

SEDGEFIELD BOROUGH COUNCIL

OVERVIEW AND SCRUTINY COMMITTEE 3

SCRUTINY REVIEW

REGENERATION OF NEIGHBOURHOODS

WITH OLDER PRIVATE SECTOR HOUSING

Report of the Review Group

Members of the Review Group

Councillor R.A. Patchett (Chairman)

Councillor B.F. Avery

Councillor G.C. Gray

Councillor J.E. Higgin

Councillor B.M. Ord

Councillor Mrs. C. Sproat

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1. Chairman's Introduction

The Sustainable Communities Plan and Northern Way Growth Strategy aim to create sustainable communities – places where people want to live – that promote opportunity and a better quality of life for all. Sedgefield Borough Council can play a major part in this process and has prioritised this objective in its Community Strategy and Corporate Plan. The Review Group has sought to examine the particular issues surrounding older private sector housing (principally pre-1919 properties) within the Borough to determine what has been done to date and what can be achieved in the future. Following a detailed review, a number of recommendations have been made for consideration by Cabinet.

The review has been carried out by a small group of Councillors, supported by officers from the Council's Democratic Services. Officers from Neighbourhood Services and Regeneration provided the detailed information for the review.

I would like to thank all who have contributed to the review exercise and look forward to future developments arising from its conclusions and recommendations.

Councillor R.A. Patchett
Chairman of the Review Group

2. Summary

Membership of the Review Group

Councillor R.A. Patchett (Chairman) and

Councillors B. F. Avery, J.P., G. C. Gray, Mrs. J. Gray, J.E. Higgin,
B.M. Ord and Mrs. C. Sproat

Objective of the Review

To assess the impact of the Council's approach to Private Sector Housing within the context of the regeneration of neighbourhoods.

Contribution to the Council's Ambitions and Community Outcomes

The Council's Ambitions and Community Outcomes are shown in its Corporate Plan. This review contributes towards the Council's ambition of creating an attractive borough with strong communities. It also contributes to the associated community outcomes of improving towns, villages and the countryside and securing a range of quality affordable housing.

Process/Methodology

The Review Group gathered information and evidence as follows:-

- a) Through six meetings between November, 2004 and April, 2005.
- b) Through presentations by D. Scarr, the Council's Head of Community Services, I. Brown, the Council's Housing Strategy Manager and G Wood, the Council's Regeneration Manager.
- c) By questioning the above officers.
- d) By visiting areas of the Borough with older private sector housing.
- e) By considering the content of relevant Council policies and strategies.
- f) By speaking to residents and by Members of the Review Group feeding the views of residents of the identified priority areas into the review process.

Summary of Main Review Findings :

- **Problems associated with areas of older private sector housing are significant and must be addressed.**
- **The Council must take a lead in this issue.**
- **Solutions will include both capital-led and other interventions.**
- **Three priority areas within the Borough have been identified for action (at Dean Bank, Ferryhill, Ferryhill Station and (West) Chilton.**
- **Selective intervention will be needed in other areas.**
- **A number of measures are available to address the problems which have been identified.**
- **In view of resources required, the Council alone cannot resolve all relevant issues – other agencies must also be involved.**
- **Partnership working will be key to delivering change in these communities.**
- **The Master Plan which is being developed is fundamental to delivering the Council's objectives.**
- **The end result must be sustainable communities.**

Recommendations to Cabinet

1. That the Council's commitment to acting as the lead agency in regeneration of neighbourhoods with older private sector housing be re-affirmed, together with the selection of three areas (at (West) Chilton, Ferryhill Station and Dean Bank, Ferryhill) for priority action through the delivery of the Master Plan for the areas.
2. That a project timetable be included in the Master Plan and that this be used to monitor the delivery of the Regeneration of the Priority Areas.
3. That selective intervention is undertaken in other areas, as appropriate, to address problems associated with older private sector housing in those areas.
4. That, in view of the resources required, the Council engages at a sub-regional level with agencies such as the Durham Coalfields Housing Renewal Partnership, Government Office North East and English Partnerships to examine all possible additional investment and funding opportunities.
5. That as there is a range of solutions available to address relevant issues, the most appropriate solution should be identified in each case - with the overall aim of ensuring that the outcome is a sustainable and viable community.
6. That any households displaced by regeneration programmes are offered, as far as is possible, the housing solution most appropriate to their needs.
7. That the Council ensures, as far as it can, that any future housing developments resulting from the regeneration of neighbourhoods contain a mix of affordable family housing as well as a social housing element.
8. That residents and stakeholders affected by regeneration programmes are consulted and kept informed at all stages of the process.
9. That the Council uses all its available powers to achieve these objectives (including use of group repair schemes to improve homes; use of compulsory purchase to acquire and clear blocks of redundant properties; use of planning and environmental health powers to tackle empty buildings and derelict sites; and consideration of the adoption of selective licensing of private landlords.
10. That the Council works with other partners, such as the Police and County Council to effectively exercise the powers at 10. above.
11. That links are established with other programmes via Neighbourhood Management, to address issues of crime, anti-Social behaviour, joblessness, low educational achievement etc.

4. Main Findings

Background

The Council's Local Neighbourhood Renewal Strategy highlights that despite prime economic advantages afforded by its location, Sedgefield Borough has been unable to recover from restructuring in its traditional industries and still suffers from relatively high levels of deprivation. Three quarters of the Borough's population reside in areas that are within the 25% most disadvantaged wards in the country, as identified through the Index of Multiple Deprivation 2000. This index measures disadvantage across a range of indicators – including employment, income, education, health, housing and access to services. Issues associated with older private sector housing (generally identified as being pre-1919 properties) have exacerbated and worsened some of these problems.

Particular problems include :-

- Ageing housing stock which has suffered from years of under-investment
- Large numbers of empty dwellings
- Low property values
- Generally poor housing quality
- Declining interest in the owner/occupied market in the area
- An increasing number of properties coming onto the market. This has created an over-supply and a growing private rented sector.
- Issues of anti-social behaviour have become of great concern.

What is the Council doing to address these issues?

In accordance with the Sustainable Communities Plan 2002, and subsequent changes to the Housing Investment Programme, the Council must take a significant lead in regenerating neighbourhoods with older private sector housing.

In 2003 the County Durham Coalfields were identified as a priority for inclusion in the first Regional Housing Strategy.

Priority areas have been agreed by the Council and stakeholders at :-

- Dean Bank, Ferryhill
- Ferryhill Station
- Chilton West

A master planning exercise (due for completion in Summer 2005) is currently underway. This will produce a development framework for the priority communities.

Although it is accepted that a number of new initiatives will be needed to address the issues which have been identified, there are also existing strategies which can be used to deliver the Council's objectives. These include :

- a) The Neighbourhood Renewal Strategy
- b) The Housing Strategy

The Council has also taken steps to ensure that it *understands its communities*. This has been done by :-

- Identifying communities at risk
- Recognising that not all communities will need the same level of intervention
- Monitoring communities in recognition that the housing market changes over time and that early intervention may be necessary

Steps have been taken to measure the vitality and viability of communities to ensure that resources are targeted effectively and that early intervention can be made, where necessary. The following indicators are measured :

- House prices – as an indicator of how an area is perceived.
- Number of houses for sale.
- Visual and environmental appearance of an area, if an area looks run down then it probably is.
- Physical condition of the housing stock
- Balance of housing tenure – particularly the number of private landlords
- Levels of abandonment.
- Levels of deprivation across a range of factors
- Levels of crime – particularly “signal crimes”, which include graffiti, vandalism, abandoned vehicles and illegal dumping and which - if not addressed - can lead to worsening crime levels in general.
- Levels of anti-social behaviour
- Residents perception of their community.

Who monitors these factors?

- Working Groups
- Crime and Disorder Reduction Partnership
- Members
- Officers
- Residents
- Other stakeholders

Tools which can be used to sustain a community

These do not always need to be capital funding-led and can include measures such as the use of Neighbourhood Wardens, focused activity to tackle anti-social behaviour and signal crimes and joint working with the Police to tackle crime and fear of crime. The Council can also use environmental health and planning powers to tackle high profile abandoned buildings or sites.

The Review Group found that particular issues relate to areas with high levels of private landlords, especially in the case of “absentee” landlords. It is anticipated that powers will shortly become available to local authorities to license private landlords. It is hoped that this measure will address some of the particular issues relating to this problem. Neighbourhood Management proposals will also be considered by Cabinet and may assist in addressing some of the issues which have been identified.

Resources

Given the scale of the problems associated with the regeneration of older areas of private sector housing, the efficient and effective use of resources is a key issue. In order to make the best possible use of available resources, the following can be used :

- Bending main stream funding (Revenue Services and Capital funding)
- Capital Receipts Initiative
- External funding options
- Partnership funding
- SPV (“Special Purpose Vehicle”) resources, if developed

Solutions will involve a mix of capital and other interventions, including selective clearance, refurbishment of housing, dealing with abandoned buildings and sites, neighbourhood management, licensing of private landlords, etc.

Given the level of resources required, the Council alone cannot address and resolve all relevant issues. It is imperative that work is undertaken at a regional and sub-regional level to involve other agencies and bodies in order to maximise funding and investment opportunities. This will involve agencies such as Government Office North East, the Durham Coalfields Housing Partnership and English Partnerships.

Intervention and measures of success

Timely intervention is important and should ideally occur before an area deteriorates significantly – measures described earlier should be used as indicators of when action is necessary. It is important that residents and other stakeholders are engaged in this process. This is particularly so where residents may be displaced by a regeneration scheme. There are several particular issues concerning owner occupiers in this situation. These include problems associated with low house values, negative equity and difficulties in obtaining mortgages in some cases.

Various other tools can be used to achieve the Council’s objectives, including:-

- a) Neighbourhood Wardens
- b) Focused activity to tackle anti-social behaviour and signal crimes
- c) Joint working with the Police to tackle fear of crime and crime – including projects such as the StreetSafe initiative
- d) Building community capacity for communities to deal with issues themselves

- e) Use of Environmental Health and Planning powers to tackle high profile abandoned buildings and sites.
- f) Use of new powers to tackle vacant housing
- g) Selective licensing of private landlords
- h) Neighbourhood management initiatives.

Following intervention there are a number of measures which can be used to determine levels of success. Of these the key indicators are house prices and rates of occupation. In addition to these indicators, reduced levels of deprivation and improvements in visual amenity can also be measured, together with community perceptions of the area, reduced crime (and signal crimes) anti-social behaviour and fear of crime.

Partnership working

Effective delivery of the various initiatives will require partnership working. This should involve local communities, residents associations, town and parish councils and various bodies and organisations, including funding bodies, Government agencies and the Police. It will also be important to engage all stakeholders in the process.

5. Conclusions

- The Council has a key role to play in the regeneration of areas of older private sector housing.
- Issues associated with this type of housing are most prevalent in Chilton (West), Ferryhill Station and Dean Bank, Ferryhill. The Council has previously agreed these as priority areas for action.
- Selective intervention will be needed in other areas of private sector housing. In addition to the three priority areas, other areas will also require some support.
- In addition to new initiatives which are developed, there are existing strategies which can be used to deliver the Council's objectives.
- Various other tools can be used to achieve the Council's objectives.
- Ongoing monitoring of relevant indicators is required to ensure timely intervention in the future and appropriate action at the present time.
- In view of the resources required, the Council alone cannot address and resolve the issues associated with older private sector housing in the Borough. Other agencies and bodies must also be involved.
- Solutions will include a mix of capital and other interventions.
- Effective delivery of the various initiatives requires partnership working and engagement with local communities, residents associations, town and parish councils and both public and private sector bodies and organisations.
- The Master Plan which is currently being developed is a key element in delivering the Council's objectives.
- Housing market failure is linked to indicators of deprivation (e.g. crime, anti-social behaviour, health). These must also be addressed.
- Innovative procurement solutions through working in partnership will also be required.
- Local residents and stakeholders must be consulted and kept informed in the regeneration process.
- The end result of any intervention should be viable and sustainable communities.

6. Recommendations

1. That the Council's commitment to acting as the lead agency in regeneration of neighbourhoods with older private sector housing be re-affirmed, together with the selection of three areas (at (West) Chilton, Ferryhill Station and Dean Bank, Ferryhill) for priority action through the delivery of the Master Plan for the areas.
2. That a project timetable be included in the Master Plan and that this be used to monitor the delivery of the Regeneration of the Priority Areas.
3. That selective intervention is undertaken in other areas, as appropriate, to address problems associated with older private sector housing in those areas.
4. That, in view of the resources required, the Council engages at a sub-regional level with agencies such as the Durham Coalfields Housing Renewal Partnership, Government Office North East and English Partnerships to examine all possible additional investment and funding opportunities.
5. That as there is a range of solutions available to address relevant issues, the most appropriate solution should be identified in each case - with the overall aim of ensuring that the outcome is a sustainable and viable community.
6. That any households displaced by regeneration programmes are offered, as far as is possible, the housing solution most appropriate to their needs.
7. That the Council ensures, as far as it can, that any future housing developments resulting from the regeneration of neighbourhoods contain a mix of affordable family housing as well as a social housing element.
8. That residents and stakeholders affected by regeneration programmes are consulted and kept informed at all stages of the process.
9. That the Council uses all its available powers to achieve these objectives (including use of group repair schemes to improve homes; use of compulsory purchase to acquire and clear blocks of redundant properties; use of planning and environmental health powers to tackle empty buildings and derelict sites; and consideration of the adoption of selective licensing of private landlords).
10. That the Council works with other partners, such as the Police and

County Council to effectively exercise the powers at 10. above.

11. That links are established with other programmes via Neighbourhood Management, to address issues of crime, anti-Social behaviour, joblessness, low educational achievement etc.

CABINET RESPONSE AND ACTION PLAN

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	<u>Agreed ?</u>	<u>Comments</u>	<u>Responsibility</u>	<u>Timescale</u>
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