

## **Economy Scrutiny Committee**

### **Minutes of the meeting held on 12 December 2012**

#### **Present:**

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

Councillor Leese, Leader of the Council  
Councillor S Murphy, Deputy Leader

Anthony Hassall, Interim Chief Executive of the University Hospital South Manchester  
Tim Presswood, Chair of Manchester Credit Union  
Linda Stokes, National Apprenticeship Service  
Samuel Read, Apprentice Business Administrator, South Manchester Regeneration  
Christopher Denny, Apprentice in Highways Services  
Charimaine Taylor, Apprentice Health and Wellbeing Officer

#### **ESC/12/31            Minutes**

##### **Decision**

To approve the minutes of the meeting on 14 November 2012 as a correct record of the meeting.

#### **ESC/12/32            Greater Manchester Enterprise Zone – draft framework plans for Medipark and Wythenshawe Town Centre**

The Committee received a report of the Chief Executive which presented the draft framework plans for the Medipark and Wythenshawe Town Centre, which had been developed following the adoption of the Manchester Airport City Enterprise Zone Framework Plan. The Committee was invited to comment on the proposals following their submission to the Executive on 19 December 2012,. The Executive would be asked to endorse the proposals for public consultation. The Committee welcomed Anthony Hassall, interim Chief Executive of the University Hospital South Manchester, to the meeting.

A member welcomed the draft framework plan for the Wythenshawe Town Centre, but expressed particular concerns that the town centre needed a high quality restaurant and hotel, and there were only a small number of suitable sites. He also expressed concerns that Wythenshawe Market was in need of improvement. The Leader confirmed that the Executive Member for Neighbourhood Services was looking into this. The Regeneration Coordinator also confirmed that these priorities had been raised in discussion with local members and were reflected in the framework document. He said that, by attracting new businesses to the Town Centre,

the Enterprise Zone will generate demand for an improved leisure and market offer.

A member asked whether there was a target for how many of the jobs created by the Medipark would go to local people. The Head of City Policy confirmed that there was a target for the Enterprise Zone as a whole and a target for the Medipark would be established. A member noted that the Medipark would attract a number of high calibre medical businesses and asked whether there would be a policy for animal testing in deciding which businesses would be welcome. Mr Hassall said that there would be an ethical stance on which businesses would be established at the Medipark, which he expected would include an element on animal testing, but the detail of this was not yet in place.

The Committee agreed that links to local schools were vital in ensuring that local children are able to develop the skills that will allow them to access the benefits of the Medipark, including the ability to secure employment there in the future. Members asked what was being done to support this. Mr Hassall explained there was an extensive programme in place, and last year 300 children had attended an event with the theme of "saving planet Wythenshawe". He also confirmed there would be more opportunities.

The Committee welcomed the draft framework plans for the Medipark and Wythenshawe Town Centre, particularly the potential for the creation of 7000 jobs. The Committee agreed to endorse the recommendations to the Executive. The Committee also asked for further information on the expected outcomes and impact of the Enterprise Zone, at a future meeting of the Committee.

### **Decision**

1. To endorse the recommendations that the Executive:
  1. Endorse the Medipark and Wythenshawe Regeneration Frameworks and agree that they should be subject to public consultation and consultation with the Wythenshawe Area Consultative Committee.
  2. Request that following consultation, further drafts of the Framework document are brought back to the Executive to be considered in light of the views expressed.
2. To request that the Committee receive further detail on the expected outcomes and impact of the Enterprise Zone when appropriate.

### **ESC/12/33      Access to Economic Benefits**

The Committee received a report of the Interim Head of Regeneration which provided an overview of the key economic and employment growth initiatives in Manchester and activity that supported Manchester residents to benefit from those opportunities.

A member asked for more detail about the Employer Suite and its future. The Interim Head of Regeneration said the intention was that the Employer Suite would be permanently housed in the Town Hall Extension, subject to funding from the Jobcentre Plus. This was part of a wider public service hub in the Town Hall Extension, which would include Jobcentre Plus, Manchester College, Manchester

Adult Education College along with other community organisations.

The Committee discussed the links between employers and schools and the role the Council had in encouraging schools to ensure young people have skills that are relevant in growing sectors. The Interim Head of Regeneration said this was difficult, but the Council were working with businesses which sponsor academies to strengthen links. She added that the new Director of Education and Skills would lead on this. The Deputy Leader echoed this and said it was increasingly difficult, because schools are now directly responsible for careers advice and the Council has no input. She said that the budget cuts and increased pressure on achieving academic success meant careers advice was less of a priority, which was worrying, particularly in the light of evidence that demonstrated the more contact young people have with employers, the more likely they were to access employment.

A member asked for more detail on the information provided about the people who found employment with Aegis through the Employer Suite, including how many people applied initially and whether the people employed were Manchester residents. The Interim Head of Regeneration said she would provide this detail to the members. She explained that the main difficulty preventing people from securing employment in the financial sector was the credit check, which people failed if they had missed just one payment in the previous two years. She said this was an industry standard, although she did not know whether it had a legislative basis. The Committee were dismayed at how high this threshold was and the barrier it created to many ordinary people. The Committee asked the Interim Head of Regeneration to provide more information on the basis of this threshold and who would be responsible for changing it.

A member asked how successful the work clubs were and whether they had targets in place. The Interim Head of Regeneration said they did not have formal targets, but the Council was working with them to help them focus on improving outcomes. Performance varied and there was an issue with ensuring that the clubs were sustainable.

A member said that she found some of the language used in the proposed Greater Manchester Skills Priorities in the appendix to describe young people in employment as inaccurate and unfair. The Deputy Leader agreed, but said that it was a language issue, rather than a reflection of the actual perception of young people by the Greater Manchester Skills and Employment Partnership.

The Committee welcomed the report and the information contained in it. Members agreed that they wanted more detail on the outcomes and impact of the measures the report described, for example regarding the people who attended an English for Speakers of Other Languages (ESOL) course, whether they went on to attend another education courses or access employment as a result. The Deputy Leader said that there was a film about people learning ESOL which members may want to see. The Committee agreed to request this at the February meeting, when a report on the Manchester Adult Education Service was due to be submitted to the Committee.

The Committee asked for a further report on the outcomes of some of the initiatives

described in the report, at an appropriate point in the future.

### **Decision**

1. To request that the Interim Head of Regeneration provide clarification for members on how many people applied in the initial recruitment through the Employer Suite when Aegis relocated in September 2011, and, of those employed, how many were residents of Manchester.
2. To request that the Interim Head of Regeneration provide more information on the credit check required for becoming employed by the financial sector, its legal basis and who is responsible for changing it.
3. To request that the film about people learning English for Speakers of Other Languages (ESOL) is shown at the February meeting, when the Committee considers a report on the Manchester Adult Education Service.
4. To request a further report back on the outcomes from some of the initiatives described in the report at an appropriate point in the future.

### **ESC/12/34 Support for Apprenticeship Activity in Manchester**

The Committee received a report on the Support for Apprenticeship Activity in Manchester. The Committee welcomed Samuel Read, Christopher Denny and Charmaine Taylor to the meeting, who were apprentices in the Council along with Linda Stokes of the National Apprenticeship Service. The Committee heard from each of the apprentices about their experiences.

Christopher Denny, a business administration apprenticeship in the South Manchester Regeneration team, said that after doing well at school he went to university, but dropped out after developing schizophrenia. He spent a year looking for a job, but was told that his qualifications were not relevant without experience. In February 2012, he applied for the apprenticeship, and was teased by his family. But he had done well in the team and gained experience in different areas of work. He said that it meant a great deal to do a job well and be told he was doing well, and his mental health had improved considerably.

Charmaine Taylor, an apprentice Health and Wellbeing Officer said that she left school at 16 with no qualifications, and did not go to college. Her confidence was very low and she moved in with her boyfriend and did not try to find a job. First Step, an organisation that helped former looked after children become independent, supported her and helped her apply for the apprenticeship. She did well in the interview and tests, and found she wanted to do well. She found the people in the work place so supportive, and earning her own money and working with vulnerable people had boosted her confidence.

Samuel Read, an apprentice in Highways Services, said that he was kicked out of school without any GCSEs after his grandparents died. A year later he went to college to do his Maths and English GCSEs and was accepted onto an apprenticeship for the railway. He did well and was employed at the end of it, but was

then made redundant. His other grandad died and he got back into trouble. He went back to college and then applied for the Council apprenticeship. He said he loved the job and the support with the academic aspects of the course was particularly helpful.

The Committee thanked the apprentices for providing their perspectives and insight into being an apprentice. Members felt that hearing directly from people who had experience of the issue was very useful in understanding the tangible affects on people. Members asked the apprentices what measures they thought would improve uptake of apprenticeships. The apprentices all agreed said that more promotion in schools would be better, so that young people could see it as a worthwhile equivalent to college or school.

The Committee discussed the figures provided on how many apprenticeship programme starts Manchester and other cities had in the last three years. Manchester was ranked fifth out of eight. Members commented that the cities differed significantly in size, so a simple comparison of numbers was unhelpful. The Interim Head of Regeneration concurred and agreed to provide more context in the future. Members were keen to find out what the other cities were doing that was more effective than Manchester. Ms Stokes said the National Apprenticeship Service worked with industries and businesses to encourage them to take on apprentices and, once they had dispelled the myths surrounding apprenticeship, had very few barriers from them. Ms Stokes said that there were lots of apprenticeship vacancies, but the main challenge was promoting them to young people. The Committee asked to be regularly provided with a list of the apprenticeship vacancies, broken down by strategic regeneration framework area, so members could promote these in their communities.

The Interim Head of Regeneration said that in the past, Manchester would have had a very high number of apprenticeship programme starts. But in the more recent past, there were much fewer and there would have been a point when Manchester would have been bottom of the ranking. Since then the Council and its partners had worked hard to bring up the numbers of apprentices, so it had improved but there was still work to be done. The Committee agreed that it would look into what successful cities did in more detail, so see what they are doing differently to Manchester and see what Manchester could learn from them.

A member noted that in the 2010/11 business survey, nearly 70% of businesses reported that they would be unlikely to employ an apprentice in the future but that figure had substantially reduced to 47% in the most recent business survey. This is in part due to the awareness raising activity with employers. The Interim Head of Regeneration said that more employers were considering recruiting apprentices and the campaign was also generating interest. She said that the number of placements was usually lower in February to April than the rest of the year, but last year levelled off, which was a positive measure of impact.

A member noted that of the 26 people who attended the event at the Free Trade Hall, only one attended a work trial, and four others got interviews for apprenticeships or for jobs, and asked if there was any further information on the outcome of the event. The Principal Regeneration said that three of them had secured employment and some of the others were still under consideration for jobs. Ms Stokes added that the

new system of online applications would enable the National Apprenticeship Service to follow up with all applicants, to provide those who had been unsuccessful with further training and support.

The Committee thanked Charmaine Taylor, Samuel Read and Christopher Denny for attending the meeting and providing their insight, along with Linda Stokes for provide her perspective. Ms Stokes thanked the Committee for inviting her, and asked members to promote National Apprenticeship Week to communities, businesses and young people.

### **Decision**

1. To request that the Interim Head of Regeneration work with the National Apprenticeship Service to regularly provide members with a list of the apprenticeship vacancies available, with a breakdown by strategic regeneration framework area.
2. To undertake further investigation into one or two of the cities which achieved higher numbers of apprenticeship programme starts than Manchester, to investigate the practices that are different there and see what Manchester could learn from them.

### **ESC/12/35            Helping Residents Access Affordable Credit**

A report of the Interim Head of Regeneration was submitted to the Committee which provided an overview of the role of credit unions and banks in providing affordable credit, access to financial advice and support for people help them avoid accessing high interest loans. The Committee welcomed Tim Presswood, Chair of the Manchester Credit Union to the meeting.

A member asked what impact the structural changes to credit unions, which is being driven by the Department for Work and Pensions would have. Mr Presswood said that the main challenge at the moment were the high running costs, so if the intention of the Department for Work and Pensions in implementing these changes was to reduce overheads by 40% was achieved, this would be welcome. Mr Presswood said that any reduction in overheads would be reinvested in to Manchester Credit Union to the benefit of its members, and he hoped that it would double its number of members.

A member informed that he had attended the opening of a new branch of the South Manchester Credit Union on Fog Lane and member of the public had brought a poem about credit unions to the event. The member read out a passage of the poem.

The Committee discussed the public perception of credit unions, which some members felt remained a problem for attracting members. These included restrictions in joining, difficulty in joining and having to pay for services which mainstream banking appeared to offer for free. Mr Presswood acknowledged this, but said credit unions were working to address the perception as well as genuine barriers to people joining. For example, it was now possible to join the Manchester Credit Union online. Regarding having to pay for the services, he felt that this was simply that credit

unions were being more honest about charges for services, whereas banks would on average charge significantly more indirectly, for example through fines for missed direct debit payments of exceeding overdraft limits. He added that a national marketing programme was planned which should help address the issue.

A member told the Committee that Southway Housing Trust had given all its tenants a £5 voucher for a credit union, and suggested that the Council look into doing something similar.

The Committee expressed dismay at the prevalence of very high interest loans, particularly on the high street and through advertising. The Committee acknowledged that this was a national problem and not one that the Council could solve in Manchester, so asked for a further report back to look into ways that the Council could make a difference, for example by lobbying those who could effect change and ways that the damage could be mitigated.

### **Decision**

To progress the recommendations made by the Committee and to request a report back to investigate ways the Council could bring about change, for example, by lobbying Members of Parliament and the government to change the law; as well as ways in which the Council can mitigate the impact of high interest loans in the city. To include consideration of whether the Council could support a scheme to provide vouchers for credit unions for residents.

### **ESC/12/36      Community Budget / Complex Families**

A report of the Deputy Chief Executive (Performance) was submitted to the Committee which provided an up date on Community Budgets and the work to improve service delivery for troubled families, within the context of reducing worklessness.

A member raised the issue of tobacco, and the significant impact that smoking could have on families' finances, along with the health impact. He noted that alcohol and drugs were factors that were considered in addressing a troubled family's problems, but smoking was often not seen as significant, either in its impact on health or finances. The Deputy Chief Executive (Performance) said he would look into what extent tobacco was a consideration in assessing troubled families and whether more emphasis was necessary, and report back to the Committee

Members questioned the strength of the evidence base from the initial phases of the programme and whether this is yet provided a solid basis for the approach being rolled out across the city. The Deputy Chief Executive (Performance) explained that the quality of the evaluation was very high because of the importance of the decisions that will be taken about the future of specialist and targeted services. He acknowledged that the full and complete evidence base would therefore lag behind some of the decisions needed to get on with improving services and outcomes. He said that there were the beginnings of quantitative evidence and data available and that qualitative evidence from staff and families was being used. The Leader recognised the frustration with the lack of evidence, but pointed out that for some of

the impact it would be many years before there was evidence available. He was aware of anecdotal support for the changes

The Committee discussed the lead workers who took responsibility for a family and coordinating the services they needed. A member asked whether they were always a Manchester City Council officer, or whether other public services would provide lead workers in addition or in their place. The Deputy Chief Executive (Performance) said within the pilot the lead officer had so far been a council officer because lead interventions required for families at this level of complexity happened to be Council services but this did not need to be the case in the future and when the approach is applied to less serious cases there was no reason why staff from other public services such as schools or the health services should not also take the lead role. The critical issue was that the leadership and coordination was effective wherever it came from. It was the Council's role to make sure the right conditions were in place to support officers providing the leadership and coordination. The Leader said that in the future, once the programme was more established, other public services may provide the lead officers.

The Committee thanked officers for the report, and looked forward to seeing more on the outcomes and the impact on residents in the future.

### **Decision**

To request that the Deputy Chief Executive (Performance) look into what extent tobacco was a consideration in assessing troubled families and whether more emphasis was necessary.

### **ESC/12/27      Overview Report**

#### **Decision:**

The Committee agreed to defer consideration of the Overview Report to the Chair