

GREATER MANCHESTER INFRASTRUCTURE PROGRAMME



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GMCA GREATER
MANCHESTER
COMBINED
AUTHORITY

What is GMIP?

Ground-breaking plan to ensure GM has strategic infrastructure to meet its ambitions

What is GMIP?

GMIP is the ground-breaking Greater Manchester Infrastructure Programme:

- GMIP is a natural evolution of the GM Transport Fund: GM's ambitious plan to take a wider approach to strategic management and delivery of all of its infrastructure needs, not just transport.
- We want GMIP to be a multi-year, multi-decade investment programme, co-funded by Government and GM, to deliver the transport and economic infrastructure GM needs to realise its full economic potential and play its full part in rebalancing the national economy, delivering inclusive growth and achieving carbon neutrality.
- The Vision for GMIP 18 months from now is to deliver an in-principle 10 year capital and revenue funding settlement with Government sufficient to deliver all the economic infrastructure GM needs to 2025-30...
- ...with ongoing arrangements to continue funding and delivering GM's strategic infrastructure beyond that with a programme that pioneers a fundamentally new way to fund and deliver infrastructure at a city region level.

What is GMIP?

Ground-breaking plan to ensure GM has strategic infrastructure to meet its ambitions

What is GMIP trying to achieve?

Equipping Greater Manchester with the strategic infrastructure it needs to meet its ambitions:

- Closing the GVA gap with the rest of the country through employment and productivity growth, ensuring that this growth is inclusive, with all residents contributing and benefitting from GM's success,
- Over the next two decades (by 2040) GM needs to attract and accommodate 200,000 new jobs, an additional 300,000 people and over 220,000 new homes,
- Delivering the 2040 Transport Delivery Plan to give GM world class connections that support long-term, sustainable economic growth and access to opportunity for all, and enabling 600,000 more daily trips on GM's transport system,
- Working towards the long-term vision of a carbon-zero GM by 2038.

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How much could GMIP deliver?

- Transport Fund 1 reached around 0.5% of GVA (£300m) per year over ten years.
- Initial estimates suggest that the 2040 Transport Strategy requires around 1% pa of GVA (£600m p.a. today, and more in the future as GM grows), around £15bn by 2045. This is twice the investment rate achieved under TF1.
- It would also involve sustaining this rate for 25 years – more than twice as long as was achieved under Transport Fund 1.
- To deliver the housing and employment growth identified in GM's Spatial Framework of over 200,000 new jobs and at 220,000 new homes by 2040, and help to deliver a zero carbon GM by 2038, transport will not be the only consideration. Work underway to define the size of the ask, but could be a programme of around £20 billion.
- Discussions continuing with Government on local contributions.

What infrastructure will GMIP deliver?

GMIP has two arms: strategic influencing and direct funding & delivery of infrastructure

The table below shows how the two arms of GMIP (strategic influencing of infrastructure delivered by others and direct funding and delivery of infrastructure schemes by GM) align to the infrastructure types within the Infrastructure Framework.

Infrastructure Type	 Energy	 Transport	 Digital	 Flooding, surface and waste water management	 Green and blue infrastructure	 Potable (drinking) water
GMIP role is influencing and direction of infrastructure delivered by others	<ul style="list-style-type: none"> National energy mix and decarbonisation of grid Retrofit of existing commercial and residential stock 	<ul style="list-style-type: none"> Strategic road and rail projects delivered by Highways England and Network Rail Major national projects (e.g. HS2, NPR) EV take up by private sector 	<ul style="list-style-type: none"> Roll out of full fibre networks and 5G by national providers and Government Co-ordination of digital projects with major infrastructure providers (e.g. UU and ENWL) 	<ul style="list-style-type: none"> Influencing of UU and EA investment and closer alignment with GMCA / District planning & development Joint working groups on flood protection with UU and EA 	<ul style="list-style-type: none"> Influencing and policy setting for delivery of green / blue infrastructure by third parties, developers and infrastructure providers 	<ul style="list-style-type: none"> Influencing of UU investment and closer alignment with GMCA / District planning & development
GMIP role is direct funding and delivery of infrastructure schemes	<ul style="list-style-type: none"> Public Estate schemes for energy efficiency / generation Low carbon housing & interventions on sites Transport schemes for decarbonisation / modal shift 	<ul style="list-style-type: none"> Delivery of transport schemes by TfGM and Districts within Transport Delivery Plan Transport interventions on sites 	<ul style="list-style-type: none"> Potential for site interventions on full fibre / 5G once national roll-out programmes are clearer and any gaps established 	<ul style="list-style-type: none"> Site infrastructure schemes involving flood risk and drainage interventions 	<ul style="list-style-type: none"> Site infrastructure schemes involving green and blue infrastructure provision 	<ul style="list-style-type: none"> Site infrastructure schemes involving new supply infrastructure or innovative solutions to harvest surface water

Draft Scheme Prioritisation Being Explored

Draft appraisal metrics for informing the prioritisation process

Prioritisation maximises impact on levelling up, subject to the whole programme meeting programme minima.

Lead Metric – Levelling Up

GM GVA per capita Metric

Net impact GVA per capita per £ of cost, adjusting for differences in household incomes and cost of living (including housing).

Means £1 of additional wages equal to £1 of reduction in housing costs/reduction in fuel bills.

plus

An income weighting which means £1 of wage/saving to a less well off household scores higher than the same saving to a better off one (using Green Book method).

Measured on a per-capita basis to better align to Green Book, as it nets out displacement.

Schemes appraised based on their mature impact (20 years out from the final year of investment), and their whole-life public cost impact (i.e. net of third party income / revenue)

Programme Minima – Inclusion and Environment

Minima 1 – Inclusivity

Better than [average] improvement in *economic opportunity* for [x%] most disadvantaged households as a whole (treated as 11th virtual district). †

Economic opportunity defined as access by sustainable transport (public transport and active modes) to earnings opportunities and cost of living adjusted.

Minima 2 – Geographic balance

No GM district to get less than [x%] of the average % improvement in *economic opportunity*. †

Measured at the district level, with economic opportunity defined as for minima 1 but using all mode accessibility, which means it reflects a district's car ownership levels.

Minima 3 – Environment and health

GMIP must [enable zero carbon development by 2028] reduce [accumulated CO2 emissions] to support delivery of zero carbon in GM by 2038, and improve [air quality]. †

Means although other programmes deliver the bulk of the 2038 target, GMIP will contribute and not move GM away from zero carbon trajectory.

† The precise measurements for the minima binding constraints will be agreed following development of baseline economic analysis

How is GMIP Funded?

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- Households and consumers ultimately fund all new infrastructure. This occurs through a variety of channels. Government funded infrastructure is paid for via tax. Infrastructure paid for in this way is covered in the 'fiscal remit' of the National Infrastructure Commission.
- Infrastructure funded by the private sector is paid for through bills and charges paid by households, businesses, consumers and the public sector (for example water and gas bills).
- The government has given the National Infrastructure Commission a long term funding guideline for public capital expenditure, the 'fiscal remit'. The Commission "must be able to demonstrate that its recommendations for economic infrastructure are consistent with, and set out how they can be accommodated within, gross public investment in economic infrastructure of between 1.0% and 1.2% of GDP in each year up to 2050".
- We understand the scale of the challenge we have; we know it will require local contributions which will be challenging. We are in discussions with Government on local contributions. As these conversations progress will bring a further update to PHC.