

## SECTION 3: HOUSING IN DARLINGTON

The need for new housing has been a key driver of national policy for some time. Ten years ago the Baker Review set a target of 250,000 new homes every year to meet demand while last year 141,000 new homes were built, the highest since 2006. Successive Governments have introduced initiatives to increase house building but the financial crisis of 2007 saw new build numbers fall significantly with only tentative signs of recovery in recent years.

The new Government has introduced a number of changes in housing policy with a new emphasis on owner occupation being the corner stone. They intend to introduce a new starter home product aimed at first time buyers and they intend to extend the Right to Buy to Housing Association tenants. This builds on initiatives such as “Home Buy” products. More information is available from a dedicated Government Website on the new range of options on offer: [www.ownyourhome.gov.uk](http://www.ownyourhome.gov.uk)

The Homes and Communities Agency (HCA) were the primary source of public finance for new affordable homes. £1.7bn capital grant funding was made available nationally (outside London) through the Affordable Homes Program (AHP) to fund affordable housing over the three year programme period, 2015–18. Over half that available funding was allocated in the initial round, with the remainder, around £800 million, being made available for continuous market engagement (CME). However, measures that are to be introduced in the Housing and Planning Bill 2015 and the Welfare Reform and Work Bill 2015 together with uncertainty about the remaining funding in the AHP are likely to see a substantial reduction in new housing for Affordable Rent.

### **Housing [Local]**

Despite difficult economic conditions Darlington has continued to attract interest from investors. For example the major regeneration area at Central Park is now well under way. It will deliver approximately 330 new homes for the Borough, a new commercial centre, and quality open space. Central Park will offer a range of property types and tenures to meet a wide range of housing needs.

Without doubt, Darlington with the support of its key strategic partners has to be much more innovative and creative in the way in which it delivers new housing. A range of new delivery models where development risks are shared, capital receipts are deferred, and broader community benefits to facilitate economic growth, provide employment and training, and reduce public sector revenue costs are considered when assessing the deliverability and viability of new housing sites.

Last year saw a substantial increase in the number of net additional dwellings up from 190 in 2013/14 to 479 in 2014/15. It compares favourably to the housing requirement for the last monitoring year which was approximately 350 dwellings. However, the completions last year were boosted by the ending of the Affordable Housing Programme 2011-15 which required all dwellings funded under this Programme to be completed by 31 March 2015. As a result there was a surge in affordable housing completions in the final quarter of 2014/15 financial year which will not be repeated. In 2014/15, there were 155 affordable homes (AH) built in Darlington. This figure represents a threefold increase on the previous year. Over the

last two years, there were 669 net additions to the housing stock against a requirement for 690 dwellings. While we need to do all we can to increase the number of completions, this is not a problem unique to Darlington.

Darlington is one of ten areas that will take part in the Government's "Healthy Towns" initiative. Focused on the Eastern Fringe of Darlington where about 2,800 new homes are planned. The aim is to develop new communities where good health is designed into the infrastructure. Darlington's bid also includes an existing community, Red Hall, where a major regeneration project is under way and it will be linked in to the new development.

Funding has been secured from the HCA for the development of a further 347 homes over the period 2015-18. As part of this the Council has also established a new Council Housing building program and are committed to develop 166 properties across various sites between 2015 and 2017. The HCA have provided £3.2 million in funding as part of a total cost of £23 million for the Council program.

The Council has also worked in close partnership and supported successful applications for funding to the Homes and Communities Agency with Five Lamps Organisation, CentrePoint, Livin, and Coast and Country Housing to purchase and lease empty homes in the Borough. The overall programme is set to return up to 50 empty homes back into the housing supply chain for vulnerable local people while through the renovation process providing training and employment opportunities for local unemployed young people. Coast and Country Housing have also converted a former office block into 47 flats for rent. The Council are committed to reducing empty homes in the Borough and making best use of existing assets on brownfield sites.

As utility energy costs continue to rise, this creates significant pressure on household costs and reduces disposable incomes, leading to reduced economic activity in the Town. The Council engaged in a regional partnership led by Newcastle City Council called Warm-Up North, which has appointed a preferred delivery partner, British Gas, to deliver Green Deal energy efficiency and water conservation measures to all property tenures across the Borough commencing in September 2013. The Warm-Up North programme will also consider how non-domestic public buildings can be improved and revenue costs reduced.

The Warm-Up North programme is set to deliver a minimum of Green Deal energy efficiency improvements to 1500 domestic and non-domestic public buildings between 2013-2016 to help tackle fuel poverty and reduce household expenditure on utility fuel costs. The programme will also focus on "behaviour change" and how households can reduce their energy consumption through changing their own behaviour with relevant and helpful energy saving hints. The Council also introduced a "collective switching" scheme which enables energy to be bought in bulk and offered at reduced tariff levels to domestic homes in the Borough.

Economic growth has been slow and this is affecting the ability of local people to access and continue to sustain their existing housing choice. In addition access to mortgage lending is more restrictive which limits housing choices, resulting in further increases in demand for social housing and the privately rented sector.

The lack of funding has resulted in limited support for essential home improvements in the private sector and as a result disrepair continues to be a concern.

Reduced funding is available through Warmfront to address thermally inefficient homes for the vulnerable means that more people are likely to suffer the effects of fuel poverty. However, the Council has a program of external cladding for its own homes and this has resulted in 40 properties in Lascelles having considerably improved thermal rating and a further 248 properties are being clad in Red Hall. This forms part of a wider program of energy efficacy that includes replacement doors and windows. The Council has also introduced a program of fitting Solar PV on to some Council properties.

The program is limited by the proposed withdrawal of the Green Deal in January 2016. Current estimates are that between 350 and 400 properties will be fitted with Solar PV by January 2016.

**Data Sources:**

LGA InformPlus

Housing Report 2015 – <http://reports.esd.org.uk/reports/3047>

Darlington Borough Council Housing Department 2015