

Manchester City Council Report for Information

Report to: Economy Scrutiny Committee – 24 June 2021

Subject: Manchester Housing Strategy 2021

Report of: Interim Director of Housing & Residential Growth

Summary

This report sets the context and outlines the process for developing a new Housing Strategy for Manchester. It is designed to accompany the presentation which will be given at the meeting and is based around the following four themes:

1. Increase housing supply across all tenures.
2. Ensure housing is affordable & accessible to those who need it most.
3. Working in mixed tenure neighbourhoods and improving quality & management in the private rented sector.
4. Increase the sustainability, safety & efficiency of new and existing stock.

The Strategy aims to bring together the previous Housing Strategy (2015 - 21) and the Residential Growth Strategy (2015 - 25) into a single, holistic document. It is proposed the final draft version of the Housing Strategy is brought back to Scrutiny for consideration later in the year, after which the draft will be brought to the Executive in December.

Recommendations

The committee is requested to:

1. Note the appended presentation; and
 2. Discuss and provide comment on the evidence base presented, the proposed approach and associated themes within the new Housing Strategy.
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Wards Affected: All

Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the city

Our Manchester Strategy outcomes	Summary of how this report aligns to the OMS
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The Housing Strategy will set out aims to ensure that the right scale and mix of housing is delivered across Manchester to meet the needs of our growing population
A highly skilled city: world class and home grown talent sustaining the city's economic success	Ensuring the right scale and mix of housing is essential to the retention of a highly skilled population
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	The Housing Strategy will set out aims to support the delivery of homes across all types and tenures including those designed for our most vulnerable residents
A liveable and low carbon city: a destination of choice to live, visit, work	The Housing Strategy will promote the continued delivery of sustainable neighbourhoods with a focus on active travel as well as the use of low carbon construction methods
A connected city: world class infrastructure and connectivity to drive growth	The Housing Strategy will promote residential development on sites close to public transport connections and support infrastructure investment as part of the planning of new neighbourhoods

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Background documents (available for public inspection): None

1.0 Background

- 1.1 Manchester's housing market has transformed rapidly over the past 30 years with the creation of a series of new, high demand neighbourhoods – principally in and around the conurbation core.
- 1.2 Manchester is in a period of significant housing delivery with over 17,500 new homes built across Manchester since 2015 – representing c.55% of the 32,000 target – and a further c.15,000 expected to complete over the next 5 years. At one point during this period in Summer 2019, there were more cranes on the Manchester skyline than any other European city (Deloitte). Despite this, as the population continues to grow even more homes of all types and tenures are required.
- 1.3 This uptick in supply is the result of a prolonged employment and population boom which has seen over 50,000 new residents come to the city since 2015. Whilst the market has continued to grow and evolve in response to increased demand, a number of significant challenges remain.
- 1.4 Close to three quarters of all homes remain within Council Tax Band A & B. This is a challenge because following a period of austerity and the added costs of Covid the Council is increasingly reliant on growing the council tax base to drive income to fund services. Further challenges relate to affordability and the shortage of affordable housing; the lack of options for home ownership and the growing numbers of households on the Housing Register and living in Temporary Accommodation across the city. The result is a highly polarised city with major wealth and housing inequalities across Manchester.

2.0 Policy Context

- 2.1 In the past, Manchester has had two principal documents which have provided the framework for all housing activity in the city:
 - **The Housing Strategy (2016-21)** set out the city's housing ambitions for the following five years and formed the basis of the role of housing in the delivery of the Our Manchester Strategy.
 - **The Residential Growth Strategy (2015-2025)** proposed a set of priorities to support the city's sustained economic growth and ensure that there are affordable priced homes for sale and rent which meet the needs of all residents in the city.
- 2.2 It is proposed that the new Housing Strategy will be an integration of these two documents into a single, holistic strategy focused on the following themes:
 1. Increase housing supply across all tenures.
 2. Ensure housing is affordable & accessible to those who need it most.

3. Working in mixed tenure neighbourhoods and improving quality & management in the private rented sector.
4. Increase the sustainability, safety & efficiency of new and existing stock.

2.3 The lifetime of the Strategy is still to be determined however we are currently envisaging it covering a ten-year period to c.2030. As part of the plan, it is likely that we will update the Residential Growth Strategy target of delivering 32,000 new homes by 2025 including a minimum of 6,400 new affordable homes (c.20% of the total pipeline).

3.0 Next Steps

3.1 This report accompanies the presentation to be given at the meeting. The presentation sets out our proposed approach and represents the first stage of engagement with members – principally around the evidence base. Views are invited both at the meeting and subsequently.

3.2 A program of consultation is proposed with members and other interested parties throughout 2021 before a draft Strategy is brought back to Scrutiny and ultimately the Executive for consideration later in the year.