

Economy Scrutiny Committee

Minutes of the meeting held on 7 September 2016

Present:

Councillor Richards – in the Chair

Councillors Appleby [ESC/16/36 - ESC/16/39, ESC/16/41 - ESC/16/42], Davies, Farrell, Green, Hacking [ESC/16/36 - ESC/16/39, ESC/16/41 - ESC/16/42], Moore, H Priest, Raikes, Razaq, Shilton Godwin, A Simcock and Smitheman

Councillor Leese, Leader

Councillor S Murphy, Statutory Deputy Leader

Councillor B Priest, Deputy Leader

Nicola Kane, Transport for Greater Manchester (TfGM)

John Thornhill, Manchester College

Mat Ainsworth – Greater Manchester Public Service Reform Team

Grace Watson, Manchester Growth Company

Michelle Leeson, Manchester Growth Company

Natasha Glynn, Manchester Growth Company

Lisa Claydon, Manchester Growth Company

Caroline Price, Big Life

Ramona Iqbal, Big Life

Apologies:

Councillor Amesbury

ESC/16/36 Minutes

Decisions:

1. To approve as a correct record the minutes of the meeting held on 20 July 2016.
2. To receive the minutes of the District Centres Subgroup meeting held on 21 July 2016.

ESC/16/37 Quarterly Economy Dashboard – For information

The Committee received the Quarterly Economy Dashboard, a report of the Core Performance and Intelligence Team, for information. The Chair asked members to e-mail the Performance Manager (Place and Core) if they had any queries about the data in the dashboard.

Decision

To note the report.

ESC/16/38 The Economic Impact of Devolution – Planning and Strategic Transport

The Committee received a report of the Chief Executive which considered the impact devolution would have on the city's economy with particular reference to the Greater Manchester Spatial Framework and Strategic Transport. The Committee welcomed Nicola Kane from Transport for Greater Manchester (TfGM). Ms Kane provided an overview of TfGM's strategy for transport across Greater Manchester and the public consultation which was currently taking place.

The Chair requested that the Committee receive the Greater Manchester Spatial Framework once the draft is finalised.

Members discussed bus services and how services could be provided on routes which were not considered commercially viable. The Leader advised the Committee that bus franchising would enable TfGM to determine what bus routes would be provided and to package a combination of well-used and less well-used routes together into a bus franchise which bus companies would want to bid for. Members welcomed the proposal for bus franchising and recognised its importance in connecting residents to employment and skills.

A member requested that clear information on future plans for the Metrolink be included on the Metrolink website.

In response to a question from the Chair, the Leader reported that the Leader of Oldham Council, Councillor Jean Stretton had portfolio responsibility for economic inclusion and that she would be looking into how transport, health and housing relate to the growth agenda. The Chair recommended that Councillor Stretton be invited to the meeting of Economy Scrutiny Committee, where the Committee would be considering the Family Poverty Strategy.

A member expressed concern at the public perception of the Greater Manchester Housing Investment Fund, reporting that residents were not clear that the Fund provided loans, not grants, and viewed the Fund as providing money to wealthy organisations to build in or near the city centre. The Leader reported that the Housing Investment Fund enabled developers to make a reasonable return from their developments, not unusually large profits. He informed members that this was a ten year Fund with the loans being paid back with interest and then re-invested. Therefore, he advised that it was important that the early investments were made in areas that the Fund could be confident would make a profitable return so that the money could be re-invested. He further advised that later on in the ten-year period, money could be invested in riskier areas, including some areas further from the city centre. A member asked how members could scrutinise the Housing Investment Fund to assure themselves about its work and also to demonstrate to the public that this was being effectively scrutinised, noting that it involved commercially sensitive information. The Leader advised that the appropriate scrutiny committee could scrutinise the methodology the Greater Manchester Investment Team used to make decisions on loan recommendations or could hold look at appraisals of previous investments, in a private session, if necessary.

Decisions

1. To support the proposal for bus franchising and recognise its importance in connecting residents to employment and skills.
2. To request that the Committee receive the final draft of the Greater Manchester Spatial Framework at a future meeting.
3. To ask Metrolink to provide clear information on future plans for the Metrolink on their website.
4. To invite Councillor Stretton to the meeting of Economy Scrutiny Committee, where the Committee will consider the Family Poverty Strategy.
5. To request that the appropriate scrutiny committee scrutinise the use of the Housing Investment Fund.

ESC/16/39 New Business Rates Regime – Implications for the Economic Growth Agenda

The Committee received a report of the Chief Executive and the City Treasurer which provided an overview of the new business rates regime and highlighted the implications of this for the city's economic growth agenda.

The Committee discussed the risks and opportunities presented by the change to business rates. The Leader advised that the extent to which the new business rates regime could be a driver for economic growth was very limited. A member asked how business rates could be used to stimulate district centres and it was agreed to refer this issue to the District Centres Subgroup. The Chair requested that the Committee receive a further report at an appropriate time.

A member questioned whether business members of the Local Enterprise Partnership (LEP) would approve a Mayoral Levy of 2p in the pound. The Leader reported that in Greater Manchester the Greater Manchester Combined Authority (GMCA) appoint the LEP and both bodies receive the same economic advice and, therefore, if there was strong economic case for a levy the LEP members would be aware of this. A member requested that members be informed how much money a Mayoral Levy of 2p in the pound would raise.

Decisions

1. To request that the District Centres Subgroup consider how business rates could be used as a tool for revitalising district centres.
2. To consider a further report on the Economic Implications of Business Rates at an appropriate time.
3. To request information on how much money a Mayoral Levy of 2p in the pound would raise.

ESC/16/40 Implementation of the Greater Manchester Area Review and Devolution of Skills

The Committee received a report of the Director of Education and Skills and the Head of Work and Skills which provided an update on the Greater Manchester (GM) Area Based Review. The report considered the implications of the Area Based Review for post-16 education and training in Manchester and within the wider GM skills devolution. It also provided an update on progress with the key devolved skills

programmes; the Adult Education Budget and the Apprenticeship Age Grant and other GM skills initiatives. The Committee welcomed John Thornhill from Manchester College. The Head of Work and Skills introduced the report across its main themes.

Mr Thornhill informed members that, prior to the GM-wide Area Based Review, his organisation, Council officers and other further education (FE) providers had already been working together to map the education offer in Manchester, improve efficiency and reduce overlaps in provision. He reported that this work was taking into account current and future transport and housing within the city. He advised members that he would be able to bring an update to a future meeting, including a plan which would improve long-term sustainability, create additional capacity for the economic growth agenda and change neighbourhood delivery to make it more effective. He advised members that this should be ready before the end of the year. The Chair recommended that the Committee receive an update at a future meeting.

A member expressed concern that funding for adult education would not be sufficient to meet the needs of people in the city. The Deputy Leader advised that it was important to ensure there was funding for people to develop the entry level skills which would enable them to access jobs and benefit from economic growth. He reported that the Council needed to consider how it could ensure sufficient funding for adult education in the light of national government funding cuts and advised members to raise this issue, making it clear that this should be a priority area when future budgets were determined. The Chair recommended that the Committee ask the Executive to consider the issue of resourcing for adult skills and education.

In response to a member's question, the Head of Work and Skills reported that New Economy were due to start work on the Curriculum Review this month. She advised members that this was a wider review than the Area Based Review as it also included adult education and private training providers. The Chair recommended that the Committee receive a report on the Curriculum Review at an appropriate time.

Decisions

1. To recommend that the Executive consider the issue of resourcing for adult skills and education.
2. To receive a report on the Curriculum Review at an appropriate time.
3. To receive an update from Manchester College at a future meeting.

[Councillor Appleby declared a disclosable pecuniary interest as an employee of Manchester College and left the room for this item.]

[Councillor Hacking declared a prejudicial interest as a governor of Manchester College and left the room for this item.]

ESC/16/41 Working Well Update

The Committee received a report of the Head of Work and Skills which provided an update on Working Well, a welfare to work programme. It also provided an update on plans for the DWP Work and Health programme, and arrangements for the Greater Manchester Combined Authority (GMCA) co-commissioning of the programme as part of the GM Devolution Agreement. The Committee welcomed Mat Ainsworth

from the Greater Manchester Public Service Reform Team, Grace Watson, Michelle Leeson, Natasha Glynn and Lisa Claydon from Manchester Growth Company and Caroline Price and

Ramona Iqbal from Big Life. The Statutory Deputy Leader introduced the report across its main themes, highlighting the achievements in this area while expressing concern that funding cuts could impact on the Work and Health programme. Mr Ainsworth reported that Job Centre Plus (JCP) would have a greater role in supporting people into work in future and that his team was developing a closer working relationship with JCP.

The Committee discussed the barriers people experienced in getting into and sustaining employment, including health, lack of qualifications and skills and transport. Mr Ainsworth acknowledged that transport was an issue and highlighted some of the support in place to enable people to travel to the areas where job opportunities were available, including travel training and free and subsidised travel offers.

The representatives from Big Life and Manchester Growth Company explained the referral process to Working Well, the training provided to key workers and how they worked with clients. The Committee was informed of how the key workers built a relationship with clients to identify their barriers to employment and provided individualised support, working closely with partners.

In response to a question from the Chair, Ms Price identified the limited opportunities for work placements as a challenge. She and Ms Leeson outlined the actions their organisations were taking to secure work experience and employment for clients. The Head of Work and Skills reported that Working Well clients were a priority group for the city. She informed members that the Council had refreshed its work experience policy, prioritising Working Well clients, and work-ready Working Well clients were also prioritised by Manchester Employer Suite. She also reported that both organisations which provided Working Well actively looked for work which matched their clients' needs, abilities and aspirations.

In response to a question from the Chair, Mr Ainsworth reported that there were no statistics on the numbers of clients who had experienced domestic abuse but it was clear from case studies that this was an issue. He advised members that he would look into what qualitative research could be produced on this. Ms Claydon reported that this might not initially be identified as a barrier for clients, citing an example where a client had only disclosed this information several weeks into the programme.

A member noted that the client in one of the case studies in the report had received support from the Brian Hore Unit, which had since closed. She emphasised the need to consider the impact of the closure of the Brian Hore Unit on provision for people with alcohol problems. The Statutory Deputy Leader reported that she would ask the Executive Member for Adult Health and Wellbeing to provide a note on how people were accessing these services since the Brian Hore Unit had closed and whether more people were now accessing these services.

The Chair thanked the guests for their valuable contribution to the discussion. She requested that the Committee receive an update report at an appropriate time, including case studies.

Decisions

1. To receive an update report at an appropriate time, including case studies.
2. To request that the Executive Member for Adult Health and Wellbeing provide an update for members on how people were accessing alcohol dependency services since the Brian Hore Unit closed and whether more people were now accessing these services.

ESC/16/42 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, which the Committee was asked to approve.

The reports on The Economic Impact of Devolution – Planning and Strategic Transport and New Business Rates Regime – Implications for the Economic Growth Agenda were received late and published in a supplementary agenda. The reason for the late reports has not yet been confirmed.

At the recommendation of the Chair, the Committee agreed to visit Manchester Science Park after the Committee's 12 October meeting and to hold the Committee's 9 November meeting at the Etihad Complex, followed by a tour for members. She also recommended that the Committee hold an additional meeting jointly with Manchester Youth Council. The Committee agreed to these recommendations. The Chair encouraged members to inform the Committee Support Officer of any youth organisations or young people in their ward who they would like to involve in the additional meeting.

Decisions

1. To approve the work programme.
2. To visit Manchester Science Park.
3. To hold the November meeting at an external venue.
4. To hold an additional meeting jointly with Manchester Youth Council.