



HOUSING THE POWERHOUSE

C/O Lexington Communications
The Zenith Building, 26 Spring Gardens
Manchester, M2 1AB

Open letter to GM Leaders

8 December 2016

Dear,

Greater Manchester Plan

The Greater Manchester Spatial Framework (GMSF) is an opportunity to provide positive and coordinated planning for new jobs, infrastructure and more and better homes in the City Region. It is also a once in a generation opportunity for Greater Manchester to meet the aspirations of millions of people and close the prosperity gap with London.

For these reasons, as leaders in the Manchester planning industry, we welcome the progress of the GMSF and the acknowledgement it includes, that a review of the Green Belt is needed to enable Greater Manchester to grow sustainably. But we also see it as our responsibility to be critical friends of a process we strongly support, in order to help Greater Manchester achieve a sound and positive plan.

It is in this spirit that we write to Greater Manchester leaders to set out our view that the Draft GMSF does not fulfil its promise; in fact, in its current shape it is a handbrake on opportunity that will hamstring the stated ambition *“to transform Northern Growth.”*

Not planning for enough jobs

The Draft GMSF is pessimistic about the potential for jobs growth in Greater Manchester. It uses an assumed rate of employment growth of 0.7% per annum, based on a forecasting model. This assumed rate is below:

- The 0.76% growth achieved in the period that included the most prolonged and severe recession since the 1920s (1999 to 2015);
- The 1.22% growth rate achieved in Greater Manchester since 2009; and
- The growth of comparable UK and European cities such as Dortmund and Nantes.

The current Draft *plans for reduced job growth* in the years to come. At a time when the objective is to see Greater Manchester perform to its maximum potential, it is illogical to plan on the basis of weaker jobs growth than in its recent past and in comparable areas.

Not planning for enough homes

On top of this gloomy economic outlook, the Draft GMSF plans for too few homes and this has potentially serious, damaging and longstanding consequences for Greater Manchester. There is a major mismatch between the future population and the future economy that GMSF plans for, something that is compounded by the pessimistic assumptions about jobs growth.



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Indeed, the Draft falls short of national planning policy, practice and case law on assessing the need for homes; for example, by not adjusting this for historic under-supply of housing and worsening signals from the housing market.

Meeting the need for affordable housing

So not only does the Draft GMSF not plan for enough jobs, but it also does not plan for enough homes to tackle house price inflation or boost social housing. In turn, the GMSF effectively sidesteps the significant unmet need for affordable homes across Greater Manchester, despite the region taking a lead on developing new delivery models and funding initiatives for affordable housing.

The overwhelming majority of new affordable homes in the region are delivered on mixed schemes where market housing is able to subsidise the cost of providing affordable housing. Delivering enough affordable homes to reduce the waiting list of 81,000 families simply will not happen without planning for, and then securing, affordable provision as part of private sector schemes, on a larger scale than envisaged by the current Draft.

Steps towards a sound and positive plan

As a development industry with decades of collective experience in planning development in Greater Manchester, we propose three steps that can turn the GMSF into a motor of ambition and opportunity:

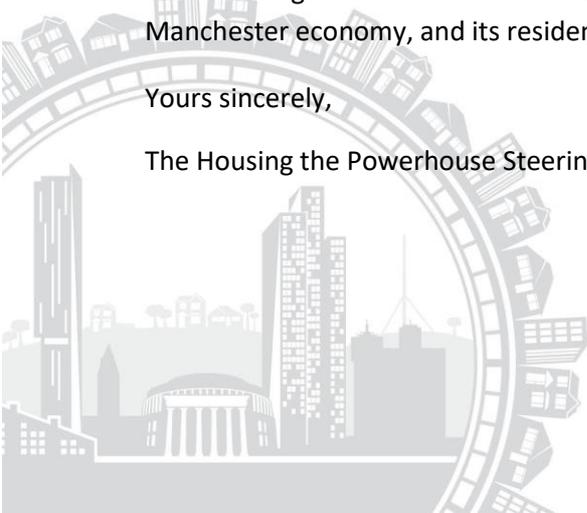
- **Be ambitious for job growth:** plan for an acceleration in jobs growth to allow Greater Manchester to punch its economic weight;
- **Match jobs and homes:** adjust the number of homes needed to match planned job growth, so working people and their families have somewhere to live;
- **Assess affordability:** adjust the assessment of housing need to take into account the historic shortage of homes, rocketing house prices and the ballooning waiting list for affordable homes.

Our concerns are not ones of principle, but rather of scale; yet still they are significant enough to make us nervous that the GMSF may be found 'unsound', which in turn would delay and frustrate ambitions for economic growth and a rebalancing of the economy. We have already seen other local authorities running into delays of several years for very similar reasons. Manchester cannot afford for this to happen here.

We encourage local leaders to take these positive steps towards a sound GMSF that will give the Greater Manchester economy, and its residents, the living space needed to reach their mighty potential.

Yours sincerely,

The Housing the Powerhouse Steering Group:





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