

Economy Scrutiny Committee

Minutes of the meeting held on 25 November 2015

Present:

Councillor Richards – in the Chair

Councillors Amesbury, Appleby, Bridges, Davies, Farrell, Green, Karney, Lone, Moore, Razaq, Shilton Godwin, Simcock and Smitheman

Councillor Priest, Deputy Leader

Councillor Chappell, Executive Member for the Environment

Councillor Reid, Chair of the Young People and Children Scrutiny Committee

Jayne Worthington, The Skills Company

Alan Benvie, The Skills Company

Jerry Stokes, The Work Company

Alex Howley, The Work Company

Apologies:

Councillors Ellison, Hacking, Peel, Raikes, Strong and Wilson

ESC/15/64 Minutes

The minutes of the Committee meeting on 28 October 2015 and the Tax Avoidance Task and Finish Group meeting on 27 October 2015 were submitted.

Decisions

To approve the minutes of the meeting on 28 October 2015 as a correct record.

To note the minutes of the Tax Avoidance Task and Finish Group on 27 October 2015.

ESC/15/65 Tax Avoidance Task and Finish Group

Councillor Moore informed members about the progress of the Tax Avoidance Task and Finish group. Members of the group had met informally to review the scope of the task and finish group. They had agreed that the Task and Finish group would look at two additional items including a policy plan from Christian Aid which set out actions that the Council could take to support a better tax process. Richmond Metropolitan Borough Council and Belfast City Council had already endorsed this. The Task and Finish Group would also look at the work done by the Fair Tax Mark Campaign and whether this could be piloted in an area of Manchester with an existing trader network.

ESC/15/66 The Skills Company and Update on the National Careers Service

The Committee considered two linked reports which provided the Committee with updates on the work of the Skills Company and the National Careers Service (NCS).

The Committee welcomes Jayne Worthington and Alan Benvie from The Skills Company and Jerry Stokes and Alex Howley from The Work Company. The NCS contract started on 1 October 2014. Manchester's service formed part of the Greater Manchester Cheshire, Warrington and Staffordshire service area and was delivered by the Work Company (a trading name of the Manchester Growth Company). The aim of the service was to provide advice and guidance to support people to enter into employment or learning. Additional support was also provided to 'priority groups', which included low skilled adults, long term unemployed and young adults not in employment or training. The report included data for the first 12 months of the contract delivery (1 October 2014 to 30 September 2015), a breakdown of the support offered and the outcomes for Manchester residents.

The Skills Company was also part of the Manchester Growth Company. Its aim was to provide a career entry point and sustainability in employment for individuals – either through pre-employment training, studying, apprenticeships or higher education courses. The Skills Company delivered training and skills in a variety of sectors, from Banking and Insurance to Engineering and worked in partnership with many of the Greater Manchester Colleges to deliver courses in partnership. The report provided details of the activity across the city, a breakdown of the number of people supported by the Company and the outcomes over the past year.

Members discussed the referral process to the NCS and whether adequate support was given to specific groups such as people facing redundancy and the over 50s. Ms Howley explained that the NCS worked in partnership with Job Centre Plus (JCP). When an employer submitted a notice of large scale redundancies to the Department for Work and Pensions, the NCS and JCP were notified. Both organisations worked with the employer to provide advice and support on the benefits system and training opportunities that would be open to those being made redundant. Specific support was also targeted at people over 50 in partnership with JCP as this was an age group that was identified as requiring extra support.

Members expressed concern that careers advice and programmes to support individuals into employment were fragmented. Members were concerned that it would be difficult for an individual to understand where they could get advice and support, and that it was also difficult to understand the services offered at a strategic level. Ms Howley listed the different locations that advice was available across the city and advised that these were under constant review. The service also provided a telephone service and promoted this through social media. The Committee requested a report which explained the services to support residents into employment available across all sectors.

Mr Stokes acknowledged that there were some gaps nationally in the advice available to certain groups of people such as school leavers due to a substantial reduction in funding over the past few years. The service was also likely to receive further reductions as part of the Comprehensive Spending Review. Mr Stokes confirmed that the company could do little to ring fence money for Manchester as the funding contract was provided nationally.

A member noted that the Skills Company had supported 31 out of 264 people who were in a pre employment programme into long term employment and queried the

cost of these measures. Ms Worthington explained that the cost varied per case as the level of provision was assessed individually and funding allocated accordingly. Funding was allocated via a complex formula from the Skills Agency. Part of the work also included identifying other sources of funding that would help the individual progress in the work place.

A member queried the training offered by the Skills Company in various sectors such as banking and insurance and whether this was counter productive due to the competitiveness of the industry. Ms Worthington advised that the sector specific training was driven by vacancies within the larger companies based in the area. Apprenticeships were a way for companies to build the skills they need within their workforce and provide long term sustainable employment to individuals. In terms of declining sectors such as manufacturing and care, officers confirmed that this had not affected the number of apprenticeships available in these sectors.

In response to a query from a member, Ms Howley explained that more work was being done to support young people to change careers. A pilot project in Salford was specifically targeting people claiming universal credit to see if they could be supported to increase hours and progress in existing employment.

Ms Worthington described the governance arrangements in place for the Skills Company, which was part of the group of companies under the umbrella of Manchester Growth Company. In response to a query, officers also confirmed that the companies were required to provide impartial advice and came under scrutiny from the Skills Agency. The Committee agreed to request a further report on the governance arrangements for the Growth Company and its trading companies; and to invite the Chief Executive Officer to the meeting.

The Committee noted their concerns about the pending Comprehensive Spending Review and the resulting reductions in funding to these services. The Committee agreed to invite the Chancellor of the Exchequer to attend a meeting of the Committee to hear about the work of these agencies.

Decisions

1. To invite the Chancellor of the Exchequer to attend a meeting of the Committee to hear about the work of the advice and support agencies.
2. To request that officers provide a further report that provides an overview of all advice and support programmes to help people into employment.
3. To request that officers provide a further report on the structure and governance arrangements of the Manchester Growth Company and invite the Chief Executive Officer to the meeting.

ESC/15/67 Careers Education, Information, Advice and Guidance

The Committee considered a report of the Director of Education and Skills which provided an update on careers education, information, advice and guidance (CEIAG) in Manchester. The report included the links between businesses and schools to promote career options and work experience. It set out the responsibilities of the local authority and individual schools, provided an overview of key initiatives and

gave examples of good practice.

The Director of Education and Skills summarised the report and highlighted that Ofsted now had an increased focus on CEIAG within schools. This was welcomed by the Council and formed part of improving schools. CEIAG formed part of a diverse range of services in schools with a focus on improving the employment and educational prospects of young people. The report referred to a Pathways booklet which was distributed to members at the meeting. In response to a query from a member, officers confirmed that this booklet was aimed at parents. More work was being done in partnership with schools to communicate the information to young people.

The Committee discussed the links between CEIAG and the previous item on careers advice for adults. Members raised similar concerns about the fragmentation of the service and the impact that this had on consistency and quality, as the government had announced the creation of the Careers and Enterprise Company to commission the CEIAG service nationally. New Economy was coordinating a Greater Manchester bid for funding for this service.

A member sought clarification on whether the Greater Manchester devolution deal would create an opportunity to co-ordinate the different services better. Officers and the Deputy Leader explained that it was still not clear what powers would be given to Greater Manchester at this point so it was unclear whether there would be further opportunities to co-ordinate the funding and service delivery. Members felt that a universal and targeted service for young people was required similar to the previous Connexions service.

A member asked about the mechanisms to engage with young people who were not already in employment, education or training (NEET). The Director of Education and Skills explained that the most important aspect of the CEIAG service was to prevent young people from getting to this stage. However, it was not always possible to do this. He described the new targeted youth support service which was aimed at the most vulnerable people and specifically focussed on re-engaging with young people who were NEET, and providing CEIAG. Although there had been less resources allocated to this service, there had been an increase in the number of 16 year olds accessing the service. The biggest challenge now was engaging with young people over the age of 17 who were NEET.

The Committee discussed the Connexions Service that was previously in place and how the targeted youth service compared to this. The Director of Education and Skills explained that the targeted service would engage with approximately half of the people of the Connexions service but the type of provision would be different. The service recognised that engaging with young people who were NEET would need to be provided alongside other activity such as family support.

A member suggested that the targeted youth support service could be co-located with early help hubs, and that these could be used to track the success of the targeted youth support service. The Director acknowledged this as a possibility and explained that these hubs were in the early stages but there was evidence that schools had accessed them for advice about possible interventions for young people.

Further work was required to integrate post 16 support. The Committee agreed to review this in partnership with the Young People and Children Scrutiny Committee.

Decision

To recommend to the Director of Education and Skills that further work be undertaken to integrate and co-locate the targeted youth support and the early help hubs and that the Committee review this in partnership with the Young People and Children Scrutiny Committee.

ESC/15/68 Participation & Performance Post-16 including the offer for young people Not in Education, Employment or Training (NEET)

The Committee received a report of the Director of Education and Skills which provided an overview of participation and performance post-16 and progress made on delivery of the raising the participation age (RPA) legislation in Manchester. The Director of Education and Skills introduced the report across its main themes.

A member asked what progress had been made in supporting Looked After Children (LAC) to participate in education or training. The Director of Education and Skills reported that every LAC of statutory school age needed to have a Personal Education Plan (PEP) and that, since last year, PEPs were also required for post-16 LAC. He informed members that the Council had been in discussions with all post-16 providers who had students who were Manchester LAC (including providers outside of Manchester). He advised members that the Council was redeveloping the care leavers' services and that this would include a focus on the journeys of LAC from school into further education, training and employment. The Chair of the Young People and Children Scrutiny Committee encouraged members to attend the Corporate Parenting Panel.

In response to a member's question, the Director of Education and Skills advised members that the Council sought to provide support and challenge to young people but did not adopt a punitive approach, although the legislation allowed for a young person to be fined if they did not participate.

A member emphasised the opportunities that small local businesses could offer to young people and asked how these businesses were being engaged. The Head of Work and Skills reported that small and medium enterprises (SMEs) did not currently offer many apprenticeships and found apprenticeship schemes bureaucratic but that work was taking place through the Skills Gateway and at a local level to encourage and support SMEs to provide apprenticeships.

The Chair of the Young People and Children Scrutiny Committee expressed concern at the level of funding for children with Special Educational Needs (SEN). The Director of Education and Skills reported that the level of additional funding for SEN did not increase in line with the growing population.

The Chair of the Young People and Children Scrutiny Committee advised members that the Young People and Children Scrutiny Committee had considered an item on

the Big Manchester project, which was working with families in north Manchester and recommended that the Committee look at their work.

In response to a member's question, the Head of Work and Skills reported that the main providers of education and training to young people in Manchester were Manchester College, Xaverian College, Loreto College and the Skills Company. She advised members that there were a number of other providers, for example smaller organisations providing apprenticeships, and that some of these were members of the Greater Manchester Provider Learning Network.

The Chair of the Young People and Children Scrutiny Committee requested information on NEET young people at ward level and young offenders who were NEET. The Director of Education and Skills agreed to provide this information directly to the Chair of the Young People and Children Scrutiny Committee.

Decision

To consider inviting Big Manchester to a future meeting of Economy Scrutiny Committee.

ESC/15/69 Manchester Adult Education Service (MAES)

The Committee received a report of the Head of MAES, which provided information on the service's progress and considered the impact of current and potential funding cuts and the implications of these for the service. The Head of MAES provided an overview of the report.

The Committee discussed the impact of English for Speakers of Other Languages (ESOL) courses on the lives of learners, on their ability to access the jobs market and on community cohesion and expressed concern at cuts in this area. The Head of MAES informed the Committee that, despite funding cuts, MAES had not reduced its ESOL for jobseekers programme. She further advised members that MAES was taking steps to mitigate the impact of funding cuts. She reported that the Department for Communities and Local Government (DCLG) had granted an extension of the Talk English Project and that the service was working to increase the number of volunteers and increase their work with voluntary and community sector partners to support people with lower levels of English. She advised members that, as a result of this, the Adult Skills budget could be spent on working with people who were closer to the labour market. She reported that the Talk English Project had won an award at the ELTons, which recognised innovation in English Language Teaching (ELT).

In response to a member's question, the Head of MAES informed members that MAES had won a bid to deliver the Heads Up health and wellbeing partnership project and she advised that there was expected to be an opportunity for further funding in January.

A member asked for further information on the low skills pilot in Wythenshawe and emphasised the importance of consistent, sustained action. The Head of MAES advised members that this had been a joint project with Manchester College and JCP

which tested a key worker approach, with an identified individual acting as a learning mentor to support the individual and encourage them to continue learning and broker their access to other support services. She reported that this had been targeted at people who were most likely to drop out of learning, such as people with mental health problems, financial problems or substance misuse issues and that evidence showed that this had improved retention by at least 15%. She advised members that it was a costly approach and that there wasn't currently funding to extend and sustain this across the city. However, she reported that, through the Greater Manchester Skills and Employment Pilot, a learning mentor approach would be expanded and developed and that it was hoped that this would provide evidence to demonstrate that this method supported people to stay in learning, to achieve and to progress into work.

In response to a member's question, the Head of MAES reported that learners ranged from people on a half-day taster session to year-long programmes. She informed members that just over 3000 of the learners were on skills programmes, where it would be expected that they were aiming to move into employment. She reported that, once they had finished their programme at the end of the academic year, their progress would be tracked and the numbers who had moved into employment was expected to rise significantly. She advised members that learners often moved into low skill jobs but that MAES worked with other providers to enable learners to have access to apprenticeships and continue learning in employment. However, she advised members that there was a financial disincentive for employers to offer apprenticeships to people who were 24 years old and over. She informed the Committee that, while MAES was not required to track the destination of community learners, they would be doing so and were in discussions across Greater Manchester about negotiating a contract with an external company to undertake tracking of learners' destinations.

In response to a member's question, the Head of MAES advised members that family learning provision included mathematics, English, ESOL and digital skills as well as wider family learning such as healthy eating and employability programmes. She reported that MAES worked with other providers such as Barnardo's, Sure Start and primary schools. She advised members that lack of IT skills was one of the biggest barriers to employment and that there had been an increase in interest in digital skills courses.

Decisions

1. To congratulate the service on the success of the Talk English Project.
2. To continue to monitor ESOL funding and provision in the city.

ESC/15/70 Area Review of Further Education (FE) and 6th Form Colleges

The Committee received a report of the Head of Work and Skills which set out the purpose, scope and process of the review and the potential opportunities and challenges in Greater Manchester. The Head of Work and Skills introduced the report across its main themes.

A member recommended that the Committee continue to monitor this and receive a further report at an appropriate time. She asked for confirmation of the timescales for the review and the date when the Greater Manchester Combined Authority (GMCA) would be considering the proposed criteria for the Area Review. The Head of Work and Skills agreed to check this information and respond directly to the member.

The Chair of the Young People and Children Scrutiny Committee expressed concern that some institutions such as school sixth forms were not included in this review and that funding arrangements varied between different types of institution. The Director of Education and Skills reported that the Regional Schools Commissioner and the local authority were both represented on the Greater Manchester Local Steering Group and that they respectively linked with academy sixth forms and local authority-maintained sixth forms. However, he advised members that their involvement in the review process was different from the institutions named in the report and, while their views were being sought, they were not required to engage with the review in the same way and it was not expected that the review would produce specific recommendations for these institutions.

Decision

To receive a further report on the outcome of the review at an appropriate time.

[Councillor Appleby declared a personal interest in Manchester College.]

ESC/15/71 Quarterly Economy Dashboard – For information

The Committee received the Quarterly Economy Dashboard, a report of the Core Performance and Intelligence Team.

A member commented that the information in the report had been useful and had informed the discussion on other agenda items throughout the meeting.

Decision

To thank officers for the report.

ESC/15/72 Highways Asset Management Strategy and Policy

The Committee received a report of the Deputy Chief Executive (Growth and Neighbourhoods) which provided an overview of Highways Asset Management. The draft Highways Asset Management Strategy and Policy were appended to the report and members were asked to comment on these prior to their submission to the Executive on 2 December 2015.

The Strategic Area Manager introduced the report, informing members that the proposed strategy and policy were in line with Department for Transport (DfT) requirements and failing to adopt this type of approach to Highways Asset Management could put future funding at risk.

A member noted that 7% of the road network was classed as key routes and 35% was classed as priority community roads. However, he reported that most constituent complaints received by members related to the other 58% of minor roads. He asked whether there was a map of community roads which could be made available to residents so that they were aware of which roads would or would not be repaired and the reasons for this. The Strategic Area Manager informed members that she would look into how the information on the community network of roads could be made available. The Executive Member for the Environment reported that the condition of the roads was one of the factors in deciding which roads were re-surfaced so minor roads in the worse condition could still be re-surfaced.

A member questioned whether the policy and strategy set out what the Council already did or whether it represented a change in approach. The Executive Member for the Environment confirmed that the policy and strategy formalised an approach which was already the Council's practice. In response to a member's question, the Executive Member for the Environment reported that stakeholder engagement was an area where improvements would be made, including sharing information on works which would be taking place and the reasons for the work.

A member asked for further information on how a joined-up approach worked in practice. The Strategic Area Manager reported that the Council was working more closely with organisations such as Transport for Greater Manchester (TfGM) and Highways England, for example, to carry out work at the same time and to ensure that their work complemented each other.

A member reported that traffic congestion impacted on economic growth and emphasised the importance of ensuring safe walking and cycling routes to reduce the number of vehicles on the roads. Another member noted that investment in roads would have a direct impact on economic growth by providing more jobs within that sector.

The Executive Member for the Environment advised members that further work was needed to fully understand and quantify how the highways asset contributed to economic growth and how barriers and problems impeded growth. The Strategic Area Manager advised members that the Council had been awarded £6 million from the Challenge Fund for road improvement work and that demonstrating a clear link between investment in roads and economic growth was key to obtaining future funding.

Decision

To endorse the recommendations that the Executive:

1. Approves and adopts the proposed Highway Asset Management Policy attached as Appendix 1 to this report;
2. Approves and adopts the proposed Highway Asset Management Strategy attached as Appendix 2 to this 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 Chair asked members to contact her or the Committee Support Officer if they had any recommendations for items to add to the work programme.

Decision

To note the report and agree the work programme.