

GREATER MANCHESTER COMBINED AUTHORITY

DATE: Friday, 24th March, 2023

TIME: 10.30 am

VENUE: Council Chamber, Bolton Town Hall, Victoria Square,
Bolton, BL1 1RU (Access via Albert's Hall entrance)

AGENDA

**5.E GMCA Audit Committee - Minutes of the Meeting held on 15
March 2023 - To Follow**

To note the minutes of the GMCA Audit Committee held on 15
March 2023.

**5.F GMCA Waste & Recycling Committee - Minutes of the Meeting
held on 16 March 2023 - To Follow**

To note the Minutes of the GMCA Waste & Recycling Committee
held on 16 March 2023.

6. GMCA Trailblazer Devolution Deal 1 - 12

Report of Andy Burnham, Mayor of Greater Manchester.

**22. In Year Capital Allocation, Department of Levelling Up,
Housing and Communities - To Follow**

Report of Councillor David Molyneux, Portfolio Lead for Resources
& Investment.

BOLTON	MANCHESTER	ROCHDALE	STOCKPORT	TRAFFORD
BURY	OLDHAM	SALFORD	TAMESIDE	WIGAN

For copies of papers and further information on this meeting please refer to the website www.greatermanchester-ca.gov.uk. Alternatively, contact the following

Governance & Scrutiny Officer: Governance and Scrutiny

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This agenda was issued on 17 March 2023 on behalf of Julie Connor, Secretary to the Greater Manchester Combined Authority, Broadhurst House, 56 Oxford Street, Manchester M1 6EU

Greater Manchester Combined Authority

Date: 24 March 2023

Subject: Trailblazer Devolution Deal

Report of: Andy Burnham, Mayor of Greater Manchester and Eamonn Boylan,
Chief Executive Officer, GMCA & TfGM

Purpose of Report

This report provides an overview of the additional powers, functions and flexibilities awarded to Greater Manchester as part of the Trailblazer Devolution Deal announced in the Spring 2023 Budget, requests that GMCA endorse the Deal, and seeks authorisation to begin preparation for a Governance Review and Scheme.

Recommendations:

The GMCA is requested to:

1. Endorse the Trailblazer Devolution Deal as set out at Annex A to the report.
2. Delegate authority to the Chief Executive Officer, GMCA & TfGM and GMCA Solicitor & Monitoring Officer to commence the statutory process by carrying out the governance review referred to in the report and to report back to the GMCA with the outcomes, including any recommendations for a proposed Scheme.
3. Delegate authority to the Chief Executive Officer, GMCA & TfGM and GMCA Solicitor & Monitoring Officer to do anything required to enable consideration, as part of the governance review referred to in recommendation 2, of any parts of the Trailblazer Devolution Deal that are not bound by the statutory process.

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1. Background and Introduction

- 1.1. Greater Manchester pioneered the model of Mayoral Combined Authority (MCA) devolution in England, following many years of voluntary collaboration between the ten local authorities of GM via the Association of Greater Manchester Authorities (AGMA). The settlement in its current form began to emerge with the agreement of a Statutory City Region Pilot with Government in 2009, covering transport, place, employment, planning, low carbon and post-16 skills, and the subsequent formal establishment of the Greater Manchester Combined Authority (GMCA) in 2011.
- 1.2. In November 2014, GM agreed a landmark Devolution Deal with Government. This Deal set out an agreement to devolve a set of responsibilities, powers and services previously delivered by Government to the GMCA. These included transport powers, business support, elements of employment and skills support, a Housing Investment Loan Fund and the creation of an 'earn back' mechanism. It also reformed GMCA's governance, establishing the role of a directly elected Greater Manchester Mayor (subsequently first elected in 2017) who would also take on the role of Police & Crime Commissioner.
- 1.3. Five subsequent Deals were agreed over the period 2015-2017, notably including the health and social care Devolution Deal in February 2015, transfer of Fire & Rescue responsibilities to the GM Mayor, further transport devolution, Intermediate Body status for EU funding, creation of the Reform Investment Fund, and a pilot for 100% retention of Business Rates growth in the city-region.
- 1.4. In February 2022 Government published the Levelling Up White Paper. This made a commitment to 'extend, deepen, and simplify' devolution in England. Within this, Government confirmed an intention to negotiate new "Trailblazer Devolution Deals" with Greater Manchester and the West Midlands. These were envisaged as the start of a process of 'deepening' devolution in England, exploring what more is possible beyond the powers and funding already devolved to Mayoral Combined Authorities.
- 1.5. On March 2023, as part of the 2023 Budget Settlement, the Chancellor announced both Trailblazer Devolution Deals for Greater Manchester and the West Midlands. The following sections of this report set out the additional powers, functions and responsibilities granted to Greater Manchester (subject to the completion of the statutory process). The full devolution deal is attached at Annex A.

2. Further Devolution to Greater Manchester

2.1 The latest devolution agreement is attached in full at Annex A but in summary it makes provision to transfer the following additional responsibilities and flexibilities:

- A consolidated, long-term budget for GMCA. The **single settlement** will be designed in the mould of government departments' budgets set at spending reviews and based on thematic functions.
- A longer-term commitment on the **retention of the growth in Business Rates** (for 10 years), and new 'growth zones' which are subject to further design but where business rates growth above an agreed baseline can be retained for 25 years.
- A **new rail partnership with Great British Railways** to deliver the Bee Network by 2030, which will see full multi-modal fares and ticketing integration, co-branding, 'pay as you go' ticketing pilots, better integration of local stations, identification of opportunities for regeneration and development, greater access to local rail data and giving GMCA the opportunity to sponsor infrastructure and service enhancement schemes.
- Local leadership of the Affordable Homes Programme for the first time outside of London, worth £400 million to Greater Manchester, with greater powers and flexibilities over time, devolution of £150 million brownfield land funding, local retention of additional funding for **housing investment**, commitments to joint working between the government and GMCA through the Greater Manchester Land Commission, a Greater Manchester Housing Quality Pathfinder, with new local powers, additional funding and targeted policy support, and £3.9 million to eliminate the use of bed and
- Devolution of non-apprenticeship **adult skills** functions and grant funding in the next Spending Review, local flexibilities, which will increase over time, over Free Courses for Jobs and Skills Bootcamps during this spending review and establishment of a strong joint governance board to provide oversight of post-16 technical education and of GMCA as the central convenor of careers provision in the city region.
- A co-design approach to all future contracted **employment support** programmes, consideration of potential employment support pilots and commitments to data to address labour market inactivity, supported by a new joint board.

- Building on the Innovation Accelerator programme, a Strategic Innovation Partnership to give GMCA a new and influential role informing the national **research and innovation** ecosystem, a knowledge transfer programme focused on local strengths and a pilot to boost innovation adoption and diffusion by local businesses, transferring more autonomy to Greater Manchester's developing regional innovation ecosystem.
- Boosting **business productivity** through a new Strategic Productivity Partnership, enabling GMCA to raise local priorities for future business support and advisory services and ensuring complementarity between national and local commissioning activities, alongside a new role for GMCA in the governance of the next generation of British Business Bank UK funds in the North of England and stronger strategic and operational relationships with the UK Infrastructure Bank.
- Stronger partnership working with the government across a range of **international trade**, investment and export activities.
- Direct involvement in exploring the possibility of piloting new, devolved business models for delivering place-based **net zero**, including retrofit, recognition of GMCA's roles and activity across the energy system and further work on standards, green finance and advice to increase household energy efficiency.
- Further support for GMCA's already trailblazing approach to the **environment** through natural capital investment. The government will support GMCA to accelerate its plans and will designate Greater Manchester as a testbed to explore and develop options for how climate change adaption can best be addressed and accelerated at the local level.
- The deal sets out new arrangements for **data** sharing, including a new Data Partnership and commitments to boost GMCA's data capacity and capability, to underpin those decisions, as well as to develop and evaluate policies and programmes with greater impact.
- A Greater Manchester Strategic Cultural Partnership to support greater funding alignment, joint investment and strategic collaboration between **cultural** arm's length bodies and GMCA, and accreditation for Marketing Manchester as a recognised Local Visitor Economy Partnership.

- A new Digital Infrastructure Leadership Group to accelerate the roll-out and take-up of high-speed **digital** connectivity, alongside engagement in Project Gigabit and on digital inclusion.
- New levers to support GMCA's commitment to **public service reform** and work with people facing multiple and complex disadvantage, including future engagement to discuss whether relevant new funding streams could be devolved as part of the single settlement.

2.2 In order to make the above policy changes, the Deal makes provision for government to devolve any necessary additional functions through legislation made under the Local Democracy, Economic Development and Construction Act 2009 (2009 Act). The GMCA already has wide-ranging functionality so is able to take on many of the new areas contained within this Deal without the additional conferral of new functions. The Deal confirms that the government will devolve to GMCA the following:

- Adult education and skills functions, including non-apprenticeship adult skills and funding, and delegated delivery of contracted employment programmes; decisions to be taken by a simple majority.
- Any other functions which are subsequently identified as necessary to implement this deal.

3. Accountability and Governance

- 3.1 In recognition of the enhanced powers and responsibilities provided for by this deal, new accountability arrangements will be adopted by the GMCA as part of the implementation process. The below accountability arrangements set out how the GMCA will exercise its responsibilities and make decisions effectively.
- 3.2 Government confirms that GMCA will abide by the recently published Devolution Accountability Framework and the forthcoming Scrutiny Protocol once published.

These are new guidance, due to be issued by DLUHC shortly, and will apply to all MCAs and other devolved institutions in England.

3.3 New commitments for Overview and Scrutiny

3.3.1 Alongside committing to the existing recommendation from the Independent Review, the Deal seeks further commitments from GMCA in relation to overview and scrutiny arrangements These are:

- To review the impact of implementing the Independent Review recommendations and publishing findings by no later than the end of March 2024.
- To consider how the lessons of the Independent Review could apply to other local committees including the Police, Fire and Crime Panel and Audit Committee.
- To provide reasonable resources sufficient for committees to be able to ask for ambitious research and analysis, either through officers or external sources, such as local universities.
- As a measure to increase quoracy, members of the Scrutiny Committee are clear through their role description as to their responsibilities, including attendance at all meetings.
- To provide reasonable communications support to help ensure that the chairs of the scrutiny committee and the reports they develop are able to get suitable profile. As part of this support, consideration will be made to what branding (including, if necessary, name changes) and communication techniques can help the media and public understand the role of the committee.
- Government also confirms it will look to raise the profile of the chairs of the committees and will explore different options (i.e., ensuring they are able to have regular meetings with DLUHC ministers and are empowered to report any concerns they have to appropriate teams in the department).

3.4 The Deal also includes further commitments for the Mayor and GMCA Members to arrange and attend various meetings, including:

- Full council meetings for each constituent LA (up to one a year if requested).
- 'Mayors Question Time' sessions - to be chaired by an independent person (i.e., a local journalist or business person).

- Parliamentary Select Committees (if requested).
- The GMCA Overview and Scrutiny Committee.
- A new, publicly broadcasted session with Greater Manchester MPs to scrutinise the Mayor and other portfolio holders four times a year. Terms of reference will be agreed between the Government and the GMCA following engagement with Greater Manchester MPs by June 2023, and will consider questions of appropriate chairs, schedules, papers and chairs of the Overview and Scrutiny Committee and Audit Committee. GMCA will then agree a CA resolution to introduce these with a commitment to review them and identify improvements at the end of the first spending review for the single settlement.

3.5 Accountability arrangements for the single settlement:

- 3.5.1 GMCA will agree with Government a streamlined, overarching single accountability process for the settlement. This will build on, and will be incorporated into future editions of, the Devolution Accountability Framework. This process will include the assurance framework coordinated by DLUHC, the specific outcomes GMCA will achieve over the Spending Review period or funding period (e.g., for CRSTS), and appropriate spending control processes. GMCA will be held to account for delivering outcomes, using the settlement funding and relevant local resource, across areas associated with devolved functions set out in this and previous devolution deals. A single reporting framework across the single settlement against those outcomes will be agreed with Government.

4 Legal Framework

- 4.1 As set out in section 2 above, the Government and the GMCA have reached agreement in relation to the devolution to the GMCA of a further range of powers.
- 4.2 To give effect to certain elements of the Deal, it is necessary for the GMCA to comply with the requirements of sections 111, 112 and 113 of the Local Democracy, Economic Development and Construction Act 2009 (“the 2009 Act”) which set out the procedure to be followed in order to make changes to existing combined authority arrangements.
- 4.3 However, it should be noted that many aspects of the Deal do not require legislative change to implement. The powers outlined in section 2.2 of the report are those that

are expected to require legislative or regulatory change before they can be exercised by the GMCA or Mayor and therefore follow the process outlined below.

4.4 Section 111 of the 2009 Act

4.41 Section 111 of the 2009 Act allows combined authorities to undertake, in relation to an existing combined authority (such as the GMCA), a review of one or more “combined matters”. For the purposes of section 111 of the 2009 Act a “combined matter” is defined at subsection 111(3) as being:

- a. a matter in relation to which an order may be made under any of sections 104 to 107;
- b. in relation to the combined authority or any executive body of the combined authority, where that body exists at the time of the review, a matter concerning the combined authority or the executive body that the combined authority has power to determine.

4.42 Insofar as sub-section 111(3)(a) of the 2009 Act is concerned, sections 104 to 107 of the 2009 Act set out the range of matters that the Secretary of State may include within an order concerning a combined authority. These include power for the Secretary of State to:

- make in relation to a combined authority any provision that may be made in relation to an Integrated Transport Authority under certain provisions of the Local Transport Act 2008;
- make in relation to a combined authority any provision that may be made in relation to an Economic Prosperity Board (EPB) in relation to the exercise of local authority functions;
- make provision for a function of a public authority that is exercisable in relation to a combined authority’s area to be a function of a combined authority;
- make provision for conferring on a combined authority in relation to its area a function corresponding to a function that a public authority has in relation to another area;
- make provision for any function of a combined authority which has an elected mayor (a “mayoral combined authority”) to be a function only exercisable by the elected mayor;

- make provision for the costs of an elected mayor for the area of a combined authority that are incurred in, or in connection with, the exercise of “mayoral functions” to be met from precepts issued by the authority under section 40 of the Local Government Act 1992.

4.5 **Section 112 of the 2009 Act**

4.51 Where a combined authority that has undertaken a review under section 111 of the 2009 Act concludes that the exercise of the power by the Secretary of State to make an order under any one or more of sections 104, 105, 105A, 106 and 107 would be likely to improve the exercise of statutory functions in relation to an area of a combined authority, it may prepare and publish a ‘scheme’ relating to the exercise of the power or powers in question.

4.6 **Section 113 of the 2009 Act**

4.61 The Secretary of State may make an order under section 104, 105, 105A, 106 or 107 of the 2009 Act only if:

- a. the Secretary of State considers that to do so is likely to improve the exercise of statutory functions in the area or areas to which the order relates, and
- b. any consultation required by section 113 (2) of the 2009 Act has been carried out.

4.62 If a scheme has been prepared and published under section 112 of the 2009 Act the secretary of State must have regard to that scheme in making the order.

4.63 The Secretary of State must carry out a public consultation unless—

- (a) a scheme has been prepared and published under section 112,
- (b) the authorities that prepared and published the scheme carried out a public consultation in connection with the proposals contained in the scheme and provided the Secretary of State with a summary of the consultation responses, and
- (c) the Secretary of State considers that no further consultation is necessary.

4.64 In making the order, the Secretary of State must have regard to the need—

- a) to reflect the identities and interests of local communities, and
- b) to secure effective and convenient local government.

4.65 In addition to the above requirements, the Secretary of State cannot make an order under sections 104, 105 or 105A of the 2009 Act without the consent of the constituent councils or the GMCA.

5 Next Steps

5.1 As detailed above, the statutory process to implement the Devolution Deal begins with a governance review to ascertain whether making an order under any one or more of sections 104, 105 and 105A of the 2009 Act would be likely to improve the exercise of statutory functions in relation to the area of Greater Manchester. Members are therefore requested to instruct officers to undertake the governance review and report back with the outcome in due course, including any recommendations regarding a proposed scheme. As noted above, not all the elements of the Deal fall within the statutory process but nonetheless it is recommended that they be considered in parallel with the statutory governance review.

5.2 It is proposed that the process set out below is followed. This process addresses all statutory procedural requirements, facilitates an understanding of the overall impact of the changes, and maximises engagement with stakeholders including the public:

- i. Carry out a statutory governance review (incorporating a review of the elements of the Deal which are not bound by the statutory process);
- ii. Subject to the outcome of the statutory governance review, prepare and publish a Scheme;
- iii. Carry out a public consultation exercise on the Scheme and the broader outcomes of the governance review;
- iv. Summary of public consultation, governance review and Scheme to go through each Greater Manchester Local Authority, GMCA Overview and Scrutiny Committee and GMCA Board for approval;
- v. Submit the governance review, Scheme and a summary of consultation responses to the Department for Levelling Up, Housing and Communities (DLUHC) Secretary of State;
- vi. Resolve to consent to the draft Order/Regulations;
- vii. DLUHC Secretary of State lays the draft Order/Regulations in Parliament.

6 Recommendations

- 6.1 The recommendations are set out at the beginning of the report.



Greater Manchester Combined Authority Trailblazer deeper devolution deal

Subject to ratification of the deal by all partners and the statutory requirements referred to within this document, including public consultation, the consent of the Greater Manchester Combined Authority and its constituent local authorities, parliamentary approval of the secondary legislation implementing the provisions of this deal, and accompanying accountability arrangements.

15 March 2023

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Introduction

1. Greater Manchester has been at the forefront of the UK economy since the industrial revolution. It has been a bastion of innovation, the site where the atom was split and the home of graphene, and a centre of culture and creativity, as the birthplace of many of Britain's most successful bands. Today, Greater Manchester is the largest city region economy outside London with a gross value added of close to £75 billion. It is the home to several world-leading businesses, with thriving advanced manufacturing, health innovation, clean growth, creative, digital and technology sectors.
2. Greater Manchester has also been the trailblazer of English devolution since breaking new ground with the agreement to create the city region's first directly elected metro-mayor in 2014. This deal gave the Greater Manchester Combined Authority (GMCA) powers covering transport, business support, employment and skills support, policing, spatial planning and housing investment. Since then, the government and GMCA have continued to work together to deepen devolution through a further five deals. These have included additional powers, flexibility and partnerships covering business support, health, justice and wider public service reform.
3. In this time, GMCA has used these powers and flexibilities to drive growth and deliver key improvements to the economy, services and infrastructure. With clear leadership and sustained investment in local priorities, Greater Manchester has contributed the third most to UK national productivity growth over the last decade. Over the last ten years, GMCA has used its Housing Investment Fund to transform the city region's skyline and nurtured a series of growth locations. Only last year, GMCA was able to introduce a new fare cap on buses in the region, formally begin the process of franchising bus services and announce the first two operators for the new franchised system.
4. However, up to now, Greater Manchester has lacked key levers and flexibilities to fully unleash the potential of devolution. As with other regions in the UK, Greater Manchester's economy lags international comparators, such as Lyon and Munich. The productivity of the city region has remained at 90% of the national average for the past decade and there remain challenges to overcome if Greater Manchester is to achieve its potential. The size of the prize is huge. Lifting Greater Manchester's productivity to just the UK average would deliver an estimated £8.2 billion per annum to the UK economy.
5. That is why, in the Levelling Up White Paper, the government committed to begin negotiations on trailblazer deeper devolution deals with Greater Manchester and the West Midlands Combined Authorities, to unleash the potential of our second city regions and act as a blueprint for other areas to follow.
6. This document sets out the terms of the resulting trailblazer devolution deal agreed between the government and GMCA. The deal sets out a landmark new approach to

devolution in England, devolving responsibility for a clear set of policies and functions to GMCA to support economic growth, alongside enhanced accountability with clear outcomes for delivery. This will be underpinned – from the next Spending Review – by a single funding settlement, to invest in local priorities. Altogether, this will release GMCA to get on and deliver for Greater Manchester, to try innovative new policy approaches, to drive forward the local economy, and to be better held to account for delivery.

Summary of the deal

The 'trailblazer' deeper devolution deal is between the UK Government and the Greater Manchester Combined Authority

7. The government and the Greater Manchester Combined Authority (GMCA) are minded to agree a trailblazer deeper devolution deal, which marks a step change in GMCA's devolution settlement and the governance of England. Together, we have agreed new levers, functions and responsibilities for GMCA, underpinned by an enhanced approach to accountability.
8. This trailblazing deal provides GMCA with greater control than ever before over the levers of economic prosperity and will create job opportunities and increase productivity across Greater Manchester. It demonstrates levelling up in action: empowering local leadership to make the right decisions to stimulate growth and inclusion across the city region. This deal takes GMCA's ability to coordinate and locally-tailor devolved action to a new level, with commitments in policy areas previously untouched by English devolution and a deal that is unprecedented in both breadth and depth.
9. The sections of this deal detail the specific agreements reached across a range of functions and policy levers. These include:
 - New arrangements for **accountability** to recognise the enhanced powers and responsibilities provided for by this deal. There is also a summary of the **governance** procedures in place to explain how GMCA will exercise its responsibilities and make decisions effectively.
 - A new Data Partnership and commitments to boost GMCA's data capacity and capability, to underpin and support local decision-making, as well as to develop and evaluate policies and programmes with greater impact.
 - A consolidated, long-term budget for GMCA. This **single settlement** will be designed in the mould of government departments' budgets: set at Spending Reviews and based on thematic functions.
 - Delivering **fiscal devolution** by extending GMCA's 100% business rates retention pilot for 10 years and working towards designation of specific growth zones with additional flexibility.
 - A new **rail** partnership with Great British Railways to support the delivery of the Bee Network by 2030, which will see full multi-modal fares and ticketing

integration, co-branding, 'pay as you go' ticketing pilots, better integration of local stations, identification of opportunities for regeneration and development, greater access to local rail data and giving GMCA the opportunity to sponsor infrastructure and service enhancement schemes.

- Local leadership of the Affordable Homes Programme for the first time outside of London, worth £400 million to Greater Manchester, with greater powers and flexibilities over time, devolution of £150 million brownfield land funding, local retention of additional funding for **housing** investment, commitments to joint working between the government and GMCA through the Greater Manchester Land Commission, a Greater Manchester Housing Quality Pathfinder, with new local powers, additional funding and targeted policy support, and £3.9 million to eliminate the use of bed and breakfast accommodation for homeless families in Greater Manchester.
- Devolution of non-apprenticeship adult **skills** functions and grant funding in the next Spending Review, local flexibilities, which will increase over time, over Free Courses for Jobs and Skills Bootcamps during this Spending Review and establishment of a strong joint governance board to provide oversight of post-16 technical education and of GMCA as the central convenor of careers provision in the city region.
- A co-design approach to all future contracted **employment support** programmes, consideration of potential employment support pilots and commitments to explore data sharing, supported by a new joint board.
- Building on the Innovation Accelerator programme, a Strategic Innovation Partnership to give GMCA a new and influential role informing the national **research and innovation** ecosystem, a knowledge transfer programme focused on local strengths and a pilot to boost innovation adoption and diffusion by local businesses, transferring more autonomy to Greater Manchester's developing regional innovation ecosystem.
- Boosting **business productivity** through a new Strategic Productivity Partnership, enabling GMCA to raise local priorities for future business support and advisory services and ensuring complementarity between national and local commissioning activities, alongside a new role for GMCA in the governance of the next generation of British Business Bank UK funds in the North of England and stronger strategic and operational relationships with the UK Infrastructure Bank.
- Stronger partnership working with the government across a range of **international trade**, investment and export activities.
- Piloting the devolution of **net zero** funding, including for buildings' retrofit, through allocation rather than competition in the period from 2025 onwards, which will form part of GMCA's single department-style settlement, recognition of GMCA's roles and activity across the energy system and further work on standards, green finance and advice to increase household energy efficiency.

- Further support for GMCA's already trailblazing approach to the **environment** through natural capital investment. GMCA will act as a testbed to explore and develop options for how flood risk management and other adaptation activities can best be addressed and accelerated at the local level.
 - A Greater Manchester Strategic Cultural Partnership to support greater funding alignment, joint investment and strategic collaboration between **cultural** arm's length bodies and GMCA, and accreditation for Marketing Manchester as a recognised Local Visitor Economy Partnership.
 - A new Digital Infrastructure Leadership Group to accelerate the roll-out and take-up of high-speed **digital** connectivity, alongside engagement in Project Gigabit and on digital inclusion.
 - New levers to support GMCA's commitment to **public service reform** and work with people facing multiple and complex disadvantage, including, in addition to the Housing Quality Pathfinder, future engagement to discuss whether relevant new funding streams could be devolved as part of the single settlement.
10. In exercising existing and newly devolved functions, as well as in general decision-making and spending, GMCA (and the government when supporting implementation of the deal, where relevant) will continue to adhere to their public sector equality duties, subsidy control legislation, public procurement law and relevant guidance set by HM Treasury for spending public money.

Governance and accountability

Governance

11. The Greater Manchester Combined Authority (GMCA) was created under provisions in the Local Democracy, Economic Development and Construction Act 2009 and was formally established in April 2011. The first mayoral election to GMCA was held in May 2017.
12. There have been a series of devolution deals between GMCA and the government, with the most recent deal agreed in November 2017. The deals have led to number of functions being devolved to GMCA via secondary legislation, including transport, housing, and adult education budget functions. These previous devolution deals mean GMCA already has a wide-ranging functionality so is able to take on many of the new areas contained within this deal without the additional conferral of functions.
13. Any new additional functions contained in this deal will be devolved to GMCA by the government. Decision making on new functions will align with GMCA's existing local constitutional arrangements.
14. The government will devolve to GMCA the following:
 - a. Adult education and skills functions, including non-apprenticeship adult skills and funding, and delegated delivery of contracted employment programmes; decisions to be taken by a simple majority.
 - b. Any other functions which are identified as necessary to implement this deal.
15. Unless otherwise stated in this deal, functions will be conferred through legislation made under the Local Democracy, Economic Development and Construction Act 2009 (2009 Act) and are subject to:
 - a. The ratification of the deal by GMCA and the agreement of their constituent councils.
 - b. GMCA undertaking a governance review, the development and consultation of a scheme, and the submission of the results of the consultation to the Secretary of State for Levelling Up, Housing and Communities, following agreement of GMCA and constituent councils.

- c. The Secretary of State for the Department for Levelling Up, Housing and Communities being satisfied that the required statutory requirements have been met as set out in the 2009 Act.
 - d. Consents from the necessary parties locally to and Parliamentary approval of the required secondary legislation.
16. The government will work with GMCA to determine how these functions apply within a framework of fiscal responsibility and accountability.
17. Subject to receiving Royal Assent and coming into force, the devolution provisions in the Levelling Up and Regeneration Bill will amend the relevant provisions in the 2009 Act to facilitate the deepening of devolution for existing mayoral combined authorities, including GMCA. Reforms include:
- a. Changes to statutory consents – to simplify the requirements for combined authority expansion and for mayors to take on new public authority functions.
 - b. Financial remuneration – the ability for combined authorities to financially remunerate their overview and scrutiny committee members to ensure combined authorities are able to compensate constituent authority councillors for their roles on the committees, improving local scrutiny and accountability.
 - c. Alternative mayoral titles – flexibility around mayoral titles so that the area can choose an alternative title to mayor – such as “governor” or “directly elected leader” – if desired.

Accountability

18. GMCA will through this deal be subject to three levels of accountability:
- a. As a local authority, it is subject to the requirements of the Local Government Accountability Framework.
 - b. As an institution with devolved powers, GMCA will be subject to the English Devolution Accountability Framework which details additional accountability processes for all institutions with devolved powers and highlights those requirements of the Local Government Accountability Framework which are of particular significance for such institutions including the decisions that MCAs are responsible for and the recourse available to the government.
 - c. In light of the specific new powers being agreed in this Trailblazer Devolution Deal, including the single settlement, and in the spirit of greater power requiring greater accountability, GMCA commits to building a culture of greater scrutiny and accountability through the proposals set out in this section.

Overview and Scrutiny and Audit Committees

19. GMCA and Mayor will continue to be subject to their existing scrutiny arrangements in place. These currently comprise of the Overview and Scrutiny Committee, the Audit Committee, and the Police, Fire and Crime Panel.
20. To facilitate the building of a culture of scrutiny, government will legislate through the Levelling Up and Regeneration Bill, subject to receiving Royal Assent and coming into force, to amend the relevant provisions in the 2009 Act to allow combined authorities to financially remunerate their overview and scrutiny committee and audit committee members. This will ensure combined authorities are able to compensate constituent authority councillors for their roles on the committees, strengthening local scrutiny and accountability.
21. The government will, in the English Devolution Accountability Framework, also develop the scrutiny protocol for all institutions with devolved functions which will set out the relationship between the mayor/elected leader, the institution and its scrutiny and audit functions. The scrutiny protocol will focus on ensuring that each institution has a sustained culture of scrutiny. In advance of its publication in Summer 2023, GMCA will engage in the development of the scrutiny protocol and then adhere to its proposals.
22. The scrutiny protocol will be designed to ensure that all areas with devolution deals, but especially those which manage single settlements, should have best in class scrutiny functions. Membership on committees and in particular the role of chair should be prized and competed for. Retention of members for several years should be common. Members should be able to devote the time to the role. The committees should have the profile and cache to ensure that their findings are brought to the attention of the public wherever necessary.
23. The protocol will also look at the question of how to ensure that overview and scrutiny and audit committees are politically and geographically representative, so that as many different viewpoints as possible can be applied to scrutinising the performance, judgment and conduct of the mayor and combined Authority.
24. The protocol will build on the reforms already being implemented by GMCA following the Independent Review by the Centre for Governance and Scrutiny chaired by Clive Memmott OBE, chair of Greater Manchester Chamber of Commerce.
25. The Independent Review made 18 recommendations for GMCA, including:
 - a. A single overview and scrutiny committee with compensated members who commit to two-year terms, comprising of 20 members and 20 additional substitute members who are also able to take part in task and finish exercises.
 - b. The chair and deputy chair, who come from an opposition party to the Mayor of GMCA, to have clear job descriptions.

- c. Members to be appointed based on their interests and skills and, where possible, their length of terms should be for two years to ensure continuity.
 - d. Committee members being tasked (individually) to keep a watching brief on portfolio business to assist with performance monitoring and policy development.
 - e. Training and support for scrutiny committee members to strengthen their existing skills, covering the fundamentals of scrutiny, as well as some of the substantive policy issues for which GMCA holds responsibility.
 - f. New rules about how information will be shared with members between meetings, informed by members' existing rights of access to information, with an initial focus on performance against the Greater Manchester Strategy.
 - g. A commitment by GMCA officers to avoiding the practice of bringing decisions to the committee shortly before they are submitted to the Mayor or GMCA, and instead giving the committee the time to feed into the decision-making process.
 - h. Feedback from senior officers on where formal and informal interventions by the committee have led to change in the approach of GMCA.
 - i. The Scrutiny function itself should take the lead on monitoring and evaluating the effectiveness of the new system, through on-going reflections and a formal review after one year of the new arrangements.
26. GMCA will commit to a review of the impact that implementation of the Independent Review recommendations has had in improving transparency and scrutiny and to publish it prior to late March 2024.
27. In addition, in recognition of the new functions and funding being agreed through this devolution deal, GMCA commits to the following further actions to enhance the committees' resources and prestige:
- a. Consider how the lessons of the scrutiny review could apply to other local committees including the Police, Fire and Crime Panel and Audit Committee.
 - b. Provide reasonable resources sufficient for committees to be able to ask for ambitious research and analysis, either through officers or external sources, such as local universities.
 - c. As a measure to ensure quoracy, members of the Scrutiny Committee are clear through their role description as to their responsibilities, including attendance at all meetings.
 - d. Provide reasonable communications support to help ensure that the chairs of the committees and the reports they develop are able to get suitable profile. As part of this support, consideration will be made to what branding (including,

if necessary, name changes) and communication techniques can help the media and public understand the role of the committees.

28. Government will also look to raise the profile of the chairs of the committees and will explore different options such as ensuring that they are able to get regular meetings with DLUHC ministers and are empowered to report any concerns they have to appropriate teams in the department.
29. As a condition of this deal, the chair of GMCA (the Mayor) and other portfolio holders commit, where appropriate, to arranging and attending the following events to allow greater scrutiny by key local and national stakeholders:
 - a. Full council meetings - up to one a year for each constituent council (if requested by the council).
 - b. 'Mayor's Question Time', where the mayor visits all parts of the city region to take questions from the public. These events will be chaired by an independent person e.g., a local journalist or businessperson.
 - c. Parliamentary select committees, when invited to do so by a select committee.
 - d. GMCA's Overview and Scrutiny Committee to present reports within their portfolio area on a regular basis.
30. In addition, the government and GMCA have agreed through this deal that GMCA will arrange with the Members of Parliament (MPs) representing Greater Manchester constituencies for public, broadcasted sessions where MPs will be able to scrutinise the Mayor and other portfolio holders to aid and strengthen local scrutiny of GMCA. The sessions will allow for questions to be posed which cover the performance and strategic direction of GMCA and Transport for Greater Manchester.
31. The government and GMCA agree that implementation of these arrangements, and adherence to the scrutiny protocol, is a vital part of the implementation of the full range of commitments in the deal. Implementation of commitments from government in this deal will be conditional upon consistent best and full efforts to delivering these improved accountability arrangements.
32. Terms of reference will be agreed between the government and GMCA following engagement with Greater Manchester MPs by Summer 2023 and will consider questions of appropriate chairs, schedules, papers and the contribution of the chairs of the Overview and Scrutiny Committee and Audit Committee. The sessions will occur four times a year and will focus solely on the responsibilities of GMCA not those of the government or the constituent council. The government will also explore if these can be hosted as Grand Committees by Parliament. GMCA will then agree a Combined Authority resolution to introduce these with a commitment to review them and identify improvements at the end of the first spending review period for the single settlement.

Publicising GMCA's role and performance

33. GMCA will engage with the government, along with other areas with a devolution deal, in developing the outcomes and metrics that all English institutions with devolved powers will report against. This process will also inform the development of the outcomes framework which will be used to assess performance against the single mayoral settlements. The outcomes framework will be developed with GMCA based on a national set of objectives.
34. GMCA will engage in the development of the plain English guidance and support its dissemination to increase awareness across the city region of the roles of the Mayor, GMCA, local authorities and the government.

Accountability arrangements for the single settlement

35. GMCA will agree with government a streamlined, overarching single accountability process for the settlement. This will build on, and will be incorporated into future editions of, the English Devolution Accountability Framework. This process will include the assurance framework coordinated by DLUHC, the specific outcomes GMCA will achieve over the spending review period or funding period, and appropriate spending control processes.
36. GMCA will be held to account for delivering outcomes, using the settlement funding and relevant local resource, across areas associated with devolved functions set out in this and previous devolution deals. A single reporting framework across the single settlement against those outcomes will be agreed with government.

Data

37. The government acknowledges the value GMCA can add at the local level by undertaking strategic analysis of city region-wide data. The government will work with GMCA to continue to explore options, legislative and otherwise, to safely streamline the sharing of data between the government, the wider public sector and GMCA and its constituent local authorities for this purpose. A range of options to establish a legal gateway will be considered, potentially including amending the Digital Economy Act 2017, subject to sufficient Parliamentary availability. Any and all potential options will respect the provisions in the Data Protection Act 2018, UK General Data Protection Regulation in order to achieve compliance in design, the common law duty of confidentiality and the requirement for local authority consent to any future data sharing arrangements.
38. The government will agree a new Data Partnership with GMCA. The Data Partnership will establish principles for the legal, safe and secure sharing of data between the government and relevant local and national bodies. The principles will aim to support and streamline GMCA's negotiations with individual government departments over access to specific datasets. The Data Partnership will be designed with particular regard to the roles and relationships between the parties in accordance with the controller and processor definitions in the data protection legislation and underpinned by the legal powers each of those parties may rely upon. A data protection impact assessment will be produced to underpin the design of the Data Partnership.
39. To support the development and delivery of the Data Partnership, and to facilitate discussions with the relevant government departments, GMCA will be invited to participate in the government's Chief Data Officers' Council. In addition, the government will explore establishing a new Local Chief Data Officers' Council, to facilitate data sharing, share learning and maximise the value of local data and statistics for local decision-making.
40. The Spatial Data Unit will help to increase GMCA's data capability, including in data science, and will engage with GMCA to further understand its needs and priorities. In addition, GMCA will convene a symposium with the relevant government departments and agencies, including the Central Digital and Data Office, Spatial Data Unit, Office for National Statistics, National Crime and Justice Lab, His Majesty's Inspectorate Constabulary and Fire & Rescue Service, Alan Turing Institute, National Innovation Centre for Data and data science and machine learning experts in the region, to leverage the benefits of data science capability to local policymaking and service delivery.

41. The government notes GMCA's initial priorities are to have timely access to data at the right local geographical level relating to skills and training, employability and labour markets, careers, business support, transport, trade and investment, crime, energy use and climate resilience; and data held by the government pertaining to GMCA's devolved functions. GMCA and the government will work through the Data Partnership as the basis of negotiations to access datasets in these policy areas and to seek to overcome barriers to accessing data where appropriate and practicable. Any personal data sharing between the government and GMCA and its constituent local authorities will only be possible if compliant with the Data Protection Act 2018, where applicable the common law duty of confidentiality, UK General Data Protection Regulation and all other relevant legislation and guidance; and will be underpinned by appropriate technical and organisational measures to implement the data protection principles therein to safeguard individual rights.
42. GMCA and its constituent local authorities commit, in return, to share data and evidence with the government to support the monitoring and evaluation of government programmes, improve the efficiency of public services and support the activities of the forthcoming Office for Local Government.
43. The government will work with committees and bodies and GMCA to explore secure and appropriate ways to share data across the public sector, including examining existing best practice, to help GMCA embed a 'health in all policies' approach to public health, with any improvements in data access being appropriate, safe and legal and not damaging public trust in how data is used.

Single settlement

44. The government and GMCA recognise that the current system of funding for mayoral combined authorities is fragmented, overly reliant on centrally administered funds, and lacks clear, lean and proportionate accountability structures.
45. The government therefore commits to give GMCA single capital and revenue funding settlements at the next Spending Review, agreed directly through a single process with the government. This will include the establishment of a streamlined, overarching, single accountability framework coordinated by the Department for Levelling Up, Housing and Communities, rather than multiple frameworks administered by different departments. This settlement will increase GMCA's autonomy, ability to prioritise decisions locally, and ability to reprioritise across its own budgets. GMCA will no longer access certain funds. As part of the spending review, the government will set out how the settlement has been calculated and which funds GMCA will not be able to access during the spending review period. GMCA will receive the same level of long-term certainty over funding as government departments receive. Longer term fiscal arrangements, such as the Investment Funds (also referred to as Gainshare or Earnback), are not covered by the single settlement, and continue to be fully devolved to GMCA as per the existing devolution deal.
46. The government will work with GMCA to design these settlements, based on the principles that the funding settlement will:
 - a. Cover an entire spending review period.
 - b. Replace individual grant funding streams from across government departments and therefore mean mayoral combined authorities with single settlements would be exempt from bidding into certain national budgets.
 - c. Be the default mechanism through which GMCA receives their relevant share of additional funding for new national budgets or programmes announced during a spending review period associated with the functions that are devolved to GMCA. This includes any increases to relevant competitive pots that GMCA has been excluded from; GMCA will retain the right to bid into new competitive programmes which are not set out as funds GMCA will not be able to access during the spending review period. The government will retain the ability to direct some funding centrally.
 - d. Give GMCA greater flexibility to plan and fund local priorities over the longer-term. The level of flexibility across the settlement will be agreed between the government and GMCA before the next spending review and will give GMCA

a greater ability to flex funding across the pillars of the single settlement listed in paragraph 47 below for activity outside of that pillar in order to achieve the outcomes agreed with the government.

- e. Be contingent on GMCA agreeing with the government a single, streamlined accountability framework for the settlement. This will build on, and will be incorporated into future editions of, the English Devolution Accountability Framework. This framework will include the assurance framework administered by DLUHC, the specific outcomes GMCA will achieve over the spending review period or funding period, and appropriate spending control processes.
 - f. Represent a change to the wiring, nature and flexibility of funding from central government rather than the quantum. The quantum of funding will be decided by an agreed process between the government and GMCA.
47. GMCA will be held to account for delivering outcomes, using the settlement funding and relevant local resources, across areas associated with devolved functions set out in this and previous devolution deals. A single reporting framework across the single settlement against those outcomes will be agreed with the government. The government and GMCA anticipate that the single settlement will be structured around responsibility and accountability for five functions which will now be devolved through this or previous deals, or are already carried out by GMCA and its constituent bodies, with an appropriate split between capital and revenue funding:
- a. local growth and place.
 - b. local transport.
 - c. housing and regeneration.
 - d. adult skills; and
 - e. buildings' retrofit for decarbonisation matters covered by the pilot agreement to devolve retrofit funding set out at paragraphs 212-218.
48. GMCA will be empowered to use funding under these devolved functions to invest in any lawful way associated with achievement of the outcomes agreed with the government. Where functions have not been devolved through this or other devolution deals, the government retains the right to direct specific funding programmes, and GMCA retains the right to continue to bid into competitive programmes. Funding for major infrastructure projects may be agreed in addition to the settlement.
49. Single settlements will be implemented at the next Spending Review and based on a methodology agreed between the government and GMCA. Therefore, their precise scope of the single settlement will be subject to spending review decisions. However, were single settlements to have been in place during this spending review period, the government and GMCA agree that they would have supported outcomes associated with the following budgets:

- a. Local growth and place: the UK Shared Prosperity Fund and the Levelling Up Fund.
 - b. Local transport: City Region Sustainable Transport Settlements, which consolidated highways maintenance and integrated transport block funding for small scale renewals as well as transformational funding for local transport. In addition, the settlement would also have included RDEL funding for buses, active travel funds, and electric vehicle funds.
 - c. Housing and regeneration: the Brownfield Housing Fund and the Brownfield Infrastructure and Land fund.
 - d. Adult skills: the Adult Education Budget and Free Courses for Jobs.
50. The government will work with GMCA to agree the more detailed elements of the settlement design ahead of the next Spending Review, including around spending control; approach to managing financial and delivery risks; transitional arrangements; the outcomes framework; accounting arrangements; and accountability arrangements. The government will work with GMCA to agree a memorandum of understanding outlining how single settlements will work by the end of January 2024. GMCA will reserve the right to not agree the memorandum of understanding should they deem it to be detrimental to GMCA. This timescale will be reviewed when the timing of the next Spending Review is confirmed if this happens before January 2024. Outcomes agreed as part of existing programmes which span into the next spending review, such as City Region Sustainable Transport Settlements, will be maintained.
51. Single settlements represent an ambitious step on the road to greater simplification of the funding MCAs receive from the government. This programme will continue to progress through each spending review, drawing on lessons learnt from engagement with local partners, deepened strategic relationships with Arm's Length Bodies, and the closer alignment with national government programmes set out in this deal.
52. The government and GMCA anticipate that single settlements will become a permanent feature of the landscape for financing GMCA. Nevertheless, it is recognised that this is a novel approach to financing GMCA, and so following the next Spending Review, the government and GMCA will review the approach.

Flexible capital funding

53. Whilst it is essential that the right engine is in place through the single settlement so GMCA can drive better outcomes, the government will provide some fuel for growth sooner.
54. The government will provide £10 million of capital funding to GMCA across the financial years 23/24 and 24/25. GMCA will be able to use this funding flexibly to complement their existing plans to drive both local economic growth and support the UK government's objectives for levelling up. The government will work with GMCA on required assurance procedures across spring 2023, with a view to release the first year's allocation of funding in the summer.

Fiscal devolution

55. Through this trailblazer deal, the government commits to further fiscal devolution through allowing GMCA's constituent local authorities to retain 100% of their business rates for 10 years.
56. As with the existing model, adjustments will need to be made to ensure cost neutrality. The ability for local authorities to retain business rates over the 10-year term is conditional upon a GMCA share remaining in place.
57. The government has already confirmed a reset of accumulated business rates growth will not happen until 25/26 at the earliest. Any move to reset business rates growth would be accompanied by national consultation including with combined authorities. While the current pilot arrangements are in place, the current "no detriment" arrangement will continue until any new local arrangements (e.g., those proposed in this deal) come online. GMCA and its constituent local authorities and the government will need to work through further detail, including the right balance of risk and reward, ahead of the next Local Government Finance Settlement to enable this next phase of 100% rates retention to be implemented. The government recognises that GMCA and its constituent local authorities would only sign up to arrangements where the balance of reward outweighs the risks of being inside the scheme.
58. The government will also work with GMCA to agree the detail behind the 2017 commitment to allow GMCA to keep the whole or part of their growth that they have secured as a result of their investment programme.
59. In addition, the government will work with GMCA and its constituent bodies towards the designation of a number of specific growth zones within which 100% of business rates growth above an agreed baseline will be retained for 25 years. Retained rates would not be subject to reset at any national reset of business rates within this period. The location of these sites will be determined locally – subject to criteria set out in a framework, to be developed by the government with consultation with GMCA, and final business cases – provided the model can be sustainably delivered alongside the measures set out in paragraph 55.
60. Paragraphs 55 to 59 above would be in addition to existing Enterprise Zone arrangements which would remain and would not limit GMCA from potentially participating in any new national 'incentive area' arrangements, such as the Investment Zones programme which is currently being developed.
61. The government will work with GMCA to agree the detail of these proposals, but noting that arrangements must:

- a. Be consistent with the sustainability and affordability of the overall local government finance position, fair to other local authorities across England, and replicable with others.
- b. Be subject to technical design and not jeopardise the operations of the wider local government finance system.
- c. Strengthen accountability to local taxpayers; and
- d. Empower the Mayor as the accountable figure for promoting economic growth in the region working with GMCA constituent bodies.

Transport

62. The government recognises and supports the ambitions of Greater Manchester in delivering the Bee Network, an integrated London-style transport system for the city region across bus, Metrolink, rail, and cycle hire services. Building on previous devolution deals, the transport commitments set out below will support GMCA and the Mayor in delivering their ambitious plans for transport in the region.
63. Greater Manchester is a growing city region of 2.8 million residents and over 124,000 businesses. It is one of the fastest growing metropolitan areas in the country, especially toward the urban core, and this will mean growing demand for travel in the coming years. This population growth will stimulate more jobs, businesses, homes, and economic growth alongside greater inclusion and provide new markets for public transport and active travel.
64. Transport in Greater Manchester remains dominated by car trips and car ownership has increased in recent years. GMCA's plan to integrate transport (via the Bee Network) is to provide a safe, reliable, and affordable alternative option for unnecessary car trips.
65. The government and GMCA have a shared ambition for the Bee Network – that by 2030 local public transport connectivity in Greater Manchester will be significantly closer to the standards of London, with improved services, simpler fares, and integrated ticketing.
66. Transport is also a critical element of place-making and has a huge impact on people's lives and communities. Well planned and supported transport improves quality of life, ensuring that the needs of all users are considered. Getting transport right is also critical to achieving net zero and safeguarding the environment.

Transport planning

67. The government recognises that every place is unique and has different transport needs. That is why an area's local transport plan is so crucial to ensuring good transport outcomes for the area. The government will provide new guidance to assist GMCA in developing its local transport plan. This will include guidance to support GMCA in meeting the defined environmental and decarbonisation standards and fully adopting upcoming guidance on quantifying carbon reductions. GMCA has made excellent progress so far with its Transport Strategy 2040 and the government is committed to support them as they look to build on success so far. As such, the local transport plan will form the basis of the accountability framework which will underpin the government's relationship with GMCA on transport policy. This will be a critical document to agree what transport interventions and policies GMCA will

prioritise, while ensuring a sufficient level of maintenance on the transport network, and what key outcomes/outputs they will be expected to deliver.

68. The government and Greater Manchester partners collectively recognise the substantial potential benefits that Northern Powerhouse Rail and High Speed 2, which underpins the Northern Powerhouse Rail scheme, will bring to Greater Manchester. High speed rail links to Greater Manchester will enable development and regeneration opportunities and provide a step change in connectivity, strengthening Greater Manchester's links to the largest economic regions and cities across the UK.
69. GMCA will work closely and collaboratively with constituent authorities to ensure better join up between strategic land use planning and transport planning, from the earliest stages of the funding and planning process. GMCA, along with their constituent authorities, should provide an integrated system that unlocks homes, enables more sustainable transport journeys by provision of public, sustainable and active travel where possible, effectively densifies well-connected areas and ensures communities have access to the employment, leisure and other opportunities they need. GMCA should work to ensure that the benefits transport can provide to leverage regeneration and growth are realised.
70. The commitments set out below are intended to support and enable GMCA to have the necessary tools to achieve the outcomes set out in its local transport plan.

Funding

71. The government recognises the importance of a consolidated, devolved and long-term approach to transport funding and has provided a £1.07 billion City Region Sustainable Transport Settlements to GMCA running until 2027. Clarity and certainty of funding are important to help areas plan appropriately to deliver the government's ambition to level up local transport connectivity across the country to become significantly closer to the standards of London by 2030.
72. Implementation of a single settlement and any further financial consolidation or devolution, needs to be accompanied by GMCA presenting a clear pathway to a secure, long-term financial footing, including meeting ongoing operational costs of the Greater Manchester Bee Network from April 2025. GMCA also commits to engage meaningfully with the government and the private sector on the financial package, including on a locally led funding strategy for High Speed 2 scope, as informed by progression of the Hybrid Bill, with the expectation of significant progress by the end of 2023.

Buses

73. Improving bus services and the safety of the bus and highways network, particularly to encourage higher levels of walking, wheeling and riding by active modes, are key components of GMCA's plans.

74. GMCA is the first combined authority to use the powers in the Bus Services Act 2017 to deliver bus franchising, bringing buses under local public control. The government recognises this as a significant step for Greater Manchester towards achieving an integrated public transport network across the city region and look forward to continuing to support them ahead of the first services running in September 2023.
75. Administration of the bus service operators grant is already devolved to GMCA. In line with the commitment in the National Bus Strategy, the government is working on the reform of the bus service operators grant. The reforms will enable the closer alignment of the bus service operators grant with government and GMCA's priorities, including reducing environmental impacts through facilitating the transition to zero emission buses and by supporting important local bus services. The government commits to giving GMCA an active role in shaping these reforms as they are developed given its future role as a franchising authority.
76. Tackling anti-social behaviour and fare evasion on the bus network is a shared priority of GMCA and the government. The government commits to urgent work with GMCA to identify the specific legal powers needed for TfGM to effectively tackle anti-social behaviour and fare evasion on the bus network, including supporting GMCA to introduce byelaws where necessary.
77. The government recognises the urgent need for appropriate powers to deal with fare evasion ahead of the first franchised bus services beginning operation in September 2023 and commits to further urgent work with GMCA to identify and implement any necessary changes as soon as parliamentary time allows.

Roads

78. The government recognises GMCA's ambitions to introduce simplified side road zebra crossings. The government is working to explore the implications of, and options for, introducing these and aim to have made progress on this in the next 18 months.
79. The government is considering options for tackling pavement parking and will work with GMCA to explore appropriate powers for mayoral combined authorities in this area, once any decisions relating to the national framework are made.
80. The government recognises the importance of these two issues for GMCA in supporting their vision for the Bee Network.
81. Government recognises the challenges that out-of-area working by pre-booked taxi and private hire vehicle drivers can present, including in Greater Manchester. The government is open to working with GMCA to explore potential options which could address these issues, provided they do not require primary legislation.

Rail

82. The government will support GMCA in further developing a new rail partnership with Great British Railways, building on existing partnership working already in place with Great British Railways Transition Team. This will result in agreement on a single set of achievable priorities for rail services and infrastructure investment for the city region. Local priorities will need to be coordinated and compatible with surrounding areas and the needs of the national network.
83. The Bee Network is GMCA's plan for a London-style public transport system across bus, Metrolink, rail and active travel, with delivery beginning in 2023 and an ambition for full integration of local rail services by 2030. The partnership between GMCA and Great British Railways will enable the delivery of this plan, integrating rail into the wider Bee Network including through:
 - a. Activity to deliver full multi modal fares and ticketing integration across bus, Metrolink, rail and cycle hire (including fares simplification and capping) by 2030, and
 - b. Activity to introduce Bee Network co-branding across stations, designs, and standards by 2027.
84. GMCA plan to create a Greater Manchester Rail Board that supports the work of the existing Manchester Taskforce. The Greater Manchester Rail Board is subject to ministerial agreement on the Terms of Reference, but GMCA envisage it would take a strategic view of the railway in the region, advise the government and/or Great British Railways on decisions about the Greater Manchester network, oversee implementation of the agreements in this deal, and bring together all relevant senior rail stakeholders to maximise the potential of the local rail network. GMCA will set out to government how they intend for this proposal to work with and complement existing rail governance.
85. Following the delivery of the 2022 timetable changes, the Manchester Taskforce will focus on ensuring that the best use can be made of already committed infrastructure and make the case for further investment in the existing Greater Manchester rail network in a planned and coordinated way. Decisions will need to consider the significant programme of investment that government is planning over the next two decades, including how TransPennine Route Upgrade, High Speed 2 and Northern Powerhouse Rail will serve Greater Manchester alongside the planned programme of asset and rolling stock renewal. Along with Network Rail, train operating companies, and Transport for the North and Transport for Greater Manchester (TfGM) will continue to be represented on the Manchester Taskforce and they are encouraged to bring forward ideas for improvements.
86. Reflecting GMCA's position with a trailblazer deal, Great British Rail Transition Team have engaged frequently with GMCA and TfGM to discuss local priorities for a partnership. The government is supportive of these discussions and of agreeing ways to pilot aspects of local partnership working ahead of Great British Railways becoming operational.

87. Great British Rail Transition Team is discussing how Pay As You Go (PAYG) ticketing on rail could work in Greater Manchester and how it will support the wider ambition of full multi modal integration by 2030. This will build on existing work by GMCA to integrate bus and Metrolink ticketing by 2025 (when bus franchising is fully in operation).
88. As initial steps in partnership working ahead of Great British Railways being operational, the government commits to:
- a. Supporting GMCA to explore a fully integrated multi modal fares and ticketing structure. In collaboration with TfGM to progress, the government will initially progress PAYG ticketing pilots, to be developed and agreed by the end of 2023. These pilots will be revenue neutral and align with government's wider fares, ticketing, and retail programme. This will allow Great British Rail Transition Team, the government, TfGM and train operators to test the technology, explore and agree options for rail fare simplification, and test the revenue raising potential of a genuinely integrated bus, tram, rail, and active travel offer. Subject to funding, this will include trialling agreed approaches within Greater Manchester as the first step toward fares and ticketing integration.
 - b. Working collaboratively with Great British Rail Transition Team and TfGM to better integrate local rail stations into the Bee Network. In the short term, this includes agreeing how the Bee Network is included as part of the branding proposition across station design and standards. Implementing these changes by 2027, where integration makes the customer experience simpler and better.
 - c. Supporting identification of worthwhile opportunities for regeneration and commercial and housing development in and around rail stations, as the establishment of Great British Railways creates an opportunity to increase commercial income. Government will work with GMCA to facilitate the right formal vehicle for collaboration to inform decisions on land use and transport, involving GMCA, Great British Rail Transition Team, TfGM, constituent authorities, Network Rail, London & Continental Railways, and other relevant organisations by end of 2023.
 - d. Providing greater access to local rail data for GMCA (subject to contractual and legislative constraints this could potentially include industry data sources such as LENNON and MOIRA, detailed cost data from train operating companies, automatic passenger counting, and passenger survey data, industry demand forecasts and performance data). This will enable GMCA to improve local scrutiny of performance, and support the best possible experience for Greater Manchester passengers, potentially through the proposed Greater Manchester Rail Board. The frequency of and exact data to be provided will be subject to further discussions.
 - e. Continuing to engage with GMCA, so that local input is considered in developing the government's Long-Term Strategy for Rail. In Greater Manchester, this means government taking active consideration of Greater

Manchester's Transport Strategy 2040 in decisions about the Greater Manchester Rail network and providing opportunities for GMCA to feed into the government's Long-Term Strategy for Rail.

- f. Collaborating with Network Rail and GMCA regarding any locally funded plans for the development of possible tram/train services that will support Bee Network development.
 - g. Giving GMCA the opportunity to sponsor infrastructure and service enhancement schemes that impact the Greater Manchester Region, through the Greater Manchester Rail Board if agreed. This will involve government working with Network Rail and GMCA on joint business cases, on the options for funding, timing and delivery given existing capacity constraints on the Greater Manchester rail network.
89. The details and progress on the above, including determining appropriate locations for trials of PAYG ticketing, is subject to further discussions between the government, Great British Rail Transition Team, GMCA and TfGM with agreement by the end of 2023.
90. Furthermore, the Rail North Board have recently agreed to create a North-West Regional Business Unit to support the management of local rail matters via the current Rail North Partnership with Transport for North. Membership will include neighbouring local authorities within the north-west region. The government, Great British Rail Transition Team and wider rail industry commits to actively collaborate with the North-West Regional Business Unit.

Housing and regeneration

91. In the last ten years, the Greater Manchester skyline has been transformed by new apartment buildings, offices, hotels, and cultural venues. The population in the central wards has boomed as surface car parks and derelict industrial sites have made way for new homes and communities. This is a testament to local leadership and the effective use of infrastructure funding and powers to create fantastic new places. Through this trailblazer deal, the government, and GMCA agree to new powers and flexible funding to build on this potential and deliver further and faster: building more homes, tackling the poorer quality of homes across the region, and spreading the benefits of regeneration further across the city region.
92. This deal will support development of brownfield land and the building of new homes and will help GMCA better manage a portfolio of housing and land funds, which the government and GMCA will continue to make sure is as efficient and effective as possible as we proceed to implementation. It will also ensure that the people of Greater Manchester have access to better homes, reaffirming the joint commitment of the government and GMCA to tackling poor quality housing across the region. We will also look to ensure that government land is better used as a result of this deal, supporting GMCA's ambitions on housing and place.

Regeneration funding

93. The government will devolve £150 million brownfield funding to GMCA to deploy across the region to drive placemaking, housing, commercial development and urban regeneration. This will be deployed within this spending review period, supporting GMCA to deliver 7,000 homes. This funding would have robust reporting and accountability provisions, that satisfy the Single Assurance Framework.
94. From the next spending review, GMCA will receive a simplified single department-style settlement. This will better align housing policies alongside other key levers for local economic growth.

Greater Manchester Housing Investment Fund

95. GMCA has successfully managed its Housing Investment Fund to directly support the delivery of more than 7,000 homes across Greater Manchester over seven years. The activity has indirectly enabled the delivery of thousands more homes as the fund has sought to support development in less well-established markets which has in turn created confidence in demand and convinced others to invest. In recognition of GMCA's track record of delivery through the Housing Investment Fund, the government will waive the requirement for funding which has not been lent

at the end of the financial year to be returned to the consolidated fund. As part of this, an evaluation will be undertaken by GMCA and DLUHC to assess the success of the Fund.

Homes England Strategic Place Partnership

96. Greater Manchester's Strategic Place Partnership is already supporting delivery of housing across the region, and we will build upon this work through this deal. The government and Homes England will work with GMCA through the existing GMCA-Homes England Strategic Place Partnership to agree a set of housing outcomes for delivery, focused on delivering transformational change across Greater Manchester's Growth Locations as set out within Growth Plans developed by GMCA and aligning available funding to support the delivery of these outcomes, and other strategic priorities. This partnership will allow GMCA to draw on the world class capabilities of Homes England as well as providing local leaders with additional support to improve delivery. This will include a joint pipeline and delivery plan to bring forward additional affordable homes, formalised through a Memorandum of Understanding and a future business plan.
97. As part of the Strategic Place Partnership, GMCA will establish a working group on delivery of truly affordable net zero homes, which Homes England will attend, so both sides can learn from each other on this shared commitment. The working group will jointly agree the development of a pipeline of net zero homes across the Greater Manchester city region over a number of years (funded through existing Affordable Homes Programme or mayoral combined authority budgets, and/or leveraging private sector investment) complementing the work of the cross-sector Truly Affordable Net Zero Task Force already established by the Mayor and GMCA.
98. The government and GMCA agree to work jointly to deploy the range of levers available to them to deliver place-led regeneration in Greater Manchester, in line with the housing outcomes within the Strategic Place Partnership. This includes:
 - a. For Homes England, leverage the full spectrum of their existing capacity, programmes and partnerships – for example with Network Rail; and,
 - b. For GMCA, to ensure bids to other regeneration funding streams and the Greater Manchester Housing Investment Fund are complementary to the jointly agreed outcomes within the Strategic Place Partnership.

Affordable housing provision

99. The government commits to a new trailblazer approach to the delivery of the Affordable Homes Programme 2021-26 with GMCA. The Affordable Homes Programme is the government's flagship programme for delivering affordable housing in England. It provides grant funding towards the new supply of social and affordable housing. This agreement relates to funding within the existing Affordable Homes Programme envelope.

100. The trailblazer approach means that GMCA will set the strategic direction for the Affordable Homes Programme in its region and acquire a growing role in key operational decisions such as site selection and provider choice. This provides for local leadership over the Affordable Homes Programme for the first-time outside London, while also retaining Homes England's long-standing delivery expertise relationships. The trailblazer approach will be delivered in two stages, recognising the shared objective to protect in-flight delivery within the current Affordable Homes Programme, design the devolved approach in a way that ensures the fund's business case objectives are met and the need to implement the related accountability arrangements.

Current Affordable Homes Programme

101. Within the first phase of the trailblazer approach (with timings aligned to the current Affordable Homes Programme):

- a. GMCA will set the strategic direction of the Affordable Homes Programme, including the strategic priorities for Affordable Homes Programme spend in the region; this will include the ability to use Affordable Homes Programme grant funding for social rent in all ten of Greater Manchester's local authority areas.
- b. GMCA will work to identify schemes alongside Homes England, in line with the strategic direction set by GMCA; and
- c. Where funding decisions are proposed by Homes England that GMCA believes are inconsistent with the strategic direction set, GMCA will have the right to challenge and escalate the decision to DLUHC.

102. This represents the first time that decisions on strategic Affordable Homes Programme priorities and right to escalate has been devolved, outside of London. Overall funding decisions will be consistent with the national targets set for the current Affordable Homes Programme, but, recognising the trailblazer nature of the deal, the government envisages that flexibility may be granted to support GMCA's spatial and thematic priorities. Flexibilities will be jointly agreed by the government, Homes England and GMCA and will not impact national targets.

103. The specific arrangement will depend on the provider (strategic partner or continuous market engagement and/or whether funding has been allocated already) and the approach will be formalised through a memorandum of understanding, signed by GMCA, DLUHC and Homes England.

104. Given the strong relationship that has been built up between Homes England and GMCA through the existing Strategic Place Partnership, Homes England expects to invest at least £400m of Affordable Homes Programme funding within GMCA area by March 2026, depending on appetite from providers. It will continue to work collaboratively with GMCA, constituent local authorities and local delivery partners to develop a joint pipeline and delivery plan, recognising commercial sensitivities, which will help to bring forward additional affordable homes aligned with GMCA's priorities.

Future affordable homes provision

105. In the second phase of the trailblazer approach (to begin in any successor programme), the government would go further and provide GMCA flexibility to direct Homes England to:
- a. Identify and bring forward sites for affordable housing; and
 - b. Work and partner with providers, subject to securing appropriate value for money.
106. In this phase, GMCA will:
- a. Set standards that match GMCA priorities, subject to securing appropriate value for money and considering the risks of different standards across the country; and
 - b. Approve the funding allocations to schemes.
107. This would be subject to any relevant successor programme being agreed in the next Spending Review, the delivery of outcomes to be agreed at the start of any successor programme with the government, set out in a formal devolution settlement including an expectation for the amount of funding to be delivered over the programme within GMCA. This initial agreement will include the number of homes to be delivered over the programme, annual trajectories of delivery and possible interventions on the event of non-delivery.
108. The development of such an approach for a potential successor programme, including the nature of the relationship between GMCA and Homes England and whether this can be included in GMCA's single settlement, will consider how to maintain the benefits of nation-wide competitive bidding and long-term contracting with national housing providers, alongside those arising from greater local control and place-led strategic delivery, innovation and objectives for some areas.
109. Delivery will be administered in partnership with Homes England, with Homes England reporting to and advising GMCA. In this new 'trailblazing' model of delivery, GMCA will make the decisions over local allocations, and will be able to direct where this takes place. GMCA will also be held accountable for delivery through the new accountability framework, which is set out in the Governance and Accountability section of this deal. Homes England will continue to provide its expertise were called upon, building on the partnership working set out in the Strategic Place Partnership.
110. DLUHC will attempt to pilot this more flexible approach during the current programme, subject to protection of delivery of the existing programme, business cases and appropriate finance becoming available, and will apply the lessons learnt when designing the simplified single department-style settlement for the next Spending Review.

Public land

111. The government will work further with GMCA to deliver better use of public land. We will do this through the Greater Manchester Land Commission and through further work between government officials and GMCA.
112. It is important that departments and arm's length bodies apply existing Green Book guidance for all public authorities regarding asset sales when designing the sale of public land. This guidance sets out how estimates of social value should include wider social costs and benefits that may be affected by a sale. It is also important that that disposal of public sector assets is done transparently and where a department disposes of assets below market price that the reduced income is properly accounted for and recognised and the social value resulting from this is quantified.
113. GMCA points to some examples locally which have not appeared to reflect the principles expressed in the Green Book and Managing Public Money on disposals of public sector assets. Occasionally, central government disposals appear to pursue highest receipts at the expense of more holistic solutions which deliver wider benefits over time.
114. We recognise and appreciate the ambition of the Greater Manchester Land Commission to provide the forum to drive and direct work on improving use of public land. It will be comprised of both senior Cabinet Office and GMCA officials.
115. Equally we recognise that in terms of the national picture, the government (Treasury, Cabinet Office and DLUHC) has a role to play in ensuring the right systems, policing and incentives are in place to ensure local needs can be met with local solutions while at the same time delivering for the public purse.
116. The Cabinet Office will continue to champion social and public value as part of their property control function on behalf of the Treasury. Their priority will be making this commitment real within the context of delivery in the combined authority trailblazer areas.
117. The commission will be chaired by GMCA, and the scope of the commission will include:
 - a. Engaging to understand where under-utilisation of public land in Greater Manchester may be standing in the way of regeneration and housing supply objectives. Where land is identified that could be important to supporting broader regeneration, members of the Commission would investigate the feasibility of this with the relevant landowner.
 - b. Once requests have been made, the commission will progress requests for the use and disposal of public land and assets in delivering local regeneration strategies.
 - c. Ensuring the role of public sector land in regeneration in Greater Manchester - in line with guidance for public land disposal.

- d. Identifying barriers to using public land for regeneration and recommending potential solutions for government consideration where appropriate.
118. The government will also continue to work with GMCA on issues around use of public land, both at ministerial and official level.
119. The government will work with GMCA to facilitate the right formal vehicle for collaboration to inform decisions on land use and transport, involving GMCA, Great British Rail Transition Team, TfGM, local authorities, Network Rail, London & Continental Railways and other relevant organisations by end of 2023.

Housing quality

120. Both government and GMCA are committed to tackling poor quality housing in the private rented sector in Greater Manchester. As part of this, the government will work in partnership to develop and trial a range of regulatory interventions to improve housing quality in the private rented sector in Greater Manchester as part of a 'Greater Manchester Housing Quality Pathfinder', including:
- a. **Selective licencing.** Granting a general approval for larger selective licensing schemes from the Secretary of State to GMCA's constituent local authorities. This power will be for the ten local authorities within Greater Manchester to exercise individually.
 - b. **Private Rented Sector Portal.** DLUHC will engage GMCA where possible in the development of the national private rented property portal. This could include testing early phases of the private rented property portal with GMCA.
 - c. **Policy sandbox.** GMCA, Greater Manchester Integrated Care Partnership, DLUHC and the Department for Work and Pensions to work together on a policy sandbox joint taskforce to explore changes to the current operation of the welfare, housing and health and social care systems within Greater Manchester with a view to trial these changes where appropriate. The objective of this partnership is to drive improvements to the renting experience for tenants and landlords and the quality of homes in the private rented sector, while mitigating risks of negative unintended consequences. This sandbox will be chaired by GMCA and will meet to identify the first suite of interventions shortly after this deal being signed locally. A report outlining options and recommendations from this joint work will be submitted to relevant Secretaries of State and the Mayor of GMCA.
 - d. **DWP and DLUHC Ministerial Housing Strategy Group.** A newly established Ministerial Housing Strategy Group will explore the potential to trial innovative approaches and pilot opportunities with GMCA, funded from within existing budgets and/or subject to consideration at the next Spending Review, to drive improvements to the renting experience for tenants and landlords and the quality of homes in the private rented sector.

121. To support housing quality in the private rented sector, DLUHC has previously agreed funding for GMCA to deliver a local enforcement pathfinder, awarded to Greater Manchester councils conditional on relevant councils maintaining core funding for housing standards enforcement for the duration of the pilot.
122. In addition, the government will provide £3.9 million to GMCA to lease 200 good-quality private rented sector properties for homeless families, contributing to eliminating the use of bed and breakfast accommodation for homeless families in Greater Manchester other than in exceptional circumstances.

Skills

123. Both the government and GMCA are committed to creating the conditions for Greater Manchester's people, communities, businesses and economy to thrive. Central to that commitment is ensuring that the education, skills, and employment support system is truly responsive to local needs, including those identified by employers in Greater Manchester's local skills improvement plan.
124. In the Spending Review and Autumn Statement 2015, government and Greater Manchester agreed to undertake further analysis of post-19 provision to ensure that provision meets the needs of the Greater Manchester economy. It was also agreed to discuss further devolution of post-19 funding to GMCA.
125. This deal sets out further commitments towards a more devolved adult skills system. The deal extends existing devolved adult skills functions to include further areas of post-19 education and skills activity; and provides greater oversight of post-16 technical education and skills and careers. In this spending review period, the deal proposes increased flexibility on adult skills programmes. The deal also proposes exploring pilots of new local skills and careers initiatives as well as increasing partnership between national government and GMCA.
126. The government recognises GMCA's ambition and steps taken to date to support their frontier and foundational sectors with a strong labour market and to make the system more coherent and employer focused. Central to this deal is greater oversight of the local skills system and increasing alignment of careers provision to support meeting these challenges. As a result, GMCA will play a crucial role in the region to ensure the local skills system responds to the local skills improvement plan.
127. This deal is underpinned by the enhanced accountability measures, outlined in the Accountability section of this deal. As a milestone to that devolution, GMCA commit to stretching but achievable targets, as set out in this deal, in the current spending review period in return for the greater flexibility and path to devolution that it creates. This will be underpinned by the English Devolution Accountability Framework. Further accountability arrangements as they relate to the single settlement are set out in the single settlement section of this deal. The government will also continue to work with GMCA to simplify the funding landscape for skills provision in the area.

A new partnership for post-16 technical education and skills

128. The government recognises the critical role that mayoral combined authorities play in supporting education and skills and their alignment to regional economic growth. This is particularly true of technical education and skills up to and including Level 3, which draw their primary purpose from the workplace and employer need and

have a line of sight to occupations and occupational areas. Both GMCA and the government are committed to delivering a simplified technical education and skills system which is more closely aligned to employers' needs, connects people to high quality jobs, and harnesses opportunities to attract investment.

129. Under the banner of an Integrated Technical Education City Region, a strong joint governance board will be established to provide oversight of post 16 technical education and skills in Greater Manchester. It will ensure the link between the technical education offer within Greater Manchester and real time labour market intelligence about the needs of the Greater Manchester labour market.

130. The board would have four main roles:

- a. **Responsiveness.** Creating a strong strategic partnership between commissioners and funders (with senior representation from GMCA and the government), the demand side (the designated employer representative body) and supply side (providers), to utilise all available levers and resources to secure a post 16 technical and vocational offer that is aligned to local skills needs. This should ensure sufficiency, capacity, capability and curriculum relevance and pathways.
- b. **Local skills improvement plan implementation.** As part of this responsiveness, the board will have strategic oversight (i.e., facilitating alignment and addressing issues) of relevant post-16 technical education or training offer linked to delivering the local skills improvement plan, including a role in signing off the local skills improvement fund application from the lead college to ensure alignment of local skills improvement fund--funded projects and wider labour market strategies.
- c. **Data sharing.** The board will commit to lawful and relevant data sharing in order to support effective planning functions linked to both sufficiency and alignment between the technical education offer and local labour market needs. This will include considering ways to join up on data collection to avoid placing avoidable burdens on providers.
- d. **Careers.** Responsibility to develop an all-age careers strategy for Greater Manchester that responds to the local skills improvement plan and reflects the skills ambition for the city region. The board will help align the needs of business, the careers ambitions of our residents and the services and providers with the remit to support residents to develop their careers (see the careers section of the deal).

131. The government envisages that the role of the board will evolve as it becomes established. We will explore, in the next Spending Review, how to better reflect the board's views in relation to place-based capital investment.

Adult skills

132. The government is committed to ensuring that adult skills functions and funding support people to access the skills they and the economy need, increasing productivity, supporting growth industries, and giving people the opportunity to progress. To ensure this happens at a national and local level, the government commits to devolving non-apprenticeship adult skills functions and grant funding to GMCA in the next spending review period.
133. However, there will be specific instances when the national government needs to direct the design of adult skills provision or allocation of adult skills funding – as such, the Secretary of State for Education will retain the ability to do so in next spending review period and beyond. However, this will be the exception rather than the rule, where the scale or urgency are such that a national response is judged required to deliver the required outcomes or where there are national skills priorities that the government believes are not being met sufficiently by the skills system. The government will work with GMCA to ensure that any such direction can be aligned with the existing skills landscape.
134. In this current spending review period, the government commits to increasing the local flexibility for MCAs on Free Courses for Jobs and Skills Bootcamps – providing greater flexibility and a path to devolution in the next Spending Review. This will allow them to expand eligibility and select courses and subjects that best respond to the needs of MCA residents, employers and the local labour market.

Free Courses for Jobs

135. On Free Courses for Jobs, the government plans to remove the ringfence on this programme from the beginning of the next Spending Review by full devolution within GMCA's Single Settlement, subject to GMCA demonstrating effective use of its budget that has been allocated for Level 3 provision. This will ensure we deliver more of these high value Level 3 skills, which the country needs, but with greater focus on ensuring resonance with local labour market needs including those identified in local skills improvement plans.
136. From financial years 23-24, the government commits to increasing the flexibility of Free Courses for Jobs funding by enabling GMCA to spend up to 50% on any Level 3 adult qualifications deemed necessary by GMCA to meet local skills needs – this is significantly more flexibility than currently available and will support them to meet their delivery targets.
137. In recognition of their trailblazer status, the government commits to fully devolving and removing all ringfences on Free Courses for Jobs for GMCA, subject to and once GMCA have delivered 80% of their available Free Courses for Jobs funding across an academic year by increasing the amount of delivery.

Skills Bootcamps

138. Skills Bootcamps will retain the core purpose, policy intent and branding consistent with the national model, and maintain the focus on delivering employment outcomes

which respond to local and national skills needs.

139. Commencing in financial years 23-24, to ensure ongoing value for money and guard against duplication, the government commits to sharing relevant commissioning activity, performance information and data with GMCA on Skills Bootcamps provision that will, or is likely to, include delivery to local residents or employers. In turn, GMCA commits to share relevant commissioning activity, performance information and data about local delivery.
140. In 2023-24, the government commits to increasing the flexibility mayoral combined authorities have to spend up to 30% of the available budget to develop bootcamps that meet local labour market/skills needs in any sector.
141. From 2024-25, in recognition of their trailblazer status, the government commits to then further increasing this flexibility for GMCA – to spend up to 100% of the available budget to develop bootcamps that meet local labour market and skills needs in any sector. GMCA will have the ability to flex the Skills Bootcamp model to meet local needs, subject to agreement from DfE about the nature and substance of these changes. This will allow GMCA the discretion to build on the core model, sharing and applying lessons learned to date around the most effective delivery models, tailored to each sector. We expect this provision to be aligned with priorities identified via the relevant local skills improvement plan.
142. As early as possible in the next Spending Review the government plans to provide GMCA with an un-ringfenced, devolved allocation of funding for the delivery of Skills Bootcamps that is representative of their national share of the total amount of funding allocated for Skills Bootcamps delivery, and subject to conditions that ensure that (where funding is used for Bootcamps) the core model and branding is protected.¹ The government will ensure that funding for Bootcamps is added to the single settlement once the activity is fully devolved.

Careers: joint, place-based governance arrangements

143. GMCA and DfE share the ambition to address fragmentation in the careers landscape and bring together all careers provision across the city region to facilitate more effective and joined up delivery, including supporting implementation of recommendations from the Holman Review. In the first instance, we will work with programmes funded across DfE to achieve this, including the National Careers Service, Careers Hubs, ASK and UniConnect, with a view to bringing in other government departments as work progresses.
144. With a mandate from the Secretary of State for Education, the government will work with GMCA to offer a more place-based approach to careers education and develop joint governance arrangements for the delivery of careers services in Greater Manchester. This will establish GMCA as the central convenor of careers provision in the region and ensure greater regional tailoring of careers provision, including

¹ For any funding above this amount, national criteria will determine the remaining funding share and will be ringfenced for spend on Skills Bootcamps delivery.

through locally agreed key performance indicators. It will also give GMCA a new mandate to oversee the cumulative impact of all publicly funded careers education, information, advice and guidance services across the city region for young people and adults.

145. GMCA and the government will work together with those providers currently delivering publicly funded careers services within Greater Manchester to capture the effectiveness of how the delivery is meeting local need and inform future priorities for GMCA's and the government's careers activity. This will ensure future services more clearly reflect local priorities from the outset, deliver improved value for money, and enable service providers to identify opportunities to tailor and target their offer more effectively. Through this we will examine opportunities for a role for GMCA in ongoing performance of future regional careers services.
146. The government also commits to working with GMCA in shaping the design of future careers provision for all ages in the region, to ensure services more clearly reflect local priorities from the outset. Through this, the government, will establish GMCA's role in shaping the specification for future contracts and ongoing performance management of future regional careers services.
147. The government will pilot an innovative approach to responding to the career's priorities for young people in Greater Manchester through a new strategic fund.

Employment support

Regional labour market governance

148. Building on the current joint governance structure that is already in place for the Work and Health Programme, a new board with a wider remit to cover residents and cohorts that are priority groups for GMCA and DWP will be formed. The Joint Strategy and Oversight Board will be made up of senior GMCA officers and UKG officials with the authority to consider evidence, make advisory recommendations and engage in discussions proactively, to ensure that DWP, Jobcentre Plus activity and Greater Manchester activity works together to improve client outcomes.
149. By taking this approach, GMCA and DWP will work together to ensure value for money, better use of public funding and achieving the best possible outcomes for clients locally and nationally.
150. Outside this Board, discussions between GMCA and Jobcentre Plus will take place between a single point of contact either through the area's Strategic Partnership Manager or Service Leader. Furthermore, DWP commits that Jobcentre Plus geography will align with that of GMCA when it is practicable to do so.

Contracted employment programmes

151. GMCA and DWP are both committed to ensuring the best employment outcomes and support for GMCA residents; to do this requires working towards alignment of national and locally funded public services, integration of public services so they can deliver to best effect for residents and reducing gaps or duplication. In turn this requires strengthened partnership working and planning to ensure better value for money and a more targeted approach nationally and locally is achieved. DWP is accountable for paying benefits to people who are out of work, and therefore needs to be sure the employment provision is effective.
152. Both the government and GMCA recognise that, whilst the core national Jobcentre Plus offer works well for many people, contracted employment programmes are a more impactful way of supporting those with more complex needs with more tailored support that addresses multiple barriers to work. Similarly, GMCA's local authorities are responsible for many public services (like health or housing) which are crucial in tackling the barriers that often prevent people moving into good, sustainable employment and which see the wider social consequences of unemployment and inactivity resulting in increased demand and poor outcomes. GMCA also has access to significant funding from the UK Shared Prosperity Fund which is intended to support people furthest from the labour market.

153. In all circumstances, GMCA and DWP commit to formalised joint working as the basis of ensuring the best value for money and outcomes for residents on all new and future employment programme provision. DWP and GMCA will:

- a. Commit to a co-design approach to all future contracted employment support programmes, for young people and adults. This means understanding and agreeing the shared policy intent; pooling relevant data and evidence bases to identify gaps; and identifying local need, circumstances, assets, and value add when constructing the specification for the Greater Manchester Contract Package Area. DWP and GMCA will reach joint agreement around the high-level design and objectives (purpose, outcomes and accountability) so that target cohorts, payment models, routes to market and referrals meet local need.
- b. This co-design needs to recognise that programmes sit within the framework set by HMT when the funding is secured and ensure that any minimum standards or requirements that would exist in comparable national contracted employment programmes are met or exceeded.
- c. DWP's Secretary of State will have final sign-off of contracted employment programmes design, procurement and delivery mechanism given the Annual Managed Expenditure implications, using written advice from the DWP Accounting Office based on DWP and GMCA assurances.
- d. Agree that, in recognition of the special status of the trailblazers and GMCA's track record in operating delegated employment support in partnership with DWP and Jobcentre Plus since 2014, any contracted employment programme activity within GMCA will start from the assumption of a delegated delivery model, subject to GMCA satisfying readiness conditions, including strengthened accountability arrangements, which are yet to be decided. GMCA will then commission on behalf of DWP on a GMCA footprint.

154. In exceptional circumstances, DWP does, however, reserve the right to adopt a national approach to new employment programmes, as they did in response to the rise in unemployment during the pandemic. DWP commits exploring options with GMCA prior to reaching any such decision, and to setting out these circumstances in writing where this is the case. Even in these circumstances, recognising the importance of integrating any new interventions into the existing place-based employment support system which encompasses both national and local services, DWP will commit to actively engaging GMCA on the purpose of the national approach and attempt, wherever and as far as reasonably possible, to incorporate GMCA's views on the design and implementation of the programme, so that any national approach avoids displacement of the existing employment support offer in Greater Manchester.

Employment support pilots

155. To address immediate and pressing challenges in GMCA's labour market, the government commits to working with GMCA to consider the feasibility and potential scope of employment support pilots and/or approaches to working together (for example, GMCA working closely outside of a formal pilot offer with their local Jobcentre Plus to promote priority needs) that are aligned to national and regional priorities and challenges using devolved funding for local needs.
156. Specifically, initial activity will likely be for DWP and GMCA to work together to jointly scope potential GMCA-led employment support pilots that focus on using national employment and health levers alongside devolved local funding (the Adult Education Budget and the UK Shared Prosperity Fund) to:
- a. encourage groups that have exited the workforce for different reasons and are now inactive to return to work
 - b. support disabled residents and those facing health inequalities access the labour market more effectively, drawing on learning from other successful programmes e.g., Glasgow Guarantee, Intermediate Labour Market models, Kickstart, Working Well Specialist Employment Service and Working Well Early Help.

Data sharing: labour market and skills

157. Alongside these new levers, which will ensure a stronger link between skills and jobs in the local labour market, the government and GMCA will work together to develop an appropriate data sharing framework that promotes information and lawful data sharing between national government and GMCA to aid the effectiveness of skills planning and delivery, as set out in the data section of this deal.
158. The government and GMCA will work together to explore sharing such evidence/data where lawful, appropriate and proportionate to evaluate the impact of these functions and flexibilities, based on a holistic view of the cumulative impact of wider devolved functions on levelling up, including economic impact and improvements to population health, building on research findings to date on improvements to life expectancy in GMCA resulting from devolution across a range of determinants.

Innovation

159. The government has set itself an ambitious goal: for the UK to become a top global hub of innovation as part of its science superpower mission. To achieve this, we need to support the research and development clusters all around the UK to ensure more places can harness the innovation economy. This is vital if we are to ensure that the industries of the future bring benefits to everyone – as growth and jobs boost productivity, opportunity and prosperity for all.
160. The Levelling Up White Paper set out clear steps for making this ambition a reality. In it, the government committed to maximising the contribution of innovation to levelling up, by building on existing and emerging research and development strengths across our country's diverse economic landscape. It set out a new mission, led by the Department for Science, Innovation and Technology (DSIT), to increase domestic public investment in research and development outside the Greater Southeast by at least 40% by 2030, and by at least one third over this Spending Review period. This should result in an increase in public research and development investment in Greater Manchester.
161. DSIT has set up a new unit to lead on mapping, and supporting clusters, and is working with the Department for Business and Trade (DBT) on inward investment.
162. As the UK's largest public funder of research and innovation, UK Research and Innovation has made 'world-class places' a key objective in its 2022 – 2027 strategy, with a core commitment to drive levelling up by delivering impact in all parts of the UK, and to support the research and development cluster agenda.

Innovation Accelerators: empowering local leaders

163. The birthplace of the industrial revolution, Greater Manchester has a long history of innovation. Greater Manchester is one of three areas selected as an Innovation Accelerator in recognition of its research and development strengths, robust private and public innovation governance and strong local leadership.
164. The Innovation Accelerator programme is pioneering a new model of research and development decision-making. The Innovation Greater Manchester Partnership, involving business and university leaders alongside GMCA, has developed a plan for growing the city region's innovation ecosystem, and is taking the lead in allocating a share of £100 million funding to transformative research and development projects, working closely with Innovate UK, to strengthen local clusters and attract investment. This plan puts local leaders at the very centre of decision-making, enabling them to harness innovation to local growth and align research and development investments with local economic strategy.

165. The whole of government is backing the Innovation Greater Manchester Partnership and GMCA in its mission to create a globally competitive innovation cluster with access to dedicated support from DSIT, UK Research and Innovation and the DLUHC over the lifetime of the Innovation Accelerator programme. This will help the Partnership to attract vital private research and development investment and overcome barriers on the road to cluster growth.
166. Together, the Innovation Accelerators form part of a pilot programme. The government will evaluate the effectiveness of this approach as we work to empower local leaders in research and development decision-making. Shaped by the outcome of the programme and future funding decisions, this will include the government and GMCA working together through a new Strategic Innovation Partnership to identify further mechanisms for accelerating innovation in Greater Manchester, and transferring more autonomy to Greater Manchester's developing regional innovation ecosystem. In return, Greater Manchester will need to demonstrate that its innovation evidence base, decision making capacity and ability to generate private sector co-investment is sufficiently robust and mature.

A Strategic Innovation Partnership

167. Alongside the Innovation Accelerator ways of working, this deeper devolution deal will give GMCA a new and influential role informing the national research and innovation ecosystem at the strategic level. This will maintain progress towards delivering the commitments set out in this devolution deal. This will be achieved through:
- a. Formally and periodically inviting GMCA to articulate its research and development priorities to UK Research and Innovation. This will enable local leaders to shape decisions about regional funding priorities and ensure that local priority sectors, technologies, and clusters are fully understood by key decision-making bodies. In return, GMCA will demonstrate that these priorities are informed by local research and development ecosystem stakeholders in a well governed and inclusive manner.
 - b. Consulting GMCA on the development of future UK Research and Innovation strategies where appropriate and inviting GMCA to work with the government research divisions on their respective research and development strategies and programmes. This includes engagement on any long-term alternatives to Horizon programmes, should the UK not be able to associate.
 - c. Annually inviting GMCA to set out their regional research and innovation priorities to government science ministers. This will ensure that local innovation priorities are understood at the highest level of government; and provide GMCA with a means to escalate and address barriers to realising innovation-led growth. Where possible and subject to Ministerial agreement, this will include involving GMCA in inter-Ministerial information sharing structures and fora.

- d. UK Research and Innovation working with GMCA to support the identification of regional comparative innovation advantages, helping to identify corresponding funding opportunities. UK Research and Innovation will provide its publicly available data to GMCA annually on UK Research and Innovation investment in Greater Manchester, including changes in investment levels over time in support of the research and development levelling up mission.

168. In progressing the above, the government remains committed to an impartial funding decision-making process for UK-wide open research and development competitions.

Working in partnership to grow innovation clusters

169. Alongside the Innovation Accelerators programme and Strategic Innovation Partnership, Innovate UK and DSIT will work in partnership with GMCA to grow the city region's innovation ecosystem.
170. The government and Innovate UK will work with GMCA to pilot new approaches to boost innovation adoption and diffusion across the local business base. This will include the pilot Innovate UK Further Education Innovation Fund, which will fund further education colleges to pursue innovation activities. GMCA will work closely with Innovate UK to embed Innovate Edge as part of its business support ecosystem to drive productivity improvements across the region.
171. Innovate UK's Knowledge Transfer Network will work with GMCA to co-design locally led place-based knowledge transfer programmes focused on regional innovation strengths. These programmes will generate new ideas partnerships, enabling innovation to flourish at a local level.
172. Subject to the Procurement Bill receiving Royal Assent, the government encourages GMCA to become a trailblazer for use of the new, more flexible public procurement procedures, empowering all contracting authorities to use procurement as a tool to drive innovation and bring early-stage innovations to market. The Cabinet Office will support GMCA to make full use of the provisions in the Bill.

Business productivity

173. The Levelling Up White Paper sets a target to boost productivity, pay, jobs and living standards by growing the private sector, especially in places where they are lagging. However, UK productivity growth, which is the bedrock of higher living standards, has slowed since the global financial crisis and lags behind comparative economies.
174. The commitments included in this deal will empower GMCA to affect the drivers of productivity at a local level, from skills to infrastructure, to innovation and trade. The end goal of our joint efforts is ultimately to boost enterprise, productivity, more high value businesses and growth – the pathway to a stronger economy nationally and in Greater Manchester.
175. At the firm-level, the uptake of business support is one of the key determinants of productivity, and businesses that seek external advice are more likely to experience high growth. The proportion of businesses in the UK accessing support and particularly for growth, however, is low compared to other countries, which evidence suggests is partly due to the complexity and fragmentation of the business support landscape. External finance, and particularly growth finance, can also help companies to achieve their entrepreneurial potential.
176. The government welcomes and will support GMCA's desire to bring greater coherence to the business support and finance landscape. This will be a key part of our joint efforts to boost local growth, and to raising living standards across the city region.

Business support

177. The government will continue to work with GMCA to develop a devolved approach to the delivery of business support and recognises GMCA as the lead agency for integrating business productivity interventions at the city region level, and the Greater Manchester Business Growth Hub as the agency that has already simplified the business support landscape in the city region. The unique joined-up relationship between GMCA and the Greater Manchester Business Growth Hub has helped to guide and curate the business support landscape in Greater Manchester, and there is significant potential to develop this further.
178. GMCA and Greater Manchester Business Growth Hub will continue to develop the services needed to make it much easier for businesses to access the full range of available programmes to boost productivity.

179. GMCA will, through this deeper devolution deal, have a new, empowered role in integrating, promoting and enabling access to business support and advisory services, small and medium-sized enterprises (SME) finance and the broader commitments agreed as part of the deal. This will strip inefficiencies out of the system and increase SME access to support. This will include the promotion of national programmes, such as Help to Grow.
180. The government – the Department for Business and Trade, Department for Levelling Up, Housing and Communities and Department for Culture, Media and Sport – and GMCA will establish a new Strategic Productivity Partnership, beginning immediately. Through this regular, at least-biannual, DBT-led initiative:
- a. The government and GMCA will share information, evaluations and intelligence on live and upcoming business support and advisory services, with the aim of ensuring strategic planning, integration, promotion and complementarity between national and local commissioning activities to maximise value for money and ensure an effective business support ecosystem.
 - b. GMCA will have the opportunity to raise local priorities for future business support and advisory services as part of the government’s future commissioning priorities and policymaking, including as part of the next Spending Review. The government recognises the advantages of locally delivered business support programmes and will work pro-actively with GMCA to put in place the structures and mechanisms for the devolution or co-commissioning of future business support where it makes sense to do so, as part of preparations for the next Spending Review. This means that business support may form part of GMCA’s simplified funding settlement in the future.
 - c. In the interim, Greater Manchester will continue to act as the testbed for new national business support programmes, building on the success of ‘Enterprising You’, ‘Creative Growth’ and ‘Made Smarter’ programmes, and provide a model for integrating new programmes into the Greater Manchester Business Growth Hub. This includes working with the government and its delivery partners to co-design regional Help to Grow alumni events, improving signposting of support for local businesses, and supporting local business leaders and entrepreneurs ‘graduating’ from Help to Grow to access additional follow-on support to further boost productivity.
181. The government will work with GMCA on the future of Growth Hubs to inform a refreshed approach to the service, which will be progressed quickly. DBT and GMCA will work together to ensure that future delivery models enable effective join-up and co-ordination at the local level and compliment business support services being delivered by GMCA. The government has already confirmed a UK Shared Prosperity Fund allocation of £31.5 million in Greater Manchester’s UK Shared Prosperity Fund Investment Plan for Supporting Local Business, which GMCA can utilise to fund local business support provision and other local growth initiatives.

SME finance

182. GMCA will have a new, empowered role in the provision of finance to SMEs. In particular, GMCA will have a role in the governance of the next generation of British Business Bank (BBB) UK funds in the North of England, via the Northern Powerhouse Investment Fund. In addition:

- a. The referral network between GMCA, the Greater Manchester Business Growth Hub, commercial lenders and the British Business Bank UK funds will be strengthened to make it easier for more local businesses to access the finance they need.
- b. Partnership working and collaboration between GMCA and the British Business Bank's UK network representatives for the relevant area will be strengthened to stimulate informed demand for finance among businesses. This could involve joint British Business Bank-GMCA events and initiatives, as well as knowledge sharing.
- c. GMCA and British Business Bank will work together to bring cohesion to the supply of investment across multiple programmes and institutions.

UK Infrastructure Bank

183. The UK Infrastructure Bank is already working with local authorities, combined authorities, other public sector bodies and the private sector to increase investment in infrastructure across the UK. As announced in September, the Bank is partnering with Greater Manchester on bus financing. This is one of three pilot projects the Bank is undertaking as it builds a new advisory function for local authorities around the UK. The Bank will continue to strengthen its strategic and operational relationships with GMCA, including by engaging GMCA is at the outset of designing the commercial arrangements for infrastructure projects which aim to leverage greater investment locally.

Trade and investment

184. Since the industrial revolution, Greater Manchester has prided itself on being an outward looking, open, pioneering, innovative, international city region. Greater Manchester's International Strategy 2022 – 2025 sets out its ambition to further build and strengthen its already strong global connections and reputation through increased exports and investment, bringing economic benefits to local people and businesses and driving levelling up.

185. Led by the Department for Business and Trade (DBT), the government already enjoys a close partnership with GMCA to secure inward investment for the city region and maximise global trade and export opportunities. Mayor-led international trade missions, for example the business delegation to Ireland with DBT's Minister for Exports in 2022, are a testament to what this partnership has achieved to-date.

186. The government welcomes GMCA's ambition to deepen and extend this partnership across a wider suite of trade and investment activities. There is significant value to add by bringing together GMCA's local economic intelligence, economic strategy and devolved functions, with DBT's international convening power, market intelligence and capacity to deliver at scale. This type of deeply integrated arrangement is a feature of many of the UK's peer countries with which its regions and entrepreneurs compete to land international investment.

187. This deeper devolution deal seeks to rise to that challenge, to formalise the benefits of a deeper and broader formal partnership between GMCA and the government – to increase economic growth, job creation and productivity across the city region and the wider UK. It will drive levelling up through leveraging the local potential of the global Britain agenda.

Strengthening our partnership

188. DBT and GMCA will:

- a. Explore the possibility of formalising their engagement at the city region level through the creation of a new joint Trade and Investment Board to bring coherence across and oversee the delivery of the trade and investment commitments in this deeper devolution deal.
- b. Agree shared outcomes for inward investment and exports in line with national policy priorities and local internationalisation plans.
- c. Further to any wider Data Partnership between GMCA and the government, work to share more of the intelligence and data owned by each party, to better

inform mutual planning and strategy, within the requirements of UK General Data Protection Regulation (GDPR) or other data protection obligations.

- d. Work with local partners including GMCA to gain a holistic view of the UK's business environment's competitiveness vis-à-vis its peers specific to our ability to attract regional investment.
 - e. Jointly seek to maximise the engagement of appropriate Greater Manchester businesses and stakeholders in global trade opportunities and activity created and identified as a result of this deeper devolution agreement.
 - f. Maximise the opportunity for GMCA, Greater Manchester businesses and stakeholders to contribute to national policy consultations, including the development of new Free Trade Agreements, for example by responding to Calls for Input that inform the mandate for Free Trade Agreements.
189. GMCA will provide referrals of potential DBT Investment and Export Champions from Greater Manchester. DBT will agree to make appointments based on intake capacity and selection criteria.
190. DBT and overseas international trade representatives for the Northern Powerhouse will continue to work together, which will in turn directly support GMCA.

Investment

191. GMCA will have support from the Office for Investment at regional level for transformation investment opportunities (i.e., those in excess of £100 million). This will concentrate around two core elements – capital investment and traditional foreign direct investment (FDI). Both parties will work together through a long-term partnership with the aim of maximising large-scale inward investment – utilising GMCA's knowledge of capital investment propositions and opportunities, priority sites, innovation and sector/clustering opportunities. GMCA will provide/signpost prospective investors to public support to help land inward investment and the Office for Investment will engage with high-value projects and provide a cross-Whitehall convening role, working together to increase the profile of Greater Manchester internationally as an investment destination.
192. DBT will continue to work in partnership in co-designing and developing operational support for investors in the city region. DBT's Key Account Management service is co-delivered in Greater Manchester and has proved to be a very successful model. Where account management relationships with companies with a presence or interest in Greater Manchester are held by DBT, GMCA will support that relationship with access to information, local support and facilitation as needed to retain and attract high-profile companies in the UK. Likewise, DBT will provide business intelligence from such relationships to enable GMCA to respond appropriately. Sharing of information will be within the requirements of UK GDPR or other data protection obligations, supported by the new Data Partnership between GMCA and the government. DBT will seek to provide a longer-term commitment to this account

management programme to ensure stability, pending procurement approval from HM Treasury and business planning outcomes.

193. Future high potential opportunities that are strong UK offers for the Greater Manchester city region will continue to be jointly agreed between DBT and GMCA, including alignment with Greater Manchester's Innovation Accelerator. DBT is currently reviewing the marketing and campaign approach across all local areas and will work with GMCA on promoting investment opportunities.
194. DBT will seek to improve access to its network of Greater Manchester-based Investment Champions, typically comprising around 20 successful foreign owned investors, to help inform city region investment priorities and provide peer support to future investors.
195. DBT will seek to co-develop a Greater Manchester-specific investment plan with GMCA, comprising events and other promotional activity such as international visits, access to national marketing campaigns, sector themed inward visits and a focus on supply chain opportunities, for example setting out where both parties will lead and/or provide support to deliver this plan, which will support the Greater Manchester International Strategy. DBT will work with GMCA to investigate the capability and capacity required to reach the goals of the shared plan.
196. DBT will work with Greater Manchester to explore creating a more formal network of local investment promotion agencies, with the aim of:
 - a. Increasing collaboration with investment promotion agencies across the UK to promote FDI to the UK and decreasing complexity for foreign investors.
 - b. Leveraging the benefit of the partnership between the Office for Investment and GMCA at a local level, alongside the broader activities proposed as part of this devolution deal;
 - c. Improving communication and involvement in policy and strategy.
 - d. Sharing best practise and training to help build consistency of quality support, knowledge and understanding around how to effectively land investment, how to work with investors and how to work effectively with DBT.
 - e. Improving knowledge and communication of local strengths and opportunities within the DBT network and externally; and
 - f. Sharing data and market intelligence to improve proposition development and performance.

Exports

197. DBT will:

- a. Continue to provide a lead trade officer for the Greater Manchester city region to build on the work of the Export Manager post created in 2020, ensuring a direct line into DBT's trade service resource operating in Greater Manchester and driving strong local relationships, plans and joint activity.
- b. Support the development and implementation of Greater Manchester-specific export plans and objectives with key city region partners, in line with local priorities and the national Export Strategy. In particular, DBT will lead on the continuing development of a joint city region export plan and will contribute fully to the further development and refresh of the Greater Manchester International Strategy.
- c. Use of its global network to support the development of the trade element of Greater Manchester's Mayor-led international city partnerships in agreed priority locations, such as the Greater Manchester-Osaka negotiations that the DBT team in Japan has supported in 2022.
- d. Seek to improve access to DBT's network of Greater Manchester-based Export Champions, typically comprising around 15 successful SME product and services exporters, to help inform city region export priorities and provide peer support to local businesses.
- e. Support the recruitment and management of business-focussed trade mission delegations to accompany Mayoral-led market visits, such as the joint Mayoral and Ministerial visit to Dublin in March 2022.
- f. Seek to improve the participation of significant Greater Manchester companies in ministerial, and other high profile trade missions, in order to provide high value, and high-profile opportunities for them to increase exports in strategic markets.
- g. Work with GMCA to improve and enhance the Export Academy, catered to Greater Manchester business strengths and needs, and to jointly ensure that the service is made available to all suitable Greater Manchester businesses.
- h. Seek to develop Greater Manchester-specific events and other activity identified as priorities in the local export plan and Greater Manchester's International Strategy, such as sector themed workshops, sub-regional initiatives and supply chain projects.

GMCA's commitments to the government

198. GMCA will progress the integration of the functions and roles of its Local Enterprise Partnership (LEP) as a pre-requisite to the commitments set out above. This will streamline the local growth institutional landscape, so businesses know where to turn to for help and support; and enable GMCA to draw on the LEP's business voice and experience of providing trade and export support, to help businesses to reach new customers, generate additional revenue and mitigate market risks.

199. GMCA will utilise its devolved functions, particularly in relation to skills, housing and transport, to respond to investors' needs and smooth the path to landing greater levels of inward investment in the UK.
200. GMCA will provide suitable match funding (i.e., core funding for the MIDAS inward investment promotion agency) for programmes that are co-financed by DBT, such as the Key Account Management programme.

Net zero and the environment

Strategic energy system planning

201. The government recognises the strategic role GMCA can play in planning our future energy system for net zero, with its ability to convene local authorities, the strategic transport authority, energy infrastructure providers and other key stakeholders, and is committed to ensuring that devolved regional institutions such as combined authorities have a meaningful role in planning our future energy system for net zero.
202. The government is considering the role of local area energy planning in delivering net zero and in supporting efficient network planning, working closely with Ofgem and its review of local energy institutions and governance.
203. The government acknowledges the valuable work GMCA have done in pioneering local area energy plans across the city region, and:
 - a. Recognises and welcomes GMCA leading work to use their local area energy plans to better understand appropriate areas for electric vehicle infrastructure, low carbon generation opportunities, opportunities for supporting industrial decarbonisation, low regret opportunities for deployment of heat pumps, and to identify actions to deliver energy efficiency improvements; and
 - b. Welcomes and actively supports GMCA's offer to work with City Decarbonisation Delivery Programme and future heat network zoning proposals to ensure GMCA's local area energy plans are aligned with this work. Government will engage with GMCA to continue to share their experience in using local area energy plans to support ongoing research and policy work on the role of local area energy plans.
204. As part of their on-going work, the government and Ofgem will explore with GMCA how local area energy plans can support local action, delivery and investment by energy system stakeholders.
205. As outlined in Ofgem's review, there is a need to look further at roles and responsibilities at a sub-national level, particularly to address known issues around co-ordination and accountability. GMCA is encouraged to engage both with this discussion and the Future Systems and Network Regulation workstream, which looks specifically at network investment.

Networks

206. To overcome the energy crisis and meet our future needs, it is more important than ever that we rapidly develop a smarter, more integrated, low carbon energy system. Investment by network operators is central to achieving this, as is having the right input from stakeholders to inform it.
207. As part of the next energy distribution price control framework starting from 1 April 2024, Ofgem required Electricity Northwest to engage with GMCA and other local stakeholders to inform its business plans. Where additional allowances are granted during the period, Ofgem expects Electricity Northwest to engage with GMCA and other local stakeholders to provide them with confidence that their proposed investment will meet local needs and enable the delivery of net zero and green growth objectives.
208. Ofgem welcomes GMCA's interest in Innovation Zones and the trailing of novel approaches to inform investment planning. Any decisions on future Innovation Zones will be considered through the price control review process or as part of wider Ofgem innovation work.
209. Ofgem is carefully considering the next price control approach, including the strength of stakeholder engagement more generally. Ofgem supports GMCA engaging with its forthcoming consultation on Future Systems and Network Regulation.

Local plans

210. As per existing arrangements, local area energy plans can provide valid material evidence to justify planning policies related to energy efficiency and infrastructure. The government welcomes continuing to work with GMCA to explore how local area energy plans and spatial planning could be meaningfully integrated, and to understand implications for planning policy and LPAs' capacity and skills needs.

Clean heat

211. The government has confirmed its intention to establish heat network zoning in England. Under the zoning proposals, Zoning Coordinators within local government will be able to designate areas as heat network zones where heat networks are going to be the most cost-effective way to decarbonise heating and hot water within the zone. This will enable GMCA or its constituent local authorities to assume the role of heat network Zoning Coordinator and play a key role in the delivery of heat decarbonisation infrastructure. This includes requiring certain buildings to connect to heat networks within the zones. Government is committed to have heat network zoning in place by 2025.

Energy efficiency

Retrofit

212. The government will pilot the devolution of net zero funding through allocation rather than competition in the period from 2025 onwards to GMCA, subject to confirmation of funding and policy design. The allocation methodology will be agreed between the Secretary of State for Energy Security and Net Zero and HM Treasury, after discussion with GMCA. This pilot will include, but is not necessarily limited to, funding for buildings' retrofit. GMCA's funding allocation will form part of its single department-style settlement.

213. The agreement to pilot devolution of funding is subject to legally binding conditions set by the Secretary of State for Energy Security and Net Zero, including agreeing outcomes and accountability frameworks so that the local and combined authorities involved demonstrate they are meeting the needs of the relevant schemes operated by the Department of Energy Security and Net Zero to the level required. These conditions are expected to include, but are not necessarily limited to, requirements related to:

- a. the type and level of greenhouse gas emission reductions that must be achieved.
- b. fuel poverty targets.
- c. the primary objective of the devolved scheme.
- d. value for money.
- e. match-funding or private-sector leverage requirements.
- f. quality standards for the work performed, and
- g. monitoring, evaluation and audit requirements.

214. The agreement to pilot devolution of funding will also need to take into account work done through the Local Net Zero Forum with representative local government organisations and involving GMCA.

215. In addition:

- a. GMCA and its constituent local authorities will not be eligible to bid for funding from competitive national energy efficiency retrofit schemes from which funding has been devolved to them.
- b. The government reserves the right to pursue non-devolved, non-allocative approaches to the delivery of energy efficiency retrofit schemes; and
- c. The release of funding is subject to business case approval.

216. The government will facilitate work ahead of the 2025 period to develop a business case, design a pilot and evaluation approach and harness relevant events for sharing of best practice between local authorities where they are already taking innovative approaches on retrofit delivery. The government will identify and look to utilise opportunities for early activity.
217. During the current spending review period, GMCA can already submit applications to competitive energy efficiency schemes on behalf of its constituent local authorities with their consent.
218. After the pilot, the government and GMCA will undertake a review of the effectiveness of this approach for the Secretary of State for Energy Security and Net Zero and HM Treasury to consider and agree whether to continue it, and if so in what form, as part of future multi-year spending review periods.

Minimum energy efficiency standards

219. The government plans to consult on the potential for a national minimum energy efficiency standard for social housing properties. The government will engage with GMCA via a bi-annual, official-level forum to understand the extent to which any national standard meets the energy efficiency requirements of social housing properties in the Greater Manchester. The government is open to considering the case for enabling local areas to exceed any national standard if there would be delivery advantages to doing so and subject to the resolution of regulatory and legislative pre-requisites. The government will, as part of the forthcoming consultation, seek views on the advantages of local approaches to energy efficiency in the social rented sector. Over the near-term, Government is open to exploring ways to support any voluntary efforts by GMCA to boost standards across the city region.
220. The government is open to considering the case for GMCA and its constituent local authorities to set minimum energy efficiency standards, which exceed the national standards, for properties in the private rented sector in their local areas. The implementation of any higher standards would be subject to appropriate legislation being in place and GMCA modelling the possible impact on landlord behaviour and supporting local housing markets to transition to any higher standard. The government will engage with GMCA via a bi-annual, official-level forum to explore this further.

Finance

221. The government supports GMCA in wanting to leverage greater private investment to support the delivery of retrofit and energy efficiency measures. The Government will continue to engage with GMCA on the development of appropriate financial instruments and innovative funding models, underpinned by existing legislative frameworks and non-legislative options, to increase the number of energy efficiency upgrades.

Advice

222. The government will work with GMCA to explore how more detailed advice can be provided to households on structural energy efficiency upgrades. This will involve looking at non-legislative options as well as considering potential future legislative options to identify the most effective route to increasing consumer choice within the retrofit market.
223. The government is enhancing its impartial consumer advice and information offer to support consumers with a more personalised advice service on retrofit. This provision includes an online 'MOT-style' checklist, providing clear direction on the structural changes they can make, including installing insulation and heating controls. The government will be launching an enhanced national phoneline shortly, to support those consumers unable to use the website or in need of further support. In addition, the government is working with the Local Net Zero Hubs to engage local and combined authorities and other local actors, on a series of regional in-person advice services. This will provide grants for innovative ideas to better support people locally. GMCA is encouraged to work with the Local Net Zero Hubs to promote these services in the most effective way.
224. The government and GMCA will continue to engage on proposals through the bi-annual official level forum proposed below, and through representative local government bodies represented on the Local Net Zero Forum.

Nature recovery and adapting to climate change

225. GMCA has been acting as the provisional responsible authority for the preparation of the Local Nature Recovery Strategy in the area to date. The intention is that the Secretary of State for Environment, Food and Rural Affairs will formally appoint the Mayor of GMCA as the responsible authority, who will work closely with GMCA to develop the Local Nature Recovery Strategy. Formal appointments will be made following the publication of Local Nature Recovery Strategy regulations and guidance. Funding to cover new burdens will be agreed at that point. The Local Nature Recovery Strategy will build upon the pilot carried out in Greater Manchester in 2021 and will: map the most valuable existing habitat for nature; map proposals for creating or improving habitat for nature and wider environmental goals; and agree priorities for nature's recovery, making an important contribution to the government's environmental targets.
226. The government and GMCA share the ambition of increasing private investment in nature's recovery across England. Greater Manchester is already a trailblazer in natural capital investment, which will be core to delivering its 5 Year Environment Plan and Local Nature Recovery Strategy. The government will support GMCA to accelerate delivery of its Natural Capital Investment Plan and overcome the barriers to implementation of local investment in natural capital. This support may include: a proportion of revenue funding; specialist expertise; co-ordination of peer support and networking; and/or local partnership working with the Department for Environment, Food and Rural Affairs' (Defra) arm's length bodies, such as the Environment Agency, Natural England and the Forestry Commission. Any funding provided will be subject to further agreement and approvals and will be conditional on participation in a programme of evaluation and shared learning.

227. Through this deal, Defra has committed to working with GMCA to ensure the integration of new environmental governance and targets, Local Nature Recovery Strategy, new environmental land management schemes, Greater Manchester's Natural Capital Investment Plan and the Greater Manchester Environment Fund, and that these are implemented in line with local needs and priorities.

228. To build on this work, the government agrees that Greater Manchester will be a testbed to explore and develop options for how flood risk management, including other relevant adaptation activities, can best be addressed and accelerated at the local level. This could include:

- a. Examining how adoption of an ecosystem services approach can deliver co-benefits for the economy and citizen health.
- b. Sharing of best practice approaches and learning on integrated water management to inform government reforms to local flood risk management planning.
- c. Piloting 'revenue stacking' and the blending of public, private and philanthropic finance to fund projects at scale; or
- d. Early testing of proposals from any government strategies on these issues in development.

Culture and tourism

Culture

229. Both the government and GMCA recognise the crucial role that culture, heritage and sport can play in supporting levelling up, through giving people pride in the places they live, supporting a vibrant local economy, and promoting wellbeing. That is why the government has made commitments to significantly increase investment in culture via Levelling Up Priority Places, and why GMCA is committing investment of between £5 million and £15 million of its UK Shared Prosperity Fund allocation to cultural investment, alongside £4.3 million of locally raised investment via the Greater Manchester Culture Fund.
230. To maximise the impact of this collective investment, and to explore new ways in which culture and heritage can deliver on wider levelling up outcomes like regeneration, skills, business support and health and wellbeing, GMCA and the government will establish a Greater Manchester Strategic Cultural Partnership. This will provide a clear, codified framework for collaboration between national and local partners, identifying shared priorities and aligning resources, and will be underpinned by the development of a memorandum of understanding, which the partners will collaborate on to agree in 2023. The partnership will facilitate two-way exchange, connecting the government and relevant arm's length bodies with GMCA and delivery partners in Greater Manchester, and ensuring Greater Manchester's voice is heard on issues of national importance.
231. The Greater Manchester Strategic Cultural Partnership will enable local and national partners to commit to co-developing and delivering the cultural ambition of Greater Manchester, along with its residents and businesses, resulting in a five-year Greater Manchester Culture Strategy, to be published in 2024, that maximises the impact of a shared cultural ambition.
232. The revised cultural vision and the governance framework developed to support delivery of that vision will empower cultural partners to work across a variety of agendas, including economy, skills and health, and will support local partners to make meaningful contributions to national policy development where it affects the people of Greater Manchester, driving innovation and prosperity in our places.
233. As part of this, the DCMS will work with GMCA and DCMS' arm's length bodies, including Arts Council England, Historic England, the National Lottery Heritage Fund, British Tourist Authority (trading as Visit England / Visit Britain) and, where appropriate, Sport England, to support greater funding alignment, joint investment and strategic collaboration in the region, to maximise the overall benefit of local,

regional and national initiatives that drive local economic growth, support wellbeing and build pride in place.

234. This could include increased alignment around funding and programmes, such as Creative Improvement Districts, Heritage Action Zones, and Greater Manchester Moving. Investment decisions should take into account strategic priorities, such as those identified in the NP11 Place Strategy for the North, Levelling Up for Culture Places and Arts Council Priority Places, the Greater Manchester Moving in Action strategy, and other policies to support health, wellbeing, skills and international activity. As well as supporting the practical development and delivery of shared priorities, this approach will encourage sharing of learning within Greater Manchester and beyond, developing new opportunities for culture and system change through shared endeavour.

Tourism

235. VisitEngland will work with Marketing Manchester, on behalf of GMCA, to accredit it as a recognised Local Visitor Economy Partnership. The partnership will work with local authorities, wider sectors such as transport and higher education and the private sector, to bring coherence to the region's tourism sector and drive the growth of the visitor economy. This includes through developing and marketing Greater Manchester's cultural and heritage visitor organisations and offer to wider domestic and international audiences. While VisitEngland will provide targeted support in the form of strategic advice on commercialisation, accessibility and sustainability best practice and other public funding streams, the government expect local stakeholders to work together to identify a locally led, self-sustaining funding model.

Digital

Infrastructure

236. DSIT will work with GMCA via a new Digital Infrastructure Leadership Group to explore ways to accelerate the roll out and take up of high-speed connectivity, in accordance with the jointly agreed terms of reference.
237. The group will seek to align and refine place-based opportunities and interventions to create the best possible conditions to deliver competitive high speed fixed, mobile and smart digital connectivity; and to accelerate take up and adoption of digital technology by consumers, businesses and public services to increase productivity and prosperity across Greater Manchester.
238. In addition, GMCA and its constituent local authorities commit to use the levers at their disposal – pertaining to street works, planning and provisions under the Electronic Communications Code – in support of the aim of the group.
239. Building Digital UK will engage with GMCA, alongside other local bodies, to discuss the design of interventions and procurement lots for investment in digital infrastructure at various points in the Project Gigabit process including but not limited to interrogation of Open Market Review data, design of procurement lots and appraisal of social value elements of tenders.

Inclusion

240. DSIT notes GMCA's commitment to ensuring the benefits of digital technologies are inclusively available to all residents. DSIT will continue to engage with GMCA to understand the work it is undertaking in this area and how this might interact with the development and future delivery of digital inclusion programmes and support greater funding alignment, joint investment and strategic collaboration in the region, to maximise the overall benefit of local, regional and national initiatives that drive local economic growth and support wellbeing.
241. DSIT supports GMCA's efforts to engage with operators and the private sector to provide affordable broadband access. DSIT will continue to work with local partners to maximise the reach, awareness and promotion of social tariffs.

Public service reform

Families and multiple disadvantage

242. The government recognises GMCA's longstanding aspirations to reform public services at the city region level, building on a track record of achievements to date. The Life Chances Fund, later renamed Reform Investment Fund, was established through the fourth GMCA devolution deal as a mechanism to help drive this ambition.
243. The government supports GMCA's ambition for a city region-wide approach to supporting people and families experiencing multiple – social, economic and health – disadvantages. The government will explore opportunities to better join-up funding related to multiple disadvantage, prevention and early intervention, as part of government's commitment to funding simplification and building on GMCA's Reform Investment Fund proposal.
244. Where relevant new future funding streams relating to prevention and/or multiple disadvantage are under consideration, the government will engage GMCA and its constituent local authorities to discuss whether Greater Manchester's allocation could be included as part of the single settlement. New funding streams do not include new allocations from existing funds.
245. The government and GMCA will seek to bring greater coherence across the outcomes and accountability arrangements that apply to multiple disadvantage funding. Where possible, the government and GMCA's preference will be to have a single set of jointly agreed system change arrangements at a population level to improve accountability, reduce administrative burdens, increase efficiency, deliver improved services, and secure better outcomes for people and communities across Greater Manchester.
246. To support GMCA's ambitions to implement a city region-wide approach to multiple disadvantage, the government agrees to review the secondary legislation that underpins pooled and aligned budgets (section 75 of the National Health Service Act 2006), with a view to amending the scope and simplifying the regulations where needed. The government will work with GMCA to develop opportunities for further pooling and aligning budgets, as part of the section 75 review.
247. The government also recognises GMCA's ambition to respond rapidly to the recommendations in the Independent Review of Children's Social Care regarding early help. GMCA and its constituent local authorities are encouraged to take forward activity. The government is interested in learning from the findings and process of Greater Manchester's activity, to help shape future policy.

Health

248. Greater Manchester was the first city region to agree pioneering devolved arrangements around health and care, designed to deliver a more integrated health and care system better able to respond to the needs of Greater Manchester citizens and prioritise prevention to reduce crisis and the need for acute treatment. The Health and Care Act 2022 introduced new Integrated Care Boards and Integrated Care Partnerships in Greater Manchester, with the vision to integrate health and care on a statutory level. GMCA remains committed to delivering an integrated approach to health and care, including through a much more integrated and blended health and care workforce. This can ensure better delivery for residents and also create new opportunities for progression and career development for health and care staff.
249. To support Greater Manchester's plans, GMCA will work with the government to support local delivery of a more integrated and robust training and education infrastructure. This could include:
- a. The government working closely with GMCA in developing its system reform programmes, where the focus will be on supporting the adult care workforce to develop the right skills and knowledge and have access to high-quality training and development opportunities.
 - b. Exploring opportunities for Greater Manchester to act as a pilot area for elements of these reforms.
 - c. Working together to consider how these reforms can achieve the outcomes needed locally.
 - d. The government will continue to work with GMCA to promote social care careers, including through Jobcentre Plus (building on the successful Sector Based Work Academy model) and in educational settings.

Local resilience

250. Empowering local areas and communities to build their resilience, and supporting the most vulnerable, will enable our places and communities to be better prepared; able to respond to and recover from emergencies more effectively. This in turn has the potential to reduce the overall impact, disruption, and cost of adverse events, as well as reducing key vulnerabilities in communities and places.
251. Strong local democratic leadership, with a clear role in ensuring effective delivery of resilience activity, including integrating resilience into wider local strategies, plans and services, will be critical in our mission to level up the UK. Risks, emergencies, and disruptive events can damage local economies, absorb constrained resources and limit new investment, reducing the potential of areas to take advantage of growth opportunities.
252. The government wishes to see local leaders having the key tools they need to build local resilience in their communities through multi-agency collaboration, greater

accountability of the planning and preparation work of local resilience forums to local leaders, greater engagement and involvement of communities in that work and a clear expectation that resilience is embedded across the key strategies and plans of places will underpin this approach.

253. Recognising the importance of Greater Manchester to the economic vitality of the UK and the influence of GMCA, its constituent local authorities and the Greater Manchester Local Resilience Forum, the government wants to test the ambitions in the UK Government Resilience Framework to enhance resilience and strengthen local resilience forums with GMCA.
254. The government proposes to work with GMCA, its constituent local authorities and the Greater Manchester Local Resilience Forum to establish a programme to pilot and test key aspects of the framework, starting in the financial year 2023/24. The aim will be to empower local leaders, local resilience forums and local partners to consider, drive and improve resilience across the places for which they are responsible. They will be given a clear mandate to support the building of more resilient communities and places that are best able to adapt and respond to, and recover from risks, emergencies and disruptive events.
255. In preparation for this pilot, the government, GMCA, its constituent local authorities and Greater Manchester Local Resilience Forum will work together to develop a pilot plan for Greater Manchester, ensuring clear roles and responsibilities, the outcomes we will pursue and the activities necessary to help achieve these outcomes, ensuring the pilot programme is co-designed. The government will consider potential resource and funding implications associated with delivering a pilot. Without pre-empting decisions to be made this might include better data sharing to identify vulnerable communities, developing approaches to infrastructure that ensures greater resilience and/or approaches to working closely with communities to build understanding of risks and resilience.
256. Pending the outcome of the pilot and future consideration of long-term funding for these arrangements, the government, GMCA, its constituent local authorities and the Greater Manchester Local Resilience Forum will work together to embed these arrangements permanently within Greater Manchester, significantly strengthening the integration of resilience into the UK's levelling up mission.

Antisocial behaviour

257. Addressing antisocial behaviour is a priority for the government, as well as for GMCA. The government is working to drive further action to tackle antisocial behaviour and will discuss its emerging proposals with GMCA.

THE END



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