

Economy Scrutiny Committee

Minutes of the meeting held on 3 January 2018

Present:

Councillor Richards– in the Chair
Councillors Davies, Hacking, H Priest, Raikes, Razaq, Shilton Godwin and A Simcock

Councillor Leese, Leader
Councillor S Murphy, Statutory Deputy Leader
Councillor B Priest, Deputy Leader
Councillor Rahman, Executive Member for Schools, Culture and Leisure
Councillor Stogia, Executive Member for Environment

Apologies – Councillor Green

ESC/18/01 Minutes

Decision

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

ESC/18/02 Outcomes from the Economy Scrutiny Workshop with Young People

The Committee considered a report of the Head of Work and Skills, which provided an overview of the agreed outcomes from the workshop with young people in November 2017, and proposed next steps to address the areas raised by young people in relation to their progression into employment.

Officers referred to the main points and themes within the report which included:-

- Curriculum for Life should provide opportunities for young people from all walks of life;
- Young people would like careers education that prepared them for the world of work now and in the future, including work experience that was relevant and meaningful;
- Young People would like opportunities to provide feedback and help shape the work experience offer;
- The restrictions on access to apprenticeships comprised of a lack of places making it a very competitive pathway, lack of practical help to navigate the application process and individual personal circumstances
- Young people would like financial support to gain the employability skills and experience they need via paid internships, bursaries, discounted transport;
- There was a growth of expensive housing within the city centre which did not match salaries of young people;
- The impact of different benefit rules and the potential reduction in household income moving from benefits into employment; and

- It was suggested that a one stop shop was required, were young people could go for high quality information, advice and guidance on all of the pathways, including access to information via a website/mobile app.

The Committee welcomed a number of Young People to the meeting who had attended the Workshop and considered their views on the findings and proposals within the report.

Some of the key points that arose from the Committees discussions were:-

- There was a consensus agreement that there needed to be improved opportunities for young people to undertake work experience which was of a high standard;
- Large Manchester businesses that offered work experience placements should be asked to consider providing tours of their services to young people to demonstrate what work would be undertaken as part of a placement;
- Consideration should be given to strengthening Curriculum for Life by including reference to what young people should expect when sharing accommodation;
- The proposed one stop shop needed to be co-created with young people;
- Whilst supportive of the proposals identified, some of the issues identified would require lobbying at both a regional and national level;
- Work experience opportunities were not afforded to pupils across all schools in Manchester and this needed to be addressed;
- The Council should do all it can to support the reintroduction of work experience opportunities for young people across the city;
- Organisations should be provided some form of guidance as to how they could structure a work experience placement and the benefits a placement brought to a young person; and
- Schools needed to co-ordinate with local employers to identify work experience opportunities.

The Committee was advised that a lack of consistency in the number of work experience placements and how placements were applied was resulting in a false representation of what work was actually like. Although the Council could not enforce schools to offer work experience, it was felt that the Council could offer guidelines to schools as to what a good quality placement should entail.

The Head of Work and Skills advised that the Council did provide on line guidance for young people in relation to work experience, alongside a Careers Education Information Advice and Guidance Network, which was accessed through schools and colleges, which the Council actively worked with and provided examples of best practice. The other systematic approach was the development of a Careers and Enterprise Network for Manchester, which amongst other things, matched an enterprise advisor with a school at a strategic level to develop an approach for business engagement. Officers acknowledged that although the Council maintained responsibility for targeted support for young people (16 – 18) who were deemed as Not in Education Employment or Training (NEET), it was ultimately up to each individual school as to what it offered in terms of work experience opportunities

The Executive Member for Neighbourhoods and Skills thanked the young people for their contributions and advised that the views provided would contribute to the shaping of the Manchester Work and Skills Strategy. The Executive Member commented that the Council had a clear plan and policy in place that could be aided by the views expressed. It was acknowledged that the Council needed to undertake further work with its partners in order to deliver the needs identified by young people to progress into the labour market and support their aspirations for the future. She commented that the Council relied on its partners to support young people and provide employment experience, including the private and voluntary sectors. The Executive Member supported the proposal to develop a one stop shop and agreed that this needed to be scoped fully in partnership with young people to determine how best this could be delivered.

The Executive Member for Schools, Culture and Leisure thanked all the young people and organisations that had contributed to the findings and proposals. He advised that there had been a number of strategies developed in consultation with young people in previous years which addressed the issues that had been raised and gave a commitment to ensure action would now be taken in relation to these strategies. A Youth Strategy Board had been established and through this Board some of the actions identified would be delivered. He agreed that there needed to be consistency around the offer of work experience provided in schools and gave a commitment to deliver a youth offer that was consistent and available to all young people in Manchester.

The Statutory Deputy Leader supported the views that had been made in terms of work experience and commented that research had shown that the more exposure young people had to the world of work, the more likely they were to succeed when they left school. In terms of the one stop shop proposal, she stressed the importance that this was co-designed with young people to ensure it was fit for purpose.

Decision

The Committee:-

- (1) Notes the report;
- (2) Endorses the following recommendations made by the young people:-
 - For Curriculum for Life to have a clear focus on creating opportunities for young people to develop their employability skills.
 - To increase quality opportunities for young people to gain exposure to the world of work including work experience.
 - To ensure young people are provided with the right balance of advice around academic and vocational pathways.
 - For partner agencies and young people to develop a proposal for a one stop information hub, co-designed with young people.
- (3) Requests that in terms of the recommendation in relation to Curriculum for Life, Officers are asked to consider strengthening this offer to take into consideration guidance around the type of housing provision available to young people and the practicalities of owning a property;

- (4) Requests that in terms of increasing quality opportunities for young people to gain exposure to the world of work, the Council, young people and partners establish a toolkit for employers as to what an applicable standard of a work experience placement should contain which results in a placement being beneficial to a young person and also look to improve the consistency of a work experience offer across the city;
- (5) Agrees that the Chair writes to the Mayor of Greater Manchester to highlight the views of the young people and the key messages identified from the workshop; and
- (6) Supports the proposal that the development of a one stop information hub is co-designed with young people

ESC/18/03 Apprenticeships in Manchester

The Committee considered a report of the Head of Work and Skills, which provided an update on current apprenticeship activity in the context of national policy changes, including the impact of recent apprenticeship funding reforms.

Officers referred to the main points and themes within the report which included:-

- The establishment of a Greater Manchester (GM) Public Sector Operational and Strategic Group to meet GM public sector employers' obligations for apprenticeship recruitment;
- The development of a multi-provider framework for GM, which would implement a collaborative approach to procuring training provision;
- The work of the GM Apprenticeship Hub;
- The current position of apprenticeships in Manchester in comparison to the rest of Greater Manchester including the number of apprentices employed by the Council;
- The aim of the My Future Intermediate Labour Market programme to support young people furthest away from the job market;
- The promotion and publicity of apprenticeship opportunities; and
- The impact to date of the Apprenticeship Levy.

Some of the key points that arose from the Committees discussions were:-

- Were there any proposals to extend the Stimulating Employer Demand for Apprenticeships (SEDA) programme past September 2018;
- How long had the Public Sector Strategic Group been established and who were the members of the Group;
- Was it possible to monitor the quality of apprenticeship placements;
- What was the Council doing to promote the uptake of apprenticeships by its contractors;
- Was any support in relation to the Apprenticeship Levy offered to SME's who were keen to offer apprenticeships;
- Was there any insight as to why Wigan appeared to be successful in the number of its apprenticeship starts; and

- There was concern that the type of apprenticeships that were available now did not meet the anticipated future labour market needs.

The Head of Work and Skills advised that funding for SEDA would expire in September 2018 and any future EU funding would be dependent on the impact of Brexit. The programme was currently providing some useful soft intelligence through working directly with employers to take on apprenticeships. In relation to the Apprenticeship Levy and support to SME's, those that were just above the threshold, would often not be required to pay the levy due to a requirement to pay a one off redemption. It was reported that micro-businesses who were well below the threshold (eg the Digital sector) found it challenging to take on apprentices as the picture was complex and confusing and there was a lack of advice available. It was acknowledged that further work was needed to simplify the process for smaller businesses to take on apprentices. It was also reported that if companies who were subject to the Apprenticeship Levy did not use all their entitled vouchers, it was proposed that as of April 2018, they could nominate 10% of their entitlement to smaller businesses within their supply chain, which would result in the SME's apprenticeship costs lowering.

In terms of Wigan's success with apprentices, the Head of Work and Skills agreed to investigate and provide feedback to the Committee.

The Head of Work and Skills explained that all ten Greater Manchester Local Authorities, and increasingly the Health Sector, were members of the Public Sector Strategic Group and its purpose was to share advice and best practice. At the moment the Group was focussed on promoting apprentices and procuring a set of training providers to be used by various sectors across Greater Manchester. In terms of monitoring quality of placements, in the main this was dependent on provider feedback, however there were two external measures which were published, one of which was Ofsted. It was commented that in terms of Council contractors, apprenticeship placements, were appropriate and the length of contract was sufficient, were encouraged as part of their social value requirements,.

Officers acknowledged the need to ensure that the apprenticeship placements were future proof, in order to meet the changes in demand of the labour market that were anticipated.

Decision

The Committee:-

- (1) Notes the report;
- (2) Supports the proposal for businesses to reallocate unused apprenticeship vouchers to other businesses within their supply chain to enable apprenticeships to be offered by smaller organisations;
- (3) Requests that Officers strengthen business engagement networks within the North and East of the city in relation to communicating the apprenticeship reforms amongst businesses and local traders;

- (4) Requests that Officers continue to engage with SME's past the expiration of the SEDA contract in September 2018; and
- (5) Requests that Officers investigate the reasons for the success in the number of its apprenticeship starts in Wigan and inform Members accordingly.

ESC/18/04 The Eastland Regeneration Framework

Further to Minute ESC/17/57, the Committee considered a report of the Strategic Director (Development), which outlined the proposals contained within the Eastlands Regeneration Framework following consultation with residents, businesses, landowners and other stakeholders.

The Committee noted that the report had been considered by the Executive at its meeting on 13 December 2017 (Minute Exe/17/151 refers) at which the views of local ward councillors were presented.

Officers referred to the main points and themes within the report which included:-

- Regeneration of East Manchester had been a long term priority for the City Council;
- Both Manchester Metropolitan University and One Manchester provided feedback reflecting their strong commitment to playing an ongoing role in the transformation of the Eastlands Regeneration Framework area;
- The feedback and issues raised throughout the consultation process had been supportive and consistent with the themes and priorities contained in the draft framework document;
- In parallel with the consultation processes, Officers had continued to engage with stakeholders to ensure that the potential of the Eastlands Regeneration Framework area could be successfully unlocked;
- The scale, nature and ambition of the opportunities that could be brought forward within the Eastlands Regeneration Framework area offered real and tangible prospects of securing much wider regeneration benefits for East Manchester; and
- Discussions with key landowners in the Holt Town area were being progressed to establish a formal Landowners Collaboration Agreement and that, subject to the outcomes of those discussions, a report to a future meeting of the Executive would then consider what Compulsory Purchase Order intervention was required.

Some of the key points that arose from the Committees discussions were:-

- Concern was expressed with the low response received in relation to the consultation from residents and neighbourhood groups;
- Would the proposed housing developments take into account the need for suitable storage for green travel (eg cycle storage);
- Would the proposed sport based university in Stretford be linked to the proposals within the Framework and what potential impact would this university in Stretford have on Manchester Metropolitan University's (MMU) intention to establish an Institute of Sport on the Etihad Campus;

- As the proposals put forward for Eastland's would likely result in job opportunities in hospitality and retail sectors, what potential was there for the Council to have some degree of influence over terms and conditions of employment within these areas;

The Leader advised that in terms of the proposed sport based university in Stretford (entitled UA92), discussions had taken place with the Vice Chancellors of both the University of Manchester and MMU who both felt the proposal was of a significantly different character and would not compete with the proposals for East Manchester. It was also reported that in terms of job opportunities, the major employer within the Eastlands Framework would be MMU, who already had a positive track record in local employment and good conditions of service.

The Strategic Director (Development) reported that it would be expected that all homes brought forward as part of this redevelopment would comply with the Council's Residential Quality Guidance. The Council was also a significant land owner within the Eastlands area and would ensure that all homes developed on its land achieved the necessary quality threshold in terms of green travel. Officers acknowledged the concerns in relation to the low response rate to the consultation and reassured the Committee that efforts had been made to reach out to businesses, stakeholders and residents to engage with. It was reported that there was further work needed to be done with residents and businesses as part of the proposals that would require further consultation and engagement.

Decision

The Committee:-

- (1) Supports the proposals for the Eastlands Regeneration Framework area as contained within the report
- (2) Requests that Officers ensure that scrutiny of future elements of the Framework are subsequently reported respectively to both Economy and Neighbourhood and Environment Scrutiny Committees;
- (3) Requests that the Strategic Director (Development) provides the Committee with an outline of the next steps that are required in progressing the Framework.

[Councillor Razaq declared a disclosable pecuniary interest in this item as he owned land that fell within the Framework area].

[Councillor Richards declared a personal and non-prejudicial interest in this item as she is a Board Member of One Manchester].

ESC/18/05 Delivering the Our Manchester Strategy

The Leader presented his report to the Committee and welcomed any comments or recommendations. The report provided an overview of work undertaken and progress towards the delivery of the Council's priorities, as set out in the Our Manchester strategy, for those areas within the portfolio of the Leader of the Council.

Some of the key points that arose from the Committees discussions were:-

- Could an update be provided in relation to the support from Government in connection to the Manchester Arena attack;
- What were the Leaders views in relation to the required infrastructure funding needed to deliver the Council's transport aspirations;
- In line with principles of the Our Manchester Strategy, how were Manchester residents being included in determining aims and objectives of projects;
- How would the Our Manchester Investment Board operate in comparison to the Manchester Investment Board;
- What impact would Brexit have on the proposals to expand Manchester Airport; and
- How were discussions progressing with the LTE Group in relation to its estates strategy.

The Leader advised that Government had given a clear commitment to meet the costs incurred by the Council and other public services following the Arena attack in May 2017. In terms of infrastructure funding, it was reported that signs were positive and a commitment had been made by Government to fund two large transport investments – HS2 phases 1, 2a and 2b alongside Transport for the North. The Leader provided three examples of how partners and residents had been involved in shaping Council projects. In terms of the Our Manchester Investment Board, he advised that the Board would consist of the same Members but the Leader and Chief Executive had given a commitment to demonstrate their active role in delivering the Our Manchester Strategy. He informed the Committee that all investment decision in connection to Manchester Airport had been considered from both a soft and hard Brexit scenario and even a hard Brexit would produce a return on investment. Finally, it was reported that there had been a number of meetings with the Chief Executive of the LTE Group and although the Council supported the ambition of the Group's estates strategy, it was felt that this could be delivered on a phased basis as opposed to being delivered en bloc.

Decision

- (1) To note the report;
- (2) To request a further update in six months' time

ESC/17/58 Overview Report

The Committee considered a report of the Governance and Scrutiny Support Unit which contained key decisions within the Committee's remit and responses to previous recommendations was submitted for comment. Members were also invited to agree the Committee's future work programme.

Decision

The Committee:-

- (1) notes the report; and
- (2) requests that the Chief Executive confirms her ability to attend either one of the remaining Committee meetings of this Municipal Year or the first meeting of the Committee at the start of the new Municipal Year in May 2018.