

Economy Scrutiny Committee

Minutes of the meeting held on 27 January 2016

Present:

Councillor Richards – in the Chair

Councillors Amesbury, Appleby, Bridges, Davies, Farrell, Green, Hacking, Karney, Moore, Peel, Raikes, Razaq, Shilton Godwin, Siddiqi, Simcock, Smitheman, Strong and Wilson.

Councillor Leese, Leader of the Council

Councillor Priest, Deputy Leader

Councillor Flanagan, Executive Member for Finance and Human Resources

Dr Mike Burrows, Managing Director, Greater Manchester Academic Health Science Network (AHSN)

Vicky Rosin, Programme Director EuroScience Open Forum (ESOF) 2016, Marketing Manchester

Professor Dame Nancy Rothwell, Chair, Corridor Manchester

Claire Lowe, Partnership Manager, Corridor Manchester

Apologies:

Councillor Ellison

ESC/16/01 Minutes

Decisions

1. To approve as a correct record the minutes of the meeting held on 16 December 2015.
2. To receive the minutes of the Tax Avoidance Task and Finish Group on 14 January 2016

ESC/16/02 Tax Avoidance Task and Finish Group

Councillor Moore, the Chair of the Tax Avoidance Task and Finish Group, provided an overview of its findings. She reported that Manchester City Council was already ahead of many other councils in including tax avoidance criteria in its procurement process and recommended that the Council allow Christian Aid and the other development agencies involved to promote the Council's work on tax avoidance and evasion when it launches its campaign at the end of January 2016. She reported that the Task and Finish Group had also recommended that the District Centres Subgroup consider the benefits to local businesses of gaining the Fair Tax Mark and how this could be promoted. She advised that the Task and Finish Group's final report and recommendations should be ready for the next meeting of the Economy Scrutiny Committee.

A member welcomed the Task and Finish Group's work. He expressed concern at the tax arrangements agreed between Google and the national government and

recommended that residents contact both parties about this. He also supported the recommendation that the Council be involved in the launch of the Tax Avoidance campaign.

Councillor Davies reported that she had attended the second meeting of the Tax Avoidance Task and Finish Group, as a member of the Ethical Procurement Task and Finish Group. She reported that it was easier to deal with tax evasion, which was illegal, than tax avoidance and recommended that national government review legislation to ensure that aggressive tax avoidance practices were made illegal.

Decision

To recommend that the Council allow Christian Aid and the other development agencies involved to promote the Council's work on tax avoidance and evasion when it launches its campaign at the end of January 2016

ESC/16/03 Science and Health Innovation

The Committee received a report of the Strategic Director (Strategic Development) which provided an overview of the importance of science to the Manchester economy and information on work to establish a streamlined Health Innovation pathway. The Head of Policy, Partnerships and Research introduced the report across its main themes.

The Committee welcomed Dr Mike Burrows, Managing Director of Greater Manchester Academic Health Science Network (AHSN).

Dr Burrows gave a presentation on Health Innovation Manchester. He reported that this was a great opportunity, within the context of devolution, to transform the health of the Greater Manchester population by driving research and innovation into clinical care practice. He reported that the timescale from discovery of a new treatment to its use in clinical practice was currently 15 to 20 years and they aimed to shorten this timescale. He emphasised the importance of connecting the city's research assets with health and social care services and industry partners to develop a cohesive process and getting a mandate for this approach under the devolution arrangements. He advised members that this work could lead to economic growth and job creation and that devolution was already encouraging more companies to work in Greater Manchester.

Councillor Simcock reported that the Committee had held three workshops on the subject at its July 2014 meeting and that he had chaired the workshop looking at Health Informatics. He reported that the workshop had considered how Manchester residents could take advantage of the opportunities offered by this work and the city council's experience of gathering data on residents and the related data protection issues. He asked for information on progress in these areas.

Dr Burrows reported that this project provided a great opportunity to create jobs. He advised that it was important that the education system equipped people with the right qualifications to take advantage of these opportunities and that graduates wanted to stay and work in the city. In response to a member's question, he reported

that work was taking place with a number of organisations on workforce issues. He advised members that Manchester College had moved into the CityLabs Building on Oxford Road and this was a good opportunity to consider employment opportunities for non-graduates, as well as encouraging people to progress to higher education. The Head of Policy, Partnerships and Research reported that these issues were also addressed through the Work and Skills Strategy.

Dr Burrows reported that information governance was a critical issue and recognised that, over the longer term, linking health data with social care and other local government data would create a rich source of data to work with. He reported that they were collaborating with colleagues working on the GM Connect project on information governance and he could also draw on his previous experience in the introduction of an integrated record system in Salford. He reported that, during the development of the data platform, consideration was also being given as to how patients could be given access to their own data.

In response to a member's question, the Head of Policy, Partnerships and Research reported that there were 60,000 jobs related to science and technology across Greater Manchester and 60,000 jobs, across all fields, within the Manchester Corridor. She further reported that the 2014 workshops had identified the fragmentation of the work within this field and that Health Innovation Manchester aimed to bring about a more cohesive approach and also drive economic growth. She acknowledged the importance of communicating case studies and examples of the impact of this work to Greater Manchester residents. Dr Burrows reported that there were good examples of organisations such as Hitachi and GSK moving work and jobs to Greater Manchester and good examples of local small and medium enterprises (SMEs) being supported and that he could provide further information on this.

In response to a member's question, Dr Burrows reported that Well North was involved in Health Innovation Manchester. He further informed members about the Northern Health Sciences Alliance which aimed to ensure that the north of England could compete with the south-east, particularly in relation to research opportunities.

The Leader emphasised the importance of working with other northern organisations such as Sellafield and Alderley Park in order to position the region as a competitor in the global economy and retain large numbers of highly skilled people in the region. He informed members about the ongoing work which had identified four key economic sectors across the north of England – advanced manufacturing, energy production, health innovation and digital industries. He advised members that Manchester's science strengths linked into all these industries. He reported that putting together the strength across the north of England gave the region international significance, drawing in investment and skilled people and that Manchester's research strengths would put the city in a central position.

In response to a member's question, Dr Burrows reported that Manchester already had established clinical trial facilities but that further investment was needed to increase their size and capacity. He reported that building the Academic Health Science Centre and establishing closer links between the teaching hospitals in

Greater Manchester would improve the region's standing through presenting a single Manchester health system rather than working as individual institutions.

A member asked for further information on the relationship between the profit-making pharmaceutical industry and the public sector. Dr Burrows reported that the pharmaceutical industry had a new code of ethics and, in his experience, were now behaving more ethically but that he recognised that, while their aims could align with those of his organisation, they were also profit-making organisations.

Decisions

1. To note the importance of science, and its exploitation, to the growth of the Manchester economy. This is reflected in the Manchester Strategy and Greater Manchester Strategy.
2. To note the particular strengths in fundamental science related to advanced materials, life science and health innovation and the opportunities that arise for Manchester from these.
3. To note also the progress that has been made in establishing Health Innovation Manchester as a critical piece of infrastructure to support Health and Social Care Devolution by creating jobs and improving patient health.
4. To note the importance of real life stories of the impact of this work being identified and communicated to residents and to request that Dr Burrows circulate examples of this impact to members.
5. To continue to scrutinise how residents will benefit from job opportunities in this area and develop the skills needed to do so.

[Councillor Appleby declared a personal interest as an employee of Manchester College, which is based in the CityLabs Building.]

ESC/16/04 European City of Science 2016 and the EuroScience Open Forum (ESOF)

The Committee received a report of Vicky Rosin, Programme Director, of the EuroScience Open Forum (ESOF) 2016 which provided information about a major European inter-disciplinary science conference, the EuroScience Open Forum (ESOF), bringing over 4,500 delegates, which will be hosted in the city in July 2016. As the host city of this conference, Manchester had been awarded the designation of European City of Science and the report set out how this was being celebrated and the opportunities for citizens, organisations and businesses to get involved.

Vicky Rosin was joined by Professor Dame Nancy Rothwell, President and Vice Chancellor of the University of Manchester, Champion for ESOF and European City of Science and Chair of Corridor Manchester.

The Committee watched a short video on ESOF and European City of Science. A member thanked the guests for the video which she commented would inspire people to get involved in ESOF and European City of Science.

The Committee discussed how the public could be engaged in ESOF and European City of Science. They requested further information on work being done with local schools to involve Manchester young people and how this could be used to increase the number of young people continuing to study science, technology, engineering and mathematics (STEM) subjects.

Vicky Rosin reported that engagement with schools had been a focus from the beginning and a schools subgroup had been established to promote schools involvement. She informed members about the Great Science Share, a day for young people to share what they love about science with new audiences. She reported that opportunities were also being arranged for young people to be put in contact with visiting scientists. She further reported that an event was being arranged for teachers at the Museum of Science and Industry. She informed the Committee that all Education Directors, Directors of Children's Services and Chief Executive's across Greater Manchester were being contacted about this work. She also recommended that members who were school governors ensure that their school was engaged in this work.

Vicky Rosin informed members that it was hoped that this work would inspire young people to continue studying STEM subjects and that they were working with STEM ambassadors on this. She also informed the Committee that some local businesses were working with schools on promoting STEM subjects and that it was hoped to replicate this across the city. Professor Dame Nancy Rothwell reported that the universities had developed links with schools and that Manchester University had a school governors programme, with over 140 university staff being governors of local schools.

A member reported that, in recognition of Manchester being the European City of Science, the 2016 Manchester Day would have a science theme, under the title 'Eureka – World of Science' and that approximately 200 community groups were creating science-themed entries for the parade.

Vicky Rosin advised members that they were in touch with the organisers of the Manchester Day Parade and were aiming to help organise a fringe activity to link in with the ESOF and European City of Science events. She reported that a Great Science Stage was also planned as part of the European City of Science and this would enable delegates and other ESOF visitors to engage with the public on a range of science subjects.

Professor Dame Nancy Rothwell emphasised that science was not just about laboratory-based work carried out by academics and that it encompassed a wide-range of everyday activities. She reported that this was an important message and was reflected in some of the activities which were being arranged. She outlined the range of organisations involved in this work, including the Museum of Science and Industry which was leading on this work. She advised members that it was intended to have some events in local communities to attract local people who might not

consider going to a science conference at Manchester Central. She also reported that consideration was being given to the legacy of ESOF and European City of Science beyond 2016.

The Leader reported that the mission of the Museum of Science and Industry was to tell the story of how science and commerce came together in Manchester to change the world and how it was still changing the world. He informed members that he hoped that one of the legacies of ESOF would be to expand and promote Manchester's annual science festival. He reported that this year was the tenth annual Manchester Science Festival and that this event was already successfully encouraging young people to study STEM subjects. A member reported that this was an opportunity to raise awareness of this festival.

Members asked for further information on how the estimated economic benefits of ESOF and the European City of Science had been calculated and how it was funded. Vicky Rosin reported that the economic benefits were based on the spend of visiting delegates, using the same methodology as used by Visit England. She reported that attracting higher numbers of international delegates would increase the economic benefit as they were expected to spend more, for example, on accommodation. She further informed members that the estimated costs of staging the conference was £4 million. She reported that they had received £2.1 million funding from a number of bodies including the European Commission, which had contributed €1 million. She further advised that the rest of the money needed to be raised through sponsorship, delegate fees and exhibitions sales.

A member asked when the data capture and monitoring framework referred to in the report would be available and recommended that the Committee consider this at a future meeting. Vicky Rosin reported that work was currently taking place with New Economy and an independent company on developing an evaluation framework and more information on the outcomes of the event would be available in a year's time.

Decisions

1. To request that information on the Great Science Share and the wider ESOF/European City of Science programme of events be circulated to councillors and governors.
2. To receive a further report, following ESOF/European City of Science 2016, on the evaluation of its effectiveness and impact through the data capture and monitoring framework, and on the legacy of the events.

ESC/16/05 Corridor Strategy and Spatial Framework

The Committee received a presentation of Professor Dame Nancy Rothwell, Chair of Corridor Manchester which provided information on Corridor Manchester and the Strategic Vision to 2025. The Committee also welcomed Claire Lowe, Partnership Manager of Corridor Manchester.

Professor Dame Nancy Rothwell drew members' attention to the map of the area covered by Corridor Manchester and advised members that they were increasingly

seeking to engage with local communities outside of those boundaries and to make the area more accessible to local residents. She reported that the Northern Powerhouse project provided a strong opportunity for Corridor Manchester and emphasised the importance of strong links with other organisations across the city and the north of England. She informed the Committee that an audit was being prepared of science and innovation strengths across Greater Manchester and Cheshire East, which included a proposal for a Greater Manchester Strategy for apprentices.

Members thanked the guests for the presentation and the copy of Corridor Manchester's Strategic Vision to 2025 which had been circulated to members prior to the meeting.

Councillor Simcock informed members that he was the local authority representative on The Christie Hospital's Council of Governors. He reported that The Christie had a robust Green Travel Plan with the aim that by 2030 the percentage of journeys to hospital made by car would be 40% or less. He noted the expected increase in jobs on the Corridor and requested further information on the transport plans to manage increased numbers of people travelling to work on the Corridor. Professor Dame Nancy Rothwell reported that in the future cars would no longer be able to travel down Oxford Road so it was assumed that there would be less need for car parking and that more people would use buses or cycle. She advised that the universities were promoting the use of public transport and cycling. She further reported that Brunswick Street would become a park once cars could no longer drive onto Oxford Road.

The Leader reported that over the past decade there had been a significant improvement in the relationship between local residents and the universities and hospitals on the Corridor. He reported this had been improved through the introduction of residents-only parking schemes and through increasing numbers of local residents working at the universities and hospitals.

Councillor Smitheman, ward councillor for Ardwick, confirmed that relationships between the universities and the local community had improved and welcomed the plans to turn Brunswick Street into a park. However, she expressed concern at the congestion issues in her ward.

The Leader informed the Committee about plans to remove cars from the centre of the Corridor and to improve public transport, particularly cross-city buses to enable easy access to jobs for a wider group of people, as well as improvements to Oxford Road railway station. He further advised that there was work going on to improve the residential mix of the area, including ensuring that there was more accommodation for people working on the Corridor, not just student accommodation.

In response to a member's question, Professor Dame Nancy Rothwell reported that Corridor Manchester was linked with other universities through the N8 Research Partnership, a collaboration of the 8 most research intensive universities in the north of England, the Northern Health Science Alliance, Health North and the Sir Henry Royce Institute, which would be based in Manchester. She further reported that

there were now strong partnerships between Manchester University, Manchester Metropolitan University and Salford University.

The Chair requested further information on the Corridor's work on its strategic theme of contributing to economic and social inclusion. Professor Dame Nancy Rothwell informed the Committee that the Corridor partners were doing a lot of work on this. She informed members about The Works, a partnership involving Manchester University which was working to get long-term unemployed local residents into employment. Claire Lowe reported that Corridor partners had been working on this for a number of years and that this work included a range of initiatives including pre-employment programmes, apprenticeships, work placements and volunteering. She reported that they were now looking to improve this work over the next 10 years.

Decisions

1. To request that the Christie's Green Travel Plan be shared with the Corridor Partnership.
2. To request a report providing more detailed information on the Corridor's work contributing to economic and social inclusion, including information on the Corridor's targets for this strategic theme.

[Councillor Moore declared a disclosable pecuniary interest as an employee of Manchester University and withdrew from the room for this item]

[Councillor Shilton-Godwin declared a personal interest as an employee of an organisation funded by Manchester University]

[Councillor Appleby declared a personal interest as an employee of Manchester College, which is based in the CityLabs Building.]

ESC/16/06 Financial Context of the 2016/17 Budget

ESC/16/07 Growth and Neighbourhoods Budget and Business Plan 2016/17

ESC/16/08 Growth and Neighbourhoods Directorate Delivery Plans 2016/17

The Committee considered a report of the Chief Executive and the City Treasurer which provided members with further information on the financial context of the budget and the reductions the Council needed to make. The Committee also considered a report of the Deputy Chief Executive (Growth and Neighbourhoods) which provided a high level overview of the priorities to be delivered in the Growth and Neighbourhoods Directorate in 2016/17 alongside the Directorate's saving proposals. This report, together with the accompanying delivery plan set out the performance, financial, risk management, workforce monitoring framework, and public sector equality duty impacts. The Committee agreed to consider these reports together.

The Executive Member for Finance and Human Resources reported that the Council had received cuts of £337 million from its funding over recent years, resulting in the loss of over a third of its staff and a wider impact on its services and on the city as a whole. He expressed concern that funding reductions for Manchester were

disproportionate, when compared with other local authorities nationally. He advised the Committee that the Council needed to increase council tax by 2% to contribute to the funding of adult social care, given the budget pressures created by demographic changes and the national minimum wage. He also advised that council tax needed to be increased by a further 1.9% due to the removal of the Council Tax Freeze Grant. The Leader reported that over the last 15 years council tax in Manchester had reduced in real terms by 0.5% per year but this was changing now due to decisions made by the national government.

Members expressed concern at the budget cuts and the increase in council tax and the impact of these on residents. Members discussed the perception of residents that the Council would have extra money from increasing council tax, rather than this being used to mitigate other funding cuts. The Leader reported that many councils were increasing their council tax by the same percentages so this would help in communicating the message to the public that this was driven by national government decisions. A member recommended that local residents form a community coalition to campaign on this issue.

The Chair advised that, when setting the three year budget, members would need clear, manageable information on the wider budget, including which areas would and would not be affected by the proposals. The Executive Member for Finance and Human Resources reported that consideration of the three year budget would start in the summer and would include consultation with the voluntary sector and other partners.

The Chair noted that savings had been proposed from Cultural Grants using the economic and social analysis developed in conjunction with New Economy and asked that information on this analysis be circulated to members.

The Committee discussed concerns about waste and fly tipping and the need for education and enforcement. The Leader noted that, while this was not directly within the remit of Economy Scrutiny Committee, the cleanliness of an area did impact on its potential for economic growth. He advised that the budget and business plan proposals included the establishment of a taskforce to tackle waste and fly tipping and that, if it was approved, it would be operational from 1 April 2016. The Executive Member for Finance and Human Resources reported that £500,000 had been invested in this area. He informed members that a taskforce team was ready and the waste contractor Biffa was contributing two members of staff to carry out community work. He reported that littering fines were being increased from £80 to £150 and it was recognised that enforcement was needed outside of the city centre. Members welcomed the proposal for a taskforce working across the whole city.

The Leader informed the Committee that it was proposed that next year's budget would not include any cuts in the city centre and strategic development teams, which supported major economic development in the city. He advised members that this was part of the Council's strategy to mitigate the impact of the cuts through economic growth and job creation.

The Chair noted the review of the grant funding arrangements for the voluntary and community sector and requested that the Committee consider this in more detail at a future meeting.

Decisions

1. To endorse the recommendation to the Executive that:
 - The Executive is recommended to approve the proposals in this report to be included in the budget to be recommended to Council.
2. To request clear information on the wider budget context when the three year budget is considered.
3. To request that information on the economic and social analysis developed in conjunction with New Economy be circulated to members.
4. To welcome the proposal to establish a taskforce on waste and flytipping from 1 April 2016.
5. To receive a further report on the review of the grant funding arrangements for the voluntary and community sector at an appropriate time.

ESC/16/08 District Centres Subgroup - Terms of Reference and work programme

The Committee received a report of the Governance and Scrutiny Support Unit, which set out the proposed terms of reference and work programme for the District Centres Subgroup. The Committee was invited to agree the membership, terms of reference and work programme for the Subgroup.

Councillor Bridges, Chair of the Subgroup, reported that he and the Chair of Economy Scrutiny Committee had met with officers to discuss the proposed terms of reference and work programme and invited members to comment on them. He further invited members to contact him if they were interested in joining the Subgroup.

The Chair of Economy Scrutiny Committee reported that it was important to consider the size and geographical spread of the membership of the Subgroup to allow the Subgroup to effectively focus on the relevant issues. Councillor Hacking expressed an interest in becoming a member of the Subgroup.

A member recommended that the objectives include the role of tourism within some district centres and the support the Council could give district centres in promoting their offer. Another member recommended that the Subgroup consider the impact of Rent To Own companies such as Bright House and what action could be taken. Another member recommended that the Subgroup consider inward investment into the district centres.

The Chair of the Tax Avoidance Task and Finish Group reported that the Task and Finish Group had recommended that the District Centres Subgroup consider the benefits to local businesses of gaining the Fair Tax Mark and how this could be promoted.

The Chair supported the recommendations made by members.

Decisions

1. To agree the Terms of Reference and work programme, subject to the amendments above
2. To ask members to contact Councillor Bridges to express an interest in joining the Subgroup and for the membership to be agreed at a future meeting

ESC/16/09 Overview Report

A report of the Governance and Scrutiny Support Unit was submitted. The overview report contained key decisions within the Committee's remit, responses to previous recommendations and the Committee's work programme. The Committee was asked to approve the work programme.

The Strategic Director referred to two items provisionally scheduled for the 24 February meeting – Population Growth and Manchester's Cultural Economy. He reported that Finance Scrutiny Committee had recently received a report on Population Growth and this item would be a duplication. The Committee agreed to remove this item from the work programme.

The Strategic Director asked for clarification on the scope of the report on Manchester's Cultural Economy. A member requested that this include information on festivals and events within the city, including smaller-scale festivals, and to consider their economic impact and the Council's support for them. The Committee agreed that the report should specifically focus on festivals, including their scale and economic impact and how they were programmed throughout the year. They also agreed to defer this to a future meeting, due to the number of items scheduled for the 24 February meeting.

The Committee received a number of late reports for this meeting regarding the budget setting process in order that all budget papers could be issued at the same time.

Decision

To agree the work programme, subject to the above amendments.