



Economy Scrutiny Committee

Date: Thursday, 10 March 2022

Time: 2.00 pm

Venue: Council Chamber, Level 2, Town Hall Extension

Everyone is welcome to attend this committee meeting.

There will be a private meeting for Members only at 1:00pm on Thursday 10 March 2022 in the Council Antechamber, 2nd Floor, Town Hall Extension

Access to the Public Gallery

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Membership of the Economy Scrutiny Committee

Councillors - H Priest (Chair), Bayunu, Doswell, Farrell, Johns, Moore, Noor, Raikes, Stanton and Shilton Godwin

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** 5 - 12
To approve as a correct record the minutes of the meeting held on 10 February 2022.
- 5. Manchester Airport** 13 - 24
Report of the Director of City Centre Growth and Infrastructure attached

This report provides an update on the role of Manchester Airport in the economy of the city; the current economic situation of the Airport following the impact of COVID-19; and the next steps in the economic future for the Airport.
- 6. Manchester Housing Allocations Policy** 25 - 40
Report of the Strategic Director (Growth & Development) attached

Following an extensive period of review and agreement by social landlords and by the Council's Executive Committee, Manchester's current statutory social housing allocations scheme was implemented in November 2020. In addition to the planned full evaluation after 24 months, it was agreed that an interim evaluation should be undertaken after 12 months.
- 7. HS2 Phase 2b Western Leg - Environmental Statement Consultation & Hybrid Bill Petitioning Response**
Report to follow

8. Economy COVID-19 Sit Rep Report

Report to follow

9. Overview Report

41 - 50

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. .

The Council wants to consult people as fully as possible before making decisions that affect them. Members of the public do not have a right to speak at meetings but may do so if invited by the Chair. If you have a special interest in an item on the agenda and want to speak, tell the Committee Officer, who will pass on your request to the Chair. Groups of people will usually be asked to nominate a spokesperson. The Council wants its meetings to be as open as possible but occasionally there will be some confidential business. Brief reasons for confidentiality will be shown on the agenda sheet.

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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 March 2022** by the Governance and Scrutiny Support Unit, Manchester City Council, Level 2, Town Hall Extension, Manchester M60 2LA

Economy Scrutiny Committee

Minutes of the meeting held on 10 February 2022

Present:

Councillor H Priest – in the Chair
Councillors Bayunu, Doswell, Farrell, Moore, Noor and Raikes

Apologies: Councillor Johns, Shilton Godwin and Stanton

Also present:

Councillor Craig, Leader
Councillor White, Executive Member for Housing and Employment
Councillor Rawlins, Executive Member for Environment
Brian Henry, Head of MAES
Lisa O’Loughlin, Principal and Deputy Chief Executive: The Manchester College/LTE Group
John Thornhill, Chief Executive LTE Group

ESC/22/05 Minutes

Decision

The minutes of the meeting held on 13 January 2022 were approved as a correct record.

ESC/22/06 Growth & Development Directorate Budget 2022/23

Further to minute (ESC/21/53), the Committee considered a report of the Strategic Director (Growth and Development), which provided a further update on the saving proposals being proposed as part of the 2022/23 budget process.

Key points and themes of the report included:-

- Following the Spending Review announcements and provisional local government finance settlement 2022/23 the Council was forecasting a balanced budget for 2022/23, a gap of £37m in 2023/24 and £58m by 2024/25;
- Overall, the settlement announcement was towards the positive end of expectations and it was expected that mitigations in the region of £7.7m, as previously identified, would be sufficient to balance the 2022/23 budget;
- The budget assumptions that underpinned 2022/23 to 2024/25 included the commitments made as part of the 2021/22 budget process to fund ongoing demand pressures as well as provision to meet other known pressures such as inflation and any pay awards (estimated at 3% from 2022/23);
- Whilst this contributed to the scale of the budget gap it was important that a realistic budget was set which reflected ongoing cost and demand pressures;

- The focus would now be on identifying savings and mitigations to keep the Council on a sustainable financial footing; and
- It was proposed that budget cuts and savings of £60m over three years would be developed for Member consideration which equated to just under 12% of 2022/23 directorate budgets. In addition, £30m of risk-based reserves had been identified as available to manage risk and timing differences.

The Leader advised that whilst there were no major changes to the proposed budget following the report in November, a decade of austerity had resulted in £420 million having been removed from the Council's budget, resulting in a 15% reduction in spending power compared to a national average of 2.4% and if Manchester had had the national average applied to its budget, it would have a further £85 million in its budget today.

The Strategic Director (Growth and Development) commented that the 2021/22 budget process had included £393k savings in respect of holding/deleting 11 posts in planning and building control. Whilst the service redesign was expected to be completed in the first quarter of 2022, it would take time to implement the changes and recruit to all the posts. To allow for service delivery, and succession planning it was necessary to amend the structure and invest in some areas, therefore it was anticipated that ongoing savings of c£150k would be realised from reduced staffing costs across planning and building control. This would require alternative savings of £243k to be identified and delivered in 2022/23.

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

- There was concern in relation to the ability to effectively ensure the enforcement of illegal planning if it was still proposed to reduce the number of staff within planning and building control;
- Was it possible to have a breakdown of the proposed savings at a ward or neighbourhood level;
- What opportunities had been identified from the review of Council assets to help tackle the level of savings needed in future years; and
- Had there been any work undertaken around the anticipation of additional costs and pressures on the service as the Council emerged from the impact of covid.

The Strategic Director (Growth and Development) commented that the original saving of £393k had been identified through existing vacant posts and through the forthcoming service redesign, additional resource would be added to the service to ensure it operated effectively. She also advised that due to the nature of the work of the Directorate, it was difficult to break this down to a ward or neighbourhood level as a large part of the Directorate's budget was made up from staff costs who worked across the city. It was proposed that a more detailed overview of the work of the team could be provided for Members.

The Executive Member for Housing and Employment acknowledged the need to improve how the work of the Directorate was reported back to ward members on work in their respective wards.

In terms of Asset Management, it was reported that this was something that the Directorate was actively looking at and a Strategic Asset Management Plan would be implemented this year which would look to ensure that the assets held by the Council across its Development, Operational and Commercial estates were used to maximise the benefits to the city.

The Leader commented that there had been a number of areas as part of the wider budget setting process that had been looked at as to how they would likely be impacted as the Council emerged from the impact of covid, such as the discretionary support the Council had been able to give to residents and the support to businesses. She added that the current competitive environment for government funding was not helpful and was not a long term sustainable approach.

Decisions

The Committee:-

- (1) Note the forecast medium term revenue budget position.
- (2) Endorse and recommend that the Executive approve the budget proposals.
- (3) Propose that as part of the Committee's Work Programme setting meeting in May 2022, it receives a report that provides a detailed overview of the Directorate and the teams that sit within it.

ESC/22/07 Manchester Work and Skills Strategy Refresh

The Committee considered the report of the Director of Inclusive Economy that provided an update on the development of a new Work and Skills Strategy for Manchester, to replace the previous version which had reached the end of its life.

Key points and themes in the report and accompanying presentation included:

- Providing a context and background;
- The new strategy used the Our Manchester Strategy themes as a structural framework;
- The Work and Skills Strategy would support a range of other city strategies;
- An overview of research and engagement; and
- The timetable for the delivery of the new strategy, noting that this would be presented to Executive for approval in May/June 2022.

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

- Every attempt should be made to ensure all opportunities for employment and retraining were provided to Manchester residents;
- Training opportunities needed to be available to people who were already in employment but wanted to expand their skills set or retrain;
- An exercise should be undertaken to map how this strategy intersected with a range of other Council strategies and identify key priorities;
- Welcoming the inclusion of the real living wage and every lever the Council had should be used to ensure more employers across the city paid this;
- Requesting that papers relating to the work of the Work and Skills Board be circulated to members of the Committee for information;
- The need for parity of esteem between academic and vocational pathways as part of the careers advice service;
- The need to breakdown silo working and encourage improved relationships between the Department of Work and Pensions and Department for Education to ensure that people received the most appropriate support and employment and training pathways;
- The need to promote and articulate the positive experiences and outcomes that could be achieved via an apprenticeship programme;
- The need to recognise that the Digital Inclusion Teams to improve digital skills amongst priority groups, particularly the over 50s, was too prescriptive and needed to address skills gaps and digital behaviours amongst younger people also;
- Supporting the work to address economic inequality and requesting more information on the Poverty Impact Assessment; and
- Would the consultation on the first draft of the strategy include face to face consultation.

The Director of Inclusive Economy stated that entry level jobs and apprenticeships in the Council were ringfenced for Manchester residents. She stated that all levers and spheres of influence were used by the Council to encourage employers and other anchor institutions to support this programme and to pay the Real Living Wage, particularly in the foundation employment sector, supported further by the Greater Manchester Good Employment Charter and using the Shared Prosperity Fund to deliver this programme.

She described that the Our Town Hall Project had delivered a range of good quality work experience opportunities and suggested the Committee might wish to receive a more detailed report on this subject area at a future meeting. She further described that the relationship between good employment and mental health was understood, and this had helped inform the Build Back Fairer in Greater Manchester strategy in line with the recommendations of Professor Michael Marmot that aimed to address a range of inequalities.

The Director of Inclusive Economy advised that consultation on the first draft of the strategy would include face to face consultation. She further advised that key partners were engaged with the Work and Skills Board and she would consult with the Chair on

how best to relay the work of the Board to the Committee, recognising that this would be of interest to Members.

The Director of Inclusive Economy further noted the comment regarding the importance of promoting the many positive aspects of apprenticeships and work was ongoing with schools to ensure the parity of esteem was achieved when delivering careers advice. Recognition was also made to the reference regarding digital skills and behaviours, she advised that this was included in the strategy with the ambition being to ensure all was done to ensure people were ready and equipped to enter the world of employment.

Lisa O'Loughlin, Principal and Deputy Chief Executive: The Manchester College/LTE Group informed the Members on their work to address digital skills and digital access, particularly in the support offered to learners in response to the challenges to online learning that presented during the pandemic.

The Strategy and Economic Policy Manager stated that work was underway to map the intersection between the different strategies and once this exercise was completed this information could be shared with the Members. He further commented that the Poverty Impact Assessment information could also be shared with the Committee once this exercise was completed.

The Executive Member for Housing and Employment stated that the promotion of apprenticeships needed to be a continual programme of engagement and communication to articulate the many positive experiences and promote this as an attractive pathway into employment. He said the strategy would be delivered in collaboration with a number of partners in the city that included employers and local businesses.

Decisions

The Committee recommend;

- (1) Recommend that the Director of Inclusive Economy, in consultation with the Chair, agree how the work of the Work and Skills Board is periodically shared with the Committee for information outside of the formal meeting structure.
- (2) Recommend that a report on the delivery of work and skills through the Our Town Hall Project is included on the Committee's Work Programme for consideration at an appropriate time.

ESC/22/08 LTE Group Update

The Committee considered the report of the Principal and Deputy Chief Executive: The Manchester College/LTE Group and the Chief Executive LTE Group that provided an update on key areas of activity.

Key points and themes in the report included:

- The Manchester College's progress, performance and contribution to Manchester's work and skills outcomes since the last report to the Economy Scrutiny Committee in 2021;
- Progress update and next steps on LTE Group estates and infrastructure plans including site disposals; and
- Progress on apprentice provision via Total People.

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

- Welcoming the progress reported, in particular in relation to the gender balance of learners and the number of employment placements provided; and
- What support was offered to learners who transitioned from Community Hubs into the Centres of Excellence.

Lisa O'Loughlin, Principal and Deputy Chief Executive: The Manchester College/LTE Group stated that the College had strong, well established relationships with employers that had assisted with securing good quality work experience placements. She stated that whilst COVID-19 had impacted on this she was confident that this would remain, adding that they were seeking to improve the two week placement offer. She further described that their learners were very diverse, and they were regarded as a trusted provider across the city. She stated that the Manchester College worked to challenge and remove the barriers experienced by young people accessing quality employment, noting that they had witnessed an increase in the numbers of females entering the construction industry.

Lisa O'Loughlin, Principal and Deputy Chief Executive: The Manchester College/LTE Group stated that there was a programme established to support learners to orientate and familiarise themselves as they transitioned to the centres of excellence. She further noted that numbers of SEND learners were increasing year on year.

Decision

The Committee note the report.

ESC/22/09 Manchester Adult Education Service

The Committee considered the report of the Director of Inclusive Economy and Head of MAES.

Key points and themes in the report included:

- An introduction and background, noting that the vision for MAES continued to be 'To deliver inspirational adult education that connects Manchester's adults to their potential, their community and their future';
- The response to COVID-19;

- MAES performance in 2020/21; and
- The skills challenges in the city.

The key point that arose from the Committee's discussions was: -

- Noting the resources needed to deliver the work and ambition of the service at scale for the benefit of Manchester residents.

The Director of Inclusive Economy commented that the central government funding to deliver adult education had reduced by over 40% during the previous ten years. She described that despite this challenging environment the service remained committed to improving opportunities for residents. She advised that it was recognised that the physical infrastructure of the estate needed to be improved, and monies from the Shared Prosperity Fund would support this. She commented that the Greenheys Adult Learning Centre had been identified as a priority site. She further advised that MAES would continue to strengthen and build upon their relationships with local employers and the Job Centre Plus to promote this offer recognising that they were a visible and trusted provider that were rooted in local communities.

The Director of Inclusive Economy also discussed the wider engagement work that was delivered collaboratively with the Voluntary Community and Social Enterprise (VCSE). The Chair recommended that a report on this work with the Voluntary Community and Social Enterprise sector be added to the Committee's work programme for consideration at a future meeting.

The Head of MAES informed the Committee that the intention was to increase the Level 3 provision for adults, noting that it was recognised that there was a need for this.

Decision

The Committee:-

- (1) Recommends that a report on the MAES External Review is provided to the Committee for consideration at an appropriate time.
- (2) Recommends that a report on the work delivered in partnership between MAES and the Voluntary Community and Social Enterprise sector is provided to the Committee for consideration at an appropriate time.

ESC/22/10 Update on COVID-19 Activity

The Committee considered a report of the Strategic Director, Growth and Development, which provided a further update of the current situation in the city in relation to COVID-19 and an update on the work progressing in Manchester in relation to areas within the remit of the Committee.

Decision

The Committee notes the report.

ESC/22/11 Overview Report

The 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 response to a question from a Member who enquired when a report on purpose-built student accommodation would be submitted for consideration, the Chair advised that this would form part of discussion on the wider Housing Strategy. She advised this would be considered in the new municipal year.

Decision

The Committee note the report and agree the work programme, noting the recommendations arising from consideration of the previous agenda items.

**Manchester City Council
Report for Information**

Report to: Economy Scrutiny Committee - 10 March 2022
Subject: Manchester Airport
Report of: Director of City Centre Growth and Infrastructure

Summary

This report provides an update on the role of Manchester Airport in the economy of the city; the current economic situation of the Airport following the impact of COVID-19; and the next steps in the economic future for the Airport.

Recommendations

That Committee is recommended to consider and note the report.

Wards Affected: All

Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the City
Aviation contributes 2-3% to global carbon emissions. The emissions that arise from flying need to be considered as part of global and national carbon budgets in the context of global efforts to keep global temperature rise to 1.5 degrees C of pre-industrial levels.
Manchester Airports Group (MAG) has worked to reduce carbon emissions across its estate. All MAG airports have already been certified as carbon neutral, including Manchester Airport. MAG has also committed to its airports being net zero by 2038, which fully aligns with Manchester City Council’s commitment to achieve net-zero emissions by 2038.

Our Manchester Strategy outcomes	Summary of how this report aligns to the OMS
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	Manchester Airport is a significant economic asset and pre-pandemic employed 25,000 people on site. This combines MAG employment and that of third parties on site.

<p>A highly skilled city: world class and home-grown talent sustaining the city's economic success</p>	<p>As the anchor employer in Wythenshawe, the Airport provides a range of jobs within the aviation sector. The Council, Manchester Airports Group (MAG) and other partners work closely to advertise the job and training opportunities linked to the Airport. All MAG airports have an AeroZone, offering a free interactive education centre for schools and colleges, aiming to inspire the next generation to work in the aviation industry and the Airport Academy, which provides training programmes for jobseekers to gain employment at the Airport and its ancillary facilities services.</p>
<p>A progressive and equitable city: making a positive contribution by unlocking the potential of our communities</p>	<p>Manchester Airport and the Council work closely together to promote job opportunities at the Airport. Businesses operating out of Airport City also work with the Council to attract and retain talent from the local area and provide training schemes and social value commitments within Wythenshawe.</p>
<p>A liveable and low carbon city: a destination of choice to live, visit, work</p>	<p>The infrastructure to access the Airport and Airport City has improved in recent years to make it more accessible via public transport and walking and cycling, including a new pedestrian and cycle bridge over the motorway linking Woodhouse Park and the Airport. Travelling to the Airport is more convenient and safer via local public transport services, allowing sustainable transport choices to be made.</p>
<p>A connected city: world class infrastructure and connectivity to drive growth</p>	<p>The Airport operates routes to 210 destinations (pre-COVID) and generates £2.4billion for the local economy. It supports businesses and industries across the city, the city region and the North West through tourism, business travel and freight. A transformation programme is being undertaken by MAG to improve customer experience at the Airport, this includes the newly refurbished Terminal Two. MAG have committed to a net-zero future for the Airport.</p>

Contact Officers:

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Background documents (available for public inspection):

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

- Manchester Airport City Development and Infrastructure Framework –Report to Executive, 6 April 2011
- Aviation and Carbon Emissions – Report to Environment and Climate Change Scrutiny Committee, 9 December 2021

1.0 Introduction

- 1.1 Manchester Airport is one of the UK's busiest airports, providing routes globally for trade and travel throughout the year. It is a major economic driver, and the success of the Airport has led to the establishment of a business, manufacturing and logistics district at Airport City that hosts large, international businesses.
- 1.2 Manchester and its residents directly benefit from the proximity, the size and scale of the Airport in terms of the number of people employed directly by the Airport but also those indirectly supported through the supply chain. The Airport contributes to the tourism industry and the business ecosystem, supporting the economic growth of the whole of the North of England. It is a key asset for the city, supporting its growth and provides a major draw for investment and development.
- 1.3 Manchester Airports Group (MAG) owns and operates Manchester (MAN), London Stansted (STN) and East Midlands (EMA) airports. Prior to the COVID-19 pandemic, MAG airports handled around 62 million passengers (21% of the UK total) and around 670,000 tonnes of freight (26% of freight tonnage handled at UK airports) each year.
- 1.4 During the Covid-19 pandemic and through the introduction of social restrictions as part of the public health drive to reduce infections, the aviation sector was tightly controlled for almost two years. This curbing of movement had a considerable impact on the operations of the Airport and the wider sector.
- 1.5 This report provides an update on Manchester Airport's contribution to the local economy before the pandemic, the performance of MAG over the last two years, and their approach to recruitment going forward as the sector begins to recover. The report will also discuss Airport City and its contribution to Manchester and the growth of opportunities in the area.

2.0 Position of Manchester Airport in the Local Economy

- 2.1 Manchester Airport is a major international airport servicing a catchment area of over 20 million people across most of the North of England, and parts of Wales, and the West Midlands within a 2-hour travel time. This strong catchment has allowed the airport to grow a large and diverse international route network, which has supported Manchester's role as an economic powerhouse at the heart of the North of England.
- 2.2 Pre-pandemic, MAG's airports supported direct employment (both with MAG and third parties on-site) of nearly 44,000 jobs, supporting GVA of £3bn. Over half of these benefits arise from Manchester Airport, which also hosts the majority of MAG's head office functions. Indirect and induced employment in the wider economy from MAG increases the impacts to over 130,000 jobs and over £8bn of GVA pre-Covid.

- 2.3 Wythenshawe & Sale East, the parliamentary constituency in which the Airport is located, had 4,376 aviation jobs (7.1% of jobs in the constituency). The wage levels for these jobs are 30% higher than the constituency average.
- 2.4 Before the pandemic, Manchester Airport had direct routes to 210 destinations. It is the only UK airport aside from Heathrow with direct routes to key long-haul markets, making it an international gateway for trade and travel, acting as a major draw for investment and development in Greater Manchester and the North West. The attraction of new services and destinations has been a key objective for the Airport for many years, and it has succeeded in building a strong network of global connections.
- 2.5 For example, over two years the direct routes to China helped to grow export values from Manchester Airport to China by 41%, bringing with it £250 million to the visitor economy. The number of people travelling between Manchester and Beijing increased by 80%, with the route growing faster than the other available UK-China direct routes. There was also a 114% increase in northern students gaining Chinese internships, with more than 70% of that group coming from a low-income background.
- 2.6 The benefits of connectivity to China were further demonstrated during the pandemic, when Manchester Airport was able to work with local partners, including the universities, Greater Manchester Combined Authority (GMCA) and the Manchester China Forum (MCF) to support the chartering of 31 flights from Chongqing Jiangbei Airport to Manchester. This supported over 7,000 students to study at universities in Manchester and across the North of England.
- 2.7 In addition to its role in supporting the GM economy, the GM Councils have directly benefited from MAG's regular dividend payments to shareholders. In the five years immediately prior to the pandemic, MAG distributed over £600m in dividend payments to the GM Councils, providing an above market return in excess of many FTSE companies on the Councils' long-term investment in the Group.
- 2.8 Since 2017, the Airport has been undertaking a programme of refurbishment and modernisation. In July 2021, the Terminal 2 extension opened to passengers. The new extension is the first phase of the £1.3 billion Airport Transformation Programme, aimed at improving customer service and experience for users of the Airport and offer better, future-proofed facilities. Work on the second phase of the Transformation Programme was paused in 2020 to limit capital expenditure during the pandemic.

3.0 Current economic situation of Manchester Airport

- 3.1 The COVID-19 pandemic devastated the aviation and travel sectors, practically overnight, as aviation businesses were effectively closed. The Office for National Statistics' Index of Services has consistently shown that air transport is the most impacted sector of the UK economy (see Appendix 1). Where other economic sectors have recovered close to (and in some cases

above) pre-pandemic levels, the aviation industry has never exceeded 70% of 2019 output and by December 2021 remained well below sectors such as retail, food & beverage, and accommodation, which have broadly recovered their 2019 output.

- 3.2 In the peak summer period in July 2020, Manchester Airport had 447,000 arriving and departing passengers, compared to 3.2 million in July 2019. This equates to around 14% of pre-COVID traffic.
- 3.3 In the first months of 2020/21, as the scale of the pandemic became clear, MAG made non-staff operational cost savings in excess of £183 million and paused elements of its main transformation programmes, freezing all other non-essential maintenance expenditure. The decision was taken in Autumn 2020 to restructure the business, including redundancies at Manchester Airport. As airports were so affected by the uncertainty of the pandemic and (at the time) lack of recovery, it was not clear when colleagues would be needed again.
- 3.4 MAG received strong support from its shareholders through an injection of £300m additional equity capital and an agreement to pause dividend payments. The new equity was split according to existing shareholding, such that Manchester City Council (which has a 35.5% shareholding in MAG) contributed £106.5m. This support has been critical for the business over the most difficult period in the history of the sector, and MAG recognises the importance of returning to dividend payments as soon as possible given the importance of this income stream to shareholders.
- 3.5 The lifting of some of the UK's international travel restrictions in October 2021 saw passenger numbers begin to rise quickly in October and November. This period of recovery not only showed the strength of the sector when restrictions were lifted, but also the strength of recovery at MAG airports relative to other UK airports. As shown in the graph in Appendix 2, the group led the recovery of the UK airports market in passenger numbers. This reflects the diverse airline mix and the strength of the low-cost, short-haul carriers that operate from Manchester Airport.
- 3.6 However, the Omicron variant clearly demonstrated the impact of UK testing requirements and public uncertainty on the recovery of international travel. Following the re-introduction of more stringent requirements, the recovery of MAG's passenger numbers fell back by around one-third in December 2021 and January 2022. Now that most of these restrictions have been lifted, passenger numbers are growing again and the outlook for 2022 is positive.
- 3.7 Throughout the pandemic, MAG has actively campaigned for changes in travel restrictions and direct Government support for the industry. MAG has commissioned independent scientific research which provides evidence to support the lifting of travel restrictions and testing requirements.
- 3.8 MAG acknowledges that although there is latent demand from passengers, navigating international travel will remain challenging for some, particularly as

a result of the wide range of measures in place in other countries. MAG is working closely with the UK Government on the pathway to removing the remaining barriers to travel, such as passenger locator forms, and the most effective ways to restore consumer confidence and encourage passengers to return to flying.

4.0 Employment, recruitment, and training opportunities at the Airport

- 4.1 Since 2016 the Council has worked closely with MAG colleagues to support all aspects of their recruitment and training provision at the airport. Pre-Covid this included the annual peak season recruitment, Terminal 2 Transformation programme, Airport City social value activity and development of the Airport Academy - MAG's in-house training and recruitment facility.
- 4.2 MAG's Corporate Social Responsibility Strategy published in 2020 acknowledges the Airport's role as an economic enabler and major employer in the regions its airports serve. By supporting local people from all backgrounds to find employment in the aviation sector and related businesses, the company (and business partners operating at the airport) benefits from a secure talent pipeline at the same time as strengthening its local economies.
- 4.3 MAG recognises that its airports have an impact on their local communities, and it is essential for its airports to engage with and respond to local stakeholders. Pre-pandemic, the Airport facilitated over 90 face-to-face outreach events annually to understand feedback from local communities. This has been made more difficult due to the pandemic, but they continue to hold virtual meetings. Airport consultative committees bring together communities, local authorities, airlines, and passenger groups to discuss performance and future plans. These also include subcommittees dedicated to areas of particular interest such as environmental impacts and accessibility. Local volunteering opportunities and participation are also encouraged by MAG, with staff allowed up to two full days of work time per annum to volunteer.
- 4.4 In 2020 and as a response to COVID, work with MAG was re-aligned to support existing airport staff impacted by organisational change. Employees of MAG and its supply chain were offered dedicated assistance through the In-Work GM and Help to Get Work schemes. Colleagues in DWP were also engaged to provide additional support where needed.
- 4.5 In December 2021 a virtual careers event was arranged to provide Manchester Airport staff with information, advice and guidance on opportunities and support available. Employers such as The Hut Group attended the event to discuss current vacancies, with services such as Manchester Growth Company, National Careers Service and CAB also on hand to advise staff. This was followed by an in-person jobs fair on 10th February 2022.
- 4.6 MAG's airports always require additional resource during the busy summer months, and the Group is now actively recruiting for close to 1,000 roles

across its three airports. More than 500 of these new roles are at Manchester, particularly in security and hospitality. These roles will be essential to deliver a good passenger experience as demand returns. However, along with other sectors, recruitment has been challenging given the competitiveness of the employment market. MAG is therefore reviewing its recruitment, training, and onboarding processes, as its proposition for employees, to maximise its attractiveness as a potential employer and minimise attrition of current employees.

- 4.7 The Manchester Airport Multi Agency Team (MAT) was established in 2019 to maximise opportunities arising from airport growth and associated increase in jobs, business activity and infrastructure investment. The MAT comprises colleagues from the airport and the Council, in addition to citywide partner organisations. MAT activity is driven via the Airport Growth and Impact Action Plan. This document guides the various MAT work strands including maximising job and training opportunities for residents, social value and linking with schools to raise careers awareness and aspirations.
- 4.8 The Airport Academy (AA) is MAG's in-house training and recruitment facility for Manchester Airport and the associated supply chain. Delivered in partnership with Trafford College, the AA provides free training programmes for residents to gain the right skills to secure employment at the airport. The AA is unique in that it offers unemployed and harder to reach residents the opportunity to learn the basics of aviation roles, together with the terminology needed to enter a career at the airport. Residents learning with the AA have access to current vacancies and receive bespoke support in applying for roles, including CV and mock interview workshops.
- 4.9 Since its inception the Council has worked closely with colleagues in the AA to develop the facility and create the right conditions to enable us to build a future pipeline of talent, ensuring all residents regardless of age, experience or skillset have access to employment opportunities at the airport. MAG has the AeroZone programme at all its airports. It features an on-site educational centre which provides activities to encourage children and young people to consider a career in the aviation industry. AeroZone is available free of charge to local schools and colleges and will support a minimum of 5,000 young people each year.
- 4.10 An Airport Academy Steering Group has been established with partners such as DWP, Stockport MBC and Manchester Growth Company. The AA Steering Group is dedicated to developing outreach activity with local schools, community organisations and training providers, in addition to developing new ways of working to support residents of all ages and levels to access training and pursue a future career at the airport. In 2019, the Airport Academy supported 435 people in and around Manchester into jobs at the airport.. The goal is that by 2025, 80% of people completing one of these programmes will be successful in gaining employment with MAG or an on-site partner.
- 4.11 As part of the ongoing response to Covid and associated economic recovery activity, the Council has endeavoured to remain in regular contact with

colleagues from MAG and the Airport Academy throughout the pandemic. This includes, as mentioned previously, support for existing MAG staff, as well as preparing to re-launch job and training opportunities as restrictions are eased.

- 4.12 The Council continues in its role supporting the Airport Academy to promote new training programmes for residents, as the airport continues its transition from Covid restrictions to full capacity. In late 2021, virtual and physical careers events were held for residents looking to access current and upcoming entry level roles at the airport.
- 4.13 Into 2022, the Council continues to work closely with MAG and the AA team to plan and deliver activities to support the phased re-opening of the airport. This includes re-establishing the Manchester Aerozone offer for young people, supporting take up of new Airport Academy courses, promotion of large-scale virtual and physical careers events in January-March in preparation for the anticipated summer peak.

5.0 Looking forward

- 5.1 Faced with uncertainty around recovery from the pandemic, MAG has developed a number of scenarios for 2022 to prepare for a range of outcomes for the remaining course of the pandemic and likely consumer behaviours. This includes cases where the sector continues a stable, sustained recovery as restrictions continue to lift and the UK moves to an endemic phase; but also more pessimistic scenarios reflecting staggered or slower recoveries due to the emergence of new variants of concern or other unexpected events which suppress passenger demand.
- 5.2 While it is too early in the recovery to be sure about which trajectory the recovery will take, the removal of remaining inbound travel restrictions in February is expected to drive further growth of passenger demand as the sector goes into its summer season. Data around booking intent (i.e., when a passenger is referred to a booking website) shows that demand for future travel this summer is recovering back towards 2019 levels. The likely shape of the recovery will become clearer after airlines confirm their summer schedules. Currently MAG's central scenario is for passenger numbers to return to pre-pandemic levels by 2023/24. Many of the Airport's long-haul routes are not currently operating while travel restrictions remain in place internationally, and one of the Group's main priorities is ensuring that these long-haul routes resume as soon as possible. There are currently 27 long haul routes operating from the Airport, compared to 45 in 2019.
- 5.3 Manchester Airport is entering this period of recovery with the benefit of having completed the first phase of its Manchester Airport Transformation Programme. This is a £1.3 bn programme to create state-of-the-art facilities that provide an enhanced customer experience and strengthen its ability to compete for new routes and services. The Airport opened the Terminal 2 extension in July 2021, and the new facilities have already received positive feedback from passengers. As traffic volumes recover, more flights will move to operate from the new facilities.

5.4 The Transformation Programme more supported the creation of more than 1,500 jobs in the construction phase alone, including more than 150 apprenticeships. The modern infrastructure created by the programme will be an important part of a strong recovery. Further phases of the Transformation Programme, including the redevelopment of the original Terminal 2 facilities, are planned once the trajectory of the post-pandemic recovery is clearer.

6.0 Airport City Update

6.1 Airport City Manchester is an Enterprise Zone with the capability to provide 5 million sq. ft. of offices, hotels, advanced manufacturing, logistics facilities and retail space. Anchored by Airport City and Manchester Medi-Park, the Enterprise Zone covers five sites across Wythenshawe, providing a high-quality destination for offices, hotels, logistics, advanced manufacturing, life sciences, biotech, retail and leisure. The area as a whole is forecast to create 16,000 new jobs in the next 10-15 years, following its launch in 2012. As it is located directly adjacent to Manchester Airport, it benefits from the airport's wide catchment and international connectivity. The scale and significance of Airport City means that it plays a major role in regional growth and employment.

6.2 The joint venture ownership of Airport City (a partnership between Columbia Threadneedle Investments 50%, MAG 20%, Beijing Construction Engineering Group International 20% and the Greater Manchester Pension Fund 10%) has delivered significant benefits since its launch, including the £15m roadway infrastructure (Enterprise Way), the pedestrian bridge over the M56 spur (co-funded with Manchester City Council) and improvements to the Outward Lane Junction. It has been able to attract large companies, with the highest profile being The Hut Group, who are due to complete building a new £60m headquarters by the end of 2024. Further developments include a new £50 million Holiday Inn and Ibis Budget hotel and a new £45m Tribe Hotel which is due to start on site imminently.

6.3 In recent years the Council has worked with a range of partners to support Airport City businesses to meet their objectives.

6.4 The Council has supported Amazon to recruit and retain staff at their Airport City South facility. The original Amazon volume recruitment provided permanent jobs to around 900 Manchester residents. Ongoing recruitment cycles continue to offer further opportunities. In 2018/19 both Virgin Media and Vodafone relocated substantial operations to the Airport City Enterprise Zone. Working alongside MIDAS, the Council has supported Virgin and Vodafone with their transition, as well as initial and ongoing recruitment campaigns. As Covid recovery activity continues, discussions are underway with Virgin to plan further volume recruitment campaigns in March 2022 and beyond.

6.5 Preparations continue for The Hut Group's (THG) development of large-scale offices and warehousing facilities over two sites within Airport City in 2022. THG has committed to maximising local recruitment throughout the development of these sites. Since 2018 the Council has worked closely with

THG to draw up plans for future recruitment and local benefit. This is in addition to supporting apprentice, graduate, and general recruitment to existing roles at THG's temporary Airport City offices.

- 6.6 In addition to previously mentioned ongoing work with Amazon, THG and Virgin Media, the Council is currently in discussions with Interstate, the operator of two new Holiday inn and Ibis Airport City hotels. As the hotel developments near completion in April this year, it is anticipated that there will be a considerable number of job opportunities available at these sites in 2022 and beyond. The same employment opportunities will continue with Interstate upon the completion of the Tribe Hotel in early 2024.
- 6.7 To support key recruitments and local benefit aspirations across Airport City, in 2016, the Council established a local partnership to maximise opportunities for communities close to Airport City.
- 6.8 The Wythenshawe Skills and Employment Group (WSEG) is a partnership approach to supporting take-up of learning, training, employment support and job opportunities across Airport City. MAG colleagues form part of WSEG, together with over 20 partner organisations including DWP, Wythenshawe Community Housing Group, The Forum Trust, Manchester College, Manchester Adult Education Service, Manchester Growth Company and Businesses Working with Wythenshawe (BW3). The WSEG continues to work collaboratively with the employers mentioned above, in addition to connecting to and supporting new business engagement and recruitment campaigns as economic recovery continues.

7.0 Airport future challenges and opportunities

- 7.1 In addition to the impact of COVID-19 on the sector, MAG expects there will be further macro-economic challenges due to rising inflation and changes to disposable income because of cost-of-living increases. This could have an impact both on passenger demand and ongoing costs for the business, such as future energy costs.
- 7.2 Beyond the travel and wider impacts of the pandemic, MAG's CSR Strategy addresses longer term challenges and opportunities for the Group. The strategy focuses on three priorities:
- zero carbon airports;
 - opportunity for all; and
 - local voices.
- 7.3 One of MAG's strategic priorities is reaching net zero, both in terms of its own emissions and the emissions of the industry as a whole. The business continues to be focused on taking a leadership role on sustainability. Its work has been widely recognised as industry leading: in 2021, MAG was rated by the Financial Times as one of 300 climate leaders and the highest rated transport business in Europe.

- 7.4 In 2006/7, MAG made the commitment to make its airport operations carbon neutral by 2015. Manchester Airport became the first in the UK to be certified as carbon neutral in line with this target, followed by East Midlands and London Stansted. Appendix 3 shows this in practice.
- 7.5 MAG is now working to eliminate the remaining emissions from its airports. Over the next decade, MAG will transition to a fleet of ultra-low emission vehicles and will also tackle remaining emissions from heating and cooling. This will take MAG as close as possible to zero emissions, with any remaining emissions compensated for by the purchase of permanent carbon removals. Moreover, MAG has a target that is fully aligned with the commitment made by Manchester City Council and across Greater Manchester, to achieve net zero emissions no later than 2038.
- 7.6 MAG has been at the heart of cross-sector work to decarbonise, chairing the Sustainable Aviation coalition throughout the development of the Decarbonisation Road-Map and bringing companies together to support a pledge for UK aviation emissions to reach net zero by 2050. This group came together to work in coalition to address the sustainability challenges the industry faces. The Road-Map has provided confidence to stakeholders, including Government, that achieving net zero aviation by 2050 is a practical reality. This will mean that MAG's scope three emissions (those which the Group has less direct control over, such as aircraft emissions) will also reach net zero.
- 7.7 To minimise emissions from surface access journeys to and from its airports, MAG works closely with local partners. At Manchester Airport, this includes Transport for Greater Manchester and the transport operators. In recent years infrastructure supporting public transport at Manchester Airport has been substantially improved with the addition, in 2015, of another two platforms to the railway station. This has doubled rail capacity, providing connectivity across the North and North Wales. In 2016, Manchester Airport welcomed the Metrolink extension, after a £50m investment, and by 2019 passenger numbers had grown to 200,000. Both rail and Metrolink services have been reduced as a result of the COVID-19 pandemic but are expected to be restored as demand recovers.

8.0 Conclusion

- 8.1 Manchester Airport continues to demonstrate its importance in the local economy and to Greater Manchester and the North of England more broadly. COVID-19 has evidently impacted upon the operations of the Airport; however, plans are in place for a positive and green recovery. This is supplemented by an expanding business and logistics district that, alongside the Airport, is providing opportunities for employment for the local area. More opportunities for investment and growth in the Airport district are expected.

9.0 Recommendations

- 9.1 Recommendations appear at the front of this report.

**Manchester City Council
Report for Information**

Report to: Economy Scrutiny Committee - 10 March 2022

Subject: Housing Allocations Policy Review

Report of: Strategic Director, Growth & Development

Summary

Following an extensive period of review and agreement by social landlords and by the Council's Executive Committee, Manchester's current statutory social housing allocations scheme was implemented in November 2020. In addition to the planned full evaluation after 24 months, it was agreed that an interim evaluation should be undertaken after 12 months. The pandemic resulted in significant emergency actions that have reduced the amount of useable data. Nevertheless, the evidence to date is that the scheme is working as intended with no unexpected outcomes.

Recommendations

1. The Committee is recommended to note that implementation of the new scheme has been significantly affected by the pandemic and the special measures put in place for the most vulnerable.
 2. The Committee is recommended to note that evidence shows that the scheme is working as intended.
 3. The Committee is recommended to note that the effectiveness of the new scheme will best be evaluated by the planned evaluation after 24 months, at the start of 2023.
-

Wards Affected: All

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

Manchester Strategy outcomes	Summary of how this report aligns to the OMS
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	Provide advice and information around other housing options where this may be appropriate - this includes affordable home ownership and the private rented sector.

A highly skilled city: world class and home-grown talent sustaining the city's economic success	n/a
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	Ensuring the Policy assists with balancing communities and encouraging potential in partnership with RP partners, using Local Letting Policy where necessary.
A liveable and low carbon city: a destination of choice to live, visit, work	Encouraging RP partners to reduce CO2 emissions and reduce their use of plastics will contribute to a low carbon city as well as zero carbon social homes built. Discussing climate change conversations with tenants of social housing supporting them in adopting a low carbon lifestyle.
A connected city: world class infrastructure and connectivity to drive growth	Ensuring people have a settled home that's right for them this will enable them to flourish and contribute within the city.

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Background documents (available for public inspection):

The following documents disclose key 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.

- Manchester City Council Part VI Allocations Scheme 2011
- Manchester City Council Part VI Scheme for the Allocation of Social Housing 2020
- Housing Act 1996

- Homelessness Code of Guidance
<https://www.gov.uk/guidance/homelessnesscode-of-guidance-for-local-authorities>
- Allocations Code of Guidance
<https://www.gov.uk/government/publications/allocation-of-accommodationguidance-for-local-housing-authorities-in-england>
- Update on Homelessness and Housing, Neighbourhoods and the Environment Scrutiny Committee Report – Wednesday 17th July 2019
- Report on Housing Allocations Policy Review (Update), Neighbourhoods & Environment Scrutiny Committee – March 2021
- Report on Housing Allocations Policy Review, Neighbourhoods and Environment Scrutiny Committee – 6th November 2019, Executive – 13th November 2019
- Report to Neighbourhoods and Environment Scrutiny Committee, 10th March 2021

1.0 Background

- 1.1 The report to Neighbourhood and Environment Scrutiny Committee November 2019 and to the Executive Committee in November 2019 described how Manchester's current Housing Allocations Scheme had remained fundamentally the same since 2011 and provided the context and evidence as to why the Allocations Scheme needed to be reviewed.
- 1.2 It described how the supply of homes had become constrained - particularly to applicants in band 3 - due to a combination of falling supply, increasing demand and the effect of awarding additional priority (band 2) to households working or volunteering. While recognising that total demand cannot be met, even for those in high priority, it was the case that significant numbers of homeless and other households in crisis and in band 3 were increasingly unlikely to make a successful bid for a home.
- 1.3 The report described comprehensive engagement with stakeholders to develop proposals for a revised scheme while ensuring that proposals would accord with the council's Public Sector Equality Duty.
- 1.4 The objective was for the new scheme to give a greater chance of getting a social home to the large numbers of applicants in the priority categories.
- 1.5 Consequently, the allocations scheme implemented November 2020 has three priority bands: band 1, largely unchanged from the previous scheme, band 2 now comprising most applicants with urgent housing need, and band 3 comprised of fewer categories of applicants with less urgent housing need. This means that there are many more applicants in band 2 who therefore have a chance of making a successful bid for a new home even though the average waiting time may be lengthy.
- 1.6 The report described how the operational transition from the old to the new scheme had been relatively smooth, despite the effects of the pandemic. It noted that a detailed evaluation of the scheme to review its effectiveness will be undertaken following 24 months of operation but that a lighter-touch interim evaluation would be made after the scheme had been in operation for 12 months.
- 1.7 This report provides the interim evaluation. It looks at how allocations made to the new scheme have been distributed across the priority categories of need, to consider the overall efficacy of the scheme in practice, including some examples of specific outcomes.

2.0 Evaluation context: pandemic effects and data comparison

- 2.1 The pandemic necessitated emergency housing responses that were outside the normal operation of the allocations scheme. This means that strictly accurate classification data is not available and therefore some degree of well-informed professional judgement has been necessary to produce this interim evaluation.

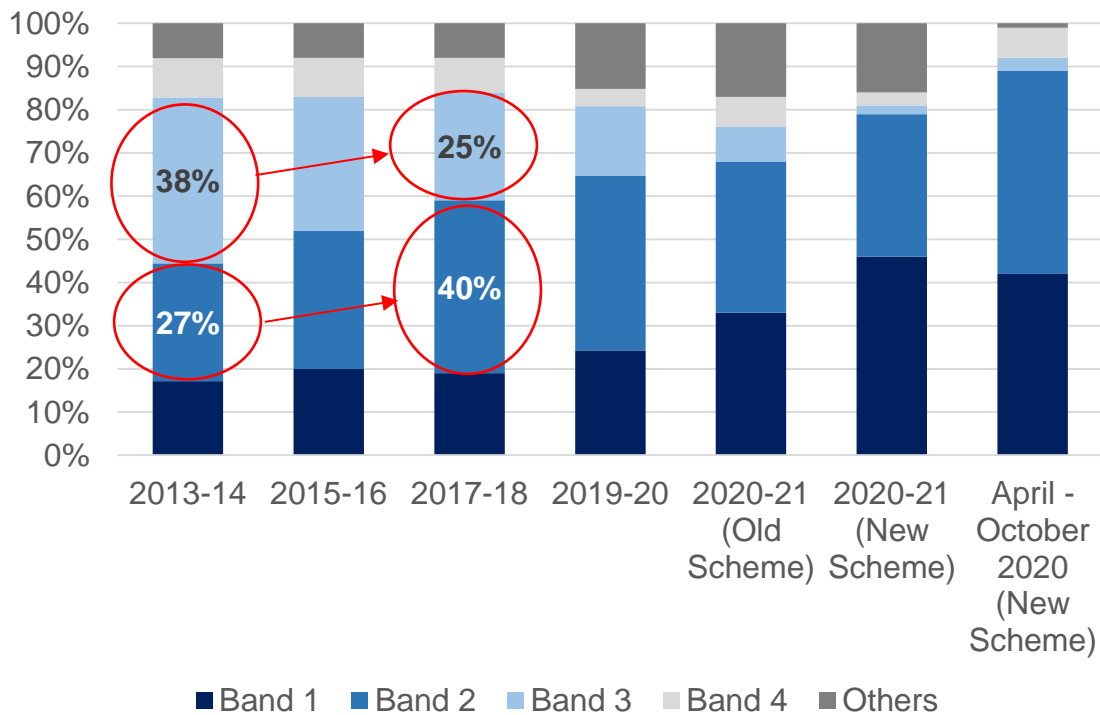
2.2 All data used in the evaluation are from the Manchester Housing Register (Manchester Move).

3.0 Scheme evaluation

New scheme objective - Provide a greater chance of obtaining a home for those in most need

3.1 The objective was for the new scheme to give a greater chance of getting a social home to the large numbers of applicants in the priority categories. It was agreed that the scheme should give equal banding priority to most categories of rehousing applicants, based on need alone. Priority within bands would continue to be given by date order (length of time in the band).

Figure 1: Lets by Band



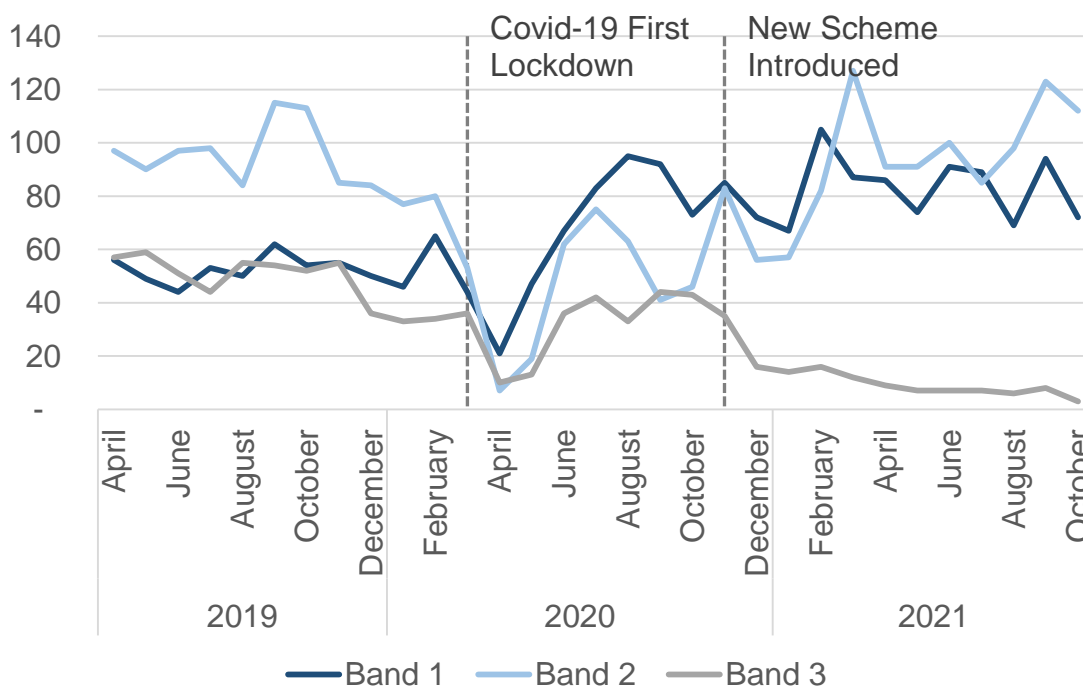
3.2 Figure 1 shows the history of the allocations scheme and how much of a barrier additional priority for working or volunteering had become. It is clear to see how lets to applicants in band 3 had become significantly less likely year by year as demand increased and turnover (supply) reduced. From 2013-14 to 2017-18, the relative positions of applicants in bands 2 and 3 had switched, with applicants in band 2 significantly more likely to make a successful bid while the impact on applicants in band 3 in crisis situations and unable to work was increasingly difficult to manage.

3.3 Lets during 2020-21 to the old scheme reflect arrangements for the pandemic. This period also shows how more band 1 applicants were making successful bids whereby previously this band had been relatively less active, lets to band 1 will reduce as the scheme progresses.

- 3.4 Lets during 2020-21 to the new scheme were relatively few, but the percentage distribution by band was showing the effectiveness of the new scheme, with a significant drop in lets to new band 3, this trend is expected to continue.
- 3.5 Lets during the April – October period, all to the new scheme, are noticeably different. There was a drop in lets to band 1 as the effects of the pandemic lessened. At the same time, there was an increase in lets to new band 2.
- 3.6 The lets to the lower bands showed a remarkable decrease, partly because Wythenshawe Community Housing Group and One Manchester both revised their own allocations schemes being mindful of the challenges shared by all social landlords and producing schemes that have more in common with the council scheme than before.
- 3.7 These data show the scheme starting to produce outcomes as expected.
- 3.8 The next part of this report looks at data in more detail.

4.0 Analysis of lets made to the priority bands 1-3 over time

Figure 2 - Lets to Priority Bands 1-3 (April '19 – October '21)



- 4.1 The data shown in Figure 2 are consistent with Figure 1. The effect of the initial period of the pandemic is obvious from February/March 2020 as lets plummeted. The anticipated reduction in lets to band 3 is also clear from November 2020 when the scheme changes took effect, with over 89% of lettings going to bands 1 and 2.
- 4.2 The increase in lets to band 1 is partly attributable to a backlog following the drop at the start of the pandemic and partly attributable to general supply and demand situation (20% drop in vacant properties).

4.3 It is anticipated that lettings to band 1 will reduce as we progress with lettings. Band 1 applications are regularly reviewed to ensure they remain in urgent need, but the supply and demand situation makes it increasingly difficult for some band 1 applicants to be rehoused in shorter timescales.

4.4 Analysis of lets by need category and band

4.5 Figure 3 shows how many lets have been made by need categories and band to new scheme, the table also compares this data to those lets that occurred in 2019/20 to the comparable need groups.

Figure 3 - Lettings to new scheme, April 2021 – end Oct 2021, by need category & band

	b1	b2	b3	b4	other	2021	2019/20
All forms of homelessness						%	
Homelessness		244	12			20.2	10.4
Domestic Abuse	88	2				7.1	4.1
Serious violence or harassment	55	3				4.6	1.9
Move on from supported accommodation		70				5.5	2.8
Lack of facilities		2				0.2	0.0
Other priority							
Armed Forces with housing needs	5					0.4	0.2
Young Person Leaving Care	70					5.5	0.4
Demolition	11					0.9	0.1
Fosterer/Adopter	4					0.3	0.0
Leaving Hospital	37					2.9	2.1
Medical reasons	87	99				14.7	8.2
Downsizing	59	4				5.0	1.1
Move out of adapted home	3					0.2	0.2
Risk to a child	4					0.3	0.4
Other needs							
Manager's Discretion	86	6	1			7.3	9.2
Overcrowding	28	142	24			15.3	13.0
Child Living in an unsuitable flat		26				2.1	0.0
Other categories							
No housing need				86		6.8	4.8
Non-Qualifying					9	0.7	0.1
2019/20 old scheme categories							
Working Household						0	23.5
Community Contribution						0	10.0
Young Person Tenancy Qualification						0	5.5
Total						100%	100%

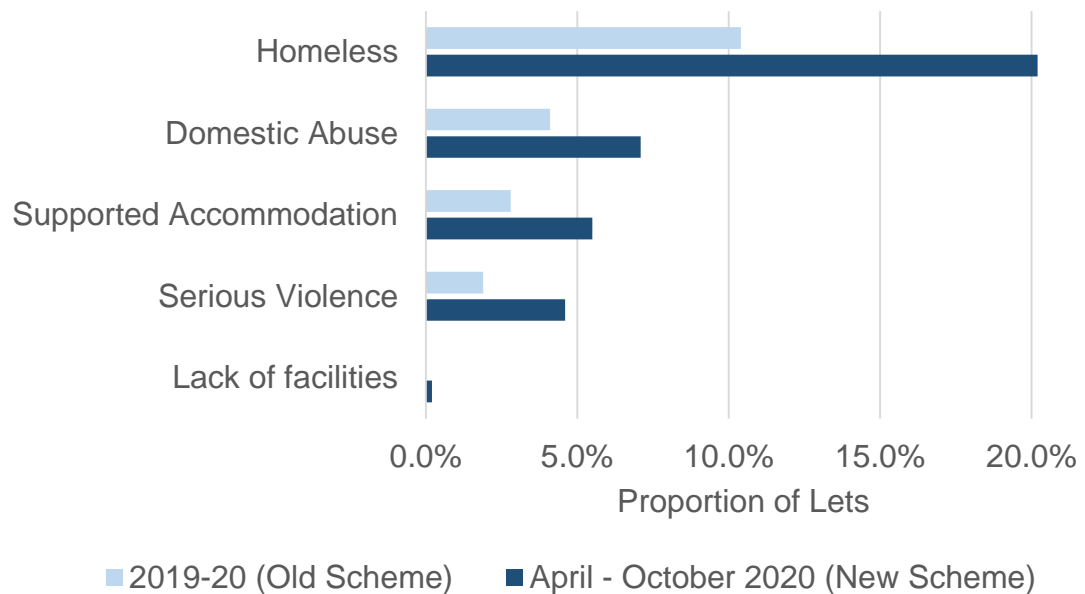
4.6 The data show that all need groups have benefited from the implementation of the new scheme, especially those in some form of homelessness including

domestic abuse. Despite the environmental challenges that occurred during the first 12 months of the scheme it's clear that the scheme is working as intended and that it's providing more opportunity to rehouse those in most need. It's also a fair assumption to say that this trajectory is likely to continue, as we see a backlog of repairs addressed and more homes come available.

- 4.7 Note that Band 4 "no housing need" were largely lets to Wythenshawe Community Housing Group and One Manchester's own allocations schemes, along with some lets to lower demand properties, mostly of sheltered accommodation.

5.0 Homelessness Lettings (from Figure 3, in more detail)

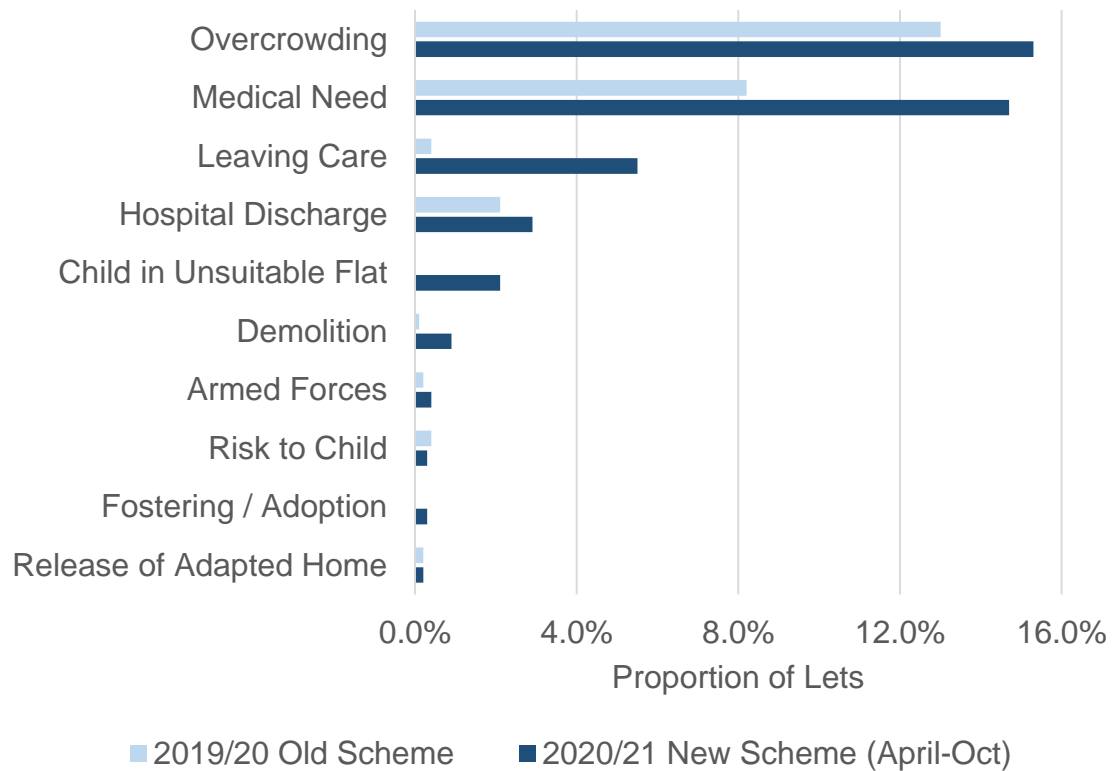
- 5.1 Homelessness is not only experienced by people in temporary accommodation. Other categories of rehousing applicant are homeless, for example while living in supported accommodation, or in a refuge. Applicants on the housing register due to being in some form of homeless accounted for 37.6% of all lettings from April to October 2021. This compares to 19.2% in 2019/20 (note, though, that this is subject to some degree of error due to how the old scheme categorised working households and community contribution lettings, making comparison difficult).
- 5.2 Figure 4 shows how the scheme is working as intended. It is enabling more successful bids from people in priority need due to different forms of homelessness.
- 5.3 It is worth noting that more people needing to be rehoused because of domestic abuse are now in band 1, where previously some would have been in lower bands. The priority given to people suffering domestic abuse was a particular concern of Members during the review discussions. It is worth noting that anyone needing to be rehoused because of domestic abuse is officially homeless, even if they have not presented for homelessness assistance.

Figure 4 – Lets to All Forms of Homelessness (%)

6.0 Other Priority Need Groups

6.1 It is important to remember that Members and Manchester Move partners were strongly of the view that there are several high priority categories of rehousing applicants. Along with homelessness the new scheme was developed to prioritise other need groups. Figure 5 shows lettings to these other need groups.

6.2 These data clearly show that applicants with the priority housing needs agreed by social landlords and Members have been properly prioritised by the scheme, as intended.

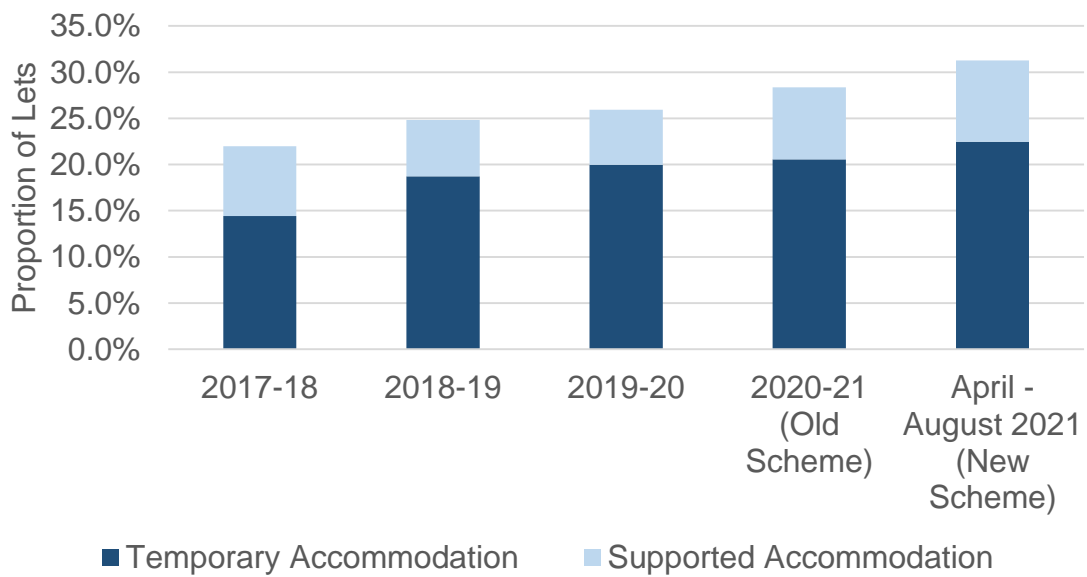
Figure 5 – Lets to Other Priority Applicants

6.3 One of the major successes of how the scheme is progressing is the number of young people being rehoused that are ready to move on from leaving care, this is a managed process through a leaving care panel which has seen good success rates of not only young people being rehoused but in terms of tenancy sustainability.

7.0 Homelessness and pressures on Temporary Accommodation and Supported Accommodation (TA/SA)

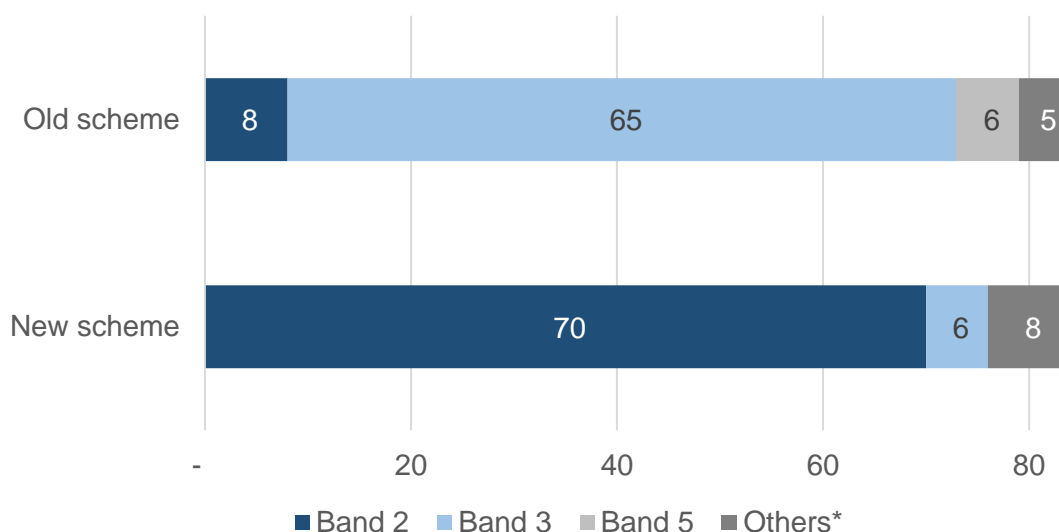
7.1 Homelessness colleagues are currently working on an action plan to reduce the use of TA and end placements into Bed & Breakfast accommodation following a review by the DHULC.

7.2 Lettings from temporary and supported accommodation have increased over time from 22% (17/18 old scheme) to 33.2% (21/22) new scheme and this is anticipated to continue to rise as the scheme settles and the backlog of band 1 applicants continues to reduce.

Figure 8 – Lets to Temporary & Supported Accommodation

- 7.3 The new scheme is operating as intended. People are now more likely to be rehoused from TA/SA.
- 7.4 There are some data available that allow us to make a quite detailed comparison of 84 of the 256 lets to homeless applicants under the new scheme (refer to Figure 3), looking at what band they would have been in under the old scheme.
- 7.5 The data (Figure 9) are clear that most homeless applicants rehoused from band 2 under the new scheme would have been in band 3 under the old scheme. The numbers in bands 2 and 3 are practically reversed. While it is not possible to make a definitive statement about each individual applicant, we know that in general, applicants in band 3 under the old scheme were unlikely to be offered a new home.
- 7.6 This is clear evidence of the new scheme working as intended, opening up the opportunity for many more homeless households to be rehoused from band 2.

Figure 9 – Homeless Lets by Band Compared to Bands Under Old Scheme (2020-21)



* Mainly W2 (WCHG own scheme, and some uncategorised).

8.0 Feedback from Manchester Move Partners

8.1 The Manchester Move partners were asked for feedback on the scheme, focusing on any unintended consequences. All the feedback received stated that the scheme is working as intended and without issues.

8.2 Additional comments were made about the supply and demand situation, repeating the challenge discussed by partners and by Members throughout the scheme review period. For example, one of the Manchester Move partners stated *“we participated in all the workshops and fundamentally not about Covid but supply and demand. We are trying to chop up the same size cake for different groups in need, however you do it someone won’t get a piece.”*

9.0 Equalities Impact Assessment

9.1 The appendix to this report shows the distribution of lets made to the new allocations scheme compared to the composition of the Manchester Housing Register (Manchester Move applications) by applicants’ protected characteristics.

9.2 The expectation is that the distribution of lets matches the distribution of the housing register. It will not be an exact match. Given the number of variables involved – people bidding for homes only in certain areas, people needing homes of varied sizes, people needing adapted homes, etc – it is reasonable to see some variation between lets and the housing register.

9.3 In general, something more than a 10+% variation could be potentially significant and merit investigation, especially a 10%+ negative variation (where the percentage of lets to a protected characteristic group is 10% or more lower than the housing register percentage).

9.4 The table shows that there are no apparent unintended consequences of the allocations scheme. The distribution of protected characteristics across the housing register and across lets made to the new scheme are similar. Small percentage differences arise from the fact of the small numbers involved. The full evaluation in twelve months' time will present more data.

10.0 Data and Information for the full evaluation

10.1 Whilst undertaking the evaluation it has been clear that data and information provided has been difficult to interpret due to how historical data has been recorded. This has led to inconsistencies with data and gaps of information, making the evaluation challenging. With Northwards returning to the council's management this has also seen the Manchester Move service sitting within the council. Therefore, work will be undertaken to improve access to data, working with the Manchester Move service team as well as the council's PRI team to obtain a more consistent reporting regime moving forward which will assist the next evaluation of the scheme in December.

11.0 Conclusions

11.1 The scheme very clearly appears to be working as intended. The vast majority of lets are to households in the priority need categories developed and agreed by the Manchester Move partners and elected Members.

11.2 A total of 92% of all lets are going to those most in need.

11.3 Around 38% of lets are directly to households experiencing some form of homelessness.

11.4 Notwithstanding the evident success of the scheme to deliver as intended, the supply and demand situation will continue to be an enormous challenge. An obvious consequence of supply and demand is that there are continuing pressures on the homelessness service and temporary accommodation. Work will be undertaken outside of this evaluation with homelessness colleagues and the Housing Access Board to determine any appropriate solutions, and without damaging the integrity of the allocations scheme that is operating as intended for those most in need.

11.5 In doing so, it is unavoidable that any subsequent actions to increase access for specific groups of applicants would have deleterious consequences for the other priority groups on the register and any such actions would have to be fully understood and agreed by the Manchester Move partners and by Members before being implemented.

11.6 The full evaluation scheduled for end 2022/early 2023 will provide more evidence and will be better informed by a longer period of lets to the scheme rules. This will allow us to include additional analysis around the housing register, need groups and demographics, bed need, and geographical information with regards to lettings by Registered Providers.

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Appendix

Table: percentage of lets made to new scheme compared with percentage of applicants on the housing register, by protected characteristic

	Register %	Lets %
main applicant		
female	55	57
male	45	43
blank	0	0
total		
Sexuality		
Bisexual	2	1
gay man	1	1
gay woman/lesbian	1	1
Not say	9	11
other	0	0
straight	86	86
blank	0	0
total		
same gender as birth		
yes	95	95
no	1	1
not say	3	4
blank	0	0
total		
Over 55	14	18
Disabled		
yes	18	26
no	78	69
not say	4	5
blank	0	0
total		
religion/belief		
Buddhist	0	0
Christian	32	32
Hindu	0	0
Not say	10	13
Jewish	0	0
Muslim	27	20

None	29	32
Other	2	2
Sikh	0	0
blank	0	0
total		
ethnicity		
African	19	15
Arab	4	3
Bangladeshi	2	1
Caribbean	4	4
Chinese	0	0
Gypsy/traveller	0	0
Indian	1	0
Other Asian	2	2
Other Black	1	1
Other ethnic	3	3
Other mixed	1	1
Other white	4	4
Pakistani	8	6
Vietnamese	0	0
White Asian	1	1
White & black African	2	2
White & black Caribbean	3	3
White British	37	47
White Irish	1	1
Blank	8	7
total		

**Manchester City Council
Report for Information**

Report to: Economy Scrutiny Committee – 10 March 2022

Subject: Overview Report

Report of: Governance and Scrutiny Support Unit

Summary

This report provides the following information:

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

Recommendation

The Committee is invited to discuss and note the information provided.

Wards Affected: All

Contact Officers:

Name: Mike Williamson
Position: Governance and Scrutiny Support Manager
Telephone: 0161 234 3071
Email: m.williamson@manchester.gov.uk

Background documents (available for public inspection):

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.

Date	Item	Recommendation	Response	Contact Officer
13 January 2022	ESC/22/02 Updates on Sub Strategies of the City Centre Transport Strategy	Request that the Strategic Director (Growth and Development) circulate a map to all Members of the Committee that highlights the existing active travel schemes and the planned projects that connect these.	Information to be circulated	Becca Heron Strategic Director (Growth and Development)
10 February 2022	ESC/22/07 Manchester Work and Skills Strategy Refresh	Recommend that a report on the delivery of work and skills through the Our Town Hall Project is included on the Committee's Work Programme for consideration at an appropriate time.	This item will be added to the Committee's Work Programme for consideration at an appropriate time.	Scrutiny Support Officer
10 February 2022	ESC/22/09 Manchester Adult Education Service	Recommends that a report on the MAES External Review is provided to the Committee for consideration at an appropriate time.	This item will be added to the Committee's Work Programme for consideration at an appropriate time.	Scrutiny Support Officer
10 February 2022	ESC/22/09 Manchester Adult Education Service	Recommends that a report on the work delivered in partnership between MAES and the Voluntary Community and Social Enterprise sector is provided to the Committee for consideration at an appropriate time.	This item will be added to the Committee's Work Programme for consideration at an appropriate time.	Scrutiny Support Officer

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 **28 February 2022**, 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.

Development and Growth					
<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 the delivery of Manchester Affordable Homes to 2025</p>	Strategic Director - (Growth and Development)	Not before 4th Oct 2019	In consultation with 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 - Disposal of sites (2019/09/05B)</p>	City Treasurer (Deputy Chief Executive)	Not before 4th Oct 2019	In consultation with Strategic Director (Growth and Development)	Report and Recommendations	Steve Sheen s.sheen@manchester.gov.uk

To agree the disposal of sites in Council ownership for the provision of affordable homes			and Executive Members for Housing and Regeneration and Finance and HR		
<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 - (Growth and Development)	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>Heron House General Letting Consent (2019/11/25A)</p> <p>To agree to the disposal by Leasehold of office accommodation at Heron House.</p>	Chief Executive	Not before 24th Dec 2019		Briefing Note & Heads of Terms	Mike Robertson m.robertson@manchester.gov.uk
<p>Disposal of site of former Chorlton Leisure Centre for residential development (21/05/13A)</p> <p>Approval to the terms for the leasehold disposal of the site of the former Chorlton Leisure Centre for residential development.</p>	Strategic Director - (Growth and Development)	Not before 13th Jun 2021		Report to the Strategic Director of Growth and Development	Mike Robertson m.robertson@manchester.gov.uk
<p>Disposal of Buglawton Hall (2021/05/27A)</p> <p>To approve the freehold disposal of Buglawton Hall, Buxton Road, Congleton, Cheshire</p>	Chief Executive	Not before 25th Jun 2021		Briefing Note	Thomas Pyatt, Development Surveyor Tel: 0161 234 5469 thomas.pyatt@manchester.gov.uk
<p>Disposal of Simon House, Wavell Road, Wythenshawe for use as a</p>	Strategic Director - (Growth and	Not before 4th Jan 2022		Report to the Strategic Director of Growth and	Joe Martin, Development Surveyor joe.martin@manchester.gov.uk

<p>data centre (2021/10/12A)</p> <p>Approval to the terms for the leasehold disposal of Simon House, Wavell Road, Wythenshawe for use as a data centre</p>	Development)			Development	
<p>Procurement of Property Services Framework Contract (2021/11/26A)</p> <p>To approve the evaluation and selection outcome of the procurement process for the property services framework.</p>	Strategic Director - (Growth and Development)	Not before 26th Dec 2021		Evaluation documents of tenders received	Mike Robertson m.robertson@manchester.gov.uk
<p>Land at New Smithfield Market (2021/12/23A)</p> <p>To dispose of land under two long leases to Barton & Redman in order to facilitate the expansion of their facility on site and the disposal of land under a long lease to Khanjra & Co for the development of a new warehouse on the site.</p>	Chief Executive	Not before 23rd Jan 2022		Briefing note, scheme plan and site plan	Gill Boyle g.boyle@manchester.gov.uk

3. Economy Scrutiny Work Programme – March 2022

Thursday 10 March 2022, 2.00pm (Report deadline Monday 28 February 2022)

Title	Purpose	Executive Member	Strategic Director/Lead Officer	Comments
Manchester Airport	<p>To receive a report on the current economic situation of Manchester Airport following the impact of COVID and the likely predictions for its economic future</p> <p>To include an update on Airport City North</p> <p>To include update on employment and recruitment opportunities at Manchester Airport</p>	Cllr Craig (Leader)	Pat Bartoli	
Manchester Housing Allocations policy	<p>To receive a report that provides details on the interim evaluation of Manchester’s Housing Allocations scheme.</p> <p>Manchester’s current statutory social housing allocations scheme was implemented in November 2020. In addition to the planned full evaluation after 24 months, it was agreed that an interim evaluation should be undertaken after 12 months on how the scheme was working, this report details that interim evaluation and its findings.</p>	Cllr White (Executive Member for Housing and Employment)	Alan Caddick	
HS2 Hybrid Bill Response	To receive a report that details the Council’s proposed response to the HS2 Crewe-Manchester hybrid Bill, covering the proposed response to the Bill’s Environmental Statement and the key issues that the Council plans to set out in our petition to the Bill.	Cllr Craig (Leader)	Pat Bartoli Hilary Sayers	

Economy COVID19 Sit Rep Report	To receive the most up to date Economy COVID19 Sit Rep report that details how the Council and the city is progressing with the recovery phase of COVID19 against the areas within the remit of this Committee.	Cllr Craig (Leader)	Angela Harrington Pat Bartoli Ruth Ashworth	
Overview Report	The monthly report includes the recommendations monitor, relevant key decisions, the Committee's work programme and any items for information.	N/A	Scrutiny Support	

**Themes identified at the Committee's 2021/22 Work Programme setting meeting
(Items highlighted in grey indicate that these have been included in the work plan of one of the above meetings)**

Previous Items identified by the Committee to be scheduled				
Theme – Strategic Regeneration				
Item	Purpose	Lead Executive Member	Lead Officer	Comments
Manchester's Housing Strategy update	To receive and consider the final draft version of Manchester's Housing Strategy prior to approval by the Executive	Cllr White (Executive Member for Housing and Employment)	Becca Heron Alan Caddick	
Theme – Transport and Connectivity				
Item	Purpose	Lead Executive Member	Lead Officer	Comments
Bus Franchising update	To receive a report on the Greater Manchester Mayor's proposals to	Cllr Craig (Leader)	Pat Bartoli	

	franchise the region's bus service and the impact this will have on the city's economy.			
Theme - Skills development for Manchester residents aged 16 and over.				
Item	Purpose	Lead Executive Member	Lead Officer	Comments
Delivery of work and skills through the Our Town Hall Project	Precise details to be confirmed	Cllr White (Executive Member for Housing and Employment)	Angela Harrington	
MAES External Review	To receive a report on MAES external review	Cllr White (Executive Member for Housing and Employment)	Brian Henry Angela Harrington	
MAES and the Voluntary Community and Social Enterprise sector	To receive a report on the work delivered in partnership between MAES and the Voluntary Community and Social Enterprise sector	Cllr White (Executive Member for Housing and Employment)	Brian Henry Angela Harrington	
Theme – Growing the Manchester Economy				
Item	Purpose	Lead Executive Member	Lead Officer	Comments
Business Survival rates and the impact on the economy	To receive a report that details the survival rate of new start up business within the city and the economic impact	Cllr Craig (Leader)	Mark Hughes (The Growth Company) Becca Heron	

	to the city when these businesses fail		Pat Bartoli Angela Harrington	
Theme - Miscellaneous				
Item	Purpose	Lead Executive Member	Lead Officer	Comments
Audit of Temporary Accommodation Costs	To receive a report for information that details the cost of Temporary Accommodation.	Councillor Rahman (Deputy Leader)	Mohamed Hussein	