

Manchester Salford Pathfinder

HMR Business Plan 2008–11



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Chair's Statement

I am delighted to submit the Manchester Salford Pathfinder's HMR Business Plan for the period 2008 – 11. I would like to make three very important points in this statement, and I hope these will be taken into account in the consideration of our Business Plan.

First, we are now five years into a long-term strategy to deliver change and renewal at the core of the conurbation. As one of the most effective Pathfinders in England, and in many ways an exemplar, our early activities are now bearing fruit; with residents taking occupancy of new housing in areas that, until very recently, had felt abandoned, and market conditions within our neighbourhoods showing significant improvement.

Second, the Pathfinder is one of a set of inter-related strategies, with the proposed New Housing Growth Point the final piece of the jigsaw. The market renewal programme continues to be a vital component of the interlocking strategies being delivered at the core of the City Region to deliver sustained economic growth and revitalised neighbourhoods, capable of providing a mixed housing offer that is attractive to existing and new residents. It has taken us many years to put these in place, and any proposal to wind down our efforts, would undermine other key strategies, including the proposals for accelerating housing development.

Third, the consequences of either reduced funding or a wind-down programme for the Manchester Salford Pathfinder would have serious consequences for all of those who have worked so hard to progress one of the most difficult challenges in regeneration. The idea that our task is complete or that the market can take over is neither supported by the evidence or the opinion of those at the front line, including the private sector.

We have now spent some years building our delivery capacity, working with communities, developing strong relationships with developers and securing local political support. To even consider scaling back our activities as real benefits are beginning to flow would be a major mistake, actually undermining the potential for Greater Manchester to increase its contribution to the national economy.

I strongly believe that reducing funding at this point could also have significant social consequences in some of our poorest neighbourhoods, where our efforts are starting to deliver change. Our plans for 2008 – 11 have been adjusted to take into account altered market circumstances. However, it should be borne in mind that we have entered into a number of long-term commitments with local communities that we must deliver upon.

I believe that the progress that we have made should give Government the confidence in our ability to deliver the prize that we all seek. However, this requires maintenance of funding levels that have been supplied to date. We are entering a new phase in terms of regeneration, and if there is one thing we now need to avoid it is the stop-start approach which has characterised regeneration over the past thirty years, or worse, prematurely winding down our efforts under the illusion that our job is complete. All of the evidence suggests otherwise.



Professor Michael Harloe
Chair of the Manchester Salford Pathfinder

1 Summary of Progress to Date

In June 2003 the Manchester Salford Pathfinder (MSP) submitted its Prospectus to the Office of the Deputy Prime Minister, setting out its long-term vision for the renewal of the dysfunctional housing market at the core of the conurbation in order to maximise the productivity and competitiveness of the Regional Centre.

By April 2008 MSP will have successfully delivered the early phases of this long-term programme, laying down solid foundations from which a sustainable and resurgent housing market can emerge.

Key achievements during this period are as follows:

Engagement of the Private Sector and Delivery of New Housing Product

New housing development has been successfully brought forward in parts of Manchester and Salford that had been abandoned by the market for decades. High quality units, both in terms of design and environmental standards have been delivered in key flagship developments such as:

- Beswick - working in partnership with the New East Manchester URC, Lovells and Gleasons have completed the initial phases of the 1,100 mixed tenure homes that are planned for the neighbourhood;
- Broughton Green – the first phase of this 700 home development has been undertaken by a partnership comprising Salford City Council, InPartnership Limited, the Royal Bank of Scotland, City Spirit and Taylor Woodrow;
- New Broughton – working with Salford City Council and Contour Housing Group, Countryside properties have completed the first phase of this 3,500 home, mixed tenure development; and
- Chimney Pot Park – Urban Splash have completed the first phase of their innovatory conversion of obsolete terraced homes into new “upside down” living space.

In overall terms, over **10,000 new homes** will have been built in the Pathfinder area in the first five years, and a conservative estimate would be that approximately £1 billion of private investment has taken place.

Restoring Confidence

The Pathfinder will have carried out a programme of external improvements to approximately **11,000** properties, and this investment, linked to a programme of new public realm and environmental works has breathed new life into many of our neighbourhoods, supporting new development and attracting and retaining residents.

Delivering in Partnership with our Communities

The market renewal programme that has been taken forward in the two City Council areas has been underpinned by extensive community consultation and engagement processes. We recognise that our plans must have community support and that new housing developments must meet the needs and aspirations of existing residents, as well as being attractive to newcomers. Consultation and engagement has been undertaken as Strategic Regeneration Frameworks (integrated frameworks setting out the physical, economic, social and environmental actions required to deliver renewal) have been developed for North, East and South Manchester and Central Salford; within priority neighbourhoods as local physical planning and masterplanning processes have rolled out; and at scheme

level, with residents being consulted on the nature of proposals and the specifics of projects.

Managing Neighbourhoods through Change and Promoting Respect

Working with the two Crime and Disorder Reduction Partnerships and local stakeholders, significant effort has been put into intensive neighbourhood management during periods of profound change. This has been linked with the use of new licensing powers to improve the management of the private rented sector and enforcement action to tackle anti-social behaviour. These actions have assisted in changing perceptions of neighbourhoods, encouraging existing residents to remain and attracting newcomers.

Developing a Robust Evidence Base

Through its Research, Foresight and Intelligence (RFI) commission, market intelligence monitoring and Tracking Neighbourhood Change system, the Pathfinder has established a comprehensive evidence base relating to economic and demographic trends and neighbourhood performance to inform the strategic direction of its interventions and assess their impacts.

Sub Regional Partnership Working

The RFI Commission has led to the development of the Association of Greater Manchester Authorities (AGMA) "Making Housing Count" research commission, the first critical building block of a sub - regional housing strategy. This work will be taken forward by the AGMA Strategic Planning and Housing Commission, as part of the emerging approach to City Region Governance.

Joint Working between the two Local Authorities

Close working on the HMR programme has strengthened partnership working between Manchester and Salford City Councils on a range of fronts. Joint policies and approaches have been adopted in relation to: Regulatory Reform Order (RRO); Private Rented Sector Licensing; and the appointment of lead RSLs. Agreed positions have been reached in relation to Regional Housing Strategy, Regional Economic Strategy and Regional Spatial Strategy and this collaborative working will be taken forward in relation to an AGMA Growth Point submission that is expected to be made in October 2007.

An Emerging Joint Approach to Affordability

The two City Councils have been working on an integrated and co-aligned Access to Affordable Housing Strategy that covers the full Pathfinder area. It is hoped that this will be finalised in early 2008.

Further details of progress made in investing resources and delivering key outputs and outcomes are set out in Appendix 1.

2 Responding to the Updated National, Regional and Sub Regional Policy Context

Introduction

The Manchester Salford Pathfinder, working with the two Local Authorities, will play a significant role in taking forward national policy objectives at the sub regional level.

The Government's central aim for "*everyone to have access to a decent home at a price they can afford, in a place where they want to live and work*" is fully reflected in the combined actions taken forward through:

- The Pathfinder (tackling housing and neighbourhood issues);
- The Manchester City Region Development Programme (supporting accelerated economic and employment growth); and
- The Local Area Agreements of Manchester and Salford (working to increase employability and address barriers to economic participation).

Co-ordination and effective delivery will be strengthened as the sub region develops Multi Area Agreements and takes on more responsibility for economic regeneration as set out in the Review of Sub National Economic Development and Regeneration.

Housing

The recent Green Paper on Housing sets out a vision for the 21st century and identifies a number of crucial areas of housing provision. These are listed below, along with the challenges facing the two Cities in reaching this shared vision:

- *More homes to meet growing demand* – the two Cities and the Pathfinder are now playing the leading role in creating the conditions for growth, facilitating new development in areas which have not seen housing investment for many decades, and assisting local residents into home ownership.
- *Well designed, greener homes, linked to good schools, transport and healthcare* – the Pathfinder is working with the two Authorities to integrate new investment in childcare, schools and healthcare with significant new developer activity, to begin the long process of revitalising some, although not all, low demand neighbourhoods in a sustainable manner.
- *More affordable homes to buy and rent* – the Pathfinder has made major progress in developing affordable solutions for local residents, strengthening the better management of the private sector, and future plans include developing new approaches to affordable housing.

The introduction of New Growth Points in the north of England is a welcome new development for Manchester and Salford. As the economic engine of the sub regional economy, the success of the Regional Centre has increased demand for housing at the core of the conurbation. The New Growth Point approach allows the Cities to continue the complex work of re-structuring markets and regenerating neighbourhoods, while accelerating new housing development to support a growing economy.

Economic Growth

The Sub National Review of Economic Development and Regeneration concluded that more could be done to encourage economic growth and tackle deprivation. It advocates an increased role for local authorities in spreading economic well-being and opportunity to everyone in their regions, with clear focussed and relevant objectives for promoting growth and tackling deprivation.

The opportunities set out in the Review, particularly the delegation of regeneration funding to the sub regional and local level, will increase the effectiveness of our efforts to increase the number of residents in employment and to increase household incomes.

Housing and Economy

There is now a clear alignment between national housing and economic objectives and the strategies and delivery arrangements at the sub regional level, with clarity on the role and contribution of the two Authorities and the Manchester Salford Pathfinder. The objective of facilitating economic growth and well being through the delivery of more housing, and more attractive and affordable housing, has been at the heart of the Pathfinder's rationale since its inception.

A number of new policy initiatives and delivery mechanisms – Growth Points, Investment Vehicles, sub regional devolution of economic development funding, and Multi Area Agreements – will all add to the range of interventions and help to deliver the transformational change agreed by the core stakeholders.

Growth and Renewal

The need to accelerate new housing development to respond to increasing demand (driven by employment growth) sits alongside the re-structuring of markets and neighbourhoods been taken forward by the Pathfinder.

The blighted conditions of many neighbourhoods, concentrations of low income communities, along with the complexity of assembling viable development sites means that demand on its own will not result in new development in many parts of North and East Manchester and Central Salford.

The acceleration of housing development in the Pathfinder area is linked to progress made in regenerating key neighbourhoods adjacent to areas/major sites with development potential. The sequencing and timing of regeneration and growth proposals, including investments such as Building Schools for the Future, need to be aligned to increase the pace of new development. These proposals also need to be underpinned by wider investment programmes to tackle existing negative perceptions – in terms of crime and anti-social behaviour, health and worklessness.

3 Economic and Housing Market Conditions

Economic and Housing Market Conditions

The continued growth in the economy has led to a number of new trends being established in the City Region that have implications for policy development at the national, regional, and City level. Appendix 2 sets out a series of key statistics in relation to the economy, population and housing market. These are summarised below.

Economy

The Manchester City Region economy continues to grow strongly, with employment increasing markedly. In summary:

- Employment in Manchester and Salford increased by 61,600 between 1996 and 2006, a result of a resurgent economy at the core of the conurbation;
- Employment is forecast to increase by a further 112,000 jobs in Manchester and Salford by 2021, with the majority of employment growth focused on the Regional Centre; and
- The jobs being created cover all skill levels, with a significant number in both highly paid professional services, and lower paid jobs in the service economy.

The further development of the economy is being taken forward by stakeholders through the **City Region Development Plan**.

Population and Households

The growth in the economy has already contributed to a markedly different population and household growth scenario compared to five years ago:

- After decades of decline population and households numbers have risen in both cities;
- The population and households forecast show an increase of 16% and 17% respectively by 2021, this provides an additional 108,000 people and 51,000 households;
- A larger part of the population increase is accounted for by high levels of international economic migration, much of which is in low paid employment; Manchester is forecast to experience a net 7,000 international economic migrants per annum for the next ten years; and
- It is anticipated that many of the new jobs will be in skilled sectors and a housing offer is required at the conurbation core that attracts skilled workers and their families.

Draft RSS reflects the need for the Cities to accommodate substantial growth, and housing allocations have been agreed for a completions target of 5,100 per annum for the two Cities (over double the RPG 13 target).

Socio Economic Conditions

The Pathfinder area focuses on the most disadvantaged parts of both Cities, with many of the prosperous areas that have benefited from the strong economic growth, being either in the City Centre or South Manchester or West Salford. The Pathfinder is characterised by:

- Over 200,000 residents living in areas classed as within the worst 10% deprived nationally;
- Intensive concentrations of deprivation, such as in East Manchester where half of all residents live in areas classed as within the worst 1% nationally;
- Accompanying high levels of workless, very low household incomes including in households where people are in employment; and
- Neighbourhoods with poor physical environments, high proportions of poor quality and social housing, and high numbers of vacant properties.

Strategic Regeneration Frameworks are now addressing core issues of employability and educational attainment.

Market Values

As part of the national trends, prices have increased considerably in Greater Manchester over the past five years. In terms of the Pathfinder there are a number of features to this trend, notably:

- Average prices (£117,500) continue to lag behind the cities (£140,800) and national averages (£184,500) In spite of its very strong economic growth, Manchester continues to lag behind the Greater Manchester average;
- The proportion of sales below the regional 25th percentile fell from 67% in 2004 to 40% in 2006, the proportion has since increased again and in the latest quarter had risen to 47% illustrating that very low values are prevalent in spite of increases in values; and
- In over half the Pathfinder area, sales in the regional 25th percentile are above 50%, and in a quarter of the neighbourhoods this rises to over 75% of sales.

In summary, parts of the Pathfinder area have seen a recovery in house prices from very low values, a feature of all Pathfinders, although very low prices are still a feature of a considerable number of neighbourhoods.

Purchasers

A number of new trends have emerged at the City and Sub City level in terms of who is buying in the market, both in terms of new development and terraced stock in established neighbourhoods. The market data suggests that:

- Only 53% of sales are to resident occupiers (66% at the City level), with almost 37% to non-resident private owner (landlords), with a further 6% to limited companies;
- In Central Salford the number of sales to owner-occupiers is only 44%, with over half of all sales to landlords and investors; and
- Over half of all purchases by private investors and companies are terraced properties and one third are flats; confirming increased activity by landlords in lower valued neighbourhoods.

The re-entry of private landlords to low value, low-income neighbourhoods is one of the most recent features of the changing housing market, while increasing prices and low and stable incomes have introduced affordability issues across the Pathfinder.

New Development

There has been a marked increase in housing completions in the two Cities, in excess of 5,000 (the Panel proposal for the new RSS) and a major increase in previous years. There are a number of features of the new development that have an impact on the future work of the Pathfinder:

- Housing developments continue to be dominated by apartments, partly a result of market demand and the costs of inner city development;
- The City Centre and Salford Quays account for a high proportion of the new development and completions, meeting demand arising from strong economic growth, the scale of new development in the Pathfinder area has been limited; and
- The level of completions in the Pathfinder area has been relatively low to date, a feature of the complexity of re-modelling and the costs of remediation. This level will increase as sites currently being assembled are developed.

The need to deliver substantial new housing development is now being taken forward through the **New Growth Point** submission recently submitted to CLG by the Greater Manchester Authorities, and given the scale of new development planned (over 90,000 new homes in the next fifteen years) the Pathfinder will have to accommodate a significant proportion of this total.

Emerging issues

There have been considerable changes in the housing market since the Pathfinder submitted its original Prospectus in 2003, and these have a number of implications for the work of the Pathfinder. These are:

- A marked increase in *in-migration* to parts of the Pathfinder area, as private landlords purchase lower valued terraced stock to rent to low income groups;
- An increase in the *diversity* of some communities, partly driven by inexpensive accommodation from private landlords and (for some) access to social housing;
- An increasing problem of *affordability*, as private landlords seek to purchase properties to rent, which along with general house inflation, has now made home ownership un-affordable for many local residents; and
- Vibrant housing market in the City Centre and south Manchester, and improving although fragile markets in the Pathfinder area.

This new demand has had limited impact on supporting the move to mixed and sustainable communities due to:

- Underlying demand being transient i.e. international migrants are here for a limited duration; and
- The type of demand has been of little interest to developers and institutional investors based as it is on very low rental values.

Levels of home ownership, which underpin stable communities, are in danger of declining, unless interventions support low income groups to access local housing and new and affordable development is accelerated.

Market Restructuring: The Core Challenge

The core challenge, set out in the original Prospectus, remains with:

- The need to address the very poor neighbourhood conditions prevalent across the Pathfinder, one of the major barriers to securing the higher levels of development required by RSS and the New Growth Point proposal – fundamental to providing a housing market which supports economic growth;
- The inability/unwillingness of the private sector to lead and manage the complexity of re-modelling, renewal, site assembly and new development, involving long programmes of consultation, preparatory work and construction to fundamentally change the conditions of blighted neighbourhoods; and
- The increasing challenge of managing neighbourhoods where the private rented sector is increasing the fragility and sustainability of communities, even where house values have risen; and where new approaches to affordability, low cost home ownership and neighbourhood management are needed to ensure social cohesion.

These factors, driven by the evidence base, indicate the need to continue the work in key neighbourhoods where the process of restructuring is underway and develop new tools to deal with issues such as affordable home ownership.

4 Our Updated Vision

The Manchester Salford Pathfinder: A Key Element of the Economic Revival of the Manchester City Region

A Prosperous City Region

The Manchester City Region Development Plan (CRDP) 2006 puts forward ambitious plans to build upon the successes of the past ten years and accelerate economic growth to increase the contribution of the City Region to the national economy.

The CRDP is focussed on capitalising on the major economic strengths, including Manchester Airport; Financial and Professional Services; Life Science Industries; Creative/Digital and New Media (with a key focus on mediacity:uk, the new home of the BBC in Salford Quays); and ICT Digital and Communications. The accelerated levels of growth will lead to a considerable increase in employment, and the ability of the City Region to attract and retain talented people.

Quality and Choice: Housing to Support Economic Growth

The economic plans set out in the CRDP are dependent upon a healthy housing market within the City Region able to offer choice to existing and new residents. The scale of employment growth will increase in-migration (this is already happening) and managing this growth to ensure that housing does not become a barrier to accelerated economic growth is an important objective for stakeholders.

The Housing Green Paper, “Homes for the Future: More Affordable, More Sustainable” focuses on the three challenges facing the Manchester City Region – the supply of housing and the scale and pace of new development; the issues of housing market renewal in Pathfinder areas; and the affordability of housing, including home ownership and social housing.

Delivering a Co-ordinated Strategic Response to these Challenges

The Pathfinder sees itself as delivering within an overarching strategic framework as follows:

1. The Regional Centre, at the heart of Manchester and Salford, is the key economic driver of the Manchester **City Region Development Programme**, the key sub regional economic strategy taking forward the Regional Economic Strategy. This focus will be enhanced through the commitment from the Association of Greater Manchester Authorities (AGMA) to develop a Multi Area Agreement for Economic Development at the City Region level.
2. In support of economic growth, the **Draft Regional Spatial Strategy** has proposed additional housing growth at the core of the conurbation, with the potential demand from increasing population and employment providing an opportunity to address the challenges of marginalized communities in inner city area, as well as delivering significant environmental benefits from reduced commuting.
3. There is a need to increase the scale and pace of development of family and affordable housing, although there are a number of constraints. As a result of this, AGMA is submitting a **New Growth Point** proposal for the City Region, with a key focus on growth at the core of the conurbation and seeking support to overcome constraints such as land remediation, utilities, flood plain solutions, and transport and access.

4. The exceptionally high level of deprivation, low incomes, poor quality housing and low levels of owner occupation at the conurbation core require continued intervention to renew neighbourhoods. The role of the **Manchester Salford Pathfinder** has become more important as demand has returned to some areas, while others stagnate, and where increases in value increase issues of affordability. The role of the Pathfinder will be to oversee and co-ordinate activities that tackle dysfunction and facilitate growth.
5. Neighbourhood renewal led by the Pathfinder, working with the two **Local Authorities** to address issues of the quality of **social housing** accommodation, requires a sensitive and medium term approach to housing market renewal. The early successes of the Pathfinder illustrate that renewal can be achieved, accompanied by new developments in neighbourhoods being re-modelled.
6. Strong delivery capacity - working through the **two URCs - New East Manchester and Central Salford – the newly established Regeneration ALMO for Central Salford, Salix Homes, and a potential new Asset Backed Investment Vehicle for North Manchester** - will address the issues of the acceleration of new developments, a complementary although different challenge to those being addressed by the Pathfinder, although the main difference is in terms of timing and the nature of the constraint rather than objective.
7. A strong sub city and local framework through the two Cities' **Community Strategies** and **Strategic Regeneration Frameworks** and an extensive set of masterplans, all completed after extensive community consultation. These frameworks help to align physical improvements with employment, education and health actions; and also integrate other major funding schemes, such as Building Schools for the Future with Pathfinder investment to ensure the delivery of **Neighbourhoods of Choice**.

A Key Role For the Manchester Salford Pathfinder

Manchester Salford has a key role to play in renewing the housing market and in directly contributing to both economic growth and the housing objectives set out in the Green Paper. This reflects the regeneration challenges facing both Manchester and Salford:

- The extent of failing neighbourhoods which act as barriers to securing the scale of new housing needed to support economic growth;
- Private developers unable or unwilling to invest on a significant scale without major intervention by the public sector to improve conditions neighbourhoods/districts;
- The complexity of balancing the needs of local communities, with the housing requirements of a resurgent economy; and
- Addressing the issue of affordability, particularly for first time buyers and for low-income groups that traditionally would have purchased low value terraced stock.

Both the Housing Green Paper and the recent developments in the market reinforce the need for a well-resourced Housing Market Renewal Pathfinder for Manchester and Salford.

Working With A New Growth Point

The proposal for a Greater Manchester New Housing Growth Point with a primary focus on Manchester and Salford is strongly supported by the Pathfinder, recognising the scale of the task in the two Cities, and the need to accelerate new housing development which directly and indirectly supports key Pathfinder objectives.

The Pathfinder Board benefits from considerable private sector experience, and the constraints on accelerating new housing development in an inner city context has been recognised at various Board meetings. The out-dated infrastructure, costs of land remediation and difficulties of assembling large sites, all restrict the level of development. The one exception is the City Centre, where apartments serving an urban/city living market dominate new development.

Dedicated action within the sub region to address these constraints would complement, not replace the work of the Pathfinder. The New Growth Point is the final piece of the jigsaw in terms of a housing strategy that looks at the whole market, incorporating regeneration and growth. On this basis, the New Growth Point proposal is very strongly endorsed by the Pathfinder Board.

The Vision For Manchester and Salford

The Vision for Manchester Salford has not changed since the Prospectus was submitted, although the challenges in making that vision a reality have. Both Cities have set out key objectives around people (better educational attainment, more people in employment) and place (safer communities, improved local services, and neighbourhoods where people choose to live).

The challenges in achieving these objectives have a housing and neighbourhood dimension, and HMR is now crucial to making further progress with regard to social and economic inclusion. Along with other neighbourhood investment, the Pathfinder can contribute to the development of mixed communities at the core of the conurbation, turning around neighbourhoods once considered in terminal decline. This however requires a medium to long-term commitment to building on the success of the first five years of the Programme, explicitly recognising the timeframes involved in re-modelling neighbourhoods and delivering high quality new housing.

As the work of the Pathfinder has developed, so have the interventions used to support social and economic inclusion. Both Cities now have effective partnerships and plans aimed at helping local residents back in to employment and improving educational attainment.

The Pathfinder's Updated Focus

As set out in the 2005 Scheme Update, the aim of the Pathfinder is:

To support the economic growth potential of the Manchester City Region by creating neighbourhoods of choice that meet the needs of existing residents and are attractive to new and former residents.

Taking into account progress on the ground and changing market conditions the Pathfinder's operational objectives for the period 2008-11 have been updated. These are set out below:

- a) To secure a regional and sub regional strategic framework, in spatial, economic, transport and housing terms, that will underpin the creation of successful neighbourhoods in the MSP area;
- b) To work with the two City Councils and key stakeholders to ensure that activities designed to deliver Growth and Housing Market Renewal are appropriately integrated and managed at the core of the conurbation, and that governance arrangements are appropriate and fit for purpose;
- c) To improve the choice and quality of housing taking account of neighbourhood conditions, market demand and the need to capture rising aspirations through the provision of high quality housing, both in terms of design and environmental standards;
- d) To plan and deliver new housing developments and other "place" making investments, in partnership with our residents;
- e) To work with the two City Councils and other stakeholders to adopt and implement an Access to Affordable Housing Strategy, ensuring that investment proposals are aligned with those for the social rented sector and that Pathfinder neighbourhoods have an appropriate range and balance of housing types and tenures;
- f) To work with the two City Councils to ensure that Planning Frameworks, Development Control activity and proposals for new housing developments are effectively co-ordinated and integrated to support the creation of Neighbourhoods of Choice;
- g) To work with the two Cities and other key partners to align investment decisions relating to education, health, transport, retail and leisure provision required to deliver successful and attractive neighbourhoods; and
- h) To manage neighbourhoods effectively and improve the quality, attractiveness and safety of the local environment.

5 The Pathfinder's Investment Programme 2008 – 11

The Pathfinder has taken into account the changing market conditions set out in Section 3 and has reflected upon the outcome of various consultation exercises that have been undertaken with our communities.

As a result, the Pathfinder's investment strategy for 2008 – 11 has been updated to concentrate upon:

- *Completing those long term re-modelling programmes* to which we have made a commitment to our communities, and which, in many cases, have generated financial contractual commitments that must be honoured;
- Prioritising investment that tackles obsolescence but that also links with actions to accelerate *new housing provision* at the core of the City Region;
- Increasing our emphasis on activities which *avoid the need for new expensive clearance programmes*, although in some cases, re-modelling will require selective clearance;
- Increasing our activities with regard to *affordability*, working with the Housing Corporation and English Partnerships and developers to develop new solutions to what is a recent phenomenon in the two Cities; and
- Co-aligning our investment with that being delivered within the social rented sector to deliver restructured and mixed communities.

Tools for Intervention

MSP intends to deploy its HMR resources through the following suite of interventions:

- **Strategic Investment:** the acquisition of land and property to facilitate the development of new housing or the removal of obsolete housing that is blighting neighbourhoods - including demolition (when required), remediation (when required) and the relocation costs of residents affected.
- **Improvements to Retained Stock (Home Improvements):** where there is a clear market rationale, undertaking the refurbishment of existing housing stock to support development, encourage investment and increase the attractiveness of areas to existing and potential residents.
- **Access to Affordable Housing:** investment will be made available to support the implementation of a toolkit proposed within the draft Access to Affordable Housing Strategic Policy Document, which it is hoped will be adopted in early 2008. This toolkit will have a number of strands including the acquisition and conversion for owner occupancy of empty properties and those within the private rented sector, as well as further work to develop equity and other financial products that will deliver Low Cost Home Ownership for residents. Appendix 3 sets out some of these tools in more detail.
- **Sustaining Neighbourhoods:** encouraging and supporting effective neighbourhood management through capital activity such as environmental improvements, alley-gating and streetscaping.

- **Developer Support:** the provision of financial support to developers where there are identified “gaps” in development plans, enabling new build activity. Although only required in a limited number of cases, MSP needs to pump prime and accelerate new build activity in areas where there has been no significant private sector investment for many years, and where some new developments will be high risk.
- **Private Rented Sector:** supporting effective management and landlord licensing. The private rented sector makes up approximately 18% of the Pathfinder’s housing stock. The impact of poorly managed properties in undermining neighbourhoods cannot be underestimated and the two Councils will be seeking to use licensing and other powers to significantly improve performance and ensure that this sector contributes positively to a functioning market.
- **Anti-Social Behaviour:** the tackling of anti-social behaviour and neighbour nuisance, which is critical to the MSP investment strategy. Previous residents’ perception research has re-emphasised the importance of a safe and secure environment.

These interventions will be used in a holistic and planned manner, rather than as individual or isolated investments. They will be deployed in different degrees of intensity in different parts of the Pathfinder, customised to circumstances, strategy and opportunity.

Alongside these interventions HMR investment will also be required to finance:

- **Delivery Costs:** the costs of effectively managing and delivering the programme, including the costs of technical support services.
- **Secretariat:** the costs of the central Pathfinder team, including the commissioning of independent research and market intelligence.

The importance of ensuring that adequate delivery capacity is in place, including managing staff turnover and skills shortages, has been an important factor in the successful delivery of the Programme.

Summary Details of the HMR Investment Programme 2008 - 11

A summary of the Pathfinder's investment programme is set out in Table 5.1 below:

Table 5.1: HMR Investment Programme 2008 – 11

Intervention	2008/9	2009/10	2010/11	Total	Resulting Commitments Beyond 2010/11
Strategic Investment	35,724,600	30,435,331	24,757,311	90,917,242	29,447,055
Improvements to Retained Stock	8,708,185	9,645,180	6,979,205	25,332,570	2,436,970
Sustaining Neighbourhoods	4,638,000	2,535,000	2,625,000	9,798,000	450,000
Access to Affordable Housing	3,041,000	3,535,000	3,524,000	10,100,000	
Developer Support	0	0	1,180,000	1,180,000	450,000
Delivery	5,145,318	5,180,543	5,169,030	15,494,891	
Private Rented Sector	1,407,463	1,435,149	1,463,528	4,306,140	
Anti Social Behaviour	971,750	994,405	1,017,224	2,983,379	
Secretariat	1,100,000	1,072,500	1,045,688	3,218,188	
Overall Totals	60,736,316	54,833,108	47,760,986	163,330,410	32,784,025

It is anticipated that the programme will deliver the matching funding during this period as set out in Table 5.2:

Table 5.2: Match Funding 2008 – 11 (All figures in £s)

Match Funding Source	2008/09	2009/10	2010/11	Total
RHP/Councils' own resources	9,335,000	2,007,000	1,616,000	12,958,000
Housing Corporation	7,650,000	6,390,000	3,450,000	17,490,000
English Partnerships	2,750,000	0	0	2,750,000
New Deal for Communities	2,298,000	700,000	0	2,998,000
Other Public	1,762,000	300,000	300,000	2,362,000
Private Sector	92,544,198	103,971,336	94,175,000	290,690,534
Total	116,339,198	113,368,336	99,541,000	329,248,534

This combined investment programme will deliver outputs as set out in Table 5.3 below:

Table 5.3: Outputs generated by the Investment Programme

Output	2008-11	Future Years	Overall Totals
Number of homes constructed	3,788	4,087	7,875
Number of properties acquired for Pathfinder purposes	1,476	504	1,876
Number of homes demolished	1,071	0	1,071
Hectares of land acquired	12.51	3	15.51
Number of homes refurbished or improved	3,140	297	3,437

The scale of re-modelling reflected in the figures above have already transformed a number of neighbourhoods, although in many cases further investment is need to complete the process of renewal.

Capital Receipts and Reinvestment Strategy

The most up to date forecast of capital receipts that will be generated by the Pathfinder programme is as follows:

Table 5.4: Anticipated Capital Receipts

Financial Year	Amount (£)
2008/09	2,244,250
2009/10	3,665,000
2010/11	9,947,000
Total 2008 – 11	15,856,250
Years Beyond	27,078,000
Overall Total	42,934,250

The Pathfinder has adopted a Reinvestment Strategy to govern the use made of receipts generated. The majority of these are earmarked for re-use within committed projects, or other regeneration schemes in the areas, and form part of Development Agreements that have been entered into with private sector partners.

Complementary Investment

HMR investment plans are being brought forward in alignment with major plans to restructure the social rented sector in the Pathfinder area. Key schemes are set out in Table 5.5 below.

Table 5.5: Key Outline Investment in Social Rented Sector Stock

Estate Name	Investment		Outputs	Other Information
Ardwick (South Manchester Area Development Framework)	PFI	£90 million	663 homes are to be retained as social housing and refurbished to a high quality. 600+ new homes will be built for outright sale.	Scheme commenced in 2003 and is ongoing.
Miles Platting (East Manchester ADF)	PFI	£300 million anticipated PFI credits	The scheme is anticipated to deliver the following: 1600 homes to receive high quality refurbishment. 1000 new homes to be built - the vast majority will be made available for sale.	Contracts signed in March 2007. The project will be delivered over the period 2007 – 12.
Collyhurst (North Manchester ADF) and Brunswick (South Manchester ADF)	2 PFI schemes	£½ billion anticipated PFI Credits to cover both schemes	Exact scheme details still under development. However both schemes are being developed as follows: Retained stock will be refurbished to a high quality standard. New build most of which will be for sale Estates are to be managed as mixed tenure estates	Schemes have yet to go out to tender.
Pendleton (Central Salford ADF)	PFI	£102m	Refurbishment of approximately 1,200 homes and building of 600 affordable new homes	Project agreed by CLG in December 2006. Outline Business Case being prepared.
Salix Homes Regeneration focused ALMO (Central Salford ADF)	ALMO bid	£65 million plus. Final amount yet to be agreed	To cover a maximum of 9,100 homes. This will link into the emerging area action plans & regeneration activity.	ALMO went live in July 2007. Investment is subject to attaining two star ALMO inspection.
Northwards Housing Trust (North Manchester ADF)	Decency Investment Programme	£200m	Investment to improve 13,000 homes.	Investment programme in progress and due to conclude by 2011.
Eastland Homes (East Manchester ADF)	Decency Investment Programme	£51m	Investment to improve approximately 3,000 homes.	Investment programme commenced in 2003.

The Pathfinder will continue to work with partner agencies to ensure that supporting investment is made in social, community and commercial infrastructure, with a particular emphasis on investment that is aimed at improving performance with regard to education and economic activity. This complementary investment is critical to the development of neighbourhoods of choice, and it is the combined investment that makes the HMR housing investment both transformational and sustainable. More detail on how HMR activity is being aligned with complementary investment at the area level can be found in Section 6.

6 Spatial Priorities for Investment

Strategic Regeneration Context

Within both Manchester and Salford plans set out in Community Strategies to secure neighbourhood renewal are geared around securing economic growth, capturing the benefits of such growth for residents, addressing quality of life issues, and creating neighbourhoods of choice.

In order to establish neighbourhood interventions that will deliver these Community Strategies, the two Local Authorities have established four Strategic Regeneration Frameworks (SRFs) covering North, South and East Manchester and Central Salford. The SRFs are designed to: set out a clear analysis of the physical, economic, social and environmental conditions which affect the area; outline the core principles and key objectives within which the regeneration effort can respond; set out the long term plans for neighbourhoods that enable all stakeholders to understand the sequencing of investment decisions; and place the area in a wider and longer-term strategic context that will enable it to play its full part in the economic regeneration of the core of the City Region.

Underneath these over-arching frameworks a series of local neighbourhood plans and physical masterplans have been developed, focused on prioritised areas for action.

Major Intervention Areas

For these targeted neighbourhoods, the Pathfinder supports the Regeneration Framework and Local Plans with a **Major Intervention Area** investment strategy. This sets out a detailed market restructuring programme which seeks to deliver the **housing component of a neighbourhood of choice**, and complement other agreed investments in facilities and services.

MSP, in consultation with the two City Councils, the two URCs and other key stakeholders identified the Major Intervention Areas (MIAs) in the Scheme Update of 2005, following analysis undertaken by the Ecotec led Research, Foresight and Intelligence (RFI) consortium. The MIAs have been accorded priority status by the relevant Strategic Regeneration Framework and key stakeholders, including priority for investment in the key facilities needed to develop neighbourhoods of choice.

The Pathfinder is now involved in over 15 neighbourhoods through eight Major Intervention Areas. In many of these neighbourhoods, the 2008 – 11 period will see the build out of new housing development on land that has been assembled over the last 5 years. In other areas, land assembly activities will be reaching their peak during 2008 – 11, creating new sites for development and unlocking growth opportunities on adjacent land that has been blighted by its proximity to run down and semi derelict housing.

Summary of Activities in each MIA

The work involved in delivery of major investment in these neighbourhoods is reported in the following brief summaries of activities.

Seedley and Langworthy

With its proximity to the Regional Centre, Salford Quays / Media City and the Chapel Street corridor, Seedley and Langworthy will be a key location for those wishing to relocate closer to the employment opportunities offered there. Residents will benefit from an improved range of public, leisure and retail services.

During the 2008 – 11 period, key activities will be to conclude the innovative Urban Splash scheme in Langworthy, transforming Victorian terraced houses into 349 contemporary “upside down” homes.

In Seedley South, a mixed programme of activity will be taken forward. Selective acquisition, relocation and demolition will provide opportunities for the development of new family housing. This will be combined with a programme of external refurbishment for 174 existing terraced properties and environmental improvements to deliver “Homezone” streetscaping, defensible space, alley-gating and communal gardens.

These works will complement the significant HMR activity undertaken to date and complementary regeneration investment to provide a Primary School and Nursery; planned investment in a new local high school, new health care facilities, the Private Finance Initiative (PFI) proposal to remodel the adjacent Council owned Pendleton estate and the redevelopment of Langworthy Park.

Seedley & Langworthy Investment Programme: Summary			
Funding Source	2008 - 11	Outputs	
HMR	7,880,000	Acquisitions	38
RHP	0	Demolition	51
Other Public	0	New Build	357
EP	0	Homes Refurbished	174
Private	6,367,534	Ha of Land Acquired	0
Total	14,247,534		

Higher Broughton

The key element of the renewal strategy in Higher Broughton is the redevelopment of the Broughton Green area through a partnership of the Royal Bank of Scotland, InPartnership Limited, City Spirit, Taylor Woodrow and Salford City Council. The scheme will provide 700 new, predominantly family houses and apartments, over a 7-year period, supported by £88 million private sector investment.

The 2008 - 11 period will see the clearance of the Top Streets area to deliver the final phase of the Broughton Green development.

In the adjacent Broughton Renewal Area a mixed programme of selective demolition and small-scale development, together with remodelling and external improvements to the existing stock, environmental improvements and streetscaping work will be taken forward.

A range of interventions by a number of partners will secure the comprehensive regeneration of the MIA. These include: the construction of a new Jewish Girls High School and the development of a Community Hub including a new library, nursery, community resource facilities and meeting rooms as well as retail and health provision. A new sports ground will also be provided as part of the redevelopment.

Higher Broughton Investment Programme: Summary			
Funding Source	2008 - 11	Outputs	
HMR	15,850,000	Acquisitions	140
RHP	1,052,000	Demolition	274
Other Public	0	New Build	75
EP	0	Homes Refurbished	436
Private	48,348,000	Ha of Land Acquired	1.41
Total	65,250,000		

Lower Broughton

The £500m regeneration of Lower Broughton aims to maximise the potential offered by the River Irwell and the neighbourhood's proximity to the Regional Centre and will see the creation of a sustainable new community of over 3,500 mixed-tenure homes and a full range of community facilities and services including shops, leisure, employment, education and training. The redevelopment is being delivered by a partnership comprising Countryside Properties, Salford City Council and partner Registered Social Landlords. Phase 1 is currently on site delivering 432 new homes.

Key interventions during 2008 – 11 will include: the acquisition and clearance of poor quality social rented stock and commercial properties to enable further phases of development, focusing on new family accommodation. HMR funding will assist existing occupiers whose houses are to be demolished to stay in the area via relocation packages. The market renewal programme will also attract external funding to assist in achieving a sustainable social rented housing market, Salford City Council's lead RSL partners in the area, and the Housing Corporation via the Affordable Housing Programme.

Lower Broughton Investment Programme: Summary			
Funding Source	2008 - 11	Outputs	
HMR	14,560,000	Acquisitions	336
RHP	724,000	Demolition	0
Other Public	0	New Build	1,399
EP	0	Homes Refurbished	0
Private	126,707,000	Ha of Land Acquired	1.5
Total	141,991,000		

North Irwell

The overall regeneration and transformation of the North Irwell MIA is being led by the community driven Charlestown and Local Kersal NDC via its Delivery Plan 2001-2011 and its 7-year Development Framework agreed in 2004.

The North Irwell market renewal programme aims to transform the area by the development of over 2,500 new homes in a range of types and tenures. Opportunities provided by the River Irwell, the open space and views in all directions will be maximised with over 1,000 new homes provided along the riverside. The economy will be strengthened by key regional projects such as the Salford Innovation Park and Sports Village and residents will benefit from an improved range of public and retail services. The community will be better connected with other neighbourhoods in Central Salford and with opportunities along the Chapel Street Corridor and the Regional Centre. A developer consortium made up of Miller Homes and Inspired Developments has been appointed to deliver this renewal.

Key interventions during 2008 – 11 include: acquiring homes, relocating residents/tenants, demolition and site treatment to facilitate development; and the completion of external home improvement programmes to sustain and tie in sustainable housing stock. During the programme period, additional social housing will also be provided in the area by Contour Housing Group, funded through the National Affordable Housing Programme.

The overall regeneration programme for the MIA draws down a substantial amount of complementary, non-housing investment by a range of partners in order to secure a truly sustainable neighbourhood. It links HMR investment to wider regeneration priorities and the Central Salford URC investment that will focus on key infrastructure and transport related interventions.

Key investments include: the delivery of a new Albion High School, built via a PFI bid and New Deal money, and a new primary school; 2 New LIFT centres that will provide new health care facilities in Charlestown and Kersal; and Salford Innovation Park, a £9.5 million NWDA funded scheme in partnership with the University of Salford to provide a new innovation centre in Salford.

North Irwell Investment Programme: Summary			
Funding Source	2008 - 11	Outputs	
HMR	5,260,000	Acquisitions	42
RHP	1,014,000	Demolition	351
Other Public	2,998,000	New Build	227
EP	0	Homes Refurbished	471
Private	0	Ha of Land Acquired	0
Total	9,272,000		

Greater Harpurhey

Within the North Manchester Strategic Regeneration Framework, the Greater Harpurhey area is identified as a key investment priority in unlocking the redevelopment potential for the North Manchester Housing market, building upon its adjacency to the M60 orbital motorway and its proximity to the Regional Centre.

During 2008 – 11 the key aspects of the HMR programme will be to: deliver new family housing on the 6.8 hectares of land assembled through the 2003 – 06 programme; achieve financial closure on CPO projects commenced in earlier years, take forward acquisition and demolition at the recently agreed Kingsley Avenue CPO; deliver a programme of external facelift schemes in strategic locations to provide support to more sustainable areas and protect investment in new sites; take forward a targeted programme of intervention to deliver new options for Low Cost Home Ownership, including the refurbishment and sale of empty properties and the deconversion of private rented properties; and undertake streetscape/environmental schemes, combined with intensive neighbourhood management services (including landlord licensing), to ensure the sustainability of the neighbourhood.

Linked to this activity, major investment in physical, economic and social infrastructure in the Collyhurst neighbourhood is proposed through a potential PFI project, which is currently valued at £150m and is intended to radically remodel the poorly designed social housing stock, to diversity the tenure mix and increase housing choices. This scheme will improve a major route northwards out of the City Centre and support the housing restructuring activity being carried out in Harpurhey. Other sites will be brought forward for development in the Irk Valley and Blackley Village.

Complementary economic, social and physical activities have the potential to bring about change in the housing market and are local drivers for the overall regeneration of Greater Harpurhey. They include: further phases of development of Central Park, a new regional urban mixed-use business park in the south-eastern part of Harpurhey ward (bordering the East Manchester ADF), with the potential to create up to 10,000 jobs over the next 10-12 years; improvement to local and adjacent schools through Building Schools for the Future, including a new Academy on the border between Harpurhey and Collyhurst; and improvements to significant recreational and open spaces such as Boggart Hole Clough, Moston Brook, Irk Valley and Queens Park.

Greater Harpurhey Investment Programme: Summary			
Funding Source	2008 - 11	Outputs	
HMR	19,820,621	Acquisitions	261
RHP	466,000	Demolition	151
Other Public	0	New Build	394
EP	0	Homes Refurbished	1,042
Private	0	Ha of Land Acquired	2.426
Total	20,286,621		

East Central Manchester

Market renewal interventions in both East Central Manchester and the Lower East Corridor support the long-term regeneration plans developed by New East Manchester (NEM) URC. NEM is spearheading a comprehensive programme of economic, physical and social regeneration in the area. The East Manchester Strategic Regeneration Framework sets out an ambitious agenda to transform the area's fortunes, addressing housing, economic development, employment, education and transport issues in a fully integrated way.

The proximity of East Central Manchester to the Regional Centre provides an opportunity to expand the success of city living into the East of the city and address the broader weaknesses in the housing market and neighbourhood conditions.

Market renewal investment in East Central Manchester during 2008 – 11 will be less than in most of the other Major Intervention Areas, reflecting the level of public investment that has taken place already within the neighbourhood to assemble sites for development. However, whilst Pathfinder resources are not directly contributing to all schemes the investment of the programme is crucial in helping to raise the area's profile and give developers confidence to invest.

Building on the success of the 2003 – 08 period, priority interventions over the next three years will involve: the conclusion of acquisitions and demolitions to facilitate the remaining phases of new development in Beswick by Lovells and Gleasons, leading to the construction of 1,100 houses and apartments; the modernisation of socially rented stock by Eastland Homes; private sector led housing and mixed-use developments in Ancoats, New Islington and the Ashton Canal corridor, leading out of the city centre, supported and accelerated by HMR through the provision of relocation packages and environmental improvement works; and the Miles Platting Private Finance Initiative scheme, to remodel and refurbish the social housing stock and improve neighbourhood conditions, including the provision of between 1,000 and 1,500 private homes for sale.

Key complementary activities include: the construction of the proposed East Manchester and Ashton-Under-Lyne Metrolink line which will serve East Central Manchester, enhancing links to the city centre and employment opportunities; the development of a new Academy High School in Beswick, and the redevelopment of Beswick District Centre and other retail areas.

East Central Manchester Investment Programme: Summary			
Funding Source	2008 - 11	Outputs	
HMR	800,000	Acquisitions	4*
RHP	0	Demolition	4
Other Public	4,000,000	New Build	733
EP	0	Homes Refurbished	0
Private	55,500,000	Ha of Land Acquired	0
Total	60,300,000	* includes 1 commercial property and 1 place of worship	

Lower East Corridor

HMR resources will continue to support the remodelling of stock and transformation of neighbourhood conditions begun during the 2003 - 06 programme period. Significant new sites will be made available for redevelopment, highlighting the transformation that will take place, with new provision to be more balanced in terms of tenure, household size and value.

Key activities will include: taking forward acquisition and clearance activities within the Eccleshall Street CPO area, with the aim of removing 224 off street terraced properties and replacing these with 407 new build units, with canal frontage; significant redevelopment of the Toxteth Street area, where a CPO order will be submitted in November 2007, with the intention being to replace 522 uniform grid pattern terraced properties with 432 modern homes, and to refurbish adjacent sustainable stock; a mixed programme of acquisition, clearance and high quality environmental improvements in the Ben Street area to allow for the provision and expansion of new developments by Countryside and Westbury Homes; and the provision of relocation assistance and equity release loans to households to enable re-housing of existing residents.

HMR investment will be made in the Lower East Corridor as part of a much broader package of public and private sector investment to secure the area's long-term renewal. Some of the developments outlined for East Central Manchester, such as the Metrolink Extension, Central Business Park and new Area Policing Teams, will also support HMR activity in Lower East. Other activities to improve neighbourhood conditions include: further development of employment opportunities at the Sport City complex where a Super Casino proposal is being reviewed; the development of a new primary school in the Ashton New Road neighbourhood, with proposals for the inclusion of other community facilities; and the upgrading of the Openshaw District Centre by Dransfield Properties, to upgrade the retail and leisure provision and provide local employment opportunities.

Lower East Corridor Investment Programme: Summary			
Funding Source	2008 - 11	Outputs	
HMR	40,702,600	Acquisitions	488
RHP	0	Demolition	31
Other Public	13,990,000	New Build	603
EP	0	Homes Refurbished	303
Private	53,242,000	Ha of Land Acquired	0
Total	107,934,600		

Moss Side

Moss Side is included as a priority within the Central Manchester Strategic Regeneration Framework. Market renewal interventions seek to produce the right mix and quality of housing and local facilities in order to attract a more mixed residential community in income terms, building on the opportunities presented by the area's proximity to key employment sites and the buoyant housing market in the South Manchester as a whole. The aim is to turn around the tenure mix in the area, to significantly reduce the level of social and privately rented housing through the provision of quality new housing, investing in the more sustainable stock and selective removal of the poorest quality housing.

The housing investment will integrate with improvements to other services and the local environment, to start to turn around the poor image of the area and make it more attractive to economically active residents, especially those employed in the surrounding knowledge based industries (such as the Universities and the Science Park), while providing more affordable homes than in some other parts of South Manchester. At the same time, improvements to existing housing and provision of greater choice will help to retain existing residents.

The area has seen increasing market confidence over the last few years, demonstrated by an almost four-fold increase in overall property prices. However, market renewal investment is required to take advantage of the opportunities provided by the redevelopment of the former Maine Road Stadium to diversify the area's very limited housing offer.

The key elements of intervention are: the redevelopment of the former Maine Road Football Stadium site to provide 474 new homes for sale, complemented by provision of educational and other community facilities and open space; the remodelling of the terraced stock within the Moss Side Zone 6 area, and the removal of the Stagecoach Bus Depot, which is currently adversely affecting the environment and image of the area, leading to the redevelopment of the site to provide further new quality housing and help create a more attractive frontage on Princess Road (one of Manchester's major gateways); completion of a programme of home improvements and streetscaping activities to tie the wider area into these redevelopments; and the redevelopment of further sites in partnership with RSLs and developers, for example Fallowfield Triangle and potential sites on Princess Road, Moss Lane East and Greenheys Playing Fields (subject to the outcome of the neighbourhood planning process).

Other investment to improve conditions in the area include: further development of the Princess Road Corridor as a prime office location; and the construction of a new primary school on the Maine Road development site.

Moss Side Investment Programme: Summary			
Funding Source	2008 - 11	Outputs	
HMR	12,784,021	Acquisitions	143
RHP	5,000,000	Demolition	209
Other Public	1,275,000	New Build	0
EP	2,750,000	Homes Refurbished	375
Private	0	Ha of Land Acquired	4.74
Total	21,809,021	*340 new build units to be provided in future years	

Investments to Stabilise Adjacent Neighbourhoods

MSP is also investing to a more limited extent in areas where market collapse is not as extensive as in the Major Intervention Areas, but where conditions are poor and early intervention is needed to avert further and permanent deterioration. In many cases, these areas are adjacent to MIAs and also to areas where the housing market is more buoyant, meaning that investment is crucial to maximising the full impact of MIA activity and minimising the negative impact on surrounding housing markets.

Building on the 2003-08 period, interventions during 2008-11 will take place in Duchy and Weaste in Central Salford, Cheetham and Crumpsall in North Manchester, Abbey Hey and Newton Heath in East Manchester and Longsight in South Manchester. Action within these areas falls into three main categories: investment to stabilise areas in advance of more detailed neighbourhood planning; modest intervention to lift market position; and consolidating previous investment to ensure long-term sustainability.

Specific activities include small-scale acquisition and removal of the most obsolete properties to create sites for redevelopment, for example in Duchy and Weaste; in North Manchester extension of the programme to provide new options for Low Cost Home Ownership; and complementary facelifting, environmental and alleygating works, including on main arterial routes and in conservation areas in Crumpsall and Newton Heath.

As in the Major Intervention Areas, HMR investment will be made alongside a range of other investments to regenerate the areas, for example, redevelopment of Gorton and Cheetham District Centres; improvements to schools through Building Schools for the Future programmes (for example, in Longsight and Crumpsall); improvements to social housing stock through the ALMO, PFI and RSL programmes; other private housing developments (e.g. the Gorton Monastery and Weaste bus depot sites); and security and public realm improvements.

MSP Areas of Stabilisation: Summary			
Funding Source	2008 - 11	Outputs	
HMR	9,116,570	Acquisitions	28
RHP	50,000	Demolition	4
Other Public	0	New Build	0
EP	0	Homes Refurbished	339
Private	0	Ha of Land Acquired	2.43
Total	9,166,570		

7 Long Term Commitments - Land Acquisitions & CPOs

Delivering market restructuring in some neighbourhoods means tackling the over supply of obsolete and unpopular housing to release land for new housing development.

MSP's approach taken to acquisition and clearance has been to identify neighbourhoods of severe market failure and assess options for intervention. Where no alternative to clearance appears practicable, both Local Authorities work extremely hard to secure general community consensus for this approach. In many areas, housing market failure has been evident for a number of years, with the result that communities are generally supportive of plans for regeneration. In addition, residents affected are provided with intensive support, including comprehensive relocation packages to move to other properties within the area where they wish to do so.

All CPO schemes will inevitably receive some level of opposition, and where this happens the two Local Authorities try to work with individuals affected to find a way forward that suits all parties. While there have been some objections that have received publicity, the approach taken has meant that, to date, general consensus has been achieved and activity has moved forward.

Plans are regularly reviewed, taking into account community views and the latest market evidence, to ensure that clearance is only taken forward where appropriate. Recent reviews have led to a reduction in the amount of clearance being proposed in a number of neighbourhoods and the forward programme for 2008 – 11 reflects this.

Once decisions are made by the two City Councils to make CPO Orders, these schemes are, in our terms, committed. Statutory processes may take some time to result in these Orders being confirmed by the Secretary of State, but budgets must be identified to ensure that costs can be met subject to consents being obtained.

Our experience shows that CPOs take a number of years to be concluded and the forward investment programme for 2008 – 11 contains final expenditure for a number of confirmed schemes where negotiations with individual owners have still to be concluded. Wherever possible, the two Local Authorities seek to acquire property on the basis of a voluntary sale by the owner.

On this basis, we have consistently sought a long - term financial envelope to enable the CPO Programme to be effectively resourced and managed.

The Tables below set out the current state of play in relation to current CPO projects.

Table 7.1 East Manchester: CPO Progress			
Scheme	Date Confirmed	Properties	Progress
Louisa Street	23/02/04	31	Properties demolished. Planning application for new housing anticipated December 2007.
Poulton Street	27/05/04	102	Properties demolished and land to be released for re-use.
Bell Crescent	02/11/05 & 14/03/06	16 homes, 13 commercial units and 1 place of worship	CPO to facilitate the development of 1,100 new build properties. Site clearance complete. 140 properties complete, with 227 under construction.
Viola Street	Not yet confirmed (NYC)	20	Executive agreement to voluntarily acquire properties. CPO Report to be submitted to Executive in December 2007 to finalise scheme.
Walsden Street	NYC	53	Properties currently being acquired by Executive agreement. CPO Report to be submitted to Executive in December 2007 to finalise scheme.
Alpine Street	NYC	47	Properties currently being acquired by Executive agreement. CPO Report to be submitted to Executive in December 2007 to finalise scheme.
Stuart Street	07/08/07	68	CPO recently confirmed. Demolition Nov 07 Redevelopment of 83 new build properties planned.
Ben Street	NYC	129	CPO Report to Executive expected April 2008.
Eccleshall Street	NYC	234	Redevelopment of over 400 new build properties planned. CPO declared by MCC in Feb 2006. Public Inquiry scheduled for 30 th October 2007.
Toxteth Street	NYC	562	Redevelopment of 432 new build properties planned. Consultation on plans with local residents undertaken. CPO declared by MCC in Feb 2006. Order to be submitted Jan 2008.

Table 7.2 North Manchester: CPO Progress			
Scheme	Date Confirmed	Properties	Progress
Bignor Street	12/11/03	5	Clearance of 5 shops with flats above and land released for family housing.
Cardinal Street	18/05/05	5	Clearance complete. Site released to an RSL for development of new family housing. Construction works underway.
Hanson Road	23/01/03	227	Clearance approaching completion. Site released for redevelopment of family housing.
Bute Street	21/01/04	264	Clearance approaching completion. Site released for redevelopment of family housing.
Winnie & Wilfred Streets	07/04/2004	92	Clearance complete. Site released for redevelopment of family housing.
Kingsley Avenue	04/04/07	229	Order Confirmed, acquisitions underway. Demolition to commence winter 2007/08.

Table 7.3 South Manchester: CPO Progress

Scheme	Date Confirmed	No of Properties	Progress
Bowes Street (Zone 6)	NYC	223	Voluntary acquisitions underway. CPO Order to be submitted in Spring 2008.

Table 7.4 Central Salford: CPO Progress

Scheme	Date Confirmed	Properties	Progress
Top/Bottom Streets (Higher Broughton)	04/04/04 & 14/05/07	441	Both Orders confirmed. Order Land No. 1 site assembled and houses demolished. Order Land No. 2, first demolitions on site and GVD served. Phase 1 of Broughton Green developments complete, consisting of 177 new family houses and apartments, and 19 affordable units. Full development comprises 700 new homes.
Claremont (Duchy)	01/05/06	116	General Vesting Declaration (GVD) in place. 90 properties acquired to date. Demolition underway. Development brief drafted for site disposal.
Enterprise Park (Nelson/Bridson)	31/07/06 and 10/07/06	60	GVD in place. 53 acquired to date, demolition to be completed by January 2008.
Urban Splash	01/06/05	385	Delivery of the Chimney Pot Park scheme is progressing well, following completion of CPO processes. 112 of the 349 units have been constructed. The scheme is due to be built out in full by March 2010.
Lower Broughton			CPOs already confirmed on Earl/Kempster/Moss Streets. Areas now cleared. Gt Clowes Street CPO Inquiry held Sept 2007. Residential Moving Phase 1 subject to voluntary acquisitions.
North Irwell		200	Development Framework in place giving approval to demolish defined areas. Acquisition by agreement started. Developer partners procured and legal agreement in place.
Seedley general	27/05/05 (Nansen St) and 10/03/06 for Langworthy South East)	720	A number of linked CPO proposals, some relating to the generation of sites for new housing but also being promoted for the development of new education facilities. 703 acquisitions made; 545 demolished. Some further CPOs will be required to clean up title.
Seedley South	N/A	61	Neighbourhood strategy agreed by Salford City Council in September 2007. The intention is to acquire initially by agreement, with consideration of the need for and timetable for CPO actions being undertaken over the next six months.

8 The Pathfinder in a Wider Context

Approaches to Community Engagement

One of the key strengths of MSP is the extent to which communities and local people have been, and will continue to be, actively engaged in the market renewal programme.

The Pathfinder's framework for community engagement builds on the well established, and in many cases, innovative community engagement structures implemented by both City Councils, including Community Plans/Strategies, Community Networks, neighbourhood management initiatives and good practice projects.

Local people are engaged at all levels and stages of the city's regeneration programmes, including:

- At the **strategic** level – extensive consultation has taken place through the development of the four Strategic Regeneration Frameworks (SRFs), with local residents directly influencing their proposals and priorities. For example, New East Manchester is currently consulting on its revised SRF for 2008-18. Consultation methods include drop in sessions, questionnaire, discussion forums, blog and BSL video.
- At the **neighbourhood** level, there has been extensive engagement with local communities that has demonstrated local people's ability to shape activity and proposals for the future, through Partnership Boards, community involvement programmes, neighbourhood planning/ masterplanning and more formal consultation mechanisms for CPO/clearance schemes. For example, through the development of the Lower Broughton Design Code, residents and stakeholders have set out the exemplar design and planning standards they want to see included in new developments.
- At the **scheme/project** level, delivery teams have demonstrated a commitment to ensuring local people are supported through large scale redevelopment and have listened to people's concerns and ideas on how to help them through the regeneration process. Individual support and assistance has been provided to enable displaced residents to determine the best course of action and secure an appropriate alternative home, with the minimum delay and uncertainty. Both authorities provide relocation assistance through a comprehensive equity loan package. For example, a 20-strong panel of local residents has helped shape local plans to redevelop the Kersal High Schools site in North Irwell. Residents have been influential in ensuring that 28 homes will be available to local people on a shared ownership basis.

Working with Partners

MSP works with a wide range of partners at all levels in delivering its programme.

At the **regional and sub-regional levels**:

All the key regional strategies for the North West (Regional Housing, Economic and Spatial Strategies) have either been reviewed or are undergoing review.

The Examination in Public (EiP) on draft RSS took place in early 2007 followed by publication of the Panel. MSP worked in partnership with AGMA (Association of Greater Manchester Authorities) to prepare for the RSS EiP and has taken an active role in commenting on all the regional strategies throughout their development.

MSP is also closely involved both in the development of a number of sub-regional strategies, and in seeking to ensure that these are consistent and mutually reinforcing. These include:

- **Making Housing Count in the Manchester City Region** – an extension of the evidence base developed for MSP by the Research, Foresight and Intelligence (RFI) consortium. Key elements of the work include the Greater Manchester Forecasting Model, and from this a Market Report, strategic framework for future housing policy and investment in the City Region to support the drive for accelerated growth and reduction in social and economic disparities.
- The **Manchester City Region Development Programme** (See Sections 1 & 2 for more details).
- The **Manchester City Region Spatial Strategy** was developed initially to feed into the RSS consultation process. It sets out the critical elements of the spatial policy framework for the city region, which its stakeholders believe should be reflected in RSS in order to achieve its optimum economic performance and a substantial reduction in disparities. It identifies the inner areas around the regional centre (i.e. the MSP area) as “the first priority (in the city region) for residential development in order to secure a significant increase in the population of these areas, to support major regeneration activity, the improvement of community facilities and the creation of sustainable communities.” The Strategy will be updated following the consultation of the RSS process.
- **New Growth Point** proposal for Greater Manchester.

At the **Pathfinder/local level**:

The Partnership Body, providing the Board function on behalf of MSP is independently chaired by the Vice-Chancellor of Salford University and is made up of representatives from the private sector, key public sector agencies and elected members of the two City Councils. (See section 7 for a full list of Partnership Body members).

The Pathfinder’s programme is delivered within the operational framework of the Local Strategic Partnerships, URC’s and Regeneration Partnerships within the two Cities.

MSP engages at both a strategic level and at a local delivery level with the full range of stakeholders, including funding partners (such as EP, NWDA and the Housing Corporation), advisory bodies (such as CABE, English Heritage and the Environment Agency), developers, RSLs, local businesses and residents.

MSP has introduced an innovative Development Sounding Board to its Partnership Body meeting schedule whose principal aim is to critique housing development plans as they are drawn up. This allows members to directly advise local delivery teams on fledgling housing schemes – both HMR and wider housing regeneration – in advance of consulting on the masterplanning options.

Respect

MSP is committed to encouraging respect in its neighbourhoods. We have produced a Respect Delivery Plan to demonstrate how we are contributing to this agenda both directly through our own actions and indirectly through working with other partners.

Many areas of the Respect agenda, such as neighbourhood management and enforcement action to tackle anti-social behaviour and supporting vulnerable families, lie within the remit of MSP’s partners in the Crime and Disorder Reduction Partnerships, local authorities and

RSLs. MSP works jointly with these partners at both a strategic and local level to ensure the effectiveness of activities within our neighbourhoods.

MSP also plays a direct role in tackling anti-social behaviour through:

- Addressing community safety issues by ensuring that new housing developments comply with “secure by design” principles.
- Extensive consultation with local communities (as outlined above).
- Facilitating increased community pride and confidence through the creation of communal and defensible space via alley gating and associated environmental improvements.
- Extending the activities of Manchester’s Anti Social Behaviour Action Team and Mediation Service (dealing with neighbour disputes) into private sector housing. The Mediation Service gained the prestigious Charter Mark award in December 2006.
- Improving management of the private rented sector through accreditation and licensing.

The impact of activity in the two cities to support the Respect agenda can already be demonstrated. For example:

- Evaluations of alley-gating schemes in Charlestown and Broughton in Salford in 2007 found a reduction in burglary dwelling by 50% in the 12-month period following the installation of the alley gates.
- Recent publicity for the Respect Action Weeks in Manchester shows a decrease of up to 60% in key offences in the pilot areas, including Ancoats, Clayton , Bradford and Gorton North in the Pathfinder area.
- Results from the Local Government User Satisfaction Survey (LGUSS) administered by the Audit Commission indicate a decrease in the percentage of respondents with a high degree of perceived anti-social behaviour between 2003/04 and 2006/07 of 17% in Manchester and 10% in Salford.

Neighbourhood Management

A neighbourhood management approach is fundamental to securing long-term radical change and building confidence with neighbourhoods. Initiatives that help to create a safe and secure environment, improve the quality and attractiveness of areas and promote cross-departmental/cross-agency service delivery are fundamental elements of market renewal success. The neighbourhood approach also enables local people to actively manage and direct both resources and activity within their neighbourhood.

MSP has a specific intervention - Sustaining Neighbourhoods - to encourage and support effective neighbourhood management through capital activity such as environmental improvements, alley-gating and streetscaping. There is also an important strand of revenue neighbourhood management activity: the tackling of anti-social behaviour and neighbour nuisance, which is critical to the MSP investment strategy.

Design and Heritage

MSP has assessed the value of heritage throughout its development of local plans for neighbourhoods affected. In some areas local neighbourhood planning has involved undertaking detailed heritage characterisation studies in conjunction with English Heritage.

It is of critical importance to the eventual success of the Pathfinder that replacement housing and new physical infrastructure are of the highest quality. MSP seeks to establish high standards of design and specification through the planning process and through far sighted development agreements.

Both Manchester and Salford have taken a proactive approach to ensuring good design throughout all developments. Manchester City Council adopted a revised version of its pioneering Guide to Development as a Supplementary Planning Document in 2007; this Guide has a greater environmental sustainability emphasis.

Salford City Council has recently published a draft of "Shaping Salford", a Supplementary Planning Document on Design. The guide has been developed through a high-profile consultation process with local residents, businesses and stakeholders (including CABA).

CABA are also working with the Pathfinder, through its Technical Sub-Committee, to review and challenge schemes to identify areas of good practice, and equally highlight factors which could contribute to poor quality design.

MSP maintains good links with English Heritage through both authorities. Salford City Council and English Heritage have jointly funding a strategic Conservation Officer post whose work includes housing market renewal issues.

MSP has already been considering heritage issues through neighbourhood planning processes by involving representatives from organisations such as CABA who will make recommendations on such matters. In addition, all neighbourhood planning work has extensive resident and stakeholder engagement, which will identify any buildings or assets that are of significance to the local community for historical, architectural or nostalgic reasons.

9 Governance, Performance Management and Monitoring

Governance

The Manchester Salford Pathfinder operates as an informal unincorporated partnership between the two City Councils of Manchester and Salford.

MSP Partnership Body

The Partnership Body operates as the governing body function of MSP, providing: strategic direction to the Pathfinder in its task of restructuring housing markets at the core of the Manchester Salford conurbation; independent scrutiny of programmes of work and specific schemes prior to their approval; a challenge process in terms of the relevant strategies, plans and policies of the two Local Authorities that relate to implementing market restructuring; a key role in influencing key regional and sub-regional bodies whose activities impact upon the programme; and an accountability function scrutinising the performance of delivery agents in terms of the use that they make of HMR resources allocated.

Voting Members:

- Professor Michael Harloe, **Chair** (Vice-Chancellor of the University of Salford)
- Bryce Glover, **Vice Chair** (Alliance and Leicester plc)
- John Early (formerly Executive Director of AMEC, now retired)
- Alan Cherry, CBE (Countryside Properties)
- George Mills (MBLA Architects)
- Derek Nesbitt (DTZ)
- Councillor Eddy Newman, Executive Member for Neighbourhood Services, Manchester City Council
- Councillor Peter Connor, Lead Member for Housing, Salford City Council
- Dave Harrison, North West Development Agency
- Paul Spooner, English Partnerships
- Diane Walton, The Housing Corporation

Non-Voting Members - Government Representatives

- Gail Porter, Government Office North West

Partnership Body Sub Committees

The Partnership Body has established three sub-committees to assist in the co-ordination and scrutiny of activities:

- Strategy Sub-Committee
- Programme Co-ordination and Scrutiny Sub-Committee
- Technical Sub-Committee

The Strategy Sub Committee is chaired by the Pathfinder Chair and its area of responsibility is to periodically review the development of forward strategies, review progress made in undertaking research, foresight and intelligence work and consider proposals for future research work streams.

The Programme Co-ordination and Scrutiny Sub Committee is chaired by the Pathfinder's Vice Chair. Its area of responsibility is to oversee the appraisal and approval of business plans seeking HMR funding, monitor the performance of the Pathfinder's investment programme and hold delivery agencies to account – this will be done on a cyclical “scrutiny” basis.

The Technical Sub Committee is chaired by John Early. Its area of responsibility is to review the development of policies and procedures that deliver the activities of the Pathfinder on the ground, e.g. provision of affordable housing, development of new financial products, effective procurement, efficiency savings, working with developers, establishing common policies in relation to the private rented sector etc. This Sub Committee will also facilitate the direct engagement of Partnership Members in appropriate capacities within these work areas, e.g. in relation to the development of financial products, providing advice in relation to working with developers etc.

Technical Advisor

MSP established a Technical Advisor function in advance of the original Prospectus to ensure that the Partnership has access to robust and independent scrutiny, advice and expertise. EKOS Consulting are contracted to carry out this role until March 2008. Specifically the Technical Advisor plays a key role in relation to independent project appraisal and recommendations to the Partnership Body in advance of decisions being made on funding issues; assist with the development of performance monitoring and evaluation frameworks; undertake independent reviews of projects, policies, procedures and systems; and offer technical advice and support as any obstacles to implementation are identified. A further procurement process will be undertaken during the winter of 2007/08 to appoint a Technical Advisor for future financial years.

Integrated Secretariat

The Manchester Salford Pathfinder has established an Integrated Secretariat, led by a Pathfinder Director, who: oversee and co-ordinate the strategic direction of the Pathfinder's activities; co-ordinate and performance manage the Pathfinder's investment programme, manage relationships with key stakeholders including regional agencies and government departments; co-ordinate systems development including GIS together with impact assessment/monitoring across the Pathfinder; and procure and deliver independent research and market intelligence activity.

Delivery Arrangements

Responsibility for delivery rests with the area based structures that have been established to take forward the Strategic Regeneration Frameworks in particular localities – for example the two URCs - New East Manchester and Central Salford – the newly established Regeneration ALMO for Central Salford, Salix Homes, the New Deal for Communities Partnership in Charlestown and Kersal and area based regeneration and housing teams in North and South Manchester.

Performance Management

The Pathfinder has a comprehensive programme and performance management framework in place, which is overseen by the Partnership Body. The framework is designed to monitor and review all key aspects of the programme, including:

- Project Appraisal including Value for Money
- Risk Management
- Asset Management
- Impact and Evaluation Assessment
- Market Intelligence
- Neighbourhood Change (using the Pathfinder's Tracking Neighbourhood Change GIS system that monitors the neighbourhoods against a suite of performance indicators that show relative health and informs reviews and evaluations of the impact of regeneration investment).

Regular progress reports

Once an investment plan has been approved, detailed performance monitoring information is provided on a quarterly basis and key performance information is reported to the Partnership Body on a six monthly basis. The Programme Co-ordination and Scrutiny Sub Committee scrutinize the performance of each Area Development Framework in detail on a regular cycle.

Asset Management Strategy

A robust assessment management strategy ensures that financial resources invested in land, property and other assets are used in the most effective way. We maintain an accurate record of all assets accrued, with allocated responsibilities for regular review and reporting. We also operate clear policies on disposals and treatment of capital receipts.

Risk Management

A robust Risk Management System has been established that monitors risk at all levels – project, programme and strategic. There are clear responsibilities for the reporting and management of risk. The Risk Management System is monitored on a regular basis by senior officers and reviewed as necessary by the Programme Scrutiny Sub Committee.

Project level risk is based on risk identified at the outset of a project activity, and these are scrutinised by the Technical Advisor. The Technical Advisor also scrutinises risk at the programme and strategic level, prepared by the Core Team.

The Risk Management system is used along with a conditions log, which sets out additional requirements with regard to initiatives and investments. In some cases there is an overlap between actions needing to be undertaken as a condition of support, the efforts to minimise and manage risk.

Over the past two years risks managed at the project level have focused on delays to the establishment of framework contracts and the CPO process; risk at the Programme level have focussed on changes in house prices and in market demand, and research has been commissioned to improve intelligence on these matters; and at the strategic level with regard to long term funding uncertainty, and MSP has worked with other Pathfinders to present a more robust case for long term funding, including providing Government with more detail on the extent of financial commitments that extend into years beyond what is covered by the Comprehensive Spending Review.

Appendix 1: Progress 2003 – 2008

Financial Information 2003 - 2008

The table below sets out the details of the Pathfinder's HMR Investment Plan over the period 2003 – 2008. The majority of investment has been targeted on land assembly (Strategic Investment), with further significant investment in delivering improvements to existing housing stock and providing environmental and public realm improvements (Sustaining Neighbourhoods).

Table A1a: HMR Investment 2003 – 2008

Intervention	2003/04 - 2005/2006	2006/2007	2007/08 Projected	Total (All Years)
Strategic Investment	39.369	28.300	32.398	103.9
Developer Support	3.723	2.700	3.970	31.4
Private Rented Sector	1.481	1.195	1.603	4.3
RSLs*	3.698			3.1
Improvements to Retained Stock	27.307	7.705	6.431	41.4
Sustaining Neighbourhoods	25.612	2.213	3.601	31.4
Delivery	12.621	5.022	4.705	22.3
Integrated Secretariat	2.030	1.148	1.101	4.3
Total	115.240	52.048	53.810	221.1

* Note: RSL budget line was rationalized at the end of 2003 – 06 period as investment was better described in other interventions even if delivered via an RSL

HMR makes up just one part of the overall funding for MSP's programme. A range of other resources directly supports HMR activity, including contributions from the Regional Housing Pot, Single Programme, Single Regeneration Budget, New Deal for Communities and European Regional Development Fund. The level of match funding achieved since the start of the programme to the end of 2006/07 is given in the table below.

Table A1b: Finance Directly Levered into HMR Projects 2003/04 – 2006/07

Source	2003/04*	2004/05	2005/06	2006/07	Total
Public Sector	24.7	21.3	25.1	17.6	88.8
Private Sector		7.7	3.1	6.7	17.5
Total	24.7	29.0	27.6	24.3	106.3

* Note: Funding for 2003/04 was not split between direct and complementary as definitions did not become available until 2004/05

The Pathfinder is acutely aware that HMR investment is only one element of a multi-faceted approach to neighbourhood renewal. To that end it is working hard with partners to ensure that planned activity and investment is integrated with that taking place to deliver improvements in the social rented sector housing stock, in public service infrastructure such as health, transport and education, and with public and private sector local services. The table below shows this level of funding which has gone into this activity complementary to, and complemented by, MSP's programme.

Table A1c Complementary Funding 2003/04 – 2006/07

Source	2003/04*	2004/05**	2005/06	2006/07	Total
Public Sector		187.3	144.3	119.6	451.3
Private Sector		73.6	127.3	222.3	423.4
Total		261.0	271.7	341.9	874.7

* Note: Funding for 2003/04 was not split between direct and complementary, as definitions did not become available until 2004/05.

The complementary funding has been invested by key stakeholders within the strategic framework set out for the two Cities. These incorporate both City level plans, Local Area Agreements, and sub City Strategic Regeneration Frameworks. Housing Market renewal is closely linked to holistic approaches to neighbourhood regeneration, and is working

alongside new investment such as Building Schools for the Future and investment in local health centres.

Pathfinder funds have successfully be invested with other investment, with total investment from all sources, including the private sector, in excess of one billion pounds. This has laid the foundations for further investment to take advantage of significantly improved social and economic infrastructure. There is a need to ensure that as new social and community facilities are put in place, action is taken to improve the housing stock, both social housing and other tenures.

Key Indicators

By the end of March 2008, MSP will have helped to improve over 11,194 homes, and a further 10,554 properties will have been constructed in the Pathfinder area. While this is a considerable achievement, success has been more limited with regard to family housing, and affordability is now a major challenge. The Pathfinder has also supported the acquisition and demotion of some 4,353 homes, the vast majority of which were un-fit or un-popular. This level of intervention has been essential in creating the conditions for increased demand and new housing development. MSP has succeeded in meeting all of its key targets.

Table A1d: Progress in Delivering Key Indicators

Indicator	2003/06		2006/07		2007/08 Expected	Overall Total to March 2008
	Actual	Target*	Actual	Target		
New homes constructed	4,312	3,333	3,267	1,901	2,975	10,554
Refurbished, repaired or improved	8,023	7,734	2,305	1,040	866	11,194
Properties Demolished (All) **	2,652	2,992	935	465	766	4,353
Properties Demolished (HMR) **	1,241	2,992	755	435	645	2,641
Properties Acquired	1,855	2,178	601	447	417	2,873
Ha's land acquired	14	13	1.6	3.6	0.392	15.992
* Note: Targets revised during 2005/06 following changes to output definitions						
** Note: For the 2006/7 period demolitions relate to homes only due to change in DCLG definition.						

The table overleaf highlights a secondary set of indicators, and again MSP has exceeded targets.

Table A1e: Progress in Delivering Supplementary Indicators

Indicator	2003/06		2006/07 Actual**	2007/08 Expected	Total To March 08
	Actual	Target*			
Homes subject to additional management measures	44,074	40,064	68	1,078	45,220
Homes benefiting from non-housing land and built environmental works	38,055	21,687	11,426	11,292	60,773
Ha's land made available for final use	23	17	8.58	19.97	51.55
Privately rented properties subject to intervention	5,850	3,499	2,443	2,549	10,842

*Targets revised during 2005/06 following changes to output definitions

** Targets not set for 2006/08 period

Outcomes

The Pathfinder is seeking to produce a larger and better functioning housing market at the core of the conurbation with levels of vacancies and house price sales that reflect normal market conditions. Progress against key outcome indicators is set out below.

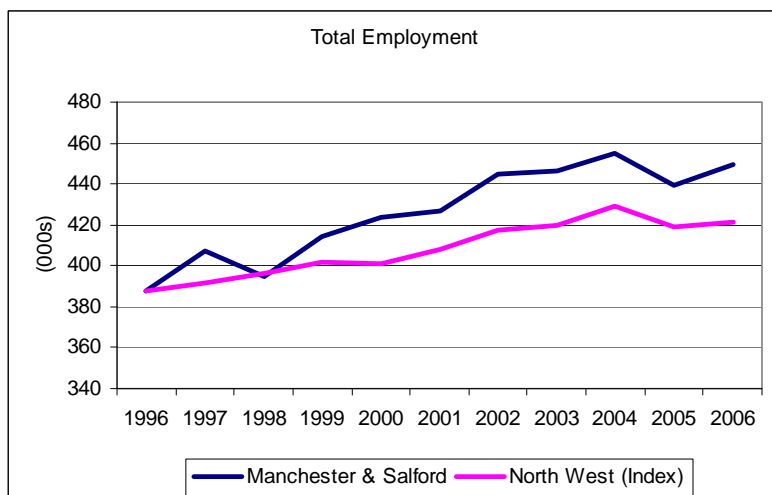
Table A1f: Progress against Key Outcome Indicators

Outcome Indicators	Position at March 2007
Properties vacant for more than 6 months (Cannot split RSL and private sector)	Private = 3.30% Council = 1.4%
House Price Sales compared with 5th, 15th and 25th percentiles	5th percentile 11.8% 15th percentile 30.1% 25th percentile 47.8%
Net change in the housing dwelling stock in the Pathfinder area 2003 - 07	4,020

Appendix 2 Economic and Housing Market Conditions

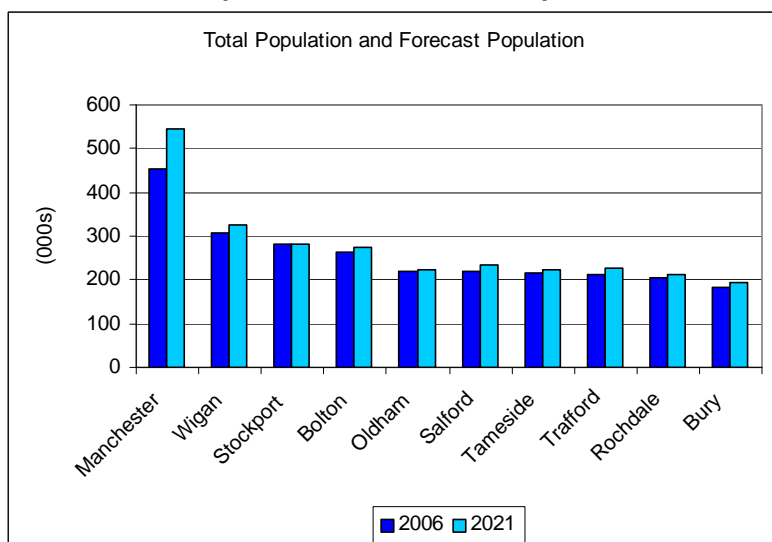
1. Economic Growth

Chart 1 Total Employment



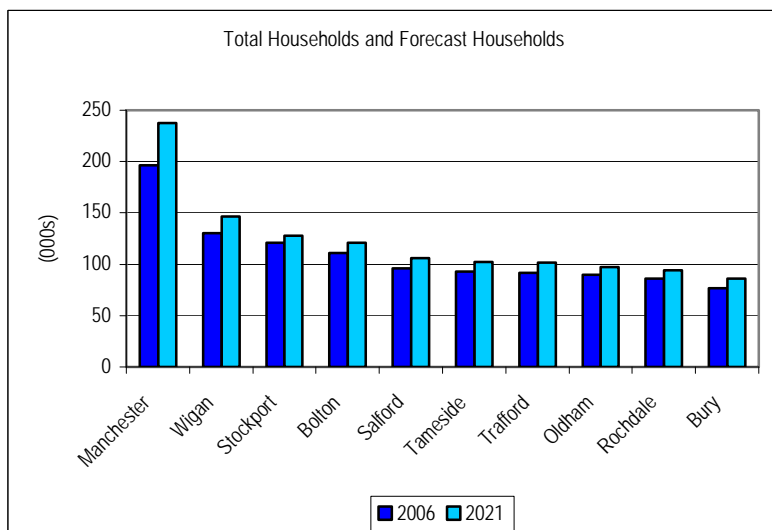
Source: Greater Manchester Forecasting Model/ Oxford Economics

Chart 2 Total Population and Forecast Population



Source : Greater Manchester Forecasting Model/ Oxford Economics

Chart 3 Total Household and Forecast Households



Source : Greater Manchester Forecasting Model/ Oxford Economics

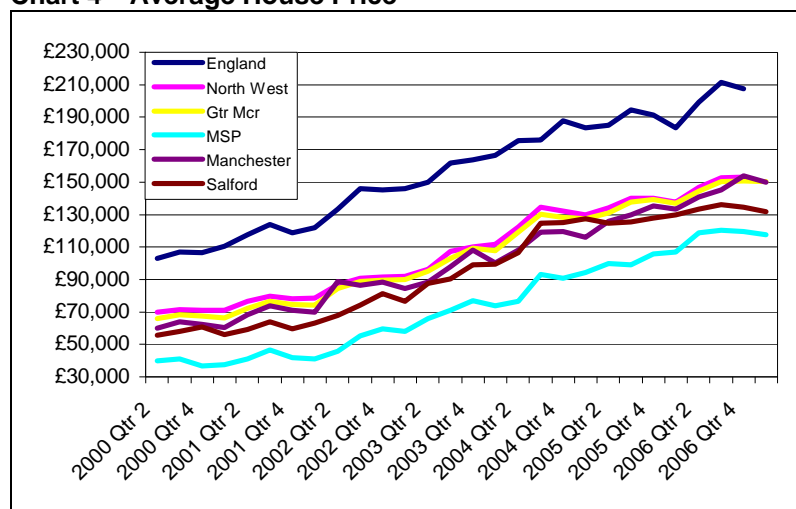
2. Market Values

Table 1 Average property prices, quarter one 2002 to quarter one 2007

Average property prices	England	Gtr Manchester	Manchester	Salford	Pathfinder	Central Salford	East Manchester	North Manchester	South Manchester
2002 Q1	£121,881	£74,212	£69,783	£63,270	£40,967	£49,046	£25,585	£30,789	£49,958
2003 Q1	£145,897	£90,070	£84,630	£76,528	£58,075	£68,024	£35,507	£44,491	£75,071
2004 Q1	£166,404	£107,518	£100,306	£99,487	£73,803	£80,392	£55,512	£47,734	£104,304
2005 Q1	£183,486	£127,476	£115,983	£127,481	£94,251	£130,013	£69,616	£59,068	£112,109
2006 Q1	£183,486	£137,093	£133,271	£129,993	£106,861	£124,445	£83,966	£86,764	£119,549
2007 Q1	N/a	£150,435	£149,738	£131,811	£117,520	£117,418	£101,690	£100,162	£142,934
% Increase 2002-2007		102.7%	114.6%	108.3%	186.9%	139.4%	297.5%	225.3%	186.1%

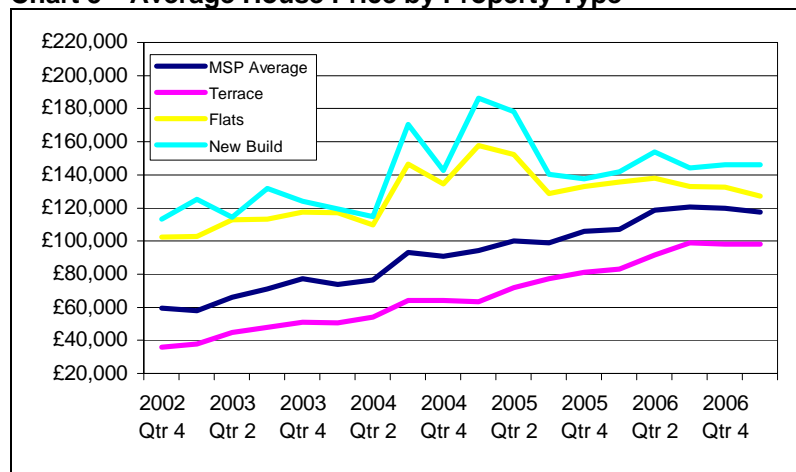
Source: Land Registry

Chart 4 Average House Price



Source: Land Registry

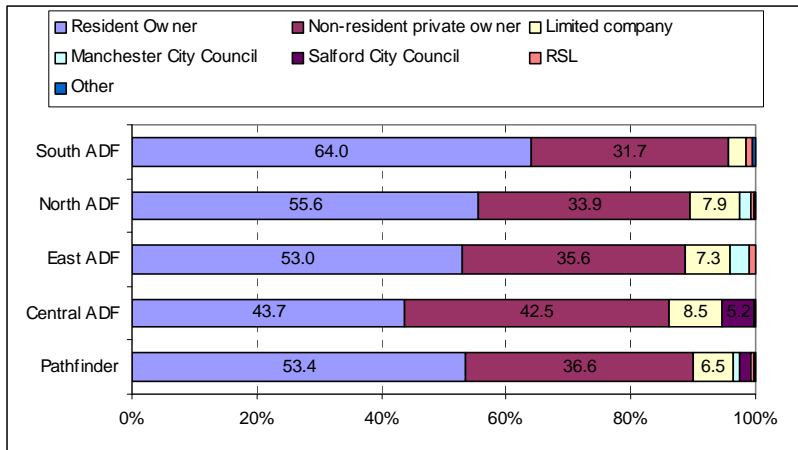
Chart 5 Average House Price by Property Type



Source : Land Registry

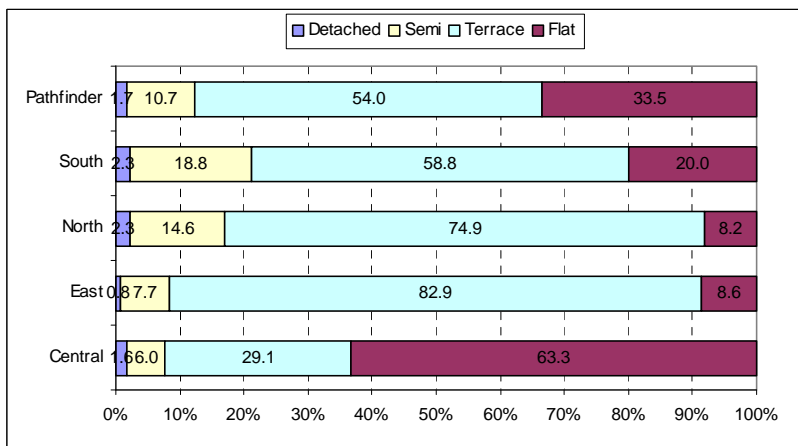
3. Purchasers

Chart 6 Types of Purchasers



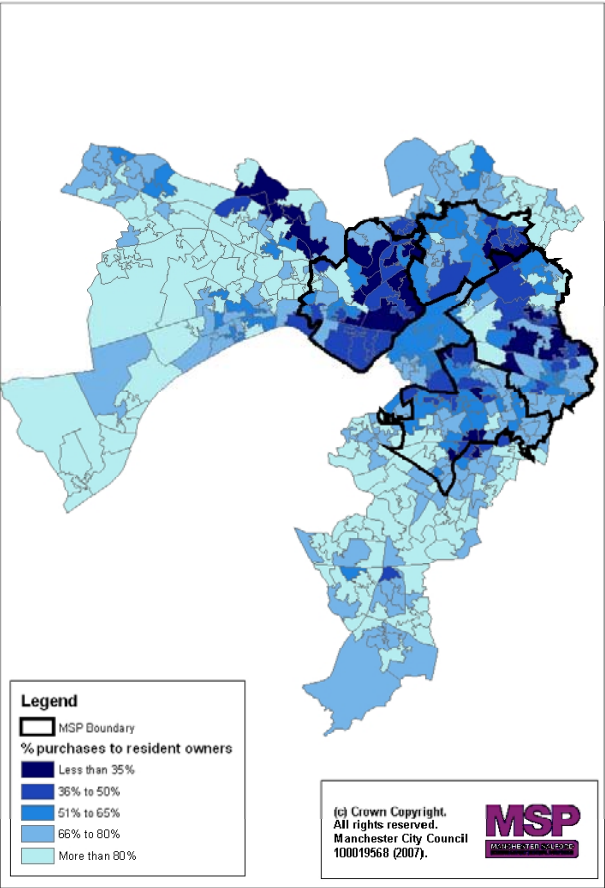
Source : MSP/ Land Registry

Chart 7 Types of properties purchased by non resident owners



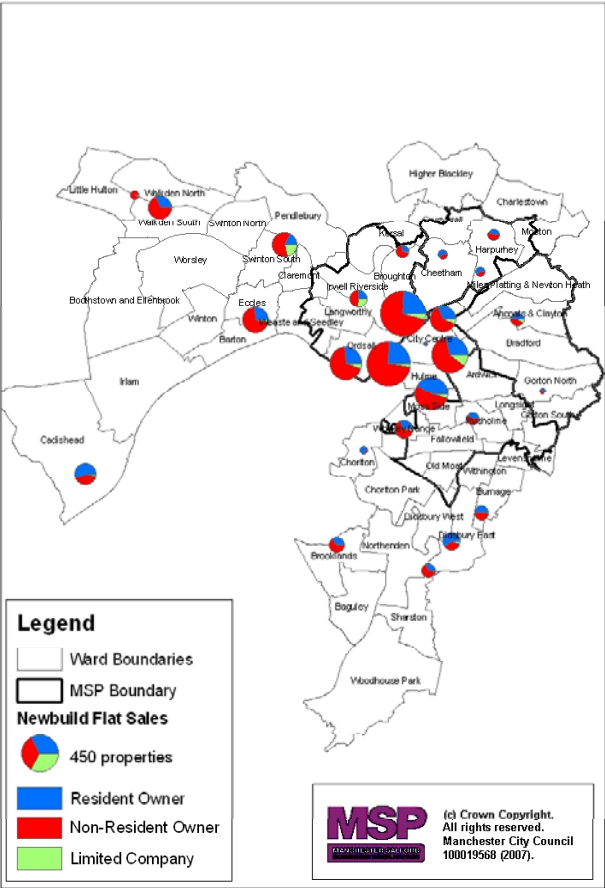
Source : MSP/ Land Registry

Map 1 Location of Owner



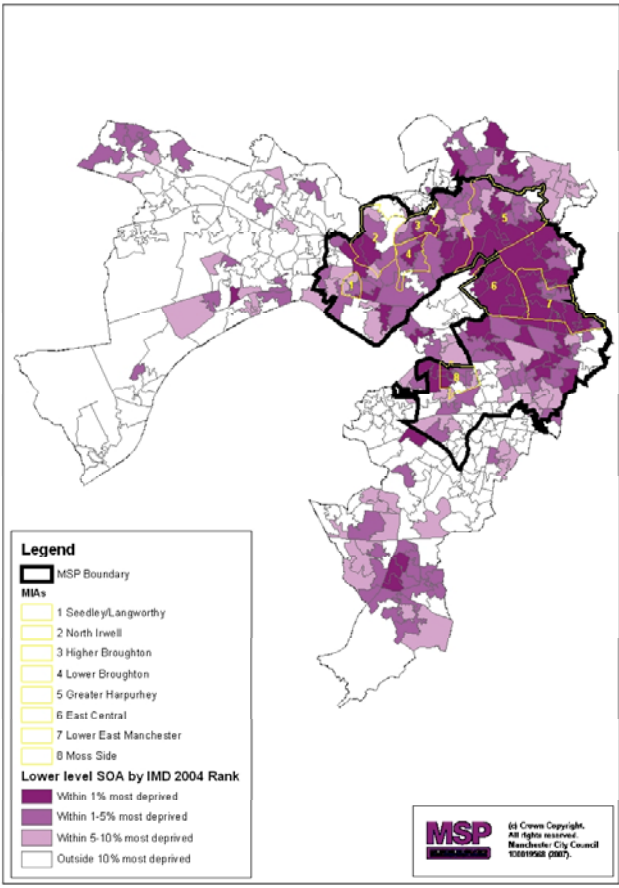
Source: MSP/ Land Registry

Map 2 Ownership of New Build Flats



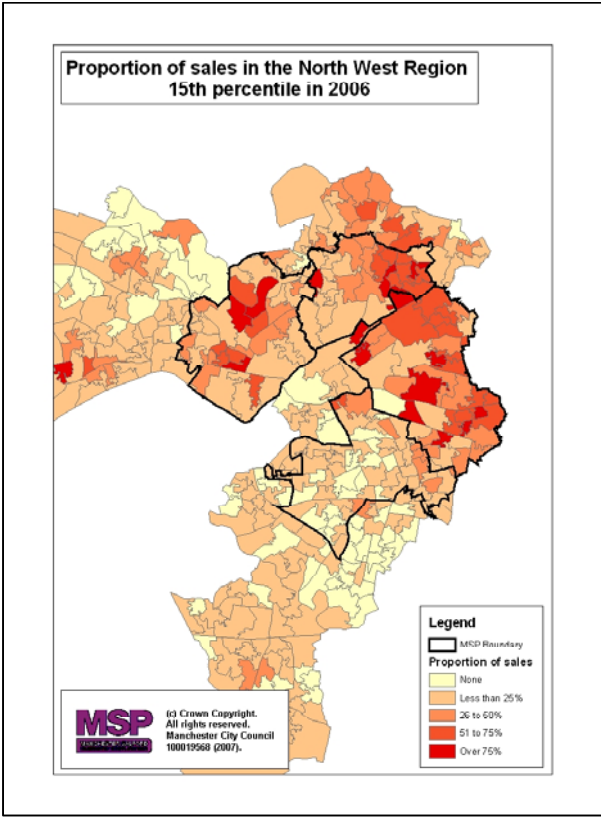
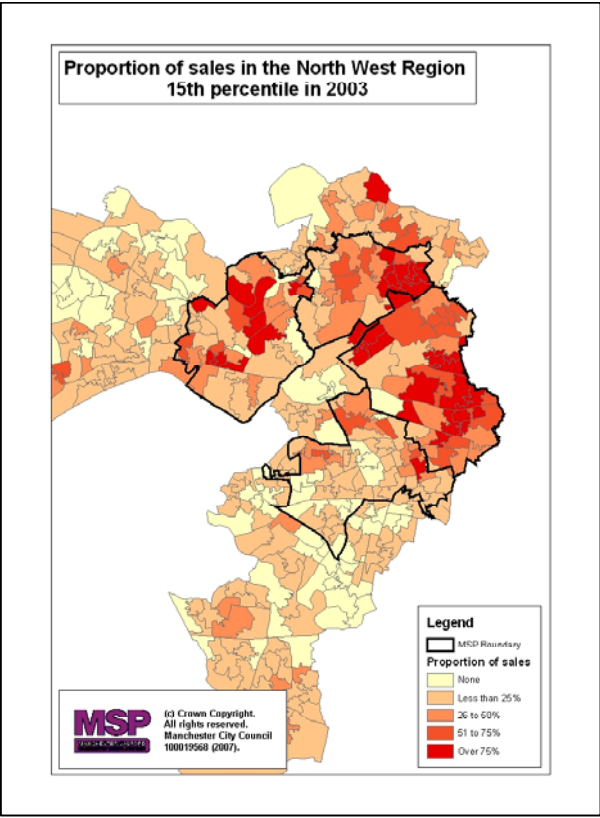
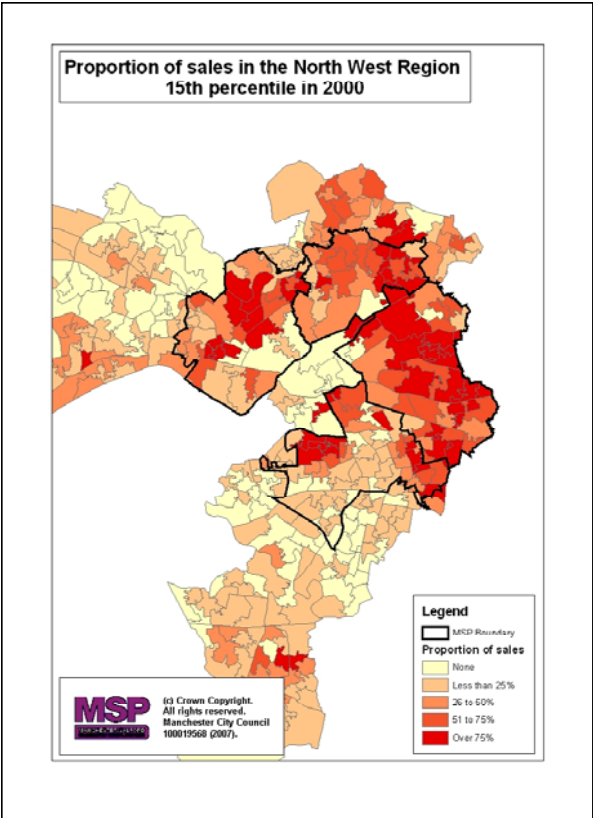
Source: MSP/ Land Registry

Map 3 Index of Multiple Deprivation and MSP Major Intervention Areas



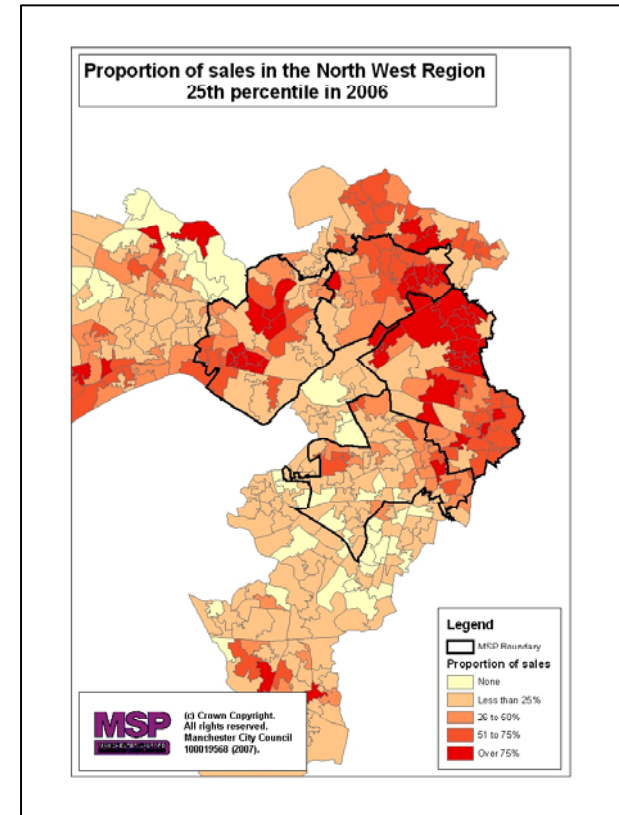
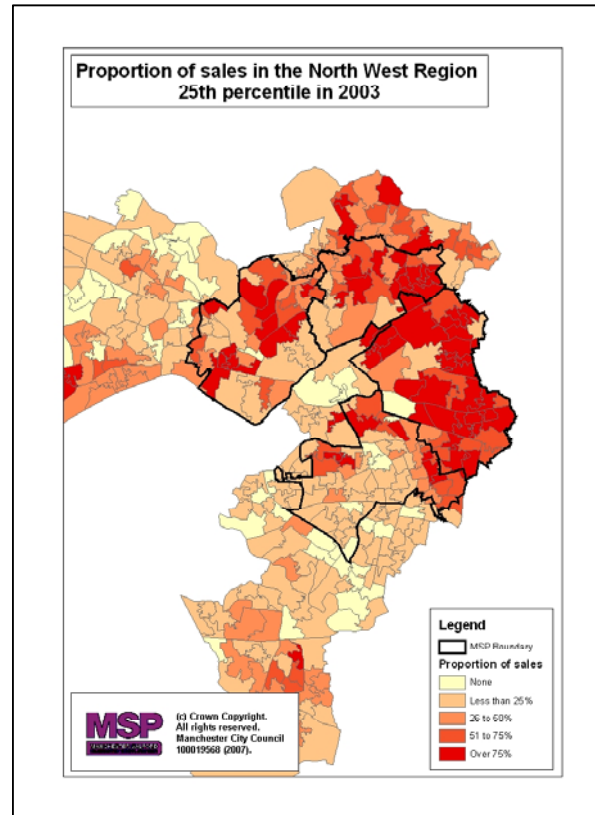
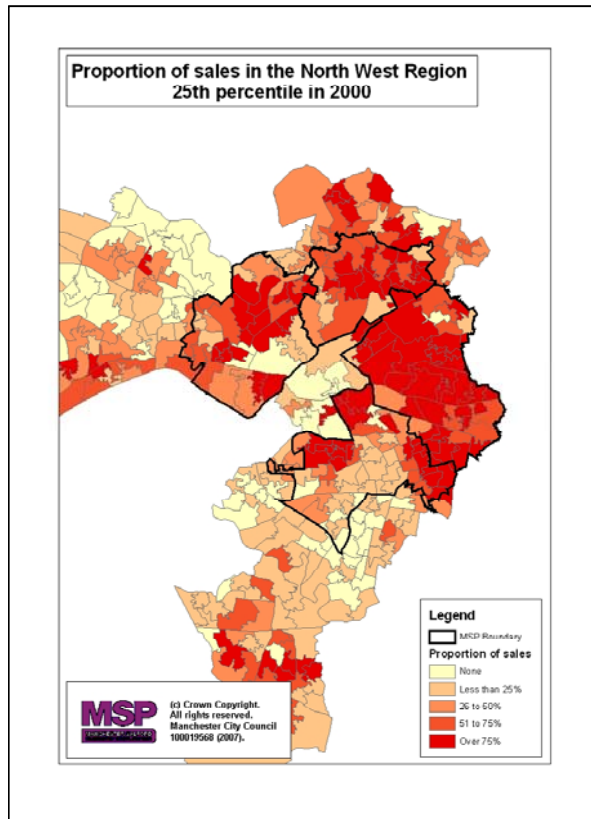
Source: MSP/ ONS

Maps 3-5 Density of Sales Falling Below the North West 15th Percentile Price



Source: Land Registry

Map 5-7 Density of Sales below the North West Lower Quartile Price



Source: Land Registry

Appendix 3: Access to Affordable Housing - Tools

The Pathfinder intends to adopt an Access to Affordable Housing Strategy in early 2008 following the finalisation of Manchester City Council's Strategy and its synthesis with the existing strategy in Salford.

The Strategy will include a set of Tools that will be used to secure the delivery of a range of affordable housing at the core of the conurbation. A draft set of these tools is as follows:

Actions taken with Developers to increase affordability

- Targeted developments for First Time Buyers.
- Competition processes to include the provision of accessible equity products as a key criterion for the selection of developers.

Improved Advice and Support to Potential home Owners

- Updating and extending the remit of Housing Choices to ensure that any potential home owners approaching the schemes have access to information on products and services that may enable them to secure a foot on the housing ladder.

Develop more effective equity products

- The Pathfinder and two City Councils will encourage the use of existing publicly financed schemes, such as English Partnership's First Time Buyer Initiative and the Housing Corporation's HomeBuy. However, whilst valuable elements of a wider strategy, we believe that these schemes are too restricted in scale and eligibility to make the impact we now require. Further activity will be commissioned, in conjunction with key stakeholders and supported by private finance experts to develop a range of more flexible accessible commercial products tailored to the two Cities' needs.

Optimising the use of existing social stock

- Reviews of Allocations Policies in Manchester and Salford will be undertaken on an ongoing basis. Reviews and revisions will ensure that allocations make best use of existing stock and contribute to the achievement of mixed communities. Work to develop a range of products that will assist in making the best use of social housing will be taken forward through the two City Councils' Strategic Housing Partnerships, including options for the provision of equity stakes to existing tenants. Other options to be explored will include an incentive package to assist under occupying residents to move and an incentive scheme to assist social tenants to enter home ownership through accessing equity products.

Optimising the use of existing private stock

- Increasing the use made of Empty Dwelling Management Orders and the development of initiatives to acquire, refurbish and market empty properties for Low Cost Home Ownership.
- Ensuring that property and management standards continue to rise through licensing, accreditation enforcement action and raising awareness of responsibilities.
- The development of pilot referral schemes with a small number of landlords with good track records to offer additional housing options for those approaching the City Councils looking for accommodation.
- The buy back of former Right to Buy properties where appropriate.

- Working through the Strategic Regeneration Frameworks, the identification of opportunities to convert existing private rented properties back in to owner occupation.

Increasing the provision of new housing

- The recent Government Green Paper has announced a significant increase in the scale of development of new homes in all sectors through a series of planning and housing policy initiatives. A target has been set nationally of 70,000 new affordable homes by 2011, with 45,000 of these being for rent and the remainder for intermediate housing. Manchester and Salford City Councils will be seeking their share of these additional resources with the balance of intermediate to rented housing reflecting local circumstances.
- Work in conjunction with partner RSLs and ALMOs etc to deliver appropriate and affordable housing via the National Affordable Housing Programme and via initiatives such as Housing PFIs, Decency Investment Programmes etc.

Delivering affordable Housing through the Planning System

- The two Cities intend to develop Supplementary Planning Documents & Planning Guidance entitled to assist developers and the Councils to deliver additional affordable housing options. These documents will provide a clear analysis of what is meant by affordable housing and set the parameters through which planning applications will be determined.