

## **Economy Scrutiny Committee**

### **Minutes of the meeting held on 11 March 2015**

#### **Present:**

Councillor Green – in the Chair  
Councillors Davies, Ellison, Hackett, Karney, Manco, Moore, Raikes, Richards, Shilton Godwin, Simcock, Smitheman, Stogia and Wilson.

Councillor Chappell, Executive Member for the Environment  
Councillor Flanagan, Executive Member for Finance and Human Resources  
Councillor Leese, Leader of the Council  
Councillor S Murphy, Deputy Leader of the Council

Fola Agbalaya, Big Life  
Kendra Brown, Big Life  
Vaughan Allen, CityCo

#### **Apologies**

Councillors Hacking and Ollerhead.

#### **ESC/15/17            Minutes**

##### **Decision**

To agree the minutes of the meeting held on 11 February 2015 as the correct record.

#### **ESC/15/18            Working Well**

The Committee considered a report of the Head of Regeneration which provided an update on Working Well, a programme jointly funded by the Greater Manchester Combined Authority (GMCA) and the Department for Work and Pensions (DWP) which supports Employment Support Allowance (ESA) Work Related Activity Group claimants into sustained employment. The Committee welcomed Fola Agbalaya and Kendra Brown from the Big Life Group, which is responsible for delivering the Working Well programme.

A member asked about Working Well's performance in terms of meeting targets and clients attending mandatory appointments. Ms Brown explained that, for her own caseload, at the beginning of the programme there was quite a high failure to attend rate, as people were nervous about engaging with a new programme. As the programme moved on, this had improved, and last month Ms Brown saw 94% of her caseload. Ms Agbalya said Working Well was one job outcome away from meeting their target, but that she was confident the programme would meet and exceed the target for the whole programme.

A member asked if there was a possibility of people being able to engage with the programme earlier. The Head of Regeneration said that the devolution agreement

provided an opportunity to do this, as the Working Well programme was being scaled up as part of it. Currently the programme was for 5000 people across Greater Manchester and the ambition through devolution was to have 50,000 people. There was also an opportunity to feed the learning of the programme into co-commissioning the Work Programme with the DWP, although negotiations on how this would work were ongoing.

A member asked how well Working Well was integrating into other services. Ms Brown said most key organisations were involved, although data and information sharing was a challenge. She also noted it was increasingly difficult for clients to get appointments with targeted advice services. The Deputy Leader said the Council's funding on advice was being reduced, and it would be impossible to maintain the current levels of service, but the Council was working with providers to maintain as good a service as possible. She said Ms Brown's comments were helpful as she could feed them into the discussions with the provider.

The Committee discussed the barrier to securing employment of having a criminal record and queried how the Council could work with the airport and hospitals to encourage them to be flexible. The Deputy Leader said that security considerations at the airport were a challenge, but that there were more things that could be done to improve it. She said the working relationship with the hospitals had improved as well. She agreed it was significant as finding employment was the most significant factor in preventing reoffending. Ms Brown explained that she was working with Airport Academy, a training and recruitment agency, which was broadening the range of employers which they worked with, including hotels and auxiliary services. Criminal records were less of a barrier with those kind of employers.

The Committee discussed the fact that people were presenting at Working Well with a number of difficulties. Members asked how Working Well was dealt with this including working with other agencies and employers. The Deputy Leader agreed that this was a good reason why devolution would help, as it would provide greater opportunity to join services together. She said that currently it was being considered which would be the next cohort to expand the programme to after ESA claimants, and suggested the Committee may want to consider a report on this, which it agreed to. Ms Brown said the nature of the Working Well programme seemed to help some people presenting with mental health problems. She had seen people get less anxious as the programme proceeded, starting out wanting to be left alone, then later talking about their goals. Ms Agbalaya explained that the programme also worked with employers as well as clients, and supported them to be better employers for people with health needs. This had the added benefit of making them better employers for all their employees and some were seeing a reduction in sickness levels.

The Deputy Leader added that on top of the Council's budget reductions the government had just announced a reduction of 24% in the adult skills budget from September. This would have a direct impact on the courses that people on the Working Well programme use and was very concerning. Ms Brown noted that a third of her clients were on Manchester Adult Education Services courses.

The Committee thanked Ms Agbalaya and Ms Brown for attending the meeting. Members noted that the Work Programme had failed for the ESA claimants, so the work of Working Well was vital and with most vulnerable people. The Committee welcomed the opportunities that the devolution agreement presented.

### **Decision**

To add an item to the work programme to consider the expansion of the Working Well programme, including which cohort would be targeted.

### **ESC/15/19                      Christmas 2014 Summary**

The Committee considered a report of the Chief Executive which provided an overview of the Christmas activity promoted by the Council in 2014. The Committee welcomed Vaughan Allen, Chief Executive of CityCo to the meeting.

A member informed the Committee about the approach to Christmas that the Council took. He said that the Council focused on having a successful Christmas for economic reasons as thousands of seasonal jobs are created during the period, which people depend on. There is lots of competition from online shopping and the second city crossing was having a significant impact. He also said it was important for children in Manchester to have good memories of Christmas in the city and Albert Square. He added that the growth in the New Year's Eve celebrations, which the Council did not fund, was surprising.

A member drew the Committees attention to recommendations in the Overview Report which the Committee had made when considering the report last year. He noted the recommendation on correcting misinformation was no longer relevant. He asked if any progress had been made on the recommendation to look into how much it would cost to provide shared lights for use by all the district centres. The Head of Communications (Content and Strategy) told the Committee that the Council's lighting contract was due to finish this year, and this would be included in the negotiations on the new contract.

A member asked how the Council and its partners were working to reduce illegal traders, particularly on Market Street. The Head of Communications explained the new market on Market Street was partly to address this and had been requested by the Arndale Centre. The Leader said this was a year round problem and informed the Committee that the Deputy Leader and City Centre Spokesperson were actively pursuing this.

The Committee discussed the reduction in footfall in the report. A member noted this was due to the works taking place in the city centre, but also that the area given over to markets was larger and more spread out. Mr Allen said there had been some technical issues with the cameras measuring footfall and as CityCo cross referenced their numbers with retailers, he thought the reduction was closer to 3-4%. He said that retailers were happy as they did not have a reduction in income and CityCo was reviewing how it measured footfall. The Leader said that other data such as transport figures and the Arndale Centre's accurate figures indicated that these footfall figures were very inaccurate.

The Committee discussed the drop in perception that the city was family friendly. Members noted that the works had an impact on this and in some places the volume of people was concerning, which might deter people. Mr Allen agreed that in the last few years some areas had reached full capacity, so the markets had been spread out more, which had improved things. The works had also made a difference. He said that 4-6 weeks before the markets, there had been an assessment of the flow along the streets to ensure that it was normal and that the shops could be evacuated if necessary. Once the works were finished this would improve as there would be less traffic. The Leader said that some spaces, such as St Peter's Square and Piccadilly Gardens, needed to remain open.

A member suggested that the city should take better advantage of Eid celebrations. Mr Allen agreed, and noted that while the Eid in July had had separate celebrations in the past, the autumn Eid had previously been part of wider Christmas celebrations. The Trafford Centre, on the other hand, had always had separate Eid celebrations. He said this was being reviewed and CityCo was aiming to get a group of retailers on board on which to base a campaign.

A member said that a traders association in his ward had applied for a small amount of funding for Small Business Saturday for shopping bags, but had been turned down by the communications team as the focus for communications activity was social media. The Head of Communications said that there was some funding available for the campaign to be budgeted across the whole city. She said that the communications team was looking to review how this funding was being used to ensure the best return on investment.

The Committee expressed pride in the city's Christmas Markets, noting that they were the only UK markets in the top 10 destination poll. The Committee asked that when this report was submitted next year it include full costs of the market, including cleaning and restitution costs, such as damage to Albert Square.

## **Decision**

To add this annual item to the work programme for March 2016. To include full costs of the markets, including cleaning and restitution costs, such as damage to Albert Square.

## **ESC/15/20                  District Centres**

The Committee considered a report of the Strategic Director (Strategic Developments) which provided an update on district centres.

A member asked how the Council dealt with traders who did not want to get involved in District Centre activity. The Head of Regeneration said the investment described in the report, along with other activity such as work in the libraries, would support this. She hoped that increased footfall would encourage the traders to get involved, and District Centres with active trade associations performed better, but said the Council could not force them to get involved. The member asked for further information on the enforcement activity was taking place to prevent traders from disposing of their

waste incorrectly and blocking the pavement outside their premises. The Head of Regeneration agreed to report back to the Committee.

A member noted that West Didsbury was not considered a District Centre. The Head of Regeneration said that Burton Road in West Didsbury was considered a tier lower than a District Centre, some of which were very small while others were more substantial. She confirmed that some of the engagement described in the report would apply to Burton Road as well. The Planning Policy Team Manager explained that there was a more comprehensive view of policy being undertaken called the Local Plan which would reflect these smaller areas and would be submitted to the Executive fairly soon.

The Committee discussed the proliferation of businesses in District Centres which were detrimental to the local areas, such as pay day lenders, takeaways and Brighter Homes, which sold white goods on payment plans at inflated prices. The Executive Member for the Environment explained that a review of licensing policy was being undertaken. Currently, issues were being identified and any changes needed to be based on evidence, so she welcomed examples. On gambling and pay day loans, the Council was working with Westminster Council on a piece of work to identify vulnerable people. The Head of Regeneration noted that there had not been any pay day lenders opening recently, which may reflect recent changes to legislation which have had a negative impact on this business model. Regarding Brighter Homes, she said that people needed to be provided with education about why they were not a good option and provided with an alternative option.

A member said these discussions were important and members should feed their local knowledge into these policies. The Committee agreed to request that the Deputy Leader, Executive Member for Environment and Head of Regeneration set up a meeting on District Centres to gather members' knowledge and experience on District Centres.

### **Decision**

1. To request that the Head of Regeneration provide further information on the enforcement activity taking place to prevent traders from disposing of their waste incorrectly and blocking pavements outside of their premises.
2. To recommend that the Deputy Leader, Executive Member for Environment and Head of Regeneration set up a meeting on District Centres to gather members' knowledge and experience on District Centres.

### **ESC/15/21            Neighbourhood Focus**

The Committee considered a report of the Deputy Chief Executive (Growth and Neighbourhoods) which provided an update on proposals of the integrated Neighbourhood Focus service within the Growth and Neighbourhoods Directorate.

A member noted that the report suggested that the changes would lead to improvements, but pointed out that the Council was introducing these changes because of severe budget reductions. She expressed concern over the potential loss

of experience and knowledge about local areas. The Deputy Leader acknowledged the budget reductions would have an impact on service delivery, but said that in implementing the changes, skills and experience would be retained as much as possible. The Head of Regeneration agreed, but noted that achieving the balance between retaining experience and getting the right skills mix was challenging.

A member asked how the public health ward plans fitted into the changes. The Head of Regeneration said that if health was a ward priority it should be reflected in the ward plans, although there could be a tendency for ward plans to grow and there were limited resources to deliver them on a ward level.

A member expressed scepticism that bringing the three different elements, neighbourhood regeneration, neighbourhood delivery and community and cultural services, under one manager would work, as this was a considerable amount of work. The Head of Regeneration explained that the locally based teams would be drawing on the experience of the citywide services, so there would be a flexible approach to resources.

A member asked how a balance between creating uniformity in the wards and provision reflecting differences would be achieved. She also asked how external stakeholders would be involved and how ward coordination would work without core meetings, which were being ceased. The Deputy Leader explained that wards were different and had different needs, so the arrangements for individual wards would differ. She said the plan was to merge ward coordination meetings and core meeting, and confirmed that external stakeholders would be involved. The Head of Regeneration said that wards were fundamental to the changes and that members' comments were very helpful as the final details were not yet decided on so they could be taken on board.

The Committee noted that these changes were proposed as a result of substantial budget reductions but that officers had made the best of the best of the situation. The Committee anticipated that this would have an impact in the future but the Council would do their best to maintain services for residents.

## **Decision**

To note the report.

### **ESC/15/22            Environmental Sustainability Subgroup; work programme for response to recommendations; progress report**

The Committee considered a report of the Deputy Chief Executive (Growth and Neighbourhoods) which provided an update on progress against the recommendations of the Environmental Sustainability Subgroup.

The Committee discussed the Carbon Literacy training. A member noted that it was useful and asked how this would be built on. The Head of City Policy explained that carbon literacy training had gone very well, with 1000 staff trained along with a large number of members. She had arranged for facilities to be available in her team for members to carry out the online training in the Town Hall Extension. She said that in

the future there would not be the rolling training, but it would instead be based around climate change action weeks.

A member welcomed the document, and said she wanted to use it as a reference when talking to residents, but it was a little difficult to follow as it referred to other documents. She asked if it would be possible for a summary document to be provided which explained what all the key performance indicators were. The Executive Member for the Environment agreed to this.

A member asked if any progress had been made with the recommendation that all Executive reports consider environmental impact. The Executive Member for the Environment apologised for the slow progress, but confirmed that she was discussing the best way to do this with officers as she wanted to avoid it becoming simply ticking a box. Her intention was to develop guidelines for officers on writing reports. She planned to focus on areas where there was a clear impact to begin with and then extend it to other less obvious areas.

The Executive Member for the Environment said that the Subgroup's work had led to lots of positive activity, including a think piece by the Centre for Local Economic Strategies (CLES), a guidance document for ward members, eco neighbourhood workshops pilots in five wards, procurement work and the next phase of carbon literacy. She said that continuing learning was important, but the ethos of the group was to shift the collective understanding and approach to growth towards not prioritising GVA (gross value added) to the detriment of the environment and people.

The Committee noted progress and agreed to the recommendation that the actions would continued to be progressed as part of other relevant plans and activities.

### **Decision**

1. To request a document clearly summarising the information detailed in the report along with an explanation of the key performance indicators.
2. To agree that the actions will continue to be progressed as part of other relevant plans and activities and their associated reporting processes.

### **ESC/15/23                      Final Report and Recommendations of the Living Wage Task and Finish Group**

The Committee considered the final report and recommendations of the Living Wage Task and Finish Group. Councillor Raikes, Chair of the Task and Finish Group, introduced the report. He described the background and how the Group had come to the conclusions it had. He thanked the officers who had supported the work and the Executive Members.

A member noted that recommendation 4 recommended that the Living Wage element of contracts be significant, but not anything more specific. Councillor Raikes said this should be 5-10% but could not be specified from the outset because contracts differ.

A member who was also a member of the Group thanked Councillor Raikes for his

hard work in getting speakers to attend and the level of detail members had. He noted that one finding was that the Treasury would be the biggest beneficiary of widespread adoption of the Living Wage, because of the reduction of in work benefits. Councillor Raikes agreed and said that the devolution agreement may be a way for the Council to influence the government to take advantage of this.

The Executive Member for Finance and Human Resources thanked the Task and Finish Group for their work, and agreed with the sentiments of their conclusions. However, he cautioned that recommendation 4 was impractical and difficult to implement. He said that to implement the Living Wage for all contracts would cost £11m, and that adult social care would be the hardest area to implement this. He said that it would be difficult to identify which organisations could afford to pay the Living Wage and that it was not desirable to have contracts with organisations which made large profits.

Councillor Raikes said that Councillor Flanagan had been honest to the Group throughout its investigation. He said that it would cost £11m if all contracts were changed at once and the Council took on all additional costs, which was not what the Group was proposing. He said the Council should not take on additional costs, both because the Council could not afford it and on principle, the Council should not be subsidising poor pay. On information that the Council could hold on contractors, he said that the Group found that the Council could hold more than it currently did, so this was a recommendation to maximise this information. He also said that this should not be a burden on officer time as the recommendations were intended to be built into current workloads, for example introducing it when contracts ended.

The Committee endorsed the recommendations in the report.

### **Decision**

To endorse the recommendations of the Living Wage Task and Finish Group.

### **ESC/15/24                      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.

### **Decision**

To agree the work programme.

### **ESC/15/24                      Councillor Joanne Green**

The Committee noted that this was Councillor Joanne Green's last meeting as Chair of the Committee. Members thanked her for all her hard work and leadership over the last four years.