

AGMA presentation to RSS Seminar

Wigan Investment Centre

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About AGMA

- AGMA is the Association of Greater Manchester Authorities
- AGMA is not a statutory body
- AGMA is a partnership between the ten local authorities within the Greater Manchester area
- AGMA provides a single voice for Greater Manchester, promoting co-ordination on strategic issues affecting the Greater Manchester and Manchester City Region areas

Overall approach

- AGMA is seeking to developed integrated approach to all strategies, including planning
- To facilitate this, AGMA has developed the Greater Manchester Forecasting Model (GMFM), to inform employment, transport, housing and spatial strategies
- Aim of presentation: to outline this approach, focusing on methods, not policies

Approach to RSS

- To be effective, RSS needs to be aligned with, and to support, other regional and sub-regional strategies
- These include:
 - economic growth
 - sustainable communities
 - housing provision
 - transport

For housing, RSS policies must

- Meet housing needs and requirements
- Ensure housing contributes to:
 - Economic growth and prosperity
 - Regeneration of inner city areas
 - Sustainable patterns of development

Draft Planning Policy Statement 3

Housing

Suggests that past approaches to RPG fell short because they:

- Were based on demographic forecasts which reflected past trends rather than current policies
- Focused on administrative areas rather than housing markets
- Lacked sufficient focus on affordability
- Were infrequently monitored/updated

Northern Way review of RPG approaches

- Base policies on understanding of economic and demographic processes
- Factor in projected changes in composition of employment
- Factor in policy objectives for example attracting high GVA employment, regenerating inner areas, reducing commuting, improving affordability

AGMA's approach

- Making Housing Count – understanding drivers of market change, producing housing market assessments
- Preparation of evidence base and key indicators for ongoing monitoring and review
- Building on Government Office for the North West's research on appropriate Housing Market Areas, AGMA's work has identified three sub-areas within the City Region – Inner Core, South, North
- Selected on the basis of migration and travel to work patterns

Greater Manchester Forecasting Model

- Integrated economic, demographic and housing demand model
- Underpins all strategies
- Forecasts employment change by sector/local authority
- Forecasts population and household change, relating migration and household formation to economic change
- Provides basis for exploring impact of different employment/migration scenarios on housing demand

Applying the GMFM to housing

AGMA is using the GMFM in housing to:

- Compare forecast demand under various scenarios against housing capacity
- Develop proposals for future housing provision which meet forecast demand but also:
 - Achieve policy objectives – supporting economic growth; minimising use of green field sites; reducing commuting; coping with land shortages in some parts of the City region; addressing affordability; securing urban renaissance

A further stage of development will:-

- Increase understanding of the relationship between migration and employment change
- Disaggregate headship rates by ethnicity and housing demand by tenure
- Forecast future dwelling prices and affordability

Areas for improvement in draft RSS

- AGMA is not clear how the Assembly has derived the housing numbers in RSS from North West Household Growth Estimates Study demand estimates
- Approach does not provide a basis for adjustments to reflect changing circumstances
- Compared to the GMFM approach, the RSS methodology
 - does not integrate demographic changes
 - makes very simple assumptions about activity rates and average household size
- Uses groupings of authorities which are not based on housing market analysis
- In aggregate, the housing numbers for the Manchester City region are not far from AGMA's views – reflecting discussions with AGMA

AGMA's suggested way forward

- Draft RSS housing numbers should be adopted but may need revision soon to meet PPS 3 expectations
- Agreement is needed quickly across the NW region on the framework of City Regions/sub-regions and housing market areas within them
- Housing market assessments should be carried out for all these areas
- The Assembly should develop an integrated economic/demographic model for the region to inform RSS and other strategies
- RSS housing targets, based on the model's outputs, should reflect clear policy objectives – economic growth, sustainability, regeneration, affordability
- Flexibility is needed to permit housing requirements to be met at housing market area level
- Requirements could reflect changing future demand and changing capacity through five year allocations rather than a single annual average rate
- Frequent monitoring and review of housing numbers using the integrated model should take on board changing economic and demographic factors