

Housing Update Economy & Enterprise Overview and Scrutiny Committee

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Housing



Background

Through its policies and strategies the Council makes a number of commitments relating to housing:

- New development, including housing should be focused on sustainable locations which maximise use of public transport, walking and cycling
- Sufficient housing should be provided to meet the needs of our residents
- The type and mix of housing should meet the need for specialist products such as affordable housing and housing to meet the needs of older persons
- Providing the right houses in the right places to encourage private sector investment
- In order to help meet these commitments the Council set up Chapter Homes in 2015 to deliver market and affordable housing and in 2020 agreed an ambitious programme of council house building

The Location of New Housing

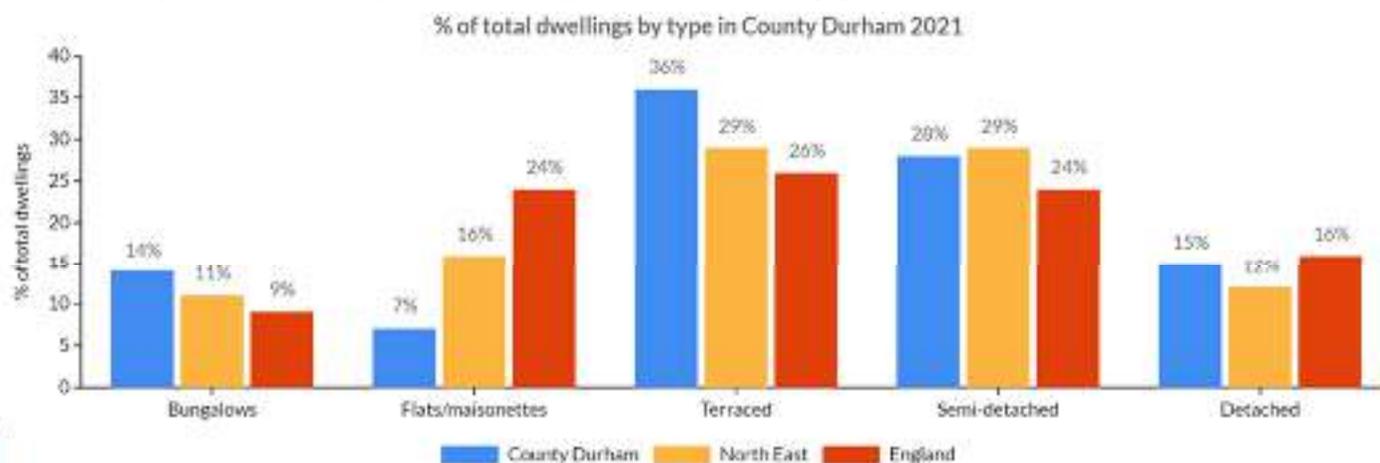
- The settlements in the A1 and A19 corridors are likely to be a draw for business investment
- Other settlements such as Bishop Auckland and Consett provide opportunities for locally important businesses
- County Durham Plan seeks to maximise the opportunity for journeys to be undertaken by walking, cycling and public transport by focusing on our larger centres
- This approach will also increase the chances of the houses being delivered and maximise opportunities to attract new investment.

Housing and Private Sector Investment

- The economic contribution that house building makes to the economy has long been recognised
- A well-functioning housing market is considered to be important for an area to remain competitive and attractive to business and economic activity
- Business, investors and developers require a range of good quality housing in the right areas
- A key consideration of the spatial strategy of the County Durham Plan is therefore to provide a supply of good quality housing sites in the right locations

Type and Mix of Housing

- The County Durham Plan seeks to deliver a wide choice of quality homes to that meet needs particularly through two policies:
- Policy 19 (Type and Mix) which seeks to:
 - Secure an appropriate mix of dwelling types and sizes taking account of evidence in the Strategic Housing Market Assessment (SHMA) and existing imbalances in the housing stock (shown below)
 - Provide a complementary housing offer to support our economic ambitions



Source: MHCLG - % of total dwellings by type

Type and Mix of Housing (cont..)

- The table below from the SHMA also sets out that:
 - There is a significant need for family sized housing to be provided as part of any market housing mix
 - There is a high need for smaller housing units, which is driven by demographic change which is creating smaller household sizes

	County Durham 2016-35	County Durham Annual Need
MARKET HOUSING		
1 bedroom	960	51
2 bedrooms	3,354	172
3 bedrooms	4,650	247
4 bedrooms	-67	-4
5+ bedrooms	23	1
Total Market Housing	8,960	472
AFFORDABLE HOUSING		
1 bedroom	4,334	228
2 bedrooms	7,211	380
3 bedrooms	3,653	192
4 bedrooms	555	29
5+ bedrooms	131	7
Total Affordable Housing	15,884	836
TOTAL	24,844	1,308

Type and Mix of Housing (cont..)

- Policy 29 (Sustainable Design) which:
 - Sets out that new development will be expected to be of a high design quality
 - Embeds Building for Life 12 (BfL) which encourages well-designed homes and neighbourhoods
 - Introduces the Nationally Described Space Standards (NDSS)

Past Performance in Housing Delivery

- CDP confirms an annual need for housing of 1,308 new dwellings per annum or 24,852 new dwellings needed 2016-2035

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Gross housing completions	1,417	1,356	1,513	1,633	1,343	1,608
Net housing completions	1,410	1,339	1,463	1,628	1,328	1,600*

*figure may be subject to change

Meeting Affordable housing needs

- The SHMA identifies a need for 836 additional affordable homes per annum up to 2035.

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
NAHP and SOAHP	271	136	170	314	334	431	405	Not yet received
S.106 units	76	126	152	159	198	197	73	137
Total Affordable housing completions	347	262	322	473	532	628	478	-

Council Homes Programme - Background

- In order to help meet the need for Affordable Housing, Cabinet agreed in October 2020 to progress with a Council Homes programme to deliver 500 new council homes by 2026
- The SHMA identified the need for 836 affordable homes per annum to 2035
- From 2014 to 2019 a total of 1,956 affordable homes were delivered against a target of 4,180, 46.8% of the homes required
- The Council Homes programme will help bridge this gap and complement the new build programme of Registered Providers (RPs)

Council Homes Programme - Sites

- Work has been progressing on the first 8 sites comprising a total of 124 units located at:
 - Greenwood Ave, Burnhope
 - Chaytor Rd, Bridgehill, Consett
 - Clevesfyre House
 - Edison Street
 - Merrington View
 - Hamsterley Gardens
 - Hilltop
 - Portland Avenue
- Site investigations have now been completed, draft layouts prepared, and a range of house type designs developed
- In December 2021, Cabinet agreed a further 17 sites for the remainder of the programme and also agreed a plan to deliver a proportion of the programme in the more rural west of the County

Council Homes Programme – The Homes

- The Council is setting out to deliver homes:
 - To be of a high quality layout and design
 - Built to the highest standards of energy efficiency
 - A pilot delivering two of the first 8 schemes using Modern Methods of Construction
 - Around 65% of the homes developed as bungalow accommodation for our aging population

Council Homes Programme – Milestones

- Upcoming milestones in the progression of the Council Homes Programme include:
 - April 2022 – Viability assessments completed
 - April 2022 – Full planning applications submitted on first 8 sites
 - May 2022 – First 4 units handed over after acquisition from Chapter Homes
 - August 2022 – Main contractor procurement
 - October 2022 – Contract award
 - October 2022-December 2022 – Mobilisation
 - Jan 2023 – Site Commencement

Housing Strategy and Partnership Delivery

- Housing Strategy adopted in July 2019.
- Key messages include:
 - Raising standards across the private rented sector.
 - Delivering homes to meet the needs of older people.
 - Seeking to bring empty properties back into use wherever possible.
 - Maximising the delivery of affordable homes.
- The Housing Strategy is delivered in partnership through the Housing Forum and related subgroups.

Selective Licencing

- From 01 April 2022, a private landlord renting a property in designated areas within County Durham must obtain a licence in order to legally rent the property.
- A total of at least 29,000 (42%) of the private rented sector in the county is covered by the scheme, which was approved by government on 30 November 2021.
- The scheme concentrates mainly on areas with high private rented stock but only where there is also evidence of high levels of anti-social behaviour and deprivation, and low housing demand

Chapter Homes

- Chapter Homes was formed in 2015
- The Chapter Homes' Business Plan highlights a number of development opportunities on Council owned land and creating new opportunities within the private sector
- An ambitious first development of 143 new homes commenced on site in Newton Aycliffe in January 2016. The housing mix included homes for sale, private rent and affordable



Chapter Homes

- Following the success of the first development, a second new housing scheme at Oakerside Drive in Peterlee commenced for a total of 67 new homes for a mix of open market sale and 9 affordable homes, above the planning policy requirement
- This image demonstrates the progress achieved within 7 weeks of the land being purchased, showing the commitment Chapter Homes has in progressing developments without delay



Chapter Homes

Hartley Gardens



Where memories happen



- Currently work is progressing on a development on the former school site in Gilesgate, including 6 bungalows which the Council will own and manage. Completion expected by the end of 2022
- A total of 15 of the new homes on this development are affordable, inclusive of the 6 bungalows

Chapter Homes - Future

- Given Chapter Homes success to date it will continue into the future with a number of other schemes
- Supporting the local supply chain remains a key aim of Chapter Homes and the Council.
- A commitment to affordable and older persons housing will be a key driver

Questions?