

Appendix 6

This is an extract from a report completed in February 2015. It was commissioned by Rochdale Boroughwide Housing, from North Housing Consulting Limited, to assess the impact of welfare reform, in particular the impact of the Summer Budget and CSR 2015 on the social and private rented sectors in Rochdale.

Organisational Responses

There are a number of issues which arise from this work which RBH will need to focus resources on over the next few years, and these include:

- The data shows that there is a considerable deficit in employment currently in Rochdale when compared with the increase in the labour supply which will be generated by welfare reform. There is therefore a need to refocus efforts to support tenants into employment, not just locally but within Greater Manchester as a whole where labour demand is stronger
- It is unclear as yet how the Private Rented Sector will respond and adapt to the changes in housing subsidy for low income tenants. This will need to be monitored in the more vulnerable neighbourhoods where landlords subdividing property and increasing occupancy may generate management problems and higher social and welfare costs
- The small area data shows a cluster of significant social and economic challenges resulting from the operation of and interaction between the Central Rochdale housing and labour markets. **Neighbourhoods such as Lower Falinge and College Bank require an intensive neighbourhood based approach to address these challenges, which ties in targeted physical intervention with the redesign of public services and the creation of employment opportunities**
- Any neighbourhood based approaches will need to be designed around bespoke services and products which reflect the local social and economic issues and take account of the housing market dynamics created by different segments of the private rented and social sector stock. This fine grained analysis is important as given the public policy framework now in place regeneration will be organic and a long term process rather than being characterised by short term bursts of public sector investment.
- The low value housing market in Rochdale is vulnerable to the displacement of poorer households from more prosperous parts of Greater Manchester as rents rise, while the LHA remains capped. This will create a crisis of affordability potentially across the Greater Manchester area, but the pressures will be more profound in higher rent locations. The potential for displacement will need to be monitored over time as there is a clear need to achieve more balanced communities and prevent overcrowding and property standards.