



# **Economy and Regeneration Scrutiny Committee**

Date: Tuesday, 7 November 2023

Time: 10.00 am

Venue: Council Antechamber, Level 2, Town Hall Extension

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

## **Access to the Antechamber**

Public access to the Council Antechamber 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.

## **Filming and broadcast of the meeting**

Meetings of the Economy and Regeneration Scrutiny Committee 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 Economy and Regeneration Scrutiny Committee**

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**Councillors** - Johns (Chair), Abdullatif, Benham, Hussain, Iqbal, Northwood, Richards, I Robinson, Shilton Godwin and Taylor

## First Supplementary Agenda

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6. **Investing in Success: An Economic Strategy for Manchester** 3 - 42  
Report of the Strategic Director (Growth and Development)

This report presents the final economic strategy which will be taken to Executive on 15 November, and describes the development process followed in creating the strategy.

7. **Revenue Budget Update 2024/25** 43 - 50  
Report of the Deputy Chief Executive and City Treasurer

The Council is forecasting an estimated budget shortfall of £46m in 2024/25, £86m in 2025/26, and £105m by 2026/27. After the application of approved and planned savings, and the use of c£17m smoothing reserves in each of the three years, this gap reduces to £1.6m in 2024/25, £30m in 2025/26 and £49m by 2026/27. This position assumes that the savings approved as part of the Medium-Term Financial Strategy in February 2023 of £36.2m over three years are delivered.

This report provides a high-level overview of the updated budget position. Each scrutiny committee is invited to consider the current proposed changes which are within its remit and to make recommendations to the Executive before it agrees to the final budget proposals in February 2024.

## Further Information

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

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This first supplementary agenda was issued on **Wednesday, 1 November 2023** 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 Resolution**

**Report to:** Economy and Regeneration Scrutiny Committee – 7 November 2023  
Executive – 15 November 2023

**Subject:** Investing in Success: An Economic Strategy for Manchester

**Report of:** Strategic Director (Growth and Development)

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### Summary

This report presents the final economic strategy which will be taken to Executive on 15 November, and describes the development process followed in creating the strategy.

### Recommendations

The Committee is recommended to:

1. Consider and comment on the contents of the report in advance of the strategy being taken to Executive.

The Executive is recommended to:

1. Adopt the new Economic Strategy for Manchester
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### Wards Affected: All

<p><b>Environmental Impact Assessment</b> - the impact of the issues addressed in this report on achieving the zero-carbon target for the city</p>
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<p>The report proposes that achieving a carbon neutral and climate resilient economy should be one of five outcomes of this work, and that the transition to a zero-carbon economy will in itself create new opportunities through investment in the wider low carbon sector. However, members should also be aware that increased wealth is also usually associated with increased consumption. By making Manchester's economy fairer and more inclusive, there is a risk that per capita emissions would rise, hence the importance of delivering the Climate Change Framework and ensuring a rapid transition away from fossil fuels. It is also relevant to note that denser, better-connected cities are usually more carbon efficient than less dense cities due to the increased viability of public transport and active travel.</p>
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**Equality, Diversity and Inclusion** - the impact of the issues addressed in this report in meeting our Public Sector Equality Duty and broader equality commitments

The main focus of this work is to make Manchester's economy fairer, to ensure that more people benefit from economic growth and that this benefit is equitable. The strategy suggests including more people in economic opportunity as an outcome.

A full equalities impact assessment has been completed and identified two actions that will need to be taken forward over the life of the strategy to consider the support mechanisms and specific interventions which can be implemented to minimise disadvantages, promote inclusion, and meet the needs of individuals or groups because of their characteristics, in particular older people, disability, race, and people living in poverty.

Manchester Strategy outcomes	Summary of how this report aligns to the OMS/Contribution to the Strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	<p>This report proposes a route to directly deliver on the Our Manchester priority <i>"We will work to ensure Manchester has a strong, inclusive and innovative economy with diverse growth sectors, where our residents are recognised for their contribution via fair contracts and are paid at least the Real Living Wage."</i></p> <p>By working to encourage inclusive growth, this strategy will contribute to all Our Manchester themes by:</p> <ul style="list-style-type: none"> <li>• Growing and diversifying the economy</li> <li>• Create new, highly skilled job opportunities</li> <li>• Working harder to connect our residents to the city's economy success</li> <li>• Supporting the transition to a zero carbon economy</li> <li>• Supporting investment in the infrastructure we need to thrive and grow</li> </ul>
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	

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 budget consequences arising from this report. The delivery of the strategy will be met through existing resources.

### 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.

- Economic Strategy Update, Economy and Regeneration Scrutiny Committee, 5 September 2023
- Economic Strategy Update, Economy Scrutiny Committee, 10 November 2022
- Developing a More Inclusive Economy; Our Manchester Industrial Strategy, Executive, 11 September 2019
- Powering Recovering: Manchester's Recovery and Investment Plan

## **1.0 Introduction**

- 1.1 In September 2023 officers presented an update on work to develop a new economic strategy for Manchester which would set out how the city would continue to achieve economic growth while also making sure that Manchester's economy fulfils its function as the main driver of prosperity for people living in the city.
- 1.2 Development work on the strategy has now concluded. This paper presents the final strategy (appendix 1) and details the process followed in its development.
- 1.3 The final strategy will be considered at Executive in November 2023 with the recommendation to adopt the new Economic Strategy for Manchester. Which will supersede the previous Local Industrial Strategy and Powering Recover.
- 1.4 The detailed economic analysis that supports this work is included in the report prepared for Executive but has been omitted from this report due to being largely identical to the information presented at the September 2023 meeting. Other content that is similar to the previous report has seen some changes to wording or include new information.

## **2.0 The development process**

- 2.1 Officers have used a mixed methods approach in developing the new strategy. This combines detailed research and analysis with listening and engagement activity to take on board and understand the views of Manchester residents and businesses. Officers in the Strategy & Economic Policy Team have led this process, working closely with officers in other departments across the Council.
- 2.2 The process has included the following components:
- Literature review of recent research publications with analysis to identify common themes, trends and recommendations.
  - Academic engagement with University of Manchester (via Policy@Manchester) colleagues to gain academic input into the development process.
  - Development of a data baseline of relevant indicators and measures which describes Manchester's economic context and economic performance.
  - Direct engagement with business networks, partnership boards and resident's groups in Manchester, in particular targeting residents from diverse communities and those residents that we know are harder to reach.
  - Online engagement through social media, online surveys and events to reach a wider cohort of Manchester residents and businesses.
- 2.3 The findings from this work were presented in the September 2023 report to this committee, but is summarised here for ease of reference:

- Manchester has low productivity for a city of its size when compared to European and North American comparator cities.
- The level of political, economic and institutional centralisation in the UK is a major barrier to cities increasing productivity and growth.
- At a national level, there has been a lack of consistent and effective policy intervention to make any meaningful impact on the problem.
- Regional private sector investment is low when compared to other cities internationally, and in the UK is heavily weighted towards London.
- Regional research and development investment is also low when compared to other cities internationally and is again weighted towards London.
- The impact of austerity has reduced the capacity of public services to enact policies to support growth.
- UK regional investment in transport infrastructure is very low compared to other countries, with the bulk of spend going towards London and the south-east.
- Lack of affordable housing is a constraint on growth as housing expenditure eats up a greater proportion of incomes, and spending on housing doesn't directly support spending in the wider economy.

2.4 Outputs from these components have been used to develop the themes and priorities detailed later in this report. Further engagement with members will take place prior to a final strategy going to Executive in November 2023.

### **3.0 Resident and worker engagement**

3.1 The first round of engagement with people who live and work in Manchester took place during July and August 2023 and provided an early opportunity for those living and working in Manchester to input into the development of the strategy. During the engagement we asked individuals to reflect on the challenges and opportunities created by growth in Manchester.

3.2 Engagement activities included in-person conversations with residents and workers, meetings with representative bodies, and a phase 1 city-wide online survey. To ensure a spread of responses from across the city, in-person conversations took place at 9 locations and community events across Manchester's neighbourhoods, including in Wythenshawe, Blackley, Longsight and Gorton markets, Cheetham, and Withington. Targeted engagement took place with 8 representative bodies and networks to ensure representation of Manchester's residents, this included conversations with the Community Health Equity Manchester (CHEM) sounding boards and Age Friendly Manchester Older People's Board Meeting.

3.3 The phase 1 city-wide online survey was promoted through corporate communication channels and officer networks. It was completed by 238 individuals who lived or worked in Manchester. Key findings from the survey included:

- 68% of respondents agreed to some extent with the statement “The recent growth of the city has created opportunities for me”. Respondents were given the opportunity to comment on the reason for their answer. Analysis of the comments took place and most respondents talked about the employment opportunities created through the recent growth of the city.
- 64% of respondents agreed to some extent with the statement “The recent growth of the city has created challenges for me”. When asked to comment on the reason for their answer respondents talked about challenges with transport, rising housing costs, and the benefits from growth not always being distributed evenly across Manchester’s neighbourhoods.
- Respondents were asked what their hopes were for Manchester’s economic future, to which most responses were positive. Most respondents spoke about wanting more employment opportunities, affordable housing, and their support for the continuing growth of Manchester.
- Finally, respondents were asked what they thought the Council’s main priority should be to ensure that all residents are able to benefit from economic growth. Most respondents spoke about affordable housing, investment in transport, and investment in community and support services.

3.4 The phase 1 online survey was completed by a mix of people who live and/or work in Manchester. Most respondents to the survey provided demographic information in addition to the survey questions:

- Most respondents lived in Manchester (70%), followed by the Greater Manchester region (26%), the Northwest (2%), and outside the Northwest (2%).
- Most respondents identified with a White ethnic origin (75%), followed by Black ethnic origin (6%), Asian ethnic origin (6%), Mixed or multiple ethnic groups (2%), and a other ethnic group (1%). The remaining respondents did not state their ethnicity.
- 14% of respondents advised that their day-to-day activities had been limited because of a health problem, long-term condition, or disability.
- 13% of respondents reported that they were a carer.
- Most respondents reported that their highest level of qualifications was a level 4 qualification or above (69%), followed by other qualifications (11%), level 3 qualifications (7%), level 2 qualifications (2%), apprenticeship (2%), level 1 and entry qualifications (1%), and no qualifications (1%). The remaining respondents did not state their level of qualification.
- Most respondents described their employment status as in full-time employment (75%), followed by part-time employment (12%), self-employed (4%), unemployed (3%), retired (3%), student (2%), volunteer or freelancer (1%).

3.5 From the qualitative conversations across Manchester’s neighbourhoods and at community events there was a clear message from residents that they wanted to see more investment and opportunities in their local areas. Most of the opportunities and challenges identified through these conversations echoed the findings from the online survey.



## 4.0 Business engagement

4.1 Businesses were engaged through a mix of in-person meetings with key networks and stakeholders, and an online survey that ran alongside the resident engagement survey during July-August 2023.

4.2 The online questionnaire surveyed their future expectations, what would enable them to succeed, and how they could help more Manchester residents benefit. It also asked them to identify their priority needs.

4.3 There were 43 responses to the online survey from businesses and the responses were highly engaged.

- 72% were based in Manchester, with 22% in Greater Manchester
- 51% were microenterprises, with 40% SMEs, and 9% larger businesses
- A broad spread of business sectors responded, including nearly a quarter from Health and Social Care
- Suitable premises and access to finance were identified as the most important factors going forward
- Nearly all respondents had hopes for growth in the next five years, and were keen to do that in Manchester.
- Alongside requiring more investment to make this growth possible, the role of the council as both an enabler, and support for business was mentioned most frequently, reflecting the number of social businesses responding.

4.4 This was supported by one-to-one discussions with business networks and other stakeholders including BW3, Business Sounding Board, Our Manchester Business Forum, Marketing Manchester and Manchester Airport, CityCo and the Bangladeshi and Pakistani Sounding Boards.

## 5.0 Phase 2 Online Survey

5.1 A second survey was undertaken in October 2023 on the draft priorities for the Economic Strategy. The purpose of this survey was to test out that officers' interpretation of the information provided during the initial engagement with residents, workers and businesses was accurate, and to provide a final opportunity for stakeholders to identify any remaining gaps within the strategy.

5.2 The survey was open from 9 October to 22 October 2023 and was promoted through corporate communication channels and officer networks. Paid for social media adverts were also used to target Manchester's neighbourhoods which were underrepresented in the initial online survey.

5.3 475 responses have been received from individuals who live or work in Manchester and 36 responses received from businesses.

5.4 The survey asked respondents if they agree or disagree with a simplified version of the strategy's objectives. The overall agreement rate for this strategy is extremely positive, and most of the objectives have an agreement rate of over 90%. However, several priorities have an agreement rate below 90%:

- Priority 1: Creating more residential and commercial spaces in suitable locations across and near to the City Centre (79% agree)
- Priority 1: Building on Manchester's positive track record of attracting investment, particularly in property, and increase investment in other areas e.g., research & development, and innovation (75% agree)
- Priority 4: Developing a Manchester standard for net zero construction via the Local Plan which incorporates both the construction and operation phases. (83% agree)
- Priority 4: Developing a Manchester Adaptation and Resilience Plan to respond to current and future climate change impacts. (86% agree)
- Priority 4: Increasing the share of community and democratically owned businesses in Manchester. (87% agree)
- Priority 5: Working with developers and investors to Manchester to generate more employment opportunities for residents from large scale development projects. (89% agree)

5.5 The survey provided the opportunity for respondents to give free text commentary to feedback if they had disagreed with a priority and a final opportunity to outline any gaps they felt were missing from the strategy. Comments have been used to inform final amendments to the strategy. The priorities and objectives of the strategy are summarised in section 6 of this report and included in full in appendix 1. The main changes made on the basis of resident feedback include:

- Strengthening wording throughout the strategy to reinforce the importance of our net-zero commitments.
- Making clear that investment in Manchester's property market is required as part of the solution to meeting our housing need.
- Including an additional objective on the economic potential of neighbourhoods without large scale investment or development projects.

## 6.0 Our response to these challenges

6.1 Responding to the evidence base that we have developed, we know that the next stage of Manchester's economic growth needs to build on the strong foundations of the last 20 years and must utilise the city's assets for the benefit of Manchester residents. Future success is dependent on ensuring that Manchester remains a competitive, dynamic, diverse and attractive place for investment. This requires improvements to the city's infrastructure and environment, the creation and management of high quality liveable neighbourhoods, major public and private sector investment to transform some key areas of the city and ensuring that employers have access to a diverse pool of talent.

- 6.2 Importantly, the Strategy must not try and become another version of the Our Manchester Strategy but must focus on the issues that are central to the city's future economic growth. An economic strategy will be positioned as the route to delivering the Our Manchester priority "We will work to ensure Manchester has a strong, inclusive and innovative economy with diverse growth sectors, where our residents are recognised for their contribution via fair contracts and are paid at least the Real Living Wage". This would ensure logical flow from Manchester's existing strategic framework.
- 6.3 It is also important to note that we already do a lot of good work under these objectives. This work will be captured in the new strategy, for example how we are using the Digital Strategy to provide good digital infrastructure, the Work and Skills Strategy to upskill residents, or the housing strategy to increase the number of homes and affordable homes.
- 6.4 The vision for the strategy is:
- We want Manchester's economy to function as a net-contributor to UK GDP and provide the best possible opportunities for our residents. This strategy aims to create an economy that:*
- *Is thriving and performing as well as the best international comparators.*
  - *Creates great opportunities for people who live here.*
  - *Attracts the best of global business and talent.*
  - *Helps us increase social mobility for our residents.*
  - *Is resilient to future shocks and a changing climate and capitalises on the opportunities created by the transition to net-zero.*
- 6.5 The objectives are structured under five themes, which also summarise the work that the City is already doing under that theme. The following section of this report summarises the contents of each theme.
- 6.6 **Priority 1 - Use investment and development to drive inclusive growth:**
- 6.7 This priority recognises that the city centre is and will remain the main driver of growth in Manchester and the wider city region. It is where we will see the greatest concentration of employment activity and the greatest potential for agglomeration benefits, and therefore growing the size of the city centre is fundamental to increasing Manchester's overall prosperity. The good connectivity of the city centre means it is also the place that our residents are most able to gain work, and it is important to make sure that the city centre is well connected to other current and future employment sites in Greater Manchester, including the Oxford Road Corridor, MediaCityUK and Atom Valley.
- 6.8 At the same time, we know that we need to spread the benefits of growth more evenly. This means creating more good quality liveable neighbourhoods elsewhere in the city, that have sound economic

foundations to make sure that they can also be successful and thrive. It also means making sure that investment in our neighbourhoods positively impacts those places and the people that live in them, by more directly connecting benefits to communities..

6.9 Objectives under this priority include commitments to:

- Expand the city centre and protect its function as the core of the regional economy.
- Ensure that large scale regeneration projects outside the city centre include the economic assets that places need to thrive.
- Maintain Manchester's position as the leading UK destination for foreign direct investment outside of London
- Create a framework for new development to ensure all major projects become inclusive exemplars economically, socially and environmentally.
- Create and maintain a development prospectus for new and existing investors in Manchester.

6.10 **Priority 2 – Nurture thriving, productive and innovative sectors:**

6.11 This theme recognises that attracting investment into our highest growth and most productive sectors is essential for the wider success of our economy and to create the maximum opportunities for our residents. While we recognise that many of the ingredients of success are common across different industries and occupations, we also recognise that Manchester has its own particular strengths which we aim to nurture and grow. We also recognise that while not all sectors provide the same opportunities for high-value growth, we must also provide support across all other sectors, particularly the foundational economy, to ensure that people working in Manchester get a fair deal in terms of their pay, hours and working conditions.

6.12 Objectives under this priority include commitments to:

- Utilise levers and incentives such as Investment and Growth Zones to attract businesses and ensure they fully engage with existing support structures such as via enhanced training/recruitment, infrastructure or networking.
- Grow and promoting current and future knowledge intensive sectors such as AI, Cyber, FinTech and genomics.
- Build and expand potential clusters of businesses at places such as North Manchester General Hospital and Wythenshawe Hospital
- Fully map and promote Manchester's innovation ecosystem to new businesses and investors.
- Grow the green economy by capitalising on investments in zero carbon to attract and retain innovative businesses.

6.13 **Priority 3 – Develop world class infrastructure, places and talent:**

6.14 This theme is about the essential enablers of growth and the inputs that we require for Manchester to continue to grow. Infrastructure is a fundamental part of this, and we know that at present Manchester does not have sufficient transport infrastructure to connect enough workers into the city centre. We also know that connections to other places across the North of England and further afield are important for increasing economic activity and productivity. As well as transport infrastructure, digital infrastructure will continue to play an important role in attracting businesses to the city and enabling them to thrive and expand. The city's energy infrastructure must also keep pace with its expansion with a particular focus on the development of locally generated electricity and improved local connections to the National Grid. Investment in social infrastructure such as health provision, education, community facilities, parks and emergency facilities must also be increased to ensure residents are able to maintain a good quality of life.

6.15 As well as connecting more highly skilled workers into the city, we also need to grow our talent pool within the city to meet the needs of current and future employers. We will also need to attract more highly skilled workers to live in Manchester by creating great places to live in a way that does not exclude or displace existing residents. This will mean regenerating and creating neighbourhoods that are attractive, well connected and safe and which are supported by good community infrastructure and sufficient utilities.

6.16 Objectives under this priority include commitments to:

- Develop and maintain an understanding of Manchester's physical and social infrastructure needs and the volume of infrastructure investment required over the next decade.
- Ensuring that new development includes the right social, transport, energy and digital infrastructure.
- Increasing housing density in well-connected places.
- Working with TfGM to implement the Bee Network to connect more people to employment and training opportunities via sustainable and active travel.
- Creating well managed neighbourhoods that are attractive and affordable to highly skilled workers.
- Continuing to improve the city's vibrancy and liveability via investment in culture, sport and green spaces.

6.17 **Priority 4 – Zero carbon and climate resilient economy:**

6.18 Manchester has committed to becoming a zero-carbon city by 2038, 12 years ahead of the UK Government's target of 2050. "Green growth" will provide opportunities for the city's economy as it transitions to zero carbon in areas such as technology, housing retrofit, energy, transport and within our numerous research specialisms. But whilst growth in these areas will be

important, they are unlikely to translate into the scale of productivity improvements that we need to achieve. Therefore, it is important that growth across all our most productive and highest growth industries is as sustainable as possible.

- 6.19 Climate change is one of, if not the most significant economic threat facing city, not only because of the changes that we will experience in our climate but because of their knock-on effects on population and migration, extreme weather, food production and more. However, we also know that in order to become a fairer, more equal and more prosperous city that Manchester will need to continue to grow, so we must make sure that growth that does take place is more sustainable and doesn't detract from our wider zero-carbon ambitions. The transition to a zero-carbon economy also needs to happen in a way that is fair, and which doesn't exclude or disadvantage businesses or our poorest residents.
- 6.20 Objectives under this priority include commitments to:
- Develop a Manchester standard for net zero construction via the Local Plan which incorporates both the construction and operation phases.
  - Develop a climate change risk and vulnerability assessment and Manchester Adaptation Plan to ensure that the city and its infrastructure is resilient to current and future climate change impacts.
  - Increase the amount of community and democratically owned businesses in Manchester.
- 6.21 **Priority 5 - Including more people in economic opportunity:**
- 6.22 Growing our economy, attracting high quality employment opportunities and creating high quality jobs is part of the productivity puzzle and an important enabler of growth, but we also need to make sure that these opportunities are connected to our existing residents including our young people. We want to attract the most globally dynamic and productive companies to Manchester, and at the same time we want them to play a positive role in the wider life of the city by acting as advocates for the things we need to become a fairer and more prosperous place, and by offering opportunities that are fair, secure and high quality to our residents.
- 6.23 Connecting more residents into good quality employment will reduce the number of economically inactive people in the city which will grow prosperity and help to tackle poverty. However, we also recognise that some of Manchester's poorest residents will continue to gain most of their income from the benefits system and will be unlikely to gain from any increase in productivity or wages. We will continue to advocate to national government for adequate support from the state to ensure that they are able to live well and progress into employment where appropriate.
- 6.24 Objectives under this priority include commitments to:

- Connecting investors and new businesses in the city with the ecosystem of support for our residents to help make sure that employment and training opportunities created are accessible.
- Creating Community Economic Development Plans in neighbourhoods affected by large scale regeneration and development.
- Working to understand the economic potential of other neighbourhoods and district centres and how we can better connect communities to the cumulative benefits of growth in Manchester.
- Maximising the social value of large-scale development projects on local communities and the wider city including commitments to good quality employment and paying the Real Living Wage.
- Capitalise on our UNICEF Child Friendly City status to connect develop the next generation of talent with a focus on 16/17 year olds and connecting businesses to schools.
- Develop new ways to measure prosperity in Manchester.

## **7.0 Delivery and measuring success**

- 7.1 Doing what we can to support Manchester's economy to continue to grow whilst at the same time doing what we can to make sure the benefits of growth are felt more evenly requires input and coordination from across Manchester City Council services and departments as well as from our partners and stakeholders across the city.
- 7.2 This Economic Strategy will ultimately be accountable to the Our Manchester Forum, the group which oversees delivery of the Our Manchester Strategy, and which is made up of leaders from across the city. It will also report periodically to the Council's Economy and Regeneration Scrutiny Committee.
- 7.3 In practice, delivery of the objectives contained in this strategy will be the responsibility of the Council's Strategy and Economic Policy Team, who will manage, coordinate and in many cases deliver the individual workstreams. Other objectives of the strategy will be led and supported by the Council's Growth and Development Directorate. More broadly, closer working between City Policy and Growth and Development will help shape the future approaches to economic development and regeneration in Manchester.
- 7.4 We will continue to find opportunities to bring in new perspectives, insight and challenge to this work, building on the work already undertaken by the Resolution Foundation as part of their Economy 2030 Enquiry.
- 7.5 To measure success and track progress we have identified indicators that help illustrate Manchester's economic performance against national trends. These indicators also help us judge the extent to which Manchester residents are evenly benefitting from growth. For most of these measures we can draw on existing data products, however in some cases we will need to develop new data products over the life of the strategy. See appendix 2 for a data table showing current performance against currently

available measures. The measures we are proposing to use are split under two headings:

### **Resident prosperity**

- Increase median full-time pay in Manchester faster than the national average rate.
- Increase the proportion of Manchester residents being paid a Real Living Wage.
- Reduce unemployment to within 2% of the national average.
- Keep the ratio of house prices to earnings in Manchester below the national average.

### **Economic performance**

- Increase the total size of Manchester's economy in GVA terms faster than the national average.
- Reduce the overall carbon intensity of economic output.
- Increase the total GVA per worker faster than the national average.
- Increase the total number of jobs in Manchester faster than the national average, especially higher skilled jobs.
- Increase the share of graduates working in higher skilled employment.
- Increase the amount and density of residential and commercial sites within the city centre and adjacent sites.
- Increase the total number of workers within a defined travel to work area.

## **8.0 Conclusion**

8.1 The strategy is built on a robust evidence base that takes into account a range of information and perspectives. It shows that while challenges remain for Manchester, we have in many ways economically outperformed our UK and international comparators. At the same time it recognises that growth also creates new challenges for the city, but that only by becoming a wealthier and more prosperous place can we resolve some of the most difficult challenges that we face.

8.2 The full strategy will be designed and published by the end of November 2023 with a launch event taking place towards the end of that month.

8.3 Upon adoption, the strategy will replace the Manchester's Local Industrial Strategy and our plan for post-COVID growth, Powering Recovery.

## **9.0 Recommendations**

9.1 The Committee is recommended to:

1. Consider and comment on the contents of the report in advance of the strategy being taken to Executive.



The Executive is recommended to:

1. Adopt the new Economic Strategy for Manchester

**Appendices**

**Appendix 1: Investing in Success: An Economic Strategy for Manchester**

**Appendix 2: Success measures**

# Investing in Success: An Economic Strategy for Manchester

## Foreword from Cllr Craig

Manchester is a city that has always been proud of its history, its culture and its people. A city that has faced many challenges and overcome them with resilience, innovation and collaboration. A city that has transformed itself from a declining industrial powerhouse to a dynamic and diverse metropolis that attracts talent, investment and visitors from all over the world.

Over the last 25 years, Manchester has been on an incredible journey of regeneration and recovery. This has been achieved by developing a long term shared vision across public, private and voluntary sectors which has been delivered in genuine partnership. By working together we have rebuilt our city centre, revitalised our neighbourhoods, expanded our public transport network, developed our knowledge economy, supported our creative industries, hosted major events, celebrated our diversity and strengthened our partnerships. We have seen remarkable growth in our population, our jobs, our businesses and our incomes. We have become a global city with a strong identity and a confident voice.

But we know that this journey is not over, and that despite our success we still have a long way to go in connecting all our residents to the opportunities created here, and therefore enabling them to become more prosperous. We know that to do this, Manchester must continue to grow, building on the progress that we have already made to continue our current trajectory.

As we embark on our next stage of growth, we're excited about the opportunities ahead, even though they come with their own set of challenges. While Manchester has seen tremendous change, we recognise there's more work to do to ensure everyone benefits equally. We're committed to enhancing our environment, reducing emissions, and embracing sustainable practices. Our vision is clear: a thriving Manchester where every resident shares in the prosperity of our growing economy

That is why we have refreshed our economic strategy for the city, to set out our vision for the next phase of Manchester's evolution, and make clear our ambition to be at the heart of solving the UK's productivity problem, while meeting our climate commitments. Manchester has the people and the potential to make this happen, and this strategy sets out how we can do it and what help we will need.

## Appendix 1

**Section 1: Introduction**

Manchester has come a long way in the last twenty-five years, and the city is now synonymous with urban regeneration and renewal. Our journey of economic transformation and revitalisation is a testament to the strength and ambition of our people and partnerships, and our collective vision for a prosperous and inclusive future.

This strategy is a commitment to harness the potential within every corner of our city, to foster an environment where creativity and enterprise flourish, and where every resident has the opportunity to thrive. It is about building on our achievements and learning from our experiences to shape a city that is dynamic, sustainable, and forward-looking.

We envision a Manchester where economic growth is not an end in itself but a means to enrich the lives of our residents, to cultivate vibrant and cohesive communities, and to create a city that is a beacon of opportunity, equality, and well-being. It is about fostering a city where businesses thrive alongside the well-being of our people, where every individual feels valued and empowered, and where our city is climate resilient and zero carbon.

We are clear that continuing to grow our economy is essential to Manchester's future prosperity. In this strategy, we lay out our aspirations to make Manchester's economy one of the most attractive, competitive and resilient, but also socially equitable and environmentally responsible. We aim to create a balanced and inclusive economy that reflects the diversity and spirit of our city, where there are opportunities for all of our residents to benefit from growth, and where the challenges are addressed with resolve and collaboration.

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**Section 2: Untapped potential**

In the current economic climate, the United Kingdom (UK) is grappling with a period of economic stagnation, a scenario marked by subdued growth and productivity. Despite the UK being one of the most centralised countries in the OECD, our cities are emerging as the linchpins of economic revitalisation and development, acting as the engines driving growth and innovation, and contributing significantly to the national economy.

Manchester, a city with a rich industrial heritage, is at the forefront of this urban economic resurgence in the UK. Celebrated for its dynamic economic ecosystem, Manchester has consistently showcased adaptability and resilience. The size of Greater Manchester's regional economy is projected to grow from £68bn to £71bn by the end of 2023. This growth not only underscores Manchester's accomplishments but also highlights the economic potential waiting to be harnessed.

Compared to international counterparts, Manchester's potential for further growth is huge. Rather than viewing this as a shortfall, we see it as a testament to the city's untapped opportunities and prospects. This is not just a challenge but a golden opportunity for continued growth and development, to build on our existing strengths such as the strength of our green economy.

We perceive this not as a hurdle but as a catalyst, a motivator to boost Manchester's economic performance and to close the productivity gap to London. It is an invitation to innovate and to aspire for excellence, to ensure that Manchester is not just keeping pace but setting the pace in the global economic race.

**Productivity call-out box:** *Productivity is like a superpower that helps people, companies, and even whole cities get better at what they do. It's all about creating more value or getting more done using the same or fewer resources. This superpower often comes from learning new ways to do things, using technology, and working together in smarter ways. It also involves investing in places (like building better transport) and people (like improving education and training). When productivity grows, people's lives get better because they have more money to spend, and their overall well-being improves.*

**Manchester's role in GM**

The economic performance of Greater Manchester is intrinsically linked to the economic performance of Manchester itself. Manchester is the engine that powers the growth and prosperity of the surrounding areas, and without a prosperous Manchester, there is no prosperous Greater Manchester. The city is the linchpin that holds the region together, the catalyst that stimulates regional development, and the anchor that grounds the economic stability of Greater Manchester. A thriving Manchester is the foundation upon which a prosperous and resilient Greater Manchester is built.

Our vision is not just for a successful Manchester but for a flourishing Greater Manchester, where the synergies between the centre and the region are leveraged to maximise our overall economic performance. It is about creating a cohesive and integrated economic ecosystem, where the strengths of each component are harnessed, and where the aspirations of the city and the region are aligned in pursuit of common goals.

We know that growing the economy of the city centre and better connecting people to the city centre can provide greater opportunities for people across the whole of the city region.

**International city**

## Appendix 1

Manchester is renowned for its warm and welcoming spirit, embracing people from all walks of life and offering a home to those who come seeking opportunities, knowledge, or a sense of community.

This diversity is not just a demographic feature but a source of strength and innovation. It enriches our social fabric, fuels our creative industries, and broadens our perspectives, enabling us to approach challenges with a multifaceted viewpoint and to forge solutions that are holistic and inclusive. Manchester's reputation as a welcoming city has made it a destination of choice for international talent, investors, and visitors, contributing to its dynamic and ever-evolving character and leading to stronger economic growth and higher productivity.

We are a city that looks outward, that engages with the world in a way which shapes our approach to economic development, cultural expression, and global partnerships. We are committed to fostering international collaborations, to learning from our global peers, and to using our connections, brand and reputation to attract further investment into the city.

The city's international profile has been boosted by a £1.3 billion investment at Manchester Airport, new cultural assets including the Aviva Studios and Co-Op Live, and our global reputation for sport. Recent accolades have included being named in the Lonely Planet's top 30 must visit places in the globe in 2023, one of National Geographic's top 25 must see places in the world for 2023, one of the top 10 cities in the world for sport by the BCW 'Top 50 Global Sport Cities for 2022' list, and the top regional tech city in the CBRE 2023 'UK Tech Cities Report'.

Appendix 1

**Infographic/map**

Placeholder – the final design version will include an infographic that presents facts and figures about Manchester’s economy and population.

## Appendix 1

**Development pipeline**

Placeholder for final design

Name	Type	GDV	Jobs Created	Scale
Airport City	Mixed use commercial led	£1b	16,000	5m sq ft office, advanced manufacturing and logistics space
Circle Square	Mixed use commercial led	£750m	9,000	>400k sq ft office space, new public realm, 650 apartments
First Street	Mixed use commercial led	£300m	TBC	>750k sq ft office space, cultural space, public realm and hospitality
ID Manchester	Mixed use commercial led	£1.7b	10,000	Brand new 4m sq ft mixed use neighbourhood and innovation district.
Manchester City Football Club	Sports and Leisure	£300m	TBC	Expansion and improvement of stadium, new hotel and hospitality offering.
Manchester Science Park	Commercial	>£100m	5,500	Commercial office space
Mayfield	Mixed use commercial led	£400m	10,000	New urban neighbourhoods centred around a new city centre park. 1.6m sq ft workspace, 1,500 homes
NOMA	Commercial	£800m	5,400	4m sq ft new office space, homes, retail and leisure
North Manchester General Hospital	Public services led, commercial	£600m	TBC	Cutting edge health campus
Renaissance Deansgate	Hospitality	£200m	660	Refurbished city centre hotel and 300 apartments
St Michael's	Mixed use commercial led	£137m	1,800	Five-star hotel and 180k sq ft workspace and
St John's	Commercial led	£1bn	10,100	>560k sq ft office space
Upper Brook Street	Commercial led mixed use	>£200m	6,000	700k sq ft specialist office space, 2,000 student beds and associated public realm
Victoria North	Residential led	£4bn	N/A	15k new homes plus new park and public realm
Wythenshawe Hospital	Public services led, commercial	£1.4b		>800k sq ft commercial and industrial space plus key worker accommodation and community care



Appendix 1

**Case Study 1 - TBC**

Short case study on a company that has recently moved to Manchester talking about why they chose the city.

## Appendix 1

### Section 3: Enablers of Growth

To power Manchester forward on its trajectory of sustained economic growth and development, it is imperative to focus on the foundational elements that facilitate and drive progress. These enablers of growth are the building blocks that will allow us to realise our vision for the city, acting as the catalysts that will transform potential into prosperity. They are the critical components that will determine the pace, scale, and sustainability of our growth journey, shaping the economic landscape of Manchester for the years to come.

The enablers of growth encompass a diverse array of elements, each playing a pivotal role in fostering a conducive environment for economic advancement. These include robust and resilient energy and digital infrastructure, climate resilience, efficient and accessible transport systems, high quality and affordable housing, a skilled and adaptable labour market, strategic and impactful investment, optimal urban density, and a culture of innovation and creativity. Addressing these enablers is not just about meeting the immediate needs of our city but about laying the groundwork for long-term success and resilience.

#### Housing

Housing stands as a pivotal enabler of growth, playing a crucial role in Manchester's journey towards overall prosperity. It is not merely a structural necessity but a dynamic component that influences the city's ability to attract and retain people, fostering a diverse and vibrant communities. A well-balanced housing market, characterised by affordability and availability, acts as a catalyst for economic activity, fostering an environment conducive to investment and innovation, and supports the city's ambition to create sustainable living environments, well-connected to employment hubs, and complemented by essential amenities and services.

Despite adding 22,350 new homes between 2011 and 2021, Manchester's success means that many more people want to be here, creating huge pressure in the housing market. The cost of housing in Manchester has increased significantly faster than wages. In 2002 the median house price in Manchester was £67,000, rising to £230,000 in 2022. The ratio of house prices to earnings over the same period increased from 3.75 to 7.91, although the ratio in Manchester remains below the national average

Renters face a similar challenge to affordability. The latest figures show that the average rental price of a 2 bedroom in Manchester City Centre is £1,333, and outside of the city centre its £1,023. Over the last 12 months there has been a 17.5% increase in the average rental cost for a 2 bed in the city centre, and a 15.9% rise outside of the city centre.

The cost of housing is a national problem that takes up an increasing share of household incomes, meaning that to increase overall prosperity the cost of housing must become more affordable. Manchester's Housing Strategy will contribute to this, with a commitment to build 36,000 new homes (of which 10,000 will be affordable) by 2032, but there is also a pressing need for the rest of Greater Manchester to build more housing in well-connected locations to meet future demand.

#### Transport

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Our transport network facilitates the movement of people and goods, connecting skilled workers to employment hubs and enabling businesses to operate efficiently. The city has been proactive in expanding its transport network, but the current reliance on private vehicles poses challenges, necessitating further improvements in public transport. Currently nearly seven-in-ten commutes are made by car which results in Manchester experiencing severe congestion and GM ranking third highest for congestion among the 11 Combined Authorities in the UK. The city's air quality is also a concern, being worse than many comparable US cities.

Given the congestion and environmental concerns, enhancing public transport is the only solution to connecting a larger, high-skilled workforce to firms and jobs located in the city centre. Currently, nearly four-in-ten of Manchester's highly-skilled workers cannot reach the central employment district within a reasonable 45-minute travel time. This limitation causes Manchester to function economically like a far smaller city than it really is.

Manchester Airport is also hugely important for growth. The Airport operates routes to over 200 destinations, generates £1.4billion for the local economy and supports 20,170 jobs (direct onsite and direct offsite). It supports businesses and industries across the city, the city region and the North West through tourism, business travel and freight. As the UK's third busiest airport and one of the best connected, it serves as a gateway to the world for many parts of the north of England and the midlands.

While plans are underway to improve intra-city transport via the Bee Network, substantial investments and a long term commitment to sustainable solutions are vital to realise a higher-productivity future for Manchester, making it a more accessible and environmentally friendly city. Significantly improved inter-city connections and capacity are fundamental to the future economic prosperity of Manchester, the North of England and the whole of the UK.

### **Infrastructure**

A range of critical infrastructure must be in place to deliver the next phase of economic growth and ensure that the city remains one of the most competitive and attractive places for businesses to invest and grow. Infrastructure is also essential to ensure residents have the services and facilities they need to support a good quality of life.

Digital connectivity is now as essential to businesses and residents as traditional utilities such as water and power. Maintaining Manchester's competitiveness in all sectors will require continued investment in world leading and accessible digital infrastructure.

Manchester's commercial and residential growth has placed additional strain on the city's electricity distribution network which has resulted in a new programme of investment by Electricity North West Limited. Maintaining Manchester's growth trajectory and the transition to becoming a zero carbon city will increase demand for electricity supply which will need to be met through investment in the distribution network and local energy generation and storage. Strong partnership working will be crucial to maintaining confidence in the long term supply.

Creating liveable and vibrant neighbourhoods where people want to live also requires a focus on the provision of those high-quality services and facilities people need to thrive at all stages of life. Further investment in social infrastructure such as health provision, education, community facilities, parks and emergency facilities must keep pace with the city's growing economy and population.

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**Skills, Enterprise and Labour**

A well-educated and skilled workforce is the backbone of a thriving economy, fostering innovation, productivity, and growth. In Manchester, the emphasis on skills and the labour market is not just about meeting the immediate needs of the local economy but about preparing for the future, ensuring that the workforce is equipped to adapt to new challenges and opportunities. We know that the labour market is changing faster than ever, and through Greater Manchester's Local Skills Improvement Plan we know that the types of skills we need include those for occupations in science, technology and the green economy, but also in health care, teaching and business management. Business are also clear that they value core skills such as creativity, problem solving and communication.

Manchester's labour market has expanded rapidly with the number of employees in Manchester growing from 350,000 in 2015 to 416,000 in 2021. We are more highly qualified than ever, with 45% of residents qualified to degree level. Close to one half of employment in the city centre is high skilled, on par with central London and substantially more than the whole of Manchester and GM. Businesses in the city centre have substantially higher productivity than firms located elsewhere in the city, showing that agglomeration is happening. Manchester is also a city of enterprise with high numbers of new businesses being established every year and an ecosystem to support start-ups and scale-ups which supports the sustainability and vibrancy of the economy.

To build on this success we need to continue to grow the size of the city centre, attracting the businesses and jobs that contribute to making it a successful, growing and highly productive place. We also need to focus on higher education participation and upskilling of existing residents, create an environment where the skills acquired are effectively utilised, contributing to the overall productivity of the city. Focusing on the next generation of talent will also be critical to ensure that the city's young people are equipped to succeed in a competitive local, national and international labour market.

Moreover, the city needs to ensure that the labour market is inclusive and diverse, reflecting the rich tapestry of Manchester's population. A diverse and inclusive labour market is not just a moral imperative but an economic one, driving innovation, resilience, and adaptability in the face of changing economic landscapes.

**Investment**

Investment is not just about injecting capital but also about fostering innovation, enhancing skills, and improving infrastructure, all of which are integral to productivity. Manchester has a strong rate of return on investment relative to other UK cities, but without substantial additional public and private investment, achieving a higher-productivity equilibrium is challenging. Investment is not just about financial capital; it is also about investing in human capital, technology, and other resources that can elevate the productivity and competitiveness of the city on an international scale.

Manchester is highly successful in attracting large multinational companies to relocate or expand their presence with 80 of the FTSE 100 companies and 50 international banks already having office space in the city. Manchester is attracting significant national and international brands including

## Appendix 1

Booking.com, Roku, Cloud Imperium Games, BT and others taking significant floor space in the city and driving strong demand in the commercial property market.

Investment in the residential property market is also important in bringing in the capital to build homes at the volumes required to meet the intense demand in the local housing market.

Manchester is a city that is increasingly a place that people want to be, and sustaining residential investment will be important in meeting this demand.

There is still a significant imbalance in investment between Manchester and London and the South East. The capital also receives a disproportionate share of public spending on infrastructure, research and development, and culture. For example, in 2018/19, London received £10.6 billion in transport investment, compared to £2.4 billion for the whole of the North West. The Greater London area attracts close to 50 per cent of all existing foreign direct investment (FDI) into Britain, with the North West as a whole attracting less than 10%.

Greater Manchester will be one of the UK Government Investment Zones with an agreed focus on Advanced Materials and Manufacturing. The Zone will bring additional funding which can be used flexibly across fiscal incentives and flexible spend. Manchester City Council will work with the Greater Manchester Combined Authority to support the allocation of funding to an agreed set of projects across the city region.

Two existing Growth Zones are also partially located within Manchester, the Central Growth Cluster and the Airport and Southern Growth Cluster. We have a clear understanding of the investment required to deliver a step change in economic growth in these locations and will use this evidence to influence decision making on all future funding allocations.

### **Density**

The density of spaces significantly impacts the city's productivity. The city centre of Manchester is a beacon of high-value activity, where tradeable services, particularly in finance and other knowledge-intensive sectors, are clustering. However, the current economic scale of the city centre is not proportionate to its potential; it only accounts for 13% of total employment in the city region (when using the Centre for Cities definition of a 0.8 mile radius), a figure considerably lower than what is observed in more affluent cities like London, where the city centre accounts for 34% of employment.

The expansion of commercial space in the city centre is crucial for fostering economic growth. The central district of Manchester is already witnessing a surge in construction activities, however, to accommodate the influx of high-value firms and skilled workers, the city needs to make strategic decisions regarding land use, balancing commercial, residential, and retail spaces effectively. The city centre will need to expand outward and upward, utilising land on the fringes for more productive purposes, retrofitting existing buildings where possible. This strategic development of commercial spaces is essential for attracting firms that operate in high value-added service sectors, contributing to the overall economic prosperity of the city.

Residential density is equally crucial, providing the workforce necessary for the city's economic activities. The city needs to ensure that residential developments are well-integrated with commercial spaces, providing easy access to workplaces and reducing commute times. This integration of residential and commercial spaces is not just about building more homes but about creating a harmonious urban environment that supports the economic aspirations of the city while providing green spaces accessible to the dense urban population.

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### **Innovation**

Innovation is a crucial enabler of growth, acting as the catalyst for economic development, driving productivity and fostering a high-value economy. Manchester has internationally significant assets such as our universities with their research strengths and associated knowledge intensive industries within the Oxford Road Corridor, the clinical and research excellence at Manchester Foundation NHS Trust, and emerging clusters of innovative businesses within sectors such as cyber security, life sciences, advanced manufacturing and our creative industries. However, to truly leverage innovation as a growth enabler, Manchester needs to further elevate its focus on sectors where it has a comparative advantage and where innovation can yield substantial economic dividends.

To harness innovation effectively, Manchester must cultivate vibrant innovation ecosystems that facilitate the convergence of ideas, capital, and talent. This involves creating an environment conducive to the growth of startups and the advancement of technology, fostering collaborations between academia and industry, and investing in research and development initiatives that can translate into commercial successes. Innovation can then drive productivity through technological advancements, process improvements, and through new products and services.

Greater Manchester hosts one of three UK “Innovation Accelerators” which will pilot proof of concept solutions to improve the performance of existing local and national programmes, fill gaps in our innovation ecosystem, help design strong proposals for competitive national funds and create a best practice that can be scaled up in Greater Manchester and the UK. It will provide investment into a balanced portfolio of projects that will drive high-quality job creation and productivity improvements.

ID Manchester, a joint venture between The University of Manchester, Bruntwood SciTech and Innovate Cambridge, have established a partnership to strengthen innovation connections and develop a pioneering innovation cluster between the two cities.

### **Case Study 2 - BW3**

BW3 (Business Working With Wythenshawe) is a charity founded 20 years ago to support businesses, big or small, to give back to the community. Run by business volunteers it currently has around 250 members.

It creates opportunities for business people to support local schools and colleges such as mentoring and workshops on building resilience, and maths-based activities in primary schools. These bridges built with the local community help the future workforce with work placements and apprenticeships.

Wythenshawe is home to some of the most deprived wards in the UK but it is also home to a vibrant business community and their work helps raise aspirations in young people at an early age, removing barriers and providing opportunities.

Through the network businesses are able to more easily give help to those who need it – benefiting the whole community.

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**Section 4: Our vision for Manchester's economy**

We want Manchester's economy to function as a net-contributor to UK GDP and provide the best possible opportunities for our residents. This strategy aims to create an economy that:

- Is thriving and performing as well as the best international comparators.
- Creates great opportunities and increases social mobility for our residents.
- Attracts the best of global business and talent.
- Is resilient to future shocks and a changing climate and capitalises on the opportunities created by the transition to net-zero

**Case Study 3 - SME**

Placeholder for final design.

## Appendix 1

**Section 5: Five priorities to achieve our vision**

To achieve this vision we have identified five priorities, each underpinned by several objectives. Because we already do a lot of work across all of these areas, we are building on strong foundations.

**Priority 1: Use investment and development to drive inclusive growth**

This priority recognises that the city centre is and will remain the main driver of growth in Manchester and the wider city region. It is where we will see the greatest concentration of employment activity and the greatest potential for agglomeration benefits, and therefore growing the size of the city centre is fundamental to increasing Manchester's overall prosperity. The good connectivity of the city centre means it is also the place that our residents are most able to gain work, and it is important to make sure that the city centre is well connected to other current and future employment sites in the city region, including the Oxford Road Corridor, MediaCityUK and Atom Valley.

At the same time, we know that we need to spread the benefits of growth more evenly. This means creating more good quality liveable neighbourhoods elsewhere in the city, that have sound economic foundations to make sure that they can also be successful and thrive. It also means making sure that investment in our neighbourhoods positively impacts those places and the people that live in them, by more directly connecting benefits to communities.

Under this theme, Manchester is already:

- Progressing forwards with projects including NOMA, Victoria North and North Manchester General Hospital, Mayfield, ID Manchester, Southern Arc, Strangeways and Holt Town.
- Making use of development frameworks such as Strategic Regeneration Frameworks to guide the overall direction of development in the city.
- Making best use of Manchester City Council and other public sector land assets to drive and anchor new development.

Additionally we commit to:

- Expanding the city centre and adding high density commercial and residential space in appropriate locations.
- Protecting the unique economic function of the city centre as Greater Manchester's productive core.
- Ensuring that new developments adjacent to the city centre maximise their economic potential in terms of scale, quality and density.
- Ensuring that large scale redevelopment projects outside of the city centre include economic assets that help new and existing neighbourhoods to thrive such as the Southern Arc area comprising Manchester Airport, Airport City, Wythenshawe Civic Centre and Wythenshawe Hospital.
- Maintain Manchester's position as the most attractive UK destination for foreign direct investment outside of London and increase the volume of investment into Manchester businesses and property.
- Creating a framework for new development to ensure all major projects become inclusive exemplars economically, socially and environmentally both in construction and their end use including creating good quality employment paying the Real Living Wage.
- Create and maintain a development prospectus for new and existing investors in Manchester.



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**Priority 2: Nurture thriving, productive and innovative sectors**

This priority recognises that attracting investment into our highest growth and most productive sectors is essential for the wider success of our economy and to create the maximum opportunities for our residents. While we recognise that many of the ingredients of success are common across different industries and occupations, we also recognise that Manchester has its own particular strengths which we aim to nurture and grow. We also recognise that while not all sectors provide the same opportunities for high-value growth, we must also provide support across all other sectors, particularly the foundational economy, to ensure that people working in Manchester get a fair deal in terms of their pay, hours and working conditions.

Under this priority, Manchester is already:

- Supporting the Greater Manchester Innovation Accelerator and Innovation GM.
- Facilitating the development and expansion of Manchester's most innovative places such as Manchester Science Park, ID Manchester, the Oxford Road Corridor and Airport City.
- Grow the city's tech and creative industries ecosystem including providing quality and affordable work and production space such as at Enterprise City, Upper and Lower Campfield Markets, Greater Manchester Digital Security Hub (DiSH) and Manchester Technology Centre.
- Working with MIDAS to promote Manchester as a leading destination for inward investment.
- Supporting continued relocation of private and public sector jobs from London to Manchester.

Additionally we commit to:

- Utilising levers and incentives such as Investment and Growth Zones to attract businesses and ensure they fully engage with existing support structures such as via enhanced training/recruitment, infrastructure or networking.
- Growing and promoting current and future knowledge intensive sectors such as AI, Cyber, FinTech and genomics.
- Building and expanding potential clusters of businesses at places such as North Manchester General Hospital and Wythenshawe Hospital
- Fully mapping and promote Manchester's innovation ecosystem to new businesses and investors.
- Grow the green economy by capitalising on investments in zero carbon to attract and retain innovative businesses.

**Call out box: Innovation ecosystems**

An innovation ecosystem is a collaborative network that nurtures the development of new ideas, products, and systems. It consists of various stakeholders such as educational institutions, government bodies, businesses, investors, entrepreneurs, and media. These participants interact and contribute their resources to transform innovative ideas into tangible outcomes. The ecosystem not only promotes technological advancements and business growth but also contributes to job creation, economic diversification, and problem-solving. It underscores the importance of community and collaboration in achieving shared innovation goals.

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**Priority 3: Develop world class infrastructure, places and talent**

This priority is about the essential enablers of growth and the inputs that we require for Manchester to continue to grow. Infrastructure is a fundamental part of this, and we know that at present Manchester does not have sufficient transport infrastructure to connect enough workers into the city centre. We also know that connections to other places across the North of England and further afield are important for increasing economic activity and productivity. As well as transport infrastructure, digital infrastructure will continue to play an important role in attracting businesses to the city and enabling them to thrive and expand. The city's energy infrastructure must also keep pace with its expansion with a particular focus on the development of locally generated electricity and improved local connections to the National Grid. Investment in social infrastructure such as health provision, education, community facilities, parks and emergency facilities must also be increased to ensure residents are able to maintain a good quality of life.

As well as connecting more highly skilled workers into the city, we also need to grow our talent pool within the city to meet the needs of current and future employers. We will also need to attract more highly skilled workers to live in Manchester by creating great places to live in a way that does not exclude or displace existing residents. This will mean regenerating and creating neighbourhoods that are attractive, well connected and safe and which are supported by good community infrastructure and sufficient utilities.

Under this priority, Manchester is already:

- Delivering the 2040 City Centre Transport Strategy.
- Supporting delivery of the 2040 Greater Manchester Transport Strategy.
- Delivering Manchester's Digital Strategy 2026.
- Delivering Manchester's 2032 Housing Strategy.
- Delivering the 2022 Green and Blue Infrastructure Plan
- Delivering the Local Area Energy Plan and Manchester Climate Change Framework.
- Continuing to advocate for the right rail infrastructure to improve connectivity from Manchester to the major cities in the North and Midlands, as well as enhancements to the current rail network to improve people's day to day journeys.

Additionally, we commit to:

- Develop and maintain an understanding of Manchester's physical and social infrastructure needs and the volume of infrastructure investment required over the next decade.
- Ensuring that new development includes the right social, transport, energy and digital infrastructure.
- Increasing housing density in well-connected places.
- Working with TfGM to implement the Bee Network to connect more people to employment and training opportunities via sustainable and active travel.
- Creating well managed neighbourhoods that are attractive and affordable to highly skilled workers.
- Continuing to improve the city's vibrancy and liveability via investment in culture, sport and green spaces.

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**Priority 4: Transition to a zero carbon and resilient economy**

Manchester has committed to becoming a zero-carbon city by 2038, 12 years ahead of the UK Government's target of 2050. "Green growth" will provide opportunities for the city's economy as it transitions to zero carbon in areas such as technology, housing retrofit, energy, transport and within our numerous research specialisms. But whilst growth in these areas will be important, they are unlikely to translate into the scale of productivity improvements that we need to achieve. Therefore, it is important that growth across all our most productive and highest growth industries is as sustainable as possible.

Climate change is one of, if not the most significant economic threat facing city, not only because of the changes that we will experience in our climate but because of their knock-on effects on population and migration, extreme weather, food production and more. However, we also know that in order to become a fairer, more equal and more prosperous city that Manchester will need to continue to grow, so we must make sure that growth that does take place is more sustainable and doesn't detract from our wider zero-carbon ambitions. The transition to a zero-carbon economy also needs to happen in a way that is fair, and which doesn't exclude or disadvantage businesses or our poorest residents.

Under this priority, Manchester is already:

- Delivering the Manchester Climate Change Framework 2022 Update.
- Delivering a Green Skills Action Plan as part of the Work and Skills Strategy.

Additionally we commit to:

- Developing a Manchester standard for net zero construction via the Local Plan which incorporates both the construction and operation phases.
- Developing a climate change risk and vulnerability assessment and Manchester Adaptation Plan to ensure that the city and its infrastructure is resilient to current and future climate change impacts.
- Increasing the amount of community and democratically owned businesses in Manchester.

**Priority 5: Include more people in economic opportunity**

Growing our economy, attracting high quality employment opportunities and creating high quality jobs is part of the productivity puzzle and an important enabler of growth, but we also need to make sure that these opportunities are connected to our existing residents including our young people. We want to attract the most globally dynamic and productive companies to Manchester, and at the same time we want them to play a positive role in the wider life of the city by acting as advocates for the things we need to become a fairer and more prosperous place, and by offering opportunities that are fair, secure and high quality to our residents.

Connecting more residents into good quality employment will reduce the number of economically inactive people in the city which will grow prosperity and help to tackle poverty. However, we also recognise that some of Manchester's poorest residents will continue to gain most of their income from the benefits system and will be unlikely to gain from any increase in productivity or wages. We will continue to advocate to national government for adequate support from the state to ensure that they are able to live well and progress into employment where appropriate.

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Under this priority, Manchester is already:

- Delivering Manchester's Work and Skills Strategy, Anti-Poverty Strategy and embedding social value across anchor institutions.
- Continuing to increase the number of residents earning at least a Real Living Wage through delivery of our Living Wage Action Plan and support of the GM Mayor's Good Employment Charter.
- Delivering adult skills, skills for life and supporting the Greater Manchester Local Skills Improvement Plan to help match skills and training provision in Manchester to the needs of employers and the wider labour market.
- Reducing health inequalities through delivery of the Making Manchester Fairer Action Plan

Additionally we commit to:

- Connecting investors and new businesses in the city with the ecosystem of support for our residents to help make sure that employment and training opportunities created are accessible.
- Creating Community Economic Development Plans in neighbourhoods affected by large scale regeneration and development.
- Working to understand the economic potential of other neighbourhoods and district centres and how we can better connect communities to the cumulative benefits of growth in Manchester.
- Maximising the social value of large-scale development projects on local communities and the wider city including commitments to good quality employment and paying the Real Living Wage.
- Capitalising on our UNICEF Child Friendly City status to connect develop the next generation of talent with a focus on 16 & 17 year olds and connecting businesses to schools.
- Developing new ways to measure prosperity in Manchester.

#### **Call out box: Community Economic Development Plans**

A Community Economic Development (CED) plan is a strategic blueprint designed by a community, in partnership with public and private entities, to foster economic growth and improve social conditions. It leverages local resources to create opportunities and address issues such as unemployment and poverty. The plan is community-centric, aiming to enhance the community's control over its economic future. It outlines the community's economic goals and the steps to achieve them, offering a sustainable approach to economic development.

## Appendix 1

**Section 6: Taking it to the next level**

One of Manchester's strengths is that we have the strong partnerships, the clarity of vision and the consistency of leadership required to set and achieve a vision over the medium to long term. There is much that we can do locally to make the changes that we wish to see.

However, to make the most of the opportunity we have to be at the forefront of the UK's growth journey we know that we can do more with the continued support of national government and its departments.

To make the greatest impact on Manchester we need:

- Further devolution of skills and reform of the apprenticeship levy to enable us to better match skills training to local demand. Devolution of post-16 place planning and DWP commissioned programmes to GMCA.
- Streamlined funding to support new development, including control over funding streams that allow us to plan and deliver the necessary infrastructure to support and maximise the impact of new development.
- Support from GMCA to deliver housing investment at scale near major transport hubs to connect more residents into the city centre labour market.
- Rebalancing of national R&D spend to ensure a greater proportion is allocated beyond London and the Southeast.
- Rebalancing of national infrastructure spend to help infrastructure in Manchester match the scale and quality of our international comparators.

## Appendix 1

**Section 7: Tracking progress**

The change that we are aiming to make happen will take place over many years and will not create instant results. Therefore, measures will need to be broad, helping us to monitor and understand the direction of travel. As one of our aims is to close the gap between Manchester and our other cities, some of our measures will need to place Manchester's progress and success in the context of our comparators. We also need to look at gaps within Manchester to make sure that we can tell if gains are being spread in a way that is equitable.

The measures that we will use to judge progress include:

**Resident prosperity**

- Increase median full-time pay in Manchester faster than the national average rate.
- Increase the proportion of Manchester residents being paid a Real Living Wage.
- Reduce unemployment to within 2% of the national average.
- Keep the ratio of house prices to earnings in Manchester below the national average.

**Economic performance**

- Increase the total size of Manchester's economy in GVA terms faster than the national average.
- Reduce the overall carbon intensity of economic output.
- Increase the total GVA per worker faster than the national average.
- Increase the total number of jobs in Manchester faster than the national average, especially higher skilled jobs.
- Increase the share of graduates working in higher skilled employment.
- Increase the amount and density of residential and commercial sites within the city centre and adjacent sites.
- Increase the total number of workers within a defined travel to work area.

## Appendix 1

**Section 8: Delivery**

Doing what we can to support Manchester's economy to continue to grow whilst at the same time doing what we can to make sure the benefits of growth are felt more evenly requires input and coordination from across Manchester City Council services and departments as well as from our partners and stakeholders across the city and in Greater Manchester.

This Economic Strategy will ultimately be accountable to the Our Manchester Forum, the group which oversees delivery of the Our Manchester Strategy, and which is made up of leaders from across the city. It will also report periodically to the Council's Economy and Regeneration Scrutiny Committee.

In practice, delivery of the objectives contained in this strategy will be the responsibility of the Council's Strategy and Economic Policy Team, who will manage, coordinate and in many cases deliver the individual workstreams. Other objectives of the strategy will be led and supported by the Council's Growth and Development Directorate. More broadly, closer working between City Policy and Growth and Development will help shape the future approaches to economic development and regeneration in Manchester.

We will continue to find opportunities to bring in new perspectives, insight and challenge to this work, building on the work already undertaken by the Resolution Foundation as part of their Economy 2030 Enquiry.

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## Appendix 2: Economic Strategy Progress Measures

Desired trend	Measure	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Resident prosperity</b>													
Increase median full-time pay in Manchester faster than the national average rate.	Difference between Manchester and England rate	-1.9%	2.0%	0.8%	0.9%	-4.3%	1.7%	2.9%	-2.5%	-0.1%	-1.5%	1.1%	2.7%
Increase the proportion of Manchester residents being paid a Real Living Wage.	% paid less than real living wage - Residents - Manchester				70.3	73.4	69.5	72.9	72.4	78.2	77	77.3	84
	Difference between Manchester and England rate												
Reduce unemployment to within 2% of the national average	Difference between Manchester and England ratio	3.6%	4.9%	3.1%	3.2%	2.5%	2.7%	1.2%	1.1%	1.9%	2.0%	2.1%	2.7%
Keep the ratio of house prices to earnings in Manchester below the national average.	Difference between Manchester and England ratio	-1.14	-1.62	-1.7	-1.6	-1.9	-1.6	-1.49	-1.55	-1.12	-0.94	-1.06	-0.37
<b>Economic Performance</b>													
Increase the total size of Manchester's economy in GVA terms faster than the national average	Difference between Manchester and England rate	-2.1%	2.2%	-1.4%	-0.9%	2.1%	3.1%	4.4%	0.4%	3.6%	0.9%	1.4%	
Reduce the overall carbon intensity of Manchester's economic output	To be developed												
Increase the total GVA per worker faster than the national average	Different between Manchester and England rates		1.2%	-1.6%	-1.5%	-0.1%	1.4%	4.7%	0.8%	3.1%	0.5%	3.2%	
Increase the total number of jobs in Manchester faster than the national average	Difference between Manchester and England rate					5.4%	2.1%	0.8%	1.7%	2.2%	-0.7%		
Increase the share of graduates working in higher skilled employment	To be developed												
Increase the amount and density of residential and commercial sites within the city centre and adjacent sites.	To be developed												
Increase the total number of workers within a defined travel to work area.	To be developed												

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## Manchester City Council Report for Information

**Report to:** Economy and Regeneration Scrutiny Committee - 7 November 2023  
Communities and Equalities Scrutiny Committee - 7 November 2023  
Children and Young People Scrutiny Committee - 8 November 2023  
Health Scrutiny Committee - 8 November 2023  
Environment and Climate Change Scrutiny Committee - 9 November 2023

**Subject:** Revenue Budget Update 2024/25

**Report of:** Deputy Chief Executive and City Treasurer

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### Summary

The Council is forecasting an estimated budget shortfall of £46m in 2024/25, £86m in 2025/26, and £105m by 2026/27. After the application of approved and planned savings, and the use of c£17m smoothing reserves in each of the three years, this gap reduces to £1.6m in 2024/25, £30m in 2025/26 and £49m by 2026/27. This position assumes that the savings approved as part of the Medium-Term Financial Strategy in February 2023 of £36.2m over three years are delivered.

This report provides a high-level overview of the updated budget position. Each scrutiny committee is invited to consider the current proposed changes which are within its remit and to make recommendations to the Executive before it agrees to the final budget proposals in February 2024.

### Recommendations

The Committee is recommended to:

- (1) To consider and comment on the forecast medium term revenue budget.
  - (2) Consider the content of this report and comment on the proposed budget changes which are relevant to the remit of this Scrutiny Committee.
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**Wards Affected:** All

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

The budget reflects the fact that the Council has declared a climate emergency by making carbon reduction a key consideration in the Council's planning and budget proposals.

**Equality, Diversity and Inclusion** - the impact of the issues addressed in this report in meeting our Public Sector Equality Duty and broader equality commitments

Consideration has been given to how the proposed savings could impact on different protected or disadvantaged groups. Where applicable proposals will be subject to completion of an Equality Impact Assessment (EqIA) and an Anti-Poverty Assessment.

<b>Manchester Strategy outcomes</b>	<b>Summary of how this report aligns to the OMS/Contribution to the Strategy</b>
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The effective use of resources underpins the Council's activities in support of its strategic priorities as set out in the Corporate Plan which is underpinned by the Our Manchester Strategy.
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	

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 changes included within this report will, subject to Member comments and consultation, be included in the final 2024/25 revenue budget set by Council on 1 March 2024.

### **Financial Consequences – Capital**

None directly arising 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 contact officers above.

[Medium Term Financial Strategy and 2023/24 Revenue Budget – Executive 15 February 2023](#)

[Revenue Budget Update 2024/2025 - Resources and Governance Committee 7 September 2023](#)

## 1. Introduction

- 1.1. An indicative balanced 2024/25 budget was set out in the February 2023 MTFs, including the planned use of reserves. As reported to Resources and Governance committee in September the current years pressures and updated forecasts meant that the position had to be reviewed. This report updates on the refreshed position including progress in reaching a balanced budget, reflecting preliminary savings and investment options.

## 2. Background

- 2.1. The funding outlook for Local Government remains extremely challenging. The LGA published new analysis on 20 October<sup>1</sup> which estimates that English councils are set for a budget gap of £4bn by March 2025 just to keep services at current levels. This is an increase of more than a third since the previous forecast in July, which has been driven by higher inflation forecasts by the Bank of England. This is in the context of over a decade of austerity which saw councils' core spending power fall by 27% in real terms from 2010/11 to 2023/24. As a result, the financial resilience of the sector is low and its capacity to respond to financial crises is limited. Many Councils have warned this is threatening their financial sustainability and most are facing tough decisions around cutting services and increasing Council Tax and fees and charges during a cost-of-living crisis.
- 2.2. Despite levels of inflation being significantly higher than forecast at the time of the Spending Review in October 2021, the government has communicated there will be no increase in the overall funding envelope over the Spending Review period. As part of the 2023/24 financial settlement, the government produced a Policy statement on the 2024/25 financial envelope outlining the likely size of a number of key funding streams. The assumptions in this paper still stand and recent confirmation has also been received for the levels Adult Social Care grants in 2024/25. It should be noted that these assumptions include an overall council tax referendum threshold of 4.99% for upper tier authorities. Uncertainty still remains around a number of funding streams including New Homes Bonus. The number and level of different specific grants remains an ongoing risk.
- 2.3. The government is expected to announce the Autumn Statement on 22 November 2023, but no major changes are expected. Government funding for 2024/25 will be confirmed in the provisional finance settlement, expected late in December 2023.
- 2.4. In common with the rest of the sector the Council's finances continue to be under pressure. The high levels of inflation and rising demand for services continues to outstrip the level of resources available. The resilience of the

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<sup>1</sup> **Autumn Statement 2023: LGA submission**

<https://www.local.gov.uk/parliament/briefings-and-responses/autumn-statement-2023-lga-submission>

Council has been eroded by the impact of over a decade of austerity. It should be noted that Manchester was one of the hardest hit councils and has delivered £443m of savings since 2010 to cope with the funding cuts and unfunded budget pressures. The Council is only in a position to set a balanced budget for 2024/25 due to the careful long-term financial planning which has involved taking some difficult decisions, including £36.2m of savings agreed across 2024-26 and the use of £53.2m of reserves to support the budget deficit during the same period. Despite this a significant and growing budget gap remains from 2025/26 and urgent action is going to be required to address this.

- 2.5. This report sets out the updated financial position and the proposed budget process.

### 3. Summary Budget Position

- 3.1. The final budget position for 2024/25 and future years will be confirmed at February 2024 Executive. This will be after the key decisions confirming the Council Tax and Business Rates tax base to be used to determine the collection fund position have been made in January and the Final Finance Settlement is received.
- 3.2. The indicative medium-term position is shown in the table below, showing the planned use of reserves and the level of savings proposals identified as part of last years budget setting process (£36.2m across three years) and additional savings for consideration (£2.5m in 2024/25).

*Table One: Summary Budget position*

	2023 / 24	2024 / 25	2025 / 26	2026 / 27
	£'000	£'000	£'000	£'000
<b>Resources Available</b>				
Business Rates / Settlement Related Funding	376,527	400,701	415,207	421,805
Council Tax	217,968	228,712	238,279	247,840
Grants and other External Funding	130,494	136,226	109,997	109,997
Use of Reserves	13,714	8,222	9,703	4,922
<b>Total Resources Available</b>	<b>738,703</b>	<b>773,861</b>	<b>773,186</b>	<b>784,564</b>
<b>Resources Required</b>				
Corporate Costs	116,421	120,681	124,767	123,986
Directorate Costs	638,751	699,761	734,783	765,996
<b>Total Resources Required</b>	<b>755,172</b>	<b>820,442</b>	<b>859,550</b>	<b>889,982</b>
<b>Budget Gap</b>	<b>16,469</b>	<b>46,581</b>	<b>86,364</b>	<b>105,418</b>
Savings approved in current MTFP	(15,396)	(25,568)	(36,170)	(36,170)
Additional Savings		(2,500)	(2,500)	(2,500)
Use of Smoothing Reserves	(1,073)	(16,858)	(17,850)	(17,758)
<b>Gap after use of Smoothing Reserves and savings</b>	<b>0</b>	<b>1,655</b>	<b>29,844</b>	<b>48,990</b>

- 3.3. The budget assumptions that underpin 2024/25 to 2026/27 include the commitments made as part of the 2023/24 budget process to fund known ongoing demand pressures. In addition, a review of emerging pressures and budget assumptions has been completed and provision has been made to address these where they are unavoidable, including inflation and pay awards. Whilst this contributes to the scale of the budget gap it is important that a realistic budget is set which reflects ongoing cost and demand pressures.
- 3.4. The accompanying report sets out the priorities and officer proposals for the services within the remit of this committee. This includes a reminder of the savings proposals identified as part of last year's budget setting process (£36.2m across three years) and additional savings for consideration (£2.5m from 2024/25). As far as possible these are aimed at protecting the delivery of council priorities and represent the least detrimental options.
- 3.5. There remains a forecast shortfall of £1.6m next year. Any further reduction to the underspend this year will reduce the need to top back up General Fund reserve in 2024/25 and help bridge this shortfall. In addition, the Collection Fund position will be finalised in January and the final levy amounts from GMCA confirmed.

#### **4. Budget Consultation**

- 4.1. There is a statutory requirement to consult with business rates payers. Public consultation on proposed Council Tax levels and the savings and cuts measures put forward by officers will open on 31 October and run until 27 December 2023. The provisional results from the consultation will be reported to Executive in February. The full analysis and results, alongside comments from scrutiny committees, will be reported to the Budget Scrutiny meeting on 26 February to ensure they are fully considered before the final budget is set.
- 4.2. None of the budget options set out to date require formal statutory consultation.

#### **5. Equalities Impact and Anti-Poverty Assessments**

- 5.1. Each saving option that was approved last year was supported by a robust business case where consideration was given to how the savings could impact on different protected or disadvantaged groups. Where applicable proposals were subject to completion of an Equality Impact Assessment (EqIA) and a Poverty Impact Assessment as part of the detailed planning and implementation. Work is also underway on the way in which equalities data is collected across the Council, supporting the ability to be better informed on the impact of changes being made to services.

#### **6. Scrutiny of the draft proposals and the budget reports**

- 6.1. The reports have been tailored to the remit of each scrutiny as shown in the table below. Each Committee is invited to consider the proposed changes



which are within its remit and to make recommendations to the Executive before it agrees to the final budget proposals in February 2024.

*Table Two Scrutiny Committee Remits*

<b>Date</b>	<b>Meeting</b>	<b>Services Included</b>
7 Nov 23	Communities and Equalities Scrutiny Committee	Sport, Leisure, Events Libraries Galleries and Culture Compliance and Community Safety Housing Operations including Homelessness Neighbourhood teams
7 Nov 23	Economy and Regeneration Scrutiny Committee	City Centre Regeneration Strategic Development Housing and residential growth Planning, Building Control, and licensing Investment Estate Work and skills Highways
8 Nov 23	Health Scrutiny Committee	Adult Social Care Public Health
8 Nov 23	Children and Young People Scrutiny Committee	Children and Education Services
9 Nov 23	Resources and Governance Scrutiny Committee	Chief Exec Corporate Services Revenue and Benefits / Customer and Welfare Support Business Units
9 Nov 23	Environment and Climate Change Scrutiny Committee	Waste and Recycling Parks Grounds maintenance

## 7. Next Steps

7.1. The proposed next steps are as follows:

- 31 October Budget consultation launched to close 27 December 2023
- 7-9 November - Scrutiny Committees
- 7 December – RAGOS – Update on Autumn Statement (expected 22 November) and Council Tax and Business Rates Key Decisions report
- Late December - The Local Government Finance Settlement expected
- 11 January - Resources and Governance Scrutiny Committee - settlement outcome, update on the budget position and consultation responses, including for the proposed changes to the Council Tax Support Scheme
- 17 January - Executive -settlement outcome, update on the budget position and consultation responses

- 6-8 February - Scrutiny Committees
- 14 February - Executive receive proposed budget
- 26 February - Resources and Governance Budget Scrutiny.
- 1 March - Council approval of 2024/25 budget