

## TRAFFORD COUNCIL

**Report to:** Executive  
**Date:** 29<sup>th</sup> January 2018  
**Report for:** Decision  
**Report of:** Executive Member for Housing and Strategic Planning

### Report Title

**Trafford Economic and Housing Growth Framework**

### Summary

The Trafford Economic and Housing Growth Framework (the Framework) has been prepared to set the strategic priorities for growth in the borough, the actual measures required to deliver them, and to undertake a cost benefit analysis to identify the overall impact of the measures over a five year period.

The Framework identifies the key growth interventions required to help maximise economic and housing growth in Trafford. The interventions have been identified in the context of the Council's Corporate Objectives, GM growth ambitions as articulated in the GMSF and discussions with key stakeholders. The Framework identifies a number of key performance indicators for each intervention and a summary of the financial benefits to Trafford based on a cost-benefit analysis model.

The Framework coupled with the Trafford Vision 2031, Corporate Objectives and the wider GM strategic arena, forms a comprehensive and fully joined up approach to delivering future growth to benefit Trafford's residents and businesses.

### Recommendation(s)

That the Executive approves the Trafford Economic and Housing Growth Framework.

### Contact person for access to background papers and further information:

**Name:** Mike Reed (Strategic Growth Manager)  
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Appendix One: Trafford Economic and Housing Growth Framework  
Appendix Two: Trafford Economic and Housing Growth Framework (Technical Annex)  
Appendix Three: Full Record of Consultation Responses

Background Papers: None

*Implications:*

Relationship to Corporate Priorities	The interventions detailed within the Framework meet the Council's Corporate Objective of 'Economic Growth and Development', Annual Delivery Plan and the Departmental Improvement Plan priorities. The Framework is also complimentary to, and will play a key part in, delivering the Trafford Vision.
Financial	The delivery of the interventions detailed within the Framework is costed within the existing running cost budgets for the service. The potential wider financial benefits indicated by the cost-benefit analysis (e.g. council tax, business rates, New Homes Bonus) will be included in the Council's financial plans once specific outcomes can be estimated and realised.
Legal Implications:	None as a consequence of this report
Equality/Diversity Implications	None as a consequence of this report.
Sustainability Implications	None as a consequence of this report.
Resource Implications e.g. Staffing / ICT / Assets	Existing staff resources have been identified to support the delivery of the interventions detailed within the Framework. Information will be made available on line and documents will be available to access through the Council's web pages.
Risk Management Implications	Risk to delivery of the interventions detailed within the Framework will be monitored and updated as required.
Health & Wellbeing Implications	The interventions detailed within the Framework will contribute to improving the health and wellbeing across the borough through helping to grow the economy, increase housing and provide further employment opportunities.
Health and Safety Implications	None as a consequence of this report

## **1.0 Background**

- 1.1 The Council, on behalf of the Trafford Economic Growth Board (now the Trafford Economic Partnership) and Strategic Housing Partnership, commissioned New Economy to develop an Economic and Housing Growth Framework (ie. the Framework – see Appendix 1). The Framework was commissioned to set the strategic priorities for growth in the borough, the actual measures required to deliver them, and to undertake a cost benefit analysis to identify the overall impact of the measures over a five year period. The Framework was produced with a clear brief to identify gaps where the Strategic Growth Service (SGS) could make a difference

## **2.0 Methodology**

- 2.1 The Framework identifies measures to deliver the Council’s Corporate Objective of ‘Economic Growth and Development’ and play its full role at a GM level in meeting the growth ambitions articulated within the emerging Greater Manchester Spatial Framework (GMSF) and the GM Strategy. Production of the Framework was deliberately timed to take full account of the GMSF and the studies which underpin it, in particular the sector Deep Dive research. Therefore the baseline statistics used in the Framework were set at a timeframe to complement this research to ensure sound data analysis.
- 2.2 The Framework has been prepared in consultation with key stakeholder across Trafford and GM, including the Trafford Economic Partnership and Strategic Housing Partnership. In addition to the detailed consultation with the two Partnership bodies, specific one to one consultations were held with a range of businesses and developers, and at networking events, to inform the setting of the interventions and corresponding measures.

## **3.0 Opportunities and Challenges**

### *Opportunities*

- 3.1 The research has identified that Trafford is a strong performer in GM and will be a major driver of growth within the context of GM devolution and the Northern Powerhouse agenda. The Greater Manchester Forecasting Model identifies that over the last 20 years the borough has accounted for close to one in four new jobs created across GM and is the second largest contributor to GM’s economy. Trafford is highly productive with one of the highest levels of productivity per head in GM, a highly skilled resident labour force and a strong entrepreneurial culture with some 11,000 businesses and a rate of business start-ups per 10,000 of the working age population that is well above the GM and UK averages.
- 3.2 The Deep Dive research and Northern Powerhouse Independent Economic Review (2016) recognises that Trafford has particular strengths in the four prime ‘capabilities’ which are key to driving future economic growth ie. Business, Finance and Professional Services; Manufacturing; Health Innovation; and Digital. It is also recognised that Trafford benefits from excellent digital connectivity and a highly accessible transport network with further improvements planned, including the Trafford Park Metrolink extension. Analysis of Land Registry data demonstrates that Trafford has a strong and resilient housing market and contains highly desirable residential communities; average house prices at c£250,000 are noticeably above

the GM and UK averages. Furthermore, the strong school offer within the borough is identified as a key driver of Trafford's strong housing market.

- 3.3 The major strategic employment site of Trafford Park and the major employment and housing development site at Carrington are both identified within the Deep Dive work and the GMSF as significant opportunities to accommodate growth. Other opportunities for significant employment and housing growth include Trafford City (incorporating Trafford Waters), Pomona/Cornbrook Hub and Trafford Wharfside.

### *Challenges*

- 3.4 However despite its strengths, Trafford does face a number of challenging issues. Analysis of ONS employment and business demography data demonstrates that in recent years employment has not grown substantially and whilst business start-up figures are high, long term survival rates are lower than the national average. Continued support is therefore required to enable businesses to survive and continue to grow. Furthermore, whilst the borough performs strongly in many employment sectors, the Deep Dive research has identified the leisure sector as one which underperforms, in employment terms, within Trafford despite the high number of significant visitor attractions and assets that the borough has and there is scope for further growth.
- 3.5 Whilst productivity in Trafford is relatively high, the research has highlighted that there are a limited number of Knowledge Transfer Partnerships (formal relationships between Higher Education Institutions and businesses) within the borough; this would suggest that there is scope for greater levels of innovation. Analysis of the 2011 Census and the Annual Population Survey identifies that there is a need for further investment in the workforce with a marked difference in NVQ Level 4 or above qualifications between the resident and work-place population, with the former outperforming the latter by almost 10% points, and identified skills gaps in key employment sectors including digital and advanced manufacturing.
- 3.6 The Index of Multiple Deprivation (2015) identifies that Trafford has seen a reduction in the levels; however there are still pockets of deprivation with high numbers of benefit claimants and health inequalities that are masked by strong overall outcomes for the borough. Whilst the housing market is strong, it is demonstrated that Trafford has the least affordable house prices in GM with particular challenges for first time buyers and low paid workers in accessing the local housing market.
- 3.7 If Trafford is to support its growth ambitions and contribute effectively to growth at a GM level it will need to plan for substantial employment growth and sufficient housing to accommodate the level of growth anticipated.

## **4.0 Growth Interventions**

- 4.1 To meet the challenges identified above, the Framework identifies the key growth interventions required to help maximise economic and housing growth in Trafford, and the measures within them, which are fully set out in Section 4 of the document (page 24). The interventions have been identified in the context of the Council's Corporate Objectives, GM growth ambitions as articulated in the GMSF and discussions with key stakeholders. The interventions have been set in the context of meeting 'gaps' in provision, and avoiding duplication, and are as follows:

1. Strategic Approach to Employment and Housing Sites.

2. Growth Sector Focused Academic Partnerships.
3. Future Workforce Investment.
4. Strategic Approach to Business Support.
5. Integrated Culture, Tourism and Leisure Offer.

## **5.0 Cost Benefit Analysis of the Interventions**

- 5.1 The Framework identifies a number of key performance indicators for each intervention and a summary of the financial benefits to Trafford of each of the interventions<sup>1</sup> (see Appendix 2 – Technical Annex) based on a cost-benefit analysis model. Where there are any costs related to the delivery of the identified interventions these have been calculated based on the existing SGS budget and staff already in post.
- 5.2 In total, the indicative cost-benefit analysis modelling suggests that delivery of the interventions over a five year period has the potential to deliver an additional 4,800 FTE jobs, GVA of £194m, additional Business Rates income of £3.7m, Council Tax receipts of £6.5m and New Homes Bonus payments of £18m. Where applicable, the cost-benefit analysis modelling also suggests indicative wider socio-economic impacts ie. 'public value case' of the interventions in terms of growth measured by GVA. For example, it is estimated that the growth generated from Intervention 5 (Integrated Culture, Tourism and Leisure Offer) could be £4.2m of GVA (over 5 years) which would equate to a return of £23 for every £1 spent.
- 5.3 However, it must be noted that the cost-benefits identified within the report are indicative only and intended to provide a best estimate of what might happen under each intervention. Estimates for GVA, New Homes Bonus and Council Tax are based on 2014/15 rates. In respect of Business Rates this reflects an estimate of the proportion of business rates that will be retained by Trafford based on 2014/15 rates, although this is subject to further decisions around future pooling arrangements across GM (see Appendix 2).

## **6.0 Wider Corporate Linkages**

- 6.1 The interventions detailed within the Economic and Housing Growth Framework meets the Corporate Objective of 'Economic Growth and Development', Annual Delivery Plan and the Departmental Improvement Plan priorities. The Framework is also complimentary to, and will play a key part in, delivering the Trafford Vision 2031 which sets a long term vision for the future where "Nobody held back, nobody left behind."
- 6.2 The Trafford Vision will be implemented through a place based strategy and will fundamentally shape the Council's future service delivery. Seven activity areas have been identified to deliver the Plan as follows:
  - Mersey Valley becomes a significant visitor attraction that connects the North to the South of the Borough.
  - Trafford – The Place for active people and for all to benefit from our growing sporting, leisure and cultural assets.
  - Accelerate Housing and Economic Growth.

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<sup>1</sup> For the purpose of the CBA intervention 3 and 4 have been assessed jointly given the close linkages with activities connected to the Business Growth Hub.

- Co-designing and co-producing services to enable people, communities and businesses to work together, help themselves and each other.
- A place where people are encouraged and enabled to look within their community for solutions and take responsibility for themselves and each other.
- Developing a wider education and skills offer that better connects people to jobs.
- Optimising technology to improve lives and productivity.

6.3 The Framework coupled with the Vision, Corporate Objectives and the wider GM strategic arena, forms a comprehensive and fully joined up approach to delivering future growth to benefit Trafford's residents and businesses. It also sets the overarching strategic context for the emerging Trafford Housing Strategy.

## **7.0 Consultation**

7.1 The Framework has been developed alongside extensive consultation with stakeholders, including the Economic Partnership and Strategic Housing Partnership. Following completion of the draft Framework the Council held a four week public consultation on the Framework in 2017.

7.2 Key stakeholders, including statutory consultees, businesses and residents groups, were notified in relation to the consultation which was open to all to submit their comments. Information, including a copy of the Framework, was provided on the Council website following a press release.

7.3 A total of 8 responses were received during the consultation period (see Appendix 3) and the majority of consultation responses received related to ensuring consistency between the Framework and the GMSF. In response to the comments received the Framework has been updated to include reference to the draft GMSF allocations at Flixton Station and Timperly Wedge / Davenport Green and clarify that the figures for proposed new housing relate to the period up to 2035. The Framework has also been clarified to note that work to deliver future workforce investment will be aligned with GM wide initiatives to maximise the potential of existing resources.

## **8.0 Other Options**

8.1 Other options are not to adopt the Framework or to adopt a different strategy. The continued absence of an overarching framework for the delivery of economic and housing growth across Trafford will not provide the Council with a strategic context within which to make decisions on future service delivery to support its growth objectives which is why the Framework is proposed.

## **Reasons for Recommendations**

The Executive is asked to approve the Trafford Economic and Housing Growth Framework which sets the strategic priorities for growth in the borough, identifies the measures required to deliver them and the overall impact of the measures over a five year period. It identifies the key growth interventions required to help maximise economic and housing growth in Trafford that have been set in the context of the Council's Corporate Objectives, GM growth ambitions and discussions with key stakeholders. The Framework coupled with the Trafford Vision 2031, Corporate Objectives and the wider GM strategic arena; forms a comprehensive and fully joined up approach to delivering future growth to benefit Trafford's residents and businesses.

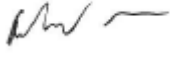
**Key Decision:** Yes

**If Key Decision, has 28-day notice been given?** Yes

Finance Officer Clearance *PC*

Legal Officer Clearance *TR*

**[CORPORATE] DIRECTOR'S SIGNATURE** *(electronic)*...

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To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.