



Three policy priorities for Greater Manchester

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Introduction

The first metro mayor of Greater Manchester will be elected with a vision for the city and clear strategic, deliverable policies to meet it. The challenge and workload will be considerable, with powers and expectations ranging from delivering policy, to establishing the institutions and capacity for effective city-region governance. This briefing offers three priorities that address the biggest issues facing Greater Manchester.

A **'quick win'** will help the mayor to set the tone for delivery right from the start. Delivering results quickly will build trust, and show what the metro mayor is able to do for the city-region. The best 'quick wins' in these circumstances are high profile and of value to citizens.

Strategic decisions form the framework for delivering the metro mayor's vision. As such, the mayor will have the power to take the decisions that will make the most of the new geography of governance. While the mayor will be keen to show progress towards their vision, strategic decisions will often take longer to show outcomes, therefore careful evaluation is needed to allow for flexibility and to demonstrate the effects.

A **long term vision** for the city will be the key election platform – it is what the mayor is working towards while in office. This should be ambitious, but reflect the real needs and potential of the city. Some aspects of the vision will be achievable within the mayor's term in office, while others will build momentum or signal a change in direction. It is important to be clear and strike the balance of where each policy lies on this spectrum.

Policy priority 1: A quick win

Put the GMCA spatial plan into action and create certainty over development

- The spatial plan allows the metro mayor to **be bold and strategic about the future growth of the city-region**
- This will help to **ensure the right types of housing and offices get built in the areas of the city-region** that need them most.
- It also provides a chance to **build consensus and trust** with local authority leaders.

Be strategic

By the time the mayor takes office, the consultation period for the GMCA spatial framework will be complete and the final document finished, with the aim of ensuring that investment and growth in houses and jobs happens, and that it makes Greater Manchester a better place to live and work. However there will be political battles over many of the specific site recommendations in each local authority, especially regarding green belt release. By committing to its recommendations, the mayor will show s/he is ready to take the bold, strategic and long term decisions that will help support future growth in the whole city-region, and in turn demonstrate the merits of taking decisions at this level.

Build housing where it is needed most

While housing is more affordable in Greater Manchester than the national average (average house prices are at 6.7 times local incomes compared with 9.8 nationally), there are nonetheless particular and acute housing issues within the city-region. There will also be pressures from different interest groups to champion specific causes, as there is an inevitable competition for space and resources in the city for multiple uses. However, the mayor will need to select the issues that are most important and can be improved by better strategic planning and intervention.

The city-region's spatial framework provides an agreed plan and evidence base to aid these strategic decisions. It also provides a level of certainty for developers and the framework to respond to specific issues, for example homelessness in the city centre.

More market housing is also needed across the city-region, especially in the high demand areas of South Manchester. Home ownership levels have fallen in recent years, in large part due to a lack of homes being built in areas that are most in demand. To continue to attract the highly skilled labour force that will sustain Manchester's growing economy, this is a priority that needs to be addressed. The spatial framework indicates the potential to meet some of this need by strategically releasing green belt sites in high demand areas, which will benefit the housing market across the city-region.

Develop office space where it will be most viable

The spatial framework also plans for other land uses. For example, the city centre is home to a disproportionately high share of jobs in the most innovative, productive, knowledge-intensive industries. These industries favour the city centre because of the proximity to workers, infrastructure and other business it offers, and they are the types of firms which are expected to drive growth in the city-region. The spatial plan therefore rightly prioritises commercial development in this area of the city. However Grade A office space is under acute pressure in the city centre, and the under supply is further squeezed by the nationwide policy of permitted development rights of office to residential conversions. The metro mayor can use their considerable mandate to call for an extension to the city centre exemption zones into the neighbouring commercial areas of Salford, the Northern Quarter and central retail district, while backing more suitable alternative sites for housing, as set out in the spatial framework.

Build consensus

It will be essential for the mayor to be working with local developers and housing associations as early as possible to get the homes and offices the city needs. Committing to the established framework early on will enable the metro mayor to do this effectively, offering developers certainty. It will also show that the mayor supports council leaders' plans, which will be essential to getting budgets and decisions agreed, and in implementing the mayor's vision for the city.

Policy priority 2: A strategic aim

Build the city-region case for congestion charging in Manchester city centre

- Present the case that **congestion charging will help manage city centre traffic**
- Show that **congestion charging can benefit the whole city region, through investment** in public transport for poorly connected areas
- **Evaluate the outcomes** and manage extensions and improvements accordingly.

Manage traffic and act on air quality

Although in recent history this has been an issue fraught with political controversy, a bold plan for Manchester's infrastructure across the city must include a congestion charge for the city centre.

Road use charging is an effective way to restrict road space, ration congestion within the city and ensure traffic is manageable. In addition it signals a proactive and environmentally friendly agenda, which can help set Greater Manchester apart from other rival cities and showcase the mayor's commitment to long term health and environmental goals.

Manchester city centre is the economic priority for the city-region – but currently congestion hampers deliveries, busses and commuters. To meet the scale of economic growth ambitions that the city holds, the city centre must allow for the free movement of goods, customers and staff. A congestion charge would aid this by reducing the amount of traffic in the area.

Fund priorities in poorly connected areas

The revenue received from congestion charging can also enable the mayor to fund other transport priorities, either by hypothecating the charge directly or as collateral to borrow against future returns. The mayor can use the resources raised from the charge to meet the transport needs in other areas of the city which are less well served by public transport – for example by subsidising more frequent bus routes from Rochdale.

By using congestion charging to free up road space in the economic core of the city centre, the metro mayor could benefit from considerable resources to fund transport priorities for other areas of the city. This would promote an efficient, sustainable and comprehensive transport system for the city-region.

Evaluate the impacts

To create the best scheme and improve it, effective evaluation must be embedded from the beginning. Defining what success looks like will be key. The metro mayor will need to decide on the balance between traffic reduction and the revenue needed for investment, and set measurable targets for both. After setting targets for what constitutes success early on, the scheme must be designed in a way which allows for data to be collected and analysed in a systematic and effective way. Bringing partner authorities on board and learning from the successes and mistakes of London's charging scheme will also help in finding the right geographies, cost, price and complexity for the charge. This should be an ongoing process used to refine how the scheme is implemented.

Policy priority 3: A longer term vision

Develop a sustainable social care budget

- Use this power to **match need with spending**, avoiding waste
- Use **council tax to increase the social care budget**
- **Evaluate the outcome**

Develop a budget that matches need

Social care as a statutory responsibility will take up an increasing proportion of a shrinking budget for every local authority, and so the gains from even marginal savings will therefore be highly significant for each city's balance sheet. In Greater Manchester, social care spending is disproportionately high in areas such as early years and mental health (as identified by the 'Healthier Together' review).

Use other powers to raise the social care budget

Exclusively, Greater Manchester's devolution deal includes considerable powers and funding over health and social care, including the £6 billion budget. Typically, waste in health and social care spending has been at least partially blamed on 'silo' funding – i.e. a mis-match in funding pots, geographies and departments meaning that future savings from investments have not been realised by those departments or decision-makers responsible for them.

The metro mayor has the powers to raise council tax across the local authorities in order to meet the strategic needs of the city-region. This can be pooled across local authorities, allowing it to be spent more efficiently.

Alongside this, the mayor will have the profile and informal powers to call on the Government to devolve the powers to set council tax bands in the city-region. By accepting this political risk, the mayor could then set new council tax bands to fund improvements in social care across the city-region, spreading the cost across local authority areas. A more efficient system should incentivise the same body that takes the risks and costs with the benefits these changes make.

Evaluate the policy and improve it

Greater Manchester will have the chance to experiment with this feedback loop to find effective outcomes and can use the council tax precept to fund such changes.

To ensure resources are allocated most efficiently, the metro mayor should put in place an effective evaluation system that includes a control group and sets specific goals, and allows for failure as well as success. This will be key to finding the best outcomes and will make best use of scarce resources for what is a priority across the city.

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