
**Manchester City Council
Report for Resolution**

Report to: Economy Scrutiny Committee – 19 June 2013
Subject: Greater Manchester Strategy Refresh
Report of: Sir Howard Bernstein, Chief Executive

Summary

This report outlines the approach to refreshing the Greater Manchester Strategy and the consultation process that is now underway. The draft strategy attached at Annex A is aligned with the strategic narrative for Manchester which was developed to refresh the Community Strategy and to underpin the budget setting process. The Committee's views on the draft Greater Manchester Strategy would be welcomed and will provide an opportunity contribution to the consultation process.

Recommendations

Members of the Committee are invited to consider the draft strategy and offer their views on the general direction, specific objectives and headline targets with a particular focus on the implications for Manchester.

Contact Officers:

Name: Jessica Bowles
Position: Head of City Policy
Telephone: 0161 234 4412
E-mail: j.bowles@manchester.gov.uk

Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

[Strategic Narrative: report to Executive February 2013]

1.0 Background

- 1.1 The Greater Manchester Strategy was developed following the Manchester Independent Economic Review and published in August 2009. This provided a clear set of priorities for Greater Manchester and has been an important platform for engaging with both local partners and central Government for instance the creation of the Greater Manchester Combined Authority, agreeing the GM City Deal and developing the GM Whole Place Community Budget Pilot.
- 1.2 The circumstances that we operate in have changed significant since the original Greater Manchester Strategy was published and the decision has been taken to refresh the strategy. This would ensure that it was positioned to better reflect the more challenging economic climate and the importance of the public service reform agenda to the achievement of our vision for Greater Manchester. The narrative has been updated, the strategic priorities refocused and the implementation section strengthened reflecting the new arrangements whereby GM Leaders have each taken responsibility for specific portfolios.
- 1.3 Greater Manchester Combined Authority and the LEP have endorsed the draft Strategy (attached at Annex A) and have agreed a consultation process which is now underway.

2. Refreshed Greater Manchester Strategy

- 2.1 The vision articulated in the Strategy is that by 2020, the Manchester City Region will have pioneered a new model for sustainable economic growth based around a more connected, talented and greener city region where all our residents are able to contribute to and benefit from sustained prosperity.
- 2.2 The outcomes it is seeking to achieve are that Greater Manchester is:
- One of Europe's premier city regions
 - Competing on the international stage for talent, investment, trade and ideas
 - Where all people are valued and able to fully participate in and benefit from the city region's success
 - Known for our good quality of life, low carbon economy and our commitment to sustainable development
 - A city-region where every resident, neighbourhood and borough can contribute to and benefit from our sustainable future

 - Continued growth into a fairer, healthier, safer and more inclusive place to live
 - Focused and collegiate leadership based around collaboration and partnerships
- 2.3 The strategic priorities are focused around the twin pillars of Growth – how we create the right conditions and support businesses within Greater Manchester

- and Reform – where we need to reduce worklessness and improve the skills base of those living in Greater Manchester and at the same time encourage self-reliance and reduce the demand for public services.

- 2.4 The draft Strategy includes a series of headline indicators and targets, to enable progress to be tracked. In developing these indicators the aim has been to ensure that measures are both relevant and challenging. These proposed targets have been set at a level to significantly stretch Greater Manchester and they highlight the scale of improve that is needed if GMS is to realise its ambition. They are far from ‘business as usual’ but are considered achievable. They have been designed so that progress can be monitored independently of the national macro economic circumstances, so even if the economic climate in which Manchester works deteriorates significantly we will still be able to understand the impact of the GMS. The strategy sets out how we will create the conditions for growth and support businesses within Greater Manchester.
- 2.5 The GMCA provides a statutory basis for collaboration across the City Region and provides the platform for ensuring the implementation of the GMS. Lead portfolio holders from the GMCA will oversee development of implementation plans working with lead Chief Executives working closely with the LEP, districts and other partners across GM.

3.0 Consultation

- 3.1 The Greater Manchester Strategy will be considered to be Greater Manchester’s sustainable community strategy and the consultation on the draft will be carried out in line with Cabinet Office guidelines. The 12 week consultation formally concludes on 17 June but views can be fed in beyond this date. A GM-wide conference is being held on 5 July for members and partners across districts to which the Chair of Economy Scrutiny is invited. This will provide an opportunity for further discussion and debate of the priorities and actions set out in the strategy. The Greater Manchester Integrated Support Team who are overseeing the development of the Strategy have indicated that they would welcome feedback and input from this committee.

4.0 Implications for Manchester

- 4.1 The draft Strategy is well aligned with Manchester’s own strategic narrative which was agreed earlier in the year as the refreshed Community Strategy and to underpin the budget setting process. Officers have worked closely with the Greater Manchester team to ensure that the two documents are consistent and that the GMS provides a robust framework within which Manchester can progress its priorities.
- 4.2 Comments would be welcome on any areas of the strategy but those sections likely to be of greatest interest to the committee given their importance for Manchester’s economy could be:

- Investing in infrastructure to support growth (page 14/15)
- Expanding and developing local investment models to support local priorities (page 13)
- Improving Manchester's connectivity (page 15)
- Leveraging science and technology assets (page 17)
- Growing the business base providing support through the Growth Hub and improving international competitiveness (page 20)
- Seizing the economic growth potential of a low carbon economy (page 21)
- Deliver an employer led skills system (page 24)
- Broaden the opportunities for young people to reduce youth unemployment (page 25)
- Implement integrated and flexible employment and skills support for jobless residents (page 26)

4.3 The strategy is due to be finalised in the Summer and will provide an updated framework within which implementation plans can be developed.



Greater Manchester Strategy

2013 - 2020

March 2013

DRAFT

Contents

FOREWORD	1
EXECUTIVE SUMMARY	2
INTRODUCTION	3
THE CHANGING CONTEXT	3
THE CHALLENGE	4
THE OPPORTUNITY	5
OUR RESPONSE	9
VISION AND OBJECTIVES	9
GROWTH	11
CREATING THE CONDITIONS FOR GROWTH	11
BUSINESS	20
REFORM	24
WORKLESSNESS AND SKILLS	24
ENCOURAGING SELF-RELIANCE AND REDUCING DEMAND FOR PUBLIC SERVICES	28
GOVERNANCE AND IMPLEMENTATION	33
GOVERNANCE	33
IMPLEMENTATION	33
PERFORMANCE MANAGEMENT	35
INVESTMENT	37

FOREWORD

The Greater Manchester Strategy (GMS) published in 2009 was the response to the Manchester Independent Economic Review - the most robust analysis ever undertaken of a city, led by global experts. It was a worthy response, catalysing a wide variety of new interventions, forming the basis for the establishment of the Greater Manchester Combined Authority and Local Enterprise Partnership, and providing a solid platform for Greater Manchester's engagement with Government.

However, since the GMS's publication there have been significant changes to the context of its delivery which have prompted a fresh analysis of our priorities. For all the evidence of progress, the problems we face remain profound. The global economic downturn has created unprecedented and extremely difficult economic conditions within which growth has to be delivered, and these challenges are likely to persist for years to come. Yet this rapidly changing global economic context, the rise of new economies on the world stage and the relative decline of the West provides opportunities as well as challenges. This strategy is about embedding a new boldness at the heart of all our collective endeavours to enable us to rise to the challenges and exploit opportunities internationally and closer to home.

The last two years have seen our governance arrangements in GM become more robust and mature. This has enabled us to secure a range of bespoke agreements with Government in our recently agreed City Deal, helping to empower us to make our own decisions about what is needed to support growth. Our unique governance arrangements are supported by an increasingly streamlined set of delivery structures and a new cross partner focus on public service reform. This refresh of the GMS sets out what, in these very different and challenging circumstances, can be done to realise Greater Manchester's full potential.

Part of the solution is building on the solid foundation we have, celebrating the diversity and strengths of GM's component parts. We must continue to work hard to ensure that there is opportunity for all residents and all communities to contribute to and share in prosperity. The need to understand our unique histories, heritage and challenges is central if we are to overcome those challenges and realise that potential. GM was built on radicalism – the original modern city - and that sense of entrepreneurialism will be needed again if we are to prosper in what is going to be a difficult period.

GM must become more confident and resilient in its approach to our collective challenges and author our own future by making plans that we are confident will be implemented in the current financial climate. That is why we have taken the opportunity to look again at our priorities, ensuring that our response to the challenges that we face is one that will promote growth and secure radical public sector reform across Greater Manchester to deliver the prosperity we seek for everyone: all our citizens in all our places.

Lord Peter Smith

Mike Blackburn

EXECUTIVE SUMMARY

To be developed.

DRAFT

INTRODUCTION

We have achieved much since 2009, including the establishment of the UK's first Combined Authority and our Local Enterprise Partnership, agreement of the first City Deal and piloting new ways of delivering public services through Greater Manchester's status as a Whole Place Community Budget Pilot. We have established a GM investment framework for growth, including the establishment of a GM Evergreen Fund, which will be used to fund major developments and a £1.5 billion Greater Manchester Transport Fund (GMTF) investment programme. We have secured devolved responsibility for the allocation of Regional Growth Fund resources and the Growing Places Fund. Through a robust assessment process that prioritises projects on the basis of GVA and employment benefits we have awarded funding to enable GM businesses across to grow. Airport City has been designated an Enterprise Zone, MediaCityUK is a national hub for the digital and creative industry and we have secured investment in transformational initiatives such as the establishment of the National Graphene Institute and the Sharp Project. We have established the UK's first Low Carbon Hub to pioneer new ways to deliver a low carbon economy. We have successfully worked with other cities to make the case for greater investment in the north on the basis of the role that this plays in growing the UK economy as a whole, including the development of proposals in relation to the Northern Hub. Our investment in a 21st century transport system, including the expansion of the Metrolink, has been critical to the development of further exciting proposals for High Speed Rail, devolution of rail franchising and investment in the northern hub.

THE CHANGING CONTEXT

However, the circumstances in which we operate have changed drastically since the GMS was written. The global economic downturn has created unprecedented and extremely difficult economic conditions, making delivery of GM's ambitious growth objectives more challenging than ever.

The recession has been much longer and more severe than expected. The economies of the US and Europe in particular have struggled, with just 1.8% growth in the US economy and a 0.4% fall in GDP in the Eurozone in 2011. As GM's main existing trading partners this has had a significant impact on GM's ability to drive growth. Whilst the global economy has expanded since 2009, this has been driven by emerging markets, with China continuing to see significant economic growth with an 9.2% increase in economic output in 2011, emphasising the importance of expanding and diversifying the international reach of GM firms. Firms are developing new business models to respond to economic conditions, demanding flexible, value-driven workspace, advanced technology and high speed digital connectivity, and access to research and development and science and innovation.

UK economic forecasts have been repeatedly downgraded. In 2010 the Office for Budget Responsibility (OBR) estimated that growth would be 2.6% in 2012 and 2.9% in 2013 where in fact 2012 saw a contraction of 0.1% and the OBR is now forecasting that the economy will expand by just 1.2% in 2013. As a result of the fiscal deficit, significant spending reductions have been made across government with a total impact of approximately £123bn.



The North West has been one of the hardest hit regions with a 0.7% decrease in employment in 2011 and only a 0.3% increase in GVA in the same year. The NWDA closed in March 2012, which saw the loss of their funding, which was worth £500 million at its peak.

Although it has performed well in a North West context, Greater Manchester has not been immune to this global and national economic and fiscal environment. Unemployment has increased by 24,500 since 2008, the number of active businesses has decreased by over 1,000, and the Greater Manchester housing market remains stagnant. The 2008 Greater Manchester Forecasting Model expected the number of jobs to rise by 0.5% and GVA to increase by £2.3bn by 2012 whereas in fact we have seen jobs fall by 2.2% and GVA increase by just by £1.1bn. Despite the reductions in funding as a result of the last Comprehensive Spending Review, public sector spend as a whole across GM is increasing, with reductions in spend in one area offset by increases in others, particularly the cost associated with welfare benefits. Significant reforms have been made to welfare locally, with the total impact of welfare reform expected to reach approximately £1bn by 2015 across Greater Manchester. Local authorities have seen their formula grant alone fall 18% with other significant budgets such the Working Neighbourhood Fund being closed altogether. The cost of providing public sector services is becoming increasingly unsustainable, with a greater proportion spent on the costs of dependency and less on opportunities to increase growth and reduce the demand for those services.

In the light of these global, national and local changes we must review and refresh our strategic approach.

THE CHALLENGE

Manchester's population is the fastest growing in the UK which presents a massive opportunity to link the jobs we create with providing places to live that encourage people to stay and contribute to success. But it also presents huge challenges: an aging population, concentrations of unemployment and low skills and changes to the welfare system mean that demand for services will only increase without radical reforms to improve the effectiveness of services, increasing the self-reliance of our people and reduce demand for those services.

The rapidly changing global economic context, the rise of new economies on the world stage and the relative decline of the West provides opportunities as well as challenges. But it is clear that twenty-first century cities like Manchester need to do better just to stand still. We need to anticipate what is coming and be much bolder.

Despite the recession, Greater Manchester's economy has been shown to be more robust than most of the rest of the UK economy. Greater Manchester generates £48 billion GVA, some 4% of the national economy, and is the UK city outside of London most likely to be able to increase its long-term growth rate, to access international networks and enjoy strong connections to the rest of the world. However, given the size of the GM economy, we should be achieving more. Greater Manchester is currently a 'cost centre' for the UK, requiring £21 billion of public spending but only generating £17



billion in taxes. The aspiration is for Greater Manchester to close and then eliminate that £4 billion deficit to become a net contributor to the national economy.

The Manchester Independent Economic Review in 2009 estimated that a quarter of the productivity gap between Greater Manchester and the UK as a whole is caused by higher than average levels of worklessness and low levels of economic activity. The other three quarters is caused by lower levels of economic output, with people in work not as productive as elsewhere in the country, and of which low skill levels is a critical component.

The proportion of GM residents with no qualifications is higher than the UK average. Across GM, 15.3% of people have no qualifications compared to 12.7% across the UK as a whole. This lack of qualifications means that a greater proportion of people in GM are unlikely to have the skills necessary to be successful in the modern economy and as a result more likely to be workless and suffer deprivation.

Unemployment has risen sharply since the start of the recession. The number of claimants of Jobseeker's Allowance has almost doubled, from 41,845 in January 2008 to 81,965 in December 2012. Young people have been severely affected: one-third of JSA claimants are aged 16-24 and the unemployment rate for that group has risen from 6.3% to 9.8%. Long-term unemployment has also risen dramatically with the number of people claiming JSA for six months or more increasing more than threefold from 11,440 in January 2008 to 35,660 in December 2012, a rise of 24,220 (211.7%).

Put simply, we need to reduce demand for public services by helping our residents to become more self-reliant, get back into work, or to gain better quality work and to remain in work. We need to align the GM skill base with the jobs generated through economic growth to increase the productivity of GM's businesses. We need to understand the changing demand for labour and ensure that we are able to meet that demand by equipping our residents with the skills required. By 2020 half of all jobs will require Level 3 skills or above and we need to ensure that the skills offer is in place to meet the demands of employers.

And we must ensure that the jobs are there for our residents to access by repositioning Greater Manchester within changing global markets, creating the conditions for growth to ensure that it is seen as a place in which to invest, do business, live and visit.

THE OPPORTUNITY

The refreshed GMS therefore places greater emphasis on the need to reform not just the efficiency, but the effectiveness of public services. This will help GM residents get back into work and to remain in work, both in the short-term, through our work in relation to complex families, offenders, health and social care and worklessness, but also in the longer-term through reform of early years provision.

We need to begin by helping parents to ensure that every child gets the best start in life and can arrive at school ready to learn. Whole family approaches need to provide coordinated and effective support to break the cycle of poverty and dependency. We need to respond to the increasing pressure on services for the elderly, frail and



vulnerable by exploring radical and innovative models for the provision of integrated health and social care, and securing the best outcomes from acute services. And we need to target public health care interventions in an evidenced and effective way to reduce the number of people requiring those services in the first place and stem the flow of demand.

Working with partners across GM and with Whitehall, and building on the outputs of the Whole Place Community Budget pilot we will design and implement a 3-5 year public service reform programme for GM. Some of our residents and families face a series of complex, multi-faceted and challenging issues and require similarly complex and multi-faceted packages of support that our current models of public service delivery are not fit to provide, particularly given the scale of planned reductions in public spending. We will implement a radical programme of reform to encourage self-reliance and reduce demand for public services. The benefits of success will not only be fiscal but will also have wider economic and social benefits.

Addressing economic inactivity is at the heart of our strategy for raising productivity, but we recognise that this must go hand in hand with stimulating growth to ensure that the jobs are created and safeguarded for people to access at all levels of the labour market.

The MIER identified that GM is the best placed city outside London to increase its long-term growth rate based on its size and productive potential. We need to remove barriers and create the conditions that make Greater Manchester an investment destination of choice, with all parts of the conurbation fulfilling their potential and all residents able to participate in and contribute to that growth.

We need to understand the fundamental shift in the market and how business models are changing to enable us to re-examine the role and function of our places and the offer that those places can make. We need to understand market requirements and invest what scarce public resources are available to support private sector partners in the delivery of those requirements. We need to anticipate the demand for flexible working space, advanced and low carbon technology, access to research and development, science and innovation to ensure that Greater Manchester is in a position to exploit its assets and meet the changing demands of the global economy.

In the current financial climate, access to funding is restricted and business models are changing as a result, with an increasing emphasis on value and flexibility. To enable GM to compete we need to develop a clear, spatial and sectoral understanding of occupier demand, both now and in the future, in relation to commercial, industrial and residential development to put in place the offer required. Our investment strategy must be based on an understanding of the inherent catchment of areas to identify the offer required and to create investment destinations responsive to market demand.

Creating quality places is critical to success. We need to develop the supporting infrastructure to ensure that GM is well-connected locally, nationally and internationally, expanding the depth and breadth of our catchment to ensure that businesses are able to access their supply chains and move goods and services sustainably, efficiently and cost-effectively. We must ensure that the energy, water, waste and digital infrastructure is in place to support growth.



We must make our neighbourhoods sufficiently attractive to attract and retain a labour market with the appropriate skills at all levels required to support our growth objectives by putting in place an energy efficient housing offer that is attractive to economically active people, and strengthening that offer through the provision of high quality local services. Our neighbourhoods need to be accessible and well-connected, enabling residents to access employment, education, training and other opportunities. Excellent schools, along with our world class cultural, sports and other assets will enable us to compete with the best international cities in terms of the quality of life we can offer. We will work with our communities and the police to tackle crime and anti-social behaviour, creating clean, green, healthy, and safe neighbourhoods for our people to live in and promote independent and resilient communities. We must revitalise the town centres that lie at the heart of our communities.

Our success will depend on the capacity of our businesses to grow. We need to create the conditions that will incentivise our businesses to adapt to the changing demands of the future, embracing the drive towards a reduction in carbon emissions, pioneering technological developments, and responding to changing customer demand.

And we need to be much more forward thinking in relation to newly emerging sectors of the economy such as science and technology-based businesses to understand where the potential for growth and jobs lies, and the offer and support required to turn that potential into investment.

We must exploit Greater Manchester's unparalleled expertise in academic research and development in key enabling technologies to position the city region as a world class centre for academic and applied science. We must also bridge the gap between knowledge and production to ensure that more of the innovations developed in GM are taken to the market place within GM, enabling us to retain the jobs and growth resulting from those developments.

A greater focus on internationalisation will be fundamental to the future prosperity of Greater Manchester. We need to respond to the changing global economic market to develop and strengthen our links with new and growing markets such as China, India and the Middle East, whilst maintaining our links with established markets in Europe and North America, to increase exports and encourage greater inward investment.

Fundamental to our approach to growth must be a response to the challenges and opportunities presented by the need to make a successful transition to a low carbon economy. Failure to adapt will have a catastrophic effect on our ability to compete, threatening infrastructure, disruption to businesses and services and hardship for those in hard to reach groups and vulnerable neighbourhoods. We must ensure that our city region is resilient to the changes we know are coming, protecting our communities from the extreme weather events that are now unavoidable and planning for a future in which the availability and price of resources is significantly more volatile. With more than 250,000 of our households living in fuel poverty, and with energy prices a significant cost to businesses, the delivery of an affordable, efficient energy infrastructure will not only increase prosperity but will also help to maximise jobs and growth. The low carbon agenda also presents huge opportunities to grow our technological, knowledge and cultural economies and develop new skills and strong supply networks, creating jobs and businesses.



Over the last two decades Greater Manchester has rediscovered the boldness it has had for over two centuries. This strategy is about embedding that boldness at the heart of our collective endeavours to both exploit our opportunities and rise to the challenges we face.

DRAFT

OUR RESPONSE

The 2009 Greater Manchester Strategy set an ambitious vision for 2020 to secure long-term economic growth and enable the city region to fulfil its economic potential, whilst ensuring that our residents are able to contribute to and share in that prosperity. Our vision remains, but we must reassess our approach to achieving that vision. A precondition of all that we aspire to is sustainable economic growth, which in turn requires higher productivity from a better functioning labour market, increasing self-reliance and reducing demand for public services and ensuring that all parts of the city region and its people enjoy the improved opportunities that a stronger economy brings.

The route to growth lies in creating the conditions that make GM a destination for investment, in consolidating the existing business base and in securing a much higher growth rate in key sectors where we have the assets and advantages to succeed nationally and internationally.

The key to sharing prosperity is in ensuring that more of our people are able to access the labour market, remain in work and develop the skills required to progress within that labour market, improving both productivity and self-sufficiency and reducing demand for public services.

The quality of Greater Manchester's places underpins our ability to deliver on both our growth and reform agendas. To attract talent and improve our existing residents' quality of life we must create safe, sustainable, healthy places for our communities to live and build enough houses of the type and tenure needed so that people are not forced to move beyond our boundaries in their search for good family homes. Further, we will ensure a more integrated transport network better connects neighbourhoods with areas of employment and business growth.

VISION AND OBJECTIVES

By 2020, the Manchester city region will have pioneered a new model for sustainable economic growth based around a more connected, talented and greener city region where all our residents are able to contribute to and benefit from sustained prosperity.

- We will secure our place as one of Europe's premier city regions, synonymous with creativity, culture, sport and the commercial exploitation of a world class knowledge base.
- We will compete on the international stage for talent, investment, trade and ideas.
- We will be seen and experienced as a city region where all people are valued and are able to fully participate in and benefit from the city-region's success.
- We will be known for our good quality of life, our low carbon economy and our commitment to sustainable development.

- We will create a city region where every resident, neighbourhood and every borough can contribute to and benefit from our shared sustainable future.
- We will continue to grow into a fairer, healthier, safer and more inclusive place to live, known for excellent, efficient, value for money services and transport choices.
- We will deliver focused and collegiate leadership of Greater Manchester based around collaboration, partnerships and a true understanding that through collective and individual leadership we are strong.

Manchester is one of the UK's most successful cities and we want to become one of the most successful cities in the world. The priorities set out in this refreshed GMS set out a programme of bold, collective action to help shape that success.

DRAFT



GROWTH

CREATING THE CONDITIONS FOR GROWTH

DIVERSIFY OUR ECONOMIC BASE IN RESPONSE TO THE CHANGING MARKET

The global economy is going through profound changes. These changes threaten our prosperity if we fail to adapt to them, but offer significant opportunities if we do. We must anticipate changes in global demand and put in place the economic conditions that position Greater Manchester to succeed.

We must ensure that our offer is informed and driven by investor demand, offering value-based, flexible workspaces that meet the changing demands of investors in locations where the market wants to go. We must put in place the technology offer to support innovation in business products and service delivery across the public and private sectors, supporting the development of creative clusters and centres of research and development. We must build on the benefits of our agglomeration economy to strengthen our Regional Centre, extending it to the East and West, and capitalise on the assets in the 'Manchester Corridor', our central business and education district, critical to the flow of people, goods and ideas through the Greater Manchester area.

We must support our key sectors, those in which we have a competitive advantage, and leverage our assets to grow those sectors further. We have a concentration of critical assets in the Health and Life Sciences sector, including Manchester Science Park, The Christie Hospital, and UK Biobank, supporting 163,000 jobs and creating GVA of £4.7bn. Outside London, Manchester is the nation's main centre of financial and professional services, employing over 190,000 people and generating £9bn p.a. of GVA. Our Creative & Digital sector accounts for 105,000 jobs creating GVA of £4.7bn p.a. with national growth opportunities at MediaCityUK and the Sharp Project. Education employs 105,000 people and adding GVA of £3.0bn per annum to the city. The city's five universities have over 100,000 students, the largest concentration of students in Europe. The discovery of Graphene at the University of Manchester is a global growth opportunity. The Low Carbon and Environmental Goods and Services sector already employs 38,000 people and is one of the fastest growing sectors in the UK. Manchester is an internationally famous sporting city, home to truly global brands in Manchester City and Manchester United, and with firms such as Adidas and Umbro also having a strong presence in the city. The wider sport sector now employs 21,000 people. And despite the decline of the manufacturing sector over 37,000 people now work in Advanced Manufacturing in the city region, in firms including Siemens and Holroyd Precision.

What we are going to do:

- Identify the land offer required for the development of commercial and industrial space that offers flexibility of use and cost efficiency in locations where the market wants to go, supported by the infrastructure required to help businesses to grow and flourish;
- Employ a cohesive, structured and evidenced approach to attracting and growing businesses with the greatest growth potential; and

- Work with GM's firms to help them expand, working with the grain of their strategic plans to build bespoke initiatives in markets and sectors where GM firms have comparative advantages and existing assets and business.

DEVELOP A MARKET-FACING INVESTMENT STRATEGY

Previous investment models are broken: we need to develop alternative approaches to establishing our places as investment destinations to generate the economic growth required. This will require us to develop a clear spatial and sectoral understanding of current and emerging occupier demand to put in place the offer required. Our investment strategy will be based on a clear understanding of the role and function of places and the offer that those places can make. It will also include an assessment of the infrastructure required to support that offer and a review of the land available to support a market facing strategy for housing and employment growth.

Our starting point is to identify our strategic priorities for growing the economy and then to develop a pipeline of projects that will deliver against these priorities, aligning the funds that are available to enable them to be delivered.

What we are going to do:

We will develop a market-facing investment strategy that:

- is based on an understanding of the inherent catchment of areas to identify the offer required and create investment destinations responsive to market demand;
- enables us to work with the private sector to bring forward an appropriate offer on the sites where the market wants to go;
- helps us to create a wider portfolio of sites which are attractive to investors, meet developer requirements and drive investment in priority areas for growth and regeneration;
- is based on a transparent framework to determine investment priorities and maximise the return on investment;
- uses available public funding and assets in the most effective way; and
- applies a key test of sustainability based on private sector leadership of development opportunities, with public sector investment deployed to support this, in accordance with established investment criteria.

CREATE A BLUEPRINT FOR OUR TOWN CENTRES, APPLYING CREATIVE APPROACHES TO REDEVELOPMENT OF THE OFFER

Our town centres lie at the heart of communities but are facing a series of fundamental challenges. The growth of e-commerce and large out-of-town retailers means the retail sector is going through a revolution, and our town centres are struggling to adapt. This trend is set to continue and accelerate with the amount of retail space required within town centres set to contract by nearly a third by 2020. It is essential that we redesign the offer that our town centres make, based on an evidenced understanding of their unique characteristics and the changing market to both consolidate existing strengths and develop an offer that meets emerging demand.

What we are going to do:

Our review of town centres has highlighted that we must:

- build on the opportunities presented by the changing market to develop an offer that meets emerging demand, including the provision of value-driven flexible work space, access to high-speed digital connectivity, integrated public services;
- establish creative clusters, strengthening the links with educational establishments to create pathways to business incubation and job creation;
- broaden the range of investment and activity through investment in the public realm and the physical environment and through diversifying the day and night-time economy to include a safe and welcoming residential, leisure and hospitality offer;
- maintain a critical mass of activity within the town centre cores, supporting shopping centres at risk, fostering the growth of independent traders and reducing operating costs
- provide the right organisational support and capacity in terms of staff and expertise and financial investment;
- provide direct financial support, through the market-facing investment strategy outlined above;
- develop and implement investment models and toolkits to support local authorities as they address issues such as vacant units and managing landlords.

REVIEW LAND SUPPLY TO SUPPORT GROWTH IN THOSE LOCATIONS MOST ATTRACTIVE TO THE MARKET

To be competitive, Greater Manchester must ensure that land is available in locations that are attractive to the market. Failure to provide appropriate sites in areas where the market wants to invest, both in housing and employment uses, risks GM losing development and investment to other areas. Our approach to investment represents a definitive move away from a grant culture to a self-sustaining investment approach founded on the ability to secure the benefits of local growth – our Enterprise Zone is a demonstration of this. Spatial investment decisions are influenced by a series of locational drivers: we need to understand what we need to do collectively to ensure that sites can become practical options, creating investment destinations responsive to market demand. We need to understand the role of our places and the relationships and connections between them to ensure that we take an informed, integrated approach to spatial planning across the city region.

What we are going to do:

We will develop a GM approach to meeting future housing and employment land requirements, based on:

- an understanding of existing and future requirements based on the type of growth forecast and market demand for both employment and housing land; and
- the development of spatial options to meet that demand based on viability, strategic fit, transport and other infrastructure implications.

ATTRACT AND RETAIN TALENT BY CREATING PLACES WHERE PEOPLE WANT TO LIVE, THROUGH THE STIMULATION OF THE HOUSING MARKET AND DELIVERY OF A HIGH QUALITY RESIDENTIAL OFFER



Greater Manchester has seen a dramatic decrease in new housing completions since the peak of the housing market in 2007, and new supply is running at around 3,000 per annum, rather than the 9,000 – 10,000 we need. A lack of available mortgage finance for households and a consequent difficulty in accessing development funding are the key barriers to overcome, problems common across the country. Each passing year of under-delivery adds to the pressure on the existing housing supply, making it more difficult for new and existing households to find and afford homes that fit their needs and aspirations.

In addition, the average annual household energy bill is approaching £1,300 and nearly a quarter of a million households are in fuel poverty. Transforming existing stock and using new housing development as a catalyst for low carbon infrastructure will be key to providing healthy, safe, warm and affordable homes.

The GMCA has therefore committed to a target of returning to delivery of 9,200 new homes per annum by 2015, and retrofitting 25,000 per annum, mindful too of the employment and economic gains to be secured from a restored house building and retrofit programme.

We will continue to drive new thinking and innovation to ensure that Greater Manchester offers existing and potential residents a place to live which meets or exceeds their expectations and which they can afford. In particular, we want to see Greater Manchester as a place where the working households who will drive our economy forward are able to find the homes and quality neighbourhoods they need at a price they can afford.

What we are going to do:

We will intervene to promote housing growth through three inter-related work programmes, overseen by our innovative Housing Investment Board, which brings together key decision makers from GM and the HCA. These work programmes are creating new development models; tackling financial barriers; and easing the development process in Greater Manchester. We are:

- testing new business models based on building new homes for market rent;
- working on products which offer alternatives to the traditional mortgage as routes to home ownership;
- ensuring our land supply continues to offer deliverable opportunities, including on public sector land; and
- seeking alternative sources of investment in new housing, including institutions such as pension funds.

We are also improving the quality of existing and new housing stock by promoting energy efficiency investment measures to eliminate fuel poverty and make our houses healthy, warm, affordable and fit for purpose in a low carbon economy. This will be complemented by initiatives such as the successful Energy Switch campaign.

MASTERPLAN AND DELIVER THE INVESTMENT NECESSARY IN THE EXISTING AND CRITICAL INFRASTRUCTURE REQUIRED TO SUPPORT GROWTH

It has long been recognised that infrastructure¹ drives competitiveness and economic growth by increasing productivity, reducing costs and extending the reach of business. However, infrastructure planning traditionally has been carried out on a site by site basis and the UK's financial, political and planning systems have no experience or expectation of a place based co-ordinated programme of capital investment in infrastructure.

Different parts of GM will experience different pressures according to their geography, history, population characteristics and within GM strategic economic priorities and infrastructure "pinch points" are frequently co-located. By building on the principles developed in relation to the GM Transport Fund and by planning strategically, recognising the interconnectivity and interdependency of different forms of infrastructure and targeting interventions, we will ensure that ongoing growth and priorities outlined in the GMS are delivered sustainably. This will enable GM to:

- Match scale and distribution of infrastructure investment in a more planned, coordinated and cost effective way for the long term benefit of Greater Manchester;
- Identify an agreed and shared set of infrastructure priorities, supported by all GM districts;
- Future proof investment to ensure that next generation energy requirements are met and that infrastructure provision remains fit for purpose over the coming decades; and
- Explore the use of funding mechanisms such as the UK Guarantees scheme, an Earnback model, the Community Infrastructure Levy and a joint venture with Green Investment Bank to address infrastructure barriers, supporting the delivery of major investment projects.

What we are going to do:

- Prepare an integrated infrastructure plan (by mapping the investment needed in current and new infrastructure against 'growth' locations) to support resilient low carbon growth;
- Develop new ways of funding infrastructure investment to support growth, including the UK Guarantees Scheme, an Earnback model and the Community Infrastructure Levy;
- Implement a place-based coordinated and prioritised programme of investment.

IMPROVE GREATER MANCHESTER'S CONNECTIVITY LOCALLY, NATIONALLY AND INTERNATIONALLY

Greater Manchester has consistently placed connectivity and transport investment at the heart of its economic strategy and we need to continue to focus investment on the city-region's strategic transport network to enhance local, national and international connectivity. This investment strengthens and widens GM's labour market which is critical to our future success.

Significant investment in our transport network, already in the pipeline, will deliver a transformational step-change in connectivity:

¹ Critical infrastructure includes utilities, digital, energy, water and green



- The initial £1.5 billion Greater Manchester Transport Fund (GMTF) investment programme, comprising a rigorously prioritised package that includes new Metrolink lines, transport interchanges, rapid bus system developments and key strategic highway schemes, is estimated to deliver an increase in GVA of £1.3 billion per annum by 2021, whilst also securing improved access from the most deprived communities in Greater Manchester and carbon benefits at a package level;
- The Earn Back model provides scope to extend GMTF spending power by up to a further £500 million by 2020, enabling the delivery of further key transport priorities that offer significant GVA potential, such as the Metrolink extension to Trafford Park (a key employment site) and funding for SEMMMS (the A6 to Manchester Airport relief road) which will deliver enhanced access to the Airport City Local Enterprise Zone;
- Securing greater local control over local major transport scheme funding will enable a more integrated approach to future transport infrastructure investment
- The Local Sustainable Transport Fund provides over £50 million investment in active travel, smarter choices and intelligent transport technologies, which aims to at least double the levels of commuter cycling in Greater Manchester and enable all commuters to make more sustainable choices in how they travel;
- The £560 million investment in the Northern Hub rail network expansion scheme, scheduled for delivery by 2019, is estimated to have an economic impact of £2.1 billion per annum across the wider economy of the north of England, with a significant proportion of this benefit being realised in Greater Manchester;
- The second phase of High Speed Rail 2 to Manchester and Leeds, which is expected for completion by 2033 and offers a further GVA boost of £1.2 billion per annum for the northern economy, with the Piccadilly and the Airport stations delivering significant growth and regeneration benefits for the wider area; and
- Manchester Airport, which provides direct employment for 19,000 people and has an estimated annual £1.7 billion impact on the UK economy, will continue to act as a major driver of future growth for the city region, both directly through the Airport City Enterprise Zone and through the development of new trade routes in support of Greater Manchester's target export markets.

The creation of the Combined Authority provides us with significant opportunity for further transformational impact through a more integrated approach to securing improvements in our strategic transport network. Key opportunities include:

- Securing greater management and direction of future Northern rail franchises, working alongside neighbouring city regions. Building on the Northern Hub investment, securing greater control over the development of rail services through the re-franchising process will ensure that rail service provision is clearly aligned to support the economic priorities of GM and the North of England;
- Innovative arrangements for highways coordination and collaboration, in partnership with all ten highway authorities and the Highways Agency, to maximise the efficiency of the Greater Manchester highway network;
- Ensuring that through devolved powers and funding we maximise transport efficiencies and respond to the wider public sector reform agenda across a range of capital and revenue activities;
- Establishment of future strategic freight interventions across road, rail and water, in support of strategic economic growth points such as Airport City, Trafford Park

- and Port Salford that optimally align the activities and investment priorities of the commercial and public sectors;
- Further integration of transport modes via Smart ticketing and real time travel information systems to ensure the full network benefits of the transport system can be realised;
 - Piloting new technologies and systems which reduce reliance on fossil fuels and enable the acceleration of electrification of rail, freight, public transport and private vehicles; and
 - The delivery of comprehensive cycle strategy including infrastructure and support measures that will ensure that cycling is a real option for commuters within our future low carbon economy.

What we are going to do:

- Continue to deliver the significant funded and planned investment in GM's strategic transport network to link people and neighbourhoods with jobs, and businesses to their supply chains and local, national and international markets;
- Capitalise on the opportunities provided by our unique governance structures and partnership arrangements to secure enhanced connectivity across GM and nationally, and internationally;
- Invest in strategic hubs and networks for passengers and freight;
- Initiate a pilot electric vehicle charging infrastructure programme;
- Develop new smart technologies to provide payment and information systems that will better enable commuters to take ever-smarter choices across their travel options in the interests of network efficiency and environmental sustainability; and
- Deliver a step-change in smarter travel choices and active travel.

LEVERAGE GREATER MANCHESTER'S SCIENCE AND TECHNOLOGY ASSETS

The world is changing rapidly. The growth of emerging economies such as China and India and global trends such as urbanisation, an ageing population climate change and scarcity of natural resources are happening at an unprecedented pace and scale. Productivity will be driven by the next generation of advanced products that respond to changing global demand. The winners will be those who can create and produce the multi-purpose technology that makes those products possible.

Manchester's leading experience in urbanisation, agglomeration, and technological evolution puts it in a strong position to anticipate that growing demand and to adapt itself to supply into it. Science and technology, research and development are at the heart of Manchester's plans for growth. Our assets include:

- significant expertise in the key enabling technologies² that will deliver transformational economic growth and jobs. These technologies can be exploited to produce the next generation of industrial products across sectors, be they electric cars, smart energy networks, mobile phones or medical devices.
- significant translational capacity, including the people, organisations and networks surrounding the research excellence which allow idea to be taken 'from lab to market';

² For example, nano-technology, micro and nano-electronics, advanced materials, biotechnology.

- world-leading specialisms in healthcare innovation, advanced materials and elite sports. The Nobel-prize winning discovery and commercial exploitation of graphene, the strongest, lightest substance known to man, is the clearest manifestation of our expertise in advanced materials, at the moment through the development of a £61 million Graphene Hub;
- one of the world's largest clusters of health research, practice and commercial development, along a corridor area that is home to Manchester's Universities, hospitals, science park and innovation centres. Manchester's scale and access to demand information via the NHS gives us one of the world's largest test-bed for research. Products developed in Manchester via these routes, such as Christie's Proton Beam Therapy service³ indicate the scale of the future economic potential.

Our growth strategy will focus on how our public, private and academic institutions can act collectively to translate our science and technology assets into additional economic output for Manchester and the UK through growing existing businesses and creating and sustaining new ones.

What we are going to do:

- Develop an evidenced understanding of the science and technology assets required by a changing global market;
- Focus on our core research strengths to meet the needs of that market and maximise economic impact;
- Bring public, private and academic institutions together to commercialise research and development at pace and scale

STRENGTHEN THE GLOBAL DISTINCTIVENESS AND WORLD RANKING OF MANCHESTER AS A PLACE TO INVEST, LIVE AND VISIT

A distinctive sense of place is a critical factor in the ability of a destination to attract talent, investment and visitors. The visitor economy alone is worth over £5.8bn a year to Manchester, and in the last year more than 3,000 jobs were created as a result of inward investment.

Each part of Greater Manchester has unique selling points, illustrated by the recent review of our town centres, and we must do more to promote our places, emphasising the diverse and distinctive offer available and addressing negative perceptions where they still remain.

Investment in our cultural offer is a key driver of innovation and growth. Focusing on both the creation and promotion of genuinely distinctive elements of Manchester's offer which are, or have the potential to be, globally significant will serve to raise the profile of Manchester within priority national and international markets. We have a strong story to tell, in our social justice and industrial heritage, world class institutions and our established, internationally recognised brands. It is not only our past that has relevance, with recent developments such as the Manchester International Festival making a

³ Value of £150m, estimated GVA £10.7m after 5 years (100 employees) plus additional GVA of £2.4m.



significant global impact and the discovery of Graphene showcasing our strengths in innovation.

Perceptions of our city-region have been improving over recent years, but there is still more to be done. In 2011 Manchester was ranked 29th in the Anholt City Brands index, assessed against 50 international cities. This saw us move ahead of Dubai and Dublin, pull an extra three places clear of Edinburgh, and close the gap on Brussels and Chicago.

Visitor numbers have been increasing, with provisional figures for 2011 showing an increase in domestic visitors of 22% to 2.6million, and an increase in international visitors of 15% to 936,000. Growth in leisure visitors has been particularly strong, demonstrating the strength of the events programme and the wider visitor offer, as well as the impact of co-ordinated, multi-channel marketing activity, led by our own Marketing Manchester team. This, in turn, offers significant potential to grow our hospitality offer.

Manchester's profile as a business destination is also rising with the city named as the most competitive business location in Europe by KPMG in 2012. In the last financial year just over half of successful projects and 70% of jobs safeguarded, created or relocated were a result of foreign direct investment.

What we are going to do:

- Led by and drawing on the expertise of Marketing Manchester, we will create a distinctive sense of place through the quality of our business, cultural and lifestyle offer;
- We will focus on our strengths and create targeted, high impact multi-channel marketing campaigns that showcase Manchester as a destination to live, visit, study and invest;
- We will attract international conferences and deliver high quality mass spectator and mass participation events;
- We will improve the skills of the hospitality and tourism sector's workforce to support the development of our world class visitor economy;
- We will create an ambassador network that reflects the ability of Manchester to grow, attract and retain talent, and equip them with the tools necessary to promote the city region.

BUSINESS

GROW THE BUSINESS BASE BY PROVIDING INTEGRATED AND EFFECTIVE SUPPORT THROUGH THE BUSINESS-LED GROWTH HUB

We will engage with businesses more proactively and effectively through our business-led Growth Hub, embedding them in GM by ensuring that available resources are targeted on effective support for inward and indigenous investing firms, on attracting more entrepreneurs, start ups, capital and talent and on accelerating the growth of those of GM's 90,000 businesses with the greatest potential to expand. With proper incentives, firms that are already successful could become even more so.

Best-in-class pro-active support will connect Greater Manchester's businesses through value chains. Working with partners such as the GM Chamber of Commerce the Growth Hub will target activity on the growth of companies such as EnerG, ANS Group, AB World Foods and Seddon Group, who have grown to take positions of national and international leadership. And it will provide integrated and tailored packages of support to help SMEs to flourish and prosper. This requires a private sector-led joining up of the various skills, business support, trade and investment services available to Greater Manchester's firms and a common focus on an agreed and evidenced plan for support, bespoke to Greater Manchester and driven by the global market opportunities that offer the greatest trade, investment and other prospects and which respond to Greater Manchester's particular strengths, building on our domestic and international assets.

What we are going to do:

- Through the Growth Hub we will make it simpler for businesses to access the support they need, by creating a differentiated business environment in GM, driven by the needs of local, national and international employers;
- We will employ a cohesive, structured and evidenced approach to attracting and growing businesses with the greatest growth potential;
- We will extend and deepen the international trade, investment and connectivity of GM's businesses, building on existing links and assets;
- We will create pathways between our education systems and the workplace, supporting the development of long-term relationships between schools and GM business to grow the ambitious workforce employers require as our economy grows.

IMPROVE THE INTERNATIONAL COMPETITIVENESS OF GREATER MANCHESTER'S FIRMS

With an economy worth £48 billion, a population of 2.6 million people, and over 90,000 successful businesses, Greater Manchester (GM) already competes on a global scale. It also has a strong track record in securing FDI, with its share of the UK market rising strongly from 3.4% in 2005/06 to 5.9% in 2009/10, well above the regional average and GM's relative contribution to the UK economy (of 4%). In an increasingly global economy, it is vital that more firms in GM establish international trading and investment and that GM secures more inward investment. However, evidence, including from the



Manchester Independent Economic Review (MIER) and the recently completed GM business survey of 2,500 companies, suggests that GM firms are less international than expected for a conurbation of its size, and there is significant scope to increase connectivity and further open GM's economy to foreign trade and investment opportunities.

We need to do more to exploit our potential. GM needs more businesses to sell their goods and services overseas, more investment from overseas, and closer collaborative research links with other innovative economies.

GM must make improved use of its international assets, including Manchester Airport, its international brands, and the trading and investment of GM-based large firms. Key sectors where GM has a comparative advantage and which need to be exploited and accelerated include Health & Life Sciences, Financial & Professional Services, Creative & Digital, Education, Sport, Culture & Heritage and Advanced Manufacturing, including Low Carbon Technologies.

The Greater Manchester Internationalisation Strategy has identified six priority markets on which to focus, based on an assessment of the size of their economies and future growth prospects; the extent of their sectoral strengths; the ease of doing business in them; and whether they have any existing ties with GM, including existing commercial links, population links, and penetration and recognition of Brand Manchester. Those priority markets are the USA, Europe, China, India, the United Arab Emirates and Brazil.

There is already significant public investment in this agenda. However, there is a lack of alignment, with interventions by both local and national agencies and with many different markets and sectors being invested in. More integration and focus is needed on how public funding, both local and national, is invested, and GM needs to work more closely with key partners, such as the GM Chamber of Commerce, to develop a deeper and more coordinated approach.

What we are going to do:

- We will maintain at least the level of international activity with the main current markets of Europe and the USA, given the size of those markets and the strong relationships that already exist;
- We will develop robust and tailored arrangements to radically increase international activity with the growth markets of China, India, Brazil and UAE;
- We will explore new partnerships, building on our asset base, to coordinate our approach to investment, enabling us to penetrate these markets.

SEIZE THE ECONOMIC GROWTH POTENTIAL OF THE GLOBAL DRIVE TOWARDS A LOW CARBON ECONOMY AND INCREASED RESOURCE EFFICIENCY

Greater Manchester has long recognised the importance of securing a rapid transition to a low carbon economy. We know that cities that move swiftly to change their culture and develop the technologies necessary to reduce carbon emissions and adapt to a changing climate will be more competitive, less vulnerable and better prepared to seize the benefits of transition to a low carbon economy. The Stern and then Greater Manchester's Mini-Stern reports identified that early action in supporting our businesses

to change use patterns and develop and adopt new technologies was the most cost effective way to reduce risks and increase skills, jobs and growth.

Nationally, Government statistics show the UK green economy grew by 4.7% to £122bn employing 950,000 people, with the 6th largest green economy in the world, 1st when it comes to green financing. This is a high GVA sector with strong exports to emerging markets with a positive balance of trade with strong growth forecasts. Existing low carbon sector businesses need support to increase their export potential and appropriate businesses in other sectors need support to diversify into the low carbon market through innovation to the design of their existing products and services.

Our businesses stand to make significant savings by adopting new models of resource efficiency, with rising energy costs identified as a significant productivity pressure, and with key sectors such as technology and manufacturing bearing the brunt. Applying these models will not only help our businesses to improve productivity, but will help to build a local market for low carbon goods and services, creating a stable platform from which companies can diversify into and or grow from. We have identified a pipeline of game-changing low carbon projects, and through our Joint Venture with Green Investment Bank we will increase our capacity to support the public and private sectors in bringing these forward, creating local market demand for low carbon energy and digital infrastructure.

Cities function as systems, involving a complex interaction between individuals, markets infrastructure networks and public services. The success of the whole is dependent of the performance of the weakest link in the chain. Successful cities of the twenty first century will be those that are able to increase standards of living while reducing the consumption of non-renewable resources and minimising waste. Despite the decision to locate the Future Cities Demonstrator project outside of Manchester, we are committed to exploring other ways to pioneer a truly smart systems-based approach to low carbon city management.

We also know that existing rates of climate change require significant changes to our buildings and infrastructure, and are causing changes in our natural environment and to the global and local price of food and other resources. Even if the significant carbon reductions needed to avoid catastrophic climate change are implemented, significant increases in extreme weather events will occur. We need to improve our resilience to such events, protecting our vulnerable communities and economic assets from these changes and planning for a future in which the availability and price of resources is substantially more volatile and challenging.

What we are going to do:

- We will develop GM as a 'low carbon hub' to seize the opportunities of a low carbon transition and catalyse delivery of our target to reduce our carbon emissions by 48% by 2020 from 1990 levels;
- We will build on our existing unique partnerships with Government, the private sector and the Green Investment Bank to position GM as a pioneer low carbon city region by applying new technologies and innovative solutions and improving the integration of our systems;
- We will implement a focussed approach to significantly improve the energy performance of existing and new building stock;



- Through our Joint Venture with Green Investment Bank we will create and support the delivery of a pipeline of investable low carbon projects and programmes with business partners and investors to create local market demand and develop resilient low carbon energy and digital infrastructure, including energy generation, smart systems and heat and cooling networks;
- We will build on the award winning ENWORKS programme, to help businesses to deliver energy and resource efficiency opportunities within their companies and supply chains;
- We will change how we buy and use energy, beginning with a GM wide energy switching scheme;
- We will implement leading edge engagement activity with people across Greater Manchester to help them gain the carbon literacy they need to adopt more sustainable patterns of consumption and lifestyle;
- We will support growth in GM's low carbon goods and services sector through supporting diversification of existing businesses into the market, linking demand for low carbon goods and services with local suppliers and helping existing low carbon sector businesses to access national and international markets;
- We will review and implement the findings of University of Manchester's leading edge 'Ecocities' work on climate adaptation to ensure that the city region is resilient to the changes in our climate that we know are now unavoidable;
- We will invest in our green and blue infrastructure to help us to achieve our carbon reduction targets and protect our urban environment from the impacts of a rapidly changing climate;
- We will, in collaboration with local colleges, develop skilled workforces who are better equipped to access global and low carbon employment markets, and provide leading edge skills training to deliver our own low carbon transformation; and
- We will integrate information from cross-sectoral and cloud sources to enable analysis that will help to create an open access data marketplace from which innovative end-customer and business applications can be developed and marketed.

REFORM

WORKLESSNESS AND SKILLS

GM is the largest UK economy outside London. However, many people and places across GM are excluded from the opportunities that this presents. 15.3% of GM residents have no qualifications, leaving them ill-equipped to participate in the modern economy. There are also over 300,000 families claiming tax credits in GM, of which 230,000 are in work, at a cost of £1.5bn each year. GM also has a comparatively low skilled workforce which accounts for three-quarters of the difference in productivity between GM and the UK average.

We are currently spending far too much on the costs of failure, with costs moved around the system – just as individuals are referred between organisations without tackling the root of problems – but overall spending does not reduce. Our best estimates suggest total public spending in GM (around £21bn) has stayed the same between 2009 and 2012. Decreases in spending by local authorities, the police and others have been offset by increases in the costs of welfare benefits and, to a lesser extent, acute care.

We must put in place the right kind of support to help our residents access the opportunities presented by the growth of the city-region, to participate in training and employment, and fulfil their potential. This includes working with some of most hard-to-reach residents, for whom participating in employment and training is not the norm. Encouraging greater self-reliance in these residents through supporting them back to work and by increasing skills levels is a theme that runs throughout our public service reform programme. But it will not be sufficient to enable our residents to obtain the basic skills required to enter the labour market, or we will simply flood that market at a time of recession and risk depressing average wages. We must support people in their progression within the market to access better quality, more highly skilled, employment opportunities.

An intelligence-driven approach to skills provision is required, with a needs-based analysis underpinning that offer, ensuring that GM's skills profile meets the broad requirements of employers. By putting employers at the heart of the skills system, we will ensure more employers are able to secure the training they need, secure greater employer leadership of, and investment in, skills and enable more local people to gain the skills they need to access employment.

Growing and adapting the labour market through early, joined up interventions to promote work readiness for the jobs being created will ensure that GM residents are able to contribute to and benefit from sustained prosperity, and have a positive impact on employment levels, average wages and total wage income, boosting the tax income generated in GM workplaces and by GM residents.

DELIVER AN EMPLOYER-LED SKILLS SYSTEM



Employers have a critical role to play in maximising the impact of investment in the skills system on growth by ensuring that the training and support offered to our residents meets the demands of a changing economy. However, the opportunities available to employers to shape skills provision are currently limited. Through the Greater Manchester Skills and Employment Partnership we will bring employers together with providers and government agencies to narrow the divergence between what employers want and what the skills system is able to deliver.

We will work extensively with employers, and partners such as the Business Growth Hub and the GM Chamber of Commerce, to better understand the skills requirements that will emerge over the next decade, while also expanding the employer role in the design and delivery of skills programmes, with an initial focus on higher level skills, including leadership and management and the skills required by our key growth sectors of financial and professional services, health and social care, education, creative and digital industries, and advanced manufacturing. We will ensure that residents are supported to take advantage of the opportunities arising in these key growth sectors, as well as opportunities in sectors such as retail, logistics and hospitality and tourism that are large employers of local labour.

Our ambition is to put Greater Manchester in a position where the skills of its population and the quality of its skills infrastructure forms a key competitive edge for the city region – developing and maximising the potential of our residents, attracting talent, stimulating investment and maximising growth.

What we are going to do:

Working collaboratively with employers, employers organisations and providers at all levels, we will

- radically improve the involvement of employers in the design and delivery of skills programmes;
- work with employers to better understand emerging skills requirements over the next 5-10 years;
- work with employers to address gaps in leadership and management skills so that all businesses are able to reach their growth potential;
- work with skills providers to ensure that they understand and are able to respond to employer needs via new programmes and collaborations;
- stimulate employers' own investment in skills alongside that which is publicly funded over the long term, including through the creation of new Apprenticeships; and
- work with the relevant agencies to ensure that public funding is best targeted at provision which supports the skills our economy needs.

BROADEN THE OPPORTUNITIES AVAILABLE TO YOUNG PEOPLE TO REDUCE YOUTH UNEMPLOYMENT

Youth unemployment remains the most important labour market challenge facing Greater Manchester. Even during period of sustained growth, high levels of youth unemployment have dogged the GM economy, leaving lasting scarring effects on the employment prospects of too many of our young people.

Addressing youth unemployment requires coordinated action across a wide range of organisations, led by the Skills and Employment Partnership, to broaden the opportunities available to young people and ensure that they can compete more effectively in a labour market that will remain difficult for the foreseeable future.

What we are going to do:

We will ensure that all young people in Greater Manchester will:

- have better access to high quality information, advice and guidance to develop sound employment aspirations and make informed education and training choices, including Apprenticeships;
- leave education or training with the basic 'employability skills' that employers seek;
- participate in learning until at least age 18 and achieve a level 2 in English and Maths by age 19; and
- have access to an increased number of employment opportunities by working more effectively to stimulate jobs, apprenticeships and work experience openings.

IMPLEMENT AN INTEGRATED AND FLEXIBLE APPROACH TO THE PROVISION OF EMPLOYMENT AND SKILLS SUPPORT TO ENABLE JOBLESS RESIDENTS TO ENTER WORK AND PROGRESS

For Greater Manchester to reach its economic potential more unemployed residents need to enter jobs and progress into higher skilled (and higher paid) roles. Similarly, rates of economic inactivity amongst the working age population need to decline via improved participation in the labour market by those on 'inactive' benefits.

Interventions to support more working age residents into work takes place in the context of the reductions in national welfare budgets that may reach £27 billion, along with the introduction of Universal Credit. Together these herald the most significant shake-up of the welfare since the Second World War.

Set against a backdrop of continued weak employer demand for labour, the task of securing the best labour market outcomes for GM residents will require a flexible approach to the funding and delivery of employment and skills support. Services will need to be integrated wherever possible to maximise the impact of finite resources on a very large cohort of residents, many with complex barriers to employment.

What we are going to do:

To support more GM residents into good quality, sustained work, we will:

- build better structured skills interventions to reduce the number who cycle between short-term jobs and unemployment - 'low pay, no pay';
- scale up our Fit For Work Service to reduce the number of residents who move from employment into health related benefits, such as ESA;
- develop the Work Programme's minimum service offer to ensure individuals with health barriers are appropriately supported towards work;
- work with providers and Government to better align funding and incentives available to providers to secure more sustained jobs for GM residents;

- ensure that investment in our strategic transport network links people to jobs, and that we work with transport providers to improve access to key employment sites;
- seek to co-design the successor to the Work Programme with DWP; and
- support employers to recruit from priority groups via high quality pre-employment and post-employment support.

DRAFT

ENCOURAGING SELF-RELIANCE AND REDUCING DEMAND FOR PUBLIC SERVICES

Evidence from Greater Manchester's Whole Place Community Budgets pilot suggests that a significant proportion of public spending is spent on reactive and unplanned interventions, rather than targeted, planned and preventative interventions. For example, 273,000 people in GM are on out of work benefits, 40% of children are not school ready even towards the end of reception class, 26% of all people on out of work benefits are offenders, 46% of all homeless people have been in custody and up to 30% of hospital in patient activity could be better managed out of hospital.

The financial challenges we face make the current investment in "failure" unsustainable. Put simply, there will be insufficient public funding to meet the projected costs of demand for services. So we must reform the way that public services are delivered to promote self-sufficiency and reduce dependency on those services. Whilst the small scale working examples of integrated multi-agency interventions developed through the Community Budgets pilot are effective in their own right, system and structural change at scale is much harder to effect. There are significant time-lags in achieving the benefits of early, joined up interventions, and a lack of clarity regarding which agency stands to benefit in fiscal terms from effective, upstream interventions. Stronger incentives are required to encourage partners to jointly invest in and jointly commission public services that increase the self-reliance of our people and support growth. The benefits of success will not just be fiscal but will have wider economic and social benefits.

The detailed business cases co-designed with a team from Whitehall through our Whole Place Community Budget Pilot have demonstrated the rationale for investing in new models of delivery and the returns that can be made to reinvest and to reduce overall costs. The themes of our Pilot were complex families, early years, transforming justice and health and social care. The need to support people back to work and to increase skills levels ran through each of the business cases.

The approach has significant potential, if it can be delivered at scale, to accelerate the delivery of the Government's programme of radical public service reform while also transforming people's lives. Rather than new money this requires a new way of thinking about the relationship between central government and places. We now want to work up proposals for a new 'place based' funding settlement that would reduce the costs of key public services in Greater Manchester against a shared 'place based' performance management framework, overseen by a Governance structure that ensures Ministers retain appropriate responsibility and accountability.

Greater Manchester will invest its own resources in supporting reform and commits to improve outcomes. In return we would be seeking the same certainty and funding stability over a Spending Review period as Whitehall departments. In addition any additional savings during the funding period would be retained locally.

This will provide a strong set of incentives for local and national agencies to allow savings to be made that also improve outcomes, for instance increasing the number of people in work, reducing crime and antisocial behaviour and increasing the proportion of children arriving at school ready to learn. It would do this in an integrated and sustained

way that stopped money being shunted around the system. We know that £21bn was spent in Greater Manchester in 2009 and a very similar amount in 2012 – despite the cuts, total spending is not reducing. Savings made from cuts to local government and other local partners have been offset by increased spend on welfare, and to a lesser extent, acute health. A place-based settlement provides the opportunity to stop this happening.

We also know that initiatives such as the Work Programme could be substantially improved with greater integration with other services. Our work so far suggests a reduction of public spending of around £2bn a year across GM could be achievable as a result of a 3-5 year programme of reform.

What we are going to do:

We are proposing a further period of co-design with Whitehall to enable us to establish a 'shadow' place settlement from April 2013 with the potential for a full settlement a year later or to coincide with the next spending review, based on the following principles:

- Taking a GM-wide approach which clearly adds value to reform at district level, particularly to those issues identified in our Community Budget proposals to reduce current and future demand on public services: early years, complex families and transforming justice;
- Reform of the health and social care system based on significantly improving outcomes from acute services, and delivering a substantial reduction in unplanned admissions to hospital and other care institutions.
- Deployment of common tools and techniques to support cross public service leadership at scale, including cost benefit analysis, investment agreements and data sharing.

HEALTH AND SOCIAL CARE

The health and social care system in GM comprises nearly one-third of public service spend in GM. There have been significant improvements in services in recent years but too many people are still in receipt of relatively fragmented services and not receiving best in class outcomes, demand is increasing in part as a consequence of medical advance and the aging population, and the system increasingly appears financially unsustainable. GM requires a clinically led reconfiguration of acute services that delivers better outcomes, and a whole system leadership commitment to the reduction in unplanned admissions to hospitals and other care institutions. These twin objectives are interdependent and require exceptional cross sector leadership.

The GM system is complex – most interventions need to be planned at the level of local health and wellbeing partners and with new partners such as CCGs. Work is already underway to develop new financing and contracting models that secure a shared stake by local partners in improving system wide outcomes for patients and users. The 10 locally derived models are however informed by, and supported by, GM wide work as a consequence of cross boundary activity flows, pan GM providers and interventions

We are proposing a coordinated GM programme of work, alongside the multi-sectoral GM Health and Wellbeing board, co-designed with government, reflecting the twin objectives of improved acute service outcomes and reduced unplanned admissions.

What we are going to do:

- Support the development of new finance and contracting models for local partnerships, including investment agreement and data sharing protocols, to support the flow of money around the local system to reduce unplanned admissions;
- Recognise the centrality of programmes designed to deliver better quality outcomes from acute services;
- Create joint outcomes frameworks to drive a focus on system wide, rather uni-sectoral improvement;
- Develop a consistent public engagement strategy with a focus on the promotion of independence;
- Ensure excellent and consistent implementation of interventions best designed and implemented at a GM level;
- Develop a broader population health strategy for GM focused on stemming onflow of demand for services;
- Work with GM CCGs and the GM local area Team of the NHS Commissioning Board to improve the capacity, capability, consistency and reliability of primary care services in the conurbation.

EARLY YEARS

40% of children in GM were not 'school ready' when they were assessed towards the end of reception class in 2012. They may well start their school journey on a negative trajectory, with poor social, communication, emotional and behavioural skills meaning they are likely to fall behind from the outset. Without the right support, by the time they are teenagers, these children are more likely to engage in anti-social behaviour, and leave school with poor qualifications, contributing to GM's low levels of economic activity and weak skills base.

The crucial period for child development is between late pregnancy and age 3, by which time a child's brain is 80% functioning. Current early years services are fragmented, fail to see the whole picture of a child's development, and often only identify problems once they become observable and serious (and therefore harder and more costly to address).

What we are going to do:

From 2015 across GM (and with piloting in districts before then) our new delivery model will support all parents to give their child the best possible start in life, laying the foundations for life-long success through:

- improved universal services with better advice for parents;
- a 'whole child' and 'whole family' approach that recognises the wide variety of factors that impact on a child's development;
- early identification of risks by means of integrated assessments;
- a suite of evidence-based targeted interventions for all families who need them;
- a GM-wide approach to improve the quality, accessibility and affordability of childcare;
- at every stage, encouraging and helping workless parents to access education and training so they move towards work as the most sustainable route out of poverty, linking with the ethos of Universal Credit.

COMPLEX FAMILIES

There are estimated to be around 8,000 complex families in Greater Manchester (using Government's definition). Despite significant efforts across numerous agencies, programmes, professionals and initiatives, complex families in GM continue to act as a significant cost to the state and a drag to economic performance in GM. Business as usual is not sustainable to address the high and persistent costs of these complex families. Partners have developed GM locally relevant New Delivery Models for Complex Families within a coordinated GM Framework. The costs, benefits and impact of the New Delivery Models are being tracked, and current estimates suggest that for a cost of intervention' of £138m across the total cohort, benefits of £224m can be realised; of which we estimate that £110m represents potential cashable savings.

What we are going to do:

- All districts will deploy Complex Families programmes in line with the principles of new GM delivery model, supporting a cohort of over 8000 families;
- All districts will monitor impact and collect evidence in line with the GM framework, to ensure the efficacy of local delivery models can be compared and effective approaches can be scaled up where possible;
- All districts will work together to design out differences in data capture and management, working towards common processes without incurring significant additional costs; and
- All districts will work together to collectively commission interventions and workforce development and training where this adds value to local approaches.

TRANSFORMING JUSTICE

Crime has fallen in GM over the last decade, but is still above the national average with 82.5 offences per 1000 population compared to 73.4 nationally. Offending has a significant impact on employment, homelessness, parenting and early years, with a quarter of young men in custody being fathers, and health, with over half of offenders having mental health and drug and alcohol problems. Our business plan sets the path towards significantly reducing offending and reoffending rates through managing down demand across key points of the criminal justice system – the point of arrest, sentence, release, and prevention before people offend.

What we are going to do:

We will develop investment agreements that build on the MOJ Payment by Results rewards for GM and implement a series of propositions:

- Police custody triage – all districts rolling out a best practice model of youth triage and women's triage, in which offenders are rapidly and effectively assessed and referred into support services that prevent future offending;
- Intensive community orders – significant scaling up current provision from 150 young people in Manchester and Salford per year, to 650 young people and 40 women across GM per year;



- Resettlement support – extend provision to the key establishments holding around 1000 15-21 year olds and women offenders from across GM even where those establishment are physically located outside GM;
- Roll out Neighbourhood Justice Panels and restorative justice across GM.

DRAFT

GOVERNANCE AND IMPLEMENTATION

GOVERNANCE

We have made significant progress in strengthening our governance arrangements since the Greater Manchester Strategy was produced in 2009. Along with the Local Enterprise Partnership, the GM Combined Authority provides a statutory basis for collaboration across Greater Manchester and for implementation of the Greater Manchester Strategy. Our City Deal has enabled us to introduce a unique form of city regional governance that enables us to take decisions on key issues of a strategic nature and places us in a strong position to make devolved funding decisions.

We are committed to building on the strong arrangements already in place. We will strengthen governance at the Greater Manchester level by:

- incorporating AGMA within the Combined Authority to widen the scope of decisions taken on a statutory basis;
- making significant changes to the way that strategic issues are managed at a Greater Manchester level, through the establishment of the GM Health and Wellbeing Board, the election of the Police and Crime Commissioner and the establishment of the Police and Crime Panel, the Low Carbon Hub and the Public Service Reform Commission;
- the establishment of Leader Portfolios to provide ownership of the development and delivery of Implementation Plans.

We are embedding the governance arrangements in place in respect of the devolved responsibilities that we have already agreed with Government in relation to the economic development of the city region, aligning and streamlining the governance structures in place in relation to the Manchester “Family” of organisations, including Manchester Solutions, New Economy, MIDAS and Marketing Manchester.

And we are looking to broaden the range of devolved accountabilities, including the negotiation of a Place Based Settlement with Government, to secure greater influence over delivery of public services to enable radical long-term reform, providing the flexibility to manage and move resources across organisational and policy boundaries at the local level to achieve the best possible outcomes for our people.

IMPLEMENTATION

Implementation of the strategy will be based on the principle of “10+1”: the strategy focuses on those key strategic city-region issues which, when addressed collectively, add value to work underway in individual local authorities and by partners at district level. It deliberately does not set out everything that Greater Manchester will do in the coming years. It articulates a clear vision, identifies key long term goals and sets out a challenging series of strategic priorities to deliver these.

Portfolio leads will own and lead the development of implementation plans for those priorities within the strategy that fall within their remit, ensuring that the plans are clear, focused and integrated, that wider stakeholders are engaged in the delivery of actions

and interventions and holding officers to account for performance. Portfolio leads are set out below, although it should be emphasised that the nature of the GMS means that priorities are cross cutting, and leads will be responsible for ensuring that stakeholders reflecting the full range of interests are engaged.

STRATEGIC PRIORITY	PORTFOLIO	LEAD
GROWTH		
Creating the Conditions for Growth		
Diversify our economic base in response to the changing market	Economic Strategy, City Deal & Low Carbon Hub	Sir Richard Leese, Manchester CC
Develop a market facing investment strategy	Investment Strategy & Finance	Cllr. Kieran Quinn, Tameside MBC
Create a blue-print for our town centres, applying creative approaches to redevelopment of the offer	Planning & Housing	Cllr. Sue Derbyshire, Stockport MBC
Review land supply to support growth in those locations most attractive to the market		
Attract and retain talent by creating places where people want to live through stimulation of the housing market and delivery of a high quality residential offer		
Masterplan and deliver the investment necessary in the existing and critical infrastructure required to support growth		
Improve Greater Manchester's connectivity locally, nationally and internationally	Transport	Cllr. Matt Colledge, Trafford MBC
Leverage Greater Manchester's science and technology assets	Economic Strategy, City Deal & Low Carbon Hub	Sir Richard Leese, Manchester CC
Strengthen the global distinctiveness and world ranking of Manchester as a place to invest, live and visit	Marketing, Communications & Tourism	Cllr. Mike Connelly, Bury MBC
Supporting Business		
Grow the business base by providing integrated and effective support through the business-led growth hub	Business Support	Cllr. Ian Stewart, Salford CC
Improve the international competitiveness of Greater Manchester's firms	Economic Strategy, City Deal & Low Carbon Hub	Sir Richard Leese, Manchester CC
Seize the economic growth potential of the global drive towards a low carbon economy and increased resource efficiency		
REFORM		
Worklessness and Skills		
Deliver an employer-led skills system	Skills & Employment	Cllr. Jim McMahon, Oldham MBC
Broaden the opportunities available to young people to reduce youth unemployment		
Implement an integrated and flexible approach to the provision of employment		
Encouraging Self-Reliance and Reducing Demand for Public Services		
Co-design with Whitehall a 'shadow' place settlement from April 2013 with the potential for a full settlement a year later or to coincide with the next spending review, based on the following principles:	Public Service Reform & Community Budgets / Health & Social Care / Policing & Crime	Lord Peter Smith, Wigan MBC / Cllr. Cliff Morris, Bolton MBC / Cllr. Colin Lambert, Rochdale MBC
• Taking a GM-wide approach which clearly adds value to reform at district level, particularly to those issues identified in our Community Budget proposals to reduce current and future dependency: early years, troubled families and		
• Reform of the health and social care system based on significantly improving outcomes from specialist acute services, and delivering a substantial reduction in unplanned admissions to hospital and other care institutions; and		
• Deployment of common tools and techniques to support cross public service leadership at scale, including cost benefit analysis, investment agreements and data sharing.		

As implementation plans are developed the actions and interventions currently underway to support delivery of our objectives will be reviewed, informing the commissioning and de-commissioning of services in light of that review. Implementation Plans will set out a clear work programme that will align the efforts of each and every provider of public services. They will clearly set out the actions and interventions required at local, city region and national level, with clear lines of accountability to the appropriate GM body.

Because many of the strategic priorities will require action by third parties (for example national government, colleges, the NHS organisations, universities as well as key private sector partners) the Implementation Plans will be jointly developed, owned and monitored.

PERFORMANCE MANAGEMENT

Knowing whether we are on track to meet our aspirations is crucial to delivering the GMS. To enable us to monitor our impact we have developed a suite of headline indicators and have set a series of challenging and ambitious targets through which we will analyse and manage our progress.

These headline indicators will be supported by a series of operational milestones and output targets, developed through the implementation planning process. These more detailed measures will ensure that all partners are working together in a coherent, efficient and focused way to prioritise resources in the delivery of our objectives and strategic priorities.

DRAFT

<i>We know we will have succeeded because by 2020 Greater Manchester will have:</i>	<i>By 2020:</i>
PRIMARY MEASURES	
Number of full-time equivalent jobs	
Increased our share of total UK full time equivalent (FTE) jobs so that 4.3% are located within the conurbation; an aspiration that will see an additional 44,000 FTE jobs created.	GM will account for 4.3% of UK FTE jobs
Gross Value Added	
Increased our growth rate to match that of the South East of England (excluding London), exceeding the national average and delivering £3.7bn of additional economic output over and above existing projected growth rates	GM's GVA growth rate will match that of the South East of England (excluding London)
Out of work benefit claimants	
Reduced the number of people reliant on out-of-work benefits by 12%; narrowing the gap to the UK average by 1 percentage point	GM's gap with the national average for the proportion of the working age population claiming key out of work benefits will have reduced by 1 percentage point
SECONDARY MEASURES	
Business start-up and survival	
Accelerated our business start up rate by more than 29% to overtake the national average; delivering approximately 72 business births per 10,000 people, whilst also improving our rates of business survival at 1, 2 and 5 years to match the national average	GM has a higher rate of business births than the national average and business survival rates at 1,2 and 5 years match the national average
Qualification achievement	
Close the gap completely with the UK average on the percentage of our population educated to degree level or equivalent and the proportion qualified to at least Level 2	% of working age population in GM with higher than a NVQ level 4 or equivalent matches the national average. % of working age population in GM with higher than a NVQ level 2 or equivalent matches the national average.
Median salary levels	
Seen the average salary increase by more than £6,000 closing the gap in pay with the national average from 8% to 5%.	GM median salary is 5% of less lower than the national median salary
Early years foundation stage profile	
Increased the number of children achieving a good level of development as measured by the Early Years Foundation Stage Profile assessment by 18%, exceeding the national average by 10%.	GM's EYFSP performance is 10% better than the national average
All age all cause mortality	
Seen all age all cause mortality rates decrease by 18% for men and women, double the trend rate	Male AAACM is 584 Female AAACM is 427
Crime levels	
Reduced crime and reoffending in order to close the crime-rate gap with the average of the most similar metropolitan forces from the current base of 2% above average (this represents achieving a total crime rate of 774 per 10,000 population down from 789 per 10,000 population in 2011/12)	GM has closed the crime-rate gap with the average of the most similar metropolitan forces from the current base of 2% above average
Transport	
Seen an increase in non-car journeys to work across Greater Manchester such that 35% of all peak-time journeys are made by modes other than the private car	35% of all peak-time journeys will be made by modes other than the private car
Net new houses built and houses retrofitted	
Built 61,000 net new homes, tripling the existing levels of new-build development, and retrofitted a further 150,000 homes at a rate of 25,000 a year from 2015	61,000 homes built between 2013 and 2020. 150,000 homes retrofitted between 2015 and 2020
CO2 emissions	
Doubled the rate of reduction of our carbon emissions so that annual direct emissions are less than 11,000 kt of CO2; 48% lower than 1990 levels	CO2 emissions 48% lower than 1990 levels.

INVESTMENT

Innovative investment models will incentivise and catalyse investment in our business infrastructure, in critical infrastructure, in housing and in commercial and industrial property. This approach is fundamentally concerned with achieving the maximum return from public spending; seeking to harness the power of the market to stimulate stronger economic growth in the long term. The Investment Framework uses the leadership and accountability provided by the Combined Authority to:

- support growth through the delivery of a strong pipeline of projects that will contribute jobs and GVA to the GM economy;
- provide a structured and evidenced approach to decision making and prioritisation at GM level;
- improve outcomes by using available public funding and assets in the most effective way;
- leverage funding from the private sector and provide a focus for Pension and other funds to invest in GM projects;
- allow for funding to be recycled to increase value for money and what can be achieved; and
- reduce bureaucracy and administration.

Our approach to investment has been endorsed by Government through our City Deal and is designed deliver the best outcomes for our residents, enabling them to contribute to and benefit from the economic growth of Greater Manchester.

The GM Investment Framework is not a single capital pot: we are blending funds as they come through, including RGF, Growing Places funding, the GM Transport Fund, ERDF and the NW Evergreen Fund, and as they begin to flow it will include the revenues from the Earnback model and our Enterprise Zone. This approach allows us to align investment to maximise our impact against strategic priorities, whilst retaining the flexibility to accommodate national Government, European and other requirements attached to specific funding streams. For example, our approach to the application of RGF resources is smart and integrated, funding the supporting infrastructure necessary to make projects viable, investment in the physical projects themselves, and providing wrap around support to businesses to enable them to flourish. Our work to identify priorities to be funded by post-2013 EU funding has been informed by the economic strategy set out in the GMS and the investment planning that GM does to ensure that EU investment is coherent with, rather than separate from, domestic investment. And our evidenced approached to the allocation of Growing Places funding has ensured that public sector funding is matched by private sector funding of five times that amount.

We are using our investment framework to engage pension funds and private sector investors to increase the funding available to support GM investment priorities; for example, we have secured investment from the Greater Manchester Pension Fund in a model to develop new build, high quality market rented and sale properties on sites in local authority (and HCA's) ownership.

We have established an Investment Team which is working with local authorities to deliver game changing projects. Our project pipeline includes nearly 100 projects, some ready for delivery now and others that will take longer to be brought forward but which will make a significant contribution to the GM economy when they are. We are applying



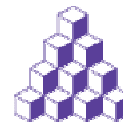
a structured approach to the movement of projects through the pipeline, from concept to business case to funding decision and implementation.

We are working with local authorities to develop sequential investment strategies, allowing them to demonstrate that by investing their own resources into a scheme they will unlock further public and potentially private investment into the town centre. The GMCA will support local authorities in putting together programmes of investment that are coherent in terms of strategy and funding.

The establishment of our Low Carbon Hub will enable us to create and support the delivery of a pipeline of investable low carbon projects and programmes with business partners and investors to create market demand and develop resilient low carbon energy and digital infrastructure, including heat and cooling networks.

The GM Investment Framework is running and delivering results, but we are keen to develop it further over time and are committed to strengthening our approach. Immediate priorities include strengthening the pipeline of projects for delivery, increasing the number of funds that fall within the scope of the Framework and taking our portfolio of projects to market.

DRAFT



VISION	
By 2020, the Manchester city region will have pioneered a new model for sustainable economic growth based around a more connected, talented and greener city region where all our residents are able to contribute to and benefit from sustained prosperity	
OUTCOMES	
We will:	
secure our place as one of Europe's premier city regions, synonymous with creativity, culture, sport & the commercial exploitation of a world class knowledge base	
compete on the international stage for talent, investment, trade & ideas	
be seen & experienced as a city region where all people are valued & are able to fully participate in & benefit from the city-region's success	
be known for our good quality of life, our low carbon economy & our commitment to sustainable development	
create a city region where every resident, neighbourhood & every borough can contribute to & benefit from our shared sustainable future	
continue to grow into a fairer, healthier, safer & more inclusive place to live, known for excellent, efficient, value for money services & transport choices	
deliver focused & collegiate leadership of Greater Manchester based around collaboration, partnerships & a true understanding that through collective & individual leadership we are strong	
OUR PRIORITIES	
GROWTH	REFORM
Creating the Conditions for Growth	Worklessness and Skills
Diversify our economic base in response to the changing market	Deliver an employer-led skills system
Develop a market facing investment strategy	Broaden the opportunities available to young people to reduce youth unemployment
Create a blue-print for our town centres, applying creative approaches to redevelopment of the offer	
Review land supply to support growth in those locations most attractive to the market	Implement an integrated and flexible approach to the provision of employment and skills support to enable jobless residents to enter work and progress
Attract and retain talent by creating places where people want to live through stimulation of the housing market and delivery of a high quality residential offer	
Masterplan and deliver the investment necessary in the existing and critical infrastructure required to support growth	Encouraging Self-Reliance and Reducing Demand for Public Services
Improve Greater Manchester's connectivity locally, nationally and internationally	Co-design with Whitehall a 'shadow' place settlement from April 2013 with the potential for a full settlement a year later or to coincide with the next spending review, based on the following principles:
Leverage Greater Manchester's science and technology assets	<ul style="list-style-type: none"> • Taking a GM-wide approach which clearly adds value to reform at district level, particularly to those issues identified in our Community Budget proposals to reduce current and future dependency: early years complex families and transforming justice;
Strengthen the global distinctiveness and world ranking of Manchester as a place to invest, live and visit	
Supporting Business	<ul style="list-style-type: none"> • Reform of the health and social care system based on significantly improving outcomes from specialist acute services, and delivering a substantial reduction in unplanned admissions to hospital and other care institutions; and
Grow the business base by providing integrated and effective support through the business-led growth hub	
Improve the international competitiveness of Greater Manchester's firms	<ul style="list-style-type: none"> • Deployment of common tools and techniques to support cross public service leadership at scale, including cost benefit analysis, investment agreements and data sharing.
Seize the economic growth potential of the global drive towards a low carbon economy and increased resource efficiency	