

Response of the Manchester Social Housing Commission to the Call for Evidence, Planning and Infrastructure Bill, April 2025

This evidence is submitted on behalf of the Commission by Dr Stuart Hodkinson (University of Leeds), Dr Sophie King (CLASS), Dr Naomi Luhde-Thompson (Oxford Brookes University) and Venus Galarza (Shelter).

About

The Manchester Social Housing Commission has formed with the aim of developing an evidence-based set of practical and financially robust recommendations for increasing the delivery of sustainable social rent homes that meet the climate challenges of the future. Our sights are set on ending Manchester's housing emergency, but our work provides evidence-based recommendations for national and local reforms that will be of benefit to cities and citizens across England in terms of land use and planning. Some of the comments on the wider situation are relevant to the whole of the UK.

We bring together senior politicians and council officers, with senior housing and planning academics, public and voluntary sector housing sector professionals, and experienced community representatives from housing movements across the city. Our Commissioners recognise the need for a range of housing tenures and mixed communities. However, our purpose in coming together is to bring our diverse knowledge and expertise to bear on the complex challenge of how to secure increased investment in better quality, more sustainable, homes for social rent at scale, while commissioning additional issue specific research to strengthen our recommendations.

1. Strategic Planning

- 1.1** We welcome the provisions around strategic planning in the Planning and Infrastructure Bill. This will be essential to ensure that places such as Greater Manchester can plan and provide sustainable public transport system that are accessible to all.
- 1.2** However, we are concerned that there is no right to be heard with regard to strategic planning, unlike local plans. It is essential that planning is viewed as a public exercise that involves communities who are aware of the issues and needs in their areas. We suggest that an amendment is made to include the same provisions as for local plans.

2. Social Rent Homes

- 2.1** We are also concerned that the Bill is a missed opportunity to clarify the term "affordable housing". The overall designation of "affordable housing" must be redefined in the Planning and Infrastructure Bill. The term currently includes not just social rent, but shared ownership, Rent to Buy, and rent at 80% of market value. None relate to local incomes or market rent levels. Therefore "social rented

housing”, particularly new build, can be unaffordable for those on low incomes if the rents are for example set with regard to market value rather than actual income. Social rent must be defined as a separate category of housing provision specifically aimed at meeting the most acute needs for those on the lowest incomes. Any affordable housing provision intended to come from the Bill should be for social rent homes within this definition of low income according to area.

- 2.2** While we understand the need for mixed tenure communities and development, developers far too often deprioritise the need for locally affordable / income based social rent homes which leaves many individuals and families stuck in temporary accommodation and on the social housing waitlist. Therefore, targets and minimum requirements for social rent must be based on local housing needs assessments.
- 2.3** Local Authorities should be required to set social rent targets in updated local plans and these should be calculated based on:
- The number of people at risk of homelessness
 - The number of people who are already homeless
 - The number of households on local social housing waiting lists (or an estimate of need where there is no waiting list)
- 2.4** In addition to inserting a definition into this Bill, consideration should be given as to how regulations can be amended to include mechanisms for more local government borrowing to start to rebuild social rent as a public sector enterprise. This must include low-cost public loan borrowing and longer repayments to allow councils to borrow and build confidently as suggested by Arup work commissioned by Shelter. Social landlords struggle to compete in bidding wars with housebuilders and private developers who can offer more for land when proposing to build for market sale.
- 2.5** We further note the damaging effect that Permitted Development Rights have had in terms of office to residential conversions, the quality of homes that result, and the loss of associated investment into local public services and needs. We suggest that this regulation is removed.

3. Sustainability and democratic accountability

- 3.1** The current wording in the bill at clause 46 severely weakens local democratic accountability through the centralisation of delegated powers to national level. This will exacerbate the existing democratic deficit, further alienating economically marginalised communities at a time of political and economic crisis. This clause should be deleted.
- 3.2** Much more needs to be done to promote the enforcement of conditions on developments that have been consented. We note that existing policy in the National Planning Policy Framework is discretionary. We suggest a short amendment to place a duty to enforce on planning authorities would create a step

change in the quality of development being achieved, leading to better practice and better outcomes for the public.

3.3 The Bill is also a missed opportunity to promote sustainability in homes. At this critical moment in the climate crisis there is no requirement for homes to be built to operational zero carbon standards. The last Labour Government set a target for building zero carbon homes (the code for sustainable homes) by 2016. Almost ten years later, with much more technological development, a level playing field for operational net zero has still not been achieved. Every home that is built below par will have to be retrofitted. This is particularly damaging for the social rented sector. The Bill presents no solution to the policy barriers that are preventing local authorities setting higher standards for fabric first energy efficiency approaches for new developments. Without better standards in place, fuel poverty will continue to plague local communities as households make the decision between eating and heating their homes. We therefore suggest that the Bill includes a provision to ensure that mitigation and adaptation to climate change in line with the carbon budgets is a core responsibility for local and strategic plans. Current requirements to “consider climate change” needs to be strengthened to make this link to the budgets.

4. Conclusions

4.1 The Manchester Social Housing Commission draws on the context of the city of Manchester to provide robust and grounded evidence on the drivers of the housing crisis – including an analysis of how the current planning system is preventing us from delivering the homes we need at the social rents that our most disadvantaged citizens desperately need. This can be accessed here:

<https://www.socialhomes4mcr.org.uk/publications>.

4.2 On Thursday 24th April the Commission will launch its first full report: *Manchester's Housing Crisis in Context: Why We need Sustainable Homes for Social Rent*. This will also be available here: <https://www.socialhomes4mcr.org.uk/publications>. This first full report sets out a clear analysis of how the current planning system has contributed to the current crisis in genuinely affordable housing provision - and the urgent steps we need to take to get out of it. Alongside the mass sell-off of social housing under the Right to Buy (RTB), councils like Manchester have been prevented from replacing that stock, whilst the private rental sector has been allowed to flourish with minimal regulation. Between 2012 and 2022, just 2% of all new housing built in Manchester was for social rent. The report offers five urgent recommendations to central government. Foremost is the need to *reinvest in social rent* by providing a generous long-term funding, borrowing, and rent settlement for social housing providers tied to zero carbon standards so they can build the homes we need.

4.3 Finally, at this time of political and economic crisis, it is critical that communities and their locally elected representatives should have stronger statutory powers within the planning system to properly shape the investment decisions that are made about their own neighbourhoods, towns and cities. This includes the need for social homes, which is the only tenure that is genuinely affordable at this time, as it is connected to local incomes. This is critical to restoring faith in local democracy among some of our most disadvantaged neighbourhoods and will ensure local developments are equitable and reflect the needs of present and future generations.

The following are a list of amendments, some of which are shared with other organisations also concerned with similar issues that we have detailed here.

Amendment 1 Delegation of planning decisions in England

Delete clause 46.

Amendment 2 Right to be heard in Spatial Development Strategies

In clause 47 (12I) subsection (5), the words “No person is to have a right to be heard at an examination in public” shall be omitted and there shall be inserted the words, “Any person who makes representations seeking to change the SDS document must (if they so request) be given the opportunity to appear before and be heard by the person carrying out the examination”

Amendment 3 Definition of affordable housing

“affordable housing” means—

(a) social housing within the meaning of Part 2 of the Housing and Regeneration Act 2008, and

(b) which is to be let as social rent housing;

Amendment 4 Duty to plan for affordable housing

In section 19 of the Planning and Compulsory Purchase Act 2004 (preparation of local development documents) after subsection (1E) insert— 20

“(1F) Development plan documents must (taken as a whole) include policies designed to meet the housing needs of the local planning authority’s area. In meeting such needs planning authorities must have particular regard to ensuring that housing is affordable to those on average and below-average household incomes.”

Amendment 5 Permitted Development housing

Proposed amendment:

Part 2, Chapter 1, after Clause [46] insert the following new Clause –

‘Repeal of the Town and Country Planning (General Permitted Development) (England) Order 2015, Schedule 2, Part 3, Change of use, regarding use classes M, MA, N, O, P, PA, Q

(a) Repeal. — The Town and Country Planning (General Permitted Development) (England) Order 2015 Schedule 2, Part 3, Change of use, regarding classes M, MA, N, O, P, PA, Q , is hereby repealed.

(b) Savings Clause. — The repeal of the Town and Country Planning (General Permitted Development) (England) Order 2015, Schedule 2, Part 3 Change of use, regarding classes M, MA, N, O, P, PA, Q shall not affect any right, duty, or liability arising under the Order before the date of its repeal.

(c) Effective date - This shall take effect on [Effective Date].’