Introduction

1. The British Property Federation (BPF) represents the commercial real estate sector – an industry with a market value of £1,662bn which contributed more than £94bn to the economy in 2014. We promote the interests of those with a stake in the UK built environment, and our membership comprises a broad range of owners, managers and developers of real estate as well as those who support them. Their investments help drive the UK’s economic success; provide essential infrastructure and create great places where people can live, work and relax.

2. We welcome the opportunity to respond to the draft Greater Manchester Spatial Framework (GMSF) and the effort that has been expended in reaching this stage. The region has led the way in attracting investment to the north of England and maximising the opportunities offered by devolution, and we are pleased to see this commercial mindset and approach to growth continue. We particularly welcome the bold approach taken to allocating employment and specifically industrial land, given the importance of the freight and logistics sectors to the economy. However, there are concerns around the economic underpinning (particularly the assumed rate of employment growth) and whether the planned housing provision is sufficient to ensure the economic growth that is fundamental to the future of Greater Manchester is delivered. We would welcome further clarity on these.

3. Given the significant level of development that is expected in the region, we would welcome further detail on the type and level of transport infrastructure improvements that will be needed to accompany the GMSF as these will be critical to its success. It is unclear how national or regional approaches such as that of Transport for Greater Manchester, Transport for the North and the National Infrastructure Commission’s National Infrastructure Assessment have fed and will feed into the GMSF, and a strategic integrated approach is currently lacking.

4. As other regions begin to look at developing (or, in the case of Greater London, revising) a regional strategic plan, the GMSF is likely to be held up as a blueprint for progress. If this is to be the case we would urge stronger evidence on how the amount and type of housing provision planned for will meet needs and enable the economic ambitions of the Framework to be delivered.

Industrial and warehousing

5. The industrial sector is essential to the UK’s supply chain, underpinning businesses of all types from SMEs to international automobile manufacturers. It is often misunderstood and undervalued, but BPF research has shown the logistics sector in particular provides higher-paid jobs than the national average, with lower levels of part-time working. As such while the sector has a key role to play in delivering the “inclusive” growth which Greater Manchester seeks it is also important that the housing needs of workers who will be attracted to the region by the jobs created are fully understood and planned for.

6. Given the sector’s importance to the economy, we are delighted to see the GMSF has adopted a confident and strategic approach to allocating land for industrial and logistics use which offers choice to developers.

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and encourages growth. We strongly support this approach. While the site prioritisation may result in some phasing of land allocated, we consider that the remainder should be safeguarded to meet development needs beyond the plan period.

7. The economic justification and approach to industrial land has been well thought-through and balanced by the Greater Manchester Combined Authority (GMCA), and we welcome this. As we will expand upon later in our response, this has seemingly not been replicated in the approach to other sectors (specifically residential) and further examination of the underpinning of these sectors should be undertaken.

8. As well as providing high-quality employment opportunities for local residents, home to businesses and servicing a growing population, emphasising the importance of the industrial sector will also provide increased opportunities for local authorities with the proposed move to 100% retention of business rates.

9. However, in order for these increased employment sites to function effectively and efficiently, local transport links must be improved. To date there has been insufficient detail on how this will be done, and we would welcome further recognition of the need for infrastructure to accompany this level of development. We await with interest the preparation of an Infrastructure Delivery Plan.

**Offices**

10. The Greater Manchester office market is very strong, and developments such as MediaCityUK and Airport City have proven hugely successful in attracting occupiers. We welcome the ambition set out in this section, but urge recognition that there are a number of allocated sites on the periphery of the region that are currently not being delivered. Paragraph 4 in policy GM3 would benefit from more detail on the sites allocated and on why they have been chosen as the core of these conurbations, as well as how these local authorities plan to attract sufficient occupiers.

11. The residential section should be better connected to this, as the housing needs of each area will need to fit the types of jobs being created. Additionally, a pragmatic approach should be taken to whether this office and job creation will in fact encourage residents to move between local authorities.

**Housing**

12. We appreciate the complexities in balancing competing needs and priorities from different local authorities and stakeholders, and recognise the improvements and increases made in the predicted necessary housing numbers. However, we note that the GMCA does not appear to have followed national policy and best practice in assessing housing needs. We are unclear as to the reasons for this and are concerned that the GMSF will not meet the full objectively assessed need of the region for new homes. We would urge the GMCA to reassess and increase their estimated housing need.

13. The GMSF appears to be based on lower rates of growth in employment (0.7% a year) than have been achieved in recent years. This is surprising and seems inconsistent with the vision of plan. We do not understand why an ambitious plan would make provision for less growth than has been achieved in recent years (which included a period of severe recession). In order to house a relatively conservative 1% increase in job growth, around 16,000 homes would be needed per year. Given the GMSF has set out its annual requirement at 11,360 homes per year we are concerned this shortfall will stifle economic growth and
exacerbate the housing crisis within the region which has seen house prices increase at rates well above average wage growth. We would urge a balance to be found.

14. There is within this section an assumption that homes will be delivered on all sites allocated for housing. We have not seen the evidence on which such an assumption is based. We would urge a realistic view of what can be achieved, both by amount and type of housing, especially from existing sources of supply. The BPF would also welcome details of a realistic approach to encouraging and incentivising this level of supply. We would appreciate further detail on how all of these sites were allocated and, if they are owned by developers, to what extent they are seen as fully deliverable.

15. In addition to the quantity, we would urge further thinking of the quality and type of housing being planned for in the GMSF. Such high allocations of apartments will no doubt be welcomed in the city centres and we welcome the opportunity for the burgeoning Build to Rent sector to play a leading role in delivering this, but there may be fewer opportunities for this to prove successful outside of urban centres and the GMSF should take this into account. Ensuring an adequate supply of family homes in strong market areas is especially important to commercial occupiers who will want to ensure they can attract and retain the most talented workers to support their businesses. For reasons set out above we are concerned that the amount of new housing allocations is insufficient to meet this particular need.

16. To conclude, we are encouraged by the progress achieved to date in drafting the GMSF but would urge further clarity and consideration on the above points. A regional framework for development will be a significant step forward in ensuring the region is able to continue to provide high-quality homes and attract investment, and we look forward to further engagement on its progress.

17. We would be pleased to discuss or amplify any points raised in our response; for more detail contact:

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