

**Manchester City Council
Report for Information**

Report to: Economy Scrutiny Committee - 6 February 2020

Subject: Delivering the Our Manchester Strategy

Report of: Executive Member for Housing and Regeneration

Summary

This report provides an overview of work undertaken and progress towards the delivery of the Council's priorities as set out in the Our Manchester strategy for those areas within the portfolio of the Executive Member for Housing and Regeneration.

Recommendations

The Economy Scrutiny Committee is invited to note and comment on the report.

Contact Details:

Name: Cllr Suzanne Richards
Position: Executive Member for Housing and Regeneration
Telephone: 0161 234 3355
E-mail: cllr.s.richards@manchester.gov.uk

1.0 Introduction

1.1 The Our Manchester Strategy, formally adopted by the Council in January 2016, is a vision which plans to get us where we need to be in 2025.

1.2 Manchester is growing, going global and connecting communities to chances for a good life but we have also got some of the lowest wages, the nation's unhealthiest people, more rough sleepers, and too many litter grot spots. We have still got lots to do.

On the way to 2025, we have set some shorter-term goals for 2020:

- Fewer kids in care
- Fix roads, bus and cycle lanes
- Join up Health & Social care
- Better school results
- Cleaner Green places
- Better and affordable homes
- More recycling and less waste
- Work and skills for better pay

1.3 Executive Members are collectively and individually responsible for supporting the delivery of the Our Manchester Strategy and for providing political oversight and direction to officers achieve better outcomes for Manchester residents.

2.0 Executive Member for Housing & Regeneration

2.1 As Executive Member my portfolio includes the Residential Growth Strategy, affordable housing, housing management, private rented sector, district and neighbourhood centre improvement and other physical regeneration programmes.

3.0 Building Together - Manchester Labour's Promise to Manchester

3.1 In May 2019, I was re-elected as Executive Member and there was at that election a new Manchester Labour manifesto which need to be reflected in my priorities for the year ahead.

3.2 There are a number of the promises which are specific to my portfolio:

3.3 Housing

- Reject Tory/Lib Dem definition of affordability - 80% of market rent. We believe that no one should have to spend more than 30% of their household income on their housing costs, and for individuals and families on the lowest incomes even that is too much.
- We have successfully trialled landlord licensing and will now seek to identify further areas across Manchester to roll out to over the coming year.

- We have put an extra £1/2 million a year into the budget and will use all the powers we have to the full to tackle rogue landlords and we will re-invest monies received from civil penalties into further work targeting rogue landlords.
- We will raise awareness of tenants' rights and develop an updated Tenants Rights Charter in collaboration with renters in the City.
- We will work with partners across the city to support those living in substandard or unsafe accommodation to ensure that they are aware of their rights and signposted to appropriate advice and legal support.
- We will support Manchester residents to ensure that they do not bare the burden of post Grenfell remediation works.
- We will lead the way on Zero Carbon housing by piloting new build affordable housing and retrofit schemes in the next year.
- We will campaign to end 'no fault' evictions.
- We will campaign for an extension of devolved powers at a Greater Manchester level to regulate the growth of Short Term lettings (airBnB) in the City.
- We will campaign for powers to control rents and for minimum guaranteed tenancies of at least 3 years in the private rented sector.

4.0 Priorities update:

4.1 Affordable Housing

Manchester is going to deliver a minimum of 6400 new affordable homes in Manchester between 2015 - 2025. The Council is forging a new and improved strategic relationship with the Manchester Housing Providers Partnership (MHPP) as a major delivery partner and with Homes England to provide substantial grant funding. The Council is investing its land to support the building of at least 50% of the new affordable homes as well as delivering some homes directly.

We have at the last two Executives agreed land disposals to One Manchester and Wythenshawe Community Housing group for the delivery of 100% social housing schemes.

Project 500

A small sites (less than 25 plots) review has been undertaken which has identified approximately 140 sites and circa 600 plots have been identified as being suitable for new affordable homes. So project 500 has grown already with additional sites requiring more due diligence to bring them forward.

These sites will be direct delivery by Registered Providers who will also be supporting a number of Community Led Housing schemes. Details of the sites will be presented to members through a number of drop in sessions in the new year.

Northwards & the HRA

As the current contract with Northwards is coming to an end a review of the ALMO has been commissioned (as has taken place in the past.) Kevin Lowry has been appointed our Interim Director of Housing and Residential Growth. He will act as the Council's representative for the ALMO and will be conducting the review. The initial stage of the review will be concluded by the end January 2020.

Alongside this advice has been sought on an affordable housing vehicle which we hope to be able to present to members in the new year.

4.3 Right to Buy buy-backs

At the November Executive we set out a clear policy around purchasing back Right to Buy properties where the buyers intend to sell within 10 years of the original purchase. Manchester loses a significant amount of social properties every year to Right to Buy, which takes hundreds of homes annually out of the market that would otherwise go to Manchester people on the housing register.

We are beginning to see more Right To Buy homes being offered back to the Council, so it was important we formalise a policy. As financially we are not in a position to purchase every home that becomes available we are also working with our Registered Provider partners who are in a better position to do so. This policy will ensure that if providers are able purchase former Right to Buy homes, they will be rented at no more than the Local Housing Allowance level to ensure they're as accessible to Manchester people as possible.

Right to Buy Fraud

As a result of Officers work to safeguard against Right to Buy fraud we had a successful conviction back in october. Crimes like this make all our jobs that much harder to do. It is important we send a clear message that we are looking out for this type of fraud and will take tough action when it is discovered.

5.0 Housing Enforcement

Selective Licensing

Manchester currently has four selective licensing areas, encompassing approximately 2,000 private rented properties. The pilot areas and duration of each scheme are as follows:

Crumpsall	13 Mar 2017 - 12 Mar 2022
Moss Side	8 Jan 2018 – 7 Jan 2023
Moston	23 Apr 2018 – 22 Apr 2023
Old Moat	23 Apr 2018 – 22 Apr 2023

Progress made up to November 2019 in licensing properties and carrying out compliance inspections is set out below.

Pilot Area	No. PRS	No. not licensable	Appls Received	Licences Granted	Compliance Inspections
Crumpsall	358	54	326	326	58
Moston	394	71	286	229	11
Moss Side	1217	268	1019	502	81
Old Moat	312	30	254	134	1

Work to ensure all relevant properties are licensed is nearing completion, and compliance work will then increase for the remaining years of each scheme. A full report reviewing the Selective Licensing schemes so far will be submitted to Scrutiny in March 2020, where progress and outcomes will be reviewed and four further areas to extend the scheme to will be identified.

HMO Licensing

Following the extension to mandatory HMO Licensing there are now 1,818 licensed HMOs across Manchester, with the majority located in South Manchester due to the high student population and requirement for shared accommodation. The HMO legislation changed in October 2018 to include smaller HMOs occupied by 5 or more persons sharing amenities. This has resulted in 996 new applications. The figure includes 110 applications passported over from Selective Licensing which now meet the new HMO licensing requirement.

Each HMO is subject to a pre-licensing inspection to ensure the property meets HMO standards on space and amenities and safety standards. 838 pre-licensing inspections have been carried out since January 2019. As a result of these inspections 536 hazard letters have been issued and 12 enforcement notices served for serious disrepair. 78 revisits to check compliance have been carried out.

206 HMO applications are currently in progress, around 30 new applications are currently received each month and a project team has been developed to progress work around suspect properties.

Since the changes in October 2018 the Team have applied conditions to reduce occupancy at 49 properties due to inadequate provision of space or amenities. Many landlords have said they plan to extend, re-configure layouts

or add amenities to ensure they comply with the HMO standards around space and amenities.

During the period of a HMO licence, a compliance inspection is carried out to ensure the licence holder is complying with licensing conditions and meets the HMO management regulations. Since October the Team have carried out 275 compliance inspections. 19 properties found to be broadly compliant and 5 properties to be non compliant, resulting in enforcement notices. 272 are now fully compliant.

The Team have also set up a robust referral process with colleagues in Licensing and Out of Hours and Neighbourhood Compliance for any HMO licensed properties where there has been significant issues with noise or waste. Cases are investigated to ensure the licence holder is complying with licensing conditions and working with the Council to address any concerns. Failure to do so may result in enforcement action by the Housing Compliance and Enforcement team

Service Requests

From April 2019 to November 2019 the Team received 1,233 requests for service from tenants. These will relate to disrepair issues, as well as landlord harassment and illegal eviction allegations. Service requests have been increasing.

In Quarter 1 (Apr, May, Jun) 363 received compared to 344 in 2018 (5% increase) In Quarter 2 (Jul, Aug, Sep) 477 received compared to 409 in 2018 (16% increase)

We have had a focus on housing communications on the Council's social media channels to drive up awareness of tenants' rights. Therefore, this rise in service requests could be due to increased knowledge of the team. We will continue to monitor to identify any trends.

153 enforcement notices have been served by the Requests for Service Team, including 39 Environmental Protection Act Notices, 40 Improvement Notices under the Housing Act, 1 Emergency Prohibition Order and 7 Emergency Remedial Notices.

The Team are now working more closely with colleagues in Homelessness, particularly where illegal evictions may have been carried out.

Rogue Landlords / Proactive work

The Rogue Landlord Team has been running since April 2018. The team comprises of 3 housing officers who work closely with fire officers, police, immigration and other agencies to target and tackle Rogue Landlords across Manchester, addressing poor housing conditions and resolving problems for the wider community.

Since April 2019 the team has inspected 280 properties across the city. 11 Prohibition Orders and 44 Improvement Notices have been served for hazards including Excess Cold, Fire, Damp and Mould, Lack of Smoke Detection and Electrical Hazards. The number of Prohibition Orders served is high, and although this reflects the conditions the team are finding, this must remain a last resort and be monitored to ensure tenants are not being adversely affected through this work.

Since April 2019, the team have completed 6 'Days of Action' involving other agencies, including the Fire Service, Immigration, GMP and Manchester City Council Neighbourhood Teams. These took place on Ashton New Road and Ashton Old Road, Moston Lane, Hyde Road, Dickenson Road and most recently Princess Road in Moss Side. Visits took place to inspect properties to ensure they were safe and habitable for tenants. Enforcement work such as Emergency Remedial Action, Prohibition Orders and the serving of Improvement Notices have seen improvements in housing standards in these areas.

Many landlords are working closely with the team to improve the conditions of their property portfolios and those that aren't are being held to account.

Civil Penalties

The introduction of Civil Penalty Notices (CPNs) has provided an additional enforcement tool. Since January 2019 10 civil penalties totalling £94,000 have been issued and a further fifteen cases are being considered. Civil Penalties can be used as an alternative for prosecution for various offences under the Housing Act and monies recovered from the fines are invested back into enforcement activity within the Housing Compliance and Enforcement Team.

Landlord Engagement

The Team were successful in gaining £10k funding from BEIS (Dept Business, Energy and Industrial Strategy) to develop methods to simplify the way regulation is delivered in the Private Rented Sector. We know informal and positive engagement with landlords has reduced and are using the funding to explore ways to improve landlord/ regulator relationships and understand the support needed. This has involved informal drop in sessions on changes to HMO licensing, surveys at these sessions to gather feedback on wider regulation, the drafting of simple landlord checklists (to include waste and recycling issues) and better co-ordination of activities with LOOH and Neighbourhood Compliance Teams.

This work has been well received by Landlords so far, and several have offered to test and give feedback on resources developed. The Team have also bid for external funding to develop a landlord forum and a landlord training package.

Private Rented Sector Strategy Refresh

A number of roundtable sessions have been held with Members looking at our approach and powers around the Private Rented Sector in the city. This was followed by a consultation with partners, residents and landlords in November. The consultation is currently being evaluated and final proposals and a refreshed strategy will be brought to Scrutiny in March.

Section 21

The Queen's speech confirmed that proposals for the abolition of no fault evictions will go ahead. However, proposals were also confirmed to make it easier for Landlords to gain back possession of their homes through the courts when there is good reason to do so. This I am sure will come as no surprise to members. We will await further details as the Bill comes forward and ensure that we work with our MPs to try and influence the final form of any legislation.

6.0 Northern Gateway SRF

We were hoping to hear back from Government in relation to our Bid for £51.6m Housing Infrastructure Fund to unlock Redbank / New Town neighbourhoods in the Autumn. Due diligence has been undertaken by Homes England and MHCLG. An announcement on the outcome of the bid has been delayed by the General Election. We anticipate a decision in early 2020. The Council and our joint venture partner FEC have committed to undertaking a first phase of delivery in Collyhurst. A more detailed consultation exercise with residents is anticipated to commence in the New Year.

Reports setting out the joint ventures Strategic Business Plan and details of first phase of delivery are scheduled for consideration at February's cycle of Economy Scrutiny and Executive.

7.0 Climate Emergency - Zero Carbon Housing

We are working with each of the organisations that manage the 16,000 council-owned homes to identify what physical works are required to the properties in order to reduce their carbon consumption. Initial estimates from Northwards Housing suggest that work to the 13,000 properties they manage will cost at least an extra £107m. We have also asked them to consider how they can encourage their staff and residents to change behaviours to reduce their carbon impact. Northwards Housing have been extremely active in this area and have achieved Platinum level for Carbon Literacy amongst their staff.

Across the wider social housing sector the registered providers have worked collaboratively for a number of years to identify best practice in retrofitting their homes and are undertaking works across the city. This has included installation of solar PV panels, ground source and air source heat pumps, external cladding to some homes and one RP (One Manchester) has converted a block of maisonettes to meet the PassivHaus standard as well as delivering new build PassivHaus homes in an affordable tenure.

Conversations are ongoing about how we might also work together on the 'winning hearts and minds' element of tackling climate change and the behaviour change which is needed to reach our zero carbon goals.

In November the Council supported the Manchester Low Carbon Homes event, which I attended as a speaker and panel member for the opening session. This was the highest attended event they have held across the UK and all the tickets were taken before the promotional work for the event kicked in. This I believe is a positive sign of the level of engagement and desire for action in Manchester across the whole housing sector. Feedback to note from the event was that 'no access to funding' was highlighted as a barrier preventing 55% of attendees from retrofitting. Key outcomes from the event were to develop a Manchester Retrofit Plan, (working with GM colleagues) and to host a follow up event in 2020.

8.0 Short Term Lettings

Manchester recognises that its Nightly Letting Sector (short term lets) is popular and growing. Such accommodation brings benefits to our City, homeowners are able to benefit from additional income whilst presenting visitors with an affordable and comfortable alternative to hotels.

However, whilst most homeowners let their homes within the law and maintain excellent standards, this is not always the case (whether intended or unintended). When managed poorly there can be an adverse impact on both the safety of occupiers but also on the amenity of neighbours.

There is also a concern that with the spread of short term accommodation, efforts made to re balance our neighbourhoods with good quality family homes is being undermined.

The Small task group of Members and Officers has met a number of times and developed an action plan around the areas the Council currently has power and influence.

Our powers to limit such adverse impacts are limited, however, we are committed to tackling the negative aspects of short terms lets wherever possible. Through a multi-agency approach involving officers from the Housing, Neighbourhood and Planning teams we are exploring what action can be taken to manage such issues.

The Planning team for example are investigating a number of alleged short term lets across the city and whether there is sufficient evidence to pursue action. Members may recall this is an area which has continued to attract attention given, outside of London, planning powers are weak and proving there is an unauthorised use is challenging.

Notwithstanding this there has been some success with enforcement action being upheld on a property close to the Airport in 2017 and more recently an agreement has been reached for part of a property to cease use as a short

term let in Cheetham without the need for formal action. In both cases there had been a protracted investigation process and the results clearly merited the approach, it is acknowledged this is resource intensive.

Currently, there is a further property which is under consideration for formal action. This is at an early stage and is being closely monitored. Dependant on the evidence officers are exploring whether this could be used as an example to test the existing planning regime.

We are also progressing developing a Short Term Letting Charter to launch in the new year and building an evidence base on the impact of Short Term Lets in the city to support future lobbying.

9.0 High Rise Fire Safety

The Council has been named as one of the first 'early adopters' of the Hackitt Review's recommendations for building safety. The review was undertaken in the wake of the Grenfell tower tragedy and is intended to act as a guidance for behaviours around the management of high-rise properties to ensure fire and building safety for residents.

The main aims of the scheme of early adopters is for members to:

- Lead and Drive forward Hackitt recommendations to champion building safety and share best practice to encourage culture change across industry.
- Implement changes across their organisations to ensure building safety is considered upfront so that buildings they are working on are safer for residents, prior to changes in regulations and legislation.
- Support Government and play an active role in the development of building safety policy.

We continue to support Manchester Cladiators and will be hosting a meeting with them in the New Year for blocks that are still struggling to get a fair and equitable resolution to their remediation works.

We are supporting Inside Housings current campaign calling on Government for a building safety fund which is not limited by height or to ACM buildings only and a national taskforce capable of inspecting buildings, prioritising work according to risk and ordering builders/building owners to carry it out.