

## **Economy Scrutiny Committee**

### **Minutes of the meeting held on 22 October 2014**

#### **Present:**

Councillor Green – in the Chair  
Councillors Davies [Items ESC/14/46 onwards], Ellison [Items ESC/14/45 onwards], Hackett, Karney, Keegan [Item ESC/14/46 onwards], Manco, Raikes, Razaq, Richards, Shilton Godwin, Simcock, Smitheman, Stogia and Wilson.

Councillor S Murphy, Deputy Leader of the Council  
Councillor N Murphy, Ward Member for Hulme  
Councillor Smith, Executive Member for Housing and Regeneration

Jonathan Bowers, UK Fast  
Niall Power, City South Housing Trust / Chair of the South Manchester Enterprise Network  
Mary Dees, Business in the Community  
Mary Heany, Manchester Metropolitan University  
Connor Quinn, Playground Squad  
Douglas Furén, Playground Squad  
Kayleigh Bacchus O'Callaghan, Playground Squad  
Joe Blackley, People's Environmental Scrutiny Team

#### **Apologies**

Councillors Moore and Ollerhead

#### **ESC/14/43            Webcasting**

The Chair informed the Committee that its meetings would be webcast from now on. She explained that she had been advised that having a seating plan would make this easier for setting up, which the Committee agreed to. Members agreed that the seating plan would be their current seats.

#### **Decision**

To agree to have a seating plan from now on, using the seats members were sitting in at this meeting.

#### **ESC/14/44            Minutes**

#### **Decision**

1. To approve the minutes of the meeting held on the 24 September 2014.
2. To note the minutes of the meeting of the Living Wage Task and Finish Group held on 18 September 2014.

## **ESC/14/45 Corporate Social Responsibility**

The Committee considered a report of the Head of Regeneration which provided an overview of Corporate Social Responsibility (CSR) activity delivered in Manchester. The Committee welcomed Niall Power, of City South Housing Trust and Chair of the South Manchester Enterprise Network and Mary Dees of Business in the Community (BiTC) to the meeting. Mr Power told the Committee that the South Manchester Enterprise Network linked businesses of all sizes with the local community to drive socially beneficial activity. The activity was business led, and the Network did not impose what to do. The Network was based in Hulme and Moss Side, where City South was based, but Mr Power felt the model would work well elsewhere.

A member asked what proportion of the 43% of the 76 homeless people supported by BiTC who had moved into work had done through placements. Ms Dees confirmed a significant proportion had, but not all. If they ended a placement without it turning into a job, BiTC continued to support them, for example through jobs clubs.

A member said that for some large organisations, CSR was seen as something done for public relations purposes, rather than an integral part of its business. He asked how this attitude could be changed. The Head of Regeneration agreed that this was still how some companies saw it. She said that if a company had a person leading on CSR who understood it and was passionate about it then the company would generally do very good work, so it could be inconsistent. Procurement was an area the Council had leverage and used it to promote employment practices and engagement with schools.

Members felt that the report did not really give a sense of what proportion of companies in the city had real CSR. Members noted that it was difficult to quantify, but that the Council should use the power it did have to influence. Ms Dees explained that BiTC was involved in a number of programmes across the North West, including Business Class, which put businesses with schools, and the Ready for Work scheme which worked with homeless people. It also worked with Talent Match, a skills based programme. BiTC was involved in long term sustained engagement and particularly promote skills development.

The Deputy Leader said that one of the difficulties in measuring CSR was the definition. There was a traditional definition, which was narrow, and pointed at specific examples, for example painting a community centre, or having a single day a year dedicated to it. The definition which the Council envisioned was much broader, covering a wide range of activities that businesses could be involved in, such as engagement with schools, pre-employment activity, apprenticeships. She said the most important element was having a strong sense of place. It worked best when it made good business sense for the company, but the hidden benefits were hard to quantify. For example, Tesco found that hiring local staff was beneficial as their friends and family were more likely to shop there. The Head of Regeneration agreed that the gaps in CSR were difficult to identify, but there were ways for the Council to influence, for example through procurement, or through existing relationships. She said there was probably significantly more taking place than indicated in the report.

The Committee agreed that a sense of place was important, and a member

highlighted that as councillors, they should call on local businesses to promote CSR. A member asked whether the Council worked with CityCo on this, which had contact with a large proportion of the businesses in the city centre. Ms Dees said that one of the challenges with big companies was that, although they may have an office in Manchester, they were often based in London, so lacked that vital sense of place in Manchester. The Head of Regeneration confirmed that the Council worked with City Co on this, but agreed with Ms Dees point. She said the Council could do more, for example through the employers suite.

The Committee discussed small and medium enterprises (SMEs) and whether they were less willing to undertake CSR activity. The Head of Regeneration confirmed they could be as it was easier for large companies to fund CSR activity. She explained that the SNAP website was being developed to make it easier for companies to do something small. She added that the Chamber of Commerce had recently employed someone to drive CSR.

A member informed the Committee that the Technology Strategy Board was developing software which would enable both staff and managers to record CSR activity in an organisation, and their first client was Manchester Metropolitan University. The Committee agreed to return to CSR at a later date, to look at it in a more strategic way. It agreed to consider the Technology Strategy Board and Manchester Metropolitan University project when it did so.

## **Decision**

To add an item to the work programme to return to Corporate Social Responsibility at an appropriate date, to consider it in a more strategic way. To also consider the Technology Strategy Board and Manchester Metropolitan University project.

## **ESC/14/46            UK Fast**

The Committee welcomed Jonathan Bowers, of UK Fast to the meeting. The Strategic Director, Strategic Development introduced Mr Bowers. Mr Bowers provided a presentation on UK Fast. His key points were

- The importance of place to UK Fast and staying in Manchester;
- UK Fast was established in 1999; it provided internet hosting for businesses, and had expanded considerably, particularly over the last eight years;
- UK Fast understood the importance of creating their own skilled workforce, so they developed an IT diploma, apprenticeships, graduate scheme, employed teachers to create a curriculum, all tailored to UK Fast's needs;
- The importance of UK Fast's corporate social responsibility (CSR) activity and the benefits it brings to employees.

Mr Bowers also suggested that the Committee visit UK Fast's new offices on the Birley Fields campus in Hulme. The Committee agreed to this, and to hold their next meeting at the UK Fast offices.

Members found the presentation extremely interesting. A member asked whether they focused on hiring local people. Mr Bowers said they looked for the best person for the job, but did look hard locally. Approximately 75% of their workforce was from

Manchester and the North West. He said they found that graduates from the south often returned to the south after a couple of years, and UK Fast was trying to create a job for life.

A member asked what kind of activity the Council should support to help businesses like UK fast, for example in skills development. Mr Bowers said that supporting the sharing of knowledge, particularly through methods like code clubs, was vital. A member asked if UK Fast measured the impact of their CSR activity. Mr Bowers said that so far it had not, it had just got on with it, but intended to do more in the future. They knew it was having an impact, just not how much.

The Committee thanked Mr Bower for his presentation. They asked that when they visit the offices, Mr Bower provide them with a tour and if possible meet with some young people benefiting from UK Fast's CSR activity.

### **Decision**

To hold the next meeting of the Committee at the UK Fast offices. To request that Mr Bower provide a tour of the offices and arrange for members to meet with some young people who had benefited from UK Fast's corporate social responsibility.

### **ESC/14/47            Digital Skills Update**

The Committee considered a report of the Director of Skills and Education which provided an update on progress on digital skills development since March 2014, when the Committee last considered it. The Committee welcomed Douglas Furén, Connor Quinn and Kayleigh Bacchus O'Callaghan of Playground Squad.

Members felt that it was difficult to get an understanding of how extensive digital skills activity was across the city, and whether it was reaching those who needed it most, although it did give some good examples and case studies. A member asked for more information on where the apprentices were based, and where the children partaking in coding clubs were from.

The Director of Education and Skills reassured members that schools in the city had undergone a change in attitude to digital skills and had moved away from a curriculum based around "ICT" towards one concerned with computing. This entailed more understanding of programming, coding and their application in industry. It did mean that teachers needed to have the skills to teach it, which was not the case yet, but teachers, especially primary, were being given the opportunity to develop these skills. He gave the Enterprise Academy's plan to create a digital campus as an example of a school embracing this new model. The school saw this as something for all children in Wythenshawe, not just those attending the school. Manchester College was also reshaping its curriculum to ensure that all students were developing the skills, understanding their importance and the industry need for these skills. The Head of Regeneration explained that if the Council had direct involvement with an organisation, as it did with Playground Squad, it knew where apprenticeships were based and could break down that information by ward. However, more broadly, for example on National Apprenticeship Service data, it could not. The Deputy Leader said there was a definite gap in careers advice provided to young people about the

need for digital skills, which translated into a real challenge in recruiting in this field. She said schools did not yet understand the importance of it, and that there should be four key strands seen as vital to getting a job, English, maths, employability and digital literacy.

Mr Furén gave the Committee an overview of Playground Squad, a Swedish company which produced computer games. He explained that Playground Squad wanted to work in Manchester to develop apprenticeships and support people into employment in the gaming industry. He said there were lots of good schools in Manchester who were beginning to change their curriculums towards digital skills, but because the gaming industry developed quickly and demanded a high level of skill, there was a gap. Playground Squad aimed to bridge that gap. He emphasised that Playground Squad was particularly excited to expand into Manchester as Ocean, a Manchester based company, was one of the biggest developers of gaming in the 1980s and 1990s. Connor, an apprentice with Playground Squad, told the Committee that he attended high school and college in Manchester, and university in Wales. His apprenticeship with Playground Squad was the most practical learning environment he had experienced, and was excellent preparation for working in the gaming industry. Kayleigh explained she attended university in Manchester, but struggled to get a job that suited her skills. She successfully applied for the Playground Squad apprenticeship and was finding it a really good learning experience. She particularly appreciated the practical nature of the learning.

The Chair reminded the Committee that at the previous meeting there had been a suggestion dedicate a meeting to digital skills. Following this discussion, the Committee agreed to proceed with this and find a suitable slot. The Committee also asked for this meeting to receive information from officers which gave the information requested in this discussion.

### **Decision**

1. To hold a meeting dedicated to digital skills.
2. To request that officers provide more detailed information to this meeting on the reach and depth of digital skills activity in the city, and the extent to which children in deprived areas were being reached.

### **ESC/14/48            Birley Fields**

The Committee welcomed Mary Heany from Manchester Metropolitan University (MMU) to the meeting. She introduced a report which provided an update on the MMU campus at Birley Fields, in Hulme. Ms Heany told the Committee that the Birley Fields campus was opened in October 2014 by the Leader of the Council. She reminded members that Hulme had come a long way since the 1970s and Birley Fields was at the heart of this development. The report included how the impact of the development on the local economy could be measured over a period of time. She said that the development redefined what universities can achieve in terms of profound and sustained economic and social impact, even in a time of recession.

The Committee discussed the impact of more car parking in the area. Members

noted that a residents parking scheme could help somewhat, but could also create a ripple effect, with people parking in the areas just outside the scheme. Ms Heany agreed that this could be a consequence of a residents parking scheme, but reassured members that the decision to move from Didsbury to Hulme was not taken lightly, and a thorough analysis of the impact was carried out. This included auditing MMU's staff, local businesses and schools to understand what the traffic impact would be. To mitigate this, there was a multi storey car park, which students were allowed to use for free after 5pm, and a free bus service. The bus service currently had funding for a year, but Ms Heany hoped this would be extended. A transport working group had been set up to lead on this work, and it would continue to meet.

The Committee asked for more detail on the economic impact of the Birley Fields development in comparison to other big developments in the city, such as number of jobs created. The Head of Regeneration said there was no specific benchmarking as large developments varied considerably across the city. She gave the example of the Town Hall complex transformation project, which had 66 apprenticeship starts compared to Birley Fields' 51 apprenticeship starts but a larger overall spend. The Strategic Director, Strategic Development said that further in depth work could be carried out to measure the economic impact of Birley Fields and other developments in the city. He noted that the Birley Fields development had a significant amount of off site construction, which was not available within Greater Manchester on this scale. He offered to submit a report to the Committee next year with more detail on the economic impact of large scale developments, which the Committee agreed to.

The Committee welcomed Councillor Nigel Murphy, ward member for Hulme. He said that five years ago, MMU had made a number of commitments to the local community in Hulme, and it had fulfilled them all. He said the residents parking scheme would bring benefits to the area, but there were delays with its introduction.

## **Decision**

To add an item to the work programme to compare in detail the economic impact in the city of large developments, such as Birley Fields.

### **ESC/14/49            Environmental Sustainability Subgroup; work programme for response to recommendations; October 2014 revised version**

The Committee considered a report of the Deputy Chief Executive (Growth and Neighbourhoods) which presented a revised work programme setting out how the recommendations of the Environmental Sustainability Subgroup would be taken forward. Councillor Stogia, who chaired the Subgroup introduced the report.

Councillor Stogia thanked the People's Environmental Scrutiny Team (PEST) for their input and suggestions. She said that the suggestion to improve the recommendations was not helpful, as the recommendations had been put together following an in depth investigation which had input from a number of people, and this was not the purpose of the report the Committee was considering today.

Councillor Stogia reminded the Committee that it had asked for this report to be

revised twice to find a programme that worked. She acknowledged it was difficult to see how the programme would look in practice. She thanked the Environmental Strategy Team for their work, and said that the report today looked at how the recommendations could be taken forward and which would be tied into other workstreams. There was also now a lead person responsible for each recommendation. Councillor Stogia said that now was the time to get on with the work and to leave officers to take it forward.

The Committee welcomed Joe Blackley, of the People's Environmental Scrutiny Team (PEST) to the meeting. He explained that PEST had produced an alternative version of the report.

The Committee thanked Councillor Stogia and agreed that she would ensure this work was being taken forward.

### **Decision**

To request that Councillor Stogia ensures this work is taken forward.

### **ESC/14/50                      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.

A member noted that a recommendation on the Christmas lights had not yet been responded to and asked that a reminder be sent out.

A member suggested that the Director of Public Health is invited to a future meeting of the Committee to consider the links between worklessness, economic poverty and health, which the Committee agreed to.

### **Decision**

1. To request that a reminder is sent out regarding the recommendations relating to Christmas lights.
2. To agree the work programme, subject to the addition above.