

Report To:	EXECUTIVE CABINET
Date:	29 August 2018
Executive Member/Reporting Officer:	Councillor Gerald P Cooney – Executive Member (Economic Growth, Employment and Housing) Peter Taylor - Head of Planning
Subject:	HOUSING NEEDS ASSESSMENT (HNA) 2017
Report Summary:	<p>The purpose of this report is to inform Executive Board of the completion of the recent Housing Needs Assessment for Tameside.</p> <p>The Tameside Housing Needs Assessment (HNA) was carried out independently by Arc4 Consultants and provides the latest available evidence to help shape the future planning and housing policies of the Borough. The study will inform the production of the Council's emerging local plan and housing strategy. The research provides an up-to-date analysis of the social, economic, housing and demographic situation across the area.</p> <p>Based on current and future demand, the HNA recommendations are made along five key themes:</p> <ul style="list-style-type: none"> • Diversification of the local housing offer • Creating a higher value residential offer • Delivering new affordable housing • The role of the local Private Rented Sector (PRS) • Delivering homes for an ageing society
Recommendations:	<ul style="list-style-type: none"> (i) To note the content of this report regarding the outcome of the 2017/18 Housing Needs Assessment (in terms of type and tenure) and the need to seek a level of affordable housing as set out in section 7.2 with immediate effect on all new planning applications. (ii) To inform Executive Board of the evidence base to support the emerging Local Plan and as a material consideration in the determination of new planning applications with immediate effect. (iii) To note the importance of the Private Rented Sector in providing housing but to ensure that quality standards are appropriate where we have the ability to license/approve. (iv) To ensure that the identified need for older persons accommodation is taken in to account as part of any new development proposal (v) To ensure sustainable construction and energy efficiency opportunities are a material consideration in any future planning applications for housing
Links To Community Strategy:	Housing growth is one of the cornerstones of building the economic, social and cultural vibrancy of the borough's neighbourhoods. A diversified housing market based on high quality design is closely linked to building sustainable, attractive

and economically vibrant neighbourhoods, which are all key priorities within Tameside Sustainable Community Strategy.

Policy Implications:

The HNA provides evidence to support the immediate application of policy H4 of the adopted Unitary Development Plan which required an up to date assessment for implementation, and is still relevant policy. The revised National Planning Policy Framework (NPPF) published on 24 July 2018 has supportive policies and the recommendations in the report, with the evidence provided, both comply with and exceed those. The requirement to assess the type, mix and tenure of housing for the area as set out in paragraphs 61 – 64 of the revised NPPF will be achieved through this report.

The overall quantity of housing growth in basic numbers is a distinct and separate matter through the new government methodology to define Local Housing Need (a target for new housing overall). This report advises on what the Council should be seeking now and in the foreseeable future as mix and type, regardless of the overall target may be.

Financial Implications:

There are no direct financial implications as a result of this report.

(Authorised By Section 151 Officer)

Legal Implications:

The assessment of the type, mix and tenure of housing for the area is a requirement of paragraphs 61 – 64 of the revised National Planning Policy Framework (NPPF).

(Authorised By The Borough Solicitor)

Risk Management:

Without an up to date assessment of need the Council is at risk of not securing appropriate new development for the future population profile of the Borough.

The provision of appropriate housing cannot be based on new build alone but without the evidence to seek affordable homes from new development the risk will increase. This assessment will minimise the risk as it clearly sets out the need for homes across the borough in terms of type and tenure.

Access To Information

The background papers relating to this report can be inspected by contacting the report writer: Peter Taylor, Head of Planning



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1.0 INTRODUCTION

- 1.1 The National Planning Policy Framework states that local planning authorities should 'use their evidence base to ensure that their Local Plan meets the full objectively assessed needs for market and affordable housing'.¹ The HNA 2017 provides a robust evidence base to help the Council 'plan for a mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community'.²
- 1.2 For the purpose of this report, 'Housing Need' is defined as the housing that households are 'willing and able to buy or rent, either from their own resources or with assistance from the state'.³
- 1.3 The HNA was completed by Arc4 in November 2017. It is a mixed method study which included household surveys, stakeholder consultations, interviews and secondary data including the 2011 census, house prices data, private rental data and Homes England household projections.
- 1.4 Five key themes for Tameside's Housing Market Area have been identified, including:
- Diversification of the Current Offer
 - Creating a Higher Value offer
 - Delivering new Affordable Housing
 - The role of the Private rented Sector
 - Delivering for an Ageing Society

2.0 CONTEXT

- 2.1 There are three key drivers influencing our current and future housing market: demographic, economic, and dwelling stock characteristics (discussed fully in Section 3).
- 2.2 Demographic pressures include the changing number of households, household structure and ethnicity in Tameside:
- An increasing population size overall during the forecast period, with a projected 7.4% increase (16,400 additional people) between 2017 and 2039
 - Whereas there is a slight projected increase in the 15-29 years age cohort of (3.5%), the 80+ age cohort will increase by 96.9%.
 - The number of people aged 65 and over is projected to increase by 30.2% (19,000 additional people), with the proportion of the total population aged 65 and over increasing from 17.8% of the population in 2017 to 24.5% of the population in 2039. The proportion of the total population aged 80 years and over is projected to increase from 4.3% in 2017 to 7.9% in 2039.
- 2.3 Economic pressures, including jobs, income and unemployment include:
- Office for National Statistics (ONS) Annual Survey of Hours and Earnings, lower quartile earnings in 2016 across Tameside were £17,995 each year which compares with £19,001 for the North West region and £20,253 for England. Median incomes were

¹ DCLG, *National Planning Policy Framework* (2012), Paragraph 47

² Ibid, Paragraph 50

³ Planning Advisory Service, *Objectively Assessed Need and Housing Targets* Technical Advice Note, (2014)

£23,414, compared with a regional median of £26,178 and a national median of £28,503.

- The HNA identifies that 25.1% of households receive less than £13,000 per annum, 37.8% receive more than £13,000 and less than £26,000 per annum and 37.0% receive more than £26,000 per annum. Analysis demonstrates that incomes are lowest amongst lone parents and older singles (single adults 65+); and highest amongst couples and couples with children.

3.0 CURRENT HOUSING OFFER

3.1 Tameside has 104,840 households. The vast majority of occupied properties are houses (81.5%). Flats, apartments and maisonettes make up 11.8%, with bungalows and other alternatives contributing 5.9% of occupied properties.

3.2 There are currently 1,851 empty homes, with 1,043 long-term vacant (1.8% of current stock).

3.3 Owner Occupation

- 63.4% of occupied dwellings are owner-occupied (66,426), some 30.1% of all households (31,542) own outright and 33.3% of all households (34,884) have a mortgage. 19.8% of owner occupied homes are detached and 41.8% are semi-detached, while only 1.8% are flats/apartments.
- In terms of household profile, over one-third (34.5%) of owner occupiers are couples with children and a quarter (25.4%) are couples without children. Most Household Reference People (HRPs) living in owner occupation are in employment (67.7%) and a further 26.9% are retired. Incomes tend to be high, with around 37.0% of households earning over £500 per week.
- Estate agents reported that the home purchase market is buoyant and looks likely to continue to be so. Housing markets in 2017 have largely recovered from the last recession with sales increasing gradually over the past three years. The greatest demand for detached and semi-detached houses with three or four bedrooms and gardens, and across the area demand for this type of property generally exceeds supply.

3.4 Private Rented Sector

- 14.2% (14,916) of occupied dwellings are private rented (including tied accommodation and student housing). While three-quarters (75.1%) of privately rented properties are houses, only 3.9% are detached while 47.7% are terraced. 21.2% are flats and maisonettes.
- Median rents across the Metropolitan Borough were £524 per month and lower quartile rents were £477 per month (in 2016). The minimum indicative income required is £22,896 for lower quartile or entry-level renting in Tameside as a whole.
- Over one-third of privately renting households (35.4%) are couples with children. A further 21.5% are lone parents. Over half of PRS properties include children.
- The rental market in Tameside has grown considerably over recent years. The volume of properties available for rent has increased through greater interest from investors (especially buy-to-let investors). There is a good supply of all types of rental properties which are in high demand in all of the towns in the Borough. Demand looks likely to continue to be very strong.

3.5 Affordable Housing

- Affordable housing, including social housing, affordable rented and intermediate housing, accommodates 22.4% of households in Tameside (23,498). Houses account for 57.0% of occupied affordable stock, while 34.2% are flats/apartments. .
- 18.6% of households living in affordable accommodation are couples with children and 18.5% are lone parents. 20.8% are older singles and couples.

3.5 Trends in House Prices

- Since 2000, the median house price in Tameside has increased 133% from £48,000 to £112,000 in 2016. The median price in Tameside has tracked below the regional median, which in turn is below the national trend. Similarly, the lower quartile house price in Tameside has increased from £35,000 in 2000 to £83,500 in 2016, an increase of 138.6%.
- Median house prices vary considerably across Tameside, with relatively lower prices in St Peters, Longdendale and Ashton St Michaels and higher prices in Stalybridge South, Ashton Hurst, Denton West, Audenshaw and Hyde Werneth.

3.6 Housing Delivery

The delivery of new build housing (all tenures) has fluctuated since 2006/07. The highest number completed was in 2007/08 (789) and the lowest was in 2009/10 (253). The average over the ten-year period was 444 completions. This compares with an annual target of 650 dwelling completions

4.0 DIVERSIFYING THE HOUSING OFFER

4.1 The current offer is focused around 2 and 3-bed properties with very few smaller and larger properties and although overall the percentage of terraced property is far lower than in the other authorities in the NE HMA for Greater Manchester, some property types are disproportionately represented in some locations and a 'better balance' in terms of property type, size and tenure is required.

4.2 Estate agents confirmed that the greatest demand is for detached and semi-detached houses with 3 and 4 bedrooms and gardens. Arc4 also noted the potential for alternative provision of housing, including co-living (particularly for developments catering for an ageing population) and custom self-build options.

5.0 CREATING A HIGHER VALUE OFFER

5.1 Of households moving, most would like to move to a house (83.3%). This compares with 90.4% who expect to move to a house. A high proportion would like to move to a detached house (40.9%) but only 21.5% expect to. In contrast, higher proportions expect to move to a semi-detached house (44.4%) than would like to (30.4%).

5.2 70% of Council Tax revenue comes from B and A-C properties.

5.3 Future development should focus on delivering to address identified mismatches, to reflect household aspirations and to take account of density and making the best use of land.

5.4 70.8% of moves within Tameside are from households already in Tameside; this makes it a self-contained housing market. Attracting and retaining higher incomes earners is likely to require an improved and better choice of housing.

5.5 Although it is difficult to define executive housing, distinctive features include:

- High property values linked to desirable locations, with high incomes/equity required to support the purchase; and
- High quality construction including exterior and interior fittings.

6.0 THE PRIVATE RENTED SECTOR

- 6.1 The evidence presented in the HNA suggests that one of the key main policy areas that require special attention, from both a planning policy and social policy perspective, is the challenge of driving up the quality of the private rented sector and increasing the sustainability of tenancies.
- 6.2 The Council should consider this agenda within a Greater Manchester approach; the private rented sector is recognised at GM level as being a strategic tenure, that needs to be well managed and to grow. Quality is a central theme and there is to be a GM-led approach to delivering an ethical letting agency between RPs.
- 6.3 Tameside must continue to:
- Meet its legal requirements with respect to licensing Houses in Multiple Occupation and responding to complaints under the Environmental Protection Act;
 - Maintain an up to date stock condition survey to get a detailed understanding of where the problems are in the Borough and what type of problems they are;
 - Encourage developers who build new homes for private rent to engage Registered Providers as managing agents in order to provide a professional landlord service to tenants;
 - Continue to work and expand their landlord forum to solve any problems found or to employ legal powers as appropriate (including new ones in the Housing and Planning Act 2016) to tackle poor landlords who have committed particular housing offences.

7.0 DELIVERING NEW AFFORDABLE HOUSING

- 7.1 It is apparent that demand for affordable housing remains strong. However, the 2017 household survey confirms that 22.4% of homes in Tameside are affordable and that in some local markets this figure is much higher. From a regional perspective, Tameside remains a relatively affordable housing market.
- 7.2 The aspiration of the Council is to secure 20% affordable housing, through different tenures, across all new housing development proposals. The HNA study suggests that an initial proportion of between 10% and 15% affordable accommodation across new developments should be considered. The Council expects all new development to meet the Council's aspirations but will not accept anything less than 15% except in exceptional circumstances. .
- 7.3 The HNA suggests that affordable housing proportions are delivered across a wider programme of delivery.
- 7.4 Where the Council is unable to negotiate affordable housing requirements, options such as the Greater Manchester Housing Investment Fund should be utilised to subsidise viability as required.

8.0 DELIVERING FOR AN AGEING POPULATION

- 8.1 Tameside has a burgeoning older population. 2.2 The HNA identifies that the majority of older people (61.3%) want to stay in their own homes with help and support when needed.

Renting sheltered accommodation (22.7%) and renting from a housing association (21.6%) were the most popular alternative options.

- 8.2 A key challenge for the Council is to ensure a greater diversity of support services are made available to older people wanting to stay in their own home and develop funding mechanisms to achieve this. Particularly noted is the need for help with practical tasks and repairs and maintenance.
- 8.3 Housing options that enable older people to 'right size'⁴ and free up equity and larger family housing should be targeted. Estate agents confirmed that across the borough there is also substantial and continuing demand from older people for properties to 'downsize' with preferences being for bungalows rather than flats. This may require additional work to consider a compromised solution. Building large numbers of bungalows is unlikely to be a viable option.
- 8.4 The Council could partner with a housing association in developing products for older people that enables older owners the opportunity to access an ethical equity release product on their existing home. The equity released could be used to invest in a long-term care package or to pay for on-going maintenance and repairs.
- 8.5 The Council needs to consider the wider social and environmental impacts of growing old, particularly those associated with loneliness and feeling safe. Work across housing, health and social care to develop age inclusive communities is crucial.
- 8.6 Innovative solutions should be developed further.⁵ Such measures hold a number of benefits, such as offering additional good quality accommodation without significant capital investment. At the same time, it enables older people to access additional income, security and support whilst remaining in their homes.
- 8.7 Given the projected rise in residents aged 80+, a more detailed review of the housing needs of people over 75 may be necessary.

9.0 RECOMMENDATIONS

- 9.1 As detailed on the front cover of this report

⁴ 'Rightsizing' (or 'downsizing') describes when older people decide to move from larger family housing to smaller age-friendly accommodation which is more suitable for their changing needs.

⁵ Homeshare, for example, works by the Council offering a 'vetting' and management service for older people prepared to offer a room for rent to young people, particularly those affected by the increased age of the single room rate.

Response Document

Tameside Council

February 2018

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Table of Contents

1.	Introduction	10
2.	Areas for policy consideration and further work.....	11
	Population growth and new housing provision	11
	Key messages	11
	Recommended action by the Council	11
3.	Diversifying the current housing offer	14
	Key messages	14
	Recommended action by the Council	14
4.	Creating a higher value offer	17
	Key Messages	17
	Recommended action by the Council	17
5.	The private rented sector	19
	Key messages	19
	Recommended action by the Council	19
6.	Delivering new affordable housing	21
	Key messages	21
	Recommended action by the Council	21
7.	Delivering for an ageing population	24
	Key messages	24
	Recommended action by the Council	24
8.	Responding to poor quality housing and potential vulnerability	27
	Key messages	27
	Recommended action by the Council	27
9.	Summary of recommendations	29

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1. Introduction

- 1.1 This report complements the Housing Needs Assessment 2017 evidence base recently prepared for Tameside Council and recommends a series of policy and practical responses that the Council need to implement to address the key strategic findings.
- 1.2 The report is structured around a number of the key findings within the evidence base and uses the data sources within it. The paper is not designed to develop solutions and options for all of the housing priorities within the Borough but focuses on a smaller number of significant elements within the evidence base that require strategic intervention from the Council. The Housing Needs Assessment did not include the GTAA update. This is being undertaken as part of the Greater Manchester Partnership
- 1.3 arc⁴ would be pleased to discuss any of these ideas in further detail.

2. Areas for policy consideration and further work

Population growth and new housing provision

Key messages

- 2.1 The following demographic drivers will continue to underpin the operation of the Tameside Housing Market Area:
- 2.2 An increasing population size overall during the forecast period, with a projected 7.4% increase (16,400 additional people) between 2017 and 2039⁶;
- 2.3 There is a projected increase in the 15-29 years age cohort of (3.5%) and most notably an increase of 96.9% in the 80+ years age cohort;
- 2.4 The 2017 Household Survey indicates that the following range of household groups currently live in Tameside: singles under 65 (6.2%); couples (under 65 with no children) (23.1%); couples with children under 18 (23.7%); couples with adult children (8.8%); couples 65 or over (10.7%); singles aged 65 or over (8.9%), lone parents with children under 18 (8.4%); lone parents with adult children (5.0%) and other household types including students (5.2%).
- 2.5 The delivery of new build housing (all tenures) has fluctuated since 2006/07. The highest number completed was in 2007/08 (789) and the lowest was in 2009/10 (253). The average over the ten-year period was 444 completions. This compares with an annual target of 650 dwelling completions.

Recommended action by the Council

- 2.6 The Council needs to ensure that its delivery is increased and there is a need to diversify the housing offer.
- 2.7 Whilst there is a need to deliver a range of housing offers in different locations to 'better balance' some markets, the Council needs to ensure that housing supply is achieved and should consider its role in delivery in the future to create a revenue stream from development in the future.
- 2.8 The strategic question is what the Council must do to bring forward housing supply and ensure that the right type of housing is delivered.
- 2.9 Housing delivery has undergone a fundamental shift since 2007 and there are many new models of funding and delivery that are being implemented elsewhere. The Council will need to learn from these models if it is to be successful in delivering the planned housing and affordable housing numbers with the right housing mix.

⁶ According to ONS 2014-based sub-national population projections

- 2.10 Elsewhere, Local Planning Authorities are working closely with funders, developers and others to create new funding sources and delivery models. Innovative solutions are needed to bring more money into the system - and to reduce costs - and the Council will have to be prepared to think radically, to form effective partnerships and to maximise the efficiency of funding and development.
- 2.11 The Council should consider new ways of delivering housing supply, which can include:
- 2.12 Council led approaches whether directly or through a wholly owned subsidiary or joint venture vehicles which enable the Council to take risk and profit from development. A development company that can deliver new development without the need for a developer (usually 20%) profit can have a significant impact on delivery and in particular on the type of development that can be achieved.

Wakefield MBC and WDH have worked in partnership to establish Bridgehomes Yorkshire. Bridgehomes is a private LLP, completely brand blind from the council or association and acts as a developer in Wakefield.

- Wakefield MBC was having significant problems with viability on a number of sites, particularly when developers required a 20% profit level; added to this, the Council was dissatisfied with the quality of property that was being built.
- This is the reason Bridgehomes was established. Acting as a developer it buys land from the Council at market rates and develops it out as a developer would. However, the developer does not need to make a profit, only cover its costs which are particularly low because it only employs one person. Other services are provided (without charge) by the Council and WDH. The one employee is from a commercial development background.
- Both the Council and WDH jointly contributed £5m to establish the company. If profit is made, it is reinvested into Bridgehomes or is distributed between the Council and WDH through a legal agreement.
- The company has delivered one site and will start two more soon. The full 30% affordable housing required by Wakefield MBC is being delivered and the quality of the homes is superior to those being developed elsewhere in the borough. The developer is focusing on delivering the type of units required by the Council rather than those preferred by developers and profit is being reinvested into the company so that other types of development such as specialist older person housing can be delivered with subsidy in the future.

- 2.13 Other approaches include:

- Taking the opportunity as the public-sector contracts (e.g. by rationalised NHS and LA neighbourhood facilities) and as town centre retail uses decline, to re-vision the use of land and assets to create new housing opportunities. This would include dedicated resources to create sites including detailed examination of public sector and social landlord held assets and land to explore radical options for creating new sites. This could be funded through the homes eventually delivered.

- Accessing less familiar forms of funding where Governments/banks no longer provide it, such as New Homes Bonus, prudential borrowing and the new funding announced in the recent budget which includes a total of £15.3bn of new capital funding, guarantee and loan based funding including £8bn of guaranteed debt funding, £400m for estate regeneration and £1.1bn on unlocking strategic sites.
- Engaging with key housing associations to explore how they might grow their market and non-market offer in the light of the Government plans for a new generation of council and housing association homes. Funding for affordable homes will be increased by a further £2 billion to more than £9 billion. The numbers of homes will be determined on type and location of housing, and bids received for funding. With a typical £80,000 subsidy, this £2 billion investment can supply around 25,000 more homes at rents affordable for local people.
- Developing a Housing Fund to target development utilising S.106 contributions, sale of assets etc. Tameside should consider developing a 'Housing development fund' by consolidating funding from several sources including the £300m GM fund use this to invest strategically to create the mix of housing types, sizes, tenures and affordability required. Funding could include prudential borrowing, new homes bonus and commuted sums.
- Maximising self-build opportunities/custom build.

3. Diversifying the current housing offer

Key messages

- 3.1 In terms of dwelling stock, the 2017 Household Survey reports that, across the Tameside Metropolitan Borough area:
- 81.5% of properties are houses, 11.8% are flats/maisonettes, 6.0% are bungalows and 0.7% are other property types (e.g. park homes or caravans);
 - 7.3% have one bedroom/bedsit/studio, 32.0% have two bedrooms, 46.4% have three bedrooms and 14.4% have four or more bedrooms;
 - 15.7% of properties were built before 1919, a further 18.4% were built between 1919 and 1944, 23.4% between 1945 and 1964, 20.7% between 1965 and 1984, 14.4% between 1985 and 2004 and 7.4% have been built since 2005; and
 - 72.7% of properties are owner-occupied, 12.3% are private rented (including tied accommodation and student lets) and 15.0% are affordable (including rented from a social landlord and intermediate tenures).
- 3.2 The current offer is focused around 2 and 3-bed properties with very few smaller and larger properties and although overall the percentage of terraced property is far lower than in the other authorities in the NE HMA for Greater Manchester, some property types are disproportionately represented in some locations and a 'better balance' in terms of property type, size and tenure is required.
- 3.3 This analysis of the 2017 Household Survey findings suggests that on the basis of household aspirations (likes), demand for the delivery of 3 and 4+-bedroom houses is highest.
- 3.4 Agents confirmed that the greatest demand is for detached and semi-detached houses with 3 or 4-bedrooms and gardens, and across the area demand generally exceeds supply. Overall, there is pressure on all types of larger family housing (3-bedrooms +), and in most areas there is an excess of demand for 4-bed properties (exceeding supply). There is good demand for all property types across the borough, however, some agents, as in other popular areas, perceive there may be a difference between what buyers want and what is available, maybe leading to a situation where properties sell quickly because they are available rather than popular.

Recommended action by the Council

- 3.5 If the Council funds or delivers housing directly, it is more able to deliver the 'type of housing' required in each location.
- 3.6 Identifying what is required where, is the starting point for Tameside and we are recommending that housing plans are created for the individual and distinct towns that are located across Tameside.
- 3.7 These housing plans will explain how new housing development will, over time, change the housing make-up in each location, and in doing so, how it will contribute to developing the

role and identity of that place. The plans should pay regard both to the viability of developing the planned mix of homes and to certain policies within the GM Strategy including:

- where appropriate, to develop higher density homes around the tram and train hubs;
- to bring a broader range of homes and households to town centres;
- to support development of suburban areas as attractive locations to attract a highly skilled workforce⁷.

3.8 Each 'housing plan should:

- set out both (1) the current and (2) future target mix of type, size, tenure and affordability of homes relative to local incomes, together with any non-traditional residential forms envisaged;
- set out the contribution that the future target mix for that place will make to ensuring that no household has to pay more than 30% of their household income on housing costs – taking into account lower quartile earnings data for Tameside (this is a commitment in the Greater Manchester Strategy 2017). It is expected that parts of the borough that are currently least affordable will make a larger contribution to achieving this commitment than those parts that currently have higher levels of affordable homes;
- set out the number of new homes of each type, size, tenure and affordability (income) required in order to move from the current to the new position;
- provide a description of the types of households that are likely to live in the new homes including their contribution to the economies of Tameside, GM and wider NW;
- explain how this mix of new homes, the people who live in them and any other local development and infrastructure will create a better balance for the market.

3.9 The borough needs smaller homes and the Council should embrace innovation.

3.10 In particular the 'sharing economy' is growing, enabled by digital technologies, and more people are considering sharing their space. For example, older people occupying larger homes sometimes take lodgers, both to supplement their income and often for company too. Co-living, where young people live 'independently together' having their own private space as well as shared facilities, is becoming more popular: <https://www.thecollective.co.uk/coliving/old-oak>, as is co-housing which is similar but with a different balance of private and shared space.

3.11 In addition to looking at sharing possibilities we will explore new concepts such as:

- **Self-build options** – in which people commit to a number of hours of 'sweat-equity' and work alongside our house-builders to build their homes, learning construction skills along the way;
- **Community Land Trust** – The Council most pro-actively develop sites that are suitable for CLT development

⁷ GM Strategy 2017 s8.6 and s8.7

- **Co-operative housing;** and
- **Custom-build.**-Whilst the Council holds a list, this requires proactive management to market its potential, encourage applicants and provide advice and support to bring homes forward. These homes are likely to for part of a higher value offer.

4. Creating a higher value offer

Key Messages

- 4.1 Of households moving, most would like to move to a house (83.3%), 9.7% would like to move to a bungalow, 4.6% to a flat and 2.4% to other property types. This compares with 90.4% who expect to move to a house, 0.8% to a bungalow, 7.2% a flat and 1.7% to other property types. A high proportion would like to move to a detached house (40.9%) but only 21.5% expect to. In contrast, higher proportions expect to move to a semi-detached house (44.4%) than would like to (30.4%).
- 4.2 Future development should focus on delivering to address identified mismatches, to reflect household aspirations and to take account of density and making the best use of land.
- 4.3 Whilst it is very positive that Tameside offers an affordable housing market, with excellent connectivity to other surrounding locations, 70.8% of moves within Tameside are from households already in Tameside; this makes it a self-contained housing market.
- 4.4 Attracting and retaining higher incomes earners is likely to require an improved and better choice of housing.
- 4.5 Although it is difficult to define executive housing, distinctive features include:
 - High property values linked to desirable locations, with high incomes/equity required to support the purchase; and
 - High quality construction including exterior and interior fittings.
- 4.6 The Household Survey can be used to explore the housing options being considered by higher income groups although the executive housing market is a niche market, reviewing the housing aspirations of high income groups is an appropriate way of investigating the potential demand for executive housing.

Recommended action by the Council

- 4.7 This potentially requires further work.
- 4.8 The Council needs to create this offer and needs to define what the higher value offer looks like its value and location. Often only small numbers are built per development, but could form part of a custom build programme. The 2017 Household Survey identified 83 households planning to move in the next five years who would like to move into a self-build property. The Household Survey identified the characteristics of households considering self-build:-
 - All were owner occupier households;
 - All were couples under 65;
 - All were on incomes of over £950 per week;
 - Mainly aspired towards 2 bedrooms.

4.9 Income levels are of a scale to warrant a much higher value offer and this could be in part supported through self/custom build

5. The private rented sector

Key messages

- 5.1 According to the Household Survey 2017, the private rented sector accommodates around 14.2% (14,916) of households across Tameside. Of these households, 13,389 rent unfurnished properties, 1,041 rent furnished accommodation and 487 rent with their job (tied accommodation).
- 5.2 Most private rented properties (75.1%) are houses (of which 47.7% are terraced, 23.5% are semi-detached and 3.9% are detached); a further 21.2% are flats/maisonettes, 3.1% are bungalows and 0.6% are other property types. 7.4% of privately rented properties have one bedroom/bedsit, 50.4% have 2 bedrooms, 35.1% have 3 bedrooms and 7.0% have 4 or more bedrooms.
- 5.3 The evidence presented in the HNA suggests that one of the key main policy areas that require special attention from both a planning policy and social policy perspective is the challenge of driving up the quality of the private rented sector and increasing the sustainability of tenancies.
- 5.4 Letting agents told us that the rental market in Tameside has grown considerably over recent years. The volume of properties available for rent has increased through greater interest from investors (especially buy-to-let investors). There is a good supply of all types of rental properties which are in high demand in all of the towns in the Borough. Agents felt that rental demand looks likely to continue to be very strong. However, more recently, there has been a slowing down of investor activity which agents believe has removed some competition for first time buyers, and maybe explain the reporting by agents that first time buyers are more able to purchase properties at up to £250k.
- 5.5 Zoopla data confirms that median rents have increased during the seven-year period, from £494 per month in 2010 to £524 per month in 2016. Lower quartile rents have also increased, from £446 pcm in 2010 to £477 pcm in 2016. This remains a lower value offer.
- 5.6 The characteristics of private sector tenants are diverse and in particular the private rented sector in Tameside accommodates singles under 65 (5.2%), lone parents (21.5%), couples (no children) (27.4%) and couples with children (35.4%).
- 5.7 Agents report some concern, however, at the proposed ban on up-front fees, which it is felt could affect the quality of property coming onto the market, as agents may pass the cost onto the landlord who will either raise rents or reduce the amount spent on property maintenance.

Recommended action by the Council

- 5.8 Further work and commitment is required to identify:
 - The gaps in provision and the potential locations for new provision.

- The appetite for developer and investment interest and how this might link to wider development and investment across the area.
 - A management model and rental offer that meets the needs/demands of this client group; likely to include longer tenancies and stable and predictable rent levels.
 - Registered Provider appetite for delivery and management of this sector.
 - The potential to attract institutional investment and potential GM funding; whilst work has been undertaken we are unclear of the progress made.
- 5.9 The Council should consider this agenda within a Greater Manchester approach; the private rented sector is recognised at GM level as being a strategic tenure, that needs to be well managed and to grow. Quality is a central theme and there is to be a GM led approach to delivering an ethical letting agency between RPs.
- 5.10 Tameside must consider and work toward the commitments made in the line with the GM Strategy which says:
- *We will also work with private landlords and tenants to improve the standards of housing in the private rented sector. Improving the quality of private rented stock can have a major impact on the sustainability of a local area, making it a neighbourhood of choice where people want to live. (s8.11)*
 - *A core principle running through all our housing policy is that nobody should live in unsafe housing – owner-occupier, private rented, or social rented – and Greater Manchester partners will work together to ensure all our housing stock is safe. Good quality housing is a key factor in ensuring the health and wellbeing of the population and a new Health and Housing programme will target improvements in poor quality housing which is detrimental to resident health. (s8.11)*
- 5.11 Tameside must continue to:
- Meet its legal requirements with respect to licensing Houses in Multiple Occupation and responding to complaints under the Environmental Protection Act;
 - Maintain an up to date stock condition survey to get a detailed understanding of where the problems are in the Borough and what type of problems they are;
 - Encourage developers who build new homes for private rent to engage Registered Providers as managing agents in order to provide a professional landlord service to tenants;
 - Continue to work and expand their landlord forum to solve any problems found or to employ legal powers as appropriate (including new ones in the Housing and Planning Act 2016) to tackle poor landlords who have committed particular housing offences.

6. Delivering new affordable housing

Key messages

- 6.1 The scale of affordable requirements has been assessed by taking into account the annual need from existing and newly-forming households within each ward and comparing this with the supply of affordable (social/affordable rent and intermediate tenure dwellings). The overall gross need for affordable housing is 1,811 dwellings each year. However, when the likely annual affordable supply is taken into account, the overall net imbalance is 421 affordable dwellings each year.
- 6.2 In terms of the size of affordable dwellings required, the analysis indicates a need for 35% smaller one and 2-bedroom general needs, 53.4%, 3 or more bedroom general needs and 11.6% older person dwellings. These proportions should be sought on new schemes but this may not always be possible. It is recommended that:
 - The proportions are delivered across a wider programme of delivery
 - That the size of units is linked to existing local provision
 - Where the Council is unable to negotiate these proportions, the Housing Investment Fund is utilised to subsidise viability as required. Creating the right size of property is essential
- 6.3 A tenure split of 63.9% social/affordable rented and 36.1% intermediate tenure is suggested.
- 6.4 It is apparent that demand for affordable housing remains strong. However, the 2017 household survey confirms that 22.4% of homes in Tameside are affordable and that in some local markets this figure is much higher. In Denton South for example, affordable housing makes up 36.1% of all tenures with very small levels of owner occupation (54.1%). In some locations, affordable housing provision is as low as 9.1% (Hyde Werneth).

Recommended action by the Council

- 6.5 Whilst new affordable need has been identified, the solution should not simply focus on providing more affordable housing in all locations. Instead, we are proposing a more flexible use of affordable housing; not only based on viability but also based on existing provision. There are some locations that do not require more affordable housing to be provided.
- 6.6 The Housing Needs Assessment has established an annual imbalance of affordable housing. The number of affordable dwellings to be delivered would be subject to economic viability and the local market. However, based on studies elsewhere we would be recommending around 10-15% of new dwellings should be affordable. This will help to offset affordable need and also support tenure diversification across Tameside. We are recommending that the priority is for on-site provision based on current affordable housing definitions.

However, where a local market already has provision in terms of numbers/property type and size, the policy will provide for:

- Off-site commuted sum;
- If need can be proven, temporary affordable housing provision;
- Alternative products.

6.7 The proposal is designed to maximise the products available for those in housing need and to extend that definition to squeezed middle households whose needs are very real but whom have higher income levels; too high to ever access affordable housing.

6.8 It is recommended that the affordable housing that is negotiated on site is redefined to include a wider definition that includes affordable housing for rent delivered in perpetuity but extends to enable negotiations to deliver alternative products within the requirements. Whilst this will require additional evidence and updated planning documents, the proposed products include:

- Traditional affordable rented products;
- Shared ownership;
- Affordable rented housing units on a time limited basis; say 10 years and then reverting the properties to a higher rental market/sale;
- A sub market rent product (95%), higher than affordable rent but lower than market rent levels, potentially focused around higher value markets such as Stalybridge.

6.9 Generally, where new affordable housing need is identified, the Council must take a more innovative approach to ensure that affordable housing is delivered in the future. This should consider:

- Maximising opportunities to access increased funding from Homes England.
- Allowing affordable housing contributions to be made in the form of funding for households to buy properties in the existing housing market or elsewhere out of the Borough.
- The Council could consider the option of delivering affordable rented housing units on a time limited basis; say 10 years and then reverting the properties to a higher rental market/sale. This is likely to enable schemes to improve their financial viability and potentially provide an opportunity for other forms of investment, particularly around the institutional investment.
- Developing land packaged sites that link good quality sites with more challenging sites to bring new schemes forward.
- Identifying the potential to create new delivery models such as the Community Land Trust model or co-operative and self-build options.

6.10 The Council is trying to deliver new affordable housing and regeneration with limited financial resources and creating a Housing Investment Fund would enable the Council to have increased flexibility to deliver its wider housing agenda.

- 6.11 The Housing Investment Fund would fund affordable housing, regeneration priorities and to fund access products to homeownership.
- 6.12 The Housing Investment Fund would be used as investment funding and financial returns would be required, but with returns lower than commercial rates of return. As the fund grows and the Council expands its expertise, the fund may be used to purchase land and the Council acts as a profit-making developer. The potential sources of funding include:
- All future New Homes Bonus;
 - Funding from Commuted Sums;
 - Prudential borrowing as agreed by the Council;
 - The sale of land or assets (buildings) owned by the Council.

7. Delivering for an ageing population

Key messages

- 7.1 Tameside has a burgeoning older population. The number of people aged 65 and over is projected to increase by 30.2% (19,000 additional people), with the proportion of the total population aged 65 and over increasing from 17.8% of the population in 2017 to 24.5% of the population in 2039.
- 7.2 The proportion of the total population aged 80 years and over is projected to increase from 4.3% in 2017 to 7.9% in 2039.
- 7.3 The 2017 Household Survey identifies that the majority of older people (61.3%) want to stay in their own homes with help and support when needed. Renting sheltered accommodation (22.7%) and renting from a housing association (21.6%) were the most popular alternative options.
- 7.4 A key challenge for the Council is to ensure a greater diversity of support services are made available to older people wanting to stay in their own home and develop funding mechanisms to achieve this. Particularly noted is the need for help with practical tasks and repairs and maintenance.
- 7.5 Additionally, the range of housing options available to older people needs to be diversified, for instance through the development of open market housing marketed at older people and the development of sheltered housing, Extra Care accommodation and co-housing.
- 7.6 In terms of adaptations, of those aged 65 years or older, 10.6% said that they will require a stair lift, 6.3% said that they would require adaptations to access their property and 5.2% said that they will need a wheelchair (either now or within the next five years). It is recommended that the Council considers an appropriate policy response to ensure that new developments for older people are designed to standards that provide appropriate levels of accessibility.
- 7.7 National data suggests that around 3.3% of households contain at least one wheelchair user⁸.
- 7.8 Currently, around 5% of dwellings across the Borough were either purpose-built or adapted for someone with a long-term illness, health problem or disability. This would be reasonable to suggest that at least 5% of dwellings should be built to support people with disabilities.

Recommended action by the Council

- 7.9 There are major implications of an ageing population that the Council needs to consider and plan for. The increase in the numbers of older people and the fact that those people are living longer in itself poses a significant challenge. Alongside this is a clear message from Government about the key role that housing plays in maintaining people's

⁸ DCLG Guide to Disability Data March 2015

independence, health and well-being, placing older persons housing high on the policy agenda.

7.10 Stakeholders identified the need for new older person's accommodation as a high priority including much needed provision of new, specialist accommodation. Whilst this is likely to be the case, older people are living longer, and generally prefer to do so in their own homes before seeking specialist accommodation and the Council should consider a range of possible actions.

- Housing options that enable older people to right size and free up equity and larger family housing; potentially offering financial incentives around support to move etc. Agents confirmed that across the borough there is also substantial and continuing demand from older people for properties to 'downsize' with preferences being for bungalows rather than flats. This may require additional work to consider a compromised solution; building large numbers of bungalows is unlikely to be a viable option.
- The Council could consider partnering with a housing association to develop a product for older people that enables older owners the opportunity to access an ethical equity release product on their existing home. The equity released could be used to invest in a long-term care package or to pay for ongoing maintenance and repairs.
- Extending the reach of Home Improvement Agency services to encourage efficiency, innovation and social enterprise in service design and to ensure that the Green Deal works for older people.
- Consider the wider social and environmental impacts of growing old, particularly those associated with loneliness and feeling safe, and work across housing, health and social care to develop age inclusive communities.
- The potential to support the development of innovative solutions, such as Homeshare. Where older people are under-occupying homes, the Council should offer a 'vetting' and management service for older people prepared to offer a room for rent to young people, particularly those affected by the increased age of the single room rate. This has a number of benefits; it offers additional good quality accommodation to the Council without significant capital investment and enables older people to access additional income, security and support whilst remaining in their homes.
- However, the increase in 'older' old people is very substantial and there will certainly be a requirement for specialised housing provision for some people and the Council will need to explore the feasibility and economic benefits of new housing options models. The Council may wish to consider a more detailed review of the housing needs of people over 75.
- Additionally, the range of housing options available to older people needs to be diversified, for instance through the development of open market housing marketed at older people and the development of sheltered housing, extra care accommodation and co-housing. Long term suitable homes and independent living should be included on all new build sites, and also on small sites in all parts of the borough so that people can find a suitable home close to their existing home, friends and neighbours rather than facing the disruption of moving to a whole new neighbourhood.

8. Responding to poor quality housing and potential vulnerability

Key messages

- 8.1 Although the vast majority of households (87.2%) are satisfied with the condition of their dwellings, 4.1% of households were dissatisfied or very dissatisfied. Levels of dissatisfaction were highest amongst private and affordable renters, those in terraced houses and properties built pre-1919. It is estimated that 22.6% of properties are non-decent based on English housing Survey data, slightly higher than the national average.
- 8.2 It is likely that those people living in the worst housing conditions are most likely also those on lower incomes and vulnerable. The challenge for the Council is identifying where the worst cases are and tailoring what funding and support could be available.
- 8.3 For those that are renting privately, in terms of income, 39.5% of privately renting households receive less than £300 gross each week, 36.5% receive between £300 and £500 each week and 24.1% receive at least £500 each week, indicating that the private rented sector tends to accommodate lower income households. 75.7% of Household Reference People (Heads of Household) living in private rented accommodation are employed, 7.1% are wholly retired from work, 5.7% are permanently sick/disabled, 2.7% are unemployed and 7.5% are carers or looking after the home.
- 8.4 Homelessness statistics for 2015/16 indicate that a total of 2,298 decisions were made on households declaring themselves as homeless across Tameside. Of these households, 607 were classified as homeless and in priority need. Over the seven years 2009/10 to 2015/16, an annual average of 328 decisions has been made across Tameside and an annual average of 87 households have been declared as homeless and in priority need. These figures are likely to increase if trends elsewhere in the country are followed as welfare reform 'bites' and younger single people are squeezed further.

Recommended action by the Council

- 8.5 However, this is an on-going challenge and the Council should consider its strategic response. We recommend finding these households through better use of data:
- 8.6 Taking an increasingly targeted approach, identifying those households who are most vulnerable and providing them with personalised, asset-based support. This will enable the Council to spend limited resources in the best way possible.
- 8.7 Tameside Council, should partner with healthcare services to take a proactive, data-driven approach to identifying those who are most vulnerable to living in poor housing conditions and seek to address both their housing and other issues.
- 8.8 The Council should consider:

- 8.9 Undertaking a comprehensive stock condition survey to get an up-to-date analysis of the state of property condition across the borough.
- 8.10 Incorporate this information and information about income levels, into the data-systems of health care services to show the spatial patterns where people are at high risk of poor health, living in poor condition homes and are on low incomes.
- 8.11 The council can then (1) proactively make visits to people living in the area (2) gain a deeper understanding of the specific issues each is facing and (3) work with the individual to find solutions.
- 8.12 Where the property is in poor condition, the Council should be working with the householder to take action to reduce the negative impact on their health.
- 8.13 In terms of supporting vulnerable/homeless households, the Council should utilise its housing Investment Fund (Section 6) to purchase larger homes for de-conversion into smaller units which could be offered for vulnerable, homeless households on a temporary basis. The management of these properties would be by Registered Providers.
- 8.14 The properties could be reconverted in the future to family homes and sold on the open market. There are examples of where similar projects exist, particularly to support single households under 35. The income generated has enabled these schemes to be self-financing and with potential of growth in property values.

9. Summary of recommendations

It is recommended that the Council:

- 9.1 Ensures ensure that its delivery is increased. It must consider its future role in delivery and the extent to which it wishes to engage in risk-based development.
- 9.2 Pro-actively works to bring forward sites. This will mean considering assets carefully to create new housing opportunities; this may require a dedicated resource and include a detailed examination of public sector and social landlord held assets, focusing on brownfield opportunities.
- 9.3 Develops Housing Plans for each of its distinct local housing markets.
- 9.4 Creates the policy and strategic environment to take advantage of Government funding the Council and agrees the extent to which it will financially support development and in what form.
- 9.5 Needs to work with and explore the role and potential of housing associations in new delivery
- 9.6 Develop a Housing Fund to target development utilising S.106 contributions, sale of assets, prudential borrowing, new homes bonus and commuted sums.
- 9.7 Needs to define a high value offer and maximise self-build opportunities/custom build by marketing the opportunity as well as creating suitable sites for a higher value offer to be developed.
- 9.8 Recognises and manages the growth of the market rented sector, prepares a prospectus to attract investors and ensures a management model and rental offer that meets the needs/demands of this client group is implement. The Council should consider this agenda within a Greater Manchester approach.
- 9.9 Continues to meet its legal requirements with respect to licensing Houses in Multiple Occupation and responding to complaints under the Environmental Protection Act; maintains an up to date stock condition survey to get a detailed understanding of where the problems are in the Borough and what type of problems they are; continue to work and expand their landlord forum to solve any problems found or to employ legal powers as appropriate (including new ones in the Housing and Planning Act 2016) to tackle poor landlords who have committed particular housing offences.
- 9.10 Delivers future affordable housing based on viability and the local market. Where a local market already has provision in terms of numbers/property type and size, the policy should provide for:
 - Off-site commuted sum;
 - If need can be proven, temporary affordable housing provision;
 - Alternative products.
- 9.11 Negotiates affordable housing that includes a wider definition than affordable housing for rent delivered in perpetuity but extends to enable negotiations to deliver:

- Traditional affordable rented products;
- Shared ownership;
- Affordable rented housing units on a time limited basis; say 10 years and then reverting the properties to a higher rental market/sale;
- A sub market rent product (95%), higher than affordable rent but lower than market rent levels, potentially focused around higher value markets such as Stalybridge.

9.12 Develops a strategy for older people, identifying the resources and support and role the Council is going to play in supporting the provision of accommodation for older people.

9.13 In supporting vulnerable people the Council needs to take an increasingly targeted approach, identifying those households who are most vulnerable and providing them with personalised, asset-based support. This will enable the Council to spend limited resources in the best way possible.

9.14 Tameside Council, should partner with healthcare services to take a proactive, data-driven approach to identifying those who are most vulnerable to living in poor housing conditions and seek to address both their housing and other issues.