

GMCA ECONOMY, BUSINESS GROWTH AND SKILLS OVERVIEW AND SCRUTINY COMMITTEE 7 DECEMBER 2018 AT 2.00PM AT MANCHESTER TOWN HALL

Present:	Councillor Michael Holly (Rochdale) (in the Chair)
Bolton:	Councillor Susan Haworth
Bury:	Councillor Mary Whitby
Manchester:	Councillor Luke Raikes
Oldham:	Councillor Peter Davies (substitute)
Oldham:	Councillor Valerie Leach
Rochdale:	Councillor Daniel Meredith
Salford:	Councillor Karen Garrido
Salford:	Councillor Kate Lewis
Stockport:	Councillor Mark Hunter
Trafford:	Councillor Barry Brotherton
Trafford:	Councillor Bernard Sharp (substitute)
Tameside:	Councillor Yvonne Cartey

In attendance

GMCA	Councillor Ebrahim Adia, Deputy Portfolio Lead for Economy and Business Simon Nokes, Executive Director Policy & Strategy Alison Gordon, Assistant Director Business, Innovation and Enterprise Policy Marie-Clare Daly, Principal Culture and Creative Policy John Steward, Digital Infrastructure and Internationalisation Policy Lead Susan Ford, Statutory Scrutiny Officer Emma Stonier, Governance and Scrutiny Officer
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E97/18 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Robert Caserta (Bury), Chris Goodwin (Oldham), Jude Wells (Stockport) and Charles Rigby (Wigan).

E98/18 CHAIR'S ANNOUNCEMENTS AND URGENT BUSINESS

The Chair requested that Item 8 – GM Culture Strategy was taken as Item 7. Members agreed to this change.

The Chair informed Members that Councillor Linda Thomas, GMCA Portfolio Lead for Culture had sent apologies and officers would present the GM Culture Strategy prior to it being considered by the GMCA in February 2019.

E99/18 DECLARATIONS OF INTEREST

There were no declarations of interest received.

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MINUTES OF THE MEETING HELD ON 16 NOVEMBER 2018

The minutes of the meeting held on 16 November 2018 were submitted for approval.

An amendment had been requested to E89/18 (page 3) regarding apprenticeship numbers that it read as follows:

It was noted that the collapse in apprenticeship numbers nationally was concerning, however GM did buck national trends with a 33% reduction in apprenticeships, in the same period as the previous year, against an average 40% reduction nationally.

RESOLVED:

That the minutes of the last meeting held 16 November 2018 be approved as a correct record subject to the requested amendment.

E101/18

WORK PROGRAMME

Susan Ford, Statutory Scrutiny Officer, introduced the work programme. Members were asked to send any comments regarding future items to the Statutory Scrutiny Officer. Consideration was being given currently to the Work Programme for February and the agenda format.

A representative from the Department for Work and Pensions (DWP) will be attending the January meeting around the implementation of Universal Credit.

Members were informed that the Mayor had been invited to the April meeting and it was requested that he be invited to the March meeting if unable to attend in April.

RESOLVED:

1. That the work programme be noted.
2. That the Mayor be invited to the March 2019 meeting if unable to attend in April.

E102/18

BREXIT UPDATE

Councillor Ebrahim Adia, Deputy Portfolio Lead for Economy, GMCA introduced an item which provided Members with an update on Brexit and Greater Manchester's preparedness for the UK's exit from the EU. Key areas highlighted included:

- GM Brexit principles agreed which GM believes should inform the Government's negotiations with the EU. The principles focused on four areas: trade and industry; infrastructure and place; people and skills and the process for leaving the EU. The principles have been designed to minimise adverse impacts of Brexit as much as possible.
- Section 2 which outlined the Draft Withdrawal Agreement. This has received extensive media coverage and a vote on the agreement was expected week commencing 10th December 2018.

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- GM was lobbying the Government around the sharing of the regional impact analysis it had undertaken as a matter of priority. GM has also undertaken scenario planning based on different withdrawal agreements.
- GM has developed a series of principles to use as the basis of conversations with Government around the UK Shared Prosperity Fund. These included the flexible use of funding to enable GM to address its priorities, particularly around tackling inequalities and raising productivity. Funding levels which at least match the level of existing EU Structural Funds and their matched funding was highlighted as being critical to GM's future prosperity.
- Economic impact monitoring and GM level analysis being undertaken to better understand which of GM's economic sectors are most likely to be affected and how businesses are preparing. GM also wants to ensure that they continue to attract global talent to key growth sectors. Marketing Manchester was reviewing the impact on the international visitor market and would be monitoring this going forward.
- The Government's analysis forecasts UK GDP over 15 years would be: 1.5% lower if the UK remained a member of the EU's single market; 5% lower if a free trade deal was agreed; and 8% lower if the UK leaves the EU without a deal and reverts to WTO terms. For the North West equivalent figures were 2.5%, 8% and 12% which highlighted the importance of the final outcome of negotiations, for GM.
- Potential impacts on local authorities arising from Brexit, including impact on demand for services, such as housing and welfare advice, were noted. It was also highlighted that in the previous recession neighbourhoods in the North of England and West Midlands were hardest hit.
- The GMCA have agreed a number of actions to progress locally around mitigating the impact of Brexit. These included undertaking appropriate contingency assessment and planning exercises based on local command and control arrangements and putting in place appropriate arrangements to support business and individuals in event of an economic downturn. GM have also urged Government to progress a number of actions.

Member's raised the following questions and comments:

- Whether GM had emergency contingency plans in place in event of a no deal Brexit. In relation to this it was also asked whether GM had a sense of what businesses were putting in place to manage the impact of Brexit and whether businesses were engaging with the GMCA about Brexit. A significant amount of work was underway in GM around preparedness for Brexit and the impact of any deal reached with the EU. The Growth Company website has information for companies about Brexit and the impacts of different deals. This has had 700 individual hits since October which suggests companies were aware of the potential impact of Brexit and were taking action. However, it was highlighted that some companies who thought that they would not be impacted by Brexit without considering impacts on their supply chains. Within the public sector a GM level group had been convened to look at issues and impacts arising from Brexit and contingency planning and assessment, in the event of a no deal, was being undertaken based on local command and control exercises.
- Whether the national framework priorities for the proposed UK Shared Prosperity Fund included the possibility of allocating resources to the most deprived areas of GM. GM has urged Government to ensure the fund is controlled locally and can flexibly respond to local needs and tackle inequalities. Government had indicated that there would be a

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consultation on the Shared Prosperity Fund in Autumn 2018 but to date this had not been released.

- Had GM received a positive response from Government around the sharing of information? The Government had shared national and north west level analysis with GM and it was stated that until the final Brexit deal was agreed a level of uncertainty around impact remained. It was also noted that GM was urging Government to progress a number of actions around Brexit which were of particular significance to GM.
- What were the reasons for the Government's analysis of regional impact on GDP being worse than national impact (as outlined in section 5.6)? Definitive reasons underlying this were difficult to isolate, however it was stated that the North-West was more dependent on exports to the EU with 56% of exports in GM going to the EU as compared to 47% nationally. The potential adverse effect on student numbers was also highlighted.
- It was clear from the report that there was a lot of uncertainty around Brexit. GM was taking a sensible approach to its actions to ameliorate the potential impacts of Brexit. Members also highlighted that it was difficult to assess impact as there were a significant amount of unknowns currently and it was difficult to forecast impacts until the final deal had been agreed. Officers encouraged all Members to discuss potential impacts with their own local authorities and to encourage businesses to consider the impact of Brexit and let them know about the Growth Company's website support.
- Whether GM were aware if local authorities had been receiving additional/different communications from Government, for example through the Department for Housing, Communities and Local Government, around Brexit preparedness and whether the Mayor/GM were in regular communication with Government around Brexit. Section 6.4 was highlighted and the action to ensure that all GMCA bodies were carrying out sectional risk assessments. It was stressed that GM was not carrying out individual risk assessments for local authorities. GM were undertaking risk assessments for Combined Authority functions. Conversations have taken place between officials from the Department for Exiting the European Union and officials in the Mayor's office. At a GM level communications were taking place through the Directors of Place group and the Resilience Forums in each local authority. Members also asked whether GM felt there was sufficient engagement from Government around the actions outlined in section 6.3. Communication channels were open at an official level and the Mayor has previously stated that GM and the North West should have a stronger voice in the Brexit negotiations.
- Did GM have figures for the number of EU citizens living in GM who had left the UK due to Brexit? Members were informed that officers would investigate whether there were any figures available in relation to this. GM was undertaking further work around understanding the impact of Brexit on employment sectors where GM had particular exposure which included distribution, hotels and restaurants, banking and finance and manufacturing. The Greater Manchester Health and Social Care Partnership (GMHSCP) was carrying out work to assess the impact of migration on the health sector, particularly in relation to junior Doctors and nurses. Officers stated they would circulate more information to the Committee about this. The link to the latest GMCA Brexit Report, which contained more detail about impact on employment sectors in GM, would also be circulated to Members.
- That the Government's economic forecasts assumed that sectors behaved similarly across the UK, which was not necessarily the case. The Greater London Authority had commissioned their own economic forecasts and it was asked whether GM had

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considered this. GM had decided to focus on examining the impact locally of the Government's analysis, rather than commissioning its own research.

- A Member stated that they would have liked to have received more information about the potential impact of Brexit and action GM was taking. It was noted that communication mechanisms could be more robust to ensure local Councillors were kept updated. This would be useful in general to share best practice and information about the work of the GMCA. Members were informed that information was circulated to Leaders and Democratic Services Managers. The Brexit Monitor is circulated with scrutiny papers each month and this summarises economic trends, analysis and the latest policy positions. There was also a monthly GMCA email which was sent to all GM Councillors. Officers would look at including a Brexit update in this.
- How would the Committee be kept updated following the 29th March 2019? It was confirmed that Chair's announcements would be used to keep the Committee updated on Brexit and that in the New Year it was likely that there would be more information available to share with the Committee.

RESOLVED:

1. That the content of the November Brexit Monitor (Appendix 1) be noted.
2. That Officers would circulate the link to the Growth Company Brexit webpage.
3. That Officers would find out if there were any figures available in relation to the number of EU nationals leaving GM.
4. That more information about the GMHSCP's work on the impact of Brexit on the health sector would be circulated to Members.
5. That December's GMCA Brexit Report would be circulated to Members.
6. That the Committee would be provided with regular updates on Brexit.
7. That Officers would include an update about Brexit in the GMCA monthly Councillor email.

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GM CULTURE STRATEGY

Marie-Clare Daly, Principal Culture and Creative Policy, GMCA introduced the GM Culture Strategy. Members were informed that Councillor Linda Thomas would be in attendance when the final strategy was presented in February 2019. Delivery of the GM Culture Strategy would commence in 2019.

The following areas were highlighted:

- The GM Culture Strategy included in the papers was the version which was currently being consulted on and this was an opportunity for Members to feed into the consultation. Consultation will close on 10th December 2018. However, targeted conversations would continue after this date.

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- The overall guiding principle had been to look at areas where it made the most sense to work collectively at a GM level.
- GM had analysed GM local authority strategies, national and European comparators and the Greater Manchester Strategy (GMS) to identify recurring themes and priorities. Initial feedback around priorities was that there were currently too many and the final draft should be more focused.
- GM had commissioned a short video of residents from local authorities across GM talking about what culture meant to them. This would be circulated to Members.
- Consultation had been undertaken in a variety of ways including: online; targeted in shopping centres/theatres; open events; and through targeted sector specific conversations (visual arts, music, theatre etc.).
- In consultation residents focused a lot on what culture means to communities and local provision was identified as an area for improvement alongside coordination and communication of cultural events taking place in local areas close to people.
- Consultation has identified local residents to invite to become involved in the development and delivery of the GM Culture Strategy and work was underway around the format this would take.
- That feedback had indicated that the local and international cultural offers needed to be more aligned.
- Stakeholder feedback had highlighted that the final Strategy needed to be action focused, measurable and prioritise those things where GM can make the biggest impact/difference. It was also highlighted that a clearer narrative would be useful, and that GM's strengths and cultural heritage should be more clearly articulated. Work was underway to develop measurable indicators for inclusion in the Strategy, looking at how these can be aligned across GM's portfolios and the GMS.
- The GM Culture Strategy will be used to support the revised investment approach for the Culture and Social Impact Fund post 2020.

Members had the following questions and comments:

- A number of Members raised the fact that the Strategy did not reference sport and asked whether, given GM's sporting history and heritage, the range of sports clubs in the region and the numbers of people in GM who attended sporting events, any consideration had been given to the inclusion of this in the final Strategy. In relation to the inclusion of sport Members also raised the following considerations: some Members felt culture and sport were distinct areas, despite being of importance to GM; the National Football Museum and how this could be used to promote GM's sporting heritage; importance of sport in attracting international visitors to GM, and therefore to GM's Internationalisation Strategy and the number of amateur sport clubs within each local authority area and their importance to the delivery of other priorities such as safer neighbourhoods and the health and wellbeing of GM residents. Members were informed that sport sits between a number of portfolio areas in GM and Greater Sport was funded to deliver projects. It was also identified that when the investment approach was revised the Strategy would be used to assist with identifying what organisations/projects GM supports. Officers recognised that the definition of culture required greater clarity and noted they would consider how this would be articulated in the final Strategy. Members would also be updated regarding discussions on how GM's sporting heritage and activities could be best handled strategically.

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- As some authorities had not received as much funding as others from the Culture and Social Impact Fund it was queried whether the development of GM priorities would result in some authorities losing funding. Once the GM Culture Strategy has been agreed consultation will commence around how future investment can assist with delivery of the Strategy. Members will have opportunity to review the overall allocation of funding, as reports on delivery and the proposed investment approach will be submitted to this Committee. Members requested that they would like these reports to have information broken down into priority areas and local authority area.
- Members supported a reduction in the number of priorities included in the final Strategy.
- Was the consultation still open? It was confirmed that the deadline date had been extended and the online consultation was open until Monday 10th December.
- That on page 3 of the Strategy 'well known' people from across GM were referenced and it was asked whether there could be further additions to this list. Officers confirmed that they were attempting to make this list as balanced as possible and that they welcomed suggestions for inclusion in the final Strategy. Members specifically requested that Robert Bolt, Salford Lad's Club, Annie Kenny and James Joule were added to this list.
- Concerns were raised that the name Marketing Manchester did not reflect the other local authorities in GM who also had valuable cultural offerings for visitors. Members were updated that the Marketing Manchester Board had debated this on more than one occasion and, overall, it was felt that Marketing Manchester was a well-known brand and was effective at promoting the region as a whole, particularly to external audiences.
- That cultural exposure was important to GM's ambition to reduce inequality and that the Strategy should include reference to the evidence which sets out the value of cultural exposure to enhancing people's lives and supporting the delivery of the GMS. Since the consultation, the development of the GM Local Industrial Strategy had begun, and work was underway to understand the importance of cultural capital and how this can be used to support the development of softer skills, such as adaptability, creativity and problem solving. It was also noted that more consideration was needed as to how GM can engage young people with culture.
- How was GM going to achieve the Strategy's aims and ambitions? This needs to be clearly outlined, in a way that people can easily understand. In relation to this the language/reasoning around the inclusion of 'priority 1 - engaging young people with culture to ensure they are school ready' needed to be looked at to ensure that the basis for its inclusion was clear. The Chair asked whether case studies could be used to demonstrate the intended impact and outcomes of the Strategy. It was confirmed that case studies and research available, demonstrating the importance of exposure to culture at an early stage to life chances, would be included/made more explicit in the final Strategy.

RESOLVED:

1. That the process of development undertaken to get to the current draft of Greater Manchester's Culture Strategy be noted.
2. That the programme of consultation and results to date be noted.
3. That the video commissioned about what culture meant to GM's residents would be circulated to Members.

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4. That Members would be updated on discussions about how GM's sporting heritage and activities could be best handled strategically.
5. That it be recommended that the final GM Culture Strategy:
 - Had fewer priorities;
 - Included a definition of 'culture';
 - Outlined how GM was going to achieve the aims and ambitions set out in the Strategy;
 - Gave consideration as to whether sport was included in the Strategy, and if not, made the narrative around this clearer;
 - Included case studies and research evidence related to culture and school readiness; and
 - Included Robert Bolt, Annie Kenny, James Joule and Salford Lads Club in the list of 'well known' people.

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GM INTERNATIONALISATION STRATEGY UPDATE

Councillor Ebrahim Adia introduced the GM Internationalisation Strategy Update which provided the Committee with an update on the progress with implementation of the Internationalisation Strategy, with particular focus on the Cultural Strategy. An additional brief update on other strands of the Internationalisation Strategy alongside a RAG rating of progress had been circulated to the Committee and the Chair commented that progress was positive and the further update had been helpful.

Other key strands of the Internationalisation Strategy, for example foreign direct investment and increasing student numbers, had the potential to be impacted by Brexit, and in this context culture would become increasingly important. GM's cultural offer is a significant draw for international visitors and it was highlighted that GM was now the third most visited place in the UK after London and Edinburgh. Additionally, Manchester Airport was highlighted as being a success story, both in route development and increased passenger numbers. However, Visit Britain have indicated that UK forward bookings are down by approximately 11%, in light of this GM will bring forward a range of strategic and market focused initiatives to drive future growth, including leisure and trade marketing campaigns and bidding for large international conferences. The accommodation market in GM remained buoyant and the importance of attracting and increasing international visitor numbers to GM, to maintain this, was stressed.

Members had the following questions and comments:

- 2019 was the bi-centenary anniversary of the Peterloo massacre and it was asked whether consideration had been given to how this was commemorated and to promote the history of GM in general. Peterloo was on the agenda for Marketing Manchester event planning/agenda for 2019 and Marketing Manchester also continued to focus on the radical traditions of GM in history and movements that began in GM. Members also requested that when commemorating Peterloo other areas in GM were considered, alongside central Manchester as many people attended from outlying areas, including Wigan, Rochdale and Oldham.
- Was there an update available for arrangements for MIPIM in 2019, specifically around commercial sponsors, local authority/GMCA funding and overall costs? Members were

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informed that the final format was in the initial development stages and that once this had progressed further an update would be provided to the Committee.

- Members were pleased to see the statement of intent about how GM can use culture as a key differentiator and asset for the City Region (outlined in section 4.2) and the emphasis on a history of the radical. It was also felt that the history of the region should be more accessible to all and that it was important this was communicated to GM residents so they were aware of the history of this region.
- GM should emphasise scientific inventions and history of innovation in GM to attract visitors and in relation to this it was asked whether GM, particularly the Universities, were planning any events around the 200th anniversary of James Joule. Marketing Manchester recognised that science and innovation was a draw to the region, particularly to international businesses. Members were informed that GM had been successful in their bid for the International Veterinarians Conference which would be held here from 2021 onwards and part of the pitch had involved selling Manchester as a 'science' city.
- That hotel occupancy rates were very positive and the provision of more beds to the city indicated business confidence in GM.
- Had any consideration been given to attracting visitors to hotels in other local authorities within GM (apart from Manchester) and/or promoting attractions in other areas? Attracting visitors to other areas within GM by promoting events/attractions was one model of developing a bigger hotel base. Good transport links were also highlighted as essential to this, to capitalise on visitors staying in other areas being able to travel round the city-region easily. Marketing Manchester were in discussions with Transport for Greater Manchester (TfGM) about the use of transport network infrastructure to move people around GM better and encourage visitors to use public transport to visit other places in GM, for example by developing a travel pass to visitors.
- The high turnover of staff in the hospital industry was highlighted and it was asked whether there were any awards ceremonies at a GM level for employees to recognise their contributions. The Manchester Hotel Association Awards gave awards to staff and included staff from any hotel who were a member of the association. Membership was open to hotels based in local authorities across GM. Challenges around the retention of staff and training and development were acknowledged and collaborative work was underway to review this and assess any actions which could be taken around staffing in the hospitality industry.

RESOLVED:

1. That the update on the GM Internationalisation Plan mid-term review and Member's comments be noted.

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REGISTER OF KEY DECISIONS

RESOLVED:

That the Register of Key Decisions be noted.

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BREXIT MONITOR (Item 19)

RESOLVED:

That the Brexit Monitor be noted.

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DATE AND TIME OF NEXT MEETING

Friday 11th January 2019, 2.00 – 4.00pm, Boardroom, Churchgate House, Oxford Road,
Manchester, M1 6EU