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**TEES VALLEY SUB REGIONAL HOUSING ACTION PLAN 2008-11**

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**Responsible Cabinet Member – Councillor Bill Dixon**  
**Responsible Director – Cliff Brown, Director of Community Services**

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**Purpose of Report**

1. To seek Members approval for the content and delivery of the Tees Valley Sub Regional Housing Strategy Action Plan.

**Information and Analysis**

2. Individual local authorities are no longer required to produce a Housing Strategy for their own geographic areas to identify their strategic housing priorities and how they will meet the expectations of a “Balanced Housing Market”. The emergence and understanding of the Regional and Sub-Regional housing markets and how they impact and are influenced by localised housing markets, has increased in importance and relevance.
3. Darlington are engaged at a Regional and Sub-Regional level and have a successful track record of excellent partnership working with their Tees Valley partners recognised by a significant Social Housing Investment Programme (SHIP2) allocation of funding from the Regional Housing Board of £12.9M along with £18.12M for housing market renewal for 2006-08. This has supported significant investment in the sub-region tackling housing market renewal, private sector financial assistance, disabled facilities grants, reduced the incidence of empty properties in the sub-region and increased thermal comfort in homes thus reducing fuel poverty.
4. The Tees Valley local authorities with the assistance of Tees Valley Living have been charged with submitting a costed Sub-Regional Housing Action Plan by the end of July 2007 and submitting the proposals to the Regional Housing Board for evaluation. This is likely to be the key driver in evaluating and distributing funding under the SHIP3 programme for 2008-11. Given there are not likely to be any other significant funding opportunities in this period it is crucial that Darlington engage in this work sub-regionally. A Tees Valley Sub-Regional Housing Strategy Managers Group was established to coordinate this work, overseen by the Chief Housing Officers of each of the respective Tees Valley authorities and Tees Valley Living acting in a coordinating role.
5. Building upon the successful SHIP2 bid, the Tees Valley Sub-Regional Housing Strategy Managers Group have reviewed performance against the SHIP2 programme and have challenged themselves to examine different delivery mechanisms to remove housing access barriers, increase value for money, examine joint procurement opportunities, achieve Decent housing standards and challenge any negative equality issues.

6. All of this work has been undertaken in the context of delivering against the common housing priorities detailed in the Regional and Sub-Regional Housing Strategy documents and protecting and building upon, existing core activities such as the provision of disabled facilities grants and the availability of financial assistance for private owners.
7. The Tees Valley Sub-Regional Housing Strategy was approved by Cabinet on 16 January 2007. An executive summary is attached at **Appendix 1** which provides the strategic linkage between the proposed SHIP3 bids (outlined in **Appendix 2**) and the Regional and Sub-Regional housing priorities.

### **Outcome of Consultation**

8. Consultation has been undertaken between all sub-regional Tees Valley local authorities and active Registered Social Landlords and private Developers in the sub-region many of which work nationally. The culmination of this consultation work was a Tees Valley Sub-Regional Housing Strategy seminar on 27 April 2007 which examined the three key issues effecting the sub-region through multi-agency workshops, those being:
  - Housing Market Renewal
  - Affordable Housing
  - Private Sector Housing
9. The seminar tested the feasibility of delivering such an ambitious SHIP3 programme and also canvassed views and experiences both locally and nationally of key delivery partners to ensure the Sub-Regional Action Plan reflected best practice.

### **Legal Implications**

10. This report has been considered by the Borough Solicitor for legal implications in accordance with the Council's approved procedures. There are no issues which the Borough Solicitor considers need to be brought to the specific attention of Members, other than those highlighted in the report.

### **Section 17 of the Crime and Disorder Act 1998**

11. The contents of this report have been considered in the context of the requirements placed on the Council by Section 17 of the Crime and Disorder Act 1998, namely, the duty on the Council to exercise its functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area. It is considered that the contents of this report will have a positive effect, in that poor quality housing can correspond with anti social behaviour problems and investment in these areas will potentially assist in the management of such issues.

### **Council Policy Framework**

12. The issues contained within this report are required to be considered by Council.

## **Conclusion**

13. Darlington has no realistic opportunity to realise significant inward investment locally without engaging at a sub-regional level. Members are requested to support and approve the Sub-Regional Housing Action Plan.

## **Recommendation**

14. Members are requested to formally approve the adoption and implementation of the Tees Valley Sub-Regional Action Plan.

## **Reasons**

15. The recommendation is supported by the following reasons:-
  - Darlington is not likely to secure significant inward investment to support housing initiatives if they do not engage and support sub-regional initiatives.
  - The Regional Housing Board allocate funding on the basis of Regional and Sub-Regional housing priorities.
  - The Tees Valley sub-regional partnership has a successful track record of delivering results against expected outputs.
  - The Housing Corporation are likely to examine Tees Valley authorities performance against SHIP programmes as a means of distributing funding for the National Affordable Housing Programme (NAHP) 2008-11.
  - Darlington has a growing demand for affordable housing and the SHIP3 programme can assist the authority to make best use of its existing housing stock as well as securing and accessing new affordable housing.
  - Darlington is required to achieve Decent Homes standards for vulnerable households across the Borough by 2010.

**Cliff Brown**  
**Director of Community Services**

## **Background Papers**

- (i) Tees Valley Sub-Regional Housing Strategy 2006

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## **TEES VALLEY**

# **SUB-REGIONAL HOUSING STRATEGY**

## **ACTION PLAN**

**June 2007.**

## **1. INTRODUCTION.**

1.1. The five Tees Valley Councils (Darlington BC; Hartlepool BC; Middlesbrough BC; Redcar and Cleveland BC; Stockton-on-Tees BC) and the Tees Valley Joint Strategy Unit and Tees Valley Living commissioned the preparation of a Sub-Regional Housing Strategy in 2006.

1.2. The Strategy highlighted strategic concerns and pointed to substantive areas which would benefit from cooperative working across administrative boundaries to deliver wider than local solutions to significant housing problems.

1.3. Tees Valley Councils have a creditable record of working together to maximise benefits for communities in the sub-region. This Action Plan is the culmination of a great deal of careful consideration of the implications of the Sub-Regional Strategy (directed by the Heads of Housing of the five Councils) and sets out the package of projects and initiatives that are considered will deliver a modern and innovative housing offer for the future.

1.4. The Action Plan acknowledges the four principal objectives underpinning both the Regional Housing Strategy and the Tees Valley Sub-Regional Housing Strategy. Housing solutions have been produced solely in response to individual objectives but have been framed and packaged to deliver across more than one objective, in the belief that focusing on satisfying specific objectives may constrain the opportunity for innovative intervention and creative provision.

1.5. This is particularly the case when one considers the complexity of issues ranging across affordability, quality, vulnerability, value for money, the environment and sustainability.

## **2. TEES VALLEY PERFORMING.**

2.1. In 2006, Tees Valley housing stakeholders produced the Tees Valley Sub-Regional Housing Strategy.

2.2. The decision to undertake the preparation of the Strategy was in recognition of the increasing emphasis on local authorities and other stakeholders working in partnership and looking to deliver services at a sub-regional level where appropriate.

2.3. The decision was also influenced by indications from the North East Housing Board that future funding would be allocated on the basis of sub-regional priorities reflected in a more strategic appreciation of need and how this would be met through more than provision by individual authorities.

2.4. Tees Valley is therefore in the fortunate position of having a fit for purpose sub-regional housing strategy that will underpin future action in the provision of housing.

2.5. The Sub-Regional Housing Strategy is only one example of the routine partnership working to which Councils and other stakeholders in Tees Valley are accustomed. Cooperation is a reality in Tees Valley and is the basis of a successful record of achievement in many service areas, not the least of which is in housing provision and improvement.

2.6. A major achievement has been the setting up of Tees Valley Living to seek funding for housing market renewal and to ensure a partnership approach to resolving issues of low demand across Tees Valley. In addition, sub-regional partnership working has been established to deliver key projects including energy efficiency and returning empty homes to use, while joint approaches are being developed to the preparation of section 106 obligations and the development of loans packages.

2.7. A successful joint SHIP bid has enabled the authorities to pilot a range of loans/grants products which should ensure a smooth transition to full loans products across the sub-region on the implementation of the proposed regional loans scheme.

2.8. Tees Valley has national recognition over its approach to evidencing need and developing and implementing solutions to housing issues. A comprehensive evidence base has been developed across the sub-region, extending understanding deriving from the Tees Valley Housing Market Assessment and backed by the recent completion of Local Housing Assessments to a common methodology. Councils in the sub-region are joining together to prepare a Tees Valley Strategic Housing Market Assessment.

2.9. At both the national and the regional level, Tees Valley has been successful in attracting funding across a number of crucial agendas. It is important to emphasise that the sub-region has been equally successful in applying funds appropriately and delivering projected outputs and outcomes **within allocation and on time**.

2.10. Successful bids for funding are not an end of the matter, however. The Tees Valley approach is to employ whatever funding is made available in ways which add value, and by levering-in additional non-public funding and ensuring that projects are cost effective and value for money. Costs are minimised through the joint procurement of services and materials across the sub-region and by innovative solutions relevant to all areas.

2.11. In terms of housing provision, stock renewal, quality and choice, the sub-region has developed considerable momentum, backed by community buy-in and support. Communities are involved throughout the process of deciding on future action for neighbourhoods and initiatives reflect community aspirations.

2.12. Because of the successful delivery enjoyed so far, the Tees Valley features experienced teams able to react professionally and promptly to all aspects of housing provision, from conception to final completion.

2.13. The Tees Valley authorities have an excellent record of forward thinking, joint working and delivering in partnership with each other and their communities. We wish to build on successful existing projects and deliver new projects aimed at delivering the sub-regional housing strategy and to improve the housing conditions of the residents of Tees Valley.

### **3. TEES VALLEY SUB REGIONAL HOUSING STRATEGY.**

3.1. The Tees Valley Sub Regional Housing Strategy was produced in 2006. This present Action Plan derives from the Strategy and timed to link into the requirements of the North East Assembly's SHIP process.

3.2. The Strategy is structured around four key objectives, which mirror those set by the Regional Housing Board (RHB) in the Consultation Draft of the proposed revised Regional Housing Strategy (RHS):

- The rejuvenation of the housing stock;
- Ensuring the type and mix of new housing provides choice;
- Securing the improvement and maintenance of existing housing; and
- Addressing specific community and social needs.

3.3. Although prepared during 2006, the Strategy has been kept under constant review and has been updated to take account of changing circumstances. Government guidance in respect of housing, planning and climate change is reflected in the Strategy, so that there is alignment more closely with current policy and agendas.

## **Key Issues for the Future.**

3.4. Research in the sub-region has identified the inter-related nature of many of the housing issues we face and, in addressing such issues, we have taken account of the impact that action in one direction has on other strategic elements. Housing solutions are therefore part of a wider picture of renaissance and regeneration activity, part of a comprehensive approach to sustainable communities.

**Housing Market Renewal** – there remains significant housing market imbalance across the sub region. Historical housing supply is no longer fit for purpose, leaving high numbers of small, back of pavement terraced properties built to provide cheap housing close to industrial areas. The high numbers on offer now are creating problems of repair and non-decency. There are insufficient owner-occupiers for the available homes and many are left empty by ‘investor buyers’ or let.

**Private Sector Issues** - there are significant issues in the private rented sector across the sub region which need addressing. There are some excellent landlords who need encouraging as the private rented sector is crucial in ensuring a well-balanced housing market.

### **Achieving Decent homes standards in private sector**

Maximise the role and effectiveness of the private rented sector and improve housing conditions and management standards through a variety of means including accreditation

**Disabled Facilities Grants** - high demand due to changing demographics, type of properties.

### **Reducing fuel poverty and increasing SAP ratings**

Many homes across the sub region are built of solid wall construction and require cladding to address issues of fuel poverty and improving SAP ratings.

**Increasing affordability issues** – across the sub region a high need for affordable housing (rented and shared/equity ownership).

### **Choice Based Lettings**

It is planned to expand the current CBL pilot in Middlesbrough to the rest of the sub region by 2008.

## **Priorities**

Housing Market Renewal  
Decent Homes in Private Sector  
Other private sector issues  
Disabled Facility Grants

#### **4. TEES VALLEY SUB REGIONAL HOUSING STRATEGY – ACTION PLAN.**

4.1. The immediate and long-term focus of the Action Plan remains housing market renewal, a reduction in the number of obsolete dwellings in the sub-region, replacement housing that reflects the aspirations of households in the 21<sup>st</sup> century, and the improvement of retained stock so that it both caters for a range of demand and reduces its carbon footprint.

4.2. Ensuring that households displaced as a result of market renewal interventions are not disadvantaged in the process and supporting vulnerable members of the community in their need for appropriate accommodation are key drivers behind initiatives in the plan.

4.3. The Sub-Regional Housing Strategy identifies an extensive range of housing needs in both the private, the social and the intermediate sectors, highlighting the need to diversify and modernise the housing offer. This will involve providing new housing and re-invigorating parts of the older stock, both of which should provide wider choice and allow easier access to affordable quality housing so that no sectors of the community are at a disadvantage in terms of their housing needs.

4.4. The Action Plan provides the context for delivery of a range of alternative housing provision across the sub-region, all of which is programmed to have the greatest impact on the housing offer available and ensure that genuine choice is available to all households, and especially that a deficient or inadequate housing offer does not put a brake on the potential for sustainable economic growth.

4.5. The intention is to distribute resources within the sub-region in ways that maximise the benefit for the sub-region as a whole. Distribution will be influenced by the nature of the different housing markets in the area and grant applied in ways that guarantee the best outcome for Tees Valley residents as a whole. In an area with a healthy housing market there will be less need for grant support than in areas where market conditions are weak.

4.6. The Action Plan acknowledges that all parts of the sub-region have housing problems, whether of low demand or affordability, regardless of the strength of local markets and justify financial support in different measure.

4.7. Different housing markets, extending beyond individual local authority areas, present different challenges and opportunities in relation to housing provision. Interventions are not therefore confined to specific administrative boundaries and nor are they particular to the achievement of individual objectives. The inter-related nature of the objectives is such that a number of interventions will contribute to the achievement of more than one objective. The Plan therefore identifies packages and themes under which a range of interventions may be delivered to secure successful outcomes serving a number of objectives.

4.8. The themes adopted include:

- reducing the number of obsolete houses;
- building quality new homes that meet the aspirations of 21<sup>st</sup> century households;
- improving dwellings in the vicinity of housing market renewal initiatives;
- providing access to quality affordable homes;
- supporting vulnerable households;
- providing for specific sectors of the community;
- responding to the Respect Agenda;
- encouraging modern methods of construction;
- promoting sustainable energy solutions;
- including private landlords in planning and delivery;
- partnering with private developers.



4.9. The Plan reflects the need to respond to climate change and to promote efficient use of materials and resources, both in terms of house construction and in the contribution each dwelling makes towards reducing the demand for energy. Modern methods of construction will be encouraged, public resources being used as a lever to introduce methods which employ materials from renewable sources and micro-generation systems which provide heating and lighting without an unnecessary call on the National Grid or non-renewable sources.

**ACTION PLAN COSTINGS**
**Appendix 2**

Total SHIP Funding Year 1												
Local Authority	Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project 7	Project 8	Project 9	Project 10	Project 11	Totals
	Housing Market Renewal	Private Sector Renewal (Core)*	Filling Empties	Respect and Reward Scheme	Eco Streets	Sanctuary at Home	Disabled Facilities Grants**	Move, Adapt and Recycle Scheme	Safe and Secure Scheme	Incentive Packages - Access to Decent Homes	Rural Housing Enabler***	
Darlington		657,300	430,000	150,000	400,000	80,000	477,750	200,000	300,000	100,000	43,333	2,838,383
Hartlepool		864,150	430,000	150,000	400,000	80,000	462,000	200,000	300,000	100,000	43,333	3,029,483
Middlesbrough		1,584,450	430,000	150,000	400,000	80,000	1,142,750	200,000	300,000	100,000	43,333	4,430,533
Redcar & Cleveland		909,300	430,000	150,000	400,000	80,000	658,000	200,000	300,000	100,000	43,333	3,270,633
Stockton		829,500	430,000	150,000	400,000	80,000	841,750	200,000	300,000	100,000	43,333	3,374,583
<b>Total</b>		<b>4,844,700</b>	<b>2,150,000</b>	<b>750,000</b>	<b>2,000,000</b>	<b>400,000</b>	<b>3,582,250</b>	<b>1,000,000</b>	<b>1,500,000</b>	<b>500,000</b>	<b>216,665</b>	<b>16,943,615</b>

Total SHIP Funding Year 2												
Local Authority	Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project 7	Project 8	Project 9	Project 10	Project 11	Totals
	Housing Market Renewal	Private Sector Renewal (Core)	Filling Empties	Respect and Reward Scheme	Eco Streets	Sanctuary at Home	Disabled Facilities Grants	Move, Adapt and Recycle Scheme	Safe and Secure Scheme	Incentive Packages - Access to Decent Homes	Rural Housing Enabler	
Darlington		690,165	442,900	154,500	412,000	82,400	501,638	206,000	309,000	103,000	44,633	2,946,236
Hartlepool		907,358	442,900	154,500	412,000	82,400	485,100	206,000	309,000	103,000	44,633	3,146,891
Middlesbrough		1,663,673	442,900	154,500	412,000	82,400	1,199,888	206,000	309,000	103,000	44,633	4,617,993
Redcar & Cleveland		954,765	442,900	154,500	412,000	82,400	690,900	206,000	309,000	103,000	44,633	3,400,098
Stockton		870,975	442,900	154,500	412,000	82,400	883,838	206,000	309,000	103,000	44,633	3,509,246
<b>Total</b>		<b>5,086,935</b>	<b>2,214,500</b>	<b>772,500</b>	<b>2,060,000</b>	<b>412,000</b>	<b>3,761,363</b>	<b>1,030,000</b>	<b>1,545,000</b>	<b>515,000</b>	<b>223,165</b>	<b>17,620,463</b>

Total SHIP Funding Year 3												
Local Authority	Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project 7	Project 8	Project 9	Project 10	Project 11	
	Housing Market Renewal	Private Sector Renewal (Core)	Filling Empties	Respect and Reward Scheme	Eco Streets	Sanctuary at Home	Disabled Facilities Grants	Move, Adapt and Recycle Scheme	Safe and Secure Scheme	Incentive Packages - Access to Decent Homes	Rural Housing Enabler	Totals
Darlington		724,673	456,187	159,135	424,360	84,872	526,719	212,180	318,270	106,090	45,972	3,058,459
Hartlepool		952,725	456,187	159,135	424,360	84,872	509,355	212,180	318,270	106,090	45,972	3,269,146
Middlesbrough		1,746,856	456,187	159,135	424,360	84,872	1,259,882	212,180	318,270	106,090	45,972	4,813,804
Redcar & Cleveland		1,002,503	456,187	159,135	424,360	84,872	725,445	212,180	318,270	106,090	45,972	3,535,014
Stockton		914,524	456,187	159,135	424,360	84,872	928,029	212,180	318,270	106,090	45,972	3,649,619
<b>Total</b>		<b>5,341,282</b>	<b>2,280,935</b>	<b>795,675</b>	<b>2,121,800</b>	<b>424,360</b>	<b>3,949,431</b>	<b>1,060,900</b>	<b>1,591,350</b>	<b>530,450</b>	<b>229,860</b>	<b>18,326,042</b>

Total SHIP Funding All 3 Years (2008-11)												
Local Authority	Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project 7	Project 8	Project 9	Project 10	Project 11	
	Housing Market Renewal	Private Sector Renewal (Core)	Filling Empties	Respect and Reward Scheme	Eco Streets	Sanctuary at Home	Disabled Facilities Grants	Move, Adapt and Recycle Scheme	Safe and Secure Scheme	Incentive Packages - Access to Decent Homes	Rural Housing Enabler	Totals
Darlington	0	2,072,138	1,329,087	463,635	1,236,360	247,272	1,506,107	618,180	927,270	309,090	133,938	8,843,077
Hartlepool	0	2,724,233	1,329,087	463,635	1,236,360	247,272	1,456,455	618,180	927,270	309,090	133,938	9,445,520
Middlesbrough	0	4,994,979	1,329,087	463,635	1,236,360	247,272	3,602,519	618,180	927,270	309,090	133,938	13,862,330
Redcar & Cleveland	0	2,866,568	1,329,087	463,635	1,236,360	247,272	2,074,345	618,180	927,270	309,090	133,938	10,205,745
Stockton	0	2,614,999	1,329,087	463,635	1,236,360	247,272	2,653,617	618,180	927,270	309,090	133,938	10,533,448
<b>Total</b>	<b>0</b>	<b>15,272,917</b>	<b>6,645,435</b>	<b>2,318,175</b>	<b>6,181,800</b>	<b>1,236,360</b>	<b>11,293,043</b>	<b>3,090,900</b>	<b>4,636,350</b>	<b>1,545,450</b>	<b>669,690</b>	<b>52,890,120</b>