

Cabinet

15 January 2025

**County Durham Housing Strategy
and Delivery Plan Adoption**



Report of Corporate Management Team

Amy Harhoff, Corporate Director of Regeneration, Economy, and Growth

Councillor James Rowlandson, Cabinet Portfolio Holder for Resources, Investment, and Assets

Electoral divisions affected:

Countywide.

Purpose of the Report

- 1 The purpose of the report is to seek Cabinet's approval to recommend that County Council agree to the adoption of the County Durham Housing Strategy (CDHS) as detailed at Appendix 2 and the accompanying 12-Month Delivery Plan as detailed at Appendix 3.

Executive summary

- 2 The current housing strategy was adopted in 2019. The wider economy has changed significantly since then, with the impact of Covid, the cost of living crisis, and rising levels of homelessness requiring a new strategy and vision for housing in County Durham. It is therefore important that we have an up to date strategy that can influence as well as respond to regional and national agendas.
- 3 The CDHS has been developed to consider housing issues across County Durham up to 2035. The strategy provides a strategic framework to inform the actions and investment of the council and its partners and has been developed to ensure the council is well positioned to maximise future opportunities for funding support. The CDHS 2024 will replace the current housing strategy adopted in 2019.
- 4 The strategy has been developed following two rounds of consultation with partners and stakeholders, including local residents, which was

undertaken in parallel with the homelessness strategy. The first round of consultation focused on developing the high-level principles and priorities for the strategy, with a second round focusing on the draft strategy itself. This was undertaken between 30 October 2023 and 18 December 2023. The council engaged with residents and interested parties through:

- (a) its partnership structure;
- (b) online engagement events;
- (c) tailored surveys; and
- (d) a presentation to Overview and Scrutiny Committee.

5 The consultation determined that there was overwhelming support for the proposed vision, principles, and priorities. Amongst other things, the importance of meeting housing needs, issues with concentrations of private rented sector housing stock, and the importance of energy efficient housing and partnership working came through the consultation. A number of changes were made to the draft housing strategy as a result of the consultation as set out in the Statement of Consultation, as detailed at Appendix 4.

6 The CDHS sets out the vision and strategic direction for housing activity in County Durham to provide:

- (a) good quality housing that meets everyone's needs;
- (b) good quality housing that is affordable for local people; and
- (c) supports the creation of great places to live.

7 The strategy will also help support the ambitions of the council's Inclusive Economic Strategy (IES), which recognises that housing is a major enabler to achieving economic growth and better social outcomes for the council's communities. By contributing to a high quality of place and an attractive housing stock and supporting jobs, particularly in the construction sector, the strategy will be important in the delivery of the IES's objectives.

8 The strategy contains seven principles that establish the foundation and rationale underpinning decisions and five priorities for action.

9 A key response to the consultation was the need for a delivery plan to be included in this version of the housing strategy. It was always the intention to prepare a delivery plan following adoption of the strategy however, to address these comments, a 12-month delivery plan has been prepared and attached to the housing strategy, as detailed at Appendix 3. A more long-term delivery plan will still be prepared

following adoption, working with partners including the Housing Forum, and adopted by Cabinet.

- 10 A review of progress of delivery of the strategy will be carried out annually and reported to Cabinet. The council recognise that the housing strategy and delivery plan are being developed in the context of significant change at the national level with a new legislative framework and changes to national guidance. In particular a revised National Planning Policy Framework (NPPF) in December 2024 introduces a number of changes which will impact on the planning functions of the council. The key change however seeks to deliver the Government's wider objectives primarily relating to significantly increasing housing delivery and achieving economic growth including by giving all councils in England new, mandatory housing targets. The new annual figure of 2011 houses per year for County Durham is a 54% increase on the current County Durham figure of 1308. This will a major impact on the need for supporting infrastructure and the ability of the development industry to deliver. These significant changes will likely necessitate an early review of the County Durham Plan.
- 11 There is also emerging devolution work, including a strategic place partnership between North East Combined Authority (NECA) and Homes England. The annual review oof the delivery plan will allow us to respond to these policy changes and any future funding opportunities, including emerging work relating to devolution, and differences in demand to the service. The delivery plan will be updated accordingly following the annual review.
- 12 At the meeting of County Council on 17 July 2024 and, following extensive discussion, the decision of County Council was to defer adoption of the CDHS. The main points of concern related to how the Housing CDHS dealt with:
 - (a) the proliferation of HMOs in the county and the potential use of Article 4 Directions; and
 - (b) the council house build programme and particularly the delivery timeframe and the composition of the proposed 500 units.
- 13 Two reports, one for each issue, were prepared and discussed at a meeting of the Economy and Enterprise Overview and Scrutiny Committee (E&EOSC) on 11 September 2024. As a result of the discussion at the meeting, a number of amendments to the CDHS were then proposed and agreed at a second meeting of E&EOSC on 4 November 2024. This included a number of amendments to the National Context section as a result of the General Election and the proposed changes to the legislative programme set out by the new Government. Similarly, as a result of the time difference, the 12-Month Delivery Plan

has also been updated. The amendments to the CDHS are detailed at Appendix 6 and the amendments to the 12-Month Delivery Plan are shown at Appendix 7.

- 14 The CDHS has been subject to an equalities impact assessment, as detailed at Appendix 5. This confirms that the strategy presents no negative impact on the protected groups.

Recommendations

15 Cabinet is asked to:

- (a) recommend that County Council adopts the CDHS as detailed at Appendix 2;
- (b) subject to County Council adopting the CDHS, adopt the 12-Month Delivery Plan as detailed at Appendix 3; and
- (c) subject to County Council adopting the CDHS, agree to receive a future annual progress report on the delivery of the CDHS.

Background

- 16 The current housing strategy was adopted in 2019. The wider economy has changed significantly since then, with the impact of Covid, the cost of living crisis and rising levels of homelessness requiring a new strategy and vision for housing in County Durham.
- 17 The CDHS has been developed to consider housing issues across County Durham. The housing strategy will be delivered in partnership through the Housing Forum and in discussion with the:
 - (a) county's residents;
 - (b) private sector; and
 - (c) other agencies.
- 18 It will also provide a strategic framework to inform the actions and investment of the council and its partners.
- 19 The housing strategy will ensure the council is well positioned to maximise future opportunities for funding support. In this context, the housing strategy provides the evidence to identify issues within a housing context and a clear approach to address these issues.
- 20 The housing strategy is a comprehensive document that aligns with other existing or emerging strategies including the:
 - (a) County Durham Vision;
 - (b) County Durham Plan (CDP); and
 - (c) the new Homelessness and Rough Sleeping Strategy (HRSS).
- 21 It also supports the council's IES and Climate Emergency Response Plan (CERP). The council also recognise that the housing strategy and delivery plan are being developed in the context of emerging devolution work, including a Strategic Place Partnership between NECA and Homes England.

Consultation Overview

- 22 The principles and priorities paper was the first stage in the preparation of the housing strategy in June 2023 to August 2023. The responses to this consultation were used to inform a draft housing strategy that was subsequently consulted on from 30 October 2023 to 18 December 2023. Consultation ran alongside the consultation on the HRSS and was joined up where appropriate. The consultation included:
 - (a) presentations to 13 Area Action Partnerships;

- (b) attendance at a number of County Durham Partnership groups including the:
 - i. County Durham Together Partnership;
 - ii. Health and Wellbeing Board; and
 - iii. Place and the Health and Communities Board;
- (c) a presentation and discussion at Economy and Enterprise Overview and Scrutiny Committee;
- (d) presentations to the County Durham Association of Local Councils;
- (e) online consultation events; and
- (f) the consultation was also supported by a social media and communications campaign that included a:
 - i. dedicated webpage;
 - ii. Facebook advert;
 - iii. a number of Facebook posts;
 - iv. a number of Instagram stories; and
 - v. a number of tweets on X.

23 Whilst a range of views came through the consultation and those detailed points have informed the revision of the draft housing strategy, the main messages from the consultation can be summarised as follows:

- (a) overwhelming support for the vision, principles, and priorities;
- (b) strong emphasis on the importance of partnership working with partners keen to be involved in the development of the strategy and the delivery plan;
- (c) new development should be focused on brownfield sites to stop building on greenfield sites or in the countryside;
- (d) ensure appropriate infrastructure is built alongside new housing to support new housing development;
- (e) support for strong focus on affordable housing, affordable housing should be recognised as a product of choice with affordable rental a tenure of choice;

- (f) better access to affordable housing including social housing and private rented, in particular for:
 - i. single people;
 - ii. younger people; and
 - iii. larger families;
- (g) support for the links between housing on health and wellbeing with more emphasis needed on impact of poor housing on health;
- (h) continue to improve partnership working with registered providers to enable further regeneration of communities and high quality placemaking;
- (i) more focus needed on provision of suitable affordable housing for students;
- (j) concerns about the impact of student housing in and around the city centre;
- (k) explore the need for additional licensing in Durham;
- (l) concerns about the cost of living and poverty and affordability of housing;
- (m) energy efficiency and reducing carbon emissions should continue to be a focus in the delivery of the housing strategy;
- (n) need more emphasis regarding the impact of poor housing on health;
- (o) housing standards in the private, social and student rental sector was a concern, particularly regarding damp, mould, and condensation;
- (p) need for more meaningful engagement with members of the community and harder to reach groups in decision making; and
- (q) more clarity needed on how priorities will be achieved and timescales.

24 A presentation was given to Members of the E&EOSC on 18 December 2023. The comments received were fed into the housing strategy. A follow up session was held on 22 April 2024 where it was demonstrated how the Committee's comments had been addressed. There were a small number of subsequent comments and these have been included in the Statement of Consultation, as detailed at Appendix 4.

Draft County Durham Housing Strategy

- 25 The CDHS sets out the strategic direction for housing activity in County Durham and a vision to provide good quality housing that meets everyone's needs, is affordable for local people and supports the creation of great places to live. The final vision is as follows:

'By 2035 County Durham will be a place that has good quality homes that meet the needs of existing and future residents that they can afford. The provision and quality of housing will support economic growth, contribute to improved health, community safety and create and maintain sustainable, mixed, and balanced communities. People will live long and independent lives within connected and safer communities.'

- 26 The CDHS contains seven principles. The principles establish the foundation and rationale underpinning decisions and actions to deliver the vision. The principles are as follows:

- (a) principle 1: everyone has a right to a warm, safe, and decent home;
- (b) principle 2: everyone should have access to a home that is affordable to them;
- (c) principle 3: housing is the cornerstone of communities and should support improved health, community safety, educational attainment, and the local economy;
- (d) principle 4: the strategy will be for the county, not the council, and will promote local solutions underpinned by community engagement;
- (e) principle 5: all new houses should be accessible, tenure blind and provide flexible living for different stages in a person's life, always aiming to allow people to be independent, including remaining in their home for as long as they desire;
- (f) principle 6: existing and new communities should be physically, digitally, culturally, and economically connected to support the creation of sustainable, safe, mixed, and balanced communities including bringing empty properties back into use; and
- (g) principle 7: the strategy will support energy efficiency and carbon reduction in existing and new housing and contribute towards the council's CERP.

- 27 The purpose of the CDHS is to set the context as to how the council and its partners will meet the housing challenges faced. The draft CDHS

includes the following priorities for action that are not in order of importance:

- (a) priority 1: increase the delivery of new housing, including secure, affordable housing to meet housing needs together with the infrastructure required;
- (b) priority 2: ensure that everyone has access to appropriate, safe, and secure housing that support health and wellbeing;
- (c) priority 3: ensure high quality, energy efficient houses and effective landlord services;
- (d) priority 4: ensure a comprehensive range of housing options for older and vulnerable people, disabled people and children and young people including specialist accommodation and support; and
- (e) priority 5: ensure high quality placemaking, creating safe, accessible, prosperous, and sustainable places to live.

28 The CDHS recognises the importance of placemaking and how housing needs to complement and integrate with the spaces around it so that people feel part of a community and can easily access the services and amenities they need. Providing the right infrastructure is of vital importance to good placemaking. The strategy recognises the importance of increasing the delivery of new houses including secure, affordable housing and new council owned housing.

29 The strategy sets out that everyone in County Durham should have fair and equal access to safe and secure housing that meets their needs. This includes addressing the specific needs of groups including:

- (a) children in care;
- (b) children leaving care;
- (c) people with disabilities;
- (d) people with complex health issues; and
- (e) older people.

30 The strategy seeks to support people to prevent them becoming homeless and enable them to secure and maintain and sustain living in good quality, permanent accommodation with support in place where it is needed. It also seeks ensure that a comprehensive range of supported and specialist housing is available for those who need it.

- 31 The strategy reflects a commitment to providing high quality housing and to work with local communities and put them at the heart of the decision-making process in a way that meets their needs and priorities. The strategy also seeks to drive up standards in the private rented sector.
- 32 The delivery of the CDHS will complement activities in other plans and strategies including:
- (a) County Durham Plan;
 - (b) The Council Plan;
 - (c) County Durham Joint Local Health and Wellbeing Strategy (2020-25); and
 - (d) CERP 2 (2022-24).
- 33 The strategy will also help support the ambitions of the council's Inclusive Economic Strategy (IES), which recognises that housing is a major enabler to achieving economic growth and better social outcomes for the council's communities. New housing and the retrofitting of existing properties will support jobs, training, and skills, particularly in the construction industry. There are also opportunities for innovation, particularly relating to Modern Methods of Construction, and including local companies such as Corehaus in Murton. In conjunction with the County Durham Plan the strategy will also contribute to a high quality of place, promoting the county as a place to live and invest and providing the necessary supporting infrastructure. The strategy also seeks to ensure that new and existing housing is as sustainable as possible and is energy efficient.
- 34 The CDHS has been subject to an equalities impact assessment, as detailed at Appendix 5. This confirms that the strategy presents no negative impact on the protected groups.

Delivery Plan

- 35 A key response to the consultation was the need for a delivery plan to be included in this version of the housing strategy. It was always the intention to prepare a delivery plan following adoption of the strategy; however, to address this response, a 12-month delivery plan has been prepared and is attached at Appendix 3. Some examples of the outcomes in the delivery plan include:
- (a) deliver the council house new build programme to deliver affordable homes to meet needs;
 - (b) develop a housing delivery pipeline to access funding opportunities;

- (c) review the current allocations and lettings policy to ensure it meet the needs of customers;
- (d) deliver the supported housing improvement programme to ensure providers are fit for purpose;
- (e) prepare a temporary accommodation placement strategy to provide suitable accommodation for those in need and reduce costs;
- (f) prepare guidance on keeping houses free from damp and mould;
- (g) deliver the disabled facilities grants to enable people to stay in their own houses;
- (h) develop and implement a programme of targeted delivery plans to support housing regeneration; and
- (i) explore ways to improve engagement with communities including students and tenants in relations to placemaking and how they access services.

36 A review of progress of delivery of the strategy will be carried out annually and reported to Cabinet. This will also address any policy or funding changes, including emerging work relating to devolution, and differences in demand to the service. The delivery plan will be updated accordingly following the annual review.

Amendments following County Council - 17 July 2024

37 At the meeting of County Council on 17 July 2024 and, following extensive discussion, the decision of County Council was to defer adoption of the CDHS. The main points of concern related to how the CDHS dealt with:

- (a) the proliferation of HMOs in the county and the potential use of Article 4 Directions; and
- (b) the council house build programme and particularly the delivery timeframe and the composition of the proposed 500 units.

38 Two reports, one for each issue, were prepared and discussed at a meeting of the E&EOSC on 11 September 2024. As a result of the discussion at the meeting a number of amendments to the CDHS were then proposed and agreed at a second meeting of E&EOSC on 4 November 2024.

39 In response to the discussion on HMOs, additional text was added into the CDHS which provides context to the role of HMOs within the

housing market, the distribution of HMOs within the county and an overview of licencing and planning controls. The additional text notes that in preparation for the next iteration of the County Durham Plan the council will assess the effectiveness of the approach to HMOs as set out in the current Plan. Furthermore, the additional text sets out that the council will undertake a county wide public engagement exercise to both inform a future review and inform residents of what actions are available to local authorities to manage the numbers of HMOs in specific localities.

- 40 Amendments to the CDHS confirm that the 500 target for the council house delivery programme relates to 500 new build council houses. Additional text in this section confirms that if building council homes proves to be a viable proposition, it is likely that the programme will extend beyond 2029 and the number of new houses built will exceed 500.
- 41 Further amends to the CDHS included a number of amendments to the national context section, as a result of the General Election, and the proposed changes to the legislative programme set out by the new Government. Similarly, as a result of the time difference the 12-Month Delivery Plan has also been updated. The amendments to the CDHS are attached at Appendix 6 and the amendments to the 12-Month Delivery Plan are attached at Appendix 7.
- 42 The version of the CDHS, attached at Appendix 2, and the version of the 12-Month Delivery Plan attached at Appendix 3, incorporate these amendments.

Next Steps

- 43 Following adoption of the CDHS, the council will work with partners to develop the longer-term delivery plan and deliver the actions in the 12-month delivery plan in order to achieve the strategy's principles and priorities. Although the end date of the housing strategy's vision is 2035 it will be reviewed as and when necessary.

Background papers

Housing Strategy Principles and Priorities Paper

Housing Strategy Consultation Draft

Other useful documents

None

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Appendix 1: Implications

Legal Implications

The recommendations in paragraph 13 reflect that the adoption of the housing strategy is the responsibility of County Council as it is part of the council's budget and policy framework; however, the implementation of strategies, once adopted and including the housing strategy, sits with Cabinet.

Section 8 of the Housing Act 1985 requires local housing authorities to consider housing conditions in their area and the needs of the area with respect to the provision of further housing accommodation.

Finance

The housing strategy identifies a series of actions and outcomes. Each of these will be associated with a project that may require a funding bid once the scope of the project is determined. The housing strategy does not guarantee funding for the projects listed.

It should be noted specifically, however, that the council housing delivery programme will enable the council to build and acquire properties to manage as 'in house stock'. A housing revenue account must be established once the required threshold is met.

Consultation and Engagement

The housing strategy principles and priorities paper was subject to public consultation for eight weeks between 26 June 2023 to 18 August 2023.

Consultation was also undertaken on the draft housing strategy between 30 October 2023 and 18 December 2023.

Consultation was undertaken with residents of County Durham and other stakeholders with a potential interest in the content of the document. Through the consultation the council made use of its partnership structure to assist in disseminating information about the housing strategy. Consultation ran alongside the consultation on the HRSS and was joined up where appropriate. The comments received at all stages have informed the final version of the housing strategy.

Equality and Diversity / Public Sector Equality Duty

The Equality Act 2010, public sector equality duty S149-157 of the Act, has been considered as part of a full equalities impact assessment, which is

attached to this report at Appendix 5. The strategy presents no negative impact on the protected groups.

Climate Change

Addressing the cause of climate change is a key thread through the draft housing strategy including principle seven and priority three that state that the strategy will support energy efficiency and carbon reduction in existing and new housing.

Human Rights

Protocol 1 Article 1: Every natural or legal person is entitled to the peaceful enjoyment of his possessions including their property; the housing strategy will provide a framework to deliver housing to meet housing needs.

Article 8: provides a right to respect for private and family life. Everyone has the right to respect for his private and family life, his home, and his correspondence. There shall be no interference by a public authority with the exercise of this right except such as is in accordance with the law and is necessary in a democratic society in the interests of:

- (a) national security;
- (b) public safety;
- (c) economic wellbeing of the country;
- (d) for the prevention of disorder or crime;
- (e) for the protection of health or morals; or
- (f) for the protection of the rights and freedoms of others.

The council will ensure the housing strategy will be consistent with the council's human rights obligations.

Crime and Disorder

None.

Staffing

Resource is required to progress the production, monitoring, review, and implementation of the housing strategy.

Accommodation

None.

Risk

Detailed risk assessments will be undertaken at the project level and as part of delivering against the housing strategy.

Procurement

None.

Appendix 2: County Durham Housing Strategy

Please refer to the attached County Durham Housing Strategy.

Appendix 3: 12-Month Delivery Plan

Please refer to the attached 12-Month Delivery Plan.

Appendix 4: Statement of Consultation

Please refer to the attached Statement of Consultation.

Appendix 5: Equality Impact Assessment

Please refer to the attached Equality Impact Assessment.

Appendix 6: Amendments to the Housing Strategy

Please refer to the attached Schedule of Amendments to the Housing Strategy.

Appendix 7: Amendments to the Housing Strategy Delivery Plan

Please refer to the attached track changes version of the 12-Month Delivery Plan.