

Economy Scrutiny Committee

Minutes of the meeting held on 22 May 2013

Present:

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

Councillor Leese, Leader of the Council
Councillor N Murphy, Executive Member for the Environment
Councillor Paul
Councillor Smith, Executive Member for Finance and Human Resources

Professor Kevin Anderson, Tyndall Centre for Climate Change Research, Manchester University
Mark Burton, Steady State Manchester
Marc Hudson, Manchester Climate Monthly
Mark Atherton, Greater Manchester Director of Environment, Greater Manchester Combined Authority

Apologies

Councillor Pritchard

ESC/13/20 Minutes

Decision

To approve the minutes of the meetings on 6 March 2013.

ESC/13/21 Recording

The Chair informed the Committee that a member of the public had asked to film the meeting. Professor Kevin Anderson was happy to be recorded and the Committee agreed.

Decision

To consent to the filming of the Committee meeting.

ESC/13/22 Manchester Economy and Climate Change

Professor Kevin Anderson

The Committee welcomed Professor Kevin Anderson, of the Tyndall Centre for Climate Change Research at Manchester University to the meeting. Professor Anderson addressed the Council in January 2013 on climate change, and the Committee invited him to address the meeting on their interest in how Manchester

can develop an economy which is fit for the future, while minimising the impact that this has on the environment. The Committee were particularly interested in realistic actions that the Council and city can take.

Professor Anderson began by framing the debate around climate change, in what was acceptable and what was not. There was to some extent international political consensus that the global temperature increase should be limited to no more than 2°C in order to avoid the worst effects of climate change. There was also general acceptance that an increase of 4°C would lead to social instability. He explained the view of the Committee on Climate Change, which provided independent advice to the UK government on climate change, was that the UK needed to cut emissions by at least 80% by 2050 to keep the global temperature rise to no more than 2°C, and that this was possible without sacrificing economic growth and prosperity. An alternative opinion, which is open to interpretation, is that it is only possible to keep the global temperature rise below 4°C with a planned economic recession. Global carbon emissions are currently on an upward trajectory. It is not possible to put the infrastructure in place in time to reverse this trajectory in order to achieve the 80% cut in emissions by 2050. Therefore demand must be reduced.

Professor Anderson pointed out that there are inconsistencies in the targets. The UK's target is to reduce carbon emissions by 80% by 2050 while the EU's target is 60-80% by 2050. There are inconsistencies even within the UK's own policies, for example, the UK's legally-binding carbon budget is twice the size of the commitment it has made on 2°C.

He explained what the consequences of an increase in 4°C would be. It would mean an average increase of global land temperatures of between 5°C and 6°C. This would mean people would die at a faster rate. The main crops will be significantly reduced, at the same time as the population increases. There is a widespread view that an increase of 4°C is beyond what people can adapt to, especially in poor areas, and highly likely to be unstable.

To achieve a rise of no more than 2°C a 10% year on year reduction is needed, culminating in a 90% reduction by 2030. The Committee on Climate Change, along with others, says that reduction of carbon emissions of over 4% per year is incompatible with economic growth. Professor Anderson argued that economic growth itself was not what people wanted, but its associated benefits, such as employment, better health, better literacy and equity. He emphasised that the current economic situation offered an opportunity to try something different.

Professor Anderson finished his presentation by offering some examples of what Manchester could do to develop an economy equipped for the future:

- To undertake a major programme of greening the built environment and infrastructure
- Retrofit housing stock, which would increase resilience to changing climate, provide skilled and semi-skilled jobs and reduce fuel poverty;
- Transfer to a low carbon transport system, which would reduce air pollution, health problems, accidents and congestion while improving productivity and encouraging inward investment;
- Address the matter of Manchester Airport. Professor Anderson queried

whether Manchester really benefitted economically from aviation, or whether the airport actually took more money out of the city than it brought in;

- Improve Council buildings.

Professor Anderson said that Manchester was already making better progress than many places, particularly through Manchester – A Certain Future, the Council's carbon reduction plan. He emphasised that making use of the active civil society in Manchester would be crucial, and that the future would be different, but there was the potential for it to be different and good.

The Committee thanked Professor Anderson for his presentation, and felt that it was fascinating and thought provoking, but also very worrying.

A member asked for Professor Anderson's views on meat consumption, and how to reduce its impact on the environment. Professor Anderson said that in the west, people were consuming less, but other parts of the world want more as they grow in prosperity, so it was difficult. Some options were to change breeds or species, for example eating chicken and pork over beef. He said that eating meat should become more celebratory, for special occasions, rather than every day or most days. He also said that the meat people eat should be high quality, well reared, but that this was a difficult choice when many people are too poor to afford it.

A member noted that it was essential to engage with the civil society in order for society to change in the way that it needed to adapt to the future, and that it was not possible to become sustainable without doing so. Professor Anderson agreed, but also urged that engagement is not the same as agreement, and that argument over time can change minds. He said that often the media can polarise debate in an unhelpful way. He said the key was to talk to people as early as possible, before developments, such as wind farms, happen.

A member told the Committee that he had heard the phrase "using 20th century attitudes to solve a 21st century problem", and asked whether there needed to be a comprehensive review of the technology used in order to solve this problem. Professor Anderson agreed that much of the policy was based on using old technology, and that the 20th century had been characterised by people analysing and improving components, but what was needed now was a shift to analysing the whole system.

The Committee asked Professor Anderson to elaborate what they could do as councillors, what the Council could do and what the city could do. Professor Anderson said one of the most important things was to lead by example, and be vocal and visible about the improvements being made. He gave some specific examples that the Council could do, such as reducing or removing staff car parks and banning first class travel.

A member asked, given that there was not enough money to do everything, what should be prioritised. Professor Anderson disagreed, saying that nationally there was no shortage of money or resources, but it was used elsewhere, for example on bailing out the banks.

A member asked for Professor Anderson's views on the government's policy on climate change, in particular its minimum pricing on carbon, which means that British businesses will have to pay more than their counterparts in the EU, which may put them at a disadvantage. Professor Anderson said that this was not necessarily a bad thing because if prices are higher, then businesses will have to become more efficient to compete, which means they will be less susceptible to the volatility of prices.

Mark Burton

The Committee welcomed Mark Burton, of Steady State Manchester, to the meeting. A document had been circulated to the Committee members on his behalf which summarised a number of recommendations from Steady State Manchester. Mr Burton told the Committee that economic growth meant an increase in carbon emissions and suggested that the UK may already been in a "post growth economy". He said the language of a "planned economic recession" was not very helpful, but that this was the same idea behind steady state economics. He said the aim in the document that had been circulated to members was to come up with practical proposals, so there were 20 recommendations with detail on how to achieve four of them. He said Steady State Manchester was critical of generalised aggregate growth, but that some sectors would need to grow in order to build the economy that the city needs. He said it was important to find things that Steady State Manchester and Manchester City Council agree on.

A member queried the practicality of the suggestion to improve the Real Time Economy Dashboard by including data on how much spending stays in the city and suggested that steady state economics would result in worse circumstances for poor people. Mr Burton said that the New Economics Foundation had done some work on the proportion of money that is retained in the local economy, and it would take some work to turn this in to usable data. He said that Professor Peter Victor of the Royal Canadian Institute for the Advancement of Science had carried out scenario mapping which had demonstrated that no aggregate growth was not as bad as low growth for employment. He contended that it was possible to have benefits, including jobs, without economic growth.

A member expressed dislike of the particular phrases "steady state economics" and "negative growth", but acknowledged that this might simply be a matter of language, and that there might be agreement over the actions that needed carrying out. He was particularly disappointed that only 0.25% of Manchester's food is sourced within 50 miles, as this was not typical of other conurbations in the UK.

Decision

1. To thank Professor Anderson for attending the Committee and providing an interesting and thought provoking presentation.
2. To thank Mark Burton for attending the meeting and providing the document.
3. To note that recommendations for the whole meeting would be summarised under ESC/13/24

ESC/13/23 Investing in Green Growth for Greater Manchester

The Committee welcomed Mark Atherton, Greater Manchester Director of Environment, to the meeting. He provided the Committee with a presentation on the Greater Manchester Low Carbon Hub, which will drive the Greater Manchester Combined Authority's low carbon agenda. He gave an overview of the hub, which was established to develop a Joint Climate Change Implementation Plan for Greater Manchester. The hub will be a centre of excellence for achieving economic gain through reducing carbon emissions. The hub's main objectives, to be achieved by 2020 are to reduce emissions by 48% of 1990 levels, the transition to low carbon economy, adaptation to a changed climate and a culture change in low carbon thinking and behaviour.

A member noted that small and medium enterprises (SMEs) often did not have the resources or personnel to put in place policies to reduce carbon, and asked how the Low Carbon Hub supported them. Mr Atherton explained that adaptation support of this kind was a key part of the work of the hub, and was a component within all aspects of its work programme. The EnWorks business resource efficiency programme supports SMEs and AGMA has agreed to £850k new funding to support this programme. The Leader added that, although he did not want to oversimplify the issue, Corridor Manchester had recently carried out a piece of work that found there were two key things that made a difference: trees, for shade, and water, which reduces temperatures.

A member did not feel that the report reflected how the hub was driving work to change people's attitudes so that they recognise the importance of changing the way they live. Mr Atherton explained that the report was focusing on the economic side of the hub's work, but that there was a significant amount of work taking place in behavioural change as well. Most importantly was the Low Carbon Literacy Programme, which would be rolled out across Greater Manchester this year. He added that changing people's behaviour needed to be linked to activity, and that raising awareness along was not enough.

A member informed there was a problem in the city of poorer residents being unable to afford the household appliances which use less energy and are better for environment. She said there was a particular problem of certain companies which sells appliances on a rent-to-own basis, through which people pay a certain amount a week. If they miss any payments, the company can take the appliance back, and overall they often end up paying more than they would for the appliance elsewhere. She suggested that this problem could be addressed on a Greater Manchester level, for example by working with credit unions or cooperatives to find a deal for deprived residents which was fairer and enabled them to buy energy efficient appliances.

A member asked what work was being done with the private rented sector. The Head of Climate Change: Buildings and Energy acknowledged that it was a challenge to encourage private sector landlords to make changes to their properties. He said the Council was meeting with the National Landlords Association and the Residential Landlords Association to discuss this subject and encourage them to advocate retrofitting homes to their members. He added that the Green Deal was good for private landlords, as it meant they do not have to pay for changes themselves.

A member asked about the need to educate people about the need to make changes and whether the Council was working with Jobcentre Plus, credit unions, schools registered providers of social housing and others to promote the carbon literacy training. The Leader said the carbon literacy programme is a key part of this and has rapidly expanded in Manchester and beyond. Here also said that to change behaviour takes more than people know what to do, but getting them to do it.

Decision

1. To thank Mark Atherton for attending the meeting and providing the presentation.
2. To recommend that a scheme is established to help people buy energy efficient household appliances, for people who would otherwise be forced to buy appliances that are poor quality and use a lot of energy. Particular focus should be given to people who buy appliances through rent-to-buy schemes, which are not good value for money and generally not of high quality. To request that Mark Atherton take this forward through the Low Carbon Hub and work with relevant organisations, for example credit unions or cooperatives, to determine if a suitable scheme can be established. To request that Mark Atherton report back to the Committee on his findings.

ESC/13/24 Manchester's Economy in the Context of Environmental Sustainability Update

In June 2012, the Economy Scrutiny Committee held a conference style meeting to look in detail into Manchester's economy in the context of environmental sustainability. This report provided an update on the developments that have taken place since that meeting on a Manchester and Greater Manchester level and an update on progress on the key recommendations from that meeting.

A member noted that recommendation 2.7, on encouraging schools and further education colleges to become more sustainable had been about including it on curriculums, rather than the sustainability of buildings.

A member noted that the response to recommendation 2.8 on encouraging all scrutiny committees to consider the impact that climate change has on its work had been misunderstood. Instead of all committees looking at climate change, the recommendation had been to consider the impact on the environment of other things they were looking at. For example, reports could contain a section where this is considered, as they do for finance and community strategy strands.

The Committee also asked for consideration of environmental factors to be included in local plans for communities, such as ward plans, in order ensure there is a coordinated effort to help communities improve, for example finding spaces for growing food in communities. The Committee asked officers to provide some options of how this could be done.

The Committee also agreed to recommend that all councillors complete the carbon literacy training in the next twelve months.

Members were disappointed that one the recommendation to develop additional measures to Gross Value Added (GVA) which gave consideration to the environment had not been picked up. The Leader noted that GVA was a neutral measure, and the key was to distinguish between good and bad growth.

Regarding Steady State Manchester's report which was considered under a previous item in this meeting, the Committee asked officers to produce a report on how its key recommendations could be implemented. A member noted in particular the recommendation to include environmental indicators on the Real Time Economy Dashboard. The Leader agreed it was worth considering, but cautioned that developing the Real Time Economy Dashboard had taken a long time, and that finding real time data is very difficult.

The Committee acknowledged that it had limited time to consider this subject and considered that a short term subgroup to consider the detail of the recommendations, look into the work being done and conclude the work that the Committee had started may be suitable. The Chair agreed to look into the possibility of this.

The Committee also agreed to recirculate the detail about Charlie Baker's ecohouse and the other ecohouses in the city for members to visit.

Decision

1. To request that the Interim Head of Regeneration and the Head of Climate Change: Buildings and Energy provide some options of how sustainability and the climate change agenda can be addressed through local plans such as ward plans.
2. To recommend that all councillors carry out the carbon literacy training in the next twelve months.
3. To request that officers produce a report on how the key recommendations in the report produced by Steady State Manchester can be implemented.
4. To request that the Scrutiny Support Officer circulate information about Charlie Baker's ecohouse to the Committee, along with information about other ecohouses in the city that they can visit.

ESC/13/25 SEMMMS A6 to Manchester Airport Relief Road – feedback on the First Phase of Public Consultation and Emerging Preferred Scheme

A report of the Chief Executive was submitted to the Committee which provided an update on the progress of the A6 to Manchester Airport Relief Road, which is being funded by the Greater Manchester Combined Authority (GMCA) from the Greater Manchester Transport Fund (GMTF).

The Committee was invited to comment on the report prior to its submission to the Executive, which was asked to note the findings of the consultation to date, and agree to support the Option 1 design of the junction with Styal Road, Wythenshawe, The Executive was also asked to delegate authority to the Chief Executive to determine material for the second phase of consultation and to continue to develop the preferred scheme.

The Committee noted the proposals and agreed to endorse the recommendations to the Executive as detailed in the report.

Decision

To endorse the recommendations that the Executive:

1. Notes the findings of the consultation process to date and the intention to undertake a second round of public consultation on the currently preferred scheme design in June 2013.
2. Agrees, as far as the City Council is concerned, to support the Option 1 design of the junction with Styal Road, Wythenshawe, for inclusion in the preferred scheme proposals.
3. Agrees to delegate authority to the Chief Executive, in consultation with the Executive members for Environment and Neighbourhood Services, to agree the consultation material for the second phase of public engagement regarding the scheme for distribution to Manchester households.
4. Agrees to delegate authority to the Chief Executive, in consultation with the Executive members for Environment and Neighbourhood Services, to continue to develop the preferred scheme, in order that a planning application can be submitted in early autumn 2013.
5. Notes that further reports on associated matters will be brought forward as the project progresses.

ESC/13/26 Overview Report and Work Programme

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 Overview Report also included the most recent Real Time Economy Dashboard.

The Committee noted that it did not have time to consider the work programme for the forthcoming year, and agreed to discuss it at the premeeting to the June meeting of the Committee, and for the premeeting to start at 9.00am.

Decision

1. To agree the work programme.
2. To defer discussing the work programme for the next year in detail to the premeeting of the June meeting of the Committee, and for this to start at 9.00am.