

Eight key issues and questions about the mosaic city: a response to the draft Greater Manchester Spatial Framework:

Introduction:

This contribution to the public consultation on the draft Greater Manchester Spatial Framework (GMSF) comes from a group of academics currently researching transport and housing in Greater Manchester. Our collective interdisciplinary expertise covers political-economic analysis of urban change and infrastructure, governance and accountability.

For the first time since 1981, the GMSF offers a spatial plan for the city region and a twenty year strategy for housing, land-use, employment and associated infrastructure. If implemented, the plan will shape the long-term future of Greater Manchester by materially re-formatting the city-region and the everyday life of its citizens.

We welcome the production of a Greater Manchester-wide spatial framework about the places and connections between them. GM has a definite need for something more than ad hoc responses to developer requests for planning permission. At the same time, we have serious reservations about the assumptions, approach and content of this draft plan.

Our argument is summarised in the eight issues and questions below. The critical but constructive implication is that Greater Manchester decision makers should recognise there are fundamental problems in this draft GMSF and rise to the challenge of first consulting their citizens about planning priorities, before building a new and different plan and the capacity to achieve it.

(Re)formatting the mosaic city:

We separate out eight issues and key questions in the main body of this document below so that readers can decide easily where they agree and disagree by considering the issues and answering our questions. These issues can be analytically separated but they are all practically interlinked when the city region of Greater Manchester is a mosaic of affluence and deprivation.

As we have argued elsewhere, the city region has in the past twenty years been formatted in ways which prevent policies of infrastructure and upskilling delivering much for the Northern Boroughs¹ The key development has been the concentration of new build offices

¹ P. Folkman et al.(2016) *Manchester Transformed: why we need a reset of city region policy*, CRESC public interest report. <http://www.cresc.ac.uk/medialibrary/research/ManchesterTransformed.pdf>

and 50,000 1-2 bed flats in the city region's centre with the associated in-migration of young workers to Manchester City and Salford.

What the draft GMSF now proposes is much more re-formatting. The overall target for Greater Manchester is land for 227,000 homes and 200,000 jobsⁱ and it is proposed to meet this requirement through more development in the city region's centre plus large edge city housing developments and warehouse parks for logistics operations.

The existing "new town" in the city centre is projected to roughly double in size from 2015 to 2035; Manchester City centre and Salford Quays will gain 46,000 new dwellings (mainly small flats) and 1,535,000 sq metres of office spaceⁱⁱ. The building of flats and office blocks will continue to be centralised because more than 70% of Manchester's new office space is to be constructed in Manchester and Salfordⁱⁱⁱ.

But this development will be dwarfed by a much larger scale development of edge city estates of houses and warehouses off the orbital M60 and the spurs M61, M62, A 327(M) and A580; with, it is claimed, more than a quarter of the housing to be built on green belt sites.^{iv}

In our view, this proposed re-formatting of the city is highly politically contestable because the new build will do very little for most of GM's citizens who live in the "city in between" the city region centre and edge city periphery. The GMSF plan is for a concentration of investment in centre and periphery and the outcome will be negative for the majority of GM citizens insofar as most GM residents will lose green belt amenity and suffer increased congestion.

The draft GMSF presents this politically contestable development as technically necessary by making implausible assumptions about (1) an acceleration in the rate of regional growth to more than 2.5% and (2) no substantial dis-employment through automation in junior white collar jobs; on these two key assumptions, the city region needs much more housing.

These unreal key economic assumptions are the first two issues we discuss before underscoring the point that (3) the draft GMSF does little for the city in between not only because the draft GMSF concentrates investment in centre and periphery but also because the draft GMSF is not part of any kind of joined up policy for a more liveable city.

Thus, the spatial privileging of city centre and edge city in the draft GMSF is only weakly connected to the city region's (4) transport and (5) housing policy, while the neglect of (6) active carbon reduction strategies is a missed ecological opportunity. Overall, also, there is no clear (7) financial model for funding GM infrastructure through a mix of private and public investment.

Finally, there is the democratic deficit built into the draft GMSF which represents (8) an unsatisfactory form of consultation. In the present consultation exercise, the citizens of GM are invited to comment on a nearly finished plan where their only role can be as local objectors to green field development. This is undemocratic when there has been no earlier or consultation with GM citizens about principles and priorities for development. The complete

failure to consult about citizen priorities suggests GM’s political classes are too close to property developers and not close enough to their voters.

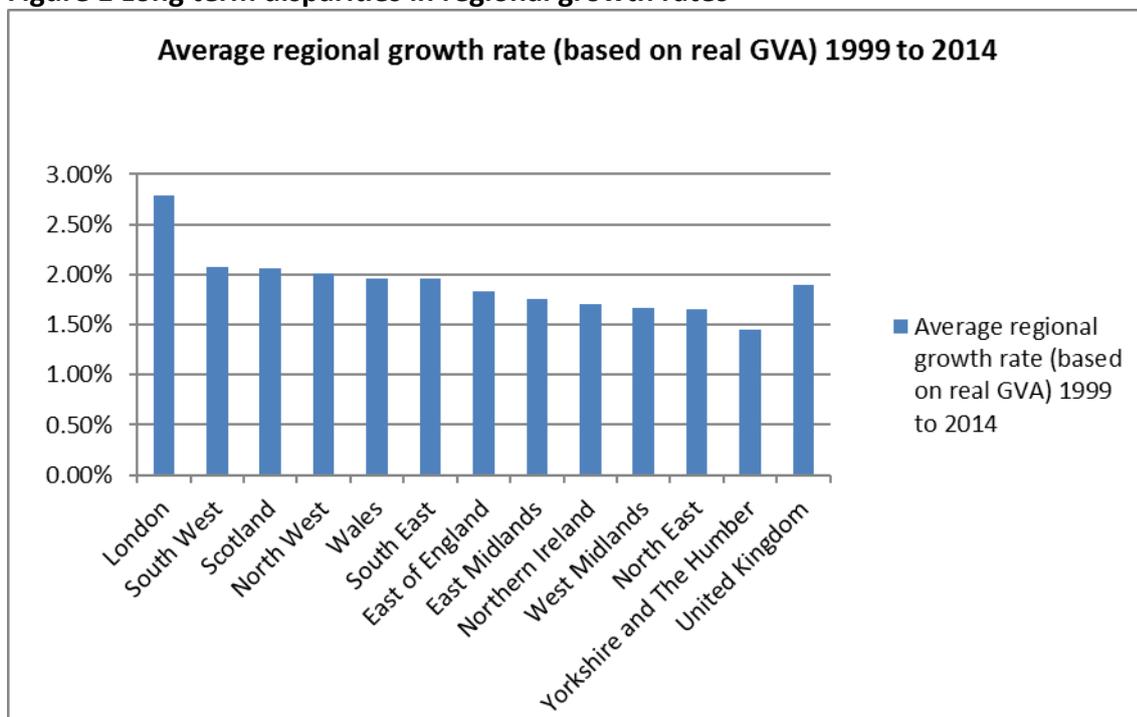
Issue 1: The draft GMSF makes macro-economic assumptions about high growth rates.

The requirement for 227,000 net new homes in the draft GMSF depends critically on an assumed substantial 25% acceleration of the North West’s regional growth rate to the national average, so that Greater Manchester’s (real) GVA grows by 2.5% per annum every year to 2035.^v

If we begin by considering 2.5% as the projected UK wide national growth rate to 2035, sustained growth of 2.5% looks too high for the next decade. The UK has unsolved problems after the great financial crisis and faces new political-economic uncertainty arising from Brexit, the stresses in the Eurozone and the rise of ‘populist’ politics across Europe and in the US.

If we consider the growth rates of all the UK provincial regions over the past twenty years, there is no precedent for the step change envisaged in the draft GMSF whereby the growth rate of one region accelerates against the others. As figure 1 shows, London is always the high growth outlier and the growth rates of all the English regions are lower and are highly correlated because all the regions lack London’s sectoral activity advantage and none has distinctive development policy levers^{vi}.

Figure 1 Long term disparities in regional growth rates



The other problem is that the preoccupation with NW region and GM growth rates diverts attention from the question of why the draft GMSF says nothing about the problem of large and long standing intra-regional and local difference in GVA level and growth rate within the NW region and GM. The NW region's (nominal) GVA per capita is half that of London, but Wirral's GVA per capita is half that of Warrington in the NW and Oldham's is half that of Manchester City in GM.

Key questions: Should the 2.5% growth assumption be rejected because it is implausible given the historical trends in regional rates and current national circumstances in the UK? Instead of using a 2.5% assumption so as to justify large scale new build, should the GMSF be modelling lower growth scenarios and how they reduce the requirement for new build. Using a more realistic assumption of 1-1.5 % growth, how much of the planned home building is necessary? How could a draft GMSF mobilise resources to reduce GM's internal disparities in growth rate?

Issue 2: The draft GMSF has no micro-economic analysis of changing sectoral labour requirements

The requirement for more housing and warehouses appears to rest on a 'if you build it, they will come' assumption and the draft GMSF provides no analysis of what activities will generate jobs and which sectors will shed labour. This is a plan for place without any sectoral analysis.

This is remarkable when the Northern Boroughs are still scarred by manufacturing job loss and Greater Manchester has a very weak record on quantity and quality of private sector job creation over the past twenty years^{vii} Meanwhile analysts like Frey and Osborne (working on US data) calculate that nearly half of all jobs are now vulnerable to computerisation^{viii}.

In a twenty-year framework plan, we would expect explicit consideration of how global trends to increasing automation will impact on local sectors. This is especially so in sectors like financial services where Manchester is vulnerable because it attracts junior and back office jobs so that the £90 k of GVA per capita in Manchester financial services is half that of London^{ix}.

Earlier background work on the "accelerated growth scenario" by Oxford Economics did contain projections of sectoral GVA and employment trends up to 2035 which provides at best a partial justification for the investment priorities. Oxford Economics projected a surge in real estate, retail and professional service activity which could (perhaps) justify central city offices and flats.

But, according to Oxford Economics, manufacturing's share of employment and GVA was projected to decline and transportation and storage would do no more than hold its share of employment and GVA. Warehouse development has so far been privately profitable but the social rationale for much more warehouse construction at motorway junctions is completely unclear when this is not a growth sector and each new warehouse brings many truck movements and a few quality jobs.

Key questions: Will the relation between GDP growth and jobs creation be much weaker over the next 20 years as digital technologies transform sectors like retail or business and

financial services employment? Does the GMSF encourage over-building by refusing to consider scenarios where a given quantum of GDP and GVA growth will produce many fewer jobs? If there are few economic and social benefits for GM citizens from large scale warehouse construction, should the GMSF back the citizen interest in limiting warehouse development against the developer's interest in building more?

Issue 3: The draft GMSF concentrates development in the centre and edge city estates which does nothing for the “city in between”

Spatially, the draft GMSF envisages investment in the city region's centre and in selective gateways, corridors and zones around motorway transport intersections. These areas, shaded grey in figure 2, are the places where private developers want to build and this priority was clearly signalled in responses to an earlier first round of consultation on the GMSF in 2015 when house builders and developers accounted for nearly 40% of respondents^x.

The plan is for offices and flats in the city region's centre with warehouses and housing estates in 'edge city' developments which are the priority of larger developers. The draft GMSF uses the phrase “industrial and warehousing sites” but this is verbal window dressing. In the absence of any GM industrial policy and on the assumption of continued manufacturing decline, “industrial and warehousing” effectively means warehouses which only generate a few low wage jobs.

But, what of the rest of the “city in between”? The plan is to prioritise particular areas and sectors which are attractive to private developers. But this will simply reinforce inequality because in a mosaic city like Greater Manchester there are limited economic connections between contrasting districts of affluence and deprivation.

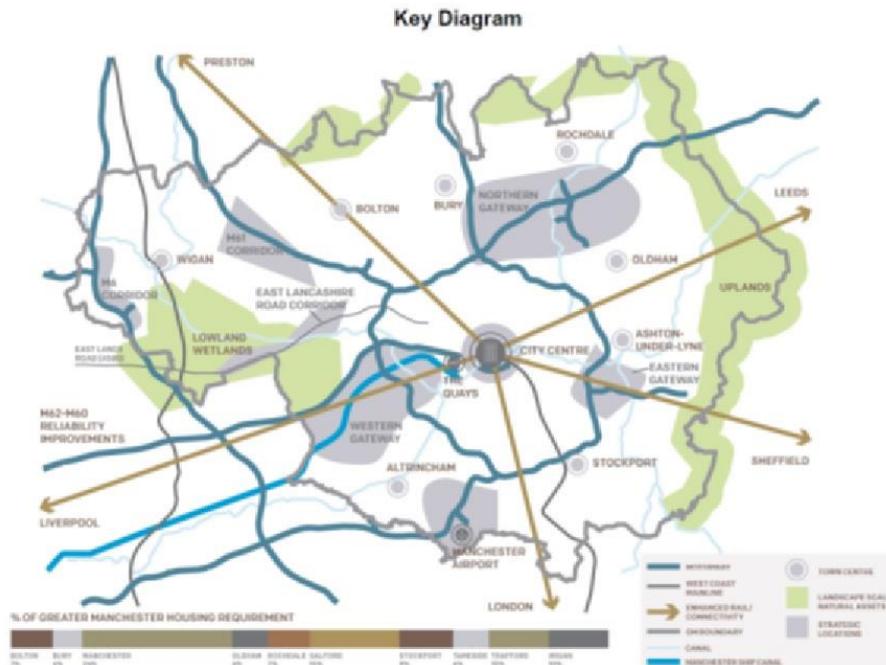
In an earlier CRESC report we showed that city centre development has few trickle down benefits for citizens of outer boroughs like Oldham and Rochdale^{xi}. Policies of “moving people to jobs” do not work when city centre jobs are typically taken by young in migrants living in city centre flats and when high public transport fares inhibit commuting by low wage workers. If development in the centre does little for the economic and social needs of the city in between, an edge city of housing estates and warehouses will do less.

The draft GMSF fitfully recognises the needs of the city in between but has no credible plan for the development of this space. For example, the draft GMSF quite rightly recognises that the eight local town centres of the boroughs from Altrincham to Wigan are ‘key locations’^{xii} But it does not explain how they might be developed (without the offices and flats which were the basis for Manchester city centre regeneration and with strong retail competition from Manchester City and the Trafford Centre).

The draft GMSF offers very little that's positive for the “city in between” the regional centre and new edge cities. This “city in between” includes most of the city region area and most of the people of Greater Manchester; the majority of GM citizens in this zone would not benefit from the GMSF but lose as edge city development takes up green belt and increases congestion on the motorways.

Key Questions: Can GM produce a sensible spatial distribution of people and activities without envisaging substantial amounts of brown field development dispersed across many sites? How does the social interest of the majority of GM citizens differ from the priorities of larger private developers who favour building in central locations and on large green field sites? What is the GMSF doing to make the city more liveable for the majority of citizens who live and work in the spaces between the regional city centre and edge city sites?

Figure 2: Mosaic Great Manchester: Regional Centre, Edge Cities and City in Between



Source: GMSF, p.13.

Issue 4: The draft GMSF has a weak connection to transport policies for moving people and goods

An effective spatial framework needs to connect with transport policy because new build implies movement of people and goods; this is especially so, in the case of edge city developments which will create substantial extra road movements of freight and people by truck and car.

The draft GMSF recognises edge city developments require new junctions, access points and ‘smart’ infrastructure but does not propose a road building programme. Without any substantial increase in road capacity from new roads, the draft GMSF makes optimistic assumptions about the potential of low cost technical fixes through intermodal interchanges, ‘smart’ regulation of flows and such like

As back stop, the draft GMSF also envisages ‘using demand management measures to make best use of our existing high ways capacity’^{xiii} with no indication at all of how pricing or other rationing principles might be applied.

Key questions: Will large scale edge city development, as envisaged by the draft GMSF, produce gridlock in a car-dependent city-region, where 60-70% of current inter-borough commuting movement is by car? If grid lock is averted by some form of road pricing, how will this affect the motoring poor who often must make orbital commutes where there is no public transport substitute?

Issue 5: The draft GMSF makes a partial connection with housing policy by recognising housing as market asset not social need

The problem with housing policy is not disconnect but a partial connection because the draft GMSF is connected to housing policy through a view of housing as marketable asset rather than housing as social need. In effect, the GMSF sees housing through the same lens as a private developer which is completely inappropriate when local authorities have broad social responsibilities for the well-being of all their citizens.

The draft GMSF therefore promises “affordable housing” which is needed because, as the Resolution Foundation notes, owner occupancy in GM has declined amongst younger age groups. But, significantly affordable housing is nowhere defined; and there is little on security of tenure or rent regulation for private flats which will become increasingly important as central flat occupiers grow older and start to rear children in two bedroom flats.

Social housing is not mentioned once in the draft GMSF though there are 80,000 on the waiting list for social housing in the 10 boroughs and, for the many households on low and precarious incomes, social housing is the only sensible form of tenure for bringing up families.

Key questions: The draft GMSF benefits private property developers and buy to let landlords by allocating sites for edge city houses and central flats, but where’s the benefit for ordinary citizens of Greater Manchester who need an expanded social housing supply? Is it possible to construct a housing policy for all our citizens, if policy makers operate in a frame where housing figures as a marketable asset?

Issue 6: The draft GMSF is a missed ecological opportunity because it licenses large scale development without active measures for reducing GM’s carbon footprint.

The draft GMSF accepts GM’s existing 2035 target of a 60%-65% reduction in carbon emissions from 1990 levels. Many already believe that, on current trends, this ambitious reduction may not be achievable and we would add that the draft GMSF makes that achievement less likely.

The draft GMSF does not explain how carbon emissions reduction can be reconciled with the additional economic growth which is implied by the assumption that the region’s growth rate accelerates to 2.5%. If this growth does not materialise, the GMSF still licenses large scale edge city developments without any specification of how all this can be actively managed for a low carbon footprint.

There is, for example, in the draft GMSF no specification of the technical standards for new-build homes and flats, nor of the carbon emissions and air quality consequences of increased car and truck movements, although GM admits that existing movements account for at least 2,000 premature deaths each year in Greater Manchester.

Key questions: How can long-term carbon reduction happen if it is not designed into housing stock and does not realistically take into account the people and goods movements generated by new build? Where is the GM policy to improve air quality by reducing vehicle emissions in the 10-20 year period before battery vehicles replace internal combustion engines?

Issue (7) The draft GMSF does not explain how GM will blend private and public financing of the infrastructure required to support new build.

The draft GMSF acknowledges previous borough failures to obtain sufficient developer contributions to infrastructure^{xiv} and asserts that it will be different in the next phase (including through use of a Community Infrastructure Levy).

It is not clear how and why the GMCA and the boroughs will be more successful in obtaining significant developer contributions to improving GM infrastructure. Instead, we are likely to have more limited, site-specific enhancements like access roads which are volunteered by the site developer because they are mainly of benefit to the site developer.

In the future (as in the past) developers will produce spread sheets which show that any broader social contributions will make the project unviable; and, when boroughs compete for development, GM planners are in no position to insist on section 106 or similar betterment requirements or to audit profit outcomes against section 106 excuses.

Key questions: How much will developers pay for infrastructure and how will the unmet remaining needs be financed? Should the GMSF include (in an appendix) a financial model which explains how GM will fund the new and upgraded city region infrastructure which would allow all GM residents access to transport, utilities, education and health?

Issue 8: This latest draft GMSF consultation is not an inquiry into the priorities of citizens who can at this stage only object to a nearly finished plan

The present public consultation is very narrowly about a near final draft GMSF which appears to have been the subject of extensive pre-publication negotiation between GM and a few large developers so that the public's only role in the present round of consultation can be as local objectors to detail like a specific incursion into the green belt.

If there is to be a meaningful consultation about the GMSF, it should start by inquiring about citizen priorities. In the draft GMSF, the scarce resource of city region space is being allocated without any prior citizen consultation and without any discussion in the document of competing priorities and choices disclosed by consultation.

There have been earlier rounds of consultation on the GMSF but at no stage was there any attempt to inquire about citizen priorities and when earlier consultations produced objections and questions they were ignored. The 2015 consultation took the (faster) growth objective for granted and then inquired which of three Oxford Economics growth options was preferred^{xv}. The current draft GMSF does not in any way take into account the reasoned consultation responses by the Council for Preservation of Rural England and others who in 2015 questioned the crude and prescriptive "strategic options" framing of social choice; equally, the draft GMSF ignores earlier consultation objections to green belt development by the MP for Worsley and Eccles and others..

The draft GMSF is silent on all the key choices which would emerge from meaningful consultation: between the needs of different places and social groups; between the needs of property owners and those struggling for a secure place in the property market; between the

needs of those with the resource of car ownership and those reliant on public transport; between the needs of those with a secure place in the labour market and those with only a precarious place in that market.

Key questions: Does the GMSF suggest that GM officials and elected representatives have more understanding of the priorities of property developers and house builders than knowledge of their citizens' priorities? In what ways do the priorities of ordinary citizens differ from those of developers and how should this be explicitly discussed in, and reflected on, in the GMSF? Specifically, should GM postpone finalisation of any GMSF until it has inquired into whether citizens would prefer to see more brown field development in the city in between. And, if so, whether a more bottom up, dialogic approach to developing a GMSF would be more sensible.

The need for a reset GMSF

As constructive critics, we can propose alternative ways of thinking and acting on all the issues we highlight. The GMSF can be reset but this requires hard thinking and choices on fundamentals.

- The scale of development envisaged in the GMSF could and should be dramatically scaled back; because building more houses, flat and warehouses (according to developer priorities in centre and edge city developments) will not solve Greater Manchester's problems.
- Specifically, the GMSF should model different scenarios which assume lower growth rates amidst continuing politico-economic uncertainty and fewer jobs for every extra pound of value added; adjustments like halving the volume target for house building would then become thinkable.
- The spatial issue then is how the benefits of lower growth could be both produced and shared across Greater Manchester's mosaic city-region of gross internal inequalities. This means recognising the variety of pre-existing populations, assets, claims and citizen potential across the whole of Greater Manchester which would probably result in much more brown field development.
- The GMSF needs to have a social dimension so the GMCA has a civic offer for its citizens. In a city of low and precarious wages, this must involve the large-scale construction of social housing and the re-design of infrastructure and movements to meet the city and the planet's needs.
- Joined up policy is essential. That means effective integration of the GMSF with the parallel *Transport 2040* plan and a new review of the housing needs of the whole Greater Manchester population.
- Underpinning all this, the democratic deficit needs to be addressed. Devolution promised to bring decision making closer to the people and the draft GMSF shows that this is not being delivered. Effective mechanisms of consultation are needed to allow the strategic tier of government to frame public choices after first inquiring into the priorities and needs of Greater Manchester citizens across the mosaic city.

This response was drafted in December 2016 and collectively authored by a group of ten researchers, mainly based at the Alliance Manchester Business School, University of

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ⁱ Draft GMSF section 1.4.4

ⁱⁱ Draft GMSF section 3.1 on Manchester City Centre and 3.3 on The Quays

ⁱⁱⁱ Draft GMSF section 6

^{iv} Jennifer Williams (2016) 'The green belt solution' *Greater Manchester Business Week*, p.11. The GMSF consultation draft notes that there will be a net reduction of 8.2% in designated green belt (after designation of some new areas as greenbelt) (Draft GMSF section 16.0.1) .

^v Draft GMSF, section 1.3.5; for background in growth options, see the 2015 consultation at

[http://gmsf-](http://gmsf-consult.objective.co.uk/portal/options_consultation/strategic_options?pointId=d308981e883#section-d308981e883)

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^{vi} The evidence on regional growth rates is incisively summarised in a now slightly dated RBS presentation which includes a key exhibit on the close correlation of regional growth rates. D. Fenton (2013) 'Scratching beneath the surface: a look at regional performance in the UK economy'

<http://www.rbs.com/content/dam/rbs/Documents/News/2013/01/uk-economy-regions-jan-2013.pdf>

^{vii} Peter Folkman et al (2016) *Manchester Transformed*, pp.20-24

<http://www.cresc.ac.uk/medialibrary/research/ManchesterTransformed.pdf>

^{viii} C. B. Frey and M. A. Osborne (2013) "The future of employment: how susceptible are jobs to computerisation", Oxford Martin Institute

http://www.oxfordmartin.ox.ac.uk/downloads/academic/The_Future_of_Employment.pdf

^{ix} Peter Folkman et al. (2016) *Manchester Transformed*, p. 26

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^{xi} Peter Folkman et al (2016) *Manchester Transformed*, pp 20-29

^{xii} Draft GMSF section 3.2

^{xiii} Draft GMSF section 9

^{xiv} Draft GMSF section 4

^{xv} GMSF Strategic Options Consultation (2015) [http://gmsf-](http://gmsf-consult.objective.co.uk/portal/options_consultation/strategic_options?pointId=d308981e883#section-d308981e883)

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