

DATE: 29th March 2019

SUBJECT: GC Business Plan 2019/20

REPORT OF: Sir Richard Leese, Portfolio Lead for Economy

PURPOSE OF REPORT

The purpose of the report is to present to GMCA, the Growth Company Business Plan for the 2019-20 financial year.

The full business plan has been approved by the GC Board.

Included in the plan is an agreed performance reporting framework to allow oversight on core GC deliverables throughout the year, reported to GMCA and the LEP.

RECOMMENDATIONS:

GMCA is asked to;

- Comment on the report and the priorities for 2019/20 and endorse the attached plan.

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TRACKING/PROCESS		
Does this report relate to a major strategic decision, as set out in the GMCA Constitution		No
EXEMPTION FROM CALL IN		
Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency?		No
TfGMC	Overview & Scrutiny Committee	

Introduction

The Growth Company is a social enterprise whose governance, accountability and purpose is uniquely aligned to GMCA and LEP. The Group is a significant contributor to the GM economy. Contracts are delivered in an integrated and targeted way, whether these are the contracts managed on behalf of GMCA, or by the additional funds it attracts from other funders and commissioning organisations.

Delivering for Greater Manchester

Results achieved by GC across the last three years have included engagements with over 13,500 companies per annum, 17,000 job opportunities created and 3,300 apprenticeships which collectively contributed an additional £786m in GVA to GM. In addition, 195 Inward investment projects have been secured (128 of which were FDI), Export sales generated total £656m and Marketing Manchester campaign reach totalled 1.5bn with an Economic impact from conferences of £74.8m. Through GC interventions, nearly 28,000 people have been placed directly into jobs and as a Group, we support the GM inclusivity agenda through the client base with which we work.

Our skills provision routinely works with the individuals that other mainstream providers deem too hard to help, 35% of all students were from the top 10% of the most deprived Lower Layer Super Output Areas in the country. Our employment programmes have seen over 400 Long Term Unemployed customers with health conditions / disabilities supported into employment through the Working Well contract in Greater Manchester, 1 in 3 customers in recovery from substance misuse enter employment, training, or education with 32% sustaining in work.

In Business Support, 21% of service recipients and 39% of loan recipients are female, 12% of service recipients and 22% of loan recipients are BME and 41% of business loan recipients were previously unemployed, with 46% of 18-24 years olds offered loans previously classed as NEET.

Whilst GC results in core areas of delivery are strong, the company continues to operate in an uncertain economic and political environment. As with other organisations, Brexit is a particular uncertainty for 2019/20 and GC will need to remain flexible and agile to respond to any resulting market changes, both as an organisation in its own right and to ensure that it is providing appropriate support and advice to businesses across GM.

Vision & Priorities for 2019/20

The GC Business Plan is framed by the Greater Manchester Strategy (GMS), the emerging Local Industrial Strategy and evidence from the Independent Prosperity Review ensuring that GC priorities directly align with those of GM as well as the Group commercial objectives. These are reflected in six Strategic Priorities which have been agreed by the GC Board. As the final LIS emerges along with the implementation plan, the GC operational priorities may evolve to reflect these.

These Strategic Priorities drive the structure of the Business Plan and enable us to outline how all parts of the Group will respond to each priority. Strategic Priorities 1-3 (Productivity, Inclusive Growth, and Internationalisation) focus on improving economic outcomes for Greater Manchester, whereas Strategic Priorities 4-6 focus on the Group's commercial and organisational development.

In addition, we have further enhanced this year's Business Plan by reflecting the evidence base from the Independent Prosperity Review (IPR) and emerging Local Industrial Strategy (LIS) priorities, in particular:

- driving productivity, innovation and inclusive growth in GM high value sectors (health innovation, manufacturing, digital & creative and professional services),
- driving up skills and access to employment opportunities across Greater Manchester, and
- working with all GM districts to ensure all places maximise their potential.

2019/20 is also the final year of the three-year GM Internationalisation Strategy. GC has a strategic leadership role to market GM internationally and directly delivers core aspects of the Strategy. GM is no longer the only City Region with a strong story to tell with the emergence of metro-Mayors and devolution deals across other major cities in the UK. It is therefore a priority during 2019/20 for GC to work with key GM partners to 'reset' the Marketing of GM's ambition and refresh the internationalisation strategy. GC will take a lead strategic role in setting a new aspiration, scale and a funding model which promotes GM opportunities to investors and delivers on the GMS/LIS economic and social ambitions.

Additionally, to support the Internationalisation Strategy's tourism ambitions, GM needs to improve its' visitor experience. A key potential mechanism would be a GM Visitor Pass, which would be a cutting-edge digital solution, providing visitors with free and discounted entry into attractions and transport across Greater Manchester. The European Cities Marketing Benchmark Report 2017 highlighted that all top ten European cities have their own city pass. Given the increased bookable products created across Greater Manchester, there is now an opportunity to capitalise on this and explore the potential for a GM Visitor Pass. GC has conducted research into the different models currently utilised by peer cities as well as the digital solutions available. Seed funding of circa £150k in 2019/20 is now required to scope, develop and implement the first phase of a GM solution. Given the place-centred and wider benefits of such an initiative, GC will be discussing potential funding options with GM partner organisations.

Priority GC deliverables on behalf of Greater Manchester in 2019/20 include:

- Realise a fully integrated business support system which responds directly to need through the implementation and delivery of the GM Business Productivity and Inclusive Growth Programme delivering high value jobs, creating employment in key GM sectors (including creative industries, financial services and advanced manufacturing) and developing the skills of the local workforce to improve their impact and wage levels.
- Improve access to finance across Greater Manchester as a means of driving up productivity through the deployment of investment funds and facilitation of equity investment through the Co-Angel service.
- Drive significant change in innovation and digital adoption through the delivery of a holistic service to SMEs which encourages and facilitates their collaboration with GM's knowledge base, as represented by the Universities, the R&D capabilities of large companies and other R&D assets. Embedding Made Smarter and the new Interreg MATMED programme as part of this support.
- Maximise delivery of the Low Carbon and Resource Efficiency SME programmes to support delivery of the LIS and the GM Green agenda. Identify inward investment project opportunities to broaden the Low Carbon business base across GM.
- Embed new management & leadership programme through business support provision to inspire dynamic leadership and High Performance Workplace practices.

- Contribute to inclusive growth across GM to ensure that our business support, skills and employment programmes provide opportunity for all GM residents, through the tailoring and targeting of service delivery and by working with businesses to promote and encourage inclusive growth and social value from their business activities, through the implementation of the GM Employment Charter.
- Driving the delivery of the Greater Manchester Internationalisation Strategy through enhanced international marketing campaigns, attraction of national and international business conferences and inward investment to increase the volume and value of foreign direct investment and high value jobs for GM residents.
- Following the GM Ambition and LIS, work with key GM partners to 'reset' the Marketing of GM ambition activity, taking a lead strategic role in setting a new aspiration, scale and resource model to promote GM to effectively communicate its opportunities to investors and deliver on the GMS/LIS economic and social ambitions.
- Drive up number of exporting firms within GM and grow value of export sales through the delivery of the DIT international trade contract and a new locally led, partnership based, GM Global Scale Up Programme.
- Targeting delivery activity in specific areas of Greater Manchester supporting places to maximise their economic potential.
- Utilising the Apprenticeship Levy to mobilise the private and public sectors to consider apprenticeships as part of their workforce development and growth & reform plans. Working in partnership with Colleges, GM providers, HEIs, and with LAs across GM, GC will drive up starts and achievements to contribute to the GM apprenticeship targets.
- Mobilise and commence delivery of the new ESF contracts in NEET, Skills Support for the Workforce, and Skills Support for the Unemployed across Greater Manchester, supporting 17,000 local residents. Prioritising linking the delivery of these contracts with the emerging GM Model for Public Services and the commitment to place-based delivery and through the wider group infrastructure, better connecting our skills provision with GC's collective business support offer.
- As a prime contractor deliver contracts across GCs core delivery areas, ensure we are achieving contract excellence in all programmes and maximising the outcomes for Greater Manchester, working alongside Local Authorities as both strategic and supply chain partners, utilising insight to contribute to GM thinking around the integration and commissioning of future employment, skills and business support programmes.

Performance Oversight

Central to the GC operating model is collaborative working with stakeholders and partners, in particular Local Authorities. Strategic dialogue and performance reporting to the CA and individual LA's is fundamental to GC and will continue through 2019/20 and enhanced to include more frequent reporting of local outcomes for individual and business clients.

Half yearly performance reports are received by the GM LEP who, on behalf of GMCA, oversees performance of the Group on its GM outputs and outcomes. These reports are also received by LA economic development leads and officers.