

## **Economy Scrutiny Committee**

### **Minutes of the meeting held on Thursday, 20 June 2019**

#### **Present:**

Councillor H Priest (Chair) – in the Chair

Councillors Abdullatif, Green, Hitchen, Johns, Noor, Raikes, Shilton Godwin, K Simcock and Stanton

**Also present:** Councillors: Leese and Richards

**Apologies:** Councillor Douglas and Hacking

#### **ESC/19/23 Minutes**

##### **Decision**

The minutes of the meeting held on 6 March 2019 were agreed as a correct record.

#### **ESC/19/24 Minutes of the District Centres Sub Group**

##### **Decision**

The Committee notes the minutes of the District Centres Sub Group held on 6 March 2019.

#### **ESC/19/25 Overview of the economic characteristics of Manchester's population aged 50-64 and the implications for their economic participation**

The Committee considered a report of the Age Friendly Manchester Lead, which provided an analysis of the economic characteristics of Manchester's 50-64 year old population, highlighting some of the significant health challenges for this group, new approaches which needed developing to respond to the challenge to support people to be able to remain in work for longer, address the significant health challenges people faced and create new opportunities for the most marginalised.

The report was complemented by a presentation from the Directorate Lead - Corporate Intelligence, who referred to the main points and themes, which included:-

- There were approximately 73,000 Manchester residents who were in the 50-64 year age group and this cohort was increasing with an expected figure of 86,500 by 2028;
- Three quarters of this population were likely to have incomes of below the Manchester average of £29,000, with 40% below £15,000;
- The areas of the city in which these people lived correlated with those areas of highest health and income deprivation;
- Evidence showed that high deprivation correlated to high wider determinants of health such as smoking, alcohol and poor diets;

- Low wealth was also linked to depression in this age group;
- The average healthy life expectancy in Manchester was 56 years old, compared to the UK averages of 63 years old for men and 64 years old for women;
- Half of residents aged 50-64 registered with a Manchester GP had one or more diagnosed long term health conditions (e.g. smoking, hypertension, obesity);
- Premature death in 50-69 year olds was high, most commonly from heart disease and lung cancer and Manchester had the highest rate of preventable deaths and second highest rate of premature deaths (less than 75 years old);
- Social isolation and loneliness were linked to mortality, increased risk of heart disease, stroke, depression and cognitive decline in older people, particularly men and a challenging budget environment had reduced the range of social activities available to older people at a neighbourhood level and in turn access to the support available to them;
- 37% (26,689) of 50-64 year old Manchester residents were receiving some form of benefit payment, compared to the national average of 19%
- 13,840 (80%) of out of work benefit claims were for ill health, with 77% of these being ESA claimants in a 'Support Group' so were not required to undertake interviews or work-related activity;
- 9 out of 10 out of work benefit claimants had been receiving benefits for over a year and 4 in 10 ESA claimants had been claiming for at least five years; and
- A high proportion were not skilled in today's industries and it was anticipated that the impact of changing industries on the 50-64 year old population would last until at least 2030.

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

- There needed to be an acknowledgement of the potential counter productivity of encouraging/supporting people back into employment who were not physically or mentally ready to return to work;
- How many residents were subject to an Adult Social Care package of support and what was the cost of this;
- In terms of apprenticeships, was there any different funding available for the 50-64 age group compared to the younger population more often associated with apprenticeship positions;
- Was there any positive examples from other core cities were these issues had been addressed with some success;
- Had there been any opportunity to feed into the Greater Manchester Mayors Good Employer Charter to try and address the problems faced by this age group;
- Concern was raised as to the scale of the challenge that the city faced and the level of investment that would be need to truly address the problems that existed;
- Was any work being undertake to try and improve the average healthy life expectancy;
- Concern was raised that BAME residents often faced higher levels of discrimination and additional challenges which compounded the problems that already existed; and
- Had any consideration been given as to what the next industry would be that would face a decline and how would people in this industry be supported.

The Leader noted the point made about counter productivity of encouraging/supporting people back into employment who were not physically or mentally ready but stated that there was a lot of people within the 50-64 age range that suffered from depression through being out of work and it had been shown that being in work was a positive factor to a person's wellbeing.

The Directorate Lead - Corporate Intelligence advised that she would obtain the information on the number of Manchester residents who were subject to an Adult Social Care package and the associated costs and provide this to Committee Members.

The Age Friendly Manchester Lead reported that there was no alternative or additional apprenticeship budget for 50-64 population. He commented that there was a need to do more work to encourage businesses and employers to repackage and promote apprenticeship opportunities for all age groups, so that they were not perceived as only available or suitable for a younger cohort.

The Leader advised that an aspect of the Greater Manchester Industrial Strategy would be to address the problems faced by the 50 to 64 year old population in gaining meaningful employment. In terms of the Greater Manchester Mayor's Good Employer Charter he reported that this was now moving to an implementation phase which would include 20 voluntary companies working through the seven areas of what attributed to being a good employer identify measures that employers could be measured against. One of these would likely be the work offer to this population of Manchester residents. The Age Friendly Manchester Lead added that there had been limited examples of good practice in principle identified and gave examples of initiatives in Korea and Germany.

It was acknowledged that the level of investment required to address the challenges faced by those aged 50-64 was significant. The Council had been successful in securing funding from the Greater Manchester Transformational fund to try and tackle the issues and had also committed to using its resources in a different way through public service reform in order to deliver services at a local neighbourhood level. The Committee was advised that the Manchester Local Care Organisation (MLCO) was now looking to bring together multiple strategies to focus and tackle the challenges at a neighbourhood level. It was also suggested that a similar strategy to NEETS, but geared towards the needs of those aged 50-64, was required.

In relation to by BAME residents within the age range, it was reported that there was a lack of data available to determine whether BAME residents were being subjected to additional challenges, and if so by which employers. Furthermore, the Leader advised that LGA research had indicated that there was likely to be a shortage in skilled workers in the future.

## **Decision**

The Committee:-

- (1) Notes the report;

- (2) Requests that the number of Manchester residents who are subject to an Adult Social Care package and the associated costs is provided to Committee Members; and
- (3) Request that Committee Members are informed of any future planned engagement/workshop activities and are updated on the proposals that came from the workshop as these are developed and worked up further.

### **ESC/19/26 Greater Manchester Industrial Strategy and Independent Prosperity Review update**

The Committee considered a report of the Strategic Director (Development), which provided an update on the development of the Greater Manchester Local Industrial Strategy and the outcome of the Independent Prosperity Review (IPR).

The Assistant Director – Research and Strategy, Greater Manchester Combined Authority (GMCA) referred to the main points and themes in the report, which included:-

- The Greater Manchester Local Industrial Strategy was formally launched with Her Majesty's Government on Thursday 13 June 2019;
- It considered Greater Manchester's strengths (Health Innovation, Advanced Materials, Digital, Creative and Media and Clean Growth) and also suggested how the city region should strengthen its position on the five foundations of productivity (Ideas, People, Infrastructure, Business Environment and Places);
- It also set out Greater Manchester's long-term aspirations and the specific outcomes local partners were aiming to achieve;
- The IPR provided a clear set of priorities where evidence suggested there was potential for policy to have the greatest impact on the productivity of the city region and the lives of the people who lived in it;
- The Greater Manchester Local Industrial Strategy considered the IPR's findings and aimed to address them in its shared priorities between local leaders, Government and local stakeholders; and
- Where relevant to Manchester, this evidence base would also be considered during the development of the Manchester Local Industrial Strategy.

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

- The development and implementation of the Manchester Industrial Strategy will require a number of Manchester resources. How would the strategies work together and what role would Manchester have in scrutinising the delivery of the strategies;
- Where would the necessary investment to deliver the ambitions within the strategy come from;
- Why did the strategy not make any reference to the work opportunities that will arise from the construction industry;
- How was it envisaged that the strategy would change things in practice;
- What consideration would the GM Industrial strategy and the Manchester Industrial Strategy give towards the development of residents skills, the introduction of T-Levels, the work being done around STEM learning and the inclusion of the over 50 population;

- What would be the output of the proposed joint project with the City of London in reviewing the city region's venture capital funding landscape;
- It was questioned how successful 'horizontal' economic policies that cut across sector boundaries, creating an environment for businesses to thrive would actually be;
- What consideration was being given to supporting start-up businesses; and
- It was questioned as to how much the government had 'bought into' the findings of the IPR.

The Assistant Director advised that the development of the implementation plan for the GM Industrial Strategy and the Manchester Industrial Strategy would be undertaken at the same time, with the implementation plan focusing on the areas where government had committed to investing. The Leader added that it was likely that there would not be a vast amount of difference to how the Council was currently operating once both strategies were in their implementation phases. He commented that the Council would continue in the direction of inclusive growth and developing its education and skills offer for Manchester residents. It was also reported that the Strategy did not attempt to cover every employment sector, but rather concentrated on the foundational economy of the region.

The Committee was advised that Greater Manchester had informed government that with the launch of the strategy, a nine month review of the skills system would commence, which would incorporate future requirements, including the provision of T-levels and STEM learning. In terms of the joint project with the City of London, it was reported that this was being scoped at present to identify and agree appropriate terms of reference and key lines of enquiry.

In relation to support for start-up businesses, it was reported that Greater Manchester had established a programme of support which was delivered and managed through the Manchester Growth Company. Furthermore the Assistant Director advised that the buy in to the findings of the IPR varied across government departments, however, he did highlight that HM Treasury was very much on board with the findings and proposals.

## **Decision**

The Committee:-

- (1) Welcomes the Greater Manchester Industrial Strategy; and
- (2) Agrees to receive a draft of Manchester's Local Industrial Strategy at its next meeting in July 2019.

The Committee considered a report of the Governance and Scrutiny Support Unit that provided Members with the current terms of reference and work programme of the District Centres Sub Group. The Committee was invited to re-establish the group and agree the membership, terms of reference and work programme.

The Chair of the Sub Group informed the Committee that there had been a slight revision to key line of enquiry No.4 and that the Sub Group would look to present its findings back to this Committee in January 2020.

### **Decision**

The Committee:-

- (1) Agrees the Terms of Reference of the Sub Group, including the revision to key line of enquiry No.4;
- (2) Notes the Sub Group's work programme for future meetings;
- (3) Agrees that the membership of the Sub Group for 2019/20 be Councillors Hughes, Karney, Kirkpatrick, Madeline Monaghan, Shilton Godwin and White; and
- (4) Agrees that Councillor Shilton Godwin is appointed as Chair of the Subgroup;

### **ESC/19/28 Overview Report**

The 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 and approve the work programme.