Please find attached the response to your call for evidence on the review of social housing.

Social housing makes up just under 1 in every 4 homes in the city region of Greater Manchester (GM), home to over half a million GM residents. Members of the Greater Manchester Housing Provider group (GMHP) individually are long-established partners in local strategic partnership working on a broad range of issues connected to local growth and public service reform. They are substantial investors in GM communities, and in recent years have been delivering around 40% of GM’s new homes.

GMHP agreed a Memorandum of Understanding (MoU) with the Greater Manchester Combined Authority in May 2016. Based around the principles of growth and public service reform. The MoU sets GMHP at the centre of GM’s ambitions to become a world-class region with an inclusive, thriving economy. By agreeing the MoU the GMHP now sits formally within the GM devolution structure, and actively contributes to the reform agenda. Central to the lives of all GM’s residents, housing is a key foundation for improving lives and reducing dependency on public services.

Devolution offers the opportunity to make decisions at a local and GM level, that will benefit our residents, and respond to key issues within GM. The partnerships across GM with the health & Social Care partnership, as well as with the Combined Authority and councils, at a GM level is driving innovation, in a way that a centralised government approach would stifle.

In Greater Manchester housing providers have been working with colleagues from across the sector to discuss the future form and function of social housing. The work stream seeks to explore the different options for social housing in Greater Manchester, and has an emphasis on inclusivity and consultation. We have used evidence in a series of discussion papers to stimulate debate about the different policy options open to the social housing sector going forward. The discussion papers cover four areas; place, economy, people and social need & health. The results of this work will be presented to the GMCA and local authorities to stimulate a discussion, and a number of policy papers.

Many GMHP tenants & residents are key to the success of GM strategies and interventions on a wide range of issues such as health and social care, employment and skills, fuel poverty and the ageing population. As organisations, individually and collectively, members of the GMHP are already active on all those agendas and more.

GMHP members are anchor organisations in many of the 10 GM boroughs. As arms-length management organisations, stock transfer providers, traditional housing associations, and a local authority housing department GMHP are centre-stage for many of the reform ambitions for public services.

Our response to this review has been agreed by all GMHP members.
We would welcome a further conversation and the opportunity to work with you further on this area.

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**Review - How Did We Get Here?**

There are a number of key policy decisions that have had a fundamental impact on social housing:

Rent capping only served to constrict housing associations’ build programmes, their services to customers and capacity to grow to meet the whole range of customer needs and experiences.

There has been a failure to build sufficient new housing to meet demand across all tenures over the lives of governments since the 1980’s. There has been a lack of investment in place, property and welfare, which resulted in entrenched poverty and deprivation and worsening outcomes. Historically there has also been a reluctance by the private sector to be involved in building and managing social housing unless there is a profit element from future sale.

The continuation of the right to buy has resulted in millions of pounds of subsidies being paid only to reduce the social housing stock and cherry-pick the best properties in the best locations, further eroding choice and opportunity. Many former right to buys are now owned as private lets drawing uneven amounts of resources from housing benefit. It should be noted that right to buy has been halted in Wales and Scotland by the devolved governments.

Where regeneration has been people-focused it has improved existing communities. Results have been less successful where the focus has been solely on the fabric of housing, and where the outcomes are mainly gentrification and the diminution of social housing stock. Housing renewal has been neglected, leaving a legacy of substantial private sector housing disrepair. In GM there is a growing issue of home-owners who do not have the means to maintain or upgrade their properties. This is leading to increasingly poor private sector housing.

The creation of decent homes standards and the supply of resources enabled the improvement of social housing, sufficient to reach the standards through supporting different management models such as ALMO’s and housing stock transfers. Providers used new freedoms as a springboard to expand their role into place-shaping community organisations, taking their role much wider than housing management; to include employment, training, health, and wider support programmes.

Creating devolved regional government is a huge step forward in providing integrated approaches to tackling social housing issues and shortages. Not only is it a vehicle for pooling resources and expertise but also it cuts across boundaries and helps to maximise effectiveness.

It is clear that GMHP members operate in an environment that is fundamentally different to London and the South East. Whilst there are areas where land prices are high, we also operate in areas where the housing market is dysfunctional because of low land values, lower than average wages, and entrenched deprivation and poverty. There is growth across GM, but this is not uniform, and is focussed on the City of Manchester, and a small number of relatively affluent areas within individual authorities.

Social housing has over time become stigmatised, by both Conservative and Labour governments. The Conservative narrative of home ownership is reflected in policies that divert huge sums of government funding into helping home ownership, whilst comparatively modest sums are allocated
to social housing, with policies that have prevented or discouraged local authorities from developing new stock.

The more the distinction and perception between owning and renting a property is reduced – in a social housing context the better. Especially when many products now involve aspects of both (e.g. shared ownership or rent to buy).

**What Should Affordable Mean?**

A Labour Government should have a broad housing policy for all tenures, but for social housing should encourage building of quality new homes in places people want to live. This should include funding for regeneration and improving private sector housing stock. Funding and policies need to be brought together locally, to reflect local need and demand. Housing should be based on place, with job creation, good education and community facilities, enabling places to develop into areas where people want to live, in all tenures, to build a sustainable community.

Social housing should mean high quality housing that is clearly cheaper than market rates but that is accessible to a wide range of people. Affordability based on local communities is more important than some fixed percentage of market rents. Incomes of the low paid need to inform rent setting to provide affordability.

One single national model of housing delivery will continue to fail. There are regional and local variances between incomes, social issues and employment. The housing markets outside London and the SE are different, and should be recognised as such.

**How Do We Build The Scale Of Social Housing Required?**

There are many different estimates of the numbers and types of social housing units required but these have to be based upon local needs assessments, incomes and demand. It is important that housing providers are part of the housing needs assessment as part of an integrated approach with the respective local authority.

Demand for social housing is dependent upon the capacity for choice each household has and this will change in relation to a range factors including financial capacity and personal circumstances. This points towards a much more flexible social housing offer that can accommodate shifts without necessarily causing people to move. Whilst the emphasis has to be on creating more homes for rent there is an increasing need to provide different models that blur the boundary between rent and sale.

The challenge is to provide sufficient social housing in areas that are popular, so to provide a healthy social mix and sustainable communities, but also to help encourage improvement and investment in the less popular areas that will support renewal and development.

Housing providers should play a key role in supplying new homes in partnership with the private sector on mixed development sites. There is scope for more local authority homes in locations where they can provide a better value option than other providers.
Public subsidy is essential to reach build targets needed for a growing and changing population. There is a challenge in turning intention into reality with resistance being overcome, and difficult choices made by local councillors when schemes need approval.

Land is a fundamental issue to increasing supply. Developing brownfield sites should be the first priority. However, many such sites are expensive to develop if less politically sensitive, especially those which have an industrial or commercial use past. Public perception of what constitutes a brownfield site can differ. The creation of a national housing investment bank under public ownership may provide a solution for the funding of sites and land transactions; it would also help potential developers in mitigating risk and reduce costs. More aggressive use of compulsory purchase orders will release land and send a message to businesses and individuals who land bank that this cannot continue. Planning policy needs to be revised to create a more responsive, less bureaucratic planning system and framework, with a presumption towards building high quality, volume housing that is affordable for all.

A Labour Government should also consider the use to more innovative construction methods, including modular build. Proven elsewhere to deliver quality homes in much shorter timescales, new building technology would support the delivery of flexible, volume builds.

**How Do We Secure Decent Standards In Current And New Social Housing?**

The growing number of non-decent stock is a product of insufficient investment in social housing over the years. Re-introduction of housing renewal programmes that not only improve the dwellings but also provide support improvements to decency standards will start to address the problem. This must be concurrent with community development and social & employment investment to create sustainable communities.

In some cases it will not be cost-effective to improve some non-decent council or housing association stock. New management processes must be available (examples are short-term lets) with those properties eventually being included in demolition/rebuild programmes as part of an overall wider development programme.

There has been a retreat from creating and maintaining greener homes. Investment in new and existing green technology should be supported by funding. In the near future technological advances will be made to enhance the ecological footprint of homes and the government should actively invest in research and innovation to exploit these advances. This would benefit private sector owned or rented housing as well as social housing stock.

**How Do We Improve Involvement, Voice And Rights?**

GMHP members proactively work with their tenants. As outlined in the introduction, many providers are key place-makers and respond to the needs of our residents across a wide range of services and support. The importance is to focus on outcomes and not a new single model regulatory framework that will drive activity and not meaningful discussion and resident involvement.
We are keyed into the needs of our residents. We respond to changing needs and provide services and support as required. Through devolution we are expanding our role in employment and training support, welfare reform, asset-based community development, as well as providing essential services outside our estates for the wider community. These include hospital discharge schemes, housing options for older people to move into more appropriate housing, support to bring rough sleepers off the streets, and Housing First for those with the highest needs.

Consultation on major housing stock changes could be strengthened, but the focus should always be on outcomes and maximising opportunity for those living in social housing, or seeking it as a positive choice.

GMHP would welcome the opportunity to continue the discussion with the Labour Party on housing quality and supply. We already work with Greater Manchester MP’s and Councillors, and through the GM APPG.