

Greater Manchester Combined Authority

Date: 27 September 2024

Subject: Business Plan for the Integrated Water Management Plan to 31 March 2025.

Report of: Salford City Mayor (GMCA Deputy Mayor) Paul Dennett, Portfolio Lead for Housing, Councillor Tom Ross, Portfolio Lead for the Green City-Region and Steve Rumbelow, Alison McKenzie-Folan & Sue Johnson, Lead Chief Executives for Housing, Resilience and Green City Region

Purpose of the Report

To seek approval for the Business Plan for the Integrated Water Management Plan (IWMP) to 31 March 2025 to deliver the objectives outlined in the full plan and provide an update on the resources that are being deployed to enable the plan to be progressed and delivered.

Recommendations:

The GMCA is requested to:

1. Approve the Business Plan for the Integrated Water Management Plan to 31 March 25 (Annex A).
2. Note the existing budget allocation 2024-2026.
3. Note the national announcements (paragraph 1.12-1.13).
4. Note the progress and outputs from the 1st Annual Business Plan (paragraphs 2.1–2.2).

Contact Officers:

[Andrew McIntosh](#) – GMCA Place Director

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Equalities Impact, Carbon, and Sustainability Assessment:

Recommendation - Key points for decision-makers

The assessment of the Greater Manchester Integrated Water Management Plan Annual Business Plan 2024-2025 has achieved a positive impact score and a good level of awareness on carbon and is recommended for approval.

Impacts Questionnaire

Impact Indicator	Result	Justification/Mitigation
Equality and Inclusion	G	<p>Many of GM's least affluent communities live in areas of higher risk of flooding and often with poor water quality. Improved water management will have a positive impact on the most vulnerable members of society who often live in the most deprived areas.</p> <p>The Integrated Water Management Plan is designed to provide benefit to socially and economically disadvantaged communities.</p> <p>Reduced incidents of flooding will help local people to access public services in their area.</p> <p>An engagement plan has been produced and local flood mitigation plans are developed in association with the communities that will benefit.</p> <p>The proposal is designed to improve the resilience of communities and contribute to community cohesion.</p>
Health	G	<p>Nature-based solutions will be prioritised where possible, especially where they can be aligned with active travel schemes.</p> <p>Concerns about the impacts of climate change, such as increased levels of flooding, are known causes of anxiety and stress. Reducing these risks will have a positive impact on mental health and wellbeing.</p> <p>Multifunctional areas of green space will increase opportunities for physical activity.</p> <p>Increased areas of accessible green space will provide greater opportunities for social interaction.</p> <p>New and improved active travel routes will help to provide increased access to local services.</p> <p>Areas of green space may provide small-scale opportunities for local food production.</p>
Resilience and Adaptation	G	<p>This proposal is designed to build the resilience of GM communities to too much water (flood) and too little water (drought).</p> <p>This proposal aims to reduce disruption to communities through better flood risk protection and through streamlining interventions across agencies.</p> <p>This proposal aims to reduce vulnerabilities for people and the environment to hazards associated with water quality and quantity.</p> <p>The increased use of nature-based solutions lies at the heart of this proposal. The proposal aims to provide more green & blue infrastructure and ensure effective on-going maintenance of existing infrastructure.</p>
Housing	G	<p>This proposal involves working with United Utilities and the Environment Agency to deliver improved water management across a number of investment sites, including those supported by the Brownfield Housing Fund.</p>






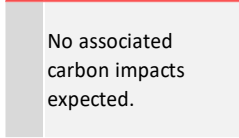
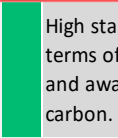
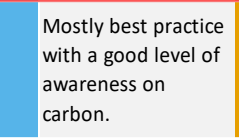
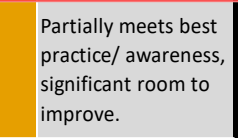
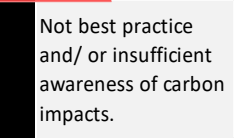
Economy	G	<p>The National Flood & Coastal Erosion Risk Management Strategy (2020) suggests that for every £1 spent on flood risk reduction, there is approx £5 return in cost avoidance. Increasing the resilience of places helps to attract inward investment.</p> <p>The use of nature-based solutions will help to support and stimulate a green economy.</p> <p>Investment by United Utilities during the 2025-2030 period is anticipated to support 6,000 jobs across the Northwest.</p> <p>The jobs created through water company investment through the next investment period, 2025-2030, and beyond.</p> <p>This proposal aims to provide increased resilience to flooding across a range of assets, including economic assets.</p> <p>The integrated approach to water management being developed in Greater Manchester is innovative and the approach is being shared with other city regions.</p> <p>The integrated water management approach aims to draw together investment from GMCA, the Environment Agency & United Utilities and create resilient places that are attractive to other inward investment.</p> <p>The proposal includes the provision of graduate opportunities across the 3 partner organisations: GMCA, UU & EA.</p>
Mobility and Connectivity		<p>During 2024-25 the partnership will be developed to include TfGM and the opportunities to deliver sustainable drainage solutions in association with active travel investments explored.</p> <p>The proposal aims to increase the use of sustainable solutions to highway drainage.</p>
Carbon, Nature and Environment	G	<p>Nature-based solutions to water management issues can help to improve local air quality if installed close to roads.</p> <p>The proposal is designed to address the level of water pollutants associated with waste water and urban and rural diffuse pollution sources.</p> <p>The increased use of nature-based solutions to address water management issues will help to increase carbon sinks within GM through the creation of new areas of woodland and improved management of peatland habitats.</p> <p>Nature-based solutions in urban areas can provide improved visual amenity to street and townscapes.</p> <p>Nature-based solutions provide a wide range of benefits including habitat and biodiversity benefits.</p> <p>Multifunctional greenspace, especially those areas associated with active travel routes, help local communities to access greenspace.</p>
Consumption and Production	G	<p>The inappropriate disposal of waste into the sewer network can contribute to water quality and flooding incidents. The proposal includes action to raise awareness around the correct disposal of waste.</p> <p>The issue of macro and micro plastic contamination of watercourses is being considered by the partnership who would actively encourage correct disposal and clean-up actions.</p>
Contribution to achieving the GM Carbon Neutral 2038 target		<p>The increased use of green solutions to water management challenges is less carbon intensive than traditional grey or engineered solutions. Natural flood management assets, such as areas of woodland, also provide an opportunity to capture carbon.</p> <p>This contribution could be improved further through the greater adoption of green solutions across Greater Manchester.</p>

Further Assessment(s):

Equalities Impact Assessment and 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.
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Carbon Assessment

Overall Score				
Buildings	Result	Justification/Mitigation		
New Build residential		Biodiversity impact assessments will be completed for individual development sites. For example, at sites associated with water company investment.		
Residential building(s) renovation/maintenance	#DIV/0!			
New build non-residential (including public) buildings	N/A			
Transport				
Active travel and public transport		The integrated water management plan includes the installation of nature-based solutions alongside active travel routes.		
Roads, Parking and Vehicle Access				
Access to amenities	N/A			
Vehicle procurement	N/A			
Land Use				
Land use		The preservation of greenspace and enhanced management to provide multiple water management benefits is central to this proposal. New habitat will be created through this proposal. It is unknown whether this will be above net gain criteria at this stage.		
				
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

A business plan is taken to the GMCA on an annual basis and reviewed by GMCA Overview and Scrutiny Committee. The delivery of the Annual Business Plan objectives will be monitored and reviewed by the GMCA, Environment Agency and United Utilities Directors on a bi-monthly basis.

Legal Considerations

The GMCA has the power under section 2 of the Local Government Act 2000 to take any steps which it considers likely to improve the “*economic, social or environmental well-being*” of the Greater Manchester area. On 24 September 2021, GMCA approved a Memorandum of Understanding between the Environment Agency (EA), United Utilities (UU) and the Greater Manchester Combined Authority to create a strategic partnership to influence and deliver sustainable growth and development in Greater Manchester by improving flood resilience, enhancing the environment, driving circular economy approaches, and supporting regeneration. A collaboration agreement between the EA,

UU and GMCA relating to the development of the Integrated Water Management Plan (IWMP) was signed on 29 September 2023.

Financial Consequences – Revenue

Paragraphs 3.1-3.5.

Financial Consequences – Capital

There are no direct capital financial consequences to the GMCA.

Number of attachments to the report: One.

Comments/recommendations from Overview & Scrutiny Committee

N/A

Background Papers:

- [Report to GMCA 10 September 2021. Response to Flood Risk Management Issues](#)
- [GMCA, Environment Agency and United Utilities Memorandum of Understanding September 2021](#)
- [GMCA Overview and Scrutiny Committee March 2023](#), An investigation into the wider determinants of effective integrated water management in Greater Manchester.
- [Report to GMCA 26 May 2023](#). GMCA Overview & Scrutiny Committee Task and Finish Report on Integrated Water Management.
- [Report to the GMCA 30 June 2023](#) Greater Manchester Integrated Water Management Plan
- [GMCA Overview and Scrutiny Committee September 2023](#), Greater Manchester Integrated Water Management Plan
- [Report to GMCA on 29 September 2023](#) Business Plan for the Integrated Water Management Plan (2023-2024)
- [Report to GMCA on 22 March 2024](#) Retained Business Rates Update

Tracking/ Process

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

Yes

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 The Integrated Water Management Plan is a joint Plan approved by the GMCA (June, 2023) and responds to the recommendations from the [GMCA Scrutiny Committee](#) (May 2023) following its investigation into “the wider determinants of effective integrated water management in Greater Manchester”.
- 1.2 The Plan is supported by an Annual Business Plan and detailed work programme. The first Annual Business Plan was agreed by the GMCA on 29 September 2023, and it was agreed that new posts within the GMCA are required to match the commitment from the Environment Agency and United Utilities to deliver the Plan. Funding was confirmed by the GMCA on the 22nd of March 2024.

Background

- 1.3 As previously reported, Greater Manchester is connected by water but how we manage it is highly fragmented. Regular issues are brought to light when there is too much water (flooding), too little (droughts) and poor-quality water (polluted waterways).
- 1.4 Rainfall is predicted to rise by 59% by 2050, even if global carbon reduction targets are met. Infrastructure and the environment are interdependent. Infrastructure reliability is threatened by environmental risks, whilst infrastructure systems can also affect the environment. Greater Manchester needs infrastructure systems which are resilient to future challenges including environmental threats such as climate change. At the same time, infrastructure systems must be built and operated to repair past environmental damage and deliver environmental improvements.
- 1.5 Across Greater Manchester it is estimated that there are around 57, 000 properties at risk of fluvial (river) flooding and 126,000 properties at risk of pluvial (surface water) flooding in a 0.1% annual exceedance event. From December [new national risk information for flooding \(including surface water\) will be published](#) and will

include future scenarios accounting for climate change. It is likely that the number of properties at risk will increase.

- 1.6 Government funding is provided to reduce flood risk through Flood and Coastal Risk Management (FCRM) Grant in Aid, which forms part of a partnership funding model (which includes a levy on upper tier local authorities). The model requires additional contributions to enable delivery under the Environment Agency Flood Risk Management Programme.
- 1.7 The start of the current programme for Greater Manchester (2021-27) determined that there would be an estimated spend of £142m across 61 projects; however, this requires circa £40m partnership funding. To date this has delivered:
- 1,723 number of properties better protected
 - £44.6m investment (consisting of £38.8m Grant Funding, £2.2 Local Levy and £3.6 from other contributions)
- 1.8 Based on the Grant in Aid process, the majority of projects within Greater Manchester will still require partnership funding to support future delivery.
- 1.9 Significant infrastructure investment is planned within United Utilities Asset Management Plan 8 (AMP8) in Greater Manchester which will total £2.9bn subject to Ofwat’s Final Determination (19th December 2024). A breakdown of expenditure across the AMP8 programme in Greater Manchester is presented in the table below.

AMP period	PR24 programme area	Outcome	Total expenditure
AMP8	Advanced WINEP*	Blue green infrastructure	£80,304,392
AMP8	Drainage Water Management Plan	River erosion risk reduction	£4,427,123
AMP8	Enhancement	Power resilience and industrial emissions reduction	£175,080,040
AMP8	Overflows	River water quality improvement (23% inc blue green infrastructure)	£776,022,382
AMP8	WINEP (not overflows)	River water quality improvement and	£1,908,067,222

		investigations, habitat improvement and water supply resilience	
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* unique to United Utilities among water companies

1.10 Whilst additional investment is welcome, there are significant resource, skills, capacity and capability challenges, with limited continuity planning (especially within the Combined Authority and Local Authorities and within the Environment Agency) to meet the increasing demand and expectations required to manage water (and place) differently.

1.11 By taking a mission-based and whole system approach the IWMP provides a vision for water management as it should be, with positive outcomes for people, place and environment considered as a whole. More specifically it is:

- a) Developing and implementing a new way of working, which will enable systematic collaboration and integration across multiple partners and sectors.
- b) Accelerating the implementation of natural flood management interventions in key locations; to lower carbon emissions, increase our resilience to climate change and enhance nature, people's well-being and the quality of towns and cities.
- c) Delivering committed investment programmes whilst leveraging added value.
- d) Managing water wherever it falls to prevent rainwater from entering the combined sewage system, reducing surface water flood risk and improving water quality.
- e) Creating new jobs, developing skills and apprenticeship roles that benefit residents in Greater Manchester.
- f) Ensuring new developments are delivered in partnership and in accordance with agreed standards (e.g. Places for Everyone, Local Plans) and best practice.

Recent National Announcements

1.12 The new government has committed to [several reforms](#) e.g. implementing the recommendations from a [rapid review of Environment Act targets](#), [commitment to a Water Bill](#) (5 September 2024 - A speech by Secretary of State for Environment,

Food and Rural Affairs, Steve Reed on the introduction of the Water (Special Measures) Bill to Parliament) and other reforms during the current parliamentary term. The government has also indicated that it plans to take a catchment-based approach to improving the water environment, that a Flood Resilience Taskforce will be established (and will include Mayoral CA representation) to improve co-ordination at national and local levels and, through planning reforms, ensure that there is consistency between growth plans and the relevant investment plans of infrastructure providers such as UU and EA.

- 1.13 [Ofwat](#) announced its draft determination on the water companies' plans for the period 2025-2030 on 11th July 2024. This includes United Utilities' Advanced WINEP (Water Industry National Environment Programme) Rainwater Management component, which builds on the IWMP framework (and support from the Mayor in 2023) and has been approved with full allowance (details are in the table in section 1.9 above). The flexibility in the programme enables the identification of place-based interventions. This is unique to United Utilities and demonstrates the progressive collaborative approach established through the Greater Manchester IWMP.
- 1.14 Early engagement will be essential with projects of this scale (e.g. targeting 88 Combined Sewer Outfall (CS) catchments, retrofitting sustainable drainage systems within the urban area (including highways), water main and sewer diversions and reservoir upgrades) given the proximity and impact on local communities.
- 1.15 System-scale challenges will also need to be resolved to ensure that infrastructure improvements are delivered at pace with a view to making long term improvements and demonstrating that the partnership approach taken in Greater Manchester can deliver tangible outcomes that align with local and national priorities.

2. Business Plan

2.1 Following GMCA approval of the IWMP (June 2023), a detailed Business Plan (September 2023) was developed to identify the components of the Plan to be delivered by 31 March 2024 and the resources required, these were:

- Establishment of the Integrated Water Management Team, implementation of team culture and charter and sharing of resources across GMCA, EA and UU.
- Further development of the Living Integrated Opportunity Programme (projects and interventions within geographical locations and catchments).
- Identification and progression (from concept to business cases) of the first tranche of geographical clusters to demonstrate the impact and delivery of better outcomes.
- Confirmation of the skills and graduate/apprenticeship programmes across the CA, UU, and EA for integrated water management to commence in September 2024. Review of the existing GMCA governance structures to strengthen accountability, scrutiny and provide clarity of responsibility in accordance with the principles for good governance (attributes for integrated water management).
- Establishment of the partnership board in accordance with the governance framework.
- A communication and engagement plan outlining who will be engaged, when and how during 2023-24.

2.2 In addition to the completion of the above outputs the team has:

- a. Continued the development of the Integrated Water Management Team embedding a collaborative way of working in line with the team charter/collaborative behaviors and extended the sharing of resources across the partnership including:
 - i. A graduate catchment planner placement (provided by UU).
 - ii. Retention of an experienced programme manager following the completion of an 8.5-year EU funded LIFE Integrated Project.
 - iii. Recruiting a 12-month paid internship – Integrated Water Management (provided by UU).
 - iv. Commenced the recruitment process for the posts agreed by the GMCA in 2023 – including an apprentice/graduate role.

- v. Environment Agency has brought in additional flood risk management project leads (FTEs)
 - vi. Development of a delegation process to assign work to teams within partnership organisations.
- b) Developed the Living Integrated Opportunity Programme (geographical clusters of water/development/transport projects within the same geographical area) to include quantification of the added value that can be generated by working in an integrated way and the production of case studies that can be shared locally and nationally.
 - c) Identified a funding route to deploy Advanced WINEP funding into town center regeneration schemes.
 - d) Commenced the engagement process to produce an integrated strategy for the Upper Irwell catchment which will develop a shared evidence base for future collaborative planning and delivery.
 - e) Commissioned the phased development of an integrated catchment model to increase understanding of water quality, water quantity (flood), water as a resource (abstraction) and nature challenges and opportunities together across Greater Manchester.
 - f) Provided support and capacity to support the development of integrated drainage strategies in Oldham and Stockport
 - g) Established a partnership with the University of Manchester to develop a network to address skills gaps and provide technical support and advice.
 - h) Submitted an innovation fund bid to Ofwat/participating as a partner with the Greater London Authority (Developing a market-based approach to deliver SuDS through street works).
 - i) Secured funded from the Regional Flood and Coastal Committee
 - j) Written articles and briefings in professional journals, presented at national conferences.
 - k) Developing a partnership with [Rebalance Earth](#) (investment fund managers) to fund projects that will improve resilience/ reduce flood risk for businesses/assets within a catchment.
 - l) Scoping and commissioning an integrated catchment model (as this doesn't currently exist)

Outputs for March 2025

2.3 The main outputs that will be delivered by March 2025 are:

- Further embedding the new ways of working, team charter and sharing of resources across GMCA, EA and UU, that the Integrated Water Management Team have developed.
- Case studies which quantify the added value generated from the Living Integrated Opportunity Programme which are published and shared with local and national stakeholders and decision makers.
- Finalising the scope and implementing the work programme for the integrated strategy in the upper Irwell catchment which will develop a shared evidence base for future collaborative planning and delivery.
- Collaboration agreement signed and requirements established for the development of a digital platform to support IWM ways of working.
- Integrated Water Management principles developed and being applied in specific areas.
- Graduates from within the partner organisations are onboarded into the IWMP team to further cross-sector knowledge and skills.
- A strong communication and engagement plan ensuring that all partner organisations are working efficiently together.

2.4 The Integrated Water Management Team will continue to work with, build dependencies and deepen integration with teams across GMCA, UU, EA and within the GM Local Authorities and Transport for Greater Manchester. The collaborative approach will be expanded to include the Rainwater Management

Team in United Utilities and the flood risk programme teams within the Environment Agency and catchment partnerships.

3. Budget

- 3.1 The GMCA has allocated £330,000 from retained Business Rates (2024) to address flood risk and integrated water management over the period April 2022 – March 2025. It is forecast that the budget will be fully utilised on new roles as agreed by the GMCA in 2024 (as specialist technical capacity within the GMCA and Local Authorities does not exist).
- 3.2 There will continue to be a funding requirement in future years to align with the single settlement outcomes and the investment programmes of UU (2025-30) and EA 2021-27.
- 3.3 As previously reported to the [GMCA \(September 2021\)](#):
- A pipeline of flood risk projects has been identified in the current 6yr Flood and Coastal Erosion Risk Management programme 2021 – 2027.
 - Several proposed flood risk reduction projects are not meeting the criteria / benefits cost ratios (BCRs), for example an outline business case has not been developed or there is not sufficient partnership funding, or homes protected.
 - A shift toward addressing more complex surface water issues is required.
 - Investment can only take place in a project where there is a detailed business case supported by partnership contributions.
 - It is essential that projects in Greater Manchester are appropriately developed to utilize the funding allocated or bring forward other projects that are capable of being delivered through re-allocated funding.
- 3.4 In addition to the core revenue budget for people an allowance is required to enable the IWMP team or individual Local Authorities to commission technical studies and business cases to progress through a capital funding gateway e.g. Environment Agency or identify an optimum drainage solution for a sub catchment area where new development/growth is planned. This approach will create a

stable platform to enable priority projects identified through the IWMP process to be supported through the development and delivery phase ensuring that projects are progressed, and revenue and capital is aligned to ensure delivery of outcomes that can be measured.

- 3.5 Further proposals will be brought back in terms of the request for an additional budget and the budget will be reviewed annually as the partnership grows and the work programme and delivery increase.

4. RECOMMENDATIONS

- 4.1 Recommendations are at the front of the report

ANNEX A – The draft Business Plan to March 2025

Plan attached separately.