

Economy Scrutiny Committee

Minutes of the meeting held on 10 March 2022

Present:

Councillor H Priest – in the Chair

Councillors Bayunu, Doswell, Farrell, Moore, Noor, Shilton Godwin and Stanton

Apologies: Councillor Johns and Raikes

Also present:

Councillor Craig, Leader

Councillor White, Executive Member for Housing and Employment

Councillor Newman, Ward Councillor for Woodhouse Park

Tim Hawkins, Chief of Staff, Manchester Airports Group

Jan Bramall, Chief Financial Officer, Manchester Airports Group

Andrew Dixon, High Speed Rail Programme Coordinator

ESC/22/12 Minutes

Decision

The minutes of the meeting held on 10 February 2022 were approved as a correct record.

ESC/22/13 Manchester Airport

The Committee considered the report of the Director of City Centre Growth and Infrastructure that provided an update on the role of Manchester Airport in the economy of the city; the current economic situation of the Airport following the impact of COVID-19; and the next steps in the economic future for the Airport.

Key points and themes of the report included:-

- Describing the position of Manchester Airport in the local economy;
- Current economic situation of Manchester Airport;
- Employment, recruitment, and training opportunities at the Airport;
- An update on Airport City, an Enterprise Zone with the capability to provide 5 million sq. ft. of offices, hotels, advanced manufacturing, logistics facilities and retail space;
- Airport future challenges and opportunities.

Further to the report the Committee also received a presentation from the Manchester Airports Group (MAG).

Key points and themes of the presentation included:-

- Describing the impact of COVID on MAG traffic;
- Financial performance pre-COVID;
- Financial estimates, COVID and recovery period;
- Passenger recovery data;
- Focus areas for 2022;
- An update on the Manchester Transformation Programme;
- Opportunities for Greater Manchester, including the Airport Academy and the support to local communities; and
- The path to Net Zero Aviation.

The Chair read from a prepared statement from Councillor Nunney, Ward Councillor for Woodhouse Park who had been invited to the meeting but was unable to attend. His statement referred to the issues experienced by local residents that related to inconsiderate parking and associated litter, the loss of green space and poor air quality associated with both vehicles and aircraft.

The Committee then heard from Councillor Newman, Ward Councillor for Woodhouse Park who addressed the meeting on behalf of himself and his fellow ward Councillor, Councillor Sarah Judge. Whilst acknowledging the positive economic benefits that the airport brought to the area he also spoke of the adverse impacts that were frequently experienced by local residents. Councillor Newman spoke of the inconsiderate and anti-social car parking practices on the public highway, both by individuals attending the airport, taxi drivers and rogue car parking firms operating in the area. He further referred to issues of speeding and noise from vehicles and the use of 'rat runs' that further contributed to poor air quality experienced by local residents. He stated that local elected Members had successfully lobbied the airport to introduce measures to mitigate the impacts described, making reference to a resident parking scheme and localised traffic calming measures and he paid tribute to the positive engagement experienced when liaising with the management team at the airport.

He further made reference to the positive community engagement programmes that the airport had delivered over the previous years that had benefited both local older residents and school children. He further called for the need to ensure that the training and employment opportunities associated with the site benefited the local population and consideration needed to be given as to where recruitment events took place to ensure local residents benefited from these opportunities. He stated that public transport links needed to be improved to the site and he called for additional apprenticeship and training opportunities across the site for local residents. He concluded by stating that on balance local residents did support and welcome the airport and he further commented upon the financial contribution MAG made to the Council to enable it to deliver important services on behalf of Manchester residents.

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

- Noting the increasing cost of fuel could adversely impact the number of people flying if prices increased;

- Stating that there was a tension between increased passenger numbers and the need to address carbon emissions;
- The need to improve public transport links to the airport site, including cycling, noting the need for these at all times of the day due to the nature of shift patterns and to ensure that residents across the city could benefit from employment opportunities at the site;
- Car parking at the airport was expensive and would this be reviewed, noting that this could mitigate some of the issues of inconsiderate parking of vehicles experienced by local residents;
- Noting the need for future green skills and jobs, did MAG engage with the existing educational and research institutions in Manchester;
- Noting the conversation that emerged regarding the appropriate use of language and value of, when discussing the different levels of jobs and not to pit the economy against the environment; and
- The need to ensure that MAG was promoted as an attractive employer that delivered training and job progression opportunities.

Tim Hawkins, Chief of Staff, Manchester Airports Group responded to the comments and questions raised by advising that MAG remained committed to achieving net zero by 2038 and aviation to be net zero by 2050. He stated that MAG was taking a leading role in the development and management of sustainable aviation fuel. He stated that this presented the opportunity to develop links with local research institutions and deliver the related employment and skills opportunities. In regard to passenger numbers and issues relating to future variants and travel restrictions that all impacted on the financial viability of the business, he advised that MAG were working closely with both the Department of Transport and the Department of Health to plan and model for any potential future variant wave, using the lessons learnt from the previous years on the efficacy of travel restrictions. He further recognised the potential impact of rising fuel prices and the subsequent rising costs on air travel, he said that this situation continued to be closely monitored, adding that aviation fuel was purchased a year in advance by operators. He further recognised the issues raised regarding the challenges of public transport links, particularly as the site is a 24-hour operation. He said that they did engage with local operators on the issue and referenced the scheme that was operated to facilitate Stansted airport and that options to replicate this subsidised model were being discussed with local operators in Manchester. With regard to the issue of car parking at the site, he commented that car parking was integral to the business model and the pricing structure was reviewed to consider the correct balance was struck between supply and demand.

Jan Bramall, Chief Financial Officer, Manchester Airports Group discussed the issue of training and employment opportunities at the site. She described that the Airport Academy offered free training programmes. Upon completion, participants were guaranteed an interview with the airport. In 2019, 435 people from in and around Manchester gained employment at the airport as a result of the Academy's support. She stated that MAG were committed to a policy of 'grow your own talent' and they worked closely with the Trade Unions to ensure the jobs offered were attractive across the

piece, noting that this approach also helped with the retention of staff in the very competitive jobs market, noting the previous comments regarding the challenge presented by working shift patterns. She advised the Committee that MAG was committed to the Greater Manchester Good Employment Charter. She further referred to AeroZone, the state-of-the-art education centre on its campus. She stated that this inspired young people and challenged young people to consider the different range of career options and training opportunities available across the industry. She described that this was promoted via a range of mediums and encouraged all Councillors to promote this offer with their existing networks.

The Director of Inclusive Economy said she would encourage MAG to become a Real Living Wage Employer and to support the plans to make Greater Manchester a Living Wage City Region, to ensure that employees across all 10 boroughs are paid a real Living Wage and offered good contracts and working conditions.

In terms of the specific request for data and information relating to the numbers and geographical breakdown of people attending outreach and employment promotional events and the numbers of anticipated job creation would be provided to Members following the meeting.

The Leader stated that she endorsed the comments regarding the appropriate use of language when referring to the different types of employment across the city. She further acknowledged the issues and challenges that arose from the existing fragmented public transport network, noting that the recent announcements relating to bus services would help address the issues described.

Decision

To note the report and presentation.

ESC/22/14 Manchester Housing Allocations Policy

The Committee considered the report of the Strategic Director, Growth & Development that provided an update on the Housing Allocations Policy Review.

Key points and themes of the report included:-

- Manchester's current statutory social housing allocations scheme was implemented in November 2020;
- In addition to the planned full evaluation after 24 months, it was agreed that an interim evaluation should be undertaken after 12 months;
- An overview of the scheme evaluation and analysis; and
- Noting the impact of COVID-19, the evidence to date was that the scheme was working as intended with no unexpected outcomes.

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

- Did all of the Registered Providers in Manchester apply the same policy when allocating properties, noting that this needed to be consistent and equitable;
- What was the approach to dealing with repairs during the pandemic;
- Comparative figures would be informative in future reports;
- What was the criteria for residents wishing to secure a property in a neighbouring authority and did neighbouring authorities have the same or similar letting policies to Manchester;
- What was the approach to housing refugee's and asylum seekers.

The Director, Housing and Residential Growth informed the Members that the issue of outstanding repairs due to the pandemic was a national issue, commenting that only emergency repairs had been undertaken during that time. He commented that this situation was beginning to normalise and plans were developed to deal with the back log, noting that the impact on void property turnaround times was understood.

Officers informed the Committee that all Registered Housing Providers have similar policies and applied the same choice-based lettings system, noting that the vast majority of lettings are to those residents in Bands 1 and 2. Officers stated that the demand on the service far outweighed the supply of available appropriately sized properties, and the turnover of properties was low, adding that the notion of low demand in Manchester was not true. Officers further advised that Manchester applied a two year residency criteria, adding that neighbouring authorities would have similar criteria, commenting that this made it difficult for residents to secure properties in other boroughs. The Chair asked that the residency criteria for all neighbouring boroughs be circulated to Members for information.

The Director, Housing and Residential Growth stated that there was ongoing collaboration and dialogue with all Registered Provers in the city via the Housing Access Board, adding that there was also a regular audit of lettings undertaken to provide an assurance that the correct process and priorities were applied.

The Executive Member for Housing and Employment stated that he was confident that the scheme was working as intended, noting that priority was given to supporting the most vulnerable in the city, including the homeless and those victims of domestic violence. He described that demand for housing still outweighed supply and the city required more affordable housing and social housing. He stated that work was ongoing to respond to this demand and the Housing Strategy would be submitted to the Committee for consideration. He stated that the Government needed to do more to support the city to deliver more affordable housing. He further informed the Committee that under occupancy was an issue and work was being progressed to address this so as to release larger properties, making reference to the Extra Care and Age Friendly schemes that were being delivered.

The Leader provided an update on the housing of refugees and asylum seekers, adding that Manchester had responded well in welcoming and supporting asylum seekers

however improved arrangements and support from the Home Office was required, noting that an announcement was expected on the emerging situation in the Ukraine.

Decision

The Committee notes the report and recommends that the residency criteria for all neighbouring boroughs Housing Policy be circulated to Members for information.

ESC/22/14 HS2 Phase 2b Western Leg - Environmental Statement Consultation & Hybrid Bill Petitioning Response

The Committee were invited to consider and comment on the report of the Strategic Director (Growth and Development) that informed the Executive about the deposit of the HS2 hybrid Bill in Parliament on 24 January 2022; the public consultations on the Environmental Statement (ES) and Equality Impact Assessment (EQIA) for the Bill; and outlined the Council's proposed response to these consultations. The report further outlined the key areas on which the Council was proposing to petition against the hybrid Bill, subject to the approval of Council on 4 March to submit a petition.

Key points and themes of the report included:-

- An introduction and background to the HS2 Crewe-Manchester hybrid Bill;
- HS2 Crewe-Manchester hybrid Bill Environmental Statement;
- Describing the key themes and issues identified;
- Immediate next steps;
- Next steps on the wider HS2 programme; and
- Conclusion.

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

- Supporting the ambitions of HS2 to deliver wider connectivity with the North, however calling for the Government's immediate attention to, and due consideration given to the concerns raised by Manchester;
- Supporting the call for an underground, through platform at Piccadilly train station to accommodate HS2 and meet the capacity needs;
- Noting that the proposals offered to Manchester would not be acceptable in London;
- The current HS2 proposals were contrary to the many ambitions and policies that city had to address issues such as improving active travel; addressing carbon emissions; protecting the heritage of the city and supporting biodiversity;
- Further detailed information was required from HS2 on the mitigation proposed to protect Northenden and Didsbury from flooding following the installation of the Withington Golf Club vent shaft;
- The proposed vent at Fallowfield Retail Park, Birchfield Road would adversely impact local residents; and
- The consultation events delivered by HS2 had not been satisfactory.

The Director of City Centre Growth and Infrastructure commented that all of the concerns expressed by the Members would be articulated in the submission to Government. She stated that they had lobbied HS2 and the Department for Transport on these and other issues as described in the report over a number of years without satisfactory response.

The Leader commented that this was an opportunity to deliver improvements and deliver the ambitions of Northern Powerhouse Rail to deliver a truly connected network, however the current proposals fell short of delivering on the ambitions for Manchester. She stated that the issue of capacity needed to be adequately addressed, adding that this could only be achieved with the installation of an underground, through platform at Piccadilly train station.

Decision

The Committee endorse the recommendations that the Executive:

- (1) Note the deposit in Parliament of the HS2 Crewe-Manchester hybrid Bill and the accompanying ES and EQIA.
- (2) Note and comment on the proposed contents of the City Council's submission in response to the consultations on the HS2 Crewe-Manchester hybrid Bill ES and EQIA.
- (3) Note Council approval to submit a petition to object to aspects of the HS2 Crewe-Manchester hybrid Bill and comment on the proposed areas for the City Council's petition, and
- (4) Delegate authority to the Strategic Director – Growth & Development, in consultation with the Leader and Executive Member for Environment, Planning and Transport, to finalise the responses to the HS2 Crewe-Manchester hybrid Bill Environmental Statement and EQIA and submit to DfT.

ESC/22/15 Update on COVID-19 Activity

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 Chair stated that she welcomed the reported increase in footfall at both the King Street and St Ann's Square locations; she paid tribute to the work delivered through the Good Jobs Project and the Connect with Us digital roadshow, noting the choice of venues to deliver these was welcomed.

Decision

The Committee notes the report.

ESC/22/16 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 note the report and agree the work programme.