

**Manchester City Council
Report for Information**

Report to: Economy Scrutiny Committee - 18 July 2019

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.

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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

Officers are currently drafting a report for September Executive which will detail the demand for and supply of Affordable Homes in the City, along with further details of how the Council and its partners will deliver a minimum of 6,400 affordable homes between April 2015 and March 2025. This report will set out:

- A review of land in the City Council's ownership and its availability for the delivery of affordable homes
- Progress on a range of new build delivery partnerships with Registered Provider partners
- The level of grant funding and construction finance to deliver the new affordable homes
- The move towards a strategic relationship with Homes England

4.2 Extra Care

There are 7 Extra Care Schemes in Manchester that will be delivered by the City Council and its Registered Provider Partners, including our flagship LGBT Extra Care on Russell Road. There are 5 schemes currently on site which will

deliver 320 extra care homes. There are 2 further schemes in development which we anticipate will deliver a further 180 homes by March 2022.

4.3 Right to Buy update

In 2018/19 436 affordable homes were lost across the City to Right to Buy, including Right to Acquire. This meant that despite the significant increase in affordable housing delivery in 2018/19, yielding 338 new affordable homes, there was a net loss of 98 affordable homes. With Right to Buy sales expected to remain relatively constant and as delivery rates increase, with 580 affordable homes predicted to complete in 2019/20, a net gain in affordable housing is anticipated for the first time this year.

4.3.2 Right to Buy buy-backs

It is not just new build housing that can offset the loss of homes through right to buy. It is important we also use the opportunities given to us when offered homes that are sold on again following right to buy, where the Council has the first option to buy them back. I have asked Officers to bring forward a policy on Right to Buy Buy-Backs along with a related piece of work which looks at Right to Buy receipts and how these can be invested to support this work.

4.4 Assistant Executive Member

Councillor Joanna Midgley has been appointed as my Assistant Executive Member. She will be looking at the provision of temporary accommodation which overlaps the Housing and Homelessness portfolios. It's important that standards within temporary accommodation are improved and are the best that they can be. We also need to be supporting people living in temporary accommodation in a joined up and holistic way. Cllr Midgley will be listening to and learning from the experiences of individuals and families in temporary accommodation so that we can identify gaps and see how services can be better aligned.

5.0 Housing Enforcement

- 5.1 The extension to mandatory **HMO licensing** came into force on 1st October 2018 and is estimated to affect up to 5,000 additional rented properties. The HMO licence conditions have been reviewed and since October the Housing Compliance team have received over 600 new applications.

The team organised three landlord drop in sessions in May 2019 covering South, North and Central wards. Letters were sent to landlords and agents to make them aware of the extension to HMO licensing and how to apply for a licence. 28 landlords attended these sessions.

Following a successful bid for funding from the Rogue Landlord Enforcement fund, the team have carried out canvassing to identify further properties which require a licence. As a result from the drop in sessions and canvassing to date, a further 130 licensable properties have been identified.

As part of the changes to the rules for HMO licensing and the introduction of minimum bedroom sizes, the HMO standards and licensing policy are being reviewed. Local Authorities can set their own standards in respect of HMO's within their boundary and this normally includes space, amenity, and fire precautions standards as a minimum. The standards apply to all HMO's regardless of whether they require a licence and are based on legislative requirements and relevant guidance as well as the Council's expectations of HMOs in the City.

- 5.2 **Civil Penalties Notices** (CPN's) came into force in April 2017 and are an alternative to prosecution for a number of breaches under the Housing Act. Since the introduction of CPNs the team have issued 31 fines totalling over £360,000. Once recovered this money will be invested back into enforcement activity in the private rented sector.

Landlords are able to appeal against the civil penalty to the First Tier tribunal and we have received two appeals to date. Some landlords are paying the civil penalty fine in full and others are agreeing payment plans. Civil penalties have provided an additional enforcement tool and do appear to be having an impact on the behaviour of those landlords who are providing substandard and unsafe accommodation. The team are seeing some landlords engage more, and become more willing to complete works rather than face a large fine.

- 5.3 The **Selective Licensing pilots** in Crumpsall, Moss Side, Moston & Old Moat continue to see a positive response and the majority of landlords in each area have applied for a licence. In Crumpsall 100% of all landlords identified have now applied for a licence. Enforcement action is being progressed in other areas against those landlords who have failed to apply.

The scheme in Crumpsall has been in place for over two years, 318 licenses have been issued and 50 compliance inspections have been carried out.

Four Civil Penalty notices have been issued; two for operating without a licence, one for breach of a licence condition and breach of an Improvement Notice and one for breach of an Improvement Notice. Fines issued have totalled £25,500.

In addition to the enforcement work already carried out, the team have been able to engage with landlords in a constructive way to improve the management of private rented properties in the area. Management companies have been employed where landlords were unable to show that they could meet the conditions of their licence effectively, and this has helped to resolve some previous long standing issues in the area.

A key highlight from this pilot is that a total of 1,800 applications received across all 4 areas have been accompanied by a gas safety certificate, and approximately 30% had been obtained at the time of application suggesting that licensing requirements have resulted in landlords complying. This, along

with compliance inspections funded through the licence fee, is continuing to improve safety and standards in private rented properties.

I have asked Officers to now make a more detailed review of the schemes so far with a view to identifying further areas for Selective Licensing later this year.

- 5.4 In May 2019 the team carried out a day of action at Ashton New Road with partners from Immigration, Fire service and the local Neighbourhood team. On the day, the fire service prohibited one property due to fire safety concerns and officers in the Housing Compliance team managed to get fire alarms fitted by the owner immediately.

A further day of action is planned in July 2019 which was arranged in partnership with GMP through the North Integrated Neighbourhood Management Meeting which the team attend. Work will involve targeting properties on Kenyon Lane, Moston Lane, Brodick Street, Spreadbury Street and Dolland Street, following reports of Anti-Social behaviour and suspected brothels. Attendance from the Fire Service and Immigration has also been requested.

- 5.5 **The Tenant Fees Act 2019** came into force on 1st June 2019 and will apply to all new tenancies created after this date. The Act introduces restrictions on the fees landlords and letting agents are able to charge. The Act permits landlords and agents to only charge fees relating to rent, utilities, security/holding deposits or when tenant breaches their contract. Breach of the rules could result in a financial penalty not exceeding £5,000. Enforcement of the Act will be carried out by Trading Standards.

- 5.6 **Homes (Fitness for Human habitation) Act 2018** came into force in March 2019 to ensure that rented accommodation is 'fit for human habitation'. This means that the property should be safe, healthy and free from hazards that could cause serious harm. Tenants living in unsafe properties can now take their landlords to Court. The Court can make the landlord carry out repairs and can also make the landlord pay compensation to the tenant.

- 5.7 It still remains that our many of our most vulnerable residents across the city are either unaware of their rights as tenants or are scared of reporting issues due to a fear of revenge eviction. I have been working with the Comms team to raise the profile of the work the enforcement team are involved with. We recently held an Our Manchester takeover day on the work of the team. We have also started to include regular comms on tenants' rights across all the Councils social media channels.

- 5.8 Work has begun with Councillors, partners, residents and landlords on the updated Private Rented Sector Strategy. We hope to be able to bring the final draft to scrutiny and Executive in the Autumn.

6.0 District and Neighbourhood Centre Improvement

6.1 District Centre Sub-Group

I have met with Cllr Shilton Godwin, Chair of the Committee's Sub Group and we agreed a number of areas of work for the year ahead:

- How we grow an 'Our Manchester' approach in district Centres - learning from the success of Withington Regeneration Partnership group, which has been grassroots led and involved a broader partnership including the hospital and housing provider.
- Learning from the reports we have had so far from the Institute for Place Management we will look at how we can help district centres develop and strengthen their identity and sense of place.
- A closer look at the contribution of Markets to the success and growth of district centres.
- A report on underserved communities.

The aim will be for the subgroup to draw to a conclusion in time to feed in recommendations into work on the Local Plan.

- 6.2 Discussions have been taking place with Councillors and wider partners around a future vision for Wythenshawe Town Centre. This is due to come to completion later this year with the potential for master planning in Spring 2020.

7.0 Northern Gateway SRF

- 7.1 Following consultation over the summer and updates to the SRF the final version was scrutinized by this committee and adopted by the Executive earlier this year.
- 7.2 Work is now progressing on the business plan and more detailed discussions and planning on the first phase of development. It is anticipated these will return to Scrutiny early Autumn.
- 7.3 I have asked for a piece of work to be done to look at how residents and the wider community can be further engaged and involved (beyond the standard planning process) in the regeneration of the Northern Gateway.

8.0 Age Friendly Housing

- 8.1 Over the next 12 months we will review progress on the Living Longer, Living Better - Housing for an age-friendly Manchester Strategy 2014-2020.
- 8.2 Since January I have attended the Age Friendly Manchester Steering group and Board to begin discussions and have started to engage with older people's group more widely in the city.
- 8.3 Manchester has led the way on its Age Friendly approach and we have some key opportunities coming up through large residential led regeneration

schemes such as the Northern Gateway, to ensure we lead continue to lead the way on Age Friendly housing and neighbourhoods.

- 8.4 Progress has been made but there is more work to be done to ensure that there is good understanding of what age friendly means in relation to housing and properly embedding this across the Council and wider housing sector in the City.
- 8.5 Good Age Friendly design in housing and in our neighbourhoods means that housing is future-proofed for landlords and owners Organisations like Mosscafe St Vincent's have already seen the benefit and Southway have a new age friendly scheme in progress in Old Moat. The Council are exploring the potential at our Silk Street site in Newton Health and through the Northern Gateway in Collyhurst. One Manchester are also currently developing bungalows to HAPPI principles (Housing our Ageing Population Panel for Innovation) that will benefit people with dementia. The real advantage of these schemes is that the accommodation can meet almost any need (as adaptations are easier and quicker) and that's how we should be ensuring our general housing stock in the city is developing too.

9.0 Social Value, Skills and Employment

- 9.1 Working with the new Executive Member responsible for skills and employment I want to ensure we maximise the social value, skills and employment opportunities from house building across the city. Large projects like the Northern Gateway require specific focus, but we also need to ensure we make the most of expanded new Council house building, our Registered Social Landlord development programmes and private development in the city. This means ensuring that there is a clearly articulated ambition and that mechanisms are put in place to monitor impact.

10.0 Community Led Housing

- 10.1 I have been working with officers on the development of our community led housing strategy. I have met with several Manchester based groups and have plans over the summer to visit some successful community led housing schemes in other parts of the country.
- 10.2 We are working towards an event with local groups in September where we can start the process for the 3 affordable housing pilot schemes on Manchester City Council land. At the same time we will be looking to consult and finalise our first Community Led Housing Strategy.

11.0 Closer working with Ward Members

- 11.1 Working with the Director of Housing & Residential Growth I am holding an ongoing series of ward level meetings with Councillors to better understand local housing concerns and opportunities across the City. Our most recent have taken place in Higher Blackley, Burnage and Gorton & Abbey Hey.

These will continue in the year ahead with the aim that these will become a regular feature of Strategic Housing and ward member relations.

12.0 Post Grenfell Remediation works

- 12.1 The Council has played a proactive role since the Grenfell Tower disaster in supporting affected residents. I am a member of the Housing Minister's Private Remediation Task Force. Manchester is the only Council represented outside of London, which has given us a key opportunity to help make the City's case.
- 12.2 Shortly after losing their Tribunal, the Director of Housing and I met with and started supporting the Green Quarter leaseholders. Following months of strong public resident pressure and officer support behind the scenes, in February 2019, a Lendlease-led consortium agreed to pay £7m, saving leaseholders bills of around £20k each. Despite their success, the Green Quarter residents have continued to support and work with residents in other blocks across the city forming the 'Manchester Cladators' to fight for their cause.
- 12.3 In April the Council was a founding supporter, together with the Manchester Cladators and UK Cladding Action Group (UKCAG) of Inside Housing magazine's #EndOurCladdingScandal Campaign calling for a Government fund to address funding for private blocks with ACM and other cladding. All Manchester Councillors signed the Campaign's open letter along with the Bishop of Manchester, Lucy Powell MP, Graham Stringer MP, GM Mayor Andy Burnham and Salford City Mayor Paul Dennett.
- 12.4 On 9th May, the Government responded by announcing a £200m fund to meet the costs of remaining ACM-clad privately owned blocks. I have cautiously welcomed the Fund but highlighted it does not support many of the affected blocks in Manchester and amounts to a 'cladding lottery'. Following this announcement the Leader also raised a number of questions with the Secretary of State to establish how many of the 5 remaining ACM-clad blocks in the City it will support and by how much.
- 12.5 Key questions include whether the fund will extend to buildings with a mix of ACM and non-ACM cladding and if it will meet the costs of fire safety issues behind ACM cladding. Therefore, there is still the potential that leaseholders in these blocks will face partial bills.
- 12.6 As well as ACM cladding, we are in touch with 8 other blocks where other issues are emerging. There may be more. These leaseholders are typically facing higher costs than those in ACM-clad blocks. We will continue to support and work with residents in blocks across the city.

13.0 Greater Manchester Combined Authority.

- 13.1 At Combined Authority level I sit on the GM Planning & Housing Commission where we have been developing a joint housing vision and strategy for Greater Manchester. The final strategy is due to launch this month.

- 13.2 Work at a GM level is also taking place looking at the provision and allocation of social housing across GM. This is in the early phases of exploring whether a GM allocations system would be achievable / desirable.
- 13.3 GMCA has received £128k to crack down on rogue landlords the funding the from Ministry of Housing, Communities and Local Government will be used to establish a “rogue landlord hub”, targeting landlords and letting agents who flout the law through bad management or by housing tenants within neglected and unsafe homes.
- 13.4 The Mayor is also exploring options for an ethical lettings agency and working up a scheme designed to showcase the region’s good landlords and call out the bad.