



Economy Scrutiny Committee

Date: Thursday, 10 October 2019

Time: 10.00 am

Venue: Council Antechamber, Level 2, Town Hall Extension

Everyone is welcome to attend this committee meeting.

There will be a private meeting for Members only at 9.30am in Committee Room 6 (Room 2006), 2nd Floor of Town Hall Extension

Access to the Council Antechamber

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Membership of the Economy Scrutiny Committee

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

Agenda

1. Urgent Business

To consider any items which the Chair has agreed to have submitted as urgent.

2. Appeals

To consider any appeals from the public against refusal to allow inspection of background documents and/or the inclusion of items in the confidential part of the agenda.

3. Interests

To allow Members an opportunity to [a] declare any personal, prejudicial or disclosable pecuniary interests they might have in any items which appear on this agenda; and [b] record any items from which they are precluded from voting as a result of Council Tax/Council rent arrears; [c] the existence and nature of party whipping arrangements in respect of any item to be considered at this meeting. Members with a personal interest should declare that at the start of the item under consideration. If Members also have a prejudicial or disclosable pecuniary interest they must withdraw from the meeting during the consideration of the item.

4. Minutes

To approve as a correct record the minutes of the meeting held on 5 September 2019

5 - 14

5. The Growth Company's business support activity in Manchester

Report of the Group Chief Executive, The Growth Company attached

15 - 30

This report provides an update on the GC Business Growth Hub's delivery to support businesses across Manchester and provides detailed information on Start-up provision, as well as information on Manchester's business demography, particularly in terms of business survival rates.

6. Inward Investment - update on the work of MIDAS

Report of the Group Chief Executive, The Growth Company attached

31 - 46

This report provides an update on the work of MIDAS in attracting inward investment to the city, including details of performance over the last 2 years and MIDAS' forward strategy.

7. **Visitor Economy Activity** 47 - 88
Report of the Group Chief Executive, The Growth Company attached

This report provides an overview of Marketing Manchester's role in developing the City's visitor economy; analysis of performance of the City's tourism sector; and the highlights of Marketing Manchester's recent activity, concluding with future opportunities and challenges.

8. **City Centre Transport Strategy**
Report to follow

9. **Overview Report** 89 - 108
Report of the Governance and Scrutiny Support Unit

This report provides the Committee with details of key decisions that fall within the Committee's remit and an update on actions resulting from the Committee's recommendations. The report also includes the Committee's work programme, which the Committee is asked to amend as appropriate and agree.

Information about the Committee

Scrutiny Committees represent the interests of local people about important issues that affect them. They look at how the decisions, policies and services of the Council and other key public agencies impact on the city and its residents. Scrutiny Committees do not take decisions but can make recommendations to decision-makers about how they are delivering the Manchester Strategy, an agreed vision for a better Manchester that is shared by public agencies across the city.

The Economy Scrutiny Committee has responsibility for looking at how the city's economy is growing and how Manchester people are benefiting from the growth.

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Joanne Roney OBE
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Further Information

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

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This agenda was issued on **Wednesday, 2 October 2019** by the Governance and Scrutiny Support Unit, Manchester City Council, Level 3, Town Hall Extension (Mount Street Elevation), Manchester M60 2LA

Economy Scrutiny Committee

Minutes of the meeting held on Thursday, 5 September 2019

Present:

Councillor H Priest (Chair) – in the Chair

Councillors Abdullatif, Noor, Raikes, Shilton Godwin and Stanton

Also present:

Councillor Leese, Leader

Councillor Richards, Executive Member for Housing and Regeneration

Councillor Midgely, Assistant Executive Member for Housing and Regeneration

Apologies: Councillor Douglas, Green, Hacking, Hitchen, Johns and K Simcock

ESC/19/37 Minutes

Decision

The minutes of the meeting held on 18 July 2019 were agreed as a correct record.

ESC/19/38 Delivering Manchester's Affordable Homes to 2025

The Committee considered a report of the Strategic Director (Development and Growth), which provided an update on progress against the policy proposals contained in the Affordable Housing Report considered by the Committee and the Executive in December 2018, taking into account the demand for and supply of affordable homes in the City. The report also provided further details of how the Council and its partners would deliver a minimum of 6,400 affordable homes from April 2015 to March 2025.

The Executive Member for Housing and Regeneration addressed the Committee, setting out the challenges the Council faced in meeting the policy proposals and in doing so referred to the main points and themes within the report, which included:-

- Manchester's economic context in relation to employment growth and associated housing demand;
- The reasons for the reduction in the completion of new homes in the City since 2007/08;
- The impact of austerity measures and associated welfare reforms on those on low incomes and a range of vulnerable households, particularly but not exclusively those living in the private rented sector;
- The role of Homes England and Registered Partners in supporting the Council to deliver new affordable homes, including the number of new affordable homes that had been delivered/were planned to be delivered between April 2015 to March 2021;
- Details of proposals for a further three additional Council funded affordable housing schemes in addition to the schemes that were already under construction;

- Detail on the level of significant investment needed to deliver the scale of Affordable Homes needed in the city between now and March 2025 and the funding streams that this funding would be derived from, which included the Council's HRA, grant support from Homes England, investment capacity of Registered Providers, Section 106 monies and the Council's Housing Affordability Fund
- Issues around availability of land for affordable housing;
- Proposals to address the adverse impact of the Governments Right to Buy scheme;
- Consideration Community Led Housing projects; and
- The need to take into consideration the Council's commitment to becoming Zero Carbon by 2030 and the consequences of this in terms of future housing design and quality.

The report would also be considered by the Executive at its meeting on 11 September 2019

Some of the key points that arose from the Committees discussions were:-

- A real opportunity existed to make future affordable homes better than zero carbon and it was asked what work had taken place to date on this;
- It would be important to ensure that all Council Housing partners and organisations within the housing construction supply chain were aware of the Council's climate emergency declaration and the associated commitments it had made;
- There was concern that the majority of the level of investment required rested with Registered Providers and what securities had they against this risk;
- Would this strategy address the 13,000 plus people currently on the housing register and particularly those who were most vulnerable and those dependent on some of housing benefit;
- How many social rented properties had been built over the last five years through S106 monies;
- Could the Council strengthen its Housing Affordability Policy to ensure more social/affordable homes were built by developers through removing any clauses that permitted developers to provide a financial contribution in place of housing;
- Further information was requested on the review of site availability on the establishment of Manchester Housing Providers Partnership (MHPP);
- To what extent had transport infrastructure been factored into the impact on land prices and house prices within the city region;
- What measures were in place to ensure the quality of new affordable homes was of the highest standard possible;
- There was concern around the level of burden that would be placed on volunteer groups to be required to submit applications for funding for suitable community led housing projects and also the accountability of taking on a formal role of stewardship/management of these projects; and
- It was proposed that local ward Members should be consulted with prior to any decision made around the disposal of sites within Council ownership for the provision of affordable homes

The Strategic Director (Development and Growth) acknowledged the point made around zero carbon. Officers were cognisant of the decisions the Council had made in terms of declaring a climate emergency and work was ongoing in the development of an Action Plan to address the challenges and thresholds set through the declaration. This would include addressing the Council's relationships with its partners and supply chain as well as its commissioning and procurement strategies. It was recognised that the affordability of delivering the proposals were a significant challenge for the Council and it was this in particular that would likely be at the heart of political discussions going forward. The Head of Housing commented that Registered Providers were already undertaking a lot of initiatives to aid in their properties reducing their carbon footprints, such as the installation of solar panels and ground/air heat pumps.

The Executive Member for Housing and Regeneration commented that there was approximately 6,000 residents in Manchester in housing need and this strategy aimed to tackle this through targeting Council resources at affordable homes at Local Housing Affordability level or below. In terms of the allocation system, there was currently a consultation and review of this taking place which would look to ensure that those homes that were becoming available were targeted at those most in need. There was also a review taking place of the Council's Private Rented Sector strategy and standards to try and more effectively enforce landlords meet their obligations and duties to their tenants. The Strategic Director (Development and Growth) advised that a briefing note could be provided to Members on the number of social rented properties built through on site S106 contributions. He added that the majority of S106 contributions for affordable housing was through off site contributions and due to the scale of funding required, the majority of affordable homes would need to come from Registered Providers and Homes England, as S106 monies through planning obligations would only deliver a minimal amount.

The Executive Member for Housing and Regeneration advised that there would be a piece of work undertaken over the next 12 months that would look to strengthen the Council's HRA to see what options existed to improve the 30 year outlook. The Committee was also advised that the MHPP had recently launched its own website and it was suggested that the Committee may want to invite representatives from the MHPP to a future meeting when it considered housing issues. It was also reported that the Strategic Housing Land Availability Assessment (SHLAA) was a public document and this would be made available to all Members.

In terms of the financial risk to Registered Providers, the Housing Strategy and Partnership Manager advised that conversations had already begun to take place as to how this could be addressed. He advised that to mitigate the risk, there was a need to maximise the funding from Homes England and ensure that the rental streams for the new homes provided covered the financial borrowing by the Registered Providers.

The Strategic Director (Development and Growth) advised that in terms of the Council's land ownership, it had previously identified areas of land which had been determined as Housing Affordability Zones, the majority of these were set alongside or adjacent to major transport corridors and would be utilised for an affordable housing product rather than sold to the open market. It was acknowledged that there

was a separate issue in terms of Registered Providers competing for land against private developers in the open market, which provided a challenge in driving this program forward.

The Executive Member for Housing and Regeneration commented that the Council's affordable homes were some of the highest quality built and Manchester had its own quality standards around design which were higher than the national standards. In terms of community led housing concerns, she advised that the strategy proposed a more defined approach in order to respond to some of the concerns and risks identified. It was reported that the City already had a small number of community led housing schemes and there had been a number of groups approach the Council expressing an interest in setting up future projects. The Executive Member agreed to provide more detail around this as the strategy was further developed.

Decisions

The Committee:-

- (1) Endorses the recommendations to the Executive as detailed below with the proposed additional wording (highlighted in bold)

The Executive:-

1. Note the increase in the forecast Residential Growth delivery target for new homes in Manchester from April 2015 to March 2025 of an additional 7,000 homes to 32,000 homes.
2. Note the proposed increase in the delivery target between April 2015 and March 2025 from 5,000 Affordable Homes to a minimum of 6,400 Affordable Homes.
3. Note the limited capacity of the Council's Housing Revenue Account and the Council's Housing Affordability Fund to support new additional Affordable Homes in the city and that significant new Affordable Home delivery in the city is dependent on robust partnership relationships with Registered Providers, which currently have the financial and delivery capacity to deliver those homes.
4. Delegate authority to the Strategic Director - Growth and Development, and the Deputy Chief Executive in consultation with the Executive Members for Finance and Resources and Housing and Regeneration to negotiate and formalise a Strategic Partnership with Homes England
5. Delegate authority to the Deputy Chief Executive, Strategic Director - Growth and Development and Head of Development in consultation with the Executive Member for Housing and Regeneration, to agree the disposal of sites in Council ownership for the provision of affordable homes as set out in this report **following consultation with local ward members.**
6. Delegate authority to the Strategic Director - Growth and Development and the Deputy Chief Executive in consultation with the Executive Members for Finance and Resources and Housing and Regeneration, to establish partnership arrangements with Registered Providers together with their partners/consortium for defined areas in the North, Central, South and Wythenshawe areas of the City.

7. Note progress against the Policy Ideas presented to Executive in the December paper by the Executive Member for Housing and Regeneration
 8. Delegate authority to the City Solicitor to enter into and complete all documents and agreements necessary to give effect to the recommendations in this report.
- (2) Notes the possibility of representatives from MHPP attending a future meeting when it next considers housing related issues;
 - (3) Notes that more information on Community Led Housing projects will be provided to the Committee as the strategy develops; and
 - (4) Requests that Officers circulate the Strategic Housing Land Availability Assessment (SHLAA) to all members of the Committee.

ESC/19/39 The Impact of Brexit on the Manchester Economy

The Committee considered a report of the Strategic Director (Development and Growth) which provided an update on current evidence about the impact felt by Manchester's economy since the European Union Referendum in 2016, as well as identifying a number of potential risks arising from the decision to leave the European Union.

The Leader informed the Committee of the developments that had taken place since the report had been published and also referred to the main points and themes within the report included:-

- Manchester's current economic position was broadly positive and continued to exceed both regional and national averages;
- Despite Brexit uncertainty, demand within the city centre office market was strong, with recent estimates suggesting that further new Grade A supply was urgently required;
- The continued success of the office market in the city had been somewhat tempered by a decline in retail linked to the growth of online retailing. Nevertheless, the Arndale continued to buck the trend with a series of new lets recently announced;
- There was a great concern to the city that vital research links with the EU could be compromised by Brexit which would have detrimental impacts on the burgeoning knowledge economy sector within Manchester, mainly located in the Oxford Road Corridor;
- Several of Manchester's employment sectors currently relied heavily on the employment of skilled EU nationals. If there was a decrease in EU nationals working in the city, the following sectors could face challenges, impacting on Manchester's growth ambitions;
- The implementation of a UK Shared Prosperity Fund to replace current EU funding had been delayed by a year, consequently EU funding would continue to be spent for the next two years;
- The most significant economic impact of the EU Referendum result had been the striking devaluation of the British Pound. The consequences of which had had different levels of impact on different sectors and aspects of the economy.

- Whilst there was a reduction in EU migration into the city, these reductions were being offset by a rise in the number of those entering the city from Pakistan, China and India;
- The consequences to Manchester companies in terms of import and export trade tariffs should the UK leave the EU without a deal; and
- Even at this advanced stage of the Brexit negotiations, there was no consensus on what the actual effects of Brexit would be on any aspect of the economy at any level.

Some of the key points that arose from the Committee's discussions were:-

- What work, if any, had the Council undertaken to help prepare residents to fill employment gaps that would be left by those posts currently filled by EU nationals, who were leaving Manchester as a consequence of Brexit;
- How would Manchester's professional services be impacted by Just In Time manufacturing being delayed and the possibility of the EU cutting out British companies from supply chains;
- Concern was expressed that although the Foreign Direct Investment (FDI) figure for the North West had increased slightly, overall it was still lower than before the referendum took place;
- What preparations had been made in terms of the labour market following exiting the EU and any possible recession as a consequence of a no deal;
- Concern was expressed in relation to the impact Brexit had had and would continue to have on health and social care services for Manchester residents due to the migration of a large proportion of the workforce and the impact on the City's cutting edge research sectors and it was asked what work had been done to mitigate these impacts;
- Had the Council considered undertaking an Environmental Impact Assessment (EIA) of Brexit;
- Had any consideration been given yet to the impact of Brexit on the contribution that voluntary and community sectors provided to various sectors of the City's economy;
- Had the Council undertaken any planning for Brexit not taking place and the potential economic upturn that this might bring; and
- To what extent would Manchester be impacted by the effect of Brexit on other Greater Manchester local authorities.

The Head of Local Planning and Infrastructure/City Policy acknowledged that the potential skills gap was a critical issue and providers were aware to this risk. There was potentially a large challenge to a number of sectors but this would be dependent on the UK's future immigration policy which was still not clear. Reassurance was given that Officers and partners were working hard to ensure that they were doing everything they could to mitigate the potential level of impact this would have on the city. The Leader added there was also the willingness of people to be trained and developed and also the length of time it took to obtain the necessary skills and qualifications in certain sectors, such as Nursing, that would have an impact on filling any skills gaps.

It was acknowledged that in terms of FDI, Manchester was doing comparatively well when compared nationally, however, this was in relation to only Manchester and not Greater Manchester or the Northern region.

In terms of Professional Services and EU companies supply chains, it was reported that all services would be impacted in terms of labour issues and there were a whole series of issues around data that the Council had been working with the Combined Authority on to try and ensure companies were made aware of what they needed to do to minimise the shock of any withdrawal on information flow and GDPR. More generally, in terms of mitigating the impact to the labour market, it was explained that there were parallels to the 2008/10 period and recession that followed and experiences were being drawn from this to try and mitigate the likely impact to the City's labour markets.

The Committee was advised that Greater Manchester was probably in a better place than anywhere else in the country in terms of keeping businesses informed of Brexit implications through the work of Manchester Growth Company. He advised that in terms of the potential impact on Universities and the Research Sector, Manchester had strong footings in these areas and as a consequence, these would likely be sustained regardless the outcome of Brexit. He advised that alongside the Universities the Council would continue to lobby government to ensure it still bought in to European Programmes and had an appropriate visa programme to allow researchers to come and work in Manchester.

In terms of undertaking an EIA, it was acknowledged that there would be a range of broad issues that would require addressing going forward. It was commented however, that all current environmental EU Legislation would be transferred into UK law upon exiting the EU. The Leader added that if there was a no deal then the UK would not be part of any supply chains with EU countries and there was no provision to export British products to the European Union. This however was somewhat beyond the control of the Council and was entirely dependent on what deals the UK Government could reach with the EU going forward.

The Leader acknowledged the point made around the potential impact on the voluntary and community sector and advised that further consideration would be given to this going forward. In terms of Brexit not happening, he advised that Manchester was in a very strong position to reap any benefits from a growing economy as a result of international trade. He also added that In terms of how Manchester would possibly be impacted by the effect of Brexit on other Greater Manchester local authorities, the City had proven its resilience in the past by its ability to recover quickly from past recessions, more so than other GM authorities, and as such it would likely be required to provide employment opportunities for a far greater geography than its own boundaries. He added the caveat that this would be dependent on the ability to deliver appropriate residential and commercial development in the long term to ensure future job creation.

Decision

The Committee notes the report.

ESC/19/40 Northern Powerhouse Rail Update

The Committee considered a report of the Strategic Director (Development and Growth) which provided an update on High Speed 2 (HS2) and Northern Powerhouse Rail (NPR) and outlined the latest position on both initiatives. The report also provided information on a campaign by Northern leaders for rail investment in the north and a summary of the Council's response to HS2 Ltd.'s Design Refinement Consultation.

The Leader informed the Committee of the developments that had taken place since the report had been published and also referred to the main points and themes within the report included:-

- Government had recently announced an independent review into HS2 which was due to report back within a six week time period and would examine cost estimates and opportunities for savings and changes to the scheme, the environmental impact, and the economic and business cases for both Phases 1 and 2;
- The Secretary of State for Transport had recently announced that the cost of HS2 was anticipated to increase by a further £30 billion to approximately £85 billion and that the timescale for delivering Phase 2 would be delayed by seven years;
- Northern leaders had written to both the Prime Minister and new transport secretary, to express the importance of delivering HS2 and NPR together in the north, delivering the right stations and infrastructure and not stepping back from other committed schemes;
- Leaders were now moving forward to deliver a joint campaign, supported by other areas and existing groups, including Transport for Greater Manchester (TfGM) and the GMCA to target business, media, MPs and senior Government Officials, with an aim to gain the support of prominent figures to influence the wider general public of the opportunities and benefits to the north of HS2, NPR and wider rail investment;
- HS2 Ltd. was currently at the Control Point 3 (CP3) of the design stage, which was due to complete in October 2019. This stage of design would be included in the plans which would make up the hybrid Bill, which was currently due to be submitted to Parliament in June 2020;
- HS2 Ltd. was consulting on design refinements (DRC) to the Phase 2b route consulted on in 2016. The changes that impacted Manchester were the proposed relocation of vent shafts and their associated infrastructure, at Lytham Road and Palatine Road. The proposed new locations were at Fallowfield Retail Park on Birchfield's Road, and on Withington Golf Club land at Palatine Road; and
- The Council's response to the DRC included previous concerns set out in its response to HS2 Ltd.'s Working Draft Environmental Statement (WDES) in December 2018.

Some of the key points that arose from the Committees discussions were:-

- What could be done to improve the promotion of the benefits that HS2 would bring to the region other than just the reduction in journey times to London;

- Reassurance was sought that the Council would be supporting objectors in relation to the proposed location of the ventilation shaft on the Birchfield site;
- Was there any update on the proposed design of a new station at Piccadilly station given the lack of agreement between GM stakeholders and the TfN Partnership Board as to what should be proposed;
- What could be done to improve the capacity on the existing rail network in order to deliver more services for commuters
- There was concerns about the current volume of rail users wanting to access Piccadilly station and whether it had the capacity to accommodate any more users.

The Leader advised that the previous location of the ventilation of the ventilation shaft on the Birchfield site was were a new school was being built so it was necessary that it was relocated. He informed the Committee that the Executive would be requested to oppose the proposed re-location at the Birchfield site and consider two alternative locations.

In terms of the proposals for a new station at Piccadilly, it was reported that it had been agreed with Transport for the North as to what was to be included in the report to the Partnership Board but this was not what was actually reported. This had been acknowledged by TfN and they had confirmed that they would proceed in considering both Department for Transport's proposal for a turn back station alongside the Council's and GM Stakeholders preference for an underground station. In addition to this, additional independent research had been commissioned alongside TfGM to report back on the viability and benefits an underground station would bring to the city and wider city region.

The Committee was advised that in order to provide more commuter rail services in and around Manchester, there needed to be greater capacity on the existing rail networks and this could only be achieved by the removal of long distance services from the existing networks onto the new HS2 network. He acknowledged that the case for improved capacity on local networks had been overshadowed by the reduced journey times HS2 would achieve and the argument for HS2 should be driven by capacity and reliability rather than purely speed.

Decisions

The Committee:-

- (1) Notes the report
- (2) Welcomes the reference to a future a focus on the benefits that HS2 would have beyond reduced journey times to London;
- (3) Requests that the Committee is provided with further information on the Connecting Britain campaign

ESC/19/41 Overview Report

The Committee considered a report of the Governance and Scrutiny Support Unit which contained key decisions within the Committee's remit and responses to

previous recommendations was submitted for comment. Members were also invited to agree the Committee's future work programme

In terms of future work programmes, the Chair of the District Centres Sub Group (Councillor Shilton Godwin) informed the Committee that it was anticipated that the final report of the District Centres Sub Group would not be ready for consideration until February 2020 at the earliest and requested that this be reflected on the Committee's work programme.

Decision

The Committee:-

- (1) Notes the report;
- (2) Agrees that the final report of the District Centres Sub Group will be considered by the Committee would not be ready for consideration until February 2020 at the earliest.

**Manchester City Council
Report for Information**

Report to: Economy Scrutiny Committee – 10 October 2019

Subject: The Growth Company's Business Support

Report of: Group Chief Executive, The Growth Company

Summary

This report provides an update on the GC Business Growth Hub's delivery to support businesses across Manchester and provides detailed information on Start-up provision, as well as information on Manchester's business demography, particularly in terms of business survival rates.

Recommendations

That the report be noted.

Wards Affected: All Wards

Contact Officers:

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1. Introduction

This report provides an update on the GC Business Growth Hub's business start-up and support offer together with information on start-up and survival rates of businesses in Manchester.

2. Background

Established in 2011 the GC Business Growth Hub's vision is to create a thriving and productive economy by unlocking and accelerating the growth potential of businesses across the whole of Greater Manchester.

Since that time, across Greater Manchester the GC Business Growth Hub has engaged with over 48,000 businesses, provided intensive support to 11,000 helping to create c.10,000 jobs. Since 2012 the Hub has supported over 1,000 individuals to start a business, facilitated over £200m in funding offers, had an GVA impact of £55m and reduced carbon by 1.6m tonnes. Since January 2018 the GC Business Growth Hub has been collecting Inclusive Growth data regarding job creation and employment standards (see Appendix 1).

From the outset, the GC Business Growth Hub has enjoyed a strong relationship with Manchester City Council and has delivered business support services extensively across the local authority area. Through the last European Regional Development Fund (ERDF) funded programme (2015-2018), GC BGH supported c.870 SME businesses (with a minimum of 12 hours of support), with those companies going on to create 370 new jobs, £17m in increased sales and adding over £2m in GVA to the Manchester economy.

Over a third of the businesses supported through the last programme were operating in the digital, creative and technology sectors, with another significant proportion in the business, financial and professional sectors. This reflects the scale and sectoral activity across Manchester.

In total Manchester accounts for almost 23% of the Greater Manchester ERDF eligible business base and in the previous programme some 24% of intensive business assists delivered by the GC Business Growth Hub were for Manchester businesses.

3. Business Support Offer

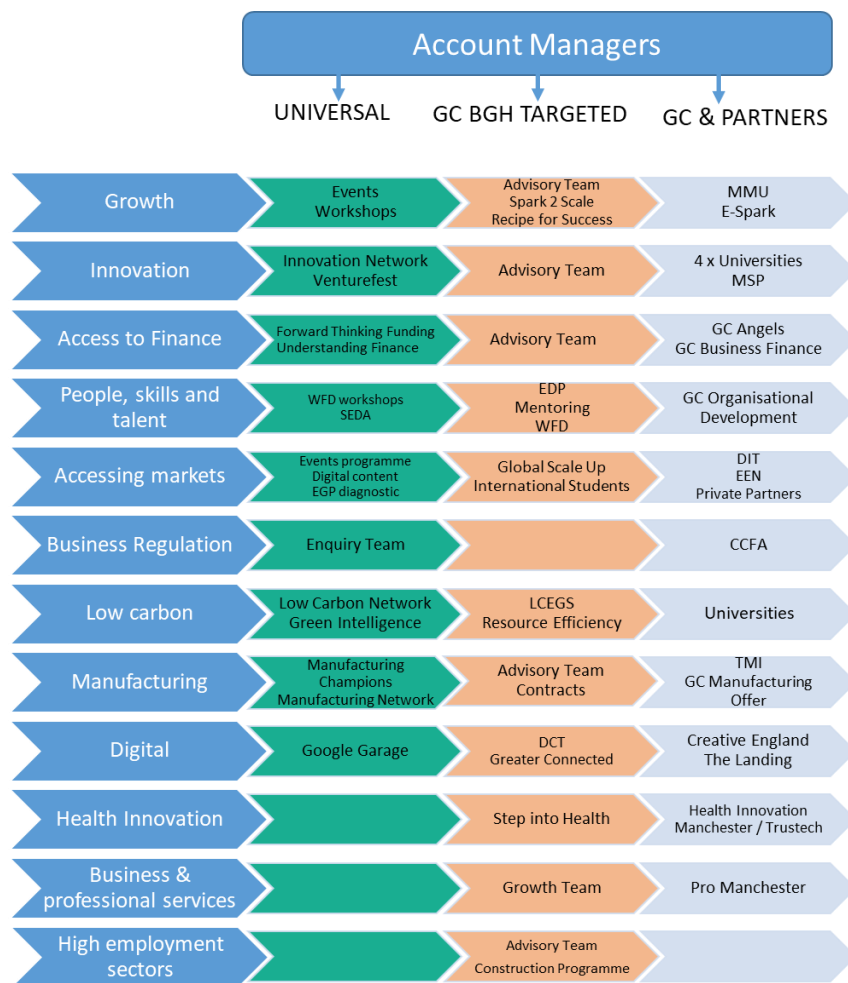
Since its creation the GC Business Growth Hub has aimed to act as a true 'hub' to bring together the best of public and private business support - working collaboratively with c.180 external partners, combining both in-house services, with the best of public and private business support services. The GC Business Growth Hub makes it simpler for businesses with growth potential to find the support they need working with its partner base, which one of its key assets. Owners and senior managers in SMEs are faced with offerings from a wide range of deliverers in both the private and public sector. These include Manchester Growth Company subsidiaries, Innovate UK, Knowledge Transfer Network, Dept International Trade and Universities in the public sector. Private sector sources of support include banks

and business finance providers, universities, innovation specialists, lawyers, marketing agencies, chambers of commerce, mentors, coaches and sector specific networks etc.

The GC Business Growth Hub offers a wide range of universal and specialist support services.

- Universal services are open to all business and include:
- Drop in clinics on a range of topics at Central Library for all to access
- Networking events
- Telephone and Live chat advice
- Online networks
- Information, Video and Factsheets
- Workshop programme – all events can be found on the GC Business Growth Hub website for more detail on topics covered.
<https://www.businessgrowthhub.com/events>

The range of specialist services delivered by the GC Growth Hub are set out below:



The above suite of business support services is delivered through an account managed process ensuring that businesses receive the right specialist service at the right time to ensure a co-ordinated and successful growth journey. This account

management process works in close co-ordination with existing local authority account management approaches and that of MIDAS (in relation to large companies) to ensure that businesses do not have to go through multiple contacts to access effective business support.

Account managed businesses will be targeted towards those businesses that have the greatest potential to improve Greater Manchester's productivity, i.e. companies that show growth potential and ambition. Using established business data sets, HM Revenue & Customs and web-scraping data, business intelligence produces lists of companies that can be targeted for engagement with the GC Business Growth Hub.

The account managers take the whole Growth Company offer (including business support, workforce development, export advice, loan finance, recruitment and accreditation) to a select list of target companies (large and SMEs) that have high growth potential and play a significant role in the Manchester economy.

Working with larger 'growth' companies, the Growth Hub account managers will help signpost and support the businesses toward the best service available in both the public and private sectors. This process will be done in a closely co-ordinated fashion with the City Council to ensure that a co-ordinated approach is developed.

4. Growth Start-up & Livelihood Start-up

For start-ups the GC Business Growth Hub's fully funded support helps plan, launch and develop a business covering both long- and short-term objectives.

Livelihood pre start and early stage support is delivered by People Plus and the GC Business Growth Hub throughout Manchester City area.

'Start Smart' focuses on raising the awareness of self-employment and business start up to people who may not traditionally consider this as an economic option as well as supporting businesses in the 0 to 3-year trading window. The focus is to support businesses that are not looking at high growth to start and sustain their trading activity. Community based engagement figures highly in the programme with the majority of delivery being community based in venues such as libraries and community access points.

Delivery includes:

- Drop In sessions - promoted sessions where pre-trading and trading businesses can speak to a business advisor about their support needs
- Pre booked 1 to 1 Sessions - focussed support where pre-trading and trading businesses can speak to a business advisor about topics
- Workshops - delivering a range of topics to include how to start your business and how to grow your business in Manchester, book keeping, marketing, social media, business planning, etc.

Summary of Manchester Outputs – ‘Start Smart’ Contact end to March 2019

START SMART STAKEHOLDER REPORT MANCHESTER		Performance to contract end	Total contract Target	
			Total contract Target	Final Position
Pre Start	Engagements	630	227	+403
	No of Assists completed	345	159	+186
	No of Starts	65	45	+20
Post Start	Engagements	89	57	+32
	No of Assists completed	81	24	+57

Results show that engagement was excellent with 630 pre-trading clients engaged and 89 post trading clients equating to 435 clients over profile. Pre-trading individuals receiving support to explore the viability of starting a business / becoming self-employed was 345, 186 over profile and of those 65 went on to start a business, 20 over the profiled target.

Post trading support for businesses focussed on business sustainability and growth of which 81 accessed support, 57 over profile. Detailed and granular analysis of this activity can be made available on request.

Appendix 2 sets out a range of Start-up Case Studies.

5. Manchester Start-up and Business Survival Rates

The Office for National Statistics has produced information on the Business Demography for 2017¹.

The number of active businesses in the City of Manchester has grown since 2015.

Year	2015	2016	2017
Active Businesses	21,815	25,780	31,005

Business births in the city has shown a similar pattern of growth:

Year	2012	2013	2014	2015	2016	2017
Business Births	2,545	3,385	3,525	4,190	6,445	8,460

¹

<https://www.ons.gov.uk/businessindustryandtrade/business/activitysizeandlocation/bulletins/businessdemography/2017>

This is offset by the number of business deaths:

Year	2012	2013	2014	2015	2016	2017
Business Deaths	2,275	2,285	2,605	2,995	3,235	4,165

The Office for National Statistics Business Demography Report also provides a breakdown of business survival rates of newly born businesses. The table below provides details of survival rates of new businesses from 2012 onwards for Manchester, with data for Greater Manchester and England provided as comparators.

Born in 2012 and their survival rates					
	2013	2014	2015	2016	2017
England	91.2%	73.8%	59.2%	50.3%	43.1%
Greater Manchester	91.9%	72.4%	57.1%	48.0%	41.0%
Manchester	91.0%	69.9%	53.2%	44.6%	37.5%
Born in 2013 and their survival rates					
		2014	2015	2016	2017
England		93.6%	75.1%	60.9%	51.2%
Greater Manchester		93.6%	73.4%	58.2%	49.3%
Manchester		93.4%	69.9%	54.7%	45.2%
Born in 2014 and their survival rates					
			2015	2016	2017
England			92.3%	75.5%	59.6%
Greater Manchester			92.1%	74.1%	59.4%
Manchester			92.1%	73.6%	57.9%
Born in 2015 and their survival rates					
				2016	2017
England				89.7%	71.4%
Greater Manchester				89.5%	69.0%
Manchester				88.5%	66.9%
Born in 2016 and their survival rates					
					2017
England					91.6%
Greater Manchester					91.3%
Manchester					91.4%

Whilst Manchester has survival rates slightly below the average for England and Greater Manchester, it should be noted that Manchester has been consistently one of highest performing local authority areas for business births. In 2017 it had the highest number of business births (8,460) of any local authority in England.

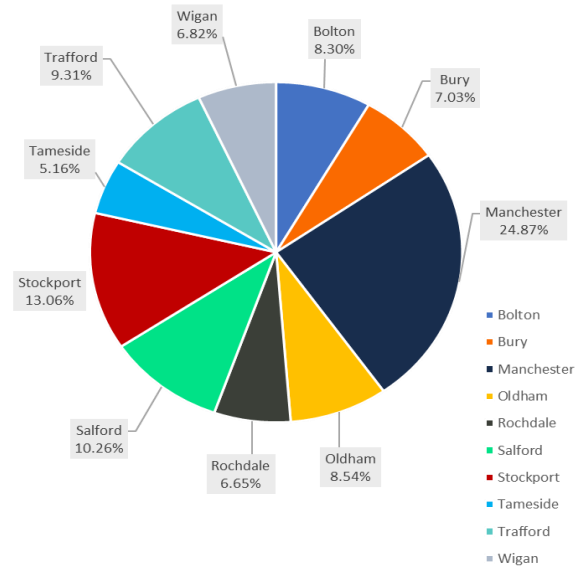
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Appendix 1 – Inclusive Growth

Business Growth Hub Inclusive Growth Data – 2018/19 year to date April 19

Businesses Supported

- Number of businesses supported by Business Growth Hub in GM – 720
- Reported characteristics of owners of business supported as below



	No. (%)
Female	157 (22.2%)
BAME	105 (15.5%)

Note: % is of the total businesses which reported against that characteristic

LA location of all businesses supported

Inclusive Growth Impacts as below

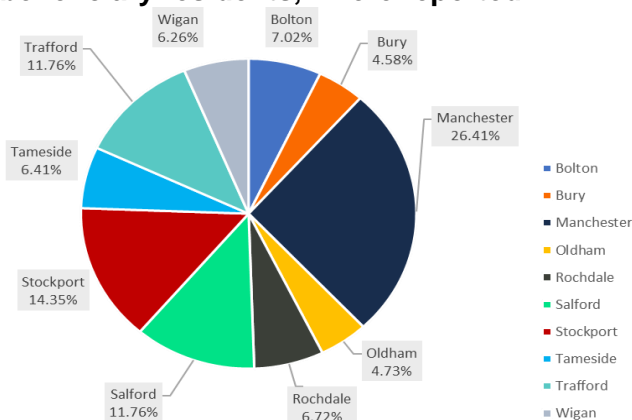
Pre-support (baseline position reported in period)	No.		Post-support (position reported in this period by businesses supported in this and previous periods)	No.	
Employ staff on zero hour contracts	31 (4.1%)		Employ staff on zero hour contracts	7 (3.4%)	
Employ staff paid below RLW	109 (16.9%)		Employ staff paid below RLW	52 (25.7%)	
Do you only use non-GM suppliers	181 (34.6%)		Reduced use of zero hour contracts	95 (46.3%)	
Undertake no voluntary / social value activity	319 (45.8%)	%	Increased staff paid at/above RLW	90 (43.5%)	%
NB percentages skewed by null values			Increased use of GM suppliers		
			Undertaken voluntary / social value activity		
<i>Note: % is of the total businesses which have reported their</i>			<i>Note: % is of the total businesses which have</i>		

current practice, pre BGH support			reported their current practice, post BGH support		
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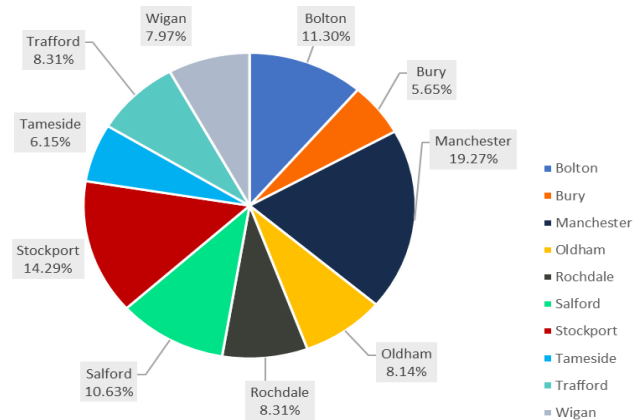
Job Beneficiaries

- Number of jobs created by Business Growth Hub in GM – 656
- Of the above, number for which LA residency of job beneficiary has been reported – 631

LA location of all businesses which have created jobs beneficiary residents, where reported



LA location of job



Reported characteristics of job beneficiaries as below (**Note: % is of all beneficiaries for which that characteristic has been reported**)

Paid above GM median salary of £21,585 *significant band of no data Apprenticeship BAME	No. 164 (23.6%) 46 (6.3%) 94 (11.6%)	%	Under 25 Over 50 Disabled	No. 190 (23.7%) 124 (15.4%) 11 (1.3%)	%
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Individuals Supported to Start a Business

- Number of individuals supported by Business Growth Hub in GM – 629

Residency by LA of all individuals supported	Reported characteristics of individuals supported: Female	No. 313 (49.8%) 98 (15.6%) 35 (5.6%) 130 (20.7%)	%
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<p>A pie chart showing the distribution of BAME individuals across various regions. The data is as follows:</p> <table border="1"> <thead> <tr> <th>Region</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Manchester</td> <td>28.05%</td> </tr> <tr> <td>Trafford</td> <td>19.18%</td> </tr> <tr> <td>Stockport</td> <td>19.49%</td> </tr> <tr> <td>Oldham</td> <td>10.94%</td> </tr> <tr> <td>Salford</td> <td>10.78%</td> </tr> <tr> <td>Rochdale</td> <td>3.17%</td> </tr> <tr> <td>Wigan</td> <td>3.65%</td> </tr> <tr> <td>Bury</td> <td>2.38%</td> </tr> <tr> <td>Bolton</td> <td>0.63%</td> </tr> <tr> <td>Tameside</td> <td>1.74%</td> </tr> </tbody> </table>	Region	Percentage	Manchester	28.05%	Trafford	19.18%	Stockport	19.49%	Oldham	10.94%	Salford	10.78%	Rochdale	3.17%	Wigan	3.65%	Bury	2.38%	Bolton	0.63%	Tameside	1.74%	<p>BAME Under 25 Over 50 Disabled Unemployed</p> <p>Note: % is of all supported individuals who have reported against that characteristic</p>	<p>34 (5.4%) n/a</p>	
Region	Percentage																								
Manchester	28.05%																								
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Appendix 2 - Start-up Case Studies

Case Study 1 - Avakino heading for success

Overview

Avakino is a **Manchester-based** headwear manufacturer that's created its own Masumi Headwear range which is specifically designed for people living with hair loss and consists of a range of timeless, elegant and fashionable designs. The business prides itself on providing an alternative to wigs for all occasions, whether that's easy-to-wear everyday pieces, an elegant head scarf for a night at the opera, or a knock-out hat for a wedding.

All products are made from carefully selected natural fibres to provide headwear that is light, cool and effortlessly elegant. From Silky-soft cottons, to delicate bamboo fibres, every piece has been designed with comfort in mind.

Challenge

Little in life happens by chance. Ali had worked in the wig industry for 15 years, most recently at Dimples Wigs, where he designed and developed the unique 'Feather Premier Collection' with the help of hair loss sufferers, nurses and hair replacement specialists.

"I grew so attached at the time," Ali explains. "How couldn't I? Some of the patients seemed so vulnerable and sometimes didn't like wearing wigs because they were itchy or took too much effort – I just wanted to do something; create something better!"

This passion gave birth to his plan to create something chic, fashionable and low-maintenance that people suffering with hair loss would feel good about themselves whilst wearing. But what Ali needed was the support to ensure he would start his business with a solid foundation and the right advisor beside him.

Results

Ali first turned to the Business Growth Hub in 2014 with the product idea that he was eager to bring to market. He began working with Isabelle Farquhar, one of the Hub's specialists, on our start-up programme.

Ali was eager to develop and learn as an entrepreneur. He accessed a whole host of Hub services which helped increase his knowledge around specific aspects of running a business such as market research, taking a product to market, pitching and tendering.

Ali says: "I just soaked up the knowledge. At the end of every event, I took something away from it that has helped me build my business. You know, I had all these ideas...but couldn't always see the bigger picture."

Meanwhile Isabelle introduced the business to the Department for International Trade NW, another part of Manchester Growth Company, who provided tailored support on how to find new markets overseas.

Avakino only started trading in November 2016 and within four months the Masumi range had secured 40 new accounts within the industry, along with distributors in countries such as Denmark, Spain, Sweden, France, Ireland and USA

Case Study 2 - Innovative tech start-up becomes market-ready after securing investment

Ground-breaking platform, **Broadstone**, is a new-to-market, game-changing online recruitment marketplace for both jobseekers and employers in the private security industry. It enables businesses to benefit from a cost-effective, on-demand workforce and compliant vetting, while individuals can gain access to the best security jobs in the UK with ease – promoting jobs which have the benefit of flexible working and better pay rates.

The Challenge

Prior to launching his start-up business, Broadstone Director and Founder Tom Pickersgill worked in the private security industry for three years as a business development manager, where he tapped into unique insights into the industry and his ideas took root.

Tom explains: “The private security industry is a £5bn marketplace, with over 400,000 individuals working in the sector, but it has a high turnover rate which creates a constant recruitment challenge, not to mention issues around vetting. It was clear that the industry needed to embrace technology. We saw the golden opportunity to disrupt the market but just didn’t have the funds available to create an initial MVP (Minimal Viable Product) to showcase to potential investors.”

The Solution

Tom used a loan from the Start-Up Loans Company to develop an MVP to show investors which, ultimately, provided some very strong validation for their model. He then went on to raise a seed round of investment to further develop the platform and release V1 to the wider public and private security industry. Tom approached the Hub for support and was matched with Shiraz Anwar, who is a start-up advisor with specialist creative, digital and tech experience.

Shiraz explains: “From our first meeting, Tom impressed me with his in-depth knowledge and understanding of the game-changing disruptive solution he wanted to bring to market. Our primary focus was getting Tom investment-ready. This involved linking and preparing Tom to pitch to investors; working through the feedback; de-risking the investment through strategically pivoting the original idea; getting SEIS and EIS registered; building IP and high barriers to entry for competitors; and identifying first key hires so when investment came through, they could get off the ground straight away.”

Tom went on to meet a number of investors, both angel and institutional, and quickly found the perfect fit who shared his vision of what the business could grow to be. Broadstone received £200k from Maven Capital, one of the UK’s most active SME investors, appointed to manage £57.5m of Norther Powerhouse Investment Funds which enables dynamic regional businesses with innovative products and access to finance services.

Broadstone has exciting growth plans which they hope will put them at the forefront of change within the industry, improve compliancy and attract people to work in security. The business is currently in the process of extending its team of software developers. They then plan to turn their attention to attracting the right talent to build commercial teams and community managers as they take their platform to market.

By 2020, Broadstone hope to attract over 60,000 individuals by working with some of the UK's leading private security employers on their platform.

The **Manchester-based** start-up is based in the city centre at Bruntwood's NEO Building, a newly-refurbished contemporary co-working space.

Case Study 3 - Perfect timing, as Hub helps Ziferblat to launch

Overview

Ziferblat - which is Russian for clock face – is a new workspace concept that is part office, part café and part event space – and which operates under a pay-per-minute model. Since launching in Moscow in 2011, Ziferblat has grown to 14 branches across Europe, with venues in the UK, Russia, Ukraine, and Slovenia.

The Challenge

Entrepreneur Ben Davies joined a local team who wanted to bring the Ziferblat concept to Manchester and turned to the Business Growth Hub for support.

The Solution

Isabelle Farquhar, Hub start-up growth advisor, helped Ben to research the target market and competitors, while also providing financial and legal guidance and business planning. Ben also attended a number of the Hub's networking events, giving him the opportunity to build relationships with business leaders from across Greater Manchester.

In January 2105, the Edge Street branch of Ziferblat in **Manchester's Northern Quarter** opened and has since achieved turnover of £450,000, while employing 35 people. And now Ben and the team will be working on two new Ziferblat venues in Greater Manchester as part of Ziferblat's ambitious growth strategy, which aims to launch a venue in every major UK city by 2021.

Ben Davies, marketing manager at Ziferblat UK says: "The success of our Edge Street venue reflects the customer appetite for the relaxed, community atmosphere we offer. The support we have received from Business Growth Hub has helped us to develop our growth strategy, expand our network and identify funding opportunities, allowing us to successfully start our business. We are now able to build on that success with new venues across Greater Manchester and the UK."

Isabelle adds: "Ziferblat is an intriguing concept and one that has proven to be very popular on a global scale. It is not always easy to successfully apply a radically new business model to the UK market, but Ben and the team at Ziferblat have done so with great success.

"The business' innovative model puts Ziferblat at the forefront of a new kind of environment, sitting somewhere between an office, home and a café. The business

has found a niche that has proven popular, giving it an entrepreneurial edge and a platform to expand.”

**Manchester City Council
Report for Information**

Report to: Economy Scrutiny Committee – 10 October 2019
Subject: Inward Investment – update on the work of MIDAS
Report of: Group Chief Executive, The Growth Company

Summary

This report provides an update on the work of MIDAS in attracting inward investment to the city, including details of performance over the last 2 years and MIDAS' forward strategy.

Recommendations

That the report be noted.

Wards Affected: All Wards

Contact Officers:

Name: Mark Hughes
Position: Group Chief Executive, The Growth Company
Telephone: 0161 245 4786
E-mail: Mark.Hughes@growthco.uk

1. Background

MIDAS' strategic priority is to attract and retain inward investment across Greater Manchester (GM) with the ultimate aim of creating and safeguarding jobs, working towards the ambitions set out in The Greater Manchester Strategy (GMS) and The Greater Manchester Internationalisation Strategy (GMIS). MIDAS does this by promoting GM as a business location, in conjunction with Marketing Manchester, and by developing compelling propositions and pro-active activity focused on the promotion of GM's key sectors and assets.

Inward investment in this context includes both Foreign Direct Investment (FDI) and UK investment, with MIDAS tasked to

- Drive the Promotion of Greater Manchester as a Business Location
- Attract New Investment in to Greater Manchester – both Corporate and Capital
- Provide Aftercare Services to Recent Investors
- Account Manage the Significant FDI and UK Businesses in Greater Manchester

MIDAS uses enhanced sector intelligence to lead the development of more focused propositions in priority sectors where GM has a competitive advantage. These sectors are Advanced Manufacturing and Low Carbon; Creative Digital and Tech; Life Sciences and Healthcare; and Financial and Professional Services.

The GM Local Industrial Strategy (GM LIS) outlines that the key international markets for GM are the US, Europe, India, China, Japan and the UAE. The primary markets, or "Prime" markets for FDI over recent years have been the EU and USA in terms of projects and jobs respectively, with "Opportunity" markets Japan, China and India growing in importance as GM's profile improves in these markets, helped in two of those by the creation of the Manchester China Forum and Manchester India Partnership which both sit within MIDAS. While there will no doubt be some impact from Brexit, these markets will remain key markets over the course of current GM LIS, with a further review undertaken as the GMIS is refreshed over the coming months.

Continual work is being undertaken to determine potential target companies in these key international markets and subsectors across our "Prime" (EU, USA) and "Opportunity" markets (China, India, Japan and UAE) at more specific/niche levels, through MIDAS' internal analytics capabilities but also through external research projects that are undertaken periodically, such as the recent open data analysis of emerging technology sectors in GM. This piece of work has also gone on to analyse all UK companies that have an interest or capability in these emerging tech fields and could therefore be a target for GM across all sectors.

2. Inward Investment Trends

2.1 UK Inward Investment Overview

Each year the Department for International Trade (DIT) releases its annual performance figures for Foreign Direct Investment (FDI) in to the UK, broken down by nations and regions and LEP areas. The release of figures for 18/19 show FDI in to

the UK is down 15% in terms of investment projects (1,436) and almost 25% in terms of new jobs created from FDI (57,625). It is even more extreme when looking at jobs safeguarded, with this figure down by nearly 55%. Part of the reason that the downturn in projects is not more extreme – similar to jobs created – is that it has been buoyed slightly by a slight increase of 8% in M&A activity, largely stimulated by the current valuation of the pound.

When the London figures are removed, the rest of UK picture looks even more extreme, with projects more than 25% down on the previous year. The Brexit situation is clearly having significant impact on the UK's attractiveness in terms of FDI at present, with independent reports such as EY's UK Attractiveness survey reporting some of the most pessimistic views from UK management of foreign owned firms on investment since the survey began. This is affecting the speed of decision making as well as the overall decision itself.

In regional terms, the North West (142 projects) is the fourth best performing region behind London (627 projects), the South East (202 projects) and the West Midlands (155 projects), with Greater Manchester securing 88 projects or 62% of the North West's total.

2.2. GM Picture

Greater Manchester plays a significant role for both the UK and the region in attracting investment. MIDAS' figures for GM for the same time period reflect the national figures in some areas, but show a slightly more positive picture in terms of jobs created, notwithstanding the continual challenges that Brexit brings.

MIDAS' figures for 18/19 show 66 successful investment projects, an 18% decrease on 17/18 (more similar to UK average than the rest of UK figure) reflecting the same challenging economic environment nationally. However, with more concentration placed on concluding larger/more strategic projects, 4,380 new jobs were created, a 16% YoY increase, with 3,129 of these being FDI jobs.

Fig 1: 2018/19 Projects and Jobs Performance versus Target

KPI	2016/17			2017/18			2018/19		
	Target	Actual	%	Target	Actual	%	Target	Actual	%
FDI Successes	54	46	85%	54	48	89%	54	47	87%
UK Successes	36	24	67%	36	32	89%	36	19	53%
Total Successes	90	70	78%	90	80	89%	90	66	73%
FDI Jobs Created	2,400	2,096	87%	2,500	1,413	57%	2,500	3,129	125%
UK Jobs Created	1,600	1,802	113%	1,500	2,365	158%	1,500	1,251	83%
Total Jobs Created	4,000	3,898	97%	4,000	3,778	94%	4,000	4,380	110%

47% of projects were from 'new' companies to Greater Manchester but only 27% of jobs. However, certain expansions such as Amazon (tech centre) and Qiagen (Genomics campus), were completely new divisions/functions and quite different/separate from the existing facilities and therefore could be classed as 'new' to GM which would mean jobs from 'new' companies would rise to 46%.

GM has been particularly successful in attracting digital projects, securing approximately 17% of the FDI jobs nationally and also in life sciences securing around 25% of national FDI jobs.

Advanced Manufacturing and CDT each contributed 36% of MIDAS projects with F&P securing 23%, and Life Sciences 5%, Financial, Professional and Business Services fell slightly on previous years with Life Sciences falling dramatically compared to recent years.

The data for jobs created demonstrates a shift in GM's economy from relying on Financial, Professional and Business Services toward Creative, Digital and Technology in recent years. Creative Digital and Tech created 47% of jobs, Advanced Manufacturing 24%, Financial and Professional Services 22% and Life Sciences 7%.

Fig 2. Inward investment project successes by MIDAS sector team

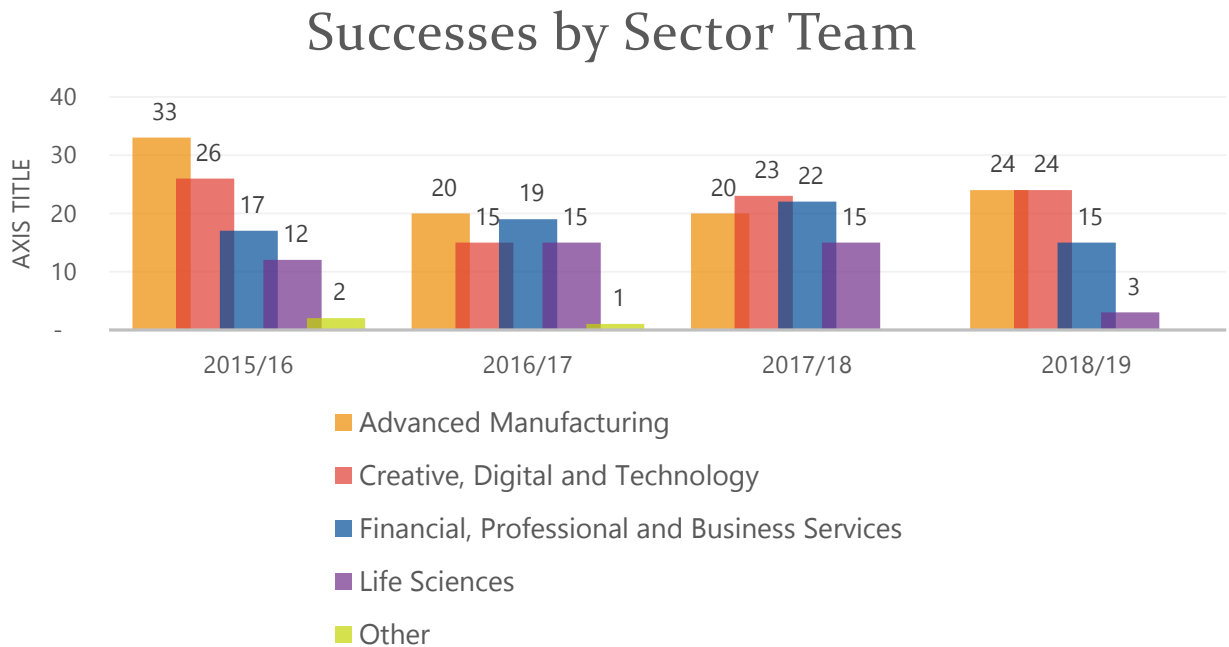
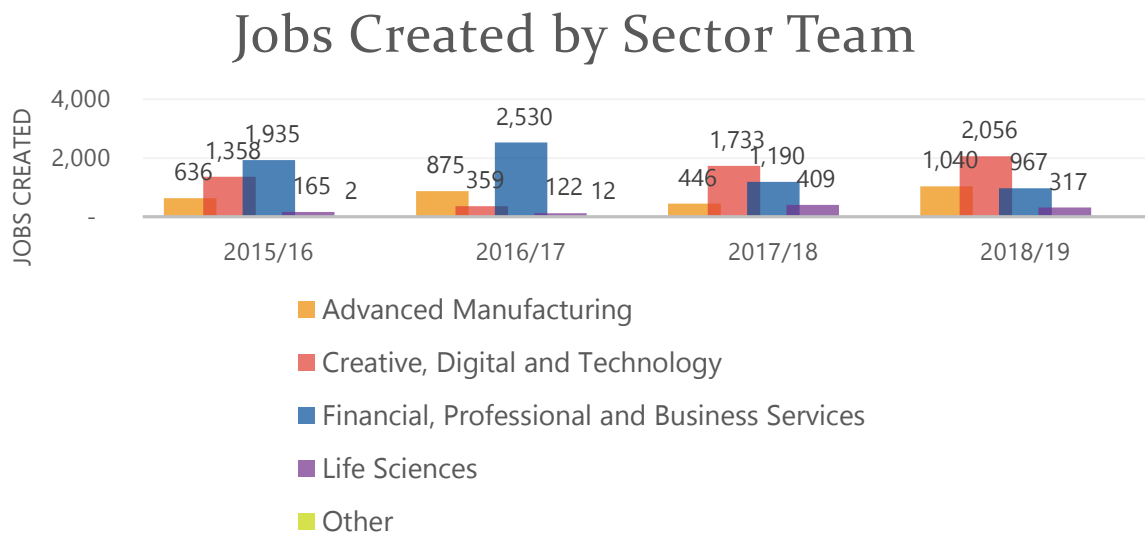


Fig 3. Jobs created by MIDAS sector team

The above chart demonstrates a shift in GM's economy from relying on Financial, Professional and Business Services toward Creative, Digital and Technology in recent years. North America continues to be the highest grossing market for job creation into GM and is the major source of large tech projects, whereas Europe has contributed the highest number of projects. The majority of European projects are expansions resulting from the increase in key account management.

Proactive direct activity by MIDAS continues to be the highest source of projects for GM, with DIT declining as a source and much more substantially as a source of successful projects, bringing in to question the quality of leads coming through DIT.

Manchester Overview

Manchester Local Authority has fared well in terms of the proportion of jobs and projects landing in GM. As Fig 4 shows, generally, between 60 – 70% of FDI successes over the past 3 years have landed in Manchester.

Fig 4: 2016-2019 Projects and Jobs Performance for Manchester

Metric	2016/17			2017/18			2018/19			2019/20 YTD		
	MCR	GM	MCR %	MCR	GM	MCR %	MCR	GM	MCR %	MCR	GM	MCR %
FDI Successes	29	45	64%	29	48	60%	28	47	60%	4	13	31%
UK Successes	13	25	52%	27	32	84%	14	19	74%	7	9	78%
Total Successes	42	70	60%	56	80	70%	42	66	64%	11	22	50%
FDI Jobs Created	570	2091	27%	899	1413	64%	2274	3321	68%	235	767	31%
UK Jobs Created	1499	1807	83%	2046	2365	87%	589	1059	56%	450	450	100%

Total Jobs Created	2069	3898	53%	2945	3778	78%	2863	4380	65%	685	1217	56%
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Figure 5: Selected recent successful projects for Manchester

Company Name	Sector	Jobs Created	Jobs Safeguarded	Success Year
Fitch Ratings	Financial and Professional Services	150		2019/20
Interactive Investor	Financial and Professional Services	100		2019/20
Slalom	Financial and Professional Services	100		2019/20
Lumira Dx	Life Sciences	75		2019/20
Pell Frischmann	Construction and Engineering	30		2019/20
Metrobank	Financial and Professional Services	25		2019/20
Amazon Web Services	Technology	600		2018/19
BNY Mellon	Financial and Professional Services	300		2018/19
Hewlett Packard Enterprise	Technology	300		2018/19
Jaguar Land Rover	Technology	200		2018/19
Handelsbanken	Financial and Professional Services	170		2018/19
Liqui-Box UK	Manufacturing	65		2018/19
Concept Life Sciences	Life Sciences	50	140	2018/19
A2B Aware	Technology	50		2018/19
Clydesdale & Yorkshire Bank	Financial and Professional Services	50		2018/19
Fractory	Technology	50		2018/19
SimpliSafe, Inc.	Technology	50		2018/19
Ursa Capital	Financial and Professional Services	50		2018/19
Biramis	Financial and Professional Services	35		2018/19
TOPdesk	Technology	35		2018/19
AZO Network	Creative and Digital	25		2018/19
Sana Commerce	Technology	20		2018/19
IBI Group	Manufacturing	15		2018/19
JOE Media	Creative and Digital	15		2018/19
Market Gravity	Financial and Professional Services	15		2018/19
Solidiance	Business Services	15		2018/19
Airsorted	Technology	10		2018/19
Gefco Systems	Creative and Digital	10		2018/19
Raisin UK	Financial and Professional Services	10		2018/19
First Graphene	Manufacturing	5		2018/19

Hyosung UK	Manufacturing	5		2018/19
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Key drivers for FDI

Recent MIDAS analysis of the drivers behind GM's successful FDI projects reveals that talent is the most common driver behind GM's successes. The next most common theme is strength of the economy, with many clients choosing GM to serve the UK and regional market, to be close to its client base and to operate in a strong business environment. Figure 6 shows the deciding factors for successful FDI projects in GM.

Figure 6: Deciding factors in successful FDI projects January 2018 – present

Deciding Factors	Successes	% of Total Projects	Jobs Created	% of Total Jobs
Access to Highly Skilled Talent	23	15.0%	2,073	17.1%
Business Environment	17	11.1%	1,495	12.3%
Access to Large Talent Pool	15	9.8%	1,123	9.2%
Serve the UK Market	13	8.5%	562	4.6%
Industry Cluster	12	7.8%	879	7.2%
Proximity to Client Base	10	6.5%	619	5.1%
Serve the Regional Market (GM/North)	7	4.6%	336	2.8%
Proximity to Existing Site	7	4.6%	571	4.7%
Universities	7	4.6%	303	2.5%
Research and Development	6	3.9%	904	7.4%
Legacy Site	5	3.3%	425	3.5%
Site Availability	5	3.3%	827	6.8%
Serve the European Market	5	3.3%	106	0.9%
Finance/Capital to fund project	4	2.6%	124	1.0%
Infrastructure	4	2.6%	425	3.5%
Lower Costs	4	2.6%	634	5.2%
Quality of Life	3	2.0%	317	2.6%
Personal Preference	2	1.3%	27	0.2%
Contract	2	1.3%	150	1.2%
Brexit	1	0.7%	170	1.4%
Incentives	1	0.7%	75	0.6%
Total	153	100.0%	12,145	100.0%
Deciding Factors	Successes	% of Total Projects	Jobs Created	% of Total Jobs
Access to Highly Skilled Talent	23	15.0%	2,073	17.1%
Business Environment	17	11.1%	1,495	12.3%
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Personal Preference	2	1.3%	27	0.2%
Contract	2	1.3%	150	1.2%
Brexit	1	0.7%	170	1.4%
Incentives	1	0.7%	75	0.6%
Total	153	100.0%	12,145	100.0%

Figure 7 shows site availability and lower costs are joint top for the reasons why GM was not chosen by potential investors. Whilst **site availability** and **lower costs** are joint top with 19 unsuccessful projects (15.8%), it must be noted that 4,325 jobs (26.1%) were assigned to the 19 projects in which **lower costs** were a deciding factor, compared to just 950 (5.7%) with **site availability**.

This reflects rising costs in GM, particularly in central Manchester, where property prices and salaries have seen steady rises over the last 5 – 10 years in particular, following a history of relatively flat wage inflation and modest property cost increases. This is not necessarily a bad sign however, as we reflect the GMS ambitions of creating higher value jobs, it stands to reason that we may no longer be competitive for lower value projects.

Clients opting for a location at or near one of their previous or existing sites (termed legacy site) accounts for the second highest number of unsuccessful jobs, with over 3,500 jobs (21.3%) associated. Recent examples of this include **Royal London** and **Link Group**. There are also examples of projects landing in GM due to this reason. On a smaller scale, projects often choose a location based on **personal preference** of the decision maker, this has led to 6 unsuccessful projects (5%), but these tend to be smaller companies.

Figure 7: Deciding factors in unsuccessful FDI projects January 2018 – present

Deciding Factors	Unsuccessful projects	% of Total Projects	Unsuccessful Jobs	% of Total Jobs
Site Availability	19	15.8%	950	5.7%
Lower Costs	19	15.8%	4,325	26.1%
Proximity to Client Base	10	8.3%	1,207	7.3%
Serve the UK Market	9	7.5%	1,055	6.4%
Business Environment	9	7.5%	337	2.0%
Legacy Site	9	7.5%	3,525	21.3%

Proximity to Existing Site	8	6.7%	1,851	11.2%
Incentives	7	5.8%	746	4.5%
Access to Highly Skilled Talent	6	5.0%	540	3.3%
Personal Preference	6	5.0%	48	0.3%
Contract	5	4.2%	1,301	7.8%
Brexit	3	2.5%	302	1.8%
Finance/Capital to fund project	2	1.7%	64	0.4%
Industry Cluster	2	1.7%	31	0.2%
Research and Development	2	1.7%	121	0.7%
Quality of Life	1	0.8%	30	0.2%
Universities	1	0.8%	100	0.6%
Access to Large Talent Pool	1	0.8%	30	0.2%
Serve the European Market	1	0.8%	20	0.1%
Total	120	100.0%	16,583	100.0%

3. Forward look

GM's Inward Investment performance has been relatively stable in jobs creation terms, whilst reflecting national trends in terms of the decline in investment projects actually completing, notwithstanding that decline has not been as severe as the national average. This is certainly in part due to the action taken within GM to counter-act current economic challenges and uncertainty, including a boost in GMCA funding over the last 3 years of £200,000 to support mitigating activity. This £200,000 has then been matched with both £200,000 of private sector income as well as £200,000 from DIT to extend MIDAS' account management programme (see below). We need to continue to invest and show agility as the market changes in order to maintain our position, particularly against ever-increasing competition from home and abroad, otherwise we risk reflecting the full national picture.

This places even greater emphasis on the work being undertaken on the 'Increased Marketing and Promotion of GM', the 'GM Internationalisation Strategy' refresh and 'Northern Powerhouse Trade and Investment Prospectus', all of which become critical to maintaining and increasing performance in a highly competitive and unstable economic environment.

In order to continue to counter-act uncertainty and a decreasing level of global investment, MIDAS has developed the following initiatives and work areas with additional income received over the last 3 years:

3.1 MIDAS Partnership

The uncertainty of European funding moving forward, has meant that MIDAS needed to consider an alternative sustainable model that involves leveraging private sector

investment to build bigger and better campaigns. The positive step was for the organisation to adopt a partnership model, similar to those employed by investment promotions agencies across the world. This has helped to grow the international impact of the inward investment function to increase Greater Manchester's investment pipeline and extend the global business marketing of Greater Manchester in order to drive more investor interest.

The principle partners include the key property developers, as they have directly benefited from the inward investment occupiers taking space in their schemes. These include ASK, Peel, Bruntwood, Muse, MAG, U&I, Hermes and Property Alliance group. Having these partners onboard also supports MIDAS's work with multipliers, in particular the property consultancies who are a good source of leads. The MIDAS partnership will benefit not just from transactional wins through office deals, but also from having access to market intelligence and insight that helps inform their own planning and bringing sites forward for development. Partnership members have a stronger platform to discuss opportunities, ideas and challenges, plus have increased access to networks and more visibility for their schemes. There is no exclusivity given to these developers, however in terms of projects and MIDAS remains completely neutral in this regard.

3.2 Enhanced Account Management Programme

By leveraging additional income from DIT, MIDAS has extended its Account Management Programme, from 250 to 400 accounts managed. The key aim of this programme is to support investment resulting from the expansion of GM's existing companies, and greater coverage will enable a deeper understanding of supply chain opportunities which could serve as the attractor for new entrants. Particular emphasis has been given to improving the coverage of the Industrial and Life Science sectors, to make sure that companies are properly supported, and investment opportunities better identified and understood.

In partnership with GM Local Authorities, MIDAS continually reviews its account management agenda to ensure that strategic companies are managed in an *inclusive* and "linked-up" way across the whole of GM. The current programme is funded until March 2020.

3.3 Focused Business Development Strategy

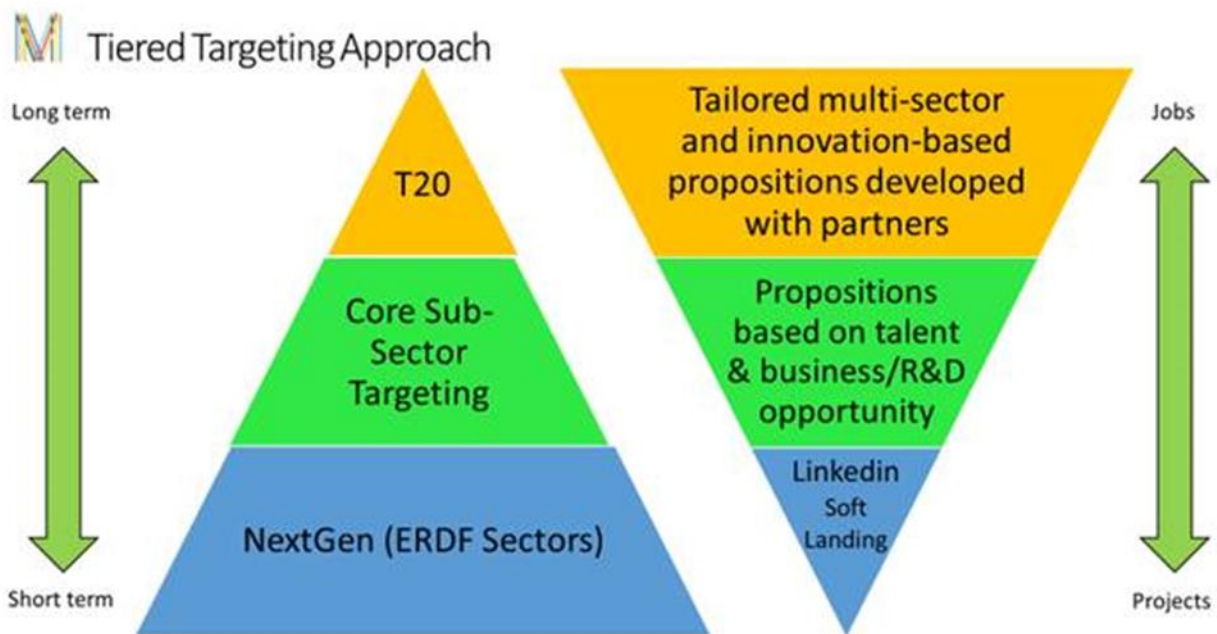
MIDAS has strengthened research, data and market analysis capabilities to drive a forensic/data driven sales approach and increase conversion. MIDAS has invested heavily in its data analysis capabilities, which has supported the evolution of an even more strategic business development approach. This approach is complimented by a multiplier strategy that aims to increase the pipeline of opportunities through an intermediary network and develop closer collaboration with partners and stakeholders. There are currently three categories of targeting:

- 1) **T20** (or Top 20) is a campaign to identify and develop a strategic approach to the world's largest and most important companies in the key sectors GM/MIDAS are focussed on (FPS; CDT; Life Sciences and Industrial). Each of the 20 companies selected have been thoroughly researched and profiled

based on intelligence gathered from shareholder reports, LinkedIn insights and market intelligence. By understanding these companies in greater detail we're able to develop a more tailored approach and proposition that will resonate with their areas of interest. Analysis of their goals, challenges, R&D interests, operational footprint and growth rates has helped develop better insight on the topics we should be highlighting during approaches. In addition, we have mapped out key contacts in companies at a national and international level and are working with our partner and stakeholder network on how we develop joint approaches, leveraging existing relationships.

This work has been done not just for MIDAS lead generation but also supports how GM builds more strategic conversations with companies across the private and public sector.

- 2) **Core Sub Sectors** – MIDAS has also strengthened its core company targeting approach, using research and evidence to identify and focus on specialisms and supply chains, which has helped to attract companies such as Raytheon and Qiagen to the city region. Within the four sectors, there are several sub sectors that have been identified which the evidence has told us A) GM has a strong offer and B) presents the best opportunity for projects and job creation. For example, two areas we are focussing in the CDT sector are E-commerce and Cyber Security, whilst the Life Sciences focus is on Preventative Health, Diagnostics and Digital Health. Ultimately the core sub-sector category is about identifying key UK and international companies in the industries aligned to our strengths, giving us a greater chance of success in attracting them to GM.
- 3) **NextGen** – this campaign is focussed on taking evidence-based data to identify the fastest growing companies globally by following the 'smart money' and tracking companies experiencing very high growth rates. Specifically, tracking the most active and successful VC firms and which companies they are investing in as well as the destination of funds from the corporate venture arms of the largest blue-chip companies. The aim is that this work will help identify the next Facebook/Google and so provide an opportunity to approach these future large job creators early in their development.



High Potential Opportunities

As well as the 3-tiered approach outlined above, there are also two sector specific High Potential Opportunity inward investment propositions - Advanced Materials and Sustainable Packaging.

The Department for International Trade (DIT) 'High Potential Opportunity' programme is part of the national Industrial Strategy and MIDAS has worked with DIT to develop one of three pilot 'HPO' propositions. The programme intends to raise the profile of areas which have a good inward investment offer, the skills, infrastructure and ecosystem to support investment, but have previously been overlooked. The pilot HPO focused on Greater Manchester's strengths in 'Advanced Materials', focussing on lightweight materials for aerospace, automotive and rail – enabling the Low Carbon transport of our future. The proposition highlights the commercial opportunity in these markets and why, in the UK, Greater Manchester offers the ideal location, suggesting a focus on the Rochdale/Oldham/Bury 'M62 Growth Corridor' and the future desire to develop the region into an advanced manufacturing/materials innovation park.

MIDAS & DIT worked together to produce the document with the intention of DIT launching it across their global network of advisors in order to promote the opportunity to companies in key markets. 'GREAT' branded marketing across LinkedIn and Twitter was also produced. MIDAS and DIT are continuing to work together to deliver the message, with activity planned in the US, Europe and India. MIDAS proposed a second Greater Manchester HPO – highlighting the opportunities to be exploited by choosing GM as a location for innovation in 'Sustainable Packaging' – part of the mission to reduce single use plastics and to create a truly circular economy. With a large cluster of Food & Drink Manufacturers in the North West – the end users who create the commercial opportunity, coupled with the design, packaging, raw materials supply chains and globally significant Advanced

Materials strengths and assets, the case for Greater Manchester to be the UK home of Sustainable Packaging was strong. DIT & MIDAS have developed a comprehensive document which was launched to the DIT global network in the Summer of 2019, in time for the launch of Industrial Strategy Challenge Fund announcements of funding for sustainable & smart packaging opportunities. MIDAS are using these, in collaboration with Innovate UK and DIT – to add emphasis to the proposition and to promote and encourage Research & Innovation collaborations with colleagues in Business Growth Hub.

3.4 Focus on “Opportunity” markets

The Manchester India Partnership (MIP) was established in 2018 to build and strengthen trade, investment, cultural, and educational ties between the two regions. Recent success of the Partnership includes investment from Tech Mahindra, an Indian-owned IT services firm, which opened its ‘HQ of the North’ and created 80 jobs. Jet Airways announced the first direct flight between Manchester and Mumbai and the Manchester India Partnership was crowned the ‘Trade and Investment Promotion Organisation of the Year Award’ at the UK-India Awards two years running (2018 and 2019).

The Manchester China Forum’s (MCF) over-arching aim is to build strong, long-term, coordinated links between Greater Manchester and China. When the Forum was first established in 2013 its initial aims were broad and geared towards setting the foundations for the Manchester-China relationship. 5 years on the region has developed a strong and unique platform for engaging with China across a broad range of sectors and initiatives. Since its establishment, two routes have been launched to Beijing and Hong Kong and President Xi has also visited Manchester having a huge impact on Manchester’s profile in China. Highlights of the year include Huawei opening an office in Salford, MCF signing closer collaboration agreements with Tianjin, Shenzhen and Haidian District in Beijing and Bruntwood SciTech joining the MCF board from August 2019 to support with developing GM-China Science and Innovation strategy and action plan. The MCF will continue to bolster Manchester’s political profile within China, with MoU’s being finalising with both Tianjin and Haidian. Looking to the future the MCF will continue to move forward with the following priorities:

- Establish and progress on Greater Manchester’s priorities as identified in the Local Industrial Strategy such as low carbon, innovative healthcare, technology as well as science and innovation.
- Continue to enhance Manchester’s visitor economy, and secure further direct connectivity to the Mainland in key markets such as Shanghai, Shenzhen & Guangzhou.
- Build on the in-market presence of our football clubs, raising their brand profile and developing a long-term strategy for footballing collaboration.
- Soft power and the influence culture can have on boosting international relations with China.

4. Support for Enterprise Zones

MIDAS has supported a number of projects directly landing in both the Airport City enterprise Zone and The Corridor and continues to support promotion of the Enterprise Zones through campaigns and lead generation activity.

Recent projects MIDAS supported in the Enterprise Zones include Virgin Media (19-20) at Atlas Business Park which was further expansion of their existing site, creating 800 additional jobs. MIDAS worked with MCC Work and Skills team to develop a dedicated package of support together with the Job Centre and the Wythenshawe business forum to access job seekers with the local community. MIDAS also supported The Hut Group (March 2018) and Amazon to locate into Airport City. MIDAS also worked with Qiagen (18-19) over a three-year period to bring the genomics campus to The Corridor which created 140 jobs and supported Hewlett Packard Enterprise (18-19) on the project which will see them take 20,000 sq. ft of space at Circle Square, creating between 200 and 300 jobs.

MIDAS is working proactively with Enterprise Zone Stakeholders and is undertaking two lead generation campaigns with the GEIC on advanced materials in North America (September 19) and India (November 2019) and working closely with MSP on the Life Sciences sector. MIDAS has recently submitted a bid to DIT for a Life Sciences Opportunity Zone (LSOZ) which will be decided by Ministers. THE LSOZ will benefit from engagement with government ministers and officials from the Department for International Trade (DIT) and the Office for Life Sciences (OLS). The GM bid was centred around The Corridor and was a joint bid with the GMCA and Health Innovation Manchester (HInM) who MIDAS work very closely with.

5. Economic Impact of MIDAS

The inward investors brought in to GM by MIDAS generate a significant stream of jobs, gross value added (GVA) and business rates income. Their capital expenditure creates important immediate economic benefits whilst also helping upgrade the city-region's physical assets for the long term. MIDAS also works with a large pool of existing investors to facilitate further investment/expansion, with a focus on high value investment and R&D.

The return on investment has been calculated in a recent Hatch Regeneris report (Figure 7). Taking MIDAS outputs for the last 6 years and then averaging out to give an annual figure, they estimated that **the overall net economic impact of MIDAS supports £5million of new business rates, secured over £70 million of CAPEX and generated GVA of £190 million.** This net figure is calculated by removing a proportion of outputs based on leakage, deadweight, displacement and attribution and then applying a multiplier effect. Altogether, this gives an RoI per £ of GMCA funding of £160 and a private sector leverage of £60 per £ of GMCA funding.

Figure 7: MIDAS Annual Economic Impact Summary

	Gross	Net
GVA	£215m	£190m
Jobs (FTEs)	3,700	3,200
Business Rates	£5m	£5m
CAPEX Supported	£75m	£71m

Source: Hatch Regeneris

Note: Numbers have been rounded.

Hatch Regeneris used MIDAS' database to ascertain the amount and type of space taken up by inward investors, the number of gross jobs, GVA and business rates income secured as a result of MIDAS' work. This includes both space taken that is new to GM as well as the expansion of existing space. They used benchmarks to calculate construction investment and fit out costs for different types of space to calculate CAPEX (this to ascertain the level of private sector investment drawn in and does not feed into the jobs/GVA calculations). They also annualised the impacts to ensure they refer to single year effects only.

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**Manchester City Council
Report for Information**

Report to: Economy Scrutiny Committee – 10 October 2019
Subject: Visitor Economy Activity
Report of: Group Chief Executive, The Growth Company

Summary

This report provides an overview of Marketing Manchester's role in developing the City's visitor economy; analysis of performance of the City's tourism sector; and the highlights of Marketing Manchester's recent activity, concluding with future opportunities and challenges.

Recommendations

That the report be noted.

Wards Affected: All Wards

Contact Officers:

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1. INTRODUCTION

With 4.8million staying visits and 59million day visits, tourism is worth £4.5billion to Manchester’s economy, securing 50,440 jobs across the city.¹

This report has been prepared by Marketing Manchester, part of The Growth Company, to present Members with a current overview of its role in developing the City’s visitor economy. The report analyses the current performance of the City’s tourism sector (with city level data, where available) and presents highlights of Marketing Manchester’s recent activity and future priorities. Opportunities and challenges going forward are also highlighted.

This report includes:

- The strategic context for Marketing Manchester’s activities
- An overview of tourism sector performance in Manchester with UK comparisons
- A review of Marketing Manchester’s activity delivered in 2018/19
- Future opportunities and challenges

Appendix 1 outlines the value and volume breakdown across all Local Authorities in Greater Manchester showing that 54% of the total value of tourism in GM and 53% of the jobs supported is generated in Manchester City but only 10% of those live in Manchester City Centre.

2. STRATEGIC CONTEXT

Marketing Manchester Strategic Priorities

Marketing Manchester’s annual operational objectives are included in The Growth Company’s Business Plan and support the delivery of Greater Manchester’s policies and ambitions including the GM Strategy, the GM Internationalisation Strategy and the GM Local Industrial Strategy.

Marketing Manchester’s strategic priorities focussed on the Visitor Economy are set within the context of the Greater Manchester Strategy for the Visitor Economy 2013 – 2020 and its accompanying Destination Marketing Plan and the recently published Greater Manchester Business Tourism Strategy 2019 – 2025.

Marketing Manchester’s strategic aims are to:

1. Promote GM on a national and international stage to visitors, investors, conference organisers and students
2. Influence and facilitate GM place making and shaping
3. Strive to be an exemplar Destination Marketing Organisation (DMO)

¹ STEAM data for 2017. STEAM is a bespoke model built to gain the value of visits to a designated area. This economic impact figure includes direct and indirect expenditure. Direct expenditure is the expenditure by visitors during their visit on food, drink, entertainment, shopping, transport, and accommodation (as applicable). Indirect expenditure is the expenditure arising locally from businesses supplying goods and services to hosting businesses, for example wholesalers and laundry services. The STEAM methodology takes into account that not all goods and services will be purchased using local suppliers and presents only the proportion of expenditure going to local businesses. Please also note that STEAM does not include any economic impact from induced expenditure. The economic impact for GM in 2015 was calculated to be £8.4bn.

In the last 12 months, there have been several changes to the strategic context, which include, at a national level, a Tourism Sector Deal and locally, a new Greater Manchester Business Tourism Strategy 2019 – 2025.

Development of New Tourism Strategy Beyond 2020

The current strategic context for tourism across Greater Manchester is ‘The Greater Manchester Strategy for the Visitor Economy 2013 - 2020’: it presents growth targets and identifies what needs to be done to achieve these by 2020. The activity includes not only the plans of the Tourist Board, Marketing Manchester, but also those of other stakeholders and partners including the ten local authorities of Greater Manchester, Manchester Airport, other agencies and the tourism businesses themselves.

Work is scheduled to commence later this year on the preparation of a new Tourism Strategy for Greater Manchester. Marketing Manchester will lead this in consultation with all the appropriate stakeholders through the Manchester Visitor Economy Forum who will be responsible for monitoring delivery of the identified action areas and progress against the targets set. The new Tourism Strategy will cover a 10-year period from 2020 - 2030 supported by two Destination Management Plans that will run from 2020-2025 and from 2025-2030. It is scheduled to be published in Summer 2020.

National Tourism Sector Deal

In January 2017, the Government launched proposals for a Modern Industrial Strategy to unlock the future potential of the UK economy. At the heart of the strategy green paper was an offer to industry to strike new sector deals, driven by the interests of business and the people they employ, to address sector-specific challenges and opportunities.

Following widespread consultation, including an industry Round Table in Manchester, the Government announced a Tourism Sector Deal in June 2019 which aims to create the framework to support the sector to grow and innovate and to become more productive, resilient and sustainable.

The Tourism Sector Deal has five main themes:

- 1. People: To generate good jobs and greater earning power for all**
To attract talent and skills, the tourism industry is asking for a ten-year plan to recruit more people into the industry. In return, the industry will provide good career opportunities and future growth within them for both new and skilled employees and old ones returning to the sector.
- 2. Places: To develop prosperous communities and places that people want to visit**
The proposal asks for Tourism Zones to be set up. These zones will target underperforming areas with special measures to aid the growth of tourism and kickstart tourism in a similar model to Enterprise Zones.

3. Business Environment: To be the best place to start and grow a business

To increase productivity, there is an opportunity to extend the season for businesses. The tourism industry is seeking government support to develop business events throughout the year to build growth in the shoulder seasons.

4. Infrastructure: To ensure the tourism sector can support the government's ambition to deliver a major upgrade to the UK's infrastructure

There is a recognised need for better transport connectivity across the UK, especially focussed on 'the final mile' and ticketing. There is also a need to facilitate easier visitor access to the UK from growing long-haul markets via changes to the current visa system and the introduction of electronic travel authorisations (ETAs). The UK will be the most accessible destination in Europe.

5. Ideas: To be the world's most innovative economy

Increasing the capacity of the sector to innovate by accelerating the development of digital technology and reducing barriers in the sector. Early initiatives will include the roll out of Tourism Exchange Great Britain (TXGB) and the creation of a new Tourism Data Hub to make the most of big data.

Based on the national targets set out in the proposed Tourism Sector Deal, Greater Manchester would grow its tourism economy from the current £8.6billion to £10.6billion and increase employment from 97,000 jobs to 107,000 jobs by 2025. Further details regarding the process for implementation are expected in the Autumn. Marketing Manchester will continue to work with Government and VisitBritain to develop the implementation scheme and prepare a proposal for Greater Manchester.

Greater Manchester Business Tourism Strategy 2019 - 2025

In consultation with more than 75 business tourism partners, the new Greater Manchester Business Tourism Strategy 2019 – 2025 was developed and launched by Sir Richard Leese on 13th June 2019 at Manchester Central.

The vision is that by 2025 Greater Manchester will be a global destination of choice for conferences which are aligned to Greater Manchester's priority sectors, offering world class support to conference organisers and a memorable experience for delegates.

The ambition is to grow business tourism earnings in Greater Manchester from £862m in 2017 by 40% or more by 2025, generating an additional £345m to the regional economy and supporting a further 14,000 jobs. By 2025 we will have achieved the following:

- Attracting more conferences to the region
- Collaboration
- Delivering a Best Practice Delegate Welcome
- Infrastructure Improvements#

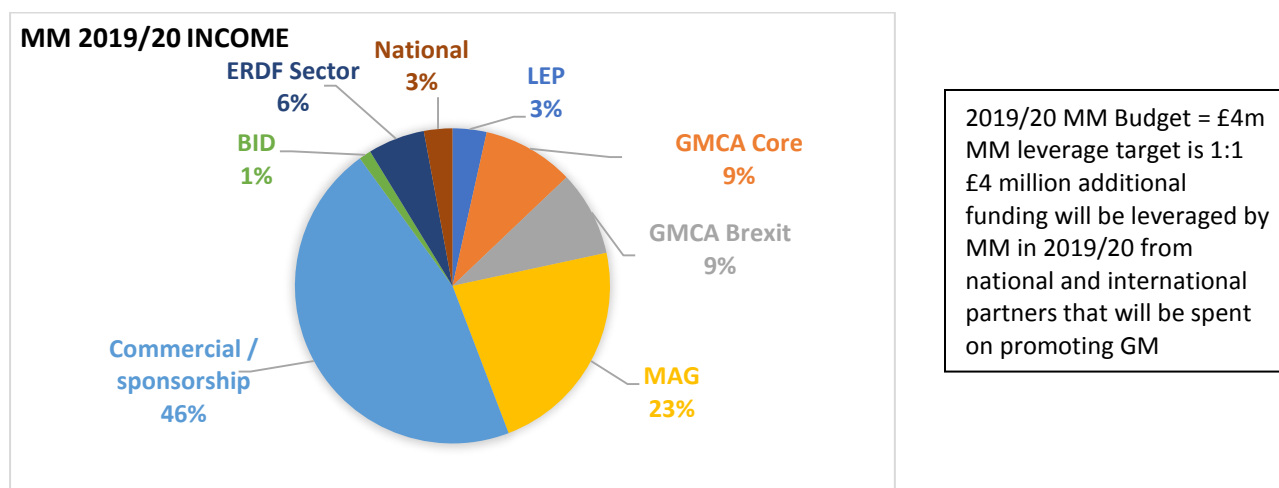
A costed Year 1 Action Plan has been prepared by Marketing Manchester and Manchester Central and discussions are underway regarding resources for its delivery.

Tourism Skills Strategy

In partnership with the Manchester Hoteliers Association and Manchester City Council, Marketing Manchester has published a Hospitality Skills and Talent Alliance Action Plan which sets out a programme of activity to address the skills, talent and recruitment issues which the sector needs to address. The Growth Company has recently recruited a Project Manager to work with the Tourism and Hospitality Sector to implement the Action Plan. This will give unemployed people the skills required to enter the sector and aims to promote hospitality as a career choice.

Funding

Marketing Manchester is funded through a combination of commercial revenue - including investment from Manchester Airport Group for inbound international campaigns - and local and national public funds. In the current financial year, total income is £4m and around two thirds is generated from private sector members, partners and commission. Manchester City Council provides £111,000 of the £377,000 GMCA core funding towards Marketing Manchester's core operations. The breakdown of income streams for 2019/20 is shown below:



Public funding income into Marketing Manchester in 2019/20 was £800k less compared to 2018/19: this was due in part to the ending of the VisitBritain funded Discover England Gateway Programme (described below) and the transfer to Manchester City Council of the operation and budget of the Visitor Information Centre.

Public funding is essential for Marketing Manchester to leverage private sector match. In 2018/19 Marketing Manchester leveraged £4.3 million that was invested to promote Greater Manchester. The Peer City Comparison conducted last year (including Barcelona, Melbourne, Munich, Vancouver) showed that promotional funding of peer cities is significantly greater than that currently available to Manchester. Other peer cities have a higher proportion and longer-term sustainable public funding including hypothecated taxes. Comprehensive financial support and initiatives are undertaken in other city promotional agencies with revenue driven from an array of sources including tourist/business taxes, commercial membership schemes, visitor services e.g. visitor pass and ticketing, dividends from city assets (hotels, parking, convention centres, airports), commercial ticketing, tourist bed tax and business taxes, government (central, regional and local). For several peer cities significant funding is generated from visitor levy/bed tax/local tax models.

Manchester needs to develop a funding model for tourism marketing at a scale which allows it to compete with global peers. An accommodation visitor levy is being explored along with other commercial income streams including a visitor pass which will be launched in 2019.

Economic Impact Assessment of Marketing Manchester's Activity

Hatch Regeneris recently conducted an economic impact analysis of Marketing Manchester's activity.

For tourism marketing impacts, Marketing Manchester delivers activities which attract visitors and encourage spend through campaigns, bids to support events, and other promotional activities. Marketing Manchester communicates Manchester's key themes and sectors, raising awareness with consumers and businesses and drawing in visitors and events to the city region which: generate additional spend in GM's visitor economy, support jobs, open doors to new markets, encourage a stronger climate for investment in the city region and help to boost Greater Manchester's international reputation. Marketing Manchester also develops new product and distribution platforms in-market that create jobs and trade.

The impacts (jobs and GVA) were sourced from different data sets outlined below: Hatch Regeneris annualised all of the impact figures to ensure they refer to single year impacts.

- International campaigns in Europe, China, India, GCC and the US.
- Domestic campaigns, including the Regional and Northern Tourism Growth Funds, MM digital activity, Discover England Fund product development campaign, and other domestic promotional campaigns.
- Conferences and sporting events won with the support from MM.
- Companies supported with trade advice.

The net impacts outlined in the table below have taken into account displacement/deadweight factors, as well as attribution factors i.e. the influence and importance of MM's role to impact.

Marketing Manchester - Net Economic Impact Summary

GVA	£80m
Jobs (FTEs)	1,500
Visitor Spend	£390m
Private Sector co-investment/Leverage	£6m

Other impacts derived from marketing activity such as *Opportunities to See* (OTS were 1.12billion in 18/19) and *Reach* (55m Consumer Engagements in 18/19) have not been included in this analysis, but have a significant impact on the brand reputation of GM. These outputs are included in the activity section of this report. The full economic impact from product development, work with suppliers to export and trade in-market has also not been included as full evaluation of this work is due to be reported in Q2.

Partners

Marketing Manchester works closely in partnership with Greater Manchester Combined Authority (GMCA), VisitBritain, the Department of International Trade (DIT), UK Destination Management Organisations (DMOs), and many key stakeholders, in addition to over 500 private sector partners.

Priority Sectors & Themes

Marketing Manchester promotes Greater Manchester's priority key sectors and themes outlined in GM Brand Framework. Sectors include creative, digital & technology; health innovation and life sciences; advanced materials and manufacturing; financial and professional services; low carbon and tourism plus underpinning themes of culture, sport, culture, heritage, arts and music and LGBTQ.

3. CURRENT TOURISM PERFORMANCE IN MANCHESTER

According to STEAM (the recognised measure of the value of tourism across the UK), Manchester local authority's tourism sector is worth £4.5billion, supporting 50,440 jobs from 4.8million staying visits and 59million day visits (totalling 63.8million visits). Greater Manchester's tourism sector is worth £8.4billion and supports 95,800 jobs. Staying visits to Manchester grew by 4% from 2016 to 2017, representing an additional 189,990 overnights. In the same period, day visits, which represent 93% of all visits, grew by 1%, representing an additional 328,150 visits into the city.

Below is a summary of the visitor value for a range of visitor types².

Visitor type to Greater Manchester	Spend per day	Average length of stay in Greater Manchester	Spend per trip	Source*
Leisure day visitor	£46	1 day	£46	1
Conference Day delegate**	£62	-	£93	2
Leisure visitor staying with friends and family	£50	4.25 nights	£213	1
International leisure visitor from the European Union	£91	3.30 nights	£301	3
International association conference delegate	-	-	£333	2
Leisure visitor staying in paid-for accommodation	£130	2.70 nights	£351	1
International leisure from USA	£123	3.26 nights	£401	3
Average international leisure visitor	£115	3.75 nights	£433	3
International leisure from China	£197	4.03 nights	£795	3
International from Gulf Co-operation Countries	£170	5.86 nights	£999	3

² *Sources:

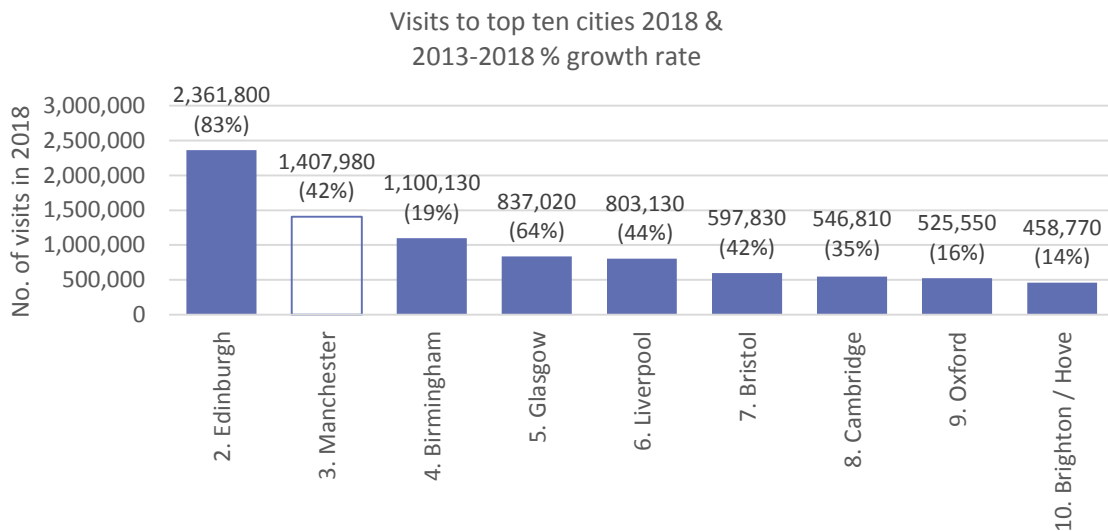
1. Greater Manchester Leisure Visits Survey 2018; Marketing Manchester.
2. Conference Value & Volume 2018; reporting on the 2017 market; Marketing Manchester.
3. International Passenger Survey 2018; Office of National Statistics & supported by VisitBritain; using 'holiday' and 'misc' categories.

**Day delegate: Could be attending a conference for more than one day but not staying over

International Visitors

The International Passenger Survey showed that the number of international visits to **Manchester** grew by 7% from 2017 to 2018 (from 1,318,760 to 1,407,980). This compares to a 5% increase across Greater Manchester and a 3% decrease across the UK overall. Therefore, Manchester is performing considerably above the UK average in terms of international visits.

This strong performance in 2017-2018 is reflected in longer term trends: Manchester's visits grew by 42% between 2013 and 2018, performing well in comparison with the 16% average growth rate across the UK and Manchester remains the third most visited city in the UK. However, this growth rate was exceeded by Edinburgh (83%), Glasgow (64%) and Liverpool (44%), illustrated in the table below:



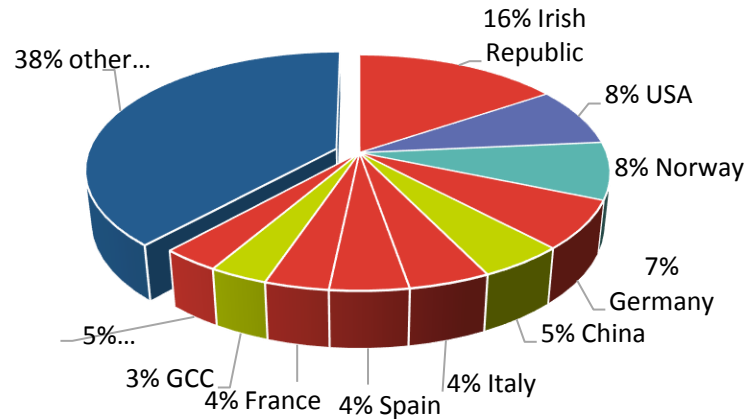
Note: First place London hosted 19.1m visits in 2018 and experienced a 14% growth rate 2013-2018.

The top five markets to Greater Manchester in terms of international leisure visits excluding visiting friends and relatives (VFR) are:

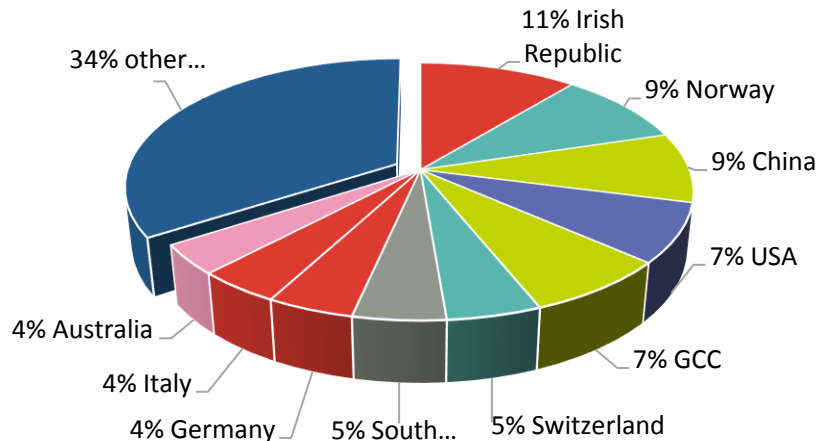
1. Irish Republic
2. USA
3. Norway
4. Germany
5. China

The tables below demonstrate how the average length of stay and average visitor spend vary considerably between markets: for example, whilst Gulf Co-operation Countries (GCC) generate a volume that places it as the ninth most important to Greater Manchester, in terms of the associated value of these visits, it has a value ranking of fifth.

Leisure markets - volume



Leisure markets - £ value



Day Visits

The number of day visits to Manchester local authority in 2017 saw limited growth on 2016 levels, at 1% (59.0million for 2017, compared to 58.7million in 2016). Recent reports on 2019 performance indicate that several city centre visitor attractions have experienced a fall in visitor number in the period January to June 2019, when compared to the strong growth of the previous year. Current capital works at several attractions (e.g. Manchester Museum, Science & Industry Museum) may be a factor in this, along with a lack of 'blockbuster' exhibitions and family events.

Business Visits and Events

The value of business events and conferences to Greater Manchester in 2017 was £862m, supporting 35,100 jobs (GM Conference Value & Volume Report 2018 – reporting on 2017 activity).

Business events and conferences also have a wider economic impact through the generation of trip extensions for leisure purposes and in motivating return trips for leisure purposes. In 2017, leisure extensions were estimated to be worth an additional £42m to Greater Manchester, taking the value from £862m of the core conference and business event activity to £904m. A further £430m is also attributable to delegates who attended business events and conferences during 2017 and who would be likely to book a return leisure trip.

Greater Manchester hosted 4.42million conference and business events delegates in 2017, compared to 4.51m delegates, two years earlier in 2015, with a 2% decrease in the number of events held over the same two-year period. The decrease of 2% in the number of delegates hosted 2015-2017 compares with a decrease at the wider UK level, of 1%, (UK Conference and Meeting Survey 2015-2017) whilst the 2% fall in the number of events hosted in Greater Manchester 2015-2017 compares to a 4% decrease for the wider UK (UK Conference and Meeting Survey 2015-2017). Both the national and local studies highlight the growing competitiveness of the business visits and events (BVE) marketplace, with new conference centres due to open in Aberdeen, Gateshead, Blackpool and Cardiff within the next few years. These new venues will be aggressive in bids and pricing and present a risk to Manchester's current share of the conference market.

Accommodation Occupancy Performance

Manchester city centre's year-to-date hotel occupancy rate from January to June 2019 was 79%, higher than in 2018 (78%) and matching the previous highest rate for the period in 2017 (also 79%).

By comparison, the hotel occupancy rate for the whole of Greater Manchester over the same period was 77%, which is ahead of the same point in 2018 (76%) but behind the 78% of 2017.

Current occupancy levels reflect a strong demand, relative to supply, when compared to other UK destinations, with Manchester's annual occupancy rate appearing in the top 5 UK markets of the 38 destinations monitored by BDO LLP (Hotel Britain 2019; BDO LLP). However, strong competition in the UK is highlighted by higher annual occupancy rates were reported in Liverpool (84.3%), London (83.6%), Edinburgh (83.1%), and Glasgow (82.8%) for 2018.

4. DELIVERY AGAINST THE DESTINATION MANAGEMENT PLAN

The DMP (Destination Management Plan) is the action plan for the visitor economy for Greater Manchester that aligns to the 'The Greater Manchester Strategy for the Visitor Economy 2014 - 2020'. The plan was approved by the Marketing Manchester Board in 2013 and covers a three-year period: it captures what has been achieved in the last three-year period, presents current performance and identifies what needs to be done to achieve our growth targets by 2020. The activity includes not only the plans of Marketing Manchester, but also those of other stakeholders and partners including the ten local authorities of Greater Manchester, Manchester Airport, other agencies and the tourism businesses themselves.

The DMP is a partnership document which is co-ordinated and written by Marketing Manchester and developed through consultation with all the appropriate stakeholders through the Manchester Visitor Economy Forum. The Forum comprises senior representatives from various visitor economy stakeholders' organisations, along with Officer representation from Manchester City Council. The Forum is responsible for developing and agreeing the DMP and monitoring delivery of the actions by all relevant stakeholders.

The DMP has 4 Strategic Aims:

- i. To position Manchester as a successful international destination
- ii. To further develop Manchester as a leading events destination
- iii. To improve the quality and appeal of the product offer
- iv. To maximise the capacity for growth

Recent progress against each of these Strategic Aims is outlined below.

i. To position Manchester as a successful international destination

Highlights

- International marketing activity focused on China, US, India and GCC supporting new routes and key international growth markets resulting in £35.3 million visitor spend
- Delivery of UK domestic campaigns resulting in £27million visitor spend including MIF campaigns and seasonal local domestic marketing campaigns with partners including the Manchester BID to improve footfall and overnight stays
- An annual media visit was delivered that delivered 2.9 million online visits and 1.1 billion Opportunities to See (OTS), 3 times the annual target
- A trade programme engaged with 21,607 travel trade organisations
- The Key Performance Indicators and Campaign Metrics delivered in 2018/19 are set out in Appendix 2.

International Marketing

In consultation with Manchester Airport and VisitBritain, Marketing Manchester has identified priority markets to focus our proactive marketing activities: USA, China, the Middle East (GCC), Europe and India. These form the most lucrative markets for visitor spend and potential growth, with direct air connectivity into Manchester. Over the past 12 months. Marketing Manchester has delivered significant marketing campaigns in these priority international markets, working in partnership with Manchester Airport, airline carriers and travel trade partners. The table below sets out the marketing approach with key messages and partners across all of Manchester's priority markets.

UK	China	US	India	Europe	GCC
GMCA, MIF, TFGM, BID	CTRIP, MCFC	Virgin Atlantic	Cox & King	Ryanair & Easyjet	Wego
April – March	Year Round	May – October	Year Round	May-October	March
Unmissable Weekends Unmissable Sport	Heritage & Shopping	Adventure, F&D, Culture	Sport, Heritage	Culture, Sport	Shopping, F&D

Summary results for China, India, GCC and US campaigns are outlined below, and more detailed dashboards of results are given at Appendices 3, 4, 5 and 6 respectively.

China (full results in Appendix 3)			
MM Budget	Partner Budget/In kind	Visitor Spend	Total Reach
£125k	£480k	£6.6 million	185 million
Leverage £1: £3.84		ROI 1: 53 MM Budget: Visitor Spend	

India (full results in Appendix 4)			
MM Budget	Partner Budget/In kind	Visitor Spend	Total Reach
£137k	£225k	£4.8 million	127 million
Leverage £1: £1.64		ROI 1: 35 MM Budget: Visitor Spend	

GCC (full results in Appendix 5)			
MM Budget	Partner Budget/In kind	Visitor Spend	Total Reach
£20k	£80k	Tbc – partner booking data	2.7 million
Leverage £1: £4		ROI tbc	

US (full results in Appendix 6)			
MM Budget	Partner Budget/In kind	Visitor Spend	Total Reach
£75k	£329k	£1.6 million	184 million
Leverage £1: £3.11		ROI 1: 21 MM Budget: Visitor Spend	

In 2019/20 Marketing Manchester agreed a three-year Service Level Agreement with Manchester Airport and VisitBritain which commits combined resources to deliver marketing activities which aims to increase the number of high spending international visitors from these markets. This is the first sustained three-year partnership contract to be signed between Visit Britain and a single destination and will enable a longer-term approach for Marketing Manchester’s campaigns. All of this campaign activity is delivered in partnership with airline carriers who also commit budget resource.

EU and Domestic Short Breaks Campaign

The ‘*Come Together*’ campaign was a direct invitation to experience the spirit of diversity that makes Manchester, delivered in the months following the Manchester Arena attack and reinforcing Manchester’s credentials as an open, welcoming, friendly destination. The campaign ran in 2017 and 2018 and had a domestic UK and a European iteration, targeting 30 cities in total with new photography, film and branding.

Marketing Manchester was awarded a silver at The International Travel and Tourism Awards in November 2018, in the category of “Best City Campaign” for the *Come Together Campaign* and was the only UK destination to be awarded in any category. Key partners in the campaign included VisitEngland, Manchester Airports Group, Ocean Outdoor, Ryanair, Transport for Greater Manchester, and Virgin Trains; however, the main funding stream for the European element came from the Greater Manchester Combined Authority.

Summary results for Domestic and EU campaigns are outlined below and more detailed dashboards of results are given at Appendices 7 and 8 respectively.

Domestic (full results in Appendix 7)			
MM Budget	Partner Budget/In kind	Visitor Spend	Total Reach
£127.5k	£79.9k/ £344k	£3.78 million	45 million
Leverage £1: £3.32		ROI 1: 13.5	MM Budget: Visitor Spend

EU (full results in Appendix 8)			
MM Budget	Partner Budget/In Kind	Visitor Spend	Total Reach
£293k	£319k	£27.7 million	46.5 million
Leverage £1: £1.14		ROI 1: 13.5	MM Budget: Visitor Spend

Travel Trade Activity

Travel trade engagement is an essential element of Marketing Manchester's activity aiming to enable B2B engagements with third party businesses to promote Manchester's products via travel traditional and online travel agents. In 2018/19 a total of 21,607 engagements with travel trade organisation were made by Marketing Manchester.

To date in 2019/20, Manchester has been represented on the VisitBritain stand at ITB Berlin, one of Europe's leading travel and tourism shows with an attendance of 160,000. Other stand partners included a range of destinations, attractions, tours, DMCs and operators. Across the three travel trade days, the key messages included Manchester, gateway to the North and new bookable product and experiences developed as part of the Discover England Fund project. The Manchester Travel Trade & Groups Guide, Destination Guide and the city map were also distributed. 37 new travel trade contacts were made, and meetings were held with key operators and in addition Manchester attended the networking reception at the British Embassy and engaged with a further 30 travel trade and contacts.

Manchester in the Media

In 2018/19 Marketing Manchester worked with over 300 national and international journalists, broadcasters, bloggers and influencers to generate coverage of Greater Manchester as a destination to visit, meet, invest and study.

The team hosted 215 journalists on media visits to Greater Manchester, showcasing the best of the region's culture, sport, music and heritage. In addition, meetings were held with a further 76 media at various events throughout the year. Over 237 separate pieces of media coverage about Manchester as a tourism destination were generated, creating in excess of 1 billion opportunities to see.

Our focus continued to attract international journalists from the key markets of; the USA, China, Gulf States (GCC), India and Europe, alongside supporting new routes into Manchester Airport.

Marketing Manchester attended VEMEX in New York and Chicago, which was an opportunity to engage with 45 US travel journalists to pitch Manchester as an international destination, resulting in various pieces of coverage follow-on media

visits. Working in partnership with Manchester International Festival, we hosted a press lunch in New York to launch the MIF 2019 programme to the US culture and travel media.

Additionally, we supported Virgin Atlantic to highlight routes from the US to Manchester by bringing a group of influencers to the city, alongside hosting a film crew from India who have produced three episodes on Manchester for international travel channel Travel XP TV, the largest TV travel channel in the world, reaching a global audience of over 70million people.

Coverage highlights for the year include; National Geographic Food, The New Indian Express, Condé Nast Traveller, The West Australian Newspaper, and many more.

Digital Development

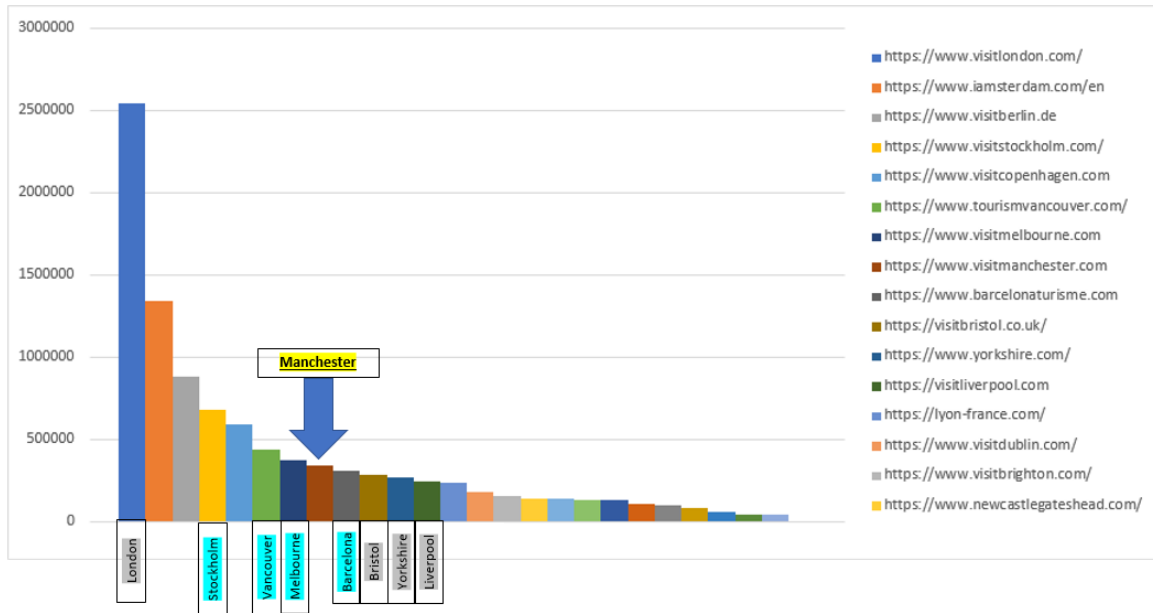
In 2018/2019, Marketing Manchester focussed on the creation, optimisation, and distribution of high-quality content, to further promote Greater Manchester as a place to visit, invest, meet and study, and as a Gateway to the North of England. A strategic focus on Search Engine Optimisation saw the website increase organic search traffic by 56%, driving a significant number of new visits to the website. Alongside this, we have increased the number of bookable and affiliate products that are available across Visit Manchester.

Campaign work has gone from strength to strength, with successful delivery with partners such as CityCo, Bee in the City and Manchester International Festival. We have also created our own high-profile events, such as The Manchester Garden at RHS and Citizens of MCR, with stand-alone websites and multi-channel digital campaigns.

Key Digital Statistics:

- 2nd most-visited UK city destination website (see table below)
- 3.4 million website visits
- 25.3 million social media reach
- web viewers from 227 countries
- 97,000 Facebook likes
- 270,000 Twitter followers
- 55,000 Instagram followers
- 56% increase in organic search traffic
- 3000 new products published on www.visitmanchester.com
- Arrival Guides in both English and Mandarin were created out to distribute our content to other travel and transport websites and platforms. The first month's reach was over 28,000
- An Arabic version of [visitmanchester](http://visitmanchester.com) was developed to target our GCC audiences
- The Chinese Campaign was supported by further development of the Chinese website plus ongoing activity on Weibo, WeChat and Mafengwo
- International traffic to [visitmanchester](http://visitmanchester.com) increased by 25% compared to the previous year
- International traffic to [meetinmanchester](http://meetinmanchester.com) increased by 110% compared to the previous year.

Visit:



The new visitmanchester.com website went live in December 2016. Reports show that there has been a significant uplift in interaction and activity with the new site. Since April 2017 the site has received over 2million page views and in 2018/19 international users were up by 75% compared to the previous year.

Visitmanchester.com website receives the second highest traffic to all UK cities and performs well amongst our other peer cities outside the UK.

M Drive

Marketing Manchester created a toolkit of content that can be used as the go-to-source for the city-region's ambassadors and stakeholders when promoting Greater Manchester internationally. The toolkit enables our stakeholders to shape, script and boost their own presentations and marketing material to sell the Manchester message. This toolkit is hosted on the M Drive (www.themdrive.com), a new digital asset system that includes images, videos, factsheets and presentations.

Content Curation

Marketing Manchester's Content Curator activity generated over 399million 'Opportunities to See' (OTS) in third party media during 2018/19, including:

- Marking the centenary of votes for women in the city of suffragettes, the #RadicalManchester campaign resulted in significant media interest, including a BBC documentary and coverage in regional and national titles. Marketing Manchester's www.radicalmanchester.com website has attracted circa 18,000 page views to date, with significant engagement across social media
- Support for Manchester's graphene story and the launch of the Graphene Engineering Innovation Centre resulted in high profile international coverage from outlets including the Financial Times, which produced an exclusive video which has already been viewed more than 215,000 times, Eureka magazine, and BBC World Service Radio and BBC World Service News

The #CitizensofMCR campaign was launched with a new website and circa 30 films showcasing individuals who are part of the personality of the city-region. Launched at the MIPIM property convention in Cannes in spring 2019, *Citizens of Manchester* is a major umbrella campaign from Marketing Manchester, telling the story of the city region through its people and has a dedicated website (www.citizensofmcr.co.uk) and social channels. Inspired by the renowned Humans of New York video blog series, #CitizensofMCR centres around engaging video portraits and stunning stills photography of the extraordinary people who live, work and study in Manchester. Some of the citizens featured represent the major sector narratives at the heart of Manchester's global story, others are simply familiar faces with a story to tell. The campaign's strength lies in its ability to capture human emotion and endeavour in an authentic way – providing insights which are much more powerful than traditional advertising messaging. And all set against Manchester's beautiful aesthetic.

Key Content Curation Statistics

- 7,952 page views for www.CitizensofMcr.co.uk
- Interviews with over 40 residents so far
- 3,525 unique website visitors
- CitizensofMCR trailer has been viewed 2,343 times on Twitter and 1,464 times on YouTube

ii. To further develop Manchester as a leading events destination

Highlights

- Marketing Manchester's conference destination bids have evolved continuously, ensuring the proposals developed are specific to the needs of the conference, highlighting benefits and focusing on the reasons why Manchester is the right location.
- In 2018/19 Marketing Manchester's Convention Bureau won 22 conferences from 74 pitches that will deliver £132.3 million of economic impact and over 48k delegates.
- A highlight in terms of national conference win was The British Small Animal Veterinary Association, organiser of the largest and longest running small animal congress in Europe which chose to move to Manchester from Birmingham from 2021 as part of a three-year deal. This conference will bring up to 10,000 delegates to the city for five days each year and is estimated to be worth around £110million to the local economy over the three-year period.

Bidding for International Business Events

It has been a strong start to 2019/20 for the Manchester Convention Bureau. Since April the team have submitted 41 bids for Manchester to host major business conferences. Manchester is now consistently bidding against Tier 1 cities such as Frankfurt, Prague and Barcelona.

Marketing Manchester continues to promote the City's conference offer on the global stage, attending a number of the major trade exhibitions over the past 12 months to promote the city, often in partnership with Manchester Central and other venues. These included a Manchester presence at IMEX Frankfurt – the global meetings exhibition; The Meetings Show in London and on-territory sales activity in Boston and New York.

Focusing on association meetings that align with Greater Manchester's key sector strengths in life sciences, advanced materials and creative, digital and tech, Marketing Manchester's Convention Bureau successfully won 22 conference bids in 2018/19 that will bring 48,130 delegates to the region over the coming years, generating an estimated £132million boost to the local economy.

18 of the 22 successful recent bids were for international conferences, including:

- **16th International Congress on Antiphospholipid Antibodies 2019**
400 delegates with an expected Economic Impact of £844,700
- **Annual Meeting of the European Society for Clinical Virology 2020**
500 delegates with an expected Economic Impact of £1.08million
- **International Congress for Psychosomatic Obstetrics & Gynaecology 2022**
700 delegates with an expected Economic Impact of £1.6m

Operating Manchester's Conference Subvention

Marketing Manchester operates the subvention budget to secure large business conferences on behalf of Manchester City Council. In the period 1st April 2018 to 31st March 2019 Manchester City Council Subvention supported nine international conventions with a total economic impact of £15,036,002 million for the city, producing a return on investment of £68:1 against a target ROI of £40:1. The conferences supported with subvention align closely to the city's priorities sectors, notably around life sciences. International conferences in 2018/19 are:

- 3rd Matrix Biology Europe Meeting
- International Digital Dental Academy
- Guidelines International Network Conference 2018
- World Healthcare Congress
- 11th Congress of the European Association of Neuroscience Nurses (EANN)
- 58th Annual Conference of the Particle Therapy Co-operative Group 2019
- 24th Annual Conference of the European Association of Environmental and Resource Economists 2019 (EAERE)
- 35th SEGH International Conference on Sustainable Geochemistry
- IEEE Nuclear Science Symposium

The current subvention budget programme is scheduled to cease in March 2020.

Major Sporting Events

Marketing Manchester is working increasingly in collaboration with Manchester City Council's Events Team to support bids to attract major sporting events into the city. Most recently, the two organisations have worked together on:

- ATP Tennis 2021
- Rugby League World Cup 2021
- UEFA Women's Championships 2021
- ICC Cricket World Cup 2019
- Para Weightlifting Championships 2020

Discussions are currently underway between Manchester City Council's Events Team and Marketing Manchester on how this partnership and collaboration can be further developed and strengthened.

Promoting the City's Conference Offer on the Global Stage

Marketing Manchester attended a number of the major trade exhibitions over the past 12 months to promote the city's conventions products. These included a Manchester presence at IMEX Frankfurt – the global meetings exhibition; The Meetings Show in London and on territory sales activity in the US.

iii. To improve the quality and appeal of the product offer

Discover England Fund 'Growing Manchester as an International Gateway to the North'

Marketing Manchester was successful in a 2-year funding bid to the Discover England Fund for 2017/18 and 2018/19. The project aimed at growing Manchester as an international gateway to the North; establishing Manchester as a significant long-haul gateway for international visitors to England; double the volume of inbound trips to Manchester Airport by 2027 and ensure that Manchester operates effectively to disperse visitors across the whole of the North of England, increasing the region's share of inbound tourism to 15% from 10%.

Activity included product development, promotion and distribution as well as the development and implementation of an improved welcome at Manchester Airport. Summary highlights for the Discover England programme are outlined below and a more detailed dashboard of results is given at Appendix 9.

Key Product Development statistics:

- Launch of Sightseeing Manchester hop-on hop-off bus, the city's 90 minute bus tour
- Launch of Manchester experiences/excursions and new day excursions across the North of England with 4 local tour operators - Mountain Goat, GreatDays, Busybus and Rabbies
- Over 40 tourism businesses engaged in Manchester
- 25 Manchester products/experiences launched on booking.com experience platform
- On-territory events in the US, including activation around Manchester City FC games in the and the Manchester International Festival launch
- Over 1,500 new trade contacts made in the US

Visitor Satisfaction

The 2018 Leisure Visitors Survey gave Manchester a score of 4.5 out of 5 for visitor satisfaction, the same as in 2014 and consistent with 2010 (the previous studies). 33% of first-time visitors and 31% of international visitors to Manchester said their expectations were exceeded.

Training for frontline staff

The annual training programme for tourism businesses was further developed to include Mapping out Manchester, China Welcome Training and various marketing, social media and customer service courses delivered by World Class Service and Tourism Growth.

iv. To maximise the capacity for growth

Highlights

- Strategic relationships with MCC/GMCA/LEP continue to work well and Marketing Manchester has a strategic relationship with the GMCA Mayors office.
- Marketing Manchester continues to nurture strong strategic and operational relationships with VisitEngland/VisitBritain and is recognised as a key delivery partner

Visitor Research

Marketing Manchester commissions, collates and disseminates a programme of data and tourism intelligence to support the sector. These include:

- Monthly Hotel Performance Survey
- Conference Volume and Value Monitoring Report
- International Markets and Performance Report
- Local Volume and Value Data
- Leisure Day Visits Analysis

This data is shared widely amongst the industry and is regularly used to inform the tourism industry, local authority officers and prospective developers.

Greater Manchester Tourism Conference 2019

The fourth Greater Manchester Tourism Conference will be held on 17th October 2019 and again is expected to be one of the highlights of the year for the region's tourism sector. Speakers include representatives from VisitBritain, BBC, The Arts Council, Business of Cities and Barcelona Tourism. The event attracts around 150 delegates and is rated very highly by the tourism industry.

5. FUTURE CHALLENGES

Over the next 5 years, the tourism sector across Manchester and the wider city region is set for a radical step change, powered by major investment in new attractions, accommodation and visitor facilities. This unprecedented growth in supply will bring with it the need to increase visitor numbers and grow demand at an exceptional rate. If Manchester is to achieve its growth ambitions to become a Top 20 Global City by 2035, then several challenges within the tourism sector need to be addressed:

Global Competition and Perceptions of Manchester

There is a significant challenge of accelerating global competition with new cities appearing all competing for visitors, talent and investment, particularly in China, India and Eastern Europe, while existing city competitors continue to invest more. Meanwhile, the ongoing once-in-a-generation challenges around Brexit may potentially result in the biggest change in 40 years to the UK's trading position. It is therefore even more important to demonstrate and communicate that the UK's major city, Manchester at the heart of the Northern Powerhouse, remains open for business.

The most recent Anholt Brand Tracker shows that Manchester has increased its global city index positioning from 27th in 2015 to 24th in 2017. Whilst this continued improvement is good news, Manchester's two weakest metrics are 'pulse' (demonstrating that awareness of Manchester's culture and attractions is low and highlighting the need for additional activity to address this) and place (demonstrating lower appeal and cleanliness compared to peer cities). More robust Benchmarking research and analysis is currently being conducted to identify the indices that Manchester should aim for and promote, findings will be available by end October 2019.

Budget Challenges

Over the past 5 years, despite the increase in direct routes which open up new markets, investment and growth in the city's product, resources to support activity to raise awareness of Manchester as a destination and to drive demand have largely remained the same. Marketing Manchester's annual budget (based on public and private sector contributions) for all audiences has remained static at around £4/5million per year for the previous 5 years. This budget covers both tourism (business, conference and leisure visitors) communications and marketing activity for all markets, travel trade and media relationships, delivery of MIPIM and other events, a proportion of investment sector marketing, salaries and overheads. In the last four years, two new significant markets have opened with direct routes – China and India – without additional marketing funding resources have had to be spread across these new and existing markets.

Early comparisons with peer competitor cities (e.g. Barcelona, Munich, Melbourne) show that the funding of the promotion of these cities is significantly greater, almost three times as much compared to Manchester, therefore Manchester needs to develop a funding model for tourism marketing at a scale which allows it to compete with its global peers.

In summary Marketing Manchester has limited core budgets and whilst the overall budget available including partner leverage looks reasonable, they are not competitive with peer city budgets, and are short-term project based and focused on short-term deliverables. This therefore makes it difficult to flex within the budgets and does not allow longer-term planning.

BREXIT

The consequences of Brexit for visitors from Europe remain unknown but there may be an impact. European visitors account for 59% of all international visitors and European business spend accounts for 42% of all international business spend. In addition, large numbers of EU are employed in the city's hospitality sector and businesses are already reporting that many EU nationals are leaving, resulting in staff shortages.

Marketing Manchester currently has 36 conference bids which are pending decisions and of these, 13 are for European conferences which are reluctant to decide until there is greater clarity around BREXIT. There is a high risk that because of this, Manchester may lose this business. These conferences would land in Manchester between 2020 and 2026 and have an economic impact of £39million. These conferences are mainly in the fields of science, medical and materials - targeted to boost brand, academic status and business in these priority sectors.

A further 21 European conferences have been identified as potential opportunities, with an economic impact of £27.4million. Marketing Manchester does not have the resources to implement additional marketing and bidding activity to secure these conferences although it is unlikely that negotiations around any of these will be progressed until BREXIT becomes clearer.

Current Conference Subvention Funding Programme Ceases March 2020

The subvention budget from Manchester City Council to secure large business conferences will cease in March 2020. Since 2008, this budget has provided resources to compete with global destinations to attract major conferences into the city.

The next few years will be a particularly challenging time for Manchester's business tourism sector. In addition to the BREXIT challenges outlined above, there will be significant new competition from other UK destinations – for example, both ICC Wales and TECA Aberdeen are launching major new convention centres this year and they will be aggressively pursuing forward business to build their foundation. Whilst there is no empirical evidence to underpin how much they will be subsidising events, we understand that the travel management company association ITM, for example, has been granted a free conference venue and this is indicative of the competitive pricing that Manchester might be up against.

In a post Brexit Britain, Manchester has a great opportunity, by virtue of the airport's excellent connectivity, to play to its second city status. In a market where international organisers are cool on the UK, a little financial help might make a difference. Equally, if it turns out that international organisers can't be convinced to choose the UK, it allows us to more aggressively target UK associations where we'll be competing alongside some of the other UK cities equally eager to attract more events.

Manchester needs to be using every opportunity to assert our intentions in the business tourism space. It's not enough to be 'in the mix': we need to be metaphorically blowing the competition out of the water. Attracting as many new events into the city in the first post Brexit years is a clear way to help us create our own identity outside of the event shadow of London.

In consultation with more than 75 business tourism partners, the new Greater Manchester Business Tourism Strategy 2019 – 2025 was developed and launched by Sir Richard Leese on 13th June at Manchester Central. A costed Year 1 Action Plan has been proposed to MCC by Marketing Manchester and Manchester Central and discussions are underway regarding resources for its delivery.

6. FUTURE OPPORTUNITIES

With so many opportunities aligned over the next five years for GM, including the £1billion airport expansion, continued investment in cultural infrastructure, and increase in bedstock, there is a strong argument for Manchester to invest now to maximise opportunities before others seize them.

Expected Uplift in International Visitors

Manchester Airport's continued growth is key to unlocking the region's international tourism potential. Its ambition to grow passenger numbers from 28million to 45million will require significant uplift in both outbound and inbound passenger numbers. The partnership between Manchester Airport and Marketing Manchester is critical to support route development and deliver in-bound marketing.

A Cultural Renaissance

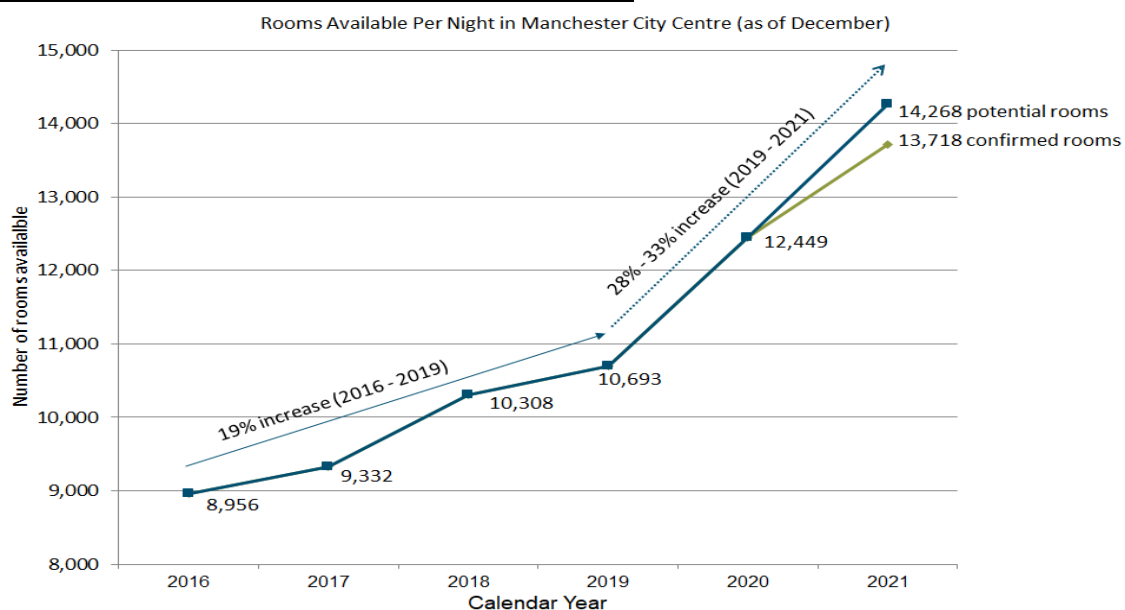
The next few years will see a succession of significant new attraction openings and milestone cultural events, including the launch of The Factory - set to be the North's flagship cultural venue when it opens in 2021, new-built theatres for Contact and Oldham Coliseum, the opening of RHS Bridgewater in Salford and major investment in several of the region's museums.

From 2018 to 2022, Arts Council England alone has committed £107million to support culture across Greater Manchester, a 90% increase on the previous funding period. Collectively, these new facilities will be seeking over 2million additional visitors. Manchester must continue to develop its visitor offer: the continuing growth of Manchester International Festival, and the new developments at The Factory will provide a sound foundation to grow future leisure visits.

Unprecedented Growth in Accommodation Supply

The market for visitor accommodation across Greater Manchester and particularly in Manchester city centre, is due to become increasingly competitive, driven by a significant increase in accommodation supply. Marketing Manchester forecasts an additional 4,762 rooms will be available per night in the city by the end of 2021 (a 53% increase from December 2016). Manchester must achieve growth in the staying visitor market which is higher than the recent UK average. A growing supply of visitor accommodation will require additional effort to secure growth in both business and leisure markets.

Annual room count in Manchester city centre



Of the 6,090 confirmed rooms in the pipeline (with planning consent) in Greater Manchester, 5,640 rooms are due to enter the market by the end of 2021, taking

stock levels to 30,670 rooms. This compares to 24,880 rooms at the end of 2018 and represents a growth of 23%.

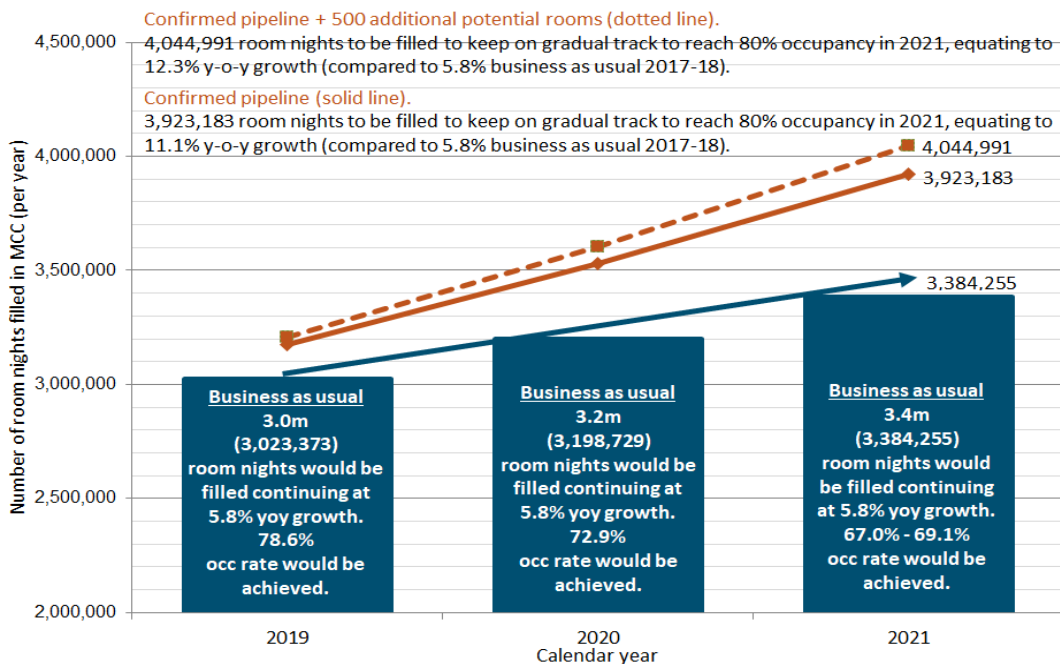
3,270 of these additional rooms in the pipeline will be located within Manchester city centre and are confirmed to enter the market by the end of 2021, taking stock levels to around 13,718 rooms. This compares to 10,308 at the end of 2018 and represents an increase of 33%.

The annual demand rate grew by 5.8% between 2017 and 2018. Current estimations, based on the first half of 2019 (Jan-Jun) suggest that demand has slowed slightly to around 5.1% in 2019, on 2018, across Greater Manchester, and is particularly driven by the city centre. A 33% increase in supply by the end of 2021 is therefore significantly higher than current levels of demand (if it stays around 5.1% growth for the full 12-month period), although the second half of the year usually provides an increased opportunity to boost this slightly.

We will need to generate 11.2%-12.3% increase in room nights sold year-on-year between 2018 and 2021 (based on 2 pipeline scenarios, one of confirmed properties and one that makes a small allowance for additional stock to receive planning permission and open before the end of 2021) to maintain current occupancy levels (around 80%) within Manchester city centre. Therefore, significantly above the 5.8% growth in demand 2017-2018.

If demand levels continue to grow in Manchester city centre at the 2017-2018 annual rate of 5.8%, an occupancy rate of 79% would be achieved in 2019, 73% in 2020 and between 67% and 69% in 2021.

Occupancy rates achieved if growth rate for Manchester city centre continues business as usual.



Accommodation Business Improvement District (ABID)

Recognising the need for more resources to drive more overnight visitors into Manchester, Marketing Manchester has been working with Manchester City Council, CityCo and Manchester Hoteliers Association on a proposal to introduce a visitor

levy via a Business Improvement District mechanism for accommodation operators in Central Manchester.

Skills and Recruitment

The sector continues to suffer from skills shortages and a difficulty in attracting and retaining talent. In order to address this, and seizing the opportunity presented by the National Tourism Sector Deal, a Greater Manchester approach has been developed. The Greater Manchester Skills and Talent Alliance Action Plan for Hospitality and Leisure now requires resource in order to deliver its implementation. The Growth Company has recently developed a Tourism Talent Hub and has recently appointed a Project Manager to focus on work placement and skills development in the sector.

Working in Partnership

Manchester works best in partnership. The coordinated support, investment and shared ambitions of Marketing Manchester's Strategic Partners (GMCA, GM Local Authorities, LEP, MAG, TfGM and Manchester Central) are key to future success. With partners from across the North of England, Manchester has continued to promote and cement its position as the alternative UK Gateway and has built strong partnership with Northern DMOs and businesses. Moreover, Marketing Manchester has built strong relationships with London & Partners and West Midlands Growth Company during 2018/19 joint campaigns.

National Tourism Sector Deal

The National Tourism Sector Deal announced in July 2019 aligns very closely with Greater Manchester's own tourism ambitions which were referenced in the launch of the Local Industrial Strategy. The Tourism Sector Deal focuses on five key pillars: ideas; people; infrastructure; place; and business environment.

Consultation with the industry and Visit Britain is being conducted by Marketing Manchester and discussions are currently underway with MCC officers to identify the opportunities and potential additional resources that may be available through the Sector Deal for Manchester. These are likely to focus on the potential to bid to develop a Tourism Zone and opportunities to secure new resource to address recruitment, skills and training issues within the sector in Manchester. The process for submitting proposals into government are being developed and Marketing Manchester is working closely with Visit Britain to input into this process.

List of Appendices

1. Tourism Volume, Value and Employment across Greater Manchester Local Authorities
2. Appendix 2: 2018/19 Summary Campaign Key Performance Indicators and Metrics
3. Appendix 3: 2018/19 China Campaign Key Performance Indicators and Metrics
4. Appendix 4: 2018/19 India Campaign Key Performance Indicators and Metrics
5. Appendix 5: 2018/19 GCC Campaign Key Performance Indicators and Metrics
6. Appendix 6: 2018/19 US Campaign Key Performance Indicators and Metrics
7. Appendix 7: 2018/19 UK Domestic Campaign Key Performance Indicators and Metrics
8. Appendix 8: 2018/19 EU Campaign Key Performance Indicators and Metrics
9. Discover England Funded Programme – International Gateway to the North

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Appendix 1: Tourism Volume, Value and Employment across Greater Manchester Local Authorities

	Value of All Visitors* (day & staying)		Volume of All Visitors* (day & staying)		Jobs supported*		No of jobs of LA residents**	No of jobs of LA residents in tourism**	Tourism jobs as % of total number of residents' jobs**
Bolton	£438,922,845	5%	6,614,417	6%	5,209	5%	130,900	10,600	8%
Bury	£369,792,039	4%	5,898,916	5%	4,422	5%	92,200	6,100	7%
Manchester	£4,506,517,549	54%	63,793,695	53%	50,438	53%	266,800	27,500	10%
Oldham	£283,192,718	3%	4,230,553	4%	3,418	4%	100,000	8,600	9%
Rochdale	£314,516,913	4%	4,791,684	4%	3,772	4%	94,100	5,700	6%
Salford	£654,713,806	8%	7,549,077	6%	7,187	8%	129,400	12,700	10%
Stockport	£493,810,548	6%	7,389,178	6%	5,876	6%	146,900	8,400	6%
Tameside	£244,514,950	3%	3,611,103	3%	2,912	3%	105,100	7,000	7%
Trafford	£565,217,693	7%	7,597,294	6%	6,525	7%	120,900	10,100	8%
Wigan	£506,846,780	6%	7,774,627	7%	6,048	6%	161,400	11,600	7%
GM	£8,378,045,843	100%	119,250,544	100%	95,806	100%			

Sources: *2017 Visitor Value & Volume (STEAM), **GMCA

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Appendix 2: 2018/19 Summary Campaign Key Performance Indicators and Metrics

A summary of campaign KPIs and evaluation is below. The following pages provide evaluation metrics for each of the priority market campaigns



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Appendix 3: 2018/19 China Campaign Key Performance Indicators and Metrics

China



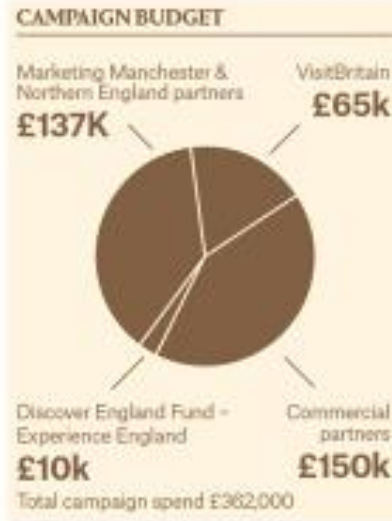
PARTNERS

Strategic			
Destination			
Member			

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Appendix 4: 2018/19 India Campaign Key Performance Indicators and Metrics

India



PARTNERS

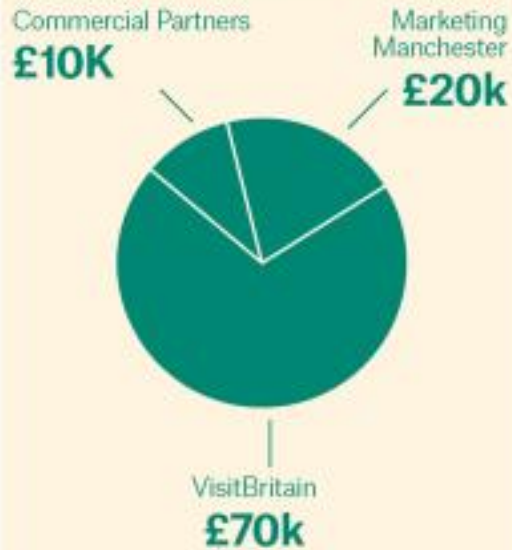
Strategic	Member
Marketing Manchester	Chester Zoo
Manchester Airport	CitySuires
VisitBritain	Crowne Plaza & Staybridge Suites
VisitEngland	Dakota Manchester
Cox and Kings	Emirates Old Trafford
GPS	Harvey Nichols
	Intu Trafford Centre
	The Lowry Hotel
	Manchester City FC
	McArthur Glen Cheshire Oaks
	The Midland
	The Principal
	Radisson Blu Edwardian Hotel
	Renaissance Manchester City Centre
	Spinningfields

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Appendix 5: 2018/19 GCC Campaign Key Performance Indicators and Metrics

GCC

CAMPAIGN BUDGET



CAMPAIGN REACH

 **2.74m**
via media

 **24.6k**
clicks

 **1.58m**
views

 **797k**
completed views

 **5,869**
campaign page visits

 **342k**
via PR Value

PARTNERS

Strategic

Marketing Manchester
Manchester Airport
Visit Britain

Destination

CityCo Manchester

Member

Harvey Nichols
Radison Blue Edwardian Hotel
Spinningfields
The Printworks
Com Exchange
The Principal
Mowgli
Sam's Chophouse

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Appendix 6: 2018/19 US Campaign Key Performance Indicators and Metrics

USA

CAMPAIGN BUDGET



RETURN ON INVESTMENT



PARTNERS

- Strategic**
Marketing Manchester
Student Universe
Virgin Atlantic
VisitBritain
- Destination**
Visit Wales
- Member**
Crowne Plaza & Staybridge Suites Oxford Road
The Lowry Hotel
Manchester Amdale
Manchester City Football Club
Manchester United Football Club
Radisson Blu Edwardian Manchester
TIGM
Virgin Trains

CAMPAIGN REACH

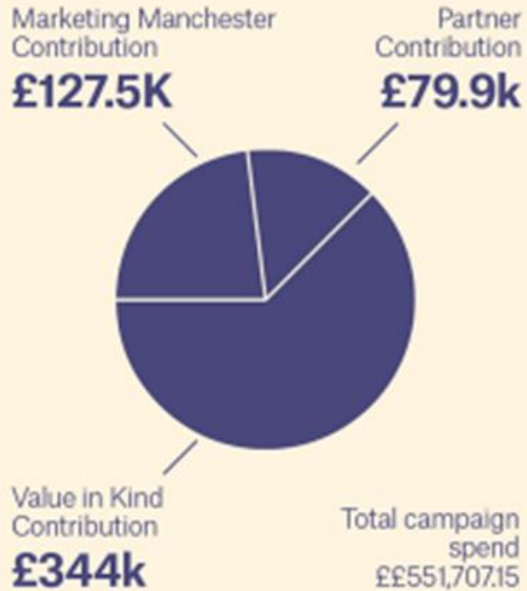


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Appendix 7: 2018/19 UK Domestic Campaign Key Performance Indicators and Metrics

Domestic

CAMPAIGN BUDGET



RETURN ON INVESTMENT



CAMPAIGN REACH



PARTNERS

Strategic

- GMCA
- The Heart of Manchester BID
- Manchester City Council
- Trafford MBC
- Lancashire Cricket Club

Member

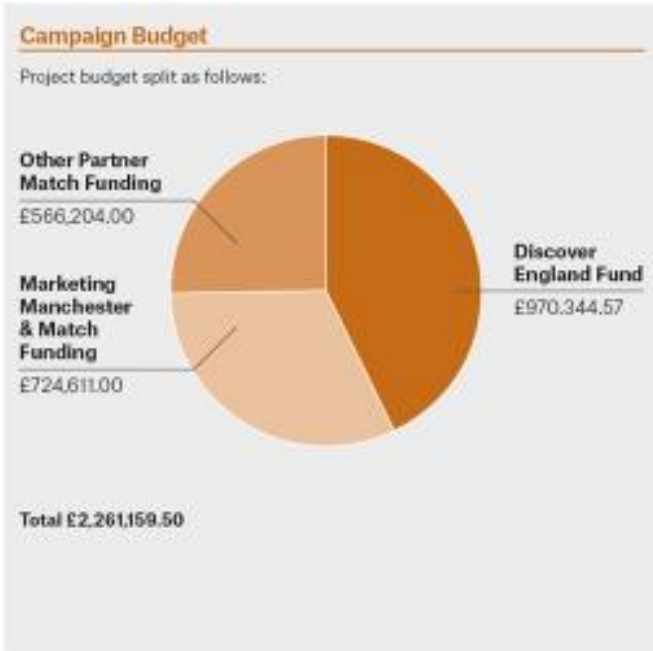
- TiGM
- Virgin Rail
- TransPennine Express
- Manchester International Festival
- The Principal
- The Manchester Arndale
- Science and Industry Museum
- Manchester Museum

- The Whitworth
- The National Football Museum
- Smithills Hall
- Bramhall Hall
- The East Lancashire Railway
- The Lowry
- Dovestone Reservoir
- Portland Basin Museum
- Haigh Country Park
- Radisson Edwardian
- Harvey Nichols
- Selfridges
- MCFC
- MUFC

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Appendix 9: 2018/19 Discover England Fund Programme

Discover England Fund



Discover England Fund



**Manchester City Council
Report for Information**

Report to: Economy Scrutiny Committee – 10 October 2019
Subject: Overview Report
Report of: Governance and Scrutiny Support Unit

Summary

This report provides the following information:

- Recommendations Monitor
- Key Decisions
- Work Programme
- Items for Information

Recommendation

The Committee is invited to discuss the information provided and agree any changes to the work programme that are necessary.

Wards Affected: All

Contact Officers:

Name: Mike Williamson
Position: Team Leader- Scrutiny Support
Telephone: 0161 234 3071
Email: m.williamson@manchester.gov.uk

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.

None

1. Monitoring Previous Recommendations

This section of the report contains recommendations made by the Committee and responses to them indicating whether the recommendation will be implemented, and if it will be, how this will be done.

Items highlighted in grey have been actioned and will be removed from future reports.

Date	Item	Recommendation	Response	Contact Officer
10 Oct 2018	ESC/18/45 Gap analysis of the City's Bus network service	To request information including a summary of data that has been used to date to underpin current findings, including information on frequencies of services and services that have been removed or reduced in the last three years.	An email was sent to officers on 18/9/19 seeking a response this recommendation.	Richard Elliott
6 Feb 2019	ESC/19/13 City Centre Transport Strategy - Feedback from the Responses to the conversation held in Autumn 2018	To requests that Officers provide a ward breakdown of the consultation responses with the relevant Ward Members	An email was sent to officers on 18/9/19 seeking a response this recommendation.	Richard Elliott
20 June 2019	ESC/19/25 Overview of the economic characteristics of Manchester's population aged	To request that the number of Manchester residents who are subject to an Adult Social Care package and the associated costs is provided to Committee Members	Committee Members were sent this information via email on 23/9/	Elisa Bullen

	50-64 and the implications for their economic participation	Request that Committee Members are informed of any future planned engagement/workshop activities		Elisa Bullen
5 Sept 2019	ESC/19/38 Delivering Manchester's Affordable Homes to 2025	To request that Officers circulate the Strategic Housing Land Availability Assessment (SHLAA) to all Members of the Committee.	Members were sent a link to the on line SHLAA on 18/9/19	Martin Oldfield/Steve Sheen
5 Sept 2019	ESC/19/40 Northern Powerhouse Rail Update	To request that the Committee is provided with further information on the Connecting Britain campaign	Members were sent a link to the Connecting Britain website on 18/9/19	Mike Williamson

2. Key Decisions

The Council is required to publish details of key decisions that will be taken at least 28 days before the decision is due to be taken. Details of key decisions that are due to be taken are published on a monthly basis in the Register of Key Decisions.

A key decision, as defined in the Council's Constitution is an executive decision, which is likely:

- To result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function to which the decision relates, or
- To be significant in terms of its effects on communities living or working in an area comprising two or more wards in the area of the city.

The Council Constitution defines 'significant' as being expenditure or savings (including the loss of income or capital receipts) in excess of £500k, providing that is not more than 10% of the gross operating expenditure for any budget heading in the in the Council's Revenue Budget Book, and subject to other defined exceptions.

An extract of the most recent Register of Key Decisions, published on **1 October 2019**, containing details of the decisions under the Committee's remit is included below. This is to keep members informed of what decisions are being taken and, where appropriate, include in the work programme of the Committee.

Corporate Core					
Subject/Decision	Decision Maker	Decision Due Date	Consultation	Background documents	Officer Contact
<p>Collyhurst Regeneration Ref: 15/005</p> <p>The approval of capital expenditure for land and buildings in Collyhurst.</p>	City Treasurer (Deputy Chief Executive)	Not before 1st Mar 2019		Business Case	Eddie Smith, Strategic Director (Development and Growth) e.smith@manchester.gov.uk
<p>Estates Transformation Ref:2017/06/30D</p> <p>The approval of capital spend to ensure that the operational estate is fit for purpose.</p>	City Treasurer (Deputy Chief Executive)	Not before 1st Mar 2019		Business Case	Richard Munns r.munns@manchester.gov.uk
<p>To report on changes to the Council's Allocations Scheme. 2019/04/25D</p> <p>To agree the changes to the Allocations Scheme.</p>	Executive	16 Oct 2019		Revised Allocations Scheme	Martin Oldfield m.oldfield@manchester.gov.uk

<p>Development of new build Gorton Hub (2019/07/26C)</p> <p>Development of a multi-partner hub building in Gorton District Centre to deliver health and care services alongside space for One Manchester and a reprovisioned library</p>	Executive	16 Oct 2019		Executive Report and Checkpoint 4 Business Case	Richard Munns r.munns@manchester.gov.uk
<p>Hammerstone Road Depot refurbishment (2019/07/30A)</p> <p>The approval of capital expenditure to refurbish the depot to increase utilisation, reduce carbon emissions and improve the accommodation.</p>	City Treasurer (Deputy Chief Executive)	Not before 2nd Sep 2019		Checkpoint 4 Business Case	Georgia Cayton, Estates Service Lead Tel: 0161 234 4659 g.cayton@manchester.gov.uk
<p>Brownfield Land Register Update 2019 2019/03/01D</p> <p>To publish Manchester's Brownfield Land Register.</p>	Deputy Chief Executive, Strategic Director (Development and Growth)	Not before 29th Mar 2019		Report and Recommendation	Richard Elliott, Head of Policy, Partnership and Research r.elliott@manchester.gov.uk

<p>Marginal Viability - Housing Infrastructure Fund, New Victoria Site 2019/03/01N</p> <p>To release grant funding of £10.074m secured from the Government's Housing Infrastructure Marginal Viability Fund to enable delivery of a key strategic residential and commercial development scheme at New Victoria, developing 520 new homes in total.</p>	<p>City Treasurer (Deputy Chief Executive)</p>	<p>Not before 1st Apr 2019</p>		<p>Checkpoint 4 Business Case</p>	<p>Eddie Smith, Strategic Director (Development) e.smith@manchester.gov.uk</p>
<p>The Courtyard, Royal Mills (2019/07/26B)</p> <p>Acquisition of Long Leasehold interest of 'The Courtyard', Royal Mills.</p>	<p>Strategic Director (Development and Growth)</p>	<p>Not before 28th Aug 2019</p>		<p>Briefing Note and Heads of Terms</p>	<p>Richard Cohen r.cohen@manchester.gov.uk</p>
<p>Delivering Manchester's Affordable Homes to 2025 - Establishment of Strategic Partnership with Homes England (2019/09/05A)</p> <p>To negotiate and formalise a Strategic Partnership with Homes England to enable</p>	<p>Strategic Director - Development and Growth</p>	<p>Not before 4th Oct 2019</p>	<p>In consultation with the Executive Members for Housing and Regeneration and Finance and HR</p>	<p>Report and Recommendation</p>	<p>Steve Sheen s.sheen@manchester.gov.uk</p>

the delivery of Manchester Affordable Homes to 2025					
<p>Delivering Manchester's Affordable Homes to 2025 - Disposal of sites (2019/09/05B)</p> <p>To agree the disposal of sites in Council ownership for the provision of affordable homes</p>	City Treasurer (Deputy Chief Executive)	Not before 4th Oct 2019	In consultation with Strategic Director (Growth and Development) and Executive Members for Housing and Regeneration and Finance and HR	Report and Recommendations	Steve Sheen s.sheen@manchester.gov.uk
<p>Delivering Manchester's Affordable Homes to 2025 - Establishment of Partnership arrangements with Registered Providers (2019/09/05C)</p> <p>To establish partnership arrangements with Registered Providers together with their partners/consortium for defined areas in the North, Central, South and Wythenshawe areas of the City.</p>	Strategic Director - Development and Growth	Not before 4th Oct 2019	In consultation with City Treasurer (Deputy Chief Executive) and the Executive Members for Housing and Regeneration and Finance and HR	Report and recommendation	Steve Sheen s.sheen@manchester.gov.uk

<p>Delivering Manchester's Affordable Homes to 2025 -Agreement of legal terms (2019/09/05D)</p> <p>To enter into and complete all necessary legal documents and agreements to give effect to delivering Manchester's Affordable Homes to 2025</p>	City Solicitor	Not before 4th Oct 2019		Report and recommendations	Fiona Ledden, City Solicitor fiona.ledden@manchester.gov.uk
<p>Buying back former Council properties - Policy approval (2019/09/05E)</p> <p>To approve a policy for the Council to buying back properties which have been sold under the Right to Buy to increase the amount of social housing and to reduce the number of former Council properties entering the private rented sector.</p>	Strategic Director - Development and Growth	Not before 4th Oct 2019	In consultation with the City Treasurer (Deputy Chief Executive) and the Executive Members for Housing and Regeneration and Finance and HR, following consultation with local Ward Members.	Report and Recommendation	Martin Oldfield m.oldfield@manchester.gov.uk

<p>Buying back former Council properties - Setting of purchase prices (2019/09/05F)</p> <p>To agree purchase prices and make any necessary arrangements to purchase properties in line with the policy</p>	<p>Strategic Director - Development and Growth</p>	<p>Not before 4th Oct 2019</p>	<p>In consultation with City Treasurer (Deputy Chief Executive) and the Executive Members for Housing and Regeneration and Finance and HR</p>	<p>Report and recommendation</p>	<p>Martin Oldfield m.oldfield@manchester.gov.uk</p>
<p>Northern Gateway Strategic Business Plan (2019/09/11A)</p> <p>To approve the Strategic Business Plan for the Northern Gateway Joint Venture</p>	<p>Executive</p>	<p>11 Dec 2019</p>		<p>Executive Report and Draft Strategic Business Plan</p>	<p>Eddie Smith, Strategic Director (Development) e.smith@manchester.gov.uk</p>
<p>Land Disposal at Blackrock Street, Beswick (2019/09/11C)</p> <p>To agree the disposal of land at Blackrock Street, Beswick to One Manchester to facilitate the delivery of 25 social rent homes.</p>	<p>City Treasurer (Deputy Chief Executive)</p>	<p>Not before 10th Oct 2019</p>		<p>Executive report - 16.10.19 Executive Report - Eastlands Regeneration Framework 13.12.17 and 13.03.19 Economy Scrutiny and Executive Report – Delivering</p>	<p>Richard Cohen r.cohen@manchester.gov.uk</p>

				Manchester's Affordable Homes to 2025 06.09.19 & 11.09.19	
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3. Economy Scrutiny Committee Work Programme – October 2019

Thursday 10 October 2019, 10.00am (Report deadline Tuesday 1 October 2019)				
THEME – Growing the Manchester Economy				
Item	Purpose	Executive Member	Strategic Director / Lead Officer	Comments
(1) The Growth Company's business support activity in Manchester	To receive an update on the Business Growth Hub's business start-up and support offer and its impact on start up and survival rates of businesses in Manchester.	Councillor Leese	Mark Hughes (The Growth Company) Eddie Smith Angela Harrington	See November 2017 minutes
(2) Inward Investment	To update Economy Scrutiny on the work of MIDAS in attracting inward investment to the city, its performance over the last 2 years and forward strategy.		Tim Newns Mark Hughes (The Growth Company)	
(3) Visitor Economy	To provide an update on Marketing Manchester in promoting the visitor economy in the city; an overview as to how the city is doing and any opportunities and issues going forward.		Sheona Southern Mark Hughes (The Growth Company)	
City Centre Transport Strategy	To receive an update on the Council's City Centre Transport Strategy	Cllr Stogia (Exec Member Environment, Planning and Transport)	Richard Elliott	

Overview Report	The monthly report includes the recommendations monitor, relevant key decisions, the Committee's work programme and any items for information.		Mike Williamson	

**Thursday 7 November 2019, 10.00am
(Report deadline Tuesday 29 October 2019)**

THEME – The Green Economy

Item	Purpose	Executive Member	Strategic Director / Lead Officer	Comments
The Green Economy – Opportunities and Challenges for Manchester	<p>To consider the opportunities and challenges faced by Manchester in delivering a Green Economy for the City’s economic growth and development in the context of the Local Industrial Strategy and the ambition as a City and region to be carbon neutral by 2038</p> <p>To include reference to the adoption of a zero carbon strategy that can generate growth and improvements in people’s lives in ways consistent with sustaining and advancing economic, environmental and social well-being.</p>	Councillor Leese	Eddie Smith Richard Elliott Angela Harrington	External guests to be determined and invited to provide
Overview Report	The monthly report includes the recommendations monitor, relevant key decisions, the Committee’s work programme and any items for information.		Mike Williamson	

**Thursday 5 December 2019, 10.00am
(Report deadline Tuesday 26 November 2019)**

THEME – Work and Skills development for Manchester residents aged 16 and over

Item	Purpose	Executive Member	Strategic Director / Lead Officer	Comments
Devolution of the Adult Skills Budget	To receive a report on the impact of the devolution of the Adult Skills Budget	Councillor Rahman (Exec Member Skills Culture and Leisure)	Angela Harrington	Invite Gemma Marsh, Director of Skills, GMCA
Manchester College update	To receive an update from Manchester College on the following:- <ul style="list-style-type: none"> • Quality and performance update; • Progress with the Colleges Estates Strategy; • Core Skills and introduction of T-levels; • Performance of Total People's delivery of apprenticeships in Manchester including a breakdown of occupational area and level and success rates 	Councillor Rahman (Exec Member Skills Culture and Leisure)	John Thornhill, Manchester College	
Manchester Adult Education Service (MAES)	To receive a report from MAES on their 2018/19 performance self-assessment and 2019/20 improvement plan	Councillor Rahman (Exec Member Skills Culture)	Julie Rushton, MAES Angela Harrington	

	To include an update on the delivery and performance of the ESOL strategy	and Leisure)		
Overview Report	The monthly report includes the recommendations monitor, relevant key decisions, the Committee's work programme and any items for information.		Mike Williamson	

Thursday 9 January 2020, 10.00am

(Report deadline Friday 20 December 2019) ** PLEASE NOTE DEADLINE DUE TO CHRISTMAS HOLIDAYS

THEME – The City’s future economy and labour market requirements

Item	Purpose	Executive Member	Strategic Director / Lead Officer	Comments
The City’s future economy and labour market requirements	<p>To receive 2 reports.</p> <p>The first report to cover:-</p> <ul style="list-style-type: none"> • Current Labour Market Information; • Skills demand and supply; and • Consideration of future direction of travel <p>The second report to cover:-</p> <ul style="list-style-type: none"> • Careers Education, Information, Advice and Guidance (CEIAG) programmes; • Schools engagement in developing the skills needed for future labour markets; and • Curriculum for Life 	Cllr Rahman (Exec Member Skills Culture and Leisure)	Angela Harrington	<p>Invite Chair of CYP Scrutiny</p> <p>Minute extract of the CYP Scrutiny Committee from 9 October 2019 in reference to Curriculum for Life to be circulated in advance of the meeting</p>
Overview Report	The monthly report includes the recommendations monitor, relevant key decisions, the Committee’s work programme and any items for information.		Mike Williamson	

Themes identified at the Committee's Work Programme setting meeting

(Items highlighted in grey indicate that these have been included in the work plan of one of the above meetings)

Theme	Tentative Date of meeting
<p>The Effects of Poverty on the City</p> <p>To include information on:-</p> <ul style="list-style-type: none"> • Data at a ward level on employment/unemployment rates, self-employment and zero hours contracts, unfilled jobs (how Manchester residents are being trained/upskilled) • Family Poverty • Inclusive Growth (with reference to specific activities) • Equality of jobs and the roll out of the Greater Manchester Good Employment Charter • Work with Schools (promotion of entrepreneurship) 	TBC
<p>Young People</p> <ul style="list-style-type: none"> • Follow up to the Young People's Workshop in November 2017 (additional workshop session to be arranged) 	Provisionally between Feb and March 2020 meetings
<p>Moving from Growth to Wellbeing</p> <p>To include information on:-</p> <ul style="list-style-type: none"> • The impact on Manchester residents as the City's economy grows and how these people are supported to ensure they are not left behind • The pace of growth in Manchester's economy • The impact of the growth in Manchester's economy on BAME groups 	TBC

Previous Items identified by the Committee to be scheduled

Theme – Strategic Regeneration

Item	Purpose	Lead Executive Member	Lead Officer	Comments
GM Spatial Framework	To receive an update on the implementation of the GMSF and its implications for Manchester	Cllr Leese	Richard Elliott Eddie Smith	
Manchester's Local Plan	To receive an update report in relation to Manchester's updated Local Plan following consultation with Manchester residents and key stakeholders	Cllr Leese	Richard Elliott Eddie Smith	
District Centres	To report on the work undertaken by the District Centres Sub Group to enable its findings to be integrated into Local Plans	Cllr Richards (Exec Member for Housing and Regeneration)	Eddie Smith	Provisionally scheduled for January 2020 Invite Professor Cathy Parker, Institute of Place Management.
Outcome of the consultation with stakeholders in relation to the proposed Housing Affordability Zones	To receive a report on the outcome of the consultation with stakeholders on the four proposed Housing Affordability Zones	Councillor Richards (Exec Member for Housing and Regeneration)	Eddie Smith	See November 2017 minutes

Theme – Transport and Connectivity				
Item	Purpose	Lead Executive Member	Lead Officer	Comments
HS2 update	To receive an update on the progress that has been made with the delivery of HS2 and the impact this will have on the city's economy	Cllr Leese	Eddie Smith	
Bus Franchising update	To receive an update on the Greater Manchester Mayors proposals to franchise the regions bus service impact this will have on the city's economy	Cllr Leese	Richard Elliott	
Theme – Incorporating Inclusive Growth into Council Services/strategies				
Item	Purpose	Lead Executive Member	Lead Officer	Comments
Theme - Skills development for Manchester residents aged 16 and over.				
Item	Purpose	Lead Executive Member	Lead Officer	Comments
Higher Education provision and its impact on the City's economy	To be determined	Cllr N Murphy (Deputy Leader)	Angela Harrington	

Employment Contracts and Labour Market Flexibility	To receive a report on changes in employment contracts and labour market flexibility and the implications for workers in Manchester.		Angela Harrington	See February 2016 minutes
Hospitality and Tourism skills gap	To receive report on the issue around skills challenges within the hospitality and tourism sector	Councillor N Murphy	Angela Harrington	See November 2017 minutes
Theme – Growing the Manchester Economy				
Item	Purpose	Lead Executive Member	Lead Officer	Comments
City Centre Business Engagement	TBC	Councillor Leese	Eddie Smith	
Theme - Miscellaneous				
Item	Purpose	Lead Executive Member	Lead Officer	Comments
Development of a Manchester City Council energy Company	To receive a report on whether the Council was considering a scheme to develop its own energy company	Councillor Leese	Eddie Smith	See November 2017 minutes