

GMCA ECONOMY, BUSINESS GROWTH AND SKILLS OVERVIEW AND SCRUTINY COMMITTEE MINUTES 15 MARCH 2019 AT 2.00 PM AT GMCA OFFICES, CHURCHGATE HOUSE

Present:	Councillor Michael Holly (Rochdale) (in the Chair)
Bolton:	Councillor Susan Haworth
Bury:	Councillor Robert Caserta
Bury:	Councillor Mary Whitby
Manchester:	Councillor Luke Raikes
Oldham:	Councillor Chris Goodwin
Oldham:	Councillor Valerie Leach
Salford	Councillor Karen Garrido
Salford:	Councillor Kate Lewis
Stockport:	Councillor Mark Hunter
Stockport:	Councillor Jude Wells
Trafford:	Councillor Barry Brotherton
Wigan:	Councillor Charles Rigby
Wigan:	Councillor Fred Walker

In attendance

Mayor for Greater
Manchester Andy Burnham

GMCA Simon Nokes, Executive Director Policy & Strategy
 John Holden, Assistant Director Research & Strategy
 Alison Gordon, Assistant Director of Business, Innovation and Enterprise
 Policy
 Marie-Clare Daly, Principal Culture and Creative Policy
 Gemma Marsh, Assistant Director - Skills (Policy, Strategy, Delivery)
 Emma Stonier, Governance and Scrutiny Officer

E25/19 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Daniel Meredith (Rochdale) and Yvonne Cartey (Tameside).

E26/19 CHAIR'S ANNOUNCEMENTS AND URGENT BUSINESS

The Committee agreed that Item 8 – Mayoral Update was taken before Item 7 – Turbo-Charging Gender Equality.

The Committee were provided an update on the following items of urgent business:

- a. Local Industrial Strategy

John Holden, Assistant Director Research & Strategy, GMCA gave a presentation on the development of the Local Industrial Strategy (LIS). Members were informed the LIS had been delayed due to Government and GM being in negotiations around the wording of the joint statement and final strategy. It was hoped that agreement could be reached by the end of March 2019 despite the challenging situation nationally.

Members had the following questions and comments:

- When it was expected that the Scrutiny Committee would receive the final version of the LIS. Currently the plan was to submit this to the April meeting of the Committee. Following agreement of the LIS with Government Members were informed that discussions would move to implementation of the strategy. Members stressed the importance of the LIS being submitted to this Committee and highlighted slow progress towards the final Strategy being signed off. The fact that the Strategy was being co-produced with Government and the current national picture meant there had been delays in finalising it. Discussions with Government were scheduled for next week and it was hoped that these would enable progression to the next stage.
- Had co-production with Government resulted in a trade-off between having a leading role supporting UK growth versus a leading role supporting GM growth. In developing the Strategy GM had aimed for balance around this to ensure that GM benefits from national opportunities as much as possible. GM were also taking an approach that promoted assets identified in the Independent Prosperity Review, that can also be drivers of UK economic growth.
- Was there a mismatch in skills between those GM residents were gaining and those that businesses required? There was recognition that the skills system was not necessarily responding to the needs of individuals' and businesses and that the way the skills system as a whole works needed to change. Members highlighted that ensuring GM residents had the right skills to capitalise on opportunities was an ongoing challenge in GM.
- What was the likelihood of GM receiving further devolution of the skills system? Members were updated that GM was working with the Department of Education to drive a more joined up / integrated approach to the skills system.
- The importance of tackling low productivity and raising young people's ambitions were highlighted.
- How were GM intending to affect the demand side of the economy, encouraging businesses to adopt innovation, become more productive and train staff. It was intended to support this through the Growth Hub and their work to support stimulus and business projections. The Good Employment Charter was also a new way GM could work with firms to assist in raising productivity and upskilling staff.
- Were any interventions planned for the Social Care sector? There were two key elements of work around social care; the adoption of new technology for assisted living and workforce issues, particularly in relation to low pay. Once GM begins to work on implementation of the Strategy they will work with local authorities and the Greater Manchester Health and Social Care Partnership in relation to this.
- Was the Local Industrial Strategy designed to be a bid for funding from Government? Linked to this was the need for an attainable Strategy which was right for the whole of GM. Members were updated that the Greater Manchester Strategy (GMS) clearly set out where GM aims to be by 2020, and that the LIS

formed part of this. In development GM had focused on identifying strengths and assets of the GM economy. Underpinning the Strategy will be an implementation plan with objectives outlined that will drive delivery. GM has also been clear that it wants to work in partnership with Government to identify solutions and develop a long term plan to implement change.

- Members recognised the amount of work undertaken by Officers to develop a Local Industrial Strategy which was right for GM, focused on what could be done differently and driving inclusive growth.
- How did GM progress towards finalising a Local Industrial Strategy with Government, compare to the other trailblazer areas? It was reported that West Midlands had almost agreed their approach and Oxford/Cambridge's was delayed. Members asked why GM was behind the West Midlands. GM had taken a different approach and commissioned a renewed evidence base. Additionally, GM wanted the inclusion of certain things within the LIS that were thought to be essential to producing the right strategy for the region.
- That the overall infrastructure in GM needed modernising to ensure that the GM's ambitions were realised.

RESOLVED:

That the Local Industrial Strategy be considered at the April meeting.

b. Brexit

Simon Nokes, Executive Director Policy and Strategy, GMCA, provided an update on Brexit. The picture remained uncertain and GM were planning for various different scenarios, including for any potential economic downturns or turbulence.

RESOLVED:

That the update be noted.

E27/19 DECLARATIONS OF INTEREST

There were no declarations of interest received.

E28/19 MINUTES OF THE MEETING HELD ON 8 FEBRUARY 2019

The minutes of the meeting held on 8 February 2019 were submitted for approval. An amendment was requested to the second resolution under Item 18/19 – Employment Charter, to reflect that Members had asked for further information about implications/costs associated with the Charter.

RESOLVED:

That the minutes of the last meeting held on 8 February 2019 be approved as a correct record subject to the requested amendment.

E29/19 WORK PROGRAMME

Simon Nokes, Executive Director Policy and Strategy, GMCA, introduced the work programme. The Committee were informed that the GMS Annual Update had been delayed due to the work being undertaken by officers on the Local Industrial Strategy (LIS). This would be an item at the May or June meeting of the Scrutiny Committee.

The Chair raised funding allocations criteria and requested that in future, where appropriate, these were included in reports to this Committee.

A future work programme item on demand in relation to the LIS (productivity/innovation/relationship with skills) was suggested to the Committee for consideration. Members supported this addition.

RESOLVED:

1. That the Work Programme be noted.
2. That the GMS Annual update be considered at the May or June Committee meeting.
3. That an item on the Local Industrial Strategy and demand was scheduled into the Work Programme for 2019/20.

E30/19 GM CULTURE STRATEGY

Alison Gordon, Assistant Director of Business, Innovation and Enterprise Policy and Marie-Clare Daly, Principal Culture and Creative Policy, GMCA presented the GM Culture Strategy. The Committee were reminded that this was the second time they had received the draft Strategy and that their previous feedback had helped inform the final Strategy. The inclusion of sport had also been discussed by the Committee and a decision had been taken not to include sport in the final strategy.

Members expressed disappointment that the Portfolio Leader had not been in attendance for this item and stressed the importance of them attending Scrutiny Committees when they had an item on the agenda related to their portfolio area.

Members comments and questions included the following:

- That 2.7 should specifically highlight a link with a potential, future GM sports strategy.
- A number of Members expressed concerns around sport not being included in the final Strategy as they felt that an opportunity to capitalise on the cultural impact of sport in GM had been missed. Others supported the exclusion of sport and the space this gave to other areas of the arts and culture to flourish.
- What was being done to maximise the opportunities that sport brings to GM? For example, was sport included as part of the Internationalisation Strategy. Officers stated that the significance of sport to GM was fully recognised and that as it encompassed such a wide range of areas it needed to be considered in its own right. At present a full and comprehensive picture of sport across GM was not available and before any work could be undertaken this would need to be carried out to ensure that the work was approached in the right way and made an impact.

- Was a breakdown of the 200 responses highlighted in 2.6 available? Officers informed the Committee that the online portal included a breakdown of responses and that a link to this would be circulated to the Committee. Members were also informed that the majority of the 200 responses were from GM residents.
- Outcomes were included but it was not clear how these were going to have an impact across GM. It was also asked how culture for older people/people with dementia fitted into the overall Strategy. Delivery of the Strategy will be funded through the GM Culture and Social Impact Fund, where from 2020 onwards investment will be directly aligned to the Strategy. Once the Strategy has been agreed further consultation around what the investment strategy will look like will take place. An implementation plan was also being developed which would provide further detail about delivery and activity which would be taking place with different groups, including older people and those with dementia.
- Would the implementation plan include smart objectives? It was confirmed that through the implementation plan and the linking of investment to the Strategy how objectives/outcomes would be delivered would become clearer.
- One of the outcomes outlined was increasing the uptake of cultural subjects at GCSE and it was asked how this would be achieved in light of the Department of Education having a strong focus on increasing the uptake of STEM subjects. The difficulty in balancing an uptake in cultural and STEM subjects simultaneously was also highlighted. GM were working closely with organisations who were engaging with schools around recognising the benefits and values of a cultural education. Challenges related to balancing this with increasing the uptake of STEM subjects were recognised. However, it was noted that this was not an either/or approach and the importance of both subject areas for an all-round education was emphasised.

RESOLVED:

1. That the process undertaken in development of the Strategy be noted.
2. That the link to the online portal would be circulated to the Committee.
3. That a GM sport's strategy be considered as a future area of work.

E31/19 MAYORAL UPDATE

Andy Burnham, Mayor of Greater Manchester, provided Members with an update around current areas of work for GM.

Key areas highlighted included:

- GM's attendance at MIPIM. This was felt to be of particular importance in signifying to investors that GM has a clear vision and direction and is open for business.
- The development of the Local Industrial Strategy and the links this has to the Greater Manchester Spatial Framework (GMSF), which outlines the detail behind GM's future industrial ambitions and where these lie.
- The upcoming Green Summit and the proposal to commit to Carbon Neutrality by 2038. GM had developed a 5-year delivery and implementation to sit underneath this. This will also be a key driver in starting to provide some real economic impetus to the Local Industrial Strategy.

- Health and how GM was using devolution to drive change through place based working and integrated care. Links were also starting to be made between health and other priority policy areas, such as housing, skills and growth.
- Focus on skills and young people and supporting them to achieve their ambitions in GM and access the opportunities available to them. The Opportunity Pass was currently being developed to assist young people in accessing opportunities across GM. The skills system and achieving greater control over this was highlighted as being critical to the future success of GM.
- The importance of a talent pipeline and a skills pipeline to achieve ambitions and attract investment into GM.
- The series of policies developed that link together to create a clear, future vision for GM. This was also linked to the ambition for further devolution in key areas to enable the delivery of this vision.

The Chair noted the Committee's support for the focus on the skills system and further devolution in this area to support the productivity of GM in the future. The Mayor noted that cross party support was crucial if GM were to achieve this ambition.

Members further comments and questions included the following:

- Funding of public services was raised and the shift from HMT to Council Tax funding. it was asked whether there was any feel for how this may impact the GM economy or whether there was any action which could be taken at a GM level around this. GM residents have indicated that they want more police and better buses which was why the Mayor had developed proposals to deliver these through the Mayoral Precept. A cross-party message also needed to be delivered to Government around the sustainability of public service funding. Additionally, the Mayor highlighted some of the action being taken at a national and GM level. This included councils lobbying of Government around funding, GM starting to give consideration to the upcoming Comprehensive Spending Review, the potential of the Convention of the North being used to lobby Government about public service funding and Police and Crime Commissioners working jointly around police funding.
- Members asked what the overall investor mood at MIPIM had been in relation to GM. Comments had indicated that GM was still seen as an attractive place to invest, however there was concern around the national political picture and how this was impacting on investment decisions. It was highlighted as important that GM had representation there to make clear to investors that it was open for business.
- Members' raised the Local Industrial Strategy (LIS) and had the following specific questions and comments about the LIS:
 - The importance of the LIS for the future of GM was supported but some Members had concerns about progress towards a final Strategy being signed off with Government. The Mayor stated that GM wanted to ensure that the final Strategy was the right one for GM's future ambitions and therefore sign off had been slightly delayed.
 - Members wanted assurance that once the LIS had been approved with Government it would be ready to be shared.
 - That increasing resident's skills and qualifications had not been reflected in productivity figures. It was recognised that there was a disconnect between the

needs of the economy and the skills system which was why improving the skills system was central to GM's future ambitions.

- That there were other reasons for low productivity within the GM economy, for example investment needs and lack of access to capital and it was asked what was being done to understand business need. The Independent Prosperity Review recognised that low productivity remained a challenge for GM. The Mayor highlighted the Good Employment Charter and commissioning through social value as two areas which could have an impact on productivity and low pay. The needs of Small, Medium, Enterprises (SMEs) in relation to banking and access to finance was an area which needed more consideration. A recent Resolution Foundation report was also highlighted which had identified 5/6 employers who were responsible for a large proportion of low pay in GM.
- A Member noted that, historically, productivity in the North had always lagged behind the South. It was reported that there were plans to meet with Further Education colleges and schools to engage with them around the LIS to further identify what is needed to achieve the outcomes and ambitions outlined in this. Further education was also beginning to work more collectively at a GM level and a GM Careers Application Platform was in development which would identify opportunities for young people across GM. It was expected that this, alongside the identification of opportunities within economic sectors, would begin to raise productivity in GM. The importance of improving transport infrastructure was also stressed as being central to increasing productivity.
- Concerns were raised around perceptions that the centre and southern parts of GM were receiving a disproportionate share of resources and it was asked what could be done to make sure allocation criteria and decision making was as clear and transparent as possible. Geographical considerations were a key area taken into account when allocations were being decided. The way this can be demonstrated in future to ensure open-ness and transparency will be considered. The GMSF has also been designed to address this divide, through the industrial sites promoted within it (for example the Northern Gateway). The Mayor also emphasised that rebalancing the GM economy was one of his priorities.

Members raised portfolio leaders' attendance with the Mayor and noted the importance of them attending Scrutiny Committee meetings.

RESOLVED:

1. That ways the allocation criteria and decision making were more clearly demonstrated would be considered for future reports/updates to Scrutiny.
2. That a Mayoral update would be scheduled into the Work Programme for 2019/20.

E32/19 TURBO CHARGING GENDER EQUALITY

John Holden, GMCA, introduced the Turbo Charging Gender Equality Report. This provided Members with an update and overview of the work underway to accelerate greater gender equality in Greater Manchester. A Greater Manchester Women's Voice Group had been convened to drive this work forward. The meeting had agreed that this group would act as a steering group for the development of an action plan and proposed action areas for consideration were highlighted in the report.

Members comments and questions included the following:

- It was highlighted that economic statistics often obscure gender differences within the economy and asked whether any consideration was being given to this. Officers were aware of various panels/advisory groups set up to investigate differences in inequalities. Discussions were also taking place at a GM level around how a broader, holistic view could be taken when looking at inequalities.
- Whether there was an understanding of factors for female employment rates in GM being less than the national average and nearly twice as many low paid part-time jobs being held by women than low-paid full time jobs. Members were informed that the Fawcett Society had produced a report which looked at this in more detail. This will be shared with the Committee.
- The importance of local authorities increasing representation on councils was highlighted as an area Members could influence locally.
- Where would the Women's Voice Group and action plan sit in terms of Combined Authority Governance structures? The GM Women's Voice Group did not sit as a formally constituted Combined Authority Committee. However, it is Chaired by the Portfolio Leader for Age-Friendly Greater Manchester and Equalities, and will feed into decision making in these areas.
- The report highlighted violence against women/girls as an issue which impacted on gender equality but there was no reference to discrimination which also has a significant impact on achieving gender inequality. It was requested that this area was considered when developing the action plan.
- Whether the GM Women's Voice Group could be expanded to include a more diverse range of women. Officers confirmed that this was an open group and stated that Members were welcome to recommend people for membership.
- Had consideration been given to including a priority around women and girls' mental health? Officers confirmed that this could be considered as a priority and that they would feed this back to the group leading on the work.

RESOLVED:

1. That a priority around women and girls' mental health be recommended for inclusion in the action plan.
2. That discrimination and how this impacted on gender equality be considered further when developing the action plan.
3. That the Fawcett Society report be shared with the Committee.

E33/19 WORK AND SKILLS UPDATES

A. HMT SKILLS PILOT

Gemma Marsh, Assistant Director – Skills, GMCA, introduced the HMT Skills Pilot report. In the 2018 Autumn Statement it had been announced that Government would fund three skills pilots in Greater Manchester, totalling £20m. These pilots consist of:

- Digital Skills Pilot: £3m programme to help GM employers to address local digital skills gaps through short training courses.
- Self-Employment Pilot: £10m programme working with the Federation of Small Businesses (FSB), to test what forms of government support are most effective in increasing training levels for the self-employed.
- Future Workforce Fund: £7m pilot programme to provide on the job training to NEET young people in GM and to move them into sustainable career paths with employers. The Prince's Trust made a recommendation to Government around working with NEET young people which has fed into the development of this Pilot at central Government level, therefore GM are anticipating the Prince's Trust to be named as the primary programme provider and will look to transfer funding to them via a grant.

Members asked for a better understanding of those currently excluded from accessing existing business start-up and business support activity. It was reported that previously exclusionary criteria had in the majority been related to the length of time unemployed and that this programme had been designed to test out what form of Government support services are most effective in increasing training, skills development and the longer-term sustainability of GM's self-employed workforce.

RESOLVED:

That the HMT Skills Pilot be noted.

B. GM CAREERS APPLICATION PLATFORM

Gemma Marsh, Assistant Director – Skills, GMCA, introduced the GM Careers Application Platforms report. The report provided an update on the progress of the commitment to developing and implementing a UCAS-style application system for all Technical/Apprenticeships and opportunities in GM. This will contribute significantly to GM's ambitions for a reformed technical education system across the region and underpin the Local Industrial Strategy by informing the talent pipeline of the future. The aim of the platform is to create a single, digital space that helps GM's young people to make appropriate and informed decisions about their future careers.

Members highlighted the need for distinguishing between the Liverpool UCAS style-system and what was proposed for GM. It was noted that the Liverpool UCAS system was what GM had currently and that the GM Portal will be more far reaching to ensure all young people have access to opportunities.

Members queried whether consideration had been given to monitoring the impact of this on local outcomes. The platform has been developed with local authorities and work around NEETs has also been built into this. Different work streams underway, including the Skills Pilots, have been designed to complement each other and have specific impacts in a place.

Members asked whether there would be revenue resource to support the development of the platform. It was confirmed there was £700k to support the GM Portal, with £500k allocated for the build and £200k for ongoing revenue support.

RESOLVED:

That the GM Careers Application Platform update be noted.

E34/19 REGISTER OF KEY DECISIONS

RESOLVED:

That the Register of Key Decisions be noted.

E35/19 BREXIT MONITOR

RESOLVED:

That the Brexit Monitor be noted.

E36/19 DATE AND TIME OF NEXT MEETING

Friday 12th April 2019, 2.00 – 4.00pm, Boardroom, GMCA Offices, Churchgate House, Oxford Road, Manchester, M1 6EU

E37/19 EXCLUSION OF THE PRESS AND PUBLIC

That, under section 100 (A)(4) of the Local Government Act 1972 the press and public should be excluded from the meeting for the following items on business on the grounds that this involves the likely disclosure of exempt information, as set out in paragraph 3, Part 1, Schedule 12A of the Local Government Act 1972 and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

E38/19 ADULT EDUCATION BUDGET

Gemma Marsh, Assistant Director – Skills, GMCA, introduced the Adult Education Budget report. This provided an update on progress in readiness for devolution in August, including confirmation of GM's Budget and the methodology through which it has been calculated, an update on commissioning and additional information on the level of administration/management funding.

Members asked how it was intended to identify learners aged 24 years and over, without level 2 qualifications, who under the proposals will have access to funding. GM outlined they will look at ways providers work with businesses around this, work with the Growth Hub, and work with the Chamber of Commerce to identify these learners. GM will also continue to fund community learning outreach and local providers and business will be engaged with around in work progression and training.

Members asked whether asylum seekers would be able to access English as a Second Language (ESOL) courses. It was confirmed that currently access remained in line with Home Office regulations but there was the possibility of GM having flexibility around this in future.

Members welcomed the inclusion of priorities to support lower skilled GM residents. Support was also raised for the performance management framework outlined in the report.

RESOLVED:

That the Adult Education Budget update be noted.