

## Economic Recovery Workstream- Sitrep Summary

As at 28/08/20: For Economy Scrutiny Committee on 03/09/20 (updated fortnightly)  
Changes since last updated highlighted in yellow.

Issue/theme/ activity area	Impact/ challenges experienced	Key planning and response activity being undertaken
<p><b>Economic Overview:</b></p> <ul style="list-style-type: none"> <li>● <b>UK officially in recession-</b> The economy shrank 20.4% April-June compared to previous 3 months. First technical recession since 2009. On a month on month basis, economy grew by 8.7% in June (a sixth below level in Feb), after growth of 1.8% in May. (ONS/BBC 12/08)</li> <li>● <b>UK economic outlook- Mixed picture.</b> “Latest evidence points to a weaker economic performance this year with GDP contracting by between 10% and 13%. Progress in finding a vaccine increases the likelihood of an end to social distancing by May or Sept next year. This could see growth of up to 10% in 2021. However, recovery could be weaker due to uncertainties around future relationship with EU and significant dent the pandemic is having on the performance of the economy”. (KPMG 29/08)</li> <li>● <b>UK Purchasing Managers Index PMI-</b> shows sharp increase in private sector output in August. Both manufacturing and services continue to experience a recovery in consumer demand. (21/08)</li> </ul> <p><b>GM context:</b> Measures of GM business resilience have shown slight improvement in recent weeks (cashflow and reserves). However, measures remain at historically low levels and significant economic challenges remain, most immediately with the withdrawal of furlough scheme. 30% of eligible workforce on furlough during June. 88% rise in GM residents in receipt of unemployment benefits between March and June. 59% fewer online job postings week ending 18/07 compared with week ending 07/03. (GMCA 25/08)</p> <p><b>Manchester context:</b> See separate agenda item <i>Manchester’s Economy- Quarterly Update (September)</i> for further detail. Headlines include:</p> <ul style="list-style-type: none"> <li>- C 74,800 furloughed resident jobs, 31% of total eligible jobs (as at June)</li> <li>- Business rates revenue dropped by 35% since 04/20 (£378m- to £245 m)</li> <li>- No. of Airbnb listings fallen by 16% (540 listings) in Quarter 2</li> <li>- Commercial development tracker- over 913,000 m2 floorspace expected to be delivered 2022/23 (city centre and Airport focus)</li> <li>- Construction activity returned to 95% of major commercial developments and planning activity returning to pre-Covid levels. Construction activity returned to all major residential developments.</li> <li>- Residential sales at a near halt. 95% lower in city centre in Q1 20/21 than 19/20. 85% lower across Mcr.</li> </ul>		

<p><b>Sectoral Impact</b></p>	<p><b>General- Manchester Business Sounding Board and Real Estate Sub group-</b> continue to call for speedy return to city centre workplaces to support the economy (25/08). BBC survey reports 50 UK largest employers not planning to return all staff full time in near future (26/08).</p> <p><b>OBI The Return to our City Survey-</b> Over 100 city centre businesses surveyed across sectors to understand return to workplace position. Smallest companies have largest percentage of employees back in the office. Those with 1-10 employees have 63% back. Timescales for returning: 45% Sept/Oct, 11% Nov-Dec, 11% Jan, 30% other (many unsure). Key concerns:: commute, exposure to Covid in the workplace, childcare, corporate policy to working from home, landlord building guidance and protocol. Responses to encourage more businesses to reopen: Reopen schools, affordable parking, greater capacity and frequency of public transport, safer cycling routes and bike storage. 86% of those who have returned are using coffee shop, 58% using retail, 42% using restaurants, 40% using bars. (27/08)</p> <p><b>Homeworking in UK: before and during 2020 lockdown</b> report by Cardiff and Southampton universities. 88% of employees who worked at home during lockdown would like to continue doing so in some capacity, with 47% wanting to do so often or all the time. About two-fifths (41%) said they got as much work done at home as they did six months earlier when most, but not all, were in their usual places of work. More than a quarter (29%) said they got more done at home, while 30% said their productivity had fallen. Sample of 6000-7,000 workers.(28/08)</p> <p><b>Retail/Leisure-</b>Footfall slowly increasing week on week but well down on usual figures.</p> <p><b>City centre footfall-</b> week of 23- 25 Aug so far:  <b>Total -38% (year on year) +1% (week on week)</b>  St Ann's Square -41% +4%  Exchange Sq -67% -1%  King St -41% -5%  Market St -26% +4%  New Cathedral St -34% -4% (26/08)  Full week 33 (9th Aug) weekly footfall -45.7% (UK -39.2%)</p>	<ul style="list-style-type: none"> <li>• CBI UK raising concerns re impact on city centres- calling on govt to use effective test and trace systems and encourage commuters back onto public transport (27/08).</li> <li>• Intelligence gathering from sector representatives continues, to understand impact, issues, opportunities and support needed. Ongoing intel gathering with businesses re return to workplace plans. Used to inform workstream plans and lobbying.</li> <li>• Newsletter issued each week- over 7500 businesses with updated guidance and opportunities.</li> <li>• Ipsos Mori commissioned to carry out detailed survey work of key sector impact/business needs.</li> <li>• Business Sounding Board meeting fortnightly- focusing on communications and confidence campaign, getting people back to work, venues/events.</li> <li>• Involvement in GM Groups, e.g. Economic Resilience Group, GM Tourism Industry Emergency Response Group &amp; Place Directors.</li> <li>• Feed into national lobbying work, e.g. Core Cities evidence gathering, Chief Executive meetings with HMT, BEIS etc.</li> </ul> <p>Support for retail workers and employers- range of services available via Employ GM, led by Growth Company, including skills support for employment and redundancy support.</p> <p>Retailers on Market Street joining in with 'Alternative Pride' Celebrations with window displays.</p>
-------------------------------	--	---

Monthly figures (year on year) July 20 -52.9%, June 20 -70%, May 20 -87%.

Footfall in Mcr **district centres** (17-23 Aug)- Generally down and in some places quite a big reduction, probably due to adverse weather. -7.5% across the city week on week. -16.8% year on year. Gorton -20.4% week on week. Northenden -15.4%. Cheetham Hill- only area to see an increase 6.9%. Springboard (25/08)

Week 34 **UK** -30.7% year on year/ +4.4% week on week. *"It seems that the increased quarantine measures imposed on a number of overseas destinations are having a positive impact on UK footfall. High streets remain adversely impacted by the lack of footfall in Central London and other UK regional cities, with smaller more local high streets and those appealing to holiday makers recovering to a greater extent."*(Springboard 24/08)

Major redundancy announcements continue- Marks and Spencers (7,000 UK wide over next 3 months), STA Travel (500 jobs at risk UK wide) (21/08), Wahaca- Corn Exchange (26/08), Pret a Manger (3,000 UK wide) (27/08)

New openings: Hurlingham Polo on King Street (clothing store due to open soon). 202 Kitchen on Bridge Street (street food concept). Mecnica bar opens 28/08 in Northern Quarter

Reopening: New Look (Arndale) 04/09, Wolf Italian (Arndale) preparing to reopen, Yo Sushi (Arndale) this week.

**Hospitality- Eat Out to Help Out-** local sector advisors report general feedback from restaurants that the scheme has been an incredible success but there are caveats. There is a worry for some that city centres benefited less than suburbs and rural sites, and that chains and larger groups did better than independents (as they are better able to staff and resource to open earlier in the week). Scheme did not help wet-led hospitality businesses and nothing for those not able to open viably under current restrictions (due to small spaces, lack of outdoor dining etc.)

**Hospitality-** 137 pavement licence applications received and granted or are in the process of granting around 120. Licensing team is continuing to engage with a small 'third tranche' and will continue to explore options to assist them. Licenses granted in other areas: Ancoats and Beswick (16)- most around Cutting Room Sq, Didsbury (1), Clayton & Openshaw (1), Levenshulme (2), Chorlton (5), Crumpsall (1), Ardwick (1).

The Licensing and Out of Hours Team- Since easing of restrictions the teams have resumed shift working and operating from 0800 until 0430 Fridays and Saturdays and 0800 until 0100 Sunday through Thursday. The teams are actively responding to complaints regarding the operation of the hospitality trade and undertaking proactive interventions to ensure

Meeting the next rent quarter will be a concern for many. Concerns protections are being removed, including for unpaid rent for the last two quarters, which is a big issue (operators could be removed or legal action taken). Some landlords are being supportive, and in London major landlords are starting to switch to **turnover rent**. Considered to be the only viable way forward, at least for the short to medium term.

Other issues: **return of business rates, and the end of the tax reductions and holidays**, but more imminently the **end of furlough**. Sector experts raise major risk of mass closures amongst independents- though outside London this seems to be hitting sites owned by major casual dining groups. **Sector calling on MCC to focus support on independents.**

Brexit risks: further issues around staffing, produce/wine supply chains, currency fluctuations and impact on international tourism. Response to Growth Company survey suggest that many businesses across sectors are under-prepared (27/08)

**Visitor economy-** Hotels Association (27/08)- Understood those that opened in July had around 20% occupancy. Business improved in Aug to 30% to 35%. Weekends have been relatively strong with good leisure demand, however weekday is the opposite, largely due to a lack of events and corporate activity. Two main concerns for coming months: 1. City offices have not returned to normal and corporate business is unlikely to recover soon. 2. The events business is still struggling with local lockdown measures and major events can't start until at least Oct and even then demand is expected to be low.

The local measures have resulted in a lack of confidence and holding back bookings and enquiries. Hoteliers hoping this will be released very soon. International business is also impacted with quarantine regulations affecting demand. The recent VAT changes and the 'Eat out to help out' schemes have helped the industry and the sector is hoping more such measures could be extended for the months ahead. Most hoteliers see low demand continuing in Sept, no real uptick until at least next Spring. (27/08)

compliance with current requirements. The approach is aimed at ensuring compliance with the current regulations and guidelines to create a safe environment for staff and customers. Officers are working alongside GMP and Health & Safety colleagues to provide advice and guidance, where necessary formal action will be taken to ensure compliance where other interventions have not been successful or the requirements are being flouted putting public health at risk. 77 visits to licensed premises as a result of complaints. 1668 proactive visits to licensed premises. 3x Prohibition Notices ; served on premises that were found to be operating as nightclubs (City centre). 2x Direction Orders: served as a result of failure to implement sufficient controls (City Centre). 7x Improvement Notices; served on hospitality venues (not all licensed) as a result of failure to implement/insufficient risk assessment and/or failure to manage in accordance with risk assessment.(26/08)

Plans for *Reopening High Street Safely Fund* being submitted for grant approval as part of ERDF requirements - focus on 1) pedestrianisation and changes to public realm and 2) communications across district centres. (See funding section below).

**Visitor economy-** #FindYourSpaceMCR (campaign targeted at tourism, hospitality, leisure and cultural sectors) 656,000 impressions on Twitter and 1.9 m impressions on Facebook. Adverts during the international test matches at Emirates Old Trafford last month. Some 15 million viewers watched across four days. 25/08 Campaign to be expanded to wider regional and national audiences in the Autumn. Short Breaks campaign- Hotels encouraged to run 'have a free night in Manchester offer via Marketing Manchester- MM to promote across UK and facilitate bookings'. (19/08)

Space to Learn campaign (working with 5 GM universities) aims to attract UK students- runs throughout Aug and Sept. The University of Manchester campaign is live with adverts appearing on Ocean Outdoors big screens in several cities across the UK as well as at Piccadilly Station and along the Mancunian Way. 19/08

Tourism and Hospitality Support Hub (Marketing Manchester)- continues to provide businesses with the most up to date information including reopening standards and guidance. Bespoke help and advice available via MM. DCMS Coronavirus Impact Business Survey- undertaking a second wave survey in order to better understand the impact on organisations in

Stock Exchange Hotel reopens 26/08. Edwardian Manchester reopens on 03/09.  
Manchester Central to manage event space at Runway Visitor Park and Concorde Conference Centre.  
UVM Expo 2020 to be held 1/10 as Manchester's first hybrid conference and exhibition event- organised by unique venues of Manchester.  
01/09 Cricket international (Pakistan T20) at Old Trafford (behind closed doors)  
4-5/09 GB Athletics at Regional arena (behind closed doors)  
Mid- Sept Premier League re-commences (behind closed doors)

Visit Britain Weekly Consumer Tracker Week 11 (27-21/07)  
Main type of destination for summer holidays and short breaks is countryside/coastal. 1 in 4 adults have no intention of travelling- significantly up from 1 in 5 recorded in week 10. Period Oct 20- March 21- likely to see SW, London and Scotland dominate. Cities/large towns likely to be lead destinations. (11/08)

#### **Nat West North of England Tourism Business**

**Barometer-** Measures tourism business environment including shifts in employment, trends in revenue and overall business confidence. Looks at how 200 businesses are performing as they re-open in 9 destinations. 85% of businesses trading at a loss year on year with 69% trading at over a 75% loss in revenue. Footfall figures are down 85% year on year. In the next month 31% of businesses expect to reduce permanent staff with 23% doing so significantly. 69% of businesses expect no adverse impact on permanent staff. 39% of businesses expect to reduce casual staff over the next month with 31% expecting to reduce significantly. 39% were expecting to take on additional staff over the next month. 62% of businesses expected things to return to pre-Covid levels by July 2022 and all businesses expected full recovery by 2023. (05/08)  
Second data set has been received, revealing some subtle shifts. Marketing Manchester are monitoring shifts and will provide further detailed analysis in the coming weeks. 19/08

Marketing Manchester report messages from partners, expressing some confusion and concerns about business

the digital, culture, media, sport, gambling, telecoms, and tourism sectors and what needs to be done to support businesses. Deadline 08/09

understanding of the Test, Track and Trace system.  
Business Growth Hub guidance being shared. (25/08)

**Culture- Planned/actual reopening dates:**

Halle St Peter's (wedding venue and restaurant only) - opened in July/ National Football Museum - opened 23/07/ Manchester Craft & Design Centre - open on Fridays and Saturdays in Aug/ Elizabeth Gaskell's House - opened on 12/08/ Museum of Science & Industry - opened on 14/08/ Central Library (in addition to City Library opened 04/07) - opened on 20/08- visitor numbers: Thurs 20th 547, Sat 22nd 478, Mon 24th - 438/ Art Gallery - opened on 20/08 visitors numbers Thurs 20th - 206, Fri 21st - 196, Sat 22nd - 246, Sun 23rd - 432 / People's History Museum - 01/09/ The Portico Library - 01/09/ Centre of Contemporary Chinese Art - 02/09/ HOME - 04/09 (cinemas, bars and restaurant)/ The International Anthony Burgess Foundation 08/09/ The Whitworth - 14/09/ Manchester Museum - 14/09/ Castlefield Gallery 16/09/ ZArts planning to reopen for participatory activities - 28/09

**Grass Roots Music Emergency Fund - ACE announced successful applicants 22/8. 11 successful applicants in Manchester received total £262,114. Originally fund value was £2.25m (England) but £3.36m has been awarded. Recipients: Deaf Institute, Gorilla, Jimmy's Manchester, Matt & Phred's Jazz Club, Niamos Radical Arts and Cultural Centre, Night People, Off the Square, Retro, Soup Kitchen, The Peer Hat, The Stoller Hall.**

**Covid-19 Culture Recovery Board - Met 13/8. Key points:**

- ACE Covid Recovery Fund £500m: Action - to maximise opportunities supporting individual applicants and joint projects through collaborative approaches.
- Discussed role of Libraries & outdoor events in the recovery strategy building confidence and audiences.
- Interface between MCC Events Recovery Plan and cultural sector.

**Re-opening of cultural venues & libraries-** Partnership of cultural organisations reviewing and piloting reopening strategies for participatory activities. (21/8)

**Manchester Culture Recovery Plan - need forecast- £72m**

Consultation with sector task groups is ongoing. Recovery Strategy includes: Learning & Skills needs (Culture and Work and Skills teams looking at how existing programmes can support entry-level roles and digital skills needs. Manchester Music City plans advancing for: commissioning music economy study; formation of industry body and leadership talent development and international project; bespoke support on property law to support music venues; and exploring concept for temporary pop-up outdoor stages for the autumn/ winter.

**Culture Recovery Fund (CRF) Grants - £500m for England currently live-** Being delivered by ACE for Cultural organisations (inc profit/ not for profit & charities) in 2 rounds to 21st Aug and 4th Sept. Funding decisions to be made by Oct. Applications will be principal assistance to support the stabilisation element identified in the Manchester Culture Recovery Plan. It is estimated that Mcr organisations need to secure over £20m of stabilization funding in 2020/21. We are aware of at least 13 of the larger cultural organisations applying for funding, but anticipate that a large number of the city's cultural and music venues will put forward applications.

**Collaborative projects-** The fund does not allow for place based project applications - only for organisations in imminent financial difficulty. Cultural Leaders group has coordinated two collaborative projects so that multiple partners can feature in their applications to the CRF towards:

- Education Partnership - being led by ZArts and the Manchester Culture Education Partners supporting schools and children.
- Culture Campaign - Venue audience engagement and confidence building campaigns. 13 leading venue partners have signed up.

**Aviation- Terminal 2 closing** until further notice from 02/09. All flights to operate from T1 and T3 to align operations with passenger demand. (21/08) July traffic statistics- Passengers: -89.5% year on year (-86.5% MAG). Cargo: -73.5% (year on year). Traffic figures at all MAG airports still severely impacted, as travel restrictions and dramatic reduction in demand for flights impacted the Group's passenger numbers. (14/08)

Portugal added to the 'travel corridors' list last week. Four countries were removed from the 'travel corridors' list, including Croatia and Austria. (25/08) Switzerland, Jamaica and Czech Republic also removed- travellers will need to quarantine from 29/08 (27/08).

A number of airlines are continuing to reintroduce routes and increase capacity to popular destinations, including some which aren't currently subject to automatic quarantine requirements on your return to the UK such as Italy, Turkey, Cyprus and now Portugal. Also, this week Hi Fly is commencing flights to Islamabad. 25/08

**Higher Education Institutions-** Following the A-level results and changes in grades, UoM has met its targets and will have a larger than expected number of admissions.

Culture Recovery Fund applications- Officers providing 1-2-1 support (MCC & GMCA Cultural leads) and business advisers at the Business Growth Hub with the support of the Work & Skills team.

**DCMS Culture Recovery Fund includes £120m to support existing arts & heritage capital projects** that have experienced delays to build programmes. £55m to be distributed via ACE. Eligible projects will demonstrate an urgent need for additional capital funding that is considered essential to the delivery of the intended benefits outlined in their original application. Deadline 10/9, decision 10/11.

#### **Events Strategy and Recovery planning-**

Revising MCC approach to event programme, channelling original event investment assigned to cancelled events to support five identified areas of event development. To give clear direction to event organisers and partners for phase 2- transitional phase (Aug 20- March 21) and plans for next year as phase 3. (24/07) Manchester Food and Drink Festival confirmed for 24 Sept- 5 Oct with Festival Hub at Cathedral Gardens.

**Aviation-** Engagement with MAG to understand the impact on Manchester Airport. MAG undertaking ongoing recovery planning and tracking of confidence to fly. MA aim is to protect jobs wherever possible. MCC supporting lobbying by MAG to call for an aviation support strategy to aid recovery.

Work & Skills Team in discussion with the Airport re any support needed for staff on furlough or whose jobs are likely to be at risk.

**Higher Education Institutions-** UoM is working hard on visa applications, organising flights into Mancr and issuing regular messages to international students.

	<p>Final numbers are still settling down. Intention is to offer blended learning experience with lectures online but some campus activity with face-to-face teaching including laboratory classes for all students. Numbers of UK/EU postgraduate students and international students (whose contribution is critical financially), are not yet clear. Will be clearer in late Oct when fee payments are due (UoM 25/08)</p> <p><b>Financial Services-</b> The Co-operative Bank has announced proposals to reduce around 350 roles, including the closure of 18 branches (not Mancr). Aside from the specific branches affected, the reduction is expected to focus on middle management positions and head office roles. (25/08)</p> <p><b>Health Innovation-</b> Molecular Diagnostics firm, Hologic expanding testing/production capacity at its Wythenshawe site (24/08)</p> <p><b>Public Sector-</b> Public Health England to be abolished- regional hub at Piccadilly Place (18/08).</p> <p><b>Inward investment-</b> Steady flow of new enquiries- majority are high quality projects with high end jobs across sectors: fintech, adv man, life sciences &amp; logistics. Increasing number of UK based relocation enquiries incl from London. Hosted large investor in-visit last week. Continuing virtual events to promote message that Mancr is open for business. (MIDAS 13/08)</p>	<p>University is working on innovation initiatives to support economic recovery, including ID Manchester and a new accelerator for spin-outs, the Manchester Graphene Company. (University of Mancr 25/08)</p> <p>Alliance Business School to lead Productivity Institute (£32m ESRC). Aim is to develop long term policy recommendations to improve productivity and living standards. Partnership with 8 other institutions. Will create 8 regional productivity forums across UK to work with businesses and policy makers. 21/08</p> <p>MIDAS have ongoing contact with local account managed/large employers to understand challenges and future plans. Exploring opportunities around: north shoring and re-shoring of business critical functions (esp food manufacturing &amp; life sciences. Planning underway on target markets and sectors ie ecommerce, cyber security, digital technologies, healthcare and biotech. From Sept digital campaigns will be deployed incl webinars in key locales within target markets (eg medtech in Boston; ecommerce in Bangalore; advanced materials in Seattle).</p>
<p><b>Development</b></p>	<p>Stimulating development &amp; investor confidence, including:</p> <ul style="list-style-type: none"> <li>● Understanding current impact through intelligence gathering.</li> <li>● Assessing sources and levels of investment, and any obstacles (access to debt).</li> <li>● Seeking financial and other support needed to enable early start of key projects</li> <li>● Understanding supply chain issues and identifying appropriate support measures. It is becoming increasingly apparent that the appetite of</li> </ul>	<ul style="list-style-type: none"> <li>● <b>Planning Reforms-</b> The government has introduced a number of changes to the system of permitted development rights and to the use classes order which regulates changes between different uses. A Planning White Paper was also published to consult on significant changes to the planning system in England (consultation ends 29/10/20)- emphasis on simplifying the system; a consultation on “Changes to the current planning system” has also been launched that contains a number of proposals that would be applied within the existing framework of planning legislation and guidance. (13/08) <b>Officers undertaking detailed analysis to fully understand implications.</b></li> </ul>

	<p>contractors to bid for apartment led residential schemes has been significantly impacted in the short term due to issues in the supply chain (i.e. loss of subcontractors and access to materials). This concern has also been raised by developers of commercial schemes.</p> <ul style="list-style-type: none"> <li>● Developing guidance/share good practice for safe operation of sites</li> <li>● Expediting design &amp; planning phases of projects.</li> <li>● Productivity increased across most major sites- 97% of infrastructure and construction sites now operating. Social distancing measures impacting on programmes. Issues re supply chain/access to materials. Infrastructure sites are now achieving 89% of pre-Covid productivity. Housing sites 93% of sites now open. Reports that contractors are planning to reduce workforce by 11 % within the next 3 months.</li> </ul>	<ul style="list-style-type: none"> <li>● Announcement of Government approval on 04/08 for Getting Building Funding for BASE Manchester Innovation Activities Hub at MSP (£4M) and Mayfield (£23M). Still awaiting grant approval letters, with full conditions (expected end of Aug/early Sept).</li> <li>● Discussions continuing with GMCA about potential projects for Round 1 of the £81m Brownfield Land Fund for schemes that start on site before 31 March 2021. 6 schemes/packages have been put forward in Northern Gateway, New Cross and St Michael's, totalling around £19m. Proposals are expected to be submitted to Leaders in the next few weeks, following receipt of detailed criteria from Government. Further projects have been put forward for an additional 10% allocation from the Fund which GMCA have been invited to bid for. These include 2 Eastern Gateway schemes and a further phase at Northern Gateway.</li> <li>● Detailed business cases being prepared for schemes included within the Economic Recovery Plan, which will be submitted to Government by 24 Sept for the autumn Spending Review (see narrative section).</li> <li>● Pre contract discussions have been held with Homes England on Northern Gateway, with a view to entering in a contract in September, securing £51.6m in Housing Investment Fund grant that must be fully expended by March 2024.</li> <li>● Community consultation on the first phase of the delivery of Collyhurst will be restarted in advance of planning applications for the delivery of approximately 270 homes (including up to 130 new Council properties) in Collyhurst Village and Collyhurst South and the first phase of a new park. The intention is that this consultation exercise will lead to the submission of planning applications in the autumn of 2020. Subject to achieving planning consent the scheme could commence in the spring of 2021.</li> <li>● Consultation on the former Central Retail Park Development Framework and the Ardwick Green Neighbourhood Development Framework has begun and will run until 25/09 and 21/08 respectively. The consultation on the updated NOMA Strategic Regeneration Framework started on 18/08 and runs until 29/08.</li> <li>● NOMA: Following the announcement on 28/07 of new office speculative development at 4 Angel Square, with potential to create 2,000 permanent and 500 temporary jobs, the site has been cleared and enabling works are starting. Main works are due to start in October.</li> <li>● Planning Committee (27/08) approved: Land to the south of Store St - residential scheme in Piccadilly.</li> </ul>
<b>Affordable Housing</b>	Risk to developer and investor confidence.	<ul style="list-style-type: none"> <li>● Regulator for Social Housing (RSH) has called for RP's to provide revisions of their business plans by September. This will identify</li> </ul>

	<ul style="list-style-type: none"> <li>● Working with RP's and other developers to understand current impact and forward plans.</li> <li>● Assessing sources and levels of investment, and any obstacles</li> <li>● Investigating grant funding, financial and other support needed to enable early start of key projects</li> <li>● Understanding supply chain issues and identifying appropriate support measures.</li> <li>● Developing guidance/share good practice for safe operation of sites</li> <li>● Expediting design &amp; planning phases of projects.</li> <li>● Risk of registered providers slowing down or pausing programmes to consolidate finances/liquidity</li> <li>● Ensure Zero Carbon and Fire safety provision are part of the programmes.</li> <li>● Potential flooding of the PRS sector as the short term let market shrinks.</li> </ul>	<p>any viability risks but should also identify progress on development programmes.</p> <ul style="list-style-type: none"> <li>● Managing existing onsite, pipeline and planned development with RP's. These were referenced in the June Executive report. <ul style="list-style-type: none"> <li>○ 398 homes under construction and anticipated in the 2020/21 year. Re-mobilization of sites now underway.</li> <li>○ 252 homes currently in the programme for 2021/22.</li> <li>○ New projects emerging.</li> <li>○ The scheme with Clarion has been finalised to deliver shared ownership homes for the full development</li> </ul> </li> <li>● Silk Street <ul style="list-style-type: none"> <li>○ Silk Street funding has been approved and will be progressing through the Capital Strategy Board. The project team being established to take this through to delivery with Rowlinson Construction.</li> </ul> </li> <li>● Progressing the establishment of a Local delivery vehicle. Looking to start on site with key projects and novate across. <ul style="list-style-type: none"> <li>○ Approval at Exec 3 June. Detailed work programme now underway to accelerate progress.</li> <li>○ £1.5m from Housing Investment Reserve secured</li> <li>○ External support being commissioned.</li> <li>○ 5-year supply of land to develop 2000-2500 rented homes through the delivery model. Land assembly workshop scheduled for 8 July.</li> <li>○ Professional support for site master planning and massing will be appointed by the end of July</li> <li>○ CBRE will be appointed on 31/07/2020 to undertake master planning and cost build up of the proposed sites for the vehicle. It is anticipated that this will take approx 4 weeks which will then feed into the financial modelling and business case scheduled to be included in the report to Oct Executive</li> </ul> </li> <li>● Project 500 progressing. Will deliver 500-600 homes. <ul style="list-style-type: none"> <li>○ The P500 RP development group have reviewed the sites and provided a list of indicative partners to deliver across the sites (includes community led housing, off-site and modular proposals and low carbon/zero carbon pilot projects). Work is underway to break the delivery down into 3 phases that will potentially support the development of off-site and modular construction, Community Led Housing and provision of temporary accommodation for rough sleepers. The phasing will be completed by the end of Aug and ward members will be contacted about the sites within their wards in Sept. (13/08)</li> </ul> </li> </ul>
--	---	---

		<ul style="list-style-type: none"> <li>• Entering into formal agreement with Homes England and signing an MOU to take a partnership approach to accelerated development. Complements similar arrangements with GMCA. <ul style="list-style-type: none"> <li>◦ Action Plan in development following 3 workshops</li> <li>◦ Next steps will be agreed on the necessary approval process for both parties, which will be a report to Oct Executive</li> </ul> </li> <li>• Ongoing intelligence gathering with developers to understand status of projects and support needed. <ul style="list-style-type: none"> <li>◦ MHPP Growth workstream capturing current position and plans.</li> </ul> </li> <li>• Prioritisation of land assembly and due diligence to allow acceleration of build programme.</li> <li>• Working with Your Housing Group to bring forward a 200+ newbuild scheme in East Manchester with 60% planned for affordable housing</li> </ul>
<p><b>Transport and Infrastructure</b></p>	<p>Work with TfGM to agree a broad overall transport plan to support gradual opening up of the city with a focus on pedestrian movement and safe use of public transport linked to an agreed package of measures to support safe pedestrian access.</p>	<p><b><u>Additional Support Announced to Support Bus and Metrolink Networks</u></b></p> <ul style="list-style-type: none"> <li>• 08/08 Government announced additional £256 m to support local bus and tram services across UK during the period when social distancing measures are impacting on capacity and patronage levels are still very depressed.</li> <li>• £218million for bus services for the next 8 weeks</li> <li>• £37.4 million for tram services over the next 12 week period. Total government funding to support Metrolink during the pandemic will have amounted to £44 million. From 24/08 Metrolink services will be extended to run until midnight (11 pm Sundays).</li> </ul> <p><b><u>Additional Funding Made Available to support additional school bus services.</u></b></p> <ul style="list-style-type: none"> <li>• £2.249m to support additional school bus services during the autumn term as a result of the capacity of existing services having limited capacity as a result of social distancing measures.</li> <li>• Education colleagues are working with TfGM to identify pressure points where additional capacity may be required.</li> </ul> <p><b><u>TfGM Survey of Attitudes to Future Transport Use</u></b></p> <ul style="list-style-type: none"> <li>• Analysis of predicted transport requirements- TfGM undertaken a 'Future Travel' Survey" to gather the public's views on using public transport after lockdown.14,000 responses received and initial findings have been shared with members of this group and the Business Reopening Analysis group (including MCC reps).A summary of the complete results from the survey is attached for members' information.</li> </ul>

### Recent Manchester Specific Transport Usage Data

#### Bus

Patronage +1.6% (770,773) trips from the previous week (vs. +1.6% GM-wide).

Network mileage -13.9% from the same month last year (vs. -17.2% GM-wide)

#### Metrolink

• Metrolink Network patronage had a week on week decrease of 1.3% GM-wide. East Didsbury line was -2.7% (848) trips

#### Highway

• In Manchester, the weekly average private vehicle trips was -24% from the same period last year (vs. -16% GM-wide)

#### Rail

• Piccadilly footfall close to 50,000 per day (-60% from last year though)  
• Victoria daily footfall around 5,000 (+30% from the start of month)

#### Cycling & Walking

• Cycle volumes were -3% from last week and 3% above the annual average.

#### GM Wide Data

Data from the last week shows the following differences with the position on 09/03 and end of July/ early Aug showing a **gradual but slow increase in public transport usage across GM, with car travel still reduced but much closer to pre lockdown levels.**

- Metrolink patronage 9/3/20 = 122,613  
14/7/20= 31884  
4/8/20= 37,625

- Bus 9/3/20 515,309  
14/7/20 191,093  
4/8/20 202,700
- Rail 9/3/20 104,795  
14/7/20 28,700  
4/8/20 34,062
- GM Highway 9/3/20 5,082,000  
14/7/20 4,032,000  
31/7/20 4,385,916

Data from NCP on year on year changes in car park usage for the period until the end of July demonstrates that some car parks eg King Street

		<p>West, are now seeing usage comparable with last year's level while others eg Spinningfields, still seeing user numbers some way below last year.</p> <p><b>Face Coverings-</b> Compliance across the transport network remains around 70% on bus and is now between 90-95% overall on rail. Compliance on Metrolink last week was near 89% in the AM peak, but fell to just below 77% in the evening peak</p> <p><b>Emergency Active Trave Fund</b> MCC has obtained £180k from the first phase of the Government's Emergency Active Travel Fund (EATF) to contribute to funding of work undertaken at Deansgate and Stevenson Square.</p> <p>Proposals have been submitted by TfGM to Government for phase 2 of EATF. A bid to the value of £14 m was submitted on 7th Aug and £5.5 m of this was for proposals to support active travel within Mcr. A decision on the funding award is expected by the end of Aug..</p>
	Analysis of businesses' plans for reopening, working with TfGM, CA, Chamber, Growth Company	TfGM linked into Day Time Economy recovery group work
	Identify and implement interventions that support social distancing and support business reopening and procure necessary equipment to facilitate this.	A presentation on outline proposals for the re - purposing of more city centre streets and open spaces to support hospitality businesses was given to the City Centre Infrastructure Working Group on 23rd July. These initial ideas are now to be developed further in consultation with members to support businesses over the late summer and early Autumn period. The proposals seek to draw on best practice from other cities in the UK and abroad.
	Continue with highway works that can be undertaken during lockdown	<ul style="list-style-type: none"> <li>Continuing with all our major projects that are on site and continuously monitoring government guidance about construction</li> <li>Finding ways to accelerate all our programme of walking and cycling schemes aiming to have early starts on all our programmed projects</li> <li>Maintaining our roads at business as usual levels by inspecting them and making repairs</li> <li>Resurfacing and treating many more main roads than originally planned to take advantage of lower traffic levels</li> <li>Working with TfGM to review bus stops and increase pedestrian phasing at signalised crossings.</li> </ul>
<b>Skills, Labour Market and Business Support</b>	<p>Significant growth in the number of Manchester residents claiming Universal Credit. Evidence base for THINK work shows:</p> <ul style="list-style-type: none"> <li>89% rise in claimant count in Manchester during April &amp; May - 33,825 claimants;</li> <li>affects every LSOA in the City &amp; all age ranges;</li> </ul>	<ul style="list-style-type: none"> <li>THINK have produced their report on skills &amp; labour market recommendations (shared with Scrutiny Committee Members at the last meeting) with 6 key priorities: <ul style="list-style-type: none"> <li>(1) minimise the number of Manchester residents moving from furlough to redundancy as the job retention scheme winds down;</li> </ul> </li> </ul>

- particular impact on young people which has seen an increase of 98% (national fig 109%) & over 50s (73%);
- concentrations in areas with large Black, Asian and ethnic minority communities e.g. Longsight, Moss Side, Cheetham
- 32% of Manchester residents are either furloughed (62,200) or receiving self-employment support (15,900);
- Job losses compounded by significant drop in levels of vacancies;
- 800 16-18 year olds who would normally pursue apprenticeships or move into employment at risk;
- 74% national decline in apprenticeships
- circa 10,000 graduates who would normally stay in the City will struggle to get graduate level work.

ONS release 11 Aug- July figs for Manchester:

- Claimant count : 34,750 all ages ; 7005 - aged 18-24; 21,445 -aged 25 to 49 and 6290 aged over 50. Of the 34,750, men account for 21,465 and women 13,285. Unemployment in Manchester is now 6.5% of all 16-64 year olds
- The increase in claimant count numbers of over 1,200 over the last month represents a large increase but not as sharp an increase as in April & May.

4.4% of 16 & 17 year olds were NEET in July and 3.6% were unknown, giving a combined fig of 8% which is above national & GM averages.

The majority of post-16 providers are registering on line this year which may impact on school leavers taking up their offer.

UOM and MMU have raised concerns about the employment outcomes for their class of 2019 as well as 2020. Also an impact on students employability from the loss of work experience and internships.

Digital exclusion correlates strongly with social exclusion and its effect on residents has been exacerbated by the Covid crisis.

- (2) support unemployed Manchester residents to re-enter work as quickly as possible especially young people, those aged over 50 and BAME;
- (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 apprenticeships & other training opportunities to better equip employers with the skills to survive & grow, while helping more residents to progress & upskill in their careers;
- (6) improve the support available to unemployed, long-term inactive residents to reduce the risk that they are "crowded out" of the jobs market with the influx of new claimants

- Chancellor announcements on Kickstart, traineeships and apprenticeship grants will provide support for young people in particular although we are still awaiting the details. Lobbying through GMCA, Core Cities for local involvement in the design & delivery of Kickstart. Manchester's CEX sits on the Local Economic Recovery Group for skills & labour market & is making the case. DWP has indicated that there will be local involvement within nationally set parameters
- 4,553 young people which is 79.7% of the Year 11 cohort have a September guarantee, as compared with 6.7% in 2019. 3549 or 67.7% of Year 12 have a September guarantee. Post-16 education and training providers in the City are working hard and have summer programmes to engage young people e.g. TMC's from Couch to College. Focus in last 2 weeks has been supporting schools & colleges to navigate results and the transition of learners, with a heavy focus on young people identified as at risk of becoming NEET. Results day CEIAG (Careers Education Information Advice & Guidance) was produced for schools & colleges.
- We have put in place a local support partnership for residents at risk of redundancy /newly unemployed with the aim of ensuring there is no wrong door. GDPR measures being put in place and landing page on MCC website being updated
- Employ GM website is in the process of being updated by GMCA
- Meeting regularly with the Hut Group to agree an approach to their proposed volume apprenticeship recruitment at the Airport site over the coming months. Up to 200 opportunities available and the Hut Group is interested in working with the City to develop a skills

	<p>The latest <b>Business Growth Hub</b> survey w/c 24 Aug</p> <ul style="list-style-type: none"> <li>• The main three impacts facing businesses remain: decreased sales (67% vs 55% in previous reports), cashflow problems(28% vs 32%), and business travel to visit clients (36% vs 28%)</li> <li>• 61% (66% previously) of respondents said they had furloughed some of their staff. Of those furloughing staff 61.5% of firms said they furloughed more than half of the workforce.</li> <li>• 69% of firms said they were not planning to make redundancies at all, however 5% said they had made redundancies (but will make no more), 1% said they had made redundancies and were considering making more. &amp; 17% hadn't made redundancies but were considering it</li> <li>• 20% of firms were currently recruiting staff. 22% of firms said they partly had the right skills to match their current business plans, and 5% said they didn't have the right skills</li> <li>• Brexit is an issue but there are relatively low levels of awareness amongst businesses of the recent guidance from Government that will affect business &amp; lack of capacity to engage</li> </ul>	<p>academy, with an initial focus on Wythenshawe. Opportunities are at all levels. Also apprenticeship opportunities for young people with CAB in contact centre and advice &amp; guidance roles.</p> <ul style="list-style-type: none"> <li>• Work has begun with Hewlett Packard Enterprise on apprenticeship opportunities for Manchester young people age 18 plus.</li> <li>• Working with MMU and UOM to understand their offer for graduates and connecting with the wider City offer. There will be a specific ask from Government for unemployed graduates, as part of the MCC Comprehensive Spending Review ask.</li> <li>• The Manchester Adult Education &amp; Skills Partnership is working together on a Comms plan to better promote learning &amp; skills opportunities to employers, residents &amp; community organisations;</li> <li>• Manchester Digital Device Scheme has been set up &amp; a steering group established to manage the roll out and evaluation of the device scheme.</li> <li>• The Work &amp; Skills, MAES &amp; Commissioning teams are working with Manchester's home care providers to connect unemployed residents to the employment opportunities and agree future approaches to training &amp; progression within the sector.</li> <li>• Employ GM website has been developed to include a specific retail campaign. The site has seen over 25000 visitors and there were 1,454 unique visitors to the site in the last week.</li> <li>• The discretionary business grants scheme to support small &amp; micro businesses received 1261 applications by 10 June closing date. Most of the £5.4m grant has now been paid to businesses &amp; charities. Ongoing business enquiries are being linked to support available through the Business Growth Hub, Enterprising You and BIPC which is providing additional programmes funded through Business Library Bounce Back funding</li> <li>• Strive &amp; Thrive - last week 411 delegates from 225 businesses registered to attend the Strive &amp; Thrive workshop programme, which supports business recovery from the impact of Covid</li> <li>• GMCVO have a loan fund of £1.5m to support social enterprises to recover from the effects of Covid and are prioritising their support for organisations in the sector delivering employability &amp; skills support and working with BAME communities</li> </ul>
<p><b>Funding</b></p>	<p>No specific known impacts on current external funding bids caused by C19 as yet. Known bids progressing through funding approval processes as expected.</p>	<p>The City Policy team is continuing to track new funding opportunities from a range of sources including Government and European programmes which remain open to UK applicants.</p> <p><b>European Regional Development Fund (ERDF) Programme- Unlocking Clean Energy in GM has now secured its in-principle</b></p>

	<p>Team in City Policy developing a funding action plan based on C19 recovery and Corporate priorities</p>	<p><b>approval from MHCLG.</b> It brings in significant investment of £1.2m into a key part of our MCC Climate Change Action Plan with £8m of grant into GM as a whole. MCC playing a central role in delivery of that wider GM programme as well as the Manchester specific elements.</p> <table border="1"> <thead> <tr> <th></th> <th>TOTAL</th> <th>ERDF</th> </tr> </thead> <tbody> <tr> <td>Hammerstone Road</td> <td>£724,228</td> <td>£298,162</td> </tr> <tr> <td>Velodrome</td> <td>£2,155,367</td> <td>£926,808</td> </tr> </tbody> </table> <p><b>Biohealth Accelerator</b> (MCC working with Health Innovation Manchester and UofM) has now been approved by MHCLG and is securing its final grant funding agreement approvals over the coming weeks</p> <p><b>Build a Business in GM Libraries</b> (MCC with GM Districts) - still being appraised by MHCLG Project</p> <table border="1"> <thead> <tr> <th></th> <th>TOTAL</th> <th>ERDF</th> </tr> </thead> <tbody> <tr> <td>Biohealth accelerator</td> <td>£5,523,516</td> <td>£2,786,252</td> </tr> <tr> <td>Build a Business in GM</td> <td>£3,058,572</td> <td>£1,529,286</td> </tr> </tbody> </table> <p><b>ERDF Reopening High Streets Fund-</b> All Local Authorities have received an allocation of ERDF from MHCLG to support the reopening of high streets. The MCC allocation is £488k. A work programme proposal for use of these funds was submitted to MHCLG for eligibility and approval checking and this has now been approved. Our proposals include communications and public information activity to ensure the reopening of the local economy in district centres and temporary public realm changes to ensure that reopening of local economies can be managed successfully and safely.</p>		TOTAL	ERDF	Hammerstone Road	£724,228	£298,162	Velodrome	£2,155,367	£926,808		TOTAL	ERDF	Biohealth accelerator	£5,523,516	£2,786,252	Build a Business in GM	£3,058,572	£1,529,286
	TOTAL	ERDF																		
Hammerstone Road	£724,228	£298,162																		
Velodrome	£2,155,367	£926,808																		
	TOTAL	ERDF																		
Biohealth accelerator	£5,523,516	£2,786,252																		
Build a Business in GM	£3,058,572	£1,529,286																		
<p><b>Strategy &amp; Economic Narrative Review</b></p>	<p>C19 has necessitated a review of existing strategies to understand whether they are fit for purpose given the predicted exacerbation of existing inequalities. This will inform the Economic Recovery Plan &amp; Our Manchester Strategy reset. Formal refreshes would not take place until 2021 when the Our Manchester Strategy has been reset and the full impact of C19 is known.</p>	<p>Work on Manchester’s Economic Recovery Plan with Ekosgen and Metro Dynamics is developing. The developing narrative was discussed at 14 EMG Aug Recovery Workstream and is being presented to Economy Scrutiny on 3 Sept. This will be worked up into a full Economic Recovery Plan with a positive and forward thinking narrative about Manchester’s future economy. The work is underpinned by projects under ‘People, Place and Prosperity’ headings and Strategic Outline Business Cases have been developed for over 50 projects which are being assessed and finalised. Key themes that run throughout the work are an inclusive economy, zero carbon and science, tech and innovation.</p> <p>The Economic Recovery Plan will be submitted to Government ahead of the Comprehensive Spending Review deadline on 24 September and a</p>																		

		session with civil servants/SPADs is being arranged in advance to discuss the draft Plan.
<b>External Influencing &amp; Lobbying</b>	The Government's economic response to C19 has been fast moving and feeding in Manchester's priorities has required a coordinated approach.	<p>The Local Economic Recovery Group Labour Markets and Skills task and finish group met on 14/08- co-chaired by Joanne Roney and Frank Rodgers (Liverpool City Region CA Chief Exec) - focused on proposed delivery models for the Government Kickstart Programme.</p> <p>Comprehensive Spending Review submissions the Council is contributing to include: the Local Government Association, Convention of the North, Core Cities and the Greater Manchester Combined Authority. These will be supplemented with a MCC submission, covering the Economic Recovery Plan, funding and public service reform. Officers from the Greater Manchester Combined Authority have been invited to the Recovery Group chaired by the Deputy Chief Executive &amp; City Treasurer on 2 Sept.</p>
<b>Economic Intelligence</b>	<ol style="list-style-type: none"> <li>1. Need to engage with Manchester Businesses and Key sectors to understand current status re Covid related impacts</li> <li>2. Understanding of businesses in rented spaces and analysis to support the Business Rates Discretionary Grants</li> <li>3. Need to understand status of development pipeline across the city</li> <li>4. Need to update population modelling (MCCFM), reflecting both the impacts on and from the economy</li> <li>5. Demand appraisal for residential lettings market in Manchester post pandemic</li> <li>6. Challenge re the scale of analytical capacity required to support this, other Covid-19 workstreams and Business as Usual activities</li> </ol>	<ol style="list-style-type: none"> <li>1. Ipsos Mori appointed to undertake business survey work - looking at cross sector economic impact and sector specific issues. Survey went live mid-July. As at 12/08 681 surveys had been completed (507 telephone, 174 online). Officers have worked with Ipsos Mori to promote the survey widely. Good representation achieved from most sectors but there are some sectors with fewer responses than anticipated. Survey closed 14/08. Awaiting initial analysis.</li> <li>2. Working with Leeds Council and Data City to commission / create a dataset to support allocation work in Manchester - dataset arrived informing initial Business Rates Grants work, further analysis of the dataset taking place currently to draw out wider insights.</li> <li>3. Tracking underway - pipeline used to support Financial Resilience work - including forecasting potential council tax &amp; business rates revenues - drafts for forecast CT / BR revenues from new development with Finance colleagues for comment</li> <li>4. Update of the MCCFM is in progress, more difficult and time consuming than normal due to macro uncertainties. ONS Mid Year Estimates released recently to support this work.</li> <li>5. Data sweep complete - work now underway to collate trends across sub-sectors (mainstream, students, short term lets) to contribute to overall appraisal.</li> <li>6. Ongoing discussions to re-prioritise work areas and understand</li> </ol>

		where the gaps may be. Risk we could run out of internal capacity. Future format for economic monitoring currently being considered.
--	--	---