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# **Revolution? Transforming Social Housing in the Manchester City Region**

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**Abstract:** Councils in the Manchester city region have enthusiastically embraced new organisational approaches to managing social housing. The number of publicly owned and managed units has reduced during the last decade from a quarter of a million to under four thousand. Based on 62 interviews with social housing staff and directors, regulators, city officials and support organisations in Greater Manchester in late 2008, the paper builds a regional case study to review the scale and impact of this ‘housing revolution’. The case study is used to deepen understanding of themes emerging from the European Network of Housing Researcher’s working group on ‘social housing in Europe’. In particular, the changing pattern of social housing field boundaries, illustrated by the close working between Manchester ALMOs and housing associations. The power imbalance within contemporary partnership approaches to urban governance is discussed, with a continuing role for local councils in Greater Manchester’s complex and spatially layered planning, housing and regeneration partnerships. Finally, the paper reflects on the benefits of using city regions as ‘windows’ through which to observe the impact of housing policies and the working of networks.

## INTRODUCTION

From the ‘shock city’ of the industrial age (Briggs, 1968: p.96), to more recently ‘city of revolution’ (Peck & Ward, 2002a), Manchester is not a city that lives in the past. Nor is it one that stands in the shadows. Manchester City Council’s (2009a) website proudly boasts of 37 ‘Manchester firsts’, from the industrial revolution and the world’s first passenger railway to splitting the atom and the first stored data computer. In terms of social housing transformation, Manchester also claims to have made revolutionary changes. Councils in the city region have not just used, but often pioneered the use of, every approach to public housing transformation supported by the national Labour government since 1997.

England’s social housing provision has experienced rapid change, starting with the 1974 Housing Act which Malpass (2000: p.209) considers ‘transformed [housing] associations into agents of state housing policy’ (ibid, p.209). Nonprofit housing associations were given 80 per cent grant funding and 20 per cent government loans for new affordable housing development provided they registered with the Housing Corporation. Housing associations became the dominant organisations building new social rental housing, overtaking public housing owned and managed by local councils (Harloe, 1995). However, it was the 1988 Housing Act which ‘marked the beginning of the contemporary period’ for English housing associations (Malpass, 2000c, p.183). For Randolph (1993: p.39) the Act led to a ‘partial re-privatising’ of associations, moving away from their complete reliance on public funding’. Leveraging capital through bank loans allowed housing associations to start clearing the considerable backlog in social housing repairs (Barbato et al., 2003). This encouraged councils to make large scale voluntary stock transfers (LSVTs) of public housing to housing associations, leading to ‘the most fundamental restructuring of social housing in the post-war period’ (Pawson et al., 2009: p.7). In the two decades to 2008 over 1.3 million homes were transferred from councils to associations, making them the largest managers of social housing.

First generation stock transfers gained momentum in 1993 when the government issued guidelines and LSVT moved from being a local option available to councils to a key government housing policy (Malpass & Mullins, 2002). However, most transfers in this first phase were of modest housing portfolios in rural and suburban areas where the capital value of assets repaid government debt, leaving a surplus for the council. Later transfers were less financially attractive. The Labour Government, elected in 1997, initiated a *second generation* of transfers of mainly large, urban public housing estates often with complex social and design problems. Three quarters of the homes transferred through LSVTs were in this second phase (Pawson et al., 2009). The programme accelerated faster after the 2000 Housing Green Paper acknowledged it would cost £19 billion (€22 billion) to bring English social housing to a *decent standard* by 2010 (DETR, 2000). Transfer to housing association control was one of the three pathways unlocking national funding for renovations, along with managing social housing through arms-length organisations (ALMOs) or forming joint ventures with private developers and banks through Private Finance Initiatives (PFIs).

This paper has three objectives. First, it builds a city region profile of the transformation since 1997 of English social housing providers and the local networks that support them. Manchester is used as a case study, selected on the basis of rich data rather than an assumption that it is a ‘typical’ English city region. By reviewing the local impact of national policy, the research is complementary to a new publication ‘After council housing: Britain’s new social landlords’ (Mullins & Pawson, 2009, forthcoming). Second, the paper uses the city region case study to address themes that have emerged from recent research by the European Network of Housing Researcher’s working group on ‘social housing in Europe’ (van Bortel et

al., 2009). In particular it discusses the changing pattern of social housing field boundaries. New institutional theorists use the term *organisational field*, to describe ‘organisations that, in the aggregate, constitute a recognisable area of institutional life’ (DiMaggio & Powell, 1983: p.148). The research also reviews the move from hierarchical to networked forms of governance, questioning power imbalances within contemporary partnership approaches to urban governance. Finally, the paper reflects on the approach of using city region profiles to provide insights into national housing policy impacts and the working of networks.

## RESEARCH METHOD

Fieldwork took place in England between July and October 2008 as part of an international doctoral project investigating the role of networks in building housing association capacity (Gilmour, 2009, forthcoming-c). This paper presents research on the Manchester city region, with data from the other two cities of San Francisco (Gilmour, 2008) and Melbourne (Gilmour, 2009, forthcoming-b) presented separately. In each city region three medium-sized housing associations were selected on the basis they had characteristics more related to the market, to the state or to civil society. This follows the hybrid organisation model of Evers and Laville (2004). The three Manchester organisations are Irwell Valley Housing Association (market), Trafford Housing Trust (state), and Mosscares Housing (civil society).

Semi-structured interviews were held with 27 staff and directors of the selected Manchester housing associations, and 35 other stakeholders such as public officials, financiers, consultants, academics, support organisations and trade associations. Many of the stakeholders were identified using snowball sampling, asking interviewees who else they would recommend contacting. Quotations in this paper have been kept anonymous to protect confidentiality. The interviews were supplemented by analysis of housing association internal documentation, websites, research reports, government statistics and previous surveys.

## CITY REGIONS AS ‘WINDOWS’

With a few exceptions detailed below, traditional English housing research has concentrated on national policies and institutions and their impact on broad policy issues such as housing need, tenure and affordability. However, recent government initiatives in the UK such as elected assemblies for London, Scotland and Wales (1999), the pursuit of ‘sustainable communities’ and the ‘single conversation’ between England’s Homes and Communities Agency and councils from 2009 suggest that more spatially-attuned approaches are both possible and desirable. As Cole (2006: p.290) notes, ‘frameworks of analysis need to be developed that are more attentive to contrasts and changes in local, sub-regional and regional housing markets’. This paper contributes to this research agenda by placing an analysis of social housing transformation within a specific geographic context. The city region is, using Lavorel’s (2004) term, a ‘window’, shedding light on specific place-based issues, although not able, in isolation, to give a conclusive view of changes to the national housing landscape.

Two economic principles underpin a regional approach. First, housing is a geographically fixed asset. When the cotton industry declined in the Lancashire mill town of Oldham, jobs disappeared but the housing stock remained. When part of the population migrated to new service-sector jobs in Manchester, the Oldham housing market suffered from low demand, prices fell and communities fractured. In contrast, the economically prosperous south of Manchester suffered from low housing supply as people moved from areas such as Oldham to find work. Therefore, within the Greater Manchester city region there are both areas of low demand (Oldham) and excess demand (south Manchester). Second, new housing construction

only forms a small proportion of the total housing stock. Local housing markets are therefore strongly influenced by properties inherited from previous generations, often built when jobs were located elsewhere or families larger. The highest concentrations of social housing in Manchester remain in areas where most public housing was built up to the 1970s. Transfers of public housing stock to housing associations change management structures but not locations.

The literature that looks regionally at social housing provides interesting pointers for this paper as it highlights diversity at local and neighbourhood level. Cole and Furbey (1994) studied English public housing, grounding part of their research on the lived experience of tenants within particular housing estates, which varied in terms of their construction quality, location relative to jobs, and perceived desirability as a place to live. Nevin et al. (2001) in a survey of housing in 18 local authorities in the Manchester-Liverpool conurbation found both extremes of poverty and affluence, noting that contemporary government data collection failed to identify neighbourhoods 'at risk'. Cole et al. (2003) used demographic data, surveys and stakeholder interviews to discover a picture of surprising diversity in the Leeds housing market. Cole and Nevin (2004) identified local drivers of market change when looking at England's Pathfinder housing renewal programme such as community cohesion following the arrival of refugees, quality of private and public housing stock, imbalances in the mix of social and market housing and pockets of metropolitan abandonment.

The window chosen to frame the research for this paper is the *city region*. This concept has been popular with urban planners for many years, and is going through something of a revival (Harding, 2007). It can be defined as 'the areas upon which a city's economic pull is felt', although this provides little guide as to where to draw the boundaries (Price Waterhouse Coopers, 2007: p.9). Many forms of connection extend across city region boundaries and city regions can overlap or form a continuous megalopolis such as the *M62 corridor* linking Liverpool, Manchester, Leeds and Hull in northern England (Nevin et al., 2001). Peripheral towns such as Wigan or Stockport in Greater Manchester operate to some extent as their own micro city regions. This paper adopts a flexible approach to defining city region boundaries, taking them as a broad frame of spatial reference within which to deepen understanding:

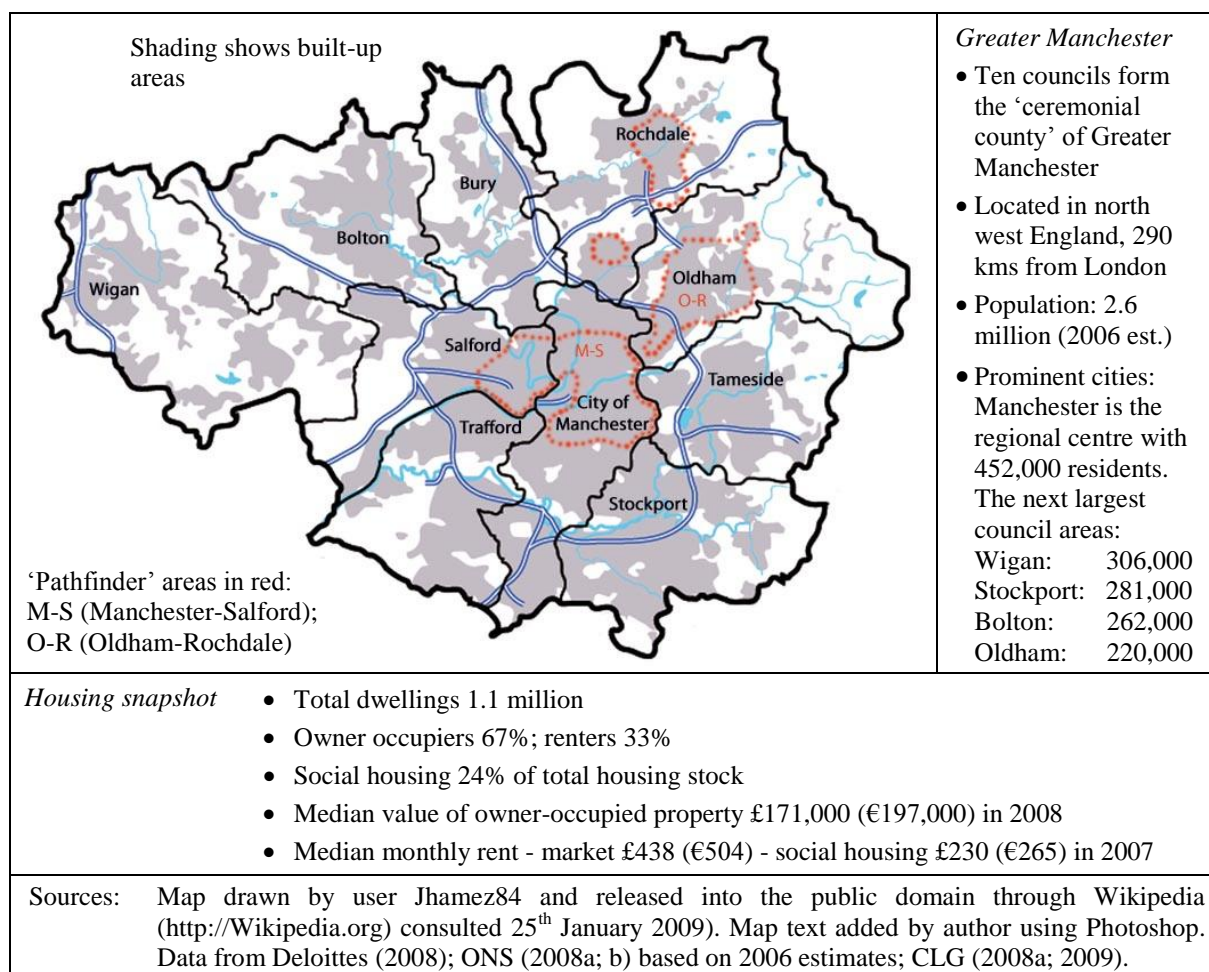
The utility of the notion of the city-region ... is not that it avoids ambiguity, fuzziness and overlapping 'boundaries' but that it encourages relational understandings of the internal and external dynamics of territories that have some degree of functional integrity but are very rarely defined administratively. It generates intelligent questions about the interaction between, for example, employment locations, the geography of land and property values, the operation of labour and housing markets and transportation systems (Harding, 2007: p.451).

Harding's analysis of why city regions are a useful frame of analysis reinforces the need to think beyond traditional council boundaries. Although boundaries are redrawn from time to time, they rarely keep pace with economic and social changes. The complex spatial overlay in cities provides the framework within which social housing providers operate.

## **BACKGROUND: MANCHESTER CITY REGION**

The *City of Manchester* is a geographically small council located at the heart of a larger metropolis. There is no agreement about the size of the city region, although this paper takes the county of *Greater Manchester* with a population of just under 2.6 million as its boundary. As shown in Figure 1, the built-up area extends over much of the central metropolitan area, little respecting council boundaries. Satellite towns such as Wigan and Rochdale, although proudly asserting their independence from Manchester, are within the city's economic force field. Outside the county many areas such as High Peak, Warrington, Macclesfield, Vale

Royal and Congleton act as dormitories for the city’s workforce. The Audit Commission’s (2006: p.6) definition of the wider *Manchester City Region* includes these areas, giving a population of 3.2 million, and ‘the largest economy of a regional centre outside London’.



**Figure 1: Manchester city region**

Greater Manchester's social, economic and housing landscape is polarised (ECOTEC, 2007). ‘The Manchester city region features geographical areas of very high economic performance and affluence alongside areas with lower levels of economic activity/output and high levels of deprivation’ (Manchester Enterprises Research Team, 2007: p.4). The areas of prosperity and poverty are often very close as Greater Manchester is a geographically compact area of 128,000 hectares. Migration from the older towns, particularly parts of central Manchester, Salford, Rochdale and Oldham, has left pockets of low housing demand. During the 1990s these problem neighbourhoods faced challenges of property abandonment, declining sales prices for owner-occupiers, anti-social behaviour and community breakdown. Other areas, including much of the borough of Trafford, city centre Manchester and districts on the edge of the southern urban fringe have experienced large property price rises. Here the problems are lack of affordability for first time buyers and shortage of housing to rent (ECOTEC, 2007).

Affordability problems are particularly concentrated in the low income market, to rent or buy, with reduced vacancies across all tenures. Between 2002 and 2007, social housing waiting lists increased by 97 per cent. The Right to Buy and selected demolition of low-demand stock

have reduced the size of Greater Manchester's social housing stock by 70,000 units between 2001 to 2007 (Deloitte, 2008). Between 2001 and 2006, new housing supply of all tenures was 28 per cent below household growth in Greater Manchester (ECOTEC, 2007: p.10). In the owner-occupied sector the highest price rises have been in areas that once supplied cheaper properties. Oldham prices increased by 147 per cent from 2000 to 2007, compared to a more modest price rise of 105 per cent in wealthy Trafford (*ibid.* p.113). Therefore, in Greater Manchester 'affordability remains a major issue, and given the underlying drivers is likely to remain so, whatever the ramifications of the credit crunch' (Deloitte, 2008: p.10).

## **REGIONAL ADMINISTRATION & REGENERATION PARTNERSHIPS**

England does not have a tradition of strong regional government. Regional assemblies of appointed local politicians were established in 1998. The North West Regional Assembly (NwRA), based in Wigan, had responsibility for the Regional Development Agency and modest influence over planning through the Regional Spatial Strategy (GONW, 2008). A committee of the NwRA, the North West Regional Housing Board, produce a Regional Housing Strategy to influence the housing policy of individual councils though there are no powers of enforcement (NwRHB, 2005). Proposals for regionally elected assemblies were considered after the successful establishment of the Greater London Authority in 2000, though these were halted when north east England voted decisively against devolution in 2004. The government abolished regional assemblies and NwRA was replaced in July 2008 by '4NW', a regional leaders forum of local political, business and community leaders.

With weak regional coordination between local authorities, more work is undertaken at sub-regional level. When local government was reorganised in 1974, metropolitan regions such as Manchester moved to a two-tier structure. Ten new councils were formed through a process of amalgamation, and a new directly elected Greater Manchester council was given powers over county-wide services such as the police and transport. When the county council was abolished in 1986, and powers devolved back to councils, the Association of Greater Manchester Authorities (AGMA) was established. AGMA coordinate activities between the 10 councils in what is now the *ceremonial county* of Greater Manchester and has alliances with several neighbouring councils (AGMA, 2009). In terms of housing, AGMA provide input to the regional spatial and housing strategies based on high quality commissioned research (for example: ECOTEC, 2007; Deloitte, 2008). Their recently agreed revised governance arrangements established a new commission for Planning and Housing which, it is hoped, will provide more focus in these areas (AGMA, 2008a). AGMA are therefore in a good position to influence and lobby, although not direct, local housing strategies.

Most of AGMA's activities are undertaken on a voluntary basis, although they have minor statutory responsibilities such as for the county records office. AGMA are not a separate legal entity and the few staff who work for them are contractually employed by the local councils. Despite the informal nature of their activities, and their inability to reach consensus over a (failed) 2008 plan for a county-wide congestion charge, AGMA are seen as one of the most successful post-1986 English metropolitan coordination bodies. An executive of the National Housing Federation judged them to be 'pretty solid in terms of political strategy making, and very dynamic attempts to create a city-region. So that's leading-edge in terms of England at the moment'. AGMA's role looks set to expand in line with recent government policy to promote the use of Multiple Area Agreements between different councils, businesses and the third sector. AGMA and the Minister of Communities and Local Government signed one of the first such agreements in July 2008. This should further improve joint working between the 10 Greater Manchester councils at sub-regional level (AGMA, 2008b; CLG, 2008b).

Two earlier Multiple Area Agreements in Greater Manchester, of more significance for affordable housing delivery than the July 2008 AGMA agreement, were formed under the Housing Market Renewal Pathfinder initiative. Prompted by academic research reports and lobbying by northern Labour MPs from the late 1990s, the national government's Pathfinder programme was significant as it acknowledged regional housing market differences. Problem neighbourhoods in the midlands and north of England with low demand for private and social housing were seen to need new and innovative solutions. Two of the nine Pathfinders were established in Greater Manchester: Manchester-Salford in 2002 and Oldham-Rochdale in 2004 (see Figure 1). Their boundaries were drawn based on statistical indicators of 'at risk' local markets, not council boundaries (Cole & Nevin, 2004). As a result they require a high degree of partnership working between councils, social housing providers and developers. This cooperation extends from neighbourhood to local and regional level (Cole, 2006).

The most heavily funded Pathfinder scheme in England has been Manchester-Salford, in the heart of Greater Manchester, covering an area with a population of 240,000. In this boundary, 23 of the 27 local government wards are in the top 10 per cent of deprived wards nationally. The property vacancy rate among the predominantly older terraced houses and walk-up flats that characterise the area was 10 per cent in 2002. Property prices were around one third of those for similar properties in more popular neighbourhoods (Cole & Nevin, 2004: p.78). The Pathfinder plans to invest £361 million (€415 million) between 2002 and 2011. Manchester housing associations have been closely involved in local Pathfinders due to their stock holdings in the areas affected by low demand, and their ability to help build community cohesion. One of the eleven board members of the Manchester-Salford Pathfinder (2008) board is a Housing Corporation representative. However, unlike other local regeneration consortia (such as the Trafford Partnership), and the Oldham-Rochdale Pathfinder, housing association executives do not sit on the Manchester-Salford Pathfinder board.

Pathfinder consortia select housing association 'partners'. Manchester City Council are using their influence in the Manchester-Salford Pathfinder to 'develop a more rational approach to partnership working, and in particular reduce the number of RSLs [housing associations] active within both cities ... the Pathfinder will be seeking the views of those with very small amounts of stock as to their future within Manchester and Salford' (Manchester City Council, 2005). Rationalisation of stock holdings has already started, with Mosscafe Housing recently swapping 27 properties in Salford to Great Places Housing Association in exchange for 47 of their properties in Manchester. New consortia have emerged to bid for contracts from the Manchester-Salford Pathfinder, such as joint venture company Reviva Urban Renewal (Table 3). Therefore Pathfinders are helping re-shape Manchester's social housing sector.

## **CITY OF MANCHESTER PUBLIC HOUSING**

The housing structure of Greater Manchester has been strongly influenced by the policies of the City of Manchester, both in terms of innovation and spatial expansion beyond the city's boundaries. In the post-war period, Manchester City council's focus was on a massive programme of re-building war damaged homes and replacing slum dwellings. Between 1954 and 1976, some 90,000 unfit properties were demolished, replaced by 71,000 new council owned and managed homes (Kidd, 1993: p.22). Land shortages in the City of Manchester led to a policy of building housing estates in neighbouring council areas. Manchester embraced the concept of 'overspill estates' more than any other city, and built 21,000 homes in Lancashire and Cheshire (Shapely, 2006). Although these were normally constructed as low-rise garden suburbs, most lacked local employment or social facilities (Williams, 1996). By the 1990s they had become notorious pockets of social and economic deprivation.

In contrast to Liverpool and Birmingham where over 20 per cent of public housing was high-rise, Manchester only reached 11 per cent (Shapely et al., 2004: p.422). However, the city was not without its notorious inner-city housing megaprojects, among them deck-access Hulme V flats (completed 1971) and 'Fort Ardwick' (1972). By the 1970s Manchester City Council was becoming seen as out of touch with tenants, unable to treat them as consumers. Tenant groups increasingly demanded efficient repairs not grand building projects. Coupled with a decline in central government funding, during the 1980s '[Manchester] Labour Party's unity - and its housing policy - collapsed in disarray' (Shapely et al., 2004: p.433).

The City of Manchester's adoption of new approaches to governance over the last 20 years has been dramatic. Following Margaret Thatcher's third election victory in 1987, the council moved from its traditional Labour roots and reinvented itself as an entrepreneurial partner of central government. Northern pragmatism replaced dogmatic ideology: the council's slogan 'defending jobs, improving services' gave way to 'making it happen'. Manchester's audacious bids for the 1996 and 2000 Olympics in the early 1990s established a new way of local working with the city council a central player, but exercising different forms of influence and power (Cochrane et al., 2002). As Peck and Ward (2002b: p.13) note, 'the *process* of networking for the Olympic Games united cultural, economic and political elites behind the single, overarching objective of securing Manchester's future'. The new elite continued to work together, winning regeneration funds, attracting the Commonwealth Games and grants for the large-scale rebuilding of the city centre after the 1996 IRA bomb (Holden, 2002). When Labour won the 1997 national election it was a seamless transition for Manchester who continued to be the beneficiary of virtually all other competitively bid-for schemes, from a Health Action Zone to the New Deal for Communities (Robson, 2002).

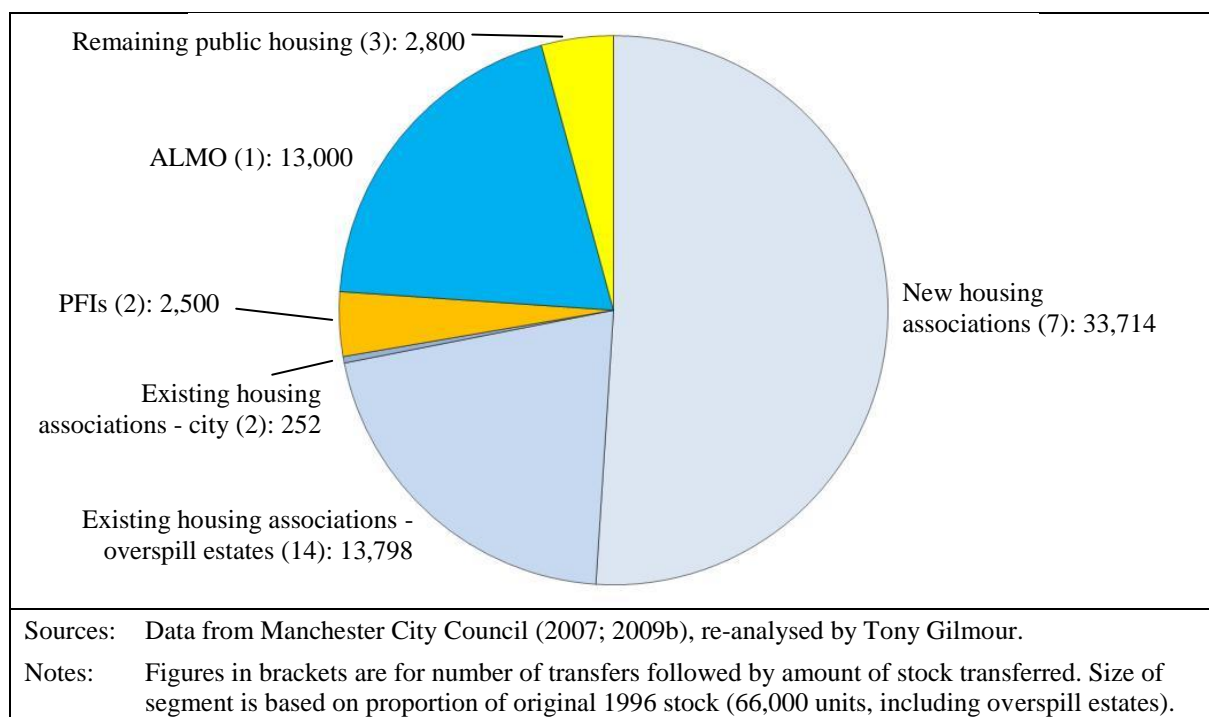
Given the attitude change by Manchester City Council from the late 1980s, it is surprising that a radical move to transform municipal housing did not start until a decade later. The first public housing stock transfer was in 1996, of 1,423 homes on the troubled Partington overspill estate to Manchester and District Housing Association. A further transfer took place in 1999 of 6,679 homes, this time in the city's boundaries. The recipient organisation was Willow Park, a newly formed housing association. Small transfers of overspill estates continued, but at the 2001 census, Manchester still owned and managed 47,889 'council houses' (excluding overspill estates) within city boundaries (ONS, 2003: p.316). However, by this time, the council's relationship with local housing associations was changing. For example Mosscaire Housing, whose growth during the 1970s and 1980s had been closely tied to council policies, started to be treated more as a regeneration partner.

Needing to meet the decent homes standards by 2010, but unable to fund the repairs from own resources, Manchester City Council had little choice but to relinquish direct control of public housing. The 2000 Housing Green Paper (DETR, 2000) allowed only three types of organisations to apply for decent homes grant funding: housing associations, management organisations run at arm's length from councils (ALMOs) and Private Finance Initiatives (PFIs) joint ventures with developers. From March 2004 the council's policy was to progressively disaggregate public housing into manageable blocks, which could be run with local resident involvement. *Inside Housing* reported 'many in the sector suggest that this hybrid solution is the government's favoured approach for large urban authorities' (Singleton, 2004: p.17). However, it has been claimed by groups such as Defend Council Housing, who campaign against the transfer of public housing, that the approach was chosen to minimise tenant opposition. Birmingham City Council had lost a whole-authority stock transfer tenant ballot in 2001, and Camden council were defeated in an ALMO vote in 2004. As a chief executive of a Greater Manchester social housing organisation described, 'Manchester did



what it did as a way to get round its politicians and community groups. I suppose it's like that cliché - how do you eat an elephant - in small bits, and that's what Manchester decided to do'.

The City of Manchester's strategy for transforming public housing is unique in England in terms of the number of transactions and diversity of recipient organisations. From 1996 until proposed completion in 2010, 29 transactions will use every government supported approach. The transfer of the 66,000 public housing units held by the council in 1996 is analysed in Figure 2. Most popular has been forming new, medium-sized housing associations (7 transfers to 5 organisations), each with an average 6,700 homes. Next most popular is stock transfer to existing associations (16 transfers), mostly of overspill estates averaging 880 units. As these numbers can be more manageably integrated within an existing organisation than whole-authority large scale transfers, they have particularly assisted the growth of modest-sized local housing associations such as Irwell Valley and Mosscares Housing. Manchester formed an ALMO, Northwards Housing, and two PFIs in Ardwick and Miles Platting. The council's final three estates with 2,800 homes will probably transfer as PFIs or to associations.



**Figure 2: City of Manchester public housing transfers, 1996-2008**

The use by Greater Manchester councils of PFIs, the least popular approach to receiving national government decent homes funding, has been significant. Of the 12 English housing PFI schemes signed by the end of 2008, three have been in Greater Manchester: two in the City of Manchester and one in Oldham. Of ten schemes still under discussion, two are in Manchester, one in Oldham and one in Salford (CLG, 2009). If all projects proceed, nearly one third of England's housing PFIs will be in Greater Manchester. Low PFI take-up is due to their contractual complexity, long delays before building work commences and uncertainly over risk/reward sharing. They are also expensive: a CLG (2008c: p.3) report found PFI costs 'significantly higher' than grant funded schemes. Therefore PFIs tend to be used for regeneration of highly problematic, yet relatively small housing estates.

England's first PFI is of a 1970s low-rise public housing estate at Ardwick which, although close to Manchester city centre, 'was a notoriously crime-ridden sink estate blighted by graffiti, litter and high unemployment' (Allen, 2006: p.17). These problems led to low housing demand, with 200 homes vacant prior to redevelopment, and the neighbourhoods blighted by boarded-up shops. Some 88 per cent of properties did not meet decent homes standards in 2002, compared to 31 per cent nationally and crime in Ardwick was 30 per cent higher than the city average. Manchester City Council chose a PFI rather than stock transfer or ALMO due to the 'scale of investment [needed] to carry out the wider infrastructure and amenity works and pump prime the whole area' (CLG, 2008d: p.28).

In 2003 Manchester City council transferred 1,000 units in Ardwick to a new management company, Grove Village Limited (Manchester City Council, 2009b). This for-profit company is owned 49 per cent by developers, and 25.5 per cent each by Harvest Housing Association and the Nationwide Building Society (Grove Village, 2009). Harvest's involvement is through a 30 year tenancy management and estate maintenance contract, with stock remaining owned by the council and tenants retaining their existing public housing rights. The council pays an annual management fee to Grove Park but this is partly reimbursed by additional government funding of £37 million (€43 million) (Housing Corporation, 2005a). Grove Park's 30 year, £100 million (€115 million) masterplan involves demolishing 436 public housing units, refurbishing 663 and building 650 new homes for private sale. The net fall in social housing stock is part of Manchester City Council's policy of increasing owner-occupation from under 50 per cent in 2008 to 60 per cent by 2015 (Manchester City Council, 2008: p.56).

## **GREATER MANCHESTER ALMOS**

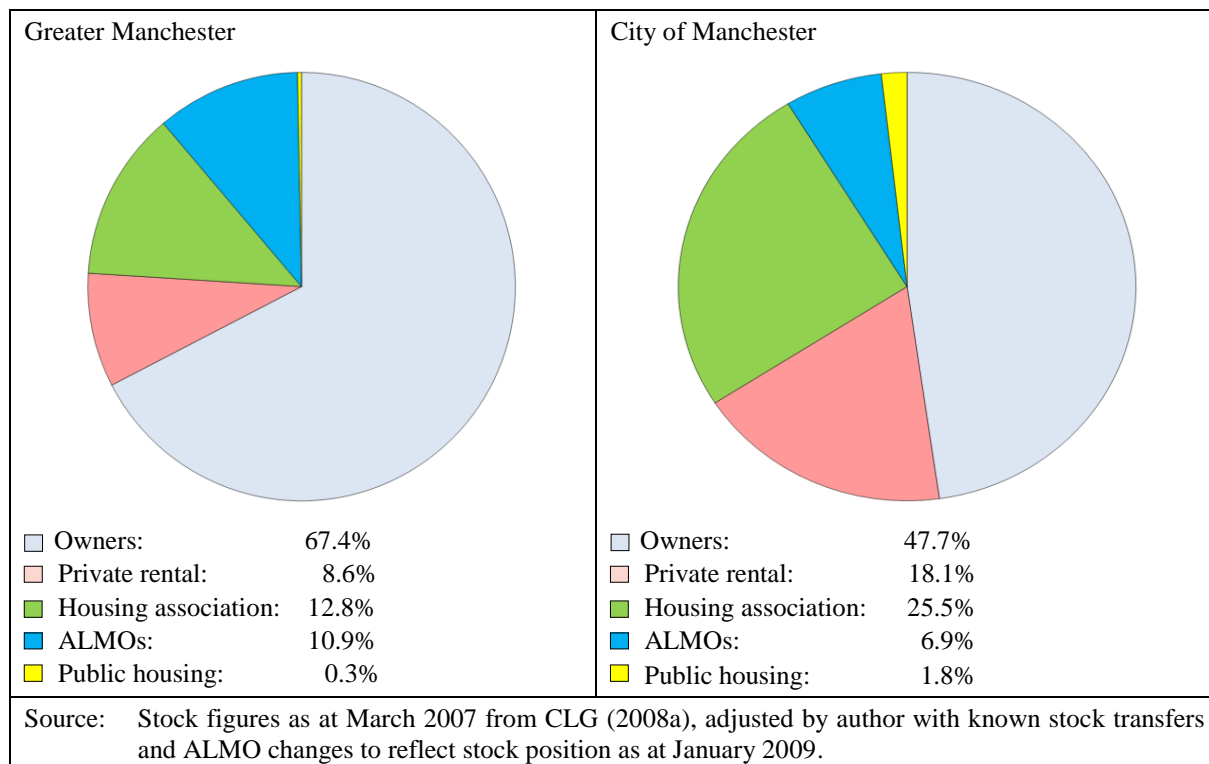
Reinforcing the importance of local factors influencing housing outcomes, the approach of the other nine councils in Greater Manchester has been different to the City of Manchester's complex, 'hybrid' solution. Two councils, Tameside and Trafford, chose whole-authority stock transfers to new housing associations. Tameside's transfer of 16,400 properties in 2000 was the largest at that time in England. Government requirements that transfer associations should have less than 12,000 units led to New Charter Trust being split into two operating companies each with their own board but within a group structure (Audit Commission, 2004). Stockport attempted a stock transfer in 2003 but after defeat in a tenant ballot decided to proceed with an ALMO in 2005 after 'extensive consultation' (Stockport Council, 2006). One of the benefits for councils with ALMOs is that tenants need to be consulted, though not necessarily balloted, whereas all stock transfers require a tenant vote (House of Commons, 2003). ALMOs became the preferred pathway to decent homes funding in Greater Manchester, with only London, Leeds and Newcastle showing similar levels of enthusiasm.

Usually constituted as a company limited by guarantee, an ALMO is a nonprofit organisation founded by a council to manage and improve all or part of its housing stock. While the council remains property owner, landlord and normally sole shareholder, the housing management functions are contracted to a new 'arms length' body. Their most important feature is that high performing ALMOs receive public funding not available to councils who continue to own and manage stock. This is on the condition that they improve customer service sufficient to be awarded 'two stars' or above from the Audit Commission. Below two stars, no cash. In the period 2002-2010 an estimated £5.7 billion (€6.6 billion) will be channelled to ALMOs for property improvements to bring properties to decent homes standards, typically installing new kitchens and bathrooms (CLG, 2009). ALMOs managing all the council's stock were the option for public housing in Bolton, Oldham, Rochdale, Salford and Wigan in 2002 and Bury and Stockport in 2005 (see Table 1).

The most common view on ALMOs when they were first introduced was that they were a political compromise, not a long term way of managing social housing. Yet, after six years, tenant surveys regularly reveal high satisfaction with service quality and the Audit Commission consistently rate ALMOs as better managers of social housing than housing associations. ALMOs have developed an institutional life of their own and are backed by a broad support coalition of senior managers, staff, a trade body, consultants and tenant board members (Gilmour, 2009, forthcoming-a). However, Greater Manchester may again be setting new trends. Salford council were the first in England to transfer properties from their ALMO to a housing association in October 2008. This was not by choice as their ALMO, established in 2002, consistently failed to meet Audit Commission requirements and was denied decent homes funding. In a further pioneering step, in November 2008 Oldham council agreed subject to tenant ballot, to transfer 12,000 homes from its strongly performing two-star ALMO to a new housing association (Audit Commission, 2005). The council believe stock transfer could unlock greater funding than an ALMO (Oldham Council, 2008). If this proceeds it will be England’s first stock transfer from a successful ALMO.

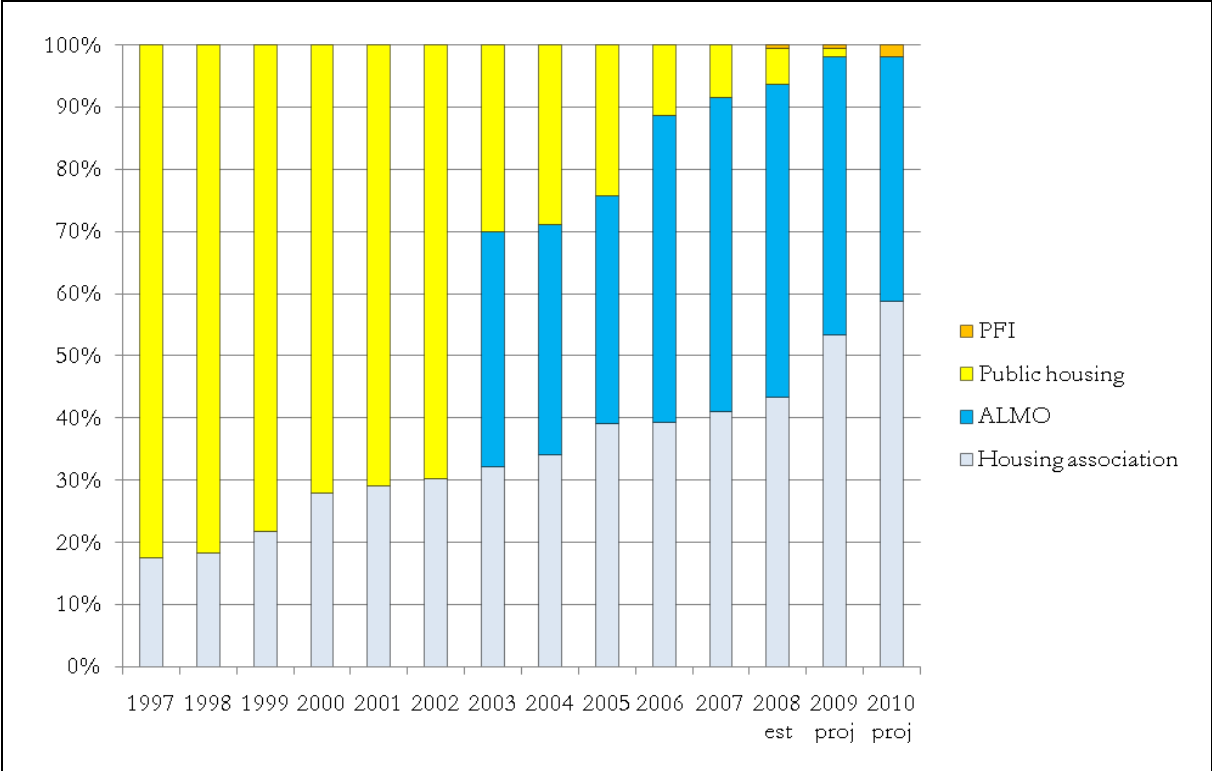
### TENURE MIX & SOCIAL HOUSING PROVIDERS

Figure 3 shows the tenure mix in Greater Manchester, confirming the important role played by ALMOs who manage 45 per cent of the county’s social housing stock. Owner occupation levels, at 67.4 per cent, are similar to the average for England (69.6 per cent). There is noticeably higher proportion of social housing in Greater Manchester, at 24 per cent, than 17.5 per cent for England as a whole (CLG, 2008a). The City of Manchester is far less similar to Greater Manchester or England with a lower proportion of owner occupiers and a significant private rental sector. Private landlords cater for young professionals and for the significant student population. Social housing forms just over one third of housing stock in the City of Manchester, and housing associations providing three quarters of the city’s total.



**Figure 3: Greater Manchester and City of Manchester housing tenure estimates, 2009**

The most important difference between housing stock data in Manchester compared to England is the proportion of *traditional* public housing still owned and managed by local councils. In March 2007, traditional public housing accounted for 8.9 per cent of England’s stock, down from a peak of 28.2 per cent in 1971 (CLG, 2008a). Greater Manchester’s proportion in January 2009 is estimated by the author to be 0.3 per cent. This has been a recent, sudden and largely un-noticed transformation. In March 1997 there were 251,797 traditional public housing units in Greater Manchester (CLG, 2008a). In January 2009 only 3,710 (Figure 4). The City of Manchester, where the remaining properties are located, has proposed the transfer of this stock within the next three years. During the first six years of the Labour government from 1998 there were no significant Greater Manchester tenure changes, other than the transfer of small overspill estates from the City of Manchester and a large scale voluntary transfer of Tameside’s public housing. In 2003 the pattern shifted as a wave of ALMO formation swept the county, splitting social housing nearly equally between traditional council housing, housing associations and ALMOs. From 2005 to 2008 both ALMOs and housing associations continued to expand at the expense of public housing. Then, from 2008 onwards, housing association tenure expanded at the expense of ALMOs.



Source: Historic tenure data up to March 2007 from CLG (2008a; 2009). Figures as at 31<sup>st</sup> March.  
 Notes: CLG data re-modelled by the author to include ALMOs as a separate category, with their housing stock adjusted to date of establishment. March 2008 figures are based on known stock transfers and ALMO formation to that date. Projected figures for March 2009 and 2010 based on proposed further stock changes in Salford and Manchester, and transfer of 12,000 units in Oldham in 2010.

Figure 4: Greater Manchester social housing mix, 1997-2010

The projections used in Figure 4 suggest that housing associations will manage approaching 60 per cent of Greater Manchester’s social housing in March 2010 compared to around 17 per cent in March 1997. Absolute stock numbers will have tripled, from 53,193 to 151,684. However, as shown in Table 1, individual housing associations are not the largest social

housing organisations in Greater Manchester. In January 2009, seven of the ten organisations managing the largest social housing stock are in Greater Manchester are ALMOs. Two of the three housing associations in the top ten were formed as large scale voluntary transfers of most or all of a council's stock. Only one 'traditional' housing association, Guinness Partnership, is in the top ten. Three quarters of the organisations in Table 1 were formed since 1999 and each has had to establish a board, negotiate finance, recruit senior staff and develop operating procedures. This provided a considerable challenge in capacity building, requiring an influx of new directors and chief executives into social housing. There will also have been an increase in operational risk, evidenced by the failure of Salford's ALMO.

**Table 1: Ranking of social housing organisations in Greater Manchester, 2009**

| Name, ranked by stock [N1]  | Stock  | Formed | New | Type          | Based/operates           |
|-----------------------------|--------|--------|-----|---------------|--------------------------|
| 1 Wigan & Leigh Housing     | 23,000 | 2002   | Yes | ALMO          | Wigan/Wigan              |
| 2 Bolton at Home            | 18,500 | 2002   | Yes | ALMO          | Bolton/Bolton            |
| 3 New Charter Trust         | 15,100 | 2000   | Yes | HA whole [N2] | Tameside/Greater Man.    |
| 4 City West Housing Trust   | 14,500 | 2002   | Yes | HA part [N3]  | Salford/Salford          |
| 5 Rochdale Boroughwide      | 14,500 | 2002   | Yes | ALMO          | Rochdale/Rochdale        |
| 6 First Choice Homes        | 12,800 | 2002   | Yes | ALMO          | Oldham/Oldham            |
| 7 Northwards Housing        | 12,800 | 2005   | Yes | ALMO          | Manchester/Manchester    |
| 8 Stockport Homes           | 12,100 | 2005   | Yes | ALMO          | Stockport/Stockport      |
| 9 Guinness Partnership [N5] | 11,400 | 1890   | No  | HA [N4]       | London/national          |
| 10 SALIX Homes              | 10,500 | 2007   | Yes | ALMO          | Salford/Salford          |
| 11 Contour Housing [N6]     | 10,300 | 1975   | No  | HA [N4]       | Salford/north west       |
| 12 Trafford Housing ■       | 9,300  | 2005   | Yes | HA whole [N2] | Trafford/Trafford        |
| 13 Six Town Housing         | 8,400  | 2005   | Yes | ALMO          | Bury/Bury                |
| 14 Great Places [N7]        | 8,100  | 1976   | No  | HA [N4]       | Manchester/north         |
| 15 Willow Park              | 7,700  | 1999   | Yes | HA part [N3]  | Manchester/Manchester    |
| 16 Irwell Valley ■          | 7,300  | 1973   | No  | HA [N4]       | Trafford/north west      |
| 17 Southway Housing         | 5,900  | 2007   | Yes | HA part [N3]  | Manchester/Manchester    |
| 18 Parkway Green            | 5,800  | 2006   | Yes | HA part [N3]  | Manchester/Manchester    |
| 19 Harvest Housing [N8]     | 5,760  | 1976   | No  | HA [N4]       | Manchester/north west    |
| 20 City South Manchester    | 4,500  | 2008   | Yes | HA part [N3]  | Manchester/Manchester    |
| 21 Mosscares Housing ■      | 4,400  | 1967   | No  | HA [N4]       | Manchester/ Greater Man. |

Sources: Housing associations identified from search of Housing Corporation (2008) website. Data from RSRs as at 31<sup>st</sup> March 2007, adjusted for subsequent ownership changes. ALMOs identified from personal interviews, with stock numbers from website searches in October 2008. All other information from websites, Housing Corporation HCAs, annual accounts and Audit Commission.

Notes [N1] Stock in Greater Manchester only. For housing associations the RSRs only analyse general needs stock by council area. Association stock has been grossed-up based on the ratio between general needs and total stock [N2] whole authority stock transfer [N3] part authority stock transfer [N4] traditional association [N5] incorporates Northern Counties [N6] formed 2004 when existing associations Portico and Collingwood merged [N7] formerly Manchester Methodists [N8] formerly Manchester & District. HA - housing association; ■ case study organisation.

Debates during the mid 2000s in England highlighted the growth of housing association mergers, and the loss of local decision making that may result from the formation of large, often London-based groups. Evidence from Manchester, shown in Table 1, shows the importance of understanding regional market conditions. The only 'outside' group that operates in Greater Manchester is Guinness Partnership who merged with Northern Counties in 2006. Northern Counties, with a longstanding Manchester presence, retained a regional board. According to a Manchester based housing consultant, the merger took place because 'Guinness thought they could rid of all their stock [in Manchester] for Northern Counties to sort out within the partnership'. The top 20 social housing providers in Greater Manchester have locally appointed boards of Manchester people who make decisions relating to places close to where they live. In part this is a consequence of all ALMOs and most stock transfer associations operating in the same council area as their inherited stock. Those that have been more geographically flexible, such as New Charter Trust, have only spread to adjacent areas.

A search of English Housing Corporation returns revealed 35 housing associations operating in Greater Manchester in March 2007. Only six operate solely in the county. The most geographically diverse association is English Churches Housing Group, which own properties in 146 council areas. There is considerable disparity in the scale of stockholding in the county with 10 associations owning fewer than 100 properties in Greater Manchester. In contrast, the 10 largest associations (which appear in Table 1) control three quarters of the total housing association stock. There is some evidence of non-Greater Manchester associations entering the county, with 15,488 general needs homes owned by associations that do not have their head office in the county. However, most of these are quite local, with 89 per cent of Greater Manchester stock controlled by organisations based in the Housing Corporation's northern region. Several re-branded Greater Manchester housing association such as Contour Housing (ex-Collingwood), Great Places (ex-Manchester Methodists) and Harvest Housing (ex-Manchester & District) have expanded across north-west England. Greater Manchester housing associations own 14,461 homes outside the county, nearly matching the incursion from outside groups. Therefore the position is roughly neutral, with little net challenge to the strong position of Greater Manchester housing associations from national housing groups.

## **CITY REGION HOUSING NETWORKS**

During fieldwork in Manchester, snowballing techniques identified a variety of organisations that support social housing providers. This is either because of the direct services they provide - such as training, consultancy or research - or through their role in building networks. Earlier research on the San Francisco Bay Area demonstrated a strong and regionally coordinated housing support network based around a set of inter-linked organisations spatially clustered in San Francisco's financial district (Gilmour, 2008). This pattern was not repeated in the Manchester city region, either in terms of organisational location or degree of collaboration.

England's housing association trade body, the National Housing Federation (NHF), were considered by many Manchester interviewees to be remote from the needs of local housing providers. This is despite the fact they maintain a regional offices. The NHF employ nine staff in the north of England: six in Manchester for the north west region, two in Leeds covering Yorkshire-Humberside and a home-based worker in Gateshead for the north east. In 2005 these were brought closer together into a northern 'super-region' based in Manchester, and it was announced in April 2009 that the Leeds office was to close (NHF North West, 2009). Although there will be local benefits from greater NHF capacity in Manchester, the organisation is changing, according to a Manchester housing consultant, to where 'the centre determines policy, and a bit like European law has precedent over national law, the regions

have to squeeze themselves in'. Despite policy becoming more centralised, the NHF's regional offices still provide networking resources through newsletters, workshops and events. These activities 'are useful, even if it's not what's being said. It's just meeting people, and speaking and networking, and asking what they've done recently. So you learn a lot from that' (Executive, Irwell Valley Housing). However, as noted by a Trafford Housing Trust executive, the NHF are now just one of a number of organisations helping build networks:

Thirty years ago [the NHF] provided an umbrella under which organisations collaborated to support each other. And that was really the only collaboration there was between associations, everything got done under the umbrella of the Fed [NHF]. Now the collaboration happens in a myriad of different ways - some of it touches the Fed, most doesn't.

The NHF have not included ALMOs fully within their ranks despite these organisations, that now provide one million homes in England, being similarly constituted as independent nonprofit organisations. ALMOs are permitted to join the NHF as associates to gain member benefits, although without voting or representation rights. This two-tier structure is considered unlikely to change in the current NHF governance review as ALMOs are seen, in the words of one of their staff, as 'a creature of local government ... they're not social landlords'. In Greater Manchester ALMOs provide nearly as much social housing as housing associations (Figure 3), and on the ground there is evidence from fieldwork of close cooperation between the two organisational types through procurement partnerships and staff transfers.

In contrast to the NHF, the Chartered Institute of Housing's (CIH) professional members span all types of social housing providers, including ALMOs. Their annual Harrogate conference, held one hour's drive from Manchester, is Europe's largest housing event attended by 6,500 delegates and exhibitors. CIH members are organised into regional branches and the north west branch, with 2,000 members, is the third largest in England (CIH, 2008). Similar to other regions, the branch has no full time staff or office, relying on volunteer committee members. A CIH executive advised that they were unlikely to further strengthen their regional presence unless government decision-making was devolved in England, as happened in Wales and Scotland in 1999. Although professional education continues as a core CIH activity, the view was expressed by an Irwell Housing Association Executive that this was becoming less important than in the past. None of the Manchester case study organisations insist on staff having the CIH qualification, provide day-release for study or pay extra for qualified staff.

Regional competitors are emerging to challenge the support and networking roles traditionally provided by the CIH and NHF (Table 2). The Northern Housing Consortium (NHC) and the Housing Quality Network (HQN) cross-subsidise by using commercial income towards funding member services. For example, the NHC 'the voice of housing in the north' (NHC, 2009) had income to March 2008 of £2.5 million (€2.9 million). They receive no public funding, with 13 per cent of income from membership fees and 27 per cent from commission on procurement transactions through providing lower costs gas servicing and household insurance. The remaining 60 per cent is commercial income from consultancy, training, conferences and other services (NHC, 2008b). When the organisation was founded in 1964 it was fully funded and served the needs of local government. From 2002 its membership extended to housing associations and ALMOs, mirroring the changes in housing management organisations in the region. However, a clear focus on northern housing providers remains:

We are only interested in the north. We will do for the north whatever is required to do. That focus sets us apart from anyone else ... At times it is actually worth going with the northern flow, the northern voice and the northern perspective and the northern impact on policy. A lot of people actually think it is different in the north (NHC Executive).

One reason suggested for NHC's growth is that northern NHF members 'are quite disappointed at the poor service that they receive from the Nat Fed ... You asked about the north - I think they pay lip service to it' (NHF Executive). An executive at Trafford Housing Trust complained that the NHF had shifted from member services to lobbying. York based HQN have joined NHC in providing membership services, though their focus is on helping ALMOs and housing associations improve their Audit Commission ratings. They also provide general consultancy, policy guidance, training and recruitment services.

**Table 2: Northern England networked capacity building organisations**

| Organisation  | Business model and details  | Network   |
|---|---|---|
| Housing Quality Network (HQN)<br><i>York</i>                            | Formed in 1997 as a national information exchange and service organisation for social housing providers. Unlike NHF and CIH does not lobby government. Has high capacity with 40 full staff. Advises providers on scoring higher at inspections | 680 members including associations, ALMOs and councils. Wide range of seminars, conferences and training events which cover full range of housing providers. Won government franchise to run National Federation of ALMOs                   |
| North West Housing Forum (NWHF)<br><i>Manchester</i>                    | Lobbying and networking group, founded 1999. Income £90,000 (€104,000) funds one staff member, outsourced research and sponsor an MP at Westminster. Executive Committee meets quarterly and annual conference attracts 200 delegates           | Membership of NW England councils. Executive Committees has local council representatives, two housing associations, an ALMO, the CIH and NHF. Good contacts with politicians. Emailing list includes most NW housing associations          |
| Northern Housing Consortium (NHC)<br><i>Sunderland</i>                  | Nonprofit membership organisation for social housing providers in the north of England (86% coverage). Originally founded in 1964, adopted current form in 2002. More service provision (consultancy research and procurement) than lobbying    | Members include councils (30%), housing associations and ALMOs. Various courses and workshops plus annual 'Northern Summit' between chief executives of main housing providers, civil servants and housing minister. 300 attend over 2 days |
| Sources: HQN (2009); NHC (2008a; b; 2009); NWHF (2008a; b); Interviews. |   |   |

The networked capacity building organisations in Table 2, specifically HQN, NHC and the North West Housing Forum (NWHF), work across the social housing domain and do not differentiate between public housing, housing associations and ALMOs. The NWHF, although financed by local councils, lobby on behalf of all social housing providers to incorporate a north-western dimension in English housing legislation: 'we're not about party politics, we're about local politics influencing the national agenda' (NWHF Executive). The NWHF is considered by a London housing association executive to be the most effective English regional forum, developing innovative approaches to neighbourhoods with low housing demand and anti-social behaviour: 'It's very much a product of the housing organisations in that region creating a focus, housing association and local authorities saying 'we need more voice' and the only way we're going to get that is collectively'.

The growth of new networking organisations is evident at local level, in addition to the regional organisations shown in Table 2. Social housing providers in the same locality often cooperate to reduce costs by forming development or procurement agreements (Table 3). Research suggests 67 per cent of English associations that have not merged or formed group structures have established partnerships (Davies et al., 2006: p.18). The most common areas for collaboration are property investment and development partnering, followed by procurement, alarm services, shared asset management and IT. The Housing Corporation's policy of reducing the number of associations bidding for social housing funds, concentrating



development into a smaller number of higher-capacity associations, led to the growth of development partnerships (Housing Corporation, 2005b). The BLOC partnership in Table 3 is an example, strengthening the network between Greater Manchester housing associations.

**Table 3: Northern England procurement and development partnership examples**

| Type   | Name                 | Description   |
|--|----------------------|---|
| Development partnership                                | BLOC                 | Development consortium between Irwell Valley, Great Places and 5 other associations to bid from Homes and Communities Agency. From 2009 Irwell Valley have partnership status and can bid directly          |
|  | Reviva Urban Renewal | Joint venture company between Mosscafe Housing, Irwell Valley and Great Places housing associations to bid for regeneration contracts from Manchester City Council. Coordinated by Irwell Valley            |
| Procurement partnership                                | Fusion 21            | Partnership of 7 Merseyside housing associations and Knowsley council for joint procurement of construction materials and sub-contractors. Founded in 2003 as a social business, employing local unemployed |
|  | Golden Gates         | Warrington council's ALMO, Golden Gates Housing, has pioneered cost reduction through shared IT procurement. Partnership with the council, ALMO and South Liverpool Housing (association)                   |
| Sources: Audit Commission (2007); Personal interviews. |                      |   |

Table 3 details two procurement partnerships. Types of agreement vary, although they normally involve bulk provision of goods and services at discounted rates. The concept is not new, having been used in the past by neighbouring councils reducing costs in running public housing. However, it has become more common after the government's 2004 drive to increase the efficiency of public service delivery, implemented through Housing Corporation (2005c) guidelines. Multi-member partnerships of this type, which include both ALMOs, housing associations and councils, are relatively common in Greater Manchester.

The final type of housing network discovered through research was an informal grouping between ten northern housing associations, known as the 'Airport Group' as they are within easy travelling distance of Manchester Airport. This is similar to the London's G15 Group (2008) of larger associations, but without resources or procedures. Membership follows individuals, with Trafford Housing Trust 'joining' when their new chief executive was appointed - at the same time his predecessor association South Liverpool Housing 'left'. Peer grouping takes place between chief executives, and among functional specialists such as finance directors who meet quarterly, although communicate regularly by e-mail. New organisations would only be admitted to the Airport Group if they are similar, and the senior management team considered like-minded individuals. When the group started:

There were a group of 3 or 4 first-time Chief Execs running stock transfer organisations that had all transferred at about the same time - and we didn't have anybody to talk to. You couldn't talk to your staff about things because you were supposed to know all the answers. You certainly couldn't talk to your board 'cos they might be part of the problem. So where the hell do you go? We started as a self-help group really, as therapy (Executive, Trafford Housing Trust).

Therefore, in Greater Manchester, the fragmentation of social housing provision has been accompanied by the decline in influence of what might be considered traditional, hierarchical support organisations (NHF, CIH). A wider range of new organisations and partnership arrangements have emerged, operating at local and regional rather than national scales. These organisations, like the providers they support, more clearly operate through networks.

## CONCLUSIONS

Manchester's claim to be a 'city of revolution' has been reflected in the pace of social housing transformation over the last decade. From a quarter of a million council owned, council managed homes in 1997 in Greater Manchester, fewer than four thousand remain in early 2009. Local councils have worked together in Pathfinder regeneration partnerships and pioneered the use of PFI consortia. There has been widespread use of ALMOs in the Manchester city region, and innovative approaches to developing their future role. Bolton's ALMO has moved beyond social housing, coordinating the refurbishment of private housing stock. It is currently considering a stock leaseback as a way of raising external capital (NFA, 2009). Salford and Oldham councils are experimenting transferring housing from ALMOs to housing associations in a move closely watched in the rest of England. Manchester City Council has pioneered a hybrid approach, splitting public housing stock into smaller organisations, choosing delivery structures depending on the needs of each neighbourhood.

These approaches to transforming social housing used in Greater Manchester are familiar in the national housing literature, however differences remain. The city has been little affected by housing association 'merger mania' and the loss of local autonomy with a move to group structures. Greater Manchester's top 20 social housing providers remain medium-sized, particularly following the break-up of the two large public housing departments of the Cities of Salford and Manchester into more modest scale operations. All housing providers in Table 1 are controlled by boards of local people who understand local neighbourhood issues. Hence Greater Manchester is characterised not by a move to large, anonymous housing organisations but a fragmentation of providers. This has been mirrored by the diversification of housing support organisations, and the reduced influence of national bodies such as the NHF and CIH. Though a wider selection of housing providers has the potential to bring greater consumer choice, it adds complexity costs through management duplication. Operational risks have increased, particularly with nine of the ten largest providers founded since 2000. Finally, although ALMOs and association directors are locally appointed, this does not necessarily give greater accountability than public housing agencies answerable to elected councillors.

### Network Theory & Organisational Fields

Mullins et al. (2001: pp.609-610) observed an *emerging* social housing field encompassing public and nonprofit housing providers but considered it relatively weak, whereas the housing association sub-field has traditionally been strong with shared values and career paths. With the fast pace of change in areas such as Greater Manchester, the 2001 survey might need revisiting. With virtually no remaining public housing, and seven of the ten largest social housing providers ALMOs (Table 1), the city region is atypical of England. However, evidence from Greater Manchester, supports the move towards a social housing field including both housing associations and ALMOs. This may not reflect national trends. More interestingly, it might point to a situation where field definition depends on the 'reality' of local housing provision and politics. This reinforces the need for further city region research.

Greater Manchester ALMOs and housing associations work together through procurement partnerships, choice-based lettings (often coordinated by the local council) and regeneration projects such as the two Pathfinders. Several important support organisations such as the Chartered Institute of Housing (nationally) and the Housing Quality Network, Northern Housing Consortium and North West Housing Forum (regionally) involve both organisational types on an equal basis. Only the National Housing Federation maintain a degree of separation, restricting ALMOs to associate membership. Many larger Greater Manchester

second-generation stock transfer housing associations have similar organisational structures to ALMOs, with board composition of one third councillors, one third tenants and one third independent members. This is particularly true for the single-authority stock transfers housing associations in Tameside and Trafford. The Audit Commission inspect both organisational types, and cross-domain regulation is proposed by the Tenant Services Authority by 2010. The new Homes and Communities Agency (HCA), unlike its predecessor, is starting a 'single conversation' with, local authorities and 'partners' from the public, private and nonprofit sectors (Hughes, 2008). The only significant difference between associations and ALMOs is financing, although this is currently under review (Gilmour, 2009, forthcoming-a).

From research interviews with housing association staff in Greater Manchester, ALMOs were viewed positively, often connected through business and personal networks and staff transfers. An interviewee noted of Six Town Housing in Bury, 'one of my colleagues works with them and they're meant to be a really good ALMO, and they're trying to compete with the top housing associations' (Executive, Irwell Valley Housing). Irwell Valley also work with the Bolton ALMO, through a council-run forum for housing providers in the borough:

I think a lot of the ALMOs are getting more like the housing associations. We're building up relations, working together and doing partnership work with ALMOs ... They're certainly more open to discussions ... They are turning that corner where they work very similar to us. I can't see them going back. They've had a taste of freedom (Executive, Irwell Valley Housing).

Emerging support groups in northern England (Table 2), together with procurement and development partnerships (Table 3) and the Airport Group, work more flexibly within Greater Manchester's complex and dynamic social housing network. They have a less hierarchical governance and decision making structure than the more traditional bodies, the CIH and NHF.

### **Hierarchy or Hierarchical Network?**

The move from traditional hierarchical relationships between governments and housing providers based on a principal/agent relationship with an active/passive power balance, to more networked forms of governance, has been well documented (Reid, 1995; Kickert & Koppenjan, 1997). Recently van Bortel et al. (2009: p.95) identified 'second-generation' network research which suggests the discourse of networks mask continuing state power. In particular networks may contain a hierarchy, with one or more dominant actors.

The Greater Manchester case study provides support for social housing networks remaining strongly influenced by local councils. In eight of the county's ten council areas the boundaries of the main social housing provider, whether the six whole-council ALMOs or two whole-authority housing association, coincide with council boundaries. With the eight Greater Manchester ALMOs, councils have additional influence through the threat of not renewing the (typically) five year management contract. Furthermore, with the recent move to a 'single conversation' between the HCA and councils over social housing funding, councils are also likely to work more closely with housing associations operating in their jurisdiction. Manchester and Salford councils have already used their influence through the Pathfinder to press housing associations to swap stock. It is too early to interpret the extent of councils regaining influence, and the tools at their disposal are considerably reduced compared to 1998 when over 80 per cent of Greater Manchester social housing was owned and run by councils (Figure 4). However, the alternative interpretation of Manchester as 'city of revolution' is that, rather than radical change, events are coming full circle. Twenty years declining council influence over social housing following the 1988 Housing Act may be coming to an end.

Support for an imbalance of power within social housing networks emerged from research interviews. The City of Manchester's policy of breaking-up a stock holding of 80,000 units into smaller organisations was described by a council official as designed to maximise local accountability. In contrast a member of Defend Council Housing, the group opposing stock transfer, considered Manchester split their stock then 'went for the weakest first, the outlying estates, the estates that are least connected to Manchester'. The most contentious transfer was in the suburb of Burnage where, to counter opposition, Manchester City Council's Head of Housing was appointed to the board of the stock transfer housing association. After stock was transferred in Manchester, a council official noted that municipal influence continued:

Our role is much more about a strategic lead, through commissioning services, monitoring services ...we've got to contractually monitor the ALMO and contractually monitor the PFIs ... we've got a huge influencing role with the RSLs [housing associations] that operate in the city.

The council official described the relationship with between Manchester City Council and local housing associations as a 'strategic partnership', particularly when they were working towards neighbourhood regeneration and reducing antisocial behaviour. Associations are expected to follow the council's lead, and implement council policy: 'we take a very strong role with partners, and I think that's important because we don't just want people who mind their housing and stop at the end of the road'. Manchester housing associations are aware of the need to keep in favour with the council. According to an executive from Mosscafe Housing, 'we put a great deal of energy into making sure the partnership with Manchester is strong and good, and I think that pays dividends'. In the City of Manchester, the social housing network is not one of equal actors, but a hierarchy where the council has more power.

### **City Region Analysis**

While there can be useful debate about the scaling of spatial analysis, the paper supports a general need for increased research on social housing that is not just based on aggregated national data. The case study of Greater Manchester has identified a region with a high concentration of ALMOs and, in consequence, a more balanced (and cooperative) relationship with housing associations. This situation may also exist in parts of the West Midlands and Yorkshire, but probably not the rest of England - or Scotland and Wales where ALMOs are not an option. In addition, compared to what is often explained as a national trend, Greater Manchester has been little impacted from housing association 'merger mania' and a move to national groups. By contrast, the local connectedness of Manchester social housing providers has strengthened since 1997. This is not to deny that these trends are not evident in other parts of England, rather it reinforces the research by Ian Cole and Brendan Nevin, quoted earlier in this paper, that the impacts of national housing policy are seldom uniform across regions.

With the research for this paper describing a single city region, it is not possible to make a definitive statement about the validity of city region approaches. Ideally several city regions within one country should be studied to contrast different ways housing policy is mediated depending on local conditions. The city region is only one 'window' through which housing policy impacts and network governance can be studied and contrasted. Others could include a wider region with both urban and rural areas, a single council area, a neighbourhood or series of streets. However, as noted by Harding (2007), although city regions are hard to define, as a frame of analysis they usefully take the observer beyond traditional administrative boundaries which may have little relevance to realities of labour and housing markets.

The complexity of boundaries in the Manchester city region is shown in Figure 1. Greater Manchester lacks statutory metropolitan governance, although local planners at the

Association of Greater Manchester Authorities (AGMA) have tried to improve co-ordination between jurisdictions. AGMA use consensus based, partnership working through networks at various scales from neighbourhood to national. The partnership approach has become the dominant institutional arrangement in England to tackle pockets of deep social and economic problems. In Greater Manchester, two Pathfinder regeneration partnerships, and various Multiple Area Agreements, overlay traditional council boundaries. Using a city region 'window' captures this degree of spatial complexity, highlighting the inter-related networks in which local councils remain the key actors. Though still important, councils have changed how they work. Most clearly in the case of the City of Manchester, they have shifted to entrepreneurial partnership mode, working with other councils, nonprofits and businesses to achieve what needs to be done for their city. In Manchester, this transition was forged both during the euphoria of the Olympic Games bid, and the grim reality of rebuilding the city centre after the 1996 terrorist bomb. The City of Manchester's latest revolution is as much about how it has transformed itself as how it has transformed social housing.

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