

Greater Manchester Combined Authority

Date: 31st January 2025

Subject: Greater Manchester's Approach to Delivering our Growth Ambition

Report of: Councillor Bev Craig, Portfolio Lead for Economy and Tom Stannard,
Portfolio Lead Chief Executive for Economy

Purpose of Report

To set out our approach to driving forward ambitious plans for growth in GM over the next 10 years.

Recommendations:

The GMCA is requested to:

1. Endorse the preparation of the rewritten GMS and underpinning Delivery Plan for Spring 2025.
2. Endorse preparing our Spending Review submissions to Government, setting out our asks for Government to work alongside us in delivery of our collective ambition.
3. Endorse establishing a Place Advisory Panel, involving national experts, to support the progress of development proposals from our integrated pipeline, ensuring that these support delivery of the outcomes in the GMS and push the boundaries of what has previously been possible.
4. Endorse establishing partner forums in early 2025 from across the developer, construction and investor community to set out our plans and call the industry to action.
5. Endorse progressing plans to strengthen our delivery capacity through the development of a GM Delivery Vehicle and GM Academy.
6. Endorse developing the approach to the GM Investment Pot to maximise what can be delivered through public sector support and intervention and maximise the private capital that can be leveraged into Greater Manchester.
7. Endorse establishing the appropriate programme governance to oversee and direct our overall plans for growth, ensuring accountability and transparency of our approach.

Contact Officers

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Equalities Impact, Carbon and Sustainability Assessment:

The Equalities Impact and Carbon & Sustainability Assessment for GM’s Approach to Delivering our Growth Ambition is given below:

Recommendation - Key points for decision-makers		
Insert text		
Impacts Questionnaire		
Impact Indicator	Result	Justification/Mitigation
Equality and Inclusion	N/A	GM's plans for growth will set out proposals for enabling residents to have access to good public services and supporting infrastructure priorities including good transport links across the conurbation. Delivery through the investment pipeline will help GM ensure all boroughs and residents feel the benefits of growth.
Health	N/A	GM's plans for growth aim to deliver successful places for GM and its communities; places where everyone can live a good life, grow up and grow old. Delivery of quality and affordable housing and residents' access to good services, skills and jobs will provide security to residents and will lead to a reduction in health inequalities across the city region. GM's plans for growth will set out proposals for enabling residents to have access to good public services and supporting infrastructure priorities, including good transport links across the conurbation and supporting the delivery of hospital sites.
Resilience and Adaptation	N/A	New developments through GM's plans for growth will meet PFE policies including those around blue and green infrastructure.
Housing	N/A	The provision of good quality, affordable housing through GM's plans for growth will have long term and positive impact on tackling homelessness. GM's plans for growth will positively contribute to the number of affordable homes in GM. The unlocking of Brownfield sites on the investment pipeline will allow for housing delivery on former derelict urban land. The vision for Housing First includes the ambition to deliver 75,000 homes over the course of the next Parliament including 10,000 TANZ homes.
Economy	N/A	GM's plans for growth will unlock growth and, through a whole-system approach to delivery, will drive growth and economic development for GM over the next 10+ years. GM's plans for growth will boost residents' access to good employment opportunities through the delivery of strategic employment sites. GM's plans for growth will support key businesses and sectors through investments in innovation. GM's plans for growth will demonstrate to the private sector the GM continues to be a preferred place to invest and maximise private sector funding into the city region through GM's investment pipeline. There is a proposal through GM's plans for growth to establish a GM Academy to foster homegrown talent across a range of specialisms with clear career pathways for GM's young people, including through the Mbacc.
Mobility and Connectivity	N/A	GM's plans for growth will set out proposals for enabling residents to have access to good public services and supporting infrastructure priorities including good transport links across the conurbation. GM's investment pipeline considers the transport interventions required to support growth in GM and improve transport connectivity.
Carbon, Nature and Environment	N/A	Housing delivery through GM's plans for growth will provide the delivery mechanism for Truly Affordable Net Zero Homes (TANZ), which aims to deliver 30,000 new net-zero carbon homes by 2038.
Consumption and Production		
Contribution to achieving the GM Carbon Neutral 2038 target		
Further Assessment(s):	Carbon Assessment	
G Positive impacts overall, whether long or short term.	A Mix of positive and negative impacts. Trade-offs to consider.	R Mostly negative, with at least one positive aspect. Trade-offs to consider.
		RR Negative impacts overall.

Carbon Assessment

Overall Score



Buildings

Result

Justification/Mitigation

New Build residential	Orange bar	Tbc Tbc Some of the new residential buildings will be delivered to Passivhaus standard. Tbc Tbc New residential buildings will be delivered through a place-based approach, ensuring there is access to suitable amenities. Tbc
Residential building(s) renovation/maintenance	TBC	
New build non-residential (including public) buildings	TBC	

Transport

Active travel and public transport	Black bar	Tbc Tbc Tbc Tbc New transport facilities will be constructed through GM's plans for growth Tbc
Roads, Parking and Vehicle Access	TBC	Tbc Tbc Tbc Tbc Tbc Tbc
Access to amenities	TBC	
Vehicle procurement	TBC	

Land Use

Land use	TBC	
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No associated carbon impacts expected.



High standard in terms of practice and awareness on carbon.



Mostly best practice with a good level of awareness on carbon.



Partially meets best practice/ awareness, significant room to improve.



Not best practice and/ or insufficient awareness of carbon impacts.

Risk Management

This paper sets out a strategic approach to developing the Integrated Pipeline. Any risks associated with achieving this or undertaking any specific investments will be assessed on a case by case basis as those decisions are taken.

Legal Considerations

Any legal considerations associated with specific decisions will be assessed on a case by case basis. There are no legal implications as a result of the contents of this paper.

Financial Consequences – Revenue

Delivery of our integrated pipeline will require significant revenue investment from a range of sources. Approval would be sought for specific requests for investment from the GMCA.

Financial Consequences – Capital

Delivery of our integrated pipeline will require significant capital investment from a range of sources. Approval would be sought for specific requests for investment from the GMCA.

Number of attachments to the report: 0

Comments/recommendations from Overview & Scrutiny Committee

N/A

Background Papers

N/A

Tracking/ Process

Does this report relate to a major strategic decision, as set out in the GMCA Constitution

No

Exemption from call in

Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency?

No

Bee Network Committee

N/A

Overview and Scrutiny Committee

N/A

1. Introduction

- 1.1 This is a pivotal moment for Greater Manchester (GM) as we ready ourselves to drive forward the next phase of our collective growth ambition, to create a thriving city region where everyone can live a good life.
- 1.2 We are in a strong position, with GM already a major global city region with the UK's fastest growing economy. Since 2015, our average growth rate of 2.8% has surpassed that of London (1.1%) and the UK (1.3%). We've used devolution to get every part of the GM system pulling together. Since 2000, our £80bn economy has grown 50% compared with 33% nationally and is larger than the economy of Wales. We've attracted more foreign direct investment than any other UK region. GVA is still 34 per cent below that of London in absolute terms. If we could narrow that gap to match the difference between Paris and Lyon, we could add £20bn to the UK economy.
- 1.3 We are in a unique position as a city-region of knowing where our collective physical growth needs to be, as set out in our Places for Everyone (PfE) Spatial Plan which is underpinned by a land supply that offers us the scale of opportunity to meet our ambition and identifies the land needed to deliver 75,000 new homes over the course of the parliament. We've identified six growth locations, where we can create new homes and jobs in a way which will spread the benefits of growth across the city-region.
- 1.4 We are also working to tackle the infrastructure problems that are blocking growth. Our locally-controlled public transport system – the Bee Network – will connect new housing, leisure and employment districts with clean, safe and reliable infrastructure. By 2028, we plan to bring eight commuter rail lines into the Bee Network, creating the first fully integrated public transport system outside London.
- 1.5 By working with business and academia, we're turning GM into an innovation-led economy. Innovation Greater Manchester (IGM) is a business-led partnership that harnesses the collaborative power of businesses, universities, and local government to drive productivity through collaboration, research and innovation. GM has already shown how the public sector can unlock private investment and accelerate regeneration through the GM Housing Investment Loans Fund and the Evergreen Funds that have supported the growth of the City Centre over the last 15 years and outperformed the UK national average.

- 1.6 Although we recognise our successes, we know that we cannot be complacent, and our focus is now on looking ahead to our collective plans to successfully deliver the next 10 years of growth for GM. To drive forward our ambition over the next decade and ramp up delivery in support of the Government's growth mission, we are preparing a 10-year Growth & Prevention plan which will set out how we intend to deliver our plans and our vision, as expressed in the forthcoming Greater Manchester Strategy.
- 1.7 This paper sets out how GM is gearing up for a new decade of growth and how we will use our distinctive collaborative approach to deliver on our massive ambitions for the city-region - so all our residents can thrive. Our ambitions are backed up by credible plans and a proven track record in delivery. We will build on the strength of existing public private partnerships in GM to further develop our innovative investment models, unlocking pension fund and institutional capital to derisk projects and unlock private investment. To maximise the productivity of the GM economy, we must be brave, innovative and take risks. This requires a long-term view and for the CA and Local Authorities to back and invest in our city region, taking a 'patient capital' approach to investment. Our approach to investment seeks to ensure GM remains the best place for the private sector to invest as we are confident in the future with a clear vision driven forward by strong leadership by the public sector.

2. Our Plans for Growth

- 2.1 The Greater Manchester Strategy (GMS) is being rewritten to set the vision for GM for the next 10 years. The updated Strategy will be mission focused, with the ambition of delivering prosperity for people and places, responding to inequalities and achieving environmental goals. The GMS will set out how we work as a GM system, with the public, private and VCFSE sectors all working together collaboratively to drive collective progress and ensuring we use all the levers at our disposal to maximum effect.
- 2.2 The GMS will be underpinned by a 10-year Growth & Prevention Delivery Plan ('Delivery Plan'), which brings together priority actions to be delivered over the coming years to realise the GMS vision. The Delivery Plan will focus on economic growth and the prevention of costs and social harm through reform of public services, with a focus on supporting people to "Live Well", backed this month by £10m of Government funding (plus further funding through our integrated

settlement), will help us get 150,000 GM residents back into work over the next five years by providing wraparound support, embedded in communities, to improve our residents' health and wellbeing and overcome the barriers holding them back.

- 2.3 Work is now underway on the development of both the GMS and the Delivery Plan, with system engagement taking place. The refreshed GMS and underpinning Delivery Plan will be completed in Spring 2025.
- 2.4 To support delivery of the national Growth Mission, the Government announced that all parts of England will need to develop a 10-year Local Growth Plan. Rather than producing a separate plan, it is our intention that GM's Local Growth Plan is a distillation of the most relevant elements of our Growth and Delivery Plan. GM's six Growth Locations will form the basis of the physical aspects of the Local Growth Plan, integrated with our sector priorities, and other interventions to address the barriers to productivity and constraints of growth.

3. Driving Forward Development

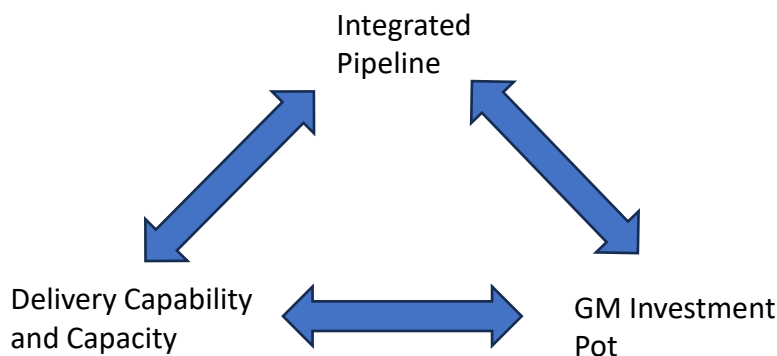
3.1 Our Approach

- 3.1.1 A key focus for the Delivery Plan will be the activity required to unlock growth through the successful development and regeneration of our places working collaboratively with our public and private sector partners. Our collective approach will need to ensure the continuation of a growing global city centre, along with a wider city region of thriving boroughs and vibrant town centres across GM. Fundamental to this will be the delivery of well-connected employment and housing sites with our growth plans benefitting all our residents over the 10-year period.
- 3.1.2 We already have the strong foundations in place to support us in achieving our development ambitions. We have PfE and the 2040 Transport Plan, huge work ongoing to bring forward our six Growth Locations and a range of Mayoral development vehicles to drive delivery. We have the mature governance to make use of deeper devolution, strong partnerships with our delivery partners and infrastructure providers, and through the GM Land Commission a programme of work with public sector bodies aimed at unlocking further land supply.
- 3.1.3 Despite this, however, the scale of growth needed to meet our ambition is a step beyond what can be achieved by the existing delivery ecosystem. To achieve the growth we need will require a whole-system approach to delivery, supported by collaboration and strong partnerships which align our collective resources and activities to deliver successful places for GM. This will include the need for support

and changes from Government which will form the basis of our Spending Review proposals in Spring next year.

3.1.4 In recognition of the collaborative whole-system approach needed with our partners, we are organising ourselves to structure activity around three core fundamentals for delivering our growth ambition:

- I. Establishing an Integrated Pipeline
- II. Ensuring the Right Delivery Capability and Capacity
- III. Creating a GM Investment Pot



3.1.5 These elements are not mutually exclusive and will interact with each other and change and adapt as we grow GM over the next 10 years and beyond: This complex relationship will only be successful through a collaborative place based approach to delivering GMs growth ambitions.

3.1.6 Our approach and ambition is directly linked to government's growth mission. Devolution alone will not enable GM to realise its ambition. We are seeking active engagement with Government through the spring spending review process to match our collective ambition and release our ability to deliver even more growth for UK Plc.

3.2 Establishing an Integrated Pipeline

3.2.1 Work is already underway to establish an integrated pipeline of growth for GM which will capture the projects and interventions needed to deliver the full scale of our ambitions including our strategic employment and housing sites, town centres and city centre developments over the next 10 years. Until now, we have had separate pipelines for transport, housing, innovation and the low carbon economy. The new integrated pipeline will bring all these together. It is being established through a place-based approach which is focussed on understanding the dependencies and sequencing between different development opportunities and the

required infrastructure in order to ensure the right outcomes are delivered for our places and people over the next 10 years and beyond. Collaborative working on the Integrated Pipeline with our development and investor partners will be crucial for success given the reliance on the private sector to deliver and invest.

- 3.2.2 By taking an evidence led, integrated pipeline approach we will be able to look at places comprehensively, to ensure that housing and economic delivery is supported by the right infrastructure, enabling our development partners to invest alongside the public sector. Project development activity and capital investment require sequenced investment over the 10 year period given the long term planning cycles required for infrastructure and growth delivery. GMs ability to deliver will be limited by the capacity of the public and private sector to deliver multiple projects in parallel. Prioritisation of activity and projects will therefore continue to be essential to ensure that the priority pipeline can be delivered over the 10 year timeline. Initial analysis indicates that achieving our ambitions will require more than £10bn of investment over the next 10 years with an aspiration to be delivering more than £1bn of investment on an annual basis. The approach will enable residents to have access to services, skills, education and good jobs in the short and longer term. This sits alongside businesses and key sectors being supported by the investments in innovation needed for GM to thrive.
- 3.2.3 The integrated pipeline will give us the understanding of what the right investment and interventions are for different places across GM at the right time over the 10-year period. This recognises that different areas will need different levels of revenue and capital support and that this could include the need for more significant upfront investment in regeneration areas to catalyse development which could be later captured through the increase in value because of an area's regeneration.
- 3.2.4 Our focus on sequencing and timing through the integrated pipeline will also help us to ensure that all boroughs in GM feel the benefits of growth. This approach will also allow us to prioritise activity and our resources in a way which is transparent, accountable and evidence-based to accelerate delivery of our ambitions within the Delivery Plan and GMS.
- 3.2.5 We know that many of our major growth opportunities in our Growth Locations, will take years to deliver and significant work is already underway to understand the activity needed to drive these developments forward. This includes plans to progress transformational innovation-led growth at Atom Valley as one of our

Investment Zones areas and part of our North East Growth Corridor; 15,000 new homes at Victoria North supporting wider growth plans across North Manchester.

- 3.2.6 Plans include significant regeneration proposals through the Old Trafford Regeneration partnership, as part of the Trafford and Salford Western Gateway which includes 5,000 new homes and thousands of new jobs for the area. Work is currently underway to consider options for delivery around Old Trafford and the Western Gateway which include the potential to establish a new vehicle to drive forward development. Options for driving this forward include Trafford Council, Salford City Council and the GMCA setting up a Mayoral Development Zone around the Western Gateway and Trafford and the GMCA setting up a Mayoral Development Corporation to specifically support delivery in the Old Trafford Regeneration area. This approach will maximise the regeneration benefits that can be achieved across this part of the conurbation.
- 3.2.7 To support the development of our pipeline we will be establishing a Place Advisory Panel, bringing in external regeneration expertise, to review pipeline proposals and help ensure the right type and quality of developments are supported to deliver our GMS vision and outcomes.

3.3 Ensuring the Right Delivery Capability and Capacity

- 3.3.1 To deliver our ambition, we will need to scale up our collective capacity and capability across the whole system, supported by strong partnerships and collaboration with the development and investment community. Delivering more than £10bn of investment over the next 10 years will need a considerable increase in capacity. A GM led approach to drive capacity, supported by the certainty and transparency of our integrated pipeline will be critical to our success in delivering our growth ambition. This will require the private (development partners, consultancy firms and construction businesses) and public sector to invest in the talent pool to ensure there is sufficient capable capacity to drive growth.
- 3.3.2 As part of our response to this, we are exploring the potential to establish a GM Academy to develop and strengthen homegrown regeneration and development talent across a range of specialisms, with clear skills and career pathways for our young people, including through the Manchester Baccalaureate (MBacc), apprenticeships and degree qualifications that will all be necessary to achieve GMs growth ambitions. The approach will involve building on existing relationships

with institutions such as GMs universities and colleges and Regeneration Brainery. The GM Academy would be strengthened by securing the best regeneration and development talent across the world into GM, attracted by the strength of our integrated pipeline.

3.3.3 We are also exploring the creation of a GM Delivery Vehicle. Through this we will look to establish the needs of the GM system to accelerate delivery, considering existing and future resource and capacity requirements, and enable proposals to be developed about how best the GMCA can support the delivery of local ambitions. The GMCA is in the process of appointing a specific individual to lead this activity in support of delivering our collective growth ambitions. Alongside this, GMCA is bringing in specialist support to review the wider funding requirements and delivery plans for some of our key development programmes.

3.3.4 We fully recognise the integral role that all our delivery and investment partners will play in making our collective plans a reality. To support this, we will be establishing a series of new partner forums in early 2025, including Developer, Advisor, Investment and Construction forums to provide clear routes for effective engagement and to complement the existing forums we already have in place with a range of other partners across the delivery system. This paper signals a call for action for the industry to work with Greater Manchester and we ask that all interested partners reach out to start the discussion and signal appetite for engagement through these partner forums.

3.4 Creating a GM Investment Pot

3.4.1 The scale of the investment needed to deliver our ambition is significant, indicative work shows that the total capital requirement to unlock our housing sites and growth locations alone is more than £10bn in the next 10 years with an ambition to be delivering more than £1bn of investment on an annual basis. The Integrated Settlement and Retention of Business Rates agreed in the Trailblazer Deal provide a real opportunity to take a one pot approach to investment – bringing together funding streams in order to deliver our 10-year integrated investment pipeline.

3.4.2 We will need to use all our levers alongside partners such as the National Wealth Fund and Greater Manchester Pension Fund, acting collectively to deliver the scale of investment needed.

3.4.3 The challenge is not just identifying capital to fund the pipeline, but ensuring we have sufficient revenue to support the delivery capacity needed, and service the interest cost of borrowing.

- 3.4.4 A collective approach is critical, borrowing against future retained business rates and other value capture mechanisms at a GM level will maximise the amount of borrowing that can be funded and support the delivery of cross border projects.
- 3.4.5 This approach to investment sees Local Authorities taking calculated collective risk to deliver the integrated investment pipeline. By showing our own confidence in our 10-year plan, we can unlock transformative levels of private sector investment.
- 3.4.6 In order to maximise the investment pot the approach will be underpinned by three key principles:
- i) Using the public sector purse to do 'just enough.' The private sector are keen to invest in GM's pipeline, our role is to invest to make the pipeline investable and we need to acknowledge that the level of intervention needed in schemes will vary across the conurbation.
 - ii) Recycle funds as much as possible to make the money go further.
 - iii) Capture value for the public sector by taking a more patient approach to investment and lobbying for further fiscal devolution to allow local value capture mechanisms.
- 3.4.7 This approach to bringing forward and standing behind our 10-year integrated pipeline will demonstrate to the private sector that GM continues to be a preferred place to invest and allow us to maximise private sector funding into the region.

4. Next Steps

- 4.1 This is a pivotal moment for Greater Manchester (GM) as we ready ourselves to drive forward the next phase of our collective growth ambition, to create a thriving city region where everyone can live a good life.
- 4.2 The next steps to deliver our proposals for the next phase of our growth ambitions include:
- Preparation of the rewritten GMS and underpinning Delivery Plan for Spring 2025;
 - Preparing our Spending Review submissions to Government, setting out our asks for Government to work alongside us in delivery of our collective ambition;
 - Establishing a Place Advisory Panel, involving national experts, to support the progress of development proposals from our integrated

pipeline, ensuring that these support delivery of the outcomes in the GMS and push the boundaries of what has previously been possible;

- Establish partner forums in early 2025 from across the developer, construction and investor community to set out our plans and call the industry to action
- Progressing plans to strengthen our delivery capacity through the development of a GM Delivery Vehicle and GM Academy
- Develop the approach to the GM Investment Pot to maximise what can be delivered through public sector support and intervention and maximise the private capital that can be leveraged into Greater Manchester.
- Establishing the appropriate programme governance to oversee and direct our overall plans for growth, ensuring accountability and transparency of our approach.