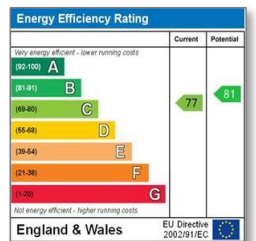




# County Durham Strategic Housing Market Assessment 2018

## Report of Findings

January 2019





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# Executive Summary

## Summary of Key Findings and Conclusions

### Introduction

1. Opinion Research Services (ORS) was commissioned by Durham County Council to undertake a Strategic Housing Market Assessment for the County.
2. The National Planning Policy Framework (NPPF) sets out government's planning policies for England and how these are expected to be applied and this was updated in July 2018. The Framework acts as guidance for local planning authorities and decision-takers, both in drawing up plans and making decisions about planning applications.

### Local Housing Need

3. On September 14<sup>th</sup> 2017, the then Department of Communities and Local Government (CLG) published a consultation on potential revisions to the NPPF, including a standardised methodology for calculating the Local Housing Needs (LHN). The NPPF 2018 confirms that planning authorities should use the standard methodology for plans to be submitted after January 24<sup>th</sup> 2019.
4. On October 26<sup>th</sup> 2018, MHCLG stated their intention to change the standard method for Local Housing Need. The consultation on this issue ran until December 7<sup>th</sup> 2018, but the responses are still being considered by MHCLG at the time of writing. If the consultation proposals were to be adopted, the LHN for County Durham would be 1,287 if calculated from 2019.
5. However, it should be noted that paragraph 10 of PPG September 2018 states that:

» **When might a higher figure than the standard method need to be considered?**

- » The government is committed to ensuring more homes are built and are supportive of ambitious authorities who want to plan for growth. The standard method for assessing local housing need provides the minimum starting point in determining the number of homes needed in an area. It does not attempt to predict the impact that future government policies, changing economic circumstances or other factors might have on demographic behaviour. Therefore there will be circumstances where actual housing need may be higher than the figure identified by the standard method.
- » Where additional growth above historic trends is likely to or is planned to occur over the plan period, an appropriate uplift may be considered. This will be an uplift to identify housing need specifically and should be undertaken prior to and separate from considering how much of this need can be accommodated in a housing requirement figure. Circumstances where this may be appropriate include, but are not limited to:
- » where growth strategies are in place, particularly where those growth strategies identify that additional housing above historic trends is needed to support growth or funding is in place to promote and facilitate growth (e. g. Housing Deals);
  - » where strategic infrastructure improvements are planned that would support new homes;

- » where an authority has agreed to take on unmet need, calculated using the standard method, from neighbouring authorities, as set out in a statement of common ground;
- » In addition authorities should also consider:
- » previous delivery levels. Where previous delivery has exceeded the minimum need identified it should be considered whether the level of delivery is indicative of greater housing need; and
- » recent assessments of need, such as a Strategic Housing Market Assessments (SHMA). Where these assessments suggest higher levels of need than those proposed by a strategic policy-making authority, an assessment of lower need should be justified.

Paragraph: 010 Reference ID: 2a-010-20180913

6. In County Durham, the recent average level of completions has been 1,308 dwellings per annum. On this basis the Council intend to proceed with a planned level of housing delivery of 1,308 dwellings per annum and this SHMA has been developed around this assumption. Therefore, when modelling the total need for housing and the split between market and affordable housing we have used the dwelling target of 1,308 rather than the LHN of 1,287.

## Housing Market Area

7. The definition of a functional housing market area is well-established as being “... *the geographical area in which a substantial majority of the employed population both live and work and where those moving house without changing employment choose to stay*”
8. County Durham is split across various potential HMAs, due to strong links to Newcastle-Upon-Tyne, Darlington and in particular Sunderland (due to the area containing Seaham and Peterlee). Studies for Tees Valley, Hartlepool, Darlington, Redcar and Cleveland, and Sunderland have concluded it is justifiable for each of those to be considered as separate stand-alone, lower-tier HMAs, as has the previous County Durham SHMA. The migration and commuting data for County Durham alone also suggest that it is justifiable to consider this as a stand-alone HMA.
9. There is no single correct definition of an HMA and, as a pragmatic conclusion, it is necessary to proceed with this study on behalf of County Durham alone and treat the area as a “functional” local HMA. This conclusion is supported by:
- » Migration and workplace data are strong evidence of County Durham’s self-containment;
  - » Other SHMAs for nearby areas consider LPAs as functional HMAs;
  - » Consistency with the previous SHMA;
  - » Advice contained within the PAS;
  - » This approach is favoured by the new NPPF which emphasises the need for planning at the local authority level;
  - » OANs have been produced for Darlington and Sunderland and therefore it is not possible to produce a joint assessment at this stage.
10. Therefore, we would propose that County Durham is a single functional HMA, but clear lines of communication need to be maintained with Darlington and (in particular) Sunderland, to ensure that the full needs for market and affordable housing are met.

## Affordable Housing Need

11. Planning Practice Guidance notes that affordable housing need is based on households “*who lack their own housing or live in unsuitable housing and who cannot afford to meet their housing needs in the market*”. Annex 2 of the NPPF July 2018 contains an updated definition of affordable housing which also considers households as needing affordable housing if they cannot afford to own
12. The SHMA has undertaken a comprehensive analysis of the existing unmet need for affordable housing. Including the unmet needs from existing households living in unsuitable housing and homeless and concealed households, the analysis established there to be 5,594 households in need of affordable housing in 2016 in County Durham, but 1,364 of these were already occupying affordable housing, but required to move to alternative suitable housing.
13. The backlog of housing need can then be combined with projected newly arising need until 2035 to give the total overall need. Figure 1 below shows the identified size mix for market and affordable housing in County Durham over the period 2016-35. The size mix takes account of both overcrowded households who require a move to a larger dwelling along with under-occupying households who need to downsize. While Government policies such as those relating to the Spare Room Subsidy or Bedroom Tax are leading to more households downsizing, not all households will do so. Instead, we have modelled a gradual decline in the amount of under-occupation in the affordable housing sector. The data shows a significant need for 3-bed family sized housing to be provided as part of any market housing mix. However, the model indicates a limited requirement for 4+ bed market properties, reflecting the changing demographics of County Durham. This does not necessarily mean that new 4+ bed homes would be unoccupied, rather they are more likely to be under-occupied. The high need for smaller housing units is driven by demographic change which is creating smaller household sizes.

**Figure 1: Assessed Need for Housing; Size and Tenure Mix for County Durham 2016-35 (Note: Figures may not sum due to rounding)**

	County Durham 2016-35	County Durham Annual Need
<b>MARKET HOUSING</b>		
1 bedroom	969	51
2 bedrooms	3,354	177
3 bedrooms	4,690	247
4 bedrooms	-67	-4
5+ bedrooms	23	1
<b>Total Market Housing</b>	<b>8,969</b>	<b>472</b>
<b>AFFORDABLE HOUSING</b>		
1 bedroom	4,334	228
2 bedrooms	7,211	380
3 bedrooms	3,653	192
4 bedrooms	555	29
5+ bedrooms	131	7
<b>Total Affordable Housing</b>	<b>15,883</b>	<b>836</b>
<b>TOTAL</b>	<b>24,852</b>	<b>1,308</b>

14. Any losses from the current affordable stock (such as demolition or clearance, or sales through Right to Buy) would increase the number of affordable dwellings needed by an equivalent amount. Meanwhile any vacant dwellings returned to use would count as part of the supply necessary to meet the affordable housing need.
15. In terms of affordable housing to own, data on rents and house prices show that the cost of shared ownership and owner occupation in the second-hand market in County Durham is significantly lower on a weekly basis than the cost of private rent. This means that anyone who can afford to pay their own rent can also afford to cover the cost of a mortgage. While owner occupiers would still require a deposit and access to a mortgage, on this basis there is not a gap in the housing market for products accommodating those who can afford to rent but cannot afford to own, such as affordable to own housing products.
16. However, there will be cases where private rented properties can be found in more expensive locations, while the cheaper owner-occupied stock is in different locations. If no intermediate housing were to be provided on newbuild housing estates, then there would be a considerable gap between those who require affordable housing to rent and those who can afford to own outright, which would not be conducive to mixed and balanced communities or the viability of housing schemes.

## Need for Older Person Housing

17. The population projections identify that the population of County Durham is likely to increase from 521,900 persons to 557,800 persons over the 19-year period 2016-35; a 19-year increase of 35,900 persons. The population in older age groups is projected to increase substantially during this period, with an increase in the population aged 65 or over of 40,800, offset by a reduction of 4,900 amongst under 65s. Of this 40,800 growth, nearly three quarters are projected to be 75+ (29,900 persons).
18. Based on the growth in population aged 75+ identified, the table below identifies the potential additional requirement for new specialist housing (using the Housing LIN Older People Resource Pack 2012) for the period 2016-2035. As can be seen, the Housing LIN approach shows a significant need for ownership schemes (e. g. LSE schemes, Extra care, Sheltered ‘plus’) in County Durham.

Figure 2: Additional Modelled Demand for Older Person Housing 2016-35 (Source: Housing LIN Toolkit, LHN calc)

		County Durham
<b>Population aged 75+</b>		
	2016	45,666
	2035	75,532
<b>Change 2016 – 35</b>		<b>29,866</b>
<b>Additional Modelled Demand for Older Person Housing</b>		
Traditional sheltered		1,792
Extra care	Owned	896
	Rented	448
Sheltered ‘plus’ or ‘Enhanced’ Sheltered	Owned	299
	Rented	299
Dementia		180
Leasehold Schemes for the Elderly (LSE)		3,584
<b>TOTAL</b>		<b>7,496</b>



19. While the Housing LIN model identifies future need, this is on the basis of existing types of provision (sheltered, extra care etc). It is unclear, at the present time, if Older People will aspire to these types of specialist housing in the future; indeed, demand for some types are already experiencing low demand, and other, newer types of provision may appear to meet changing aspirations in the market.
20. The table below identifies the potential requirement for new specialist housing using the ORS older people housing model including any backlog at the start of the Plan Period.

**Figure 3: Modelled Demand for Older Person Housing (ORS Housing Model)**

		Rate per 1,000 persons aged 75+	Gross need 2016	Existing supply 2016	Backlog at start of Plan period	Gross need 2035	New need 2016-35	Total need 2035
Sheltered Housing	Owned	120	5,480	445	5,035	9,064	3,584	8,619
	Rented	60	2,740	2,465	275	4,532	1,792	2,067
Extra Care	Owned	40	1,827	0	1,827	3,021	1,195	3,021
	Rented	31	1,416	377	1,039	2,341	926	1,964
<b>TOTAL</b>		<b>251</b>	<b>11,462</b>	<b>3,287</b>	<b>8,175</b>	<b>18,959</b>	<b>7,496</b>	<b>15,672</b>

## Need for Housing for People with Disabilities

21. Based on the household projections and the overall housing need identified by the SHMA, we can establish the future need for adapted housing in the housing market area based on the projected household growth and the changing demographics of the area.
22. Considering the needs of households resident at the start of the Plan period together with the projected household growth and changing demographics (in particular the ageing population), there will be a total of 43,700 households either needing adaptations to the existing housing or suitable new housing to be provided. There is uncertainty about how many households will be able to meet their housing needs without moving and how many will move to existing homes rather than new housing. Nevertheless, a minimum of 20,000 households and maximum of 43,700 households provide an appropriate range to consider.
- 1.1 Figure 4 identifies the net change in the number of households with a wheelchair user over the period 2016 to 2035. It is evident that the number of households likely to need wheelchair adapted housing in County Durham is likely to increase by 3,090 over the 19-year period, equivalent to around 13.9% of the overall housing requirement.

**Figure 4: Households needing Wheelchair Adapted Housing (Source: ORS Housing Model. Note: Figures may not sum due to arithmetic rounding)**

Modelled Need for Wheelchair Adapted Housing	Households aged under 75			Households aged 75+			Overall change 2016-35	% of Housing requirement
	2016	2035	Net change 2016-35	2016	2035	Net change 2016-35		
Market housing	3,220	3,220	0	2,060	3,310	1,250	1,240	17.6%
Affordable housing	2,910	3,310	400	1,750	3,190	1,440	1,840	12.1%
<b>Total</b>	<b>6,130</b>	<b>6,530</b>	<b>400</b>	<b>3,810</b>	<b>6,500</b>	<b>2,690</b>	<b>3,090</b>	<b>13.9%</b>

# Introducing the Study

## Background to the Project, Wider Policy Context and Durham Overall Housing Need

### Project Overview

- 1.1 Opinion Research Services (ORS) was commissioned by Durham County Council to undertake a Strategic Housing Needs Assessment for the County.
- 1.2 The National Planning Policy Framework (NPPF) sets out government's planning policies for England and how these are expected to be applied and this was updated in July 2018. The Framework acts as guidance for local planning authorities and decision-takers, both in drawing up plans and making decisions about planning applications.
- 1.3 In parallel with that study, a household survey of current residents of County Durham was carried out. Surveys were sent to 6,000 residential addresses selected at random, split equally across the nine local plan monitoring areas comprising County Durham (Central Durham, Durham City, East Durham, Mid Durham, North Durham, North West Durham, South Durham, South East Durham, West Durham). Of these 6,000 surveys, 1,388 were returned, a response rate of 23%.
- 1.4 The survey contained questions on the following topics:
  - » Your Home;
  - » Moving Home;
  - » Separate Homes for New Households; and
  - » Profile Information
- 1.5 A separate report presents the main findings of the survey, but a number of key findings are incorporated within this study. The number of surveys sent out and returned by sub-area are shown in Figure 5.

Figure 5: Number of Surveys and Response Rate by Sub-Area (Source: County Durham Housing Needs Survey 2018)

Sub-Area	Number of Surveys Sent	Number of Surveys Returned	Percentage Response rate
Central Durham	667	151	22.7%
Durham City	666	185	27.9%
East Durham	667	115	17.3%
Mid Durham	667	145	22.0%
North Durham	667	148	22.3%
North West Durham	667	143	21.5%
South Durham	667	145	21.9%
South East Durham	666	177	26.6%
West Durham	666	179	27.0%
<b>Total</b>	<b>6,000</b>	<b>1,388</b>	<b>23.1%</b>

## Government Policy: Pre July 2018

- 1.6 The National Planning Policy Framework (NPPF) was updated in July 2018. Prior to July 2018, the NPPF 2012 contained a presumption in favour of sustainable development, and stated that Local Plans should meet the full, objectively assessed needs for market and affordable housing in the housing market area.

*At the heart of the National Planning Policy Framework is a **presumption in favour of sustainable development**, which should be seen as a golden thread running through both plan-making and decision-taking.*

*Local planning authorities should positively seek opportunities to meet the development needs of their area.*

*Local Plans should meet objectively assessed needs, with sufficient flexibility to adapt to rapid change, unless any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole.*

**National Planning Policy Framework 2012 (NPPF), paragraph 14**

*To boost significantly the supply of housing, local planning authorities should use their evidence base to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area, as far as is consistent with the policies set out in this Framework.*

**National Planning Policy Framework 2012 (NPPF), paragraph 47**

- 1.7 Given this context, Strategic Housing Market Assessments (SHMAs) primarily informed the production of the Local Plan (which sets out the spatial policy for a local area). Their key objective was to provide the robust and strategic evidence base required to establish the full Objectively Assessed Need (OAN) for housing and provide information on the appropriate mix of housing and range of tenures needed. They did not set a 'housing target' for the planning authority.
- 1.8 Planning Practice Guidance (PPG) on the assessment of housing and economic development needs was published in March 2014, updated in March 2015 and was further updated in September 2018.

## Government Policy: Post July 2018

- 1.9 The NPPF was introduced in 2012 and updated in July 2018 and this update contains a number of changes compared to the previous NPPF. The underlying theme of sustainable development remains, but in relation of identifying and meeting housing needs several significant changes have been implemented. These include the NPPF 2018 containing:
- » No references to housing market areas;
  - » No mention of Strategic Housing Market Assessments which are now entitled Local Housing Needs Assessments;
  - » A new standard methodology to underwrite a local housing market assessment;
  - » A new definition of affordable housing; and
  - » A housing delivery test to assess if a planning authority is meeting its housing needs.

60. To determine the minimum number of homes needed, strategic policies should be informed by a local housing need assessment, conducted using the standard method in national planning guidance – unless exceptional circumstances justify an alternative approach which also reflects current and future demographic trends and market signals. In addition to the local housing need figure, any needs that cannot be met within neighbouring areas should also be taken into account in establishing the amount of housing to be planned for.

61. Within this context, the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies (including, but not limited to, those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes).

62. Where a need for affordable housing is identified, planning policies should specify the type of affordable housing required, and expect it to be met on-site unless: a) off-site provision or an appropriate financial contribution in lieu can be robustly justified; and b) the agreed approach contributes to the objective of creating mixed and balanced communities.

National Planning Policy Framework 2018 (NPPF), paragraph 60-62

- 1.10 Therefore, the new NPPF does not contain any explicit reference to HMAs and housing needs are to be set at a local authority level. However, new Planning Practice Guidance on Plan Making does refer to HMAs:

#### **How can housing market areas be defined?**

A housing market area is a geographical area defined by household demand and preferences for all types of housing, reflecting the key functional linkages between places where people live and work. These can be broadly defined by analysing:

The relationship between housing demand and supply across different locations, using house prices and rates of change in house prices. This should identify areas which have clearly different price levels compared to surrounding areas.

Migration flow and housing search patterns. This can help identify the extent to which people move house within an area, in particular where a relatively high proportion of short household moves are contained, (due to connections to families, jobs, and schools).

Contextual data such as travel to work areas, retail and school catchment areas. These can provide information about the areas within which people move without changing other aspects of their lives (e. g. work or service use).

Suggested data sources: Office for National Statistics (internal migration and travel to work areas statistics); Land Registry House Price Index and Price Paid data (including sales); data from estate agents and local newspapers about geographical coverage of houses advertised for sale and rent; Ministry of Housing, Communities and Local Government statistics including live tables on affordability (lower quartile house prices/lower quartile earnings); and neighbourhood data from the Census.

Paragraph: 010 Reference ID: 61-010-20180913

- 1.11 Therefore, there is still a need to consider Housing Market Areas as part of the plan making process.

## Duty to Co-operate

- 1.12 The Duty to Co-operate was introduced in the 2011 Localism Act and is a legal obligation.
- 1.13 The NPPF sets out an expectation that public bodies will co-operate with others on issues with any cross-boundary impact, in particular in relation to strategic priorities such as “the homes and jobs needed in the area”.

*24. “Local planning authorities and county councils (in two-tier areas) are under a duty to cooperate with each other, and with other prescribed bodies, on strategic matters that cross administrative boundaries.*

*25. Strategic policy-making authorities should collaborate to identify the relevant strategic matters which they need to address in their plans. They should also engage with their local communities and relevant bodies including Local Enterprise Partnerships, Local Nature Partnerships, the Marine Management Organisation, county councils, infrastructure providers, elected Mayors and combined authorities (in cases where Mayors or combined authorities do not have plan-making powers).*

*26. Effective and on-going joint working between strategic policy-making authorities and relevant bodies is integral to the production of a positively prepared and justified strategy. In particular, joint working should help to determine where additional infrastructure is necessary, and whether development needs that cannot be met wholly within a particular plan area could be met elsewhere.*

*27. In order to demonstrate effective and on-going joint working, strategic policymaking authorities should prepare and maintain one or more statements of common ground, documenting the cross-boundary matters being addressed and progress in cooperating to address these. These should be produced using the approach set out in national planning guidance, and be made publicly available throughout the plan-making process to provide transparency.*

**National Planning Policy Framework (NPPF), paragraphs 24-27**

- 1.14 How councils have complied with their legal requirements under the Duty to Co-operate will be considered when plans are submitted for examination. One key issue is how any unmet development and infrastructure requirements can be provided by co-operating with adjoining authorities (subject to tests of reasonableness and sustainability).

## Assessing Overall Housing Need: Analysing the Impact of the Standard Method for Local Housing Need Assessment

- 1.15 On September 14<sup>th</sup> 2017, the then<sup>1</sup> Department of Communities and Local Government (CLG) published a consultation on potential revisions to the NPPF, including a standardised methodology for calculating the Local Housing Needs (LHN). This contained a number of key proposals:

- » The starting point for calculating the LHN for any area should be the most up to date household projections published by CLG;
- » While, deviation from this starting point can be considered, the consultation proposals note that; *There should be very limited grounds for adopting an alternative method which results in a lower need;* and

<sup>1</sup> Since January 2018 the Ministry of Housing, Communities and Local Government (MHCLG)

- » The household projections published by CLG should be uplifted by a fixed affordability relationship based upon the ratio of house prices to earnings. The maximum uplift for a local authority area will be 40% above its CLG household projections or current Local plan housing target.

1.16 CLG produced a spreadsheet of indicative housing needs figures which covers every local authority area in England, with the figure for Durham being 1,368 dwellings per annum.

1.17 The NPPF 2018 confirms that planning authorities should use the standard methodology for plans to be submitted after January 24<sup>th</sup> 2019, but also applies from now for 5 year housing land supply calculations.

1.18 Since the publication of the figures in September 2017 a range of new data has been released which allows for the model to be updated. This includes:

- New affordability data released in March 2018;
- New 2016 based sub-national population projections (SNPP) released in May 2018; and
- A new methodology for calculating household projections released in June 2018 by the Office for National Statistics which will lead to new 2016 based household projections to be released in September 2018; and

1.19 Final figures were published on the 20<sup>th</sup> September 2018, and state a projected need for 1,068 dwellings per annum.

1.20 However, the NPPF 2018 came with the following statement:

- » Your attention is drawn to the following wording within the government response document to the revised National Planning Policy Framework:
- » “A number of responses to this question provided comment on the proposed local housing need method. The government is aware that lower than previously forecast population projections have an impact on the outputs associated with the method. Specifically, it is noted that the revised projections are likely to result in the minimum need numbers generated by the method being subject to a significant reduction, once the relevant household projection figures are released in September 2018.
- » In the housing white paper the government was clear that reforms set out (which included the introduction of a standard method for assessing housing need) should lead to more homes being built. In order to ensure that the outputs associated with the method are consistent with this, we will consider adjusting the method after the household projections are released in September 2018. We will consult on the specific details of any change at that time.
- » It should be noted that the intention is to consider adjusting the method to ensure that the starting point in the plan-making process is consistent in aggregate with the proposals in Planning for the right homes in the right places consultation and continues to be consistent with ensuring that 300,000 homes are built per year by the mid 2020s.”

1.21 On October 26<sup>th</sup> 2018, MHCLG clarified their intention to change the standard method for Local Housing Need. At paragraphs 19 of the document, “Technical consultation on updates to national planning policy and guidance October 2018”, MHCLG set out their planned changes to the standard method.

- » 19. The Government considers that the best way of responding to the new ONS household projections and delivering on the three principles in paragraph 18 above is to make three changes:
  - » 1. For the short-term, to specify that the 2014-based data will provide the demographic baseline for assessment of local housing need.
  - » 2. To make clear in national planning practice guidance that lower numbers through the 2016-based projections do not qualify as an exceptional circumstance that justifies a departure from the standard methodology; and
  - » 3. In the longer term, to review the formula with a view to establishing a new method that meets the principles in paragraph 18 above by the time the next projections are issued.

1.22 If the consultation proposals were to be adopted the LHN for County Durham would fall to an annual figure of 1,287 dwellings if calculated from 2019.

1.23 However, it should be noted that paragraph 10 of PPG September 2018 states that:

- » **When might a higher figure than the standard method need to be considered?**
- » The government is committed to ensuring more homes are built and are supportive of ambitious authorities who want to plan for growth. The standard method for assessing local housing need provides the minimum starting point in determining the number of homes needed in an area. It does not attempt to predict the impact that future government policies, changing economic circumstances or other factors might have on demographic behaviour. Therefore there will be circumstances where actual housing need may be higher than the figure identified by the standard method.
- » Where additional growth above historic trends is likely to or is planned to occur over the plan period, an appropriate uplift may be considered. This will be an uplift to identify housing need specifically and should be undertaken prior to and separate from considering how much of this need can be accommodated in a housing requirement figure. Circumstances where this may be appropriate include, but are not limited to:
  - » where growth strategies are in place, particularly where those growth strategies identify that additional housing above historic trends is needed to support growth or funding is in place to promote and facilitate growth (e. g. Housing Deals);
  - » where strategic infrastructure improvements are planned that would support new homes;
  - » where an authority has agreed to take on unmet need, calculated using the standard method, from neighbouring authorities, as set out in a statement of common ground;
  - » In addition authorities should also consider:
    - » previous delivery levels. Where previous delivery has exceeded the minimum need identified it should be considered whether the level of delivery is indicative of greater housing need; and
    - » recent assessments of need, such as a Strategic Housing Market Assessments (SHMA). Where these assessments suggest higher levels of need than those proposed by a strategic policy-making authority, an assessment of lower need should be justified.

Paragraph: 010 Reference ID: 2a-010-20180913

1.24 In County Durham, the recent average level of completions has been 1,308 dwellings per annum. On this basis the Council intend to proceed with a planned level of housing delivery of 1,308 dwellings per annum

and this SHMA has been developed around this assumption. Therefore, when modelling the total need for housing and the split between market and affordable housing we have used the dwelling target of 1,308 rather than the LHN of 1,287.



## 2. Defining the Housing Market Area

### An Evidence Base to Identify Functional Housing Markets

- <sup>2.1</sup> The National Planning Policy Framework (NPPF, July 2018) refers to the need for Local Plans to “*as a minimum, provide for objectively assessed needs for housing and other uses, as well as any needs that cannot be met in other areas*” (paragraph 11, emphasis added). It should be noted that unlike the previous iteration of the NPPF (March 2012), the new version no longer makes reference to housing market areas for purposes of defining need, instead referencing the area of the Local planning Authority as the norm for assessment. It also refers to the standardised method in national planning guidance which itself assesses at a local authority level.
- <sup>2.2</sup> This assessment of housing market area follows the definitions set out in the March 2014 guidance. This PPG<sup>2</sup> required that “*Needs should be assessed in relation to the relevant functional area: i.e. housing market area...*” (PPG 2a-008).
- <sup>2.3</sup> The identification of the Housing Market Area (HMA) is therefore the first relevant building block in the evidence for identifying housing needs for the study.
- <sup>2.4</sup> This chapter considers the historic and current evidence about housing market areas relating to County Durham. The emerging finding of this HMA were discussed with the SHLAA partnership of Durham County Council officers and stakeholders on 30th of October 2018.

### Functional Housing Market Areas

- <sup>2.5</sup> The definition of a functional housing market area is well-established as being “. . . *the geographical area in which a substantial majority of the employed population both live and work and where those moving house without changing employment choose to stay*” (Maclennan et al, 1998)<sup>3</sup>.

### Planning Practice Guidance

- <sup>2.6</sup> Planning Practice Guidance (PPG)<sup>4</sup> on the Assessment of Housing and Economic Development Needs (first published March 2014) reflects this existing concept, confirming that the underlying principles for defining housing markets are concerned with the functional areas in which people both live and work:

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<sup>2</sup> At the time of writing – Published Nov 2016, updated July 2018

<sup>3</sup> Local Housing Systems Analysis: Best Practice Guide. Edinburgh: Scottish Homes

<sup>4</sup> <http://planningguidance.planningportal.gov.uk/blog/guidance/housing-and-economic-development-needs-assessments/>

**What is a housing market area?**

*A housing market area is a geographical area defined by household demand and preferences for all types of housing, reflecting the key functional linkages between places where people live and work. It might be the case the housing market areas overlap. The extent of the housing market areas identified will vary, and many will in practice cut across various local planning authority administrative boundaries. Local planning authorities should work with all the other constituent authorities under the duty to cooperate.*

Planning Practice Guidance (March 2014), ID 2a-010

- 2.7 Therefore, PPG requires an understanding of the housing market area and says this can be defined using three different sources of information:
- » House prices and rates of change in house prices
  - » Household migration and search patterns
  - » Contextual data (e. g. travel to work area boundaries, retail and school catchment areas)
- 2.8 These sources are well-established, being consistent with those previously identified in the CLG advice note “Identifying sub-regional housing market areas” published in 2007<sup>5</sup>.

## Geography of Housing Market Areas (NHPAU/CURDS)

- 2.9 CLG also published a report on the ‘Geography of Housing Market Areas’ in 2010<sup>6</sup> which was commissioned by the former National Housing and Planning Advice Unit (NHPAU) and undertaken by the Centre for Urban and Regional Development Studies (CURDS) at Newcastle University. This study explored a range of potential methods for calculating housing market areas for England and applied these methods to the whole country to show the range of housing markets which would be generated. The report also proposed three overlapping tiers of geography for housing markets:
- » Tier 1: framework housing market areas defined by long distance commuting flows and the long-term spatial framework within which housing markets operate;
  - » Tier 2: local housing market areas defined by migration patterns that determine the limits of short-term spatial house price arbitrage: i.e. households moving without changing jobs;
  - » Tier 3: sub-markets defined in terms of neighbourhoods or house type price premiums.
- 2.10 The report recognised that migration patterns and commuting flows were the most relevant information sources for identifying the upper tier housing market areas, with house prices only becoming relevant at a more local level and when establishing housing sub-markets. The report also outlined that no one single approach (nor one single data source) will provide a definitive solution to identifying local housing markets; but by using a range of available data, judgements on appropriate geography can be made.
- 2.11 Advice published in the Planning Advisory Service (PAS) technical advice note about Objectively Assessed Need (OAN) and Housing Targets (originally published in June 2014, with a second edition<sup>7</sup> in July 2015) also suggests that the main indicators will be migration and commuting (second edition, paragraph 5.4).

<sup>5</sup> Identifying sub-regional housing market areas (CLG, March 2007); paragraph 1.6

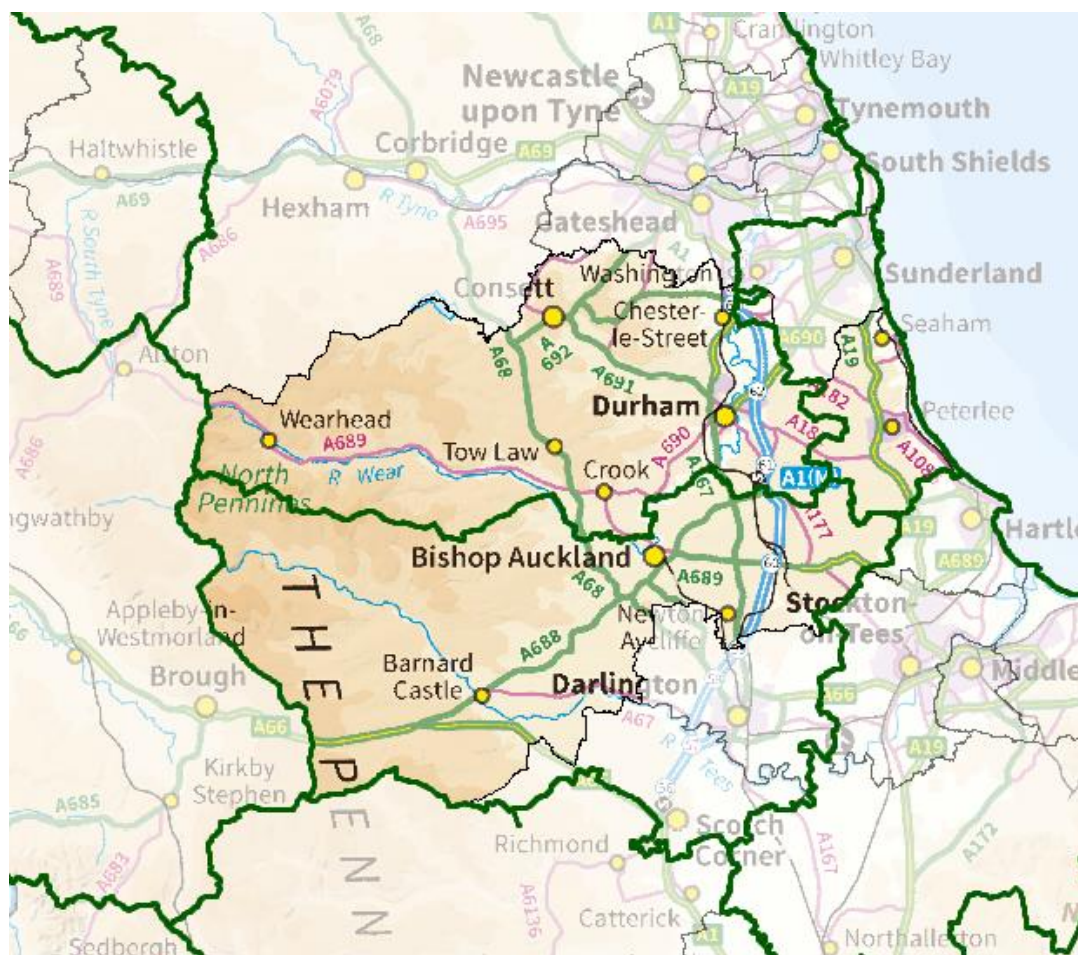
<sup>6</sup> Geography of Housing Market Areas (CLG, November 2010)

<sup>7</sup> <http://www.pas.gov.uk/documents/332612/6549918/OANupdatedadvicenote/f1bfb748-11fc-4d93-834c-a32c0d2c984d>

*“The PPG provides a long list of possible indicators, comprising house prices, migration and search patterns and contextual data including travel-to-work areas, retail and school catchments. In practice, the main indicators used are migration and commuting.”*

- 2.12 The PAS OAN technical advice note also suggests that analysis reported in the CLG report “Geography of Housing Market Areas” (CLG, November 2010) should provide a starting point for drawing HMAs (Figure 6).
- 2.13 Figure 6 shows the local authority boundary (in black) and compares these with the CURDS study (in green) to consider their alignment. It is apparent that the CURDS study concluded that County Durham is split between a larger HMA covering Newcastle upon Tyne and much of Northumberland (this area includes the City of Durham), along with a smaller HMA covering Darlington and a portion of Richmondshire (this area includes Bishop Auckland), and a third HMA covering Sunderland (including Seaham and Peterlee).

Figure 6: NHPAU Study – PAS OAN technical advice note ‘Starting Point’ (Source: NHPAU/CURDS 2010)



## ONS Travel to Work Areas

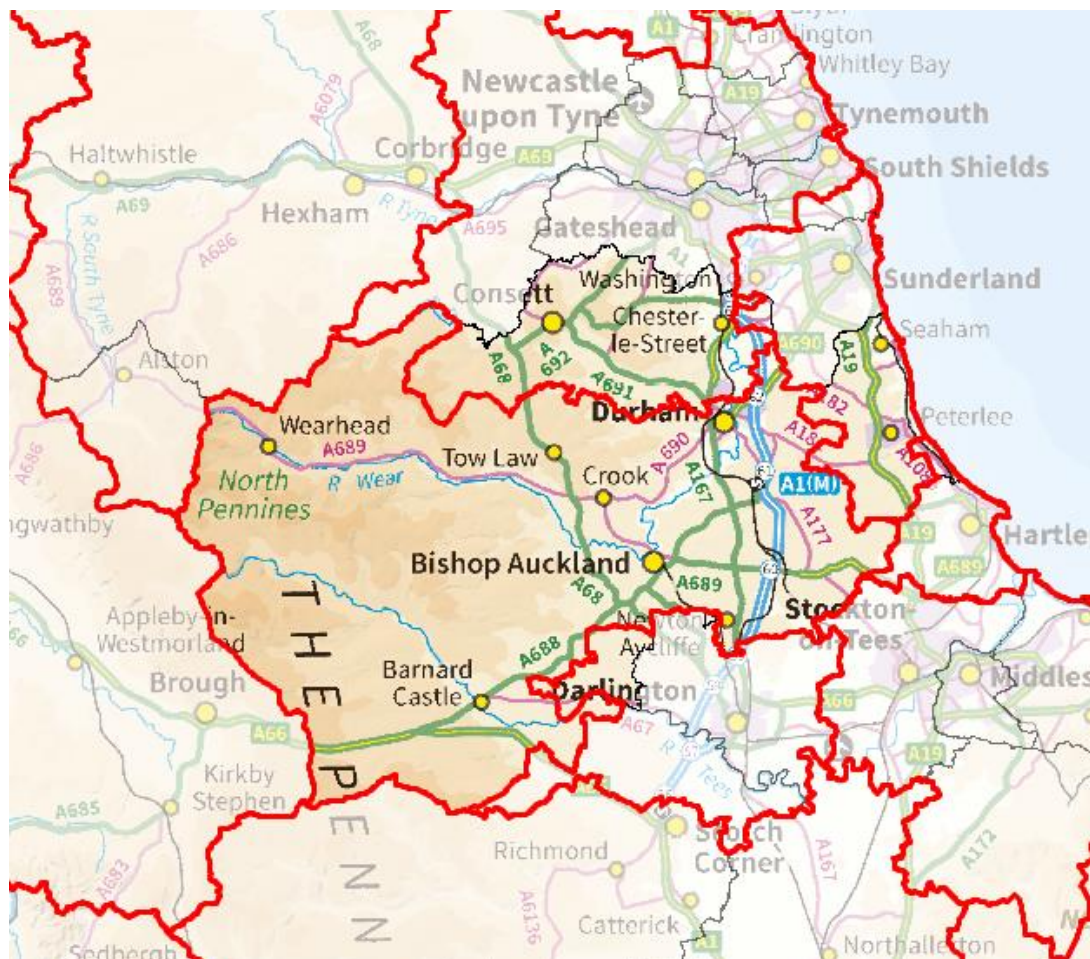
- 2.14 PPG defines housing market areas on the basis that they will reflect “the key functional linkages between places where people live and work” (ID 2a-010). Furthermore, PPG identifies Office for National Statistics Travel to Work Areas (TTWAs) as one of the identified data sources that should be considered when establishing housing market areas.

*Travel to work areas can provide information about commuting flows and the spatial structure of the labour market, which will influence household price and location. They can also provide information about the areas within which people move without changing other aspects of their lives (e. g. work or service use).*

Planning Practice Guidance (March 2014), ID 2a-011

- 2.15 The Office for National Statistics (ONS) defines official Travel to Work Areas for those involved in labour market analysis and planning. These areas are also based on analysis of Census commuting flow data, and TTWAs based on data from the 2011 Census were published in August 2015. A total of 228 TTWAs were defined for the whole of the UK based on 2011 data, a reduction from the 243 TTWAs that were previously defined based on 2001 Census data.
- 2.16 Figure 7 shows the defined TTWAs (2015), in red, and these are based on the commuting flow data from the 2011 Census.

Figure 7: ONS Travel to Work Areas (Source: ONS 2015)

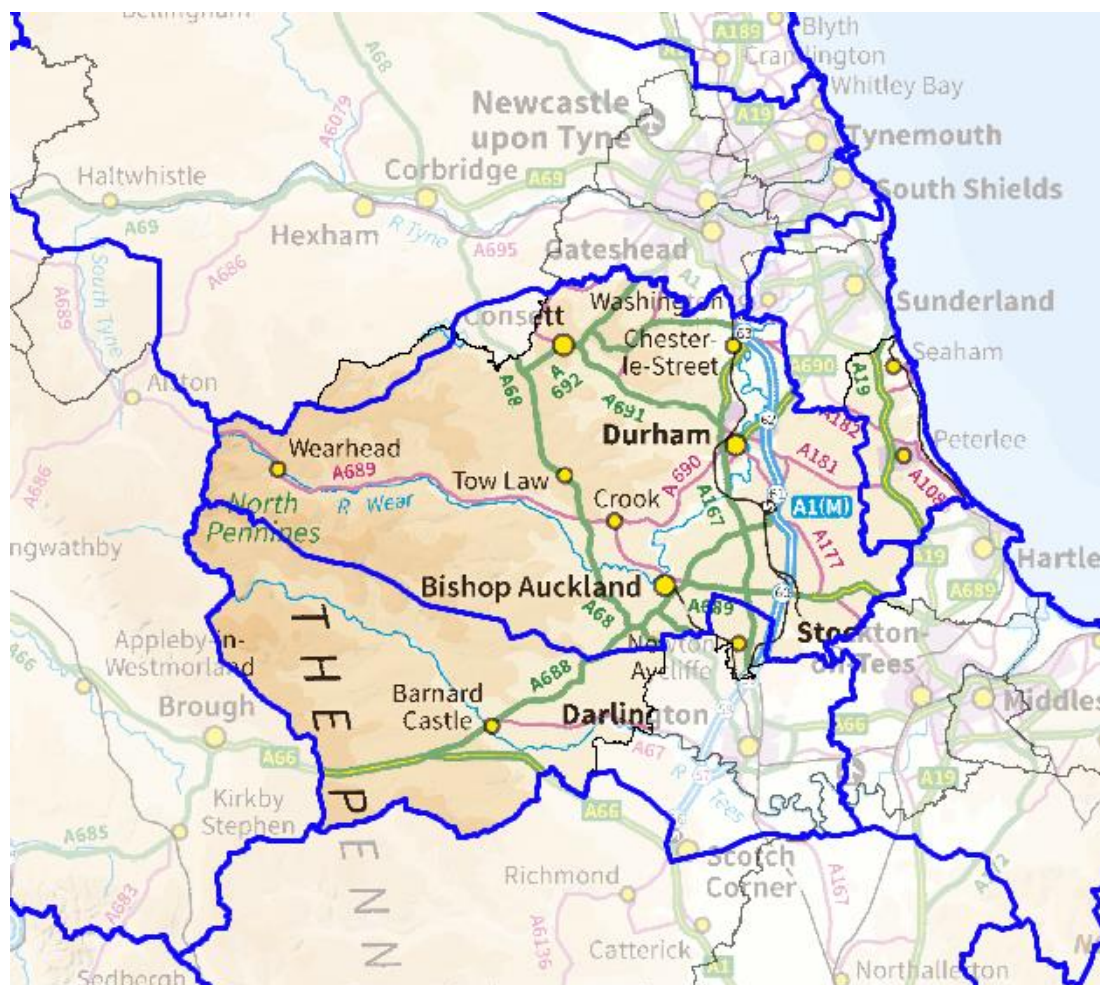


- 2.17 In this analysis, the bulk of the County Durham area is in a single HMA including most of the City of Durham, Bishop Auckland, Newton Aycliffe, Barnard Castle and Wearhead. There are two main exceptions to this: in the east of the County, where the Sunderland TTWA extends south to cover Seaham and Peterlee, and the north (including Consett and some of the City of Durham) which is covered by the Newcastle upon Tyne HMA. To the south, a sparsely populated small portion of County Durham is in the Darlington area.

## Valuation Office Agency Broad Rental Market Areas

- 2.18 The Broad Rental Market Area (BRMA) is the geographical area used by the Valuation Office Agency (VOA) to determine the Local Housing Allowance rate (LHA), the allowance paid to Housing Benefit applicants. The BRMA area is based on an area where a person could reasonably be expected to live, taking into account access to facilities and services for the purposes of health, education, recreation, personal banking and shopping.
- 2.19 When determining BRMAs the Rent Officer takes account of the distance of travel, by public and private transport, to and from these facilities and services. The boundaries of a BRMA do not have to match the boundaries of a local authority and BRMAs will often fall across more than one local authority area. Therefore, BRMAs are areas within which it would be reasonable to expect a household needing local housing allowance support to move to another settlement within the area in order to find suitable housing.
- 2.20 The BRMA areas for County Durham and surrounding areas are shown, in blue, in Figure 8. It is evident that County Durham is again split into three main areas. One BRMA covers the majority of the County, including the City of Durham and Bishop Auckland. A second to the south covers Barnard Castle and merges into one BRMA with Darlington and a small portion of Richmondshire. The third defines Seaham and Peterlee as being within a single BRMA with Sunderland.

Figure 8: VOA Broad Rental Market Area Boundaries



- 2.21 It should be noted that the part of County Durham containing Seaham and Peterlee is contained in the same area as Sunderland in all three of these studies. This is strong evidence of functional economic and residential links between these County Durham towns and Sunderland. As such, due consideration should be given to appropriate communication between Durham County Council and Sunderland as part of the duty to cooperate<sup>1</sup>.

## Administrative Boundaries and Housing Market Areas

- 2.22 The NPPF recognises that housing market areas may cross administrative boundaries, and March 2014 PPG emphasises that housing market areas reflect functional linkages between places where people live and work. The previous 2007 CLG advice note<sup>8</sup> also established that functional housing market areas should not be constrained by administrative boundaries, nevertheless it suggested the need for a “best fit” approximation to local authority areas for developing evidence and policy (paragraph 9):

*“The extent of sub-regional functional housing market areas identified will vary and many will in practice cut across local authority administrative boundaries. For these reasons, regions and local authorities will want to consider, for the purposes of developing evidence bases and policy, using a pragmatic approach that groups local authority administrative areas together as an approximation for functional sub-regional housing market areas.”*

- 2.23 This “best fit” approximation has also been suggested by the PAS OAN technical advice note, which suggests (second edition, paragraph 5.9):

*“boundaries that straddle local authority areas are usually impractical, given that planning policy is mostly made at the local authority level, and many kinds of data are unavailable for smaller areas.”*

- 2.24 This means there is a need for balance in methodological approach:
- » On the one hand, it is important that the process of **analysis and identification of the functional housing market areas should not be constrained by local authority boundaries**. This allows the full extent of each functional housing market to be properly understood and ensures that all of the constituent local planning authorities can work together under the duty to cooperate, as set out in Guidance (PPG, ID 2a-010).
  - » On the other hand, and as suggested by the PAS OAN technical advice note (and the previous CLG advice note), it is also necessary to identify a “best fit” for each functional housing market area that is based on local planning authority boundaries. This “best fit” area provides an appropriate basis for analysing evidence and drafting policy and would normally represent the group of authorities that would take responsibility for undertaking a Local Housing Market Assessment.
- 2.25 In summary, therefore, the approach to defining housing market areas needs to balance robust analysis with pragmatic administrative requirements.

<sup>8</sup> Identifying sub-regional housing market areas (CLG, March 2007)

- 2.26 Based on the range of analysis that we have considered, it is evident that the geography of housing market areas around County Durham is complex. There are clearly important functional relationships with Newcastle-on-Tyne to the north, Darlington to the south, and Sunderland to the East; so it is relevant to note that PPG recognises that *“it might be the case that housing market areas overlap”* (paragraph 10). The three national mapped sources (NHPAU/CURDS Study, ONS TTWAs, VOA BRMAs) used in defining HMAs, all indicate County Durham to be split across three or more separate HMAs, and each recognises the functional linkages between Sunderland, Seaham and Peterlee.
- 2.27 Given the evidence from the three national mapped sources, it is necessary to assess whether County Durham in itself can be considered as a separate lower-level HMA. Several recent studies have concluded that several local authorities the North East can be considered as self-contained HMAs, based on commuting and migration patterns.
- 2.28 The Tees Valley SHMA, 2012 (Arc<sup>4</sup>) concluded that:
- “The CLG suggests that a housing market is self - contained if at least 70% of households moving originate from the same area. On this basis, each of the Local Authority Districts can be described as a self - contained housing market area on the basis of migration.”*
- (Paragraph 3.20)
- 2.29 The Newcastle and Gateshead SHMA, 2011 (DCA) identified Newcastle, Gateshead and North Tyneside as a single HMA with links to surrounding authorities:
- “Adopting a practicable approach, the three authorities {of Newcastle, Gateshead and North Tyneside} in combination achieve 86.7% self - containment for travel to work (i.e. 86.7% of residents in work who live in one of the three authorities also work in one of the three authorities). For moves the level of self - containment is higher still – at 90.9%. Although there are clear linkages with Sunderland, South Tyneside and parts of Northumberland & Durham, pragmatism dictates that these three authorities represent a reasonable approximation to a single housing market”*
- (Paragraph 3.7.8)
- 2.30 The Gateshead and Newcastle SHMA update, 2017 (ORS) also identifies the same three Tyneside authorities as constituting a single HMA:
- “The evidence points to Gateshead, Newcastle upon Tyne and North Tyneside being a single HMA, despite the connections between Gateshead and North Tyneside being relatively weak.”*
- (Paragraph 2.55)
- 2.31 The Inspector to the North Tyneside Local Plan (adopted July 2017) accepted North Tyneside as a separate HMA, with *“notable functional interactions with neighbouring districts, especially Newcastle upon Tyne City, to which regard must be given”*.

- 2.32 The Hartlepool SHMA, 2015 (Arc<sup>4</sup>) concludes that Hartlepool Borough Council area can be considered a self-contained HMA with economic connections to County Durham:

*“An analysis of 2011 census migration data suggests that 80.2% of households move within Hartlepool Borough area and 67.1% of residents in employment work within the Borough...*

*Therefore, Hartlepool Borough can be described as a self-contained housing market on the basis of migration, and although it is largely self-contained in terms of workplace, it is part of a wider functional economic area including Tees Valley and County Durham. On the basis that over 70% of households moving within Hartlepool originated from within Hartlepool Borough, and over 70% of households planning to move intend to stay in the Borough, it is proposed that Hartlepool is considered to be a self-contained Market Area for the purposes of Local Plan policy making.”*

(Paragraphs 3.31 & 3.32)

- 2.33 The Redcar and Cleveland SHMA 2016 (PBA) concludes that it is justified to treat Redcar and Cleveland Borough Council area as a stand-alone HMA, but that a wider HMA geography would be equally justified:

*“Based on the criteria set out in the PPG, it is justified to treat Redcar & Cleveland as a standalone HMA. An alternative market geography that includes Redcar & Cleveland in a wider ‘Tees Valley HMA’ would be equally justified. Such a wider HMA would need to include Middlesbrough, because it is the local authority most closely linked to Redcar & Cleveland through migration and commuting.”*

(Part 2, paragraph 3.24)

- 2.34 It is also relevant to note the conclusions of the Darlington SHMA 2015 (ORS), which follows the three national mapped sources in identifying a Darlington HMA overlapping sparsely populated areas of County Durham, but elects to exclude these areas from the HMA in favour of a pragmatic “best fit” approach:

*“The CURDS HMA analysis [NHPAU study] indicates that Darlington Borough is split in two with the south and west part of the authority containing the town of Darlington strongly linked to North Yorkshire, while the northern and eastern part of Darlington Borough is closely linked with areas of Stockton-on-Tees and County Durham. Meanwhile, the TTWA indicates a close alignment between the Darlington TTWA and the local authority boundary. BRMAs indicate that there is one HMA in Darlington, which also extends in to relatively low populated areas of County Durham and Richmondshire.*

*Therefore, following on from PAS advice note (and the previous CLG advice note), and identifying a “best fit” local planning authority boundary, it does seem sensible for Darlington to be considered as an HMA in itself. This view is consistent with the previous SHMA for Darlington and the inspectors at the Examinations in Public for the County Durham Local Plan and Richmondshire Local Plan did not seek to include Darlington in their HMA.”*

(Part 1, paragraphs 2.28 & 2.29)



- 2.35 The Sunderland SHMA (Arc<sup>4</sup>, May 2017) derives an OAN for Sunderland as a self-contained HMA (whilst noting the functional economic links with County Durham):

*“Evidence would therefore suggest that the Sunderland Local Authority Area can be considered to be an appropriate Housing Market Area for the purposes of Local Plan policy making.”*

(paragraph 3.38)

- 2.36 The previous SHMA for County Durham (Arc<sup>4</sup>, June 2016) concluded that:

*“...on the basis of 2011 census data, County Durham can be described as a self-contained housing market on the basis of both migration and travel to work patterns. The 2012 Household Survey (rebased to 2015 households) found that of those who had moved home in the preceding five years, 77.0% originated within County Durham. It also found that 81.7% of households planning to move in the next five years intend on remaining in County Durham.*

*Evidence would therefore confirm that County Durham is an appropriate Housing Market Area for the purposes of Local Plan policy making.”*

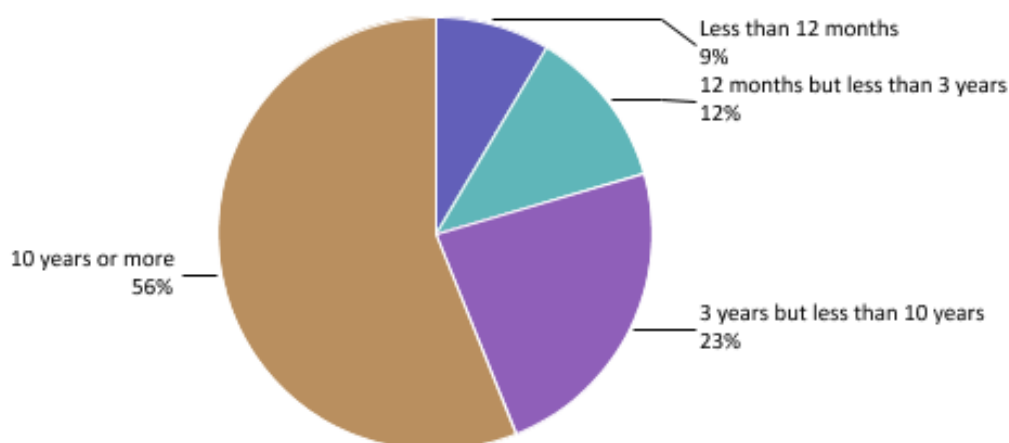
(paragraph 3.29 & 3.30)

## Key Statistics for County Durham HMA

### Migration within the UK to and from County Durham

- 2.37 As noted earlier, HMAs are defined in part by the location of moves taking place. The household survey indicates a relatively low turnover of stock in County Durham, with over 50% of households having been resident at their current address for 10 years or more. However, those who have moved who can help to define the HMA.

Figure 9: “How long have you lived at this address?” (Durham HNS 2018)



- 2.38 Figure 10 shows that a total of 38,210 residents currently living in County Durham had moved there from another address within County Durham in the 12 months prior to the Census. This amounts to 72.0% of all moves for people who moved to an address in County Durham between 2010 and 2011.

- 2.39 Figure 10 also identifies the current residence of those who previously lived in County Durham and moved in the 12 months prior to the Census. This analysis also shows that 73.6% of those residents of who moved stayed within the local authority area.
- 2.40 PPG identifies that a “relatively high proportion of household moves” will be contained within a housing market area; and suggests that this will be “typically 70%” or more; however, this “excludes long-distance moves” (ID 2a-011). This criterion is more than satisfied by the data on household moves to and from County Durham.
- 2.41 The definition for a Housing Market Area sets out that it is the area “where most of those changing house without changing employment choose to stay”. Unfortunately, no data is available that relates migration with changes in employment circumstances; but given that most working people will live relatively close to their job, it is reasonable to assume that those migrants moving longer distances will tend to also change their place of work – so the containment rates for this group will inevitably be higher.

**Figure 10: Previous Area of Residence (12 months prior to Census) by Current Area of Residence (Source: 2011 Census of Population)**

	Moved within LA	All Moves to LA	All moves from LA
County Durham	38,210	53,083	51,860
		Moves within as a percentage of moves to LA	Moves within as a percentage of moves from LA
County Durham		72.0%	73.7%

## Travel to Work Patterns

- 2.42 Whilst housing market areas are defined predominantly in terms of the areas “where most of those changing house without changing employment choose to stay”, it is also relevant to consider them in the context of “. . . the geographical area in which a substantial majority of the employed population both live and work”. It is therefore important to consider the extent to which the resident population work in the area and the workplace population live in the area.
- 2.43 Figure 11 demonstrates the levels of self-containment in County Durham, i.e. those who live and work in the area. Overall, this shows that 71.1% of people who live in County Durham also work in the area. Looked at from the other perspective, 82.2% of those who work in County Durham also live there.

**Figure 11: Workplace Location by Area of Residence (Source: 2011 Census of Population)**

	Workers that Reside and Work in the Area	Workers that Reside in the Area	Workers that Work in the Area
County Durham	162,703	228,857	197,896
		71.1%	82.2%

## Summary of Containment within the Area

2.44 Figure 12 shows a summary of migration and travel to work patterns for County Durham.

Figure 12: Migration and Workplace Location by Area of Residence for County Durham (Source: 2011 Census of Population)

	Workers that Reside and Work in the Area	Workers that Reside in the Area	Workers that Work in the Area
County Durham	162,703	228,857	197,896
		71.1%	82.2%
	Moved within area	All Moves to area	All moves from area
County Durham	38,210	53,083	51,860
		72.0%	73.7%

- 2.45 PPG identifies that a “relatively high proportion of household moves” will be contained within a housing market area and suggests that this will be “typically 70%” or more; however, this “excludes long-distance moves” (ID 2a-011).
- 2.46 As the PAS OAN technical advice note confirms, “what counts as a long-distance move is a matter of judgment” (second edition, paragraph 5.16). Data from the English Housing Survey 2013-14 household report<sup>9</sup> (figure 6.4) shows that over 7 in every 8 moves in the UK involved distances of less than 50 miles, with almost 5 in every 6 involving distances of less than 20 miles. It would therefore seem appropriate for long-distance moves to include all moves of at least 50 miles, and for moves of 20 miles or more to also be considered.
- 2.47 The concept of excluding “long-distance moves” relates back to the early definition of a functional housing market area that was set out earlier in this chapter. That definition focused on “those moving house without changing employment”, and long-distance moves will generally involve a change of job or other change of lifestyle (such as retirement). On balance, it seems unlikely that many people would move more than 20 miles in this part of the country without a change of job; so it would seem reasonable to consider moves of over 20 miles as being “long-distance” in the context of this specific area. This conclusion is supported by the Census 2011<sup>10</sup> where the average distance travelled to work within the North East region was 16.5km, with 86% of workers travelling less than 30km to work (including working at home).
- 2.48 The levels of self-containment in the area are well above the 70% migration target and the 67% ONS threshold for Travel to Work Areas, i.e. those who live and work in the area. Overall, the table shows that 71.1% of people who live in County Durham also work in the area and 82.2% of those who work in the County Durham also live in the area. Considering the migration data; 72.0% of those who moved to the area previously lived in the area and 73.7% of previous residents of the area who moved stayed in the area.

<sup>9</sup> <https://www.gov.uk/government/statistics/english-housing-survey-2013-to-2014-household-report>

<sup>10</sup> Census Table QS702EW. Distances measured in a straight line from a persons home address and place of work.

## Conclusions

- 2.49 The CURDS HMA analysis, ONS Travel to Work Areas and BRMAs all suggest that County Durham is split across various potential HMAs, due to strong links to Newcastle-Upon-Tyne, Darlington and in particular Sunderland (due to the area containing Seaham and Peterlee). Studies for Tees Valley, Hartlepool, Darlington, Redcar and Cleveland, and Sunderland have concluded it is justifiable for each of those to be considered as separate stand-alone, lower-tier HMAs, as has the previous County Durham SHMA. The migration and commuting data for County Durham alone also suggest that it is justifiable to consider this as a stand-alone HMA.
- 2.50 Bringing this together, multiple options are justifiable for the area of County Durham:
- » To define a single “functional” HMA, based on the County Durham local authority area;
  - » To define separate “functional” HMAs for Newcastle upon Tyne, Darlington and Sunderland, each containing a portion of County Durham;
  - » To consider County Durham as a functional HMA, with the portion containing Seaham and Peterlee considered to belong to the Sunderland HMA;
  - » Consider a wider Newcastle strategic framework HMA which extends across Tyne and Wear, Northumberland and County Durham;
- 2.51 Options other than the first present certain practical issues. The Darlington SHMA considers County Durham as separate, as does the Sunderland SHMA. Thus, the approach outlined in the second option would conflict with other local evidence upon which planning in other areas is/will be based. The Sunderland SHMA does not consider Seaham and Peterlee to be part of the Sunderland HMA, and as such the third option could lead to unmet need in this area. If the fourth option were taken, the resultant strategic area would still require subdivision into areas approximating local authority geographies for planning purposes.
- 2.52 However, there is no single correct definition of an HMA and, as a pragmatic conclusion, it is necessary to proceed with this study on behalf of County Durham alone and treat the area as a “functional” local HMA. This conclusion is supported by:
- » Migration and workplace data are strong evidence of County Durham’s self-containment;
  - » Other SHMAs for nearby areas consider LPAs as functional HMAs;
  - » Consistency with the previous SHMA;
  - » Advice contained within the PAS;
  - » This approach is favoured by the new NPPF which emphasises the need for planning at the local authority level;
  - » OANs have been produced for Darlington and Sunderland and therefore it is not possible to produce a joint assessment at this stage.
- 2.53 Therefore, we would propose that County Durham is a single functional HMA, but clear lines of communication need to be maintained with Darlington and (in particular) Sunderland, to ensure that the full needs for market and affordable housing are met.

# 3. Affordable Housing Need

## Identifying households who cannot afford market housing

- 3.1 Demographic projections provide the basis for identifying the LHN for all types of housing, including both market housing and affordable housing.
- 3.2 PPG notes that affordable housing need is based on households “*who lack their own housing or live in unsuitable housing and who cannot afford to meet their housing needs in the market*” (paragraph 22) and identifies a number of different types of household which may be included:

### ***What types of households are considered in housing need?***

*The types of households to be considered in housing need are:*

- » *the number of homeless households;*
- » *the number of those in priority need who are currently housed in temporary accommodation;*
- » *the number of households in over-crowded housing;*
- » *the number of concealed households;*
- » *the number of existing affordable housing tenants in need (i.e. householders currently housed in unsuitable dwellings); and*
- » *the number of households from other tenures in need and those that cannot afford their own homes, either to rent, or to own, where that is their aspiration.*

**Planning Practice Guidance (March 2014), ID 2a-023**

- 3.3 PPG also suggests a number of data sources for assessing past trends and recording current estimates for establishing the need for affordable housing (paragraph 24):
- » Local authorities will hold data on the number of homeless households, those in temporary accommodation and extent of overcrowding.
  - » The Census also provides data on concealed households and overcrowding which can be compared with trends contained in the English Housing Survey.
  - » Housing registers and local authority and registered social landlord transfer lists will also provide relevant information.
- 3.4 The following section considers each of these sources in turn, alongside other relevant statistics and available information.

## Past Trends and Current Estimates of the Need for Affordable Housing

### Local Authority Data: Homeless Households and Temporary Accommodation

- 3.5 Local authorities hold data on the number of homeless households and those in temporary accommodation. In County Durham, the annual number of households accepted as being **homeless** and in priority need has decreased over the period 2006 to 2016. There were 1,185 such households in 2006 which reduced to 129 households by the end of March 2016 (the base data for establishing any backlog), a net reduction of 1,056 households (Figure 13). The current annual rate represents 0.6 presentations per 1,000 households, which is much lower than the equivalent rate for England (2.5 per 1,000).
- 3.6 There has also been a reduction from Quarter 1 2006 to Quarter 1 2016 in households accepted as homeless without temporary accommodation provided (net reduction of 184 households) and a reduction in households living in **temporary accommodation** (net reduction of 90 households). Of the households in temporary accommodation in Quarter 1 2006, 21 were accommodated in bed & breakfast accommodation or hostels, 180 in Local Authority or RSL stock and a further 2 were in private sector leased stock or other. In Quarter 1 2016, 2 were accommodated in bed & breakfast accommodation or hostels, 14 in Local Authority or RSL stock and a further 3 were in private sector leased stock or other.

Figure 13: Households accepted as homeless and in priority need (Source: CLG P1E returns March 2006 and March 2016)

		County Durham			England 2016
		2006	2016	Net change 2006-16	
<b>Number accepted homeless and in priority need during year</b>		<b>1,185</b>	<b>129</b>	<b>-1,056</b>	-
<i>Rate per 1,000 households</i>		5.6	0.6	-5.0	2.5
<b>Households in temporary accommodation as at end of March</b>	Bed and breakfast	11	1	-10	-
	Hostels	10	1	-9	-
	Local Authority or RSL stock	180	14	-166	-
	Private sector leased (by LA or RSL)	0	1	+1	-
	Other (including private landlord)	2	2	0	-
	<b>TOTAL</b>	<b>203</b>	<b>19</b>	<b>-184</b>	-
<i>Rate per 1,000 households</i>		1.0	0.1	-0.9	3.1
Households accepted as homeless but without temporary accommodation provided		102	12	-90	-

- 3.7 It is evident that rates of homelessness have decreased significantly in County Durham over the period since 2006, but this does not necessarily mean that fewer households risk becoming homeless. Housing advice services provided by the council may limit the number of homeless presentations. Durham County Council became a unitary authority in 2009 and the alignment of homelessness services led to greater prevention work and a more consistent approach than was possible before. Previously, homelessness assessments may have been the first option for former district and borough services looking to increase household positions on their housing register. A new combined letting policy for County Durham was created, as part of the Durham Key Options scheme – a partnership between Durham County Council and former council stock owning social landlords. This may help to avoid the need for temporary accommodation (if permanent housing is available sooner). Also, some households facing homelessness are now offered private rented housing.

- 3.8 Changes to the Law in 2011 means private sector households can now be offered accommodation in the Private Rented Sector and, providing it is a reasonable offer, the council can discharge their duty to provide accommodation if the offer is refused. Prior to this change, Local Authorities could offer private rented sector housing to homeless households (where they have accepted a duty under Part 7 of the Housing Act 1996), but the applicant was entitled to refuse it and the council had to maintain their duty to rehouse. While the change aims to reduce the pressures on the social housing stock, an indirect result could be that there are further demands on the private rented sector as Councils seek to house homeless households. In light of the Homelessness Reduction Act 2017, Durham County Council are looking to increase access to the private rented sector for households to whom they owe a duty to rehouse.

## Census Data: Concealed Households and Overcrowding

- 3.9 The Census provides detailed information about households and housing in the local area. This includes information about **concealed families** (i.e. couples or lone parents) and **sharing households**. These households lack the sole use of basic facilities (e. g. a bathroom or kitchen) and must share these with their “host” household (in the case of concealed families) or with other households (for those sharing).

### Concealed Families

- 3.10 The number of **concealed families** living with households in County Durham increased from 1,086 to 1,540 over the 10-year period 2001-11 (Figure 14), an increase of 454 households (42%).
- 3.11 Although many concealed families do not want separate housing (in particular where they have chosen to live together as extended families), others are forced to live together due to affordability difficulties or other constraints – and these concealed families will not be counted as part of the CLG household projections. Concealed families with older family representatives will often be living with another family in order to receive help or support due to poor health. Concealed families with younger family representatives are more likely to demonstrate un-met need for housing. When we consider the growth of 454 families over the period 2001-11, 86% (392) have family representatives aged under 55, with substantial growth amongst those aged under 35 in particular (in line with national trends).

Figure 14: Concealed families in County Durham by age of family representative (Source: Census 2001 and 2011)

	2001	2011	Net change 2001-11
Aged under 25	203	486	+283
Aged 25 to 34	399	455	+56
Aged 35 to 44	140	134	-6
Aged 45 to 54	73	131	+59
<b>Sub-total aged under 55</b>	<b>815</b>	<b>1,206</b>	<b>+392</b>
Aged 55 to 64	108	130	+21
Aged 65 to 74	121	136	+15
Aged 75 or over	42	68	+26
<b>Sub-total aged 55 or over</b>	<b>271</b>	<b>334</b>	<b>+62</b>
<b>All Concealed Families</b>	<b>1,086</b>	<b>1,540</b>	<b>+454</b>

## Sharing Households

- 3.12 The number of **sharing households** reduced from 106 to 48 over the 10-year period 2001-11 ( Figure 15), a reduction of 58 households (55%).

Figure 15: Shared Dwellings and Sharing Households in County Durham (Source: Census 2001 and 2011)

	2001	2011	Net change 2001-11
Number of shared dwellings	36	16	-20
Number of household spaces in shared dwellings	172	68	-104
<b>All Sharing Households</b>	<b>106</b>	<b>48</b>	<b>-58</b>
Household spaces in shared dwellings with no usual residents	66	20	-46

- 3.13 Figure 16 shows that the number of **multi-adult households** living in the area increased from 5,730 to 7,344 households over the same period, an increase of 1,614 (28%). These people also have to share basic facilities but are considered to be a single household as they also share a living room, sitting room or dining area. This includes **Houses in Multiple Occupation (HMOs) with shared facilities**, as well as **single people living together as a group** and **individuals with lodgers**.

Figure 16: Multi-adult Households in County Durham (Source: Census 2001 and 2011)

	2001	2011	Net change 2001-11
Owned	3,219	3,482	+263
Private rented	1,269	2,902	+1,633
Social rented	1,242	960	-282
<b>All Households</b>	<b>5,730</b>	<b>7,344</b>	<b>+1,614</b>

The growth in multi-adult households was focused particularly in the private rented sector, with an increase in single persons choosing to live with friends together with others living in HMOs. This growth accounts for 1,633 households (an increase from 1,269 to 2,902 households over the period). This was the most significant change over the decade 2001-2011; an increase individually larger than the overall net change. This increase was offset by a decrease in social rented multi adult households.

- 3.14 Nevertheless, shared facilities are a characteristic of HMOs and many people living in this type of housing will only be able to afford shared accommodation (either with or without housing benefit support). Extending the Local Housing Allowance (LHA) Shared Accommodation Rate (SAR) allowance to cover all single persons up to 35 years of age has meant that many more young people will only be able to afford shared housing, and this has further increased demand for housing such as HMOs.
- 3.15 There is therefore likely to be a continued (and possibly growing) role for HMOs, with more of the existing housing stock possibly being converted. Given this context, it would not be appropriate to consider households to need affordable housing only on the basis of them currently sharing facilities (although there may be other reasons why they would be considered as an affordable housing need).



## Overcrowding

- 3.16 The Census also provides detailed information about occupancy which provides a measure of whether a household's accommodation is **overcrowded or under occupied**:

*“There are two measures of occupancy rating, one based on the number of rooms in a household's accommodation, and one based on the number of bedrooms. The ages of the household members and their relationships to each other are used to derive the number of rooms/bedrooms they require, based on a standard formula. The number of rooms/bedrooms required is subtracted from the number of rooms/bedrooms in the household's accommodation to obtain the occupancy rating. An occupancy rating of -1 implies that a household has one fewer room/bedroom than required, whereas +1 implies that they have one more room/bedroom than the standard requirement.”*

- 3.17 When considering the number of rooms required, the ONS use the following approach to calculate the room requirement:

- » A one-person household is assumed to require three rooms (two common rooms and a bedroom); and
- » Where there are two or more residents it is assumed that they require a minimum of two common rooms plus one bedroom for:
  - each couple (as determined by the relationship question)
  - each lone parent
  - any other person aged 16 or over
  - each pair aged 10 to 15 of the same sex
  - each pair formed from any other person aged 10 to 15 with a child aged under 10 of the same sex
  - each pair of children aged under 10 remaining
  - each remaining person (either aged 10 to 15 or under 10).

- 3.18 For County Durham, **overcrowding** reduced from 8,437 to 8,117 households (a reduction of 320) over the 10-year period 2001-11 (Figure 17). This represents a percentage reduction of 11%, whereas nationally the percentage of overcrowded households increased by 23%.

- 3.19 When considered by tenure, overcrowding has reduced by 687 households in the owner-occupied sector and by 615 households in the social rented sector; however, this is offset by a growth in the number of households overcrowded in the private rented sector which increased from 1,298 to 2,280. However, whilst all tenure types saw a reduction in the percentage of households overcrowded over the 10-year period, the greatest percentage reduction was seen in those living in owner occupier accommodation (a reduction of 25%).

Figure 17: Proportion of overcrowded households 2011 and change 2001-11 by tenure (Note: Overcrowded households are considered to have an occupancy rating of -1 or less. Source: UK Census of Population 2001 and 2011)

	Occupancy rating (rooms)						Occupancy rating (bedrooms)	
	2001		2011		Net change 2001-11		2011	
	N	%	N	%	N	%	N	%
<b>COUNTY DURHAM</b>								
Owned	3,491	2.5%	2,804	1.9%	-687	-25%	2,367	1.6%
Private rented	1,298	8.2%	2,280	7.4%	+982	-10%	1,287	4.2%
Social rented	3,648	6.9%	3,033	6.7%	-615	-3%	1,470	3.3%
<b>All Households</b>	<b>8,437</b>	<b>4.1%</b>	<b>8,117</b>	<b>3.6%</b>	<b>-320</b>	<b>-11%</b>	<b>5,124</b>	<b>2.3%</b>
<b>ENGLAND</b>								
Owned	-	3.3%	-	3.3%	-	-3%	-	2.3%
Private rented	-	16.4%	-	20.2%	-	+23%	-	8.8%
Social rented	-	14.9%	-	16.9%	-	+14%	-	8.9%
<b>All Households</b>	<b>-</b>	<b>7.1%</b>	<b>-</b>	<b>8.7%</b>	<b>-</b>	<b>+23%</b>	<b>-</b>	<b>4.6%</b>

## English Housing Survey Data

### Overcrowding

- 3.20 The English Housing Survey (EHS) does not provide information about individual local authorities, but it does provide a useful context about these indicators in terms of national trends between Census years.
- 3.21 The measure of overcrowding used by the EHS provides a consistent measure over time **however the definition differs from both occupancy ratings provided by the Census**. The EHS approach<sup>11</sup> is based on a “*bedroom standard*” which assumes that adolescents aged 10-20 of the same sex will share a bedroom, and only those aged 21 or over are assumed to require a separate bedroom (whereas the approach used by the ONS for the Census assumes a separate room for those aged 16 or over):

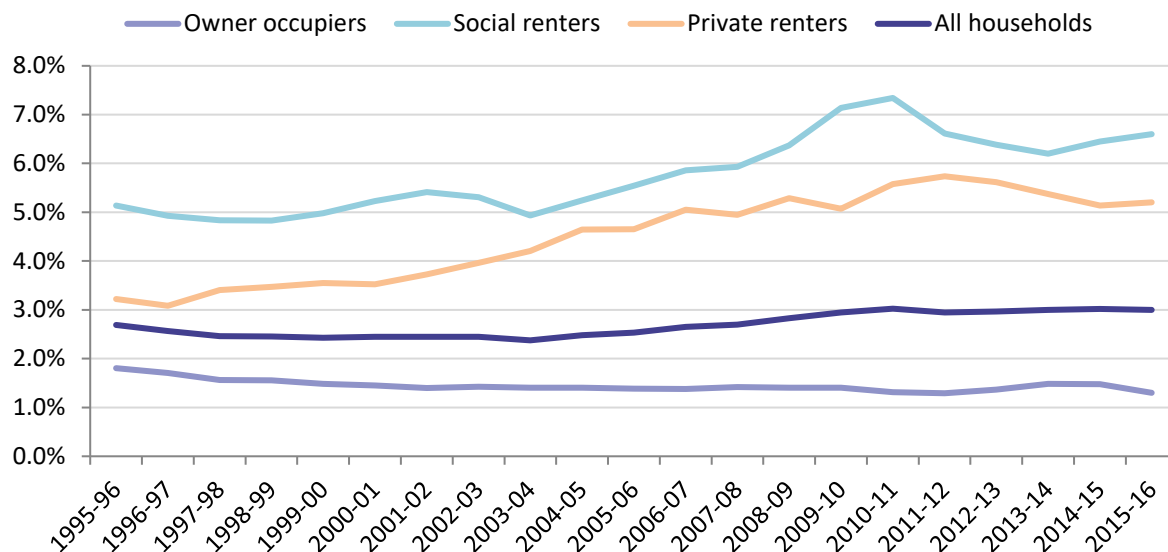
*“The ‘bedroom standard’ is used as an indicator of occupation density. A standard number of bedrooms is calculated for each household in accordance with its age/sex/marital status composition and the relationship of the members to one another. A separate bedroom is allowed for each married or cohabiting couple, any other person aged 21 or over, each pair of adolescents aged 10-20 of the same sex, and each pair of children under 10. Any unpaired person aged 10-20 is notionally paired, if possible, with a child under 10 of the same sex, or, if that is not possible, he or she is counted as requiring a separate bedroom, as is any unpaired child under 10.*

*“Households are said to be overcrowded if they have fewer bedrooms available than the notional number needed. Households are said to be under-occupying if they have two or more bedrooms more than the notional needed.”*

- 3.22 Nationally, overcrowding rates have historically increased for households in both social and private rented housing, although the proportion of overcrowded households has declined in both sectors since 2011. Overcrowding rates for owner occupiers have remained relatively stable since 1995.

<sup>11</sup>[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/595785/2015-16\\_EHS\\_Headline\\_Report.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/595785/2015-16_EHS_Headline_Report.pdf)

**Figure 18: Trend in national overcrowding rates by tenure (Note: Based on three-year moving average, up to and including the labelled date. Source: Survey of English Housing 1995-96 to 2007-08; English Housing Survey 2008-09 onwards)**



- <sup>3.23</sup> Whilst the EHS definition of overcrowding is more stringent than the Census, the measurement closer reflects the definition of statutory overcrowding that was set out by Part X of the Housing Act 1985 and is consistent with statutory Guidance<sup>12</sup> that was issued by CLG in 2012 to which authorities must have regard when exercising their functions under Part 6 of the 1996 Housing Act (as amended).
- <sup>3.24</sup> This Guidance, “Allocation of accommodation: Guidance for local housing authorities in England”, recommends that authorities should use the bedroom standard when assessing whether or not households are overcrowded for the purposes of assessing housing need:

*4.8 The Secretary of State takes the view that the bedroom standard is an appropriate measure of overcrowding for allocation purposes, and recommends that all housing authorities should adopt this as a minimum. The bedroom standard allocates a separate bedroom to each:*

- married or cohabiting couple
- adult aged 21 years or more
- pair of adolescents aged 10-20 years of the same sex
- pair of children aged under 10 years regardless of sex

- <sup>3.25</sup> The bedroom standard therefore provides the most appropriate basis for assessing overcrowding. By considering the Census and EHS data for England, together with the Census data for County Durham, we can estimate overcrowding using the bedroom standard. Figure 19 sets out this calculation based on the Census occupancy rating for both rooms and bedrooms. Based on the bedroom standard, it is estimated that **1,138 owner-occupied, 481 private rented and 1,043 social rented households were overcrowded** in County Durham at the start of 2016. Student households in the private rented sector have been excluded from this calculation given that their needs are assumed to be transient.

<sup>12</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/5918/2171391.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/5918/2171391.pdf)

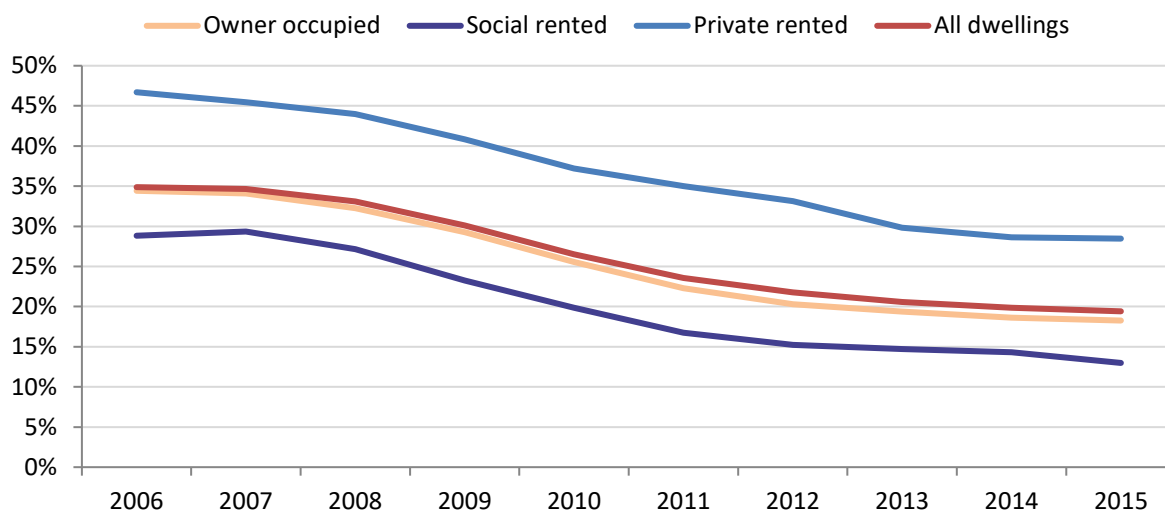
**Figure 19: Estimate of the number of overcrowded households in County Durham by tenure based on the bedroom standard**  
(Source: EHS; UK Census of Population 2011)

	Owned		Private Rented		Social Rented	
<b>ENGLAND</b>						
<b>EHS bedroom standard 2011</b>						
Percentage of households overcrowded [A]	1.3%		5.6%		7.3%	
<b>Census occupancy rating</b>	<i>Bedrooms</i>	<i>Rooms</i>	<i>Bedrooms</i>	<i>Rooms</i>	<i>Bedrooms</i>	<i>Rooms</i>
Percentage of households overcrowded [B]	2.3%	3.3%	8.8%	20.2%	8.9%	16.9%
Proportion of these overcrowded households based on bedroom standard [C = A ÷ B]	57%	40%	64%	28%	83%	43%
<b>COUNTY DURHAM</b>						
<b>Census occupancy rating</b>	<i>Bedrooms</i>	<i>Rooms</i>	<i>Bedrooms</i>	<i>Rooms</i>	<i>Bedrooms</i>	<i>Rooms</i>
Number of overcrowded households [D]	2,367	2,804	1,287	2,280	1,470	3,033
Full-time student households [E]	253	207	385	670	151	167
Overcrowded households (excluding students) [F = D - E]	2,114	2,597	902	1,610	1,319	2,866
Estimate of overcrowded households based on the bedroom standard [G = C × F]	<b>1,205</b>	<b>1,039</b>	<b>577</b>	<b>451</b>	<b>1,095</b>	<b>1,232</b>
<b>Estimate of overcrowded households in 2011 based on the bedroom standard (average)</b>		<b>1,122</b>		<b>514</b>		<b>1,164</b>
<b>EHS bedroom standard</b>						
Change in overcrowding from 2011 to 2016		+1%		-6%		-10%
<b>Estimate of overcrowded households in 2016 based on the bedroom standard</b>		<b>1,138</b>		<b>481</b>		<b>1,043</b>

## Housing Condition and Disrepair

- 3.26 The EHS also provides useful information about **housing condition**. The Decent Homes Standard provides a broad measure which was intended to be a minimum standard that all housing should meet, and that to do so should be easy and affordable. It was determined that in order to meet the standard a dwelling must achieve all of the following:
- » Be above the legal minimum standard for housing (currently the Housing Health and Safety Rating System, HHSRS); and
  - » Be in a reasonable state of repair; and
  - » Have reasonably modern facilities (such as kitchens and bathrooms) and services; and
  - » Provide a reasonable degree of thermal comfort (effective insulation and efficient heating).
- 3.27 If a dwelling fails any one of these criteria, it is considered to be “non-decent”. A detailed definition of the criteria and their sub-categories are described in the ODPM guidance: “A Decent Home – The definition and guidance for implementation” June 2006.
- 3.28 Figure 20 shows the national trends in non-decent homes by tenure. It is evident that conditions have improved year-on-year (in particular due to energy efficiency initiatives), however whilst social rented properties are more likely to comply with the standard, over a quarter of the private rented sector (28.5%) remains non-decent. This is a trend that tends to be evident at a local level in most areas where there are concentrations of private rented housing, and there remains a need to improve the quality of housing provided for households living in the private rented sector.

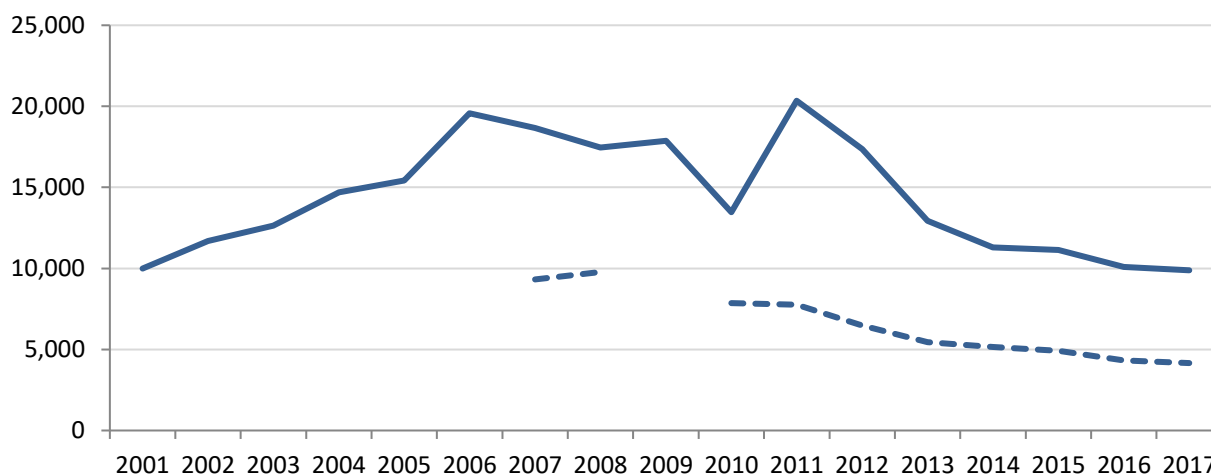
**Figure 20: Trend in non-decent homes by tenure (Source: English House Condition Survey 2006 to 2007; English Housing Survey 2008 onwards)**



## Housing Register Data

3.29 Figure 21 shows the trend in households on the housing register over the period since 2001. It rose steadily between 2001 and 2005, remained relatively constant with some fluctuation until 2011, before declining steadily from 2011 onwards.

**Figure 21: Number of households on the local authority housing register 2001-17 (Note: Solid line shows total number of households; dotted line shows number of households in a reasonable preference category. Source: LAHS and HSSA returns to CLG) (Note: Data was unavailable for those in a reasonable preference category in 2009)**



3.30 Figure 21 also shows the number recorded in a reasonable preference category since 2007. The number of households in these categories in County Durham has also steadily declined since 2011. Reasonable preference categories are defined in the Housing Act 1996, which requires “reasonable preference” for housing to be given to people who are:

- » Legally homeless;
- » Living in unsatisfactory housing (as defined by the Housing Act 2004);
- » Need to move on medical/welfare grounds; or
- » Need to move to a particular area to avoid hardship.

- 3.31 Figure 22 provides further detailed information for the last 2 years. The number of households in **reasonable preference categories** is subject to variation from year-to-year and have not always closely followed the trends in the overall number of households on the register.

**Figure 22: Number of households on the unitary authority housing register at 1<sup>st</sup> April (Source: LAHS returns to CLG. Note: “\*” denotes that the data was unavailable)**

	County Durham	
	2015	2016
Total households on the housing waiting list	11,132	10,081
<b>Total households in a reasonable preference category</b>	<b>4,919</b>	<b>4,325</b>
People currently living in temporary accommodation who have been accepted as being homeless (or threatened with homelessness)	43	22
Other people who are homeless within the meaning given in Part VII of the Housing Act (1996), regardless of whether there is a statutory duty to house them	23	26
People occupying insanitary or overcrowded housing or otherwise living in unsatisfactory housing conditions	910	630
People who need to move on medical or welfare grounds, including grounds relating to a disability	3,811	3,456
People who need to move to a particular locality in the district of the authority, where failure to meet that need would cause hardship (to themselves or to others)	132	191

- 3.32 The number of people recorded by the housing register as homeless or owed a duty under the Housing Act appears to be broadly consistent with the local authority data about homelessness.
- 3.33 Nevertheless, we previously estimated that there were around 2,700 overcrowded households in County Durham, based on the bedroom standard (Figure 19) – but only 630 people were recorded by the housing registers in 2016 as currently “*occupying insanitary or overcrowded housing or otherwise living in unsatisfactory housing conditions*”. Therefore, there are likely to be many households who have not registered for affordable housing despite being overcrowded. This will partly reflect their affordability (for example, most owner occupiers would not qualify for rented affordable housing due to the equity in their current home) whilst others may only be temporarily overcrowded and will have sufficient space available once a concealed family is able to leave and establish an independent household.
- 3.34 When considering the types of household to be considered in housing need, the PPG also identified “*the number of existing affordable housing tenants in need (i.e. householders currently housed in unsuitable dwellings)*”. It is only through the housing register that we are able to establish current estimates of need for these types of household, and not all would necessarily be counted within a reasonable preference category. Nevertheless, there were 3,456 people registered “*who need to move on medical or welfare grounds, including grounds relating to a disability*” and a further 191 “*who need to move to a particular locality in the district of the authority, where failure to meet that need would cause hardship (to themselves or to others)*”.

## Households Unable to Afford their Housing Costs

- 3.35 The PPG emphasises in a number of paragraphs that affordable housing need should only include those households that are unable to afford their housing costs:

*the number of households from other tenures in need and those that cannot afford their own homes, either to rent, or to own, where that is their aspiration (ID 2a-022, emphasis added)*

*Care should be taken to avoid double-counting, which may be brought about with the same households being identified on more than one transfer list, and to include only those households who cannot afford to access suitable housing in the market (ID 2a-022, emphasis added)*

*Projections of affordable housing need will have to reflect new household formation, the proportion of newly forming households unable to buy or rent in the market area (ID 2a-023, emphasis added)*

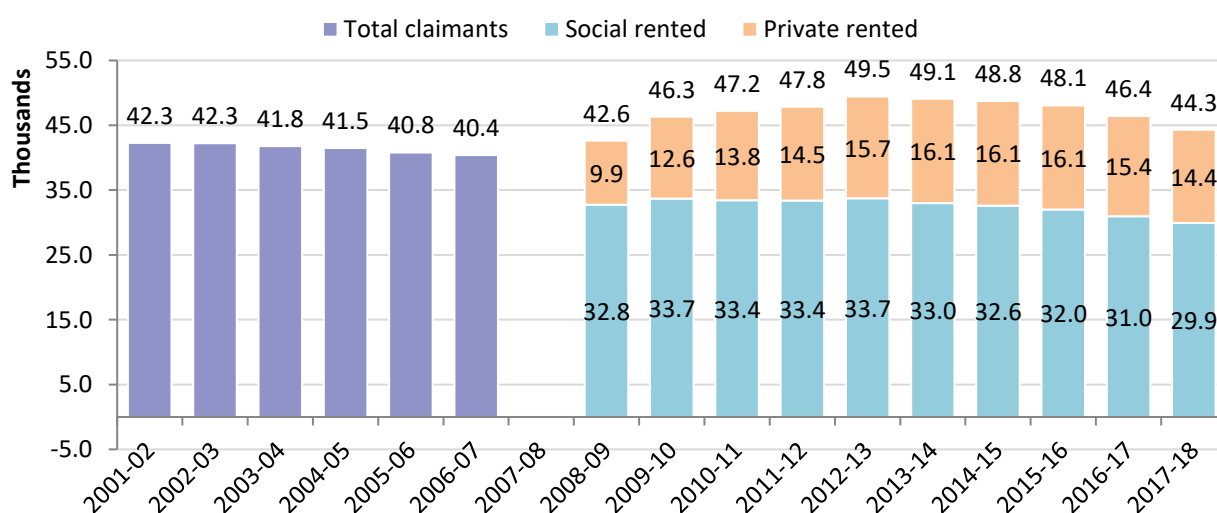
Planning Practice Guidance (September 2018), ID 2a-022-023

- 3.36 Housing benefit data from the Department for Work and Pensions (DWP) provides reliable, consistent and detailed information about the number of families that are unable to afford their housing costs in each local authority area. Data was published annually from 2001-02 to 2006-07 which identified the total number of claimants in receipt of housing benefit, and more detailed information has been available since 2008-09 which includes more detailed information about claimants and the tenure of their home.

## Housing Benefit Claimants in County Durham

- 3.37 Figure 23 shows the trend in the number of housing benefit claimants in County Durham.

**Figure 23: Number of claimants in receipt of housing benefit in County Durham by tenure (Source: DWP. Note: No breakdown by tenure is available for the period 2001-07 and data for 2007-08 was not published)**



- 3.38 Considering the information on tenure, it is evident that the number of claimants in social rented housing reduced from 32,800 to 32,000 over the period 2008-09 to 2015-16 – a reduction of around 750 families (2%). Over the same period the number of claimants in private rented housing increased from 9,900 to 16,100 families – an increase of 6,200 families (63%).

- 3.39 The information published by DWP provides the detailed information needed for understanding the number of households unable to afford their housing costs. Of course, there will be other households occupying affordable housing who do not need housing benefit to pay discounted social or affordable rents but who would not be able to afford market rents. Similarly, there will be others who are not claiming housing benefit support as they have stayed living with parents or other family or friends and not formed independent households. However, providing that appropriate adjustments are made to take account of these exceptions, **the DWP data provides the most reliable basis for establishing the number of households unable to afford their housing costs and estimating affordable housing need.**

## Establishing Affordable Housing Need

- 3.40 In establishing the need for affordable housing, it is necessary to draw together the full range of information that has already been considered in this report.
- 3.41 PPG sets out the framework for this calculation, considering both the current unmet housing need and the projected future housing need in the context of the existing affordable housing stock:

### *How should affordable housing need be calculated?*

*The total need for affordable housing will need to be converted into annual flows by calculating the total net need (subtract total available stock from total gross need) and converting total net need into an annual flow based on the plan period.*

Planning Practice Guidance (September 2018), ID 2a-027

## Current Unmet Need for Affordable Housing

- 3.42 In terms of establishing the **current** unmet need for affordable housing, the PPG draws attention again to those types of households considered to be in housing need; whilst also emphasising the need to avoid double-counting and including only those households unable to afford their own housing.

### *How should the current unmet gross need for affordable housing be calculated?*

*Plan makers should establish unmet (gross) need for affordable housing by assessing past trends and recording current estimates of:*

- » *the number of homeless households;*
- » *the number of those in priority need who are currently housed in temporary accommodation;*
- » *the number of households in overcrowded housing;*
- » *the number of concealed households;*
- » *the number of existing affordable housing tenants in need (i.e. householders currently housed in unsuitable dwellings);*
- » *the number of households from other tenures in need and those that cannot afford their own homes.*

*Care should be taken to avoid double-counting, which may be brought about with the same households being identified on more than one transfer list, and to include only those households who cannot afford to access suitable housing in the market.*

Planning Practice Guidance (September 2018), ID 2a-022



3.43 Earlier sections of this chapter set out the past trends and current estimates for relevant households based on the data sources identified by PPG (using the start of the Plan period in 2016 as a reference point where possible). Although this evidence does not provide the basis upon which to establish whether or not households can afford to access suitable housing, we believe that it is reasonable to assume that certain households will be unable to afford housing, otherwise they would have found a more suitable home.

### Establishing the Current Unmet Need for Affordable Housing

3.44 Households assumed to be unable to afford housing include:

- » All households that are currently **homeless**;
- » All those currently housed in **temporary accommodation**; and
- » People in a **reasonable preference category** on the housing register, where their needs have not already been counted.

3.45 Given this context, our analysis counts the needs of all of these households when establishing the need for affordable housing at a base date of 2016.

3.46 Less than a quarter of households currently living in **overcrowded** housing (based on the bedroom standard) are registered in a reasonable preference category, which will partly reflect their affordability. It is likely that most owner occupiers would not qualify for rented affordable housing (due to the equity in their current home); but it is reasonable to assume that households living in overcrowded rented housing are unlikely to be able to afford housing, otherwise they would have found a more suitable home.

3.47 **Our analysis counts the needs of all households living in overcrowded rented housing** when establishing the need for affordable housing (which could marginally overstate the affordable housing need) **but it does not count the needs of owner occupiers living in overcrowded housing** (which can be offset against any previous over-counting). Student households are also excluded, given that their needs are assumed to be transient and do not count towards the need for affordable housing in County Durham.

3.48 The analysis does not count people occupying insanitary housing or otherwise living in unsatisfactory housing conditions as a need for additional affordable housing. These dwellings would be unsuitable for any household; and enabling one household to move out would simply allow another to move in – so this would not reduce the overall number of households in housing need. This housing need should be resolved by improving the existing housing stock, and the Councils have a range of statutory enforcement powers to improve housing conditions.

3.49 When considering **concealed families**, it is important to recognise that many do not want separate housing. Concealed families with older family representatives will often be living with another family, perhaps for cultural reasons or in order to receive help or support due to poor health. However, those with younger family representatives are more likely to experience affordability difficulties or other constraints (although not all will want to live independently).

3.50 **Concealed families in a reasonable preference category on the housing register will be counted regardless of age, but our analysis also considers the additional growth of concealed families with family representatives aged under 55** (even those not registered on the housing register) and assumes that all such households are unlikely to be able to afford housing (otherwise they would have found a more suitable home).

3.51 The needs of these households are counted when establishing the need for affordable housing. Figure 24 sets out the assessment of current affordable housing need for County Durham.

**Figure 24: Assessing current unmet gross need for affordable housing (Source: ORS Housing Model)**

	Affordable Housing		Increase in Overall Housing Need
	Gross Need	Supply	
<b>Homeless households in priority need</b> (see Figure 13)			
Currently in temporary accommodation in communal establishments (Bed and breakfast or Hostels)	2		2
Currently in temporary accommodation in market housing (Private sector leased or Private landlord)	3		
Currently in temporary accommodation in affordable housing (Local Authority or RSL stock)	14	14	
Households accepted as homeless but without temporary accommodation provided	12		12
<b>Concealed households</b> (see Figure 14)			
Growth in concealed families with family representatives aged under 55	392		392
<b>Overcrowding based on the bedroom standard</b> (see Figure 19)			
Households living in overcrowded private rented housing	481		
Households living in overcrowded social rented housing	1,043	1,043	
<b>Other households living in unsuitable housing that cannot afford their own home</b> (see Figure 22)			
People who need to move on medical or welfare grounds, including grounds relating to a disability	3,456	291	
People who need to move to a particular locality in the district of the authority, where failure to meet that need would cause hardship (to themselves or to others)	191	16	
<b>TOTAL</b>	<b>5,594</b>	<b>1,364</b>	<b>406</b>

- 3.52 Based on a detailed analysis of the past trends and current estimates of households considered to be in housing need, our analysis has concluded that **5,594 households are in affordable housing need in County Durham and unable to afford their own housing**. This assessment is based on the criteria set out in the PPG and avoids double-counting (as far as possible).
- 3.53 Of these households, 1,364 currently occupy affordable housing that does not meet the households' current needs, mainly due to overcrowding. Providing suitable housing for these households will enable them to vacate their existing affordable housing, which can subsequently be allocated to another household in need of affordable housing. **There is, therefore, a net need from 4,230 households** (5,594 less 1,364 = 4,230) **who currently need affordable housing and do not currently occupy affordable housing in County Durham** (although a higher number of new homes may be needed to resolve all of the identified overcrowding).
- 3.54 Providing the net additional affordable housing needed will release back into the market (mainly in the private rented sector) the dwellings occupied by a total of **3,824 households** (4,230 less 406) that are currently in affordable housing need who are unable to afford their own housing.

## Projected Future Affordable Housing Need

- 3.55 In terms of establishing **future** projections of affordable housing need, the PPG draws attention to new household formation (in particular the proportion of newly forming households unable to buy or rent in the market area) as well as the number of existing households falling into need.

### *How should the number of newly arising households likely to be in housing need be calculated?*

*Projections of affordable housing need will have to reflect new household formation, the proportion of newly forming households unable to buy or rent in the market area, and an estimation of the number of existing households falling into need. This process will need to identify the minimum household income required to access lower quartile (entry level) market housing (strategic policy-making authorities can use current cost in this process, but may wish to factor in anticipated changes in house prices and wages). It can then assess what proportion of newly-forming households will be unable to access market housing.*

Planning Practice Guidance (September 2018), ID 2a-024

- 3.56 The ORS Housing Mix Model considers the need for market and affordable housing on a longer-term basis that is consistent with household projections and LHN. The Model provides robust and credible evidence about the required mix of housing over the full planning period; and recognises how key housing market trends and drivers will impact on the appropriate housing mix.
- 3.57 The Model uses a wide range of secondary data sources to build on existing household projections and profile how the housing stock will need to change in order to accommodate the projected future population. A range of assumptions can be varied to enable effective sensitivity testing to be undertaken. In particular, the Model has been designed to help understand the key issues and provide insight into how different assumptions will impact on the required mix of housing over future planning periods.
- 3.58 The Housing Mix Model considers the future number and type of households based on the household projections alongside the existing dwelling stock. Whilst the Model considers the current unmet need for affordable housing (including the needs of homeless households, those in temporary accommodation, overcrowded households, concealed households, and established households in unsuitable dwellings or that cannot afford their own homes), it also provides a robust framework for projecting the future need for affordable housing.

## Households Unable to Afford their Housing Costs

- 3.59 PPG identifies that “projections of affordable housing need will need to take into account new household formation, the proportion of newly forming households unable to buy or rent in the market area, and an estimation of the number of existing households falling into need” (ID 2a-024); **however, the Model recognises that the proportion of households unable to buy or rent in the market area will not be the same for all types of household, and that this will also differ between age cohorts.** Therefore, the appropriate proportion is determined separately for each household type and age group.

<sup>3.60</sup> The affordability percentages in Figure 25 are calculated using data published by DWP about housing benefit claimants alongside detailed information from the 2011 Census. There are several **assumptions** underpinning the Model:

- » Where households are claiming housing benefit, it is assumed that they cannot afford market housing; and the Model also assumes that households occupying affordable housing will continue to do so;
- » Households occupying owner occupied housing and those renting privately who aren't eligible for housing benefit are assumed to be able to afford market housing; so the Model only allocates affordable housing to those established households that the Government deems eligible for housing support through the welfare system; and
- » The Model separately considers the needs of concealed families and overcrowded households (both in market housing and affordable housing) which can contribute additional affordable housing need.

**Figure 25: Assessing affordability by household type and age (Source: ORS Housing Model based on Census 2011 and DWP)**

	Under 25	25-34	35-44	45-54	55-64	65+
<b>Percentage unable to afford market housing</b>						
Single person household	32%	18%	37%	42%	42%	42%
Couple family with no dependent children	25%	9%	11%	9%	11%	17%
Couple family with 1 or more dependent children	60%	27%	14%	11%	17%	30%
Lone parent family with 1 or more dependent children	77%	76%	54%	46%	59%	47%
Other household type	20%	58%	31%	25%	24%	20%

## Components of Projected Household Growth

<sup>3.61</sup> When considering the number of newly arising households likely to be in affordable housing need, the PPG recommends a “*gross annual estimate*” (ID 2a-024) suggesting that “*the total need for affordable housing should be converted into annual flows*” (ID 2a-027).

<sup>3.62</sup> The demographic projections developed to inform the overall LHN include annual figures for household growth, and these can therefore be considered on a year-by-year basis as suggested by the Guidance; but given that key elements of the standard model used to derive LHN are based on a 10-year period (2016-26), we have chosen to present this split into 5-year subdivisions for clarity.

3.63 Figure 26 shows the individual components of annual household growth.

Figure 26: Components of average annual household growth by 5-year projection period (Source: ORS Housing Model)

	Annual average based on 5-year period			Remaining period 2031-35	Annual average 2016-35
	2016-21	2021-26	2026-31		
New household formation	5,337	5,255	5,409	5,475	5,363
Household dissolution following death	4,136	4,218	4,434	4,690	4,353
<b>Net household growth within Durham</b>	<b>+1,200</b>	<b>+1,037</b>	<b>+975</b>	<b>+785</b>	<b>+1,011</b>
Household migration in	5,896	5,920	6,019	6,124	5,983
Household migration out	5,742	5,758	5,882	6,026	5,843
<b>Net household migration</b>	<b>+155</b>	<b>+161</b>	<b>+137</b>	<b>+98</b>	<b>+140</b>
<b>Total household growth</b>	<b>+1,355</b>	<b>+1,199</b>	<b>+1,112</b>	<b>+882</b>	<b>+1,150</b>

3.64 Over the initial 5-year period (2016-21) the model shows that:

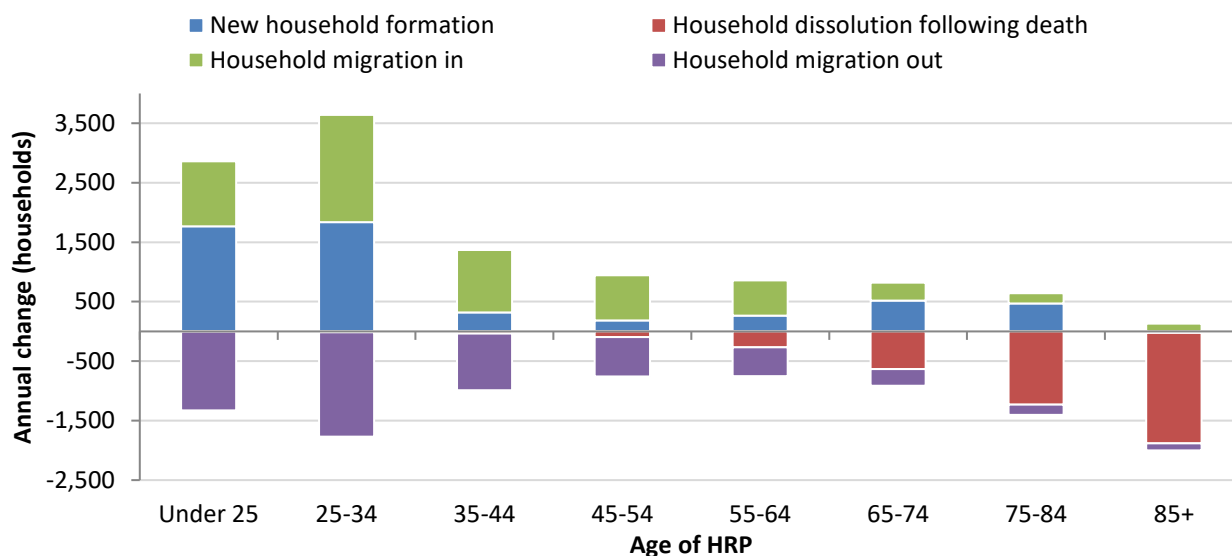
- » There are projected to be 5,337 new household formations each year; but this is offset against 4,136 household dissolutions following death – so there is an **average net household growth of 1,200 households** locally in Durham;
- » There are also projected to be 5,896 households migrating to Durham offset against 5,742 households migrating away from the area – which yields an **additional 155 households attributable to net migration**;
- » The total household growth is therefore **projected to be 1,355 (1,200 plus 155) households each year** over the initial 5-year period of the projection.

### Change in Household Numbers by Age Cohort

3.65 To establish the **proportion of newly forming households unable to buy or rent** in the market area, it is necessary to consider the characteristics of the 5,337 new households projected to form in Durham each year over the period 2016-21 (Figure 26) alongside the detailed information about household affordability (Figure 25).

3.66 Figure 27 shows the age structure of each of the components of household change. Note that this analysis is based on changes within each age cohort, so comparisons are based on households born in the same year and relate to their age at the end of the period. Therefore, all new households are properly counted, rather than only counting the increase in the number of households in each age group.

Figure 27: Components of Annual change in household numbers in each age cohort over the 5-year period 2016-21 by age of HRP (Source: ORS Housing Model)



3.67 **Together with information on household type, this provides a framework for the Model to establish the proportion of households who are unable to afford their housing costs.**

3.68 The Model identifies that 35% of all newly forming households are unable to afford their housing costs, which represents 1,849 households each year (Figure 28). The Model shows that a lower proportion of households migrating to the area are unable to afford (31%), but this still represents 1,837 households moving in to the area. Some of these households will be moving to social rented housing, but many others will be renting housing in the private rented sector with housing benefit support. **Together, there are 3,686 new households each year who are unable to afford their housing costs.**

Figure 28: Affordability of new households over the initial 5-year period 2016-21 (Source: ORS Housing Model)

	All households (annual average)	Households able to afford housing costs	Households unable to afford housing costs	% unable to afford housing costs
Newly forming households	5,337	3,488	1,849	35%
Households migrating in to the area	5,896	4,060	1,837	31%
<b>All new households</b>	<b>11,233</b>	<b>7,547</b>	<b>3,686</b>	<b>33%</b>

3.69 Having established the need for affordable housing and the dwellings likely to be vacated, the PPG suggests that the total net need can be calculated by subtracting “total available stock from total gross need” (ID 2a-027), **but this over-simplifies what is a very complex system.**

3.70 It is essential to recognise that some households who are unable to buy or rent in the market area when they first form may become able to afford their housing costs at a later date – for example:

- » Two newly formed single person households may both be unable to afford housing, but together they might create a couple household that can afford suitable housing;
- » Similarly, not all households that are unable to afford housing are allocated affordable housing;
- » Some will choose to move to another housing market area and will therefore no longer require affordable housing.

3.71 **In these cases, and others, the gross need will need adjusting.**

- 3.72 The Model recognises these complexities, and through considering the need for affordable housing as part of a whole market analysis, it maintains consistency with the household projections and avoids any double counting.
- 3.73 Considering those components of household change which reduce the number of households resident in the area, the Model identifies **4,136 households are likely to dissolve** following the death of all household members. Many of these households will own their homes outright; however, 32% are unable to afford market housing: most living in social rented housing.
- 3.74 When considering **households moving away** from Durham, the Model identifies that an average of 5,742 households will leave the area each year including 1,839 who are unable to afford their housing costs. Some will be leaving social rented housing, which will become available for another household needing affordable housing. Whilst others will not vacate a social rented property, those unable to afford their housing costs will have been counted in the estimate of current need for affordable housing or at the time they were a new household (either newly forming or migrating in to the area). Whilst some of these households might prefer to stay in the area if housing costs were less expensive or if more affordable housing was available, given that these households are likely to move from Durham it is appropriate that their needs are discounted to ensure consistency with the household projections used to establish overall housing need.
- 3.75 Figure 29 summarises the total household growth. This includes the 3,686 new households on average each year who are unable to afford their housing costs, but offsets this against the 3,154 households who will either vacate existing affordable housing or who will no longer constitute a need for affordable housing in Durham (as they have moved to live elsewhere).

Figure 29: Components of average annual household growth 2016-21 (Source: ORS Housing Model)

	All households (annual average)	Households able to afford housing costs	Households unable to afford housing costs	% unable to afford housing costs
Newly forming households	5,337	3,488	1,849	35%
Households migrating in to the area	5,896	4,060	1,837	31%
<b>All new households</b>	<b>11,233</b>	<b>7,547</b>	<b>3,686</b>	<b>33%</b>
Household dissolutions following death	4,136	2,821	1,315	32%
Households migrating out of the area	5,742	3,903	1,839	32%
<b>All households no longer present</b>	<b>9,878</b>	<b>6,724</b>	<b>3,154</b>	<b>32%</b>
<b>Average annual household growth 2016-21</b>	<b>+1,355</b>	<b>+823</b>	<b>+532</b>	<b>39%</b>

- 3.76 Overall, the Model projects that household growth will yield a net increase of 532 households on average each year (over the period 2016-21) that are unable to afford their housing, which represents 39% of the 1,355 overall annual household growth for this period.

### Projecting Future Needs of Existing Households

- 3.77 PPG also identifies that in addition to the needs of new households, it is also important to estimate “*the number of existing households falling into need*” (ID 2a-024). Whilst established households that continue to live in County Durham will not contribute to household growth, changes in household circumstances (such as separating from a partner or the birth of a child) can lead to households who were previously able to afford housing falling into need. The needs of these households are counted by the Model, and it is estimated that an average of **1,148 established households fall into need each year** in County Durham.

3.78 Finally, whilst the PPG recognises that established households' circumstances can deteriorate such that they fall into need, it is also important to recognise that **established households' circumstances can improve**. For example:

- » When two people living as single person households join together to form a couple, pooling their resources may enable them to jointly afford their housing costs (even if neither could afford separately).
- » Households also tend to be more likely to afford housing as they get older, so young households forming in the early years of the projection may be able to afford later in the projection period.

3.79 Given this context, it is clear that **we must also recognise these improved circumstances which can reduce the need for affordable housing over time**, as households that were previously counted no longer need financial support. The Model identifies that **the circumstances of 1,042 households improve each year** such that they become able to afford their housing costs despite previously being unable to afford.

3.80 Therefore, considering the overall changing needs of existing households, **there is an average net increase of 106 households (1,148 less 1,042 = 106) needing affordable housing each year**.

### Projecting Future Affordable Housing Need (average annual estimate)

3.81 Figure 30 provides a comprehensive summary of all of the components of household change that contribute to the projected level of affordable housing need. More detail on each is provided earlier in this Chapter.

Figure 30: Components of average annual household growth 2016-21 (Source: ORS Housing Model)

	All households (annual average)	Households able to afford housing costs	Households unable to afford housing costs	% unable to afford housing costs
Newly forming households	5,337	3,488	1,849	35%
Households migrating in to the area	5,896	4,060	1,837	31%
<b>All new households</b>	<b>11,233</b>	<b>7,547</b>	<b>3,686</b>	<b>33%</b>
Household dissolutions following death	4,136	2,821	1,315	32%
Households migrating out of the area	5,742	3,903	1,839	32%
<b>All households no longer present</b>	<b>9,878</b>	<b>6,724</b>	<b>3,154</b>	<b>32%</b>
<b>Average annual household growth 2016-21</b>	<b>+1,355</b>	<b>+823</b>	<b>+532</b>	<b>39%</b>
Existing households falling into need	-	-1,148	+1,148	100%
Existing households climbing out of need	-	+1,042	-1,042	0%
<b>Change in existing households</b>	<b>-</b>	<b>-106</b>	<b>+106</b>	<b>-</b>
<b>Average annual future need for market and affordable housing 2016-21</b>	<b>+1,355</b>	<b>+717</b>	<b>+638</b>	<b>47%</b>

3.82 Overall, there is a projected need from 3,686 new households who are unable to afford their housing costs (1,849 newly forming households and 1,837 households migrating to the area); however, 3,154 households will either vacate existing affordable housing or will no longer need affordable housing in Durham (as they have moved to live elsewhere) thereby reducing the new need to a net total of 532 households.

3.83 Considering the needs of existing households, there are 1,148 households expected to fall into need each year, but this is offset against 1,042 households whose circumstances are projected to improve. There is, therefore, an **average net increase of 106 existing households that need affordable housing each year**.



- 3.84 Based on the needs of new households and existing households, there is a projected increase of 638 households each year on average for the initial period 2016-21 who will need affordable housing (532 plus 106).

## Assessing the Overall Need for Affordable Housing

- 3.85 Figure 31 brings together the information on assessing the unmet need for affordable housing in 2016 and the future affordable housing need arising over the 19-year Plan period 2016-35 as an annualised figure. The figures cover the period 2016-35, sum to the planned delivery target of 1,308 dwelling per annum and include the uplift to the household projections as required by the LHN Practice Guidance.

Figure 31: Assessing total need for market and affordable housing (Source: ORS Housing Model)

	Housing Need (households)		Overall Housing Need
	Market housing	Affordable housing	
<b>Unmet need for affordable housing in 2016 (see Figure 24)</b>			
Total unmet need for affordable housing	-	5,594	5,594
Supply of housing vacated	3,824	1,364	5,188
<b>Overall impact of current affordable housing need</b>	<b>-3,824</b>	<b>4,230</b>	<b>406</b>
<b>projected future housing need 2016-35</b>			
Newly forming households	81,008	36,670	117,678
Household dissolutions following death	69,196	26,933	96,129
<b>Net household growth within County Durham</b>	<b>11,813</b>	<b>9,737</b>	<b>21,550</b>
Impact of existing households falling into need	-23,401	23,401	-
Impact of existing households climbing out of need	21,350	-21,350	-
Impact of households migrating to/from the area	3,031	-136	2,895
<b>Future need for market and affordable housing 2016-35</b>	<b>12,793</b>	<b>11,653</b>	<b>24,446</b>
<b>Total annual need for market and affordable housing</b>			
Future need for market and affordable housing 2016-35	-3,824	4,230	406
Overall impact of current affordable housing need	12,793	11,653	24,446
<b>Total annual need for market and affordable housing</b>	<b>8,969</b>	<b>15,883</b>	<b>24,852</b>
<b>Annual overall need for market and affordable housing households</b>	<b>472</b>	<b>836</b>	<b>1,308</b>
<b>Percentage split</b>	<b>36%</b>	<b>64%</b>	<b>100%</b>

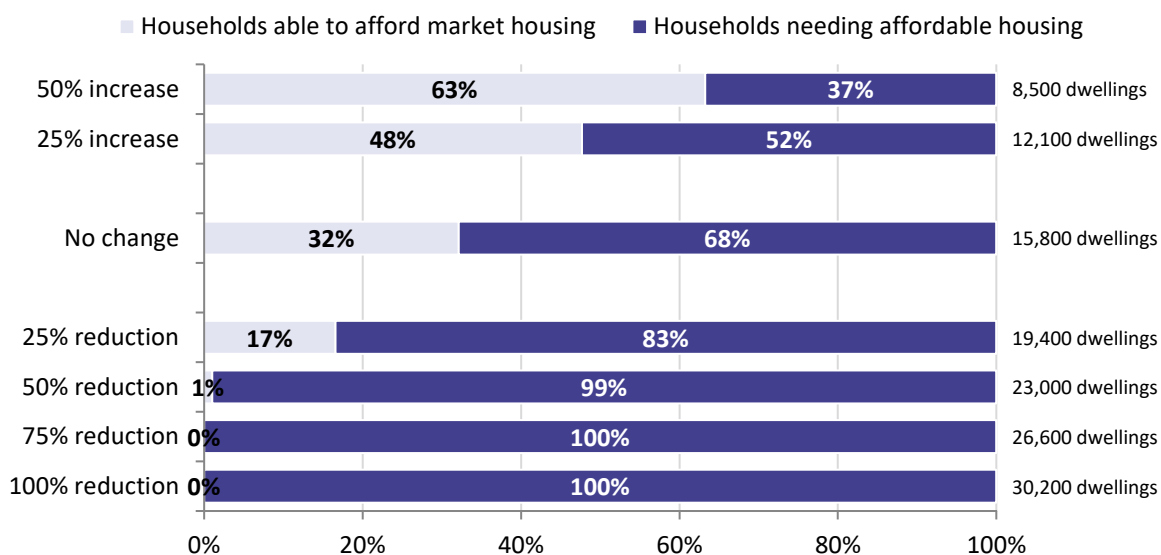
- 3.86 Overall, there will be a **need to provide additional affordable housing for 836 dwellings each year** over the Plan period 2016-35 (64% of the projected household growth).

## Future Policy on Housing Benefit in the Private Rented Sector

- 3.87 The Model recognises **the importance of housing benefit and the role of the private rented sector**. The Model assumes that the level of housing benefit support provided to households living in the private rented sector will remain constant; however, this is a national policy decision which is not in the control of the Council.

- 3.88 It is important to note that private rented housing (with or without housing benefit) does not meet the definitions of affordable housing. However, many tenants that rent from a private landlord can only afford their housing costs as they receive housing benefit. These households aren't counted towards the need for affordable housing (as housing benefit enables them to afford their housing costs), but if housing benefit support was no longer provided (or if there wasn't sufficient private rented housing available at a price they could afford) then this would increase the need for affordable housing.
- 3.89 The model adopts a neutral position in relation to this housing benefit support, insofar as it assumes that the number of claimants in receipt of housing benefit in the private rented sector will remain constant. **The model does not count any dwellings in the private rented sector as affordable housing supply;** however, it does assume that housing benefit will continue to help some households to afford their housing costs, and as a consequence these households will not need affordable housing.
- 3.90 To sensitivity test this position, Figure 32 shows the impact of reducing (or increasing) the number of households receiving housing benefit to enable them to live in the private rented sector.
- 3.91 If no households were to receive housing benefit support in the private rented sector, more than half of the growth in household numbers would need affordable housing. In this scenario, it is also important to recognise that the private rented housing currently occupied by households in receipt of housing benefit would be released back to the market, which is likely to have significant consequences on the housing market that are difficult to predict.

**Figure 32: Theoretical impact of reducing or increasing Housing Benefit support for households living in private rented housing: Balance between households able to afford market housing and households needing affordable housing 2016-35 and associated number of affordable dwellings**

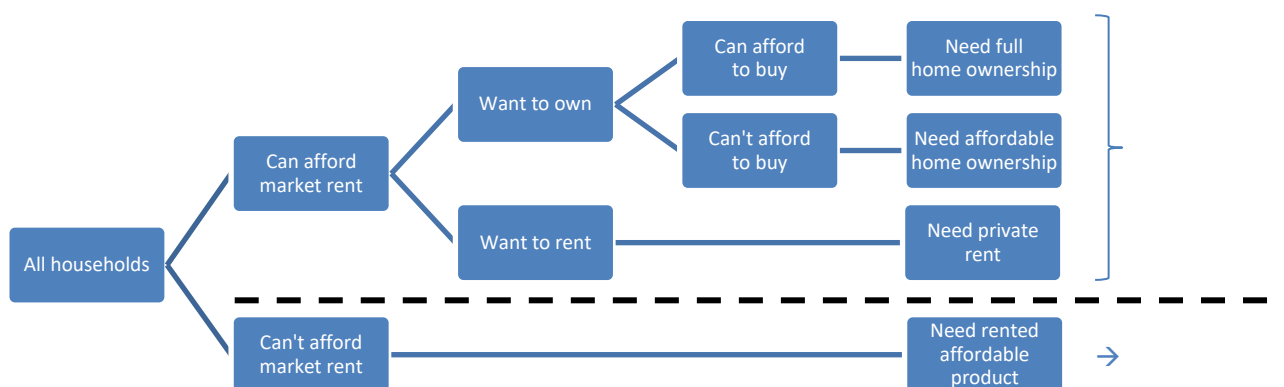


## Affordable Housing to Own

- 3.92 As noted earlier, the National Planning Policy Framework 2012 (NPPF) definition of affordable housing identifies that it is “provided to eligible households whose needs are not met by the market” (Annex 2) and Planning Practice Guidance from March 2014 confirmed that affordable housing need should be counted based on those “who cannot afford to meet their needs in the market” (ID 2a-022) and notes that “care should be taken ... to only include those households who cannot afford to access suitable market housing” (ID 2a-024).

- 3.93 Annex 2 of the NPPF July 2018 contains an updated definition of affordable housing which also considers households as needing affordable housing if they cannot afford to own.
- 3.94 Many households who can afford Starter Homes and other LCHO schemes will be able to afford a private rented property. On the previous definition of households in affordable housing need they would be able to meet their needs in the market and therefore would not require affordable housing. Figure 33 illustrates the breakdown of overall housing need under current NPPF and PPG definitions and highlights that it is fundamentally based on those households unable to afford market rent and who therefore are likely to need a rented affordable product. This includes those households who require HB support to pay their rent regardless of tenure, alongside those who can only afford social or affordable rented housing without HB support.

**Figure 33: Establishing the need for market and affordable housing: assessing affordability**



- 3.95 The Housing and Planning Act 2016 defines a Starter Home as a new dwelling, only available for purchase by qualifying first-time buyers, which is to be sold at a discount of at least 20% of the market value and for less than the price cap (£250,000 in County Durham), and is subject to restrictions on sale or letting for the initial 5-year period of occupancy. The NPPF 2018 changed the definition of affordable housing to include Starter Homes and limited purchasers to non-owners aged 23-40 years. The NPPF defined several other forms of Affordable Home Ownership (AHO) as affordable housing: Discounted market sales housing sold at a discount of at least 20% below local market value (with eligibility criteria); other affordable forms of home ownership such as shared ownership, relevant equity loans, low cost homes for sale (at a price equivalent to at least 20% below local market value); and rent to buy.

### Identifying the Gap for Affordable Home Ownership

- 3.96 When identifying the need for Affordable Home Ownership (AHO) including Starter Homes, it is necessary to consider the housing costs for both renting and buying market housing in order to understand the relative incomes required and establish the appropriate income range for AHO products and the associated purchase costs.
- 3.97 The cost of AHO products would need to be less than the purchase cost for market housing; however, the income needed to buy an AHO product may be higher than the income needed for market rent. This recognises that some households who could afford market rent would prefer to own their own home, and the NPPF encourages local authorities to widen opportunities for home ownership.

3.98 The costs associated with AHO products can be notably higher than private sector rents, and therefore they are unlikely to be affordable to those households that are identified as being unable to afford market housing. Nevertheless, such products could still help to widen opportunities for homeownership for those households able to afford market rents but unable to afford to buy housing in County Durham, and the local authority would need to consider this when establishing their affordable housing policies. This is considered in more detail in the Summary of Housing Costs below.

### Affordable Housing Tenure

3.99 Within the overall need of 15,758 affordable homes identified by the model between 2016-35, it is possible to consider the mix of different affordable housing products that would be appropriate based on the mix of households needing affordable housing.

3.100 Figure 34 sets out the weekly rents for different property sizes in County Durham adjusted to 2016 levels, the most recent data available. This includes:

- » Median private rent;
- » Local Housing Allowance (LHA) maximum (previously based on the 30<sup>th</sup> percentile private rent, however more recent increases are based on Consumer Price index (CPI) and rates were frozen in the July 2015 Budget); and
- » Affordable rent, based on 80% of the median private rent.

**Figure 34: Weekly rent thresholds in County Durham (Source: Valuation Office Agency 2017-18; Homes and Communities Agency)**

Weekly Rent £	Median Private Rent	Maximum Local Housing Allowance	Affordable Rent (80% of median)
1 bedroom	£80.49	£76.99	£64.39
2 bedrooms	£94.29	£88.60	£75.43
3 bedrooms	£113.84	£100.51	£91.07
4+ bedrooms	£155.24	£139.03	£124.19

3.101 It is evident that across all property sizes, the median private rent is the highest followed in turn by the maximum LHA and affordable rent. As affordable rent (at 80% of median private rent) is generally lower than the maximum LHA rate for the equivalent property size, households would currently be able to claim housing benefit to cover the full cost of affordable rent (where they were entitled to do so based on their circumstances); although the relationship between these two rates could change in future.

3.102 Households claiming out-of-work benefits are also subject to a cap of £500 per week (for lone parents and couples) or £350 per week (for single people), which could affect the amount of housing benefit received by some households (especially those with larger families needing larger properties). These limits were reduced in the July 2015 Budget to a maximum of £20,000 per year (outside London) and this lower rate will affect more households. Nevertheless, households that qualify for Working Tax Credit and those that receive various disability related benefits or armed forces pensions are exempt from the cap.

## Low Cost Home Ownership

3.103 In addition to affordable housing for rent, a range of Low Cost Home Ownership (LCHO) products have also been developed to assist households into homeownership. Figure 35 sets out the weekly costs associated with shared ownership properties of different sizes, taking account of the differential full market prices and based on the following assumptions:

- » 40% equity share purchased by the occupier;
- » 5% of the equity purchased is available as a deposit;
- » Mortgage costs based on a 25-year repayment mortgage at 6.0% interest;
- » Rent based on 2.75% of the retained equity paid each year; and
- » Service charge of £10 per week.

3.104 Based on this model, it is evident that the weekly costs are lower than the equivalent median private rent for 1-bedroom, 2-bedroom and 3-bedroom properties, and marginally higher for 4+ bedroom properties.

**Figure 35: Shared ownership costs (Note: Mortgage costs based on a 25-year repayment mortgage at 6.0% interest. Rent based on 2.75% of the retained equity annually. Service charge assumed to be £10 per week)**

	Property Value	40% Equity Share	5% Deposit	Weekly Costs			
				Mortgage	Rent	Service Charge	TOTAL
1 bedroom	64,000	25,600	1,280	36.49	20.25	10.00	66.74
2 bedrooms	53,550	21,420	1,071	30.53	16.95	10.00	57.47
3 bedrooms	64,500	25,800	1,290	36.77	20.41	10.00	67.18
4+ bedrooms	165,000	66,000	3,300	94.06	52.21	10.00	156.28

3.105 Figure 36 shows the sensitivity of weekly costs to the equity share purchased and presents this relative to the equivalent local rents.

**Figure 36: Total weekly costs for shared ownership based on different equity shares (Note: Mortgage costs based on a 25-year repayment mortgage at 6.0% interest. Rent based on 2.75% of the retained equity annually. Service charge assumed to be £10 per week. Cells highlighted in yellow are above the LHA rate but below median private rent, cells in red are above the equivalent median private rent. Cells which are green are lower than the equivalent maximum LHA)**

Total Weekly Cost £	Property Value	Equity Share					
		25%	30%	35%	40%	45%	50%
1 bedroom	64,000	58.12	60.99	63.86	66.74	69.61	72.48
2 bedrooms	53,550	50.26	52.67	55.07	57.47	59.88	62.28
3 bedrooms	64,500	58.49	61.39	64.29	67.18	70.08	72.97
4+ bedrooms	165,000	134.06	141.46	148.87	156.28	163.68	171.09

## Starter Home Initiative

3.106 The Housing and Planning Act 2016 furthers this policy of encouraging home ownership through promoting Starter Homes to provide properties that are more affordable for first time buyers. The Act includes clauses stating that local authorities will have a general duty to promote the supply of Starter Homes through planning.

- 3.107 Figure 37 sets out the weekly costs based on the same property values considered when analysing low cost home ownership housing options.

**Figure 37: Starter Home Initiative (Note: Mortgage costs based on a 25-year repayment mortgage at 6.0% interest)**

	Property Value	80% Equity Share	10% Deposit	Weekly Mortgage Costs
1 bedroom	£64,000	£51,200	£5,120	£69.13
2 bedrooms	£53,550	£42,840	£4,284	£57.84
3 bedrooms	£64,500	£51,600	£5,160	£69.67
4+ bedrooms	£165,000	£132,000	£13,200	£178.23

### Summary of Housing Costs

- 3.108 Figure 38 summarises the weekly costs for the range of different housing options discussed above for each property size adjusted to 2016 levels, the most recent data available.

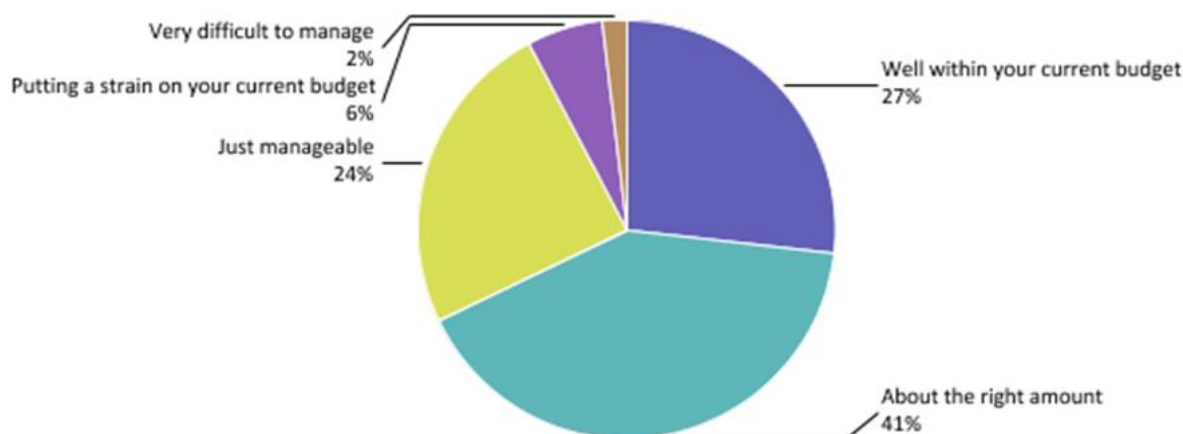
**Figure 38: Comparison of weekly housing costs by property size – County Durham (Source: VOA 2015-2016. Note: HMA figure derived using population weighted average of Local Authority data)**

	Starter Home Initiative (80% equity)	Shared ownership (40% equity)	Median Private Rent	Maximum Local Housing Allowance	Affordable Rent (80% median)
1 bedroom	£69.13	£66.74	£80.49	£76.99	£64.39
2 bedrooms	£57.84	£57.47	£94.29	£88.60	£75.43
3 bedrooms	£69.67	£67.18	£113.84	£100.51	£91.07
4+ bedrooms	£178.23	£156.28	£155.24	£139.03	£124.19

- 3.109 The key point of this data is that the cost of shared ownership and owner occupation in the second-hand market is significantly lower on a weekly basis than the cost of private rent. While owner occupiers would still require a deposit and access to a mortgage, the weekly cost of buying in County Durham is lower than the cost of renting. On this basis there is no gap between those who can afford private rent and those who can afford to own outright.
- 3.110 However, what it does imply is that within County Durham as a whole there will be households who can afford to rent, but not buy. As is discussed in more detail in Figure 43 below, the private rented sector in County Durham rose from 8% of households in 2001 to 20% in 2011. Therefore, an increasing number of households in County Durham are having their housing needs met in the private rented sector, but many of these could potentially benefit from low cost home ownership schemes.
- 3.111 Much of this issue is location specific. There will be cases where private rented properties can be found in more expensive locations, while the cheaper owner-occupied stock is in different locations. There may be location specific examples where households who are renting and wish to buy in the same location are unable to afford to do so, but they could find an affordable property in the wider County Durham housing market.

- 3.112 If a policy was to be adopted which focused on affordable housing to rent at the exclusion of affordable housing to own, then these outcomes are likely to be exacerbated on new housing estates across County Durham. Newbuild housing costs are typically much higher in County Durham than the cheapest second-hand stock. If no intermediate housing were to be provided on newbuild housing estates, then there would be a considerable gap between those who require affordable housing to rent and those who can afford to own outright which would not be conducive to mixed and balanced communities.
- 3.113 A lack of intermediate housing would also have a considerable effect on the viability of delivery on many newbuild schemes. This provides a case for a component of the affordable housing delivery in County Durham to be intermediate housing. The Government stated objective is to see 10% of new housing being delivered as affordable to own properties. The evidence suggests that more than 10%; perhaps 20% and possibly as much as 30% of all affordable housing in County Durham should be delivered as intermediate housing to provide affordable ownership for households who can afford to rent privately (without Housing Benefit), but not to buy on the open market. Providing this level of intermediate housing would also comply with government expectations, make sites viable and to help create mixed and balanced communities.
- 3.114 The household survey also explored the issue of housing costs. Figure 39 shows that while only 2% of households who pay their own rent or mortgage find their costs to be very difficult to manage a total of 32% find the costs to be just manageable or worse.

Figure 39: “If you pay any rent or mortgage, do you consider this to be. . . ?” (Source: Durham HNS 2018)



- 3.115 92% of respondents that pay either rent or a mortgage consider that their housing costs are “just manageable” or better, and a quarter of the remainder consider their costs “very difficult to manage”.

## Size and Tenure Mix

3.116 Figure 40 below shows the identified size mix for market and affordable housing in County Durham. The size mix takes account of both overcrowded households who require a move to a larger dwelling along with under-occupying households who need to downsize. While Government policies such as those relating to the Spare Room Subsidy or Bedroom Tax are leading to more households downsizing, not all households will do so. Instead, we have modelled a gradual decline in the amount of under-occupation in the affordable housing sector. We would note that these figures do not include the potential impact of increased right to buy sales due to Registered Providers now being subject to this scheme. Figure 40 shows a significant need for family sized housing to be provided as part of any market housing mix. The high need for smaller housing units is driven by demographic change which is creating smaller household sizes.

**Figure 40: Assessed Need for Housing; Size and Tenure Mix for County Durham 2016-35 (Note: Figures may not sum due to rounding)**

	County Durham 2016-35	County Durham Annual Need
<b>MARKET HOUSING</b>		
1 bedroom	969	51
2 bedrooms	3,354	177
3 bedrooms	4,690	247
4 bedrooms	-67	-4
5+ bedrooms	23	1
<b>Total Market Housing</b>	<b>8,969</b>	<b>472</b>
<b>AFFORDABLE HOUSING</b>		
1 bedroom	4,334	228
2 bedrooms	7,211	380
3 bedrooms	3,653	192
4 bedrooms	555	29
5+ bedrooms	131	7
<b>Total Affordable Housing</b>	<b>15,883</b>	<b>836</b>
<b>TOTAL</b>	<b>24,852</b>	<b>1,308</b>

3.117 It is also possible to assess the level of affordable housing need by sub-area of County Durham. Figure 41 shows the need by Local Plan Monitoring Areas and assumed that needs arising in any area are also met in the same area. For example, the model assumes that if a newly forming household is currently part of a household in Durham City then they will also form in Durham City. On this basis the needs are lower in Durham City and West Durham but are still very high in all parts of County Durham. The assumption that needs will be met in the monitoring area they arise is solely for the purpose of this analysis; in practice, needs arising in one area could be addressed in another area.

3.118 It is of course the case that housing will be delivered across County Durham and under these circumstances, dwellings provided in one area can be seen to helping to meet the needs of other parts of County Durham.



**Figure 41: Assessed Need for Housing; Size and Tenure Mix for County Durham Local plan Monitoring Areas 2016-35 (Note: Figures may not sum due to rounding)**

	Affordable Housing Need 2016-35	% Need Based Upon Proportionate Growth
<b>Local Plan Monitoring Area</b>		
Durham City	738	37.9%
Central Durham	1,854	63.4%
North West Durham	2,503	64.3%
Mid Durham	2,412	75.7%
South East Durham	350	52.5%
South Durham	2,456	73.1%
West Durham	656	39.4%
North Durham	1,456	55.7%
East Durham	3,457	75.3%
<b>TOTAL</b>	<b>15,883</b>	<b>63.9%</b>

## Essential Public Sector Workers

3.119 Annex 2 of the NPPF 2018 also includes the needs of essential public workers.

*Essential local workers: Public sector employees who provide frontline services in areas including health, education and community safety and can include NHS staff, teachers, police, firefighters and military personnel, social care and childcare workers.*

3.120 This definition is very close to the definition of Key Workers which was used prior to the NPPF 2012. Importantly, it is not going to be possible to be considered as an essential local worker in need without also being considered as being in need because of being unable to afford to own their own property.

3.121 Therefore, they will already be counted in the affordable housing need because they cannot afford market rents, or because they wish to own their own property but cannot afford to do so. Therefore, the needs from this group will not add to the total need for affordable housing, but they are likely to require separate consideration on the housing register and some affordable properties may be set aside solely for essential local workers.

## Conclusions

3.122 Based on the household projections, we have established the balance between the need for market housing and the need for affordable housing. **The housing mix analysis identified a need to provide 836 additional affordable homes per annum over the 19-year Plan period 2016-35.** This would provide for the current unmet needs for affordable housing in addition to the projected future growth in affordable housing need; but assumes that the level of housing benefit support provided to households living in the private rented sector remains constant.

# 4. Housing for Different Groups

## The Private Rented Sector

- 4.1 The English Housing Survey (EHS) 2016-17 identified that 20% (4.7 million) of households were renting from a private landlord, much higher than the rate of 12% a decade earlier in 2006-07. The EHS also shows that households aged 25-34 were more likely to be renting privately (46%) than buying a home, up from 27% in 2006-07. Owner occupation in this age group dropped from 55% to 37% over the same 10-year period. Outside of London, private rented is the third largest tenure and is now larger than social rented; 36% outright ownership, 30% buying with a mortgage, 19% private renting, and 16% social renting.
- 4.2 Growth in the Sector seems likely to continue, driven by a combination of demand and supply factors:
- » Increasing demand from more households;
  - » Recent reductions in incomes (in real terms);
  - » Affordability of owner occupation reducing;
  - » Changing Bank lending practices;
  - » Pensions reform: pension drawdowns invested in BTL property.
- 4.3 The growth of the Sector has been acknowledged as both a growing and long-term option for meeting the nation's housing need. CLG (with the Intermediary Mortgage Lenders Association) forecast that the private rented sector will increase in size to 35% nationally by 2032<sup>13</sup>. On this basis, the number of households renting privately could double again over the next twenty years.
- 4.4 Given this context, PPG recognises the importance of understanding the likely future role of the private rented sector:

### ***The private rented sector***

*Tenure data from the Office for National Statistics can be used to understand the future need for private rented sector housing. However, this will be based on past trends. Market signals reflecting the demand for private rented sector housing could be indicated from the level of changes in rents.*

**Planning Practice Guidance (September 2018), ID 2a-020**

<sup>13</sup> <http://news.rla.org.uk/rpi-rent-revolution/>

## National Context

4.5 As the PRS expands and other sectors contract, it is clear that many households who would traditionally meet their housing needs in other sectors are now renting privately. This includes many households currently unable to afford their housing costs, which can be seen from the expansion of families receiving Housing Benefit in the sector, in particular since the start of the most recent recession.

4.6 The Office for Budget Responsibility analysis of the UK's public finances for Government explicitly recognises a likely growth in the share of housing benefit claimants in the private rented sector in its Economic and Fiscal Outlook (March 2014)<sup>14</sup>:

*“The share of [housing benefit] spending accounted for by the private rented sector is forecast to rise from 30 per cent in 2007-08 to 40 per cent by 2018-19. ... We expect the share of claimants in the private rented sector to continue rising over the forecast period, but for average awards to rise more slowly than nominal GDP per capita due to policy, including on uprating.”* (paragraphs 4.152-154)

4.7 Importantly, the Government sees the PRS having an important and long-term role in meeting the housing need of the nation; and although the NPPF and PPG do not mention the current or future role of housing benefit, the policy to support low-income households in the private rented sector with housing benefit is long-standing and housing benefit is explicitly factored into the long-term forecasts for public spending.

4.8 Policy by both Government and Local Authorities is focused on improving Management and Maintenance in the sector (via licensing or self-regulation schemes) and expanding supply<sup>15</sup> (including the Build to Rent investment scheme<sup>16</sup>). The Government published “Improving the Private Rented Sector and Tackling Bad Practice: A guide for local authorities” in March 2015<sup>17</sup>, and the Foreword by the Minister stated:

*“The private rented sector is an important and growing part of our housing market, housing 4.4 million households in England. The quality of housing in the sector has improved dramatically over the last decade. It is now the second largest tenure and this growth is forecast to continue growing. I am proud of this growth as it shows increasing choice, improving standards whilst helping to keep rents affordable. The Government supports a bigger and better private rented sector and wants to see this growth continue.”*

4.9 Given this context, it is important for local authorities to recognise the role of the private rented sector at a local level. The release back into the market of many dwellings in the private rented sector currently occupied by tenants in receipt of housing benefit would have significant consequences for the wider housing market as more properties come on to the market; therefore it remains appropriate to recognise that the private rented sector will continue to make an important contribution towards providing housing options for households unable to afford their housing costs in future. Nevertheless, it is essential for local authorities to understand the full extent of the need for affordable housing in their areas and consider their policy responses accordingly.

<sup>14</sup> <http://cdn.budgetresponsibility.org.uk/37839-OBR-Cm-8820-accessible-web-v2.pdf>

<sup>15</sup> <https://www.gov.uk/government/publications/private-rented-homes-review-of-the-barriers-to-institutional-investment>

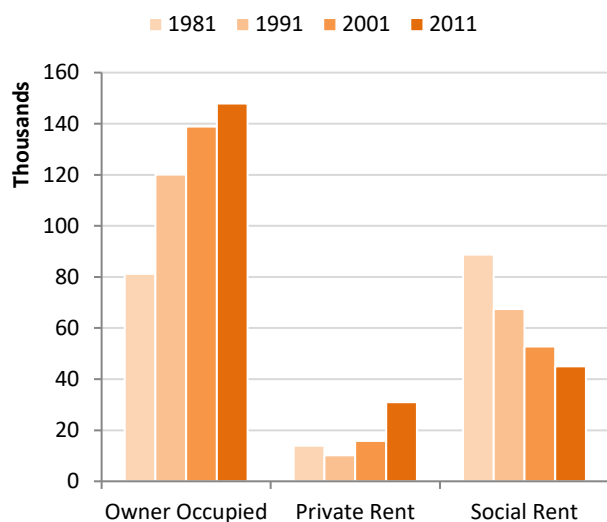
<sup>16</sup> <https://www.gov.uk/government/publications/build-to-rent-round-2-initial-due-diligence>

<sup>17</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/412921/Improving\\_private\\_rented\\_sector.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/412921/Improving_private_rented_sector.pdf)

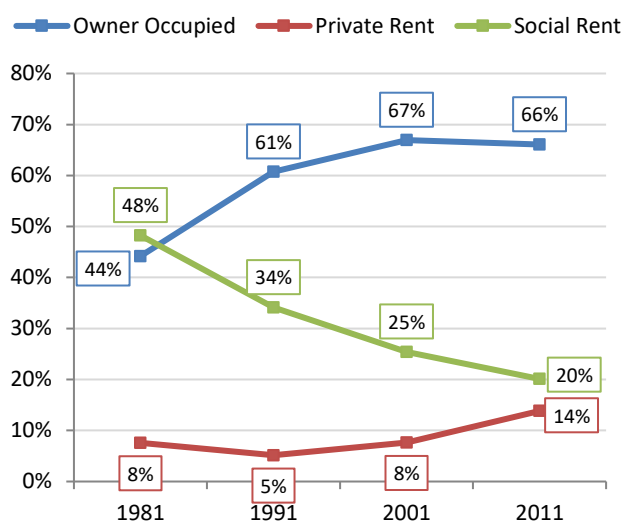
## Private Rented Sector in County Durham

4.10 Figure 42 to Figure 44 show that the overall balance between owners and renters changed between 1981 and 2011, with just over two-fifths owning (44%) in 1981 and 66% owning in 2011. The balance between social rent and private rent has also changed significantly: only 14% of tenants rented privately in 1981 (14% out of 56%) whereas 41% rented privately in 2011 (41% out of 34%).

**Figure 42: Number of Households by Tenure 1981-2011**  
(Source: UK Census of Population)



**Figure 43: Percentage of Households by Tenure 1981-2011**  
(Source: UK Census of Population)



**Figure 44: Households by Tenure 1981-2011** (Source: UK Census of Population)

Tenure	Total Households				Net Change		
	1981	1991	2001	2011	1981-1991	1991-2001	2001-2011
Owner occupied	81,283	120,030	138,854	147,835	+38,747	+18,824	+8,981
Private rent	13,924	10,189	15,825	30,964	-3,735	+5,636	+15,139
Social rent	88,773	67,445	52,757	45,004	-21,328	-14,688	-7,753
<b>TOTAL</b>	<b>183,980</b>	<b>197,664</b>	<b>207,436</b>	<b>223,803</b>	<b>+13,684</b>	<b>+9,772</b>	<b>+16,367</b>
Owner occupied	44.2%	60.7%	66.9%	66.1%	+283%	+193%	+55%
Private rent	7.6%	5.2%	7.6%	13.8%	-27%	+58%	+92%
Social rent	48.3%	34.1%	25.4%	20.1%	-156%	-150%	-47%

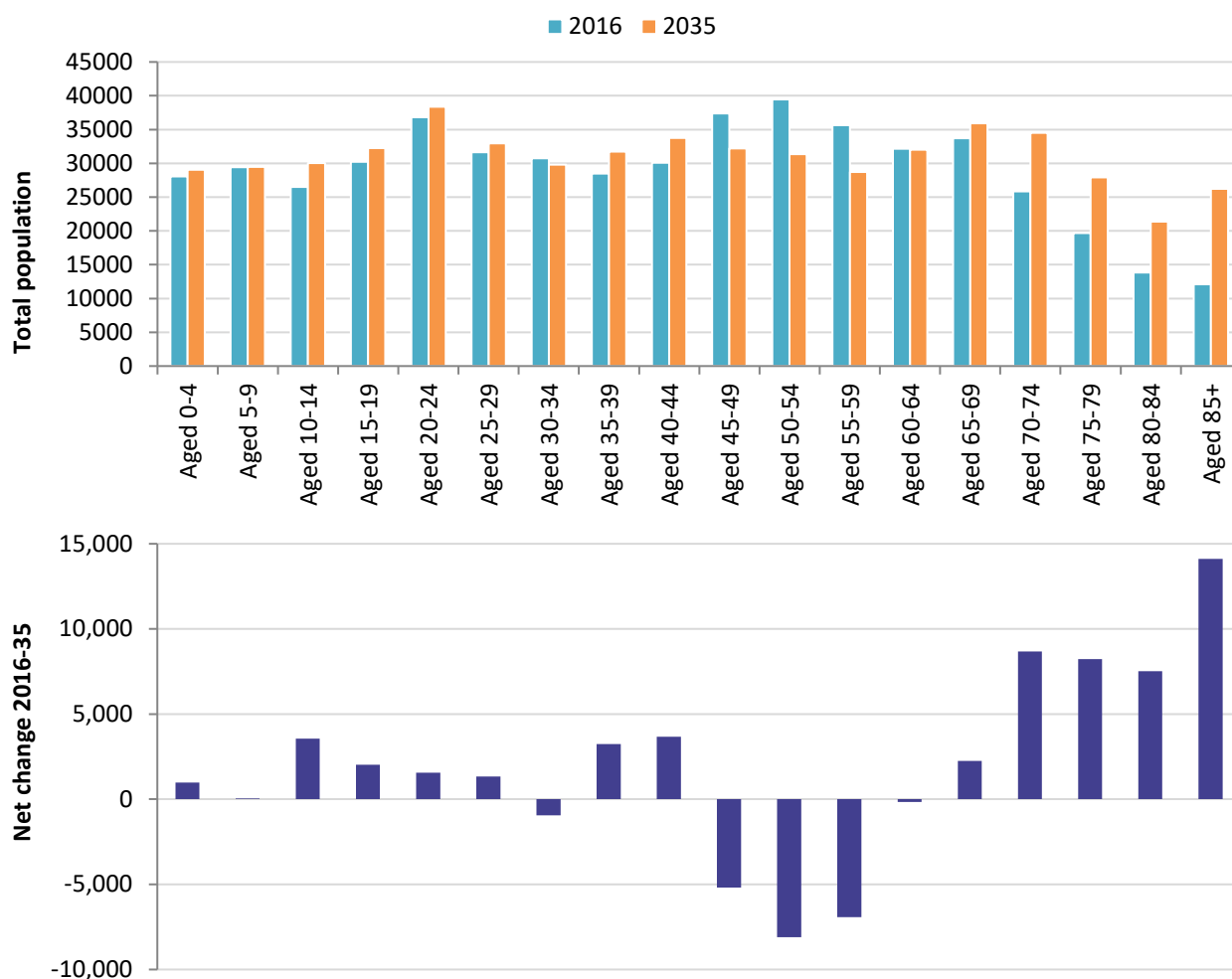
## The Future Role of the Private Rented Sector

- 4.11 PRS is an important tenure that has grown since 1991 to house a significant proportion of households in County Durham. At the same time, young households have been less likely to meet their housing need in affordable housing given the various constraints in accessing local authority and housing association rented housing. Recent changes to letting policies and the reality of pressures on the housing stock make it less likely that single persons aged under 35 years will be allocated to a 1 bedroom social rented or affordable rented property.
- 4.12 Further, there have been other recently announced changes (Starter Homes, Right to Buy for housing association tenants) which may influence the demand for Private Rented Sector accommodation. The Housing and Planning Act 2016 contains proposals to further the Government’s policy of encouraging home ownership through promoting Starter Homes to provide affordable property for first time buyers. The duty to promote the supply of Starter Homes alongside the definition in NPPF 2018 stating that Starter Homes are affordable housing has led to speculation that the promotion of Starter Homes will restrict the supply of affordable housing for rent for reasons such as a preference among developers to develop Starter Home property for sale rather than affordable housing for rent.
- 4.13 If the balance of new affordable homes leans towards Starter Homes, and if the net stock of existing affordable rented supply reduces (i.e. if new affordable rented supply does not exceed stock sold under RTB), then demand for PRS stock may continue or increase further. This means that much of the increased demand for PRS property is likely to continue, driven by young households with few other options should they wish to establish their own household.
- 4.14 In practice this implies that unless current trends are reversed there will be a further growth in the private rented sector.

## Projected Population Age Profile

- 4.15 Figure 45 shows the 2014 based SNPP projected change in population by 5-year age band for the 19-year Plan period 2016-35.
- 4.16 More than the overall population growth (38,500 persons from a total growth of 35,900 persons) is projected to be aged 70 or over, offset by decreases in the 30-34 and 45-64 age groups. The increase in the older age groups includes an increase of 14,100 persons aged 85 or over. This is particularly important when establishing the types of housing required and the need for housing specifically for older people.

Figure 45: Durham population projections 2016-35 by 5-year age cohort (Source: ORS model)



## Household Projections

- 4.17 Figure 46 summarises the total number of households in 2016 and 2035 in terms of the age of household representatives, together with the change in the number of households in each category over the 19-year Plan period 2016-35.
- 4.18 The trend-based household projections identified a growth of around 22,300 households based on the population projections above without any uplift to these projections.

Figure 46: Total projected households for 2016 and 2036 and summary of 19-year change by age of household representative (Note: Figures may not sum due to rounding)

	Age of Household Representative								TOTAL
	15-24	25-34	35-44	45-54	55-64	65-74	75-84	85+	
<b>TOTAL HOUSEHOLDS</b>									
2016	8,800	28,900	32,800	45,000	41,300	38,900	24,900	9,100	229,600
2035	10,000	28,600	37,900	37,100	37,400	46,600	35,100	19,100	251,900
<b>TOTAL CHANGE 2016-2035</b>	<b>+1,200</b>	<b>-200</b>	<b>+5,100</b>	<b>-7,900</b>	<b>-3,900</b>	<b>+7,600</b>	<b>+10,200</b>	<b>+10,100</b>	<b>+22,300</b>

- 4.19 Considering this growth in terms of the age of household representatives, it is evident that the increase in older people is also reflected in terms of household types. While there is significant growth in the 15-24 and 35-44 age groups, the increase in households aged 65+ represents more than 100% of the total household growth.
- 4.20 Many of these older households will already be established and living in existing homes in Durham; they will simply get older during the Plan period. It is therefore also important to consider household growth in relation to age cohorts.
- 4.21 Figure 47 shows the projected number of households in each cohort, showing their age in both 2016 and 2036. The period 2016 to 2036 has been chosen to create equal periods for each 5-year cohort.

**Figure 47: Total projected households for 2016 and 2036 and summary of 20-year change by age cohort of household representative (Note: Figures may not sum due to rounding)**

Age in 2016	Age of Household Representative								TOTAL
	<5	5-14	15-24	25-34	35-44	45-54	55-64	65+	
Age in 2036	15-24	25-34	35-44	45-54	55-64	65-74	75-84	85+	
<b>TOTAL HOUSEHOLDS</b>									
2016	-	-	8,800	28,900	32,800	45,000	41,300	72,800	229,600
2036	10,000	28,600	37,900	37,100	37,400	46,600	35,100	19,100	251,900
<b>TOTAL CHANGE 2016-2036</b>	<b>+10,000</b>	<b>+28,600</b>	<b>+29,100</b>	<b>+8,300</b>	<b>+4,600</b>	<b>+1,500</b>	<b>-6,200</b>	<b>-53,700</b>	<b>+22,300</b>

- 4.22 For example, there were 28,900 households aged 25-34 in 2016 and these same households would be aged 45-54 by 2036. The trend-based projection identified that total number of households aged 45-54 in 2036 would be 37,100; therefore, an extra 8,300 households: partly due to new household formations and partly due to net migration.
- 4.23 Based on the cohort analysis, it is apparent that around 80,600 extra households aged under 65 (in 2036) will be likely to form in Durham over the 20-year period 2016-36. We previously noted that the overall growth was 22,300 households over the 20-year period, which is lower than the number of new households forming. Nevertheless, the 80,600 extra household aged under 65 are offset against a reduction of 59,000 households aged 65 or over (in 2036). Most of this reduction is due to household dissolution following death (although some may be due to net migration):
- » 72,800 households were aged 65+ in 2016, who would be aged 85+ in 2036 if they had survived;
  - » The projected number of households aged 85+ in 2036 is 19,100, which represents a reduction of 53,700 households whose existing homes would be vacated.
- 4.24 Whilst the increase in overall households is largely amongst those aged 65+, most of the new households seeking housing will actually be in their twenties and thirties at the time that they form. However, the total number of new households is likely to be over triple the overall household growth; therefore it is also important to recognise that many new households will buy or rent existing housing, and not all new housing will be occupied by new households.

## Projected Household Types

- 4.25 When considering future need for different types of housing, it is important to recognise that households of different ages are likely to have different housing needs. Similarly, households of different types (singles, couples and families) within each age group will also have different housing needs.
- 4.26 Figure 48 shows the household numbers for 2016 and 2036 based on the trend-based projections by household type and age; together with the net change for each group. This is based on the number in each age category rather than the number in each age cohort, as it is assumed that the housing needs are more likely to be influenced by the actual age rather than the year of birth.
- 4.27 In summary:
- » Single person households represent over half of the overall household growth: an increase of 11,400 over the 19-year period, including 6,500 extra single person households aged 85 or over;
  - » Couples without dependent children represent a third of the growth: 7,800 from an increase of 16,200 households aged 65+ offset against a reduction of 8,400 younger couples without children;
  - » Families with dependent children represent less than 20% of the overall growth: an increase of 3,400 households; and
  - » “Other” households show almost no change.
- 4.28 Therefore, over 80% of the household growth is associated with households who require smaller dwellings.

**Figure 48: Total projected households for 2016 and 2035 and summary of 19-year change by household type and age of household representative (Note: Figures may not sum due to rounding)**

Household Type	Age of Household Representative								TOTAL
	15-24	25-34	35-44	45-54	55-64	65-74	75-84	85+	
<b>Total Households 2016</b>									
Single person	1,700	7,300	7,200	11,200	12,600	15,100	11,900	6,500	73,600
Couple without children	1,100	5,400	3,400	7,700	16,900	18,700	10,100	1,500	64,700
Families with child(ren)	4,000	14,300	20,600	17,300	3,100	600	200	100	60,000
Other households	2,000	1,900	1,600	8,800	8,700	4,500	2,700	1,000	31,300
<b>TOTAL</b>	<b>8,800</b>	<b>28,900</b>	<b>32,800</b>	<b>45,000</b>	<b>41,300</b>	<b>38,900</b>	<b>24,900</b>	<b>9,100</b>	<b>229,600</b>
<b>Total Households 2035</b>									
Single person	1,200	8,600	10,400	10,600	12,700	18,100	10,300	13,100	85,000
Couple without children	800	4,800	3,500	3,600	13,300	22,800	20,400	3,300	72,500
Families with child(ren)	5,000	12,300	22,600	17,700	4,000	1,100	400	200	63,400
Other households	2,900	3,000	1,400	5,200	7,400	4,500	4,000	2,500	31,000
<b>TOTAL</b>	<b>10,000</b>	<b>28,700</b>	<b>37,900</b>	<b>37,100</b>	<b>37,400</b>	<b>46,500</b>	<b>35,100</b>	<b>19,100</b>	<b>251,900</b>
<b>Total Change 2016-2035</b>									
Single person	-500	1,300	3,200	-600	100	3,000	-1,600	6,600	11,400
Couple without children	-200	-600	200	-4,100	-3,600	4,100	10,300	1,800	7,800
Families with child(ren)	1,000	-2,000	2,100	400	900	600	200	200	3,400
Other households	900	1,200	-200	-3,600	-1,300	0	1,300	1,500	-300
<b>TOTAL CHANGE</b>	<b>+1,200</b>	<b>-200</b>	<b>+5,100</b>	<b>-7,900</b>	<b>-3,900</b>	<b>+7,600</b>	<b>+10,200</b>	<b>+10,000</b>	<b>+22,300</b>



## People Wishing to Build their Own Homes

- 4.29 Paragraph 50 of the NPPF identifies that local planning authorities should plan for people wishing to build their own homes, and PPG states:

### ***Self-build and custom housebuilding***

*Most local planning authorities (including all district councils and National Park Authorities) are now required to keep a register of individuals and associations of individuals who are seeking to acquire serviced plots of land in their area in order to build their own home. The Self-build and Custom Housebuilding (Register) Regulations 2016 set out these requirements. For further details, see guidance on self-build and custom housebuilding registers.*

*In order to obtain a robust assessment of demand for this type of housing in their area, local planning authorities should assess and review the data held on registers. They should also supplement the data from the registers with secondary data sources such as: building plot search websites, 'Need-a-Plot' information available from the Self Build Portal, and enquiries for building plots from local estate agents.*

**Planning Practice Guidance (September 2018), ID: 2a-020**

- 4.30 It is important to recognise that anyone seeking to build their own property does not add to the LHN for an area. Instead, self-build represents a mechanism for helping to meet the identified need for market and affordable housing of an area.
- 4.31 Over half of the population (53%) say that they would consider building their own home<sup>18</sup> (either directly or using the services of architects and contractors); but it's likely that this figure conflates aspiration with effective market demand. Recent surveys undertaken by ORS have also identified a high level of interest in self and custom build, but again this may have been conflating an aspiration with effective demand. Self-build currently represents only around 10% of housing completions in the UK, compared to rates of around 40% in France and 70 to 80% elsewhere in Europe.
- 4.32 "*Laying the Foundations – a Housing Strategy for England*" (HM Government, 2011)<sup>19</sup> redefined self-build as 'Custom Build' and aimed to double the size of this market, creating up to 100,000 additional homes over the decade. "*Build-it-yourself? Understanding the changing landscape of the UK self-build market*" (University of York, 2013) subsequently set out the main challenges to self-build projects and made a number of recommendations for establishing self-build as a significant contributor to housing supply. The previous Government also established a network of 11 Right to Build 'Vanguards' to test how the 'Right to Build' could work in practice in a range of different circumstances.
- 4.33 In May 2012 a Self-Build Portal<sup>20</sup> run by the National Custom and Self Build Association (NCaSBA) was launched. Figure 49 shows the current registrations from groups and individuals looking for land in County Durham on the 'Need-a-Plot' section of the portal. Whilst there is clearly some interest in self-build across County Durham, this represents only a very limited number of people and an exceptionally small proportion of the overall housing need identified each year over the area.

<sup>18</sup> Building Societies Association Survey of 2,051 UK consumers 2011

<sup>19</sup> <https://www.gov.uk/government/publications/laying-the-foundations-a-housing-strategy-for-england--2>

<sup>20</sup> <http://www.selfbuildportal.org.uk/>

Figure 49: Group and Individual Registrations currently looking for land in County Durham on the ‘Need-a-Plot’ Portal (Source: NCAsBA, May 2018 and Google Maps)



- 4.34 Given the historic low supply of self-build homes and the challenges in bringing schemes forward it seems unlikely that self-build will make a significant contribution locally to meeting housing need in its current form.
- 4.35 Overall, the evidence supports limited demand for self-build. However, this may under-estimate actual demand.

## Housing for Older People

- 4.36 Britain’s population is ageing, and people can expect to live longer healthier lives than previous generations. The older population is forecast to grow to 17.6m by 2035<sup>21</sup> for the over 60s, and from 1.3m (2016) to 3.6m by 2035 for the over 85s. Given this context, PPG recognises the importance of providing housing for older people:

*The future need for specialist accommodation for older people broken down by tenure and type (e.g. sheltered, enhanced sheltered, extra care, registered care) may need to be assessed and can be obtained from a number of online tool kits provided by the sector. Evidence from Joint Strategic Needs Assessments prepared by Health and Wellbeing Boards also provide useful evidence for plan-making authorities. The assessment can also set out the level of need for residential institutions (Use Class C2). Many older people may not want or need specialist accommodation or care and may wish to stay or move to general housing that is already suitable, such as bungalows, or homes which can be adapted to meet a change in their needs. Local authorities will therefore need to identify the role that general housing may play as part of their assessment.*

Planning Practice Guidance (September 2018), ID 2a-020

<sup>21</sup> 2016 Sub National Population Projections

- 4.37 The population projections identify that the population of County Durham is likely to increase from 521,900 persons to 557,800 persons over the 19-year period 2016-35; a 19-year increase of 35,900 persons. The population in older age groups is projected to increase substantially during this period, with an increase in the population aged 65 or over of 40,800, offset by a reduction of 4,900 amongst under 65s. Of this 40,800 growth, nearly three quarters are projected to be 75+ (29,900 persons). This is particularly important when establishing the types of housing required and the need for housing specifically for older people. Whilst most of these older people will already live in the area and many will not move from their current homes; those that do move home are likely to be looking for suitable housing.
- 4.38 The Older People housing options considered in this section follow the definitions in the 2012 Housing Our Ageing Population report (HAPPI2)<sup>22</sup>. This defines specialist provision as mainstream (including adapted and wheelchair homes), specialised housing (including Extra Care and sheltered housing) and Care Homes (including both Registered Nursing and Registered Care Homes). The specialist housing requirements here were modelled using the Housing Learning and Improvement Network (Housing LIN) methodology (2012)<sup>23</sup>. This forecasts future population and then applies a benchmark need for particular housing types per thousand people aged 75+.

**Figure 50: Benchmark Figures for Specialist Accommodation based on Section A of the Strategic Housing for Older People Resource Pack (Housing LIN, ADASS, IPC) 2012<sup>24</sup>**

	Demand per 1,000 persons aged 75+		
	Owned	Rented	TOTAL
Traditional sheltered (rented)	-	60	60
Extra care	30	15	45
Sheltered 'plus' or 'Enhanced' Sheltered	10	10	20
Dementia	-	6	6
Leasehold Schemes for the Elderly (LSE)	120	-	120
<b>Grand Total</b>	<b>160</b>	<b>91</b>	<b>251</b>

- 4.39 These rates provide a useful framework for understanding the potential demand for different forms of older person housing, but neither publication provides any detail about the derivation of the figures.
- 4.40 The More Choice, Greater Voice toolkit recognises that the suggested framework simply:

*“...represents an attempt to quantify matters with explicit numerical ratios and targets. It is contentious, but deliberately so, in challenging those who must develop local strategies to draw all the strands together in a way that quantifies their intentions.” (page 44)*

- 4.41 Based on the growth in population aged 75+ identified (based on the population change implied by housebuilding rates derived from the standard methodology, as opposed to the 2016-SNPP projections discussed above), the table below identifies the potential additional requirement for new specialist housing (using the Housing LIN Older People Resource Pack 2012) for the period 2016-2035. As can be seen, the Housing LIN approach shows a significant need for ownership schemes (e. g. LSE schemes, Extra care, Sheltered 'plus') in County Durham.

<sup>22</sup>[http://www.housinglin.org.uk/library/Resources/Housing/Support\\_materials/Other\\_reports\\_and\\_guidance/Housing\\_our\\_Ageing\\_Population\\_Plan\\_for\\_Implementation.pdf](http://www.housinglin.org.uk/library/Resources/Housing/Support_materials/Other_reports_and_guidance/Housing_our_Ageing_Population_Plan_for_Implementation.pdf)

<sup>23</sup> [www.housinglin.org.uk/housinginlaterlife\\_planningtool](http://www.housinglin.org.uk/housinginlaterlife_planningtool)

<sup>24</sup> Definitions of the types of specialist older people housing schemes are given at Appendix C

**Figure 51: Additional Modelled Demand for Older Person Housing 2016-35 (Source: Housing LIN Toolkit, LHN calc)**

		County Durham
<b>Population aged 75+</b>		
	2016	45,666
	2035	75,532
<b>Change 2016 – 35</b>		<b>29,866</b>
<b>Additional Modelled Demand for Older Person Housing</b>		
Traditional sheltered		1,792
Extra care	Owned	896
	Rented	448
Sheltered 'plus' or 'Enhanced' Sheltered	Owned	299
	Rented	299
Dementia		180
Leasehold Schemes for the Elderly (LSE)		3,584
<b>TOTAL</b>		<b>7,496</b>

4.42 The toolkit identifies future need for 7,496 specialist older person additional housing units of various types over the period 2016-35; however, as dictated by the Housing LIN benchmark figures, almost a half of this need (48%, 3,584 dwellings) is for LSE housing<sup>25</sup> and a total of 4,779 dwellings are for ownership including LSE. The total need for older person housing relating to the LHN of 7,496 dwellings over the 19-year period 2016-35, represents 395 dwellings per year.

<sup>25</sup> The EAC advise: 'Leasehold Schemes for the Elderly (LSE) are run by a small number housing associations and involve you buying a proportion (e.g. 70%) of the equity of the property, the remaining portion being owned by the RSL'. <http://www.firststopcareadvice.org.uk/jargon-leasehold-schemes-for-the-elderly.aspx>

4.43 Current supply indicates that there are presently around 3,300 specialist Older Person housing units in County Durham. Details are shown in Figure 52, where, broadly, ‘housing with support’ equates to traditional sheltered housing and ‘housing with care’ equates to extra care. (NOTE: units per thousand population ratio is based on EAC estimated 75+ population in 2015 of 36,500):

Figure 52: County Durham Supply of Older Persons Housing (Source: EAC 2015<sup>26</sup>. Figures may not sum due to rounding)

County Durham			
			Units
			Units per thousand population aged 75+
Housing with support	Rent		2,465
	Sale		445
	<b>Total</b>		2,910
			79.7
Housing with care	Rent		377
	Sale		0
	<b>Total</b>		377
			10.3
<b>TOTAL</b>			<b>3,287</b>
			<b>90.1</b>

4.44 While the Housing LIN model identifies future need, this is on the basis of existing types of provision (sheltered, extra care etc). It is unclear, at the present time, if Older People will aspire to these types of specialist housing in the future; indeed, demand for some types are already experiencing low demand, and other, newer types of provision may appear to meet changing aspirations in the market. Further, the policy aim of supporting people at home for longer could mean, for example, that floating support services and assistive technologies to older people, in their own homes, could sustain people there longer.

4.45 The table below identifies the potential requirement for new specialist housing using the ORS older people housing model. It is based on the growth of 29,900 persons aged 75+ cited earlier.

Figure 53: Modelled Demand for Older Person Housing (ORS Housing Model)

		Rate per 1,000 persons aged 75+	Gross need 2016	Existing supply 2016	Backlog at start of Plan period	Gross need 2035	New need 2016-35	Total need 2035
Sheltered Housing	Owned	120	5,480	445	5,035	9,064	3,584	8,619
	Rented	60	2,740	2,465	275	4,532	1,792	2,067
Extra Care	Owned	40	1,827	0	1,827	3,021	1,195	3,021
	Rented	31	1,416	377	1,039	2,341	926	1,964
<b>TOTAL</b>		<b>251</b>	<b>11,462</b>	<b>3,287</b>	<b>8,175</b>	<b>18,959</b>	<b>7,496</b>	<b>15,672</b>

<sup>26</sup> <http://www.housingcare.org/downloads/eac%20stats%20on%20housing%20for%20older%20people%20March%202015.pdf>

The EAC ‘acknowledges both the rented and private sectors contain a wide range of housing types intended for older people. The social sector has traditionally distinguished these as Category 1, 2 etc. , but the private sector tends to refer to them all simply as “retirement housing”. This report looks only at schemes that fall within the following definition: “a group of dwellings intended for older people and served by a resident or non-resident warden/scheme manager with specific responsibility for the group”. It is important to note that a considerable proportion of housing intended for older people falls outside this definition, and is therefore excluded. Extra care, assisted living, and other forms of ‘housing with care’ are included.

<sup>4.46</sup> The analysis of the need for specialist older person housing identifies a backlog of 8,175 dwellings at the start of the Plan period in 2016; this comprises a need for 6,862 owner occupied properties (5,035 leasehold sheltered housing units and 1,827 owner occupied extra care homes) and a need for 1,039 rented extra care homes along with a need for 275 conventional sheltered homes for rent (given a supply of 2,465 units set against a need for 2,740 units in 2016).

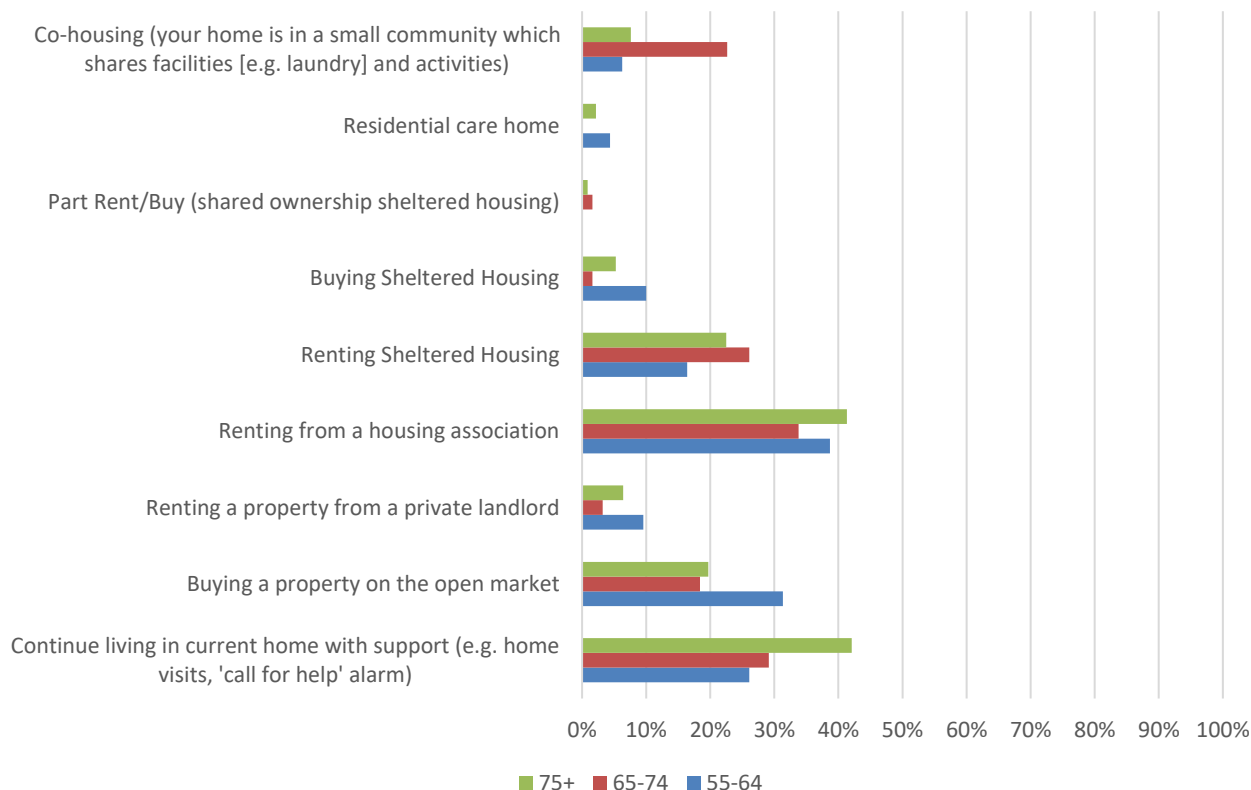
<sup>4.47</sup> Over the 19-year Plan period 2016-35, this analysis identifies an increase in need of around 7,500 additional homes; yielding a total need of around 15,672 dwellings to be provided over the Plan period. These 15,672 dwellings include around 10,700 sheltered homes (8,600 owner occupied and 2,100 for rent) and around 5,000 extra care homes (3,000 owner occupied and 2,000 for rent).

<sup>4.48</sup> Of course, it is important that the delivery of specific schemes for specialist older person housing are considered in partnership with other agencies, in particular those responsible for older person support needs. It will also be important to consider other factors and constraints in the market:

- » **Demographics:** the changing health, longevity and aspirations of Older People mean people will live increasingly healthy longer lives and their future housing needs may be different from current needs;
- » **New supply:** development viability of schemes, and the availability of revenue funding for care and support services, need to be carefully considered before commissioning any new scheme. It will also be important for the Council and its partners to determine the most appropriate types of specialist older person housing to be provided in the area;
- » **Existing supply:** while there is considerable existing specialist supply, this may be either inappropriate for future households or may already be approaching the end of its life. Nevertheless, other forms of specialist older person housing may be more appropriate than conventional sheltered housing to rent when considering future needs;
- » **Other agencies:** any procurement of existing supply needs to be undertaken with other agencies who also plan for the future needs of Older People, particularly local authority Supporting People Teams and the Health Service; and
- » **National strategy and its implications for Older People:** national strategy emphasises Older People being able to remain in their own homes for as long as possible rather than specialist provision, so future need may, again, be overstated.

<sup>4.49</sup> This issue was explored in the household survey which explored the type of housing schemes that older persons would consider now or in the future. The most popular alternatives were to remain in the own home or rent from a housing association. There was also significant interest in renting sheltered housing, but much less interest in older persons schemes to own.

**Figure 54: If relevant now or in the next 5 years, which of the following older persons housing options would you seriously consider? (Source: Durham HNS 2018)**



## Housing for People with Disabilities

4.50 Paragraph 61 of the NPPF identifies that local planning authorities should plan households with specific needs, and PPG states:

### **Households with specific needs**

*There is no one source of information about disabled people who require adaptations in the home, either now or in the future. The Census provides information on the number of people with a long-term limiting illness and strategic policy-making authorities can access information from the Department for Work and Pensions on the numbers of Personal Independence Payment (replacing Disability Living Allowance) / Attendance Allowance benefit claimants. Whilst these data sources can provide a good indication of the number of disabled people, not all of the people included within these counts will require adaptations in the home. Applications for Disabled Facilities Grant will provide an indication of levels of expressed need, although this could underestimate total need. If necessary, plan-making authorities can engage with partners to better understand their housing requirements.*

Planning Practice Guidance (September 2018), ID 2a-020

- 4.51 Personal Independence Payments started to replace the Disability Living Allowance from April 2013, and these are awarded to people aged under 65 years who incur extra costs due to disability (although there is no upper age limit once awarded, providing that applicants continue to satisfy either the care or mobility conditions). Attendance Allowance contributes to the cost of personal care for people who are physically or mentally disabled and who are aged 65 or over. Nevertheless, PPG recognises that neither of these sources provides information about the need for adapted homes as *“not all of the people included within these counts will require adaptations in the home”*.
- 4.52 Disabled Facilities Grants (DFG) are normally provided by Councils and housing associations to adapt properties for individuals with health and/or mobility needs who are owner occupiers, or renting from a private landlord, housing association or council. Grants cover a range of works, ranging from major building works, major adaptations to the property and minor adaptations,
- 4.53 However, PPG notes that whilst patterns of DFG applications *“provide an indication of levels of expressed need”* it cautions that this could *“underestimate total need”*. Of course, it is also important to recognise that DFGs typically relate to adaptations to the existing housing stock rather than new housing provision.
- 4.54 The Government’s reform of Health and Adult Social Care is underpinned by a principle of sustaining people at home for as long as possible. This was reflected in the recent changes to building regulations relating to adaptations and wheelchair accessible homes that were published in the Building Regulations 2010 Approved Document Part M: Access to and use of buildings (2015 edition incorporating 2016 amendments – for use in England).<sup>27</sup> Three standards are covered:
- » M4(1) Category 1: Visitable dwellings – Mandatory, broadly about accessibility to ALL properties
  - » M4(2) Category 2: Accessible and adaptable dwellings – Optional, similar to Lifetime Homes
  - » M4(3) Category 3: Wheelchair user dwellings – Optional, equivalent to wheelchair accessible standard.
- 4.55 Given that the existing stock is considerably larger than projected new build, adapting existing stock through DFGs is likely to form part of the solution. However, the English Housing Survey identifies that approaching half of all existing dwellings could not be adapted or would require major works in order for them to be made fully visitable. On this basis, adapting existing stock alone is unlikely to provide sufficient properties to meet the needs of a growing older population.

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<sup>27</sup> <https://www.gov.uk/government/publications/access-to-and-use-of-buildings-approved-document-m>



Figure 55: Level of work required to create full visitability (Source: EHS 2014-15 Annex Figure 2.5)



4.56 In terms of new developments, Part M states that: “Where no condition is imposed, dwellings only need to meet requirements M4(1)” (Paragraph 0.3). Local authorities should identify the proportion of dwellings in new developments that should comply with the requirements for M4(2) Category 2 and M4(3) Category 3 as part of the Local Plan, based on the likely future need for housing for older and disabled people (including wheelchair user dwellings) and taking account of the overall impact on viability.

4.57 Planning Practice Guidance for Housing optional technical standards states:

*Based on their housing needs assessment and other available datasets it will be for local planning authorities to set out how they intend to approach demonstrating the need for Requirement M4(2) (accessible and adaptable dwellings), and / or M4(3) (wheelchair user dwellings), of the Building Regulations.*

*To assist local planning authorities in appraising this data the Government has produced a summary data sheet. This sets out in one place useful data and sources of further information which planning authorities can draw from to inform their assessments. It will reduce the time needed for undertaking the assessment and thereby avoid replicating some elements of the work.*

Planning Practice Guidance (March 2015), ID 56-007

- 4.58 Building Regulations for M4(2) Category 2: Accessible and adaptable dwellings states that reasonable provision should be made for people to gain access to and use the facilities of the dwelling and that:

*“The provision made must be sufficient to-*

*(a) meet the needs of occupants with differing needs, including some older or disabled people, and;*

*(b) to allow adaptation of the dwelling to meet the changing needs of occupants over time.” (Page 10)*

- 4.59 On this basis, in establishing the need for M4(2) Category 2 housing it is important to consider the population projections and health demographics of the area.
- 4.60 When considering the housing mix, the SHMA identified that many households moving into new housing are likely to be younger at the time that they form. However, these will include some households with mobility problems. Furthermore, it is likely that the needs of these households will change over time – partly through progressive change as health deteriorates with households get older, but also immediate change following an accident or health condition impacting mobility. Some households may also gain additional members with existing conditions, including children born with disabilities.
- 4.61 The SHMA also identified a substantial growth in older households, although many of these will not move from their current home and will make adaptations as required to meet their needs. However, a large number of older households will still choose to move to an accessible home and others may have to move where it is not viable for their current home to be adapted. Not all of these households want to live in specialist older person housing, so it is important to ensure that accessible general needs housing that is suitable for older people is also provided. This will often free up family housing occupied by older households.
- 4.62 Not all health problems will affect households’ housing needs. Data from the English Housing Survey (Figure 56) identifies that 70.9% of households have no limiting long-term illness or disability with a further 20.3% where there is a household member with an illness or disability but this does not affect their housing need. Nevertheless, around 8.8% of households (around 1 in every 12) have one or more persons with a health problem which requires adaptations to their home. The proportion is markedly higher in affordable housing than in market housing (19.8% and 6.5% respectively).
- 4.63 Within this group, the substantial majority of households (82.6%) live in a home that is suitable for their needs (either having already moved or adapted their existing home). Nevertheless, just over 17% of households with a disability that affects their housing need either require adaptations or need to move to a more suitable home, which equates to 1.5% of all households.

**Figure 56: Households with a long-term illness or disability that affects their housing needs (Source: English Housing Survey)**

	Market housing	Affordable housing	TOTAL
Households without limiting long-term illness or disability	75.2%	50.2%	70.9%
<b>Households with one or more persons with a limiting long-term illness or disability</b>			
Does not affect their housing need	18.3%	29.9%	20.3%
Current home suitable for needs	5.4%	16.2%	7.3%
Current home requires adaptation	0.6%	1.6%	0.8%
Need to move to a more suitable home	0.5%	2.0%	0.7%
<b>Total households where a limiting long-term illness or disability affects their housing need:</b>	<b>6.5%</b>	<b>19.8%</b>	<b>8.8%</b>
<b>Of those households where a limiting long-term illness or disability affects their housing need:</b>			
Current home suitable for needs	83.1%	81.9%	82.6%
Current home requires adaptation	9.4%	8.1%	8.9%
Need to move to a more suitable home	7.4%	10.0%	8.4%

- 4.64 Through combining the national data from the English Housing Survey with data about relative levels of limiting long-term illness and disability in County Durham, it is possible to estimate the number of households likely to require adaptations or needing to move to a more suitable home in the housing market area.
- 4.65 Figure 57 identifies that there were around 90,431 households living in County Durham in 2016 with one or more persons with a limiting long-term illness or disability. This included around 28,800 households where their health problems affected their housing needs, but the majority of these households (around 23,750) were already living in a suitable home. However, at the start of the Plan period in 2016, it is estimated that there were around 2,600 households needing to move to a more suitable home due to a disability or another long-term health problem. These households would represent an existing need for M4(2) housing, however some of these households would be wheelchair users needing M4(3) housing. A further 2,500 households needed adaptations to their current home.

**Figure 57: Households with a long-term illness or disability in County Durham in 2016 by effect on housing need (Source: ORS Housing Model. Note: Figures may not sum due to rounding)**

	TOTAL
<b>Households with one or more persons with a limiting long-term illness or disability</b>	90,431
Does not affect their housing need	61,588
Current home suitable for needs	23,735
Current home requires adaptation	2,523
Need to move to a more suitable home	2,585
<b>Total households where a limiting long-term illness or disability affects their housing need:</b>	<b>28,843</b>

- 4.66 The identified need for 2,600 adapted homes at the start of the Plan period is based on households' current needs. The M4(2) standard also requires "the changing needs of occupants over time" to be considered. Therefore, even without any change to the number of households in County Durham, the number of households with one or more persons with a limiting long-term illness or disability will increase over time as people get older.

- 4.67 Whilst around 28,800 households living in County Durham in 2016 had a health problem that already affected their housing requirement, it is likely that a further 11,700 households would develop health problems within 10 years. These households would also require adaptations to their current home or would need to move to a more suitable home.
- 4.68 Based on the household projections and the overall housing need identified by the SHMA, we can establish the future need for adapted housing in the housing market area based on the projected household growth and the changing demographics of the area.
- 4.69 Further modelling of health needs suggests that by 2035 there will be an additional 41,100 households either already experiencing health problems or likely to develop health problems within 10 years. Some of these will be new households, but many will be existing households resident in 2016 whose health has deteriorated over the Plan period.
- 4.70 Therefore, considering the needs of households resident at the start of the Plan period together with the projected household growth and changing demographics (in particular the ageing population), there will be a total of 41,100 households either needing adaptations to the existing housing or suitable new housing to be provided. This is in addition to the 2,600 households needing to move and the 2,500 households needing adaptations based on their current health at the start of the Plan period.

**Figure 58: Households with a long-term illness or disability in County Durham in 2016 and 2035 by effect on housing need**  
(Source: ORS Housing Model. Note: Figures may not sum due to rounding)

	TOTAL
<b>Households where an existing illness or disability affects their housing need in 2016</b>	
Current home suitable for needs	23,735
Current home requires adaptation	2,523
Need to move to a more suitable home	2,585
<b>Total households where a limiting long-term illness or disability affects their housing need in 2016</b>	<b>28,843</b>
Existing households in 2016 likely to develop health problems that affect their housing need within 10 years	11,737
Additional households in 2035 projected to experience problems or likely to develop problems within 10 years	29,393
<b>Additional households in 2035 where illness or disability affects their housing need or will develop within 10 years</b>	<b>41,131</b>

- 4.71 To provide M4(2) housing for all of the identified need would require housing for 41,100 households to be provided. However, not all households will want to move to new housing – some will adapt their current homes and others will move to another dwelling in the existing stock.
- 4.72 Although some households would prefer not to move, Figure 55 identified that many existing homes were not suitable for adaptation to meet the M4(1) Category 1 standard and others would require major works. Fewer dwellings would be adaptable to the M4(2) Category 2 standard given the additional requirements. Based on the housing mix in County Durham, it is likely that around 58% of all dwellings could be converted to meet the M4(1) standard.

- 4.73 Whilst the proportion that could be converted to meet the M4(2) standard would be lower, this provides a reasonable upper estimate of the number of households likely to be able to adapt existing homes rather than move to new housing. On this basis, we could assume that at least 42% of the additional households where illness or disability affects their housing need would move to new housing: 17,400 households. Together with the 2,600 households identified as needing to move at the start of the Plan period, this would represent a total of 20,000 households.

**Figure 59: Households with a long-term illness or disability in County Durham in 2016 and 2035 by effect on housing need**  
(Source: ORS Housing Model. Note: Figures may not sum due to rounding)

	TOTAL
<b>Existing need in 2016</b>	
Households where an existing illness or disability affects their housing need and need to move in 2016	2,585
<b>Projected future need 2016-35</b>	
Additional households in 2035 where illness or disability affects their housing need or will develop within 10 years	41,131
<b>Maximum need for adapted housing 2016-35 (households)</b>	<b>43,716</b>
Less households living in dwellings adaptable to M4(1) standard	23,702
<b>Minimum need for adapted housing 2016-35 (households)</b>	<b>20,014</b>

- 4.74 There is inevitably uncertainty about how many households will be able to meet their housing needs without moving and how many will move to existing homes rather than new housing. Nevertheless, the minimum of 20,000 households and maximum of 43,700 households identified in Figure 59 provide an appropriate range for the local authority to consider. Even the lower end of this scale represents 80% of the planned housing requirement for County Durham.
- 4.75 It is important to recognise that this would represent the combined need for both M4(2) Category 2 and M4(3) Category 3 housing; for households with a wheelchair user would be included within those households counted as having a health problem or disability that affects their housing need.

### Housing for Wheelchair Users

- 4.76 Building Regulations for M4(3) Category 3: Wheelchair user dwellings also states that reasonable provision should be made for people to gain access to and use the facilities of the dwelling and that:

*“The provision made must be sufficient to-*

*(a) allow simple adaptation of the dwelling to meet the needs of occupants who use wheelchairs, or;*

*(b) to meet the needs of occupants who use wheelchairs.” (Page 23)*

- 4.77 On this basis, in establishing the need for M4(3) Category 3 housing it is again important to consider the population projections and health demographics of the area, but with specific reference to households with wheelchair users.

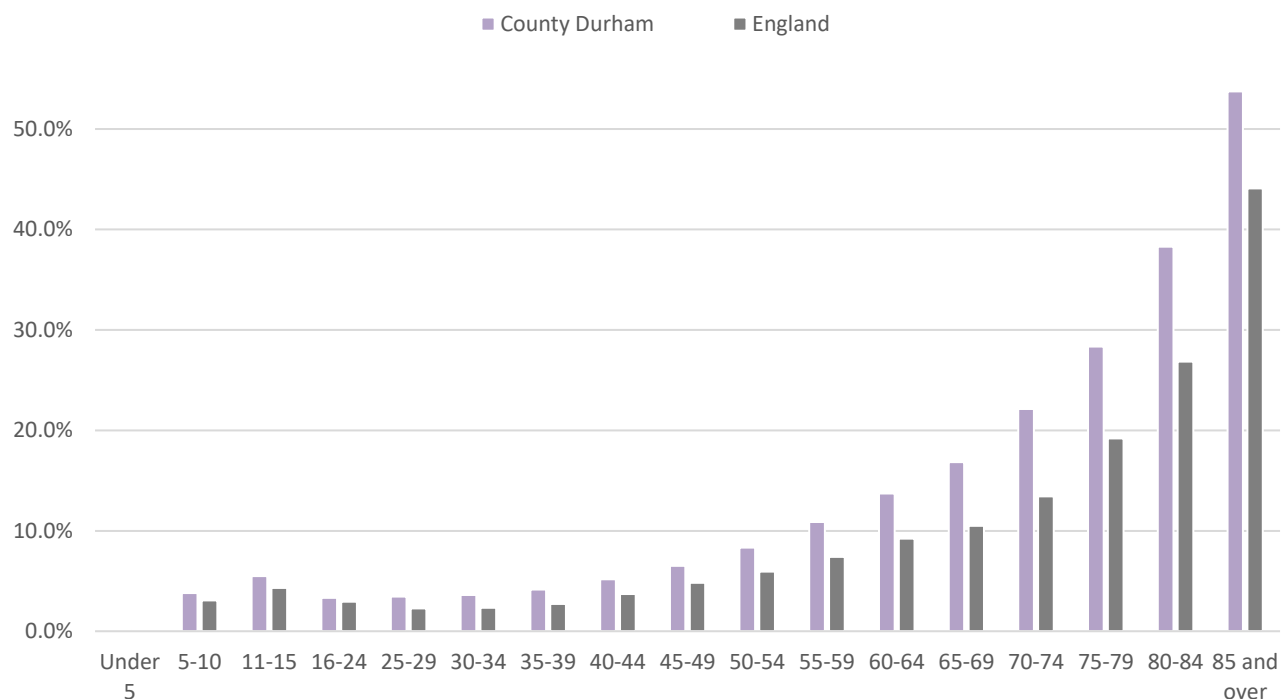
- 4.78 The CLG guide to available disability data<sup>28</sup> (referenced by PPG ID 56-007) shows that around 1-in-30 households in England (3.3%) currently have at least one wheelchair user, although the rate is notably higher for households living in affordable housing (7.1%). The rates are also higher for older households. Figure 60 identifies the proportion of households in England with a wheelchair user currently living in market housing and affordable housing by age of household representative.

**Figure 60: Percentage of households with a wheelchair user by type of housing and age of household representative**  
(Source: English Housing Survey 2013-14)

Housing Type	Age of Household Representative							
	15-24	25-34	35-44	45-54	55-64	65-74	75-84	85+
<b>Housing type</b>								
Market housing	< 0.1%	0.4%	1.0%	1.6%	3.0%	4.0%	6.1%	9.3%
Affordable housing	0.3%	2.0%	2.9%	6.0%	6.0%	10.3%	12.7%	19.9%

- 4.79 Figure 61 compares the proportion of disability benefit claimants in receipt of mobility award (the majority of whom will be wheelchair users) for County Durham against the figures for England.

**Figure 61: Disability benefit claimants in receipt of mobility award by age** (Source: DWP, May 2016)



- 4.80 Through combining the information on local rates with the national data, we can establish the proportion of households in County Durham likely to have a wheelchair user by the age of the household representative in market housing and affordable housing (Figure 62).

**Figure 62: Percentage of households with a wheelchair user by type of housing and age of household representative**

Housing Type	Age of Household Representative							
	15-24	25-34	35-44	45-54	55-64	65-74	75-84	85+
<b>County Durham</b>								
Market housing	< 0.1%	0.4%	1.0%	1.7%	3.2%	4.6%	7.4%	11.9%
Affordable housing	0.3%	2.1%	3.0%	6.2%	6.4%	11.5%	15.0%	24.5%

<sup>28</sup> <https://www.gov.uk/government/publications/building-regulations-guide-to-available-disability-data>

- 4.81 Figure 63 identifies the net change in the number of households with a wheelchair user over the period 2016 to 2035. It is evident that the number of households likely to need wheelchair adapted housing in County Durham is likely to increase by 3,090 over the 19-year period, equivalent to around 13.9% of the overall housing requirement.

**Figure 63: Households needing Wheelchair Adapted Housing (Source: ORS Housing Model. Note: Figures may not sum due to arithmetic rounding)**

Modelled Need for Wheelchair Adapted Housing	Households aged under 75			Households aged 75+			Overall change 2016-35	% of Housing requirement
	2016	2035	Net change 2016-35	2016	2035	Net change 2016-35		
Market housing	3,220	3,220	0	2,060	3,310	1,250	1,240	17.6%
Affordable housing	2,910	3,310	400	1,750	3,190	1,440	1,840	12.1%
<b>Total</b>	<b>6,130</b>	<b>6,530</b>	<b>400</b>	<b>3,810</b>	<b>6,500</b>	<b>2,690</b>	<b>3,090</b>	<b>13.9%</b>

- 4.82 **The evidence supports the need for a target of 14% of all housing to meet M4(3) Category 3 requirements.** Based on the earlier conclusion that around 80% of all new housing should be suitable for the needs of households with health problems or disabilities that affect their housing requirement, we can therefore conclude that **the evidence also supports the need for a target of 66% of all housing to meet M4(2) Category 2 requirements**
- 4.83 However, it is important to recognise that over half of the identified growth in households with wheelchair users (2,700 households, equivalent to 85%) are aged 75 or over, and it is likely that many of these households would also be identified as needing specialist housing for older persons. The earlier analysis identified a need for around 7,500 specialist older person housing units for households aged 75 or over in County Durham. Whilst not all households needing wheelchair adapted housing will live in specialist older person housing, at any point in time it is likely that around a quarter of those living in specialist housing will need wheelchair adapted homes – but it is likely that some older households will start using a wheelchair whilst living in specialist housing if their health deteriorates. On this basis, it may be appropriate to adopt higher targets for specialist housing for older persons that is wheelchair accessible, and this could reduce the proportion of general needs housing that would need to meet the M4(3) Category 3 requirements. **The evidence supports the need for a target of at least 25% and ideally 50% or more of specialist housing for older people to meet M4(3) Category 3 requirements; and all specialist housing for older people should meet M4(2) Category 2 requirements.**

## Service Families

- 4.84 Paragraph 61 of the NPPF identifies that local planning authorities should plan for the needs of different groups in the community, including service families. Local planning authorities should:

*Within this context, the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies (including, but not limited to, those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes*

National Planning Policy Framework (July 2018), Paragraph 61

## The Armed Forces in County Durham

4.85 Figure 64 below show breakdowns of total deployment of military personnel in County Durham over time:

**Figure 64: Deployment of Ministry of Defence personnel by location, October (Source: MOD Quarterly Location Reports. Figures may not sum due to rounding)**

Durham		Personnel	2012	2013	2014	2015	2016	2017
		Military	Total Officers	10	10	10	10	10
Total Other Ranks	10		20	10	10	10	10	10
<b>Military Total</b>	<b>20</b>		<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>10</b>
Civilian	Non-Industrial	10	10	10	20	10	10	10
	Industrial	20	20	20	10	10	10	10
	<b>Civilian Total</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>20</b>	<b>20</b>	<b>20</b>
<b>Grand Total</b>		<b>50</b>	<b>60</b>	<b>50</b>	<b>50</b>	<b>40</b>	<b>30</b>	

4.86 It is clear from Figure 64 that numbers of MOD personnel deployed in County Durham has remained negligible and is having no impact on the housing needs for the area.

## Student Housing

4.87 PPG includes specific reference to identifying the needs of students:

*Strategic policy-making authorities need to plan for sufficient student accommodation whether it consists of communal halls of residence or self-contained dwellings, and whether or not it is on campus. Encouraging more dedicated student accommodation may provide low cost housing that takes pressure off the private rented sector and increases the overall housing stock. Strategic policy-making authorities are encouraged to consider options which would support both the needs of the student population as well as local residents before imposing caps or restrictions on students living outside of university-provided accommodation. They will also need to engage with universities and other higher educational establishments to ensure they understand their student accommodation requirements.*

Planning Practice Guidance (September 2018), ID 2a-020

4.88 Figure 65 shows full-time student numbers registered at the University of Durham between 2008/09 and 2016/17. From the point of view of the LHN figure of 1,368 the key dates are 2008/09 and 2013/14 because the migration data underwriting this figure are drawn from 2009 to 2014. Over the period 2009-2014 there was almost no change in the number of students attending the University of Durham. This means that they would have had almost no impact on the level of net migration to Durham in this time period.



**Figure 65: Student Numbers: University of Durham (Source: HESA)**

Academic Year	Total Students
2008/09	16,845
2009/10	16,080
2010/11	16,355
2011/12	16,570
2012/13	16,800
2013/14	17,190
2014/15	17,595
2015/16	17,810
2016/17	18,353

- 4.89 However, while past trends indicate no growth in student numbers, the university does have plans to add up to an additional 4,000 students over the plan period. These students are not counted in the migration data which underwrites the population projections, so students are not fully counted in the LHN.
- 4.90 The household projections for the LHN did not assume any growth of students living in communal establishments, so any net increase in bedspaces provided in specialist accommodation could reduce the demand from student households. The housing delivery test indicates that these can be counted at a rate of 2.5 bedspaces per dwelling.

## Gypsies and Travellers

- 4.91 Planning Policy for Traveller Sites (PPTS) came into force in March 2012 and was updated in August 2015. This document sets out the Government's policy for Gypsies and Travellers and represents the only policy for a particular household group which is not directly covered by the NPPF. However, at paragraph 1 PPTS notes that:

*This document sets out the Government's planning policy for traveller sites. It should be read in conjunction with the National Planning Policy Framework.*

**Planning Policy for Traveller Sites, paragraph 1**

- 4.92 We would also note that a change introduced by the Housing and Planning Act 2016 is the removal of the 2 sections in the 2004 Housing Act that placed a statutory requirement on Councils to conduct a specific assessment of need for Travellers. However, PPTS still sets out that local planning authorities should make their own assessment of need for the purposes of planning Traveller sites, but that this only relates to households who meet the new planning definition of travelling.
- 4.93 The Housing and Planning Act also introduces a new duty (under Section 8 of the 1985 Housing Act that covers the requirement for a periodical review of housing needs) for local authorities to consider the needs of people residing in or resorting to their district with respect to the provision of sites on which caravans can be stationed, or places on inland waterways where houseboats can be moored. Draft Guidance related to this section of the Act has been published setting out how the government want local housing authorities to

undertake this assessment and it is essentially the same as the GTAA assessment process - referring specifically for example to concealed or doubled-up households and unauthorised encampments.

4.94 The County Durham 2015 Traveller Site Needs Assessment has been updated to reflect the change to the definition of Gypsies and Travellers for planning purposes.

4.95 This new definition excludes members of these communities who have permanently stopped travelling. It is important that need is still addressed for those that do not meet the definition.

4.96 The main conclusions of the 2018 Traveller Site Needs Assessment were:

- » A need has been identified for 6 additional Gypsy and Traveller households over the twenty-year period from 2016 to 2035
- » None of these are likely to meet the PPTS definition
- » Five-year supply (1.5 pitches) is met from 3 vacant pitches to let on a private site at Drum Lane (adjacent to the Council site) and the 4 currently vacant pitches on the Council's own sites
- » Waiting list and turnover data suggests there is no substantial and immediate need for new pitches evident at the present time.

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# Appendix B

## Compliance with Guidance

This section considers how this SHMA complies with national guidance

Requirement	Relevant Guidance	Location in the Report
Local Housing Need as required by NPPF 2018, paragraph 60	Housing need assessment Guidance September 2018, paragraphs 1-17	Chapter 1, pages 13-16 cover the Local Housing Need for County Durham
Size, type and tenure of affordable housing as required by NPPF 2018, paragraph 61	Housing need assessment Guidance September 2018, paragraphs 21-27	Chapter 3 covers all affordable housing needs for County Durham including the backlog of need at 2016, newly arising need until 2035 and the need for affordable housing to own
The need for housing for different groups in the community as required by NPPF 2018, paragraph 61	Housing need assessment Guidance September 2018, paragraph 20	Chapter 4 covers the needs of all groups required to be assessed under the NPPF
Housing Market Area	Guidance on Plan Making September 2018, paragraph 10	Chapter 2 of this SHMA considers the Housing Market Area covering Durham

# Appendix C

## Glossary of Terms

### Definitions

**Affordability** is a measure of whether housing may be afforded by certain groups of households.

**Affordable housing** includes social rented and intermediate housing, provided to specified eligible households whose needs are not met by the market. For the purpose of this report we have used the definition in the National Planning Policy Framework 2018, which specifies the main categories of affordable housing to be: affordable housing for rent; starter homes; discounted market sales housing (sold at a discount of at least 20% below market value); shared ownership, relevant equity loans, other low cost homes for sale and rent to buy

**Category 2 and 3** are classifications of wheelchair accessible housing. They refer to building regulations Approved Document M (2015) which introduced three categories of accessible dwellings. Category 1 (visitable dwellings) relates to accessibility of all properties and, being mandatory, is not assessed in the SHMA. Category 2 (accessible and adaptable dwellings) is optional and similar to Lifetime Homes. Category 3 (wheelchair user dwellings) is optional and equivalent to wheelchair accessible standard.

**Census Output Area** is the smallest area for which UK Census of Population statistics are produced. Each Census Output Area had a population of around 250 people with around 100 dwellings at the time of the 2001 Census.

**Concealed families** are defined as; *“family units or single adults living within other households, who may be regarded as potential separate households which may wish to form given appropriate opportunity”*<sup>29</sup>.

**ECO** underpins the Green Deal and places obligations on energy companies to facilitate installation of energy efficiency measures in homes. ECO fits within the Green Deal framework where Green Deal finance alone is not enough.

**Equity** is the difference between the selling price of a house and the value of the outstanding mortgage.

**Green Deal** is a market led framework that will allow individuals and businesses to make energy efficiency improvements to their buildings at no upfront cost. Finance needed for the improvements is repaid, in instalments, attached to an electricity bill.

**Headship rates** are defined by CLG as: *“the proportion of people in each age group and household type who are the ‘head’ of a household”*<sup>30</sup>

**A household** is one person living alone, or two or more people living together at the same address who share at least one meal a day together or who share a living room.

**Household formation** refers to the process whereby individuals in the population form separate households. ‘Gross’ or ‘new’ household formation refers to households that form over a period of time, conventionally one year. This is equal to the number of households existing at the end of the year that did not exist as separate households at the beginning of the year (not counting ‘successor’ households, when the former

<sup>29</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/6338/1776873.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6338/1776873.pdf)

<sup>30</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/182417/MethodologyFinalDraft.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/182417/MethodologyFinalDraft.pdf)

head of household dies or departs). 'Net' household formation is the net growth in households resulting from new households forming less the number of existing households dissolving (e. g. through death or joining up with other households).

**A Housing Association or Registered Provider** is an independent not-for-profit body that primarily provides low-cost "social or affordable housing" for people in housing need.

**Housing demand** is the quantity of housing that households are willing and able to buy or rent.

**Household income** includes all salaries, benefits and pensions, before deductions such as tax and National Insurance.

**House in Multiple Occupation** are currently defined by the Housing Act 2004 as:

- » an entire house or flat which is let to three or more tenants who form two or more households and who share a kitchen, bathroom or toilet;
- » a house which has been converted entirely into bedsits or other non-self-contained accommodation and which is let to three or more tenants who form two or more households and who share kitchen, bathroom or toilet facilities;
- » a converted house which contains one or more flats which are not wholly self-contained (i.e. the flat does not contain within it a kitchen, bathroom and toilet) and which is occupied by three or more tenants who form two or more households; and
- » a building which is converted entirely into self-contained flats if the conversion did not meet the standards of the 1991 Building Regulations and more than one-third of the flats are let on short-term tenancies.

**Housing market areas** are geographical areas in which a substantial majority of the employed population both live and work and where those moving house without changing employment choose to stay.

**Housing need** is the quantity of housing required for households who are unable to access suitable housing without financial assistance.

**Housing requirements** encompasses both housing demand and housing need, and is therefore the quantity of housing necessary for all households to have access to suitable housing, irrespective of their ability to pay.

**Housing type** refers to the type of dwelling, for example, flat, house, specialist accommodation.

**Intermediate affordable housing** is housing at prices and rents above those of social rent, but below market price or rents, and which meet the criteria for affordable housing set out above. These include shared equity products (e. g. HomeBuy), other low cost home ownership products and intermediate rent.

**Lending multiplier** is the number of times a household's gross annual income a mortgage lender will normally be willing to lend. The most common multipliers quoted are 3.5 times income for a one-income household and 2.9 times total income for dual income households.

**Low cost home ownership or Shared ownership** is intermediate affordable housing designed to help people who wish to buy their own home, but cannot afford to buy outright (with a mortgage). Through this type of scheme you buy a share in the property with a Housing Association or other organisation.

**Lower quartile** means the value below which one quarter of the cases falls. In relation to house prices, it means the price of the house that is one-quarter of the way up the ranking from the cheapest to the most expensive.



**Lower Super Output Area** is a group of around 5-6 Census Output Areas and is the smallest geography for many Government statistics. Each Lower Super Output Area had a population of around 1,250 people with around 500 dwellings at the time of the 2001 Census.

**Market housing** is private housing for rent or for sale, where the price is set in the open market.

**Market signals** are indicators that supply and demand are not in balance for a local housing market. Possible market signals are listed in PPG and the following are the most pertinent; house prices, private sector rents, affordability, rate of development and overcrowding.

**Migration** is the movement of people between geographical areas. In this context it could be either local authority districts, or wider housing market areas. The rate of migration is usually measured as an annual number of individuals, living in the defined area at a point in time, who were not resident there one year earlier. Gross migration refers to the number of individuals moving into or out of the authority. Net migration is the difference between gross in-migration and gross out-migration.

**A projection of housing needs or requirements** is a calculation of numbers expected in some future year or years based on the extrapolation of existing conditions and assumptions. For example, household projections calculate the number and composition of households expected at some future date(s) given the projected number of residents, broken down by age, sex and marital status, and an extrapolation of recent trends in the propensity of different groups to form separate households.

**Registered Social Landlord/Registered Provider** see Housing Association.

**Secondary data** is existing information that someone else has collected. Data from administrative systems and some research projects are made available for others to summarise and analyse for their own purposes (e. g. Census, national surveys).

**Shared ownership** see Low Cost Home Ownership.

**Social rented housing** is provided by social landlords and rented for less than would be paid if renting privately.

**Specialised housing** refers to specially designed housing (such as mobility or wheelchair accommodation, hostels or group homes) or housing specifically designated for particular groups (such as retirement housing).

## Acronyms and Initials

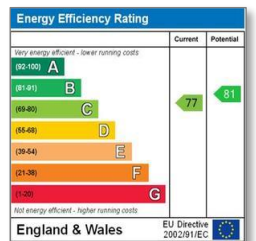
<b>ASHE</b>	Annual Survey of Hours and Earnings
<b>BME</b>	Black and Minority Ethnic
<b>BRMA</b>	Broad Rental Market Area
<b>CACI</b>	Private sector company providing modelled data
<b>CORE</b>	The Continuous Recording System (for Housing Association and Local Authority lettings)
<b>DEFRA</b>	Department for Environment, Food and Rural Affairs
<b>DWP</b>	Department of Work and Pensions
<b>GIS</b>	Geographical Information Systems
<b>HBF</b>	Home Builders Federation
<b>HMO</b>	House in Multiple Occupation
<b>IMD</b>	Indices of Multiple Deprivation
<b>LA</b>	Local Authority
<b>LDF</b>	Local Development Framework
<b>LDP</b>	Local Development Plan
<b>LHA</b>	Local Housing Allowance
<b>LHNA</b>	Local Housing Needs Assessment
<b>NHSCR</b>	National Health Service Central Register
<b>NPPF</b>	National Planning Policy Framework
<b>ONS</b>	Office for National Statistics
<b>ORS</b>	Opinion Research Services
<b>POPPI</b>	Projecting Older Person Population Information
<b>REIT</b>	Real Estate Investment Trust
<b>RSL</b>	Registered Social Landlord
<b>SAR</b>	Share Accommodation Rate
<b>SHMA</b>	Strategic Housing Market Assessment



# County Durham Housing Needs Survey 2018

## Report of Findings

January 2019





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# 1. Introduction

## Project Overview

- 1.1 Opinion Research Services (ORS) was commissioned by Durham County Council to undertake a Strategic Housing Market Assessment for the County.
- 1.2 The study included research addressing the following themes:
  - » Defining housing market area;
  - » The level of need for market housing;
  - » The level of existing need for affordable housing;
  - » The level of projected future need for affordable housing;
  - » The amount and size [i.e. number of bedrooms], of new market and affordable properties required to meet these needs;
  - » The amount and type of new shared ownership properties required to meet that need;
  - » The role and capacity of the private rented sector in meeting housing need.
  - » Identification of the housing requirements of specific groups, including:
    - Older people
    - People with disabilities
    - Armed forces
    - Student housing
    - Gypsies and travellers
- 1.3 In parallel with that study, a household survey of current residents of County Durham was carried out. Surveys were sent to 6,000 randomly selected residential addresses selected, split equally across the nine local plan monitoring areas comprising County Durham (Central Durham, Durham City, East Durham, Mid Durham, North Durham, North West Durham, South Durham, South East Durham, West Durham). Of these 6,000 surveys, 1,388 were returned, a response rate of 23%.
- 1.4 This document presents the results of the survey. These results have been weighted to reflect the known age distribution of the population of County Durham.

## 2. Survey Overview

### Survey Content

- 2.1 The survey contained questions on the following topics:
- » Your Home;
  - » Moving Home;
  - » Separate Homes for New Households; and
  - » Profile Information
- 2.2 This report presents the key findings of the survey. Throughout this study the person responding to the survey will be referred to as the respondent, and in questions which refer to all people in the household they will be referred to as household members.
- 2.3 The reader must be aware that that the results represent only the views of those who responded to the survey. It is unlikely that those who did respond to the survey represent a random sample of all households in County Durham. It is also possible that those who responded to the survey are more likely to have current housing issues, but it is also the case with surveys that older respondents and owner occupiers are more likely to respond than younger households and those in the private rented sector. This profile of respondents by age and tenure is not unique to County Durham; it is common in many housing needs surveys. This effect has been somewhat mitigated through weighting of responses by age, however it cannot be completely excluded since the problem of potential inaccuracy increases as sample sizes get smaller. As such, the reader should be mindful that answers selected by very few respondents are likely to be less accurate representations of the population as a whole.
- 2.4 The number of surveys sent out and returned by sub-area are shown in Figure 1.

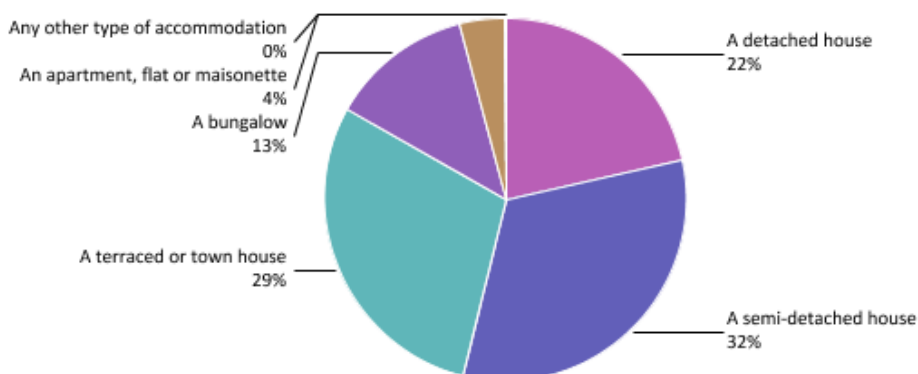
Figure 1: Number of Surveys and Response Rate by Sub-Area (Source: County Durham Housing Needs Survey 2018)

Sub-Area	Number of Surveys Sent	Number of Surveys Returned	Percentage Response rate
Central Durham	667	151	22.7%
Durham City	666	185	27.9%
East Durham	667	115	17.3%
Mid Durham	667	145	22.0%
North Durham	667	148	22.3%
North West Durham	667	143	21.5%
South Durham	667	145	21.9%
South East Durham	666	177	26.6%
West Durham	666	179	27.0%
<b>Total</b>	<b>6,000</b>	<b>1,388</b>	<b>23.1%</b>

## 3. Section A - Your Home

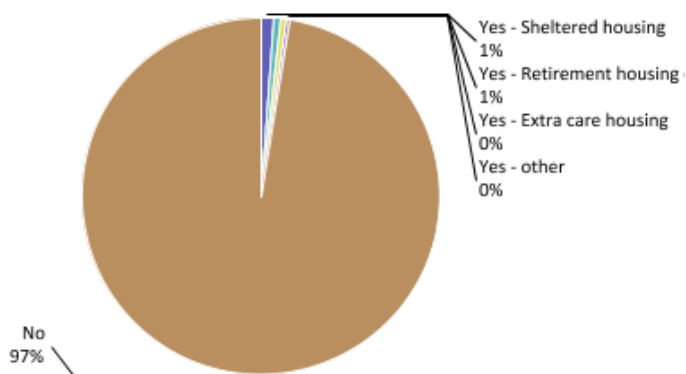
- 3.1 This section of the survey considered the existing housing stock in County Durham and the households who occupy it. The first question established the type of accommodation respondents occupy:

Figure 2: "Which of the following best describes your accommodation?" (Durham HNS 2018)



- 3.2 96% of respondents live in a house, most commonly a semi-detached property (Figure 2). Proportionally, very few (4%) respondents live in flats. Census 2011 suggests that in County Durham, 5.6% of households lived in flats in 2011, so the survey results support the position that Durham remains considerably below the national average of 22% (Census 2011) in this regard.

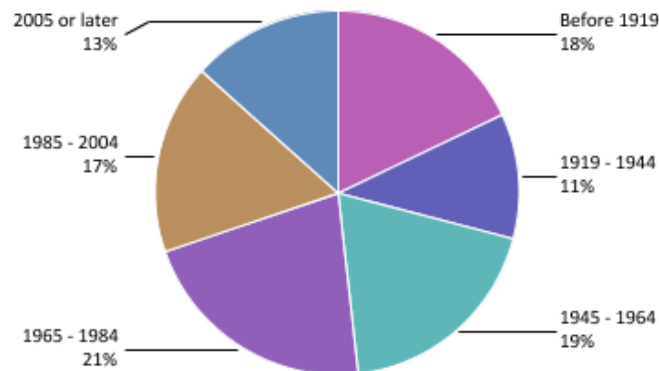
Figure 3: "Is your home part of a sheltered housing scheme or other type of specialist housing?" (Durham HNS 2018)



- 3.3 Approximately 3% of respondents live in sheltered housing, retirement housing, extra care housing or other (Figure 3). Of this 3%, 42% are living in sheltered accommodation and 29% in a retirement housing complex. The remainder are living in extra care or other accommodation.

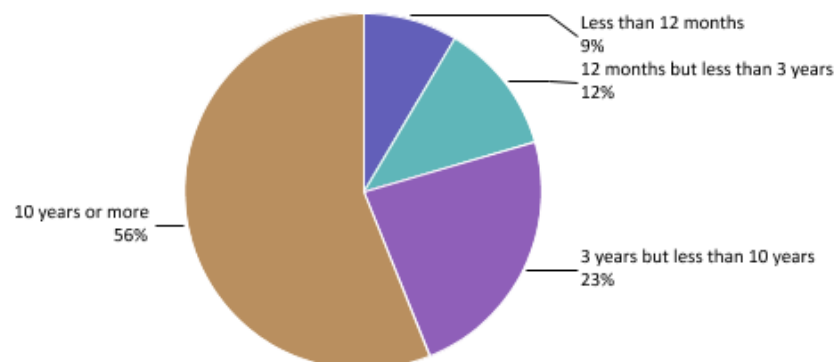


Figure 4: “When was your home built?” (Durham HNS 2018)



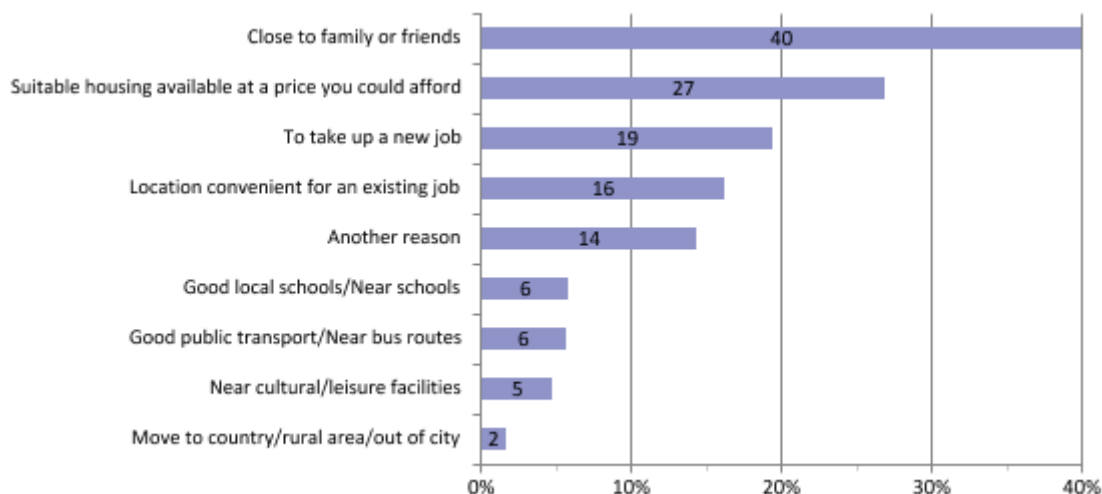
- 3.4 The distribution of property age is relatively even (Figure 4). This could indicate relatively consistent historic levels of housebuilding in County Durham, with a slightly higher rate in the period 1965-84.

Figure 5: “How long have you lived at this address?” (Durham HNS 2018)



- 3.5 Figure 5 shows that the majority of residents have lived at their current address for more than 10 years, with 79% having lived there for over 3 years. Only 9% of residents have moved to their current address in the last 12 months, compared with a national figure of 14% of households who have been living at their current address for less than one year (from Census 2011). This may be indicative of a relatively low turnover in stock amongst respondent households; and may consequently also indicate that relatively few dwellings will become available for households who are looking to move in the area.

Figure 6: "What were your main reasons for moving to the area?" (Durham HNS 2018, note that figures do not sum to 100% as multiple responses were valid)



3.6 81% of all respondent households had a previous address in County Durham. Of the 19% that came from another area, 40% cited moving closer to family and friends as a main reason for moving to the area (Figure 6). The price of suitable housing was the other main reason given (27%). 14% cited another reason not listed as an option in the survey, but there was no consensus in those responses. Of the group who moved from outside of County Durham, 55% moved from elsewhere in the North East Region and 44% from elsewhere in the UK (the remainder moving from abroad).

Figure 8 "How many bedrooms would an estate agent say you have in your home?" (Durham HNS 2018)

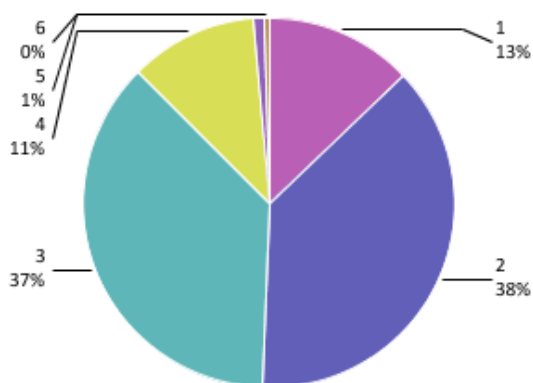
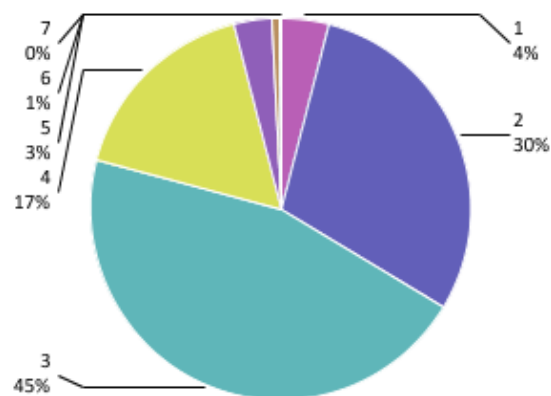
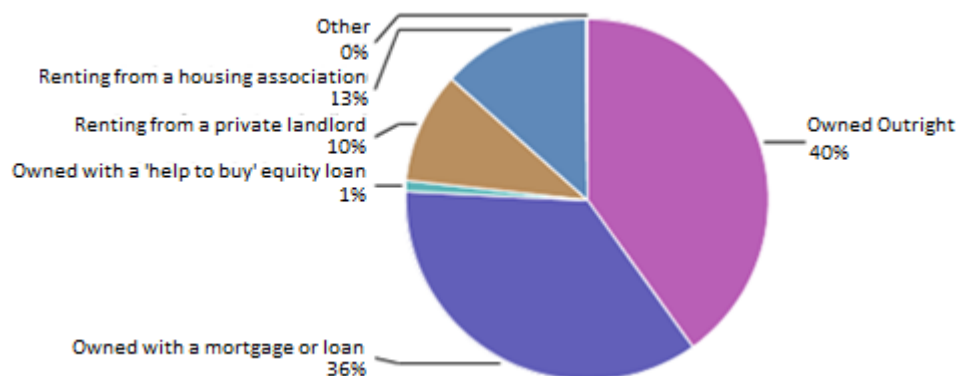


Figure 7 "How many rooms in your home do you currently use as bedrooms?" (Durham HNS 2018)



3.7 There is evidence of under-occupation in respondent dwellings. 13% of respondents used only one room as a bedroom, whilst only 4% of respondents occupy a property an estate agent would describe as a one bedroom. Similarly, 51% of respondents use two or fewer rooms as bedrooms, despite only 34% of respondents occupying a property that could be described as having two or fewer bedrooms. This broad pattern also persists in larger properties.

Figure 9: “In which of the following ways do you and your household occupy your home?” (Durham HNS 2018)



- 3.8 The tenure split in survey respondents (Figure 9) is somewhat different to the national averages (Figure 10: Census 2011). Total owner occupation (mortgage plus outright) is 76% among respondents to the survey, and 64% nationally; in addition, more than half of the surveyed owner-occupied group own their property outright, in contrast to the national average (48% of owner occupation). The proportion of rental is significantly below the national average, and more than half of these respondents are renting from a housing association, in contrast to the 50-50 split nationally. 52% of respondents who rent receive housing benefit towards their rental costs.

Figure 10: England Household Tenure 2011 (Source: UK Census of Population 2011)

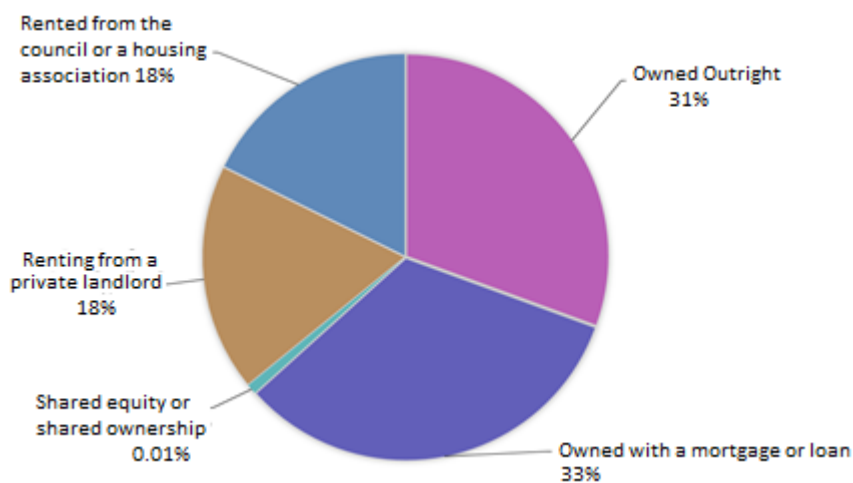
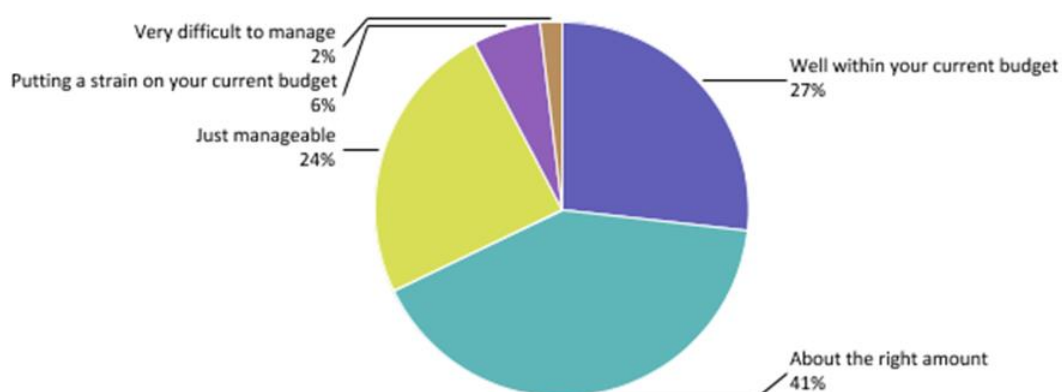


Figure 11: County Durham Households by Tenure 1981-2011 (Source: UK Census of Population)

Tenure	Total Households				Net Change		
	1981	1991	2001	2011	1981-1991	1991-2001	2001-2011
Owner occupied	81,283	120,030	138,854	147,835	+38,747	+18,824	+8,981
Private rent	13,924	10,189	15,825	30,964	-3,735	+5,636	+15,139
Social rent	88,773	67,445	52,757	45,004	-21,328	-14,688	-7,753
<b>TOTAL</b>	<b>183,980</b>	<b>197,664</b>	<b>207,436</b>	<b>223,803</b>	<b>+13,684</b>	<b>+9,772</b>	<b>+16,367</b>
Owner occupied	44.2%	60.7%	66.9%	66.1%	+283%	+193%	+55%
Private rent	7.6%	5.2%	7.6%	13.8%	-27%	+58%	+92%
Social rent	48.3%	34.1%	25.4%	20.1%	-156%	-150%	-47%

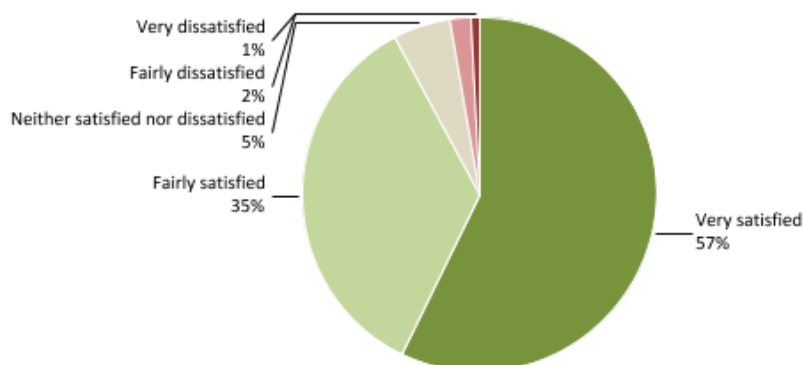
- 3.9 Figure 11 shows how the overall balance between owners and renters changed in County Durham between 1981 and 2011, with just over two-fifths owning (44%) in 1981 and 66% owning in 2011. This indicates that a relatively high share of owner occupiers responded to the survey, with both private and social rent being relatively under-represented.

Figure 12: "If you pay any rent or mortgage, do you consider this to be...?" (Durham HNS 2018)



- 3.10 92% of respondents that pay either rent or a mortgage consider that their housing costs are "just manageable" or better, and a quarter of the remainder consider their costs "very difficult to manage".

Figure 13: "Overall, how satisfied or dissatisfied are you with your current home?" (Durham HNS 2018)



Overall, 92% of respondents describe themselves as satisfied with their current home, whereas 3% are dissatisfied.

## 4. Section B - Moving Home

- 4.1 This section of the survey considers the views of respondents considering moving home in the near future. 79% of respondents did not need or want to move in the next three years. The remaining 21% was comprised of 16% who want or need to move in the next three years and 5% who want or need to move in the next year. The rest of this section deals specifically with the 21% who want or need to move within the next three years.
- 4.2 Of the group who want or need to move, 67% stated that they would be moving in the next three years. 33% of the group stated that they would not, despite wanting or needing to. This sub-group were asked what prevents them from moving (Figure 14):

Figure 14: “What is preventing you from moving?” (Durham HNS 2018, note that figures do not sum to 100% as multiple responses were valid)

Reason	Percentage Response
Local house prices too expensive	37%
Family ties	27%
Another reason	17%
Difficult to obtain Council/HA tenancies	15%
Local rents too expensive	14%
Negative Equity	10%
Employment ties	10%
Support/Care Needs	6%
Can't find suitably adapted home	6%
Can't get on Council's waiting/transfer list	4%
Would disrupt children's education	4%

- 4.3 Note that respondents were free to select more than one answer, so as a result the total does not equal 100%. The most common theme was financial (house prices, cost of rent, negative equity, reliance on social housing), however family considerations (family ties, children’s education) also featured prominently.

Figure 15: “If you moved, how many bedrooms would you want in your next home?” (Durham HNS 2018)

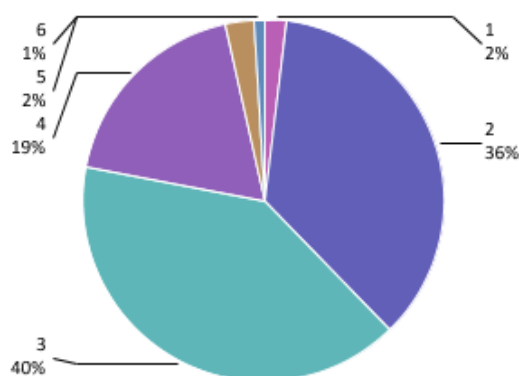
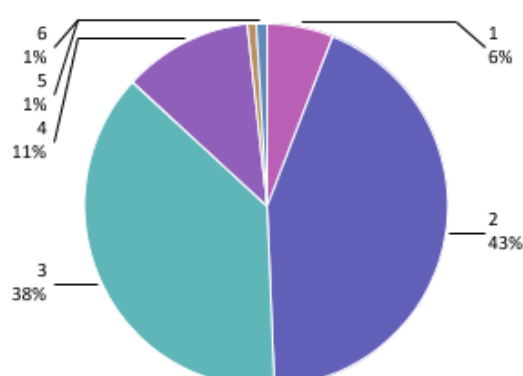


Figure 16: “and what is the minimum number of bedrooms that you would accept?” (Durham HNS 2018)



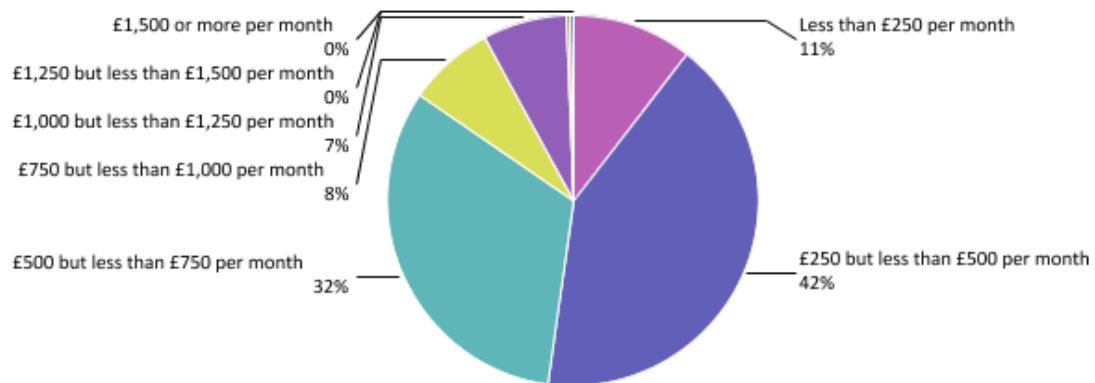
- 4.4 Demand amongst the respondent group seeking to move in the next three years (Figure 15) is primarily for two and three-bedroom properties (76%). The next largest proportion of demand is for a four-bedroom dwelling. The survey (Figure 17) also shows that many households would accept a smaller property than desired (e.g. 2% of respondents desire a single-bedroom property, but three times this proportion would accept a single-bedroom). However, consideration of the smallest property that would be acceptable to respondents still indicates strong demand for two and three-bedroom dwellings (81%).

Figure 17: “In which of the following ways would you expect to occupy your next home?” (Durham HNS 2018)

Occupancy Type	Percentage of Respondents
Owning outright	27%
Owning with a mortgage or loan	49%
Renting from a council or housing association	18%
Renting from a private landlord	5%
Affordable home ownership through the Starter Homes Initiative	1%
Shared ownership or another	<0.5%
Owning with a 'help to buy' equity loan	<0.5%
Other	<0.5%
Total	100%

- 4.5 Owner occupation is the overwhelmingly the most common tenure (76%, Figure 17) that respondents who want or need to move in the next three years anticipate. Over a quarter expect to be buying their new home outright, and almost half anticipate ownership with a mortgage. Approximately a sixth are expecting to rent from a council or housing association. Only one twentieth of the respondents are expecting to occupy private rented housing; and there is very little interest in starter homes, shared ownership or ‘help to buy’ equity loans.

Figure 18: “...and what will be the most that you could pay for rent or mortgage?” (Durham HNS 2018)



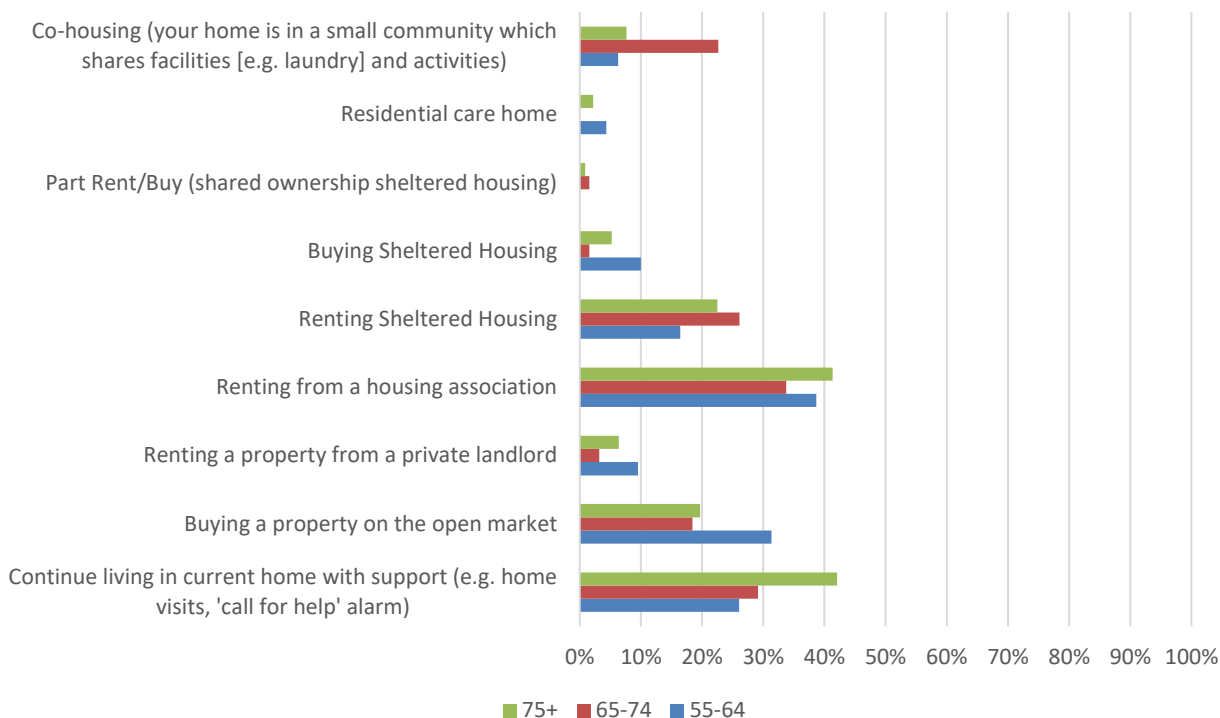
- 4.6 In terms of affordability (Figure 18), the majority (42%) of respondents could afford between £250 and £500 per month (£60 to £115 per week), and a further 32% anticipate being able to afford £500 to £750 per month (£175 to £230 per week). One in nine respondents (11%) feel they would be unable to afford more than £250 per month (£60 per week).
- 4.7 Of those who want or need to move in the next three years, 85% anticipate living in County Durham. Of the remainder, 45% would consider staying in County Durham if there were suitable and affordable home. Locations in County Durham those wanting or needing to move would consider living are illustrated in Figure 19 following:

Figure 19: “Which parts of County Durham would you consider living in?” (Durham HNS 2018, note that figures do not sum to 100% as multiple responses were valid)



- 4.8 The most popular area was Durham City Villages, followed by Durham City and the Chester-le-Street area. Five more areas (Seaham, Bishop Auckland, Consett, Barnard Castle and Peterlee) had similar response levels (11-12%). A further 11% would choose none of the options given (this group includes those who do not wish to stay in County Durham), whilst 6% responded “Anywhere in County Durham”.

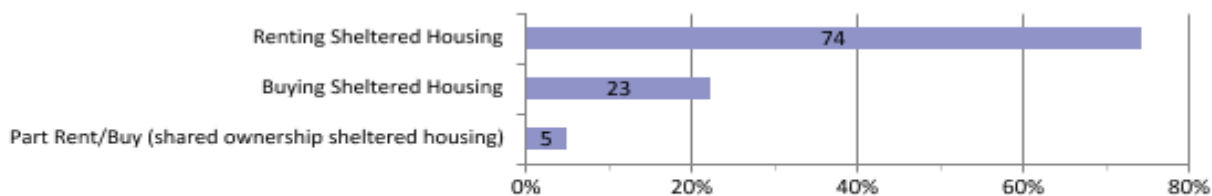
**Figure 20: “If relevant now or in the next 5 years, which of the following older persons housing options would you seriously consider?” (Durham HNS 2018, note that figures do not sum to 100% as multiple responses were valid)**



4.9 The responses of those respondents considering Older Persons Housing options in the next five years are summarised in Figure 20. It should be noted that due to the relatively small number of respondents (less than 10%) to whom this question applied, these figures can be only be considered indicative. The most popular alternatives were to remain in the own home or rent from a housing association. However, there was considerable interest in buying their own property for those aged 55-64 years. There was also significant interest in renting sheltered housing, but much less interest in older persons schemes to own.

4.10 One fifth (20%) of respondents would consider some form of sheltered housing. A significant majority (74% of the 20%) of this group would prefer rented sheltered housing (Figure 21).

**Figure 21: “If you marked "sheltered housing" above, which of the following would you be interested in?” (Durham HNS 2018, note that figures do not sum to 100% as multiple responses were valid)**

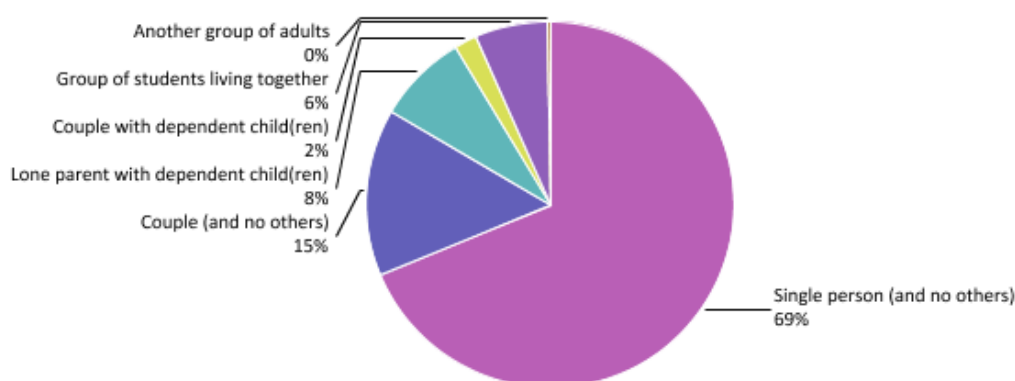




## 5. Section C - Separate Homes for New Households

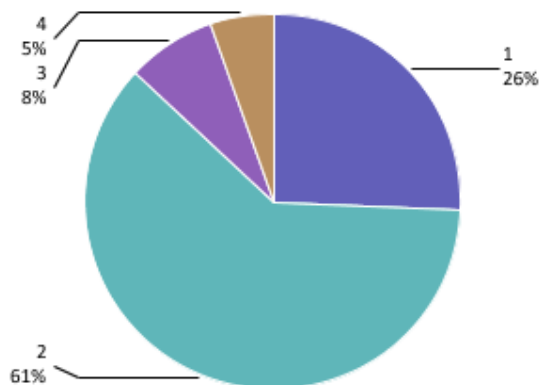
- 5.1 This section of the survey considered the views of respondents who have one or more persons living in their home who will need to move to a separate home within the next three years. This group comprised 5% of total respondents. The rest of this section presents the responses of that group and it should be noted that smaller percentages in this section must be considered indicative due to smaller sample sizes.
- 5.2 Of the 5%, 77% anticipated one separate home being required for those current resident(s) moving to a separate home. 18% anticipated the need for two additional homes, and 4% anticipated the need for four. Where a need for more than one home was indicated, the remaining questions pertained to the new household likely to need a separate home first.

**Figure 22: “Thinking about the new household that will need a separate home first, which of the following is likely to best describe them?” (Durham HNS 2018)**



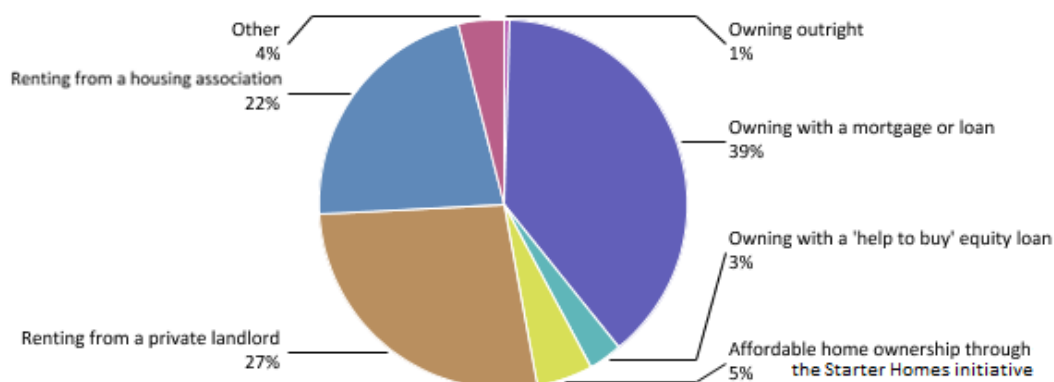
- 5.3 Considering the 5% of respondents (Figure 22); more than two thirds (69%) of new households likely to form through moving out in the next three years are single persons. A further 15% are couples without children. Approximately 90% of these newly forming households will not contain dependent children.
- 5.4 Considering first newly forming household anticipated to move out of their current residence by the 5% of respondents, 81% of these households are expected to remain living in the County Durham area. Of the remaining 19%, 28% of this group would remain in County Durham if they could find a suitable home they could afford.

Figure 23: “How many bedrooms is this new household likely to need when they move?” (Durham HNS 2018)



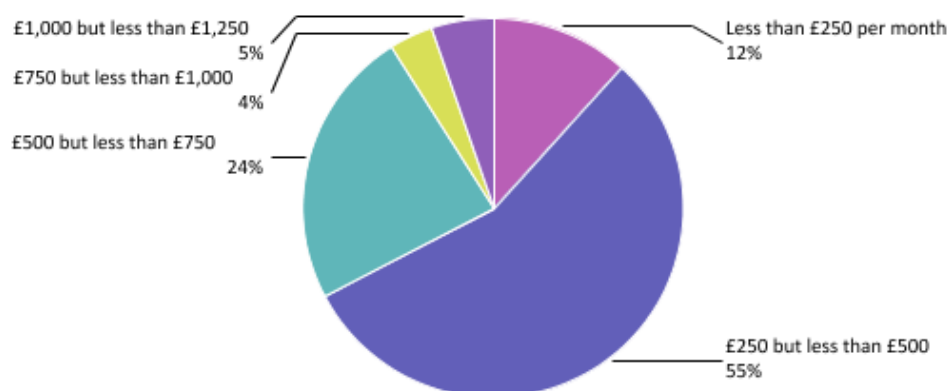
- 5.5 Of the 5%, the most commonly required size of property needed by the new households is 2-bedroom. Over a quarter require a single bedroom (Figure 23).

Figure 24: “in which of the following ways are they likely to occupy their new home?” (Durham HNS 2018)



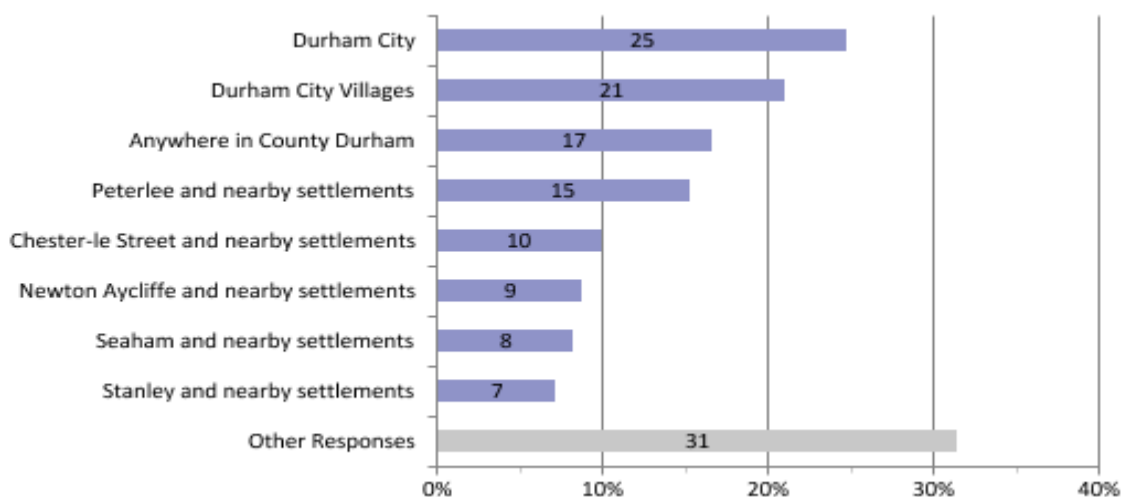
- 5.6 Considering the 5%, when asked how the home will be occupied (Figure 24), 48% responded that they are likely to live in an owner-occupied property. In most cases (39%) this is likely to be supported by a mortgage, but there is some interest in help to buy equity loans (3%) and starter homes (5%). Over a quarter (27%) expect to be renting from a private landlord, and more than a fifth (22%) feel it is likely that they will rent from a housing association.

Figure 25: “what will be the most that they could pay for rent or mortgage?” (Durham HNS 2018)



- 5.7 Over three quarters of new households forming anticipate being able to afford rent or mortgage payments between £250 and £500 per month (55%) and £500 and £750 per month (24%). 12% can afford less than £250 per month (Figure 25).

Figure 26: “Thinking about this new household, do you think that a home in any of the following areas would suit their needs?” (Durham HNS 2018)

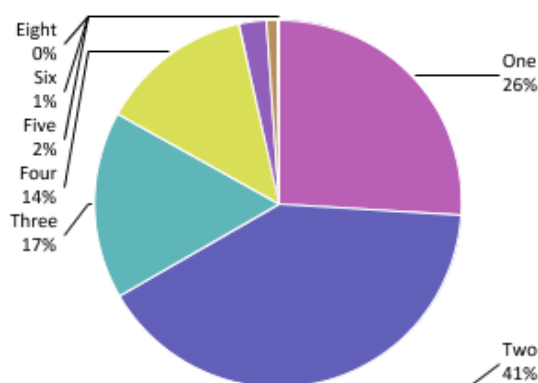


- 5.8 Of the 5%, 46% felt that a home in Durham City or Durham City Villages would be suitable for their needs. A further 17% felt that anywhere in County Durham would suit their needs.

## 6. Section D – Profile Information

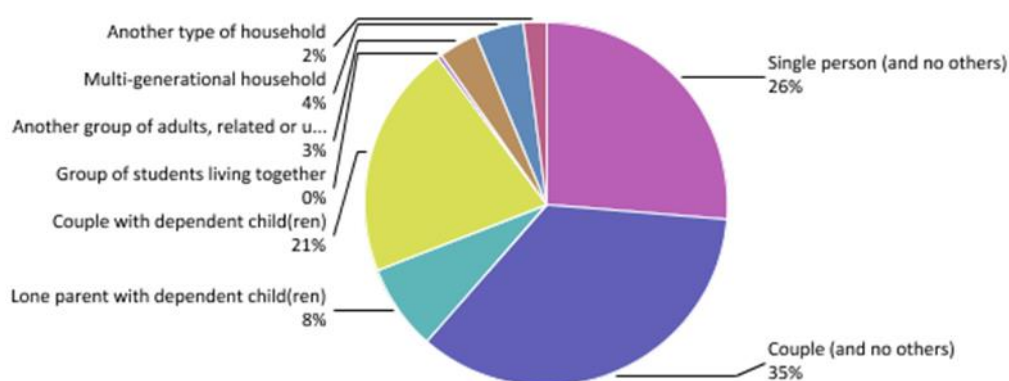
- 6.1 A brief profile of responding persons shows that:
- » most respondents were female – 60% female compared to 40% male;
  - » 98% were White British, with 1% White Other and 1% Asian or Asian British
  - » 3% were aged 16 to 24, 68% were aged between 25 and 64, and 29% 65 or over;
  - » 73% were Christian, with 26% having no religious belief;
  - » 98% were heterosexual, with 1% bisexual and 1% gay man.

Figure 27: “Including you, how many people normally live in your home?” (Durham HNS 2018)



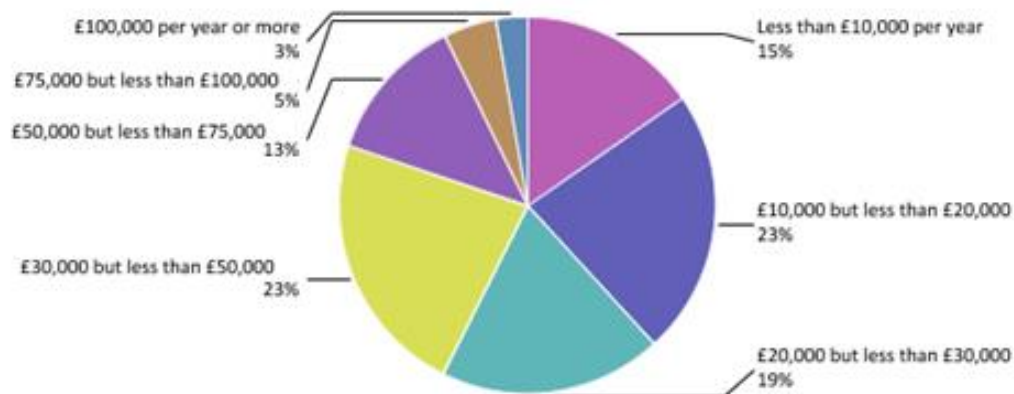
- 6.2 A quarter of respondents (Figure 27) were single person households (26%), with two thirds (67%) being one or two-person households. A third (31%) were three or four-person households.

Figure 28: “Which of the following best describes your household?” (Durham HNS 2018)



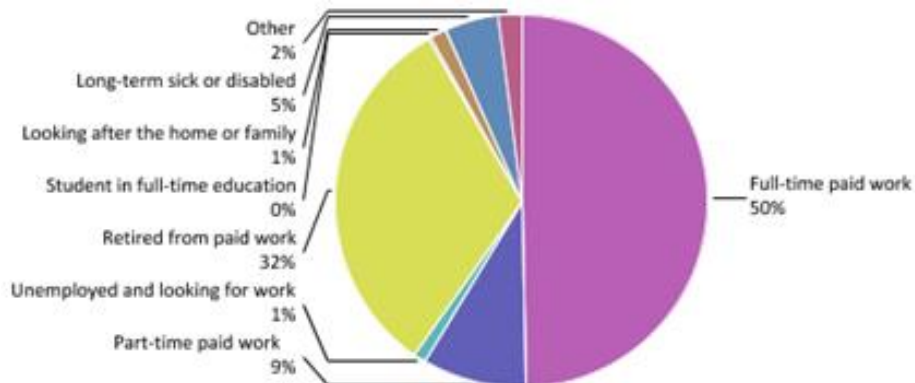
- 6.3 Figure 28 shows respondent household types. The largest proportions were single person households (26%), couple and no others (35%) and couples with dependent children (21%). 8% were lone parents with dependent children.

Figure 29: “What is your household's gross income (before tax)?” (Durham HNS 2018)



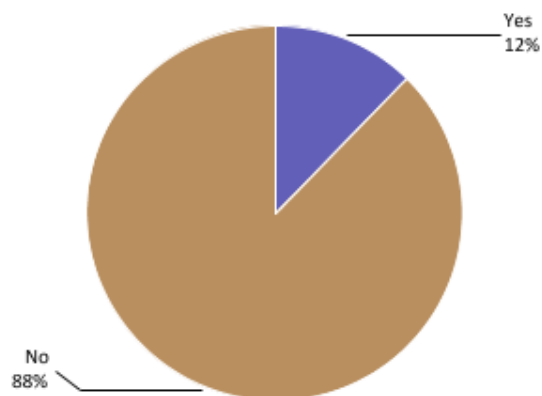
- 6.4 Over half of respondent households (Figure 29) had a total gross income of less than £30,000 a year (57%), with 15% having less than £10,000 a year. At the same time, over a fifth (21%) had a gross annual income of £50,000 or more.

Figure 30: “What is the current working status of the Chief Income Earner in the household?” (Durham HNS 2018)



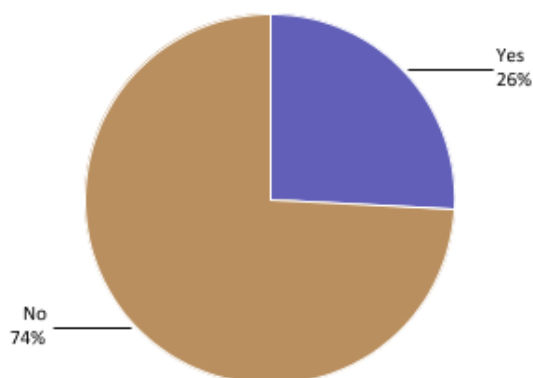
- 6.5 The household incomes profile corresponds broadly with the profile of the current working status of the chief income earner shown in Figure 30. Half (50%) were in full-time work, with a further 9% in part-time work and 1% unemployed and looking for a job. Approximately a third (32%) were retired from paid work.

**Figure 31: “Does your current home already have any adaptations, regardless of whether they are needed by you or anyone else currently living in your household?” (Durham HNS 2018)**



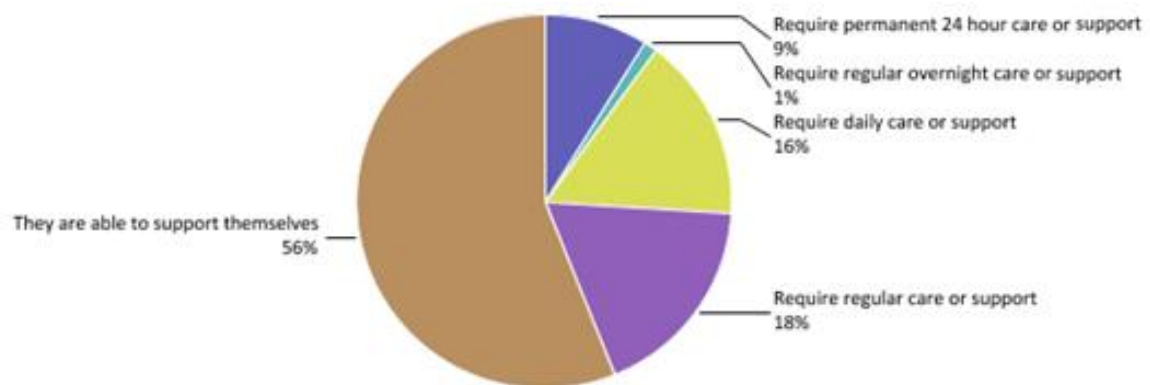
- 6.6 Figure 31 shows that approximately one in eight homes (12%) had adaptations, regardless of whether anyone in the household needed the adaptations.

**Figure 32: “Do you or does anyone else currently living as a part of your household suffer from any life limiting health problems such as: long-term illness, disability or infirmity - including problems associated with old age, childhood asthma etc?” (Durham HNS 2018)**



- 6.7 At the same time, over a quarter of households (26%) included someone with a life limiting health problem (Figure 32). Not all of these people would need adaptations to their home.

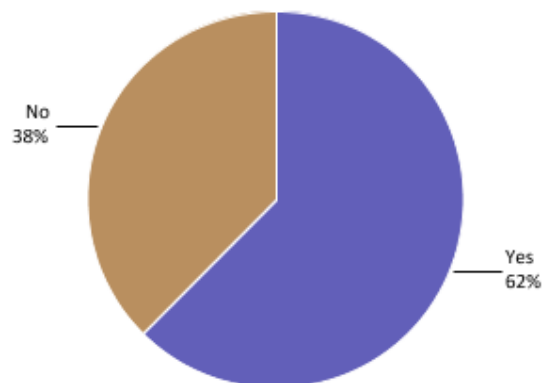
Figure 33: “thinking of the person requiring most support, which of the following best describes their situation...?” (Durham HNS 2018)



6.8 Of the people with a life limiting health problem (Figure 33), 56% were able to support themselves, with the remaining 44% requiring some level of support:

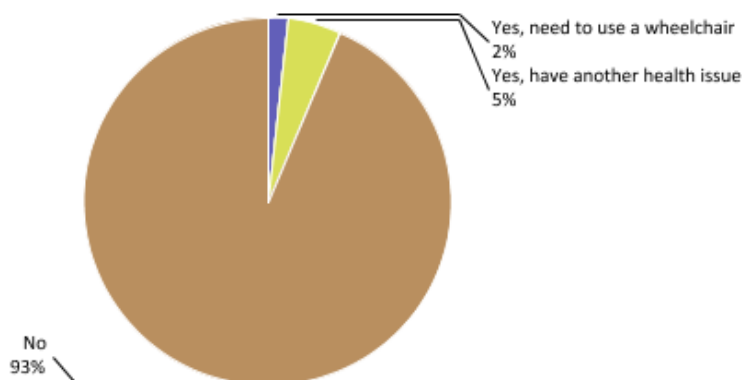
- » 18% required regular care or support;
- » 16% daily care or support;
- » 1% regular overnight care or support; and
- » 9% required permanent 24-hour care or support.

Figure 34: “is there sufficient space for a carer to stay overnight if needed?” (Durham HNS 2018)



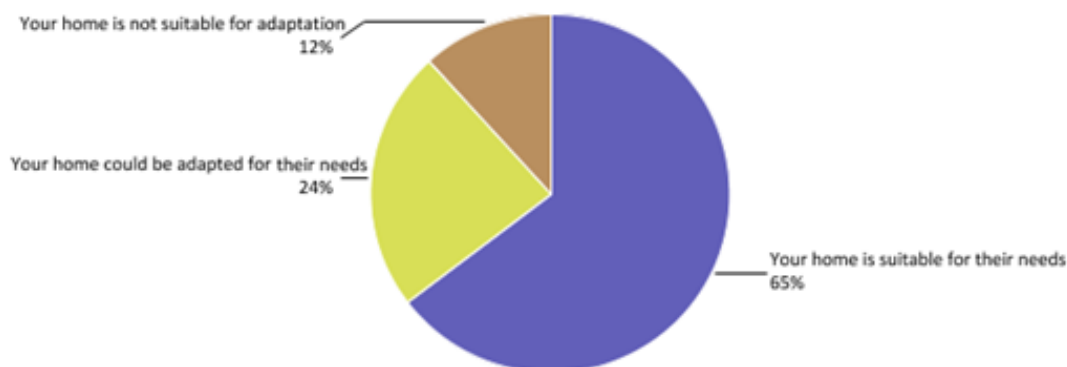
6.9 However, as can be seen from Figure 34, nearly two fifths (38%) of people who required support did not have sufficient space for a carer to stay overnight.

**Figure 35: “Do you or does anyone else in your household need to use a wheelchair in the home or have another health issue that affects their housing needs?” (Durham HNS 2018)**



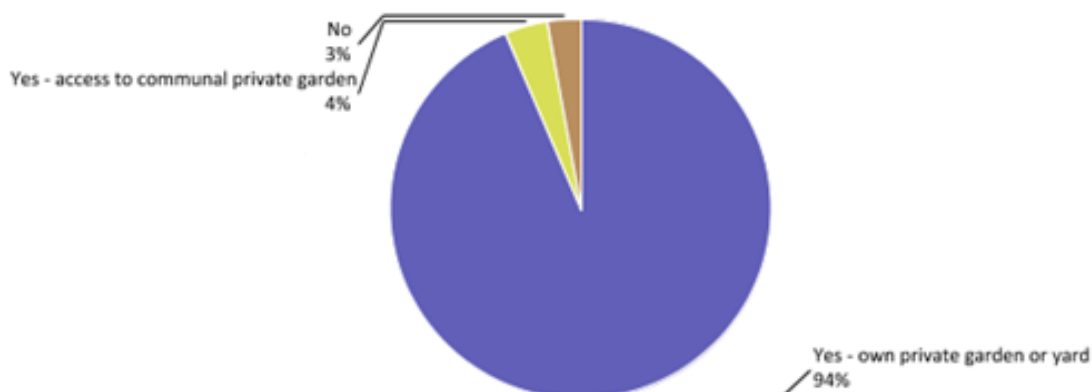
6.10 Overall 7% of respondent households (Figure 35) included someone who had a health issue that affects their housing needs; 2% need to use a wheelchair in the home and 5% had another health issue which affects their housing needs.

**Figure 36: “which of the following best describes their situation?” (Durham HNS 2018)**



6.11 Of respondent households containing someone with a health issue that affects their housing needs, two thirds (65%) confirmed they live in a home which is suitable for their needs (Figure 36). The homes of a further quarter (24%) could be adapted for their needs, but 12% of homes were not suitable for adaptation.

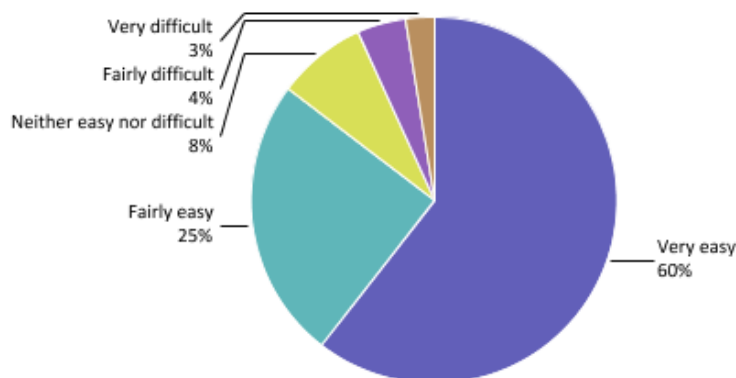
**Figure 37: “Does your home have a private garden/yard, or does your household have access to a communal private garden/yard?” (Durham HNS 2018)**





- 6.12 Figure 37 shows a large majority of respondent households had access to a private garden or yard (94%), with 3% having access to a communal private garden or yard and 4% not having access to any kind of private garden or yard.

Figure 38: “Considering the area in which you live how easy or difficult is it for you to get to a park/open space?” (Durham HNS 2018)



- 6.13 A large majority (85%) found it easy to get to a park or open space; 60% very easy and a further 25% fairly easy. However, 7% found it difficult to get to a park or open space; a further 3% finding it very difficult (Figure 38).

# 7. Summary Conclusions

## Your Home

- » 96% of respondents live in a house, most commonly a semi-detached property.
- » The distribution of property age is relatively even indicating consistent historical levels of housebuilding.
- » Most respondents have lived at their current address for more than 10 years, with 79% having lived there for over 3 years. Only 9% of residents have moved there in the last 12 months. This may be indicative of a relatively low turnover in stock amongst respondent households.
- » 81% of all respondent households had a previous address in County Durham. Of the 19% that came from another area, 40% cited moving closer to family and friends as a main reason for moving to the area.
- » There is evidence of under-occupation in respondent dwellings.
- » Total owner occupation (mortgage plus outright) is 76% among respondents to the survey, more than half of the surveyed owner-occupied group own their property outright.
- » 52% of respondents who rent receive housing benefit towards their rental costs.
- » 92% of respondents that pay either rent or a mortgage consider that their housing costs are “just manageable” or better.
- » 92% of respondents describe themselves as satisfied with their current home.

## Moving Home

- » 21% of residents want or need to move in the next three years.
- » One third of this 21% feel they will not move despite wanting or needing to, most commonly due to financial considerations.
- » Demand amongst those seeking to move in the next three years is for two and three-bedroom properties.
- » Owner occupation is the overwhelmingly the most common tenure anticipated.
- » 42% of respondents intending to move could afford between £250 and £500 per month for their housing costs, a further 32% expect to be able to afford £500 to £750 per month (£175 to £230 per week). One in nine respondents (11%) feel they would be unable to afford more than £250 per month (£60 per week).
- » Of those who want or need to move in the next three years, 85% anticipate living in County Durham. Of the remainder, 45% would consider staying in County Durham if there were suitable and affordable home.
- » The most popular alternatives for older persons were to remain in the own home or rent from a housing association. However, there was considerable interest in buying their own property for those aged 55–64 years. There was also significant interest in renting sheltered housing, but much less interest in older persons schemes to own.

## Separate Homes for New Households

- » 5% of total respondents have one or more persons living in their home who will need to move to a separate home within the next three years.
- » 69% of these new households are single persons. A further 15% are couples without children.
- » 81% of these households are expected to remain living in the County Durham area.
- » The most commonly required size of property needed by the new households is 2-bedroom. Over a quarter require a single bedroom.
- » 48% are likely to live in an owner-occupied property, in most cases supported by a mortgage.
- » 27% expect to be renting from a private landlord, and 22% feel it is likely that they will rent from a housing association.
- » Over three quarters of new households forming expect to be able to afford rent or mortgage payments between £250 and £500 per month (55%) and £500 and £750 per month (24%).

## Profile Information

- » 26% of respondents are single person households, 41% belonged to two-person households. 31% were part of three or four-person households.
- » 35% were part of a couple and living with no others and 21% were couples with dependent children. 8% were lone parents with dependent children.
- » 57% of respondent households had a total gross income of less than £30,000 a year, with 15% having less than £10,000 a year. 21% had a gross annual income of £50,000 or more.
- » 50% were in full-time work, with a further 9% in part-time work and 1% unemployed and looking for a job. 32% were retired from paid work.
- » 12% of homes had adaptations, regardless of whether anyone in the household needed the adaptations.
- » 26% of households included someone with a life limiting health problem. Not all of these people would need adaptations.
- » Of the people with a life limiting health problem, 56% were able to support themselves, with the remaining 44% requiring some level of support:
- » 38% of people who required support did not have sufficient space for a carer to stay overnight.
- » 2% of respondents need to use a wheelchair in the home and 5% had another health issue which affects their housing needs.
- » Of the 7% of respondent households containing persons with a health issue that affects their housing needs, 65% lived in a home which is suitable for their needs. The homes of 24% could be adapted for their needs, but 12% of homes were not suitable for adaptation.
- » 94% of respondent households had access to a private garden or yard.
- » 7% found it difficult to get to a park or open space; a further 3% finding it very difficult.