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Response to the consultation on the Greater Manchester Spatial Framework

Introduction

Thank you for the opportunity to respond to the Greater Manchester Spatial Framework (GMSF) consultation.

Steady State Manchester[1] welcomes, in principle, the development of a plan that will shape the region's development over the next 20 years, and address key issues such as health and well-being, inequality and environmental degradation. The focus on wetlands and uplands protection and conservation are particularly welcome. So is the attempt to quantify the requirements for housing and workspaces.

However, we are extremely concerned that the proposals as they stand will fail to improve the well-being of local residents, protect our natural environment, and meet our binding commitments to tackle climate change and poor air quality. We are particularly concerned about the assumptions underpinning the draft, and the quality of the modelling that has informed it.

We draw your attention to the following points and request that they be included and addressed in the next iteration of the Framework.

[1] For information about Steady State Manchester see Appendix.

Growth assumptions

The term “growth” appears ten times on the first page of the consultation document, a level of usage that suggests a degree of over-emphasis, or perhaps such anxious repetition of a magical mantra means there is less confidence about the growth assumptions than might at first appear.

Economic growth

There are two problems with the projected GVA growth rate of 2.5%.

Firstly, in its own terms (that aggregate GVA growth is desirable) it is unrealistic. This figure is 0.2% above AGMA's own baseline estimate, and there is no transparency as to how the higher figure has been arrived at beyond an “aspiration” for “accelerated growth”. The contributions of several civil society organisations (including SSM) that challenged the growth scenarios in the previous consultation draft, have not been included in the consultation document.

While the consultants used by GMCA are “optimistic” about growth prospects, the OBR November 2016 Economic and Fiscal Outlook[2] forecast an average growth rate of 1.86% over the next five years 2017-2021. The Bank of England indicates a lower rate still, “ GDP growth is projected to slow in the near term and remain around 1½% further out”. They also show that the average of other forecasts is well below 2% over the the next three years. These estimates of course factor in the impact of the UK leaving the EU. **The GMSF growth estimates need reducing to take into account the impact of “Brexit”.** Furthermore, the likelihood of another “Great Financial Crash” is rated as high by those few economists that predicted the 2007 crash. This would again radically reduce the growth forecasts.

Secondly, such rates of growth are undesirable, environmentally, socially and economically. Increased growth of the economy is tied inexorably to the increase in the material flows through the economy: this is a basic scientific law that no amount of wishful thinking can negate. To mitigate the impact of GDP/GVA growth on carbon emissions, for example, would require an emissions reduction rate of between 8 and 10% p.a.[3]. The rates achieved by advanced economies have been at best 2% p.a. **To promote such levels of GVA growth is therefore reckless.**

GDP/GVA growth does not necessarily lead to social well-being. This has been the case in the UK since the mid 1960s after which time levels of life satisfaction have not followed increases in the size of the economy. In the case of Greater Manchester, this is hardly surprising. For example, over the last ten years more than 20% of GVA is accounted for by two sectors, sales (including the motor trade)[4] and real estate (ranking first and third, respectively): these are also the sectors that have shown some of the most the most sustained growth[5]. It is hardly surprising then that GVA growth does not deliver population well-being if significant components are associated with grid-lock and housing cost inflation. Moreover, GDP growth in recent decades has been associated with large increases in inequality.

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2 http://cdn.budgetresponsibility.org.uk/ExecSummNov2016EFO.pdf

3 Estimate from University of Manchester climate scientists Anderson and Bows: http://rsta.royalsocietypublishing.org/content/369/1934/20.full.pdf+html

4 An earlier edition wrongly stated that this sector, BIC 2007 code G, just consisted of the motor trade.

5 https://www.ons.gov.uk/economy/grossvalueaddedgva/bulletins/regionalgrossvalueaddedincomeapproach/december2016

Finally, GVA growth will not necessarily deliver jobs, in that increases in profitability and investment lead to reductions in labour intensity: New Economy admits this in relation to manufacturing: a 1.7% growth leading to a reduction of 10,000 jobs[6], but the implications are wider given the increasing automation of all sectors which is exacerbated by continual growth.

Jobs and housing growth

Jobs and housing growth predictions rely on a number of assumptions. The population projections use the ONS and DCLG baseline data (2012) but envisage higher migration in the early years: it is unclear why. CPRE has provided an assessment from an independent demographer[7] who questions a number of the assumptions, in particular the possibility of double counting migration flows. The predictions also rely on the GVA predictions discussed above, and as noted, these now require downward revision. Moreover, the likely impact of Brexit is to reduce inward migration. As they stand, the population growth envisaged is for a 20 year sustained rate of increase at levels near the astonishing rates of Manchester's growth in the mid 19th century – not necessarily a good prescription for human well-being.

The Oxford Forecasting model that is used for the jobs forecasts is insufficiently transparent to allow a proper assessment of its modelling of jobs.

As the Economic Evidence Report (New Economy, October, 2016) notes: *"OE have reviewed the AGS-2015 scenario and has confirmed that whatever the outcome [of Brexit negotiations], Greater Manchester's ambition to achieve a high growth future in line with the scenario remains as appropriate and credible now as before the Referendum"*. However this statement appears to rely on little more than a survey of businesses in the present period before Brexit occurs.

However, to the extent that jobs forecasts are parasitic on GVA projections, the relationship can be questioned. The correlation for Greater Manchester between GVA and numbers in employment is 0.69 (i.e. no more than 50% of the one variable is accounted for by the other – direction of causality is not obvious), for the largest and for and fastest growing sectors in the GM economy, the relationship is often far weaker[8]:

Sector	**Correlation between GVA and jobs (r)**	**r^2**	**Rank size in 2014**	**Rank growth since 2008**
Wholesale and retail trade; repair of motor vehicles	0.22	0.05	1	14
Manufacturing	0.49	0.24	2	24
Real estate activities	0.13	0.02	3	7
Human health	0.93	0.87	4	16

6 http://neweconomymanchester.com/news-events/news/greater-manchester-can-expect-to-gain-110-000-new-jobs-over-next-decade

7 http://www.cprelancashire.org.uk/news-private/current-events/item/download/883

8 Own analysis of data from ONS (GVA) and New Economy (employment).

Sector	Correlation between GVA and jobs (r)	r^2	Rank size in 2014	Rank growth since 2008
and social work activities				
Professional, scientific and technical activities	0.17	0.03	5	4
Electricity, gas, steam and air-conditioning supply	-0.60	(0.36)	17	1
Mining and quarrying	0.30	0.09	33	2
Arts, entertainment and recreation	0.98	0.96	16	3
Accommodation and food service activities	0.67	0.45	13	5

As we note above: increased economic growth is not necessarily associated with economic benefits, and this is illustrated here in the case of jobs, potentially putting projections in doubt.

Basing the plan on a lower growth rate would result in lower demand for development, thus reducing pressure on the Green Belt and the environment more widely.

A further question relates to the types of units envisaged:

GMSF envisages an additional 294,800 people living in the conurbation and translates this into 227,000 net new homes. That gives an occupancy rate in the new stock of 1.3 persons per property. As the consultation document notes, that means approx 45% will be single occupancy flats, requiring, among other things, a near doubling of the number of flats in the city centre "new town". Such a pattern is questionable and an undesirable future for community life in the region, notwithstanding demographic trends away from the four person family unit.

GMSF is in many ways a "developers' charter" with its emphasis is on new sites, new construction and this is not surprising given the dominant pattern of city-based speculation as a sink for under-utilised capital and corporate profits. **From a human point of view it would make far more sense to start from an audit of unused housing and office space with a view to converting the excess of offices to housing and chasing absent landlords who retain empty properties.** Only then can adequate estimates of new build requirement be made.

Equally **the projections on office space are highly questionable.** They rely on the aforementioned GVA projections and assumptions about the mix of sectors in the economy. Yet, just because the last three decades have seen a move towards office-based work patterns, that does not mean the trend is going to persist forever.

Technological change will potentially drive a reduction in administrative office jobs, both through automation and through remote and home working. Global supply shocks to the material base of the economy (not least energy) will likely lead to the on-shoring of more production and the increase in manual work as the economy's energy supplement reduces as fossil fuels are abandoned. It is impossible to predict the relative contributions and time-frames for these factors but scenario development needs to take place so the GMSF has a wider range of possibilities to consider both initially and at regular review.

Carbon reduction and air quality

The GMSF consultation's carbon reduction target of 60% by 2030 fails to reflect the ambition in the Paris Agreement to aim to keep the rise in global temperatures to below 1.5 degrees. The plan should adopt a science-based target of at least 80% by 2030 should be adopted (noting that the mathematics keep changing such that earlier estimates of the remaining global carbon budget have to be revised downwards – the latest temperature figures indicate a rise already of approx 1.2 degrees).

It is to be noted that in the case of Manchester, the ambition is now for the city to be zero carbon by 2025[9] and

"Analysis by the MACF CO2 Monitoring Group of Manchester's emissions from a carbon budget perspective shows that we need to make steeper cuts from 2015 to 2020 to stay within our carbon budget. Given we have emitted more than we should between 2005 and 2014 (the area above the target line), we would now need to achieve a 62% reduction by 2020 in order to make up the difference."[10]

At GM level, *"over the period 2013-2020 emissions needed to fall 4.43mt from 15.43mt to 11mtCO2, over the 7 year period..... [but] at least 0.5 million tonnes of savings [remain] to be identified between now and 2020 beyond the proposed programme, plus additional potential savings to account for short term growth in the population and economy."*[11]

The point is that Greater Manchester is committed to significant reduction in carbon emissions already but is struggling to meet those expectations, while more demanding targets are indicated by the science. The GMSF needs to reflect this fully.

While we welcome recognition of the contribution of wetland and uplands in the draft framework, these sections are brief and vague, giving little confidence that they are really central to the Framework – the risk is that they will fall by the wayside under the economic pressures. **To strengthen the framework there need to be appropriate carbon metrics identified for the carbon transactions in these areas. This needs to be put alongside the same calculations for the present green belt and the impacts of reductions in green area quantified properly.** Without doing this the GMCA can not be regarded as serious about climate change and carbon reduction.

The plan does not adequately address the legal requirement to improve air quality across Greater Manchester, and particularly in areas already breaching air pollution limits. There should be a site specific assessment of the plan's impact on air pollution in existing Air Quality Management Areas.

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9 http://manchesterclimate.com/sites/default/files/MCCS%202017-50.pdf

10 http://manchesterclimate.com/sites/default/files/MACF%20Annual%20Report%202016_0.pdf

11 https://www.greatermanchester-ca.gov.uk/download/meetings/id/898/5_climate_change_and_low_emission_strategy_-_implementation_plan_16-20

In order to meet carbon reduction and air quality obligations, no new development should be permitted that would lead to an increase in carbon emissions and/or air pollution. In particular, this means:

- all new buildings should be zero-carbon with on-site renewable energy generation;
- there should be no new major road building schemes nor increases in motorway capacity;
- there should be no new fossil fuel extraction, such as shale gas or coal bed methane;
- no new energy generation from the combustion of fossil fuels or solid biomass;
- airport growth must be constrained such that emissions from flights firstly do not exceed current levels, and then reduce.

On this last point, the physical reality is that present levels of aviation cannot continue if we are serious about avoiding runaway climate change. Greater Manchester will eventually have to restrict flights and this is likely to involve closing one of Manchester's two runways. **Therefore Greater Manchester needs to start planning now for an economy that does not depend on aviation revenues, and for alternatives to airport-based infrastructure development in the south of the conurbation.**

Green Belt

The above comments on carbon reduction and air quality also apply to the Green Belt. Presentations about the Green Belt have suggested that because Greater Manchester has a higher level of designated Green Belt than other city regions, it can afford to lose some 10%. Moreover, comments made in response to questions at the Manchester consultation indicated that the officers involved were not going to consider revising downwards their proposals to take land out of the Green Belt.

However, the fact that more land is designated Green Belt in Greater Manchester's surrounds than in certain other areas does not mean that we can afford to lose it. That would imply that land supply is somehow elastic whereas it is strictly finite. That land will still be lost to carbon sequestration, amenity, biodiversity, and potential food production (relevant to GM's resilience in the face of future global supply chain disruption). Moreover, the material flows involved in converting a land asset into buildings have consequences well beyond GM, not least through the embedded carbon in these developments.

Building new housing developments and warehouses (predominantly) in these areas will also mean transport, utilities (water supply and disposal, power, sewage, waste disposal) and roads as well as schools, shops, community resources. This means a massive increase in GM's material footprint, much of which will not be measured.

Accordingly we propose that:

- **there should be no development on existing Green Belt land, nor in areas of flood risk;**
- **the primary focus of new development should be mixed use and higher density on brownfield sites;**
- **all new developments must have access to high-quality walking, cycling and public transport links;**
- **all new developments must deliver a net increase in biodiversity, with no net transitional loss;**

- **all major developments must provide opportunities for community-owned renewable energy generation;**
- **all new housing developments must have a substantial proportion of affordable housing and adequate community resources;**
- **existing agricultural land should be protected and all new developments must provide space for food growing.**

Biodiversity

There should be a specific section on protecting and increasing the biodiversity of the city region. The many green areas within the city region (additional to Green Belt) are vital resources and there is a need for ecologically informed management of these[12].

Food

There should be a separate section on food security for the city region, especially given the proposals for building on Green Belt. This was an issue we raised in the two previous consultations, but there is no trace of this issue in the consultation draft.

Viable Communities and Garden Cities

The model of urban development that emerges from the GMSF draft is problematic[13]. It envisages a "regional centre" consisting of flats, offices and shops, dormitory suburbs and warehousing and industrial sites on the periphery, in addition to "Gateway" areas with high concentrations of goods in transit. People will often have to travel long distances to work (for example in the city centre). The plans for renewing local towns (or rather their centres) seem like an afterthought, and there is little on the ecological, social and economic renewal of Greater Manchester's vast swathes of suburbia. Had the Framework started by asking the question, ***"What makes for a Viable Community[14] - socially, environmentally and economically?"***, then a very different Framework might have been the result.

The concept of ***garden cities*** is a good one that should not apply solely to new build developments on green belt land. ***The next edition of the GMSF could fruitfully consider how to transform the existing urban landscape into an integrated garden city,*** building on the region's current assets and ensuring that people have nature, provision for climate adaptation (through vegetation and water resources) and food production near to their homes and workplaces. More could be made to design out the motor car, reducing traffic risk and hard surfaces (water run-off)[15]. This seems curiously absent from the strategy.

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[12] For the case of Chorlton Meadows and the impact of inappropriate management on biodiversity see Bishop, D **Maximising Biodiversity in Greater Manchester: Obstacles and Opportunities** https://greatermanchesterenvironmentforum.files.wordpress.com/2016/08/biodiversitymcflymark3-db.pdf

[13] A point also made by colleagues at University of Manchester Business School: Folkman, P., Froud, J., Johal, S., Tomaney, J., & Williams, K. (2016). *Manchester Transformed: Why we need a reset of city region policy* (CRESC Public Interest Report) (p. 61). Manchester: Centre for Research on Socio-Cultural Change (CRESC), University of Manchester. Retrieved from http://www.cresc.ac.uk/medialibrary/research/ManchesterTransformed.pdf

[14] The Viable Economy, (Manchester: Steady State Manchester, 2014) https://steadystatemanchester.files.wordpress.com/2014/11/the-viable-economy-master-document-v4-final.pdf

[15] For this and more see, for example the example of Vauban in Germany. http://www.sustainablecitiescollective.com/david-thorpe/229316/words-most-successful-model-sustainable-urban-development

Appendix: About Steady State Manchester

steadystatemanchester.net

Steady State Manchester believes an alternative approach to economic development in the city and region is essential so that all can live well and within planetary limits. We encourage organisations to actively pursue ‘viable economics’ for a safe and good future for us all. Viable economics will involve:

- Re-localising food and other production in and near to the city, providing decent green jobs and more income equality.
- More security for us all because the environment is protected from further destruction.
- More secure access to goods especially food: we will be more resilient should there be climatic (e.g. floods) or financial shocks.
- More money staying local and more control over savings and investment.
- The city’s wealth being used for needed developments, for example energy efficient, affordable housing and invested in other local, green and ethical enterprises
- Balance. Some sectors must grow,(e.g. renewable energy) and some must shrink (e.g. fossil fuels).
- The focus is on the things we want the economy to deliver, rather than growth for growth’s sake (GDP or GVA measures).
- Less unnecessary consumption and a new culture of solidarity and participation.
- Less exploitation of the majority world while keeping open channels for communication and learning globally.