

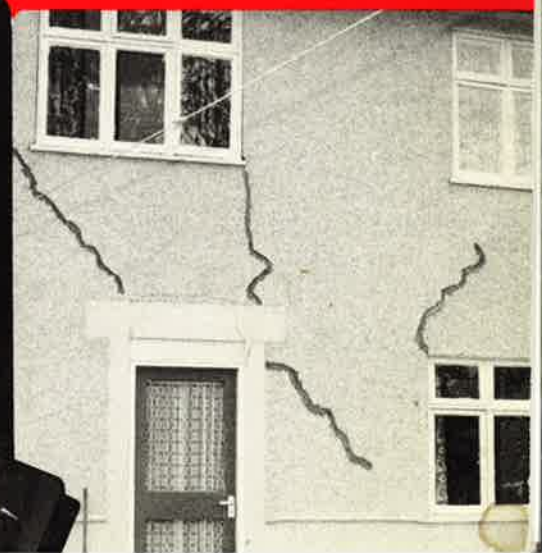
# HOUSING DEFECTS

— in —

## MANCHESTER



**MANCHESTER**  
City Council  
Defending Jobs - Improving Services



# HOUSING DEFECTS --- in --- MANCHESTER

There are major defects in Manchester's Council housing and present financial resources are inadequate to cope with the problems. The defects run right through the stock - deck access, tower blocks, post-war maisonettes and "traditional" housing too. In some cases living conditions are atrocious and there are major health risks as bad or worse than in the old slums. The total bill is £600M.

The Government's response to the growing problem is to reduce the money available. Manchester's housing investment allocation this year would be £96M if the Government had kept it at the same level as when they came to office. Instead it is only £36M.

More resources are needed - not less. It makes sense to invest in housing. It makes sense to put the construction industry back to work. It makes sense to give people back one of their most basic human rights - a home fit to live in.

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# **PART·ONE**

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## *The General Picture*



## 1. THE SCALE OF THE PROBLEM

**1.1** The defects described in this report will be startling to anyone who is not directly involved in running Council housing in this country. The costs of putting things right are well in excess of current levels of investment which have been reduced on an annual basis for the past five years. The most important thing to remember is that in England today people **have** to live in deplorable housing conditions. The truth of the matter is that in Manchester and in other major cities it is the poorest and most disadvantaged people who are living - and they often call it "existing" - in the very worst housing. On top of all their other problems, the poorest people in our society have to deal with living in defective housing and they are the least-equipped to cope.

**1.2** Rectifying the present situation makes sense in economic terms - protecting past investment with remedial works where appropriate and resuscitating the ailing construction industry to carry out this work, or redevelopment where that is the appropriate solution - but it is in social terms that action is essential. Underprivileged people should not have to live in the horrendous conditions described in this report.

**1.3** The estimated cost of dealing with the problems in Manchester is staggering - £600 million at today's prices. Examples of estimated major cash requirements are:—

- £90M for demolishing the Hulme deck access estates and providing replacement low-rise dwellings;
- £150M for dealing with currently identified failures in the low-rise stock; and
- £100M for replacing inadequate heating systems.

Delay in dealing with any of these problems will only mean that the ultimate cost will be much higher in real terms because much more work will be needed to put things right.

### The Government's Responsibilities

**1.4** Manchester City Council's capital spending on all aspects of housing - new construction, improvement and repair for both council stock and for older private houses — is currently about £55M per annum. This amount is about 40% less,

in real terms, than that in 1979/80. This fact has to be looked at in conjunction with the 80% reduction in Housing Subsidy (Central Government's grant aid to the local authority for housing investment) over the same period. Many of the worst problems, of course, are in experimental forms of construction that authorities were advised by Central Government to adopt back in the 1960's and which were favoured by the Subsidy system then operating. They should acknowledge their responsibility for the mistakes of the past and provide extra grant-aided resources for local authorities now faced with putting things right.

**1.5** The City's bid to the Government for authority to borrow money for housing projects in 1985/86 amounted to £90 million - a figure which could be considered too modest in view of the deteriorating investment position in recent years and which would not even bring us back in real terms to the 1979/80 spending level - and the sum the Government allocated was only £36M. Figure 1 illustrates the City's financial plight and shows the widening gap between such a "modest" spending profile and the declining level of the Government's financial support since 1979/80. Even forgetting needs such as improvement grants, new-build to cater for the Waiting List, and the continuing requirement for a basic level of programme maintenance, annual spending at the £90M level would not deal with the **identified problems** in the council stock in less than seven years. Clearly then the defects problem has two parts - the absolute shortage of financial resources and the absurdity of diverting resources from other programmes.

**1.6** Manchester's view of the Government's attitude is reinforced nationally by the Audit Commission's recent review of the Government's system of capital spending controls.

\*The Audit Commission stated: "With the existing systems and on present public expenditure plans, local authorities will not be able to maintain, let alone improve, the state of existing local authority housing stock, schools and roads - the maintenance backlog could well be growing at the rate of some £1 billion a year". The same Audit Commission report casts doubt also on the Generalized Needs Index (GNI) used by Government to allocate resources around the country: "It is debatable whether any formula-based approach will be able to assess local

\* "Capital Expenditure Controls in Local Government in England", the Audit Commission (1985), HMSO.

housing needs better than locally elected councillors familiar with local conditions and priorities and held to account by the local electorate. Central planning such as is now being practised may be attempting the impossible."

### What are the defects?

**1.7** Defects exist in "traditional" as well as "non-traditional" housing (Figure 2 shows the different types) and this report covers known defects in both categories of stock. The difference tends to be that long-term remedial works are more feasible for the traditional stock. The problems and the costs of putting them right are described in general terms in Part One of the report while Part Two provides more detailed information on each problem. Broadly, defects can be considered to be of the following types:-

- constructional defects - either faults in building systems (chiefly in factory made units) or failures in specific building elements requiring abnormal capital investment (e.g. floors, walls, foundations, etc.)
- defects arising from reductions in programme maintenance.
- environmental failures.

In many estates problems are present which fall into more than one of these categories and the physical defects contribute to the formation of estates which are difficult or impossible to manage, and are **social failures**.

**1.8** The situation described is as it is known today. Full technical appraisals of all the stock have not yet been completed and most of the known defects are ones which have made their presence felt in a way that is apparent to tenants and locally-based housing management. The experience with certain systems-built estates in the past few years, however, led the Council to authorise full structural investigations of the "non-traditional" stock. Where the results of such surveys are available they are summarised in this report. Where possible, costs of remedial works or more radical measures (if needed) are shown.

## 2. "NON-TRADITIONAL" HOUSING

**2.1** The definition used for "non-traditional" housing covers any form of construction above two storeys in height or which is not built of bricks and mortar with a pitched roof of slates or tiles. It includes "bespoke" designs for deck access and tower block schemes as well as the systems-built designs from the 1960's which have received more attention recently. Various types of maisonette development and walk-up flats are included and the definition extends to the two-storey PRC (prefabricated reinforced concrete) houses of the 1940's and 1950's, post-war steel-framed houses, various inter-war experimental types, and the "no-fines concrete" houses used extensively in the City and on the overspill estates.

### Deck Access

**2.2** To date the worst problems of design, layout and construction failure have been found on the deck access estates, the biggest concentration of which are to be found in the Hulme area. Looking first at the other, smaller, estates the current situation is as follows:-

**Wellington Street:** This "Bison" estate originally comprising 1,018 dwellings is in process of demolition due to problems of water penetration and structural failure despite expenditure of £0.7M in an attempt to arrest decline. Legal action to recover the money wasted is being taken against the builder of the estate, but with no guarantee of success.

**Coverdale Crescent:** A consultant's report on this "Bison" estate of 506 dwellings has recently been considered. The City Council will take a decision on the future of the estate when the cost of remedial action has been established.

**Turkey Lane:** The 399 dwellings at this estate, built using the French "Unit Camus" system, are to be demolished mainly for social reasons. Although there are no major structural faults the estate is extremely unpopular with tenants, difficult-to-let because of its reputation, and has extreme management problems caused by the deck access layout.

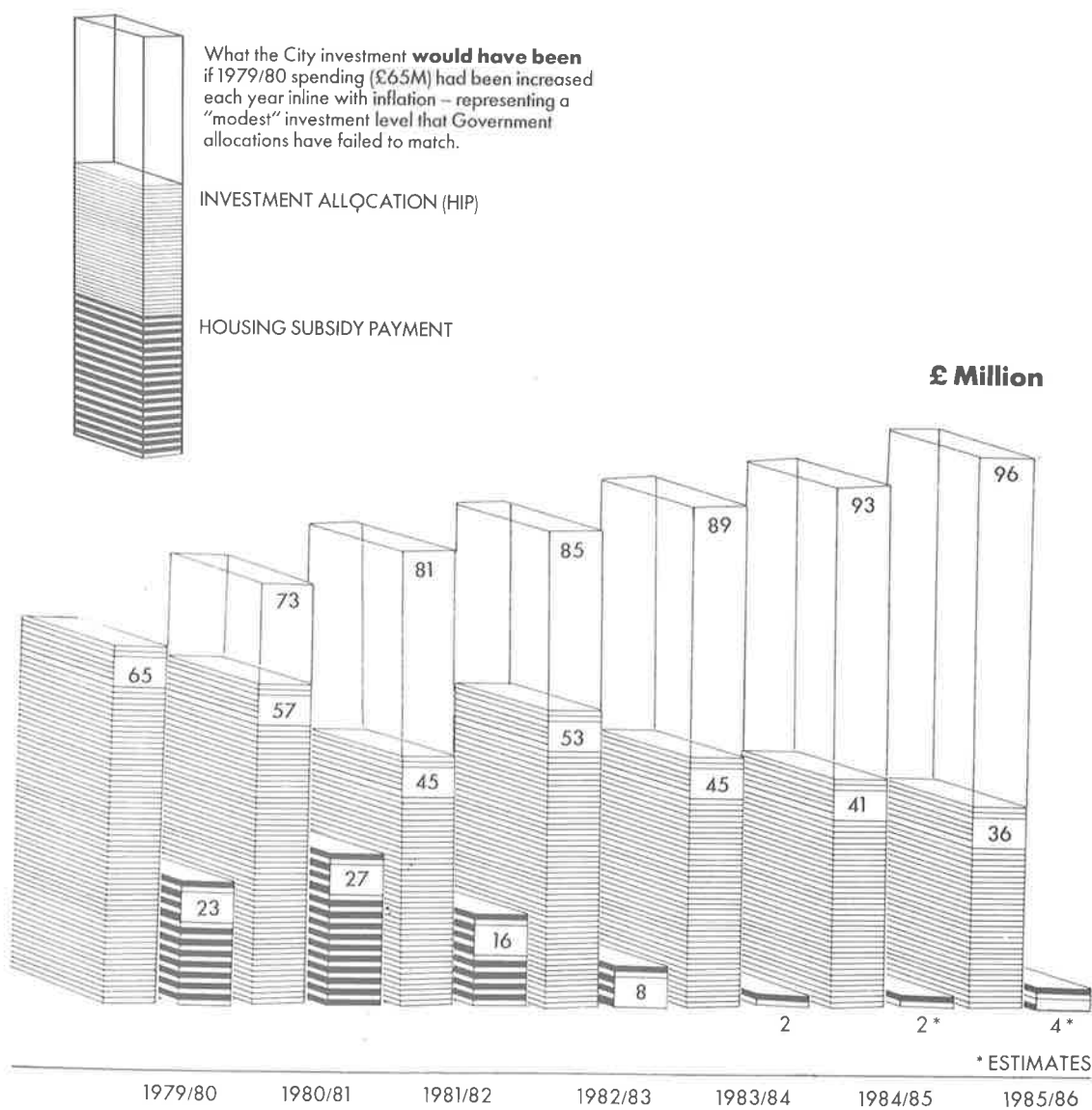
### Hulme

**2.3** In Hulme there are 2,864 deck access

**FIG 1**

**MANCHESTER'S HOUSING INVESTMENT ALLOCATIONS SINCE 1979/80**

Gap between a "modest" level and actual allocations and subsidy from Government.





**2.6** The City Council hopes to bring about the renewal of Hulme in close consultation with the people who live there. Preliminary discussions with the tenants indicate that they want the decks demolished and replaced with low-rise traditional housing. To achieve this scale of change in an area with so much housing of this type will require a major sustained effort over a number of years. The Council is establishing a Project Team which will be based in Hulme and will have the twin tasks of consulting with tenants and co-ordinating development activity in the area. The Council is in fact going back to the mistakes of the 1960's and trying to do things properly this time. Massive resources are needed to do this and it seems right that since Central Government was party to the mistakes last time around they should help now by making Hulme a

"special case" and providing those resources.

### **The Miles Platting Project and Other Maisonettes**

**2.7** One area of the City where a project team approach is already proving successful is Miles Platting. At the start of the project over half of this estate consisted of 1,842 "double-decker" or similar type maisonettes which had become very unpopular over the years and where there had for some time been a concentration of families with problems. Two and a half years ago the City Council decided that drastic action was necessary. The DoE's Priority Estates Projects were looked at as a possible model but a more comprehensive approach was needed. The approach adopted was that of a Community



● Unpopular "double-decker" maisonettes in Miles Platting set in an environment which belongs to nobody and has failed.

Refurbishment Scheme. This was brought into operation very quickly and is making considerable progress. The Project Team is based in the area and effective tenant consultation has been a keynote of the scheme. The preferred option of most tenants is to have the maisonette blocks "decapitated" and converted into two-storey houses with their own gardens. So far the CRS has been a success and tenants are happy with the results. To keep up momentum and meet expectations the same high level of resources will be needed for another three years.

**2.8** Double-decker and similar types of maisonettes exist elsewhere in the City. Where these suffer from a particular structural defect (deterioration of the "Musker" beams used in their construction) the decapitation solution is being used as repairs would be very expensive. Otherwise — despite the social and management problems of the blocks — the Council is deciding the future of each block on the basis of its structural condition.

## **Tower Blocks**

**2.9** Various problems exist in the 118 tower blocks in the city and on overspill estates. Management and security problems have led to some expenditure already, and in one case the conversion of a block to a "vertical" sheltered housing scheme. Generally, though, management problems are less severe where no family dwellings are present. However, many blocks containing bed-sit flats, are very unpopular and difficult-to-let. Various methods of construction were used for these blocks and a range of building defects are present. For instance, there have been water penetration problems through flat roofs and around window frames, spalling concrete, and some soil-pipes have to be completely replaced. Lifts are a major cyclical maintenance problem (as on the deck access estates) which is made worse by heavy usage and vandalism.

## **Other Types**

**2.10** Nationally, disproportionate attention has been paid to the non-traditional housing types built in the early post-war years. These are the mainly two-storey prefabricated reinforced concrete (PRC) houses. Much of this attention has been generated by the fact that — unlike the 1960's systems-built estates — the PRC houses

are potentially attractive to Right to Buy purchasers. Special assistance is being given to such purchasers by the Housing Defects Act. Manchester has PRC houses and other experimental dwellings dating from the inter-war period. There are also some post-war steel-framed houses. Defects are present and expenditure is needed but these types do not exhibit the social failure and management problems of the 1960's systems-built housing. Once remedial works are carried out they can be an attractive part of the stock.

## **3. "TRADITIONAL" HOUSING**

**3.1** A large part of the traditional stock has reached the stage of its life when it is in need of a major refit, or is suffering from failure of structural components. There are still 9,000 Council-owned, inter-war cottage properties which have not been modernised. Many of these have no heating system except one open fire and have kitchens which lack fittings and are not even plastered. In 1979/80 a total of 4,728 modernisations were completed but this had fallen to about 300 by 1984/85. Logically, these are the properties that the Council should now be spending money on — they are popular with tenants but are at the stage in their life where a major refit is necessary. However, lack of resources and problems in newer housing mean that attention is being deflected from the cottages.

**3.2** The need for modernisation of the cottage stock is not the only problem affecting conventionally-built two-storey housing. Typical examples of component failure include heaving floors on inter-war estates due to the effects of sulphates in the underlying ground. A similar problem exists in one of the post-war conventional housing types where the floors are excessively damp. Another major problem is that of spalling brickwork on a lot of the 1970's low-rise housing where a particular type of brick was used.

**3.3** Substantial sums are needed to tackle the environmental problems on both pre- and post-war estates. On the earlier estates the main problem is lack of provision for cars — with some very narrow roads and no space for parking. Many of the post-war estates were built to open plan designs since found to be unsatisfactory. Security would be improved and vandalism



substantially reduced if these estates were given private gardens with space inside for tenants to park their cars.

#### **4. COMMON NEEDS**

**4.1** As well as the problems which are specific to a particular section of the stock, there are three major issues which affect so much of the City's housing that they should be considered as "common needs":—

##### **(a) Programme Maintenance**

In order to deal with the natural ageing of the housing stock a high level of investment is required **every year** to carry out external painting, joinery replacement, pointing, rewiring, etc., in addition to (and partly to reduce the level of)

day-to-day repairs. The increasing volume and complexity of maintenance needs have put a great strain on the Housing Revenue Account and have resulted in the establishment of an expanding repairs programme funded by capital borrowing. It has been estimated that, at the present time, an annual investment of around £12M is necessary. Such expenditure is currently biased towards the pre-war stock but when programme work starts shortly to come on stream for the post-war stock this amount will be considerably increased. A significant amount of the work identified elsewhere in this report results from the inability to provide this level of investment over the past 10 years. Programme maintenance expenditure is estimated to be about 20% of all housing investment expenditure in 1985/86 and even at this level there will be an



● Inter-war "cottage" property suffering from severe subsidence due to foundation failure.

estimated shortfall on the year of about £1M on the minimum investment required. Clearly this "slipping back" process is having a critical effect on the overall size of the maintenance problem.

## (b) Heating and Insulation

Over the past ten years a new phenomenon — fuel poverty — has arisen in connection with home heating, largely because of the dramatic rise in fuel prices over this period. The situation is made considerably worse because of the Government's stance on fuel costs and it is difficult, if not impossible, to establish a coherent strategy on investment in heating systems for council property. Ideally, the City Council would have a strategy for energy efficiency in housing encompassing better insulation measures, cost-effective and efficient heating systems, and dealing with all the management and social problems arising from energy issues. The current programme to provide external insulation to "no-fines concrete" houses is an example of this approach but vastly increased resources are needed to deal with the problems in a comprehensive way. The cost estimates set out below include a nominal sum of £100 million for the replacement of inadequate heating systems throughout the Council stock.

## (c) Asbestos

The past ten years have also seen an increase in awareness about the possible hazards to health caused by asbestos. The full extent of the use of asbestos in the City's housing stock is not known. It is particularly prevalent in some of the deck access housing but is certainly not limited to the non-traditional types. City Council policy is to deal with asbestos on the basis of established priority criteria. The cost of such work — when carried out in line with modern health and safety standards and in accordance with legislative controls — is very high, with the preliminary estimate for the Hulme deck access estates amounting to £4.5M for removal alone. This figure would double when allowance is made for replacement with other materials.

## 5. THE COST OF PUTTING THINGS RIGHT

**5.1** The total cost figure to remedy defects described in this report is estimated to be in the range of £560M - £630M at today's prices. Figure 3 shows a breakdown of this estimate but it

must be remembered that it is based only on the situation as we know it today — there is still survey work to be done and the final bill could be much higher. As indicated above asbestos is one area where our present knowledge is limited and only when a comprehensive investigation is completed will the full extent of structural failure in the low-rise stock be known. It has also to be remembered that a level of programme maintenance will be needed in the future to keep the stock in a **good state of repair**. At present £12M per year is considered adequate for this but the figure will rise as these programmes affect new housing.

**Fig. 3 - The Range of costs for dealing with identified defects**

Dwelling types	Cost — £M (1985 prices)
Deck Access	140
Maisonettes:-	
Miles Platting	10
Other	30
Tower Blocks	50 - 70
Low Rise:-	
Component Failures : pre-1945	50 -100
Component Failures : post-1945	60
Modernisation	60
Environmental Works	60
Heating : Replacement of inadequate systems throughout the Council stock	100
<b>Total</b>	<b>560 - 630</b>

## Government Constraints on Resources

**5.2** In the years since the Conservative Government took office in 1979 the resources available for capital investment in housing have been greatly reduced. Every year the Government informs each local housing authority of its Housing Investment Programme (HIP) allocation. This is not a cash hand-out from Central Government but merely represents a permission to borrow. In 1979/80 Manchester's allocation was almost £65M and the corresponding figure for 1985/86 is only £36M. This is a tremendous reduction. However, the real significance is only apparent when inflation is

allowed for and it is seen that instead of £36M Manchester would have a 1985/86 allocation of approximately £96M if it had the same purchasing power as that received six years ago (see Figure 1 for the widening gap between "modest" spending and Government support).

**5.3** The Government's answer when pressed about reduced allocations is to say that local authorities have the power to "enhance" their programmes by the use of capital receipts, i.e. the proceeds from the sale of the City's houses and land. There are a number of points to be made here:-

(i) Manchester has used capital receipts — but the level of receipts in different parts of the country in no way matches housing need and even if all the available receipts had been used up Manchester's total HIP expenditure in the period of this Government would not have matched the sum available if allocations had continued in real terms at the 1979/80 level.

(ii) For 1985/86 the Government is further restricting the degree to which receipts can be used to enhance allocations. They are doing this because of a major blunder in their own legislation. Authorities can "accumulate" capital receipts and many have done so in order to stave off the effects of substantially reduced allocations in future years. These accumulated receipts are now at such a level that the Government fears they could undermine their monetarist strategy for public spending. The Government's reaction has been to limit the amount of these receipts that can be used in any one year. In reality, this means Central Government is telling local authorities not to spend their own money. The Audit Commission, in their report referred to above, has criticized the uncertainty caused by these changes and identified their cause as the mutually inconsistent objectives set for the capital spending control system by the Government.

(iii) Capital receipts come mainly from the sale of council houses. Right to Buy sales have been concentrated, inevitably, in the traditional stock — low-rise houses with gardens. This means that the stock of attractive accommodation is being depleted just at the time when the disasters in the non-traditional types are making extra rehousing demands.

**5.4** It has been said above that the annual HIP allocation is not a cash handout but is a permission to borrow. Local authorities, therefore, have to pay debt charges (interest, etc.) on the money borrowed to fund the HIP. Disregarding fluctuations in interest rates themselves (which, of course, are not completely divorced from Government policy) the present Government has increased the burden of these charges falling upon local authorities. It has done this by virtually eliminating the support provided by the Housing Subsidy system (see Figure 1) which has existed in one form or another throughout the post-war period and by its across-the-board reduction in Rate Support Grant. In a housing context the effect of these measures is that the Government has effectively withdrawn from its responsibilities for maintaining the quality of the Nation's housing stock.

### The "Rob Peter to Pay Paul" Solution

**5.5** With the downward trend in resources from Central Government and the undeniable need for greater investment in the existing Council housing stock it might be supposed that the City Council should solve its problems by diverting resources from other areas of its housing expenditure. This has happened in the last few years but it is certainly not an acceptable solution because these other areas of spending are equally vital to the well-being of the people of Manchester. For instance:—

- Renovation grants are needed to deal with 20,000 pre-1914 private dwellings remaining unmodernised or in substantial disrepair. Until recently, dramatic progress was being made after years of effort by the City Council. Financial restrictions in the current year, however, have made it necessary to suspend grant approvals. After giving an open ended commitment to grants only three years ago the Government's Green Paper proposes "meanstesting" and this will again slow progress. Additional resources are needed urgently, though, if large-scale slum clearance is to be avoided.

- Manchester has a legacy of antiquated and exceedingly unpleasant Victorian hostels for the single homeless and is implementing a strategy to replace them with a range of smaller hostels.



● The number of new Council houses being built is minute. New houses are needed partly to meet the needs of the 38,000 households on the Rehousing List and partly to replace defective dwellings which have to be demolished. Increased new-build would not replace investment in the existing stock. The two approaches are complementary and both are needed in a concerted attack on the problem. Diverting expenditure from other areas to cope with public sector defects is not an acceptable option.

## **6. CONCLUSIONS - WHAT THE GOVERNMENT MUST DO**

**6.1** The catalogue of defects in Manchester's purpose-built Council stock is long and getting longer. Current rates of investment are not keeping pace with the rate at which new problems are discovered. The back-log is reaching the point at which past investment will be wasted simply because dwellings will deteriorate to a condition that is beyond repair while they are awaiting remedial treatment. Some dwellings, however, ought to be demolished. In fact they should never have been built in the first place. Where demolition takes place replacement with low-rise traditional housing is necessary. The people of Hulme told Ian Gow, the Housing Minister, that this was what they wanted and that the new houses should be for rent when he met them in September 1984.

**6.2** The Government can help by providing adequate HIP resources and seeing that these go to authorities with major defects problems, particularly those with post-1960 systems-built estates. The methods used to assess needs within the Housing Investment Programme system must be changed and a suitable sum of HIP money should be earmarked each year for direct allocation to those authorities with deck access and similar post-1960 problem dwelling-types in need of major work.

**6.3** Finally, the Government should accept some responsibility for the defective and untried types that were so enthusiastically recommended to local authorities in the 1960's. Allowing demolished properties to count for Housing Subsidy purposes is a step in the right direction but hardly relevant in view of the diminishing amount of subsidy actually paid. Specific grants should be made available to assist with demolition and there should also be grants to write-off the outstanding debt on

construction and abortive improvement/remedial works. A realistic subsidy system is also needed for the new housing needed to replace those housing experiments of the past which are so defective that they have to be demolished.