

Economy Scrutiny Committee Meeting 24/06/15

The meeting was attended by approximately sixteen councillors and was chaired by Cllr Green, the former chair, as the current chair (Cllr Richards) who was not in attendance.

After agreement of the minutes, the meeting received an oral presentation on the economic impact of culture in the city from a representative of Manchester Museum. The presentation mainly summarised the October 2014 report on the subject written by Ekosgen. The main points were that cultural investment offers large returns both socially and economically. The number of visitors drawn to the city by culture was noted. On the social side it was stated that cultural institutions offer voluntary positions which can enhance peoples' skills. Cultural institutions have also prioritised working with young children and people with dementia. This work has been undertaken to be in line with other institutions pointing to the benefits of exposure to the arts in these groups. It was pointed out that, compared to Liverpool and Glasgow, Manchester lacks an arts venue which attracts over a million visitors a year. The report suggested that there was room for such a venue. After the publication of the Ekosgen report the establishment of Factory, a proposed large arts venue, has been announced and the speaker seemed to welcome this as it would possibly fill the gap at the top.

Cllr Shilton Godwin queried the figure of £12 per hour rate stated as the estimated cost of volunteers. The councillor also asked what was proposed to take place at the Factory. Another question was around the state of some arts buildings particularly Mosi and where money would come from to deal with structural problems. Nick from the Museum said in reply that: the £12 figure was reached by Ekosgen and there was a varied plan for the Factory. Nick said that he didn't know all the proposals for Factory as this isn't his area of specialism. I feel that the amount of varied work he suggested would take place there is so varied this might be both an asset but also a real risk that it seems very vague. In relation to Capital funding for structural work he played this down as a problem and instead highlighted revenue as a bigger problem for the arts sector.

Cllr Ellison highlighted a need to compete with Liverpool which currently gets more cultural visitors. Cllr Battle was very positive in relation to the current position of arts in Manchester. Another councillor questioned how organisations are dealing with lower spending. Nick replied that organisations were doing differently with less and that institutions were working together more. The organisations were also pushing government to press national institutions, mainly based in London, to spread their funding across the country.

Cllr Hacking asked about the range of organisations covered in the report. The councillor was told that the sixteen organisations were selected as they mainly received public funds. More organisations would be added to the list as time goes by. Cllr Peel asked what more can be done to use volunteering as a way to get people into work. Nick said that they couldn't do much more and that their approach was based on quality over quantity.

The Chair made comments that the committee was focused on making sure residents get the benefits of any activity, including culture, in Manchester. I feel that this kind of rhetoric isn't particularly helpful. Cllr Hackett said he was concerned that internships might be more beneficial to middle class people and also said that he perceived a North/South Manchester split in terms of involvement with culture. The reply came that mapping of who was benefitting from volunteering was happening and that there was a lower rate of take up from

residents in north Manchester and Wythenshawe. Entry level positions were provided too instead of internships to try to level the playing field.

I feel that although there was some talk of how arts could benefit people there didn't seem to be a clear plan in place from the council. There seemed to be little discussion on how culture at the grass roots could lead to benefits, only Didsbury Arts Festival was mentioned (and this was because one of the councillors is involved in it). Like much of the council's work, although the need to spread wealth across the city is mentioned the council seems to be committed to funding elite city centre based projects at the expense or indeed total exclusion of local schemes.

The meeting then moved onto the issue of tax avoidance. The general tone of the report was fairly accurately summed up in my opinion by Cllr Moore. She stated that the report was very heavy on what the council couldn't do in relation to commissioning work from companies which take aggressive steps to avoid paying tax to the treasury. This went on to point out that outside organisations such as Action Aid could be contacted for advice on how to proceed and noted that perhaps CSR procurement could be a route to pursue. She also suggested that as council procurement is based on an ethical approach (or is supposed to be as I see it) perhaps some companies could be excluded on human rights grounds. Other councillors seemed more accepting of the assessment that nothing could be done until European and or National legislation changed. Cllr Peel suggested that the council press Northwest MEPs to act on tax regulation. I wonder if all MEPs will be asked or just Labour ones.

Councillor Karney in particular suggested that little could be done and drew comparisons with the living wage report which similarly suggested that the council could not choose not to work with employers who do not pay the Living Wage. Cllr Shilton Godwin and Cllr Hacking noted that residents feel strongly on this issue. The Chair said that looking into what other councils were doing on the matter of procurement and tax avoidance was a good idea. She noted that the human rights aspect was also being explored by other authorities. It was agreed that Cllr Moore would lead a Task and Finish Group into this as previously agreed at the full Council meeting in February.

It certainly appears that although there is support amongst certain councillors to act the Executive is much less keen to take action. While I am not aware of the precise legalities myself, I find the Executive's knee jerk reaction to rule out any sort of action because of possible litigation by firms unsatisfactory. The establishment of a Task and Finish Group is pointless if it doesn't have support from the Executive in my opinion and is little more than a PR exercise designed to show that the Council is taking some action.

The next item for discussion was a report by the Head of Performance and Intelligence into projected demographic changes in the City. There were many points made, most of them did not relate directly to the report but were instead comments on the possible consequences of the projected population increase which is encouraged by the council. There was much talk of where the extra houses needed would be placed but little substance was provided. There was some concern over the poor quality of some of the new residential properties which have been converted from offices. Cllr Bridges spoke in favour of promoting affordable rental properties over social housing. This view was not contradicted by any

councillors and to me suggests that the Council is not keen on social housing being a significant part of future building plans.

Cheif Exec of the Council, Mr Leese, entered the meeting for this item and made a number of points most of them centred around how much of these decisions regarding housing will be made working with other authorities in Greater Manchester and this would increasingly be the case under the Greater Manchester Agreement. Mr Leese said that jobs would be “the glue that held Greater Manchester together” and that each authority could not exist economically without the others. While I agree with this it does not justify the undemocratic approach to devolution he and his Council leader colleagues have taken.

Cllr Strong raised more concerns over getting the balance of housing right. The response from Eddie Smith (Strategic Development Director) was that little can be done to turn down planning proposals if they conform to the guidelines. While I understand this point I feel the Council often does too little to require developers to take any measures to improve their plans. He said that the Council was developing a design guide and before this was developed London’s guide was being used. He also asserted that some green space is not high quality and should really be considered as brownfield sites. This point is pretty worrying. It seems that the Council will continue to arbitrarily assign their manufactured, and self determined, concept of low quality green space to any site they wish to see developed.

There were questions about the mix of housing and services available to ensure people stayed in the City. There was general support from Director Eddie Smith for more schools in the city centre and more suburbs. He mentioned Northenden as an area that had become more suburban and attractive to families over recent years and seemed to be very supportive of this. While this is in part positive I wonder what the Council’s strategy is in regards to gentrification?

No councillor mentioned the environment as a specific issue at all during the discussion. I sadly find this to be deeply unsurprising and consistent with Councils general approach. Additionally I found that there was a lack of questioning the basic premise that population growth is inherently good. While increased tax revenues are obviously attractive to the Executive I feel that the meeting suggested an insufficient concern over how this projected increase would be felt in the City and how the effects may be felt differently by different people.

The meeting was concluded early without reference to the Overview Report.

Overall I found the meeting was a good illustration of where the Council currently is. The Executive seem to justify every decision by pointing to the restrictions they face from both legislation and budget cuts. While I have some sympathy with this I feel that the extent to which they do this is unfair to the public of Manchester and indeed to certain councillors who are making some moves to at least question this.

The above is my honest assessment of events. Some comments were omitted for length reasons.

Matt Schreibke