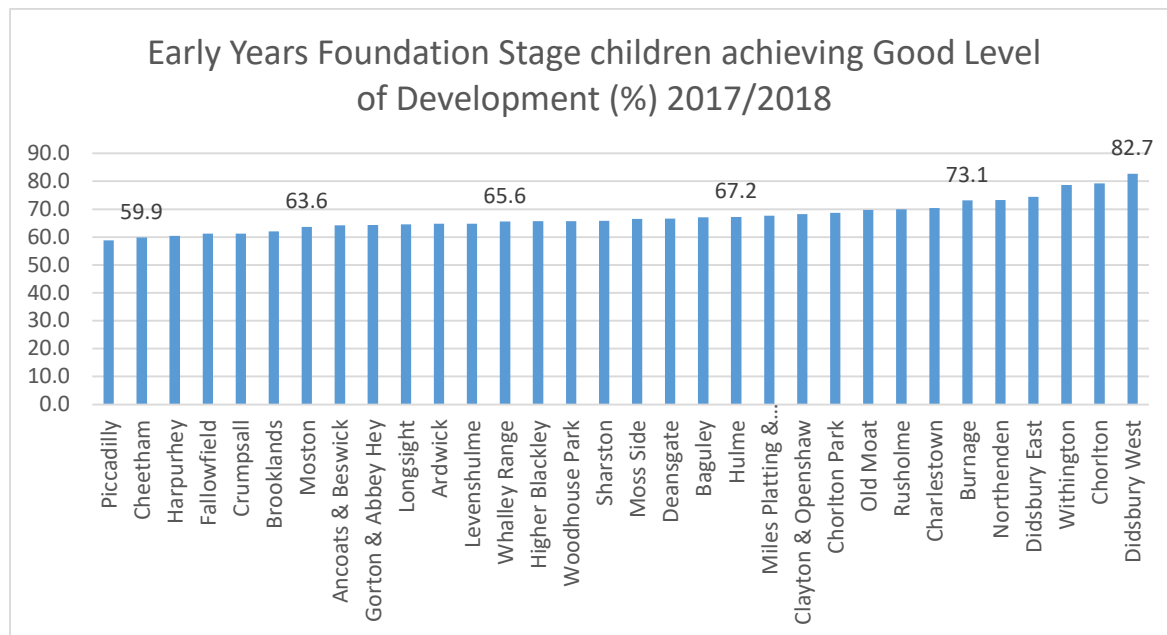
There have been significant changes to the National Curriculum and as such the assessment processes for measuring attainment at Key Stage 1 (KS1), Key Stage 2 (KS2) and Key Stage 4 (KS4) have also changed significantly. From 2016 school attainment data is now measured and presented differently making previous years' school attainment results incomparable.

Early Years Foundation Stage

Figure 17 shows the percentage of Early Years Foundation Stage children (i.e. children aged 5) achieving a 'Good Level of Development' in each Manchester ward. At 67%, the overall rate for Manchester is below the national figure for England which stands at 72%. The lowest achieving wards are Piccadilly (58.8%), Cheetham (59.9%), Harpurhey (60.4%), Fallowfield (61.2%) and Crumpsall (61.2%) which apart from Harpurhey also have an above average proportion of children whose first language is not English.

²⁵ Manchester City Council, MCCFM W2018 Public Intelligence, PRI (2018)

Figure 17: Pupils Performance - Early Years Foundation Stage children achieving Good Level of Development (%), 2017/2018



Source: Manchester City Council, MCCFM W2018 Public Intelligence, PRI (2018)

Key Stage 2

The new key performance measure at KS2 is the percentage of pupils who achieve the expected standard in combined reading, writing and maths. In 2018, 62.2% of pupils in Manchester met the expected standard in reading, writing and maths combined at KS2. This is 3% above the results for 2017 but widens the gap with the national average of 64% to 1.8%. The percentage of pupils in Manchester achieving the expected standard are below national in all areas except GPS (grammar, punctuation and spelling) which is the same. Reading and writing are below by 3% and maths has fallen to a 1% gap from no gap in 2017. Two thirds of the wards in Manchester fall below the national average of 64% with 38.3% in Cheetham and around 52% in Northenden, Longsight and Baguley. This is still considerably lower than the Manchester average of 62% (data not shown here).²⁶

Attainment 8 performance:

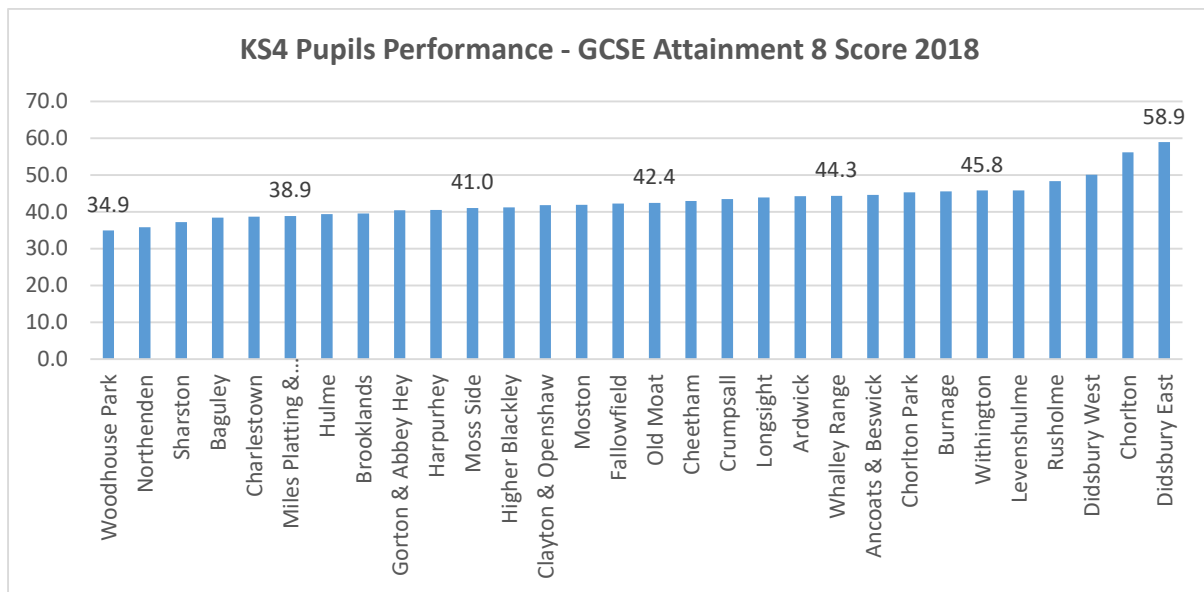
At KS4 the 5 A*-C GCSE attainment results are no longer being used as a performance measure. This has now been replaced by a measure called 'Attainment 8' which is based on the scores from 8 eligible subjects including Maths, English, sciences, languages and humanities as well as other subjects on the DfE approved list.

Overall the Attainment 8 scores²⁷ have gone down nationally as well as in Manchester. The national score decreased from 48.5% in 2016/2017 to 44.5% in 2017/2018. For Manchester the scores decreased from 47.1% to 43.2% in 2017/18. Figure 11 shows the percentage of Attainment 8 scores as percentage of pupils by wards in Manchester for 2017/2018.

²⁶ Source: Manchester City Council, MCCFM W2018 Public Intelligence, PRI (2018)

²⁷ Attainment 8 and Progress 8 scores are based on pupils' results across eight subjects with a double weighting for English and Mathematics. In 2017 the methodology for calculating Attainment 8 moved to a new system. Attainment 8 provides a point score for the school that is essentially the student average point score across eight subjects.

Figure 18: Key Stage 4 pupils' performance- GCSE Attainment 8 by Manchester wards, 2018



Source: Manchester City Council, MCCFM W2018 Public Intelligence, PRI (2018)

Table 6 shows the breakdown on KS4 Attainment 8 scores for Manchester and England. The findings by gender and free school meal status are summarised below. There is further analysis of attainment among SEND children and child with EHC plans under 'Marginalised groups'.

Table 6: Pupils Performance - GCSE Attainment 8 Score 2018, by subgroups

	Manchester	England	Difference
<i>All</i>	43.2	44.5	-1.3
Boys	40.3	41.5	-1.2
Girls	46.2	49.4	-3.2
FSM	34.7	48.3	-13.6
Non FSM	46	48.3	-2.3
Disadvantaged	39.3	50.1	-10.8
Non Disadvantaged	48.5	50.1	-1.6
SEN support	25.5	44.5	-19
EHC Plan	12.1	44.5	-32.4
No SEN	46.5	49.8	-3.3
EAL	46.2	44.5	1.7
Non EAL	41.2	44.5	-3.3

Source: MCC (March 2019), Children and Young People Scrutiny Committee, [Appendices to Attainment Scrutiny Report February 2019](#)

Gender and Attainment 8

The Manchester Attainment 8 score for boys of 40.3% was significantly below the Manchester Attainment 8 for girls of 46.2%. These are both lower than the national average

with 41.5% and 49.4 respectively. This shows that girls are continuing with the trend of outperforming boys locally and nationally.

Free School Meal and Attainment 8

The Manchester Attainment 8 score for pupils' eligible for FSM although significantly below the national comparator for all pupils, was slightly above the Attainment 8 score of those pupils eligible for FSM nationally. Manchester FSM's attainment 8 score was 34.7 compared to an Attainment 8 score of 34.4 for pupils eligible for FSM nationally.

The Manchester Attainment 8 score for pupils not eligible for FSM was below those pupils not eligible for FSM nationally. Manchester non FSM pupils' attainment 8 score was 46 compared to a national Attainment 8 score of 48.3.

4.5 Health

4.5i Mental health and wellbeing

Mental health affects all aspects of a child's development including their cognitive abilities, their social skills as well their emotional health and wellbeing. Children from low-income families are four times more likely to experience mental health problems than children from higher-income families.²⁸ With good mental health children and young people do better in every way. They enjoy their childhoods, are able to deal with stress and difficult times, are able to learn better, do better at school and enjoy friendships and new experiences.

In terms of prevalence of mental health issues across Manchester, in 2017/18 the rate of hospital admissions for mental health conditions amongst young people aged between 0-17 in Manchester was 75.9 per 100,000, which is lower than the national average of 84.7. The trends for Manchester have improved from previous years. In 2015/16 the number of hospital admissions for mental health conditions amongst young people was 94, which was higher than the national average of 85.9.

Similarly, the rates for hospital admissions as a result of self-harm among young people age 16-24 in Manchester is 294.4 compared to the national average of 421.2. Again, Manchester has lower rates than the average national rates. Yet, this statistic is only one indicator for mental health.

There is a significant treatment gap for children and young people with mental health problems. It is estimated that less than 25% - 35% of those with a diagnosable mental health condition accessed support. In England, over half of all mental ill health starts before the age of 14 years and 75% has developed by the age of 18, with boys being more likely to have mental health issues than girls. However, there is also emerging evidence of a rising need in some groups such as increasing rates of young women with emotional problems and young people presenting with self-harm.²⁹

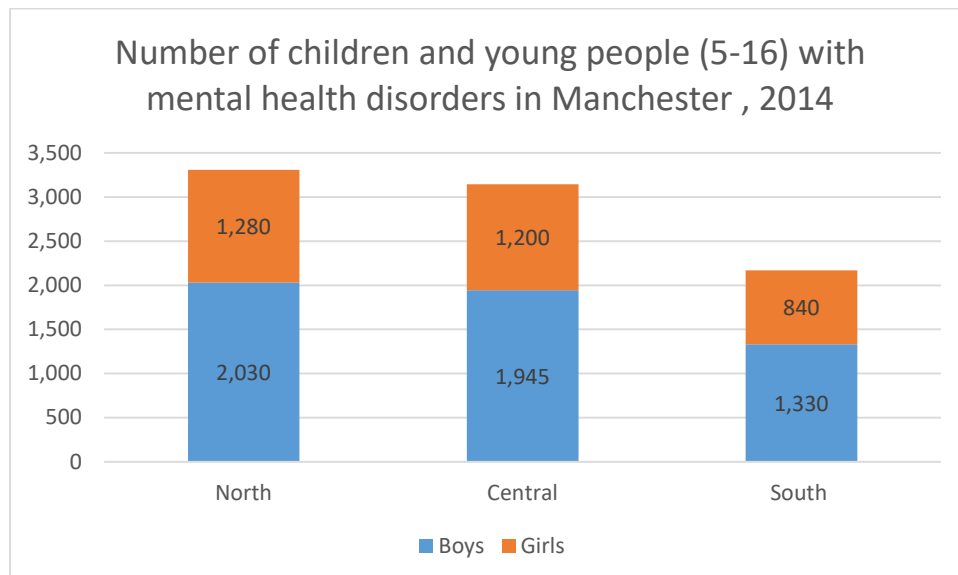
The most common mental health issues affecting children and young people are conduct disorders (behaviour may include stealing, fighting, vandalism and harming people or animals), anxiety, depression, hyperkinetic disorder (severe ADHD), and eating disorders.

²⁸ Elliott, I. (June 2016) Poverty and Mental Health: A review to inform the Joseph Rowntree Foundation's Anti-Poverty Strategy. London: Mental Health Foundation.

²⁹ MCC (2016) [Manchester Joint Strategic Needs Assessment 2015/16](#). Children and Young People JSNA - Mental health, and emotional health and wellbeing.

Figure 19 gives the prevalence rates of children and young people (5-16) with mental health disorders in Manchester by age group and sex for each Clinical Commissioning Group (CCG) area using GP registered populations (October 2014)³⁰.

Figure 19: Number of children and young people (5-16) with mental health disorders in Manchester.



Source: CCG population estimates aggregated from GP populations (2014) (Green et al 2004)

Prevalence rates are based on ICD-10 classification of mental and behavioural disorders with strict impairment criteria – a disorder causing distress to the child or having a considerable impact on the child’s day to day life. Prevalence varies by age and sex, with boys more likely (11.4%) to have experienced or be experiencing a mental health problem than girls (7.8%). Children aged 11 to 16 years olds are also more likely (11.5%) than 5 to 10 year olds (7.7%) to experience mental health problems.³¹

Self-Harm

In recent years, after a period of increase, the hospital admission rates for young people age 10-24 as a result of self-harm has been decreasing. In Manchester the admission rate went down from 369 in 2015/2016 to 294.4 in 2017/2018, which is significantly better than the national average of 430.5 and 421.2 per 100,000.³²

4.5ii Teenage pregnancy

Teenage pregnancy is a complex issue. While it is strongly associated with deprivation and social exclusion, other issues can mean that some young people are at more risk - these include personal circumstances, social circumstances and risky behaviours. The evidence base that has developed since the launch of the national Strategy in 1999, means the

³⁰ This takes into account patients who live outside Manchester but won't take into account those who live in Manchester but are with GP's outside the city.

³¹ MCC (2016) [Manchester Joint Strategic Needs Assessment 2015/16](#). Children and Young People JSNA - Mental health, and emotional health and wellbeing.

³² All health related data in this section are downloaded from the Public Health England's website: <https://fingertips.phe.org.uk/> Public Health England, Public Health Profiles: Child and Maternal Health; Child Health Indicators, March 2019.

factors that contribute to increased risk are better understood and provide a compelling case for both targeted and universal teenage pregnancy prevention provision for all young people.

Manchester has had historically high rates of teenage pregnancy, data shows that the under 18 conception rate peaked at 71.9 per 1,000 (15-17 year old female population) in 2005. The 2015 data shows the under 18 conception rate to be 28.8 per 1,000. This is still high compared to 24.7 for the North West and 20.8 for England. The data also shows that we are maintaining a downward trend for the city as a whole, but it should be noted that the 2012-2014 ward level data shows that there is wide variation across Manchester wards, ranging from a low of 7.8 to a high of 71.1. Since then there has been a decline and the latest figures for 2017 shows that the under 18s conception rate has declined to 23.5 per 1,000 in Manchester and to 32.9 in England³³.

As the under 18 conception rate has fallen the city has seen a reduction in the number of live births to young parents. In 2005 when the rate peaked at 73.9 (per 1,000), 355 (60%) of the conceptions resulted in a live birth. In 2017 the teenage conception rate declined to 23.5 per 1,000, however this is still higher than the national rate of 17.8. It should be noted that these figures don't tell us the number of young parents in the city, but are an indication that the number has definitely fallen.³⁴

Like all parents, teenage mothers and young fathers want to do the best for their children and some manage very well; but for many their health, education and economic outcomes are disproportionately poor which affects their life chances and that of their children. Teenage mothers have higher rates of poorer mental health for up to three years after giving birth and are more likely to report feeling isolated. Children of teenage mothers are more likely to experience poverty.

4.5iii Young People's Sexual Health

Young people are at greater risk of sexual ill health than older adults. Data shows that there are high rates of diagnosis of the most common STIs in the under 25 population and that Manchester still has a high rate of under 18 conceptions. Young people are less experienced at negotiating safer sex and less practised at using condoms and reliable methods of contraception. It is also the case that young people tend to have a higher turnover of sexual partners and therefore, are at heightened risk of exposure to STIs and unintended pregnancy.

In Manchester, 165 young people aged 15 - 24 were diagnosed with syphilis which represents a rate of 30.2 per 100,000 compared to 13.1 in England. Gonorrhoea cases reached 1,237 raising the rate to 226.8 in Manchester compared to the national rate of 98.5. Data from 2014 shows that young people aged 15-24 accounted for almost two thirds (64% / 2,117) of cases of chlamydia, around half of the new cases of genital warts (52% / 573 of 1,078) and genital herpes (49%/220 of 448) diagnosed to residents in the city in 2014.³⁵

4.5iv Smoking, alcohol and substance misuse

Smoking is the primary cause of preventable morbidity and premature death in England, and alcohol misuse is the third-greatest contributor to ill health, after smoking and raised blood pressure.³⁶ These compound existing health inequalities in the city, and particularly impact on more deprived areas.

³³ Public Health England, Child Health Profile, March 2019.

³⁴ Public Health England, Child Health Profile, March 2019.

³⁵ Public Health England, [Sexual and Reproductive Health](#), March 2019.

³⁶ See for example: Peto, R et al. (2012). Mortality from smoking in developed countries 1950-2010. University of Oxford. UK: pp.512-523. Available at (pdf) 2 Parkin, DM (2011). Tobacco-attributable cancer burden in the UK in 2010. Br J Cancer 2011;

Reductions in overall prevalence of substance misuse amongst young people are encouraging; however, it remains a concern due to the detrimental effect it can have on physical, mental and sexual health, educational attainment, employment opportunities, safety, and general well-being for those young people who do smoke, drink and/or use drugs.

Of particular and continuing concern is the link between substance misuse and other vulnerabilities. Evidence suggests that a number of risk factors (or vulnerabilities) increase the likelihood of young people using drugs, alcohol or tobacco. The more risk factors young people have the more likely they are to misuse substances. Risk factors include; experiencing abuse and neglect, truanting from school, offending, early sexual activity, anti-social behaviour and being exposed to parental substance misuse. There are also links between substance misuse and young people's mental health or behaviour problems, homelessness, and sexual exploitation.

Local authority-level data on young people's smoking, drinking and drug use is collected through the 'What About YOUth (WAY) study, which is funded by the Department of Health.³⁷

Smoking prevalence data from the WAY study (2015), showed that 8.9% of 15 year olds in Manchester report being current smokers, compared to 8.2% in England and 8.0% in the North West. Of these, 5.6% of 15 year olds report being regular smokers, compared to 5.5% in England and the North West. 3.2% report being occasional smokers, compared to 2.7% in England and 2.5% in the North West. 23.9% of 15 year olds report trying e-cigarettes, compared to 18.4% in England and 24.5% in the North West.

WAY survey data for alcohol use by young people in Manchester shows that 43.8% of young people report having ever had an alcoholic drink, compared to 64.3% in the North West and 62.4% in England. 10.4% of young people report being drunk in the last 4 weeks compared to 15.8% in the North West and 14.6% in England.

According to the WAY survey, 12.7% of young people in Manchester report having ever tried cannabis, compared to 10.7% in England. 6.1% of young people report taking cannabis in the last month, compared to 4.6% in England. 1.0% of young people report taking other drugs (excluding cannabis) in the last month, compared to 0.9% in England.

Data on hospital admissions for alcohol and substance misuse as shown in the Child Health Profile for Manchester state that between 2015/16 and 2017/18, the rate of hospital admissions due to alcohol specific conditions for under 18s was 41 per 100,000 population, compared to 32.9 per 100,000 for England representing a downward trend from previous years.

For the same period, the rate of hospital admissions due to substance misuse for 15-24 year olds was 81.9 per 100,000 population, compared to 87.9 per 100,000 for England, which again represents a downward trend from previous years.³⁸

4.5v Obesity

Physical activity is crucial in attaining and maintaining a healthy weight, reduces the risks of developing chronic illnesses and has a positive impact on mental health. Numerous reports on sport and active lifestyles in Manchester show a greater understanding that active

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³⁷ What About Youth Study, Health and Social Care Information Centre, 2015, <https://digital.nhs.uk/data-and-information/publications/statistical/health-and-wellbeing-of-15-year-olds-in-england/main-findings---2014>

³⁸ Public Health England, Child Health Profile, March 2019.

children and young people are more likely to have better educational outputs and lifestyle choices.

Obesity among 2–10 year olds rose from 10% in 1995 to around 13% in 2010-2012 according to Health Survey for England (HSE) figures. There are growing indications that the previous upwards trend in child obesity may now be flattening out. Yet, there is stark variation between age groups. In Manchester in 2013/14 the percentage of obese children in Reception and Year 6 was higher than the national average, with 11.7% of children at Reception being classified as obese, and at Year 6 this rose to 25%. Recent data from 2017/2018 demonstrate a slight increase in obesity from previous years, to 12% for Reception year in Manchester, and at year 6 to 26.3%. The figures for England on the other hand are 9.5% and 20.1% respectively, suggesting that Manchester lags behind the national average in terms of child obesity.³⁹

4.6 Access to library and leisure services

This section reviews ward level data about access to library and leisure centre services in Manchester. This may be used as a proxy to understand the extent to which children and young people in different parts of the city are accessing services that promote learning and physical and mental wellbeing. It has not been within the scope of this report to identify broader engagement and participation data, and much of this data is limited in geographical reach. However, a separate analysis of engagement and participation data among children and young people in Manchester would enhance the data presented in this needs analysis.

4.6i Accessing library services Young people aged 19-25 predominantly use the Manchester Central Library (43.8%) and use the online service (9.4%), but for young people and children under 18 local libraries play a more crucial role. The most frequently used libraries are Central Library (15.9%), followed by Longsight (7.6%), Arcadia in Levenshulme (7.6%), Abraham Moss in Crumpsall (7.55) and online (7.4%). At the bottom of the rank are Northenden, Miles Platting, Barlow Moor in Chorlton, and Miles Platting which have a usage of 1% of the total library visits when items were borrowed.

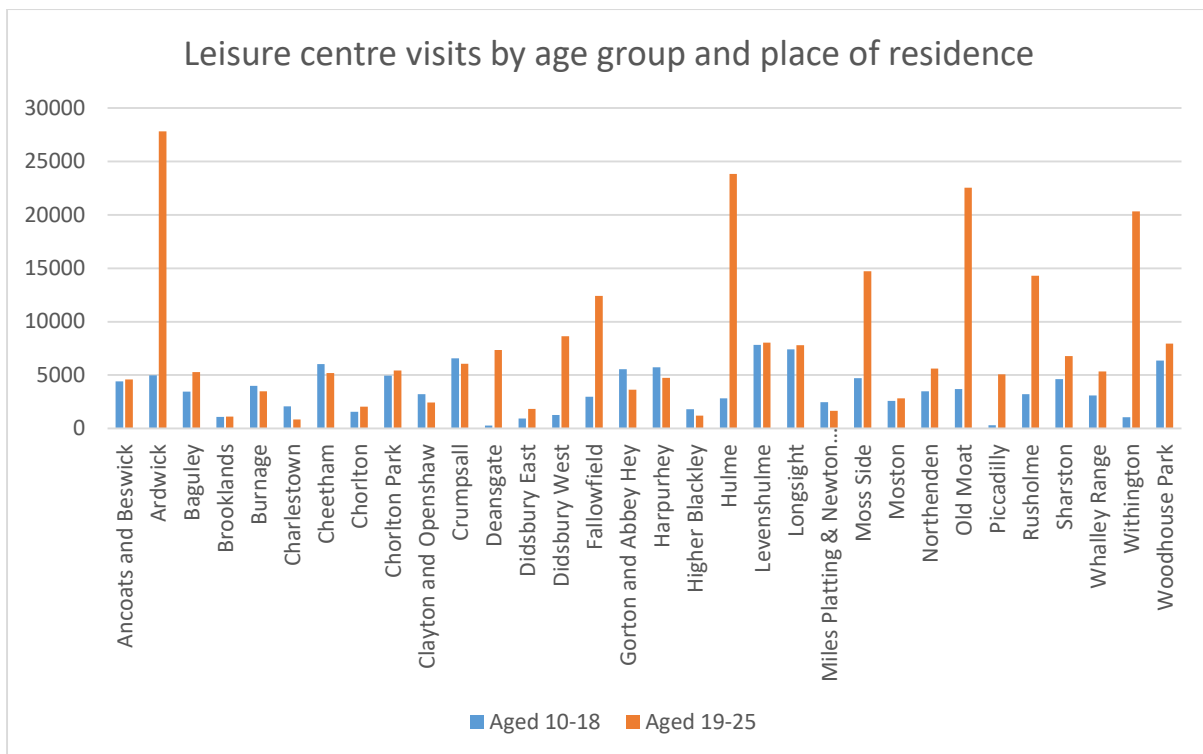
NB. Figures above are a snapshot based on data from Q2 2017-18 and Q2 2018-19).

4.6ii Accessing leisure services

Figure 21 shows leisure centre visits by age group and by ward of residency. The highest incidences of leisure centre visits are by young people aged 19 to 25 from Ardwick, Hulme, Old Moat and Withington wards. The figures vary considerably, reflecting the demographics of each area and the proximity of leisure centres to where young people live. More detailed analysis is needed to understand the way in which children and young people access and interact with leisure services.

Figure 21: Leisure centre visits by age group and place of residence

³⁹ Public Health England, Child Health Profile, March 2019.



Source: Manchester City Council 2016

4.7 Anti-social behaviour, crime and youth offending

This section looks at the experiences of children and young in Manchester in respect of the criminal justice system, crime and anti-social behaviour. There is evidence of a relationship between household income and the likelihood of children growing up to commit criminal acts and of being the victim of crime that suggests living in poverty makes offending and being the victim of a property or violent crime much more likely.⁴⁰ For example, the chance of children going on to be convicted of violence is almost halved if their family moves from the poorest 20% of society to the next 20% bracket.⁴¹

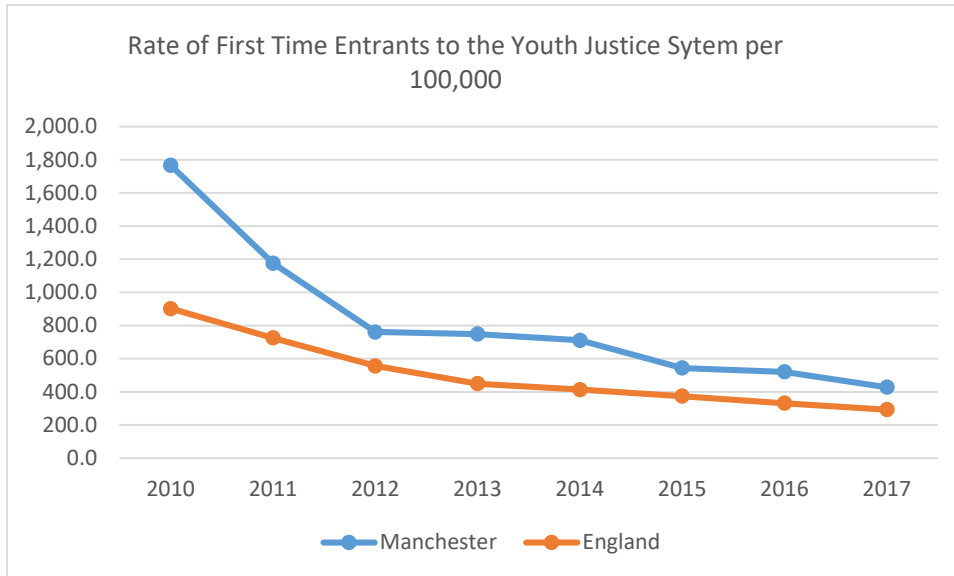
In Manchester, data over time from the Youth Justice Board shows that the rate of first time entrants to the youth justice system for children age 10-17 has decreased in the city as well as nationally. However, the rates per 100,000 for Manchester have been considerably higher compared to the average in the North West and the national average. The latest figure for Manchester from 2017 shows that the rate of first time entrant to the youth justice system at 427.9 compared to 292.5 in England. This is down from a rate of 520.8 per 100,000 for Manchester from previous year and 331 for England. The number of first time entrants in 2017 was 195, with a downwards trend from 230, 236, 307 in 2016, 2015, 2014 respectively.⁴²

⁴⁰ Kingston, S. and Webster, C., 2015. The most 'undeserving' of all? How poverty drives young men to victimisation and crime. *Journal of Poverty and Social Justice*, 23(3), pp.215-227.

⁴¹ Mok, P.L., Antonsen, S., Pedersen, C.B., Carr, M.J., Kapur, N., Nazroo, J. and Webb, R.T., 2018. Family income inequalities and trajectories through childhood and self-harm and violence in young adults: a population-based, nested case-control study. *The Lancet Public Health*, 3(10), pp.e498-e507.

⁴² Public Health England, [Child Health Profile](#), March 2019.

Figure 22 The rate of first time entrants to the Youth Justice System per 100,000, 2017/2018.

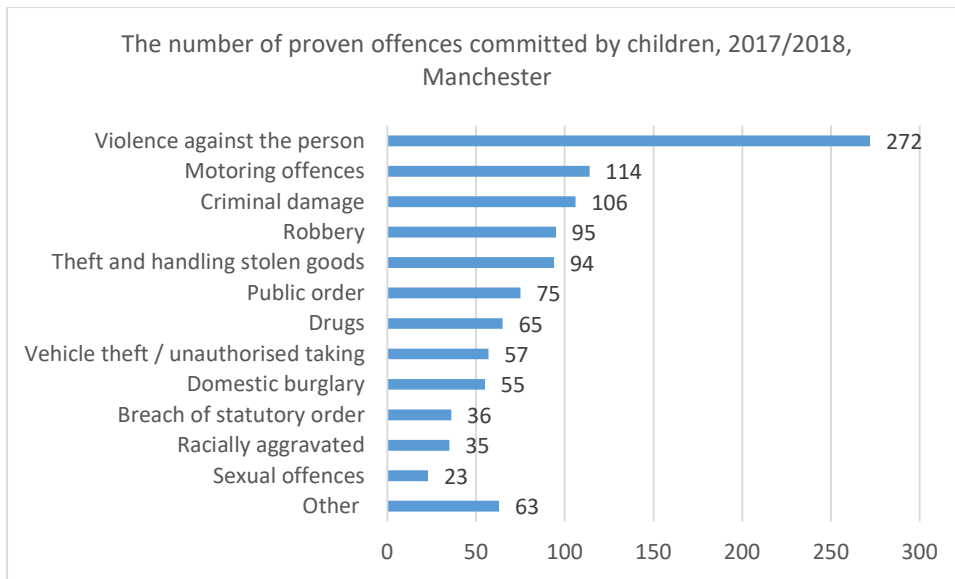


Source: Public Health England, [Child Health Profile](#), March 2019.

The most common type of offence children in Manchester age 10-17 have committed in 2017/18 is violence against the person constituting 25% of the proven offences (see figure 23). This is followed by motoring offences (10.5%), criminal damage and robbery (9.7%), and theft and handling stolen goods (8.6%). Racially aggravated offences count for 3.2% of the proven offences and sexual offences for 2.1%. Data broken down by ethnicity, age and gender recorded at time of caution or sentencing, shows that the most common demographic groups are male White age 15-17, followed by BAME male aged 15-17. This remains the case for previous years as well.⁴³

Figure 23: The number of proven offences committed by children, 2017/2018, Manchester

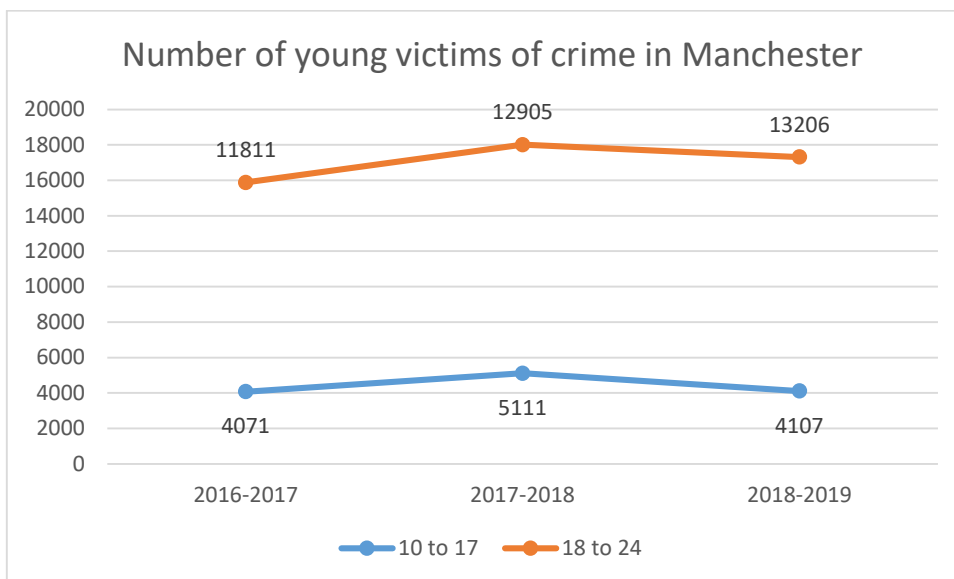
⁴³ Ministry of Justice and Youth Justice Board for England and Wales (2019) [Youth Justice statistics: 2017 to 2018](#).



Source: Ministry of Justice and Youth Justice Board for England and Wales (2019) [Youth Justice statistics: 2017 to 2018](#).

The number of young victims of crime in Manchester has increased over the last three years, with around 1,400 more 18-24 year old victims of crime in 2018/19 compared to 2016/17. The number of 10-17 year old victims of crime increased considerably between 2016/17 and 2017/18, but fell back again between 2017/18 and 2018/19.

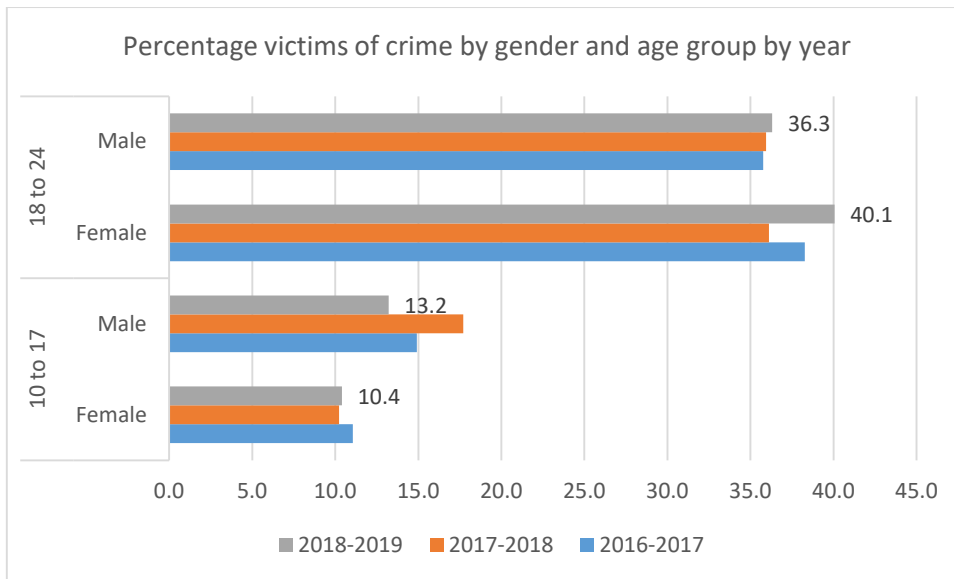
Figure 24: Number of young victims of crime in Manchester



Source: Greater Manchester Police.

Figure 25 shows little variation in the risk of being a victim of crime. However, there is a slightly higher risk for males aged 10-17 of being a victim of crime compared to females of the same age group. For young people aged 18-24, this is reversed with females being a greater risk than their male counterparts.

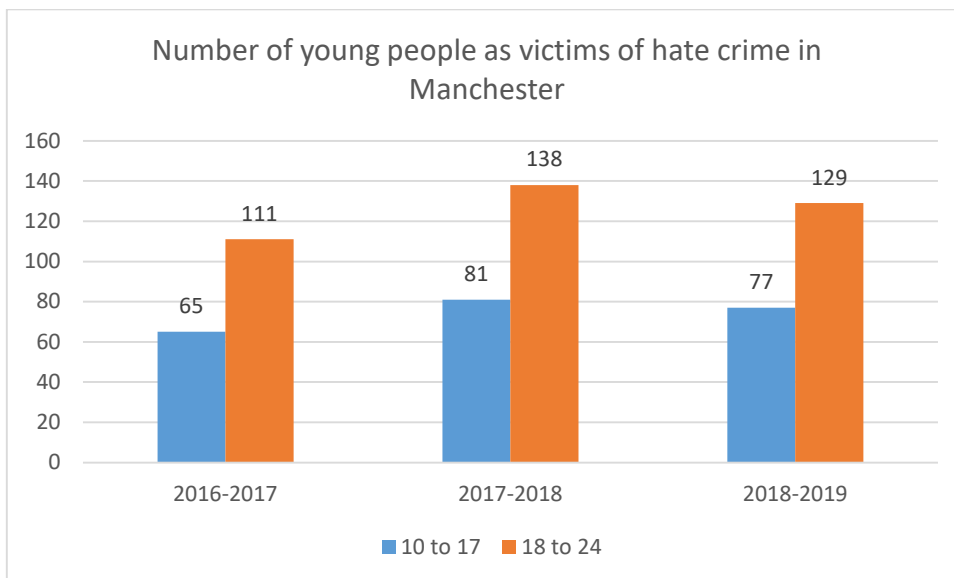
Figure 25: Percentage victims of crime by gender and age group by year



Source: Greater Manchester Police (2019)

Across the UK there has been an increase in the incidents of hate crime in recent years. Among young people in Manchester, the number of reported cases is low compared to the population size as a whole. Data for the last three years does show that the number of victims of hate crimes in Manchester was higher in each of 2017/18 and 2018/19 than in 2016/17 and that this was true for those aged 10-17 as well as those ages 18-24.

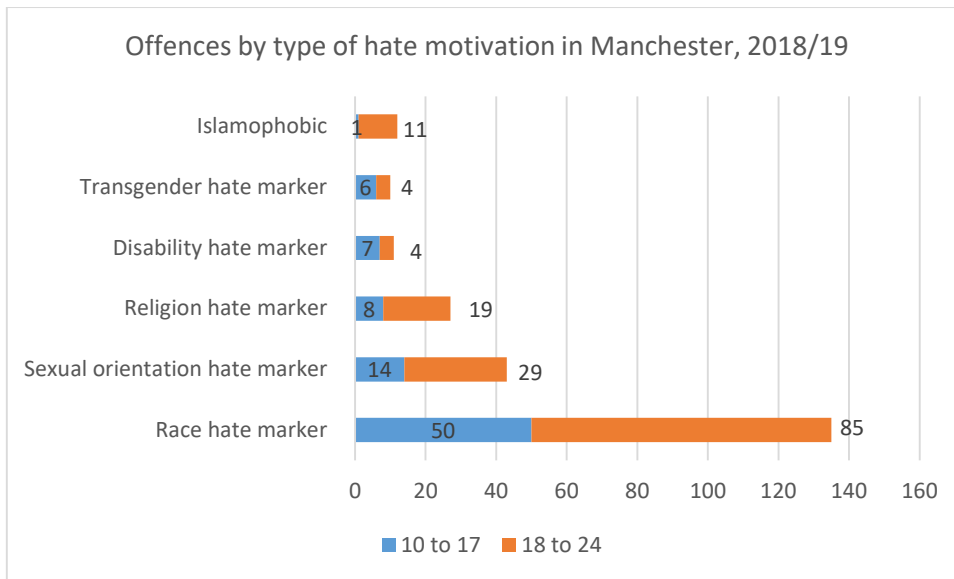
Figure 26: Number of young people as victims of hate crime in Manchester 2016-2019



Source: Greater Manchester Police (2019)

Hate crimes are reported against a range of ‘hate markers’. Figure 27 shows the number of offences against each hate motivation market. Race hate accounted for well over half of the hate crime against 10-17 and 18-24 year olds in Manchester in 2018/19.

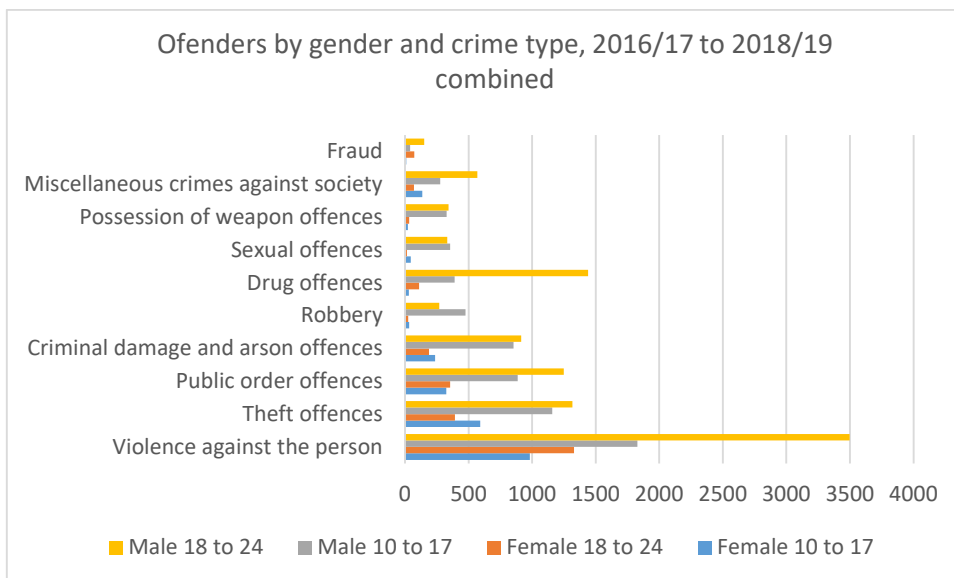
Figure 27: Hate crimes against young people in Manchester by type



Source: Greater Manchester Police (2019)

Figure 28 shows offenders by crime for males and females aged 10-17 and 18-24. For all groups, 'violence against the person' is the large crime type for each group.

Figure 28: Young people linked to crime as offenders by gender and crime type, 2016/17 to 2018/19 combined



Source: Greater Manchester Police (2019)

Part five: Marginalised children and young people

Certain groups of children and young people are at greater risk of poor outcomes. This includes Looked after children, LGBT+ young people, children with special educational needs and young carers. Young Manchester can ensure that the barriers and challenges facing these groups of children and young can be taken into account in the design and delivery of services. This can help maximise participation rates among these groups and contribute to addressing poor health, education and other outcomes.

This section reviews some of the challenges and disadvantages facing these groups of children and young people, and analyses the prevalence of these groups in Manchester.

5.1 Looked after children

Looked after children are defined as those looked after by the local authority for one day or more. The majority of children and young people who become 'looked after' do so following experiences of abuse or neglect. Nationally this accounted for 60% of looked after children's entry into care in 2016, down from 62% in 2014 to 61% in 2015. Over the same period the proportion of children and young people in need due to absent parenting has risen from 5% in 2014 to 7% in 2016 reflecting the rise in unaccompanied asylum seekers.⁴⁴

Looked after children have statistically poorer health and education outcomes. This is partly due to difficult early experiences of neglect, poverty, abuse, prenatal exposure to drugs and alcohol and parental mental health difficulties. Difficulties in early life mean that looked after children are more vulnerable to high risk behaviours such as smoking, alcohol and substance misuse. They are also at greater risk of teenage pregnancies and more likely to be vulnerable to child sexual exploitation.⁴⁵

In terms of mental health and emotional wellbeing, looked after children are four times more likely to have a mental disorder than children who live with their birth parents.⁴⁶

Figure 29 shows the rates of looked after children for Manchester and England from 2014-2018. Manchester has a high number of looked after children (104 per 10,000) compared to the national average (64 per 10,000) in March 2018. Although the total number of looked after children has reduced in Manchester, from 1,381 in March 2014 to 1,257 in 2018, Manchester still ranks very highly within the Local Authorities in England. In 2018 it was ranked as the top 14th Local Authorities in England with Blackburn having the highest rate of looked after children at 185 per 10,000.⁴⁷

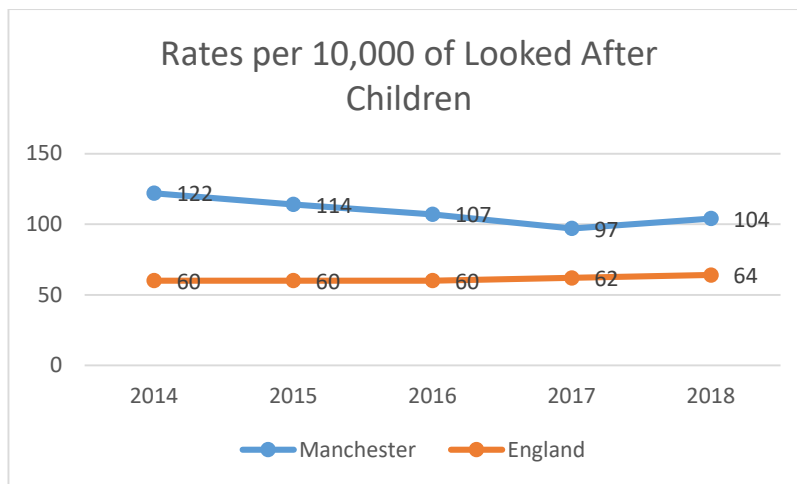
Figure 29: Proportion of Looked After Children in Manchester and England, 2014-2018

⁴⁴ Department for Education statistics sourced from: <https://www.gov.uk/government/collections/statistics-looked-after-children>

⁴⁵ For further discussion see Department for Education statistics: <https://www.gov.uk/government/statistics/outcomes-for-children-looked-after-by-las-31-march-2018>

⁴⁶ For further discussion see: <https://learning.nspcc.org.uk/children-and-families-at-risk/looked-after-children/>

⁴⁷ DfE (2018) Children looked after in England including adoption, (Years ending March 2014-2018).



Source: DfE (2018) *Children Looked After in England including adoption, (Years ending March 2014-2018)*.

More detailed analysis of Manchester's looked after children shows that at the end of March 2016:

- The gender split in the looked after population in Manchester is 56% and female 44% which is the same as the national average.
- At the end of March 2016, 302 looked after children aged 5 to 9, representing 24% of looked after children in Manchester is slightly higher than the national average at 21%. 497 children and young people aged 10 to 15, representing 40% of looked after children in Manchester is slightly higher than the national average at 38%. 241 young people aged 16 and over, representing 20% of looked after children in Manchester is slightly lower than the national average of 22%.
- 60% of the looked after population in Manchester are aged 10 or older which is lower than the national average of 62%.
- In relation to ethnicity, 61% of the looked after population in Manchester is White British, 18% is mixed race, 14% is Black or Black British, 5% are Asian or Asian British and 2% are categorised as other. This compares to the makeup of the whole population of 0 to 17 year olds in Manchester which is 51% White British, 22% Asian or Asian British, 13% Black British, 10% mixed race and 4% categorised as other. The figures indicate an under-representation of children of Asian heritage in the looked after population, with 5% compared to the 22% that make up the whole population, and an over-representation of mixed race children, with those children making up 18% of the looked after population but just 10% of the general population.
- Abuse and neglect is the biggest recorded cause for children admitted to care, although this has reduced from 58% in 2014/15 to 46% in March 2016, which is significantly lower than the national average of 60%.
- In Manchester, young people accessing substance misuse services are more likely to be a looked after child (21%, compared to 10% nationally)
- As of 31st March 2016 there were 35 looked after children on the Youth Offending Service caseload, which equates to 4.7% of 738 looked after children over the age of criminal responsibility.⁴⁸

⁴⁸ Manchester City Council, Joint Strategic Needs Assessment

5.2 Special educational needs and disability (SEND) and Education, Health and Care (EHC) plans

In September 2014, the special educational needs and disability (SEND) reforms came into effect as part of the Children and Families Act 2014. From 1 September 2014, any children or young people who are newly referred to a local authority for assessment are considered under the new Education, Health and Care (EHC) plan assessment process. According to figures released by the Department of Education (2019) there were 354,000 children and young people with Education, Health and Care (EHC) plans maintained by local authorities in England as at January 2019.⁴⁹ This is an increase of 34,200 (11%) from 2018. This is driven by increases across all age groups, with largest percentage increases in the 0-5 (13%) and 20-25 age groups (32%).

The total number of children and young people with statements of SEN or EHC plans has increased each year since 2010. In Manchester, the number of children and young people with EHC plans maintained by Manchester City Council was 4,163. This is an increase of 11.7% (487) since 2018.

Table 8 gives an overview of SEND information for Manchester and the North West for the academic year 2018/2019. In Manchester 12.6% of pupils have a statutory plan of SEN (statement or EHC plan) or are receiving SEN support (previously school action and school action plus). This is very similar to the average of 12.5% across all local authorities in North West. With respect to SEN support the proportion for Manchester is 16.0%, compared to an average of 15.7% for the North West (see table 8).

Table 8: Manchester SEND compared with the North West

Children with SEND, all schools, 2018/2019 academic year	Manchester	North West
Pupils with a statutory plan of SEN (statement or EHC plan) or receiving SEN support	12.6%	12.5%
SEN support (previously school action and school action plus) (All schools)	16.0%	15.7%
Looked After Children (2017/18)		
Looked After Children with SEN support	28.9%	29.0%
Looked After Children with a statement of SEN or EHC plan	24.7%	23.2%
Children in Need (2017/2018)		
Children in Need on SEN support	27.4%	26.0%
Children in Need with a statement of SEN or EHC plan	17.5%	18.1%
Children in need with a disability	5.9%	10.7%

Source: DfE (2019) Local Area SEND Report England. DfE SEND Research

For the academic year 2017/2018, in Manchester the proportion of Looked after children who are on SEN support is 28.9% and those with an statement of SEN or EHC plan is 24.7% compared to 29% and 23.2% respectively in all local authorities in North West.

In Manchester, 27.4% of children in need are on SEN support and 17.5% of children in need have a statement of SEN or EHC plan. In the North West, 26.0% of Children in Need are on SEN support and 18.1% have a statement of SEN or EHC plan.

⁴⁹Department of Education (2019) Statements of SEN and EHC plans: England, 2019

In Manchester, 5.9% of school-age children in need have a disability, compared to 10.7% in all local authorities in North West (as shown in table 8).⁵⁰

Attainment of SEND pupils at KS2

At KS2, 8% of pupils with statements of SEN or EHC plans and 27% of pupils on SEN support in Manchester achieve at least the expected level in reading, writing and maths. This compares to a North West average of 8% for pupils with statements of SEN or EHC plans, and 24% for pupils on SEN support. In comparison, the attainment for children with no SEN stands at 72% in Manchester and 75% in the North West.

Attainment of SEND pupils at KS4

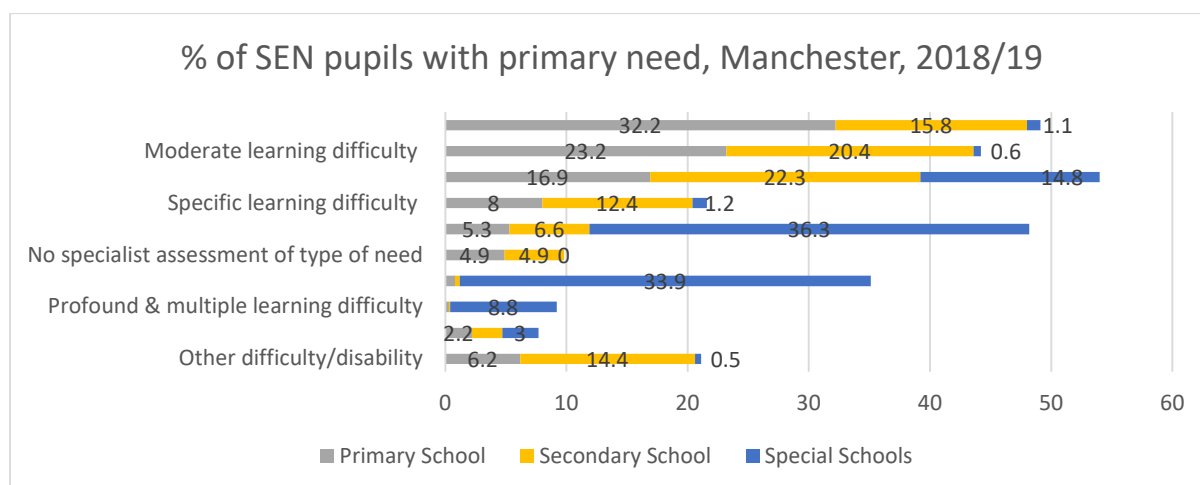
At KS4, 5.9% of pupils with statements of SEN or EHC plans and 10.8% of pupils on SEN support in Manchester achieve grades 9-5 in English and maths. This compares to the all local authorities in North West average of 4.5% for pupils with statements of SEN or EHC plans, and 14.2% for pupils on SEN support. For comparison, of pupils with no SEN, 39.6% in Manchester and 44.1% in North West achieve grades 9-5 in English and maths at KS4 (see Table 9).

The Attainment 8 score for pupils with statements of SEN or EHC plans was 12.1 score and 25.5 score of pupils on SEN support in Manchester. This compares to North West average of 12.8% for pupils with statements of SEN or EHC plans, and 30.7% for pupils on SEN support. For comparison, the Attainment 8 score of pupils with no SEN was 46.5 score in Manchester and 48.0% in the North West (see Table 9).

Primary Need

A child or young person has SEN if they have a learning difficulty or disability which calls for special educational provision to be made for them. All pupils with SEN have an assessment of their primary need. Figure 30 shows the breakdown of need in Manchester by primary, secondary and special school, ranked by prevalence.

Figure 30: Percentage of SEN pupils with primary need, Manchester, 2018/19 (academic year)



⁵⁰ DfE (2019) [Local Area SEND Report England](#). DfE SEND Research.

Source: *DfE Local Area SEND Report England. DfE SEND Research.*

The data shows that speech, language and communication needs are the most common form of SEN within primary school pupils (32.2%) followed by moderate learning difficulties (23.2%) and social, emotional and mental health (16.9%). At secondary school however, the greatest proportion of pupils with SEN are those who have social, emotional and mental health needs (22.3%). Speech, language and communications need on the other hand decreases at secondary school to 15.8% but still remains the third most common form of SEN. For special schools on the other hand, pupils with autistics spectrum disorder (36.3%) and severe learning difficulty (33.9%) are by far the most common form of SEN, followed by social, emotional and mental health (14.8%) which highlights the prevalence of social, emotional and mental health SEN among school age children across all schools.

5.3 LGBT+ young people

Manchester has an active LGBT+ community. The LGBT+ population of Manchester is estimated at around 40,000 people.⁵¹ While research on the experiences of the LGBT+ community has improved, the available data is often geographically limited, with small sample size and inconsistent use of measures to capture changes over time and between local authorities. However, of the available studies, a persistent trend can be observed, namely the relatively high levels of discrimination, abuse and mental health issues experienced among people who identify as LGBT+.

The Youth Chances Survey (2014) was the largest study conducted among LGBT+ young people age 16-25 in England. The results of the survey are reported in the Youth Chances Integrated Report (2016) which included the survey results among 7,126 respondents of which 6,514 were LGBT+ young people (including 956 trans young people) and the remaining people were a control group of heterosexual and cis people. In addition to that, the Integrated Report also shows the findings of the survey conducted among 29 commissioners of services for young people and 52 relevant service providers across England.

The key findings from LGBT+ young people show that:

- 74% have experienced name calling
- 45% have experienced harassments or threats and intimidation
- 23% have experienced physical assault
- 29% reported experiencing domestic or familial abuse, with 36% of these people perceiving the abuse was connected to negative reactions to their LGBT+ identities
- 18% experienced sexual abuse compared to non-trans heterosexuals in the sample.
- 49% said their time at school was affected by discrimination: results of this included lower grades, missing school and having to change school
- 15% of those who had been in employment said this experience was affected by discrimination
- 88% of people who had experienced a hate crime did not report it. Of those who did report, only 10% resulted in a prosecution.

More recently, the 2017 Stonewall Report on School Report on the experiences of lesbian, gay, bi and trans young people in Britain's schools showed similar results.

- 45% of LGBT+ pupils, including 64% of trans pupils, are bullied for being LGBT+ at school.

⁵¹ MCCFM W2018 Public Intelligence (2018).

- 19% of LGBT+ pupils do not feel safe at school and 43% of LGBT+ pupils do not feel able to be themselves at school.
- 45% of LGBT+ pupils who experience bullying based on their sexual orientation or trans status never tell anyone about it, with 39% of these people saying it was because they believed teachers would not do anything about it.
- 31% of LGBT+ pupils in faith schools and 22% of LGBT+ pupils in non-faith schools say teachers never challenge homophobic, biphobic and transphobic bullying.
- 53% of pupils said that there isn't an adult at school that they can talk to about being LGBT+. ⁵²

In the absence of large scale data, it may be useful to assume that the local picture broadly reflects the national picture as outlined above.

Research Study in to the Trans Population of Manchester (2016) suggest that trans people in Manchester are experiencing particular inequalities in relation to bullying in education, housing and homelessness, poor mental health and general wellbeing and experiencing domestic abuse.⁵³

5.4 Young carers

There are many young carers in Manchester. The definition of a young carer is taken from section 96 of the Children and Families Act 2014:

'...a person under 18 who provides or intends to provide care for another person (of any age, except where that care is provided for payment, pursuant to a contract or as voluntary work).'

Young carers often struggle to attend and achieve in education, to pursue hobbies and interests, and to have time to enjoy life with their friends.

Data from the 2011 Census indicates that there were 1,138 children aged 0-16 living in Manchester who identified themselves as providing some form of unpaid care. This is equivalent to just over 1% of the population in this age group and is similar to the average for England as a whole. Around 11% of these young carers were providing 50 or more hours of unpaid care a week compared to the England average of 9%.

It is thought that data on young carers underestimates the number of children with caring responsibilities with young carers remain hidden from official figures for a host of reasons. This may include family loyalty, stigma, bullying and not knowing where to go for support.⁵⁴

More up-to-date data is needed on the experiences of young carers in the city. Data from the previously commissioned young carer's service found that in 2014/15 almost half of the young carers (48%) were aged between 13 and 16. 30% were aged over 16, and just 22% were aged between 10 and 13. A further breakdown of the younger age group reveals that the majority of them (65%) were aged 13, 25% were aged 11, and just 10% were aged 10.

The same service found that 31.4% of young carers referred to the young carer's service were caring for someone with mental health needs. 22.8% of young carers were supporting someone with access and mobility due to physical support needs, and 19.7% of young

⁵² Bradlow, J; Bartram, F; Guasp, A and Jadva, V. 2017. *School Report*. Stonewall and University of Cambridge. Available at: https://www.stonewall.org.uk/system/files/the_school_report_2017.pdf

⁵³ Manchester City Council, 2016, *Research Study into the Trans Population of Manchester*

⁵⁴ See for example: <https://www.childrengsociety.org.uk/what-we-do/resources-and-publications/publications-library/hidden-view>

carers were supporting someone with personal care due to physical support needs. 9.25% of young carer were caring for someone with a learning disability.⁵⁵

⁵⁵ Data provided by Manchester City Council.

Appendix 2 – Young Manchester Commissioned Activity

1. Introduction

This document provides an overview of current grant making arrangements between Young Manchester and the VCSE Youth and Play sector in respect of the £1.44m pa provided by Manchester City Council (MCC).

2. Commissioning Fund

Young Manchester received £2.88m from MCC to invest in Youth and Play Work in the City for financial years 2020-22. This £2.88m is allocated in the following ways:

Item	Amount
Youth and Play Fund 2020	2,630,000
Holiday Playschemes	200,000
Youth led social action grants	50,000
TOTAL	2,880,000

In addition to the support of Manchester City Council, Young Manchester secured match funding for this investment from Curious Minds and the #iWill Fund.

Funder	Amount
#iwill	346,393
Curious Minds	150,000
Total	496,393

3. An overview of the Youth and Play Fund 2020-22

With the support of funding partners, the Youth and Play Fund 2020-22 Fund sought to build on previous investments and provides foundation funding to neighbourhood/place-based and city-wide Voluntary and Community Sector (VCS) partners. This is an important mechanism for supporting youth and play partners to contribute towards the realisation of outstanding opportunities for children and young people, with a strong focus on quality youth, play and social action. The fund was designed with particular areas of focus:

- supporting quality
- driving inclusion
- strengthening partnerships
- placing children and young people's voice and experience at the heart of services

The funding model for Youth and Play services has continued to evolve and change. This fund was intended to begin the process of moving away from an unsustainable model of one funding source every two years, to a model that aims to support organisations to be on a stronger and more diverse financial footing. The funding was intended to provide foundation funding, allowing partners to diversify their income from a strong platform of delivery and infrastructure.

4. Allocation of the Youth and Play Fund

The fund is allocated as follows:

Pot	Description	% Budget Allocation
One	This funds core youth and play activities in place-based settings. Social action is a key component and is embedded within all Youth and Play proposals and delivery.	55%
Two	This funds city-wide initiatives that provides opportunities for partnerships/consortiums/ organisations to provide services which enhance the place-based offer. These are thematic provisions that drive inclusion, or offer specialist support	25%
Three	This supports youth and play sector organisations to improve or develop the way in which they use partnerships with arts and cultural organisations or practitioners to achieve social outcomes for children and young people in Manchester.	8%
Four	This supports partners to drive quality in particular areas of focus, (arts, climate change, mentoring, play, detached youth work, workforce and quality) building a strong sector through a distributed leadership model.	7%
Five	This is deployed to addresses gaps in provision.	3%
Contingency	This covers other priorities, which have emerged during the term.	2%

The portfolio of lead partners that have been commissioned is set out in the table below. As can be seen the reach of the fund goes well beyond the lead partners, supporting a vast network of VCSE organisations.

Pot	Lead Partner	Delivery Partners	Area	Ward Coverage	Activity
1	Manchester Youth Zone on behalf of North	<ul style="list-style-type: none"> Active Communities Network Communities4 All 	North Manchester	Moston, Harpurhey, Charlestown, Crumpsall, Cheetham ,	A varied offer of universal youth and play

Pot	Lead Partner	Delivery Partners	Area	Ward Coverage	Activity
	Manchester Partnership	<ul style="list-style-type: none"> • 4CT • Groundwork GM • MAD Theatre • Manchester Young Lives • Street League • Wai Yin • YPAC 		Higher Blackley	provision inclusive of detached youth work, arts, sports and social action
1	4CT on behalf of East Manchester Youth and Play Partnership	<ul style="list-style-type: none"> • Active Communities Network, • City in the Community • Lancashire Cricket Club, • MCR Active • One Manchester • Manchester Settlement • Water Adventure Centre • YPAC 	East Manchester	Ancoats & Beswick, Clayton & Openshaw, Gorton & Abbey Hey, Miles Platting & Newton Heath	A varied offer of universal youth and play provision inclusive of detached youth work, arts, sports and social action
1	M13 Youth Project	<ul style="list-style-type: none"> • Anson Cabin • Levenshulme Youth Project 	Central Manchester	Ardwick, Levenshulme, Longsight, Rusholme	A varied offer of universal youth and play provision inclusive of detached youth work arts, sports and social action
1	Millennium Powerhouse	<ul style="list-style-type: none"> • Hideaway • Trinity House • Odd Arts • City In the Community • One Manchester • Manchester Young Lives • Claremont Youth Foundation 	Central Manchester	Deansgate, Hulme, Moss Side, Rusholme	A varied offer of universal youth and play provision inclusive of detached youth work, arts, sports and social action
1	BMCA	<ul style="list-style-type: none"> • Groundwork 	South Manchester	Chorlton, Chorlton	A varied offer of

Pot	Lead Partner	Delivery Partners	Area	Ward Coverage	Activity
				Park, Disbury West	universal youth and play provision inclusive of arts, sports and social action
1	OMYOP	<ul style="list-style-type: none"> • Unity Arts • Community Minded • Welsafe 	South Manchester	Old Moat	A varied offer of universal youth and play provision inclusive of detached youth work arts, sports and social action
1	N-Gage	<ul style="list-style-type: none"> • Ladybarn Community Hub • Water Adventure Centre • 4CT 	South Manchester	Burnage, Withington, Chorlton Park, Didsbury East, Didsbury West, Fallowfield	A varied offer of universal youth and play provision inclusive of detached youth work arts, sports and social action
1	WCHG	<ul style="list-style-type: none"> • Wythenshawe Community Initiative • Wythenshawe Forum Trust • City in the Community • N-Gage 	Wythenshawe	Sharston, Woodhouse Park, Baguley, Brooklands, Northenden	A varied offer of universal youth and play provision inclusive of detached youth work arts, sports and social action
5	Whalley Range Youth Opportunities Association	n/a collaborations	South	Whalley Range	A varied offer of universal youth and play provision inclusive of social action

Pot	Lead Partner	Delivery Partners	Area	Ward Coverage	Activity
5	Community on Solid Ground	n/a collaborations	South	Whalley Range	A varied offer of universal youth and play provision inclusive of social action
2	Manchester Young Lives	<ul style="list-style-type: none"> Women's Aid 	City-wide	Sharston, Moss Side, Ardwick, Whalley Range Crumpsall Longsight	A strong focus on play inclusive of adventure playgrounds, community play sessions and social action
2	42 nd Street	<ul style="list-style-type: none"> Manchester Youth Zone 	City-wide	All wards	Specialist youth provision supporting mental health and wellbeing
2	HOME	<ul style="list-style-type: none"> Venture Arts, Manchester Deaf Centre Drake Music One Education 	City-wide	All wards	Youth provision supporting inclusion in the arts
2	NACRO	n/ a – collaborations	City-wide	All wards	Provision of a strategic enhancement to the youth and play offer.
2	The Proud Trust	n/a – collaborations	City-wide	All wards	Specialist youth provision supporting LGBT+ young people
3	4CT	A range of arts culture and heritage organisations	East	As above	Arts and culture engagement
3	WCHG	<ul style="list-style-type: none"> Gorse Hill Studios 	Wythenshawe	As above	Arts and culture engagement

Pot	Lead Partner	Delivery Partners	Area	Ward Coverage	Activity
3	GMCDP	<ul style="list-style-type: none"> Contact (will also engage with DADA Fest, Unlimited Festival and DANC) 	City-wide	All wards	Arts and culture engagement
3	OMYOP	<ul style="list-style-type: none"> Whitworth Art Gallery 	As above	As above	Arts and culture engagement
3	RECLAIM	<ul style="list-style-type: none"> Contact The Anne Frank Trust UK 	City-wide	All wards	Arts and culture engagement
3	One Manchester	<ul style="list-style-type: none"> Royal Exchange Theatre 	City-wide	All wards	Arts and culture engagement
3	Manchester Youth Zone	<ul style="list-style-type: none"> Mad Theatre 	North	As above	Arts and culture engagement
3	The Proud Trust	A range of arts culture and heritage organisations	City wide	All wards	Arts and culture engagement
4	M13 Youth Project	<p>Supporting organisations across the City and sharing leadership with:</p> <ul style="list-style-type: none"> Levenshulme Youth Project YPAC 42nd Street Manchester Young Lives NGage 	City wide	All wards	Strategic Leadership - Detached youth work
4	Manchester Young Lives	n/a collaborations	City wide	All wards	Strategic Leadership - Play
4	Contact	Creative Connections supports collaborations between 11 organisations including HOME, 42 nd Street, Wai Yin	City wide	All wards	Strategic leadership - Youth sector and the arts
4	GMYN	<p>Collaborating with a wide training partnership including:</p> <ul style="list-style-type: none"> Kids of Colour Barnardo's 	City-wide	All wards	Strategic Leadership – Quality and workforce

Pot	Lead Partner	Delivery Partners	Area	Ward Coverage	Activity
		<ul style="list-style-type: none"> Community Futures Trust The Proud Trust 42nd Street Papyrus M13 			
4 and 2	One Million Mentors	<p>Collaborating with 30 organisations offering mentoring including:</p> <ul style="list-style-type: none"> Active Communities Network 42nd Street Bridge Ngage Youth Leads Reach Out Reclaim GMYN City in the Community Uprising Power 2 Arts Emergency Innovate Her Groundwork GM Reform Radio Barnardos City Wise Contact 	City-wide	All wards	Strategic Leadership - Mentoring
4 and 2	Groundwork	Collaborations and micro grants to support youth led social action on climate change	City-wide	All wards	Strategic Leadership - Climate Change and activism

5. Holiday Playschemes

Funding is also ring-fenced for holiday playschemes (£100k pa). This has supported the following organisations to deliver playschemes:

- Barlow Moor Community Association
- NGage
- Anson Cabin
- Greenwich Leisure
- Wythenshawe Community Housing Group
- Levenshulme Youth project

- Manchester Young Lives
- Benchill Community Centre
- Ladybarn Community Centre
- M13 Youth Project
- Whalley Range Youth Opportunities Association
- Wythenshawe Community Initiative
- Millennium Powerhouse
- Rainbow Surprise
- Nurturing Foundations
- 4CT
- Groundwork GM
- Contact
- Communities on Solid Ground
- Mad Theatre
- OMYOP
- Diane Modahl Sports Foundation
- Manchester Settlement
- YPAC
- Lancashire Cricket Club
- Active Communities Network
- Foundation 92
- Communities for All
- Reflecteen