

Council July 2024

Council January 2025

## Foreword

We believe that housing is more than just bricks and mortar. It is at the heart of families, communities and our local economy. Whether renting or buying, there is clear evidence that having access to good quality, suitable, secure and well-maintained housing has a profound impact on health and wellbeing and, therefore, quality of life. A sufficient supply of housing, including affordable housing, is a key component of achieving inclusive economic growth, and the role it plays in supporting good health and wellbeing and supporting people into work is recognised by Public Health England<sup>1</sup>.

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For many years, the number of new affordable houses built in County Durham has fallen below the number needed, whilst the quality of much of our older stock needs significant investment to bring it up to modern standards. Recent changes to national planning guidance will also require the council to deliver significantly more houses to meet the Government's stated target of delivering 1.5 million houses by the end of the current parliament.

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<p><b>1. Introduction</b></p> <p>1.1. This Strategy identifies the key housing opportunities and challenges facing County Durham in the next five years. Our vision is:  <b>‘By 2035 County Durham will be a place that has good quality houses 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.’</b></p> <p>1.2. The Housing Strategy provides the strategic framework to deliver our housing priorities and supports the delivery of the Council Plan and the County Durham Vision.</p>	<p><b>1. Introduction</b></p> <p>1.1. This Strategy identifies the key housing opportunities and challenges facing County Durham in the next five years. Our vision is:  <b>‘By 2035 County Durham will be a place that has good quality houses 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.’</b></p> <p>1.2. The Housing Strategy provides the strategic framework to deliver our housing priorities and supports the delivery of the Council Plan and the County Durham Vision. It will also support the Government’s ambitions for increased housing delivery.</p>
<p>2.5 The government has set a national target for 300,000 new houses to be built each year to tackle the acute shortage of housing across the country. To help meet this target it has also introduced a new, larger, £11.5bn Affordable Homes Programme between 2021-2026 to deliver 180,000 affordable new properties. The government identifies the provision of affordable housing as key to ending the housing crisis, tackle homelessness and provide aspiring homeowners with a step onto the housing ladder.</p> <p>2.6 The government has recently passed new legislation and has published white papers and reports that will impact the housing market. The Housing Strategy will be delivered in the context of the following:</p> <ul style="list-style-type: none"> <li>• <b>Social Housing Act 2023</b> – forms a new era of regulation for the social housing sector and will enact the reforms outlines in the Social Housing White Paper, which are aimed at improving the regulation of social housing, strengthening tenants’ rights, and ensuring better quality and safer homes for residents. This will be done through stronger powers for the Regulator of Social Housing to carry out inspections, additional Housing</li> </ul>	<p>2.5 The previous Conservative government set a national target for 300,000 new houses to be built each year to tackle the acute shortage of housing across the country. The new Labour Government have similarly set an ambitious target of 1.5 million more homes by the end of the parliament.</p> <p>2.6 The previous government had recently passed new legislation and has published white papers and reports that will impact the housing market the new government have identified a number of pieces of legislation in their first King’s Speech that will have an impact on housing. The Housing Strategy will therefore be delivered in the context of the following:</p> <ul style="list-style-type: none"> <li>• <b>Social Housing Act 2023</b> – passed by the previous Government, it will enact the reforms outlines in the Social Housing White Paper, which are aimed at improving the regulation of social housing, strengthening tenants’ rights, and ensuring better quality and safer homes for residents. This will be done through stronger powers for the Regulator of Social Housing to carry out inspections, additional Housing</li> </ul>

Ombudsman powers to publish landlord best practice, 'Awaab's Law' which sets strict time limits for social landlords to address hazards such as damp and mould, new qualification requirements for registered providers.

- **Renters Reform Bill** – introduced to Parliament in May 2023 but halted from passing into law by the calling of the general election. It planned to abolish Section 21 'no fault' evictions (following reforms to the court system) which would have empowered renters to challenge poor landlords without fear of losing their home. A number of other proposals were included such as making it illegal for landlords and agents to have blanket bans on renting properties to people who receive benefits or have children, a new national landlord register, provisions for landlords to regain possession in some prescribed circumstances and a requirement for all landlords to join a new Ombudsman scheme and a Decent Homes standard. The Conservative Government placed a great deal of importance on this Bill and it is possible that its proposals may return under a new Government.
- **Levelling Up and Regeneration Bill** – sets out a policy regime to tackle geographical disparities across the UK based on the government setting medium term missions, with a 2030 timeframe, to boost productivity and living standards, spread opportunities and improve opportunities, restore a sense of community and local pride and belonging and empower local leaders and communities. Housing is a key component of this. The Levelling Up paper seeks to work with places in a more joined up way to tackle housing and regeneration issues.
- **Homes England Strategic Plan 2023-2028** – has been developed collaboratively with the Department for Levelling Up, Housing and Communities. The strategy sets out how Homes England will play its part in delivering the government's Levelling up and housing agendas. Its mission is to "drive regeneration and

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- **Revised National Planning Policy Framework December 2024** – Following consultation earlier in the year the Government published a revised National Planning Policy Framework (NPPF) in December 2024. There are many changes which will impact on the planning functions of the council but the key changes seek 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.
- **Renters Rights Bill/Renters Reform Bill** – the Renters Reform Bill was introduced to Parliament in May 2023 but halted from passing into law by the calling of the general election. It planned, amongst other things, to abolish Section 21 'no fault' evictions (following reforms to the court system) which would have empowered renters to challenge poor landlords without fear of losing their home. Following the General Election the King's Speech announced that the new Labour Government would be bringing forward the Renters' Rights Bill, which was subsequently published in September 2024. Although the Renters' Rights Bill is very similar to the Renters (Reform) Bill, there are some significant differences, although the abolition of Section 21 remains.

housing delivery to create high-quality houses and thriving places. This will support greater social justice, the levelling up of communities across England and the creation of places people are proud to call home". The strategy has five interconnected objectives to deliver on the mission: create vibrant and successful places, build a housing and regeneration sector that works for everyone, enable sustainable houses and places, promote creation of high-quality houses in well-designed places, facilitate the creation of homes people need.

2.7 Homes England pledge to use the strategy to work closely with local authorities, registered providers, government departments and the private sector as partners to deliver change, and intervene directly, exercising the use of their statutory powers to champion both national and local interests.

- Key additions include:
  - Ban on encouraging or inviting rental bidding, or accepting higher rent;
  - Requirement for advertising to state proposed rent;
  - Remedying hazards (Awaab's Law); and
  - Additional offences for Rent Repayment Orders.
- Key omissions include:
- No minimum 6 month tenancy;
- No new Mandatory Ground 8A for serious repeated rent arrears; and
- No Lord Chancellor's assessment before implementation of s21 abolition.
- **Levelling Up and Regeneration Act** – enacted in 2023 and sets out a policy regime to tackle geographical disparities across the UK based on the government setting medium term missions, with a 2030 timeframe, to boost productivity and living standards, spread opportunities and improve opportunities, restore a sense of community and local pride and belonging and empower local leaders and communities. Housing is a key component of the provisions of the Act which aims to deliver a more joined up way to tackle housing and regeneration issues.
- **Homes England Strategic Plan 2023-2028** – was developed jointly by Homes England and the previous Conservative Government. The strategy set out how Homes England will play its part in delivering the previous government's levelling up and housing agendas. Its mission was to "drive regeneration and housing delivery to create high-quality houses and thriving places. This will support greater social justice, the levelling up of communities across England and the creation of places people are proud to call home". The strategy has five interconnected objectives to deliver on the

	<p>mission: create vibrant and successful places, build a housing and regeneration sector that works for everyone, enable sustainable houses and places, promote creation of high-quality houses in well-designed places, facilitate the creation of homes people need.</p> <p>2.7 We will monitor all of the announcements and legislation of the new Government and reflect them in the actions of the Delivery Plan as part of its regular updates.</p>
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<p><b>Dwelling Stock</b></p> <p>1.1. In County Durham 62.5% of properties are owner-occupied, 20% are social rented and 17.1% are private rented. Most dwellings in the county are terraced houses, which at 36% of the stock, is higher than for the Northeast region and for England. The mix of dwelling types in the county is changing with the proportion of bungalows in the county rising to 14%, higher than the region and England percentages. Detached dwellings have risen to 15%, again above the Northeast region of 12%. Of all dwellings, 5.9% have one bedroom/bedsit, 35.2% have two bedrooms, 44.9% have three bedrooms and 16.7% have four or more bedrooms.</p>	<p><b>Dwelling Stock</b></p> <p>1.2. In County Durham 62.5% of properties are owner-occupied, 20% are social rented and 17.1% are private rented. Most dwellings in the county are terraced houses, which at 36% of the stock, is higher than for the Northeast region and for England. The mix of dwelling types in the county is changing with the proportion of bungalows in the county rising to 14%, higher than the region and England percentages. Detached dwellings have risen to 15%, again above the Northeast region of 12%. Of all dwellings, 5.9% have one bedroom/bedsit, 35.2% have two bedrooms, 44.9% have three bedrooms and 16.7% have four or more bedrooms.</p> <p><b>County Durham Inclusive Economic Strategy</b></p> <p>1.3. The County Durham Inclusive Economic Strategy sets a clear, long-term vision for the area’s economy up to 2035, with an overarching aim to create more and better jobs in an inclusive, green economy. It seeks to overcome barriers in order to transform levels of growth and harness the county’s potential. It recognises that housing is a major enabler to achieving economic growth and better social outcomes for our 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.</p>
<p>3.6. On 28 December 2022 the Government announced a devolution deal with the seven councils across the North East, including Durham.</p>	<p>3.6. On 28 December 2022 the previous Government announced a devolution deal with the seven councils across the North East, including Durham.</p>
<p>5.8. Delivering affordable housing by:</p> <ul style="list-style-type: none"> <li>Delivering 500 council houses as part of the Council Housing Delivery Programme. This includes both new build schemes and a programme of targeted acquisitions. The original intention was to deliver these 500 houses by 2026, however, the impact of covid 19 and wider economic conditions including inflationary pressures and</li> </ul>	<p>5.8 Delivering affordable housing by:</p> <ul style="list-style-type: none"> <li>Delivering 500 new build council houses and associated infrastructure as part of the Council House Delivery Programme. The new build properties will be complemented by a programme of targeted acquisitions.</li> </ul>

<p>rising interest rates have presented delivery challenges for the programme. As a result, we are intending to roll the programme forward commencing from the approval of the cabinet report in July 2023 with a six-year delivery plan.</p> <ul style="list-style-type: none"> <li>• Supporting registered providers to continue to play a significant role in the delivery of affordable housing products in County Durham through their investment plans.</li> </ul>	<ul style="list-style-type: none"> <li>• The original intention was to deliver these 500 houses by 2026, however, the impact of covid 19 and wider economic conditions including inflationary pressures and rising interest rates have presented delivery challenges for the programme. As a result, we are rolling the programme forward commencing from the approval of the cabinet report in July 2023 with a six-year delivery plan to 2029. In reality, if building council houses proves a viable proposition, it is likely that the programme will extend beyond 2029 and the number of new houses built will exceed 500.</li> <li>• Supporting registered providers to continue to play a significant role in the delivery of affordable housing products in County Durham through their investment plans.</li> </ul>
	<p>5.35. Well managed Houses in Multiple Occupation (HMOs) form an important part of the private rented sector, often providing cheaper accommodation for people whose housing options are limited. Whilst larger HMOs require planning approval, smaller ones (those with fewer than six occupants) are classed as permitted development and therefore, do not require the Council's approval. Evidence from Council tax records and HMO Licences show that most HMOs in the County are located in Durham City and are primarily occupied by students however, HMOs are beginning to appear elsewhere in the County. Most HMOs are well managed however, some can cause issues for neighbouring residents and local communities. In those cases, the council can use its licensing and other powers to ensure landlords are meeting their obligations relating to the management of the property and the wellbeing of their tenants. The County Durham Plan also includes a policy to manage the proliferation of HMOs to maintain mixed and balances communities. This is complemented by a number of Article 4 Directions which require landlords proposing smaller HMOs to apply for planning permission.</p>



	<p>5.44. In preparation for the next iteration of the County Durham Plan we will assess the effectiveness of the approach to HMOs set out in the current Plan, and will undertake a county wide public engagement exercise, to inform a future review and inform residents of what actions are available to local authorities to manage the numbers of HMOs in specific localities. We will therefore also explore the availability of evidence relating to the location of HMOs and the potential need for further Article 4 Directions relating to smaller HMOs outside of Durham City.</p>
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