



Economy Scrutiny Committee

Date: Thursday, 23 July 2020

Time: 10.00 am

Venue: Virtual Meeting - Webcast at - https://manchester.public-i.tv/core/portal/webcast_interactive/485340

There will be a private meeting for Members only at 1:00pm on Wednesday 22 July 2020 via Zoom. A separate invite will be sent to members with joining details.

Advice to the Public

The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020

Under the provisions of these regulations the location where a meeting is held can include reference to more than one place including electronic, digital or virtual locations such as internet locations, web addresses or conference call telephone numbers.

To attend this meeting it can be watched live as a webcast. The recording of the webcast will also be available for viewing after the meeting has concluded.

Membership of the Economy Scrutiny Committee

Councillors - H Priest (Chair), Abdullatif, Green, Hacking, Johns, Noor, Raikes, Shilton Godwin, K Simcock and Stanton

Agenda

1. Urgent Business

To consider any items which the Chair has agreed to have submitted as urgent.

2. Appeals

To consider any appeals from the public against refusal to allow inspection of background documents and/or the inclusion of items in the confidential part of the agenda.

3. Interests

To allow Members an opportunity to [a] declare any personal, prejudicial or disclosable pecuniary interests they might have in any items which appear on this agenda; and [b] record any items from which they are precluded from voting as a result of Council Tax/Council rent arrears; [c] the existence and nature of party whipping arrangements in respect of any item to be considered at this meeting. Members with a personal interest should declare that at the start of the item under consideration. If Members also have a prejudicial or disclosable pecuniary interest they must withdraw from the meeting during the consideration of the item.

4. Minutes

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

5 - 10

5. Update on COVID-19 activity

Report to follow.

6. Overview Report

Report of the Governance and Scrutiny Support Unit

11 - 22

This report provides the Committee with details of key decisions that fall within the Committee's remit and an update on actions resulting from the Committee's recommendations. The report also includes the Committee's work programme, which the Committee is asked to amend as appropriate and agree.

Work Programming Session

At the rise of formal business, the Committee will meet in private to discuss upcoming issues and challenges in order to determine the work programmes for the next three meetings (September to November 2020). Longer-term themes may also be identified in this session.

Information about the Committee

Scrutiny Committees represent the interests of local people about important issues that affect them. They look at how the decisions, policies and services of the Council and other key public agencies impact on the city and its residents. Scrutiny Committees do not take decisions but can make recommendations to decision-makers about how they are delivering the Manchester Strategy, an agreed vision for a better Manchester that is shared by public agencies across the city.

The Economy Scrutiny Committee has responsibility for looking at how the city's economy is growing and how Manchester people are benefiting from the growth.

The Council wants to consult people as fully as possible before making decisions that affect them. Members of the public do not have a right to speak at meetings but may do so if invited by the Chair. Speaking at a meeting will require a video link to the virtual meeting.

Members of the public are requested to bear in mind the current guidance regarding Coronavirus (COVID19) and to consider submitting comments via email to the Committee Officer. The contact details of the Committee Officer for this meeting are listed below.

The Council is concerned to ensure that its meetings are as open as possible and confidential business is kept to a strict minimum. When confidential items are involved these are considered at the end of the meeting and the means of external access to the virtual meeting are suspended.

Joanne Roney OBE
Chief Executive
3rd Floor, Town Hall Extension,
Lloyd Street
Manchester, M60 2LA

Further Information

For help, advice and information about this meeting please contact the Committee Officer:

Michael Williamson
Tel: 0161 234 3071
Email: m.williamson@manchester.gov.uk

This agenda was issued on **Wednesday, 15 July 2020** by the Governance and Scrutiny Support Unit, Manchester City Council, Level 3, Town Hall Extension (Mount Street Elevation), Manchester M60 2LA

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Economy Scrutiny Committee

Minutes of the meeting held on Thursday, 25 June 2020

This Scrutiny meeting was conducted via Zoom, in accordance with the provisions of the The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020.

Present:

Councillor H Priest (Chair) – in the Chair
Councillors Abdullatif, Green, Hacking, Johns, Noor, Raikes, Shilton Godwin, K Simcock and Stanton

Also present:

Councillor Leese, Leader
Councillor Richards, Executive Member for Housing and Residential Growth

ESC/20/22 Tribute to former Councillor Sue Murphy

The Chair paid tribute to the important contribution Sue Murphy had made to the city and to the Council. Members and all those present observed a minute's silence in remembrance of Councillor Sue Murphy.

ESC/20/23 Minutes

Decision

To approve the minutes of the meeting held on 5 March 2020 as a correct record.

ESC/20/24 Update on activity under COVID19

The Committee considered a report of the Deputy Chief Executive and City Treasurer, which set out a summary 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: -

- Detailing the overall economic impact of the COVID-19 pandemic both nationally and at a Manchester level;
- Detailing the financial support packages available to residents, workers and businesses in Manchester;
- The impact of the crisis on the various sectors of Manchester's economy and the Councils delivery of Affordable Housing targets in regards to existing and future plans;
- Detailing the consequences of the pandemic on the city's transport and infrastructure ;

- The impact that COVID-19 had already had on the labour market and the unprecedented rise in the number of Manchester working age residents claiming out of work benefits; and
- Recovery planning to support business and sector growth and the response to the rise in unemployment, including a reset of the Our Manchester Strategy.

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

- Thanks and appreciation was to be placed on record to all Officers for the work they had undertaken during the crisis and the preparation of recovery and also to all the key workers across the city in coping with unprecedented levels of uncertainty;
- What work was ongoing in securing sources of funding to support the green economy and what success had been made to date;
- How was the UK's exit from the EU impacting on the ability to secure funding for the Green economy;
- What businesses were entitled to a support grant and what additional support where they in need of;
- How was the Council supporting businesses to look at their business models in light of a potential second wave of the pandemic to ensure they are prepared for its impact;
- Who would be part of the business led Sounding Board;
- With the move to more remote working arrangements for businesses, what impact would this have on office accommodation in the city;
- What support would be offered to ensure the viability of businesses within the culture sector as many businesses were Council funded;
- Did businesses across the whole city and across various sectors receive the bulletin about how to access support, guidance and updates during the COVID-19 pandemic or was this just city centre businesses and where there any gaps in sectors;
- How did city centre hospitality venues know what to ask for in terms of the use of outdoor space and did they know how to ask for it from the Council;
- Was there a risk of job losses resulting in the automation of some services as part of the city's economic recovery and what could be done to mitigate this/upskill the workforce;
- How long could the Council continue to provide financial support to businesses before it faced its own difficult financial decisions and what was being done to ensure businesses were not taking advantage of these schemes;
- Was it known what the support proposed by Intermediate Labour Market solutions to support the city's young people and residents consisted of;
- How would social value be brought into play to respond to the socio-economic challenges of COVID-19;
- What intelligence did the Council have on the potential impact of the business model for rents and properties with the possibility of less people working in the city centre and was consideration being given to alternative rental models;
- How was the Council ensuring a more equitable economy was being created as part of the city's economic recovery that addressed the current inequalities that existed in the employment market;

- What lessons had been learnt about which sectors of the economy were more resilient to economic shocks than others;
- More information was requested on the prospective residential retrofit programme and whether this was a programme of work that would be being out forward by the Council to government for appropriate funding to enable delivery;
- Clarity was sought as to who would be involved in the re-set of the Our Manchester Strategy and how this would be undertaken;
- There was concern in relation to the potential increase in the number of commuters that would park in wards that bordered the city centre to then walk to work; and
- Would tranche two of the Active Travel Fund include an increased focus on cycling provision within neighbourhoods as a means of accessing the city centre.

The Director for City Centre Growth and Infrastructure advised that the Sounding Board would be representative of all sectors across the city, including the cultural sector, and would be used to inform thinking of the next phase of recovery. She advised that there was a move to more smaller scale work space offices, however there was still a demand for office space in the city in order to provide appropriate social distancing measures. This intelligence was coming from direct engagement with business and MIDAS.

The Director of Inclusive Economy explained how businesses qualified for eligibility of the Small Business Rate Relief and the Retail, Leisure and Entertainment Grant and the steps that had been taken to take account of those businesses that did not meet the eligibility criteria but still required financial support. She also explained that in terms of the green economy, it had been built into the Council's recovery plans but it was acknowledged that it would need some substantial government investment to deliver the ambitions. The Leader added that the GMCA had written to the Prime Minister setting out a number of economic asks, including investment in the green economy. Similarly through Core Cities, there had been a general ask made to government identifying sectors where substantial investment was needed in order to create a greener future. The Council was also in the process of putting together a list of "ready to go" schemes to submit separately to government. Following a further question, the Leader provided an overview of the types of schemes that were being proposed.

The Head of Planning and Infrastructure explained that the Council had in the past benefited from European funding and it was intended that the government would replace by a prosperity fund however a formal announcement on this was still being awaited. The Strategic Lead Policy and Partnerships commented that a lot of work had been undertaken to support cultural organisations in the city alongside Arts England and a cultural recovery plan was being developed to kick start its recovery.

The Director for City Centre Growth and Infrastructure reported that the Sounding Board would provide data and intelligence around any gaps of support to businesses. It was also reported that Ipsos Mori had been appointed to undertake consultations with businesses within all key sectors in the city to identify any issues. The Council was also talking individually with businesses in the city on the impacts they were

facing. All of this would help develop an economic analysis and strategy to support the recovery of the economy.

The Committee was advised that guidance around the ability to relax some of the requirement for businesses to use outdoor spaces had not yet been made available by the government, so in the absence of this, a multi-agency approach had been adopted by the Council to explore the use of outdoor space, with the aim of this approach to be as flexible as possible, with public safety remaining a priority to enable hospitality businesses to reopen on 4 July 2020.

In terms of the labour market, the technology investment in automation of jobs had not been identified as a consequence of the recovery of the economy, other than the technology needed for businesses to enable their workforce to work from home. What had come to light was digital exclusion and inclusion around lower level learners who had struggled to access online/digital learning.

The Leader assured the Committee that the Council had undertaken proper due diligence when considering all the applications that had been submitted by businesses for grant support. In terms of how long this could last, some funds were revolving which tended to be low equity investment funds which could keep going for a period of time. The support that the Council paid for out of its own revenue budget could only last for a number of months unless substantial additional financial support was provided by government.

The Leader advised that it was expected that people would start using office space differently and there appeared to be continued demand for city centre office space so it wasn't envisaged that there would be detrimental impact on the business model for rents and properties. In terms of inequalities being addressed as part of the recovery phase, he advised that long term structural changes would be required to address these and it was envisaged that through the re-set of the Our Manchester Strategy this would be an area that would be addressed.

The Director of Inclusive Economy provided a brief overview of what Intermediate Labour Market solutions were being considered to support the city's young people and residents. In terms of social value it was reported that young people, over 50's and BAME communities had been worst hit by the impact the pandemic had had on jobs it was these three areas where it was hoped social value within the labour market could meet the needs of these groups.

The Leader advised that the economy of Manchester looked like it was going to be slightly more resilient than other areas of the country in its recovery from the pandemic, in part this was due to its economic divisiveness of the city, with some sectors growing during the pandemic, such as e-commerce.

The Interim Director of Residential Growth and Housing advised that some of the retrofit projects did qualify as programmes of work that would be being out forward by the Council to government for appropriate funding to enable delivery, however he added caution that the scale of retrofit agenda to reach a zero carbon position should not be underestimated and as well as the financial cost to deliver this ambition, there

were a number of practical things that needed to take into consideration, including the size of the workforce required to deliver this and the technical capacity.

The Leader explained how the Our Manchester Strategy was consulted on when it was first conceptualised and advised that whilst the re-set would be done digitally and include the widest cross section of Manchester organisations and residents so that it reflected something the city as a whole bought into.

Finally, it was commented that the criteria for the next phase of the Active Travel Fund was to ensure Manchester residents were kept healthy and safe and enabled Manchester residents to get back to work whilst delivering a maximum benefit for the whole city.

Decision

The Committee note the report.

ESC/20/25 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.

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**Manchester City Council
Report for Information**

Report to: Economy Scrutiny Committee – 23 July 2020

Subject: Overview Report

Report of: Governance and Scrutiny Support Unit

Summary

This report provides the following information:

- Recommendations Monitor
- Key Decisions
- Items for Information

Recommendation

The Committee is invited to discuss and note the information provided.

Wards Affected: All

Contact Officers:

Name: Mike Williamson
Position: Team Leader- Scrutiny Support
Telephone: 0161 234 3071
Email: m.williamson@manchester.gov.uk

Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

None

1. Monitoring Previous Recommendations

This section of the report contains recommendations made by the Committee and responses to them indicating whether the recommendation will be implemented, and if it will be, how this will be done.

Items highlighted in grey have been actioned and will be removed from future reports.

Date	Item	Recommendation	Response	Contact Officer
10 Oct 2018	ESC/18/45 Gap analysis of the City's Bus network service	To request information including a summary of data that has been used to date to underpin current findings, including information on frequencies of services and services that have been removed or reduced in the last three years.	A response to this request is still outstanding	Richard Elliott

2. Key Decisions

The Council is required to publish details of key decisions that will be taken at least 28 days before the decision is due to be taken. Details of key decisions that are due to be taken are published on a monthly basis in the Register of Key Decisions.

A key decision, as defined in the Council's Constitution is an executive decision, which is likely:

- To result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function to which the decision relates, or
- To be significant in terms of its effects on communities living or working in an area comprising two or more wards in the area of the city.

The Council Constitution defines 'significant' as being expenditure or savings (including the loss of income or capital receipts) in excess of £500k, providing that is not more than 10% of the gross operating expenditure for any budget heading in the in the Council's Revenue Budget Book, and subject to other defined exceptions.

An extract of the most recent Register of Key Decisions, published on **10 July 2020**, containing details of the decisions under the Committee's remit is included below. This is to keep members informed of what decisions are being taken and, where appropriate, include in the work programme of the Committee.

Development and Growth					
Subject / Decision	Decision Maker	Decision Due Date	Consultation	Background documents	Officer Contact
<p>Brownfield Land Register Update 2019 2019/03/01D</p> <p>To publish Manchester's Brownfield Land Register.</p>	Deputy Chief Executive, Strategic Director - (Growth and Development)	Not before 29th Mar 2019		Report and Recommendation	Richard Elliott, Head of Policy, Partnership and Research r.elliott@manchester.gov.uk
<p>Delivering Manchester's Affordable Homes to 2025 - Establishment of Strategic Partnership with Homes England (2019/09/05A)</p> <p>To negotiate and formalise a Strategic Partnership with Homes England to enable the delivery of Manchester Affordable Homes to 2025</p>	Strategic Director - (Growth and Development)	Not before 4th Oct 2019	In consultation with the Executive Members for Housing and Regeneration and Finance and HR	Report and Recommendation	Steve Sheen s.sheen@manchester.gov.uk
<p>Delivering Manchester's Affordable Homes to 2025 - Disposal of sites (2019/09/05B)</p>	City Treasurer (Deputy Chief Executive)	Not before 4th Oct 2019	In consultation with Strategic Director (Growth and Development)	Report and Recommendations	Steve Sheen s.sheen@manchester.gov.uk

To agree the disposal of sites in Council ownership for the provision of affordable homes			and Executive Members for Housing and Regeneration and Finance and HR		
<p>Delivering Manchester's Affordable Homes to 2025 - Establishment of Partnership arrangements with Registered Providers (2019/09/05C)</p> <p>To establish partnership arrangements with Registered Providers together with their partners/consortium for defined areas in the North, Central, South and Wythenshawe areas of the City.</p>	Strategic Director - (Growth and Development)	Not before 4th Oct 2019	In consultation with City Treasurer (Deputy Chief Executive) and the Executive Members for Housing and Regeneration and Finance and HR	Report and recommendation	Steve Sheen s.sheen@manchester.gov.uk
<p>Delivering Manchester's Affordable Homes to 2025 -Agreement of legal terms (2019/09/05D)</p> <p>To enter into and complete all necessary legal documents and agreements to give effect to delivering Manchester's Affordable Homes to 2025</p>	City Solicitor	Not before 4th Oct 2019		Report and recommendations	Fiona Ledden, City Solicitor fiona.ledden@manchester.gov.uk

<p>Buying back former Council properties - Policy approval (2019/09/05E)</p> <p>To approve a policy for the Council to buying back properties which have been sold under the Right to Buy to increase the amount of social housing and to reduce the number of former Council properties entering the private rented sector.</p>	<p>Strategic Director - (Growth and Development)</p>	<p>Not before 4th Oct 2019</p>	<p>In consultation with the City Treasurer (Deputy Chief Executive) and the Executive Members for Housing and Regeneration and Finance and HR, following consultation with local Ward Members.</p>	<p>Report and Recommendation</p>	<p>Martin Oldfield m.oldfield@manchester.gov.uk</p>
<p>Buying back former Council properties - Setting of purchase prices (2019/09/05F)</p> <p>To agree purchase prices and make any necessary arrangements to purchase properties in line with the policy</p>	<p>Strategic Director - (Growth and Development)</p>	<p>Not before 4th Oct 2019</p>	<p>In consultation with City Treasurer (Deputy Chief Executive) and the Executive Members for Housing and Regeneration and Finance and HR</p>	<p>Report and recommendation</p>	<p>Martin Oldfield m.oldfield@manchester.gov.uk</p>

<p>Northern Gateway Strategic Business Plan (2019/09/11A)</p> <p>To approve the Strategic Business Plan for the Northern Gateway Joint Venture</p>	Executive	15 Jan 2020		Executive Report and Draft Strategic Business Plan	Louise Wyman, Strategic Director (Growth and Development) louise.wyman@manchester.gov.uk
<p>Land Disposal at Blackrock Street, Beswick (2019/09/11C)</p> <p>To agree the disposal of land at Blackrock Street, Beswick to One Manchester to facilitate the delivery of 25 social rent homes.</p>	City Treasurer (Deputy Chief Executive)	Not before 10th Oct 2019		Executive report - 16.10.19 Executive Report - Eastlands Regeneration Framework 13.12.17 and 13.03.19 Economy Scrutiny and Executive Report – Delivering Manchester’s Affordable Homes to 2025 06.09.19 & 11.09.19	Richard Cohen r.cohen@manchester.gov.uk
<p>Heron House General Letting Consent (2019/11/25A)</p> <p>To agree to the disposal by Leasehold of office accommodation at Heron House.</p>	Chief Executive	Not before 24th Dec 2019		Briefing Note & Heads of Terms	Mike Robertson m.robertson@manchester.gov.uk

<p>Northern Gateway - Strategic Acquisition of Creamline Dairies, Redbank (2020/04/24A)</p> <p>To approve funding of £2m for the strategic acquisition of Creamline Dairies, Redbank, within the Northern Gateway.</p>	<p>City Treasurer (Deputy Chief Executive)</p>	<p>Not before 1st Aug 2020</p>		<p>Briefing notes to the Leader, Executive Member for Housing and Regeneration, Chief Exec and Strategic Director, Growth & Development</p>	<p>Nick Mason n.mason@manchester.gov.uk</p>
<p>Co-living in Manchester (2020/05/28E)</p> <p>To agree an approach to co-living, following a consultation exercise with key stakeholders, to help to guide the decision making process in advance of the review of the core strategy and request that the Planning and Highways Committee (or agreed interim procedure of planning determination by the Chief Executive) take this into material consideration until the core strategy has been reviewed.</p>	<p>Executive</p>	<p>3 Jul 2020</p>		<p>Report and Recommendation</p>	<p>Pat Bartoli p.bartoli@manchester.gov.uk, Dave Roscoe d.roscoe@manchester.gov.uk</p>
<p>Purpose Built Student Accommodation in Manchester (2020/05/28F)</p>	<p>Executive</p>	<p>3 Jul 2020</p>		<p>Report and Recommendation</p>	<p>Dave Roscoe d.roscoe@manchester.gov.uk, Pat Bartoli p.bartoli@manchester.gov.uk</p>

<p>To agree an approach to Purpose Built Student Accommodation, following a consultation exercise with key stakeholders, to help to guide the decision making process in advance of the review of the core strategy, and request that the Planning and Highways Committee (or agreed interim procedure of planning determination by the Chief Executive) take this into material consideration until the core strategy has been reviewed.</p>					
<p>Private Rented Sector Strategy 2020-25 and delivery plan (2020/06/22A)</p> <p>To approve the Private Rented Sector Strategy 2020-25 and delivery plan.</p>	Executive	29 Jul 2020		Executive report, Private Rented Sector Strategy and Private Rented Sector Delivery Plan	Kevin Lowry, Interim Director for Housing and Residential Growth kevin.lowry@manchester.gov.uk

3. Economy Scrutiny Committee Work Programme – September 2020

Thursday 3 September 2020, 10.00am (Report deadline Friday 21 August 2020)** To take account of the August Bank Holiday				
Theme - To Be Confirmed				
Item	Purpose	Executive Member	Strategic Director / Lead Officer	Comments
Overview Report	The monthly report includes the recommendations monitor, relevant key decisions, the Committee's work programme and any items for information.		Mike Williamson	

Thursday 8 October 2020, 10.00am
(Report deadline Monday 28 September 2020)

Theme - To Be Confirmed

Item	Purpose	Executive Member	Strategic Director / Lead Officer	Comments
Overview Report	The monthly report includes the recommendations monitor, relevant key decisions, the Committee's work programme and any items for information.		Mike Williamson	

**Thursday 5 November 2020, 10.00am
(Report deadline Monday 26 October 2020)**

Theme - To Be Confirmed

Item	Purpose	Executive Member	Strategic Director / Lead Officer	Comments
Overview Report	The monthly report includes the recommendations monitor, relevant key decisions, the Committee's work programme and any items for information.		Mike Williamson	

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