

Economy Scrutiny Committee

Minutes of the meeting held on 23 June 2022

Present:

Councillor Johns – in the Chair

Councillors Bell, Good, Moran, Noor, Raikes, I Robinson and Taylor

Also present:

Councillor White, Executive Member for Housing and Employment

Councillor Shilton Godwin, Chair of the Environment and Climate Change Scrutiny Committee

ESC/22/21 Minutes

Decision

The minutes of the meeting held on 26 May 2022 were approved as a correct record.

ESC/22/22 Manchester Housing Strategy (2022-2032)

The Committee considered the report of the Interim Director of Housing & Residential Growth that provided an update on the development of the new Manchester Housing Strategy (2022-2032).

Key points and themes in the report included:

- The strategy was the product of an extensive consultation and stakeholder engagement exercise;
- It set an ambitious target to increase housing supply and affordable housing growth in particular;
- The strategy brought together themes from the previous Housing Strategy (2015-21) and the Residential Growth Strategy (2015-25) into a single, holistic document
- The strategy set out a long-term vision which considered how best to deliver the city's housing priorities and objectives, building on progress already made, whilst tackling head on the scale and complexity of the challenges ahead. and
 - Describing the four priorities of the strategy which were to:
 - Increase affordable housing supply and build more new homes for all residents.
 - Work to end homelessness and ensure housing is affordable and accessible to all.
 - Address inequalities and create neighbourhoods where people want to live.
 - Address the sustainability and zero carbon challenges in new and existing housing stock.

Some of the key points that arose from the Committee's discussions were: -

- The Committee fully supported the strategy;
- The Committee endorsed the ambitions and priorities described, particularly in regard to carbon emissions, equalities and affordability;
- Noting the issue of density, due consideration needed to be given to active travel, appropriate provision of bike parking, biodiversity, green space and the emerging evidence in relation to the 'heat island' effect of cities and the impact this had on individuals and the wider contribution to the heating of the planet;
- What was the relationship with Homes England, noting that financial support from them was required;
- The need for continued scrutiny on the delivery of the strategy;
- The request to scrutinise strategies, such as the emerging Local Plan at the development stage so that the Committee could contribute and inform their development;
- How would the Local Plan impact on the Housing Strategy;
- What was the approach to using existing brown field land to deliver housing as part of this strategy;
- The need to engage with local developers;
- If private landlords left the market as a result of increased regulation would the Council or Housing partners purchase properties;
- Noting the impact the Right To Buy policy had on the levels of social housing across the city;
- Noting that there was a need to develop green skills and training in the city to support retrofit activities at scale and the delivery of future housing developments;
- The need to consider wider infrastructure needs, such as the provision of schools and health services when developing housing plans as these were vital to support neighbourhoods and communities; and
- The need for an estate wide approach to retrofitting.

The Executive Member for Housing and Employment welcomed the comments from the Committee and responded to their questions by saying that the Council had a positive relationship with Homes England and dialogue continued with them regarding funding to deliver the ask from Manchester. He stated that he welcomed the continued scrutiny of the delivery of this strategy, and he would discuss this further with the Chair to agree a timetable of reports to the Committee.

The Executive Member for Housing and Employment stated that he fully supported the end of Section 21, no-fault eviction notices and the wider implications of the Renters Reform Bill, adding that if private landlords did leave the market due to increased regulation of the sector all options for securing these properties would be considered, especially larger family homes, adding that the increase of purpose built student accommodation could also release larger properties back into the market. He advised that the impact of both austerity and Section 21 notices had significantly contributed to the number of families living in temporary accommodation in Manchester, and that over the years Manchester had lost over 25,000 properties as a result of the Right To Buy policy. He stated that the Government had not provided funding to replace these lost

homes and called for an immediate end to the policy and strongly opposed any extension to this scheme.

The Executive Member for Housing and Employment informed the Committee that consideration was given to releasing Brownfield land, using Greater Manchester funding to deliver housing and by extension protect greenbelt land. He advised that all opportunities to maximise the use of Council owned land to deliver housing would be considered in partnership with local Housing Providers.

The Executive Member for Housing and Employment advised that the issue of housing was not considered in isolation and the need to deliver wider infrastructure, such as schools, active travel and health services was understood, and that appropriate consideration and planning was given to this. He further stated that he recognised the need for an estate wider approach to retrofitting, noting the issues raised by the Member.

The Strategic Director (Growth and Development) advised that the Housing Strategy would be taken into account when developing the Local Plan, adding that the Local Plan would help deliver the ambitions described within the Housing Strategy, particularly in regard to the zero carbon build standards and modern methods of construction. She further advised that the issue of green skills and training was understood, and work was being developed with local colleges to respond to this, noting that a Retrofit Academy had been established at the Manchester College Openshaw campus. This provided T levels in construction for new learners and those wishing to retrain or re-enter the work force. She advised that the issue of green skills and employment was a key priority for both Manchester and Greater Manchester. The Chair commented that the issue of green skills and employment would be scheduled into the Committee's work programme.

The Interim Director of Housing and Residential Growth advised that the issues raised in relation to bike parking and storage, biodiversity, green space and the 'heat island' effect were discussed with developers and reference was made to the delivery of the Victoria North development and the good practice and models implemented as part of that scheme. He further added that all options for engaging with smaller local developers would be considered.

Decision

The Committee:-

- (1) Support the draft Housing Strategy (2022-2032).
- (2) Agree that the final version of the Housing Strategy (2022-2032) be taken for consideration by the Executive in July 2022.

ESC/22/23 This City: Progress Update

The Committee considered the report of the Strategic Director (Growth and Development) that described that in December 2021, the Executive approved a business case outlining the ambitions and intentions of This City, the Council's wholly owned housing delivery vehicle.

Key points and themes in the report included:

- Providing an introduction, background and core principals that had driven the creation of This City; and
- Providing an update on progress of both strategic and scheme specific activities in advance of a further report being presented to the Council's Executive in September 2022 on the company business plan.

Some of the key points that arose from the Committee's discussions were: -

- Supporting the retention of control of rent setting, management and lettings functions;
- The need to recognise and consider the needs of the changing demographic of those choosing to live in the city centre, particularly families;
- How was Public Realm defined;
- An assurance was sought that the bespoke procurement framework for This City was aligned to the Council's procurement policy, especially in relation to Social Value and carbon reduction;
- Appropriate provisions of bike storage and parking needed to be included in any consideration of the issue of parking;
- Requesting that Business Plan that was scheduled to be submitted to the Executive in September be shared with the Committee; and
- The need to include a clause in tenancy and all terms of occupation to ensure that these properties were retained and not sold into the private rented sector.

The Executive Member for Housing and Employment said that the issue of the changing demographic of the city centre was recognised by advising that Rodney Street, the first This City scheme to be brought forward as part of the housing delivery vehicle included townhouses that were suitable for families. He further advised that Public Realm would be consistent with the Public Realm strategy and consideration was given to walking and cycling and green space. He further confirmed that bike parking had been considered in the Rodney Street scheme.

The Executive Member for Housing and Employment stated that the ambitions and intentions of This City clearly articulated the commitment to address carbon emissions and could be used to influence partners across this city. He further commented that clauses did exist to prevent these properties entering the private rented sector.

The Interim Director of Housing and Residential Growth informed the Committee that information in relation to tenancy management and maintenance would be shared following the meeting. He further commented that he would discuss with the Chair the most appropriate way for how the Business Plan that was scheduled to be submitted to the Executive in September could be shared with the Committee. He also commented that the bespoke procurement framework for This City did align with the Council's procurement policy.

The Strategic Director (Growth and Development) informed the Committee that an asset management plan was being developed to centrally record and understand the nature of all land assets owned by the Council and this data would be used to inform future housing schemes and assist with the auditing of all decision making.

Decision

The Committee notes the report.

ESC/22/24 Final Evaluation of the Crumpsall Selective Licensing Area and Proposed Next Phase of Selective Licensing

The Committee considered the report of the Interim Director of Housing and Residential Growth and Strategic Director (Neighbourhoods) that provided Members with the outcomes of the evaluation of the Crumpsall Selective Licensing (SL) area and to advise Members on the proposed future phases of selective licensing.

Key points and themes in the report included:

- Providing an introduction and background of the schemes, noting that a key theme of the Council's Private Rented Sector Strategy is tackling poor quality management in the Private Rented Sector;
- A description of the implementation of the Crumpsall Scheme;
- An analysis of the property conditions following compliance inspections;
- Information in relation to enforcement activities to address poor property conditions and other related enforcement activity and property management;
- Feedback from Neighbourhood Teams and case studies;
- Information in relation to communications and engagement;
- A summary and lessons learned; and
- Conclusions, noting that the long-term plan was to continue to roll out new phases of SL across the city.

Some of the key points that arose from the Committee's discussions were: -

- Fully supporting the roll out of Selective Licensing;
- Was there evidence of landlords passing on the cost of licensing to their tenants in the form of rent increases;
- Clarification was sought to how exemptions to licensing was determined;

- Noting the positive impact the introduction of Selective Licensing had on strengthening relationships between residents and the Council;
- The schemes improved residents knowledge of their rights as tenants;
- Welcoming the inclusion of real examples within the report and more needed to be done to promote the positive outcomes of these schemes; and
- Could schemes be extended beyond the five year designation.

The Executive Member for Housing and Employment welcomed the Committee's continued support for the further roll out of selective licensing as a tool for improving property standards within the Private Rented Sector. He said that these schemes were an opportunity to engage with both landlords and tenants and had increased tenants' awareness of their rights.

The Executive Member for Housing and Employment stated that it was important to raise awareness of these schemes and every opportunity was taken to do so, particularly when action was taken against rogue landlords. He further added that good practice and learning was shared with other Local Authorities. He stated that appropriate consideration was given to ensure that all publicity, information and advice were provided so as to ensure that all residents, particularly for those for whom English was not their first language were made aware of the schemes.

The Compliance and Enforcement Specialist stated that there was no evidence to suggest that rent increases had occurred as a result of landlords passing on the cost of the licence to their tenants, however this continued to be monitored. She further advised that the list of exemptions from licensing was prescribed in the legislation.

The Interim Director of Housing and Residential Growth stated that the five year designation for a scheme was again prescribed in legislation and consideration had to be given as to how the improvements achieved are sustained.

Decision

The Committee:-

- (1) Note the report
- (2) Endorse the roll out of the Selective Licensing scheme in the eight areas identified within the report.

ESC/22/25 Overview Report

The report of the Governance and Scrutiny Support Unit which contained key decisions within the Committee's remit and responses to previous recommendations was submitted for comment. Members were also invited to agree the Committee's future work programme.

The Chair commented that as there was a report scheduled for the July meeting on the subject of Active Travel the recommendation listed in the recommendations monitor (ESC/22/02 Updates on Sub Strategies of the City Centre Transport Strategy) could be removed.

Decision

The Committee note the report and agree the work programme.