



# HM TREASURY

Press Notice

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## **Government formalises Greater Manchester city deal**

The Government's plans to transform the powers and levers available to local leaders to deliver growth and jobs in their communities were confirmed today with the signature of agreements between the Deputy Prime Minister, Rt Hon Nick Clegg MP, the Financial Secretary to the Treasury, Rt Hon Greg Clark MP, and the leaders of Greater Manchester.

The deal will strengthen Greater Manchester's Business Growth Hub, which integrates trade, investment and business advice alongside a City Apprenticeship scheme to place apprentices with Small and Medium Enterprises.

The Deputy Prime Minister, Nick Clegg, said:

"Manchester now has much more freedom from Whitehall control so the city can be truly revolutionary. This deal will see Manchester grow - more jobs, skills, transport, and housing - for the benefit of everyone who lives there.

"In recognition of this excellence, I am pleased that the Government can cut Whitehall ties and hand over decision-making power."

Greg Clark said:

"This is a great deal for Manchester. The Government is committed to unlocking the full growth potential of our cities. We want powerful, innovative cities that are able to shape their economic destinies, boost entire regions and get the national economy growing.

"This deal provides a suite of new freedoms, powers and tools to help Manchester embark on new and innovate ways to drive local economic growth. "

## Notes for Editors

1. On July 5, the Government announced a series of historic city deals with our largest cities (Birmingham, Bristol, Leeds, Liverpool, Manchester, Newcastle, Nottingham, and Sheffield).
2. Today's event saw the Core Cities invited to Downing Street. They were congratulated on their efforts and signed wave 1 deals with the Government agreeing its joint commitment to the full implementation of the city deals.
3. Each deal is bespoke and reflects the different needs of individual places but every deal aims to:
  - Give cities the powers and tools they need to drive local economic growth;
  - Unlock projects or initiatives that will boost their economies; and
  - Deliver a step change in the governance arrangements.
4. In summary, the Greater Manchester City Deal will:
  - Create a revolving infrastructure fund by allowing Greater Manchester to 'earn back' a portion of additional tax revenue from Gross Value Added increases resulting from local investment in infrastructure.
  - Establish a Greater Manchester Investment Framework to align core economic development funds.
  - Create a City Apprenticeship and Skills Hub to place apprentices with SMEs, as well as piloting a skills tax incentive and link mainstream skills funding with local labour market priorities.
  - Strengthen Greater Manchester's Business Growth Hub, which integrates trade, investment and business advice.
  - Develop Manchester's role as a beacon for high value Inward Investment.
  - Establish a Low Carbon Hub, with a plan to reduce emissions by 48% by 2020 and establish a 50/50 joint venture company with UK Green Investments/UK Green Investment Bank, responsible for developing a portfolio of investment propositions.
  - Establish a housing investment fund to use local and national investment to develop new housing.

- Work with Department for Transport on a broad package of transport proposals encompassing devolution of Northern Rail franchise, confirmation of key future investment programmes, including Northern Hub and HS2, bus improvement measures and devolution of transport funding in support of the Greater Manchester Transport Fund.

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