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CABINET**A NEW TOWN FOR MANCHESTER**

**MEMORANDUM BY THE FIRST SECRETARY OF STATE AND SECRETARY
OF STATE FOR ECONOMIC AFFAIRS**

I have to ask my colleagues to reach a decision on a matter which the Economic Development Committee has been unable to resolve.

2. Manchester badly needs a new town to deal with its slum clearance problems. Our predecessors proposed a site at Risley near Warrington for a commuter town of about 50,000 people, but it was later found to be physically unsuitable for a town of this size.

3. Two alternatives have since been suggested:

- (i) a commuter new town of about 50,000 people at Lymm;
- (ii) a new town, which would provide opportunities of employment as well as of residence, at Leyland/Chorley.

4. A commuter new town at Lymm would not be fully satisfactory: it has twice been rejected as a development site because it would use up a good deal of first class agricultural land, and the additional commuting traffic (it is 13 miles from Manchester) would create substantial transport problems.

5. A new town at Leyland/Chorley, 25 miles north-west of Manchester, would be well placed to become an important regional growth point. The site is well clear of the congested parts of Lancashire, and a new town here would help to reverse the general drift of population towards the southern part of the region. The amount of industry that could be diverted from Manchester however would be insufficient to provide a base for the new town and it would be necessary to steer industry towards it from other parts of the country. This would mean providing positive financial incentives of the kind now given only in development districts (including Merseyside and the new towns of Skelmersdale and Runcorn). This, in turn, would require a change in the legislation relating to the distribution of industry.

6. A new town at Leyland/Chorley would take several years to develop and would not provide a complete answer to Manchester's

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short-term overspill problems. But it has been suggested that these could be dealt with by a smaller commuter new town at Risley. This, it is thought, would tide Manchester over until the Leyland/Chorley development got under way, and would not conflict with the concept of creating a regional growth point at Leyland/Chorley, provided that the size of the Risley development was not too large.

7. The proposition before the Economic Development Committee, therefore, was that the Government should announce its approval of a limited commuter development at Risley, and its decision to establish a larger new town at Leyland/Chorley at which, subject to the necessary change in legislation, financial incentives similar to those given to industry in a development district would be available.

8. The President of the Board of Trade finds this unacceptable. His views are explained in a separate memorandum (C. (65) 14). In addition the Secretaries of State for Scotland and Wales are fearful of the effects these developments would have on the drift of population from Scotland and on the Government's ability to deal satisfactorily with prospective unemployment amongst miners and steel workers in South Wales.

9. The majority of Ministers in the Economic Development Committee feel that we cannot postpone all decisions about growth in the rest of the country until the task of rehabilitating development districts is complete. These areas already have priority: the programmes for their rehabilitation are well under way and the opportunities for development already exist. A new town at Leyland/Chorley could hardly be bringing in industry for a number of years ahead. But if we want to get this and similar growth points in other parts of the country going, decisions about siting must be taken well in advance and in the less prosperous regions we must be prepared to put behind our proposals the same sort of financial support that we give to development districts. This means a new look at incentives for industry.

10. We cannot delay a decision. Manchester needs an early announcement so that it can plan accordingly to deal with its pressing housing problems, and would not regard a limited commuter development on its own as an acceptable substitute for a firm and early decision on a full-scale new town. I invite my colleagues, therefore, to decide whether we should authorise:

- (a) the creation of a large new town at Leyland/Chorley, which would act as a regional growth point, with an indication that financial incentives similar to those granted in development districts will be available, subject to the amendment of present legislation; *and*
- (b) the development of a small commuter new town at Risley to help to meet Manchester's immediate housing needs.

G. B.

*Department of Economic Affairs, S.W.1,
2nd February, 1965.*

