



Economy Scrutiny Committee

Date: Thursday, 10 November 2022

Time: 2.00 pm

Venue: Council Antechamber, Level 2, Town Hall Extension

There will be a private meeting for Committee Members only at 1:45pm on Thursday, 10 November 2022 in Room 2006, 2nd Floor, Town Hall Extension.

Everyone is welcome to attend this committee meeting.

Access to the Antechamber

Public access to the Council Antechamber is on Level 2 of the Town Hall Extension, using the lift or stairs in the lobby of the Mount Street entrance to the Extension.

There is no public access from any other entrance.

Filming and broadcast of the meeting

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

Membership of the Economy Scrutiny Committee

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

Agenda

1. Urgent Business

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

2. Appeals

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

3. Interests

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

4. Minutes

To approve as a correct record the minutes of the meeting held on Thursday, 13 October 2022.

7 - 16

5. Economic Strategy Update

Report of the Strategic Director – Growth and Development.

17 - 28

This report provides an update on the development of a new Economic Strategy which sets out how the next phase of Manchester's growth can ensure that the city's economy is both high performing and drives a reduction in inequalities.

6. Poverty Strategy Update

Report of the Director of Inclusive Economy.

29 - 74

This report provides an overview of the work undertaken to date to develop a refreshed poverty strategy for the city which for the purpose of this report will be referred to as the 'Manchester Anti-Poverty Strategy'. The report will set out the approach and engagement process for developing the strategy, the evidence base, emerging themes and the suggested priorities and actions that will be included in the final strategy.

This report also sets out the relationship between the new strategy fits and existing work on Making Manchester Fairer, developing a more inclusive economy, tackling the Cost-of-Living

Crisis and other linked areas of work.

7. Revenue Budget Update

75 - 82

Report of the Deputy Chief Executive and City Treasurer.

This report sets out the financial challenge facing the Council, the latest forecast position, and the next steps. The Council is forecasting an estimated budget shortfall of £44m in 2023/24, £85m in 2024/25, and £112m by 2025/26. After the use of c£16m smoothing reserves in each of the three years, this gap reduces to £28m in 2023/24, £69m in 2024/25 and £96m by 2025/26.

This report sets out the high-level position. Officers have identified potential savings options to reduce the budget gap totalling £42.3m over three years.

Even after these proposals there remains a budget gap of £7m to close to get to a balanced budget in 2023/24 and further savings options will be developed between now and January 2023 and be reported back to Scrutiny committees in February. Each scrutiny committee is invited to consider the current proposed changes which are within its remit and to make recommendations to the Executive before it agrees to the final budget proposals in February 2023.

8. Growth and Development 2023/24 Budget Proposals

83 - 100

Report of the Strategic Director – Growth and Development.

The Council is forecasting an estimated budget shortfall of £44m in 2023/24, £85m in 2024/25, and £112m by 2025/26. After the use of c£16m smoothing reserves in each of the three years, this reduces to £28m in 2023/24, £69m in 2024/25 and £96m by 2025/26. Officers have identified potential savings options to reduce the budget gap totalling £42.3m over three years.

This report sets out the priorities for the services in the remit of this committee and details the initial revenue budget changes proposed by officers.

Even after these proposals there remains a budget gap of £7m to close to get to a balanced budget in 2023/24 and further savings and cuts options will be required to be worked between now and January and be reported back to Scrutiny committees in February. Each scrutiny committee is invited to consider the current proposed changes which are within its remit and to make recommendations to the Executive before it agrees to the final budget proposals in February 2023.

9. Overview Report

101 - 136

Report of the Governance and Scrutiny Support Unit

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

Information about the Committee

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

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

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

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Smoking is not allowed in Council buildings.

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Further Information

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

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Economy Scrutiny Committee

Minutes of the meeting held on Thursday, 13 October 2022

Present:

Councillor Johns (Chair) – in the Chair

Councillors Bell, Good, Moran, Noor, I Robinson and Shilton Godwin

Also present:

Councillor White, Executive Member for Housing and Development

Councillor Rawlins, Executive Member for Environment and Transport

Councillor Johnson

Councillor Judge

Councillor Lynch

Councillor Newman

Apologies: Councillor Raikes and Taylor

ESC/22/38 Minutes

Decision:

That the minutes of the previous meeting, held on 8 September 2022, be approved as a correct record.

ESC/22/39 District Centres

The Committee considered a report of the Strategic Director of Growth and Development and the Director of Development which provided an update on regeneration, investment and development programmes focused on several district centres across the city.

The key points and themes within the report included:

- Manchester has 17 designated district centres within its Local Plan and each centre is distinctly individual, with a variety of economic and social characteristics;
- Funding opportunities available to kickstart district centre regeneration and investment, such as GMCA's Brownfield Housing Fund and Evergreen Fund, Levelling Up Funding, the UK Shared Prosperity Fund and the Council's Affordable Housing Programme;
- Works undertaken in Wythenshawe, Moston Lane, Gorton and Chorlton;
- The planned programme for future works and investment in Strangeways, Cheetham Hill, Harpurhey and Newton Heath; and
- As part of investment into district centres, Small Business Roadshows were held in Moston, Withington and Longsight and concentrated on digital skills, upskilling employees, financial training and wider business community networking.

In introducing the item, the Chair informed those present that each district centre would be focused on in turn with an opportunity to ask questions regarding each area. The Chair had also received statements from local ward members and would relay these at the appropriate time in proceedings.

The Chair also explained that members of the committee had undertaken a site visit in Wythenshawe town centre with officers and local ward members prior to the meeting and acknowledged the opportunities available.

The key points and queries that arose from the Committee's discussion on the general approach to district centres included:

- The strong sense of pride and community across Manchester;
- The need to consider permeability, accessibility, good signage, the quality of the public realm and cleanliness in district centres;
- How digitally-excluded residents will be consulted;
- Plans for additional Small Business Roadshows and whether these could be held in specific areas;
- The importance of the Business, People and Skills theme within the Shared Prosperity Fund (SPF);
- Requesting an update on the progress of government discussions about SPF funding;
- Footfall monitors, and whether this data is shared with businesses;
- What support was available for the hospitality industry following the pandemic from both central and local government; and
- How the order of district centre works was prioritised and whether this is *need-led* or *opportunity-led*.

The Executive Member for Housing and Development highlighted the significant work that had been undertaken to improve district centres across Manchester and the value of the Institute of Place Management and the District Centres Subgroup's work.

The Committee was informed that common issues for district centres included footfall, residential provisions and diverse offers. It was acknowledged that the high street had changed as a consequence of a rise in online and out-of-town shopping.

Members were advised that the next Small Business Roadshow would be held in Hulme and that requests for other locations would be relayed to the Work and Skills team, who are eager to extend this to other areas.

The Executive Member for Housing and Development concurred with the need to share data on footfall with local businesses and explained that this had happened in Withington and resulted in some businesses changing their opening hours to when the district centre was busiest.

In response to queries regarding the Shared Prosperity Fund (SPF), the Strategic Director for Growth and Development explained that funding through the Business, People and Skills theme would be administered by Greater Manchester Combined Authority (GMCA) and funding based on Skills was scheduled to be assessed towards the end of the SPF programme. Bid rounds would open in due course over

the next few years and both GMCA and Manchester City Council would work to protect valuable services and maximise the use of resources across Greater Manchester.

The Head of Neighbourhood Management recognised that not all residents had access to the internet to take part in consultations and advised that Neighbourhood teams understood the communities they worked in and had strong networks to provide a multi-form way of communicating plans.

The Executive Member for Housing and Development explained that support for the hospitality industry was available during the COVID pandemic but this had ended. The Executive Member supported the industry's calls for further intervention on business rates and VAT. The 6-month energy cap for businesses was welcomed but it was felt to not provide security for an appropriate amount of time.

The Strategic Director of Growth and Development also highlighted that The Growth Company offered an advice service for businesses and would circulate further information on this.

With regards to whether district centre works were *need-led* or *opportunity-led*, it was reiterated that a 'one size fits all' approach was not being taken. Some district centres had strong business or community networks and required Council support and empowerment to achieve their vision whereas others required deeper interventions to facilitate improvements.

It was stated that areas of deprivation and in need of support were identified in all Council decisions.

The Strategic Director of Growth and Development also advised that the schedule of improvements to district centres was devised through analysis of need, demand and opportunity and that where the Council had levers, such as land assets, a stronger basis for intervention was possible.

Decision:

That the report be noted.

a) **Wythenshawe**

The Committee was addressed by Councillors Eddy Newman and Astrid Johnson, ward members for Woodhouse Park, and Councillor Tommy Judge, ward member for Sharston. They raised issues including the history of Wythenshawe Civic Centre, their hopes for its regeneration, and asked questions regarding housing, active travel, and consultation processes.

The key points and queries that arose from the committee's discussion on Wythenshawe town centre included:

- Requesting an update on progress with Levelling Up Funding (LUF), and when a final decision on this was expected;

- How much of the LUF bid was capital funding and how much was revenue funding;
- Whether discussions had taken place with developers to identify alternative funding mechanisms should the LUF bid be unsuccessful;
- Housing plans for the area, what constituted 'mixed tenure' and whether this will include social housing;
- Acknowledging the challenges of a '*night-time economy*' and how these issues would be addressed;
- Whether sufficient education provisions were available to support increased housing development;
- Opportunities to incorporate nature-based solutions and meet zero carbon targets through regeneration schemes;
- The need for sufficiently-powered Electrical Vehicle charging points, and the percentage of provisions within the scheme;
- The impact of inflation in the construction industry on the scheme's budget; and
- The need to ensure an appropriate and socially-beneficial retail offer.

The Executive Member for Housing and Development reiterated the committee's comments on the importance of infrastructure and highlighted the reopening of Newall Green High School which would help to provide school places in Wythenshawe.

The Executive Member also acknowledged the opportunity to establish a '*night-time economy*' in Wythenshawe and explained that safety could be promoted and managed through planning and licensing regulations.

The Strategic Director of Growth and Development explained that the Council was identifying various workstreams to ensure that sustainability and biodiversity are factored into the new proposals for Wythenshawe town centre.

The Director of Development commented that the second round of Levelling Up funding was currently underway and a decision on whether this will be awarded to the Council was expected by the end of 2022. Some queries from central government had been received in respect of the Council's bid, which the Director of Development advised was a good sign.

In response to a query regarding how much of the LUF bid was capital funding and how much was revenue funding, the figures were not available to share at the meeting but assurances were provided that a robust financial management plan was in place to cover Council fees, operational costs and the necessary external resources.

The Executive Member for Environment and Transport advised the committee, in response to a query around Electrical Vehicle charging points, that a report on the Council's Electric Vehicle Charging Strategy was due to be considered by the Environment and Climate Change Scrutiny Committee and the Executive in December 2022.

Assurances were provided that a minimum of 20% of the 1500 homes planned to be built in Wythenshawe would be affordable, as per the Council's policy, and the Executive Member for Housing and Development expressed hope that this figure would increase. Discussions with partners around affordable housing were underway and members were advised that there was 16,000 council and social rent homes in Wythenshawe already and that housing providers can access various funding schemes such as Homes England funding and brownfield land funding to develop affordable rent, social rent and shared ownership homes.

Private market sale and private rent homes would also be available to ensure mixed tenure within the town centre.

The Director of Development provided assurances that the Council was conscious of cost inflation when creating the LUF bid and that this included provisions for inflation, optimism bias and contingencies with officers confident that the budget would allow delivery of the bid's aspirations.

Assurances were also provided that, because the Council would be the landlord of retail spaces, it would have the power and oversight to prohibit unsavoury businesses operating within the shopping centre.

b) **Moston Lane**

In introducing the item, the Chair informed the committee that Councillor Julie Connolly, ward councillor for Moston, had provide a written representation and was supportive of the proposals.

The Executive Member for Housing and Development commented that Moston Lane was a vibrant shopping centre in North Manchester but acknowledged some challenges and opportunities to diversify land and housing assets.

Funding had been received from the Shared Prosperity Fund (SPF), which would help to improve green space and neighbourhoods.

The Executive Member for Housing and Development informed members that long-term aspirations included further housing development and increasing job opportunities within Moston.

In response to a query regarding the status of the SPF funding, the Strategic Director of Growth and Development explained that SPF was split into three themes – Communities and Place, Supporting Businesses, and Skills and Employment. The Communities and Place theme was devolved to local authorities from the Greater Manchester Combined Authority (GMCA) and consisted of £5 million for Manchester City Council. Proposals are submitted to GMCA with the final sign-off from government.

The Council was currently awaiting formal approval of the funding for Moston Lane but there had been no indication that the proposals did not meet the criteria for SPF funding.

c) **Gorton**

In introducing the item, the Chair informed the committee that Councillor Julie Reid, John Hughes and Afia Kamal, ward councillors for Gorton and Abbey Hey, had provided a written representation which highlighted recent and ongoing positive developments, including a GP surgery, library and job centre, within Gorton.

The Executive Member for Housing and Development welcomed the opening of the Gorton Hub and informed members of the popularity of Gorton Market which had an opportunity to develop a frontage to the high street.

d) **Withington**

In introducing the item, the Chair informed the committee that Councillor Angela Gartside, ward councillor for Withington, had provided a written question regarding when the safer streets scheme would be delivered.

The Executive Member for Housing and Development responded that significant active travel investment had occurred in Withington and cited the Didsbury-Manchester segregated cycleway as an example. It was confirmed that safer streets scheme was out for consultation and had not been fully delivered but there was a strong commitment to this.

It was also explained that Withington was well served by the bus and tram network and it was anticipated that the Beryl Bikes scheme would be extended to Withington in the future.

The Executive Member for Housing and Development acknowledged that district centres needed to be well served by public transport and that there are safe walking and cycle routes.

A recent LUF bid for Withington had been unsuccessful but the Executive Member for Housing and Development commented that lessons had been learnt.

In response to a query regarding what this learning included and how this could be applied to future bids and works to district centres, the Strategic Director for Growth and Development informed members that the Council received positive feedback on the LUF bid for Withington. It was recognised that the proposed investment into public realm and what this would deliver did not meet the expectations of the Department for Transport (DfT).

It was stated that some of the works proposed within the LUF bid, such as Withington Baths, had progressed with Shared Prosperity Funding.

e) **Chorlton**

The key points and queries that arose from the committee's discussion on Chorlton district centre included:

- Acknowledging Chorlton as an active community with a strong identity;

- Referencing the 'night-time economy' in Chorlton and how this was sometimes at the detriment of the 'daytime economy';
- Interest from local residents and community groups to attract investment; and
- The need to implement sustainable active travel routes.

The Executive Member for Housing and Development recognised ongoing work in Chorlton and the need to evaluate the wider impact of this across the area. Meetings between Chorlton Vision and local councillors were taking place to assess several sites which would help to deliver hundreds of new homes and reinvigorate the district centre.

Positive housing developments, including at Chorlton Baths, were recognised and welcomed.

f) **Cheetham Hill and Strangeways**

The key points and queries that arose from the committee's discussion on Cheetham Hill and Strangeways district centres included:

- Where the opportunity in Strangeways was emerging from and what were the driving forces behind this; and
- Illegitimate and fraudulent businesses in Strangeways and what could be done to prevent these being established.

The Executive Member for Housing and Development explained that a new college facility and housing had been developed in Strangeways but challenges around crime and antisocial behaviour in the area were well-documented.

A masterplan for the area and engagement with local members was anticipated to expand the improvements in the city centre into Cheetham and Strangeways.

The Strategic Director for Growth and Development noted that works to district centres was not a 'one size fits all' approach and acknowledged the particular issues affecting the Strangeways area. Members were advised that works in Strangeways and Cheetham were in their early stages.

The Council would look at its landholdings and assets within the area to identify opportunities and demand for housing and business. The Strategic Director for Growth and Development recognised that a multi-agency approach was needed in Strangeways and Cheetham but the Council had levers over freehold land in the area. The Council's Neighbourhoods team can identify breaches in the licences for these sites and escalate this to the Enforcement team.

The Executive Member for Housing and Development added that the Council had recently shut down some businesses engaging in fraudulent or illegal activity in partnership with other agencies.

The Executive Member reiterated the need for positive aspects within the community and cited the school, college and affordable housing within Strangeways and Cheetham as examples.

g) **Harpurhey**

In introducing the item, the Chair informed members that Councillor Pat Karney, ward member for Harpurhey, was in support of the works outlined in the report.

The Executive Member for Housing and Development advised the Committee that there are 10 footfall monitors in district centres across the city to identify trends. Recent data indicated that district centres had recovered from the pandemic quicker than the city centre in terms of footfall and Harpurhey was recognised as a popular, resilient district centre.

h) **Newton Heath**

In introducing the item, the Chair informed members that Councillor June Hitchen, ward member for Miles Platting and Newton Heath, had submitted a question regarding future plans for improving Old Church Street in Newton Heath.

In response to this, the Executive Member for Housing and Development advised that much of the Newton Heath's district centre was privately-owned and this made improving shop fronts challenging. The Council would work to ensure that businesses in Newton Heath and across the city were viable and that owners had the ability to invest in their business. It was explained that whilst there are some grants for these works, these are not always available and can be competitive.

It was hoped that improvements to district centres would increase viability and encourage business owners to reinvest profits into the district centre.

The Executive Member for Housing and Development explained that significant investment was going into Newton Heath with the Silk Street development, which consisted of 69 social-rent, low-carbon homes adjacent to Newton Heath district centre and the canal.

It was suggested that the Silk Street development highlighted the opportunity to increase housing within district centres and subsequently improve viability and footfall.

ESC/22/40 Overview Report

The Chair informed members that the Work Programme for November 2022 would be amended to add the word 'Update' to the Poverty Strategy report.

It was also clarified with regards to the response to a previous recommendation that a subgroup be established on housing retrofit that a formal task and finish group would not have been the right approach and that the quarterly policy panel, which was already established, was best placed to assess and develop the retrofit programme.

It was also agreed that a report providing an overview and update on the work of Shared Prosperity Funding would be added to the Committee's Work Programme.

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**Manchester City Council
Report for Information**

Report to: Economy Scrutiny Committee – 10 November 2022

Subject: Economic Strategy Update

Report of: Strategic Director Growth and Development

Summary

This report provides an update on the development of a new Economic Strategy which sets out how the next phase of Manchester's growth can ensure that the city's economy is both high performing and drives a reduction in inequalities.

Recommendations

The Committee is recommended to:

- Consider and comment on the information in the report to inform the next stage of the development of the Strategy.
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Wards Affected: All

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

The report proposes that achieving zero carbon growth should be one of five outcomes of this work, and that the transition to a zero-carbon economy will in itself create new opportunities through investment in the wider low carbon sector. However, members should also be aware that increased wealth is also usually associated with increased consumption. By making Manchester's economy fairer and more inclusive, it is possible that per capita emissions would rise, though this could be offset to some extent by the transition away from fossil fuels.

Equality, Diversity and Inclusion - the impact of the issues addressed in this report in meeting our Public Sector Equality Duty and broader equality commitments
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The main focus of this work is to make Manchester's economy fairer, to ensure that more people benefit from economic growth and that this benefit is equitable. The strategy suggests including more people are included in economic opportunity as an outcome.

Manchester Strategy outcomes	Summary of how this report aligns to the OMS/Contribution to the Strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	<p>This report proposes a route to directly deliver on the Our Manchester priority <i>“We will work to ensure Manchester has a strong, inclusive and innovative economy with diverse growth sectors, where our residents are recognised for their contribution via fair contracts and are paid at least the Real Living Wage.”</i></p> <p>By working to encourage inclusive growth, this strategy will contribute to all Our Manchester themes by:</p> <ul style="list-style-type: none"> • Growing and diversifying the economy • Create new, highly skilled job opportunities • Working harder to connect our residents to the city’s economy success • Supporting the transition to a zero carbon economy • Supporting investment in the infrastructure we need to thrive and grow
A highly skilled city: world class and home grown talent sustaining the city’s economic success	
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	
A liveable and low carbon city: a destination of choice to live, visit, work	
A connected city: world class infrastructure and connectivity to drive growth	

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

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

There are no direct financial consequences.

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.

- Developing a More Inclusive Economy; Our Manchester Industrial Strategy, Executive, 11 September 2019
- Powering Recovering: Manchester's Recovery and Investment Plan

1.0 Introduction

- 1.1. Manchester has an ambition to grow in a fairer and more sustainable way whilst ensuring the city's economy remains competitive, diverse and dynamic. A new economic strategy for the city will be developed during early 2023 which will set out Manchester's approach to growth including focussing on developing a strong, competitive, inclusive and resilient economy which will maximise benefits of the city's residents and businesses.
- 1.2. This paper sets out a high-level vision for the strategy, some potential themes, a suggested approach to engagement and development of the strategy and a timeline for discussion. The Committee's views will help to shape the next detailed stage of the work and the content of the Strategy.

2.0 Vision and purpose

- 2.1. The following vision has been developed to summarise Manchester's ambitions for a more inclusive economy:

“Manchester will have a strong, competitive and growing economy, one that is increasingly productive, innovative and zero carbon. We will build on our successful sectors, our connectivity and continue to create economic growth that benefits the surrounding regions and the national economy.

Our economy will be fairer and more inclusive, so that all the residents in our diverse city can benefit from the jobs and opportunities created by economic growth and are fairly recognised for the contributions they make.”

- 2.2. Although the Our Manchester Industrial Strategy was developed in 2019 and Powering Recovery was published in late 2020, the economic context for Manchester and the UK has changed considerably. The city needs a new forward looking economic strategy to guide the next phase of growth, reassure private sector investors and developers and crucially to support wider objectives such as improving pay & career opportunities and reducing inequalities. Trickle down approaches to economic growth have failed and there is an ongoing need for the Council to influence the market to ensure that growth improves people's lives and is spread across the city not just focussed on the city centre.
- 2.3. The key purpose of the new strategy will be to:
 - **Reassert the fundamental importance of economic growth** in relation to the city's broader strategic ambitions including its contribution to public finances.
 - Send **an ambitious, positive and reassuring message** to current and prospective businesses, investors and developers about the existing and future opportunities presented by Manchester's growth plans, infrastructure, residential development, quality liveable neighbourhoods,

environment, zero carbon ambitions, talent pool and international connections.

- Set out **clear expectations** for existing and prospective businesses, investors, developers and other public sector stakeholders in relation to their role in developing a more inclusive, zero carbon and resilient economy.
- Focus on investing in the **enablers of economic growth** to ensure that the city remains economically competitive.
- Ensure that current and future economic opportunities are **accessible for residents** and that they support good living standards.

2.4. The final strategy will be underpinned by evidence but will be a concise, easy to read, outward facing economic growth prospectus which can be launched and promoted in early summer 2023. The main audience for the Strategy will be businesses, investors, developers, partners and residents.

3.0 Potential themes

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

3.2. Importantly, the Strategy must not try and become another version of the Our Manchester Strategy but must focus on the issues that are central to the city's future economic growth. An economic strategy could be positioned as the route to delivering the Our Manchester priority "*We will work to ensure Manchester has a strong, inclusive and innovative economy with diverse growth sectors, where our residents are recognised for their contribution via fair contracts and are paid at least the Real Living Wage*". This would ensure logical flow from Manchester's existing strategic framework.

3.3. The Strategy could be structured in a number of different ways, but one option is to look at five themes which sit around the core outcome which is ensuring that Manchester's economy is one of the most high-performing, whilst reducing inequality. These themes are summarised below.

- **Core outcome - Manchester's economy is one of the most high-performing, whilst reducing inequality:** Build on Manchester's assets to create a thriving economy which drives investment and good quality jobs. Maximise local benefit from economic growth using all available levers to help tackle low pay and inequality.

- **Objective 1 - Strategic approach to development and investment:** Develop a strong pipeline of new developments which can stimulate inclusive economic growth to provide the commercial, residential and mixed-use schemes to meet future demand. Attract new sources of national and international investment into the city.
- **Objective 2 – Thriving, productive and innovative sectors:** Continue to create a globally competitive environment for investment in innovation with increased investment in Research and Development. Ensure that innovation runs through everything we do including helping to drive productivity in lower paid sectors in the foundational economy. Promote clustering of sectors around key assets including the city centre, Oxford Road Corridor, Manchester Airport and local economic hubs.
- **Objective 3 - World class infrastructure, places and talent:** Improve the city’s infrastructure to enable the city to grow sustainably including the Airport and its surroundings, public transport, active travel, energy, digital, utilities, green spaces, housing and commercial space. Deliver transformational change in strategic areas of the city to improve district centres, deliver new housing and stimulate private investment.
- **Objective 4 – Zero carbon growth:** Transition the city’s economy to zero carbon by reducing dependence on fossil fuels, stimulating local energy generation and reducing consumption-based emissions. Create new opportunities in the zero-carbon economy across all interlinked sectors. Develop a more resilient economy to minimise the impact of future economic shocks and to adapt to climate change.
- **Objective 5 - Including more people in economic opportunity:** Ensure that more people can benefit from economic opportunities by equipping them with the skills to succeed and connecting them via employment programmes and transport.

4.0 Engagement approach and timeline

- 4.1. The development of the Strategy will require input from a range of external partners. This engagement will sit alongside an analysis of available data and existing reports from economists and other relevant local, national and international sources. A targeted approach to engagement will be developed to include:
- Roundtables and policy panels with input and challenge from leading economists
 - Business engagement via the Business Sounding Board, Our Manchester Business Forum and Anchors Group
 - Partner engagement via the Our Manchester Forum and other relevant boards
- 4.2. The Council has in-house resources and expertise to produce a clear evidence base, lead conversations with partners and develop a draft strategy.

However, there is a need for external challenge and support in thinking through the fundamental question regarding the future of economic growth in the city and how this can have the greatest impact on reducing inequality. It is proposed that an external organisation is approached in order to undertake this role.

- 4.3. The Strategy will be scoped during autumn 2022 and will be formally developed in the first part of 2023 with formal approval in early summer 2023.

5. Recommendations

- 5.1. The Committee is recommended to consider and comment on the information in the report to inform the next stage of the development of the Strategy.

6. Appendices

Appendix 1 - Summary of existing strategies and initiatives

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Appendix 1: Summary of existing strategies and initiatives

Towards a More Inclusive Economy: Our Manchester Industrial Strategy:

Approved in September 2019 and aligned with the GM Industrial Strategy, the overarching vision was “boosting the city’s productivity alongside creating a more inclusive economy – an economy that all of our residents can participate in and benefit from”. The Strategy focused on three pillars: People, Place and Prosperity and was underpinned by a literature review, extensive engagement and input from the Inclusive Growth Analysis Unit.

- **People:** Equip residents and workers with the qualifications and softer skills that will enable them to access more opportunities. Interventions and programmes should prepare them for work and connect them with better quality work, including more initiatives that feature social value.
- **Place:** Ensure sustainable growth is achieved in key assets, including the city centre and around the Airport. Create the conditions that will deliver a more inclusive economy by investing in transport infrastructure, digital infrastructure and the environment. Although the Strategy is a citywide document, it is essential that it is converted into local actions by people with a detailed knowledge and understanding of place.
- **Prosperity:** Create higher quality job opportunities, including better pay, working conditions and flexibility, particularly within the foundational economy. Develop evidence based demand-side programmes, such as reimagining and repurposing buildings, to drive more inclusive economic activity.

Work and Skills Strategy: The Manchester Work and Skills Strategy 2022-27 was approved by Executive in June 2022. The Strategy 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. The Strategy supports delivery of the Our Manchester Strategy themes as follows:

- 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.

Powering Recovery: Manchester’s Economic Recovery and Investment Plan (Powering Recovery) identified a long-term investment programme of circa £800m with projects structured under the People, Place and Prosperity headings to align to

the Our Manchester Industrial Strategy. The Plan also highlighted four key areas to power the city's economic recovery from the COVID-19 pandemic by creating new jobs at all levels and acting as a catalyst to further investment and levelling up. The four strategic areas of investment are North Manchester, Net Zero, Innovation and Manchester City Centre Infrastructure and Place Making.

Future Manchester; an Economy Built on People, Place and Prosperity: This document sets out the direct and indirect benefits of the latest development schemes in the city particularly over the next 2 years. Each development is summarised with personal testimonials where relevant along with the benefits it will generate which include: social value, apprentices, jobs created, council tax and business rates revenue, visitor economy, gross development value and the value of direct investment in the city. In summary:

- the planned new developments have a gross development value of close to £2billion
- construction work will support over 15,000 jobs over three years, and support 5,000 jobs per annum in the construction industry.
- commercial space with the capacity to accommodate more than 13,000 jobs will be delivered, allowing businesses to be accommodated in new modern well-ventilated and low-energy office space, supporting a new wave of company growth, new start-ups and inward investment.
- residential development will provide homes for sale and rent across a range of sizes, including high-demand studio and one-bedroom apartments for an incoming workforce, and new housing accommodating 8,000 people. Other benefits, such as for the construction supply chain, will benefit businesses across the North West, while new business rates will be invested in bringing forward new regeneration opportunities.

Social Value Policy: The Council's Social Value Policy was refreshed in 2021 and the priorities included maximising new job creation, supporting unemployed residents to re-enter work, ensuring that 'good employment' (e.g. Real Living Wage) is central to any opportunities. A set of priority groups for targeting social value were agreed in 2017 which included children and young people (especially NEET and care leavers), long-term unemployed, disabled people, older people and vulnerable adults. This list has been reviewed in light of the impact of the pandemic and also wider work within the Council around equality and diversity. The new Social Value Policy makes the following changes:

- Black, Asian and Ethnic Minority residents added as an additional priority group.
- For all groups, there should be a focus on paid work within occupational areas with good post-COVID prospects and high quality training relevant to future job growth.

Living Wage City and Anchors: Anchor institutions have long been recognised as playing a key role in promoting a more inclusive economy and tackling poverty given their size, budgets and the fact that they are rooted in a place. Pre-pandemic, a series of breakfast events aimed at promoting social value objectives were organised over an 18-month period with a group of key anchor institutions in the city. The group of anchors comprised businesses and organisations from across the statutory, public, private, voluntary and community sector who are all leaders in their

respective fields and who consistently demonstrate leadership in tackling the issue of low pay and social value more broadly.

To build on the work undertaken with the anchors group and harness their power, a cross sector Manchester Living Wage Action Group was established. The Manchester Anchors Pilot Group and its ambition to lead Manchester's plans to become a Living Wage Place was officially launched in September 2021 demonstrating the highest level of political commitment to this agenda. The Living Wage Foundation formally recognised Manchester as a Living Wage Place in October 2022 and a ceremony was held to mark this accolade during the 5 October Full Council Meeting.

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**Manchester City Council
Report for Information**

Report to: Economy Scrutiny Committee – 10 November 2022

Subject: Poverty Strategy Update

Report of: Director of Inclusive Economy

Summary

This report provides an overview of the work undertaken to date to develop a refreshed poverty strategy for the city which for the purpose of this report will be referred to as the 'Manchester Anti-Poverty Strategy'. The report will set out the approach and engagement process for developing the strategy, the evidence base, emerging themes and the suggested priorities and actions that will be included in the final strategy.

This report also sets out the relationship between the new strategy fits and existing work on Making Manchester Fairer, developing a more inclusive economy, tackling the Cost-of-Living Crisis and other linked areas of work.

Recommendations

The Committee is recommended to consider and comment on:

1. The overall approach to the development of the Strategy including consultation and engagement process
 2. The proposed priorities of:
 - Priority 1: Preventing Poverty
 - Priority 2: Mitigating Poverty
 - Priority 3: Pathways Out of Poverty
 - Priority 4: Good Governance and Effective Delivery
-

Wards Affected: All

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

The report recognises that it is important to ensure a just transition to a zero-carbon economy. Some measures, such as retrofit of housing to increase energy efficiency and reduce energy costs, should be targeted at the households with the lowest incomes. The Anti-Poverty Strategy commits to doing this within our existing zero-carbon work and climate change action plan.

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

A full Equalities Impact Assessment has been completed, see appendix X.

The focus of the anti-poverty strategy will consider the impact of poverty on the different protected characteristics. As discussed in this document, poverty has a disproportionate impact on people with protected characteristics and therefore the strategy will seek to include priorities which will be aimed at mitigating and or lessening the impact of poverty on these groups.

To inform the priorities for the strategy, consultation will be undertaken with the relevant VCSE groups across the protected characteristics.

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	The report recognises the importance of good quality employment and commits to working to connect residents on low incomes to better quality employment opportunities.
A highly skilled city: world class and home grown talent sustaining the city's economic success	The report recognises the importance of skills and employment as a route out of poverty.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	As a citywide Strategy, the Manchester Anti-Poverty Strategy will directly support the delivery of this Our Manchester Strategy priority by contributing towards making Manchester a more equal and inclusive city.
A liveable and low carbon city: a destination of choice to live, visit, work	See environmental impact assessment section above.
A connected city: world class infrastructure and connectivity to drive growth	Working via the city's Digital Strategy, tackle digital exclusion and ensure access to digital services. Working via the City Centre Transport Strategy work to ensure access to accessible and affordable transport.

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 proposed.

Financial Consequences – Capital

None proposed.

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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 Family Poverty Strategy – Executive, 13 September 2017
- Manchester’s Support for Families Living in Poverty – Economy Scrutiny, 9 September 2021 & Executive, 15 September 2021 including the appended Poverty Truth Commission final report.
- Family Poverty Strategy Update – Economy Scrutiny, 6 March 2019
- Notice of Motion Cost of Living Crisis – Council, 5 October 2022
- Making Manchester Fairer, Tackling Health Inequalities in Manchester 2022-2027 – Health Scrutiny Committee, 12 October 2022
- Build Back Fairer – COVID-19 Marmot Review: Housing, Unemployment and Transport – Economy Scrutiny, 14 October 2021
- Our Manchester Strategy, Forward to 2025 – Executive, 12 February 2021

1. Introduction

- 1.1. Manchester has long recognised the significant challenge of tackling and reducing poverty in the city. In 2017, a new Family Poverty Strategy was launched which focused on families with children and young people up to the age of 19. A significant amount of partnership work has been undertaken to deliver this Strategy over the past five years against a backdrop of health and economic challenges which have highlighted and exacerbated poverty in Manchester. The new Anti-Poverty Strategy provides an opportunity to take account of the impact of these challenges and extend the strategy to cover all households in the city, those with and without children.
- 1.2. This report will highlight some of the work that has taken place over the last five years, examine what poverty looks like in Manchester today including who is most affected, discuss definitions of poverty that we may wish to consider, and present the work that has taken place to develop a new Anti-Poverty Strategy.
- 1.3. The report sets out proposed priorities in section 7. These are subject to further refinement with our stakeholders as well as formal consultation but are an accurate indicator of the likely final content of the strategy. The proposed priorities are:
 - Priority 1: Preventing Poverty
 - Priority 2: Mitigating Poverty
 - Priority 3: Pathways Out of Poverty
 - Priority 4: Good Governance and Effective Delivery

2. Background

Family Poverty Strategy 2017–22

- 2.1. The Family Poverty Strategy was adopted in 2017 with the aim of addressing child poverty. The Strategy is based on the three themes of:
 1. Sustainable Work as a route out of poverty – focuses on moving residents towards and into employment and more secure/more highly paid employment.
 2. Getting the basics right – focuses on supporting families with everyday living costs including food and fuel.
 3. Boosting resilience and building on strengths – works to enhance the resilience of communities by giving them the tools they need to empower themselves.
- 2.2. The Family Poverty Core Group has overseen delivery of the Strategy and is chaired by the Director of Inclusive Economy and is attended by the Deputy Leader of the Council with responsibility for poverty and a range of internal and external stakeholders. Working groups on each of the three themes are chaired by Council officers and are attended by partners from across the statutory, voluntary and community sector. Efforts have been made to include residents with lived experience of poverty on each of the working groups, although consistent engagement of this group has proved challenging due personal circumstances of these residents.

2.3. In 2020, the Family Poverty Strategy went through a reprioritisation process to ensure that it was fit for purpose and could continue to meet the needs of children and families living in poverty and support families that were disproportionately affected by the COVID-19 pandemic. The Family Poverty Strategy Reprioritisation was agreed in December 2020 and can be found in background documents above.

Family Poverty Strategy Outcomes

2.4. Over its lifetime, the Strategy has been well supported by partners and has delivered a wide range of activity, with highlights over the life of the strategy including:

Sustainable Work	Basics	Boosting Resilience
<ul style="list-style-type: none"> • Support for and development of a network of 50 work clubs • Support for and development of affordable and flexible childcare including capital investment and grant support. • Achieving Living Wage City recognition 	<ul style="list-style-type: none"> • Council and Groundwork partnership delivers energy efficiency and income advice to almost 1,000 low-income households • Produced winter warm homes leaflet in 17 languages and delivered to 1,250 households in at risk areas • Set up and managed food distribution hubs and carried out research into “food deserts”. 	<ul style="list-style-type: none"> • Work to “poverty proof” the school day together with Cedar Mount Academy. • Produced a pocket guide of support information distributed by voluntary organisations across the city.

2.5. Delivering the Family Poverty Strategy has led to some lessons which can be applied to the new Anti-Poverty Strategy. These include:

- The importance of partnership working: There is an opportunity to widen the range of stakeholders involved and to ensure that delivery is led and co-owned by these stakeholders, not just the Council.
- The need for additional delivery resources: Extra funding during the COVID-19 pandemic allowed additional temporary support measures to be established to support vulnerable residents, however, we do not currently have a dedicated team of officers working on poverty so must consider ways of adequately resourcing the delivery of actions in the new Strategy.
- Ensuring that actions are supported by clear and measurable targets and indicators.
- Considering place and using data more effectively to understand the specific needs of areas in more detail.

- Utilising evidence from work during the pandemic has highlighted the wider vulnerability and poverty of single adults and all adult households which has resulted in agreement to focus the new Strategy on all households, not just those with children.

Manchester Living Wage Place

Manchester gained Living Wage Place recognition in September this year which was marked at a civic event at full Council on 5 October 2022. The recognition was approved by the Living Wage Foundation following the submission of a three-year action plan which was collectively developed by Manchester's Living Wage Action Group, a group of employers and anchor institutions committed to paying the real living wage. The plan sets targets for increasing the number of living wage employers in the city including those sectors which experience greater challenges in paying the real living wage.

The targets include increasing the number of living Wage employers in Manchester from 162 to 300 and the number of living wage employees from 63,908 in 2022 to 118,348 by 2025. Given the current economic challenges, the group's initial focus will be to support and maintain existing living wage employers.

This work has highlighted the importance of working in partnership with anchor institutions and other large employers from different sectors to tackle poverty and particularly in-work poverty.

3. Defining Poverty

- 3.1. Poverty and the impacts of poverty are complex and nuanced. It is experienced differently by different people and is not always recognised and acknowledged by the individuals affected. People with multiple protected characteristics are amongst some of the most impacted resident groups as identified by the Equalities Impact Assessment (appendix 1). There has been considerable debate about how to define poverty as well as the use of the term itself. The Joseph Rowntree Foundation define poverty as:

“Poverty is when your resources are well below your minimum needs. Poverty affects millions of people in the UK. Poverty means not being able to heat your home, pay your rent, or buy the essentials for your children. It means waking up every day facing insecurity, uncertainty, and impossible decisions about money. It means facing marginalisation – and even discrimination – because of your financial circumstances. The constant stress it causes can lead to problems that deprive people of the chance to play a full part in society.”

- 3.2. Quantitative definitions of poverty include:

- **relative income poverty** - where households have less than 60% of contemporary median income
- **deep poverty** - where households have less than 40% of contemporary median income

- **material deprivation** - where households can't afford certain essential items and activities
- **destitution** - where households can't afford basics such as shelter, heating and clothing

3.3. Qualitative definitions of poverty include:

- not being able to fully participate in the life of the city e.g., its leisure and culture offer
- not being able to do some of the things that other people take for granted
- lacking hope for the future
- feeling that it is impossible to make a change
- difficulty meeting basic needs.

3.4. For the purposes of Manchester's Anti-Poverty Strategy we are proposing to use the Relative Income Poverty rate as the headline figure, supplemented with information using other data sources (see section eight).

4. Poverty in Manchester

4.1. Whilst Manchester has experienced many successes over recent decades, poverty remains a significant and deeply entrenched problem that affects too many of the city's residents. It is a complex problem which is driven by many external factors and one that has persisted despite the best local efforts to reduce it. Recent national and international issues such as the COVID-19 pandemic, Cost of Living Crisis and economic uncertainty have further exacerbated the problem.

4.2. Manchester was ranked as the 6th most deprived local authority in the country in the 2019 index of multiple deprivation and as of March 2021, the End of Child Poverty Coalition estimated that 46,700 children (42%) in Manchester were living in poverty, the third highest rate amongst core cities.

4.3. The most significant drivers of poverty in Manchester today include:

- Unemployment and under-employment (working less hours than desired)
- Relatively low household incomes and earnings (including pensions)
- High and increasing household costs including food, utilities and housing. On average increased costs for food and home energy have increased £2,076 leading to combined total extra costs for renters of £2,796 per year.
- Low skills or few qualifications
- The "poverty premium" which is the extra costs people on low incomes and in poverty pay for essential products and services
- Changes to the social security system since 2012, for example the five week wait for Universal Credit payments
- Historic and current labour market changes and challenges, include those brought about by the COVID-19 pandemic and Brexit

4.4. The Committee have received several updates on the Family Poverty Strategy, the Cost-of-Living Crisis and the impact of the COVID-19 pandemic on poverty in the

city. A key point from these updates is that many of the drivers of poverty in Manchester are external factors that are beyond our direct control, and that recent events have increased demand on services and reduced the resilience of our residents and the organisations that support them. This situation is likely to get worst as we are experiencing the most significant economic uncertainty and challenges in recent times at an international, national, regional and local level.

4.5. Some of the features of poverty in Manchester today include:

- A reversal of progress on reducing inequalities resulting in a deepening of existing inequalities.
- Increasing demand for services, in particular for food and advice, at a time when these services are also impacted by inflation and increasing energy costs which reduce their capacity to provide support.
- Rises in loneliness and mental health concerns, particularly amongst people who were already vulnerable.
- A concentration of issues in some spatial areas, particularly the north and east of the city, as well as some small areas where the concentration of poverty is extremely high.
- A rise in in-work poverty, mainly due to low paid and insecure work.
- The further impact on the city's most deprived communities, people from ethnic minority backgrounds, disabled residents and those already living in poverty.
- Around 100,000 households in the city whose income won't cover the cost of increasing food and energy costs this winter.

4.6. It is important to recognise that the two most important factors contributing to poverty is unemployment and dependency on benefits, with the most effective intervention in many cases being to secure a route into fairly paid and secure employment.

5. Strategic context and fit

5.1. The Our Manchester Strategy 2016 –2025 provides the overall strategic framework for the city. As a citywide Strategy, the Manchester Anti-Poverty Strategy will directly support the delivery of the Our Manchester Strategy priority *"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"* and in particular its cross-cutting priority of improving equality in the city.

5.2. In addition, there are other citywide strategies which are closely linked to this work. The following section shows how the new strategy correlates to Manchester's existing strategies, particularly the Making Manchester Fairer Action Plan.

Making Manchester Fairer

5.3. Professor Sir Michael Marmot's report, *Build Back Fairer in Greater Manchester: Health Equity and Dignified Lives*, sets out systemic and structural inequalities and the wider social determinants of health impacting life outcomes in Greater

Manchester. At a Manchester level, a multi-agency group has developed the *Making Manchester Fairer Action Plan* which sets out how Manchester will respond to the recommendations by adopting a whole system approach to addressing health inequalities across the five-year period 2022-27. The action plan focusses on the key areas of:

- Giving children and young people the best start in life
- Lifting low-income households out of poverty and debt
- Cutting unemployment and creating good jobs
- Preventing illness and early death from big killers- heart disease, lung disease, diabetes and cancer
- Improving housing and creating safe, warm and affordable homes
- Improving our environment and surroundings in the areas we live, transport and tackling climate change
- Fighting systemic and structural discrimination and racism
- Strengthening community power and social connections.

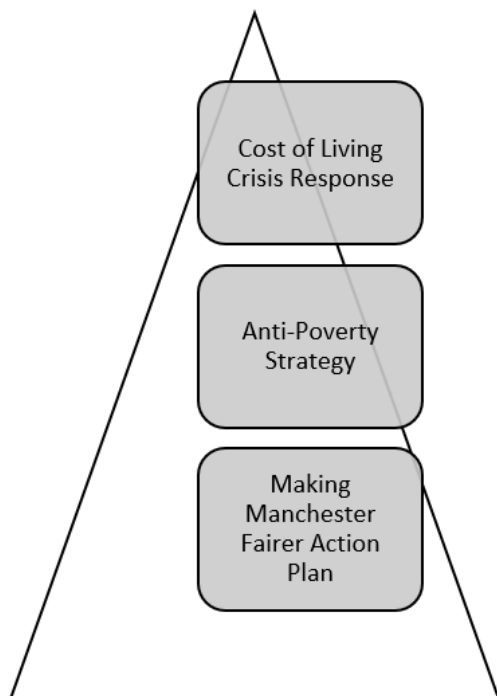
5.4. The plan includes tackling poverty and debt as one of the most significant routes to improving health outcomes in Manchester. The actions to address poverty, income and debt identified in the plan include:

- Developing the refreshed 'Manchester Anti-Poverty Strategy'
- Ensuring best use of data to support the development and delivery of VCSE services to people experiencing poverty and debt
- Embedding the Real Living Wage City to ensure more residents are paid 'a real living wage'
- Mitigate against and reduce poverty
- Ensuring families can access the city's culture and leisure offer to improve quality of life
- Ensuring a strong eco-system of food organisations giving access to healthy, affordable and culturally appropriate food for residents who are food insecure via the Our Manchester Food Partnership
- Increase financial management advice in schools and workplaces
- Embed 'Skills for Life' into Manchester Adult Education Service
- Maximise the take up of the 'Multiply' numeracy programme via working with GMCA
- Promote good quality advice
- Support VCSE Debt Advice Services to ensure benefit take up and incomes are maximised and support the sector via working to ensure great certainty of funding streams
- Ensure residents with Council Tax arrears are supported with advice and support

These actions will be included in the new strategy and are referred to in section 7 of this report.

5.5. Given the strategic relationship between poverty and health inequalities, the Manchester Anti-Poverty Strategy will sit under the Making Manchester Fairer Plan and will support the delivery of these priority actions, along with other key actions identified through the development of the Strategy.

- 5.6. Figure 1 (below) illustrates how the Manchester Anti-Poverty Strategy supports delivery of Making Manchester Fairer and provides a longer term focus than the current emergency response to the Cost of Living Crisis.



The **cost of living crisis** is putting immediate pressure on residents of Manchester who will be unable to afford the basics of daily life – food, fuel and shelter. This is the tip of the iceberg that requires a rapid and collaborative response to support those most at risk whilst continuing to work on the longer term solutions that will improve lives and address inequalities beyond the immediate crisis.

The Anti-Poverty Strategy is focused on delivering three positive changes to tackle poverty in the long-term; lessening the chances of a person experiencing poverty, lessening the impact of poverty on people who do experience it, and increasing the chances of a person being able to move out of poverty. It will be a plan that focuses on deliverables, but also which signposts to other areas of work that are relevant and linked.

Making Manchester Fairer provides the leadership, framework and whole system level change building the foundations for long-term improvements in life chances for Manchester’s residents. Addressing the causes of poverty is critical to improving health equity, and MMF will also influence the delivery of the poverty strategy. We cannot improve health equity without tackling poverty.

Figure 1: Relationship between Poverty Strategy, Making Manchester Fairer and Cost of Living Crisis

Cost of Living Response

- 5.7. At the same time as developing Manchester’s strategic response to poverty, the immediate impact of the Cost-of-Living Crisis has resulted in the establishment of a working group that is bringing forward a number of support measures for residents. Some of these measures are based on feedback from the development of the Anti-Poverty Strategy, Making Manchester Fairer and experience from implementing the existing Family Poverty Strategy. The new strategy commits to continuing these measures should they still be required and subject to the availability of ongoing funding.

Other relevant strategies

- 5.8. A number of other strategies are relevant to this agenda including:

- **Manchester Work and Skills Strategy** – focuses on linking Manchester residents to better quality local employment opportunities, and creating the learning and training pathways that enable residents to access these opportunities. Also focuses on Manchester’s most vulnerable residents including those in poverty and so forms the main delivery vehicle for employment and skills related outcomes.
- **Housing Strategy** – includes objectives to increase affordable housing supply, reduce homelessness, ensure housing is affordable and accessible

to all. Also seeks to address spatial inequalities between neighbourhoods and improve the energy efficiency of new and existing homes.

- **Children and Young People’s Plan** - sets out eight priority actions and underpinning KPIs to improve children and young people's outcomes, several of which relate to addressing poverty and deprivation. Specifically, the plan commits to challenging poverty and inequality by ensuring everyone in the city has the same opportunities and life chances no matter where they are born, live or their ethnicity.
- **Climate Change Action Plan** - includes several work areas that are relevant to Anti-Poverty work including housing retrofit and energy efficiency measures, improved access to active travel which reduces transport costs, the creation of an action plan for ‘green’ jobs (links to Work and Skills Strategy).

6. Approach to developing a new ‘Anti-Poverty’ Strategy

- 6.1. Early conversations with key stakeholders and partners helped to shape the development of the new Strategy as well as understanding the lessons from the Family Poverty Strategy as outlined in section 2. The main difference for the new Strategy is that it is not solely focused on families (i.e. households with children) but also on all adult and single adult households.
- 6.2. The broad actions undertaken as part of the refresh have included:
- A review of recent literature concerning poverty, including published reports and research to collate recommendations from other sources.
 - A review of the Council’s existing consultation and engagement responses to pick out any information relevant to anti-poverty work.
 - Conversations with other Core Cities to understand their approaches to tackling poverty and taking on board any lessons learned and best practice.
 - Detailed conversations with partner organisations and stakeholder groups to understand the particular issues in their areas of work and to collect ideas for inclusion in the final strategy.
 - A wider online engagement event to speak to a larger group of stakeholders.
 - Resident engagement via front line workers and existing networks to test out ideas and findings and to gain input from people with lived experience of poverty.
- 6.3. Based on early conversations there was a strong desire from partners to develop a strategy that:
- Is action focused – saying what we are going to do and who is going to do the work, ensuring clarity on what is going to be delivered and when.
 - Is measurable – helping to better understand the direct impact of our actions.
 - Makes good use of data – to help understand where the problem of poverty is most acute and also the circumstances and demographics of the people affected.
 - Is responsive to the needs of different people and communities

- Is flexible enough to respond to a rapidly changing (and worsening) economic context.
- Is owned and delivered by a strong partnership – recognising that poverty cannot be tackled by the Council alone and that action requires buy in from a wider network of partners.

Consultation and engagement findings

Equality Impact Assessment (EIA)

- 6.4. Prior to beginning work on the strategy, an Equality Impact Assessment (EIA) was undertaken in June 2022. The EIA examined qualitative and quantitative data to identify how poverty impacted on different communities of identity. The EIA indicated that all communities of identity were more likely to live in or experience poverty. The biggest impact was felt by disabled residents, people from Black, Asian and Ethnic Minority backgrounds, the over 50's and younger. People with one or more protected characteristics were also most likely to live in or experience poverty.
- 6.5. The EIA has been used to inform the engagement process of the Strategy, particularly engagement undertaken with residents. A copy of the full assessment has been included in appendix 1.

Developing a robust evidence base

- 6.6. In developing the strategy, a comprehensive mixed methods approach (guided by the EIA) was developed to map the process for collating qualitative and quantitative data to inform the key themes and priorities for the new Manchester Anti-Poverty Strategy. This included the following:
- 6.7. **Data/quantitative analysis** – an analysis of national and local data which are pertinent to poverty. Some of the findings have been included in section 3, and generally show a worsening overall picture of poverty in Manchester, widening inequalities and greater impact on already vulnerable communities. At the same time new cohorts are being affected by poverty in some parts of the city who may have no previous experience of accessing the type of existing support and services available.
- 6.8. **Literature review** – an extensive literature review was undertaken looking at national, regional and local literature pertinent to poverty. This included literature produced by the Joseph Rountree Foundation, the Resolution Foundation and the Centre for Cities. Key issues identified include:
- The way Universal Credit is administered and the amount of money available
 - The cost of housing
 - The impact on children and young people
 - The rise of low pay and insecure employment and in-work poverty
 - The increase in food insecurity and the impact of malnutrition
 - The disproportionate impact of poverty on communities experiencing racial inequalities
 - The disproportionate impact of poverty on disabled people

- The affect of education and social mobility on life chances and the likelihood of experiencing poverty.

Manchester Poverty Truth Commission (MPTC)

- 6.9. The Manchester Poverty Truth Commission was launched in June 2019 and concluded its work with a final event in June 2020. The MPTC published their final report regarding main findings in July 2021. The findings of the report were utilised to help inform the priorities of the strategy and are included in the background papers to this report..
- 6.10. One of the main learning points from the MPTC was the concept of “nothing about us without us”, referenced earlier in this report. The findings covered the themes of child and family poverty, exploitation and council tax and benefits. Findings have been incorporated into the development of priorities and actions for the Strategy.

Partner engagement and key stakeholders

- 6.11. Consultation was undertaken with most of Manchester’s major partnership boards to identify their priorities based on their respective areas of expertise and interests. These included the Our Manchester Forum, the Age Friendly Board and the Children’s Board. Additional conversations took place with 25 different groups of stakeholder organisations networks that included:
- Children and young people’s organisations
 - Food organisations
 - Health organisations
 - Housing organisations
 - Advice and guidance (including debt advice) organisations
 - Equalities organisations
 - Food organisations
- 6.12. A number of “must have” organisations were also identified and conversations took place to obtain more specific information on their particular circumstances, the types of issues that they and their services users are experiencing, and potential actions to take forward into the final strategy.
- 6.13. Council officers also ran an online engagement event to reach a wider audience than possible with only individual and small group conversations. The online event was held in September 2022 and allowed organisations to give feedback on the work to date and to make suggestions for actions to include in the final strategy. The online event was attended by over 70 individuals representing around 50 organisations and departments.
- 6.14. A full list of organisations engaged and consulted with is included in appendix 2. The total number of organisations consulted at the time of writing is over 70.
- 6.15. A final list of themes and priorities will be circulated to partners for consultation prior to inclusion in the final draft of the strategy.

Resident engagement

- 6.16. The work undertaken to date has enabled us to develop a list of proposed themes and priorities to take forward into the final strategy. In order to finalise these, the next phase of engagement work will test these out with Manchester residents who are affected by poverty. Recognising the sensitive, personal and nuanced nature of poverty and the need to build on established and trusted relationships, it has been agreed that partners and organisations with existing relationships with residents would provide the best route to gaining input from residents.
- 6.17. In addition, due to the inequalities described earlier in this report, those organisations representing and working with people who are disproportionately impacted by poverty will be targeted.
- 6.18. The targeted approach includes working with the following colleagues, partners and stakeholders:
- Manchester Adult Education Service
 - Covid Health Equity Manchester sounding boards
 - Trussell Trust Food Banks
 - Neighbourhood Teams delivering Cost of Living events
 - The Council's Cost of Living Advice Line
- 6.19. A broader online consultation will be undertaken to allow all residents to respond to the draft themes and priorities.

7. Emerging priorities

- 7.1. As outlined in Section 5, The Making Manchester Fairer Action Plan sets out the strategic approach to tackling poverty in Manchester. As set out in Figure 1, the Anti-Poverty Strategy should be focussed on delivering positive changes to tackle poverty in the long-term. The Strategy will be a plan that focusses on deliverables that can add value to existing work across the Council and partner activity. The Strategy will also signpost to other areas of relevant work.
- 7.2. The Strategy should focus on:
- **Preventing poverty** - lessening the chances of a person experiencing poverty
 - **Mitigating poverty** - lessening the impact of poverty on people who do experience poverty
 - **Pathways out of poverty** – increasing the chances of peoples being able to move out of poverty
 - **Good governance and effective delivery** – making sure that we are working in a way that maximised the use of the resources and partnerships that we have available

Priority 1: Preventing Poverty

- 7.3. Preventing poverty should focus on reducing household costs and increasing access to financial advice and support, as well as accessing those early intervention services that can help people manage smaller pressures that can

build up to become more serious problems. Initial analysis shows that additional priorities should focus on:

- Increasing access to financial advice in different settings, including community settings, schools and workplaces.
- In particular ensure access to debt advice and debt management services as part of the wider financial advice offer.
- Maximising the uptake of the Government’s “multiply” numeracy programme in Manchester as part of improving adult numeracy.
- Expanding access to more affordable credit to reduce reliance on unaffordable or illegal money lenders.
- Target retrofit activity at the lowest income households via the Housing Strategy and Climate Change Action Plan.
- Include EPC ratings as an element of selective licensing to ensure that licensed homes meet a minimum energy efficiency standard.
- Support residents to reduce and manage their energy usage to reduce costs as far as possible.

7.4. Things that are already being delivered and will continue are:

- Embedding “Skills for Life” into Manchester Adult Education Service to help improve learners’ financial management and budgeting skills.

Priority 2: Mitigating Poverty

7.5. Mitigation is about trying to make life easier for people who are experiencing poverty and making sure that their basic needs are met. Initial analysis shows that priorities should focus on:

- Reviewing the local welfare assistance scheme with a focus on making it as accessible as possible with a “cash first” approach being a core part of the offer.
- Creating and maintaining a single source of information for practitioners in all sectors to access up to date information regarding poverty and the services that can be accessed to help support people experiencing poverty, including those services that are specific to certain communities or spatial areas.
- Providing additional support to advice providers in Manchester through improved sharing of information, improved connections between services and working to improve access to and certainty of funding.
- Ensuring advice provision is of the highest quality throughout the city by upskilling front line workers to be able to offer support and signposting.
- Providing training to front line staff in all services to recognise the signs of poverty and offer appropriate support and signposting.
- Working with schools to ensure that they have a single point of contact for parents experiencing poverty who can signpost to appropriate advice and services.
- Implementing a “breathing space” period that pauses enforcement action taken against residents for non-payment of fines or other charges when they are accessing professional help or support.

- Building capacity in the VCSE sector by working to increase grant funding, particularly from private sector sources, and through better use of social value commitments.
- Ensuring information is available in accessible formats.

7.6. Things that are already being delivered and will continue are:

- Building on initial work to “poverty proof” the school day, ensuring that all Manchester schools are included.
- Working to reduce the cost of school uniforms.
- Repeating work to make available high quality printed advice and guidance that can be made available through public buildings such as schools and GPs.
- Continuing to provide free SIM cards and low cost refurbished devices to residents to enable them to access digital services via the Digital Strategy and the Council’s digital inclusion work.
- Ensuring a strong eco-system of food organisations giving access to healthy, affordable and culturally appropriate food for residents who are food insecure via the Our Manchester Food Partnership.
- Ensuring that residents with Council Tax arrears are supported with debt advice.
- Supporting the continuing operation of cost-of-living crisis responses for as long as they are in place, including the Cost of Living Helpline. and the use of warm banks.
- Supporting and encouraging use of the money advice referral tool as a route to help people find where they can go for advice and income maximisation support.

Priority 3: Pathways Out of Poverty

7.7. Fundamentally, helping people out of poverty means increasing their income. For most people, getting out of poverty will mean raising incomes and manging debt. Pathways out of poverty will look different for different people, so it will be necessary to design specific pieces of work that focus on our most vulnerable residents, working with the organisations that are best places to reach them.

Initial analysis shows that priorities should focus on:

- Maximising uptake of benefits and other financial support schemes.
- Ensuring access to culture and leisure opportunities to make sure people experiencing poverty have a good quality of life.
- Ensuring access to good quality debt advice and support through Manchester’s advice provider network and commissioned services.
- Developing targeted and bespoke programmes of activity that focus on particular residents who are the most vulnerable:
 - Children and young people
 - Communities experiencing racial inequalities
 - Disabled people
 - Areas with the highest concentrations of poverty

7.8. Things that are already being delivered and will continue are:

- Targeting low-income residents to support them towards and into more secure, more highly paid work via the Work and Skills Strategy.
- Sustaining and increasing the number of employers in Manchester paying the real living wage and the number of Manchester residents being paid the real living wage.

Priority 4: Good Governance and Effective Delivery

7.9. The research and engagement work has led to a large amount of proposals for how we work on delivering this strategy, and a recognition that in many ways this is as important as the actions themselves. For this reason, we propose a fourth section of priorities that describe how we will take the strategy forward in a way that is collaborative and involves our partners. In order to make delivery of the new strategy a success, we will:

- Work across public and voluntary sectors to share the information that helps us better understand residents' needs and target interventions accordingly, creating new data products to share with partners to help them understand and respond to inequalities in income and debt.
- Pro-actively target funding and interventions according to data and intelligence.
- Work with relevant support organisations to ensure tailored supports for groups most affected by poverty, such as communities experiencing racial inequalities and disabled people.
- Establish a Manchester-wide poverty forum that enables all stakeholders working on poverty issues to connect, share information, learning and best practice and work together on shared priorities.
- Develop effective working groups on key issues that are task and finish orientated
- Embed the socio-economic duty in decision making via the Poverty Impact Assessment tool, which will be revised and updated to make it more useful.
- Bringing more organisations with expertise of working on poverty issues plus residents with lived experience of poverty into the governance systems and processes for delivery of the strategy.
- Reconfigure existing grant funding to better support work on poverty
- Reconfigure existing volunteering programmes to better support work on poverty.
- Create a poverty "virtual team" within MCC to formalise resources that are currently ad-hoc.
- Work to bring in funding contributions from private sector funders to help add resource into the system.

8. Measuring Success

8.1. Measuring the impact and success of the new strategy is one of the most difficult challenges that we are facing for two main reasons. Firstly, the worsening economic context is likely to put more pressure on household budgets for at least the medium term, while constraining the ability of the Council and our partners to deliver effective support. Secondly, the action that we are collectively able to take

is already limited in scope when compared to the scale and complexity of the factors driving poverty in Manchester. For example, the way the welfare system operates and how it is funded remains an important factor, but our influence over this system is essentially restricted to campaigning and lobbying which have had little impact on policy.

8.2. There are several indicators that we can use to understand the scale of poverty in Manchester. These include:

- Relative Poverty Rate (After Housing Costs)
- Absolute Poverty Rate (After Housing Costs)
- Relative Child Poverty Rate (After Housing Costs)
- Absolute Child Poverty Rate (After Housing Costs)
- Free school meals eligibility
- Households in receipt of Universal Credit
- Households in receipt of Child Tax Credit
- Households affected by the two-child policy
- Average amount of debt of those seeking debt advice
- Fuel Poverty Rate
- Food Poverty Rate
- Residents paid at least the real living wage

8.3. For the actions taken to deliver the Family Poverty Strategy, we will undertake specific monitoring and evaluation work to understand the impact of specific initiatives.

8.4. To ensure a deep understanding of the impact of poverty on Manchester's diverse residents and communities, gathering quantitative and qualitative data will be an important part of delivering the new Manchester Anti-Poverty Strategy. A Manchester Inequalities Data Development Group has been established to provide a vehicle for information analysts and intelligence specialists across the Manchester Partnership to ensure that work in respect of measuring and monitoring various forms of inequality is more joined up. The group aims to embed an 'inequalities' view into performance reporting that enables monitoring over time to drive a reduction in inequality through influencing more equitable delivery of services. In doing this it will ensure that reporting tools and processes have inequalities built into them in ways that help individual organisations and the wider system to understand better and track changes in a range of inequalities over time and between areas and groups within Manchester in a regular and robust manner.

8.5. We will input into the ongoing development of new methods of monitoring and evaluation as part of our support for the Making Manchester Fairer Action Plan, which commits us to:

- Placing greater emphasis on changes in the inequality gaps between geographic areas and communities within the city.
- Narrowing the gap between Manchester and the national average and reducing inequalities in wider determinants of health between areas and communities within the city.

- Measuring progress with more emphasis on evidence from local residents and communities to complement intelligence from big quantitative data sets.
- Being more transparent by routinely publishing the information we're using to develop and monitor this action plan in ways that local people can understand and take back to their local communities.
- A robust evaluation of the activities, processes and systems underpinning the development and implementation of the action plan so that we are not only measuring what has changed but also understand why things have changed in the way they have.

9. Governance

9.1. Learning from our experience with the Family Poverty Strategy 2017-2022, and taking into account the information we have gathered from research and our conversations with partners, there is an opportunity to make some changes to the governance for the new strategy to ensure that it is as effective as it can be. Specific actions relating to governance and delivery are included under priority 4 under section seven of this report. The principals that inform the design of this model are:

- “Nothing about us without us” – the idea that people who are experiencing poverty have the right to be involved in the decisions that are made about them.
- Building a strong partnership – the idea that in order to be successful, we need support and buy in from a very wide range of organisations, not just those that work on poverty.
- Being action focused – the idea that the governance model should promote a programme management approach to taking forward and delivering actions according to agreed timescales.
- Responding to data – the idea that use of data should more strongly inform decision making, allowing us to target and adjust our approach and to judge impact.

9.2. In addition, governance of Manchester's Anti-Poverty Strategy should align with governance arrangements around the Make Manchester Fairer Action Plan, recognising that anti-poverty is an important workstream of the action plan. It is proposed that the Anti-Poverty Strategy is overseen by the Make Manchester Fairer Task Group, the body that oversees delivery of the wider Make Manchester Fairer Action Plan. This group includes senior staff from MCC and our partners and can aid with resolving issues and removing barriers as well as providing strategic oversight.

9.3. Themed action groups (similar to the current working groups) would be established to work on the different themes of the strategy and would be made up of MCC and our partners to progress the delivery of the strategy's priorities and actions.

10. Resource

10.1. While anti-poverty work is an important priority for the city, we do not currently have the resources to fund a dedicated anti-poverty team or officers. Financial and human resources for this agenda are extremely limited, and at present are focused on what is effectively crisis response due to the Cost-of-Living Crisis. For this reason, the “delivery” priorities outlined in section seven look at how we can make better use of existing resources by reconfiguring existing funding streams and formalising the input of staff from across MCC and our partners.

10.2. In order to create some capacity to deliver on the priorities set out in the new strategy, we propose taking two actions:

- Firstly, to embed the relevant priorities of the Anti-Poverty Strategy the Team Around the Neighbourhood (TAN) work plans. TANs already bring together services at a local level and are best placed to manage delivery in a way that is responsive to local needs.
- Secondly, a wider “virtual team” of officers will be formalised to create some additional capacity to work on the anti-poverty agenda. This recognises that in the absence of a dedicated anti-poverty team, we are reliant on the contribution of officers and partners from across services and different areas of expertise. The concept of a virtual team is to formalise existing arrangements to ensure that relevant officers have enough time to dedicate to anti-poverty work, and to make sure that there is a dedicated anti-poverty lead person within each relevant service.

10.3. The team will also continue to look for opportunities to bring in funding or other resources to support anti-poverty work. This has also been included as a priority in the “delivery” theme in section seven.

11. Next steps

11.1. We are currently in the process of gaining feedback on these proposals from our partners and wider stakeholders. An event has been scheduled to discuss these proposals with our partners in more detail, and the responses will be incorporated into a full draft strategy.

11.2. A formal online consultation on the draft strategy will be carried out in mid-December, with the final strategy being taken to Executive in January.

11.3. At the same time as developing the new strategy, colleagues have been working to address the immediate pressures of the Cost of Living Crisis. Building on the model established through the COVID-19 Pandemic, a group of officers has been assembled and a work plan developed covering the following themes and issues:

- Cost of Living Advice Line
- Funding & support for households
- Community Food Response
- VCSE and Covid Health Equity
- Neighbourhood Response
- Schools
- Manchester Local Care Organisation Health and Social Care

- Housing
- Advice and Debt
- MCC Staff
- Comms, Engagement and Campaigns
- Digital Inclusion

11.4. This group is focussing on immediate, short term measures to tackle to Cost of Living Crisis in Manchester, whereas the Anti-Poverty Strategy is focused on medium to long term outcomes. In practice the two will be closely aligned with many of the same officers and partners working across the two workstreams.

12. Conclusion

12.1. Current economic circumstances mean that poverty will remain a significant challenge for Manchester in the coming years, however the City Council and our partners remain strongly committed to doing everything we can to tackle poverty in the city, and to reduce the impact that poverty has on the lives of our residents. We also recognise that in some areas our powers to tackle the problem are limited, but we are prepared to work to find new solutions to achieve do the maximum amount possible. We will also continue to make the case to UK Government for the legislative change that we believe is required to create the right conditions to effectively reduce poverty in our city.

13. Recommendations

13.1. Refer to the front page of this report.

14. Appendices

The following appendices have been referred to in this report:

1. Equalities Impact Assessment
2. List of consulted organisations

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Equality Impact Assessment Tool - Introduction

This Equality Impact Assessment tool aims to help you to consider and record how equality issues relate to your policies, projects, services, strategies or functions. It is easy to complete and will help you to understand which communities of identity will be affected by your proposals and how. The tool will help you to:

1. Assess whether a policy, project, service redesign or strategy is relevant to our equality duties and / or different groups in Manchester
2. Identify what the potential impacts of the activity will be for different communities
3. Highlight what actions could be taken to mitigate any negative impacts that you identify

The Equality, Diversity and Inclusion Team – (we give equality advice, guidance and support to all Council Teams)

Role	Contact Details
Equality, Diversity and Inclusion Team Manger	Lorna Young – 07904 679 204 lorna.young@manchester.gov.uk
Equality Specialist	Barry Young - barry.young@manchester.gov.uk
Equality Specialist	Michelle Wheeler –
Equality Specialist	Demi Cole – demi.cole@manchester.gov.uk
Armed Forces Specialist	Alfie Hewitt - alfie.hewitt@manchester.gov.uk

Guidance for officers

Roles and responsibilities

- The service managing the activity is responsible for completing an Equality Impact Assessment (EqIA) on it and should start this at the earliest opportunity
- The Equality, Diversity and Inclusion Team (EDI Team) is responsible for help, support and guidance throughout the process of completing EqIAs and provide quality assurance on final draft versions prior to submission to your Head of Service.
- The Head of Service is responsible for approving the EqIA
- The Strategic Director is ultimately responsible for the EqIAs completed in their service area as these documents are completed in line with our statutory responsibilities

Gathering your evidence

When developing your policy, strategy or project, consider which vulnerable or disadvantaged groups might be the most affected. These will include the groups protected by the Equality Act 2010, but may also include other vulnerable groups in society. Have a think about impact on:

- People in different age groups, like older people, young people and children
- People with continuing health conditions
- Disabled people (including consideration of mental health issues)
- People with caring responsibilities
- People of various faiths, religions and beliefs
- Trans people, non-binary people and other consideration of gender reassignment
- Married people and people in a civil partnership
- Homeless people
- Ex-Armed Forces personnel and their families
- People of either sex, with consideration of women during periods of pregnancy and maternity
- Different racial groups
- Lesbian, gay and bisexual people and other consideration of sexual orientation
- Children, families and other people living in poverty

When you're gathering evidence for your equality analysis, think about:

- What relevant service-level information is available and where can I get it from?
- Is there evidence from other sources that I could use, like websites, research reports, Census data or advice from independent commissions (i.e. Equality and Human Right Commission)?
- Has there been any engagement with stakeholders that I can draw evidence from, or might I need to do this?

Completing the tool

The tool has tips to help you as you fill it in, but a few things to remember are:

- Your assessment should be objective and based of evidence, not opinion.
 - Make your points clearly and concisely; don't copy and paste whole sections of other reports into this tool.
 - Signpost to other sources of information if they're relevant.
 - Use plain English and avoid abbreviations, jargon or technical terms.
 - Clearly show the link between your findings and the evidence that supports them.
 - Highlight whether the impacts that you identify are positive or adverse. If adverse, indicate whether the proposal can be adjusted to prevent the impact. Seek support from the Head of Service to assess what adjustments could be considered.
 - If there is a justifiable reason why the proposal can't be adjusted, clearly outline why and what the implications of this would be. This will help decision-makers reach well informed conclusions.
 - Any actions you identify to adjust the option should be captured in the actions log at Annex 1.
 - Remember that impacts can be on all groups, some or one. An adverse impact on one characteristic is no less significant than impacts for all groups.
-

Equality Impact Assessment

1. Tell us about your service

My Directorate	Chief Executives
My Service	City Policy
My team / section	Strategy & Economic Policy
The name of the function being analysed	Refresh of Manchester's Poverty Strategy
Who is completing the assessment?	Anissa Kheratkar, Principal Policy Officer, City Policy
Who is the lead manager for the assessment?	Peter Norris, Strategy and Economic Policy Manager

2. Tell us about the activity that you're analysing

Briefly describe the main aims and objectives of your policy, project, service redesign or strategy, including outlining at a high level if it has implications for other areas of the Council's work and priorities.

A new city -wide poverty strategy is being developed to guide and focus the Council and its partners to support the city's most vulnerable residents who are at risk of or are living in poverty. The strategy which will be aligned to the vision for Manchester set out in the Our Manchester Strategy and seeks to build on the Manchester Family Poverty Strategy 2017-22 and therefore will be aimed at residents more broadly.

Poverty is a challenge for the whole city. It is estimated that Manchester was ranked as the **6th most deprived local authority in the country** in the 2019 index of multiple deprivation. As of March 2020, the End of Child Poverty Coalition estimated that **46,700 children (42%) in Manchester were living in poverty.**

The pandemic further exacerbated poverty and exposed systemic inequalities indicating that certain communities and those with protected characteristics in the city were most likely to be living in poverty and felt the impact of covid more acutely. These communities were also most (though not always) likely to be living in the most deprived wards in the city. These communities are Black Asian and ethnic minority communities (BAME) or people from culturally diverse backgrounds, the over 50's, single households and disabled residents.

Age (older people) - the claimant count for those 50 and over increased by 73%

Age (younger people) - the claimant count for young people increased by 98% between March and May 2021

Disability – 48% of people living in poverty in the UK are disabled (JRF)

Race – all BME groups are more likely to be living in poverty than the white population. (Rudemedae Trust).

What the data indicates is that poverty is pervasive and touches on all thematic areas: people living in poverty are most likely to have poorer health outcomes, live in poor housing, low paid jobs if in work and experiencing in work poverty, poor education outcomes as well as higher incidents of mental health.

In addition to the Our Manchester Strategy Forward to 2025, the Council has several strategies which are in some way aimed at tackling some aspects of poverty. In addition, a Marmot Action plan ([link here](#)) has been developed in response to the recommendations set out in the Marmot review. Therefore, to ensure that the refreshed (anti) Poverty Strategy adds value, the strategy will not duplicate the proposals set out in the Work and Skills Strategy and the Homelessness Strategy. Given that health inequalities are in the most part driven by poverty, the refreshed strategy will be aligned to the Marmot Action Plan.

Another challenge is around welfare reform. One of the biggest drivers of poverty is the existing welfare system – the bedroom tax, the two child policy and more recently the removal of the £20 Universal Credit have over the years seen residents in the city becoming more economically vulnerable and more likely to fall into poverty.

Research and engagement and the development of the strategy

There is considerable existing data from all the engagement work undertaken in relation to the development of the strategies above and the Mamot review, thus in developing the strategy we do not wish to contribute to consultation fatigue. The new strategy will utilise current and existing engagement with residents. In addition, in developing the strategy consultation will be undertaken with the following diverse partnership boards and groups:

- Partnership Boards - i.e. the Our Manchester Forum, Age Friendly Board, Public Health, Children's Board
- Family poverty Core Group – which comprises of partners across the city which have an interest and/ expertise in poverty. The membership of the group has recently been revised to include people with lived experience of poverty and VCSE organisations representing community groups
- Neighbourhood teams
- MACC as the umbrella body for the VCSE organisation and other VCSE organisations representing people with protected characteristics who are most likely to live in poverty including the GM BAME network, Breakthrough UK as well as other specific VCSE organisations
- Where deemed necessary, specific engagement will be undertaken with residents in the most deprived wards in the city and with resident groups most at risk of living in poverty as identified in this document
- Academia- engagement with academic's who are specialist in this area of work including the Work & Equalities Institute. Manchester University

Communications

- Specific webpages on 'poverty' setting out what the city is doing in developing the strategy together with an email address which residents can write to for information and to ask questions will be set up as a means to communicate and thus engage with residents and give them the opportunity to input into the strategy.

Desktop research – an analysis of national and local data will be undertaken to identify the key issues pertinent to residents living in poverty.

Approach to tackling inequality

The new strategy is intended to identify key levers which will help tackle poverty for the city's residents. The strategy will seek to address poverty and prioritise those protected groups who experience its worst impacts.

The strategy will create a framework for action that will include tools/resources to tackle poverty. This includes the following:

- Use data and intelligence to identify the groups most impacted by poverty
- Aim policy interventions at this group to help tackle poverty
- Build a fairer and more equitable city so that people from all backgrounds have better outcomes across a range of social economic factors including health, education and employment
- Align the strategy with the Our Manchester Strategy, the Marmot Action plan, Housing Strategy, the Work and Skills Strategy and the Children's and Young People's Plan so that there is a whole system approach to tackling poverty
- Shift the narrative around poverty so that those experiencing or living in poverty do not experience stigma in the same way and are able to access and feel comfortable in accessing the help and support they need
- Work with and influence partners and anchor institutions to deliver on the priorities of the strategy and actively promote measures which will help alleviate poverty for the city's most vulnerable groups

Council wide impact

Covid highlighted just how pervasive poverty is and thus it impacts on almost all council services and policies.

TIP: briefly summarise the key points and keep your answer under 500 words.

TIP: try not to duplicate information that's available elsewhere; you can easily use this space to signpost to other sources of background information instead of rewriting them here.

3. Analysing the impact on equality

Will the policy, strategy, project, service redesign being assessed here... (Tick all that apply):

Remove or minimise disadvantages suffered by individuals or groups because of their characteristics	X
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Meet the needs of people from protected or disadvantaged groups where these are different from the needs of other people	X
Promote diversity and encourage people from protected or disadvantaged groups to participate in activities where they are underrepresented	X

Describe how you've reached your conclusion and what evidence it's based on (500 words max).

The focus of the strategy will consider the impact of poverty on the different protected characteristics as highlighted. As discussed in this document, poverty has a disproportionate impact on people with protected characteristics and therefore the strategy will seek to include priorities which will be aimed at mitigating and or lessening the impact of poverty on these groups.

To inform the priorities for the strategy, consultation will be undertaken with the relevant VCSE groups across the protected characteristics.

Considering which group/s you have identified the policy, project, strategy or service redesign as being relevant to, complete the table below. Be brief with your answers and only complete them for the group/s relevant to your activity.

1. What is the impact of your proposal on this group?	2. What evidence have you used to reach this assessment?	3. What actions could be taken to address the impacts?

<p>Age (older people)</p>	<p>It is intended that the strategy will look at practical tools to reduce the impact of poverty on older residents where possible.</p>	<p>There are 18, 725 residents aged 50 to state pensionable age now claiming an out of work benefit</p> <p>Unemployment levels amongst this group are nearly 50% higher than the average for all Manchester residents (1.19 Adult education & Skills plan).</p> <p>Poverty amongst older people has been rising six years prior to the pandemic. 18% of pensioners are living in poverty – increase of 4% since 2013/14.</p> <p>The claimant count for those aged over 50 increased by 73%</p>	<p>The Strategy could focus policy interventions aimed at older people. As part of the consultation for the strategy, it would be important to engage older people's groups including the Age Friendly Board to understand their specific needs and to design policy interventions based on this information.</p>
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<p>Age (children and young people)</p>	<p>It is intended that the strategy will include measures/policy interventions which will reduce the impact of poverty on younger people. As set in section 3, engagement will be undertaken with young people's organisations to identify the most effective and realistic measures.</p>	<p>According to the Index of Multiple deprivation – over 42% of children are living in poverty in Manchester. This according to the Joseph Rowntee Foundation is part of a national trend which has seen poverty increase 3-4% since 2013/14</p> <p>Nationally, 46% of ethnic minority children are living in poverty (Runnymede Trust)</p> <p>Young People during the first lockdown fared worst with the claimant count for young people increasing by 98% between March and May 2021</p>	<p>Again, the strategy needs to consider the needs of children and young people and design policy interventions based on their needs. To fully understand their requirements, a consultation with the VCSE and partnership groups representing the views of children and young people would need to be undertaken. This includes engagement on the design of the strategy with the Children's Board.</p>
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<p>Disability</p>	<p>The policy will aim to reduce poverty for disabled residents in the city where it can.</p>	<p>JRF found that 48 % of people living in poverty in the UK are disabled or living with someone who is (1.8 Family Poverty Strategy).</p> <p>There are 19,415 economically active people in Manchester who identify as disabled or who have a long term health condition that limits their daily activities and this</p> <p>.</p> <p>Around half of disabled people aged 16 to 64 years (52.1%) in the UK were in employment compared with around 8 in 10 (81.3%) for non-disabled people (July to September 2020) (4.10 Outcomes for disabled people in the UK 2020)</p> <p>The disability employment rate was 52.7% in Q2 2021, compared to 81.0% for non-disabled people (4.11 The employment of disabled people 2021) · Disabled people are more likely than non-disabled people to be: working in lower-skilled occupations, self-employed, working part-time (and subsequently fewer hours), working in the public sector, temporarily away from work (4.11</p>	<p>Policy interventions which meet the needs of disabled residents will be included in the strategy. Again, specific engagement with disabled groups will need to be undertaken so that this informs policy design. This will include the disabled staff group as well as VCSE organisations who represent disbaled residents.</p>
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		<p>The employment of disabled people 2021)</p> <p>Almost a third of people in families in which someone has a disability were in poverty compared to just 1 in 5 people in families in which no one is disabled.</p>	
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<p>Race</p>	<p>The policy will aim to reduce poverty from culturally diverse backgrounds and those from Black, Asian and Ethnic Minority groups. It will aim to do this, by including specific policy interventions based on the findings from consultations from the VCSE sector.</p>	<p>The data compiled by the ONS (2020c) data showed that Black youths (aged 16–24) experienced the largest unemployment rate throughout 2020, compared with the White population, in the UK. The second most affected group of youths were Pakistani (31.5% in Oct-Dec 2020, as compared with 22.5% in Oct-Dec 2019). · For those whose hours fell, BAME groups were 15 percentage points less likely to be supported by the Job Retention Scheme, and 13 percentage points more likely to have been made unemployed as a result of the pandemic (Both from 1.27 The Economic Impact of the COVID-19 Pandemic on Ethnic Minorities in Manchester).</p> <p>Data has found that of the 20 LSOA’s that have seen the largest rise in claimant count, 18 are home to populations larger than the city average. Of the five LSO’a with the largest rise, all but one have a BAME share of the population that is more than double the city average (Think Report)</p> <p>JRF found 48% of people in poverty in the UK are either disabled themselves or living with a disabled person (1.8 Family Poverty Strategy)</p>	<p>Engagement will be undertaken with VCSE groups who represent culturally diverse groups/ residents in the city to inform policy design. This will include engagement with the GM BME network and internally the black staff group.</p>
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		<p>· 51.0% of children in Cheetham are in poverty, 49.0% in Longsight and 46.6% in Moss Side - these are the 3 highest wards in terms of % of children in Poverty in Mcr (3.5 Assessment of Budget Impact on Family Poverty).</p> <p>Poverty rates are around 50% for people in households headed by someone of Bangladeshi or Pakistani ethnicity. These groups have also been hit hardest by the economic impact of the pandemic. (Joseph Rowntree – report March 2021)</p> <p>For every £1 of White British Wealth, Indian households have 90-95p, Pakistani households 50p, Black Caribbean 20p, and Black African and Bangladeshi have 10p</p> <p>Poverty rates vary significant by ethnicity, but all BME groups are more likely to be living in poverty. For Indians the rate is 22%, for Mixed its 28%; Chinese 29%; Bangladeshi 45% and Pakistani 46%. This is due to lower wages, higher unemployment rates, higher rates of part-time working, higher</p>	
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		<p>housing costs in England’s large cities (especially London), and slightly larger household size.</p> <p>Around 18% of Bangladeshi workers, 11% of Pakistani and Chinese workers, and 5% of Black African and Indian workers are paid below the National Minimum Wage, compared to 3% of white workers.</p> <p>BAME workers are more likely to participate in the ‘gig’ economy – up to 25% compared to 14% of the general population.</p>	
Sex	<p>The policy will aim to lessen the impact on women with policy interventions aimed more specifically at women and men who are more likely to experience poverty</p>	<p>59.5% of workers earning less than the living wage are women (4.8 GM Living Wage) · People of Pakistani and Bangladeshi ethnic backgrounds, especially women, have the lowest levels of employment in Greater Manchester (1.27 The Economic Impact of the COVID-19 Pandemic on Ethnic Minorities in Manchester) · Women are still more likely than men to be working part-time. 38% of women in employment were working part-time at the end of 2021. The proportion of men working part-time climbed from around 7% in 1992 to 13% in 2010 and has remained at a similar level</p>	<p>To inform strategy development, consultation will be undertaken with women’s organisations in the city so that this feeds into the priorities for the strategy. This will include engagement with the Manchester Bangladeshi women’s organisation.</p>

		<p>since (4.18 Women and the UK economy).</p> <p>According to the IMF, the economic fallout from covid will have a disproportionate impact on women. The demographics of employment in the worst hit sectors of the economy such as hospitality and retail mean women are more likely to lose their jobs</p>	
Sexual Orientation	The policy will endeavour to understand the impact of poverty on the LGBTQI community and seek to reduce it where it has leavers.	<p>Loss of safe and supportive spaces and peer groups have impact on the mental health of LGBT people.</p> <p>Almost one in five LGBT people (18%) who were looking for work said they were discriminated against because of their sexual orientation and/or gender identity while trying to get a job in the last year (4.17 LGBT in Britain - Work Report)</p>	To inform the priorities in the strategy, a consultation will be undertaken with LGBT organisations in the city to ensure that any priorities around people are captured.
Marriage / civil partnership	N/A		

<p>Pregnancy / maternity</p>	<p>The policy will aim to ensure that its policy interventions don't directly or indirectly discriminate against women who are pregnant or on maternity leave</p>	<p>Half of mothers (50%) described a negative impact on their opportunity, status or job security during pregnancy; maternity leave; and on their return from maternity leave. One in nine mothers (11%) said they felt forced to leave their job (4.19 Pregnancy and Maternity- Related Discrimination and Disadvantage).</p>	<p>Consultation will be undertaken with women's organisations to understand the impact on women during pregnancy and when on maternity leave. This will be linked with the consultation undertaken to understand the key challenges for women living in poverty.</p>
<p>Gender Reassignment</p>	<p>The policy will ensure that its interventions do not adversely impact on those communities undergoing gender reassignment</p>	<p>Anecdotal evidence would suggest that those undergoing gender reassignment or who are trans are likely to be living in poverty or experience poverty due to discrimination.</p>	<p>Further analysis will need to be undertaken to understand if and how poverty impacts on those who are trans or undergoing gender reassignment. This will inform the priorities of the strategy where appropriate.</p>

<p>Faith / religion / belief</p>	<p>The policy will aim to consider the impact of poverty from different faith groups in its interventions.</p>	<p>Between 2012 and 2018, economic inactivity was highest among women who identified as Muslim - over half of whom were economically inactive. Those who identified as Christian were consistently less likely to report having a degree or equivalent qualification than all other religious groups, likely reflecting the older age profile of this group (4.20 Religion, education and work in England and Wales: February 2020)</p> <p>Between 2012 and 2018, economic inactivity was highest among women who identified as Muslim - over half of whom were economically inactive. Those who identified as Christian were consistently less likely to report having a degree or equivalent qualification than all other religious groups, likely reflecting the older age profile of this group (4.20 Religion, education and work in England and Wales: February 2020)</p>	<p>As part of the consultation around the priorities for the strategy, consultation will be undertaken with the Faith Network for Manchester to understand how poverty is impacting n people of different faiths. This will inform the priorities of the strategy and policy interventions where appropriate.</p>
<p>Additional / Optional Characteristics</p>			

Families living in Poverty	The policy will aim to reduce the impact of poverty on children and families by including specific interventions to support this aim.	As highlighted 42% of children are living in poverty. 51.0% of children in Cheetham are in poverty, 49.0% in Longsight and 46.6% in Moss Side - these are the 3 highest wards in terms of % of children in Poverty in Mcr (3.5 Assessment of Budget Impact on Family Poverty)	Engagement with children's services and vcse groups representing young people will be undertaken to inform the priorities in the new strategy. The Strategy will be aligned to the children's and young people plan.
Carers	The policy will ensure that its policy interventions do not adversely impact on carers and where possible are supportive of those living in poverty.	The age at which a person is most at risk of leaving their employment in order to care is between 50 and 64 (4.12 Informal Carers and Employment: Summary Report of Systematic Review)	Engagement with carers groups will be undertaken to ensure that the priorities in the strategy meet the needs of this group where relevant.
Homelessness	The policy will be aligned to the Housing Strategy.	The most common employment status for lead applicants of households owed a prevention or relief duty was registered unemployed (104,640 or 39.0%) in 2020-21. The second largest category was households not working due to a long-term illness or disability (38,300 or 14.3%) (4.21 Statutory Homelessness Annual Report 2020-21, England)	The strategy will be aligned to the Housing strategy which considers homelessness.
Ex-Armed Forces	The policy will aim to ensure that its policy interventions to tackle poverty support ex – armed forces	79% of working age veterans are employed and are as likely to be employed as non-veterans, and 92% have a qualification and are as likely to have a qualification as non-veterans (2.22 Veterans Factsheet 2020)	The strategy will include engagement with vcse group/s representing ex – armed forces personnel to understand the impact of poverty on this group. Where appropriate, this may

			inform the priorities of the refreshed strategy.
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QUESTION 1 TIP: think about 1) whether your policy, strategy, project or service redesign removes or minimises disadvantage for this group, 2) whether it meets their needs that are different from other people's and / or 3) whether it promotes diversity / encourages participation.

QUESTION 2 TIP: evidence could include customer profile data, demographic information, research, or engagement and consultation outcomes

QUESTION 3 TIP: think about the extent to which your policy, strategy, project or service redesign meets our equality duties and whether this should or could be improved. If you identify any actions to address impacts, list these in Annex 1 along with responsible officers and timescales for each action.

4. Quality Assurance - Equality, Diversity and Inclusion Team

Send your draft EqIA to the EDI Team inbox - equalitiesteam@manchester.gov.uk using **EqIA Advice – Your Service Name**. in the subject line.

EDI Team: Name		Date reviewed:	
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5. Head of Service Approval

Your completed analysis needs to be signed off by your Head of Service.

Name:		Date:	
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Job title:		Signature:	
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Annex 1 – Actions Log

Use this table to list the actions you have identified to mitigate and adverse risks, detailing who will be responsible for completing these and setting clear timescales for delivery. Your actions will be reviewed at 6 months and 12 months to assess progress.

Actions identified in your EqIA	Responsible officer / team for delivery	Timescale for delivery	Comments

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List of consultee organisations

31 October 2022

#	Name	Type
1	Age Friendly Assembly	Representative Body
2	Age Friendly Board	Representative Body
3	Autisma	VCSE
4	Breakthrough UK	VCSE
5	CAB	VCSE
6	Central Skills and Employment Group	Representative Body
7	Cheetham Hill Advice Centre	VCSE
8	Children & Families Staff Conference	MCC Department Representative
9	Covid Health Equity Manchester(CHEM)	Body
10	Disabled Peoples Engagement Group Sounding Board	Representative Body
11	DWP	UKGOV Department
12	Foodsync	VCSE
13	Gateway M40	VCSE
14	GM Coalition of Disabled People	Representative Body
15	GM Poverty Action	Representative Body
16	GMMH	NHS Department Representative
17	Greater Manchester Poverty Action	Body
18	Groundwork	VCSE
19	Growth Company	Other
20	Guinness Partnership	Housing Provider
21	Healthy Me Healthy Communities	Health Services
22	Ingeus	Other
23	LGBT Foundation	VCSE
24	Locality Poverty Leads	MCC Department Representative
25	Manchester Bangladeshi Women's Organisation	Body
26	Manchester Central Foodbank	VCSE
27	Manchester Community Central	Representative Body
28	Manchester Deaf Centre	VCSE
29	Manchester Faith Network	Representative Body
30	Manchester Foundation Trust	Health Services
31	Manchester Health and Care Commissioning	Health Services
32	Manchester International Festival	Other

Economy Scrutiny, November 2022
 Manchester Anti-Poverty Strategy Appendix 2

33	Manchester Local Care Organisation	Health Services
34	Manchester Youth Council	MCC Department
35	MCC (Digital)	MCC Department
36	MCC (Early Help)	MCC Department
37	MCC (Early Years)	MCC Department
38	MCC (Education)	MCC Department
39	MCC (Health and Care Commissioning)	MCC Department
40	MCC (Housing)	MCC Department
41	MCC (HROD)	MCC Department
42	MCC (Libraries)	MCC Department
43	MCC (MAES)	MCC Department
44	MCC (Neighbourhoods)	MCC Department
45	MCC (Parks, Leisure, Youth and Events)	MCC Department
46	MCC (Performance, Research and Intelligence)	MCC Department
47	MCC (Public Health)	MCC Department
48	MCC (Revenues and Benefits)	MCC Department
49	MCC (Social Care)	MCC Department
50	MCC (Work and Skills)	MCC Department
51	MCC (Youth)	MCC Department
52	MCR Active	MCC Department
53	MCR Active - Winning Hearts and Minds	VCSE
54	MCR People First	VCSE
55	Mind	VCSE
56	Neighbourhood design & Implementation Group	Health Services
57	NHS	Health Services Representative Body
58	North Manchester Community Partnership North Manchester Team Around the	
59	Neighbourhood	MCC Department
60	Northwards Housing	Housing Provider
61	One Manchester	Housing Provider Representative Body
62	Poverty Truth Network	Body
63	Pure Innovations	Other Representative Body
64	Refuge Network UK	Body
65	Seetec	Other
66	South Manchester Neighbourhood Team	MCC Department
67	Southway Housing	Housing Provider
68	Trussell Trust	VCSE Higher Education Provider
69	University of Manchester	Provider
70	Wai Yin	VCSE
71	Wythenshawe Community Housing Group	Housing Provider
72	YES Manchester	VCSE

Manchester City Council Report for Information

Report to:	Communities and Equalities Scrutiny Committee – 8 November 2022 Health Scrutiny Committee – 9 November 2022 Children and Young People Scrutiny Committee – 9 November 2022 Environment and Climate Change Scrutiny Committee – 10 November 2022 Economy Scrutiny Committee – 10 November 2022
Subject:	Revenue Budget Update - Cover Report
Report of:	Deputy Chief Executive and City Treasurer

Summary

This report sets out the financial challenge facing the Council, the latest forecast position, and the next steps. The Council is forecasting an estimated budget shortfall of £44m in 2023/24, £85m in 2024/25, and £112m by 2025/26. After the use of c£16m smoothing reserves in each of the three years, this gap reduces to £28m in 2023/24, £69m in 2024/25 and £96m by 2025/26.

This report sets out the high-level position. Officers have identified potential savings options to reduce the budget gap totalling £42.3m over three years.

Even after these proposals there remains a budget gap of £7m to close to get to a balanced budget in 2023/24 and further savings options will be developed between now and January 2023 and be reported back to Scrutiny committees in February. Each scrutiny committee is invited to consider the current proposed changes which are within its remit and to make recommendations to the Executive before it agrees to the final budget proposals in February 2023.

Recommendations

The Committee is recommended to:

- (1) To consider and comment on the forecast medium term revenue budget
 - (2) Consider the content of this report and comment on the proposed changes which are relevant to the remit of this scrutiny committee
-

Wards Affected: All

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

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

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

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

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	The effective use of resources underpins the Council's activities in support of its strategic priorities as set out in the Corporate Plan which is underpinned by the Our Manchester Strategy.
A highly skilled city: world class and home-grown talent sustaining the city's economic success	
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	
A liveable and low carbon city: a destination of choice to live, visit, work	
A connected city: world class infrastructure and connectivity to drive growth	

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

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

The changes included within this report are officer proposals and, subject to Member comments and consultation, these will be included as part of the 2023/24 budget preparation.

Financial Consequences – Capital

None directly arising from this report.

Contact Officers:

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Background documents (available for public inspection):

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

[Revenue Budget Report - Executive Meeting February 2022](#)

[Medium Term Financial Strategy 2022/23 to 2024/25 -Executive Meeting February 2022](#)

[Revenue Monitoring to the end of July 2022 and Budget update 2023/24 to 2025/26](#)

[Resource and Governance Scrutiny – 6 September 2022](#)

1. Context and Background

- 1.1. The Council's budget has seen considerable reductions since the programme of austerity started in 2010/11, which saw a significant reduction to central government support for local authorities, in which Manchester has been one of the hardest hit places in the country. Over the last 12 years the Council has had to make £428m of cuts and savings to cope with Government funding cuts and unavoidable cost pressures such as inflation and a growing population. Prior to 2015/16 reductions were made pro rata to government funding, without taking into account the size of the council tax base. This meant that the Council has had disproportionate budget reductions. Even if Manchester had received only the average cut to council funding between 2010/11 and 2022/23, we would still have £77m a year more to spend on services.
- 1.2. The national funding outlook for Local Government continues to be volatile. A further statement on government spending and tax rates was expected on the 31 October 2022. Following the appointment of a new Prime Minister on 24 September, a budget statement will now be on 17 November 2022 and will be a full Autumn Statement, accompanied by an independent forecast from the Office of Budgetary Responsibility. The statement is expected to set out in detail plans to reduce debt and a medium-term plan to grow the economy.
- 1.3. In addition to uncertainty of national finances, the Council is facing unprecedented levels of inflation across pay, utilities and prices. The Institute of Fiscal Studies (IFS) has warned an extra £18bn a year would be needed to keep pace with inflation across public services. For the Council the inflationary and pay award increases are estimated at a cumulative £58m for 2022/23 and 2023/24. This compares to a usual budget allowance of c£16m for that period, resulting in an additional £42m p.a. of unavoidable costs to be funded.
- 1.4. Despite levels of inflation being significantly higher than forecast at the time of the Spending Review in October 2021, the government has indicated there will be no increase in the overall funding envelope over the spending review period. The Chancellor has committed to public debt falling as a share of the economy over the medium term which indicates that government departments are likely to have to find further efficiencies and cuts to achieve this aim.
- 1.5. Councils' 2023/24 funding from central government will be confirmed in the Provisional Finance Settlement, expected late December 2022.

2. Medium Term Budget position

- 2.1. The final budget position for 2023/24 and future years will be confirmed at February 2023 Executive. This will be after the key decisions confirming the Council Tax and Business Rates tax base to be used to determine the collection fund position have been made in January and the Final Finance Settlement is received.

- 2.2. The indicative medium-term position is shown in the table below, showing the planned use of reserves and the level of savings proposals identified to date. Full details on the overall financial position are provided in the budget update report to Resources and Governance Scrutiny Committee on 8 November 2022.

Table 1: Medium term forecast summarising current budget proposals and use of reserves

	2023 / 24	2024 / 25	2025 / 26
	£'000	£'000	£'000
Resources Available			
Business Rates / Settlement Related Funding	353,367	344,090	346,503
Council Tax	211,450	219,348	228,187
Grants and other External Funding	101,872	89,374	80,461
Dividends	0	0	0
Use of Reserves	13,714	11,703	6,222
Total Resources Available	680,403	664,515	661,373
Resources Required			
<i>Corporate Costs</i>	116,763	116,403	113,122
<i>Directorate Costs</i>	607,087	633,744	660,191
Total Resources Required	723,850	750,147	773,313
Shortfall	43,447	85,632	111,940
Use of Smoothing and Airport Reserve	(15,641)	(16,177)	(15,738)
Gap after use of Smoothing Reserves	27,806	69,455	96,202
Savings options identified to date	(21,135)	(32,738)	(42,320)
Shortfall	6,671	36,717	53,882

- 2.3. This position assumes Council Tax increases of 1.99% a year and an Adult Social Care precept of 1% a year. A 1% increase in Council Tax generates c.£2m additional income. The position also reflects the use of smoothing reserves to support the budget position of around £16m a year for the next three years. Use of reserves cannot be viewed as a long-term strategy to balance the budget and must be used in a planned way to avoid financial cliff edges while achievable long-term savings are developed and delivered.
- 2.4. The budget assumptions that underpin 2023/24 to 2025/26 include the commitments made as part of the 2022/23 budget process to fund known ongoing demand pressures.
- 2.5. In addition, a review of emerging pressures and budget assumptions has been completed and provision has been made to address these where they are unavoidable, including inflation and pay awards. Whilst this contributes to the scale of the budget gap it is important that a realistic budget is set which reflects ongoing cost and demand pressures. Additional resources have also been earmarked to provide £3.55m of targeted support to residents as part of

the Council response to the cost-of-living crisis to help protect our most vulnerable residents. Further details are set out in the Corporate Core Budget Report to Resources and Governance Scrutiny Committee.

- 2.6. This report sets out the priorities and officer proposals for the services within the remit of this committee. To date saving options totalling £42m over three years have been brought forward by officers for member consideration. As far as possible these are aimed at protecting the delivery of council priorities and represent the least detrimental options.
- 2.7. Following these savings proposals there remains a forecast shortfall of almost £7m next year increasing to £37m the year after. The measures contained within the Scrutiny Reports are officer options for consideration by the committee and deemed the 'least worst' options to close the budget gap. However, unless there is significant additional funding for local government, further and more severe budget cuts will be required.
- 2.8. Officers are working to identify further measures to bring forward in January along with the outcomes of the Finance Settlement. The target is a further £3m to £4m of savings deliverable in 2023/24 with a full-year effect of at least £8m. Work will then have to start on identifying the more difficult cuts that will be required to close the 2024/5 and beyond budget gap.

3. Workforce Implications

- 3.1. The indicative workforce reduction linked to the savings proposals is 70 Full-Time Equivalent (FTE) over the three years. 53 of these posts relate to the Corporate Core directorate. At this stage, it is anticipated that this will be managed via natural turnover and vacancies and that there will be no requirement for any formal voluntary early retirement or voluntary severance scheme.

4. Equality and Anti-Poverty Impact Assessments

- 4.1. Consideration has been given to how the individual proposed savings could impact on different protected or disadvantaged groups. All proposals are therefore being reviewed for their likely impact on these groups and where applicable, proposals will be subject to completion of an individual Equality Impact Assessment (EqIA).

5. Consultation

- 5.1. There is a statutory requirement to consult with business rates payers. Public consultation on proposed Council Tax levels and the savings and cuts measures put forward by officers will open on Monday 7 November and run until 7 January 2023. The provisional results from the consultation will be reported to Executive in February. The full analysis and results, alongside comments from scrutiny committees, will be reported to the Budget Scrutiny meeting on 27 February to ensure they are fully considered before the final budget is set.

5.2. None of the budget options set out to date require formal statutory consultation.

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

6.1. The reports have been tailored to the remit of each scrutiny as shown in the table below. Each Committee is invited to consider the proposed changes which are within its remit and to make recommendations to the Executive before it agrees to the final budget proposals in February 2023.

Date	Meeting	Services Included
8 Nov 22	Resources and Governance Scrutiny Committee	Chief Exec Corporate Services Revenue and Benefits / Customer and Welfare Support Business Units
8 Nov 22	Communities and Equalities Scrutiny Committee	Sport, Leisure, Events Libraries Galleries and Culture Compliance and Community Safety Housing Operations including Homelessness Neighbourhood teams
9 Nov 22	Health Scrutiny Committee	Adult Social Care Public Health
9 Nov 22	Children and Young People Scrutiny Committee	Children and Education Services
10 Nov 22	Environment and Climate Change Scrutiny Committee	Waste and Recycling Parks Grounds maintenance
10 Nov 22	Economy Scrutiny Committee	City Centre Regeneration Strategic Development Housing and residential growth Planning, Building Control, and licensing Investment Estate Work and skills Highways

7. Next Steps

7.1. The proposed next steps are as follows:

- 8-10 November - Scrutiny Committees
- 7 November - Budget consultation launched to close 7 January
- 6 December – RAGOS – Update on Autumn Statement (expected 17 November) and Council Tax and Business Rates Key Decisions report

- Late December - The Local Government Finance Settlement expected
- 10 January - Resources and Governance Scrutiny Committee - settlement outcome, update on the budget position and consultation responses.
- 11-13 January - Further options to Scrutiny Committees.
- 18 January - Executive -settlement outcome, update on the budget position and consultation responses
- 7-9 February - Scrutiny Committees
- 15 February - Executive receive proposed budget
- 27 February - Resources and Governance Budget Scrutiny.
- 3 March - Council approval of 2023/24 budget

**Manchester City Council
Report for Information**

Report to: Economy Scrutiny Committee – 10 November 2022

Subject: Growth & Development 2023/24 Budget Proposals

Report of: Strategic Director Growth & Development

Summary

The Council is forecasting an estimated budget shortfall of £44m in 2023/24, £85m in 2024/25, and £112m by 2025/26. After the use of c£16m smoothing reserves in each of the three years, this reduces to £28m in 2023/24, £69m in 2024/25 and £96m by 2025/26. Officers have identified potential savings options to reduce the budget gap totalling £42.3m over three years.

This report sets out the priorities for the services in the remit of this committee and details the initial revenue budget changes proposed by officers.

Even after these proposals there remains a budget gap of £7m to close to get to a balanced budget in 2023/24 and further savings and cuts options will be required to be worked between now and January and be reported back to Scrutiny committees in February. Each scrutiny committee is invited to consider the current proposed changes which are within its remit and to make recommendations to the Executive before it agrees to the final budget proposals in February 2023.

Recommendations

The Committee is recommended to:

- (1) To consider and comment on the forecast medium term revenue budget
 - (2) Consider the content of this report and comment on the proposed changes which are relevant to the remit of this scrutiny committee
-

Wards Affected: All

<p>Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the city</p>
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<p>The budget reflects the fact that the Council has declared a climate emergency by making carbon reduction a key consideration in the Council's planning and budget proposals.</p>
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Equality, Diversity and Inclusion - the impact of the issues addressed in this report in meeting our Public Sector Equality Duty and broader equality commitments

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

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	The effective use of resources underpins the Council's activities in support of its strategic priorities as set out in the Corporate Plan which is underpinned by the Our Manchester Strategy.
A highly skilled city: world class and home-grown talent sustaining the city's economic success	
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	
A liveable and low carbon city: a destination of choice to live, visit, work	
A connected city: world class infrastructure and connectivity to drive growth	

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

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

The changes included within this report are officer proposals and, subject to Member comments and consultation, these will be included as part of the 2023/24 budget preparation.

Financial Consequences – Capital

None directly arising from this report.

Contact Officers:

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Background documents (available for public inspection):

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

[Revenue Budget Report - Executive Meeting 16 February 2022](#)

[Medium Term Financial Strategy 2022/23 to 2024/25 -Executive Meeting 16 February 2022](#)

[Growth and Development Directorate Budget 2022/23 - Executive 16 February 2022](#)

[Resource and Governance Scrutiny – 6 September 2022](#)

[Revenue Monitoring to the end of July 2022 and Budget update 2023/24 to 2025/26 - Executive 14 September 2022](#)

1. Introduction and Purpose

- 1.1. The report is the first in the cycle for the budget programme 2023-26. It sets out an overview of the services within the remit of this scrutiny committee and their key priorities. The budget growth assumptions in the MTFP are set out. The report provides a draft set of officer proposals for further savings for 2023-26, developed in the context of the financial challenge facing the Council

2. Service overview and priorities

- 2.1. The Growth and Development Directorate has a pivotal role in driving the sustainable economic growth of the city to benefit everyone. This is achieved through securing new commercial and residential development, attracting inward investment, generating employment growth across the city, connecting residents to those opportunities, and supporting businesses and communities to thrive.

- 2.2. The Directorate is made up of the following services:

City Centre Growth & Infrastructure

- 2.3. The City Centre Growth & Infrastructure Team provides the essential focus and drive in the delivery of a wide range of initiatives that support inclusive growth, regeneration, and strategic transport and infrastructure provision across the city, with a particular responsibility for the city centre.

- 2.4. Key priorities include:

- Working collaboratively with a range of partners, facilitating the delivery of major regeneration schemes and developing infrastructure and environmental policy to drive inclusive growth across the city.
- Encouraging new inward investment to the city, facilitating the creation of new jobs.
- Aligning growth and infrastructure objectives to support delivery of the city's Climate Change Action Plan and related policies.
- Working with a range of Council services, external organisations and agencies to support place management and to ensure the holistic and effective management of the city centre, including public realm.
- Leading transport infrastructure development, including public transport investment, active travel projects and the development of overarching transport strategies, including the City Centre Transport Strategy.

Strategic Development

Major Regeneration

- 2.5. The Major Regeneration Team is focussed on delivering the significant regeneration opportunities provided by North Manchester and Eastern Gateway.

- 2.6. In North Manchester, the Victoria North initiative, which is being driven through a Joint Venture Partnership between the City Council and Far East Consortium is seeking to develop 15,000 much needed new homes across a range of tenures in 7 new or revitalised neighbourhoods at the northern edge of the city centre, together with a new city river park connecting a series of new and improved green spaces in or adjacent to the Irk River valley. The intention is that 20% of new homes developed will be affordable. This initiative, combined with the planned redevelopment of the North Manchester Health Campus (currently the North Manchester General Hospital), could provide development with a value in excess of £4 billion, catalysing the wider regeneration of the north of the city.
- 2.7. The team also leads on the further regeneration of the Eastern Gateway area, comprising the neighbourhoods of Ancoats, New Islington, Holt Town and the Lower Medlock Valley. Working in the “Manchester Life” Joint Venture with Abu Dhabi United Group and other developers including Registered Providers, the City Council is seeking to deliver in excess of 6,000 homes and commercial uses as part of this scheme, building on the success of what has been delivered in Ancoats and New Islington to date.

Strategic Housing

- 2.8. The service has developed a new 10-year housing strategy for the City which was approved in 2022 and will deliver on the following objectives:
- Increase affordable housing supply & build more new homes for all residents
 - Work to end homelessness and ensure housing is affordable & accessible to all
 - Address inequalities & create neighbourhoods where people want to live
 - Address the sustainability & zero carbon challenges in new and existing housing

Planning, Building Control & Licensing

- 2.9. Planning, Building Control and Licensing service works within an ever-changing environment of national policy documents, regulations, and legal considerations which has seen additional demands placed on the service where the scale of development and the pressure on supporting compliance is already significant.
- 2.10. Crucially, the service plays a central role in delivering the Council’s sustainable growth agenda, promoting positive outcomes for the city, and helping to de-risk investment decisions into the city. This is about securing new development that strengthens the platform for attracting investment to deliver economic growth, the aims of the residential growth strategy and supporting an uplift in the environment that is safe, inclusive and responds to climate change. The remit of the service includes delivering all the statutory functions of the city council as local planning authority – over 4,000 planning applications per annum, appeals, heritage matters and compliance, the local

authority building control function, including building and fire safety, dangerous buildings and safety at sports grounds and the licensing function, both premises and taxis.

- 2.11. The Service is also responsible for the review and adoption of citywide policy. The local plan - Places for Everyone and the Core Strategy will provide long term policies aimed to deliver the Council's ambitions through the spatial planning framework. The Licensing Policy will also set out how the Council will support the night-time economy whilst protecting the amenity of our residents.
- 2.12. Each part of the service is required to develop strong networks internally and externally along with the ability to forge effective partnerships with external Agencies and to influence the private sector and other key stakeholders to deliver key council objectives through major projects and policy development.

Investment Estate

- 2.13. The Investment Estate, which is managed by the Development Team, covers all aspects of the Council's non-operational property estate. This includes property and land held for investment purposes, surplus land, and development assets, along with land and development opportunities held within Joint Venture arrangements.
- 2.14. The estate is extremely varied and covers assets such as the Council's freehold estate at Manchester Airport, Manchester Arndale Centre, Heron House, Wythenshawe Town Centre to over 2500 freehold reversionary interests of residential properties across the City. The rent roll from assets held for investment purposes is over £20m pa.
- 2.15. The service is responsible for dealing with the Council's surplus land, development, and regeneration assets. This includes running a programme of capital receipts of land to support the Council's growth ambitions and budget, which involves identifying, preparing, consulting on and undertaking the disposal of assets. The use of the Council's residential development land resource is key to delivering on the recently revised Housing Strategy, in particular ensuring affordable housing targets are achieved. The current in year programme identifies c£6m of capital receipts, and the service is currently on target to deliver that.
- 2.16. The service also oversees the delivery of strategic land and property acquisitions through the Strategic Acquisitions budget. Again, a rolling programme of priority site acquisitions to support the wider regeneration initiatives, such as Wythenshawe Town Centre, Holt Town and Eastern Gateway, Eccleshall Street.
- 2.17. The service, alongside colleagues in the Corporate Estates service, is currently finalising a new asset-led approach to the strategic management of the Council's land and property portfolio of assets to bring together well established and enhanced practices and policies into a single framework document. This Strategic Asset Management Plan (SAMP) will create a new

comprehensive framework against which the Council's decisions relating to its property assets are taken, measured against the Council's overarching objectives and policy documents, through a simple and transparent evaluation model. Once adopted this will be managed and resourced through close working between the two teams, ensuring a life cycle approach to the management of the Council's wider asset base including operational, non-operational, surplus and development portfolios.

- 2.18. Through initiatives such as Wythenshawe Town Centre and the submission of the Round 2 Levelling Up Bid, as well as the preparation of the wider masterplanning framework, which is currently out to consultation, and the acquisition of the St Modwens Shopping Centre interest the team is taking a lead role in the district centre programme. Along with Wythenshawe the team are leading on development frameworks for Gorton, Moston Lane and Withington as an initial phase of this work.
- 2.19. The team is also responsible for the undertaking of statutory functions including asset valuations for accounting purposes. These are carried out on an annual rolling programme by internal officers, outsourced partners and specialists procured through the Council's framework as appropriate. Other statutory advice includes undertaking planning viability assessment reviews, both when applications are received and through the reconciliation reviews contained within the s106 agreements. The service continues to work closely with colleagues in planning to ensure that new developments are seen to contribute appropriately through the statutory framework in line with national and local policy.

Manchester Adult Education Service (MAES)

- 2.20. MAES provides adult education, learning and skills from 7 adult education centres across the city. Its primary focus is on providing opportunities for residents with lower levels of skills & qualifications, with on average over 70% of learners on working age benefits and 80% from the City's most disadvantaged areas. Much of the skills curriculum offer is focused on English for Speakers of Other Languages (ESOL), Maths and English & Digital from entry level to GCSE with a vocational offer to Level 3 in childcare and care. There are good progression routes to employment and progression to further learning. The MAES core offer is complemented by enhanced employability support available to all learners through its Make It Happen programme.
- 2.21. MAES generates all its funding externally, mostly through the Greater Manchester Combined Authority (GMCA) commissioned Adult Education Budget. In addition, it receives Education and Skills Funding Agency) funding for 16- to 24-year-old Special Education Needs and Disabilities pupils, the cessation of the DLUHC funding for the Talk English programme has meant that MAES has had to diversify its income sources to maintain the provision. MAES has continued to see an impact of Covid in its delivery.

Work & Skills

- 2.22. The Work & Skills team is responsible for the development and delivery of the Work & Skills Strategy for the City. It provides a coordinated approach to the post-16 & adult skills and employment support offer across the city, to ensure that the offer is as coherent as possible for young people, adults and businesses and meets the city's labour market requirements. The team engages with local businesses on business growth, skills & employment opportunities and supports business networks across the city. Following Brexit and Covid, the labour market continues to be volatile with vacancies and skills gaps across both frontier and foundational sectors. The team works closely with other stakeholders and employers to maximise the most of these opportunities for Manchester residents.

Digital Strategy

- 2.23. Following the launch of Manchester's Digital Strategy in 2022, a small team has been recruited to help drive its delivery. Building on the city's digital strengths & working with internal and external stakeholders, the team is working to ensure that Manchester is a highly connected topflight digital city. The key priorities of the Strategy include ensuring that all the city's residents can be digitally included, connecting more & more diverse Manchester residents to the career opportunities in the sector; having highly connected neighbourhoods; continuing to support the breadth & depth of the digital sector in Manchester and using tech to contribute to the city's net zero ambitions.

Highways

- 2.24. The Highways Service works to improve the city's road networks and public spaces, delivering a range of work that keeps traffic flowing, maintains the public realm and designs major new highway schemes to benefit residents and visitors in Manchester. The Highways Service is made up of several teams:
- Network Management - keeping the city moving, managing parking, traffic, and other aspects of road safety
 - Design, Commissioning and Project Management Team (PMO) - managing and developing our highways
 - Public Realm - maintaining monuments, water features and keeping highway users safe
 - Reducing congestion and supporting business and economic recovery
 - Supporting active travel options of walking and cycling
 - Delivering a programme of highway improvements Revenue Budget.

3. Service budget and proposed changes

- 3.1. The Growth and Development Directorate has a gross budget of £35.5m, generates income of £44.8m resulting in a net income budget of £9.310m, and employs 409 FTEs.

- 3.2. In addition to the Growth and Development Directorate, the Highways service also falls under the remit of this scrutiny panel and the Highways service has a gross budget of £25.1m and a net budget of £17.6m with 243FTE. The breakdown by service area is provided in the table below:

Table 2: Base budget 2022/23

Service Area	2022 / 23 Gross budget £'000	2022 / 23 Net Budget £'000	2022 / 23 Budgeted posts (FTE)
City Centre Regen	2,734	1,034	16
Strategic Development	358	158	2
Strategic Housing	2,407	636	40
Major Regeneration	1,214	522	13
Planning, Building			
Control and Licensing	8,041	(679)	137
Investment Estate	8,648	(12,867)	31
MCDA	1,315	0	0
Work and Skills and MAES	10,860	1,886	170
Growth & Development Subtotal	35,577	(9,310)	409
Highways	25,181	17,685	243
Total	60,758	8,375	652

- 3.3. The services under the remit of this scrutiny panel have identified proposed savings of £3.54m over the three years and these are made up of Growth & Development (£2.044m) through a combination of £1.615m income generation and £429k efficiencies.
- 3.4. Highway's proposals of £354k over three years are a combination of increased income £235k, deleting vacant positions £119k and temporarily reducing gully cleansing. The proposed savings are detailed in Appendix 1.
- 3.5. The table in Appendix 3 sets out the three-year budget position for the directorate, and further narrative is provided in the following paragraphs.

Investment Estate

- 3.6. The Department receives a proportion of annual rental income from Manchester Airport Group. Based on estimates provided by the Airport, additional income has been built into the budget for the next three years. Achievement of this income is dependent on performance being in line with or better than the forecasts provided.
- 3.7. The proposed sale of the Gala Bingo building in Wythenshawe will result in a capital receipt, there is currently a budget of £170k in respect of the internal loan used to fund the acquisition of the building. Once the site is disposed of

the outstanding borrowing will be settled and there will be a saving of £170k per annum.

- 3.8. A review of the funding arrangements for staff has identified that it would be appropriate to capitalise c£250k per annum of costs. This review has taken into consideration the most appropriate source of funding given the activities of staff.

Strategic Housing

- 3.9. The deletion of a vacant grade 4 post will result in a £9k saving to the General Fund, with the balance of the saving being reflected in the Housing Revenue Account.

Highways

- 3.10. As part of looking to identify possible savings to support the overall budget, priority has been given to generating increased income. It is also proposed to delete two vacant posts and one neighbourhood liaison post and to reduce gully cleansing for a temporary period. The savings options identified total £0.354m over the three-year period, with the gully cleansing programme returning to an annual cycle from year three.

4. Growth and Service Pressures

- 4.1. There are no budget growth proposals or emerging pressures within this Directorate.

5. Workforce

- 5.1 As part of the savings proposals there is an overall reduction of 4 FTE and this will be managed through deleting vacancies and natural turnover.
- 5.2 The Council's establishment is fully budgeted for at the top of the grade. In reality, there are vacancies caused by staff turnover, recruitment difficulties and staff employed throughout the grade scale. In order to avoid budgeting for costs that will not be required and making bigger cuts elsewhere, adjustments are being made to reflect these issues by applying a vacancy factor to recognise that vacancies will always exist. The continued challenges in filling posts also means that the council is working hard on ensuring we are an employer of choice and can attract people and minimise the pressures on our existing workforce.

6. Future opportunities and Risks

- 6.1. The Directorate continues to be affected by Covid, particularly around the investment estate and tenants seeking support for rent holidays – work is ongoing to assess each request on a case-by-case basis.

- 6.2. Current economic climate and cost of living crisis, particularly implications on development and investment in the city and particularly cost of living impact on residents.
- 6.3. Legislative changes in building safety requirements and change in requirements and increased demands on Planning and Building control.

7. Appendices

Appendix 1 – Savings Schedule

Appendix 2 – Indicative Medium-Term Budgets by Service

Appendix 3 - Indicative Medium-term Budgets by Type of Spend/Income

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Appendix 1 - Savings Schedules

Service	Description of Saving	Type of Saving	RAG Impact	Amount of Saving				Indicative FTE Impact
				2023/24	2024/25	2025/26	Total	
				£'000	£'000	£'000	£'000	
Investment Estate	Recognise annual agreed increase in Manchester Airport Group Rents	Income Generation	Minimum rents increase in line with contracts	630	170	815	1,615	0
Investment Estate	Gala Bingo - Spend to Save	Efficiency	Minimal – cost saving following disposal	170	0	0	170	0
Investment Estate	Charge staff time to capital/sale activity	Efficiency	Will increase capital costs, but reflective of activity levels	250	0	0	250	0
Strategic Housing	Delete existing vacancy in strategic housing	Efficiency	Potential reduced staffing capacity	9	0	0	9	1
Total				1,059	170	815	2,044	1

Highways Savings Schedule

Description of Saving	Type of Saving	RAG Impact	Amount of Saving				Indicative FTE Impact
			2023/24	2024/25	2025/26	Total	
			£'000	£'000	£'000	£'000	
Developer Fee Income - S278's would generate fees for checks, and approvals to designs etc.	Income Generation	Increased costs for developers	0	35	0	35	0
Increased fee income from design and project management work	Income Generation	Increased capital costs for staff time on design and project management	75	0	0	75	0

Reduce costs through not undertaking Highways maintenance works outside normal business hours	Service Reduction	Work is often undertaken outside normal business hours to reduce impact on traffic, this is more expensive. Undertaking works during business hours could lead to traffic delays with all the associated reputational risks	75	0	0	75	0
Delete 2 vacant posts in highways maintenance team	Efficiency	Reducing in size the workforce reduces the flexibility to respond to unscheduled challenges in the future	65	0	0	65	2
Change neighbourhood liaison and place greater reliance on Neighbourhoods staff to deal with highways issues	Efficiency	Greater reliance on Neighbourhoods staff to deal with highways issues and a disconnect with Neighbourhoods services and local members	54	0	0	54	1
Income from Weekend inspections	Income	New Evening & weekend Highway Inspectors will prevent non-permitted on non-licensed works taking place. As a result, there will be more FPN's issued to developers & utility companies	50	0	0	50	0
Temporarily reduce Gully Cleansing, the majority of gullies are cleaned annually, some would be every two years rather than annually		This reduction in budget would mean that gullies would only be cleaned every 2 to 3 years rather than annually	250	0	(250)	0	0
			569	35	(250)	354	3

Appendix 2: Indicative Medium term budgets by service

Service Area	2022/2023 Budget	2023/2024 Indicative Budget	2024/2025 Indicative Budget	2025/2026 Indicative Budget
	£'000	£'000	£'000	£'000
City Centre Regeneration	1,034	1,034	1,034	1,034
Strategic Development	158	158	158	158
Strategic Housing	636	636	636	636
Major Regeneration	522	522	522	522
Planning, Building Control and Licensing	(679)	(679)	(679)	(679)
Investment Estate	(12,867)	(13,167)	(13,167)	(13,167)
Work and Skills and MAES	1,886	1,886	1,886	1,886
Total	(9,310)	(9,610)	(9,610)	(9,610)

Service Area	2022/2023 Budget	2023/2024 Indicative Budget	2024/2025 Indicative Budget	2025/2026 Indicative Budget
	£'000	£'000	£'000	£'000
Highways	17,685	17,685	17,685	17,635

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Appendix 3: Indicative Medium-term budgets by type of spend / income

Growth & Development	2022/2023 Budget	2023/2024 Indicative Budget	2024/2025 Indicative Budget	2025/2026 Indicative Budget
	£'000	£'000	£'000	£'000
Expenditure:				
Employees	19,149	19,149	19,149	19,149
Running Expenses	14,012	14,012	14,012	14,012
Capital Financing Costs	2,339	2,339	2,339	2,339
Contribution to reserves	0	0	0	0
Sub Total Subjective Expenditure	35,500	35,500	35,500	35,500
Less:				
Other Internal sales	(459)	(459)	(459)	(459)
Gross Expenditure	35,041	35,041	35,041	35,041
Income:				
Government Grants	(8,454)	(8,454)	(8,454)	(8,454)
Contributions from Reserves	(3,971)	(3,971)	(3,971)	(3,971)
Other Grants Reimbursements and Contributions	(70)	(70)	(70)	(70)
Customer and Client Receipts	(31,854)	(32,154)	(32,154)	(32,154)
Other Income	(2)	(2)	(2)	(2)
Gross Income	(44,351)	(44,651)	(44,651)	(44,651)
Total Net Budget	(9,310)	(9,610)	(9,610)	(9,610)

Highways	2022/2023 Budget	2023/2024 Indicative Budget	2024/2025 Indicative Budget	2025/2026 Indicative Budget
	£'000	£'000	£'000	£'000
Expenditure:				
Employees	10,816	10,816	10,816	10,816
Running Expenses	22,537	22,537	22,537	22,537
Capital Financing Costs	2,171	2,171	2,171	2,171
Contribution to reserves	0	0	0	0
Sub Total Subjective Expenditure	35,524	35,524	35,524	35,524
Less:				
Other Internal sales	(10,342)	(10,342)	(10,342)	(10,342)
Gross Expenditure	25,182	25,182	25,182	25,182
Income:				
Government Grants	(3,043)	(3,043)	(3,043)	(3,043)
Contributions from Reserves	(1,492)	(1,492)	(1,492)	(1,492)
Other Grants Reimbursements and Contributions				
Customer and Client Receipts	(2,962)	(2,962)	(2,962)	(2,962)

Other Income				
Gross Income	(7,497)	(7,497)	(7,497)	(7,497)
Total Net Budget	17,685	17,685	17,685	17,685

**Manchester City Council
Report for Information**

Report to: Economy Scrutiny Committee – 10 November 2022

Subject: Overview Report

Report of: Governance and Scrutiny Support Unit

Summary

This report provides the following information:

- Recommendations Monitor
- Key Decisions
- Work Programme
- Monthly Economy Update

Recommendation

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

Wards Affected: All

Contact Officers:

Name: Charlotte Lynch
Position: Governance and Scrutiny Team Leader
Telephone: 0161 219 2119
Email: charlotte.lynch@manchester.gov.uk

Background documents (available for public inspection):

None

1. Monitoring Previous Recommendations

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

Date	Item	Recommendation	Action	Contact Officer
		N/A		

2. Key Decisions

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

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

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

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

An extract of the most recent Register of Key Decisions, published on **31 October 2022**, containing details of the decisions under the Committee's remit is included below. This is to keep members informed of what decisions are being taken and, where appropriate, include in the work programme of the Committee.

Development and Growth					
<p>Strategic land and buildings acquisition 2019/06/03C</p> <p>The approval of capital expenditure for the purpose of the strategic acquisition of land and buildings to support the Eastlands Regeneration Framework</p>	City Treasurer (Deputy Chief Executive)	Not before 1st Dec 2022		Checkpoint 4 Business Case & Briefing Note	Richard Cohen r.cohen@manchester.gov.uk
<p>Disposal of site of former Chorlton Leisure Centre for residential development (21/05/13A)</p> <p>Approval to the terms for the leasehold disposal of the site of the former Chorlton Leisure Centre for residential development.</p>	Strategic Director - (Growth and Development)	Not before 13th Jun 2021		Report to the Strategic Director of Growth and Development	Mike Robertson m.robertson@manchester.gov.uk
<p>Restructure of existing multiple ground leases at Manchester Science Park into a new overriding single head lease (2021/07/16A)</p> <p>Restructure of existing multiple ground leases at Manchester Science Park into a new overriding single</p>	Strategic Director - (Growth and Development)	Not before 16th Aug 2021		Report and recommendations	Mike Robertson m.robertson@manchester.gov.uk

head lease.					
<p>Strategic approach to developments of social homes via a city-wide New Build Local Lettings Policy (LLP) (2021/08/10A)</p> <p>Executive adopts the New Build LLP for immediate implementation.</p>	Executive	16 Nov 2022		Report and recommendations	Martin Oldfield m.oldfield@manchester.gov.uk
<p>Land at Downley Drive, New Islington/Ancoats (2022/02/18B)</p> <p>Land disposal by way of lease for residential development at Downley Drive, New Islington/Ancoats.</p>	Strategic Director - (Growth and Development)	Not before 18th Mar 2022		Report and recommendations	
<p>Asset Management Programme 2022/23 Budget (2022/04/26C)</p> <p>To approve capital expenditure for the Council's citywide assets.</p>	City Treasurer (Deputy Chief Executive)	Not before 26th May 2022		Checkpoint 4 business case	Richard Munns r.munns@manchester.gov.uk
<p>Disposal of the former Gala Bingo, Rowlandsway, Manchester, M22 5RS (2022/05/19A)</p>	Strategic Director - (Growth and Development)	Not before 19th Jun 2022		Report to the Strategic Director of Growth and Development	Joe Martin, Development Surveyor joe.martin@manchester.gov.uk

Approval to the terms for the leasehold disposal of the former Gala Bingo, Rowlandsway, Manchester, M22 5RS.					
<p>Acquisition of strategic asset in Wythenshawe (2022/06/10B)</p> <p>Approval of the capital expenditure required for the acquisition of the asset.</p>	City Treasurer (Deputy Chief Executive)	Not before 7th Jul 2022		Report to Executive on 29/06/2022 and Delegated approval report to the Strategic Director of Growth and Development and City Treasurer	Mike Robertson m.robertson@manchester.gov.uk
<p>This City - new scheme development (2022/06/17B)</p> <p>To give capital expenditure approval to build a mixed development of market and accessible rent properties, initially through the Council before transferring to a Council-owned company during the build.</p>	City Treasurer (Deputy Chief Executive)	Not before 17th Jul 2022		Report and recommendation	Alan Caddick, Interim Director of Housing and Residential Growth Alan.Caddick@manchester.gov.uk
<p>Housing Affordability Fund Budget (2022/06/28B)</p> <p>The approval of capital expenditure for affordable</p>	City Treasurer (Deputy Chief Executive)	Not before 28th Jul 2022		Checkpoint 4 Business Case	Yvette Ryle, Project Manager Yvette.ryle@manchester.gov.uk

housing via a dedicated HAF budget.					
<p>Large Scale Renewable Energy Project (2022/07/13B)</p> <p>To purchase a large scale solar farm, associated storage and maintenance arrangements.</p>	City Treasurer (Deputy Chief Executive)	Not before 13th Aug 2022		Executive Report	Leader
<p>King Street Multistory Car Park & King Street West Shops 35-47 (22/07/18A)</p> <p>Approval to the surrender of the City Councils Leasehold interested to support the redevelopment of the site, as consented under planning application 129251/FO/2021</p>	Strategic Director - (Growth and Development)	Not before 18th Aug 2022		Confidential report and recommendations	Lousie Hargan l.hargan@manchester.gov.uk
<p>The Northern Gateway HIF Infrastructure Programme (2022/07/26A)</p> <p>To approve capital expenditure of up to £33.7m, the balance of the available allocation of £51.6m Housing Infrastructure Fund Government grant, following the approval of an initial</p>	City Treasurer (Deputy Chief Executive)	Not before 26th Aug 2022		Checkpoint 4 Business Case	Ian Slater i.slater@manchester.gov.uk

<p>tranche of £17.9m.</p> <p>This will cover the construction period for the delivery of flood mitigation works, infrastructure and utilities provision in the Red Bank Neighbourhood.</p>					
<p>Hammerstone Road Depot Additional Funding (2022/08/01A)</p> <p>To approve Capital Expenditure for further works which include, but are not limited to, scope changes for improved low carbon specifications, works to the façade, roof and drainage and inflationary cost pressures.</p>	<p>City Treasurer (Deputy Chief Executive)</p>	<p>Not before 1st Sep 2022</p>		<p>Checkpoint 4 Business Case</p>	<p>Richard Munns r.munns@manchester.gov.uk</p>
<p>Lower Campfield and Upper Campfield - granting of new ground leases (2022/09/07A)</p> <p>Approval to the granting of new ground leases to allow the repair and refurbishment of both buildings by the lessee.</p>	<p>Chief Executive</p>	<p>Not before 6th Oct 2022</p>		<p>Report to the Chief Executive and Strategic Director of Growth and Development</p>	<p>David Norbury david.norbury@manchester.gov.uk</p>
<p>This City: Contractor and Design Team Fees</p>	<p>City Treasurer (Deputy Chief</p>	<p>Not before 10th Sep</p>		<p>Checkpoint 4 Business Case</p>	<p>Sarah Narici sarah.narici@manchester.gov.u</p>

<p>(2022/08/10A)</p> <p>To approve capital expenditure for the delivery of This City: Norther Quarter (Postal Street) in order to appoint a contractor under a Pre-Construction Services Agreement to progress work on a mixed development of market and Manchester Living Rent properties until planning permission has been granted.</p>	Executive)	2022			k
<p>Woodward Court External Concrete Repairs & Enveloping (09/09/2022A)</p> <p>To approve capital expenditure for full enveloping scheme inclusive of concrete repairs to Woodward Court</p>	City Treasurer (Deputy Chief Executive)	Not before 9th Oct 2022		Checkpoint 4 Business Case	Martin Oldfield m.oldfield@manchester.gov.uk
<p>Electric Vehicle Charging Strategy (2022/09/12A)</p> <p>The approval of the Draft Strategy and agreement to its publication.</p>	Executive	14 Dec 2022		Report and recommendations	Phil Havenhand, Interim Head of Infrastructure & Environment Phil.Havenhand@manchester.gov.uk
<p>Fire Risk Assessments Additional Work</p>	City Treasurer (Deputy Chief	Not before 11th Oct		Checkpoint 4	Martin Oldfield m.oldfield@manchester.gov.uk

(2022/09/13A) To approve Capital Expenditure of £4.885m to carry out specific further fire protection/prevention related work identified on properties within Housing Operations managed area.	Executive)	2022			
Biodiversity Strategy (2022/09/21A) To endorse the Manchester Biodiversity Strategy	Executive	19 Oct 2022		report and recommendations	Duncan McCorquodale duncan.mccorquodale@manchester.gov.uk
Delivery of Affordable Housing - Project 500 (Update) (2022/10/14) Disposal of Council land for the development of affordable housing.	Executive	16 Nov 2022		Report and recommendations	
Mayfield Phase 1 Update (2022/10/26A) Approval to the Council's contribution as part of Mayfield Partnership (General Partner) Ltd to a strategic acquisition	Executive	16 Nov 2022		Report to Executive from the Director of City Centre Growth and Infrastructure D2 - Mayfield Phase 1 Update	David Norbury david.norbury@manchester.gov.uk

3. Economy Scrutiny Work Programme

Thursday 10 November 2022, 2pm (Report deadline Tuesday 1 November 2022)

Item	Purpose	Lead Executive Member	Lead Officer	Comments
Update on the 2023/24 budget position	To receive a report on the Council's anticipated budget position for 2023/24, the budget process and draft proposals for any services in the remit of this committee	Councillor White Councillor Craig Councillor Hacking	Carol Culley Tom Wilkinson Becca Heron	
Economic Strategy Update	To receive an update on the development of a new economic strategy for the city which aims to create a stronger and fairer economy. One that is high performing but reduces inequality.	Councillor Craig	Becca Heron	
Poverty Strategy Update	This report will provide an update on the revised Poverty Strategy for the city and will outline where the Council has got to and emerging themes and priorities. The Poverty Strategy will cover all households in the city, those with and without children. The Strategy will take account of the cost-of-living increase, impact of covid and remain focused on the long-term causes and structural nature of poverty in the city. It will be co-designed with stakeholders including those with lived experience and will be aligned with the Marmot Build Back Fairer GM recommendations & action plan.	Councillor Midgley	Angela Harrington Peter Norris	
Overview Report	This is a monthly report, which includes the recommendations monitor, relevant key decisions, the Committee's work programme and any items for information. This will also include the Economic Dashboard.	-	Scrutiny Support Officer	

Thursday 8 December 2022, 2pm (Report deadline Tuesday 29 November 2022)

Item	Purpose	Lead Executive Member	Lead Officer	Comments
Living Wage City	To update on progress with Manchester's ambition to become a Living Wage City. It will outline the Living Wage Action Plan and the role of the anchor institutions in championing the living wage. It will also provide the latest Living Wage figure and an update on the number of employers in the city which are paying it. The report will also include information on the Greater Manchester Good Employment Charter. The City Council is already an accredited Living Wage Employer by the national Living Wage Foundation (accredited in 2019), but now the ambition is to expand this pledge and urge as many businesses as possible to pay their employees a true living wage and support them to lead prosperous, happy and healthy lives.	Councillor Craig Councillor Midgley	Angela Harrington Peter Norris	The Committee have requested that a number of invited guests from a range of different sectors are present to contribute to this item.
Greater Manchester Good Employment Charter	To invite the Growth Company to provide an update on progress with the GM Good Employment Charter since it was launched, setting out how it drives good employment beyond the Living Wage, the number of Manchester businesses and organisations accredited and the supported provided to businesses and organisations embarking on accreditation.	Councillor Craig	Angela Harrington Ian McArthur	
Overview Report	This is a monthly report, which includes the recommendations monitor, relevant key decisions, the Committee's work programme and any items for information.	-	Scrutiny Support Officer	

Thursday 12 January 2023, 2pm (Report deadline Monday 31 December 2022)

Item	Purpose	Lead Executive Member	Lead Officer	Comments
Employment and Training Opportunities from Major Capital Programmes	To receive a report that describes the employment and skills opportunities for Manchester residents that have resulted from the Council's major capital investment programme. This report will focus on but will not be restricted to the Our Town Hall project and the Factory.	Councillor Rahman Councillor Hacking	Angela Harrington	
Active Travel Strategy Update	To receive a report that provides an update on the Active Travel Strategy. This report will describe the principles, vision and objectives of the strategy.	Councillor Rawlins	Pat Bartoli	
State of Highways	TBC	Councillor Rawlins	Kevin Gilham	
Overview Report	This is a monthly report, which includes the recommendations monitor, relevant key decisions, the Committee's work programme and any items for information.	-	Scrutiny Support Officer	

Thursday 9 February 2023, 2pm (Report deadline Tuesday 31 January 2023)

Item	Purpose	Lead Executive Member	Lead Officer	Comments
Budget Report	Consideration of the final 2023/24 budget proposals that will go onto February Budget Executive and Scrutiny and March Council.	Councillor White Councillor Craig Councillor Hacking	Becca Heron Tom Wilkinson	
Local Plan	To receive a report on the Local Plan. The Manchester Local Plan guides development within Manchester. It was previously known as the Local Development Framework.	Councillor Craig	Julie Roscoe	
Housing Allocations Policy Update	To receive a report following a review of the Housing Allocations Policy.	Councillor White	David Ashmore	
Landlord Licensing Post-Consultation	To receive a report on landlord licensing and how this can address the impact of poor-quality property and management standards.	Councillor White	Fiona Sharkey	
This City Plan	To receive an update on the progress of This City's strategic and scheme specific activities.	Councillor White	Becca Heron David Lynch	
Overview Report	This is a monthly report, which includes the recommendations monitor, relevant key decisions, the Committee's work programme and any items for information.	-	Scrutiny Support Officer	

Thursday 10 March 2023, 2pm (Report deadline Tuesday 28 February 2023)

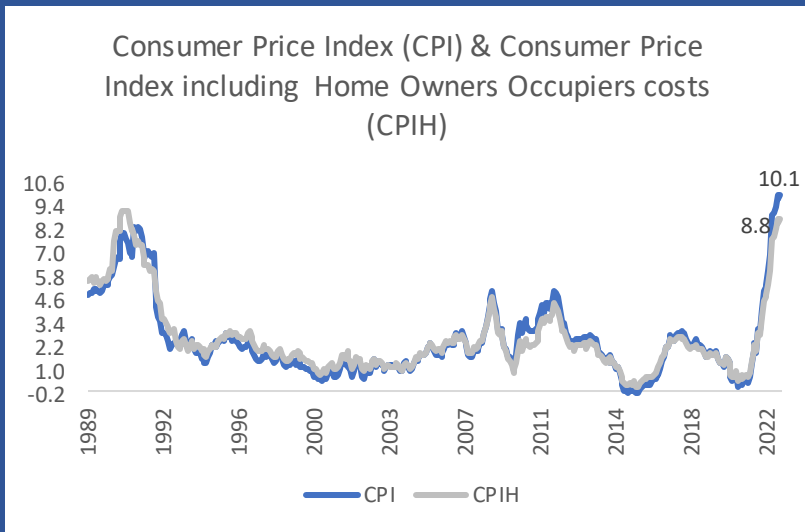
Item	Purpose	Lead Executive Member	Lead Officer	Comments
LTE Group update	To receive an update from the LTE Group on its performance and strategy. The update report will also provide information on the work of Novus to support ex-offenders.	Councillor Hacking	John Thornhill LTE Group Angela Harrington	
Manchester Adult Education Service (MAES)	To receive and update from Manchester Adult Education Service on performance.	Councillor Hacking	Brian Henry Angela Harrington	
Update on Manchester's Labour Market	The Labour Market in Manchester in line with national trends has experienced a period of volatility following covid, with vacancies across the foundational economy as well as in key growth sectors. This report will set out the latest position along with the approaches being used to meet skill and labour market needs.	Councillor Hacking	Angela Harrington	
Overview Report	This is a monthly report, which includes the recommendations monitor, relevant key decisions, the Committee's work programme and any items for information.	-	Scrutiny Support Officer	

Items to be scheduled

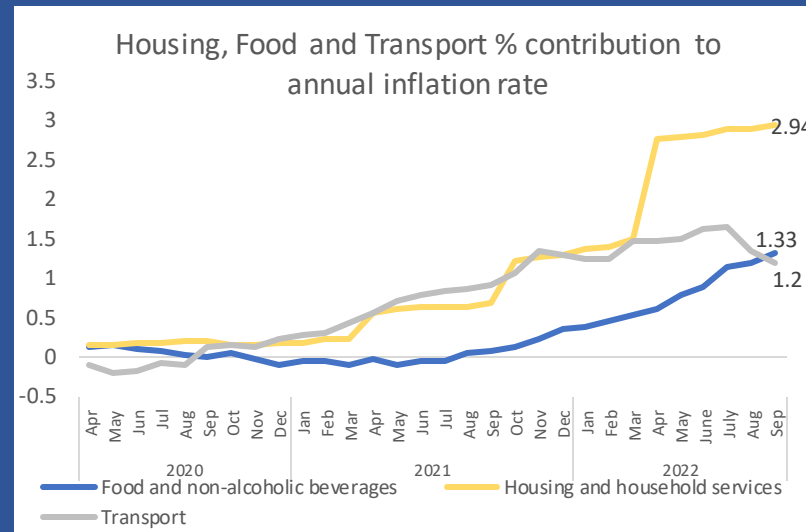
Item	Purpose	Lead Executive Member	Lead Officer	Comments
Design for Life and Rightsizing	TBC	Cllr White	Dave Thorley	
UK Shared Prosperity Fund Update	To receive a report on the UK Shared Prosperity Fund (UKSPF). The primary goal of UKSPF is to build pride in place and increase life chances across the UK, while recognising the acute challenges town centres and communities have faced during the Covid pandemic. This report will highlight the work that the UKSPF has supported in Manchester.	Councillor Craig	Becca Heron	Potentially invite GM UKSPF Partnership Board.

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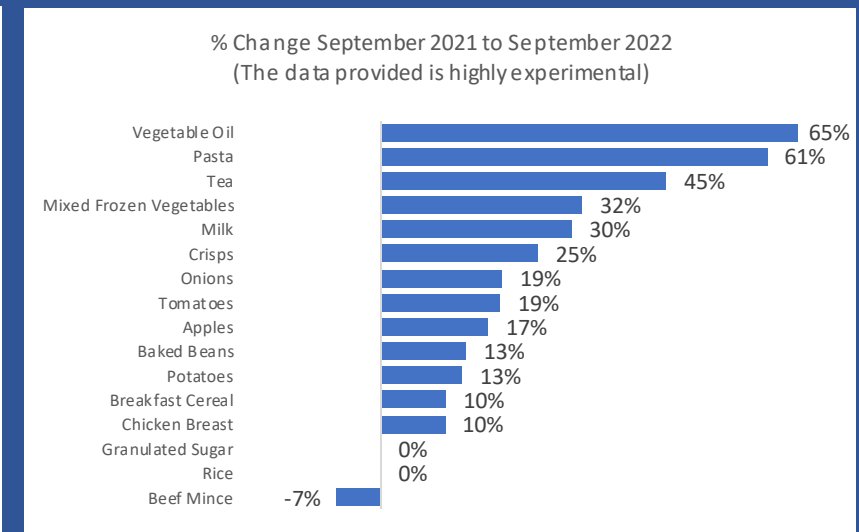
1. For September 2022 **inflation rose to 10.1%**, this is the second time this year that the CPI has risen above 10% and at its highest point since 1982, **a 40 year high**. Despite also dropping last month, **the CPIH also rose from 8.6% to 8.8%**, this is the second time this year that the CPIH has risen as high as 8.8%.
2. Petrol and Diesel prices have seen substantial increases during 2022, however July 2022 the price of both diesel and petrol has been dropping week on week. This trend continued for the first half of October, however second half of October 2022 saw price rises. Petrol prices are 14.41% higher than they were on the first week of January, diesel saw an increase of 27.44% over the same period.
3. Universal Credit Claimants has continued to increase, with provisional figures for September 2022 indicating that there has been a rise for the sixth successive month. From August to September 2022 there has been a rise of 1.17%. July to August 2022 shows a slower trend upwards with the revised figures for August showing an increase of only 0.38%.
4. Over 99% of eligible households have received the government's £150 core council tax rebate to help with the cost of living. Figures published today show more than 19 million households in England were handed payments by the end of September with many councils reporting that 100% of eligible households in their area have now received their payment. (gov.co.uk)
5. 16 - 17 years old not engaged in education, employment or training (**NEET**) and Not Known are higher than figures for the same period in the previous year, NEET increased from 180 in September 2021 to 224 in September 2022. Against September 2021, Not Known are down from 2,843 in September 2021 to 2,863 in September 2022.
6. Footfall figures for the week commencing 24th October show that in Manchester City Centre footfall is **down 14.54% against the 2019 baseline** and is **down 0.57% against the 2021 baseline**. **District Centre** figures from the same period are **up 5.57% against 2019** weekly figures, and they are **up 19.19% against the 2021 baseline**.
7. Manchester Airport saw a drop in passenger numbers through **September 2022**, with a total of **2.5 million passengers** reported. This was **lower** than the figures reported **in August 2022 by 7.6%** however all major English airports saw a drop in their passenger numbers in September. Only Heathrow airport saw their passenger numbers drop by a smaller percentage, 4.30%. Gatwick saw a decrease of 11.3%. The decrease in the number of airport passengers is directly linked to the end of the school summer holidays.
8. A **215,000 sq ft** office and **600-bed student block** make up the two-part proposal, the latest scheme to come forward within the Manchester district. Two months on, the partners have fleshed out the proposals and are inviting the public to have their say during a consultation that will run until **11 November**. Once complete, the plot 10 office will be able to accommodate around **2,000 workers**. (Place North West).
9. Manchester Metropolitan University has started a £10 million Grosvenor West refurbishment. Work to regenerate the grade two-listed building – the historic home of Manchester School of Art – on Oxford Road is scheduled to complete in spring 2024. This is part of a long-term programme to upgrade its city centre campus, demolishing some outdated properties, building new ones, and refurbishing others. (Place North West)
10. **National Geographic magazine** has selected **Manchester** as **one of 25 global must-visit destinations for 2023**. Manchester is the only UK city to be recognised, and joins destinations including New Zealand, Egypt, and San Francisco. The city's post-pandemic revival and major 2023 openings helped secure its place on the list. Reasons given for the decision included **Manchester Museum**, due to reopen in February 2023 following a £15m transformation; **Factory International**, opening in June 2023 with an ultra-flexible, large-scale performance space; and the newly-opened **Castlefield Viaduct**. (Invest in Manchester).



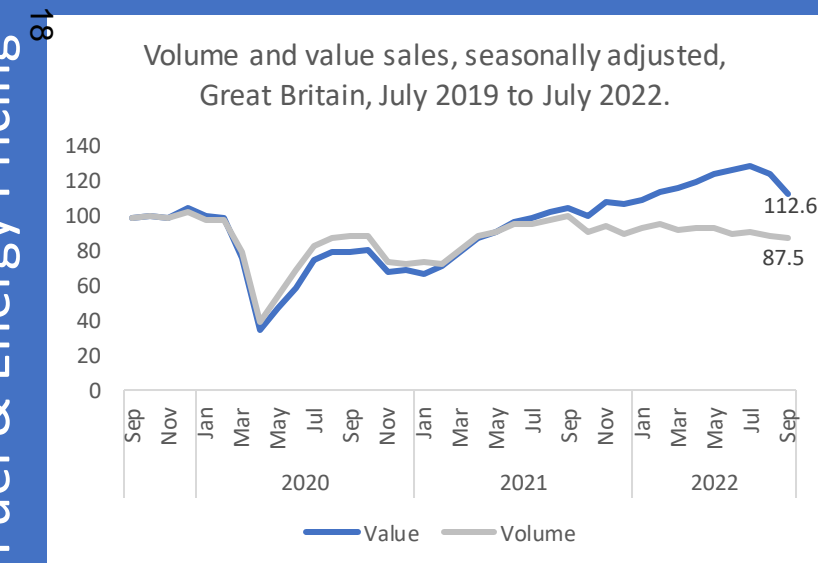
Source: ONS, CPI & CPIH
Data released: 19/10/2022 Next Updated: 16/11/2022



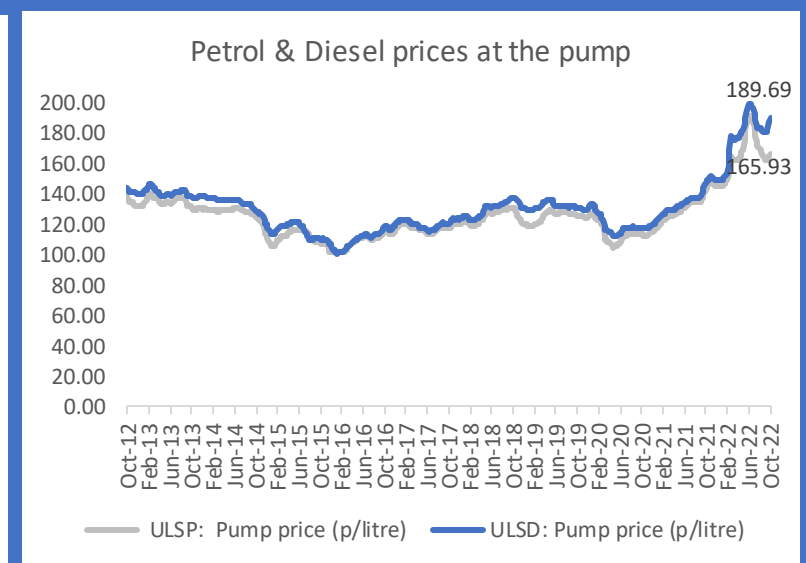
Source: ONS, Contributions to the CPIH 12-month inflation rate
Data released: 19/10/2022 Next Updated: 16/11/2022



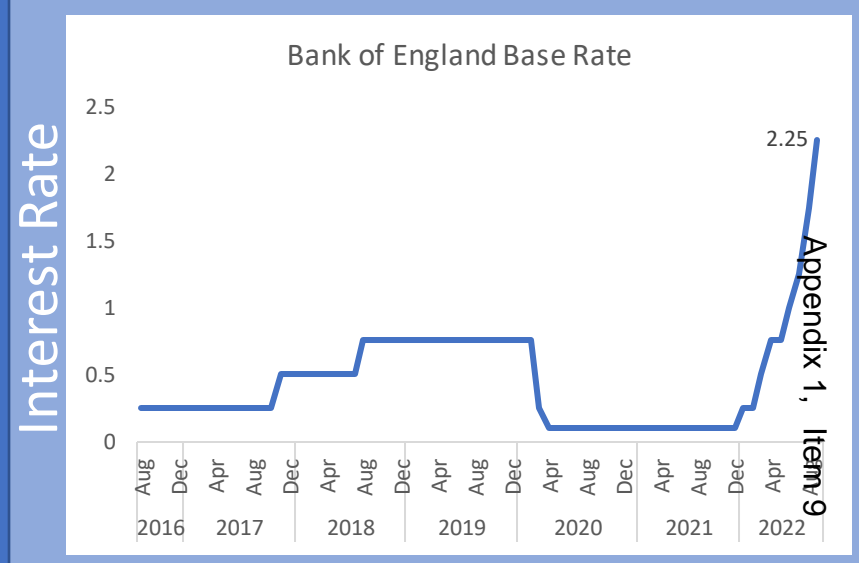
Source: ONS, Inflation and price indices.
Data released: 25/10/2022 Next Updated: Unknown.



Source: ONS, Retail Sales, Fuel Sales value and Volume
Data released: 21/10/2022 Next Updated: 18/11/2022

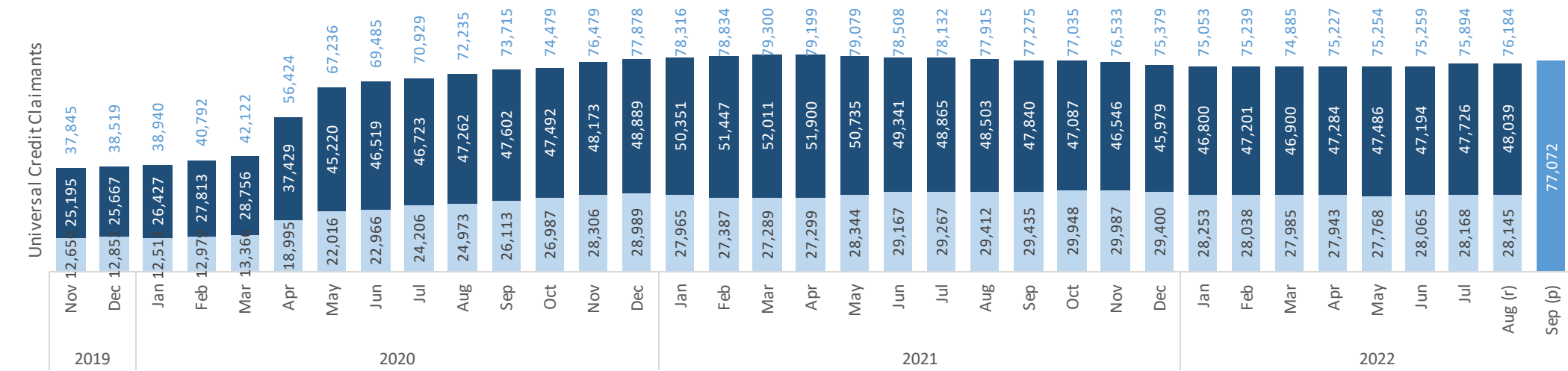


Source: Dep. for Business, Energy & Industrial Strategy
Data released: 01/11/2022 Next Updated: 08/11/2022



Source: Bank of England
Data released: 22/09/2022 Next Updated: 03/11/2022

The trend of UC Claimants increases continues for the sixth successive month, revised figures for August 2022 show an increase of 0.38% against July 2022.



Total Universal Credit Claimants (September -provisional*):

77,072

Monthly Change (Aug – Sep (p)*)

1.17%

Out of Work Claimants (Aug (r))

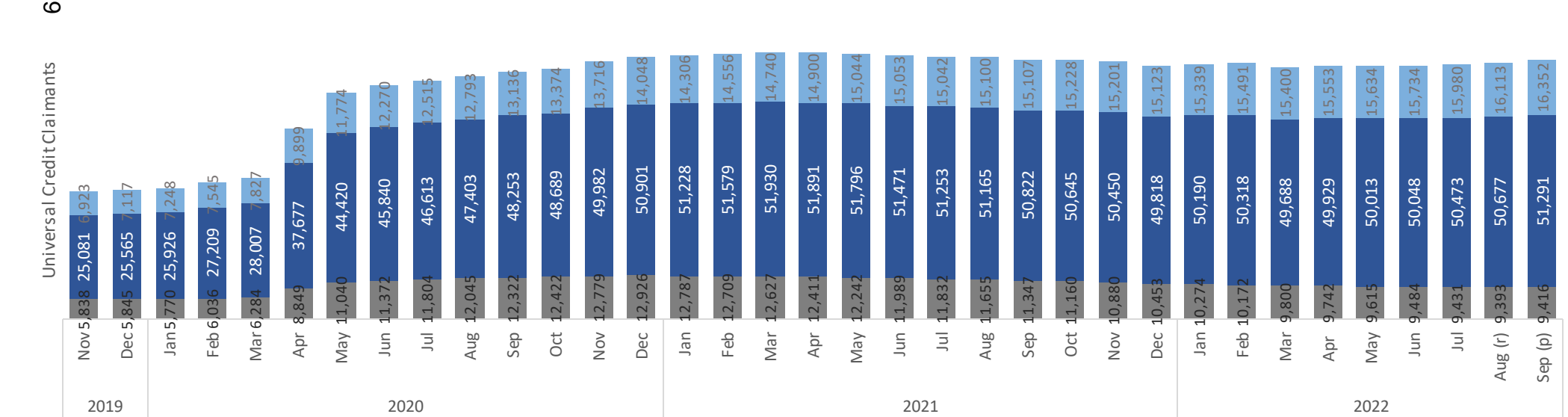
48,039 (63%)

Source: DWP, via Stat-Xplore

Data released: 11/10/2022 Next Updated: 15/11/2022

*Provisional results generally over estimate the actual no. of claimants

All age bands have seen a rise, 16-24 had an increase of 0.24% from August to September 2022. 50+ saw the biggest monthly change of 1.48% for the same period.



Largest Age Group (September(p))

25-49 year olds (51,291)

Monthly Change in 25-49 year old claimants

1.21%

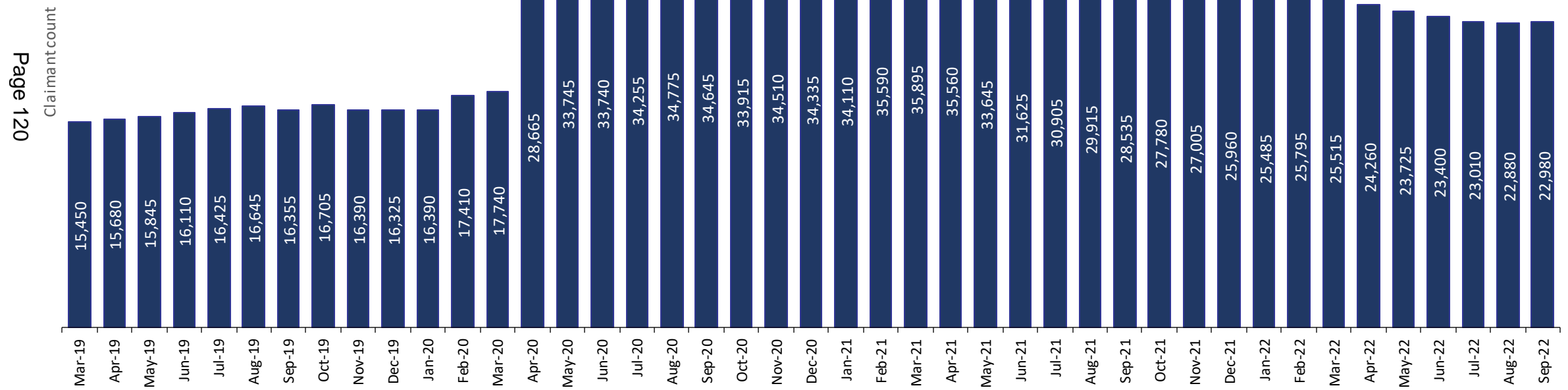
Source: DWP, via Stat-Xplore

Data released: 11/10/2022 Next Updated: 15/11/2022

■ 16-24 ■ 25 - 49 ■ 50 +

Unemployment claimant count in Manchester shows an increase (0.44%) in September 2022 compared with August 2022.

Current figures show that in the last 12 months, September 2021 to September 2022 there has been a drop in Unemployment claimant count of 19.46%.



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Source: DWP, via Stat-Xplore
Data released: 11/10/2022 Next Updated: 15/11/2022

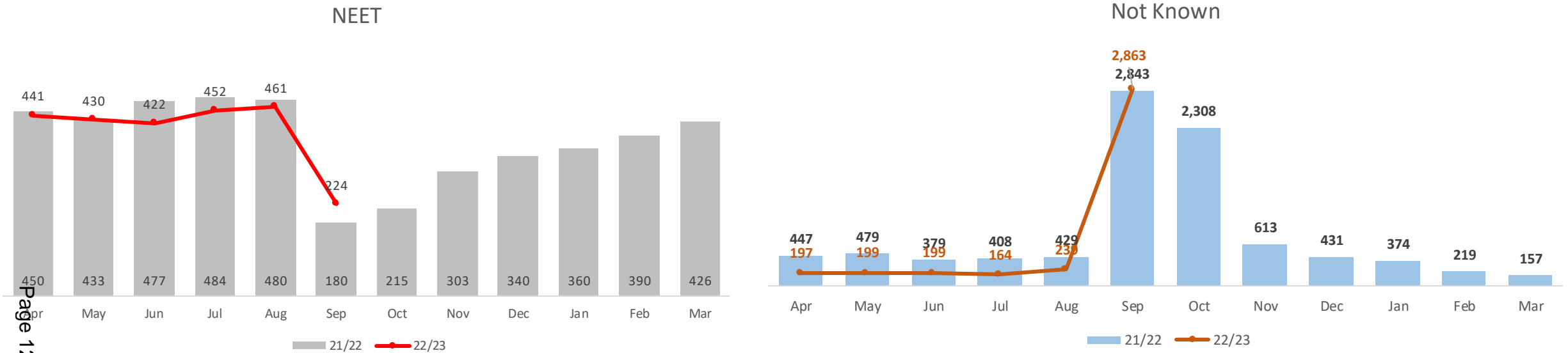
Unemployment Claimant Count
(September 2022)

22,980

Unemployment Claimant Count Rate
(September 2022)

c. 5.9%

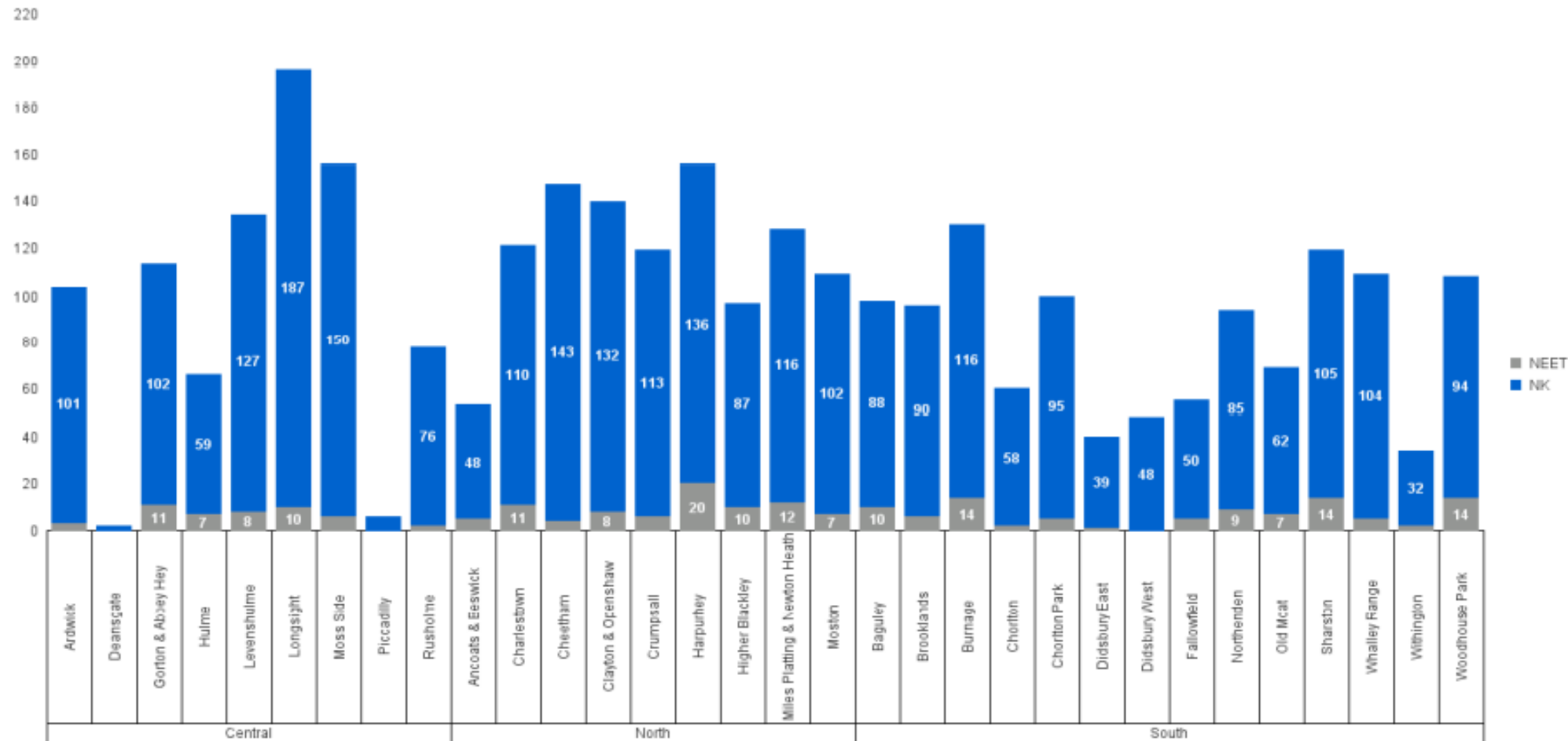
224 16-17 years old were NEET in September compared to 180 in the same period in 2021/22. There were 2,863 whose status was unknown in September (2,843 in the previous year).



Category	16 Yrs	17 Yrs	Total
Participation in education and training	72.5%	81.5%	76.8%
Meeting the Duty	72.8%	81.8%	77.1%
Participating in RPA compliant education and training	72.5%	81.5%	76.8%
Working towards meeting the duty	0.3%	0.3%	0.3%
Temporary break from Learning	0.1%	0.3%	0.2%
Not Known	1,881	983	2864
Not Known %	26.0%	15.0%	20.8%
In Learning	5,253	5,334	10,587
In Learning %	72.5%	81.5%	76.8%
Actual NEET	74	150	224
Actual NEET %	1.0%	2.3%	1.6%
Combined NEET and Unknown	1,955	1,133	3,088
Combined NEET and Unknown %	27.0%	17.3%	22.4%

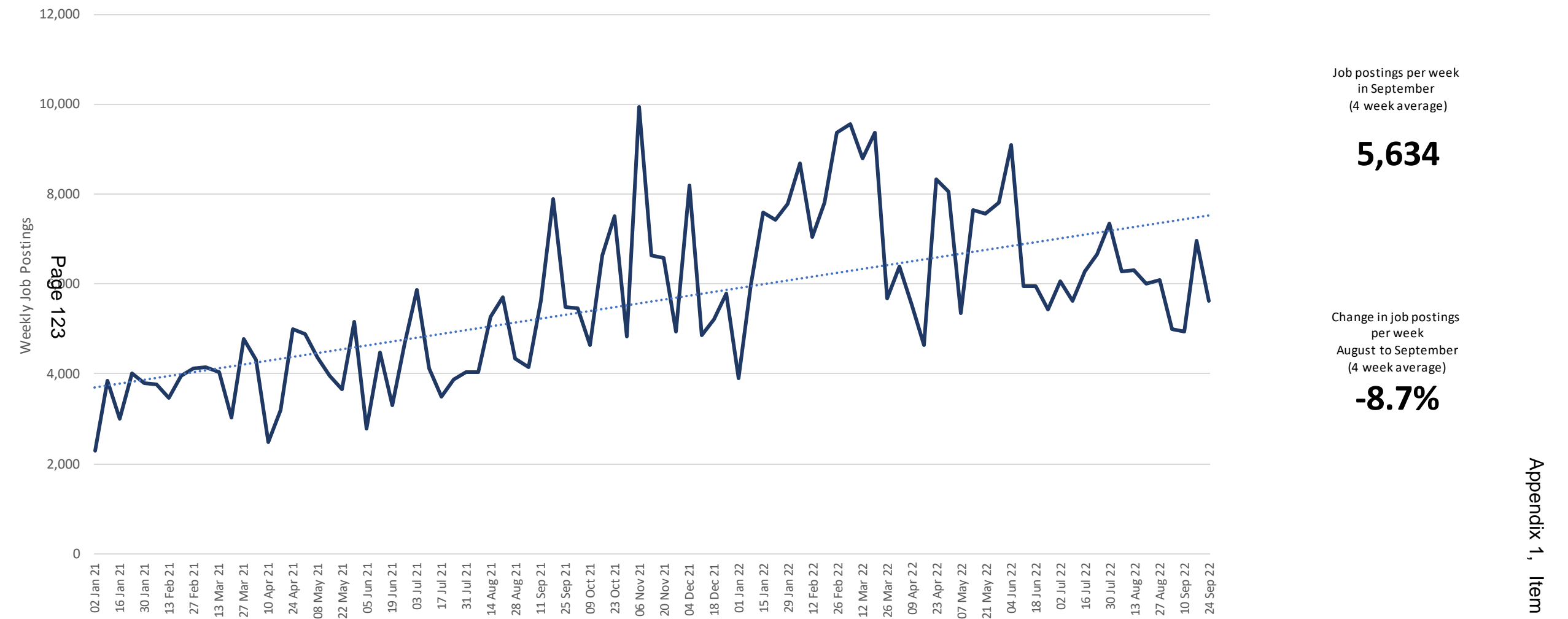
Data for September 2022 shows that the ward with the largest number of NEETs is Harpurhey. Longsight had the largest number of Not Knowns. Highest proportion of NEET 16-17 year olds are in Sharston and Hulme, both with 3.1%.

NEET and Unknown by Ward (Academic Age 16-17)



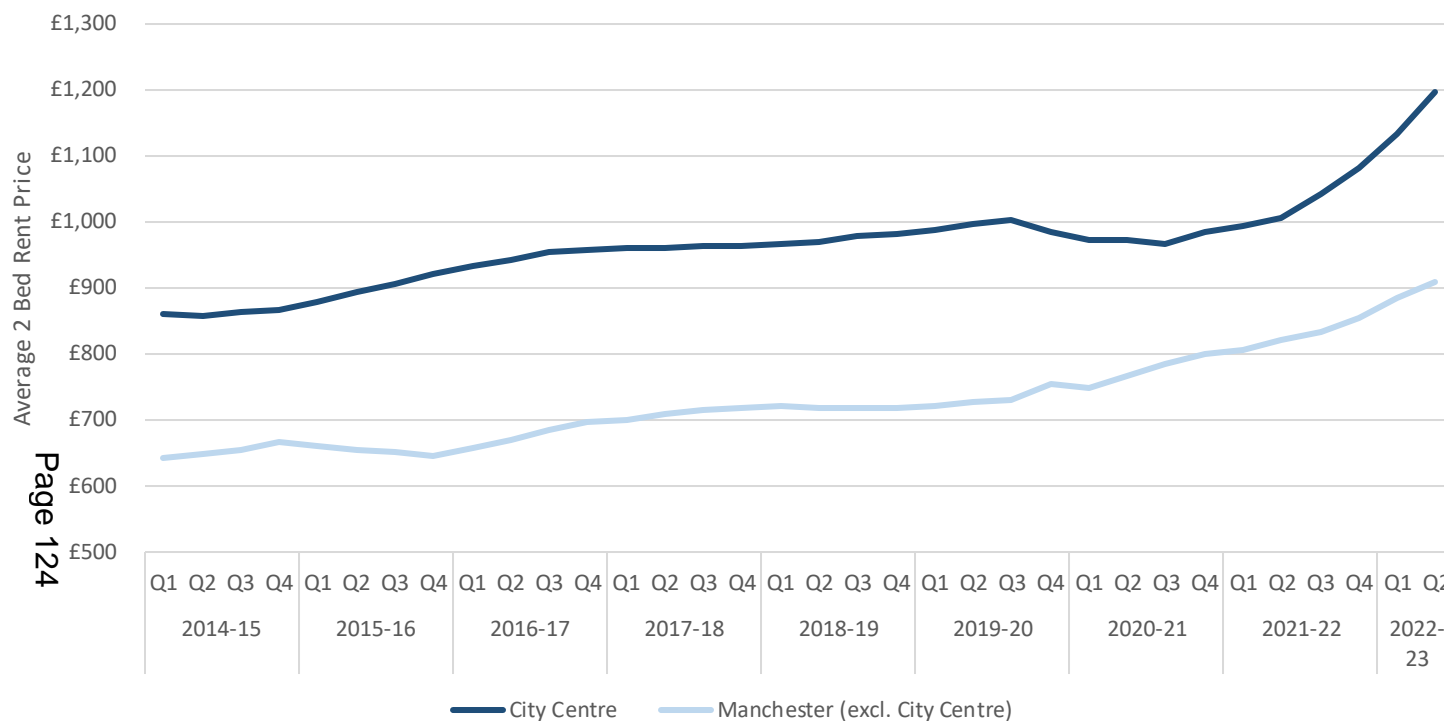
Note: The revised NEET ward breakdown is only available from June 2018, due to the boundary changes that came into force in May 2018

Revised September's data shows a significant drop in job postings for September 2022, well below the trend for the year but only 3% lower than the weekly average in the same month in the previous year.



Note: This data is the same as what was included in last month's update. A contract with a new data provider is in the process of being agreed and once completed we will be able to continue reporting on this particular metric.

Sustained demand continuing to increase rents albeit rental inflation uneven across the city centre



City Centre
2Bed Rent Quarterly Change

£1,195

6.0%

Rest of City
2Bed Rent Quarterly Change

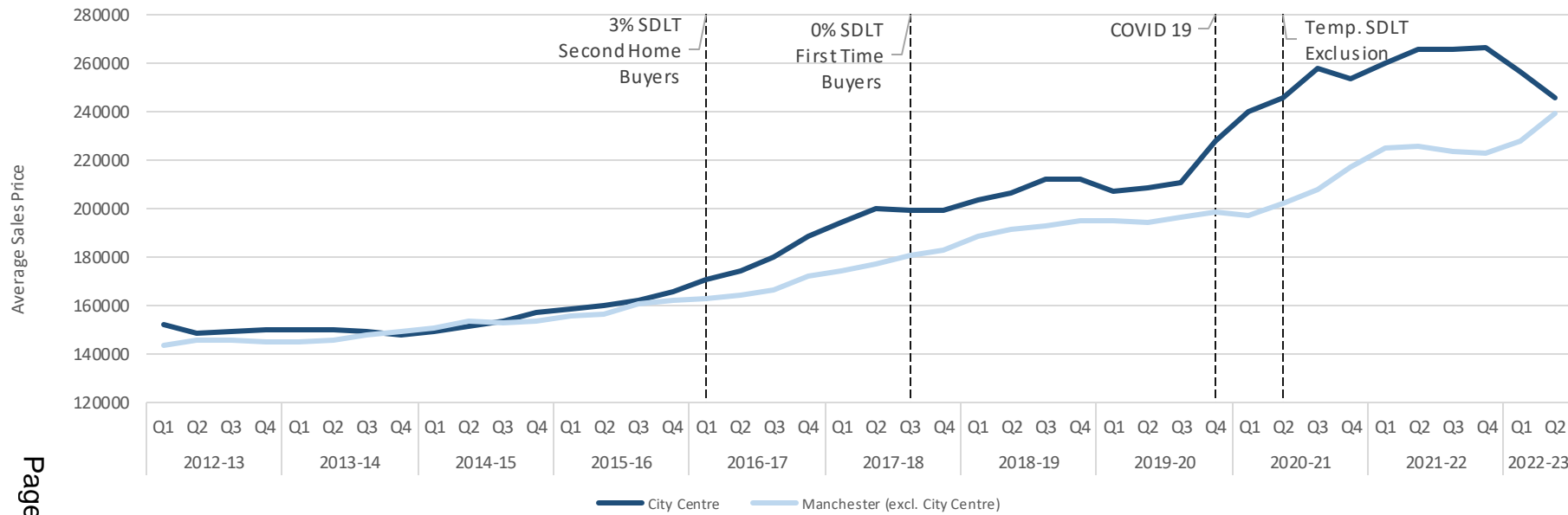
£908

2.8%

City Centre Neighbourhood 2Bed Rents	Q2 2021-22	Q3 2021-22	Q4 2021-22	Q1 2022-23	Q2 2022-23	Quarter Change	Annual Change
Owen Street & First Street	£1,160	£1,183	£1,237	£1,285	£1,386	7.9%	19.4%
Deansgate & Spinningfields	£1,172	£1,244	£1,272	£1,312	£1,376	4.8%	17.4%
Ancoats & New Cross	£1,046	£1,085	£1,138	£1,193	£1,266	6.1%	21.1%
Piccadilly Basin	£1,012	£1,063	£1,117	£1,167	£1,256	7.6%	24.1%
Castlefield	£958	£1,032	£1,069	£1,128	£1,199	6.4%	25.3%
Northern Quarter	£991	£1,028	£1,076	£1,132	£1,187	4.9%	19.8%
Oxford Road North	£1,051	£1,086	£1,077	£1,119	£1,170	4.5%	11.4%
Chapel Street West	£991	£1,023	£1,050	£1,078	£1,150	6.7%	16.1%
Salford Quays & Pomona Island	£1,024	£1,050	£1,074	£1,092	£1,141	4.5%	11.5%
Greengate & Chapel Street	£988	£1,003	£1,027	£1,072	£1,122	4.7%	13.5%
Ordsall Lane & Middlewood	£976	£987	£1,023	£1,060	£1,118	5.4%	14.6%
Castlefield West	£970	£1,003	£1,032	£1,073	£1,111	3.5%	14.6%
City Centre North	£940	£974	£1,006	£1,058	£1,110	4.9%	18.7%
New Islington	£978	£1,011	£1,037	£1,063	£1,106	4.0%	13.1%
Oxford Road South	£883	£905	£923	£920	£961	4.5%	8.9%
Hulme Park & Birley Fields	£773	£800	£852	£892	£926	3.8%	19.6%
City Centre	£1,007	£1,042	£1,082	£1,123	£1,184	5.4%	17.6%
Manchester (excl. City Centre)	£821	£838	£856	£884	£910	2.9%	10.9%

Appendix 1
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Average sales prices in the city centre correcting after Covid-19 boost – prices outside the city centre continuing to increase



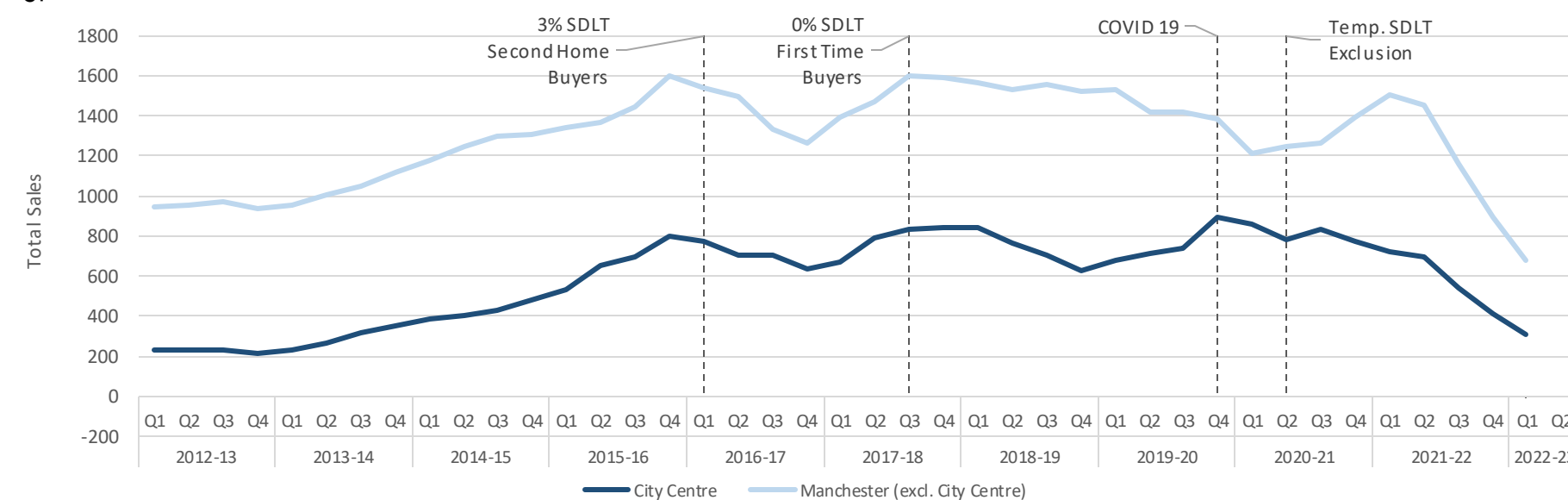
City Centre Average Sales Price

£246,060

Manchester (excl. City Centre) Average Sales Price

£239,481

Sales market activity at it's lowest point at any time in the last decade both in the city centre & across the city



City Centre Quarterly Change*

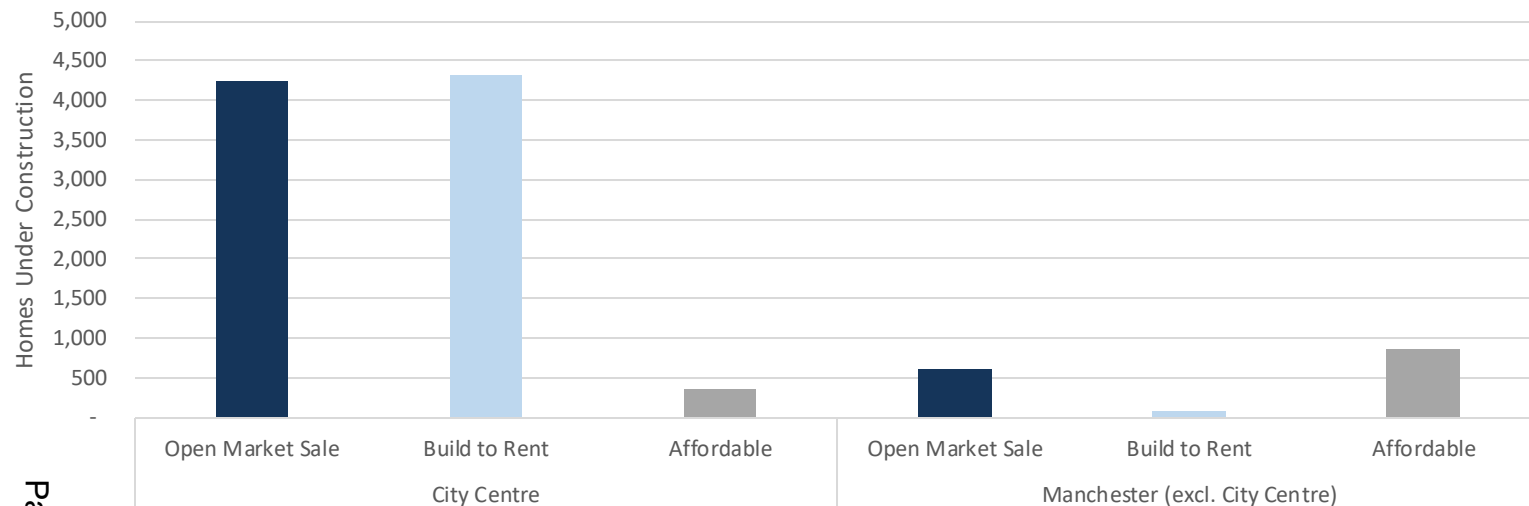
-43.6%

Manchester (excl. City Centre) Quarterly Change*

-33.5%

* Large numbers of sales are backdated in future releases so these figures are expected to increase in future updates

Over 10,000 homes under construction across the city – including over 1,200 affordable homes (*)



City Centre Homes Under Construction Rest of City Homes Under Construction

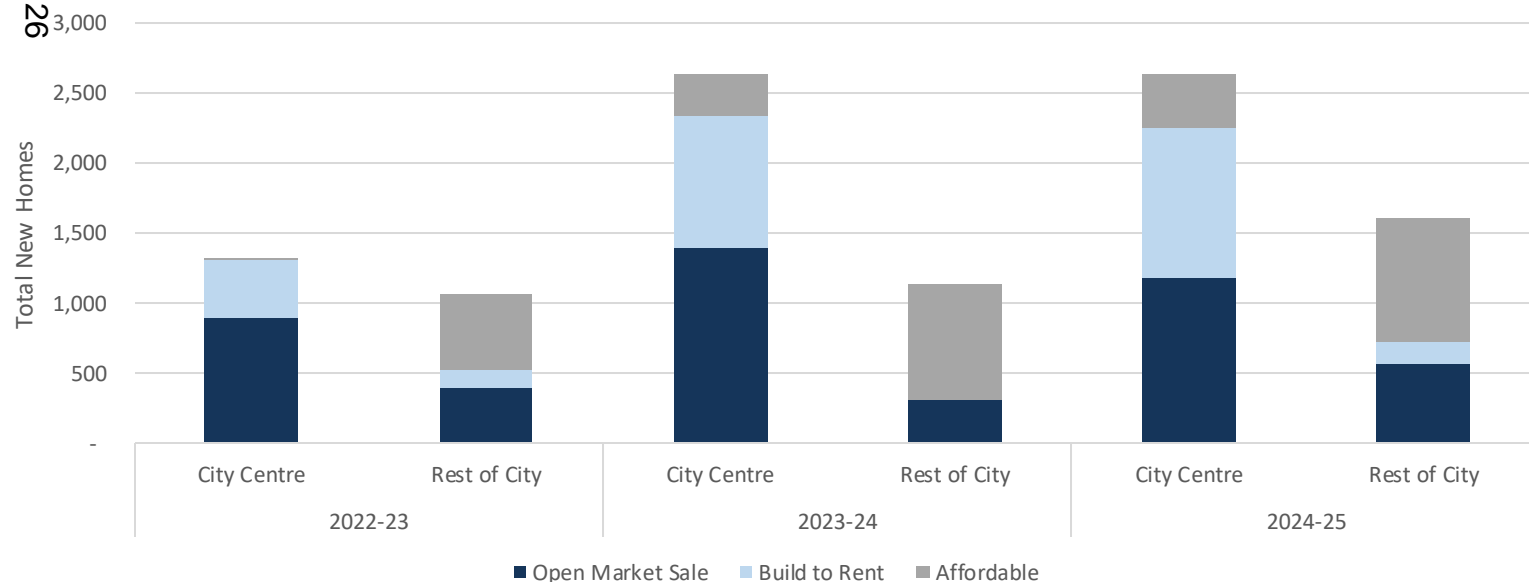
8,907

1,584

Affordable Homes Under Construction

1,234

c.2,300 new homes expected to complete this year before pipeline recovering from 2023-24 onwards



Expected Completions 2022-23 Expected Completions 2023-24

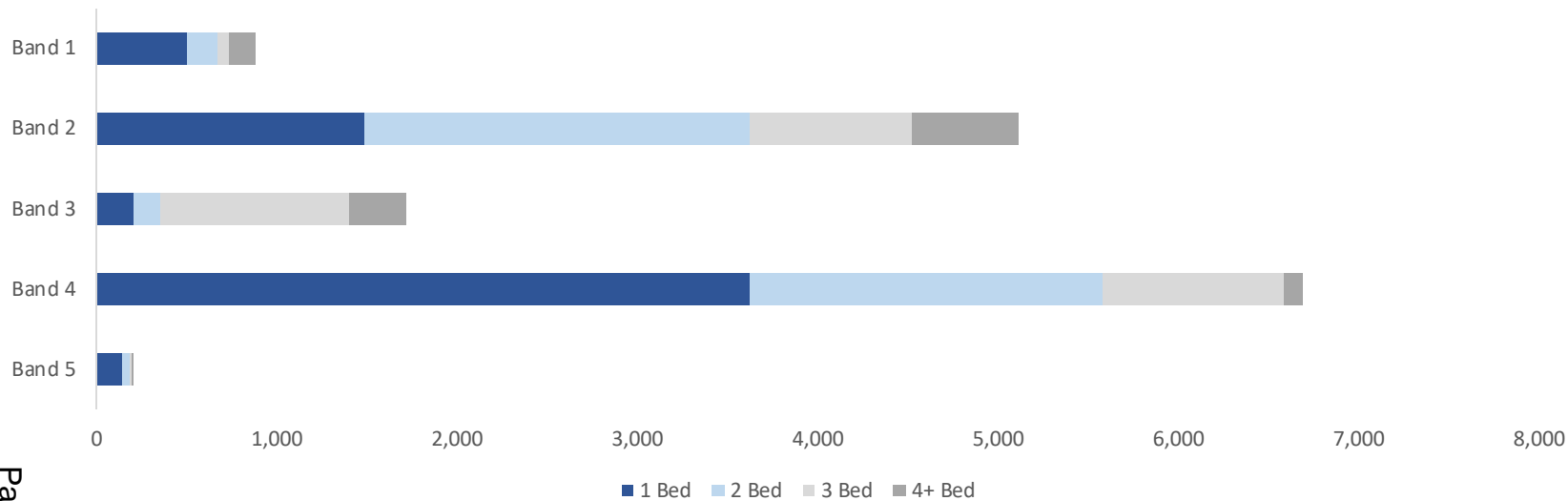
2,365

3,731

Expected Completions 2024-25

4,194

Majority of households in Housing Need require 2 or more bedrooms (October)



Applicants in Priority Bands 1-3
(In Housing Need)

7,713

Proportion of Applicants in
Housing Need Requiring 2+
Beds

69%

Source: Manchester Move
Data produced: 01/11/2022 Next Updated: 01/12/2022

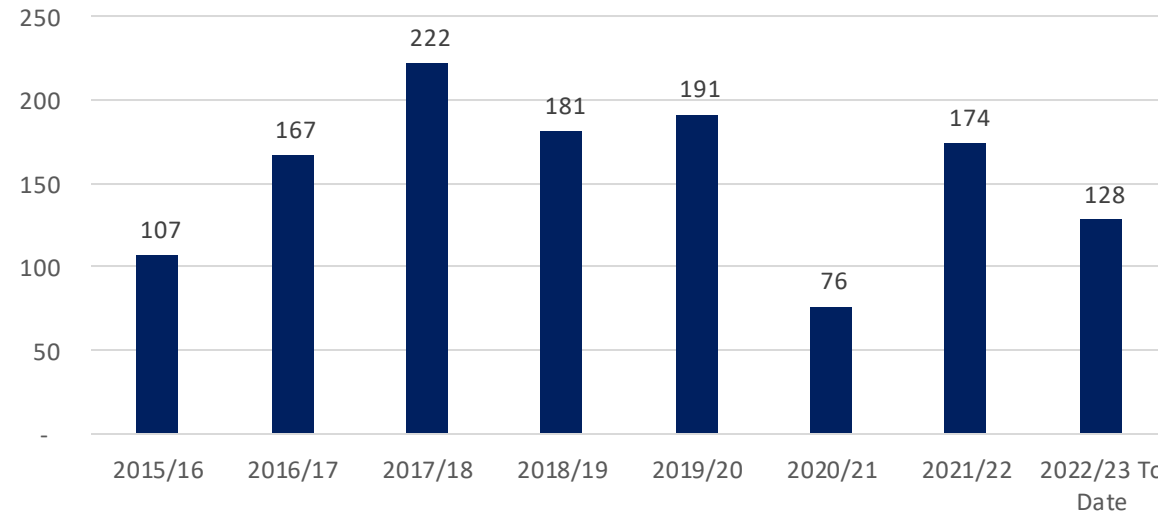
Total Right to Buys (2022-23 to
Date)

128

Amount in the Housing
Affordability Fund

£9.31m

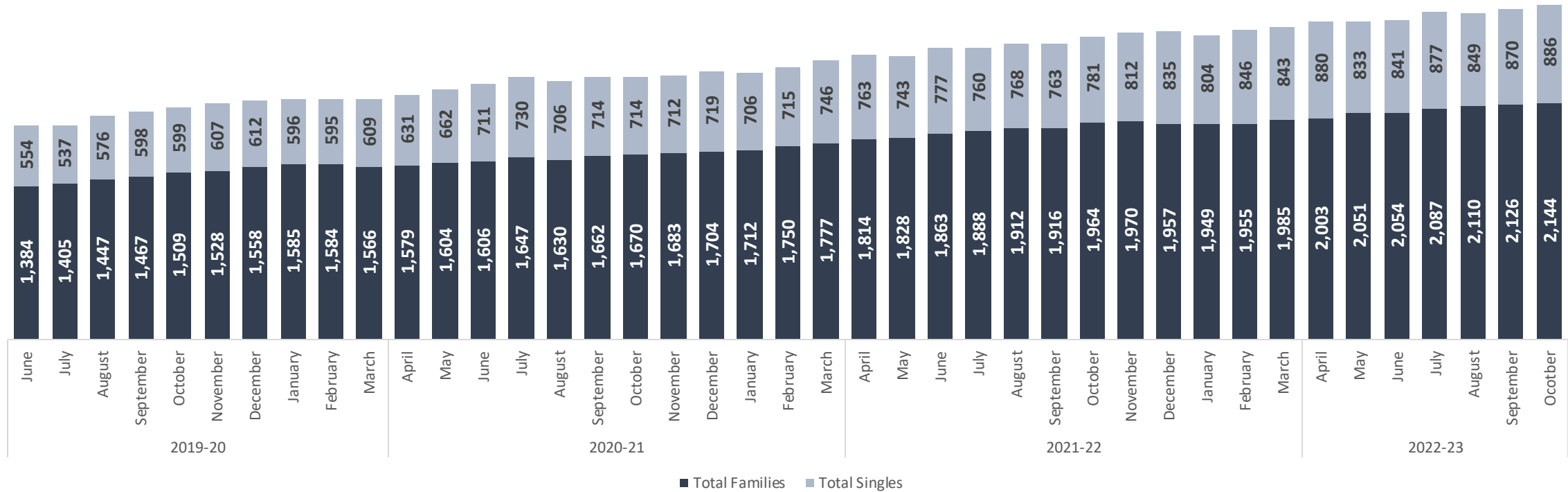
Demand for RTBs is continuing to increase. When this was last reported on in June, June the number of RTBs was **71**.



Source: MCC Housing Operations
Data produced: 01/11/2022 Next Updated: November 2022

October 2022 saw a slight increase of families in Temporary Accommodation of 0.85% when compared with September 2022. Singles in Temporary Accommodation increased at a rate of 1.84%.

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Families in TA
(October 22)

2,144

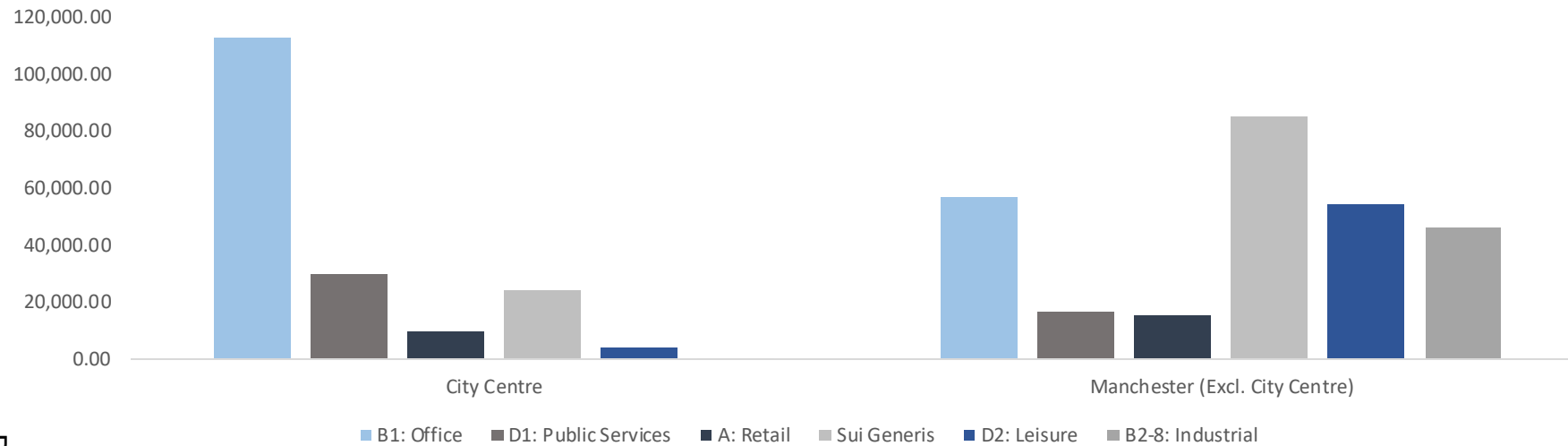
(9% annual growth)

Single Person Households in TA
(October 22)

886

(13% annual growth)

113,000m² of office space is currently on-site in the city centre



Total Office Space Under Construction

112,748m²

Expected City Centre Office Space Completions
2022-22 – 2024-25

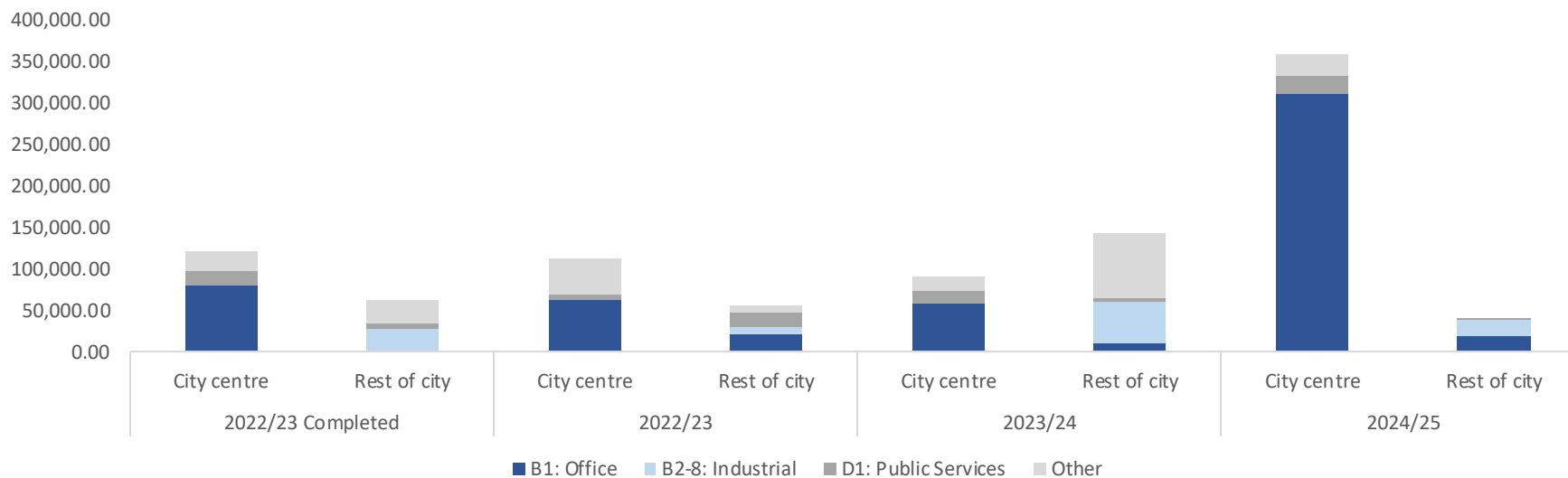
510,610m²

Expected Rest of City Office Completions
2022-23 – 2024-25

54,167m²

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Commercial Developments – Completions & Expected Completions (2022-23 – 2024-25)



Expected City Centre Completions
(2021-22 – 2023-24)

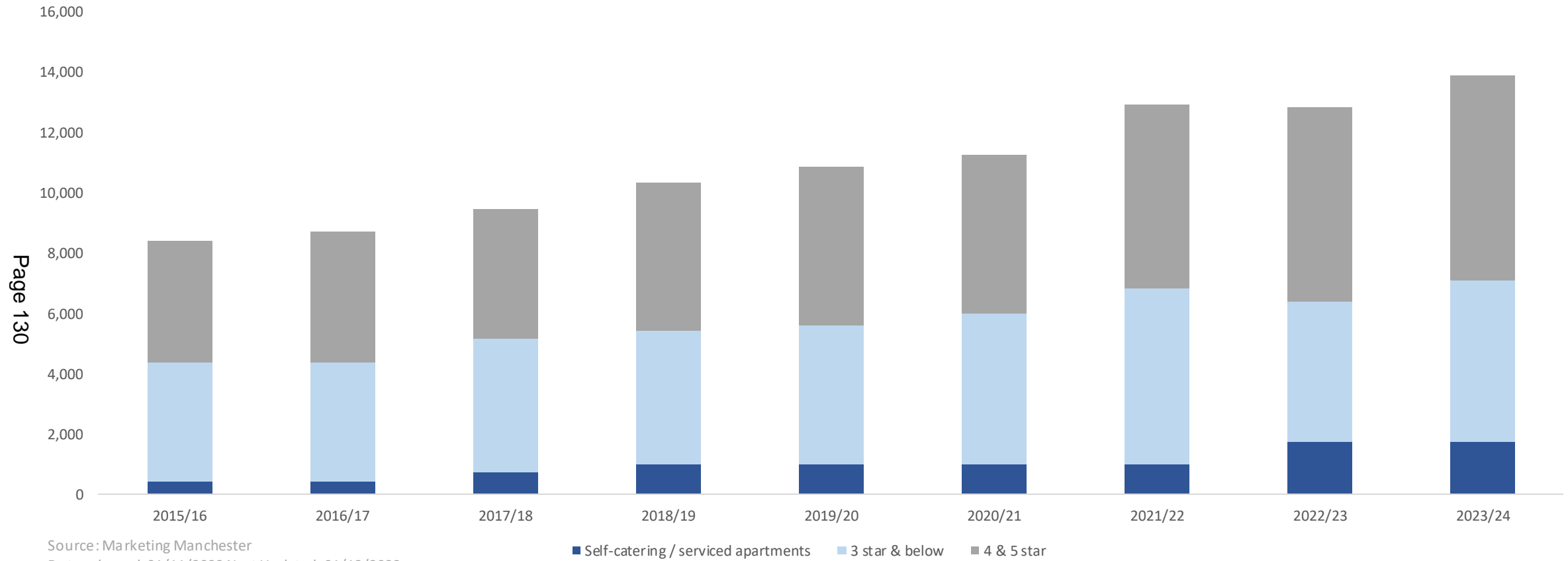
772,943m²

Expected Rest of City Completions
(2022-23 – 2023-24)

337,961m²

Appendix 1, Item 9

There are 6,432 hotel rooms in the City Centre that are 4 and 5 stars, with the majority being 4 stars. In 2022 alone, Manchester has seen an increase of 1,466 hotel room in the city centre.



Source: Marketing Manchester
Data released: 01/11/2022 Next Updated: 01/12/2022

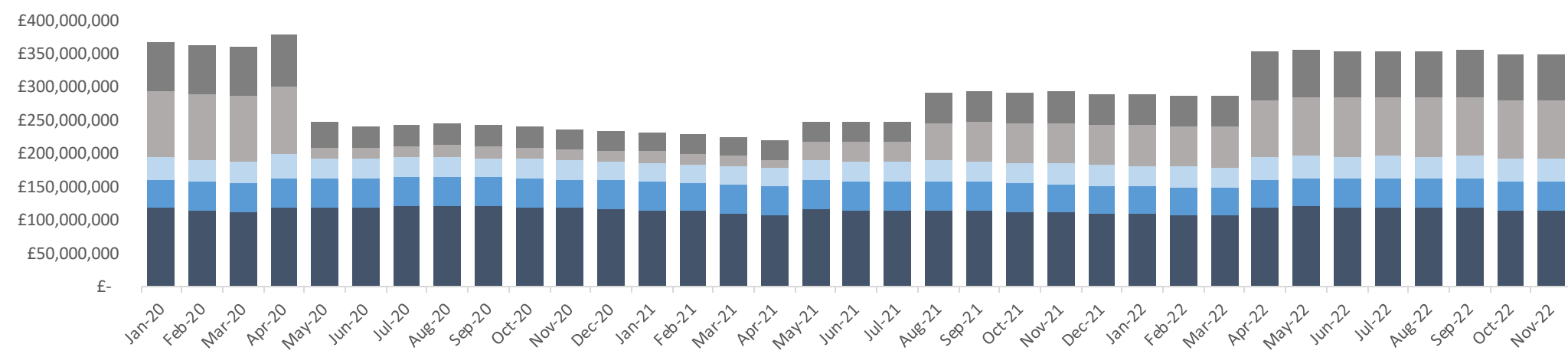
City Centre Hotel Rooms
Constructed 2022

1,466

City Centre Expected Completions
2022-23 to 2024-25

1,763

Total business rates charged decreased by £1.6m between October and November, and November is £55.4m higher than November 2021*



Total Annual Business Rates Charged (November):

£348.8m

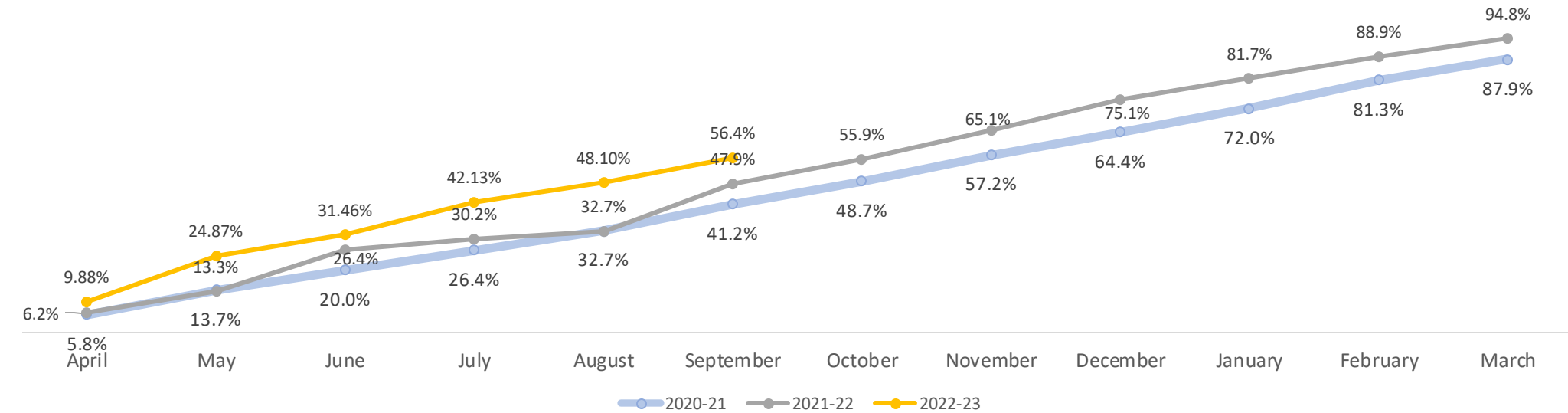
Source: Academy NDR live properties

Data released: 01/11/2022 Next Updated: 01/12/2022

Office Health & Public Services Industrial Retail, Services & Food Other

* This increase reflects businesses re-opening following COVID and business rates relief slowly being wound down

Business rates collection continues to increase. Total collection rate 2022-23 currently stands at 56.38%. Collection rates are above where they were at this stage for both 2020/21 and 2021/22.



Total Collection Rate 2022-23 (September):

56.38%

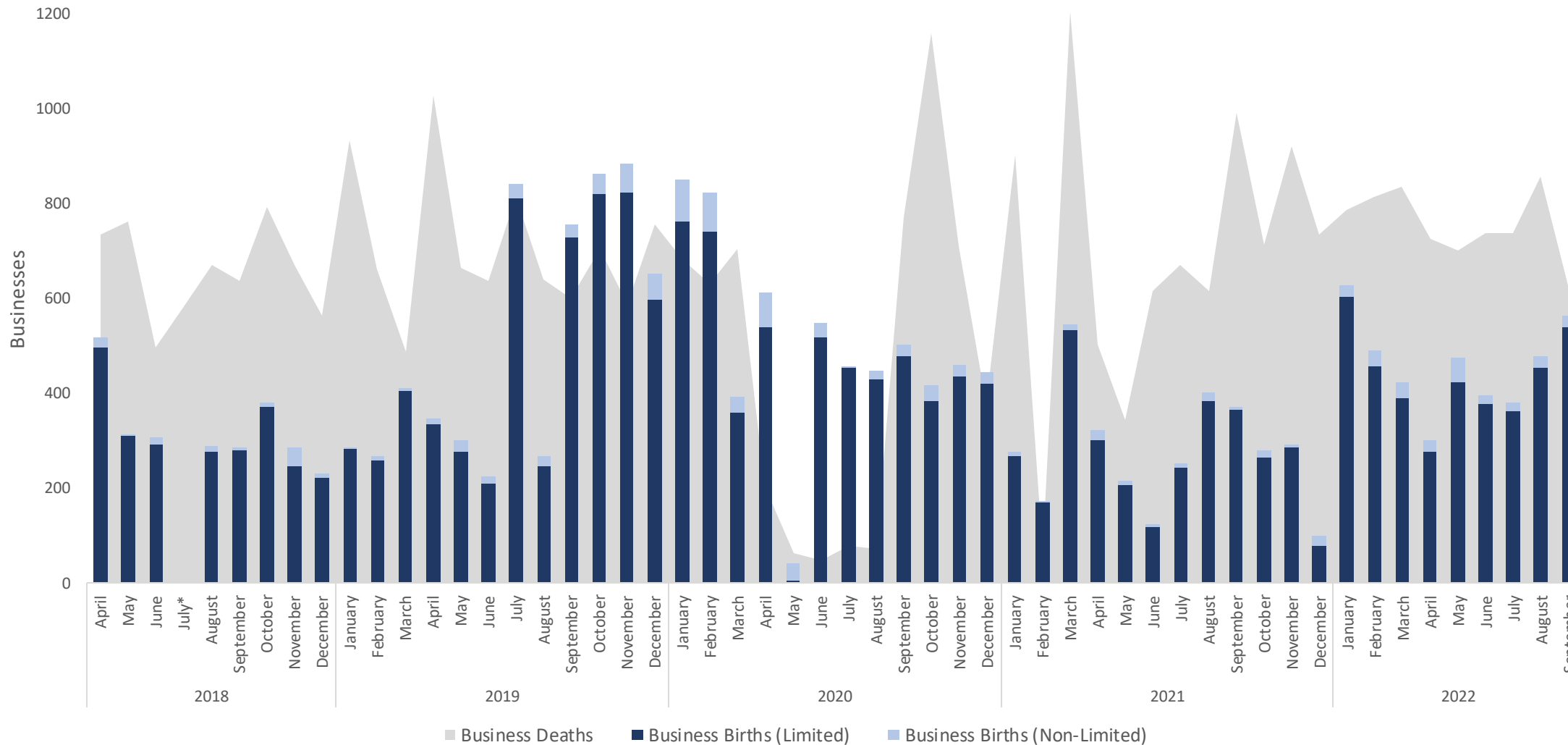
Source: Academy NDR live properties

Data released: 01/10/2022 Next Updated: 01/12/2022

2020-21 2021-22 2022-23

Business deaths in September 2022 have continued to exceed business births in Manchester; 628 deaths vs 563 births in September.

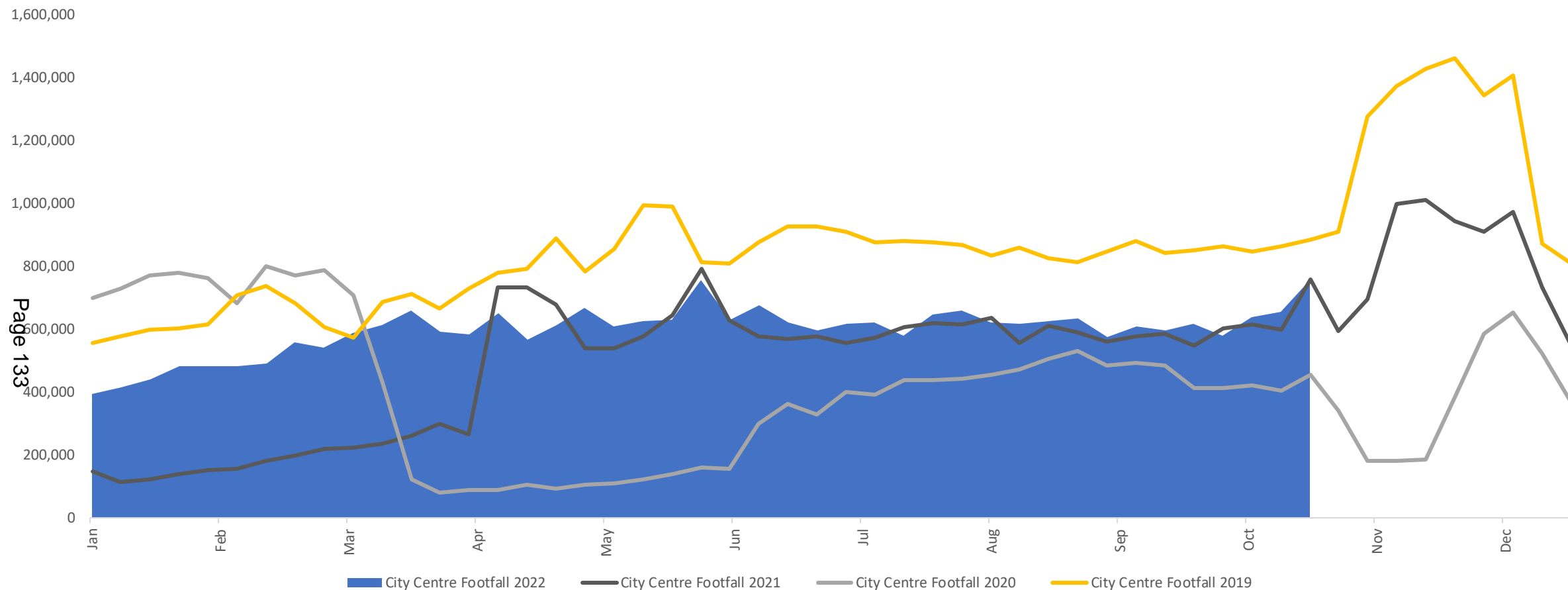
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Source: Experian
Data released: 04/10/2022 Next Updated: 02/11/2022

*Automatic strike-off and company obligations were suspended from April to June during lockdown by Companies House – resulting in an administrative lag in recording business deaths which manifested in a large spike towards the end of 2020

Footfall in the City Centre up to the fourth week of October 2022 was below where it had been compared to the same point in 2021. The fourth week of October 2022 saw the highest recorded footfall in 22 weeks. Despite this significant rise footfall is still well below where it was at the same point in 2019.



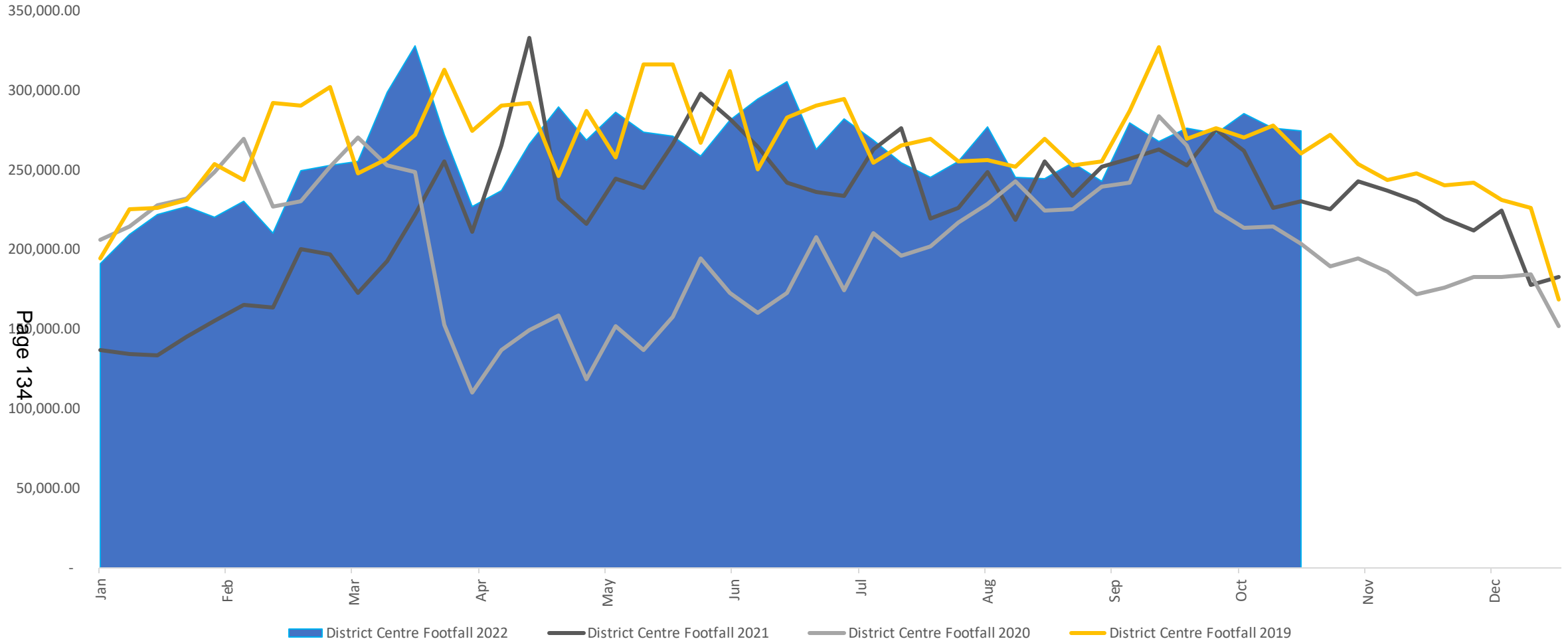
Source: Springboard /CityCo
Data released: 01/11/2022 Next Updated: 01/12/2022

City Centre* Footfall
(w/s 24th October):

Change v 2021	Change v 2019
-0.57%	-14.54%

* City Centre data on Market St, Exchange Square, St Ann's Square & King St
** District Centres data on Blackley, Cheetham Hill, Chorlton, Fallowfield, Gorton, Harpurhey, Levenshulme, Northenden, Rusholme & Withington

District Centre up to the fourth week of October 2022 is above where it was at the same point in 2021, and slightly above the same point in 2019. The second week of October saw a high of 285,068 which is the highest district footfall recorded since the third week of June 2022.



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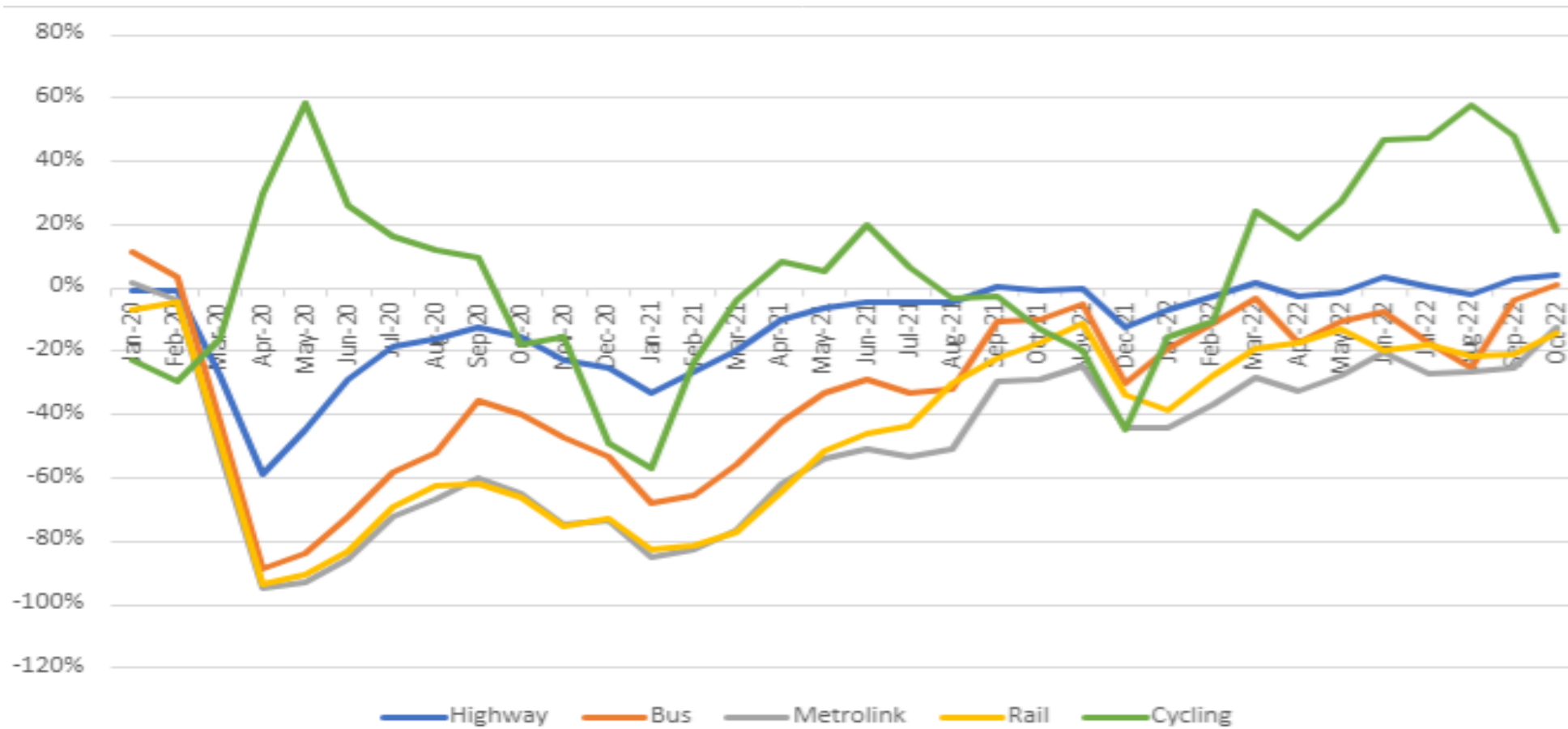
Source: Springboard /CityCo
Data released: 01/11/2022 Next Updated: 01/12/2022

District Centres Footfall**
(w/s 24th October):

Change v 2021	Change v 2019
19.19%	5.57%

* City Centre data on Market St, Exchange Square, St Ann's Square & King St
** District Centres data on Blackley, Cheetham Hill, Chorlton, Fallowfield, Gorton, Harpurhey, Levenshulme, Northenden, Rusholme & Withington

Transport usage increased across all forms of transport, except for cycling. The cycling monthly average usage in October was 18% higher than the baseline (2019), highways usage was 4% higher than the baseline (2019), rail usage was 14% lower than the baseline (2019), bus usage was 1% higher than the baseline and Metrolink was 12% lower than the baseline (2019).



* Rail data from Manchester Piccadilly

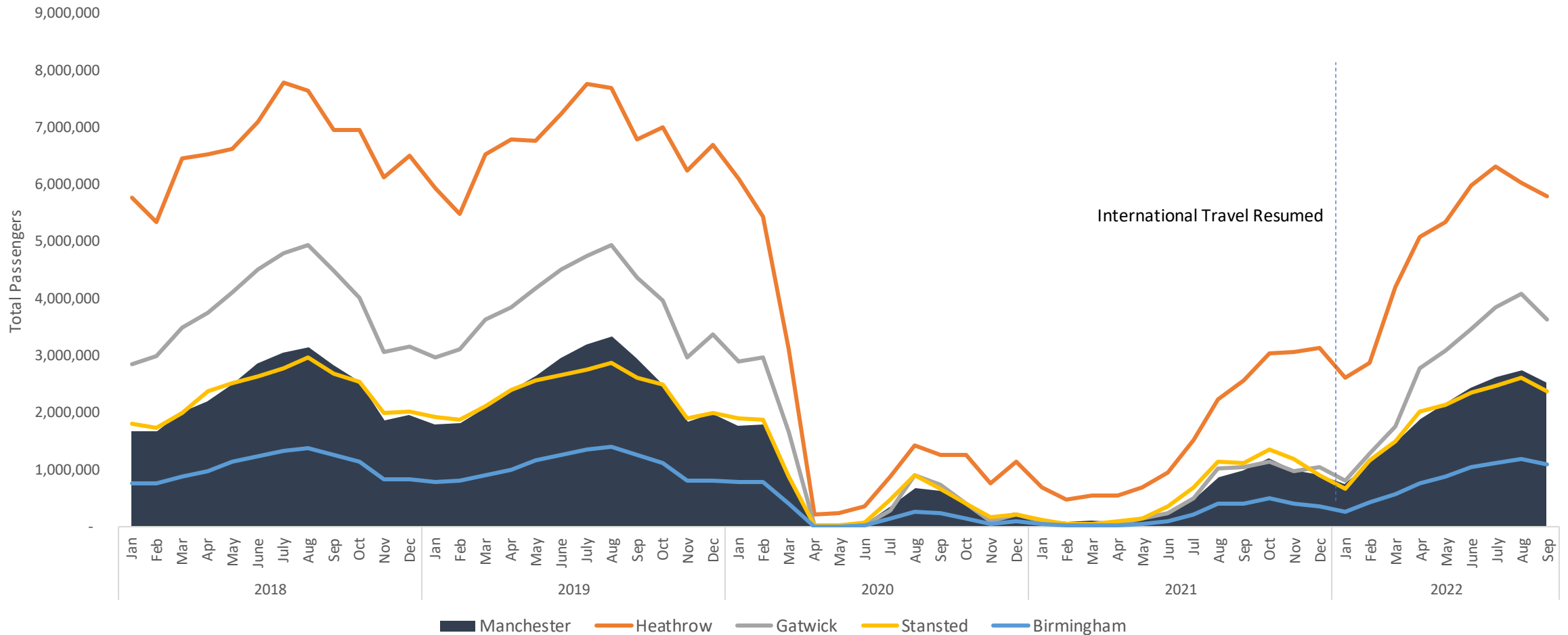
October Compared to Pre-Lockdown Baseline

Source: Transport for Greater Manchester
Data released: 04/10/2022 Next Updated: 02/11/2022

Cycling	Highways	Bus	Metrolink	Rail
18%	4%	1%	-12%	-14%

Data for September 2022 shows the number of passengers declining at all major airports across England, however only Heathrow, with 4.3% decline, saw a smaller drop in passenger numbers than Manchester Airport. The reduction in airport passengers is a direct link between the end of the summer holidays and full time education returning.

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Appendix 1, Item 9

Source: Civil Aviation Authority, UK Airport Data
Data released: Oct 2022 Next Updated: Nov 2022

Manchester Airport Passengers
(September)

2,523,947

Monthly Change
(August - September)

-7.6%