

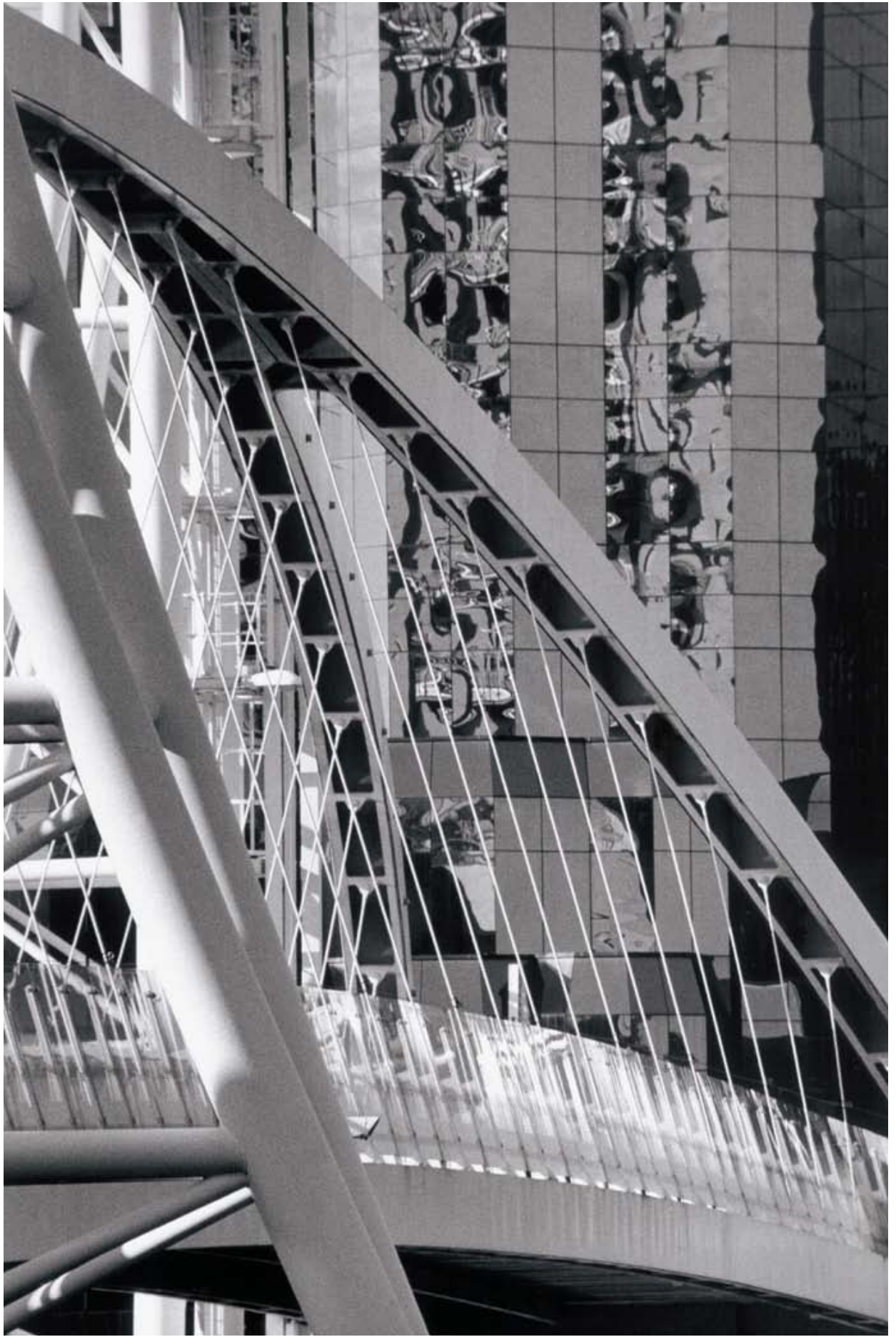
# Greater Manchester

**Low Carbon Investment Opportunities**

















# Opportunity

**Sir Howard Bernstein**

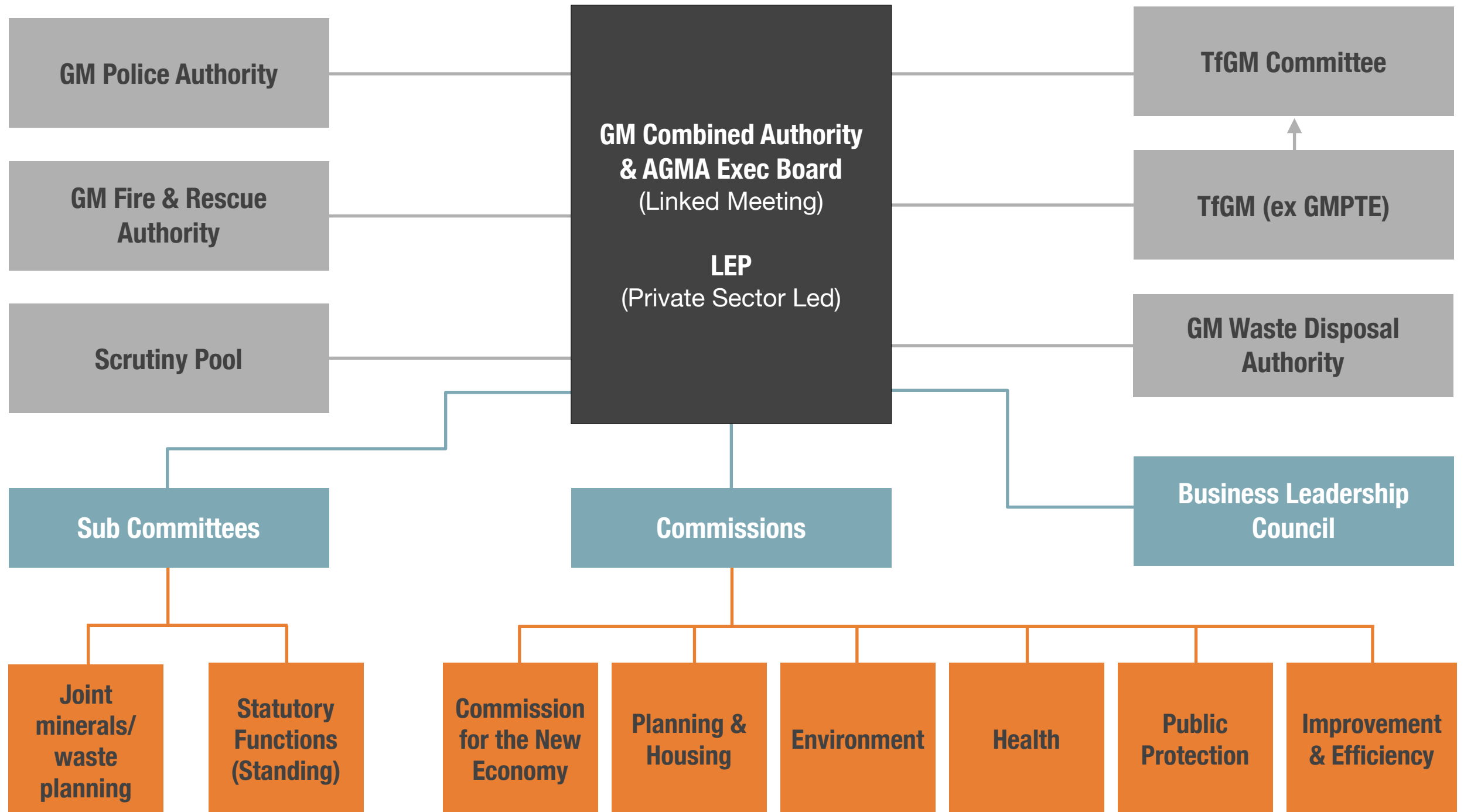




**PROSPERITY**  
**INNOVATION**  
**OPPORTUNITY**  
**SUSTAINABILITY**



# Unified.





# Greater Manchester

**Charlie Parker**

**Chief Executive Oldham MBC &**

**Lead Chief Executive AGMA Environment Commission**



# POPULATION

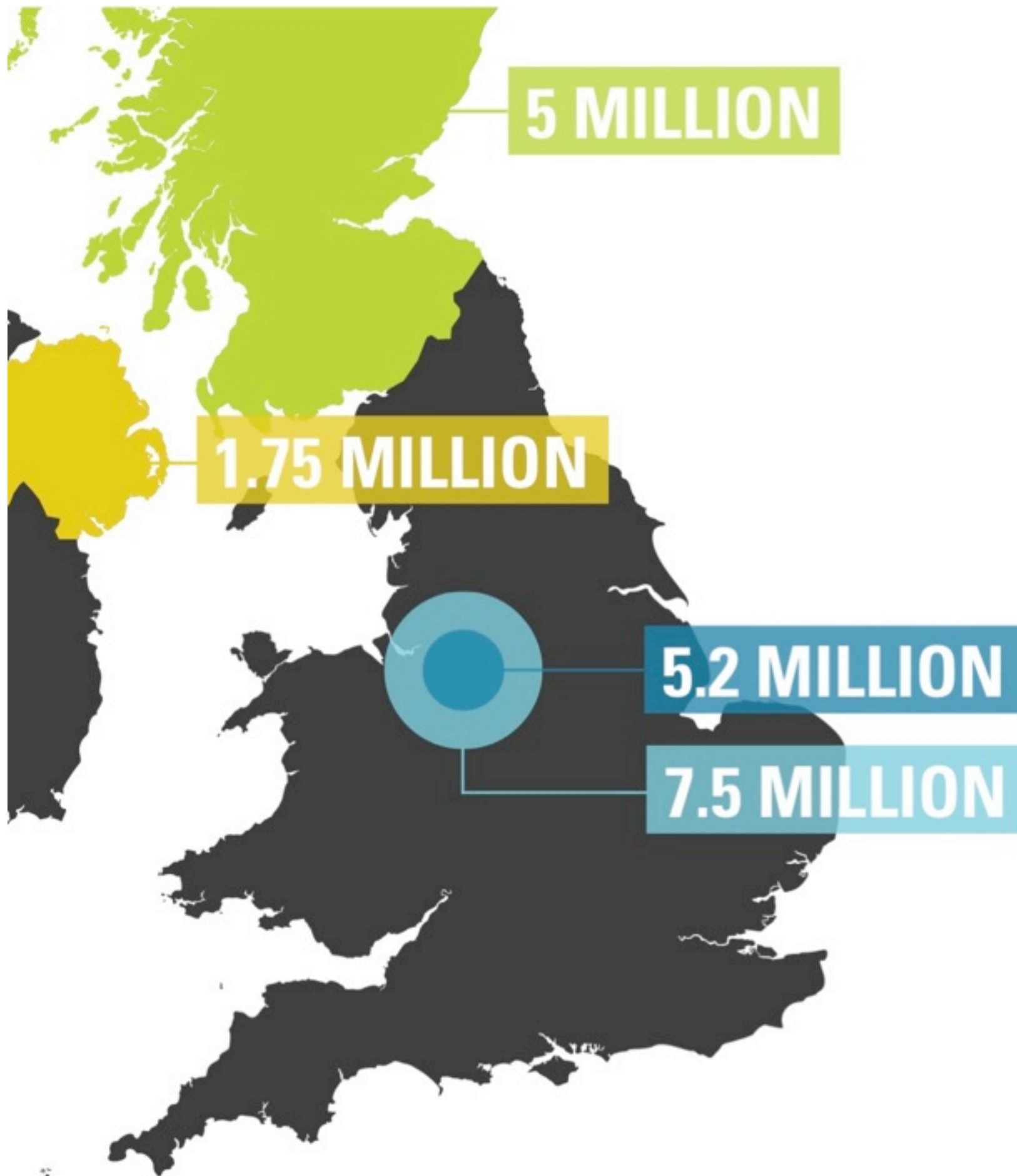




## PREFERRED LOCATION



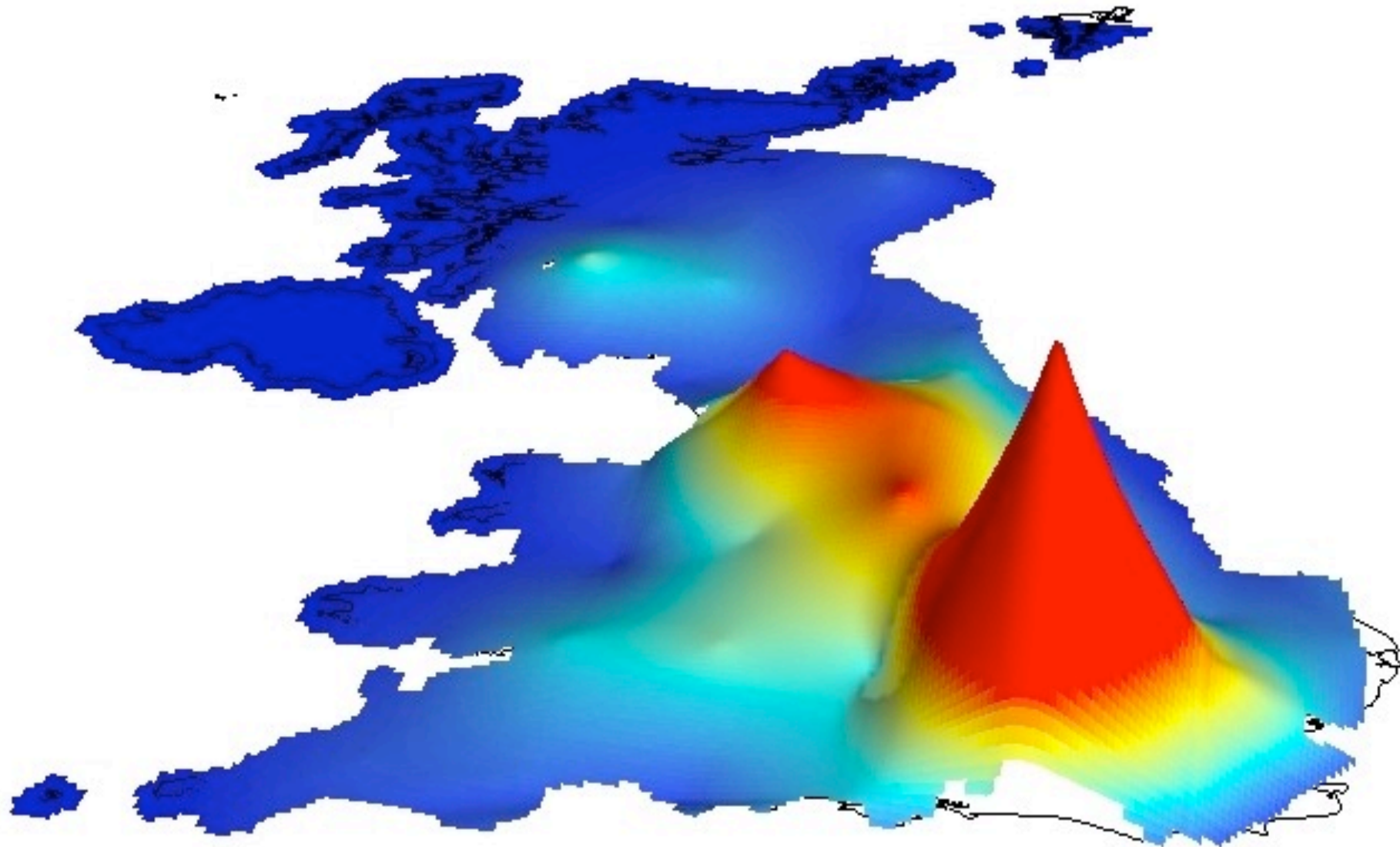
## PEOPLE AND CATCHMENT AREA



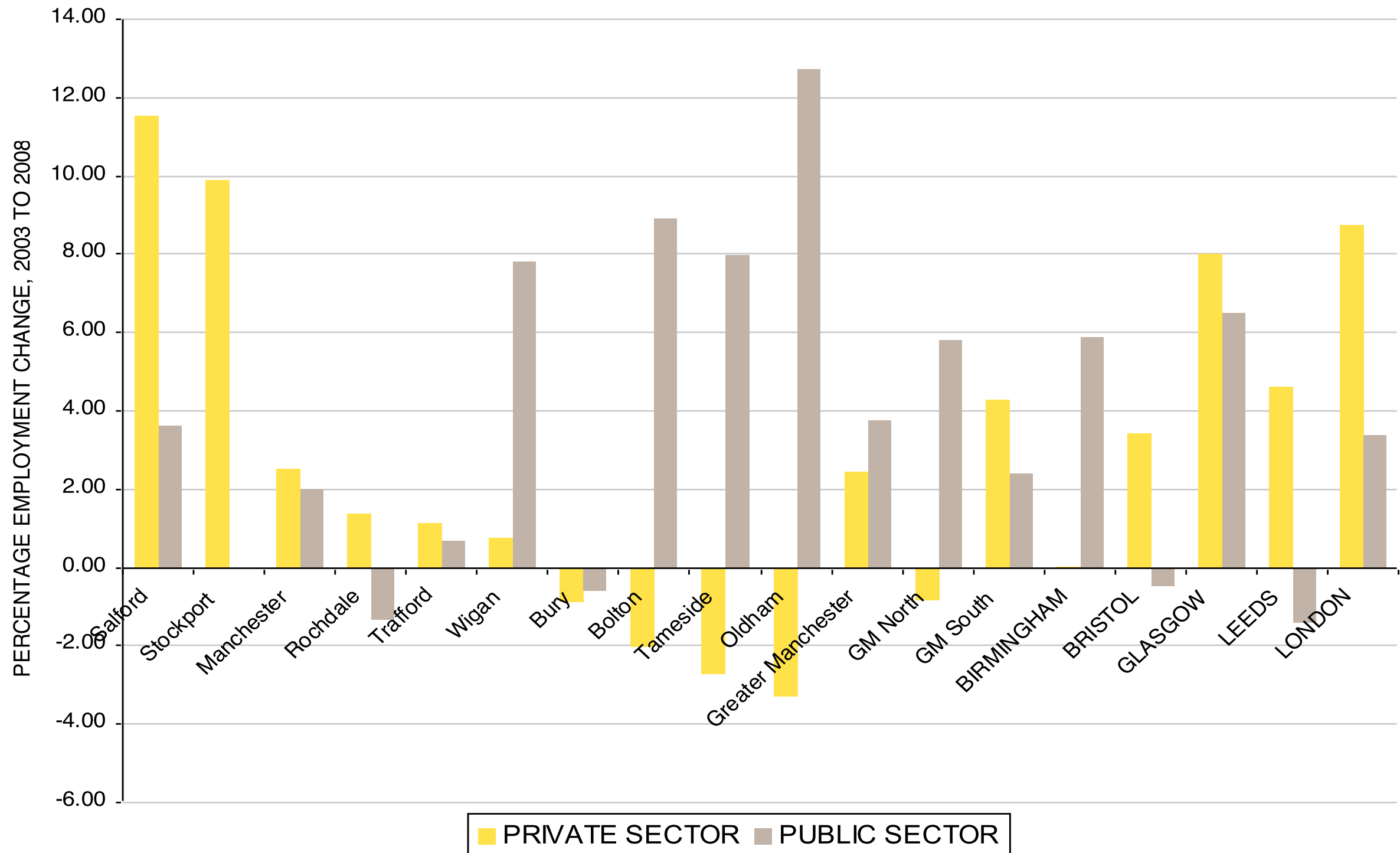
7.5 million people live within commuting distance of Manchester City Centre. To put that into perspective, 5 million people live in Scotland, while Northern Ireland has a population of just 1.75 million.



# The economy is 'spiky'



# Re-balancing...





# Our starting point

**Manchester Independent Economic Review.**

**Independent process based on  
empirical evidence.**

**Mini Stern report.**

**The need to capture the economic  
benefit of tackling climate change.**

# Ambitious plans

To be a low carbon city

**UK's first Low Carbon Economic Area  
for the Built Environment.**

**Five year programme aimed at delivering  
£10-8 billion of investment which will:**

**Support 68,920 new jobs,**

**Generate an additional £1.5 billion of GVA,**

**Save 6.1 million tonnes of carbon from buildings.**



# Low Carbon Economy

**Overall market value is £4, 253 million.**

**4% of the UK and 40% of the NW market value.**

**A potential market of £5 billion housing retrofit.**

**Already worth £4.2 billion per year, with almost 2, 000 companies employing 34, 000 people.**

**Building technologies worth £516 million per year.**

**The renewable sector is worth £1.14 billion.**

# Low carbon opportunities

**Heat networks**

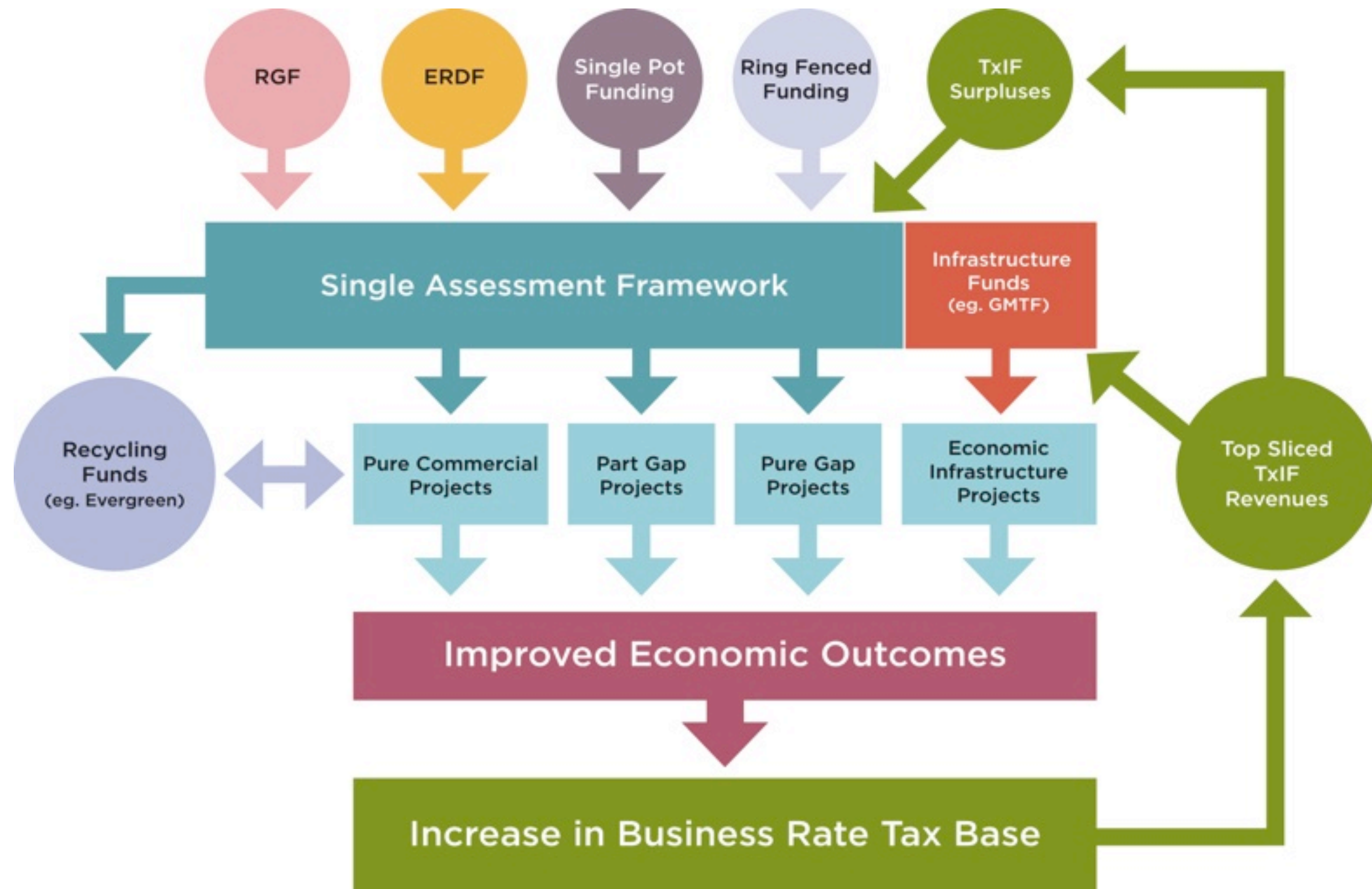
**Housing retrofit**

**Electric vehicles**

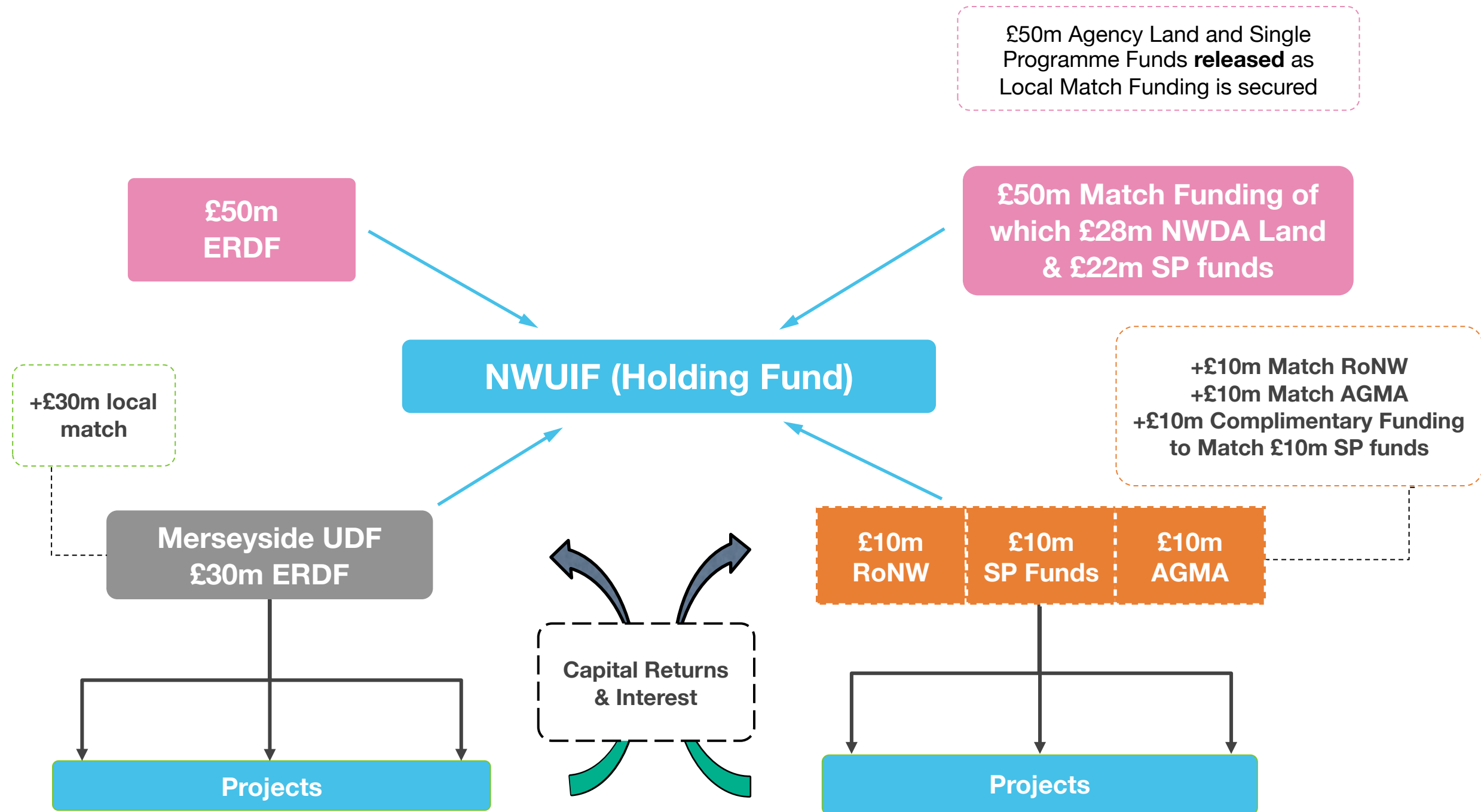
**... delivered through a Greater Manchester  
Investment Framework**



# GM Investment Framework

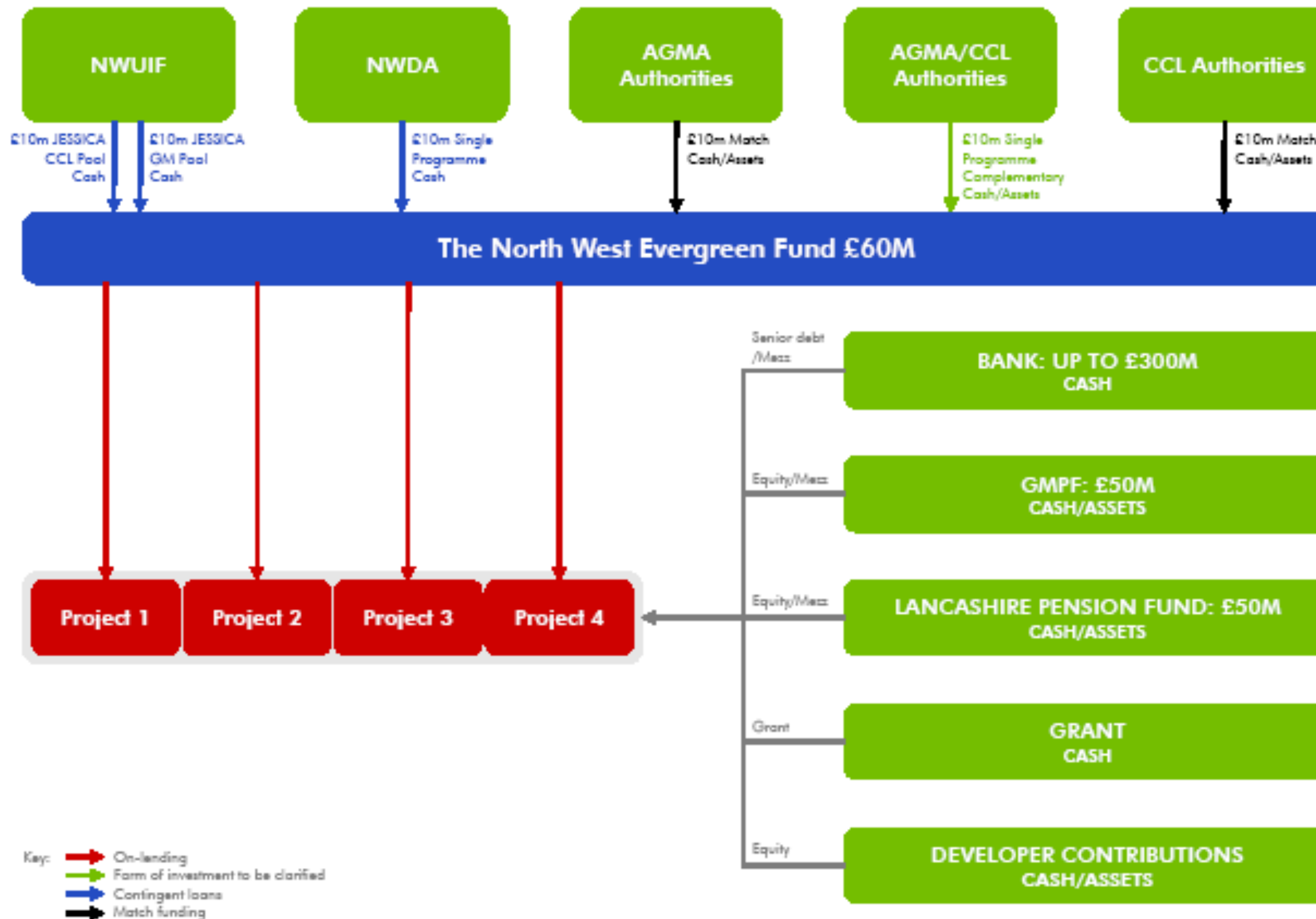


# JESSICA North West Fund Structure





# Evergreen Fund Structure



# Policy Context

**Jonathon Porritt  
Founder Director  
Forum for the Future**



# Our Portfolio

**Mike Reardon**  
**Strategic Director**  
**Greater Manchester Environment Commission**





# Why Manchester?

**Birthplace of the industrial revolution.**

**History of innovation.**

**Reinvented itself through enlightened public investment and private innovation.**

**Currently in top ten European cities for business.**

**Unified - under a new Combined Authority.**

**A trusted and proven partner to the private sector.**

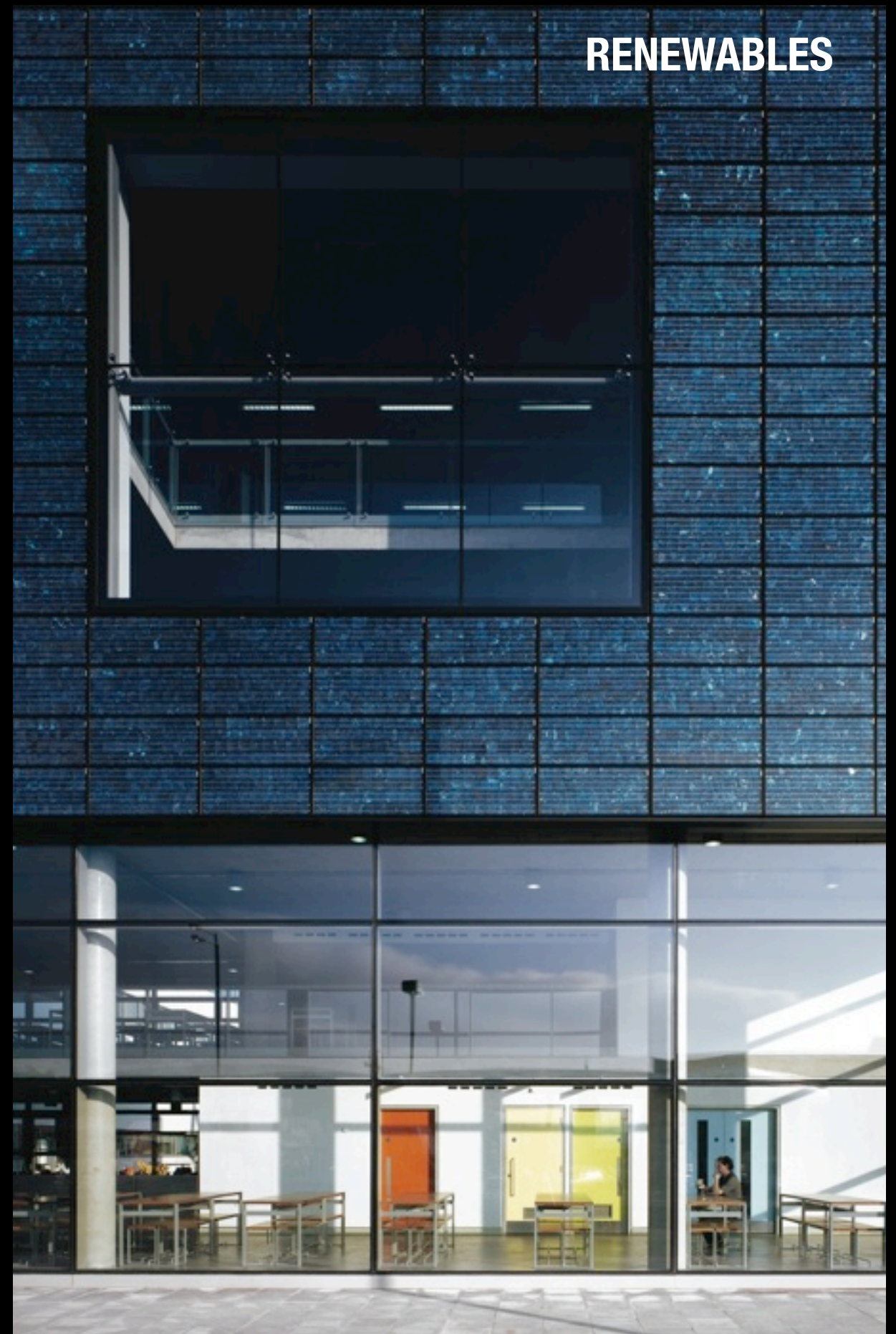
# Unified.

**New combined authority with statutory powers, including transport and carbon reduction.**

**A track record of private-public sector partnerships delivering large-scale schemes.**

**A city-wide partnership with an agreed strategy, programme and priorities.**







# Investment programme

## RESIDENTIAL

**Phase One (social housing)**

**£102 million**

**Phase Two (social housing)**

**£260 million**

## COMMERCIAL

**Public Sector Estate  
PV Retrofit**

**£920 million**

**Commercial Centre  
private Sector retrofit**

**£4 billion**  
**Public Sector Estate  
Town Hall Retrofit**

**£407 million**

## INFRASTRUCTURE

**District Heat  
Networks**

**Stockport Town  
Centre**

**£24 million**

**Bury District Heating  
Network**

**£7.8 million**

**Manchester City  
Centre Network**

**£98 million**

**Trafford Heat  
Networks**

**£102 million**

**Bickershaw North  
Wind Turbine**

**£3.4 million**

## LABORATORY

**Hulme Retrofit £39  
million**

**Low Carbon Buses**

**£606 million**  
**Low C Emission Zone**

**£17 million**  
**Heat Network**

**£86 million**

**Wind Farm**

**£20 million**  
**Street Lighting**

**£11 million**  
**Smart Grid**

**£16 million**

# Where are we now ?

**August 2010 to date –assessing low carbon project's ability to generate financial returns**

**Gathered projects from GM project sponsors**

**Mainly Local Authority and RSL's –Universities**

**Produced interim investment prospectus**

**Attracted private sector interest and propositions**

**Tested four projects against RGF criteria for fit**







# Housing retrofit

**GM Green Deal Trailblazer**

**Work on intelligence and standards**

**Finance - special purpose vehicle for pv**

**Utilities and RSL partnerships**

**Place based budgets & Regional Growth Fund bid**

**Customer engagement/campaigns**

# Heat Networks

**Stockport Town Centre – £24m (new)**

**Bury Pilsworth – landfill gas**

**Carrington/Trafford – Private sector CHP offshore gas and biomass**

**Oldham Heat Network – expansion of existing**

**Bolton and Rochdale plans**

**Manchester Heat Network / Co-operative Group**

**Business case stage: joint working**

# Public sector estate

**Estimated complete town hall retrofit £20-£40m**

**Gives GM potential x10=£200m**

**Commercial retrofit potential £2billion**

**Scatter-gun approaches hard to evaluate**

**Other areas: street lighting**



# Electric vehicles

**Total £10m investment in electric vehicle revolution  
£3.6m grant funding for 300 charging points (OLEV).  
Manchester Electric Car Company (MECC) established  
to install charging infrastructure, lease, rent and sell  
EVs, and supply them with electricity.  
First city to establish a joint venture company/special  
purpose vehicle with significant number of partners.  
Raising £3-4m of debt finance to provide operating  
capital for the business.**

# Where next ?

Reviewing heat network schemes

GM Green Deal

Procurement exercise for:

Public sector retrofit

Social housing retrofit solar PV

Zero carbon integrated developments

**PROSPERITY**  
**INNOVATION**  
**OPPORTUNITY**  
**SUSTAINABILITY**

**OPPORTUNICITY**

