

Item No. 6

GM LOCAL ENTERPRISE PARTNERSHIP BOARD

Date: 10 November 2016

Subject: Greater Manchester Spatial Framework

Report of: Eamonn Boylan, Portfolio Lead Chief Executive for Planning & Housing

PURPOSE OF REPORT

The draft Greater Manchester Spatial Framework was approved for consultation by the Joint GMCA/AGMA Executive Board at their meeting on 28 October 2016, The public consultation will run from 31 October to 23 December 2016.

A copy of this report is attached for information. This report will be accompanied by a presentation at the meeting.

The Draft GMSF and associated documents are very large documents. They can be viewed at <http://gmsf-consult.objective.co.uk/portal>

RECOMMENDATIONS

LEP Members are asked to note the report.

CONTACT DETAILS

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AGMA/GMCA JOINT BOARD

Date: 28 October 2016

Subject: Greater Manchester Spatial Framework – Draft for Consultation

Report of: Report of Cllr Richard Farnell, Portfolio Lead for Planning & Housing & Eamonn Boylan, Portfolio Lead Chief Executive for Planning & Housing

PURPOSE OF REPORT

To update GMCA/AGMA Executive Board on the next stage of the Greater Manchester Spatial Framework and to seek approval for a consultation process under regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2012. The consultation will begin on 31 October until 23 December and will be carried out in line with the Statement of Community Involvements of the 10 local planning authorities.

RECOMMENDATIONS:

GMCA/AGMA Executive Board is requested to:

- 1) Note the report and agree the approach
- 2) Approve the Draft GMSF (Appendix 1), approach to site prioritisation (outlined in Appendix 2) and Integrated Assessment (Appendix 3) for consultation subject to comments of Leaders
- 3) Delegate responsibility to make final amendments to the Draft GMSF and background documents (Appendix 4) to the Lead Chief Executive, Planning & Housing in consultation with Councillor Farnell, Portfolio Holder for Planning & Housing and agree publication of the documents for consultation.

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INTRODUCTION

- 1.1 In August 2014 the 10 Local Planning Authorities in Greater Manchester (Bolton, Bury, Manchester, Oldham, Rochdale, Salford, Stockport, Tameside, Trafford and Wigan) agreed to prepare a joint Development Plan Document to set out the approach to housing and employment land across Greater Manchester for the next 20 years. This is known as the Greater Manchester Spatial Development Framework (GMSF).
- 1.2 In November 2014 the first devolution agreement was agreed which provided for an elected Mayor with responsibility to produce a Spatial Strategy with the unanimous support of her/his Cabinet.
- 1.3 Following election of the Mayor in May 2017 part of the GMSF may become the Spatial Strategy and part will remain a joint development plan document to be adopted by the resolution of the full Councils of all 10 authorities.
- 1.4 Two consultations have taken place – on the initial evidence base in November 2014 and on the vision, strategy and strategic growth options in November 2015.
- 1.5 AGMA/GMCA Joint Board agreed the ‘growth option’ for the GMSF at their meeting on 26 August. The next stage is a consultation on the draft plan which sets out the spatial strategy to deliver this growth. The consultation on the draft plan will begin on 31 October for around 8 weeks. It will be carried out in line with the Statement of Community Involvements of the 10 local planning authorities.
- 1.6 This report provides some further detail on the documents which will be produced as part of the consultation.

2. THE DRAFT GMSF

- 2.1 Greater Manchester is starting to show real and sustained growth in jobs and population but we still perform below the national average in terms of productivity and growth and there are still too many places which have weak economic performance. Greater Manchester is on a transformative journey – we are actively promoting a strategy for growth across the whole of GM providing opportunities for investment in areas where we have genuine competitive advantages and for the acceleration of growth in those areas where economic activity is weakest. Even with the success of this strategy we will need to do a lot more to ensure that none of our residents are left behind.
- 2.2 We need to manage growth so that Greater Manchester is a better place to live, work and visit. It is our aspiration that Greater Manchester becomes as well known for the quality of its environment as for its economic success. Our Green Belt plays a role in this but there are important green spaces, parks, rivers and canals in the heart of our

urban communities which are equally valuable. The protection and enhancement of our blue and green infrastructure is a central theme of our strategy.

- 2.3 The GMSF is an important part of our tool-kit which is designed to facilitate Greater Manchester's capacity to deliver our full economic potential, and also to ensure that all parts of Greater Manchester and its residents fully share in that economic success. This means that those parts of Greater Manchester which are performing comparatively weakly should be supported to accelerate their growth.
- 2.4 The GMSF in itself does not deliver development, rather it defines what may or may not be developed in particular locations. Through our radical devolution agenda we are developing and delivering ambitious plans to enhance the skills base and transform the health and well being of our population to maximise our ability to promote inclusive growth. We will continue to drive that growth through targeted support for those key sectors that will underpin the economy of GM in the future. Housing and transport are key drivers in creating the conditions for growth and we are developing new investment models to help shape places where people want to live, invest and work. There is a particular need for significant transport infrastructure to access both housing and employment sites and we are committed to aligning our transport strategy and programmes to support the growth in GMSF.
- 2.5 The draft plan is attached at Appendix 1. It sets out:

VISION AND STRATEGY

- The vision builds on the Greater Manchester Strategy and sets out how Greater Manchester is planning to meet levels of growth well above baseline forecasts. The GMSF supports long term prosperity as well as meeting short term needs and seeks to ensure that all residents share in the benefits of growth at the same time as building a resilient Greater Manchester, improving our green infrastructure network, reducing carbon emissions, addressing air quality and reducing flood risk.
- The GMSF is looking to accommodate land for 200,000 jobs and provide over 225,000 new homes. There is a strong emphasis on directing new development to brownfield land in urban locations however the scale of growth requires the release of land from the Green Belt. Our approach to Green Belt releases is to maximise their sustainability by focusing on a relatively small number of large sites allowing for the creation of new neighbourhoods supported by proper infrastructure.

STRATEGIC LOCATIONS FOR DEVELOPMENT

- The aim of GMSF is to provide opportunities for development across the whole of Greater Manchester. A small number of locations however will make a disproportionate contribution to

economic growth. These include the City Centre, The Quays, Manchester Airport as well as town centres.

- Whilst the majority of new jobs are forecast to be within these existing employment centres, the GMSF provides an opportunity to improve and modernise the Greater Manchester employment land offer particularly around industry, warehousing and logistics. Significant expansion of established locations such as the Northern Gateway (building on the Heywood/Pilsworth, Stakehill and Kingsway brands); Western Gateway (Port Salford, Carrington) and Eastern Gateway (Ashton Moss, M67) as well as the M61, M6 and East Lancs corridors will improve the competitive position of Greater Manchester and help to foster sustainable, inclusive growth across the conurbation. Providing new large scale sites in locations attractive to the market involves release of land from the Green Belt.

THEMATIC POLICIES

- The draft GMSF contains a suite of policies addressing economic, social and environmental issues for example, housing distribution, green infrastructure, flooding, carbon reduction, resilience and air quality. These policies are high level and strategic and the detail of how they are applied will be set out in local plans and strategies.

SITE ALLOCATIONS

- Sites that are to be released from the Green Belt will be 'allocated' within the GMSF and there is a suite of allocation policies setting out the approach to development of these sites.

3. ACCOMMODATING GROWTH

- 3.1 As set out in the AGMA/GMCA Joint Board report in August, Greater Manchester will have to exploit all of its competitive advantages to secure the maximum opportunities it can in order to deliver economic growth and jobs.
- 3.2 We have looked very carefully at the land that is available to accommodate the development we need sustainably. There is a large supply of land within our towns which we have already identified for development and have looked at a range of ways in which we can 'optimise' this (including for example, increasing densities, re-allocation of older employment sites). Sufficient land has been identified to accommodate the forecast office growth over the plan period. However we still have a land supply 'gap' for both housing and industry and warehousing. Whilst we are committed to meeting the need for employment and housing land within Greater Manchester, in the light of the land supply gap, we have spoken to neighbouring authorities to discuss whether they would be willing to accommodate any of our housing requirement were appropriate. To date the answer to this question has been negative.

- 3.3 It is concluded that we have to consider Green Belt release to meet this need. We are committed to release the minimum amount of Green Belt to meet our need sustainably and are seeking to minimise the impact by identifying a relatively small number of larger sites capable of supporting the range of infrastructure (particularly public transport) and facilities required.

4. PLANNING FOR INDUSTRIAL AND WAREHOUSING GROWTH

- 4.1 Office development will continue to be located primarily in the same areas as at present through an ongoing process of redevelopment and increased densities, (which is particularly seen in the prime location of the city centre) and residential development will be spread throughout the conurbation with a focus on the urban area but involving some Green Belt release. The situation with industrial and warehousing land is different.
- 4.2 The preparation of the GMSF is an opportunity for us to modernise our employment land supply particularly in relation to industry and warehousing land. Our evidence demonstrates that Greater Manchester has been constrained over recent years by the lack of large sites which are well connected, and have close proximity to the motorway network. Where such sites have been made available, for example, Kingsway and Logistics North, these have been very successful. We have identified a large supply of potential new industry and warehousing floorspace. The sites that have been identified are comprehensive, and even in the very long-term the opportunities for other sites in addition to them may be quite limited. We do not think that all of this land will come forward during the plan period (by 2035) and further work on the master-planning and feasibility is likely to result in a reduction in the overall supply. Consequently it is considered appropriate to identify these sites now, to ensure that they are protected for employment uses, even if it may be 40 years rather than 20 years before they are fully utilised. This would help to protect the long-term economic position of Greater Manchester and the newly defined Green Belt boundary.
- 4.3 This is a different approach to that taken for other land uses such as offices and housing. The difficulties in finding those very large sites that are attractive to the market justify this, and it helps to provide a new Green Belt boundary which will endure beyond the plan period. Office development will continue to be located primarily in the same areas as at present (through an ongoing process of redevelopment and increased densities, which is particularly seen in the prime location of the city centre) and residential development is both less constrained by site characteristics and supply beyond the plan period will be boosted by the re-purposing of some of the existing employment land which would become available for housing.
- 4.4 If there is support for this approach, the next stage of the GMSF would need to be very clear that these sites are being identified for industrial

and warehousing floorspace beyond the plan period. In order to protect the identified sites from pressure for alternative uses the policy framework would need a strong degree of conditionality to safeguard accordingly.

- 4.5 We want to test this approach and take the views of residents, businesses and the private sector as well as other stakeholders into account before proposals are finalised in our Publication plan. We will undertake a prioritisation exercise to inform phasing and prioritisation of infrastructure investment. As part of this consultation we are seeking views on the methodology for this work.

5. PRIORITISATION OF EMPLOYMENT SITES

- 5.1 Given the large identified supply of industrial and warehousing it will be important to consider which sites are likely to come forward and when. This will inform decisions on infrastructure investment and provide greater certainty for private investors as well as helping to demonstrate the fact that the supply is intended to cover the very long-term, well beyond 2035.

- 5.2 It is not the intention to undertake any site prioritisation work at this stage but the GMSF sets out a commitment to do so if required following the consultation. A draft criteria-based framework has been developed to inform the suggested prioritisation of the sites which focuses around the following three key areas:

- **Strategic fit** based on the extent to which the site meets GM's strategic priorities around people and place and growth and reform, and the relationship with other elements of the GMSF such as the location of housing.
- **Economic and social impact** based on quantitative assessment of the "total public value" of the project, in terms of the direct and indirect economic, fiscal and social impact created.
- **Deliverability and affordability**, based on a qualitative assessment of the deliverability of the site given requirements for public investment and an assessment of risks.

- 5.3 Further detail on the proposed prioritisation framework is attached at Appendix 2. It is recommended that the draft GMSF consultation should seek views on the proposed methodology.

6. SUPPORTING DOCUMENTS

- 6.1 The Draft GMSF will be accompanied by the Integrated Assessment report (Appendix 3) and a range of background documents as set out in Appendix 4.

7. RECOMMENDATIONS

- 7.1 Recommendations are found at the front of the report

Greater Manchester Spatial Framework: Site prioritisation framework

1 Introduction and background

- 1.1 The GMSF strategic option consultation identifies around 8 million m² of existing and new industrial and warehousing land supply (over 5million m² of it 'new'), against an estimated need to provide around 5 million m² over the GMSF plan period.
- 1.2 The paper outlines a draft site prioritisation framework, should it be necessary to undertake such a process following the Autumn 2016 GMSF consultation. Views are sought on the suggested approach and criteria outlined in this document.

2 Components of a prioritisation framework

- 2.1 A draft prioritisation framework has been developed based on the following headline objectives:
- the framework should allow for a sharp and focused prioritisation process which is based on a robust understanding of the extent to which the sites meets GM's objectives around people and place, and growth and reform;
 - the framework should allow all industrial and warehousing sites (new and existing) to be compared against each other on a consistent basis;
 - it should draw on a mix of quantitative and qualitative inputs to provide a balanced assessment of the extent to which the site supports GM's strategic priorities;
 - it should include a balanced assessment of risks to delivery and achieving the anticipated impacts; and
 - the methodology needs to be transparent, so it is clear why sites rank where they do.
- 2.2 To deliver against these headline objectives, a balanced scorecard methodology is suggested structured around three key areas. This is consistent with guidance issued in the HM Treasury 'Green Book'. A mix of specific qualitative and quantitative criteria have been developed for each of these areas. Sites would be scored against each of these criteria to produce an overall score for each area. These scores would then be brought together to provide an overall score for the site, which would then be used to consistently compare sites against each other.

- 2.3 The assessment would include an analysis of the extent to which sites meet criteria in the following areas:
- 2.4 **Strategic fit:** Sites would be scored based on the extent to which they meet the following criteria:
- site stimulates commercial development in key growth sectors (such as advanced manufacturing, digital, health innovation, logistics, energy) to grow the economic base of the city region;
 - site is attractive for national and international investment to create net additional economic growth within the city region;
 - site will support regeneration and provide employment opportunities for local residents to create a more inclusive economy; and
 - site will enable all parts of Greater Manchester to make a full and positive contribution to the economic success of Greater Manchester and supports the GM priority to create the conditions for this objective to be delivered .
- 2.5 For each criteria a project can score a minimum of 0 (no impact) and a maximum of 3 (fully supports the achievement of the criteria).
- 2.6 **Economic and social impact:** Key economic, social and environmental metrics for the intended outcomes from sites will be collected for each site and run through GM's Cost-Benefit Analysis model. A range of indicators will be assessed including the number and types of jobs likely to be created (by sector and occupation), the number of jobs that could be taken up by local unemployed residents, impacts on key health outcomes, and so on. The CBA model provides a robust and consistent framework for assessing the economic, social and fiscal impacts of a site which goes beyond a simple GVA approach. A standard "total public value" figure, which combines fiscal benefits, net GVA impacts, and wider social benefits (such as improvements to health), will be produced to provide a figure for impact of the site per £ of public investment. Sites would be given an overall rating from 0 to 10 based on the level of economic and social return generated.
- 2.7 **Deliverability and affordability,** criteria will include an assessment of:
- whether the site is (or has the potential to be) connected to public transport to connect GM residents with the new job opportunities;
 - the site's potential to make maximum use of the freight transport system and connectivity, for example rail, motorway and water networks.

- whether there are any locality risks – for example remediation risks and site negotiation difficulties – that mean the site may not be delivered as expected.
- whether there are any risks to the delivery of the site’s economic and social outputs and outcomes.

2.8 For each criteria a project can score a minimum of 0 (high risk) and a maximum of 3 (very low risk).

2.9 Given the importance of the site prioritisation process, detailed feasibility work will be undertaken for each site to ensure that consistent and robust data is available to produce a robust CBA and criteria based assessment.

3 Overall assessment

3.1 The scores for each of the criteria will be weighted and brought together to give an overall score and rank for the site. Once the individual site assessment is complete, an overarching assessment of the impact of the proposed GMSF site allocation of existing and new sites on GM’s economic and spatial performance, alongside an assessment of overall affordability/deliverability, will need to be undertaken to ensure the proposed site mix as a whole is viable and in line with GM’s strategic aims.

GMSF: Background documents

Ref	Title
0	Introduction to GMSF evidence base
1	GM SHMA .
2	Economic Evidence Report
2a	Accelerated Growth Scenario
2b	Economic Forecasting Summary
2c	Economic Deep Dives Summary
3	Town Centres Topic Paper
4	Natural Environment – Priority Green and Blue Infrastructure
5	Historic Environment Topic Paper
6	Minerals and waste Issues Paper
7	Green Belt Assessment
8	Flood Risk and Water Management
9	Consultation Report