

# POWERING RECOVERY

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# FOREWORD

Manchester is a city with a long and proud tradition of triumphing over adversity to meet the challenges ahead. We've achieved this by developing a unique set of mature cross-sector partnerships to create a shared vision for the future, and deliver pragmatic and innovative solutions to our problems. This approach has resulted in three decades of sustained economic growth driven by investment in skills, transport infrastructure, and major strategic developments in the city centre, in our districts, and around Manchester Airport. Our economy has become more diverse, with digital, creative, technology and health-innovation businesses now thriving alongside more traditional sectors, such as financial and professional services. This economic growth, building on the strengths of our existing communities, has helped to encourage a younger, more diverse and higher-skilled population.

However, now there is a new set of challenges that needs to be overcome. The COVID-19 health pandemic is a crisis unlike any other and it comes at a time when we are already facing uncertainties about the UK's exit from the European Union, changes to our global trading relationships, and the need to tackle climate change. Yet these challenges and the economic interruption and hardship of the pandemic must not diminish the city's aspiration for a more inclusive economy, which was set out in the Our Manchester Industrial Strategy in 2019.

Manchester's Economic Recovery and Investment Plan is honest about the economic challenges we face, but it also provides a statement of confidence in a reinvigorated future for our city. It has two main elements: early actions to cushion the immediate impact of the COVID-19 pandemic downturn on Manchester people and businesses, and a ready-made, long-term investment programme in key sectors to help power the recovery by creating new jobs at all levels, and acting as a catalyst to further investment. In particular, four strategic areas of investment can drive this growth – innovation, Manchester city centre and urban realm, zero-carbon (including housing retrofit), and north Manchester. The plan has been developed in a Manchester way through partnership with the private sector, including the Business Sounding Board, development partners, our public-sector partners, housing providers, universities, cultural organisations, and other stakeholders, such as the Manchester Climate Change Partnership, to ensure that the city's ambitious plans achieve a wide buy-in.

Manchester has the foundations and building blocks to re-establish its previous momentum as the UK's premier growth city, but it will do so in a way that is even more inclusive and environmentally sustainable. Our message to businesses, investors, developers and the Government is clear – Manchester is ready and able to play a leading role in levelling up the country's economy, and we all need to play our part to ensure this happens.

**Sir Richard Leese**  
**Leader of Manchester**  
**City Council**





# EXECUTIVE SUMMARY

This is Manchester's Economic Recovery and Investment Plan. It has been produced by Manchester City Council in partnership with the private sector and other stakeholders, and complements the Greater Manchester Combined Authority and Greater Manchester Local Enterprise Partnership city region proposals. It sets out what Manchester is doing to respond to the COVID-19 pandemic and reinvigorate its economy, with plans to protect and create jobs, and support new business opportunities in the city's economy.

The unexpected arrival of COVID-19 has not changed the city's aspirations, nor will it derail the city's social and economic objectives. As identified in the Our Manchester Strategy and the Our Manchester Industrial Strategy, the city continues to look forwards, building on the historic developments and assets delivered in previous decades, delivering a more inclusive economy, supporting the foundational economy, and achieving the ambition to be zero-carbon by 2038, at the very latest.

Since March 2020, the focus has been on protecting the city's businesses and people from the impact of COVID-19, and now is the time to align this approach to the Our Manchester Industrial Strategy to focus on the three pillars:

**PEOPLE**

**PLACE**

**PROSPERITY**



This Plan sets out how Manchester can play a leading role in the levelling-up agenda, with ambitious plans to build on recent investment in economic assets and infrastructure and accelerate growth in high-productivity sectors. These plans will be based on a new partnership arrangement at national, subregional and local levels, where a progressive and inclusive city – working hand in hand with business, academia and other partners – can tackle our new priorities, which are focused on people, assets, innovation, and investment.

## A PIVOTAL MOMENT

The city now finds itself at a pivotal moment, setting out the vision for the city and how to achieve it in a post-COVID-19 world, compounded by a series of uncertainties. The city faces a crucial turning point in setting in train the course for the next 20 years. Accelerated by the impact of COVID-19, the challenges for the 2020s are the same as the previous decades – setting out a vision, a plan and a way forward. The Our Manchester Strategy lays out those foundations, and it must now be considered in the context of new, more challenging hurdles, some of which also offer new opportunities.

Manchester's investment programme and project pipeline, allied to the role of the Council and its own business and civic partnerships, are critical to the Government's levelling-up agenda and national, regional and subregional structures and policies. Therefore, the Comprehensive Spending Review 2020-2025 is not only an opportunity to focus on macroeconomic and fiscal planning and priorities, but it can also provide the essential framework for creating the right incentives and drivers for aligning local, subregional and national investment priorities to deliver local and national priorities.

Greater recognition of the importance of the city's recovery, the levelling-up agenda and long-term productivity and economic growth should be reflected in the use of deals/partnerships that allow early investment in pipeline projects and the development of a new wave of job creating programmes, with an increased use of flexibilities and new financial tools. **Our four strategic investment propositions – innovation, the city centre, zero-carbon and housing retrofit, and north Manchester (outlined on the following page) – provide a major opportunity**

**to drive forward a new approach to investment and partnership.**

## EARLY RECOVERY

The 2020/21 winter period will be very challenging for many businesses, the self-employed and workers, and there is a need to put in place early support packages to assist those affected by the national lockdown and a possible slow return to full economic and social activity. The Government needs to act decisively in this crucial period, and Manchester has proposals that will provide support over the next nine months to ameliorate the scale of the economic downturn in the city.

### Training and skills package:

The two-year Skills and Employability Recovery Programme will assist more than 6,000 residents each year to improve their skills by staying in education or developing new skills in areas of market demand. It will also help other residents to take up new self-employment opportunities.

**Targeted furlough:** The original Job Retention Scheme was due to end in October and be replaced by the Job Support Scheme, which was less attractive to businesses. However, as a result of the November lockdown, the Government has put in place an extension of the Job Retention Scheme. At the time of writing, the Coronavirus Job Retention Scheme – also known as the furlough scheme – will remain open until March 2021, with employees receiving 80% of their current salary for hours not worked, up to a maximum of £2,500.

### Local Restrictions Support Grant:

In addition, business premises in England that are forced to close will receive local grants worth up to £3,000 per month under the Local Restrictions Support Grant.

**SEISS:** To reflect the recent changes to the furlough scheme, the UK-wide Self-Employment Income Support Scheme (SEISS) has been extended, with self-employed individuals receiving 80% of their average trading profits for November.

### Protecting cultural institutions:

The Government has made funds available to help arts and cultural institutions deal with the effects of the national lockdown and social-distancing measures. While many of the major institutions are based in London, it is important that sufficient funds are made available for the North and Manchester-based institutions and venues.

### Phoenix Programme for The Cultural and Creative Economy:

The proposed Cultural and Creative Phoenix Fund will (a) work with independent venues (b) support studios and workshops to remain open (c) provide commissioning grants for small independent companies, freelance and artisan producers to provide outputs for Heart of Manchester events and activities (d) organise a series of events, fairs and festivals to showcase Manchester's cultural and creative works.

## INVESTMENT PLAN

The Manchester Economic Recovery and Investment Plan takes its lead from the Our Manchester Industrial Strategy, with an initial programme of investment under the three pillars. In addition, there are several important long-term investments of major significance to the city that would benefit from a new approach to investment and partnership. **These are listed below and set out in more detail in chapter 5.**

# INNOVATION

Manchester has the potential to leverage GM's science, research, innovation and teaching-asset base to create new large-scale clusters of high-value economic activities to drive regional growth and create a more productive, more R&D-intensive economy.

# MANCHESTER CITY CENTRE AND URBAN REALM

where investment in public space and mobility will accelerate new development and redevelopment proposals.

# ZERO-CARBON HOUSING RETROFIT

a phase one set of innovative retrofit measures for residential properties that are scalable alongside existing investment plans, with solutions developed for a range of property types. Work will transition properties away from a reliance on gas heating, achieved through fabric retrofit and renewable technologies. This is the first phase of a 15 to 20-year programme.

# NORTH MANCHESTER

an innovative healthcare and residential-led approach to civic regeneration that sets out a radical approach for transforming the delivery of health and care services. A new general hospital anchoring a health campus and Northern Gateway investment in housing provides £2billion of investment in the north of the city.

These propositions offer the Government and subregional agencies the opportunity to deploy resources in the most efficient way. They deliver maximum value for money, channelling investment to the local economy, where training, skills, innovation, business growth and other public services are at the heart of labour-market productivity.

## Manchester Economic Recovery and Investment Plan

### People (seven initial projects) (two-year programme)

| Programmes                             | Investment |
|--|------------|
| Manchester Youth Skills Programme      | £8m        |
| A Partnership for Jobs with JCP        | £6m        |
| Start-up Manchester                    | £20m       |
| Graduate Reskilling Programme          | £14m       |
| Apprenticeship market for young people | £6m        |
| Higher Technical Skills Programme      | £12m       |
| STEM                                   | £6m        |

#### Summary

£36m per annum programme providing support for 6,000 people; this will need to be repeated for several years to reduce high unemployment rates to the pre-COVID-19 levels.

Includes support to stay in education to improve qualifications and skills, upskilling for occupational demand and self-employment. Focus on employer demand for digital skills.

### Place (19 initial projects)

| Programmes                             | Investment |
|--|------------|
| City Centre (6)                        | £72.5m     |
| City Centre Transport and Mobility (4) | £21.5m     |
| Zero-Carbon and Climate Resilience (8) | £290m      |
| North Manchester <sup>1</sup> (1)      | £66m       |

#### Summary

A £450m investment programme with the potential to boost the construction sector over the next three years. It will focus on the city centre economy, the engine of growth over the past ten years, major housing initiatives for low/zero-carbon residential retrofit, and a major affordable housing programme.

Includes a major housing programme, with over 10,000 homes improved and 6,000 new affordable homes. Investment will support a major Intermediate Labour Market (ILM) programme, with the potential to provide 800 jobs for local residents and the largest apprenticeship programme in the city.

### Prosperity (24 initial projects)

| Programmes  | Investment |
|---|------------|
| Science, Technology, Health, Innovation <sup>2</sup> (10) | £268.5m    |
| Culture, Creative, Media and Digital (7)                  | £37m       |
| Manchester Airport and Airport City (3)                   | £22m       |
| Digital (4)   | £16.5m     |

#### Summary

Significant investment in science and technology, including digital infrastructure, an innovation district and enterprise zones, delivering an extensive ecosystem for small and medium-sized companies.

Major job-generating investment with high-growth sectors, new-starts and scale-up, as well as major Foreign Direct Investment (FDI) companies. The medium-term potential for jobs is in excess of 20,000. Includes Airport City, the fastest-growing employment location in the city.

<sup>1</sup>Includes the North Manchester General Hospital and Health campus and Northern Gateway, supported by £50m Housing Infrastructure Fund.

<sup>2</sup>Includes £120million ID Manchester and £90million for Manchester Manufacturing Innovation Park South

# 1. INTRODUCTION

This is Manchester's Economic Recovery and Investment Plan. It has been produced by Manchester City Council, in partnership with the private sector, and complements the Greater Manchester Combined Authority and Greater Manchester Local Enterprise Partnership city region proposals. It sets out what Manchester is doing to sustain the economy and its people, and what Manchester proposes to do in the future in response to the COVID-19 pandemic, as well as other challenges and opportunities. This is a positive statement about Manchester's future, while recognising the challenges and impact of COVID-19 on Manchester's people and public/community services.

This is a pivotal moment, and there is an opportunity to deliver in a new way by promoting a reassessed model of inclusivity, including zero-carbon and climate-resilient growth. The Economic Recovery and Investment Plan is not an entirely new framework, but takes the approach of further building an inclusive economy set out in the Our Manchester Strategy and the Our Manchester Industrial Strategy.

This Plan sets out how Manchester can play a leading role in the levelling-up agenda. It includes ambitious plans to build on recent investment in economic assets and infrastructure, and accelerate growth in the high-productivity sectors set out in the UK Industrial Strategy.

To be successful, the Plan highlights that Manchester needs a new place-based partnership arrangement at national, subregional and local levels, where our progressive and inclusive city can tackle its new priorities, which are focused on assets, people, innovation and investment.





# 2. MANCHESTER'S MODERN JOURNEY

## THREE DECADES OF DELIVERING GROWTH

One of the foundations of Manchester's recent success has been sustained and strong civic leadership – co-operation is deeply rooted in how the city works. Over 30 years, that same spirit of co-operation saw the ten councils of Greater Manchester work together on a journey that saw the creation of the Greater Manchester Combined Authority.

Similarly, over the same period, the public and private sectors have continuously led the creation of a better future and transformed city through a range of strategic partnerships. This laid the foundations for the partnerships that exist now in the city, creating jobs and building homes. This is exemplified through co-operation with the universities and hospitals in Manchester's principal innovation district, the Oxford Road Corridor, to achieve the outcomes set out below.

The city has taken ambitious investment decisions, including the creation of the Manchester Metrolink, now the largest public-transport system outside London. Serious investment into cultural assets have been pivotal in creating a place where young people want to live. These developments have been influential for the city centre and the wider region, and it is by working collaboratively to drive investment that delivers this success.

The success seen in Manchester is also down to people. At the turn of the century, the city's population was just under 400,000; it is now home to nearly 600,000 residents, who are younger, highly skilled, and more diverse than ever before. The regional centre's population is significantly younger than the rest of Greater Manchester and the UK average, with 16 to 44-year-olds making up approximately 77% of the total population.<sup>1</sup>

People and businesses want to be in Manchester; they choose to live and work here. The stability of the city centre is essential to attract further growth. This Economic Recovery and Investment Plan targets the investment and security necessary to ensure this growth continues, so that the city centre remains an economic stronghold, and that the businesses and people that have contributed to the city's prosperity over the past decade are protected.



<sup>1</sup> Greater Manchester Independent Prosperity Review:  
Reviewers Report, 2019

## CONFIDENCE IN THE CITY

Manchester is one of the few places in the UK with the foundations and the building blocks that can re-establish economic growth after a crisis. After the 2008 financial crisis, the city bounced back, experiencing incredible employment growth to lead its recovery. A total of 117,000 net jobs were created between 2010 and 2016, a growth rate of 1.4% per annum, higher than the UK excluding London.<sup>2</sup> It is in the past four years where growth was truly exceptional: property filled up, 350,000m<sup>2</sup> of new commercial space was built, the airport announced its £1billion Airport Transformation programme, and – perhaps most importantly of all – the universities really began to influence business growth.

Unlike other cities across the country, Manchester does not depend on one sector. While the foundational economy was vital in driving economic growth in recent years, with a boom in the tourism, leisure and cultural sectors providing thousands of jobs, the city's strength lies again in its diversity. Its growing sectors are highly skilled and knowledge-intensive, accelerated through the agglomeration and concentrations of talent and business.

Key businesses in the city, including those on the Business Sounding Board, have confirmed their commitment to the city, and to leading the way in building confidence in Manchester – particularly the city centre – as a place to do business.



<sup>2</sup> Greater Manchester Forecasting Model 2018

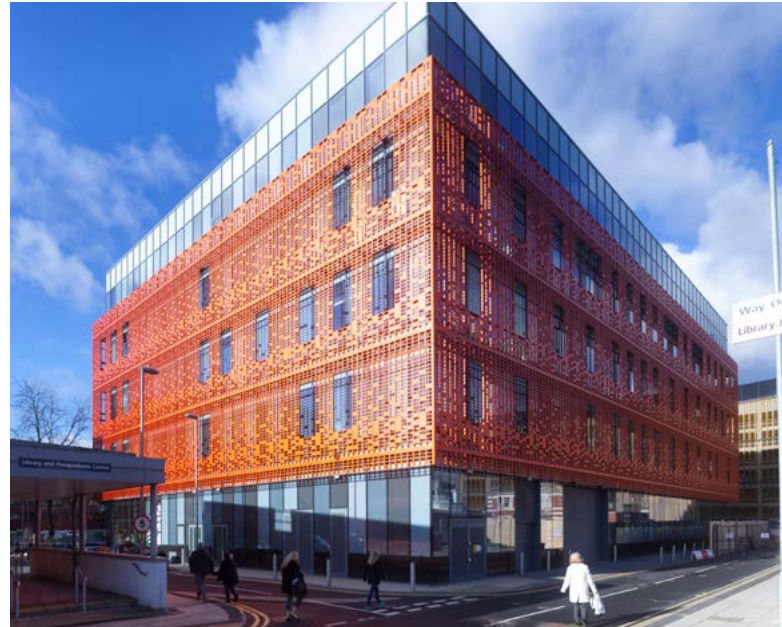
## THE CITY CENTRE AND OXFORD ROAD CORRIDOR – THE ENGINE OF GROWTH

The resurgent city centre continues to be the engine of the city's and Greater Manchester's growth. Its importance is highlighted in the 2019 Greater Manchester Independent Economic Review; one in five jobs in Greater Manchester is located here, and employment increased by 17.2% (59,000 jobs) between 2014 and 2018, two and a half times the national growth rate of 6.8% and higher than any other UK city, including London. This is a testament to the construction boom delivering high-quality office workspaces.<sup>3</sup> It represents 41% of all Greater Manchester growth, while 50% of jobs were taken up by residents from other Greater Manchester boroughs and 15% from further afield (Cheshire, Merseyside and Lancashire). This plan is not only about kick-starting growth in an unprecedented time for the country, but is also focused on re-establishing the growth of the past five years.

Economic activity in recent years has seen the reach of the city centre expand, laying the foundations for public and private-sector investment. The development of Grade A office space around St Peter's Square and Spinningfields at the heart of the civic centre, NOMA to the north, and First Street to the south have helped to transform and expand the city centre's economic offer.

The graduate retention and the highly skilled talent pool form one of the primary drivers for investment and growth. The city is home to two major universities: The University of Manchester, and Manchester Metropolitan University, which provide an attractive higher-education offer for overseas and home students, including STEM and creative subjects linked to the city's growth sectors.

New residential and mixed-use development in the city centre was a feature of economic growth, with 8,000 new apartments meeting high levels of demand from a growing young and highly skilled workforce.



A key contributor to growth has been the rise of the world-class facilities and businesses that have found a home in the city. Cultural institutions, including The Whitworth Art Gallery, HOME Manchester, Central Library, the Science and Industry Museum, the National Cycling Centre, and Etihad Campus, attract thousands of visitors annually, while the international conferencing facilities at Manchester Central attract significant business tourism to the city.

Alongside these cultural assets are the driving forces of employment in the city's growing sectors: the business, financial and professional services; advanced materials and manufacturing; health innovation; digital; and the creative and media sectors. At the heart of this is the Oxford Road Corridor, one of the major economic drivers for the city and wider city region. It is home to a diverse and highly skilled business base, particularly in the science and technology sector, closely supported by Bruntwood SciTech. Manchester Science Park, the Henry Royce Institute, the Citylabs campus, the National Graphene Institute, and Circle Square host more than 170 companies working in sectors such as genomics, medtech, health innovation, digital innovation, cyber security, AI and blockchain. These sector-specialist clusters fuel the Manchester economy, creating jobs (an estimated 15,000 within the next ten years) and economic prosperity for the city.

The evolution of Manchester Airport into an international gateway has been invaluable to the city, Greater Manchester and the North. It has established links across Europe, the US, mainland China and Hong Kong, attracting foreign direct investment and building Manchester's global brand.

<sup>3</sup> ONS Business Register and Employment Survey data





## Pipeline

The exceptional employment and economic growth up until the COVID-19 lockdown encouraged institutions, developers, investors and companies to develop a pipeline of investment proposals linked to economic growth in the key sectors. This has included a set of proposals to extend the city’s innovation ecosystem and two major nationally significant developments linked to life sciences, graphene and advanced materials and digital. These pipeline projects involved both public and private-sector investors.

The pipeline includes four strategic investment propositions of **innovation, the city centre, zero-carbon and housing retrofit, and north Manchester** (set out in Section 5), which provide a major opportunity to create new jobs, take forward new investment approaches, and act as a catalyst to further investment. The city centre pipeline is now focused on improving the functionality of the city centre to further develop its role as the employment centre for the conurbation, with improved public space, more walkways and cycleways, and a step change in electric-vehicle charge points to enable sustainable transport.

Manchester’s pipeline also includes an innovative healthcare-led approach to civic regeneration, which sets out a radical approach for transforming the delivery of health and care services in north Manchester, transforming the housing offer and changing the life prospects of the wider population.

## OUR MANCHESTER INDUSTRIAL STRATEGY SETS OUT A BOLD FUTURE

The Our Manchester Strategy and the Our Manchester Industrial Strategy set out how Manchester will continue to build on the historical developments and assets delivered in previous decades. They will focus on the three pillars of People, Place and Prosperity, delivering a more inclusive economy, supporting the foundational economy, and striving to achieve our ambition of becoming zero-carbon by 2038, at the very latest.

**PEOPLE**

**PLACE**

**PROSPERITY**



The opportunities identified in the Our Manchester Industrial Strategy are more relevant than ever; if anything, the need to re-establish economic growth and investment momentum has reinforced the three-pillar approach based on:

**People:** Equip residents and workers with the qualifications and softer skills that will enable them to access more opportunities.

**Place:** Ensure sustainable growth is achieved in key assets, including the city centre and around the Airport. Create the conditions that will deliver a more inclusive, zero-carbon economy by investing in transport infrastructure, digital infrastructure and the environment.

**Prosperity:** Create higher-quality job opportunities, including better pay, improved working conditions and flexibility, particularly within the foundational economy.

Establishing sustainable growth in people and skills is a high priority, as is long-term sustainability in our place and assets, which is critical to the future development of the city. The Manchester Climate Change Framework outlines our strategy towards making Manchester a thriving, zero-carbon, climate-resilient city, which this plan will help to deliver.

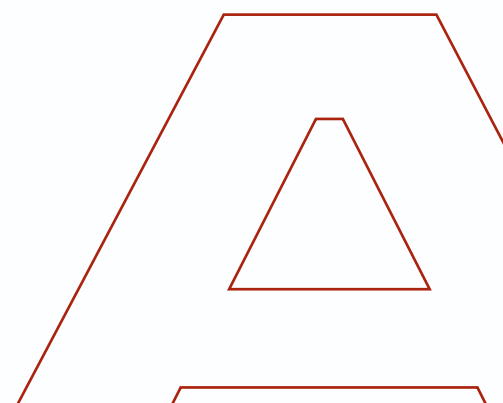
By 2025, Manchester will be an exemplar city in the global zero-carbon economy, recognised as one of the best places in the world to innovate, invest and launch climate-change solutions. Green growth creates good-quality jobs, opportunities, and new skills through zero-carbon buildings and retrofit, as well as new forms of energy and the transformation of existing infrastructure.

Despite the impact of COVID-19, the city remains well-placed to align with the Government's levelling-up agenda, with existing investments and innovation assets primed to play a key role in levelling up the North. This is a city of opportunity with a history of delivery and resilience; Manchester's economy holds the key to levelling up the North and closing the productivity gap.



While much of our investment is concentrated in our key growth, district centres across the city have been and will remain important for the communities they serve, particularly demonstrated during the lockdown period. Manchester is investing in these centres, which provide local services and employment through investment in capital, including in roads and public realm, and through promotion of and support to local businesses. This is part of our commitment to a more inclusive economy and is at the heart of the Our Manchester Strategy.

In further developing the Our Manchester Industrial Strategy, work is continuing to ensure economic growth is inclusive and the importance of the foundational economy to the city is fully recognised in new policy development and initiatives.



# 3. A PIVOTAL POINT

The city now finds itself at a pivotal moment, setting out the vision for the city and how to achieve it in a post-COVID-19 world, compounded by a series of uncertainties. The city faces a crucial turning point as it puts in place plans for the next 20 years.

This pivotal point is characterised by four challenges. Challenges are not new for the city. Manchester has always been a city that has had the ability to reinvent itself and find ways to overcome adversity.

## THE IMPACT OF COVID-19

### Labour market and business sectors under threat

In Manchester, the specific sectors at greatest risk include aviation, arts, cultural and creative industries, and parts of the leisure and hospitality industry and associated supply chains. In September 2020, the number of individuals on Universal Credit was over 74,000 in Manchester, a 76% increase compared to March statistics. While this remains lower than the national figure of 89%, there are great concerns around the impact on young people. The number of the city's 20 to 34-year-olds claiming Universal Credit increased by 79% and youth unemployment doubled.

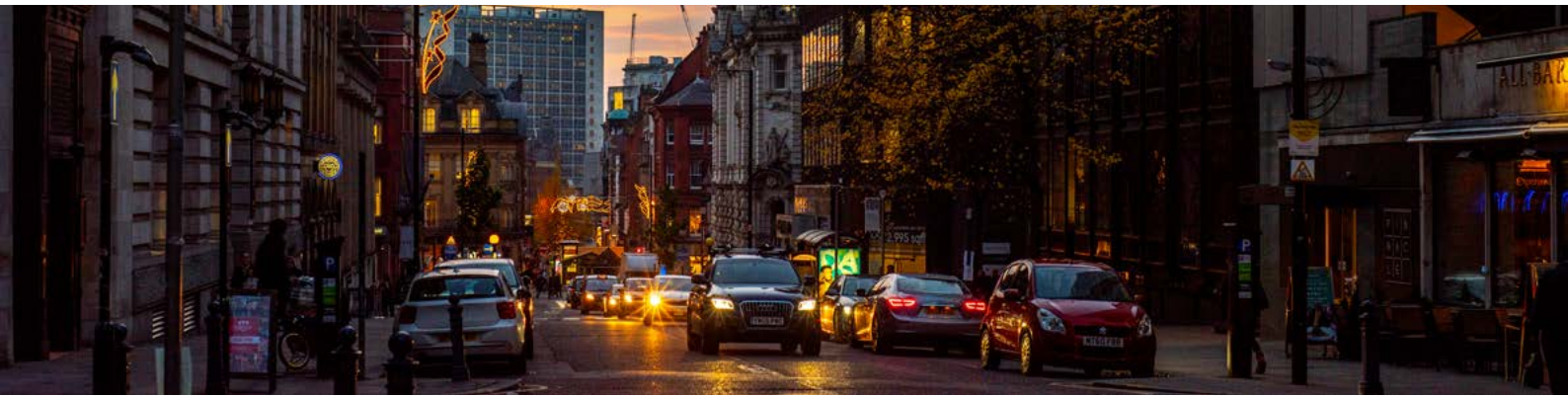
The impact of COVID-19 has hit the self-employed particularly hard. On 31 September 2020, 28,200 Manchester residents were on furlough and a further 16,200 were receiving self-employment support, equating to a 72% take-up rate.

A recent YouGov survey of 500 businesses found foundational services have already been hit hardest, with 30,000 jobs furloughed in accommodation and food, 15,000 in administrative and support, 11,000 in transportation and storage, and 10,000 in wholesale and retail.

### Workers and visitors in the city centre

The challenge facing every economy now is of ensuring a return to normality as soon as possible. The statistics in Manchester have been encouraging, although they also highlight how far the city has yet to go. Manchester is seeing a gradual increase in use of public transport across rail, light rail and bus modes, as indicated, which is an extremely positive sign. Daily vehicle movements have been more robust, remaining strong despite an initial decrease, while cycling uptake is more positive. However, the recently announced Tier 3 and national restrictions will have a further impact, particularly on the city centre, and sectors such as retail, hospitality, tourism and culture are likely to see a slowdown in the return of staff and visitors. In summary, the picture is still an unclear and emerging one.





## **BREXIT, CHINA, GLOBAL TRADE AND CLIMATE CHANGE**

Considerable uncertainties remain across the future impact of Brexit, how legislation may alter how the UK operates on a global stage, and the new opportunities that will arise. This is compounded by the changing geopolitical relationships with China and the US, adding further complexities and questions of global trade. During the past decade, the city has established itself as an international city, achieved by the expansion of Airport City and links across Europe, Asia and North America; the new opportunities and challenges of changing international relationships will impact on Manchester over the next ten years.

There remains a longer-term challenge that impacts every city across the world: the challenge of climate change. There is also the need to adopt new measures in order to grow in a zero-carbon, climate-resilient world, and to deliver our Climate Change Framework. Our progress in the city will also be key to help drive change globally, contributing to the UN and Government-backed Race to Zero.

All these issues will greatly influence how universities, retail, business, and talent chains function. Now is the time to set in place a plan for COVID-19 recovery and plan for these challenges, mapping out the future of the city and positioning Manchester as the premier city of economic growth within the UK.

## **THE FOUNDATIONS FOR RECOVERY**

Despite the initial impact, COVID-19 itself has not meant a total block on growth. All major residential and 95% of commercial developments in the city centre are now back on-site. The demand for office, commercial and residential space continues, with two developments already reaching completion. This demand is still driving investment; during COVID-19, four schemes delivering substantial apartment and co-living spaces have been approved; in addition, a new speculative development has been announced at 4 Angel Square at NOMA for a sustainable zero-carbon commercial property. Meanwhile, there is good interest and serious enquiries around sites such as Circle Square, and there are plans to make Central Retail Park the first zero-carbon business district in the city.

Manchester is already putting measures in place, demonstrating the importance of putting people at the heart of recovery. There have been significant investments in urban design and pedestrianisation to bring residents back into the centre and make the city a more liveable place in the face of new pressures. As the city opens up, and footfall gradually increases, demand will encourage businesses to return, serving rising numbers of people in newly pedestrianised areas such as Deansgate and Stevenson Square and a new public park planned for Mayfield.

Businesses have been adapting to new ways of working, changing office space to comply with safety measures, responding to market opportunities, and safely reopening where possible.

The confidence in the city is no clearer than in businesses seeking access to new talent, affordable living, good educational opportunities and international travel. Manchester Investment and Development Agency (MIDAS) statistics show that out of 161 enquiries so far this year, 65 have been from companies new to Greater Manchester, half of which are from UK-owned companies.



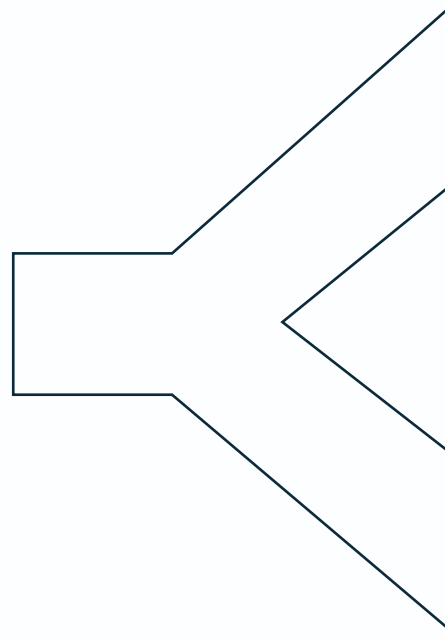
## **A NEW PARTNERSHIP AT NATIONAL AND SUBREGIONAL LEVELS**

The Government has a major role to play in helping Manchester to re-establish the economic momentum that saw the city confirm its role as the leading jobs growth centre in the UK. Further investment in the opportunities available in Manchester is central to the levelling-up agenda and rebalancing the economy. This will result in the city providing employment for communities across Greater Manchester and beyond, and supporting an extensive supply chain of small and medium-sized companies in the wider conurbation and the North of England.

Therefore, the Comprehensive Spending Review 2020 is not only an opportunity to focus on macroeconomic and fiscal planning and priorities. It can provide the essential framework for creating the right incentives and drivers for aligning local, subregional and national investment priorities to deliver local and national priorities.

The Government needs to look beyond resources; rather, it needs to deploy them in the most efficient way to deliver maximum value for money. This includes getting resources to the front line: where people and businesses actually interact, where training and skills and other public services will go right to the heart of labour-market productivity, where science and research can give us the biggest national and regional impacts, and where towns and cities can prosper.

Manchester is looking for a new partnership at national and subregional levels, working hand in hand with academia, business, investment and other partners to address new priorities linked to assets and people. This is the essence of a place-based settlement where all parts of the Government, including subregional structures, contribute positively to an agreed programme of local and national investment and growth. Chapter 5 of this document sets out four strategic investments that would benefit from a national, subregional and local partnership.





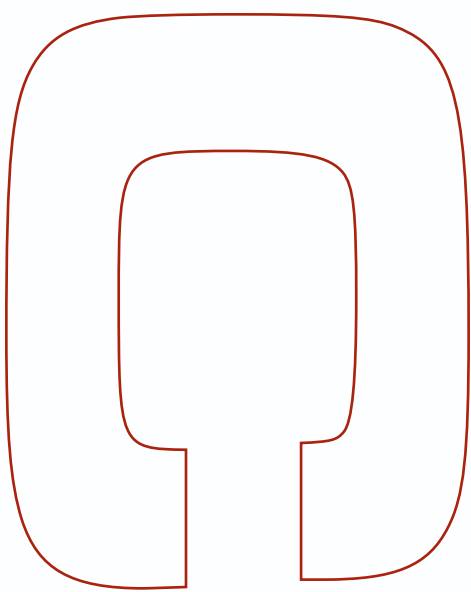
## Extending Enterprise Zones

Within Greater Manchester, two Enterprise Zones (EZs) have been established. These are the Greater Manchester Airport City Enterprise Zone, centred on the Manchester Airport and Wythenshawe Hospital environs, established in 2012; and the Manchester Life Sciences Enterprise Zone, focused on the Oxford Road Corridor in and around The University of Manchester and the Manchester University NHS Foundation Trust (MFT) which was established on 1st October 2017.

In terms of the benefits to be secured by businesses in Enterprise Zones, the Airport City Enterprise Zone stopped offering such opportunities on 31 March 2018, while the Greater Manchester Airport City (Extended) and Manchester Life Sciences Enterprise Zone can still offer benefits to new occupiers until 30 March 2021. Business rate growth can be retained from the Airport City Enterprise Zone to 31 March 2036, and from the Airport City (Extended) and Life Sciences Enterprise Zones to 31 March 2041.

The following flexibilities are needed: extend the period that businesses can secure existing EZ benefits within the Greater Manchester Airport City (Extended) and Manchester Life Sciences Enterprise Zones for a further five years; consider a business case for the physical expansion of the Manchester Life Sciences Enterprise Zone to include a range of new workspace/incubation facilities opportunities that can be catalysed by EZ designation; extend the period that all business rates growth (or growth from any successor arrangement) within the two Greater Manchester Enterprise Zones is retained from 25 years to 40 years, with an agreement to borrow against a proportion of forecast business rate income to invest into local COVID-19 Economic Recovery Plans.

Our submission to the Spending Review 2020 also expressed our interest in setting up a further Enterprise Zone at St John's in the city centre.



## New and affordable housing

Manchester's Residential Growth Strategy (2015–2025) sets out the city's approach to providing the right mix of housing for all residents. The Strategy commits to building 32,000 new homes in Manchester between 2015 and 2025, including a minimum of 6,400 new affordable homes. This puts Manchester at the forefront of the response to the national housing shortage, with more new homes built in the city in 2019/20 than any London borough.

Despite the impact of COVID-19, Manchester's residential pipeline remains a significant part of our delivery programme, providing thousands of new homes each year for our residents. In 2019/20, 4,161 new homes were built (2,869 in the city centre and 1,292 in the rest of the city). The £300million Greater Manchester Housing Investment Fund and the essential development finance this deal delivered have supported the delivery of housing in the city.

Alongside this, established partnerships such as the Manchester Life Development Company (a partnership between Manchester City Council and Abu Dhabi United Group) that have so far delivered over 1,000 new homes across two phases have helped to expand the city centre residential offer into new neighbourhoods in Ancoats. The intention is to bring forward up to 6,000 homes in the Eastern Gateway area.

The existing delivery platform that we have established with Registered Providers (RPs), whereby the Council uses its land assets alongside land the RPs have acquired in the open market (working in conjunction with Homes England investment programmes), remains key to the delivery of new affordable homes in the city. However, all the forecasting now suggests that this is not enough to meet the growing demand for affordable housing and, importantly, will not deliver a significant increase in the number of socially rented homes in the city.



Against this backdrop, the Council has been working to develop a new Local Delivery Vehicle (LDV), which it is hoped will have the potential to both increase the amount and rebalance the delivery of affordable homes through a comprehensive utilisation of Council land assets. This will be funded in part through a cross-subsidy mechanism, derived from the delivery of associated market housing for sale and rent. Current estimates indicate the potential for the LDV to deliver approximately 2,000 additional new affordable, zero-carbon homes (in addition to the homes set to be delivered by RPs), helping the city to meet and exceed the existing 6,400 minimum target by 2025.

In order to meet national targets, the Government now needs to prioritise high-density development to provide the amount of housing needed, reduce pressure on the green belt, and link housing support to population and economic growth.

### **In order to meet demand from a growing workforce and population, Manchester now needs:**

1. Placed-based partnerships with MHCLG and Homes England based on agreed Regeneration and Development Frameworks and Local Delivery Vehicles to deliver new, affordable and zero-carbon housing to meet demand
2. Large and longer financial settlements, for a minimum of five years, with subsequent phasing after year three, to develop and maintain new development
3. Simplified and accelerated decision-making to reduce the time between strategic decisions and shovels in the ground

Manchester can deliver significant new housing based on a place-based partnership, with a positive planning environment supported by funding support and flexibility from MHCLG and Homes England.

## Spending Review 2020

At the time of writing, the Spending Review 2020 had just been announced. This Plan can make a significant contribution to the priorities for the Spending Review 2020 and future budgets, including the prioritising of jobs and skills, levelling up of economic opportunity, making the UK a scientific superpower, and strengthening the UK's place in the world.

Greater recognition of the importance of cities to recover, the levelling-up agenda, and long-term economic growth should be reflected in the use of deals and partnerships. These should allow early investment in future projects and the development of a new wave of job-creating programmes, with an increased use of flexibilities and new financial tools.

Manchester is prioritising investment at Manchester Airport and Airport City, in the city centre and the Oxford Road Corridor, which are the major job-growth locations in the North of England. The city is also investing in the sectors of science and technology, creative, media and digital industries, which will continue to drive new employment. The Government's budgets must reflect the need for infrastructure to support job growth. A UK Aviation Strategy, aligned with the Paris Agreement, is an essential enabler to ensure the aviation sector can continue to support jobs in Manchester and other cities across the UK. The Government also needs to continue to make funds available to support housing for a growing working-age population.

The Spending Review 2020 needs to make available funds to support zero-carbon objectives, including the need to move rapidly to electric vehicles and deliver the pace and scale of the housing retrofit required in the UK. These opportunities need to be linked to local employment opportunities and the development of zero-carbon companies and skills in a growing workforce.

## UK Shared Prosperity Fund

Government statements (July 2020) acknowledge the importance of local growth funding to places and people, and its commitment to creating the UK Shared Prosperity Fund to succeed European structural funds. This fund will provide vital investment in local economies, cutting out bureaucracy and levelling up those parts of the UK whose economies are furthest behind.

Given the historical importance of ERDF and ESF to Manchester and Greater Manchester, we would welcome the Government accelerating its plans for the Shared Prosperity Fund and involving local partnerships in the Spending Review 2020 to support the new fund's introduction as soon as possible in 2021. Investment from the Shared Prosperity Fund will help Manchester to bring forward the full set of propositions and realise the benefits set out in this Plan.

## Accelerated decision-making

Government Ministers have moved quickly to announce new initiatives, and in some instances support has been made available quickly. This recent urgency now needs to be extended across Government departments, where a business-as-usual approach for civil-service processes will not deliver the momentum needed to effect economic recovery.

With regard to skills, it is proposed that over a three-month period a group of senior officials from DWP, the Education and Skills Agency, and the Combined Authority are to resolve a number of matters regarded as urgent and imperative. This would mean agreeing changes to policy and process, and identifying fast-track programmes and business-programme cases, with a truncated appraisal and approval process.

Government departments typically used a two-stage appraisal process – an initial outline business-case stage followed by a full business case. The Government should move to a one-stage business-case approach for advanced projects.

The current Government appraisal system for housing and regeneration initiatives places an emphasis on land-value uplift to determine a benefit-to-cost ratio and value-for-money assessment. The variations in land values across the country are an effective advantage to the South of the country, at the expense of the North. This approach undermines the Government's levelling-up agenda.



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**WE'RE  
READY  
TO**

**RECOVER**

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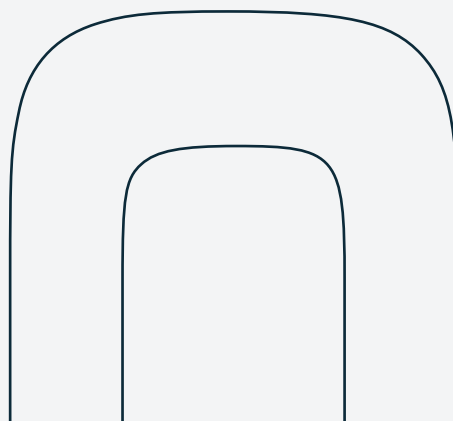
# 4. MANCHESTER'S FUTURE

## INVESTMENT AND DEVELOPMENT PIPELINE

This Economic Recovery and Investment Plan is not solely reliant on Government support.

This plan is based on the work of the Council and a wide range of anchor institutions in the city that have worked together to ensure our plans for recovery and investment are as strong as possible. Each has a major role to play.

- **Private sector: We have worked with a private sector-led Business Sounding Board** to co-ordinate economic recovery ideas and action over recent months. The proposals in this plan are a testament to the resilience of our private sector, with proposals from Bruntwood, U+I, Far East Consortium, Ask, Hermes and Allied London among others leading the way with new projects to boost the Manchester economy in the long-term while providing a short-term boost for the construction industry.
- **The University of Manchester and Manchester Science Park:** The University of Manchester transformation plan has been one of the city's most prominent economic developments over recent years. The same has been true of Manchester Science Park. This plan brings forward new proposals and helps to unblock stalled investments, boosting science and technology businesses in the city.
- **NHS trusts, including North Manchester General Hospital:** The renewal of the health estate in central and south Manchester has been pivotal in those parts of the city. North Manchester remains deprived by comparison, and North Manchester General Hospital is a major asset with a transformational potential. This plan sets out proposals for a major project combining an acute hospital with mental-health facilities and a range of service hubs, which could have a profound impact on the community and health outcomes.





- **Manchester Airport and Airport City:** In addition to being the international hub of the North, Manchester Airport is also the home of Airport City, making it a pivotal investment node for the travel, leisure, hospitality, logistics and distribution industries. This Economic Recovery and Investment Plan sets out how these key assets will form a part of our recovery. They will be supported by the Government more widely through the development of a Paris Agreement-aligned Aviation Strategy for the UK.
- **Manchester Climate Change Partnership and Agency:** helping to guide the city's growth and development to ensure both economic success and delivery of our climate-change commitments. This Plan outlines the propositions that are a fundamental part of the city's commitment to reduce CO<sub>2</sub> emissions by at least 50% during 2020–25, to become a zero-carbon, climate-resilient city by 2038, at the very latest. Retrofitting buildings, promoting and enabling active travel, greening the city, decarbonising our vehicles, moving to a circular economy and sustainable food system, and using 100% renewable energy are the main components of our strategy – each with high job creation and business-growth potential.

**In addition to these anchor institutions, there are two major contributors to economic recovery, which will contribute to the levelling-up agenda:**

- **City Centre:** Demand for space, property and residency is high, while people and businesses are confident that Manchester will remain a stable place to live and work. However, the return of the city may mean it is different than before, and opportunities will emerge from where growth will stem.
- **International brand:** Our inward investment agency MIDAS is continuing to secure new investment in Manchester and the North, building on the city's global reputation, attracting new forms of FDI, and responding to a different global economy.

These Manchester anchor institutions are leading the way for the city. They are working together to make it better, working hard to meet our zero-carbon target, and creating high-quality employment and training opportunities for the people of the city, together with an effective transport system and digital infrastructure.

# 5. STRATEGIC INVESTMENT

In Chapter 3 Manchester has set out how it is looking for a new partnership at national and subregional levels that allows a progressive and inclusive city to work hand in hand with academia, business, investment and other partners to address new national priorities that are linked to assets and people.

A place-based settlement – in which all parts of the Government, including subregional structures, contribute positively to an agreed programme of local investment and growth – will contribute to the levelling-up agenda when invested in those centres with a track record of delivering new investment and growth.

**In this initial plan, Manchester has four strategic propositions that would benefit from a new approach to investment and partnership. These proposals would address the UK's productivity challenge, generating new investment and jobs in the North. They would also directly address the issues of low household incomes in some of our communities, as well as focus on the challenges of zero-carbon and inclusive growth. The propositions are:**

- **Innovation:** Manchester has the potential to leverage GM's science, research, innovation and teaching asset base to create new large-scale clusters of high-value economic activities. These will drive regional growth and create a more productive, more R&D-intensive economy that benefits businesses and residents across the North and helps deliver a low-carbon economy.
- **Manchester City Centre and Urban Realm:** investment in public space and mobility to improve the functionality of the city centre will be used to accelerate new development and redevelopment proposals for major investment in commercial and residential development.
- **Zero-carbon Housing Retrofit:** a phase one set of innovative retrofit measures for residential properties alongside existing investment plans, with solutions developed for a range of property types. Work will transition properties away from a reliance on gas heating to more electric heating, achieved through fabric retrofit and renewable technologies.
- **North Manchester:** an innovative healthcare-led approach to civic regeneration that sets out a radical approach for transforming the delivery of health and care services in north Manchester, transforming the housing offer and changing the life prospects of the wider population. A new general hospital anchoring a health campus, and Northern Gateway investment in housing provides £2billion of investment in the north of the city.

These propositions offer the Government and subregional agencies the opportunity to deploy resources in the most efficient way. They deliver maximum value for money, channelling investment to the real economy where people and businesses actually interact, and where training, skills and business growth and other public services are at the heart of labour-market productivity.

## SCIENCE, TECHNOLOGY, HEALTH AND INNOVATION

Manchester has the potential to leverage Greater Manchester's science, research, innovation and teaching asset base to create new large-scale clusters of high-value economic activities. These clusters will drive regional growth and create a more productive, more R&D-intensive economy that benefits businesses and residents across the North and helps deliver a low-carbon economy.

**These clusters would take the form of three complementary innovation districts that would form an innovation spine. These districts would run the length of the city region and connect the world-class strengths in the city centre with 'left behind' areas outside the regional core:**

**Innovation District (ID) Manchester:** a University of Manchester-led development on 18.2 acres of the University's land in the city centre adjacent to its main campus, Manchester Piccadilly station, and the wider Oxford Road innovation corridor.

**Manchester Manufacturing Innovation Park North:** based in the Northern Gateway site in Rochdale/Bury, this would focus on the application of materials research for sustainable manufacturing and be aligned with local strengths in textiles and materials manufacturing.

**Manchester Manufacturing Innovation Park South:** linked to proposals to redevelop the Wythenshawe Hospital site, this would focus on scale-up of new medical technologies from the laboratory to large-scale production. It would also act as a physical hub linked to the existing SME ecosystem of south Manchester/Cheshire, and attract further inward investment by multinationals undertaking medicines manufacturing and other health-tech activities.

**ID Manchester:** ID Manchester is one of the last major development opportunity sites in Manchester city centre. At 18.2 acres, all in the single ownership of The University of Manchester, the site has the scale and leadership needed to become a new city-centre neighbourhood with its own distinctive identity and focus based around innovation. The ID Manchester opportunity is made possible because the University is relocating its teaching and academic research from its north campus to its neighbouring main campus (where it has invested more than £1billion in new buildings and facilities), freeing up land for commercial development.

ID Manchester is located in the south of the city centre adjacent to Piccadilly station and the University campus, and forms part of the Oxford Road Corridor. The Oxford Road Corridor is internationally recognised for strengths in advanced materials, pharmaceuticals, bio and life sciences, health care, medical devices, education, and digital industries.

This site has the core assets needed to be a world-leading innovation district. It will provide space for firms undertaking R&D in office-based and small-scale industrial/lab settings across a wide range of sectors, including advanced materials, health innovation, industrial biotechnology, and digital/AI. A £120million infrastructure investment package would fund essential site-wide infrastructure, and the development of the Renold Building as a commercially led innovation centre. It would also de-risk and accelerate the £1.5billion development, creating up to 10,000 high-quality jobs.

With Government support, ID Manchester will capitalise on recent investments in significant, new business-facing research facilities at the south end of the Oxford Road Corridor, adjacent to ID Manchester. These provide the translational facilities needed to benefit an innovation district, and include the Graphene Engineering Innovation Centre, the National Graphene Institute, the Henry Royce Institute, and the Manchester Institute of Biotechnology.



### Early investment would fund:

- a core spine of utilities and public-space infrastructure, decoupling the development from the need to secure major pre-let occupiers prior to infrastructure work
- the installation of a new substation and link to Fibre Points of Presence, delivering power and digital connectivity to meet occupier expectations and projected demand
- a smart infrastructure platform comparable to global competitor locations (including high-capacity data-gathering functions and advanced climate-change mitigation systems)
- the redevelopment of the Renold Building into an 'innovation catalyst' that would provide 75,000 sq. ft net of high-quality workspace for SMEs and 50,000 sq. ft net of collaboration spaces.

### Manchester Manufacturing Innovation Park

The Wythenshawe Hospital site provides an opportunity for the development of a 30+-acre R&D and medical-manufacturing campus co-located with a specialist acute teaching hospital; this would form an integral part of a new health-focused mixed-use regeneration project. The Government is currently reviewing the Catapult network, and there is an opportunity to deliver a new Medicine Manufacturing Catapult aligned with the Cell and Gene Therapy and Medicines Discovery Catapults; these would draw on local research strengths in biopharmaceuticals, drug delivery and nano-medicine, medical materials, and diagnostics, to further this development.

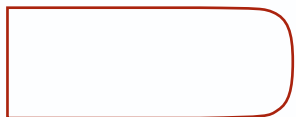
MMIP South will complement and align with ID Manchester by providing a location for large-scale manufacturing in a shared ecosystem, ensuring that firms in ID Manchester are able to manufacture in Greater Manchester and that the jobs and growth created by this will be in the region. The development is also synergistic with the proposed MMIP North development in north east Greater Manchester. MMIP North will focus on supporting improved productivity and growth in the local textiles and materials manufacturing sectors, with a particular focus on coatings technologies, composite materials, and materials sustainability and circularity in manufacturing.

### Manchester summit

The potential for Manchester to develop a science and technology super hub reflects over 15 years of investment in science and technology and recent work with the NHS to develop health innovation and life sciences, supported by a growing eco-system to support company growth.

The Government needs to take a strategic decision to fully support the Manchester proposition as part of improving productivity, the levelling-up agenda, and making the UK a scientific superpower. With various departments and agencies involved, there is a danger of a lack of co-ordination in relation to investment decision-making, integration of facilities, and market development.

A Science and Technology summit should be convened at the earliest opportunity. Consisting of the leading Manchester institutions, private-sector partners, Government departments and agencies it would take a high-level view of the role of Manchester as a super hub for UK science and technology and the implications for investment decisions.



## CITY CENTRE AND URBAN REALM: THE ENGINE OF GROWTH

The city centre recorded exceptional commercial and residential development over the past ten years, with institutions, developers, investors and companies providing a pipeline of investment proposals linked to economic growth in the key sectors. Major developments include Mayfield, Circle Square, Spinningfields, NOMA, First Street, St John's, and Ancoats.

As part of its recovery, the city is continuing to implement changes in order to rebalance the use of city-centre spaces and streets, as well as supporting longer-term growth. Examples include road closures, pedestrianisation and greening of streets, repurposing surface car parking, and widening pavements. These measures will ensure that the city grows sustainably, as more people choose to live and work here, creating attractive places, while responding to increasing demand for city-centre space.

Manchester already has a track record of successful investment in the public realm, as part of concerted efforts to revitalise the city centre as the major employment location and driver of economic growth in the region. In many cases, public realm was the catalyst for new investment by the private sector. The city-centre pipeline is now focused on improving the functionality of the city centre, developing its role as the employment centre for the conurbation; this will mean improving public space, constructing more walkways and cycleways, and creating a step change in electric-vehicle charge points to enable sustainable transport.

Benefits from public realm include attracting businesses, attracting visitors, improving productivity, increasing land/property values, increasing tourism, promoting pedestrian linkages, and an enhanced image. Enhancements to the public realm add to the land/property value of areas, attracting businesses, and potentially attracting further private-sector investment in the area; they bring new jobs and economic benefits, and therefore contribute to economic growth and recovery. Appropriately designed and maintained green infrastructure will also ensure the city centre is resilient to the changing climate.

### Urban realm

The four public-realm projects, together with two existing funded and committed projects – Albert Square (£28million) and Mayfield Park (£23million) – will invest £108.315million, completely transforming and updating the city centre's physical environment to create a connected network of public spaces that support the economic recovery.

**Piccadilly Gardens** – located at the commercial heart of the city centre, the planned Council investment here is expected to attract significant private-sector investment of over £30million. The bus and tram interchange and the route to the nearby Manchester Piccadilly station are used by over 20million commuters each year, as well as a growing number of shoppers, residents and visitors. A large number of retail and office occupiers are located in the wider area and would directly benefit from the planned phase 1 investment, boosting public confidence in visiting the city centre.

**Medieval Quarter Public Realm and Glade of Light Memorial** – located close to Manchester Victoria station, and adjacent to the Medieval core of the city centre, with both Manchester Cathedral and Chetham's School of Music, dating back to the early 1400s, at its heart. The proposal is to create a new City Park adjoining these historic listed buildings and the River Irwell. The site has been selected as the location for the memorial to the Manchester Arena bomb attack: the Glade of Light Memorial, chosen with the involvement of the 22 victims' families. A planning application for the public realm and memorial was submitted in August 2020; a contractor has been appointed, and phase 1 will commence on-site in January 2021. To date, £2million has been committed to the work, and a charitable contribution of £500,000 will fund the memorial. Additional funding of £14.3million is needed to complete the Medieval Quarter City Park Masterplan scheme. The area is adjacent to the NOMA, Ramada and New Victoria development sites, and the improvements will support these key developments.

**Factory Public Realm** – The Factory is a £130million Cultural Arts Centre funded by the Council and Arts Council England, and two new public squares are planned to provide the setting for The Factory building, which is currently under construction. The project lies at the heart of Enterprise City at St John's a new residential, cultural, digital, creative and media neighbourhood. Phase 1 will deliver 1.8m sq. ft of floor space, creating 10,000 jobs, and £500million of committed private-sector funding is in place to build the planned developments and associated public realm. The Council has committed £4.23million to The Factory public realm to create two new squares, but additional funding of £3.03million is required to complete the work.

The 140,000 sq. ft Factory will provide an ecosystem for media and creative industries in the city centre and attract significant new visitors. Furthermore, this investment will complement the Department for Digital, Culture, Media & Sport (DCMS) £2million Tech Hub established in the adjacent Bonded Warehouse building to support new-tech start-ups, and the related Campfield Yard proposal included in the cultural and creative industries section.

**Lincoln Square/Brazennose Street** – joint public and private initiative in the Civic Quarter adjacent to the £330million Our Town Hall refurbishment project, which also includes a committed investment of £28million in Albert Square. Lincoln Square/Brazennose Street forms part of the ceremonial route between the Grade 1\*-listed Town Hall and Manchester Crown Court in Spinningfields. A hotel and two commercial buildings are under construction, and two office buildings have recently been extensively refurbished. Private-sector contributions have been committed for a total of £3.03million and the project has planning consent, but is estimated to cost £4.23million. Additional funding of £1.2million is therefore required to complete the work.

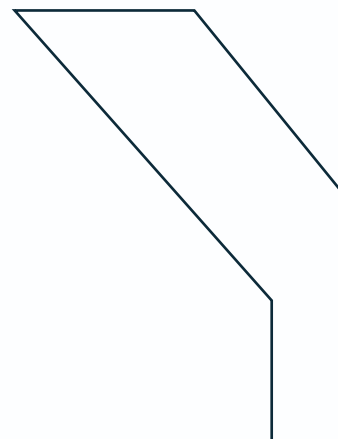
Investing in the heart of the city centre, around Lincoln Square and Albert Square, the Medieval Quarter, Factory Public Realm and Piccadilly Gardens will provide a critical mass, linking key routes and spaces across the city centre and driving business confidence. This will create significant numbers of new jobs (over 2,000 at Lincoln Square alone) and safeguard many others. A total of 1,433 temporary construction jobs, including 459 apprenticeships, will be created linked to the employment programmes outlined above.

## Urban mobility and transport

If spaces are to be coherent and connected, and travelling through the city centre is to be efficient and comfortable for pedestrians and others, new development must link to active travel routes and public realm across the city. This priority will link to the emerging draft Clean Air Plan and City Centre Transport Strategy, helping to contribute to the ambitious goals for 90% of all trips to the city centre to be non-car modes by 2040 in the morning peak, and for Manchester to become a zero-carbon city. In addition, supporting a move to electric vehicles, including commercial vehicles, will be an important feature of a zero-carbon economy.

The city will continue to develop its city centre mobility and transport proposals. These include enhancing major walking routes in the city centre, improving wayfinding across the city centre, establishing a 20mph zone in the city centre, expanding our electric-vehicle charging network, retrofitting or upgrading a local authority vehicle fleet to ensure low emissions, and developing the city centre cycle wheel and city centre bike hire scheme.

**Active travel hubs:** This project will provide a combination of safe secure cycle parking, EV charge points, and facilities for the Greater Manchester cycle-hire scheme in multistorey car parks owned by Manchester City Council, supporting changing patterns of travel and use of car parks. The project is being progressed by Manchester City Council and Transport for Greater Manchester. Project boards are established and tender processes underway. The project forms part of the City Centre Transport Strategy and fits with Manchester's Transport 2040 vision. It supports the Council's Climate Change Action Plan, which was approved in March 2020. The total funding required is £4million and will be supported by existing funding programmes.







**Deansgate:** The project will transform a key area of Manchester city centre and act as a catalyst for other bold transformations. The closure of this street has been an ambition for many years and the temporary closure implemented following Government statutory guidance to reallocate road space has been very well received by residents, visitors and businesses.

The project proposes to permanently close part of Deansgate in the city centre. Work is underway to prepare for the closure, which will be a catalyst for the regeneration of the area (including the recently approved St Mary's Parsonage Strategic Regeneration Framework). Officers from Manchester and Salford City Councils and Transport for Greater Manchester are engaged collaboratively on the project. It involves a reimagining of space, providing active travel options, improving the public realm and promoting other uses (eg. leisure and cultural activities). The project forms part of the City Centre Transport Strategy and aligns with Greater Manchester's Transport 2040 vision. The total funding required is £10.5million, which includes a contribution of £1.5million from Manchester City Council, creating an estimated 50 new jobs and an estimated 25 new construction jobs.

**Cambridge Street:** Walking and cycling improvements are currently underway at the adjacent roundabout. The project supports active travel initiatives being implemented by the university. The project is adjacent to the Medlock Street roundabout walking and cycling improvements scheme, which is being constructed and planned for completion in late summer 2020. The Medlock Street roundabout scheme is funded through the National Productivity Infrastructure Fund and the Cambridge Street roundabout could benefit from the same intervention.

**Ancoats Mobility Hub:** This is proposed to complement future residential development in Ancoats. The proposal allows future developments to locate parking at the Hub, breaking the cycle of embedding car parking into individual residential developments. The Hub is being designed to provide access to sustainable modes of transport, including cycling and walking, public transport and car clubs. It will be integrated into the enhanced cycling and walking routes proposed under the Neighbourhood Development Framework for the area.

Electric vehicles will be promoted by providing EV charging infrastructure where private car use is still required. The Hub will promote a modal shift away from petrol/diesel car ownership by providing the infrastructure that offers sustainable alternatives. The mobility offer of the Hub will be underpinned by a digital platform, which will allow journeys across multiple modes of transport to be planned and booked from a smartphone. In addition to the mobility offer, there is an aspiration to create a micrologistics centre for parcel deliveries, with last-mile deliveries to be arranged via electric vehicles or cargo bikes.

## MANCHESTER HOUSING PROVIDER PARTNERSHIP RETROFIT PROJECT

This is a pivotal moment, not just for Manchester, and there is an opportunity to re-establish our economy in a smarter, greener way, moving away from older, outdated economic models towards zero-carbon. The Government has already committed to a net zero-carbon emissions target by 2050 and, through hosting the 26th UN Climate Change Conference of the Parties (COP26), there is a clear focus on zero-carbon and climate resilience. There is a major opportunity to link new investment to local employment and intermediate labour-market initiatives, to generate social value for local communities. In addition, there is an opportunity to develop skill initiatives through long-term investment in zero-carbon and climate-resilience activities.

This project aims to deliver retrofit measures to residential properties alongside existing investment plans, with solutions developed for each of the property types found across the partnership. Work will transition properties away from a reliance on gas heating towards the use of electric heating, which will be achieved through fabric retrofit and renewable technologies.

Manchester Housing Provider Partnership (MHPP) comprises 16 housing associations and one ALMO, which together manage 68,000 homes. Each of the registered providers will have a planned schedule of investment to be undertaken across their housing stock, which in the main is based on component failure and like-for-like replacement.

All MHPP members have signed a pledge to become zero-carbon organisations, working with Manchester Climate Change Agency and Manchester City Council, and have committed to a five-year action plan towards reaching the target. As the first stage of understanding what zero-carbon looks like, organisations have started to undertake stock-profiling exercises to establish the level of investment over the next 18 years. Initial indications from an analysis of standard archetypes show that investment of around £25,500 per property is required to bring properties up to a zero-carbon standard, with a further £5,000 per property required for energy generation and storage. Within these assumptions around £9,000 has been included for ongoing component replacement, resulting in a net investment figure of £21,500 per property. This equates to a total investment of £1.7billion across the MHPP over the next 18 years.

The project seeks investment to kick-start an initial four-year programme to enable MHPP members to establish a collaborative approach to procurement and delivery, with a programme of around 3,500 properties per year and funding of £260million (inclusive of fees).

The initial phase of the project (2021/22) would see the mobilisation of a cross-partnership design and procurement team, which would develop bespoke solutions to property archetypes consistent to the MHPP members' portfolios. This would be developed into procurement packages to secure sufficient capacity and expertise within the construction sector to ensure good design and construction partnerships. This phase 1 project investment for 10,500 properties (including fees at 15%) requires investment of £260million.

The housing-retrofit programme is phase 1 of a 15-year programme for affordable housing, which is fundamental to Manchester's commitment to halve its emissions over the next five years and become zero-carbon. The need to begin this programme at scale is now an urgent priority for the city.



## **NORTH MANCHESTER: A NATIONAL/LOCAL PARTNERSHIP**

While north Manchester is an area with high levels of multiple deprivation, two major developments are providing the basis for the social and economic transformation of its communities – a new North Manchester General Hospital anchoring a health and wellbeing campus, and Northern Gateway, a major housing and regeneration initiative. These initiatives need to be supplemented by a long-term housing plan supported by MHCLG and Homes England – Northern Gateway Single Housing Fund.

### **North Manchester General Hospital**

Planning is underway to replace the current hospital buildings with a new hospital, which is proving to be an important catalyst for change, but the approach being taken by partners goes far beyond this narrow ambition. The new health and wellbeing campus is based on a fundamental rethink of the role of the hospital within the context of all the health and care services provided for residents. The objective is to maximise the role of community facilities so citizens can receive the care they need without being admitted to hospital, thus empowering them to better manage their own healthcare.

There is an emphasis on working with the community to improve standards of health generally, through education, better leisure and other community facilities. It is proposed to create several hubs that bring together services and facilities for housing, wellbeing and learning.

#### **The new health and wellbeing campus includes:**

- A new general hospital and learning centre
- A mental-health hospital
- A health-and-wellbeing centre
- A health village, with supported housing.

With some 4,000 jobs on-site at a range of levels, the new campus will provide new and improved healthcare and local employment. The new investment of over £500million will provide an important source of local employment for a number of years.

### **Northern Gateway**

In April 2017, Manchester City Council and Far East Consortium (FEC) signed a joint venture agreement to develop the Northern Gateway: a 155-hectare area close to Victoria station at the fringe of the city centre, extending to a large and now dilapidated social-housing estate in Collyhurst. This large area of contaminated pre-Victorian brownfield land and the challenges of remodelling its large social-housing stock presented challenges. Government support was considered essential to deliver the planned 15,636 new homes, with a target of 20% affordable homes – the largest new housing development in the North.

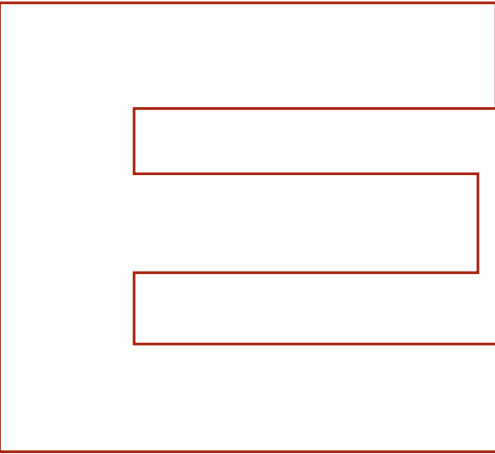
The Northern Gateway offers significant potential to support a growing and nationally important city-centre economy and the needs of an expanding, young and skilled workforce. A failure to deliver housing growth in the Northern Gateway would impact on the ability of Greater Manchester to grow at the expected pace, make it more difficult for employers to attract and recruit staff to support business growth, and make it more challenging for young people from across the country to take up opportunities in Manchester. This would be a missed opportunity in the UK's fastest-growing city; it would reduce national economic growth and the opportunity to rebalance the economy to develop a high-productivity economy in the North.

The Northern Gateway will provide residential accommodation for some 20% of Greater Manchester's employment growth and over 30% of the city's workforce growth. A failure to deliver the Northern Gateway residential development will therefore considerably reduce economic growth in the conurbation.

The Northern Gateway will make a major contribution to provide the housing accommodation to support the forecasted economic growth in the city. With an estimated 85% of the working-age population in employment, the Northern Gateway's residential workforce will contribute £560million of GVA by 2027; this will increase to £1,195million by 2039, with income from wages supporting additional growth in local services, retail and leisure. This economic growth will make an important contribution to the rebalancing of the national economy, as well as generate considerable Exchequer revenue through National Insurance and income tax.

The Northern Gateway submitted a detailed business case for £51.6million of support through the Housing Infrastructure Fund for Phase 1 of the Northern Gateway. This has involved significant, very detailed work by Manchester City Council and FEC staff.





### Northern Gateway Single Housing Fund

The Northern Gateway provides the Government with an opportunity to support a high-priority, bespoke housing deal. It will provide new homes for all sections of the community, based on a new approach, with a greater understanding of the long-term nature of housing development and the challenges of delivering market-led development in a northern, urban context. This new approach, facilitating the collaborative efforts of the public and private sectors, will introduce a new dynamism and energy into accelerating major residential development in urban areas.

Financial modelling undertaken to date indicates a £160million gap if the Northern Gateway is to achieve its place-making infrastructure and affordable housing ambitions. However, there are no assumptions about delivering the 20% affordability target. There is a maximum gap of some £200million relating to the remodelling of Collyhurst: planned development will increase the total stock of social housing, from 765 existing HRA homes to 1,077 social homes, and there will be an additional 4,308 homes for open-market sale, as well as replacement of redundant stock. While developer contributions and recycling of land receipts post-2030 will reduce some of this gap, there is an immediate gap of some £220million, which is needed to accelerate new housing and unlock future receipts.

As noted, the Northern Gateway has submitted a successful detailed Business Case for £51.6million of support through the Housing Infrastructure Fund for Phase 1 of the Northern Gateway, allowing initial infrastructure investment to proceed.

This early work allows the Government to endorse the Phase 1 funding for this new approach, with reviews for later stages of funding scheduled for 2022 and 2026. In order to move to a more effective approach, the Government has been asked to provide a Northern Gateway Single Housing Fund of £220million covering 2021–2031, silo-free, outcome-focused and unconstrained to maximise the impact of new investment.

A clear commitment by the Government would allow the joint venture to initiate a new affordable housing programme with a commitment to boosting the local construction industry, including a long-term apprenticeship programme, and using social value to deliver community benefits.

**Through the Northern Gateway, Manchester City Council, the Greater Manchester Combined Authority and FEC are formally requesting Government support for a new public-private sector partnership approach based on:**

**The Government:**

- Endorsing a 12-year Northern Gateway financial commitment, with funding guaranteed for three phases.
- Providing funding for a Single Housing Fund, silo-free and unconstrained, linked to housing outcomes.
- Delegating responsibility for the value for money and delivery assessment of later phases of Government support to GMCA.
- Considering tax incentives for additional developer costs related to Green Book-compliant wider economic benefits – health, distributional and carbon reduction.

**Greater Manchester Combined Authority:**

- Working with Transport for Greater Manchester to provide new Metrolink tram connectivity in the Northern Gateway area.
- Taking responsibility for the value for money and delivery assessment of later phases of Government support.

**Manchester City Council:**

- Using social-capital approach to increase employment and training opportunities for local people.
- Prioritising lower-paid education and health staff and blue-light services workers for affordable housing.
- Using the agreed high-level strategic objectives within the SRF as a basis for continued partnership working, planning officers will continue to ensure development proceeds in a timely manner.
- Prioritising Capital Receipts, Sec 106 and other funding to deliver a school in advance of need in the Northern Gateway.

**Northern Gateway Joint Venture:**

- Embedding electric-vehicle charge points in all residential developments.
- Working with the NHS and MHCC to deliver GP and health clinics, potentially using ground-floor space within multi-storey residential towers, together with commercial space, in a new hub. This could possibly use discounted rents and/or flexible lease arrangements to facilitate delivery.
- Integrating social, affordable and home-ownership housing across the Northern Gateway.
- Recycling funds into later stages of development.







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# 6. MANCHESTER ECONOMIC RECOVERY AND INVESTMENT PLAN

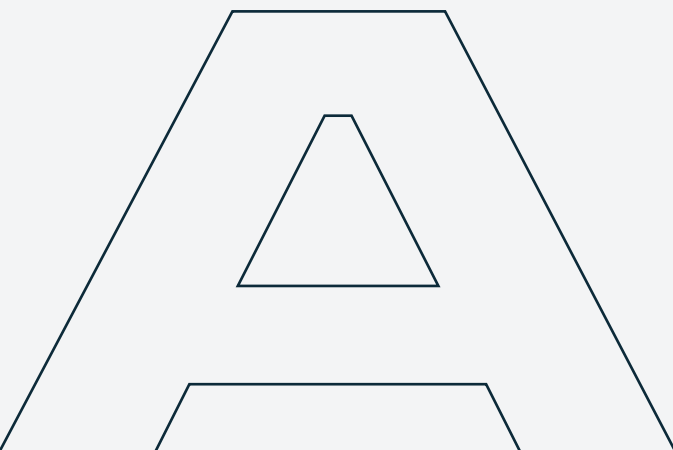
## CONTEXT

Manchester's response to the economic challenges now facing the country is based on early action to ameliorate the immediate impacts, returning the city's economy to its long-term growth trajectory, and making a major contribution to the UK's commitment to levelling up the economy.

**Early actions:** These include ameliorating the impact of the national lockdown and the continuing requirement for social distancing. The priority will be on initiating skills and employability actions to focus training on employer demand, extending the Job Retention Scheme to allow targeted sectors to get through the winter period, and supporting cultural and creative institutions and industries.

**Long-term investment programmes:** Based on the three pillars of People, Place and Prosperity, the programmes will provide:

- Multiyear employability and skill actions to reflect labour-market demand for digital and low-carbon skills.
- Investment in the city centre's functionality, including public space, cycling, walking, and electric vehicles, as well as upgrading digital infrastructure
- A prosperity focus on the business ecosystem in key high-growth, high-productivity sectors linked to national strengths in science and technology, including our four major strategic investment areas set out in Section 5.



## EARLY RECOVERY

The 2020/21 winter period will be very challenging for many businesses, the self-employed, and workers in many sectors of the economy. There is an important need to put in place early support packages to assist those affected by the national lockdown and the possible slow return to full economic and social activity. Manchester has developed a number of proposals that will provide support over the next nine months to ameliorate the scale of the city's economic downturn.

### Training and skills package

The economic fallout from COVID-19 can be seen in Manchester's recent rapid rise in unemployment, and the city's claimant count is now 35,230, with 74,000 Manchester residents claiming out-of-work benefits in September 2020. In terms of age groups, young people and the over-50s are adversely affected.

This Plan focuses on keeping young people in education and helping them to acquire additional qualifications linked to growth opportunities in the city, targeting skills and labour-market programmes (including recent Government-announced schemes) at sectors where there are current and future employment opportunities. The city will need the Greater Manchester and national programmes to target residents (young people, the over-50s and black, Asian and minority ethnic residents) and neighbourhoods most adversely affected by unemployment.

The Skills and Employability Recovery Programme will assist more than 6,000 residents each year of a two-year programme to improve their skills by staying in education or developing new skills in areas of market demand and others to take up new self-employment opportunities. This initial programme will need to be extended for a further two years, continuing the focus of skills to meet growing employer demand.

### Targeted furlough/Training programme

On 31 September 2020, 28,200 Manchester residents were on furlough, and a further 16,200 were receiving self-employment support, equating to a 72% take-up rate. This problem is compounded by the contraction of job vacancies during the COVID-19 period, although there is growth in some sectors.

The Coronavirus Job Retention Scheme was due to end in October 2020 and replaced by the Job Support Scheme, which is less attractive to businesses. As a result of national lockdown in November, the Government put in place an extension to the Job Retention Scheme till March 2021. There remains a strong case to provide a four to six-month extension to those industries that will be unable to return to pre-COVID-19 levels of activity in the initial post-lockdown period. In Manchester these include the arts, cultural and creative industries, and parts of the leisure and hospitality industry. These sectors would benefit from an extension to the Job Retention Scheme, the temporary use of part-time employment, and the offer of relevant training for furloughed staff.

As a practical example, the ProAct programme was launched in Wales in 2009 to provide training for staff working short hours and/or at risk of redundancy. It has co-funded training and salary costs (while training) for staff to undertake courses selected by their employer in line with their business plan. It enabled staff to be reskilled and upskilled, allowing employers to redeploy them into new roles or to let them work more hours. Training was certified, so that it would be transferable should the participant be subsequently made redundant. Activity was targeted in priority sectors.

## Protecting cultural institutions

Manchester has a very strong cultural and creative sector, with nationally important institutions and a significant independent and freelance industry. The Government has made available funds to help arts and cultural institutions deal with the effects of the national lockdown and social-distancing measures. While many of the major institutions are based in London, it is important that sufficient funds are made available for the North and the concentration of Manchester-based institutions and venues. Cultural venues are an important element in bringing people back to the city centre, and reinvigorating Manchester's visitor and daytime and evening economy. Support should also be made available to retrain or upskill key parts of the arts and cultural workforce where skills are in danger of being permanently lost. The Government should also consider providing support for institutions to increase their outreach work and social-engagement work.

## Phoenix programme for the cultural and creative economy

While the DCMS is working with the major galleries, museums and theatres, the independent sector is now badly damaged by the lockdown, and the need for social distancing has impacted on commissioning, events, performance and sales.

In order to avoid permanent and irreversible losses, Manchester needs to establish a local programme that can provide a bridge through to spring/summer 2020 for independent venues, studios and freelance staff, artisans and artists, as well as many performance venues that are essential to the cultural and creative ecosystem.

## The Cultural and Creative Phoenix Fund will:

- Work with independent venues to support temporary uses to ensure venues remain active and useful throughout the winter months
- Support studios and workshops to remain open to ensure artists, performers and artisans have space to create and produce
- Provide commissioning grants for small independent companies, freelance and artisan producers to provide outputs for Heart of Manchester events and activities
- Organise a series of events, fairs, and festivals to showcase Manchester's cultural and creative work

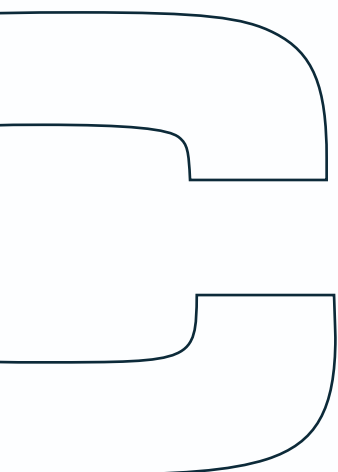
The Phoenix Fund requires a 12-month budget of £6million, although the economic value will be many times this figure. It will sustain venues and jobs over the winter months, and be a major boost to the visitor and cultural economy in early 2021.

## THE MANCHESTER ECONOMIC RECOVERY AND INVESTMENT PLAN

The Manchester Economic Recovery and Investment Plan is based on the Our Manchester Industrial Strategy, with an initial programme of investment under the three Pillars. These are set out below. In addition, there are several important long-term investments of major significance to the city. These are north Manchester, the city centre, ID Manchester, and the Residential Retrofit Programme. These are set out in more detail in later sections.

After consultation with public agencies, leading institutions and business groups, 60 investment projects have been identified. These projects involve some of the leading companies and institutions involved in science, technology and innovation, and cover the major job-generating locations in the city – the city centre, the Oxford Road Corridor, Manchester Airport, and Airport City.

In sector terms, the investment plan focuses on high-productivity and job-generating subsectors – life sciences, advanced materials (including graphene), and digital and creative industries – with an additional focus on new-starts and scale-up companies. Many of these sectors are closely linked to the foundational economy highlighted in the Our Manchester Industrial Strategy.





## Manchester Economic Recovery and Investment Plan

### People (seven initial projects) (two-year programme)

| Programmes                             | Investment |
|--|------------|
| Manchester Youth Skills Programme      | £8m        |
| A Partnership for Jobs with JCP        | £6m        |
| Start-up Manchester                    | £20m       |
| Graduate Reskilling Programme          | £14m       |
| Apprenticeship market for young people | £6m        |
| Higher Technical Skills Programme      | £12m       |
| STEM                                   | £6m        |

#### Summary

£36m per annum programme providing support for 6,000 people; this will need to be repeated for several years to reduce high unemployment rates to the pre-COVID-19 levels.

Includes support to stay in education to improve qualifications and skills, upskilling for occupational demand and self-employment. Focus on employer demand for digital skills.

### Place (19 initial projects)

| Programmes                             | Investment |
|--|------------|
| City Centre (6)                        | £72.5m     |
| City Centre Transport and Mobility (4) | £21.5m     |
| Zero-Carbon and Climate Resilience (8) | £290m      |
| North Manchester <sup>1</sup> (1)      | £66m       |

#### Summary

A £450m investment programme with the potential to boost the construction sector over the next three years. It will focus on the city centre economy, the engine of growth over the past ten years, major housing initiatives for low/zero-carbon residential retrofit, and a major affordable housing programme.

Includes a major housing programme, with over 10,000 homes improved and 6,000 new affordable homes. Investment will support a major Intermediate Labour Market (ILM) programme, with the potential to provide 800 jobs for local residents and the largest apprenticeship programme in the city.

### Prosperity (24 initial projects)

| Programmes  | Investment |
|---|------------|
| Science, Technology, Health, Innovation <sup>2</sup> (10) | £268.5m    |
| Culture, Creative, Media and Digital (7)                  | £37m       |
| Manchester Airport and Airport City (3)                   | £22m       |
| Digital (4)   | £16.5m     |

#### Summary

Significant investment in science and technology, including digital infrastructure, an innovation district and enterprise zones, delivering an extensive ecosystem for small and medium-sized companies.

Major job-generating investment with high-growth sectors, new-starts and scale-up, as well as major Foreign Direct Investment (FDI) companies. The medium-term potential for jobs is in excess of 20,000. Includes Airport City, the fastest-growing employment location in the city.

<sup>1</sup>Includes the North Manchester General Hospital and Health campus and Northern Gateway, supported by £50m Housing Infrastructure Fund.

<sup>2</sup>Includes £120million ID Manchester and £90million for Manchester Manufacturing Innovation Park South



The Manchester Economic Recovery and Investment Plan will draw upon investment supported by the major Government departments, including Ministry of Housing, Communities & Local Government (MHCLG), Department of Business, Energy & Industrial Strategy (DBEIS), the DCMS, and the Department for Work and Pensions. Other agencies with an important role to play include Arts Council England, Historic England, Homes England, and Innovate UK.

### Construction sector

An important part of the Plan is the need to boost the construction sector over the next two years. The sector is a major source of employment and training places in the city, reflecting the development momentum of the past ten years. Early capital programmes supported by the Government can provide an early boost to major construction companies and their extended supply chain.

The Plan will deliver significant economic benefits over the medium term and restore Manchester's pre-COVID-19 economic trajectory, with significant new and better-paid employment and business growth supporting growth in the foundational economy.

## SKILLS AND EMPLOYABILITY

### Context

Manchester has benefited from a fast-growing economy, and saw a sharp increase in employment between 2015 and 2020. This was driven by a surge in high growth and high-skilled sectors, complemented by a strong leisure and hospitality industry.

With an increasingly young and diverse workforce, and a large undergraduate and postgraduate community, the city was and is well placed to provide the workforce to support growth in the sectors and technologies that underpin the UK's Industrial Strategy.

The city's approach to skills has been to anticipate and respond to employer demand, especially the sectors and occupations that will offer job opportunities over the next ten years; these include digital and technology, and parts of the foundation economy that provide regular and good-quality local jobs.

Manchester institutions and companies are committed to ensuring that the 2015–2019 economic growth trajectory can be re-established at the earliest opportunity.

### COVID-19

The economic fallout from COVID-19 can be seen in the recent rapid rise in unemployment in the city during April and May, in line with national trends. In September 2020, the number of individuals on Universal Credit was over 74,000 in Manchester, a 76% increase compared to March statistics. The impact of COVID-19 has hit the self-employed particularly hard. As of 31 September 2020, 28,200 Manchester residents were on furlough, and a further 16,200 were receiving self-employment support, equating to a 72% take-up rate.

This is not evenly distributed. The greatest increases in unemployment are in the areas of the city already identified as income-deprived in the 2019 Index of Multiple Deprivation, and those with high concentrations of black, Asian and minority ethnic communities. In terms of age groups, young people and the over-50s are adversely affected.

### **Accelerating economic recovery: investing in skills to return to employment**

**Manchester City Council  
commissioned THINK to look  
at the evidence base and  
consult with businesses and  
key stakeholders to inform our  
labour market and skills recovery  
work. The report identifies six key  
priorities:**

- Minimising the number of Manchester residents moving from furlough to redundancy as the furlough scheme winds down
- Supporting unemployed Manchester residents to re-enter the labour market as quickly as possible, especially young people, those aged over 50, and black, Asian and minority ethnic residents
- Maximising new job creation, and increasing overall labour demand in the city
- Minimising the number of young people who become unemployed after leaving education and training in Manchester

- Supporting apprenticeships and other training opportunities to better equip employers with the skills to survive and grow, while helping more residents to progress and upskill in their careers
- Improving the support given to unemployed long-term inactive residents to reduce the risk of them being 'crowded out' of the jobs market because of the influx of new claimants

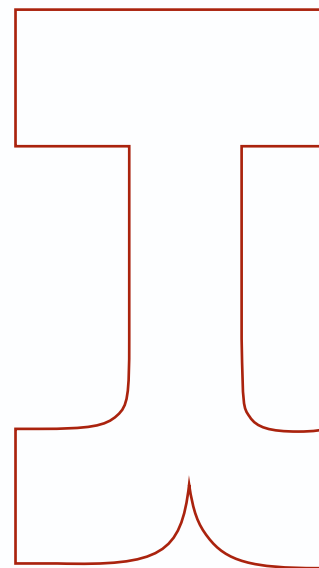
These priorities have influenced the Manchester skills and employability approach for the Economic Recovery Plan.

### **Working with the Government**

The Chancellor's summer statement provided welcome additional funding to support the unemployed, particularly young people. The Kickstart programme will provide an ILM/wage subsidy at scale and the city would welcome more local involvement in design and delivery of the Kickstart programme.

Also targeted at young people are traineeships, which are likely to be less popular with young people as they will not be paid. There are additional grants for employers taking on apprentices: £2,000 for 18 to 24-year-old apprentices and £1,500 for those 25 years plus. Ideally, these provide a progression route for young people on the Kickstart scheme, although there could be displacement, with employers opting for the wage subsidy provided by Kickstart.

Other welcome announcements include the additional investment to substantially increase the number of Jobcentre Plus coaches to deal with the increased number of claimants, and in sector-based academies and the Flexible Support Fund. There was also an announcement of additional investment in the Work and Health programme and adjusting the criteria, so that claimants who have been unemployed for three months and meet the criteria can access the service. This programme is devolved to the GMCA and will result in an additional £5.5million investment in the Greater Manchester programme this year.





## Building on employer goodwill

The recent work completed by THINK identified considerable goodwill within Manchester's employers to work to protect jobs and participate in training and skills initiatives. Therefore, there is considerable scope to capitalise on this. This will help the city and Combined Authority to draw in more Kickstart spend to the area by getting private-sector employers to commit to taking on young people.

Other priorities for work with employers include increasing the number of Kickstart placements within key sectors, establishing Kickstart as a pathway to a job with the host employer, rather than a placement that lasts only six months.

At a strategic level, the Work and Skills Board provides leadership across the system to co-ordinate delivery and resources in line with the city's priorities. The Board includes representatives from Jobcentre Plus, housing providers, post-16 providers, business, health, education, and a number of Manchester City Council services. There are a number of other strong provider and employer partnerships to ensure that the opportunities and offers are aligned. Some of these are sector-specific focused, eg. the Digital Skills and Construction Skills networks, and others focused in areas including Wythenshawe and Manchester Airport.

## Skills and Employability Economic Recovery Plan

The Economic Recovery Plan focuses on keeping young people in education and acquiring additional qualifications linked to growth opportunities in the city, targeting skills and labour-market programmes (including recent Government-announced schemes) at sectors where there are current and future employment opportunities.

The city will need some flexing from Greater Manchester and national programmes to target residents (young people, the over-50s, and black, Asian and minority ethnic residents) and neighbourhoods most adversely affected by unemployment.

The Skills and Employability Recovery Programme, a two-year programme, will assist over 6,000 beneficiaries each year, a large proportion of whom will be young people. The under-25 age cohort are the most likely to suffer from redundancies, while new young entrants to the labour market will find fewer opportunities available for some time.

In terms of outcomes, the annual programme will lead to around 4,000 people taking up employment and self-employment, while a further 1,500 will enter the labour market in late 2021 and 2022 with better qualifications relevant to sectors in which employment prospects are much improved.

## Skills and Employability Economic Recovery Programme: two-year programme

| Programmes                             | Cost        | Beneficiaries        |
|--|-------------|----------------------|
| Manchester Youth Skills Programme      | £4m + £4m   | 800 + 800            |
| A Partnership for Jobs with JCP        | £3m + £3m   | 1,000 + 1,000        |
| Start-up Manchester                    | £10m + £10m | 2,000 + 2,000        |
| Graduate Reskilling Programme          | £7m + £7m   | 500 + 500            |
| Apprenticeship market for young people | £3m + £3m   | 250 + 250            |
| Higher Technical Skills Programme      | £6m + £6m   | 1,000 + 1,000        |
| STEM (capital)                         | £6m         |                      |
| <b>Total</b>                           | <b>£72m</b> | <b>5,550 + 5,550</b> |

Manchester will make full use of local organisations such as The Factory Academy initiative, including its employer network – the GM Cultural Skills Consortium, which provides an ideal foundation from which to build a range of skill-focused initiatives to support the cultural and creative industries sector.

While support will focus on people recently made unemployed and those looking at entering the labour market, a minimum of 20% of places will support those distant from the labour market. A minimum of 15% of places and support will be focused on skills and sectors linked to the green economy.

#### Greater Manchester Combined Authority

Manchester works closely with the Greater Manchester Combined Authority and fully supports the skills and employability plans being put forward to the Government.

### CITY CENTRE AND URBAN REALM

The city centre continues to be the engine of Manchester's growth. One in five jobs in Greater Manchester is now located in the city centre. Now home to over 50,000 residents, the population is younger and more diverse than the rest of the region. A pipeline of planned residential developments means the population is expected to reach 100,000 by 2026, although new development may slow down as a result of economic uncertainty.

Economic activity in recent years has seen the reach of the city centre expand, laying the foundations for public and private-sector investment. The development of Grade A office space around St Peter's Square and Spinningfields at the heart of the civic centre, NOMA to the north, and First Street to the south has helped to transform and expand the city centre's economic offer. This has been coupled with a new residential offer, public realm and leisure facilities to provide attractive neighbourhoods to support economic growth.

As well as being the economic driver of the city region, the city centre also has a vital role to play in the rebalancing of the national economy. Sustaining the growth of the city centre will ensure that Manchester can continue to compete nationally and internationally, increasing the productivity of the UK and increasing its global profile.

The City Centre Strategic Plan is currently being refreshed to capture the latest progress of our engine of growth and the opportunities that presents for the city. A refreshed City Centre Transport Strategy is also in final preparation to ensure the connectivity of development and enhance the ease of movement across the city centre.

Feedback from the consultation process supporting the Our Manchester Industrial Strategy (2019) highlighted the importance of the city centre:

**Environment – there was strong support from businesses and organisations for the city's zero-carbon 2038 ambitions, but they want the public sector to provide leadership on this agenda. Businesses made it clear that the quality of public realm within the city centre and district centres, the overall cleanliness of the city, homelessness, and the perceived lack of green spaces impact on their ability to attract investment and broader economic growth.**

The city centre has benefited from major investment in commercial premises in areas such as Spinningfields and First Street, as well as high-quality residential development that has underpinned workforce growth. Restoring this momentum is essential to economic recovery and returning the city's long-term economic momentum.

High-quality public spaces will be a crucial part in attracting people back to the city centre, enabling businesses to reopen and grow, and supporting those sectors hardest hit, including retail, hospitality, culture and entertainment. Greening the public realm and improving air quality will also allow businesses to make better use of outside spaces, increase the number of visitors, support the cultural, tourism and leisure economy, and help adapt to the changing climate. As the residential population in the city centre grows, alongside increasing job numbers, having public space to enjoy in the city centre is increasingly important.

### City Centre and Urban Realm Economic Recovery and Investment Plan

#### The priorities for the Economic Recovery Plan are:

1. Improving the public realm and creating the conditions for redevelopment and new development in the city centre
2. Removing barriers to new commercial and residential development
3. Improving transport and movement within the city centre
4. Accelerating investment and developments to help boost the local construction industry and supply chain

### City Centre and Urban Realm Economic Recovery Programme

| Programmes                                | Investment                                 |
|---|--|
| Urban Realm                               | £44m for four schemes                      |
| Viadux                                    | £1m, with circa £80m of construction costs |
| St Michael's <sup>1</sup>                 | £27.5m, with construction costs of £250m   |
| <i>City Centre Mobility and Transport</i> |  |
| Active Travel Hubs                        | £4m  |
| Deansgate                                 | £9.5m                                      |
| Cambridge Street                          | £4m  |
| Ancoats                                   | £4m  |
| <b>Total</b>                              | <b>£94m</b>                                |

<sup>1</sup> Potential grant, evergreen, patient capital, equity investment



Manchester already has a track record of successful investment in public realm as part of concerted efforts to revitalise the city centre as the major employment location and driver of economic growth in the region. In many cases, the public realm was the catalyst for new investment by the private sector.

**In terms of benefits, new investment will lead to:**

1. £500million of construction work over the next three years, supporting 2,000 jobs for three years, with a significant expenditure on the supply chain
2. 4,000m<sup>2</sup> of new commercial space and 800 residential units

These new investments will provide 30-year assets.

**Manchester City Centre and Urban Realm Programme is a nationally important exemplar investment, set out in more detail in Chapter 5.**

## **ZERO-CARBON AND CLIMATE RESILIENCE**

This plan sets out Manchester's commitment to a green, zero-carbon and climate-resilient recovery. It builds on our work over the past two years to ensure the city plays its full part in helping to meet the UK Net Zero and Paris Agreement goals. This is our commitment to transform Manchester from the world's first industrial city to one of the world's first zero-carbon cities. It sets out our commitment to create good green jobs, to support socially responsible businesses to thrive, to secure investment for zero-carbon and climate-resilient infrastructure, and to establish the products, services and business models that we – and cities around the world – need to succeed.

As the world prepares for COP26 in Glasgow in November 2021, this plan sets out how businesses, third-sector organisations, the Government, local government and citizens can work together to ensure Manchester is an active player in the global Race to Zero.

Manchester has committed to become zero-carbon, to contribute towards the UK Net Zero and the Paris Agreement. An annual CO<sub>2</sub> reduction target of 15% year on year and 50% during 2020–25 has been set. However, during 2018 and 2019, reduction rates of only 2% and 4% were achieved. Manchester, as with other UK cities, requires a step change in its rate of decarbonisation.

Manchester is the first city in the UK to adopt a science-based carbon budget, to help ensure the city plays its full part in meeting the objectives of the intergovernmental Paris Agreement. It has identified 2038 as the latest year it needs to become a zero-carbon city. A full action plan to meet this aim has been developed to ensure urgent targeted action. Delivery of this ambition will require major investment in renewable energy, and zero-carbon standards for new residential and commercial developments. It will also require a citywide retrofit programme, and investment in zero-carbon transport and green infrastructure to help ensure resilience to the changing climate.

This programme contributes to the commitment to 'develop and support innovative investment in environmental programmes', to help 'achieve our zero-carbon goal and to ensure Manchester remains a place people want to live, work and study'.

The proposals for the Economic Recovery Plan provide early actions with both major programmes and grass-roots activities involving school students, residents and volunteer and community groups. They relate to the city's wider objectives around affordable housing, residential growth, zero-carbon and sustainable transport.

Other supporting parts of the Economic Recovery Plan relate to digital infrastructure and sustainable and active travel, while also supporting jobs via construction supply chains and end use.

**The priorities for the Economic Recovery Plan are:**

1. Initiating a major long-term affordable housing retrofit programme and developing intermediate labour-market and social-value benefits
2. Investing in initiatives that make a major contribution to Manchester's commitment to become a zero-carbon and climate-resilient city, including steps to reduce emissions by 50% over the next five years
3. Developing grass-roots initiatives that involve young people, local residents, and volunteer and community groups in zero-carbon activities
4. Supporting demonstration projects to provide proof of concept for new technologies and business models, with a view to rapid replication in future years

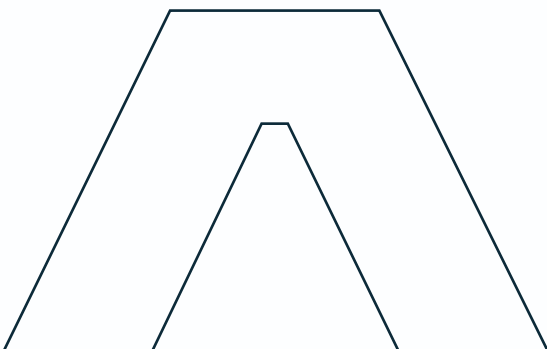
## Low/Zero-carbon

| Programmes   | Investment |
|--|------------|
| Fleet Decarbonisation and New Smithfield Market            | £10m       |
| Manchester Housing Provider Partnership Retrofit Programme | £260m      |
| Zero-carbon Innovation Zone (PV and EV Project)            | £6m        |
| Zero-carbon Business Support and Project Delivery Unit     | £4.6m      |
| Manchester Solar Schools Programme                         | £3.5m      |
| Community Food Growing: Nurturing the Green Recovery       | £1.3m      |
| Carbon Literacy for the Net Zero Economy                   | £2m        |
| Environmental Action Programme                             | £2m        |
| Total  | £289.4     |

This investment represents a major opportunity to establish Manchester as a centre for green technology and services, and to work with local skill providers to ensure that the city's residents are given the best possible opportunities to access these exciting new careers. In response to the economic challenge of the national lockdown, the city is developing a range of employability and skill initiatives to help people upskill and take up new employment opportunities. These programmes will prioritise green economy skills to broaden the skills base and support growth in the digital economy.

**In terms of benefit, new investment will lead to:**

1. £300million of construction work over the next two years, supporting 1,200 jobs for three years, with a significant expenditure on the supply chain
2. A minimum of 15% of the workforce being in supported employment places
3. An accompanying skills programme providing training support for a minimum of 200 people per annum for three years, including a number of apprenticeship places
4. A supply-chain initiative developing innovative green products and providing opportunities for local businesses and companies



## SCIENCE, TECHNOLOGY, HEALTH AND INNOVATION

Manchester's city centre includes the Oxford Road Corridor, one of the major economic drivers for the city and wider city region. It supports a significant volume of knowledge-intensive jobs, as well as associated service roles. A major programme of investment over many years has supported the city's construction industry. The Oxford Road Corridor employs some 60,000 people, with one of the largest concentrations of research staff in the country, both in academic institutions and the private sector.

The Oxford Road Corridor benefits from five specialist hospitals, and the co-location of two universities. It is home to Manchester Science Partnerships, Manchester Technology Centre, Citylabs, and many businesses benefiting from the research and innovation ecosystem. The recent investments in advanced materials have been significant, including the National Graphene Institute, the Graphene Engineering Innovation Centre, and the Henry Royce Institute. This is set to continue with ID Manchester, The University of Manchester's £1.5 billion innovation district development project, which has the potential to create over 6,000 jobs.

**The leading research and innovation organisations in the city are committed to increasing the science and technology business base through:**

- Research translation facilities, built around research strengths, with local industrial specialisms including advanced material, digital, life sciences and health innovation
- Innovation diffusion and demonstration capacity, with an emphasis on product design and prototyping, and the application of industry 4.0 and 5.0 technologies and approaches in the local SME manufacturing base
- Skills and training facilities (developed with other FE and HE partners) to deliver a full range of technical education across industry sectors, enabling pathways from apprenticeships up to a PhD, creating the next generation of digital engineers
- Targeted programmes aimed at engaging a wider base of firms in R&D than is currently the case, including hard-to-reach firms such as SME manufacturers and 'foundational economy' sectors (such as social care, retail, and logistics)

While investment is focused on the Oxford Road Corridor, there is a potential to establish a Catapult for Medicines Manufacturing at MMIP South at Wythenshawe. This would support manufacturing and formulation scale-up of new medicines, including biological and hybrid-active ingredients, viral vectors and nanomedicines. This would be integrated with other national facilities (such as the Medicines Discovery and the Cell and Gene Therapy Catapults) and would build on existing local research strengths such as biopharmaceuticals, drug delivery and nanomedicine, and medical materials.

**The priorities for the Economic Recovery Plan are:**

1. Accelerating ID Manchester, the largest high-value, high-impact innovation district in the UK
2. Strengthening the ecosystem for innovation and business-acceleration across a number of specialisms, including life sciences, advanced materials, and digital
3. Supporting demonstrator projects in relation to the low/zero-carbon agenda

These priorities will provide significant support for new-starts, high-growth technology companies, and the acceleration of the commercialisation of innovation.





## Science, technology, health and innovation

| Project/Programme                        | Investment     |
|--|----------------|
| ID Manchester                            | £120m          |
| Manchester Manufacturing Innovation Park | £90m           |
| City Labs                                | £5m            |
| Turing AI                                | £1.5m          |
| MECD                                     | £30m           |
| Innovation Factory                       | £5m            |
| International Centre for Healthy Ageing  | £5m            |
| Didsbury Technology Park                 | £2.15m         |
| Plastics Recycling                       | £4m            |
| Science and Industry Museum              | £5.4m          |
| <b>Total</b>                             | <b>£268.5m</b> |

### In terms of benefit, new investment will lead to:

1. Over £250million of investment and construction work over the next four years, supporting 1,000 jobs for three years, with a significant expenditure on the supply chain
2. Up to 30,000m<sup>2</sup> of new lab, incubation, new-start and grow-on space, with the capacity to accommodate circa 200 companies and 14,000 jobs in life science, advanced materials, technology and digital companies

3. Advisory and support services for circa 50 new-start and high-growth companies per annum in sectors including advanced materials, digital, and life sciences and health innovation
4. Skills development and STEM factory

These new investments will provide a 30-year asset.

## CULTURAL AND CREATIVE INDUSTRIES

Manchester is known for its distinctive cultural and creative work, with cultural attractions underpinning a large performance industry in music, theatre and drama production. Manchester values and nurtures creative talent, skills, diversity and expression more inclusively and successively than any other city, and has a large freelance and independent company base in a creative eco-system. Cultural industries now make a major contribution to Manchester's international reputation and role as a destination for cultural tourism, which is a growing element of the city economy.

The Manchester International Festival (MIF) and The Factory are both national and international in that they are built on high-quality citywide infrastructure and institutions that are highly networked and collaborative. In a recent consultation exercise, culture, media and sports was the most referenced sector by young people when they were asked to name their dream job and to name the available jobs in the city.

MIF has worked with other cultural organisations in the city to launch the Greater Manchester Cultural Skill Consortium to create opportunities for people to develop skills in the arts and culture sector and to help improve diversity. The Factory Academy is the operational training model that will deliver the aspirations of the Consortium by forming partnerships with existing training providers to test the model and run apprenticeship and pre-employment programmes.

Manchester has a vibrant grass-roots cultural scene, and continued support for this is crucial to ensure the sector continues to deliver its positive economic and social impact at the local level.

Manchester is already known for its music, television and digital content. Investments in The Factory at St John's, the School of Digital Arts at Manchester Metropolitan University, and the new Manchester College campus provide a major opportunity for the city to become a major international player in the creative industries, building on the success of Space Studios.

Lack of affordable creative workspace was identified in the Artists Workspace Report<sup>4</sup> and the Creative Workspace Review.<sup>5</sup> Affordability is a critical requirement for parts of the cultural and creative industries, and there is evidence of need, especially for new enterprises and those in the performing arts and entry-level content production. There is a significant supply for co-working and office accommodation targeting creative and digital parts of the creative industries; however, these facilities are neither affordable nor, in many cases, suitable for large to medium-scale creative production.

### The priorities for the Economic Recovery Plan are:

1. Increasing the space available for cultural and creative industries in the city, particularly small, flexible space suitable for micro enterprises and the self-employed
2. Strengthening grass-roots organisations that provide community services and support for artists and artisans
3. Building capacity for music, television and digital content, and strengthening the local supply chain

<sup>4</sup> Ekosgen 2016

<sup>5</sup> Counter Culture 2019



## Cultural and creative

| Project/Programme                         | Investment    |
|---|---------------|
| Craft and Design Centre Redevelopment     | £5m           |
| Z-arts Centre                             | £2.5m         |
| Space Studios                             | £5m           |
| Campfield Yard                            | £8.5m         |
| Crossley House Creative Industries Centre | £12m          |
| Home Arches                               | £2.3m         |
| Cultural Place Shaping                    | £1.6m         |
| <b>Total</b>                              | <b>£36.9m</b> |

**In terms of benefit, new investment will lead to:**

1. £37million of construction work over the next two years, supporting 200 jobs each year, with a significant expenditure on the supply chain
2. 40,000m<sup>2</sup> of enterprise, craft and production space, with the capacity to accommodate 250 small enterprises and create some 1,600 new and safeguarded jobs, including self-employed and freelance staff

These new investments will provide long-term assets.

These priorities are in addition to national funds being made available by DCMS and the Arts Council; they need to be further boosted by proposals set out by the Northern Powerhouse, a number of which have come from Manchester institutions.

**Job retention for cultural and creative industries:**

As noted earlier, there is a strong case to provide a four to six-month extension for those industries unable to return to pre-COVID-19 levels of activity in the initial post-lockdown period. In Manchester, these include arts, cultural and creative industries, and parts of the leisure and hospitality industry. These sectors would benefit from an extension to the retention scheme, the temporary use of part-time employment, and the offer of relevant training for furloughed staff.

**Phoenix Fund:** As noted earlier, the Phoenix Fund requires a 12-month budget of £6million, although the economic value will be many times this figure, sustaining venues and jobs over the winter months, and leading to a major boost to the visitor and cultural economy in early 2021.

**Training and skills support for cultural and creative industries:** Manchester's Skills and Employability Recovery Programme will assist over 6,000 people in the short-term. Cultural and creative industry staff need to access a number of these programmes, many of which are aimed at young people, graduates and new starts. Manchester organisations need to work with cultural and creative workers to assist people to retrain, upskill and in some cases relaunch business activities, tailoring support initiatives to the needs of staff at risk or for those who have lost employment. This will include The Factory Academy initiative, including its employer network – the GM Cultural Skills Consortium. The Factory Academy aims to build a diverse range of employment and skill-support initiatives, providing residents with a wide and inclusive portfolio of support with varied entry routes to the sector. This will be just one of its post-COVID-19 recovery priorities, which also include the Kickstart programme and the resulting progression opportunities, meeting employer needs for the wider creative industries sector.



## DIGITAL

Digital infrastructure, data management, and the application of new approaches and applications are now key elements of the Manchester economy. Digital applications are now important to all the city's public, education and health institutions, as well as the private sector, communities and residents.

The recent growth in the city's cyber-security sector and the decision of both Amazon and Government Communications Headquarters to locate in the city centre demonstrate the clustering and agglomeration taking place within Manchester's economy. This is being supported by investment in a new Digital Security Innovation Hub in the city centre, which will drive cyber and digital security-related economic growth and stimulate further expansion in much-needed cyber and digital skills. Vodafone and EE have both chosen Manchester as one of their 5G pilot areas, and funding for full-fibre premises has been obtained from the Government; however, much more investment is required. These major investors complement the very large number of smaller companies working in the digital economy, many of which have exceptional growth potential.

The city's digital infrastructure is also essential for developing the city's Smart City infrastructure to build on the lessons from the CityVerve and Triangulum programmes. The application of digital technology is needed to enable Manchester to capitalise on the opportunities that the Internet of Things will bring and compete economically on the national and international stage.

Digital applications will also provide new innovative solutions for some of the most entrenched social issues, driving greater inclusion for residents and workers. Projects have the potential to find technological solutions to health, mobility and environmental challenges by utilising the power of connected devices.

Manchester City Council is currently developing a new Information Strategy 'to become a data-led organisation and ensure data is central to what we do'. This will include the adoption of a 'Smart City Charter' as part of a new Smart Data Initiative, focusing on open data, new data standards and data skills. It will look at data access and use in ways that put privacy and trust at the centre of the city's data agenda, while enabling enhanced data-sharing, partnership working and best practice, especially in terms of data quality and security. This approach is aligned with the data-led plans of major institutions in health and education.

**In response to the economic challenge of the national lockdown, the city is developing a range of employability and skills initiatives to help people upskill and take up new employment opportunities. These programmes will prioritise increasing digital skills to broaden the skills base to support growth in the digital economy. The digital priorities for the Economic Recovery Plan are:**

1. Strengthening new high-capacity open-access infrastructure to support research and innovation in the public and private sector
2. Providing new digital infrastructure to connected places in local neighbourhoods, and facilities such as libraries, health centres and other community facilities to tackle digital exclusion. This will enable all residents to participate in the digital economy and benefit from digital services
3. Strengthening the ecosystem for data innovation, commercialisation and business acceleration in the digital economy



## Digital

| Project/Programme                                 | Investment |
|---|------------|
| Fibre Research and Innovation Network Group       | £5.75m     |
| Smart Urban Places Community Network SUPA Network | £3.7m      |
| Urban Data Discovery Platform                     | £2m        |
| Civic Innovation Programme                        | £5m        |
| Total   | £16.45m    |

### In terms of benefit, new investment will lead to:

1. Investment from ISPs, operators, MNOs in broadband, hosting and through the launch of advanced wireless, especially 5G, to ensure that networks are fully future-proofed, resilient and support zero-carbon targets. Early outputs will include 200 companies supported, 50 new businesses assisted, and 200 people accessing advanced digital skills training
2. Increased availability of new services developed online by Manchester City Council, increased use of digital services by Manchester residents and businesses, and 12 new digital neighbourhoods created with smart places to enable digital inclusion

These new investments will provide significant training and employment opportunities over the next five years.

## MANCHESTER AIRPORT AND AIRPORT CITY

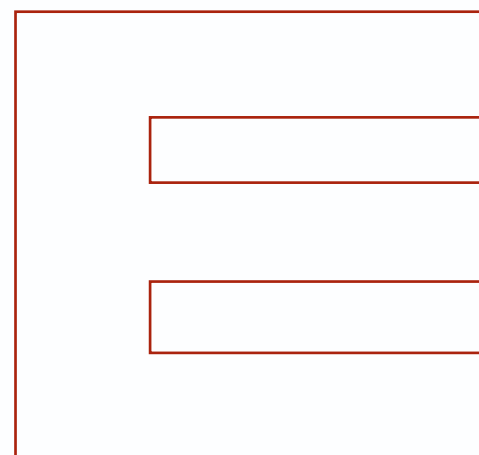
Manchester Airport is the gateway to the North of the United Kingdom, and the adjacent development of Airport City is creating thousands of new employment opportunities in the south of the city. Recognised globally, Manchester continues to attract significant direct foreign investment.

Manchester Airport is the largest UK airport outside London and provides international and domestic passenger and freight connectivity for the whole of Northern Britain. It is central to the North's recovery post-pandemic and post-Brexit, and is a major economic catalyst for Greater Manchester. It provides employment for some 30,000 staff and more than 200 on-site businesses (2019 figures).

Serving over 200 destinations worldwide and with long-haul routes to North America, the Middle East, Asia and Oceania, the Airport was used by more than 30million passengers in 2019. It provides non-stop flights for a significant number of the world's

top 25 global-tech centres. The current £1billion transformation programme of investment and improvements will allow the Airport to support 50million passengers by 2030.

The Airport is key to Manchester being the third-most-visited UK city by international visitors, reflected by the figure of 1.32million in 2017. It also makes a major contribution to Manchester's tourism industry, which generated £4.51billion in 2017.



Airport City Manchester is a £1billion development-value joint-venture project with Beijing Construction Engineering Group. Airport City is a major new employment area attracting some £1billion of investment (up to 5m sq. ft) to create around 15,000 jobs in a new hi-tech campus (THG global HQ), offices, research and development, and up to six hotels. Crucial to Airport City's success and competitiveness is its unrivalled connectivity by road (M56, A555, Enterprise Way), but crucially through the Airport Ground Transport Infrastructure and its wide range of public-transport services.

The Hut Group has made a major commitment to create several thousand jobs and apprenticeships, and has committed to recruit from the local community.

The development's proximity to Manchester Airport, the M56 and M60, as well as regional and national railway lines (including a high-speed railway station planned for the future), gives it unrivalled connectivity.

#### The priorities for the Economic Recovery Plan are:

1. Accelerating new infrastructure investment at Airport City, including commercial development
2. Strengthening the capacity of the Airport station (Ground Transport Interchange) and its role as a unique multimodal facility to deal with increased employment and passengers over the next 20 years

These priorities will provide significant support for new inward investment in Manchester, and accommodate the growth plans of existing businesses based at Airport City.

### Manchester Airport and Airport City

| Project/Programme                               | Investment    |
|---|---------------|
| Airport City South                              | £3.6m         |
| Airport City North                              | £7.5m         |
| Manchester Airport Ground Transport Interchange | £10.8m        |
| <b>Total</b>                                    | <b>£21.9m</b> |

#### In terms of benefit, new investment will lead to:

1. £22million of construction work over the next two years, supporting 150 jobs for three years, with a significant expenditure on the supply chain
2. Over 60,000m<sup>2</sup> of new commercial space with the capacity to accommodate around 3,000 jobs in a variety of sectors, including digital, distribution, logistics and leisure
3. Increasing numbers of customers passing through the Interchange: from five million per annum to more than ten million (rail being approximately 80%). These figures include 15,000 passengers during morning peak hour and 16,600 during evening peak hour. These new investments will generate over £150million of inward investment.

Manchester is also committed to working with the Government to help develop a UK aviation strategy in line with the Paris Agreement, and also ensures that the aviation sector continues to support jobs in Manchester and other UK cities. Manchester Airport Group's membership of the Government's Jet Zero Council and Sustainable Aviation UK is a key component of the city's proactive work to help decarbonise aviation.



