

Economy Scrutiny Committee

Minutes of the meeting held on 11 October 2017

Present:

Councillor Richards– in the Chair

Councillors Green, Davies, Hacking, H Priest, Raikes, Razaq and Shilton Godwin

Councillor Leese, Leader

Councillor Stogia, Executive Member for Environment

Apologies: Councillor A Simcock

ESC/17/38 Minutes

Decision

To approve as a correct record the minutes of the meeting held on 6 September 2017.

ESC/17/39 Evidence of the Impacts of Recent Transport Investment

The Committee received a joint report of the Strategic Director (Development), the Deputy Chief Executive (People, Policy and Reform) and the Director of Highways, Transportation and Engineering, presented by the Head of Policy, Partnerships and Research, which provided an overview of the strategic context within which transport policy in the city had been developed, and identified some of the key transport investments that had been made over recent years and the implications of these investments on the city's transport network and on the wider economy of the city.

It was reported that Greater Manchester had made strategic decisions during the last decade to invest heavily in modernising and increasing the capacity of its transport networks. The report went on to highlight a number of these key projects. It was reported that although some of this work had caused disruption, the improvements had reduced the number of car trips into and around the city centre and also the number of trips made by rail, Metrolink, foot and by bike had increased. The key changes to the city, in terms of jobs, economic growth and a dramatic increase in vibrancy, had only been possible because of the improvements made to transport infrastructure and a policy to support this mode shift.

A Member asked whether there was any scope to put more emphasis and focus on public transport as the level of use of cars appeared to remain static year on year.

The Leader advised that there had been a 25% reduction in the number of car journeys across the city centre cordon since 2006 and it was anticipated that by 2040, the total number of journeys will have increased by 100% but those travelling by car would fall to approximately 16% compared to 36% in 2006. He advised that this illustrated a positive direction of travel. The Head of Policy Partnership and

Research advised that there had been a dramatic shift in the mode of transport used to access the city centre following strategic investment in public transport capacity.

A Member asked what lessons had been learnt from the disruption that had occurred during the infrastructure improvements. The Member also asked whether there was a need to make a stronger reference to pedestrians and walking in future reports.

The Leader advised in terms of lessons learnt, it had been acknowledged that there was the need for accountability in the co-ordination of infrastructure improvements and as such a City Centre Infrastructure Group had been established to oversee the co-ordination of works. The Head of Policy Partnership and Research advised that in terms of walking, there had been significant residential growth on the edges of the city centre which had contributed to the increase. As the city centre transport strategy was refreshed there would be greater emphasis placed on the importance of walking and accessible walking routes.

A Member asked whether there had been any analysis on the economic impact of the infrastructure schemes following completion.

The Head of Policy Partnership and Research advised there would be a full benefit realisation report provided in relation to the schemes, but this had not yet been undertaken as the scheme needed longer to bed in in order to yield the necessary data.

A Member asked if there was any evidence from bus operators in terms of demand increasing.

The Head of Policy Partnership and Research advised that during the period of maximum disruption, there was a decline in patronage but since then, services had become more reliable and resilient and a high percentage of this patronage had returned to services.

A Member commented that in terms of targets, the Council should be as ambitious as possible in terms of alternative modes of transport to the car in order to improve peoples' quality of life. The Member suggested that a future paper should include an analysis of how people travel across the city to other areas of employment (such as Manchester Airport).

The Leader advised that although this may be worth doing it was worth looking at the comparative scale of where jobs were located, as out of all of the jobs across Greater Manchester, 19% were located in the City Centre with the next largest concentration being 3% in Trafford Park. As such the significance of the city centre in the overall Greater Manchester economy was enormous.

Decision

The Committee:-

- (1) notes the report; and
- (2) agrees to add to its work programme a report analysing how people travel across the city to other areas of employment

ESC/17/40 Transport for Greater Manchester 2040 Strategy Update and Delivery Plan

The Committee received a report of the Strategic Director (Development), presented by the Head of Policy, Partnerships and Research and the Head of Strategic Planning and Research for Transport for Greater Manchester (TfGM), which provided an update on the next stages in the delivery of the Greater Manchester 2040 Strategy which aimed to provide an overall strategic framework for the development and management of the Greater Manchester Transport network.

The Strategy document had been prepared in consultation with the ten Greater Manchester local authorities along with representatives from Highways England and the team preparing the Greater Manchester Spatial Framework (GMSF). The Strategy would be supported by shorter term (5-year) Delivery Plans to allow the proposals to be updated on a regular basis, reflecting changes, not only in the funding, governance and legislative environment but, over the longer term, in the location and scale of new development being identified through the GMSF.

The Strategy set out a clear route to ensure that the City Region identified the key investments and policies for transport that underpinned its wider objectives. Key aspects of delivery had already taken place, with considerable benefit for Manchester, examples of which were highlighted to the Committee. Investments that were planned through the ongoing delivery of the 2040 Strategy would continue to support the Council's aims for the city. However, it was also clear that there needed to be flexibility within the delivery plan, so it was possible to respond to changing circumstances, pressures and opportunities

A Member enquired as to whether pedestrians and walking would have a strong focus within the strategy.

Officers advised that pedestrian, walking and cycling were core priorities of the strategy and the strategy would include a focus on the importance of walking and cycling in improving people's quality of life.

A Member asked if there was an update on the proposals to increase the number of the platforms at Piccadilly station and the length of platforms at Oxford Road station. The Member also asked what provision was available to address unanticipated negatives to improvements that have been made.

The Leader advised that in terms of the Northern Hub, decisions were still being awaited following public enquiries into the proposals at Piccadilly and Oxford Road stations. The last statement made by Secretary of State for Transport was that he had sent the plans back to Network Rail as he did not feel the proposals were adequate, clarity around his comments were still required.

A Member asked for an update on the proposed electrification programmes of rail links.

The Leader advised that an update on this issue would be covered under the next item of business.

The Chair asked what European funding would be available in the future to deliver projects.

Officers advised that there was a number of projects currently receiving European funding and there would continue to be future opportunities to bid for European funding with European partners.

A Member requested that the Committee agreed to recommend that the Greater Manchester Mayor lobbied the Treasury to address the imbalance of treasury modelling which consistently disadvantaged the city.

The Leader advised that transport infrastructure was a Combined Authority function and advised that although there was an imbalance, Government had been prepared to take a strategic view of developments and referenced Northern Powerhouse as an example of this. He agreed though that there would probably be a need to continue to keep pushing the government to commit to strategic developments within Greater Manchester and the North.

Decision

The Committee

- (1) notes the report; and
- (2) requests that the Leader, via the Combined Authority, continues to lobby the Government to commit to strategic developments within Greater Manchester and the North.

ESC/17/41 Greater Manchester HS2 and Northern Powerhouse Rail Growth Strategy

The Committee considered a report of the Strategic Director (Development), and received a presentation from the Northern Powerhouse Rail Director, which provided Members with a draft of the Greater Manchester Growth Strategy (GMGS) for HS2 and Northern Powerhouse Rail (NPR) for both Manchester Piccadilly and Manchester Airport. The Growth Strategy aimed to maximise the opportunities arising from these key investment schemes for both the city and for Greater Manchester.

Central to the draft GMGS, was how the connectivity brought about by HS2 and NPR could support the ambition for a successful Northern Powerhouse economy, with Greater Manchester at its heart, and consequently the essential part these investments could play in supporting, and adding to, the economic growth anticipated in the Greater Manchester Strategy, Greater Manchester Spatial Framework and the Our Manchester Strategy.

Building on Transport for Greater Manchester's 2040 Transport Strategy, the draft GMGS had identified the strategic infrastructure investments which could maximise the benefits of the new high speed rail services to Greater Manchester by ensuring full integration with the existing and future transport network. The Growth Strategy would increase the role of Manchester Piccadilly and Manchester Airport as strategic, fully connected, national and international transport hubs, with the potential for significant commercial and residential development in the surrounding areas. The infrastructure plans set out would ensure that residents and businesses from all parts of the city and the city region were able to access the opportunities provided.

The report went on to outline the proposals for both Manchester Piccadilly and Manchester Airport along with the medium to long term investment that would be needed to deliver the different elements of the Growth Strategy.

The Leader commented that these schemes would determine the scale of accessibility for Manchester for the next 100 years, and in order to allow for additional capacity in the future, the NPR underground station beneath HS2 provided the greatest level of future proofing.

A Member asked whether there was any proposal to improve the rail connection between Manchester and Liverpool.

The Northern Powerhouse Rail Director advised that as part of the HS2 proposals, there would be new rail infrastructure that connected Liverpool into the HS2 line south of Manchester Airport, which would see journey times of approximately 20 minutes from Liverpool to Manchester Airport.

A Member asked in terms of cost, what was the difference between the two proposed schemes at Piccadilly station and when was it anticipated that either scheme would be in operation.

The Leader advised that the underground NPR station proposal was the more expensive of the two, with estimated figures of approximately £800million for the underground station and £1.1 billion to £1.2 billion to construct the tunnel under the city. The estimate cost of the turn back station would vary between £300million and £600million dependent on the number of platforms it would have. The Leader reiterated that although the underground scheme was more expensive, it was the most future proof of the two schemes. In terms of delivery, it was anticipated that whichever scheme was adopted, the NPR-HS2 touch points would need to be implemented at the same time as construction of HS2, which was due to start in 2026 and completed by 2033. The Strategic Director (Development) also commented that the turn back station proposal, being at the surface level, would

require a significant land take and would result in the loss of employment land, and as such it would have an impact on the number of businesses and jobs available in the Piccadilly area, and would also result in the loss of income streams from other developments.

A Member commented that there would be a need to consider inclusive growth within these proposals and any skills gaps should be identified as early as possible to ensure these could be addressed.

The Head of Work and Skills advised that as part of the Growth Strategy economic assessment there was a section on skills and employment which covered projected end use and the jobs likely to be created in terms of both construction of HS2 at Manchester Airport and Piccadilly station, and the associated jobs that would be created post construction. It was anticipated that as a result of these developments, there would be a number of high skilled jobs created, and it was acknowledged that there would be a need to upskill residents to take up the opportunities of these jobs.

A Member asked whether there was any plans to align Manchester's bus station with Piccadilly Station.

The Leader advised that proposals to align the bus station with Piccadilly Station had previously been looked at but this had proven very difficult to deliver but officers would continue to look at how to get closer integration of the two.

Decision

The Committee:-

- (1) endorses that the Executive is requested to:-
 - endorse the contents of the draft Greater Manchester HS2 and Northern Powerhouse Rail Growth Strategy;
 - delegate authority to the Strategic Director - Development to finalise the Growth Strategy, in consultation with the Leader of the Council and Executive Member for Environment & Skills, and GM partners;
 - recommend that the Growth Strategy is submitted to the October meeting of the GMCA and to the Department for Transport (DfT) and Department for Local Government (DCLG) for consideration;
 - agree that, following further discussion with Government, a report be submitted to a future meeting of the Executive on the proposed second Greater Manchester Transport Fund, and options for a funding structure with Government to enable the Council, TfGM and GMCA to implement the Growth Strategy for both Manchester Piccadilly and Manchester Airport; and
 - agree that a refreshed SRF for Manchester Piccadilly is brought back to future meeting of the Executive to reflect the updated masterplanning work carried out as part of the GMGS.

- (2) requests that the refreshed SRF for Manchester Piccadilly is brought back to future meeting of the Scrutiny Committee prior to its consideration by the Executive

ESC/17/42 Business Recovery plan following the Manchester Arena attack

The Committee received a report of the Strategic Director (Development), which provided Members with a summary of the work that had been undertaken in relation to business recovery following the Manchester Arena attack. The report also informed the Committee about the wider work that was taking place around improving engagement with businesses.

It was reported that there was a small number of businesses and visitor attractions within the cordon area that were closed for trading as a result of the attack on the Arena. Work had been undertaken to make contact with the affected businesses to understand the scale of impact, and to identify ways in which assistance or support could be provided to ensure business continuity and mitigation of impact of loss of trade. There were nine businesses that had been identified for possible business rate relief. Of these, three businesses had applied for this and received relief totalling £7,641.46. Officers advised that it had been hoped that a grant from central government would be forthcoming which could be used to provide financial assistance to the smaller businesses that have identified losses, however, the Council had recently received notification that the government refusing this support.

The report went on to detail the impacts of the attack on the economy and businesses in the city, which included, attendance at large venues and footfall in the city centre, and hotel and room occupancy rates. The Committee was advised the importance of effective business relationships in the city and was appraised of the work that had been undertaken to explore how the Council as a whole could improve the way it interacted with its business customers.

A Member asked what was the Council going to do in light of the fact of governments refusal to provide any financial assistance smaller businesses that had been affected.

The Leader advised that the decision to refuse support was outrageous and the Council would continue to lobby through MPs and other routes. He advised that Manchester was not being treated on a par with London which was unfair.

A Member asked what lessons had been learnt in relation to improving communications with small businesses.

Officers advised that the Council worked hard to talk to all the small businesses that had been affected and one of the learning points was that although colleagues in Revs and Bens had details of all businesses affected, these details could not be shared with other Council departments which resulted in a lengthy process of gathering any public available information on the businesses. Another lesson learnt was that there was not central point for all of the services that businesses interacted with and a solution to this was being progressed.

A Member commented on how proud she felt in relation to how emergency and public services responded to the tragic event and thanks all those that had been involved and had donated to the Fund.

The Leader advised that the Council would be hosting a Civic Reception would be hosted on 6 November to thank those who were involved in helping those affected by the arena attack.

A Member suggested that the Committee recommended that the Council provided some form of support to those businesses that the Government would not provide financial assistance to.

The Leader advised that the Council had made a commitment to provide support to all those that had been affected by the attack, and would continue to do so regardless of whether Government provided financial assistance or not.

Decision

The Committee

- (1) notes the report;
- (2) endorses the response that the Council has made and continues to make to those affected by the attack;
- (3) requests that the Leader continues to lobby government through the appropriate channels for financial support for businesses affected by the attack; and
- (4) requests that Officers submit a future report on how the Council engages with small businesses within the City Centre.

ESC/17/43 Re-establishment of the District Centres Subgroup

The Committee considered the report of the Governance and Scrutiny Support Unit, which set out the proposed Terms of Reference for the District Centres Sub Group

The Committee was invited to discuss and make any necessary revisions to the Terms of Reference proposed and determine which Members from the Scrutiny Committee would form part of the membership of this Sub Group.

It was suggested that as part of the re-establishment of the Sub Group, it would be beneficial to seek membership from the Neighbourhoods and Environment Scrutiny Committee, Planning Committee and Licensing Committee.

Decision:

The Committee

- (1) agrees the Terms of Reference and proposed work programme;
- (2) agrees the membership of the Sub Group from this Committee as Councillor Shilton Godwin and Councillor Hacking;
- (3) agrees that Councillor Shilton Godwin is appointed as Chair of the Sub Group; and
- (4) agrees that further membership will be drawn from the Neighbourhoods and Environment Scrutiny Committee, Planning Committee and Licensing Committee;

ESC/17/44 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 agree the work programme.

Decision:

The Committee

1. notes the report; and
2. agrees the work programme.