



Executive

Date: Wednesday, 29 June 2022

Time: 2.00 pm

Venue: Council Antechamber, Level 2, Town Hall Extension

Everyone is welcome to attend this Executive meeting.

Access to the Public Gallery

Public access to the Council Antechamber is on Level 2 of the Town Hall Extension, using the lift or stairs in the lobby of the Mount Street entrance to the Extension. **There is no public access from any other entrance.**

Filming and broadcast of the meeting

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

Membership of the Executive

Councillors

Craig (Chair), Akbar, Bridges, Hacking, Igbon, Midgley, Rahman, Rawlins, T Robinson and White

Membership of the Consultative Panel

Councillors

Ahmed Ali, Butt, Collins, Douglas, Foley, Johnson, Leech, Lynch and Stanton

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

Agenda

- 1. Appeals**
To consider any appeals from the public against refusal to allow inspection of background documents and/or the inclusion of items in the confidential part of the agenda.
- 2. Interests**
To allow Members an opportunity to [a] declare any personal, prejudicial or disclosable pecuniary interests they might have in any items which appear on this agenda; and [b] record any items from which they are precluded from voting as a result of Council Tax/Council rent arrears; [c] the existence and nature of party whipping arrangements in respect of any item to be considered at this meeting. Members with a personal interest should declare that at the start of the item under consideration. If Members also have a prejudicial or disclosable pecuniary interest they must withdraw from the meeting during the consideration of the item.
- 3. Minutes**
To approve as a correct record the minutes of the meeting held on 1 June 2022. 5 - 14
- 4. Our Manchester Progress update**
Report to follow
- 5. Capital Outturn Report** All Wards
Report of the Deputy Chief Executive and City Treasurer attached 15 - 56
- 6. Integrated Care System and Place-Based Lead for Manchester** All Wards
Report of the Chief Executive attached 57 - 64
- 7. Manchester Work and Skills Strategy 2022-27** All Wards
Report of the Director of Inclusive Economy attached 65 - 102
- 8. LTE Group - Estates Strategy Delivery Update** All Wards
Report of the Strategic Director (Growth and Development) and Chief Executive of LTE Group attached 103 - 110
- 9. Request for Hackney Carriage Fuel Surcharge** All Wards
Report of the Strategic Director (Growth and Development) attached 111 - 118
- 10. Acquisition of St Modwen's interest at Wythenshawe Civic Centre, Wythenshawe, Manchester (Part A)**
Report to follow
- 11. Exclusion of the Public**
The officers consider that the following item or items contains exempt information as provided for in the Local Government

Access to Information Act and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. The Executive is recommended to agree the necessary resolutions excluding the public from the meeting during consideration of these items. At the time this agenda is published no representations have been made that this Executive part of the meeting should be open to the public

12. **Acquisition of St Modwen's interest at Wythenshawe Civic Centre, Wythenshawe, Manchester (Part B)**
Report to follow

Information about the Executive

The Executive is made up of 10 Councillors: the Leader and two Deputy Leaders of the Council and 7 Executive Members with responsibility for: Early Years, Children and Young People; Health Manchester and Adult Social Care; Finance and Resources; Environment and Transport; Vibrant Neighbourhoods; Housing and Development; and Skills, Employment and Leisure. The Leader of the Council chairs the meetings of the Executive

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

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

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

Joanne Roney OBE
Chief Executive
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Further Information

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

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This agenda was issued on **Tuesday, 21 June 2022** by the Governance and Scrutiny Support Unit, Manchester City Council, Level 3, Town Hall Extension (Lloyd Street Elevation), Manchester M60 2LA

Executive

Minutes of the meeting held on Wednesday, 1 June 2022

Present: Councillor Craig (Chair)

Councillors: Akbar, Bridges, Hacking, Igbon, Midgley, Rahman, Rawlins, T Robinson, White

Also present as Members of the Standing Consultative Panel:

Councillors: Ahmed Ali, Butt, Collins, Douglas, Foley, Johnson, Leech and Lynch

Apologies: Councillor Stanton

Exe/22/41 Minutes

Decision

The Executive approved as a correct record the minutes of the meeting on 16 March 2022.

Exe/22/42 Appointment of Executive Members and their Portfolios

The Executive Leader advised that in accordance with Articles of the Constitution 7.4(c) and 7.5(a), she had given notice to the Monitoring Officer and Members in question of her appointment of Deputy Leader and Executive Members (and associated portfolios).

Decision

The Executive note the appointments of Deputy Leader and Executive Members.

Exe/22/43 Ofsted Inspection of Children's Services.

The Executive considered a report of the Deputy Strategic Director Children's Services, which reflected on the recent Ofsted Inspection of Local Authorities Children's Services (ILACS) of Manchester's Children's Services. The report advised of the overall judgement of Ofsted and provided an action plan in response to the findings on what needed to improve.

The Executive Member for Early Years, Children and Young People advised that Ofsted had judged Manchester's Children's Services overall effectiveness as "Good", placing Manchester children's services amongst the top performing Children's Services in the Northwest of the country, with Ofsted identifying several reasons for this judgement, including ongoing financial commitment to the recruitment and retention of social workers, effective quality assurance and performance management arrangements and strong political and professional leadership.

This rating was in sharp contrast to recent previous inspection results in 2014 and 2017 where services were judged to be inadequate and required improvement to be good respectively and the Leader expressed her thanks and gratitude to those involved in Children's Services and across the Council who had worked over the last number of years to achieve this improved rating.

Despite the judgement, the service was not complacent, the approach to service improvement since the last full inspection in 2017 had been to initiate reform of services that required improvement, develop and implement evidence-based interventions, revise its approach to commissioning, build a comprehensive workforce development and career progression strategy and use quality assurance frameworks and other methods to scrutinise the evidence of impact of these change activities on children and families. These approaches, in addition to the Ofsted action plan, would support the Service's ongoing approach to continuous improvement.

Councillor Leech sought clarification as to what groups of children would be included in the Action Plan.

Decision

The Executive note the report and action plan.

Exe/22/44 Our Manchester Progress update

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

The Leader made reference to the use of the term Manchester Living Rent within the report and explained that this would be a way to increase the homes that all Manchester people could afford. She explained that it would be set below Local Housing Allowance (LHA) levels and would also be cheaper to residents than the standard Government definition of Affordable Housing (80% of market value for a particular area). In essence it would mean that regardless of where a home was in the city, it could be affordable to anybody and it was a clear and straightforward way of describing what the Council meant when it had pledged to provide low cost homes that people could afford.

The Executive Member for Housing and Development reported on the Rodney Street development, the first planned development by the Council's new housing delivery company This City, delivering 128 new homes, all of which will be built to low carbon standards, with 30% available at the Manchester Living Rent. He also reported that a planning application had been submitted for more than 700 new homes, with around half of them to be affordable with a range of tenures, alongside a new high school a community hub and green spaces, to be built on the Former Jackson's Brickworks site, a disused brownfield site in east Manchester.

The Deputy Leader reported on the continued support that the Council and its partners were providing for any Ukrainians escaping the invasion of their country. A

meet and greet point staffed by a council duty officer and volunteers from across the authority had been established at Manchester Airport, with the British Red Cross on call if further support was required. More than £60,000 had been raised by the MCR Ukraine Welcome Fund, set up by the We Love Manchester charity in partnership with Manchester City Council, to help assist arriving Ukrainians. The first grant of £30,000 had been awarded to Ardwick-based charity Europia. It would fund a dedicated support worker to co-ordinate advice and practical support for arrivals and contribute towards a hardship fund which the support worker would help administer. As of May 16 2022, 177 would-be sponsors under the government's Homes For Ukraine scheme had come forward and 42 of a potential 449 beneficiaries had arrived in the city.

The Executive Member for Environment and Transport reported that the Council had secured £4.9m in Government funding for further work to reduce carbon emissions from more council-owned buildings with a further Council contribution of £1m which would deliver an almost £6m scheme to cut emissions from seven buildings. The move was another step towards the Council's goal of halving its direct carbon emissions by 2025 as it works towards becoming zero by 2028 – in line with the citywide target. She also reported that consultation was underway on proposed walking and cycling improvements in the city centre (Active Travel) with the proposals aim to support the ambition set out in the Council's City Centre Transport Strategy for 90 per cent of morning peak time journeys into the city centre to be made on foot, by cycle or using public transport by 2040.

In relation to the decarbonisation scheme, Councillor Leech asked whether any re-calculation on the long term savings on cost of energy had been undertaken given the soaring increases in energy costs. He also asked whether there was any substance in a tweet made by the Rt Hon James Grundy MP for Leigh, stating that that Greater Manchester Clean Air Zone was to be shrunk to Manchester city Centre and whether this would have any impact on the Active Travel proposals. He also commented on the challenges residents had reported to him on accessing the checks required for taking in Ukrainian refugees, including being required to pay for electrical safety checks.

Councillor Johnson asked for clarity on whether the Council was on track for achieving its target of becoming carbon zero by 2038.

The Deputy Leader acknowledged that there had been some challenges for residents who were taking in Ukrainian refugees and requested that Councillor Leech provided details of these issues so that she could investigate and resolve.

The Executive Member for Environment and Transport advised that she would arrange a specific briefing for all Elected Members around the decarbonisation target for both the Council and the City. The Deputy Chief Executive and City Treasurer commented that in terms of energy price calculations, when the bid for the further government funding had been finalised, it had been estimated that this would save £33,000 per annum and this was being re-calculated at present. In terms of the Council's action plan for achieving zero carbon, this was currently on track and was regularly scrutinised by the Council's Environment and Climate Change Scrutiny Committee.

The Leader commented that it was still Manchester's and Greater Manchester's position to submit a proposal of a non-charging clean air zone plan by 1 July 2022.

The Executive Member for Early Years, Children and Young People welcomed the proposals for a new High School within the planning application for the Former Jackson's Brickworks site and reported that more than 40 organisations had pledged their support to 2022 Our Year, a year-long campaign to create an array of activities, opportunities and experiences for the city's children and young people and help create a lasting legacy which would make Manchester one of the best places to grow up in. There was a packed programme of events, activities and opportunities underway and a flavour of these were referred to.

Decision

The Executive note the report.

Exe/22/45 Capital Programme Update

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

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

- Neighbourhoods - Hough End Masterplan. A capital budget increase of £11.905m was requested, funded by £4m Grant, £5.499m funded by borrowing on an invest to save basis funded by joint funds held by Manchester City Council and Sport England, £1.832m funded by borrowing on an invest to save basis and £0.574m borrowing for the erection of a two-storey extension to form sports field changing rooms, cafe facilities, flexible club/social/training rooms and gym space following the demolition of the existing building on site, formation of two 3G football turf pitches as well as associated floodlighting and fencing together with a reconfiguration of natural turf pitches, with associated 67 space car park and an additional 60 space overflow car park.

The proposals which did not require Council approval and only required Executive approval were those which were funded by the use of external resources, use of capital receipts, use of reserves below £10.0m, where the proposal could be funded from existing revenue budgets or where the use of borrowing on a spend to save basis is required. The following proposals required Executive approval for changes to the City Council's capital programme:-

- Children's Services – Education Basic Need Grant. A capital budget increase of £4.056m in 2023/24 was requested, funded by Government Grant. The grant

was paid to local authorities to support the capital requirement for providing new pupil places by expanding existing maintained schools, free schools, or academies, and by establishing new schools. The grant was not time-bound so that the Council could make the best decisions for the city. The Council had received an allocation of £4.056m for 2023-25 and projects brought forward where a need was identified.

- Children's Services - Schools Capital Maintenance Programme. A capital budget increase of £4.264m in 2022/23 is requested, funded by Government Grant. The Council received grant funding each year from the Department for Education for maintenance to the school estate. Funding would be used to address condition needs identified in the Council's estate of maintained schools which included community, voluntary controlled and foundation schools.
- Children's Services – High Needs Provision. A capital budget increase of £7.658m in 2022/23 and £8.769m in 2023/24 was requested, funded by Government Grant. The Council received funding from the Department of Education to support the provision of new places and improve existing provision for children with special educational needs and disabilities or requiring alternative provision. The Council has received an allocation of £16.427m allocated over 2022-23 and 2023-24.
- ICT – Registrars EPOS Solution. A capital budget decrease of £0.141m in 2022/23 is requested and approval of a corresponding transfer of £0.141m to the revenue budget, funded by Capital Fund. The scheme would replace the current unsupported electronic point of sale (EPOS) and stock control system with a fit for purpose solution to enable Registrars to continue taking payment and managing the certificate stock on a supported system.
- Growth and Development – Public Sector Decarbonisation Scheme (PSDS) Phase 3. A capital budget increase of £4.648m in 2022/23 is requested, funded by Government Grant. A capital virement from approved budgets of £1.550m is also requested, funded by Borrowing via the Carbon Reduction Programme. The Zero Carbon Estate Programme had secured grant funding from the Public Sector Decarbonisation Scheme Phase 3 to deliver a range of energy efficiency and generation measures in Council owned buildings across the City. This project was being delivered specifically to reduce energy consumption within the estate with each building includes measures to decarbonise heat through the installation of Air Source Heat Pumps as a minimum, where feasible additional energy efficiency and generation measures such as LED Lighting & Controls and Solar PV had also been included. All works were required to be completed by the end of March 2023 to qualify for the PSDS Phase 3 grant funding and match funding was required.
- ICT – SAP Review. A capital budget decrease of £0.147m in 2022/23 is requested and approval of a corresponding transfer of £0.147m to the revenue budget, funded by Capital Fund. This proposal was to complete the discovery exercise to determine the correct technology mix to support the future strategic direction of both HR and Finance functions. The work would determine business

requirements from a functional and non-functional perspective and underpin the pre-development work to follow.

- Corporate Services - HR and Finance System Replacement Project. A capital budget increase of £0.525m in 2022/23 and £0.900m in 2023/24 was requested, funded by RCCO – Transformation Reserve. The programme was a once in a generation opportunity to upgrade the Council's core finance and HR systems to help drive change to the way it operated its services, managed and reported performance, and interacted with suppliers. The current system, implemented in 2006, would no longer be supported after 2027. The programme was therefore necessary to move Finance, Human Resources and Procurement (procure-to-pay) functions from the current SAP system. This capital scheme would fund and create new roles to support a dedicated programme working group to undertake pre-development work to prepare the organisation for the significant business change associated with replacing finance and HR systems as well as delivering the operational improvements and training associated with the Council's Future Shape programme. .

The report highlighted that there had been increases to the programme totalling £2.668m as a result of delegated approvals since the previous report to the Executive on 16 March 2022 and if the recommendations in the report were approved the General Fund capital budget would increase by £42.437m across financial years which would also result in an increase in the prudential indicator for Capital Expenditure in corresponding years.

Approval had also been given for the following capital budget virements:-

- £2.169m to be allocated for Schools Maintenance work, from Government Grant received, to be carried out in 2022/23;
- £0.496m from the Asset Management Programme (AMP) for additional funding for the Manchester Equipment and Adaptations Partnership Relocation (Aids and adaptations) project;
- £0.120m from Education Basic Need funding for the Manchester Secondary PRU (Pupil Referral Unit) to reduce the cost-of-service delivery and improve the quality of estate;
- £0.093 from grant funding within the Schools Maintenance budget for Peel Hall Primary Emergency Heating Works

The report also provided an update on the Shared Ownership and Affordable Homes Programme (SOAHP) grant award. Since approval of the budget the Council's bid for funding had been approved, thereby, securing a contribution of £6.89m towards the cost of delivering the Council's element of the scheme which was intended to be used to displace the equivalent amount of the HRA funding which had been allocated to deliver the Scheme.

Councillor Leech sought clarity as to whether the £6.89m secured towards the cost of delivering the Council's Shared Ownership and Affordable Homes Programme (SOAHP) would mean that other schemes could be brought forward sooner.

The Executive Member for Housing and Development clarified that there was the potential to bring forward other schemes this as this funding would offset some of the HRA funding which could result in other schemes, such as Silk Street be brought forward

Decisions

The Executive:-

- (1) Recommend that Council approve the following changes to Manchester City Council's capital programme:
 - Neighbourhoods - Hough End Masterplan. A capital budget increase of £11.905m, funded by £4m Grant, £5.499m by borrowing on an invest to save basis funded by joint funds held by Manchester City Council and Sport England, £1.832m by borrowing on an invest to save basis and £0.574m borrowing.
- (2) Approve the following changes to the Council's capital programme:
 - Children's Services – Education Basic Need. A capital budget increase of £4.056m is requested, funded by Government Grant.
 - Children's Services - Schools Capital Maintenance Programme. A capital budget increase of £4.264m is requested, funded by Government Grant.
 - Children's Services – High Needs Provision. A capital budget increase of £16.427m is requested, funded by Government Grant.
 - ICT – Registrars EPOS (electronic point of sale) Solution. A capital budget decrease of £0.141m is requested and approval of a corresponding transfer of £0.141m to the revenue budget, funded by Capital Fund.
 - Growth and Development – Public Sector Decarbonisation Scheme Additional Funding. A capital budget increase of £4.648m is requested, funded by Government Grant. A capital virement of £1.550m is also requested, funded by Borrowing via the Carbon Reduction Programme.
 - ICT – SAP Review. A capital budget decrease of £0.147m is requested and approval of a corresponding transfer of £0.147m to the revenue budget, funded by Capital Fund.
 - Corporate Services - HR and Finance System Replacement Project. A capital budget increase of £1.425m is requested, funded by RCCO – Transformation Reserve.
- (3) Note the increases to the programme of £2.668m as a result of delegated approvals.

- (4) Note the virements in the programme of £2.878m as a result of virements from approved budgets.
- (5) Note the update on Shared Ownership and Affordable Homes Programme (SOAHP) grant award.

Exe/22/46 Global Revenue Outturn 2021/22

The Executive considered a report of the Deputy Chief Executive and City Treasurer, which set out the final outturn position for the Council's revenue budget in 2021/22. It also highlighted the movements from the previous forecast for the year, which was reported to the Executive in February 2022, based on the position as at the end of December 2021.

The Executive Member for Finance and Resources reported that the final outturn position was an underspend of £1.2m for the year and whilst the impact of COVID 19 was still being felt, the financial impact had not materialised at the level initially forecast when the budget was set. Of the approved £41.717 savings for 2021/22, £39.702m (95.2%) had been delivered with £2.015m (4.8%) not being achieved in year as planned. The impact of this had been mitigated during the year and alternative savings were identified where original plans had not been achieved recurrently.

Whilst it had been possible to set a balance budget for 2022/23, the financial position beyond this would be challenging with significant budget shortfalls expected and clarity was needed from Government on future local government funding reforms to enable the Council to plan accordingly with adequate resources.

Councillor Leech commented on the consideration of further possible release of reserves to support the budget and help smooth the level of savings required over the next two years. The Leader responded stating that in developing a Medium Term Financial Plan, the Council needed to ensure it did not go bankrupt as a result of government cuts over the last decade.

Decisions

The Executive:-

- (1) Note the outturn position of £1.161m underspend.
- (2) Approve the proposed revenue budget virements.
- (3) Approve the release of funds approved in budget but not yet allocated to departmental cash limit.
- (4) Approve additional COVID 19 grants to be reflected in the budget.
- (5) Approve the carry forward request totalling £400,000.

Exe/22/47 Gypsies and Travellers - the closure of the Dantzic Street Traveller site

The Executive considered a report of the Strategic Director (Growth and Development), which sought approval to formally close Gypsy and Traveller Dantzic Street (Cheetham Ward) caravan site as it was no longer occupied and had previously been identified as no longer suitable for meeting the needs of existing residents. The report also provided an update to the Gypsy and Traveller Accommodation Assessment and a review of the Council's approach to unauthorised encampments.

The Executive Member for Housing and Development reported that in January 2015 the Executive approved the closure of the Dantzic Street Traveller Site, owing to its poor condition. There had been a number of issues with the site over the years and more recently some significant incidents at the site had affected residents.

A full Equality Impact Assessment (EIA) had been developed to assess the impact of the closure of the Dantzic Street site on both the former residents and the wider Gypsy and Traveller community. As part of the process of evaluating the impact, consultation with the former residents of the site, with Irish Community Care, a charity who had been providing support and advocacy of behalf of some of the former resident families, and with national and regional organisations representing Gypsy and Traveller interests and rights had been undertaken.

Councillor Leech, noting the sensitive and difficult issue in finding an appropriate site, sought clarity on what the Council's legal duty was in relation to whether it was required to provide just a permanent site or a permanent site and alongside this a site for temporary stays as the Council often spent a considerable amount of money in cleaning up sites where short term occupancy occurred.

The Executive Member for Housing and Development commented that most of the former residents had expressed a wish to live on a Traveller site again in the future and the outcome of the Gypsy and Traveller Accommodation Assessment update would inform the future provision of Traveller sites in Manchester.

The Interim Director of Housing and Residential Growth commented that the council had a legal duty to meet the needs of the gypsy and traveller community, but in doing so the Council had to take account of encampments and unauthorised encampments and the Policing Bill as well as the views of the residents. He added that there was no legal duty to provide a site for temporary stay

Decisions

The Executive

- (1) Note the current condition of the Dantzic Street site.
- (2) Note that the former residents have left the site and are pursuing 'bricks and mortar' accommodation following unrest within the wider Traveller community.

- (3) Approve the proposal to close the Dantzic Street site as it is no longer suitable as a Traveller site.
- (4) Note the proposal to update the Gypsy and Traveller Accommodation Assessment to inform the future provision of Traveller sites in Manchester.
- (5) Approve a commitment that those residents who left the site last summer will be offered a plot or pitch on any new permanent site provided in Manchester in the future.
- (6) Note the outcomes of an Equality Impact Assessment.
- (7) Agree that Discretionary Home Loss payments will be made to former plot holders moving into bricks and mortar accommodation.

**Manchester City Council
Report for Resolution**

Report to: Resources and Governance Scrutiny Committee – 21 June 2022
Executive – 29 June 2022

Subject: Capital Programme Outturn 2021/22

Report of: The Deputy Chief Executive and City Treasurer

Summary

This report informs members of:

- (a) The outturn of capital expenditure for 2021/22.
- (b) The financing of capital expenditure for 2021/22.
- (c) The major variances between the 2021/22 outturn and the previous Capital Programme monitoring report submitted in February 2022.
- (d) The revised capital programme budget for 2022/23 and subsequent years as a result of the review of the programme following outturn.

Recommendations

1. The Resources and Governance Scrutiny Committee are asked to note the report.
2. The Executive is requested to:
 1. Recommend that the Council approve the virements over £0.5m between capital schemes to maximise use of funding resources available to the City Council set out in Appendix C.
 2. Note the outturn of capital expenditure 2021/22 was £293.2m.
 3. Note the changes to the outturn attributable to movement in the programme that occurred after the previous monitoring report to Executive in February 2022.
 4. Approve virements under £0.5m within the capital programme as outlined in Appendix B, including those related to inflation.
 5. Approve the budget increases under delegated powers outlined in section 10 and recommend that Council approve the changes
 6. Note the decisions of the Deputy Chief Executive and City Treasurer regarding the funding of capital expenditure in 2021/22 including the use of £99.6m Grants and Contributions, £12.3m Capital receipts, £28.3m Revenue funding and £153.0m Borrowing.

7. Note the revised capital programme for 2022/23 shown in Section 9 and Appendix F.

Wards Affected: All

Environmental Impact Assessment - the impact of the decisions proposed in this report on achieving the zero-carbon target for the city
Under the governance process for capital expenditure decision making, zero and low carbon measures are a key component. All capital projects are reviewed throughout the approval process with regard to the contribution they can make to Manchester being a Zero-Carbon City. Projects will not receive approval to incur costs unless the contribution to this target is appropriate.

Manchester Strategy outcomes	Summary of the contribution to the strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The capital programme contributes to various areas of the economy including investment in public and private sector housing, education and children's social care, transport infrastructure, major regeneration activities, environmental, cultural and leisure services.
A highly skilled city: world class and home grown talent sustaining the city's economic success	The capital programme includes substantial investment in education and also provides opportunities for the construction industry to bid for schemes that could provide employment opportunities at least for the duration of contracts.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	The capital programme includes investment in adult and children's social care, education, housing and the environment, cultural and leisure services, all of which contribute towards the strategy.
A liveable and low carbon city: a destination of choice to live, visit, work	Investment in all areas of the capital programme contributes towards this community strategy, notably the investment in sustainable and affordable housing, building schools for the future, transport, environmental and major regeneration programmes.
A connected city: world class infrastructure and connectivity to drive growth	The capital programme includes investment in highways infrastructure, and broadband expansion.

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

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

All Revenue consequences are included in the Revenue Budget Outturn report.

Financial Consequences – Capital

The Capital Outturn 2021/22 for Manchester City Council is £293.2m compared to the revised budget of £329.0m submitted to Executive in February 2022.

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Background documents (available for public inspection):

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

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

- Report to the Executive 28th July 2021 – Capital Programme Update
- Report to the Executive 15th September 2021 – Capital Programme Update
- Report to the Executive 20th October 2021 – Capital Programme Update
- Report to the Executive 17th November 2021 - Capital Programme Monitoring 2021/22
- Report to the Executive 19th January 2022 – Capital Programme Update
- Report to the Executive 16th February 2022 – Capital Strategy Report and Capital Programme Monitoring 2021/22
- Report to Executive 16th March 2022 - Capital Programme Update
- Report to Executive 1st June 2022 – Capital Programme Update

1. Introduction

1.1. The purpose of the report is to:

- Inform the Executive of the capital outturn position for 2021/22 including total expenditure and funding;
- Confirm that funding sources have been managed to best utilise resources available to fund the capital programme; and
- Present a revised capital programme for the 2022/23 financial year after taking into account the final outturn position as reported.

1.2. A summary of each part of the programme is included within the report, providing details on the major projects. This is presented alongside a summary of the outturn position, and as a result any changes to the budget that are required.

1.3. Appendix A provides a detailed review of the activities undertaken by major projects and explains the variances to budget for 2021/22. Appendix B provides details of other material variations in the programme. Appendix C details the virements requested to reflect the revised budget forecast. Appendix E shows the outturn position for the Council's prudential indicators. Appendix F details the full revised capital budget for each project, taking into account the virements requested, the new budgets introduced, and any re-profiling between years.

2. Contributing to a Zero-Carbon City

2.1. To reflect the climate change emergency that the Council has declared, capital expenditure business cases are now required to include carbon measures for both during the project progression stage and the ongoing lifecycle post completion. The intention is that the carbon footprint of a scheme is considered as part of the decision-making process. This work is ongoing and will reflect the decisions taken by the Council on how it will meet the future carbon reduction targets in order to become carbon neutral by 2038.

2.2. In February 2021 Executive agreed to the adoption of the Manchester Low Carbon Build Standard for future capital projects, and this has been implemented. Work is now ongoing to develop specific measurable carbon metrics across the capital programme, for both during and post-acquisition/construction phases of a project, that will enable comprehensive reporting on the intended and achieved carbon reductions created through the programme. It is intended that this will form part of these monitoring reports.

2.3. Carbon reduction has been a focal point for the 2021/22 capital programme, with projects such as the Civic Quarter Heat Network, purchase of electric refuse vehicles, carbon reduction measures across the Council's estate and tree planting all progressing.

3. Capital Programme Outturn 2021/22

3.1. The final capital outturn for the Manchester City Council Capital Programme in 2021/22 is shown in the table below. The programme delivered over £293m of

capital investment during the year, against the initial start budget finalised in June 2021. There have been a number of variances from the forecast position reported in February 2022, the main variances relate to Co-op Academy, Our Town Hall, The Factory, Hammerstone Road Depot, Housing Infrastructure Fund and Gorton Health Hub, and are discussed in more detail in the following sections.

Manchester City Council Programme	2021/22					Variance Q4 to Q3
	Current Budget	Forecast at Q1	Forecast at Q2	Forecast at Q3	Outturn Q4	
	£'m					£'m
Highways	66.0	57.8	48.0	40.9	37.0	(3.9)
Neighbourhoods	47.3	36.7	38.6	35.7	31.3	(4.4)
The Factory and St John's Public Realm	56.5	53.3	50.6	42.6	42.6	(0.0)
Growth and Development	96.2	93.0	83.2	64.3	43.5	(20.8)
Our Town Hall Refurbishment	70.9	67.7	60.4	53.8	49.7	(4.1)
Housing – General Fund	17.7	15.8	18.6	17.1	16.6	(0.5)
Housing – Housing Revenue Account	31.2	31.0	28.3	23.8	24.2	0.4
Children's Services	46.4	44.9	33.7	31.1	29.2	(1.9)
ICT	7.1	7.0	6.4	6.4	7.4	1.0
Corporate Services	19.0	15.0	14.5	12.4	11.7	(0.7)
Total (exc. contingent budgets)	458.3	422.2	382.3	328.1	293.2	(34.9)
Contingent Budgets	45.0	45.0	45.0	0.0	0.0	0.0
Total	503.3	467.2	427.3	328.1	293.2	(34.9)

- 3.2. The impact of the outturn and the future capital forecast is shown in section 10.
- 3.3. The outturn position for the 2021/22 financial year is higher than the average spend over the past three years and represents the continued significant investment in Manchester with over 220 live projects progressing during the year, a major achievement given the impact of the pandemic.
- 3.4. The future years programme has been adjusted to reflect the outturn position and the subsequent reprofiling of capital spend is shown in the table above, alongside any underspends with any associated funding released for other investment priorities. This will then form the baseline budget for the 2022/23 monitoring.
- 3.5. A review of the top 10 projects is provided in Appendix A. These projects cover 63% of the total programme. Appendix B provides details of any other material changes in the programme since the last report to Executive.
- 3.6. The programme contains some budgets yet to be allocated to specific projects

but reserved for a particular purpose, such as Education Basic Need funding, the ICT Fund and the budget for inflation pressures. These will be allocated as the schemes are progressed and the business case for approval completed, or in the case of inflation the business case showing the impact of inflationary pressures on a scheme completed. The funding will be released following approval through the Council's capital approval process.

4. Summary of Main Variances to the Approved Budget

- 4.1. There have been a number of changes to the programme since the Outturn report to Executive in June 2021. Overall, the spend against the approved in year programme of £458.3m is £165m lower. The main reasons for this are summarised below, with the major variances outlined in more detail in Appendices A and B in the report:
- 4.2. £29m Highways – The Active Travel Fund and Northern Quarter Cycling scheme have reprofiled £5.1m and £3m respectively into futures years, as detailed in Appendix B. In addition, inclement weather and capacity issues with third parties has delayed the Highways Maintenance Programme with £4.5m slipping into 2022/23.
- 4.3. £16m Neighbourhoods – This includes Beswick Hub Rugby Football League £2.6m reprofiling and £2.2m relating to Indoor Leisure - Abraham Moss as detailed in Appendix B. The Manchester Aquatic Centre will reprofile £4.5m into future years to reflect the fact the main contract was signed in April 2022, which has had an impact on the progress on site.
- 4.4. £51m Growth and Development – This includes £7.1m of the Housing Infrastructure Fund (HIF) funding for enabling works in Victoria North will move into 2022/23. There is also £9.3m reprofiling required for Hammerstone Road Depot, and £8.9m Carbon Reduction Programme/Public Sector Decarbonisation Fund detailed in Appendix A. With other major variances of £4.1m for House of Sport and £4.4m for Campfield Development outlined in Appendix B.
- 4.5. £21m Our Town Hall – This will now be spent in 2022/23 in line with the current programme of works which was agreed and revised after the budget was set.
- 4.6. £17m Children's Services - £11.6m of this relates to the revised start on site date for the Co-op Academy in Belle Vue, detailed in Appendix A.
- 4.7. Expenditure is almost £36m lower than that forecast in the report to Executive in February 2022. The largest change relates to the £8.2m reprofiling across Public Sector Decarbonisation Scheme and the Carbon Reduction programme which has seen delays in designs and contract approvals linked to the supply chains.

5. Social Value

- 5.1. Every capital project is required to consider the social value which could be realised, either through procurement or other routes, through the creation of the asset. This is one of the key requirements of the capital expenditure approval

process. Some examples of the social value delivered during 2021/22 include:

- 5.2. Our Town Hall (OTH): Further engagement with schools has led to a significant rise in school/college career/employment sessions and STEM sessions, with a rise of 24 and 7 respectively over the previous 3 months. Having confirmed a total of 6 PlanBEE placements on the project for 2022, employers worked with the learning provider throughout May to recruit residents to these vacancies; a notable success of this round of recruitment being that 4 female applicants have been offered roles. Work is underway between employment broker Framework Training and supply chain employers, to look at the viability of delivering a shared apprenticeship scheme in Property Maintenance Level 2. Currently employers are assessing the apprenticeship standard, with a view to offering commitment, with Framework managing and coordinating the scheme. Having established a new work placement model for 14-16 year olds, Lendlease and its supply chain has been delivering in school work experience to North Ridge SEND School students. Activities have been interactive and STEM based with each session focusing on the Skills For Life strategy. Following the success of this model, project employers will deliver similar in school sessions to other schools throughout the remaining project timeline
- 5.3. Northwards Housing: At the end of Q4 Northwards Housing contractors are supporting 11 trainees who started working in previous financial years and a further 8 trainees who started in 2021/22, all drawn from the local area.
- 5.4. Highways are currently using the Social Value Portal to track, monitor and report social value delivery across the service. During the financial year 2021 - 2022, there has been significant social value provided by various contractors across the service equating to delivered social local economic value of circa £3million. Common areas of social value have been around community support e.g. offer of materials, labour and donations in kind as well as volunteering hours and help for the homeless. The highlights include:

Major Projects:

- Total community project donation of £10,600 (City Centre) including a donation of £500 to the Friends of Sackville Gardens (a community group that encourages residents to maintain and upkeep the local gardens). The donation was used for a concrete base so that a shed could be installed to keep tools and planting equipment safe. Further donations of bark, bulbs and planters were also provided to support the local community as well as some grounds work and refurbishment undertaken. 89 hours of volunteering for Perry's Pantry in Didsbury. Rosgals provided a driver for 22 hours a month over a 9-month period to deliver food parcels across the City.
- Pothole repairs and drainage works were undertaken at Brunswick Church to improve the surface of the car park, prevent accidents and to make it more accessible. (Longsight)

Network Management:

- £3,500 donation to Mustard Tree Charity to tackle homelessness (Ancoats)

- 24 hours volunteering for Read Manchester Campaign. Bethell's provided 2 staff members to deliver books to schools across Greater Manchester
- Community project at Dell Care home. Bethells provided paving slabs and materials equating to the value of £950 and 16 hours' worth of labour to reinstate a safe path for residents. (Gorton)

6. Capital Financing 2021/22

6.1. The funding of the 2021/22 Capital Programme is summarised below:

	£m	%
Capital Expenditure	293.2	
Financed by:		
Government Grants	81.8	27.9%
Other External Contributions	17.7	6.1%
Capital Receipts	12.3	4.1%
Revenue Funding	7.3	2.5%
HRA Major Repairs Reserve	21.1	7.2%
Borrowing	153.0	52.2%

- 6.2. Capital funding decisions are delegated to the Deputy Chief Executive and City Treasurer and the Executive is asked to note the following decisions for the funding of the capital expenditure incurred in 2021/22.
- 6.3. £81.8m of government grant has been used. Any unused grant has been carried forward for use in 2022/23. The programme was managed to ensure that any grant with a risk of claw back due to time constraints or other factors was fully utilised in 2021/22. Similarly, any external contributions that have not been used will be carried forward into 2022/23.
- 6.4. The balance of available capital receipts carried forward from 2020/21 was £94.0m. A further £35.2m receipts were received in 2021/22 including pooled housing receipts. Drawdown from capital receipts was £12.3m leaving a balance for use in future years of £114.4m. The majority of this relates to the HRA with £80.1m of capital receipts available for investment. The use of housing capital receipts has been delayed due to the success in achieving external grant funding for a number of key projects. The insourcing of Northwards Homes has allowed the Council to review the programme in more detail and a revised programme is being developed to utilise these resources.
- 6.5. Revenue contributions were used to finance expenditure of £7.3m, including works in Neighbourhoods Leisure via the Waterfall Fund, funding of works through the Capital Fund and various Highways projects.
- 6.6. The Major Repairs Reserve funds expenditure on the HRA capital programme. The use of this reserve includes the annual contribution from the HRA revenue

budget.

- 6.7. Capital expenditure to be financed by borrowing of £153m has been applied to fund the programme. The borrowing figure represents the amount to be funded by borrowing in the long term, rather than the actual long-term borrowing taken in year, which is a treasury management and cash flow decision. In previous years the Council has borrowed less external long-term debt than required, by utilising its internal cash balances rather than take interest bearing external debt, as such the Council is in an 'under borrowed' position. During 2021/22 this position has been partially reversed, with £250m of long-term external debt borrowed during the year.
- 6.8. The minimum revenue provision for 2021/22, excluding PFIs and leases, was £30.1m. This is the funding set aside to repay the debt incurred through funding previous capital expenditure through borrowing. This has been funded from the Council's capital financing budget.

7. Inflation Impact on the Capital Programme

- 7.1. Inflation in the UK in the 12 months to March 2022, as measured through the CPI, is currently 7.0%, and is expected to increase further with the Bank of England warning that 10% is possible this year. The impact on the construction sector has been significant.
- 7.2. The latest monthly statistics of building materials and components from the Department for Business, Energy and Industrial Strategy (BEIS) for February 2022 noted that the price index for all construction works was 20.2% higher than the previous year. This included significant price increases for some construction materials, such as concrete reinforced bars (43.6%) and fabricated structural steel (35.9%).
- 7.3. There is little sign of the inflation pressures abating, with companies continuing to issue warnings on future cost increases. The Turner & Townsend UK Market Intelligence report published in April suggests tender price inflation in 2022 of 8.5% for real estate and 6.0% for infrastructure, with forward forecast tender price inflation in 2025 of 4.0% for real estate and 5.0% for infrastructure.
- 7.4. Within the contingent budgets noted above a proportion is earmarked for inflationary pressures that are causing projects to exceed their existing budget.
- 7.5. Officers are reviewing major projects within the programme that are facing imminent inflationary pressures. The key schemes include:
 - a) Abraham Moss Leisure Centre
 - b) Hammerstone Road Depot
 - c) Manchester Aquatics Centre
 - d) National Cycling Centre
 - e) Silk Street Housing Project
 - f) This City – Rodney Street
 - g) The Factory and
 - h) Our Town Hall

- 7.6. The inflation contingency currently stands at £28m and has been profiled over a number of financial years to reflect the expected timing of any contract increases over the life of the programme. All the above schemes will be reviewed and any inflationary increases that require funding will be approved via the capital approval check point process and be reported as a Key Decision, as appropriate.
- 7.7. The remainder of the capital programme will continue to be closely monitored and reported to members.

8. General Programme Risks

- 8.1. Unlike the Revenue Budget the Capital Budget is subject to change as new schemes and /or external funding is received. The budget is prepared in February each year on the best estimate of the start date and spend profile for each scheme and is refreshed in June for the Outturn Position. Most capital schemes cover multiple years and as the scheme develops the spending profile across financial years changes to reflect the agreed start on site date and delivery of the work packages. This report is intended to highlight the total life and cost of schemes, which is more important than their in year position, and their associated risks. All projects carry risk such as delivery risk, third party risk and market risk, including build cost and inflation.
- 8.2. Where funding sources for the programme are time-limited, such as the Public Sector Decarbonisation Scheme, officers will continue to monitor progress against these schemes to seek to maximise the level of grant funding used.

9. Capital Programme Re-phasing and Variations

- 9.1. Based on the monitoring information above, it is proposed that the capital programme budget is re-phased to reflect the planned delivery of projects in 2022/23 to 2025/26. The cumulative impact of these adjustments are shown in the table below. The future programme will be reviewed throughout 2022/23 to reflect changes to the proposed profile of spend.

Proposed Capital Programme variations 2021/22 to 2025/26

	2021/22 £m	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	Total Programme £m
Revised Capital Budget (2020/21 Outturn and subsequent approved additions)	503.3	496.0	218.2	12.9	0	1,230.4
Forecast Re-profile	(207.5)	16.2	65.4	95.5	30.4	0
Cost Variations	(1.4)	(9.7)	(2.3)			(13.4)
Under/Over	(1.2)					(1.2)
Budget Increases proposed as part of this		8.8	30.3	7.6		46.7

report						
Proposed Capital Budget	293.2	511.3	311.6	116.0	30.4	1,262.6

Virements in 2021/22

- 9.2. The schemes that require virements in 2021/22 and future years, as shown in Appendix C.
- 9.3. The Council is recommended to approve virements over £0.5m within the capital programme as outlined in Appendix C.
- 9.4. The Executive is recommended to approve virements under £0.5m within the capital programme as outlined in Appendix C.
- 9.5. As shown in the table above, there are a number of budget reductions across years that can be removed from the Capital Programme which total £48.9m. This is made up of:
 - a) The loan element of the funding agreement within Biomedical Investment is not required, reducing the budget requirement by £7.3m.
 - b) The Parkhill Land Assembly programme is now part of Project 500, a partnership between the Council and registered housing providers (RPs), involving the disposal of small sites across Manchester to RPs to deliver affordable Housing. Therefore this will now not be developed by MCC, reducing the budget requirement by £4.3m.
 - c) A removal of £0.3m from the Strategic Acquisitions Programme relating to the residual budget for the Spire.
 - d) The Government funded Next Steps Accommodation Programme has ended with the remaining £1.5m budget released following the programme deadline. The new Rough Sleepers Accommodation Programme has replaced this work and has received further funding.
 - e) The second tranche of the pandemic related support for Manchester Airport Group of £35.5m will not be required and will be removed from the programme.

10. Increases to the Capital Programme

- 10.1. There are schemes that have been developed or have received external funding that are now ready for inclusion in the Capital Programme. More detail on the schemes can be found at appendix D and they are summarised below. The total increase to the programme is £46.7m. These schemes are included in the proposed programme shown in section 9 and are affordable within existing and forecast capital resources.

For Executive approval:

- Neighbourhoods – Off Street Car Parks: Additional funding is required to carry out works to one of the Council's multi storey car parks, identified as

part of the Fire Risk Assessment. This includes internal fire doors and a new fire alarm. Electric works are also required to Bloom Street Car Park for a new power supply for lighting. A capital budget increase of £0.369m in 2022/23 is requested, funded by Parking Reserve.

- Northwards ICT Work. Northwards Housing Limited (NHL) came back into Manchester City Council (MCC) in July 2021. Work is continuing to migrate the Northwards ICT infrastructure in the City Council infrastructure. The funding will finance a multi-disciplinary migration team as well as the required hardware, software and supplier fees to conduct the migration in a fashion that protects live services to tenants. The work will also ensure a more secure, supportable and resilient IT Service to underpin Housing Operations and which also will address lack of investment in ageing and end of life infrastructure that is outsourced to third parties to manage. A capital budget increase of £2.491m in 2022/23 and £1.599m in 2023/24 is requested, funded from a revenue contribution from the HRA.
- Private Sector Housing – Disabled Facilities Grant (DFG). Government grant allocation for home adaptations for people with disabilities. A capital budget increase of £0.855m in 2022/23 and £7.628m in 2023/24 is requested, funded by Government Grant

For Council Approval:

- Public Sector Housing – Northwards Housing Capital Programme 2022/23. The programme will deliver essential health and safety work, security improvements and environmental improvements across the Council's Housing estate. Internal work will continue for low rise properties replacing kitchens or bathrooms as well as rewiring and heating renewal as required, in line with the Decent Homes programme. External works to high rise properties will include, but not limited to, window replacements, reroofing, external wall insulation and work to balconies. Carbon efficiencies will be found through works replacing gas boilers with ground source heat pumps and other low carbon heating, external wall insulation, triple glazed windows, solar PV panels and low energy lighting replacement. A capital budget increase of £2.475m in 2022/23, £21.047m in 2023/24 and £7.599m in 2024/25 is requested, funded by an RCCO from the HRA.
- Corporate Programme - Elizabeth Tower GP surgery – The development at Great Jackson Street to build 8 new residential blocks attracted a S106 agreement whereby the developer provided an accommodation space to house a GP surgery and ancillary facilities to service the city centre's growing residential population. The space has a gross internal area of 742.5m², and a long lease has been signed by NHS property services (NHSPS). There is no NHS England capital funding available to support the fit out of the facility, with the responsibility for the fit having to be funded from local NHS partnership resources. It is proposed that this work is funded from the Health Integration reserve, which is held by the Council to be used in partnership with local health agencies (MHCC). The

works have been tendered by NHS property services in line with public sector procurement requirements and the total fit out costs will be £2.6m. MHCC sought advice from NHS England on the mechanisms by which the funding could most effectively be transferred to NHSPS to ensure maximum benefit to the Manchester Locality. This route is for MCC to transact the funding to the GP practice(s) by way of a grant agreement and the GP practice(s) then transact the funding to NHS PS who will complete the facility. A capital budget increase of £2.6m in 2022/23, funded by RCCO from Integration Reserve.

11. Capital Programme Forecast for 2022/23 and future years

11.1. If the virements, and increases set out above are approved, the revised capital programme for 2022/23 and future years is shown in the table below:

Manchester City Council Programme	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	Total £m
Highways	51.2	15.0	4.4		70.6
Neighbourhoods	64.1	15.3	2.8	2.8	85.0
The Factory and St John's Public Realm	46.5				46.5
Growth and Development	110.1	82.5	13.6	15.0	221.3
Town Hall Refurbishment	82.3	83.6	35.8		201.7
Housing – General Fund	24.9	38.3	5.4	7.5	76.1
Housing – Housing Revenue Account	34.8	30.2	15.7	5.0	85.7
Children's Services	48.3	12.1			60.4
ICT	9.5	1.6			11.1
Corporate Services	15.2	1.4	0.5		17.1
Total (exc. Contingent budgets)	486.9	279.8	78.3	30.3	875.3
Contingent Budgets	24.4	31.8	37.7	0.1	94.0
Total	511.3	311.6	116.0	30.4	969.4

11.2. The forecast budget for 2022/23 is ambitious compared to previous annual expenditure.

11.3. The large-scale projects due to begin in 2022/23 include Campfield Redevelopment and Home Arches, Back of Ancoats Mobility Hub and Public Realm, This City Housing Delivery and Collyhurst Housing Scheme. As these are in their early stages, the estimated start dates are likely to change and it is very likely some of the budgets will slip into future years, potentially leading to a variation against the in-year budget.

11.4. In the above table, contingent budgets have been shown separately. These include, the inflation fund, and other unallocated programme budgets including

the ICT investment plan, and Education Basic Need, the majority of which are expected to be spent in future years.

- 11.5. The budget will change as new schemes will be added throughout the year, and specific projects funded through the contingent budgets are brought forward through the Council's capital approval process.

12. Capital Resources

- 12.1. The table below summarises the current funding assumptions for the Capital Programme based on the current forecast. This will continue to be reviewed to ensure that optimum value for money is achieved.

	Draft Funding 2022/23 £m	Draft Funding 2023/24 £m	Draft Funding 2024/25 £m	Draft Funding 2025/26 £m	Draft Funding All Years £m
Grants	120.7	78.4	26.8	3.6	229.5
Contributions	31.6	9.5			41.1
Capital Receipts	19.7	11.3	4.4	7.5	42.9
Revenue Contributions to Capital	46.9	49.4	24.3	5.0	125.5
Capital Fund	5.5	3.9	0.5		9.9
Borrowing	286.9	159.2	60.0	14.3	520.4
Total	511.3	311.6	116.0	30.4	969.4

- 12.2. Modelling the Council's cash flow based on the funding assumptions above and the forecast use of reserves and anticipated changes to working capital, provides an assessment of the ongoing affordability of the forecast capital programme.
- 12.3. The current modelling forecasts that the programme remains affordable within the revenue budget available. The model is based on a number of assumptions, including the timing of future borrowing and forecast future interest rates. As these assumptions change, the capital financing model including use of capital financing reserves is updated.

13. Prudential Indicators

- 13.1. The prudential indicators as at the end of March 2022 are shown at appendix E.

14. Contributing to the Our Manchester Strategy

(a) A thriving and sustainable city

The capital programme contributes to various areas of the economy, including investment in public and private sector housing, education and children's social care, transport infrastructure, major regeneration activities, environmental, cultural and leisure services.

(b) A highly skilled city

The capital programme includes substantial investment in education and also provides opportunities for the construction industry to bid for schemes that could provide employment opportunities at least for the duration of contracts.

(c) A progressive and equitable city

The capital programme includes investment in adult and children's social care, education, housing and the environment, cultural and leisure services, all of which contribute towards the strategy.

(d) A liveable and low carbon city

Investment in all areas of the capital programme contributes towards this community strategy, notably the investment in sustainable and affordable housing, building schools for the future, transport, environmental and major regeneration programmes.

(e) A connected city

The capital programme includes investment in highways infrastructure, and broadband expansion.

15. Key Policies and Considerations**(a) Equal Opportunities**

By investing in building adaptations, access for people with mobility difficulties is made easier.

(b) Risk Management

The capital programme is based on forecast costs and funding, and as such there are risks to achieving the programme from external factors such as shortage of labour or materials, alongside market risks such as price fluctuations and interest rate charges. The Strategic Capital Board, and associated Portfolio Boards for each part of the programme, are tasked with regular monitoring of costs, delivery, quality and affordability, to help manage and mitigate these risks.

(c) Legal Considerations

None.

Appendix A - Major Projects 2021/22 Outturn against Current Budget

1.1 The top ten budget by value remaining are shown in the table below:

Project	Current Budget 2021/22	Forecast at Q3	Outturn 2021/22	In Year Variance	Total Budget (All Years)	Total Variance (All Years)
<i>£m</i>						
Our Town Hall Refurbishment	70.9	53.8	49.7	(4.1)	306.3	0.0
The Factory & St John's Public Realm	56.5	42.7	42.6	(0.1)	196.8	0.0
Housing Infrastructure Fund (Victoria North)	12.5	4.0	5.4	1.4	51.0	0.0
Carbon Reduction Programme & Public Sector Decarbonisation (PSDS)	20.6	20.3	11.6	(8.7)	48.1	0.0
This City Housing Delivery	0.7	0.7	0.5	(0.2)	33.7	0.0
Back of Ancoats Mobility Hub and Public Realm	1.1	0.0	0.3	(0.8)	33.0	0.0
Co-op Academy Belle Vue	21.6	9.2	9.9	0.7	31.5	0.0
Collyhurst*	2.0	0.4	0.3	(0.1)	31.3	0.0
Manchester Aquatics Centre	7.5	5.2	3.0	(2.2)	30.5	0.0
Hammerstone Road Depot	11.4	3.8	2.1	(1.7)	31.6	0.0

*Public and Private Sector Housing

Our Town Hall Refurbishment

1.2 The Our Town Hall project is forecasting to be within the overall budget, but market conditions, inflation and tender returns prices are putting pressure on the budget, along with ongoing discovery and validation of certain packages such as Stone, Chimney and Windows which is creating uncertainty in costs

1.3 For 2021/22 the out-turn spend is £49.7m against a Budget of £70.9m, a variance of £21.2m. This is an increased variance from Quarter 3 of £4.1m. The programme of works was agreed after the budget was set, which changed the profile for the various work packages especially MEP which slipped £9m and Fit-out slipping £4.3m. The contingency spend of £7.8m was also not in line with forecast and will not be needed until 2022/23.

1.4 The project has currently placed orders for the value of £163m, with a further

£16m currently out to tender, and cost surety is now expected to reach 90% by June 2022. The risk profile for each package is actively being managed.

- 1.5 The Plaster package has now started on site ahead of the latest 19.2 Programme, Scaffolding has now been completed to Cooper Street Tower and Clock Tower, the Public Realm is still progressing well with further elements handed over. The Joules & Dalton Statues have been relocated to out-side the entrance to the Visitors Experience and the Timber Clean to the Great Hall has been completed along with the lift shaft at Lloyd St.

The Factory

- 1.6 The Factory is currently reporting to budget, but has significant cost pressures, including inflation and higher costs for work packages such as the MEP package as the detailed design and specifications are finalised. This position also assumes there are no changes to the programme duration.
- 1.7 The project has only two remaining packages to tender, Seating and Circular windows. Work package certainty is currently 78% and is expected to reach 90% by July 2022. The project has also now received all the Kickstart funding of £21m, with funding from Government and National Lottery Heritage Fund of £8.8m still to claim.
- 1.8 Good progress is being maintained on site. The precast mastic to the Theatre is almost complete, and work is on-going to install the primary plant, the Truck lift fit-out and the Foyer ceiling. The Orchestra pit floating slab has now been cast, the Tower crane has been removed and the structural infill is progressing
- 1.9 The spend profile for the project has changed with the finalisation of design detail and revised start on site dates and resequencing of work for the External Envelope, MEP works package and Joinery & Panel installation

Housing Infrastructure Fund (Victoria North)

- 1.10 The total budget for the Housing Infrastructure fund is £51.0m, and the project is due to complete in 2024. The project has broadly separated into two packages of work. Infrastructure Works and River Works. The main planning application for the Infrastructure Works, funded through the Homes England Housing Infrastructure Fund (HIF) has now been submitted, with the planning consultation process currently underway.
- 1.11 The first phase of the enabling works (approved late last year) commenced in February 2022. The project team is currently working to discharge all relevant planning conditions to ensure the next stages of work can commence. Demolition of existing structures including the Creamline Dairies buildings is due commence in June 2022, with commencement of the haul?????? due start just after in July. The design team are progressing the RIBA Stage 4 design, as the project moves towards the final contract stage for the main works package.
- 1.12 Site investigation for the river works are now completed following a variety of

delays from the contractor and bad weather. The final reports from the investigations are due any time. The Hydrological modelling continues to be updated to inform the design development that will be undertaken over the coming months. Engagement will continue with the Environment Agency concerning the design development for both flood mitigation works and the wider infrastructure scheme. A planning application for the River Works package is due to be submitted later in the year.

Carbon Reduction Programme including Public Sector Decarbonisation Scheme

- 1.13 Phase 1 of the Carbon Reduction Programme is almost complete and will save 1,400 tCO₂ annually. Remaining works include the installation of LED lighting at the Sharp Project (on site installation commenced). Installation of LED lighting at the Tennis & Football Centre once suitable access can be secured, this project has been delayed as the building is being used as a vaccination centre. Energising the installed Solar PV at the Space Project & Sharp Project which is dependent upon Electricity North West
- 1.14 Works at the National Cycling Centre and Hammerstone Road, part funded by the European Regional Development Fund (ERDF), will be delivered in stages and are expected to start in quarter 1 of 2022/23, in line with other works at those sites. Detailed design and costings for the National Cycling Centre are expected by the end of May 2022.
- 1.15 Public Sector Decarbonisation Scheme (PSDS) grant funded works are forecast to complete by the end of June 2022, in line with the revised funding deadline. The one exception to this is the battery at Hough End Leisure Centre which has been delayed due to a manufacturing issue. Based on current guidance the cost of any works that complete beyond June 2022 will need to be met by the Authority, this cost is estimated to be circa £200k for which existing carbon reduction budget will be utilised.

This City Housing Delivery

- 1.16 The total budget for This City Housing Delivery is £33.7m and the first scheme is scheduled to complete in 2023/24. It comprises a mixed development of market and accessible rent properties, transferring to the Council-owned company during the build.
- 1.17 The first phase is the first development to be built by This City. This City is Manchester City Council's newly created housing vehicle which aims to utilise Council-owned land to demonstrate that a high-quality housing product, meeting zero carbon aspirations and providing accessible homes set at Local Housing Allowance (LHA) rates is achievable.
- 1.18 The scheme will:
 - Promote equity and fairness - the first phase is expected to provide homes at accessible rents for Manchester residents
 - Reduce carbon emissions – the scheme is targeting Association of Environmentally Conscious Buildings accreditation, which meet or exceed

the MCC and RIBA targets for 2030 developments.

Back of Ancoats – Mobility Hub and Public Realm

- 1.19 The project was approved in March 2022 with a total budget of £33m. The project is expected to complete in 2025/26. There is a variance of £0.8m due to the budget being set before work commenced and the programme of works not being finalised.
- 1.20 For the Ancoats Mobility Hub, a main contractor has been appointed via the North West Construction Hub under a two-stage design and build contract, with a Pre-Construction Services Agreement in place. This PCSA will cover the RIBA Stage 3/4 design development and demolition of the existing structures at the Poland Street site, which will take place in the summer once the Equipment and Adaptations Partnership (MEAP) have relocated. Appointment of the contractor to the main build will take place at the end of the year, following Stage 2 pricing in the Autumn.
- 1.21 In parallel, work is ongoing to establish the commercial operating model for the Mobility Hub and produce a business plan for Homes England, as required by the GFA. Procurement of an operator will take place over summer, building on soft-market testing undertaken in conjunction with Manchester Life earlier this year.
- 1.22 The Public Realm Strategy (PRS) for Ancoats was approved by the Executive in March this year. The planning application for the first project – the removal of the Jersey Street bridge – is due to be determined at the end of May. Works will be undertaken over the Summer, once a contractor is appointed. Alongside those works, the planning application for the improvements to Ancoats Green will be prepared over the summer, with extensive engagement planned with residents and stakeholders.
- 1.23 The Eastern Gateway team is working with Neighbourhood Services and the Parks and Highways teams to agree the long-term management and stewardship arrangements for Ancoats.

Co-op Academy Belle Vue

- 1.24 The total budget for the Co-op Academy Belle Vue project is £31.5m and the project is expected to complete in October 2022. For 2021/22, there is a variance of £11.6m as the start on site date was later than originally envisaged meaning that significant elements of the high value work packages will be delivered in 2022/23. However, this had the benefit of the works requiring crane lifting or working outside the building envelope to be progressed in better weather conditions than originally allowed for.
- 1.25 The school opened as planned in September 2021 in temporary accommodation on the site of Connell College, also part of Co-op Academy Trust, and pupils will remain on this site until the new building is completed.
- 1.26 Key risks around the project remain the volatility of the UK construction market

with shortages of materials and labour leading to price and programme uncertainty. Where possible fixed price arrangements have been entered into or suitable risk allowances included within the contract sum.

Collyhurst

- 1.27 The current budget for the first phase of the Collyhurst Programme is £30.5m and is due to be spent by March 2024. The budget has been reprofiled whilst the Development and Funding Agreement (DFA) negotiations with Far Eastern Consortium (FEC) and the ongoing Pre-Construction Services Agreement (PCSA) negotiations that FEC are undertaking with their preferred contractor are concluded. It is expected they will complete to enable a start on site in Autumn 2022. The expenditure forecasts for the scheme have been reprofiled with the scheme expected to be completed in 2025/26.
- 1.28 During the last quarter, the Council's bid for funding through Homes England's Shared Ownership and Affordable Homes Programme (SOAHP) has been approved, securing a contribution of £6.890m towards the cost of delivery.
- 1.29 In the next quarter, Officers will continue to work with FEC to progress and conclude the PCSA process and agree a fixed cost for the scheme. Once the construction contract is finalised, legal work can resume to make and submit to Government the Compulsory Purchase order (CPO), which was approved at March Executive
- 1.30 Risks remain around market volatility in the contracting sector, particularly in light of current Global events and the potential effect on delivery costs and the housing market, which may slow the pace of construction. Officers are working to secure a price for delivery of the Councils scheme and the programme will be continually evaluated throughout delivery to ensure development is suitably phased.

Manchester Aquatics Centre

- 1.31 The total budget for the Manchester Aquatics Centre refurbishment is £30.5m and the project is scheduled to complete in Summer 2024. For 2021/22, the outturn was £3.0m against a budget of £7.5m, a variance of £4.5m. This is due to the main contract being finalised later than previously forecast whilst the final costs were agreed. The strip-out works are progressing under a letter of commitment, and the main contract is now signed and sealed for Phase 1.
- 1.32 Additional core drilling surveys were completed to understand the buildup of the existing floor and work has now commenced on the demo/soft strip, compound, civils works, removal of the moveable floors and pool tank tile integrity survey. Value engineering is ongoing, and the project team are awaiting submission of the VE cost plan from the contractor.

Hammerstone Road Depot

- 1.33 The total budget for the Hammerstone Road project is £31.6m and the project is

due to complete in May 2024. For 2021/22, the spend was £2.1m compared to a revised budget of £11.4m, a variance of £7.6m. This is due to the delay in entering in the main contract.

- 1.34 The contract commencement date has been pushed back to allow further investigative works to the brickwork and steel frame within the loco shed, drainage and boundary wall to reduce risk within the main contract and respond to comments from planners. Some of the delay to the contract commencement date will be mitigated because of the benefits that will arise from these exploratory works being undertaken pre-contract. The budget for the main scheme is being finalised with likely pressures due to discovery issues and the impact of inflation. The scheme remains a priority because it is the main depot facility owned by the Council, that is well located for servicing the whole city, that also plays host to other city services such as the library store, fleet and taxi servicing facilities and HGV electronic charging infrastructure.
- 1.35 A Letter of Commitment has been issued to the contractor in order to procure key sub-contractors including M&E, cladding and demolition works, which secures a fixed price on these elements and maintains the current programme.
- 1.36 In the next quarter, the Main Contract agreement and budget will be finalised. RIBA 5 design and Procurement of packages issued under the Letter of Commitment will continue, along with demolition works and asbestos removal to ancillary outbuildings and remediation works to the Gorton Lane boundary wall.
- 1.37 Key risks on the project are budget pressures, arising from the current market conditions and the inherent structural and ground contamination risks remaining on a building of this nature and historic use and maintaining the depot as a working site during construction.

Appendix B - Other material changes to the programme

1.1 Other material changes to the Capital Programme are detailed below:

Project	Current Budget 2021/22	Forecast at Q1	Forecast at Q2	Forecast at Q3	Outturn 2021/22	In Year Variance	Total Budget (All Years)	Total Variance (All Years)
Integrated Working – Gorton Health Hub	14.7	10.6	10.2	9.3	8.8	(0.5)	23.1	0.0
Emergency Active Travel Fund (EATF)	5.5	1.8	0.7	0.5	0.4	(0.1)	5.5	0.0
Campfield Redevelopment	4.4	3.7	3.7	0.0	0.0	(0.0)	21.3	0.0
House of Sport	5.5	5.5	5.5	3.3	1.4	(1.9)	8.4	0.0
Northern Quarter Cycling Scheme	5.1	5.1	2.7	2.9	2.1	(0.8)	10.7	0.0
Rugby Football League – Beswick Hub	3.0	0.4	0.4	0.4	0.4	0.0	3.0	0.0
North Manchester New Builds 3	3.4	3.4	1.5	1.2	1.8	0.6	12.2	0.0
Indoor Leisure – Abraham Moss	8.8	8.8	6.5	6.5	6.6	0.1	22.3	0.0
Manchester Digital Security Innovation Hub (Cyberhub)	2.0	2.0	0.0	0.0	0.0	0.0	2.0	0.0
Piccadilly Gardens – Phase 1	1.7	0.3	0.3	0.3	0.1	0.2	1.8	0.0

Integrated Work – Gorton Health Hub

1.2 Within the Corporate Services portfolio, the Gorton Health Hub programme aims

to improve access to primary care for local residents, shift care from higher cost hospital settings, increase local employment and release land for new affordable housing. Pre-lets have been now been agreed with the NHS. The scheme was put on hold to allow the scope to be revised and options appraisals reviewed. Following agreement of the chosen option a full cost plan construction is underway and in line with programme, expect fit out in August and completion in October.

Emergency Active Travel Fund Development Works

- 1.3 The Emergency Active Travel Fund (ATF) within the Highways portfolio currently includes works to the City Centre (Triangle) and the Wythenshawe Active Travel Fund scheme, which were first and second ranked as part of Transport for Greater Manchester's (TfGM) project prioritisation exercise. Both will seek to introduce permanent infrastructure to increase sustainable travel by encouraging more residents to walk and cycle. The timing of external funding approvals and the further modelling on the scheme required to align with adjoining schemes means that £5.1m of spend has been moved into 2022/23.

Campfield Redevelopment (Growth and Development)

- 1.4 The Campfield Redevelopment project now excludes the proposal to acquire the freehold interest in Castlefield House as part of an agreement with Allied London and the Science and Industry Museum. The museum has decanted from the Lower Campfield building and Allied London will bring all three sites into repair and refurbish the properties to provide co-working office accommodation and ancillary facilities. Allied London will fund all works to the 1970's Castlefield House commercial building. Allied London will enter into a Grant Agreement and Agreement for Leases for the repairs and refurbishment works to safeguard the two Grade II listed historical market building assets for future use as adaptable workspace for the media, tech, digital and creative sectors will be provided.
- 1.5 There is a £4.4m variance with £3.7m due to removing the proposal to acquire the freehold interest in Castlefield House. This funding has been vired back to the Sustaining Key Initiatives budget in 2022/23 to enable the funding to be utilised for future proposals. The remainder is due to the budget being set before the programme of works was finalised and works commenced.

North Manchester New Builds 3 – Silk Street

- 1.6 £1.6m of expenditure has been re-profiled to reflect the revised date for starting on site. This was to enable the contract due diligence negotiations to complete, obtaining the correct warranties, and a review of design and social value commitments. The project is still on track to deliver within budget.

Indoor Leisure – Abraham Moss

- 1.7 The total budget for the Abraham Moss project is £22.3m and the project is set to be completed in Summer 2023. For 2021/2022, the outturn is £6.6m against a budget of £8.8m which is a variance of £2.2m to be re-profiled into future years.

There has been a programme delay of 17 weeks to Abraham Moss Leisure Centre due to the discovery of pile foundations within the footprint of the site. This impacted on the design and methodology for laying the concrete slab. Further surveys were commissioned to identify if the proposed foundation solution is still appropriate. Costs for additional works and the delay associated with ground conditions were reviewed and challenged by the officers and can be met from the existing risk and contingency budget.

- 1.8 The works are progressing well with the remaining concrete ground slab nearing completion and steelworks due to start. There are market pressures on labour and material associated with the 17-week delay which are to be looked at as part of the review of inflation pressures on the capital programme.

House of Sport

- 1.9 Also, within the Growth and Development portfolio the House of Sport project will refurbish an area of the existing National Squash Centre to provide office and meeting facilities for existing occupiers as well as enabling the Council to attract new organisations to Manchester. In addition, the reception and café areas of the centre, accessible to all users of the complex, will be refurbished.
- 1.10 The project is now in contract for Rugby Football League (RFL) areas and has commenced first fix and mechanical and electrical installations, as well as erecting a steel frame erect for RFL entrance.
- 1.11 £4.1m is to be reprofiled into future years due to a delay in the building contract being signed with the contractor. The delay was required to allow design changes for lighting in the office and entrance areas, which required redesign and recalculation of lighting levels. The kitchen layout also required an amendment. Additionally, a roof defect has been identified on site, for which specialist proposals, budget costs and funding plans are to be agreed.

Northern Quarter Cycling Scheme

- 1.12 Also, within the Highways portfolio, the Northern Quarter Cycling Scheme (formerly The Regional Centre Cycleway) was identified by TfGM as an important route around the City Centre for both cyclists and general traffic. The route will create an east-west cycle route to Piccadilly Station via the Northern Quarter to Victoria Station.
- 1.13 The variance is due to a review of achievability of programme for the Northern Quarter Area 2 works, with some construction works being reprogrammed into the next financial year, and a movement in programme in Northern Quarter Area 3 where works are now expected to start in early 2022,
- 1.14 The Northern Quarter Cycling Scheme works are practically complete in Area 3 with only one loading bay to be agreed. The Plan for Area 2 including the potential for future regeneration works have been agreed in principle. Working continue onsite with regards to Area 3. Next period Area 2 and Area 4 designs are due to progress

Rugby Football League – Beswick Hub

- 1.15 There is a requirement to move £2.6m into future years for Beswick Hub RFL as the contribution from Manchester City Council will now be paid in instalments according to an agreed schedule throughout 2022/23.

Manchester Digital Security Innovation Hub (Cyberhub)

- 1.16 The Digital Security Innovation Hub, within the Growth & Development portfolio will be located on the second floor of Heron House. This project will include the Category B refurbishment of 10,909 sq. ft of space on the second floor of Heron House, Albert Square. Legal negotiations are continuing, but it is unlikely that the lease will be concluded this financial year, which has resulted in a variance to the in-year budget of £2.0m.

Piccadilly Gardens – Phase 1

- 1.17 The phase one proposals for Piccadilly Gardens will address short term anti-social behaviour and overall quality within the space.
- 1.18 A total of £1.4m will be reprofiled into next financial year for the Piccadilly Gardens project due to delay in appointing a design team, meaning works will begin in early 2022/23. Design consultant tenders are expected to be returned in July.

Appendix C – Proposed Capital Virements

	2021/22	2022/23	2023/24	2024/25
Project Name	In yr virement proposed	In yr virement proposed	In yr virement proposed	In yr virement proposed
	£000	£000	£000	£000
Other Improvement works	-148			
Manchester/Salford Inner Relief Road (MSIRR)	148			
Total Highways Programme	0	0	0	0
Sustaining Key Initiatives		3,735		
Campfield Redevelopment		-3,735		
Total Growth and Development Programme	0	0	0	0
Charlestown - Victoria Ave multistorey window replacement and ECW - Phase 1		586	100	
Riverdale Estate Ext Work	-39			
Harpurhey Shiredale Estate externals		-27		
Environmental improvements Moston corrolites			22	
ENW distribution network phase 4 (various)	284			
Various Estate based environmental works	-2			
Higher Blackley Central House Door Entry System	-20			
Riverdale Maisonettes	-323			
Newton Heath High Rise Blocks Improvements		-1,624		
Retaining Walls	87			
Delivery Costs	-1,287	-72	523	628
Decent Homes mop ups ph 9 and decent homes work required to voids		-20		
Harpurhey - Monsall Multis Internal Works	1			
Newton Heath - Multies Internal Works		29		
Higher Blackley - Liverton Court Internal Works	1			
Various - Bradford/Clifford Lamb/Kingsbridge/Sandyhill Court Internal Works			6	
Charlestown - Rushcroft/Pevensey Court Internal Works		-26		

Collyhurst - Mossbrook/Roach/Vauxhall/Humphries Court Internal Works		-109		
Decent Homes mop ups phase 10 and voids		-307		
Fire precautions multi storey blocks		-150		
Fire Risk Assessments	212			
Northwards - Harpurhey 200 Estate Internal Works		-182		
Rushcroft and Pevensey Courts Ground Source Heat Pumps	199	84		
Harpurhey Baths Estate (excl Edward Grant Court) and Cheetham Appleford Estate	-79	-45		
Newton Heath Troydale and Croyden Drive Low Rise Estates	267		109	
Responsive Investment Works	103		196	
Retirement blocks various M&E/H&S works	576		51	
One off type work such as rewires boilers doors	6	17		
Harpurhey Monsall Estate (Excluding High Rise and 40 properties around Cannons Grove)		277	62	
Harpurhey Shiredale Estate (Including Replacement Floors)		54	68	
Higher Blackley South Estate Internal Works		223		
New Lightbowne Estate Halliford & Thorverton		-463	-99	
Ancoats Smithfield Estate Internal Works		60		
One Off type work - rewires/boilers/doors	189			
Improvements to Homeless accommodation city wide		-10		
Improvements to Homeless Accommodation Phase 2	-14			
Woodward Court reroofing	21	18		
Various Adaptations	151	-21		
Moston Corrolites external work		9		
Northwards Housing Programme - Unallocated	-333	1,699	-1,038	-628
Total Public Sector Housing (HRA) Programme	0	0	0	0
Lytham Rd	-14			
Crossacres Primary School	-16			
Brookside Rd Moston	-185			
North Hulme Adv Playground	-74			
Roundwood Road	-269	-187		

Our Lady's Expansion	20			
Lancasterian Rebuild & Expansion - Pre Devel-Costs	-140			
Basic need - unallocated funds	678	187		
Ringway Primary roof ph2	-1			
Abbot Community Primary Joinery repair	-16			
Mauldeth Rd Rewire	-23			
Manley Park Primary Ph1 roof repairs	-3			
Rack House PS Roof	-13			
Baguley Hall Electrical Rewire	14			
Higher Openshaw Roof repair	-29			
Alma Park	-19			
Claremont Roofing works	-60			
Moston Lane PS Rainwater Goods	-14			
Moston Lane PS Ceiling Containment	-38			
New Moston Primary School	-78			
St. Agnes CEP Structural Repairs	215			
Schools Capital Maintenance - unallocated	64			
North Ridge SEN	13			
Special Educational Needs grant	-13			
Total Children's Services Programme	0	0	0	0
Data Centre Network Design and Implementation	-6			
Telephony	-188			
ICT Investment Plan	194			
Total ICT Programme	0	0	0	0
Total Manchester City Council Capital Programme	0	0	0	0

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Appendix D - amendments to the capital budget introduced as part of this report

Requests for Adjustments to the Capital Budget Provision							
29th June 2022 EXECUTIVE							
Dept	Scheme	Funding	2022/23	2023/24	2024/25	Future	Total
			£'000	£'000	£'000	£'000	£'000
<u>Council Approval Requests</u>							
Public Sector Housing	Northwards Housing Capital Programme	RCCO - HRA Reserves	2,475	21,047	7,599		31,121
Corporate Programme	Elizabeth Tower GP surgery	RCCO - Integration Reserve	2,600				2,600
<u>Total Council Approval Requests</u>			5,075	21,047	7,599	0	33,721
<u>Executive Approval Requests</u>							
Neighbourhoods	Off Street Car Parks Additional Funding	Parking Reserve	369				369
ICT	Northwards ICT Work	RCCO - HRA Reserves	2,491	1,599			4,090
Private sector Housing	Disabled Facilities Grant (DFG)	Government Grant	855	7,628			8,483
<u>Total Executive Approval Requests</u>			3,715	9,227	0	0	12,942
<u>Total Budget Adjustment Approvals</u>			8,790	30,274	7,599	0	46,663

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Appendix E – Prudential Indicators Mar 22

No	Prudential Indicator			As at end Mar 22	Target Breached Y/N
			£m	£m	
1	Estimated Financing Costs to Net Revenue Stream		6.2%	5.9%	N
2	Forecast Capital Expenditure	Non – HRA	439.4	269.0	N
		HRA	40.2	24.2	N
		Total	479.6	293.2	N
3	Forecast Capital Financing Requirements ^[1]	Non – HRA	1,626.3	1,469.0	N
		HRA	300.0	300.0	N
		Total	1,926.3	1,769.0	N
4	Authorised Limits for External Debt	Borrowing	1,711.6	826.6	N
		Other Long-Term Liabilities ^[2]	190.0	145.1	N
		Total	1,901.6	971.7	N
5	Operational Boundaries for External Debt	Borrowing	1,350.3	826.6	N
		Other Long-Term Liabilities	190.0	145.1	N
		Total	1,540.3	971.7	N
6	Upper Limits for Principal Sums Invested for over 364 days.		0	0	N
			<i>Upper Limit</i>	<i>Lower Limit</i>	%
7	Maturity Structure of Borrowing	under 12 months	80	0	15.2
		12 months and within 24 months	80	0	9.0
		24 months and within 5 years	70	0	17.6
		5 years and within 10 years	70	0	0.0
		10 years and above	90	20	58.2

^[1] Draft, subject to approval of Council's financial accounts^[2] Draft, subject to approval of Council's financial accounts

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Appendix F – Full Capital Budget

	2021/22	2022/23	2023/24	2024/25	2025/26	
Project Name	Outturn	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget	Total
Drainage	1,246	2,097				3,343
Large Patching repairs	390	2,100				2,490
Patching Defect repairs	5,045	6,077				11,122
Carriageway Resurfacing	4,807	5,166				9,973
Footway schemes	1,923	4,260				6,183
Carriageway Preventative	3,364	3,303				6,667
Bridge Maintenance	833	1,466	1,465			3,764
Other Improvement works	99	1,000	2,000	4,443		7,542
Woodlands Road Emergency works	2,572	602				3,174
Highways Maintenance Challenge Fund	1,303	952				2,255
Hyde Road (A57) Pinch Point Widening	332	0				332
Manchester/Salford Inner Relief Road (MSIRR)	148	0				148
Great Ancoats Improvement Scheme	378	151	280			809
Mancunian Way and Princess Parkway NPIF	277	133	419			829
Christie Extension RPZ	41	224				265
Hathersage RPZ	34	0				34
North Mcr General Hospital RPZ	9	26				35
St George's RPZ	74	64				138
Rusholme and Moss Side RPZ	21	212				233
School Crossings	743	435	1,199			2,377
Chorlton Cycling Scheme	5,583	4,513				10,096
Northern Quarter Cycling Scheme	2,052	4,116	3,370			9,538
Manchester Cycleway	508	4,150				4,658
Beswick Filtered Neighbourhood Development Costs	596	117	276			989
Green Bridge at Airport City	3	24				27
A6 Stockport Road Pinch Point Scheme	223	23				246
Levenshulme Active Neighbourhood	454	3,391	242			4,087
Northern/Eastern GW Walking and Cycling scheme	654	1,359	107			2,120
Rochdale Canal	92	0				92
Accident Reduction and Local Community Safety schemes	341	1,659				2,000
Princess Rd Safety Review	15	20				35
Public Realm	685	404				1,089
Street Lighting PFI	19	755				774
A56 Liverpool Road	4					4
Sunbank Lane S278	0	5				5
Woodhouse Park RPZ	19	0				19
Manchester Trash Screens	0	36				36
Oldham Rd Feasibility study	36	0	150			186
Enterprise Car Club Bays	6	16				22
Electric Vehicle Charging Points Ph 1	22	0				22

TfGM Bus Enhancements	369	13				382
Bee Network Crossings	274	517	405			1,196
Active Travel Development Costs	399	492	4,610			5,501
Greater Manchester Improvement Prog (GMIP) Dev Cost - Tranche 1	0	200				200
Back George Street	0	23				23
Clean Air Zone Street Lighting	120	59				179
Princess Parkway/Palatine Rd Feasibility	0	35				35
Traffic Free Deansgate Permanent Works	390	654	456			1,500
Restoration of Ordinary Water Course	171	129				300
40mph Speed Limit Reduction Programme	8	292				300
Local Roads (temp SEMMMS A6 Stockport)	342					342
Total Highways Programme	37,023	51,270	14,979	4,443	0	107,715
Waste Reduction Measures	226	99				325
Waste Contract	-21	350	471			800
Purchase of Electric RCVs	8,998	187				9,185
Cremator & Mercury Abatement Plant Replacement Strategy	1,114	555				1,669
Off Street Car Parks post JV project	113	877				990
Chester Road Roundabout Advertising	81	1,569				1,650
Electric Charging Points - Grimshaw Lane	47	0				47
EV Charging Points	0	71				71
City Centre Litter Bins	9	0				9
Upgrade CCTV System	0	618				618
Parks Development Programme	632	1,088	2,815	2,815	2,814	10,164
Wythenshawe Cycling Hub	688	862				1,550
Angel Meadow S.106	-2	18				16
Gately Brook Pre-Development Fees	36	44				80
Whitworth Park s.106	56	76				132
Wythenshawe Track Changing Rooms	0	485				485
Indoor Leisure - Abraham Moss	6,621	15,650				22,271
Boggart Hole Clough - Visitors Centre	0	0	535			535
Mount Road S106	0	32				32
Mellands Playing Fields - Levenshulme	90	45				135
Gorton & Abbey hey Project	136	52				188
Hough End Master Plan - Strat Football Hub Development Costs	238	329				567
MAC - Car Park Improvements	19	12				31
Non-Turf Wickets - Parks & Playing Fields	40	51				91
Manchester Aquatics Centre	3,021	17,473	9,961			30,455
National Cycling Centre	7,507	17,052	42			24,601
Rugby Football League Project - Beswick Hub	434	2,566				3,000
National Squash Centre	123	0				123
Wind Tunnel at MIHP	683	390				1,073
P2R Platt Fields	0	72				72

Withington Baths Loan	0	1,000				1,000
Manchester Regional Area Changing Rooms	0	83				83
Replacement of MRA Outdoor Track Floodlights	0	171				171
Central Library Refresh	239	718				957
Open Libraries	7	192				199
Chorlton Library Refurbishment	0	600				600
Library Refurbishment (City Wide)	111	339	50			500
Galleries Collection Housing	87	357	1,426			1,870
Total Neighbourhoods Programme	31,332	64,083	15,300	2,815	2,814	116,344
The Factory (Build)	42,330	43,761				86,091
St Johns (Public Realm)	277	2,681				2,958
Total Factory Programme	42,607	46,442	0	0	0	89,049
Asset Management Programme	5,211	10,491	5,246			20,948
Early Years tendered daycare sites		3,000				3,000
Hammerstone Road Depot	2,095	11,423	9,677	0		23,195
Carbon Reduction Programme	1,751	5,651	7,712	5,000		20,114
Public Sector Decarbonisation Scheme	9,900	13,900				23,800
Greening of the City	307	541				848
Estates Transformation	0	0	800			800
Estates Transformation - Alexandra House	18					18
Estates Changes Arising from FWOV	162	64				226
Space - Phase 3	605	60				665
Space Studios - Disposal Costs	21	44				65
Digital Asset Base - One Central Park	96	468				564
Site Acquisition - The Yard, Vaughan Street	0	679				679
Strategic Acquisitions Programme	265	2,750	1,542			4,557
Sustaining Key Initiatives	0	0			11,418	11,418
Mayfield Park	67	83				150
Wythenshawe Town centre Due Diligence	0	250				250
Didsbury Tech Park - MCC Option	859					859
Housing Infrastructure Fund	5,406	19,980	25,446			50,832
Acquisition of land at Red Bank	0	191				191
Victoria North	7,200	3,800	5,448	5,447		21,895
Eastern Gateway - Central Retail Park	65	519				584
Eastern Gateway - New Islington Marina	0	52				52
New Islington Marina Bridge Works	179	1				180
House of Sport	1,430	5,208	1,053			7,691
Demolition of Grey Mare Police Station	4					4
Mcr Equipment and Adaptations Partnership relocation	208	2,313				2,521
St. Peters Square - Peterloo memorial	1	191				192
Medieval Quarter Public Realm	2,161	81				2,242

Lincoln Square	1,200	40				1,240
Piccadilly Gardens - Phase 1	117	1,559				1,676
Manchester Digital Security Innovation hub (Cyberhub)	2	1,998				2,000
Campfield Redevelopment	21	10,603	6,889			17,513
HOME Arches	245	2,100	379			2,724
Angel Meadow Land Acquisition	0	150				150
Back of Ancoats Mobility Hub & Public Rm	283	7,937	17,942	3,180	3,628	32,970
First Street Cultural Facility	2	12				14
New Smithfield Market	52	0	365			417
Heron House & Registrars	323	797				1,120
Civic Quarter Heat Network	3,195	2,861				6,056
Lees Street Payment	75					75
Beswick Hub - Beswick Shops	20	241				261
Levenshulme railway station - Access for All		50				50
Total Growth and Development Programme	43,542	110,088	82,499	13,627	15,046	264,802
Our Town Hall refurbishment	49,662	82,266	83,552	35,829		251,309
						0
Total Town Hall Refurbishment Programme	49,662	82,266	83,552	35,829	0	251,309
Brunswick PFI Land Assembly	563	210	526	0	0	1,299
Collyhurst Regeneration	181	0	997	2,700	0	3,878
Collyhurst Land Assembly Ph1	0	29	0	0	0	29
Collyhurst Land Acquisitions Ph2	0	210	799	0	0	1,009
Eccleshall Street - 3 Sites	0	0	500	0	0	500
Private/RTB - Acq/Comp/Relocation	0	200	600	989	0	1,789
Miles Platting PFI Land Assembly	2	141	266	0	0	409
Disabled Facilities Grant	8,346	8,088	7,628	0	0	24,062
C/2402/0049	0	0	0	482	0	482
HCA Empty Homes Cluster Phase 2	17	248	683	0	0	948
Ancoats Dispensary: Survey Work to Confirm Major Project Viability	57	0	0	0	0	57
Redrow Development Phase 2 onward	4	10	4	0	0	18
West Gorton Ph 2A Demolition & Commercial Acquisitions	0	348	904	0	0	1,252
HMRP	5	29	89	0	0	123
Extra Care	0	0	1,245	1,200	0	2,445
Moston Lane Acquisitions	0	0		0	7,500	7,500
Equity Loans	0	0	397	0	0	397
West Gorton Community Park	27	23	0	0	0	50
Ben St. Regeneration	63	352	626	0	0	1,041
Marginal Viability Fund - New Victoria	2,573	1,905	0	0	0	4,478
Next Steps Accommodation Programme Property Acquisitions	896	0	0	0	0	896
Green Homes Grant Delivery scheme	4	0	0	0	0	4
This City Housing Delivery Vehicle	478	10,269	23,000	0	0	33,747
Social Housing Decarbonisation Fund	2,326	794	0	0	0	3,120

Rough Sleepers Accommodation Programme	1,020	1,980	0	0	0	3,000
Sprinkler Systems – Tower Block PFIs Private	0	147	0	0	0	147
Total Private Sector Housing Programme	16,560	24,983	38,264	5,371	7,500	92,678
Charlestown - Victoria Ave multistorey window replacement and ECW - Phase 1	5,777	4,225	100	0	0	10,102
Riverdale Estate Ext Work	-39	0	0	0	0	-39
External cyclical works ph 3b Ancoats Smithfields estate	0	60	30	0	0	90
Environmental improvements Moston corrolites	0	0	22	0	0	22
ENW distribution network phase 4 (various)	442	25	0	0	0	467
Various Estate based environmental works	24	94	74	0	0	192
Moston Corrolites external work	1,030	93	106	0	0	1,229
Charlestown Clifford Lamb Court Reroofing	0	393	32	53	0	478
Higher Blackley Central House Door Entry System	0	0	16	0	0	16
Riverdale Maisonettes	4	1,163	1,366	0	0	2,533
Newton Heath High Rise Blocks Improvements	0	100	7,612	4,777	0	12,489
Retaining Walls	390	179	118	0	0	687
Delivery Costs	0	907	1,232	628	0	2,767
Harpurhey - Monsall Multis Internal Works	4	101	0	0	0	105
Newton Heath - Multies Internal Works	239	179	0	0	0	418
Higher Blackley - Liverton Court Internal Works	1	0	0	0	0	1
Various - Bradford/Clifford Lamb/Kingsbridge/Sandyhill Court Internal Works	55	28	32	0	0	115
Charlestown - Rushcroft/Pevensey Court Internal Works	15	24	19	0	0	58
Collyhurst - Mossbrook/Roach/Vauxhall/Humphries Court Internal Works	31	0	27	0	0	58
Decent Homes mop ups phase 10 and voids	0	0	70	0	0	70
One off work - rewires, boilers, doors	0	7	0	0	0	7
ERDF Heat Pumps	340	1,573	106	0	0	2,019
Charlestown - Rushcroft/Pevensey Courts Lift Refurb	0	350	187	0	0	537
One off type work (rewires/boilers/doors)	5	14	0	0	0	19
Fire Risk Assessments	3,900	958	610	0	0	5,468
Northwards - Harpurhey 200 Estate Internal Works	2	0	0	0	0	2
Rushcroft and Pevensey Courts Ground Source Heat Pumps	2,049	84	0	0	0	2,133
Harpurhey Baths Estate (excl Edward Grant Court) and Cheetham Appleford Estate	436	0	0	0	0	436
Newton Heath Troydale and Croyden Drive Low Rise Estates	1,680	123	198	0	0	2,001
Responsive Investment Works	505	254	196	0	0	955
Retirement blocks various M&E/H&S works	1,442	85	51	0	0	1,578
One off type work such as rewires boilers doors	192	17	0	0	0	209

Harpurhey Monsall Estate (Excluding High Rise and 40 properties around Cannons Grove)	145	1,877	481	0	0	2,503
Harpurhey Shiredale Estate (Including Replacement Floors)	396	551	161	0	0	1,108
Cheetham Halliwell Lane Estate Internal Works	0	1,416	623	0	0	2,039
Higher Blackley South Estate Internal Works	0	1,750	318	0	0	2,068
New Lightbowne Estate Halliford & Thorverton	108	1,054	284	0	0	1,446
Ancoats Smithfield Estate Internal Works	249	153	39	0	0	441
One Off type work - rewires/boilers/doors	285	304	0	0	0	589
Avro Hollows District Heating	33	114	0	0	0	147
Delivery Costs	0	1,566	448	0	0	2,014
Various Locations - bringing bedsits back into use	0	0	116	0	0	116
Delivery Costs	0	0	15	0	0	15
Improvements to Homeless accommodation city wide	0	0	14	0	0	14
Plymouth Grove Women's Direct Access Centre	0	0	28	0	0	28
Improvements to Homeless Accommodation Phase 2	231	0	115	0	0	346
Woodward Court reroofing	248	38	0	0	0	286
Woodward Court lift replacement	0	0	434	0	0	434
Delivery Costs	0	5	77	0	0	82
Adaptations	196	43	0	0	0	239
Various Locations - Adaptations	177	34	0	0	0	211
Various Adaptations	914	37	0	0	0	951
Delivery Costs	0	10	0	0	0	10
Collyhurst Maisonette Compensation & Dem	0	600	200	224	0	1,024
West Gorton PH2A Low & High Rise Demolition	1	0	0	0	0	1
Capital Receipts - Right to Buy	40	0	0	0	0	40
Buy Back Properties - Right to Buy	484	450	278	0	0	1,212
North Manchester New Builds	0	40	0	0	0	40
North Manchester New Builds 3	1,837	9,820	538	0	0	12,195
Collyhurst New Council Housing - Design Stage	343	78	0	0	0	421
Construction of Social Homes & Assoc PR	0	2,500	10,720	8,546	5,000	26,766
Relocation/Acq/Comp/Dem Costs - Public	0	180	320	0	0	500
Construction of Park - public realm	0	375	1,025	0	0	1,400
Sprinkler Systems – Tower Block PFIs Public	0	786	1,754	1,474	0	4,014
Total Public Sector Housing (HRA) Programme	24,209	34,817	30,192	15,702	5,000	109,920
Brookside Rd Moston	3,652	17				3,669
North Hulme Adv Playground	2,680	46				2,726
Roundwood Road	2,595	13				2,608
Coop North Expansion	52	436				488
Our Lady's Expansion	40					40
Manchester Communications Academy	51					51

Co-op Academy Belle Vue - Permanent	9,950	19,611	722			30,283
Co-op Academy Belle Vue - Early Opening	2,140					2,140
Our Lady's RC Permanent Expansion	733	1,667				2,400
Melland High School Expansion (SEN Grant)	123	3,777				3,900
Crab Lane - retentions	10					10
The Barlow RC High School - Resource Provision	0	1,049				1,049
City Centre School	8	5,942	250			6,200
Manchester Secondary PRU	70	50				120
Universal Infant Free School Meals (UIFSM) - Allocated	0	2				2
Universal Infant Free School Meals (UIFSM) - Unallocated	75					75
Broad Oak Primary School Kitchen-ED44321/1	689	318				1,007
Lily Lane Prim Windows-ED44535/1	0	96				96
Ringway Primary roof ph2	-1					-1
Abbot Community Primary Joinery repair	-16					-16
Medlock Primary - Boundary Wall rebuild	0	80				80
Mauldeth Rd Rewire	-23					-23
St Wilfreds CE Ph 1 roof repairs	442	12				454
Manley Park Primary Ph1 roof repairs	-3					-3
Broad Oak Reception class and roof repair - ED44891	17	152				169
Manley Park Roof	161	89				250
Manley Park Joinery	265	58				323
Rack House PS Roof	252					252
The Birches Special School Roof	31	353				384
Broad Oak Primary	311	103				414
Baguley Hall Electrical Rewire	806					806
Higher Openshaw Roof repair	95					95
Alma Park	56					56
Claremont Roofing works	96					96
Moston Lane PS Rainwater Goods	60					60
Moston Lane PS Ceiling Containment	159					159
New Moston Primary School	799	0				799
St. Agnes CEP Structural Repairs	415	0				415
Chapel Street	18	182				200
Peel Hall Primary Emergency Heating Works	76	17				93
Schools Capital Maintenance - unallocated	0	5,962				5,962
Early Education for Two Year Olds - Unallocated	17	5				22
Healthy Pupil Capital Funding	0	257				257
North Ridge SEN	138	0				138
Grange School	192	3				195
Piper Hill Expansion SEN Grant	0	87				87
Grange School Expansion SEN Grant	0	20				20
Special Educational Needs grant	0	7,658	11,080			18,738
Seymour Road	5					5
Ghyll Head	540					540

Acquisition of land at Hyde Road	0	27				27
Nurseries Capital Fund - Unity Community	140					140
Lyndene Children's Home Refurbishment	767	58				825
Varley Street Site Investigations	48	35				83
MCMA Completion works	496	165				661
BSF Phase 1	1					1
						0
Total Children's Services Programme	29,228	48,347	12,052	0	0	89,627
Internet Resilience	4					4
Network Refresh Programme	3,409	5,637				9,046
Data Centre Network Design and Implementation	38					38
End User Experience	3,624	574				4,198
Microsoft 365	36	44				80
Telephony	144					144
TEC Digital Platform	65	29				94
Northwards ICT Work		2,491	1,599			4,090
Platform Compliance	75	37				112
Security Software Upgrade		650				650
Total ICT Programme	7,395	9,462	1,599	0	0	18,456
Pay and Display Machines		5				5
Phase 1 Implementation - Locality Plan Programme Office	89	251				340
Adults - Stepping Stone capital works	57	130				187
Integrated Working - Gorton Health Hub	8,760	11,641				20,401
Elizabeth Tower GP Surgery	0	2,600				2,600
HR and Finance System Replacement Project	0	525	900			1,425
BioMedical Investment	2,747					2,747
VCSE Small premises works			500	500		1,000
Total Corporate Capital Programme	11,652	15,152	1,400	500	0	28,704
						0
Total CAPITAL PROGRAMME (excl contingent budgets)	293,210	486,810	279,837	78,287	30,360	1,168,604
Inflation		20,000	6,663	1,267	70	28,000
Northwards Housing Programme - Unallocated		3,569	21,047	7599		32,215
Basic need - unallocated funds		865	4,056	23,579		28,500
ICT Investment Plan				5,261		5,261
Total Contingent Budgets	0	24,434	31,766	37,706	70	130,224
Total CAPITAL PROGRAMME	293,210	511,344	311,603	115,993	30,430	1,262,580

Manchester City Council Report for Information

Report to: The Executive – 29 June 2022

Subject: Integrated Care Systems and Place-Based Lead for Manchester

Report of: Chief Executive

Summary

Integrated Care Systems are being established nationally as part of the next phase of health and social care integration. This includes the establishment of Greater Manchester Integrated Care (NHS GM) and locality arrangements for Manchester. The Manchester Partnership Board will lead the development of Manchester's future operating model for health and social care integration. Joanne Roney OBE has been appointed by NHS GM as the Place-Based Lead for Manchester in addition to being Chief Executive of Manchester City Council.

Recommendations

The Executive is recommended to:-

- (1) consider and comment on this report.
 - (2) note and endorse the appointment of Joanne Roney as Place-Based Lead for Manchester.
-

Wards Affected: All

Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the city
No direct impact

Equality, Diversity and Inclusion - the impact of the issues addressed in this report in meeting our Public Sector Equality Duty and broader equality commitments
No direct impact

Manchester Strategy outcomes	Summary of how this report aligns to the OMS/Contribution to the Strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	Health and social care is an important part of the city's economy including creating significant economic value, jobs, health innovation and through its impact on regeneration
A highly skilled city: world class and home grown talent sustaining the city's economic success	Health and social care supports significant jobs and skills development in Manchester
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	Progressive and equitable is central to the Our Healthier Manchester Locality Plan including all aspects of tackling health inequalities and the Build Back Fairer work in the city
A liveable and low carbon city: a destination of choice to live, visit, work	There are many links between health, communities and housing in the city as per the Our Healthier Manchester Locality Plan. Health partners have an important role in reducing Manchester's carbon emissions through the Manchester Climate Change Partnership
A connected city: world class infrastructure and connectivity to drive growth	Transport infrastructure and digital connectivity are critical to providing effective health and care for Manchester residents

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

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Implications:

No direct financial implications arising from the report. The Section 75 agreement and aligned budget arrangements with Manchester Foundation Trust for the Manchester Local Care Organisation will remain in place.

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Background documents (available for public inspection):

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

1.0 Introduction

- 1.1 The purpose of this report is to update the Executive on the UK Government's reforms to health and social care to establish Integrated Care Systems, including at the level of Greater Manchester. A report will be brought to the Health and Well Being Board and Health Scrutiny Committee with more detail about the transition to Integrated Care Systems and the next steps for Manchester.
- 1.2 As part of these reforms, NHS GM (Greater Manchester Integrated Care) have appointed Joanne Roney OBE as the Place-Based Lead for Manchester.

2.0 Integrated Care Systems

- 2.1 On 1 July 2022, Clinical Commissioning Groups (CCGs) will be disestablished across England, and Integrated Care Systems (ICS) will be established. This is in line with legislation set out in the Health and Care Act 2022.
- 2.2 The national aims for ICSs are to:
 - (i) Secure better health and wellbeing for everyone
 - (ii) Tackle unequal outcomes, experience and access to health and care services
 - (iii) Enhance productivity and value for money; and
 - (iv) Support broader social and economic development – this is an additional focus for the NHS beyond the existing national aims in points i-iii
- 2.3 In Manchester, the statutory responsibilities of the CCG will transfer to Greater Manchester Integrated Care (NHS GM).
- 2.4 These upcoming system reforms are an opportunity to accelerate the delivery of Manchester's ambitions to improve health outcomes and tackle health inequalities through further integration of health and social care.
- 2.5 Manchester has worked effectively in partnership on health and social care for a number of years, which means the city is well prepared for the establishment of a GM ICS. The Our Healthier Manchester Locality Plan sets out our strategic ambitions and priorities, aligned to the Our Manchester Strategy for the city. This has been refreshed a number of times since the original plan in 2016. It has a focus on how partnership working can improve population health, address the social determinants of health and tackle health inequalities. It also led to the establishment of Manchester Local Care Organisation in 2018, Manchester Health and Care Commissioning in 2017, and the Single Hospital System for the city.
- 2.6 Integrated Care Systems include a strong focus on place-based partnership working. There will be 10 place-based arrangements in GM that are each coterminous with local authority boundaries, including the city of Manchester,

which are referred to as 'locality' arrangements by NHS GM. These place-based partnerships aim to ensure that care and support is connected to the things that keep people well – their homes, their families, friendships and networks, communities, and their jobs. The approach recognises that Councils are the leaders of place and this is an opportunity to better connect health and care services to communities. The 10 locality partnerships will each address specific place-based challenges, reflecting the identity and benefitting from the strengths of communities in each area. At the same time there is a strong focus on improvements to and greater consistency in access to services and quality of services.

- 2.7 Local authorities and the NHS, as part of our integrated care system, have a statutory duty to deliver on this agenda through the GM Integrated Care Partnership and GM NHS Integrated Care. The reforms recognise that health and social care integration can make a significant contribution to this agenda but most of what needs to be done is determined by much broader factors such as jobs, housing, environment, infrastructure, families and communities, and it is recognised that Councils have key roles to make these connections and lead each place.

3.0 Next steps in Manchester

- 3.1 NHS GM is developing a Greater Manchester Operating Model document, which will set out the overall vision and objectives for the GM Integrated Care Partnership, the GM 'system architecture', governance arrangements, and the features and characteristics of the GM system. The operating model document will be available on the intranet when finalised.

- 3.2 Manchester and the other nine GM localities are developing their own place-specific locality models. The key features include:

- (i) A Locality Board to ensure the priorities are decided together in the locality and support the effective joint stewardship of public resources. In Manchester this will be the Manchester Partnership Board (MPB).
- (ii) A Place Based Integrated Care Lead with dual accountability to the local authority and to NHS GM
- (iii) A place-based provider collaborative or alliance providing comprehensive integrated care at neighbourhood and place levels. This builds on the existing approach to provider collaboration and the work of the Manchester Local Care Organisation.
- (iv) A means of ensuring clinical and care professional input and leadership to place based working
- (v) A focus on health creation and prevention as well as health services with a particular emphasis on population health and reducing health inequalities. Manchester's work to tackle health inequalities – Build Back Fairer – will continue to be overseen by the Chief Executive and Director of Population Health and will be an important element of the work programme of MPB.
- (vi) An accountability agreement between partners in the locality and NHS GM

- (vii) An articulated relationship with their local Health and Well Being Board as the route to confirm accountability to the local authority
- 3.3 Joanne Roney OBE, Chief Executive of Manchester City Council, has been appointed by GM NHS as the Place-Based Lead for Manchester, as well as continuing to be Chief Executive of the Council. Most of the other GM localities have also appointed the relevant Local Authority Chief Executive as their Place-Based Lead. The Chief Executive will hold an additional contract with NHS GM, will be accountable for certain functions and additionally report directly to Mark Fisher, the Chief Accountable Officer of NHS GM.
- 3.4 The functions of the Place-Based Lead include:
- a) Convening the place-based integrated care partnership, and facilitate priority-setting, strategic alignment and decision-making between organisations across multiple sectors
 - b) Being the accountable officer for delegations from GM NHS Integrated Care to the place-based partnership
 - c) The place-based lead will be a member of the wider system leadership team, and therefore have influence over NHS financial resource allocation across Greater Manchester and specifically within the place they lead
 - d) Leading the local GM NHS IC employed team, and work with partner organisations to develop and support a 'one team' approach including purposeful arrangements for effective clinical and professional care leadership across the place
 - e) Listening to the voice of our communities. Ensuring our place-based partnerships are developed by listening to the voice and lived experience of our communities
 - f) Being responsible for the management and deployment of people who are allocated from both GM NHS Integrated Care and wider partners to form the place based integrated care team
 - g) Ensuring that partners work together to deliver on required outcomes and agreed ambitions
 - h) The role will work closely with the statutory officers in NHS Trusts, Adults and Children's Social Care and Public Health to support the full range of contributions to integrated care and population health. The statutory accountabilities of those individuals and their organisations are not affected by the creation of this role.
- 3.5 An important role will be that of Deputy Place-Based Lead. This will be a senior officer to provide strategic support to the Place-Based Lead and will be important given the constraints on the time available for the Chief Executive to undertake the joint role. A joint process of GM NHS and Manchester Partnership Board (MPB) is under way to appoint to this role.
- 3.6 NHS GM have identified leadership funding for each GM locality to fund the leadership function for the locality. The Manchester allocation for 2022/23 is £867,000. This funding will resource the Deputy PBL role, a core leadership team within the locality (including appropriate clinical and financial

governance), and other resources required to support the new arrangements effectively.

- 3.7 Manchester Partnership Board (MPB) will be the Locality Board for Manchester. The MPB is chaired by the Leader of the Council and includes a small number of Chief Executive and Director-level representatives from MCC, Manchester Foundation Trust (MFT), Greater Manchester Mental Health (GMMH), Manchester Local Care Organisation (MLCO), Primary Care in Manchester, and a VCSE sector representative.
- 3.8 Certain functions will be delegated from GM to Manchester through to the Place-Based Lead, and to MPB when it is formally constituted as a Committee of NHS GM Integrated Care Board (ICB). Other functions will be reserved to the NHS GM ICB. The list of functions is set out in a Scheme of Delegation and Reservation within the NHS GM Governance Handbook.
- 3.9 Manchester Partnership Board will lead the development of Manchester's future operating model. The initial focus is on a safe transition of functions and staff from the CCG from 1 July 2022. This will move quickly into the development of a future operating model for health and social care in the city.
- 3.10 The Manchester Provider Collaborative will bring together Manchester Local Care Organisation with Primary Care and Mental Health. MLCO is governed by an Accountability Board that provides assurance back to Manchester City Council and MFT as key partners in the MLCO. The Section 75 agreement and aligned budget arrangement that is currently in place between the Council and MFT for the Manchester Local Care Organisation will remain.

4.0 Recommendations

- 4.1 The Executive is recommended to consider and comment on this report.
- 4.2 The Executive is asked to note and endorse the appointment of Joanne Roney as Place-Based Lead for Manchester.

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Manchester City Council Report for Resolution

Report to: Executive – 29 June 2022

Subject: Manchester Work and Skills Strategy 2022-27

Report of: Director of Inclusive Economy

Summary

This report is to accompany Manchester's new Work and Skills Strategy (Appendix A) and to seek approval for its adoption. The report sets out the process which has been undertaken to develop the new strategy and details the consultation and engagement work which has taken place to date.

The new strategy proposes a number of priorities, outcomes and measures that are aligned to the Our Manchester Strategy objectives and which will help us on our journey towards developing a more inclusive economy for Manchester.

Recommendations

The Executive is asked to consider and adopt the new Work and Skills Strategy.

Wards Affected – All

Environmental Impact Assessment - the impact of the decisions proposed in this report on achieving the zero-carbon target for the city
The new Work and Skills strategy will contribute to Manchester's net-zero target from a skills and employment perspective. The new strategy includes a number of priorities and commitments under the theme "liveable and zero carbon" and recommends the creation of a green skills action plan.

Our Manchester Strategy outcomes	Contribution to the strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The Strategy will define how Manchester works together to create skills, employment and training opportunities that support business growth and connect employment opportunities to our residents.

A highly skilled city: world class and home-grown talent sustaining the city's economic success	The Strategy will define how partners across Manchester work together to ensure that residents are able to gain the skills and experience they need to be successful in the labour market, moving into more highly skilled, more sustainable and better paid opportunities.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	The Strategy will directly address the theme of inclusion, and how we can ensure that more of our residents are able to benefit from the city's economic success.
A liveable and low carbon city: a destination of choice to live, visit, work	The Strategy will address how we can ensure that our residents have the skills needed to support the transition to zero-carbon, and how our education and training providers can become equipped to deliver the necessary courses and qualifications to support this.
A connected city: world class infrastructure and connectivity to drive growth	The Strategy will directly address the theme of digital skills and how we can ensure that residents can develop the digital skills they need to access and be successful in the labour market and that digital businesses in the city have the access to the talent they need to continue to grow.

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

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

None.

Financial Consequences – Capital

None.

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Background documents (available for public inspection):

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

- Manchester Work and Skills Strategy Refresh, Economy Scrutiny (February 2022)
- Refresh of Manchester's Work and Skills Strategy, Economy Scrutiny (June 2021)
- Our Manchester Strategy – Forward to 2025, Executive (March 2021)
- Work and Skills Strategy 2016-21

1. Introduction

- 1.1. Skills, employment and business growth remain fundamental components of Manchester's current and future economic success. They are crucial to making sure that the city continues to grow and to build a more inclusive economy, in which all our residents can benefit from the city's success.
- 1.2. Manchester's Work and Skills Strategy 2016-21 has reached the end of its life and work has been underway since last year to revise and update the Strategy to respond to the significant changes and challenges the city has experienced over the last five years.
- 1.3. Officers have undertaken research and engagement work to determine the main themes and priorities for the new strategy. This has consisted of both desktop research using local and national sources and data, alongside a process of listening to our residents, partners and other stakeholders about their experience of the work and skills system in Manchester.
- 1.4. A formal consultation was carried out to find out if our interpretation of the information presented to us was correct, and that the priorities identified for the new strategy were the right ones.
- 1.5. This report provides additional background and context to the refresh as well as detailed overview of the consultation and engagement process that has taken place to support the Strategy's development.

2. External context

- 2.1. Work to develop a new Work and Skills Strategy began as Manchester emerged from the worst phases of the COVID-19 pandemic. Research undertaken and commissioned by the Council's Work and Skills Team at that time and more recently provided a good understanding of how the clinical and economic consequences of the pandemic played out.
- 2.2. For our residents the impacts included:
 - Increasing divergence between those who are doing well and those who are struggling – i.e. those in secure, more highly skilled and better paid work were more likely to experience some benefits from lockdown such as lower exposure to the virus, increased flexibility in work and increased rates of saving, while those in insecure, lower skilled and lower paid work tended to experience negative consequences such as increased exposure to the virus, reduced income and reduced economic resilience.
 - Disproportionate clinical and economic consequences for certain groups, and in particular people and communities who experience racial inequalities.
- 2.3. For businesses the impacts included:
 - Retail, hospitality and the visitor economy were amongst the worst affected by

lockdowns, leading to increased pressures on the workforce and a shortage of labour when emerging from the pandemic.

- General uncertainty and increased business risk, disrupted supply chains and highly variable business and market conditions.
- 2.4. Since starting work on the new strategy several new significant external factors have emerged:
- The war in Ukraine has led to unprecedented geo-political instability which has in turn contributed to increasing prices.
 - The “cost of living crisis” has seen surging inflation rates affecting prices of essentials such as food, energy and housing costs.
 - At the same time the implications of the UK’s decision to leave the European Union are still emerging, with the full consequences on the labour market, proving hard to separate from the other external factors considered here.
- 2.5. For Manchester, it is likely that our most vulnerable residents will be the worst affected by these new factors and that these will likely be many of the same people that were worst affected by the COVID-19 pandemic. It is therefore critical that we focus on improving the quality of work, increasing household incomes by moving people into more high paid work, and helping people become more resilient to future labour market changes.
- 2.6. Many businesses in the city, following a period of re-opening and building back to full operations, are currently struggling to recruit the workforce they need. There is competition for talent across the frontier economy, as well as in sectors and industries where this has been a longer-term issue such as digital and construction. It is reported nationally that over one million people have left the labour market and there has been a rise in economic inactivity, as well as unemployment in the city.
- 2.7. The labour market is experiencing a period of volatility and it is likely that this period of uncertainty will continue for some time. Therefore, it is important that the new Work and Skills Strategy can respond to these challenges without making itself vulnerable to becoming out of date by focusing too closely on external events, especially as the new Strategy is expected to be in place for a period of five years.

3. Strategic links

- 3.1. In developing the new Strategy, the linkages and dependencies with and between other Manchester strategies have been mapped out, to ensure clear interfaces and avoid duplication.
- 3.2. The Our Manchester Strategy provides the overall strategic framework for the city, and the Work and Skills Strategy is one of the key city-wide strategies that support it, directly delivering on several of the Our Manchester themes. The priorities that have been developed for the new Work and Skills Strategy, in response to the research and engagement conducted, have been mapped back

to at least one of the Our Manchester 'We Wills' to ensure alignment.

3.3. The new strategy uses the Our Manchester Strategy themes as a structural framework. This makes it clear how the Strategy's priorities, outcomes and indicators will contribute to the delivery of the Our Manchester Strategy.

3.4. The Work and Skills Strategy will support a range of other city strategies including:

- Our Manchester Local Industrial Strategy
- Manchester Climate Change Framework
- Our Manchester Disability Plan
- Manchester's Cultural Ambition 2016-26
- Manchester Inclusion Strategy
- Manchester Family Poverty Strategy/refreshed Poverty Strategy
- Youth Offer
- Adult Education and Skills Plan
- Manchester: A Great Place to Grow Older
- Powering Recovery: Manchester's Recovery and Investment Plan

3.5. The main strategies that will themselves support the Work and Skills Strategy include:

- Manchester Digital Strategy 2021-26
- Adult Education and Skills Plan 2016-25
- GM Transport Strategy and City Centre Transport Strategy to 2040

3.6. The Work and Skills Strategy also responds to the recommendations made in the Marmot report 'Build Back Fairer in Greater Manchester', which makes clear connections between work and health outcomes. Build Back Fairer makes two recommendations in relation to employment and skills, both of which are included as priorities in the Work and Skills Strategy:

- To improve the quality of work
- To reduce unemployment and build skills

3.7. The Work and Skills Strategy will directly deliver against these recommendations and forms an important component of the emerging Marmot Action Plan. Officers are working closely as part of a Marmot Action Plan working group to ensure that activities against these recommendations are complementary.

4. Research, engagement and consultation

4.1. A mixed-methods approach to research and engagement was conducted by the Council's Work and Skills Team and the Strategy and Economic Policy Team. This has included:

- The collation and analysis of information from a wide range of sources

including local, regional and national policies and strategies, data and statistics, and other relevant research papers and publications.

- A SWOT (strengths, weaknesses, opportunities, threats) analysis to help understand the themes emerging from the research, the implications and opportunities for Manchester.
 - Analysis of findings from previous recent engagement in the city including the Our Manchester Strategy refresh during 2020/21.
 - A first phase of engagement with residents, employers, VCSE organisations and employment support providers, learning providers, and other key groups, through 1:1 conversations, focus groups, attendance at wider meetings and online surveys. There has been a particular focus on lived experience.
 - A second phase of formal consultation on the draft strategy.
- 4.2. A list of the organisations and groups consulted in the first phase of engagement is appended to this report (appendix B).
- 4.3. The findings of our first phase of research and engagement work showed us that:
- Governance arrangements will need to be strong and clear to ensure work between major city-wide themes is not siloed.
 - Good links and working relationships between stakeholders working on linked strategies will need to be formed and maintained.
 - There is an opportunity to make better use of existing data to judge progress and success, to target interventions to more specific groups or areas, and to improve connections between learning and work.
 - We can harness our strengths but we need to make better use of these strengths in capturing the benefits of our own growth for residents.
 - The impact of COVID and continued uncertainty, particularly around the changing labour market, means the Strategy will need to be high level. An additional action or delivery plan, operating on a shorter timescale, will enable the Strategy to be responsive to change.
 - The Strategy needs to respond directly to issues around accessibility and equalities; this should form a major theme of future work.
 - Communication and engagement should be addressed directly; a good stakeholder network exists to support with this.
- 4.4. We used these findings to develop our initial list of priorities. These were mapped against the themes of the Our Manchester Strategy, as shown in the appended draft, to ensure good strategic alignment with Manchester's wider priorities.
- 4.5. Following presentation at Economy Scrutiny Committee, a second phase of engagement took place during April and May 2022. Consultees who took part in the first phase of engagement were asked if the draft reflected their input and viewpoints.
- 4.6. This second phase of engagement was carried out using an online form and supported by in person engagement. Officers directly contacted people and

organisations in the city, included first round respondents, to ensure consistency through engagement phases. The online consultation was also advertised through MCC's communication channels, including newsletters and social media.

- 4.7. Use of targeted ads on social media provided a generally better than average response and click through rate than other campaigns, with just over 100k impressions resulting in 283 link clicks.
- 4.8. Taking onboard feedback from our partners and stakeholders, officers supported digitally excluded residents to respond to the consultation by holding a number of in person focus groups in partnership with skills, employment and training providers in the city. These sessions were recorded using the same online form, meaning that the actual number of residents directly consulted will be higher than shown in the submitted data.
- 4.9. Across all methods, we have engaged directly with over 220 individuals across 172 organisations in a professional capacity. In addition, we have engaged directly with over 117 individual residents.

5. Summary of consultation responses

- 5.1. The online survey was open between 4 March 2022 and 9 May 2022 and was completed by 150 people. The survey questions asked respondents whether they agreed or disagreed with the priorities set out against each Our Manchester Theme. They were also asked if they had any suggested changes or additions to these priorities.
- 5.2. The responses came from a mix of people and organisations, including:
 - 76 residents of Manchester
 - 17 businesses based in Manchester
 - 24 voluntary or community sector organisations
 - 10 public sector organisations
 - 10 learning or training providers
 - 12 "other" organisations
- 5.3. Responses from residents represented 23 of Manchester's wards. Responses from business were mostly from the city centre wards, while responses from VCS organisations were more evenly spread throughout the city.
- 5.4. Most respondents provided demographic information in addition to the survey questions. This showed us that:
 - Most responses were from females (59%)
 - 16–25-year-olds were underrepresented and comparatively, 50–64-year-olds were overrepresented. It should be noted that the Council's Work and Skills Team carried out specific focus groups to engage directly with young people and which are not captured in the statistics for the online form.
 - While almost all statistical ethnical groups are represented in responses, it

is apparent that within the respondents British/English/Northern Irish/Scottish/Welsh people are comparatively overrepresented.

- The number of respondents with disabilities was approximately in line with the rate of disability in the wider population.
- The number of respondents identifying as belonging to a particular faith group was not high enough to draw accurate conclusions. The number of respondents identifying as not belonging to any faith group was almost double that of the wider population when compared to the 2011 census.

5.5. The vast majority of respondents (88-94%) agreed with the priorities under each Our Manchester theme. Across the analysis, the themes that came across most strongly in the respondents' comments were inclusion and the need to provide targeted support and/or improved access to those facing additional barriers to employment, support, training and online services. Disabled people and those living in poverty were groups that were frequently highlighted in this respect.

5.6. Most comments were given when respondents wanted changes or additions made to the priorities. Those who agreed with a priority and felt it should remain the same did not necessarily provide a comment. Therefore, the analysis appears to give greater weight to those who disagreed and/or wanted changes, over those who agreed and wanted the draft text to stay the same in the final strategy.

5.7. The main themes that emerged from the consultation responses included:

Thriving and Sustainable

- The need to provide support and improve accessibility for groups facing barriers to work and skills opportunities.
- The need to focus on supporting particular groups that faced barriers to accessing employment and training opportunities. Disabled people were the most frequently cited group.
- Diversifying the workforce, and inclusion, equality and diversity, were also mentioned in more general terms.
- The importance of access to training and development.
- The importance of good terms and conditions of employment.

Highly Skilled

- Focusing on the needs of young people.
- Again, the need for targeted support for particular groups facing barriers also came through strongly again.
- Making training more accessible to a wider range of people.
- The provision and/or communication of adult learning opportunities and opportunities for young people.

Progressive and Equitable

- By far the most common theme of responses (40 comments) was the need to provide support for particular groups experiencing barriers to opportunities, and to diversify the workplace.

Liveable and Zero Carbon

- The most common comments were in relation to access to low carbon travel options.
- Responses also focused on how to identify and develop the skills needed to fulfil the ‘liveable and zero carbon city’ ambition.

Connected

- Again, transport connectivity and low carbon travel options were frequently cited.
- The need to focus on digital inclusion also came up strongly.

5.8. In addition to the main consultation, we received detailed feedback from Manchester Health and Care Commissioning (MHCC) which focused on the need to include more specific references to how we support disabled people to access training and work.

6. Changes made following consultation

6.1. Following analysis of the full consultation data several adjustments have been made to the priorities in the new strategy. These have included:

- Improving the use of language to make priorities clearer and more to the point.
- Making specific reference to priority groups where needed, particularly young people and people with disabilities.
- Strengthening priorities around how the wider skills system communicates with our residents.
- Expanding on definitions of some activities to make it clearer what we mean – e.g. specifying when we mean work placements, apprenticeships etc rather than the catch all “interventions”.
- Added a new priority on access to adult education particularly for disadvantaged communities.
- Added indicators relating to disability in employment.
- Adding a priority around access to digital skills training and support for the digital sector to develop recruitment pathways for our residents.

6.2. One of the most frequently cited themes from the consultation was on priority groups and the need for specific interventions to support people with a range of additional needs with specific interventions.

6.3. The Strategy has been deliberately designed to function at a strategic level, and whilst recognising that it does not include specific priorities for some groups of residents, we are confident that the overarching focus on equalities and inclusion throughout the document is sufficient that the needs of different groups will be considered. The language used has for this reason needed to be broader in nature, and we have therefore used words such as “most vulnerable” and “disadvantaged” in our priorities.

6.4. The work of designing specific programmes of activity and interventions for different groups of residents is something that will happen together with our

partners over the course of delivering the Strategy.

7. Equalities Impact Assessment

7.1. Officers have worked with the Council's Equalities Team to carry out an equalities impact assessment (EIA) at different stages throughout the process, firstly on the initial working draft and then on the final document. Further updates will be made to the assessment based on the delivery plan and any specific actions that are developed as a result of the Strategy. The assessment based on the final draft of the Strategy and examines our evidence base, the content of the strategy, the priorities outcomes and indicators, consultation process and any actions or next steps needed.

7.2. To summarise, the assessment found that:

- The evidence base contained data and research for every protected group except marriage/civil partnership.
- Several protected groups were not referenced specifically in the draft strategy text, specifically sexual orientation, marriage / civil partnership, pregnancy / maternity, gender reassignment, faith / religion / belief, carers, and ex-armed forces.
- The two characteristics of 'Children and Young People' and 'Poverty including jobseekers and worklessness' are well represented. The other characteristics / groups are less well represented.
- Contact has been made with organisations representing or supporting most of the key groups apart from marriage / civil partnership and pregnancy / maternity. The groups that are particularly well represented are: children and young people (which has been taken to include university education and graduates), poverty and particular areas of Manchester. Those groups with more limited representation include sexual orientation, gender reassignment, carers, homeless and ex-armed forces.

7.3. In response to the findings of the EIA and together with the response to our consultation work we have:

- Tightened language relating to some protected characteristics.
- Made it clearer that while the Strategy does not describe specific interventions for all protected groups, it is intended that protected groups are included when we talk about residents furthest from the labour market, or who need the most support.
- Included new indicators relating to protected groups where data is available, noting that in most cases it is not possible to breakdown our KPIs by protected group.
- Committed to developing an overarching equalities framework for the life of the Strategy.
- Committed to briefing the Work and Skills Board to take responsibility for equalities in the delivery of the Strategy.

8. Resourcing and delivering the Strategy

- 8.1. As a strategy for the city, it is the responsibility of the Council and our partners to ensure it is delivered. The Work and Skills Strategy will be overseen by the Work and Skills Board, which includes a range of partners involved in learning and employment, and the Economy Scrutiny Committee.
- 8.2. The Council's Work and Skills Team will take day to day responsibility for coordinating and delivering the Strategy and will work to develop an annual action plan in support of this. This will be supported by an equalities framework as described above in section 7.3.

9. Contributing to a Zero-Carbon City

- 9.1. The new Work and Skills strategy will contribute to Manchester's net-zero target from a skills and employment perspective. The new strategy includes a number of priorities and commitments under the theme "liveable and zero carbon" and recommends the creation of a green skills action plan.

10. Contributing to the Our Manchester Strategy

(a) A thriving and sustainable city

- 10.1. The Strategy will define how Manchester works together to create skills, employment and training opportunities that support business growth and connect employment opportunities to our residents.

(b) A highly skilled city

- 10.2. The Strategy will define how partners across Manchester work together to ensure that residents are able to gain the skills and experience they need to be successful in the labour market, moving into more highly skilled, more sustainable and better paid opportunities.

(c) A progressive and equitable city

- 10.3. The Strategy will directly address the theme of inclusion, and how we can ensure that more of our residents are able to benefit from the city's economic success.

(d) A liveable and low carbon city

- 10.4. The Strategy will address how we can ensure that our residents have the skills needed to support the transition to zero-carbon, and how our education and training providers can become equipped to deliver the necessary courses and qualifications to support this.

(e) A connected city

- 10.5. The Strategy will directly address the theme of digital skills and how we can

ensure that residents can develop the digital skills they need to access and be successful in the labour market and that digital businesses in the city have the access to the talent they need to continue to grow.

11. Key Policies and Considerations

(a) Equal Opportunities

11.1. Equal opportunities are covered in Equalities Impact Assessment section of this report.

(b) Risk Management

11.2. No particular risk management issues identified.

(c) Legal Considerations

11.3. No particular legal issues identified.

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Manchester Work and Skills Strategy 2022-27

Version: Executive June 2022

29 June 2022

Foreword

(To be prepared).

Introduction to the Work and Skills Strategy

Manchester's Work and Skills Strategy is a strategy for the city. It sets out how we will use learning and employment to meet the Our Manchester Strategy vision of being a more highly skilled city, and how we will help create a more inclusive and zero carbon economy in Manchester where more of our residents are connected to our city's success.

This strategy succeeds the Work and Skills Strategy 2015-2020, building on its success and taking into consideration the significant changes we have experienced in the city since that strategy was produced. While over the life of the previous strategy we have seen gradual improvements in learning and employment outcomes for our residents, the impact of the COVID-19 pandemic has had a profound effect on the labour market including a doubling of Universal Credit Claimants, the impacts and consequences are yet to be fully determined as a result of the current economic climate. However, by the end of 2019 the city benefitted from a more highly skilled and better paid workforce, with a lower rate of residents out of work or claiming out of work benefits when compared to the previous ten years.

While the new strategy inevitably responds to many of the effects of the pandemic, its purpose is not only to help us recover from the impacts of COVID-19, but to continue to drive forward improvements in the lives of our residents, to continue to grow our businesses and to meet our wider aims of becoming a more inclusive, prosperous and zero-carbon city.

Context

City Context

Over the last decade Manchester has continued on our journey towards meeting our ambition of being a "world-class" city by 2025. Compared to 2010 we now have a significantly higher population, a larger workforce and more businesses operating in the city. Our economy has become more diverse, with digital, creative, technology and health innovation businesses now thriving alongside more traditional sectors, such as financial and professional services. This economic growth, building on the strengths of our existing communities, has helped to attract a younger, more diverse and higher-skilled population.

According to the [2021 State of the City Report](#):

- Our 2020 population was estimated to be 579,400 with 627,000 forecast for 2025. Our population has grown 31% since 2001.
- International immigration is the main driver of population growth; 18% of city's residents were non-British in 2020.
- Total employment for Manchester residents has improved to 273,900 in December 2021 from the pre pandemic level of 262,300 in December 2019.
- Since 2015 there has been a 38% rise in active enterprises, from 17,045 in 2015 to 23,565 in 2021.

Manchester's high-growth sectors in terms of Gross Value Added (GVA) and number of jobs have remained consistent over recent years. These sectors are:

- Business, financial and professional services
- Cultural, creative, and digital
- Wholesale and retail

In addition to these sectors, we know that there are also significant opportunities for growth in science, health innovation and health technology, advanced manufacturing and construction.

At the same time our economy and labour market are underpinned by what we call the foundational economy: the part of the economy that creates and distributes goods and services that are consumed by all, and which can be considered a part of everyday life. These types of roles will continue to make up a significant proportion of the employment opportunities created in the city, and although it is hard to provide an exact figure, we estimate that around half of all jobs are in the foundational economy.

Opportunities

While the changes we have experienced in recent years have not been easy, there are opportunities that we can harness and build upon to create more opportunities for our residents, create more ways to connect our residents to these opportunities, and contribute to tackling some of our greatest challenges.

The digitisation of the economy has created more highly skilled and highly paid opportunities as well as giving our residents the chance to work for companies around the country and globally through remote working. Labour shortages in some sectors have resulted in increasing wages and reduced competition for jobs. Investment in Manchester continues to be strong, both in terms of businesses coming to Manchester and creating jobs here, and in terms of our strong capital investment pipeline, particularly in North Manchester and Wythenshawe. Wider changes to skills policy and the skills system provide an opportunity to shape local delivery of learning and skills to maximise the benefits of this investment.

Ultimately, Manchester remains an attractive city in which to live, work, invest or grow a business.

Challenges

Despite our successes the city still experiences some significant challenges. Manchester is at a critical point, due to the combined challenges of the continued impacts of COVID-19, the UK exiting the European Union, and the uncertainties in our well-established international relationships and trade. While wealth inequality existed pre-COVID-19, the pandemic and related economic conditions have exacerbated the issue, further highlighting communities that are not well connected to the city's success.

- 23.8% of employees living in Manchester were paid less than the Real Living Wage in 2020.
- By the end of 2020, 37% of Universal Credit (UC) claimants were in work but eligible for benefits.
- COVID-19 has caused the out of work claimant count to nearly double compared to March 2020.
- Key groups of residents in unemployment include young people, graduates, older workers, and ethnic minority groups.
- Low-skilled residents are more vulnerable to job losses. Over half of residents with low or no qualifications are unemployed.

Poverty in Manchester is a huge challenge and continues to have a significant impact on the life and outcomes of too many of the city's residents. This challenge is reflected in the number of children living in poverty, with the End Child Poverty Coalition estimating that around 46,700 children (42%) in Manchester were living in poverty at the end of March 2020.

We also face the challenge of a changing climate. In 2019, Manchester City Council declared a climate emergency and the city has set an ambitious target to become zero carbon by 2038 at the latest. The skills of our residents will play a vital role in meeting this goal and therefore we need to ensure that the supply and demand for these skills are increased over time. We must also ensure that the transition to a zero carbon economy happens in a way that is just and fair, and to connect our residents to the opportunities that this transition creates.

Inequality is another major problem. We know that there are inequalities in the learning and employment system for many different people, including communities experiencing racial inequalities, older people, women, and people with disabilities. In responding to this challenge, we must make the best use of available intelligence and data to design and target specific interventions as necessary. We cannot assume that people will automatically be connected to opportunities as they are created.

Impact of COVID-19

Manchester has experienced particularly damaging longer-term economic, social and health effects from national and local lockdowns, which will further damage health and widen inequalities. The city is the sixth most deprived Local Authority area in England and consequently many neighbourhoods and communities were less resilient to the economic shock caused by the pandemic compared to other less deprived areas of the country.

Consequences of the pandemic include:

- strains in public finances, affecting community and environmental conditions
- widening inequalities in attendance and attainment in education and early years
- increasing poverty, debt and income inequality
- rising unemployment and economic inactivity, particularly for residents living in communities experiencing racial inequality, poorer neighbourhoods and those in insecure employment
- deteriorating mental health for all age groups, but particularly for young people
- The pandemic continued the slowing of business births compared to pre-pandemic levels, based on monthly Experian data.

Clinical Impact

Inequalities in infection and mortality from COVID-19 in Manchester have been affected by the following factors:

- **Health conditions** – some existing health conditions significantly increase the risk of dying from COVID-19.
- **Deprivation and inequalities** – the more deprived a local authority is the higher the COVID-19 mortality rate has been during the pandemic.
- **Living conditions** – overcrowded living conditions and poor-quality housing are associated with higher risks of mortality from COVID-19. These housing conditions are more common in deprived areas and are often inhabited by people from lower incomes.
- **Occupation** – there are clear differences in the mortality risk related to occupations. For example, being in a key worker role, unable to work from home and being near others

increases risk. Occupations particularly at risk include security guards, leisure and transport workers and health and social care workers.

- **Communities Experiencing Racial Inequalities (CERI)** - mortality from COVID-19 is much higher among many CERI, especially Black residents, than among White groups. CERI are more likely to be affected by the factors identified here.
- **Cumulative risks** - the risks of mortality from COVID-19 are cumulative – being male, older, from a minority ethnic group, having an underlying health condition, working in a higher risk occupation and living in a deprived area with overcrowding have led to much higher rates of COVID-19.

Economic impact

The scale of the challenge of poverty and unemployment has been further exacerbated in Manchester by the COVID-19 pandemic and its associated lockdowns and restrictions. The claimant count in Manchester, made up of Jobseeker's Allowance (JSA) and unemployed UC, increased 104% between March 2020 to March 2021 (from 17,740 to 36,100) and stood at 24,320 in April 2022. The initial spike in claimants came in the period March-May 2020 and then stabilised. In Manchester, residents under 25 were initially the most severely economically impacted by COVID-19. However, all age groups saw increases, and the 25-49 age group is currently the most impacted. Unemployment increased in wards corresponding to communities experiencing racial inequalities and those that were already employment and income deprived.

Job losses have been greatest in sectors that were most severely impacted by the COVID-19 restrictions and lockdowns including retail, hospitality, accommodation, leisure and tourism and personal care activities. Generally, these are sectors which employ more young people and people from CERI and tend to be lower paid and have a larger number of employees on casual contracts. However, there are now a greater number of jobs in Manchester post-pandemic compared to pre-pandemic, with skills and workforce shortages across the foundational economy.

Overall, poorer residents and residents experiencing racial inequalities were more likely to experience more severe clinical and economic effects of COVID-19.

Strategic and Policy Context

The Our Manchester Strategy 2016 –2025 provides the overall strategic framework for the city and sets the vision for the future of the city that we want to see. As a citywide strategy, the Work and Skills Strategy directly delivers on most of the Our Manchester Strategy themes and priorities:

- **Thriving and Sustainable** – by supporting development and growth of a vibrant and more inclusive economy, and by ensuring that opportunities created in this economy are fair and of good quality.
- **Highly Skilled** – by ensuring there is support for our young people to be work ready and that there are opportunities for all our residents to learn and develop the skills they need to meet their own goals and ambitions.
- **Progressive and Equitable** – by supporting all our residents to thrive from a skills perspective, and by contributing to improved health and wellbeing by addressing some of the most significant social determinants of health.
- **Liveable and zero carbon** – by growing the supply of training opportunities that we need to transition to a zero carbon economy, and by promoting the opportunities this creates for our residents and businesses.
- **Connected** – by growing the supply of training opportunities that enable our residents to access services and employment in an increasingly digitised world.

In addition to its connection to the Our Manchester Strategy, the Work and Skills Strategy directly supports and is supported by other major citywide and regional strategies.

The main strategies supporting the Work and Skills Strategy are:

- **Manchester Digital Strategy 2021-26** – the Digital Strategy will support business growth, employment, skills and training in the digital sector specifically.
- **Manchester Adult Education and Skills Plan 2016-25** – this plan sets out the actions that adult education and training providers will take to make Manchester the best city in the UK for adult education and skills, with delivery of training and qualifications for our adult residents.
- **Greater Manchester Transport Strategy and City Centre Transport Strategy to 2040** – these transport strategies will work to provide the transport connections our residents need to access learning and employment opportunities around the city and wider conurbation.

The main strategies that the Work and Skills Strategy will support are:

- **Manchester Climate Change Framework** – by supporting development of the skills we need to transition to a zero carbon economy.
- **Our Manchester Disability Plan** – by supporting skills and training opportunities for disabled residents.
- **Manchester's Cultural Ambition 2016-26** – by increasing routes into employment in creative industries and supporting the conditions for growth of the creative and cultural sector.
- **Manchester Inclusion Strategy** – by supporting employer-led careers information advice and guidance for young people and contributing to a reduction in Manchester's rate of young people not in education, employment or training (NEET).
- **Manchester Poverty Strategy** – by providing support for people to access employment and better quality employment as a route out of poverty.
- **Manchester Youth Offer** – by providing support for skills and training opportunities for young people, including skills for life.
- **Manchester Adult Education and Skills Plan** – by connecting adult education services with employers and labour market information.
- **Manchester: A Great Place to Grow Older** – by supporting skills and training opportunities for older people.
- **Developing a More Inclusive Economy: Our Manchester Local Industrial Strategy** – supporting development of a more inclusive economy by encouraging growth in good quality and sustainable employment.

Build Back Fairer in Greater Manchester – The Marmot Review

The Marmot report 'Build Back Fairer in Greater Manchester: Health Equity and Dignified Lives' highlights how levels of social, environmental and economic inequalities in society are damaging health and wellbeing. It explores how these inequalities have been exposed and magnified by the COVID-19 pandemic and its impacts. It provides a framework for how Greater Manchester (GM) can 'Build Back Fairer' in the aftermath of the COVID-19 pandemic. The framework calls for health equity to be placed at the heart of governance in GM, including resource allocation, and for all policies in the region to be geared towards achieving greater health equity.

The report states that, to achieve a permanent reduction in health inequalities, GM needs to focus on the social determinants of health. These are factors outside health care that affect health, including:

- income, poverty and debt
- work and unemployment.

The Build Back Fairer report summarises that:

- *Being in good work is usually protective of health while poor quality work, stressful jobs, and unemployment, particularly long-term unemployment, contribute significantly to poor health and low wellbeing and increase the risk of mortality. Manchester needs to ensure all jobs are of good quality as efforts to increase employment are introduced after the pandemic. The labour market situation before the pandemic influenced and impacted the labour market during the pandemic.*
- *The impacts of COVID-19 containment measures have fallen the most on low-paid workers and have had significant health and health inequality impacts.*
- *As Manchester's economic challenges become clearer through 2021, it is important that those most at risk of being employed in poor quality work or of being unemployed are supported the most to protect their health as well as livelihoods. This includes younger people, those on low pay and insecure contracts and some workers from ethnic minority groups. Manchester is seeing positive indicators that the economy is recovering and the Council and partners have promoted groups such as long term unemployed or those with health conditions into sectors with vacancies or labour/skill shortages.*

Evidence Base

In developing this strategy, we have undertaken research and engagement, building an evidence base to identify and support the priorities and outcomes for the city over the next five years. To date, this evidence base has involved four components: our existing strategic context and wider priorities for the city; making use of the data and intelligence that the Council and partners produce; carrying out desktop research looking at emerging thinking on the labour market, learning and employment; and through carrying out open conversations with our partners and stakeholders. The key messages we have learned, which will be enhanced by (and updated following) further consultation on this draft document in March 2022, are summarised below.

Data and Intelligence

Manchester has experienced some improvement in key indicators though still lags averages across England, and success is not evenly distributed spatially or demographically. This strategy will drive better use of data to target interventions and judge progress and success.

COVID-19 has adversely impacted many years of progress and continues to create volatility in the labour market and careers, employability and skills provision. Evidence shows that policy, strategy and activity must be flexible and responsive in tackling COVID-19 impacts. The 2022 'cost of living crisis' is driven by several factors including conflict and the long-term impact of COVID-19. Inflation has risen to its highest level for a generation hitting the most vulnerable households hardest.

Desktop Research

Manchester has a strong base from which to build. Investment pipelines and growth are strong in the city and we need to harness this for all residents. The number of jobs in the city grew between the end of 2019 and 2021, with a robust performance by our key growth sectors. Wider economic trends must be considered, including digitisation, automation and the importance of the foundational economy and gig economy. Labour shortages and unpredictability in the labour market are likely to continue; matching skills with demand through responsive provision is essential.

A particular opportunity for Manchester is with the most innovative parts of our economy, the contribution of our universities and the wider Corridor Manchester, alongside the potential of ID Manchester and our focus on bioscience, technology and digital for future jobs.

Listening and Engagement

Work is important to many, but accessibility is an issue for some. There are lots of complex reasons that make accessing learning or employment difficult, and that the strategy must address through learning, engagement and action. Equality and diversity in access to opportunities is critical.

Partners recognise the value of data and intelligence, though sharing it in a useful way can be problematic. How opportunities are communicated needs to be improved, as the skills system is seen as confusing and hard to navigate by many. There is an opportunity to try new approaches in how we work with data, how we improve connections between learning and work, and how we help residents demonstrate new skills. There is also demand for prioritising core skills.

The Work and Skills Strategy needs to respond directly to issues around accessibility and equalities. This should form a major theme of future work.

Themes

The Work and Skills Strategy is one of the main city-wide strategies that supports the Our Manchester Strategy. The outcomes that the Work and Skills Strategy will achieve directly connect to each of the five Our Manchester Strategy themes, and for this reason we have used the Our Manchester Strategy themes to structure the priorities, outcomes, and indicators that we will use over the life of this strategy.

A Thriving and Sustainable City

“We will work to ensure Manchester has a strong, inclusive and innovative economy with diverse growth sectors, where our residents are recognised for their contribution via fair contracts and are paid at least the Real Living Wage.”

Case Study - Living Wage Pilot

Anchor institutions are those organisations that are tied to a place through physical assets, relationships or history, as well as those that play a key role in a place through being a large employer or purchaser of goods locally. Anchor institutions collectively wield considerable influence in the areas where they are located.

In Manchester we are working with some of our anchor institutions on a pilot project that is aimed at promoting the living wage in Manchester, with the goal of becoming an accredited living wage city. These employers have already committed to paying the living wage to their own workforce and in their own supply chains but are now working to promote the living wage to other employers in their respective sectors. Participating anchors include universities, large private sector companies, as well as SMEs, the NHS, voluntary sector and cultural organisations.

As well as promoting payment of the living wage, the pilot project will promote awareness of the living wage amongst our residents, encouraging them to look out for roles that are paid a living wage and offer fair terms and conditions.

Nurturing a diverse and growing private sector is critical in creating the opportunities that our residents need to work and learn. Manchester benefits from a growing and maturing economy that

means the city is increasingly seen as a leader in sectors that include technology, digital/creative and cyber security. Our young, diverse and increasingly well-educated workforce is a feature of the city's attractiveness for business and investment. This investment creates more highly skilled and more highly paid employment that has helped our economy to grow and strengthen. Growing our population of talented people remains a crucial factor in generating sustainable economic growth. Furthermore, innovative businesses in fields such as bioscience and health technology, in cluster areas such as the Oxford Road Corridor and around our universities, will help drive future growth in new and sustainable industries.

At the same time, the impact of technology in sectors such as retail and hospitality, combined with increasing casualisation of workforces in sectors such as parts of health and social care, means that many of our residents find themselves in employment which is low paid, with irregular hours and insecure contracts. Our work must continue to encourage and incentivise good employment practices through our campaign for the Real Living Wage and social value approach, while developing progression routes for residents to higher level skills and employment opportunities.

The Work and Skills Strategy will contribute to the delivery of the Thriving and Sustainable theme by making sure that Manchester continues to grow an inclusive and innovative economy which creates employment and learning opportunities for all our residents including those further away from the labour market such as people with disabilities. It seeks to ensure that the employment opportunities created are of good quality, enabling more people to benefit from the city's growth, and providing a basis from which to drive improved living standards, better health and wellbeing, and reduced inequality. We recognise the importance of the foundational economy both as a major source of employment and as a sector that underpins the wider economy. While the foundational economy has experienced some positive change over the course of the pandemic, with upwards pressure on wages and wider conversations about conditions, we need to continue to work to connect employers in these sectors to our wider aspirations on pay and good employment.

The strategy will also seek to maximise the opportunities generated for our residents through the significant investment into our city, as well as strengthening the pathways into those opportunities. This is particularly relevant for communities in North Manchester, given the Council's partnership with Far East Consortium (FEC) to deliver 15,000 homes and for communities in Wythenshawe, given the scale of investment in the Airport and Airport Enterprise Zone. As the city centre will remain the major driver of growth in Manchester and will continue to account for most jobs created and sustained, we must continue to focus on connecting Manchester residents across the city to these opportunities.

Finally, the priorities in this theme are important in helping us to meet our wider ambitions for the city, particularly our commitments to reducing poverty and inequality. The priorities under this theme also contribute to the delivery of recommendations in *Building Back Fairer in Greater Manchester*, specifically in increasing quality of employment.

Our priorities to create a thriving and sustainable city are to:

1. Develop and grow Manchester's business support ecosystem and promote awareness of the city's business support offer to our business community to enable them to innovate and grow.
2. Influence Manchester's business support ecosystem to support sustainable self-employment and business start-up, as well as promoting sustainable models of ownership including co-operatives and social enterprises.
3. Encourage and support employers to offer good quality employment, including secure contracts, predictable hours, pay at least the Real Living Wage.

4. Work with our partners to develop and deliver specific labour market interventions to connect residents to more highly paid opportunities in growth sectors.
5. Ensure the maximum possible skills and employment benefit from the city's capital and inward investment pipeline.
6. Maximise the skills and employment benefit from place based public and private investment and regeneration in North Manchester, Wythenshawe and other major capital projects, especially in the city centre.

The outcomes we expect to achieve by meeting these priorities are:

- To become an accredited living wage city.
- To increase the proportion of Manchester residents who are paid a Real Living Wage.
- To increase the number of active enterprises operating in the city.
- To increase the employment base in the city.
- To increase the proportion of Manchester residents working in growth sectors.

We will use the following indicators to track progress against this theme:

- The number of Manchester residents being paid a Real Living Wage (*Office of National Statistics, Annual Survey of Hours and Earnings, Annual*)
- The change in and number of active enterprises (*Office of National Statistics, Business Counts Data, Annual*)
- The number of opportunities created through the Council's capital projects pipeline (*Manchester City Council (MCC)*)
- The number of Manchester businesses signed up to the GM Good Employment Charter (*Greater Manchester Combined Authority (GMCA)*)

A Highly Skilled City

"We will ensure that all of Manchester's young people have access to good quality education, and we will support them to be work ready"

"We will continue to support all our residents to learn, progress, upskill and retrain so they can access the city's current and future employment opportunities."

Case Study – Digital Skills Bootcamps

The UK Government is investing £2.5 billion in the National Skills Fund as part of its Plan for Jobs, and has funded a wide variety of Skills Bootcamps which offer adults aged 19 and over the opportunity to build up sector specific skills and to fast-track to an interview with a local employer.

Manchester City Council's Work and Skills Team works in partnership with the Greater Manchester Combined Authority to support eleven digital bootcamp providers to deliver high quality training that directly connects with employers in a high growth, highly skilled and highly paid sector.

By making these sessions accessible and affordable, bootcamp attendance has been far more diverse than is common in the wider sector, with broadly even numbers of men and women participating, and over half of participants experiencing racial inequalities. Of people moving into employment, 78% were previously unemployed and 48% moved into roles starting on at least £25k per year.

MCC continues to work with GMCA and Government to shape future inclusive bootcamp provision in the city beyond digital. In future years, bootcamps can be extended and support employment pathways into sectors with growth and shortages such as construction, green skills and logistics.

Making sure that our residents of all ages have the careers advice, skills and qualifications they need to thrive in the labour market is central to improving living standards in Manchester. We know that the level of skills and qualifications needed to gain employment has been rising and that at the same time many of the jobs created in Manchester's growth sectors also require these higher-level skills. This means that, to capture the benefits of the city's growth, we need to make sure that we connect our residents who are entering work for the first time, changing career or becoming economically active, to these opportunities, and provide a pathway to employment that is easy to navigate.

People have told us that learning and gaining new skills is important to our residents even when this is not directly related to finding employment. For some people, this type of learning can help them improve the quality of their lives by making it easier to access services, improve their health and wellbeing, or better connect with and help in their community. Employers also tell us that they value core skills: those skills such as communication and teamwork that are fundamental to their business but for which there is not a formal qualification route.

We also know that it is of critical importance to make sure that our children and young people are connected to the opportunities that living in Manchester presents. For many young people growing up in the city, there is a disconnect between their experience and that of people who have moved to Manchester. It is important that they know that the opportunities to learn and work in Manchester are for them, and that we make sure that there are clear routes for them to take advantage of these opportunities.

The city's education system includes good quality schools, colleges, independent training providers, universities and adult education institutions, with significant investment made in our Further Education and university facilities, creating world class learning environments. To make sure that our skills and training system is fit for purpose, we need to make it more responsive to the changing needs of employers and the wider labour market in both the short term, to combat instability creating skills shortages (such as hospitality in 2022), and in the medium to longer term, to prevent crisis in other sectors (such as health and social care). This may require new qualifications and learning pathways, including maximising the impact of T Levels and strengthening all technical and vocational solutions to meet the gaps in the labour market at Level 4 and 5.

Employer involvement in the development of learning, and more employer led training, including apprenticeships, is essential. This has been seen with the success of digital bootcamps that have provided a clear pathway into work based around industry needs. We need to continue to forge a stronger link between learning and work scaling up successes such as Enterprise Advisor work and co-design of the Further Education curriculum, ensuring that delivery of training and qualifications by providers is more frequently and routinely linked to vacancies and employment. This will enable Manchester's economy to be more responsive to the demand from employers, especially across our growth sectors.

Investment in world class education facilities and system is vital to the city becoming the best UK city for adult education by 2025, as set out in the Manchester Adult Education and Skills Plan. There has been significant investment in schools, colleges and university facilities in the city. However, this investment has not been across the board and there is a need to invest in the city's adult education facilities and to increase capacity in the post-16 sector to meet the demand of the rising population growth that has come through the city's school system and is reaching the post-16 system over the next 5 years.

The Work and Skills Strategy will contribute to the delivery of the *Highly Skilled* theme by making sure there are good quality learning and training opportunities for all our residents and particularly our young people.

Our priorities to create a highly skilled city are to:

1. Ensure 16 and 17 year olds are able and supported to access and participate in quality provision in education, employment or training, and that the offer is effectively communicated and expands to meet the needs of a growing population of this age group offering choice and opportunity.
2. Retain and attract more highly skilled graduates in the city and increase the number of Manchester young people accessing advanced and higher-level skills provision, including apprenticeships, T Levels and Higher Education.
3. Create opportunities for people to learn and demonstrate core skills and entrepreneurship.
4. Strengthen the link between Manchester universities, post-16 colleges, training providers, adult education and employers, to drive inward investment and raise competitiveness at national and international level.
5. Ensure that good quality careers education, information advice and guidance, supported by labour market intelligence, is well communicated and available to all Manchester residents, and supports them to learn about and attain higher skilled/higher paid employment opportunities, particularly those within the foundational economy, to benefit from in-work progression.
6. Work with employers to create more in work training and progression opportunities (placements, apprenticeships, internships)
7. Work with education and training providers to ensure training meets the demands of the labour market, is of good quality, and can respond to changes in the economy and growth sectors.
8. Influence the development and delivery of the GM Local Skills Improvement Plan to ensure the best outcomes for Manchester residents.
9. Widen access to learning across Manchester's communities by increasing the availability of learning opportunities (e.g. bootcamps) that fall outside of traditional settings and engagement methods.
10. Extend the reach of adult education in the city into our most disadvantaged communities particularly those experiencing health inequalities, ensuring that there is a good quality offer in improved learning environments.
11. Maximise the impact of available government funding (including the Levelling Up Fund and Shared Prosperity Fund) on employment and skills outcomes in Manchester, with a focus in areas of the city with the highest needs.

The outcomes we expect to achieve by meeting these priorities are:

- More Manchester residents moving into highly paid and highly skilled careers.
- Improved quality of careers education, information, advice and guidance.
- Greater range of choice in learning and qualification routes and sufficiency of provision for the growth in the number of young people reaching the post-16 sector.
- Reduced number of people with no or low qualifications and increase the number of people with higher level qualifications.
- Fewer businesses citing skills needs as a barrier to growth.
- Reduced not in education, employment or training (NEET) rate.
- Increased graduate retention.
- Increased take up of technical and vocational education.
- Continued investment in education facilities in the city to ensure that all learners have access to high quality 21st century learning environments.

We will use the following indicators to track progress against this theme:

- The percentage of 16-17 year olds who are NEET or Unknown (*Monthly*)
- The percentage of the resident working age population (aged 16 to 64) with no qualifications (*Annual*)
- The percentage of the resident working age population (aged 16 to 64) with level 2 qualifications (*Annual*)
- The percentage of working age residents with qualifications at level 4+
- Number of young people in the state sector who reach Level 3 qualification
- Apprenticeships starts & Apprenticeship achievements
- The number of schools achieving the Gatsby Benchmarks
- The graduate retention rate (*Higher Education Statistics Agency (HESA) Graduate Outcomes Survey, Annual*)

A Progressive and Equitable City

“We will strive to create a truly equal and inclusive city, where everyone can thrive at all stages of their life, and quickly and easily reach support to get back on track when needed.”

“We will improve physical and mental health outcomes and ensure good access to integrated health and care services across the city.”

Case Study - The Factory

Manchester is home to The Factory, a new venue for creativity and the arts, in the heart of the city. The Factory will present bold new work by the world’s most exciting artists, and will be home to The Factory Academy, which helps people from all backgrounds to start new careers in the creative industries.

Working in partnership with cultural organisations across the city, The Factory Academy is a skills and training programme that offers a variety of training opportunities including paid internships, training academies and work experience programmes. Its aim is to help build the next generation of technicians, producers and other creative talent that will bring the future alive, creating a highly skilled city via opportunities for all.

“The access and the resources that The Factory Academy gives, to be able to apply for these jobs, is just so important. There was nothing else that I had on my resume that could even get me close to a job like this.” Broadcast and Film Production Academy Trainee

One of our biggest challenges is to tackle some of the deep inequalities that exist in our city. While Manchester was already a place that experienced deep inequality, with significant differences across the city in income, employment, health and wellbeing outcomes, the COVID-19 pandemic has served to make these disparities even more pronounced.

To tackle these inequalities, we need to be more focused in identifying exactly where they exist and understanding who is affected so we can better target interventions accordingly. We must also make sure that we do not generalise the people and communities affected, but use language that accurately describes who they are, and understand why an inequality exists.

We know that health and wellbeing outcomes in Manchester are significantly below national averages, and that there is a large disparity between our healthiest and least healthy residents. In his report *Building Back Fairer in Greater Manchester*, Professor Sir Michael Marmot made several recommendations for improving health outcomes in Manchester. The report recognises the importance of employment and employers in improving health outcomes, and the Work and Skills

Strategy will directly contribute to further integrating work and health systems by improving health and employment outcomes, particularly through quality employment.

The priorities set out to achieve the *Progressive and Equitable* theme include enhanced use of data and intelligence and better designed services for residents experiencing inequalities for example people with disabilities and those with severe mental illness.

In tackling these issues, we need to make sure that, as partners, we use our collective influence to create learning and work opportunities for all Manchester residents equally. We also need to take advantage of the significant investment in Manchester, harnessing this and making sure that it benefits the people who call the city home. We can do this by using our statutory powers and influence to maximise the social value generated by investment in the city.

The Work and Skills Strategy will contribute to the delivery of the *Progressive and Equitable* theme by making sure that opportunities are of good quality and are available to all.

Our priorities to create a progressive and equitable city are to:

1. Use data and intelligence to identify residents most in need of learning and employment support, and design and target interventions accordingly.
2. Work with employers to understand barriers to recruitment and ensure careers, skills and employment services respond to employer's needs.
3. Proactively work to reduce and remove the barriers (such as managing health conditions) that some people and communities face when accessing learning and employment.
4. Contribute to the implementation of the recommendations set out in *Building Back Fairer for Greater Manchester* to better integrate the Work and Skills and health systems to improve work and health inequalities experienced by residents.
5. Work with employers to adopt and promote simplified and flexible local recruitment and working practices that make employment accessible to more of our residents.
6. Promote routes for residents and employers to access finance to pay for training and qualifications where lack of funding is a barrier to participation including Lifelong Learning Fund and Apprenticeship Levy.
7. Use social value to connect learning and employment opportunities, created through supply chains and investment in Manchester, to the people and communities who will benefit most, particularly those experiencing inequalities.
8. Work collectively to make sure more employers consider social value in their own employment and procurement practices.
9. Work with employers and partners to ensure that local delivery of regional and national labour market interventions (such as work and health programmes) responds to local priorities.

The outcomes we expect to achieve by meeting these priorities are:

- Improved health and wellbeing of residents.
- Reduced inequalities in the access to skills and employment opportunities for CERI
- Increased volume of learning and employment opportunities through social value.
- Reduced number of working age residents dependent on out of work benefits.
- Reduction in residents claiming Universal Credit in-work benefits.
- Increase the number of people with a disability in employment

We will use the following indicators to track progress against this theme:

- Health related out of work benefit claimants (economically inactive due to long term sickness) as a percentage of the working age population (*ONS, Quarterly*)
- Number of residents claiming UC and JSA out of work benefits (*ONS, Quarterly*)
- The number of residents claiming Universal Credit in work benefit (*Office for National Statistics (ONS), Quarterly*)
- The proportion of residents with a disability in paid employment (*Annual Measure 1E Adult Social Care Outcomes Framework*)

A Liveable and Zero Carbon City

“We will achieve our zero carbon ambition by 2038 at the latest via green growth, sustainable design, low carbon energy, retrofitting buildings, green infrastructure, and increasing climate resilience.”

Case Study - One Manchester

One Manchester has been awarded community renewal funding to deliver an innovative project that will create 125 supported green jobs in sustainability, retrofit, construction, environmental management, recycling and reuse, renewable energy, and electric vehicles, focused on North Manchester.

This project provides an opportunity for employers in Manchester to create and test new job roles relevant to the green economy. Businesses will develop new role descriptions to be considered for funding, and recruitment will be targeted to Manchester residents who are unemployed and who face barriers to employment. These new jobs will be funded for up to six months and will be paid a Real Living Wage.

Individuals recruited to these roles will benefit from a Green Employment Coach who can provide employment support, coaching, and referral into further training offers. All employees will also receive carbon literacy training.

A Green Employment and Skills Partnership will bring together a group of Manchester based social enterprises, offering employment and skills development in relation to green jobs, creating a vehicle to support collaboration, innovation and growth. Programmes delivering and driving green skill provision and employment will be encouraged and supported across the city to boost our efforts to meet our zero carbon ambitions.

Manchester has an ambitious target to become zero carbon by 2038, twelve years ahead of the UK Government's target of 2050. Manchester City Council's Climate Change Action Plan 2020-25 sits alongside a citywide Manchester Climate Change Framework produced by Manchester Climate Change Partnership. The Framework sets out what Manchester collectively needs to do to 'play its full part in limiting the effects of climate change', whereas the Climate Change Action Plan will be delivered by the Council.

The Climate Change Framework includes two actions relevant to the Work and Skills Strategy:

1. Embed climate change throughout the city's education and training system to help Manchester become a Carbon Literate city.
2. As we invest in infrastructure to become a zero carbon city, we need a proportionate investment in the skills sector to ensure that our education and training providers can respond. In particular, we need to develop the green skills the city needs to deliver the projects and programmes planned for 2020-25 and to prepare for further initiatives from 2026.

The Our Manchester Local Industrial Strategy *Developing a More Inclusive Economy* recognises that the city's economic success must be built on clean growth, green innovation, and the development of green skills. It sets out the city's commitment to create good green jobs. Manchester will be required to focus on buildings and transport and needs to capitalise on those sectors that will drive our net zero ambition including Construction in terms of retrofitting existing housing stock, and transport infrastructure and engineering sector which will focus on the technical roles that will support the transition to vehicle electrification.

The Our Manchester Local Industrial Strategy also recognises the need to support socially responsible businesses to thrive, to secure investment for zero carbon and climate resilient infrastructure, and to establish the products, services and business models such as circular economy principles, that support our transition to zero carbon.

Making sure that the city's workforce has the necessary skills to make this transition, in a way which is fair and equitable, is crucial to helping us meet this goal. The Work and Skills Strategy will play a role in the delivery of this element of the Manchester Climate Change Framework and ensure that we have a work and skills system in Manchester that supports the city to meet its 2038 zero carbon target.

Work is underway on the development of a zero carbon skills framework to understand the skill needs and level for each sector. These include:

- **Retrofitting buildings** – requiring construction related skills and technological advancements.
- **Low carbon heating** – understanding the skills needed to meet increasing demand for the design, specification, installation, and ongoing maintenance of heat pumps.
- **Low carbon transport** – skill requirements in the ongoing maintenance of electric vehicles.
- **Consultancies and financial services** – requiring the highly skilled to ensure service sector organisations can respond to emerging opportunities.

We know that one of the main barriers to delivering the right training and qualifications at scale is a lack of demand for training from employers and residents. Using the example of housing, we know that to drastically cut carbon emissions in Manchester we must make our housing stock much more energy efficient, and that to do this at scale will require a large volume of skills and expertise. However, without significant incentives or regulatory change, we must look at other ways to create demand using the assets and levers that we have available to us.

This will require close work with partners and stakeholders who have the means to drive demand, connecting them with training providers, and marketing the opportunities created to Manchester residents and businesses.

A detailed Green Skills Plan will outline how the city can play its part to transition towards a low carbon economy at the local level. Building on the GMCA Skills Intelligence – Green Economy Study (Feb 2022) We will work with and ensure skills development is co-developed with employers and training organisations to support the opportunities that will be derived. More emphasis will be placed on Carbon Literacy ensuring this is embedded into skills development programmes.

It is crucial that high quality Labour Market Intelligence about green jobs is made available for schools and colleges to ensure careers, information advice and guidance advisers and teachers understand the high growth opportunities within the key green sectors including construction, engineering, transport, research and development alongside technical advancements to ensure young people have a better understanding about jobs in the future. The upcoming refresh of the Manchester's Climate Change Framework will re-emphasise the urgent need for rapid scaled-up action to across the board to deliver a 50% reduction in CO2 emissions as soon as possible. In

focussing on creating a highly skilled zero carbon workforce the Council will look to engage partners in the delivery of a Green Skills Action plan.

Our priorities to create a liveable and zero carbon city are to:

1. Use our collective influence and spending power to create demand for green skills such as in retrofit and construction, maintenance of green infrastructure, green energy and biodiversity, building on the Combined Authority's Green Economy Skills Deep Dive.
2. Support and enhance ongoing carbon literacy and communications with businesses, schools, colleges and other learning and training providers by working with GMCA and commissioners to embed Carbon Literacy into new and existing programmes
3. Use research and intelligence to ensure that information about future job opportunities in the zero carbon economy is included in labour market information and guidance that is shared with schools, colleges, and other learning and training providers.
4. Develop and deliver a green skills action plan for the city that will ensure businesses and residents are supported with the skills needed to deliver the zero carbon agenda.
5. Work with training providers and employers to plan for and build capacity for identified future skills needs.

The outcomes we expect to achieve by meeting these priorities are:

- Increased carbon literacy amongst Manchester's young people, residents and businesses.
- Increased volume of learning and training to support transition to a zero carbon economy.
- Reduced carbon emissions.
- Increased commissioned provision of green skills training in Manchester that will
 - Support existing workforces to diversify and upskill for jobs in the green economy specifically retrofit and mechanical electrical engineers for electric vehicles.
 - Establish new routes and pathways particularly in technical education and Higher Education so that future workforces have the skills needed for the growth in the green economy.

Fewer indicators are available for this theme than the others, and data relating to green skills is not routinely collated and published by statistical agencies at a frequency that allows us to track progress. Historically, we have commissioned bespoke research work to gather this information at a local level. For Example, the ONS produces two different estimates of green jobs and they indicate that the term 'green job' has no one particular meaning. This is a complex area and ONS highlights the challenges of obtaining data under the various definitions. We will continue to work with colleagues at GMCA, Manchester Climate Change Agency (MCCA) and others to develop new sources of information and intelligence, and explore use of proxy indicators.

We will use the following indicators to track progress against this theme:

- The number of people who have completed carbon literacy training in Manchester (*MCC*)
- Spend in GM on commissioned green skills provision (*MCC, bespoke, Adult Education Budget, Community Renewal Fund*)
- *Current numbers of green economy jobs advertised by sectors/types of jobs (Labour Insight: Burning Glass)*
- *Number of Businesses supported to Transition into Net Zero (Business Growth Hub)*

A Connected City

"We will become a digitally inclusive city, with better digital infrastructure, access to digital technology and strong digital skills."

Case Study – Digital Inclusion

Digital exclusion exists where a person lacks one or more of the following: skills, access to the internet, confidence to use the internet, or motivation to use the internet. In 2019, an estimated 27,000 adults in Manchester were digitally excluded, though we suspect the number is much higher.

The City Council needed to support community organisations to help more residents be confident regular online users. There are already many organisations supporting digital, including libraries, Manchester Adult Education Service, Citizens Advice, housing associations and local community organisations. The Council's Work and Skills Team and Libraries Team set up a Digital Inclusion Working Group to develop approaches to increasing the number of residents who are online.

The working group identified motivation as being a challenging barrier to residents engaging with digital, and commissioned work to promote positive stories of how 'being digital' has enhanced the lives of individual residents. The group also identified lack of internet access at home as a barrier to being a confident online user.

Members of the Digital Inclusion Working Group have come together to resource a digital support service managed by libraries. Support has been given on things such as how to turn on a device, making video calls, doing online supermarket shopping, and accessing health information. This Our Manchester approach has proved effective in positively tackling the digital divide in Manchester to develop a Connected City.

The role of digital skills has become ever more important in almost all jobs and in most sectors. Entry level digital skills are required for jobs that traditionally may not have required any use of technology at all, while those roles that require advanced digital skills are some of the most highly skilled and highly paid roles available in the city today.

As well as being an important skillset to gain employment, digital skills are also increasingly important in navigating day-to-day life, such as accessing online services from the Council or a bank, ordering prescriptions online, or booking a session at one of our leisure centres. Digital skills are also becoming more important in the process of finding and applying for learning and employment opportunities, with the wide range of online services now available acting as both a useful tool but also a barrier for some of our residents.

To support the city's digital growth ambitions, we will work with a range of digital businesses and organisations for example the Digital Security Hub (DiSH) which is a new initiative to help drive innovation and growth in Greater Manchester and the wider UK's digital and cyber security sectors, with an aim to support 500 start-ups and create over 1,000 jobs in Greater Manchester.

In 2021 Manchester adopted a new Digital Strategy which sets the vision for Manchester's digital future. One of the Digital Strategy's four themes is *Smart People*, which aims to:

- Ensure that Manchester residents of all ages can gain and sustain the skills, aspirations and confidence to fully participate in the digital world.
- Aid mainstream education in building its capacity to ensure all young people are equipped with the skills to take advantage of the opportunities that the growing and diverse digital sector in the city presents.
- Create new routes into higher level, high value jobs and entrepreneurship.
- Ensure that digital businesses have access to the talent and skills needed, to provide the basis for Manchester to become an inclusive, diverse, successful and ethical smart city.

These four themes recognise the welcome progress but relatively slow pace of change in diversifying the technical workforce in the digital sector and continued recruitment difficulties for Developers

and DevOps (Development of Technical Operations) roles (as evidenced by Manchester Digital's 2022 Skills Audit).

The Digital Strategy will be supported by a delivery plan, which will be overseen through a Digital Strategy Governance Board.

Transport is also a key issue for residents accessing learning and employment opportunities. We know that lack of good quality public transport and the cost of transport can be a barrier for many, particularly in the north of the city. The Greater Manchester Transport Strategy and Manchester City Centre Transport Strategy provide the overall framework for transport in the city and city region, and both recognise the importance of connecting residents to opportunities. Re-regulation of the bus network provides an important opportunity to influence future bus networks to make them work better in connecting people to learning and work. Therefore, while improving access to transport is beyond the scope of the Work and Skills Strategy, it will be important to influence transport policy from a skills and affordable access to jobs perspective.

Given the strong strategic framework established by the Digital Strategy, the role of the Work and Skills Strategy in the *Connected City* theme is to support and enhance delivery of the Digital Strategy.

Our priorities to create a connected city are to:

1. Work closely with partners delivering the Manchester Digital Strategy, and the Digital Inclusion Team, to ensure that residents have access to the devices and networks they need to get online.
2. Connect Manchester's VCSE organisations and Work Clubs to the Digital Strategy and Digital Inclusion Teams to improve digital skills amongst priority groups.
3. Ensure that basic digital skills support is provided as standard by services providing employment and skills support.
4. Ensure that residents have the digital skills they need, to access employment opportunities, especially highly skilled opportunities that meet the needs of the city's digital sector.
5. Support the city's growing digital sector to develop recruitment and training pathways for all residents to benefit from these opportunities.
6. Influence transport policy in Manchester and use the opportunity of the re-regulation of bus services in Greater Manchester, to ensure that residents are connected to opportunities through public transport and good quality active travel options.

The outcomes we expect to achieve by meeting these priorities are:

- More residents have access to the devices and networks that they need to get online.
- More residents have the confidence to use digital skills to find and access learning and employment opportunities.
- More residents accessing learning to enhance digital skills at all levels, from wherever they are and using a device which suits them.

Increased use of public transport and good quality active travel options monitored through TfGM modal transport data, ensuring travel meets the needs of key employment sites. We will use the following indicators to track progress against this theme:

- Manchester Digital Device Scheme and Skills Support Data (*MCC, Monthly*)
- Digital Exclusion Index (*MCC*)
- Reduction in digital businesses unable to fill their vacancies (*Manchester Digital Skills Audit*)
- Increase in diversity of digital business technical workforce - gender and ethnicity (*Manchester Digital Skills Audit*)

Delivering the Work and Skills Strategy

Governance

Delivery of the Manchester Work and Skills Strategy will be overseen by the Work and Skills Board. The Work and Skills Board is made up of strategic partners who are responsible for learning and work outcomes in Manchester, with the expertise and influence necessary to ensure that the strategy is a success. The Work and Skills Board will review progress against the agreed priorities, outcomes and indicators on a periodic basis, taking action to celebrate success, remove barriers and solve issues or problems.

At a more strategic level, the Work and Skills Strategy will be monitored through its connection to the Our Manchester Strategy, and through reporting by exception to the Our Manchester Forum and Our Manchester Investment Board.

Once the Strategy has been adopted, the Work and Skills Board, working with Council officers, will develop a delivery plan to implement the identified priorities. The delivery plan will be reviewed annually to ensure that it remains responsive to changing labour market and wider economic circumstances.

Our priorities in delivering and governing the strategy include:

- Creation of an annual delivery plan that sets actions and milestones for delivery of the strategy.
- Creation of an index of the indicators identified in this strategy, to track progress and act accordingly.
- Maintain a productive partnership of stakeholders.
- Working to align Work and Skills Strategy priorities to emerging funding opportunities created by central government and other funding agencies.

Partnerships and Communication

As a citywide strategy, successful delivery of the Work and Skills Strategy will rely on partners and stakeholders working collaboratively to achieve our shared priorities.

The Council's Work and Skills Team will lead on managing this network of relationships and providing opportunities for partners to connect, share best practice and remove barriers.

A communications campaign will also be developed, alongside the delivery plan, to ensure that key messages and opportunities are communicated to residents in the city including those who could benefit the most. It will also focus on providing clarity to businesses seeking to recruit talent, engage with the skills system and/or upskill their own employees.

Indicators Baseline

The baseline data for indicators included in this strategy are set out below:

Priorities	Indicator	2018	2019	2020	2021
Thriving and Sustainable City	The number of Manchester residents being paid a Real Living Wage	72.4%	78.2%	77.0%	76.9%
	The change in and number of active enterprises	23,845	22,630	22,850	23,565

	The number of opportunities created through the City Council's capital projects pipeline			2,251	2,303
	The number of Greater Manchester businesses signed up to (members) the GM Good Employment Charter				49
Highly Skilled City	The percentage of 16-17 year olds who are NEET or Unknown	928	860	981	771
	The percentage of the resident working age population (aged 16 to 64) with zero qualifications	10.5%	10.7%	7.4%	10.3%
	The percentage of the resident working age population (aged 16 to 64) with level 2 qualifications	72.6%	72.0%	74.6%	71.4%
	The percentage of working age residents with qualifications at level 4+	44.0%	43.4%	48.0%	44.7%
	Number of young people in the state sector who reached Level 3 qualification	26,975	24,365	23,395	25,740
	Apprenticeships starts (by academic year - e.g. 2021 is 2020/21 academic year)	N/A	3691	2839	2902
	Apprenticeship achievements	N/A	1420	1201	1337
	The number of schools achieving the Gatsby Benchmarks	N/A	N/A	N/A	40
	The graduate retention rate	N/A	12%	N/A	N/A
Progressive and Equitable City	Health related out of work benefit claimants (Economically Inactive due to long term sickness) as a percentage of the working age population	6.13%	6.53%	5.36%	5.00%
	Number of residents claiming UC and JSA out of work benefits	14,005	16,325	34,335	25,960
	The number of residents claiming Universal Credit in work benefit	10,022	12,852	28,989	29,400
	The proportion of residents with a disability in paid employment	1.9%	1.1%	1.1%	1.2%
Liveable and Zero Carbon City	The number of MCC staff and elected members who have completed carbon literacy training	N/A	N/A	N/A	1,333
	Spend in GM on commissioned green skills provision	N/A	N/A	N/A	£337,983
	Number of businesses supported to transition into Net Zero		93		
	No. of Green Jobs advertised in Greater Manchester	N/A	N/A	N/A	£7,305
Connected City	Manchester Digital Device Scheme and Skills Support	N/A	N/A	N/A	1,322
	Percentage of digital businesses unable to fill their vacancies	29%	25%	18%	54%
	Percentage of females in digital business technical workforce	20%	16%	18%	24%
	Percentage of CERl in business technical workforce	15%	19%	11%	21%
	Digital Exclusion Index (increased levels of inclusion)	N/A	N/A	N/A	N/A

Appendix B – List of Consultees

This lists organisations who responded to engagement work, the list of organisations contacted is slightly longer.

During either/both phase 1 and 2 we engaged with individuals from the following organisations / boards / groups
3dgbire
4CT
50+ Employment and Skills Support Group
Ada National College for Digital Skills
Age Friendly Manchester Older People's Board
Arup
Back on Track
BAM
Barlow Moor Community Association
Barlow Moor Work Club
Bassajamba CIC
Breakthrough UK
Bruntwood
Business 2 Business
Business Growth Hub
Business Leadership Council
BuzzStart Academy
BW3
Carcenet Press
Career Connect
CBRE / Manchester Arndale
Central Employment and Skills Group
Challenging Hate Forum
Children and Young People's Board
Citizens UK
City Co Board
City Football
City Plumbing
Clarion Housing
Community Arts Northwest
Community Safety Partnership
Contact
Corridor Board
Creative & Cultural Skills
Crosslee Community Primary School
Cultural Leaders Group
Decordia Events
Digital Skills Network
DryWave Events CIC
DWF Law
DWP

Education and Leadership Trust
eLearning Plus
Elizabeth Gaskell's House
Employment Partnership
Faithful and Gould
Far East Consortium
Finding Nyah
First Asian Support Trust (FAST)
Foodsync
Freshrb CIC
Frog and Bucket Comedy Club
Gaydio
GM Chamber of Commerce
GM Coalition of Disabled People
GM Police
GMCA
Gorton Community Women's Art Group
Graduates for Greater Manchester Steering Group
Greater Manchester Learning Provider Network
Groundwork
hÅb arts
Health & Wellbeing Board
Hellermann Tyton Ltd
Hive Projects / Aspire
HOME
Ingeus
Jacobs
Jigsaw Homes Group
Jisc
King David High School
Laing O'Rourke
Lendlease
Loreto College
LTE Group
MACC
Madlab
Manchester Cathedral
Manchester Central
Manchester City Council
Manchester Climate Change Agency
Manchester Climate Change Board
Manchester Construction Skills Network
Manchester Craft & Design Centre
Manchester Deaf Centre
Manchester Digital
Manchester Food Board
Manchester Health and Care Commissioning

Manchester Hospital School
Manchester Housing Providers Partnership
Manchester International Festival / The Factory Academy
Manchester Local Care Organisation
Manchester Metropolitan University
Manchester Museum
Manchester Schools Alliance
Manchester Strategic Housing Partnership
Manchester University NHS Foundation Trust
Manchester Women's Aid
Manchester Youth Council
Manchester Youth Zone
MCC Equality Networks
Mosscafe St Vincents
Motiv8 Southway
MSV Housing
M U Foundation
Mustard Tree
National Football Museum
NEET Partners Group
New Bridge Group
Newall Green Primary School
NHS
Noisy Cricket CIC
North Employment and Skills Group
North Manchester Community Partnership
Northmoor Community Partnership Work Club Participants
Ollie and Fred
One Manchester
Our Futures
Our Manchester Forum
Our Manchester Investment Board
People's History Museum
Procure Plus
Pure Innovations
Reclaim
Reform Radio CIC
Refugees and Mentors
Resource Solutions
Revolution Youth / The Message Trust
RNCM
Royal Exchange Theatre
S I Sealy
Science and Industry Museum
Seetec Pluss
SENDCode CIC
SIBBALD Consultancy

Skills Builder Partnership
Skills Shop (Trafford College Group)
SMASHING Network
South Manchester Enterprise Network
Southway Housing
Spirit of Manchester
St. Matthew's RC High, Moston
STEM Ambassador Hub Transpennine
Strategic Education Partnership
The Growth Company
The Guinness Partnership
The Job Gym (Mantra Learning)
The Manchester College
The Prince's Trust
The Training Brokers
Tree of Life Centre
Trowers & Hamlins
U and I PLC
Ubuntu HR Ltd
University of Manchester
University of Salford
VCSE Assembly
Venture Arts
Vinci
Volition
Volunteer Centre Manchester
Wai Yin
White Rose Beauty Colleges
Work & Skills Board
Work Club Providers Focus Group
Wythenshawe Community Housing Group
Yes Manchester CIO
Young Manchester
Youth Employment Group
Z-arts

Manchester City Council Report for Information

Report to: Executive – 29 June 2022

Subject: LTE Group - Estates Strategy Delivery Update

Report of: Deputy Chief Executive & City Treasurer
Chief Executive, LTE Group

Summary

This report sets out progress to date against the LTE Group estates strategy programme to create new facilities for the Manchester college and align the location of facilities to the future needs of the city. It sets out the next steps on disposals to support the strategy with a specific update on The Fielden Campus.

Recommendations

Executive is asked to note the contents of this report and the progress to date in relation to the delivery of the LTE estates strategy in relation to the previous Executive report on 17 February 2021.

Wards Affected: All

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

In July 2019, Manchester City Council (MCC) declared a climate emergency, committing to become net zero carbon by 2038. To achieve this, emissions must be reduced by 13% every year between now and the deadline. The commitment includes the requirement for all new buildings to be zero carbon by 2028. To support the Council in achieving their target and in line with the Low Energy and Carbon Agenda, the development of the Manchester College City Centre Campus has incorporated a number design features to reduce carbon emissions. These include:

- Application of BREEAM standards to achieve an 'Excellent' rating;
- Achieving an EPC rating of A;
- Achieving a minimum 10% carbon reduction, in line with the MCC Core Strategy;
- Reducing operational costs through sustainable design;
- A design which is responsive to a wide range of occupancy patterns, including the split between FE and HE provision and the impact this has on the operation of the buildings systems;
- Providing comfortable internal conditions year-round; and
- Providing high quality internal environment from a daylighting and artificial lighting perspective.

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

Through the development of the Estates Strategy, the LTE Group have carefully considered the type of provision required to ensure that this meets the needs of all learners.

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	The LTE Group makes an important economic contribution to the city not only as an employer but in helping to underpin the skills needs of a wide range of key sectors in the city. It is the largest provider of 16-19 technical education and one of the largest providers of adult education in Manchester/ GM, with more than 25% of Greater Manchester's learning provision undertaken by the College. The LTE group also provides HE through its UCEN offer
A highly skilled city: world class and home grown talent sustaining the city's economic success	The LTE Group and Manchester College supports significant numbers of students in Manchester to be equipped with the right skills to be employed within the Greater Manchester economy.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	The LTE Group and Manchester College is committed to working with all communities within the city actively and energetically. It is inclusive and offers education and training at all levels from entry to HE.
A liveable and low carbon city: a destination of choice to live, visit, work	The LTE Group and Manchester College has a strong commitment to environmental sustainability. This is embedded within the management of the existing estate and the plans for the new estate.
A connected city: world class infrastructure and connectivity to drive growth	The LTE Estate Strategy seeks to deliver new world class assets across the city that will continue to support our growth ambitions over the next decade and beyond.

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

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

Not applicable

Financial Consequences – Capital

Not applicable

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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.

- The Manchester College Estate Strategy 2017 – 2022: Executive, 15th November 2017
- The Manchester College - New Campus: Executive 25th July 2018
- Great Ducie Street Strategic Regeneration Framework: Executive, 14th November 2018
- The Manchester College City Centre Campus: Executive, 12th December 2018
- Former Boddingtons Brewery site Strategic Regeneration Framework: Executive, 13th March 2019
- Former Boddingtons Brewery site Strategic Regeneration Framework: Executive, 26th June 2019
- LTE Group Performance Update: Economy Scrutiny, 5th December 2019
- LTE Estates update: Executive, 17th February 2021

1. Introduction

- 1.1 The Our Manchester Strategy clearly sets out the city's ambition to be a place where world class and homegrown talent can flourish in order to support Manchester's future economic success. That strategy recognises the need to better connect the skills and education system with employers in the city, so that skills, training and apprenticeships clearly relate to the city's growth sectors and creating a pipeline of employable people with the necessary qualifications to succeed. Such an approach is clearly central to the Strategy's related ambition of ensuring that everyone in the city has an opportunity to make a positive contribution by unlocking the potential of our communities. The LTE Group and Manchester College has, and will continue to play, a pivotal role in realising these ambitions for the city.
- 1.2 A key component of facilitating learning is the provision of high-quality learning facilities. This report sets out the progress made to date on the delivery of the LTE estates strategy, which is developing leading edge facilities for post-16 education and skills training serving Manchester and the wider Greater Manchester (GM) Area.

2. Background

- 2.1 The estates strategy seeks to reduce reliance on old, inefficient and listed buildings where the educational experience is significantly lower than LTE would want to provide or is now being demanded by curriculum or qualifications evolving as part of the skills white paper e.g., T levels and Higher Technical Qualifications (HTQ's). The original strategy was to execute the college programme in one phase, however, there has been insufficient government funding – (regional or national) to meet the city's need either in terms of curriculum or capacity.
- 2.2 In order to facilitate the estates investment, LTE Group opted to fund 80% of a first phase strategy on the basis that regional government or central government would, at some point in the future, bring forward capital funds to address the balance to a more usual 70/30 ratio. This first phase strategy relied on a series of disposals as well as a grant from GMCA and financial support from Manchester City Council to acquire the City Centre Land on the old Boddingtons brewery site.
- 2.3 The strategy provides for significant new build facilities at Openshaw, a major new City Centre Campus, and upgrades to neighbourhood hubs in Harpurhey and Wythenshawe. Overall, the estate will reduce from 19 locations to 5, in doing so the strategy will provide the best post 16 vocational education and skills facilities in the UK and locate these facilities in areas where many more people can access them. The strategy is connected to the city and GM transport strategy to 2040 and is developed with Manchester's housing and growth plans in mind.

3. Estates Strategy – Progress to date

- 3.1 Despite the challenges of the pandemic and Brexit, the new construction and upgrade of facilities remains on target and on budget. A new £25m new extension to the Openshaw campus opened on time in December 2021 to very positive feedback from students, communities and stakeholders. The new City Campus Manchester will open on time in September 2022. The upgrades to Harpurhey and Wythenshawe are also on track and the ambition to significantly reduce the carbon footprint of the college estate is also on track to be delivered, with the new City Campus Manchester comfortably achieving BREEAM excellent standard. Elsewhere air source heating and energy saving approaches have been part of the upgrades to neighbourhood hubs.
- 3.2 The project relies on some sites being disposed of so that the proceeds can be reinvested in the new facilities. Where possible LTE Group has sought to create a win-win with other strategies across the city such as affordable housing or helping support a better sense of place in a community. The disposals programme has worked well and the details so far are set out below:

Disposals		Purchaser
Property Name	Disposal Date	
Moston Campus	31/07/2019	One Manchester Ltd Social Housing
St John's Campus	18/08/2019	Henry Boot Developments Commercial Office space
Great Ducie St Surplus land	11/06/2021	Clarion / Latimer Affordable/Social Housing
Northenden Campus	27/08/2021	Miller Homes Residential including affordable housing
Welcomb St Campus	29/04/2022	Network Space SME Light Commercial use

- 3.3 A site that is now key to dispose of is the Fielden Campus, which is to generate much needed funds to finish the estates strategy but is also key in that the proceeds from this sale go towards repaying the bridging loan from Manchester City Council, which went towards construction costs for the estates strategy.

4. Fielden Campus, Didsbury West

- 4.1 Following a report to the Council's Executive in February 2021, LTE Group commenced a formal bid and tender process for the disposal of the 2.64 hectare (6.50 acre) site off Barlow Moor Road in West Didsbury. The majority of the site is held as a freehold by the College. The Council has a small property interest within the site that would be made available for disposal for market value to support the development. The site has a number of constraints, notably Level 2 and Level 3 flood zones to the south end of the

site where it drops away to the River Mersey, which reduces the net developable area of the site and creates an area of open space that would need to be managed.

- 4.2 The marketing period resulted in over a dozen initial bids which were analysed in detail by appointed property advisors Cushman & Wakefield. Through a professional process of iteration, the bids were narrowed down to a final three bidders. The final three being:
- (1) A bid from a Manchester based education provider to consolidate their existing educational provision at locations in Chorlton and Withington on to one site at Fielden, with the potential to provide new homes across the sites vacated in Withington / Chorlton or disposing of land for alternative uses such as new public healthcare facilities. Any new housing developments will be requested to be a mix of houses and apartments including policy compliant social / affordable tenure provision.
 - (2) A bid from a residential developer to develop high value houses with small policy compliant affordable/social off site.
 - (3) A mixed development of homes, primarily apartments, with some affordable /social housing provided on site.
- 4.3 Both residential proposals involved demolition of the existing buildings and remediation of a main sewer running under the site. It is to be noted that potential disruption to local residents and road closures would be significant during demolition and construction phases.
- 4.4 Cushman & Wakefield, acting as advisor to LTE Group on the estates strategy project, analysed the bids and the outline development proposals across the three remaining bidders. What was evident is that the site has had interest from residential developers but crucially not at the values originally anticipated. This in part appears to be due to the difference between the overall size and scope of the site and the amount of developable area that would be possible. In particular, the flood plain to the rear of the site and the likely remediation of a main underground sewer that runs under the Fielden building for any developer proposing to demolish the existing buildings. The bid for a school proposes no change of use and uses the existing building.
- 4.5 Cushman & Wakefield recommended to LTE, and subsequently to the LTE Board of Governors and Trustees, that an offer from the school which utilises the existing buildings would need to be compared to the best net residential developer offer when accounting for Section 106 provisions and full account of the work needed on the sewer.
- 4.6 Following this exercise, it highlighted that an offer from the school would be significantly higher, 30%+. In turn, the pro-rata value for the city council's small land interest would also be much higher from the school offer.
- 4.7 LTE Group in making its decision on which offer to accept also sought independent legal advice about what offers would be valid, in light of the

Trustees needing to act in the best interest of LTE as a Charity. In addition, LTE Group conducted very wide financial due diligence, with independent assurance from PwC, on the Directors and Trustees of the school seeking to acquire the site and the financial approach to funding the purchase. The Board of LTE Trustees were satisfied that the school offer was in the best interests of the Charity, provided the best low risk opportunity to provide for a repayment of the relevant loan from Manchester City Council and provided the best offer with low risk to facilitate the completion of the new college facilities being built elsewhere for Manchester and GM residents.

- 4.8 The Fielden site has a small land interest owned by Manchester City Council (circa 5%). As part of the proposals to sell the site for continued educational use, LTE property advisors tested whether a repurposing of the overall plot could facilitate some affordable or social housing development on the council owned land, or whether a different parcel of land could be developed for the same purpose elsewhere on the site. Cushman & Wakefield met with planning officers to test the potential for this but despite best efforts on the part of all parties, the ecology of the area next to the site and a private road bordering the site prevented this as a viable option.
- 4.9 Therefore, the LTE recommendation is to sell the Fielden site for ongoing educational use and explore considerations for the successful joint resolution of the council land interest, in order that the sale may proceed and funds be reinvested in the new facilities due to open in Manchester City Centre in September 2022, with a timely repayment of MCC loan can be facilitated.

5. Recommendations

- 5.1 Recommendations appear at the front of this report.

6. Key Policies and Considerations

(a) Equal Opportunities

- 6.1 An outcome will be to capture local employment opportunities and ensure that local residents have the opportunity to compete for such job opportunities.

(b) Risk Management

- 6.2 There is a robust risk management plan in place for the LTE estates strategy as a whole as well as detailed risk plans and mitigations on a scheme by scheme basis.

(c) Legal Considerations

- 6.3 Not applicable for this report.

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Manchester City Council Report for Resolution

Report to: Executive – 29 June 2022

Subject: Request for Hackney Carriage Fuel Surcharge

Report of: Strategic Director (Growth and Development)

Summary

In its capacity as advisor to the Executive on Hackney Carriage fares, the Licensing and Appeals Committee considered a report at its meeting on 6 June 2022, which set out a request from Hackney trade representatives for a temporary fuel surcharge to be permitted ahead of a wider fare review later this year.

This report provides the Executive with the recommendation of the Licensing and Appeals Committee in respect of that request.

Recommendations

That the Executive (subject to no other matters being raised at the meeting) approve a temporary fuel surcharge of 80p to be applied to the Hackney Carriage Fares. That this charge be permitted until the outcome of the wider Hackney Fare Review, or the October 2022 meeting of the Executive, whichever is sooner.

Wards Affected – All wards

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

The Hackney Carriage Fares are determined by the City; therefore the City has a direct impact on the affordability of Hackney Vehicle proprietors in maintaining and upgrading vehicles to emissions compliant and zero emissions capable vehicles.

Our Manchester Strategy outcomes	Contribution to the strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The Hackney Carriage Fares should take into account the associated costs of running and maintaining a business as a Taxi proprietor. Fares that accurately reflect those costs support security in driver jobs and the effective maintenance of vehicles.

A highly skilled city: world class and home grown talent sustaining the city's economic success	Maintaining fares reflective of the business running costs helps ensure the Hackney Carriage industry can attract and retain drivers; and in turn ensure the Council can attract high quality applicants who can invest in the vocation long term.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	Not applicable to the contents of this report.
A liveable and low carbon city: a destination of choice to live, visit, work	The Hackney Carriage Fares should take account of the associated costs of running and maintaining a business as a Taxi proprietor. Fares that accurately reflect those costs support investment in cleaner vehicles, and in turn a higher quality fleet that provides a better service for those living, visiting and working in the City. The consideration of hackney carriage fares should take into account the standard of living of those associated with taxi licensing and the cost to the 'taxi user'. Any increase in fares is a direct cost increase to service users.
A connected city: world class infrastructure and connectivity to drive growth	Ensuring the Hackney Trade remains financially viable, supports the Hackney industry in Manchester so that we can continue to offer an essential fully accessible service at key transport interchanges and ranks around the City, supporting the wider transport network and businesses.

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

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

None

Financial Consequences – Capital

None

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Background documents (available for public inspection):

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

Report to Licensing and Appeals Committee: Request for Hackney Carriage Fuel Surcharge Report 6 June 2022
 Report to Executive: Hackney Carriage Fare Review 24 April 2017
 Reports to Licensing and Appeals Committee: Hackney Carriage Fuel Surcharge Reports: 26 August 2008 and 24 November 2008

Manchester Halcrow Formula
 AA Fuel Indexes

1.0 Introduction

- 1.1 Representatives from the Hackney Trade have requested consideration of a fuel surcharge to be approved for the Hackney Fares as an urgent measure in response to the significant increases in fuel over the last 6 months. This is requested ahead of the wider Fare Review, given that that piece of work will not be reported to the Licensing and Committee, and in turn the Executive, until later this Summer.
- 1.2 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 makes provision for the Council to fix the rates of fares for time, distance, and all other charges in connection with the hire of a hackney carriage.
- 1.3 Under the Council's current Scheme of Delegation, the Licensing and Appeals Committee makes a recommendation to the Executive, who determine Hackney Carriage Fares.

2.0 Background

- 2.1 The request for a fuel surcharge must be dealt with in the same manner as a normal fare increase. When setting the Hackney Carriage Fares there is no requirement under the Act to take external factors into account and there is no limit on the amount of increase or variation.
- 2.2 The Hackney trade in Manchester have not had a full review of their fares since 2017 (amendments to the Fare card were made in 2018 and 2020 following additional extra charges being approved).
- 2.3 Circumstances beyond the Licensing Unit's direct control mean that the wider Fare Review is not due to conclude until later this Summer. Work is underway by external provider Jacobs, to source relevant component costs to be used in the Manchester Halcrow formula which provides a fare recommendation. In addition, ongoing discussion between Manchester Airport Group and Hackney Trade Representatives with regards to relevant airport related charges, need to be concluded before a full review can be reported to the Executive via the Licensing and Appeals Committee.
- 2.4 Therefore, Hackney Trade representatives have requested an urgent temporary measure given the delay with the wider Fare Review, to assist them meet the increases in fuel prices in recent months which they state are significantly impacting their business viability, not least in the ongoing recovery from the pandemic, and in the context of the general cost of living crisis.
- 2.5 Any surcharge permitted at this time, will therefore be temporary in nature as these costs will be addressed properly alongside all wider information used within the full Fare Review formula.

2.6 Fuel Price Indexes

The tables below provide information on the fuel price changes in the North West and nationally at various intervals since the last full Fare Review in April 2017. The data is sourced from the AA website's monthly fuel price reports. The AA in turn source the data from Experian Catalist and take an average mid-month prices from the respective regions.

DIESEL PRICES	North West Average price pence/litre	UK Average Price pence/litre
May 2022	179.8	180.4
April 2022	175.0	175.9
March 2022	174.3	173.8
February 2022	151.3	151.6
January 2022	148.7	146.0
Dec 2021	149.3	149.6
Sept 2021	136.5	136.9
June 2021	132.6	133.0
June 2020	112.2	112.7
June 2019	132.2	132.4
June 2018	131.5	131.7
April 2017	120.4	120.5

PETROL PRICES (unleaded 95 octane)	North West Average price pence/litre	UK Average Price pence/litre
May 2022	166.4	166.9
April 2022	161.9	162.2
March 2022	163.8	163.8
February 2022	147.9	148.1
January 2022	145.4	145.7
Dec 2021	145.8	146.1
Sept 2021	134.7	135.2
June 2021	130.2	130.5
June 2020	107.4	108.0
June 2019	127.9	128.4
June 2018	128.2	128.8
April 2017	118.6	118.7

3.0 Recommendation of the Licensing and Appeals Committee

- 3.1 On 6 June 2022, the Licensing and Appeals Committee, in its advisory capacity to the Executive, considered a report with regard to this request for a temporary fuel surcharge on the Hackney fare.
- 3.2 The Committee recommends to the Executive, that (subject to no other matters being raised at the meeting) a temporary fuel surcharge of 80p is approved to be applied to the Hackney Carriage Fares. That this charge be

permitted until the outcome of the wider Hackney Fare Review, or the October 2022 meeting of the Executive, whichever is sooner.

4.0 Implementation of any change to the Hackney Carriage Fare

- 4.1 Any proposed change in fares agreed by the Council must be advertised publicly for a period of 14 days. If there are no objections, the fares come into effect at the end of the prescribed period for making objections. If objections are received, then the Executive must consider those objections and set a date for any change to take effect no later than 2 months from the date of the original public notice.
- 4.2 If the Executive were minded to approve a temporary fuel surcharge, this could be permitted to be applied as an additional extra on the meter to be applied to each journey. This means that this can be done manually by the driver and would not require the recalibration of meters or re-printing of fare cards at this time. A public notice could be provided in each vehicle if required, to advise passengers about the additional charge.
- 4.3 This Council last approved a temporary fuel charge in November 2008. This charge was permitted to be applied manually as extras on the meter.
- 4.4 The Executive is reminded that extras can only be added on to the meter in increments of 20p.
- 4.5 The timetable below outlines how any temporary fuel surcharge could be implemented:

6 June 2022	Licensing and Appeals Committee consider report and make recommendation to Executive
29 June 2022	Executive decision
1 July 2022	Public Notice in MEN 14-day consultation period
15 July 2022	End of consultation period. If no objections received, fuel surcharge takes effect
27 July 2022	If objections are received these are considered by the Executive.

5.0 Conclusion and decision

- 5.1 The report outlines the decision to be taken by the Executive and the recommendation of the Licensing and Appeals Committee made on 6 June 2022.
- 5.2 It is recommended that the Executive (subject to other matters being raised at the meeting) approve a temporary fuel surcharge of 80p to be applied to the Hackney Carriage Fares. That this charge be permitted until outcome of the wider Hackney Fare Review, or the October 2022 meeting of the Executive,

whichever is sooner.

6.0 Contributing to a Zero-Carbon City

- 6.1 The Hackney Carriage Fares are determined by the City; therefore the City has a direct impact on the affordability of Hackney Vehicle proprietors in maintaining and upgrading vehicles to emissions compliant and zero emissions capable vehicles.

7.0 Contributing to the Our Manchester Strategy

(a) A thriving and sustainable city

- 7.1 The Hackney Carriage Fares should take into account the associated costs of running and maintaining a business as a Taxi proprietor. Fares that accurately reflect those costs support security in driver jobs and the effective maintenance of vehicles.

(b) A highly skilled city

- 7.2 Maintaining fares reflective of the business running costs helps ensure the Hackney Carriage industry can attract and retain drivers; and in turn ensure the Council can attract high quality applicants who can invest in the vocation long term.

(c) A progressive and equitable city

- 7.3 Not applicable to the contents of this report.

(d) A liveable and low carbon city

- 7.4 The Hackney Carriage Fares should take account of the associated costs of running and maintaining a business as a Taxi proprietor. Fares that accurately reflect those costs support investment in cleaner vehicles, and in turn a higher quality fleet that provides a better service for those living, visiting and working in the City. The consideration of hackney carriage fares should take into account the standard of living of those associated with taxi licensing and the cost to the 'taxi user'. Any increase in fares is a direct cost increase to service users.

(e) A connected city

- 7.5 Ensuring the Hackney Trade remains financially viable, supports the Hackney industry in Manchester so that we can continue to offer an essential fully accessible service at key transport interchanges and ranks around the City, supporting the wider transport network and businesses.

8.0 Key Policies and Considerations

(a) Equal Opportunities

- 8.1 Whilst we do not have exact demographic data (as we do not collect this data as part of the licensing process), we know that Hackney Carriage licence holders are more likely to be from BAME communities. We also know that members of the BAME community (and communities in the North West), were disproportionately impacted by the pandemic.

(b) Risk Management

- 8.2 If the Committee are minded to implement a surcharge today, there is little risk of fuel prices reducing significantly ahead of the wider Fare Review.

(c) Legal Considerations

- 8.3 None further to those already referred to in the report.