



Economy Scrutiny Committee

Date: Thursday, 26 May 2022
Time: 2.00 pm
Venue: Council Chamber, Level 2, Town Hall Extension

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

Access to the Council Chamber

Public access to the Council Chamber is on Level 2 of the Town Hall Extension, using the lift or stairs in the lobby of the Mount Street entrance to the Extension. That lobby can also be reached from the St. Peter's Square entrance and from Library Walk. **There is no public access from the Lloyd Street entrances of the Extension.**

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Membership of the Economy Scrutiny Committee

Councillors - Johns (Chair), Bayunu, Bell, Good, Moran, Noor, Raikes, I Robinson and Taylor

Supplementary Agenda

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and Director of Inclusive Economy | 3 - 40 |

This report provides Committee Members with a further update summary of the current situation in the city in relation to COVID-19 and an update on the work progressing in Manchester in relation to areas within the remit of this Committee. Further detail on specific issues will be available as required.

Further Information

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

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This supplementary agenda was issued on **Friday, 20 May 2022** by the Governance and Scrutiny Support Unit, Manchester City Council, Level 2, Town Hall Extension (Library Walk Elevation), Manchester M60 2LA

**Manchester City Council
Report for Information**

Report to: Economy Scrutiny Committee – 26 May 2022

Subject: Update on COVID-19 Activity

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

Summary

This report provides Committee Members with a further update summary of the current situation in the city in relation to COVID-19 and an update on the work progressing in Manchester in relation to areas within the remit of this Committee. Further detail on specific issues will be available as required.

Recommendations

The Committee is requested to note the update.

Wards Affected: All

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

Manchester Strategy Outcomes	Summary of how this report aligns to the OMS
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	This unprecedented national and international crisis impacts on all areas of our city. The 'Our Manchester' approach has underpinned the planning and delivery of our response, working in partnership and identifying innovative ways to continue to deliver services and to establish new services as quickly as possible to support the most vulnerable in our city.
A highly skilled city: world class and home grown talent sustaining the city's economic success	A reset of the Our Manchester Strategy is now underway following a meeting of the Our

A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	Manchester Forum on 16 June 2020. An extensive engagement exercise will take place to inform a draft document in late 2020 and a final version in February 2021.
A liveable and low carbon city: a destination of choice to live, visit, work	
A connected city: world class infrastructure and connectivity to drive growth	

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Background documents (available for public inspection): None

Report

Economic Recovery Workstream- Sitrep Summary

Next Economic Recovery Group Meeting: Friday 20th May

Latest updates shown in yellow.

Issue/theme/activity area	Impact/ challenges experienced	Key planning and response activity being undertaken
<p>General Overview</p>	<p>Summer recession predicted: economists have said that the double blow from slowing post-lockdown growth and rising living costs could result in a fall in gross domestic product (GDP) for two consecutive quarters, which is the definition of a recession. Consultancy Capital Economics said household disposable income was set to fall by about 1.9% this year. This is bigger than the 1.8% drop in real incomes experienced in 1977, and the biggest since modern records began in the 1950s.</p> <p>Inflation reaches 30-year high: inflation figures (CPI) released on 18 May show that it was at 9% in April, however according to the Institute for Fiscal Studies, the poorest households faced inflation of 10.9%. The rate is primarily down to rising costs of fuel and food and is up from 7% in March.</p> <p>ONS data: economic activity and social change:</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>

	<ul style="list-style-type: none"> • In late April 2022, 31% of businesses reported their production and/or suppliers had been affected by recent increases in energy prices; the accommodation and food service activities industry reported the highest percentage at 64% • There was a small growth in credit and debit card purchases (6%) • Whilst road traffic decreased by 19%, there was an increase of 2% in daily UK flights • Seated diners in Manchester increased by 14% in the week to 1 May, compared to a national fall of 8% in the same period. <p>Job vacancies and unemployment: the ONS reported that there were more job vacancies than there were unemployed people for the first time since records began between January and March this year nationally. The unemployment rate fell to 3.7% and new job vacancies rose to 1.3 million nationally.</p> <p>Monthly Business survey highlights to 5 May</p> <ul style="list-style-type: none"> • Businesses remain fairly optimistic about future sales and profitability, the GC survey and other national statistics and surveys show that there is heightened concern about input prices and the volatility of supply chains. • The stand-out change in the survey results for April is the proportion of firms identifying the pressing challenges of managing overall business finances (43% vs 33% previously). 	<p>Weekly MCC newsletter issued to over 10,000 businesses with updates.</p> <p>Business support and engagement; the various networks are beginning to function again in person post-pandemic. In addition, interest is being assessed amongst stakeholders in some new place specific groups such as St Ann's Square and King Street. Options to address the challenge of empty premises are to be further considered- some 'pop-up' use by community or charity groups has proved successful.</p>
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- A 4% rise in businesses reporting insolvency risk/financial stress
- Survey shows that, in aggregate, cash reserves and cashflow still remain strong vs levels seen during the pandemic, and there has not (yet) been any signs of a significant rise in firms reporting late payments.
- **Recruitment remains a key challenge for business**, amidst signs of a slowing growth in new vacancy rates. A third of firms are currently recruiting staff, and of these, half have reported difficulties recruiting for specific occupations – particularly in technical back-office roles.
- 50% of businesses are looking to increase investment in workforce development in the year ahead, as half of the firms surveyed also said that skill-levels in their existing workforce were only partly at the level needed to fulfil their business plans.

The main areas of future support include business planning, financial advice, sales & marketing, workforce development and recruitment support

People moving to Manchester: Manchester is one of the most popular places to move to, [according to research by Sky News](#). New GP registrations were analysed which showed that London and Manchester/Salford were the most in demand. The largest demographic change was in people in the 40 to 49 age group. Rents in Manchester were well above pre-pandemic levels, Sky News found.

Hotel Performance Monitor February 2022: Marketing Manchester have released the hotel data for February 2022. Headlines include:

- Both weekend (83% vs 87% in 2019) and weekday (68% vs 74% in 2019) occupancy are near 2019 levels
- An additional 860 hotel rooms opened in the city centre in February

Uber rival launches: Bolt, a taxi hailing service, launched last weekend in Manchester and Salford. [The company has opened](#) a Driver Hub on Union Street, where drivers can sign up, in addition to its North West office in Salford.

Digital Security Hub announced: an 11,000sqft [Digital Security Hub 'DiSH'](#) will open in Heron House in the summer. It is being delivered by Barclays Eagle Labs in partnership with Plexal, Lancaster University and the University of Manchester and will provide a range of training programmes for around 1,000 people over the next five years, as well as supporting 500 start-ups.

Business expansion for car firm: a fintech car financing business, [Zuto](#), will recruit an additional 150 roles in the next six months, after recruiting 105 people since January. Zuto is based on Exchange Street.

Mitie launches Manchester hub: at the [Atlas Business Park in Wythenshawe](#), [Mitie](#) has opened its Technical Services Operations Centre. It is supporting 400 jobs and apprenticeships, many of which are specialist technical

roles, with the company also recruiting for a further 50 people. Mitie provide facilities management services.

New openings: A music venue, members club, bar and restaurant called [Canvas](#) will open at Circle Square on 8 June.

Levelling Up & Regeneration Bill released: the first iteration of the [Levelling Up & Regeneration Bill](#) has been issued, with new plans to:

- High Street Rental Auctions, where local authorities can auction off tenancies in shops that have been vacant for over a year
- Council Tax can be doubled on empty and second homes
- Outdoor dining licences will be cheaper and quicker to obtain, reflecting changes made during the pandemic
- An infrastructure levy will replace Section 106 payments and CIL where it is in place. Section 106 is proposed to be maintained on very large schemes.
- CPO powers will be simplified for local authorities
- Local design codes will become mandatory
- Changes to the Local Plan preparation process; some policies such as heritage policies will be prescribed nationally instead of being devised locally (proposals also for national based development management policies which as yet are undefined as to what the scope for this will be), the Duty to Cooperate will be repealed,

	<p>supplementary plans will replace SPDs, digital tools will be used more when creating Plans, neighbourhood planning will become more accessible, including the introduction of a 'street vote' which will allow neighbours of those wishing to redevelop to determine if they should be given planning permission. Plans will have to be produced in 30 months and updated every 5 years.</p> <p>Further consultation will be undertaken, including on a new NPPF, with the Government hoping that by 2024 changes can be made. Anyone interested in engaging with the Government on proposals can register on the website.</p>																	
<p>Footfall –</p>	<p>Footfall trends- City Centre (Springboard / CityCo) Week 19, 8th May– 14th May</p> <table border="1" data-bbox="535 894 1102 1372"> <thead> <tr> <th></th> <th>Week on week %</th> <th>Year on year %</th> <th>2019</th> </tr> </thead> <tbody> <tr> <td>St Ann's Sq</td> <td>+1.5%</td> <td>+37.5%</td> <td>-25.6%</td> </tr> <tr> <td>Exchange Sq</td> <td>-6.2%</td> <td>-6.2%</td> <td>-29.1%</td> </tr> <tr> <td>King Street</td> <td>+1.3%</td> <td>+44.8%</td> <td>-36.9%</td> </tr> </tbody> </table>		Week on week %	Year on year %	2019	St Ann's Sq	+1.5%	+37.5%	-25.6%	Exchange Sq	-6.2%	-6.2%	-29.1%	King Street	+1.3%	+44.8%	-36.9%	
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King Street	+1.3%	+44.8%	-36.9%															

Market Street	-8.8%	-1.3%	-26.6%
New Cathedral St	-17.4%	+15.1%	+30.2%

Footfall trends- District Centres (Springboard)
Week 19, 8th May– 14th May

	Week on week %	Year on year %	Pre-Covid
Cheetham Hill	+7.6%	+17.9%	-6.2%
Chorlton	+8%	+14.8%	-16.4%
Fallowfield	+22.7%	+10%	+17.3%
Gorton	+10.8%	+11.1%	+2.0%
	+10.1%	+3.6%	-13.9%

Harpurhey			
Levenshulme	+15.2%	+14.8%	-31.6%
Northenden	+8.5%	+27.1%	+10.4%
Rushholme	-10.9%	+27.3%	+9.3%
Victoria Avenue	+17%	+22.4%	-24.4%
Withington	+0.6%	+12.4%	+36.6%

Higher Education Institutions

For the first time since 2014, the government has completed its UK-wide assessment of the quality of research at universities. The University of Manchester has retained 5th place for research power (a measure of research volume multiplied by research quality).

The REF measures researchers' work on a quality scale going up to 4* (world-leading), as well as research environment (facilities and culture) and the practical benefits delivered (impact). Overall, 93% of the

	<p>University's research activity was assessed as 'world-leading' (4*) or 'internationally excellent'. UoM made one of the largest and broadest submissions to the REF - more than 2,100 researchers across 31 subject areas.</p> <p>Manchester Met has also enjoyed a successful REF assessment. Their submission for this cycle was twice the size of the previous one in 2014, and the proportion of their overall research that has been rated has 'world-leading' has doubled to 30%, and 90% of their research impact is now rated 'world-leading' (4*) or 'internationally excellent,' (3*) across more than 740 academics. They are identified as one of the very best universities in the UK for research power in key strength areas such as art and design, sport, English and education.</p>	
<p>Aviation</p>	<p>The Prime Minister announced on 5 January that from Friday 7 January, pre-departure tests would no longer be required for travellers from abroad arriving in England. From 10 January, on arrival, lateral flow tests replaced more expensive PCR tests on day 2.</p>	<p>Operational update</p> <ul style="list-style-type: none"> • Security waiting times are improving, with 90% of passengers taking less than 30 minutes to get through security in the last two weeks of April, compared to 78% in the first two weeks. • Manchester Airport launched a passenger preparation campaign in April that advises passengers to 'take time' by arriving three

		<p>hours before their flight and to 'take care' by familiarising themselves with the rules and regulations of security. These messages are being reinforced in the terminal buildings, through social media channels and the online website. There is also estimated queue times published on the website, providing passenger with further reassurance.</p> <p>Recruitment</p> <ul style="list-style-type: none">• In April, more than 1600 people applied for jobs at Manchester Airport with 500 new recruits going through security training and vetting• 60 recruits joined in April, with a further 200 recruits due to start in May which will help bolster the workforce ahead of the peak summer season• Manchester Airport, in partnership with Manchester City Council and the Department for Work and Pensions, is hosting a jobs fair on the 24th May at the Wythenshawe Forum between 10 and 1. Hundreds of airport
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		<p>roles will be on offer with a wide selection of onsite partners attending including World Duty Free, Costa Coffee and Pret, amongst others.</p> <p>Routes</p> <ul style="list-style-type: none">• Kuwait Airways started a 3 x weekly route from Manchester Airport to Kuwait City at the beginning of May. The route is a positive boost for business, universities and tourism. Pre-pandemic, 23,000 people a year travelled from Kuwait to visit the North West, spending more than £22 million.• Air Canada has announced it will resume its non-stop season service between Manchester and Toronto 5 x weekly service at the beginning of June. This adds to the existing transatlantic services that have already resumed or started at Manchester and builds the recovery for the global gateway to the north.
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<p>Culture</p>	<p>Changes to COVID restrictions from 24/2/22</p> <ul style="list-style-type: none"> • The government has removed remaining domestic restrictions in England. • People are no longer required to wear face coverings. Audiences no longer have to show an NHS COVID Pass at venues and events. <p>Funds announced:</p> <p>Arts Council England (ACE) - Cultural Development Fund: Round 3 - Grants of £2m to £5m to regenerate communities through capital investment in transformative place-based creative and cultural initiatives. Applicants invited to complete an online Expression of Interest form between 6 June & 29 July 2022. Then if invited a full online application form between 19 Sept to 18 Nov 2022. Full guidance can be found at https://www.artscouncil.org.uk/sites/default/files/download-file/CDF3_guidance_for_applicants_29042022.pdf</p> <p>ACE Libraries Improvement Fund Round 2 - Local authorities making an application on behalf of a library service in England can apply for capital expenditure between £50k - £499k The fund is to enable library services in England to upgrade buildings and technology. Expressions of Interest are invited between 23 May & 27 June 2022. Then if invited a full online application form between 13 July & 13 Sept 2022. Further details are at</p>	<p>Opening up</p> <p>Cultural organisations are reporting continued recruitment difficulties and issues of wage inflation. Where as for some companies the quantity of staff isn't a problem, recruiting those with sufficient skills and experience is difficult. Some have imaginative skills development programmes and are planning apprenticeships to grow the talent base in the city.</p> <p>Public sector grants have largely been at stand-still since 2009 and inflationary pressures are causing significant difficulties across the sector.</p> <p>Funds announced</p> <p>Several cultural and creative sector funds have been announced recently. Officers are assessing likely potential bids from the city and cultural partners, disseminating information to partners as appropriate.</p> <p>ACE 2023-26 Investment Programme</p> <p>The application process closed in 18 May 22 for companies wishing to secure ACE core NPO (National</p>
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<p>https://www.artscouncil.org.uk/funding/libraries-improvement-fund-round-2#section-1</p> <p>ACE - Museum Estate and Development Fund Round 2 - Non-national Accredited museums based in England, and/or Local authorities based in England who are responsible for maintenance of non-national Accredited museum buildings can apply for between £50k & £5m of capital funds. Applicants to submit an Expression of Interest between 9 May & 17 June 2022. Then if invited a full online application form between 18 July & 23 Sept 2022. Further details are at https://www.artscouncil.org.uk/funding/museum-estate-and-development-fund-mend-round-2#section-1</p> <p>DCMS/Wolfson Museums and Galleries Improvement Fund 2022-24 - Grants of up to £300,000 are available to eligible museums/galleries to undertake capital projects that improve displays and interpretation of collections, enhance visitor experience and access or improve the care and storage of collections. Further details are at: DCMS/Wolfson Museums and Galleries Improvement Fund 2022-24 - GOV.UK (www.gov.uk)</p> <p>Community Ownership Fund Round 2 - The government's fund through which voluntary and community groups can bid for match funding to take ownership of assets and amenities at risk of being lost and run them for the benefit of the local community.</p>	<p>Portfolio Organisation). Programme priorities are in line with the ACE 10 year 'Let's Create' strategy. ACE made a priority funding announcement on 23/2 as an addendum to programme guidance. The Secretary of State for Digital, Culture, Media & Sport has issued an instruction for ACE align resources with the Government's Levelling Up priorities.</p> <p>It is expected that a high number of cultural organisations from Manchester will be applying to this programme.</p> <p>Support for Artists & Freelance practitioners</p> <p>Following the successes and impact of programmes - 'The Greater Manchester Artists' Hub' and the Independent Artists Initiatives, which were developed during the pandemic - these projects are merging to create a combined programme with fundraising linked to the ACE 2023-26 Investment Programme by a lead cultural partner.</p> <p>MADE</p> <p>The MADE Cultural Education Partnership, whose work was</p>
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	<p>Round 2 programme launch expected week beg. 23 May & bidding window opens from 6 June 2022. The Department for Levelling Up, Housing and Communities will be hosting webinars on in June.</p> <p>UK Global Screen Fund - Govt has confirmed this fund will be extended for three years with additional funding of £21m. The funding will be used to increase exports of UK film, TV and video games & help UK producers collaborate with international partners. It is split into 3 strands: the International Co-production strand the first of which is open to applications 17 May. Further details are at: UK Global Screen Fund BFI</p>	<p>accelerated during lockdown is looking to establish its programme and has been included into an application to the ACE 2023-26 Investment Programme led by the lead cultural partner.</p>
<p>Development</p>	<ul style="list-style-type: none"> • <i>Continued development interest in the city for both commercial and residential scheme.</i> • <i>All schemes are back on site, and construction levels increased since the beginning of the pandemic, although with some overall delays to programmes.</i> • <i>Risks around supply chains/access to materials, with associated increases in costs.</i> • <i>Access to finance for hotel and retail schemes likely to be more challenging.</i> • <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> 	<p>Renaker submits school plans: the developer has submitted further documents after their outline planning permission for a 210-pupil school was approved in 2020. The school will have three storeys, with a rooftop playground. Construction is expected to start this year, with completion in 2024. Planning ref: 133516/MO/2022</p> <p>Unite Students upgrade plans: a total of £65m will be spent refurbishing three towers; Parkway Gate, Kincardine Court and New Medlock House.</p> <p>Piccadilly refurb approved: Legal & General's plans to remove the roof</p>

- *Long term impact on office demand being monitored on an ongoing basis, but positive indications from office agents and the Business Sounding Board, with recent reports of increased demand, especially for flexible, high quality office space.*

Emerging Trends in Real Estate Europe 2022: the [annual survey by PwC](#) and the Urban Land Institute (ULI) has seen a significant leap in confidence going into next year. It surveys property professionals, and the results reveal that the sector is recording the highest levels of business confidence since 2014. However, the areas the industry are most concerned about are [construction costs and resource availability](#), availability of suitable land/assets and the continually updating sustainability requirements.

between the two pavilions at the Gardens and create public art [there have been approved.](#)

Viadux construction continues: Salboy have submitted a further application for the [second phase of the development.](#)

The 14-storey office building will deliver 240,000 sqft when complete.

Arena refurb to commence: the [AO Arena will get redevelopment](#) works underway this summer. The comprehensive programme will increase its capacity from 21,000 to 24,000, improve access into the building and upgrade the backstage areas.

HS2 acquisition: [Square One on Travis Street](#) has been purchased off Bruntwood, following its purchase of a Store Street site in April 2021.

First Street office approved: [on plot 9A at First Street](#), the office building will provide 180,000 sqft of space with additional amenity facilities.

No.1 First Street for sale: JLL is marketing the [office building](#) on behalf of the owners for offers over £73m.

		<p>Globe Building completes: the office building at St John's has reached practical completion. The building will be occupied primarily by WPP, a multinational comms and advertising agency.</p> <p>NOMA offices change: revised planning applications have been submitted for buildings 2 and 3 Angel Square to deliver more office space than the previous plans approved in 2019. Under the reworked plans, 2 Angel Square would be 14 storeys and deliver 197,926 sqft of office space and a further 17,200 sqft of commercial space. 3 Angel Square would be 13 storeys, delivering 241,531 sqft of office space and 22,690 sqft of commercial space. This is a combined 44,000 sqft and 6 floors more than the previous submission.</p> <p>Office building for refurb: 52 Princess Street will be the latest historic building to be refurbished in the city centre. Plans include a new reception, updates to the office accommodation and cycle storage, showers, and lockers in the basement.</p>
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		<p>Restaurant confirmed for St Michael's: Chotto Matte, a fusion of Peruvian and Japanese cuisines, will open on the rooftop of the St Michael's development in 2024.</p> <p>Office building sold: 44 Peter Street (25,200 sqft) has been sold to Investream for a price of £6.9million.</p> <p>MAG: as part of phase 2 of the airport redevelopment plans, MAG will build a three-storey pier to create 10 new departure gates and six airport nodes at T2. Once a contractor has been procured, it should begin in Q2 2023 and be complete around two years later.</p> <p>Siemens to sell campus: the firm is looking to sell its main base in Manchester, at the Didsbury Technology Park on Princess Parkway. Whilst Siemens has the freehold, MCC holds a restrictive covenant over it, stipulating it must be used for offices.</p> <p>Lettings: at Base on Greenheys Lane at Manchester Science Park, Urbanchain, a platform for buying and selling energy, will move to the space when it completes in the summer.</p>
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<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 • 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. 	<p>532 new affordable homes were completed across Manchester in 2021-22 – the highest annual figure in the last 10 years. This includes 263 social rent, 159 affordable rent, 70 shared ownership and 40 rent to buy homes.</p> <p>Notable completions in 2021-22 include:</p> <ul style="list-style-type: none"> • 3 Extra Care schemes including 2 delivered by Southway at Gorton Mill House (106 homes) and Dahlia House (56 homes) and Onwards' Oaklands House (36 homes) completed in March • One Manchester have completed over 170 new affordable homes in 2021-22 including the UK's first zero carbon homes at Blackrock Street • 48 large family homes have been bought & refurbished for homeless families through the Housing Affordability Fund <p>In addition, there are currently over 980 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</p>
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		<p>Former Edge Lane Business Centre (216 homes) and the Former Belle Vue Stadium Site (130 affordable homes).</p> <p>In addition, there are currently 5 schemes across the city centre under construction and set to deliver affordable housing. FEC's Victoria Riverside (128 affordable homes), Great Places / Manchester Life's Ancoats Dispensary (39 homes), Swan Street (19 homes), Addington Street (50 homes) and Islington Wharf (54 affordable homes)</p> <p>Updates on further key schemes:</p> <ul style="list-style-type: none"> • 276 new affordable homes at The Former Boddingtons Brewery Site to be delivered by Latimer, the development arm of Clarion, have been given planning permission • The second site to be delivered through This City has been revealed at Postal Street in the Northern Quarter – set to deliver around 100 homes incl. 20% let at the LHA rate • Construction continues on MCC's development of 69 older persons social rent homes at Silk St in Miles Platting &
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		<p>Newton Heath with handover of the first homes due for later in 2022</p> <p>There is growing evidence – including through feedback from MHPP - that problems with supply chains for products and materials are beginning to impact on delivery timescales and costs.</p>
<p>Transport and Infrastructure</p>	<p>Active Travel Fund Round 3</p> <p>On 14 May Government announced Greater Manchester authorities had been awarded £13.07m for schemes under the Department for Transport’s Active Travel Fund. Following proposals submitted as part of funding bid led by TfGM, MCC has been awarded a total of £3.95m to support delivery of the Alan Turing Way and Fountain Street/High Street schemes.</p> <p>GM Clean Air Plan review</p> <p>On 13 May the Mayor of Greater Manchester and the GM Lead for Clean Air wrote to the Environment Secretary calling for an investment-led, non-charging Clean Air Plan for Greater Manchester. Work on the GM CAP review is continuing and MCC officers and members are involved in that work as part of established governance. Under the revised legal direction, the GM authorities have been directed to submit a revised plan to Government by 1 July 2022.</p>	<p>Summary of transport activity for week ending 15 May (GM-wide)</p> <ul style="list-style-type: none"> • There were an estimated 50.8m trips made in Greater Manchester – 4% above the previous week. • Compared to the equivalent week in 2019, trip levels were: <ul style="list-style-type: none"> • Total trips down 2% • Bus down 16% • Metrolink down 30% • Rail down 18% • Cycling down 19% • Walking up 13% • Highways down 2% • Public transport trips were up 6% on the previous week, with bus up 11% and rail down 4%, and no change to Metrolink. <p>Compared to the same period in</p>

		<p>2019 public transport trips were down 18%.</p> <ul style="list-style-type: none">• Improved weather conditions supported an increase in active travel (walking and cycling) activity which was up 5% compared to the previous week.• During the 28-day period ending 15 May 2022, there were approximately 198 million trips across all modes. This is 4% above the previous 28-day period but 3% below the equivalent period during 2019. <p>• Regional centre and Manchester: During the week ending 8 May, there were an estimated 3.3 million trips with an origin or destination in the Regional Centre. This is 70% of the pre-pandemic baseline (November 2019).</p> <ul style="list-style-type: none">• Weekend trips remain closer to pre-pandemic levels, at c.80% of the November 2019 baseline, while weekday trips are c.66% of the baseline.• The reduction in Regional Centre trips was driven by changes in
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		<p>behaviour related to the Bank Holiday. Trips on Bank Holiday Monday were 12% lower than the previous week. With weekday AM peak trips also reducing by 9%, this is likely to be due to fewer commuting trips to the RC.</p>
<p>Skills, Labour Market and Business Support</p>	<p>Employment Headlines include</p> <ul style="list-style-type: none"> • In March there were 26,070 claimants of unemployment benefits in Manchester – up 1% from the revised February's figure of 25,795 claimants. Unemployment for individuals aged between 16 and 24 shows the biggest fall in the last 11 months. • The number of Universal Credit claimants has shown a month by month decrease since April 2021 when there were 79,300 claimants. March's provisional figure shows 75,904 claimants. • In April there were 32,931 job vacancies down 1% from the previous month. 	<ul style="list-style-type: none"> • DWP Way to Work offer is taking shape locally • Continue to work with Government Departs looking to increase workforce in the City, MIDAS co-ordinating • Work and Skills offer to people arriving from Ukraine prepared and co-ordinated activity will take place through Employment Partnership. • Supported Social Care Providers with recruitment activity at internal and external events in May. <p>Airport</p> <ul style="list-style-type: none"> • Careers event held at Wythenshawe Forum on 28th April. 38 employers attended (including MAG). 330 residents visited the event last month.

		<ul style="list-style-type: none"> • Further event planned 24 May at the Forum. <p>Working with Interstate – owner of two new airport hotels (Holiday Inn and IBIS) to support recruitment to a range of roles across the summer.</p>						
	<p>Offer 16-19 Year Olds & Youth Employment</p> <p>CCIS Update: Feb DfE Submission</p> <table border="1" data-bbox="537 1089 1102 1333"> <tr> <td>Known</td> <td>3.4% (increase from last update 3.1%)</td> </tr> <tr> <td>Unknown</td> <td>1.2% (decrease from last update 1.7%)</td> </tr> <tr> <td>Combined</td> <td>4.6% (decrease from last update 4.8%)</td> </tr> </table>	Known	3.4% (increase from last update 3.1%)	Unknown	1.2% (decrease from last update 1.7%)	Combined	4.6% (decrease from last update 4.8%)	<ul style="list-style-type: none"> • ILACS Ofsted announced and underway for Children’s Services between 21st March to 1st April 2022. • Post 16 Sufficiency research (to establish the capacity needed in FE) has been completed and shared with Exec Members and with the Post-16 Reference Group for actioning recommendations. A review and
Known	3.4% (increase from last update 3.1%)							
Unknown	1.2% (decrease from last update 1.7%)							
Combined	4.6% (decrease from last update 4.8%)							

	High* Risk of NEET	Medium* Risk of NEET	Total
2021 return Total Y11 cohort – 5816	9.7%	10.4%	20.2% (1173)
2022 return Total Y11 cohort - 6460	9.3%	10.6%	19.9% (1285)

* High risk of NEET is classified as having more than one identifying characteristic increasing likelihood of NEET. Medium risk of NEET is one characteristic.

recommendation-focused Task & Finish group in place.

- NEET Prevention Panel pilot launched in March 2022 – established meetings in all districts to deliver localised NEET reduction activity .
- NEET Locality Taskforce pilot to be launched in April 2022.
- NM SV Education Strategy will be finalised in April 2022.
- Targeted intervention projects in partnership with Mcr Youth Zone, The Mcr College, Prince’s Trust agreed in principle and being developed.
- Career Connect awarded £30,000 for summer transition activity with a focus on RONI YP with transition Guides being refreshed and circulated in April.

Schools data for current year 11 students who show specific characteristics **increasing the likelihood of them becoming NEET in the future**. The table opposite shows data for 2021 and 2022.

- Schools are concerned that the current cohort of Y11 students

		<p>are likely to be affected by interrupted formal education over the last 2 years.</p> <p>NEET prevention panels in place for North / Central / South schools</p> <ul style="list-style-type: none"> • Multi partners offering tailored interventions for high-risk young people with no September destination. • 80 referrals made to providers such as Career Connect for NEET prevention and engagement activity. • NM Social Value Education Strategy has been finalised. • Targeted intervention projects in partnership with Mcr Youth Zone, The Mcr College, Prince's Trust agreed. Summer
	<p>Skills and employment support for adults</p> <p>Challenges -</p> <ul style="list-style-type: none"> • Need to reflect on delivery of the Digital Inclusion Action Plan programme so far. The landscape looks very different to what it was 12 months ago. A number of review workshops and 1-1 conversations with funders to shape objectives and outputs for the new year. 	<p>MAES and W&S are working with the Adults to recruit to Health and Social Care roles. Current and previous MAES learners from H+SC courses invited to join information sessions. 90 expressed an interest in attending the sessions which will take place next month. MAES will deliver pre-employment training for anyone who wants to progress.</p>

	<ul style="list-style-type: none">• CRF and Arcadis funded North Manchester and digital projects – need for the two to complement each other without duplication.• Challenge with a place-based approach – how do we work better and smarter with neighborhoods services and community groups around them to better focus and reach more residents.• Digital Volunteer fatigue and drop off – how to reengage volunteers in 2022 to ensure the service is still effective.	<p>MAES are planning an increased offer for after Easter now that delivery in centers is unaffected by the pandemic. In addition to the core offer, this includes Level 3 courses in Mental Health, Counselling, Education and Training.</p> <ul style="list-style-type: none">• MAES & Wrc +Skills preparing a Supported Employment Bid for DWP Local Supported Employment Fund• Workshop event, linking live Health and Social Care (H&SC) vacancies with training providers took place in May 2022.• Manchester Adult Education and Skills Awards set for 30th June at SODA. Nominations and sponsorship packages open and being promoted closing date is 22 May.• Adult Education Budget funding has been announced for 2022/23, worth up to £150k of funding (including ESOL). Work
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		<p>is ongoing with the libraries to extend the digital inclusion work.</p> <ul style="list-style-type: none"> • GMCA is consulting on Multiply (raising numeracy skills), under the UK Shared Prosperity Fund. Manchester City Council has provided input. • Commissioned Digital Advantage to deliver a test and learn internship programme for residents with special education needs. The commission is worth £50k.
	<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>Ensure that MCC’s approach to SV reflects current economic circumstances and <i>Think</i> recommendations.</p>	<p>CLES have submitted their final report to officers with detailed findings and recommendations on social value, which officers are currently reviewing and will be taking forward actions on the back of the recommendations.</p> <p>RBDXP-digital transformation System</p> <ul style="list-style-type: none"> • Work and Skills were part of the Tender process for the Social Value 20% Weighting. • Key focus on The Digital Strategy ambitions.

	<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>PlanBEE Manchester – Higher level apprenticeship in Built Environment</p> <ul style="list-style-type: none"> • Twelve 2nd year sponsors signed up and from key Projects in the City: <p>MLCO social value</p> <ul style="list-style-type: none"> • MLCO held a social value workshop on 22 April with commissioning and contracting staff. A workstream now set up to take forward social value in upcoming MLCO procurements.
	<p>Business Support, Sustainability and Growth</p> <p>Business Grants</p> <p>The last of the Business Grant schemes were completed and final audited details of the grants will be available in the next month. The council has paid out in the region of £234m in grants to businesses across Manchester</p>	<p>SMEs, District Centre and High Street Business support – Roadshows</p> <ul style="list-style-type: none"> - The first event 22 March at the Peace Garden, Moston Lane. - Over a 2 day period engaged 75 businesses on the day - 15 businesses took up an offer of business support and follow up now being undertaken - Partners included - Biffa, NHS, youth based provision as well as business support partners,

	TOTAL (to date)	
	Count	Grant (£)
Local Restriction Support Grant	19,683	47,197,226
Closed Bus Lockdown Grant	3,930	15,313,497
Omicron Hosp, Leisure Grant	1,413	5,743,503
Additional Restriction Grant	8,570	21,916,200
Restart Grants	3,842	32,552,936
Total LRSG / ARG / Clsd Bus LD Grant / Restart	37,438	122,723,362
Small Business Grant	6,464	64,640,000

neighbourhood team and environmental health / covid response team.

- Next event is **Central Area** - linking with the Neighbourhood team to coincide an event with a market day to engage market traders
- Leaflets will be produced for the next event and engagement will be undertaken 1 week prior to the event
- TfGM will join this group to undertaken business engagement, also partners from the Strive Programme (Mastercard) will also support forthcoming events.

Supporting SMEs, District Centre and High Street Business – SME Roadshows

- Next event is **Longsight 25 May** linking with the Neighbourhood team to coincide the event with market day as we will be based on Longsight market and have a market stall for the day
- Business engagement to be undertaken 20 May and flyers

Small Retail, Hospitality & Leisure @ £10k	628	6,280,000
Medium Retail, Hospitality & Leisure @ £25k	1,398	34,950,000
Local Auth Discretionary Fund Grant	958	5,422,500
Total SBG / RHL / LADFG	9,448	111,292,500
Total Allocation to Date	46,886	234,015,862

have now been produced to take out and promote event

- The next event for June is being discussed and will be in Wythenshawe / South discussions underway with Neighbourhoods to determine location and dates

GM Match Programme Launched in Manchester which aims to support local business networking.

- Next Manchester event is in the Art Gallery on 12 July in the Art Gallery

GM Leadership Hive launched (May) at Circle Square. It's a collaboration with the 4 main GM Universities and Business Growth Hub to provide an online Leadership learning platform for 400 SME business leaders.

	<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>Supporting Afghan and Ukraine arrivals:</p> <ul style="list-style-type: none"> - Continued support for Afghan and Ukraine arrivals. <p>CERI Project</p> <ul style="list-style-type: none"> - Bids received for Communities Experiencing Racial Inequality pilot with evaluation being concluded.
<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>Funding In Progress</p> <p>Levelling Up Fund</p> <ol style="list-style-type: none"> 1. Prospectus issued for Levelling Up Fund Round 2 with a closing date of 6th July. Successful projects will be notified in the Autumn, with work to start this financial year and be completed by 2025. 2. Manchester City Council eligible to apply for up to 4 bids for round 2.

UK Shared Prosperity Fund 3 year of funding announced.

Pre-guidance notes were issued alongside the Levelling Up White Paper.

1. £2.6 bn of new funding for local investment by March 2025, as part of a suite of complementary Levelling Up funding.
2. £84 million for main fund in Greater Manchester (+ £14m ringfenced for Multiply, adult numeracy programme.)
3. GMCA to submit an investment plan across 3 themes by 1st August
 1. Communities and Place
 2. Supporting Local Business
 3. People and Skills
4. Empower each place to identify and build on their own strengths and needs at a local level, focused on pride in place.
5. Initial template completed and submitted to GMCA on behalf of Strategic Director for Growth & Development.

6. Workshops around each theme to take place shortly with Directors of Place and other key stakeholders.
7. Wider stakeholder group to be involved in the governance of the GM SPF. All 27 GM MPs to be involved – likely needing local engagement with MPs across the 10 Districts
8. Up to 4% of the allocation (c. £3m) can be spent by the GMCA on managing the programme.
9. Confirmation of Investment Plans and allocation to be made in Autumn 2022, with first payments to follow.

Funding Announcements

Green Heat Network Fund

1. Green Heat Network Fund (GHNF) is a three-year, **£288m capital grant fund which opened** in March 2022 and will run quarterly until 2025.
1. It will fund up to 50% of the cost of commercialisation and

		<p>construction of new low and zero carbon (LZC) heat networks and the retrofitting and expansion of existing heat networks.</p> <ol style="list-style-type: none">2. Potential projects within Manchester could include decarbonising the existing Manchester Central heat network or construction of new networks.3. Prior to applying for the fund, a feasibility study would be required for each project. This requires applying to the Heat Network Delivery Unit first.4. Based on initial enquiries, within Manchester there is currently 1 site which may be suitable for the GHN and 11 other sites which are sites of potential interest.5. Further work will be undertaken by the Zero Carbon Buildings & Energy workstream. <p>Community Ownership Fund</p>
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		<ol style="list-style-type: none">1. £150 million over 4 years across the UK2. Community and Voluntary groups can ask for up to 50% funding to take ownership of assets and amenities at risk of being lost and run them for the benefit of the local community.3. Round 1 in 2021 saw 21 bids at a total of £5.3 million funded.4. The Community Ownership Fund intends to launch the updated prospectus and assessment criteria guidance in the week commencing 23 May 2022 with a view to opening the first bidding window in the week
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		<p>commencing 6 June 2022.</p> <p>5. Webinars are being hosted by DLUHC on 6th and 18th June.</p>
<p>External Lobbying</p>	<p>Current challenges are:</p> <ul style="list-style-type: none"> • To maximise the amount and flexibility of national funding offers to Manchester and GM • To work with our partners to lobby UKGOV in relation to cost of living crisis, particularly the impact of welfare reform • To advocate for and influence delivery of the wider levelling up agenda 	<p>We are working closely with GMCA around the delivery of UKSPF and Levelling Up Fund – see above.</p> <p>Work on wider lobbying of government on cost of living and welfare reform is to be picked up through Marmot and Poverty Strategy work, recognising our limited influence in this area.</p>