

Economy Scrutiny Committee

Minutes of the meeting held on 8 January 2014

Present:

Councillor Green – in the Chair
Councillors Barrett, Boyes, Chamberlain, Davies, Hackett, Karney, Keegan, Ollerhead, Razaq, Richards, Simcock, Smitheman, Stogia and Walters.

Councillor Chappell, Executive Member for the Environment
Councillor Curley, Chair of the Neighbourhoods Scrutiny Committee
Councillor Leese, Leader of the Council
Councillor S Murphy, Deputy Leader of the Council

Professor Ian Jacobs, Vice-President, University of Manchester
Paul Mooney, Blue Orchid
Frank Lavery, Blue Orchid
Steve Fanning, Hefty Gear Ltd
Hamza Jamil, E-Clothe

Apologies

Councillor Raikes

ESC/14/01 Minutes

Decision

To approve the minutes of the meeting on 11 December 2013.

ESC/14/02 The Role of Medical Research in Supporting Economic Growth

The Committee welcomed Professor Ian Jacobs from the University of Manchester to the meeting. Professor Jacobs is Dean of the Faculty of Medical and Human Sciences, Head of the School of Medicine and Director of MAHSC (Manchester Academic Health Science Centre).

Professor Jacobs provided the Committee with a presentation on the opportunities for economic growth based on medical research, how this takes place and examples of where this was currently happening. He divided the process into four parts: invention, evaluation, adoption and diffusion. In general, the University of Manchester drove invention and evaluation. This included the Faculty of Medical and Human Science (FMHS) which was one of only six accredited health science centres in the UK and the only one outside of the South East, which was very important for raising the profile of Greater Manchester and creating opportunities for economic development. The Manchester Academic Health Science Centre (MAHSC), which comprised Christie Hospital, University Hospital South Manchester, Salford Royal and Central Manchester Foundation Trust along with the University of Manchester, the Mental Health and Social Care Trust and Salford Clinical Commissioning group, led on

evaluation and adoption. The Academic Health Science Network (AHSN) drove adoption and diffusion. A key part of diffusion is manufacturing, and Manchester is the one of the largest bases for manufacturing in the country.

Professor Jacobs provided some examples to illustrate his points:

- The pharmaceutical industry increasingly turning to academia to develop new drugs. The University of Manchester, GlaxoSmithKline and AstraZeneca each invested £5 million to create the Manchester Collaborative Centre for Inflammation Research (MCCIR). MCCIR aimed to attract the best scientists to work on developing drugs for inflammatory diseases.
- MIMIT (Manchester: Integrating Medicine and Innovative Technology) focuses on identifying a clinical need not currently being met instead of developing a device and finding a use for it. It evaluates whether this is a real need and whether there is a market for it, then seeks to develop a solution.
- Professor Iain Buchan of the Institute of Population Health at the University of Manchester has developed a way of making different health databases interact with each other. North West e-health, based in Salford, has applied this technology to 250,000 people using all pharmacy and doctors' data, which is linked to the Salford Royal in real time. The aim was to expand this to all 3.5 million people in Greater Manchester.

The Committee discussed the matters raised by Professor Jacobs in his presentation. Members asked about the links between the university and big companies and how the university's agenda and priorities were set. Professor Jacobs confirmed that the university set its own agenda and priorities, which were not the same as the profit driven aims of the companies. He said that large companies generally want to develop drugs which will make a difference to a large number of people, not just affluent populations, but he felt there was not enough focus on prevention. He added that he had more detailed slides which he could circulate to members, which the Committee agreed to.

A member asked if there was enough real estate space in Manchester for the university to fulfil all its ambitions. Professor Jacobs said that finding enough high quality space was challenging, as was its geographical spread across Greater Manchester. He reassured members that the infrastructure was better in Greater Manchester than anywhere else in the UK and the University of Manchester had a £1 billion estate plan. He added that the new cancer research building was one of only three in the country awarded Major Cancer Centre Status, which brought additional investment. The other two were Cambridge and Oxford, with none in London which was a big achievement for Manchester. The Leader told members that he was part of a task force looking at what to do with the former AstraZeneca site in Alderley Park in Cheshire, which was 900,000 square feet of laboratory space.

The Committee asked for more detail on the effects of not being part of the "golden triangle" of medical science (Oxford, Cambridge and London). Professor Jacobs said that these areas had 25 years of preferential investment, but Manchester was now competing against them successfully. He said that Manchester did not have local competition on this scale, and he wanted to create a global hub of quality and skill in

Manchester. He said it was also important to work more effectively with other partners in the north. One example of this was the Northern Health Science Alliance, which aimed to attract investment to the north.

A member asked if investment was the only barrier to attracting high quality scientists to Manchester. Professor Jacobs said that scientists want to work in outstanding facilities, but what Manchester is like as a city is also very important. He reassured the Committee that so far MAHSC had recruited 44 high level scientists, bringing 15-20 researchers each. Christie Hospital had hired 21 professors, bringing 100 researchers, and discussions with Salford Royal were taking place. The Leader added that the lack of an international school was a barrier to attracting high quality scientists, however this was being considered for the site at Alderley Park.

The Committee thanked Professor Jacobs for attending the meeting. Members welcomed the impressive infrastructure in place in Manchester and found that Manchester was lucky to have someone like Professor Jacobs working there. Members welcomed the aims to breakdown the barriers between different organisations responsible for health. The Committee asked for the Chair to meet with Professor Jacobs to develop links between the Council and the university and discuss the possibility of dedicating a meeting to this subject next year, to consider the ways in which the Council can make a difference in more detail.

Decision

1. To request that Professor Ian Jones provides his more detailed slides for circulation to the Committee members.
2. To request that the Chair meet with Professor Jacobs develop links between the Council and the University of Manchester and discuss the possibility of dedicating a meeting to this subject next year, to consider the ways in which the Council can make a difference in more detail.

ESC/14/03 Impact of Small Infrastructure Investment

The Committee welcomed John Holden, of New Economy, to the meeting. Mr Holden submitted a report, written in conjunction with Councillor Simcock on the evidence of the economic impact of small infrastructure projects. This followed on from the work presented in October 2012, which analysed the difference between the impact of such schemes on youth employment, jobs and apprenticeships in comparison to regional growth fund grants and loans targeted at small and medium enterprises.

The Committee welcomed the report and found the information it contained extremely interesting. The Committee was very positive about the impact that alleygating had on local communities. Councillor Simcock pointed out that the report demonstrated that alleygating brought clear economic and social benefits. Mr Holden agreed there was strong evidence that it had a positive affect in areas with settled population, but was more difficult when the population was more transient. A member disagreed with this and pointed out that in Longsight, an area with a transient population, alleygating still brought many benefits. The Committee felt that the Council would save money overall if it invested in alleygating. The Deputy Leader agreed that it was helpful in

some parts of the city, though not all. She said that if there were savings to be made from reducing crime, the Council would want to investigate other partners who benefit from it providing funding, for example businesses whose insurance would go down. The Executive Member for the Environment added that a more sophisticated analysis of what works and does not work was also needed.

A member pointed publishing legal notices in the newspaper accounted for a significant proportion of the overall costs of alleygating. The Deputy Leader said that the current legal advice was that this was necessary, but the City Solicitor was investigating whether there were any ways to fulfil the legal obligation more cheaply. The Committee asked for the City Solicitor to provide a briefing note on this.

The Committee welcomed Councillor Curley, Chair of the Neighbourhoods Scrutiny Committee to the meeting. He welcomed any actions to support residents, including alleygating, and that safety of residents is paramount.

Decision

To request that the City Solicitor provide a briefing note on publishing notices in the local media to advertise planned alleygating and whether the costs associated with this can be reduced in any way, for example by advertising online.

ESC/14/04 Business Start Up Support

The Committee considered a report of the Head of Regeneration which provided an update on business start up delivery in Manchester as well as an update on progress with the recommendations of the Business Start Up Task and Finish Group which carried out an investigation in 2011/12. The Committee welcomed Paul Mooney and Frank Lavery of Blue Orchid, the main provider of business start up support in Manchester. The Committee also welcomed Steve Fanning, of Hefty Gear Ltd, and Hamza Jamil, of E-Clothe, who had used support provided by Blue Orchid.

Mr Mooney informed the Committee that the key developments for Blue Orchid were a significant increase in demand and an improvement in conversion rates. Mr Fanning was made redundant from the Council, but saw this as an opportunity. He was interested in motorcycles, especially the design and supply of protective gear. He attended a Blue Orchid workshop, which focused on whether starting a business was the right thing at that time, which demystified the process. He was assigned a business adviser who helped him write a business plan using a template. Blue Orchid took him through the process stage by stage and provided a superb service which felt personal to him. Mr Jamil was made redundant by Barclays and attended a workshop run by Mr Lavery which set out the process clearly, including what to do and when to do it. Blue Orchid helped him fine tune his idea to trade clothes online.

A member asked why there was only an enterprise network in Chorlton Library and no other library. Mr Mooney explained there were plans to open new networks, which enabled Blue Orchid to provide the 12 hours support they were contracted to provide in a more flexible way that suited the clients. Mr Lavery explained that previously, there had been more networks but there was not enough demand. The member recognised that there would be more demand in Chorlton than some other parts of

the city, but felt that the provision should be more about encouraging activity where there is less, not just meeting demand. The Head of Regeneration reassured the Committee that as the Library's project with the British Library was implemented, there would be more support for business enterprise activity.

The Committee asked for the next report on business start up support to include more on businesses started by women and the advice available in Sure Start Centres. The Head of Regeneration agreed to this, and also suggested that when the Committee considers the Business Hub in March it could also consider information on businesses start by women.

The Deputy Leader told the Committee that there was lots of work taking place in the city, but it was not possible to capture and measure everything. She added that Manchester is the only Council website to include information on starting a business as an option for people looking for employment.

A member noted that a significant number of businesses fail in the first year. Mr Mooney said that Blue Orchid had a very high success rate of 70% because they worked closely with clients from the beginning, and challenged people to be sure that starting a business is right for them at that time. As a result six out of seven people approaching Blue Orchid do not start a business.

The Committee thanked Mr Mooney, Mr Lavery, Mr Fanning and Mr Jamil for attending the meeting, and providing their views on support for starting a business.

Decision

To request that a further report is submitted to the Committee at a suitable time providing an update on business start up support in the city, to include:

- Evidence on businesses started by women. These are often in cleaning or catering and they risk getting into a cycle of never growing the business;
- Information on the advice based in Sure Start Centres.

ESC/13/64 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 its remit, an update on actions taken as a result of recommendations and the current work programme. The report included the latest Real Time Economy Dashboard.

The Committee noted that the Chief Executive was invited to its February meeting, but he was not available until 10.15am. The Committee agreed to move the start time of the meeting to 10.15am, and to hold its premeeting at 9.45am.

Decision

1. To agree the work programme.
2. To start the February meeting at 10.15am and the premeeting at 9.45am.