

£56.6M EXPANSION OF GROWTH DEAL BOOSTS LOCAL PLAN FOR GREATER MANCHESTER ECONOMY

The Greater Manchester Local Enterprise Partnership has agreed an expansion to its Growth Deal with the Government which will see an extra £56.6m invested in Greater Manchester between 2016 and 2021. This is in addition to the £476.6m of funding committed by the Government on 7 July 2014. Over the lifetime of its Deal (2015-2021) the Local Enterprise Partnership estimates that up to 5000 new jobs could be created and that it has the potential to generate up to £140m in public and private investment.

The additional proposed projects include:

- Further investment in the Transport Works Programme which will provide a better integrated transport network across Greater Manchester
- A Skills Capital Programme that will allow residents and employers to access the skills for growth in the Greater Manchester economy
- Investment in the Greater Manchester Business Growth Hub to support services to business

In addition, Government is also committed in principle to the use of discounted Public Work Loans Board borrowing to support the development of a new residential development at Manchester Place.

The Greater Manchester Growth Deal is part of a long term plan to devolve at least £12 billion from central government to local economies. The plan aims for every part of the country to be a motor of growth for the national economy – building on the strength of the Greater Manchester area.

Quotes

The Prime Minister said:

“Giving local communities the power and the money to unlock growth and development and make the spending decisions that work for them is a key part of our long-term economic plan to secure a brighter future for Britain and ensure a recovery for all.

“And this is happening right here in Manchester, with more money announced today for key projects to boost the local economy as part of the multi-million pound expansion of the Government’s Growth Deals.

“And because the money will be in the control of a partnership of local community, business and civic leaders it means it will go on the things that really matter to people and businesses here.

“That is what Growth Deals are all about, backing local people and investing in the infrastructure, housing and skills that will drive forward local economies, create more jobs and opportunities for hardworking people and supercharge all parts of our country.”

The Deputy Prime Minister said:

“A quiet revolution is underway in Greater Manchester and across the country, as Growth Deals signal the death of the culture where Whitehall calls the shots. I’ve seen for myself the difference it makes to give the region more power over skills, over business support, over infrastructure spending.

"I am delighted to announce the expansion of the Greater Manchester Growth Deal today.

“The Coalition Government has been relentless in our efforts to sort out the public finances and set firm foundations for growth. Growth Deals help create a stronger economy and a fairer society by boosting local economies, and providing more jobs, better transport and affordable homes.”

Lord Peter Smith, Chair of the Greater Manchester Combined Authority, said:

"This is another welcome deal which will help support the ambitious plans outlined in our Growth and Reform Plan. The plan aims to make the region a net contributor to the national economy by 2020, wiping out the gap between tax generated in the area and public spending by boosting growth and reforming public services.

"Creating the conditions for growth requires an integrated transport system which connects people with jobs, skills provision which equips Greater Manchester people with the tools they need to access the opportunities created and strong support and advice for business which wish to expand.

Measures towards all of these goals are included in the latest growth plan and will play their part in our overall plan to drive the region forwards."

Mike Blackburn, chair of GM LEP, said:

“The latest Growth Deal has again delivered a number of exceptionally positive measures for Greater Manchester.

“From a business perspective, perhaps the most welcome news this time around is the new Skills Capital Programme; which demonstrates a clear effort to better align Greater Manchester’s skills offer to the sectors that are earmarked for long-term economic growth. We estimate that this programme has potential to benefit up to 5,400 additional learners.

“Likewise the additional investment into the Business Growth Hub is extremely welcome and will enable Greater Manchester to continue to make noticeable improvements to the business support services offered .

“I’m also delighted that our transport network continues to attract the investment that it deserves. Investment in the city region's strategic transport network to create and strengthen local, national and international connections, is critical to improving access to markets, supporting economic growth and placing Greater Manchester at the heart of the Northern Powerhouse.”

FACTSHEET

1. How much is the Government investing in Greater Manchester as part of the Growth Deal?

	Initial Growth Deal (July 2014)	Expansion – additional funding awarded (Jan 2015)	Total Expanded Growth Deal
Local Growth Fund	<i>£476.7m</i>	<i>£56.6m</i>	£533.3m

2. What proposed projects will this new tranche of funding deliver?

- An expansion of the **Transport Works Programme** which will provide a better integrated transport network across Greater Manchester improving access to public transport and employment locations
- A **Skills Capital Programme** that will allow residents and employers to access the skills for growth in the Greater Manchester economy relating to the themes of Engineering, Manufacturing & High Speed Rail, Logistics and Estate Renewal & Hospitality supporting an estimated 3,900 and 5,400 additional learners
- An investment in the **Greater Manchester Business Growth Hub** to enhance delivery of support services to business
- A further **investment in rail, Metrolink and bus improvements** to provide better facilities for passengers
- An **investment in a multi model ticketing and smart ticketing scheme** for the Metrolink & bus network in Greater Manchester

In addition, Government is also committed in principle to the use of discounted Public Work Loans Board borrowing to support the development of a new residential development at Manchester Place.

This adds to the projects that were announced in the July 2014, including:

- The launch of a **life sciences inward investment fund**, in partnership with Cheshire and Warrington Local Enterprise Partnership.
- An investment programme for **further education colleges and further education providers** in Greater Manchester.
- Establishment of a new **Quality Bus Network** to deliver major improvements to bus services on the Route 8 from Bolton to Manchester.
- Acquisition of **12 additional light rail vehicles for the Metrolink** network.

- A **new Ashton Town Centre Interchange** that will improve public transport interchange within Ashton Town Centre.
- A **new Stockport Interchange and town centre access programme**, which will replace the existing interchange with a new facility to transform the quality of passenger facilities; improve the ease of movement between bus and rail services; support the significant town centre regeneration underway; and safeguard effective local and strategic travel options at this important gateway to the local and city region economy.
- **Key centre transport improvements**: A range of transport improvements in local town centres. These will improve junctions; cycle and bus facilities; and pedestrian facilities.

3. How does this benefit the people of Greater Manchester?

The Greater Manchester Growth Deal sets out further investment that will support economic growth focusing on priority areas identified in the Greater Manchester Growth and Reform Plan. This deal will:

- Enhance further education facilities, creating more apprenticeships and maximising skills investment
- Provide major investment in public transport and highways
- Deliver effective business support services

According to estimates by the LEP, the Growth Deal could bring to Greater Manchester:

- Up to 5000 Jobs
- Up to £140m public and private sector investment

4. What is the benefit for local businesses?

This deal identifies and confirms a series of transport investments within Greater Manchester ensuring reliable transport networks to connect businesses to their supply chains, customers and their labour markets.

Businesses will also benefit from investment in the Business Growth Hub providing specialist advice and support to businesses to help them grow, access markets and government support.

By enhancing further education facilities residents will have the skills required to work in the Greater Manchester economy

5. Facts and figures

The Growth Deal builds on significant recent investment in growth opportunities in Greater Manchester including:

Growing Places Fund total allocation: £37,358,032

Enterprise Zone funding: Airport City EZ has had funding to date of £6m

Greater Manchester City Deal: As a result of the Deal, Greater Manchester has new financial powers to 'earn back' up to £90 million tax revenue, with a total investment of up to £30 million a year on a payment by results basis for the next 30 years. Government has also contributed £4.4 million for a Business Growth Hub which will integrate trade, investment and business advice.

Regional Growth Fund: Greater Manchester LEP area has to date received £124m investment from the Regional Growth Fund