

GM LOCAL ENTERPRISE PARTNERSHIP BOARD

SUBJECT: Greater Manchester Strategic Infrastructure Board (SIB)

DATE: 24 February 2021

FROM: Roger Milburn (SIB Chair) and Simon Nokes (GMCA and deputy SIB Chair)

PURPOSE OF REPORT

The purpose of this paper is to:

- Provide an update to the Local Enterprise Partnership (LEP) Board from the Strategic Infrastructure Board (SIB).
- Identify and/or confirm the short and longer term outcomes that the LEP wish to achieve in relation to infrastructure and the activities that will support them.
- Promote better engagement between the SIB and the LEP, the wider business community and business leaders across the north west where there is value in doing so.

RECOMMENDATIONS

The LEP Board is asked to provide views on:

- Its role in supporting the SIB and infrastructure development in the future and
- Provide views on future engagement with the SIB and the wider business community on future infrastructure development.

EQUALITIES IMPLICATIONS

There are expected to be no significant equalities implications arising from any recommendations within this report. The vision for infrastructure as set out in the Infrastructure Framework is to develop and maintain a holistic infrastructure system that is robust, accommodates sustainable growth and supports the aims of the Greater Manchester Strategy. The SIB is an opportunity to work with infrastructure providers to ensure that equality benefits are maximised through infrastructure delivery within Greater Manchester.

CLIMATE CHANGE IMPACT ASSESSMENT AND MITIGATION MEASURES

The [Greater Manchester Infrastructure Framework](#) and SIB directly support the delivery of the [5-year Environment Plan](#). Population change, economic growth and climate change are identified as pressures that give rise to the following challenges that the SIB is addressing:

- Low/Zero carbon heat
- Reduction in heat demand from existing and new buildings
- Changing electricity demands
- Improve transport capacity and connectivity
- Low Emission vehicles
- Managing flood risk
- Green and blue infrastructure to provide ecosystem services and
- Resilience

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1. THE IMPORTANCE OF INFRASTRUCTURE

- 1.1 We are dependent on the physical infrastructure that supports our cities, towns and villages, in fact it is critical to the survival and success of any modern and developing community. Our cities and towns do not have governance over the infrastructure (apart from elements of transport) that is critical to their ambitions. Private sector infrastructure providers are regulated monopolies responsible for our infrastructure and have 5-to-8-year investment plans which are approved by their regulators.
- 1.2 We define physical infrastructure in three equal parts - utilities (energy, water, drainage, blue and green infrastructure) transport and digital. It does not include waste or social infrastructure. As an example of the importance of our infrastructure, the 100km long Haweswater aqueduct, built 75years ago, supplies water from the Lake District to 2 million homes in Greater Manchester. It now needs a £750 million upgrade.

2 STRATEGIC FOCUS AND LEP ENGAGEMENT

- 2.1 The Greater Manchester Infrastructure Advisory Group (IAG) was initially established by the LEP in 2014 as a small working group given the recognised importance of economic infrastructure at a City Region level in delivering the LEPs growth agenda.
- 2.2 In early 2019 and following the adoption of the Greater Manchester Infrastructure Framework 2040, the Greater Manchester Combined Authority established the Strategic Infrastructure Board reporting jointly to the LEP and the GMCA political portfolio holder for Housing, Homelessness and Infrastructure (currently this is the City Mayor of Salford – Paul Dennett).
- 2.3 Digital and resilience issues are considered by the SIB. A parallel group was established focusing on digital infrastructure (fibre and mobile) reporting to the SIB and the Digital Infrastructure Advisory Group (DIAG). The group has a mix of private and public sector representatives chaired by Roger Milburn with officers from the GMCA’s digital directorate. Greater Manchester is a member of “Rockefeller 100 Resilient Cities”, an initiative pioneered by the Rockefeller Foundation since 2013 to help more cities build resilience to 21st century physical, social and economic challenges – now a global network of member cities that can learn from and help one another. Infrastructure has been identified as a key resilience issue.
- 2.4 The SIB has been instrumental in creating the platform for infrastructure delivery across Greater Manchester and collaboration and engagement with the key infrastructure providers such as Electricity North West, Cadent, the Environment Agency and United Utilities.
- 2.5 Engagement between the LEP and the SIB has commenced with discussions between the LEP Chair and the SIB Chair. This could pave the way for a more

dynamic relationship with the LEP over the coming year. The purpose of this stronger relationship needs to be defined such that there a benefit to this increased ongoing interaction.

- 2.6 The LEP published it's economic vision last November in response to the coronavirus pandemic which has brought a global reappraisal of economic priorities, putting people and the planet first. Building on our frontier sector strengths in advanced materials, green growth, health innovation and digital and creative, Greater Manchester is now poised to lead UK economic recovery with a plan for innovation, green growth and addressing inequalities. It's an opportunity to build back better, creating a Greater Manchester and in turn, a Greater Britain.
- 2.7 The vision includes priorities to stimulate investment to create desirable places where people thrive. The first step to this is:
- a) delivering the Greater Manchester Infrastructure Programme and arguing for a place-based settlement and the funding flexibilities within existing funds to build local capacity to support place regeneration and
 - b) supporting Innovation Districts in all parts of Greater Manchester, as part of Innovation GM attracting private and venture capital investment into Greater Manchester from organisations who share our aims, to support companies and place infrastructure
- 2.8 The current activity provides the necessary spatial link between the desired growth locations and on the ground infrastructure delivery. Initiatives such as Innovation GM which is reliant on the infrastructure being in place at specific growth locations such as the M62 Growth Corridor and in town centres. This link is being made via the Greater Manchester Infrastructure Programme (GMIP).
- 2.9 The SIB was charged with proposing the strategic direction for infrastructure delivery rather than being the official governance structure under which activity is delivered. Accountability for the broad range of activity that is being undertaken has been developed for each key programme with specific Greater Manchester governance arrangements set up.
- 2.10 Given the future funding landscape, it is likely that centralised funding decisions will be made by government based on its understanding of the issues that need to be addressed in order to deliver against its own priorities. Funding will continue to be allocated through existing Whitehall departments e.g. transport,(DfT) flood risk management (Defra), green recovery (Defra/BEIS), site specific (MHCLG) digital (DCMS) and existing regulated price review processes Ofwat/Ofgem etc.
- 2.11 The importance of infrastructure delivery to meet Governments objectives is understood at a Greater Manchester level. However, the case will need to be made across different levels of government to ensure appropriate national decision making. This will require the Greater Manchester voice to be heard at a

national level and the SIB and LEP has a potentially vital role in conveying those critical messages.

3. NATIONAL POLICY DIRECTION

3.1 The long awaited National Infrastructure Strategy has provided some further clarity over the direction of travel from Central Government. The key messages coming through the National Infrastructure Strategy are:

- a. Boosting growth and productivity across the whole of the UK by levelling up and strengthening the Union. With investment in rural areas, towns and cities, from major nation projects to local priorities
- b. Putting the UK on the path to meeting its net zero emissions target by 2050 by decarbonising the UK's power, heat and transport networks and adapting to the risks posed by climate change
- c. Supporting private investment by providing investors with clarity over the plans through this Strategy and the following Energy White Paper
- d. Accelerating and improving delivery, transforming how infrastructure projects are delivered through reforms to the planning system, project selection and procurement, and use of cutting-edge construction technology.

3.2 The Spending Review has seen a move towards the centralisation of funding pots, with the exception of the Intra-city Transport Funding settlement that will only be available to Mayoral Combined Authority (MCA) areas. While this is a disappointing development from a devolution perspective, the GMCA is focussed

on ensuring it is accessing the relevant national funding pots to unlock growth across the conurbation.

- 3.3 In infrastructure planning terms this means that Greater Manchester has a consistent view on the growth requirements across the conurbation and a stable platform for the planning of infrastructure delivery.

4. CURRENT ACTIVITY

- 4.1 The 11 Infrastructure Framework Challenges and the 2019 Infrastructure Action Plan set the scope of the challenges that need to be overcome and a set of actions to address these challenges. The challenges are:

1. Low/zero carbon heat
2. Reduction in heat demand from existing and new buildings
3. Changing electricity demands
4. Improve transport capacity and connectivity
5. Low Emission vehicles
6. Managing flood risk
7. Green and blue infrastructure to provide ecosystem services
8. Digital connectivity
9. Collaboration and co-ordination
10. Long term investment
11. Resilience

- 4.2 The SIB is currently considering the appropriateness of the challenges alongside any short and longer term priorities. This review will be finalised at the 23 March SIB meeting. The actions have been taken forward either through the creation of specific thematic groups or as part of broader GM programmes of activity.

- 4.3 The GM Infrastructure Programme has been developed over the last 18 months to give a focus to infrastructure delivery in the next 5 to 7 years and create an approach to working across stakeholder groups that aligns activity around strategic Development Plan Documents, Transport Plans and the Mayoral Development Corporation area.

- 4.4 While there is a great deal of publicly funded infrastructure that will need to be delivered for Greater Manchester to achieve its growth ambitions, there is a large part of the strategic plan that requires private investment through utility providers to achieve these objectives. Bi-lateral working arrangements with each of the infrastructure providers continues to be critical to deployment of investment in the most appropriate areas across Greater Manchester.

- 4.5 Specific project working groups are being set up around key growth locations in Greater Manchester such that all infrastructure providers are involved in those project specific discussions to enable the necessary collaborative working that

will result in exemplar infrastructure delivery approaches that achieve greater carbon reduction benefits and efficient deployment of capital.

5. RECOMMENDATIONS

- 5.1 Recommendations are outlined on page 1 of this report.