



The cross-sector membership  
network for housing and construction

*"More Homes, Better Homes"*

**INFLUENCING** / **INFORMING** / **NETWORKING**



## **CEO Forum held by The Housing Forum and Affinity Sutton – 26<sup>th</sup> October 2016 "More Homes for Greater Manchester"**

**Key words: Collaboration, Greater Manchester, Estate Regeneration, Partnership working, Devolution, Total Place Approach**

The conclusions of the Forum are:

Manchester is on the cutting edge of development and regeneration delivering innovation and supply – but success is best achieved through working together.

- 🏠 Trust in and understanding of local markets is crucial for success, and local authorities can be very successful in this by flexing quotas for affordable and social housing in areas where other tenures may work better.
- 🏠 More sites of greater variety to provide more options and drive further growth must be brought forward.
- 🏠 Regional approaches to land supply models, investment, tenure and supply, will facilitate growth and encourage the total place approach.
- 🏠 Making the construction industry an attractive career proposition for the next generation, and much earlier in the education process, will help meet the needs of the industry.
- 🏠 Collaboration and co-operation is what is needed to resolve the housing crisis.
- 🏠 Estate regeneration requires partnership working and public funding of some form
- 🏠 Housing Associations will play a crucial role in a public reform over the next 5-10 years building homes, creating communities and raising aspirations

Today's CEO Forum considered what matters locally to Greater Manchester. In his opening remarks, **Keith Exford** spoke of regional disparities between the London and South East area and the northern cities of England. He raised questions around what seems to be a Southern centric government policy, the lack of a National Housing Strategy and impact that has. Can local authorities realistically deal with devolution and how might they respond given the scale of reductions in funding and services. The current policy drive for home ownership is not tried and tested, and has been developed in isolation from the wider impact of other housing policies, although there is now some sign of recognition of the value of mixed tenures and affordable homes in a local context.

Affinity Sutton and Circle Housing are due to merge in November 2016 when the Clarion Group will be created. The driving principle of the merger was not size but to be able to use the wider base to support the plan to tackle the shortage of affordable housing with an ambitious development programme. Post-merger they plan to build 50,000 homes over the next 10 years in all tenures and at a variety of prices. They also aim to help 4,000 people into work and 200 into apprenticeships. The complexity of merging an organisation of any size means clear leadership, strategy and policy are the keys for a successful outcome.

Keith touched on the new lending challenges facing Housing Associations wanting to expand their capacity to build; and the implications of Section 106 Starter Homes for Affinity Sutton. Over half of their supply comes through the Section 106 route which may have implications for current policy. With £8-billion of public money ploughed into house building to tackle supply and demand issues in the sector, strong partnerships with local authorities, suppliers and access to land are key to building new homes at scale.

**Paul Beardmore** then talked about creating Manchester City's growth plan, underpinned by an analysis of undersupply of land against city growth which means the need for innovation, mixed tenure supply and speed of delivery. Paul referred to the [State of the City Report](#) published on 25th October. In the city of Manchester there are 3,000 new housing starts this financial year already; however, there is still capacity for an additional 2,000 homes a year to fulfil demand. According to the Manchester City Council Forecasting Model (MCCFM), approximately 540,000 residents were living in the city in 2015 (well ahead of the Community Strategy target of 480,000).

Consequently, the city has struggled to meet the ambitions of delivering the required volume of residential development necessary to support Manchester's growing population. However, the development pipeline is strong, Paul shared the City's vision for the St John's development, the 15-acre site around the former Granada Studios, which is being developed by Allied London in partnership with Manchester City Council to deliver a creative enterprise and production district. St John's will be a huge catalyst for beneficial economic and social change, driving economic growth.

There are plans to build 7,500 homes of mixed tenure over the next three years. However, to support the growth strategy of the city much of this needs to be market housing. High value development plans, the affordable housing policy, capacity and capability for growth all have an impact in achieving the community's needs.

Within Greater Manchester, there is still significant work to be done to: tackle the housing supply issues, supporting both growth and community and social needs within the surrounding areas. However, there is demand and forecast demand but currently not enough identified land supply across the district to sustain growth. There is a need for collaborative and collective partnership working to tackle these challenges. There is the opportunity for innovation in land supply, including the consideration of utilising greenbelt sites through the Greater Manchester Spatial Framework. Understanding the housing needs

within each area, working on the generational changes, low income and community aspirations.

Paul also touched on how devolution has accelerated economic growth and attracted international investment, bringing further funding streams. Progression has also been made to further support the educational, employment and health needs of the city.

**Andy von Bradsky** discussed the DCLG Estate Regeneration Programme. The aim of the £1m Estate Regeneration Programme is to help to improve the quality of life for residents and increase the new housing supply in 100 estates.

The three key requirements of the programme are:

- 🏠 To ensure existing residents are at the heart of the regeneration,
- 🏠 There is full Local Authority support at officer and political level,
- 🏠 Evidence is gathered on how the funding will impact the net increase in new housing supply .

One hundred estates have already come forward to access the fund, but the funding prospectus has not been given out as yet and will be a part of the National Strategy.

Andy shared the new thinking around resident involvement and how to keep residents engaged with a clear understanding of what good consultation looks like and how it is delivered fairly. There needs to be a quality process which, designs for the future a process map for regeneration, options appraisals, best practice for selecting the most favorable option by looking at all types of regeneration from refurbishment, demolition and new build and intensification on infill sites.

Andy highlighted that it's important to look at how regeneration links with other initiatives, how infrastructure is effective, public services, including health, education, policing, etc. A total place approach to regeneration is needed There is a role to play for Build-to-Rent, Shared Ownership, Starter Homes, increasing supply and ensuring we have the flexibility of stock to change to reflect community needs such as creating employment opportunities, supporting residents' health, wellbeing and community wealth. It is hoped there will be a shift in public sector thinking that links health, social care and housing as an integrated approach.

**Jo Jamieson** shared her experience of the housing market since Brexit vote was announced, and the fall in the pound which is now having an effect on the price of imported materials. The indications however for the housing market are strong but with the uncertainty of the impact Brexit will have on this the EU workforce there is concern over our labour market and how we might fulfil this demand.

Jo referred to the [Famer report](#) 'Modernise or die' which highlights the consequence of underinvestment in training and development, innovation and in raising productivity. The construction sector is no longer seen as a career of choice, with graduates choosing alternative careers in such turbulent times.

We are set to have a 20-25% reduction in the workforce by the next decade and increased technology and need for off-site manufacturing is crucial as the sector starts to tackle the skills shortages. There was a general view that schools and education have a bigger role to play, and there is a bigger challenge around the gender imbalance, with fewer women in the construction sector.

Jo shared her opinions on the need to procure more effectively to achieve the government housing targets of one million homes by 2020 and to create more sustainable career opportunities. She went on to say she felt it was important to set the right contract expectations. Clients need to be bold to commit to longer term plans to enable contractors to plan and build with confidence.

**Paul Finch** shared Sanctuary's development plans to build 24,000 new homes over the next five years, with their in-house contracting team. The 24,000 homes will be a mixture of shared ownership, help-to-buy, starter homes, affordable rent units and market rented homes. As well as providing more much-needed affordable housing, their building programme delivered through their in-house team will help to create jobs and training opportunities, regenerate neighbourhoods and support communities across the UK. Paul posed the question: "How do you procure 24,000 units over five years?" Public procurement can be costly and time consuming. Paul also echoed the previous comments around lack of labour, skills and capacity in the construction sector. 2006 saw the last large scale build of housing in the UK and with the government target of one million homes by 2020 there is significant work still to do.

### **The following contributed to the CEO Forum:**

- 🏠 Keith Exford CBE, Group Chief Executive, Affinity Sutton (Host)
- 🏠 Andy von Bradsky, Chairman, The Housing Forum (Co-Host)
- 🏠 Paul Beardmore, Director, Manchester City Council
- 🏠 Roger Burton, Director, Nvirohaus
- 🏠 Frances Chaplin, Partner, PRP
- 🏠 Martin Ellerby, Head of New Business and Innovation, Place First
- 🏠 Paul Finch, Construction and Technical Director, Sanctuary Housing
- 🏠 Paul Hardisty, Chief Executive, QSH
- 🏠 Tim Heatley, CEO, Capital and Centric
- 🏠 Neil Hebberts, Partner, Calfordseaden
- 🏠 Joanne Jamieson, Managing Director, Wates
- 🏠 Nick Jones, Head of Business Development and Partnerships (North), United Living Group
- 🏠 Ian Munro, Group Chief Executive, New Charter



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- 🏠 Peter Quinn, Director of Business Development, Lovell
- 🏠 Justin Risle, Senior Architect, Levitt Bernstein
- 🏠 Katie Saunders, Partner, Trowers & Hamblins LLP
- 🏠 Noel Sharpe, Director for Customer & Community, Bolton at Home
- 🏠 Ian Slater, Strategic Lead of Residential Development, Manchester City Council
- 🏠 Clare Tostevin, Director of Communities, Rochdale Boroughwide Housing Group
- 🏠 Joanne Turley, Membership & Development Manager, The Housing Forum
- 🏠 Mike Turner, Development Director, Ian Williams Ltd
- 🏠 Darren Watmough, Finance Director, Arawak Walton
- 🏠 Rob Young, Group Chief Executive, Torus

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