The Oldham Housing Strategy

A framework for success

2015 – 18

DRAFT VERSION
Welcome

I am delighted to introduce Oldham’s new Housing Strategy for 2015 – 2018, which sets out our vision and priorities for housing for the next three years.

We have developed excellent partnership relationships with developers, housing providers, the voluntary sector and residents over the years to improve our housing offer. In recent years, we have benefited from over £430 million investment in homes and services and received accolades for our partnership working, our new homes and our approach to building co-operative communities.

Whilst there are significant challenges ahead, we look forward to continuing to respond to those in a positive way through our strong partnership approach.

Our housing offer will have a crucial role in the economic regeneration of our borough. As well as many construction jobs, we will increase the choice of housing that will be available to meet the aspirations of our residents and attract new people into Oldham. We want to work with our partners and residents to improve the quantity, quality and access to housing in Oldham, ensuring the borough is a great place to live, work and invest.
Our Housing Strategy sets out:

- Progress and achievements made in the past three years
- What the key housing challenges are and outlines these through a national, regional and local context
- Our vision and priorities for the next three years

Oldham’s Housing Strategy is supported by a detailed annual delivery plan, which sets out how we will work with partners to ensure our key priorities are delivered.

As a co-operative borough, we look forward to working with our partners and residents to make the delivery of this strategy a success.

Councillor Dave Hibbert
Chair of Oldham Housing Partnership and Cabinet Member for Housing Planning and Transport
Despite massive investment and excellent progress, there remains more work to be undertaken to deliver a choice of sustainable housing which meets people’s needs and raises aspirations. It is important to take a moment to reflect upon the positive work which has been achieved through the successful delivery of our last Housing Strategy (2012 – 2015), which enables us to build on our successes.

Over the past three years, we have worked with our partners on many achievements including the following:

- We have built 1,100 new homes, 700 are new affordable homes, including 35 specially adapted properties;

- Oldham is now a ‘vanguard’ for the Right to Build Programme. We promote self-build and custom-build homes. We are working with Community Build Werneth on the largest custom build project in the North West;

- The number of long-term empty homes fell by 500 between 2012 – 2014;

- Oldham’s Local Authority Mortgage Scheme has assisted over 100 first time buyers and 400 other households secure a mortgage;

- We have invested £113m in our Gateways to Oldham scheme, which has seen a total of 700 new and existing homes being built and modernised, new community centres and other investments;

- More than 20,500 energy efficiency measures have been delivered, totalling a £13.75 million investment;

- Warm Homes Oldham has lifted 2,200 people out of fuel poverty and won ‘Sustainable Partnership of the Year’ in 2014 at the Inside Housing Sustainable Housing awards;
• Between 2012 – 2015, we prevented homelessness for over 5,000 households and last year we were the best performing local authority in Greater Manchester for homelessness prevention;

• We have introduced an extra care housing offer in six schemes to help older people live independently longer at home;

• First Choice Homes Oldham has almost completed its £149m investment programme in homes, neighbourhoods and services;

• April 2014 saw the launch of our Co-operative Housing Offer, which supports the ‘something for something’ principle where everybody does their bit and everybody benefits;

• Our Workingxtra Policy ensures at least 50% of new build properties and 15% of re-lets are allocated to people who contribute to the community through working, volunteering, being in training or caring;

• The Residential Development Framework was agreed in December 2013 which clearly identifies how Council land will be used and what the Council can offer to partners and communities to support housing growth; and

• Nearly all of our social homes are let through a single choiced based lettings scheme with approximately 2,000 properties being let annually.
National housing challenges

These are currently challenging economic times with tightening conditions, changes in policy direction, lack of Central Government funding and the slowdown in the housing market.

Despite a range of initiatives to support growth, it is clear that housing supply is not keeping up with housing demand. This is partly due to affordability relevant to income, improved life expectancy rates and the increase in one person households. The lack of accommodation options can lead to poor housing provision and, in turn, this can affect a person’s health and educational attainment. Therefore, a key housing policy issue is to tackle access to suitable, good quality homes.

In 2007 the Government set a target of increasing the supply of housing to 240,000 additional homes per year by 2016. Within this overall target there was a commitment to deliver at least 70,000 affordable homes per year by 2010 – 11, of which 45,000 were to be new social rented homes. There was a debate over whether this target would meet the demand for new housing and deal with the backlog of unmet housing need.

However, with the economic downturn the achievement of the targets has been put under increased pressure. The demand for housing still continues to rise; however, access to home ownership products is increasingly more difficult to obtain as the lack of mortgages available, especially for first time buyers, has meant that the housing market has slowed down. This has seen an increase in the private rented sector. This tenure of housing increased by a third between 2001 – 2013.
A National Housing Strategy was launched in November 2011 ‘Laying the Foundations’, which set out the aims and objectives for the current Government in relation to housing for the coming years.

The key focus at a national level is to:

• Deliver new homes and support aspiration;
• Support choice and quality for tenants;
• Tackle empty homes; and
• Deliver better quality homes, places and housing support.

The strategy recognises that good quality housing is the foundation for individuals to live the life they want to live. It is important that individuals find the right home in the right place to help provide a platform for people seeking to support their families and find work.

That said, the National Housing Strategy recognises that there is national shortage of housing leading to individuals living in overcrowded conditions or forced into the private sector which doesn’t meet their needs. The Government has introduced a range of initiatives including ‘Help to Buy’ and the Builders Finance Fund to promote housing growth.

An independent review was recently commissioned by the Labour Party – ‘The Lyon’s Review’. The purpose of this review was to assess how an increased housing supply could be achieved, tackling the current shortfall in housing demand.
Oldham’s housing challenges

Oldham Borough currently has a population of around 229,000 and this is set to rise by another 5,000 by 2021. It is vital, therefore, that the supply and demand for housing is addressed.

The borough’s current population:

• Has a higher proportion of younger residents (35%) than the national average (32%);

• Has a significantly higher proportion of BME residents (22.5%) than both the Northwest (9.8%) and England (14.6%);

• Has a high proportion of residents aged 65 or above which equates to (14.7%) totalling 33,000 residents.

Economic challenge

Geographically, the borough displays some areas of prosperity, such as Saddleworth and Lees, and significant pockets of deprivation, particularly concentrated around the inner Oldham area. These also tend to be the areas where social housing is concentrated, and where unemployment levels and benefit claimants are higher.

When looking at affordability across the borough, the evidence shows that:

• Most people living in the inner areas of Oldham are unlikely to be able to afford to purchase properties in the borough;

• Most buyers from the more affluent areas (i.e. Chadderton, Shaw and Royton) are only able to purchase properties in East and West Oldham; and

• The majority of buyers purchasing from within the borough are unable to purchase properties within Saddleworth and Lees.

As a borough, we have seen an increase in average income levels rising to £25,116. Although these income levels have increased, they are still 6% lower in comparison with Greater Manchester and 12% lower than the national average. This will have a significant impact on the ability of residents to have a choice of accommodation.

A significant portion of households are in fuel poverty – approximately 13,557. These households are spending more than 10% of their annual income on fuel. The Warm Homes Oldham Programme continues to address fuel poverty, contributing to wider related outcomes which enable an Oldham healthy home.
**Existing Housing Stock**

Oldham has approximately 19,549 social rented homes and 74,266 private sector homes.

Analysis of existing housing stock shows that the borough has an unbalanced housing offer, with low proportions of detached properties and a very high proportion of terraced homes.

Oldham has the highest proportion of pre 1919 terraced homes in Greater Manchester (41%). This highlights the need for larger family accommodation.

Oldham also has a proportion of lower council tax bands, with 71% of households in a band A or B property. This restricts the choice of higher value or aspirational homes in the borough.

The 2010 Private Sector Stock Condition Survey found that private housing conditions in the borough is generally better than the national average, although levels of disrepair are higher with 22,724 (31%) failing to meet the requirements of the Decent Homes Standard. It was estimated that it would cost approximately £131.242 million to improve the standard of disrepair in the private sector.

We recognise the need for a choice of good quality homes to be available and this vision is supported through our Residential Development Prospectus and our Co-operative Housing Offer.
'Oldham is a place of ambition and we want to raise Oldham’s economic profile making it a great place to live, work and play’ (Oldham Plan 2015).’

We recognise that economic performance is linked to the quality of our local housing offer. We are focused on residential growth; delivering new housing in sustainable and accessible locations. We are particularly keen to work with partners to deliver higher value housing in marketable locations to provide a choice of housing for our residents and attract new people into the borough.

In relation to social housing, the demand is still high. In December 2014, 9,853 customers were recorded on the housing register. Of these, 3,154 have been assessed as having a housing need. Reduced staffing and reduced funding means we need to work together with our partners to help manage and change the expectations of residents to help them help themselves and become more resilient.

In April 2014, we developed with our partners Oldham’s Co-operative Housing Offer which highlights how housing contributes to the co-operative borough. The Oldham co-operative approach means changing our values, behaviours and relationships with partners and residents to show that we can work together for the good of the borough.

Our Co-operative Housing Offer is based around six key outcomes:

- Residents can afford to heat their homes
- Residents understand how to manage their financial affairs
- Residents do their bit and share resources
- Residents are proud of where they live and do their bit for their neighbourhood
- Access to appropriate quality private housing
- Access to appropriate quality social housing.

Over the next three years we will tackle our challenges to improve the quality, quantity and access to housing. We will do this by focussing on our four key priorities:

- Residential Growth
- Healthy Homes
- Improving Neighbourhoods
- Building Stronger Communities
Greater Manchester is the main engine for growth in the north of England. Economic forecasts suggest potential for employment in the Regional Centre to grow by 50,000 over the next ten years. More new homes are needed to support employment and economic growth, accommodate a growing population and extend housing choice and quality to retain economically active residents.

There has been a strong record of Greater Manchester Council’s working together over recent years to support housing growth, improve existing housing, address housing needs and tackle empty homes.

In November 2014, it was announced that Greater Manchester would receive devolved powers from central government. This includes Greater Manchester having to elect a Mayor who will provide overall leadership for Greater Manchester and will be directly accountable to the city region’s electorate. Greater Manchester will have new powers on transport, housing and planning to drive through reforms to stimulate the area’s economic growth.

As part of the Devolution Agreement, the Greater Manchester Combined Authority will receive a £300 million Housing Investment Fund to accelerate the delivery of housing. The aim of the fund is to provide up to 15,000 additional homes over a ten year period. The Fund will provide recoverable investment to the private sector for projects delivering additional housing in Greater Manchester.

In response to the changes at a regional level, Greater Manchester Place has been created. Greater Manchester Place defines a new collaborative way of working between the Greater Manchester local authorities and the Homes and Communities Agency. (A Housing Investment Board is in place to oversee investment in affordable housing, empty homes, support for private development and other new investment models).

Greater Manchester Place will oversee the delivery of strategic residential and mixed use developments across Greater Manchester. The Greater Manchester Combined Authority (GMCA) has also agreed to progress an investment arm, ‘TopCo’ to promote this redefined way of working together.
Based on our evidence and consultation, our new Housing Strategy has four key themes:

- Residential growth
- Healthy homes
- Improving neighbourhoods
- Building stronger communities
Residential growth

We want to encourage a choice of homes that meets the needs and aspirations of our existing households and attracts new residents into the borough. We are committed to supporting housing growth and a wider choice of housing within the borough, and we will do this in partnership with developers and registered providers.

We want to encourage higher value housing to help support economic growth and re-balance our economy. We will help drive economic growth by offering an increased tenure choice and by encouraging high quality housing in both the private and social rented sector.

Our priorities are to:

- Deliver the objectives set out in Oldham’s Residential Development Framework, which includes using council land and skills to provide over 1,000 aspirational homes in the next 5 years
- Deliver new models of investment including private rented new-build, custom and self-build homes
- Work with partners to provide affordable and supported housing as required.

We will achieve this in the next three years by:

- Working with developers to encourage the development of higher value homes
- Establishing new ways of development using Council land including support for privately rented new builds, self-build and custom build homes
- Working with registered providers to build approximately 80 – 100 new build homes per annum for affordable rent
- Obtaining investor partnership status to enable more funding opportunities for new builds
- Working with partners to develop a purpose built project to enable tenants to live in a safer environment.
Healthy homes

A broad range of issues significantly impact on health. This means that building a healthier Oldham will hinge largely on what is done to change and influence wider factors, such as economic opportunity, housing, and the living environment.

The current economic challenge to Oldham means that social value must be created from investments in order to have a positive impact on health and wellbeing. We have an ageing population and a strong correlation that links poor quality private housing (private sector disrepair is twice the national average) to poor health and therefore we need to start planning now.

We have defined a healthy home as one where households live independently and safely in a warm and secure home which is well maintained.

Our priorities are to:

- Help residents afford to heat their homes and improve energy efficiency
- Provide suitable housing, support and advice for older people and vulnerable people to live longer independently
- Improve the wellbeing and resilience of residents and vulnerable people.

We will achieve this in the next three years by:

- Lifting over 3,000 people out of fuel poverty
- Introducing a new service model for eight extra care housing schemes to support independence
- Reviewing supported housing accommodation within the borough in line with the Transforming Adults Programme
- Developing projects to help older people stay at home longer
- Co-ordinating health campaigns, with partners prioritising our needs seeking jointly commissioned projects maximising resources
- Trailing the ‘early help offer’ in specified pilot areas.
Improving neighbourhoods

Attractive neighbourhoods which are well designed and managed to support communities offer greater opportunities for both individuals and wider economic prosperity. Such places are also likely to be more attractive to new residents. We want to make existing neighbourhoods safe, attractive places to live.

Our priorities are to:

• Work jointly with Registered Providers to provide high quality new housing on estates where there is suitable land. Work is already underway at Limehurst, Sholver and Fitton Hill.

• Deliver area-based pilot schemes

• Improve the private rented sector through tackling poor landlords and through selective licensing.

• Target initiatives to improve and create more sustainable communities.

We will achieve this in the next three years by:

• Bringing over 300 empty homes back into use

• Using a new private sector stock condition survey, develop plans for specific neighbourhoods

• Introducing the selective licensing scheme and using private sector enforcement action to improve the environment where necessary

• Rolling out the Changing Behaviours Programme and working with partners and residents to address specific issues in priority neighbourhoods

• Introducing the ‘early help offer’ to help reduce instances of crime, anti social behaviour, domestic abuse and substance misuse

• Investment of £11 million in the BGREEN projects at St Mary’s for 1,400 homes.
Building stronger communities

We have been extremely successful in preventing homelessness in our borough despite the increased pressure from Welfare Reform, cuts in funding and the current housing market. We want to continue to build stronger communities and help people live independently.

Our priorities are to:

• Prevent homelessness
• Help residents into employment and training
• Improve community safety

We will achieve this in the next three years by:

• Reviewing our Co-operative Housing Offer and approaches around ‘self-help’
• Working with the Department for Work and Pensions and the Home Office to reduce delays in benefit payments for households in at risk of homelessness
• Work with partners to commission for integrated housing and social welfare advice service
• Review and continue to improve services which prevent homelessness
• Align floating support services to the ‘Early Help Offer’
• Delivering activity to address worklessness in the social rented sector
• The ‘Give it a Go’ initiative will be delivered to help Oldham residents access a single point of support and potential grants and loans to set up new businesses
• Support the Get Oldham Working initiative through housing partners and activity with residents and tenants.
Next steps

Our new three year Housing Strategy is supported by an annual delivery action plan. The action plan sets out in detail how each priority will be achieved.

The delivery of objectives detailed in our Strategy and action plan is supported by other local housing related strategies and the action plans.

References

If you would like any further information on the documentation that supports our housing strategy, please select the following links:

Co-operative Housing Offer
www.oldham.gov.uk/downloads/file/3210/oldhams_co-operative_housing_offer

Residential Development Prospectus
www.oldham.gov.uk/downloads/file/3162/residential_development_prospectus

Homelessness Strategy
www.oldham.gov.uk/download/downloads/id/2676/working_together_to_prevent_homelessness_in_oldham_2013_-_16

Health and Wellbeing Strategy
www.oldham.gov.uk/hwbboard/download/downloads/id/12/health_and_wellbeing_stratergy

Oldham Plan
www.oldhampartnership.org.uk/oldham-leadership-board/the-oldham-plan

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