

Economy Scrutiny Committee

Minutes of the meeting held on Thursday, 23 July 2020

Present:

Councillor H Priest (Chair) – in the Chair

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

Also present: Councillors: N Murphy and Rahman

Apologies: Councillor Green and Hacking

ESC/20/26 Minutes

Decision

To approve the minutes of the meeting held on 25 June 2020 as a correct record

ESC/20/27 Update on COVID-19 activity

Further to Minute ESC/20/24 (Update on activity under COVID 19), the Committee considered a report of the Strategic Director (Growth and Development), which provided a further update of the current situation in the city in relation to COVID-19 and an update on the work progressing in Manchester in relation to areas within the remit of the Committee.

The main points and themes within the report included:-

- An update on the Our Manchester Strategy re-set, which included a proposal for an engagement plan structured around a three tiered approach comprising universal citywide engagement; targeted engagement with key groups; and targeted engagement at a neighbourhood level;
- An update on the economic recovery work structured around the nine sub-workstreams;
- The outcomes and recommendations of the report from THINK, who had been commissioned to develop a detailed labour market analysis and recommendations for potential interventions; and
- An overview of the Chancellor's Summer Statement which was structured around three themes, Supporting Jobs, Protecting Jobs and Creating Jobs.

Some of the key points that arose from the Committee's discussions were:-

- Clarification was sought on how the Council was gauging the likely long term occupancy levels of businesses going forward as part of the recovery phase and the impact this may have on associated businesses in the city;
- How was the Council communicating with residents on the constraints it faced in terms of "Building Back Better";
- In terms of the recovery of the cultural sector/offer in the city, what role would the Council play in this, including those self-employed;

- As part of the proposed High Street Fund, what was the expectation for Wythenshawe Town Centre;
- What support was to be offered to women in relation to the development of skills and their long term prospects for the workplace;
- How much employment opportunities for Manchester residents would the “shovel ready” projects bring;
- There was concern that the support from Government was short term based which would make it difficult for the Council to plan recovery for the long term;
- How would Councillors scrutinise the Transport Consultant Plan and would City Centre Councillors be able to comment on this Plan;
- How would the Council ensure that the funding it received to assist in the recovery of the City’s economy would be distributed in an equitable way;
- More information was requested on the “We’re Good to Go” kitemark and were there any potential barriers to businesses achieving this;
- Concern was made in relation to the survivability of businesses where advanced bookings did not turn up;
- There would need to be enough capacity to provide the necessary level of support to the labour market recovery to ensure there was equality for all in gaining employment;
- Clarification was sought on how the KickStart Fund would engage with current schemes;
- The COVID19 pandemic had highlighted large short comings in the way the city’s economy operated, specifically around employment opportunities within social care and health;
- There was concern that as the Government’s furlough scheme came to an end, certain families and communities within the city would be impacted by this more than others; and
- Further information was requested on the £10million allocation for unblocking Manchester’s railways.

The Deputy Leader commented that the Council had a strong desire to Build Back Better, with a green infrastructure at the heart of any rebuild, but the reality it faced was a £162million shortfall in its 2021/22 financial year on top of cuts to funding in previous years, and without further financial support from government, any form of rebuilding would be difficult and the need to communicate this with its residents was essential. He added that lobbying for further funding from Government would continue.

The Strategic Director (Growth and Development) reaffirmed that as the Council did build back, it wanted to do so in a way that focussed on environmental benefits and its 2038 net zero carbon ambition. In terms of the “shovel ready” projects, it was explained that the Ministry for Housing, Communities and Local Government had established a fund, with the Council having made several bids so far and it was hoping for funds to be approved shortly. It was also reported that there would be a real emphasis on local labour opportunities from these projects.

The Executive Member for Skills, Culture and Leisure advised that it was important to rebuild and revive the city’s cultural sector as it was an intrinsic part of its economy. Steps had been undertaken to work with cultural institutions to address the impact

the pandemic had had. Financial support of £71million from Government had been requested to help rebuild Manchester's cultural offer but the Council was still awaiting a response from Government on how it intended on distributing the £1.57billion that had been announced to prevent organisations and businesses across the country's cultural sector folding. It was also clarified that the financial support offered by the Government was for the current financial year only and without further government financial support for local authorities, they would struggle to continue to support the cultural sectors.

The Director of Inclusive Economy advised that the THINK report had picked up on the evidence based intervention that was needed to help the Council lobby Government for support for employment. It was noted that from the current evidence of claimant figures, there was nothing explicit that identified women as struggling to participate in the city's economy but it was agreed that this would be monitored.

In terms of the High Street Fund, it was reported that £488,000 had been provided to Manchester, but this also included some quite challenging stipulations as to how this money could be spent. It was also clarified that Wythenshawe Town Centre would be included in this Fund.

The Director of City Centre Growth explained that following a national survey by Deloittes, it had been identified from most respondents that it would be Autumn when they would prefer staff to begin returning to their places of work but this would be on a hybrid approach of 2 to 3 days a week, which would be a long term approach taken by businesses. It was acknowledged that this would have an impact on the city centre and associated businesses that relied on people being in the city centre and it would only be in the late autumn before a picture around the impact this was having would be able to be drawn to develop an appropriate response.

In terms of the kitemark position, it was reported that 150 businesses across Greater Manchester had downloaded the application form and Marketing Manchester were working to encourage more business to obtain the kitemark.

The Director of Inclusive Economy acknowledged the point made around capacity in supporting the labour market recovery and provided a brief overview of the steps that were currently being taken at regional level. She also noted that social care was an area of growing opportunities for employment within the city and city region as part of the recovery from the COVID19 pandemic.

The Deputy Leader commented that the Greater Manchester Good Employment Charter was a way of influencing employers within the city to look at equalities and provide secure jobs with good wages. Some of the work undertaken before the pandemic was even more important now to make sure areas that were not traditionally covered or left behind were now being included.

It was reported that the Council was still awaiting details as to how the Kick Start Fund was going to be rolled out by government but it was intended to commission this at a GMCA level akin to the Future Jobs Fund. It was explained that when applying for this funding, employers would need to demonstrate that the funding would fund a new position and not just subsidise an existing position.

In terms of the funding to improve Manchester Railways, it was explained that at the present moment, detail was lacking however, it was intended to improve central Manchester railways. The funding had been given to Network Rail who had identified the Castlefield Corridor as a congested route and funding would possibly go towards feasibility studies as to what long term improvements could be made.

Decisions

The Committee:-

- (1) Notes the report.
- (2) Supports the recommendations that have been made in the THINK report (appendix 2).

ESC/20/28 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.

Decision

The Committee notes the report.