

## **Economy Scrutiny Committee**

### **Minutes of the meeting held on 20 June 2018**

#### **Present:**

Councillor Green– in the Chair

Councillors Connolly, Johns, H Priest, Newman, Shilton-Godwin, Raikes, Razaq and K Simcock

Councillor Leese, Leader

Councillor Richards, Executive Member Housing and Regeneration

Councillor Stogia, Executive Member for Environment

Councillor Wheeler (ESC/18/22 only)

Councillor Clay (ESC/18/22 only)

Councillor Curley (ESC/18/22 only)

#### **ESC/18/20 Appointment of Chair**

##### **Decision**

To agree that Councillor Green is appointed as Chair of the meeting.

#### **ESC/18/21 Minutes**

##### **Decision**

To approve as a correct record the minutes of the meeting held on 23 May 2018.

#### **ESC/18/22 Call In – The disposal of 20 new build properties acquired from Taylor Wimpey**

The Committee considered a call in of the decision taken by the Strategic Director (Development) to dispose of 20 housing units for shared ownership at a combined estimated figure of £584.230 based on a 25% share. The Call In had been proposed by Councillor Wheeler and supported by Councillors Clay, Curley, Douglas and Johns.

Councillor Wheeler outlined to the Committee the reasons as to why he had called the decision in and the concerns he had. These were centred around:-

- Given the political salience of housing, no decision on the disposal of council housing stock should proceed without scrutiny by Elected Members, including the Ward Councillors;
- This scheme followed the collapse of an original scheme to deliver 75 houses. This revised scheme was proposed to deliver more homes than the original scheme but only made reference to 40 houses to be built and 20 houses to be acquired, leaving a shortfall of 16 houses needed. As such Elected Members could not have confidence in the decision to sell 20 units of council stock was taken on a sound basis;

- There was concern that a private sector company had been instructed to start marketing the properties prior to Elected Members being notified of the decision;
- While meant to be affordable, the marketing conditions stated that the earnings threshold that was to be applied was up to £80,000 per year for an individual, which seemed high, at three times the average household income;
- Given their experience of matching Manchester residents with housing, why had Northward Housing not been used to manage these properties;
- The shared ownership scheme eligibility criteria was contrary to the Council's own policy on affordable housing; and
- Previous information that had been sent to Councillors had contained inaccurate information.

The Committee noted that the Strategic Director (Development) had issued a briefing note on the morning of the Committee meeting which set out the background on the North Manchester New Build Phase 1 programme (NMNB1) and provided some details on the second phase of this programme (NMNB2). The paper also addressed the matters raised by Councillor Wheeler. Due to the lateness in this being issued, the Committee invited the Strategic Director (Development) to explain the background leading to the recommendations and decision, and answered questions of the Committee.

The Strategic Director (Development) advised that he recognised the concerns raised by Elected Members and acknowledged that the proposals should have been subject to more thorough scrutiny. As a consequence of this he advised that he would be withdrawing his original decision and the matter would now be referred to the Executive on 27 June 2018. A new decision was to be made, which again would be subject to call in.

After all questions were asked, the Chair invited Councillor Wheeler and the Strategic Director (Development) to add anything further to their presentations. No further information was added from either party.

The Committee then considered all the relevant matters.

## **Decision**

The Committee refers the decision back to the decision taker, noting that it is proposed that the original decision is to be withdrawn and the matter is to be referred to the meeting of the Executive on 27 June 2018 for a decision to be made.

## **ESC/18/23    LTE Group Performance update**

The Committee considered a report of the Principal of Manchester College, which provided an overview of the performance of the Manchester College, summarising the progress made against the Post-Inspection Action Plan (PIAP) in addressing the key areas for improvement from the college's Ofsted inspection in March 2017.

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

- Key actions implemented to address learners on study programmes who were not making enough progress in gaining the knowledge and skills that they needed to achieve their full potential;
- Steps that had been taken to improve the quality of apprenticeship provision;
- Measures applied to improve teachers taking sufficient accounts of learners' individual starting points when planning learning;
- Actions taken to address the improvement of feedback from teachers to learners;
- Steps that were to be taken to address low attendance;
- Proposals to develop learners' English and Mathematical skills;
- Steps to be taken to ensure teachers set high enough standards for learners on study programmes to develop the personal and social skills that they needed at college and for work;
- Measures put in place to ensure leaders had a clear strategy to improve quality and outcomes for learners, and
- Key actions taken by leaders and managers to identify accurately enough the improvements that they needed to make in teaching, learning and assessment.

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

- Further information was required on the work being done with apprentices and the apprenticeship offer from the College;
- The report highlighted the risks and consequences of another poor Ofsted inspection in relation to the provision of T-Levels. What would happen in term of the ability to deliver T-Levels if this occurred;
- Clarification was sought at to the reference to A-Levels being a 2<sup>nd</sup> tier provision;
- Why was A-Level provision considered to be poor;
- What was ALPS and why was this being spread to all graded qualifications;
- What was the reasons for the differences in attendance at GCSE examinations across the various campuses;
- Committee Members would welcome a further report on performance later in the academic year;
- Had any wider factors been taken into consideration in relation to the attendance at GCSE examinations, such a mental health issues.

The Chief Executive of the LTE Group agreed to submit a future report that contained more information around apprentices and the apprenticeship offer which would also incorporate work that was taking place with young offenders and ex-offenders.

The Principal of the College advised that it was considered that Manchester College was the best institution to respond to the demand for T-Level's. Across Greater Manchester, the College had the largest capacity to deliver T-Levels as they were the largest provider of vocational and technical education. Compared to other large city colleges, Manchester College performed very well in the component parts that would map the T-Level route across the curriculum, with 5000 external work placements being provided. The College also ranked in first position for Level 3 diplomas when

compared to other large colleges who were grade 1 and grade 2 colleges. It was acknowledged that Level 2 attainment was an area that required addressing and the College was seeking to engage in a conversation with the Council with regard to post 16 place planning.

In terms of A-Levels, the college was running these as a supplementary offer in the city, as demand for A-Levels had reduced as growth in demand for technical qualifications had risen. It was explained that ALPS was an external measure of a learner's progress from GCSE grades onwards and was a measure of value added. The provision of A-Levels was considered poor by Ofsted based on value added and teaching and learning outcomes on some of the programmes compared with other providers.

The Principal of the College advised that attendance at GCSE examinations had significantly improved over previous years. This year, learners were not expected to attend the campus at which they studied to sit their GCSE's but rather to attend the campus closest to where they lived. As such the attendance figures were more relevant to the demographic of the area as opposed to the number of students that attended particular campuses.

The College had undertaken an in depth piece of work around supporting learners in attending their GCSE examinations, which included, but was not restricted, to curriculum strategies, learner support strategies, one to one support, counselling and transport support.

## **Decision**

The Committee:-

- (1) notes the risks facing the College in guiding the shape and balance of curriculum and profile for learners in future years;
- (2) supports the request from the College that an engaged conversation between the Council and the College Leadership Team takes place with regard to post 16 place planning;
- (3) agrees to add to its work programme a future report from the College on apprentices and its apprenticeship offer which would also incorporate work that was taking place with young offenders and ex-offenders; and
- (4) agrees to add to its work programme a further update on the College's performance later in the academic year, around February 2019.

## **ESC/18/24 Transport for the North (TfN) – Strategic Transport Plan update**

The Committee considered a report of the Strategic Director (Development), Deputy Chief Executive - Growth and Neighbourhoods and Strategic Director Highways, Transport and Engineering, which provided details of the Council's formal response to the consultation on the proposals within TfN's Strategic Transport Plan (STP)

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

- The STP contained a number of key proposals that would be of significant benefit to Manchester, including plans to improve rail connectivity with Liverpool, Leeds / Bradford, and Sheffield and proposals to improve road connectivity with Sheffield and to the North West of Greater Manchester;
- A specific opportunity was the development around Piccadilly to accommodate HS2 and Northern Powerhouse Rail which represented one of the biggest development opportunities in the UK, and had the potential to make a significant impact on both the growth of the city centre and the city;
- Manchester Airport was a priority within the STP, as it was recognised as the North's primary international gateway.
- Manchester's links to the other large urban areas in the North, and beyond, would be key to driving forward the sustainable growth of the City Region;
- The current disruption affecting rail travel in the North of England demonstrated how important it was that there was effective long term planning of transport services and underlined the importance of TfN's work in making the case for long term transformational funding for the modernisation of the North of England's transport infrastructure.

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

- Members queried as to why the Strategy did not make reference to how cities would link to smaller towns;
- Further clarity was required around the proposals for Piccadilly in relation to HS2 and the wider benefits this would bring to the city and the region;
- How effective were the powers of TfN in comparison to Transport for London (TfL);
- What progress was big made with the implementation of integrated/smart ticketing;
- Was there a strategic response required to the recent rail travel problems experienced by passengers using Northern Rail;
- Was Greater Manchester getting the same value for money in relation to transport when compared to the like of TfL; and
- Was any consideration being given to a possible an underground railway network akin to other major cities which the Metrolink could possibly form part of.

The Leader advised the Committee that the TfN Strategic Plan looked at the overarching strategy for improving transport and connectivity across the pan northern region and it would be for local authorities to determine individual local transport strategies which would address connectivity between cities and towns. It was explained that the comparison of TfN with TfL was false, as the equivalent body to TfL was Transport for Greater Manchester (TFGM) and as part of the devolution package, TFGM now had the same powers as TfL. In terms of Piccadilly, it was explained that across the northern region there was a lot of support for the proposals to deliver an integrated rail transport hub, but to realise this ambition, the northern region would need to lobby Government for the necessary investment.

The Committee was advised that in terms of smart ticketing, there was a piece of work being undertaken across Greater Manchester in partnership with TfN for the

implementation of this which would look to be integrated into a wider northern integrated system.

The Leader advised that part of the recent problems experienced by passengers using Northern Rail was down to the failure of Network Rail to deliver upgrades to the rail network by deadlines they had set themselves. As such this was more of an operational issue rather than a strategic matter.

In terms of value for money, it was reported that Greater Manchester was ranked third in effectiveness for its public transport network, behind Edinburgh and London. What had been argued for many years was the ability to regulate its bus services. This was now a function available to the Greater Manchester Mayor and the process for regulating Greater Manchester bus services had begun but was in its early stages.

Officers advised that TFGM were developing long term plans for the future of public transport in Manchester, taking into account critical capacity levels. This included looking at the possibility of some form of underground network as part of a rapid transport network for the city.

## **Decision**

The Committee notes the report.

### **ESC/18/25 Updating the City Centre Transport Strategy – Proposals for a conversation with city centre residents, businesses and visitors**

The Committee considered a report of the Deputy Chief Executive, Growth and Neighbourhoods and the Director of Highways, Transportation and Engineering, which provided proposals for engaging with city centre residents, businesses and visitors on the transport challenges and opportunities that arose from a growing city centre in order to shape the content of a Transport Strategy for Manchester City Centre.

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

- Given the scale of change with the city, it was an appropriate time to develop a new city centre transport strategy that refreshed the original strategy and looked forward to the longer term, setting a framework for how transport could support the inclusive and sustainable growth of the city centre between now and 2040.
- The revised CCTS would support established strategic priorities for the City Centre;
- The updated CCTS was being developed jointly in partnership by Manchester and Salford City Councils along with Transport for Greater Manchester
- The consultation would be clearly structured to focus on three main aims
  - i) Gain views on proposals to manage traffic travelling into and within the city centre by improving and promoting the alternatives and explaining what the benefits were of these alternative modes of transport.

- ii) Gain views on an approach to better balance the role of streets to support movement but also enhance place on key city centre streets
- iii) Gain views on the balance between providing good bus access to the city centre and improving the environment for pedestrians/cycling and creating better public spaces/public realm.
- The consultation would begin in mid-July, for approximately 10-12 weeks and use a range of channels; and
- A non-statutory consultation on the draft strategy would take place following publication in late 2018/early 2019, with the aim to publish the final strategy in 2019.

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

- What was being done to improve public transport links to address motorists parking in neighbouring wards, who were then travelling in to the city on public transport;
- The consultation narrative did not effectively address mobility issues and did not address the needs of disabled people moving around the city;
- What was the timescale for the implementation of the bus franchising proposals and what sources of funding were being considered to subsidise its implementation;
- Was the consultation going to be clear as to the challenges the city was facing in terms of travelling in and across the city centre in motor vehicles; and
- What impact did disruptive technology have on travelling in the city with specific reference to the increase in the number of Uber drivers and on line deliveries.

Officers advised that they had met with Ward Councillors from the wards on the periphery of the city centre to discuss the impact of the growth of the city centre and how this impacted on their wards. A commitment was given to look at the wider issue of parking and not just parking within the city centre. Officers acknowledged the need to use appropriate language within the consultation documents and agreed to make appropriate amendments.

In terms of bus franchising, there was piece of work ongoing which was looking at various options which would need to go through an audit process and then presented to the Greater Manchester Mayor and the Combined Authority prior to it being sent out for consultation. In terms of funding options for this, the Leader advised that the most likely source for revenue funding would be the Mayoral precept. In relation to whether the consultation would be clear as to the challenges the city faced around congestion, the Leader gave a commitment that the consultation would be clear around the challenges in travelling in to and out of the city centre. However in doing so, there would be a need to be realistic, as congestion was not likely to ease and if this was something people really wanted to achieve, this would require people adapting a different lifestyle approach to travelling.

In terms of disruptive technology, it was reported that the Combined Authority was looking to develop minimum standards for taxis and private hire vehicles in Greater Manchester as well as address illegal activity such as using private hire licensing as an income generator. The Leader commented that transport on demand, such as

Uber, was seen as part of the way forward, however, it was acknowledged that current regulatory frameworks were out of date and there was a need to change primary legislation in order to update these frameworks

### **Decision**

The Committee:-

- (1) notes the report;
- (2) requests officers to review the language used within the proposed consultation to ensure that it is appropriate and non-discriminatory; and
- (3) requests that officers ensure local businesses, including those on the periphery of the City centre are included within the consultation.

### **ESC/18/25 Re-establishment of the District Centres Sub Group**

Further to minute ESC/18/18 (Re-establishment of the District Centres Sub Group), the Committee was asked to formally agree to re-establish the District Centres Sub Group and agree its membership, terms of reference and work programme.

### **Decision**

The Committee agrees:-

- (1) that the District Centres Sub Group is re-established for the 2018/19 Municipal Year;
- (2) the terms of reference and work programme of the Sub Group;
- (3) that the membership of the Sub Group for 2018/19 will consist of Councillors Shilton-Godwin, M Monaghan Hughes, Appleby and Connolly; and
- (4) that Councillor Shilton-Godwin is appointed as Chair of the Sub Group.

### **ESC/18/26 Delivering the Our Manchester Strategy**

The Leader and the Executive Member for Housing and Regeneration presented their reports to the Committee and welcomed any comments or recommendations.

The reports 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 and the Executive Member for Housing and Regeneration. In light of the Call In, The Executive Member for Housing and Regeneration gave an assurance that appropriate consultation with Ward Councillors would take place on all ongoing and future housing developments as well how affordable homes were to be marketed in the future.

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

- Whilst the expansion and development at Manchester Airport was welcome and in the main supported, the consequence of this and the recent introduction of



charging for dropping off passengers, was resulting in anti-social parking within residential areas of Woodhouse Park ward and this needed to be addressed by the Council and the Airport;

- Was it possible to provide a brief update on the progress with the new GMSF proposals;
- What would be the role of the Strategic Transport Board in connection to TFGM;
- Was there any update on the impact of Brexit on European funding; and
- What potential impact would Brexit have on the Manchester Airport, taking into account its current expansion and development.

Some of the key points that arose from the Committees discussions within the Executive Member for Housing and Regeneration's report were:-

- The fresh approach proposed by the Executive Member to tackle the housing issues, including affordable housing within the city, was welcoming;
- Was it possible to define what was meant by "other secure decent housing" in relation to housing and could an indication be given at this moment as to how many of the proposed 500 units of housing would be social housing;
- How did the Executive Member envisage Scrutiny engaging with her direction on housing within the city; and
- How did the Executive Member view the relationship between renting, home ownership and right to buy in terms of affordable housing.

The Leader advised that he acknowledged the points made around the Airport and would take up the issue of anti-social parking within residential areas around the Airport with the appropriate bodies. He also explained that the Strategic Transport Board was comprised of representatives from the Combined Authority, Network Rail, Highways England and other transport agencies specific to Greater Manchester which would be a separate entity and distinct from the governance for TFGM and the delegated functions to the TFGM Committee. In terms of the Brexit he advised that the Airport had planned on both a "Hard" and Soft" exit and were confident that the costs associated with the expansion and development would be covered in the event of either scenario, the only consequence of a "Hard " Brexit would be low dividend growth. As for European funding streams, it was reported that some funding streams that the City would be able to remain part of, but the likes of ERDF and ERSF, these would be replaced with a Shared Prosperity Fund but there were no significant details as to what this would look like at present.

The Executive Member for Housing and Regeneration advised that as she had only taken up her post within the last week, it would too early to provide a breakdown of how the 500 units of housing would be broken down, but what she was clear on was that they would all be of good quality, secure tenancies at a rental level that could be met by housing benefit. In terms of engagement with Economy Scrutiny, one of the key areas she intended to revisit was the proposed Housing Affordability Zones and definition of affordable housing and would welcome the input of Economy Scrutiny into this as well as an input into the wider vision for housing in Manchester. The Executive Member advised that if the Council was building social housing it did not want to be losing its housing stock through right to buy and therefore there needed to

be other aspirational opportunities for Manchester residents to be able to afford their own homes.

### **Decision**

The Committee notes the report

### **ESC/18/27 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 notes the report.