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# **Greater Manchester: Economic growth, devolution and infrastructure**

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**New Economy**

# The Greater Manchester Economy



2.73m people  
+217,000 since 2000



1.23m jobs



97,500 businesses



100,000 Higher  
Education Students at 5  
HE Institutions

Source: ONS

## Gross Value Added

Source: ONS, GVA estimates 2014

GM ECONOMY, 2013

**£56.3bn**

**BIGGER THAN**

WALES  
ECONOMY, 2013

**£52.1bn**

NORTH EAST  
ECONOMY, 2013

**£45.4bn**

NORTHERN  
IRELAND  
ECONOMY, 2013

**£32.8bn**

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# Baseline forecasts – Greater Manchester

2014-24



**128,000 more people**

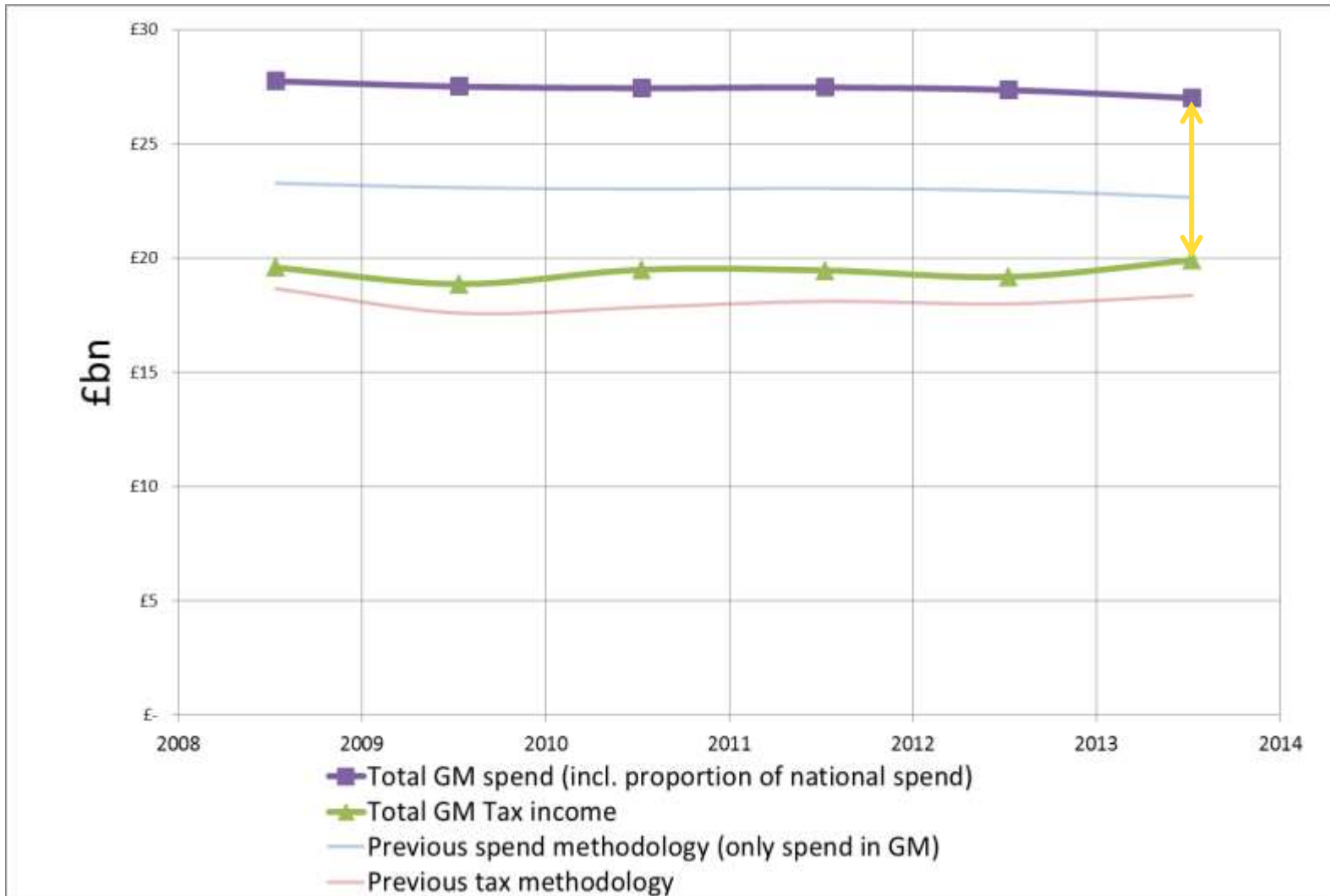


**109,000 net new jobs**

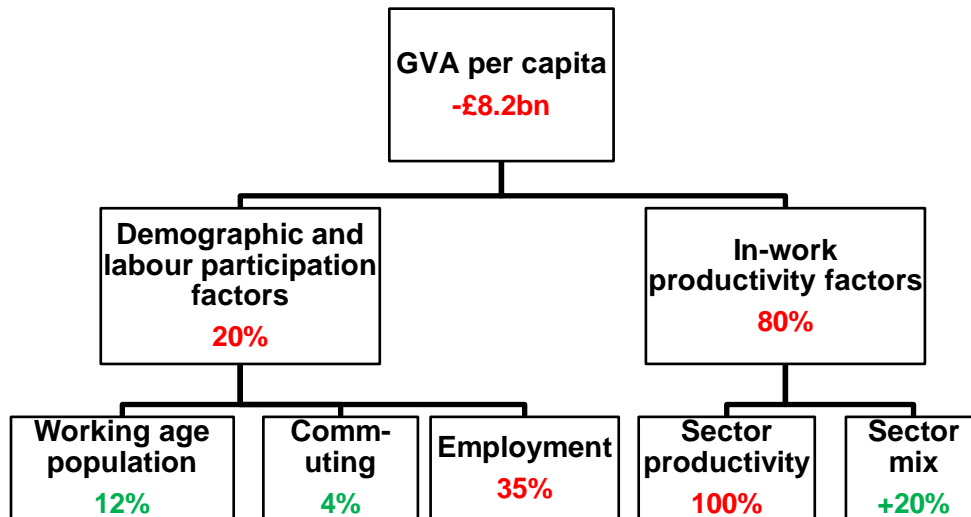


**£17bn more annual  
GVA**

# Challenge 1: The gap between tax and spend

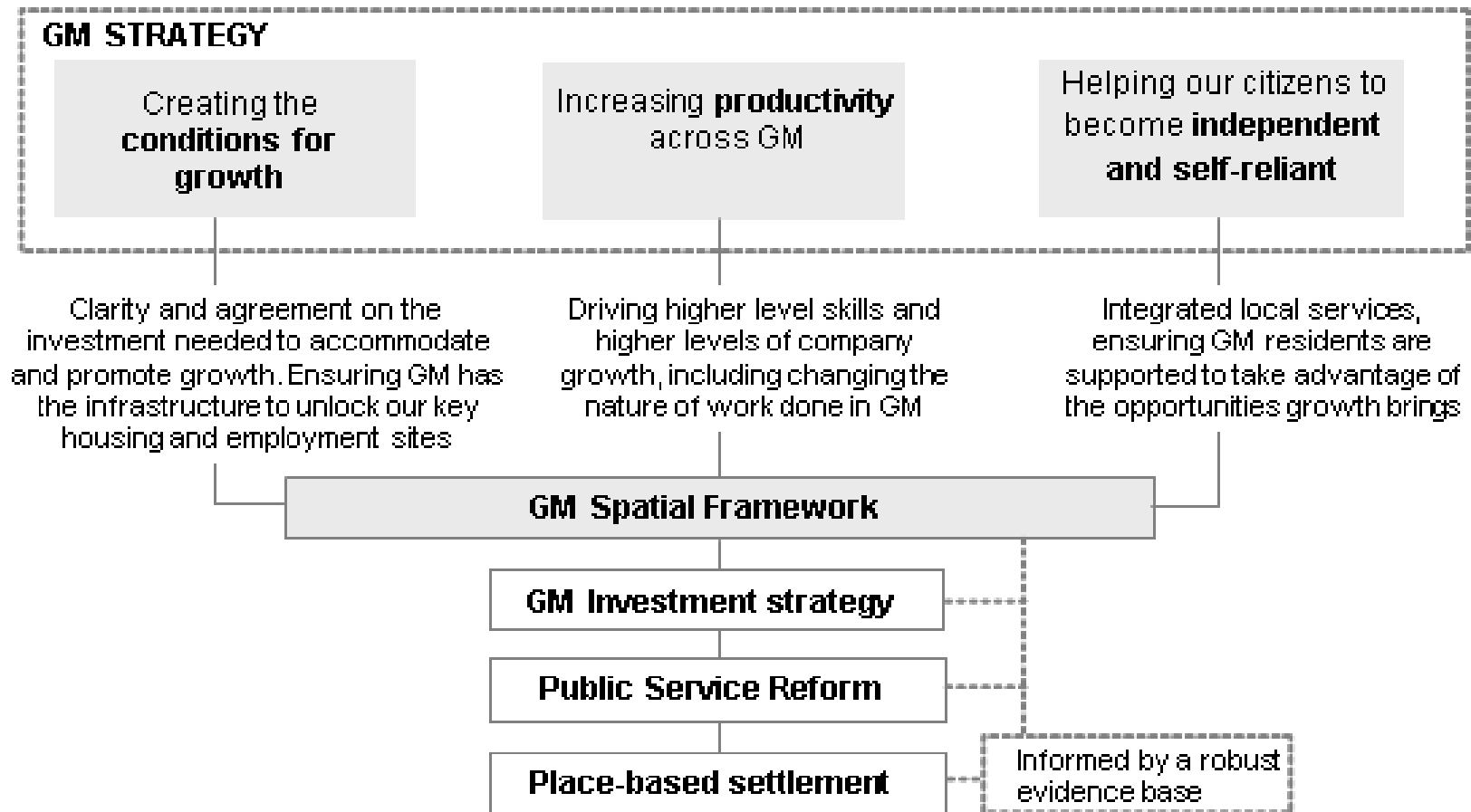


# Challenge 2: The productivity gap



- Productivity measured in terms of GVA per capita
- GM has an £8.2bn productivity gap with the rest of the UK
- Demographic and labour market participation factors account for 20% of the gap
- GM's sector mix provides a £1.6bn positive uplift
- Low GVA per job productivity within sectors account for 80% of the gap
- GM has a good sectoral mix but it is the firm and job composition within sectors that matters

# The Greater Manchester Strategy



# Infrastructure – why it's important

- Critical ingredient to supporting GM growth plans
- Infrastructure investment timely delivery is essential
- Should support not stall or prevent development - location, condition and capacity
- Should not be a disincentive for existing communities to support development

# Headline approach

## **At a national / international level:**

- Promoting the position of the conurbation in an international & UK context
- Secure capital investment requirements for infrastructure to support growth
- Develop a common approach, including through the Northern Powerhouse

## **At a Greater Manchester level:**

- Smarter in engaging with infrastructure providers and the development industry
- Ensure infrastructure isn't an impediment to short, medium and long term developments.



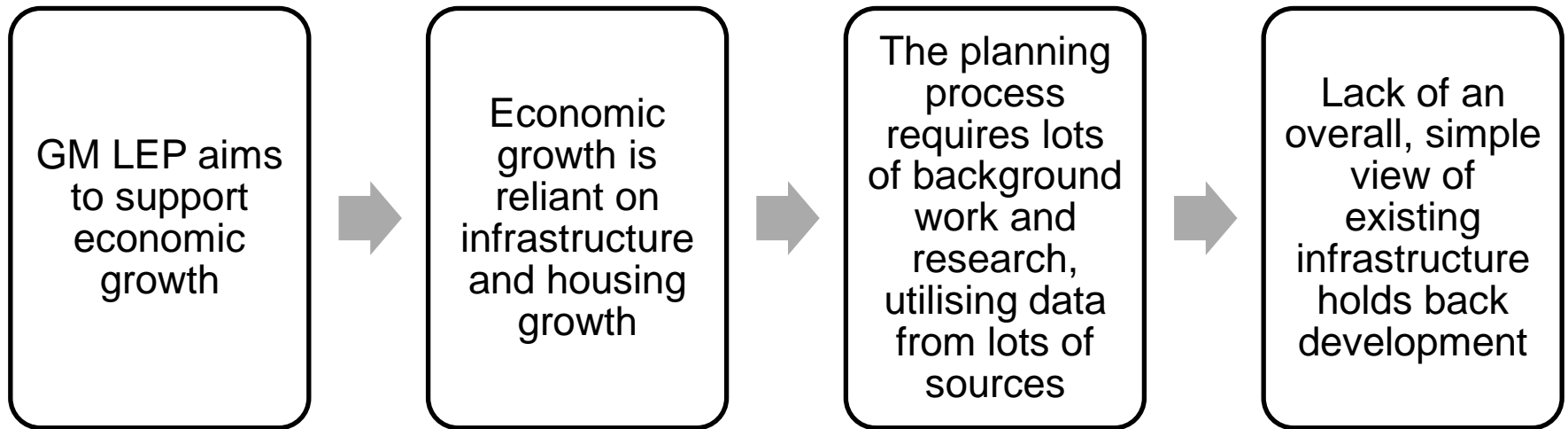
# Devolution will support us to achieve our vision

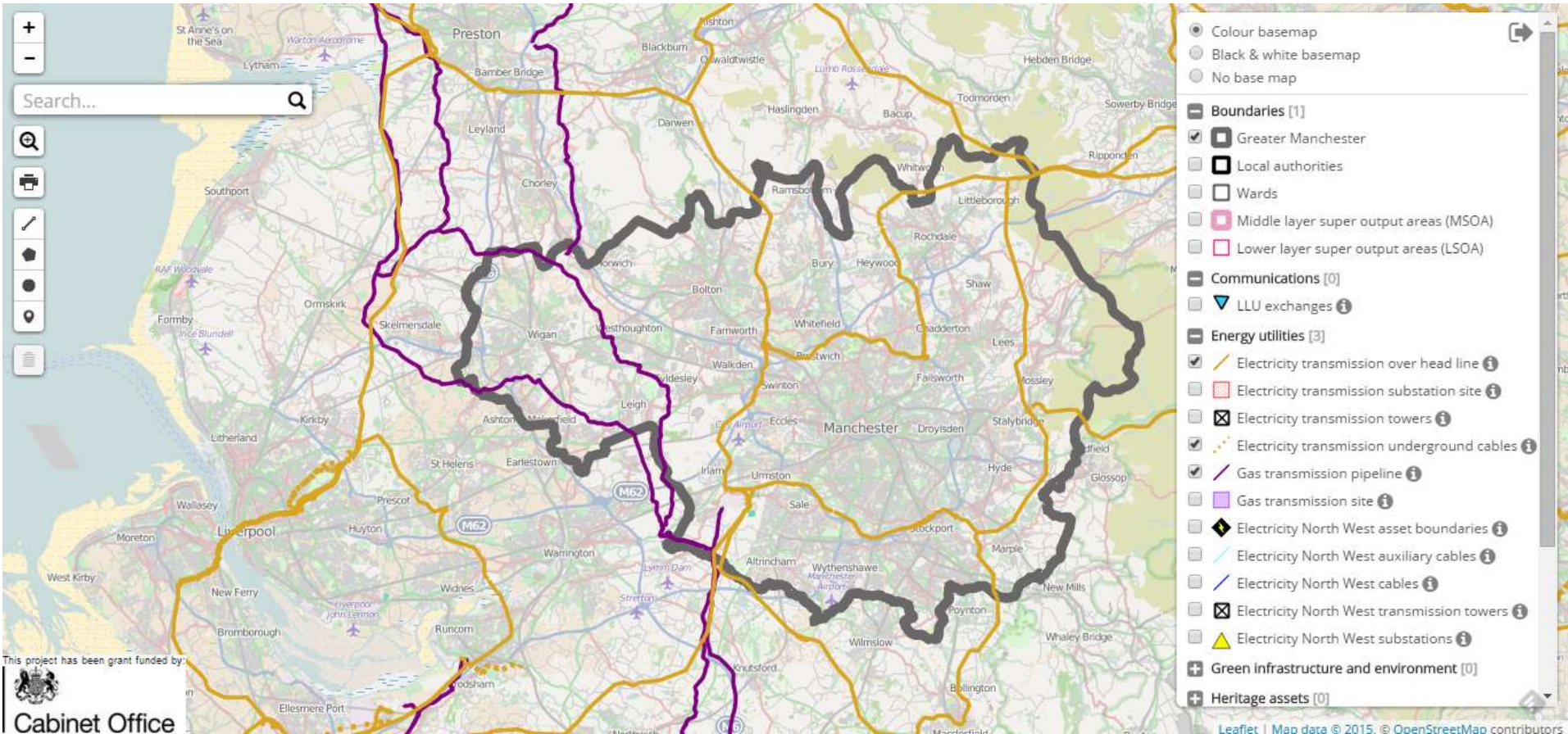
Significant new powers which will shape future enhanced investment in infrastructure, including:

- powers over strategic planning, including the power to create a **statutory spatial framework** for Greater Manchester. An infrastructure investment plan will be developed to support implementation of the GMSF
- Control of a new £300 million recyclable **Housing Investment Fund**
- the power to establish a **GM Land Commission** to make best use of publicly owned land
- the power to designate **Mayoral Development Corporations**
- responsibility for a joined up and **multi-year transport budget**, to be agreed at the next Spending Review
- the ability to shape **local rail station policy** and development
- control of a reformed **Earnback deal**, which rewards the GMCA as GM's investment in infrastructure results in economic growth

# GM Infrastructure Map

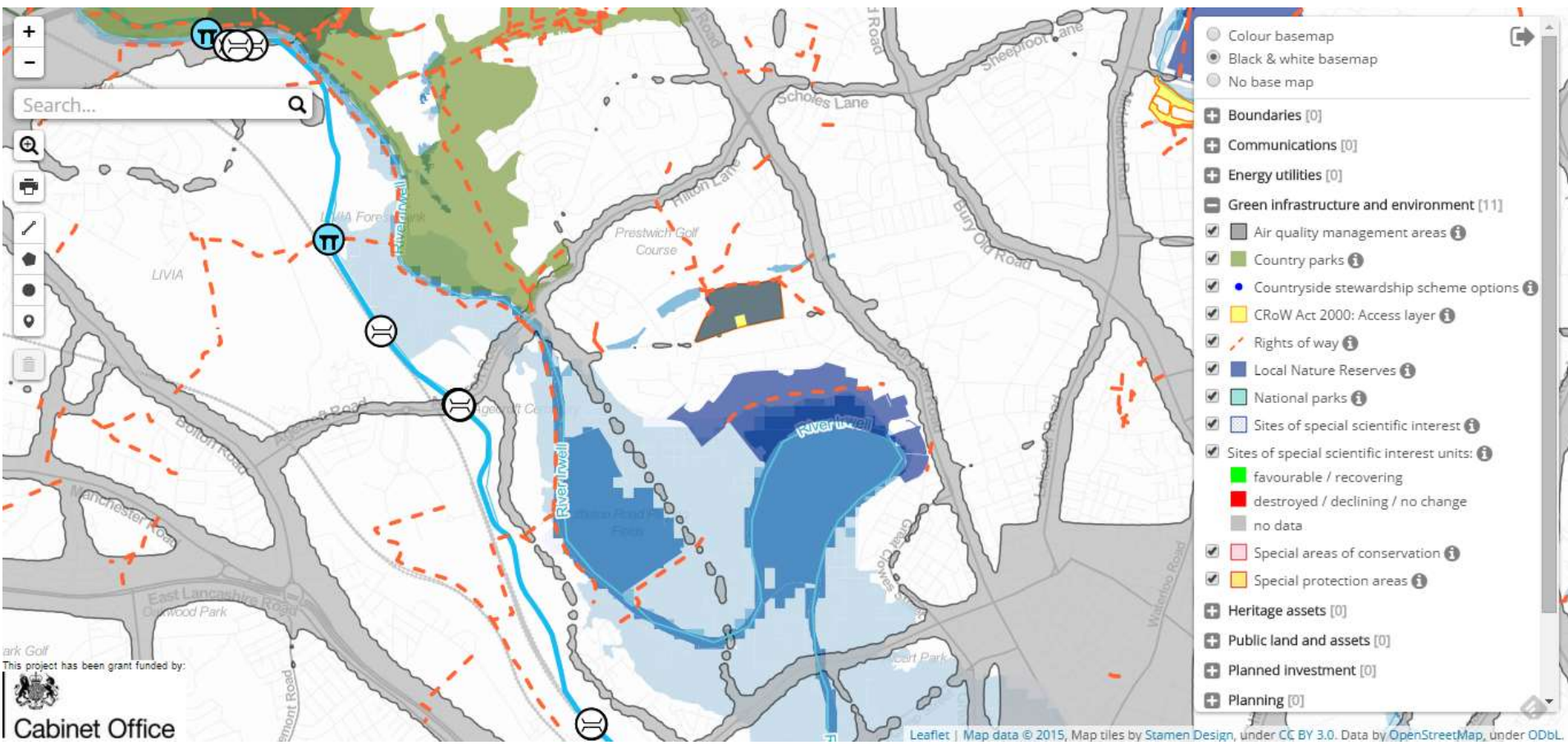
- [www.mappinggm.org.uk](http://www.mappinggm.org.uk) developed in 2014/15 to provide an overview of the physical and some social infrastructure across GM.
- Funded by Cabinet Office and developed with Salford City Council





This project has been grant funded by:






ark Golf  
 This project has been grant funded by:  
  
 Cabinet Office

# Conclusions

- Significant growth expected, devolution and the Northern Powerhouse has the potential to accelerate this
- Infrastructure is at the heart of GM's growth strategy
- The existing deals represent significant progress towards our overall ambition for GM, but this is the start of our journey not the end
- Please use the map and feedback!

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**Thank you**

[www.mappingGM.org.uk/gmodin](http://www.mappingGM.org.uk/gmodin)

[www.neweconomymanchester.com](http://www.neweconomymanchester.com)