

Greater Manchester Combined Authority

Date: 27th March 2026

Subject: Good Growth Fund – Social Value

Report of: Councillor David Molyneux, Portfolio Lead for Investment and Resources; City Mayor Paul Dennett, Portfolio Lead Housing, Homelessness and Infrastructure; Councillor Bev Craig, Portfolio Lead for Economy, Business and Inclusive Growth; Emma Alexander, Portfolio Lead for Investment; Andrew Lightfoot, GMCA Deputy Chief Executive; and Tom Stannard, Portfolio Lead Chief Executive for Economy, Business and Inclusive Growth.

Purpose of Report

This report seeks to set out how Social Value will be embedded within our Good Growth Fund investment decisions through the implementation of a GM Social Value contract, and the potential to establish a legacy fund to reinvest into our communities, The Good Futures Fund.

Recommendations

The GMCA is requested to:

1. Note the intention to require commitments from recipients accessing the Good Growth Fund in relation to social value, the 'GM Social Contract'; and
2. Note and endorse the plans for a Good Futures Fund, incorporating voluntary donations from GGF recipients and partners, and approve the next steps outlined in this report.

Contact Officers:

Laura Blakey: laura.blakey@greatermanchester-ca.gov.uk

Rob Jones: robert.jones@greatermanchester-ca.gov.uk

Equalities Impact, Carbon and Sustainability Assessment

None.

Risk Management

None.

Legal Considerations

The Social Contract will be in the form of an Annex to funding agreements with Good Growth Fund recipients.

Further consideration on the legal structure of the Good Futures Fund will form part of the next phase of work.

Financial Consequences – Revenue

There are no financial consequences.

Financial Consequences – Capital

There are no financial consequences.

Number of attachments to the report

None.

Comments/recommendations from Overview & Scrutiny Committee

Not applicable.

Background Papers

November Good Growth Fund paper.

Tracking/ Process

Does this report relate to a major strategic decision, as set out in the GMCA Constitution?

Yes.

Exemption from call in

Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency?

No.

GM Transport Committee

N/A

Overview and Scrutiny Committee

N/A

Unlocking Social Value through the Good Growth Fund

1. Introduction

- 1.1 The Greater Manchester Strategy (GMS) 2025-2035 recognises that over the past decade, Greater Manchester has become the fastest growing part of the UK economy. Now we have a plan to deliver a further decade of Good Growth, where no one and no place is left behind and where we make the most of every pound of public money we invest.
- 1.2 We're building on our strong track record of using targeted investment to deliver economic growth and social value for our residents. The Delivery Plan which will underpin the next decade of the GMS contains commitments around working with the VCFSE sector through our Accord, leveraging increasingly sophisticated social value through our contracts and making a tangible difference to the lives of young people through our GM Youth Guarantee. Woven throughout is a commitment to embed equity, equality and inclusion in everything we do.
- 1.3 The launch of the Good Growth Fund (GGF) provides an opportunity to double down on our mission to extract maximum social value from every pound we invest, leveraging over £1bn to transform places across GM, creating the conditions for long term, sustainable growth while generating social benefits – from apprenticeships and high quality work placements to better working conditions and housing standards.
- 1.4 As we begin to deploy, we are introducing a **Social Contract** with all recipients of GGF funding, and their partners¹. The Contract will require all recipients to sign up to a suite of commitments, pledging to meet the highest standards of corporate responsibility, alongside the option to make a voluntary donation to a **Good Futures Fund**.

¹ Partners could include contractors, consultants and key suppliers on GGF-funded projects.

- 1.5 Launching in Summer 2026, the Good Futures Fund will be a charitable vehicle, focused on funding initiatives that improve the life chances of our young people. The Fund will draw on contributions from GGF recipients and partners and is open for prospective commitments now. This multi-million-pound injection of money will have a demonstrable, positive impact on the young people living in the communities where the GGF will deliver transformation - improving lives and delivering greater equality and cohesion for the long-term.
- 1.6 In combination, the Social Contract and Good Futures Fund represent a pioneering approach to embedding collaboration and social value into investment. This evolution of our investment approach will maximise the impact of every GM pound, leveraging commercial returns generated from place-based regeneration to support those who represent GM's future – good growth our young people can feel.

2. Background

- 2.1 The Good Growth Fund (GGF) was established by GMCA in 2025 to pump-prime the next decade of investment in the region, ensuring that all areas of Greater Manchester benefit from good growth. Funds from a variety of sources have been combined to provide a single £1bn revolving investment pot. The first £400m of funding was allocated to projects in November 2025 with further rounds due every six months.
- 2.2 The GGF marks a shift in our approach to investment with funding aligned alongside strategic priorities in the Integrated Pipeline. This innovative approach builds on our experience of investing over the last decade and seeks to make the money go further to drive growth and improve outcomes for our residents. GMCA funds, and particularly any elements of subsidy, are limited to providing 'just enough' to ensure viability and lever in the private sector. The £1bn is just the start with an ambition to recycle and increase the fund over time such that £10bn of investment capacity is created over the next 10 years.
- 2.3 The Fund is a significant signal to the market of our commitment into the Pipeline, our willingness to go first and back our places and the scale of the opportunity for investment in Greater Manchester.

- 2.4 It also provides an opportunity to put social value at the heart of placemaking at scale, utilising the Integrated Pipeline as a catalyst to deliver outcomes for our residents over and above the physical developments themselves.
- 2.5 This paper sets out proposals for entering a Social Contract with recipients of the Good Growth Fund, including the establishment of a Good Futures Fund. The contract will set out GMCA's expectations for social value from its investments, squeezing the maximum benefit for residents from every pound the Good Growth Fund invests. The accompanying fund will augment these benefits by supporting young people at a community level.

3. Alignment to Greater Manchester Strategy

- 3.1 Launched in 2025, the refreshed GMS seeks to deliver a '**thriving city region where everyone can live a good life**'. This overarching vision is supported by the goals of delivering a growing economy where no one and no place is left behind, underpinned by fixing the foundations of life and creating a greener, more equal future. Our work on Place-based Assessments supports this approach, becoming more sophisticated over time. If the GGF, and the Integrated Pipeline of investment which it seeks to bring forward, are to deliver more than economic growth, it will need to demonstrate other impacts: quality of life, equality, inclusion, resilience, sustainability. At the heart of this vision is the delivery of a solid and sustainable legacy for our young people.
- 3.2 Some links are easier to make than others. Many GGF-supported projects will be directly aimed at delivering new homes, jobs and infrastructure which will improve how people play, learn, work and travel around GM over the coming decades. Commitments have been made to spread investment across the city region, addressing spatial, demographic and socio-economic inequalities and improving connectivity. By default, the new buildings funded will be more sustainable, with developers required by planning guidelines to meet high environmental standards, improving air quality and increasing biodiversity.

3.3 Other impacts are less tangible and harder to link directly to specific projects. The extent to which GGF investment will deliver improved wellbeing, community cohesion or resilience is difficult to measure, and limitations on available sources of subsidy mean that delivery of the less viable elements of projects will always be constrained. This is where attention will be focused, continually innovating to drive maximum social value from our investments. It is possible to make these links more explicit, to push partners to aim higher, and to spread value more widely, enabling residents to participate more fully in shaping their places.

4. Social Value & Investment

4.1 Establishment of the Good Futures Fund forms part of a wider programme of work to refresh and strengthen the GMCA approach to social value and develop a deeper, shared understanding of what ‘good growth’ means in practice, incorporating values of inclusion, equality, and participation.

4.2 Public bodies in GM have been at the forefront of delivering and innovating social value since its advent with the 2012 Act. As we move into the next decade of devolution it is time to raise the bar once more, demanding high standards from all partners while delivering benefits that residents can feel in their communities.

4.3 Social value, as originally conceived, was about more than procurement, even if that is where its focus has historically been concentrated. Since the original legislation was passed, public bodies have become increasingly sophisticated at applying the concept and exploring different approaches, with varying degrees of emphasis on financial contributions, localised returns and targeted impacts.

4.4 For example, the GMCA took a bold approach to designing the tender for its waste and recycling contract. This led to the successful bidder SUEZ developing 54 ‘social value commitments’ which have delivered wide-ranging social, environmental and economic benefits across Greater Manchester, estimated to be worth over £1bn over the initial 7-year term of the contracts.

4.5 Each of the ten local authorities in GM has its own Social Value approach, with similarities across boundaries. The GMCA also has a Social Value Framework, currently being refreshed, and offers support to the GM Social Value Network, a broad coalition which exists to maximise the value of service delivery, commissioning and procurement.

- 4.6 Some GM authorities have established more targeted, place-based approaches in relation to specific regeneration priorities, often in collaboration with delivery partners (e.g. the North Manchester Social Benefits Framework).
Environmental sustainability is dealt with in various ways as a distinct goal and can be given separate weightings in both procurement and planning deliberations.
- 4.7 However, the approaches above are distinct from allocation of funding for investment. The decision to invest into prioritised projects is not about procuring them – the selection of regeneration partners by local authorities will already have been subject to procurement, and where the project is purely commercial, the only formal touch point with local government may be through planning. A distinct approach to social value as it applies to the latest phase of GM investment is required.
- 4.8 The Good Growth Fund provides an opportunity to lay down a blueprint and embed clear ethics and social gains into our investment strategy as GM's approach to social value continues to evolve and extend.

5. Precedents

- 5.1 GM has already developed a variety of initiatives designed to raise the bar and spread the benefits of economic activity. Many of these have been innovative and subsequently replicated elsewhere. The proposed Social Contract with GGF beneficiaries will complement, support and reinforce these initiatives while delivering additionality where necessary. Examples include:
- **GM Mayor's Charity:** Established in 2018 with the GM Mayor as patron, this independent charity was originally focused to alleviating homelessness and rough sleeping, although its remit has since expanded. It disperses funds raised from a variety of sources with an emphasis on the ABEN programme, plus small grants. In 2026 it partnered with NHS GM to launch a Live Well Communities Fund, focused on prevention and community capacity building.
 - **Good Landlord Charter:** Established in 2024, this voluntary initiative brings together landlords, housing providers, local authorities and tenant groups. It is designed to improve rental standards for private and social tenants in GM. It applies a range of criteria to members and takes a collaborative approach to improving the standard of GM's rented housing.

- **Good Employment Charter:** A voluntary membership and assessment scheme established in 2019 which aims to raise employment standards across GM. It is routinely mandated as part of public procurement and holds its members to a high standard in relation to various employment characteristics, including pay, wellbeing and workplace relations. Businesses invested in by GMCA are already asked to join the Charter as supporters, progressing to full membership.
- **GM Environmental Trust:** An independent charity, established in 2021 as the UK's first regional environmental impact fund, the GMET is a partnership between GMCA and the local Wildlife Trust. Its purpose is to act as a central funding source for projects in the region, raising funds from a variety of sources. It distributes grants to community organisations across GM, including the Renew Community Fund, and is exploring the potential to deliver biodiversity net gain and carbon offsetting.
- **GMCA Culture Fund:** Supports organisations delivering impactful cultural activity across GM, using grants to build a vibrant and inclusive culture ecosystem. Another donor-focused initiative is the GM Tech Fund.

6 The Good Growth Social Contract

6.1 We wish to see GGF partners working alongside us to be:

- Champions of our young people
- Building homes that are healthy
- Offering opportunities that support clear line of sight to high-quality jobs
- Offering everyday support in neighbourhoods through community work
- Being a good employer, making GM a great place to do business
- Working towards a greener and more equal future for GM.

6.2 By design the Good Growth Fund aims to deliver transformational, layered investment. This scale of planned investment in housing, employment sites and infrastructure will involve significant place-making at pace. As our places change, it is crucial that our partners are aligned to the ambitions and ways of working set out in our GMS.

- 6.3 GM aspires to be a cohesive, socially mobile region where young people live well and feel confident in navigating the world around them, whatever their background. Our GGF partners must share the GMS vision and demonstrate their values in the way they deliver projects.
- 6.4 It is proposed that recipients of Good Growth funding commit to initiatives which reflect these values, and in the process deliver broader social good, with a specific focus on our young people. Commitments will reinforce existing activities and localise sustained economic gains.
- 6.5 Recipients of the Good Growth Fund will be asked to agree to a Social Contract, that will be embedded within funding agreements, with the following, minimum requirements:
- Commitments to the **Good Employment Charter**. A requirement of the funding agreement will be that recipients sign up to be a Supporter of the Charter, progressing to full Membership within 12 months. Recipients based outside GM will still be required to demonstrate adherence to the principles of the Charter, including payment of the Real Living Wage.
 - Membership of the **Good Landlord Charter**: recipients providing rented accommodation will be required, within the funding agreement, to sign up as Members of the Charter within 12 months, making commitments to the seven characteristics of good renting within the Charter while engaging in the broader activities of this initiative, with a particular focus on EDI, including young people².
 - Commitment to the employment of **Apprentices** from within the Greater Manchester area, with a target number to be agreed for each scheme and alignment of technical education routes to relevant **MBacc** industry gateways, particularly 'construction and the green economy'.
 - Commitment to offering good **quality work experience** for GM residents, with specific pledges to be agreed collaboratively for each scheme and aligned to the standards set in the GMCA Delivery Plan, including high-quality 45-day placements and opportunities for local young people.

² Developers looking to subcontract or sell units to landlords will be required to ensure these businesses are also Supporters with planned progression to Membership

- Workforce commitments aligned to any **Local Labour Plans** agreed as part of planning permissions, complementing Charter commitments and focused specifically on young people.
 - Commitment to including local **GM suppliers** in the co-delivery of schemes, while working collaboratively with **VCFSE infrastructure** locally.
 - Commitment to the highest standards of **low carbon infrastructure** built into developments being supported, with specific measures to be agreed for each scheme, in line with PfE and TANZ guidelines.
 - Voluntary contributions to the **Good Futures Fund** (*see next section*).
- 6.6 Those leading on the existing elements of the initiatives referred to above will be engaged with to explore the potential for giving existing criteria a specific youth focus, engaging directly with young people to shape these adaptations. An example would be articulating how commitments to the Good Landlord Charter can support access to affordable, good quality rented accommodation for local young people in the areas where investment is being delivered.
- 6.7 In addition to meeting these minimum requirements, we will explore the potential for developing joint engagement plans with partners, aligned with local priorities and place-based assessments of impact. This is innovative thinking, embedded in the ways of working outlined in our GMS and informed by the GM Participatory Playbook. It will require careful co-design with communities, VCFSE bodies, local authorities and developers. Examples could include the co-creation of safe and inclusive spaces for young people within our newest neighbourhoods.
- 6.8 The Social Contract will be embedded within our GGF funding agreements. Requirements will be monitored routinely alongside established, more commercially focused aspects and reported on as part of GMS Delivery Plan governance. Non-compliance will be regarded as a breach of the funding agreement.
- 6.9 It is proposed that this approach to embedding social value will become a blueprint for all GM investment.

7. Good Futures Fund

- 7.1 In order to make maximise the legacy of the Good Growth Fund, we are establishing a Good Futures Fund. It is proposed that this be focused on improving the lives of our young people, their agency and hope for the future.
- 7.2 Inequalities impact young people and their life chances most of all, and our education system is not currently designed to help everyone to thrive and get on in life. Addressing the suitability of education and training, maximising opportunities for rewarding work, while supporting the health, wellbeing and, crucially the sense of agency of our young people is core to the GMS.
- 7.3 Funding is expected to come from voluntary contributions from: i) recipients of the Good Growth Fund ii) partners associated with the Good Growth Fund iii) other donations from organisations and individuals inspired by the mission of the Fund.
- 7.4 Investment into schemes will be in line with the principle to do 'just enough' and as such there will continue to be detailed internal and external diligence on the costs assumed in schemes. Contributions to the GGF should represent a voluntary donation from a developer's profit that they would have earned on the scheme, and not an additional cost.
- 7.5 Key principles of the Fund will be:
- Supplementary to the Social Contract, not an alternative to adhering to those commitments.
 - Likely to be established as a Charitable entity (subject to further consideration), which will operate independently to the decision making for allocation and monitoring of the GGF.
 - Distribute funds to 'not for profit' organisations operating in GM and focused on improving the life chances of its young people. The Charitable vehicle itself will not deliver direct services.
 - It is not anticipated that Registered Providers, Public Bodies or other non-profit recipients will be asked to contribute donations.
 - Options for the legal form of this fund are still being explored.
- 7.6 Opportunities for youth-orientated initiatives supported by the Fund include:
- **Inequalities:** Numerous studies have highlighted the inequality of GM society and strenuous efforts continue to be made to address this. Without concerted action, return-seeking investment alone may fail to address the entrenched, structural inequalities which widen with age.

Tackling inequalities involves improving inclusion, equity of access to resources, quality of life and community cohesion. Funds will be targeted at excluded or disengaged groups of young people, in line with GMS equalities goals. GGF recipients will be encouraged to offer opportunities for engagement and employment accordingly, demonstrating their impact as their projects deliver.

- **Jobs & Skills:** Local employers report urgent skill shortages, particularly in construction, manufacturing, low carbon and digital literacy. Younger residents too often lack the tools to adapt to the rapidly changing world of work or clear line of sight to high quality jobs. The GGF will deliver jobs – a key test will be that these jobs are made accessible to our local young people.
- **Community Wealth:** The VCFSE sector is crucial for strengthening our social fabric, generating deep and enduring returns with every pound spent locally. Supporting and growing the capacity of this sector is core to the GMS. We will ensure resources are invested in local organisations that are known and trusted in our communities, combating economic extraction and improving social returns. Including young people in this mission is critical to sustainably delivering more equal and cohesive places in the future.
- **Resilience:** More equal, cohesive communities are also more resilient, able to withstand the shocks that may become more frequent as the world navigates climate change and a more volatile geopolitical environment. Our investment funds must build resilience by laying solid, long-lasting foundations for our communities and helping our young people navigate the future.
- **Sustainability:** Delivering the transition required to slow the pace of climate change, while adapting to its inevitable impacts, will require concerted, collective action. Climate change has the biggest impact on deprived and marginalised communities and is a matter of intergenerational justice. Environmental standards embedded within the GGF will establish a high bar for the built environment, supplemented by the broader efforts required to ensure our young people are informed and equipped to navigate climate change as a shared endeavour.

8. Next Steps

- 8.1 The establishment of a Good Futures Fund will ensure there is a tangible legacy from the funding allocated by the GMCA, directly driving social value outcomes in our region and supporting the delivery of the vision set out in the Greater Manchester Strategy.
- 8.2 If the GMCA are supportive of this proposal, proposed next steps through April-June 2026 will be:
 - 8.2.1 Confirm proposed conditions within Social Contract and embed the conditions within funding agreements
 - 8.2.2 Confirm proposed focus of Good Futures Fund
 - 8.2.3 Confirm proposed legal form for Fund (including proposed hosting arrangements)
 - 8.2.4 Engage and consult on proposals with VCFSE sector, GGF stakeholders and local authorities.
 - 8.2.5 Quantify estimated resources, actions and confirm proposed timeline for establishment of Good Futures Fund.