

**GREATER MANCHESTER COMBINED AUTHORITY (GMCA)
ECONOMY, BUSINESS GROWTH AND SKILLS SCRUTINY COMMITTEE
FRIDAY 10 NOVEMBER 2PM, BOARDROOM, GMCA, CHURCHGATE
HOUSE DRAFT**

- Present: Councillor: Michael Holly (in the chair)
- Councillors: Susan Haworth (Bolton)
Roy Walker (Bury)
Ahmed Ali (Manchester)
Grace Fletcher-Hackwood (Manchester)
Chris Goodwin (Oldham)
Michael Holly (Rochdale)
Cecile Biant (Rochdale)
Kate Lewis (Salford)
Mark Hunter (Stockport)
Elise Wilson (Stockport)
Yvonne Cartey (Tameside)
John Holden (Trafford)
Barry Brotherton (Trafford)
Charles Rigby (Wigan)
- Officers: Susan Ford (Statutory Scrutiny Officer, GMCA)
Simon Nokes (Executive Director Policy & Strategy, GMCA)
John Steward (GMCA)
Helen Wilding (Head of Enterprise Policy, GMCA)
Ross Macrae (,GMCA)
Emma Stonier (Governance and Scrutiny, GMCA)
Margaret Asquith (Chief Executive, Bolton Council)
Jim Taylor (Chief Executive, Salford Council)
- Apologies: Councillors: Jane Lewis (Bury)

E18/17 APOLOGIES FOR ABSENCE

E19/17 URGENT BUSINESS

There was no urgent business introduced by the Chair.

E20/17 DECLARATIONS OF INTEREST

There were no declarations of interest declared at the meeting.

E21/17 MINUTES OF THE MEETING HELD 13 OCTOBER 2017

The minutes of the meeting held 13 October 2017 were submitted for consideration. There were two amendments requested; that the discussion around the inclusion of improved business passenger experience within any Greater Manchester aviation strategy was reflected under the Greater Manchester Strategy and Implementation Plan item and that the Greater Manchester age-friendly work used age groupings that aligned with those used within central government economic data.

The Chair noted that the outstanding matters arising from the previous meeting had been completed. The Chair requested that the Committee received a matrix of their recommendations relating to the Greater Manchester Strategy and Implementation Plan, outlining whether these had been adopted or not, and if they hadn't been adopted the reasons why made clear.

RESOLVED:

1. To approve the minutes of the meeting held 13 October 2017 as an accurate record subject to the amendments above;
2. To receive a matrix of the Committee's recommendations regarding the GM Strategy and Implementation Plan outlining whether these had been adopted; and
3. To receive an organisational chart of the GMCA.

E22/17 TREASURY DISCUSSIONS REGARDING THE AUTUMN BUDGET & GOVERNMENTS COMMITMENT TO THE NORTHERN POWERHOUSE

The Chair welcomed Andy Burnham, Mayor of Greater Manchester to the meeting.

Jim Taylor, Lead Chief Executive for Economy and Business provided an overview of the report and key items highlighted were; the Northern Powerhouse Strategy published in November 2016 and the Department for International Trade's (DIT) commitment to £15m of funding to support trade missions; the recent meeting between key Northern leaders and DIT to discuss how collaboration and investment across the North can be strengthened; the work of Innovate North; the £15m capital bid fund announced by the Department of Digital, Culture, Media and Sport as part of the legacy of the Great Exhibition of the North; transport including the opening of the Ordsall Chord and ongoing discussions between Greater Manchester and Central Government regarding the Autumn Budget.

Andy Burnham, Mayor of Greater Manchester, provided the Committee with broader context in terms of the relationship with Government and the current status of the Northern Powerhouse. Key items/areas highlighted included;

- The aim to have a constructive relationship with the Government which also provided challenge when appropriate;
- The recent and welcome visit of the Prime Minister to Greater Manchester where one of the areas discussed was how devolution could be part of the solution to ongoing national debates;
- The differing appetite and commitment to devolution within Government departments;
- Ongoing discussions taking place between Greater Manchester and the Department for Transport, following the statement in the summer about the electrification of the Manchester-Leeds line and investment in Manchester Piccadilly; the outcome of these discussions was as yet not known;
- The critical importance of the final decision about the design of the HS2 station at Manchester Piccadilly, for the economic aspirations of Greater Manchester now and in the future to be realised;
- How the success of the Northern Powerhouse was heavily dependent on investment in transport infrastructure and the importance of working across

party political lines to ensure the best outcomes for Greater Manchester was emphasised;

- The ambitious budget submission to Government to deliver more through devolved structures;
- The first meeting of all 7 Metro Mayors had recently taken place and there had been clear agreement, across party political lines, that the devolution of work and skills was necessary to devise successful policies linked to the requirements of regional economies and labour markets;
- The Prime Minister has given indications that Greater Manchester would be one of the early areas prioritised for a Housing Deal, which would provide greater flexibility to deliver housing growth; the Autumn Budget statement will confirm whether this will be the case;
- Greater Manchester has asked the Government to consider making it a pilot for the reform of Social Care; moving away from an activity based funding model to a preventative, person based approach where funding is consolidated; and
- Brexit and the importance of the Greater Manchester voice being heard within these negotiations was highlighted. The Committee were informed that the Northern Mayors had met with the Brexit Secretary recently and that arising from this an agreement had been made for more meaningful engagement at a senior level. Concerns about the lack of regional analysis on the impact of Brexit were also noted.

Members welcomed the commitment to working across party political lines to ensure devolution was a success; noted the positive engagement taking place with Government at all levels and emphasised the critical importance of improving skills and linking this to local economic requirements.

A Member asked how Greater Manchester's aims for further devolution were linked to the ambition to have 60,000 more Greater Manchester employees earning above the living wage by 2020 and the aspiration to reduce inequality in economic outcomes. Members were informed that one of the ways it was intended to achieve this was by the GMCA providing a leadership role in setting out standards of employment; for example the GMCA has recently received accreditation as a Living Wage Employer and it is hoped that this will encourage other organisations to follow suit. The Employer's Charter, which will be going out for public consultation soon, was also highlighted as a tangible way in which the aims can be achieved. The Greater Manchester Strategy has set out a long term solution and vision to tackling these issues, such as school readiness and life-readiness at 16, providing foundations for the reduction of inequality in Greater Manchester. It was also noted that the Devolution of the work and skills budget would contribute to achieving these aims and that this was becoming more important in the context of Brexit and the possibility of skills gaps opening within the workforce.

Members highlighted some concerns about the Government's overall commitment to the future of the Northern Powerhouse in the short to medium term and noted consideration should be given to putting preparations in place in case this commitment is not received. The Mayor has received positive messages from Government regarding the Northern Powerhouse and had also met with most of the key Cabinet Ministers. The Autumn Budget statement was a key indicator of central Government's commitment to devolution and the Northern Powerhouse.

A Member noted the need for appropriate funding for Early Years and Early Intervention and asked whether models for support would follow the Sure Start model. The opportunities within devolution to break down silos within public sector working were highlighted as was the prioritisation of school-readiness within the Greater Manchester Strategy. It was also noted that this was a central focus of the Public Sector Reform agenda. This will build on work which has already taken place in Greater Manchester with the intention that all relevant partners, including the community and voluntary sector, will work together to improve early years outcomes. The approach in Greater Manchester will build on the Sure Start model but expand this by actively targeting support and recognising the wider support needs of families.

A Member urged that consideration should be given within the transport agenda to the use of less polluting vehicles to contribute to a reduction in emissions. It was noted that work would shortly begin regarding the use of the powers outlined in the Bus Services Act. This will outline the key priorities for what was wanted to be achieved in Greater Manchester through this, measures to be considered would include fares, electric buses, improving disability access on buses and reducing emissions.

A Member queried what was being done to help tackle the North-South economic divide within the conurbation. The Mayor outlined his commitment to focus on towns outside the regional centre and to use his convening powers to bring stakeholders together to discuss a way forward to unlock barriers to making improvements. This work builds on GM's previous town centres work, harnessing the potential of towns to deliver housing growth, bring new people to live in them and improve their economies. Members welcomed this initiative but also stressed the importance of attracting of new businesses to town centres across Greater Manchester. It was confirmed work was underway to attract new businesses to Greater Manchester in key sectors as well as providing mixed business/start-up and residential space in town centres.

A Member questioned what was meant when using the overarching term of the 'north' under the section in the paper regarding collaboration and engagement. This term is intended to include the North-West, North-East, Yorkshire and Humber and Carlisle and Cumbria as areas which can work together and benefit from speaking as 'one voice' on a national stage, in areas such as transport, skills and Brexit, to achieve better overall outcomes.

Members asked whether, within the priorities outlined in the Autumn Budget relating to work and skills, people out of work and not in work had been considered. There is already some devolution in place from the Department of Work and Pensions (DWP) which encompasses the Work and Health programme which supports the long term unemployed back into work. The long term ambition in Greater Manchester is to have greater control of the DWP budget to tackle long term unemployed and link this to the skills agenda for schools and colleges. Greater Manchester has also submitted three budget asks for more control over; learning and training for those in prison; integrated employment support for over 50s and supporting businesses via work with Job Centre Plus (JCP).

RESOLVED: 1. To note the update on the Northern Powerhouse and the Autumn Budget; and

2. To receive the summary of key issues arising from the Autumn Budget statement as soon as it is issued by the GMCA and to consider any matters arising from the statement at a future meeting of the Committee.

E23/17 DIGITAL BUSINESS

Margaret Asquith, Lead Chief Executive Digital, City Region, introduced the report which provided an overview of the Digital Business work and summarised the work that the Growth Company does providing both business support regarding digital and growth of the digital sector.

The Committee were asked for their view on the five themes which have been identified to lead the digital strategy; digital infrastructure, skills and talent, economic growth and productivity, inclusion and communications and marketing. Outcome measures of success were outlined in the paper as was the alignment with the Greater Manchester Strategy. The Mayor will be holding a further Digital Summit on 8th December 2017 and it was agreed that the Chair and Vice-Chair would be invited to this.

A Member asked what the timescales were for accelerating market investment of full fibre infrastructure across Greater Manchester. It was confirmed that timescales and further detail would be included in the full action plan. Additionally a paper is being submitted to the next meeting of the Combined Authority which asks for permission to bid into the next round of Government funding for infrastructure.

A Member highlighted the inclusion theme and noted that there was evidence that there were already people who had been digitally left behind within Greater Manchester. It was asked what plans there were to tackle this. Members were informed that a sub-group was looking at this issue in further detail, whose recommendations would be reported at the Mayor's Digital Summit. Members asked that the sub-group were sighted on the research from Salford which highlighted groups that were digitally excluded. Members were also informed that digital inclusion was an area being looked at within other sectors across the GMCA, for example within Health and Social Care work was underway regarding access to online health services.

Members queried the inclusion of the use of online banking as an outcome measure of success. Members were informed that the list of indices were not as yet finalised and these were open to challenge and feedback. The reasoning for the use of online banking as an outcome measure was explained. It was felt that if someone was doing well against this, then other measures of the composite index were likely being met, as the use of online banking indicated a certain level of digital literacy. It was also noted that some communities are unable to access a bank locally and that online banking, through a mobile phone, can help to reduce financial isolation.

A Member noted that businesses could also be digitally deprived and asked consideration to be given to the inclusion of this within the final strategy.

A Member highlighted work underway by Housing Providers to increase their customers digital skills and asked that consideration was given to partners working together to ensure that there was no duplication and the best use of resource was made across Greater Manchester.

A Member drew attention to those people already digitally competent, and frustrated with the pace of implementation of new technology and software, and asked how the strategy could meet the needs and aspirations of this cohort of people too. It was confirmed that the views of a wide range of people would be included within the Strategy and that representation on the Steering Group was wide-ranging. It was agreed that membership of the Steering Group would be circulated to Members for information.

A Member asked that the strategy made more explicit the aim that everybody becomes more prosperous as a result of increasing digitisation. Members also highlighted the importance of making clear that benefits of digitisation and the growth of the digital sector are felt across GM.

A Member noted that for people struggling with digital skills one of the best routes to support and access to online services was through local libraries.

Members stated that potential job losses through digitisation needed to be an important consideration for future thinking.

Members welcomed the inclusion of cyber security as a priority within the digital strategy.

Members requested that target dates were included for the priority actions over the next 6 months, so progress can be measured. Members also requested that they receive information on how the outcome measure index (using the NESTA index) had been decided on.

RESOLVED:

1. To support the work towards a GM Digital Strategy and Action Plan;
2. To receive the full GM Digital Strategy at the 19 January 2018 meeting of the Committee;
3. That the Chair and Vice Chair be invited to the Mayor's Digital Summit on 8 December 2017;
4. That the sub-group looks at the research from Salford regarding digital exclusion as part of their work;
5. To receive the membership list of the Digital Steering-Group; and
6. To receive a note regarding how the outcome measure indices had been reached.

E24/17 EMPLOYER ENGAGEMENT

Simon Nokes, Executive Director Policy & Strategy, GMCA introduced a report which outlined the key priorities of the Greater Manchester Employer Engagement Framework, which leaders had agreed at the GMCA meeting on 28th July 2017. The Mayor's manifesto outlined a commitment to the development of a Greater Manchester Employers Charter; this is in development and it had been expected that this would be out for consultation at the end of November, however the Committee were informed that this would now happen early next year.

The Employer Engagement Framework's purpose was outlined as being designed to

help employers grow and invest in Greater Manchester and to connect residents to the resulting job opportunities. The five priorities identified were; businesses engaging with schools and colleges; employers investing in developing their workforce; businesses being supported to connect unemployed Greater Manchester residents to job opportunities; businesses being able to create and maintain healthy workplaces and businesses using their procurement and supply chains to deliver social value. In July those areas which were to be the immediate focus activity over the next 6 months period were agreed and an action plan was developed for each of the key priorities.

A Member asked whether the right support mechanisms were in place to help employers who take on workers who have been out of the labour market for a significant period. In addition it was asked whether the retention of these employees' were included in this work. Members were informed that the Work and Health programme included measures to support sustainable employment outcomes. Additionally Greater Manchester will be running a pilot programme next year to support people in employment who are at risk of falling out of employment.

A Member noted that engagement with Schools and Colleges should be coordinated with councils to avoid duplication. Officers confirmed that this work was taking place in partnership with Local Authorities and work and skills leads to ensure a coordinated approach across Greater Manchester.

A Member asked whether there was any further detail as to what flagship apprenticeship programmes would look like (as outlined in 7c, Annex A). It was confirmed details of the programmes in development would be provided to the Committee.

A Member asked whether it was intended that the Employer's Charter would be a standard charter implemented across Greater Manchester, as some local authorities already had their own charters in place. The public consultation process will include feedback from a wide range of partners, including businesses and local authorities, and the way the final charter will fit into the existing landscape and add value will take into account existing charters across GM.

Members welcomed the work outlined in the report. They also urged that the focus on skills training was not to the detriment of lifelong learning and the need for people to have transferable skills, to enable changes in jobs/roles. Members were informed that the GMCA was looking at the development of 'life-readiness' for young people; to equip them with skills needed throughout their life. The Committee were informed that this work was in the early stages and there would be more detail as the programme progressed.

A Member requested that an updated Employer Engagement Framework action plan (Annex A) was provided to the Committee, which included information about whether target dates had been met, and in instances where they hadn't, any reasons for this.

RESOLVED:

1. To note the employer engagement action and implementation plan;
2. To receive detail about which flagship Apprenticeship programmes Greater Manchester is developing;
3. To receive further information about the work and health

- programmes outcome measures to support sustainability of employment; and
4. To receive an updated action plan, outlining where relevant, whether target dates have been met.

E25/17 WORK PROGRAMME FOR THE ECONOMY, BUSINESS GROWTH AND SKILLS OVERVIEW AND SCRUTINY COMMITTEE

The Committee received a revised work programme following comments and suggestions at the last meeting. The Committee emphasised the importance of them receiving a forward plan and it was confirmed work was taking place to develop a forward plan which can be shared with all of the Scrutiny Committees. Members also noted the importance of items coming to the Committee prior to decisions being made.

Members were asked to send any items/areas they would like covered in upcoming reports to Officers.

A Member requested that Business Start-ups were looked at and it was agreed that this would be added to the work programme in March.

A Member asked that the report on Long Term Unemployed Report coming to the January meeting included both Greater Manchester wide and Local Authority level data.

A Member requested that the way that the Spatial Framework policies would support employment and Business Growth was considered at a future meeting. The Chair noted this could be considered at the same meeting as the following item to be scheduled; 'GMSF and its impact on Employment Land'.

Members asked to receive further information about trade missions, for example where they will go, who will be involved, successes and cost. It was agreed that some of this information would be included in the GM Internationalisation report and that the Committee would be provided with further updates regarding trade missions as and when this information was available.

Members requested that they receive a report regarding Graphene/Advanced materials at a future meeting. They also requested that the potential for a visit to the University to look at this work was considered.

Members agreed to the removal of Housing Investment from the work programme due to the fact that this fell outside of their remit.

RESOLVED: That the work programme be updated in light of comments made at the meeting and considered at the next meeting.