GREATER MANCHESTER COMBINED AUTHORITY

DATE:  Friday 29 March 2019

TIME:   10.45am

VENUE:  Council Chamber, Stockport Town Hall, Edward Street, SK1 3XE

* Please note the start time of the meeting

Wifi - Stockport MBC - Guest

Train: Stockport Rail Station

AGENDA

1. APOLOGIES

2. CHAIR’S ANNOUNCEMENTS AND URGENT BUSINESS

3. DECLARATIONS OF INTEREST (attached)
   To receive declarations of interest in any item for discussion at the meeting. A blank form for declaring interests has been circulated with the agenda; please ensure that this is returned to the Governance & Scrutiny Officer at the start of the meeting.

4. MINUTES OF THE GMCA MEETING HELD ON 1 MARCH 2019 (attached)
   To consider the approval of the minutes of the meetings held on 1 March 2019.

5. GMCA STANDARDS COMMITTEE – MINUTES OF THE MEETING HELD ON 12 FEBRUARY 2019 (attached)
   To note the minutes of the GMCA Standards Committee held on 12 February 2019.

6. GREATER MANCHESTER WASTE & RESOURCES COMMITTEE – MINUTES OF THE MEETING HELD ON 14 MARCH 2019 (attached)
   To note the minutes of the GM Waste & Resources Committee held on 14 March 2019.

7. GMCA AUDIT COMMITTEE – MINUTES OF THE MEETING HELD ON 21 MARCH 2019 (to follow)
   To note the minutes of the GMCA Audit Committee held on 21 March 2019.
8. GMCA OVERVIEW & SCRUTINY COMMITTEES – MINUTES OF THE MEETINGS HELD IN MARCH 2019

To note the minutes of the GMCA Overview & Scrutiny Committees held in March 2019:

- Economy, Business Growth & Skills – 15 March 2019 (attached)
- Corporate Issues & Reform – 19 March 2019 (to follow)

9. TRANSPORT FOR GREATER MANCHESTER COMMITTEE – MINUTES OF THE MEETING HELD ON 15 MARCH 2019 (attached)

To note the minutes of the Transport for Greater Manchester Committee held on 15 March 2019.

10. GREATER MANCHESTER LOCAL ENTERPRISE PARTNERSHIP - MINUTES OF THE MEETING HELD ON 18 MARCH 2019 (to follow)

To note the minutes of the Greater Manchester Local Enterprise Partnership Board held on 18 March 2019.

11. GREATER MANCHESTER CARE LEAVERS TRUST (attached)
Report of Councillor Rishi Shori, Portfolio Lead for Young People

12. OPPORTUNITY PASS, INCLUDING 16-18 FREE BUS TRAVEL (attached)
Report of Andy Burnham, GM Mayor & Rose Marley, Sharp Project attending

13. THE GREATER MANCHESTER MODEL - WHITE PAPER ON UNIFIED PUBLIC SERVICES FOR THE PEOPLE OF GREATER MANCHESTER (attached)

Web link to the Appendix below:

https://www.gmcameetings.co.uk/meetings/meeting/668/greater_manchester_combined_authority

14. GREATER MANCHESTER LOCAL INDUSTRIAL STRATEGY (attached)
Report of Councillor Richard Leese, Portfolio Lead for Economy

15. 5 YEAR ENVIRONMENT PLAN (attached)
Report of Councillor Alex Ganotis, Portfolio Lead for Green City Region

Web link to Annex 1 & 2 below:

https://www.gmcameetings.co.uk/meetings/meeting/668/greater_manchester_combined_authority
16. **GMCA CULTURAL STRATEGY** (attached)
   Report of Councillor Linda Thomas, Portfolio Lead for Culture

17. **DRAFT DRUG & ALCOHOL STRATEGY (2019-2021)** (attached)
   Report of Deputy Mayor Bev Hughes, Portfolio lead for Safe & Strong Communities.
   To be presented by Jon Rouse, Health & Social Care Partnership and councillor Paula Boschell, Asst Portfolio Lead.

   Web link to Appendices below:
   
   [https://www.gmcameetings.co.uk/meetings/meeting/668/greater_manchester_combined_authority](https://www.gmcameetings.co.uk/meetings/meeting/668/greater_manchester_combined_authority)

18. **TURBO CHARGING EQUALITY FOR WOMEN & GIRLS IN GREATER MANCHESTER** (attached)
    Report of Councillor Brenda Warrington, Portfolio Lead for Equalities

19. **MAYOR’S WALKING & CYCLING CHALLENGE FUND** (attached)
    Report of Andy Burnham, GM Mayor

20. **TOWN CENTRE CHALLENGE UPDATE – MAYORAL DEVELOPMENT CORPORATION** (attached)
    Report of Andy Burnham, GM Mayor

21. **DEVOLUTION OF THE ADULT EDUCATION BUDGET** (attached)
    Report for Councillor Sean Fielding, Portfolio Lead for Education, Skills, Work & Apprenticeships

22. **GREATER MANCHESTER HM TREASURY SKILLS PILOT UPDATE** (attached)
    Report for Councillor Sean Fielding, Portfolio Lead for Education, Skills, Work & Apprenticeships

23. **GREATER MANCHESTER CAREERS APPLICATION PLATFORM UPDATE** (attached)
    Report for Councillor Sean Fielding, Portfolio Lead for Education, Skills, Work & Apprenticeships

24. **BREXIT MONITORING** (attached)
    Report of Councillor Richard Leese, Portfolio Lead for Economy

25A. **GMCA TREASURY MANAGEMENT STRATEGY FUND AND GMCA CAPITAL STRATEGY FUND – OVERVIEW** (attached)

25. **GMCA TREASURY MANAGEMENT STRATEGY** (attached)
    Report of Councillor David Moylneux, Portfolio Lead for Resources & Investment

26. **GMCA CAPITAL STRATEGY** (attached)
    Report of Councillor David Moylneux, Portfolio Lead for Resources & Investment
27. **GMCA BUSINESS INVESTMENT STRATEGY** (attached)
   Report of Councillor Richard Leese, Portfolio Lead for Economy

28. **MANCHESTER GROWTH BUSINESS PLAN** (attached)
   Report of Councillor Richard Leese, Portfolio Lead for Economy

29. **GMCA LOCAL GROWTH DEAL (1,2 & 3) – SIX MONTHLY TRANSPORT PROGRESS REPORT** (attached)
   Report of Andy Burnham, GM Mayor and Councillor Richard Leese, Portfolio Lead for Economy

30. **ACQUISITION OF LOAN TO PROTOS FINANCE LIMITED FROM EVERGREEN FUND TO GMCA** (attached)
   Report of Councillor David Moylneux, Portfolio Lead for Resources & Investment

31. **GREATER MANCHESTER INVESTMENT FRAMEWORK APPROVALS** (attached)
   Report of Councillor David Moylneux, Portfolio Lead for Resources & Investment

32. **GREATER MANCHESTER HOUSING INVESTMENT LOANS FUND – INVESTMENT APPROVAL RECOMMENDATIONS** (attached)
   Report of City Mayor Paul Dennett, Portfolio Lead for Housing, Homelessness & Infrastructure

33. **EXCLUSION OF PRESS AND PUBLIC**

   That, under section 100 (A)(4) of the Local Government Act 1972 the press and public should be excluded from the meeting for the following items on business on the grounds that this involves the likely disclosure of exempt information, as set out in paragraph 3, Part 1, Schedule 12A of the Local Government Act 1972 and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

34. **OPPORTUNITY PASS, INCLUDING 16-18 FREE BUS TRAVEL** (attached)
   Report of Andy Burnham, GM Mayor

35. **MANCHESTER GROWTH BUSINESS PLAN FUND** (attached)
   Report of Councillor Richard Leese, Portfolio Lead for Economy

36. **GREATER MANCHESTER INVESTMENT FRAMEWORK APPROVALS** (attached)
   Report of Councillor David Moylneux, Portfolio Lead for Resources & Investment

37. **ACQUISITION OF LOAN TO PROTOS FINANCE LIMITED FROM EVERGREEN FUND TO GMCA** (attached)
   Report of Councillor David Moylneux, Portfolio Lead for Resources & Investment
38. GREATER MANCHESTER HOUSING INVESTMENT LOANS FUND – INVESTMENT APPROVAL RECOMMENDATIONS (attached)
Report of City Mayor Paul Dennett, Portfolio Lead for Housing, Homelessness & Infrastructure

For copies of papers and further information regarding this meeting, please refer to the website www.greatermanchester-ca.gov.uk. Alternatively, contact the following Governance & Scrutiny Officer: Sylvia Welsh 0161 778 7009
sylvia.welsh@greatermanchester-ca.gov.uk

This agenda was issued on 21 March 2019 on behalf of Eamonn Boylan, Secretary to the Greater Manchester Combined Authority, Churchgate House, 56 Oxford Street, Manchester M1 6EU
GMCA Meeting on 29 March 2019

Declaration of Councillors’ Interests in Items Appearing on the Agenda

NAME: _____________________________

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<th>Minute Item No. / Agenda Item No.</th>
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PLEASE NOTE SHOULD YOU HAVE A PERSONAL INTEREST THAT IS PREJUDICIAL IN AN ITEM ON THE AGENDA, YOU SHOULD LEAVE THE ROOM FOR THE DURATION OF THE DISCUSSION & THE VOTING THEREON.
MINUTES OF THE MEETING OF THE GM COMBINED AUTHORITY HELD ON 1 MARCH 2019 AT MANCHESTER TOWN HALL

PRESENT:

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<thead>
<tr>
<th>Location</th>
<th>Member</th>
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<tr>
<td>GM Mayor</td>
<td>Andy Burnham (In the Chair)</td>
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<td>Bolton</td>
<td>Councillor Linda Thomas</td>
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<td>Bury</td>
<td>Councillor Rishi Shori</td>
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<td>Manchester</td>
<td>Councillor Richard Leese</td>
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<td>Oldham</td>
<td>Councillor Sean Fielding</td>
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<td>City Mayor Paul Dennett</td>
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<td>Councillor Alex Ganotis</td>
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<td>Trafford</td>
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<td>Wigan</td>
<td>Councillor David Molyneux</td>
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OTHER MEMBERS IN ATTENDANCE:

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<td>Manchester</td>
<td>Councillor Angeliki Stogia</td>
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<td>Rochdale</td>
<td>Councillor Janet Emsley</td>
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<td>Rochdale</td>
<td>Councillor Sara Rowbotham</td>
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<td>TfGMC</td>
<td>Councillor Mark Aldred</td>
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OFFICERS IN ATTENDANCE:

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<th>Role</th>
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<tr>
<td>GMCA – Chief Executive</td>
<td>Eamonn Boylan</td>
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<td>GMCA - Deputy Chief Executive</td>
<td>Andrew Lightfoot</td>
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<tr>
<td>GMCA – Monitoring Officer</td>
<td>Liz Treacy</td>
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<tr>
<td>GMCA – Treasurer</td>
<td>Richard Paver</td>
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<td>Office of the GM Mayor</td>
<td>Kevin Lee</td>
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<td>Bolton</td>
<td>Tony Oakman</td>
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<td>Bury</td>
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<td>Ian Saxon</td>
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<td>Wigan</td>
<td>Alison McKenzie-Folan</td>
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<td>Chair of the Advisory Committee for the Institute of Global Homelessness</td>
<td>Dame Louise Casey</td>
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TfGM  
Simon Warburton  
GMCA  
Julie Connor  
GMCA  
Simon Nokes  
GMCA  
Claire Norman  
GMCA  
Jamie Fallon  
GMCA  
Nicola Ward

**GMCA 59/19 – APOLOGIES**

**RESOLVED /-**

That apologies were received and noted from Carolyn Wilkins (Helen Lockwood attending) and Steven Pleasant (Ian Saxon attending).

**GMCA 60/19 – CHAIR’S ANNOUNCEMENTS AND URGENT BUSINESS**

There were no Chair’s announcements or urgent business items.

**GMCA 61/19 – DECLARATIONS OF INTEREST**

There were no declarations of interest made in relation to any item on the agenda.

**GMCA 62/19 – MINUTES OF THE GMCA MEETING HELD ON 15 FEBRUARY 2019**

The minutes of the meeting held on 15 February 2019 were submitted for consideration.

**RESOLVED /-**

That the minutes of the meeting of the GMCA held on 15 February 2019 be approved as a correct record.

**GMCA 63/19 – MINUTES OF THE GMCA OVERVIEW AND SCRUTINY COMMITTEES – FEBRUARY 2019**

**RESOLVED/-**

1. That the minutes of the Economy, Business Growth and Skills Overview and Scrutiny Committee held 8 February 2019 be noted.

2. That the minutes of the Corporate Issues & Reform Overview and Scrutiny Committee held 12 February 2019 be noted.

3. That the minutes of the Housing, Planning & Environment Overview and Scrutiny Committee held 14 February 2019 be noted.
The GM Mayor, Andy Burnham gave an update on work being undertaken across GM to tackle the issue of homelessness and thanked each of the Local Authorities for their support on this agenda that had resulted in many people being supported into housing over recent months. He explained how the ‘A Bed Every Night’ programme was moving into its next phase and that the report proposed to extend the current scheme until the end of April 2019.

Officers had undertaken a cost benefit analysis of the programme, which had begun to suggest that the programme costs were less than the equivalent service costs, and that reverting back to a ‘do nothing’ approach would be of further considerable widespread cost to GM.

Dame Louise Casey, Advisory Committee Chair for the Institute of Global Homelessness, had been invited to review GM’s current approach to Homelessness and Rough Sleeping. Her background in the Government’s Rough Sleepers Unit had a significant impact on the national picture from 1997 onwards and the Mayor had welcomed her external review.

Dame Casey reported that unfortunately from 2010 there had been a national increase in the number of rough sleepers every year, which she felt, could be strongly attributed to the changes in the benefit system, the hospital focussed health service, and the lack of Government commitment to tackling these determinants to homelessness.

GM had been recruited as one of the 12 vanguard areas to work with the Institute of Global Homelessness and was joining a host of other Cities across the world that had the potential to make positive global significance including Brussels, Bangalore and Sydney.

Her review had highlighted the strengths of GM’s approach, but also areas where there could be improvements to ensure stronger provision or more emphasis on prevention.

Members welcomed the comments made by Dame Casey and agreed that homelessness was symptomatic of a failing system underpinned by a seeming lack of compassion from Government. An undersupply of affordable housing, poor welfare reform, a lack of mental health services, a reduction in debt advice support services and other factors had resulted in significant austerity across the UK that required Government to move towards a holistic approach to systems thinking.
The GMCA paid recognition to the vital support of the voluntary and faith sectors in delivering ‘A Bed Every Night’ and the Mayor also extended his thanks for all the work they had undertaken to ensure the greatest level of provision was available across GM.

Dame Casey added that the data gathered from ‘A Bed Every Night’ would give GM moral authority to go back to Government and evidence where further funding was needed and where their support was required.

In summary, the Mayor added that GM would continue to be a vanguard for the Institute and thanked Dame Casey for her support and the opportunity for a review of GM’s work in this area.

RESOLVED/-

1. That the costs and proposed existing contributions to be made by GM Local Authorities be noted.

2. That authority be delegated to the GMCA Treasurer to allocate funding to local providers to cover approved and specified costs incurred in the ‘A Bed Every Night’ programme, where these costs have been assessed and approved by each GM Local Authority and confirmed by GMCA.

3. That the allocation of £1m from the Trailblazer funding to be utilised to deliver Hub provision under the ‘A Bed Every Night’ programme be approved and that it be noted and agreed that Mayor would allocate £1.1m from the Mayoral Priority budget.

4. That it be noted and agreed that the Mayor make grants to GM Local Authorities on the basis outlined in section 3.9 of this report, and that authority be delegated to the GMCA Treasurer to allocate funding to cover approved and specified costs.

5. That the proposal to extend the delivery of the ‘A Bed Every Night’ programme initially until 30th April 2019, be approved, pending further discussions to secure a long-term funding platform and that it be noted that the Mayor of GM has allocated up to £250k from the 2019/20 Mayoral Priorities budget and an equal sum from Police & Crime Commission resources.

6. That the proposal to utilise £745k of funding from the Trailblazer programme to Manchester City Council for the development of the Longford Centre as a cross-boundary Hub, fulfilling Theme 2 of the Trailblazer programme be agreed.

7. That the slides, which detail the findings of Dame Louise Casey, be circulated to members of the GMCA.
8. That thanks be recorded to the voluntary and faith sector along with GM Local Authorities for their support and dedication to the ‘A Bed Every Night’ programme.

GMCA 65/19 CLEAN AIR PLAN – OUTLINE BUSINESS CASE

Councillor Alex Ganotis, Portfolio Lead for the Green City Region, introduced a report that outlined the key features of GM’s feasibility study and the Clean Air Plan Outline Business Case, developed collectively by all GM Local Authorities and coordinated by TfGM in line with Government direction and guidance.

He reminded members of the GMCA that the development of a Clean Air Plan was a Government requirement to bring air quality to legal levels as soon as possible and that the deadline for the submission of the Outline Business Case was the end of March.

As background to the report, he commented that in GM over 1200 people die every year as a direct or in-direct result of poor air quality and as a public health issue the GMCA has a has a moral responsibility to address. A report presented in October 2018 highlighted 152 stretches of road in GM that exceeded national legal levels, many of which were located in areas of deprivation, resulting in a further determinant to poorer life chances for those communities.

GM had taken a socially inclusive approach in their production of the Outline Business Case that looked to minimise the impact on the economy, jobs and the finances of residents. It had been determined that the ‘Clean Air Zone’ option was the only option available to GM that would allow the required levels to be achieved, introduced on a phased approach, to buses and taxis by 2021 and to light good vehicles by 2023 (to give the market time to adjust). Private vehicles would not be included within the clean air zone, given 80% were already compliant, the remaining 20% were not required to be included to achieve the legal compliance levels. The socio-economic impact study had further identified that the inclusion of private vehicles would disproportionately impact on the most deprived communities.

The draft Outline Business Case was conditional, and would only be introduced with the financial support of Government to help bring vehicles to compliance and where possible to avoid any penalty charge.

Recent press coverage had included some inaccuracies arising from comments from the bus sector, as they had made no reference to the support offered by Government to support the retro-fitting of buses to ensure compliancy. It was important for the bus industry to recognise their role in minimising the emissions of buses that contribute to poor air quality. Furthermore, it was also crucial for Highways England to engage as part of the solution and recognise the role that motorways must play in reducing the levels of Nitrogen Dioxide.

Once the Outline Business Case was agreed, there would be a series of public engagement activities undertaken in May and then a full public consultation in advance of the co-design of the full business case in Autumn 2019.
Members of the GMCA agreed that the financial support of Government was vital to ensure the successful delivery of the clean air agenda, and echoed the view that Highways England must be part of the solution.

RESOLVED/-

1. That it be noted that the GM Local Authorities were working together to address nitrogen dioxide exceedances at the roadside and that it is predicted that there will be 250 points of exceedance across 152 road links and all ten local authority areas in 2021.

2. That it be noted that Government required GM to undertake a feasibility study and as part of that study, to submit an Outline Business Case (OBC) by the end of March 2019.

3. That it be noted that further stakeholder engagement and public consultation was an essential element of the process to help inform and refine ongoing work to produce a Final Business Case by the end of the calendar year.

4. That it be noted that significant financial support from Government would be required to deliver the measures described in the OBC in a way that contributes to GMCA’s wider economic, social and environmental objectives.

5. That the GMCA commend to all GM Local Authorities both the collaborative approach adopted to meet GM’s NO2 challenge and the key features of the OBC, as set out in this report, noting that the decision-making with regard to the OBC was for each constituent Local Authority to undertake.

6. That GM’s clear expectation of Government be reconfirmed in place in support of this plan as follows:

   a) Clear arrangements and funding to develop workable, local vehicle scrappage / upgrade measures

   b) Short term effective interventions in vehicle and technology manufacturing and distribution, led by national Government with local authorities

   c) Replacement of non-compliant buses

   d) A clear instruction to Highways England with regard to air pollution from the strategic highway network in GM

7. That thanks be recorded to officers at TfGM and the Local Authorities for their support to Cllr Alex Ganotis in the work to date to deliver the Clean Air Plan Outline Business Case.
Councillor Alex Ganotis, Portfolio Lead for Green City Region, presented a draft of the GM’s 5 Year Environment Plan which sets out the actions needed to achieve carbon neutrality by 2038, helping GM to achieve its contribution to bringing global temperatures down as soon as possible.

Buildings, energy, transport and natural capital were all included within the 5 Year Plan, and a series of detailed thematic plans would be developed following its consideration by a number of bodies, including the Green Summit, with final approval by the GMCA on 29 March 2019.

The report set out the scale of the challenge and how officers of GM would track progress to ensure delivering the Plan was in track, which would ultimately also have wider benefits for health, housing and employment. He added that GM Local Authorities have a key role to play in the support of the Plan, specifically leading by example, convening partners for change and developing the right local policies.

The GM Mayor recognised that the Plan had significant ambitions, which were vital to ensuring our desire to be a leading city region in this area, and welcomed the support of all the GM Local Authorities.

RESOLVED/-

1. That the content of the draft Plan be noted.

2. That authority be delegated to the Chief Executive of GMCA, in consultation with Cllr Alex Ganotis, the Portfolio lead for Green City Region, to make any further amendments to the draft Plan in advance of the Green Summit on 25th March

3. That it be agreed that the draft Plan would be published for the Green Summit on 25 March, with a final version submitted to the GMCA on 29 March 2019 for approval.

Councillor Alex Ganotis, Portfolio Lead for the Green City Region, took members through a report advising that the GMCA had been successful in attracting an award of £4m European funding for the ‘Ignition’ Urban Innovation Action (UIA). The scheme provided the opportunity for GM to identify pipelines of natural capital (green/blue infrastructure) climate adaptation projects which could be attractive to private investors, creating the mechanisms and confidence for investments to be made in nature-based solutions.
He reported that work on project planning, legal, finance and contract issues were nearing completion. However, the GMCA were requested to formally approve the acceptance of this funding to enter into contract before the UK leaves the EU at the end of March. This project would be a key component in the delivery of the Natural Capital Plan over the next three years.

RESOLVED/-

1. That the projects background, outputs and opportunities, costs and risk management and mitigation measures be noted.

2. That authority be delegated to the Chief Executive of the GMCA, in consultation with Cllr Alex Ganotis as the Portfolio Lead for Green City Region, to finalise the arrangements for implementing this project, including awarding the project partners (Annex 01) funding as outlined in Annex 2.

3. That authority be delegated to the GMCA Treasurer to enter into the grant agreement with the EU before the end of March 2019.

4. That authority be delegated to the GMCA Monitoring Officer to put in place all necessary legal documentation to implement the project, including the relevant ‘back to back’ contracts with partners as outlined in para 3.2.

GMCA 68/19 TOWN CENTRE CHALLENGE: FUTURE HIGH STREETS FUND PROSPECTUS

The GM Mayor, Andy Burnham took members through a report that provided an overview of the Future High Streets Fund prospectus and outlined the proposed submissions for multi-functioning town centres by the GM Authorities, recognising that these proposals will make a significant contribution to the delivery of additional homes over the next five years.

Members of the GMCA added that these sites were often brownfield sites that with the Mayoral Development Corporation powers would have the potential to be obtained for remediation works to be undertaken to unlock further potential housing development sites.

The Mayor added that GM was in a strong position to bid for these funds which would bring in additional funding to further support the town centre regeneration agenda.

RESOLVED/-

1. That the report be noted.
2. That GMCA agree to support the proposed bids outlined in Section 6 and Appendix 1.

3. That an update on the outcome of the bids be submitted to a future meeting of the GMCA.

GMCA 69/19 GM FULL FIBRE PROGRAMME - IMPLEMENTATION

Councillor Andrew Western, Portfolio Lead for Digital City Region, introduced a report that provided an update on the successful GM bid to Government’s Department for Digital Culture Media and Sport (DCMS) for £23.8m Local Full Fibre Networks funding (LFFN) in March 2018.

He reported that the programme had reached the procurement stage to establish a north and south framework for the implementation of full fibre that would require all Local Authorities in GM to plan for a future capital investment. This would enable an increase of coverage from 2% to 25% within the next three years, giving GM the best coverage in the whole of the UK.

RESOLVED/-

1. That an investment of £1.46M capital from GMCA (Fire & Rescue Service) and £3.384M capital from GMCA (TfGM Urban Traffic Management Control) be approved.

2. That all GM Local Authority partners be requested to make provision for their respective capital investment commitments before the end of March 2019, with formal financial approvals in place before the contracts were awarded in July 2019. Noting that this capital investment was in place of revenue costs for connectivity over a minimum of 20 years.

3. That all GM Local Authority partners be requested to ensure that local project and contract management support was in place for the programme.

4. That it be noted that following the procurement exercise, the £20.465m Department for Digital, Culture, Media & Sport (DCMS) grant for Local Full Fibre Network (LFFN) would be allocated between the GM Local Authorities and the GMCA to maximise full fibre site coverage across each GM Local Authority and GMCA agreement will be sought to the final grant allocations.

5. That the allocation of £835,000, from the DCMS LFFN grant, to Manchester City Council for Public Building Service Upgrade be agreed.

6. That the proposed approach to procurement and contract management be agreed, namely that:
The GMCA will be the Framework Authority and will contract directly with the supplier for the delivery of its network connectivity for UTMC assets and Fire and Rescue Service sites.

The GM Prospectus is put in place by July 2019, which is a joint agreement by local authorities, and the GMCA to adopt common processes and criteria to utilities infrastructure delivery to minimise barriers to investment and reduce roll out costs of utilities works across GM.

Participating Local Authorities and the GMCA are requested to agree, and be party to, the Inter Authority Agreement to formalise their participation in the GM Full Fibre Programme and secure Government (DCMS) LFFN grant funding.

7. That authority be delegated to GMCA Treasurer, in consultation with the Cllr Andrew Western, Portfolio Lead for Digital City Region, to approve the selection of up to 2 providers under single supplier framework contracts, to be used by the GMCA and also each participating Local Authority to enter into a contract in their own right for their locality.

8. That authority be delegated to the GMCA Monitoring Officer to put in place appropriate legal and Inter Authority Agreements.

9. That it be noted that Clinical Commissioning Group assets were no longer part of this project, having secured fibre infrastructure via an alternative route.

**GMCA 70/19 GM GOOD EMPLOYMENT CHARTER**

The GM Mayor, Andy Burnham introduced a report seeking agreement from the GMCA to establish a GM Good Employment Charter, based on the model developed through co-design with employers, employees and others. The Charter was currently being taken through a consultation period with local businesses, and had been further informed by the recent Independent Prosperity Review. The report further set out how the Charter is planned to be developed to an implementation phase.

Councillr Richard Leese added that the initial shape of the Charter had been shaped through effective consultation and highlighted three key elements; the option for a supporter businesses who are not ready to adopt the full charter, a high threshold for membership, and the requirement to have active advocates for the Charter.

**RESOLVED/-**

1. That the model for the GM Good Employment Charter, as set out in the paper, be agreed.

2. That it be agreed that when the detailed work on implementation was complete, a further paper will be submitted to the GMCA, with full revenue
implications and identifying funding sources, which could include a limited amount from retained Business Rates as a short term funding source.

**GMCA 71/19 WORKING WELL (SPECIALIST EMPLOYMENT SUPPORT)**

Councillor Sean Fielding, Portfolio Lead for Education, Skills & Apprenticeships, presented a report seeking approval to commence the procurement process for the Working Well: Specialist Employment Service for people with learning disabilities, autistic people and people with severe mental illness. The report further provided an overview of the proposed service model and delivery expectations, funding arrangements, the procurement process and governance.

Across the UK, there were less than 50% of people with a disability in employment, compared to 80% of people without a disability, which was an inequality to be addressed, and the Specialist Employment Support programme would allow for over 1300 people in GM to be supported to access employment over the next three years. The scheme was funded jointly through EU funds and contributions from GM Local Authorities and if approved, was scheduled to begin in September 2019.

The GM Mayor added that this scheme would take Working Well to the next stage and help GM improve the life experiences of people with disabilities, in particular he highlighted the fact that only 3% of people with learning disabilities in GM were in employment, echoing the current lack of support to access employment opportunities.

**RESOLVED/-**

1. That the £4m funding package, as detailed in section 5 of the report be noted, and that it be agreed that the GMCA to proceed with the procurement of the Working Well: Specialist Employment Service.

2. That authority be delegated to the GMCA Chief Executive and GMCA Treasurer, in consultation with the Chief Executive Portfolio Lead for Education, Skills, Work and Apprenticeships, to take all necessary steps to procure the service.

3. That thanks be recorded to Cllr Sean Fielding for the work undertaken to take the Working Well Programme to this next stage.

**GMCA 72/19 NORTHERN AND TRANSPENNINE EXPRESS RAIL PERFORMANCE**

The GM Mayor Andy Burnham reported that although statistics contained in the report looked to intimate an improvement in rail performance, passenger experience remained poor, with continued reports of overcrowding, cancellations, a reduced weekend service and frequently used short-formed trains.
He re-iterated that the May timetable would be the final opportunity for train operators to evidence an improved service before calls would be made to remove the franchises of any operator who was not meeting the required service standards.

Members of the GMCA supported the Mayor in this approach, and expressed further concern that the May timetable would not provide the resolutions as promised by operators. In relation to the union disputes and minimal Sunday services, members urged that the GMCA take a strong stance that this poor level of service to passengers across GM could not continue.

The GM Mayor agreed to continue to raise these issues at the Transport for the North meetings, and echo the points raised by members especially in relation to the May timetable change being the final opportunity for operators to make the required level of improvements.

**RESOLVED/-**

1. That the report be noted.

2. That the Mayor would take comments regarding the continued unsatisfactory performance of the rail network to the next meeting of Transport for the North.
Minutes of the GMCA Standards Committee Meeting held
12 February 2019 at Churchgate House, Manchester

<table>
<thead>
<tr>
<th>Present</th>
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<tbody>
<tr>
<td>Geoff Linnell</td>
<td>Co-opted Independent Member</td>
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<tr>
<td>Councillor Alex Ganotis</td>
<td>Stockport MBC</td>
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<tr>
<td>Councillor Linda Thomas</td>
<td>Bolton Council</td>
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<tr>
<td>City Mayor Paul Dennet</td>
<td>Salford Council</td>
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<td>Councillor Brenda Warrington</td>
<td>Tameside MBC</td>
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<tr>
<td>Councillor Andrew Western</td>
<td>Trafford Council</td>
</tr>
<tr>
<td>Also in attendance</td>
<td></td>
</tr>
<tr>
<td>Gwynne Williams</td>
<td>GMCA Deputy Monitoring Officer</td>
</tr>
<tr>
<td>Tom Powell</td>
<td>GMCA Head of Internal Audit</td>
</tr>
<tr>
<td>Nicola Ward</td>
<td>GMCA Governance</td>
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<tr>
<td>Helen Smith</td>
<td>GMCA Internal Audit</td>
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GMSC 19/01   Welcome and Apologies

The Chair welcomed members to the GMCA Standards Committee. Apologies were received from Councillor Allan Brett.

GMSC 19/02   Declarations of interest

There were no declarations of interest in relation to any matter on the agenda.

GMSC 19/03   Minutes of the GMCA Standards Committee meeting held 2
             November 2017

Resolved /-

To approve the minutes of the GMCA Standards Committee held on 2 November 2017.

GMSC 19/04   Short Guide to the Code of Conduct for Members

Gwynne Williams, Deputy Monitoring Officer of the GMCA took members through a guide to the Code of Conduct which was requested at the meeting of the Standards
Committee on the 2 November 2017. It had been designed to be a simple document which could be circulated to all members to remind them of their obligations under the Code and gave detailed explanation as to the differences in personal and prejudicial interests which needed to be declared by any member of the GMCA and its committees through their annual Register of Interest and at any meeting where their interest may affect how they speak or vote on an agenda item.

Members questioned whether detailing their home address on their annual Register of Interest and publishing this on the GMCA website was still required as some organisations (such as the Electoral Commission) had withdrawn this information from the public domain due to the potential risk it poses to the individuals.

Resolved /-

1. To note the short guide and ensure it is circulated to members at the beginning of the municipal year.
2. To add the information on the types of interest to declare on the reverse of the declaration of interest form for every meeting.
3. To remind members that they may need to complete different declaration of interests form for their different roles across GM and with other organisations.

GMSC 19/05 GMCA Anti-fraud and Corruption Policies

Tom Powell, Head of Internal Audit for the GMCA took members through a report which presented the current position in respect of the anti-fraud and corruption policies for the GMCA and noted details regarding the development of the anti-fraud framework.

Since the GMCA had also received the fire and rescue and police and crime functions the policies had been reviewed to ensure strong linkages across all working practice and that they were also in line with GDPR.

The final policies will be reported back to the GMCA Audit Committee in April 2019 along with further information on the GMCA whistleblowing confidential helpline.

Members discussed the availability of the helpline and whether this had been promoted across the organisation. It was confirmed that the line was now active and would be further promoted once approved by the trade union.

Members further asked about the process for whistleblowing at a senior level. Officers confirmed that there were a number of routes, including through the Chair of Audit or to the Monitoring Officer depending on who the whistleblowing was regarding.

The Committee questioned whether there was a Social Media Policy for the GMCA and whether intelligence regarding whistle blowing through Facebook and Twitter was monitored. Officers agreed to look at how this is currently reviewed for patterns and whether this intelligence could be smarter fed into the official process. Further to this, members asked whether there was a role for Standards in addressing any comments made by Councillors via their social media accounts that breeched the code of conduct would be addressed. Officers suggested that there could be consideration given to a
section in the Code of Conduct which specifically covers appropriate use of social media.

**Resolved /-**

1. To note the report.
2. That officers investigate how the current intelligence gathered through social media could be used to look at patterns regarding whistleblowing and ensure alternative routes for reporting concerns.
3. That officers look to including a section in the Code of Conduct which specifically references the appropriate use of social media.

**GMSC 19/06  Review of the GMCA Complaints Procedure and Adoption of Police on the Management of Unreasonable Complainants Behaviour**

Gwynne Williams, Deputy Monitoring Officer for the GMCA introduced a report which provided an opportunity to review the GMCA Complaints Policy and Management of Unreasonable Complainant Behaviour Policy to ensure the inclusion of the Waste & Resources and Fire & Rescue Functions.

Members of the committee felt that such policies were crucial to managing complaints and were keen to ensure that the procedure was adopted across the organisation.

**Resolved /-**

To note the report and revised Complaints Procedure and Management of Unreasonable Complainant Behaviour Policy.

**GMSC 19/07  Standards Committee Work Programme**

Member of the Committee discussed the proposed work programme and considered the proposed items for future agendas. It was suggested that the Standards Committee should meet once formally per year and have another meeting pencilled in should it be required.

**Resolved /-**

1. To note the work programme.
2. That the Standards Committee meet ever February/March with an additional meeting (if required) in September/October.

**GMSC 19/08  Dates of future meetings**

**Resolved /-**

The next meeting of the GMCA Standards Committee is to be confirmed.
MINUTES OF THE MEETING OF THE GREATER MANCHESTER WASTE AND RECYCLING COMMITTEE, HELD ON 14 MARCH 2019 AT CHURCHGATE HOUSE 56 OXFORD STREET, MANCHESTER

PRESENT:

Councillor Mohammed Iqbal Bolton
Councillor Stuart Haslam Bolton
Councillor Tony Cummings Bury
Councillor Alan Quinn Bury
Councillor Rabnawaz Akbar Manchester (Chair)
Councillor Stephen Hewitt Oldham
Councillor David Lancaster Salford
Councillor Roy Driver Stockport
Councillor Helen Foster-Grime Stockport
Councillor Judith Lloyd Trafford

Also Present

Graham Mayes, Chief Operating Officer Suez) Item 13 only
James Dowell, Bid Director Suez) Item 13 only

Officers In attendance:

GMCA – Executive Director, Waste & Resources David Taylor
GMCA – Deputy Monitoring Officer Gwynne Williams
GMCA – Waste & Resources Justin Lomax
GMCA – Waste & Resources Michelle Whitfield
GMCA – Waste & Resources Sarah Mellor
GMCA – Waste & Resources Michael Kelly
GMCA – Waste & Resources Pat Rogers
GMCA – Governance & Scrutiny Paul Harris

WRC 18/64 APOLOGIES

Councillors Ali (Manchester), Anstee (Trafford), Emmott (Rochdale), Gwynne (Tameside) and Garrido (Salford).
URGENT BUSINESS (IF ANY)

a) Appointment of Chair for the meeting

As Councillor Gwynne, Chair of the Committee was absent, the Deputy Monitoring Officer sought nominations from the committee for a Member to Chair this meeting. A nomination was received and seconded for Councillor Rabnawaz Akbar.

RESOLVED/-

1) That, in the absence of Councillor Allison Gwynne, Councillor Rabnawaz Akbar, be appointed as Chair of the Waste and Recycling Committee for this meeting.

2) That the Committee convey their best wishes to Councillor Allison Gwynne and her family.

NOTE: COUNCILLOR RABNAWAZ AKBAR IN THE CHAIR.

DECLARATIONS OF INTEREST

RESOLVED/-

1) To note that there were no declarations of interest made by any Member in respect of any item on the agenda.

2) To note that comments of the Deputy Monitoring Officer, reminding attendees of the confidentiality of the items in the Part B section of the agenda.

MINUTES

The Minutes of the previous meeting of the Waste and Recycling Committee, held on 24 January 2019, were submitted.

RESOLVED/-

That the Minutes of the meeting of the Waste and Recycling Committee, held on 24 January 2019, be approved as a correct record.
**WRC 18/68** **COMMITTEE WORK PROGRAMME**

Members considered the Waste & Recycling Committee Work Programme, which provided a forward look of items to focus the work of the Committee.

It was noted that a revised work programme was to be developed for 2019.

**RESOLVED/-**

That the contents of the Waste and Recycling Committee work programme be noted.

**WRC 18/69** **REGISTER OF GMCA KEY DECISIONS**

David Taylor, Executive Director, Waste & Recycling, introduced a report, which provided an update on those key decisions listed on the GMCA Register of Key Decisions, which relate to waste and recycling functions.

Members noted that with regard to the Additional Capital Expenditure on Fire Suppression and Detection, this work has been included on the Register since May 2018 whilst insurance provisions have been clarified. These works are a requirement of the GMCA Waste Management Services contract and for this reason, this key decision would be removed from the Register on contract signature.

**RESOLVED/-**

That the contents of the Register of Key Decisions, as set out in the report, be noted.

**WRC 18/70** **INTERIM SERVICES CONTRACT UPDATE**

Justin Lomax, Head of Contract Services, GMCA, introduced a report which updated the committee on the performance of the interim waste management contract, provided an overview of health and safety matters and outlined details of complaints.

The report set out the following key performance indicators for the interim services contract for the year to date and comparative date for the similar periods in 2017/18.

<table>
<thead>
<tr>
<th></th>
<th>2018 / 2019</th>
<th>2017 / 2018</th>
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<tbody>
<tr>
<td>Total arisings</td>
<td>925,538.37</td>
<td>961,207.30</td>
</tr>
<tr>
<td>Recycling</td>
<td>425,273.52</td>
<td>428,265.01</td>
</tr>
<tr>
<td>Recycling Rate</td>
<td>45.95%</td>
<td>44.55%</td>
</tr>
</tbody>
</table>
Members noted that the 2018/19 year to date position showed that overall diversion rates from landfill continued to increase to over 90%. It was also noted that this increase had been achieved as a result of increased recycling rates, the continued production of Refuse Derived Fuel (RDF), less waste sent to landfill and reduced overall arisings.

In terms of Health and Safety reporting, Members noted that the contractor had implemented a regime of near miss reporting as a method of identifying hazards and remedies, to reduce the risk and number of incidents and accidents. Members also noted that there had been an incident, which was required to be reported under RIDDOR (Reporting of Injuries, Diseases, and Dangerous Occurrence Regulations).

**RESOLVED/-**

That the performance of the interim services contract, as set out in the report, be noted.

**WRC 18/71 UPDATE ON PROCUREMENT OF GMCA WASTE MANAGEMENT SERVICES**

David Taylor, Executive Director of Waste and Resources introduced a report which provided Members with an update on the procurement of waste and resource management services for Greater Manchester. The report highlighted the procurement process for the
biowaste offtake capacity and the transition to mobilisation for the future contract arrangements.

RESOLVED/-

That the update on the procurement of GMCA Waste Management Services and the timetable for biowaste procurement, as set out in the report, be noted.

WRC 18/72 WASTE AND RESOURCES COMMUNICATIONS AND BEHAVIOURAL CHANGE ACTION PLAN PROGRESS UPDATE

Michelle Whitfield, Head of Communications and Behavioural Change, presented an update on the progress against the Recycle for Greater Manchester Communications & Behavioural Change Delivery Plan 2017-19. A summary of the Resource Greater Manchester programme was also provided as well as updates to the other projects, namely Erasmus Plus and the Charity free tip permit online system. The introduction of the Recycle for Greater Manchester Bin App was also explained.

Members noted that the primary focus of the 2017-19 delivery plan is on reducing contamination in household recycling bins by using available data such as rejected loads, sampling, Wrap’s tracker report and visual bin checks to target resources across Greater Manchester. It was noted that for the past year, 5 main contamination campaigns have been running across all households in Bolton, Manchester, Salford, Oldham and Tameside.

In welcoming the progress made on the delivery of the Plan, a Member highlighted that there was some ambiguity on what can and can not be recycled, particularly in respect of plastics. It was noted that the use of social media can be used to clarify this matter to a wider audience. In response, officers noted that social media was used widely to promote recycling campaigns across Greater Manchester and that details of this targeted approach will be included in a future report to this Committee.

A Member suggested that Salford Life was a useful medium for sharing information in that district.

A Member enquired if guidance can be provided on recycling that can be accessed by private landlords and housing providers.

RESOLVED/-

1) That the progress against the Recycle for Greater Manchester Communications & Behavioural Change delivery plan be noted.

2) That it be noted that the next progress update report will provide an overview of the Authority’s work on targeted social media advertising and housing officer guidance.
WRC 18/73      ASSET MANAGEMENT REPORT – POS LANDCARE, LANDFILL AND ENGINEERING

Michael Kelly, Head of Engineering and Asset Management, GMCA provided a report which set out the background and operational updates for GMCA’s closed landfill sites at Bredbury, Waithlands, Barlow Hall and Cringle Road and highlighted other property assets. The update also outlined site information and current updates for projects and work areas for 2018-19.

It was noted that an update on the 18 POS Landcare Ltd landfill sites was to be presented in the closed section of the agenda.

RESOLVED/-

That the update on the Waste and Resources Team closed landfill sites and other property assets, be noted.

WRC 18/74      NATIONAL WASTE AND RESOURCES STRATEGY CONSULTATIONS UPDATE

Sarah Mellor, Head of Sustainable Consumption and Production, GMCA, introduced a report which provided an overview of the following recently published four Defra consultations on the National Resource and Waste Strategy:-

- Consistency in household and business recycling collections;
- Reforming the UK packaging producer responsibility system;
- Introducing a Deposit Return Scheme;
- Plastic Packaging Tax.

The report highlighted the deadlines for the responses to the consultation were the 12th and 13th May 2019 and as there was not a further meeting of the Committee before those dates, a delegation was sought to the Head of the Paid Service and Executive Director, Waste and Resources, in consultation with the Chair of the Waste & Recycling Committee.

It was also noted that this consultation focuses on proposals on how having consistent collections and recycling services will improve both the quantity and quality of municipal waste recycled in England to achieve 65% recycling by 2035 by:

- Collecting the same core set of dry recyclable materials from households; and
- Having separate weekly food waste collections.

Members noted that the consultation also seeks views on:

- Free garden waste collection services;
- Greater separation of dry recyclables, particularly paper and glass to improve quality;
- Whether statutory guidance on minimum service provisions should be introduced;
- Developing non-binding performance indicators;
- Joint working between local authorities;
- Alternatives to weight based targets; and
• Standardised bin colours for waste and recycling.

A Member suggested that the tax for plastic packaging was welcome, particularly as this may encourage suppliers to introduce recyclable alternatives. He also raised concerns that the proposals for the introduction of 6 different waste collections will increase costs to the relevant local authority and noted that households may not have capacity to store the increase number of bins.

A Member highlighted that a consistent approach to bin colours across Greater Manchester would be helpful.

RESOLVED/-

1) That the Committee update on the National Resource and Waste Strategy, be noted.

2) That delegated authority for the compilation and submission of the Combined Authority’s response to the four consultations on the National Resource and Waste Strategy, be granted to the Head of the Paid Service and the Executive Director, Waste and Resources, GMCA, in consultation with the Chair of the Waste and Recycling Committee.

WRC 18/75 EXCLUSION OF PRESS AND PUBLIC

RESOLVED/-

That, under section 100 (A)(4) of the Local Government Act 1972 the press and public should be excluded from the meeting for the following items of business on the grounds that this involves the likely disclosure of exempt information, as set out in paragraphs 3 and 5, Part 1, Schedule 12A of the Local Government Act 1972 and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

PART B

WRC 18/76 PRESENTATION BY SUEZ

Graham Mayes, Chief Operating Officer and James Dowell, Bid Director, Suez provided a presentation which set out elements of the Waste Services contract Lots 1 & 2 to which they had Preferred Tenderer status. The presentation introduced the Suez Group, identified existing partners and explained how they were to deliver four key themes of Saving Resources, Protecting the Environment, Connecting with the Community and Supporting Businesses. Social Value commitments were also highlighted. The presentation also explained investments in assets and developing new recycling streams.

RESOLVED/-

That the Suez presentation be received with thanks and noted.
INTERIM SERVICES CONTRACT UPDATE

Justin Lomax, Head of Contract Services, Waste and Resources introduced a report which provided an update on performance of the interim waste management contract.

RESOLVED/-

That the performance details and key risks be noted, as set out in the report.

UPDATE ON PROCUREMENT OF WASTE SERVICES

David Taylor, Executive Director of Waste and Resources introduced a report, which provided Members with an update on the procurement of waste and resource management services for Greater Manchester.

RESOLVED/-

1) That the progress on the procurement of Waste Management Services and the biowaste procurement, as set out in the report, be noted.

2) That the workstreams and plans for expiry of the run off contract and mobilisation of the new contracts, as set out in the report, be noted.

3) That the commissioning of the development of a fully costed proposal for the redevelopment of the Reliance Street Home Waste Recycling Centre, as set out in the report, be supported.

POS LANDCARE SITES UPDATE

Michael Kelly, Head of Engineering and Asset Management, GMCA provided a report which update on possible development opportunities associated with 18 former GMWDA closed landfill sites sold to POS Landcare in 2012.

Members noted that any development proposals would be the subject of the relevant district’s own planning control considerations.

RESOLVED/-

That the update on possible development opportunities associated with 18 former GMWDA closed landfill sites sold to POS Landcare in 2012, as set out in the report and supporting appendices, be noted.
MINUTES OF THE GREATER MANCHESTER COMBINED AUTHORITY AUDIT COMMITTEE HELD ON THURSDAY 21 MARCH 2019 AT THE GMCA, CHURCHGATE HOUSE, OXFORD STREET, MANCHESTER M1 6EU

PRESENT:

Gwyn Griffiths (Chair) Independent Member
Catherine Scivier (Dialled in) Independent Member
Councillor Mary Whitby Bury Council (Substitute member)
Councillor Sarah Russell Manchester Council
Councillor Chris Boyes Trafford Council

ALSO PRESENT:

Councillor Sharon Briggs GMCA Deputy Portfolio Holder/Bury Council
Jess Hambley Mazars External Auditor (2018/19)
Daniel Watson Mazars External Auditor (2018/19)
John Farrar Grant Thornton External Auditor (2017/18 GMWDA)
Helen Stevenson Grant Thornton External Auditor (2017/18 GMWDA)

OFFICERS:

Lindsay Dunn GMCA Governance & Scrutiny
Lindsey Keech GMCA Finance
Richard Paver GMCA Treasurer

AC 19/16 APOLOGIES

Apologies for absence were received from Councillor Colin McLaren (Oldham Council) and Councillor Joanne Marshall (Wigan Council).

AC 19/17 URGENT BUSINESS

There were no items of urgent business reported.
AC 19/18 DECLARATIONS OF INTEREST

There were no declarations of interest made at the meeting.

AC 19/19 MINUTES OF THE GMCA AUDIT COMMITTEE MEETING HELD ON WEDNESDAY 16 JANUARY 2019

The minutes of the meeting of the GMCA Audit Committee held on Wednesday 16 January 2019 were submitted for approval. It was suggested and agreed that these should be considered at the forthcoming GMCA Audit Committee meeting on 16 April 2019.

RESOLVED/-

That the minutes of the meeting of the GMCA Audit Committee held on 16 January 2019 be submitted for approval to the GMCA Audit Committee on 16 April 2019.

AC 19/20 GREATER MANCHESTER WASTE DISPOSAL AUTHORITY (GMWDA) 2017/18 ACCOUNTS

Members considered the report of the GMCA Treasurer that set out the latest position regarding the finalisation of the GMWDA’s 2017/18 accounts and the external audit by Grant Thornton. It was explained that the audit of the accounts was not concluded in the required timescales and work had been progressing to clarify the remaining and new queries raised by Grant Thornton. Despite the challenges and queries raised, the main changes (details in paragraph 2.1 of the report) had not affected any usable reserves.

John Farrar, Associate Director at Grant Thornton Auditors presented a schedule of changes proposed to the Statement of Accounts following completion of the external audit. The main audit findings for the period ending 31 March 2018 were summarised for members. The Committee were advised that due to additional work to audit the Authority’s revised financial statements, an anticipated additional fee of approximately £34.5k will be incurred.

On behalf of the Committee, the Chair thanked Grant Thornton for the thorough and comprehensive report. It was highlighted that the Authority experienced difficulties in producing accurate and complete statements in a timely manner. However, it was confirmed that the Waste Disposal Authority had had proper arrangements to deliver value for money in its use of resources except for matters in relation to timely and accurate statutory year-end financial reporting.

It was advised that additional disclosures has been requested by the external audit team throughout the Statement of Accounts to allow them to complete their audit.

RESOLVED/-

1. That the Committee noted the report.
2. That the Audit Findings Report presented by Grant Thornton be received and noted including the schedule of changes circulated at the meeting.
3. That the financial statements for 2017/18 be approved subject to any further minor amendments.
4. To note the Annual Governance Statement (AGS) previously agreed by the GMWDA to be signed by the GMCA Chief Executive and the Mayor of Greater Manchester.
5. To confirm that the Letter of Representation could be signed, on behalf of the GMCA, in order that Grant Thornton could issue their opinion on the Statement of Accounts 2017/18 and to finalise the audit on completion of the audit of the Authority’s Whole of Government Accounts (WGA) work.
6. To delegate to the GMCA Treasurer and Chair of the GMCA Audit Committee to agree further minor amendments to the proposed Statement of Accounts prior to them formally signing.

AC 19/21 GMCA TREASURY MANAGEMENT STRATEGY 2019/20

The GMCA Treasurer presented a report that set out the proposed GMCA Treasury Management Strategy Statement (TMSS), borrowing limits and prudential indicators for 2019/20.

The TMSS reflected the planned 2019/20 capital programmes for GMCA transport, economic development, fire, police and waste.

The TMSS also contained amendments from the draft approved by the GMCA Audit Committee on Wednesday 16 January 2019, in particular:

2. Updated borrowing requirements.
3. An update on how the Housing Investment Loan Fund might operate after 1 April 2019.

The Treasurer provided further clarification with regard to the proposed loan to Protos Finance Limited and on the Evergreen Fund. It was advised that the GMCA does not make commercial investments solely to make a financial return. Capital investments however are for strategic or regeneration purposes.

A member requested further information with regards to any projected increase in investment as a result of the Programme for Change. It was confirmed that the outline business case has been developed which included further capital investment and this would be reflected in any revised strategy once approved. It was advised that formal consultation commenced on 12 March 2019 and public consultation will be launched shortly.

RESOLVED/-

That the Audit Committee recommend that the GMCA approve the proposed TMSS and Annual Investment Strategy (AIS) to apply from 1 April 2019, in particular:
• The treasury indicators listed (Appendix A of the report)
• The revised MRP Strategy outlined (Appendix B of the report)
• The Treasury Management Policy Statement (Appendix C of the report)
• The Treasury Management Scheme of Delegation (Appendix D of the report)
• The Borrowing Requirements (Section 5 of the report)
• The Borrowing Strategy (Section 8 of the report)
• The AIS (Sections 9 and 11 of the report)

AC 19/22 *DATES OF FUTURE MEETINGS*

Members noted the dates and times of future meetings:

• Tuesday 16 April 2019 at 2.00 pm
• Tuesday 18 June 2019 at 2.00 pm
• Tuesday 30 July 2019 at 2.00 pm
Present: Councillor Michael Holly (Rochdale) (in the Chair)

Bolton: Councillor Susan Haworth
Bury: Councillor Robert Caserta
Bury: Councillor Mary Whitby
Manchester: Councillor Luke Raikes
Oldham: Councillor Chris Goodwin
Oldham: Councillor Valerie Leach
Salford: Councillor Karen Garrido
Salford: Councillor Kate Lewis
Stockport: Councillor Mark Hunter
Stockport: Councillor Jude Wells
Trafford: Councillor Barry Brotherton
Wigan: Councillor Charles Rigby
Wigan: Councillor Fred Walker

In attendance

Mayor for Greater Manchester Andy Burnham

GMCA Simon Nokes, Executive Director Policy & Strategy
John Holden, Assistant Director Research & Strategy
Alison Gordon, Assistant Director of Business, Innovation and Enterprise Policy
Marie-Clare Daly, Principal Culture and Creative Policy
Gemma Marsh, Assistant Director - Skills (Policy, Strategy, Delivery)
Emma Stonier, Governance and Scrutiny Officer

E25/19 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Daniel Meredith (Rochdale) and Yvonne Cartey (Tameside).

E26/19 CHAIR’S ANNOUNCEMENTS AND URGENT BUSINESS

The Committee agreed that Item 8 – Mayoral Update was taken before Item 7 – Turbo-Charging Gender Equality.

The Committee were provided an update on the following items of urgent business:

a. Local Industrial Strategy
John Holden, Assistant Director Research & Strategy, GMCA gave a presentation on the development of the Local Industrial Strategy (LIS). Members were informed the LIS had been delayed due to Government and GM being in negotiations around the wording of the joint statement and final strategy. It was hoped that agreement could be reached by the end of March 2019 despite the challenging situation nationally.

Members had the following questions and comments:

- When it was expected that the Scrutiny Committee would receive the final version of the LIS. Currently the plan was to submit this to the April meeting of the Committee. Following agreement of the LIS with Government Members were informed that discussions would move to implementation of the strategy. Members stressed the importance of the LIS being submitted to this Committee and highlighted slow progress towards the final Strategy being signed off. The fact that the Strategy was being co-produced with Government and the current national picture meant there had been delays in finalising it. Discussions with Government were scheduled for next week and it was hoped that these would enable progression to the next stage.

- Had co-production with Government resulted in a trade-off between having a leading role supporting UK growth versus a leading role supporting GM growth. In developing the Strategy GM had aimed for balance around this to ensure that GM benefits from national opportunities as much as possible. GM were also taking an approach that promoted assets identified in the Independent Prosperity Review, that can also be drivers of UK economic growth.

- Was there a mismatch in skills between those GM residents were gaining and those that businesses required? There was recognition that the skills system was not necessarily responding to the needs of individuals’ and businesses and that the way the skills system as a whole works needed to change. Members highlighted that ensuring GM residents had the right skills to capitalise on opportunities was an ongoing challenge in GM.

- What was the likelihood of GM receiving further devolution of the skills system? Members were updated that GM was working with the Department of Education to drive a more joined up / integrated approach to the skills system.

- The importance of tackling low productivity and raising young people’s ambitions were highlighted.

- How were GM intending to affect the demand side of the economy, encouraging businesses to adopt innovation, become more productive and train staff. It was intended to support this through the Growth Hub and their work to support stimulus and business projections. The Good Employment Charter was also a new way GM could work with firms to assist in raising productivity and upskilling staff.

- Were any interventions planned for the Social Care sector? There were two key elements of work around social care; the adoption of new technology for assisted living and workforce issues, particularly in relation to low pay. Once GM begins to work on implementation of the Strategy they will work with local authorities and the Greater Manchester Health and Social Care Partnership in relation to this.

- Was the Local Industrial Strategy designed to be a bid for funding from Government? Linked to this was the need for an attainable Strategy which was right for the whole of GM. Members were updated that the Greater Manchester
Strategy (GMS) clearly set out where GM aims to be by 2020, and that the LIS formed part of this. In development GM had focused on identifying strengths and assets of the GM economy. Underpinning the Strategy will be an implementation plan with objectives outlined that will drive delivery. GM has also been clear that it wants to work in partnership with Government to identify solutions and develop a long term plan to implement change.

- Members recognised the amount of work undertaken by Officers to develop a Local Industrial Strategy which was right for GM, focused on what could be done differently and driving inclusive growth.
- How did GM progress towards finalising a Local Industrial Strategy with Government, compare to the other trailblazer areas? It was reported that West Midlands had almost agreed their approach and Oxford/Cambridge’s was delayed. Members asked why GM was behind the West Midlands. GM had taken a different approach and commissioned a renewed evidence base. Additionally, GM wanted the inclusion of certain things within the LIS that were thought to be essential to producing the right strategy for the region.
- That the overall infrastructure in GM needed modernising to ensure that the GM’s ambitions were realised.

RESOLVED:

That the Local Industrial Strategy be considered at the April meeting.

b. Brexit

Simon Nokes, Executive Director Policy and Strategy, GMCA, provided an update on Brexit. The picture remained uncertain and GM were planning for various different scenarios, including for any potential economic downturns or turbulence.

RESOLVED:

That the update be noted.

E27/19 DECLARATIONS OF INTEREST

There were no declarations of interest received.

E28/19 MINUTES OF THE MEETING HELD ON 8 FEBRUARY 2019

The minutes of the meeting held on 8 February 2019 were submitted for approval. An amendment was requested to the second resolution under Item 18/19 – Employment Charter, to reflect that Members had asked for further information about implications/costs associated with the Charter.

RESOLVED:

That the minutes of the last meeting held on 8 February 2019 be approved as a correct record subject to the requested amendment.
WORK PROGRAMME

Simon Nokes, Executive Director Policy and Strategy, GMCA, introduced the work programme. The Committee were informed that the GMS Annual Update had been delayed due to the work being undertaken by officers on the Local Industrial Strategy (LIS). This would be an item at the May or June meeting of the Scrutiny Committee.

The Chair raised funding allocations criteria and requested that in future, where appropriate, these were included in reports to this Committee.

A future work programme item on demand in relation to the LIS (productivity/innovation/relationship with skills) was suggested to the Committee for consideration. Members supported this addition.

RESOLVED:

1. That the Work Programme be noted.
2. That the GMS Annual update be considered at the May or June Committee meeting.
3. That an item on the Local Industrial Strategy and demand was scheduled into the Work Programme for 2019/20.

GM CULTURE STRATEGY

Alison Gordon, Assistant Director of Business, Innovation and Enterprise Policy and Marie-Clare Daly, Principal Culture and Creative Policy, GMCA presented the GM Culture Strategy. The Committee were reminded that this was the second time they had received the draft Strategy and that their previous feedback had helped inform the final Strategy. The inclusion of sport had also been discussed by the Committee and a decision had been taken not to include sport in the final strategy.

Members expressed disappointment that the Portfolio Leader had not been in attendance for this item and stressed the importance of them attending Scrutiny Committees when they had an item on the agenda related to their portfolio area.

Members comments and questions included the following:

- That 2.7 should specifically highlight a link with a potential, future GM sports strategy.
- A number of Members expressed concerns around sport not being included in the final Strategy as they felt that an opportunity to capitalise on the cultural impact of sport in GM had been missed. Others supported the exclusion of sport and the space this gave to other areas of the arts and culture to flourish.
- What was being done to maximise the opportunities that sport brings to GM? For example, was sport included as part of the Internationalisation Strategy. Officers stated that the significance of sport to GM was fully recognised and that as it encompassed such a wide range of areas it needed to be considered in its own right. At present a full and comprehensive picture of sport across GM was not available and before any work could
be undertaken this would need to be carried out to ensure that the work was approached in the right way and made an impact.

- Was a breakdown of the 200 responses highlighted in 2.6 available? Officers informed the Committee that the online portal included a breakdown of responses and that a link to this would be circulated to the Committee. Members were also informed that the majority of the 200 responses were from GM residents.

- Outcomes were included but it was not clear how these were going to have an impact across GM. It was also asked how culture for older people/people with dementia fitted into the overall Strategy. Delivery of the Strategy will be funded through the GM Culture and Social Impact Fund, where from 2020 onwards investment will be directly aligned to the Strategy. Once the Strategy has been agreed further consultation around what the investment strategy will look like will take place. An implementation plan was also being developed which would provide further detail about delivery and activity which would be taking place with different groups, including older people and those with dementia.

- Would the implementation plan include smart objectives? It was confirmed that through the implementation plan and the linking of investment to the Strategy how objectives/outcomes would be delivered would become clearer.

- One of the outcomes outlined was increasing the uptake of cultural subjects at GCSE and it was asked how this would be achieved in light of the Department of Education having a strong focus on increasing the uptake of STEM subjects. The difficulty in balancing an uptake in cultural and STEM subjects simultaneously was also highlighted. GM were working closely with organisations who were engaging with schools around recognising the benefits and values of a cultural education. Challenges related to balancing this with increasing the uptake of STEM subjects were recognised. However, it was noted that this was not an either/or approach and the importance of both subject areas for an all-round education was emphasised.

**RESOLVED:**

1. That the process undertaken in development of the Strategy be noted.

2. That the link to the online portal would be circulated to the Committee.

3. That a GM sport’s strategy be considered as a future area of work.

**E31/19 MAYORAL UPDATE**

Andy Burnham, Mayor of Greater Manchester, provided Members with an update around current areas of work for GM.

Key areas highlighted included:

- GM’s attendance at MIPIM. This was felt to be of particular importance in signifying to investors that GM has a clear vision and direction and is open for business.
- The development of the Local Industrial Strategy and the links this has to the Greater Manchester Spatial Framework (GMSF), which outlines the detail behind GM’s future industrial ambitions and where these lie.
- The upcoming Green Summit and the proposal to commit to Carbon Neutrality by 2038. GM had developed a 5-year delivery and implementation to sit underneath this. This will
also be a key driver in starting to provide some real economic impetus to the Local Industrial Strategy.

- Health and how GM was using devolution to drive change through place based working and integrated care. Links were also starting to be made between health and other priority policy areas, such as housing, skills and growth.
- Focus on skills and young people and supporting them to achieve their ambitions in GM and access the opportunities available to them. The Opportunity Pass was currently being developed to assist young people in accessing opportunities across GM. The skills system and achieving greater control over this was highlighted as being critical to the future success of GM.
- The importance of a talent pipeline and a skills pipeline to achieve ambitions and attract investment into GM.
- The series of policies developed that link together to create a clear, future vision for GM. This was also linked to the ambition for further devolution in key areas to enable the delivery of this vision.

The Chair noted the Committee’s support for the focus on the skills system and further devolution in this area to support the productivity of GM in the future. The Mayor noted that cross party support was crucial if GM were to achieve this ambition.

Members further comments and questions included the following:

- Funding of public services was raised and the shift from HMT to Council Tax funding. It was asked whether there was any feel for how this may impact the GM economy or whether there was any action which could be taken at a GM level around this. GM residents have indicated that they want more police and better buses which was why the Mayor had developed proposals to deliver these through the Mayoral Precept. A cross-party message also needed to be delivered to Government around the sustainability of public service funding. Additionally, the Mayor highlighted some of the action being taken at a national and GM level. This included councils lobbying of Government around funding, GM starting to give consideration to the upcoming Comprehensive Spending Review, the potential of the Convention of the North being used to lobby Government about public service funding and Police and Crime Commissioners working jointly around police funding.

- Members asked what the overall investor mood at MIPIM had been in relation to GM. Comments had indicated that GM was still seen as an attractive place to invest, however there was concern around the national political picture and how this was impacting on investment decisions. It was highlighted as important that GM had representation there to make clear to investors that it was open for business.

- Members’ raised the Local Industrial Strategy (LIS) and had the following specific questions and comments about the LIS:

  - The importance of the LIS for the future of GM was supported but some Members had concerns about progress towards a final Strategy being signed off with Government. The Mayor stated that GM wanted to ensure that the final Strategy was the right one for GM’s future ambitions and therefore sign off had been slightly delayed.
  - Members wanted assurance that once the LIS had been approved with Government it would be ready to be shared.
That increasing resident’s skills and qualifications had not been reflected in productivity figures. It was recognised that there was a disconnect between the needs of the economy and the skills system which was why improving the skills system was central to GM’s future ambitions.

- That there were other reasons for low productivity within the GM economy, for example investment needs and lack of access to capital and it was asked what was being done to understand business need. The Independent Prosperity Review recognised that low productivity remained a challenge for GM. The Mayor highlighted the Good Employment Charter and commissioning through social value as two areas which could have an impact on productivity and low pay. The needs of Small, Medium, Enterprises (SMEs) in relation to banking and access to finance was an area which needed more consideration. A recent Resolution Foundation report was also highlighted which had identified 5/6 employers who were responsible for a large proportion of low pay in GM.

- A Member noted that, historically, productivity in the North had always lagged behind the South. It was reported that there were plans to meet with Further Education colleges and schools to engage with them around the LIS to further identify what is needed to achieve the outcomes and ambitions outlined in this. Further education was also beginning to work more collectively at a GM level and a GM Careers Application Platform was in development which would identify opportunities for young people across GM. It was expected that this, alongside the identification of opportunities within economic sectors, would begin to raise productivity in GM. The importance of improving transport infrastructure was also stressed as being central to increasing productivity.

- Concerns were raised around perceptions that the centre and southern parts of GM were receiving a disproportionate share of resources and it was asked what could be done to make sure allocation criteria and decision making was as clear and transparent as possible. Geographical considerations were a key area taken into account when allocations were being decided. The way this can be demonstrated in future to ensure openness and transparency will be considered. The GMSF has also been designed to address this divide, through the industrial sites promoted within it (for example the Northern Gateway). The Mayor also emphasised that rebalancing the GM economy was one of his priorities.

Members raised portfolio leaders’ attendance with the Mayor and noted the importance of them attending Scrutiny Committee meetings.

RESOLVED:

1. That ways the allocation criteria and decision making were more clearly demonstrated would be considered for future reports/updates to Scrutiny.

2. That a Mayoral update would be scheduled into the Work Programme for 2019/20.

E32/19 TURBO CHARGING GENDER EQUALITY

John Holden, GMCA, introduced the Turbo Charging Gender Equality Report. This provided Members with an update and overview of the work underway to accelerate greater gender equality in Greater Manchester. A Greater Manchester Women’s Voice Group had been convened to drive this work forward. The meeting had agreed that this group would act as a
steering group for the development of an action plan and proposed action areas for consideration were highlighted in the report.

Members comments and questions included the following:

- It was highlighted that economic statistics often obscure gender differences within the economy and asked whether any consideration was being given to this. Officers were aware of various panels/advisory groups set up to investigate differences in inequalities. Discussions were also taking place at a GM level around how a broader, holistic view could be taken when looking at inequalities.
- Whether there was an understanding of factors for female employment rates in GM being less than the national average and nearly twice as many low paid part-time jobs being held by women than low-paid full time jobs. Members were informed that the Fawcett Society had produced a report which looked at this in more detail. This will be shared with the Committee.
- The importance of local authorities increasing representation on councils was highlighted as an area Members could influence locally.
- Where would the Women’s Voice Group and action plan sit in terms of Combined Authority Governance structures? The GM Women’s Voice Group did not sit as a formally constituted Combined Authority Committee. However, it is Chaired by the Portfolio Leader for Age-Friendly Greater Manchester and Equalities, and will feed into decision making in these areas.
- The report highlighted violence against women/girls as an issue which impacted on gender equality but there was no reference to discrimination which also has a significant impact on achieving gender inequality. It was requested that this area was considered when developing the action plan.
- Whether the GM Women’s Voice Group could be expanded to include a more diverse range of women. Officers confirmed that this was an open group and stated that Members were welcome to recommend people for membership.
- Had consideration been given to including a priority around women and girls’ mental health? Officers confirmed that this could be considered as a priority and that they would feed this back to the group leading on the work.

RESOLVED:

1. That a priority around women and girls’ mental health be recommended for inclusion in the action plan.

2. That discrimination and how this impacted on gender equality be considered further when developing the action plan.

3. That the Fawcett Society report be shared with the Committee.

E33/19 WORK AND SKILLS UPDATES

A. HMT SKILLS PILOT
Gemma Marsh, Assistant Director – Skills, GMCA, introduced the HMT Skills Pilot report. In the 2018 Autumn Statement it had been announced that Government would fund three skills pilots in Greater Manchester, totalling £20m. These pilots consist of:

- Digital Skills Pilot: £3m programme to help GM employers to address local digital skills gaps through short training courses.
- Self-Employment Pilot: £10m programme working with the Federation of Small Businesses (FSB), to test what forms of government support are most effective in increasing training levels for the self-employed.
- Future Workforce Fund: £7m pilot programme to provide on the job training to NEET young people in GM and to move them into sustainable career paths with employers. The Prince’s Trust made a recommendation to Government around working with NEET young people which has fed into the development of this Pilot at central Government level, therefore GM are anticipating the Prince’s Trust to be named as the primary programme provider and will look to transfer funding to them via a grant.

Members asked for a better understanding of those currently excluded from accessing existing business start-up and business support activity. It was reported that previously exclusionary criteria had in the majority been related to the length of time unemployed and that this programme had been designed to test out what form of Government support services are most effective in increasing training, skills development and the longer-term sustainability of GM’s self-employed workforce.

RESOLVED:

That the HMT Skills Pilot be noted.

B. GM CAREERS APPLICATION PLATFORM

Gemma Marsh, Assistant Director – Skills, GMCA, introduced the GM Careers Application Platforms report. The report provided an update on the progress of the commitment to developing and implementing a UCAS-style application system for all Technical/Apprenticeships and opportunities in GM. This will contribute significantly to GM’s ambitions for a reformed technical education system across the region and underpin the Local Industrial Strategy by informing the talent pipeline of the future. The aim of the platform is to create a single, digital space that helps GM’s young people to make appropriate and informed decisions about their future careers.

Members highlighted the need for distinguishing between the Liverpool UCAS style-system and what was proposed for GM. It was noted that the Liverpool UCAS system was what GM had currently and that the GM Portal will be more far reaching to ensure all young people have access to opportunities.

Members queried whether consideration had been given to monitoring the impact of this on local outcomes. The platform has been developed with local authorities and work around NEETs has also been built into this. Different work streams underway, including the Skills Pilots, have been designed to complement each other and have specific impacts in a place.
Members asked whether there would be revenue resource to support the development of the platform. It was confirmed there was £700k to support the GM Portal, with £500k allocated for the build and £200k for ongoing revenue support.

RESOLVED:

That the GM Careers Application Platform update be noted.

E34/19  REGISTER OF KEY DECISIONS

RESOLVED:

That the Register of Key Decisions be noted.

E35/19  BREXIT MONITOR

RESOLVED:

That the Brexit Monitor be noted.

E36/19  DATE AND TIME OF NEXT MEETING

Friday 12th April 2019, 2.00 – 4.00pm, Boardroom, GMCA Offices, Churchgate House, Oxford Road, Manchester, M1 6EU

E37/19  EXCLUSION OF THE PRESS AND PUBLIC

That, under section 100 (A)(4) of the Local Government Act 1972 the press and public should be excluded from the meeting for the following items on business on the grounds that this involves the likely disclosure of exempt information, as set out in paragraph 3, Part 1, Schedule 12A of the Local Government Act 1972 and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

E38/19  ADULT EDUCATION BUDGET

Gemma Marsh, Assistant Director – Skills, GMCA, introduced the Adult Education Budget report. This provided an update on progress in readiness for devolution in August, including confirmation of GM’s Budget and the methodology through which it has been calculated, an update on commissioning and additional information on the level of administration/management funding.

Members asked how it was intended to identify learners aged 24 years and over, without level 2 qualifications, who under the proposals will have access to funding. GM outlined they will look at ways providers work with businesses around this, work with the Growth Hub, and work with the Chamber of Commerce to identify these learners. GM will also continue to fund community learning outreach and local providers and business will be engaged with around in work progression and training.
Members asked whether asylum seekers would be able to access English as a Second Language (ESOL) courses. It was confirmed that currently access remained in line with Home Office regulations but there was the possibility of GM having flexibility around this in future.

Members welcomed the inclusion of priorities to support lower skilled GM residents. Support was also raised for the performance management framework outlined in the report.

**RESOLVED:**

That the Adult Education Budget update be noted.
Present: Councillor Nathan Evans (Trafford) (in the Chair)
Bolton: Councillor Hamid Khurram
Bury: Councillor Stella Smith
Manchester: Councillor Mary Watson
Rochdale: Councillor Peter Malcolm
Salford: Councillor David Jolley
Stockport: Councillor Linda Holt
                  Councillor Yvonne Guariento
Trafford: Councillor Anne Duffield
Tameside: Councillor John Bell

In attendance

GMFRS  Jim Wallace, Chief Fire Officer
       Dawn Docx, Deputy Chief Fire Officer
       Leon Parkes, Assistant Chief Fire Officer
TfGM       Steve Warrener, TfGM Finance and Corporate Services Director
       Garreth Turner, Head of Fares and Ticketing
GMCA  Mayor Andy Burnham (items CI04/18/02 & CI106/18/04)
       Andrew Lightfoot, Deputy Chief Executive
       Richard Paver, GMCA Treasurer
       Mike Wright, Strategic Lead for Homelessness
       Jamie Fallon, Governance and Scrutiny Officer

CI98/18  APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Hamid Khurram (Bolton), Tim Pickstone (Bury), Annette Wright (Manchester), Gillian Peet (Tameside), and Joanne Marshall (Wigan)

CI99/18  CHAIR’S ANNOUNCEMENTS AND URGENT BUSINESS

No urgent business was raised.

The Chair highlighted that the appointment process would start immediately after the May election with the new members being agreed at May’s GMCA meeting.

CI100/18  DECLARATIONS OF INTEREST
Declarations of interest were received from Councillor Anne Duffield in relation to item CI103/18/01, and Councillor Peter Malcolm in relation to item CI104/18/02

CI101/18 MINUTES OF THE MEETING HELD ON 12 FEBRUARY 2019

The minutes of the meeting held on 12th February 2019 were submitted for approval.

RESOLVED:

That the minutes of the meeting held on 12th February 2019 be approved as a correct record.

CI102/18 WORK PROGRAMME

Andrew Lightfoot, Deputy Chief Executive, GMCA introduced the work programme. Following discussion regarding the GMFRS – Outline Business Case, it was agreed that the topic would be considered further at the April and May Committee meetings.

Members were asked to contact the Governance & Scrutiny Officer with any further items for inclusion in the work programme.

RESOLVED:

1. That the reconfigured work programme be agreed.

2. That the GMFRS – Outline Business Case be reconsidered at the April and May meetings.

CI103/18/01 HOMELESSNESS PROGRAMMES AND ROUGH SLEEPING IN GREATER MANCHESTER

Mike Wright, Strategic Lead for Homelessness, introduced a report, which provided a sense of the scale of work being undertaken, with further detail on each programme. The report also highlighted the significant level of resource that had been secured to assist the work of local authorities and partners.

Increasingly in Greater Manchester, local authorities and their partners have worked in partnership and across local authority boundaries, including jointly submitting responses to central government consultations and collectively bidding for funding in this area.

Until 2018, Greater Manchester had had an increasing share of rough sleepers in England, peaking at 5.9% of the registered total in 2017, against 4.7% of the English population. The proportion of English rough sleepers from Greater Manchester has increased significantly since 2010.

The A Bed Every Night Programme, which set out to provide a guaranteed bed for anyone from our region who was sleeping rough or at imminent risk of rough sleeping, has been extended from 1 November 2017 to 30 April 2018 and has delivered significant levels of intervention across the region.
For the first time in Greater Manchester, critical data had been secured for further analysis, on the rough sleeping population and movements within it. This has highlighted a more significant take up of A Bed Every Night accommodation by younger people, with 54% of bed-nights provided to people aged under 35.

At the end of February 2019, a stock take of the A Bed Every Night programme was undertaken by Dame Louise Casey, the former Homelessness ‘Czar’. Dame Louise Casey was broadly supportive of the approach taken in Greater Manchester, describing it as a ‘torch in the darkness.’ However, she made a number of suggestions for improvement moving forwards, which included a focus on more vulnerable people, and those with more complex needs. It was noted that 26% of people had identified as having mental health problems.

There are three major programmes currently in operation in Greater Manchester, being co-ordinated by the GMCA:

- GM Social Impact Bond (SIB) for Entrenched Rough Sleepers
- GM Homelessness Prevention Trailblazer Programme
- GM Housing First Programme

The programmes offer the potential to touch, significant numbers of people, and shift the focus to prevention rather than the current emphasis on tackling rough sleeping, however, this demonstrates a symptom of what needs to be tackled right now.

Due to the success of the SIB programme, GM had secured an additional £829k of funding from central government, taking the total investment in the programme to £2.629m. Nationally the Greater Manchester SIB has been the most successful, delivering more and better outcomes than other programmes in England. The success has been due to the integration of housing providers from across the region into the delivery vehicle, together with close contract and programme monitoring through the GMCA.

The Homelessness Prevention Trailblazer Programme was developed across Greater Manchester as a preparation for the enactment of the Homelessness Reduction Act (HRA) in April 2018. The HRA imposes new duties on local authorities in how they deal with homeless applicants and introduces a new legal duty to prevent homelessness where possible.

Housing First is a recognised programme which has achieved great success in delivering very positive outcomes for single homeless people and rough sleepers with complex needs. The programme will be thoroughly evaluated, and used as a basis for future national policy.

Members raised the following questions:

- A Member welcomed the update, but felt that it was targeted on people who are rough sleeping, noting that the problem of homelessness was far greater than that. Concerns were raised regarding the number of families that are homeless, and in temporary accommodation, and even more about the causes of homelessness. It was confirmed that the recommendation was for the Committee to take regular updates, so that each report could focus on different elements of homelessness. The number of homeless families was a significant concern, noting that the use of temporary accommodation had increased by 347%, with 2102 households in statutory temporary accommodation.
• How is GM tackling the inability to control private rented sector? How does a Social Lettings Agency work? It was confirmed that the principles around a Social Lettings Agency, were that they take over management of properties on behalf of private landlords. The aim is to drive up standards, and ensure that there is a better link to local authorities and housing waiting lists.
 • A Member who worked in the housing sector noted that the Social Impact Bond, without doubt was the hardest work they had ever done, noting the longevity it takes to assist people with their needs.
 • How are we taking welfare reform and section 21 evictions? It was confirmed that welfare reform was a barrier to preventing homelessness, noting that people under 35, are limited to single room rents (around £60 per week), however, there are no properties which are affordable on their own, making it difficult to prevent homelessness, and to identify housing options. In terms of section 21 notices (no fault evictions in private rented sector), at local authority level, we are seeking to improve relationships with private landlords, and the Ethical Lettings Agency, was part of the response, in particularly for inexperienced landlords who have potentially not planned to become a land lord. Work is also underway with DWP, around the roll out of Universal Credit, which included; seeking to bust some of the myths around Universal Credit, and also ensure better targeting of things like discretionary housing payments, to ensure that the totality of funding available is focussed on preventing homelessness.

RESOLVED:

1. That the report be noted.

2. That the Committee receive regular updates on progress in tackling homelessness and rough sleeping in Greater Manchester.

CI104/18/02 PROGRAMME FOR CHANGE – OUTLINE BUSINESS CASE

Mayor Andy Burnham, introduced a report which set out the Outline Business Case (OBC) for the GMFRS Programme for Change, including details of the proposals following the root and branch review. The review had come from a number of factors, including a response to the Manchester Arena attack, the Kerslake Report and concerns raised by firefighters.

GMFRS were currently facing a number of significant challenges that must be addressed, noting that there was inevitably some difficult decisions to be made. The proposals seek to protect the frontline, enhance firefighter safety, keep more firefighters in communities, whilst having a minimal impact on performance and maintaining response times.

Jim Wallace, Chief Fire Officer, supported by Assistant Chief Fire Officer, Dawn Docx and Deputy Chief Fire Officer, Leon Parkes, provided Members with a presentation, which outlined the proposals. The proposed pack of changes were highlighted:

• The removal of six 2nd fire engines at: Manchester Central, Blackley, Heywood, Moss Side, Oldham and Eccles;
• Crewing levels of 4 on all fire engines. The position of FBU was acknowledged, however, it was noted that 87% pumps had been running within crewing levels of 4.
• Alter shift start and finish times, review options to consolidate pay and reduce staffing numbers from 12 to 9 at the six day crewed stations;
• Remove a further two 2nd fire engines from Salford and Gorton;
• Undertake three station mergers at Bolton (Bolton Central and Bolton North), Manchester (Manchester Central & Philips Park), & Stockport (Stockport & Whitehill);
• Impact on performance at GM level for the first fire engine is around 10 seconds. The least impact on any option explored;
• New delivery model for Prevention, Protection, Youth Engagement & Administration;
• Realise savings of £6.7m (year 1), £11.6m (year 2), and £12.8m (year 3).

Following the staff presentation outlining the OBC proposals on the 11th March, the internal staff and public consultation would commence, and was planned to remain open for nine weeks.

The following questions were raised:

• How many front line firefighters would be recruited this year? It was confirmed that there were three recruitment courses planned in 2019. Each round would aim to recruit up to 36 firefighters, notwithstanding, GMFRS would continue to recruit on a flexible basis to address fluctuations.
• A Member noted the importance of sharing a positive message about the station mergers, along with emphasising the rationale. The Chief Fire Officer agreed, and advised that he had as an example, spent 6 hours talking to crews in Stockport, which had been helpful.
• A Member confirmed that he had submitted written feedback on the OBC for consideration, but emphasised that given the immense asset value in Greater Manchester, it was disappointing that we were unable to afford the nine fire engines being planned for removal. Merseyside FRS was highlighted as an example of where they had removed pumps previously, and this year reverted back to the original number. It was advised that GMFRS had the second best response times in England, noting that the proposed changes had only changed the response times by 10 seconds. Substantial risk modelling had been undertaken, to test out the proposals.
• A Member also raised concerns regarding the loss of the 2nd fire engine, which would leave three fire engines less in the city of Manchester, and highlighted that no local discussions had taken place.
• A number of Members highlighted that they had received correspondence from a Trade Union Representative, raising concerns regarding their engagement in the proposals development. Why did Trade Unions not feel involved? It was confirmed that GMFRS had regular meetings with Trade Unions through the Trade Union Forum, however, there had not always been consistent attendance at the meetings, and until now, they had not been able to work through the proposals with them, which was at times frustrating for Trade Unions. It was noted that GMFRS were meeting weekly with Trade Unions to consider their views.
• How would the proposals stand up against a disaster like the Arena attack or Saddleworth Moor fires? Modelling had been undertaken using events, which had taken place in the last 5-10 years. It was acknowledged that there were well-developed mutual aid arrangements in place, to provide assistance for unprecedented events, such as the Moorland Fires which could not be predicted.
• A Member requested further information about the ‘place based model’ and how this would work. It was agreed that further information would be provided to the Committee regarding the ‘place based model’.
• A Member requested further information about the plans to merge stations, particularly in Manchester. Had a site been selected? It was agreed that further information would be provided to the Committee regarding the station mergers.

• Would the changes be implemented on 1st April 2019? It was confirmed that the first six pumps were due to be removed from the 1st April 2019, however, using the pre-arranged over time, it has been agreed that they would continue in the short term. It is envisaged that the first six pumps would be removed from 1st September 2019.

• When would the public consultation be launched? It was confirmed that the consultation would be launched once the Mayor and Deputy Mayor were happy that the proposals, however, a date had not yet been set. The consultation period would last for 9 weeks. It was agreed that once the public consultation summary document and questionnaire were finalised, it would be circulated to the Committee.

• A Member explored whether GMFRS would be holding public consultation events to enable people to contribute. It was confirmed that GMFRS had offered to visit boroughs and hold events where requested.

• Members noted that they had not had sufficient time to review the full OBC, and did not feel they could sufficiently scrutinise the proposals. Following discussion on how best to appropriately scrutinise the proposals, it was agreed that the Committee would reconsider the proposals at the next two meetings, albeit, the potential changes to membership were noted. Members were asked to submit any pre prepared questions to the Governance & Scrutiny Officer prior to the next meeting.

• A Member highlighted that they were struggling to review the extensive OBC using their tablet. The Chair agreed that paper copies of the OBC would be arranged for those who were struggling to review the OBC online. Requests should be submitted to the Governance & Scrutiny Officer.

RESOLVED:

1. That the Committee note the contents of the Outline Business Case and associated proposals.

2. That the Committee note the commencement of consultation and associated timescales.

3. That the Committee reconsider the OBC at the April and May meetings.

4. That the Committee submit any pre prepared questions to the Governance & Scrutiny Officer in advance of the April and May meetings.

5. That the Committee contact the Governance & Scrutiny Officer if they would like a paper copy of the OBC.

6. That the Consultation Summary be circulated to the Committee once available.

7. That the Committee receive further information on the plans to implement a ‘place based model.’

8. That the Committee receive further information on the station merger plans, in particular, those in Manchester Central.
CI105/18/03 QUARTER 3 PERFORMANCE UPDATE

The Quarter 3 Performance Update was deferred until the April meeting.

RESOLVED:

That the item be reconsidered at the April Committee meeting.

CI106/18/04 OPPORTUNITY PASS INCLUDING 16-18 FREE BUS TRAVEL

Mayor Andy Burnham, introduced a report which set out a proposal to implement a pilot scheme that would introduce an Opportunity Pass for eligible young people within Greater Manchester from 1 September 2019. The Opportunity Pass would include free bus travel and a number of other complementary benefits.

The following key points were highlighted:

- Free bus travel could ‘ensure that horizons are not limited by financial barriers’, with the Opportunity Pass providing a ‘passport to study, apprenticeship or work, but more than that; free or reduced entry to participating sporting, cultural and leisure venues.’
- The name and visual identity of the Pilot, including the design of the Opportunity Pass smart card, would, subject to all necessary legal searches, be selected by the Greater Manchester Youth Combined Authority (YCA), in consultation with the Chief Executive of the GMCA.
- The Opportunity Pass aims to generate a sustainable increase in bus patronage and reverse an ongoing decline in bus use by young people.
- The proposal would be implemented as a pilot, and would run from the start of the 2019/20 academic year (i.e. 1 September 2019) to the end of the 2020/21 academic year (i.e. end 31 August 2021).
- All eligible young people would be able to access free bus travel during the pilot period using a personalised Opportunity Pass smart card. Applicants would be required to pay a £10 application fee to cover administration costs, including the production and delivery of the card.
- A behavioural code would be developed, retaining the right to withdraw the card and access to opportunities if the cardholder breaks the behavioural code.
- On 14 February, the GMCA announced that Rose Marley, CEO of SharpFutures, had been appointed to lead the development of the Opportunity Pass, and to work with brands and businesses to empower young people across Greater Manchester with a rich variety opportunity.
- Further detail on the budget, scope and development of the Opportunity Pass including a progress update on the delivery of the Pilot, would be provided in a further report to the GMCA in June 2019.
- The total cost for a full year is estimated at £15.9m in the base case but the purpose of the Pilot is to gather the data on take up and usage to inform future financial planning.
- As approved by the GMCA on 15 February 2019, the prorated estimated cost of £9.3m in the 2019/20 financial year would be funded from the Transport Levy (£6.05m), and Earnback monies (£3.25m).
• However, to ensure the costs do not fall entirely on the taxpayer, we are working with public and private sector partners who may benefit from the scheme to identify additional funding sources.
• It was noted that the proposal would be considered by the GMCA for approval on 29 March 2019.

Members raised the following questions to the Mayor, and representatives from TfGM, who were also in attendance:

• A Member clarified whether the scheme would affect the private buses arranged by colleges. It was confirmed that the scheme would not affect college run buses.
• A Member highlighted the work of the School Readiness Task and Finish Group, which had identified that the cost of travel was an issue and welcomed the ambitious proposal.
• Were there any plans to extend the Pilot to those on apprenticeships who were over 18. It was confirmed that TfGM offers support to new apprentices on their commute to work with a free and reduced price ticket offer, or a free bike. The Mayor confirmed that consideration would be given to whether employers should contribute, noting that some employers did already provide support to their apprentices. The Mayor advised that he would love to do more, should a funding stream be identified, noting that he continues to have conversations with the GM Chamber to capture the spend on all age apprentices.
• Is the £10 application fee dependent on parental income? It was confirmed that the fee was not means tested.
• A Member queried whether the Opportunity Pass was only available to those in full time education, and how this was defined. It was confirmed that the aim is to provide free bus travel to all 16-18 year olds living in GM, at all times of the day and week.
• How will success be measured? The Mayor advised that there were various measures of success, such as increased use of buses, cars off the road, bus routes not under threat, young people having higher ambitions after school. It was acknowledged that measures needed to be identified, noting that a Monitoring and Evaluation Plan would be developed, which would outline a multi-faceted approach. It was noted that this would include conducting a survey of sixth form students. It was agreed that as the key performance indicators were developed, further information would be shared with the committee.

RESOLVED:

1. That the Committee note the report recommendations made.

2. That the Committee receive further information on the Key success measure when available.

CI107/18/05 LOCAL TRANSPORT PLAN/ POLICY AND STRATEGY BUDGETS

The report provided members with an overview of the revenue budget for the costs of the Local Transport Plan (LTP) and Policy and Strategy Budgets, which included the costs to continue to develop and deliver the Greater Manchester Local Transport Plan.

RESOLVED:

That the update be noted.
The report invited the Committee to endorse the draft Greater Manchester Drug and Alcohol Strategy, and note the governance process and extensive consultation undertaken for the strategy.

RESOLVED:

That the update be noted.

RESOLVED:

That the report be noted.

RESOLVED:

That, under section 100 (A)(4) of the Local Government Act 1972 the press and public should be excluded from the meeting for the following items on business on the grounds that this involves the likely disclosure of exempt information, as set out in paragraph 3, Part 1, Schedule 12A of the Local Government Act 1972 and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

RESOLVED:

1. That the report be noted.

2. That the Committee comment on the report in advance of the proposal being submitted to the GMCA meeting on 29th March 2019 for approval.
MINUTES OF THE MEETING OF THE TRANSPORT FOR GREATER MANCHESTER COMMITTEE HELD ON 15 MARCH 2019

PRESENT:

Bolton
  David Chadwick
Bolton
  Guy Harkin
Bury
  Noel Bayley
Manchester
  Naeem Hassan
Manchester
  Eddy Newman
Manchester
  Dzidra Noor
Manchester
  John Leech
Oldham
  Peter Davis
Rochdale
  Phil Burke
Rochdale
  Neil Emmott
Salford
  Roger Jones
Salford
  Robin Garrido
Stockport
  Kate Butler
Stockport
  John Taylor
Stockport
  Steve Gribbon
Stockport
  Annette Finnie
Tameside
  Doreen Dickenson
Tameside
  Warren Bray
Trafford
  David Hopps
Trafford
  Michael Cordingley
Wigan
  Mark Aldred (In the Chair)

OFFICERS IN ATTENDANCE:

Bob Morris
  Chief Operating Officer, TfGM
Steve Warrener
  Finance & Corporate Services Director, TfGM
Kate Brown
  Director of Corporate Affairs, TfGM
James Baldwin
  Policy Officer, TfGM
Sylvia Welsh
  GMCA Governance & Scrutiny
TFGMC/12/19 APOLOGIES

Apologies were received and noted from Councillors Steve Adshead, James Grundy, Stuart Haslam, Lynne Holland, Rishi Shori, Eunice Smethurst, Angeliki Stogia, Howard Sykes and Barry Warner

TFGMC/13/19 CHAIR’S ANNOUNCEMENTS AND URGENT BUSINESS

RESOLVED/-

1. To note the retirement of Cllr Harkin at the May 2019 Local Elections and that the thanks and appreciation of TfGMC be recorded.

2. That it be noted that TfGM were working to help support Manchester City Council and Salford City Council following the recent issues with the Regent Road roadworks and that the Committee would be kept apprised of any specific public transport related issues.

TFGMC/14/19 DECLARATIONS OF INTEREST

No interests declared at the meeting.

TFGMC/15/19 MINUTES OF THE TRANSPORT FOR GREATER MANCHESTER COMMITTEE MEETING HELD ON 10 JANUARY 2019

The minutes of the TfGMC meeting held on 10 January 2019 were submitted for consideration.

RESOLVED/-

That the minutes of the Transport for Greater Manchester Committee held 10 January be approved.

TFGMC/15/19 MINUTES OF THE CAPITAL PROJECTS & POLICY SUB-COMMITTEE – 8 FEBRUARY 2019

The proceedings of the Capital Projects & Policy Sub Committee meeting held on 8 February 2019 were submitted for consideration.

RESOLVED/-

That the proceedings of the Capital Projects & Policy Sub-Committee held on 8 February 2019 be noted.

TFGMC/16/19 MINUTES OF THE BUS NETWORK & TFGM SERVICES SUB-COMMITTEE – 18 JANUARY 2019
The proceedings of the Bus Network & TfGM Services Sub-Committee held on 18 January 2019 were submitted for consideration.

RESOLVED/-

That the minutes of the Bus Network & TfGM Services Sub-Committee held on 18 January 2019 be approved noted.

TFGMC/17/19  METROLINK & RAIL NETWORKS SUB-COMMITTEE – 1 FEBRUARY 2019

The proceedings of the Metrolink & Rail Networks Sub Committee held on 1 February 2019 were submitted for consideration.

RESOLVED/-

1. That the minutes of the Metrolink & Rail Networks Sub-Committee held on 1 February 2019 be approved.

2. That a report on the analysis of customer feedback and proposals on the launch of a long-term vision for the Metrolink ‘Early Bird’ and ‘Early Bird Plus’ be submitted to a future meeting of the Metrolink & Rail Sub-Committee.

3. That officers investigate the recent issues experienced with the timetable display screen and public announcements at Heaton Chapel Rail Station for submission to a future meeting of the Metrolink & Rail Sub-Committee.

TFGMC/18/19  FIRST BUS ANNOUNCEMENT

Steve Warrener, Finance and Cooporate Service Director, TfGM, announced that on Tuesday 19 March the Go Ahead Group would purchase the Queens Road depot including the services that operate from it.

It was reported that the sale would be completed within the next couple of months and that assurance had been sought from First Manchester that during the transition period services would continue to operate as normal and that passenger journeys would be unaffected.

Further progress will be reported to subsequent meetings.

Members were also advised that TfGM were holding preliminary discussions with the Go Ahead Group regarding sale and the replication of the current services provided by First Manchester from the Queens Road Depot.

RESOLVED /-

1. That the update on the progress of the sale of the Queens Road Depot by First Manchester to the Go Ahead Group be noted.
2. That it be noted that TfGM were holding preliminary discussions with the Go Ahead Group regarding sale and the replication of the current services provided by First Manchester from the Queens Road Depot.

3. That it be noted that the Committee would be kept apprised of the progress of the sale.

**TFGMC/19/19 2019/20 TRANSPORT LEVY BUDGET**

Steve Warrener, Finance and Cooperate Service Director, TfGM, updated the committee on the Transport Levy Budget following approval of the 2019/20 Transport Levy by GMCA on 15 February 2019.

Members of the Committee raised the following comments:

- A member questioned the breakdown of funds allotted under the Transport Scheme Development. In reply, it was stated that the allocation was primarily aimed at developing 2040 Schemes along with the merging interventions from the GM Spatial Framework. It was further clarified that a combination of existing resources along with the procurement of additional staff would be used to support the work.
- Concerns were raised around the impact of additional risks outlined in the report on the allocation of money that will be received from government and around the financial impact
- Members were advised that the Clean Air Outline Business Case would be submitted to Government for comments following approval from each of the 10 GM Local Authorities. The next financial year would see the development of a full Business Case, which would address the financial issues highlighted and members were assured that the Business Case would be predicated solely on funding.
- Members thanked Steve Warrener and the team at TfGM for delivering on this piece of work and for developing and negotiating the budget for 2019/20.
- Comments were raised around the longevity of the Transport grant with a huge element being around people and support works around the wider rail industry. Member were advised that these issues would be re-visited next year.

**RESOLVED /-**

1. That the Transport Levy and the proposals approved by GMCA on 15 February 2019, for a Levy of £195.773 million for 2019/20, which included a one off reduction of £5 million, be noted.

2. That the proposed increase in Bus Station Departure Charges of two pence (2.8%), with effect from May 2019, be approved.

3. That the proposed changes in Local Link and TfGM Schools Weekly pass fares, increased in line with RPI during 2019/20, be approved.
4. That the proposed changes to bus stop and shelter closure charges of £100 to £200 for the first four stops and £35 to £70 thereafter be approved.

5. That the proposal to increase the charge for revisiting a stop increase from £50 to £100 be approved.

6. That it be noted that the budget included a grant of up to £4.6 million for GMATL.

7. That TfGMC record its thanks and appreciation to TfGM staff and the Chair of TfGMC in developing and negotiating the budget for 2019/20.

TFGMC/20/19  DRIVESAFE AND SAFER ROADS GREATER MANCHESTER 2019/20 BUDGETS

Steve Warrener, Finance and Cooperate Service Director, TfGM, introduced a report that sought approval on the budget for the DriveSafe and Safer Roads Greater Manchester (SRGM) Partnership and updated members on the delivery of schemes by GM Partners.

Members of the Committee raised the following comments:

- Members welcomed the report and commented on the need to have a GM wide training scheme that would benefit Senior Road Users.
- In discussing the New Initiatives particularly around Senior Road Users, it was acknowledged that there was a need to widen out methods of assessment rather than restricting it just to older road users.
- Further concerns were raised around driver behaviours and standards. It was suggested that the evidence gathered from the number of prosecutions be publicised. It was further reported that a budget has been set aside for the replacement of specialist enforcement vehicles and cameras.
- Members further noted the need for project selection and prioritisation and monitoring to be undertaken in consultation with GM Local Authorities and GM Police.
- It was further added that the schemes were funded on a cost recovery basis from the delivery of DriveSafe courses.
- In discussing the data by which schemes have been calculated against, it was clarified that while incidents were assessed on quarterly basis, the safety benefits are normally calculated when all schemes have 60 months or after data available.

RESOLVED /-

1. That the budgets for 2019/20 for DriveSafe and Safer Roads Greater Manchester be approved.

2. That it be noted that project selection and priorities and monitoring was undertaken in consultation with GM Local Authorities and GM Police.
Chris Boardman, Greater Manchester’s Cycling and Walking Commissioner introduced a presentation that outlined the challenges faced by pedestrians and cyclists along with recommendation from the Made to Move published in December 2017. He further updated members on progress to date and steps taken so far.

Members of the Committee raised the following comments:

- Members welcomed the report and thanked Chris Boardman and the Cycling and walking team for the work to date and for the ongoing development of cycling and walking schemes across GM.
- It was highlighted that there was a need to develop new policy that will promote building cycle lanes particularly around new build.
- In discussing whether helmet usage was mandatory, members were advised that previous examples and research suggested that this would deter rather than encourage individuals to use cycles. It was further commented that a vast majority of cyclist were injured and have died as a result of road accidents despite wearing the appropriate gear and therefore this plan was aimed at developing an environment for cyclists and pedestrians.
- Members further commented on the challenges particularly around weather conditions which might deter cyclists from using their bikes. However, it was commented that research suggested that once a travel pattern had been established it was more likely that individuals would stick to it.
- The committee noted the need to work with retailers and traders to shift dependency from cars to cycling and walking. It was further suggested that Local Authorities could seek to develop filtered neighbourhoods to encourage this shift in trend. Member were advised that a number of local movements have begun that provide advice on how they could reform their neighbourhood.
- Members also suggested that there was a need to learn from good practice and executing innovative ideas in GM to create examples for others to follow.
- It was noted that there was a gap in the transport network particularly in certain areas and that using cycles to would be inconvenient when it comes to big shops. Members were reminded that the aim of the programme is to reduce the number of journeys made by cars and not to eradicate cars completely.
- Members acknowledged that there is a need to have a ratified vision along with a network plan to drive change forward. It was also commented that there was a need to raise awareness and create alternatives.
- It was requested that the presentation delivered to leaders to be circulated to member and that Waltham Forest be invited to a future meeting of TfGMC to present their cycling and walking scheme.
- Members noted the need of embedding local culture and learning from previous examples such as Mobike to deliver a sustainable biking model for GM.
- It was also noted that there was a need to plan with a long-term vision in mind and to link with existing resources to develop the cycling network.

RESOLVED /-
1. That TfGMC record its thanks to Chris Boardman and the Cycling and Walking Team for the work to date for the ongoing development of cycling and walking schemes across GM.

2. That Waltham Forest be invited to a future meeting of TfGMC to present their cycling and walking scheme.

TFGMC/22/19  AGE FRIENDLY TRANSPORT UPDATE

Kate Brown, Director of Corporate Affairs TfGM, introduced a report that updated members on the work done to support age friendly transport and travel to help make Greater Manchester a great place to grow old.

Members of the Committee made the following comments:

- In discussing the outline plan, it was suggested that Ring and Ride and Community Transport be classified separately.
- A member requested further information on the pilot currently taking place in Leeds be shared with the Committee.
- Further comments were made on the challenges faced by older people in using and keeping up with technological advancements. However, members were advised that these issues were being addressed under the wider Ageing Strategy.
- Members also noted the need to get individuals skills set up-to speed and to have re-fresher training to prevent and reduce road accidents.
- Further concerns were raised around safety and members acknowledged that this needs to be thoroughly addressed with pedestrian being at the heart of this initiative particularly around road crossings.
- In discussing the age friendly aspect, the work done by Living Streets in London was highlighted as a good example that GM could build on.
- In considering the Social Prescriber element, it was reported that GP’s and intermedaries are being urged to promote and encourage the usage of public transport and walking & cycling as alternatives to healthy living.
- It was it was recognised that there was a need to deploy further resources to deter driving and parking on pavement.

RESOLVED /-

1. That the outline plan be approved subject to alignment with the GM Aging Strategy work on digital inclusion and age friendly neighbourhoods, in particular, timing for pedestrian crossings.

2. That Officers be requested to circulate a note on the details of the Leeds Age Friendly Transport Pilot to all members of TfGMC.

3. That a further report on a detailed 12 month action plan with clear deliverables and measurable outcomes be submitted to a future TfGMC meeting.
4. That it be noted that a cross sector Age-Friendly Transport delivery group would be established to develop the action plan and begin implementation.

**TFGMC/23/19**  
**DATE OF NEXT MEETING**

**RESOLVED /-**

That the provisional date of the Annual Meeting of Friday 14 June 2019 be noted.

A link to the full agenda and papers can be found here:  
[https://www.gmcameetings.co.uk/meetings/meeting/662/transport_for_greatermanchester_committee](https://www.gmcameetings.co.uk/meetings/meeting/662/transport_for_greatermanchester_committee)

This decision notice was issued on ?? on behalf of Eamonn Boylan, Secretary to the Greater Manchester Combined Authority, Churchgate House, 56 Oxford Street, Manchester M1 6EU. The deadline for call in of the attached decisions is 4.00pm on ??.

**Call-In Process**

In accordance with the scrutiny procedure rules, these decisions will come into effect five days after the publication of this notice unless before that time any three members of the relevant Overview and Scrutiny Committee decides to call-in a decision.

Members must give notice in writing to the Chief Executive that they wish to call-in a decision, stating their reason(s) why the decision should be scrutinised. The period between the publication of this decision notice and the time a decision may be implemented is the ‘call-in’ period.

Decisions which have already been considered by an Overview and Scrutiny Committee, and where the GMCA’s decision agrees with the views of the Overview and Scrutiny Committee may not be called in.
MINUTES OF A MEETING OF THE GREATER MANCHESTER LOCAL ENTERPRISE PARTNERSHIP BOARD HELD AT 16:00 ON MONDAY 18 MARCH 2019 AT CHURCHGATE HOUSE, OXFORD ROAD, MANCHESTER

Board Members:

Mike Blackburn (In the Chair)
Councillor Richard Leese, Andy Burnham, Nancy Rothwell, Richard Topliss, Monica Brij, Lorna Fitzsimons, and Fiona Gibson

Strategic Chairs:

Iwan Griffiths

Advisors:

John Holden, Matt Berry (GMCA), Mark Hughes (Manchester Growth Company) and Simon Warburton (Transport for Greater Manchester)

Manchester University Guest Speakers

Jessica Bowles, Diana Hampson, Professor Luke Georghiou

Apologies:

Apologies were received from David Birch, Lou Cordwell, Vanda Murray, Juergen Maier and Mo Isap

LEP/19/13 CHAIR’S ANNOUNCEMENTS

There were no announcements.

LEP/19/14 DECLARATIONS OF INTEREST

Richard Leese declared his interest in agenda Item LEP/19/19 University of Manchester: North Campus as Manchester City Council has land holdings in North Campus.

Nancy Rothwell declared her interest in Item LEP/19/19 University of Manchester: North Campus and Item LEP/19/20 Commercialisation of Graphene/2D materials as the President and Vice-Chancellor of the University of Manchester.

LEP/19/15 MINUTES OF THE MEETING HELD ON 10th JANUARY 2019

Consideration was given to the minutes of the meeting held on 10th January 2019.
RESOLVED:

1. That the minutes of the meeting held on 10th January 2019 be approved

LEP/19/16 Clean Air OBC

Simon Warburton, Transport Strategy Director at Transport for Greater Manchester (TfGM) introduced the item. The following points were included:

- On 1st March 2019 a paper on the Greater Manchester Clean Air Plan Outline Business Case (OBC) was taken to the Greater Manchester Combined Authority, prior to submitting the OBC to Government.
- Whilst air quality has been generally improving over time, particular pollutants remain a serious concern in many urban areas. These are oxides of nitrogen (NOx) and its harmful form nitrogen dioxide (NO2), and particulate matter (PM). Diesel vehicles are the primary source of NO2 emissions at roadside.
- The Greater Manchester Clean Air Plan is being developed to address nitrogen dioxide exceedances at roadside and takes a Greater Manchester-wide approach to avoid introducing measures in one part of the conurbation that simply displace pollution to other locations, and to ensure that (as far as possible) the eventual package of measures agreed complements other Greater Manchester strategies.
- Following the issue of the Strategic Outline Case in March 2018, a process of refining the shortlisted measures and developing a range of options to reduce NO2 to within legal Limit Values in the “shortest possible time” across Greater Manchester has been undertaken (overseen by a GM Steering Group).
- The proposals outlined in the OBC introduce a Clean Air Zone with penalties for particular categories of high polluting vehicles in 2021. These vehicles include buses and coaches, heavy goods vehicles, and taxis and private hire vehicles. Private cars are not currently within scope. The proposals introduce penalties for Light Goods Vehicles and minibuses in a later phase (proposed date of 2023), as a longer period is needed for sufficient compliant vehicles to become available and affordable.
- The OBC proposes that the Clean Air Zone is supported by a set of Clean Vehicle Funds and other supporting measures. Engagement work is ongoing with taxi and haulage firms, and with small businesses to understand how different Clean Vehicle Funds and other support could work.
- Public consultation on the proposed Clean Air Plan is expected to commence in May 2019, and a Final Business Case will be produced by the end of the year.

A member asked how enforcement of penalties against non-compliant vehicles will take place. It was clarified that enforcement will use vehicle information stored by the DVLA, and number plate recognition cameras installed on the Strategic Road Network as well as mobile camera units.

A member highlighted the importance of ensuring small businesses are not impacted and that they receive the necessary support.

The network of electric vehicle charging points in the city region will be expanded, although it is unlikely that these can remain free to use indefinitely. There may be options for self-financing the installation of new points in some instances.

RESOLVED:

Members noted and commented on the report submitted to GMCA on 1 March 2019.
LEP/19/17 LEP Annual Delivery Plan

Jessica Bowles from Bruntwood facilitated a discussion around the LEP Annual Delivery Plan. Members were asked to highlight areas of key successes, and areas for future work/improvement.

Areas of success

- The integration between the LEP and the Combined Authority has been a success in GM, which needs to be maintained.
- The LEP has been integral to numerous successful GM initiatives (e.g. full fibre programme, Made Smarter, digital marketing, manufacturing and textiles programmes, Northern trade and investment work, development of investment funds) – there is a need to make sure that members are kept up-to-date on progress with the implementation of these.
- The development of the local industrial strategy has been a positive experience, with LEP members having active involvement. As part of this the establishment of the GM Foresighting Group has provided new thinking and external challenge. This is continuing to support the implementation of the local industrial strategy.
- LEP Agendas have maintained focus on the work that is most urgently required rather than the ‘nice to do’s’. The trade of between statutory role of the LEP and getting involved in new projects can be challenging.

Areas for future work/development and improvement

- Issues around productivity and inclusive growth are critical and need to continue to be at the heart of the LEP's work programme. There is the potential for greater focus on how the activities of the LEP benefits all parts of the economy – for instance by looking at frontier and foundational sector – and geographies across the whole city region.
- The importance of the health devolution agenda was raised, and this is something that should be picked up in more detail as part of the implementation of the GM local industrial strategy.
- The problem of gender balance in senior management was highlighted, with few female leaders. There is an opportunity that the LEP could lead on to deliver improved productivity growth by championing diversity.
- In the context of the UK leaving the European Union, there will be a need to identify opportunities, and respond to the challenges, that the new environment creates.
- A greater understanding of the cause and effect of what the LEP does, and monitoring of impact, would be helpful to ensure that LEP meeting time, and member's own time, is used most effectively.
- The 2019 Spending Review is a critical milestone in 2019 and the LEP should have an active role in shaping the GM submission.
- There is a need to facilitate better information sharing and communications to LEP members to ensure that LEP members are aware of the activities being undertaken as part of the wider LEP agenda.

RESOLVED:

That the contents of the report be noted.

LEP/19/18 LEP Board Membership Review
It was stated that the current GM LEP Chair was appointed in 2011 and so has served for eight years. With a proposal that they remain in post for a further year to the limit of nine years given the critical stage that the GM local industrial strategy is at and the UK’s departure from the EU.

The current board vacancies in the GM LEP will be filed via recruitment with adverts for the positions currently being distributed. LEP members are welcome to pass on names of individuals who may be suitable and eligible to apply. Interviews will be conducted at the end of April with appointments made by the end of May.

The question as to whether GM businesses see themselves as being truly represented by the LEP was raised. It was felt that the board are more reflective of the GM business base and population than has been the case previously, but more work can be done. There is a need to think about how the board is constructed and representation from particularly groups of stakeholders (e.g. colleges, businesses from outlying parts of Greater Manchester and so on).

Action: John Holden to distribute links to the LEP recruitment advert to Members in order that they can issue to interested parties.

Action: An organigram will be drawn up to illustrate the linkages between the LEP and the other related groups and work streams.

RESOLVED:

- All agreed that the Chair (Mike Blackburn) remain in post for a further year
- Members will distribute the advert to their networks to ensure a high quality of candidates.

LEP/19/19 University of Manchester: North Campus

Diana Hampson, Director of Estates and Facilities, University of Manchester introduced the item. She stated that the University of Manchester North Campus is intended to be a World-class 'game changing' innovation community. Development will take place over a 10-15 year period bringing in around 6,000 jobs into the region.

A member noted that when selling the offer that the City Region makes to prospective higher education students that this should be expanded from just being focussed on study opportunities to be reframed to include post graduate opportunities such as employment, housing and generally building a life in the conurbation. The offer of incubation space was discussed with this already being part of the current offer for post-graduate students.

Greater Manchester was stated as being one of four world epicentres in terms of the biggest in textile technology. Building this narrative will help bids for infrastructure funding.

RESOLVED:

Members welcomed the development and the contents of the report were noted.

LEP/19/20 Commercialisation of Graphene/2D materials

Professor Luke Georghiou, Deputy President & Deputy Vice-Chancellor, University of Manchester delivered a presentation to the group.

The following points were highlighted:
• Cutting-edge scientific work continues, centred on the National Graphene Institute
• Over 100 industrial partnerships have been established to date placing £18.5m of research
• Spin-outs and start-ups include 2-D Tech, Nanoco 2-D, Grafine and Atomic Mechanics
• December 2018 HRH the Duke of York opened the Masdar Building for the Graphene Engineering Innovation Centre (GEIC), which includes industrial scale state-of-art equipment
• Three graphene suppliers immediately took up the option of partnership and residence in the building including inward Australian investor
• Plans are being progressed to create the world’s first graphene cluster in the city, including:
  – University of Manchester has established a working group with city and business representatives to look for ways to accelerate commercialisation and ensure retention of economic benefits in GM
  – Commissioned international consultancy to advise and their model shows the potential for a £1.2bn contribution to the city region’s GVA and 8-11k jobs by 2030.
  – Identified missing elements in GM innovation ecosystem, notably investment capability and recommended initial modest Angel Fund (c.£5m) to develop prospects for a £100m Venture Fund at a later stage
• Follow-up actions include engaging Steer Associates to work with key stakeholders to develop an implementation plan and challenging Manchester’s angel investment community to respond – this has been taken up by the Manchester Tech Trust
• Focus is on function ahead of form. Key functions
  – Commercial collaborative development & demos with industry
  – Intellectual property feasibility, fast-tracking to market
  – Direct contract services to market
• GM Industrial Strategy giving weight to positioning as a world leading region for innovative firms to experiment with, develop and adopt advanced materials in manufacturing

A member asked where GM is positioned in terms of Graphene as an intellectual property. It was clarified that around 25 patents are owned, although other countries such as Korea and China have many more. It was stated that GM still has the largest portfolio in terms of the innovative work in this area.

RESOLVED:

Members welcomed the work underway to commercialise Graphene and noted the contents of the report.

LEP/19/21 High Street Fund

An overview was provided of Greater Manchester bids into the Future High Streets Fund was presented. It was highlighted that retail proposals will not be the solution to the changing use of town centres where high street shops have suffered hardship in recent times and that work is underway in all districts to develop a more diversified offer. Housing is expected to play a much larger role in underpinning these areas with a public realm management approach.

The High Street Fund is part of an increasing national focus on issues affecting towns. This has been recently enhanced with the development of the Stronger Towns Fund, which is expected to come on stream in 2021.
RESOLVED:

- That the contents of the report be noted.
- LEP members supported the proposed bids outlined in Section 6 and Appendix 1
- That the outcome of the bids to be taken to a future GM LEP meeting.

**LEP/19/22 Skills Capital 2019-20**

Members discussed the item which set out a number of applications for Round 2 of the Skills Capital programme.

RESOLVED:

- That the contents of the reports be noted.
- The group agreed to delegate the LEP decision for Approval in principal for Bolton College & Wigan/Leigh College to the Chair, in conjunction with the GMCA if a decision is needed before the next LEP cycle.

**LEP/19/23 Growth Company Business Plan**

This item was postponed to a future meeting.

**LEP/19/24 PROGRAMME OF FUTURE MEETINGS**

Monday 13 May 2019
Monday 20 May 2019 (social meeting)
Monday 15 July 2019
Monday 16 September 2019
Monday 11 November 2019

**Action:** Explore the benefit and feasibility in swapping the social meeting to the earlier date in May.

The following item contains matters relating to the financial or business affairs of particular persons or organisations. It is therefore proposed that any discussions on this item is not held in public.

**LEP/19/25 LEP Business Investment Strategy**

An updated investment strategy for the non-housing funds that are directly managed by the GMCA was provided.

RESOLVED:

- That the contents of the reports be noted.
- The LEP approved the Investment strategy detailed in the report.
Date: 29th March 2019

Subject: Greater Manchester Care Leaver’s Trust

Report of: Rishi Shori, Portfolio Lead for Children’s Services and Geoff Little, Portfolio Lead Chief Executive, Children Services

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PURPOSE OF REPORT

As part of the Department for Education (DfE) innovation grant funding and wider set of reforms for Greater Manchester (GM) Children’s Services there was a commitment and resources allocated to establish a Greater Manchester Care Leavers Trust.

This report is to update the GMCA on the progress in establishing a GM Care Leavers Trust and delivering improvements for the GM Authority Care Leavers. The report seeks the agreement and commitment to deliver a Greater Manchester Care Leavers common core offer (Guarantee) and recommends that the Combined Authority approves the release of the associated innovation funding provided by the DfE. This funding will enable the project to be successfully delivered in partnership and across the 10 Local Authorities; promoting and delivering best practice for GM Care Leavers.

In addition during 2018 the DfE launched its care leaver covenant, as an ambition for businesses, charities and every government department in England to sign up to commit to provide work based opportunities to young people leaving the care system. Local Authorities are being supported by the DfE to launch the Care Leaver Covenant in each Local Authority area. It is proposed that the DfE Care Leavers Covenant will be launched simultaneously with the aforementioned common core offer across GM by the Greater Manchester Mayor

The GM Children’s Board and the GM Reform Board have endorsed the proposed Common Core Offer and support the approach that is being developed for implementation.
The Common Core Offer is set within the wider ambitions of the Combined Authority and GM local authorities and will support the delivery of the Care Leavers Covenant. This report will demonstrate the synergy of the Care Leavers work streams and the seven priorities of the GM Children’s Plan that has been agreed by the GMCA and is due to be launched in April 2019.

RECOMMENDATIONS:

It is recommended the Greater Manchester Combined Authority:

1. Approve the principles of the GM Care Leavers Covenant and content of the GM Common Core Offer for Care Leavers across Greater Manchester

2. Agree the Terms of Reference for the GM Care Leavers’ Trust Board

3. Endorse the development of the 5 work streams for all GM Care Leavers and support the project funding proposals.

4. Agree to the release of £517k of the DfE Innovation funding allocated to the delivery of a GM Care Leaver Trust to enable successful implementation and in accordance with the financial plan; future commitments are summarised as follows;

   ● Project Management support – Circa £200K
   ● Development of a GM mentoring scheme – Circa £50K
   ● Accreditation and Training for Personal Assistants (statutory role to provide advice and support) – Circa £150K
   ● Launch of the GM Covenant and Common Core Offer – Circa £10k
   ● Marketing and Promotion – Circa £10k
   ● Award a grant to Manchester City Council of £97k to cover costs incurred to date that has led to a development of a project/delivery plan, baseline data to enable the GMCA progress to the ‘delivery phase’ of the GM Care Leavers Trust.

CONTACT OFFICERS:

Paul Marshall – Strategic Director of Children and Education Services; Manchester City Council

Please note the following issues are considered within the corresponding paragraph:

● Risk Management – see paragraph 7
● Legal Considerations – see paragraph N/A
● Financial Consequences – Capital – see paragraph 4
Number of attachments included in the report: 1

BACKGROUND PAPERS:

This report has been informed and supported by:

- Leaving Care Act 2000
- Greater Manchester - Working Together to Develop and Deliver a Consistently High Quality Core Offer for Care Leaver (Project Initiation Document) 18/1/19.

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TfGMC: Overview & Scrutiny Committee

N/A: N/A
1.0 INTRODUCTION

The National Care Leavers Covenant will be delivered via the GM Common Core Offer (Guarantee) as set out in section 2 of this report. The common Core Offer outlines the GM ambition for those young people who are Care Leavers who have been in care to GM authorities wherever they live; where possible and the agreed priorities of the GM Care Leavers Trust Board.

The work has been structured around 5 work streams for all GM Care Leavers to:

- Be better prepared and supported to live independently
- Have improved access to education, employment and training
- Experience stability in their lives and feel safe and secure
- Receive improved access to health support
- Achieve financial stability

Informed by the views of young people, the Common Core Offer seeks to define clear and deliverable outcomes that will form the basis of service delivery plans which will deliver the Greater Manchester Corporate Parenting Approach and support the ten local authorities to fulfill their Corporate Parenting responsibilities to the highest possible standard.

The responsibility for delivering the Care Leavers Covenant and Common Core Offer, will sit with the newly formed Greater Manchester (GM) Care Leavers Trust Board (proposed Terms of Reference can be found in appendix 1).

The GM Care Leavers Trust Board, which will be chaired by the Lead Portfolio Holder for Children and Young People, has been established to:

- Oversee, support and drive the delivery of the Greater Manchester Care Leavers Covenant and Guarantee
- Receive a core data set / scorecard to provide support and challenge to monitor progress and achievement of a consistently high standard of intervention and outcomes across the region
- Oversee a planned programme of peer challenge arrangements that involve young reviewers
- Identify and maximise opportunities across GM that will enhance our respective local offer and improve the experiences and outcomes for our care leavers.

1 Context:

1.1. Care Leavers are more likely to experience higher levels of disadvantage and have poorer outcomes than their peers, including: 4 times more likely to have mental health issues; significantly more likely to have physical health problems; represent a disproportionate number of young people known to the criminal justice system, less likely to be in education, employment, or training.

1.2. Whilst a common data set for Care Leavers in Greater Manchester does not currently exist, a benchmarking exercise has identified the Greater Manchester
Authorities perform well against national and regional comparators. However, there is variation across the conurbation with some authorities performing better than others. This presents a unique opportunity to learn from and support each other.

1.3. In addition there is variation in the approach and delivery of support for Care Leavers; all of which are equally valid. All the approaches have strengths, but all authorities want to do more and, where possible, find new resources or improve the use of existing resources in meeting the needs of Care Leavers.

1.4. The Common Core Offer for Care Leavers has been identified as a priority for DfE funding alongside the development of the GM Children’s Plan which will be launched in April 2019 and outlines the Greater Manchester context, ambition and the following seven priority areas;

- **School Readiness** – The best start in life and the right support to be ready to learn are crucial factors for long term successful outcomes for children and are already a key priority in the Greater Manchester Strategy.
- **Quality Education and Outcomes** – Increasing the quality of education and educational achievement, especially in secondary schools is crucial for the next generation of the workforce to match their skills and academic achievement with the jobs of the future.
- **Special Educational Needs and Disabilities** – All children and young people deserve the right to achieve their potential and a specific focus on those with SEND will help us support them to have the right start in life
- **Looked After Children and Care Leavers** – Each authority as a corporate parent and the Combined Authority with a corporate parenting approach has a special responsibility to these children and young people to enable them to have the support and opportunities that should be available to all.
- **Ready for Life** – Transition to adulthood can be both exciting and challenging and our job is to equip young people with the support they need to make that transition effectively and seamlessly, becoming the next generation of parents, workers and leaders.
- **Healthy children and young people** – The best health possible adds so much to the quality of life and the ability to live it to the fullest. We want all children and young people to have the best health they can regardless of where they live or any conditions they were born with.
- **Safe children and young people** – Safety is a complex issue and supporting children and young people to keep themselves safe, plus intervening to support and if necessary, protect them when they are less than safe, is a crucial responsibility for us all. Safeguarding is everyone’s responsibility and we need to know what our role is if we are to make GM as safe as possible for our children and young people.

1.5. The Care Leavers work-streams have a synergy with the GM Children’s Plan.
1.6. In addition the GM Core Offer will commit us to the following:

- Free bus travel for 18-21 year old care leavers
- Appropriate accommodation and support
- An education, employment or training offer that meets needs
- An offer of support wherever care leavers live in Greater Manchester
- A supportive health offer according to need

This approach will set the conurbation apart from other national regions; working together to provide a consistently high quality core offer for our Care Leavers.

2. Common Core Offer (Guarantee) for Care Leavers

2.1. The GM Care Leavers Trust will focus on the delivery of the Common Core Offer or Guarantee that will fulfill the covenant commitment. It aims to establish a better infrastructure for collaboration that aligns to wider GM policy ambitions on public service reform. This infrastructure will be 'strengths based' and achieve our ambition for the ‘best practice to be the minimum standard' across Greater Manchester.

2.2. The objective of the work is to enable each of the 10 Greater Manchester local authorities and partners to identify ‘best practice', of which there is much, and successfully develop and adopt a common core offer for Care Leavers across the conurbation. This would include cross border collaboration and multi-agency working, which is focused on improving the outcomes for our care leavers, reduces risk for young people and reduces demand on the local system.

2.3. The GM Directors of Children’s Services and Lead Members in the Greater Manchester Authorities are committed to launching the National Care Leavers Covenant together. This is a national initiative promoted by the DfE which seeks to engage the private, public and voluntary sector to make a commitment to support people leaving care.

2.4. The Greater Manchester Guarantee will underpin the covenant for Care Leavers which will deliver the Common Core Offer. It is proposed this guarantee will go much further than the National Care Leaver Covenant and is made up of the following five elements, which were shaped and agreed with young people during a Mayoral Round Table event during October 2018 and supported at the Reform Board on 1 February 2019;

1. Care Leavers 18 – 21 years will be able to travel for free on buses across Greater Manchester. It is intended this offer will build upon the Mayor of Greater Manchester pledge to support all young people 16-18 years old with an Opportunity Pass for bus
travel. It should be noted this proposal is estimated to be dependent on Circa £1m funding being made available and not yet identified.

2. No care Leavers will be assessed/determined intentionally homeless

3. Care Leavers will be able to access a clear, consistent education, employment, and training offer.

4. There will be access to a mentor for every Care Leaver who wants one

5. Care Leavers will be supported as a priority group within the health economy. This offer will be informed by the findings of the GH Health and Social Care Partnership review of Children looked after, Care Leavers and Adopted Children health needs which is due to report in May 2019.

2.5. The GM Care Leavers Trust project/delivery plan has been considered and scrutinised by the GM Children’s Board on 18th January 2019. On 15th February 2019 the GM Children’s Board endorsed the project/delivery plan and supported an indicative Terms of Reference for the GM Care Leavers Trust Board. The revised version is attached for consideration and approval.

2.6. This work will support and enhance the 10 Local Authorities delivery of their Corporate Parenting duties and responsibilities; offering specific opportunities around employment and skills, housing and health support, plus cross border collaboration, multi-agency working and sharing of best practice in order for the basic standard to be the best standard; improving outcomes, reducing risk for young people and supporting the transition to adulthood.

3. Summary of Implementation and Proposals

3.1. The Care Leavers Trust Board will work to ensure delivery of the Common Core Offer in respect of enhanced work, support and mentoring opportunities, appropriate housing and health support and the delivery of the transport commitment.

3.2. The ‘delivery group’ which will report into the Trust Board will have representation from all 10 local authorities and key stakeholders/partners will meet bi-monthly; structured around 5 issue specific projects that will be encouraged to engage young people, be innovative and multi-disciplinary.

3.3. Each local authority will commit to being actively engaged in the GM Care Leavers partnership workstreams and will provide a worker to co-lead on one of the five workstreams.

3.4. The workstreams will identify and seek to establish the best practice as the basic practice for all our Care Leavers across Greater Manchester.
3.5. The workstream members will support the spread of best practice across all local authorities so that Care Leavers will easily identify the opportunities.

3.6. A programme of peer reviews led by ‘young reviewers’ will ensure practice and developments are improved, shared and informed by young people themselves. Regular performance/assurance reporting to GM Children’s Board and Care Leavers Trust Board will ensure progress is maintained and sustained.

4.1 Financial Considerations

In order to ensure effective and successful delivery of the GM Care Leaver Trust/project it is necessary to provide additional support to each of the aforementioned work streams and ‘pump prime’ initiatives, these areas are listed below along with the indicative costs:

- **Project Management support** – This will be developed as a tender from the Combined Authorities to build extra capacity for the successful implementation of the Common Core Offer (Guarantee) - **Circa £200K**

- **Development of a GM mentoring scheme** – There are currently mentoring schemes operating in Greater Manchester at an average annual cost of £70k/annum for a single local authority. This funding will be used to support through training and promotion, the development of further schemes to ensure there is a mentor for every young person in Greater Manchester - **Circa £50K**

- **Accreditation and Training for Personal Assistants (PA)** – The ambition is to develop a consistently well qualified PA workforce. The PA is a statutory role to provide advice and support to care leavers. However, to date there does not exist an recognised training programme/qualification. It is therefore intended the GM Care Leaver Trust will ‘pioneer’ this area of work through the grant funding and to establish a nationally recognized qualification for PA. Indicative costs are c£3k per person. Therefore, the funding requested for this will only be pump priming and will need to be supplemented by Local Authorities so that over time a fully qualified workforce can be established - **Circa £150K**

- **Launch of the GM Covenant and Common Core Offer** – The launch will be supported by the Mayor for GM - **Circa £10k**

- **Marketing and Promotion** – The Care Leavers work is currently high profile with the launch of the National Covenant. To maintain this high profile and promote new opportunities for organisations to support the work there will need to be a dedicated marketing and promotion budget - **Circa £10k**

Following a commissioning/procurement exercise final costs would be identified. Therefore in order to progress our shared vision to have a consistently good offer for all our care leavers across Greater Manchester, it is necessary for the enabling resources listed above to be released so that the GM Care Leavers Trust Board can progress with purpose, pace and traction. Without this progress will be inhibited.
It should be noted that Manchester City Council has to date funded the commissioning of Peopletoo to progress the development of a project plan, baseline data and draft Terms of Reference thus far, in the expectation that a grant will be awarded and sourced from the innovation fund once we progress to this the ‘delivery phase’ of the GM Care Leavers Trust. The cost of this work is £97k.

5. Next Steps

If the investment is supported by the Greater Manchester Combined Authority, a tendering specification for the work will be undertaken and the workstreams duly supported through to successful delivery of the Greater Manchester Care Leavers Covenant/Guarantee.

6. Conclusions

In response to the commitment of DfE to fund the development of a GM Leaving Care Trust, GM Local Authorities and partners from the GMCA system have developed a response which draws on the best practice in supporting Care Leavers both nationally and regionally. It has done this by building on the experiences and strengths of each local authority, with the capacity of the GMCA. Agreeing investment at this stage will enable local authorities to avoid delays in implementation and put in place the appropriate capacity to proceed.
Appendix 1

TERMS OF REFERENCE
GREATER MANCHESTER CARE LEAVER’S TRUST BOARD

1. Background

Growing up and being a successful adult is not easy for most people; for care leavers they face the added challenge of having to cope with the demands of living on their own at a young age, manage finances, maintain a home and manage their lives independently, often without the support from families that most of us take for granted. These challenges cannot be understated. This is why the public sector, as their Corporate Parent are expected to act as a ‘reasonable parent’ with support from the private sector who have a moral responsibility to do as much as they can to provide care leavers with the support and opportunities they need to be successful.

The establishment of the Greater Manchester Care Leaver Trust Board offers a unique opportunity to positively change the lives of the c2000 Care Leavers living in our 10 local authority areas, for whom we have the greatest duty and responsibility. Greater Manchester is committed to a GM Care Leavers’ Covenant underpinned by a Common Core Offer which will be our Guarantee to those young people of support for their future lives.

The GM Care Leaver Trust Board will ensure delivery of our collective Corporate Parenting Approach and manage the delivery of the GM Care Leavers’ Covenant and the Common Core Offer (guarantee) which will result in specific and measurable offers and opportunities. This work will support and enable the Corporate Parenting responsibility of the 10 local authorities, offering specific opportunities around employment and skills, housing and health support, plus cross border collaboration, multi-agency working and sharing of best practice in order for the basic standard to be the best standard; improving outcomes, reducing risk for young people and supporting the transition to adulthood of this special group of young people.

We will work with and alongside other initiatives across GM to establish a better infrastructure for collaboration, aligning with the GM policy ambitions and reform.

2. Purpose

The GM Care Leavers’ Trust Board will have a focus on the following 4 areas:

1. Oversee support and drive the delivery of the Greater Manchester Care Leavers’ Covenant and Guarantee via a clear delivery plan and co-ordination of agreed sub groups.
2. Receive a core data set / scorecard to provide support and challenge to monitor progress and achievement of a consistently high standard of intervention and outcomes across the region
3. Oversee a planned programme of peer challenge arrangements that involve young reviewers
4. Identify and maximise opportunities across GM to increase our offer and improve the experiences and outcomes for our care leavers

3. Duties

It is the duty and responsibility of Board Members to actively contribute to the development of the GM Guarantee, with specific offers for care leavers wherever they live in GM. They will have regard to the interests of GM’s care leavers, and other stakeholders including;

- Agreeing and further developing the Guarantee for care leavers according to the needs identified and the commitment made in the Care Leavers Covenant
- Ensuring compliance with relevant legislations and regulations
- Monitoring key performance indicators and progress of the ‘project plan/priorities
- Ensuring the control, coordination and monitoring within the board of risk and internal controls
- Actively identifying business synergies and opportunities to improve the experiences and outcomes of Greater Manchester’s care leavers and facilitating inter-service cooperation and collaboration
- Identifying and executing new business opportunities outside the current core activities

4. Reporting Arrangements

The work of the board will be delivered via the GM Care Leavers Partnership which has been structured around the following 5 work-streams for all GM Care Leavers to:

- Be better prepared and supported to live independently
- Have improved access to education, employment and training
- Experience stability in their lives and feel safe and secure
- Receive improved access to health support
- Achieve financial stability

The Programme Manager who will coordinate the work of the partnership shall report formally to the GM Care Leavers Trust Board in respect of progress against key priorities, milestones performance and budget spend to track the progress and impact

5. Quoracy
The Board will not operate a strict quoracy approach. However, the aim is for four members to be involved in making recommendations via the GM Childrens Board to the Combined Authority which must include the Chair or Deputy of the board, one of the Director of Children’s Services representing the 10 local authorities, and two partnership or business leads. In addition the views of young people will always be sought and taken into account.

6. Membership, Chair and Support

The Board shall be supported by the GMCA governance function. and membership will be as follows:

Lead Portfolio Holder for Children and Young People (Chair)
Lead Director of Children's Services for the Portfolio
Programme Manager (PM) for GM Care Leaver Partnership
Representation from North West Business Leaders Team
GMCA Assistant Director – Skills
GM Strategic Housing Board representative
GM Health & Social Care Partnership representative
Transport for GM representative
Jobcentre Plus representative
Higher Education Institute representative
Youth Focus NW representative

Other stakeholders / agencies may be invited to attend all or part of any meeting as appropriate to advise or take part in discussions.

7. Accountability

The Board will report to the GM Children’s Board and GM Reform Board in respect of progress made and outcomes delivered including the making of any recommendations requiring formal decisions to the GMCA.

8. Frequency of Meetings

The Board shall meet at least six times per year; meetings will be planned for a 12 month period, confirming venue, time and date. Notice of each meeting including an agenda of items to be discussed, support documents / papers shall be forwarded to each Board member by the GMCA Governance function and any other person required to attend, no later than 3 days in advance of the meeting.

9. Record of Meetings

The GMCA Governance function shall produce a note of the proceedings and matters agreed of all meetings of the Board, including recording all the names of those present and
in attendance. A record of the Board meetings shall be circulated promptly to all members of the Board and to the following meeting of the Board for agreement.

10. Other Matters

The Board shall arrange for periodic reviews of its own performance and review its constitution and terms of reference annually to ensure it is operating at maximum effectiveness.

To be agreed at the first Board meeting and reviewed annually.
Date: 29 March 2019

Subject: Opportunity Pass including 16-18 Free Bus Travel

Report of: Andy Burnham, Mayor of Greater Manchester, Portfolio Lead for Transport and Eamonn Boylan, Chief Executive, GMCA

PURPOSE OF REPORT

This report sets out a proposal to implement a pilot scheme (the ‘Pilot’) to introduce an Opportunity Pass including free bus travel for eligible young people within Greater Manchester.

RECOMMENDATIONS:

(i) note the key features of the proposal, including, in particular, the duration of the Pilot; the eligibility criteria for 16-18 year olds; and the proposed delivery model;

(ii) note the outline scope of the Opportunity Pass and progress to date, including, in particular, the engagement with businesses and other stakeholders to explore opportunities to extend the scope of the Pilot beyond the provision of free bus travel;

(iii) note that a progress update on the delivery of the Opportunity Pass will be provided to the Combined Authority in June 2019;

(iv) note the strategic and economic case for the provision of free bus travel for eligible young people;

(v) note the financial case and funding sources for the provision of free bus travel for eligible young people, including, the financial information included in Part B to this report;

(vi) note the legal advice and EQIA undertaken in regard to delivery of free bus travel for eligible young people;

(vii) note the key risks relating to the delivery of free bus travel for eligible young people and the mitigating actions;

(viii) approve the proposal to implement the Pilot for a period of two years from 1 September 2019;
(ix) approve the delegation of decisions required to ensure the delivery of the Opportunity Pass Pilot to the GMCA Chief Executive and the TfGM Interim Chief Executive;

(x) Approve the delegation of decisions required to develop the budget and identify funding to deliver and operate the Opportunity Pass Pilot, as per paragraph 3.5 of this report, to the GMCA Chief Executive and the GMCA Treasurer, in consultation with the Mayor of Greater Manchester.

CONTACT OFFICERS:

Steve Warrener 0161 244 1025 Steve.Warrener@tfgm.com
Gareth Turner 0161 244 1119 Gareth.Turner@tfgm.com

Comments and/or recommendation from the relevant Overview & Scrutiny Committee

Risk Management – see paragraph 8.1 to 8.5
Legal Considerations – see paragraph 7.1 to 7.8
Financial Consequences – Revenue – see paragraph 6.1 to 6.13, 8.3
Financial Consequences – Capital – n/a

BACKGROUND PAPERS:

- The Mayor’s ‘Future of Greater Manchester’ full speech transcript;
- Reports to Greater Manchester Combined Authority 15 February 2019:
  - 7a - Mayoral General Budget Overview
  - 7b – Mayoral General Budget and Precept
  - 7c - GMCA Transport Revenue Budget

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TfGMC Overview & Scrutiny Committee
| N/A                  | Corporate Issues and Reform - 19 March 2019 |
1. **INTRODUCTION**

1.1 This report sets out a proposal to implement a pilot scheme (the ‘Pilot’) that will provide an Opportunity Pass to eligible young people. The Opportunity Pass will provide a number of benefits including free bus travel at all times of the day and week.

1.2 One of the Mayor of Greater Manchester’s key manifesto pledges was to provide free bus travel to young people (16-18 year olds) in GM, to support the strategy of making GM “the best place to live, work and get on in life” and to make GM a place for young people “to explore, to shape and to build”.

1.3 In addition, the Greater Manchester Strategy Implementation Plan commits the city region to a diverse range of policies, programmes and reforms designed to improve the education and life chances of young people. There is a significant amount of activity underway across GM to support the achievement of these ambitions.

1.4 The Mayor of Greater Manchester announced the proposal on 7 January, outlining how free bus travel could be provided to “ensure that life horizons are not limited by financial barriers”. In the same speech, the Mayor described the Opportunity Pass as “a passport to study, apprenticeship or work but more than that; free or reduced entry to participating sporting, cultural and leisure venues”.

1.5 The Opportunity Pass aims to generate a sustainable increase in bus patronage and reverse an ongoing decline in bus use by young people. Removing barriers to travel for young people will help them to access education, employment, leisure and social activities which, in turn, will support the future prosperity of Greater Manchester.

1.6 As well as free bus travel, it will also provide access to a complementary range of benefits and opportunities for young people including, for example, access to sporting, cultural and leisure venues; retail offers; and unique opportunities provided by businesses and partners across GM. These benefits and opportunities are the subject of ongoing development and an update will be provided in a report to GMCA in June 2019.

2. **KEY FEATURES OF THE PROPOSAL**

2.1 As noted above, under the proposal all eligible young people would benefit from free bus travel at all times of the day and week within GM.

2.2 The proposal would be implemented as a Pilot. The Pilot would run from the start of the 2019/2020 academic year (i.e. 1 September 2019) to the end of the 2020/21 academic year (i.e. end 31 August 2021).

2.3 16-18 year olds who are resident in GM would be eligible for the Pilot from 1 September following their 16th birthday to 31 August following their 18th birthday (aligned to the equivalent post 16 academic years).
2.4 All eligible young people would be able to access free bus travel during the Pilot period using a personalised Opportunity Pass smart card. This card will also be able to be used during the Pilot as a flash pass to provide access to other complementary benefits that may be included e.g. discounted access to sporting, cultural and leisure venues. Applicants would be required to pay a £10 application fee to cover administration costs, including the production and delivery of the card.

2.5 The name and visual identity of the Pilot, including the design of the Opportunity Pass smart card, will, subject to all necessary legal searches, be selected by the Greater Manchester Youth Combined Authority (GMYCA) in consultation with the Chief Executive of the Combined Authority.

2.6 A behavioural code will also be developed and introduced in collaboration with GMYCA; with TfGM and the Combined Authority retaining the right to withdraw the card and access to opportunities if the cardholder breaks the behavioural code.

2.7 The Pilot would provide data to assess the associated costs and benefits in more detail, enabling a more informed decision on whether to extend the Pilot beyond the proposed end date of 31 August 2021.

2.8 Legal advice has been obtained which determined that in order to ensure a consistent and transparent application across all local bus services and bus operators in GM and avoid potential legal (including State Aid) challenges, the most deliverable way to implement the Pilot is through a discretionary concessionary scheme (‘the Scheme’).

2.9 Engagement with bus operators will continue; ahead of the introduction of the Pilot to work through the operational and commercial implications of the Scheme; and during the Pilot to explore the potential for monetary contributions from bus operators towards the costs of a more permanent scheme, should the Pilot be extended.

2.10 The Scheme is intended to cover bus services only and there are no proposed changes to concession eligibility on Metrolink and Rail as a result of the Scheme.

2.11 TfGM has undertaken and validated an Equality Impact Assessment (‘EQIA’) on the provision of free bus travel for eligible young people that did not identify any concerns under current equalities legislation. This is covered in further detail in paragraphs 6.5 to 6.8.

3. OPPORTUNITY PASS DEVELOPMENT

3.1 As noted above, in a speech on 7 January, the Mayor described the Opportunity Pass as ‘a passport to study, apprenticeship or work but more than that; free or reduced entry to participating sporting, cultural and leisure venues’. 
3.2 Extending the Opportunity Pass beyond free bus travel, to include wider access to opportunities within GM, will help to leverage the benefits of the concession and more effectively achieve the strategic objectives set out in paragraph 4.7.

3.3 Following the announcement on 7 January, an Opportunity Pass Board has been constituted to guide the development and delivery of the Opportunity Pass. The Board membership includes senior officers from the Mayor’s Office, GMCA, TfGM, The Greater Manchester College Group and The Growth Company. The Board is chaired by the Chief Executive of the Combined Authority.

3.4 A Programme Manager has been appointed to manage and coordinate delivery of the Opportunity Pass across partners within the ‘GM Family’. Subject to approval, the Opportunity Pass Board, as described above, will be responsible for taking key decisions relating to the delivery of the Opportunity Pass.

3.5 Any funding required to deliver and operate the Opportunity Pass, in addition to the costs of providing free bus travel as noted in section 6 and Part B of this report, will need to be funded from outside of existing budgets. It is intended to work with partners to identify opportunities to deliver and operate the pilot at minimal cost to the public sector. However, whilst contributions may be available to put towards the costs of operating the scheme, at the time of writing the amount and likelihood of these are uncertain. Work is ongoing to develop the budget and to identify funding sources that can be used to pay for these costs. It is proposed to delegate decision making relating to this to the GMCA Chief Executive and the GMCA Treasurer, in consultation with the Mayor of Greater Manchester. An update will provided in a further report to the Combined Authority in June, as noted below.

3.6 On 14 February, the Combined Authority announced that Rose Marley, Director of Rose Marley Management and CEO of SharpFutures, had been appointed to lead the development of the Opportunity Pass and “to work with brands and businesses to empower young people across Greater Manchester with a rich variety of opportunity.”

3.7 Engagement has commenced with businesses and other stakeholders to explore the opportunities and experiences that will be provided by the Opportunity Pass. It is currently envisaged that these opportunities will include, but will not be limited to: free or reduced entry to participating sporting, cultural and leisure venues; retail offers; and unique opportunities provided by businesses and partners across GM.

3.8 Further detail on the budget, scope and development of the Opportunity Pass including a progress update on the delivery of the Pilot will be provided in a further report to the Combined Authority in June 2019.
PROVISION OF FREE BUS TRAVEL FOR ELIGIBLE YOUNG PEOPLE

4. STRATEGIC CASE

Why provide free travel for 16-18 year olds?

4.1 Educational attainment in GM is below the England average, and the proportion of 16-18 year olds not in education, employment or training (‘NEET’) is almost 50% above the England average.

4.2 There is evidence to suggest that the cost of travel can be a significant barrier to young people pursuing education and training opportunities which in turn limits access to higher value employment and opportunities later in life. Failing to address the transport barriers contributes to young people in GM underperforming to their potential, impacting on their lives and the future prosperity of GM.

4.3 Furthermore, a recent study into tackling hateful extremism, social exclusion and radicalisation in GM following the terrorist attack at the Manchester Arena on 22 May 2017, recommended free transport for 16-18 year olds to remove access to affordable transport as a barrier to education, employment, training and socialising\(^1\).

4.4 By removing financial barriers, free bus travel will extend the mobility options available to young people by increasing their capabilities to travel in relatively independent ways.

4.5 There is a strategic rationale, therefore, for an intervention to subsidise the travel costs of young people in GM to enable them to make the best of the opportunities available in the region.

Strategic Objectives and Options Assessment

4.6 A number of strategic objectives have been developed to support the development and assessment of options to support young people in GM through removing the transport barriers to opportunities.

4.7 These objectives include, in particular: to increase access to opportunities for education, employment, training, leisure and culture; and to seek to establish a sustained increase in bus patronage as a means to promote the use of public transport.

4.8 A long list of options for the provision of free travel was identified that considered levels of validity, geographic coverage and population base. These options were derived as variants of the core option, i.e. free travel for 16-18 year olds in GM.

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\(^1\) A Shared Future, A report of the Greater Manchester Preventing Hateful Extremism and Promoting Social Cohesion Commission, 2018
4.9 These options were evaluated against the strategic objectives as well as three viability criteria (Value for Money; commercial and legal viability; and affordability) to arrive at a short list of options.

4.10 Based on the evaluation process, it was determined that the preferred option is to provide free bus travel to all ‘16-18 year olds’ living in GM, at all times of the day and week, alongside the provision of experiences and opportunities.

5. ECONOMIC CASE

Value for Money

5.1 A Value for Money assessment has been carried out based on estimates of benefits and costs. The key benefits assessed are welfare benefits to existing and generated users and decongestion benefits. Other benefits, such as the longer term Gross Value Added (‘GVA’) benefits of connecting younger people to education and training opportunities would be baselined during the Pilot.

5.2 Using the standard DfT approach to monetising benefits (WebTAG), the monetary value of the welfare and decongestion benefits have been set against the estimated costs of the Pilot, using the current demand forecasts, which are based on demand experienced on the similar free travel scheme in Greater London.

5.3 The economic appraisal is based on the ‘base’ financial case. The initial results show that the benefits outweigh the costs, with a positive Benefit Cost Ratio (‘BCR’) of 1.20.

5.4 The appraisal also assumes a loss of revenue to Metrolink during the Pilot, due to a modal shift to bus. However, it is possible that additional revenue will be generated as a result of the capacity released on Metrolink during the Pilot. This has not been modelled at this stage and therefore any additional revenue generated would reduce the total net cost and improve the BCR.

5.5 In addition to the monetised economic appraisal, there are other non-monetised impacts of the Pilot that have been considered in forming an overall view of the expected Value for Money, including the longer term GVA benefits of connecting younger people to education and training opportunities.

5.6 The economic appraisal therefore concludes that a Pilot providing free bus travel to 16-18 year olds in GM is likely to offer Value for Money (i.e. a positive public sector assessment of the use of resources to meet the intended outcomes of a proposal).
6. **FINANCIAL CASE & FUNDING**

6.1 The financial case for the proposal is based on the implementation of a concessionary scheme, with bus operators being reimbursed for the revenue forgone relating to non-generated journeys; and the marginal and additional capacity costs for generated journeys.

6.2 As the actual costs of the scheme are dependent on a number of factors, including, in particular, the actual generated demand from the Pilot, a number of scenarios based on different assumptions have been included in the financial case to arrive at an affordability range.

6.3 The affordability range is based on estimates of revenue foregone and marginal costs, following the principles of DfT guidance on concessionary scheme reimbursement to bus operators.

6.4 ‘Revenue foregone’ is the farebox revenue that bus operators would have received from those concessionary passengers who would otherwise have paid for a (full fare or discounted) bus ticket in the absence of the Pilot.

6.5 Marginal costs include the incremental operating costs and additional capacity costs that would be borne by bus operators as a result of carrying additional passengers that would not have travelled by bus in the absence of the Pilot.

6.6 The total cost for a full year is estimated at £15.9m in the ‘base case’ but the purpose of the Pilot is to gather the data on take-up and usage to inform future financial planning. As described above, the cost has been estimated within a range based on testing the best and worst case financial assumptions for each of the scenarios in combination.

6.7 As approved by the GMCA on 15 February 2019, the prorated estimated cost of £9.3m in the 2019/20 financial year would be funded from the Transport Levy (£6.05m) and Earnback monies (£3.25m).

6.8 However, to ensure the costs of this Pilot do not fall entirely on the taxpayer, we are working with public and private sector partners who may benefit from the scheme to identify additional funding sources. Whilst contributions may be available to put towards the costs of operating the scheme, at the time of writing the amount and likelihood of these are uncertain, and they have therefore not been included in the Financial Case.

6.9 There is a further Parliamentary Order which covers increased Mayoral responsibilities, including bus reform. Districts have recently given consent to the Order which has now started the Parliamentary process. However, the various budgets for the 2019/20 financial year have had to be prepared on the basis of the current split of responsibilities and particularly, that the 16 – 18 Travel Concession is a GMCA responsibility. It is anticipated that the Order will be in place for the 2019/20 financial year and hence, some budget adjustments between funding sources will be required in due course.
6.10 Future funding for the scheme beyond the 2019/20 financial year is being sought from contributions from the GM FE Colleges and Sixth Form Colleges and through commercial sponsorship of the Opportunity Pass. We will also be approaching school sixth forms. It is anticipated that financial support from these additional funding sources will become available in which case the financial contributions from the public sector will be reduced. However, in the worst case scenario that no additional funding is secured, the costs to cover the full year would be £15.9m (requiring an additional Band D precept of £15). This funding assumption assumes that there is no ceiling on the Mayoral (General) precept, above which a referendum would be required. Any decision by Government to impose a ceiling on the precept for the second year of the scheme (2020/21) would not be known until after the approval of the Pilot, creating a potential funding risk that could result in the scheme being withdrawn if the other sources of funding could not be identified.

6.11 Under all scenarios, it is assumed that the Pilot would potentially shift fare-paying eligible young people away from Metrolink to bus at a cost to TfGM. This cost is assumed to be funded from the Earnback allocation noted above. As described previously, potential Metrolink revenue generated by the released capacity has not been modelled at this stage and any revenue that is generated would partly offset the estimated net cost of the proposal.

6.12 The projected resource cost to TfGM to administer the provision of free bus travel would be offset by revenue from receipt of card application fees of £10 per card.

6.13 On 15 February the Combined Authority approved the ‘Mayoral General Budget and Precept’ and the ‘GMCA Transport Revenue Budget’ reports. These approvals included provisions for the forecast costs of providing 16-18 Free Bus Travel in the 2019/20 financial year as described above.

7. **LEGAL CONSIDERATIONS**

7.1 The two core principles that apply to any intervention around bus fares are:

- There must be fair and consistent application across all bus operators; and
- The intervention must not overcompensate bus operators and therefore risk a challenge on the grounds of State Aid.

7.2 External legal advice has been obtained. This confirms that the best way to implement the Pilot in order to ensure a consistent and transparent application across all bus services in GM and avoid the risk of State Aid issues, is through a discretionary concessionary scheme.

7.3 Under the 1985 Transport Act, bus operators are obliged to participate in a concessionary scheme for 16-18 year olds who are in full time education, however these powers do not extend to the full age group. TfGM can, however, use its functional power of competency under the Transport Act 2000 as amended by the 2011 Localism Act (previously referred to as “well-being powers”) to extend the scheme.
7.4 Bus operators would be reimbursed on a ‘no better, no worse’ basis as required by the DfT concessionary scheme guidance and as set out above in the Financial Case.

**EQUALITY IMPACT ASSESSMENT (‘EQIA’)**

7.5 TfGM has undertaken and validated an EQIA on the Pilot that did not identify any concerns under current equalities legislation.

7.6 It is noted that the Pilot would result in a number of issues with respect to transport costs for young people:

- Children aged 5-15 and 16 year olds up to 31 August following their 16th birthday (who do not qualify for the disability concessionary scheme) would still be required to purchase children’s bus tickets (half the adult fare) for bus travel;
- Some eligible young people currently travel (and pay subsidised fares) on private bus services procured directly by the schools and colleges. These private services may continue during the Pilot period and would not be included in the proposal for free bus travel; and
- Some areas of GM have lower access to bus services, therefore whilst residents of these areas would be eligible for free bus travel, they would be less able to take it up than those in areas with greater network coverage.

7.7 The issues identified above do not present an issue under current equalities legislation because they do not disadvantage individuals relative to their current position.

7.8 Eligible young people with a disability would continue to be eligible for any relevant England National Concessionary Travel Scheme (‘ENCTS’) and Local Scheme concessions, but will also be able to apply for the Opportunity Pass in order to access the other complementary benefits of the Pilot.

8. **KEY RISKS**

8.1 The key financial risks are as follows:

- Should demand be higher than expected, the forecast reimbursement costs borne by Greater Manchester Combined Authority (‘GMCA’) would increase putting pressure on the affordability of the Pilot. The key factors impacting demand for the pilot have been modelled variably based on best and worst case financial assumptions (within the scenarios described in paragraph 5.2) to arrive at an affordability range.

- In addition to, but also predicated by the variability of demand, there is a risk that bus operators may not agree with the ‘standard’ concessionary reimbursement rate proposed. A successful appeal could result in higher reimbursement costs putting pressure on the affordability of the Pilot.
8.2 These financial risks are being mitigated, in part, by ongoing engagement with bus operators to better understand the demand factors which will inform the development of the proposed concessionary reimbursement rate.

8.3 On 15 February, the Combined Authority approved a proposal that the existing balance on the Concessionary Travel Reserve, which is forecast to be c. £8 million at 31 March 2019, would be retained to fund the risks connected with the potential implementation of the 16-18 Concession.

8.4 The key non-financial risk is the risk of legal challenge to the Scheme. This risk is mitigated by the external legal advice sought by TfGM in the development of the proposal, and the governance framework that is already in place for TfGM’s existing concessionary schemes.

8.5 There is also a delivery risk associated with launching the Pilot on 1 September. This risk is being mitigated by the resources and governance arrangements that have been put in place, as described in Section 3 above; and by ongoing engagement with bus operators.

9. RECOMMENDATIONS

9.1 Recommendations are set out at the front of this report

Eamonn Boylan

Chief Executive, GMCA
Date: 29th March 2019

Subject: The Greater Manchester Model - White Paper on Unified Public Services for the People of Greater Manchester

Report of: Andy Burnham, Mayor of Greater Manchester and Portfolio Lead Leader for Reform

PURPOSE OF REPORT:

This report provides an overview of the White Paper on Unified Public Services for the People of Greater Manchester. This White Paper represents a significant step forward in our reform ambitions in Greater Manchester, setting out a 21st century vision for public services and putting forward GM as an international leader in this field. As well as aiming to improve outcomes for people across Greater Manchester the White Paper will also seek to influence the future direction of central government policy and spending.

RECOMMENDATIONS:

Members are asked:

- That GMCA endorse the intent of the White Paper and actively supports the consultation phase set out with all relevant stakeholders.

- That at a local level members endorse the intent of the White Paper and support the direction of travel set out within it with all their relevant partners.

- To note that implementing the GM Model as described in the White Paper does not require, and is not intended for, any transfer of statutory responsibilities from public bodies up to the Greater Manchester Combined Authority.

- To note that publication of the White Paper is aligned with the GM Industrial Strategy and the GM Health & Social Care Prospectus, with a view to informing the 2019 spending review.
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jane.forrest@greatermanchester-ca.gov.uk

BACKGROUND PAPERS:
Annex 1: The Greater Manchester Model: Our White Paper on Unified Public Services for the People of Greater Manchester

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<th>TRACKING/PROCESS</th>
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<td>Does this report relate to a major strategic decision, as set out in the GMCA Constitution</td>
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<th>EXEMPTION FROM CALL IN</th>
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<tr>
<th>TfGMC</th>
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1.0 BACKGROUND

1.1. The Greater Manchester Model (GM Model) of unified public services represents the culmination of our learning from public service reform work over recent years, articulating our vision for 21st century public services built around the unique and diverse needs of GM’s people and places as opposed to the traditional delivery model tied to thematic Whitehall silos. The detail of the GM Model is based on learning from work in neighbourhoods in each of the ten localities within Greater Manchester, reform work in thematic areas (e.g. Troubled Families Programme, Working Well etc.) and a series of self-assessment processes conducted by the 10 localities of GM themselves.

1.2. The GM Model was launched on 29th November 2018 at the ‘Further, Faster’ event attended by over 400 colleagues from across the full range of sectors in GM as well as a number of regional and national stakeholders. At the event it was announced by the Mayor that a formal White Paper would be produced setting out the GM Model and describing the move from principles to a new operational model.

1.3. The purpose of the White Paper is two-fold. Firstly, it is to serve as the reference point for all partners for the delivery of all relevant future public services in GM. Secondly, the White Paper will serve as a leverage point to engage with central government, and through the upcoming Spending Review to pursue a number of joint solutions under specific policy areas, in the short, medium and long term.

1.4. Greater Manchester signed its first devolution deal with central government in November 2014, setting out a staged approach to the evolution of Greater Manchester governance arrangements, towards our ultimate ambition of influence, if not control, over all public spending in GM. This agreement was shortly followed in 2015 by the bringing together of the £6 billion Health & Social Care Funding and the establishment of the Health & Social Care Transformation Fund. These agreements have given local public services control over decisions previously taken at national level. The GM Model represents the next step in this staged approach, it is the basis upon which future agreements with central government will be made around the devolution of powers, responsibilities or budgets.

1.5. The GM Model set out in the White Paper will be a key vehicle for delivering a number of the overarching priorities in the Greater Manchester Strategy and is the basis of how we push devolution further forward in the city region. It will sit alongside, and connect with, other key programmes of work such as ‘Taking Charge: The Next 5 Years’ (GM H&SC Prospectus), the GM Industrial Strategy and recommendations from the GM Independent Prosperity Review (IPR).

1.6. It should be noted that when we refer to ‘GM’ in the White Paper we are not referring to a GM-level function or single organisation we are referring to the powerful collective that is made up of the ten localities of Greater Manchester that come together as a strong, collaborative alliance.
1.7. The attached document at Annex 1 is a comprehensive draft of the White Paper that has been developed in partnership by GMCA and Health & Social Care Partnership, and through engagement with key stakeholders within localities and other public services - including GMP, Housing providers, Voluntary, Community and Social Enterprise sector.

2.0 CONTENT OF THE WHITE PAPER

2.1. The White Paper on the GM Model of Unified Public Services sets out a radical new approach to how public services will be delivered across Greater Manchester, for the people of Greater Manchester. Drawing on our learning from our reform journey over a number of years it is recognised that there is now a need for a unifying operating model for public services to ensure the best for the residents of Greater Manchester. A model that translates our strategies into practice for the people that are affected by them, that takes us beyond thematic programmes and that sets the stage for further powers to be devolved to Greater Manchester.

2.2. The model described in the White Paper will provide an effective response to the ‘people-focussed’ findings and recommendations of the IPR and the Industrial Strategy, in particular those relating to inclusive growth and linkages to our wider economic initiatives such as the spatial framework and transport development.

2.3. By implementing The GM Model we can exploit a unique opportunity. With an elected Mayor for Greater Manchester, Health Devolution and mature collaborative relationships across sectors we have the opportunity to integrate Health (physical, mental and social) with everything and everything with Health, in the broadest sense. This includes early years, education, policing and community safety, housing and employment. A particularly
important part of this will be the ability to tackle together the underlying determinants of poor health outcomes across the life course and demonstrate what it is to be a ‘Marmot City Region.’

2.4. It is important to note that the intention of the White Paper is to put forward the what and the why of the GM Model (i.e. a description of what it looks like in practice and the case for change). Intentionally, the White Paper does not prescribe detail in the how of the implementation approach. A ‘one size fits all’ approach to implementation will not work, it will need to reflect local priorities and start from the current position in each locality. A recognition of local and sector-specific priorities is made throughout the White Paper. It is acknowledged that the journey of implementation will vary across GM but the destination should be the same.

2.5. The content of the White Paper is structured as shown in the table below:

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<th>Section</th>
<th>Description</th>
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<tbody>
<tr>
<td>Foreword</td>
<td>An introduction to the purpose and ambition set out in the White Paper.</td>
</tr>
<tr>
<td>Executive Summary</td>
<td>An overview of the White Paper providing a brief synopsis of the entire content.</td>
</tr>
<tr>
<td>Ch. 1 The GM Journey So Far</td>
<td>Detail of the GM journey of collaboration, reform and devolution to-date.</td>
</tr>
<tr>
<td>Ch. 2 The Need for a GM Model of Unified Public Services</td>
<td>An outline of the case for change providing reference to learning gathered from our bottom-up approach to understanding need and responding more effectively to demand. This section highlights the importance of early intervention and the need for a focus on people, prevention and place.</td>
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<tr>
<td>Ch. 3 Describing the GM Model</td>
<td>A detailed description of the GM Model, the six key features that need to be in place for it to be realised and the success criteria for each of these key features from a future state perspective.</td>
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<tr>
<td>Ch. 4 Implementation of the GM Model</td>
<td>An outline of the way in which we will support each other to make implementation happen. This includes the notion of ‘place-led improvement’ which makes clear that individual localities are in the best position to determine how they realise these ambitions.</td>
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<tr>
<td>Ch. 5 Key Areas for Development with Central Government</td>
<td>An articulation of the joint solutions we need to develop collaboratively with central government to provide the most effective services for the people of Greater Manchester. This includes the broad mechanisms with central government and how the emergent work can take account of other specific policy areas over time.</td>
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<tr>
<td>Schedule 1</td>
<td>An outline of the current joint solutions that we would like to develop with central government relating to specific policy areas. This will be organic and we will develop the schedule over time to include other policy areas as we embark on implementation.</td>
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2.6. Engagement on the White Paper to-date has highlighted the need to emphasise that the approach to implementation put forward is intended to add value, be supportive, be focussed on learning and local implementation. It is not intended to be compliance monitoring or a rigid performance management framework. The White Paper proposes that implementation of the GM Model will be based on the following principles:

a) Individual public service organisations in Greater Manchester are responsible for leading the delivery of improved outcomes for people in their area
b) Implementation of The GM Model of Unified Public Services does not require, and is not intended for, any transfer of statutory responsibilities from public bodies up to the Greater Manchester Combined Authority
c) Individual public service organisations in Greater Manchester should consider themselves accountable locally for the implementation of The GM Model of unified public services
d) There is collective responsibility for the implementation of The GM Model of unified public services across Greater Manchester as a whole, and
e) The role of the GMCA family is to provide tools and horizontal support to facilitate implementation of The GM Model of unified public services.

2.7. The White Paper sets out a commitment to delivery for all relevant GM public service partners and sets out a need for the implementation of the GM model to inform the design and construction of local corporate and budgets strategies in both the medium and long term across all public service organisations including health and care. It should be noted that implementation of the GM Model does not require, and nor is it intended for, any transfer of statutory responsibilities from public bodies up to the Greater Manchester Combined Authority.

2.8. Through the White Paper we will assert that by implementing the GM Model we will have a framework for more effective devolved delivery at locality level, paving the way for better outcomes for more people across the full spectrum of policy areas. As outlined in the table above, it proposes a sequenced approach to developing and setting out a series of proposed joint solutions with central government. These will be based on key policy areas which we will develop into a series of schedules over time, setting out more detail and options for greater freedom and autonomy.
3.0  NEXT STEPS

3.1. Considerable engagement has already taken place through the development of the White Paper. The content has been developed with localities and is informed by learning from our collective transformation programmes.

3.2. In order to ensure full agreement with the propositions put forward in the White Paper it is proposed that a consultation phase takes place with all localities, key stakeholders and appropriate scrutiny groups up to 21st June 2019 with a view to final sign-off through the GMCA in July 2019. It is important to note that publication of the White Paper is aligned with the GM Industrial Strategy and the GM Health & Social Care Prospectus, with a view to informing the 2019 spending review.

4.0  RECOMMENDATIONS

4.1. Members are asked:

- That GMCA endorse the intent of the White Paper and actively supports the consultation phase set out with all relevant stakeholders.

- That at a local level members endorse the intent of the White Paper and support the direction of travel set out within it with all their relevant partners.

- To note that implementing GM Model as described in the White Paper does not require, and is not intended for, any transfer of statutory responsibilities from public bodies up to the Greater Manchester Combined Authority.

- To note that publication of the White Paper is aligned with the GM Industrial Strategy and the GM Health & Social Care Prospectus, with a view to informing the 2019 spending review.
The Greater Manchester Model

Our White Paper on Unified Public Services for the People of Greater Manchester
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Schedule 1
Foreword by the Mayor of Greater Manchester

Greater Manchester is determined to make full use of our unique devolution settlement – the most advanced deal of any city-region in England – and turn it to the full benefit of our three millions residents.

As part of this, we want to change the way in which our public services work to support people to achieve their full potential and ensure nobody is left behind. That means integrating services around people, places and their needs, focusing on prevention, developing new models of support and sharing information across the public sector to design and deliver better services. Put simply, we want to focus on names not numbers and people not labels.

We are already making great strides in implementing this vision but now is the time to go further, and faster. That is why we are setting out The Greater Manchester Model – our White Paper on Unified Public Services for the People of Greater Manchester.

This new model will be based on a new relationship with citizens and will mean freeing up the frontline, devolving power and allocating resources around need more effectively. Each neighbourhood area will be served by an integrated place-based team with co-located professionals from all relevant public services working together. These teams will be supported by more specialist teams operating at a Locality, cluster or Greater Manchester level. Instead of a drive towards more institutions, fragmentation and outsourcing, it is about the very opposite – one integrated public service team ethos.

Aligning geographies around these neighbourhood areas allows us to start with the person and start in the home. This will help to reduce pressure on acute and specialist services, allowing them to focus their resources on those that need it the most.

This will be backed up by our drive to raise standards in the private-rented sector through the development of a GM Good Landlord Scheme and our plan to improve people’s working lives through the GM Good Employment Charter.

Local areas are now ready to take the lead on implementing this model, making it a reality for people in their places, whilst recognising that we need to take collective responsibility for ensuring everyone in Greater Manchester benefits.

We also believe that local bodies in Greater Manchester should now be trusted with more oversight and greater freedom from central government. More power to local bodies, more responsibility and the proper resources to make real change.

If we implement this model then the difference will be felt most where it matters most – in the lives of Greater Manchester’s residents and by the public servants that work with them. Put simply, this model is better for services, better for staff and better for people.

I look forward to working with partners across Greater Manchester to make this vision a reality.

Mayor of Greater Manchester
The Greater Manchester Model
Commitment to Delivery

Greater Manchester’s public services are committed to the delivery of The GM Model of Unified public services. The following protocols set out our expectations of each other and the commitments we will be jointly accountable for delivering.

Implementation of the GM Model will be based on the following tenets:

a) Individual public service organisations in Greater Manchester are responsible for leading the delivery of improved outcomes for people in their area

b) Implementation of The GM Model of Unified Public Services does not require, and is not intended for, any transfer of statutory responsibilities from public bodies up to the Greater Manchester Combined Authority

c) Individual public service organisations in Greater Manchester should consider themselves accountable locally for the implementation of The GM Model of unified public services

d) There is collective responsibility for the implementation of The GM Model of unified public services across Greater Manchester as a whole, and

e) The role of the GMCA family is to provide tools and horizontal support to facilitate implementation of The GM Model of unified public services.

In each of the ten localities of Greater Manchester, all relevant public services will:

- Work to implement and deliver each of the six key features of The GM Model as described by their success criteria.
- Ensure that the citizen’s voice is placed at the centre of the way we design and deliver services at a locality level and in neighbourhood areas.
- Model the right culture at a local level to deliver this change across the whole public service system.
- Work across GM to share ideas, innovation and learning, identifying solutions to overcome barriers together.
- Work to embed the key features of our public service model within all commissioning and commit to mainstreaming investment in reform.
The Greater Manchester Model

- Develop an empirical understanding of the barriers to our ambitions and make the case for further devolution when identified, ensuring all voices are heard at a local and GM level.
- Support in the development and delivery of an evaluation approach, pooling knowledge and evidence, to ensure GM is able to make a strong case with central government.

At a Greater Manchester level, all relevant public services will:

- Consistently articulate and enable the delivery of the six key features of the public service model for Greater Manchester across all areas of work.
- Ensure that the citizen’s voice is placed at the centre of the way we design and deliver services at a Greater Manchester level.
- Model the right culture at a Greater Manchester level to deliver this change across the whole public service system.
- Lead collective action where issues are common or require collaboration, with an emphasis on solutions not just problems.
- Work with central government to develop a single flow of investment, utilising new models that incentivise reform.
- Work towards embedding the six key features of the GM Model in all commissioning activity across the full range of public service, health and care activity.
- Work closely with localities to build the case to central government for further freedoms that will enable delivery of the model and allow us to realise our ambitions.
- Establish an ongoing evidence base for the model in GM, bringing together the best evidence to build a strong case with government.
EXECUTIVE SUMMARY

1. This White Paper sets out the Greater Manchester (GM) Model of Unified public services. It represents a significant milestone in our journey of reform over the last decade; articulating our vision for 21st century public services, moving from principles to a new operational model. For central government it is a statement of our ambition and our ask, for Greater Manchester partners it is the reference point for the delivery of all future public services. This is the culmination of our journey of devolution to date; set in the context of the Greater Manchester Strategy ‘Our People, Our Place’, the GM Health & Social Care Prospectus and our Industrial Strategy. It provides an outline of a place-led improvement approach to the implementation of the model and the relationship we want with central government in supporting the delivery of this.

2. Devolution holds the key to breaking down the silos between public services and moving from ‘picking-up-the-pieces’ to a preventative approach which is truly place-based and person-centred. In Greater Manchester ‘public services’ means all services to the public, regardless of sector or funding, and recognises the role of citizens in this. Our model is about creating public services fit for the 21st century; focussed on people, how they live their lives in communities, and their aspirations. It means developing a new relationship with citizen’s based on mutual obligation. We want everybody to benefit from what our city region has to offer; to have the best possible start in life, to leave education ambitious and equipped with skills for life, to have access to secure employment and safe accommodation, and able to live life to the full as they get older. This starts with our residents being connected and empowered in their communities, with public services working with people to develop preventative approaches, and when they are needed intervening as early as possible. To achieve this we know our public services need to work together, and with the Voluntary, Community and Social Enterprise (VCSE) sector, better. All our services need to be asset-based, adaptable, preventative and integrated in place. This is not just a shift in policy, this is a shift in philosophy.

3. Across the £22bn public service spend within GM (on public services delivered directly to GM residents and/or within GM’s boundaries), including the £6bn health & social care spend, partners have recognised that we are ultimately working towards the same goal. Nowhere else in England has the architecture of devolution, governance and track record of collaboration which will enable us to join up services at this scale. We want to build on this success, and the model of health devolution, to develop a new partnership with DWP and our local Job Centre Plus. Greater
Manchester has a unique opportunity to integrate across all public services, including; health, social care, early years, education, police and community safety, housing and employment. The Greater Manchester Model sets out how we plan to do this.

4. Greater Manchester has many great strengths but also has many challenges. The ever growing complexity within communities, combined with significant pressures on resources means that we can’t respond with the same thinking or the same ways of working as we have always done. A shift is needed in the underlying organisational assumptions which have been driven by a siloed national government, to ensure public services meet the needs and build on the strengths of Greater Manchester’s greatest asset – its people. Our operating model has been developed from the ground up, working with front-line teams, citizens and communities, being part of local conversations and based on examples of already excellent work across Greater Manchester. In addition, we have undertaken honest self-assessments, which have identified common themes across all public service, health and care organisations in each of the ten localities\(^1\) within Greater Manchester and Greater Manchester as a whole.

5. Our model includes organising resources – people and budgets – in neighbourhood areas of around 30,000-50,000 residents as a common currency for integration. By doing so this will pick up the important role of High Streets, local businesses and other community assets. Where possible, and appropriate, we will co-locate to make the best use of public estate and to help foster the cultural change needed. These delivery footprints may include bespoke focussed integrated responses within them and will also be supported by specialist and acute services at locality and/or GM level. This reorganisation around place is a departure from traditional arrangements tied to specific themes or policy areas. We are moving away from public services that screen people out to manage demand, only respond to need based on policy silos, have a referral culture and focus solely on people’s problems. We are building a model of services that responds based on what matters to the person, is proactive and intervenes early, is integrated from the frontline to senior leadership and recognises strengths not just problems. As we have built this model, a constant theme has emerged; names, not numbers. Focus on the people in the community who most need our support, building integrated solutions around them rather than chasing the statistics that public services are forced to monitor by Whitehall departments and outdated commissioning practices.

\(^1\) The ten localities of Greater Manchester are Bolton, Bury, Manchester, Oldham, Rochdale, Salford, Stockport, Tameside, Trafford and Wigan.
6. It is important to stress that this model is not about delivering everything at the neighbourhood level. There will always be an important role for the acute system, as well as specialist services, that need to be delivered on a much wider geographic footprint. Implementing this model will help ease pressure on the acute system and specialist services by moving away from the idea that hospitals are the default setting for care, that police custody is the most appropriate intervention point for youth crime or that substance misuse services have to be delivered within a group environment. Place-based teams will help manage demand in the acute sector and pressures on specialist services by addressing some of the underlying causes behind issues such as A&E attendances, emergency admissions, police call-outs, repeat fire risks and many others. As the model embeds across GM, acute and specialist services will be able to formalise their connectivity with place-based teams so that the issues that are driving repeat or inappropriate demand on them can be responded to locally. This will help the whole system achieve our shared goal of preventative, person-centred services. Integration is not the end in itself, it is through the integration of relevant services that we will secure better outcomes for people and the population as a whole.

7. In the context of the challenges we face the research and evidence has consistently revealed the critical risks that could further impact on the life chances of residents. These risks include a shift towards reactive only public services, a reduction in the capacity and capability to problem solve and intervene early, continued duplication of activity across organisational boundaries, public service organisations shrinking apart rather than integrating services and a lack of consistent engagement with communities, and the voluntary, community and social enterprise sectors in responding to need.

8. Through our analysis, we have developed a model that allows us to understand and respond better to demand on services and need as well as recognise strengths and assets. Effectively dealing with need that presents at the neighbourhood level relies on a twin track approach to people, place and prevention. Firstly, identifying and working with those individuals and families who are clearly not coping in their life, but do not meet the threshold for costly specialist services - an integrated way of working across all public services to address current need. The second track to the approach requires giving a much higher priority to early intervention; it is about identifying and working with those at risk or approaching crisis and providing early help that deescalates and prevents future problems from occurring - working proactively to prevent future need.
9. The six key features of our operating model (Fig. 1) highlight those areas in which it is essential we make progress if we are to realise our ambitions and improve outcomes for the people of Greater Manchester. The model, and these six features, will need to inform future decisions about investment and will require joint policy decisions at a Greater Manchester level as well as, importantly, a direct dialogue with central government to inform future devolution asks.
### Key Feature 1
- Many services share coterminous service delivery footprints and integrated services are delivered at either Greater Manchester, locality or neighbourhood level.
- The neighbourhood level is the building block for local care organisations and the foundational unit for delivery recognised across public service organisations.
- Neighbourhood level delivery aligns to populations of around 30k-50k residents. All services can describe how they align capacity and capability at this level for mutual benefit.
- Focused activity may be delivered below the neighbourhood service delivery footprint, which will be drawn together at the locality level.

### Key Feature 2
- Integrated leadership, accountability, performance and governance structures reflect the geographic alignment of services at Greater Manchester, locality and neighbourhood levels where appropriate.
- Joint decisions can be made across organisations at each spatial level with an emphasis on leading for the people and the place as opposed to purely on an organisational or functional basis.

### Key Feature 3
- There is a look and feel of one public service workforce functioning together, unrestricted by role titles or organisational boundaries – working for the place and the people.
- Driving service effectiveness, focussing on prevention and taking a person-centred approach is at the heart of everything we do, based on a new relationship with citizens.
- Structures support this way of working through policy, practice and organisational form.
- There is a shared culture across organisations displayed through shared assumptions, values and beliefs that enable this way of working.

### Key Feature 4
- There is a clear understanding of the full public spend across the locality including how this operates at each neighbourhood level.
- A mechanism is in place to pool transformation and reform funds for collective benefit.
- There is a single commissioning function which pools budgets across all public service, health & care organisations. Integrated core budgets exist where relevant e.g. neighbourhood functions.

### Key Feature 5
- All strategic plans and change programmes work towards a common goal of integrated public service delivery.
- The key features of our operating model are embedded in the blueprint design of all programmes of work, driving out duplication and divergence.
- Multiple integrated delivery models come together as a single neighbourhood delivery model with this approach reflected at the locality and Greater Manchester levels.
- There is a shared knowledge of the strengths and issues in a place, human and digital capabilities form the basis of a collective intelligence across organisations that shapes decision making and strengthens relationships.

### Key Feature 6
- Each locality has a formal mechanism to identify, act on and escalate issues that impact on delivering the most effective services for people or act as a barrier to wider and deeper integration.
- Greater Manchester is able to have a single conversation nationally around policy, legislative and financial flexibilities which support our ambitions and further strengthen our devolution deals.
10. Having set out what The GM Model looks like in practice and the key features which need to be in place across GM for it to be fully realised, the paper outlines our approach to implementation, evaluation and shared accountability. Implementation is underpinned by The GM Model itself, in particular the need for integrated leadership, accountability, performance and governance structures to drive it. Our implementation will be informed by the Sector-Led Improvement (SLI) approach espoused by the Local Government Association, we refer to our approach as ‘Place-led Improvement’ and have refined the principles of SLI accordingly. This includes an emphasis on accountability locally, collective responsibility and horizontal support from GM organisations. Implementing the GM Model will not slow existing innovation down, it will provide the platform to propagate good practice across organisations and sectors, taking what works to scale for the maximum benefit of the people of Greater Manchester. We need to step-up the level of challenge with one another and ensure we maximise the collaborative power across GM to bring about the change required, including with our citizens and communities. The implementation approach is collaborative in nature; it focuses on the strength of relationships across GM, there is a strong emphasis on identifying and sharing good practice, a collaborative peer support process is at its centre and it sees GM level organisations providing a supporting and facilitating role working with localities.

11. We have demonstrated our ability to manage and deliver effectively across the system of public services in Greater Manchester but securing and sustaining this, and scaling up right across GM, now requires an effective collaborative relationship with central government to explore the potential for greater freedoms and more autonomy through policy and legislative change. We are now in a position to articulate the key areas we need to develop collaboratively with central government. Underpinning all of this will need to be a sustainable system of funding for Greater Manchester, with access to flexible resources, to be invested locally to join up and integrate services and infrastructure. This will need to be a broad, iterative and negotiable process with central government which will enable us to trial various solutions to a range of issues together and highlighting opportunities for learning and transferability more widely across the country.

12. We are taking a sequenced approach to developing and setting out a series of proposed joint solutions with central government. These are based on four key areas within which we will develop a series of schedules over time, setting out more detail and options for greater freedom and autonomy:
a. Establishing a place-based relationship between central government and Greater Manchester, moving away from single departmental conversations.

b. Developing a formal relationship between Greater Manchester and central government to support the delivery of our public service model, tackle the barriers that are not in local control and identify national good practice.

c. Creating a single line of investment for reform through one Greater Manchester Investment Fund, working towards a place-based settlement.

d. Creating and maintaining an open dialogue around current and future devolution opportunities, which support us to deliver services most effectively for the people of Greater Manchester.

13. As the schedules are developed we will set out proposed joint solutions related to key policy areas, beginning with welfare reform and unemployment, and including health and social care, apprenticeships & skills, digital & information and criminal justice. These will be aligned, where appropriate, with the areas for collaboration agreed with Government in the Greater Manchester Industrial Strategy. Over time we will develop schedules to cover other policy areas for example housing, early years, policing and community safety.
CASE STUDY A: WHAT DOES THE GM MODEL LOOK AND FEEL LIKE TO RESIDENTS?

A Police Officer attended an incident which was reported as a male who had crashed his bike on a road. The officer attended the incident and determined no crime had been committed, and the male wasn’t in any danger – in a traditional model the officer would have updated the relevant logs, perhaps made some referrals and left the scene to attend his next job.

However, in this case the officer realised the male, Lee, was struggling to get his bike home because it was damaged. So he offered to help him home with it, which gave him the chance to engage and speak to Lee to understand what was really going on. Rather than simply focussing on the presenting issues and referring Lee on the officer was able to explore his underlying needs.

Lee opened up to the officer and said he had crashed the bike on purpose in an attempt to end his life and said he didn’t know where to turn to get help. There were a range of things going on in Lee’s life which meant that a different response was needed. Lee had been suffering from depression and ill physical health as well as drug and alcohol dependency, he had been through a separation, wasn’t taking his medication, was currently out of work and believed he had no job prospects. He explained that he had poor literacy skills and had little money for food, clothes, gas or electric – from his point of view he thought nobody was listening or helping.

In a traditional model of public service the approach would have been for the officer to complete a referral, not having chance to speak or understand what was going on. The officer would have to signpost Lee on to other agencies which he thought may be able to help and hope that Lee took their advice.

The Greater Manchester Model means that the officer works as part of a single neighbourhood function for all public services in the area, this means having face-to-face contact with other public services in the team, calling on them for advice straight away and knowing the full situation from all partners. The team works on an individual package of support that works for Lee and services that hadn’t worked for him in the past were not pushed on him simply because that’s what was available.

Housing Officers and Employment Officers in the team were able to support with Lee’s housing needs and provide support around employment, focusing on what he needed. Lee is now doing literacy learning, spending less money on cannabis so that he can heat his home, is in contact with his son who he hasn’t seen in a number of years, has redecorated his flat and books and attends his GP appointments on his own. Lee is getting the right support and at the neighbourhood team are enabling him to maintain things for the future, a far cry from what looked like a bike crash and a brief police call out.
John is a 69 year old man with severe COPD and is on a number of medications to help control his symptoms. John had become isolated and depressed as he recognised that his condition was palliative. Over the last 2 years John has had several visits to A&E because of difficulty breathing, which gets worse when he panics. Twice this has resulted in him being admitted onto the medical assessment ward until he has stabilised.

On this occasion John made an appointment to see his GP as he realised his breathing was getting worse. His GP started him on a rescue pack of prednisolone and amoxicillin to improve his symptoms, which had limited effect. The GP was able to talk to John about how he was coping and picked up that he was becoming depressed and lonely. He was struggling to maintain his hygiene and felt self-conscious about that. She discussed with John the range of activities offered by the Practice Health Champions and through the wellness prescription made arrangements for him to meet with one of them.

The Practice Champion encouraged John to join the Wednesday walking group and the singing club which takes place in a local café to improve his exercise capacity and help with his isolation. He was reassured the group walked as fast as the slowest and no one was left behind, so John arranged to meet the Health Champion the following Wednesday. After seeing his GP, John’s case was discussed the following morning at the integrated neighbourhood team huddle where the team were able to assess his long term condition management, his mental wellbeing and feeling of isolation. At the huddle the integrated neighbourhood team picked up his case and between them worked together to support John to be independent in his own home. By bringing in the housing triage service, some adaptations were made to John’s house to ensure he was safe and able to manage the stairs. Social care assessed John in the bathroom and kitchen and was able to provide aids so he was safe to shower and rails to help him around house. His community nurse and community pharmacy technician helped John sort his medications with the help of a dossett pill box and educated him how to use his inhaler. The nurse also put John in touch with Citizens Advice to help him with some debt issues as this was a source of anxiety for him.

Since being referred to the Integrated Neighbourhood Team and the Practice Health Champion, John’s health and wellbeing has improved considerably. He enjoys the walking group where he has met other people with similar conditions to his own, and enjoys having a laugh with new friends. He feels it has helped him both physically, in getting stronger and also mentally in gaining more confidence, feeling more empowered and enabled whilst reducing his isolation. He is able to manage his medications more effectively which is helping to stabilise his condition and he manages to look after himself at home. With support from a local charity he is now getting help with cleaning and going out to do his shopping which is helping him mange his finances and reduce the anxiety and worry.

In John’s own words, he says that he now wakes up feeling like he is living every day when he used to wake up feeling like he was dying every day.
CHAPTER 1

THE GREATER MANCHESTER JOURNEY SO FAR

A HISTORY OF COLLABORATION

14. Greater Manchester has always been a pioneer – we powered the industrial revolution; the co-operative and trade union movements have spread around the world; and the Manchester-led campaign to repeal the corn laws ushered in the start of the modern global economy. Our Greater Manchester Model is a pioneering approach to delivering public services, which are fit for people in the 21st century.

15. We are proud to do things differently in Greater Manchester and through more than thirty years of cooperation, partnership working and innovation between the public, private, voluntary, community and social enterprise sectors we have developed a unique approach to identifying, and promoting the interests that matter most to our people and our businesses. This collaboration was formalised in 2011 through the establishment of the Greater Manchester Combined Authority (GMCA), the Local Enterprise Partnership (LEP) and Transport for Greater Manchester (TfGM).

16. The publication of the Manchester Independent Economic Review (MIER) in 2009\(^2\) provided us with a shared evidence base to underpin decisions regarding future priorities for strategic investment, and a shared view of the future development of GM’s economy and the long-term drivers of change. The third Greater Manchester Strategy, ‘Our People, Our Place’ (2017)\(^3\), builds on the substantial progress we have made since the first strategy was published in 2009\(^4\) and the 2013 refresh\(^5\) with its twin priorities of growth and reform. This strategy increases our focus on ensuring that the people of Greater Manchester can all benefit from economic growth and the opportunities it brings throughout their lives, setting out ten priorities across the life course.

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\(^2\) http://manchester-review.co.uk/
\(^3\) https://www.greatermanchester-ca.gov.uk/ourpeopleourplace
\(^4\) https://secure.manchester.gov.uk/downloads/download/5729/greater_manchester_strategy_2009
\(^5\) https://www.greatermanchester-ca.gov.uk/downloads/file/9/stronger_together_-_greater_manchester_strategy_summary
17. According to analysis of 2013/14 data there remains a significant fiscal gap, of £7 billion, between
tax receipts from GM residents and economic activity undertaken within the sub-region and the
overall public expenditure of £27 billion (including GM’s proportion of national spend e.g. defence,
international development). Reversing the position to one in which GM is financially self-
sustaining and makes a net contribution to the nation’s finances represents a considerable
challenge, requiring concerted effort both to stimulate growth and reduce public service demand.

FROM COLLABORATION TO DEVOLUTION

18. This history of collaboration, and the establishment of the GMCA, laid the groundwork for the
series of devolution deals which have followed. Greater Manchester signed its first devolution
deal with central government in November 2014, establishing the role of the elected Mayor, and
setting out a staged approach to the evolution of Greater Manchester governance arrangements,
towards our ultimate ambition of influence, if not control, over all public spending in GM. This
agreement was shortly followed in 2015 by the bringing together of the £6 billion Health & Social
Care Funding and the establishment of the Health & Social Care Transformation Fund. Since the
devolution agreements, GM has had increased flexibility to reform our public services in a range
of areas, including the establishment of a Reform Investment Fund in 2016. These agreements
have given local public services control over decisions previously taken at national level. The GM
Model represents the next step in this staged approach, it is the basis upon which future
agreements with central government around the devolution of powers, responsibilities or budgets
will be made.

19. The focus of reform in Greater Manchester has always been on improving the life chances of our
people, empowering communities, connecting everyone to the benefits of economic growth in
the region, and through this reducing demand on public services. Greater Manchester’s track
record of delivering reform programmes has demonstrated that the application of our reform
principles to specific cohorts can have a significant impact on outcomes whether it be Early Years,
Working Well, Troubled Families, Women Offenders or Health and Care.

20. We have helped over 3,200 long-term unemployed people find work through the local
commissioning of Working Well. In Phase 1 of the national Troubled Families programme GM
worked with, and achieved sustained outcomes for c.8,000 families with multiple needs. Since

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6 Greater Manchester Tax and Spend Analysis 2013/14, Version 1, 23rd October 2015
Phase 2 began in 2014 we have worked with a further 25,000 families with over 40% having achieved sustained outcomes. This has been enhanced by the devolved responsibility for the investment of Troubled Families funding via our Reform Investment Fund that has enabled us to expand our reform ambitions in localities, strengthen the early help offer for families and work towards a more sustainable model. In March 2018 GM became the first Age-Friendly City Region. However, we know from proof-of-concept work in neighbourhoods that in order to achieve impact on life chances at scale across our whole population we need to integrate all our services from the bottom-up, across our places. The GM Model is rooted in integration in every neighbourhood, recognising that each public service partner can contribute to another’s objectives.

21. Devolution holds the key to breaking down the silos between public services and moving from ‘picking-up-the-pieces’ to a preventative approach which is truly place-based and person-centred. Our model is about creating public services fit for the 21st century; focussed on people, how they live their lives in communities and their aspirations. This starts with our residents being connected and empowered in their communities, with public services working with people to develop preventative approaches, and when they are needed intervening as early as possible.

WHERE WE ARE NOW – INDUSTRIAL STRATEGY

22. Greater Manchester has seen economic, environmental, social and physical transformation over the past three decades. However much more needs to be done to realise the full potential of Greater Manchester, its people and communities. The city-region’s productivity levels lag behind national and international benchmarks and it is still the case that too many of our residents are left behind.

23. Greater Manchester is one of three trailblazer areas in the UK that has worked collaboratively with central Government to develop a Local Industrial Strategy. This strategy builds on ‘Our People, Our Place’ as well as the Government’s industrial strategy and is grounded in a robust evidence base, developed by leading experts through the Greater Manchester Independent Prosperity Review.

24. The Industrial Strategy is our joint plan with Government for raising productivity and creating exciting, well-paid jobs in new industries. It aims to capitalise on our strengths in sectors such as advanced materials, health innovation, digital and creative industries, financial and professional services and green industries. It also seeks to tackle the underlying barriers to participation and
productivity – around public services, education and skills, and infrastructure – engaging communities so that their ideas, energy and determination break down those barriers.

25. The Greater Manchester Industrial Strategy provides a framework for aligning local and national decision-making and investment and supports efforts to create a more inclusive economy where all residents can contribute to, and benefit from, growth. With continued regional inequality, stagnation of productivity rates and pay levels, and skill levels not improving, it supports the case for better serving our people through preventative and empowering public services.

WHERE WE ARE NOW – HEALTH & SOCIAL CARE DEVOLUTION

26. The integration of health and care with other services in localities – such as local authorities, the police, and the voluntary and community sector – is a fundamental building block of The Greater Manchester Model of Unified public services and provides the framework in which a population health system can be delivered for citizen’s and communities.

27. Greater Manchester is now moving into the third phase of our operation as a devolved Health and Care system. The first phase – lasting until April 2016 – was focused on establishing the devolved settlement for health and care in Greater Manchester. The second – broadly until autumn 2017 – saw us embedding our governance, strategies and programme structures as well as supporting the allocation of the majority of the Health & Social Care Transformation Fund.

28. This third phase has an absolute focus on implementation of our plans, building on key elements including the development of a local care organisation (LCO) in each locality, pooling health and social care resources through an integrated single commissioning function in each locality, new models of provision with hospitals, and GM wide architecture such as the commissioning hub, digital and workforce collaborative and a ‘one public estate’ strategy.

29. Our Health & Social Care Prospectus (Taking Charge the Next 5 Years: 2019) outlines progress against our ambitions and our remaining challenges. This will define our future direction for the devolved health and care system and will form the basis of our response to the Government’s 10-year plan for the NHS. We are starting to see the difference we always believed devolution could make. The prospectus highlights key areas of differentiation, our potential contribution to wider health and public service ambitions, and opportunities for national partners to work with us to
deliver on shared objectives. It will lead to a fresh five-year GM health and care plan for the period 2020-25 which will need to be agreed with the national bodies in the latter part of 2019.

WHERE WE ARE NOW – THE GREATER MANCHESTER MODEL: FURTHER FASTER

30. This white paper represents a key point in our journey. GM is now able to describe in detail for the first time our Greater Manchester Model of public service delivery, which brings together our work on public service reform with health and social care transformation, and alongside the Local Industrial Strategy, responds to the findings of the Independent Prosperity Review. This model reflects a level of consensus amongst public service leaders that probably doesn’t exist anywhere else in the country. We have established this leadership through the Greater Manchester Reform Board which is Chaired by the GM Mayor, and has Chief Executive/Officer level representation from across the public sector, including health, local authorities, housing, education, employment, policing, fire, as well as the Voluntary, Community and Social Enterprise Sector.

31. We are developing a new model for public service delivery based on people, place and prevention. The changes we are making are developing in all parts of Greater Manchester. The shift to sharing financial resource and place-based commissioning supported by integrated leadership is fundamental. Single Commissioning Functions are creating the conditions for new delivery models predicated on people and place rather than organisation. This is a platform for a relentless focus on prevention, early intervention and joined up working across health and care, wider public services and the VCSE sector.

32. We are doing this within a locality delivery model based on neighbourhood areas of around 30,000-50,000 residents, rather than around themes, policy areas or organisations. Each neighbourhood area will be served by an integrated place-based team with co-located professionals from all public services working together. There will be one conversation about the people who are most in need and new thinking about how best to deploy local resources - statutory, voluntary or community - to build person-centred solutions in a place. These teams will be supported by more specialist services operating at Locality and/or GM level, and it may also be the case that more focussed activity takes place in very specific geographies where there is a need. The Greater Manchester Model sees public services as one system, serving the place, rather than a collection of institutions. This is a whole systems, whole society approach.
CHAPTER 2

THE NEED FOR A GREATER MANCHESTER MODEL OF UNIFIED PUBLIC SERVICES

INTRODUCTION

33. This chapter provides insight into our thinking and learning over recent years that has led us to the development of the Greater Manchester Model of Unified Public Services. Much of this learning and insight has been through a bottom-up approach to understanding how the traditional public service system actually works in practice for the people that use it. Our model has not been designed from a distant, anonymous policy function it has been designed with the frontline teams that are engaged in neighbourhoods on a daily basis, working with the real people that are affected by these things we call ‘strategy’ and ‘policy’. The need for a unified model of public services builds on the opportunities and ambitions we have identified and established throughout our journey so far and across a variety of reform programmes, it offers a vision for an alternative approach to the traditional way of organising and delivering public services.

34. Greater Manchester has already made significant process in its reform journey and there are people now who are experiencing better life chances than they would have if it wasn’t for a combination of our existing reform initiatives. As referenced in chapter 1 we have helped over 3,200 long term unemployed people into work through the Working Well programme and Phase 1 of our Troubled Families programme has achieved sustained outcomes for over 8,000 families with multiple needs and a further 25,000 families have been engaged as part of Phase 2, with over 40% having achieved sustained outcomes. We now recognise the need to take these approaches further, faster across the entire conurbation. Although the need for a Greater Manchester Model is described here we believe that by leading the way our approach could benefit the nation through much wider coverage across the country.
35. Greater Manchester has many great strengths but also has many challenges. The ever growing complexity within communities, combined with significant pressures on resources means that we cannot respond with the same thinking or the same ways of working as we have always done.

36. The fact that around 1/3 of children starting school each year in Greater Manchester are classed as not “school ready”, the fact that there are over 2,000 16-17 year olds not in education, employment or training and the fact that residents in Greater Manchester will live fewer healthier years of their lives than the national average presents a significant challenge. There is also a £7 billion fiscal gap between the £27 billion overall public expenditure in GM (including GM’s proportion of national spend e.g. defence, international development) and the tax receipts and economic activity undertaken within the city region. GM will not be a net contributor to the economy until this is closed. These stark realities have not sprung up overnight; they are the inextricability linked to years of under investment, shifting emphasis in national priorities and funding, and the continuing national north-south inequality gap. As will also be shown, the traditional approach to the organisation and delivery of public services is another contributing factor that can exacerbate conditions for people, families and communities.

7 The IPPR North’s ‘State of the North’ report 2018 showed for example: Public spending fell in the North while it rose in the South, 2 million working-age adults and 1 million children live in poverty in the North and the very lowest life expectancies in England are found in northern neighbourhoods.
37. In the context of the challenges we face research and evidence has consistently revealed the critical risks that could further impact on the life chances of residents. These risks include a shift towards reactive only public services, a reduction in the capacity and capability to problem solve and intervene early, continued duplication of activity across organisational boundaries, public service organisations shrinking apart rather than integrating services and a lack of consistent engagement with communities, and the voluntary, community and social enterprise sectors in responding to need.

38. Historically our reform programmes have largely been thematic in nature, for example Early Years, Work and Skills, Complex Dependency, Troubled Families and Transforming Justice & Rehabilitation. Each typically follow their own funding streams and performance frameworks back into central government reporting to the separate departments of Whitehall. It has been evidenced that these programmes have improved outcomes and successfully addressed levels of demand generated by those that fall within one of these individual thematic areas, however we have identified the need to be much more proactive and preventative. We need a model of public services that provides an integrated response to the issues these thematic programmes seek to address whilst at the same time focusses on the strengths within communities to prevent the need for such interventions. Rather than a family being labelled ‘troubled’ and then a package of intervention being delivered, we need to identify and work with families that might be showing signs that all is not as well as it could be and work with them to get things back on track.

39. It is the notion of ‘place’ that brings various individual thematic strands of reform together, it is also what brings people together. In 2015 we established ‘Place-based Integration’ as a crosscutting reform programme to start to bring our thematic reform programmes together. The aim was to deliver ‘proof-of-concept’ integrated working in a number of neighbourhood sites across Greater Manchester with the concept of a single public service frontline team for each place. This involved bringing together police officers, PCSOs, Housing Officers, Family Support Workers, Social Workers, Health visitors, Mental Health Practitioners and a range of other roles to begin to understand the requirements for system redesign. The methodology deployed by these teams involved working directly with people and communities to understand why the traditional system is often unable to do the right things and what better services could look like from their perspective. The purpose of the proof-of-concept work was for localities to build evidence to demonstrate the benefits that can be realised through integrated working, increase understanding of the extent to which frontline roles could be redesigned in the future and identify the skills, knowledge and powers required to deliver these new roles effectively. Following the
initial proof-of-concept work, each locality in Greater Manchester established their own
neighbourhood adopter site to take this way of working forward. The learning and benefits implicit
in this integrated way of working are clear but the pace and scale at which it has been rolled out
so far means we now need to accelerate if we are to realise the benefits beyond marginal gains.

**THE STRATEGIC LANDSCAPE IN GREATER MANCHESTER**

40. As has been described in the previous chapter there are a number of significant policies and
strategies in place across Greater Manchester. Each of these policies or strategies may have their
own distinct objectives, be it in the sphere of growth or reform, but there is now a recognised
need for a unifying operating model for the public services that operate in this strategic context,
to ensure the very best for the residents of Greater Manchester. A model that translates these
policies into practice for the people that are affected by them and sets the stage for further
powers to be devolved to Greater Manchester.

![Diagram](image)

41. By implementing The GM Model we can exploit a unique opportunity. With an elected Mayor for
Greater Manchester, Health Devolution and mature collaborative relationships across sectors we
have the opportunity to integrate Health with everything and everything with Health. This includes
eyears, education, policing and community safety, housing and employment. A particularly
important part of this will be the ability to tackle together the underlying social determinants of
poor health outcomes across the life course and demonstrate what it is to be a ‘*Marmot City
Region*’. Each of the policy or strategic initiatives shown in Fig. 3 above are, or will be, framed

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8 A network of local authorities in England (Stoke, Newcastle, Gateshead, Bristol, Somerset, Coventry) have
been working over a number of years to develop a ‘Marmot’ approach to tackling health inequalities in their
cities. This is based on the ‘Fair Society, Healthy Lives’ publication (The Marmot Review 2010). Greater
within The Greater Manchester Model of unified public services – this will be the glue that binds individual services together and provides a sense of Greater Manchester to the way we do things.

UNDERSTANDING DEMAND AND NEED

42. We have conducted a number of analytical exercises to understand the true extent of the demands public services face and the actual context in which needs are presented by people. This analysis has been conducted across multiple geographies and multiple organisations and whilst the size and scope has varied the findings have been consistent.

43. Unsurprisingly, one of the key findings is that people often present with need to a number of different services over a similar timeframe and we find a lack of awareness or coordination between organisations as to who is doing what, why and when. Another key finding is that in a large proportion of cases a single agency response is unlikely to be effective at fully addressing the needs of an individual, for example a recent analysis of police demand data showed that only 55% of demand on GMP could be dealt with effectively by the police alone.

44. Through our analysis we have developed a model that allows us to understand and respond better to demand on services as well as need from a person’s context. The diagram shown in Fig. 4 below shows a view of three broad categories that individuals and families may fall within, and can move across, in the context of needs that present to public services. Those people who are relatively independent, stable and with access to positive support networks are less costly to services on a per person basis. They are in the lower segment of this triangle and generally present lower demand or need for specialist intervention and will only access universal services as and when they need them e.g. request a routine GP appointment, report a pothole in the road or a missed bin collection. Those people at the opposite end of this spectrum would be at the top of the triangle, they are likely to have complex issues with numerous specialist services involved, for example they could be acute mental ill health cases or prolific criminal with stringent management procedures in place. The middle of this triangle represents those that could be described as ‘not coping’. They are likely to be below the threshold for specialist services (or will not engage with

Manchester strives to be recognised as the first ‘Marmot’ City Region by improving the health, wellbeing and life chances of the people by reducing inequality across the 10 localities of Greater Manchester.

9 The bottom-up approach to understanding what The GM Model should look like has involved in-depth cross-sector demand analysis exercises in each of the 10 localities to deep-dive the reality of public service delivery.

them), but require more help than that provided by universal services and as un-met support continues their problems are likely to escalate.

45. Our analysis has shown that the large majority of demand for public services (ranging between 40-60%) is from those individuals/families in the middle of the triangle.\textsuperscript{11} They require more help than that provided by universal services but do not necessarily meet the thresholds set for specialist or acute services. Numerous longitudinal case studies of individuals and families in this cohort paint a picture of people ‘bouncing around the system’, always on the edge of crisis but never quite getting the help they need from the traditional public service model.

46. In addition to the need for a more proactive approach, we have also identified the need for a more integrated and coordinated response to reactive demand. An industry or referrals, triages and assessments has become somewhat pervasive across public services. One of our analytical exercises showed that one individual had presented to 31 different public service teams over a period of two years, during this time they were subject to 15 screening or assessment processes, on 13 occasions they were subject to some kind of referral and in 8 instances some form of action was subsequently taken. When their original presenting needs were looked at it was determined that there had been no response to help improve these despite all of this activity. We need a system that is not disparate in the way it deals with crisis or manages risk.

\textsuperscript{11} This is based on findings from the cross-sector demand analysis conducted with localities.
47. Effectively dealing with need that presents at the neighbourhood level therefore relies on a twin track approach to people, place and prevention. Firstly, identifying and working with those individuals and families who are clearly not coping in their life, but do not meet the threshold for costly specialist or acute services, this requires an integrated way of working across all public services to address *current need*. The second track to the approach requires giving a much higher priority to early intervention, it is about identifying and working with those at risk or approaching crisis and providing early help that de-escalates and prevents future problems from occurring - working proactively to prevent *future need*. The importance of ‘place’ in this context is seen as an overarching factor that should be considered when working towards solutions, for example knowing the assets in the community, building on community capacity and understanding the impact of physical and built environment on people. Our analysis has shown that whilst this ‘middle of the triangle’ cohort may not meet a threshold guarded by any one single assessment, when viewed holistically there is much help that can and should be provided.

Fig. 5. Logic Flow of the Twin Track Approach to People, Place & Prevention
48. We have found that to respond effectively to the stock and flow of demand in neighbourhoods it is essential to focus on the people in the community that most need our support and build integrated solutions around them, with an emphasis on their own personal strengths, hopes and aspirations. This should be done by building on community capacity, enabling sustainability and helping to grow capabilities in communities. By addressing the needs of this at-risk group at an early stage we will also free up resources in the long run so that we can continue to bolster universal and VCSE sector services that play such important roles in our communities. Furthermore, we know that this preventative and proactive approach will lead to better outcomes, complementing the focussed work we are undertaking to address issues such as school readiness, life readiness, reducing homelessness and enabling people to age well which taken collectively also contribute to better economic outcomes.

**CASE STUDY C: ‘PLACE-BASED’ PROBLEM SOLVING IN OLDHAM**

The build-up of waste in the garden of a residential property would normally be dealt with by issuing a notice for intended prosecution or a fine if the rubbish is not removed in a set period of time. If waste reappears, this would trigger another notice being issued and so on, and so on.

Place-based teams in Oldham are now looking at these types of environmental problems as a potential symptom of something more deep-rooted rather than just a reoccurring nuisance. One such example involved a complaint from a local resident about the accumulation of used nappies in the garden of a neighbouring property. This complaint was given to the integrated place-based team covering that neighbourhood and rather than responding in the usual way they decided to follow the issue around the geography. The team - made up of a PCSO, a Housing Officer, an Environmental Health Officer, a Health Visitor, a Community Safety Advisor from the Fire Service and Access Oldham – maximised the collective insight of their own individual knowledge and expertise and proved that the whole really is greater than the sum of its parts. After quickly establishing a multi-agency perspective of the problem to solve through timely information sharing and drawing on their links with the community, the team were able to piece together a number of issues that were at play. Within a matter of hours the presenting problem of a pile of nappies in a garden was linked to safeguarding concerns, community tensions, rogue landlords and organised crime, all of which are now being dealt with in a joined-up way.

This integrated way of working, looking beyond just the presenting symptoms and focussing on what is really going on in the community, drawing on strengths and constantly striving for a better place is at the heart of The GM Model of public services – it’s better for everyone.
TRADITIONAL SERVICE DELIVERY: AN OUTSIDE-IN PERSPECTIVE

49. Findings from our demand and needs analysis have also revealed a rich picture of how the traditional model of public services operates in practice. Again, numerous case studies and customer journey mapping exercises have highlighted how this traditional model of public services can work in practice and how this provides a rationale to move to The GM Model:

Fig. 6. Rationale for Change: The GM Model

<table>
<thead>
<tr>
<th>OUR FINDING: THE TRADITIONAL APPROACH</th>
<th>RATIONALE FOR CHANGE: THE GM MODEL</th>
</tr>
</thead>
<tbody>
<tr>
<td>The majority of services have a screening process with an emphasis on screening people out. The assumption is that preventing another case from coming in helps manage caseloads and reduces overall demand.</td>
<td>We recognise that we need to deal with demand more effectively rather than simply managing an overall statistical reduction or by limiting access.</td>
</tr>
<tr>
<td>Individual staff and teams tend to deal with need as it 'presents' and give it a label as defined by organisational policy. There is often a failure to properly understand the context in which people ask for help and furthermore, individual staff and teams frequently respond to the same presenting needs without addressing the root cause and/or underlying issues.</td>
<td>We recognise that we need to provide a service offer that is tailored to an individual's personal circumstances, takes account of, and seeks to address, root cause issues and connects people to the right support and opportunity at the point they need it.</td>
</tr>
<tr>
<td>The increasing volume of demand and shrinking budgets is often seen as overwhelming, the easy response is to raise thresholds and further ration access to resources.</td>
<td>We recognise that simply raising thresholds is not the answer, we need to intervene early and be proactive, we need to understand the collective spend across a range of organisations and direct this more appropriately.</td>
</tr>
<tr>
<td>Specialist services are often far removed from the front-end of problem solving, by locating discrete expertise distantly behind a series of referrals and assessments the opportunity to intervene early or properly understand the problem is missed.</td>
<td>We recognise the need to disaggregate the complexity of our systems so that people get the help they need when they need it. Specialist resources need to be able to respond to requests for their expertise to be pulled to the need rather than the need pushed around the system to them. This is about putting the right resources closest to the people that need them.</td>
</tr>
<tr>
<td>Responses to requests for help or support are often from a fixed 'menu of options' often bound to limited time-frames, but standardised approaches don't always work for different people and communities.</td>
<td>We recognise that for local people local, personalised and flexible matters. One size does not fit all.</td>
</tr>
<tr>
<td>Complicated and fragmented policies can prevent professionals from using their common sense and responding to need in a timely manner.</td>
<td>We recognise that staff should be empowered to do the right thing and be allowed to take time to understand and then act on what matters to people, with them.</td>
</tr>
<tr>
<td>Decision-making often emanates top-down from a single service silo and is limited by roles, remits and budget lines.</td>
<td>We recognise the need for an integrated approach to service provision but also to financial management, governance and accountability.</td>
</tr>
<tr>
<td>There is an emphasis on fixing what is wrong with people and being overly focussed on problems.</td>
<td>We recognise the need to take a strength-based approach with a focus on solutions not just problems.</td>
</tr>
<tr>
<td>Perceptions of communities and their needs are often based on data, abstract reports and assumptions.</td>
<td>We recognise the need for an ongoing conversation of understanding with communities and residents that supports or challenges standard data-sets and/or assumptions.</td>
</tr>
</tbody>
</table>
50. We have found that the prevailing traditional model of public service delivery remains grounded in the underlying assumptions of how services and organisations operated at the turn of the last century – indeed many of these principles can be observed through attempts to run services for people like an assembly-line factory. Society was a lot less complex 100 years ago, a lot less diverse and a lot less connected. That’s why we need a vision for a new public service model that is fit for purpose now, and for the future. A model that is based on names not numbers, focussed on people not labels and a model that reflects 21st century thinking.

Fig. 7. Greater Manchester’s Commitment to being person-centred

51. Having extensively studied the traditional model of public service delivery we are now in a position to articulate a model for 21st century public service delivery. We have identified how our Greater Manchester Model of public services compares with the traditional model across a spectra of characteristics (see Fig. 8 below) and we also understand the shift needed in underlying organisational assumptions to ensure public services meet the needs and build on the strengths of Greater Manchester’s greatest asset – its people. We also know that an asset-based approach needs to run through the Greater Manchester Model. This involves mobilising the skills and
knowledge of individuals and the resources within communities and associated organisations. The types of assets that can be harnessed to improve outcomes include the following:^{12}

- **Social assets** based on relationships and connections with friends, family and neighbours.
- **Community assets** including voluntary sector organisations working to improve health and wellbeing, and less formal groups such as book clubs
- **Physical assets** such as parks, libraries and leisure centres
- **Personal assets** including the knowledge, skills, interests, talents and aspirations of individuals

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^{12} Greater Manchester Public Health Network 2016

Fig. 8. Contrasting of The Greater Manchester Model of unified public services with the traditional national model
CHAPTER 3

DESCRIBING THE GREATER MANCHESTER MODEL OF UNIFIED PUBLIC SERVICES

SETTING OUT THE MODEL

52. The case for change is clear, the benefits are there for the taking at both a Greater Manchester and national level. We know that this requires us to go further with The Greater Manchester Model. We believe that this model makes us different and better prepared to face the challenges of the present and the future.

53. Setting out our model for Greater Manchester has not come out of the blue. We have been on a long journey of reform and integration throughout our history of collaboration and our more recent devolution deals. We have spent time understanding how public services are experienced from the person’s point of view, understanding how the system works as a whole and understanding what gets in the way. We have tested, adapted and built our evidence base, putting our common purpose above individual organisational interests.

54. Our operating model has been developed from the ground up, working with front-line teams, citizens and communities, and being part of local conversations. In addition, we have undertaken honest self-assessments, which have identified common themes across all public service, health and care organisations in each of the ten localities and Greater Manchester as a whole.

55. The model allows each locality across GM to link into the whole GM system rather than through single elements of a fragmented system. This in turn enables and promotes a unified delivery model for the people and communities across all localities in GM. The model can act as a nexus point to maximise the effectiveness of a range of initiatives such as the Prevent agenda, tackling serious and organised crime and identifying and responding to adverse childhood experiences.

56. The six key features of our operating model (Fig. 1) highlight those areas in which it is essential we make progress if we are truly to realise our ambitions and improve the life chances of people in Greater Manchester. The model, and these six features, will need to inform future decisions about
investment and will require joint policy decisions at a Greater Manchester level as well as, importantly, a direct dialogue with central government to inform future devolution asks.

FROM PRINCIPLES TO PRACTICE

57. Our model is rooted in our long-held reform principles which recognise that each public service partner holds the key to another’s objectives and more profoundly that our objectives cannot be fully realised without a fundamental shift in the thinking, culture, policies and structures which underpin the current system and that one cannot be done without the others.

58. Our principles have provided the foundation of the public service model for Greater Manchester and are both simple and profound:

- A new relationship between public services and citizens, communities and businesses that enables shared decision making, democratic accountability and voice, genuine co-production and joint delivery of services. Do with, not to.
- An asset based approach that recognises and builds on the strengths of individuals, families and our communities rather than focussing on the deficits.
- Behaviour change in our communities that builds independence and supports residents to be in control.
- A place based approach that redefines services and places individuals, families, communities at the heart.
- A stronger prioritisation of wellbeing, prevention and early intervention.
- An evidence led understanding of risk and impact to ensure the right intervention at the right time.
- An approach that supports the development of new investment and resourcing models, enabling collaboration with a wide range of organisations.

59. These principles have served us well in guiding our approach but we now recognise that they cannot be fully achieved without key changes to our underlying architecture across the whole public service landscape. These principles underpin our six key features, and it is these six key features that provide the underlying conditions needed to enable full implementation of The Greater Manchester Model.

Fig. 9. From Principles to Practice: How our Reform Principles and the Six Key Features Deliver The Greater Manchester Model
60. In Greater Manchester we see public services in the widest possible scope; harnessing the combined strengths of statutory services, the voluntary, community and social enterprise sector, 110,000 local businesses and the assets of our communities. The Greater Manchester Model sees public services as one system rather than a collection of institutions. One integrated public service team with that ethos at its heart.

61. Successful implementation of our model means that all areas of the public service, in this broadest possible scope, need to be part of implementing this model. Every part of the system of public service delivery will rely on the rest of the system to be working towards this common goal and organising people and resources in this way.

**THE GREATER MANCHESTER MODEL: RESHAPING DELIVERY**

62. Our ability to rise to the challenges we have set out and to fully realise our principles will be dependent on how we organise ourselves together and apply our resources. We are fundamentally reshaping mainstream delivery, bringing together the skills, knowledge and experience needed to deal effectively with demand in each geographic area, and ensuring services and staff in that neighbourhood share a common purpose, working in a holistic way with people and communities.

63. Our focus is on bringing services together at the neighbourhood level, designed around the person and their needs rather than around themes, policy areas or organisations. This will mean that we are able to bring a range of integrated neighbourhood models and teams together in a single integrated neighbourhood function, which will be able to respond holistically to physical health,
mental health, social care, housing needs, employment, welfare and skills needs, antisocial behaviour, crime, community safety and environmental issues. By co-locating where it’s appropriate we will make best use of public estate and other buildings in communities. We will also need to bring services together, above this, at a locality level. This is both about ensuring specialist services can be seamlessly pulled into the neighbourhood and also having the ability to work as one effective public service within the locality and across GM.

64. Elected members play a key role in leading delivery in a place and representing the voice of the community. The GM Model will allow elected members to maximise their role as place-based leaders within this new operational setting, bringing the services that they call on closer to them and to the local residents they represent. The GM Model also provides a role for political leaders through the strategic drive of implementing the model and overcoming a range of barriers to optimise effectiveness and secure the best outcomes for people.

65. The operating model means that a single integrated neighbourhood function is the primary delivery model for public services (for populations of around 30,000-50,000 residents). Intervening early and responding to the person in the context of their community. Clearly, this does not mean that everything is delivered at this level, some services also operate at cluster or GM level providing acute or specialist capabilities needed at that level.

66. The assets within those communities, alongside universal services, are at the heart of this approach. Each neighbourhood should be served by a single integrated place-based team with co-located professionals from all public services working together. Data and information will be shared between agencies safely to support day-to-day delivery and used intelligently to plan future development. We will integrate the full breadth of public services at the neighbourhood level through this single function. This will encompass:

- Social Care
- Mental Health
- Community Care
- Primary Care
- Policing
- Housing
- Homelessness Support
- Environmental Health
- Community Safety
- Substance Misuse
- Early Years and Early Help
- Schools, GPs and Primary Care Providers connected with other public services through this single integrated neighbourhood function.
- VCSE Provision
- JCP, Employment and Skills Support
67. The work of Schools and General Practices have a significant impact on the lives of individuals, families and communities and will play a central role in delivery of the model. Educational settings and GPs will benefit hugely from having access to and working closely with this single neighbourhood function, preventing a reliance on referrals and working jointly to solve problems alongside staff and services with the full range of skills - coming together to work as one team. It is recognised that in some areas some educational settings may align better at the locality level but will still reap benefits from the single neighbourhood approach.

68. At a locality level specialist services operate which have skills, knowledge and expertise that can be drawn on by the integrated neighbourhood function, or to provide strategic insight, intelligence and coordination. There is an expectation that public services truly know their communities and are able to plan and respond as one, the focus being on ‘names not numbers’.

69. To do this, each locality should be served by a single integrated function that brings together intelligence, shares information and coordinates multi-agency resources around the most complex and costly cohorts. This will provide one front door for these cohorts and bring together the full range of multi-agency functions and forums. The single locality function works in close conjunction with the integrated neighbourhood functions and is able to have an overview of the whole system with the key coordination role across each of the integrated neighbourhood functions.

70. The locality level also sees a single commissioning function in place which to cover all relevant public services. The shift to the idea of a single budget and place-based commissioning is fundamental. Commissioning of all relevant public services is done on a shared geography rather than an individual service basis and is therefore underpinned by pooled budgets with clear and binding risk sharing agreements and integrated governance in place. The single commissioning function and the full breadth of public service delivery is led and directed by a single leadership team, sharing accountability and breaking down barriers to integrated working.

71. Similarly, at a Greater Manchester level, all of our relevant commissioning activity should embed the six key features and work towards delivery of the model. This also means that we will have in place a commissioning function at the GM level (through the Commissioning Hub) which works across the full breath of all relevant public services, health and care activities not only to incentivise this model but also to develop the appropriate supporting framework to enable this (e.g. expanding pooled budget arrangements, commissioning holistically rather than
thematically). This is supported by the GM level Joint Commissioning Board which mirrors and supports the integrated model in each locality and, again, works across the full breadth of public services, health and care.

72. Services also operate at cluster, or GM level providing acute or specialist capabilities needed at that level, and engaging outwardly with regional and national agencies.
Fig. 11. The Greater Manchester Model

A completely new approach to public service delivery. Breaking down the silos between public services, collaborating on prevention rather than individually picking up the pieces. Promoting a model of public service delivery that is truly preventative, proactive and person-centred.

- A single programme of transformation and reform across all disciplines
- Further devolution, policy change, new regulatory environment
- Supported by place-based pooled budget

Directed by one public service leadership team

A single commissioning function for the locality

Universal services, like schools and GPs, are cornerstones of public services in their communities and are connected with other public services through integrated neighbourhood functions

One integrated neighbourhood function for each geographic footprint (30-50k). Frontline practitioners, pulling on specialist support.
- Care coordinators/navigators
- Community safety advisors
- CRC workers
- District nurses
- Early years workers
- Employment and skills officers
- Environmental health officers
- Family support workers
- Focused care workers
- Health visitors
- Housing officers
- Key workers/early help workers
- Mental health practitioners
- Neighbourhood beat officers
- Neighbourhood/community safety officers
- Pharmacists, Optometrists & Dentists
- Police community support officers
- Social workers
- Substance misuse workers
- VCSE sector workers and volunteers

Information is shared between agencies safely to support effective delivery and identifying those most at risk

Working as one public service workforce, with redesigned roles and shared Job Descriptions across organisations

The VCSE sector are part of the fabric of public services. Public services are delivered with local citizens, communities, businesses
73. We want to put people at the centre of public services and recognise them as part of their communities. The VCSE sector should be part of the fabric of public services and public services should be delivered with local citizens, businesses and communities. This also means a radical change in the way we commission and partner with communities and the VCSE sector, we work as one across public services and we work as one with communities.

CASE STUDY D: INTEGRATED SERVICE DELIVERY IN PRACTICE – THE TAMESIDE MACMILLAN UNIT

There are over 8,450 people living with and beyond cancer in Tameside and Glossop, each with specific medical, practical and emotional needs. The Tameside Macmillan Unit provides a single point of access for all appropriate cancer assessment, treatment and support services for people living in Tameside and Glossop – placing the needs of the individual at the heart of the support process.

Macmillan work in partnership with Tameside and Glossop Integrated Care NHS Foundation Trust to support people from the point of diagnosis, right through their cancer journey. The co-location of services mean that support is integrated and wrapped around the individual. In the Unit this includes Macmillan Clinical Nurse Specialists, information and support services for practical and emotional support, chemotherapy and outpatient services, complimentary therapies, welfare rights advice, access to personalised community support and dedicated spaces for prosthesis and wig fitting as well as support groups. The Tameside Macmillan Information and Support Service within the Unit has asset-mapped the community, building important links with local organisations and groups to increase the support available to those living with cancer in the borough.

Since opening in 2017, the Information and Support Service alone has had over 7,000 contacts with people affected by cancer and the integrated Macmillan benefits officer has helped people to claim over £163,000 in benefits and charitable grants.
74. To be successful the GM Model requires an innovative and ambitious approach to the use of information and data. We recognise that to build the required trust and reassurances across partners the way in which information governance is approached needs to fundamentally change. This is as much about the innovative use of information as it is about the consistency and approach of leadership, which will be essential to achieving this.

75. As part of this new approach to information and data across the public service system, we recognise the importance of ensuring the ‘citizen voice’ is heard and understand where attitudes to data sharing are in Greater Manchester. This allows us to have meaningful conversations with citizens about their information and its’ uses.

KEY FEATURES OF THE GREATER MANCHESTER MODEL

76. We simply cannot achieve the ambitions of our operating model without having in place a series of ‘Key Features’ which enable this. The Key Features are those elements of the public service system which our learning, work and self-assessments to date\(^\text{13}\) show us need to be in place if we are to progress further than our current position. Their absence act as limiters to our ambitions and prevent full implementation across all our communities in Greater Manchester. The difference between having these key features in place, or not, is critical, they cannot be addressed in silos, we cannot work on one but not the others, as they are mutually supporting with each feature enabling or limiting the other. The operating model and the features rely on being able to address these issues and put in place the necessary architecture across the full breadth of public services and consistency across all our localities, neighbourhoods and communities.

77. The diagram in Fig. 13 illustrates the difference between having the key features in place and not, i.e. without and with. If we carry on with our transformational work without the key features in place we will end up without a unified system (as show in the left of Figure 14):

\(^{13}\) A range of self-assessment exercises were carried out in 2018 including an assessment of the development of Local Care Organisations, a strategic self-assessment of progress on reform and integration and a self-assessment of progress to develop Single Commissioning Functions. Findings from these all presented a number of similar issues which influenced the development of the key features.
78. All of the six key features are interrelated and each relies on the other for its success. We cannot work on one or some in isolation of the others. For example, we cannot integrate our programmes and delivery without having integrated leadership and behaviours which drive and support this. We cannot look at sharing our workforce and being mobile across organisational boundaries without simultaneously considering shared financial resources which support this. Fundamentally, our workforce are our greatest asset and we will not achieve delivery of this model without enabling and equipping our workforce, allowing them to drive and embed the change.

**Key Feature 1 – Our ambition for Geographic Alignment**

79. Having clear, consistent and coterminous delivery footprints across the range of public service delivery is essential. This is one of the most basic building blocks of the model and applies at all levels of geography from the Greater Manchester level to the super-local level. It should be stressed that the primary geography is that of the neighbourhood level defined as encompassing populations of around 30,000-50,000 residents, small enough to enable connectivity to communities but large enough to form the framework for the integration of public services. This is a default administrative arrangement, which allows services to integrate and provides the framework and opportunity to focus in on much smaller neighbourhood levels where there is a need.

80. Aligning geographies around these neighbourhood areas allows us to start with the person and start in the home. This will help to reduce pressure on acute and specialist services, allowing them to focus their resources on those that need it the most.
Key Feature 2 – Our ambition for Leadership and Accountability (Of the Whole Public Service System)

81. Leadership and governance arrangements are traditionally built around organisations, separate funding streams and traditional remits preventing us from serving the holistic needs of our residents and communities and leading us to focus on our own individual outcomes and managing risk. Integrated leadership and accountability is as much about approach and culture as it is about having integrated governance and shared accountability. Successful implementation of this key feature will see the locality developing and being directed by a single integrated leadership team across public services. Across GM we want to have greater oversight over the full public service system, earning greater autonomy and ownership of our own performance, improvement and regulation. It should be stressed that this about much more than working in partnership but leading and making decisions as one according to the needs of each place, on behalf of the citizens, driving implementation of the operating model and challenging barriers to integration - working to the same goal.

Success Means:

- Many services share coterminous service delivery footprints and integrated services are delivered at either Greater Manchester, locality or neighbourhood level.
- The neighbourhood level is the building block for local care organisations and the foundational unit for delivery recognised across public service organisations.
- Neighbourhood level delivery aligns to populations of around 30k-50k residents. All services can describe how they align capacity and capability at this level for mutual benefit.
- Focused activity may be delivered below the neighbourhood level but this will stack into the neighbourhood service delivery footprint, which will be drawn together at the locality level.
CASE STUDY E: TAMESIDE INTEGRATED LEADERSHIP TEAM AND POOLED BUDGET

Tameside & Glossop (T&G) has a significant financial challenge and agreed a novel partnership and economy wide approach between Tameside Metropolitan Borough Council, NHS Tameside and Glossop Clinical Commissioning Group and Tameside and Glossop Integrated Care NHS FT (ICFT) to address the issue. The Care Together Programme was created to drive two main programmes:

- Development of a single commissioner to drive the transformation of public services to reduce inequalities and improve sustainability by reducing demand and;
- Creation of an integrated care provider to deliver improved outcomes and patient experience as well as maximising efficiencies.

Initially the Council and CCG came together under the single leadership of the Council Chief Executive. Secondly, an Integrated Commissioning Fund was established and underpinned by a robust financial framework. The two finance teams merged under the leadership of the CCG Director of Finance and this single team now works collaboratively with Finance at ICFT with the driving ambition to return to financial sustainability and derive greater value from the ‘T&G £’. A monthly economy wide finance report is produced which NHS England has cited as best practice; including a pan economy savings/Quality Improvement Productivity and Prevention (QIPP) tracker, enabling stronger risk management and evidence of greater grip and control.

This approach was further strengthened by implementing one of the largest integrated commissioning funds, totalling c. £1 billion. The fund has attracted significant national interest and resulted in T&G being asked to contribute to the work led by the Department of Health and Social Care on changes to the Section 75 legislation in pursuit of greater integrated management of services. There have already been positive developments including:

- ICFT awarded a rating of ‘Good’ in most recent CQC review and continues to improve on key performance measures
- Collective £82m savings achieved over last two years
- £5m improvement in provider deficit position to date and £18.5m improvement expected by 2022/23 due to identified transformational schemes.
Key Feature 3 – Our Ambition for One Workforce

82. The workforce is our greatest asset, we recognise that investing and supporting our workforce to deliver this model is key to unlocking reform and unifying public services. By workforce we mean the full range of public servants; those who do or can serve the public in any capacity, paid and unpaid including nearly half a million volunteers. In implementing this model we will be able to ensure better workforce conditions, contribute to the development of our Good Employment Charter, alleviate some of the issues around staff shortages and improve diversity in the workforce. This will also support the delivery of the ambitions for improved productivity and job quality set out in the Greater Manchester Industrial Strategy.

83. The GM model will enable and empower the workforce to focus and work on the holistic needs of people and communities and we will support and develop the necessary behaviours, roles and responsibilities across the whole of the public service workforce, across disciplines, organisations and levels of seniority. Again, this is as much about culture, behaviour and relationships as it is about putting in place the right policies, practices and organisational forms to allow our workforce to work in this way. This will lead to significantly closer working relationships and will in time allow us to begin to explore the potential for a range of new, shared job descriptions and supporting architecture leading to a fully mobile public service workforce. This isn’t about eroding professional identities, we must value the fact that each has a different relationship with the public. This is about making best use of the full range of professions, skills and knowledge as part of a fully integrated model – enabling the change that our workforce are already pushing for.

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**Success Means:**

- There is a look and feel of one public service workforce functioning together, unrestricted by role titles or organisational boundaries – working for the place and people.

- Driving service effectiveness, focusing on prevention and taking a person-centred approach is at the heart of everything we do, based on a new relationship with citizens.

- Structures support this way of working through policy, practice and organisational form.

- There is a shared culture across organisations displayed through shared assumptions, values and beliefs that enable this way of working.

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14 State of the VCSE in GM, 2016/17, Sheffield Hallam University
CASE STUDY F: ‘OUR DEAL FOR A HEALTHIER WIGAN’ - WORKFORCE PROGRAMME

BeWigan has been introduced as a workforce programme for public service staff across Wigan and to support the Wigan Deal. The purpose of BeWigan is to create a shared culture that illustrates a fresh and unique approach to public service, celebrates people and their achievements, and has a focus on the future and how Wigan will achieve its priorities. Wigan recognises that it is the workforce that is the most important asset in accomplishing the best for customers – the talent, skills, knowledge and experience of the workforce are at the heart of everything Wigan strives to achieve.

Building on the success of the Wigan Deal and the BeWigan experience, the Healthier Wigan Partnership have launched a bespoke health and care experience. This innovative interactive training session is called ‘Our Deal for a Healthier Wigan’ and promotes a whole scale approach to asset based working, where staff undertake a different conversation with residents to understand and build on their strengths, promote the use of local community assets and empower individuals to take responsibility for their own health and care.

Staff from integrated teams, from across the health and care workforce are coming together for this experience which is underpinned by ethnographic principles and approaches. Using scenario-based exercises and hearing case study examples, staff are able to understand, using practical applications how they can best support local people to thrive and live healthy and happy lives; reducing reliance on health and care services and promoting independence.

The training is expected to see over 1,000 of the borough’s workforce in the first six months. Longer term, the partnership’s aim is to have the full workforce trained to use this approach for the future - fully appreciating how prevention can help individuals for the long term and giving Wigan Borough residents the right conversation and best experience they can.

Key Feature 4 – Our ambition for Shared Financial Resource

84. The ability to marshal the full public service resource in a locality is integral to the model. It is success in this key feature which will not just enable us to move further but to move to a truly sustainable model of public service. At source it is financial constraints which act as the ultimate limiting factor and it should be stressed that this is not simply a comment on levels of resources available but arrangements, polices and regulations which prevent flexible use of resources across the system. Even when we are able to prevent and avoid cost in one area of the public purse or one service we are unable to reap the benefits to the system, indeed budget reductions in one area can create additional financial pressures elsewhere. Shared financial resource will allow us to focus on delivering efficiency in achieving outcomes rather simply focussing on the bottom-line of organisational budget statements. Some of this will require financial reform and freedom over revenue and capital resources (e.g. freedom and flexibility from a range of grant conditions
attached to public funds). To support this, we will need greater system oversight at a Greater Manchester level including more devolved performance management arrangements and further delegation of regulatory arrangements. The operating model will bring together resources so that we can work as one and be more flexible in how we:

a) Pool our resources and simplify funding flows
b) Move resource around the system
c) Remove disincentives to integration and to working effectively and incentivise reform
d) Move from a reactive to proactive cost profile
e) Move beyond episodic, theme based funding streams to whole system budget management

**Success Means:**
- There is a clear understanding of the full public spend across the locality including how this operates at each neighbourhood level.
- A mechanism is in place to pool transformation and reform funds for collective benefit.
- There is a single commissioning function which pools budgets across all public service, health & care organisations. Integrated core budgets exist where relevant e.g. neighbourhood functions.

**CASE STUDY G: THE GREATER MANCHESTER REFORM INVESTMENT FUND**

The Reform Investment Fund was established following the fourth devolution agreement with government in 2016. Its purpose is to bring together funding to provide greater flexibility to invest in and support innovative approaches that transform public services.

Government agreed to bring together a number of funding lines into a single GM pot to be invested alongside local funding in driving system-wide reform. To date the fund has included re-profiled Troubled Families Funding, DCMS Life Chances Fund, Homelessness Social Impact Bond, and DWP Working Well Funding. However, there remains an opportunity to increase the scale and impact of the fund by bringing together additional government funding pots to support service transformation in GM through the Reform Investment Fund, and by increasing flexibility around those funds.

The Reform Investment Fund intends to facilitate investment in reform at greater pace and create efficiencies of scale, it does not replace the culture change, pooling of resources and investment needed at a locality level. Over the next 12 months there is a significant opportunity to increase the impact of this fund and to match its scale to the scale our reform ambitions. We will galvanise new sources of investment in GM through combining different models such as; GM fund raising with impact investment funders, co-investment with local commissioners, recycling investments that generate a return, and increasing the scale of investments.
Key Feature 5 – Our ambition for Integrated Programmes, Policy and Delivery

85. We know that simply aligning our approaches across a range of disciplines, models and organisations is not enough to deliver The Greater Manchester Model. Delivering the model will mean organising resources – people and budgets – around neighbourhoods rather than around themes and policy areas as is traditionally done. In order to make this a reality, we also need to be determined to apply this throughout our own programmes, policies and delivery models. In order to work as one, our programme architecture and our delivery models cannot continue to be fragmented and driven by traditional thematic and siloed models. Furthermore, this model of working absolutely cannot be an add-on to mainstream delivery, the exact opposite is true: this has to be mainstream delivery encompassing the full range of public services and becoming core delivery.

86. Without this we will continue to have multiple integrated models and multiple integrated teams, each with its own duplicate capacity with some similar stated principles at a strategic level but fragmented governance and divergent delivery in practice.

87. An important enabler in this area is digital technology. We are currently designing a technology architecture that will support secure information sharing across both health and wider public services, to inform more comprehensive and holistic support for families and citizens. This capability will deliver cost savings through the use of common technology platforms and will also enable access to more accurate information, improve engagements with the people who use our services and empower organisations to share information more effectively.

Success Means:

- All strategic plans and change programmes work towards a common goal of integrated public service delivery.
- The key features of our operating model are embedded in the blueprint design of all programmes of work, driving out duplication and divergence.
- Multiple integrated delivery models come together as a single neighbourhood delivery model with this approach reflected at the locality and Greater Manchester levels.
- There is a shared knowledge of the strengths and issues in a place, human and digital capabilities form the basis of a collective intelligence across organisations that shapes decision making and strengthens relationships.
Key Feature 6 – Our ambition for Tackling Barriers and Delivering on Devolution

88. We want to put in place a completely new model of public service delivery, completely breaking down the silos which exist between public services and designing the whole system of public service delivery around people and communities. We will systematically act on barriers which prevent us fully implementing The Greater Manchester Model. This absolutely requires us to challenge the status quo, relentlessly tackle barriers to delivering The Greater Manchester Model and seize the fullest range of opportunities presented by devolution. We will formalise our local arrangements which will drive us, at pace, to identify and put in place solutions to the barriers to full implementation, this will encompass a range policies, procedures and cultural issues across the full breadth of the public service system. Some of this is within our power and some requires us to work together with national government to overcome the limitations and put in place missing pieces of the jigsaw in our devolution journey.

89. We believe we are demonstrating effective stewardship of the Greater Manchester system, not least in health and care and our Working Well programme. However to maintain the pace of those achievements and the confidence we have in securing and sustaining improvements will depend, at least in part, on our collaborating effectively with national bodies and exploring the potential for policy and legislative change.

90. We want to consider devolved solutions to a range of current limitations and broad structural issues. These include system oversight, national targets and performance management, regulatory environment, inspection regimes in particular, those imposed by HMIC, CQC and OFSTED, inflexible funding and resources, legal basis for new organisational structures as well as specifics around VAT rules to support integration. We also highlight the missing pieces of devolved responsibility which are fundamentally related to our ability to deliver i.e. we have a level of devolved responsibility around health and social care but no corresponding responsibility around some important DWP functions, powers and resources.

91. The range and scale of ambition means that we need to have a single conversation between Greater Manchester and central government rather than multiple conversations with various government departments and that in order to do this we need to put in place a formal mechanism to do this. Our initial and developing asks of central government are set out in Chapter 5 as well as through the individual schedules of this White Paper. These will focus on the mechanisms we
will need to put in place with central government to progress as well as known specific asks of particular areas of work. The approach will be aligned with our plans to work with Government to implement the Greater Manchester Industrial Strategy and our existing devolution deals, so that we have a single conversation across our growth and reform objectives.

CASE STUDY: WHAT TO EXPECT FROM THE GM MODEL?

People’s lives are complex, sometimes messy, different and ever changing. We all live in communities - sometimes for a lifetime, sometimes only briefly, sometimes together and sometimes alone. Some of our needs are constantly changing as we travel through life but some things stay the same. We want to be listened to as people in the context of our own lives and we want the right support at the right time, in the right place in order to live happy and fulfilling lives.

The GM Model of unified public services recognises this and puts in place an entirely new way of working with people, families and communities with strong relationships at its core. Residents can expect a flexible and all-inclusive response from a unified public service that is set up to respond to the reality of their lives. This starts with every contact a resident has with us – not only will this be a ‘no wrong door’ approach regardless of need, age or circumstance but the way we engage with people from the very start will be different – instead of saying ‘this is what we have’ or ‘we don’t deal with that’ we will instead ask ‘what can we do to help you live a good life?’.

More than this, we won’t just wait until someone comes to us, wait for people to ‘fit us’ or things have got ‘bad enough’ for us to intervene but we’ll be proactive in communities, not just listening but understanding - residents will know us, they will see us working together and think of us as a part of their communities and their lives.

When people do need us, no longer will we pass them onto someone else or ‘refer on’, we’ll have the freedom to respond based on what is needed. When more specialist help is required it will be there when and where it is needed.

The GM Model puts in place the necessary foundations for us to do this and for the most part will be in the background but it will look and feel different to residents primarily thorough our workforce, in communities, very much present and working as one team. Residents will regularly see GPs working with schools, police officers working with nurses, housing officers working with employment officers, pharmacies working with council officers. We’ll be working together from places close to people, sharing or working from the same buildings and working as part of the community. We will know the people and they will know us - getting the model right means that they’ll no longer see us as them.
CHAPTER 4

IMPLEMENTATION OF THE GREATER MANCHESTER MODEL

PLACE-LED IMPROVEMENT

92. Having set out what The GM Model of unified public services looks like and the six key features that are needed in place across GM for it to be fully realised, this chapter now outlines an approach to implementation, evaluation and shared accountability.

93. It should be noted that when we refer to ‘GM’ in this context we are not referring to a GM-level function we are referring to the powerful collective that is made up of the ten localities of Greater Manchester that come together as a strong, collaborative alliance. The implementation approach outlined here is drawn from the principles of sector-led improvement\(^\text{15}\) however we will apply this across the full range of place-based public service organisations to which The GM Model relates. For our purposes then we will refer to our approach as ‘Place-led Improvement’ and implementation of The GM Model will be based on the following tenets:

a) Individual public service organisations in Greater Manchester are responsible for leading the delivery of improved outcomes for people in their area

b) Implementation of The GM Model of Unified Public Services does not require, and is not intended for, any transfer of statutory responsibilities from public bodies up to the Greater Manchester Combined Authority

c) Individual public service organisations in Greater Manchester should consider themselves accountable locally for the implementation of The GM Model of unified public services

d) There is collective responsibility for the implementation of The GM Model of unified public services across Greater Manchester as a whole, and

e) The role of the GMCA family is to provide tools and horizontal support to facilitate implementation of The GM Model of unified public services.

\(^{15}\) Sector-led Improvement (or SLI) has been developed by the Local Government Association in response to nationally imposed inspection and assessment regimes. The approach has primarily been applied with local authorities in the field of children’s and adult’s social care and more recently extended to public health, prevention and early intervention through the Care and Health Improvement Programme. The approach has proven to be effective and continues to have high levels of support across the sector.
94. Learning from the introduction of place-based working in Greater Manchester has shown that to move further, faster we will need to step-up the level in which we challenge each other as well as our pace and acceleration if we are to bring about the radical change required. Building on the existing strength of trust and relationships across sectors and organisation will be fundamental to this.

**AIMS AND PROPOSED APPROACH TO IMPLEMENTATION**

95. It is important for the implementation process to have stated aims that capture our overall intent with regards to embedding The GM Model of unified public services, to this end three aims have been articulated to focus our collective efforts, they are:

- **Aim 1:** To provide better outcomes for the people of Greater Manchester through more effective public services
- **Aim 2:** To put in place the six key features of the GM Model for all relevant Public Services in Greater Manchester
- **Aim 3:** To be recognised as a world leader in public service delivery, providing learning and direction for others

An Evaluation Framework underpinned by the principles of the GM Model of Unified Public Services

96. The implementation approach described here is built on collaboration, it focuses on the strength of the relationships across GM recognising that a one size fits all approach does not work. There is a strong emphasis on identifying and sharing good practice and learning, a peer support process is at its centre and it sees GM level organisations providing a supporting and facilitating role working with localities. Accepting each locality will have their own unique challenges and local political priorities – as much as possible we need to progress in the same direction, at the same speed.

97. The diagram on the next page provides a visual representation of the implementation approach, this is intended to be cyclical and iterative rather than linear and the following paragraphs provide a narrative to this. A summary of this approach is shown in Fig.14. below.

**Fig.14. Place-led Improvement Approach to Implementation of The GM Model**

[Diagram of implementation approach]
Fig. 15. GM Model of Unified Public Services: ‘Place-led Improvement’ Approach

1. GM Model baselining and establishment of Communities of Practice
   - The Integrated Leadership Team in each Locality (which will include local political representation), along with support from GMCA and GMHSCP, hold a structured discussion. This will involve each locality arriving at a current joint position statement for each of the six key features and agree future local accountability structures.

2. Locality-owned Implementation Plans
   - A summary of the baseline position across GM is provided to the established governance within the sphere of GMCA and GMHSCP outlining how the six key features will be implemented with reference to how this links to local corporate and budget strategies.

3. The GM Model Peer Support Process
   - Through the baseline process communities of practice will be established around specific themes of reform. These will provide a platform to bring together examples of progress and innovation, as well as share insight as to how challenges are being tackled. They will also enable us to bring in specialist knowledge and expertise from within GM and elsewhere.

4. Strategic Reform Group and the Place & Reform Group
   - Findings from the initial baseline and communities of practice will allow Localities to be paired together based on recognised strengths. This will facilitate a peer support process, where it will add value, that will allow for a GM Phase 2 highlight report to the appropriate established governance groups within GMCA and GMHSCP.

Aim 1: To provide better outcomes for the people of Greater Manchester through more effective public services
Aim 2: To put in place the six key features of the GM Model for all relevant Public Services in Greater Manchester
Aim 3: To be recognised as a world leader in public service delivery, providing learning and direction for others
Evaluation Framework underpinned by the principles of the GM Model of Unified Public Services
98. The first part of the implementation approach will involve each locality determining their baseline position against each of the six key features of The GM Model. This will involve the Locality Integrated Leadership Team, including local political representation and with support from GMCA and the GM Health & Social Care Partnership holding an informed and structured discussion as to the current position. This discussion will be focussed around the ‘success descriptors’ of each of the key features (detailed in the previous chapter) taking into account work conducted so far, future plans and recognised challenges. It will be important for the baseline process to include and reflect the views of local citizens. The baselining process will also seek to established ‘Reform Communities of Practice’ that will provide a platform to bring together examples of progress and innovation, as well as share insight as to how localities are tackling some of the challenges presented by implementation. The Reform Communities of Practice will also enable us to bring in specialist knowledge and expertise from within GM and elsewhere.

99. It will also be important to establish a GM-level baseline position against the six key features for relevant organisations (e.g. GMCA, GM H&SCP, GMP, GMFRS etc.). Independent support and challenge from the Portfolio lead for Reform and others as to the GM-level baseline position will add considerable value.

100. It is anticipated that this first part of the implementation approach will be completed over a period of 12 months and importantly this will need to include agreeing local structures for implementation going forward.

101. The second part of the implementation approach will involve the Integrated Leadership Team from each locality working collaboratively with GMCA and GM Health and Social Care Partnership to identify joint solutions based on local priorities. This will result in each Locality putting together their own GM Model implementation plan outlining how the six key features will be embedded across the breadth of all public service, health and care organisations in their locality. It may be that the implementation plan is drawn from or references existing local plans rather than being a separate document in itself. Importantly these plans will make reference to how implementation of the GM model links to and impacts on existing corporate and budget strategies within individual organisations. A high-level summary of implementation progress across GM will be provided to the appropriate GM governance boards within the sphere of GMCA and GM H&SCP. Once all locality plans have been articulated a GM-wide implementation plan will be constructed which will also draw in the GM-level baseline referred to above. At this point there will be a more informed picture of delivery timescales across and within GM.
102. The findings from the initial baseline and Reform Communities of Practice will provide the opportunity for localities to pair-up based on recognised strengths. This buddy system will then facilitate a peer support process, where this will add value, that will inform a high-level Phase 2 GM implementation highlight report which again will be summarised for appropriate GM governance boards. It is anticipated that this Phase 2 peer support process will be completed within 12 months of the initial baseline exercise in each locality.

103. To achieve the ambition set out in this paper it will be necessary to understand common strategic issues as well as identify and maximise new opportunities that are likely to arise as we embark on implementation. In response to this a new group will be formed made up of senior representatives from specific service areas or organisations, with a balanced make-up to ensure representation across all localities and sectors. This group will meet on a bi-monthly basis and will take on a supporting and coordinating role to assist localities in the implementation of reform, feeding into other established GM groups, as appropriate, within the recognised GMCA and GM H&SCP arrangements.

104. It will be necessary to review the existing GM Place and Reform Group in light of this White Paper and the establishment of the strategic group referred to above. This will mean reviewing the terms of reference of the GM Place & Reform Group, adding specific mention to implementation of The GM Model.

105. The Reform Communities of Practice will feed insight and recommendations into existing GM governance arrangements as appropriate.

**EVALUATION FRAMEWORK**

106. A consistent, straight-forward evaluation process with visibility will be key to driving learning and improvement as we embark on the implementation of The GM Model of unified public services. It will be important that the evaluation framework is built using both quantitative and qualitative measures. It will need as much emphasis on understanding the leading indicators that point to successful change and improvement in the short term as well as those lagging indicators that are apparent when the cumulative effect of implementation is viewed in the longer term over a geography such as impact on population and system level measures, fiscal impact and so on.
When we talk about evaluation this means that we want to be able to understand the impact we are having on people’s lives. This is about constantly learning and adapting our approach, it is not about stifling innovation or an overemphasis on chasing metrics but is about us wanting to put in place necessary conditions for a value-based performance environment.

The three implementation aims referred to above lend themselves to this form of evaluation. We will need to understand how we are progressing with the implementation of The GM Model overall as well as progress in each of the key features and across localities. We will also need to be able to show the impact of this approach for the people of Greater Manchester as it embeds, at an individual or family level and across wider communities and geographies.

Whilst we need to evaluate the implementation process itself we also need to form a picture of what the new evaluation and performance frameworks will look like sat alongside an operationalised GM model of unified public services. These new approaches and products will build on good-practice examples of various whole-system dashboards and performance frameworks that are already being developed, there will also be a direct link to the Greater Manchester Strategy outcomes framework.

The place-led improvement approach to implementation described above sets out a robust methodology that underlines our shared expectations around the delivery of The GM Model, there will be a need to hold ourselves to account as we progress this work. It is important that there is a strong and central role for all locally elected members in driving local implementation of the model at neighbourhood level.

The following reform protocol has been produced to assist with understanding our expectations of each other and what we will be jointly accountable for in this context. At a locality level all relevant Public Services will:

- Work to implement and deliver each of the six key features of The GM Model as described by their success criteria.
- Ensure that the citizen’s voice is placed at the centre of the way we design and deliver services at a locality level and in neighbourhood areas.
• Model the right culture at a local level to deliver this change across the whole public service system.
• Work across GM to share ideas, innovation and learning, identifying solutions to overcome barriers together.
• Work to embed the key features of our public service model within all commissioning and commit to mainstreaming investment in reform.
• Develop an empirical understanding of the barriers to our ambitions and make the case for further devolution when identified, ensuring all voices are heard at a local and GM level.
• Support in the development and delivery of an evaluation approach, pooling knowledge and evidence, to ensure GM is able to make a strong case with government.

112. The same level of expectation and accountability needs to be in place at a Greater Manchester level. At a Greater Manchester level all relevant Public Services will:
• Consistently articulate and enable the delivery of the six key features of the public service model for Greater Manchester across all areas of work.
• Ensure that the citizen’s voice is placed at the centre of the way we design and deliver services at a Greater Manchester level.
• Model the right culture at a Greater Manchester level to deliver this change across the whole public service system.
• Lead collective action where issues are common or require collaboration, with an emphasis on solutions not just problems.
• Work with central government to develop a single flow of investment, utilising new models that incentivise reform.
• Work towards embedding the six key features of the GM Model in all commissioning activity across the full range of public service, health and care activity.
• Work closely with localities to build the case to central government for further freedoms that will enable delivery of the model and allow us to realise our ambitions.
• Establish an ongoing evidence base for the model in GM, bringing together the best evidence to build a strong case with government.

113. As is outlined in the implementation approach there needs to be a very clear role for local political leaders. These leaders will play a hugely important role in driving implementation forward themselves as well as asking the right questions through local accountability mechanisms. As is
described in the previous chapter, local political representatives will be central to the operation of The GM Model on a day-to-day basis and so will have a vested role in implementation. Implementation of the model will be more effective with the support and involvement of local political leaders and elected members and less so without it.

114. There also needs to be a role for the GMCA family who should be accountable for the level of support, assistance and tools provided throughout this implementation process. The GMCA family will need to continue to develop their offer in supporting and working with localities and others in a horizontal fashion. The GMCA family will develop an offer of support for localities and others and build insight to understand the reality of implementation in the work, ensuring that a bottom-up approach remains as we now move to full implementation of The GM Model. It is anticipated that the ‘Place Led Improvement’ approach can be further developed and applied to support in other areas.
CHAPTER 5
KEY AREAS FOR DEVELOPMENT WITH CENTRAL GOVERNMENT

115. This White Paper has set out an operating model that will shape the entirety of the public service landscape in Greater Manchester. This model is a culmination of our long history of collaborative working in Greater Manchester, building upon our devolution deals to date and informed and driven by a bottom up understanding of the needs of people and communities right across the city region.

116. We have demonstrated our ability to manage and deliver effectively across the system of public services in Greater Manchester but securing and sustaining this, and scaling up right across GM, now requires us to collaborate effectively with central government to explore the potential for greater freedoms and more autonomy through policy and legislative change.

117. We are now in a position to be able articulate the key areas we need to develop collaboratively with central government in order to provide the most effective services for the people of Greater Manchester and excel as a national and world leader in the delivery of public services. Underpinning all of this will need to be a sustainable system of funding for Greater Manchester, with access to flexible resources, to be invested locally to join up and integrate services and infrastructure.

118. This will need to be a broad, iterative and negotiable process with central government which will enable us to trial various solutions to a range of issues together. As such, we need an approach that enables us to focus initially on the broad mechanisms we will need in place and then more detailed work and negotiation around specific policy areas.

119. We are taking a sequenced approach to developing and setting out these asks. These are based on four key areas within which we will develop a series of schedules over time, for both the whole system and policy-specific areas, setting out more detail and options for greater freedom and autonomy. The diagram in Fig. 17 below sets out this framework for change.
120. As we are taking a schedule approach to developing our joint solutions we view the process as an organic one that can respond to emerging issues and to collaborative discourse. The joint solutions related to specific policy areas that are outlined here represent the state of development current at the time of publication of this white paper. We envisage that over time our joint solutions will widen to cover other policy specific areas such as housing, early years, education, and community safety, for example.

WHAT GOOD LOOKS LIKE

121. As part of this framework for change we want to work with central government to develop joint solutions to support implementation of this model. We know what good looks like from a whole system level which will provide the building blocks to enable us to jointly progress a range of policy specific areas of work. This is set at as follows:

122. There is a place-based relationship with Greater Manchester, moving away from single departmental conversations:
a. Transitionary governance arrangements are in place which support movement to integrated governance. This would explore and test options for longer term system oversight and integrated governance across the full public service landscape.

123. There is a formal relationship with Greater Manchester to support the delivery of our public service model, tackle barriers which are not within local control and identify national good practice:

   a. A formal mechanism is in place between Greater Manchester Public Services and Central Government to develop and negotiate solutions to implementation. This should be a single channel of dialogue between Greater Manchester public services and all central government departments. This should take account of and aim to address the impact of current national inspection and regulatory regimes which can be in conflict with unified local delivery.

   b. This also includes a review Public Service Governance arrangements at a locality level (below Greater Manchester level) – i.e. working with government to remove barriers to more integrated governance arrangements.

124. There is a single line of investment for reform through one Greater Manchester Investment Fund, working towards a place based settlement:

   a. A solution is developed with central government which enables Greater Manchester to bring together a range of transformation, reform and various departmental grant funding streams into a single line of investment.

   b. This also provides the necessary testing which enables us to work towards a wider place-based settlement beyond transformation funding and towards core budgets.

   c. To support this, an exemption from a range of grant conditions is negotiated particularly in relation to commissioning which will enable us to remove barriers to further integrated commissioning through increased use of pooled budgets across GM public services and provide the necessary freedoms to innovate.

   d. Greater control of a wider range of public spending is negotiated with central government to implement the Greater Manchester Model of unified public services, provide better outcomes for the residents of Greater Manchester.
An open dialogue is created and maintained around current and future devolution opportunities which support us to deliver the most effective services to the people of Greater Manchester:

a. Beyond putting in place the necessary conditions and formal mechanisms across the whole system, an open dialogue is in place which enables us to swiftly and effectively develop joint solutions to specific policy ask as they develop (For example, a joint ‘task group’ is put in place to explore greater autonomy of Job Centre Plus and the welfare system through further delegation from DWP)
## SCHEDULE 1:  

JOINT SOLUTIONS WITH CENTRAL GOVERNMENT: POLICY SPECIFIC

<table>
<thead>
<tr>
<th>Policy Area</th>
<th>The proposal</th>
<th>What needs to change</th>
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| Employment and Welfare | Shared accountability to improve the employment rate and reduce benefit dependency in Greater Manchester, as part of a formal partnership between GMCA, DWP and DfE | In order to ensure that a quality and consistent place-based approach to employment and welfare is in place, the following conditions are required:  
1. Local autonomy for Jobcentre Plus, operating as part of the GM public service system.  
2. Joint development of an in-work progression offer, with a focus on older workers and those with a health condition or a disability.  
3. Joint design for commissioned employment support and development of an over-50s employment programme, to provide targeted support to this age group.  
4. Ability to test flexibilities in the welfare system and agree a joint approach to welfare reform, such as:  
   a. Co-produce approach to managed migration for people with health conditions, supported by data sharing.  
   b. Universal Credit (payment frequency, direct payments to landlords, split payments).  
   c. Joint approach to housing payments and quality accommodation through Good Landlord Scheme. |
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<th>Policy Area</th>
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<th>What needs to change</th>
</tr>
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<tr>
<td>Skills</td>
<td>This will be taken directly from our proposals to the Spending Review in development as part of our Industrial Strategy, including integration with employment and welfare as described above.</td>
<td>This will be taken directly from our proposals to the Spending Review in development as part of our Industrial Strategy, including integration with employment and welfare as described above.</td>
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| Health and Social Care | Greater flexibility and power over the levels and drivers of developing a fully integrated and devolved health and care system. Specifically:  
  - Integrated Care  
  - Financial Reform  
  - Population Health | **Integrated Care**  
  1. Work with us to consider the legal basis for, and develop legislation and policy for:  
     - New organisational and contractual forms in health and care (and wider public services).  
     - Removing restrictions on integrated commissioning, VAT and pensions rules to support integration and issues affecting competition and choice – as signalled in the NHS long-term plan.  
  **Financial Reform**  
  1. Work with us to develop opportunities to simplify funding flows (at both system and provider level) including multi-year funding settlements to support system-level planning, integration and delivery of transformational change.  
  2. Greater ability to pool revenue budgets between health and local authority funding streams (and potentially other public bodies); using different capital funding sources including local authority prudential borrowing to support multi-purpose capital schemes. |
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<tr>
<th>Policy Area</th>
<th>The proposal</th>
<th>What needs to change</th>
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<tbody>
<tr>
<td>Population Health</td>
<td></td>
<td>1. Work with government to explore an early years funding model that encourages cross-sector provider collaboration to raise standards and provides children’s services with the resources they need.</td>
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<td>2. Working with DfE, negotiate changes to the current inspection regime to ensure it recognises Greater Manchester’s innovative approach to early years development.</td>
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<td>3. Greater local control of health and justice spending to develop new placed-based approaches to better meet the health and social care needs of children and young people with learning disabilities in the criminal justice system, and the children of prisoners.</td>
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<td>4. Develop a jointly funded new care model for vulnerable and marginalised women.</td>
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<td>5. Co-design of local probation services and new innovative community sentences including their payment mechanisms.</td>
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<td></td>
<td>6. Exploring opportunities for devolved capital from Homes England and NHSE, particularly in relation to the provision of an effective and sustainable supported housing market.</td>
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<tr>
<td>Criminal Justice</td>
<td>Agree a Memorandum of Understanding with the Ministry of Justice which enables co-investment and co-design focussed on the integration of services within the GM Model and improved outcomes for people in the criminal justice system. The MoU will focus on the following specific areas:</td>
<td>Youth Justice Transformation</td>
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<td>To agree and explore approaches to</td>
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<td>- Resettlement from custody</td>
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<td>- Data sharing</td>
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<td>- Safeguarding</td>
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<td>- Youth to adult transitions</td>
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<td></td>
<td></td>
<td>- Prioritisation of activity with specific cohort</td>
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<tr>
<td>Policy Area</td>
<td>The proposal</td>
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|                     | Youth Justice Transformation  
|                     | Smarter Justice  
|                     | Reform of Adult Offender Management  
|                     | Improving the victim journey                                                  | **Smarter Justice**                                                                    |
|                     |                                                                             | Working together to:                                                                |
|                     |                                                                             | • Improve awareness of community sentences  
<p>|                     |                                                                             | • Enhance problem solving approaches                                                  |
|                     |                                                                             | <strong>Reform of Adult Offender Management</strong>                                              |
|                     |                                                                             | To work jointly with Greater Manchester to test how the new probation model can work in a devolved way, which recognises that a unified approach in Greater Manchester would result in optimum delivery. |
|                     |                                                                             | <strong>Improving the Victim Journey</strong>                                                     |
|                     |                                                                             | To explore local interdependencies for victims and witnesses in the criminal justice system to support co-designing &amp; co-commissioning services including: |
| Digital and        | Establish GM as the national exemplar for digitally enabled citizens based on the integration of local and national data and the use of analytics and AI to improve outcomes for residents. | 1. Work with to us to put in place a Public Service Data Exchange Forum through which GM can communicate and provide evidence of issues and blockers in relation to information sharing in a way that can truly influence change nationally. This body would help develop and own a roadmap through data standards, legal gateway, sharing mechanisms, policies and strategies can be agreed and tested through the GM “Digital Enabling Citizens” programme. |
| Information        |                                                                             |                                                                                      |</p>
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<th>Policy Area</th>
<th>The proposal</th>
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| **Voluntary, Community and Social Enterprise** | To work with government to put in place the conditions for an effectively resourced, highly skilled and empowered VCSE ecosystem in all localities as part of the GM Model | 2. Provide a digital licence for Ages & Stages Questionnaires used by Health Visiting functions across the UK and currently only available on paper.  
3. Support creation of a National Applied Data Ethics and Innovation Centre based in GM to provide an on the ground, place based focus for work on data ethics and trust that encourages inward investment and links with the new National Centre for Data Ethics.  
4. Work with us to support and accelerate current conversations with National Data Guardian and Dept of Health to include health and care data in the provisions of the Digital Economy Act to allow local authorities to share adult social care data. |
| **Early Intervention & Prevention** | Establish an agreement with Government that GM receives an allocation of funding to support its work on early intervention and prevention that it is able to co-ordinate at a city-regional level through the GM Reform Investment Fund. It is proposed that the (pre agreed) amount could represent a top slice of cross government funding streams that are focussed on prevention. | The current way that Government funding that is focussed on early intervention and prevention is received is often fragmented, uncoordinated and limited by specific requirements. This creates siloed working and makes it difficult to invest in transformational activity at any real scale. It is therefore proposed that GMCA receives an allocation of transformation funding to support its work on prevention that will:  
1. Recognises the need to join up the prevention agenda where there is a significant overlap in cohorts |

To explore opportunities in the following areas:  
1. Devolution of relevant budgets, or release of funds, to GM as part of a programme to provide appropriate and sustainable core funding to the VCSE sector in GM.  
2. The investment of transformation funding to create an effective and sustainable system for social prescribing in GM.  
3. Policies that enable community-led and community-owned housing and land ownership.  
4. Financial incentives for social enterprise and co-operative solutions.  
### The Greater Manchester Model

#### Where there is no scope to free up specific funding for transformation flexibility should be applied for the use of funding, for example GM’s existing agreement on Troubled Families Funding.

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<td></td>
<td>2. Enable it to invest in more transformation approaches to prevention through its place based teams either through direct investment in transformational activity or double running.</td>
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<tr>
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<td></td>
<td>3. Enables GM to have greater flexibility and autonomy over the use of funding recognising that it has demonstrated that it will still deliver on the outcomes that Government hopes to achieve (e.g. Troubled Families)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4. Helps remove the risk of siloed approaches / behaviours that are often driven by the requirements of specific funding streams</td>
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Date: 29th March 2019

Subject: Greater Manchester Local Industrial Strategy Update

Report of: Sir Richard Leese, Deputy Mayor for Business/Economy

PUPOSE OF REPORT

Greater Manchester is one of three designated trailblazer areas working in collaboration with government to develop a Local Industrial Strategy (the GM Industrial Strategy). This paper updates Leaders on the latest position with the development of the GM Industrial Strategy.

RECOMMENDATIONS

1. To note progress to date with the development of the GM Industrial Strategy and agree the draft strategic priorities which will form the basis of the full strategy.

2. To note that negotiations with government are at an advanced stage and it is expected that the strategy will be agreed imminently and launched following the local government elections in May.

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Lisa Dale-Clough, Head of Industrial Strategy, GMCA
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1. **Background**

1.1. The 2017 Autumn Budget agreement between the GMCA and Government (HMG) set out that the Greater Manchester Local Industrial Strategy (‘the GM Industrial Strategy’) will reflect the main themes of the National Industrial Strategy, but also take a place-based approach to build on the area’s unique strengths and ensure all people in GM can contribute to, and benefit from, enhanced productivity, earnings and economic growth.

1.2. Over the past 16 months, Greater Manchester has followed a process made up of three interlinked strands to meet government’s objective of having an agreed and robust GM industrial strategy by March 2019:

3. **Developing the evidence-base.** An independent review panel – the Greater Manchester Independent Prosperity Review – was established to provide a robust and independently verified evidence base. The Review was formally launched at events in Manchester (8th February) and London (5th March), attended by over 400 people.

4. **Consultation.** A broad consultation exercise has been undertaken to ensure a high level of input from local and national stakeholders, including businesses, local authorities, CVSE representatives, and universities and colleges. This included a formal six-week consultation period in the Autumn, where more than 20 events were held, getting input from more than 500 stakeholders, which resulted in over 120 written responses to the online consultation document.

5. **Joint policy development work** Joint work with districts, GM stakeholders and Government departments has been undertaken to explore policy options, linked to the national industrial strategy, to respond to GM’s unique assets, opportunities, and challenges.

1.3. Negotiations with government are at an advanced stage and it is expected that agreement will be reached on the GM Industrial Strategy imminently. Because of restrictions around the pre-election period, it is anticipated that the full strategy will be launched following the local government elections in early May.

2. **Progress with the development of the GM Industrial Strategy**

2.1. Working closely with the Cities & Local Growth Unit, who are leading the development of Local Industrial Strategies in Whitehall, we have now:

6. agreed the headline narrative and structure of the GM Industrial Strategy with senior officials across all relevant Government departments.

7. held discussions around more specific policy proposals with national policy leads.

8. entered into final negotiation with government on the final text and policy proposals to be contained in the GM Industrial Strategy.

2.2. Following agreement of the outline strategic framework at the February GMCA meeting, a full strategic framework, including GM specific priorities, has been developed with government which seeks to create prosperous places across the city region. This framework focuses on issues and opportunities in both high
growth, high productivity “frontier” sectors and low productivity, low pay, high employment “foundational” sectors. It follows a twin-track approach of:

9. Building on our strengths and opportunities; and

10. Supporting the foundations of productivity.

2.3. Based on the evidence contained in the 2019 Independent Prosperity Review which built on the 2016 Science and Innovation Audit, four strengths and opportunities have been identified:

11. **Health innovation:** Global leadership on health and care innovation, improving population health and extending healthy lives. Greater Manchester’s priorities are to:

   - Continue using devolved health and social care arrangements to act as a test-bed for large scale clinical and med-tech trials, improving residents’ health and developing new export oriented products and services.
   - Lead the transformation of health and care systems to respond to the needs of an ageing population.
   - Link the Greater Manchester health and care innovation pipeline to global economic opportunities around healthy ageing.

12. **Advanced materials and manufacturing:** A world-leading region for advanced materials, within a Made Smarter innovation ecosystem. Greater Manchester’s priorities are to:

   - Develop an ecosystem to commercialise Graphene and other advanced materials for the benefit of the Greater Manchester and UK economy, contributing to the delivery of all four Grand Challenges.
   - Strengthen the city region’s advanced materials and manufacturing clusters, ensuring ‘Graphene City’ is networked with industrial and technology parks across Greater Manchester and leading technology parks across the UK.
   - Clearly signpost Greater Manchester as the place for advanced materials by developing a specialised Advanced Materials City in the M62 North East Growth Corridor, focused on opportunities in Greater Manchester’s manufacturing base and attracting significant inward investment.
   - Improve productivity in Greater Manchester’s manufacturing base and lead the 4th Industrial Revolution by encouraging the development, design, adoption and creative application of digital technologies, Artificial Intelligence, environmental technologies, and graphene/2D materials thereby revolutionising manufacturing processes and accelerating commercial growth.

13. **Digital, creative and media:** A leading European digital city-region, with internationally-significant media and cyber & security clusters. Greater Manchester’s priorities are to:
- Sustain and grow the internationally-significant digital and creative and media cluster in the regional centre.

- Revitalise town centres and highstreets by supporting creatives, digital entrepreneurs, and innovators to start or scale a business, social or cooperative enterprise.

- Grow existing and emerging sector strengths in cyber security, broadcasting, content creation and media, software development, digital telecoms, fintech and e-commerce.

- Underpin cross sectoral growth by developing a digital skills pipeline and taking a Made Smarter approach to all industries, supporting firms across Greater Manchester to adopt productivity-enhancing digital technologies.

- Transform the local economy and public services by digitally enabling citizens and making more publicly held real-time open data available for anyone to use.

14. **Clean Growth**: A mission-based approach to deliver carbon neutral living by 2038, improving quality of life and creating new jobs. Greater Manchester’s priority is to establish the UK’s first city region Clean Growth Mission for carbon neutral living within the Greater Manchester economy by 2038, driving innovation, the creation of new technologies, improved resource efficiency, and improved quality of life. This Mission will:

- Deliver environmental improvements that directly enhance well-being, health, resilience, biodiversity and quality of life, including by enhancing the natural capital of the city region;

- Design and trial innovative technology and financial mechanisms to support delivery of energy efficient homes, buildings and low carbon transport, helping to ensure all new homes and commercial/industrial buildings are net zero carbon by 2028;

- Accelerate new models of local renewable energy generation, storage and efficiency within the city region, adopting a ‘whole system approach’, and testing the creation of a local energy market, and

- Support Greater Manchester enterprises to accelerate the implementation of energy and material efficiency measures in the design and production of products and services.

2.4. Again, based on the evidence contained in the 2019 Independent Prosperity Review, actions have been identified under each of the national Industrial Strategy’s five foundations of productivity:

15. Leading industrial, social and economic transformation through innovation and the spread of **ideas** throughout the city-region. Greater Manchester’s priorities are to:

- Strengthen the innovation asset base in Industrial Strategy priority areas of health innovation, advanced materials, digital and media, and clean growth.
• Integrate Greater Manchester’s innovation eco-system to drive commercialisation, facilitate collaborations, partnerships and cross overs between technologies and industries, and coordinate innovation that addresses the Grand Challenges.

• Drive increased investment in R&D and take-up of national innovation funding in Greater Manchester, to support the national target to boost spending on R&D to 2.4% of GDP by 2027.

16. Designing a skills and work system that ensures all people reach their potential and employers have the skills to deliver the Industrial Strategy. Greater Manchester’s priorities are to:

• Supporting institutions to increase the number of people learning in settings – from early years, to schools, colleges and training providers – rated as good or outstanding.

• Giving all young people a clear line of sight to opportunities for education, skills development and work in the city region.

• Ensuring all residents have the functional skills and attributes employers need, particularly English, maths and digital skills.

• Supporting adults to enter the labour market and progress in work through connected employment, progression and transition support.

• Increasing take-up of the technical qualifications needed to drive the Greater Manchester Industrial Strategy (particularly at levels 4 and 5).

• Increasing employer investment in workforce development, including digital skills, management and leadership, and in workforce health.

17. Developing a single infrastructure plan – and identifying opportunities to fund that plan - to put in place the integrated 21st century infrastructure needed for digitally driven, clean and inclusive growth. Greater Manchester’s priorities are to:

• Develop an Infrastructure Plan for the city region and identify sources of sustainable, long-term local investment, to sit alongside devolved funding streams, to fund the delivery of the Plan.

• Short-term action to improve transport system performance through rail devolution, bus reform, trialling tram-trains, and changing regulations to promote a cleaner, more efficient and integrated transport system.

• Radically improve connectivity with other UK cities through Northern Powerhouse Rail and High Speed 2, and continue developing Greater Manchester as the global ‘Gateway to the North’ through the expansion of Manchester Airport.

• Develop a programme of digitally-led innovations that enable better coordination of the transport system.

• Continue transforming the digital connectivity of the city region to drive economic growth and innovation, meeting national targets of 100 per
cent full fibre coverage by 2033 and full roll-out of 5G technologies by 2028.

18. Transforming the productivity of **businesses** and all forms of enterprise by strengthening leadership and management, increasing innovation adoption, digital transformation, and raising exporting levels in firms. Greater Manchester will also create the optimum conditions for social enterprises and cooperatives to thrive. Greater Manchester’s priorities are to:

- Strengthen the leadership and management capacity of businesses and enterprise in Greater Manchester to increase productivity and skills utilisation.
- Implement a Greater Manchester Good Employment Charter to improve skills utilisation and management standards and so raise productivity across all sectors.
- Support business and enterprise to adopt innovations and create new products, services and business models.
- Sustain and develop the strong business support infrastructure, based around the Business Growth Hub, by further strengthening support to drive innovation (including business model innovation), productivity, workforce development and scaling up businesses in key sectors.
- Drive further internationalisation of Greater Manchester’s business and enterprise base, supporting exports, inward investment, and international partnerships.

19. Supporting all **places** in Greater Manchester to realise their full potential by ensuring that the conditions are in place for investment and jobs growth across the city region; and equipping people – through improvements in skills and transport accessibility – to access jobs across the conurbation. Greater Manchester’s priorities are to:

- Ensure a thriving and productive economy in all parts of Greater Manchester, by maximising national and international assets, city and town centres, strategic employment locations and neighbourhoods.
- Reduce inequalities and improve prosperity by addressing barriers to participating in employment and accessing opportunities across the city region.
- Building on city, growth and devolution deals and continue reforming public services to put the Greater Manchester model of unified public services on a sustainable financial footing.

2.5. The full strategy will have a chapter on each of our strengths and opportunities and the foundations of productivity which will set out how Greater Manchester and Government will work together to capitalise on the opportunities and address the challenges identified. The GM Industrial Strategy is not a funding document, but it will inform the strategic use of local funding streams and, where relevant, spending from national schemes. Locally, it will be used to
2.6. The strategy will also set out a clear set of outcomes that will be delivered by 2040. Progress towards these will be monitored through clear implementation and evaluation arrangements, which will be set out in full in the final strategy document.

2.7. At the February GMCA meeting delegated authority was passed to the Chief Executive of the GMCA and the GM portfolio lead officer for Economy/Business – working with the Deputy Mayor for Business/Economy, the GM Mayor, and the Chair of the GM LEP – to agree the full local industrial strategy with government. Discussions with government are now at their final stages and a verbal update on the latest position with the negotiations will be provided to Leaders at the GMCA meeting.

3. Recommendations

3.1. Recommendations appear at the front of this report.
PURPOSE OF REPORT

The draft 5 Year Environment Plan was presented to GMCA on 1st March. Since then, the Plan has been updated in line with comments received, particularly from the Greater Manchester Health and Social Care Partnership and GM Planning Housing and Scrutiny Committee, as well as others involved in developing the plan.

The Executive Summary of the Plan (Annex 01) has now been designed and the full plan (Annex 02) will be further designed in advance of their publication for the Green Summit on Monday 25th March.

The 5 Year Plan is intended as a high-level document, with further detail provided in related Thematic reports, developed through workshops with local and national experts. The Natural Capital Investment Plan has already been released and further thematic reports (on Building Retrofit, Smart Energy and Sustainable Consumption & Production) will follow after the Green Summit.

The purpose of this paper is to present the final version of the 5 Year Plan, which is going to the Green Summit on 25th March, for comment and approval.

RECOMMENDATIONS:

GMCA is asked to:

- Note any verbal updates on any views/issues raised at the Green Summit.
- Agree the Executive Summary (Annex 01) and Environment Plan (Annex 02)

CONTACT OFFICERS:
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mark.atherton@greatermanchester-ca.gov.uk

BACKGROUND PAPERS:

Executive Summary of the 5 Year Environment Plan – Annex 01
5 Year Environment Plan – Annex 02
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<th>TRACKING/PROCESS</th>
<th>[All sections to be completed]</th>
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<td>Does this report relate to a major strategic decision, as set out in the GMCA Constitution</td>
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<th>EXEMPTION FROM CALL IN</th>
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<td>Are there any aspects in this report which means it should be considered to be exempt from call in by the AGMA Scrutiny Pool on the grounds of urgency?</td>
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<th>TfGMC</th>
<th>Overview &amp; Scrutiny Committee</th>
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5 YEAR ENVIRONMENT PLAN FOR GREATER MANCHESTER
EXECUTIVE SUMMARY
2019-2024
INTRODUCTION

Our environment in Greater Manchester underpins all aspects of our daily lives. We face urgent and significant environmental challenges in Greater Manchester. They require us all to take action now.

Greater Manchester has a history of industrial and social innovation that we need to harness. Our People, Our Place – the Greater Manchester Strategy sets a clear vision for Greater Manchester to be one of the best places in the world to grow up, get on in life and grow old. This environment plan brings together, and is a key part of, a set of bold plans for achieving that for our current and future generations, setting out what we all need to do to tackle those challenges and capitalise on the opportunities and benefits that will come from taking action.

The approach taken in our plan is underpinned by 5 key principles. It is a plan that is:

1. For all of us
2. Focussed on urgent action
3. Visionary
4. Ambitious
5. To be reported on

The plan has been developed with input from countless representatives from across the city-region and the country. This form of engagement, along with the public’s vision, were key foundations of the 2018 Springboard Report¹, published after the 2018 Green Summit. We need to continue this collaborative approach as we implement the actions in this plan.

¹https://www.greatermanchester-ca.gov.uk/media/1317/springboard-report.pdf
WHAT CHALLENGES ARE WE FACING?

The challenges we face

We face several major environmental challenges that threaten the future health and prosperity of our city region:

• **Challenge 1:** Mitigating climate change
• **Challenge 2:** Air quality
• **Challenge 3:** Production and consumption of resources
• **Challenge 4:** Natural environment
• **Challenge 5:** Resilience and adaptation to the impacts of climate change

As set out in the Greater Manchester Strategy, Local Industrial Strategy and Population Health Plan¹, we also face a set of broader challenges to our:

• **Places** – the need to create vibrant and sustainable places in our city region.
• **Economy** – the need to increase productivity.
• **People** – the need to improve the health and quality of life of our residents.

In tackling our environmental challenges, we must harness to potential for delivering economic, social and environmental benefits together.

The threat of climate change – reducing our carbon dioxide (CO₂) emissions

Mitigating climate change is the most significant of our environmental challenges. We need to make our fair contribution to global commitments aimed at limiting global temperature rise.

Research was carried out in 2018 by the Tyndall Centre for Climate Research² to calculate what a fair contribution looks like for Greater Manchester. It concluded that urgent action was needed to put Greater Manchester on a path to ‘carbon neutrality’ by 2038, initiating an immediate programme of mitigation delivering an annual average of 15% cuts in emissions.

---

Models of potential emission reduction pathways

Greater Manchester Combined Authority (GMCA) commissioned research to understand potential carbon reduction pathways to implement these recommendations using a model called SCATTER (Setting City Area Targets and Trajectories for Emissions Reductions). This provides different pathways depending on local decisions taken across over 40 different interventions, which can each be implemented to 4 different extents.

This means that there is a gap between what we know we need to achieve, and what we believe is immediately possible. The plan therefore sets out actions that everyone can take now, whilst accepting that future innovation will be required to accelerate carbon reduction.

- Under the “SCATTER GM” pathway (an estimate of what is currently planned and what might be achievable in the future) emissions of over double the Tyndall’s recommended budget are produced by 2050.

- Under the “SCATTER Level 4” pathway (each of the 40+ interventions pulled to the maximum extent), carbon neutrality is possible to achieve but emissions of nearly 20% above the Tyndall Centre’s recommended budget are produced by 2050.

Figure 1 sets out potential carbon reduction pathways for Greater Manchester, against the budget recommended by the Tyndall Centre’s research.

This shows that:

Figure 1 – Potential Carbon Reduction Pathways for Greater Manchester; Source: Anthesis

Source: Anthesis Group

Figure 2 shows the scale of reductions needed over the next 8 years alone, during which time:

- We would need to reduce our current annual emissions by more than half to put ourselves on the “SCATTER Level 4” pathway.

- We would need to reduce our current annual emissions by more than two thirds to meet the Tyndall Centre’s recommended budget.

Figure 2 – Potential Carbon Budgets for Greater Manchester; Source: Anthesis
Using the models to inform our plans
Models have their limitations. The principle value of the models to us is:

• Informing the scale of the challenge we face – reductions on this scale will be extremely challenging to achieve, requiring unprecedented transformational change and financial investment.

• Informing our overall approach – models indicate the choices we have in relying on national level action (e.g. decarbonisation of the national grid) versus taking local level action (e.g. local renewable energy generation).

• Informing our priorities – the sectors where the most significant reductions in our CO₂ emissions will come from (see Figure 3).

• Informing our actions – the types of actions we need to take in each of these sectors to reduce emissions.

• Informing our goals and monitoring progress – what these actions need to achieve and therefore what we should monitor to track progress.

Going further and closing the gap
The plan sets out an indication of the scale of change assumed in the SCATTER GM model to show the challenge we face. Going beyond that and towards the “SCATTER L4 Pathway” would require even more radical action, some of which are not thought feasible (e.g. the need for every private vehicle on Greater Manchester’s roads being zero emissions by 2025). We need to establish a platform for innovation to occur.

This innovation is partly technical (e.g. increasing the efficiency or effectiveness of existing solutions, regulatory changes), partly financial (e.g. devising innovative finance mechanisms to increase the rate of deployment) and partly social innovation (e.g. encouraging the need for fair and equitable transition, behavior change plus policy and regulatory nudge mechanisms).

Figure 3 – Sectors where emission reductions come from (“SCATTER GM” pathway) Source: Anthesis
WHERE DO WE NEED TO GET TO?

Our vision

We want Greater Manchester to be a clean, carbon neutral, climate resilient city region with a thriving natural environment and circular, zero-waste economy where:

• Our infrastructure will be smart and fit for the future: we will have an integrated, clean and affordable public transport system, resource efficient buildings, greater local community renewable energy, cleaner air, water and greenspace for all.

• All citizens will have access to green space in every community, more trees including in urban areas, active travel networks, environmental education and healthy and locally-produced food.

• Citizens and businesses will adopt sustainable living and businesses practices, focusing on local solutions to deliver a prosperous economy.

Our aims

1. Mitigating climate change: For our city region to be carbon neutral by 2038 and meet carbon budgets that comply with international commitments.

2. Air quality: To improve our air quality, meeting World Health Organisation guidelines on air quality by 2030 and supporting the UK Government in meeting and maintaining all thresholds for key air pollutants at the earliest date.

3. Sustainable consumption and production: To put us on a path to being a circular economy, recycling 65% of our municipal waste by 2035 and reducing the amount of waste we produce.

4. Natural environment: To protect, maintain and enhance our natural environment for all our benefit, taking steps to implement and achieve environmental net gain.

5. Resilience and adaptation to climate change: To be prepared for the impacts of climate change and already be adapting to the future changes from any increase in climate shocks and stresses.

In meeting these aims, we need to maximise the positive impacts on our health and prosperity that these actions will bring.
WHAT DO WE NEED TO DO OVER THE NEXT FIVE YEARS?

Our plan sets out the urgent actions all of us need to take over the next 5 years.

Our aims can only be achieved by everyone committing to taking the actions outlined in this plan. The plan focusses on the key parts of our daily lives where action is required and a small set of key priorities within each of those areas, where we need to take action over the next 5 years and beyond to achieve our aims.

These areas and priorities are linked and need tackling as part of a single, coherent approach rather than in isolation. In delivering this plan, we need to adopt an approach that reflects the links, complexities and the role of individuals and numerous organisations in delivering the aims set out in this plan. To do this, we want to establish a mission-oriented approach to tackling our environmental challenges. Rather than focussing on particular sectors, this approach focuses on problem-specific challenges facing society, which requires many different sectors’ involvement to solve.
Figure 4 – Potential components of a Greater Manchester Clean Growth Mission

Source: University College London Institute for Innovation and Public Purpose (UCL - IIPP)
Our energy supply

Summary of the challenges and opportunities
We need to reduce CO\textsubscript{2} emissions that are produced by the energy we to power our transport and heat and power our buildings, shifting away from fossil fuels to renewable sources. There are challenges for our electricity infrastructure associated with this shift to renewable electricity generation, low carbon heating and electric vehicles. Through the Greater Manchester Spatial Framework, standards for new buildings and developments will be set, but we still need to increase renewable energy generation and low carbon heating in existing homes and buildings. To do this, residents will need support to help make the right decisions, making sure everyone can benefit from these changes.

SUMMARY OF OUR PRIORITIES

**Priority 1:** Increasing local renewable electricity generation, adding at least a further 45MW by 2024

**Priority 2:** Decarbonising how we heat our buildings, adding at least a further 10TWh of low carbon heating by 2024

**Priority 3:** Increasing the diversity and flexibility of our supply, adding at least a further 45MW of diverse and flexible load by 2024

**Priority 1:** “SCATTER GM” pathway 2040:
- 50% of all households have the equivalent of a 16\textsuperscript{m}\textsuperscript{2} solar PV system, with an additional 5.5km\textsuperscript{2} on commercial rooftops or in ground-mounted installations
- 550 on-shore wind turbines delivering around 3.4TWh/ year (by 2050)
- x4.5 increase in current biomass capacity delivering around 4TWh/year

**Priority 2:** “SCATTER GM” pathway 2040:
- Phasing out gas boilers so that they account for less than 35% of home heating, with 60% of all heating (domestic and commercial) supplied by low carbon heating.

SUMMARY OF THE SCALE OF THE CHALLENGE
### SUMMARY OF OUR ACTIONS – ENERGY SUPPLY

#### Residents
- Install renewable energy at your home
- Switch to a renewable energy supplier
- Plan now for when you next need to replace your current heating system

#### Local Authorities
- Will procure renewable energy tariffs (from GM sources if possible) when they are next procured
- Will complete a full assessment of the potential of our assets for renewable energy and develop these assets (where financially viable) by the end of 2021
- When replacing heating systems in buildings, will install low carbon alternatives where viable, seeking to avoid carbon intensive technologies (gas, coal, oil)

#### Businesses and other organisations
- Install renewable energy generation at your premises and partner with community energy groups
- Switch to a renewable energy supplier
- Access energy related business support from the Growth Company
- Plan now for when you are next due to replace your heating system

#### Greater Manchester Health and Social Care Partnership
- Explore options to purchase green energy
- Encourage innovation and support new technologies
- Work with GM partners to assess opportunities for generating onsite renewable or ultra-low carbon energy

#### What we need from government policy
- Work with us to develop the Energy Transition Region concept to support innovation
- Accelerate and deepen grid decarbonisation
- Stable and long-term policy landscape
- Decision on long-term decarbonisation of heat

#### Local policy
- Establish an investment vehicle to develop assets for renewable energy and deliver renewable energy generation on estate.
- Require 20% renewable energy generation at new developments
- Examine the potential to establish a GM collective solar PV/battery purchase to drive up residential uptake
- Seek funding to roll out Local Area Energy Planning across GM to identify which heating solutions are best suited to which areas of the city-region
- Identify “Heat and Energy Network Opportunity Areas” and require an assessment of the viability of connecting new developments to a heat network within these areas
- Convene key partners (industry, academia and utility providers) with a view to them leading the development of a hydrogen strategy for Greater Manchester

#### Other key partners
- Electricity North West – lead the transition to a “Smart Grid” to help optimise both the generation and use of electricity and facilitate the local trading of electricity
Our transport and travel

Summary of the challenges and opportunities

We need to improve our air quality and reduce CO₂ emissions that are produced by the way we, and the goods we use, travel within the city region. To do this, we need to reduce the amount we travel in fossil-fuel powered vehicles, by using sustainable modes and shifting away from fossil fuel powered transport to zero emissions (tailpipe) or cleaner alternatives. We also need to address exceedances of Nitrogen Dioxide (NO₂) at the roadside, tackling the most polluting vehicles in a way that delivers compliance with the legal limits for NO₂ in the shortest possible time.

Priority 1: Increasing use of public transport and active travel modes

Priority 2: Phasing out of fossil-fuelled private vehicles and replacing them with zero emission (tailpipe) alternatives

Priority 3: Tackling the most polluting vehicles on our roads

Priority 4: Establishing a zero emissions bus fleet

Priority 5: Decarbonising freight transport and shifting freight to rail and water transport

SUMMARY OF OUR PRIORITIES

SUMMARY OF THE SCALE OF THE CHALLENGE

Priority 1:
- Increasing the proportion of trips by sustainable modes.
- Reducing the overall amount we travel.

Priority 2:
- 100% of all cars are zero emissions (tailpipe) by 2035.

Priority 4:
- 100% of all buses are zero emissions (tailpipe) by 2035

Priority 5:
- Decarbonising freight transport, delivering a shift away from road freight and enabling more efficient freight practices
Residents
- Walk and cycle for short journeys
- Use public transport for longer journeys
- Cut costs, congestion, parking problems and pollution by sharing a car with a colleague or friend.
- Switch off your engine when at a standstill.
- Buy an electric car – if you do, make sure you are on the right electricity tariff

Businesses and other organisations
- Support your employees in doing the right thing, encouraging flexible working and use of public transport, cycling/walking and car-sharing
- Switch your car/van fleet to Electric Vehicles and consider charging infrastructure
- When replacing other vehicles, purchase the least polluting and most efficient model
- Maintain your fleet to minimise emissions

What we need from government policy
- Long-term sustainable funding, including a fully devolved, long-term infrastructure budget
- Greater powers, including over rail franchising stations and support decisions around reform of the bus market.
- Test Mobility as a Service approaches
- Radically improve connectivity with other UK cities
- Invest in rail electrification or in piloting low carbon alternatives (such as hydrogen)

Greater Manchester Health and Social Care Partnership
- Collaborate closely with stakeholders to support local area improvement of travel services and infrastructure
- Work with partners and stakeholders to assist with improvement of local air quality
- Monitor the environmental impacts associated with suppliers’ transport and logistics and work with them to find ways to minimise their traffic burden

Local Authorities
- Procure zero emission (tailpipe) cars/vans where suitable and cost effective when we come to replace existing fleet and keep under review the options for other types of vehicles

Local policy
- Implement the 2040 Transport Strategy Delivery Plan, including in the next 5 years:
  - Implementing the Mayor’s Challenge Fund for walking and cycling
  - Implementing a “Streets for All” approach to street design and management.
  - Expanding and promoting the city region’s Electric Vehicle charging network and aim to complete the businesses case for further expansion.
  - Continue to develop a Full Business Case of proposals to reduce NO₂ exceedances to submit to government by the end of 2019. Subject to approval and sufficient government funding being received as a result, measures will then be implemented as set out in the Full Business Case.
  - Implementing a programme to retrofit existing buses to reduce emissions (subject to funding).
  - Assessing and developing a roadmap to deliver a zero emission bus fleet
  - Assessing and developing a roadmap to reduce freight emissions and support modal shift.
Our homes, workplaces and public buildings

Summary of the challenges and opportunities

We need to reduce CO₂ emissions produced by the excessive use of energy, particularly in heating our homes and commercial and public buildings. This will also help residents to live in warm homes which are cheaper to run and healthier to live in and contribute to efforts to reduce fuel poverty in the city region. Achieving this will require owners of existing homes and buildings to make improvements to current levels of insulation to reduce heat loss through the building fabric well beyond the basic measures they might already have in place (e.g. loft insulation, draught proofing).

Priority 1: Reducing the heat demand from existing homes focussing on initiating a fundamental shift in whole house retrofit by retrofitting homes by 2024.

Priority 2: Reducing the heat demand from existing commercial and public buildings

Priority 3: Reducing the heat demand in new buildings

Summary of our priorities

Priority 1:
- Retrofit measures installed at 61,000 homes per year.

Priority 2:
- 22% reduction in heating and cooling demand, with a 10% reduction by 2025. per year.

Summary of the scale of the challenge
SUMMARY OF OUR ACTIONS – HOMES, WORKPLACES AND PUBLIC BUILDINGS

Residents
- Get the basics right – including LED lighting and draught-proofing
- Upgrade your home insulation – loft, cavity wall and draught
- Think about whole-house retrofit, particularly if carrying out renovations

Local Authorities
- Standardise measurement and reporting of the operational efficiency of their buildings.
- GMCA and LAs will aim to obtain an average DEC of rating D or better by 2024 and C or better by 2030 for their public buildings where economically viable.

Greater Manchester Health and Social Care Partnership:
- Work with partners to include sustainability indicators in their review of buildings

Businesses and other organisations
- Sign up to the Net Zero Carbon Buildings commitment
- Measure, report on and improve the operational energy efficiency of premises, coming together within sectors to do so.
- Consider greener, more energy efficient premises when current or future contracts require renewal.
- Engage with landlords/tenants landowners and tenants over key issues – e.g. data sharing, energy efficiency measures, green energy.

Local policy
- Develop a GM retrofit partnership/accelerator to tackle sector development/skills and access to finance/capacity
- Launch a major new drive to raise standards in the private rented sector, including the development of a GM Good Landlord standard.
- Investigate encouraging greater energy efficiency through council tax and business rates and other financial vehicles.
- Implement a business support programme for energy efficiency
- Require zero carbon development by 2028

Other key partners
- **Social Housing Providers** – commitments to the efficiency of existing homes and to building new homes to net zero carbon in advance of 2028
- **Voluntary, Community and Social Enterprise Organisations** – continue to work with partners as we develop a GM retrofit partnership focused on helping people and communities

Other key partners
- Working with us to develop new technology and financial models to make domestic and commercial retrofit at scale a possibility.
- Meeting commitments on smart meter roll-out.
- Changing the Energy Company Obligation (ECO) funding to ensure it is more effective at meeting GM’s needs.
Our production and consumption of resources

Summary of the challenges and opportunities
As part of building a thriving and sustainable city region, we need to promote economic and resource productivity, eliminate waste and increase business opportunities through innovation, which in turn will stimulate skills development and jobs. The damage done to our environment caused by waste products can be avoided if more sustainable decisions are made at the production stage. To tackle this problem, we need to change the way that we, as consumers, treat end-of-life products. At the same time, we also need to work with industry to encourage more circular, sustainable and resource efficient business models; from using more sustainable materials to making sure manufacturing processes maximise resource and energy efficiency.

Summary of our priorities

Priority 1: Producing goods and services more sustainably, moving to a circular economy

Priority 2: Becoming more responsible consumers

Priority 3: Managing our waste as sustainably as possible

Priority 4: Reducing unnecessary food waste

Summary of the scale of the challenge

Priority 1:
• 50-77% reduction in industrial emissions (38% by 2025).

Priority 2
• Limit any increase in the quantity of waste produced to 20%.

Priority 3:
• Achieve a recycling rate of 65% by 2035.
SUMMARY OF OUR ACTIONS – SUSTAINABLE CONSUMPTION AND PRODUCTION:

**Residents**
- Reduce the amount of waste you produce and use reusable products
- Cut down the amount of plastics you use
- Buy sustainable products
- Look at alternatives to purchasing large items such as lease agreements or take-back schemes
- Recycle as much as you can
- Reduce the amount of food you waste
- Support local food growing and redistribution initiatives and organisations

**Businesses and other organisations**
- Review your processes to look where you can make efficiencies in design and production
- Make sure sustainability is part of your procurement policy
- Take action to reduce the amount of food your organisation wastes
- Support local food growing and redistribution initiatives and organisations

**Local Authorities**
- **Voluntary, Community and Social Enterprise Organisations** – continue to work with partners across these areas, particularly on the development of our food strategy.
- Embed environmental sustainability criteria in social value procurement mechanisms
- Provide Carbon Literacy for all staff involved in procuring activities
- Aim to eradicate avoidable single use plastic on the public estate

**Lead policy**
- Collaborate with the GM Sustainable Business Partnership, including a focus on resource efficiency
- Explore ways to support innovation that will help us transition to a circular economy
- Continue to develop the Plastic Free GM campaign, including launching a roadmap and Plastic Pact for the public sector
- Develop and consult on a Zero Waste Strategy to set out our approach to becoming a zero waste city region
- Produce a roadmap and future food strategy, which will set out a pathway and priorities for our food system

**What we need from government policy**
- Further powers and incentives in increase reuse and recycling for both residents and businesses

**Greater Manchester Health and Social Care Partnership**
- Work with partner organisations to support the development of waste management action plans across Trusts
- Take an approach towards a continual reduction in levels of waste, relative to the size of the organisation
- Have a system/process in place that identifies suitable opportunities to convert "waste" into a resource for community groups or charities
- Support staff on how to reduce food wastage to reduce the environmental impact
Our natural environment

Summary of the challenges and opportunities
We need to prioritise action over the next 5 years to protect, maintain and enhance our key natural assets (air, land, water and biodiversity) and the multiple benefits (ecosystem services) they provide.

Ultimately, we want to achieve measurable improvements in our natural environment – environmental net gain. A key first step in this will be implementing biodiversity net gain – delivering improvements through habitat creation or enhancement after avoiding or mitigating harm as far as possible. To achieve these ambitions, we need to mobilise existing and new sources of funding into our natural environment, increasing the value we place on it, as well as communicating and engaging about it, so that we are all better connected with nature.

Greater Manchester is identified as the Urban Pioneer as part of the Government’s 25 Year Environment Plan. This means we are testing new tools and methods for investing in and managing the natural environment. Significant progress has been made in developing a natural capital approach and progressing our priorities.

SUMMARY OF OUR PRIORITIES

**Priority 1:** Managing our land sustainably, including planting 1m trees by 2024

**Priority 2:** Managing our water and its environment sustainably

**Priority 3:** Achieving a net gain in biodiversity for new development

**Priority 4:** Increasing investment into our natural environment

**Priority 5:** Increasing engagement with our natural environment

SUMMARY OF THE SCALE OF THE CHALLENGE

**Priority 2:**
- Plant 3m trees by 2035 and a further 1-2m by 2050
- Restore 50-75% of our peatlands
SUMMARY OF OUR ACTIONS – NATURAL ENVIRONMENT:

Residents
• If you have a garden or an allotment, manage this for wildlife.
• Visit, spend time and be active in local green and blue spaces.
• Volunteer for projects that protect or improve the environment in your local area.

Businesses and other organisations
• Manage any gardens or land for wildlife
• Put in place green roofs and/or green walls and/or plant trees.
• Invest in Greater Manchester’s natural environment
• Promote environmental volunteering amongst your employees

Landowners and farmers
• Enter into agri-environment agreements to fund environmental improvements on your land
• Access additional funding to create or restore ponds through new District Licensing scheme for great crested newts

Local Authorities
• Build natural capital into projects to maximise the value that the environment brings including on estates and land.

Residents
• City of Trees – develop, embed and support delivery of a Greater Manchester Tree and Woodland Strategy, contribute to 3m tree planting target and increase volunteering and engagement.
• Environment Agency – explore the development of a Natural Capital Plan for Greater Manchester and work with United Utilities to deliver the benefits of its investment across the Irwell and Upper Mersey catchments.
• Greater Manchester Health and Social Care Partnership – ensure that their approach to developing a Greater Manchester Population Health system understands the importance of the natural environment as a key wider determinant of health, and seeks to ensure that action undertaken is reflective of that understanding; promote the health benefits of green space and maximise the opportunities to incorporate this into their programmes.
• Lancashire Wildlife Trust – support delivery of the Greater Manchester Wetlands Nature Improvement Area and increase the number of people engaged with nature.
• Natural England – identify peatland restoration opportunities, new Great Crested Newt licensing scheme, lead developing biodiversity net gain guidance and explore application of green infrastructure standards and establishing of a nature recovery network.
• Royal Horticultural Society – inspire more of Greater Manchester’s residents to get involved in gardening and improving their local environments, working in partnership with other community growing projects
• United Utilities – invest £300m at waste water treatment works to improve river quality (2015-2020) and implement further planned improvements in 2020-2025 business plan

Local policy
• Continue the work of the urban pioneer, embedding a natural capital approach into strategy and plan development.
• Support peatland restoration as part of Resilience Strategy.
• Support the delivery of a biodiversity net gain approach in new development.
• Support the development of a Greater Manchester Environment Fund.
• Support the implementation of the Natural Capital Investment Plan (subject to approval) to increase private sources of funding.
• Launch a programme of innovative funding mechanisms to deliver increased investment in nature-based adaptation solutions (subject to approval).
Our resilience and adaptation to climate change

Summary of the challenges and opportunities

We are already experiencing impacts from a rapidly changing and increasingly extreme climate. These impacts are projected to increase over time and risk holding back our efforts to deliver our wider ambitions. Resilience is therefore about how our city region can meet its ambitions whilst ensuring it is safe and secure, is addressing its key vulnerabilities and can meet expected or unexpected disruptive challenges. These efforts and investments need to be underpinned by robust action on climate adaptation to protect the most vulnerable communities (who are often the most exposed and least able to deal with climate change impacts), our economy, key infrastructure and our natural environment.

SUMMARY OF OUR PRIORITIES

Priority 1: Embedding climate change resilience and adaptation in all policies

Priority 2: Increasing the resilience of and investment in our critical infrastructure

Priority 3: Implementing a prioritised programme of nature-based climate adaptation action

Priority 4: Improving monitoring and reporting
SUMMARY OF OUR ACTIONS – RESILIENCE AND ADAPTATION TO CLIMATE CHANGE

Residents
- Check if you are at risk of flooding and sign up for flood warnings.
- If in a flood risk area, make your home more resilient.
- Check if you have the right level of insurance.
- In extremely hot weather, look after yourself and neighbours/more vulnerable.
- Use water efficiently and install a water meter.

Businesses and other organisations
- Check if you are at risk of flooding and sign up for flood warnings.
- If in a flood risk area, make your premises more resilient and link up with neighbouring properties.
- Check if you have the right level of insurance.
- Put in place green roofs and/or green walls and/or plant trees.
- Use water efficiently and install a water meter.

Local policy
- Undertake a Strategic Flood Risk Assessment to ensure future growth aspirations consider flood risk.
- Implement proposals to manage flood risk and the water environment in new development.
- Develop an Infrastructure Strategy to address our key infrastructure challenges relating to flood risk and resilience.
- Development by 2021 an investment strategy for future flood risk infrastructure.
- Subject to formal approval, GMCA establish a programme of innovative funding mechanisms to deliver increased investment in nature-based adaptation solutions (INGITION).”
- Consider the development of appropriate indicators to monitor and evaluate how prepared we are for the future impacts of climate change.

Other key partners
- United Utilities – deliver £100-250m of additional investment for long-term resilience projects (2015-2020) and manage drought (as per 2018 Drought Plan).
- Other infrastructure providers – support the development of the Resilience Strategy
- Environment Agency – manage government investment of £46m by 2021, protecting over 1,300 properties.

What we need from government policy
- Continued and increased funding to support the flood and coastal risk management programme
HOW WILL WE TRACK PROGRESS?

GMCA will report annually on progress with delivering the plan on behalf of Greater Manchester against a set of key indicators drawn from existing data. For commitments made by GMCA, Local Authorities (LAs) and others in this plan relating to their operations, governance arrangements will be established to track and report on progress in a coordinated way across organisations. A list of potential measures is set out in the plan – the plan sets out areas where these will be developed further.
WHAT SHOULD BE OUR APPROACH?

In delivering our environmental aims, we need to maximise the positive impacts on our people, economy and places. This will require us all to take new approaches, across areas such as innovation and funding, to tackling the challenges we face. This approach is supported in the findings of the Independent Prosperity Review.

Optimising the economic benefits

Careful implementation of our approach is needed so that achieving our aims does not act as a constraint on economic growth, particularly as the economy’s reliance on carbon is diminished. Taking this approach will minimise costs of services, particularly energy, to our households and businesses. If we take the actions in this plan, we could all save up to £1000 per household per year on our energy bills.

We can secure first mover advantage from accelerating the transition to a low carbon economy, creating jobs in the future economy. We already have a diverse and thriving Low Carbon Environmental Goods and Services sector, which has the potential to grow further if we achieve the aims set out in our plan. It employs over 45,000 people, has annual sales of £6.7bn and growth of 6.3%, outperforming the UK average to be ranked 3rd in the UK.

There are also costs of not acting. If we don’t act now, the impacts of climate change could cost us 10 times more by 2100 than if we manage to limit global temperature rises in line with international commitments.

Optimising the health and social benefits

We know that environmental actions provide significant health benefits for our population. Implementing this plan will also allow us to address health inequalities and do our part to promote intergenerational equity.

Wherever possible, this plan must interlink with prevention and health improvement efforts across Greater Manchester through LA public health teams, Public Health England and the Greater Manchester Health and Social Care Partnership. Efforts must be focused on addressing health inequalities such as the difference in life expectancy between communities. Low income communities are amongst those groups that are more affected by air pollution, whilst other environmental factors such as access to green space and the quality and warmth of housing also have a significant bearing on health.

There are also costs of not acting. For example, extreme weather (e.g. the 2003 heatwave) had a large impact on health services. It is estimated that the health and social care costs of air pollution in England could reach £5.3 billion by 2035 unless action is taken. Failure to act quickly will exacerbate existing national health challenges, place undue financial strain on the NHS, and worsen health inequalities both within the UK and internationally.
Doing things differently

In order to deliver our environmental vision and aims this plan sets out and to close the gap between what is needed and where we are now, we need to take different approaches to the following:

• Supporting innovation in technology
• Taking new approaches to finance and funding
• Building on existing partnerships between the public, private and voluntary, community and social enterprise organisations
• Showing leadership
• Engaging and educating residents, communities and businesses
• Upskilling our workforce

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<th>SUPPORTING INNOVATION IN TECHNOLOGY</th>
<th>TAKING NEW APPROACHES TO FUNDING AND FINANCING</th>
<th>BUILDING ON EXISTING PARTNERSHIPS</th>
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<td>Innovation ecosystem to support all firms to be innovative, supporting the creation of new products and services (e.g. Energy Transition Region proposals)</td>
<td>Long-term sustainable funding models for infrastructure. Developing business models in unproven areas (whole house retrofit; natural environment)</td>
<td>Continuing the engagement from 2018 Green Summit, with GMCA convening stakeholders around key challenges and through a mission-oriented approach</td>
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<th>SHOWING LEADERSHIP</th>
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<td>Make a programme of carbon literacy available to young people through the GM Career Portal, in addition to our own commitments on carbon literacy for staff in procurement in GMCA and LAs</td>
<td>Engage the sector in BridgeGM, to better link business leaders into schools and colleges.</td>
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Establishing a Clean Growth Mission

This reinforces the need to adopt an approach that mobilises various actors across traditional sector boundaries to come together in new ways. We want to establish the UK’s first city region Clean Growth Mission for carbon neutral living within the Greater Manchester economy by 2038, driving innovation, the creation of new technologies, and improved resource efficiency. The University College London Institute for Innovation and Public Purpose (UCL-IIPP) has already started worked with GMCA to begin developing this approach, exploring how it can be inspiring and measurable across the city region and want to establish this as the approach we will take to tackling our environmental challenges.
5-YEAR ENVIRONMENT PLAN FOR GREATER MANCHESTER

2019-2024
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FOREWORD

In this time of national uncertainty, Greater Manchester is taking the initiative and setting out our bold plans to give people, communities and businesses hope and confidence for the future.

As the place at the heart of the first industrial revolution, this city-region was a leading contributor to the global increase in greenhouse gases emissions and perhaps experienced the first impacts of major air and water pollution and the unsustainable use of natural resources. Now it is time for us to lead a new, green revolution. This plan sets out how we can do that together and create a place which is fit for the future.

We all need to act now and act together to tackle the environmental threats we face. Above all, this means taking the lead in tackling climate change and environmental degradation, which threaten to undermine the public health gains of the last 50 years, our prosperity and our efforts to reduce health inequalities.

If we don’t act now, it is our children and grandchildren’s generations and beyond who will be left with the consequences of climate change – consequences that may be long-lasting, or even irreversible and which they will have inherited from us. Their homes will be at greater risk of flooding, heat stress will be a greater risk to their health, water shortages will be more common and their natural environment – green spaces, soils, and species – will be at greater threat. Beyond our city-region, their world will be a less safe place in which to live – coastal areas will flood, food supply will be less secure, more species will become extinct and people could be driven into migration and conflict. This will have a cost that they, not us, will have to bear – if we don’t act now. The impacts of climate change could cost us 10 times more by 2100 than if we manage to limit global temperature rises in line with international commitments.

This plan sets out our aim to be a carbon neutral city-region by 2038 – a science-based target, aligned with international commitments – and what we all need to do now and over the next 5 years to put us on that pathway. Urgent action is needed, together with innovation that will accelerate future change. Acting now makes sense for our health and prosperity, as well as for our environment. If we take the actions in this plan, we could all save up to £1000 per household per year on our energy bills. We could have the cleanest air in any major British city. We could see a tree planted for every person in Greater Manchester. Most importantly, it will enable us to secure the health and economic benefits of a cleaner environment and more active/healthier lifestyles, sustainable economies and decreased pressures on our health system. As well as reducing our energy bills, we can secure first mover advantage from accelerating the transition to a low carbon economy, creating jobs in the future economy. We already have a diverse and thriving Low Carbon Environmental Goods and Services sector, which has the potential to grow further if we achieve the aims set out in our plan. It currently employs over 45,000 people, has annual sales of £6.7bn and growth of 6.3%, outperforming the UK average to be ranked 3rd in the UK.

It is within our gift to start now, using the tools and technologies already available to us. But to achieve our challenging ambitions, we also need to stimulate innovation – in new technologies and processes, in new business models and in how we are all engaged, educated and upskilled. That involves all of us working together in different ways and is why we want to launch the UK’s first regional Clean Growth Mission for Greater Manchester, mobilising everyone around our mission for a carbon neutral city-region and breaking down the barriers between traditional sectors and groups.
Everyone needs to act to deliver on this plan – individuals, communities, businesses, the public sector and voluntary, community and social enterprise organisations. The plan sets out what each of these groups needs to do to lead the way. But we cannot do it all in Greater Manchester. Government has some of the most powerful levers – fiscal and legislative – to drive the transformational change we need. Our Local Industrial Strategy will set out how we will work with government to implement our clean growth ambitions.

Only through acting now and innovating for our future can we deliver this plan. When future generations look back at this moment in time, we want them to see that we understood the threats and we did everything we could. We cannot afford to do anything else.
INTRODUCTION

The importance of our environment

Our environment in Greater Manchester underpins all aspects of our daily lives, from the air we breathe, to the water we drink and the green spaces in which we spend time. We cannot afford to see our environment in isolation: it is fundamental to our health and wellbeing, is the foundation of a productive economy, goes hand in hand with better connectivity and provides us with attractive neighbourhoods and access to green spaces we can enjoy.

We face urgent and significant environmental challenges in Greater Manchester – the global impacts of climate change and environmental degradation have been widely acknowledged as among the greatest economic and public health threats of this century. But, we also know that immediate environmental leadership and action will enable us to secure the health and economic benefits from a cleaner environment, more active/healthier lifestyles, sustainable economies and decreased pressures on our health system. It will also allow us to address health inequalities and do our part to promote intergenerational equity. This plan sets out what we all need to do to tackle these challenges together and capitalise on the opportunities and benefits that will come from taking action.

Greater Manchester – doing things differently and doing things first

Greater Manchester is taking the initiative and setting out bold plans to give people, communities and businesses the confidence and aspiration to create a city-region which is fit for the future. Our People, Our Place – the Greater Manchester Strategy sets a clear vision for Greater Manchester to be one of the best places in the world to grow up, get on in life and grow old. This plan is a key part of achieving that for our current and future generations.

This plan is about our meeting environmental responsibilities, alongside securing our economic future and wellbeing. Greater Manchester has a history of industrial and social innovation and we need to harness this to make sure everyone here can grow up and live in a clean and green city-region, with good quality housing and secure jobs in the future economy. This plan is part of a set of bold plans for our city-region, taking the urgent action needed to meet our ambitions:

- The Greater Manchester Local Industrial Strategy will highlight the need to improve productivity, with more efficient use of resources an important part of this. It will also set out the opportunities for our people, communities and economy of acting first to reduce our carbon dioxide (CO₂) emissions promoting a Clean Growth Mission approach, and confirm the need for innovative finance to support delivery.
- The Transport Strategy 2040 Draft Delivery Plan (2020-2025) sets out a wide range of actions that will contribute to reducing CO₂ emissions whilst also delivering air quality improvements (see below).
- The Greater Manchester Spatial Framework sets out plans for new development to be zero carbon by 2028 and sets out our proposals to give greater protection to our green and blue infrastructure in new development.

1 https://unfccc.int/news/climate-change-is-biggest-threat-to-global-economy
- Our Housing Vision recognises the challenge of retrofitting existing buildings to reduce the amount of heat they use. This will be developed into a Housing Strategy for Greater Manchester.

- The Greater Manchester Infrastructure Framework recognises that growth in local renewable generation, rapid electric vehicle charging and the electrification of heat could pose challenges to our current infrastructure and highlights the challenge of protecting and enhancing our existing natural assets.

- The Clean Air Plan will aim to tackle poor air quality in the near term, safeguarding all our residents from high levels of Nitrogen Dioxide (NO₂) whilst protecting the poorest in our communities from any financial penalties.

- The city-region’s first holistic Resilience Strategy, currently being developed, will set out our approach to providing infrastructure that maintains and/or reduces flood risk, tackling these and other shocks and stresses, including those to our key infrastructure set out in the Greater Manchester Infrastructure Framework.

This plan brings together key policies and actions from across these wider strategies and plans, as set out in Figure 1 below.

Figure 1 – The 5 Year Environment Plan and other Greater Manchester strategies and plans (including those currently in development)

**Principles of our plan**

The challenges and opportunities we face require us all to take urgent, collective action across Greater Manchester. To reflect this, the approach taken in our plan is underpinned by 5 key principles:

**A plan that is…**

1. **For all of us** – this is a plan for all of us in Greater Manchester and requires urgent action from all of us to deliver it. This includes actions we all need to take as individuals, as residents, as members of communities and as employees as well as what we need from our organisations to lead the way. We will only achieve the aims set out in this plan if everyone agrees to act. We also need to ensure that the impacts of this plan are
equitable, fair and provide access to all, so that everyone benefits from the actions it sets out. This includes supporting people out of fuel and food poverty and enabling fair access to jobs, greenspace and clean, safe transport.

2. **Focussed on urgent action** – this plan sets out the urgent actions needed now and over the next 5 years to put us on the path towards our ambition. The plan cannot capture everything, so it focusses on those actions which will have the greatest impact over the next 5 years.

3. **Visionary** – this plan sets out a long-term vision for our environment to show what our immediate action will lead to achieving in the future.

4. **Ambitious** – this plan reflects the scale of the challenges we face. It is aspirational, setting out is what we all need to do rather than just focussing on actions that are already planned. There will be areas where we do not yet know whether all our planned actions will be sufficient to meet the challenges we face.

5. **Reported on** – this plan should drive widespread actions over the next 5 years. The Greater Manchester Combined Authority (GMCA) will update and report on progress on an annual basis on behalf of the city-region as a whole, against a set of key performance indicators and the actions set out in this plan.

**Development of our plan**

The plan has been developed with input from countless representatives from across the city-region and the country, who have given their time, knowledge, expertise and skills to inform its content through a series of workshops from October 2018 to February 2019. This form of engagement, along with the public’s vision, were key foundations of the 2018 Springboard Report, published after the 2018 Green Summit. We need to continue this collaborative approach as we implement the actions in this plan.

**Purpose and structure of our plan**

The plan sets out:

- The current state of our environment and the urgent challenges we face (Section 1).
- A long-term vision and aims for our future environment (Section 2).
- The urgent actions we all need to take over the next 5 years to put us on the right path to realising our long-term vision and aims (Section 3).
- How we should measure progress in implementing the plan (Section 4).
- The overall approach we should take to achieving our vision and aims (Section 5).

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3 [https://www.greatermanchester-ca.gov.uk/media/1317/springboard-report.pdf](https://www.greatermanchester-ca.gov.uk/media/1317/springboard-report.pdf)
1. WHAT URGENT CHALLENGES ARE WE FACING?

1.1 The environmental challenges we face

We face several major environmental challenges that threaten the future health and prosperity of our city-region.

**Challenge 1: Our contribution to mitigating climate change**

Climate change is the single biggest threat the world faces. In Greater Manchester, we generate significant CO₂ emissions, which equate to about 3.6% of total UK annual CO₂ emissions and contribute to global climate change. Although our CO₂ emissions have declined over the last 30 years (a 39% reduction on 1990 levels by 2015), this has been largely due to action at the national level, through changes in the way the electricity we use is produced across the UK (namely the shift from coal to gas and offshore wind power). Achieving the significant and rapid reductions needed for us to make a fair and equitable contribution to meeting UK and global targets to tackle climate change will require us to take more radical local action, alongside national-level action, to accelerate the level of reduction we have achieved to date. Further detail on the work commissioned by GMCA to understand potential CO₂ emission reduction pathways and actions for Greater Manchester is set out in section 1.3.

**Challenge 2: Our air quality**

Local air pollution causes significant harm to our health and environment and, as a result, has an adverse impact on us and our economy. The most dangerous pollutants are NO₂ and Particulate Matter (PM – small particles which are harmful even in low concentrations), with transport the major source of both these types of emissions. There is strong evidence associating air pollution with increased mortality and ill health, including exacerbation of asthma, effects on lung function and increases in respiratory and cardiovascular hospital admissions.

NO₂ levels in Greater Manchester are in breach of legal limits. As the main source of NO₂ is road vehicles, the 10 Greater Manchester local authorities (LAs) are working with the GMCA and Transport for Greater Manchester (TfGM) to produce a single Clean Air Plan, on which there has been close collaboration with Public Health England and Government’s Joint Air Quality Unit. Local modelling has identified 152 stretches of road where concentrations of NO₂ are forecast to exceed the legal limit value beyond 2020. Further detail on the proposals to tackle NO₂ can be found at [http://www.CleanAirGM.com](http://www.CleanAirGM.com) and our Air Quality Action Plan (2016-2021)⁴ sets out more detail on the challenge we face in this area.

**Challenge 3: Our production and consumption of resources**

The products and goods we consume and the waste produced after their use has a significant impact on our local environment and on CO₂ emissions produced inside and outside of the city-region. We need to increase action to reduce the energy and resource that goes into making goods and services. Many products are designed to be thrown away

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after use, rather than us seeing them as a resource to be re-used or recycled. We currently recycle 47% of the domestic waste produced each year.

Waste plastics create significant environmental problems in the city-region – particularly in our streets and green spaces. If plastic finds its way into our watercourses, it causes pollution in local rivers and seas and oceans beyond. Food waste is also a serious problem – we waste too much food at a significant cost to households, businesses, the public sector and our environment.

**Challenge 4: Our natural environment**

The quantity and quality of habitats and spaces provided by our air, land and water, and the biodiversity they support, are key components of our natural environment. Greater Manchester’s natural environment provides us with multiple benefits – improving air quality, reducing flood risk, conserving biodiversity and taking up and storing CO2. Accessing and connecting with the natural environment also plays an important role in improving our physical and mental health and the environment contributes to our prosperity. It has been estimated that these “Natural Capital” benefits can be valued at £1bn per year. However, more action and investment is needed to protect, maintain and enhance our natural environment, so that we see a “net gain” rather than a “net loss” in the services it provides. Our Natural Capital Investment Plan\(^5\) and Natural Capital Accounts\(^6\) set out more detail on the challenges and opportunities we face in this area.

**Challenge 5: Our resilience and adaptation to the impacts of climate change**

We need to increase our city’s resilience and adapt to the impacts that unavoidable climate change will increasingly have on us. We will be at greater and greater risk from more frequent and intense extreme weather events (particularly periods of high-level rainfall, strong winds and storms) and heat stress over the coming decades. The most critical issue in Greater Manchester is flood risk. Like many cities, we are seeing this hazard intensify as both climate and urban areas have changed. The combined impact of climate change and patterns of development has meant surface water flooding is now more frequent. Managing the impacts of heat stress will also be important in the future, as the need for cooling of our buildings and shading in our public spaces will increase.

### 1.2 The broader challenges we face – our environment, economy, people and places

As well as challenges to our environment, we also face a set of broader challenges to our economy, society and places. In tackling our environmental challenges, we must harness to potential for delivering economic, social and environmental benefits together in the places that make up our city-region.

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\(^5\) [https://naturegreatermanchester.co.uk/project/greater-manchester-natural-capital-investment-plan/](https://naturegreatermanchester.co.uk/project/greater-manchester-natural-capital-investment-plan/)

Our city-region – its places, economy and people

The Greater Manchester Strategy, Local Industrial Strategy (once published) and Population Health Plan\(^7\) set out the wider opportunities and challenges for our city-region’s prosperity and health. These include:

- Places – the need to create vibrant and sustainable places in our city-region, with a particular focus on the provision of infrastructure (including transport, energy and green infrastructure) and good quality homes.

- Economy – the need to increase productivity through tackling longstanding income inequalities, issues in our education, training and skills system, inadequacies in our infrastructure, and low levels of innovation adoption and diffusion.

- People – the need to improve the health of and reduce health inequalities among residents, to improve their quality of life and their ability to contribute to increasing productivity.

1.3 Reducing our CO\(_2\) emissions

1.3.1 Global and local action

Responding to the threat of climate change requires coordinated action across the world to reduce CO\(_2\) emissions. The Paris Agreement, adopted in 2015, has the goal of keeping a global temperature rise this century well below 2\(\degree\)C above pre-industrial levels and pursuing efforts to limit the temperature increase even further to 1.5\(\degree\)C.

Given the CO\(_2\) emissions we produce, we need to make our fair contribution to these global commitments by reducing our own emissions. In 2018, the Tyndall Centre for Climate Research calculated a carbon budget for Greater Manchester that is compatible with the Paris Agreement. This research\(^8\) concluded that, for us to make its ‘fair’ contribution towards this commitment, we need to:

- Take prompt action to put Greater Manchester on a path to ‘carbon neutrality’ by 2038, initiating an immediate programme of mitigation delivering an annual average of 15% cuts in emissions (range of 10-20%).

- Through this action, hold cumulative carbon dioxide emissions at under 71 million tonnes (MtCO\(_2\)) up to 2100, and under 67 MtCO\(_2\) for the period 2018-2038.

- Have greater engagement with other global cities to share knowledge in this area.

In the Tyndall Centre’s proposed budget, aviation emissions are treated as a national issue. In looking at a Paris compliant carbon budget, there is an assumption that emissions nationally from all flights (including those by Greater Manchester residents) should hold steady to 2030 and then reduce to zero by 2075 and that such emissions are monitored.


1.3.2 Models of potential emission reduction pathways

GMCA commissioned research, Setting City Area Targets and Trajectories for Emissions Reductions (SCATTER)\(^9\) to understand potential carbon reduction pathways for Greater Manchester. SCATTER is a model – it provides different emission reduction pathways depending on local decisions taken across over 40 different interventions, which can each be implemented to 4 different extents. This allows the tool to be adapted to reflect local circumstances and provide a modelled pathway based on decisions across these interventions. It also takes into account our ambitions for growth in the city-region and the impact of national policy.

The graph below sets out potential carbon reduction pathways for Greater Manchester, against the budget recommended by the Tyndall Centre’s research. This shows that:

- Under “SCATTER Level 4” pathway (each of the 40+ interventions pulled to the maximum extent), carbon neutrality is possible to achieve but even under this scenario emissions of nearly 20% above the Tyndall Centre’s recommended budget\(^10\) are produced in Greater Manchester by 2050.
- Under the “SCATTER GM” pathway (an estimate of what is currently planned and what might be achievable in the future in Greater Manchester) emissions of over double the Tyndall’s recommended budget are produced by 2050.

![Graph showing potential carbon reduction pathways](image)

**Figure 2 – Potential Carbon Reduction Pathways for Greater Manchester; Source: Anthesis**

The graph below shows the scale of reductions needed over the next 8 years alone (the period of the current and next UK carbon budget periods), during which time:

- We would need to reduce our current annual emissions by more than half to put ourselves on the “SCATTER Level 4” pathway.
- We would need to reduce our current annual emissions by more than two thirds to meet the Tyndall Centre’s recommended budget.

\(^10\) Extrapolated to cover 2015-2050 from 2018-2050 in the Tyndall Centre’s original report
GMCA also commissioned work using another modelling tool, the Energy System Modelling Environment (ESME). It considers the whole UK energy system and models the most cost effective way of Greater Manchester both becoming carbon neutral by 2040 and attempting to minimise emissions prior to then. The model results in emissions of 191 MTCO$_2$ over the period 2016-2050, virtually the same as the “SCATTER GM” pathway, but the initial reductions are slower. This is partly as it avoids replacing existing technologies (such as domestic heating systems) until they reach end of life, as it sees these as the most cost effective options.

### 1.3.3 Using the models to inform our plans

As models, both SCATTER and ESME have their limitations. They are only theoretical models of possible carbon reduction pathways and cannot account for all the practical and commercial constraints and the local context in which policy interventions are applied and technology is deployed. The level of change on which they are based may not be practical or possible to implement or achieve in the timescales modelled.

The principle value of the models to us is therefore in the scale of change they show is required and possible pathways of achieving emissions reductions, as follows:

- **Informing the scale of the challenge we face** – both ESME and SCATTER model reductions that will be extremely challenging to achieve, requiring unprecedented transformational change and financial investment. Turning these scenarios into reality requires immediate, radical actions over the next 5 years and beyond. Despite the challenge of achieving reductions, it is important for us to maintain that level of ambition as that is what we need to do if we are to make our fair contribution to tackling climate change. However, at the same time, we need to be conscious of this challenge and use it to inform our actions.

- **Informing our overall approach** – the models result in different futures for Greater Manchester. ESME sees us more reliant on decarbonisation of the national grid rather than local renewable generation. The ESME model also places less reliance on local energy efficiency. It models this approach as the most cost-effective way to reduce emissions, but does not account for the wider benefits to Greater Manchester of greater local renewable energy generation and local energy efficiency.
- **Informing our priorities** – both models indicate and are in agreement on the sectors where the most significant reductions in our CO\(_2\) emissions will come from (see Figure 4 below).

- **Informing our actions** – the models are in agreement in the types of actions we need to take in each of these sectors to reduce emissions.

- **Informing our goals and monitoring progress** – the models are also in agreement on what these actions need to achieve and therefore what we should monitor to track progress, although they differ in terms of the size of the goal for our actions.

![Figure 4 – Sectors where emission reductions come from (“SCATTER GM” pathway)](source: Anthesis)

1.3.4 Going further and closing the gap

The models are used in the way set out above to inform this plan. In particular, for each priority area where we need to take action, a “SCATTER GM Challenge” box indicates the scale of the challenge and change we need to achieve to meet the “SCATTER GM” pathway. Going beyond that and towards the “SCATTER L4 Pathway” would require even more radical action, some of which are not feasible (e.g. the need for every private vehicle on Greater Manchester’s roads being zero emissions by 2025).

Going beyond SCATTER L4 would require innovation in technology, delivery or financing/funding which could include:

- An increase in the efficiency of renewable energy generation technology – such as in solar photovoltaic panels or onshore wind turbines.
- A more significant scale up in delivery of deep retrofit homes, reaching a higher standard (e.g. Passivhaus standard\(^1\)).
- Greater reduction for heating demand in commercial buildings, beyond that currently supported by evidence.

Our approach for encouraging innovation in new technology, finance and delivery to support this is set out in section 5.

\(^1\) [http://www.passivhaustrust.org.uk/](http://www.passivhaustrust.org.uk/)
2. WHERE DO WE NEED TO GET TO?

2.1 A long-term vision for our environment

Given the importance of our environment and the challenges facing our city-region, we need a long-term vision to help guide and support our action to protect and improve it.

A long-term vision for our environment:

We want Greater Manchester to be a clean, carbon neutral, climate resilient city-region with a thriving natural environment and circular, zero-waste economy where:

- Our infrastructure will be smart and fit for the future: we will have an integrated, clean and affordable public transport system, resource efficient buildings, greater local community renewable energy, cleaner air, water and greenspace for all.

- All citizens will have access to green space in every community, more trees including in urban areas, active travel networks, environmental education and healthy and locally-produced food.

- Citizens and businesses will adopt sustainable living and businesses practices, focusing on local solutions to deliver a prosperous economy.

2.2 Aims for our environment

To deliver this vision and make sure we focus on the challenges we face, this plan establishes a set of key aims for our environment. In meeting these aims, we need to maximise the positive impacts on our health and prosperity that these actions will bring.

1. **Aim for our mitigation of climate change:** For our city-region to be carbon neutral by 2038 and meet carbon budgets that comply with international commitments.

2. **Aim for air quality:** To improve our air quality, meeting World Health Organisation guidelines on air quality by 2030 and supporting the UK Government in meeting and maintaining all thresholds for key air pollutants at the earliest date.

3. **Aim for sustainable consumption and production:** To put us on a path to being a circular economy, recycling 65% of our municipal waste by 2035 and reducing the amount of waste we produce.

4. **Aim for our natural environment:** To protect, maintain and enhance our natural environment for all our benefit, taking steps to implement and achieve environmental net gain.

5. **Aim for resilience and adaptation to climate change:** To be prepared for the impacts of climate change and already be adapting to the future changes from any increase in climate shocks and stresses.
3. WHAT DO WE NEED TO DO OVER THE NEXT 5 YEARS?

3.1 The approach taken in this plan

The following section is the most important part of this plan. It sets out the urgent actions all of us need to take over the next 5 years to put us on the right path to meeting our aims and achieving our environmental vision for Greater Manchester. Our aims, in particular our aim for a carbon neutral city-region by 2038, can only be achieved by everyone committing to taking the actions outlined in this plan.

The plan focuses on the key parts of our daily lives where action is required and a small set of key priorities within each of those areas, where we need to take action over the next 5 years and beyond to achieve our aims. These action areas and priorities are underpinned by evidence and more detailed individual reports which have been developed with stakeholders.

<table>
<thead>
<tr>
<th><strong>Our energy supply</strong> – the source of the power and heat to our buildings and transport.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increasing local renewable electricity generation</td>
</tr>
<tr>
<td>Increasing the diversity and flexibility of our supply</td>
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</table>

<table>
<thead>
<tr>
<th><strong>Our travel and transport</strong> – how we move and how our goods are transported within the city-region.</th>
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<tbody>
<tr>
<td>Increasing use of public transport and active travel modes</td>
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<tr>
<td>Tackling the most polluting vehicles on our roads</td>
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<tr>
<td>Decarbonising freight transport and shifting freight to rail and water transport</td>
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<table>
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<tr>
<th><strong>Our homes, workplaces and public buildings</strong> – the demand for energy to heat the places we live and work.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reducing the heat demand from existing homes</td>
</tr>
<tr>
<td>Reducing the heat demand in new buildings</td>
</tr>
</tbody>
</table>
Our consumption and production of resources – how sustainably we produce goods and services and what we do with them after we have used them.

| Producing goods and services more sustainably, moving to a circular economy | Becoming more responsible consumers |
| Managing our waste as sustainably as possible | Reducing unnecessary food waste |

Our natural environment – increasing the wide range of benefits provided by our air, land, water and biodiversity.

| Managing our land sustainably | Managing our water and its environment sustainably |
| Achieving a net gain in biodiversity for new development | Increasing investment into our natural environment |
| Increasing engagement with our natural environment |

Our resilience and adaptation to climate change – how resilient we are to climate change and how well we adapt to its impacts.

| Embedding climate change resilience and adaptation in all policies | Increasing the resilience of and investment in our critical infrastructure |
| Implementing a prioritised programme of nature-based climate adaptation action | Improving monitoring and reporting |

Figure 5 sets out where these priorities map onto the reductions in CO$_2$ emissions modelled in the SCATTER GM Pathway.
3.2 A Mission-Oriented Approach

These areas and priorities are linked and need tackling as part of a single, coherent approach rather than in isolation. These links include, but are not limited to, the following:

- The installation of low carbon heating and renewable energy generation/storage as part of retrofitting a building to reduce its energy demand or adding green infrastructure (e.g. green walls) to it.
- The potential for active travel networks (walking and cycling routes) to also provide green infrastructure.
- The resilience of our energy infrastructure, homes and buildings to climate change.
- The role of our natural environment in mitigating and adapting to climate change.
- The use of waste for energy generation.

In delivering this plan, we need to adopt an approach that reflects the links, complexities and the role of individuals and numerous organisations in delivering the aims set out in this plan. To do this, we want to establish a mission-oriented approach to tackling our environmental challenges. Rather than focussing on particular sectors, this approach focuses on problem-specific challenges facing society, which requires many different sectors involvement to solve. Further detail on this approach is set out in section 5.
3.3 Structure of the plan

Each section of the plan answers the following questions across a set of priorities for each area: Where do we need to get to? Where we are now? What do we need to do over the next 5 years?
3.3.1 Our energy supply

Summary of the challenges and opportunities

We need to reduce CO\textsubscript{2} emissions that are produced by the energy we use, shifting away from fossil fuels to renewable sources. The Greater Manchester Infrastructure Framework sets out the challenges for our electricity infrastructure associated with this shift to renewable electricity generation, low carbon heating and electric vehicles (EVs). Through the Greater Manchester Spatial Framework, standards for new buildings and developments will be set, but we still need to increase renewable energy generation and low carbon heating in existing homes and buildings. To do this, residents will need support to help make the right decisions, making sure everyone can benefit from these changes.

![Smart Energy System](image_url)

**Figure 6 – Smart Energy System**

*Source: Greater Manchester Combined Authority*

Summary of our priorities – energy supply

<table>
<thead>
<tr>
<th>Priority 1</th>
<th>Priority 2</th>
<th>Priority 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increasing local renewable electricity generation</td>
<td>Decarbonising how we heat our buildings</td>
<td>Increasing the diversity and flexibility of our electricity supply</td>
</tr>
</tbody>
</table>
### Summary of actions – energy supply

<table>
<thead>
<tr>
<th><strong>Residents</strong></th>
<th><strong>Businesses and other organisations</strong></th>
<th><strong>Local policy</strong></th>
<th><strong>Greater Manchester Health and Social Care Partnership</strong></th>
<th><strong>Other key partners</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>- Install renewable energy at your home</td>
<td>- Install renewable energy generation at your premises and partner with community energy groups</td>
<td>- Establish an investment vehicle to develop assets for renewable energy and deliver renewable energy generation on estate</td>
<td></td>
<td>- Electricity North West – lead the transition to a “Smart Grid” to help optimise both the generation and use of electricity and facilitate the local trading of electricity</td>
</tr>
<tr>
<td>- Switch to a renewable energy supplier</td>
<td>- Switch to a renewable energy supplier</td>
<td>- Require 20% renewable energy generation at new developments</td>
<td></td>
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</tr>
<tr>
<td>- Plan now for when you next need to replace your current heating system</td>
<td>- Access energy related business support from the Growth Company</td>
<td>- Examine the potential to establish a GM collective solar PV/battery purchase to drive up residential uptake</td>
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<tr>
<td></td>
<td>- Plan now for when you are next due to replace your heating system</td>
<td>- Seek funding to roll out Local Area Energy Planning across GM to identify which heating solutions are best suited to which areas of the city-region</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Local Authorities</strong></td>
<td><strong>What we need from government policy</strong></td>
<td><strong>Identify “Heat and Energy Network Opportunity Areas” and require an assessment of the viability of connecting new developments to a heat network within these areas</strong></td>
<td><strong>Explore options to purchase green energy</strong></td>
<td></td>
</tr>
<tr>
<td>- Will procure renewable energy tariffs (from GM sources if possible) when they are next procured</td>
<td>- Work with us to develop the Energy Transition Region concept to support innovation</td>
<td>- Convene key partners (industry, academia and utility providers) with a view to them leading the development of a hydrogen strategy for Greater Manchester</td>
<td>- Encourage innovation and support new technologies</td>
<td></td>
</tr>
<tr>
<td>- Will complete a full assessment of the potential of our assets for renewable energy and develop these assets (where financially viable) by the end of 2021</td>
<td>- Accelerate and deepen grid decarbonisation</td>
<td></td>
<td>- Work with GM partners to assess opportunities for generating onsite renewable or ultra-low carbon energy</td>
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</tr>
<tr>
<td>- When replacing heating systems in buildings, will install low carbon alternatives where viable, seeking to avoid carbon intensive technologies (gas, coal, oil)</td>
<td>- Stable and long-term policy landscape</td>
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</tbody>
</table>
Priority 1: Increasing local renewable energy generation, adding at least a further 45MW by 2024

Scale of the challenge – “SCATTER GM” pathway 2040:
- 50% of all households have the equivalent of a 16m² solar photovoltaic (PV) system, with an additional 5.5km² on commercial rooftops or in ground-mounted installations
- 550 on-shore wind turbines delivering around 3.4TWh/year (by 2050)
- x4.5 increase in current biomass capacity delivering around 4TWh/year

Where do we need to get to?

We need an urgent and significant increase in the proportion of electricity we use and generate coming from renewable sources. The reductions in CO$_2$ emissions in the modelling, which supports this plan, are based on a reduction of between a 58-76% of emissions from generating grid electricity by 2025, increasing to 80% by 2030 and to over 95% by 2035. This could come from decarbonising the national electricity grid; however, to increase energy security, protect against uncertainty and energy price rises, maximise the economic opportunities and increase the rate of emissions reductions, our ambition for is to maximise the contribution from local renewable electricity generation within the city-region. This needs to take place alongside accelerated decarbonisation of the national electricity grid. There are risks to meeting our aims if the national grid does not carbonise quickly enough.

Where are we now?

Currently, of the total electricity used within Greater Manchester, only 2.5% comes from renewable sources located within the city-region’s boundary. When translated to a per household measure, this equates to nearly half of the national average. Uptake rates remain low and current generation is also only around a quarter of the estimated technical potential of the city-region, to which solar PV in particular has the greatest potential to contribute (over 80%). Nationally, under the National Grid’s latest future energy scenarios$^{12}$, two of its four scenarios achieve a 62% reduction in grid emissions by 2026, with a maximum of 92% reduction achieved by 2050 (against a 2017 baseline).

What we need to do over the next 5 years?

Residents – what we can do now:

Generate your own energy by installing renewable generation technologies (e.g. solar PV) at your home. (Visit: https://www.simpleenergyadvice.org.uk/measures/meta_solar_photovoltaic_panels).

Switch to a renewable energy supplier – you can do this through the Big Clean Switch and save on average £270 per year (Visit: http://www.gmgreen.energy).

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<thead>
<tr>
<th><strong>Organisations and Businesses – what we can do now:</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Install renewable electricity generation (e.g. solar PV) at your premises and consider partnering with community energy groups (e.g. Power Paired) to do so.</td>
</tr>
<tr>
<td>Switch to a renewable energy supplier. Nine out of ten businesses can either save money or have their existing energy deal matched by switching to renewable energy. Big Clean Switch can help your business or organisation switch today. (Visit: <a href="http://www.gmgreen.energy">http://www.gmgreen.energy</a>).</td>
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<table>
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<tr>
<th><strong>Voluntary, Community and Social Enterprise Organisations:</strong></th>
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<tbody>
<tr>
<td>We need to continue to realise and support the contribution and power of community energy groups to contribute to local electricity generation, including Generation Oldham and Greater Manchester Community Renewables. Community-led action can often tackle challenging issues around energy, with community groups well placed to understand their local areas and to bring people together with common purpose. Community groups have come together to develop a Community Energy Action Plan they will implement to support this.</td>
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<table>
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<tr>
<th><strong>Local Authorities:</strong></th>
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<tbody>
<tr>
<td>When procuring contracts for electricity supply in the future, GMCA and LAs will procure renewable energy tariffs (from Greater Manchester sources if possible).</td>
</tr>
<tr>
<td>By June 2019, GMCA and LAs will have completed a full assessment of the potential of their assets for renewable energy. By the end of 2021, GMCA and LAs will have developed these assets (where financially viable) either themselves or in partnership with local communities.</td>
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<table>
<thead>
<tr>
<th><strong>Greater Manchester Health and Social Care Partnership (GMHSCP)</strong></th>
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<tbody>
<tr>
<td>GMHSCP will explore options to purchase green energy.</td>
</tr>
<tr>
<td>GMHSCP will encourage innovation and support new technologies that help improve their usage and carbon performance related to energy and water usage.</td>
</tr>
<tr>
<td>GMHSCP will work with partners to assess opportunities for generating onsite renewable or ultra-low carbon energy (e.g. solar PV, solar heating, heat pumps or biomass/biogas/fuel cell combined heat and power).</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Local policy:</strong></th>
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</thead>
<tbody>
<tr>
<td>GMCA and LA will develop proposals for an investment vehicle, potentially via an Energy Innovation Company, to deliver renewable energy generation on their estate.</td>
</tr>
<tr>
<td>As part of proposals in the Greater Manchester Spatial Framework, GMCA and LA are consulting on a minimum 20% reduction in CO₂ emissions in new buildings/dwellings through the use of on-site or nearby renewables and/or low carbon technologies.</td>
</tr>
</tbody>
</table>
With partners, GMCA and LA will examine the potential to establish a collective solar PV/battery purchase to drive up residential uptake of these technologies.

**Priority 2: Decarbonising how we heat our buildings, adding at least a further 10TWh of low carbon heating by 2024**

**Scale of the challenge – “SCATTER GM” pathway 2040:**
- Phasing out gas boilers so that they account for less than 35% of home heating, with 60% of all heating (domestic and commercial) supplied by low carbon heating.

**Where do we need to get to?**

We need an urgent and significant increase in the use of low carbon heating, through a mixture of heat networks in heavily urbanised areas and the use of other low carbon heating (e.g. heat pumps) elsewhere. At the same time, we need to remain open to changes at the national scale of how heat might be provided in the future, including the future of the mains gas grid and the potential role of hydrogen. The reductions in CO₂ emissions modelled in SCATTER and ESME are based on between 51,000 and 69,000 homes per year being connected to low carbon heating between now and 2040, equating to installs in around 4.5-6% of Greater Manchester’s current number of homes each year.

**Where are we now?**

Gas is widely used for heating across Greater Manchester, with 95% of postcodes connected to the gas grid. Currently we have a limited number of microscale heat networks and around 1,000 installed heat pumps across the region. At present, the annual national take-up of heat pumps is low – around 30,000 per year – compared to around 1.5m annual gas boilers installations. Gas network operators are investigating whether hydrogen can be introduced to the gas grid to reduce its carbon intensity. However, there are technical and cost implications of this which need to be overcome for it to be a viable proposition.

**What do we need to do over the next 5 years?**

**Residents – what we can do now:**

Think now about what you will do when you next need to replace your gas boiler or heating system and look at low carbon alternatives, such as a heat pump or solar thermal. (Visit: https://www.simpleenergyadvice.org.uk/pages/low-carbon-heating-options).

**Organisations and Businesses – what we can do now:**

Develop a plan now for what you will do when you next replace your heating system, including the option of low carbon heating.

**GM Housing Providers:**
In support of this plan, GMHPs have committed to planning for a post-gas economy in terms of new and replacement heating systems.

**Local Authorities:**

When replacing heating systems in their buildings, GMCA and LAs will install low carbon alternatives where viable, rather than replacing with carbon intensive technologies.

**Local policy:**

GMCA and LAs will seek funding to roll out Local Area Energy Planning across the city-region to identify which heating solutions are best suited to which areas. This will build on the work in the *Greater Manchester Spatial Framework* to identify Heat and Energy Network Opportunity Areas.

As part of proposals in the *Greater Manchester Spatial Framework*, GMCA and LAs are consulting on proposals to identify “Heat and Energy Network Opportunity Areas” and require an assessment of the viability of connecting new developments to a heat network within them.

GMCA and Manchester Metropolitan University will convene key partners (industry, academia and utility providers) with a view to developing a hydrogen strategy for Greater Manchester so that we can understand and maximise the opportunities over the next 5 years and beyond.

**Priority 3: Increasing the diversity and flexibility of our electricity supply, adding at least a further 45MW of diverse and flexible load by 2024**

Where do we need to get to?

Our local energy system will need to adapt in order to accommodate these shifts and the increase in EVs (see section 3.3.2), which will mean that an increasing proportion of our energy needs will be met by electricity. They will also bring with them a more complex pattern of supply (including from local generation) and demand (from EV charging and electrified heating systems) than at present. We need to increase the use of smart technologies and local storage to spread the increase in peak loads these changes may bring across the day and also to accommodate anticipated increases in our population (forecast to increase by a 250,000 by 2037), number of homes (forecast to increase by 201,000 by 2037) and office, industrial and warehousing floorspace (forecast to increase by 6.7 million m² by 2037)\(^\text{13}\).

Where are we now?

\(^{13}\) [https://www.greatermanchester-ca.gov.uk/gmsf](https://www.greatermanchester-ca.gov.uk/gmsf)
The current infrastructure provided, both in Greater Manchester and across the country, is predominantly configured to supply electricity from power stations into homes and other buildings. At present, Greater Manchester has around 750kW of storage, 500kW of which is used for research purposes.

What do we need to do over the next 5 years?

**Electricity North West (ENWL)**

Providing a local electricity network that supports this shift is the responsibility of ENWL, working in partnership with local stakeholders. ENWL is the distribution network operator (DNO) in Greater Manchester, operating and maintaining the regional grid that takes power from the national grid and local generators to homes and industrial/commercial buildings and users. Over the coming years, ENWL will change to a Distribution ‘System’ Operator (DSO) model. The understanding of the roles and responsibilities of the DSO is still evolving, so ENWL will continue to work with local stakeholders and national bodies to develop the technical and regulatory framework to transition to this new model. The product of this transition will be a “Smart Grid”, which will help optimise both the generation and usage of electricity in the region and facilitate the local trading of electricity.

What do we need from national government policy across these 3 priorities?

- To work with us to establish an Energy Transition Region (or Energy Innovation Zone) in Greater Manchester to test innovative approaches, policy and finance mechanisms to accelerate local renewable energy generation, storage and efficiency at scale.

- Accelerated and deeper decarbonisation of the national electricity grid beyond that in the scenarios set out by the National Grid.

- A more stable and longer term policy landscape for local renewable electricity generation and low carbon heat to build confidence, demand and supply in a sustainable way.

- A decision, during the lifetime of this plan, on the long-term decarbonisation of heat, including the future of the gas grid.
3.3.2 Our transport and travel

Summary

We need to improve our air quality and reduce CO$_2$ emissions that are produced by the way we, and the goods we use, travel within the city-region. To do this, we need to reduce the amount we travel in fossil-fuel powered vehicles, by using sustainable modes and shifting to zero emissions (tailpipe) or cleaner alternatives.

In January 2019, TfGM gave members of the public the opportunity to have a say on its Transport Strategy 2040: Draft Delivery Plan (2020-2025)$^{14}$. The 5 Year Environment Plan has been developed in conjunction with that Delivery Plan. Reporting on the progress of this 5 Year Environment Plan will also be aligned with the final Delivery Plan and subsequent Delivery Plan Progress Reports, as well as with the Clean Air Plan for Greater Manchester.

A large number of the actions set out in the Delivery Plan (2020-2025) will directly contribute to or enable the delivery of improvements in air quality and reductions in CO$_2$ emissions. The graph below sets out our Vision for 2040.

Figure 7 – Our Vision for 2040: 50% of journeys in Greater Manchester to be made on foot, by bike or using public transport. Source: TfGM Transport Delivery Plan

Summary of our priorities – travel and transport

The 5 priority areas set out below summarise a smaller set of key actions that will contribute most significantly to our aims.

**Priority 1**
Increasing use of public transport and active travel modes

**Priority 2**
Phasing out of fossil-fuelled private vehicles and replacing them with zero emission (tailpipe) alternatives

**Priority 3**
Tackling the most polluting vehicles on our roads

**Priority 4**
Establishing a zero emissions bus fleet

**Priority 5**
Decarbonising road transport and shifting freight to rail and water transport
## Summary of our actions – travel and transport

### Residents
- Walk and cycle for short journeys
- Use public transport for longer journeys
- Cut costs, congestion, parking problems and pollution by sharing a car with a colleague or friend
- Switch off your engine when at a standstill
- Buy an electric car – if you do, make sure you are on the right electricity tariff

### Businesses and other organisations
- Support your employees in doing the right thing, encouraging flexible working and use of public transport, cycling/ walking and car-sharing
- Switch your car/van fleet to Electric Vehicles and consider charging infrastructure
- When replacing other vehicles, purchase the least polluting and most efficient model
- Maintain your fleet to minimise emissions

### Local policy
- Implement the 2040 Transport Strategy Delivery Plan, including in the next 5 years:
  - Implementing the Mayor’s Challenge Fund for walking and cycling
  - Implementing a “Streets for All” approach to street design and management
  - Expanding and promoting the city region’s Electric Vehicle charging network and aim to complete the businesses case for further expansion
  - Continue to develop a Full Business Case of proposals to reduce NO2 exceedances to submit to government by the end of 2019. Subject to approval and sufficient government funding being received as a result, measures will then be implemented as set out in the Full Business Case
  - Implementing a programme to retrofit existing buses to reduce emissions (subject to funding)
  - Assessing and developing a roadmap to deliver a zero emission bus fleet
  - Assessing and developing a roadmap to reduce freight emissions and support modal shift

### What we need from government policy
- Long-term sustainable funding, including a fully devolved, long-term infrastructure budget capable of delivering the full Transport Strategy Delivery Plan through to 2040
- Greater powers over rail franchising stations, support decisions around reform of the bus market, facilitate the trialling of tram-trains and enable regulatory reforms to complement the shift to cycling and walking
- Test Mobility as a Service approaches to enable the transition to a sustainable transport system
- Radically improve connectivity with other UK cities through Northern Powerhouse Rail and High Speed 2
- Invest in rail electrification or in piloting low carbon alternatives (such as hydrogen)

### Greater Manchester Health and Social Care Partnership
- Collaborate closely with stakeholders to support local area improvement of travel services and infrastructure
- Work with partners and stakeholders to assist with improvement of air quality
- Monitor the environmental impacts associated with suppliers’ transport and logistics and work with them to find ways to minimise their traffic burden
Priority 1 – Increasing use of public transport and active travel modes

Scale of the challenge – “SCATTER GM” pathway:
- Increasing the proportion of trips by sustainable modes.
- Reducing the overall amount we travel.

Where do we need to get to?

Greater Manchester’s overall ‘vision for 2040’ is to improve our transport system to support a reduction in car use to no more than 50% of daily trips made by Greater Manchester residents with the remaining 50% made by public transport, walking and cycling. This will mean a million more trips each day using sustainable transport modes in Greater Manchester by 2040. This is equivalent to 35% of passenger miles being made by sustainable modes and broadly aligns with the mode split outputs from SCATTER. Analysis by SCATTER suggests that we also need to focus attention on reducing the overall amount we travel in order to meet carbon targets.

Where are we now?

At present, 39% of daily trips in Greater Manchester (made by the city-region’s residents) are made by sustainable modes (including walking, cycling and bus, train and Metrolink) with the remaining 61% of trips made by car (or in other private vehicles). By 2040, GM’s vision is to improve our transport system so that we can reduce car use to no more than 50% of daily trips made by GM residents, with the remaining 50% made by public transport, walking and cycling.

What do we need to do over the next 5 years?

Residents – what we can do now:
Walk and cycle more for short journeys – half of trips within Greater Manchester are of 2km or less and 40% of these are made by car. Visit: https://my.tfgm.com/#/getactive/.

Businesses and organisations – what we can do now:
Support your employees in doing the right thing – provide suitable work from home arrangements which mean that fewer journeys are necessary; offer flexible working hours which mean that people can travel at less congested times and which enable easier public transport journeys; promote public transport options; provide good facilities (e.g. showering and storage) to encourage people to cycle and walk to work; and coordinate car sharing schemes for staff.

Greater Manchester Health and Social Care Partnership (GMHSCP):
GMHSCP will collaborate closely with stakeholders to support local area improvement of travel services and infrastructure.
Local policy:
GMCA, LA and TfGM will implement the 2040 Transport Strategy Delivery Plan.
In the next five years this will include delivering the Mayor’s Challenge Fund for walking and cycling, transforming cycling and walking infrastructure to encourage people to make walking and cycling their natural choice for short journeys. £160m will be invested between 2018/19 and 2021/22 over two tranches. To complement this, the GM Health and Social Care Partnership has invested further £2m over 3 years (to March 2021) to support population scale behaviour change to create a cultural norm for walking.
The Delivery Plan also includes implementing a “Streets for All” approach to street design and management, creating streets where the movement needs of all modes of transport are balanced with the need for safer walking and cycling facilities, better public transport and a more attractive and less polluted environment.

Priority 2 – Phasing out of fossil-fuelled private vehicles and replacing them with zero emission (tailpipe) alternatives, with charging infrastructure supporting at least 200,000 vehicles by 2024

Scale of the challenge – “SCATTER GM” pathway:
- 100% of all cars are zero emissions (tailpipe) by 2035

Where do we need to get to?
We need a significant and urgent shift from fossil-fuelled private vehicles to zero emissions (tailpipe) alternatives, supported by an expansion in the EV charging network. This will require a significant increase in the charging infrastructure to support the increased use EVs in and around the city-region.

Where are we now?
There are currently 3,400 licensed plug-in vehicles in Greater Manchester, making up about 0.25% of the total number of licensed vehicles in the city-region. The total number of these vehicles in Greater Manchester has increased by a steady rate of around 500 per year each year since 2014, or 3.3% of new cars registered in Greater Manchester annually. A significant increase is expected in the number of cars registered in the coming years driven by the market, as the up-front cost of these vehicles, relative to their petrol and diesel equivalents, continues to reduce.

Greater Manchester has a relatively small but increasing EV charging infrastructure, consisting of 320 7kW individual points and 4 rapid chargers.

What do we need to do over the next 5 years?

Residents – what we can do now:
If you buy a new car or replace your current car, buy an Electric Vehicle. Visit: http://www.energysavingtrust.org.uk/transport/electric-vehicles.
If you already have or buy an Electric Vehicle and charge it at home, make sure you are on the right electricity tariff: [http://www.energysavingtrust.org.uk/transport/electricity-tariffs-electric-vehicles](http://www.energysavingtrust.org.uk/transport/electricity-tariffs-electric-vehicles).

**Businesses and organisations – what we can do now:**

When you replace cars or vans in your fleet, switch to Electric Vehicles.

Plan for what charging infrastructure you might need for Electric Vehicles – in your own fleet and those of your staff.

**GM Housing Providers:**

In support of this plan, GMHPs have committed to developing a shared procurement framework for Electric Vehicles.

**Local Authorities:**

GMCA, LAs and TfGM will procure zero emission (tailpipe) cars/vans where suitable and cost effective when they come to replace existing fleet and will keep under review the options for other types of vehicles.

**Local policy:**

GMCA, LA and TfGM will expand and promote the city-region’s EV charging network and aim to complete the businesses case for further expansion over the next 5 years. 48 new rapid charge points will be installed in addition to the city-region’s existing public charging points.

**Priority 3: Tackling the most polluting vehicles on our roads**

**Where do we need to get to?**

We need to address NO\(_2\) exceedances at the roadside. NO\(_2\), along with PM and other oxides of nitrogen, are a serious concern in Greater Manchester given their risk to the public’s health. In July 2017 Government served a Direction on Greater Manchester LAs requiring them to produce a feasibility study, in which they must identify the option which will deliver compliance with legal limits for NO\(_2\) in the "shortest possible time". Local modelling identified 152 stretches of road (road links) where concentrations of NO\(_2\) are forecast to exceed the legal limit value beyond 2020.

**Where are we now?**

Whilst air quality has been generally improving over time, poor air quality is the largest environmental risk to the public’s health. LAs are required to submit to government an outline business case by the end of March 2019, setting out proposals reduce NO\(_2\).
exceedances in the shortest possible time. The *Clean Air Plan – Outline Business Case* sets out the preferred option of delivering compliance in the shortest possible time through a Greater Manchester wide penalty for buses, taxis and commercial vehicles in phase 1, expanding to light goods vehicles in phase 2. This is predicted to deliver compliance in 2024. Subject to government’s review of this, it is anticipated that the government will direct LAs to continue to develop a Full Business Case (submitting it by the end of 2019). Implementing the plan would be subject receiving significant financial support from government.

What do we need to do over the next 5 years?

**Residents – what we can do now:**
Switch off your engine when at a standstill and make sure your tyres are correctly inflated.
Where you need to use your car, consider car sharing options. Visit: [https://www.carsharegm.com/register.aspx](https://www.carsharegm.com/register.aspx)

**Businesses and organisations – what we can do now:**
Ensure your fleet is maintained and those travelling for work are supported in reducing their impact on air quality.
When you come to replace vehicles (that are not cars or vans, see above), purchase the least polluting and most efficient model possible.

**Greater Manchester Health and Social Care Partnership (GMHSCP):**
GMHSCP will work with partners and stakeholders to assist with improvement of local air quality.

**GMCA, LAs and TfGM – policy:**
GMCA, LAs and TfGM will continue to develop a Full Business Case of proposals to reduce NO₂ exceedances, in conversation and consultation with stakeholders, affected businesses and the public. This will be submitted to government by the end of 2019. Subject to approval and sufficient government funding being received as a result, measures will then be implemented as set out in the Full Business Case.

**Priority 4 – Establishing a zero emissions bus fleet**

**Scale of the challenge – “SCATTER GM” pathway:**
- 100% of all buses are zero emissions (tailpipe) by 2035

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15 [https://www.gmcmeetings.co.uk/meetings/meeting/659/greater_manchester_combined_authority](https://www.gmcmeetings.co.uk/meetings/meeting/659/greater_manchester_combined_authority)
Where do we need to get to?

We need to reduce the emissions produced by our bus fleet, moving from fossil fuelled vehicles to zero emissions (tailpipe) alternatives.

Where are we now?

TfGM is working with private operators to seek to develop a roadmap to achieving an emissions-free bus fleet. There have been 3 fully electric buses operating on TfGM's free bus service in Manchester city centre that have provided valuable insight into operational challenges and opportunities. A recent funding award could see up to 70 fully electric buses (3.5% of the Greater Manchester fleet) deployed in Greater Manchester by 2023. TfGM is currently supporting operators with government funding to retrofit 170 buses to the cleanest current air quality standard (EURO 6)

What do we need to do over the next 5 years?

**Local policy:**

As part of the development of its plan to tackle NO₂ exceedances, GMCA, LAs and TfGM are asking the government for a financial package of support to retrofit/renew existing buses by 2021, upgrading them to cleaner EURO 6 engines, reducing emissions.

TfGM will assess and develop a roadmap to deliver a zero emission bus fleet, concluding this by 2025.

**Priority 5 – Decarbonising freight transport and shifting freight to rail and water transport**

**Scale of the challenge – “SCATTER GM” pathway:**

- Decarbonising freight transport, delivering a shift away from road freight and enabling more efficient freight practices

Where are we now?

The movement of freight is a national and international issue, and the growth of the sector will have implications across the city-region’s boundaries.

The majority of goods are moved by road (87% of goods lifted) in diesel powered HGVs and LGVs (vans). The complex and diverse nature of this industry makes decarbonisation a challenge but emerging technologies and solutions such as natural gas, electric and hydrogen vehicles, light weighting and autonomy provide opportunities to reduce emissions. A significant barrier to uptake is access to infrastructure. Key organisations, led by TfGM, will develop a roadmap to facilitate a joined up approach with other UK regions.

Rail freight currently moves around 7% of all goods lifted across the north. Rail, despite being diesel powered is significantly more energy efficient than other modes (with the exception of shipping). It produces 76% less CO₂ emissions than the equivalent HGV
journey. There is scope to work with other bodies, such as Transport for the North, to adopt a pan-Northern approach to freight and to explore opportunities to move more freight by rail.

**What do we need to do over the next 5 years?**

**Greater Manchester Health and Social Care Partnership**

GMHSCP will monitor the environmental impacts associated with its suppliers' transport and logistics and work with its suppliers to find ways to minimise their traffic burden.

**GMCA, LAs and TfGM – policy**

GMCA, LAs and TfGM will assess and develop a roadmap to reduce freight emissions and support modal shift, increased efficiency and alternative fuels for HGVs.

**What do we need from government policy across these 5 priorities?**

- Further powers and long-term sustainable funding, through devolution, to deal effectively with the pressing challenges we face – including air quality, congestion and improving public transport. This includes a fully devolved, long-term infrastructure budget for Greater Manchester, as recommended in the National Infrastructure Commission’s recent National Infrastructure Assessment.
- Greater powers over rail franchising stations, support for decisions around reform of the bus market, facilitate the trialling of tram-trains to enable substantial expansion of the rapid transit network and enable regulatory reforms to complement the shift to cycling and walking.
- Test Mobility as a Service approaches to enable the transition to a future-proofed fully integrated, shared, inclusive and sustainable transport system across the city-region, thereby supporting the Future of Mobility and Clean Growth Grand Challenges.
- Radically improve connectivity with other UK cities through Northern Powerhouse Rail and High Speed 2.
- Investment in rail electrification or in piloting low carbon alternatives (such as hydrogen) so that low carbon rail can make the contribution needed for us to meet our ambitions.

3.3.3 Our homes, workplaces and public buildings

Summary

We need to reduce CO₂ emissions produced by the excessive use of energy, particularly in heating our homes and commercial and public buildings. Achieving this will require owners of existing homes and buildings to make improvements to current levels of insulation to reduce heat loss through the building fabric well beyond the basic measures they might already have in place (e.g. loft insulation, draught proofing).

The Greater Manchester Infrastructure Framework agrees that a step change in the energy efficiency performance of existing domestic and non-domestic property will have to be achieved. In the Greater Manchester Spatial Framework, the GMCA and LAs are consulting on higher standards for new builds, requiring all new development to be net zero carbon by 2028. Retrofitting of existing buildings will however be crucial to reducing energy demand and to our wider ambitions of having affordable homes for our residents, as set out in the Greater Manchester Vision for Housing. Affordability includes the cost of keeping homes warm – quality, modern, properly insulated and energy efficient homes are cheaper to run and healthier to live in, as well as helping reduce CO₂ emissions. This is a vital part of our efforts to reduce fuel poverty in our city-region (see the map below). Given that overall electricity demand may still increase due to the use of electric heating and vehicles, it is crucial to take opportunities to reduce energy demand where possible in order to mitigate the risk of the national grid not decarbonising quickly enough for us to meet our aims for CO₂ emissions reductions and to realise these wider benefits.

![Figure 8 – Proportion of households in fuel poverty.](image)

Source: Greater Manchester Spatial Energy Plan
Summary of our priorities – homes, workplaces and public buildings

**Priority 1:**
Reducing the heat demand from existing homes, focussing on initiating a fundamental shift to whole house retrofit

**Priority 2:**
Reducing the heat demand from existing commercial and public buildings

**Priority 3:**
Reducing the heat demand in new buildings
## Summary of our actions – homes, workplaces and public buildings

### Residents
- Get the basics right – including LED lighting and draught-proofing
- Upgrade your home insulation – loft, cavity wall and draught
- Think about whole-house retrofit, particularly if carrying out renovations

### Businesses and other organisations
- Sign up to the Net Zero Carbon Buildings commitment
- Measure, report on and improve the operational energy efficiency of premises, coming together within sectors to do so
- Consider greener, more energy efficient premises when current or future contracts require renewal
- Engage with landlords/tenants landowners and tenants over key issues – e.g. data sharing, energy efficiency measures, green energy

### Local policy
- Develop a GM retrofit partnership/accelerator to tackle sector development/skills and access to finance/capacity
- Launch a major new drive to raise standards in the private rented sector, including the development of a GM Good Landlord standard.
- Investigate encouraging greater energy efficiency through council tax and business rates and other financial vehicles.
- Implement a business support programme for energy efficiency
- Require zero carbon development by 2028

### Local Authorities
- Standardise measurement and reporting of the operational efficiency of their buildings.
- GMCA and LAs will aim to obtain an average DEC of rating D or better by 2024 and C or better by 2030 for their public buildings where economically viable.

### Other key partners
- Social Housing Providers – commitments to the efficiency of existing homes and to building new homes to net zero carbon in advance of 2028
- Voluntary, Community and Social Enterprise Organisations – continue to work with partners as we develop a GM retrofit partnership focussed on helping people and communities

### Greater Manchester Health and Social Care Partnership:
- Work with partners to include sustainability indicators in the review of our buildings.

### What we need from government policy
- Working with us to develop new technology and financial models to make domestic and commercial retrofit at scale a possibility
- Meeting commitments on smart meter roll-out
- Changing the Energy Company Obligation (ECO) funding to ensure it is more effective at meeting GM’s needs
Priority 1: Reducing the heat demand from existing homes, focussing on initiating a fundamental shift in whole house retrofit by retrofitting homes by 2024

Scale of the challenge – “SCATTER GM” pathway 2040:
- Retrofit measures installed at 61,000 homes per year.

Where do we need to get to?

Retrofit of existing residential properties is the most significant issue in achieving our aims for carbon neutrality. The reductions modelled in SCATTER and ESME are based on moderately retrofitting 23,500 (EMSE) homes to more extensive retrofit of 61,000 (SCATTER) homes per year between now and 2040.

There are wider benefits of reducing demand, including reducing energy bill costs, increasing our security to fluctuations in energy prices, contributing to lifting people out of fuel poverty and further improving health by improving the quality of people's homes. Given that, our ambition is to see basic measures installed at all homes and, at the same time, to maximise the extent of whole house retrofit, whilst recognising this will require us to develop approaches to tackle the greater up-front capital cost, sector and skills challenges this approach entails.

Where are we now?

It is estimated that around over half a million properties in Greater Manchester may still have not had basic insulation measures (such as loft or cavity wall insulation) installed\(^\text{17}\). The market for these measures is well-established, with the main issue being the take-up of these measures by able-to-pay home owners.

Whole-house retrofit has been carried out successfully on a small number of properties in Greater Manchester to date. However, the scale of this activity here and elsewhere has been limited due to the invasiveness of the measures needed, the difficulties of engaging with homeowners and making deep retrofit financially attractive to them given the high initial capital costs. As well as overcoming these barriers, the capacity and capability of the supply chain is not yet sufficiently developed in order to deliver the scale of change that we need.

What do we need to do over the next 5 years?

Residents – what we can do now:

Get the basics right – fit LED and low energy lighting, turn off appliances when not in use and draught proof your windows and doors (Visit: [http://www.energysavingtrust.org.uk/home-energy-efficiency/energy-saving-quick-wins](http://www.energysavingtrust.org.uk/home-energy-efficiency/energy-saving-quick-wins)). You might be eligible for a visit by a trained Home Energy Adviser to help do this. (Visit: [https://applyforleap.org.uk/apply/](https://applyforleap.org.uk/apply/))

Upgrade your home insulation – check your loft insulation, replace any single glazed windows with double or triple glazing and fill cavity walls (if your property has them)

If you are a home owner, think about whole home retrofit and the more advanced energy efficiency measures you can install, such as solid wall and floor insulation, particularly if you carry out building works. (Visit: http://www.energysavingtrust.org.uk/home-insulation)

**GM Housing Providers:**
In support of this plan, GMHPs have committed to achieving minimum C SAP (Standard Assessment Procedure) Rating by 2025 for all existing homes.

**GM Voluntary, Community and Social Enterprise Organisations**
The VCSE sector in Greater Manchester will be crucial to successfully scaling up domestic retrofit. Co-operatives, such as the Carbon Co-op, play a key role in this area, helping people and communities to make the radical reductions that we need to achieve in home carbon emissions.

**Local policy:**
GMCA and LAs will convene partners, including those delivering retrofit in Greater Manchester already and others in the construction and finance sectors, to develop a Greater Manchester retrofit partnership/accelerator. This would bring together the range of existing activity to focus collectively on tackling issues of demand, supply, skills and access to finance to develop delivery and business models for whole-house retrofit.

As part of its development of a Housing Strategy, GMCA and LAs will launch a major new drive to raise standards in the private rented sector, including the development of a Greater Manchester Good Landlord standard.

GMCA and LAs will investigate encouraging greater energy efficiency through (nudge) council tax and other financial vehicles.

**Priority 2: Reducing the heat demand from existing commercial and public buildings**

Scale of the challenge – “SCATTER GM” pathway 2040:
- 22% reduction in heating and cooling demand, with a 10% reduction by 2025.

Where do we need to get to?
We need our businesses and public sector organisations to significantly and urgently reduce their energy demand for heating and cooling. This needs to be underpinned by a better understanding and standardisation of information regarding the in-use or operational efficiency of our commercial and public buildings.

Where are we now?
There is a lack of information available regarding energy efficiency in Greater Manchester’s commercial sector. There is evidence showing that that the retail, industrial, commercial
office and hotel sectors contribute collectively to over 70% of Greater Manchester’s non-
domestic heat demand (excluding transport). However, there are limited ways of measuring
changes in heat demand and efficiency in the commercial sector. Although commercial
buildings require an Energy Performance Certificate (EPC) when it is sold or leased, these
are not representative of how a building will perform in operation. There are no requirements
for the measurement of reporting of the operational efficiency of commercial buildings either
nationally or in Greater Manchester at present.

More information on operational efficiency of public buildings is available through Display
Energy Certificate (DEC) ratings, which are required for buildings frequently visited by the
public and over a certain size. However, these ratings are reflective of the wider efficiency of
a building, rather than just its heat demand.

What do we need to do over the next 5 years?

**GM Organisations and Businesses – what we can do now:**

Sign up to the Net Zero Carbon Buildings commitment, which has set targets for all buildings
to be net zero carbon in operation by 2050 – visit: [https://www.worldgbc.org/thecommitment](https://www.worldgbc.org/thecommitment).

Measure, report on and improve the operational energy efficiency of your premises. Advice
is available from the Business Growth Hub – visit: [https://www.businessgrowthhub.com/services/resource-efficiency](https://www.businessgrowthhub.com/services/resource-efficiency). An existing way to start
this is to obtain a Display Energy Certificate (DEC).

Businesses in key sectors (retail, industrial, commercial office and hotel) should collaborate
and come together to report on operational efficiency within their sectors.

If you lease your premises, consider greener, more energy efficient premises when current
or future contracts require renewal.

For leased premises, landlords and tenants should engage with each other over issues such
as agreements to share data (e.g. on energy consumption), energy efficiency measures and
agreement to supply green energy. These could be formalised in green leases.

**Local Authorities:**

GMCA and LAs will standardise their measurement and reporting of the operational
efficiency of their buildings, making use of a standardised schema produced by the Energy
Systems Catapult.

GMCA and LAs will aim to obtain an average DEC of rating D or better by 2024 and C or
better by 2030 for their public buildings where economically viable and will work with UK
Green Building Council to understand how performance in buildings can be better set,
measured and monitored.

**Greater Manchester Health and Social Care Partnership:**

GMHSCP will work with partners to include sustainability indicators in the review of our
buildings.
Local policy:
GMCA and LAs will investigate encouraging greater energy efficiency through (nudge) business rates and other financial vehicles.

Priority 3: Reducing the heat demand in new buildings
Where do we need to get to?
As well as retrofitting existing buildings, we need to significantly reduce the heat demand of new buildings. This is especially important given that, by 2037, 201,000 new homes are expected to be built in Greater Manchester.

Where are we now?
The standards for the energy performance of new buildings constructed in Greater Manchester are set out in Part L of the Building Regulations. The Greater Manchester Spatial Framework sets out additional requirements for new developments in Greater Manchester, specifically a requirement for all new buildings to be net zero carbon by 2028.

What do we need to do over the next 5 years?

GM Housing Providers:
In support of this plan, GMHPs have committed to building all new homes to zero carbon in advance of 2028 target as set out in Greater Manchester Spatial Framework.

Local policy:
The Greater Manchester Spatial Framework sets out the proposal to require all new development to be net zero carbon by 2028. The GMCA and LAs will work with the UK Green Building Council (UKGBC) and other building environment professionals in Greater Manchester to test this date, including whether it can be brought forward, and the intervening steps required such as the balance between building efficiency, onsite energy generation and off-setting measures for remaining carbon emissions.

What we need from national government across these 3 priorities
- Develop, with Greater Manchester, innovative finance and delivery mechanisms to retrofit homes and commercial buildings.
- Work with Greater Manchester between now and 2022 to explore options for future delivery of Energy Company Obligation (ECO) funding in Greater Manchester to ensure it most effectively meets our needs in relation to tackling fuel poverty and achieving the scale of CO₂ reductions needed.
- Ensure smart meter roll-out happens in line with commitments made.
3.3.4 Our production and consumption of resources

Summary of the challenges and opportunities

As part of building a thriving and sustainable city-region, we need to promote economic and resource productivity, eliminate waste and increase business opportunities through innovation, which in turn will stimulate skills development and jobs. The damage done to our environment caused by waste products can be if avoided if more sustainable decisions are made at the production stage. To tackle this problem, we need to change the way that we, as consumers, treat end of life products. At the same time, we also need to work with industry to encourage more circular, sustainable and resource efficient business models; from using more sustainable materials to making sure manufacturing processes maximise resource and energy efficiency.

Figure 9 – Components of a circular economy

Source – Defra\textsuperscript{18}

Summary of our priorities:

**Priority 1:** Producing goods and services more sustainably, moving to a circular economy

**Priority 2:** Becoming more responsible consumers

**Priority 3:** Managing our waste as sustainably as possible

**Priority 4:** Reducing unnecessary food waste
### Summary of actions – sustainable consumption and production:

<table>
<thead>
<tr>
<th>Residents</th>
<th>Businesses and other organisations</th>
<th>Local policy</th>
<th>Greater Manchester Health and Social Care Partnership</th>
<th>Local Authorities</th>
<th>Other key partners</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Reduce the amount of waste you produce and use reusable products</td>
<td>- Review your processes to look where you can make efficiencies in design and production</td>
<td>- Collaborate with the GM Sustainable Business Partnership, including a focus on innovating for resource efficiency</td>
<td>- Work with partner organisations to support the development of waste management action plans across Trusts</td>
<td>- Embed environmental sustainability criteria in social value procurement mechanisms</td>
<td>- Voluntary, Community and Social Enterprise Organisations – continue to work with partners across these areas, particularly on the development of our food strategy</td>
</tr>
<tr>
<td>- Cut down the amount of plastics you use</td>
<td>- Make sure sustainability is part of your procurement policy</td>
<td>- Explore ways to support innovation that will help us transition to a circular economy</td>
<td>- Take alternatives to purchasing large items such as lease agreements or take-back schemes</td>
<td>- Provide Carbon Literacy for all staff involved in procuring activities</td>
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</tr>
<tr>
<td>- Buy sustainable products</td>
<td>- Take action to reduce the amount of food your organisation wastes</td>
<td>- Continue to develop the Plastic Free GM campaign, including launching a roadmap and Plastic Pact for the public sector</td>
<td>- Recycle as much as you can</td>
<td>- Aim to eradicate avoidable single use plastic on the public estate</td>
<td></td>
</tr>
<tr>
<td>- Look at alternatives to purchasing large items such as lease agreements or take-back schemes</td>
<td>- Support local food growing and redistribution initiatives and organisations</td>
<td>- Develop and consult on a Zero Waste Strategy to set out our approach to becoming a zero waste city region</td>
<td>- Reduce the amount of food you waste</td>
<td>- Support local food growing and redistribution initiatives and organisations</td>
<td></td>
</tr>
<tr>
<td>- Recycle as much as you can</td>
<td>- Support local food growing and redistribution initiatives and organisations</td>
<td>- Produce a roadmap and future food strategy, which will set out a pathway and priorities for our food system</td>
<td>- Other key partners</td>
<td></td>
<td></td>
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<tr>
<td>- Reduce the amount of food you waste</td>
<td></td>
<td></td>
<td>- What we need from government policy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Support local food growing and redistribution initiatives and organisations</td>
<td></td>
<td></td>
<td>- Further powers and incentives in increase reuse and recycling for both residents and businesses</td>
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<td></td>
</tr>
</tbody>
</table>
**Priority 1 – Producing goods more sustainably**

<table>
<thead>
<tr>
<th>Scale of the challenge – “SCATTER GM” pathway 2040:</th>
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</thead>
<tbody>
<tr>
<td>- 50-77% reduction in industrial emissions (38% by 2025).</td>
</tr>
</tbody>
</table>

**Where do we need to get to?**

There are 3 main areas in how goods are produced on which we need to focus:

- **Sustainable product design** – we need to take action to produce more sustainable products that move us away from a ‘throw away’ society, to one that keeps resources in use for as long as possible. To enable this we need to increase the reusability and recyclability of all components created.

- **Resource efficiency** – we need to maximise resource efficiency by moving away from linear business models to create a more circular approach, reducing waste of all forms at source.

- **Sustainable procurement** – we need to ensure that we are procuring the most environmentally sustainable products by embedding an environment criteria within procurement policy.

**Where are we now?**

There are approximately 120,000 businesses in Greater Manchester, with the most intensive users located at industrial sites such as Trafford Park. Currently there is little data available to estimate how efficient businesses are in relation to the finite raw materials and energy they consume. A Greater Manchester Sustainable Business Partnership has recently been convened to start to look at collaboration opportunities within Greater Manchester to drive innovation in this and other areas. Benchmarking and measuring progress in this area is also complex, requiring more relevant metrics to do so.

**What do we need to do over the next 5 years?**

**GM Businesses and Organisations – what we can do now:**

Review your processes to look where you can make efficiencies in design and production. Support is available to do this through the Growth Company: [https://www.businessgrowthhub.com/services/support/sustainability](https://www.businessgrowthhub.com/services/support/sustainability) and WRAP: [http://www.wrap.org.uk/about](http://www.wrap.org.uk/about).

Make sure sustainability is part of your procurement policy, visit: [https://www.gov.uk/guidance/sustainable-procurement-tools](https://www.gov.uk/guidance/sustainable-procurement-tools)

**Greater Manchester Health and Social Care Partnership**

GMHSCCP will work with partner organisations to support the development of waste management action plans across their Trusts.
The GMHSCP approach will be towards a continual reduction in levels of waste, relative to the size of the organisation and will have initiatives in place to reduce overall material use in the products we buy and the services we deliver.

GMHSCP will have a system/process in place that identifies suitable opportunities to convert our "waste" into a resource (e.g. furniture re-use schemes and donations of IT and medical supplies etc.) to community groups or charities.

**Local policy:**

The Greater Manchester Sustainable Business Partnership will collaborate together and in partnership with others and individuals to deliver meaningful change in the city-region over the next 5 years to support our environmental vision, including a focus on innovating for resource efficiency.

GMCA and LA will explore ways to support innovation that will help us transition to a circular economy.

**Local Authorities:**

GMCA and LAs will embed environmental sustainability criteria in social value procurement mechanisms and all staff involved in procuring activity will receive Carbon Literacy training.

**Priority 2 – Becoming more responsible consumers**

**Scale of the challenge – “SCATTER GM” pathway 2040:**
- Limit to 20% any increase of waste currently produced in Greater Manchester.

**Where do we need to get to?**

All of us need to be conscious of how the choices we make impact on the environment and how small changes can have a positive impact. This can range from the reusing or leasing products to buying more sustainable products, focussing on:

- **Better waste prevention** – work still needs to continue throughout Greater Manchester to continue to raise awareness and change behaviours to stop avoidable waste being produced.

- **Eliminating avoidable single-use plastics** – a key priority in this area is to eradicate avoidable single-use plastics in Greater Manchester and move to more sustainable alternatives, promoting the waste hierarchy to reuse first. We all, as individuals and in organisations, need to move away from using avoidable single use plastics and move to more sustainable options to protect our natural environment.

**Where are we now?**

Despite greater awareness of waste, particularly single-use plastics, we still do not do enough to reduce waste in the first place. Across Greater Manchester, we each produce
around 400kg of residual waste per year, although this only includes waste created in our homes.

What do we need to do over the next 5 years?

**Residents – what we can do now**

Reduce the amount of waste you produce and use reusable products wherever possible, rather than single-use products, visit: [https://recycleforgreatermanchester.com/how-do-i-waste-less/](https://recycleforgreatermanchester.com/how-do-i-waste-less/).

Cut down the amount of plastics you use. Tips are available online from numerous sources, including: [https://friendsoftheearth.uk/plastics/living-without-plastic](https://friendsoftheearth.uk/plastics/living-without-plastic).

Buy sustainable products – such as Fairtrade products or those with higher recyclable content.

Look at alternatives to purchasing large items such as lease agreements or take-back schemes.

**Local Authorities:**

GMCA and LAs will aim to eradicate avoidable single use plastic on the public estate by 2024.

**Local policy**

GMCA and LAs will develop and launch a roadmap and Plastic Pact (subject to agreement) for the public sector to increase collaboration across organisations and increase understanding of sustainable alternatives.

**Priority 3 – Managing our waste as sustainably as possible**

Scale of the challenge – “SCATTER GM” pathway 2040:

- Achieve a recycling rate of 65% by 2035.

Where do we need to get to?

For products that cannot be re-used, we need to maximise recycling and minimise the amount of waste that goes to landfill. This plan does not cover how we dispose of our household waste. This will form part of a subsequent Zero Waste Strategy, which we will develop in autumn 2019 (subject to the outcome of government consultations). It does however cover a broader landscape of commercial waste which is produced within Greater Manchester. Our key focus here is to increase the proportion of waste recycled. To do this, we need to maximise the quality and commercial value of recyclable materials, that cannot be reused, and collectively improve our recycling capabilities to ensure as little as possible goes to landfill.
Where are we now?

With over 1.1m households in Greater Manchester, recycling as much as possible is crucial if we cannot reduce potential waste in the first place or re-use products. For household waste collection and disposal, the GMCA is the Waste Disposal Authority (WDA) for 9 of the 10 districts, with Wigan Council having separate arrangements in place. 2017/8 household recycling rates are set out below.

<table>
<thead>
<tr>
<th>Household recycling rates</th>
<th>GMWDA</th>
<th>Wigan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recycling rate %</td>
<td>47.09%</td>
<td>48.5%</td>
</tr>
<tr>
<td>Landfill rate %</td>
<td>11.49%</td>
<td>4.6%</td>
</tr>
<tr>
<td>Total waste collected (tonnage)</td>
<td>1,128,823</td>
<td>147,558</td>
</tr>
</tbody>
</table>

Very little commercial waste is collected by any of the 10 District Councils, with this being collected by a range of private operators, meaning that data on commercial waste is limited.

England’s Resource and Waste Strategy was published on 18th December 2018 and sets outs government’s key priorities. Several of these will be subject to a series of consultations from now until the end of 2020. One of these consultations will look at consistency of collection services, which could see government mandating what and how certain waste streams will be required to be collected separately, and will be a focus of a Greater Manchester Zero Waste Strategy.

Residents – what we can do now
Recycle as much as you can – visit: https://recycleforgreatermanchester.com/.

Local policy:
GMCA and LAs will develop and consult on a Zero Waste Strategy to set out our approach to becoming a zero waste city-region.

Priority 4 – Reducing unnecessary food waste
Where we need to get to?
We need to reduce unnecessary food waste, stimulate local markets for food and maximise redistribution to ensure that those who are living in poverty are able to access such services.

Where are we now?
We waste significant amounts of food. Across the UK, this amounts to around 10 million tonnes a year, with a value of over £20 billion a year19 – or £700 per household. As well as this financial cost, the carbon footprint of food and drink consumed equates to 6.4 million tonnes of CO₂ per year20, although the bulk of these will be generated outside of the city-

19 http://www.wrap.org.uk/food-drink
region, where the majority of our food comes from. To address this we need to develop, agree and embed an action plan to address all aspects of the food system. Currently, scoping work is being undertaken to provide an overview of the data, strategies and activities being undertaken in this area to enable a roadmap to be devised with key partners, which will promote, target and measure actions based on the food and drink hierarchy.

What do we need to do over the next 5 years?

**GM Residents – what we can do now:**
Support local food growing and redistribution initiatives and organisations. The Greater Manchester Poverty Action Group has created a map of local foodbanks here: [http://greatertogthermanchester.org/find-support/food-banks/](http://greatertogthermanchester.org/find-support/food-banks/).

**GM Businesses and Organisations – what we can do now:**
Take action to reduce the amount of food your organisation wastes. Those in the retail, food manufacturing and supply chain, hospitality and food service and agricultural sectors have a crucial role to play, see: [http://www.wrap.org.uk/food-drink/business-food-waste/courtauld-2025](http://www.wrap.org.uk/food-drink/business-food-waste/courtauld-2025).
Support local food growing and redistribution initiatives and organisations. The Greater Manchester Poverty Action Group has created a map of local foodbanks here: [http://greatertogthermanchester.org/find-support/food-banks/](http://greatertogthermanchester.org/find-support/food-banks/).

**Greater Manchester Health and Social Care Partnership (GMHSCP)**
GMHSCP will support staff on how to reduce food wastage to reduce the environmental impact.

**Local policy:**
GMCA and LAs will support the *Good Food GM Board* in producing a roadmap (by 2020) and future food strategy, which will set out a pathway and priorities for Greater Manchester’s food system, including food waste.

**What we need from national government across these 4 priorities**
- Further powers and incentives in increase reuse and recycling for both residents and businesses.
3.3.5 Our natural environment

Summary

The UK Government’s 25 Year Environment Plan\textsuperscript{21} sets out what the UK will do to improve the environment, within a generation. By 2040, the ambition is to achieve high quality, accessible, natural spaces with increased biodiversity close to where people live and work; with a focus around the equal distribution of environmental benefits and resources to all.

We need to realise this ambition within Greater Manchester, prioritising action over the next 5 years to protect, maintain and enhance our key natural assets (air, land, water and biodiversity) and the multiple benefits (ecosystem services) they provide. Ultimately, we want to achieve measurable improvements in our natural environment – environmental net gain. A key first step in this will be implementing biodiversity net gain – delivering improvements through habitat creation or enhancement after avoiding or mitigating harm as far as possible.

To achieve these ambitions, we need to mobilise existing and new sources of funding into our natural environment, increasing the value we place in it, as well as communicating and engaging about it, so that we are all better connected with nature.

Greater Manchester is identified as the Urban Pioneer as part of the Government’s 25 Year Environment Plan. This means we are testing new tools and methods for investing in and managing the natural environment, so that we can have cleaner air and water, green roofs and walls, green paths and cycle networks and well managed public parks and other public green and blue spaces and infrastructure. Significant progress has been made in developing a natural capital approach and progressing our priorities.

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{figure10}
\caption{The benefits from our natural environment. \textit{Source – Urban Pioneer\textsuperscript{22}}}\label{fig:benefits}
\end{figure}

\textsuperscript{22} https://naturegreatermanchester.co.uk/resource/gmnaturalcapitalaccounts/
Summary of our priorities – natural environment

<table>
<thead>
<tr>
<th>Priority 1:</th>
<th>Priority 2:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managing our land sustainably</td>
<td>Managing our water and its environment sustainably</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Priority 3:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Achieving a net gain in biodiversity for new development</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Priority 4:</th>
<th>Priority 5:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increasing investment into our natural environment</td>
<td>Increasing our engagement with our natural environment</td>
</tr>
</tbody>
</table>
### Summary of our actions – natural environment:

<table>
<thead>
<tr>
<th><strong>Residents</strong></th>
<th><strong>Other key partners</strong></th>
</tr>
</thead>
</table>
| - If you have a garden or an allotment, manage this for wildlife.  
- Visit, spend time and be active in local green and blue spaces.  
- Volunteer for projects that protect or improve the environment in your local area. | - City of Trees – develop, embed and support delivery of a Greater Manchester Tree and Woodland Strategy, contribute to 3m tree planting target and increase volunteering and engagement.  
- Environment Agency – explore the development of a Natural Capital Plan for Greater Manchester and work with United Utilities to deliver the benefits of its investment across the Irwell and Upper Mersey catchments.  
- Greater Manchester Health and Social Care Partnership – ensure that their approach to developing a Greater Manchester Population Health system understands the importance of the natural environment as a key wider determinant of health, and seeks to ensure that action undertaken is reflective of that understanding; promote the health benefits of green space and maximise the opportunities to incorporate this into their programmes.  
- Lancashire Wildlife Trust – support delivery of the Greater Manchester Wetlands Nature Improvement Area and increase the number of people engaged with nature.  
- Natural England – identify peatland restoration opportunities, new Great Crested Newt licensing scheme, lead developing biodiversity net gain guidance and explore application of green infrastructure standards and establishing of a nature recovery network.  
- Royal Horticultural Society – inspire more of Greater Manchester’s residents to get involved in gardening and improving their local environments, working in partnership with other community growing projects  
- United Utilities – invest £300m at waste water treatment works to improve river quality (2015-2020) and implement further planned improvements in 2020-2025 |

<table>
<thead>
<tr>
<th><strong>Businesses and other organisations</strong></th>
<th><strong>Local policy</strong></th>
</tr>
</thead>
</table>
| - Manage any gardens or land for wildlife  
- Put in place green roofs and/or green walls and/or plant trees  
- Invest in Greater Manchester’s natural environment  
- Promote environmental volunteering amongst your employees | - Continue the work of the urban pioneer, embedding a natural capital approach into strategy and plan development.  
- Support peatland restoration as part of Resilience Strategy.  
- Support the delivery of a biodiversity net gain approach in new development.  
- Support the development of a Greater Manchester Environment Fund.  
- Support the implementation of the Natural Capital Investment Plan (subject to approval) to increase private sector and alternative sources of funding.  
- Launch a programme of innovative funding mechanisms to deliver increased investment in nature-based adaptation solutions (subject to approval). |

<table>
<thead>
<tr>
<th><strong>Landowners and farmers</strong></th>
<th><strong>Local Authorities</strong></th>
</tr>
</thead>
</table>
| - Enter into agri-environment agreements to fund environmental improvements on your land  
- Access additional funding to create or restore ponds through new District Licencing scheme for great crested newts | - Build natural capital into projects to maximise the value that the environment brings including on estates and land. |
Priority 1 – Managing our land sustainably, including planting 1m trees by 2024

Scale of the challenge – “SCATTER GM” pathway 2040:
- Plant 3m trees by 2035, and a further 1-2m by 2050.
- Restore 50-75% of our peatlands.

What do we need to do?

Whilst the sustainable management of Greater Manchester’s extensive areas of open countryside is enormously important, we also need to make sure that there is an appropriate scale, type, quality and distribution of urban green space that can support a high quality of life and other important environmental and ecosystem services. These make a huge contribution to quality of life, promote good mental and physical health, create liveable places, improve our resilience to climate change and support economic growth. To ensure we continue to receive these benefits now and into the future, we must seek to protect, maintain and enhance our green features.

Our land also plays a critical role in adapting to and mitigating the impacts of climate change. Our trees and peatlands are important in taking up and storing CO₂.

Where are we now?

Outside of urban areas, over 7,000 hectares (or 5.6% of the city-region’s total land area) of land is managed under agri-environment agreements, which provide funding for farmers, woodland owners, foresters and land managers to make environmental improvements to land. Alongside this, a number of partnerships and programmes are delivering projects to protect, maintain and enhance our green features across Greater Manchester. For peatland restoration these include the Great Manchester Wetlands Nature Improvement Area, the Carbon Landscape Programme and Moors for the Future. Peatland restoration will also be a key theme within the Greater Manchester Resilience Strategy 2030 and further work is required to identify opportunities for further peatland restoration and their contribution to reducing CO₂ emissions. City of Trees has a target to plant at least 3 million trees in Greater Manchester over the next 25 years as Greater Manchester’s contribution to the Northern Forest. Whilst new planting will be essential, it will also be important to maintain and manage existing trees and woodland which will be reflected as part of the emerging Greater Manchester Tree and Woodland Strategy.

Greater Manchester is also developing its own access to green space (ANGSt) and Green Infrastructure standards to ensure there is sufficient quantity and quality of green features to meet the needs of residents. A number of initiatives are being delivered at a local level within the urban areas, including community food growing projects led by the Royal Horticultural Society, the Kindling Trust and other gardening/community growing organisations.

What do we need to do over the next 5 years?

Residents – what we can do now:

If you have a garden or an allotment, manage this for wildlife. This includes avoiding the use of artificial grass and paving over your garden. Advice on how to make your garden wildlife
friendly is available online, including from the Wildlife Trusts (https://www.wildlifetrusts.org/gardening), RHS (https://www.rhs.org.uk/get-involved/wild-about-gardens) and RSPB (https://www.rspb.org.uk/birds-and-wildlife/advice/gardening-for-wildlife/) or, if you are interested in tree planting, from City of Trees (http://www.cityoftrees.org.uk/about-city-trees).

Businesses and organisations – what we can do now:

If your premises has a garden or land that you are responsible for managing, manage it for wildlife. Advice on how to make your garden wildlife friendly is available online, including from the Wildlife Trusts (https://www.wildlifetrusts.org/gardening), RHS (https://www.rhs.org.uk/get-involved/wild-about-gardens) and RSPB (https://www.rspb.org.uk/birds-and-wildlife/advice/gardening-for-wildlife/) or, if you are interested in tree planting, from City of Trees (http://www.cityoftrees.org.uk/about-city-trees).

If your premises has a roof or you lease your premises and can influence your landlord, explore putting in place green roofs and/or green walls and/or plant trees, helping to cool urban areas and create homes for wildlife.

Landowners and farmers:

If you are a farmer, woodland owner, forester or land manager, funding is available to make environmental improvements on your land through the Countryside Stewardship Scheme (https://www.gov.uk/government/collections/countryside-stewardship-get-paid-for-environmental-land-management/). Support and advice from conservation charities, such as RSPB and the Wildlife Trusts and from City of Trees on tree planting and woodland management (http://www.cityoftrees.org.uk/).

Additional funding will be available to landowners to create or restore ponds through new District Licencing scheme for great crested newts.

City of Trees (CoT):

CoT will continue to develop the Greater Manchester Tree and Woodland Strategy and work with partners to embed it at a local level in policy and to then support its delivery. This includes woodland management and widespread tree planting to contribute to Greater Manchester’s initial 3m target as part of the Northern Forest; as well as tree planting in towns and cities to increase the resilience of our urban centres. The growing Citizen Forester programme will greatly increase volunteering and engagement opportunities in the natural environment for individuals, communities and businesses.

Natural England (NE):

NE will work with partners to identify restoration opportunities for our upland and lowland peatlands including on-going support for the Greater Manchester Wetlands Nature Improvement Area and Carbon Landscape Programme. NE will also deliver a new scheme for Great Crested Newt Licencing which will support pond restoration and creation across Greater Manchester.
Royal Horticultural Society (RHS):
The RHS will inspire more residents to get involved in gardening and improving their local environments, including through campaigns like Britain in Bloom and the Campaign for Schools Gardening, and through partnerships with other community growing projects. This will include supporting residents and landowners, highlighting the health and wellbeing benefits of gardening and engaging with nature and making these benefits available to local residents through social prescribing.

Local Authorities:
GMCA and LA will embed a natural capital approach, including on their estates and land.

Local policy:
GMCA and LAs will embed a natural capital approach into strategy and plan development.
GMCA and LAs will support peatland restoration approaches and provide a clear framework for approach and delivery as part of the development of a Resilience Strategy.

Priority 2 – Managing our water and its environment sustainably

Where do we need to get to?
There are over 2400 km\(^2\) of rivers within Greater Manchester, in addition to over 150 km of canals, which provide a unique opportunity to contribute to the quality of the local natural environment. By 2027, waterbodies within Greater Manchester will be expected to have achieved required environmental targets and support cleaner water, better managed habitats and more naturally functioning and resilient water bodies\(^24\). At the same time, population growth, new development and climate change will place increasing pressure on Greater Manchester’s drainage and sewerage systems as well as flood defences. There will need to be a shift to more nature-based solutions (e.g. natural flood management) to support traditional flood alleviation schemes and catchment-wide approaches in upland and more rural areas. In the urban areas, we will need to promote combined sustainable drainage solutions which will be essential to improving local water quality, mitigating flood risk and heat stress as well as providing additional benefits such as biodiversity and greenspace.

Where are we now?
Over 70% of waterbodies in Greater Manchester bear little resemblance to their natural state. Since the start of the industrial era they have either been straightened, de-naturalised and, in many cases, buried. In ecological terms, over 90% of waterbodies in Greater

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\(^{23}\) Source: Environment Agency

\(^{24}\) The EU Water Framework Directive covering water quality aims to ensure that all water bodies reach “good ecological status” by 2027.
Manchester fail to meet their objectives under legislation, with most only reaching ‘moderate’ status.

United Utilities’ on-going programme of 5-year investment plans and enhanced regulation by the Environment Agency are tackling water quality issues whilst 4 catchment partnerships across Greater Manchester are delivering improvements at the local level. This is supported by “Natural Course,” an EU Life Integrated Project which includes a focus on the River Irwell Catchment. Further work is required to support organisations to come together and build capacity to deliver more innovative and integrated water management solutions to tackle issues such as diffuse pollution. The EU Urban Innovation Action funded IGNITION project (subject to approval) will look at ways of drawing in private investment to make urban areas more resilient to climate change through interventions such as sustainable urban drainage.

What do we need to do over the next 5 years?

**Environment Agency (EA)**

The EA will work with UU to deliver the benefits of the Water Company Investment Programme across the four catchments within Greater Manchester.

**United Utilities (UU)**

As the company managing the water and waste water network in Greater Manchester, UU is a key partner in this priority. UU is committed to protecting and enhancing habitats and wildlife across their operations to have a positive impact on the natural environment. They are committed to continue working with partner organisations across Greater Manchester to fundamentally change how they work together to deliver environmental investment. Targeted investment over the most recent five year business plan (2015-2020) has seen investments of over £300m being spent at waste water treatment works in Greater Manchester to improve river water quality. They have further planned improvements as part of their 2020-2025 business plan, which will be developed with Ofwat by the end of 2019.

**Priority 3 – Achieving a net gain in biodiversity for new development**

**Where do we need to get to?**

In addition to a range of important sites designated for their high nature conservation value, biodiversity is supported by a wider network of green spaces. With better investment and management to improve the quality and quantity of air, land and water, we could also increase biodiversity across Greater Manchester.

If we are to achieve our ambitions, new developments will need to deliver a net gain in biodiversity. We are focused on biodiversity net gain as a first step towards setting a framework for wider environmental net gain, which could include managing flood risk or access to the green space.

We also need a wider strategy for nature recovery, including habitat restoration and creation, and the transformation of broad landscape areas into diverse and interconnected ecological networks. This could be achieved through development of a Greater Manchester Nature Recovery Network.
Where are we now?

The current planning approach is one of no net environmental loss. This needs to shift to an environmental net gain principle for development with an aim to safeguard and enhance our green and blue infrastructure. Natural England is leading on developing an approach for embedding a biodiversity net gain into the planning system, ensuring new developments are having a positive environmental impact and not resulting in net loss of biodiversity (and the ecosystem services they provide). Biodiversity net gain is the first step towards embedding an environmental net gain approach for Greater Manchester. Guidance is required to support developers and local planning authorities to implement these requirements.

What do we need to do over the next 5 years?

### Natural England (NE)

NE will lead the development of Biodiversity Net Gain Guidance for Greater Manchester supporting the policy set out in the Greater Manchester Spatial Framework. Linking to wider net gain and green infrastructure policies, NE will explore with partners how the national framework of green infrastructure standards being developed can be applied in Greater Manchester. NE will also explore the establishment of a Nature Recovery Network.

### Local policy:

GMCA and LA will support the delivery of biodiversity net gain through the Greater Manchester Spatial Framework.

### Priority 4 – Increasing investment into our natural environment

Where do we need to get to?

How protection and enhancement of our natural environment is funded needs to change. We need to mobilise existing and new sources of funding to increase investment in our natural environment from private sector and alternative sources that, as well as resulting in a positive impact on the environment, also provide a return to the investor.

Where are we now?

Outside the public sector, investment in natural capital has traditionally drawn upon philanthropic sources such as trusts and foundations, NGOs and lottery funds. To address this, the Greater Manchester Natural Capital Investment Plan\(^\text{25}\) aims to broaden the range of potential sources of investment in natural capital, increasing their accessibility to attract potential investors. The plan recommends a number of time-bound actions to deliver the investment plan. This includes setting up an Investment Readiness Fund as well as a Project Delivery Unit to support the delivery of a range of natural capital projects. In the first instance this will focus on nature-based adaptation projects at the larger scale through the European Union Urban Innovation Action funded IGNITION project (subject to approval). GMCA is also supporting the development of a Greater Manchester Environment Fund which would

\(^{25}\) [https://greatermanchester-ca.gov.uk/what-we-do/environment/natural-capital/](https://greatermanchester-ca.gov.uk/what-we-do/environment/natural-capital/)
provide the opportunity to invest in projects delivering environmental benefits across Greater Manchester.

What do we need to do over the next 5 years?

**Businesses – what we can do now:**

Invest in Greater Manchester’s natural environment (see: [https://naturegreatermanchester.co.uk/project/greater-manchester-natural-capital-investment-plan/](https://naturegreatermanchester.co.uk/project/greater-manchester-natural-capital-investment-plan/)).

**Local policy:**

GMCA and LA will support the development of a Greater Manchester Environment Fund to increase other sources of investment in the natural environment.

GMCA and LA will support the implementation of the Natural Capital Investment Plan to increase private sector and alternative sources of funding for a range of natural capital projects.

Subject to formal approval, GMCA and LAs will establish a programme of innovative funding mechanisms to deliver increased investment in nature-based adaptation solutions as part of the IGNITION project (subject to approval) (see section 3.3.6).

**Priority 5 – Increasing our engagement with our natural environment**

**Where do we need to get to?**

We need to further develop a natural capital approach in the development of strategies, plans and projects and at the same time widen our engagement to increase the number of us valuing and connecting with the natural environment. This includes building on and using the evidence to understand the wider benefits and value that our natural environment provides to society.

**Where are we now?**

Further work is required to encourage the use of natural capital as a tool, with a more green and blue infrastructure led design approach, to become common-place in key choices and decision making, to give due regard to the environment as an asset to the overall economy and people’s health. With the Urban Pioneer Programme due to draw to a close in March 2020, we need to explore whether we should develop a natural capital plan for Greater Manchester as a continuation, building on the natural capital approach we have developed, including our natural capital accounts.26

There is growing awareness, backed by on-going research, that we are increasingly recognising the social, health, environmental and economic benefits that nature can deliver, particularly in city-regions. In addition to the wider range of community led activities in

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26 [https://naturegreatermanchester.co.uk/resource/gmnaturalcapitalaccounts/](https://naturegreatermanchester.co.uk/resource/gmnaturalcapitalaccounts/)
Greater Manchester, key initiatives such as the Natural Capital Groups “connecting people with nature” website, City of Trees’ “Citizen Forester” programme and Lancashire Wildlife Trust’s “My Wild City” campaign are delivering new engagement approaches with the public and other stakeholders to celebrate and protect nature.

What do we need to do over the next 5 years?

Residents – what we can do now:
Visit, spend time and be active in our green and blue spaces. There are many parks, green spaces, riversides and canals (see: https://naturegreatermanchester.co.uk/discover/), as well as over 90 local nature reserves in Greater Manchester that you could visit (see: https://designatedsites.naturalengland.org.uk/)

Volunteer for projects that protect or improve the environment in your local area (see here for a list of organisations you could help: https://naturegreatermanchester.co.uk/get-involved/).

Businesses and organisations – what we can do now:
Promote environmental volunteering amongst your employees – a list of potential organisations you could partner with is available here: https://naturegreatermanchester.co.uk/get-involved/.

City of Trees (CoT):
CoT’s growing “Citizen Forester” programme will greatly increase volunteering and engagement opportunities in the natural environment for individuals, communities and businesses.

Environment Agency (EA):
The EA will work with GMCA and other partners to explore the development of a Natural Capital Plan for Greater Manchester to build on the work of the Urban Pioneer.

Greater Manchester Health and Social Care Partnership (GMHSCP)
GMHSCP will ensure that their approach to developing a Greater Manchester Population Health system understands the importance of the natural environment as a key wider determinant of health, and seeks to ensure that action undertaken is reflective of that understanding. They will promote the health benefits of green space to their staff, patients and the wider community and will maximise the opportunities to incorporate this into their programmes such as, but not exclusive to, those relating to Person and Community Centred Approaches (PCCA), Physical Activity, Mental Wellbeing and Clean Air. Where possible, GMHSCP will maximise the availability of green and natural areas on estates.
The Lancashire Wildlife Trust (LWT):

LWT will support the delivery of Greater Manchester Wetlands Natural Improvement Area. This essential network of wildlife corridors will provide the stepping stones to link biodiversity across the landscape and allow wetland habitats to thrive and survive. This work also includes the Carbon Landscape Project, delivering £3m of community, skills, education, heritage, access and habitat restoration and connection projects over 5 years and the My Wild City Project, increasing the number of people engaged with nature.

Royal Horticultural Society (RHS):

The RHS will help to inspire and train the next generation of horticulturalists at Bridgewater by hosting up to 7,000 free school visits per year, by creating hundreds of opportunities for volunteering, and up to 20 apprenticeships and traineeships at a time.

Local policy:

GMCA and LA will, with the support of partners, develop a natural capital stakeholder engagement programme. This will aim to engage more people in the natural environment and increase the understanding and use of natural capital as an approach amongst key stakeholders and in wider plans, programmes and projects.

What do we need from national government across these 5 priorities?

Meeting our ambition and increasing the multiple benefits that come from investment in our natural environment require long-term sustainable funding. We need commitment from government on increasing public funding into the natural environment, as well as catalysing private investment in natural capital at a national scale.
3.3.6 Our resilience and adaptation to climate change

Summary

We are already experiencing impacts from a rapidly changing and increasingly extreme climate. These impacts are projected to increase over time and risk holding back our efforts to deliver our wider ambition to make our city-region one of the best places in the world to grow up, get on and grow old.

We need to continue to enable our citizens, communities, businesses and infrastructure to have the capacity to survive, adapt and grow in the face of these challenges. Resilience is therefore about how our city-region can meet its ambitions whilst ensuring it is safe and secure, is addressing its key vulnerabilities and can meet expected or unexpected disruptive challenges. These efforts and investments need to be underpinned by robust action on climate adaptation to protect the most vulnerable communities (who are often the most exposed and least able to deal with climate change impacts), our economy, key infrastructure and our natural environment.

We face challenges in doing this, including in understanding the exact level and location of risk, in embedding resilience across wider policies and the complexity of the landscape of public and private investment and services across numerous organisations. To start to address these challenges, we need to ensure that, as a result of any activities, we do not increase the level of climate risk faced by future generations and work in way which proactively reduces climate risks and increases our resilience. Turning this ambition into a reality will represent a step change in our climate adaptation and resilience approach across a wider range of stakeholders within the city-region.

Figure 11 – Surface water flood risk across Greater Manchester (1 in 100 AEP event)

Source: Greater Manchester Strategic Flood Risk Management Framework

Summary of our priorities – resilience and adaptation to climate change

<table>
<thead>
<tr>
<th>Priority 1:</th>
<th>Priority 2:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Embedding climate change resilience and adaptation in all policies</td>
<td>Increasing the resilience of and investment in our critical infrastructure</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Priority 3:</th>
<th>Priority 4:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing a prioritised programme of nature-based climate adaptation action</td>
<td>Improving monitoring and reporting</td>
</tr>
</tbody>
</table>
## Summary of our actions – resilience and adaptation to climate change

### Residents
- Check if you are at risk of flooding and sign up for flood warnings
- If in a flood risk area, make your home more resilient
- Check if you have the right level of insurance
- In extremely hot weather, look after yourself and neighbours/more vulnerable
- Use water efficiently and install a water meter

### Businesses and other organisations
- Check if you are at risk of flooding and sign up for flood warnings
- If in a flood risk area, make your premises more resilient and link up with neighbouring properties
- Check if you have the right level of insurance
- Put in place green roofs and/or green walls and/or plant trees
- Use water efficiently and install a water meter

### Other key partners
- **United Utilities** – deliver £100-250m of additional investment for long-term resilience projects (2015-2020) and manage drought (as per 2018 Drought Plan)
- Other infrastructure providers – support the development of the Resilience Strategy
- **Environment Agency** – manage government investment of £46m by 2021, protecting over 1,300 properties

### What we need from government policy
- Continued and increased funding to support the flood and coastal risk management programme

### Local policy
- Develop a Resilience Strategy, with a roadmap published in 2019
- Undertake a Strategic Flood Risk Assessment to ensure future growth aspirations consider flood risk
- Implement proposals to manage flood risk and the water environment in new development
- Develop an Infrastructure Strategy to address our key infrastructure challenges relating to flood risk and resilience
- Development by 2021 an investment strategy for future flood risk infrastructure
- Subject to formal approval, GMCA establish a programme of innovative funding mechanisms to deliver increased investment in nature-based adaptation solutions (INGITION)
- Consider the development of appropriate indicators to monitor and evaluate how prepared we are for the future impacts of climate change
Priority 1: Embedding climate change resilience and adaptation in all policies

Where do we need to get to?

We need to build on the work already undertaken to develop our experience of adaptation and resilience so that it becomes embedded across all strategy and policies. This will ensure all activities, no matter their aims, result in Greater Manchester becoming more resilient.

Where are we now?

GMCA is partnering with 100 Resilience Cities (pioneered by the Rockefeller Foundation) to develop the city-region’s first holistic Resilience Strategy. This will support us becoming more resilient to the shocks (catastrophic events like storms, pandemics and floods) and stresses that weaken our capacity of a city-region to deal with the challenges we may face, like skills shortages, population growth, homelessness, and unemployment. A roadmap for addressing the city-region’s most pressing and interconnected challenges will be published in 2019.

To understand the challenges of flood risk and future climate change pressures on growth across the city-region, a Strategic Flood Risk Assessment is being undertaken to support the Greater Manchester Spatial Framework. This will look to widen our understanding of critical knowledge gaps, new climate change projections and start to identify strategic flood risk management opportunities. The Greater Manchester Spatial Framework also outlines a policy approach for resilience, flood risk (including Sustainable Drainage Systems), urban greening and wider adaptation/mitigation to make sure all future development and planning decisions takes this into consideration.

What do we need to do over the next 5 years?

| Local policy: |
| GMCA will develop a Resilience Strategy, setting out a clear approach to resilience across Greater Manchester. A roadmap will be produced in 2019. |
| GMCA and LAs will undertake a Strategic Flood Risk Assessment to provide the evidence base to ensure future growth aspirations consider flood risk appropriately. This will be completed in two levels – Level 1 in 2019 and Level 2 in 2019/20. |
| GMCAs and LAs will implement a policy framework to manage flood risk and the water environment in new development through the Greater Manchester Spatial Framework. |

Priority 2 – Increasing the resilience of and investment in our critical infrastructure

Where do we need to get to?

Our critical infrastructure (including transport, homes, energy and green infrastructure) needs to withstand future climate change impacts to ensure our growth aspirations are realised and productivity levels are not impeded. We need to improve our understanding of the reliance on our infrastructure networks and deliver improvements in their individual and collective resilience. This will require an understanding of the synergies and links between different stakeholders and interdependencies of infrastructures, in particular, how we can
join up to encourage action on climate change. We also need to ensure that the critical flood risk infrastructure that is required to protect the wider city-region and its residents is prioritised as part of wider investment plans and strategies.

Where are we now?

Investment in flood risk infrastructure has provided additional protection to almost 11,000 properties, including from assets built and maintained by the Environment Agency. A large majority of these are from operational work in clearing debris screens to prevent blockage of historic culverts across South Manchester (5800) with the remainder from formal assets such as walls, embankments, control structures and pumping stations at key locations (e.g. Salford and Mersey Flood basins).

However, there is still significant investment required to ensure the standards of protection afforded residents is increased. Remaining capital projects within the Flood Risk and Costal Management programme (2015-2021) for Greater Manchester will be looking to protect over 1300 homes and Environment Agency projects alone are estimated to be in the region of over £46 million. Beyond this programme, further projects will need to be developed to protect over 10,000 properties at a current estimated cost in the region of £230 million. Funding of these will require partnership contributions to be eligible for government funding and we will need to work collaboratively to identify an investment strategy to facilitate this.

Resilience of other critical infrastructures (e.g. transport, energy and green infrastructure) is essential for Greater Manchester to continue to grow as a successful city-region. Physical infrastructure is owned and managed by a wide range of organisations, at local and national levels. The management of these systems, and their interconnections, can make it difficult for infrastructure to respond to change. For these reasons, the GMCA has committed to produce a holistic, cross-sector Infrastructure Strategy. The first step towards this has been the development of an overarching Infrastructure Framework to set the key issues and priorities that need to be addressed.

In terms of water supply, there are no deficits forecast for Greater Manchester and, despite population and economic growth, there is expected to be a reduction in potable water demand over time, which we all need to take action to help realise.

What do we need to do over the next 5 years?

GM Residents – what we can do now:

Check if you are in an area at risk of flooding and sign up for flood warnings (Visit: https://www.gov.uk/check-flood-risk).

For properties in flood risk areas, think about measures to make your home more resilient such as installing flood gates, fitting pumps or raising vulnerable electrics (Visit: https://www.gov.uk/government/publications/prepare-your-property-for-flooding).

Check if you have the right level of insurance. Further advice can be found on the National Flood Forum (Visit: https://nationalfloodforum.org.uk/working-together/working-with-professional-partners/flood-information-advice-services/).

In extremely hot weather think about measures to keep temperatures down and supporting family members/neighbours who are more vulnerable. The NHS has produced a free guide


Consider installing a water meter – it could significantly reduce your water bill (Visit: https://www.unitedutilities.com/my-account/all-about-water-meters/).

**GM Organisations and Businesses – what we can do now:**

Check if you are in an area at risk of flooding and sign up for flood warnings (Visit: https://www.gov.uk/check-flood-risk).

For properties in flood risk areas think about resilience measures to protect both the building and stock and write a flood plan. You may wish to invest in flood protection measures by linking up with neighboring properties. (Visit: https://www.gov.uk/government/publications/prepare-your-property-for-flooding).

Check if you have the right level of insurance. Further advice can be found on the National Flood Forum. (Visit: https://nationalfloodforum.org.uk/working-together/working-with-professional-partners/flood-information-advice-services/).


If you can, consider installing a water meter – it could significantly reduce your water bill (Visit: https://www.unitedutilities.com/my-account/all-about-water-meters/).

**United Utilities:**

As a risk management authority, United Utilities has a major role in managing flood risk to water supply and to their own infrastructure. Specifically:

- United Utilities' business plan commits to delivering additional investment (from £100million to £250million) for long-term resilience projects through Asset Management Period 6 (AMP6) between 2015-2020.
- United Utilities will manage drought (as outlined within the Drought Plan 2018) to ensure the right balance between water supply and environmental protection.

**Other Infrastructure Providers:**

Through the Greater Manchester Infrastructure Framework, there is a commitment that other infrastructure providers will support the resilience strategy to understand what is required to make sure our ‘infrastructures’ and the interdependences between them are resilient. Many of these providers are also required under the 2008 Climate Change Act to periodically report on how they are addressing current and future climate risks to Government.
Environment Agency:
The Environment Agency will continue to manage the government’s investment programme to reduce flood risk and coastal erosion. This includes project delivery and allocation of funding to lead local flood authorities. The current programme is due to end in 2021 and will seek to deliver schemes to protect just over 1300 properties with Environment Agency led schemes alone costing just over £46 million. Beyond this, a new programme will need to be agreed with the North West Regional Flood and Coastal Committee in collaboration with other Risk Management Authorities.

Local Authorities:
GMCAs and LAs will look to invest in the resilience of their infrastructures and building stock where supported by evidence. In their role as Lead Local Flood Authority, LAs will be responsible for the delivery of projects allocated to them within the flood risk investment programme.

Local Policy:
GMCA and LAs will collaborate with infrastructure providers to develop a Greater Manchester Infrastructure Strategy. This will build on and address the key challenges set out in the Infrastructure Framework published in January 2019, which included infrastructure maintaining and/or reducing flood risk and it being resilient to future shocks and stresses.

GMCA and LAs will develop an investment strategy for future flood risk infrastructure. This will deliver a key aim from the Infrastructure Framework to support future growth and consider standards of protection required for Greater Manchester.

Priority 3: Implementing a prioritised programme of nature-based climate adaptation action

Where do we need to get to?
Underpinned by risk assessment and climate adaptation planning, we need to develop, agree and embed a programme of action based on urban green infrastructure (or nature based solutions) to combat over-heating (provision of shade and evaporative cooling) as well as the flow of excess water caused by extreme weather events. Nature-based solutions have wider benefits, helping to improve air quality, biodiversity, attractiveness of places as well as the health and well-being of citizens.

Where are we now?
Through the IGNITION project (subject to formal approval), part of a European Commission initiative to identify and test new solutions related to sustainable urban development, the GMCA and its partners will seek to establish innovative Nature Based Solutions funding and delivery mechanisms to increase Greater Manchester’s urban green infrastructure coverage by 10% by 2038.
What do we need to do over the next 5 years?

**GM Organisations and Businesses – what we can do now:**

If your premises has a roof or you lease your premises and can influence your landlord, explore putting in place green roofs and/or green walls and/or planting trees, helping to cool urban areas and create homes for wildlife.

**Local policy:**

Subject to contracting, GMCA and LAs will establish a programme of innovative funding mechanisms to deliver increased investment in nature-based adaptation solutions. The project (IGNITION) would conclude by 2022 and is part of the wider approach to securing greater investment in our natural environment (see section 3.3.5)

**Priority 4 – Improving monitoring and reporting**

Where do we need to get to?

Monitoring and evaluation is critical, so that we can identify how best to reduce vulnerability and build resilience to climate change. This is complex, so clear indicators need to be developed to understand how Greater Manchester is prepared for future impacts and that this can be monitored over the long term.

Where are we now?

We need to consider further the development of a number of appropriate indicators, continuing in partnership with the Rockefeller 100 Resilient Cities progress. The IGNITION project (subject to formal approval) will also include monitoring and evaluation of the climate resilience impact of the programmes of nature based solutions that are developed.

What do we need to do over the next 5 years?

**Local policy:**

As part of the development of the Resilience Strategy and IGNITION project, GMCA and LAs will consider the development of appropriate indicators to monitor and evaluate how prepared we are for the future impacts of climate change.
4. HOW WILL WE TRACK PROGRESS?

GMCA will report annually on progress with delivering the plan on behalf of Greater Manchester against a set of key indicators drawn from existing data. This will be aligned to reporting against the priorities set out in the Greater Manchester Strategy. GMCA and LAs will continue to work with partners to explore which existing datasets can allow progress against this plan to be tracked in the most robust and transparent way possible.

For commitments made by GMCA, LAs and others in this plan relating to their operations, governance arrangements will be established to track and report on progress in a coordinated way across organisations.

A list of potential measures is set out below, which will be further developed as set out in the relevant parts of the plan.

**Measuring progress against our aims:**

<table>
<thead>
<tr>
<th>Aim</th>
<th>Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>CO₂ emissions produced within the city-region (BEIS data produced 18 months in arrears)</td>
</tr>
<tr>
<td>2</td>
<td>Concentrations of NO₂ and PM</td>
</tr>
</tbody>
</table>

**Measuring progress against our priorities:**

**Our energy supply:**

<table>
<thead>
<tr>
<th>Priority</th>
<th>Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Additional renewable capacity created within Greater Manchester (MW)</td>
</tr>
<tr>
<td>2</td>
<td>Additional energy from low carbon heat sources (TWh)</td>
</tr>
<tr>
<td>3</td>
<td>Number of rapid charge points installed</td>
</tr>
<tr>
<td>4</td>
<td>Amount of flexible and diverse load available (MW)</td>
</tr>
</tbody>
</table>

**Our transport and travel:**

<table>
<thead>
<tr>
<th>Priority</th>
<th>Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ratio of journeys made by car to those made by sustainable modes of travel</td>
</tr>
<tr>
<td></td>
<td>Proportion of all journeys made by cycling and walking</td>
</tr>
<tr>
<td>2</td>
<td>Total number of plug-in vehicles registered licensed in Greater Manchester</td>
</tr>
<tr>
<td></td>
<td>Number of rapid charge points installed</td>
</tr>
<tr>
<td>3</td>
<td>Proportion of new buses entering the fleet that are zero emissions</td>
</tr>
<tr>
<td>3</td>
<td>Proportion of the total bus fleet that are zero emissions</td>
</tr>
</tbody>
</table>

**Our homes, workplaces and public buildings:**

<table>
<thead>
<tr>
<th>Priority</th>
<th>Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Energy Performance Certificate ratings of homes</td>
</tr>
<tr>
<td></td>
<td>Number of whole house retrofits carried out</td>
</tr>
<tr>
<td>2</td>
<td>Display Energy Certificate ratings of public buildings</td>
</tr>
</tbody>
</table>

**Our production and consumption of resources:**

<table>
<thead>
<tr>
<th>Priority</th>
<th>Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Increased resource efficiency (GVA) - to be further developed as part of this plan</td>
</tr>
</tbody>
</table>
## Our natural environment:

The Greater Manchester Natural Capital Group will develop and refine how we measure change in our natural environment which will include consideration of the following.

<table>
<thead>
<tr>
<th>Priority</th>
<th>Measures</th>
</tr>
</thead>
</table>
| 1        | Peatland restoration and management for carbon sequestration – *to be developed further as part of this plan*  
Number of trees planted  
Tree canopy cover  
People living within the Natural England ANGST Standards\(^{28}\) |
| 2        | Kilometres of waterbodies enhanced |
| 3        | *To be developed further as part of the Greater Manchester Spatial Framework* |
| 4        | Non-public investment secured in implementing the Natural Capital Investment Plan |
| 5        | Engagement of people with the natural environment (MENE survey\(^{29}\)) |

## Our resilience and adaptation to climate change:

As part of the development of the actions within this plan, GMCA and LA will consider the development of appropriate indicators to monitor and evaluate how prepared we are for the future impacts of climate change. Sources of information include the following:

<table>
<thead>
<tr>
<th>Priority</th>
<th>Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Number of planning permissions granted contrary to EA advice on flood risk</td>
</tr>
<tr>
<td>2</td>
<td>Number of households moved to a lower probability flood risk category</td>
</tr>
<tr>
<td>3</td>
<td>Uplift in urban green infrastructure – <em>to be developed as part this plan</em></td>
</tr>
</tbody>
</table>

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5. WHAT SHOULD BE OUR APPROACH?

5.1 Our overall approach

Across the different environmental aims we have set and the actions we all need to take, we need to maximise the positive impacts on our people, economy and places, delivering economic, social and environmental benefits together in a mutually reinforcing way. This will require us all to take new approaches, across areas such as innovation and funding, to tackling the challenges we face.

5.2 Delivering environmental, economic and social benefits together

This approach is supported in the findings of the Independent Prosperity Review\(^30\), which recommended that we ensure that, in delivering carbon neutral living within Greater Manchester by 2038, the benefits to the economy and to health and quality of life in the city-region are optimised.

5.2.1 Optimising the economic benefits

As set out in the government’s Clean Growth Strategy\(^31\), in order to deliver environmental, economic and social objectives together, we need to nurture cost effective low carbon technologies, processes and systems. This also applies to our natural environment, where the economic benefits that flow from the natural assets have only recently begun to take greater prominence in policy and to be calculated (as set out in the government’s 25 Year Environment Plan\(^32\)).

Careful implementation of our approach is needed so that achieving our aims does not act as a constraint on economic growth, particularly as the economy’s reliance on carbon is diminished. Taking this approach will minimise costs of services, particularly energy, to our households and businesses.

We can secure first mover advantage from accelerating the transition to a low carbon economy. We already have a diverse and thriving Low Carbon Environmental Goods and Services (LCEGS) sector, which has the potential to grow further if we achieve the aims set out in our plan. It employs over 45,000 people, has annual sales of £6.7bn and growth of 6.3%, outperforming the UK average to be ranked 3\(^{rd}\) in the UK\(^33\). The sector will be integral to achieving our aims and will need to grow and adapt in order to do this, for example, in supporting the upscaling or renewable energy generation, in delivering extensive retrofit to Greater Manchester’s homes and commercial/public buildings and in investing in improving our natural environment.

There are also costs of not acting. For example, extreme weather has a large impact on health services. The 2003 heatwave cost the NHS £41.4m and the economy more widely £399.8m. It is estimated that the health and social care costs of air pollution in England could reach £5.3 billion by 2035 unless action is taken. Increasing number and intensity of extreme weather events can damage health facilities and infrastructure putting health systems under

\(^{30}\) [https://www.greatermanchester-ca.gov.uk/what-we-do/economy/greater-manchester-independent-prosperity-review/](https://www.greatermanchester-ca.gov.uk/what-we-do/economy/greater-manchester-independent-prosperity-review/)


intense pressure. Moreover, the main health effects of flooding are often on mental rather than physical health. Failure to act quickly will exacerbate existing national health challenges, place undue financial strain on the NHS, and worsen health inequalities both within the UK and internationally.

### 5.2.2 Optimising the health and social benefits

We know that environmental actions provide significant health benefits for our population (see Figure 12 below) including cleaner air/water, healthier diets, sustainable economies, social cohesion and decreased pressures on our health system. Implementing this plan will also allow us to address health inequalities and do our part to promote intergenerational equity.

Wherever possible, this plan must interlink with prevention and health improvement efforts across Greater Manchester through LA public health teams, Public Health England and the Greater Manchester Health and Social Care Partnership. Efforts must be focused on addressing health inequalities such as the difference in life expectancy between communities. There is an 18 year gap for men and a 13 year gap for women in healthy life expectancy across Greater Manchester when comparing those areas of highest healthy life expectancy with the lowest. Low income communities are amongst those groups that are more affected by air pollution, whilst other environmental factors such as access to green space and the quality and warmth of housing also have a significant bearing on health.

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34 [https://www.research.manchester.ac.uk/portal/files/56630884/LifeandDevoHealthFundingJunePrePub2017.pdf](https://www.research.manchester.ac.uk/portal/files/56630884/LifeandDevoHealthFundingJunePrePub2017.pdf)
36 [https://naturegreatermanchester.co.uk/resource/gmnaturalcapitalaccounts/](https://naturegreatermanchester.co.uk/resource/gmnaturalcapitalaccounts/)
5.3 Doing things differently

In order to deliver our environmental vision and aims this plan sets out and to close the gap between what is needed and where we are now, we need to take different approaches to the following.

5.3.1 Supporting innovation

We need to work across Greater Manchester to support innovation in key areas, including the below:

- Technology innovation – providing support for the development and testing of new technologies. We need to use and build on our existing capabilities to develop, test and innovate products and services which can then be piloted at scale.
- Integration innovation – blending different technologies, processes and approaches to demonstrate or pilot.
- Delivery Innovation – testing commercial business models for roll out, marketing, engagement and overcoming non-technological barriers.

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38 [http://www.ukhealthalliance.org/health-climate-change/]
In developing the Greater Manchester Local Industrial Strategy, GMCA is working with Government to explore how to create an innovation ecosystem in Greater Manchester which would support all firms to be innovative, supporting the creation of new products and services.

The Greater Manchester Sustainable Business Partnership will collaborate together and in partnership with others and individuals to deliver meaningful change in the city-region over the next 5 years to support our environmental vision. The partnership will demonstrate leadership by focusing on new and innovative actions that support both Greater Manchester’s ambitions and their own business plans, which can best be accelerated by working in partnership at the Greater Manchester scale.

5.3.2 Taking new approaches to finance and funding

Sustainable funding and financing is key to delivery. While urban areas in the UK contribute significantly to CO₂ emissions, their resource base remains week given tax and revenue powers largely reside with national government. This constrains action at the local level and limits the ability of cities to raise and leverage private sources of investment, despite capital being readily available. In Greater Manchester, we therefore need to work across the public and private sector to take more innovative approaches to fund investment (including from private and social investors) in our infrastructure that will deliver our aims, focussing on areas where revenue models for returns on investment are, as yet, unproven.

To support this, Greater Manchester and government will need to identify, develop and implement new long-term sustainable funding models for infrastructure needed to drive inclusive growth and address the problems of long term sustainable infrastructure models.

5.3.3 Building on existing partnerships between the public, private and voluntary, community and social enterprise organisations

Professionals from the wider public continued to participate in shaping this plan during a series of workshops from October 2018 through January 2019. These workshops focused on the thematic areas of Buildings, Energy, and Sustainable Consumption & Production. Practitioners representing universities, public utilities, SMEs, VCSE and others all contributed their practical insights to help contribute knowledge and experience as we developed the key pillars of this plan. To deliver on this plan, we need to continue this engagement, focussed around the actions set out for the next 5 years.

GMCA, LAs and TfGM will continue the engagement from the 2018 and 2019 Green Summits, taking a mission-based approach to convene key stakeholders around the key environmental challenges we face.

5.3.4 Showing leadership

Delivering the vision set out in this plan will require leadership across all parts of our city-region, as individuals in our communities and as employees in our workplaces. It will also require leadership from our private and public sectors.
As individuals and communities, this plan summarises the actions we can all take to be leaders in making our environmental vision a reality.

Our businesses and other organisations have a leading role to play, both in contributing to the delivery of our aims and, for our larger organisations in particular, showing leadership to others. As well as the actions summarised in this plan, we need our businesses and other organisations to commit to monitoring and reducing, where economically viable, their CO₂ emissions in line with the required reductions set out in this plan.

As well as playing their part as organisations (see above), our voluntary, community and social enterprise organisations will remain key to tackling our environment challenges and engaging with a wider group of people to so. This plan can only highlight a small part of their significant contribution this sector already plays in improving our environment.

Our public sector has a leading role to play. This includes national government and, in Greater Manchester, the GMCA, LA, and TfGM, as follows:

- Convening, engaging and educating – see the section below.
- Providing the right policy framework – this includes setting ambition and direction, providing a robust evidence base to inform action and, where the public sector have the policy levers available, setting a policy framework in which others can take action to help meet our aims. Such actions have been outlined throughout this Plan.
- Operations – the public sector should lead by example in putting in place actions to meet our aims. This is most effective in areas the public sector has direct operational and/or financial control over including its assets (e.g. land, buildings, vehicles) procurement and, for LAs, the development it consents. These actions have been outlined throughout this Plan.

Within the public sector, the influence and impact of the health and social care sector is vital to the success of this plan, both in providing relevant health messaging/intelligence about environmental impacts and ensuring we continue to build a sustainable health and care system that works within the available environmental and social resources. The devolution of health and care services and creation of the Greater Manchester Health and Social Care Partnership (GMHSCP) represents an opportunity to embed sustainable development across NHS Trusts and Clinical Commissioning Groups in Greater Manchester and actions for these organisations have been outlined throughout this Plan.

As owners of more than 250,000 of Greater Manchester’s homes, our 25 housing providers (GMHPs) have a leading role to play in delivering this plan, particularly in reducing CO₂ emissions from Greater Manchester’s homes and from their operations.

GMCA and LAs have made a set of commitments relating to the environmental aspects of their operations, as set out in this plan.

The GMHSCP is currently developing its own sustainable development plan based on targets outlined in the NHS Long Term Plan and the NHS England sustainability indicators framework.

GMHPs have committed to act now to accelerate their decarbonisation activities, as set out in this plan.

National government controls some of the most powerful policy levers to influence our environment, including fiscal and legislative measures. This plan sets out where we need further support and action from government to achieve our aims.
5.3.5 Engaging and educating residents, communities and businesses

Who to engage?

Given the need for all of us to take action to achieve the aims in this plan, everyone needs to engage and feel empowered to act and support others to do the same. We need this agenda to become more mainstream, in particular harnessing the potential and enthusiasm of our city-region’s young people, engaging them in the aims and actions this plan sets out.

Workplaces also provide a way of spreading and embedding a low carbon culture. All employers are encouraged to explore schemes, such as that offered by Manchester-based charity The Carbon Literacy Trust, to engage their staff at scale. Existing Carbon Literate employers, such as those at Media City UK and Greater Manchester's social landlords, are also prepared to advise other employers on how this has worked for them.

To support this, the GMCA will make a programme of Carbon Literacy available to all young people through the Greater Manchester Career Portal by early 2020.

Who engages and how?

We need to inform and empower the leaders who communicate with our citizens to inspire people about the need for action and the ways to contribute. This should take both a top-down and bottom-up approach, recruiting advocates from all backgrounds and ages. Most of all, these advocates must be able to explain why the plan is relevant to the people they are talking to.

A substantial, continuous and relevant engagement process needs to be initiated to achieve this. As well as communication campaigns across the public sector and businesses, this could take the form of the innovative Carbon Literacy Project\(^\text{39}\), already employed at scale by various employers and educators across Greater Manchester. Key to this will be the understanding of leaders and communicators of the aims of this plan and how the agenda applies to other key priorities such as health and the economy.

5.3.6 Upskilling our workforce

The right skills will be essential to delivering this plan. These can generally be split into two areas – ‘new green’ sectors (e.g. renewable energy) and existing sectors adopting green skills (e.g. construction).

- New green skills – there is a substantial skills shortage for workers in the new green economy sectors. In some areas, we face a skills “Catch 22” – the employer demand does not exist for the level of skills delivery required by this plan, and at the same time projects for such employers are hampered by the lack of skills. It is therefore imperative to work with institutional and vocational skills providers to ‘pump prime’ the provision of skills appropriate to new green sectors.
- Greening existing skills – the largest example of the skills gap in relation to this plan’s ambitions is in whole house deep retrofit. Courses in sustainable construction exist but are thin on the ground in Greater Manchester – hampered by the situation

\(^{39}\) [http://carbonliteracy.com/](http://carbonliteracy.com/)
referred to above. Rapid action to provide relevant training and ensure that the places are filled is a priority for this plan.

In addition, the GMCA will engage the LCEGS sector in BridgeGM, which links business leaders into schools and colleges, driving a gold standard approach to careers and will develop conversion courses linked to digitalisation to allow residents/employees to retrain and progress in an ever changing labour market.

5.4 Establishing a Clean Growth Mission

To support this, we want to establish a mission-oriented approach to tackling our environmental challenges. This approach involves defining a challenge and then uses this to create an ambitious goal and create a long-term policy landscape, setting out tasks that mobilise various actors to come together in new ways.

The Independent Prosperity Review highlighted the opportunity we have to use our ambitions to drive mission-based innovation to attract investment and bring direct benefit to residents. We want to establish the UK’s first city-region Clean Growth Mission for carbon neutral living within the Greater Manchester economy by 2038, driving innovation, the creation of new technologies, and improved resource efficiency. UCL-IIPP have already started worked with GMCA to begin developing this approach, exploring how it can be inspiring and measurable across the city-region. Using IIPP’s ‘mission roadmap’ format, key sectors have been identified which are best placed for cross-sector interaction; an understanding of areas of cross-sectoral interest and commonalities has started to develop and is set out below. We want to establish this as the approach we will take to tackling our environmental challenges.
Figure 13 – The potential components of a mission-oriented approach.

Source: University College London Institute for Innovation and Public Purpose (UCL-IIPP)
Date: 29th March, 2019

Subject: GMCA Culture Strategy

Report of: Cllr Linda Thomas, Portfolio Lead Leader for Culture and Alison McKenzie-Folan, Portfolio Lead Chief Executive for Culture

PURPOSE OF REPORT

To outline the process undertaken to develop a Greater Manchester Cultural Strategy to ensure the wide engagement in strategy development and to seek GMCA approval on the attached draft of the Greater Manchester Culture Strategy.

RECOMMENDATIONS:

GMCA members are recommended to:

i) Note the process undertaken in development of the strategy

ii) Approve the Greater Manchester Culture Strategy.

CONTACT OFFICERS:

Marie-Claire Daly
Principal Culture and Creative Policy
marie-claire.daly@greatermanchester-ca.gov.uk
1. **BACKGROUND**

1.1 In Spring, 2018, following the announcement of the recipients of GMCA’s Culture and Social Impact Fund 2018-2020, Greater Manchester Combined Authority commissioned the production of a Culture Strategy for Greater Manchester. The purpose would be to articulate the shared ambition for the culture sector across the city-region, producing a series of priorities and priority actions, closely aligned to the Greater Manchester Strategy.

2. **STRATEGY DEVELOPMENT PROCESS**

2.1 The development process has been led by the GM Culture and Heritage Steering Group, chaired by the Portfolio Leader for Culture, Cllr Linda Thomas.

2.2 The guiding principal for development of the draft strategy was to identify areas where working at a Greater Manchester level would improve the quality, reach, visibility and sustainability of Greater Manchester’s cultural offer.

2.3 Alignment with Greater Manchester Strategy priorities was equally important, ensuring all activities contribute to the delivery of GMS, in making Greater Manchester one of the best places in the world to grow up, get on and grow old.

2.4 The Greater Manchester Culture Strategy will cover a five year period, from April 2019 to March 2024. This will give enough time to set a clear direction and achieve measurable success while giving the opportunity to review and amend direction if required.

2.5 Throughout 2018, GMCA officers undertook analysis of all ten district strategies (culture strategies, where available) and national and international comparator city regional cultural strategies before contacting arts officers in all ten districts and more than 70 cultural organisations across Greater Manchester to identify priorities and co-author the first draft of Greater Manchester’s culture strategy.

2.6 The first draft of the Greater Manchester Culture Strategy went to public consultation in November 2018. There were more than 200 responses to the consultation. Feedback was received from the online consultation, emailed responses, face-to-face consultation sessions and from members of the GM Culture and Social Impact Monitoring Committee and GM Economy, Business and Growth Scrutiny Committee.

2.7 Feedback included recurring comments which have shaped the updated draft attached, including:

   - Need for greater clarity on the purpose of the strategy and how it will be delivered
- Need for clearer narrative about the definition of culture for the purpose of the strategy
- Need for heritage to feature more prominently
- Need for reduction in number of priorities – first draft aimed to do too much
- Need to be clearer on what success might look like
- Need to be more explicit in how culture links to other portfolio areas
- Need for strategy to be more ‘distinctly GM’
- Greater resident voice
- What are the opportunities and challenges distinct to GM?
- What specific powers to we have at our disposal to achieve our vision?
- Need for an implementation plan to understand what activity might be delivered

2.8 The draft strategy was revised to take into account the extensive and engaged feedback to the consultation and a near final draft was shared with key stakeholders, including local authority portfolio leads for culture, for comment. Comments received have been incorporated into the final draft attached.

3. **NEXT STEPS**

3.1 Subject to GMCA agreement, the GM Cultural Strategy will be launched, alongside a detailed implementation plan. Progress will be reported quarterly to the GM Culture and Heritage Steering Group and at least annually to GMCA.

3.2 In 2019/20, the activity will be prioritised through GMCA’s Culture and Social Impact Fund Portfolio and Great Place project. A further consultation will begin in mid-2019 on future investment to deliver the GM Cultural Strategy which will propose a more strategic approach to support for culture across Greater Manchester from April 2020, in line with the agreed GM Culture Strategy.

3.3 Conversations around the definition of culture have surfaced the need for clarity around whether there is need for a GMCA approach to sport, to be developed in partnership with Greater Sport. Once the culture strategy is published, officers will propose an approach to this area of work.

4. **RECOMMENDATIONS**

4.1 Recommendations can be found at the front of this report.
GROWN IN GREATER MANCHESTER. KNOWN AROUND THE WORLD.

GREATER MANCHESTER’S STRATEGY FOR CULTURE AND CREATIVITY
Development of this strategy was supported using Great Place investment from The National Lottery Heritage Fund and Arts Council England
1. Introduction

Greater Manchester’s rich history and culture have developed Greater Manchester into a global brand that speaks of innovation, creativity and social progress. Our international reputation was, and is, built on the creativity of our people, and we must invest in creating the conditions for that creativity to flourish in the future.

The ten Greater Manchester districts invest more than £24.3m¹ p/a in culture and heritage at district level; directly supporting our theatres, galleries and cultural organisations and residents’ creative activity. GMCA invests around £3.5m p/a in cultural organisations and activity across Greater Manchester. Arts Council England invests around £26.6m² per year in National Portfolio Organisations across Greater Manchester. The Heritage Lottery Fund invests around £11.8m p/a to restore our buildings and bring the rich heritage of Greater Manchester to life. This equates to around £66.2m combined investment p/a in culture, creativity and heritage. There is also significant partnership and private sector investment in cultural activity across Greater Manchester, with Transport for Greater Manchester, Manchester Airport Group and many of our businesses supporting the cultural sector through grants, investment, sponsorship and in-kind donations. Our residents invest significantly too, through donations and ticket purchase and through direct support to our artists, musicians and makers. The visitor economy in Greater Manchester is worth £2.6bn GVA p/a and supports 105,000 jobs. The Digital and Creative Industries in Greater Manchester are worth £4.4bn GVA p/a and support 78,500. While we cannot claim a direct return on investment (which would be a return of around 100 to 1), we can be confident that supporting culture and the creativity of our people is excellent value for money.

As understanding of the potential of the culture, creative and heritage sectors of Greater Manchester has developed, Greater Manchester agreed to develop a cultural strategy outlining our shared vision and setting a clear path for all parts of Greater Manchester to maximise the impact of our culture and heritage offer. We will capitalise on the strategic opportunities arising from new political structures and relationships and develop new approaches to co-investment with partners. The Greater Manchester Independent Prosperity Review and our Local Industrial Strategy recognise the importance of culture and the creative industries to Greater Manchester’s economic success and the Greater Manchester Plan for Homes, Jobs and the Environment recognises the importance of culture, heritage and creativity to the vibrancy, distinctiveness and attractiveness of our places.

To date, the Greater Manchester Culture Portfolio has achieved success by identifying areas where, by working together, the ten districts can be stronger than the sum of their individual parts. The first Greater Manchester Culture Strategy – Grown in Greater Manchester. Known Around The World – identifies those areas of strategic opportunity and sets a clear plan of how we will work with all ten Greater Manchester districts to target resources to develop, celebrate, protect and promote the significant culture and heritage assets of Greater Manchester. This strategy provides us with an exciting opportunity to refine and articulate our long-term ambitions for culture, heritage and the creative industries in Greater Manchester for the next five years, where the individual strengths of all ten GM districts, can come together for the benefit of everyone.

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2. Foreword

Andy Burnham, Mayor of Greater Manchester

Greater Manchester is the birthplace of revolutionary ideas that have had profound impact on lives all around the world. The Co-operative movement was founded in Rochdale, the Suffragette Movement was born in Manchester and Salford Museum and Art Gallery was the UK’s first free public library and museum. In supporting our people to fulfil their creative potential, we must remain outward-looking and develop mutually beneficial relationships with partner cities and towns, to maximise the impact of our work and grow Greater Manchester’s international reputation as a cultural destination.

Greater Manchester has a diverse population, and it is only right that our cultural strategy sees diversity as central to all of our work. We will work with relevant organisations to ensure that our workforce reflects and speaks to a broad range of people and supports all residents in the city-region in their cultural endeavor.

Linda Thomas, Leader Bolton Council, Greater Manchester Portfolio Lead, Culture

Culture and creativity help us to understand our place in the world and express who we are and the creative and cultural sector make a significant contribution to the economy of Greater Manchester. We want everyone in Greater Manchester to have access and opportunity to express their own creativity; making, participating, contributing to, enjoying and celebrating the distinctive cultural landscape that makes Greater Manchester a great place to live, visit and invest in. We already have a high quality cultural offer. We want to create a place where artists and cultural organisations are delivering quality culture that is reflective of our talent and maintains the height of our ambition, whilst positioning Greater Manchester as one of the leading centres for culture regionally, nationally and internationally. We are rightly proud of our rich cultural heritage and thriving cultural sector, from grass-roots community and heritage groups to internationally significant cultural organisations and innovative digital festivals, Greater Manchester has a diverse and distinctive offer. We understand that culture and creativity are not just the preserve of professional artists and cultural organisations. Creativity can be found throughout Greater Manchester, in our homes, on our streets, in our nurseries, schools, colleges, workplaces and in our care settings.
3. What is culture?

In 2018, we spoke to hundreds of Greater Manchester residents to find out what culture, heritage and creativity meant to them. The answers were as diverse as our city-region. Some people said that culture, for them, meant religion, food, sport and enjoying our green spaces. While all completely valid responses to such a subjective subject, we had to focus our attention on what we could deliver through this particular strategy. For the purpose of this strategy, culture means:

- ART;
- MUSIC;
- LITERATURE;
- HERITAGE;
- DANCE;
- THEATRE;
- CRAFT;
- PHOTOGRAPHY;
- FILM;
- DESIGN;
- MUSEUMS;
- COMBINED ARTS;

“Culture to me means coming together. Having things we can do, and get to, together.”

“We love the museum, especially the dinosaurs.”

“Greater Manchester has a buzz and a sense of life better than you’d get anywhere else in the world.”

“The most successful civilisations are the most diverse ones, so we should encourage culture in all its forms.”

“For me it’s all about the music scene and having a good time.”

“Culture gives me a sense of my place in history.”

“We’re very proud of our arts and culture. It’s one of the reasons I’ve not disappeared to London.”

“Greater Manchester is a great place to be if you’re interested in art or interested in creating art.”

“Culture is about coming together and expanding your mind. Seeing or experiencing something you’ve not seen or done before.”

“Dancing makes me feel important, like I have some sort of skill and I can make people feel some kind of emotion with it.”

“Artists making music are a voice for us. What they are saying is truthful and they say things we might not be able to.”

“It’s about spending quality time with your friends and family”

“I use culture to show my children that if you work hard and do well you will stand out”

“Our old buildings are really beautiful”
Culture gives me a sense of belonging.
4. Our Vision


Greater Manchester is known around the world for our significant contribution to music, literature, theatre, art, politics and history. We will maintain and further develop our cultural offer to grow this reputation, developing, attracting and retaining the very best creative talent. Greater Manchester will be a place where artists and cultural organisations deliver high quality culture that is reflective of our people and places and maintains the height of our ambition, positioning GM as a leading centre for culture and creativity, regionally, nationally and internationally.

We understand the importance of culture, not just as a ‘nice to have’, but as vital part of the lives of our people and the vibrancy and distinctiveness of our places. Culture has a role to play in addressing some of Greater Manchester’s most pressing issues and in promoting our places to visitors from all over the world, which is why The Greater Manchester Culture Strategy reflects, and will support, successful delivery of the Greater Manchester Strategy, which sets out ten priorities to make Greater Manchester one of the best places in the world to grow up, get on and grow old.

By working with cultural organisations, artists and partners across Greater Manchester and beyond we will co-develop opportunities for people to express their creativity and identity. We will connect cultural organisations and creative businesses with commissioners and businesses, developing new approaches to income generation. Working in partnership with our ten local authorities, we support artists and creative practitioners to contribute to the vibrancy and distinctiveness of our places. Working with the ten districts that make up Greater Manchester, we will make the most of our links to the Greater Manchester Health and Social Care Partnership, GM LEP, GM Business Growth Hub, Transport for Greater Manchester and colleagues within Greater Manchester Combined Authority to maximise the impact of all our work.

The inclusion of culture, heritage and creativity in all Greater Manchester policy areas will demonstrate how genuine collaboration and partnership working can improve outcomes for all.

By 2024, through this unique approach, Greater Manchester’s cultural offer will reflect the diversity of our people, who feel empowered to share their stories with the world, improving their wellbeing and increasing the prosperity of our businesses and the attractiveness of our places.
"POETRY HAS BEEN BURY, BURY GOOD TO ME"
5. Our People; Our Places.
Greater Manchester in numbers.

<table>
<thead>
<tr>
<th>Population of 2.8m people</th>
<th>500+ cultural organisations and thousands of artists</th>
<th>1,400+ creative and digital apprentices</th>
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<tbody>
<tr>
<td>100,000+ students in four universities</td>
<td>Largest digital, creative and tech cluster outside London</td>
<td>270+ secondary schools in the city region</td>
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<td>200+ languages spoken</td>
<td>Visitor economy worth £2.6b p/a</td>
<td>400+ historic mills</td>
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<tr>
<td>356 plaques marking sites of historic importance</td>
<td>78,500 people working in the digital and creative industries generating more than £4.4 billion GVA p/a</td>
<td>£26.6m Arts Council England NPO investment in GM organisation p/a</td>
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6. Challenges and Opportunities

Whilst we are known around the world for our contribution to culture, we know that not all our residents have the opportunity to contribute to, participate in or access our rich culture and heritage offer.

Greater London (68.4%), West Midlands (66.6%) and Liverpool City Region (62.3%) all have higher levels of engagement with culture than Greater Manchester (60.1%). The Active Lives Survey\(^3\) shows a 15 percentage point difference in levels of engagement and participation between the most and least engaged districts of Greater Manchester. The reasons for the disparity in engagement levels are multifaceted and complex. We know that levels of income and education can influence engagement\(^4\). 16% of Greater Manchester’s population is BME\(^5\) and we know that BAME residents are less likely to engage with publicly funded cultural activity than white residents\(^6\). We need to work to make sure our cultural offer and audiences are more representative of all our people. We know that there are physical barriers to engagement with culture, be that inaccessible venues\(^7\) or poor transport links. We need to work with partners to remove those barriers where possible.

We also know that engagement with culture, heritage and creativity can significantly improve health and wellbeing outcomes for our people.\(^8\) When we spoke to residents, as part of our consultation into the Greater Manchester Strategy, they told us that culture was one of the things they thought we did best in GM. We know the significant contribution culture can make to our economy both in terms of the attractiveness and vibrancy of our cities and towns, and in direct financial benefit\(^9\). We know that a creative education is of huge benefit, not just to those who want to enter into a creative career, but to all our people, regardless of age or background. The Future of Skills Report identifies high-order cognitive skills, like creativity, critical thinking, reasoning, problem solving, will increase in importance as our industries change.\(^10\) Greater Manchester’s Local Industrial Strategy and Skills Strategy recognise the importance of creativity to future prosperity.

The ambition of this strategy is to set out how, through investment and partnership, and by using our devolved powers, our ten local authorities, and the cultural organisations that work within them, can ensure all can enjoy the richness of Greater Manchester’s culture and heritage. We want our people to feel ownership of the cultural offer of Greater Manchester so they feel empowered to tell their stories and the stories of our places, locally, nationally and internationally. We want our cultural offer to be representative of the diversity of our people. We want talent, not background, to be the determining factor of creative success in Greater Manchester. We want our cultural organisations to thrive and we want to attract and retain the very best talent to our city-region. We want people to visit our attractions and people to choose to live in our cities and towns because they are vibrant, inclusive and exciting.

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6 [https://www.gov.uk/guidance/taking-part-survey](https://www.gov.uk/guidance/taking-part-survey)
7. Creating the conditions

This strategy is an agreed framework through which the ten local authorities, cultural organisations, partners and residents can work together to deliver a shared vision. By combining the significant local assets, already supported by the ten districts, we can develop and promote a shared offer unlike anything else in the world. We will use GMCA investment strategically to lever in additional resource from partners, capitalise on cross-portfolio opportunities, as well as investing directly in organisations and artists from across Greater Manchester to deliver our priorities.

Greater Manchester will continue its tradition of doing things differently, developing a new way of working to deliver the greatest possible impact. We do not want to control or direct the creativity of our people, artists or cultural organisations, which is why the Greater Manchester culture strategy focusses on creating the conditions for creativity to flourish. All ten Greater Manchester districts will use their collective powers, working with partners across skills, health, regeneration and more to develop a range of ways in which people can explore their own creativity and provide support for people to engage, create and contribute to our rich cultural offer.

Greater Manchester’s Strategy for Culture and Creativity will not sit in isolation. It will provide a framework through which we can embed opportunity in people’s everyday lives, in our schools, colleges, universities, hospitals, streets and work places, as well as in our world-class galleries and performance venues. Culture, heritage and creativity will be included in other Greater Manchester strategies, including our Industrial Strategy, our Internationalisation Strategy, our Ageing Strategy and more, recognising the need for partnership working and investment to co-develop and deliver our ambitious vision.
8. Crosscutting themes

There are several crosscutting themes which underpin the Greater Manchester Culture Strategy. We will work with colleagues and external partners to ensure that these thematic areas are considered in the development and delivery of all our work.

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<td>Resilience</td>
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In supporting people to fulfil their creative potential, we must remain outward looking. In development of this strategy, we have analysed many other cultural strategies, from within the UK and around the world. We will develop mutually beneficial relationships with partner cities and towns to maximise the impact of our work and grow GM’s international reputation as a cultural destination. We will use MappingGM to better understand the cultural landscape and develop technologies to maximise the impact of the significant resident and infrastructure data we hold within GMCA.

Greater Manchester has a diverse population, and it is only right that our cultural strategy sees diversity as a cross cutting theme, central to all of our work. We will work with cultural organisations to ensure that our workforce reflects, and our cultural output speaks of and to, a broad range of people. We will support our residents in their cultural endeavour to ensure our cultural offer reflects the diversity of our city-region.

Fundamental to the success of the Greater Manchester Cultural Strategy, is the success of the cultural sector as a whole. This means that we must continue to develop a sector that is sustainable, resilient and better able to adapt to an uncertain and changing financial climate. The sustainability and resilience of the sector is not just about money, however. We will support the sector to develop innovative offerings of high quality to attract new and diverse audiences, and in doing so, expand cultural reach across Greater Manchester, creating a wider and more sustainable and resilient audience base.

Our cultural offer should be accessible to all, regardless of background. We will ensure that our ambitions around cultural accessibility include removal of barriers for disabled people and accessibility more broadly, including transport and digital connectivity.
9. Priorities

1. Create the conditions for creativity to flourish
   1.1 Support culture, heritage and creative education, inside and outside of the curriculum, providing opportunities to enjoy and create, regardless of age or background.
   1.2 Provide opportunities for our people to develop the skills required to drive and contribute to the growth of the culture, heritage and creative industries and the wider economy.
   1.3 Develop and support cultural businesses and attractions in our cities and towns, recognising the role culture and heritage play in the identity and economy of Greater Manchester, from our city centre and town centres to historic landmarks and areas of archaeological importance.

2. Enrich the lives of all our people through engagement with the culture and heritage of Greater Manchester
   2.1 Develop and promote social and community cohesion and create opportunities for people to reflect on and forge their place in the world, using culture to develop and promote social and community cohesion and as a way in which our people can realise their potential and contribute to the success of GM, from our action on climate change to the strength of our economy.
   2.2 Champion culture’s role in improving health and wellbeing, capitalising on opportunities offered by the devolution and reform of health and social care.
   2.3 Capitalise on Greater Manchester’s status as the UK’s first age-friendly city region, enabling, promoting and celebrating later life creativity and talent.

3. Celebrate, protect and develop Greater Manchester’s unique culture, heritage strengths, assets, and ecology
   3.1 Celebrate the distinctive identity of our cities and towns, developing cultural programmes that reflect and respond to place.
   3.2 Work with cultural organisations and artists to develop entrepreneurial activities that improve the sustainability and strength of the sector.
   3.3 Work with Marketing Manchester and GM’s Night Time Economy Adviser to cement and promote the importance of culture and heritage to Greater Manchester’s visitor and night-time economy.

We will deliver our priorities in three key ways;

INVEST
Finance our vision with well-designed, funding mechanisms.

CONNECT
Work with partners to deliver our ambition.

ADVOCATE
Promote our offer locally, nationally and internationally to audiences, visitors, investors and partners.
Create the conditions for creativity to flourish

Creative education is key to the success of all sectors of the Greater Manchester economy. Working within and beyond the formal curriculum, we will collaborate with partners to ensure people have access to a high-quality cultural education, recognising the importance of the development of creative skills in all sectors, from science and engineering to health and social care. Working with schools, colleges, universities and partners from Greater Manchester and beyond, we will develop clear talent pipelines for the culture sector, establishing strong links with wider GM economic priorities.

This strategy provides a framework through which we can work with partners to develop an offer that is relevant representative and accessible. We will work in partnership to provide opportunities for people living in Greater Manchester to explore their own creativity and access a high quality culture and leisure offer, as outlined in priority seven of the Greater Manchester Strategy.

We will increase participation and engagement by improving communication of opportunities across Greater Manchester, removing barriers to engagement, and encouraging people to take responsibility for their own creativity and talent development. We will develop and promote opportunities for people to engage with culture from birth to old age. As well as focussing activity in areas of lower engagement, we will target communities and resident groups where we know engagement is lower or where there is particular strategic benefit in doing so.

What will success look like in 2024?

- A 20% increase in cultural participation across Greater Manchester (4% p/a)
- Increased parity of engagement across all GM districts and from groups less likely to engage with culture.
- An increase in uptake of cultural subjects at GCSE, A-Level and in cultural and creative apprenticeships and degrees.
- A 20% increase in cultural, heritage or creative businesses in Greater Manchester

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<tr>
<th>OBJECTIVE</th>
<th>PRIORITY</th>
<th>INVEST</th>
<th>CONNECT</th>
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<tbody>
<tr>
<td>1. Create the conditions for creativity to flourish</td>
<td>1.1</td>
<td>Make culture, heritage and creative education, inside and outside of the curriculum, accessible to all regardless of age or background.</td>
<td>Invest in organisations that deliver the very best cultural activity and protect and promote our rich heritage, with a particular focus on supporting our young people and for people experiencing barriers to engagement.</td>
<td>Promote Greater Manchester’s unique culture and heritage offer to residents and visitors, recognising value of engagement with culture in supporting our residents to fulfil their potential and live fulfilling lives.</td>
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<td>1.2</td>
<td>Ensure our residents have the skills required to drive and contribute to the growth of the culture, heritage and creative industries and the wider economy.</td>
<td>Invest in culture, heritage and creative organisations that provide volunteering and training opportunities to Greater Manchester residents.</td>
<td>Connect culture and heritage organisations with schools, colleges and skills programmes across Greater Manchester, including BridgeGM, Curriculum for Life and Work Shadowing.</td>
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<td>1.3</td>
<td>Develop and support cultural businesses and attractions in our cities and towns, recognising the role culture and heritage play in the identity and economy of our communities, from our high streets to our historic landmarks.</td>
<td>Invest in new approaches to culture-led economic growth, working with local authorities to attract and protect creative businesses and heritage sites.</td>
<td>Connect culture and heritage organisations and creative businesses with partners able to support their work, from planning and economic regeneration departments in our local authorities, to business support opportunities and advice providers.</td>
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</table>
Enrich the lives of all our people through engagement with the culture and heritage of Greater Manchester

There is a large body of evidence\(^1\) that engagement with culture improves people’s physical and mental health and can help develop personal resilience. We also know that engagement, can help tackle some of Greater Manchester’s most pressing challenges like loneliness and that culture is a vehicle for social connectivity. Greater Manchester is an international leader in arts, health and wellbeing and Greater Manchester’s Ageing Strategy identifies culture as one of the key ways we can support people to live well in old age.

The All Party Parliamentary Enquiry into Arts, Health and Wellbeing states that ‘the devolution of powers to Greater Manchester could enable synergies between the arts, health and wellbeing to flourish.’ We will capitalise on these existing strengths by supporting and piloting cultural activity that improves the health and wellbeing of our people. We will harness culture to promote tolerance and social and community cohesion, telling the stories of our diverse communities and using our incredible culture and heritage assets to help people understand their place in the world.

What will success look like in 2024?

- A cultural output more reflective of Greater Manchester’s people, places and history, evaluated through press coverage.
- Greater Manchester is known as an international leader in co-commissioning and creation and residents understand how to access opportunities.
- Greater Manchester is known as an international leader in arts, heritage, health, wellbeing and ageing, evaluated through number of academic studies, conferences and international collaborations.

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<tr>
<td>2. Enrich the lives of all our residents through engagement with the culture and heritage of Greater Manchester</td>
<td>2.1</td>
<td>Develop and promote social and community cohesion and create opportunities for people to reflect on, and forge their place in the world and use culture to develop and promote social and community cohesion and support our residents to realise their potential.</td>
<td>Invest in organisations and activities that provide opportunities for residents to improve their health and wellbeing through engagement with culture and provide opportunities for organisations to increase their capacity, skills and knowledge in this area.</td>
<td>Promote opportunities for our residents to investigate and understand their place in the world, locally, nationally and globally.</td>
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<td></td>
<td>2.2</td>
<td>Champion culture’s role in improving health and wellbeing, capitalising on opportunities offered by the devolution of health and social care.</td>
<td>Connect cultural organisations with Greater Manchesterwide schemes developed to deliver GM priorities, including the GM Low Carbon Hub, LGBT Adviser and Panel, Social Cohesion Commission and the Voluntary, Community and Social Enterprise Accord.</td>
<td>Promote Greater Manchester’s radical history as a city-region with a social purpose, where major advancements have been made for the good of humanity.</td>
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<td></td>
<td>2.3</td>
<td>Capitalise on Greater Manchester’s status as the UK’s first age-friendly city region, enabling and promoting later life creativity and talent.</td>
<td>Connect culture, creative and heritage organisations with Greater Manchester Health and Social Care Partnership work programmes, including Community and Person Centred Approaches and Adolescent Mental Health Services, to ensure that cultural engagement continues to be a contributing factor to the improvement of health and wellbeing in GM.</td>
<td>Promote our unique approach to culture, health and wellbeing with GM residents and the wider health sector, increasing resident awareness of opportunities and gaining national recognition for innovative culture, health and wellbeing practice across GM.</td>
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\(^{1}\) [http://www.artshealthandwellbeing.org.uk/appg-inquiry/](http://www.artshealthandwellbeing.org.uk/appg-inquiry/)
Celebrate, protect and develop Greater Manchester’s unique culture, heritage strengths, assets, and ecology

Cities and towns across Greater Manchester are the physical manifestation of what we are as a place. From our rich industrial heritage to our ambitious regeneration projects, our cities and towns provide the spaces people need to thrive and live fulfilling lives. Culture and creativity are key to this story, with artists, community groups and workers in the creative industries contributing to a powerful shared identity; one of pride, ambition and tolerance.

The contribution of culture to the economy cannot be underestimated. Figures released by Arts Council England in 2018 show that the arts and culture industry has grown 10% in a year, and now contributes £8.5bn to the UK economy. Recipients of AGMA Section 48 Cultural Funding, (organisations funded by AGMA to deliver cultural activity across Greater Manchester) generated £242 million of economic activity across Greater Manchester in 2017/18 which equated to approximately £133 million in gross value added (GVA). We will harness the economic potential of culture to our local, visitor and night time economies, making our towns and city centres attractive and vibrant destinations for residents, visitors and investors.

What will success look like in 2024?

- Communication of Greater Manchester’s Perceptions of our culture and heritage offer better reflect the diversity of our people and places, evaluated through press coverage and resident surveys
- An established and successful Town of Culture programme.
- Strategic partnership investment in culture has increased.
- A 20% increase in cultural visits to our city region.

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<tr>
<td>Manchester’s unique culture, heritage strengths, assets, and ecology</td>
<td>3.1</td>
<td>programmes that reflect and respond to place.</td>
<td>develop narratives that properly articulate the distinctive culture of Greater Manchester.</td>
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<td></td>
<td>3.2</td>
<td>Work with cultural organisations and artists to develop entrepreneurial activities that improve the sustainability and strength of the sector.</td>
<td>Invest in programmes that improve the efficiency of culture, heritage and creative organisations and develop opportunities for organisations to share spaces and resources.</td>
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<td>3.3</td>
<td>Work with Marketing Manchester and GM’s Night Time Economy Adviser to cement and promote culture’s position at the heart of Greater Manchester’s visitor and night-time economy.</td>
<td>Connect culture, heritage and creative businesses with each other and with investors and business support providers to improve efficiency, resilience and sustainability.</td>
<td>Promote opportunities for culture, creative and heritage organisations to receive business support and develop narratives that articulate and promote the value of business investment in culture, heritage and creative industries.</td>
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<td>Invest programmes and partnership activity that strengthens and promotes Greater Manchester's night-time and visitor economy.</td>
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<td>Connect cultural organisations with key players in the visitor and night-time economy to ensure our cultural offer remains central to the GM offer.</td>
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<td>Promote a new narrative and relationship between the public sector and the visitor and night-time economy to realise the true potential of both.</td>
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10. Outcomes

By 2024, we will have;

- Increased engagement with culture to 70%, as demonstrated by the Active Lives Survey.
- Achieved parity in engagement across all our boroughs, as demonstrated by the Active Lives Survey.
- Achieved parity in engagement levels from protected characteristic groups, as demonstrated by the Active Lives Survey.
- Increased the number of people working in the Creative Industries in Greater Manchester as demonstrated by UK Labour Market statistics.
- Increased international recognition of Greater Manchester as a cultural destination, evaluated in partnership with Visit Manchester.
- Increased the number of creative businesses in Greater Manchester, as demonstrated by the UK Business Survey.
- Increased the uptake of cultural subjects at GCSE, A-Level and in cultural and creative apprenticeships and degrees.
- Developed a cultural output more reflective of Greater Manchester's people, places and history, evaluated through press coverage.
- Increased our international reputation as international leader in co-commissioning and creation and people understand how to access opportunities.
- Developed our reputation as an international leader in arts, heritage, health, wellbeing and ageing, evaluated through number of academic studies, conferences and international collaborations.
- Improved communication of Greater Manchester’s culture and heritage offer that reflects the diversity of our people and places, evaluated through press coverage and resident surveys.
The workplace of

ANNIE KENNEY

of Springhead

1879 - 1953

Leading suffragette, first to be imprisoned for direct action, with Christabel Pankhurst, 1905

Women gained the full vote in 1928
Date: 29th March 2019
Subject: Draft Greater Manchester Drug and Alcohol Strategy (2019 – 2021)
Report of: Beverley Hughes, Deputy Mayor for Police, Crime, Criminal Justice and Fire
Carolyn Wilkins, Portfolio Lead for Safer and Stronger Communities, Chief Executive for Oldham MBC

PURPOSE OF REPORT
The purpose of the report is to invite the Greater Manchester Combined Authority to:

- Approve the draft Greater Manchester Drug and Alcohol Strategy.
- Note the governance process and extensive consultation undertaken for the strategy.

RECOMMENDATIONS:
The Greater Manchester Combined Authority is asked to:

- Support the broad objectives of the draft Greater Manchester Drug and Alcohol Strategy.
- Promote the application of the strategy as a framework for localities and partners.
- Approve the strategy with agreement that it should run to March 2021.

CONTACT OFFICERS:
Mark Knight, Strategic Lead for Substance Misuse, GMCA
mark.knight@greatermanchester-ca.gov.uk
There are no comments or recommendation to report following consideration at the GM Corporate Issues and Reform Overview & Scrutiny Committee (19.03.19).

Risk Management N/A
Legal Considerations N/A
Financial Consequences – Revenue – see paragraphs: 1.4, 1.5, 1.6, 1.7.
Capital

BACKGROUND PAPERS:
Draft Greater Manchester Drug and Alcohol Strategy (2019 – 2021)

<table>
<thead>
<tr>
<th>TRACKING/PROCESS</th>
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<td>Does this report relate to a major strategic decision, as set out in the GMCA Constitution</td>
<td>Yes</td>
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<th>EXEMPTION FROM CALL IN</th>
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<tr>
<td>Are there any aspects in this report which means it should be considered to be exempt from call in by the AGMA Scrutiny Pool on the grounds of urgency?</td>
<td>No</td>
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<tr>
<th>TfGMC</th>
<th>Overview &amp; Scrutiny Committee</th>
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<tr>
<td>N/A</td>
<td>Corporate Issues &amp; Reform Overview &amp; Scrutiny Committee (19.03.19)</td>
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1. BACKGROUND

1.1. This first ever draft Greater Manchester Drug and Alcohol Strategy sets out our collective ambition to reduce significantly the risks and harms caused by drugs and alcohol and help make Greater Manchester one of the best places in the world to grow up, get on and grow old.

1.2. The draft Greater Manchester Drug and Alcohol Strategy has been subject to public consultation and co-designed with a wide range of stakeholders to provide a framework for localities and wider partners. It is underpinned by the principles of public service and place based reform which call for person centred approaches, integrated partnership working between services and a focus on collaboration, prevention and intervening early to stop problems escalating.

1.3. Drugs and alcohol are everybody’s business. Drugs and alcohol impact on the health and wellbeing of our residents, the safety of our communities, and the vibrancy and economic future of our town centres and night time economies. It is everyone’s responsibility to make sure we minimise the potential risks and harms they cause.

1.4. Where appropriate, we will seek to identify and commit additional investment at a Greater Manchester and locality level but we recognise the challenges that austerity presents. That’s why this strategy is not about doing more of the same at greater cost. For the most part, it is about doing things differently, maximising our existing resources and making the most of the opportunities for transformation that exist within Greater Manchester.

1.5. There is a fully resourced Implementation Plan that sits beneath the strategy.

1.6. It should be stressed that there are no adverse financial implications within this strategy for locality partners or providers beyond those that exist within established ‘business as usual’ commitments.

1.7. Where programmes required additional investment, such as around Public Engagement and Alcohol Exposed Pregnancies, this was met through the allocation of GM Health and Social Care Partnership Transformation Funding which has been agreed and is in place. This fund was established to support health and social care transformation plans that aim to achieve the fastest and greatest improvements to health and wellbeing.

2. CONTEXT

2.1. We continue to experience long-standing problems with alcohol and the financial cost of alcohol to Greater Manchester is significant. It is estimated that expenditure on alcohol
related crime, health, worklessness and social care costs amount to £1.3bn per annum - approaching £500 per resident. GM partners also clearly recognise that the nature of drug misuse is becoming increasingly complex, and is changing. We know, for example, that:

- New types of drug users are emerging; they are younger, likely to be poly-drug users, more diverse, more likely to buy drugs online and more willing to try new substances.
- The use of new psychoactive substances has continued despite changes in the law, with synthetic cannabinoids (Spice) in particular causing problems for public services.
- Other specific behaviours and issues present through the use of prescription / over-the-counter drugs, and the use of steroids and other Image and Performance Enhancing Drugs (e.g. hepatitis and HIV infection rates).
- There continues to be a presence of an ageing cohort of users, mostly opiate and/or crack cocaine users (OCU), who have been in treatment for a long time. These users are costly, complex and are likely to continue in treatment for some time.

2.2. A host of indicators collected at the national level illustrate the extent of the challenges drugs and alcohol present to Greater Manchester:

- The rate of alcohol-specific mortality episodes per 100,000 in Greater Manchester is 50% higher than the England rate. This equates to 1,189 deaths in the latest three-year tracking period (2015-17). If the figure for GM had matched the England rate there would have been 396 fewer deaths over the three year tracking period (2015-2017).
- There has been a 74% rise in drug related deaths in Greater Manchester over the last 10 years. This translates to 480 deaths in the latest three-year tracking period (2015-17). If the figure for GM was at the England average, this would equate to 136 fewer deaths per 3 year period.
- The rate of hospital admissions for alcohol-specific conditions is 53% higher in Greater Manchester than the England average. In the most recent year of data (16/17), there were over 22,000 admissions of this kind, with an estimated cost in the region of £43m. If the GM rate was the same as the England average, this would equate to over 7,500 fewer admissions and a saving approaching £15m per year.
- There has been a 48% increase in hospital admissions related to substance misuse amongst those aged 15-24 over the last 6 years in Greater Manchester. There was a total of 1,287 admission in the latest 3-year reporting period (2014/15 - 16/17).
- The claimant rate for Incapacity Benefit, where Alcohol Misuse is the main disabling condition, is 75% higher in Greater Manchester than the national average. If the figure for GM was the same as the national average, 1,715 fewer people would be in receipt of Incapacity Benefit and the fiscal saving would be in the region of £16m per year.
3. STRATEGY VISION AND PRINCIPLES

3.1. The vision for the strategy is to make Greater Manchester a place where everyone can have the best start in life, live well and age well, safe from the harms caused by drugs and alcohol:

- A place where children, young people and families have the best start in life and future generations grow up protected from the impact of drug and alcohol misuse.
- A place where people who drink alcohol choose to do so responsibly and safely.
- A place where people are empowered to avoid using drugs and alcohol to cope with adversity and the stresses and strains of life.
- A place where our services and communities work together to build resilience and address the harms caused by drugs and alcohol.
- A place where individuals who develop drug and alcohol problems can recover and live fulfilling lives in strong resilient communities.

3.2. The feedback from our engagement made clear that drugs and alcohol should be seen as everybody’s business and that the focus should be on encouraging people to behave safely and responsibly.

3.3. The strategy identifies 6 priority areas and a series of commitments (attached at Annex A):

   i) Prevention and early intervention
   ii) Reducing drug and alcohol related harm
   iii) Building recovery in communities
   iv) Reducing drug and alcohol related crime and disorder
   v) Managing availability and accessibility
   vi) Establishing diverse, vibrant and safe night time economies.

4. GOVERNANCE, CONSULTATION AND CO-DESIGN

4.1. Extensive work has taken place to co-design a single Greater Manchester Drug and Alcohol Strategy with the widest possible range of partners, stakeholders, voluntary and community sector organisations and people with lived experience.

4.2. In August 2017, we commenced this process with a consultation event at the Greater Manchester Centre for Voluntary Organisation which was attended by over 50 representatives of the voluntary and community sectors and people with lived experience.
4.3. Between September 2017 and January 2018 we consulted with a wide range of partners on the drafting of the strategy, including, amongst others, Directors of Public Health, Substance Misuse Commissioners, GMP, Directors of Children’s Services, Criminal Justice Partners, Police and Crime Leads and Heads of Community Safety, the Place and Reform Board, the Health and Justice Board, the Police and Crime Steering Group, the Population Health Board, Greater Manchester Fire and Rescue Services, the Association of CCG’s, the Primary Care Oversight Group, the Provider Federation, Public Health England NW, the Homelessness Action Network and Directors of Commissioning. We have also taken drafts to the Health and Social Care Kitchen Cabinet, the Deputy Mayor for Greater Manchester and the Lead Local Authority Chief Executive.

4.4. We then engaged in a listening exercise between 15th January 2018 and the 28th February 2018 and circulated a draft for comment to all those involved in the consultation. We also undertook two listening events, one with the Local Authority elected members for health, crime and disorder, children services and licensing and the other with the voluntary and community sector.

4.5. The draft strategy was endorsed at a GM level by the Health and Justice Board (11th June 2018), Justice and Rehabilitation Executive Board (18th June 2018), Reform Board (3rd August 2018) and Police and Crime Steering Group (20th September 2018).

4.6. Public consultation on the draft strategy took place from 12th December 2018 to 13th January 2019. There were a total of 452 responses including 77 on behalf of organisations. The vast majority thought we had the right vision (92%) and agreed that we were working with the right themes (91%).

4.7. There were some concerns expressed about whether we have the resources to deliver the strategy. These realistic concerns underline the need to continue the process of public sector reform that the strategy emphasises.

4.8. There was also concern that the strategy does not give consider the specific needs of communities of interest but we have made sure this is considered in the main narrative of the strategy and will ensure it is a key feature of our implementation plan.

4.9. Many respondents took the opportunity to share that they feel unsafe at night in areas where pubs and clubs are concentrated and on public transport. Alongside this there was support for encouraging a shared GM conversation with business about responsible trading and social accountability with many saying we should require, enforce or regulate this.
4.10. Overall, respondents welcomed the emphasis placed on prevention, early intervention and supporting families alongside strong support for reducing the stigma associated with drug and alcohol use and harnessing the assets of those with lived experience to promote recovery.

4.11. This has very much been an iterative process with regular amendments made on the basis of feedback received at meetings and directly from written responses. This process of co-design with a wide range of stakeholders and the public enables us to confidently present the strategy as a framework for localities and wider partners that places emphasis on the principles of public service and place-based reform and developing common GM standards for service delivery.

4.12. The final draft of the strategy that accompanies this report has been recommended for approval by the GMCA and GM stakeholders by Baroness Hughes, Deputy Mayor of Greater Manchester. Most recently it was also endorsed by the Greater Manchester Health and Social Care Partnership Executive Board (20.02.19), the Greater Manchester Joint Health Scrutiny Committee (13.03.19), and the Greater Manchester Corporate Issues and Reform Overview & Scrutiny Committee (19.03.19).

5. **RECOMMENDATIONS:**

5.1. The Greater Manchester Combined Authority is asked to:

- Support the broad objectives of the draft Greater Manchester Drug and Alcohol Strategy.
- Promote the application of the strategy as a framework for localities and partners.
- Approve the strategy with agreement that it should run to March 2021.
APPENDIX A
Our 6 priorities for making things better:

1. Prevention and early intervention

We will
1.1 Focus on challenging social norms around alcohol in our communities.
1.2 Develop drug and alcohol health campaigns and messages that are credible to our residents.
1.3 Reduce alcohol exposed pregnancies and eliminate new cases of Foetal Alcohol Spectrum Disorder (FASD).
1.4 Work with localities to promote best prevention practice with our schools and local communities.
1.5 Apply a targeted approach to young people, adults and families most at risk of harm from drugs and alcohol.
1.6 Adopt a place based approach that prioritises early help.
1.7 Support workforce development that focuses on making drugs and alcohol everybody’s business.

2. Reducing drug and alcohol related harm

We will
2.1 Reduce the number of deaths caused by alcohol and drugs.
2.2 Address the impact of drug and alcohol use on our most vulnerable people, including those with multiple needs and co-existing drug, alcohol, housing and mental health problems.
2.3 Work with colleagues from across primary and secondary healthcare to review treatment for potentially addictive prescribed and over the counter medicines, with a particular focus on prescribing practices and responding to addiction.
2.4 Focus on blood borne viruses to help achieve the strategic aims of eliminating HIV and Hepatitis C as public health issues.
2.5 Focus on improving the physical health of people with drug and alcohol problems through screening and early identification.
2.6 Encourage our public services to lead by example and develop and implement workplace policies to reduce drug and alcohol related harm for employees.
2.7 Support public services to provide fire safety advice to people with drug and alcohol problems and make referrals for Greater Manchester Fire and Rescue Service home visits.
2.8 Develop opportunities for digital health and community based asset approaches to offer the widest possible response to addressing drug and alcohol harm.

3. Building recovery in communities

We will
3.1 Support Greater Manchester to be a resilient city region and commit to a collaborative partnership with our communities.
3.2 Develop community-led alternatives to traditional drug and alcohol treatment with a focus on social prescribing.
3.3 Ensure recovery is visible in our communities and throughout treatment journeys.
3.4 Promote recovery models based on a detailed understanding of the different needs of our treatment populations.
3.5 Involve those with lived experience in the design and delivery of person and community centred approaches.
3.6 Clearly link treatment systems to key support services (e.g. mental health, housing and homelessness support services, employment, education and training).
3.7 Promote wellbeing and recovery by clearly linking treatment systems with voluntary and community based organisations.
4. Reducing alcohol and drug related crime and disorder

We will

4.1 Improve public confidence through collaborative problem solving and community based multi-agency campaigns which address drug litter, open use of drugs, and drug and alcohol related anti-social behaviour.

4.2 Maximise every opportunity to address offending behaviour that is driven by the use of drugs and alcohol.

4.3 Work with criminal justice partners to ensure that responses to young people’s drug and alcohol related offending are appropriate to their needs.

4.4 Develop a set of common standards that clearly identify “what works” in reducing drug and alcohol related offending.

4.5 Work with prisons to create clear resettlement pathways that reduce reoffending and address the needs of those vulnerable to alcohol and drug related harm.

4.6 Strengthen partnership responses to address the impact that drugs and alcohol play in the exploitation of vulnerable children, young people and adults including:

   i)  domestic abuse
   ii) violent crime
   iii) sexual offences
   iv) child sexual exploitation
   v)  modern day slavery

5. Managing Availability and Accessibility

We will

5.1 Involve communities in alcohol licensing and regulation.

5.2 Influence Government around Minimum Unit Pricing of alcohol in England, best practice licensing and responsible alcohol marketing.

5.3 Use the opportunities afforded by Greater Manchester devolution to review the evidence for legislative and policy solutions such as Minimum Unit Pricing for alcohol and the introduction of Health as a fifth alcohol licensing objective.

5.4 Introduce a Greater Manchester Statement of Licensing Policy.

5.5 Focus on local communities and services working together to resolve the underlying causes of drug and alcohol related crime.

5.6 Support law enforcement agencies to restrict the supply and availability of illicit drugs.

5.7 Ensure we have a Greater Manchester wide approach to developing our understanding of drug markets and trends.

6. Establishing diverse, vibrant and safe night-time economies

We will

6.1 Share best practice and further improve our understanding of developing night time economies across Greater Manchester.

6.2 Support local partnership initiatives that promote safe, vibrant and diverse night time economies.

6.3 Work in partnership with those supporting homeless and rough sleepers where drugs and alcohol use are an issue.

6.4 Encourage a shared Greater Manchester conversation with businesses about responsible trading and social accountability.

6.5 Develop a Greater Manchester approach to managing messages and campaigns aimed at the public.

6.6 Focus on the use of public transport with potential campaigns on going out and getting home safely.
Greater Manchester Drug and Alcohol Strategy

2019 – 2021
Too many people in Greater Manchester become ill and are admitted to hospital or die because of alcohol and drug misuse, which can also be linked with other health and social problems such as trauma, depression, domestic abuse, debt, unemployment, homelessness and offending.

Many families are affected, with children who grow up witnessing drug and alcohol misuse much more likely to develop problems themselves and see their life chances limited. That’s why this strategy prioritises helping at the earliest opportunity and focusing on those young people and families most at risk of harm.

We want to encourage people - particularly our young people - to make informed choices and keep themselves safe. Key to this is working more closely with schools, communities and the voluntary sector to promote the best evidence-based drugs and alcohol education across Greater Manchester.

We will also continue to develop our innovative Drugs Early Warning System, reporting on drug trends and local drug issues to reduce drug related harms.

This Greater Manchester Drug and Alcohol Strategy has been shaped through extensive consultation and engagement with the public and the widest possible range of partners, stakeholders, voluntary and community sector organisations, and people with lived experience.

We are committed to working with our communities, building on our strengths, reforming and integrating our public services, and putting people in control of their lives and the places where they live.

Reducing the impact of alcohol and drug use is the responsibility of us all. Only through communities and services working in partnership together will we address the challenges we face.

We need to do things differently and that is the ambition of this strategy.

Baroness Beverley Hughes
Deputy Mayor of Greater Manchester

We want Greater Manchester to be a place where everyone can have the best start in life, live well and age well, safe from the harms caused by drugs and alcohol. Reducing these harms is central to improving the safety, wellbeing and prosperity of our city region.
The harm caused by Drugs and Alcohol in Greater Manchester is extensive and affects all our communities and places pressure on many public services. We have a far bigger problem than most other places in England.

This first ever Greater Manchester Drug and Alcohol Strategy sets our collective approach to addressing this.

We are realistic in our level of ambition. What if we were average? We don’t often aspire to be average in Greater Manchester. The devolution of health and care has enabled us go further and faster to transform services and improve outcomes. We are recognised nationally and internationally as pioneers and trailblazers in many areas of health, care and wider public service reform.

However, when it comes to drugs and alcohol, being average would be no mean feat and would lead to dramatic improvements in outcomes for local people.

If we were average, then every year almost 400 fewer people would die early as a direct result of alcohol and there would be over 7,500 fewer alcohol-specific hospital admissions.

If we had average levels of drug-related deaths, then over 100 fewer people would die over the life of this strategy.

Being average would have an enormous impact on the tens of thousands of children living with adults who are drug or alcohol dependent, the adverse childhood experiences that this can bring, and the impact that this has on school and life readiness.

These are not just statistics – these are real people, with real families and real lives. The scale of the challenge is enormous, but it is not insurmountable. It requires us to work together and for each of us to play our part – this GM Drug and Alcohol Strategy is everybody’s business.

We must and will do better.

By mobilising this strategy, we will:

• challenge social norms around alcohol consumption
• collaborate with colleagues across our public services and neighbourhoods to join up our approaches to prevention, early help and supporting those who are the most vulnerable
• maximise the role played by those with lived experience
• establish a treatment system that is truly focussed on long term sustained recovery
• working with colleagues in Primary Care to tackle addiction to prescribed and over the counter medicines
• invest in a world-leading programme to reduce alcohol exposed pregnancies
• prevent Blood Borne Viruses, such as Viral Hepatitis and HIV, by enhancing the opportunities for screening, testing and vaccination.
• If we get this right, then being average will make an enormous difference.

Jon Rouse CBE
Chief Officer of the Greater Manchester Health and Social Care Partnership
Vision

Our vision is to make Greater Manchester a place where everyone can have the best start in life, live well and age well, safe from the harms caused by drugs and alcohol:

• A place where children, young people and families have the best start in life and future generations grow up protected from the impact of drug and alcohol misuse.
• A place where people who drink alcohol choose to do so responsibly and safely.
• A place where people are empowered to avoid using drugs and alcohol to cope with adversity and the stresses and strains of life.
• A place where our services and communities work together to build resilience and address the harms caused by drugs and alcohol.
• A place where individuals who develop drug and alcohol problems can recover and live fulfilling lives in strong resilient communities.

Our six priorities for making things better

Drugs and alcohol are everybody’s business and we will work together with our communities and partners around the following key priorities:

1. Prevention and early intervention
2. Reducing drug and alcohol related harm
3. Building recovery in communities
4. Reducing drug and alcohol related crime and disorder
5. Managing availability and accessibility
6. Establishing diverse, vibrant and safe night-time economies

We will know we are making a difference if:

• There is a reduction in levels of drug and alcohol related harm
• There is a reduction in drug and alcohol related offending
• There is an increase in the number of people in recovery
We know that...

The rate of alcohol-specific mortality episodes per 100,000 in Greater Manchester is 50% higher than the England rate. This equates to 1,189 deaths in the latest three-year tracking period (2015-17). If the figure for GM had matched the England rate there would have been 396 fewer deaths over the three year tracking period (2015-2017).

There has been a 74% rise in drug related deaths in Greater Manchester over the last 10 years. This translates to 480 deaths in the latest three-year tracking period (2015-17). If the figure for GM was at the England average, this would equate to 136 fewer deaths per 3 year period.

The rate of hospital admissions for alcohol-specific conditions is 53% higher in Greater Manchester than the England average. In the most recent year of data (2016/17), there were over 22,000 admissions of this kind, with an estimated cost in the region of £43m. If the GM rate was the same as the England average, this would equate to over 7,500 fewer admissions and a saving approaching £15m per year.
Introduction

This first ever Greater Manchester Drug and Alcohol Strategy sets out our collective ambition to reduce significantly the risks and harms caused by drugs and alcohol and help make Greater Manchester one of the best places in the world to grow up, get on and grow old.

The Greater Manchester Drug and Alcohol Strategy has been subject to public consultation and co-designed with a wide range of stakeholders to provide a framework for localities and wider partners. It is underpinned by the principles of public service and place based reform which call for person centred approaches, integrated partnership working between services and a focus on collaboration, prevention and intervening early to stop problems escalating.

Drugs and alcohol are everybody’s business. Drugs and alcohol impact on the health and wellbeing of our residents, the safety of our communities, and the vibrancy and economic future of our town centres and night time economies. It is everyone’s responsibility to make sure we minimise the potential risks and harms they cause.

We continue to experience long-standing problems with alcohol and the financial cost of alcohol to Greater Manchester is significant. It is estimated that expenditure on alcohol related crime, health, worklessness and social care costs amount to £1.3bn per annum - approaching £500 per resident.

Alcohol places a significant burden on public services, causes health problems such as cancer, liver cirrhosis and heart disease, affects the well-being of families, and is a major contributor to domestic abuse, violent crime and public disorder. We know that the issues caused by alcohol are not simply about people becoming dependent and that too many people may be unaware that they are drinking to harmful levels.

Street drugs such as heroin, cocaine and ecstasy have become stronger and more dangerous as purity rates have increased, and the array of drugs being used is greater than ever before; these include over-the-counter and prescription drugs, image and performance enhancing drugs such as steroids, and a range of more recently formulated drugs known as New Psychoactive Substances (NPS).

We know that the vast majority of national surveys have shown a long term downward trend in drug and alcohol use amongst adults and young people. We also know that locally our treatment services are more recovery focused than they used to be and that more people are successfully completing treatment, but there is much more to be done.

In comparison to the rest of the country, drug and alcohol misuse has a disproportionate impact on health and life expectancy in Greater Manchester. The demands that unsafe drug and alcohol consumption are placing on our NHS services are a real cause for concern and we know that our mortality rates and hospital admissions, including those for young people, are significantly higher than the national average.

Parental problem drug and alcohol use can and does cause serious harm to children at every age from conception to adulthood. Drug and alcohol misuse are often intertwined with a range of other mental health and social problems, including: depression and anxiety; domestic abuse; loss; trauma; housing needs; unemployment; debt; offending; and severe mental disorders such as schizophrenia. In the wider context of complex dependency, annual public expenditure on people with overlapping substance misuse, offending, homelessness and mental health issues is estimated at £20,000 per person.
Delivering our vision

Devolution and our history of collaborative working provides a platform for this first ever Greater Manchester Drug and Alcohol Strategy to transform the way we deliver services and prevent and reduce the harms that drug and alcohol use cause within our city region.

Individuals, communities, public services, the voluntary, community and faith sectors and private business all need to play their part in addressing the challenges we face and it is crucial that we involve people with lived experience in developing our solutions and building recovery communities.

Where appropriate, we will seek to identify and commit additional investment at a Greater Manchester and locality level but this strategy is not about doing more of the same at greater cost. For the most part, it is about doing things differently, maximising our existing resources, exploring digital solutions and making the most of the opportunities for transformation that exist within Greater Manchester.

Our approach will be underpinned by a commitment to evaluating what we do, learning the lessons from Greater Manchester and elsewhere, striving for continual improvement and increasingly harnessing the wealth of assets that exist within our local communities. We will do this through a recognised life course approach that focuses on supporting children, young people, adults, and the families they are part of, to start well, live well and age well.

Drug and alcohol commissioners from across our ten local authority areas have come together to make a start on delivering our vision and have worked collectively to develop a set of shared principles, common standards and outcomes that promote consistent, effective and efficient service delivery across Greater Manchester.

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START WELL

We are committed to delivering integrated services for children and families and building on the principles of early intervention and prevention across all localities in Greater Manchester.

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LIVE WELL

We are committed to maximising all opportunities to improve the health of Greater Manchester residents in mid adulthood and ensuring that everyone has the opportunity to fulfil their potential.

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AGE WELL

We are committed to supporting people to maintain good health, wellbeing and independence for as long as possible, and ensuring that people with drug and alcohol needs are afforded choice, dignity and respect at the end of their lives.
We are transforming the way our services deliver so that we can increasingly focus on targeting and intervening at the earliest possible opportunity. Central to our ambition to reduce the harms caused by drugs and alcohol, and help protect future generations, is a commitment to ensuring our services work more closely together to support those children, young people, families and communities most at risk from the impact of drug and alcohol misuse before problems arise.

Greater Manchester is developing new ways of commissioning and establishing Integrated Care Systems. A Greater Manchester Commissioning Hub will support commissioning at the city region level and function alongside local commissioning and Locality Care Organisations which will integrate health and care services across localities and neighbourhoods. This neighbourhood focus is crucial to our ambition to integrate across public services so that they respond to the needs of individuals and communities in a way that recognises the whole person and what matters most to them.

There will be a clear shift towards outcome-based approaches that will have a real impact on the lives of local people, improve the health and wellbeing of the most vulnerable, and reduce the inequalities that drugs and alcohol both contribute to and cause.

In the context of integrated commissioning and delivery, we are clear that our drug and alcohol services need to better integrate with other provision in a place. To effectively impact the root causes of drug and alcohol problems we know that we need to address wider complexity and bring together mental health, criminal justice, skills and work, housing and other place based services.

We will ensure that we maximise the role played by primary care in the heart of our neighbourhoods, and will specifically seek to ensure that Healthy Living Frameworks for Pharmacy, Optometry and Dentistry support these sectors to play an active role in addressing the harms caused by drug and alcohol use.

We will seek to develop new models of care which better integrate community and hospital based services, reduce drug and alcohol related hospital admissions, promote recovery and improve overall health outcomes.

We will continue to identify what is best commissioned and delivered at a Greater Manchester level, what is best done locally, and what is best done by localities working together in clusters. For example:

**Greater Manchester**
- Common service standards and offers (e.g. liaison and diversion)
- Big Alcohol Conversation
- Residential Rehabilitation and In-patient Detox Framework
- Drugs Early Warning System
- Monitoring and Understanding Drug Related Deaths

**Clusters**
- Community Sentence Treatment Requirement pilot
- Foetal Alcohol Spectrum Disorder pilot
- Treatment Services
- Integration of hospital and community based services

**Locality**
- Links between treatment services and key support services
- Building Recovery Communities
- Treatment Services
- Integration with place based working
- Closer working between drug and alcohol services and children’s services

We will implement this strategy in partnership with local people living within Greater Manchester communities, placing people at the heart of our ambitions, and taking services to where people are. We know that we have made some good progress over recent years but there is much more to be done. We are committed to involving and engaging local people, including those with specific drug and alcohol needs, in co-design and collaborative approaches to preventing harm and delivering services. To kick start this, we undertook a “Big Alcohol Conversation” which engaged local residents in a meaningful dialogue about the scale and nature of alcohol related harm, the causes of alcohol related harm and potential solutions. This was the largest engagement around alcohol ever undertaken in Greater Manchester.

We will maximise the opportunities afforded by devolution, and the recently agreed Greater Manchester Combined Authority (Public Health) Order 2017, to explore the evidence base around legislative and policy solutions for reducing alcohol related harm, such as minimum unit pricing for alcohol and the establishment of health as a fifth alcohol licensing objective.
How will the Drug and Alcohol Strategy help us achieve our Strategic Ambition for Greater Manchester?

The strategy will be underpinned by the principles of public service and place based reform:

- **A new relationship** between public services and citizens, communities and businesses that enables shared decision making, democratic accountability and voice, genuine co-production and joint delivery of services. Do with, not to.

- **An asset based approach** that recognises and builds on the strengths of individuals, families and our communities rather than focusing on the deficits.

- **Behaviour change** in our communities that builds independence and supports residents to be in control.

- **A place based approach** that redefines services and places individuals, families, communities at the heart.

- **A stronger prioritisation of wellbeing, prevention and early intervention.**

- **An evidence led** understanding of risk and impact to ensure the right intervention at the right time.

- **An approach** that supports the development of new investment and resourcing models, enabling collaboration with a wide range of organisations.

Place based reform represents a completely new approach to public service delivery which calls for person centred approaches, integrated partnership working between services and a focus on collaboration, prevention and intervening early to stop problems escalating. Underlying this approach there will be System Standards for all Public Service and Health and Care Organisations across Greater Manchester which will inform all our strategic plans and the design of all our programmes of work.

Drugs and alcohol are everybody’s business and this strategy will work alongside the other key strategies that set out our shared ambitions for Greater Manchester.
Our People, Our Place, The Greater Manchester Strategy clearly sets out our ambition to make Greater Manchester an inclusive and productive city region where everyone and every place can succeed. Person and community centred approaches are key to integrating our services and working alongside local people to make a real difference to their lives and the places they live in. Our ambition will only be achieved through new approaches which are shaped and driven by our communities themselves.

Taking Charge of our Health and Social Care in Greater Manchester commits to radical change and the development of a new relationship with citizens and communities across all public services in order to achieve the greatest and fastest improvement to the health, wealth and wellbeing of the 2.8 million people who live in Greater Manchester - so that everyone can start well, live well and age well.

Standing Together, the plan for police, community safety, criminal justice services and citizens in Greater Manchester, similarly recognises a pressing need for better integration of services and that no single organisation or community acting alone can keep people safe, reduce harm and build cohesive, strong communities.

Developing the Strategy

| Greater Manchester Combined Authority |
| Representatives from the Voluntary and Community and Social Enterprise Sector |
| Greater Manchester Health and Social Care Partnership |
| The Ten Greater Manchester Local Authorities Chief Executives |
| Greater Manchester Directors of Public Health |
| Greater Manchester Substance Misuse Commissioners |
| Greater Manchester Justice and Rehabilitation Executive Board |
| People with lived experience |
| Greater Manchester Police |

| The Association of Clinical Commissioning Groups |
| Directors of Commissioning |
| Local Authority Elected Members for Police and Crime |
| Local Authority Elected Members for Licensing |
| Local Authority Elected Members for Health Scrutiny and Health and Wellbeing |
| Local Authority Elected Members for Children's Services |
| Greater Manchester Fire and Rescue Service |
| Public Health England North West |
| Homelessness Action Network |
Our 6 priorities for making things better

1. Prevention and early intervention

We know that...

Of young people entering drug and alcohol treatment in Greater Manchester, we know that typically:

- 23% report experience of domestic abuse
- 13% will be Children In Need
- 23% self-harm
- 14% will not be in education, training and employment

It is estimated in 2016/17 across Greater Manchester:

- Over 15,000 children were living with alcohol dependent adults
- A further 11,000 children were living with an opiate dependent adult

In 2016/17, 5,000 adults entering treatment had or were living with children:

Children from a family with a history of drug and alcohol misuse are 7 times more likely to develop a problem themselves

It is estimated that in Greater Manchester during 2016:

- 1,195 babies were born with Foetal Alcohol Spectrum Disorder

7x
We will

1.1 Focus on challenging social norms around alcohol in our communities.
1.2 Develop drug and alcohol health campaigns and messages that are credible to our residents.
1.3 Reduce alcohol exposed pregnancies and eliminate new cases of Foetal Alcohol Spectrum Disorder (FASD).
1.4 Work with localities to promote best prevention practice with our schools and local communities.
1.7 Apply a targeted approach to young people, adults and families most at risk of harm from drugs and alcohol.
1.6 Adopt a place based approach that prioritises early help.
1.7 Support workforce development that focuses on making drugs and alcohol everybody’s business.

Start Well

Too many children in Greater Manchester are directly or indirectly harmed as a result of the drug and alcohol consumption of those around them. We will place renewed emphasis on addressing this. We will focus on reducing the harm caused to unborn babies due to maternal drug and alcohol misuse by developing transformational approaches to reducing consumption before and during pregnancy.

Children and young people are naturally curious and this means they may decide to try drugs and alcohol as part of growing up. Many young people who try drugs and alcohol do so without coming to harm, but for a number of reasons some may take risks that make them vulnerable to harm both from what they are taking and the situations they find themselves in.

There is little evidence that drug and alcohol education consisting solely of information giving can affect behaviour, however it is nationally recognised that good quality interventions designed to build confidence, resilience and effective decision-making skills can have a preventative impact.

We will work with localities to promote the best evidence based drugs and alcohol education and prevention activities for schools and services and community groups that have contact with our children, young people and families.

We know that young people and adults who develop drug and alcohol problems are less likely to fulfil their full potential and that certain groups of young people, particularly those who have suffered adverse childhood experiences, are more likely to develop drug and alcohol problems that will accompany them into adulthood. These include; the children of parents with drug and alcohol problems, those who have experienced the care system, young offenders, those not in education, training or employment, and those with mental health issues.

For those in the early stages of drug and alcohol use we need to make sure that we are all maximising every opportunity to intervene. We will work with localities to encourage close working relationships and routine information sharing between Children’s Services and drug and alcohol services.

The voice of the child will be central to the work we will do with services accessed by children and young people and we will develop common standards that inform the interaction between Children’s Services and drug and alcohol services.
Live Well and Age Well

It is essential that we get our public health messages right and that we encourage both young people and adults to behave safely and responsibly. We are also increasingly aware of the need to address emerging issues among some of our older populations who are drinking excessively, often to cope with social isolation.

We will promote collaborative public health and community action and activity that encourages lower risk drinking and earlier intervention with those most at risk of harm and those experiencing alcohol and drug related problems.

We will improve early identification and the targeting of high risk groups and communities through the development of a place-based approach. We will commission based on an understanding of need in a place and work towards integrating our local delivery at a neighbourhood level. We will also prioritise workforce training that equips staff to have the right conversation with people at the right time, taking a strengths based approach, and putting what matters to people at the centre.

We will focus on ensuring that drug and alcohol services work closely with primary care, other health and social care agencies and wider public services established to help meet the complex and overlapping needs of children, young people, adults and their families, including pathways for pregnant women.

A consistent approach for reporting on emerging drug trends and sharing our understanding of local drugs issues is crucial to reducing drug related harms. That is why we have developed and will build on Greater Manchester’s Drugs Early Warning System, which is recognised nationally as best practice.
2. Reducing drug and alcohol related harm

We know that...

**40% HIGHER**

Admission episodes for alcohol-specific conditions for Under 18s in Greater Manchester are 40% higher than the England average. If the figure for GM was at the national average, this would mean 86 fewer admissions annually and a saving in the region of £180,000 per year.

There has been a 48% increase in hospital admissions related to substance misuse amongst those aged 15-24 over the last 6 years in Greater Manchester. There was a total of 1,287 admission in the latest 3-year reporting period (2014/15 - 16/17). The GM rate of admissions per 100,000 population aged 15-24 years is 31% higher than the England rate. If the figure for GM was at the England average, this would equate to an estimated 100 fewer admissions per annum.

Greater Manchester Fire and Rescue Service Learning from Accidental and Non-Accidental Fatal Fire Incidents Report (2007-2016), found that of accidental fire deaths in the home:

- Alcohol was a contributory factor in 44% of incidents.
- Illicit drugs were a contributory factor in 11% of incidents.
- In 45% of incidents the victim was taking prescribed or over the counter medication.

We will

- **2.1** Reduce the number of deaths caused by alcohol and drugs.
- **2.2** Address the impact of drug and alcohol use on our most vulnerable people, including those with multiple needs and co-existing drug, alcohol, housing and mental health problems.
- **2.3** Work with colleagues from across primary and secondary healthcare to review the use of potentially addictive prescribed and over the counter medicines, with a particular focus on prescribing practices and responding to addiction.
- **2.4** Focus on blood borne viruses to help achieve the strategic aims of eliminating HIV and Hepatitis C as public health issues.
- **2.5** Focus on improving the physical health of people with drug and alcohol problems through screening and early identification.
- **2.6** Encourage our public services to lead by example and develop and implement workplace policies to reduce drug and alcohol related harm for employees.
- **2.7** Support public services to provide fire safety advice to people with drug and alcohol problems and make referrals for Greater Manchester Fire and Rescue Service home visits.
- **2.8** Develop opportunities for digital health and community based asset approaches to offer the widest possible response to addressing drug and alcohol harm.
Start Well
We will take a whole family approach to addressing parental substance misuse and reduce the harms caused to children through multi-agency working that takes account of wider family needs and complexities.

When children and young people are admitted to hospital for drug and alcohol related incidents, we will ensure that our community and hospital services work closely together with them, their families and significant others, to address underlying risks and issues and reduce the likelihood of a repeat occurrence.

We will offer opportunities for children and young people to access workers who can offer age appropriate interventions and are skilled in understanding and responding to their developmental needs.

Live Well
Too many lives in Greater Manchester are cut short from the misuse of drugs and alcohol and we need to renew our efforts to reverse this through consistent approaches which optimise the use of our resources.

We will develop opportunities for digital health and community based asset approaches to offer the widest possible response to addressing drug and alcohol harm.

We will achieve better outcomes for people with complex and multiple problems through integrated care that reduces duplication and prevents people from slipping through the net. This means bringing mental health and drug and alcohol services closer together and ensuring that they work in conjunction with those addressing needs in key areas such as homelessness and offending behaviour.

We will also work to integrate drug and alcohol services based in our hospitals and our communities, including primary care, to promote recovery and reduce drug and alcohol related hospital admissions.

We will take a targeted approach to those young people and adults who most frequently attend hospital for drug and alcohol related incidents and conditions.

We recognise the potential for people to become dependent on prescription and over-the-counter medicines, particularly as they grow older. Our services will continue to offer support for people who develop such problems. We will work with healthcare specialists to review the prescribing of these medications and encourage greater use of community based social prescribing to improve mental health and wellbeing.

We know that people from communities of identity and interest, including sexuality, gender identity, ethnicity, disability or life experience (such as veterans), often have particular needs relating to drug and alcohol use and may face barriers in accessing services. We need to connect with these communities and ensure that barriers to seeking advice and engaging in treatment are removed through co-production and co-design.

We will reduce incidence of HIV and other blood borne viruses by maximising every opportunity to provide clean injecting equipment and targeted harm reduction advice for those that inject drugs. We will also make sure that injecting drug users are clear about how to safely dispose of the equipment.

Drug and alcohol services will also continue to routinely test for blood borne viruses, administer vaccinations (e.g. for Hepatitis B), and proactively encourage those who test positive to seek treatment from wider health services.

We will encourage our public services to lead by example and develop and implement workplace policies to reduce drug and alcohol related harm for employees.

We will build on existing best practice to develop a Greater Manchester approach to reducing drug and alcohol related fire risk. Partnership arrangements will ensure that routine assessments of people attending drug and alcohol services where fire safety risk is identified are appropriately followed up by home visits from the Greater Manchester Fire and Rescue Service or other suitably qualified organisations.

Age Well
A large proportion of those with drug and alcohol misuse problems, particularly opiate users, have been in treatment for several years and this aging population have prematurely developed additional long-term, chronic health problems. We need to ensure that drug and alcohol services identify these health problems as early as possible and clearly link with the wider health system responsible for addressing them.
3. Building recovery in communities

We know that...

The claimant rate for Incapacity Benefit, where Alcohol Misuse is the main disabling condition, is 75% higher in Greater Manchester than the national average. If the figure for GM was the same as the national average, 1,715 fewer people would be in receipt of Incapacity Benefit and the fiscal saving would be in the region of £16m per year.

On entering drug and alcohol treatment in Greater Manchester, 15% of adults identify as having a housing problem, and 73% will not be in regular employment.

On entering drug and alcohol treatment in Greater Manchester, 22% of adults were in contact with mental health services.

We will

3.1 Support Greater Manchester to be a resilient city region and commit to a collaborative partnership with our communities.

3.2 Develop community-led alternatives to traditional drug and alcohol treatment with a focus on social prescribing.

3.3 Ensure recovery is visible in our communities and throughout treatment journeys.

3.4 Promote recovery models based on a detailed understanding of the different needs of our treatment populations.

3.5 Involve those with lived experience in the design and delivery of person and community centred approaches.

3.6 Clearly link treatment systems to key support services (e.g. mental health, housing and homelessness support services, employment, education and training).

3.7 Promote wellbeing and recovery by clearly linking treatment systems with voluntary and community based organisations.
Live Well

Person and community centered approaches are central to our Greater Manchester Strategy and to our Health and Social Care, “Taking Charge” Strategy. As part of our commitment to support rehabilitation and build recovery in our communities, it is crucial that we involve service users and people with lived experience in the design and delivery of drug and alcohol services. For people to build their own successful recovery we need to make sure we understand the different needs of our treatment populations and deliver the right support at the right time. We will promote approaches that focus on people’s assets, reduce stigma, and encourage them to help themselves and others in recovery communities.

Traditional treatment services have an important role to play but are not the only solution and we will increase the proportion of those with drug and alcohol needs who are accessing help by enhancing the range of support that is available in the heart of local communities.

Key to this is working with communities to ensure that they have the knowledge, skills and confidence to play an active role in managing their own health and wellbeing.

Our groundbreaking Communities in Charge of Alcohol (CICA) programme is being rolled out across our local authorities. CICA aims to kick-start the development of a volunteer network of Community Alcohol Health Champions. Working in partnership with the Royal Society for Public Health, volunteers will receive accredited training to become “Alcohol Health Champions” in neighbourhoods that experience high levels of alcohol related harm. They will give alcohol related advice to individuals and help communities to influence alcohol availability through greater involvement in local licensing processes.

We will build on this and seek to continually develop innovative and wide-ranging community-led alternatives to formal alcohol treatment, with a particular focus upon those areas and groups who experience the highest levels of alcohol related harm, and with an emphasis on supporting people earlier and more effectively. In order to achieve this we will maximise the role played by local people and the voluntary and community sector in supporting long term sustained recovery.

At a neighbourhood level, we are focusing on helping people to help themselves through developing integrated place based services that are responsive to local need, build on the assets of the community and create capacity to deliver change. These integrated teams will work to improve individual and community resilience by understanding individual needs in the context of the family and their community.

To support people to lead meaningful and fulfilling lives we also need responsive treatment and recovery systems that are clearly integrated with broader support and community provision that address key factors such as physical and mental health, housing and homelessness, employment, education and training.

For people with high levels of need we recognise the need to further develop and link with specialist psychological and counselling support that addresses trauma (including adverse childhood experiences), bereavement and post-traumatic stress disorder.

Having somewhere decent to live, a job or something to do, and someone to love are critical to having a sense of social belonging and purpose. This will increasingly become the primary focus of all our support services at every stage in an individual’s recovery journey. We will ensure that those in successful recovery are clearly visible to their peers as examples of hope and what is achievable.
4. Reducing alcohol and drug related crime and disorder

We know that...

Drug misuse is associated with risk of reoffending for 35% of offenders in Greater Manchester. For alcohol the figure rises to 44% (National Probation Service and Community Rehabilitation Company Local Data). National evidence suggests that individuals dependent on opioids and/or crack cocaine are responsible for an estimated 45% of acquisitive crime (shoplifting, burglary, vehicle crime and robbery).

Intelligence from Greater Manchester Police indicates that nearly 9 in 10 organised crime groups in Greater Manchester are involved in drug related activity.

Greater Manchester Police data for 2017/18, shows that 15% of crimes classed as ‘Violence Against The Person’, and 7% of Sexual Offences, were flagged as alcohol related.

We will

4.1 Improve public confidence through collaborative problem solving and community based multi-agency campaigns which address drug litter, open use of drugs, and drug and alcohol related anti-social behaviour.

4.2 Maximise every opportunity to address offending behaviour that is driven by the use of drugs and alcohol.

4.3 Work with criminal justice partners to ensure that responses to young people’s drug and alcohol related offending are appropriate to their needs.

4.4 Develop a set of common standards that clearly identify “what works” in reducing drug and alcohol related offending.

4.5 Work with prisons to create clear resettlement pathways and reduce reoffending.

4.6 Strengthen partnership responses to address the impact that drugs and alcohol play in the exploitation of vulnerable children, young people and adults including:
   i) domestic abuse
   ii) violent crime
   iii) sexual offences
   iv) child sexual exploitation
   v) modern day slavery
Start Well

Early identification and intervention are key to supporting vulnerable young people at risk of offending and drug and alcohol misuse. It is essential that local agencies including youth offending teams, police, custody healthcare, looked after children’s services, education and health services take every opportunity to identify young people at an early stage and work together to put in place appropriate support.

For those young people who have come into contact with the Criminal Justice System it is important that we identify their needs and put in place adequate provision to support the young person’s desistance from further crime. Where substance misuse is part of wider issues in a young person’s life, it is important to take an integrated multi-agency response, including family support.

Live Well

We have previously seen significant reductions in drug and alcohol related crime and disorder in our neighbourhoods and town centres but there is a perception that some problems are re-emerging and that the historical progress made is reversing as a result of austerity. We recognise this decline in resources. It is imperative that we integrate and make the best use of those that remain. We also recognise the more recent issues relating to the visible use of drugs such as spice amongst our vulnerable populations and the need for partnership solutions.

Drug and alcohol related anti-social behaviour, including visible drug use and drug litter, impact negatively on public perceptions and we will promote the use of geographically focused multi-agency campaigns to address these issues.

There is a clear link between drugs and alcohol and domestic abuse and we will promote a consistent evidence based approach to both reducing offending behaviour and victim risk using family centered approaches.

We will focus on reducing the risks for our most vulnerable people. We recognise that the criminal exploitation of children and vulnerable adults can take many forms including the use of drugs and alcohol in grooming. Gangs typically use children, young people and vulnerable adults to deliver drugs to customers and this often involves them being subjected to deception, intimidation, violence, and financial exploitation.

Recognising the complexity of offending behaviour, we will ensure a consistent approach to reducing the impact that drug and alcohol use has on offending across Greater Manchester by focusing on three key areas: diversion, treatment and enforcement.

Diversion: The Criminal Justice System offers a number of routes into support and treatment. Our local programmes such as Liaison and Diversion in our police custody suites give us the opportunity to make sure that offenders are offered the right help at the right time.

Consistency of approach across Greater Manchester is crucial and we will work with drug and alcohol services and commissioners to create a set of common standards for working with offenders.

Treatment: It is important that those involved in drug and alcohol related crime are given every opportunity to address their offending behaviour as well as being punished for their actions. We will ensure that our criminal justice agencies and drug and alcohol services work better together. We will promote the use of out of court disposals and community sentences, such as drug and alcohol treatment requirements which require offenders to engage with services, and we will work closely with prisons in the resettlement of offenders.

Enforcement: There is evidence that drug law enforcement action can have some local impact but when delivered in isolation the benefits can be short-lived. The evidence suggests it is far more effective to identify underlying problems in a place and for communities and services to work together to resolve them.
5. Managing Availability and Accessibility

We know that...

- Approaching a third of Greater Manchester residents (31%) perceive a very/fairly big problem with ‘people using or dealing drugs’ (England and Wales = 23%).
- 74% of frontline practitioners in Greater Manchester feel that the public is more concerned now with people using or dealing drugs openly in their areas than three years ago.
- Approaching a quarter of Greater Manchester residents (23%) say that, in their local area, there is a very/fairly big problem with ‘people being drunk or rowdy in public places’ (England and Wales = 16%).

We will

5.1 Involve communities in alcohol licensing and regulation.
5.2 Influence Government around Minimum Unit Pricing of alcohol in England, best practice licensing and responsible alcohol marketing.
5.3 Use the opportunities afforded by Greater Manchester devolution to review the evidence for legislative and policy solutions such as Minimum Unit Pricing for alcohol and the introduction of Health as a fifth alcohol licensing objective.
5.4 Introduce a Greater Manchester Statement of Licensing Policy.
5.5 Focus on local communities and services working together to resolve the underlying causes of drug and alcohol related crime.
5.6 Support law enforcement agencies to restrict the supply and availability of illicit drugs.
5.7 Ensure we have a Greater Manchester wide approach to developing our understanding of drug markets and trends.
Live Well

Coordinated partnership action between services is central to supporting resilient communities and working with people to build places they are proud to be from and feel safe living in. Local people need to be empowered to work with the police and other agencies in reducing the availability and accessibility of drugs. They also need to be more closely involved in the licensing and regulatory processes which influence the availability and accessibility of alcohol.

The role out of the Communities in Charge of Alcohol (CICA) Programme in neighbourhoods experiencing alcohol problems across Greater Manchester will see the creation of a network of community champions’ best placed to represent local views and influence local licensing decision making.

We will work with national and regional partners to review the evidence base in relation to Minimum Unit Pricing for alcohol. We will also continue to influence Government around the availability of high strength alcohol products, the inclusion of health as a fifth alcohol licensing objective, and a watershed for alcohol advertising.

National mandatory licensing conditions require that all businesses selling alcohol, for consumption either on or off their premises, should demand to see photographic identification when they think a person attempting to buy alcohol may not be an adult. We will work with our localities to promote best practice and campaigns that support full implementation of this legislation across Greater Manchester.

We will also work with our localities to better understand the learning from the use of Cumulative Impact Policies (CIPs) and their role in strengthening the ability of authorities to regulate the availability of alcohol in Greater Manchester and elsewhere in the country.

All local authorities are required by law to have a Statement of Licensing Policy (SOLP) that explains the council’s approach to licensing. We will develop a SOLP for Greater Manchester for implementation in each of our ten local authorities which highlights best practice and harmonises our approaches to reducing alcohol related harm.

There are continued and sustained efforts by law enforcement agencies operating within Greater Manchester to restrict the supply and availability of illicit drugs, particularly those that cause the most harm to our communities. Our enforcement agencies fully recognise that community and local partnership engagement is vital to maintaining the successes their activities achieve.

Building on our established Drugs Early Warning System will enable us to monitor drug trends and markets by linking information held across partner agencies, conducting research with key informants and routine testing of substances to monitor purity levels, adulterants and the emergence of new drugs.
6. Establishing diverse, vibrant and safe night-time economies

We know that...

Nearly two thirds of violent incidents in public spaces are perceived by victims as alcohol related. Over three quarters of victims of violence that takes place after 10pm perceive the offender(s) to have been under the influence of alcohol.

89% of ambulance service workers in the UK believe that dealing with alcohol related ambulance callouts placed an unnecessary burden on their time and resources. On average, 37% of ambulance service time is taken up dealing with alcohol related incidents.

92% of police officers in the UK feel that policing the Night Time Economy (NTE) has a large impact on their workload. 76% of police officers say they have been injured through dealing with drunkenness when working in the night-time economy (65% on multiple occasions).

We will

6.1 Share best practice and further improve our understanding of developing night-time economies across Greater Manchester.

6.2 Support local partnership initiatives that promote safe, vibrant and diverse night-time economies.

6.3 Work in partnership with those supporting homeless and rough sleepers where drugs and alcohol use are an issue.

6.4 Encourage a shared Greater Manchester conversation with businesses about responsible trading and social accountability.

6.5 Develop a Greater Manchester approach to managing messages and campaigns aimed at the public.

6.6 Focus on the use of public transport with potential campaigns on going out and getting home safely.
Live Well

Vibrant and safe night time economies are important to our city and town centres. The vast majority of people who visit them enjoy socialising and drinking sensibly but the behaviour of a minority has a significant adverse impact on public perceptions and places substantial demands on our health and criminal justice services.

The Greater Manchester Strategy highlights the importance of developing thriving night time economies in all our regional and town centres across Greater Manchester. A Greater Manchester Night Time Economy Adviser will lead on issues relating to the night time economy with a strong focus on public safety, transport and policing.

We know that many of our night time economies are heavily alcohol-led. We will work in partnership with local areas developing night time economy strategies to help reduce crime, anti-social behaviour and vulnerability.

We will build on the successes of our previous Greater Manchester Alcohol Strategy (2014-2017), in particular promoting the effective, appropriate and consistent use of our existing licensing tools and regulatory powers.

We will continue to develop and share best practice in relation to partnership based initiatives such as Pubwatch, Best Bar None, Community Alcohol Partnerships and Purple Flag, as well as the Proof of Age Standards Scheme and Drinkaware.

We will also promote initiatives which reduce the potential for drug and alcohol related harms and place emphasis on ensuring personal safety.

Locally we will all work together to prevent drug and alcohol related crime and disorder, to make sure our town centres thrive and that people feel safe and secure. This can only be achieved through partnership working between local authorities, the police, health partners, universities, colleges and education partners, businesses and the voluntary and community sector. This includes the social accountability of businesses and retailers who have a direct stake in maintaining safe and viable night time economies. It is also important that people themselves play their part, taking personal responsibility for their own behaviour and the amount of alcohol they consume.
PURPOSE OF REPORT:
To provide Leaders with an update of the plans to accelerate gender equality in Greater Manchester and seek agreement of the areas of activity identified to take this work forward.

RECOMMENDATIONS:
Leaders are asked to:

- agree the proposed areas of activity - to be further developed into a delivery plan - to turbo charge gender equality in Greater Manchester;
- support the principle of identifying resource to drive forward this agenda, working in partnership across Greater Manchester and national agencies as appropriate;
- agree to further updates of the work programme being brought back to future meetings of the GMCA.

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John.holden@greatermanchester-ca.gov.uk
1. **BACKGROUND**

1.1 There has been much recent debate on the issue of gender equality and this has reinvigorated discussion of how we might achieve greater gender parity across Greater Manchester.

1.2 Greater Manchester has long flown the flag for women’s rights, however whilst progress has been made, issues such as the gender pay gap remain.

1.3 Work undertaken by partners including Northern Power Women, Devo Manc, The Fawcett Society, as well as GMCA’s own work in in this area, have further highlighted the inequalities that exist in the city-region.

1.4 There is now a recognised need to bring together this existing activity and better coordinate our efforts to help shape a future work programme that will set gender equality firmly on the agenda in Greater Manchester.

2. **GENDER PARITY IN GREATER MANCHESTER – THE CURRENT PICTURE**

2.1 Evidence compiled by the GMCA research team highlights the scale of gender inequality in Greater Manchester. For example:

   o Female employment rates are lower in Greater Manchester than the UK average (68.3% and 70.3% respectively), and both are lower than male employment rates (77.1% and 79.4%). The gender pay gap is lower in Greater Manchester than the national average, which is reflective of lower overall wage levels, but still stands at 8.2%.

   o There are nearly twice as many low-paid part-time jobs held by women, than low-paid full-time jobs, and the prevalence of women in this type of work contributes significantly towards the overall gender pay gap. Some forms of atypical work (e.g. zero hour’s contracts) are more prevalent amongst women.

   o Greater Manchester sees twice as many new referrals for female genital mutilation (FGM) each year than the national average, with an estimated 9,250 women living with FGM in Greater Manchester. Research by Plan International UK found Salford and Manchester to be in the top ten worst Local Authorities to be a girl in 2016.

   o Three quarters of all domestic violence victims in Greater Manchester are women, and over 80% of domestic homicide victims are women. Over 80% of sexual offences are committed against women in Greater Manchester.
Adult female reoffending rates are significantly lower in Greater Manchester than the national average (15.9% compared to 22.9%).

On a national / international note, currently there are the highest number of women in history sitting in the House of Commons, but still only 32% of UK MPs are women, and worldwide just 24% of people elected into international Parliaments are women.

2.2 The remainder of this paper sets out a proposed response to progressing gender equality in Greater Manchester.

3. DEVELOPING A RESPONSE TO GENDER INEQUALITY IN GREATER MANCHESTER

3.1 A commitment has been made from senior leaders across Greater Manchester to collaborate and develop a joint work programme to address some of the issues identified in support of achieving gender parity across the city-region.

3.2 Formed from a series of meetings, conversations and existing work programmes, a long list of possible actions, campaigns and ideas were brought together and discussed at the first meeting of the Greater Manchester Women’s Voice Group. This group will seek to engage all those interested parties to form a task and finish group, with the view of delivering an agreed work programme, with the potential for a longer-term group to be formed as appropriate.

4. GM WOMEN’S VOICE GROUP

4.1 Cllr Brenda Warrington, Leader, Tameside MBC and Combined Authority Equalities Portfolio Holder chaired the first meeting of the group on the 5th March, attended by representatives from across Greater Manchester, including some Local Authority Chief Executives, GMCA Officers, Combined Authority Members, Local Authority Officers, Manchester University, Chamber of Commerce, Diva Manc, the Big Lottery and the Fawcett Society.

4.2 There were a number of points arising from the first meeting. Key points made included:

- This work should be evidence led. It was recognised that a vast amount of evidence exists in relation to gender equality and this needed to be brought together in one place. A strong evidence base will help direct action that will move this agenda forward and will enable us to better track progress across a range of indicators.
- Linked to this, there is a need to map programmes in GM that are aimed at promoting / opening up careers in traditionally male dominated sectors to women e.g. the Primary engineers programme and Digital Her. This would help challenge career stereotyping.
- Engagement with employers in GM would be crucial to achieving gender parity in GM. Employers needed to embed equal pay, flexible working
The implementation of the Good Employment Charter will support this agenda and the GM Chamber of Commerce will help to engage large employers. As part of this, there was a need to identify which organisations were already doing this well and promote them as exemplars.

- The public sector has a key role to play in promoting gender equality and needs to be an exemplar in this area. As part of this, GMCA should consider how it can truly embed the Public Sector Equality Duty and be a trailblazer in this area by going over and above the basic legal requirement for equality impact assessments.
- Gender equality needs to be embedded in GM policies and strategies, including GMS. Linked to this, GM strategies should recognise the potential that female talent can make to closing the growth and productivity gap.
- There is a broader job to do in terms of raising awareness of gender equality issues.

4.3 It was agreed that the group would act as a steering group for the development of an action plan. This will identify quick wins, which can and will be, implemented immediately and identify those longer term, more strategic actions. The areas identified for development into the action plan are set out in the table below and begin to shape a future work programme.

4.4 The group discussed how this work programme might be further developed and delivered and the resource available to do this. It was acknowledged that there was limited capacity currently available at a GM level to deliver this work. As such, it was proposed resourcing opportunities be investigated, looking at existing capacity within GM, with the possibility of seeking additional resource if needed, to establish a coordinating function to oversee and drive this work, along with the wider equalities agenda, with regular updates on progress to be brought back to the GMCA.

4.5 The Women’s Voice Group will meet again in May to consider actions to date and further development of the action plan and next steps to drive forward this agenda and embed within the mainstream delivery and policy development in Greater Manchester.

5. PROPOSED ACTION AREAS FOR CONSIDERATION

5.1 The following priority themes and suggested actions have been identified and will form the basis of a work programme - linking in wherever possible to existing workstreams - which will be overseen by the GM Women’s Voice task and Finish group.

| Public sector and strategy development | • Review equalities policy and practice in GM organisations - ensure legal requirements are met, delivering Equality Impact Assessments which |

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*The text above is a natural representation of the document as per the guidelines.*
support better policy development and decision making, and best practice sharing across GM.
- GM Local Authorities be requested to undertake self-assessment using the LGA’s toolkit around under-represented groups, and identify best practice examples
- Consider how to better utilise public sector influence and convening role to build gender equality considerations into wider decision making
- GMCA to explore a date by which to close the gender pay gap
- Support the development and delivery of the Violence Against Women and Girls Strategy

**Evidence base**
- Compile all evidence / research on gender equality from across GM, and make available – work is underway to develop accessible disaggregated data, along with work with University of Manchester to access and utilise academic data
- Have an agreed baseline across GM and work across each locality to develop an action plan to address gender equality, including targets. Plans should include specific priorities around women and girls mental health and tackling discrimination

**Best practice and awareness raising**
- Collation and dissemination of best practice examples from across public, private and voluntary sector – on both service delivery and policy development
- Through the GM Good Employment Charter, work with GM employers, identifying exemplars and consideration of awards criteria, involving Chamber and other partners as appropriate
- Continue to support Unite’s period dignity campaign

**Women & girl’s voices in policy development**
- Undertake mapping exercise of existing women & girls service delivery, including schools & colleges
- Recognition of where women & girl’s voices are currently represented and where there are opportunities for GMCA and other policymakers to convene and support other mechanisms
- Over time develop capacity to increase representation and influence of women & girl’s voices in policy development and service delivery
- Once plans are in place, consider holding a GM Summit in early 2020 to highlight the work being undertaken to make GM the best place for women to be.

### 6. OVERVIEW & SCRUTINY COMMITTEE

#### 6.1
The draft proposal for the development of a Woman’s Voice Task & Finish Group, along with areas for priority development into a work programme have been considered by the GMCA Economy, Business Growth & Skills Overview
& Scrutiny Committee. Scrutiny Members identified a number of actions, which have been considered and included in the updated priority actions table at section 5.

6.2 The action areas identified included the need for the emerging work programme to include priorities around women and girl’s mental health and tackling discrimination. Scrutiny Members are also considering any additional relevant stakeholders, which may be invited to join the Task & Finish Group.

7. RECOMMENDATIONS

7.1 Recommendations appear at the front of this report.
Date: 29 March 2019
Subject: Mayor’s Cycling and Walking Challenge Fund
Report of: Andy Burnham, Mayor of Greater Manchester, Portfolio Lead for Transport and Eamonn Boylan, Interim Chief Executive, TfGM

PURPOSE OF REPORT

To provide an update on progress and to approve the fourth tranche of schemes for Programme Entry for the Mayor’s Cycling and Walking Challenge Fund (MCF); and to approve the associated delivery budgets.

RECOMMENDATIONS:

Members are recommended to:

(i) note the progress of the first three tranches previously granted Programme Entry for inclusion in the MCF, as set out in section 2 of the report;
(ii) approve that the fourth tranche of cycling and walking schemes, as set out in section 3 of the report, be granted Programme Entry for inclusion in the MCF;
(iii) note that the schemes will be further developed; and will be subject to subsequent approval by the CA, as appropriate, as set out in section 3 of the report;
(iv) authorise the GMCA Treasurer to make appropriate grants to cover forecast Tranche 4 development costs incurred by scheme promoters in 2019/20 up to a value of £5.4 million (as currently forecast);
(v) approve the release of up to £1.5 million funding to fund programme management and associated costs in 2019/20; and authorise the GMCA Treasurer to make the necessary capital-revenue ‘switch’ as set out in section 4 of this report; and
(vi) approve £0.26 million for the GM side-road zebra research commission, as set out in section 4.3 of this report, and authorise the GMCA Treasurer to make the necessary capital-revenue ‘switch’ as set out in section 4 of this report; and,
(vii) note that schemes requiring a GMCA contribution of over £0.5 million will be brought to GMCA for individual approval.
approve the delegated authority to the Chief Executive of the CA, in consultation with the Mayor, to approve schemes where the GMCA contribution is less than £0.5 million, approve consequent grant awards (including for development costs) and agree variations to funding provided the total funding remains below £0.5 million.

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David Budd 0161 244 1163  David.Budd@tfgm.com

Comments and/or recommendation from the relevant Overview and Scrutiny Committee

Risk Management – see paragraph 3.8
Legal Considerations – N/A
Financial Consequences – Revenue – N/A
Financial Consequences – Capital – see paragraphs 3.8. – 3.9

BACKGROUND PAPERS:

• 29 March 2018 - Transforming Cities Fund report to GMCA;
• 25 May 2018- Cycling & Walking Update;
• 29 June 2018 - Transforming Cities Fund report to GMCA;
• 27 July 2018 - Transforming Cities Fund report to GMCA;
• 28 September 2018 - Mayor’s Cycling & Walking Challenge Fund; and
• 14 December 2018- Mayor’s Cycling & Walking Challenge Fund.

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1 INTRODUCTION

1.1 On 29 March 2018, GMCA agreed to allocate £160 million of Greater Manchester’s £243 million Transforming Cities Fund to develop a Mayor’s Cycling and Walking Challenge Fund (MCF).

1.2 The proposed funding profile for the £160 million, (prior to the development of the programme pipeline and the provision of profiled delivery costs by scheme promoters, was £10 million in 2018/19 and £50 million per annum thereafter for three years). The fund is designed to kick-start the delivery of “Greater Manchester’s Cycling and Walking Infrastructure Proposal” (adopted by GMCA in June 2018), as part of a GM “Streets for All” highways improvement programme.

1.3 The governance of the £160 million MCF was approved by GMCA on 25 May 2018.

2 TRANCHE 1, 2 and 3 PROGRESS

2.1 On 27 July, 28 September and 14 December 2018, GMCA approved tranches 1, 2 and 3 comprising a total of 24 cycling and walking schemes with a current forecast total funding requirement from the MCF of £39.4 million.

2.2 TfGM has been working closely with scheme promoters to set up and progress the projects, in line with the agreed governance arrangements; and has established a Cycling and Walking Infrastructure Support Team to provide collaborative support to District Partners to ensure that there is a consistent pipeline of high quality cycling and walking schemes that are developed and delivered in accordance with the agreed governance.

2.3 Of the 24 schemes approved for Programme Entry by GMCA previously, four are classed as “major” having a cost of over £5 million. The remainder are classed as “minor” having a cost under £5 million.

Current Majors

2.4 Manchester to Chorlton – Designs have progressed further following an extensive public consultation exercise which concluded on 25 January 2019.

2.5 SBNI – Swinton and Walkden - Salford City Council is progressing designs for the Swinton element of the scheme with a focus on reducing the impact of vehicular traffic and enhancing cycling and walking measures. With regards to the Walkden element, design options are being refined to incorporate high quality pedestrian and cycle facilities. A business case is anticipated to be received from Salford City Council in autumn 2019.
2.6 **Chapel Street East Phase 1**: Demonstrator Project - Salford City Council is progressing detailed design, and a business case is currently anticipated to be submitted to TfGM in spring 2019.

2.7 **Trafford Road** - Salford City Council continue to progress scheme development activities, including design.

**Current Minors**

2.8 District partners are currently progressing design and development activities for the 20 minor schemes that have previously been approved for Programme Entry. To date one full business case has been submitted. This was for the Tranche 3 Wigan Bridgewater Canal towpath improvements scheme which is forecast to start on site in spring 2019.

2.9 In addition to this, based on current reporting by scheme promoters it is currently estimated that 13 minor schemes will start on site in spring/summer 2019, with another four scheduled to start before the end of 2019.

**Financial Update**

2.10 The monitoring of the financial position for the MCF programme takes places on an ongoing basis through an established monthly reporting cycle. Scheme promoters are required to provide updated schedules and financial forecasts, which are regularly reviewed and reported to ensure that challenges are identified and mitigated.

3 **TRANCHE 4**

3.1 The MCF application process required the completion of a proforma covering strategic fit, costs, level of service, scheme design, procurement, maintenance and value for money. A total of 25 applications for programme entry were received by the deadline of 25 January 2019.

3.2 Applications were scored by a panel of assessors from a multi-disciplinary team, including members of the Cycling and Walking Team, with each criteria independently evaluated against an agreed scoring framework. This approach is consistent with previous tranches of the MCF.

3.3 18 of the submitted schemes have been recommended for programme entry by the GMCA. These schemes, and their current forecast costs, are shown in Appendix 1.

3.4 The 7 schemes which were not successful in being recommended for Programme Entry status at this stage will be the subject of further discussion with scheme promoters to agree the most appropriate way forward. This may result in resubmission to a future tranche of the MCF.

3.5 By securing Programme Entry, scheme promoters are given the confidence to proceed with the development of their schemes in the knowledge that reasonable
development costs will be funded, enabling progression of the necessary powers and consents, prior to securing either Conditional Approval and/or Full Approval.

3.6 Collectively, Greater Manchester is working together to continue to bring forward schemes that will deliver the Bee Network through the creation of a cycling and walking infrastructure pipeline. This work is supported by the Commissioner’s Cycling and Walking Team and strengthened through bespoke training and development opportunities.

3.7 Of the 18 schemes recommended for Tranche 4 Programme Entry 12 are Minor schemes (less than £5 million), whilst 6 are currently considered Major schemes (likely greater than £5 million).

3.8 One of the recommended schemes is GM Bike Hire. Development of the scope, operational and commercial models and the potential capital and revenue costs for the bike hire scheme will be developed through a procurement exercise.

3.9 The current forecast total cost of these 18 schemes (excluding GM Bike Hire) is £137.3 million, including allowances for scheme development, design and associated activity and risk and contingency. The current forecast total funding requirement from the MCF for these schemes is £76.5 million. To date, the total MCF forecast for the four tranches of schemes is £115.8 million.

3.10 Based on the information supplied by scheme promoters through the Tranche 4 bidding process, there is a current forecast spend of approximately £9.2 million (including approximately £3.8 million of implementation costs and £5.4 million, see recommendation iv, of scheme development, design and associated activity), which is required to enable progression of the recommended Tranche 4 schemes in 2019/20.

3.11 It is proposed that GM continues to accept and assess further tranche submissions for Programme Entry to a point where the value of the schemes exceeds the current funding available. This will allow for the development of a scheme pipeline against which future funding can be secured, and which will also provide programme resilience in the event that any schemes are unable to proceed and require substitution.

3.12 Appendix 1 provides the current forecast total cost, the current forecast local contribution and the current resultant forecast funding requirement from the MCF for Tranches 1, 2, 3 and 4 schemes.

3.13 These cost estimates will be reviewed and refined in the coming months through the business case development process to form an agreed budget with promoters. Following full approval, schemes will have a defined delivery budget, which will be set out in the maximum commitment contained within the legal delivery agreement.
4 **2019/20 Programme Budget**

4.1 In 19/20 TfGM will continue to undertake the programme management role and the activities associated with delivery of the overall programme. As a result (and as previously reported to the GMCA in July 2018), funding of £1.5 million per annum is required in 19/20 to cover the following activities:

- Programme and project development support and advice to scheme promoters (c£0.5 million);
- Core programme management and associated activities (c£0.5 million);
- Programme monitoring and evaluation activities for MCF year 2, (c£0.1 million); and
- Communications and engagement activity (c£0.4 million per annum);

4.2 In addition, and following agreement with GM Highways Group, it is recognised that delivery of the Bee Network is reliant on the ability of highway authorities to introduce zebra crossings at side road junctions. GM Highways Group requested a research commission to gather the necessary evidence needed to assess the risks and benefits of these crossings and to help build a case to change the traffic sign regulations. Following a recent tender process, funding of £0.26 million is required to undertake this work.

4.3 It is proposed to ‘top slice’ the £1.5m programme management costs and £0.26m research costs from the MCF; and to authorise the GMCA Treasurer to make the necessary capital-revenue ‘switch’ for the combined value of £1.76m.

5 **MCF Governance Update**

5.1 Following a review of governance arrangements and to ensure the process of approving capital expenditure and entering into legal agreements aligns with the GMCA governance, the following updates are proposed for approval:

- Schemes requiring a GMCA contribution of over £0.5 million will be brought to the GMCA for individual approval.
- Schemes requiring a GMCA contribution of less than £0.5 million and consequently grant claims from districts (including for development costs), are to be delegated to the Chief Executive of the CA in consultation with the Mayor for approval; they can also agree variations to funding agreements provided the total funding remains below £0.5 million.
Recommendations

6.1 The recommendations are set out at the front of the report.

Eamonn Boylan

Interim Chief Executive, TfGM
## Appendix 1 - Forecast Costs

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* no confirmed costs at this stage.
Date: 29 March 2019

Subject: Town Centre Challenge: Stockport Mayoral Development Corporation

Report of: The Mayor of Greater Manchester

PURPOSE OF REPORT

This report provides an update following the recent public consultation on the establishment of Stockport Mayoral Development Corporation (MDC) for the Town Centre West area of Stockport Town centre.

RECOMMENDATIONS:

The Greater Manchester Combined Authority is requested to:

i. Note the outcome and responses to the consultation undertaken by the Mayor on the proposed designation of an area of land in Stockport as a Mayoral Development Area.

ii. Give due consideration to the proposal by the Mayor to designate an area as a Mayoral Development Area and notify the Mayor within the consideration period if it proposes to reject the proposal.

iii. Note that the Mayor may designate the area of land as a Mayoral Development Area following the expiration of the consideration period where the GMCA has not rejected the proposal, and the consent of the member of the GMCA appointed by Stockport Metropolitan Borough Council has been given.

iv. Note that subject to approval at recommendation ii above, the Mayor shall publicise the designation, notify the secretary of state of the designation and the name to be given to the Mayoral Development Corporation, as follows: “Stockport Town Centre West Mayoral Development Corporation.”

v. Note that the Mayor in consultation with Stockport Metropolitan Borough Council will establish a shadow board in advance of the designation of the area to set the strategic direction for the area.

vi. Mandate GMCA officers to work with MHCLG and Stockport Council on the development of the necessary legislation, and to assist with the drafting of the constitutional and financial arrangements for the proposed Mayoral Development Corporation, in consultation with the Mayor.

CONTACT OFFICERS:

BOLTON  MANCHESTER  ROCHDALE  STOCKPORT  TRAFFORD
BURY   OLDHAM   SALFORD   TAMESIDE   WIGAN
Anne Morgan, Head of Planning Strategy  
(anne.morgan@greatermanchester-ca.gov.uk)

David Hodcroft, Principal, Planning & Housing team  
(david.hodcroft@greatermanchester-ca.gov.uk)

- Risk Management – see paragraph 1.2
- Legal Considerations – see paragraph 6.2 – 6.3
- Financial Consequences – Revenue – see paragraph 1.2 and 2.6
- Financial Consequences – Capital – see paragraph 2.5

- Number of attachments included in the report – N/A

BACKGROUND PAPERS:

**Town Centre Challenge Report to GMCA on 26 January 2018**

**Town Centre Challenge Report to GMCA on 28 September 2018**

**Stockport Council Cabinet Report on the Creation of a Mayoral Development Corporation in Stockport’s Town Centre West – December 18th 2018**

**Stockport Mayoral Development Corporation Report to the Joint AGMA/GMCA Board on 11 January 2019**

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1. BACKGROUND

1.1. Last September the Greater Manchester Combined Authority agreed to support in principle the creation of a Stockport Mayoral Development Corporation (MDC) to secure the opportunity to regenerate the Town Centre West area subject to further work. It also agreed a draft set of principles for any Mayoral Development Corporation to be agreed by a future Greater Manchester Combined Authority meeting.

1.2. The January 2019 meeting of the joint GMCA / AGMA Executive Board meeting received an update on further work, including engagement with Homes England and a delivery options analysis and agreed the general principles that would apply to any Greater Manchester MDC. It also endorsed the Mayor undertaking a consultation exercise in respect of the designation of a MDC for the Town Centre West area of Stockport town centre and endorsed the general principles which would apply to any GM Mayoral Development Corporation. Such principles as planning powers to remain with a local authority and a commitment of the host authority to underwrite costs and the provision of resources.

2. INTRODUCTION

2.1. Stockport’s Town Centre West area has the potential to be a new urban village of up to 3,000 new homes with complementary mixed use development and the social infrastructure required to support a significant increase in the residential population.

2.2. The focus on the regeneration of this part of Stockport is a key part of the Mayoral Town Centre Challenge which was launched in November 2017. A key part of that challenge is to ensure that a stronger housing and employment offer is developed in Greater Manchester’s Town Centres – as their role as retail centres changes, and to ensure that we are maximising the opportunity of developing brownfield land in sustainable locations. This integrated regeneration approach is vital to maximise the viability of such brownfield land sites for housing and employment.

2.3. Stockport Council has put the redevelopment of the Town Centre West area at the heart of its ambition to reshape the residential offer in Stockport and its approach to the Town Centre Challenge initiative. Increasing the residential population of the town centre is a key component of the Council’s approach to supporting and enhancing the town centre as a whole and its ambition to make Stockport a destination of choice in which to live, work, play, and connect.

2.4. Large-scale regeneration would ensure that Town Centre West is a healthy, sustainable place which incorporates innovation and smart technology into design and urban living as well as the appropriate social, physical and green infrastructure to support existing and new residents.
2.5. As part of the Town Centre Challenge initiative, the GMCA is deploying revenue support in the shape of a Planning Delivery Fund to help address capacity issues and bring in additional and specialist expertise. More substantial investment via GMCA existing funds such as the Housing Investment Loan Fund and walking/Cycling Challenge Fund may also be considered by the MDC once established.

2.6. In accordance with the wider principles for any Greater Manchester Mayoral Development Corporation there is a commitment from the host local authority to underwrite running costs (e.g. Board and Chair, staffing, and associated operational activities and expenses).

3. **CONSULTATION AND RESPONSE**

3.1 A Consultation exercise has now been undertaken in respect of the designation of an area of land as a Mayoral Development Corporation for a period of 8 weeks between 14 January and 10 March 2019 in accordance with the relevant legislation.

3.2 In summary, the consultation received 205 responses, of which 88.73% of respondents were Stockport residents. Eleven organisations responded to the consultation. In percentage terms the response to the specific questions were:
   - There was overall broad support for the development of a MDC in Stockport with 78.43% of people either agreeing or strongly agreeing that this was the best way to drive forward long term regeneration.
   - 80.88% agreed that the MDC would support and improve Stockport town centre as a whole.
   - 60.29% agreed that the boundary was appropriate.
   - 47.55% agreed or strongly agreed that the MDC should not have planning function nor functions in relation to granting discretionary rate relief as opposed to 21% who disagreed.
   - 36 qualitative feedbacks suggested that proposals could go further; including a broader geographical area and a range of leisure and cultural opportunities.

3.3 Appendix A to this report sets out the specific consultation questions and sets out in more detail the consultation responses. To note, all responses will be published on gmconsult.org in due course and will be publicly available.

4. **PROPOSED NAME AND BOUNDARY FOR THE MDC**

4.1. The consultation exercise sought the views of the public, property owners and residents in the area, businesses, and other stakeholders on the proposed name of ‘Stockport Town Centre West Mayoral Development Corporation’ and the proposed boundary. Both the name and the final boundary will be confirmed in an Order laid before parliament to formally designate the area of land as a Mayoral Development Corporation.
4.2. The proposed name of ‘Stockport Town Centre West Mayoral Development Corporation’ received a mixed response from the 151 people who responded to this question, with some agreeing that the proposed name was factual and informative but that it lacked vision and aspiration. In the absence of a consensus among suggested alternative names it is proposed that the formal name used to establish the Mayoral Development Corporation remains ‘Stockport Town Centre West Mayoral Development Corporation’ with further consideration given to determining a more engaging ‘trading’ name as part of an overall approach to marketing and branding.

4.3. Stockport town centre’s retail and leisure areas are purposely not included in the proposed boundary on the grounds that the Council is already taking a very proactive role in those sectors. Its acquisition of Merseyway shopping centre, and redevelopment proposals it has developed, form a strategy for supporting the retail offer in the context of a rapidly changing retail sector; while the Council’s direct investment in the Redrock leisure development reflects its commitment to the leisure sector for the future of the Town Centre. The Council’s investment in regeneration elsewhere in the town centre is contributing to improvements east of the A6, most notably in the Market Place and Underbanks and Covent Garden areas, and this approach will continue in parallel with the Mayoral Development Corporation proposal.

4.4. 60.29% agreed or strongly agreed that the boundary was appropriate 20.09% either disagreed or strongly disagreed. The remaining respondents either didn’t have a view, or chose not to answer.

4.5. 20% of those who did not endorse the Mayoral Development Area boundary suggested that it should be expanded to include other parts of the town centre.

4.6. The proposed Mayoral Development Area boundary that was published in the consultation was devised to facilitate creating additional residential development in an area that does not currently have extensive residential land uses. For that reason, large existing residential neighbourhoods are not proposed for inclusion in the proposed Mayoral Development Area. Bringing forward additional residential development and an increase in the residential population within the proposed Mayoral Development Area is expected to support the provision of additional social infrastructure and amenity that benefits the residents of adjacent areas.

4.7. For the reasons outlined above it is therefore proposed that the boundary as defined in the consultation should be unchanged for the purposes of any designation of a Town Centre West Mayoral Development Area or creation of a Mayoral Development Corporation.
5. STRATEGIC ECONOMIC CASE

5.1. The proposed Mayoral Development Corporation will support the delivery of up to 3,000 new homes along with new employment development and supporting social infrastructure, open space, and amenity. In order to assess the overall economic benefit of this scale of development the Strategic Regeneration Framework which is being prepared for Stockport Council will include an economic impact assessment based on emerging land use proposals to assess the estimated job creation potential, overall economic uplift, and economic additionality of the proposed Mayoral Development Corporation.

6. NEXT STEPS

6.1. The Mayor may designate the area of land as a Mayoral Development Area following:
   - The outcome of the positive consultation exercise;
   - the expiration of the consideration period where the GMCA has not rejected the proposal and
   - the consent of the member of the GMCA appointed by Stockport Metropolitan Borough Council has been given.

6.2. Following satisfaction of the above, the Mayor shall:
   - Publicise the designation; and
   - notify the Secretary of State of the designation and the name to be given to the MDC.

6.3. Once the secretary of state has received notification of the designation, he must establish a mayoral development corporation for the area and give it the name as notified by the Mayor. Following discussions with MHCLG it is anticipated that the Order could be in place as early as summer 2019. In the meantime a shadow board will be established, the Strategic Regeneration Framework will be published for public consultation and a detailed delivery plan produced.

7. RECOMMENDATIONS

7.1. Recommendations are found at the beginning of the report.
APPENDIX A – CONSULTATION OUTCOMES

Mayoral Development Corporation – Regenerating Stockport’s Town Centre West: Consultation summary

Overview

During the consultation period between January 14 and March 10, 2019 205 responses were made. Of these, 199 were online applications, three were postal responses, and three came in from partners via email.

Throughout the questions below, a selection of quotes from respondents are included. All of the responses – both qualitative and quantitative will be published on gmconsult.org. The quotes below have been selected to demonstrate a broad indication of either positive or negative sentiment from the respondents.

Q - Do you agree that a Mayoral Development Corporation would be the best way to drive forward long-term regeneration for Stockport’s Town Centre West?

- 78.43% (160 people) agree or strongly agree with the proposals,
- 8.82% (18 people) didn’t have a view either way.
- 12.74% (26 people) either disagreed or strongly disagreed.

We received 36 qualitative responses in relation to this question. These included:

- That it was encouraging to see Stockport drive positive change – “It’s great news that Stockport is, at last, being included in the GM improvement plan.”
- There was some criticism that the town centre had been neglected – “It used to be a busy thriving shopping place. With high parking charges and business rates they have virtually forced people to shop elsewhere.”
- Other comments about the need to consider wider implications of the proposals – “A major improvement of the A6 access to Manchester is the first priority, not creating major problems with building works and subsequent housing without this being in place first and clear evidence it’s working.”
- Another comment questioned the need – “Existing mechanisms exist to develop and deliver a regeneration framework; the MDC would simply become another opaque administrative layer in the development process.”

Q - Do you agree that the creation of a Mayoral Development Corporation for the Town Centre West area, to lead regeneration would help support and improve Stockport Town Centre as a whole?

- 80.88% (165 people) agreed that the setting up of the MDC would deliver regeneration that would support Stockport Town Centre as a whole,
- 16.67% (34 people) disagreed that this would be the case,
- The remaining five respondents chose not to answer this question.

We received 87 qualitative responses in relation to this question. These included:

Where respondents have given express permission.
On the whole the comments were positive – “Love the idea of Stockport being transformed into a modern and hopefully tasteful place to go to ... I would like to see building’s that are in keeping with the town’s heritage and history.” To add to this – “The town centre has long been in need of a substantial redevelopment to clear out old and unattractive businesses and spaces. The vision is good as long as there is funding and support to make it happen in a realistic time scale.”

There was some doubt over the ability to make positive change – “Stockport is beyond any recovery ... "Under Offer” posters on the windows are an indication of the lack of interest.” And – “I do not believe the Mayoral Development Corporation would actually be able to deliver the promise. I also fear that the intention is to swamp the town centre with cheap small and badly built flats that have no place as family homes.”

Some offered caveats for the development of the MDC - “it mustn’t give developers a free ticket to build what they like, the homes must be sustainable, of good quality with all amenities and infrastructure in place.” Along the same lines - “Towns centres need to offer something else to residents, people still want places of interest to visit, be that eatery’s, nice scenery, family friendly activities, beautiful places with good atmosphere.”

Q - Do you agree that the boundary is appropriate?

- 60.29% (123 people) agreed or strongly agreed that the boundary was appropriate
- 20.09% (41 people) either disagreed or strongly disagreed
- The remaining respondents either didn’t have a view, or chose not to answer.

We received 55 qualitative responses in relation to this question. Some respondents didn’t feel that the plans went far enough, with multiple other areas being suggested for inclusion:

- “The A6 needs to be included. We need to design out A6 traffic and redevelop buildings either side of the A6 to retain the best and replace the best. We need more trees in Stockport, to create shade and soften the concrete and tarmac jungle that it has become during the last decade.”
- “It might be worth extending the current A6 boundary further across ... so that the A6 itself can be integrated into the plans. And so that the old housing stock / industrial stock just to the east of the A6, much of which is old and run down, might also be considered.”
- “Kings Reach Business Park and Yew Street need to be included as there is a significant lack of infrastructure in this area, primarily public transport.”
- “Areas on the fringe of Edgeley, adjacent to King Street West and Wood Street, are dominated by poor quality social housing that is no longer fit for purpose. The boundary should include these areas with a view to improving these sites and maintaining the quantum of social housing across the wider development.”

Q - What do you think of ‘Stockport Town Centre West Mayoral Development Corporation’ as a name for this MDC?

We received 151 responses to this part of the consultation. Overall:

- People felt the name was too long, confusing and wouldn’t engage the public. “It feels too long and will lead to an acronym that many people may not understand.”
Some people felt that the name didn’t demonstrate the aspiration of the proposals.
There were some comments that said that whilst the name wasn’t overly ‘exciting’, it does explain what the MDC is to some extent.

Other suggestions included:
- Stockport Mayoral Development Corporation
- Stockport Rejuvenation
- Stockport New Town
- Think about some of the existing features - Viaduct Village or King Street Park
- Stockport Downtown Development West
- Stockport West Development Hub
- West Side Development

Q - Do you agree that any MDC should not have planning functions nor functions in relation to granting discretionary rate relief?

- 47.55% (97 people) agreed or strongly agreed that the MDC should not have planning function nor functions in relation to granting discretionary rate relief,
- 21.08% (43 people) either disagreed or strongly disagreed,
- The remaining respondents (29.9%) either neither agreed or disagreed or didn’t respond to the question (1.47%).

Q - Do you have any other comments about the regeneration of Stockport’s Town Centre West through a Mayoral Development Corporation?

We received 118 responses to this part of the consultation. Broadly positive in their sentiment:
- Comments included the style and approach to regeneration - “Just please make it a regenerated town that reflects Stockport’s character. A place that is a pleasant experience with tasteful bars, cafes and theatres etc. A town to be proud of now and for future generations.” And – “Please do it sympathetically and mindful of the current communities, whilst encouraging new residents to settle. The current character of the area and its historical architecture should be preserved and enhanced.”
- There were multiple comments on creating a regeneration programme fit for residents and businesses, where people are at the heart of the development – “I would like the focus to be on both quality of life for residents, and enabling local businesses to succeed.” And – “I hope this project will be honest, transparent, community inclusive, aspirational and in the best interests of the people of Stockport as a whole.”
- And finally - “We have the potential here to build a new neighbourhood fit for citizens ... I have faith in a MDC to deliver this.”

Q - Are you responding on behalf of yourself or an organisation?

We received 13 responses from either those people who are responding to the consultation on behalf of a group or an organisation or as an agent on behalf of a group or organisation. The organisations that responded were:
KAST Energy Technologies
F.R.Monkhouse Limited & F.R.Monkhouse Limited Pension Scheme
J. R. Foy and son LTD
Stockport Community Interest Co Ltd - trading as Vision Stockport
United Utilities
Network Rail
Environment Agency
Bardsley Construction Ltd
Entwisle Paddon &Co Ltd
Manchester Civic Society
Homes England
Greater Manchester Combined Authority
Stockport Metropolitan Borough Council

Q – Contact details

190 people gave their names, postcodes, and a means to contact them (postal or email address) in order to keep them updated as the proposal develops.

Q – Which local authority areas do you live in?

Out of the 204 people who responded to this question, 88.73% (181 people) are residents of Stockport. Four respondents were from somewhere else in the North West, two from National organisations and 17 others were from other Districts within Greater Manchester.

Demographic information

We collected a range of information from respondents about their personal demographics. This information showed that:

- The majority of respondents (82.35% were white British) with the remainder being from other ethnic groups or preferring not to state.
- There was a mix of different religions across the respondents (36.27% Christian, 44.12% having no religion, 3.43% from other religions and 13.24% preferring not to state).
- More men completed the consultation than women. Men made up 51.96% of respondents, with 35.78% being women and the remaining preferring not to state or not completing the question.
- When asked if people identified as transgender, 85.29% said no with the remainder being respondents answering the other available options.
- 155 people answered the question on sexuality, with 69.61% identifying as heterosexual or straight, 4.41% gay or lesbian and the remaining respondents either identifying as another sexuality, preferring not to state or not completing the question.
- 76.47% said that they don’t have a disability. 10.78% identified that they had some form of disability (learning, mobility, sensory or other disability). The remaining respondents either preferred not to state or didn’t complete the question.
To see all completed responses, these will be published on gmconsult.org. All respondents, whose responses are published, have given permission for them to be released.
Date: 29 March 2019
Subject: Devolution of the Adult Education Budget
Report of: Cllr Sean Fielding, Portfolio Lead for Education, Skills, Employment and Apprenticeships
Report to: GMCA

PURPOSE OF REPORT

The purpose of this paper is to:

- Provide an update on progress relating to devolution of the Adult Education Budget to GMCA from 1 August 2019 for the 2019/20 academic year onwards, including confirmation of GM’s AEB allocation from Government
- Set out the funding policy changes that will be implemented in GM following devolution and how they will benefit GM residents
- Provide an update on the commissioning of AEB provision, encompassing both the procurement process and the indicative funding allocations proposed for the grant-funded providers and confirm that appropriate delegations are in place for completing the commissioning process
- Set out the governance arrangements for AEB at local, GM and national levels
- Secure Key Decisions relating to approval of indicative grant values and subsequent expenditure totalling c.£65m.

RECOMMENDATIONS:

Greater Manchester Combined Authority is asked to:

- Consider and note the updates
- Agree the proposed management fee
- Approve the proposed indicative allocations and subsequent expenditure for the GM grant-funded further education institutions identified, with authority delegated to the GMCA Treasurer to agree any minor changes that arise in the course of discussions between each institution and GMCA
- Agree that the GMCA Treasurer, in consultation with the Lead Member and Lead Chief Executive for Education, Skills, Work and Apprenticeships (and subject to considerations around any conflicts of interest which might arise), be granted delegated authority to take forward AEB commissioning, including the procured element, to contract award.
The Mayor is asked to:

- Approve the proposed indicative allocations and subsequent expenditure for the GM grant-funded local authorities identified, with authority delegated to the GMCA Treasurer to agree any minor changes that arise in the course of discussions between each authority and GMCA.

CONTACT OFFICERS

- Gemma Marsh, Assistant Director of Skills Policy - Strategy and Delivery, GMCA (07973 875378)
- Sharon Kelly, Principal Skills Manager – Adult Education, GMCA

BACKGROUND PAPERS

The following is a list of the background papers on which this report is based in accordance with the requirements of Section 100D (1) of the Local Government Act 1972. It does not include documents, which would disclose exempt or confidential information as identified by that Act.

- 14. Devolution of the Adult Education Budget (October 2018) [link]
- 20. Devolution of the Adult Education Budget (June 2018) [link]
- 11. Devolution of the Adult Education Budget (April 2018) [link]
- 19. Update on Devolution of the Adult Education Budget (June 2017) [link]
- 22. Devolution of the Adult Education Budget in Greater Manchester (February 2017) [link]

The above papers and documents may be inspected during normal office hours at GMCA, Churchgate House, 56 Oxford Street, Manchester M1 6EU.

<table>
<thead>
<tr>
<th>TRACKING/PROCESS</th>
<th>[All sections to be completed]</th>
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<tbody>
<tr>
<td>Does this report relate to a major strategic decision, as set out in the GMCA Constitution</td>
<td>Yes</td>
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<tr>
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<td>Question</td>
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<tr>
<td>from call in by the AGMA Scrutiny Pool on the grounds of urgency?</td>
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</tr>
<tr>
<td>TfGMC Overview &amp; Scrutiny Committee [Date considered at TfGMC; if appropriate]</td>
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</table>
1 BACKGROUND

The full background has been set out in previous papers considered by the Combined Authority (most recently in October 2018). In summary, the AEB is a single budget stream bringing together adult further education (all 19yrs+ provision with the exception of apprenticeships/ traineeships), community learning, and discretionary learner support. The AEB is intended to fund provision that supports the local labour market and economic development. In particular, it focuses on ensuring that adults have the core skills that they need for progression in learning and work, including guaranteeing a number of statutory entitlements relating to English, maths and (from the 2020/21 academic year onwards) digital skills, as well as first Level 2 and 3 qualifications and English for Speakers of Other Languages (ESOL).

The Statutory Instrument enacting the transfer of AEB functions from the Secretary of State to GMCA was signed in November 2018 and is now in force.

2 INTRODUCTION

This paper provides updates on the following:

- DfE has confirmed Greater Manchester’s AEB budget for 2019/20 will be £92.6m, based on a 7.19% market share of the national pot. Further detail, including the calculation methodology is set out in Section 4 below and Annex A.

- Greater Manchester’s funding policy changes have been published in draft form. In brief, GM will be testing some new flexibilities in response to local priorities, including lifting some of the restrictions that are currently a feature of national funding policy in order to enable those GM residents who have no or very low level qualifications to access the essential skills provision they need regardless of their age or employment status. The key changes are set out in Section 5 below.

- Commissioning activity is progressing at pace in line with the approach approved by the CA at its October meeting:
  - Indicative funding allocations for the organisations that will be funded via grant agreements, together with the underpinning approach, are set out in Section 6.1 below, with approval sought from the CA for the proposed expenditure relating to further education institutions, and from the Mayor in relation to local authorities
  - Procurement of contracts for services is ongoing, with contract award expected to take place in April. There is an expectation that bidders will be able to demonstrate engagement with local authorities to ensure responsiveness to the needs of place – see Section 6.2 below.
  - Approval has previously been given in principle for the delegation of authority to the GMCA Treasurer and Lead Chief Executive to take this process forward to contract award; formal consent is now sought from the CA to confirm this delegation.

- In discussion with other Combined Authorities and the ESFA, arrangements are being made to ensure that GMCA is able to meet its obligations to secure provision for GM residents who might choose to attend providers that do not hold contracts with GMCA
(but are either part of the non-devolved funding system or funded by other devolved Authorities) – see Section 6.3.

- Resources – at its October meeting the CA agreed in principle the retention of an element of funding (to a maximum of 3% of the budget) to meet costs associated with the management and assurance of the AEB, subject to additional information about the level of funding in question. This management element is proposed to be £1.5m, representing 1.6% of the overall budget – see Section 7.

- Governance mechanisms will be in place at national, GM and local levels to ensure that strategic oversight and direction of the AEB takes place within the wider skills landscape and meets local needs- see Section 8).

3 THE GREATER MANCHESTER AMBITION

Investment in adult skills gives people the skills they need for life and work, for entering and sustaining employment, supporting up-skilling and re-training, and boosting productivity and inclusive growth as set out in GM’s Local Industrial Strategy (LIS). The Independent Prosperity Review (published in February 2019 as part of the evidence base for the LIS) noted that ‘human capital factors’ are among the most powerful explanations of lower productivity in Greater Manchester. Analysis conducted for the review found a link between the proportion of the population with at least a level 4 qualification and productivity; moreover, halving the number of GM residents with no qualifications could lift productivity by as much as 2%.

Over time, and with systemic improvements across the education landscape that will deliver higher attainment from compulsory education, we envisage being able to make a long term shift in emphasis away from ‘second chance’ essential skills towards ensuring residents and businesses can keep pace with changes in the labour market and in the global economy. This longer-term shift in emphasis from reform to growth and productivity will be one of the key measures of success for the AEB.

As such, the AEB warrants a much stronger strategic focus than it has enjoyed in the past, recognising the important proactive role that can be played by training providers of all kinds, not as passive recipients of skills funding but as key strategic planning and delivery partners at the heart of the communities, places and economies that they serve.

Throughout the consultation stage GMCA has secured the opportunity in the future to match GM’s devolved AEB with ESF to maximise the investment for those GM residents most in need of support. The AEB will allow GM to focus our future AEB funding policy and spending on core outcomes of progression into further learning, sustainable employment and higher earnings in employment. This should include labour market progression, increased contribution to earnings and productivity as well as progression into Traineeships and Apprenticeships. GM priority sectors will provide a particular focus.

4. BUDGET AND FUNDING METHODOLOGY

DfE has now confirmed that the budget for Greater Manchester in 2019/20 will be £92.6m, slightly higher than the indicative budget of £92.2m\(^1\). This represents a 7.19% market share of the overall national AEB funding ‘pot’ in 2017/18 (the last academic year for which full-year

\(^1\) The final 2019/20 allocation is based on AEB-funded delivery to learners with Greater Manchester postcodes in the 2017/18 academic year. GM’s market share of that provision in 2017/18 accounted for 7.19% of the national budget, compared to the slightly lower share in 2016/17 (7.06%) which was used to calculate the indicative budget.
funding information and delivery data are available) and is the baseline proportion that will be applied to future national budgets to determine Greater Manchester’s allocation each year.

That market share will remain consistent year on year for the foreseeable future. This means that, until such time as the funding methodology is reviewed and changed by DfE (in conjunction with the Mayoral Combined Authorities/GLA), any growth or reduction in Greater Manchester’s allocation will be determined only by any fluctuation in the cash value of the national budget that DfE receives annually from HM Treasury.

The methodology used by DfE to calculate the devolved AEB is set out in full at Annex A for information.

5. GREATER MANCHESTER FUNDING POLICY CHANGES

AEB devolution is a long-term journey of change that will deliver positive outcomes and impact for the residents of GM. The key changes planned for 2019/20 will be around working closely with providers - whether funded through a grant agreement or contract for services - to develop improved analysis of learner journeys, with a focus on positive outcomes for individuals and tracking learner progression rather than simply measuring delivery and achievement of learning aims without understanding whether those achievements improve an individual’s employability and quality of life and improve Greater Manchester’s productivity.

With this in mind, we have made clear to all providers that GMCA places particular importance on the quality of the initial assessment of learners’ needs and goals, and robust individual learning plans. It is essential that initial assessments enable a progression pathway to be developed, and we would expect providers to make relevant advice and guidance (supported by labour market information) available to AEB funded learners to support this progression.

Comprehensive and robust baseline data is crucial before considering more substantial changes to funding policy, so many of the funding rules and eligibility considerations that have developed over time within the national funding regime will be adopted in Greater Manchester in the first year of devolved AEB. However, we have also developed a series of funding policy changes, which will give a distinct GM flavour to the devolved AEB even from an early stage and which will open up learning for GM residents who are most in need of skill development but who previously have faced funding barriers.

These changes will help respond to local skills priorities and build packages of high quality wrap-around support for residents with more complex needs and for employment sectors/types with particular skills requirements. They will start moving the strategic focus of AEB beyond simply delivering qualifications and ensure a stronger emphasis on progression and sustained positive outcomes. Greater Manchester’s funding rules are set out in full in the draft Greater Manchester Funding Rules and Performance Management Rules, 2019/20 (‘the Funding Rules’), which were published as part of the ongoing procurement exercise) and are summarised below:

<table>
<thead>
<tr>
<th>Funding Rule change/flexibility</th>
<th>Rationale</th>
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<tbody>
<tr>
<td>GMCA will fully fund British Sign Language qualifications up to and including a first level 2 for GM residents for whom BSL is their first language where no other source of funding is available.</td>
<td>This brings the entitlement for deaf learners whose first language is BSL into line with learners whose first language is English. Whilst learner numbers are expected to be relatively small, this is an important step towards equality of access to essential qualifications for eligible learners.</td>
</tr>
<tr>
<td>GMCA will fully fund first level 2 qualifications for all GM residents.</td>
<td>Against a policy backdrop which entitles learners to full Level 2 qualifications, 9.4% of GM residents aged 20-64</td>
</tr>
</tbody>
</table>
removing the current restrictions based on the learner’s age and employment status (currently learners who are aged 24 years or older and learners who are employed are required to co-fund their learning).

<table>
<thead>
<tr>
<th>GMCA will fund level 3 units and combinations thereof (up to a maximum of 14 credits) for unemployed learners and those on a low wage (mirroring the current fee remission wage threshold of £15,763).</th>
<th>Years - around 154,000 people - have no qualifications at all (compared to a national average of 7.6%) and a further 10.9% are only qualified to Level 1. Of GM’s working age residents (16-64 years) with no qualifications, 65,600 were in employment, which has clear implications for productivity and business growth, as well as for those residents’ likelihood of progression and social mobility. This change will ensure that all GM residents, regardless of age or employment status, have the opportunity to gain the essential skills that they need to progress into/within work.</th>
</tr>
</thead>
<tbody>
<tr>
<td>GMCA will trial funding for a package of learning incorporating a licence to practise; this will be tested initially in the construction industry.</td>
<td>This is not intended to replace full level 3 qualifications (for which other funding including Advanced Learner Loans are available), nor is it assuming that achieving a number of level 3 units would mean an individual was fully skilled and ready for job roles which require advanced or higher level skills. However, for some individuals, including those employed in low skill/low pay work, achieving additional skills at level 3 could make the difference between securing employment or progressing in work. Licences to practise are not currently eligible for funding within the national funding regime, which can be a barrier to achieving qualifications or even undertaking essential work experience. This is particularly the case within the construction industry, where the lack of such a licence and basic health &amp; safety training would preclude a learner from entering a workplace. This approach will be tested in the Construction industry in the first instance, as this is a priority sector for GM in light of a range of major infrastructure projects linked to HS2, GM’s Local Industrial Strategy and the proposals contained within the GM Spatial Framework consultation.</td>
</tr>
</tbody>
</table>

We will manage learner volumes and costs relating to these flexibilities by agreeing a detailed delivery plan with each provider prior to contact/grant award, which will set out the expected balance and mix of provision to be delivered. In-year performance monitoring of learner take-up and progress against those plans will enable us ensure that providers adhere to the agreed levels of activity relating to these flexibilities so that we can be assured of affordability.

In addition to those funding policy changes, the other key modifications planned for 2019/20 will be around working more closely with providers on proactive performance management and improving our analysis of learner ‘journeys’ to focus on positive outcomes for individuals and learner progression rather than simply measuring delivery and achievement of learning aims. Taken together, these changes will give us a better understanding of whether those qualifications and achievements improve an individual’s employability, quality of life, and progression in learning and/or work.

6. COMMISSIONING UPDATE

Issues relating to the nature and scale of the existing adult skills provider base have been set out in detail in previous papers. In summary, more than 300 providers currently deliver AEB provision to GM residents yet around half of those have fewer than 10 learners each within their AEB funded learner cohort and around 60 have only a single GM resident among their AEB funded learners. At its meeting in October 2018 the CA therefore agreed a dual
commissioning approach involving a combination of grant funding agreements and procured contracts for services which would result in a smaller, more GM-focused provider base.

The criteria and principles behind this dual system have been set out in full in previous papers. This approach will enable us to focus the devolved AEB on a range of considerations including (but not limited to):

- securing a flexible, responsive and relevant adult skills offer and positive outcomes for Greater Manchester’s residents that will support progression towards/within education, training and employment
- working strategically with high quality providers to deliver a shared, place-centred ambition for our people and our place in pursuit of the vision and priorities set out in the Greater Manchester Strategy and emerging Local Industrial Strategy
- securing best value for money and social value for the public purse and for GM.

6.1 Grant funded providers

As per the agreed approach, grant agreements will be established with 19 organisations across all parts of the city-region to deliver AEB funded provision to GM residents from August 2019. This group of Greater Manchester-based providers comprises those nine FE colleges, seven local authorities and three sixth form colleges in Greater Manchester which currently receive direct funding from the ESFA to deliver AEB-funded provision.

Following confirmation of Greater Manchester’s budget, modelling has been undertaken and, taking account of the methodology that has been used to calculate Greater Manchester’s budget and our obligation to maintain the stability of these institutions, provisional GMCA funding allocations have now been calculated for each of these organisations.

These calculations take account of the total value of the AEB allocations each of the grant funded providers received in 2017/18 and in 2018/19. It should be noted that allocations from the Education and Skills Funding Agency (ESFA) in those academic years encompassed both GM residents and learners from outside of Greater Manchester and the ESFA will continue to provide funding for residents of non-devolved areas, even if they attend a college within a devolved area.

In order to arrive at each provider’s GMCA allocation, we have calculated:

- the value of provision delivered to Greater Manchester residents in 2017/18 within that year’s allocation; the GMCA funding agreement for 2019/20 will be equal to that value
- the value of provision delivered to non-Greater Manchester residents in 2017/18 within that year’s allocation; providers will receive an allocation for 2019/20 equal to that value from the ESFA. These ESFA allocations total just over £2million across the 19 organisations.

We will work with grant-funded providers to ensure they are meeting GM’s AEB aims and to monitor performance. Over time this may lead to further change to the way in which they are funded. However, it has been agreed that each provider would have the potential to receive the same level of funding in 2020/21 to ease transition, subject to performance.
Institutions will be required to submit delivery plans setting out how the funding will be used, against which they will be performance managed across a range of criteria that will go beyond monitoring of budgets/expenditure.

It is likely that, over time and informed by proactive performance management, we may wish to take a different approach to calculating allocations in the future, with a stronger focus on the value of provision delivered in year and actual funding earned, as opposed to historical activity.

With this in mind, we have indicated in the draft Funding Rules that GMCA grant funding agreements will only pay for actual delivery to the value of the grant agreement and will not mirror the 3% tolerance for under- and over-delivery that has operated historically by the ESFA. (This tolerance has in the past guaranteed that, if a college achieved 97% of its allocation it would not be subject to clawback for the remaining 3%. In parallel, it guaranteed that any college achieving 103% of its target would receive additional funding to cover the additional delivery.)

GMCA must manage both underperformance and respond to growth requests within its budget and cannot seek growth funding from DfE. The onus is therefore on GMCA and its providers to work together to develop positive, mature discussions around performance and place in order to enable flexible and responsive management of individual and collective funding in-year. This approach has been discussed with and welcomed by providers.

Allocations

The following tables set out the provisional allocations totalling £65,794,522 for the 19 organisations that will be grant-funded by GMCA. These allocations reflect the level of funding they received for GM residents in the 2017/18 academic year.

Table 1 shows the indicative allocations totalling £49million for 12 Greater Manchester FE institutions that deliver AEB funded provision. Approval of these indicative allocations and of the subsequent expenditure is sought from the Combined Authority, with authority delegated to the GMCA Treasurer to agree any minor changes that arise in the course of discussions between each institution and GMCA in relation to the detail of their delivery plan:

### Table 1: Indicative FE allocations, 2019/20

<table>
<thead>
<tr>
<th>INSTITUTION</th>
<th>Provisional GMCA allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>AQUINAS COLLEGE</td>
<td>£85,243</td>
</tr>
<tr>
<td>ASHTON SIXTH FORM COLLEGE</td>
<td>£156,477</td>
</tr>
<tr>
<td>BOLTON COLLEGE</td>
<td>£3,679,131</td>
</tr>
<tr>
<td>BURY COLLEGE</td>
<td>£2,061,164</td>
</tr>
<tr>
<td>CHEADLE AND MARPLE SIXTH FORM COLLEGE</td>
<td>£220,489</td>
</tr>
<tr>
<td>HOPWOOD HALL COLLEGE</td>
<td>£4,644,156</td>
</tr>
<tr>
<td>LTE GROUP (The Manchester College)</td>
<td>£17,209,543</td>
</tr>
<tr>
<td>SALFORD CITY COLLEGE</td>
<td>£6,127,216</td>
</tr>
<tr>
<td>TAMESIDE COLLEGE</td>
<td>£2,656,872</td>
</tr>
<tr>
<td>THE OLDHAM COLLEGE</td>
<td>£3,084,101</td>
</tr>
<tr>
<td>THE TRAFFORD COLLEGE GROUP*</td>
<td>£5,585,775</td>
</tr>
<tr>
<td>WIGAN AND LEIGH COLLEGE</td>
<td>£3,518,930</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>£49,029,097</strong></td>
</tr>
</tbody>
</table>

* (incl. Stockport College in 2017/18)
Table 2 shows the indicative allocations totalling £16.7million for the seven GM local authorities that currently deliver/via college AEB funded provision. These allocations reflect the level of funding they received for GM residents in the 2017/18 academic year.

Whilst some of these councils deliver provision directly, others have established agreements with colleges and other organisations to deliver learning on their behalf, which has historically been community learning. Approval of these indicative allocations and of the subsequent expenditure is sought from the Combined Authority and the Mayor, with authority delegated to the GMCA Treasurer to agree any minor changes that arise in the course of discussions between each institution and GMCA in relation to the detail of their delivery plan:

<table>
<thead>
<tr>
<th>LOCAL AUTHORITY</th>
<th>Provisional GMCA allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>BOLTON METROPOLITAN BOROUGH COUNCIL</td>
<td>£2,168,234</td>
</tr>
<tr>
<td>BURY METROPOLITAN BOROUGH COUNCIL</td>
<td>£1,422,905</td>
</tr>
<tr>
<td>MANCHESTER CITY COUNCIL</td>
<td>£7,624,356</td>
</tr>
<tr>
<td>OLDHAM METROPOLITAN BOROUGH COUNCIL</td>
<td>£2,804,233</td>
</tr>
<tr>
<td>STOCKPORT METROPOLITAN BOROUGH COUNCIL</td>
<td>£1,210,294</td>
</tr>
<tr>
<td>TAMESIDE METROPOLITAN BOROUGH COUNCIL</td>
<td>£818,418</td>
</tr>
<tr>
<td>WIGAN METROPOLITAN BOROUGH COUNCIL</td>
<td>£716,985</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>£16,765,425</strong></td>
</tr>
</tbody>
</table>

6.2 Procured providers with contracts for services

The procurement process for all other providers/partnerships has now entered the second phase. Around 100 providers submitted Supplier Assessment Questionnaires in November, of which 35 were invited to tender for contracts worth a total of £20million across two Lots (Lot 1 being large scale pan-GM contracts expected to range in value from £1m-5m and Lot 2 being smaller scale activity focusing on particular learners, areas or sectors with contracts ranging in value from £150k-£1m).

In taking forward commissioning, GMCA held a number of provider/market engagement events, including networking between providers to enable the development of potential supply chains. A workshop was held specifically to assist smaller/third sector organisations with some of the practical and technical steps necessary to engage with the commissioning process, and the procurement evaluation panel for the Invitation to Tender (ITT) will include third sector expertise.

A fundamental feature of the ITT requirements is the need for tenders to have a strong place focus, with the expectation that, in developing their tenders, bidders will have engaged with relevant local authorities in order to ensure that they have a comprehensive understanding of local needs and that their submissions respond to those needs accordingly. Social value will be a significant consideration, reflecting GMCA’s commitment to procuring in a way that not only provides the best value for money and highest quality service, but which also goes beyond the basic contract terms and secures wider benefits for the community. In order to reflect these important considerations and the need to focus on the people, places and communities this provision will serve, the ITT evaluation process will incorporate expertise from across GM’s districts and from the voluntary, community and social enterprise sector.

The indicative timeline for procurement is:
6.3 Learners in border areas

Discussions are underway with the ESFA and other Mayoral Combined Authorities/GLA to plan for and minimise the impact of any issues arising in relation to GM learners who enrol at providers that do not have funding arrangements with GMCA. These will mainly be GM residents who live in ‘border’ areas neighbouring non-GM authorities and for whom the closest provider may therefore be outside of Greater Manchester in areas such as Lancashire and Cheshire. However, some GM learners also travel to other devolved areas, and positive conversations are taking place, particularly with Liverpool City Region (which accounts for the majority of this cross-border provision), around establishing arrangements that take account of travel to learn patterns between devolved authorities while minimising bureaucracy for providers and for the respective Combined Authorities.

Whilst providers in these areas have had the opportunity to bid for contracts as part of the procurement process, as a responsible commissioner (and one with statutory responsibilities to secure certain provision for our residents) we must ensure that contingency arrangements are in place in this first year of devolution for Greater Manchester residents who wish to attend institutions which either chose not to bid or were unsuccessful, and so do not have contracts in place with GMCA. (It should be noted that this relates solely to new learners; those GM residents who have commenced programmes prior to 1 August will not be affected as they will complete their learning under the current funding arrangements with their existing provider, regardless of whether or not that provider has a contract with GMCA for 2019/20 and beyond.)

Pending the outcome of any agreements between the MCAs/GLA, modelling has been undertaken to ascertain the likely impact of GM residents travelling outside of Greater Manchester for adult education and training, both in relation to GM residents learning in non-devolved areas and those learning in other MCA areas. We cannot prevent learner choice and will need to monitor this matter closely through our performance management/MI and assurance activity, as well as oversight through the governance mechanisms outlined below) to ensure that Greater Manchester residents are not disadvantaged and that GMCA is able to fulfil its statutory obligations. We will engage with colleges in neighbouring areas to reiterate the ESFA’s guidance to providers that they should not actively market their services and programmes in areas where they do not hold relevant contracts/funding agreements for the learners in question. Providers that are grant funded will all receive an allocation from the ESFA for non-Greater Manchester learners and should they wish to expand their AEB provision this should be the vehicle for that growth.

6.4 Innovation and testing

Based on this approach to commissioning and taking account of the variables identified in relation to cross-border issues, a small residual funding allocation is expected to remain following commissioning. This will provide a reserve which might support activity such as a further community grant programme beyond that which was outlined in the October paper. Such activity would not be commissioned in the same timeframe as the main activity outlined
above, but rather would follow after those core grant agreements and contracts are in place in order to ensure it truly focuses on filling any gaps.

7. RESOURCES

As set out in earlier papers, in the absence of additional administration funds to accompany the devolved functions and associated programme budget, MCAs must resource the management of the AEB locally from within the AEB itself. The Combined Authority has previously noted and approved in principle the need to retain a small fee (amounting to no more than 3% of the overall AEB budget for Greater Manchester) from which management of the budget will be resourced.

We can now confirm that the proposed funding to be retained in 2019/20 will be around £1.5 million (1.6% of the budget which is based on the academic annual budget and spans part of two financial years). This will cover a number of functions and posts relating to the policy development, management, operations (including technical specialisms such as legal, IT systems and ensuring compliance with data protection/information governance regulations) and audit/assurance activity. This figure is based on our experience of management costs associated with other programmes and follows consideration (including discussion with partners) about the extent, rigour and proportionality of management and assurance activity required.

We will continue to work internally via SMT to ensure that appropriate systems and staffing resources are in place, including development of an integrated contract monitoring and performance management approach which maximises the resources and expertise within the Skills & Employment team across the full range of programmes and budgets GMCA is now responsible for, rather than looking at the management and administration of each programme in isolation.

We believe that this level of expenditure will be appropriate and proportionate to the capacity and capability required to manage and assure the AEB to ensure that GMCA discharges its statutory obligations, ensures proper use of funds/value for money and guards against risks and reputational damage that could otherwise arise if this activity were not adequately resourced. It also compares favourably with the maximum management fees set for other programmes.

As noted previously, implementation funding provided by DfE (to the end of July 2019) has enabled the Skills & Employment team to begin recruiting additional business-critical staff to bolster the CA’s capacity and expertise in preparation for the AEB, as well as ensuring input from relevant technical specialists across a range of crucial functions.

8. GOVERNANCE

The governance of GMCA’s AEB will take place through a number of mechanisms, reflecting our evolving relationship with central government and its agencies, our GM scrutiny and decision-making structures and the strong ‘place’ focus provided by local governance arrangements.
Local Governance and ‘place’ focus

GMCA wishes to ensure that a strong focus on how AEB delivery looks within each place as well as at a GM level forms a key element of AEB governance, in line with the Public Sector White Paper. To enable this we propose to put in place consistent distribution of communications and meetings across the GM ten local authority areas and to provide a supportive and engaging environment whereby key stakeholders, including but not limited to LAs and providers, can shape, contribute to and take ownership for the Greater Manchester adult skills provision.

Meetings will be will planned in throughout the duration of contracts and funding agreements which will provide a forum in which the AEB offer and wider skills delivery and performance can be openly discussed with relevant providers (determined by place), Local Authority and the GMCA. The aims will be to support sharing of good practice, delivery and integration in each area, supporting continuous improvement.

One of the key governance mechanisms for ensuring that the AEB both responds to strategic priorities and is closely linked with the emerging Local Industrial Strategy will be GM’s Employment and Skills Advisory Panel, which met for the first time in October. Originally envisaged by government as having a largely analytical function, GM was clear that, as well as facilitating access to cross-departmental Government data to support the identification of local skills needs, our Panel should also contribute to the strategic oversight and governance of GM’s work and skills system, with input at a senior strategic level from relevant central government departments. Reflecting GM’s ambition for a fully integrated education, skills, employment and health system, we have agreed with central government that the GM Panel will encompass employment support and align with these other interrelated agendas rather than viewing skills in isolation. The ESAP will help us to ensure that the devolved AEB is situated firmly within the wider GM skills and employment support landscape.
A formal GM AEB steering group will also be established in addition to existing GM governance structures that provide a forum for consideration, consultation, challenge and oversight.

9. RECOMMENDATIONS

   As above.
Annex A - Calculating Devolved AEB Budgets for devolved areas 2019/20: Methodology

(NB - Extract from correspondence from DfE to GMCA; “we” refers to DfE, “you”/“your” refers to GMCA)

Ministers agreed that the methodology for calculating Education Skills Funding Agency (ESFA) and Mayoral Combined Authorities (MCAs) and the Mayor of London budgets should be based on historic provider delivery and learner residence in 2017 to 2018.

We have used the residency calculations explained in the narrated presentation to determine your % share of the budget. The 2017 to 2018 calculation establishes the baseline % for what your AEB allocation will be for the foreseeable future.

AEB allocations have been calculated by multiplying the proportion (%) share for each devolved area by the total AEB participation budget (minus the top-slices for continuing learners and traineeships).

ESFA will continue to be responsible for funding learners that are resident outside devolved areas. Providers that are out of scope for devolution for the two-year transitional period will continue to be funded nationally by the ESFA, this is further explained later in this letter.

The following assumptions have been applied in the methodology:

- Excludes 19-24 traineeships
- Excludes continuing learners in 2019/20 only
- Delivery of AEB by grant funded providers (on their grant agreement) for the period 1 August 2017 – 31 July 2018
- Delivery of AEB by providers on contracts for service (including ILP and grant) for the period 1 November 2017 – 31 July 2018; this is then pro-rated up into a full year using the national profile of 26.5% for the months August-October. This includes all providers that were successful in the AEB procurement. Providers that were not successful are not included because they no longer have a contract with the ESFA
- Includes all formula funded AEB delivery in 2017 to 2018 and the reconciled 2017 to 2018 funding for community learning and learner support
- For the 2 higher education institutions that delivered AEB in 2017 to 2018 but do not return an ILR we have used their 2017 to 2018 HESA learner postcode and qualification aim data. We have matched the qualification aims (recorded on their HESA return) to AEB funding rates and distributed the funding based on the learner postcodes
- Where the postcode (prior to enrolment) recorded on the ILR is not valid, the calculation is made using the current postcode provided it is valid. Where neither prior nor current postcode is valid then the funding associated with the invalid postcode is distributed across devolved areas and ESFA funded areas using the delivery proportions set by the valid postcodes for that provider
- Delivery relating to non-England residents (residents of Scotland, Wales and Northern Ireland) is treated as outside devolved areas funding
Where providers have merged since 2017 to 2018 we include the delivery of each of the separate organisations in the analysis

Funding for continuing learners in 2019 – 2020

Funding for continuing learners is not included in your budget. ESFA will continue to fund learners that were in learning in 2018 to 2019 but did not complete their programme by 31 July 2019. The funding attributed to continuing learners is an estimate based on the full year 2017 to 2018 AEB data relating to learners who started before 1 August 2018 and are continuing into the following year. The estimate for continuing learners in 2019/20 has been based on the historical cost of these learners. We are using an estimate as we will not know the actual cost until November 2019.

ESFA will allocate funds to providers for 2019 to 2020 to ensure they can fund continuing learners both inside and outside devolved areas. This is a one-year arrangement that applies to the devolved areas receiving AEB in 2019 to 2020 only. If more MCA areas receive devolved AEB beyond 2019 to 2020, the ESFA will look to operate a similar approach for those areas.

19-24 Traineeship

The 19-24 Traineeship programme remains a national programme in 2019 to 2020 and as such, the 19-24 Traineeship budget will continue to be managed nationally by ESFA.

Transitional arrangements

Ministers have agreed to continue funding nationally, for a period of two years following devolution (2019 to 2020 and 2020 to 2021), providers that meet the following criteria:

- qualify for a financial residential uplift for their learning provision, and
- receive more than two thirds of their income from the AEB, and
- predominantly target the most disadvantaged learners.

This will aid their transition to devolution given their specialist nature and reliance on AEB. The providers which currently meet these criteria are:

- Fircroft College, Birmingham,
- Richmond and Hillcroft Adult and Community College London (Specific arrangement in place with the Mayor of London)
- Northern College, Barnsley, and
- Ruskin College, Oxfordshire

Funding attributable to delivery by these providers is not included in your budget allocation, allocations to these providers will be administered nationally by the ESFA. These providers can use this funding to deliver provision to eligible learners resident anywhere in England. MCAs and the Mayor of London should they wish to, are able to have additional funding relationships in place with the above providers during the two year transitional period.
Date: 29th March 2019

Subject: Greater Manchester HM Treasury Skills Pilots – Update

Report of: Cllr Sean Fielding, GMCA Portfolio Lead for Education, Skills, Work & Apprenticeships

PURPOSE OF REPORT
The purpose of this report is to provide an update for Leaders on the progress of the three HM Treasury Skills Pilots and to outline next steps.

RECOMMENDATIONS
Leaders are asked to review and note the content of the report and:

1. Approve the scope of proposed activity for each Pilot programme
2. Delegate authority to the GMCA Treasurer (in conjunction with the Portfolio Lead for Education, Skills, Work & Apprenticeships) to agree:
   a. Section 31 Grant conditions, including use and purpose of the management fee
   b. The proposed commissioning route (for the Self-Employment Pilot); and Contract award as well as proposal to grant-fund local authorities to develop ‘Work Hubs’ in their areas for self-employed individuals to access, responding to recommendations in the reports/reviews listed in section 3.2 (This will include a Mayoral Key Decision)
   c. The proposed granted route via The Princes Trust for the Future Workforce Fund
   d. The proposed development & co-design of training courses by employer / provider, facilitated by a grant scheme for the Digital Skills Pilot.

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<td>Are there any aspects in this report which means it should be considered to be exempt from call in by the AGMA Scrutiny Pool on the grounds of urgency?</td>
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<td>TfGMC</td>
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<td>N/A</td>
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1. BACKGROUND & INTRODUCTION

1.1 It was announced in the 2018 Autumn Statement that Government would fund three Skills Pilots in Greater Manchester, totalling £20m. These pilots consist of:

- **Digital Skills Pilot**: £3m programme to help GM employers to address local digital skills gaps through short training courses.
- **Self-Employment Pilot**: £10m programme working with the Federation of Small Businesses (FSB), to test what forms of government support are most effective in increasing training levels for the self-employed.
- **Future Workforce Fund**: £7m pilot programme to provide on-the-job training to NEET young people in GM and to move them into sustainable career paths with employers.

1.2 Funding for all pilot programmes will be transferred to GMCA via Section 31 Grant Agreements – for the Digital Skills Pilot funding will from HMT via DCMS; and for the Self-Employment Pilot and Future Workforce Fund via DfE.

1.3 Project teams are working with the respective departments to develop the S31 Grant conditions with a view to these being ready to allow for the transfer of funds by 31st March 2019.

2. PROGRAMME UPDATES – DIGITAL SKILLS PILOT

2.1 This programme is designed to address digital skills gaps across GM (and Lancashire) areas; bringing together employers and training providers to co-design bespoke short courses to support individuals into specialist digitally facing roles. Key requirements of the fund are:

- Employer-led and used to support the digital skills that are most in demand in the local economy;
- Flexible delivery to meet individual and employer need:
- Co-investment / in-kind support from employers;
- Supporting disadvantaged / underrepresented groups; and
- Informing the National Retraining Scheme (NS) and forming a key element of GM’s Local Industrial Strategy response.

2.2 The programme supports GMS priorities three and four specifically, and responds to the challenges set out in the Local Industrial Strategy in exploring new models of skills development and delivery to meet employer need, stimulating the market with co-designed courses that can deliver a work-ready digitally skilled person in a short period of time.

2.3 The desired / proposed outcomes and outputs are as follows

Outcomes:
1. Develop an innovative model of flexible training to support employers to address digital skills gaps
2. Increase earnings of GM residents
3. Increase GVA in the GM economy
4. Reduction in businesses unable to recruit

Outputs:
• A minimum of 500 individuals will access training and be supported into digitally facing employment
• Minimum of 20 employers will participate

2.4 Initial engagement has been undertaken with employers, industry organisations and training providers to understand the digital skills most in demand and how best to deploy the funding. The engagement identified the preferred delivery model as being “co-design of training courses by employer / provider, facilitated by a grant scheme”. With this in mind, the proposed implementation is outlined below:

• **Stage 1: Market engagement event** – networking with partner training providers and employers; employers outlining issues / skills gaps / role they can play
• **Stage 2: Bids from training providers** – training providers respond to employer needs; evaluation panel with GMCA, DCMS and industry experts to select training provider
• **Stage 3: Grants to training provider** – grants issued by GMCA to training provider to recruit candidates for training programme. A maximum cap will be set on grants per employer to ensure fair distribution of funds
• **Stage 4: Training delivered** – training delivered and role filled by employer

2.5 There will be a clear process in place to ensure the quality of the training provided (currently being refined with DCMS). Bidders will undergo due diligence checks similar to those undertaken during the AEB procurement process however, it is proposed that where providers that have been awarded an AEB contract they will not be subject to the due diligence process again. Bids from employers / providers will be evaluated against specific criteria – this is currently being defined but is likely to include; meeting local economic need, ensuring a high quality training offer, co-investment from employers, flexibility of training, engagement with priority groups and residents supported into skilled employment. As the development of the programme progresses, we will continue to engage with key GMCA colleagues including; procurement, legal, governance, Information Governance, finance, performance management.

3. **PROGRAMME UPDATES – SELF-EMPLOYMENT PILOT**

3.1 This programme is being designed to test what form of Government support services are most effective in increasing training, skills development and the longer-term sustainability of GM’s self-employed workforce, with a particular interest in those on low incomes and those currently excluded from existing activity.

3.2 Working in tandem with established provision, and incorporating recommendations made by the Federation of Small Business, the 2016 Mone and Deane Reviews and those of the Association of Independent Professionals and the Self-Employed (IPSE). The pilot will contribute towards at least two key strategic aims within the GMS; good jobs, with opportunities for people to progress and develop; and a thriving and productive economy in all parts of GM. The pilot will also align with the findings of the Independent Prosperity Review by including their recommendations to support businesses by piloting and testing innovative approaches – particularly with interventions to support better health and wellbeing, and having a particular focus on leadership & management, skills utilisation. Also through the inclusion of peer mentoring and Work-Hubs, we will be facilitating and enabling networks among entrepreneurs.
3.3 The desired / proposed outcomes and outputs are as follows
Outcomes:
1. Increase earnings of GM’s self-employed individuals
2. Increase the skill levels of self-employed individuals
3. Reduce the number of participants that cease trading due to business failure.

The project team are currently working with the FSB, DWP and local authority leads to develop the programme outputs, along with a detailed specification for programme activity.

3.4 Commissioning of a single provider to deliver the majority of activity will take place, using GMCA in-house procurement team. It is anticipated that a proportion of the overall £10m grant will be used to grant-fund local authorities to develop ‘Work Hubs’ in their areas for self-employed individuals to access, responding to recommendations in the reports/reviews listed in section 3.2.

3.5 As the development of the programme progresses, we will continue to engage with key GMCA colleagues including; procurement, legal, governance, Information Governance, finance, performance management.

4. **PROGRAME UPDATES – FUTURE WORKFORCE FUND**

4.1 This programme is designed to equip young people, not in education, employment or training (NEET) (or as risk of becoming NEET) with the skills and experiences needed for adult life. A key objective for the fund is ensuring employers are part of the solution to address issues facing youth unemployment by improving productivity gains of a young, resilient and diverse local workforce. In particular, the fund will:
   - Bring businesses closer to young people and those within the education system; working with BridgeGM.
   - Provide match funding and leverage additional investment from employers;
   - Reduce the risk of young people becoming NEET and increase positive participation of those young people who are NEET aligned to other investments for NEET across the city-region.
   - Be a contributor to the Curriculum for Life
   - Respond to the key priorities set out under GMS P2 and target disadvantaged young people including care leavers; youth offenders & at risk of NEET.

4.2 The programme will be underpinned by a commitment to align the pilot (and its resources) to specific GMS priorities and the local industrial strategy. There will be a particular focus on supporting growth in the digital, STEM, construction, health and the visitor economy sectors, linked to the emerging Opportunities Pass and supporting Bridge GM activity. In addition to working at a GM level, the programme will ensure that it is tailored to meet the needs of each Local Authority in consultation.

4.3 Desired / proposed outcomes and outputs are as follows:
The impact of the programmes interventions will be measured by the number of young people:
1. Undertaking an employability or workplace intervention;
2. Increasing the number of quality encounters young people experience such as shadowing, mentoring etc.;
3. Remaining in and / or re-engaging with school / post-16 education and training;
4. Progressing into quality employment and / or apprenticeship opportunity with a GM employer;
5. Achieving skills needed for employment and adulthood; testing a GM Curriculum for Life model and
6. Demonstrating improved confidence and resilience.

Outputs:
It is anticipated that the programme will support c7,000 young people during the two year programme. GMCA will ensure there is alignment and enhancement to the new GM ESF NEET programme (awarded to The Growth Company via the ESFA), as well as the wider Looked after Children/Care Leaver & Young Person’s offer across GM.

The project team are currently developing specific delivery targets and outputs for the following priority groups – NEET young people (aged 16-17 and 18-24); young people at risk of becoming NEET; looked after children and care leavers; young people known to youth offending services and young people with identified SEN/D.

4.4 The Prince’s Trust made a policy recommendation to Government around working with NEET young people which subsequently fed in to the development of this Pilot (at central Government level) Therefore, we are anticipating The Prince’s Trust to be named as the primary programme provider as they have identified cash match of £7m to support the programme. Their involvement is supported by DfE and will help to leverage investment from a network of over 300 corporate businesses. Given the charitable body status of Prince’s Trust the funding from DfE will be transferred to them via a grant from GMCA.

5. **NEXT STEPS**

5.1 For all three Pilots we are working with the respective Government departments to agree the Section 31 conditions by 31st March 2019. This includes an element management fee which will be used to support the development, design and implementation of the projects within GMCA. As with other projects, GMCA will ensure a low proportion of management fee to allow for the maximum amount of funding to go towards project activity; however we will ensure an adequate level in order to manage the projects effectively.

5.2 Detailed specifications for programme activity are being developed and where relevant, commissioning of providers will commence once the S31 agreements have been signed and transfer of funds from Government to GMCA completed.

5.3 Where there is overlap activity and / or alignment between the three pilot programmes the project team will ensure this is developed and duplication of activity is avoided.
Date: 29th March 2019
Subject: Greater Manchester Careers Application Platform Update
Report of: Cllr Sean Fielding, GMCA Portfolio Lead for Education, Skills, Work & Apprenticeships

PURPOSE OF REPORT
The purpose of this report is to provide an update for Leaders on the progress of Mayoral manifesto commitment to developing and implementing a UCAS-style application system (the GM Careers Application Platform).

RECOMMENDATIONS
The GMCA is asked to review and note the content of the report and:

1. Agree that GMCA request approval from each GM Local Authority to act as Joint Data Controller for the Platform on behalf of the 10 LA’s to utilise concurrent statutory powers and legislative duties held mainly by them (Education and Skills Act 2008 / Education Act 2007).

2. Delegate authority to the GMCA Treasurer (in consultation with the Portfolio Lead for Education, Skills, Work & Apprenticeships) to approve contract award following the procurement process.

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1. BACKGROUND

1.1 Delivering the Mayoral manifesto & Greater Manchester Strategy commitment to creating a ground breaking UCAS-style application system for all Technical / Apprenticeships & opportunities in GM will contribute significantly to GM’s ambitions for a reformed technical education system across the region and **underpin the Local Industrial Strategy** by informing the talent pipeline of the future. GMCA Employment & Skills Team have been working on the initial development stages of this system, carrying out extensive consultations with key partners across GM including schools, colleges, independent training providers, employers, website developers and young people.

1.2 The overarching aim of the Platform is to create a single, digital space that help GM’s young people to make appropriate and informed decisions about their future careers in a way that makes it simple for them and their parents / families to choose between and apply for an academic or technical pathway. It will also provide a clear line of sight to other opportunities across GM such as Work Shadowing. It will act as a natural enhancement to the current Bridge GM activity, giving employers a space to share their opportunities to young people. Bridge GM has created the foundations for employers, schools, colleges and providers to connect to and create an excellence framework to develop the Gold Standard of careers education information and guidance.

In particular, the Platform will:

- **Deliver on the Mayoral Manifesto/GMS and improve the way young people search and apply** by providing a digital platform similar to the UCAS application system for University which will make it easy for those applying for apprenticeships or Technical qualifications between the ages of 16-18;
- **Provide all young people with other opportunities** offered by employers and business professionals such as work shadowing, mentoring, inspirational talks;
- **Provide a clear line of sight to careers opportunities** (outside of the traditional academic route) by offering two clear chances pre and post-16 to express an interest in and apply for an apprenticeship;
- **Develop a Curriculum for Life for young people to own and capture in a digital portfolio** that showcases to a prospective employer a diverse set of skills and interests in addition to their academic qualifications;
- **Improve young people’s knowledge and awareness of jobs** and career opportunities in their local area and across GM;
- **Ensure employers have a place to share their opportunities** in an easy and quick way, ensuring quality is at the heart;
- **Connect more young people to meaningful employer opportunities**, including experiences of the world of work, industry insights, work shadowing and volunteering;
- **Help to address social and systematic inequalities** by challenging stereotypes and directing content and resources towards young people and / or sectors that are underrepresented;
- **Create closer alignment** between young people’s career aspirations and the demand from business, **linked to the Local Industrial Strategy** in terms of future talent requirements for growth and replacement; and
• Improve the way information about young people’s progress and progression plans are captured and recorded to support transitions in and out of education, training and employment.

• Align to the Opportunities Pass developments to ensure a joined up enhanced offer for GM’s young people.

1.3 Early discussions during the consultation stage have highlighted that there is a clear demand for a system that is young person facing that brings together post-16 options, opportunities and careers tools / resources, including apprenticeships and other progression routes in one place. This is particularly important for those high numbers of young people who know they do not wish to follow the well-understood A’ level pathway and need to navigate a path to a skilled occupation or higher level study. This is why the system is being referred to as a ‘Careers Application Platform’.

2. PROGRESS UPDATE

Consultation

2.1 Consultations took place via online surveys and group discussions and were beneficial in terms of understanding what works, what doesn’t work, what the audience wants and needs and how it would look as an online platform. Common views from employers included:

• The need to better understand a young person’s interests, skills and activities outside of school;
• More focus on young people being supported to apply for the right opportunity and being taught and equipped with the right tools to succeed;
• Young people need more financial management training;
• Having a system that marries employment, training and extra-curricular opportunities/activities would be a superb tool for employers / opportunity givers to use.

2.2 Group discussions were useful in understanding how a system needs to be able to work for all target users and to understand how it would be used in a school / college setting. Particular considerations included:

• Ensuring that the Platform works with current school / college systems;
• Ensuring the Platform is user-friendly and accessible to user groups, including those with special educational needs and / or disabilities (SEN/D);
• Use of the Platform from Year 9 onwards, but with an option to introduce it in Year 7 so the system and functionality can be embedded throughout the student’s education;
• Should help teachers and practitioners to identify those young people who are not engaging in activity and / or are at risk of not participating in education, employment or training (NEET) post-16;
• Use of strategic labour market information to show growth in local sectors, using future skills needs to target applications and opportunities; and
• Use of system reports to inform commissioners, tutors and curriculum leads about curriculum design.
### Specification – Key Features

2.3 A draft specification has been drawn up with a value of £500,000 as agreed in October 2018 GMCA, taking into account all of the information collated during the consultation stage. The Platform will consist of the following key features:

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<tr>
<th>Function / Key Feature</th>
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<tbody>
<tr>
<td>Digital Portfolio (C4L)</td>
<td>This element will capture and record achievements relevant to young people’s career aspirations and progression plans, including predicted and / or achieved qualifications; work related learning experiences; personal skills and attributes; extra-curricular activities and career goals. The young person will be able to share their Digital Portfolio when applying for learning and training opportunities through the Platform</td>
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<tr>
<td>Career Management Resources</td>
<td>This section which will include the use of diagnostic and psychometric tests that provide young people with options for possible careers; application and interview skills; digital skills; workplace behaviours and attitudes; and financial management. The completion or achievement of these modules will be recorded in the young person’s Digital Portfolio.</td>
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<tr>
<td>GM Employers – Meet your Future</td>
<td>This section will be an opportunity for young people to hear from employers from across GM; understanding their personal journeys; what jobs exist now and in the future.</td>
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<td>Post-16 Course Directory</td>
<td>This will be a fully searchable directory that enables young people and other relevant user groups (e.g. teachers, careers staff, parents/carers) to search for appropriate post-16 education and training opportunities, including apprenticeships, A-levels, technical and vocational study programmes and other work-based learning pathways. The Platform will use intuitive technology to initiate course searches and will allow young people to search by keyword, location, course type or provider. Employers will be able to list specific programmes and courses offered to young people, including apprenticeships, traineeships and supported internships.</td>
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<tr>
<td>Activities Directory</td>
<td>This will supply young people with a fully searchable database of accredited and non-accredited enrichment and engagement opportunities helping them build their own Curriculum for Life, which young people can use to improve their personal and professional development. Specific employer led opportunities may include volunteering programmes, work shadowing, work experience, re-engagement activities and local events. Employers who express a desire to offer and promote experiences of the workplace to young people through Bridge GM will be supported by the Bridge GM Team to make these quality opportunities available on the Platform for young people to access.</td>
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<tr>
<td>Application Module</td>
<td>This element will build on the Mayoral Manifesto commitment by providing a place where young people can easily apply for both technical and academic courses. The Platform will have a common application process (CAP) which young people can use to apply for post-16 programmes, engagement activities and provision offered by employers (e.g. apprenticeships, traineeships, work experience etc.). The Platform will have a tracking and reporting function which will enable teachers, practitioners and local authorities to better understand the choices young people are making, and ensure that they are equipped and prepared with the necessary skills to transition</td>
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into the next stage of learning. In the long term this will enable us to minimise churn and drop-outs and improve completions and further progressions onto apprenticeships at 17 and 18.

2.4 The project team are currently working with GMCA IT, procurement, legal and information governance teams to ensure that the specification is fully compliant and ensures that we get the right provider who can deliver all of the outcomes / outputs and KPI’s outlined in the specification and contract.

3. Data
3.1 In order for the Platform to utilise and process data effectively it is proposed that GMCA act as Joint Data Controller for the Platform and as such be authorised by all 10 local authorities to utilise concurrent statutory powers and legislative duties held mainly by them (Education and Skills Act 2008 / Education Act 2007). Firstly to enable the sharing of data between local authorities and schools as part of ensuring individuals remain in education until the age of 18 and also for schools regarding the provision and impact of careers services support. This approach would negate the need to establish separate sharing arrangements but it does require a contractual arrangement or evidencing of an accountable consultation process gaining the agreement of the 10 local authorities. This needs to be in place before any live data was processed which is currently planned for early September.

4. Next Steps
4.1 The next stage is to launch the procurement process to secure a suitable software supplier, with a phased rollout expected to be carried out over the 2019/20 and 2020/21 academic years. Key milestones are highlighted below:

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<tr>
<td>Launch of ITT on The Chest and advert placed in OJEU</td>
<td>05/03/2019</td>
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<tr>
<td>Supplier Engagement Event</td>
<td>w/c 18/03/2019</td>
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<td>Deadline for questions</td>
<td>01/04/2019</td>
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<td>Deadline for responses to questions</td>
<td>05/04/2019</td>
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<td>Return of ITT</td>
<td>16/04/2019</td>
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<td>Evaluation of ITT</td>
<td>17/04/2019</td>
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<td>Invitations to interviews via the chest</td>
<td>26/04/2019</td>
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<td>Interviews &amp; moderated scoring</td>
<td>01/05/2019 - 02/05/2019</td>
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<td>Event</td>
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<tr>
<td>Selection of successful bidder</td>
<td>07/05/2019</td>
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<tr>
<td>Issue Successful/unsuccessful letters</td>
<td>07/05/2019</td>
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<td>10 day standstill period begins</td>
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| Issue of final award of contract letter (will be same day as standstill
  ends)                                                               | 17/05/2019 |
| Contract negotiation                                                 | 20/05/2019 - 30/05/2019 |
| Liaise with legal re seal of contract/Issue of formal contract       | 30/05/19 - 31/05/19 |
| OJEU award notice                                                    | 31/05/19   |
| Contract initiation & Implementation period                          | 03/06/19   |
| Service commencement                                                 | 02/09/19   |
Date: 29th March 2019
Subject: Brexit Monitor Monthly Update
Report of: Sir Richard Leese, Portfolio Lead for Business and Economy and Jim Taylor, Portfolio Lead Chief Executive for Business and Economy

PURPOSE OF REPORT

To provide Members with the latest edition of the Greater Manchester Brexit Monitor, including an update from the Government’s spring statement. This report also outlines work underway across Greater Manchester to prepare for exiting the EU.

RECOMMENDATIONS:

Members are asked to note:

- the contents of the March Brexit Monitor (Appendix A);
- the contents of the Spring Statement Briefing (Appendix B);
- the update on Brexit preparatory work underway across Greater Manchester

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1. INTRODUCTION

1.1 Following the vote to leave the EU, the GMCA has been monitoring the economic and social trends and policy developments to develop an appropriate policy response. The impact of Brexit is being tracked across the following themes:

- Macro-economy trends and developments;
- Key sectors and business investment;
- Trade, regulation, and access to European Funding;
- Property investment, housing, and planning; and
- Economic inclusion.

2 KEY MESSAGES FROM THE BREXIT MONITOR

2.1 A series of key votes in the House of Commons have taken place, with MPs voting:
- against Theresa May’s Brexit deal for the second time in the Commons, as the government was defeated by 149 votes.
- in favour of an amendment rejecting the UK leaving the EU with No Deal, by four votes. This was followed by a vote on the government’s motion to rule out No Deal, which also passed.
- in favour of seeking to extend Article 50 and therefore delay leaving the EU, by 11 votes.

2.2 In response, the EU has stated that “there is no more we can do” to change the Brexit deal at this stage. In a statement, Donald Tusk, the President of the European Council, warned of a “significantly increased” risk of a no-deal exit on March 29.

2.3 Despite the vote rejecting No Deal, leaving the EU without a deal remains the default option on 29 March without an alternative arrangement in place. The EU summit on 21 March has been identified as the likely time to request an extension.

2.4 Theresa May was expected to bring back her Brexit deal to the Commons for a third time on March 20, before the EU summit takes place. However, the Speaker of the House John Bercow ruled that he would not allow a third vote on the deal if it remains “substantially the same”, increasing the chance that the PM will seek a longer extension period.

2.5 Theresa May is now expected to write to European Council President Donald Tusk to request a delay of the UK’s exit from the EU, with the EU summit on 21 March identified as the likely time to request an extension.

2.6 Amidst the ongoing uncertainty over the UK’s exit from the EU, the 2019 Spring Statement was released on March 13. As expected, there were no major announcements, though some of the initiatives will be of interest to Greater Manchester, including on housing & infrastructure, education and the environment.

2.7 The Chancellor confirmed further details of the Spending Review and while the improved public finances means that this would potentially make more money
available for priorities such as public services in future, he was clear that this was dependent on the UK reaching a deal with the European Union and a smooth transition out of the EU.

2.8 According to monthly estimates from the Office for National Statistics (ONS), UK GDP grew by 0.2% in the three months to January 2019, with rolling three-month growth the same rate as Q4 2018 (Oct-Dec 2018). GDP growth was driven by the services sector, which increased by 0.5% in the three months to January 2019, representing the only positive contributor to growth.

2.9 The UK Manufacturing PMI fell to a four-month low of 52.0 in February, down from a downwardly revised reading of 52.6 in January, with manufacturers continuing to implement plans to mitigate potential Brexit-related disruptions. Companies reported that purchasing activity was scaled-up in February to stockpile raw materials, while the current uncertain outlook also impacted on business optimism and employment.

2.10 In contrast, the UK Services PMI registered 51.3 in February, up from a two-and-a-half year low of 50.1 in January. Nonetheless, despite February’s uptick, the index remains on track for its weakest quarter since Q4 2012 with an average reading 50.7 so far in the first two months of 2019. Reports from survey respondents suggested that Brexit-related uncertainty remained by far the most prominent factor acting as a brake on business activity growth in February.

2.11 Trends in unemployment since the referendum broadly reflect previous long-term trends, with an overall decline in ILO unemployment rates in GM (4.5% in the 12 months to September, compared to 6.6% pre-referendum). Unemployment in GM however is still above national and regional rates.

3 GM Brexit Preparedness:

3.1 Agencies from across Greater Manchester have been considering the possible impacts arising from Brexit, most notably considering impacts and mitigations should we exit without a deal. Significant developments since the last GMCA meeting:

- **Engaging with Government** – GMCA are producing a weekly bulletin of key developments and announcements which is being shared with Districts. There is a regular flow of information from across GM being fed into Government departments, along with dissemination of national technical notices and information.

- **Civil Contingencies** - Scenario based planning exercises have take place, and the Local Resilience Forum continues to consider possible impacts arising.

- **Points of Entry** – Manchester Airport is liaising directly with Government.

- **Business Support & Competitiveness** - An increase in demand in the use of the Growth Company’s Brexit toolkit has been seen. Work has also been
focused on ensuring key Government information and advice is being shared with businesses, especially SMEs.

- **Data** - Under a no-deal scenario, the flow and transfer of personal data may be impacted. Work is underway to ensure public agencies are prepared for this and advice is being passed onto businesses to ensure they can put in place any necessary mitigating actions.

- **Higher Education Sector** - In 2016/17 4.7% of GM students were EU nationals. Assurances are being sought from the Government regarding the UK’s future involvement in research funding programmes.

4 **RECOMMENDATIONS**

4.1 Recommendations appear at the front of this report.
Embellished Prime Minister Theresa May faces a race against time to secure a deal to leave the EU, as MPs voted against her Brexit deal for the second time and also rejected No Deal just two weeks before the 29th March deadline for exiting the EU. However, the EU has stated that “there is no more we can do” to change the Brexit deal at this stage, while the votes in parliament will not prevent No Deal unless the UK agrees an extension with the other 27 EU member states. MPs have now voted to seek to extend Article 50 and therefore delay leaving the EU. Theresa May is expected to write to European Council President Donald Tusk to request a delay of the UK’s exit from the EU, with the EU summit on 21 March identified as the likely time to request an extension.

The UK’s economic performance continues to mirror the ongoing political uncertainty, with GDP growth remaining sluggish at 0.2% in the three months to January 2019, unchanged from the previous rolling three-month period. Meanwhile, the UK Manufacturing PMI fell to a four-month low of 52.0 in February and the UK Services PMI remains on track for its weakest quarter since Q4 2012, despite registering a slight uptick to 51.3 in February. That said, the North West has shown some encouraging signs of resilience with the regional PMI for the North West rising to 54.0 in February, once again making it one of the strongest performing regions for business activity growth.

Macro-Economic Trends & Developments

- The North West was again one of the strongest performing regions for business activity growth in February 2019, with the regional PMI for the NW reading 54.0, a small uptick from January (above 50 = growth). This compares with average business activity of 51.7 across the UK as a whole, with growth rising modestly in the majority of areas. Nevertheless, the PMI report reveals the broadest fall in employment across the UK since late 2012, and business confidence remains low by historical standards.
- According to monthly estimates from the Office for National Statistics (ONS), UK GDP grew by 0.2% in the three months to January 2019, with rolling three-month growth the same rate as Q4 2018 (Oct-Dec 2018). GDP growth was driven by the services sector, which increased by 0.5% in the three months to January 2019, representing the only positive contributor to growth.

Policy, Trade, & Regulation

- Following renewed negotiations with the EU, Theresa May presented an updated version of her Brexit deal to parliament, arguing that she has secured “legally binding” changes to the backstop arrangement that reduced the chances it would be implemented indefinitely.
- However, too few MPs were convinced that the Prime Minister had made sufficient changes to the deal, voting it down.
- Theresa May was expected to bring back her Brexit deal to the Commons for a third time on March 20, before the EU summit takes place. However, the Speaker of the House John Bercow ruled that he would not allow a third vote on the deal if it remains “substantially the same”, increasing the chance that the PM will seek a longer extension period.
- Theresa May is now expected to write to European Council President Donald Tusk to request a delay of the UK's exit from the EU.
- In preparation for No Deal, the government has announced its proposed temporary tariff regime if the UK does leave the EU without a deal, allowing 87% of imports by value zero-tariff access to UK markets, an increase from 80% at present.

Key Sectors & Business Investment

- Research with GC Business Growth Hub clients in the 3 months to the end of February 2019 paints a somewhat mixed picture around business hiring and investment plans. The proportion of businesses reporting that they were planning to decrease investment fell marginally in the last rolling quarter, but at the same time the proportion of businesses planning to increase investment rose two percentage points. Meanwhile, the proportion of businesses reporting that they were planning to make redundancies and those reporting they would increase hiring both fell (one and two percentage points respectively). This perhaps underscores the ongoing uncertainty around Brexit preparations.
- The UK Manufacturing PMI fell to a four-month low of 52.0 in February, with manufacturers continuing to implement plans to mitigate potential Brexit-related disruptions. Companies reported that purchasing activity was scaled-up in February to stockpile raw materials, while the current uncertain outlook also impacted on business optimism and employment. In contrast, the UK Services PMI registered 51.3 in February, up from a two-and-a-half year low of 50.1 in January. Nonetheless, despite February’s uptick, the index remains on track for its weakest quarter since Q4 2012.

Property and Housing

- December 2018 housing sales data from the Land Registry shows that the vote to leave the EU has had little impact on house prices in GM, with post-referendum trends in house prices broadly in line with pre-referendum trends.

Economic Inclusion

- Trends in unemployment since the referendum broadly reflect previous long-term trends, with an overall decline in ILO unemployment rates in GM (4.5% in the 12 months to September, compared to 6.6% pre-referendum). Unemployment in GM however is still above national and regional rates.
- The Households’ Finance Index (HFI) registered its lowest reading in almost one year in February, declining to 43.4, from 44.7 in January. The Index remained below the no-change mark of 50.0, indicating pessimism towards current financial prospects among UK households. However, the Consumer Prices Index (CPI-H) 12-month inflation rate was 1.8% in January 2018, down from 2.0% in December 2018.
Macro-Economic Trends & Developments

**Macro-economy**

According to monthly estimates from the Office for National Statistics (ONS), **UK GDP grew by 0.2% in the three months to January 2019, with rolling three-month growth the same rate as Q4 2018 (Oct-Dec 18).** GDP growth was driven by the services sector, which increased by 0.5% in the three months to January 2019, representing the only positive contributor to growth. In a similar trend to Q4 2018, this growth was offset by contractions in the production and construction sectors, by 0.8% and 0.6%, respectively, between November and January. Nevertheless, ONS data shows that month-on-month growth bounced back in three out of the four main subsectors in January 2019.\(^1\) The think tank NIESR has forecast that growth will remain at 0.2% for Q1 2019, on course to maintain the sluggish performance of the previous quarter despite the small uptick in growth in January.\(^2\)

**UK International Trade**

- The UK’s total trade deficit (goods and services) widened by £1.3 billion in the three months to January 2019. The goods deficit widened by £2.4 billion, following falling exports of cars and fuels, and rising car imports. Excluding erratic commodities (such as aircraft and non-monetary gold), the total trade deficit widened £3.4 billion to £12.1 billion in the period.\(^3\)

**EU Trade in Goods**

- The UK was a net importer in goods from the EU in December 2018, with imports exceeding exports by approximately £7.7 billion.\(^4\)

**Non-EU Trade in Goods**

- The UK was a net importer in goods from non-EU nations in December 2018, with imports exceeding exports by approximately £9.8 billion.\(^4\)

**IHS Markit Regional Purchase Managers’ Index (PMI)**

- The North West was again one of the strongest performing regions for business activity growth in February 2019, with the regional PMI for the NW reading 54.0, a small uptick from January (above 50 = growth). This compares with average business activity of 51.7 across the UK as a whole, with growth rising modestly in the majority of areas. Nevertheless, the report reveals the broadest fall in employment across the UK since late 2012, and business confidence remains low by historical standards. (All other regions of the UK shown in grey below).\(^5\)
Business Investment & Hiring

- Research with GC Business Growth Hub clients in the 3 months to the end of February 2019 paints a somewhat mixed picture around business hiring and investment plans. The proportion of businesses reporting that they were planning to decrease investment fell in the last rolling quarter (Oct-Dec 2018), but at the same time the proportion of businesses planning to increase investment rose. Meanwhile, the proportion of businesses reporting that they were planning to make redundancies and those reporting they would increase hiring both fell. This perhaps underscores the ongoing uncertainty around Brexit preparations.\(^{(6)}\)

Greater Manchester Chamber of Commerce

- The GM Chamber of Commerce’s Q4 2018 Quarterly Economic Survey showed a softening in domestic demand across all sectors, but the picture remained positive with a majority of businesses reporting growth. International demand improved in the manufacturing and service sectors at the end of 2018, but is now in negative growth for the construction sector. The survey suggests that businesses are reporting attempts to increase their workforce rather than downsize, but difficulties in finding staff continue to rise, with 93% of construction firms and around 75% of manufacturing and service businesses now reporting recruitment difficulties. Overall, despite a slight dip in Q4 2018, business confidence continues to be strong across GM as the Chamber’s Manchester index sits at 33 just under it’s post-2008 peak.\(^{(7)}\)

IHS Markit/CIPS Manufacturing & Services PMIs®

- The UK Manufacturing PMI fell to a four-month low of 52.0 in February, down from a downwardly revised reading of 52.6 in January, with manufacturers continuing to implement plans to mitigate potential Brexit-related disruptions. Companies reported that purchasing activity was scaled-up in February to stockpile raw materials, while the current uncertain outlook also impacted on business optimism and employment.\(^{(8)}\)

- In contrast, the UK Services PMI registered 51.3 in February, up from a two-and-a-half year low of 50.1 in January. Nonetheless, despite February’s uptick, the index remains on track for its weakest quarter since Q4 2012 with an average reading 50.7 so far in the first two months of 2019. Reports from survey respondents suggested that Brexit-related uncertainty remained by far the most prominent factor acting as a brake on business activity growth in February.\(^{(9)}\)

Retail Sales

- The volume (not value) of retail sales increased by 1.0% during December 2018, following a decline of 0.7% in December.\(^{(10)}\)

- The underlying trend in the retail industry – as suggested by the three-month on three-month measure – was one of increasing sales, up 0.7% in December compared with the previous three months.\(^{(10)}\)
Withdrawal Agreement and No Deal Preparation

• MPs voted against Theresa May’s Brexit deal for the second time in the Commons on Tuesday 12 March, as the government was defeated by 149 votes. (11)

• Parliament also voted to seek to extend Article 50 on Thursday 14 March, but delaying Brexit will require the approval of the EU 27 member states. Theresa May is expected to write to European Council President Donald Tusk to request a delay of the UK’s exit from the EU. (12)

• Following renewed negotiations with the EU, Theresa May presented an updated version of her Brexit deal to parliament, arguing that she had secured “legally binding” changes to the backstop arrangement that reduced the chances it would be implemented indefinitely. But too few MPs were convinced that the Prime Minister had made sufficient changes to the deal, voting it down after Attorney General Geoffrey Cox said that “the legal risk [of staying indefinitely in the backstop] remains unchanged”. 75 Tory MPs and 10 DUP MPs voted against the government’s deal. (13)

• In response to the vote in parliament, the EU stated that “there is no more we can do” to change the Brexit deal at this stage. In a statement, Donald Tusk, the President of the European Council, warned of a “significantly increased” risk of a no-deal exit on March 29. (14)

• On Wednesday 13 March, MPs voted in favour of an amendment rejecting the UK leaving the EU with No Deal by four votes. This was followed by a vote on the government’s motion to rule out No Deal, which passed despite the government ordering Conservative MPs to vote against it. (15)

• On Thursday 14 March, MPs voted by 413 to 202 to seek to extend Article 50 and therefore delay leaving the EU. The EU summit on 21 March has been identified as the likely time to request an extension. (16)

• Theresa May was expected to bring back her Brexit deal to the Commons for a third time on March 20, before the EU summit takes place. However, the Speaker of the House John Bercow ruled that he would not allow a third vote on the deal if it remains “substantially the same”, increasing the chance that the PM will seek a longer extension period. (17)

• In preparation for No Deal, the government has announced its proposed temporary tariff regime if the UK does leave the EU without a deal, allowing 87% of imports by value zero-tariff access to UK markets, an increase from 80% at present. (18)

Future of European Funding in Greater Manchester

• From 2014-20 the Greater Manchester allocation of ERDF and ESF totalled £405m, for which the European Commission has announced the region will continue to be eligible until 2020/21. UK organisations have been advised to continue bidding for EU funding, with the UK Government underwriting the continued payment of any successful funding application to ERDF and ESF, as well as a number of other EU programmes where UK can take part as a third country post Brexit. The underwrite will apply even when projects are approved after the UK leaves the EU.

• In their recent ‘no-deal’ technical notices, (19) the Government has reiterated that they will guarantee any funding secured before 29th March 2019 and continue all allocated 2014-20 ESF and ERDF funding, even in the event of a No Deal.

• As part of the final set of No Deal contingency measures, the European Commission has also proposed a draft regulation that would allow the UK to continue participating in EU programmes such as Interreg and Horizon 2020 in 2019. There is a risk that UK participants may not be able to continue working in existing or future EU projects in the event of No Deal. A number of additional technical notes setting out how the guarantee will operate for specific programmes, should there be an agreement, have been issued for Erasmus+, Nuclear research, Horizon 2020, European Social Fund, European Regional Development Fund, LIFE, Connected Europe Facility and the European Territorial cooperation programmes. (20)

Brexit - Key Dates

<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
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<tbody>
<tr>
<td>12th March 2019</td>
<td>MPs voted against Theresa May’s Brexit deal</td>
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<tr>
<td>13th March 2019</td>
<td>MPs voted against No Deal Brexit</td>
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<tr>
<td>14th March 2019</td>
<td>MPs vote in favour of an extension of Article 50, pending approval from EU member states</td>
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<tr>
<td>21st March 2019</td>
<td>The final EU summit before the UK’s planned departure from the EU</td>
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<tr>
<td>29th March 2019</td>
<td>The UK’s planned formal exit from the EU, two years following the trigger of Article 50. In the case of a No Deal, all current EU legislation and agreements would cease to apply from this date in the absence of any other arrangements</td>
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<tr>
<td>31st December 2020</td>
<td>Planned end of the proposed Brexit transition period, but with the possibility of extending until December 2022. Until this date, the UK will essentially function as if a member of the EU</td>
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</table>
December 2018 (latest) housing sales data from the Land Registry shows that the vote to leave the EU has had little impact on house prices in GM, with post-referendum trends in house prices roughly in line with pre-referendum trends. London has, however, seen flatter growth since the referendum. In contrast, house prices in GM have risen faster than national and regional averages since the referendum, particularly in the second and third quarters of 2018, although latest data have indicated a moderation in house price growth in Q4 2018.

**Average House Sales Prices**

<table>
<thead>
<tr>
<th>Region</th>
<th>Since last month</th>
<th>Annual Change</th>
<th>Since EU Referendum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater Manchester</td>
<td>-0.2%</td>
<td>+5.0%</td>
<td>+14.9%</td>
</tr>
<tr>
<td>London</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>North West</td>
<td></td>
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<td></td>
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<tr>
<td>England and Wales</td>
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The UK Construction PMI fell below the 50.0 no-change threshold for the first time since the snow disruptions seen in March 2018, declining to 49.5 in February 2019, from a ten-month low of 50.6 in January. Aside from the brief weather-related decline in output in March 2018, the latest reading was the lowest since September 2017, with a number of survey respondents noting that Brexit uncertainty had led to hesitancy among clients and a corresponding slowdown in progress on new projects.
Economic Inclusion

Unemployment and Claimant Count

• Trends in unemployment since the referendum broadly reflect previous long-term trends, with an overall decline in ILO unemployment rates (the standard definition of unemployment).

• In the 12 months to September 2018, unemployment stood at 4.5% in GM, down from 4.6% in the 12 month period to June 2018. However, unemployment in GM still stands above national and regional rates (23).

• The Claimant Count – as reported by DWP in their experimental Alternative Claimant Count statistical series – in GM fell by 524 (0.7%) in November, to 69,988, with declines in all age groups (24).

• The total number of claimants in GM is 1.9% (1,336) lower than pre-referendum levels. As a proportion of the working age population, the number of claimants has also fallen to 3.9% from 4.0% in June 2016, mirroring national and regional trends (25).

Household Finances

• The Household Finance Index (HFI) – which tracks Britons’ sense of financial wellbeing – registered its lowest reading in almost one year in February, declining to 43.4, from 44.7 in January. The Index thus remained below the no-change mark of 50.0, indicating pessimism towards current financial prospects among UK households (26).

• The Consumer Prices Index (CPI-H) 12-month inflation rate was 1.8% in January 2019, down from 2.0% in December 2018. The largest downward contribution came from electricity, gas and other fuels (27).
<table>
<thead>
<tr>
<th>Section</th>
<th>Sources</th>
</tr>
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</table>
3. ONS (13 March 2019): UK trade: January 2019  
4. HMRC (12 March 2019): Overseas Trade Statistics - Non-EU and EU Trade: January 2018  
5. IHS Markit / NatWest UK Regional PMI |
7. Greater Manchester Chamber of Commerce Quarterly Economic Survey, Q4 '18  
8. Markit/CIPS UK Manufacturing PMI (1 March 2019): "UK manufacturers report further survey-record stockpiling of inputs in February"  
9. Markit/CIPS UK Services PMI (5 March 2019): "Business activity picks up, but employment falls at fastest pace since November 2011"  
10. ONS (15 February 2018): Retail sales, Great Britain: January 2019 |
| **Policy, Trade, & Regulation** | 11. FT (12 March 2019): 'Brexit timeline: key dates in the UK's divorce from the EU'  
12. BBC (18 March 2019): Third Brexit vote must be different - Speaker  
13. BBC (12 March 2019): 'Brexit deal vote: What do I need to know?'  
14. FT (12 March 2019): 'EU takes hard line after second Brexit deal defeat'  
15. BBC (14 March 2019): 'Brexit: MPs vote to reject no-deal Brexit'  
16. BBC (14 March 2019): MPs vote by a majority of 211 to seek delay to EU departure  
17. BBC (18 March 2019): Third Brexit vote must be different - Speaker  
18. BBC (13 March 2019: Most imports tariff-free under no-deal plan  
19. HMG (2018): How to prepare if the UK leaves the EU with no deal  
20. HMG (2018): The Government's guarantee for EU-funded programmes if there's no Brexit deal |
| **Property & Housing** | 21. HM Land Registry (14 February 2018): House Price Index Database: December 2018  
25. GMCA Calculation using DWP Alternative Claimant Count data and ONS claimant count denominators  
26. IHS Markit Household Finance Index (18 February 2019): "Household finances deteriorate at sharpest rate since March 2018"  
27. ONS (13 February 2019): Consumer price inflation UK, January 2019 |
Summary
The 2019 Spring Statement was a modest event, announced amidst the ongoing uncertainty over the UK’s exit from the EU. As expected, there were no major announcements, though some of the initiatives will be of interest to Greater Manchester, including on housing & infrastructure, education and the environment. The Chancellor confirmed further details of the Spending Review and while the improved public finances means that this would potentially make more money available for priorities such as public services in future, he was clear that this was dependent on the UK reaching a deal with the European Union and a smooth transition out of the EU. A summary of all of the main announcements of relevance to Greater Manchester is provided below.

Economy
Economic growth in the UK and globally has slowed since the Budget in October, leading the Office for Budget Responsibility to revise down their forecast for GDP growth. They are now forecasting that the UK economy will grow by 1.2 per cent in 2019 (a reduction from 1.6 per cent in the Budget in October), 1.4 per cent in 2020, and 1.6 per cent in the following 3 years. Earnings are forecast to grow by around 3 per cent each year, above inflation at around 2 per cent.

However, tax receipts have performed better than expected and that improvement is forecast to continue. Together with downward pressure on debt interest spending from lower market interest rates, this delivers a modest medium-term improvement in the public finances, with borrowing expected to be lower than previously forecast. The Treasury could spend around £26bn more in 2020-21 (or cut taxes by that amount) and remain within their fiscal target. That additional ‘headroom’ increases to £35bn in 2022-23.

The Chancellor has presented this as a ‘deal dividend’ of additional spending or tax cuts, if there is a smooth exit from the EU for the UK. This is because the Office for Budget Responsibility, who make the forecast, have done so on the basis that “the UK makes an orderly departure from the EU on 29 March into a transition period that lasts to the end of 2020”. However, the OBR say that “alternative outcomes, including a disorderly ‘no deal’ exit, remain the biggest short-term risks to the forecast”.

Spending Review
The Chancellor confirmed that the Government will hold a spending review which will conclude alongside the Budget in the autumn. This will set departmental budgets, including 3 year budgets for resource spending, if an EU exit deal is agreed. The government will run a Zero-Based Review of capital spending where each programme or project will be scrutinised from the bottom up. The Spending Review process will start before the summer recess in July.

Crime & Policing
The Chancellor has pledged £100 million to tackle the issue of rising knife crime over the next year, ring fenced to pay for additional overtime targeted specifically on knife crime and new
Violent Crime Reduction Units which will deliver a wider cross-agency response to the knife crime epidemic.

**Young people**
Secondary schools and colleges in England will receive free sanitary products from September. The move comes after concerns from headteachers that some girls are missing school because they are unable to afford sanitary products. This is a welcome step and something that Greater Manchester recently pledged to support through Unite’s Period Dignity Campaign.

**Housing, homelessness & infrastructure**
On housing, the government will create a £3bn **affordable housing guarantee** scheme aimed at supporting delivery of around 30,000 affordable homes. The scheme is expected to help housing associations to boost their output by reducing their cost of borrowing. Further details on the scheme have not been revealed, however the previous Affordable Homes Guarantees scheme, which ended in 2015, allowed the government to underwrite housing association borrowing to lower its cost.

The Chancellor revealed that West London, Cheshire, Didcot and Cambridge are set to receive £717m from the **Housing Infrastructure Fund**. The Fund was first announced in July 2017 and subsequently extended in the 2017 and 2018 Autumn Budgets, to £5.5bn total funding available to unlock the delivery of up to 650,000 homes. Greater Manchester has been successful in receiving £70m in Marginal Viability Funding for 12 schemes across the city region, and three major schemes in Wigan & Bolton, Salford and Manchester are through to the next stage of bidding for the Forward Fund to deliver strategic and high-impact infrastructure projects.

On Infrastructure, the Chancellor launched a consultation on **Infrastructure Finance**¹ which will seek views on how the Government can best support private infrastructure investment in the context of the UK’s changing relationship with the European Investment Bank. This follows on from the Government’s decision to abolish private finance initiatives last year. The review will dovetail with the Spending Review.

The Chancellor reiterated the Government’s commitment to publishing a comprehensive **National Infrastructure Strategy** at the spending review. This will set out priorities for economic infrastructure and respond to recommendations in the National Infrastructure Commission’s National Infrastructure Assessment.

Other infrastructure related announcements include:

- An independent Report on Build Out Rates has been published and makes recommendations on how to close the significant gap between the number of housing completions and the amount of land allocated or permissioned on large sites in areas of high housing demand.

- Government has responded to a consultation on Planning Reform. It will introduce a package of reforms, including allowing greater change of use between premises, and a new permitted development right to allow upwards extension of existing buildings to create new homes.

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• Government will publish an Accelerated Planning Green Paper later this year, setting out proposals on how greater capacity and capability, performance management and procedural improvements can accelerate the end-to-end planning process.

• A consultation ‘Planning for Future High Streets’ will be published shortly exploring potential changes to help local areas make better use of planning tools to support their local high streets, including through Compulsory Purchase Orders, Local Development Orders, and other innovative planning measures.

• The ‘Future of Mobility: Urban Strategy’ document will be published setting out the government’s approach to putting the UK at the forefront of mobility, and responding to the significant changes taking place in transport technology – such as the growth in electric vehicles, the development of self-driving vehicles and advances in data and internet connectivity.

• £60 million from the Transforming Cities Fund will be invested in a further 10 cities across England. This will fund 30 new schemes such as bus station upgrades, new cycle lane and road improvements. The Cities selected are: Derby and Nottingham, Leicester, Portsmouth, Sheffield City Region, West Yorkshire CA, Southampton, North East CA, Norwich, Plymouth and Stoke-on-Trent. GM has already been allocated £312m from Fund as a Mayoral Combined Authority.

• Up to £260 million will be made available for the Borderlands Growth Deal

The Chancellor reiterated his commitment to Northern Powerhouse Rail, but with no further details.

Education, Skills, Employment and apprenticeships
The Chancellor confirmed that the changes to the Apprenticeship Levy announced in last October’s Budget will, as expected, take effect from April 2019. Those changes will mean that:

• Employers who pay the Levy will be able to transfer up to 25% of their available levy funds to employers in their supply chains to support apprenticeship training. This is an increase from the previous transfer cap of 10%
• The co-investment rate that non-levy paying employers are required to pay towards the costs of apprenticeships will be halved from 10% to 5%.

It was also confirmed that an International Education Strategy will be published jointly by the Departments for Education and International Trade in the coming months, with the intention of strengthening the UK’s position at the forefront of global education. This Strategy will replace the previous International Education Strategy, which was published by the coalition government in 2013.

The government has also published the terms of reference for a review of the latest international evidence on the impact of minimum wages. The review, which will be led by Professor Arindajit Dube working closely with the Low Pay Commission, will not attempt to consider the structure of minimum wage rates in the UK nor the causes of low wage employment, but rather is intended to inform future National Living Wage policy after 2020.
The Government will begin to abolish the need for paper landing cards at UK points of entry from June and will allow citizens from a number of countries to start using e-gates at airports and Eurostar terminals.

It was also announced that from the autumn, jobs that require PhDs will become exempt from visa caps, in an extension of the plan to maintain Britain’s attractiveness after Brexit.

**Green City Region**
The Spring Statement set out a number of environment related announcements, signaling an acceleration of the shift to a clean economy. The initiatives announced will support the delivery of the Greater Manchester 5 Year Environment Plan’s key priorities:

- **Buildings** – as part of the Clean growth Strategy, the government will introduce a *Future Homes Standard* by 2025, so that new build homes are future-proofed with low carbon heating and world-leading levels of energy efficiency. This supports Greater Manchester’s stated aim of having all new developments be net zero carbon by 2028. It is not clear if this relates only to social housing providers or will be incorporated into planning policy for all new homes.

- **Energy** - to help meet climate targets, the government will advance the decarbonisation of gas supplies by increasing the proportion of green gas in the grid, helping to reduce dependence on burning natural gas in homes and businesses. Government will consult on mechanisms to reduce dependence on burning natural gas to heat homes later in the year.Whilst valuable, there is concern over the potential costs and mechanisms of producing ‘green gas’ which may involve the utilization of carbon capture and storage technologies which do not currently exist at a commercial scale.

- **Sustainable Consumption and Production** - the government is launching a call for evidence on a Business energy efficiency scheme to explore how it can support investment in energy efficiency measures. Increasing productivity through resource efficiency is one of the priorities set out in the Greater Manchester Local Industrial Strategy.

- **Natural Capital** - the government will launch a global review into the *Economics of Biodiversity*. This will identify actions that will simultaneously enhance biodiversity and deliver economic prosperity. Greater Manchester has already established a natural capital account for the City Region, a UK first, as part of our Urban Pioneer status under the government’s 25 Year Environment Plan. In addition, to ensure that wildlife isn’t compromised in delivering necessary infrastructure and housing, the government will Mandate net gains for biodiversity on new developments in England to deliver an overall increase in biodiversity. This builds upon Greater Manchester pilots to provide evidence on the process for setting biodiversity net gain set out in the GM Spatial Framework.

- **Transport** - to give people the option to travel ‘zero carbon’, the government will launch a call for evidence on *Offsetting Transport Emissions* to explore consumer understanding of the emissions from their journeys and their options to offset them. This will also look into whether travel providers should be required to offer carbon offsets to their customers. In principle, this could support the future development of local carbon
offset schemes which may then be utilised to fund energy efficiency and carbon capture projects across the region.

In the coming months, the government will publish ‘Red Diesel: Response to Call for Evidence – A summary of responses’ in response to the May 2018 call for evidence on red diesel and air quality.

**Science and Technology**
£265 million was allocated to science and innovation, with these investments aimed at realising the Government’s ambition to raise economy-wide investment in R&D to 2.4% of GDP by 2027 and driving progress against the Grand Challenges, such as healthy ageing and the Artificial Intelligence and data revolution. They include £81m to a national Extreme Photonics Application Centre in Oxfordshire; £45m to the European Bioinfomatics Institute in Cambridgeshire; £79m to a new UK supercomputer (ARCHER 2) and £60m has been set aside for the Joint European Torus Funding facility. £186m of the £265m has been allocated to Oxfordshire and Cambridgeshire.

**Digital**
£53 million was confirmed for nine local areas who have successfully bid since Budget, from the third wave of the **Local Full Fibre Networks challenge fund**. The funding will enable next-generation full fibre connections to key public buildings, and nearby homes and businesses in those areas.

As part of efforts to strengthen the regulatory environment and ensure competition works for consumers, the Government published a report alongside the Spring Statement, which reviewed competition in the digital market place. The recommendations include new powers for consumers and an overhaul of competition regulation. As a first step towards implementing the reforms, the Competition and Markets Authority will undertake a market study of the digital advertising market.

A consultation was launched on the detailed design and implementation of the Digital Services Tax that will take effect from April 2020.

**Business**
To tackle the problem of late payments to small businesses, the Government will require company Audit Committees to review payment practices, and report on them in their Annual Accounts.
PURPOSE OF REPORT
To set out the proposed Treasury Management Strategy Statement, Borrowing Limits and Prudential Indicators for 2019/20 to 2021/22 for the GMCA.

The Strategy sets out the Borrowing Limits and Prudential Indicators for the GMCA.

The Strategy reflects the planned 2019/20 capital programmes for GMCA transport, economic development, Fire, Police and Waste.

The Strategy reflects amendments from the draft approved by the Audit Committee at their meeting in January. In particular:

- A revised MRP strategy
- Updated Borrowing Requirements
- Update to how the Housing Investment Loans Fund may operate

RECOMMENDATIONS:
The Audit Committee are asked to recommend that GMCA approve the proposed Treasury Management Strategy Statement and Annual Investment Strategy to apply from the 1st April 2019, in particular:

- The Treasury Indicators listed in Appendix A.
- The revised MRP Strategy outlined in Appendix B.
- The Treasury Management Policy Statement at Appendix C.
- The Treasury Management Scheme of Delegation at Appendix D.
- The Borrowing Requirements listed in Section 5.
- The Borrowing Strategy outlined in Section 8.
- The Annual Investment Strategy detailed in Sections 9 and 11.

CONTACT OFFICERS:
Richard Paver telephone: 0161 778 7004
email: richard.paver@greatermanchester-ca.gov.uk
**BACKGROUND PAPERS:**

None.

<table>
<thead>
<tr>
<th>TRACKING/PROCESS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Does this report relate to a major strategic decision, as set out in the GMCA Constitution</td>
<td>No</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EXEMPTION FROM CALL IN</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>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?</td>
<td>No</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TfGMCA</th>
<th>Overview &amp; Scrutiny Committee</th>
</tr>
</thead>
</table>
Treasury Management Strategy for 2019/20

The treasury officers’ views on interest rates, supplemented with leading market forecasts provided by the Combined Authority’s treasury advisor, Link Asset Services, Treasury Solutions, are what the suggested strategy in respect of the following aspects is based upon.

The strategy covers:

- Section 1: Introduction
- Section 2: Constitutional Arrangements
- Section 3: Treasury Limits and Prudential Indicators
- Section 4: Current Portfolio Position
- Section 5: Borrowing Requirement
- Section 6: Prudential and Treasury Indicators for 2019/20 to 2021/22
- Section 7: Prospects for Interest Rates
- Section 8: Borrowing Strategy
- Section 9: Annual Investment Strategy
- Section 10: MIFID II Professional Client Status
- Section 11: Investments that are not part of treasury management activity
- Section 12: Scheme of Delegation
- Section 13: Role of the Section 73 Officer
- Section 14: MRP Strategy
- Section 15: Forecast cash flow April 2019 to March 2020

Appendix A: List of Prudential and Treasury Indicators for approval
Appendix B: MRP Strategy
Appendix C: Treasury Management Policy Statement
Appendix D: Treasury Management Scheme of Delegation
Appendix E: The Treasury Management Role of the Section 73 Officer
Appendix F: Economic Background
Appendix G: Prospects for Interest Rates
Appendix H: Forecast cash flow April 2019 to March 2020
Appendix I: Glossary of terms
1. **INTRODUCTION**

   **Background**

1.1 The Combined Authority is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Authorities low risk appetite, providing adequate liquidity initially before considering investment return.

1.2 The second main function of the treasury management service is the funding of the Combined Authority’s capital plans, including those relating to the Mayor’s PCC and Fire functions. These capital plans provide a guide to the borrowing need of the Combined Authority, essentially the longer-term cash flow planning, to ensure that the Combined Authority can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans, or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet the risk or cost objectives.

1.3 The contribution the treasury management function makes to the Combined Authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to General Fund Balances.

1.4 CIPFA defines treasury management as:

   “The management of the local authority’s borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

1.5 As such the Combined Authority regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.

1.6 The Combined Authority also acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.

1.7 Revised reporting is required for the 2019/20 reporting cycle due to revisions of the MHCLG Investment Guidance, the MHCLG Minimum Revenue Provision (MRP) Guidance, the CIPFA Prudential Code and the CIPFA Treasury Management Code. The primary reporting changes include the introduction of a capital strategy, to provide a longer-term focus to the capital plans, and greater reporting requirements surrounding any commercial activity undertaken under the Localism Act 2011.
Reporting Requirements

1.8 The Local Government Act 2003 (the Act) and supporting regulations require the Authority to ‘have regard to’ the Chartered Institute of Public Finance and Accountancy’s (CIPFA) Prudential Code and the CIPFA Treasury Management Code of Practice to set Prudential and Treasury Indicators for the next three years to ensure that the Authority’s capital investment plans are affordable, prudent and sustainable.

1.9 The Act therefore requires the Combined Authority to set out its treasury strategy for borrowing and to prepare an Annual Investment Strategy (as required by Investment Guidance subsequent to the Act and included as Section 9 of this report); the Strategy sets out the Combined Authority’s policies for managing its investments and for giving priority to the security and liquidity of those investments.

1.10 The CIPFA revised 2017 Prudential and Treasury Management Codes require, for 2019-20, all local authorities to prepare an additional report, a capital strategy report, which will provide the following:

- a high-level long term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

1.11 The aim of this capital strategy is to ensure that all members of the Combined Authority fully understand the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.

Treasury Management reporting

1.12 The Combined Authority is currently required to receive and approve, as a minimum, three main treasury reports each year, which incorporate a variety of policies, estimates and actuals.

1.13 Prudential and treasury indicators and treasury strategy (this report) - The first, and most important report is forward looking and covers:

- the capital plans, (including prudential indicators);
- a minimum revenue provision (MRP) policy, (how residual capital expenditure is charged to revenue over time);
- the treasury management strategy, (how the investments and borrowings are to be organised), including treasury indicators; and
- an investment strategy, (the parameters on how investments are to be managed).

1.14 A mid-year treasury management report – This is primarily a progress report and will update members on the capital position, amending prudential indicators as necessary, and whether any policies require revision.

1.15 An annual treasury report – This is a backward looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.
Scrubinty

1.16 The above reports are required to be adequately scrutinised before being recommended to the Combined Authority. This role is undertaken by the Audit Committee. The Corporate Issues and Reporting Overview and Scrutiny Committee may also request to receive such reports for consideration at their meetings.

Training

1.17 The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny. The training needs of treasury management officers are periodically reviewed.

Treasury management consultants

1.18 The Combined Authority uses Link Asset Services, Treasury solutions as its external treasury management advisors.

1.19 The Combined Authority recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon the services of our external service providers. All decisions will be undertaken with regards to all available information, including, but not solely, our treasury advisers.

1.20 It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Combined Authority will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

2 CONSTITUTIONAL ARRANGEMENTS

2.1 Currently the Combined Authority’s Treasury Management functions are operated under a service level agreement by Manchester City Council Treasury Management which reports directly to the GMCA Treasurer. It is intended that this arrangement continues for the first part of 2019/20 whilst consideration is given to develop an in-house function within the Combined Authority.

2.2 The treasury portfolio position for the Combined Authority will be managed at Authority-level, including TfGM, which means that the combined cash flows of all the consolidated organisations will be taken into account when investing temporary surplus funds or making arrangements to meet borrowing needs.

2.3 As part of the 2016 Autumn Statement, Government announced that it would give mayoral combined authorities powers to borrow for their new functions, which would allow investment in economically productive infrastructure, subject to agreeing a borrowing cap with HM Treasury.
2.4 Subsequent work with HMT and CLG has led to such an agreement which will limit the Combined Authority’s long-term external debt between 2019/20 and 2020/21 as follows:

<table>
<thead>
<tr>
<th>As at 31 March</th>
<th>2019/20 £m</th>
<th>2020/21 £m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long term external debt</td>
<td>2,517</td>
<td>2,541</td>
</tr>
</tbody>
</table>

2.5 The above agreed limits have been derived from the current agreed long term investment plans of the GMCA including Fire, Police and Waste.

2.6 The debt cap operates on long term external debt and does not limit capital spending funded from internal cash flow or short term external debt (less than 1 year). The agreement will be reviewed at least every 5 years with the first such review in 2019 but will also be reviewed in light of any initiative, local or national, which has a material impact on GMCA borrowing totals. At the current time, there is no indication as to when, and how, this 5 yearly review will be carried out.

2.7 The projection of external debt figures outlined in this report fall well within the year end ceilings incorporated into the debt deal.

3. **TREASURY LIMITS AND PRUDENTIAL INDICATORS**

3.1 It is a statutory duty under Section 3 of the Act and supporting regulations that the Combined Authority determines and keeps under review how much it can afford to borrow. The amount so determined is termed the ‘Affordable Borrowing Limit’. In England the Authorised Limit represents the legislative limit specified in the Act.

3.2 The Combined Authority must have regard to the Prudential Code when setting the Authorised Limit, which essentially requires it to ensure that total capital investment remains within sustainable limits and, in particular, that the impact upon the future levies and precepts is acceptable.

3.3 Whilst termed an Affordable Borrowing Limit, the capital plans to be considered for inclusion in corporate financing by both external borrowing and other forms of liability, such as credit arrangements. The Authorised Limit is to be set, on a rolling basis, for the forthcoming financial year and two successive financial years.

3.4 The Authorised Limit is one of the Prudential and Treasury indicators recommended by the Code, which the Combined Authority operates for monitoring its treasury operations.

3.5 In 2017 in response to a sustained period of public spending and development of the localism agenda CIPFA consulted with the public sector on revisions to the Code. The changes suggested included:

- the need for responses to practical issues public sector bodies have expressed there are with three existing indicators; principal invested for longer than 364 days, interest rate exposures and the maturity structure of borrowing.
• a proposal to introduce a new requirement for capital strategy to be formally reported and for the chief financial officer to report explicitly on the risks associated with the capital strategy.

• an initiative to delete the Council Tax indicator.

• clarification that the Code should cover all investments held primarily for financial returns. This implies there will be no differentiation between investments held for treasury purposes and investments held for commercial purposes.

3.6 Listed below is the full set of indicators the Code recommends and used by the Combined Authority. A note of the purpose of these indicators together with their suggested levels for 2019/20 can be found in Appendix B of this report.

3.7 The Prudential Indicators are:

• Authorised Limit – external debt

• Operational Boundary – external debt

• Actual external debt

• Upper limit for total principal sums invested for over 364 days

• Upper limit for fixed interest rate deposits

• Upper limit for variable interest rate deposits

• Maturity structure of fixed rate borrowing during the year

3.8 The Combined Authority is required to show Prudential Indicators separately for different funds and these are noted in Appendix A.
4. CURRENT PORTFOLIO POSITION

4.1 The Combined Authority’s forecast treasury portfolio position, including ex GMFRS, GMPCC and GMWDA, as at 31 March 2019 is:

<table>
<thead>
<tr>
<th></th>
<th>Principal £m</th>
<th>Ave rate %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fixed rate funding</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PWLB</td>
<td>625</td>
<td>4.40</td>
</tr>
<tr>
<td>Market</td>
<td>60</td>
<td>4.23</td>
</tr>
<tr>
<td>EIB</td>
<td>599</td>
<td>3.66</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,284</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Variable rate funding</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HILF – HMT *</td>
<td>112</td>
<td>2.50</td>
</tr>
<tr>
<td>Market</td>
<td>45</td>
<td>4.15</td>
</tr>
<tr>
<td>Temporary borrowing</td>
<td>100</td>
<td>0.80</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>257</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Gross debt</strong></td>
<td><strong>1,541</strong></td>
<td></td>
</tr>
<tr>
<td>Money Market Funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Temporary Investments</td>
<td>15</td>
<td>0.85</td>
</tr>
<tr>
<td>DMO</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net debt</strong></td>
<td><strong>1,526</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Capital Financing Requirement</strong></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Debt</td>
<td>1,541</td>
<td></td>
</tr>
<tr>
<td>Internal Borrowing – Waste</td>
<td>326</td>
<td></td>
</tr>
<tr>
<td>Internal Borrowing - Other</td>
<td>176</td>
<td></td>
</tr>
<tr>
<td><strong>Capital Financing Requirement</strong></td>
<td><strong>2,043</strong></td>
<td></td>
</tr>
</tbody>
</table>

* The HILF represents the Housing Investment Loans Fund, which was novated from Manchester City Council on 13th March 2019
4.2 The combined prudential indicators are listed in the tables below. Individual prudential indicators are also shown within Appendix A:

<table>
<thead>
<tr>
<th>PRUDENTIAL INDICATORS</th>
<th>2019-20</th>
<th>2020-21</th>
<th>2021-22</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>1 Capital Expenditure</td>
<td>541,601</td>
<td>542,081</td>
<td>262,806</td>
</tr>
<tr>
<td>2 Ratio of Gross Financing Costs to Net Revenue Stream</td>
<td>13%</td>
<td>13%</td>
<td>14%</td>
</tr>
<tr>
<td>3 Capital Financing Requirements as at 31 March</td>
<td>2,363,760</td>
<td>2,582,759</td>
<td>2,642,924</td>
</tr>
<tr>
<td>4 Ratio of Gross Debt to Capital Financing Requirements</td>
<td>76%</td>
<td>77%</td>
<td>76%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TREASURY INDICATORS</th>
<th>2019-20</th>
<th>2020-21</th>
<th>2021-22</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>5 Authorised Limit for External Debt</td>
<td>2,203,223</td>
<td>2,127,573</td>
<td>2,150,323</td>
</tr>
<tr>
<td>Borrowing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Long Term Liabilities</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>TOTAL</td>
<td>2,203,223</td>
<td>2,127,573</td>
<td>2,150,323</td>
</tr>
<tr>
<td>6 Operational Boundary for External Debt</td>
<td>1,991,166</td>
<td>2,042,582</td>
<td>2,065,303</td>
</tr>
<tr>
<td>Borrowing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Long Term Liabilities</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1,991,166</td>
<td>2,042,582</td>
<td>2,065,303</td>
</tr>
<tr>
<td>7 Actual External Debt</td>
<td>1,790,908</td>
<td>1,976,007</td>
<td>2,012,930</td>
</tr>
<tr>
<td>8 Upper Limit for Fixed Interest Rate Exposure</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Net Borrowing re fixed rate borrowing as % of Total Net Borrowing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9 Upper Limit for Variable Interest Rate Exposure</td>
<td>50%</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>Net Borrowing re variable rate borrowing as % of Total Net Borrowing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10 Upper Limit for Principal Sums Invested for over 364 days</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>11 Maturity Structure of Fixed Rate borrowing during 2019/20</td>
<td>Upper Limit</td>
<td>Lower Limit</td>
<td></td>
</tr>
<tr>
<td>Under 12 months</td>
<td>100%</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>12 months and within 24 months</td>
<td>100%</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>24 months and within 5 years</td>
<td>100%</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>5 years and within 10 years</td>
<td>100%</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>10 years and above</td>
<td>100%</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>12 Authority has adopted CIPFA's Code of Practice for Treasury Management in the Public Services</td>
<td>Yes</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
5. **BORROWING REQUIREMENT**

5.1 The figures detailed in the table below show the funding of the 2019/20 capital programme. This includes significant cash grants for schemes such as Transforming Cities and the Growth Deal. Should these receipts or expenditure profiles be materially different from the levels forecast, the borrowing requirements shown below could alter, in both scale and profile.

<table>
<thead>
<tr>
<th></th>
<th>2019/20</th>
<th>2020/21</th>
<th>2021/22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planned Capital Expenditure</td>
<td>541,601</td>
<td>499,856</td>
<td>223,478</td>
</tr>
<tr>
<td>Less;</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants</td>
<td>176,433</td>
<td>204,986</td>
<td>151,377</td>
</tr>
<tr>
<td>Capital Receipts</td>
<td>77,395</td>
<td>43,132</td>
<td>8,212</td>
</tr>
<tr>
<td>External Income – Capital Schemes</td>
<td>2,500</td>
<td>2,500</td>
<td>2,500</td>
</tr>
<tr>
<td>Working Capital / Short term cash movements (Incl MRP)</td>
<td>43,669</td>
<td>73,625</td>
<td>36,650</td>
</tr>
<tr>
<td>DFR/transfer from Reserves</td>
<td>6,116</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Borrowing Requirement</td>
<td>235,488</td>
<td>160,000</td>
<td>-</td>
</tr>
</tbody>
</table>

5.2 The potential long-term borrowing requirements over the next three years, including borrowing for Metrolink and the Transport Fund Programme, are as follows:

**GM Combined Authority Core incl Transport**

<table>
<thead>
<tr>
<th></th>
<th>2019/20</th>
<th>2020/21</th>
<th>2021/22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planned Capital Expenditure</td>
<td>427,666</td>
<td>499,856</td>
<td>223,478</td>
</tr>
<tr>
<td>Less;</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants</td>
<td>173,473</td>
<td>204,986</td>
<td>151,377</td>
</tr>
<tr>
<td>Capital Receipts</td>
<td>75,994</td>
<td>43,132</td>
<td>8,212</td>
</tr>
<tr>
<td>External Income – Capital Schemes</td>
<td>2,500</td>
<td>2,500</td>
<td>2,500</td>
</tr>
<tr>
<td>Direct Revenue Funding</td>
<td>450</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Cash / Deposits held at 1 April</td>
<td>-</td>
<td>15,613</td>
<td>24,739</td>
</tr>
<tr>
<td>Working Capital / Short term cash movements (Incl MRP)</td>
<td>43,669</td>
<td>73,625</td>
<td>36,650</td>
</tr>
<tr>
<td>Borrowing Requirement</td>
<td>131,580</td>
<td>160,000</td>
<td>-</td>
</tr>
</tbody>
</table>

**GM Fire & Rescue Service**

<table>
<thead>
<tr>
<th></th>
<th>2019/20</th>
<th>2020/21</th>
<th>2021/22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planned Capital Expenditure</td>
<td>5,666</td>
<td>5,432</td>
<td>3,530</td>
</tr>
<tr>
<td>Less;</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direct Revenue Funding</td>
<td>5,666</td>
<td>2,564</td>
<td>-</td>
</tr>
<tr>
<td>Borrowing Requirement</td>
<td>-</td>
<td>2,868</td>
<td>3,530</td>
</tr>
</tbody>
</table>

**GM Police & Crime Commissioner Functions**

<table>
<thead>
<tr>
<th></th>
<th>2019/20</th>
<th>2020/21</th>
<th>2021/22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planned Capital Expenditure</td>
<td>56,269</td>
<td>32,643</td>
<td>33,598</td>
</tr>
<tr>
<td>Less;</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants</td>
<td>2,960</td>
<td>2,371</td>
<td>2,371</td>
</tr>
<tr>
<td>Capital Receipts</td>
<td>1,401</td>
<td>12,101</td>
<td>34</td>
</tr>
<tr>
<td>Borrowing Requirement</td>
<td>51,908</td>
<td>18,171</td>
<td>31,193</td>
</tr>
</tbody>
</table>

**GM Waste Disposal**

<table>
<thead>
<tr>
<th></th>
<th>2019/20</th>
<th>2020/21</th>
<th>2021/22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planned Capital Expenditure</td>
<td>52,000</td>
<td>4,150</td>
<td>2,200</td>
</tr>
<tr>
<td>Less;</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Borrowing Requirement</td>
<td>52,000</td>
<td>4,150</td>
<td>2,200</td>
</tr>
</tbody>
</table>
6. PRUDENTIAL AND TREASURY INDICATORS FOR 2019/20 TO 2021/22

6.1 Prudential and Treasury Indicators (as set out in Appendix A to this report) are relevant for the purpose of setting an integrated treasury management strategy.

6.2 The Combined Authority has adopted the CIPFA Code of Practice on Treasury Management and this strategy has been prepared under the revised code of December 2017.

7. PROSPECTS FOR INTEREST RATES

7.1 The Combined Authority has appointed Link Asset Services as its treasury advisor and part of their service is to assist the Combined Authority to formulate a view on interest rates. Appendix G draws together a number of current City forecasts for short term (Bank Rate) and longer fixed interest rates. The following gives the Link’s central view:

Link Asset Services Bank Rate forecast for financial year ends (March)

<table>
<thead>
<tr>
<th>Year</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>0.75%</td>
</tr>
<tr>
<td>2020</td>
<td>1.25%</td>
</tr>
<tr>
<td>2021</td>
<td>1.50%</td>
</tr>
</tbody>
</table>

Whilst these are the current forecasts, due to uncertainties for the market the latest commentary is that rates are unlikely to rise to these in the foreseeable future.

7.2 The flow of generally positive economic statistics after the quarter ended 30 June meant that it came as no surprise that the MPC came to a decision on 2 August to make the first increase in Bank Rate above 0.5% since the financial crash, from 0.5% to 0.75%. Growth has been healthy since that meeting, but is expected to weaken somewhat during the last quarter of 2018. At their November meeting, the MPC left Bank Rate unchanged, but expressed some concern at the Chancellor’s fiscal stimulus in his Budget, which could increase inflationary pressures. However, it is unlikely that the MPC would increase Bank Rate in February 2019, ahead of the deadline in March for Brexit.

7.3 Investment and borrowing rates

Investment returns are likely to remain low during 2019/20 but to be on a gently rising trend over the next few years.

Borrowing interest rates have been volatile so far in 2018-19 and have increased modestly since the summer. The policy of avoiding new borrowing by running down spare cash balances has served well over the last few years. However, this needs to be carefully reviewed to avoid incurring higher borrowing costs in the future when the authority may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of maturing debt;

There will remain a cost of carry, (the difference between higher borrowing costs and lower investment returns), to any new long-term borrowing that causes a temporary increase in cash balances as this position will, most likely, incur a revenue cost.
8. **BORROWING STRATEGY**

8.1 The Combined Authority’s borrowing strategy should utilise the annual provision it is required to make to reduce debt, in the form of its Minimum Revenue Provision (MRP). The most efficient arrangement is for MRP to be used to reduce the new long term debt expected to be required. This ensures that MRP is utilised and does not accumulate as cash on the balance sheet, and reduces the expected level of debt. Alternatively MRP could be used to repay existing debt, but this would be at considerable cost in the current interest rate environment, other than when loans fall for normal redemption.

**Borrowing Options**

8.2 The Combined Authority’s borrowing strategy will firstly utilise internal borrowing. Forgoing investment income at historically low rates provides the cheapest option. However as the overall forecast is for long term borrowing rates to increase over the next few years, consideration must also be given to weighing the short term advantage of internal borrowing against potential long term costs. Rates are expected to be higher in future years for longer term loans, and therefore if longer term debt is required it may be prudent to take it earlier.

8.3 After this, new borrowing will be considered in the forms noted below. At the time of the borrowing requirement the options will be evaluated alongside their availability and an assessment made regarding which option will provide value for money. The options described below are not presented in a hierarchical order. At the point of seeking to arrange borrowing all options will be reviewed.

i **Public Works Loan Board (PWLB)**

PWLB borrowing is available for between 1 and 50 year maturities on various bases. This offers a range of options for new borrowing which will spread debt maturities away from a concentration in longer dated debt, and allow the Combined Authority to align maturities to MRP.

In the March 2012 Budget, the Chancellor announced the availability of a PWLB ‘Certainty Rate’ for local authorities, which could be accessed upon the submission of data around borrowing plans for individual authorities. The Combined Authority is approved to borrow at the lower rates. The Certainty Rate allows a local authority to borrow from the PWLB at 0.20% below their published rates.

ii **European Investment Bank (EIB)**

Rates can be forward fixed for borrowing from the EIB and this will continue to be considered as a primary borrowing source if the arrangement represents better value for money.

The EIB’s rates for borrowing are generally favourable compared to PWLB, allowing for existing planned borrowing to be taken as cheaper funding from the EIB. The EIB appraises its funding plans against individual schemes, particularly around growth and employment and energy efficiency, and any monies borrowed are part of the Combined Authority’s overall pooled borrowing. The Combined Authority has already accessed £599m of borrowing from the EIB. The
finalisation of the loan agreement regarding further lending for the Trafford Park Scheme is underway. The agreed amount is £160m.

It is anticipated that the legal framework will be agreed prior to 29th March 2019 but EIB has recently indicated that agreeing individual loans, some of which may have deferred drawdowns will be possible after that date. Given likely cash flow requirements the opportunity to delay drawdown of some of the funds is likely to be cost effective.

The benefit from utilising EIB funding rather than PWLB does fluctuate but EIB currently indicates a benefit of circa 40 basis points.

To allow the signing of the loan agreement the GMCA has previously agreed that the Treasurer, in conjunction with the Monitoring Officer, has delegated authority to finalise the loan agreement. The loan is within the borrowing limits of the approved Treasury Management Strategy.

### iii Third Party Loans

These are loans from third parties that are offered at lower than market rates, for example, Salix Finance Ltd is offering loans to the public sector at 0% to be used specifically to improve their energy efficiency and reduce carbon emissions.

### iv Housing Investment Funding

The Housing Investment Fund was previously operated on behalf of Greater Manchester by Manchester City Council, but the novation to the Combined Authority was completed on 13 March 2019. The total amount of the fund has novated across the GMCA but in the short term individual loans continue to be held by Manchester City Council supported by an interest free loan from GMCA equal to the actual amounts advanced.

The funding from Government is held as an interest free loan, until such time as an investment is made. At this point, the approved element of the loan becomes risk-based, with any losses met by Government (up to £60 million overall) or by the Combined Authority. The interest rate on the loan from Government, once an investment is made, is at the EU Reference rate, and is funded from the interest received from the investments made as part of the Housing Investment Fund. Part of the Housing Investment Fund funding relating to capital receipts from the HCA will also be transferred to the Combined Authority at a later date. This funding is also held as an interest free loan, and similarly has a risk based return to Government.

At the time of writing the report, it is not clear how MHCLG are anticipating the Fund to operate from 1 April. In particular, whether they will be providing any further cash advances to meet future loan requirements including future legal commitments that amount to £233 million and approved loans, which amount to £277 million. Detailed conversations are continuing to take place in order to determine the way in which the Fund will operate post 1 April.

### v Market / Local Authority Loans

There are occasionally offers available from the general market. These would be utilised when they deliver better value. These types of borrowing will need to be evaluated alongside their availability, particularly whilst there is a very limited availability of traditional market loans.
Sensitivity of the forecast

8.4 In normal circumstances the main sensitivities of the forecast are likely to be the two scenarios noted below. Combined Authority officers, in conjunction with the treasury advisors, will continually monitor both the prevailing interest rates and the market forecast, adopting the following responses to a change of sentiment:

*If it were felt that there was a significant risk of a sharp FALL in long and short term rates*, e.g. due to a marked increase of risks around relapse into recession or of risks of deflation, then long term borrowings will be postponed.

*If it were felt that there was a significant risk of a much sharper RISE in long and short term rates than that current forecast*, perhaps arising from a greater than expected increase in world economic activity or a sudden increase in inflation risks, the portfolio position will be re-appraised. It is likely fixed rate funding will be drawn whilst interest rates were still relatively cheap.

External v. Internal borrowing

8.5 The next financial year is again expected to be one of very low Bank Rate. This provides a continuation of the window of opportunity for organisations to fundamentally review their strategy of undertaking new external borrowing.

8.6 Over the next three years, investment rates are expected to be significantly below long term borrowing rates and so value for money considerations would indicate that value could best be obtained by limiting new external borrowing and by using internal cash balances to finance new capital expenditure, or to replace maturing external debt. This is referred to as internal borrowing and maximises short term savings.

8.7 However, short term savings from avoiding new long term external borrowing in 2019/20 will also be weighed against the potential for incurring additional long term extra costs by delaying new external borrowing until later years when longer term rates are forecast to be significantly higher. Consideration will also be given to forward fixing rates via the EIB facility whilst rates are favourable.

8.8 Against this background, caution will continue to be adopted within 2019/20 treasury operations. The Treasurer will monitor the interest rate market and adopt a pragmatic approach to changing circumstances, reporting any decisions to the appropriate decision making body at the next available opportunity.

8.9 **Policy on borrowing in advance of need**

The Combined Authority will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Combined Authority can ensure the security of such funds.

Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.
Forward Fixing

8.10 The Combined Authority will give consideration to forward fixing debt, whereby the Combined Authority agrees to borrow at a point in the future at a rate based on current implied market interest rate forecasts. There is a risk that the interest rates proposed would be higher than current rates, but forward fixing can be beneficial as the arrangement avoids the need to borrow in advance of need and suffer cost of carry. Any decision to forward fix will be reviewed for value for money, and will be reported to members as part of the standard treasury management reporting.

Forward fixing was a feature of the earlier EIB draw downs and may be available from various market sources.

8.11 Debt rescheduling

As short-term borrowing rates will be considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long-term debt to short-term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred).

The reasons for any rescheduling to take place will include:
* the generation of cash savings and / or discounted cash flow savings;
* helping to fulfil the treasury strategy;
* enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).

Consideration will also be given to identify if there is any residual potential for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt.

All rescheduling will be reported to the Combined Authority at the earliest meeting following its action.

Lender Option Borrower Option (LOBO) loans

Within the portfolio there are 2 Lender Option Borrower Option loans with Barclays which were taken out in 2005 and 2006 for a period of 60 years. Along with a number of Local Authorities, GMCA has engaged specialist legal support to pursue a claim against Barclays in relation to elements of their loans.

Separately a series of approaches have been received on behalf of another LOBO lender to consider a restructuring of their loans. The most recent of these will be examined, using specialist financial advice as appropriate.

Minimum Revenue Provision (MRP)

MRP is running higher than the value of loans maturing. Consideration will be given to how this can be used to fund new capital investments.
9. **ANNUAL INVESTMENT STRATEGY**

9.1 **Investment policy – management of risk**

The Combined Authority’s investment policy has regard to the following: -

- MHCLG’s Guidance on Local Government Investments (“the Guidance”)
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 (“the Code”)
- CIPFA Treasury Management Guidance Notes 2018

The Combined Authority’s investment priorities will be security first, portfolio liquidity second and then yield, (return).

The above guidance from the MHCLG and CIPFA place a high priority on the management of risk. The Combined Authority has adopted a prudent approach to managing risk and defines its risk appetite by the following means: -

1. Minimum acceptable **credit criteria** are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long-term ratings.

2. **Other information**: ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Combined Authority will engage with its advisors to maintain a monitor on market pricing such as “credit default swaps” and overlay that information on top of the credit ratings.

3. **Other information sources** used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

4. The Combined Authority has defined the list of **types of investment instruments** that the treasury management team are authorised to use. There are two lists under the categories of ‘specified’ and ‘non-specified’ investments.

   **Specified investments** are those with a high level of credit quality and subject to a maturity limit of one year.

   **Non-specified investments** are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use.

9.2 As a result of the change in accounting standards for 2018/19 under **IFRS 9**, the Combined Authority will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund.

However, the Combined Authority will also pursue **value for money** in treasury management and will monitor the yield from investment income against appropriate benchmarks for investment performance. Regular monitoring of investment performance will be carried out during the year.
## Specified and Non-Specified Investments

9.3 Investment instruments identified for use in the financial year are listed below, and are all specified investments. Any proposals to use other non-specified investments will be reported to Members for approval.

9.4 Specified investments are sterling denominated, with maturities up to a maximum of one year and meet the minimum ‘high’ rating criteria where applicable. Further details about some of the specified investments below can be found in later paragraphs within Section 9.

<table>
<thead>
<tr>
<th>Minimum ‘High' Credit Criteria</th>
<th>Use</th>
</tr>
</thead>
<tbody>
<tr>
<td>Term deposits – banks and building societies*</td>
<td>See Para 9.9</td>
</tr>
<tr>
<td>Term deposits – other Local Authorities</td>
<td>High security. Only one or two local authorities credit-rated</td>
</tr>
<tr>
<td>Debt Management Agency Deposit Facility</td>
<td>UK Government backed</td>
</tr>
<tr>
<td>Certificates of deposit issued by banks and building societies covered by UK Government guarantees</td>
<td>UK Government explicit guarantee</td>
</tr>
<tr>
<td>Money Market Funds (MMFs)</td>
<td>AAA&lt;sub&gt;M&lt;/sub&gt;</td>
</tr>
<tr>
<td>Treasury Bills</td>
<td>UK Government backed</td>
</tr>
<tr>
<td>Covered Bonds</td>
<td>AAA</td>
</tr>
</tbody>
</table>

* Banks & Building Societies

The Combined Authority will keep the investment balance below or at the maximum limit based on the institutions credit rating. If this limit is breached, for example due to significant late receipts, the Treasurer will be notified as soon as possible after the breach, along with the reasons for it. Please note this relates to specific investments and not balances held within the Combined Authority’s bank accounts, including the general bank account. The balance will be kept to the maximum investment limit of the institution, with any breaches reported to the Treasurer.
Creditworthiness policy

9.5 The Combined Authority applies the creditworthiness service provided by Link Asset Services. This service employs a sophisticated modeling approach utilising credit ratings from the three main credit rating agencies; Fitch, Moody’s and Standard & Poor’s. Link supplement the credit ratings of counterparties with the following overlays:

- credit watches and credit outlooks from credit rating agencies;
- credit Default Swap spreads to provide early warning of likely changes in credit ratings; and
- sovereign ratings to select counterparties from only the most creditworthy countries.

9.6 This modelling approach combines credit ratings, credit watches and credit outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads. The end product is a series of colour-coded bands, which indicate the relative creditworthiness of counterparties. This classification is called durational banding.

9.7 The Combined Authority has regard to Link’s approach to assessing creditworthiness when selecting counterparties. It will not apply the approach of using the lowest rating from all three rating agencies to determine creditworthy counterparties. The Capita creditworthiness service uses a wider array of information than just primary ratings and by using a risk weighted scoring system does not give undue preponderance to just one agency’s ratings.

9.8 In summary therefore the Combined Authority will approach assessment of creditworthiness by using the Link counterparty list as a starting point, and then applying as an overlay its own counterparty limits and durations. All credit ratings will be monitored on a daily basis and re-assessed weekly. The Combined Authority is alerted to changes to ratings of all three agencies through its use of the Link creditworthiness service.

- if a downgrade results in the counterparty/investment scheme no longer meeting the Combined Authority’s minimum criteria, its further use as a new investment will be withdrawn immediately.

- in addition to the use of Credit Ratings, the Combined Authority will be advised of information in Credit Default Swap against the iTraxx benchmark and other market data on a weekly basis. Extreme market movements may result in the downgrade of an institution or removal from the Combined Authority’s lending list.

9.9 Sole reliance will not be placed on the use of this external service. In addition the Combined Authority will also use market data and market information, information on government support for banks and the credit ratings of that government support. The Combined Authority will assess investments only against the criteria listed above, and will not seek to evaluate an organisation’s ethical policies when making assessments.

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1 The Markit iTraxx Senior Financials Index is a composite of the 25 most liquid financial entities in Europe. The index is calculated through an averaging process by the Markit Group and is used as the benchmark level of CDS spreads on Capita Asset Services’ Credit List.
Investment Limits

9.10 In applying the creditworthiness policy described above, the Combined Authority holds the security of investments as the key consideration when making investment decisions. The Combined Authority will therefore only seek to make treasury investments with counterparties of high credit quality.

The financial investment limits of banks and building societies are linked to their short and long-term ratings (Fitch or equivalent) as follows:

<table>
<thead>
<tr>
<th>Banks &amp; Building Societies/MMFs</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long Term</td>
<td></td>
</tr>
<tr>
<td>Fitch AA+ and above / AAAM</td>
<td>£25 million</td>
</tr>
<tr>
<td>Fitch AA/AA-</td>
<td>£15 million</td>
</tr>
<tr>
<td>Fitch A+/A</td>
<td>£15 million</td>
</tr>
<tr>
<td>Fitch A-</td>
<td>£10 million</td>
</tr>
<tr>
<td>Fitch BBB+</td>
<td>£10 million</td>
</tr>
</tbody>
</table>

The Combined Authority will only utilise institutions that have a short term rating of F2 or higher, (Fitch or equivalent).

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK Government (includes Debt Management Office)</td>
<td>£200 million</td>
</tr>
<tr>
<td>Manchester City Council</td>
<td>£50 million*</td>
</tr>
<tr>
<td>Other Local Authorities</td>
<td>£20 million</td>
</tr>
</tbody>
</table>

* In addition the interest free loan to Manchester City Council in relation to the Housing Investment Loans Fund will continue to be held by them as an agent of the GMCA

In seeking to diversify from solely bank deposits and investments with Local Authorities, the Combined Authority will utilise other investment types which are described in more detail below. However it is important that the investment portfolio is mixed to help mitigate credit risk and therefore the following limits will apply to each asset type:

<table>
<thead>
<tr>
<th>Total Deposit</th>
<th>£ million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Authorities (Excluding HILF)</td>
<td>250</td>
</tr>
<tr>
<td>UK Government</td>
<td>200</td>
</tr>
<tr>
<td>Debt Management Office</td>
<td></td>
</tr>
<tr>
<td>Treasury Bills</td>
<td></td>
</tr>
<tr>
<td>Money Market Funds</td>
<td>125</td>
</tr>
<tr>
<td>Certificates of Deposit</td>
<td>25</td>
</tr>
<tr>
<td>Covered Bonds</td>
<td>25</td>
</tr>
</tbody>
</table>
9.11 It may be prudent, depending on circumstances, to temporarily increase the limits shown above if it becomes increasingly difficult for officers to place funds. If this is the case officers will seek approval from the Treasurer for such an increase and approval may be granted at the Treasurer’s discretion. Any increase in the limits will be reported to Members as part of the normal treasury management reporting process.

Country Limits

9.12 The introduction of bail-in arrangements to support financial institutions should they get into difficulty means that the Combined Authority’s exposure to bank and building society deposits should be limited, and that such deposits should form only part of a diversified investment portfolio for the Combined Authority to help mitigate the risk.

9.13 Previously, the Combined Authority’s treasury management strategies have included investment limits to specific countries, such as those with a AAA rating. The introduction of bail-in arrangements suggests that less reliance can be placed on sovereign support for individual institutions, and therefore the country limits have been removed. The focus of credit rating evaluations will be on the individual banks building societies and organisations.

Money Market Funds

9.14 The removal of the implied levels of sovereign support that were built into ratings throughout the financial crisis has impact on bank and building society ratings across the world. Rating downgrades can limit the number of counterparties available to the Combined Authority. To provide flexibility for the investment of surplus funds the Combined Authority will use Money Market Funds when appropriate as an alternative specified investment.

9.15 Money Market Funds are investment instruments that invest in a variety of institutions, therefore diversifying the investment risk. The funds are managed by a fund manager and they have objectives to preserve capital, provide daily liquidity and a competitive yield. The majority of money market funds invest both inside and outside the UK. Money Market Funds also provide flexibility as investments and withdrawals can be made on a daily basis.

9.16 Money Market funds are rated through a separate process to bank deposits. This looks at the average maturity of the underlying investments in the fund as well as the credit quality of those investments. It is proposed that the Combined Authority will only use Money Market Funds where the institutions hold the highest AAA credit rating.

9.17 As with all investments there is some risk with Money Market Funds, in terms of the capital value of the investment. From 2019 European Commission Financial regulations require that all Money Market Funds adopt or move to a Low Volatility Net Asset Value (LVNAV) basis. This basis provides a guarantee that every £1 invested in a Money Market Funds will be returned with a range of +/- 20 basis points, whilst the timing of the return is at the discretion of the Fund. (i.e. for every £100 invested the return will be guaranteed +/- 20 pence.
Treasury Bills

9.18 These are marketable securities issued by the UK Government and as such counterparty and liquidity risk is relatively low, although there is potential risk to value arising from an adverse movement in interest rates unless they are held to maturity.

9.19 Weekly tenders are held for Treasury Bills so the Combined Authority could invest funds on a regular basis, based on projected cash flow information. This would provide a spread of maturity dates and reduce the volume of investments maturing at the same time.

9.20 There is a large secondary market for Treasury Bills so it is possible to trade them in earlier than the maturity date if required; and also purchase them in the secondary market. It is anticipated however that in the majority of cases the Combined Authority will hold to maturity to avoid any potential capital loss from selling before maturity. The Combined Authority will only sell the Treasury Bills early if it can demonstrate value for money in doing so.

Certificates of Deposit

9.21 Certificates of Deposit are short dated marketable securities issued by financial institutions, and as such counterparty risk is low. The instruments have flexible maturity dates, so it is possible to trade them in early if necessary, however there is a potential risk to capital if they are traded ahead of maturity and there is an adverse movement in interest rates. Certificates of Deposit are subject to bail-in risk as they are given the same priority as fixed deposits if a bank was to default. The Combined Authority would only deal with Certificates of Deposit that are issued by banks which meet the credit criteria.

Covered Bonds

9.22 Covered Bonds are debt instruments secured by assets such as mortgage loans. They are issued by banks and other non-financial institutions. The loans remain on the issuing institutions Balance Sheet and investors have a preferential claim in the event of the issuing institution defaulting. All issuing institutions are required to hold sufficient assets to cover the claims of all covered bondholders. The Combined Authority would only deal with bonds that are issued by banks which meet the credit criteria, or AAA rated institutions, (e.g. insurance companies).

Liquidity

9.23 Giving due consideration to the Combined Authority’s level of balances over the next year, the need for liquidity, its spending commitments and provisioning for contingencies, it is considered very unlikely that the Combined Authority will have cash balances to invest other than on a temporary basis. For this reason, no cash will be held on term deposit maturities in excess of 1 year. However internally the lending to the Waste function is deemed to be for longer than 12 months.

9.24 Investment strategy

**In-house funds.** Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. While most cash balances are required in order to manage the ups and downs of cash flow where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer term investments will be carefully assessed.
If it is thought that Bank Rate is likely to rise significantly within the time horizon being considered, then consideration will be given to keeping most investments as being short term or variable.

Conversely, if it is thought that Bank Rate is likely to fall within that time period, consideration will be given to locking in higher rates currently obtainable, for longer periods.

9.25 **Investment returns expectations.**
Bank Rate is forecast to increase steadily but slowly over the next few years to reach 2.00% by quarter 1 2022. Bank Rate forecasts for financial year ends (March) are:

- 2018/19 0.75%
- 2019/20 1.25%
- 2020/21 1.50%
- 2021/22 2.00%

Market expectations are for a lower level at March 2020 than this forecast.

9.26 The suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Now</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018/19</td>
<td>0.75%</td>
</tr>
<tr>
<td>2019/20</td>
<td>1.00%</td>
</tr>
<tr>
<td>2020/21</td>
<td>1.50%</td>
</tr>
<tr>
<td>2021/22</td>
<td>1.75%</td>
</tr>
<tr>
<td>2022/23</td>
<td>1.75%</td>
</tr>
<tr>
<td>2023/24</td>
<td>2.00%</td>
</tr>
<tr>
<td>Later years</td>
<td>2.50%</td>
</tr>
</tbody>
</table>

The overall balance of risks to economic growth in the UK is probably neutral.
The balance of risks to increases in Bank Rate and shorter term PWLB rates, are probably also even and are dependent on how strong GDP growth turns out, how slowly inflation pressures subside, and how quickly the Brexit negotiations move forward positively.

**End of year Investment Report**

9.27 At the end of the financial year, the Combined Authority will receive a report on its investment activity as part of its Annual Treasury Report.

**Policy on the use of External Service Providers**

9.28 The Combined Authority uses Link Asset Services as external treasury management advisors and has access to another provider who is an approved supplier should a second opinion or additional work be required. The Combined Authority recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon its external service providers.
9.29 The Combined Authority recognises there is value in employing external providers of treasury management services to acquire access to specialist skills and resources. It will ensure the terms of the Advisor’s appointment and the methods by which their value is assessed and properly documented, and subject to regular review.

10. MIFID II PROFESSIONAL CLIENT STATUS

10.1 MIFID II is UK law and originates from European Commission legislation for regulation of EU financial markets. The legislation requires firms offering products and services in Financial Markets and also external advisors to classify their clients as either Retail or Professional.

10.2 There are key differences between the Retail and Professional classifications, with the Professional classification assuming the client has a higher level of internal treasury expertise and experience. Financial firms are unwilling to conduct business with Retail status organisations as they have to be afforded more protections. Professional status will afford fewer protections, though eligibility for compensation from the Financial Services Compensation Scheme is not affected.

10.3 The default MIFID II classification is Retail and this applies to Local Authorities. There is a discretionary option where a client can elect to adopt Professional status and this will be granted if the client can demonstrate it meets the criteria required and can pass a qualitative test.

10.4 To continue trading with its existing Investment Brokers from the 3rd January 2018 the Combined Authority has applied for and been granted MIFID II Professional status by each firm. MIFID II classification does not apply to cash deposits the Combined Authority places with the Bank of England or in its Call accounts held with banks. Failure to secure Professional status would have severely restricted the Combined Authority’s ability to place funds with a diverse range of counterparties and was also likely to have significantly dampened the investment return possible. Any future new relationships with financial firms will also be approached on the basis of the Combined Authority evidencing its Professional status.

10.5 MIFID II also requires Professional status organisations to hold a Legal Entity Identifier, (LEI) if they wish to participate in financial instruments that are traded on an Exchange, e.g. these include Certificates of Deposit, Corporate Bonds, Treasury Bills, Gilts, etc. Trading in these instruments is included in this Treasury Management Strategy therefore the Combined Authority applied for and was granted a LEI in December 2017.

10.6 The risks associated with Professional Status are mainly that the protections given to Retail status clients are not available, moreover there is greater emphasis on internal decision making with limited reliance on advice and guidance provided by the financial firms. These risks are acknowledged, however it is believed that the existing risk framework for treasury management, including the Prudential Code and Treasury Management Code, will enable the Combined Authority to manage these risks. Without Professional Status the Combined Authority will be unable to continue trading in financial markets using past arrangements.
11. INVESTMENTS THAT ARE NOT PART OF TREASURY MANAGEMENT ACTIVITY

11.1 Growing Places Fund (GPF)

The Growing Places Fund (GPF) originally secured by the Combined Authority in 2012/13 totalled £34.5 million of capital grant funding which is being used to provide up front capital investment in schemes.

The Growing Places Fund has three overriding objectives:

- to generate economic activity in the short term by addressing immediate constraints:
- to allow Local Enterprise Partnerships (LEPs) to prioritise infrastructure needs, empowering them to deliver their economic priorities; and
- to establish sustainable recycled funds so that funding can be reinvested.

The full £34.5 million has now been committed and the CA is fully in the recycling phase as described below in section 11.3.

There is likely to be opportunities to passport similar property investments using GMCA’s own funds (prudential borrowing) to allow freeing up of GM wide Evergreen Funds for further investments.

11.2 Regional Growth Fund

The Combined Authority secured funds of £65 million through two rounds of bidding for central government funding in 2012/13 and 2013/14.

The Regional Growth Fund (RGF) has supported eligible projects and programmes raising private sector investment to create economic growth and lasting employment, with over 6,000 jobs being either created or safeguarded.

As with the Growing places fund the aim is to create a perpetual fund by using repaid loans to fund future commitments. The original funds were fully utilised by 2015/16.

11.3 Recycled Funds

Between 2018/19 and 2021/22 it is currently forecast that £55 million will be recycled back out to businesses using capital receipts from both Growing Places and Regional Growth funds. Given that both investment funds were funded through government grant there are no implications for the revenue budget should any loans default.

11.4 Housing Investment Fund

The Greater Manchester Housing Investment Fund has been designed to accelerate and unlock housing schemes. It will help build the new homes to support the growth ambitions across Greater Manchester.
11.5 Loans Utilising Prudential Borrowing

The GMCA does not make commercial investments, to the extent that it does not make investments purely to make a financial return. Where the GMCA has and does make capital investments, it is for strategic or regeneration purposes.

Greater Manchester Loan Fund

The Greater Manchester Loan Fund (‘GMLF’ or ‘the Fund’) was established in June 2013 in response to market constraints which significantly reduced the availability of debt finance.

The Fund was set up to provide debt finance of between £100k and £500k to small and medium enterprises in the Greater Manchester region, with the objective of generating business growth, creating and safeguarding jobs. A maximum of £10 million has been approved for use by the Fund.

Protos Finance Limited

In order to create capacity, GMCA is being asked to consider the purchase of a £12.1m loan committed by Evergreen to Protos Finance Limited. Protos Finance Limited is a subsidiary of Peel established to deliver the development of an industrial site in Cheshire for a variety of uses including waste to energy, biomass and environmental technology facilities. This will free up resources in the Evergreen Fund and allow it to further invest in Greater Manchester.

12. SCHEME OF DELEGATION

12.1 Appendix D describes the responsibilities of member groups and officers in relation to treasury management.

13. ROLE OF THE SECTION 73 OFFICER

13.1 Appendix E notes the definition of the role of the Treasurer in relation to treasury management.

14. MINIMUM REVENUE PROVISION (MRP) STRATEGY

14.1 Appendix B contains the Combined Authority’s policy for spreading capital expenditure charges to revenue through the annual MRP charge, noting the change to the policy in relation to the use of capital receipts to mitigate the risk associated with grant repayment if conditions are not met. It has been revised to ensure future consistency of approach across all areas of the GMCA.

15. FORECAST CASH FLOW APRIL 2019 TO MARCH 2020

15.1 The graph in appendix H shows the projected cash position from April 2019 to April 2020 prior to any borrowing interventions.
15.2 The latest forecast for the CA cash flow as at 31 March 2020 is a deficit of circa £100m. Arrangements are in place to cover the short-term requirement until mid-April from loans from other local authorities and a number of ‘forward deals’ have already been agreed. In practice it is anticipated that the shortfall will reduce as year-end spending, particularly capital, does not materialize and additional government grants are received.

15.3 During April significant annual grants are received, totaling some £200 million and moves the year-end deficit to a substantial surplus. Further large Home Office grants in July again move the position to a substantial surplus and capital funding drawdowns late in the financial year will lead to a similar position at the end of March 2020 which will be reversed in the following month. At this stage, it is not assumed that there will be any further capital drawdowns from MHCLG in relation to the HILF and that funding commitments will need to be funded from alternative sources.
### Appendix A

#### List of Prudential Indicators for approval

**GMCA Including Housing Investment Fund**

<table>
<thead>
<tr>
<th>PRUDENTIAL INDICATORS</th>
<th>2019-20</th>
<th>2020-21</th>
<th>2021-22</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>1 Capital Expenditure</td>
<td>427,666</td>
<td>499,856</td>
<td>223,478</td>
</tr>
<tr>
<td>2 Ratio of Gross Financing Costs to Net Revenue Stream</td>
<td>27%</td>
<td>28%</td>
<td>30%</td>
</tr>
<tr>
<td>3 Capital Financing Requirements as at 31 March</td>
<td>1,416,316</td>
<td>1,671,076</td>
<td>1,755,982</td>
</tr>
</tbody>
</table>

**GM Fire and Rescue**

<table>
<thead>
<tr>
<th>PRUDENTIAL INDICATORS</th>
<th>2019-20</th>
<th>2020-21</th>
<th>2021-22</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>1 Capital Expenditure</td>
<td>5,666</td>
<td>5,432</td>
<td>3,530</td>
</tr>
<tr>
<td>2 Ratio of Gross Financing Costs to Net Revenue Stream</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>3 Capital Financing Requirements as at 31 March</td>
<td>28,801</td>
<td>30,840</td>
<td>33,474</td>
</tr>
</tbody>
</table>

**GM Police and Crime Commissioner**

<table>
<thead>
<tr>
<th>PRUDENTIAL INDICATORS</th>
<th>2019-20</th>
<th>2020-21</th>
<th>2021-22</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>1 Capital Expenditure</td>
<td>56,269</td>
<td>32,643</td>
<td>33,598</td>
</tr>
<tr>
<td>2 Ratio of Gross Financing Costs to Net Revenue Stream</td>
<td>3%</td>
<td>3%</td>
<td>4%</td>
</tr>
<tr>
<td>3 Capital Financing Requirements as at 31 March</td>
<td>271,241</td>
<td>272,081</td>
<td>285,905</td>
</tr>
</tbody>
</table>

**GM Waste Disposal**

<table>
<thead>
<tr>
<th>PRUDENTIAL INDICATORS</th>
<th>2019-20</th>
<th>2020-21</th>
<th>2021-22</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>1 Capital Expenditure</td>
<td>52,000</td>
<td>4,150</td>
<td>2,200</td>
</tr>
<tr>
<td>2 Ratio of Gross Financing Costs to Net Revenue Stream</td>
<td>33%</td>
<td>32%</td>
<td>32%</td>
</tr>
<tr>
<td>3 Capital Financing Requirements as at 31 March</td>
<td>647,402</td>
<td>608,762</td>
<td>567,563</td>
</tr>
</tbody>
</table>
**CAPITAL PROGRAMME SUMMARY – GMCA**

<table>
<thead>
<tr>
<th></th>
<th>2019/20 (£000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater Manchester Transport Fund</td>
<td>20,375</td>
</tr>
<tr>
<td>Stockport Council schemes</td>
<td>16,181</td>
</tr>
<tr>
<td>Metrolink- Trafford extension</td>
<td>55,486</td>
</tr>
<tr>
<td>Other capital schemes</td>
<td>55,648</td>
</tr>
<tr>
<td>Growth Deal - Transport</td>
<td>52,670</td>
</tr>
<tr>
<td>Highways Maintenance</td>
<td>27,202</td>
</tr>
<tr>
<td>Traffic signals</td>
<td>2,500</td>
</tr>
<tr>
<td><strong>TOTAL TRANSPORT PROGRAMME</strong></td>
<td><strong>230,062</strong></td>
</tr>
<tr>
<td>Recycled GF / RGF capital receipts</td>
<td>8,806</td>
</tr>
<tr>
<td>GM Loans Fund</td>
<td>2,577</td>
</tr>
<tr>
<td>Housing Investment Fund</td>
<td>145,423</td>
</tr>
<tr>
<td>Growth Deal (non-transport)</td>
<td>40,348</td>
</tr>
<tr>
<td>LGBT Centre</td>
<td>450</td>
</tr>
<tr>
<td><strong>TOTAL ECONOMIC DEVELOPMENT AND REGENERATION</strong></td>
<td><strong>197,604</strong></td>
</tr>
</tbody>
</table>

**Grand total** 427,666

<table>
<thead>
<tr>
<th></th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Specific grants</td>
<td>173,473</td>
</tr>
<tr>
<td>Capital Receipts</td>
<td>75,994</td>
</tr>
<tr>
<td>External income</td>
<td>2,500</td>
</tr>
<tr>
<td>Working capital</td>
<td>43,669</td>
</tr>
<tr>
<td>Direct Revenue Contribution</td>
<td>450</td>
</tr>
<tr>
<td>Prudential Borrowing</td>
<td>131,5805</td>
</tr>
<tr>
<td><strong>Total funding</strong></td>
<td><strong>427,666</strong></td>
</tr>
</tbody>
</table>

**CAPITAL PROGRAMME SUMMARY – FIRE**

<table>
<thead>
<tr>
<th></th>
<th>2019/20 (£000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Premises</td>
<td>684</td>
</tr>
<tr>
<td>IT Schemes</td>
<td>640</td>
</tr>
<tr>
<td>Vehicles &amp; Equipment</td>
<td>4,343</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>5,666</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Revenue Funding</td>
<td>5,666</td>
</tr>
<tr>
<td><strong>Total funding</strong></td>
<td><strong>5,666</strong></td>
</tr>
</tbody>
</table>
## CAPITAL PROGRAMME SUMMARY – POLICE

<table>
<thead>
<tr>
<th>Branch</th>
<th>2019/20 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estates</td>
<td>2,708</td>
</tr>
<tr>
<td>Fleet</td>
<td>2,869</td>
</tr>
<tr>
<td>Business Change</td>
<td>37,262</td>
</tr>
<tr>
<td>IS Transformation Programme</td>
<td>10,129</td>
</tr>
<tr>
<td>Other IS Projects</td>
<td>3,301</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>56,629</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Grant</td>
<td>2,371</td>
</tr>
<tr>
<td>Specific grants</td>
<td>589</td>
</tr>
<tr>
<td>Capital Receipts</td>
<td>1,401</td>
</tr>
<tr>
<td>Prudential Borrowing</td>
<td>51,908</td>
</tr>
<tr>
<td><strong>Total funding</strong></td>
<td><strong>56,629</strong></td>
</tr>
</tbody>
</table>

## CAPITAL PROGRAMME SUMMARY – WASTE

<table>
<thead>
<tr>
<th>Branch</th>
<th>2019/20 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operational Sites</td>
<td>49,925</td>
</tr>
<tr>
<td>Non Operational Sires</td>
<td>2,075</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>52,000</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prudential Borrowing</td>
<td>52,000</td>
</tr>
<tr>
<td><strong>Total funding</strong></td>
<td><strong>52,000</strong></td>
</tr>
</tbody>
</table>
Definitions and Purpose of the Treasury Management noted in the table above
(Indicators are as recommended by the CIPFA Prudential Code)

Authorised Limit - external debt
The local authority will set for the forthcoming financial year and the following two financial years an authorised limit for its total external debt, excluding investments, separately identifying borrowing from other long-term liabilities. This prudential indicator is referred to as the Authorised Limit.

Operational Boundary - external debt
The local authority will also set for the forthcoming financial year and the following two financial years an operational boundary for its total external debt, excluding investments, separately identifying borrowing from other long-term liabilities. This prudential indicator is referred to as the Operational Boundary.

Both the Authorised Limit and the Operational Boundary need to be consistent with the authority’s plans for capital expenditure and financing; and with its treasury management policy statement and practices. The Operational Boundary should be based on the authority’s estimate of most likely, i.e. prudent, but not worst case scenario. Risk analysis and risk management strategies should be taken into account.

The Operational Boundary should equate to the maximum level of external debt projected by this estimate. Thus, the Operational Boundary links directly to the Authority’s plans for capital expenditure; its estimates of capital financing requirement; and its estimate of cash flow requirements for the year for all purposes. The Operational Boundary is a key management tool for in-year monitoring.

It will probably not be significant if the Operational Boundary is breached temporarily on occasions due to variations in cash flow. However, a sustained or regular trend above the Operational Boundary would be significant and should lead to further investigation and action as appropriate. Thus, both the Operational Boundary and the Authorised Limit will be based on the authority’s plans. The authority will need to assure itself that these plans are affordable and prudent. The Authorised Limit will in addition need to provide headroom over and above the Operational Boundary sufficient for example for unusual cash movements.

Actual external debt
After the year end, the closing balance for actual gross borrowing plus (separately), other long-term liabilities is obtained directly from the local authority’s Balance Sheet. This prudential indicator is referred to as Actual External Debt.

The prudential indicator for Actual External Debt considers a single point in time and hence is only directly comparable to the Authorised Limit and Operational Boundary at that point in time. Actual debt during the year can be compared.
Upper limit for total principal sums invested for over 364 days

The authority will set an upper limit for each forward financial year period for the maturing of investments made for a period longer than 364 days. This indicator is referred to as the prudential limit for Principal Sums Invested for periods longer than 364 days.

The purpose of this indicator is so the authority can contain its exposure to the possibility of loss that might arise as a result of its having to seek early repayment or redemption of principal sums invested.

Upper limit for fixed interest rate exposure

The authority will set for the forthcoming financial year and the following two financial year’s upper limits to its exposures to the effects of changes in interest rates. These indicators will relate to both fixed and variable interest rates. They may relate to either the authority’s net interest on, or to its net principal sum outstanding on its borrowing/investments.

Upper limit for variable interest rate exposure

This indicator is as described and calculated above for Fixed Interest Rate Exposures, but substitutes ‘variable rates’ for ‘fixed rates’.

Maturity structure of new fixed rate borrowing

The authority will set for the forthcoming financial year both upper and lower limits with respect to the maturity structure of its borrowing. These indicators are referred to as the Upper and Lower limits respectively for the Maturity Structure of Borrowing.

Has the Authority adopted the CIPFA Treasury Management Code?

This prudential indicator in respect of treasury management is to confirm that the local authority has adopted the CIPFA Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes. The aim is to ensure that treasury management is led by a clear and integrated forward treasury management strategy, and a recognition of the preexisting structure of the authority's borrowing and investment portfolios.
Minimum Revenue Policy Strategy

Capital expenditure is incurred on assets that will be of long term benefit to the Authority. Such expenditure may not be wholly charged to revenue in the year that it is incurred but may be spread over several years to match the time that the asset will benefit the Authority and the services it provides. The manner of spreading these costs is through an annual Minimum Revenue Provision (MRP). It should be noted that the MRP liability is not directly related to the actual repayment of principal and interest on long term loans taken.

The Authority is required by legislation to make a prudent MRP provision each year. The legislation is supported by guidance issued by the Secretary of State which requires the Authority to approve an MRP Policy Statement before the start of each financial year and sets out 4 options for calculating prudent provision. These options are:

- **Option 1: Regulatory Method**

  Under previous MRP regulations, the charge was set at a uniform rate of 4% of an authority’s Capital Financing Requirement (CFR) at the start of the financial year. The CFR is derived from the balance sheet. With the introduction of the current MRP regime the Governments policy aim was that the move should not itself increase an authority’s MRP liability. To achieve neutrality an amount, Adjustment A, was calculated at the point the change was made and is used to adjust the CFR each year. MRP under this method is calculated at 4% of the CFR less Adjustment A.

  This option may only be used for capital expenditure incurred before 1st April 2008 or capital expenditure incurred after that date which is part of Supported Capital Expenditure (SCE). Currently no new SCE’s are being issued.

- **Option 2: Capital Financing Requirement (CFR) Method**

  This is a variation on option 1 based on 4% of the authority’s CFR at the start of the financial year without the benefit of Adjustment A. Removal of the adjustment is likely to increases the MRP charge for most authorities.

  This option may only be used for capital expenditure incurred before 1st April 2008 or capital expenditure incurred after that date which is part of Supported Capital Expenditure (SCE). Currently no new SCE’s are being issued.

- **Option 3: Asset Life Method**

  This can only be applied to capital expenditure incurred on or after 1st April 2008 and is intended to spread MRP over the estimated useful life of assets. It may be assessed in one of two ways:

  a) **Equal Instalment Method**

     A simple formula generates equal annual instalments over the asset’s estimated life. The formula allows for voluntary extra provision to be made in any year.

  b) **Annuity Method**

     Annual payments gradually increase during the life of the asset.
Option 4: Depreciation Method

This can only be applied to capital expenditure incurred on or after 1st April 2008 and is based on the useful life of the asset using the standard accounting rules for depreciation. Any impairment charged to the income and expenditure account should also be included. MRP is made annually until the cumulative provision is equal to the expenditure originally financed by borrowing or credit arrangements, even if the asset is disposed of before that date. This method cannot be applied to Investment properties and Assets Held for Sale (AHFS) as they are not depreciated.

However, the guidance does not rule out use of an alternative method if the Authority decides this is more appropriate. The Authority may vary the methodologies it uses to make prudent provision during the year and if it does, should explain in its Statement why the change will better allow it to make prudent provision. The Authority may choose to overpay MRP in any year. If so, the in year and cumulative amount overpaid should be disclosed in its Statement. It is possible to offset a previous year’s overpayment against the current year’s prudent pension. This should be disclosed in the statement together with any remaining cumulative overpayment.

The Authority manages a diverse portfolio of assets and has considered the most appropriate option for each. Based on inherited MRP policies, legislation and guidance the Authority is recommended to approve the following MRP Policy Statement for 2019-20:

The Authority will assess its MRP charge for 2019-20 in accordance with the main recommendations contained within the guidance issued by the Secretary of State under Section 21(1A) of the Local Government Act 2003.

- MRP in relation to capital expenditure incurred before 1st April 2008 will be based upon 4% of the adjusted Capital Financing Requirement (CFR) in accordance with Option 1: the Regulatory method of the guidance.

- For capital expenditure incurred between 1st April 2008 and 31st March 2018 the following will apply (being the policies adopted by the previous organisations):
  - For capital expenditure incurred on the Metrolink and Transport Delivery Programme schemes and Waste Disposal assets, MRP will be calculated using Option 3b: the Asset life (Annuity) method.
  - For capital expenditure incurred on PCC assets MRP will be calculated using Option 3a: the Asset Life (Equal Instalment) method.
  - For capital expenditure incurred on GM Fire assets MRP will be calculated using Option 4: the Depreciation method.

- For capital expenditure incurred on or after 1st April 2018, MRP will be calculated using option 3b: the Asset life (Annuity) method for all classes of asset. The interest rate applied will be linked to market interest rate and the useful life of the asset. Where capital expenditure is incurred to allow a future capital receipt to be generated, no MRP will be applied to any borrowing to be repaid out of the receipt.

- In March 2019, the Authority will receive the novation of loans to the private sector developers from Manchester City Council, totalling £112 million in relation to the Housing Investment Loans Fund. These had been funded from loans received from MHCLG. Future investment loans will continue to be made, taking the total outstanding to likely maximum of £240m. Government have guaranteed to meet the first £60m of losses of such loans and, as such, no MRP is being applied. In the event that any
losses are projected to exceed that level, then the MRP/debt write down position will be reviewed.

- MRP in respect of on balance sheet leases and PFI contracts is regarded as met by the amount that writes down the balance sheet liability.

- MRP will generally commence in the financial year following the one in which the expenditure was incurred. However, for long life assets, the authority will postpone the commencement of MRP until the financial year following the one in which the asset becomes operational.

Estimated asset lives will reflect the life assigned to the asset on the asset register unless the Authority considers a different life is more appropriate. Estimated asset lives will be determined in the year that MRP commences and may not subsequently be revised. To the extent that expenditure is not on the creation of an asset and is of a type that is subject to estimated life periods that are referred to in the guidance, these periods will generally be adopted by the Authority. However, the Authority reserves the right to determine useful life periods and prudent MRP in exceptional circumstances where the recommendations of the guidance would not be appropriate.
Treasury Management Policy Statement

1. This organisation defines its treasury management activities as:

   The management of the organisation’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.

2. This organisation regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.

3. This organisation acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.

   The Combined Authority will invest its monies prudently, considering security first, liquidity second, and yield last, carefully considering its investment counterparties. It will similarly borrow monies prudently and consistent with the Combined Authority’s service objectives.
Appendix D

Treasury Management Scheme of Delegation

i  **Full Authority**
   receiving and reviewing reports on treasury management policies, practices and activities
   approval of annual strategy

ii  **Responsible body – Audit Committee**
   approval of/amendments to the organisation’s adopted clauses, treasury management policy statement and treasury management practices
   budget consideration and approval
   approval of the division of responsibilities
   receiving and reviewing regular monitoring reports and acting on recommendations
   approving the selection of external service providers and agreeing terms of appointment

iii **Body with responsibility for scrutiny** - Audit Committee
   reviewing the treasury management policy and procedures and making recommendations to the responsible body

iv  **Treasurer**
   delivery of the function
   reviewing the treasury management policy and procedures and making recommendations to the responsible body.
The treasury management role of the Section 73 officer

The S73 (responsible) Officer

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance

- submitting regular treasury management policy reports

- submitting budgets and budget variations

- receiving and reviewing management information reports

- reviewing the performance of the treasury management function

- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function

- ensuring the adequacy of internal audit, and liaising with external audit

- recommending the appointment of external service providers.
Economic Background as at November 2018– Link Asset Services

GLOBAL OUTLOOK. World growth has been doing reasonably well, aided by strong growth in the US. However, US growth is likely to fall back in 2019 and, together with weakening economic activity in China, overall world growth is likely to weaken.

Inflation has been weak during 2018 but, at long last, unemployment falling to remarkably low levels in the US and UK has led to a marked acceleration of wage inflation which is likely to prompt central banks into a series of increases in central rates. The EU is probably about a year behind in a similar progression.

KEY RISKS - central bank monetary policy measures
Looking back on nearly ten years since the financial crash of 2008 when liquidity suddenly dried up in financial markets, it can be assessed that central banks’ monetary policy measures to counter the sharp world recession were successful. The key monetary policy measures they used were a combination of lowering central interest rates and flooding financial markets with liquidity, particularly through unconventional means such as quantitative easing (QE), where central banks bought large amounts of central government debt and smaller sums of other debt.

The key issue now is that period of stimulating economic recovery and warding off the threat of deflation, is coming towards its close. A new period has already started in the US, and more recently in the UK, of reversing those measures i.e. by raising central rates and, (for the US), reducing central banks’ holdings of government and other debt. These measures are now required in order to stop the trend of a reduction in spare capacity in the economy, and of unemployment falling to such low levels that the re-emergence of inflation is viewed as a major risk. It is, therefore, crucial that central banks get their timing right and do not cause shocks to market expectations that could destabilise financial markets. In particular, a key risk is that because QE-driven purchases of bonds drove up the price of government debt, and therefore caused a sharp drop in income yields, this also encouraged investors into a search for yield and into investing in riskier assets such as equities. Consequently, prices in both bond and equity markets rose to historically high valuation levels simultaneously. This now means that both asset categories are vulnerable to a sharp downward correction. It is important, therefore, that central banks only gradually unwind their holdings of bonds in order to prevent destabilising the financial markets. It is also likely that the timeframe for central banks unwinding their holdings of QE debt purchases will be over several years. They need to balance their timing to neither squash economic recovery, by taking too rapid and too strong action, or, conversely, let inflation run away by taking action that was too slow and/or too weak. The potential for central banks to get this timing and strength of action wrong are now key risks.

The world economy also needs to adjust to a sharp change in liquidity creation over the last five years where the US has moved from boosting liquidity by QE purchases, to reducing its holdings of debt. In addition, the European Central Bank has cut back its QE purchases substantially and is likely to end them completely by the end of 2018.

UK. The flow of positive economic statistics since the end of the first quarter this year has shown that pessimism was overdone about the poor growth in quarter 1 when adverse weather caused a temporary downward blip. Quarter 1 at 0.1% growth in GDP was followed by a return to 0.4% in quarter 2; quarter 3 is expected to be robust at around +0.6% but quarter 4 is expected to weaken from that level.

At their November meeting, the MPC repeated their well-worn phrase that future Bank Rate increases would be gradual and would rise to a much lower equilibrium rate, (where monetary policy is neither expansionary of contractionary), than before the crash; indeed they gave a figure for this of around 2.5% in ten years-time but declined to give a medium term forecast. However, with so much uncertainty around Brexit, they warned that the next move could be up or down, even if there was a disorderly Brexit. While it would be expected that Bank Rate could be cut if there was a significant fall in GDP growth as a result of a disorderly Brexit, so as to provide a stimulus to growth,
they warned they could also *raise* Bank Rate in the same scenario if there was a boost to inflation from a devaluation of sterling, increases in import prices and more expensive goods produced in the UK replacing cheaper goods previously imported, and so on. In addition, the Chancellor has held back some spare capacity to provide a further fiscal stimulus if needed.

It is unlikely that the MPC would increase Bank Rate in February 2019, ahead of the deadline in March for Brexit. Getting parliamentary approval for a Brexit agreement on both sides of the Channel will take well into spring next year. However, in view of the hawkish stance of the MPC at their November meeting, the next increase in Bank Rate is now forecast to be in May 2019. The following increases are then forecast to be in February and November 2020 before ending up at 2.0% in February 2022.

**Inflation.** The Consumer Price Index (CPI) measure of inflation has been falling from a peak of 3.1% in November 2017 to 2.4% in October. In the November Bank of England quarterly inflation report, inflation was forecast to still be marginally above its 2% inflation target two years ahead, (at about 2.1%), given a scenario of minimal increases in Bank Rate. This inflation forecast is likely to be amended upwards due to the Bank’s inflation report being produced prior to the Chancellor’s announcement of a significant fiscal stimulus in the Budget; this is likely to add 0.3% to GDP growth at a time when there is little spare capacity left in the economy, particularly of labour.

As for the **labour market** figures in September, unemployment at 4.1% was marginally above a 43 year low of 4% on the Independent Labour Organisation measure. A combination of job vacancies hitting an all-time high, together with negligible growth in total employment numbers, indicates that employers are now having major difficulties filling job vacancies with suitable staff. It was therefore unsurprising that wage inflation picked up to 3.2%, (3 month average regular pay, excluding bonuses). This meant that in real terms, (i.e. wage rates less CPI inflation), earnings are currently growing by about 0.8%, the highest level since 2009. This increase in household spending power is likely to feed through into providing some support to the overall rate of economic growth in the coming months. This tends to confirm that the MPC was right to start on a cautious increase in Bank Rate in August as it views wage inflation in excess of 3% as increasing inflationary pressures within the UK economy.

In the **political arena**, there is a risk that the current Conservative minority government may be unable to muster a majority in the Commons over Brexit. However, our central position is that Prime Minister May’s government will endure, despite various setbacks, along the route to reaching an orderly Brexit in March 2019. If, however, the UK faces a general election in the next 12 months, this could result in a potential loosening of monetary and fiscal policy and therefore medium to longer dated gilt yields could rise on the expectation of a weak pound and concerns around inflation picking up.

**USA.** President Trump’s massive easing of fiscal policy is fuelling a, (temporary), boost in consumption which has generated an upturn in the rate of strong growth which rose from 2.2%, (annualised rate), in quarter 1 to 4.2% in quarter 2 and 3.5%, (3.0% y/y), in quarter 3, but also an upturn in inflationary pressures. In particular, wage rates were increasing at 3.1% y/y in October and heading higher due to unemployment falling to a 49 year low of 3.7%. With CPI inflation over the target rate of 2% and on a rising trend towards 3%, the Fed increased rates another 0.25% in September to between 2.00% and 2.25%, this being the fourth increase in 2018. They also indicated that they expected to increase rates four more times by the end of 2019. The dilemma, however, is what to do when the temporary boost to consumption wanes, particularly as the recent imposition of tariffs on a number of countries’ exports to the US, (China in particular), could see a switch to US production of some of those goods, but at higher prices. Such a scenario would invariably make any easing of monetary policy harder for the Fed in the second half of 2019. However, a combination of an expected four increases in rates of 0.25% by the end of 2019, together with a waning of the boost to economic growth from the fiscal stimulus in 2018, could combine to depress growth below its potential rate, i.e. monetary policy may prove to be too aggressive and lead to the Fed having to start on cutting rates. The Fed has also been unwinding its previous quantitative easing purchases of debt by gradually increasing the amount of monthly maturing debt that it has not been reinvesting.

The tariff war between the US and China has been generating a lot of heat during 2018, but it is not expected that the current level of actual action would have much in the way of a significant effect on US
or world growth. However, there is a risk of escalation. The results of the mid-term elections are not expected to have a material effect on the economy.

**Eurozone.** Growth was 0.4% in quarters 1 and 2 but fell back to 0.2% in quarter 3, though this is probably just a temporary dip. In particular, data from Germany has been mixed and it could be negatively impacted by US tariffs on a significant part of manufacturing exports e.g. cars. For that reason, although growth is still expected to be in the region of nearly 2% for 2018, the horizon is less clear than it seemed just a short while ago. Having halved its quantitative easing purchases of debt in October 2018 to €15bn per month, the European Central Bank has indicated it is likely to end all further purchases in December 2018. Inflationary pressures are starting to build gently so it is expected that the ECB will start to increase rates towards the end of 2019.

**China.** Economic growth has been weakening over successive years, despite repeated rounds of central bank stimulus; medium term risks are increasing. Major progress still needs to be made to eliminate excess industrial capacity and the stock of unsold property, and to address the level of non-performing loans in the banking and credit systems. Progress has been made in reducing the rate of credit creation, particularly from the shadow banking sector, which is feeding through into lower economic growth. There are concerns that official economic statistics are inflating the published rate of growth.

**Japan** - has been struggling to stimulate consistent significant GDP growth and to get inflation up to its target of 2%, despite huge monetary and fiscal stimulus. It is also making little progress on fundamental reform of the economy. It is likely that loose monetary policy will endure for some years yet to try to stimulate growth and modest inflation.

**Emerging countries.** Argentina and Turkey are currently experiencing major headwinds and are facing challenges in external financing requirements well in excess of their reserves of foreign exchange. However, these countries are small in terms of the overall world economy, (around 1% each), so the fallout from the expected recessions in these countries will be minimal.

**INTEREST RATE FORECASTS**

The interest rate forecasts provided by Link Asset Services in paragraph 3.2 are predicated on an assumption of an agreement being reached on Brexit between the UK and the EU. In the event of an orderly non-agreement exit, it is likely that the Bank of England would take action to cut Bank Rate from 0.75% in order to help economic growth deal with the adverse effects of this situation. This is also likely to cause short to medium term gilt yields to fall. If there was a disorderly Brexit, then any cut in Bank Rate would be likely to last for a longer period and also depress short and medium gilt yields correspondingly. It is also possible that the government could act to protect economic growth by implementing fiscal stimulus.

**The balance of risks to the UK**

The overall balance of risks to economic growth in the UK is probably neutral. The balance of risks to increases in Bank Rate and shorter term PWLB rates, are probably also even and are broadly dependent on how strong GDP growth turns out, how slowly inflation pressures subside, and how quickly the Brexit negotiations move forward positively.

One risk that is both an upside and downside risk, is that all central banks are now working in very different economic conditions than before the 2008 financial crash as there has been a major increase in consumer and other debt due to the exceptionally low levels of borrowing rates that have prevailed for ten years since 2008. This means that the neutral rate of interest in an economy, (i.e. the rate that is neither expansionary nor deflationary), is difficult to determine definitively in this new environment, although central banks have made statements that they expect it to be much lower than before 2008. Central banks could therefore either over or under do increases in central interest rates.

**Downside risks to current forecasts for UK gilt yields and PWLB rates currently include:**

- **Brexit** – if it were to cause significant economic disruption and a major downturn in the rate of growth.
Bank of England monetary policy takes action too quickly, or too far, over the next three years to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate. A resurgence of the Eurozone sovereign debt crisis, possibly in Italy, due to its high level of government debt, low rate of economic growth and vulnerable banking system, and due to the election in March of a government which has made a lot of anti-austerity noise. At the time of writing, the EU has rejected the proposed Italian budget and has demanded cuts in government spending which the Italian government has refused. The rating agencies have started on downgrading Italian debt to one notch above junk level. If Italian debt were to fall below investment grade, many investors would be unable to hold it. Unsurprisingly, investors are becoming increasingly concerned by the actions of the Italian government and consequently, Italian bond yields have risen sharply – at a time when the government faces having to refinance large amounts of debt maturing in 2019. Weak capitalisation of some European banks. Italian banks are particularly vulnerable; one factor is that they hold a high level of Italian government debt - debt which is falling in value. This is therefore undermining their capital ratios and raises the question of whether they will need to raise fresh capital to plug the gap.

German minority government. In the German general election of September 2017, Angela Merkel’s CDU party was left in a vulnerable minority position dependent on the fractious support of the SPD party, as a result of the rise in popularity of the anti-immigration AfD party. Then in October 2018, the results of the Bavarian and Hesse state elections radically undermined the SPD party and showed a sharp fall in support for the CDU. As a result, the SPD is reviewing whether it can continue to support a coalition that is so damaging to its electoral popularity. After the result of the Hesse state election, Angela Merkel announced that she would not stand for re-election as CDU party leader at her party’s convention in December 2018. However, this makes little practical difference as she is still expected to aim to continue for now as the Chancellor. However, there are five more state elections coming up in 2019 and EU parliamentary elections in May/June; these could result in a further loss of electoral support for both the CDU and SPD which could also undermine her leadership.

Other minority eurozone governments. Spain, Portugal, Netherlands and Belgium all have vulnerable minority governments dependent on coalitions which could prove fragile. Sweden is also struggling to form a government due to the anti-immigration party holding the balance of power, and which no other party is willing to form a coalition with. Austria, the Czech Republic and Hungary now form a strongly anti-immigration bloc within the EU while Italy, this year, has also elected a strongly anti-immigration government. Elections to the EU parliament are due in May/June 2019.

Further increases in interest rates in the US could spark a sudden flight of investment funds from more risky assets e.g. shares, into bonds yielding a much improved yield. In October 2018, we have seen a sharp fall in equity markets but this has been limited, as yet. Emerging countries which have borrowed heavily in dollar denominated debt, could be particularly exposed to this risk of an investor flight to safe havens e.g. UK gilts. There are concerns around the level of US corporate debt which has swollen massively during the period of low borrowing rates in order to finance mergers and acquisitions. This has resulted in the debt of many large corporations being downgraded to a BBB credit rating, close to junk status. Indeed, 48% of total investment grade corporate debt is now rated at BBB. If such corporations fail to generate profits and cash flow to reduce their debt levels as expected, this could tip their debt into junk ratings which will increase their cost of financing and further negatively impact profits and cash flow. Geopolitical risks, especially North Korea, but also in Europe and the Middle East, which could lead to increasing safe haven flows.

Upside risks to current forecasts for UK gilt yields and PWLB rates

Brexit – if both sides were to agree a compromise that removed all threats of economic and political disruption.

The Fed causing a sudden shock in financial markets through misjudging the pace and strength of increases in its Fed. Funds Rate and in the pace and strength of reversal of QE, which then leads to a fundamental reassessment by investors of the relative risks of holding
bonds, as opposed to equities. This could lead to a major flight from bonds to equities and a sharp increase in bond yields in the US, which could then spill over into impacting bond yields around the world.

The **Bank of England is too slow** in its pace and strength of increases in Bank Rate and, therefore, allows inflation pressures to build up too strongly within the UK economy, which then necessitates a later rapid series of increases in Bank Rate faster than we currently expect.

**UK inflation**, whether domestically generated or imported, returning to sustained significantly higher levels causing an increase in the inflation premium inherent to gilt yields.

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**Brexit timetable and process**

- **March 2017:** UK government notified the European Council of its intention to leave under the Treaty on European Union Article 50 on 29 March 2019.
- **25.11.18** EU27 leaders endorsed the withdrawal agreement
- **12.12.18(?)** vote in UK Parliament on the agreement
- **21.12.18 – 8.1.19** UK Parliamentary recess
- **8.1.19 – 29.3.19** second vote (?) in UK parliament if first vote rejects the deal
- **21.1.19** vote in Parliament on a ‘no deal’ scenario; if approved...
- **By 29.3.19** then ratification by EU Parliament requires a simple majority
- **By 29.3.19** if UK and EU parliaments agree the deal, EU Council needs to approve the deal; 20 countries representing 65% of the EU population must agree
- **29.3.19** UK leaves the EU (or asks the EU for agreement to an extension of the Article 50 period if UK Parliament rejects the deal and no deal departure?)

29.3.19: if an agreement is reached with the EU on the terms of Brexit, then this will be followed by a proposed **transitional period ending around December 2020.**

UK continues as a full EU member until March 2019 with access to the single market and tariff free trade between the EU and UK. Different sectors of the UK economy may leave the single market and tariff free trade at different times during the transitional period.

The UK and EU would attempt to negotiate, among other agreements, a bi-lateral trade agreement over that period.

The UK would aim for a negotiated agreed withdrawal from the EU, although the UK could also exit without any such agreements in the event of a breakdown of negotiations.

If the UK exits without an agreed deal with the EU, World Trade Organisation rules and tariffs could apply to trade between the UK and EU - but this is not certain.

On full exit from the EU: the UK parliament would repeal the 1972 European Communities Act.
## Prospects for Interest Rates

### Bank Rate

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Projected Cash Flows April 2019 to April 2020

Appendix H

Forecast Cash Flow April 2019 to April 2020

- With HIF Programme
- With HIF Programme with EIB drawdowns
- With HIF Legal Commitments
- With HIF Legal with EIB drawdowns

April 2019-April 2020
Glossary of Terms

**Authorised Limit** - This Prudential Indicator represents the limit beyond which borrowing is prohibited, and needs to be set and revised by Members. It reflects the level of borrowing which, while not desired, could be afforded in the short term, but is not sustainable. It is the expected maximum borrowing need, with some headroom for unexpected movements.

**Bank Rate** - The rate at which the Bank of England offers loans to the wholesale banks, thereby controlling general interest rates in the economy.

**Certificate of Deposits** - Short dated marketable securities issued by financial institutions, and as such counterparty risk is low.

**Counterparty** - One of the opposing parties involved in a borrowing or investment transaction.

**Covered Bonds** - Debt instruments secured by assets such as mortgage loans. These loans remain on the issuer’s balance sheet and investors have a preferential claim in the event of the issuing institution defaulting.

**Credit Rating** - A qualified assessment and formal evaluation of an institution’s (bank or building society) credit history and capability of repaying obligations. It measures the probability of the borrower defaulting on its financial obligations, and its ability to repay these fully and on time.

**Discount** - Where the prevailing interest rate is higher than the fixed rate of a long-term loan, which is being repaid early, the lender can refund the borrower a discount, the calculation being based on the difference between the two interest rates over the remaining years of the loan, discounted back to present value. The lender is able to offer the discount, as their investment will now earn more than when the original loan was taken out.

**Fixed Rate Funding** - A fixed rate of interest throughout the time of the loan. The rate is fixed at the start of the loan and therefore does not affect the volatility of the portfolio, until the debt matures and requires replacing at the interest rates relevant at that time.

**Gilts** - The loan instruments by which the Government borrows. Interest rates will reflect the level of demand shown by investors when the Government auctions Gilts.

**High/Low Coupon** - High/Low interest rate.

**LIBID (London Interbank Bid Rate)** - This is an average rate, calculated from the rates at which individual major banks in London are willing to borrow from other banks for a particular time period. For example, 6 month LIBID is the average rate at which banks are willing to pay to borrow for 6 months.
LIBOR (London Interbank Offer Rate) - This is an average rate, calculated from the rates which major banks in London estimate they would be charged if they borrowed from other banks for a particular time period. For example, 6 month LIBOR is the average rate which banks believe they will be charged for borrowing for 6 months.

Liquidity - The ability of an asset to be converted into cash quickly and without any price discount. The more liquid a business is, the better able it is to meet short-term financial obligations.

LOBO (Lender Option Borrower Option) - This is a type of loan where, at various periods known as call dates, the lender has the option to alter the interest rate on the loan. Should the lender exercise this option, the borrower has a corresponding option to repay the loan in full without penalty.

Market - The private sector institutions - Banks, Building Societies etc.

Maturity Profile/Structure - An illustration of when debts are due to mature, and either have to be renewed or money found to pay off the debt. A high concentration in one year will make the Authority vulnerable to current interest rates in that year.

Monetary Policy Committee - The independent body that determines Bank Rate.

Money Market Funds - Investment instruments that invest in a variety of institutions, therefore diversifying the investment risk.

Operational Boundary - This Prudential Indicator is based on the probable external debt during the course of the year. It is not a limit and actual borrowing could vary around this boundary for short times during the year. It should act as an indicator to ensure the Authorised Limit is not breached.

Premium - Where the prevailing current interest rate is lower than the fixed rate of a long-term loan, which is being repaid early, the lender can charge the borrower a premium, the calculation being based on the difference between the two interest rates over the remaining years of the loan, discounted back to present value. The lender may charge the premium, as their investment will now earn less than when the original loan was taken out.

Prudential Code - The Local Government Act 2003 requires the Authority to ‘have regard to’ the Prudential Code and to set Prudential Indicators for the next three years to ensure that the Authority’s capital investment plans are affordable, prudent and sustainable.

PWLB - Public Works Loan Board. Part of the Government’s Debt Management Office, which provides loans to public bodies at rates reflecting those at which the Government is able to sell Gilts.

Specified Investments - Sterling investments of not more than one-year maturity. These are considered low risk assets, where the possibility of loss of principal or investment income is very low.

Non-specified investments - Investments not in the above, specified category, e.g., foreign currency, exceeding one year or outside our minimum credit rating criteria.
**Treasury Bills** - These are marketable securities issued by the UK Government and as such counterparty and liquidity risk is very low.

**Variable Rate Funding** - The rate of interest either continually moves reflecting interest rates of the day, or can be tied to specific dates during the loan period. Rates may be updated on a monthly, quarterly or annual basis.

**Volatility** - The degree to which the debt portfolio is affected by current interest rate movements. The more debt maturing within the coming year and needing replacement, and the more debt subject to variable interest rates, the greater the volatility.

**Yield Curve** - A graph of the relationship of interest rates to the length of the loan. A normal yield curve will show interest rates relatively low for short-term loans compared to long-term loans. An inverted Yield Curve is the opposite of this.
Date: GMCA 29 March 2019
Subject: GMCA Capital Strategy and Treasury Management Strategy 2019/20
Report of: Cllr David Molyneux, Portfolio Holder - Resources
Richard Paver, Treasurer to GMCA

PURPOSE OF REPORT

The attached report sets out the Capital Strategy for 2019/20 for adoption by the GMCA, as required under the CIPFA Prudential Order. It builds on the various capital programmes approved by the GMCA in February, but also the PCC draft capital programme, which is shortly to be considered by the Deputy Mayor for Police and Crime.

Also attached is the annual Treasury Management Strategy Statement, which will also be considered by the Audit Committee at its meeting on 21 March 2019. This strategy is consistent with the borrowing needs of the Combined Authority, including the Mayor’s PCC functions, identified in the capital programme and capital strategy.

Both the Treasury Management and Capital Strategies confirm that the GMCA does not make commercial investments solely to generate income.

RECOMMENDATIONS:

1. To approve the Capital Strategy as presented
2. To consider and approve the recommendations of the GMCA Audit Committee in relation to the annual Treasury Management Strategy

CONTACT OFFICERS:

Name: Richard Paver, Treasurer to GMCA
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E-Mail: richard.paver@greatermanchester-ca.gov.uk

Name: Amanda Fox, Group Finance Lead (AGMA/GMCA)
Telephone: 0161 778 7004
E-Mail: amanda.fox@greatermanchester-ca.gov.uk
**Risk Management** – An assessment of major risks faced by the authority are carried out quarterly as part of the reporting process – the risks are identified within the report.

**Legal Considerations** – There are no specific legal implications with regards to the 2019/20 Capital and Treasury Management Strategies.

**Financial Consequences** – Revenue – The report has no specific implications as any costs incurred are approved through the revenue budget process.

**Financial Consequences** – Capital – There are no specific capital consequences contained within the report, as it reflects the already agreed programme (draft for Mayoral PCC).

**BACKGROUND PAPERS:**

<table>
<thead>
<tr>
<th>TRACKING/PROCESS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
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</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EXEMPTION FROM CALL IN</th>
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</tr>
</thead>
<tbody>
<tr>
<td>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?</td>
<td>No</td>
</tr>
<tr>
<td>TfGMC Overview &amp; Scrutiny Committee</td>
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<td>N/A</td>
<td>N/A</td>
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BOLTON  MANCHESTER  ROCHDALE  STOCKPORT  TRAFFORD
BURY  OLDHAM  SALFORD  TAMESIDE  WIGAN
1 INTRODUCTION

1.1 The CIPFA Prudential Code requires local authorities to approve and publish an annual Capital Strategy. The Capital Strategy aims to give a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services, along with an overview of the management of associated risks and the implications for future financial sustainability.

1.2 The Strategy sets the framework for all aspects of the Combined Authority’s capital and investment expenditure; including planning, outcomes, prioritisation, management, funding and repayment. The Strategy has direct links to other Combined Authority strategic documents, such as the Treasury Management and Greater Manchester Strategies, and forms part of the Combined Authority’s Medium Term Financial Strategy (MTFS).

1.3 The purpose of the Capital Strategy is to give a clear and concise view of how the Combined Authority determines its priorities for capital investment, decides how much it can afford to borrow and sets its risk appetite. It should not duplicate other more detailed policies, procedures and plans, but instead sit above those plans and reference them to allow those seeking more detail to know where to find it.

2 OBJECTIVES

2.1 The key aims of the Capital Strategy are to:

- provide a clear set of objectives and a framework within the CIPFA codes and statutory legislation, by which new projects are evaluated to ensure that all available funding is targeted at meeting the priorities within the Greater Manchester Strategy;

- set out how the Combined Authority identifies, programmes and prioritises funding requirements and proposals arising from business plans submitted through a stringent gateway appraisal process, before the necessary Combined Authority approval; consider options available for funding capital expenditure and how resources may be maximised to generate investment in the area;
• determine a prudent, affordable and self-sustaining funding policy framework, whilst minimising or mitigating the ongoing revenue implications of any such investment;

• identify the resources available for investment over the MTFS planning period;

• ensure the strategy has an overall balance of risk on a range of projects over timespan, funding mechanism and rate of return, and;

• establish effective arrangements for the management of expenditure including the assessment of project outcomes, budget profiling, deliverability, value for money and security, liquidity and yield of investments.

3 STRATEGIC CONTEXT

3.1 The Greater Manchester Strategy (GMS) is the central organisational strategy that directs policy decisions taken by the Combined Authority. It builds on the achievements of previous iterations of the GMS, as well as other strategies around reforming public services and growing the economy.

3.2 The ambition is for Greater Manchester to become a financially self-sustaining city-region, positioned at the heart of the Northern Powerhouse with the size, assets, skilled population, and political and economic influence to rival any global city.

3.3 The conurbation’s priorities around growth and reform are widely recognised to be distinctive, evidenced and wholly appropriate for the long-term success of the area. Greater Manchester is also one of a few economic geographies capable of becoming a national engine of growth for the North and the UK as a whole, and in doing so, becoming a net contributor to the economy.

3.4 The challenge for the future is to maximise the capital resources available to the Combined Authority, and effectively target them to deliver the ten outcomes of the GMS and wider objectives of the Northern Powerhouse. This will require continued investment for transformation to define Greater Manchester as an attractive place to live and further improve the quality of life for residents.

3.5 The draft version of the Greater Manchester Spatial Framework (GMSF) puts the GMS into action and lays the foundations for the successful delivery of priorities. The GMSF supports the overall vision of the GMS by making the most of key locations and assets, addressing disparities, making efficient use of land and prioritising development of brownfield sites. It also looks at the role of the town centres, green infrastructure and a sustainable transport network in delivering the vision for Greater Manchester.

3.6 Against this backdrop, the GMS sets the vision for the future, the GMSF mobilises resources, and the Devolution agreement in place puts Greater Manchester in a genuine position to deliver on these priorities.
4. **CAPITAL PRIORITIES**

4.1 Alongside the draft GMSF, Transport for Greater Manchester (TfGM) has published the Draft Delivery Plan 2020-2025, which outlines how TfGM will achieve its vision and goals in the 2040 Transport Strategy. The Delivery Plan also sets out the practical actions required in the next five years and provides a coordinated approach to transport investment.

4.2 Priority interventions range from transformational investment in HS2 and new, fast east-west rail connections across the North, to establishing Greater Manchester as a modern, pedestrian and cycle-friendly city-region. The local road system will be much more reliable and safe for all users, including freight and commercial traffic. In particular, TfGM launched the Congestion Deal – a new approach to tackling congestion with £80 million investment in Metrolink trams, providing up to 27 new trams, 4,800 extra spaces and increasing capacity on the busiest lines.

4.3 TfGM intends to build on the success of the commuter revolution, which Metrolink and improved local rail services have brought over the past 20 years, with the delivery of new and enhanced rapid transit links and a transformed local bus network. Ultimately, all interventions will come together to offer flexible and customer-focused travel choices, supported by smart information, ticketing and payment systems, across a truly integrated Greater Manchester transport network.

4.4 The GM Investment Strategy continues to support regeneration and job creation in the Greater Manchester area through targeted investment funds, such as Growing Places, Regional Growth and GM Loans Funds. The repayment of these loans for up-front capital costs and debt finance creates a perpetual fund to further support businesses and enable growth.

4.5 The Growth Deal grant from central government continues to support investment into further education and digital skills organisations through the Skills Capital scheme. The Growth Deal grant also delivers investment into the Life Sciences Fund and the Graphene Engineering Innovation Centre, and a further £25m investment into the International Screen School Manchester, Pankhurst Centre and Cyber Innovation Hub.

4.6 The Fire Service has reviewed the capital investment requirements for Fire Estates, ICT and Operational Vehicles and Equipment. Following decisions by the Mayor following consultations in relation to Programme for Change, a revised capital programme will be produced. Therefore, the capital programme as currently approved is a continuation from the previous year and any amendments following the review will be subject to the necessary approval processes.

4.7 The strategic priorities for policing in Greater Manchester are set out in the document – Standing Together - Police and Crime Plan, which is available on the GMCA website. The three priorities of the plan are:

- Keeping people safe;
- Reducing harm and offending;
- Strengthening communities and places.
4.8 The capital programme reflects the above priorities, however the challenge is to do so whilst recognising the downward trend in central government financial support, the increasing complexity of modern policing and the need to maximise available capital resources. Integrated working arrangements with colleagues from local authorities, health and other partners are already in place. Whilst the Mayor has approved the level of 2019/20 capital expenditure, the detailed multi-year programme is awaiting consideration and subsequent approval.

4.9 The Greater Manchester Waste Disposal Authority (GMWDA) amalgamated with GMCA in April 2018, bringing with it a range of assets, such as biological treatment facilities, bio-waste transfer stations and landfill sites. As well as ongoing maintenance of these sites, specific modifications are required that involve a significant amount of civil engineering works, especially at Bredbury where demolition and installation works are required. Waithlands Closed Landfill Site requires slope stability improvement works to retain the landfill in situ and prevent further settlement.

5. **ASSET STRATEGY**

5.1 Chaired by the Deputy Mayor for Policing and Crime, the Estates Strategy Group (ESG) is currently developing a suitable approach to consolidate all asset management plans (AMP’s) that exist across the organisations within GMCA. An integrated approach is required to share best practice and optimise all assets to ensure best use of public money.

5.2 The focus of the ESG is to:
   - Ensure optimum space utilisation;
   - Vacate expensive leased properties;
   - Share space with other organisations to facilitate partnership working;
   - Review and draw up detailed plans for the major complexes;
   - Ensure best value from PFI properties.

5.3 The Asset Management Office at TfGM sets out and oversees the delivery of TfGM’s asset management policy and strategy. It ensures TfGM’s operational functions, such as Metrolink, are correctly managing operations and delivering maintenance and renewals in line with our policy and strategy. Further details, including asset plans for property and technology, are available in TfGM’s [Business Plan 2018-2021](#). TfGM also manages and maintains traffic signals on behalf of GMCA.

5.4 Greater Manchester Fire and Greater Manchester Police manage and operate a complex and unique range of assets. The ESG oversees this broad range of assets to ensure GMCA maintains a fit-for-purpose estate that is responsive to change and enables the delivery of organisational objectives.

5.5 Vehicles are an essential part of policing, fire response and fire prevention. The fleet comprises different types of vehicles ranging from fire appliances to motorcycles and horseboxes. Operational need determines the size, makeup and specialist fit-out of the fleet and a structured programme is in place to ensure the replacement of vehicles, at the optimum time.
5.6 Assets no longer required will be disposed of and the capital receipt used to fund the capital programme. Disposal policies across all organisations follow statutory guidance issued by the Local Government Association.

6. GOVERNANCE

6.1 All capital expenditure must follow the rules specified in the Constitution and financial regulations of the Combined Authority, including specific elements relating to the Mayor’s PCC functions. Capital expenditure can be defined as the purchase, or improvement of assets that have a long-term (i.e. more than one year) value to the Combined Authority. Expenditure over a total value of £20,000 that meets the above criteria is categorised as capital expenditure. There are exceptions however, e.g. combining the total value of bulk purchases, such as ICT, and police and fire vehicles, which are always capitalised.

6.2 The Treasurer, in consultation with appropriate Chief Officers and the Mayor, shall prepare an annual programme of capital expenditure for submission to the GMCA, together with proposals for financing that programme. Along with other investments and grant allocation programmes, the GMCA approves the 3-year capital programme as part of the annual budget setting process. Separate approvals exist for the Mayor’s PCC function.

6.3 Within the police, internal GMP Governance groups review business cases for acceptance and prioritisation, and the capital programme is set after discussion with the Deputy Mayor for Policing and Crime.

6.4 Where no further borrowing is required to finance a capital scheme, the capital budget may be increased in-year based on the limits prescribed in the financial regulations of the Combined Authority. All other increases need GMCA or Mayoral approval.

6.5 Before a capital scheme may proceed, Chief Officers must prepare a fully costed scheme report for presentation to the GMCA and the Mayor as appropriate, justifying the need for the expenditure. The Treasurer will report on the revenue implications of the scheme.

6.6 All full project proposals have a business case and business plan developed using techniques informed by HM Treasury Green Book, and, subject to their size and complexity, these business cases are subject to a full Green Book appraisal. For all projects, there is a clear assessment of their strategic fit and following that a further assessment is made of the economic, commercial, financial, and management case for the project to ensure that propriety, viability and value for money is achievable.
6.7 This process provides the GMCA with assurances that the project is delivering public value in spending decisions, in terms of its scoping, options selection, delivery, monitoring and evaluation.

6.8 Business cases are developed iteratively over time with project/scheme promoters to develop a complete picture of the project using the five cases model outlined in the HM Treasury Green Book. For further detailed guidance on business-cases and appraisal techniques please read the Single Pot Assurance Framework on the LEP website.

6.9 After the approval of a capital scheme in detail by the GMCA, the appropriate officer shall inform the Treasurer as soon as practicable of any likely overspending, and the Treasurer will report to the GMCA or the Mayor, as appropriate. Revised estimates are also required, along with proposals for further funding if the overspending is likely to exceed the approved capital cost. The GMCA or Mayor must give further approval for any likely overspend.

7. RISK APPETITE AND APPROACH

7.1. This section considers the Combined Authority’s risk appetite in relation to capital investments and commercial activities, i.e. the amount of risk that the Combined Authority is willing to accept, tolerate, or expose itself to at any point in time. It is important to note that risk will always exist in some measure, and cannot be removed in its entirety.

7.2. A risk review is an important aspect of the consideration of any capital expenditure or investment proposal. The risks will be considered in line with risk management strategies in place and commensurate with the Combined Authority’s low risk appetite.

7.3. Subject to careful due diligence, the Combined Authority may consider a reasonably higher level of risk for strategic initiatives, where there is a direct gain to the organisations revenues, or its ability to deliver statutory duties more efficiently and effectively. Schemes could include lending to organisations with low credit ratings if the appropriate security over assets is agreed, or if guarantees from parent companies or organisations are given.

7.4. Funding for the majority of the capital programme comes through government grants. Careful monitoring of the capital programme and related grant conditions is essential in order to mitigate the risks of monetary claw-back. Quarterly reports are included in the reporting framework to assess major risks and the perceived impact.

7.5. The Combined Authority makes a clear distinction between capital investments, where the consideration is the achievement of strategic aims, and treasury management investments made for the purpose of cash flow management. It is also appropriate that the risk appetite for these two distinct types of investment may differ, given the expected outcomes of each.
7.6. The Combined Authority follows MHCLG investment guidance on the principles of security, liquidity and yield. Full details of the Combined Authority’s approach to treasury management investments is available within the Treasury Management Strategy Statement.

8. **CAPITAL PROGRAMME:**

8.1. The approved capital programme for 2019-2022 is summarised below by service. Section 4 of this document highlights the capital priorities for each service and a further detailed breakdown is available in appendix 1.

<table>
<thead>
<tr>
<th>Service</th>
<th>19/20 Forecast</th>
<th>20/21 Forecast</th>
<th>21/22 Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>GM Combined Authority Transport (TfGM)</td>
<td>237,162</td>
<td>414,331</td>
<td>199,999</td>
</tr>
<tr>
<td>Economic Development and Regeneration</td>
<td>197,604</td>
<td>84,815</td>
<td>23,479</td>
</tr>
<tr>
<td>GM Fire &amp; Rescue Service</td>
<td>5,666</td>
<td>5,342</td>
<td>3,530</td>
</tr>
<tr>
<td>GM Police &amp; Crime Commissioner (draft)</td>
<td>56,269</td>
<td>28,316</td>
<td>42,248</td>
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<tr>
<td>GM Waste Disposal</td>
<td>52,000</td>
<td>4,150</td>
<td>2,200</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>548,701</strong></td>
<td><strong>536,954</strong></td>
<td><strong>271,456</strong></td>
</tr>
</tbody>
</table>

8.2. The spending profiles in 2019/20 and future years will remain subject to scrutiny and possible change as part of the continuous review of the capital programme.

8.3. A three-year timeframe is appropriate and consistent with the latest information and currently approved capital programme. As the organisation develops and the policies between each service harmonise, future iterations of the Capital Strategy will extend beyond this period.

9. **FUNDING STRATEGY**

9.1. The Combined Authority’s capital investment falls within, and needs to comply with, the “Prudential Code for Capital Finance in Local Authorities” (The Code). Under the Code, local authorities have greater discretion over the funding of capital expenditure, especially with the freedom to determine within the regulatory framework of the Code, the level of borrowing they wish to undertake to deliver capital plans and programmes.

9.2. The prudential borrowing requirement of the capital programme in 2019-20 is £277 million. However, a surplus of working capital and the ability to borrow internally reduces this amount. Provision for the associated financing costs are included in the revenue budget.
9.3. The figures detailed in the table below show the funding of the 2019/20 capital programme. This includes significant cash receipts for schemes such as Transforming Cities and the Growth Deal. Should these receipts, or expenditure profiles be materially different from the levels forecast, the borrowing requirements shown below could alter, in both scale and profile.

9.4. 2019-2020 capital funding table:

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Prudential Borrowing</td>
<td>277,256</td>
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<tr>
<td>External Grants</td>
<td>142,059</td>
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<tr>
<td>Revenue Contributions</td>
<td>43,825</td>
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<tr>
<td>Capital Receipts</td>
<td>77,395</td>
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<tr>
<td>Reserves &amp; Other</td>
<td>8,166</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>548,701</strong></td>
</tr>
</tbody>
</table>

9.5. The main sources of capital funding for the Combined Authority are summarised below:

- **Prudential Borrowing** – The introduction of the Prudential Code in 2004 permitted local authorities to take on unsupported borrowing. This borrowing is subject to the requirements of the “Prudential Code for Capital Expenditure for Local Authorities”. The Combined Authority must ensure that unsupported borrowing is affordable, prudent and cost effective. Where the Council has funded expenditure through borrowing, it is required to make a minimum revenue provision (MRP) towards the repayment of the debt. This ensures that the revenue implication of repaying the debt matches the life of the asset, similar to depreciation. The current MRP policy is available to view in the 2019-2020 Treasury Management Strategy.

- **External Grants** – The largest form of capital funding comes through as external grant allocations from central government departments, such as the Department for Transport, the Home Office and the Ministry for Housing, Communities and Local Government. Grant funding does not require repayment; however legally binding grant conditions normally dictate the use of the grant funding. These ‘ring-fenced’ grant allocations require careful consideration of the legal and financial implications to the Authority before acceptance. Grant allocations without grant conditions are non-ring-fenced resources and can be utilised to finance any project (albeit there is usually an expectation of use for a specific purpose). The vast majority of capital Government Grant funding is non-ring-fenced.
- **Revenue Contributions** – The Combined Authority can use revenue resources (CERA – capital expenditure charged to revenue account) to fund capital projects on a direct basis. In addition to specific revenue funds previously set aside, such as repairs and renewal funds, a specific revenue budget provision can also fund capital expenditure.

- **Capital Receipts** – The Combined Authority is able to generate capital receipts through the sale of surplus assets, such as land and buildings. These receipts are ring-fenced under legislation to fund capital expenditure, and therefore not available to supplement the revenue budget.

- **Reserves** – Specific capital reserves held on the balance sheet comprise of capital grant allocations, which were unused in the year of allocation and revenue contributions made for funding future capital programmes.

9.6 Capital investment decision making is not only about ensuring the capital programme supports the corporate and service priorities, but also about ensuring the assets involved are fully utilised, sustainable and affordable throughout their whole life. This overarching commitment to long-term affordability is a key principle in the appraisal decision of any capital investment. In making its capital investment decisions the council must have explicit regard to consider all reasonable options available.

10. **DELIVERY AND PERFORMANCE**

10.1. The Performance Board at TfGM monitor the progress of capital programmes and associated projects, with respect to funding and schedule parameters. Monitoring progress through key performance indicators gives the Performance Board an overview and ensures that projects meet the required budget, time and quality specifications; and therefore maintain focus on the successful delivery of identified benefits and outcomes.

10.2. In support of the activities of the Performance Board, a number of functional boards meet at least monthly to review the implementation of all capital programmes and projects. Capital budget holders are responsible for providing monthly forecasts to senior management within TfGM. This allows slippage on schemes to be identified and reported on as soon as possible.

10.3. Transport projects follow the OGC Gateway process and examine programmes and projects at key decision points in their lifecycle. Progression through the gateways is mandatory and provides assurance that the scheme can move successfully to the next stage. This process will provide independent guidance to GMCA and the scheme promoters/promoting authorities and help to ensure that the programmes and projects are successful.

10.4. The Growth Fund and Devolution Deal evaluations agreed with government, identify clear processes for establishing baseline data - prior to project commencement - and present an evaluation plan, which sets out the range of benefits to monitor and the
methodology employed in doing so. In addition, GMCA will use external advice from partners such as the Department for Transport, the Skills Funding Agency and the What Works Centre, coordinated through GMCA’s evaluation team.

10.5. GMCA will ensure to disseminate learning through the Growth Deal’s management arrangements and provide access to partners within GM and other key partners. GMCA will report on evaluation findings through the GMCA’s website, which will help inform future policy decisions.

10.6. Monitoring of Economic Development and Regeneration projects is undertaken by specialists in the Core Investment Team with support from the Work and Skills Policy team. Each project has a project manager designated who will be the key point of contact and be responsible for completing the Post Occupation Project Review analysis at specific points through the project development.

10.7. Each capital project within the Fire Service and Police and Crime Commissioner has a project manager(s), who reports to a Project or Programme Board, depending on the complexity of the work undertaken. Branch Heads and project managers conduct monthly monitoring meetings and quarterly reports distributed to the Chief Officer, Mayor and Deputy Mayor for Policing and Crime.

10.8. The Combined Authority has professionally qualified staff across a range of disciplines including finance, legal and property that follow continuous professional development (CPD) and attend courses on an ongoing basis to keep abreast of new developments and skills. The Combined Authority establishes project teams from all the professional disciplines from across the council as and when required.

10.9. External professional advice is taken where required and will always be sought in consideration of any major commercial property investment decision. Internal and external training is offered to members to ensure they have up to date knowledge and expertise to understand and challenge capital and treasury decisions taken by the Treasurer and governance.

10.10. Officers follow the Combined Authority’s Procurement policy, which complies with statutory requirements, unless procurement is via a national or regional provider. Greater Manchester Police staff follow agreed procedures as laid down in the PCC constitution.
<table>
<thead>
<tr>
<th>Project Description</th>
<th>Forecast 2019/20</th>
<th>Forecast 2020/21</th>
<th>Forecast 2021/22</th>
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<td>Greater Manchester Transport Fund</td>
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<tr>
<td>Road Schemes (Stockport)</td>
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<td>Stockport Town Centre Access Plan (DfT retained scheme)</td>
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<td>A6 MARR / SEMMMS</td>
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<td>8,879</td>
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<td>Other Metrolink Schemes</td>
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<td>Trafford Extension</td>
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<td>Other Metrolink Schemes total</td>
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<td>2,951</td>
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<td>Other Capital Schemes</td>
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<td>-</td>
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<tr>
<td>Other Capital Schemes</td>
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<td>CCAG 2</td>
<td>2,319</td>
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<td>Transforming Cities</td>
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<tr>
<td>Cycle Safety</td>
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<td>742</td>
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<tr>
<td>Early Measures Fund</td>
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<td>-</td>
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<tr>
<td>Other Capital Schemes total</td>
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<td>548,701</td>
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Appendix 1
PURPOSE OF REPORT

This report provides detail on the Investment strategy for the non-housing funds that are directly managed by the Greater Manchester Combined Authority (“Combined Authority”).

RECOMMENDATIONS:

The Greater Manchester Combined Authority is requested to approve the Investment strategy detailed in this report.
CONTACT OFFICERS:

Eamonn Boylan: eamonn.boylan@greatermanchester-ca.gov.uk
Bill Enevoldson: bill.nevoldson@greatermanchester-ca.gov.uk

BACKGROUND PAPERS:

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<td>NO</td>
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AGMA Commission | TfGMC | Scrutiny Pool

Risk Management – see paragraph 6

Legal Considerations – see paragraph 7

Financial Consequences – Revenue – see paragraph 8

Financial Consequences – Capital – see paragraph 9
Investment Strategy

1. Background

This paper covers the investment strategy for the non-housing funds that are directly managed by the GMCA. It excludes the funds with appointed fund managers, such as Evergreen, which are governed by individual investment strategies.

The GMCA was awarded two Regional Growth Fund programmes in 2012/13 totalling £65m for investment to support the creation of private sector jobs into the Greater Manchester area. All funds were to have been committed by 31st March 2016 and under the terms of the programmes, any recycled funds may be retained and re-invested for the same purpose.

The GMCA also received £34.7m of Growing Places Funds in 2012/13 to support regeneration in the Greater Manchester area. There were no time constraints applied to the deployment of the Growing Places funding.

2. Status

MHCLG monitored the performance of the RGF programmes from a job outputs and private sector leverage perspective up to 31st March 2018. At this point, the programmes had overachieved against all targets.

As at 31st December 2018 £98m has been invested into businesses through the RGF programmes, being £65m of original funding and £33m of recycled funding. The funding has been invested into 67 businesses across the region creating/safeguarding over 7,000 jobs. Of the £98m, £5.6m was provided to the Manchester Growth Company to support various programmes, and £2m was used to establish a small loans fund managed by Maven Capital.

The Growing Places funding has been fully deployed into 13 commercial property development schemes.

Across the funds, £63m has been recycled to date (including £7m of interest from the RGF programmes which can only be used for re-investment).

3. Investment strategy - current

The investment strategy for the recycled funds applied to date has been to invest in businesses/developments with viable propositions that cannot raise all of the private sector funding required, in order to support job creation. The fund has used a benchmark of £20,000 of funding per job to date (although the actual cost per job achieved has been circa £14,000).

There has been limited demand for investment into property developments from the recycled funds, with market gaps being filled by the Evergreen Funds. In 2016 a proportion of the original Evergreen loan book (£28m) was sold to the Greater Manchester Pension
Fund in order to create capacity for further investment and this strategy remains an option for the current Evergreen loan book if additional capacity were required.

To date the funds have been sector agnostic (although the emphasis on job creation has meant that traditional retail and casual dining have not been supported, due to issues with displacement). Following the launch of the Northern Powerhouse Investment Fund ("NPIF") in March 2017, the funds have focused on those investments that are not eligible for NPIF funding:

- Loans in excess of £750k (with a top limit of £5m)
- Equity investments in excess of £2m (with a top limit of £5m)
- Equity investments to businesses more than seven years old
- Companies operating in Business to Consumer sectors
- Companies in a distressed position that have a turnaround plan and growth potential

Recycled funds have been deployed as loans or equity, depending upon the assessed level of risk and ability of the companies to demonstrate that they can service a loan facility.

In the original RGF programme £13.2m was awarded to companies as grants (of which £5.8m was awarded to the Manchester Growth Company).

Given the focus of the funds on companies that are struggling to access funding, losses have been incurred and further losses are expected. Net losses (after interest and repayment premiums) to date total £4m and there is an additional provision held of £11m, taking the total projected fund for future investment to £83m.

4. Investment strategy – proposed

The finalisation of the RGF programmes has provided the opportunity for the investment strategy to be reconsidered to ensure that it is aligned with the draft Local Industrial Strategy and that the funds have a wider focus than job creation.

The high level access to finance report prepared in July 2018 (attached as an Appendix) concluded that access to finance continues to be an issue for businesses and supports the need for public sector intervention. Retaining public sector options for finance is increasingly important as Brexit approaches – it is expected that the uncertainty around the UK’s future trade agreements will cause traditional finance providers to become more cautious, potentially exasperating the existing issues around access to finance.

Local Industrial Strategy (LIS)
The draft Local Industrial Strategy seeks to focus on the key objectives of i) supporting our globally competitive strengths and ii) strengthening the foundations of our economy.

The Greater Manchester and Cheshire East Science and Innovation Audit identifies Health Innovation and Advanced materials and manufacturing as being two core research strengths in which GM is globally competitive. Growth in these core competencies will be
enabled by i) the creativity and collaborative culture of our people ii) the city-region’s
digital and technology strengths and iii) Green technologies and services.

In order to align the business investment strategy with the LIS objectives and drivers the
following sectors have been identified as key sectors:
- Digital and Creative
- Financial and Professional Services
- Advanced Manufacturing
- Life Sciences
- Green technology/services

The GMCA have already established separate Low Carbon and Life Sciences Funds. The
£15m Low Carbon Fund is managed by GVA and has proven to be difficult to deploy to date
due to there being a long lead time for developing viable low carbon projects. The £31m
Life Sciences Fund is a partnership with Cheshire West, Cheshire East and Bruntwood,
managed by Catapult Ventures – the Fund has been successful to date in terms of
deployment of funds and is expected to be fully committed within the next 12 months,
demonstrating the strong demand for investment in this sector in the region.

In order to support the key sectors to deliver the growth it is important that the underlying
strategies around investment and skills are aligned. Whilst job creation should continue to
be monitored as a tangible output from the funds, it cannot continue to be the primary
measure if the future ambition of the funds is to support the objectives of the Local
Industrial Strategy. By their nature, companies in the sectors above will not necessarily
create a high volume of jobs.

Town Centres
The Mayor has announced the Town Centre Challenge with a commitment to bring
together the public and private sector to support the regeneration of nominated town
centres in the region. Stockport was the first to submit a nomination and the Core
Investment Team have been working with the Local Authority on the proposals for
Stockport Interchange. As part of these proposals, the GMCA will invest £5m as patient
equity into the residential element of the scheme from the Housing Investment Fund.

As other Town Centre propositions are developed, there will likely be further gaps in
finance where a longer term view of the development potential is required. The recycled
funds could form part of the funding solution in these instances, alongside the Local
Authorities and where applicable support from the Housing Investment Fund and the
Evergreen Funds.

5. Investment principles
In order to support the strategic objectives of the GMCA, it is recommended that the
following investment principles be adopted for future investment decisions:

- Viable proposals that cannot obtain all of the private sector funding required – all
  proposals must demonstrate that there is a reasonable prospect that funds will be
  recycled over the medium term;
- Companies that are ineligible for funding from the Northern Powerhouse Investment Fund, the Low Carbon Fund and the Evergreen 2 Fund;
- Proposals within the key sectors identified by the Local Industrial Strategy; or that directly support the development of Town Centres;
- Maximum investment of £5m, minimum investment of £250,000; although the large majority of investments will be in the £0.5m-£2.5m range. Investments can be by way of debt or equity;
- As part of any investment, companies will be asked to sign up to the Good Employment Charter. The Charter, which is currently in development, aims to help employers reach excellent employment standards; and
- It is proposed that up to £10m of the funds can be spent on proposals outside of the identified sectors if they represent significant investment opportunities for the region or where there is a significant jobs impact (i.e. more than 200 jobs).

It is inevitable that the Fund will continue to be approached by companies who are experiencing financial stress, particularly where there are a large number of jobs at risk. These will be judged on a case by case basis with the proviso that there must be a reasonable prospect that the business has a viable long term financial future and has a good management team.

6. **RISK MANAGEMENT**

The investment strategy will be governed under the existing framework.

7. **LEGAL CONSIDERATIONS**

There are no legal considerations.

8. **FINANCIAL CONSEQUENCES – REVENUE**

There are no revenue implications.

9. **FINANCIAL CONSEQUENCES – CAPITAL**

There are no capital implications.
DATE: 29th March 2019

SUBJECT: GC Business Plan 2019/20

REPORT OF: Sir Richard Leese, Portfolio Lead for Economy

PURPOSE OF REPORT

The purpose of the report is to present to GMCA, the Growth Company Business Plan for the 2019-20 financial year.

The full business plan has been approved by the GC Board.

Included in the plan is an agreed performance reporting framework to allow oversight on core GC deliverables throughout the year, reported to GMCA and the LEP.

RECOMMENDATIONS:

GMCA is asked to;

• Comment on the report and the priorities for 2019/20 and endorse the attached plan.

CONTACT OFFICERS:

Mark Hughes, Group Chief Executive, The Growth Company
Mark.Hughes@growthco.uk
0161 245 4786

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BOLTON MANCHESTER ROCHDALE STOCKPORT TRAFORD
BURY OLDHAM SALFORD TAMESIDE WIGAN
**Introduction**

The Growth Company is a social enterprise whose governance, accountability and purpose is uniquely aligned to GMCA and LEP. The Group is a significant contributor to the GM economy. Contracts are delivered in an integrated and targeted way, whether these are the contracts managed on behalf of GMCA, or by the additional funds it attracts from other funders and commissioning organisations.

**Delivering for Greater Manchester**

Results achieved by GC across the last three years have included engagements with over 13,500 companies per annum, 17,000 job opportunities created and 3,300 apprenticeships which collectively contributed an additional £786m in GVA to GM. In addition, 195 Inward investment projects have been secured (128 of which were FDI), Export sales generated total £656m and Marketing Manchester campaign reach totalled 1.5bn with an Economic impact from conferences of £74.8m. Through GC interventions, nearly 28,000 people have been placed directly into jobs and as a Group, we support the GM inclusivity agenda through the client base with which we work.

Our skills provision routinely works with the individuals that other mainstream providers deem too hard to help, 35% of all students were from the top 10% of the most deprived Lower Layer Super Output Areas in the country. Our employment programmes have seen over 400 Long Term Unemployed customers with health conditions / disabilities supported into employment through the Working Well contract in Greater Manchester, 1 in 3 customers in recovery from substance misuse enter employment, training, or education with 32% sustaining in work.

In Business Support, 21% of service recipients and 39% of loan recipients are female, 12% of service recipients and 22% of loan recipients are BME and 41% of business loan recipients were previously unemployed, with 46% of 18-24 years olds offered loans previously classed as NEET.

Whilst GC results in core areas of delivery are strong, the company continues to operate in an uncertain economic and political environment. As with other organisations, Brexit is a particular uncertainty for 2019/20 and GC will need to remain flexible and agile to respond to any resulting market changes, both as an organisation in its own right and to ensure that it is providing appropriate support and advice to businesses across GM.

**Vision & Priorities for 2019/20**

The GC Business Plan is framed by the Greater Manchester Strategy (GMS), the emerging Local Industrial Strategy and evidence from the Independent Prosperity Review ensuring that GC priorities directly align with those of GM as well as the Group commercial objectives. These are reflected in six Strategic Priorities which have been agreed by the GC Board. As the final LIS emerges along with the implementation plan, the GC operational priorities may evolve to reflect these.

These Strategic Priorities drive the structure of the Business Plan and enable us to outline how all parts of the Group will respond to each priority. Strategic Priorities 1-3 (Productivity, Inclusive Growth, and Internationalisation) focus on improving economic outcomes for Greater Manchester, whereas Strategic Priorities 4-6 focus on the Group’s commercial and organisational development.

In addition, we have further enhanced this year’s Business Plan by reflecting the evidence base from the Independent Prosperity Review (IPR) and emerging Local Industrial Strategy (LIS) priorities, in particular:
- driving productivity, innovation and inclusive growth in GM high value sectors (health innovation, manufacturing, digital & creative and professional services),
- driving up skills and access to employment opportunities across Greater Manchester, and
- working with all GM districts to ensure all places maximise their potential.

2019/20 is also the final year of the three-year GM Internationalisation Strategy. GC has a strategic leadership role to market GM internationally and directly delivers core aspects of the Strategy. GM is no longer the only City Region with a strong story to tell with the emergence of metro-Mayors and devolution deals across other major cities in the UK. It is therefore a priority during 2019/20 for GC to work with key GM partners to ‘reset’ the Marketing of GM’s ambition and refresh the internationalisation strategy. GC will take a lead strategic role in setting a new aspiration, scale and a funding model which promotes GM opportunities to investors and delivers on the GMS/LIS economic and social ambitions.

Additionally, to support the Internationalisation Strategy’s tourism ambitions, GM needs to improve its’ visitor experience. A key potential mechanism would be a GM Visitor Pass, which would be a cutting-edge digital solution, providing visitors with free and discounted entry into attractions and transport across Greater Manchester. The European Cities Marketing Benchmark Report 2017 highlighted that all top ten European cities have their own city pass. Given the increased bookable products created across Greater Manchester, there is now an opportunity to capitalise on this and explore the potential for a GM Visitor Pass. GC has conducted research into the different models currently utilised by peer cities as well as the digital solutions available. Seed funding of circa £150k in 2019/20 is now required to scope, develop and implement the first phase of a GM solution. Given the place-centred and wider benefits of such an initiative, GC will be discussing potential funding options with GM partner organisations.

Priority GC deliverables on behalf of Greater Manchester in 2019/20 include:

- Realise a fully integrated business support system which responds directly to need through the implementation and delivery of the GM Business Productivity and Inclusive Growth Programme delivering high value jobs, creating employment in key GM sectors (including creative industries, financial services and advanced manufacturing) and developing the skills of the local workforce to improve their impact and wage levels.

- Improve access to finance across Greater Manchester as a means of driving up productivity through the deployment of investment funds and facilitation of equity investment through the Co-Angel service.

- Drive significant change in innovation and digital adoption through the delivery of a holistic service to SMEs which encourages and facilitates their collaboration with GM’s knowledge base, as represented by the Universities, the R&D capabilities of large companies and other R&D assets. Embedding Made Smarter and the new Interreg MATMED programme as part of this support.

- Maximise delivery of the Low Carbon and Resource Efficiency SME programmes to support delivery of the LIS and the GM Green agenda. Identify inward investment project opportunities to broaden the Low Carbon business base across GM.

- Embed new management & leadership programme through business support provision to inspire dynamic leadership and High Performance Workplace practices.
• Contribute to inclusive growth across GM to ensure that our business support, skills and employment programmes provide opportunity for all GM residents, through the tailoring and targeting of service delivery and by working with businesses to promote and encourage inclusive growth and social value from their business activities, through the implementation of the GM Employment Charter.

• Driving the delivery of the Greater Manchester Internationalisation Strategy through enhanced international marketing campaigns, attraction of national and international business conferences and inward investment to increase the volume and value of foreign direct investment and high value jobs for GM residents.

• Following the GM Ambition and LIS, work with key GM partners to ‘reset’ the Marketing of GM ambition activity, taking a lead strategic role in setting a new aspiration, scale and resource model to promote GM to effectively communicate its opportunities to investors and deliver on the GMS/LIS economic and social ambitions.

• Drive up number of exporting firms within GM and grow value of export sales through the delivery of the DIT international trade contract and a new locally led, partnership based, GM Global Scale Up Programme.

• Targeting delivery activity in specific areas of Greater Manchester supporting places to maximise their economic potential.

• Utilising the Apprenticeship Levy to mobilise the private and public sectors to consider apprenticeships as part of their workforce development and growth & reform plans. Working in partnership with Colleges, GM providers, HEIs, and with LAs across GM, GC will drive up starts and achievements to contribute to the GM apprenticeship targets.

• Mobilise and commence delivery of the new ESF contracts in NEET, Skills Support for the Workforce, and Skills Support for the Unemployed across Greater Manchester, supporting 17,000 local residents. Prioritising linking the delivery of these contracts with the emerging GM Model for Public Services and the commitment to place-based delivery and through the wider group infrastructure, better connecting our skills provision with GC’s collective business support offer.

• As a prime contractor deliver contracts across GCs core delivery areas, ensure we are achieving contract excellence in all programmes and maximising the outcomes for Greater Manchester, working alongside Local Authorities as both strategic and supply chain partners, utilising insight to contribute to GM thinking around the integration and commissioning of future employment, skills and business support programmes.

**Performance Oversight**

Central to the GC operating model is collaborative working with stakeholders and partners, in particular Local Authorities. Strategic dialogue and performance reporting to the CA and individual LA’s is fundamental to GC and will continue through 2019/20 and enhanced to include more frequent reporting of local outcomes for individual and business clients.

Half yearly performance reports are received by the GM LEP who, on behalf of GMCA, oversees performance of the Group on its GM outputs and outcomes. These reports are also received by LA economic development leads and officers.
Date: 29 March 2019

Subject: GMCA Local Growth Deal (1, 2 and 3) - Six monthly Transport Progress Update

Report of: Andy Burnham, Mayor of Greater Manchester, Portfolio Lead for Transport, Councillor Richard Leese, Deputy Mayor and Portfolio Lead for Business and Economy and Eamonn Boylan, Interim Chief Executive, TfGM

PURPOSE OF REPORT

To provide the Combined Authority with an update on the latest position in relation to the Local Growth Deal Transport Programme (Tranches 1, 2 and 3) following on from the last update in September 2018.

RECOMMENDATIONS:

Members are recommended to:

i. Note the current position in relation to the Growth Deal Major Schemes programme;

ii. Note the proposed governance approach for SBNI and Oldham Town Centre Regeneration schemes;

iii. Note the current position in relation to the Growth Deal Minor Works and Additional Priorities programmes; and

iv. Approve the funding of up to £1 million advance utility works for the Gt Ancoats Street Major Scheme, by way of grant to Manchester City Council, under the arrangements as set out in paragraph 3.9.

CONTACT OFFICERS:

Steve Warrener 0161 244 1025  steve.warrener@tfgm.com
Phil Havenhand 0161 244 1413  phil.havenhand@tfgm.com
Comments and/or recommendation from the relevant Overview & Scrutiny Committee

Risk Management – see paragraph 4.3
Legal Considerations – see paragraph 4.1
Financial Consequences – Revenue – see paragraphs 4.1, 4.2 and 4.3
Financial Consequences – Capital – see paragraphs 4.1, 4.2 and 4.3

BACKGROUND PAPERS: None

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1 INTRODUCTION

1.1 The Local Growth Deal announcements made by Government in July 2014, January 2015 and November 2016 confirmed capital funding for Greater Manchester in relation to a programme of Major Schemes, Minor Works and Additional Priorities. (Growth Deal 1, 2 and 3).

1.2 This report provides an update in respect of the current position on, and recent progress in relation to, the various elements of the Growth Deal transport programme and seeks approval for arrangements to be made to provide funding for advance works on the Manchester City Council Gt Ancoats Street major scheme.

2 MAJOR SCHEMES OVERVIEW

2.1 As of February 2019, seven schemes have progressed through Full Approval and are now in delivery (either in their entirety or on a phased Full Approval basis); and a further six schemes have secured Conditional Approval and are now working towards the achievement of Full Approval. Two Growth Deal 3 Major schemes (Carrington Relief Road and Oldham Town Centre Regeneration) are still to progress through Conditional Approval. Since the last update the A5063 Trafford Road scheme has successfully progressed through Conditional Approval.

2.2 In addition, and in support of both the economic growth objectives of the wider Local Growth Deal Programme and Greater Manchester’s residential development and wider socio-economic agenda, work continues with a number of stakeholders in relation to delivering complementary development in conjunction with the Growth Deal Interchanges schemes. Stockport Interchange is an example of this.

2.3 Scheme promoters are engaging with the GM Cycling and Walking Commissioner’s team to ensure that schemes deliver the best possible outcomes for walking and cycling, as well as meeting Growth Deal objectives.

2.4 Since the last six-monthly update, good progress has been made. The Wigan Bus Station scheme has been completed and was opened to the public on 28 October 2018, two months ahead of schedule. Schemes currently under construction include Ashton Interchange, MSIRR Regent Road/Water Street, Wigan A49 Link Road, Stockport Interchange bridge and associated advance highway works, Stockport Town Centre Access Plan (TCAP) and elements of the Salford Bolton Network Improvements which are being delivered through a phased approach. In addition, procurement has commenced on the MSIRR Gt Ancoats Street and Rochdale M62 J19 South Heywood Area Wide Improvement schemes. Further detail is included in the individual scheme updates.
3. INDIVIDUAL SCHEMES UPDATE

3.1 Work to develop all of the Major Schemes within the Growth Deal programme has been continuing in recent months. A brief summary of the current position in relation to each of these schemes is provided below.

South Heywood Area Wide Improvements

3.2 The scheme was granted Conditional Approval in 2016 in line with the agreed Growth Deal governance arrangements. Following a public consultation exercise, Rochdale Council Planning Committee confirmed that they were minded to grant planning permission for the scheme in March 2018, and the application was not subsequently ‘called in’ by the Secretary of State. Section 106 and other planning agreements are currently being finalised between Rochdale Council, the Developer and landowners prior to the issuing of a planning decision notice. Procurement for the scheme commenced in January 2019 and a package of advance utility diversion works, located within the public highway and hence not requiring planning permission, is currently being developed with the intention of carrying out these works later this year, in advance of the main works.

Wigan Gateway A49 Link Road

3.3 Full Approval for the scheme was granted by GMCA in February 2018 in line with the agreed Growth Deal governance arrangements. The contract for the works was awarded in June 2018 and construction started on site in September 2018 and is currently progressing well. It is anticipated that the scheme will be completed in spring 2020.

Salford Central Station Additional Platforms

3.4 The scheme was granted Conditional Approval in June 2016 in line with the agreed Growth Deal governance arrangements. However, due to operational and timetable challenges, an optimal design solution could not be identified and, as a result, in September 2016 the GMCA approved a phased approach to delivery in order to maximise the benefits of the scheme.

3.5 TfGM and Salford City Council continue to work with the rail industry to develop the proposals for platform 3, 4 and 5. TfGM has undertaken a feasibility study to assess the potential to accommodate longer trains and, in conjunction with Salford City Council and Network Rail, has now identified the preferred infrastructure options to take forward to design. These options are now being progressed through the Network Rail Governance for Railway Investment Projects (GRIP) stage 3 (Option Selection).

3.6 Network Rail has advised that the design and delivery of the Network Rail renewal scheme on platforms 1 and 2 will be undertaken in the next investment period from 2019 to 2024, starting in spring 2019.
MSIRR Improvements – Regent Road / Water Street

3.7 Full Approval for the scheme was granted by GMCA in June 2018, in line with the agreed Growth Deal governance arrangements. The works which involve improvements to six major junctions started on site on 29 August 2018. The scheme was developed jointly by Manchester City Council and Salford City Council, with Manchester City Council being responsible for delivery of the works. The contractor, Dawnus, stopped works on 12 March when the contractor published a notice of intention to appoint administrators and contingency plans are being developed by MCC to restart the works as soon as possible. TfGM/MCC are working closely together on providing travel advice to enable the travelling public to make informed travel choices during the works.

MSIRR Improvements – Great Ancoats Street

3.8 The scheme was granted Conditional Approval in April 2018, in line with the agreed Growth Deal governance arrangements. Detailed design work is underway in preparation for Full Approval Business Case submission in summer 2019. Subject to obtaining the necessary approvals, start on site is currently scheduled for early 2020.

3.9 MCC is proposing to carry out some advance utility diversion works in summer 2019. This will de-risk the main contract by diverting the majority of services before the main contract commences on site in early 2020, and will help minimise disruption to the travelling public by carrying out the works in the summer period. In order to fund these works MCC has requested that they claim back the estimated £1 million cost of these works in advance of the scheme achieving Full Approval, at MCC’s risk, and a recommendation relating to this is set out at the front of this report. This is proposed to be taken forward by means of contractual side letter, in advance of the relevant Delivery Agreement being entered into following the securing of Full Approval. Delivery of the advance utility works in summer 2019 will bring significant benefits in terms of minimising disruption and reducing the length of the main contract and it is recommended that the proposed advance funding arrangements as set out above are approved.

Wigan Gateway M58 Link Road

3.10 The scheme was granted Conditional Approval in February 2018, in line with the agreed Growth Deal governance arrangements. Full planning permission was granted in May 2018 and detailed design is currently underway along with associated work related to obtaining the necessary powers and consents for the scheme. A Full Approval Business Case is scheduled to be submitted in late 2019 once the necessary powers and consents have been obtained.
**Wigan Bus Station**

3.11 Following the completion of the necessary advanced works and the securing of Full Approval, a main contractor was appointed and works commenced on site in July 2017. The bus station was brought into full operational use and opened to the public on 28 October 2018, two months ahead of schedule. Initial feedback from passengers has been positive and customer satisfaction surveys will be carried out in spring 2019.

3.12 A parallel initiative is also being progressed in conjunction with Wigan Council to explore potential development opportunities which might be appropriate for construction adjacent to the core transport infrastructure, potentially in conjunction with the formation of a new pedestrian access.

**Stockport Town Centre Access Plan**

3.13 The Stockport Town Centre Access Plan (TCAP) is one of a small number of large and / or complex Local Growth Deal schemes nationally for which Ministers decided that DfT should retain approval oversight.

3.14 The scheme is being delivered in three phases and Full Approval is now in place for all phases of schemes.

3.15 All TCAP projects are being delivered under Stockport Council’s STaR (Stockport Trafford and Rochdale) Alliance Framework, with the exception of one scheme at Travis Brow. The value and nature of the Travis Brow scheme required it to be procured through alternative arrangements and this was awarded through the Highways England Collaborative Delivery Framework in autumn 2017.

3.16 Works for the TCAP programme as a whole commenced on site in April 2015 and to date, 31 works packages have been completed and construction is progressing well on a further 6 works packages. A final set of 10 works packages are currently in development. All works packages will be completed by the end of March 2021.

**Ashton Interchange**

3.17 Following the undertaking of a comprehensive public consultation exercise in August and September 2015, Planning Consent was granted in February 2016. Full Business Case Approval for the scheme was granted by the GMCA in 2017, in line with the agreed Growth Deal governance arrangements. Works commenced on site in summer 2018, and are progressing well, with the new facility expected to open in spring 2020.
Stockport Interchange

3.18 Conditional Approval for the scheme was granted in November 2015, in line with the agreed Growth Deal governance arrangements.

3.19 A comprehensive joint Stockport Council/TfGM public engagement exercise on the proposals for both the Interchange and Stockport TCAP Phase Two works was undertaken in November and December 2015.

3.20 As previously reported, and endorsed by the GMCA meeting in June 2018, work has progressed to develop the design for the Interchange, together with the inclusion of residential development and public green space above the Interchange. A planning application was submitted in autumn 2018, encompassing the interchange and these complementary initiatives. This application is due to be considered at the meeting of Stockport Council’s Planning Committee scheduled for 21 March 2019.

3.21 In parallel work is progressing on developing the Full Approval Business Case which is scheduled to be submitted in summer 2020.

3.22 In order to mitigate project risk a decision was taken to progress the Stockport Interchange Bridge and associated highway works through Stockport Council, as advanced works packages for the main Interchange scheme. Planning Approval for the bridge was granted in October 2016, Full Approval was subsequently obtained from GMCA in July 2017 and a contract to design and construct the bridge was awarded in October 2017. The new bridge has now been completed, and the associated highway works to tie into the surrounding infrastructure are currently underway with overall completion due in summer 2019.

Salford Bolton Network Improvements

3.23 Conditional Approval for the scheme was granted in February 2016, in line with the agreed Growth Deal governance arrangements. Subsequent to Conditional Approval the programme has been split into a number of Delivery Packages which have been/will be subject to separate Full Approval submissions.

3.24 Following Conditional Approval, the following interventions in Bolton have been completed: Delivery Package 1: Raikes Lane; Delivery Package 2 Loxham Street/Green Lane/Manchester Road; Delivery Package 3: Higher Market Street / Longcauseway; Delivery Package 4: Farnworth Bus Facility and Town Centre Improvements and Delivery Package 7: Bus Stop upgrades. All of these schemes have improved vehicle capacity and passenger journey times through the junctions and have also enhanced pedestrian and cycling facilities and bus passenger waiting facilities.
3.25 TfGM and Bolton Council are now looking to utilise savings achieved through the delivery of the Bolton SBNI schemes to date to bring the Council’s priority reserve scheme, Delivery Package 5: Manchester Road Gateway, back into scope. In addition consideration is also being given by the Council as to what other schemes could be delivered, including improvements to Kearsley Roundabout. These schemes would need to be formally accepted into the SBNI Programme through the appropriate governance mechanisms agreed as part of the establishment of the Growth Deal Programme.

3.26 Following Conditional Approval, Salford Delivery Package 1: Walkden and Pendleton has been completed. Work continues on Delivery Package 5: Bus Stop upgrades which is expected to be completed in spring 2019. Delivery Package 3: A666 and Delivery Package 4: Pendleton are in the advanced stages of design development and are expected to start on site during winter 2019 following the securing all of necessary powers & consents and Full Approval. These schemes have improved vehicle capacity and passenger journey times through the junctions and have also enhanced pedestrian and cycling facilities and bus passenger waiting facilities.

3.27 Schemes at Walkden and Swinton town centres due to be delivered as part of Salford Delivery Package 2: A6 are currently under review. This follows the emergence of the A6 as Salford City Council’s key route for cycling as identified as part of the recent GM wide engagement on cycling by TfGM and the Cycling and Walking Commissioner.

3.28 With the exception of Salford Delivery Package 5 Bus Stop upgrades, the majority of the Bolton and Salford delivery packages have been submitted to GMCA for Full Approval via Growth Deal Major Scheme Governance arrangements. The Growth Deal Minor Scheme Governance arrangements were however successfully utilised for Salford Delivery Package 5, given the value and low risk nature of the scheme. As each of the future delivery packages is under the £5 million threshold for the Major Scheme approvals route, the Growth Deal Minor Scheme Governance arrangements will be adopted for the remaining schemes within the SBNI programme. As such it is proposed that from now on these approvals are delegated to the GM Transport Strategy Group in line with the agreed Growth Deal Minor Scheme Governance arrangements, with approval for expenditure being brought to the next GMCA meeting for all schemes over £0.5 million.

**Metrolink Service Improvement Package**

3.29 Following the granting of Full Approval for this package of works in summer 2014, all of the trams have now been delivered with the last tram brought into operational use in October 2016. With regards to the supporting infrastructure works associated with this package of improvements, the new wheel lathe has now been installed in the Trafford depot and the new substations are now operational. Work to install a new turnback at Sale is scheduled for autumn 2019.
A5063 Trafford Road Improvements

3.30 Conditional Approval for the scheme was granted in December 2018, in line with the agreed Growth Deal governance arrangements. Design work is progressing which will include enhanced cycling and walking provision, the additional cost of which has been the subject of a successful bid to the Mayor’s Challenge Fund, achieving programme entry status. Engagement with key stakeholders is also underway.

Carrington Relief Road (Spur Extension)

3.31 Trafford Council is developing the programme for this scheme and plan to submit a Conditional Approval Business Case for consideration in spring 2019. Trafford Council is working with a private sector partner to deliver these improvements as part of a wider scheme.

Oldham Town Centre Regeneration and Connectivity

3.32 Oldham Council is currently developing the programme for this Growth Deal 3 scheme and plan to submit a Conditional Approval Business Case for consideration in summer 2019. The programme is made up of a series of minor highway and public realm enhancement projects, each with a value of less than £5 million. Therefore, as the intention is to deliver these projects through a phased approval and delivery approach and each of the projects is under the £5 million threshold for the Major Scheme approvals route, it is proposed that the Full Approvals for each project are delegated to the GM Transport Strategy Group in line with the agreed Growth Deal Minor Scheme Governance arrangements, with approval for expenditure being brought to the next GMCA meeting for all schemes over £0.5 million.

4. MAJOR SCHEMES – FINANCIAL UPDATE

4.1 Claims for the reimbursement of expended costs from scheme promoters are being processed on an ongoing basis, in line with the agreed Major Schemes Capital Programme Guidance.

4.2 The previously approved arrangements for the cash flow of development work by scheme promoters are being kept under regular review and the quarterly Capital Expenditure Updates to the GMCA provide ongoing expenditure information in relation to these costs.

4.3 The monitoring of the financial position on the Growth Deal programme which takes places on an ongoing basis has identified a number of schemes with projected potential savings or overruns against the original budget. As the GMCA’s Local Growth Deal budget is fixed, the ultimate cost risk is borne by the relevant scheme promoter, which is either GMCA, for TfGM promoted schemes, or the relevant Local Authority. The agreed arrangements for dealing with these savings and cost overruns are being progressed, as set out in previous reports.
Work has continued with scheme promoters to ensure schedules and financial forecasts are regularly reviewed, and that challenges are identified and mitigated to ensure that spend forecasts remain within the Growth Deal funding period.

5. ADDITIONAL PRIORITIES AND MINOR WORKS

5.1 In general terms, the Minor Works initiatives are being delivered by the 10 GM Local Authorities and the Growth Deal “Additional Priority” initiatives are being delivered by TfGM.

5.2 The Minor Works programme represents a package of highways, public realm, cycling, walking and associated measures; with the identified interventions being very much focused on supporting economic growth.

5.3 As previously agreed, the governance arrangements for the Minor Works initiatives provide for the submission of Mini-Business Cases; with approval oversight of these Mini-Business Cases resting with the GM Transport Strategy Group (TSG) of senior transport officers, with approval for expenditure being brought to the next GMCA meeting for all schemes over £0.5 million.

5.4 Progress has been made in taking forward the GD1, GD2 and GD3 Minor Works programme. In relation to GD1, GD2 and GD3 Local Authority Minor Works, since the last update a further 4 mini-business cases have been submitted for review. TfGM continue to work with scheme promoters with a view to securing TSG approval of the remaining mini-business cases at the earliest opportunity.

5.5 As previously reported, the focus of the “Additional Priority” initiatives is centred around Rail / Metrolink passenger improvements, multi-modal ticketing, bus passenger facilities and highways key route network resilience.

5.6 A number of “Additional Priority” initiatives, in particular those related to Metrolink and Rail, have progressed to delivery stage. Full Funding Approval for 11 out of 16 GD2 and GD3 TfGM “Additional Priorities” schemes has been achieved. The remaining schemes are currently in development and progressing well.

5.7 Work has also continued to progress the TfGM Growth Deal 3 transport schemes which are subject to Growth Deal minor scheme governance arrangements, as set out below.

5.8 The KRN Traffic Control (SCOOT) and the KRN Traffic Control (MOVA) schemes are currently on site and forecast to be completed by March 2020.

5.9 The Bus Passenger Enhancements scheme to deliver a programme of bus stop accessibility upgrades in all ten Local Authority areas across Greater Manchester is in the final stages of development.

5.10 Design work is progressing on the Rail Station Enhancement schemes to enhance the existing Park & Ride facility and improve pedestrian access at Mills Hill Station; and to
deliver improved accessibility at Swinton Station, potentially in conjunction with Access for All funding. A decision on the Access for All funding bid is expected in April 2019.

6. RECOMMENDATIONS

6.1 Recommendations are set out at the front of this report.

Eamonn Boylan
Interim Chief Executive, TfGM
Date: 29 March 2019
Subject: Acquisition of loan to Protos Finance Limited from Evergreen Fund to GMCA
Report of: David Molyneux, Portfolio Lead for Investment and Resources and Richard Paver, Treasurer

PURPOSE OF REPORT

This report sets out a proposal to acquire a £9.8m loan from the Evergreen Fund (“Evergreen”) to GMCA in order to create investment capacity within the Evergreen Fund. This will also provide a financial return directly to GMCA over the term of the loan.

RECOMMENDATIONS:

The Greater Manchester Combined Authority is requested to:

a) agree that the purchase of the existing loan and provision of the remainder of the £9.8m facility be given conditional approval and progress to due diligence;

b) delegate authority to the Combined Authority Treasurer and Combined Authority Monitoring Officer to review the due diligence information in respect of the loan, and, subject to their satisfactory review and agreement of the due diligence information and the overall detailed commercial terms of the transaction, to sign off any outstanding conditions, issue final approvals and complete any necessary related documentation in respect of the loan at a) above;

c) Amend the capital programme accordingly; and

d) Note that the GMCA Treasury Strategy, which is due to be considered at the meeting on 29 March 2019 will incorporate provision for such investments.
CONTACT OFFICERS:

Richard Paver: richard.paver@greatermanchester-ca.gov.uk  
Bill Enevoldson: bill.nevoldson@greatermanchester-ca.gov.uk

BACKGROUND PAPERS:

Risk Management – see paragraph 2
Legal Considerations – see paragraph 3
Financial Consequences – Revenue – see paragraph 4
Financial Consequences – Capital – see paragraph 5
1. INTRODUCTION AND OVERVIEW

The Evergreen Fund (‘Evergreen’ or ‘the Fund’) is a £60m urban development fund established under the 2007-13 ERDF Operational Programme. The Fund provides development finance to projects within Greater Manchester, Lancashire and Cheshire and is managed by CBRE who originate, execute and monitor all deals on behalf of the Fund.

Fund performance has been historically strong and there remains demand for commercial property funding in the area, principally for industrial and office space. Following two investments completed towards the end of 2018, the Fund is currently fully committed and requires headroom in the short term in order to convert its identified pipeline. It is also worth noting that the Evergreen Fund provides important match funding for investments under the new 2014-2020 ERDF Operational Programme through GMCA’s Evergreen 2.

The Evergreen entity is jointly owned by 16 local authorities, including the 10 GM boroughs. However, the £60m of funding invested by Evergreen is provided by Evergreen Holdings, a 100% subsidiary of GMCA. All investment returns (net of fees) are distributed to Evergreen Holdings. Use of these returns are governed by strict eligibility criteria.

In order to create capacity, GMCA is being asked to consider the purchase of a £9.8m loan committed by Evergreen to Protos Finance Limited (“Borrower”). The Borrower is a subsidiary of Peel established to deliver the development of an industrial site in Cheshire for a variety of uses including waste to energy, biomass and environmental technology facilities. This should provide sufficient capacity in the Fund for the identified pipeline, to make further investments in GM, before portfolio loan repayments create further capacity towards the end of 2019. These schemes will generate increased economic activity and jobs within Greater Manchester.

Evergreen has previously completed a sale of part of its loan portfolio to the GM Pension Fund in order to create capacity and a similar mechanism is proposed in this instance.

2. RISK MANAGEMENT

The investment noted in this paper will be governed under the existing investment framework, which includes several levels of review and ongoing monitoring of performance. Further detail is provided in Part B.

3. LEGAL CONSIDERATIONS

GMCA will rely on the existing agreements/security with the Evergreen remaining the lender of record (GMCA will assume the rights and obligations under the agreement without being a direct party to it). Further detail is provided in Part B.
4. **FINANCIAL CONSEQUENCES – REVENUE**

The loan is expected to generate revenue of c£700k over the loan term.

5. **FINANCIAL CONSEQUENCES – CAPITAL**

The proposed loan will be funded in line with the revised Treasury Management Strategy to be agreed in March 2019.
Date: 29 March 2019
Subject: GM Investment Framework Project Updates
Report of: Councillor David Molyneux, Portfolio Lead for Investment and Resources and Eamonn Boylan, Chief Executive for Investment

PURPOSE OF REPORT

This report seeks Greater Manchester Combined Authority ("Combined Authority") approval for a loan to Apadmi Limited. The loan will be made from recycled funds.

Further details regarding the loan are included as a more detailed report, considered in the confidential part of the agenda due to the information relating to the business affairs of the company.

RECOMMENDATIONS:

The Greater Manchester Combined Authority is requested to:

a) agree that the funding application for Apadmi Limited (loan of £200k) be given conditional approval and progress to due diligence; and

b) delegate authority to the Combined Authority Treasurer and Combined Authority Monitoring Officer to review the due diligence information in respect of the company, and, subject to their satisfactory review and agreement of the due diligence information and the overall detailed commercial terms of the transaction, to sign off any outstanding conditions, issue final approvals and complete any necessary related documentation in respect of the investment at a) above.

c) Give delegated authority for the period 30 March 2019 to 30 May 2019 to the Combined Authority Chief Executive and the Combined Authority Treasurer, in consultation with the Combined Authority Mayor and the Portfolio Holder for Investment to approve funding requests for projects in the absence of a Combined Authority meeting in April and approve any urgent variations on amounts and terms for already approved loans. Note that
recommendations approved under the delegation will be subject to the usual due diligence processes and will be reported to the Combined Authority at the next available meeting.

CONTACT OFFICERS:

Eamonn Boylan: eamonn.boylan@greatermanchester-ca.gov.uk
Richard Paver: richard.paver@greatermanchester-ca.gov.uk
Bill Enevoldson: bill.enevoldson@greatermanchester-ca.gov.uk

BACKGROUND PAPERS:

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Risk Management – see paragraph 3

Legal Considerations – see paragraph 4

Financial Consequences – Revenue – see paragraph 5

Financial Consequences – Capital – see paragraph 6
1. INTRODUCTION AND OVERVIEW

1.1 The Combined Authority maintains and develops a pipeline of projects submitted by applicants seeking funding from either the Combined Authority’s Regional Growth Fund Programme or Growing Places Fund allocation. These projects are assessed against criteria based on the GM Investment Strategy, developed to underpin the economic growth of GM.

1.2 This assessment incorporates:

   a) an appraisal by the GM Core Investment Team; and

   b) a review by a sub group of GM Chief Executives.

2. INVESTMENT RECOMMENDED FOR APPROVAL IN PRINCIPLE

2.1 Apadmi Limited, Trafford

   The business case in respect of Apadmi Limited (a loan of £200k) has been submitted to, and appraised by, the Core Investment Team and subject to the outcome of the due diligence is recommended to the Combined Authority for conditional approval.

   Apadmi are a mobile technology company based in Trafford Park. The Company have previously received a loan from the GMCA for £650k which has been partially repaid. A further loan of £200k is recommended to support the Company’s growth plans.

   Summary appraisal notes on the loan are included as a more detailed report, considered in the confidential part of the agenda due to the information relating to the business affairs of the company.

3. RISK MANAGEMENT

   The loan noted in this paper will be governed under the existing investment framework which includes several levels of review and ongoing monitoring of performance.

4. LEGAL CONSIDERATIONS

   The legal agreement will be based upon the existing templates for the fund, amended for the specific requirements of the individual funding arrangements.

5. FINANCIAL CONSEQUENCES – REVENUE

   There are no revenue implications.
6. FINANCIAL CONSEQUENCES – CAPITAL
The proposed loan will be made from recycled funds.
Date: 29 March 2019

Subject: GM Housing Investment Loans Fund – Investment Approval Recommendations

Report of: Paul Dennett, Portfolio Holder for Planning, Housing & Homelessness, and Steve Rumbelow, Portfolio Lead Chief Executive for Planning and Housing

PURPOSE OF REPORT
This report seeks Greater Manchester Combined Authority (“Combined Authority”) approval of the GM Housing Investment Loans Fund loans detailed in the recommendation below.

RECOMMENDATION
The Greater Manchester Combined Authority is requested to:

- Approve the GM Housing Investment Loans Fund loan in the table below, as detailed further in this and the accompanying Part B report;

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<td>St George’s Vicarage, Heaviley</td>
<td>Stockport</td>
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<tr>
<td>Citybranch SPV</td>
<td>Chapel Square, Regent Road, Altrincham</td>
<td>Trafford</td>
<td>£12.931m</td>
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- Approve the use of £570,000 City Deal Receipts to provide additional lending to the St George’s Vicarage scheme;

- Delegate authority to the GMCA Treasurer acting in conjunction with the GMCA Monitoring Officer to prepare and effect the necessary legal agreements.

- This report also seeks Combined Authority approval to give delegated authority for the period 30 March 2019 to 30 May 2019 to the Combined Authority Chief Executive and the Combined Authority Treasurer, in consultation with the Combined Authority Mayor and the Portfolio Holder for Planning, Housing, Homelessness and Infrastructure to approve funding requests for projects in the absence of a Combined Authority meeting in April and approve any urgent variations on amounts and terms for already approved loans. Note that
recommendations approved under the delegation will be subject to the usual due diligence processes and will be reported to the Combined Authority at the next available meeting.

CONTACT OFFICERS:
Bill Enevoldson (bill.nevoldson@greatermanchester-ca.gov.uk)
Andrew McIntosh (andrew.mcintosh@greatermanchester-ca.gov.uk, 0161 778 7011)

BACKGROUND PAPERS:
- Housing Investment Fund (report to GMCA, 27 February 2015)
- GM Housing Fund – Updated Investment Strategy (report to GMCA, 27 July 2016)

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1.0 INTRODUCTION & OVERVIEW

1.1 In line with the agreed governance process for the GM Housing Investment Loans Fund ("the Fund"), the Combined Authority is asked to approve the loans detailed in section 2, which have been recommended for approval by the Fund’s Gateway Panel and Credit Committee.

1.2 The total value of offers of loans from the Fund approved by the Combined Authority to date is £412m\(^1\), and the total value of equity investments made by the Fund is £2m. If the recommendations set out in this report are agreed, the value of loan offers will increase to £426.8m.

1.3 Affordable housing and section 106 agreements are dealt with at a local level in line with local policies, national planning legislation and the government’s National Planning Policy Framework. As agreed at the December 2019 meeting of the GMCA, the majority of the surpluses generated from the Fund will be ring fenced to support provision of additional housing affordable to GM residents, supporting the Mayors Town Centre Challenge and tackling issues such as rogue landlords, empty homes and improving standards within the Private Rented Sector. An update report will be brought back to the GMCA in the coming months seeking approval to propositions that can be developed utilising these surpluses.

1.4 The GM Housing Vision was approved via the GMCA in January 2019. This sets the context for housing delivery within GM and paves the way for the GM Housing Strategy and a revised GM Housing Investment Loans Fund Investment Strategy that will be brought to the GMCA for approval in the following months. Alongside the launch of the GM Spatial Framework, the agreement to these strategic documents will be a pivotal point in shaping the way housing is brought forward across Greater Manchester and setting the objectives and focus of future investments made from the Fund.

2.0 LOAN APPROVALS SOUGHT

2.1 Harrison Hunt (Vicarage Gardens) Ltd. is seeking a loan of £1.847m, to be made up of lending from the GM Housing Investment Loans Fund and City Deal Receipts, for the construction of 19 houses and apartments on the site known as St George’s Vicarage. Homes England has confirmed its approval to the City Deal Receipts element of the lending. Alongside new-build on the surrounding site, the scheme, for which planning permission was obtained in December 2018, will see the existing derelict Grade II listed former vicarage

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\(^1\) This figure takes account of those loans approved but subsequently withdrawn; in addition to those reported to the Combined Authority at its meeting in December 2018, the £5.4m loan to Bowdon Homes for the Carrhill scheme approved by the Combined Authority in July 2018 has now been withdrawn.
brought back into use and support an SME developer with the GM area.

2.2 A SPV to be established by Citybranch Healthcare Limited, is seeking a loan from the GM Housing Investment Loans Fund of £12.931m for the construction of 70 apartments at the Chapel Square development, Regent Road, Altrincham. 34 of the units are currently anticipated to be pre-sold to a GM-based Registered Provider for affordable rent use. Planning permission was obtained in March 2018 and includes for a £250k section 106 contribution to public-realm works and £320k Community Infrastructure Levy. The scheme will also deliver a 300 space replacement car park which will provide a much needed increase parking provision within Altrincham town centre and support the continued regeneration of one of Greater Manchester’s Town Centres.

2.3 Further details of the schemes and proposed terms of the loans are included in the accompanying Part B report, to be considered in the confidential part of the agenda on account of the commercially sensitive nature of the information.

3.0 RISK MANAGEMENT

3.1 The structure and security package proposed for the loans in order to mitigate lending risks are given in the accompanying Part B report.

3.2 The loans will be conditional upon a satisfactory outcome of detailed due diligence and ongoing confirmation from Monitoring Surveyors acting on the Fund’s behalf that the schemes are being delivered satisfactorily.

4.0 LEGAL CONSIDERATIONS

4.1 A detailed loan facility and other associated legal documentation will be completed for each scheme ahead of the first loan payment.

5.0 FINANCIAL CONSEQUENCES – REVENUE

5.1 The borrowers will be required to meet the Fund’s legal, due diligence and monitoring costs and there is no requirement for additional revenue expenditure by GMCA / MCC in addition to the approved Core Investment Team budget.

6.0 FINANCIAL CONSEQUENCES – CAPITAL

6.1 The proposed loans will be sourced from the £300m GM Housing Investment Loans Fund, including the recycling of loans made by the Fund which have now been repaid, and City Deal Receipts.

7.0 RECOMMENDATION

7.1 The Combined Authority is recommended to approve the loans in line with the terms set out in the accompanying report.