

**Manchester City Council
Report for Resolution**

Report to: Economy Scrutiny Committee - 23 July 2020

Subject: Update on COVID-19 Activity

Report of: Strategic Director (Growth and Development)

Summary

This report is intended to provide the Committee with a very brief overview of the three key documents which are appended to this report. These documents provide an update on the economic recovery work which is underway in response to COVID-19 which is relevant to the remit of the Committee.

Recommendations

It is recommended that the Economy Scrutiny Committee:

1. Note and comment on the latest SitRep document;
 2. Note and comment on the findings and recommendations of the THINK report on skills and labour market;
 3. Note and comment on the Chancellor's Summer Statement in the context of its relevance to the city's economic recovery.
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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

There has been a positive short-term impact on the city's carbon emissions, as a result of significantly reduced travel during the lockdown period. Short-term changes to the public realm have been brought in to manage social distancing and support business re-opening, which has included a re-balancing of highway, pedestrian and cycling use in some areas.

There are opportunities to accelerate the medium term move towards the low carbon economy through, for example, supporting investment in green technology business opportunities and employment.

However, it should be recognised that ongoing social distancing measures could increase the level of car travel in the short-term, as more people return to work and access leisure opportunities as they are gradually unlocked. Short and longer-term travel patterns will continue to be monitored by TfGM and MCC.

| Manchester Strategy Outcomes | Summary of how this report aligns to the OMS |
|---|---|
| A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities | This unprecedented national and international crisis impacts on all areas of our city. The 'Our Manchester' approach has underpinned the planning and delivery of our response, working in partnership and identifying innovative ways to continue to deliver services and to establish new services as quickly as possible to support the most vulnerable in our city. A reset of the Our Manchester Strategy is now underway following a meeting of the Our Manchester Forum on 16 June 2020. An extensive engagement exercise will take place to inform a draft document in late 2020 and a final version in February 2021. |
| 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 | |

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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.

Our Manchester Strategy 2016-2025

Our Manchester Industrial Strategy; Towards a more inclusive economy

1.0 Introduction

- 1.1 This report provides the Committee with an update on Manchester's Economic Recovery work and builds on the longer narrative report which was discussed during at the last meeting on 25 June 2020.

2.0 Key updates since the last meeting

- 2.1 **Our Manchester Strategy Reset:** The Our Manchester Forum met on 16 June 2020 to formally agree to start the reset of the Our Manchester Strategy. Since this meeting, a detailed engagement plan has been developed which is structured around a three tiered approach comprising universal citywide engagement; targeted engagement with key groups; and targeted engagement at a neighbourhood level. An online digital engagement platform will also be used to support this process and is expected to be live in late July. The engagement will use a number of questions based on the existing 5 'vertical' themes of the Strategy whilst equality, inclusion and sustainability will be horizontal themes which cut across all of the 5 themes. Engagement sessions with key strategic boards will also be undertaken alongside virtual business roundtables in late August and early September. Further updates will be provided to the Committee once the consultation exercise has concluded and the initial findings are available.
- 2.2 **SitRep (Appendix 1):** Appendix 1 provides the most up to date detailed SitRep for the Economic Recovery work and is structured around the 9 sub-workstreams.
- 2.3 **Recommendations for Skills and Labour Market Recovery - THINK Report (Appendix 2):** As set out in the last update to the Committee on 16 June 2020, data for March to May confirmed the expected increase in unemployment and that 62,200 residents had been furloughed via the Government Coronavirus Job Retention Scheme and 15,900 were receiving self-employment support. Taken together this represents 30% of Manchester's working age population. In anticipation of this, THINK were commissioned to develop a detailed labour market analysis and recommendations for potential interventions. A final copy of the detailed report is attached as appendix 2 but specific slides of interest for the Committee include slide 3 (summary), slide 26 (summary of the data in the graphs and tables), slide 42 (SWOT analysis) and slide 50-60 (priorities and recommendations). The 6 key priorities identified by the report are:
1. Minimise the number of Manchester residents who move from being on furlough to redundancy as the Coronavirus Job Retention Scheme winds down over the coming months;
 2. Support unemployed Manchester residents to re-enter work as quickly as possible - especially young people, the over-50s and Black and Minority Ethnic groups;
 3. Maximise new job creation, increasing overall labour demand in the city;
 4. Minimise the number of young people who become unemployed after leaving education and training in Manchester;

5. Support apprenticeship and other training opportunities to better equip employers with the skills to survive and grow, while helping more residents to upskill and progress in their careers;
6. Improve the support available to long term unemployed/inactive residents, to reduce the risk that they will be 'crowded out' in the jobs market by the influx of new claimants.

2.4 **The Chancellor's Summer Statement briefing (Appendix 3):** The 8 July 2020 Summer Statement was structured around three themes, Supporting Jobs, Protecting Jobs and Creating Jobs. Some announcements such as the Kick Start scheme for 16-24 year olds and investment in housing retrofit addressed issues Manchester has been lobbying on directly and through networks including the UK Core Cities, the Local Economic Recovery Group and the Local Government Association. The announcement was, however, still light on some areas including skills, transport, zero carbon and innovation. The next fiscal event will be the 2020 Comprehensive Spending Review which will be published in autumn.

3.0 Recommendations

3.1 The recommendations are summarised at the beginning of this report.