

## **Economy Scrutiny Committee**

### **Minutes of the meeting held on 17 October 2012**

#### **Present:**

Councillor Green – in the Chair  
Councillors Barrett, Chamberlain, Chappell, Davies, Hackett, Karney, Keegan, Ollerhead, Pritchard, Richards, Simcock, Smitheman and Stogia

Councillor J Battle, Deputy Leader  
Councillor R Battle, Member for Bradford Ward  
Councillor S Murphy, Deputy Leader  
Councillor Leese, Leader of the Council  
Councillor Longsdon, Member for Bradford Ward

Ian Kerr, Manchester Solutions  
Jerry Stokes, Manchester Solutions  
John Holden, New Economy

#### **Apologies:**

Councillor Shone, Taylor and Walters

### **ESC/12/20          Minutes**

The minutes of the meeting held on the 5 September 2012 were submitted for consideration. Two members asked for their attendance to be recorded.

#### **Decision**

To approve the minutes of the meeting on 5 September 2012 as a correct record of the meeting, subject to the inclusion of Councillors Pritchard and Simcock in the attendance.

### **ESC/12/21          Careers Advice and Guidance**

A report of the Strategic Director of Children's Services was submitted to the meeting, which gave an overview of the careers advice available to young people in the city, and how the system had changed recently and would continue to change. The Head of Commissioning and Partnerships introduced the report. He told the Committee that significant changes in careers advice delivery had taken place over the last few years. The focus was now on targeting the 10% of young people who would not enter further education, training or employment. A national careers service was set up in April 2012, which was a universal online service, with a focus on adults.

The Committee welcomed Jerry Stokes and Ian Kerr from Manchester Solutions, which held the contract for delivering the Connexions service in the city. Mr Stokes provided some context for the report, explaining that the impact of reduced resources was significant and it was not possible to provide a comprehensive universal service

anymore, which is why the delivery had moved to a targeted approach.

A member expressed disappointment with the developments described in the report, particularly the move from universal to targeted services, although it was important to focus on those most in need. He felt the report did not convey the need for ambition in inspiring young people to do well. He also said the report lacked specific detail, such as careers services in universities, the impact of the withdrawal of the education maintenance allowance or the way the service was tailored in Manchester. He felt there was a particular omission of those young people who often got the most out of effective careers advice, who were bright, but did not have role models in their lives or contacts to the world of work. Used effectively, careers advice could inspire them to achieve more in their careers.

A member asked how effective relationships were being established between Manchester Council and schools to ensure that schools are in the best position to ensure an effective service. He also asked how the service was being tailored to reflect the job opportunities available in Manchester. The Head of Commissioning and Partnerships explained that the Youth Employment Board had been established to address this, particularly in the period of transition between local authorities and schools taking responsibility, although it was challenging. It was also part of the Youth Employment Board's focus to ensure that careers advice takes account the local economy and local opportunities. Mr Stokes explained that engagement with schools was key since they had taken on the statutory responsibility for delivering the service. However, the resources for this were very limited and far less extensive in comparison to a few years ago.

The Committee discussed work experience. Members expressed concern that not having access to high quality work experience could be a significant barrier to securing employment. Mr Stokes said that work experience was previously funded through the education business partnership, which had now ceased and schools were directly responsible for funding it. He said it was inconsistent across different schools. The Deputy Leader said that through the Youth Employment Board it had become clear that schools were under so much pressure to raise academic achievement that careers advice and work experience were not high priorities, which was an unwelcome development. Mr Kerr said, however, that there was a lot that could be done in an environment with little funding, through initiatives that cost little but had significant impact.

A member asked if there was scope for any of the 10 Greater Manchester local authorities to undertake joint commissioning of services to have greater efficiency and effectiveness. The Deputy Leader said that each local authority had a different approach, with some commissioning a Connexions service while others delivered it in house, so it was not considered on a Greater Manchester level. A member asked what the contract with Manchester Solutions to deliver the Connexions service would be worth after the current contract of two years expired. The Deputy Leader explained it was difficult to predict and would depend on the budget settlement the Council will receive, which was not yet known.

The Committee asked for a further report to address matters which had been omitted from this report and covered areas of interest expressed in the meeting, including:

- How further education colleges are involved;
- In what ways is a universal service being provided;
- Differences in the service offered in different further and higher education institutions;
- How are the options for different careers presented to young people;
- How is the independent advice informed by the economic climate, labour market, options available, particularly locally;
- How is careers advice delivered in other core cities, and how can Manchester learn from them;
- The impact of the loss of the Education Maintenance Allowance on this subject.

The Committee agreed to invite Jerry Stokes and Ian Kerr back to the meeting in which the item is considered. The Committee also agreed to add an item to the work programme to discuss the Youth Employment Action Plan.

### **Decision**

1. To add a further item to the work programme to revisit this subject and request a report addressing the matters that had been omitted from this report and other areas of concern raised. To also invite Jerry Stokes and Ian Kerr to the meeting in which this is discussed.
2. To add an item to the work programme on the Youth Employment Action Plan.

### **ESC/12/22      Impact of Small Infrastructure Projects Versus Regional Growth Fund (RGF)**

A report of the Assistant Chief Executive (Regeneration) was submitted to the meeting, which provided an analysis of the impact that Regional Growth Fund (RGF) grants have compared with minor infrastructure projects, such as alleygating schemes and road maintenance. The focus in the report was on a comparison between the number of jobs created. The Committee welcomed John Holden of New Economy to the meeting.

The Committee acknowledged that the lack of evidence available about small infrastructure in the context in which it was being considered in the report meant that a thorough analysis was very difficult. A member noted that the economic benefits of small infrastructure schemes stretched beyond the impact of the jobs created, for example, alleygating is cost effective when offset against insurance claims for burglary. He suggested that the Council could ask, for example, the Association of British Insurers, to consider funding alleygating schemes as they would save the insurance companies.

A member asked for more detail on the third RGF bid. She noted that funding was most effective when it went to small and medium enterprises, and asked how members could influence where funding went within their wards. The Assistant Chief Executive (Regeneration) explained that in round three Greater Manchester had submitted a bid for £100million of the RGF and an announcement was expected at

the end of October 2012. Mr Holden explained that a large proportion of the funding went to small and medium enterprises through lending by banks. The Deputy Leader said that it was difficult to direct funds on a ward basis, but at the level of strategic regeneration framework (SRF) areas was appropriate.

The Committee felt that this subject warranted further analysis. Councillor Simcock volunteered to work with New Economy to continue the investigation. Mr Holden said he was happy to continue the work with Councillor Simcock. The Committee asked for the further work to include a detailed cost benefit analysis.

### **Decision**

To request that Councillor Simcock collaborate with New Economy to continue the investigation into this subject.

### **ESC/12/23      Draft Beswick Community Hub Masterplan**

The Committee received a report of the Chief Executive of New East Manchester Ltd which provided an overview of the development of the Beswick Community Hub Masterplan. Attached to the report was the draft Masterplan, which was approved for consultation by the Executive on 12 September 2012. The Chief Executive of New East Manchester Ltd provided a presentation to the Committee, which showed a computer generated film of the site. He told the Committee that the development would provide 400 new jobs through Manchester City Football Club consolidating all its assets into one location. A proportion of the jobs would go to local residents, particularly the long term unemployed. 70% of the jobs created through the construction phases would be targeted at local people. He also said that the Football Club had bought five and a half acres of land and donated it for use by the local community, which constituted part of the Beswick Masterplan.

The Committee welcomed Councillors Rosa Battle and John Longsden, representatives of Bradford ward, to the meeting. Councillor Longsden welcomed the plans and the investment, which had breathed life into the area.

A member asked whether any businesses were being displaced by the developments. The Chief Executive of New East Manchester confirmed there were some businesses that would be affected by the development, but the Football Club was working closely with them to encourage them to stay in east Manchester, which the majority had done. With regard to the two markets that are located on Grey Mare Lane he explained that the Council felt that the Grey Mare Lane Private market did not bring any benefit to the city or east Manchester. In respect of the Trader's Cooperative Market the vendors were being encouraged to move to other existing markets, rather than finding a new site for the whole market. He said some vendors were unhappy with this. Discussions were ongoing with the Trader's Cooperative Market in order to secure positive outcomes for the individual traders who trade from this facility.

A member asked what was the future of the community facility in Moss Side that Manchester City Football Club developed following its move from Moss Side to East Manchester. The Chief Executive of New East Manchester Ltd explained that the

future of the development on Platt Lane was not certain, but that Manchester City Football Club was very keen to leave a legacy in Moss Side and had already done so. He said that Neighbourhoods Scrutiny Committee may wish to look in more detail at this.

A member asked for more information about the Youth Academy. The Chief Executive of New East Manchester said that the aim was for this to be a UEFA and Football Association Category 1 youth academy. It would be for teenagers aged 14 years and older, and the academy would work closely with carers and parents. To be category 1, the academy would have to have a certain level of education at close proximity, which would be provided by the East Manchester Academy and the 6th form of the Communications Academy. Manchester College would also provide education up to 21 years old. A member expressed concern over the safeguarding arrangements and the Committee recommended that the Children's Scrutiny Committee look into this in more detail

The Committee welcomed the plans, particularly the focus on employing local people and providing investment in an area still feeling the effects of the collapse of the manufacturing industry. The Deputy Leader agreed, saying that this was the only place in the world apart from Rio De Janeiro where a sports development this size was being created.

### **Decision**

To recommend that the Young People and Children Scrutiny Committee look into the safeguarding arrangements of the Manchester City Football Club Youth Academy in more detail.

### **ESC/12/24      Greater Manchester Enterprise Zone – Adoption of Manchester Airport City Enterprise Zone Framework Plan**

A report of the Chief Executive was submitted to the Committee which presented the final Manchester Airport City Enterprise Zone Framework Plan. The Committee was invited to comment on the report prior to its submission to the Executive. The Executive was asked to approve the framework plan for adoption and endorse work to develop the planning regime within the Enterprise Zone. The Head of City Policy introduced the report. She told the Committee that the framework had been consulted on since the Committee last considered it in September 2011, and the report summarised the results of the consultation and the changes that had been made in response.

A member informed the Committee that there were a number of environmental groups who had concerns about the Enterprise Zone and the impact it would have on the local environment, particularly biodiversity, and asked how this was being addressed. The Head of City Policy explained that the Enterprise Zone was aligned with the Core Strategy, through which the environmental impact had been fully considered. There would be a number of measures carried out to mitigate the impact, including creating natural landscapes. She confirmed that an Environmental Impact

Assessment had been carried out. A member noted that the Secretary of State for Communities and Local Government has been asked to 'call in' the planning application for the logistics hub to prevent the developments from being carried out, although no decision had yet been made on how this would proceed.

A member asked when the infrastructure necessary to support the Enterprise Zone would be in place. The Leader explained that development was taking place very quickly and measures such as the digital infrastructure would be implemented in the near future.

A member asked whether the Medi-park, a health and biotech commercial development, would become a centre of excellence for medical research, and whether there were measures to attract top companies and research to the site. The Leader said that the University Hospital South Manchester was already a centre of excellence of medical research, as was the Manchester Royal Infirmary and Manchester University. He suggested that the Committee could invite Professor Ian Jacobs, Vice-President and Dean of the Faculty of Medical and Human Sciences at the University of Manchester and Chair of Manchester Academic Health Science Centre to give a presentation to the Committee on the role of medical research supporting economic growth in Manchester. The Committee agreed to this.

The Committee welcomed the report and the developments to the Airport City Enterprise Zone. The Committee endorsed the recommendations to the Executive.

## **Decision**

1. To endorse the recommendations in the report that the Executive:
  1. Adopt the Manchester Airport City Enterprise Zone Framework Plan and note that it will be a material consideration in decisions the Council makes as local planning authority; and,
  2. Endorse work to develop the planning regime within the Enterprise Zone, as set out in the body of the report in section 5.
  
2. To invite Professor Ian Jacobs, Vice-President and Dean of the Faculty of Medical and Human Sciences at Manchester University, to provide a presentation to a future meeting of the Committee on role of medical research supporting economic growth in Manchester

## **ESC/12/25 Overview Report**

The Committee considered a report of the Governance and Scrutiny Support Unit which provided a summary of the key decisions due to be taken that are relevant to the Committee's remit, an update on actions taken as a result of the Committee's recommendations and the Committee's current work programme.

The Committee agreed to make the following amendments to the work programme:

- To extend the scope of the report on the City Deal to include detail of how it will enable the Council and Greater Manchester to address the challenges facing the city in a proactive way.
- To request that the report on Business Rates is scheduled in for a meeting in

the next few months.

- To include in the report on apprentices due in December information on the types and size of businesses taking on apprentices; a case study of the Sharp Futures model; information on apprentices in small and medium enterprises; the biggest 10 employers of apprentices and the number of apprentices they employ. The Committee also agreed to invite some apprentices to the meeting.
- To add an item on the Christmas economy, to focus on both city centre and local districts maximise on the season.

The Committee also discussed what information members could receive on a regular basis to keep up to date on economic trends. A member said that this should include employment and unemployment figures, with comparison to the national and Greater Manchester averages, and historical trends. The Committee also requested information on the growth rate of the local economy and comparisons with the other core cities.

**Decision:**

To agree the work programme, subject to the amendments detailed above.