

## **Economy Scrutiny Committee**

### **Minutes of the meeting held on 9 January 2013**

#### **Present:**

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

Councillor J Battle, Deputy Leader  
Councillor Leese, Leader of the Council  
Councillor N Murphy, Executive Member for the Environment  
Councillor S Murphy, Deputy Leader

John Beadman, Seetec  
Mark Owen, Avanta  
George Selmer, G4S  
Phil Lowthian, Jobcentre Plus  
Charlie Ball, Higher Education Careers Service  
Jane Ratchford, University of Manchester's Careers Service

#### **Apologies**

Councillors Karney and Taylor

#### **ESC/13/01          Minutes**

##### **Decision**

To approve the minutes of the meeting on 12 December 2012 as a correct record of the meeting.

#### **ESC/13/02          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 report included the most recent Real Time Economy Dashboard (RTED), which provides up to date performance information on Manchester's economy. The Committee received a briefing from the Performance and Business Planning Manager on the RTED, which covered how it is produced, how to understand it and what it is used for. The Performance and Business Planning Manager confirmed that he was not aware of any other local authority producing something of this standard. The Committee commended the RTED, and how useful it was. The Committee asked for a list of who to contact for further information on what is contained in the RTED. The Performance and Business Planning Manager confirmed that he would provide this, as well as a list of frequently asked questions and answers.

**Decision:**

1. To agree the work programme.
2. To request that the Performance and Business Planning Manager provide members with a list of who to contact for more information on the Real Time Economy Dashboard and a list of frequently asked questions and answers.
3. To ask that officers contextualise their reports, where possible, with reference to the dashboard.

**ESC/13/03      The Work Programme**

A report of the Interim Head of Regeneration was submitted to the Committee which provided members with the first set of data on sustainable job outcomes achieved through the Work Programme, which had recently been published by the Department for Work and Pensions. The Committee welcomed John Beadman of Seetec, Mark Owen of Avanta and George Selmer of G4S, the three prime contractors for Greater Manchester, Cheshire and Warrington, to the meeting. The Committee also welcomed Phil Lowthian from Jobcentre Plus.

Members noted that the prime contractors were supposed to support people to overcome the barriers that prevented them from accessing employment. A member said that she knew of someone who did not speak English but had missed two Work Programme appointments through illness and her benefits was then stopped. Mr Selmer said prime contractors did work to support people to overcome barriers, but in cases such as this practices had not worked. Although prime contractors had no say over benefits, the individual's prime contractor should be contacted immediately so they have and can communicate the most up to date information.

The Committee were concerned that the number of sustainable job outcomes achieved in Manchester was low, in particular that it was lower than all other authorities in Greater Manchester and all but one of the core cities. The representatives of the prime contractors offered a number of reasons for this. Mr Selmer said, for G4S, performance across their three subcontractors varied, which was being addressed. He also said that one difficulty in large conurbations like Manchester was that there were more jobs available, but many more people competing for them. In the current jobs market they were finding that many of the jobs available were short term, so a number of placements had to be secured to reach the threshold for having achieved a sustainable job outcome. Mr Selmer said this was better than previous schemes as it provided an incentive to continue to work with someone for a significant length of time. Mr Owen said that half of Avanta's provision was delivered directly and half by a provider, which enabled comparison between the two. Currently, the provider was underperforming, which Avanta was working to address. He said one of the difficulties with achieving sustainable job outcomes was that there were a large number of jobs being created in Manchester, but a lot of them were for short term jobs.

Mr Selmer invited members of the Committee to visit a G4S office to discuss the

data, performance and delivery practices of G4S in more detail. The Chair also suggested that members send any questions they had directly to her to forward to the prime contractors.

A member asked whether the prime contractors worked with voluntary and community groups, or linked up with work clubs. Mr Beadman confirmed Seetec did work with voluntary groups, including the Mustard Tree; a Somali Community Centre in south Manchester; Timpsons, who have a programme for ex-offenders; and Antz in Salford. He said that Seetec linked up with some work clubs, but would be willing to link up with others that they were not aware of.

The Committee agreed to request a further report on this at a future meeting to look in more detail at the impact of the Work Programme on the city. To include:

- How the prime contractors are working with the NHS to mitigate the impact on people with health problems, including mental health.
- More detail on the work with voluntary and community groups, and the work taking place within neighbourhoods.
- What happens to people who do not secure a long term job outcome at the end of the two year programme, when this information is available.

### **Decision**

To request a further report on the Work Programme to look in more detail at the impact on residents and the city.

[Councillor Sue Murphy declared a personal interest in this item as a board member of Work Solutions, a subcontractor of G4S]

### **ESC/13/04          Recruitment and Retention of Graduates and the Impact of Rising Tuition Fees**

A report of the Interim Head of Regeneration was submitted to the Committee which gave an overview of graduate recruitment and retention in Manchester, as well as the potential impact of rising tuition fees on graduate enrolment. The Committee welcomed Charlie Ball of the Higher Education Careers Service Unit, and Jane Ratchford, of the University of Manchester's Careers Service, to the meeting.

Ms Ratchford told the Committee that a high proportion of graduates from Manchester University want to stay in the city, although it was not clear whether this was in the short or long term. Of 8000 people graduating at the end of the last academic year, 1400 stayed in the city, with 73% of them securing professional employment. She also said the University was focusing on small and medium enterprises for graduate recruitment. They were more difficult to engage with than large companies, and often had concerns over recruiting graduates, but graduates liked working for them as they often offered a broader range of experience than large companies. She said the University had a service that encouraged small and medium enterprises to recruit graduates.

A member noted that the report contained information for wards that no longer

existed. Mr Ball explained the data was up to date, but based on boundaries from the 2001 census. A member expressed disappointment at the fall in the number of graduates with Masters degrees in the sciences entering science occupations. Mr Ball explained this was largely due to the construction industry taking on fewer graduates, and was a national trend.

A member asked for more information on the measures that universities charging more than £6000 for tuition fees were undertaking to mitigate the impact on students from poorer backgrounds, in order to promote this in their wards. Ms Ratchford said that Manchester University ran the Manchester Access Programme, which targeted groups underrepresented in Higher Education. The University had a target that 25% of the students recruited through this scheme would be from Manchester. She offered to provide more information for the Committee.

A member asked for more information on a Manchester University scheme to encourage the best graduates to stay in Manchester. Ms Ratchford explained this was the Manchester Graduate Internship Programme. This scheme arranged internships of 4-12 months for graduates of the University. In 2008 there were 78 and last year there were more than 200. 70% of the internships were with small and medium businesses. The University aimed to improve communications of this programme to its students. The Committee asked for more information on this to be circulated to members, to promote in their wards.

The Committee thanked Ms Ratchford and Mr Ball for attending the meeting, and providing their perspective on the subject matter.

### **Decision**

To request that Manchester University provide more information on its Manchester Access and Manchester Graduate Internship Programmes for members of the Committee to promote in their wards.

### **ESC/13/05 Hot Food Takeaways and Off-Licenses**

The Committee considered a report of the Assistant Chief Executive (Regeneration) which was provided in response to the Committee's request for a cross Council policy review of hot food outlets and off licenses, with a view to identifying a way of giving the Council more control over the number of these businesses in an area.

The Committee recognised that this was difficult to achieve, partly because licensing and planning operate within strict legal frameworks that were not always complementary, so working together effectively was difficult. The Head of the Licensing Unit explained that the Planning Department was invited to comment on new licensing applications and variations to existing licences, such applications may or may not be subject to planning permission requirements. But the different legal frameworks meant that in terms of licensing applications the planning department can only comment on issues which relate to the Licensing act objectives.

The Committee expressed the need for a more holistic approach to district centres, to take account of the needs and problems of an area and provide flexible and tailored

solutions for them. Members felt this needed to cover the many different types of businesses that can have a detrimental impact on an area. As well as hot food outlets and off licences, these included businesses offering very high interest loans and shisha bars. Members also wanted the Council to be able to force businesses that largely operated at night to open in the daytime. The Planning Strategy Manager agreed with the Committee and said the Council wanted to find a way to establish an effective policy for district centres.

The Committee agreed to consider this again at a future meeting, to focus on how to take a more holistic approach to policies for district centres. The Committee also agreed to include consideration of the health agenda in this, as many of the businesses that have a detrimental impact on an area can also have a detrimental impact on health, such as off licences, hot food outlets and shisha bars. The Committee also felt that better communications between the Planning and Licensing departments was vital to develop an effective policy for district centres.

The Executive Member for the Environment told the Committee that a localised licensing policy was being developed for Fallowfield, which, if agreed by the Licensing Policy Committee would then be ratified by Council. He said it was worth seeing what impact this would have.

### **Decision**

To return to this subject at a future meeting of the Committee, to consider how the Council can take a more holistic approach to the policy of district centres to ensure that local issues are taken account, particularly in planning and licensing decisions. To focus on different types of businesses that can have a detrimental impact on a district centre, including hot food outlets, off licenses, businesses offering very high interest loans and shisha bars. To consider the health implications that some of these businesses have. To also consider how communications between the Planning and Licensing departments can be improved to support this policy effectively.

### **ESC/13/06            The Portas Review of High Streets**

The Committee considered a report of the Assistant Chief Executive (Regeneration) which provided an overview of the Portas Review of High Streets, published in December 2011, along with the responses of the government and Manchester to its recommendations.

A member told the Committee about her experiences of supporting groups trying, on a local level, to set up markets or events that would add value to the local area and help to rejuvenate them. She said that in order to put banners up on lampposts, or temporarily change parking regulations, the Council charged very high fees. The Leader said these were legal costs and not within the Council's control. Another member said that there were also high costs to advertise changes such as temporary parking regulations in the Manchester Evening News, and asked if the Council could advertise elsewhere more cheaply. The Leader said that legally the Council could not advertise only on the internet, and in many parts of the city the only local newspaper was the Manchester Evening News. A member of the Committee said that he had been in discussions with officers about ways to avoid these high costs, and would

pursue this and report back to the Committee.

A member said that she had supported a voluntary group setting up a craft market in Levenshulme, but Manchester Markets had been extremely resistant and obstructive to this. The Interim Head of Regeneration said she would raise this with colleagues in Neighbourhood Services and report back to the Committee.

A member asked whether partial localisation of business rates would give the Council more control, and whether it would be possible to subsidise small independent businesses in any way. The Leader explained that the changes to business rates would bring in less than had originally been expected. It had emerged that the Council would be responsible for 50% of the costs and interest of business rates appeals going back to 2005. Currently, it was not clear whether the changes to generate revenue or overall result in a financial loss to the Council.

A member asked whether there was scope to change former business premises which were empty into residential use. The Interim Head of Regeneration said it varied between district centres, but some did include it in their local plans. The Leader said that the Council had a varied track record on this. Some were very successful, such as Princess Road in Moss Side. But others were not, such as Moston Lane, where a compulsory purchase order had failed and the premises in question remained empty. The Committee strongly supported pursuing this policy, where it was appropriate and would benefit an area.

The Committee noted that this item was closely linked to the previous item of Hot Food Takeaways and Off Licenses. Members felt that the recommendation to take a more holistic approach to district policy, specifically in planning and licensing, was relevant to the discussion. Members also noted that betting shops should be included in the list of businesses which can have a negative impact on an area.

The Interim Head of Regeneration said that, in terms of reducing the problem of shisha bars in Rusholme, a range of powers were being used and there had been some successful prosecutions. The Leader urged that it was dangerous to look for an easy solution for Rusholme, as there were other problems in addition to shisha bars. Rusholme needed to diversify its economy to thrive again.

## **Decision**

1. To request that the Interim Head of Regeneration approach the relevant officers in Neighbourhood Services over Manchester Markets impeding local community groups from setting up small, volunteer run markets, and report back to the Committee.
2. To strongly support the aims to change disused business premises into residential properties, where it was appropriate and would benefit an area, and recommend that the Council pursue this policy.
3. To include betting shops in the item agreed in the recommendation under the previous item on Hot Food Takeaways and Off Licenses.