TEES VALLEY
SUB-REGIONAL HOUSING STRATEGY
2007

DARLINGTON BOROUGH COUNCIL

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Middlesbrough moving forward

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TEES VALLEY SUB REGIONAL HOUSING STRATEGY

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PREFACE

Tees Valley is now actively demonstrating a new-found confidence and will to succeed. Our aspirations are powerfully described within our area's City Region Development Plan and it presents a compelling case for a better future. A new governance structure - "Tees Valley Unlimited" - has been developed to realise opportunities within a Multi Area Agreement between Councils and stakeholders, to bring the most benefit to the city region.

In Tees Valley, we recognise the very real challenges of addressing the needs of some severely marginalised elements of the community. There remain a number of communities facing spiralling decay and terminal decline. They are characterised by a poor quality of life, declining health and an inevitable lack of aspiration. These problems confront not only individuals and communities but also impose a great financial burden on the public purse. We must aim to solve the underlying problems rather than simply relieve the symptoms.

Our Sub-Regional Housing Strategy (SRHS) addresses a comprehensive range of challenges facing the City Region until 2021. Tees Valley has always seen Housing Market Renewal (HMR) as a fundamental to the wider economic regeneration of the whole City Region. We have started a massive job, engaged the and support of both our communities and the private sector and we are now well placed to deliver.

Government has provided the resources to enable us to make a start in arresting the decay. The process will of course require long term support. The SRHS interprets Regional Housing Strategy objectives at local level. A comprehensive evidence base has been assembled to enable us to understand the challenges to formulate relevant solutions. We will rejuvenate the local housing stock to cater for 21st century aspirations by both redevelopment and refurbishment. The evidence base helps us to target our resources and attention into the priority areas to maximise impact.

Choice and quality will be provided by aligning Section 106 Obligations to cater for identified needs. New housing areas should be predominantly owner occupied family housing. Some affordable units will also be provided.

The drive towards the provision of decent homes in both the private and social sectors is a priority. Effective neighbourhood management systems will introduced where most needed.

We will continue successful initiatives such as Supporting People, Extra Care for the Elderly, the prevention of homelessness and the targeting of housing to cater for specific needs.

Our declared priorities recognise that ongoing revenue costs of supporting vulnerable communities are both substantial and untenable. Our interventions are designed to ultimately reduce the demands on the public purse by transforming failing areas into truly sustainable communities.

Major committment is needed, resource. is an issue. But we must honour the commitments that we have made to our communities and deliver on their behalf. Until this task is complete, the urban renaissance will continue to elude the most disadvantaged and, to a degree, partially invalidate effective regeneration elsewhere.

Our aspiration is to create a real sense of place in those areas that have been stigmatised. To build confidence, to create sustainable communities, to build new homes in which people will want to live and want to stay. To create 'new' communities to attract new residents and investors alike. The collective commitment reflected in this Strategy, our ability to work together and the dynamism of new agencies such as Tees Valley Unlimited, put Tees Valley in the strongest position to meet the challenges ahead.

1.0 EXECUTIVE SUMMARY

1.1 INTRODUCTION

1.1.1 Tees Valley produced the first Sub Regional Housing Strategy (SRHS) in the North East in April 2006. This document brings it up to date. The SRHS has been produced by the five Tees Valley housing authorities and adopted by partners and stakeholders. The updated version has been adapted to take account of changing priorities in the sub-region and to reflect changes in policy at regional and national levels. The Partnership continues to grow in maturity. Collaborative working between Councils and stakeholders is a reality in Tees Valley. The incorporation of "Housing" into the emerging Tees Valley Unlimited (TVU) governance structure to implement a future Multi Agreement Area is further evidence of Tees Valley's ability to see the "big picture" and maximise its opportunities.

Embracing the New Agenda

1.1.2 The SRHS has been prepared during a climate of significant change in Central Government, which is likely to affect their approach to housing at all levels. The Tees Valley local authorities and partners are ideally positioned to readily adapt and modify local strategy and delivery to take account of change at national and regional level. Tees Valley has always shown a willingness to embrace the new housing agenda.

Regional Housing Strategy Objectives

1.1.3 The SRHS is structured around the four objectives in the Regional Housing Strategy (RHS)[1] and will interpret them locally i.e.:

- the rejuvenation of the housing stock;
- ensuring the type and mix of new housing provides choice;
- securing the improvement and maintenance of existing housing; and
- addressing specific community and social needs.

1.2 UNDERSTANDING THE HOUSING MARKETS

1.2.1 The Tees Valley partners commissioned a Housing Market Assessment (HMA) in 2004[2] to inform both the SRHS and the Tees Valley Housing Market Renewal Strategy[3] (TVHMRS). The HMA sits alongside a comprehensive range of housing research reports which form the TVL evidence base. There are a number of key messages which emerge from the evidence base which the SRHS will address.

Population loss

1.2.2 Firstly all five Boroughs have suffered population loss over the past decade. There are, however, now signs that the rate of loss may not only be slowing down but may be turning into modest growth in some parts of the City Region. As the most mobile sectors of the population tend to be the younger and economically active, it is important that each Borough provides opportunities for population growth to assist regeneration.

Housing Aspirations

1.2.3. Attitude surveys within the HMA indicate that there is still a strong desire on behalf of many households contemplating a house move in the next five years to move to North Yorkshire. It is seen as aspirational and offering a better "quality of life". This is a key message and suggests that the current failing neighbourhoods should be transformed into areas within which the next generation of Tees Valley residents aspire to live, if sustainable communities are to be achieved at the heart of the city region. This will not be achieved by only improving the existing stock.

[1] Quality Places for a Dynamic Region - The North East England Regional Housing Strategy, North East Assembly, July 2007.

[2] Tees Valley 2004 Housing Market Assessment", David Cumberland Housing Regeneration Ltd and Nathaniel Litchfield and Partners, January 2005.

[3] Tees Valley Living Housing Market Renewal Strategy, Building Sustainable Communities in the Tees Valley, Better Homes for a Brighter Future, January 2006.

19th Century Terraces

1.2.4. The CURS study[4] and the HMA report both highlighted an outdated housing supply dominated by small late 19thCentury/early 20th Century terraced housing. Additionally, the housing supply falls below the national average for more modern, semi-detached and detached dwellings.

Former Council Estates

1.2.5. The economic and social history of the city region has determined that there is an oversupply of social rented housing, often concentrated into monolithic blocks with a lack of aternative housing opportunities nearby.

Black and Minority Ethnic Community Housing Needs

1.2.6. It has been recognised that the housing needs of the Black and Minority Ethnic (BME) communities and of the gypsy and travelling population have in the past not been well-understood. Studies already carried out and others programmed for the near future will address this information gap.

1.3 REJUVENATING THE HOUSING STOCK

1.3.1 There are around 48,000 dwellings in vulnerable areas characterised by poor neighbourhoods, high proportions of older terraced housing, above average levels of social rented housing and low property values. Major investment to refurbish some 30,000 of these homes is needed, the majority are in the private sector.

TVL Housing Market Renewal Strategy

1.3.2 TVL is leading the city region's Housing Market Renewal (HMR) initiative. Tees Valley Living's (TVL) Areas of Major Intervention (AMIs) are currently: Parkfield in Stockton; North, Central and East Middlesbrough; South Bank and Grangetown in Redcar and Cleveland Borough; and North Central and West Central Hartlepool. Although it has not been regarded as a priority in the early years of the programme, Darlington's need for housing market renewal is increasingly recognised. Its position will be reassessed post-2011.

Targeting resources

1.3.3 Successful delivery of the Housing Market Renewal Strategy will achieve sustainable communities throughout the sub-region. The SRHS will target at least 75% of Single Housing Investment Pot (SHIP) resources into those areas where market failure is most acute and where TVL's primary objectives will be directly assisted.

1.3.4 SHIP funding from the North East Housing Board (NEHB) will be targeted at refurbishment of the existing stock in the HMR area, the provision of affordable housing and meeting special housing needs elsewhere, wherever this will improve the neighbourhood housing offer.

Family Housing

1.3.5 Tees Valley also has an Urban Regeneration Company - Tees Valley Regeneration (TVR). TVR has five flagship projects. Four of them have proposals for up to 6,000 residential units. A significant proportion of the TVR units are likely to be urban apartments depending upon the demand for the early provision. A clear message is therefore that, as three TVR flagships sit virtually adjacent to HMR priorities in Hartlepool, Middlesbrough and Stockton, the HMR schemes must aim to provide predominantly family accommodation.

HMR Business Case Submission

1.3.6 In addition to the bid for SHIP funding TVL and partners are already preparing a business case for submission to Communities and Local Government (CLG) by 2nd November 2007 for additional funding from the Housing Market Renewal Fund (HMRF) alongside the established HMR Pathfinders. The overall scale of resources offered from the two sources will simply determine the speed of implementation of the programme, not its content. There are already major public commitments made to the programme by all four HMR Councils.

[4] Changing Housing Markets and Urban Regeneration in North East England", Centre for Urban and Regional Studies, Birmingham University, Jan 2002

1.4 PROVIDING CHOICE AND QUALITY

1.4.1 The Regional Housing Aspirations Study[5] confirmed the significant under-supply of detached executive housing and 3 and 4 bedroom semi-detached houses with gardens. Good quality private sector housing for independent older people is also in short supply, particularly bungalows, and lifetime homes to buy or rent.

Section 106 Obligations

1.4.2 All five Councils have completed a Local Housing Assessment (LHA). Each one recommends a local affordable housing requirement. Housing and Planning Officers are working to develop a more consistent Tees Valley approach to Section 106 Planning Obligations to maximise delivery.

Owner Occupation

1.4.3 The LHAs and the Regional Housing Aspirations Study also indicated high demand for home-ownership. The SRHS therefore proposes that larger developments will be mixed tenure. The Neighbourhood Vitality and Viability Index (VVI) indicates that where owner occupation is the predominant tenure then stability levels are typically higher.

Housing Mix and Design

1.4.4 Replacement housing and other large-scale housing schemes will be expected to provide a good mix of dwelling types, including provision for the needs of more vulnerable households. They must be of high quality design and specification, as it is vital that our investments should raise standards and contribute to uplifting the image of the urban core as a place where people will aspire to live.

1.5 IMPROVEMENT AND MAINTENANCE OF EXISTING HOUSING

1.5.1 All five local authorities have now determined their investment strategies to make all social housing sector homes decent by 2010/11. Hartlepool, Middlesbrough and Redcar and Cleveland have well established Large Scale Voluntary Transfer (LSVT) Registered Social Landlaords (RSLs). Stockton has set up an Arms Length Management Organisation (ALMO) and Darlington has chosen to retain its stock.

1.5.2 The partnership approach maximises private investment for home improvements, implementing new decent homes investment packages and the effective procurement of financial products and services.

Continued Funding Objectives

1.5.3 The Local Authorities submitted a successful bid to the NEHB for SHIP Round 2 funding in 2006. They are now seeking further funding in SHIP Round 3 to help to improve private sector housing, implement new schemes, reduce the number of empty homes and improve energy efficiency. It also aims to further develop licensing and accreditation of private landlords across Tees Valley.

Neighbourhood Management

1.5.4 In addition, effective neighbourhood management can underpin physical improvements and is being considered where significant regeneration activity is being delivered in the most vulnerable neighbourhoods.

1.6 MEETING SPECIFIC COMMUNITY AND SOCIAL NEEDS

1.6.1 Since the advent of Supporting People, commissioning bodies have undertaken an extensive needs and supply mapping analysis. This information together with the findings of our LHAs, has allowed us to develop detailed priorities for housing with support.

[5] Regional Housing Aspirations Study, Final Report, March 2005, Nathaniel Lichfield & Partners Ltd.

Housing for Older People

1.6.2 The strategic approach to housing with care and support for older people is developing well across Tees Valley. The current model of extra care is a good one, and will be enhanced to provide units for sale and to provide a hub for services in the wider community. A Tees Valley approach towards the provision of extra care continues, with floating support for vulnerable people being developed across the sub-region, including greater use of assistive technologies.

Prevention of Homelessness

1.6.3 Prevention of homelessness is high on all agendas with a range of positive actions already being well advanced. A sub-regional approach to sanctuary provision associated with domestic violence is being explored which will build on work already underway to address homelessness and pull together the best aspects of existing sanctuary schemes. Initiatives to involve the private sector in providing accommodation are being pursued.

Specific Needs

1.6.4 Other priority groups have been identified, including single homeless people, people with drug and alcohol problems, victims of domestic violence, people with learning disabilities, offenders and those at risk of offending.

Disabled Facilities Grant

1.6.5 Tees Valley Local Authorities have successfully bid for top-up SHIP funding for additional Disabled Facilities Grant (DFG) in 2005, to meet increasing demand from elderly and disabled residents wishing to stay in their own homes.

1.7 CROSS-CUTTING ISSUES

1.7.1 A number of gaps have been identified in the knowledge and understanding of the housing market, especially at a more detailed, local authority and neighbourhood level. A number of studies have been commissioned to help address these gaps but work will continue in this area.

1.7.2 Strong leadership and the provision of localised complementary services underpin successful physical improvements.

1.7.3 Tees Valley authorities have maximised impact in their areas of intervention by:

- strengthening housing enforcement and strategies to deal with anti-social behaviour;
- ensuring coverage of selective landlord licensing schemes and/or landlord licensing schemes;
- enhancing community policing and/or street warden services; and
- providing dedicated community development services.

1.7.4 In addition, a key role is provided by neighbourhood management to coordinate local community priorities and service provision.

1.7.5 TVL has facilitated some key developments in moving forward on joint procurement. A Tees Valley Joint Procurement Group is developing joint approaches on the security of empty dwellings, demolition contracts and is examining the use of legal services.

1.8 DELIVERING THE STRATEGY

1.8.1 The five local authorities, RSLs, private sector developers, private landlords, our local communities and institutional financial and investment partners will be key to the success of this Strategy. Tees Valley is fortunate in having a number of significant organisations and established partnerships working across local authority boundaries, each with a role in helping to deliver this Strategy.

Tees Valley Unlimited

1.8.2 An important vehicle for future delivery will be Tees Valley Unlimited (see Chapter 9). TVU's role in the co-ordination of activity at the strategic level and its integrated governance arrangements, embracing local authorities, the private business sector and the voluntary and community sectors will be important determinants of future strategic direction, efficient local resource allocation, successful performance, and timely monitoring and evaluation of process and project delivery.

1.9 CONCLUSION

1.9.1 Our updated SRHS sets out a clear strategic direction and priorities for all the main housing organisations in the sub-region up to 2021. The immediate priorities will be reflected in strong sub-regional programmes that will be key to delivering results. The main elements will be:

- supporting and aligning other investment with the TVL HMR programme, to achieve transformational change in areas of low demand;
- complementary improvement of sustainable housing within or adjacent to TVL priority areas;
- the provision of largely family housing in priority areas
- complementary provision of affordable housing to support households displaced during redevelopment;
- working with Planning professionals to secure the appropriate mix of new housing;
- continued work to address the housing needs of all vulnerable groups;
- joint procurement and commissioning.

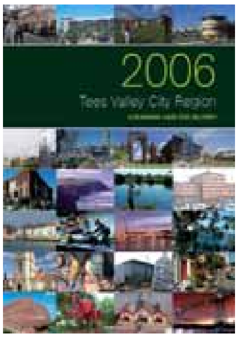
1.9.2 A summary of priorities and actions over the course of the 15 year Sub-regional Housing Strategy is provided at the end of Chapters Four to Seven. An Action Plan for the period 2008-2011 is included in Appendix A of this Strategy.

2.0 INTRODUCTION

2.1 BACKGROUND TO THE STRATEGY

Tees Valley Sub-Region

2.1.1 For the purposes of this Strategy, the Tees Valley Sub-Region comprises the administrative areas of Darlington, Hartlepool, Middlesbrough, Redcar and Cleveland, and Stockton-on-Tees Councils. While housing markets inevitably extend beyond administrative boundaries, this approach mirrors well-developed sub-regional strategic bodies such as the Tees Valley Joint Strategy Unit (JSU), Tees Valley Living (TVL), Tees Valley Regeneration (TVR) and the Tees Valley Partnership (TVP). This document aims to reflect the strategic housing priorities of those bodies as well as the local authorities and registered social landlords (RSLs) working in the sub-region.



Tees Valley City Region Development Programme

2.1.2 As a sub-region, Tees Valley is well advanced in developing strategies to deliver economic regeneration and well-being. The TVP is the strategic body ensuring a joined-up approach to economic development and regeneration by co-ordinating the activities of the main agencies involved. This sub-regional housing strategy is one of the supporting strategic documents that form an essential part of this co-ordinated approach.

History of Housing Problems

2.1.3 The industrialisation of Tees Valley was very rapid, leading to masses of high density, poor quality, terraced housing being built close to the industrial workplace. Extensive 20th Century Council estates have followed a similar pattern. The process resulted in substantial areas of housing offering a very limited range of house type and tenure, which have become the least popular destinations for both indigenous households and inward migrants.

2.1.4 While employment overall in Tees Valley fell by 8% from 1971 to 2001, the number of manufacturing jobs fell by 70% over the same period. These job losses triggered a net outward migration of the most mobile, affluent and able people from the sub region, which up until recently was still continuing. This has left the traditional housing areas with a higher proportion of the unemployed, the elderly, and those with lower skills and wages. This situation has been compounded by urban flight from the inner areas of the sub-region.

2.1.5 Sustained outward migration has left parts of the inner areas with concentrations of poverty and fragile housing markets, representing a major challenge for the sub region. A programme of selective demolitions has been pursued by the Tees Valley housing authorities over recent years, with 400-500 demolitions taking place each year.

2.1.6 Housing market failure in Tees Valley was first highlighted by the CURS report[6], which identified failing housing markets in the urban conurbations. Much of this involved pre-1919 terraced housing, in disrepair and increasingly difficult to sell or to let.

Aerial view of older terraced housing in Middlesbrough

However, there was also a significant proportion of council-owned stock in these failing market areas, which, with the need to meet decent homes standards by 2010, identified large-scale clearance and renewal programmes in a significant number of neighbourhoods.

2.1.7 More recently, evidence has emerged of falling vacancy rates in the social housing sector, although still above the target in the Regional Spatial Strategy (RSS), with reports of growing pressure on available stock resulting from the needs of more vulnerable groups. A reduction in the rate of turnover has also increased pressure on the number of houses available for letting. Nevertheless, there is general agreement that the replacement of obsolete and unattractive housing remains the primary housing objective across Tees Valley. RSS anticipates that over 1,000 properties per annum will be demolished in the sub region to 2011, with some 2,840 new, mainly private sector, homes to be built each year.

2.1.8 The problems in Tees Valley need to be addressed through concerted and large-scale action and through a coordinated strategy across the whole sub-region. This will involve a reduction in the level of social rented housing provision and action to deal with obsolete pre 1919 private stock, resulting in increased provision of new owner-occupied housing.

The Preparation of a Sub-Regional Housing Strategy

2.1.9 The NEHB issued its first Regional Housing Strategy in 2003 and recently submitted its updated Strategy to the Department for Communities and Local Government (CLG). Current RHS places considerable emphasis on the need to develop a sub-regional, strategic approach in order to reflect local housing markets and to encourage cross-boundary working amongst local authorities. Within Tees Valley, a sub-regional housing approach is well developed as partners anticipated the benefits of this approach early in the process.

2.1.10 The primary objective of this Sub-Regional Housing Strategy is, therefore, to draw together housing issues that have a common thread across the sub-region to facilitate partnership working between local authorities and housing providers, and to better inform other strategic plans such as the Regional Economic Strategy (RES), RHS and the RSS.

2.2 THE WIDER REGENERATION AND HOUSING CONTEXT

National Housing Policy

2.2.1 This Strategy has been prepared against a national focus on housing renewal set out in the former ODPM's 'Communities Plan' and subsequent '5-Year Plan' . This calls for major change in the approach to developing and maintaining communities across the country, much of which was to be housing led.

2.2.2 Other relevant influential strategies include the Barker Review of Housing Supply , the National Strategy for Neighbourhood Renewal , the Supporting People Programme and Community Safety Initiatives .

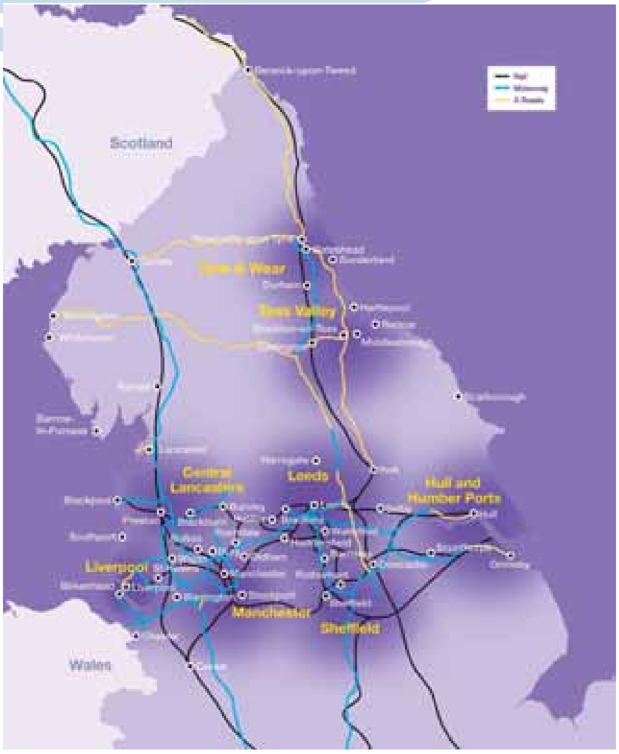
Northern and Regional Policy Influences

2.2.3 Within the North East Region, there are a number of complementary strategies which are directly relevant to this Strategy, including the Northern Way Growth Strategy, and, as indicated above, the RES and the emerging RSS.

The Northern Way

2.2.4 The Northern Way sets out ambitious plans to revitalise the economy of the three Northern regions, much of which is based on the premise that the North has the potential to become a more desirable place in which to live and invest. Housing quality and variety are key issues, with the current stock considered to fall well below that required to support the region's economic potential.

[6] Changing Housing Markets and Urban Regeneration in North East England, Centre for Urban and Regional Studies, Birmingham University, Jan 2002



Northern Way 8 City Regions

2.2.5 In terms of sustainable communities and housing, the Northern Way proposals aim to:

- establish clear locational priorities for regeneration;
- ensure a satisfactory rate of clearance and replacement of obsolete housing;
- broaden the mix of housing types on offer;
- develop stronger public-private partnerships to create more capacity to deliver major change.

Tees Valley's response to the Northern Way initiative is outlined in Chapter Nine below.

Regional Economic Strategy

2.2.6 The Northern Way Growth Strategy also links closely with the RES in four key areas:

- the provision of more attractive housing will assist economic growth;
- housing demand will be strengthened by higher rates of economic growth;
- the region's image will be boosted by large-scale regeneration programmes tackling areas with poor reputations;
- investment in new construction and improvements to existing housing will generate jobs and boost incomes.

Regional Spatial Strategy

2.2.7 Regional Planning Guidance 1 (RPG) became the RSS in September 2004 and has been the subject of further review by the North East Assembly (NEA) as the Regional Planning Body. Following an Examination in Public in 2006, the Government's proposed changes to the revised Strategy have been published for consultation.

2.2.8 The covering letter from the Minister to the NEA in relation to the proposed changes emphasises the major shift in planning for housing introduced by 'Planning Policy Statement 3: Housing' (PPS3), published in 2006. The letter indicates, " Allocations are now not seen as a rigid framework, but as guidelines for local planning. … it is not the intention of Government to see the use of district housing allocations as either a precise or restrictive framework. Rather, PPS3 introduces an approach based on much more comprehensive strategic housing market analysis and the use of trajectories. The RSS is meant to be an evolving plan for the region …"

2.2.9 The RSS is intended to provide a long-term vision for the spatial development of the region, within which the RES, RHS and the Integrated Regional Framework will be delivered. The Strategy provides important context for sub-regional housing strategies in terms of the distribution and phasing of new planning allocations for housing. The need for better quality housing to meet future demand, to replace obsolete housing and to stimulate the renewal of failing housing markets to support the region's economic growth is highlighted in RSS .

7 "Sustainable Communities: Building for the Future" ODPM 2004 and Sustainable Communities: Homes for All", ODPM, January 2005

8 "Review of Housing Supply. Delivering Stability: Securing our Future Housing Needs", Kate Barker, HM Treasury Report, March 2004

9 "A New Commitment to Neighbourhood Renewal: A national Strategy Action Plan", Social Exclusion Unit, January 2001

10 "Creating Sustainable Communities: Making it Happen the Northern Way", ODPM February 2004

2.2.10 The RSS is clear that a significant influence on the creation of sustainable communities will be housing market renewal. RSS proposes that this should be achieved through an increase in build rates and corresponding increase in the amount of demolition. RSS anticipates that around one quarter of the additional dwellings required in the Region over the planning period will be built in the Tees Valley.

2.2.11 In relation to Housing, the NEA calculates that RSS should be making provision for a net housing requirement of 128,900 dwellings in the Region between 2004-2021. Recent projections are based on the following:

- the Office for National Statistics (ONS) projections indicate that fewer people are leaving the Region and more people are coming to live and work here;
- natural change is now virtually zero as opposed to being in the negative;
- lower net migration will result in a greater level of dwelling provision than in the Submission RSS
- Gross Value Added (GVA) has been growing at a higher rate than anticipated, giving grounds for greater optimism in the growth in jobs, more inward migration and a higher level of net housing provision in the region.

2.2.12 Tees Valley local authorities support the NEA's view that the net level of housing provision in the Tees Valley sub-region 2004-2021 should be in the order of 35,700 dwellings. The table below indicates the likely distribution and phasing between each Tees Valley council.

2.2.13 The proposed phasing is 'front-loaded' in the first two periods to reflect the scale of existing commitments, and to allow positive intervention in the housing market, including support for the housing element of major regeneration and 'flagship' projects and re-structuring within a number of areas and communities. The affordable housing requirement of between 1250-1500 dwellings per year, as identified following recent local housing assessments, is referred to in Chapter Five below.

2.2.14 A plan, monitor and manage approach for the release of housing land to meet RSS targets will ensure that housing market restructuring and previously developed sites in sustainable locations are delivered.

Regional Housing Strategy

2.2.15 NEHB has established four key strategic objectives, which are mirrored in our strategy:

- To rejuvenate the housing stock to meet 21st Century aspirations, replacing market failure with high quality housing in successful, cohesive and sustainable communities;
- To ensure the type and mix of new housing provides choice, supports economic growth and meets housing needs and demand. This will reflect the diversity of urban and rural communities and the need for both affordable and prestige housing;

	2004 -2011		2011 -2016		2016 -2021		2004 -2011	
	Total	Per annum	Total	Per annum	Total	Per annum	Total	Per annum
Darlington	3,675	525	1,720	345	1,300	260	6,695	395
Hartlepool	2,730	390	2,030	405	1,975	395	6,735	395
Middlesbrough	3,080	440	2,460	490	1,480	295	7,020	410
Redcar & Cleveland	2,330	330	1,820	365	1,615	325	5,765	340
Stockton-on-Tees	4,195	600	2,680	535	2,605	520	9,480	555
Tees Valley	16,010	2,290	10,710	2,140	8,980	1,795	35,700	2,100

TABLE 1 - Regional Spatial Strategy Housing Allocations

- To secure the improvement and maintenance of existing housing so that it meets required standards by investing in sustainable neighbourhoods;

- To promote the good management and targeted provision of housing investment to address specific community and social needs, including an ageing population, the needs of minority communities and supported housing requirements.

2.3 LOCAL PLANNING POLICY FRAMEWORK

2.3.1 The local planning policy context for the Tees Valley sub-region will be set out in the Local Development Frameworks (LDFs) of each of the Local Planning Authorities (LPA). The RSS along with LDFs will form the statutory Development Plan as the basis for planning decisions on future housing provision

2.3.2 LDFs will provide the planning framework that brings together housing, planning, economic and transport policy at a local level. It will be important that local policies reflect sub-regional, regional and national policy, to be reflected in the core strategies, the housing local development document, and either through area action plans or supplementary planning guidance, to enable strategic objectives to be achieved in specific areas.

2.3.3 The approach to planning for housing in Tees Valley, both in terms of emerging LDFs and this current Strategy, reflects the policy objectives within Planning Policy Statement 3 - Housing (PPS3). Both policy platforms are framed so as:

- "To achieve a wide choice of high quality homes, both affordable and market housing to address the requirements of the community.
- To widen opportunities for home ownership and ensure high quality housing for those who cannot afford market housing, in particular those who are vulnerable or in need.
- To improve affordability across the housing market, including by increasing the supply of housing.
- To create sustainable, inclusive, mixed communities in all areas, both urban and rural." (PPS3, para 9).

2.3.4 Recently-completed LHAs have enabled the setting of "an overall (plan-wide) target for the amount of affordable housing to be provided." (PPS3, para 29). At the same time the level of housing provision has been "determined taking a strategic, evidence-based approach that takes into account relevant local, sub-regional, regional and national policies and strategies achieved through widespread collaboration with stakeholders." (PPS3, para 31). The Strategy and LDFs include "… policies and strategies for delivering the level of housing provision, including identifying broad locations and specific sites that will enable continuous delivery of housing for at least 15 years." (PPS3, para 53).

2.3.5 In addition to responding to current national planning policy, this Strategy and Tees Valley LDFs have anticipated changes in emphasis in national economic and housing policy.

2.3.6 The recent review of sub-national economic development and regeneration[11] confirms; "A key driver of the [cycle of] decline is the working of the housing market". In particular pockets of deprivation may reflect the concentration of affordable and poor quality housing in those neighbourhoods, with the 'sorting effect' of the housing market resulting in the less well-off living in poorer areas." The sorting effect of the residential housing market in reinforcing concentrations of deprivation at the local neighbourhood level is borne out by the evidence produced in Tees Valley.

2.3.7 Paragraph 1.48 of the Review emphasises that "In deprived areas, it is necessary to have an integrated approach which tackles the problems of a weak economic base, poor housing and local environments, and poor public services together. To be successful over the longer term, interventions to improve the economic, social and environmental performance of deprived areas will need to have a stronger emphasis on tackling worklessness and a stronger link to wider economic interventions so that residents are able to benefit from enhanced opportunities and share in prosperity." In order to embrace this wider agenda, Tees Valley has determined the appropriate way forward to be a Multi Area Agreement with governance arrangements designed to deal with a city region scale of intervention. This approach is endorsed in the Review. (Box 6.5, pp87).

2.3.8 As will be seen later in this Strategy and particularly in the package of proposals put forward in the accompanying Action Plan, Tees Valley's approach to dealing with housing problems and providing for future housing need and demand is very much in line with the recently published Housing Green Paper[12]. This is particularly so in respect of delivering homes of the right type where they are needed, making the most of existing stock, developing the place-shaping role of housing, levering in private investment and reducing the number of home that are left empty for long periods of time, all appropriately evidenced.

[11] Review of sub-national economic development and regeneration, HM Treasury, Department for Business and Enterprise and Regulatory Reform, Communities and Local Government, July 2007:18.

[12] Homes for the future: more affordable, more sustainable - Housing Green Paper, Communities and Local Government, July 2007.

3.0 UNDERSTANDING HOUSING MARKETS

3.1 TEES VALLEY HOUSING MARKETS

3.1.1 With support from One NorthEast (ONE) and other funding sources, Tees Valley housing stakeholders have focused considerable effort on understanding the housing and neighbourhood characteristics of the sub-region and the dynamics of housing markets operating there.

The Tees Valley Vitality and Viability Index (VVI)

3.1.2 In the context of housing market renewal and specifically to highlight where low demand for housing was having its greatest impact, partners developed the Tees Valley Vitality and Viability Index (VVI) (December 2003).

3.1.3 The VVI is compiled by applying statistical techniques to combine a range of indicators that had been agreed to give a measure of the 'health' in housing terms of defined neighbourhoods across the sub-region. The Index ultimately assumed particular significance in helping to define broad areas within which intervention in the housing market might be necessary to reverse market failure.

3.1.4 The Index identified Central Darlington, Central Hartlepool, Central Stockton, a broad area stretching from West Middlesbrough through North and East Middlesbrough to South Bank and Grangetown, Central Redcar, and a scatter of other areas as likely to be exhibiting conditions that might give rise to concerns over low demand housing. It was decided however, that, from the strategic point of view, neighbourhoods within Central Hartlepool and the band between Central Stockton through North Middlesbrough to Grangetown should be the focus for further investigation, on the basis among other things that action in these areas would be most likely to influence a change in housing market conditions.

3.1.5 The VVI has been subject to scrutiny and review in order to develop a more sensitive measure of. Failing housing and, on the other, deprived communities.

TVL are currently working with the JSU and boroughs to develop a Community Vitality Index which will include a more comprehensive range of quality of life indicators such as unemployment, low income, educational attainment, health and crime. It will be used in conjunction with the VVI to analyse the impact of interventions at neighbourhood level. Sourcing the necessary data for the indicators has involved exploiting Primary Care Trust data, Crime and Disorder statistics, Council Tax Databases, as well as the usual Office for National Statistics (ONS) data. The VVI and Community Vitality Index will be updated on an annual basis.

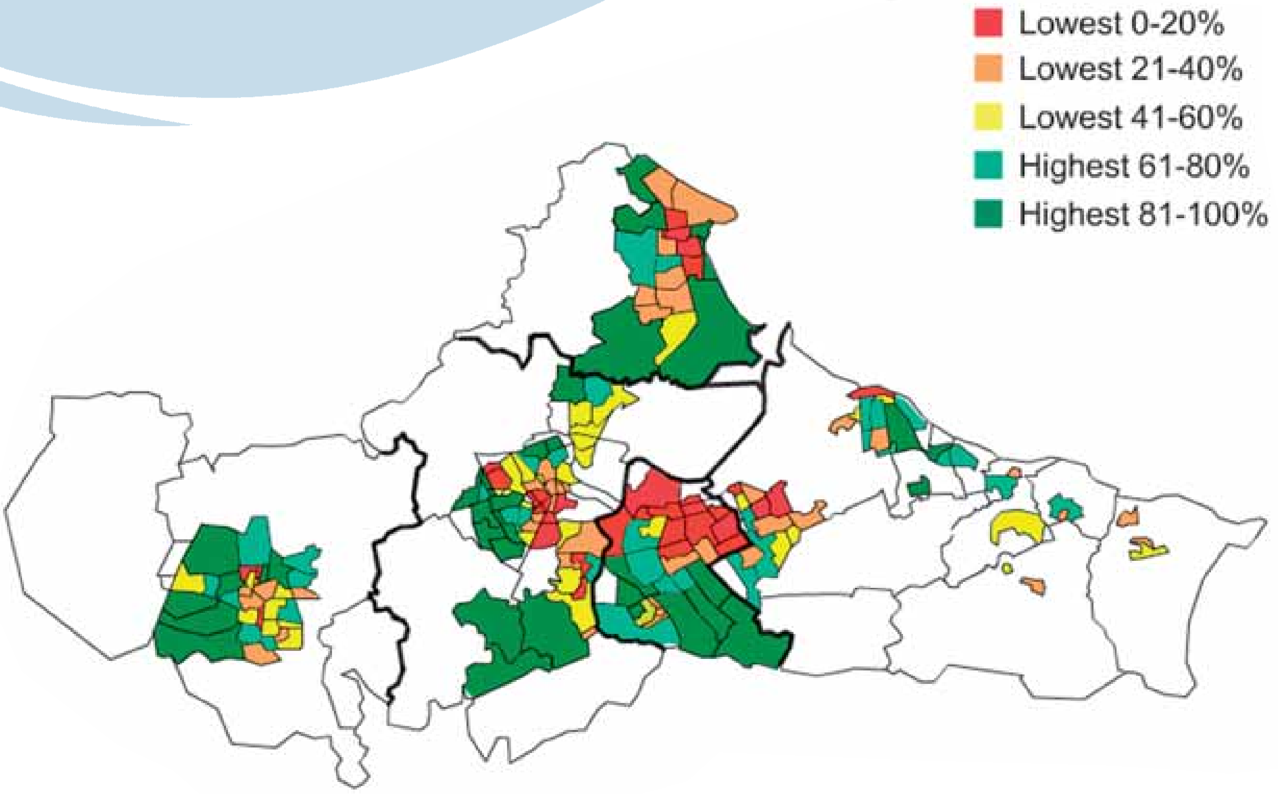
Tees Valley Contextualising Database

3.1.7 While the VVI concentrates on a limited number of core indicators, a complementary web-based database has been developed to provide a range of information on more than 70 other indicators and measures of neighbourhood characteristics, so that each can be tracked over time to identify significant changes as a result of market renewal activity.

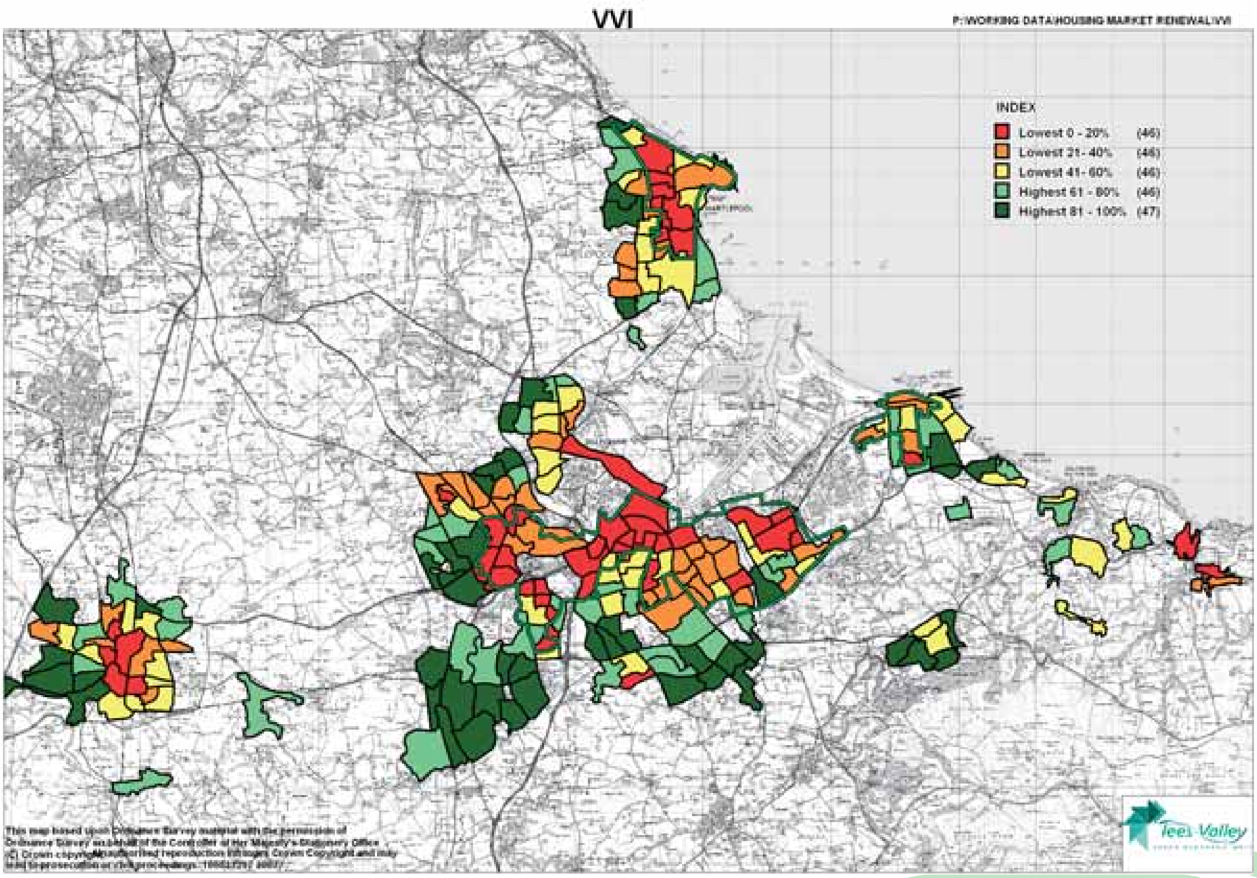
3.2 IDENTIFYING HOUSING MARKETS

3.2.1 To improve the knowledge and understanding of sub-regional housing markets, the Tees Valley local authorities, through Tees Valley Living, commissioned a Housing Market Assessment (HMA) in 2004[13]. The aims were to identify local housing markets and migration trends, to understand low demand problems and identify the housing aspirations of residents. The HMA covers the sub-region and the neighbouring parts of North Yorkshire and South Durham.

3.2.2 The HMA report noted that: "Essentially, across Tees Valley, there are largely self-contained core urban centres with established residents, coupled with mobility of higher-income households who are the main drivers in shaping the nature of housing markets within Tees Valley."



Vitality and Viability Index (VVI) 2004



Vitality and Viability Index (VVI) 2007

3.2.3 The outcomes of the study, with extensive consultation with housing providers and other regeneration agencies, have been pivotal in developing priorities for housing action in the sub-region. Whilst there have been noticeable changes in out-migration from the sub region and in local demography, many of the conclusions of the HMA remain relevant. The sub region is currently considering an approach to Strategic Housing Market Assessment (SHMA) and this will build on the HMA and LHAs.

Supply and Demand

3.2.4 Housing Market Renewal Pathfinder studies have shown that the drivers of housing market change are varied and often beyond the control of housing providers. Key drivers across Tees Valley include the economy, schooling, health and community facilities, migration patterns, and transport networks, as well as the nature of the housing stock.

3.2.5 The HMA report confirmed an outdated housing supply dominated by small late 19th century and early 20th century terraced housing (over 31% of the stock in the sub-region). This is concentrated in the more vulnerable, urban neighbourhoods where low values are proving attractive only to investors and private landlords. This has further reduced the stability of these neighbourhoods.

3.2.6 Additionally, the housing supply falls below the national average for more modern, semi-detached and detached dwellings, which has been one of the drivers in the drift towards, for example, Hambleton and Ingleby Barwick.

3.2.7 There is also evidence that the supply of executive housing falls appreciably short of demand in most areas. The success of Ingleby Barwick, for example, is mainly due to the availability of house types in a modern setting not available elsewhere in most of the sub-region, at prices which have been seen as representing good value for money.

3.2.8 Another area of mismatch in supply and demand is quality housing for single people and couples across the age range.

The sub-region has below-average levels of quality apartments for professional couples and singles, whilst bungalows and quality, purpose-built housing for independent older people are also in short supply.

3.2.9 The supply of social rented housing, at just over 23% of the total, is on a par with the regional average, but appreciably higher than the national average of around 19%. This is out of balance with the aspirational demand for owner occupation, and a strategic objective is to reduce the proportion of social rented housing towards the national average.

3.2.10 There has been a tightening of supply in this sector largely attributable to higher prices in the private sector, increasing demolitions and growing demand for properties to re-house residents from clearance areas. This pressure is inevitable as the demolition and refurbishment programmes gain momentum and should not be interpreted as an underlying long-term increase in demand for affordable housing.

3.2.11 There may be a cyclical element to social housing supply and demand which is largely driven by affordability and supply in the private sector. This cycle may influence the scale and phasing of interventions such as clearance, particularly as costs of acquisition rise and fall.

Migration Patterns

3.2.12 There is a westward drift of population in and around the Teesside conurbation. The HMA found that most people moving into the Tees Valley sub-region tended to settle in the more western parts of the area such as Ingleby Barwick, Darlington and the urban edge of Stockton. Similarly, those residents moving within the sub-region, tend to migrate westwards away from the urban concentrations.

[13] Tees Valley 2004 Housing Market Assessment", David Cumberland Housing Regeneration Ltd and Nathaniel Litchfield and Partners, January 2005

3.2.13 There has been a net outflow of people into North Yorkshire in particular, where there has been a relatively vigorous growth of new housing, particularly in Hambleton District. Local authorities continue to liaise closely to examine this pressure.

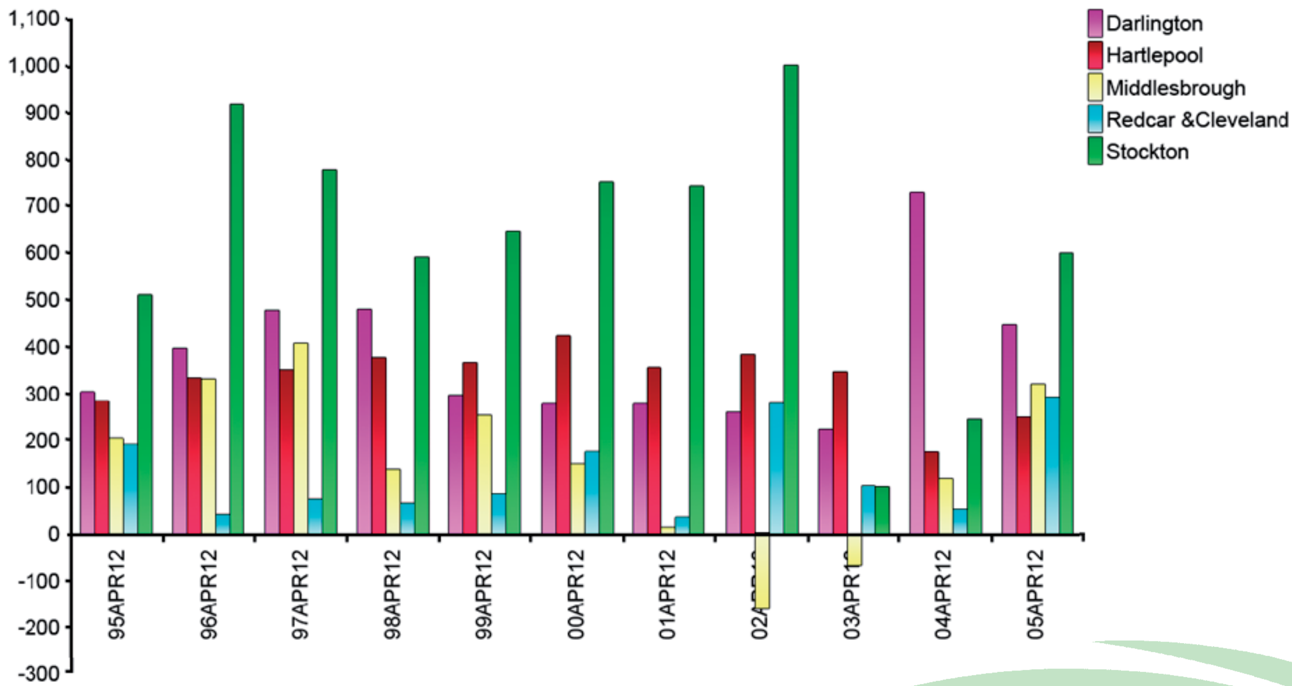
3.2.14 The HMA report concluded that: *"From a strategic perspective, the population migration dynamic is going to have a significant impact on housing markets within Tees Valley. Residents are clearly moving out of less desirable areas and this is being facilitated by the provision of modern homes meeting household aspirations in many areas (generally on peripheral sites away from town centres). The result is an ongoing hollowing out of population in less desirable areas (generally correlated with high density stock). There is a need to change stock composition (and possibly land use away from residential use) in these areas".*

3.2.15 ONS 2003-based projections released in November 2004, anticipated a population decline of 2.4% across Tees Valley from 2003 to 2023, with a reduction of 15% in Middlesbrough and 8.8% in Redcar and Cleveland. Increases were most likely in Stockton and Darlington, encouraged by new housing developments.

3.2.16 However, in 2004, ONS reviewed its methodology on migrants with the result that base migration moved from a net out-migration of 2,800 households from the North East to a net in-migration of 5,000 households, with corresponding figures for Tees Valley of -1,700 and -200 households respectively. The implication for Tees Valley is that there will be at least 8,000 more households to accommodate between 2004-21 than originally anticipated. The figure of 35,700 additional dwellings required during the period has been calculated on the basis of these revised projections.

3.3 ASPIRATIONS AND HOUSING NEEDS

3.3.1 The Household Survey conducted as part of the HMA report indicated a desire for larger homes in terms of numbers of bedrooms. 78% of respondents aspired to a house with three or more bedrooms and over 77% of those aspiring to a bungalow wanted two or three bedrooms. In terms of housing type, there is a clear mismatch between housing offer and local aspirations as shown by the table on the opposite page.



New Homes Net Additions 1995 - 2005

DWELLING TYPE	TEES VALLEY (1)	ENGLAND (2)	PROFILE OF ASPIRATIONAL STOCK IN TEES VALLEY (3)
Detached	13.0%	17.2%	23.6%
Semi-detached	30.9%	27.1%	33.8%
Terraced	33.2%	28.9%	21.5%
Bungalow	11.3%	9.3%	10.9%
Flat/Maisonette/Other	11.5%	17.5%	10.2%
Source: (1) 2007 Tees Valley JSU (District Valuer Service data) (2) 2005 DCLG House Condition Survey (3) 2004 Household Survey			

TABLE 2 - House Types
source: Tees Valley Housing Market Assessment January 2005

3.3.2 The sub-region has an appreciably lower proportion of detached housing and a higher proportion of terraced housing than both the regional and England averages. The table above shows that whilst more than one third of housing stock in the Tees Valley is terraced housing, the Household Survey indicated that only 21% of respondents aspired to live in a terraced house. The sub region has an appreciably lower proportion of detached houses than both the regional and England averages.

Housing Market Typologies

3.3.3 The HMA explained the dynamics of household movement in the context of a series of typologies, representing target types of property to which households aspire and which drive their decisions to relocate. The typologies are summarised in the table below.

MARKET TYPE	INDICATIVE CHARACTERISTICS
Town centre cores	High density housing (predominantly terraced), older long-established population, found in all major Tees Valley towns. A market largely self-contained in each town.
Emerging Urban Living	Apartment living in limited, mainly recently-developed locations such as Hartlepool Marina and Stockton Riverside. This market is probably regional in coverage.
Western and Southern Affluent belt	Includes rural hinterlands of urban areas. This is a market with high mobility, which spans an area well beyond Tees Valley.
Stable suburbs	Low-rise semi- and detached properties including terraces, family housing. There is mobility across Tees Valley in this market.
Vulnerable high-density	In town centre areas, poor stock condition, high level of private renting. Most vulnerable 20% neighbourhoods on V&V Index. A local market.

TABLE 3 - Tees Valley Market Types
source: Tees Valley Housing Market Assessment January 2005

Local Housing Assessments

3.3.4 The sub-regional HMA is now complemented by more detailed local housing assessments (LHAs), completed by local authorities during 2006-07. The LHAs were commissioned according to a common methodology agreed by sub-regional partners to ensure consistency of approach and comparability of data. LHAs essentially bring together notions of housing need, wider market factors and how these are expected to change over time.

3.3.5 These studies are a fundamental tool in understanding specific local housing needs and aspirations and will inform planning policy in respect, particularly, of affordable housing. Affordable housing needs that have emerged from these studies are considered in Chapter Five.

Strategic Housing Market Assessment

3.3.6 In line with Government Guidance published in March 2007, and as mentioned earlier in this Chapter, the sub-region is currently considering an approach to SHMA. Further work is proceeding to understand the full implications of the HMA and LHAs both locally and sub-regionally and to ensure the SHMA builds on existing data and intelligence

Black and Minority Ethnic Housing Needs Study[14]

3.3.7 Specific research has been undertaken in the sub-region in order that the housing needs of Black and Minority Ethnic (BME) communities are better understood and to examine the role that such households may play in housing market renewal.

3.3.8 ONS Census data identified that the ethnic profile of Tees Valley broadly mirrors that of the North East, although the proportion of Asian/Asian British (particularly Pakistani) is slightly higher. The highest proportion of non-white ethnic groups are located in Middlesbrough (6.3%) and are particularly likely to live in vulnerable neighbourhoods.

3.3.9 Across Tees Valley, the proportion of residents in Black and minority ethnic groups has increased from 2.5% in 1991 to 3.2% in 2001. Of particular significance, the proportion of Asian/Asian British residents has increased by 33.9% across Tees Valley (an increase of 2,873 1991 to 2001), with most of this increase in Middlesbrough and Stockton-on-Tees (although from the data it is not clear whether this is due to natural change or in-migration).

3.3.10 The study tended to capture responses from a large proportion of refugees and asylum seekers. The implications of the results for future housing provision are yet to be fully assessed.

3.3.11 Further understanding of the expectations of BME communities in respect of how they are served by the housing market will be gained following a study commissioned by the NEA, with which the sub-region has been involved and during which focus group discussions have been held with BME representatives in Middlesbrough. The results of the study will be assessed together with further analysis of the Tees Valley study to determine how well the market and housing agencies are operating to provide for the needs of BME communities in the sub-region.

Gypsy and Travelling Groups

3.3.12 The sub-region is in the process of commissioning a study on the housing needs of the gypsy and travelling population. The study will complement research recently completed on behalf of the NEHB into the availability of suitable sites in sufficient numbers to accommodate the needs of the travelling community.

[14] Embracing Difference - A study of the housing & related needs of the Black & Minority Ethnic community in the Tees Valley Living area by Andy Steele, Salford Housing & Urban Studies Unit, University of Salford and Naseer Ahmed, EMS Consultancy Ltd, March 2006

Modelling Funding Requirements

3.3.13 Although the majority of the finance required for housing market re-structuring ultimately will be invested by the private sector, the public sector in Tees Valley has tended to shoulder the burden of up-front costs associated with property acquisition, household relocation, building demolition and site remediation in redevelopment and regeneration projects.

3.3.14 In order to ensure that the most effective use is made of the limited public funding likely to be available for housing market renewal, the sub-region commissioned a financial model[15] that would allow a range of scenarios of housing provision to be tested against a series of different assumptions to identify the most economical use of public money and when best it should be applied to lever maximum private investment.

3.3.15 The model is operational in part and will shortly be subject to more rigorous testing and extended application across the sub-region.

Heritage and Design Study

3.3.16 Although not specifically to do with understanding housing markets, Tees Valley Living commissioned a Heritage and Design Study[16] in order to develop a framework and process that could be employed across the sub-region to highlight important heritage features and quality townscape that needs to be retained or reflected in new development, and to stimulate new thinking in the provision of innovative housing and places.

3.3.17 Where demolition and redevelopment feature as the appropriate intervention to assist market renewal and re-structuring, new development must be carried out to a high standard of design, acknowledging the historic environment as an asset, contributing as it does to urban identity and a sense of place. The objective must be to use history and identity positively and creatively to improve local character and create new places that are diverse and stimulating. Redevelopment creates the opportunity for a new look at urban form, townscape and the alternative ways towns in the sub-region may develop in the future.

3.3.18 A design framework has been developed that will ensure a consistent approach to assessing proposals for development, reflecting historic setting and existing identity, yet flexible enough to allow distinctive character to emerge.

3.4 STRATEGIC PRIORITIES

3.4.1 Further work to extend the understanding of Tees Valley housing markets includes:

- the needs of the Gypsy and Travelling Communities;
- a Strategic Housing Market Assessment (SHMA) in parallel with Regional proposals;
- annual updating of LHAs;
- further refinement of the VVI, development of the Community Vitality Index and annual updates of both VVIs.

Extract from the Tees Valley Heritage and Design Study Final Report 2007

15 Housing Market Renewal - Reducing the Need for Gap Funding, January 2006, Deloitte MCS Limited.

16 The Tees Valley: Heritage Assessment and Development Guidance for Housing Market Renewal, February 2007, Gillespies.

4.0 REJUVENATING THE HOUSING STOCK

"To rejuvenate the housing stock to meet 21st Century aspirations, replacing market failure with high quality housing in the right locations to help create successful, cohesive and sustainable communities". Key Objective 1, The North East England Regional Housing Strategy, July 2007

4.1 THE CHALLENGE AHEAD

Regional Context

4.1.1. Urban renaissance is becoming a reality across the North of England. The centres of the major industrial towns and cities are being successfully revived. The central areas of the major northern cities have successfully created a new positive image, role and identity for themselves. Great strides forward have been made in terms of restructuring regional economies

4.1.2. There are however many signs that the social housing sector may be enjoying a revival led by stock transfer RSLs and ALMOs. Being able to properly engage in new build programmes may further revitalise the sector.

4.1.3. The Regional Housing Strategy 2007 has recognised the significance of housing market failure and the impact of low demand for housing in key parts of the region.

Sub-Regional Context

4.1.4. The transformation of Tees Valley into a 21st century city region is well underway. There are real prospects for growth in our local economy. To ensure that the whole community benefits from future growth some fundamental changes need to be made. Improvements to the business environment, transport infrastructure and local skills base are being advocated by the Tees Valley City Region Development Plan (CRDP). It is also vitally important to ensure that the city region's housing stock is ready to meet the needs of the 21st century. Housing is an essential component of the CRDP.

Tees Valley Unlimited

4.1.5. Tees Valley Unlimited is outlined in more detail in Chapter Nine of this Strategy. In essence, this new structure will be the key vehicle for securing resources for implementing the city-region investment plan and this will include housing market restructuring resources. The Governance structure is in shadow form during 2007-08.

Comprehensive Evidence Base

4.1.6. A comprehensive evidence base has been assembled to provide a steer for the Tees Valley Housing Market Renewal (HMR) Strategy[17]. The following list provides an example of the type of research completed:

- Housing Vitality and Viability Index
- Stock Condition Surveys
- Heritage and Design study
- Gap funding model
- Tees Valley Housing Market Assessment
- Local Housing Needs Assessments

4.1.7. The TVL HMR Strategy has distilled the key messages from the evidence base and proposed a coherent response to the challenges. The evidence base will be continually updated to monitor progress and roll the Strategy forward. The key messages from the evidence base are outlined below:

- much of the built environment of the Tees Valley is the product of surges in demand for labour in heavy industry over the past 150 years.
- the Tees Valley is essentially a polycentric conurbation, with no single dominant centre.
- the country's fastest flowing urban traffic network also allows relatively long distance commuting to the city region's successful business environments.

[17] Tees Valley Living Housing Market Renewal Strategy, Building Sustainable Communities in the Tees Valley, Better Homes for a Brighter Future, January 2006

- peripheral building at the edge of the conurbation over the past 40 years has catered for modern housing demand. This new housing has attracted the mobile, young, economically active, including family builders which are so essential in maintaining viable and sustainable communities.
- older, higher density pre-1919 terraced areas and the older council estates have dramatically fallen in popularity, with a consequent loss of services and other facilities within an often deteriorating environment. Many of them have a very challenging future.
- the current stock profile of over 31% terraced housing is out of balance with demand based on household moves over the last five years. The mismatch is even more evident in the 10% most vulnerable neighbourhoods, where almost 52% of the stock is terraced compared to only 25% of moves into this type of housing[18].

Identifying Housing Market Failure

4.1.8. The VVI clearly identified two major concentrations of failing housing market areas, firstly from Parkfield in Stockton, through North and East Middlesbrough, to Grangetown and South Bank in Redcar & Cleveland and secondly in Central Hartlepool. The populations in these areas have poor life chances. The sheer concentration of these areas impose excessive demand on public resources. Aside from the move of population to the suburbs, the Tees Valley HMA also highlighted a continued desire of those Tees Valley households who may move house in the next five years, to move to North Yorkshire. This is discussed in more detail in Chapter Three of this Strategy.

Key Challenges

4.1.9. One of the key challenges of housing market renewal is therefore to create an aspirational housing environment at the core of the Tees Valley sub-region to make it the destination of choice for the next generation of Tees Valley residents and potential inward migrants. This will not be achieved by the refurbishment of the existing housing offer on its own. Transformational change is required.

4.1.10. It is also an objective of the HMR Strategy and CLG to create "mixed income communities" inside the HMR areas. At present, the elements of the mix which is missing are upper and middle income group families. To attract those groups to the core of the city region it will first be necessary to determine the sort of accommodation in which they live and on what scale it needs to be provided for, to work. Other facilities also need to be provided in tandem to truly create sustainable communities, notably education and health.

4.1.11. It is however clear that the extensive provision of high density urban apartments is unlikely to have the desired effect in terms of creating sustainable communities as they are not typically occupied by family groups. At present there are proposals formulated by TVR for more than 4,000 urban apartments across four of their five flagship sites. Three of these, Victoria Harbour in Hartlepool, Middlehaven in Middlesbrough and North Shore in Stockton are virtually adjacent to HMR priority areas. There is therefore a clear message that HMR sites should aim to cater for predominantly family accommodation and to create an environment whereby adjacent schemes complement one another.

4.2. ADDRESSING THE PROBLEM

Sub-Regional Approaches to Tackling the Problem

4.2.1. As stated previously, a range of studies of relevance to housing market renewal have been completed. This work identified a total of 14 HMR schemes which were already underway.

[18] Tees Valley 2004 Housing Market Assessment, Final Report, January 2005, DCHR and Nathaniel Lichfield and Partners.

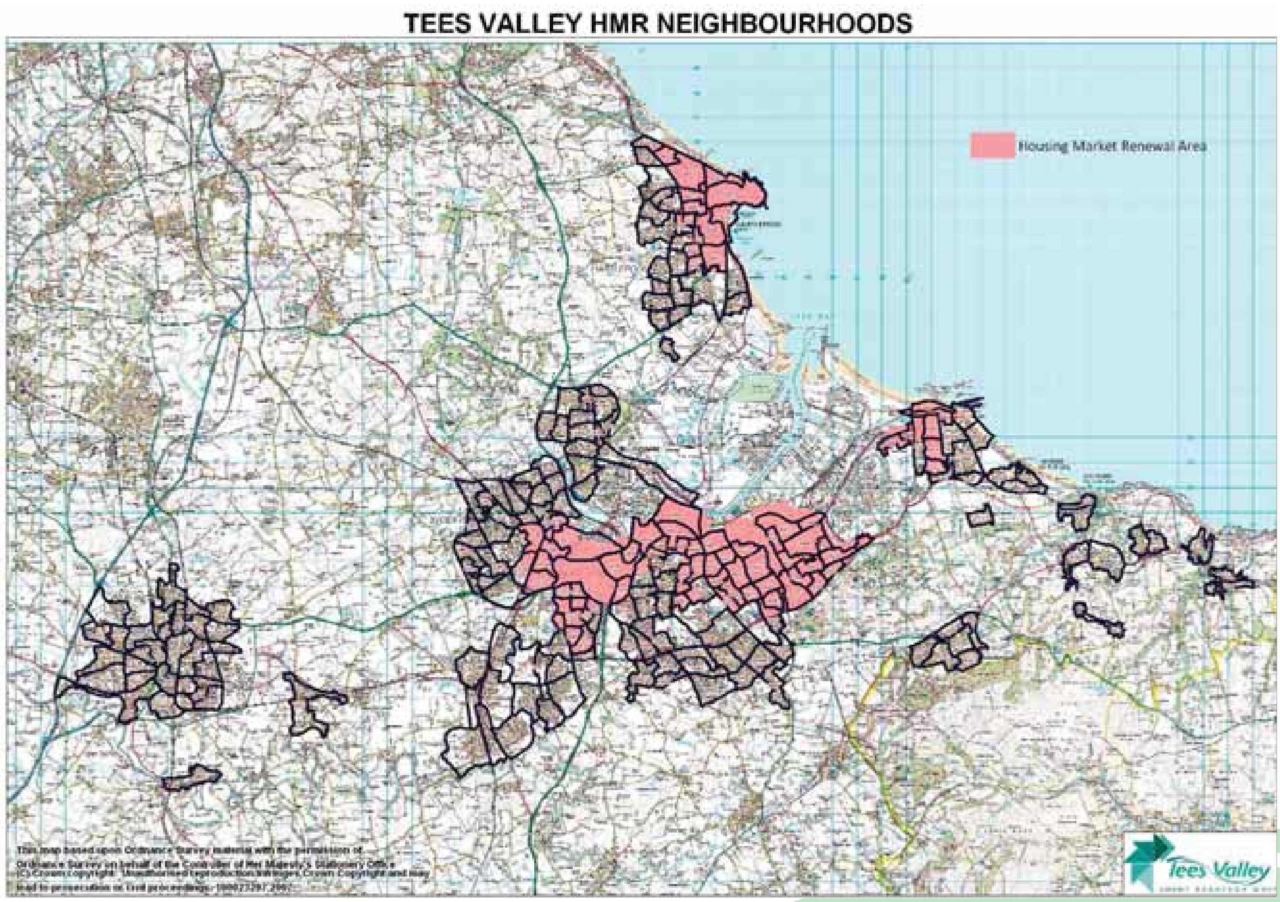
The VVI was used to define the core HMR area or Area of Major Intervention (AMI) at the centre of the city region. All of the existing 14 HMR schemes fell inside the HMR boundary except the remodelling of the Hardwick Council estate in Stockton. The other projects were being carried out under a variety of different headings including New Deal for Communities in Middlesbrough and Hartlepool, Neighbourhood Renewal Pathfinder in Stockton, and CLG Mixed Communities demonstration Project at Low Grange in Redcar & Cleveland. Middlesbrough had also already commenced its 'Older Housing Study' with a view to initiating HMR activity in its central area.

4.2.2. In 2003, some schemes were well advanced or had secured necessary funding to be incorporated into the Tees Valley HMR Strategy. They were the remodelling of the former Council estates at Mandale, Thornaby in Stockton and Whinney Banks and Grove Hill in Middlesbrough.

HMR Priorities

4.2.3. The remaining 10 live schemes have become the backbone of the TVL 15 year HMR Strategy 2006-21. As they have a lifespan already stretching over 5 years or more, they are all well known to the general public and partners and all have a majority of local support for the detailed proposals.

4.2.4. The scale of the problem in terms of numbers of dwellings is greatest in Middlesbrough. Middlesbrough has extensive demolition and redevelopment proposals at St Hilda's to make way for the TVR flagship Middlehaven development. North Ormesby, West Lane and the Gresham area of the town centre will be the focus of their programme in the early years. The Gresham proposals are expected to continue throughout the entire programme. As part of the wider urban core, efforts are concentrated in west and north central Hartlepool where a major redevelopment programme has emerged out of extensive dialogue and engagement with residents across the New Deal for



Tees Valley HMR Programme 2006 - 2008

Communities and Neighbourhood Renewal areas. English Partnerships gave added impetus to the programme with a £5m funding contribution in 2004.

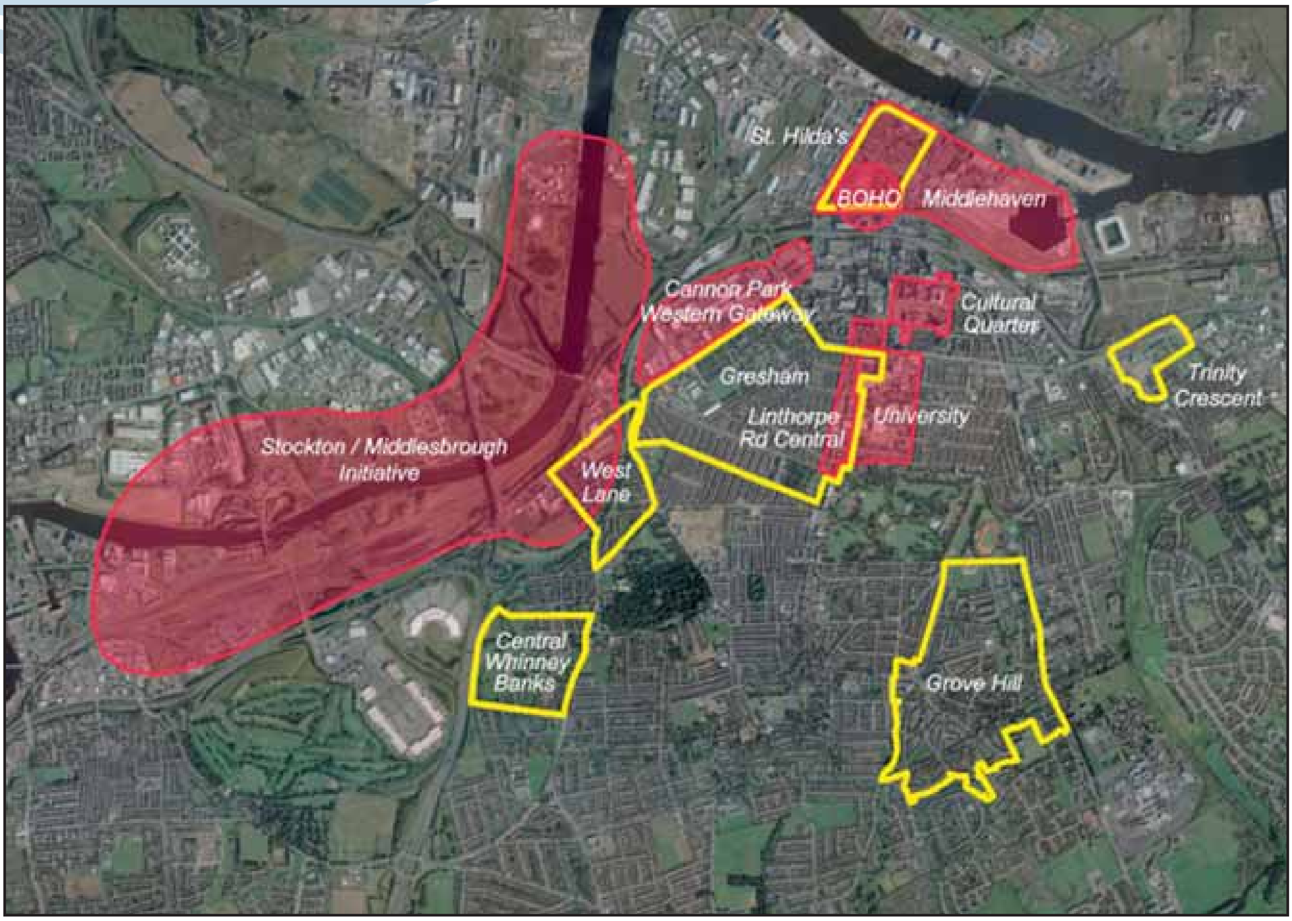
4.2.5. Also part of the wider urban core, in Redcar & Cleveland, the Greater Eston Master Plan is the focus of HMR attention in the TVL HMR Strategy. The Scheme has been selected as a CLG "Mixed Communities Demonstration Project". It entails the clearance of approximately 500 low demand properties in South Bank and the construction of a mixed community of 950 new homes at Low Grange, incorporating new Primary schools, a health village and retail facilities. Central Middlesbrough and central Hartlepool have been selected as strategic sites by the Housing Corporation to explore long term funding and innovation in delivery.

4.2.6. Stockton is concentrating attention on the town centre and are well underway with successful regeneration schemes at former council estates at Hardwick and Mandale. The Parkfield HMR proposals are spread over two phases. Phase 1 was given added impetus by a £5m grant from English Partnerships. The two phases are part of a comprehensive master plan for the future of the town centre.

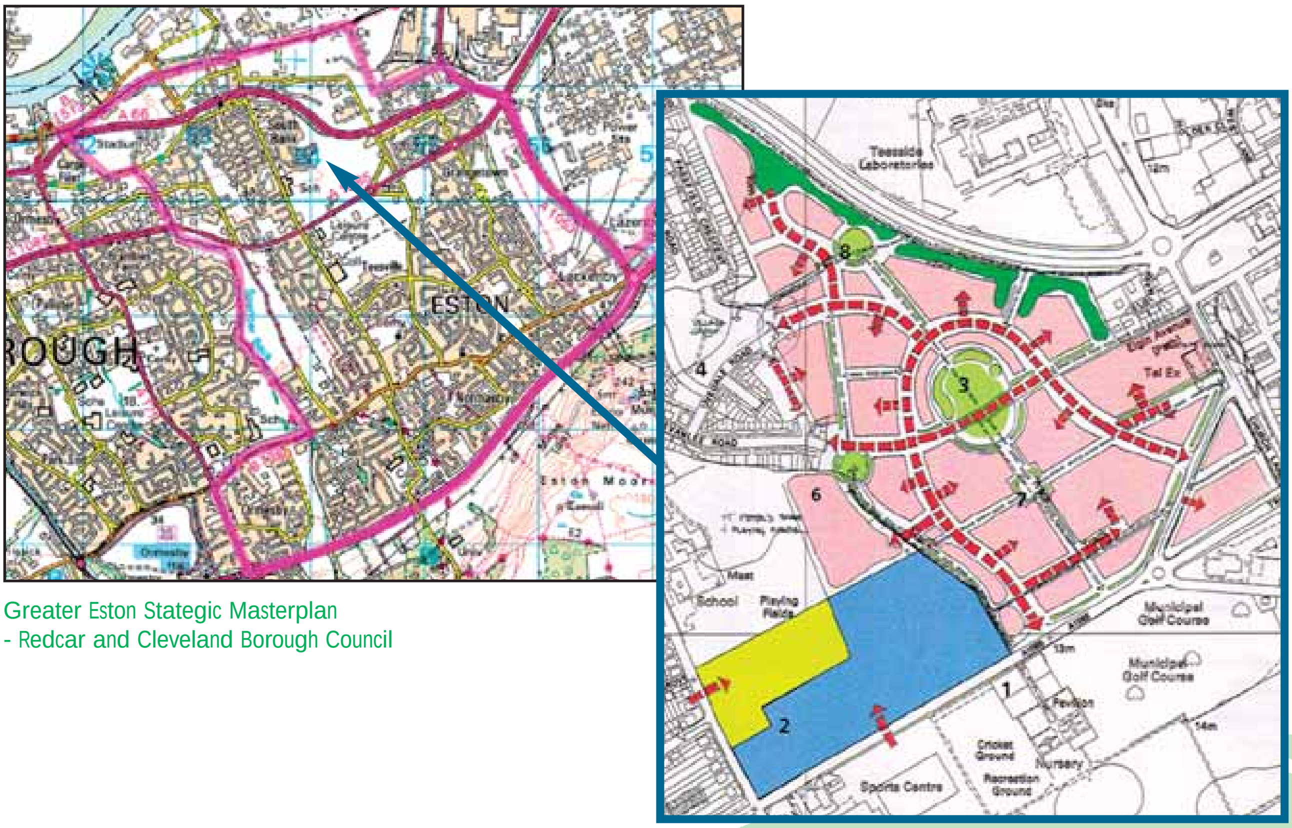
4.2.7. Darlington has not been included in the HMR programme in the period of 2006-11. The evidence base for the Strategy strongly indicated that priorities for HMR investment lay elsewhere at this stage. The information base is being constantly refreshed and priorities are being monitored as some schemes near completion and exit strategies implemented. TVL has indicated that Darlington's case for HMR funding post 2011 will be given consideration as with other emerging neighbourhoods as part of the updating process.

4.2.8. Cumulatively, the current 14 HMR schemes will substantially secure the necessary transformational change at the heart of the sub region. Monitoring will continue throughout the plan period to assess the impact of intervention, evaluate future options and the success of regeneration activity.

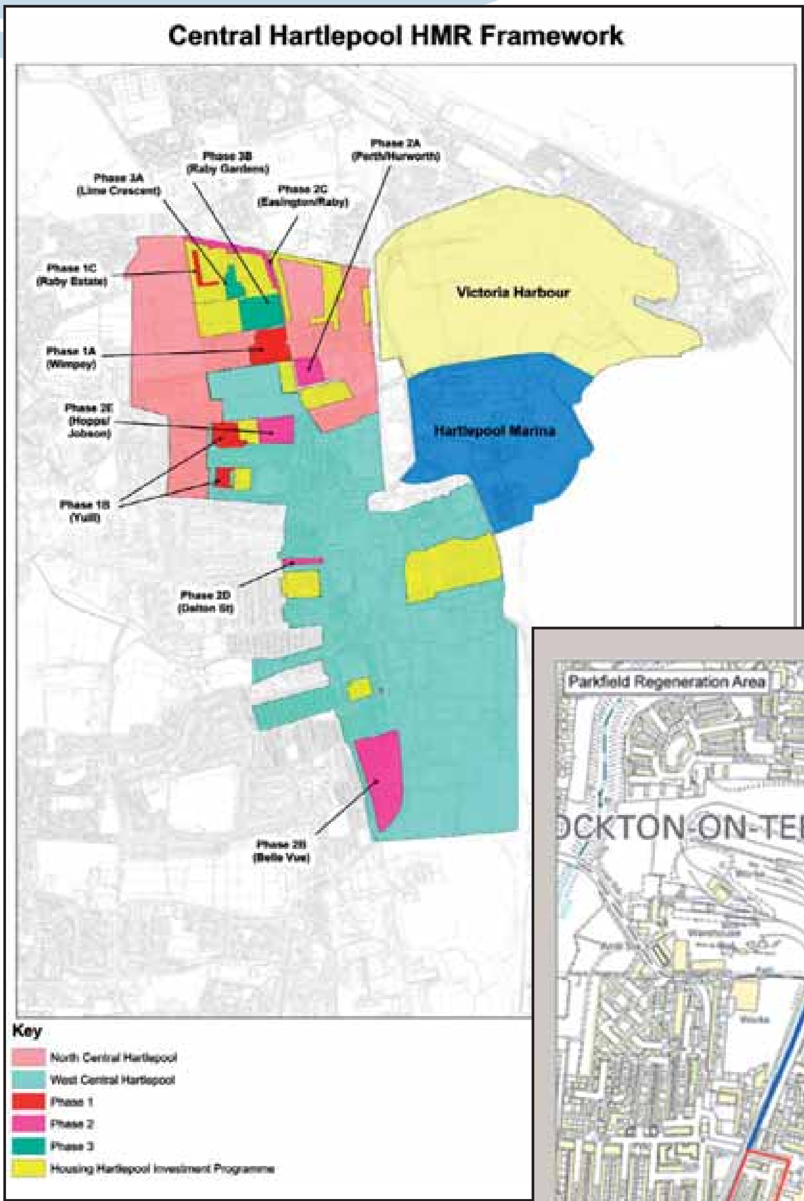
4.2.9. For the reasons described on the previous page the principal focus of the HMR programme is demolition of low demand stock and redevelopment. However, as acknowledged in the Regional Housing Strategy, not all of the older stock warrants clearance, of course, and the scale of clearance must reflect local circumstances and the needs of local communities. In recognition of the need for a tailored and balanced approach, investment plans will deliver complementary refurbishment of some 30,000 homes in the Tees Valley, the majority of which are in the private sector. Further detail of how we propose to tackle this issue is detailed in Chapter Six of this Strategy.



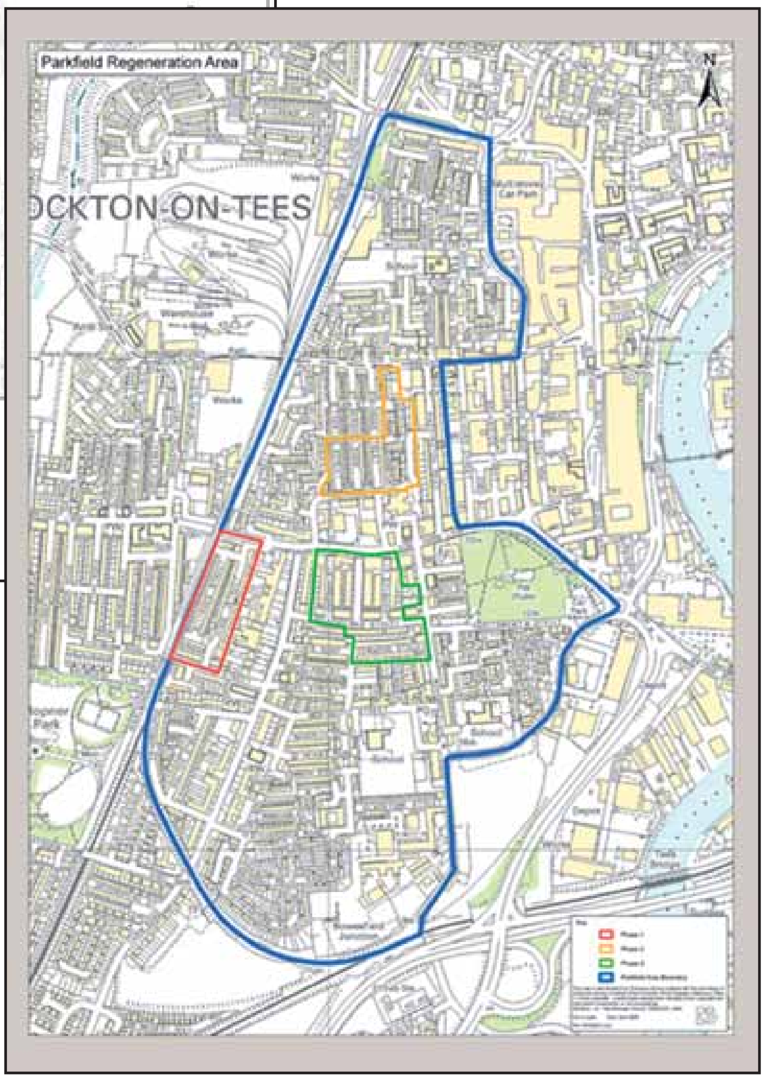
Middlesbrough HMR Areas



Greater Eston Stategic Masterplan
- Redcar and Cleveland Borough Council



Central Hartlepool HMR Areas



Parkfield HMR Area - Stockton-on-Tees

Governance Arrangements

4.2.10. Without Pathfinder status there as been no guidance to follow. TVL has developed bespoke governance and delivery arrangements. However, in some respects, TVL has followed the Pathfinders in their approach where appropriate. In some areas the approach differs to suit local circumstances. The Governance structure is one such area and the current arrangements are outlined below.

4.2.11 The TVL Board is made up of Leaders and Mayors from the five Tees Valley Councils, representatives from the major local RSLs, the Home Builders Federation and Tees Valley Regeneration. Meetings are overseen by representatives from Government Office North East (GONE), ONE, English Partnerships and the Housing Corporation. The relatively modest revenue costs of approximately £300,000 per annum has been met by ONE via the Tees Valley Partnership. The principal governance difference between the Pathfinders and TVL is that the interface with the local community has remained as the sole responsibility of the local Council. This means that there is much greater clarity for the community, proposals remain democratically accountable and TVL's running costs are relatively modest.

4.2.12 Under current proposals, it is intended that the Tees Valley Living Board will be accountable to the TVU Partnership Board (this is outlined in more detail in the introduction to this Strategy) from April 2008. This new structure will secure resources for implementing the City-Region Investment Plan, including housing market restructuring resources.

Implementation expertise and sharing best practice

4.2.13. Each Tees Valley local authority now has an experienced implementation team successfully handling projects from their inception to completion. Teams have steered proposals through consultation exercises securing public support and successful community relocations. Staff have now successfully completed a range of Compulsory Purchase Orders superseded by all efforts to negotiate by agreement. The TVL governance structure encourages and facilitates the sharing and development of best practice.

4.2.14 TVL Executive Group has recently steered the development of a Skills Directory which is a point of reference for good practice that has emerged through housing market renewal and related activity. The Skills Directory supplements some of the informal networking and experience sharing that takes place on an ad hoc basis and provides a transparent means of tapping into the skills resource in the sub-region.

4.2.17 The TVL Joint Procurement group has been established to identify opportunities for joint procurement of services and products as part of the drive towards efficiency savings.

Virement

4.2.18. A good example of effective partnership working came in November 2006 when Middlesbrough and Hartlepool agreed a between-year virement to assist in dealing with the management of a short-term funding issue. The virement will be reciprocated in 2007/08 and illustrates a growing maturity of relationships between Tees Valley local authorities.

Effective Performance

4.2.19. The TVL HMR budget is drawn from two sources - SHIP Objective One and HMR grant from CLG. The total funding allocation to the Tees Valley for the two year period 2006-08 was £32m and the year one budget has been fully spent. We have a successful track record of delivering expenditure and outputs and are performing well in year two.

Public and Private Sector Leverage

4.2.20 In the period from 2003 to the end of this current funding period (March 2008), a total of £88 million of public sector funding will have been invested in HMR activity, including the areas of major intervention and other areas of market failure. This will have levered a total of £110 million of private sector investment through capital receipts and investment in new build. At the end of this period, the following outputs will have been delivered:

OUTPUTS IN PERIOD 2003 - 2008	
Acquisitions	2,312
Demolitions	2,842
Relocation packages	624
Improvements	501
New Build	639

TABLE 4 - Tees Valley HMR Outputs 2003 - 2008

4.2.21 The success of the programme is not only demonstrated through the level of outputs generated, the following points illustrate some of the wider benefits and outcomes:

- successful negotiation with residents in purchasing properties
- masterplanning in consultation with local communities
- development of bespoke relocation packages for displaced residents
- wrap around care for vulnerable residents
- engagement of private sector development partners to drive forward redevelopment of sites
- improved levels of private sector speculation in housing developments in the Tees Valley
- successful joint working arrangements pursued by the Councils and their stakeholder partners
- reduction in number of obsolete and abandoned dwellings
- increased availability of land for housing in appropriate locations
- a reduction in long term vacancy rates
- improved balance between supply and demand of housing

4.2.22 The detail above demonstrates the scale of intervention that is already underway in the sub-region and the importance of maintaining the momentum that has been generated to ensure commitments to transforming the neighbourhoods of local communities can be fulfilled.

4.2.23 However, a shortfall in resources has limited the scale of HMR intervention in the sub-region over recent years. The funding allocation for 2006-08 was significantly less than the amount requested and was not a reflection of need. Councils have had to defer purchase of properties which has slowed the HMR programme. Pump-priming resources from the public sector are necessary to secure activity and assemble opportunities within areas that the private sector have found unattractive for decades. "Putting the brakes on" and prolonging the implementation period is in no-one's interest where projects need a long term commitment to provide community confidence that promises will be delivered.

Monitoring and Evaluation Systems

4.2.24 TVL has set in place robust monitoring and evaluation systems. A Programme Monitoring Officer (PMO) was appointed in October 2006 to further develop and refine monitoring systems for tracking spend and outputs of HMR projects in the sub-region. An Appraisal and Monitoring Working Group (AMWG) and the TVL Research Group work with the PMO to monitor and evaluate the wider impact of HMR activity. Systems are designed to ensure the information and data needs of Tees Valley Living and its partners, and, that of key funding and scrutiny bodies (CLG, GONE, NEHB, Audit Commission and National Audit Office) can be met in ways that ensure consistency and comparability of information. This is important for effective monitoring and evaluation of the impact of the Tees Valley HMR programme (particularly in relation to benchmarking and assessing value for money).

4.3. KEY FUTURE ISSUES

Continuation of Present Programme until 2021

4.3.1. The Tees Valley Living Housing Market Renewal Strategy will set the agenda for intervention within its defined housing market renewal area. Whilst much of the redevelopment will be private sector financed, a significant level of pump priming from the public sector is still required for acquisition and demolition. Whilst, a significant degree of activity will be supported by Council funding streams, Tees Valley local authorities will continue to rely substantially on TVL funding.

Speeding up the Implementation Commitment

4.3.2. Residents in the intervention areas will need first class arrangements for support and advice to enable them to consider their relocation and/or home improvement options and to assist them in achieving their preferred choice. We aim to establish a consistent approach to this advice service across the sub-region, to undertake research into best practice elsewhere, and to look for innovative financial and relocation packages to facilitate clearance and redevelopment.

4.3.3. Partner RSLs and Darlington and Stockton Councils as social landlords are key partners and are well engaged in the regeneration process. Their business plans reflect the need to rejuvenate, rationalise and improve their own estates and are complementary to the wider HMR activity. Their existing consultation arrangements and well-developed community links will enable them to play a significant role in the delivery of this sub-regional Strategy by helping to secure resident support.

Complementary Projects

4.3.4. The HMR boundary excludes some smaller areas of low demand which exhibit many of the same market failure characteristics but which are not geographically linked to the designated priority areas. These are Town Centre Fringe, North Road Corridor and Hope Town in Darlington, Owton Manor in Hartlepool, the Hemlington area of Middlesbrough, the former ironstone mining settlements of East Cleveland and the Hardwick estate in Stockton.

4.3.5. TVL proposes to closely monitor the future of these areas. The Neighbourhood Vitality and Viability Index is a key tool in this process which will be updated on an annual basis. Although the sub-regional Housing Strategy may direct some of the non-HMR resources towards these areas, it is recognised that they are not the current focus of TVL's HMR Strategy.

4.3.6. The intention within this sub-regional Housing Strategy is to support the TVL HMR Strategy by targeting at least 75% of SHIP resources into those areas where market failure is most acute and where TVL's primary objectives will be directly assisted.

4.3.7. Smaller scale, new affordable housing developments are to be pursued in areas close to major regeneration schemes to provide rehousing opportunities to affected residents, to facilitate clearance or major renewal schemes, and to provide greater choice to residents. Affordable housing is defined in section 5 of this Strategy.

Further Research

4.3.8. As a consequence of the initial sub-regional HMA report, further research is urgently needed to improve the focus on aspirational demand and new housing provision in each of the districts. We will do this by commissioning further research to comply with the Government's recent requirements for Strategic Housing Market Assessment.

4.4 CURRENT FUNDING REQUIREMENTS

4.4.1. Early indications of future funding possibilities indicate that a "flatline" settlement may be offered for the period

2008-2011. This means that the three year funding offer for 2008-11 will be based on an average annual sum for the period 2006/08 projected forward for 2008-11. This would make £46,504,500 available to TVL. This would consist of £27,180,000 from CLG and £19,324,000 from SHIP Objective 1.

4.4.2. Individual councils estimate that there is unlikely to be any other significant source of public funding coming forward over the same period.

4.4.3 If a flatline settlement is a reality, the scale of intervention will have to be scaled down and consequently, the level of public sector leverage will be limited. However, through partnership working the local authorities will be successful in levering in spend from other public sector sources. This is illustrated by the following examples:

- In Middlesbrough, Erimus Housing is investing in estate remodelling at Grove Hill and West Middlesbrough Neighbourhood Trust has invested NDC funds in to HMR activity in West Lane East in Middlesbrough.
- Endeavour Housing Association is working in partnership with Stockton Borough Council and Tristar (Arms Length Management Organisation) to support HMR activity in Hardwick.
- Nomad E5 is working in partnership with Stockton Borough Council and Tristar to support HMR activity in Mandale and the Tees Valley Housing Group are engaged in HMR activity in Parkfield.
- In central Hartlepool, Housing Hartlepool and Hartlepool Revival are working in partnership with Hartlepool Borough Council to facilitate the ongoing HMR programme.
- Redcar and Cleveland Borough Council is currently seeking to appoint a development partner for Low Grange.

Mandale Park, Haslam Homes and Nomad E5 Properties

4.4.4 Other sources where some limited public funding may be secured include the Housing Corporation and Local Area Agreements.

HMR Activity 2008-2011

4.4.5 The table on the next page presents two scenarios to demonstrate the impact that any shortfall in funding is expected to have on the Tees Valley HMR programme[19].

19 The projections are based on past experience of delivering HMR activity and will be subject to change as circumstances change and as Councils modify and adapt projects accordingly. The scale of intervention is determined by the level of public sector funding that can be secured and other external factors.

Outputs	A	B
	Scale of intervention that could be achieved if the Tees Valley is allocated a flatline settlement* from CLG and SHIP objective one funds.	Scale of intervention that could be achieved if all public funding requirements could be fulfilled.
Acquisition	746	1,775
Demolition	1,121	2,112
Relocation packages	333	740
Improvements	31	515
New build	1,960	1,960
Private sector leverage[20]	Upto £260 million	Upto £260 million
Public sector funding	Flatline settlement allocation equates to only £46 million*	True funding need is estimated to be £153 million
* With a flatline settlement, the total allocation would be £46,504,500 equating to £27,180,000 from DCLG and £19,324,500 from SHIP Objective One.		

TABLE 5 - Comparative Output Projections 2008 - 2011

4.4.6 If the necessary scale of intervention is to be achieved during the next 3 year period; 2008-2011, it is estimated that the true public sector funding need would amount to almost £153 million. Whilst HMR activity would be supported by other council funding streams, Tees Valley local authorities will continue to rely substantially on CLG and SHIP Objective One funding and a combined total of over £136 million would be required from these two sources. This equates to a requirement £47,174,101 from SHIP Objective One and £88,936,998 from CLG in the period 2008-11. If the required level of public sector funding was forthcoming, the acquisition and demolition programme would accelerate considerably as shown in the table above.

Private Sector Leverage

4.4.7 As mentioned earlier, the Tees Valley have successfully engaged private developers in the redevelopment of HMR sites and up to £110 million of private sector investment will have been captured through capital receipts and investment in new build in the period 2003-2008. Projections indicate that HMR activity in the Tees Valley will attract a further £260 million of private sector investment over the next three years (2003-2008), clearly demonstrating the momentum that has been achieved to date.

Funding Shortfall 2008-11

4.4.8 Based on the amount of public sector funding required to deliver the desired scale of intervention if transformational and sustained change is to be achieved over the period 2008-2011, in comparison to the amount of public sector funding that is likely to be forthcoming, the sub-region would have a public sector funding gap of over £100 million. This will directly impact on the acquisition and demolition programme.

Potential HMR Activity 2011-2021

4.4.9 The table on the next page sets out projections for public sector funding, private sector leverage and outputs for the subsequent funding periods of the Sub-Regional Housing Strategy; 2011-2016 and 2016 to 2021[21].

[20] The level of private sector leverage is likely to be similar for the two different scenarios because the amount of new build which is planned in the system is not directly influenced by increased availability of public funds.

[21] The projections are based on past experience of delivering HMR activity and will be subject to change as circumstances change. This is of particular relevance to projections beyond 2011. The scale of intervention is determined by the level of public sector funding that can be secured. Councils will need to modify and adapt projects accordingly in response to this and other external factors.

Outputs	COLUMN A	COLUMN B
	2011 - 2016	2016 - 2021
Acquisition	2,273	1,107
Demolition	3,185	1,460
Relocation packages	1,502	711
Improvements	2,187	1,805
New build	2,997	993
Private sector leverage	£320 million	£130 million
Public sector funding need	£240 million	£100 million

TABLE 6 - Future Output Projections 2011 - 2021

4.4.10 Whilst it is difficult to project activity over such extensive time periods, the following at least demonstrates that the period of transformational change requires a sustained approach and longer term funding commitments.

4.5 STRATEGIC PRIORITIES

4.5.1 We have identified a number of strategic priorities and identified the actions that will help to deliver these priorities as set out in the table below. This illustrates the wide range of activity that will help to rejuvenate the housing stock.

PRIORITY	ACTION
Successful delivery of housing market renewal priorities	Address housing market failure in the Tees Valley
	Secure funding from SHIP Objective one and DCLG HMR programme in current and future bidding rounds to continue delivery of HMR activity in identified areas of major intervention.
	Align other self-funding HMR projects in areas of market failure with HMR programmes in areas of major intervention to ensure a joined up and well co-ordinated approach.
	Submit business plan to DCLG in November 2007 to secure further HMR funding
	Review and update TV HMR Strategy by November 2007
	Maximise resources available through implementation of gap funding models by March 2008
	Continue quarterly monitoring of expenditure and outputs to keep projects on track and ensure successful delivery
	Annual update of the Vitality and Viability Index (Housing Vitality Index)
	Develop the Community Vitality Index by April 2008 and update annually.
	Review and update evidence base which will inform future priorities.
Development of appropriate housing options for displaced residents	Move towards development of loan based financial assistance packages in 2007/08
Collaborative working with key stakeholders in public and private sector	Twice yearly meetings of TVL Joint Procurement Group to identify opportunities for joint procurement as part of the drive to generate cost and efficiency savings. (ie. demolition contracts, property security, external valuations).
	Continue dialogue with private sector developers to maximise potential for private sector leverage and to negotiate extras which will deliver additional benefits / outcomes to communities (the HBF Liaison Panel is a key way by which to achieve this)

PRIORITY	ACTION
	Continue to utilise (and regularly update) the TVL Skills Directory as a way in which to share good practice and expertise in relation to the planning, development, implementation and monitoring of HMR and related activities to maximise efficiencies.
	Continue to deliver complementary face lift and other improvement and refurbishment schemes in neighbourhoods adjacent to HMR intervention areas to ensure a balanced approach to redevelopment of these areas.
	Continue partnership working with key stakeholders through TVL Executive Group and TVL Board to ensure alignment of TV HMR Strategy with other relevant strategies including: Regional Housing Strategy, Sub-regional Housing Strategy, City-region Development plan, Regional Economic Strategy and other relevant strategies.
Support strategic new housing schemes outside HMR areas which increase availability of affordable housing	Work with planners and developers to identify potential housing sites

TABLE 7 - Priorities and Actions - Objective 1

5.0 PROVIDING CHOICE AND QUALITY

"To ensure the type and mix of new housing provides choice, supports economic growth and meets housing needs and demand. This will reflect the diversity of urban and rural communities and the needs for affordable, family and executive housing". Key Objective 2, The North East England Regional Housing Strategy, July 2007.

5.1 THE CHALLENGE AHEAD

Regional Context

5.1.1 The RES and the RSS both anticipate that the North East will experience economic growth in the near future. The expected growth will stimulate a further positive change in the rate of migration to the Region and thereby generate a net increase in housing demand.

5.1.2 The RHS reflects the important roles that housing will perform both as an important sector of the economy and in providing the amount, range and quality of housing required to accommodate indigenous demand and that which will arise from in-migrants to the area. An appropriate variety, quantity and quality of housing in suitable locations will provide the choice that will not only encourage local people to remain settled but which will also prove attractive to potential high-status, in-coming employees and investors.

5.1.3 However, the RHS warns that housing supply alone will not support the economy or deliver sustainable communities, if people choose not to live in certain places. Meeting the needs and aspirations of different household types in sustainable locations requires the ability to express choice within those places.

5.1.4 Two particular pressures across the North East were highlighted during the preparation of the RHS, which have continued relevance to Tees Valley:

- A shortage of affordable housing in parts of the region, exacerbated by recent increases in homelessness;
- A shortage of housing which meets the aspirations of households who want to move to better quality homes and neighbourhoods, or of those considering whether to move into the region.

5.1.5 The RHS stresses the need to enable choice and quality in delivering each of four key objectives. This Strategy is about creating the environment and conditions to widen the housing offer within the Tees Valley.

Sub-Regional Context

5.1.6 A challenge for Tees Valley is to provide good quality new housing in environments that attract people to stay in, or move to, such areas rather than look to move to other locations in North Yorkshire or County Durham.

Mixed tenure developments, Parkfield, Stockton

This challenge is greatest in Middlesbrough with its urban setting, and in parts of Hartlepool and Redcar and Cleveland with a housing legacy from a time dominated by the needs of heavy industry, where there are particular difficulties in providing more attractive residential environments.

5.1.7 Research has identified an aspirational demand for more 'executive' detached housing, particularly if economic regeneration targets are to be achieved, and also for more three- and four-bedroom detached and semi-detached houses of good quality in pleasant environments.

5.1.8 The Regional Housing Aspirations[22] study reinforced the high value attached to suburban developments and those adjacent to green spaces. Developments in town centres and waterfront settings have a more limited appeal. When redeveloping cleared urban sites, for example, opportunities for lower density housing developments with open spaces must be maximised wherever possible.

5.1.9 The aspirations expressed by Tees Valley residents in the household survey were largely traditional, with over 57% aspiring to semi or detached houses and only 21% seeking terraced housing. Aspirational demand for flats was 10% and bungalows almost 11%.

5.1.10 In addition to the Tees Valley HMA and LHAs have helped to clarify the nature of demand and need, and the new provision required in different parts of the sub-region. The local housing assessments have highlighted a number of characteristics of housing markets in Tees Valley and deficiencies in provision.

5.1.11 Affordability is increasingly a problem in the sub-region. It is an issue for all local authorities but is more acute in certain areas and affects specific sectors of the population, notably the young and some elderly. Affordability has an impact on the ability to decant households from redevelopment areas and thus has potential to extend the regeneration process. Because it may prevent certain groups from readily accessing decent housing, it can prompt an increase in the level of homelessness and add to the number of 'concealed' households, as individuals are unable to establish their own independent household.

5.1.12 In terms of specific types of housing, individual assessments have highlighted a specific shortage of two-bedroom detached and semi-detached, and four-bedroom detached dwellings. The need for an increase in the supply of 'higher market housing' is recognised throughout the sub-region.

5.1.13 In the long term, the need to diversify the housing offer and improve the quality of property in the housing market as a whole will be a fundamental consideration in the preparation of LDF across the sub-region. Mixed tenure and a range of sizes and styles of dwelling will be essential ingredients in creating stimulating and sustainable residential environments not only where new construction is involved but also where refurbishment of retained private and social housing stock and neighbourhoods are concerned.

5.2 ACHIEVEMENTS

5.2.1 The drive to secure variety and quality is already underway. This is demonstrated by a range of initiatives:

- the preparation by Darlington Borough Council of a Supplementary Planning Document on the provision of Affordable Housing;
- councils working together and with developers and other stakeholders in the preparation of a common format and content for section 106 Obligations to be adopted across the sub-region in relation to the provision of Affordable Housing;
- units of Affordable Housing already secured in new housing developments;

22 Regional Housing Aspirations Study, Nathaniel Lichfield and Partners, December 2004

- mixed tenure developments under construction and programmed for the near future;
- signed development agreements in relation to future provision of Affordable Housing;
- a range of models and products across the sub-region to provide equity share and shared ownership in the intermediate housing market;
- substantial resources applied to the provision of Affordable Housing through the National Affordable Housing Programme;
- close working relationships with experienced Registered Social Landlords;
- effective partnership working between Tees Valley Councils;
- LHAs carried out jointly and to an agreed methodology across the sub-region better to understand the nature of need and demand both locally and at the more strategic level;
- a successful sub-regional Choice Based Lettings policy primed for implementation;
- a Tees Valley Housing Corporation Protocol is currently being developed and will hopefully be one of the first sub-regional schemes to be completed.

5.3 KEY FUTURE ISSUES

5.3.1 The consultation document for updating the RHS identified a number of key issues with a bearing on this objective, referring specifically to:

- housing market exclusion;
- provision of affordable housing;
- achieving the right mix of housing of the quality that meets 21st century needs and aspirations; and
- rural housing issues;

Housing Market Exclusion

5.3.2 "Market exclusion is the inability to participate in the housing market which results from a mixture of disparities in housing and neighbourhood quality and personal economic circumstances. The market controls access to the region's limited supply of quality housing by price. Households seeking good quality housing therefore also require the financial mobility to express this choice in the marketplace." (RHS pp.41).

5.3.3 Increasingly the disparity between average house prices and household incomes within the sub-region have led to concerns over affordability. Whilst the Tees Valley sub-region has developed a range of affordable housing models to meet increasing customer aspirations and choice, average household incomes are not keeping pace with local house prices. Furthermore, the majority of social housing tenants are in receipt of benefits and unable to access private sector housing at market prices. The increasing affordability gap, however, also has a significant impact on the ability of young working families to access home ownership. This Strategy aims is to provide consumer choice whilst maintaining quality and accessibility for all members of the community.

5.3.4 In this regard, the housing aspirations of older people are of particular concern given the ageing population and the need for existing and future stock to be adaptable to changing aspirations. Housing for older people to buy and/or to rent should therefore include lifetime homes, as well as purpose-built bungalows and apartments. More specialised developments such as the Joseph Rowntree inspired retirement village being developed in Hartlepool are encouraged.

5.3.5 Tees Valley was successful in a partnership bid to develop a sub-regional Choice-Based Lettings (CBL) Scheme, led by Middlesbrough Council. The scheme includes all local authorities, LSVTs and ALMO and links to the RSL forum for other RSLs operating in Tees Valley. In addition, the scheme is seeking to attract private landlords and all local partners are currently going through their approval processes for implementation of the scheme and agreement on joint allocation policies.

5.3.6 This work will also lead into commitments within the development of a Tees Valley Housing Protocol in partnership with the Housing Corporation in relation to:

- a Tees Valley nomination agreement;
- agreed monitoring systems to ensure compliance.

5.3.7 The roll out of the sub-regional CBL Scheme will provide a powerful system of housing allocation across Tees Valley and enable consistent approaches that will improve accessibility to affordable stock

Affordable Housing

5.3.8 The provision of affordable housing is recognised as an increasingly complex issue in the region. Previously, affordability within the region was regarded as an issue only affecting rural communities due to the housing market pressures from commuters and second-home owners. This housing market pressure inflated rural house prices and reduced the supply of affordable housing to the indigenous population.

5.3.9 Increasingly the issue of affordability has impacted on the more urban areas and this is very evident in areas of low demand and low value properties where limited equity precludes many existing residents from being able to afford better quality, alternative, and, more desirable properties. Equally many young people seeking to enter the housing market for the first time find themselves excluded from it due to the disparity between household earnings and house prices.

5.3.10 Affordability has not been considered to be a major issue across Tees Valley until recently, due to the abundance of low cost, terraced housing. LHAs, however, have highlighted the increasing demand for affordable housing in each Tees Valley council, fuelled by sharply increased house prices in most areas. Affordable housing is required to assist those social housing tenants who aspire to home ownership, and to move households from clearance areas into new accommodation.

5.3.11 LHAs also have demonstrated that the Tees Valley sub-region faces a demanding affordable housing requirement equating to between 1250 and 1500 units per annum. Proposals to be presented to the NEHB and the Housing Corporation for affordable housing schemes will fill the gap of identified need and will support one or more of the key objectives of this Strategy.

5.3.12 LDFs will include appropriate and specific affordable housing policies to address the "affordability gap" and make provision to ensure that the amount of affordable housing not only increases but also remains available in the long term to those in most need. Policies will be backed up by the use of Section 106 Planning Obligations both in respect of affordable housing provision and to prevent numbers declining as a result of sales on the open market. As referred to earlier, the sub-region is working towards common deliverable S106 Planning Obligations.

5.3.13 The provision of new affordable housing is essential to facilitate the relocation of households from existing clearance areas. Many existing residents are on low and/or fixed incomes and struggle to move into newer, more expensive homes as a consequence of housing market restructuring. This Strategy prioritises affordable housing bids to help facilitate housing market renewal and to widen the choice to displaced residents from a range of regeneration schemes.

5.3.14 Confidence in the sub-region to develop new approaches is demonstrated in the fact that the Tees Valley sub-region has been selected as a pilot area to develop a protocol in partnership with the Housing Corporation. The protocol establishes the requirements and expectations of both the Housing Corporation and respective sub-regional local authority partners in relation to the delivery of an increased supply of affordable housing through reduced levels of public subsidy. The protocol identifies the delivery partners for affordable housing together with a framework of cooperation between local authorities, the Housing Corporation, RSLs and the private sector.

5.3.15 The sub-region has already introduced a range of intermediate affordable housing models to address the affordability gap that exists between the social rented sector and those aspiring to full owner occupation.

5.3.16 Along with other sub-regions and local authorities, Tees Valley is involved in the development of a Regional Loan Product as a means of financing property improvement or other measures that will assist vulnerable households in the up-keep of their houses.

5.3.17 Other related initiatives such as the First Time Buyers Initiative, Homebuy, and other shared equity schemes, will be pursued wherever the need can be demonstrated and appropriate funding secured.

Achieving the Right Mix of Housing

5.3.18 The recently-completed LHAs have provided greater clarity about the nature of demand and need for new provision in different areas of the sub region, but other issues have an impact on the range and type of housing that should be constructed. These include:

- increasing customer aspirations /expectations (these have been referred to above).
- increased design requirements/cost to meet "zero carbon footprint" affordable home.
- the profitable "buy to let" housing market which excludes many local vulnerable people from the housing market.
- constraints of the RSS in respect of local housing build rates compared with a growth in housing demand. Also, in relation to existing housing planning permissions against future affordable housing requirements.

Design and Energy Standards

5.3.19 In line with the RHS, new housing developments will be expected to comply with guidance in PPS3 and, in rural areas, meet the recommendations of Planning Policy Statement 7: Sustainable Development in Rural Areas. New developments are expected to be well designed and capable of making a significant contribution to urban renaissance and improving the quality of life. The design and construction of new development must demonstrate attention to the place-making agenda, show respect for heritage and the setting within which it is to take place and incorporate a range of different styles and tenures of housing sufficient to appeal to and accommodate a variety of households to form a balanced housing market.

5.3.20 Replacement housing, whether to rent or to purchase, will be expected to be of high quality design and specification, and ensure that the needs of more vulnerable households are properly provided for.

5.3.21 The design of new housing schemes should take account of an ageing population and the need for more people to adapt their homes to meet their changing mobility and frailty. Lifetime homes will be encouraged and elderly persons housing provided to free up larger, family homes wherever possible. Through the Mixed Communities Pilot Scheme, Redcar and Cleveland Borough Council has access to expert design and heritage consultancy support, so this aspect of delivery is a reality.

5.3.22 Secured by design principles will also be adopted and estates planned to minimise the fear of crime by creating safe and secure environments. This will involve careful consideration being given to issues such as street layout, lighting, through routes, communal areas and car parking.

5.3.23 The RHS aims to ensure that new and replacement housing reflects the need to use resources efficiently and minimise the level of carbon emissions. All major development is to include energy efficiency measures and EcoHomes standards as defined by the Building Research Establishment Environmental Assessment Method (BREEAM). 10% of energy is to be generated from embedded renewable energy such as mini-turbines and Photo-voltaic solar cells. The NEHB will place particular emphasis on the need for these measures to be incorporated into any proposed recipient of SHIP funding.

5.3.24 Developers will be required to give significant attention to the efficient use of energy and to minimise carbon emissions. Maximum use of estate-based renewable energy sources will be encouraged to minimise reliance on fossil fuel generated power. The RHB has already stated that it will give priority to schemes submitted for SHIP funding that meet these design and energy efficiency standards.

5.3.25 Modern Methods of Construction (MMC) can offer significant efficiency gains in terms of construction costs and timescales, in addition to introducing new technology and materials. A number of RSLs have already begun applying MMC to their recent schemes with encouraging results. The sub-region will adopt a policy of encouraging the private sector as well as the social housing sector to adopt MMC wherever possible in order to drive down construction costs.

5.3.26 Greater use of modern methods of construction (MMC) is a clearly stated RHS objective. The RHS identifies some important advantages of MMC including reduction in the need for large numbers of highly skilled operatives to deliver schemes, and that unit cost can be forced down as a result. Like NEHB, Tees Valley will encourage private house builders take greater advantage of these approaches.

5.3.27 The North East Home Insulation Partnership (NEHIP) with the NEHB have profiled insulation potential throughout the region. NEHIP has estimated that Tees Valley has approximately 91,000 unfilled cavities and 145,000 lofts that have inadequate levels of loft insulation, requiring in the order of £72 million to complete. In order to address the issue, NEHIP has suggested that Tees Valley becomes part of a proposed regional programme that provides a consistent regional home insulation offering that is free for all fuel poor and vulnerable households and sets a consistent affordable price for able-to-pay households. A consistent regional product will reduce the current fragmentation within existing grant structures, provide a more attractive offering to householders that is easier to market and manage, and has the potential of attracting a higher financial contribution from utilities.

Rural Housing

5.3.28 Although the Tees Valley sub-region is not traditionally acknowledged as an area with rural areas, four of the five Tees Valley authorities do have rural communities, with former mining communities in East Cleveland recognised in the RHS. Increasingly, rural areas within the Tees Valley sub-region are exhibiting many of the affordability problems highlighted in the traditional rural communities of its adjacent North Yorkshire sub-region.

5.3.29 The long term sustainability of many rural communities is being threatened by the disparity between local disposable incomes, local rural employment opportunities and average house prices for the indigenous rural population.

5.3.30 In common with other parts of the region, affordability in Tees Valley's rural areas is a supply issue. Demand results, partly, from an absence of quality in urban areas. There are also site availability issues. Through creative and innovative use of planning policy through PPS3 the Tees Valley authorities aim to redress this imbalance and create "choice" for the indigenous rural population by recruiting a dedicated and independent Rural Housing Enabler to facilitate new developments specifically targeted at them.

5.4 THE STRATEGIC PRIORITIES

5.4.1 We have identified a number of strategic priorities and identified the actions that will help to deliver these priorities as set out in the table on the next page This illustrates the wide range of activity that will help to provide quality and choice.

PRIORITY	ACTION
Deliver a mix of (and access to) good quality housing choice	Lobby for higher RSS target numbers of new build
	Operate a pepper potted approach to affordable housing
Maximise energy efficiency of housing	Further develop private sector partnerships to increase number of homes with SAP of 65
	Work in partnership with North East Home Improvement Agency
	Develop a Tees Valley wide Affordable Warmth Strategy
	Work with private sector and other housing providers at pre-application stage to deliver well designed housing which aligns with statutory environmental performance standards.
Maximise the role and effectiveness of private rented sector	Extend landlord accreditation scheme
	Extend landlord selective licensing scheme across priority regeneration areas
	Provide loan based financial assistance policy to private landlords
	Operate a common corporate enforcement policy
Improve availability and access to affordable housing	Ensure effective (and value for money delivery) of NAHP resources (includes regular performance reviews with RSL partners)
	Extend choice based lettings to private sector
	Develop sub-regional approach to section 106 planning agreements to procure affordable housing to meet identified need
	Introduce and implement the Affordable Housing Supplementary Planning Document recommendations
	Appoint a rural housing enabler to investigate, support and provide an "independent" interface between land owners, existing rural residents and the Tees Valley local authorities to increase the supply of appropriate development opportunities in rural locations.
	Further develop approach to affordable housing model

PRIORITY	ACTION
	Work in partnership with RSL partners and private sector developers to provide affordable housing where evidence of need
	Develop a sub-regional CBL scheme to include shared ownership and affordable rented housing, including private rented sector
	Further explore the provision of intermediate housing, namely shared ownership and shared equity.
	Develop affordable housing registers
	Develop range of financial packages to facilitate tenure switch and staircasing approach for homeowners (purchaser able to increase or decrease equity share when financial situation changes)

TABLE 8 - Priorities and Actions - Objective 2

6.0 IMPROVEMENT AND MAINTENANCE OF EXISTING HOUSING

"To secure the improvement and maintenance of existing housing so that it meets required standards, investing in sustainable neighbourhoods". Key Objective 3, The North East Regional Housing Strategy, July 2007.

6.1 THE CHALLENGE AHEAD: REGIONAL CONTEXT

MEETING DECENT HOMES IN SOCIAL HOUSING

6.1.1 The Government has set targets for achieving the Decent Homes Standard in both the social and private housing sectors. By 2010/11 all social housing will be required to meet the Decent Homes Standard. Across the North-East Region around 47% of properties in the local authority sector did not meet the standard, based on figures from the English House Condition Survey 2001. No comparable figures are available for the sub-region.

6.1.2 Existing RSLs are also required to meet the same decent homes target. In general, their housing is newer and more likely to meet the standard, but it will still require works to around 18% of RSL stock.

IMPROVING THE PRIVATE SECTOR

6.1.3 The improvement and maintenance of stock in the private sector is one of the greatest challenges facing the sub-region due to the estimated scale and cost. PSA7 requires 70% of vulnerable households (in the private sector) to be living in decent homes by 2010. As a sub region, we have made successful movement towards this target (we now stand at 67%). It is likely that we will meet this target by 2010 providing the required physical improvements to properties are matched with the financial resources needed to make this happen.

Improvements to Private Stock - Middlesbrough

6.2 THE CHALLENGE AHEAD: SUB-REGIONAL CONTEXT

MEETING DECENT HOMES IN SOCIAL HOUSING

6.2.1 The major investment that will flow from the need to achieve decent homes in the social housing sector will be a major contributor to the overall regeneration of the Tees Valley and to the delivery of more sustainable communities across the whole sub-region, which in turn will help underpin other major interventions outlined in this Strategy.

6.2.2 As a result of local authority stock option appraisals, the sub-region established three LSVTs and one ALMO, with one authority retaining its stock.

With investment plans now substantially agreed, the sub-region is on target to meet the Government's 2010 target for decent homes standard in the social rented sector. The delivery of the bulk of decent homes across the social housing sector will be in the hands of the LSVT RSLs, (Housing Hartlepool, Erimus and Coast and Country), and the ALMO in Stockton (Tristar Homes). Darlington has chosen to retain its stock and fund the investment from existing resources and prudential borrowing to ensure it can meet its own decent homes plus standard across its housing stock.

6.2.3 Levels of investment in the social housing sector and recent achievements are illustrated below:

- In Darlington, a total of £24.7 million of funding has been invested in Council stock in the period 2004-07 and Darlington has very recently achieved the Decent Homes Standard across all its stock.
- In Redcar and Cleveland, since the transfer of the housing stock from the Council to Coast & Country Housing in July 2002, the number of non-decent homes has been reduced from 9188 (out of a stock of 11631) to 2463 (out of 10707), a reduction from 79% to 23%. This has been brought about by an investment programme totalling £125m to date.
- In Stockton, the ALMO option secured £63million additional investment towards helping to meet the Decent Homes target. As a result, out of a total stock of 11,108, only 2,642 remain non-decent.
- In Hartlepool, the transfer of its housing stock to Housing Hartlepool secured £107 million of investment. £18.65 million has been invested to date and as a result the number of non-decent homes has been reduced from 4,126 (out of a total stock of 7,502) to 2,424 (out of a total stock of 6,984), a reduction from 54.9% to 34.7%.
- In Middlesbrough, the transfer of its housing stock to Erimus Housing in 2004 secured £181 million of investment. £77,789,924 has been invested to date and as a result the number of non-decent homes has been reduced from 5,737 (out of a total stock of 11,968 in 2004) to 2,920 (out of a total stock of 10,981), a reduction from 47.9% to 26.6%.

MEETING DECENT HOMES IN THE PRIVATE SECTOR

6.2.4 The extent of non-decency in the private sector has recently been quantified across Tees Valley through a stock condition survey undertaken by Building Research Establishment (BRE). This report[23] published in June 2007, provides estimates of local housing conditions in the sub-region at the level of the region, authority and ward using models developed by BRE which combine national data from the English House Condition Survey 2001 with local Census data.

6.2.5 The BRE work identifies that the total cost of making the sub-region's estimated 48,611 non decent homes decent is in the region of £448 million. Assistance will be required in some of the estimated 21,701 non decent homes occupied by vulnerable groups. The estimated total for these dwellings is £200 million. It should be noted that in the absence of alternative locally calculated data (and reliance on 2001 data as referenced above), the data relies on several major assumptions, albeit providing a useful baseline.

6.2.6 However, there is some concern that expressing the target in this way under estimates the absolute scale of the problem in the sub-region which has an unusually large proportion of vulnerable households. All authorities recognise that they will have a substantial task ahead to meet the 2010 target and that current SHIP and available private sector resources are unlikely to be adequate to meet the target.

6.2.7 While much still needs to be done to improve stock conditions in the private sector stock, in the main significant progress has been made in moving forward in relation to the condition, management and maintenance of private sector stock, for example:

- securing external funding to help improve and maintain existing private sector stock.
- moving forward the new Government Reform Agenda.
- joint working to facilitate private financing of home improvements.
- development of Home Improvement Agencies in partnership with RSLs.
- engaging private landlords to secure their contribution and commitment to improve stock conditions.
- a stepped approach to introducing loan based products.


Private Sector Landlords Forum

6.2.8 The Tees Valley local authorities were successful with an innovative Partnership bid to the NEHB for SHIP Round 2 funding. This is tackling the improvement and maintenance of existing private sector housing to meet decent homes, reduce the number of empty homes and improve energy efficiency. It also proposes a more consistent approach to the improvement of property and management standards in the private sector.

6.2.9 The Regulatory Reform Order 2002 gave local authorities the opportunity to recycle existing resources to finance home improvements in the private sector. It expects local authorities and home owners to move away from traditional grant-led improvements by looking to increase the proportion of privately financed work through loans, equity release mortgages, release of savings and other privately financed initiatives.

6.2.10 The renovation grant regime is unlikely to continue receiving significant SHIP funding in the future. This will require a step change in the way local authorities approach their private sector renewal strategies. Financial assistance in the form of Disabled Facilities Grants (DFGs) will continue for those with special physical needs. However, the recent consultation paper on the future of DFGs indicates a move towards a loan-based approach and changes to the DFG system are expected in the near future.

6.2.11 A partnership approach involving all local authorities in the sub region will aim to develop examples of good practice in privately financing home improvements, new decent homes investment packages and help procure new financial services. The partnership will also develop a knowledge base of good practice to share with others and move towards an homogenous approach to private sector investment across the sub-region.

6.2.12 Local authorities have been encouraged by Government (through their Agency Foundations) to set up arms-length Home Improvement Agencies (HIAs) to provide support and assistance to homeowners, and to look at cross-authority working. Hartlepool, Darlington and Redcar and Cleveland have already set up HIAs with RSLs, whilst Stockton is currently reviewing the provision and funding of its existing in-house advisory service. Middlesbrough has an in-house HIA and has recently been awarded the Foundation's Quality Mark.

6.2.13 The role and contribution of private sector landlords in maintaining and improving the existing rented housing market has not been consistent across the sub-region. Financial assistance from local authorities to landlords has not always been regarded as a priority.

[23] Tees Valley Private Sector Housing Group: Housing Stock Projections, BRE , June 2007

6.2.14 With the introduction of the Housing Act 2004 in April 2006, private sector landlords are now more aware of the larger range of enforcement powers available to local authorities to improve conditions in the sector. Mandatory Licensing of Homes in Multiple Occupation has been implemented across the sub-region as consistently as possible, taking account of local circumstances and political requirements. Joint working has lead to the development of improved standards of management, property conditions and the provision of amenities.

6.2.15 Fuel poverty continues to be an issue of concern, where it is estimated that over 15% of households in the region are spending more than 10% of disposable income on fuel, compared to 11.5% nationally. Several local authorities have already adopted Affordable Warmth and/or Fuel Poverty strategies to improve insulation and heating systems and to ensure households benefit from financial support where necessary.

6.2.16 The Tees Valley local authority partnership SHIP Round 2 project is building on existing good practice to develop a sub-regional energy efficiency strategy. It proposes joint working with a national energy supplier across the sub-region to offer residents a package of energy efficient measures to reduce fuel costs, especially amongst vulnerable and low income households. The future Strategy will also examine opportunities to utilise "renewable" forms of energy to reduce household costs and provide cleaner and more efficient energy supply.

6.2.17 Improvements to bricks and mortar are not seen as the sole solution to market failure and the regeneration of sustainable neighbourhoods. Effective neighbourhood management can underpin physical improvements and will be considered where significant regeneration activity is planned in the most vulnerable neighbourhoods.

6.2.18 Initiatives will be introduced to help develop capacity within the community to access employment, training and further education, and to co-ordinate the work of agencies who can contribute towards the regeneration of the community. Wherever possible, training and employment opportunities created by the physical improvement works will be made available to the local community. By way of example, Redcar and Cleveland Borough Council is currently engaged with a Social Enterprise Partnership to deliver "additional" community benefits beyond the housing infrastructure.

6.2.19 Finally, more work will be undertaken to provide a better understanding of the location and scale of owner occupiers whose properties do not meet decent homes standards, and how regeneration might impact on the availability of services and facilities to enable elderly home-owners to remain in their own homes.

6.2.20 Local authorities are currently analysing the findings of the BRE private sector stock condition survey and considering the implications for the sub-region. Darlington, Hartlepool and Stockton Borough Councils are seeking to jointly procure a private sector stock condition survey in 2007. Middlesbrough undertook a stock condition survey in December 2005. These key pieces of research will provide a steer on the level of investment required to deliver decent homes standards and in turn will determine future priorities for investment.

6.3 KEY ACHIEVEMENTS

6.3.1 The Tees Valley has a strong track record of sub-regional working to deliver key projects. The local authorities have jointly commissioned research as part of the drive towards increased efficiencies and value for money.

Examples include, the Energy Efficiency project, BRE Stock Condition Survey and Empty Homes Scheme. The sub-region has also jointly procured services and products to maximise effective use of public resources, for example, stair lifts, low cost essential adaptations and level entry showers. The joint procurement of ceiling track hoists and removable ramps are also being examined.

6.3.2 The introduction of external partnering arrangements has also been a key to increasing efficiencies, quality and choice of housing stock. For example, the sub-region has managed three successful LSVTs and established one ALMO which are delivering Decent Homes in the social rented sector and are on track to meet the Government's 2010 target. Hartlepool, Darlington and Redcar and Cleveland have also set up Home Improvement Agencies with RSLs. Middlesbrough's in-house HIA has recently been awarded the Foundation's Quality Mark.

6.3.3 The sub-region is also on target to make significant progress towards 2010 target of 70% of vulnerable households living in properties in private sector which meet the decent standard.

6.3.4 Local authorities have been successful in engaging the private sector and in developing public-private sector partnership arrangements to facilitate joint working initiatives. For example, the introduction of new financial assistance loan based products across the sub-region demonstrates the ability to partner with local lenders in delivery of housing assistance. This approach is being advanced further through a new Regional Financial Assistance Loan product. It is anticipated that loans will be available through the regional scheme by 2009/10. The City of Sunderland and Stockton Borough Council will act as regional administrators.

6.3.5 Higher levels of leverage have been brought about into the sub-region through the development of loan based products, the Energy Efficiency Scheme (£800,000) and the Empty Homes Scheme (£1,022,000). Tees Valley authorities achieved top quartile performance in respect of Best Value Performance Indicator 64. Authorities have undertaken comprehensive process reviews following the development of new financial assistance policies and procedures linked to mandatory licensing and empty dwelling management orders introduced by the Housing Act 2004.

6.4 KEY FUTURE ISSUES

6.4.1 In relation to improvement and maintenance of existing housing stock, the key future issues for the Tees Valley are highlighted opposite.

6.4.2 The Tees Valley has above average levels of older, private sector terraced housing. Levels of non-decency are a particular issue amongst the most unpopular terraced housing in low demand housing market areas which tends to be concentrated in the urban cores. Dealing with the high levels of non-decency in the private sector presents particular challenges to the sub-region.

6.4.3 The concentration of poor quality private sector housing is an issue in terms of their energy efficiency. Older housing stock and build types restrict the energy efficiency measures that can be installed. This makes older housing particularly costly in terms of energy consumption. The sub-region is exploring alternative ways in which to deal with these issues as part of the drive to reduce fuel poverty and to ensure affordable warmth for vulnerable households who are more likely to occupy poorer quality housing. The Tees Valley has set out to improve energy efficiency and to achieve a SAP rating of at least 65 across all the sub-region's homes by 2015 and is working towards ending fuel poverty for all vulnerable households.

6.4.4 The sub-region has an ageing population which consequently increases the numbers of vulnerable households in the sub-region. Further details on this matter are provided in Chapter Seven of this Strategy.

6.4.5 Local authorities are working in partnership with RSLs to ensure the sub-region achieves the Government's target of achieving decent homes in the social housing sector within the sub-region by 2010/11. All social landlords will be targeted to produce Asset Management Strategies to ensure the decent homes standard is maintained.

6.4.6 The management of the private rented sector will improve through licensing regulation linked to the powers of the Housing Act 2004. Better joint working with private sector landlords, for example working in partnership to achieve joint aims is the way forward and the option of establishing a sub-regional private landlord forum is currently being considered.

6.4.7 A key priority will be to explore sub-regional approaches to developing new privately funded loan and equity share products to help homeowners fund their own improvements and to develop new decent homes improvement packages. This will require further engagement with national lenders in developing incentives for home owners to improve homes.

6.5 MAKING IT HAPPEN

6.5.1 The Tees Valley has developed a number of projects that will help to tackle the key issues and deliver priorities in relation to improvement and maintenance of conditions in existing housing stock.

6.5.2 Tackling fuel poverty amongst deprived and vulnerable groups is a key priority for the sub-region. As well as building on existing core activity authorities are also seeking funding through SHIP Round 3 to help to deliver a project entitled; 'Eco Streets'. The project will provide an opportunity to pilot the effectiveness of renewable energy resources in improving the energy efficiency of private stock. The project will specifically focus on the potential benefits of eco homes for vulnerable households in terms of promoting affordable warmth, reducing levels of fuel poverty and improving health.

6.5.3 Whilst recognising the need to improve the conditions of the housing stock, local authorities are seeking funding through SHIP Round 3 to deliver a project entitled; 'Respect and Reward Scheme'. This project will build on existing activity and will provide incentives linked to management schemes (for example, licensing and accreditation) to reward private landlords and at the same time improve the quality and sustainability of neighbourhoods in line with the Respect Agenda.

6.5.4 Local authorities have designed a project which has an integral part to play in improving access to decent affordable homes and in addressing the respect agenda. The sub-region is seeking funding through SHIP Round 3 to support a project entitled; 'Towards Home Ownership'. Whilst providing financial assistance to bridge the gap from the rented sector into home ownership, the project is also promoting an effective approach to stock management through bringing empty homes back into use (where this is appropriate) on an affordable basis. This can provide an entry point into home ownership in decent homes for low income households who would otherwise be trapped within a particular housing market, whilst improving the condition of the housing stock.

6.5.5 The sub-region will continue to strive for greater efficiency in addressing the needs of physically disabled households whilst also increasing choice for the beneficiary. Authorities are seeking funding through SHIP Round 3 to help to deliver a project entitled; 'Move, Adapt and Recycle'. This will build on the extensive adaptations work already undertaken in the sub-region which is delivered through the Disabled Facilities Grants programme and complementary funding from local authorities. In this context, the project is helping to maximise the effective utilisation of housing stock through assisting the beneficiary to buy a more suitable property where it is not practical or cost effective to adapt their existing home. In doing so, this can free up housing and improve access to decent homes. The move towards a more "flexible" housing solution will also allow local authorities to realise capital savings which can then be re-targeted more efficiently and broaden consumer choice.

6.6 STRATEGIC PRIORITIES

6.6.1 We have identified a number of strategic priorities and identified the actions that will help to deliver these priorities as set out in the table on the next page. This illustrates the wide range of activity that will help to improve management and maintenance of existing housing stock.

PRIORITIES	ACTIONS
Achieve Government's decent homes target in the local authority sector	Deliver annual Housing Capital Investment Programme
	Populate ASSET management database, CODEMAN
Achieve Government's decent homes standard in RSL sector	Support RSLs in options appraisals. Examine re-modelling opportunities.
	Work with LSVT organisations to ensure effective delivery of investment programmes
	Other RSLs Decent Homes
	All other RSLs to carry out works to achieve DHT
	Plan to achieve DHT
	Integrate RSL Investment Plans with LA Regeneration Strategy
	Set up common approach to monitoring and liaison with RSLs
Improvement of management and maintenance of private sector stock	Achieve SAP rating of at least 65 across all homes by 2015.
	Implement a pilot for eco homes on the basis of sustainable energy
	As pilot for eco homes developers, consider emerging findings and seek to incorporate eco and energy efficiency measures in to facelift schemes
	Take part in the NEHB pilot Innovation Challenge Scheme
	Increasing participation of private landlords in accreditation and licensing schemes to ensure consistency in approach to raising standards across private rented sector and local neighbourhood as a whole (also addressing the Respect Agenda).
	Further develop sub-regional approaches to new privately funded loan and equity share products to help owners to fund their own improvements
	Develop new decent homes improvement packages and delivery models with RSLs and private developers
	Update private sector stock condition surveys
	Consider implications of BRE private sector stock condition report and other stock condition survey data to build information on private sector decent homes standards and target decent homes packages where need is evident.
Bring empty properties back in to use on affordable basis	Continue implementation of Empty and Eyesore dwellings programme
Partnership working	Continue joint procurement of research, products and services to increase levels of efficiency and value for money. This includes sub-regional approaches to delivery of schemes such as DFG works, HIA, licensing, Home Improvement Packs.

TABLE 9 - Priorities and Actions - Objective 3

7.0 MEETING SPECIFIC COMMUNITY AND SOCIAL NEEDS

"To promote good management and targeted housing investment to address specific community and social needs. This includes an ageing population and the needs of minority communities; alignment with the Supporting People programme and promotion of greater community involvement". Key Objective 4, The North East England Regional Housing Strategy, July 2007.

7.1 THE CHALLENGE AHEAD: REGIONAL CONTEXT

7.1.1 The Regional Housing Strategy acknowledges the broad range of potential community and social needs that require specialist housing and support interventions within the North East region. The drive nationally and regionally is to deliver appropriate housing solutions which align capital and revenue resources.

7.2 THE CHALLENGE AHEAD: SUB-REGIONAL CONTEXT

7.2.1 There are a number of key issues that are particularly pertinent for us as a sub-region. These are summarised below.

- Growing needs and demand of local residents. In summary, there is a growing elderly population, increased life expectancy for those with disabilities and the changing needs and aspirations of our local communities.
- Limited financial resources against the backdrop of increased service demands and growing expectations.
- Changing priorities at national and regional level. The sub-region must keep pace with changing Government agendas and ensure local delivery is aligned with national and regional guidance and policy.

MEETING SPECIFIC NEEDS

7.3 SUB-REGIONAL APPROACH TO TACKLING THE ISSUES

7.3.1 The Tees Valley local authorities (on an individual local authority and collective basis) have well-established, mature partnership arrangements with statutory, community and voluntary sector colleagues. Through these arrangements, the key challenges have been identified both now and in the future including the necessary actions to address these.

7.4 KEY ACHIEVEMENTS

7.4.1 Tees Valley local authorities and partners continue to explore opportunities for joint commissioning. In relation to the supporting people agenda, the sub-region has successfully jointly procured the LHAs, BME Housing Needs Study and the Gypsy and Travellers assessments. These examples demonstrate both a consistency in approach and value for money.

7.4.2 Examples of our positive approach to tackling community and social needs are summarised below.

Older People

7.4.3 Local authorities have developed a range of successful partnership arrangements to address the housing needs of older people. A number of projects have helped to provide quality mixed tenure accommodation for older people. For example, Hartlepool's Older Persons Village is a new innovative development of 242 units of accommodation creating a village environment. A choice of tenure (for example, owner occupation, shared ownership or rented) will attract a diverse range of people. Facilities in the village will also be available for people living in the community and will include a healthy living suite, restaurant and day centre facilities. This is the first development of its kind and will be setting standards high for the future in this sector. Further examples includes the small-scale stock transfer of 6 sheltered housing schemes from Stockton Council to Erimus Housing and the modernisation and conversion of outmoded sheltered housing schemes across the sub-region.

Hartfileds extra care retirement village Hartlepool

7.4.4 The North East region has been successful in securing funding from both the Housing Corporation and Department of Health. This has been key to the development of new extra care housing in the Tees Valley with some mixed tenure units. Local authorities have also developed additional relocation options for older residents displaced from clearance programmes.

7.4.5 Effective partnership and collaborative working has been key to the successful establishment of a Chinese elders project in Middlesbrough.

7.4.6 Local authorities are actively involved with partner agencies to pilot and extend the range of assistive technologies and telecare services.

Chinese elders project, Middlesbrough

This is to ensure housing provision is tailored appropriately to address the housing needs of older people whilst maintaining their independence where possible.

Homelessness

7.4.7 We have actively embraced the 'homelessness' prevention agenda across our sub-region and have been awarded Regional Homeless Champion status (Hartlepool Borough Council and Erimus Housing). Furthermore, Stockton has been categorised as the Regional Centre of Excellence for Youth Homelessness. The use of Bed and Breakfast accommodation as emergency provision has reduced significantly. In Hartlepool and Darlington, for example, the requirement for B&B accommodation is now down to a minimum of 1 or 2 cases per year. The requirement for temporary accommodation is also decreasing.

7.4.8 The Tees Valley local authorities have also been actively involved in the development of a range of 'Family Intervention Services'. These are designed to enhance support services to families who are homeless or threatened with homeless due to their chaotic lifestyles and possible involvement in anti-social behaviour. Services are delivered across the region through a variety of models. This includes both out reach services and accommodation-based.

7.4.9 Local authorities have continued to work with partners to support the development of 'tenure neutral' sanctuary provision for those experiencing domestic violence in the Tees Valley. Sanctuary schemes are an innovative approach to homelessness prevention and existing schemes are already operating within local authority areas. The sub-region is seeking funding from SHIP resources for 2008-11 to further develop sanctuary provision which will build on existing provision and will complement our existing, established and valued refuge services.

Adaptations and Disabled Facilities grants

7.4.10 Tees Valley local authorities and partner RSLs have actively explored opportunities for joint procurement activity in relation to adaptations for disabled clients. This has helped to increase efficiencies and value for money. Effective partnership arrangements with health and social care and PCT have also helped to lever additional resources to support delivery.

7.4.11 A key success has been in the development of an innovative Disabled Persons Re-housing Service to both complement and maximise DFG funds.

Darlington Council Capital Investement programme - Adaptations work

Other Vulnerable Groups

7.4.12 Local authorities have worked in partnership with RSL partners to develop supported living accommodation projects and specialist accommodation for vulnerable client groups. For example, Stockton Borough Council has worked with Endeavour Housing Association to secure a supported living scheme and move-on accommodation for ex-substance mis-users in the borough. Hartlepool has also been successful in developing a scheme of 10 units of accommodation for 16-25 year olds with complex needs. These needs can be related to a wide range of issues, including alcohol and or substance misuse, mental health

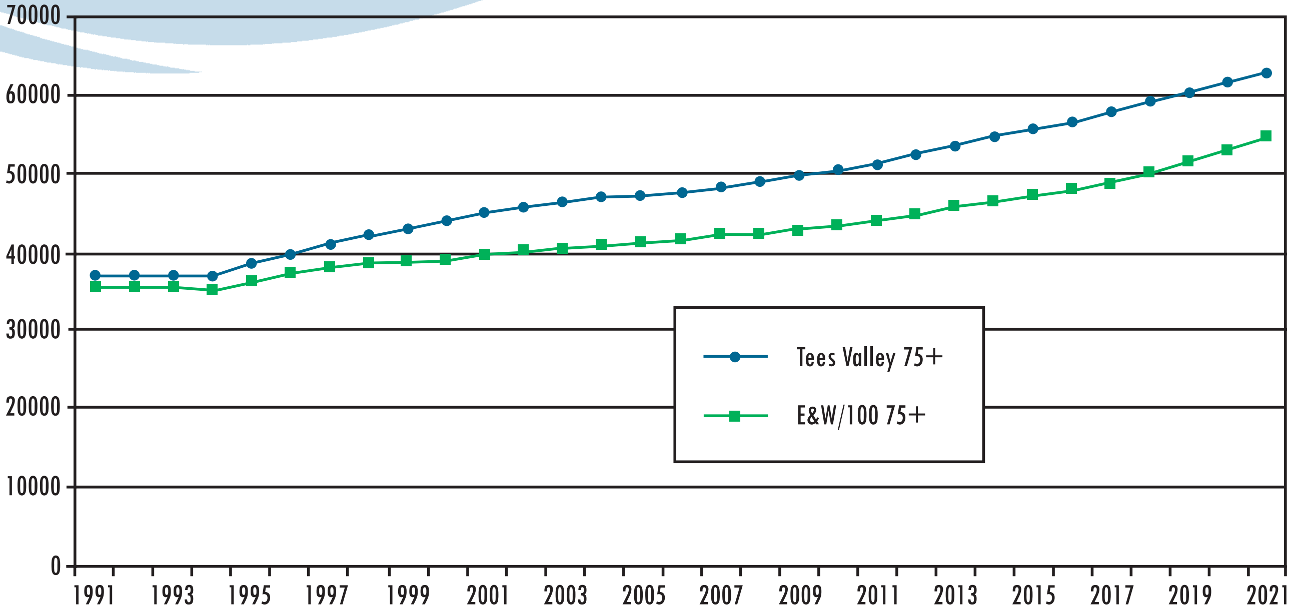


FIGURE 1 - Population Projections for older people compared to the national average

problems, domestic violence and homelessness. The scheme has been operational since November 2006. Funding has been secured through the Housing Corporation for a similar scheme aimed at over 25s which is expected to commence during 2007-08.

7.4.13 Joint procurement arrangements have helped to maximise the outputs delivered through 'Supporting People' funding. This resource has delivered floating support services to a broad range of client groups to help to maintain independence.

7.5 KEY FUTURE ISSUES

Housing for Older People

7.5.1 Demographically the population of older people (particularly the 75 plus) is increasing within the Tees Valley at a faster rate than the average for England and Wales. Figure 1 above demonstrates how the population of older people (aged 75 plus) has changed since 1991 and projections for increased growth up to 2021.

7.5.2 Within the definition of older people, there are different groups in terms of income, health and social characteristics, whose needs are very diverse. These needs change at different stages in their life.

As detailed previously, there are some good examples of housing solutions to meet these changes in the Tees Valley.

Endeavour Bungalows for the Elderly at Hardwick Green

7.5.3 The strategic approach to housing, care and support for older people is developing well across Tees Valley. The most recent individual strategies, e.g. Stockton's Older People and Darlington's Supporting People strategies, benefit from latest policy developments and Audit Commission Inspection approaches.

7.5.4 There is broad agreement that the current model of extra care for older people is a good one, and that it should be enhanced to provide units for sale and be developed to provide a hub for services to older people in the wider community.

All authorities indicate a shortfall of extra care and that specific provision for dementia sufferers, or those with complex needs should be met within extra care developments rather than stand-alone units.

Extra Care Scheme Oban Court, Darlington

7.5.5 By way of example, in Redcar & Cleveland, the Council is working with Tees Valley Housing Group to develop Housing with Extra Care scheme on the site of a former residential home. The scheme comprises 40 units of which 20 are to be built and let at affordable rents and the remaining 20 are earmarked for private rent, sale or shared ownership. The shared ownership model is the first of its nature in the sub-region and is flexible, allowing people to purchase individualised levels of the property, with the core rent lowered directly in proportion with the amount of equity sold. The scheme will service a defined regeneration area, and it is intended to provide a flexible relocation option for vulnerable older persons in the area.

7.5.6 In Darlington, the Council are working with Hanover Housing Association to provide shared ownership bungalows at the same location as a jointly owned extra care scheme. Residents will have the flexibility to benefit from some or all of the on-site facilities.

7.5.7 There is a case for increased levels of collaboration of local authorities and partners across the Tees Valley in moving forward future priorities for the provision of extra care. Collaborative working is increasingly important in securing funding from key funding bodies and specifically, the Department of Health. However, there are a number of obstacles that need to be addressed in relation to addressing the housing needs of older people. It will be necessary to identify a clear set of actions to help address these. The obstacles are summarised below.

- The Supporting People resource is under pressure and the current short term nature of funding poses difficulties for long term planning.
- Further work is necessary to increase the understanding of the extent to which owner occupation or part ownership approaches are able to address the housing needs of older people.
- Further work is needed to better understand the extent to which support services to older people in their own homes can be provided more extensively, for example through the development of the 'hub and spoke' model.
- Local authority and RSL partners continue to increase the proportion of housing that meets decent homes standards. Targeted support will be necessary to meet the Decent Homes targets for older people living in their own homes.
- It is necessary to explore the potential for re-commissioning sheltered housing on a cost effective basis as a means of providing extra care.
- Further work is required to assess and commission appropriate assistive and SMART technologies to improve services through new telecare monitoring services and similar, new developments.
- There is no automatic alignment of Supporting People revenue support for new capital focused housing schemes.

Homelessness

7.5.8 Prevention of homelessness is particularly high on all agendas. Activities designed to avoid homelessness occurrences, such as raising service awareness school visits, mediation services, information and advice packs, and training, all feature strongly. All housing authorities using dedicated staff have developed improved housing advice and assistance services. In three authorities a 'Housing Options' approach has been taken to broaden the housing advice to applicants.

7.5.9 A number of recent initiatives have provided a springboard for collaborative working between local authorities in the Tees Valley. Key examples of where collaborative working has been particularly effective include the sub-regional homelessness group that was initiated by Middlesbrough with Erimus Housing and the designation by CLG of Hartlepool as a Champion Homelessness Authority. The development of sub regional CBL will play a key future role in homelessness prevention and assistance for vulnerable applicants.

7.5.10 Access to permanent accommodation needs to be improved, with a dedicated focus on improving support services for 16 - 25 year-olds. Again, progress has been made in this area. Stockton Borough Council has recently been awarded Regional Centre of Excellence for Youth Homeless status by the CLG (one of nine local authorities nationally).

7.5.11 As a sub-region significant progress has been made towards eradicating the use of bed and breakfast and achieving the Government's temporary accommodation targets. There is a need to examine the long-term future of some existing facilities, for example the need for replacement refuge facilities for women fleeing domestic violence.

7.5.12 There is a role for the private sector in providing accommodation for homeless people. The private rented sector has been involved in re-provision of short-term hostel accommodation and private sector leasing schemes which has helped to address the issue of homelessness. However we acknowledge that we have some way to go in this area. With increased pressure on available accommodation, it is acknowledged that accommodation provided by private landlords should be used to a greater extent for both short and longer-term housing and be offered as a quality alternative housing option. In addition, the introduction of accreditation and licensing schemes will offer greater opportunities to improve the standard of housing and services provided by all private landlords. Closer dialogue is to be established in order to develop an appropriate service.

7.5.13 Partnership working has been particularly effective in providing services to those leaving institutions such as prison and long stay hospitals. Local authorities across the sub-region have recently contributed to the review of the HARP protocol (Housing and Returning Prisoners) aimed at improving joint working in this area.

Physical Disabilities

7.5.14 Accessible housing, lifetime homes and the use of DFG mean the accommodation needs of those with a physical disability and/or sensory loss can be improved. All of the Tees Valley local authorities were successful in top-up SHIP Round 2 funding for additional DFG. In 2006-07, a total of 846 DFG cases were completed in the sub-region with total expenditure of £3,705,604. This has been key to meeting increasing demand from elderly and disabled residents wishing to stay in their own homes.

Learning Disabilities

7.5.15 There is presently an under provision for those with learning disabilities who want to live independently. It is necessary to promote the delivery of locally based services for people with learning disabilities as opposed to out of area placements. Detailed information on the extent of unmet need is being collated via individual local authority Learning Disability Partnership Boards. Local authorities are working with Health and Social Care partners to assist with the delivery of commissioning strategies that will see a movement away from traditional residential care models towards independent living with support.

Other Vulnerable Groups

7.5.16 There is broad agreement across Tees Valley that mainstream accommodation should normally be provided for those with mental health problems, for those with HIV/Aids and for ex-offenders, as long as appropriate floating support is available. Supported Housing options for people with drug and alcohol problems is also an emerging priority. For example, within Middlesbrough, the Drug Intervention Programme in partnership with English Churches Housing Group has introduced a supported accommodation project for clients with drug problems who are actively seeking to change their lifestyles through drug treatment programmes and support.

7.5.17 Practitioners across the sub-region agree that, the overwhelming preference for those who may be vulnerable for a number of reasons is for a decent home in a pleasant and safe environment with support "floated in". This provides flexibility for the individual and for Supporting People contracts, prevents "silting up" of units of specialist accommodation, avoids the disruption of further home moves often to less desirable accommodation, and avoids labelling.

The BME Community

7.5.18 In general terms, the Tees Valley BME population is low at around 3% of the population, compared to the England average of 9%, except for Middlesbrough where it is 6.3%. However, the BME population is increasing and this is expected to continue, especially in light of the current trend of inward migration.

BME Community Mosque in Abingdon Road, Middlesbrough

7.5.19 This poses a challenge to service providers to ensure coordinated and effective strategies are in place to respond to specific needs of new settlers whilst continuing to address the needs of more established BME communities. Real effort is needed to identify various communities and to understand housing needs, for example, by establishing a sub-regional BME consultative panel, as has been done in Stockton.

7.5.20 To improve understanding of the housing needs and aspirations of our BME communities amongst service providers, TVL (in conjunction with the Tees Valley local authorities) has recently undertaken a BME housing needs study[24]. This will prove both vital and invaluable in helping us to ensure their needs are better met. The key findings and implications of the study are set out below.

7.5.21 The findings indicate that there is need to widen provision of a range of tenure and property types in traditional BME community areas. At least one third of current BME households are looking to move area and only one fifth of these would expect to remain living in their current area. This suggests housing provision does not always align with need and can lead to fragmentation of BME communities.

7.5.22 There is evidence to suggest that a range of issues, including; relatively low levels of economic activity, low incomes and associated welfare dependency amongst much of the BME population restricts the ability of current home owners to repair and maintain their properties. This can lead to poor housing conditions. However, whilst a relatively high proportion of households living in properties deemed to be in a poor state of repair, or lacking basic energy saving measures, such as double glazing, there appears to be a strong attachment to these properties (and therefore, the area).

24 Embracing Difference, A study of the housing & related needs of the Black & Minority Ethnic community in the Tees Valley Living area, By Andy Steele, Salford Housing & Urban Studies Unit, University of Salford & Naseer Ahmed, EMS Consultancy Ltd, March 2006.

There is a preference for receiving financial assistance to improve and repair their property rather than receiving some form of help to move to another property. Tees Valley local authorities are developing a range of financial packages to assist BME households in this way.

7.5.23 The study shows that the proportion of BME households in private rented accommodation is much higher than that of the white population in all areas in Tees Valley. Work is underway in the sub-region to review condition of the private rented housing stock and to encourage landlords to improve the properties where necessary. Participation in private landlord 'accredited landlord schemes' is an example of how local authorities are promoting this among private landlords.

7.5.24 The lack of larger sized properties in the sub-region is an issue for BME communities. A high proportion of the BME community (around one quarter) is living in properties which they feel are too small for the needs of their family and about one in five feel that they were overcrowded. The lack of availability of larger properties is a major factor leading to BME households wanting to move home.

7.5.25 Local authorities are responding to this, taking these needs in to account when planning new housing developments. Furthermore, the Tees Valley sub region generally has a younger BME population and future service provision and products need to take this factor into account. Complementary to this, Stockton Borough Council is investing in improvements to a neighbourhood characterised by 3 storey villa style houses which is popular amongst the BME population to better meet local needs.

7.5.26 In terms of social housing provision, it was felt that housing associations had limited stock and housing type in locations preferred by BME communities. Local authorities will work with housing associations to address this concern.

7.5.27 The study identifies home ownership as the aspirational goal amongst many BME communities. However, in reality, whilst this may be the 'tenure of choice' it is not a financially viable option, at least in terms of traditional routes into home ownership. Tees Valley local authorities continue to develop and promote various forms of subsidised home ownership, such as shared ownership. Particular emphasis needs to be given to how this is marketed at the BME community as misconceptions about the cost of such initiatives often prevail within communities.

7.5.28 Improving the knowledge of Supporting People services amongst the BME community in order to improve fair access to all services, and of housing related support services in particular, is a key aim of this Strategy. The Tees Valley continue to develop a more pro-active approach to consultation with the BME population to ensure needs are fully understood and service delivery is able to adapt accordingly.

Gypsies and Travellers

7.5.29 The Housing Act 2004 introduced new requirements on local authorities to include Gypsies and Travellers in the Local Housing Needs Assessment process and to have a strategy in place that sets out how any identified need will be met, as part of their wider housing strategies. In order to comply with these requirements the Tees Valley local authorities are currently undertaking a joint tender process to undertake a Gypsy and Traveller Accommodation Assessment. It is anticipated that interim findings will be available December 2007 and a final report in March 2008. The recommendations will inform future policy and practice.

7.5.30 Gypsies and travellers moving through the Tees Valley area are made up of several very diverse groups. Conflict with travellers tends to focus around illegal camping on non-designated sites and perceptions that their numbers are increasing. Research will be undertaken to improve the understanding of their requirements and to develop the strategy, particularly as current evidence suggests they suffer from greater levels of poor health and social exclusion.

7.5.31 There are already examples of good practice across the sub-region. Redcar & Cleveland's Gypsy and Traveller Strategy aims to ensure a consistent approach and effective planning to deliver services appropriate to their needs. Darlington's Honeypot Lane scheme has secured over £1m of Government funding and involves other agencies such as Sure Start.

Sure Start in North Ormesby, Middlesbrough

Asylum Seekers and Refugees

7.5.32 All the sub-regional local authorities have had experience of participating in the Government's dispersal policy on Asylum seekers through the National Asylum Support Service (NASS). The North East Strategic Partnership for Asylum and Refugee Support (NESPARS) acts as a clearing house and broker on issues with NASS and Government. The multi-tenure approach will continue, although its administration has raised issues for individual authorities in managing it and ensuring individual asylum seekers and refugees have the appropriate support to sustain short-term tenancies.

7.6 MAKING IT HAPPEN

7.6.1 In order to address our identified priorities a number of initiatives have been developed over and above our other work for which the Sub-Region is seeking SHIP funding. The projects detailed below offer the flexibility to ensure that we will respond appropriately to our local communities in a manner that will ensure innovation and value for money. Given the diversity of communities and the vulnerability of those we aim to assist it is not possible to promote one solution, a range of services and accommodation must be provided to achieve our vision of providing quality accommodation and promoting independent living.

7.6.2 The sub-region is seeking funding through SHIP Round 3 to support a project entitled: Towards Home Ownership'. This will build on existing activity and will focus on provision of financial assistance to bridge the gap from the rented sector and in to home ownership in decent homes for low income households who would otherwise be trapped within a particular housing market.

7.6.3 SHIP Round 3 funding will contribute to the development of 'tenure neutral' sanctuary provision for those experiencing domestic violence in the Tees Valley. The project will complement our existing, established and valued refuge services and will be a key step towards meeting targets in relation to levels of domestic violence levels and related homelessness issues.

7.6.4 Authorities are seeking funding through SHIP Round 3 to help to deliver a project entitled; 'Move, Adapt and Recycle'. The project will provide financial assistance to enable disabled residents to buy a more suitable property where it is not practical or cost effective to adapt their existing home. The project will extend choice for disabled residents by providing an alternative means of addressing their needs, whilst also building on the extensive adaptations work already undertaken in the sub-region which is delivered through the DFG programme. This will maximise the use of limited DFG resources.

7.6.5 SHIP3 funds are needed to help deliver the 'Safe and Secure' scheme. The project will fund small repairs and minor adaptations for homeowners who are elderly or disabled to enable them to live independently where this is their preferred option. The project builds on existing adaptations work supported through Disabled Facilities Grants and is complementary to the 'Move, Adapt and Recycle' project.

7.6.6 The sub-region is seeking support through SHIP Round 3 to help to deliver a project that will facilitate access to decent homes. The project will promote an innovative choice-based approach through the offer of incentives to facilitate moves between tenures and there by assisting residents to access decent homes in the tenure of their choice. The project will build on existing activity and help to bridge the gap for vulnerable households in non-decent accommodation by facilitating re-housing within decent housing regardless of tenure.

7.7 STRATEGIC PRIORITIES

7.7.1 Unsurprisingly, the range and diversity of unmet need is vast. In order to address the key issues, a number of approaches will be adopted as set out in the table below.

PRIORITY	ACTION
Develop range of appropriate housing solutions for vulnerable groups	Development of bespoke accommodation based services to ensure provision is tailored to the needs of vulnerable people
The next 4 priorities are part of the above priority:	Maximise use of housing across the sub-region across all tenures to ensure access to appropriate accommodation
Older people	Work with RSL partners to deliver quality units of retained extra care
	Work with our RSL partners and private sector developers to deliver outright sale and shared ownership.
	Introduce assistive technology (telecare) to support independent living
Homelessness prevention	Develop supported lodgings scheme (young people at risk)
	Tenure Blind Floating Support Services
	Implement effective resettlement services linked to a homeless hostel for single men
	Hospital and other supported accommodation
	Further develop the role of the private sector in providing accommodation for homeless people.
	Prevention, resettlement and floating support services
	Develop supported lodgings scheme (young people at risk)
	Sanctuary scheme (support to those at risk of domestic violence)
Learning disabilities	Supported housing schemes
	Floating support and assistive technology
Physical disabilities	DFG provision to adapt homes of non-mobile residents where adaptation will enable them to live independently in their own home.
Develop sub-regional approach to supporting people funded services	Agreement of common priorities and joint procurement activities

TABLE 10 - Priorities and Action - Objective 4

8.0 CROSS CUTTING ISSUES

8.1 RESEARCH NEEDS

8.1.1 The Tees Valley region is well supplied with data relating to housing, economics, demographic and transportation issues mainly due to the partnership working between the JSU), five local authorities and other key organisations. This joined up approach is key to building a firm intelligence base and in ensuring the consistency and comparability of information across a wide range of areas.

8.1.2 TVL has worked closely with the JSU and local authorities to improve the understanding of housing market issues within the sub-region. The sub-regional HMA, Tees Valley BME study and Housing Condition Survey by Building Research Establishment are examples of additional research recently completed to help fill outstanding information gaps. Partners are currently considering the implications of key findings for future housing policy and related policy fields.

8.1.3 In 2006, Stockton-on-Tees, Middlesbrough and Redcar and Cleveland Borough Council jointly commissioned LHAs. Hartlepool and Darlington have commissioned their own assessments. The overall purpose of the LHAs was to provide a better understanding of the local housing market, the key drivers of local housing demand and supply and the level of housing need within the area. In conjunction with other data collated by the JSU and local authorities, the Tees Valley HMA, BME study and related research, these assessments provide robust evidence to inform the development of housing and planning policies in the sub-region.

8.1.4 In March 2006, the Government published practice guidance on SHMA. The guidance brings together and builds upon the key elements of existing guidance on housing market and housing needs assessment. The key message within the guidance is that SHMA is a crucial aspect of the evidence base in terms of preparing regional spatial strategies, local development documents, regional housing strategies and local housing strategies.

8.1.5 TVL, the JSU and local authorities are currently working together to identify an appropriate way in which to tackle SHMA. The key task in hand is to develop an approach which is aligned with Government guidance, whilst also ensuring that any future work does not duplicate but builds on the existing intelligence base that has emerged through the aforementioned studies and assessments in order to establish a complementary set of findings which help to fill any information gaps.

8.2 RESEARCH PRIORITIES

8.2.1 Whilst a significant amount of research has already been undertaken in the sub-region in recent years, partners continue to work together to firm up the information base. The TVL Research Group consisting of representatives from the boroughs and JSU will continue to play a key role in identifying research priorities in the sub-region. Current research priorities are outlined below:

8.2.2 The extent of non-decency in the private sector has recently been quantified across Tees Valley through a stock condition survey undertaken by Building Research Establishment (BRE)[25]. Interpretation of the key findings that have emerged from the evaluation of the extent of disrepair and non-decency in the private housing market and consideration of the implications for future policy and practice is a key task which partners are currently involved in.

8.2.3 To improve understanding of the housing needs and aspirations of our BME communities amongst service providers, TVL (in conjunction with the Tees Valley authorities) has recently undertaken a BME housing needs study[26].

25 Tees Valley Private Sector Housing Group: Housing Stock Projections, BRE , June 2007

26 Embracing Difference, A study of the housing & related needs of the Black & Minority Ethnic community in the Tees Valley Living area, By Andy Steele, Salford Housing & Urban Studies Unit, University of Salford & Naseer Ahmed, EMS Consultancy Ltd, March 2006.

Interpretation of the key findings is fundamental to development of appropriate housing options for residents from the Tees Valley BME communities. Current housing provision is being reviewed in light of any implications.

8.2.4 As mentioned earlier in his section, detailed assessments of housing markets, peoples' needs and aspirations at local authority and neighbourhood levels have been undertaken at local authority and sub-regional level in recent years. Local authorities are working alongside TVL and the JSU to ensure housing policy and practice takes on board key findings whilst developing an appropriate way in which to tackle SHMA in order to build on the information base.

8.2.5 On behalf of the five local authorities, the JSU is looking to commission a Gypsy and Traveller Accommodation Assessment in August 2007. This sub-regional research supplements the regional research study commissioned for the North East Assembly and which was published in March 2007. The findings of the study will be available in March 2008 and will provide invaluable information relating to the housing preferences, health and community needs of the travelling community. At this point, local authorities and partners will review and adapt current housing policy and strategy as appropriate to reflect key findings.

8.2.6 Local authorities will continue to develop understanding of the housing aspirations of older people and their preferences regarding the tenure, type and location of housing. A key task is to understand how the needs of this housing group are expected to change as the population of older people continues to increase and to ensure housing provision is tailored to address these needs.

8.2.7 A key task for local authorities and partners is to improve understanding of the extent and type of housing need amongst people with disabilities and to ensure the appropriate support and preferred housing provision is accessible. This should be delivered where links to existing support and family networks can be maintained.

8.2.8 The housing requirements of refugees and the level of provision needed is an increasingly challenging area at national, regional and sub-regional level. A key task is to increase understanding of the location and numbers of refugees and other related vulnerable groups.

8.2.9 Future work is needed to improve understanding of the level of demand for high quality apartment living in specific locations amongst younger professionals and independent, older people. The findings of ongoing housing needs assessment work will be key to this.

8.2.10 The Neighbourhood Vitality and Viability Index (VVI) was developed in 2004 to provide a detailed evidence base identifying and ranking neighbourhoods according to their need for housing market renewal. Through the forum of the TVL Research Group, borough housing and planning officers worked with TVL and JSU to identify a range of readily available data which would form the basis of the VVI. The set of indicators were subsequently reviewed and amended to allow for a greater focus on housing related indicators and the VVI was updated in 2007.

8.2.11 As mentioned earlier in this Strategy, TVL are currently working with the JSU and boroughs to develop a Community Vitality Index which will include a more comprehensive range of quality of life indicators such as unemployment, low income, educational attainment, health and crime. It will be used in conjunction with the VVI to analyse the impact of interventions at neighbourhood level.

8.3 DEVELOPING GOOD PRACTICE

8.3.1 This Strategy has identified new initiatives to assist with its delivery, based on good practice by other providers. In some cases this is good practice within the sub-region which could be shared with the rest of the Tees Valley providers. In other cases, it is work not currently experienced by any of the sub-regional providers.

8.3.2 A recent key achievement in the sub-region is the development of a local Skills Directory. Local authorities and partners noted that there are significant reserves of experience, understanding and technical expertise in the housing sector within the sub-region that continues to develop. It was agreed that a Skills Directory would help to supplement some of the informal networking and experience sharing already taking place on an ad hoc basis and provide a transparent means of tapping into the skills resource in the sub-region. Whilst the Directory is currently focused on the housing market renewal aspect, this opens up opportunities to further develop the Skills Directory to cover good practice in all areas of housing Strategy and delivery.

8.3.3 The Tees Valley Joint Procurement Group provides a key forum in which to identify opportunities for joint procurement of services and products. As part of the drive to achieve greater efficiencies, the TVL Joint Procurement Group has also been established to identify where joint procurement could generate cost savings in areas specifically associated with housing market renewal activity. This group works closely with the wider Tees Valley Joint Procurement group.

9.0 DELIVERING THE STRATEGY

9.1 ESTABLISHED TEES VALLEY STRATEGIC PARTNERSHIPS

9.1.1 Tees Valley is fortunate in having a number of significant organisations and established partnerships working across local authority boundaries, each with a role in helping to deliver this Strategy.

9.1.2 **Tees Valley Partnership** was established in 2000 and charged with co-ordinating the economic development and regeneration of the Tees Valley and the activities of the main agencies responsible for delivery. Its Board consists of representatives from private and public sector organisations, academia, the police and the voluntary sector.

9.1.3 **Tees Valley Regeneration (TVR)** will be procuring, among other things, the delivery of around 7,000 new homes across the sub region over the next 15-20 years. Although not in receipt of any public sector capital funding and outside the direct control of individual local authorities, its activities will have an enormous influence on the future housing market. Tees Valley LAs will continue to work closely with TVR, assisting in the delivery of quality housing in the context of other major TVR redevelopment proposals, and maximising the benefits of potential synergy between the delivery of TVR plans and those set out in this Strategy.

Tees Valley Regeneration Flaship Victoria Harbour

Tees Valley Regeneration Flaship Middlehaven

Tees Valley Regeneration Flaship Northshore

9.1.4 **Tees Valley Joint Strategy Unit** leads on the development of a strategic database and is responsible for strategies for the improvement of the economic performance and the quality of life of the sub-region.

9.1.5 **Tees Valley Living** was created in 2003 to develop a case for major funding to revive failing Tees Valley housing markets, tackling low demand and obsolescence in all sectors. TVL is a partnership between the five local housing authorities, other housing providers, Tees Valley Regeneration, and house builders. The Partnership produced the Tees Valley Housing Market Renewal Strategy in 2005, and helped attract allocations of £12.87 million from NEHB's Single Housing Investment Pot and £18.25 million from CLG's Housing Market Renewal Fund during 2006-08.

9.1.6 TVL is not itself a delivery vehicle for clearance and redevelopment work. Its primary functions are the strategic direction, setting the priorities and procuring finance for key activities. The key delivery partners will be the private sector developers and builders, local authorities and the RSLs, TVL assuming a role in coordinating and monitoring performance and delivery.

Registered Social Landlords

9.1.7 The refurbishment needed to meet decent homes standards in the social housing sector, and to upgrade its housing estates, is being delivered in full or in part by Darlington BC, and by Stockton BC through Tristar Homes. In the other three boroughs, the RSLs who have taken ownership of all the former council housing, together with other, longer established RSLs, are responsible for delivering decent homes within their stock, estate refurbishment and any new affordable housing.

9.1.8 RSLs will also have a key role in meeting the demand for additional housing accommodation for special needs, the BME community and travellers, as referred to in Chapter Seven.

9.1.9 Substantial parts of this strategy do not in themselves require capital investment to achieve the planned outcomes.

The need for significant increases in floating support for vulnerable clients, extra care for older people unable to lead independent lives, and other initiatives to meet special housing needs of the more vulnerable, will all require partners with the appropriate expertise, knowledge and revenue funding.

9.1.10 Traditional RSLs have long-standing experience in this area, together with the voluntary sector and private sector care agencies, and they will be essential in the successful delivery of the strategy. Links with Supporting People teams are already well developed across the sub-region, and will need to be developed further to improve the knowledge base and understanding of the needs of vulnerable people in order to make the most efficient use of limited resources.

The Private Sector

9.1.11 The private sector has by far the largest financial contribution and physical input to contribute to delivering this strategy. This includes not only the building industry and developers, but also private householders, landlords, mortgage lenders and other private lenders, all of whom will have an important part to play in achieving major redevelopment and the improvement of existing housing.

9.1.12 Partnering arrangements with major house builders will be paramount in securing major redevelopment and new housing projects, and will be one of the critical factors in delivering this strategy. There is already a substantial experience of development partnerships, and the LAs will pool their expertise and knowledge in ensuring the best possible arrangements can be achieved.

Owner-Occupiers and Private Landlords

9.1.13 Closer relationships with private home-owners and landlords are planned in order to secure their "buy-in" to parts of this strategy that require not only their support but also their financial contribution. Public sector funding will be insufficient to achieve the improvement needed to existing private housing, and the strategy will fail in that respect if effective partnerships with owners and landlords are not achieved. Similarly, there will need to be effective links with local builders and house improvement contractors to ensure capacity and good standards are available to undertake small-scale house improvement works.

9.2 FUTURE STRATEGIC PARTNERSHIPS

9.2.1 In 2006, at the request of the Secretary of State for Communities and Local Government, Tees Valley published 'Tees Valley City Region - A Business Case for Delivery' and 'An Investment Plan for the Tees Valley City Region'. The Business Case and the Investment Strategy envisaged the development of sustainable communities to be one of the key objectives to improving the economic performance of Tees Valley by:

- the creation of attractive places and environment;
- the regeneration of the inner areas of the main towns into vibrant, socially diverse communities, and
- the creation of a revitalised housing market.

9.2.2 The City Region Business Case comprised the following:

- a strategy to improve the economic performance of the Tees Valley City Region;
- an evidence base to justify the strategy;
- a 10-year investment plan, assuming broadly similar levels of investment setting out the priorities for the Tees Valley;
- a proposal for a multi-area agreement covering the three main funding streams in economic development, transport and housing market renewal, which in combination will fund the investment plan;
- governance arrangements for coordinating activity in Tees Valley to improve economic performance;
- a green infrastructure strategy;
- outline business cases for key transport schemes; and
- a case for a housing market restructuring programme.

9.2.3 The City Region Business Case was well received by Government, the regional government agencies, the Tees Valley authorities, authorities in North Yorkshire and County Durham, One NorthEast (ONE) and the private sector.

9.2.4 Following from the Business Case and Investment Plan, and with the support of Central Government, Tees Valley local authorities have approved the formation of 'Tees Valley Unlimited' (TVU), a partnership whose remit is the coordination of activity, appropriate at a city region level, which will improve the economic performance of Tees Valley.

9.2.5 TVU will not immediately assume direct powers of the local authorities but, under the direction of a Leadership Board, comprising local authority and other sector representatives, will concentrate on strategic direction in a range of policy areas (Planning and Economic Strategy: Transport for Tees Valley; Employment and Skills; Housing; and Tourism).

9.2.6 Each policy area is itself managed by a sub-Board. Membership of the boards has been selected to bring together organisations and individuals that can add real value to the over-riding objective of Tees Valley Unlimited, an improvement in the economic performance of Tees Valley. In terms of housing, the TVL Board will assume responsibility for the housing function of TVU, with an expanded role in terms of housing strategy. In this way, the work of TVL will be joined up with planning and economic development activities in Tees Valley as part of a comprehensive programme to raise the economic performance of Tees Valley and improve its urban competitiveness.

9.2.7 Two important elements of the governance arrangements is the setting up of a 'Private Business Group' to provide direct input from the private sector into the key issues facing the city region, and a 'City Region Policy Forum' to provide a forum for dealing with policy issues which affect County Durham and North Yorkshire.

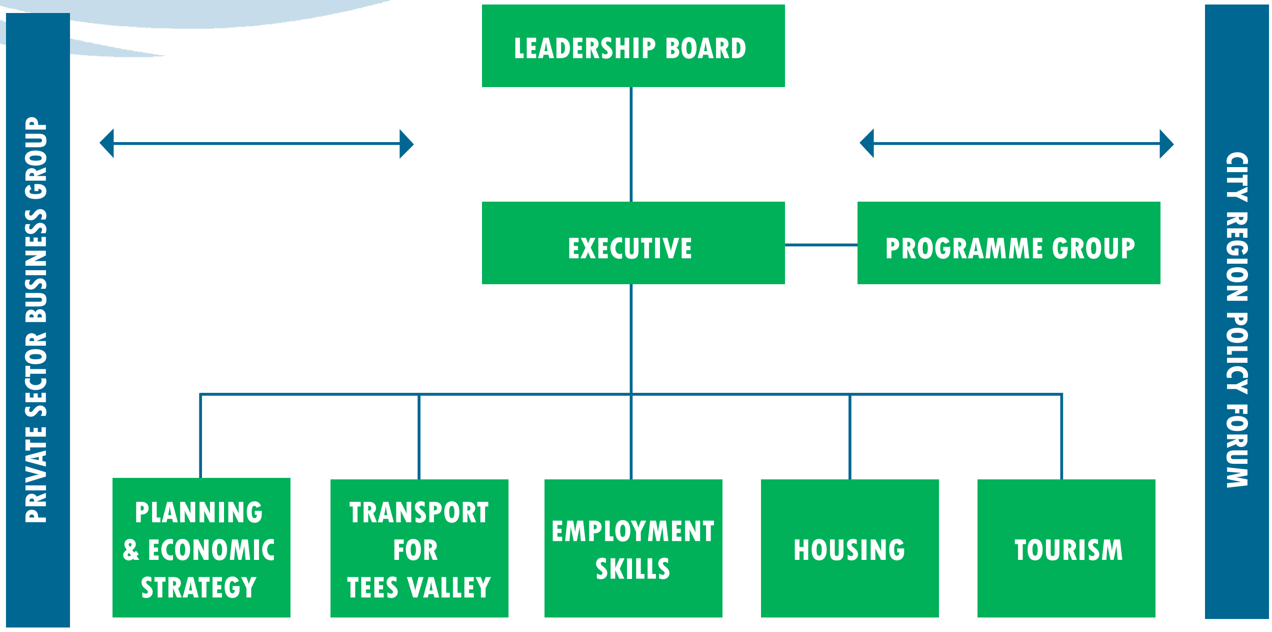


FIGURE 2 - Tees Valley Unlimited Governance Structure

9.2.8 The operation of TVU will be governed by a 'Multi Area Agreement' between the five local authorities and ONE, NEHB/CLG and the Department for Transport (DfT). One authority will act as accountable body for the resources set out in the multi area agreement. This approach and the city regional governance now evolving in Tees Valley is endorsed in the 'Review of sub-national economic development and regeneration' published in July 2007 by HM Treasury (HMT), the Department for Business, Enterprise and Regulatory Reform (BERR), and Communities and Local Government (CLG).

9.2.9 Governance arrangements for TVU have been established in shadow form for the year 2007-08. The current structure is illustrated in the diagram below.

9.3 VALUE FOR MONEY AND RESOURCE EFFICIENCY

9.3.1 Joint procurement and commissioning initiatives will be pursued in order to meet the cost effectiveness agenda. The partnerships referred to above will work to secure the best means of procuring services and contracts and delivering support services. The building industry is already short on capacity and partnerships will be encouraged which develop training and skills in the industry.

9.3.2 Joint procurement of materials and services to assist the major redevelopment projects and to facilitate smaller-scale home improvement projects will be encouraged, to achieve maximum value for money and deliver satisfactory outcomes. Similarly, energy efficiency targets will be more easily achievable through major procurement of fuel and energy efficient equipment and appliances.

9.4 MONITORING, REVIEW AND EVALUATION

9.4.1 The Sub-regional Housing Strategy will be continually reviewed and updated to reflect changes in the wider policy framework and the changing needs and aspirations of local communities.

9.4.2 At the end of Chapters Four to Seven, we have identified a number of strategic priorities and identified the actions that will help to deliver these priorities. Further work will be undertaken to refine the actions. A performance management framework is currently being developed. This will identify a set of performance indicators to track progress towards achieving objectives and specific actions.

10.0 CONCLUSION AND RECOMMENDATIONS

10.1 TAKING THE STRATEGY FORWARD

10.1.1 This first Tees Valley sub-regional strategy sets out a clear strategic direction and priorities supported by the main housing organisations in the sub-region. The challenge now is to develop the priorities and objectives detailed within this strategy into actions against which, performance is measured.

10.1.2 This concluding section therefore pulls together the threads of the action now required and makes a limited number of recommendations about how this should be achieved.

10.1.3 The strategy is set in the positive context that much is being achieved to improve the housing offer in Tees Valley. A large investment programme is under way to improve all the social housing stock to be retained, pushed forward by all the LA's and major RSLs. Much of the private housing sector is vibrant with sustained new house-building and investment in existing stock. The sub-region has been far-sighted and resolute in establishing Tees Valley Living and securing initial government funding for a housing market renewal programme. There is clearly a good deal of innovation, creativity, partnership working and good practice.

10.1.4 The strategy will build upon this to address the development of a key aspect of the Tees Valley City Region - the concentrations of poor housing and poverty, both geographically and in specific sections of the community. It will support the economic growth strategy by helping to make Tees Valley a more attractive place to live, and promote social inclusion for all.

10.1.5 The accompanying Action Plan concentrates on the work required to take forward the priorities identified in this Strategy and to strengthen sub-regional working so that Tees Valley can respond (and compete) effectively to the emerging Governmental focus of City Regions and sub-regional housing markets.

GLOSSARY OF TERMS

ALMO	Arms Length Management Organisation	A non-profit making company controlled by the local authority that has been set up to manage the Council's stock.
AMI	Areas of Major Intervention	Areas of housing market failure that where housing market renewal funding is targeted.
AMWG	Appraisal and Monitoring Working Group	A group comprising of representatives from each of the five local authorities, TVL and JSU. Set up to determine how best the information and data needs of Tees Valley Living and its partners can be met in ways which ensure consistency and comparability of information.
BME	Black and Minority Ethnic	Black and Minority Ethnic
BREEAM	The Building Research Establishment Environmental Assessment Method	BREEAM assesses the environmental quality of a building by considering design issues that affect the global environment, local environment and health and well being of building users. It is recognised as the measure of best practice in environmental design and management.
CURS	Centre for Urban and Regional Studies	Based within Birmingham University, the Centre was commissioned to undertake a study on changing housing markets within the North East region.
D(CLG)	Department of (Communities and Local Government)	The successor department to the Office of the Deputy Prime Minister (ODPM), created on 5 May 2006. It is an expanded department with a remit to promote community cohesion and equality, as well as responsibility for housing, urban regeneration, planning and local government.
DFGs	Disabled Facilities Grants	The provision of equipment or the undertaking of alterations to owner occupied or privately rented dwellings to enable a disabled person to live with comfort and independence within their own home.
EcoHomes	EcoHomes	EcoHomes is the homes version of BREEAM (BRE Environmental Assessment Method) carried out at both the design stage or post construction. EcoHomes balances environmental performance with the need for a high quality of life and a safe and healthy internal environment. In April 2007 the Code for Sustainable Homes replaced Ecohomes for the assessment of new housing in England. EcoHomes 2006 will continue to be used for refurbished housing.
GONE	Government Office North East	Government Offices are regionally based and work with regional partners and local people to maximise competitiveness and prosperity in the region, and to support integrated policies for social inclusion.

HIAs	Home Improvement Agencies	Not for profit, locally based organisations that assist vulnerable homeowners or private sector tenants who are older, disabled or on low income to repair, improve, maintain or adapt their home. Foundations is the National Co-ordinating Body for Home Improvement Agencies in England.
HMA	Housing Market Assessment	The Government released HMA Manual in 2004 to assist local authorities and their partners to identify and define housing market areas and to establish the strategic and policy context within which the housing market operates. The final report of the Tees Valley HMA was published in 2005.
JSU	(Tees Valley) Joint Strategy Unit	Set up in 1996 to carry out a range of functions in relation to strategic planning, economic development, strategic transport planning and information and forecasting on behalf of Darlington, Hartlepool, Middlesbrough, Redcar and Cleveland and Stockton on Tees Borough Councils.
LA	Local Authority	An administrative unit of local government.
LDF	Local Development Framework	The Planning and Compulsory Purchase Act 2004, requires that Local Planning Authorities prepare a Local Development Framework (LDF). This is intended to be a collection of documents that set out the Council's policies for meeting the community's economic, environmental and social aims for the future, where this affects the development and use of land.
LHA	Local Housing Assessment	Local Housing Needs Assessment guidance was published by DETR in 2000. Local authorities were required to complete assessments to provide a better understanding of the local housing market, the key drivers of local housing demand and supply and the level of housing need within the area.
LPA	Local Planning Authority	The Councils in their roles to discharge planning functions under the Town and Country Planning Act.
LSVT	Large Scale Voluntary Transfer	The selling off of 500 council homes or more to a housing association following the successful ballot of the tenants involved. Under the initiative most local authorities opt to transfer all of their council homes in this way. The government wants 200,000 council homes to transfer each year.
MMC	Modern Methods of Construction	The term used to embrace a range of technologies and processes involving various forms of supply chain specifications, prefabrication and off-site assembly.

NASS	National Asylum Support Service	A department of the Home Office which has been responsible for providing support to asylum seekers since April 2000.
NDC	New Deal for Communities	A Key programme in the Government's strategy to tackle multiple deprivation in the most deprived neighbourhoods in the country. The aim is to bridge the gap between these neighbourhoods and the rest of England.
NEHB	North East Housing Board	Housing Board for the North East (also see Regional Housing Board).
NEHIP	North East Home Insulation Partnership	A partnership founded by the Energy Saving Trust advice centre north east in 2005 with the simple mission: To insulate every home in the North East.
NESPARS	North East Strategic Partnership for Asylum and Refugee Support	Considers the integration of refugees, asylum seekers and immigrants.
NRF	Neighbourhood Renewal Fund	A fund to improve the delivery services to the most deprived wards and neighbourhoods in England. The relevant targets for improving are set within the Public Service Agreement.
PMO	Programme Monitoring Officer	Undertakes quarterly monitoring of outputs and spend of HMR projects and works in partnership with the Tees Valley Research group and JSU to monitor the wider impact of HMR intervention.
PSA7	Public Service Agreement 7 Decent Homes	Target set by Government - By 2010 bring all social housing into a decent condition with most of this improvement taking place in deprived areas, and for vulnerable households in the private sector, including families with children, increase the proportion who live in homes that are in decent condition.
RHB	Regional Housing Board	Regional Housing Boards were established as part of the Sustainable Communities Plan published in February 2003 to advise ministers on regional strategic housing priorities through the production of a Regional Housing Strategy and to advise ministers on the allocation of resources through the new Single Regional Housing Pot.
RSL	Registered Social Landlord	A Housing Association or a 'not for profit' company or society who are engaged in the provision or management of rented housing and registered with the Housing Corporation.
SHIP	Single Housing Investment Programme	A single housing capital pot of funding, bringing together previous funding streams for local authorities and housing associations. Regional Housing Boards advise ministers on the allocation of resources through the new Single Regional Housing Pot.

SHMA	Strategic Housing Market Assessment	The Government published Strategic Housing Market Assessment Guidance in March 2007 to update and replace DETR and ODPM good practice guide and manual published in 2000 and 2004 respectively.
TV	Tees Valley	Tees Valley sub-region comprised of five local authorities; Darlington, Hartlepool, Middlesbrough, Stockton and Redcar and Cleveland.
TVL	Tees Valley Living	Tees Valley Living is the partnership set up in 2003 to lead and co-ordinate housing market renewal in the Tees Valley. The partnership is comprised of representatives of the five Tees Valley councils, local registered social landlords, Home Builders Federation and Tees Valley Regeneration. Government Office North East, One NorthEast, English Partnerships and the Housing Corporation attend Board meetings.
TVP	Tees Valley Partnership	Established in 2000 to act as the strategic body for the economic development and regeneration of the Tees Valley. It was set up as the principal delivery agent for One NorthEast in respect of both the Regional Economic Strategy and in the allocation and monitoring of their delegated resource.
TVR	Tees Valley Regeneration	Set up in 2002 as one of the first wave of urban regeneration companies established by the Government across England.
TVU	Tees Valley Unlimited	A partnership whose remit is the coordination of activity, appropriate at a city region level, which will improve the economic performance of Tees Valley. Under direction of a Leadership Board, comprising local authority and other sector representatives, it will provide strategic direction in a range of policy areas (Planning and Economic Strategy: Transport for Tees Valley; Employment and Skills; Housing; and Tourism). Governance arrangements for TVU have been established in shadow form for the year 2007-08.

KEY CONTACTS

DARLINGTON	
Assistant Director (Housing)	Pauline Mitchell
Housing Strategy and Renewal Manager	Alan Glew
Housing Estates Manager	Hazel Neasham
Housing Renewal Manager	David Burrell
Tenancy Services/Housing Options Manager	Chris Burke
Supporting People & Housing Benefit Manager	Anthony Sandys
Warden Services Manager	Jill Walton
HARTLEPOOL	
Director of Neighbourhood Services	Dave Stubbs
Director of Regeneration & Planning	Peter Scott
Head of Public Protection	Ralph Harrison
Strategic Housing Manager	Penny Garner-Carpenter
Housing Regeneration Co-ordinator	Mark Dutton
Principal Housing Regeneration Officer	Nigel Johnson
Principal Supporting People Officer	Pam Twells
Principal Housing Aid Officer	Lynda Igoe
Principal Environmental Health Officer (Housing)	John Smalley
Financial Services (Housing Benefits)	John Morton
Energy Efficiency	David Morgan
Director of Adult & Community Services	Nicola Bailey
Urban Policy Manager	Derek Gouldburn
Head of Community Safety & Prevention	Alison Mawson
Head of Regeneration	Geoff Thompson
Team Leader, Planning Policy	Anne Laws

MIDDLESBROUGH	
Director of Regeneration	Tim White
Head of Planning, Housing and Regeneration Programmes	Kevin Parkes
Director of Environment	Ian Parker
Urban Policy Manager	Chris Hawking
Private Sector Housing Team Manager	Debi Waite
Strategic Housing Service Manager	Janine Turner
Housing Strategy Team Leader (General enquiries)	Alan Hunter
Housing Assistance Team Leader (Private sector housing renewal policy, HIA, DFGs)	Andrew Carr
Housing Regeneration Team Leader (HMR)	Jan Lewis
Principal Housing Strategy Officer (General enquiries)	Michael Quinn
Housing Needs, Homelessness & Advice Co- ordinator (Homelessness)	Gill Corbett
Supporting People Manager	Louise Grabham
Principal Planning Officer (LDF, RSS)	Paul Clarke
Middlesbrough Housing Partnership	Kevin Parks
REDCAR & CLEVELAND	
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Head of Regeneration	Ian Wardle
Head of Planning	Penny Furniss
Supporting People Accountable Officer	Dave Appleton
Greater Eston Project Director	Bryan Kitchen
Head of Community Protection	Gary Flynn
Planning Policy & Design Manager	Rosemary Kidd
Housing Area Services Manager	Erika Grunert
Housing Client Services Manager	Stella Forrest

REDCAR & CLEVELAND CONTINUED	
Housing Strategy Manager	Roger Kay
Supporting People Manager	Pauline Lisle
Renewal Team Manager (South Bank)	Neil Cawson
Homelessness Prevention Manager	Gareth Burgess
Redcar & Cleveland Partnership	
Partnership Manager	Ian Cockerill
Housing Partnership (Chair)	Iain Sim
Housing Partnership (Vice Chair)	Stephen Bray
STOCKTON-ON-TEES	
Director of Development & Neighbourhood Services	Neil Schneider
Head of Housing Services	Julie Allport
Housing Strategy Manager	Jane Edmends
Community Safety Manager	Marilyn Davies
Housing Options Manager	Caroline Wood
Urban Renewal Manager	Melanie Howard
Private Sector Service Development Manager	Dave Stamper
Teenage Pregnancy Co-ordinator	Diane Brown
Energy Efficiency Issues	Mike Chicken
Supporting Peole Manager	Peter Smith
Benefits Manager	Linda Stephenson
Finance Manager	Norman Allinson
Performance Manager	Paul Diggins
Tristar Homes Limited	Steve Boyd

APPENDIX A

Tees Valley Sub-regional Housing Strategy Action Plan 2008 - 2011

1.0 INTRODUCTION

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

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

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

1.4. The Action Plan acknowledges the four principal objectives underpinning both the Regional Housing Strategy and the Tees Valley Sub-Regional Housing Strategy. Housing solutions have not been produced solely in response to individual objectives but have been framed and packaged to deliver across more than one objective, in the belief that focusing on satisfying specific objectives may constrain the opportunity for innovative intervention and creative provision.

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

1.6 Appendix A refers to the eleven discrete projects for which the sub-region is seeking funding through SHIP Round 3 for the period 2008-2011. The actual amount of SHIP funding required for each project is set out in Appendix A.

The detail of the projects is described in Section 5 of this Action Plan. Appendix B provides a helpful summary of each project and indication of which Strategic Objective(s) each project will address.

2.0 TEES VALLEY PERFORMING

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

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

2.3. The decision was also influenced by indications from the NEHB that future funding would be allocated on the basis of sub-regional priorities reflected in a more strategic appreciation of need and how this would be met through greater coordination amongst, rather than simply more provision by, individual authorities.

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

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

2.6. In recent years, Tees Valley councils have worked hard to establish common ground and to put aside local concerns to develop a genuine sub-regional perspective on the future of housing provision, to ensure that more than local considerations are met.

2.7. The sub-region has been in the forefront of councils that have seen the benefit and necessity of working collaboratively to understand housing need and how this can best be met in a more strategic and cooperative manner.

2.8. As a result, in terms of approaches to dealing with the existing housing stock and future housing need, Tees Valley is increasingly a partnership of local authorities, RSLs and the private sector that understands the current failings of the housing market, and realises that for successful mixed communities to be created there is a need to work cooperatively across local authority administrative boundaries.

2.9. The sub-regional approach to finding and delivering solutions to housing (and wider issues of urban and rural regeneration and renaissance) is exemplified by the Tees Valley complementary response to Housing Market Renewal, with the formation of TVL as the agency for strategy preparation and lobbying for resources. This collective responsibility was further reinforced by sub-regional bidding for resources under Objective 3 of Round 2 of the SHIP programme.

2.10. The sub-region has received national recognition of its philosophy of joining together to resolve problems and issues. It was referred to specifically in the Government's recently-published 'Review of sub-national economic development and regeneration' as a good example both of the benefits of working together and as a sub-region that is formalising its governance proposals for a Multi Area Agreement to maximise future investment potential.

2.11. This joined-up approach recognises that it is not only the local authorities that have a role to play in improving the housing future of the area. The importance of involving all sectors in the planning and delivery of housing intervention is fundamental to a successful outcome. The private sector and RSLs for example are included on the TVL Board. In Hartlepool, Hartlepool Revival is a community-led housing regeneration company, while housing intervention in Parkfield in Stockton comes under the scrutiny of the Mill Lane and Parkfield Neighbourhood Management Pathfinder.

2.12. A sub-regional perspective on problems and their solution, coupled with a mature attitude to joining together in appropriate partnerships, have been essential elements in the success of Tees Valley in recent years both in terms of funding that has been attracted to the area and in the manner in which those funds have been applied and projects delivered.

2.13. Tees Valley has been focused in respect of applying for funding for schemes and projects that have been genuinely capable of being successfully delivered and have ensured that all funds received have been properly and fully spent within the timescale of the grant or allocation.

2.14. Systems and processes are in place to ensure the accurate tracking of expenditure, with routine monitoring allowing potential difficulties to be highlighted in a timely manner, which ensures that contingencies can be introduced to adjust within programme for effective delivery.

2.15. The importance of the sub-regional perspective has not prevented individual councils from developing their own specific solutions to housing issues. As indicated above, Hartlepool has established Hartlepool Revival as the vehicle for driving forward housing initiatives in the New Deal for Communities area. In a similar fashion, Middlesbrough has worked with the West Middlesbrough Neighbourhood Trust, a community-based delivery agency, towards the redevelopment of the Whinney Banks and West Lane areas of the town.

2.16. The role of the private sector in successful delivery is acknowledged across the sub-region. Redevelopment partnerships with house builders have been set up to maximise the benefits arising from the availability of SHIP and HMR Fund grants to acquire and demolish obsolete stock in key strategic locations. Such partnerships will see the demolition of up to 2842 low demand dwellings between 2003 and 2008 and their replacement with up to 639 modern homes in mixed communities.

2.17. Because of such partnerships with the private sector, Stockton Council has been able to plan the replacement of obsolete housing on estates in Stockton (Hardwick) and Thornaby (Mandale) without funding from either SHIP or HMRF. Redcar and Cleveland working with a major house builder and employing its own resources has been able to manage the pace of acquisition and demolition in South Bank, but with improvements to schools and community support facilities to be complemented by significant private investment in retail and commercial development to extend the amenities available in the area.

2.18. Darlington has addressed the issue of the replacement of council stock by working with a developer to build new affordable and market houses at Moor Park, while the increasingly important issue of affordability is to be tackled in part by Obligations under Section 106 of the Town and Country Planning Act 1990, which will require affordable houses to be provided in developments or a financial contribution towards future such housing elsewhere.

2.19. While redevelopment is an important part of the physical improvement of housing stock by Tees Valley Councils, considerable effort is also given to ensuring efficiency in the management of stock. An important element is the development of a choice based lettings policy to enable access to both social and private rented accommodation across Tees Valley by all vulnerable households

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

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

2.22. Tees Valley has national recognition over its approach to evidencing need and developing and implementing solutions to housing issues. A comprehensive evidence base has been developed across the sub-region, extending understanding derived from the Tees Valley HMA and backed by the recent completion of LHAs in accordance with a common methodology. Councils in the sub-region are also joining together to prepare a Tees Valley SHMA.

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

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

3.0 TEES VALLEY SUB REGIONAL HOUSING STRATEGY

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

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

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

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

Key Issues for the Future

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

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

- **Private Sector Issues** - there are significant issues which need addressing in the private rented sector across the sub region. There are some excellent landlords who need encouraging to continue to improve standards, because the private rented sector will be crucial in ensuring a well-balanced housing market.

- **Achieving Decent Homes Standards in the Private Sector** - We need to maximise the role and effectiveness of the private sector and improve housing conditions and management standards through a variety of means including accreditation of private landlords.

- **Disabled Facilities Grants (DFG)** A high demand for DFG has been experienced and is likely to continue, due in part to the need to cater increasingly for an aging population, and in part to the nature and quality of certain elements of the housing stock, which, without adaptation, present difficulties for disabled and elderly people.

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

- **Increasing affordability issues** - Across the sub region there is an increasing need for affordable housing (rented and shared/equity ownership).

- **Choice Based Lettings (CBL)** - It is planned to expand the current CBL pilot in Middlesbrough to the rest of the sub region, all local partners currently going through their approval processes for implementation of the scheme and agreement on joint allocation policies.

- **Addressing Community Needs** - Local authorities have well-established, mature partnership arrangements with statutory, community and voluntary sector colleagues to ensure housing provision is tailored appropriately to meet specific community and social needs. Partnership working will continue to play a key role in meeting the changing needs and aspirations of local communities.

4.0 TEES VALLEY SUB REGIONAL HOUSING STRATEGY - ACTION PLAN

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

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

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

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

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

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

4.8. The themes adopted include:

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

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

5.0 PROJECTS

This section provides an outline of the projects which will help to deliver the priorities set out in the Sub-Regional Housing Strategy and the four Strategic Objectives of the RHS. These should be seen in context with a range of other activity already underway and planned in the sub-region which will be supported via local authority budgets and alternative funding sources.

PROJECT 1: HOUSING MARKET RENEWAL

1. Purpose of Project

1.1 To tackle areas of low demand housing, replacing obsolete stock with a range of quality modern homes that provide variety and choice, and help create sustainable mixed income family-oriented neighbourhoods. Complementary regeneration initiatives within or close to the identified areas of major housing market renewal intervention will provide supporting social and educational infrastructure required to sustain neighbourhoods and create local identity, while redefining the nature and character of neighbourhoods.

1.2 Housing redevelopment will help create a sense of space, integrating sensitively into the existing fabric but ensuring that contemporary design enhances the locality through attention to the 'place making' agenda. Redevelopment will enhance the overall housing offer in the Tees Valley and support an expanding and diversified economy.

1.3 New development and construction methods will aim to deliver energy efficiency, a limited demand on the environment and resources, and a minimal carbon footprint.

2. Strategic Fit

2.1 This project will principally address Strategic Objective One of the Regional Housing Strategy. A key element in the Regional Housing Strategy is the need to rejuvenate the region's housing stock and modernise the housing offer overall. The Tees Valley Housing Market Renewal Strategy (TVHMRS) sets out a programme of transformational change in the Tees Valley. The focus is on the replacement of obsolete houses with modern quality dwellings that appeal to both indigenous and in-migrating families, thereby creating the basis for sustainable communities and support to economic growth in the sub-region.

2.2 Whilst the TVHMRS provides a steer for future intervention, it is subject to continual review to ensure its continued relevance to changing housing market conditions and alignment with new government policy. The current challenge is to ensure housing market renewal activity is set within the wider context of the city-region and complementary to economic growth strategies.

3. Project Outline

3.1 Housing stakeholders in Tees Valley responded to the issue of low demand housing by establishing a partnership approach to tackling the problem. TVL was set up in 2003 as the vehicle to prepare a strategy for intervention in failing markets and to lobby for resources at both the national and the regional level to enable appropriate action to be carried forward.

3.2 The Tees Valley Housing Market Renewal Strategy (TVHMRS) is based on firm evidence as to the nature and extent of the problem of market failure and a realistic assessment of the action needed to reverse decline and re-model critical areas of the urban fabric.

3.3 The Strategy is concerned with reversing declining markets, creating markets that will sustain communities without continuous intervention; and ensuring the necessary social and physical infrastructure is in place to support that sustainability.

3.4 The programme reflects these aims, supporting housing interventions in areas which are characterised by some of the poorest social, economic and environmental conditions. The programme is complementary to other initiatives relating to economic regeneration, health care, community development, educational achievement and environmental improvement.

3.5 The Strategy supports the structural change being brought about by gradual renewal in Hartlepool, Stockton and parts of North Middlesbrough, and by large-scale projects in Inner Middlesbrough and South Bank.

3.6 Since the preparation of the TVHMRS, house prices throughout the sub-region have risen significantly. Although this is no less the case for property in the Areas of Major Intervention, the price of houses there remains considerably lower than the sub-regional average.

3.7 Evidence from the Land Registry suggests that there has been an increase in the turnover of dwellings in the Areas of Major Intervention. However, it does not appear that properties have been acquired for owner occupation or as family housing, but rather that acquisition has been motivated by speculation, purchasers either becoming involved in temporary letting situations or being prepared to keep property empty in the hope of realising a profit as house prices continue to rise. This process has increased low demand pressures rather than served to improve the market for housing in critical locations.

3.8 Housing market failure continues to trouble significant parts of Tees Valley. There is therefore a need to maintain the programme of intervention, to ensure that the surplus of unwanted and obsolete dwellings is reduced and to provide remaining neighbourhoods with sustainable options for the future. The four Areas of Major Intervention identified in the TVHMRS will be the focus for continued action.

4 Outcomes

4.1 The intention is to improve the range and quality of housing available in strategic locations within the sub-region and to enable the re-modelling of key parts of the urban area so that neighbourhoods develop offering the necessary conditions for the evolution of sustainable, inclusive and self-reliant communities. The project is expected to deliver the following outcomes:

- Reduction in numbers of vacant and abandoned properties
- Improved balance between housing demand and supply
- Reduction in numbers of low value house sales
- Reduction in the variation between average house prices in the Tees Valley HMR intervention area and the regional and national house price averages.
- Improved housing offer in the Tees Valley providing a range of tenures and housing type

5 Outputs

5.1 In the near future, in the order of 1500 dwellings are to be acquired for clearance across the sub-region. They will ultimately be replaced by 1500-1600 modern houses, designed and located to create a sense of place and to elevate the quality and interest of their immediate vicinity and surrounding neighbourhoods.

5.2 This process of renewal is balanced with complementary improvements and refurbishments of existing stock in adjacent areas which is key to facilitating transformational change in the targeted neighbourhoods.

6 Delivery Costs and Funding Requirements

6.1 Funding from CLG through the HMR programme and objective one of the Single Housing Investment Pot are two key sources of capital funding required to deliver housing market renewal activities. In the initial round of funding for 2006-08, Tees Valley bid for a combined total sum of £30 million from these two sources. Unfortunately, the sub-region was allocated only 18.2 million for the two year period. Whilst other public sector funding has been levered in to help deliver the projects, including Neighbourhood Renewal, New Deal for Communities and core funding from the Councils, a shortfall of public funds has severely restricted the scale of intervention over the last two years.

6.2 To facilitate the necessary scale of intervention over the next 3 years, the sub-region would need to secure £153,280,005 million of public sector investment. Whilst HMR activity would be supported by other Council funding streams, Tees Valley local authorities will continue to rely substantially on CLG and SHIP Objective One funding and a combined total of over £136 million would be required from these two sources. This equates to a requirement £47,174,101 from SHIP objective one and £88,936,998 from CLG in the period 2008-11.

6.3 In terms of outputs, if funding was unrestricted, this would deliver the following in the period 2008-11:

- 1,775 acquisitions
- 2,122 demolitions
- 740 relocation packages
- 515 improvements
- 1,960 new build
- Up to £240 million of private sector leverage

6.4 However, based on past experience, it is clear that there is a significant variation between funding need and the level of funding that is likely to be forthcoming over this time period. For example, it is understood that the regional budget for objective one through SHIP for 2008-11 is c. £40 million. This is less than the full amount sought by the Tees Valley. Furthermore, recent dialogue between the Pathfinder Directors and CLG would suggest that the Tees Valley can at best expect a flat line settlement of resources which is substantially less than the amount required.

6.5 If the Tees Valley only manage to secure a flat line settlement from both funding sources (Objective One SHIP funding and housing market renewal funding from CLG), the sub-region will not be able to reach the scale of intervention that is required (operating almost 50% below capacity). The sub-region would have a public sector funding gap of over £100 million.

PROJECT 2: PRIVATE SECTOR RENEWAL

1 Purpose of Project

1.2 A key priority within the sub-region is to improve the condition of private sector stock across both tenures to meet the Governments target for decent homes by 2010. Continued investment in this core activity is fundamental to delivering sustained improvements in the private housing stock which includes targeted financial assistance for home owners and support to private sector landlords.

2 Strategic Fit

2.1 The project is helping to achieve Government targets for decent homes in the private sector and is maximising the cost effectiveness of existing stock through bringing empty properties back in to use on an affordable basis. The project embraces legislative requirements and guidance provided by the Housing Act 2004 and the Regulatory Reform Order 2002.

3 Project Outline

3.1 A number of financial assistance products have been developed and targeted at properties across the Tees Valley sub-region which are, or, are likely to become at risk of failing decent homes standards for the most vulnerable households. Products have been developed in consultation with the local community to ensure equality of access and have been developed on the basis of the customers' "ability to pay" with a range of repayment methods in place. The process also protects the customer from sub-standard work through careful selection of contractors. The project builds upon the successful implementation of loan products which are effectively managed by specialist teams in place to provide advice and guidance to home owners.

3.2 Engagement of private landlords is an essential stage towards the effective management of the private rented sector. Delivery teams liaise directly with private landlords through various forums to identify priority works and a practical approach to implementing the necessary improvements to housing conditions in the most cost effective manner. This involves the promotion of joint working between the Councils and private sector landlords. Teams are skilled in the facilitation of good landlord and tenant relations and in the delivery of tailored advice and support to private sector landlords and tenants.

3.3 Investment in empty and nuisance properties is an effective use of resources and a means of ensuring that suitable existing stock has a role in the overall housing offer. Conditions of properties are improved in line with decent homes standards and brought back in to use on an affordable basis.

3.4 This project will build on existing expertise and practice to continue the effective management of private sector stock.

4 Outcomes

4.1 The project is designed to improve the condition of private sector stock in line with decent homes standards through targeted financial loan based products for vulnerable home owners and effective management of private rented stock. The project is expected to deliver the following outcomes:

- Increased proportion of privately owned properties meeting statutory licensing requirements.
- Reduction in anti-social behaviour connected to poorly maintained privately owned property.
- Increasing the number of accredited landlords and approved private properties.
- Increasing the number of privately owned properties achieving SAP energy efficiency rating of 65+.

5 Outputs

- 505 vulnerable households accessing financial assistance in Decent Homes.
- 166 empty properties brought back into productive use.

- Numbers of priority need households nominated by the Council accessing privately owned homes benefiting from financial assistance.
- Numbers of properties meeting the requirements of the Health and Housing Safety Rating System enabling hospital discharge and / or promoting independence.

6 Delivery costs and Funding Requirements

6.1 The project is seeking £15,272, 917 of funding through SHIP for the period 2008-11.

PROJECT 3: TOWARDS HOME OWNERSHIP

1 Purpose of Project

1.1 This project will provide a stepping stone towards home ownership through the offer of a flexible and affordable shared equity option for those individuals who would otherwise be unable to afford to buy their own home. The product will be designed to provide affordability in the early years with built in flexibility to allow the purchaser to increase or decrease their equity should their financial situation change. The project will aim to employ a range of interventions appropriate to each case to bring empty dwellings back into use on an affordable basis.

2 Strategic Fit

2.1 This project addresses a number of priorities for action at a national, regional and local level. Through the offer of a flexible and affordable shared equity option, the project provides greater choice and opportunity to first time buyers, social tenants, key workers and people who rent privately. The project will increase the proportion of decent homes in the private sector and tackle wasted resources by bringing long term empty homes back into use on an affordable basis where this best meets the needs of the individual. As long-term empty properties are often a focal point of anti-social behaviour and criminal damage, tackling the issue can also contribute to delivering the respect agenda.

3 Project Outline

3.1 The project will offer a flexible and affordable shared equity option for eligible applicants who would otherwise be unable to afford to buy their own home. The project will recognise that household incomes may fluctuate over time. By minimising costs in the early years and enabling the purchaser to decrease their share to react to unforeseen changes in household finances, the scheme will give first time buyers the confidence to move into homeownership.

3.2 In addition, the project will have the potential to offer units at affordable rents with the ability to take up the shared equity offer at some future date as the household circumstances change. This is likely to apply in areas where there might be limited initial appetite for home ownership.

3.3 The greatest proportion of empty properties is within the central / core urban areas and therefore the scheme coverage is likely to dominate these areas. However, the main outcome is access to affordable homes. Whilst the scheme may overlap with neighbourhoods within the HMR intervention areas, it will not be targeting properties which are managed as part of the HMR intervention area.

3.4 Eligible applicants can purchase an equity share and staircase up to full ownership. LHA will indicate the target for entry level in each local authority area. An income assessment will be completed to determine what property and percentage of equity share an individual is eligible for. Clients will be targeted through regeneration area liaison, given the scheme's potential to assist with decant, and sub-regional Choice Based Lettings arrangements.

3.5 Purchasers can also staircase down from a higher equity share should their financial circumstances change, for example an older person requiring resources to maintain or improve their home. On disposal the project is given first option to purchase the equity. In line with the First Time Buyer's Initiative no charges will be applied to the retained equity for the first 3 years. Charges will then be stepped up from 1% in year 4 to 3% in year 6. All capital receipts from the sale of the retained equity will be recycled within the project.

3.6 This funding will also facilitate a proactive approach to enforcement to bring long-term empty properties back into use. The following interventions will be explored depending on the nature of the problem with initial, recoverable costs, being met from the scheme:

- Compulsory Purchase Powers (Single Property)
- Empty Dwelling Management Orders (EDMOs)
- Enforced Sales (registered and unregistered land or premises)
- Enforced Sales - Council Tax or other Debts

4 Outcomes

4.1 The priority for the project will be to deliver an intermediate housing option. However, there will be a range of associated benefits. Whilst facilitating access to affordable home ownership the project will also address the issue of empty properties and decent homes. Recycling resources within the scheme is designed to increase its longevity, outputs and reduce requirement for public subsidy in subsequent SHIP rounds. Intended outcomes will include:

- Improved access to affordable home ownership.
- Increased numbers of decent homes in the private sector.
- Reduction in numbers of empty and nuisance properties.
- Reduction in reports of anti-social behaviour and criminal damage.
- Improved quality of environment and increased well being for neighbours.

5 Outputs

5.1 Outputs are dependent on the target client group but are expected to include:

- 108 affordable units provided for eligible clients

- 108 long-term empty properties re-occupied, including works to bring to decent homes standard.

6 Delivery Costs and Funding Requirements

6.1 The project is seeking £6,450,000 of funding through SHIP during the period 2008-11.

PROJECT 4: RESPECT AND REWARD SCHEME

1 Purpose of Project

1.1 The project provides a holistic response to the related issues of poor housing conditions, crime and anti social behaviour by offering a package of incentives to improve housing management standards, particularly in the private rented sector.

2 Strategic Fit

2.1 This scheme addresses a number of priorities for action at a national, regional and local level. In addition to the obvious contribution to the respect agenda, by improving standards in the private rented sector, it can also make a contribution on a wider front by increasing housing options and providing a viable alternative to temporary accommodation for homeless households. Improved housing management standards in the private rented sector, better channels of communication with support and advice agencies, and alternatives to tenancy enforcement will also help to prevent homelessness. Finally, the project will engage local communities in the creation of sustainable communities.

3 Project Outline

3.1 In pilot areas where there is physical investment to improve homes and the surrounding environment (external frontage and security improvements), private landlords will be required to demonstrate their commitment to tackling anti social behaviour by signing up to the Respect Quality Mark in Housing Management. RSLs in the area will be encouraged to sign up to the Respect Standard for Housing Management. Homeowners will be expected to make a similar commitment to working together to tackle anti social behaviour through a Neighbourhood Agreement.

3.2 The intention is to build on the success of Selective Landlord Licensing and pilot voluntary scheme for the private rented sector; the 'Respect Quality Mark in Housing Management'. This will build on existing initiatives incorporating housing conditions, and housing management and clear responsibilities for landlords to actively work towards reducing incidents of anti-social behaviour. Private landlords who sign up to the voluntary Respect Quality Mark scheme will be rewarded with a package of security and facelift measures which will complement regeneration initiatives and offer an incentive to initial participation in the scheme.

3.3 This activity will also build upon a range of services already provided, in parts of the Tees Valley, to landlords and tenants within the private rented sector to tackle anti social behaviour by private rented tenants, to encourage private landlords to adopt good management practices and to end the cycle of inappropriate re-housing of anti social tenants. These services comprise:

- reference checking potential tenants;
- pre tenancy counseling and tenancy sign up service including robust tenancy agreements;
- post tenancy visits for all new tenants;
- encourage private rented lettings and assisting landlords with identifying suitable tenants by promotion in localities and via sub regional CBL;
- regular landlord forums and training sessions;
- tackling initial neighbour nuisance and anti social behaviour, caused by private rented sector tenants;
- investigate complaints of environmental crime caused by private rented sector tenants;
- taking appropriate legal action against anti social individuals; and,
- provision of training, legal advice and support to private rented sector landlords in dealing with anti social tenants.

3.4 Member landlords will be encouraged to use the available expertise in dealing with anti-social tenants and to participate in a range of interventions to encourage good tenant behaviour Other measures to challenge perpetrators of anti social behaviour will include:

- joint home visits with Enforcement Officer, landlord and Police;
- Acceptable Behaviour Contracts;
- referrals to existing Families Projects or other supported tenancies;
- Parental Behaviour Contracts;
- Injunctions and ASBOs; and,
- Eviction, as a last resort when all other intervention measures have failed.

3.5 As an area where Selective Landlord Licensing operates, the Tees Valley is well placed to develop, promote and evaluate a voluntary scheme. Evidence is emerging that voluntary compliance is more likely where it is reinforced by the threat of a mandatory scheme and where incentives can be provided to encourage participation. The impact of this voluntary scheme will be evaluated to inform best practice across the sub region.

3.6 As a voluntary scheme, it will be linked with a menu of facelift options which will complement regeneration initiatives and offer an incentive to initial participation in the scheme. This will include brick cleaning, painting and boundary wall treatment. The extent of works completed will be determined by an assessment of the individual dwelling. Private landlords who sign up to the voluntary Respect Quality Mark scheme will be rewarded with a package of security / facelift measures. The project will target areas prioritised for Decent Homes standard works to maximise outputs and impact.

4 Outcomes

4.1 The project sets out to improve housing management standards, particularly in the private rented sector. The project will generate a range of outcomes, which will include:

- Reductions in complaints of anti social behaviour
- Increased numbers of accredited private sector landlords
- Improved quality of environment and increased well being for neighbours.

5 Outputs

- 180 private landlords signed up to the voluntary scheme (Respect standard/accreditation scheme).
- 180 homeowners signed up to Neighbourhood Agreement.
- 350 Private rented sector properties advertised in localities and via sub regional CBL.
- 30 Private landlord forum/training sessions.
- 450 homes improved to deliver sustainable community outputs.

6 Delivery Costs and Funding Requirement

6.1 The project is seeking £2,250,000 funding through SHIP during the period 2008-2011.

PROJECT 5: ECO STREETS INITIATIVE

1 Purpose of Project

1.1 This project will install energy efficiency measures into a number of properties to explore the impact of homes on C02 emissions and to provide a measure of the carbon footprint. One property will be an open- house to showcase the effectiveness of renewable energy resources and to improve awareness of grants available to support innovative approaches to energy efficiency. The project will attempt to measure the associated benefits of energy efficiency for vulnerable households, with view to reducing levels of fuel poverty and improving general health.

2 Strategic Fit

2.1 The project will address priorities in a range of statutory and policy documents, including:

- Draft Climate Change Bill: Statutory targets for CO2 reductions in LA areas.
- Fuel Poverty Strategy: Aim to eliminate Fuel Poverty in all households by 2010
- The Energy White Paper: Every home adequately and affordably heated
- H.E.C.A. report: Reduction in CO2 emissions through improved energy efficiency.
- Public Health White Paper: Committed to tackling poor health and promoting healthier communities.
- UK Sustainable Development Strategy and Climate Change programme: recognise the need for improving energy efficiency.
- Decent Homes: The standard requires improvements to thermal comfort of dwellings.
- HHSRS: Addresses issues of cold, damp and mould in properties.

3 Project Outline

3.1 Home energy use is responsible for 27% of the UK CO2 emissions. Although new build housing is more energy efficient, it is the older housing stock and its occupiers that will benefit most from this project.

3.2 Best practice suggests that projects should look to reduce the overall energy demand. This will be achieved by improving energy efficiency and exploring the use of renewable energy sources in existing, vulnerable homes as well as transforming their appearance within retained older housing areas across the Tees Valley. This initiative will support and underpin wider housing market renewal strategies.

3.3 Renewable energy sources produce few or no greenhouse gases thus reducing CO2 emissions. Under the EU Renewables Directive the UK has been set a target of generating 10% of its electricity demand from renewable sources by 2010.

3.4 A number of properties in a street will be purchased and will undergo transformation in terms of the installation of measures outlined below. The possibility of providing an open house as a drop in centre and advice outlet will be explored.

3.5 The properties will need to follow the sun path and primarily be southerly facing for maximum gain from the solar thermal heating system.

3.6 Physical measures, including cavity wall and loft insulation, or external wall cladding where there is no cavity, will be coupled with the use of solar hot water heating systems, biomass or condensing boilers and a resident education initiative across the community.

3.7 The impact of the scheme in terms of CO2 emissions savings will be measured, and the potential to link to training initiatives for local residents will be explored.

3.8 A Tees Valley-wide scheme will be able to reduce costs by bulk purchase, and by using local suppliers encourage sub regional investment and minimise transport carbon emissions. It will also increase the viability of recycling initiatives for old plumbing and roofing materials.

3.9 It is estimated by the North East Home Insulation Partnership (NEHIP) that Tees Valley has approximately 91,000 unfilled cavities and 145,000 lofts that have inadequate levels of loft insulation. The total value of work required to remedy this would be in the order of £72 million. In order to address the issue, NEHIP has suggested that Tees Valley becomes part of a proposed regional programme that provides a consistent regional home insulation offering that is free for all fuel poor and vulnerable households and sets a consistent affordable price for able-to-pay households. A consistent regional product will reduce the current fragmentation within existing grant structures, provide a more attractive offering to householders that is easier to market and manage, and has the potential of attracting a higher financial contribution from utilities.

3.10 NEHIP recommends the adoption of a charge of £99 per measure for able-to-pay households over the next 3 years. The financial implications for Tees Valley SHIP allocation based upon 70% Energy Efficiency Commitment / Carbon Emissions Reduction Target leverage is £1,684,605 per annum. This will draw down £8.525 million of additional other investment per annum.

4 Outcomes

4.1 The project will provide a testing ground to measure the impact of energy efficiency measures in properties, including eco-friendly energy sources. A range of outcomes are expected and will include:

- Reductions in levels of C02 emission per property
- Increased SAP rating of dwellings
- Increased awareness of the benefits of energy efficiency amongst residents
- Increased awareness of the availability of grant assistance for the installation of eco-friendly energy efficiency
- Contribution to the fuel poverty agenda.

5 Outputs

Indicative outputs are shown in the table below.

Total cavity wall insulation installations	11,375
Total loft insulation installations	18,125
Carbon Savings (Life time/tonnes)	147,595
Priority Group Measures (households on benefits)	5,900
Vulnerable Group Measures (over 65s/under 5s)	6,195
Fuel Poor Measures (National UK Fuel Poverty Indicator)	3,540
Able-to-pay Measures	13,865

6 Delivery costs and Funding Requirements

6.1 There is a need to review existing community and technology case studies in order to develop a budget for capital works and educational and training initiatives.

6.2 The potential to access match funding for this project is high as a number of organisations have already expressed an interest in involvement. Organisations such as the Energy Savings Trust, National Energy Action, Renew Tees Valley. Also the utility companies, the DTI low carbon buildings programme phase 2, EU Sun Cities Programme.

6.3 It is anticipated that additional funding / leverage of around 50% will be accessed for this project.

6.4 The project is seeking £6,000,000 funding from SHIP over the period 2008-2011.

PROJECT 6: SANCTUARY AT HOME SCHEME

1 Purpose of Project

1.2 The purpose of this project is to contribute to the development of 'tenure neutral' sanctuary provision for those experiencing domestic violence in the Tees Valley. The project will ensure the provision of appropriate security measures for victims of domestic violence and harassment (including homophobic) to allow them to stay in their home, when it is safe to do so and when it is their preferred option. This project will complement our existing, established and valued refuge services.

2 Strategic Fit

2.1 At a national level, domestic violence is a factor in one in eight of all new cases of homelessness and accounts for around 13,000 homeless households each year. Through the development of sanctuary provision and appropriate security measures, the project will be a key step towards achievement of the BVPI 225 Domestic Violence target. The project will help to reduce levels of domestic violence and in turn levels of homlessness. There is evidence to suggest that this kind of intervention can help to increase feeling of safety and reduce crime levels by up to 20%. The project will contribute to the development of sustainable communities by allowing those experiencing domestic violence to remain in their own homes, where this is preferred.

3 Project Outline

3.1 Sanctuary schemes are an innovative approach to homelessness prevention. They provide professionally installed security measures to allow those experiencing domestic violence to remain in their own accommodation - where it is safe for them to do so, where it is their choice and where the perpetrator no longer lives within the accommodation. Thereby providing safe and settled accommodation rather than victims being forced to move, disrupting education, employment and family networks.

3.2 LA Community Safety Teams/Domestic Violence Co-ordinators (as is deemed appropriate in each LA) will provide the service working closely with Police Crime Prevention Officers who will decide on what measures should be used for each case.

3.3 While the provision of security measures will be tailored to accommodate the needs and circumstances of the individual involved, examples of home security include new window and five lever door locks, anti arson letterboxes, window grills and shutters, dust-till-dawn exterior lighting, door viewers/chains etc. The aim is to also provide a 'safe room' within the house - this involves the installation of a solid core fire door with smoke seals, installed in such a way as to open outwardly and cannot be kicked-in and can be securely locked.

3.4 In addition to the above, support will be provided as appropriate through the victims by various support agencies. This element of the project will be funded via the local authorities.

3.5 To ensure value for money and consistency of delivery the project will be procured on a Tees Valley wide basis.

3.6 The minimum criteria for contractors will be Criminal Records Bureau checks. Domestic violence training will be provided to all staff involved in the delivery of the improvement measures.

3.7 In the longer-term, there may be potential to work with social landlords to ensure that properties that receive the full intervention are then entered onto a register. Should the property become vacant at a future time it will be used to re-house victims of domestic violence (where appropriate). In the longer term, this will link into the sub-regional choice based lettings scheme. It will also be important to seek a financial contribution from landlords.

4 Outcomes

4.1 Through the development of sanctuary provision and appropriate security measures, the project will be a key step towards meeting targets in relation to levels of domestic violence levels and related homlessness issues. The project will deliver a range of outcomes which will include:

- Reduced levels of homelessness amongst those at risk of domestic violence
- Increased cost savings for temporary accommodation providers and associated support services as a result of helping the beneficiary to stay in their own home.
- Reduced disruption to education, employment and family networks as a result of increased access to safe and more permanent accommodation.
- Improved integration of associated victim support services.

5 Outputs

5.1 Difficult to determine at this stage as scheme will be victim lead.

6 Delivery Costs and Funding Requirements

6.1 The project is seeking £1,200,000 funding from SHIP during the period 2008-2011.

PROJECT 7: DISABLED FACILITIES GRANTS

1 Purpose of Project

1.1 The project will provide grant assistance to adapt homes of mobility-impaired residents where adaptation will enable them to live independently in their own homes. The project enables individual solutions to be found which are tailored to meet the needs of the individual and which allow independent living where possible.

2 Strategic Fit

2.1 Since 1990, Local Authorities have been under a statutory duty to provide grant aid to (eligible) disabled people for a range of adaptations (for eligible works) to their homes. DFGs (introduced through the Housing Grants, construction and Regeneration Act 1996) provide an opportunity to assess individual need and to identify appropriate solutions which will promote independent living. This project will build on existing expertise and good practice already developed in the sub-region to ensure individual need is catered for in the most cost effective way.

3 Project Outline

3.1 With an ageing and increasingly frail population in the Tees Valley, the need for DFGs is rising. DFGs are critical to maintaining independence amongst disabled or otherwise non-mobile residents. Adaptations modify environments, allowing individuals to regain independence in their own homes. Tees Valley Authorities continue to work closely in implementing DFGs to identify ways in which to reduce the cost of works. Partners are currently exploring opportunities for joint procurement and other methods of increasing value for money whilst ensuring high standards. Additional funding is being sourced and used, however the need for adaptations continues to exceed available funding. The sub-region will ensure local approaches are aligned with forthcoming changes to Government guidance.

4 Outcomes

4.1 The project will build on existing adaptations works undertaken in the sub-region and deliver the following outcomes:

- Increased numbers of residents with a disability who are able to live independently.
- Improved access to appropriate accommodation for disabled residents which enables them to live independently.

5 Outputs

5.1 Projected output figures may be subject to some change, in light of proposed changes to legislation which may affect outputs.

PROJECT 8: MOVE, ADAPT AND RECYCLE SCHEME

1 Project Purpose

1.1 This project will provide an innovative and alternative way of meeting the assessed housing needs of disabled persons by providing assistance to move to a new home where this proves more cost effective than adapting and modifying an existing home. Where a member of a household is disabled, homeowners will be eligible for assistance to buy a more suitable home when it is not possible or cost effective to adapt their existing dwelling. This will be a constructive additional use of limited DFG resources will help extend choice for disabled residents by providing an alternative means of addressing their needs.

2 Strategic Fit

2.1 The project builds on the adaptations works implemented through the DFG process. Proposed activity is complementary to key priorities identified in current government guidance and will be adapted accordingly to reflect forthcoming changes to government legislation in the implementation of DFG. If the rules governing the use of DFG resources are relaxed following the publication of the recommendations from the DFG consultation paper it may be appropriate to move towards the facilitation of loans. The Tees Valley has already developed appropriate loan packages and is well equipped to implement their delivery in this regard. The project aligns with the following key guidance documents:

- The project Delivering Housing Adaptations for Disabled People: Good practice guide for the delivery of adaptations.
- Regulatory Reform Order 2002: Provides authorities with the powers to consider alternatives to adaptations.
- Our Health, Our Care, Our Say: A new direction for community services from the Department of Health.

3 Project Outline

3.1 In some circumstances, assisting homeowners to buy a more suitable replacement home can be more cost effective in the longer term than adapting the current property. Recipients of an award via the project will continue to be entitled to receive a DFG to fund adaptations to the new home if required, but a balance will need to be struck between the potential for adaptation of the existing home and the scale of cost associated with adapting the new home.

3.2 The project will offer an incentive for the owner to buy a more suitable property and undertake adaptations at a reduced or equal cost that is more likely to meet their longer term needs. Individual case analysis will be undertaken to determine which would be the most cost-effective solution for the disabled resident.

3.3 As part of the assessment process for DFG, applicants are visited by an Occupational Therapist (OT) who determines whether they require adaptations to their home. The OT will determine whether the DFG applicant may be better served by moving to a more suitable property. If so, the applicant will be referred to the project officer. The OT will inform the applicant that an award under the Move, Adapt and Recycle Project may be available as an alternative to a major adaptation, if the client wishes to remain a homeowner.

3.4 The project officer will then liaise with the applicant and determine their eligibility for the scheme. If the application is to progress then the project officer will assist in helping to find a suitable alternative property. Contact will be made with estate agents to promote the scheme and encourage joint working so that the project officer and agents are familiar with the types of properties that could be of interest to potential eligible applicants. This will enable all options to be discussed with the applicant. The project officer will also consider alternative accommodation in the social housing sector via the Disabled Housing Register operated as part of the sub regional CBL Scheme.

4 Outcomes

4.1 The project will maximise the use of limited DFG resources whilst also extend choice for disabled residents by providing an alternative means of addressing their needs. The intended outcomes are outlined below:

- Increased efficiencies leading to cost savings for associated services and DFG provision.
- Improved access to independent living for disabled residents.
- Increased range of choice of housing type and tenure for the client group.

5 Outputs

- 150 disabled residents re-housed within the private sector.
- £375,000 of DFG resources saved.
- 300 disabled residents referred for re-housing in the social rented sector via the sub-regional CBL Disabled Housing Register.

6 Delivery Costs and Funding Requirements

6.1 The project is seeking £11,293,043 of funding from SHIP during the period 2008-2011.

PROJECT 9: SAFE AND SECURE SCHEME (SASS)

1 Purpose of Project

1.1 The project will fund small repairs and minor adaptations for homeowners who are elderly or disabled to enable them to live independently where this is their preferred option. The project builds on existing adaptations work supported through Disabled Facilities Grants and is complementary to the 'Move, Adapt and Recycle' project.

2 Strategic Fit

2.1 The project builds on existing skills and expertise that has developed within the sub-region and has been developed in line with current government guidance which includes the following key publications:

- DFG Consultation - The Government's proposals to improve programme delivery.
- Delivering Housing Adaptations for Disabled People - Good practice guide for the delivery of adaptations.
- Public Health White Paper - committed to tackling poor health and promoting healthier communities.

3 Project Outline

3.1 The project is designed to provide a community support service which focuses on allowing eligible older and disabled people to remain in their own homes by carrying out small repairs and adaptations. Risk assessment will identify need and determine the nature of works required. Adaptations will reduce the risk of accidents which will generate cost savings through reduced admission levels to hospitals and residential care.

4 Outcomes

4.1 The project will deliver two main outcomes:

- Increased numbers of older and disabled residents able to remain in their own homes.
- Reduced admissions to hospital or residential care.

5 Outputs

- 3700 households assisted between 2008 and 2011.
- Average of 1.5 hours service provided to each client (dependent upon nature of tasks undertaken).
- 3700 risk assessments completed.

6 Delivery Costs and Funding Requirements

6.1 The project is seeking £4,500,000 funding from SHIP during the period 2008-2011.

PROJECT 10: ACCESS TO DECENT HOMES

1 Purpose of Project

1.1 The project will promote an innovative choice based approach through targeted financial incentives to facilitate moves between tenures and access to decent homes.

2 Strategic Fit

2.1 The project is addressing a key priority at national, regional and sub-regional level in relation to access to affordable decent homes. Targeted financial assistance provides residents with the opportunity to switch between tenures as personal circumstances change and to access decent homes in the tenure of their choice.

3 Project Outline

3.1 Many residents find themselves on the margin of home ownership and can find their housing choice limited to one housing market. However, with some capital investment a proportion of such residents could access and sustain occupation of a wider range of alternate tenures. This project will address this very issue through targeted financial assistance packages, which can help to bridge the financial gap and facilitate movement between tenures and housing markets.

3.2 The project will be invaluable to vulnerable households in non-decent accommodation. Financial assistance will help to facilitate re-housing within decent housing regardless of tenure.

3.3 The project will also address an affordability issue for first time buyers. Many first time buyers are unable to provide deposit and legal fees payments. This can mean that, whilst a commercial lender is able to provide a mortgage product that the buyer is able to sustain following occupation, owner occupation is out of their reach without initial capital investment. Through targeted financial assistance, the project will provide a stepping stone in to home ownership in to property which is affordable and in line with decent homes standards.

3.4 The initial outlay of funds required in advance of tenancy commencement in the private sector means that tenure in the private rented sector is often inaccessible for many. Following the rationalisation of social housing provision, post stock transfer, social rented accommodation does not always provide an alternative. Whilst many are forced to apply for social rented accommodation as a direct result of the barriers in to the private rented sector, this increases pressure on an already stretched resource. The supply of social housing is limited and the Housing Register waiting times are increasing. Many are trapped in an intolerable situation. The project will provide financial assistance to overcome the burden of advance bond deposits to landlords for example and therefore help to bridge the gap in to decent accommodation in the private rented sector.

3.5 Finally, the project will also enable long-term owner occupiers to downsize to smaller properties where properties are currently under occupied or financial circumstances change. In doing so, this process can also free up larger property that is in demand.

4 Outcomes

4.1 The project will be an integral part of the work already underway in the sub-region to improve access to decent and affordable housing and is expected to deliver the following outcomes:

- Increased numbers of residents able to access the local housing market and tenure of their choice
- Enhanced choice of tenure to the community
- Improved access to affordable private sector housing.
- Improved range of incentive packages which facilitate access to decent homes.

5 Outputs

- 60 first time buyers assisted to access housing market per annum.
- 50 bonds paid in advance to vulnerable residents.
- 35 tenure switch from owner-occupier to RSL per annum.

6 Project Costs and Funding Requirements

6.1 The project is seeking £1,500,000 funds from SHIP during the period 2008-2011.

PROJECT 11: THE RURAL HOUSING ENABLER

1 Purpose of Project

1.1 The project will see the appointment of a dedicated Rural Housing Enabler (RHE) for the Tees Valley Sub-Region to investigate, support and provide an "independent" interface between land owners, existing rural residents and the Tees Valley local authorities to increase the supply of appropriate development opportunities in rural locations. The RHE will be responsible for identifying opportunities to deliver a number of affordable units in a cost effective, value for money way within a rural community setting which is in accordance with identified local housing need. The later stages of the project will see land assembly works in rural locations and development of affordable housing units.

2 Strategic Fit

2.1 The project will help to raise awareness of the housing accessibility difficulties faced by the extended families of rural residents seeking to remain in their rural environment.

3 Project Outline

3.1 This is a Tees Valley sub-regional resource that will seek to deliver an increased supply of rural affordable housing units across the whole Tees Valley sub-region. The RHE role will be line managed by a managing agent who will be independent from the local authorities and have experience of the local rural environment and economy. It is anticipated that the lead authority for the sub-region will be Darlington Borough Council on behalf of all Tees Valley sub-regional local authority partners.

3.2 Appointment of a dedicated Tees Valley sub-regional RHE to identify suitable sites, work with local communities, parish councils, land owners, private developers and Registered Social Landlords to provide an independent negotiating resource to increase the supply and delivery of rural affordable housing.

3.3 The RHE role will involve the identification of suitable pockets of land, secure agreement from rural land owners to a sale and capture the commitment of local rural communities to deliver new affordable housing. The appointment of a dedicated RHE employed through an independent managing agent will not only bring objectivity and independence, (often crucial elements to land negotiations) but, could also attract an element of match funding from DEFRA.

3.4 The RHE will seek development opportunities in rural areas by liaising and working closely with land agents in rural communities where there is identified priority local housing need. The RHE role will also seek to engage with the national network of RHEs, implement good practice models, benchmark against national targets and seek to achieve maximum value for money from new innovative approaches.

3.5 In light of the remoteness of some utility services in rural areas, there is an opportunity to deliver pilot eco-homes projects to provide an alternative energy resource and to contribute to the fuel poverty agenda.

4 Outcomes

4.1 The RHE will identify viable development opportunities for local land owners in association with active local private developers and RSLs. Through development of affordable housing units in rural locations, the project will help to counter outward migration, and, the loss of economically active local skilled labour.

4.2 The outcomes of this project are extensive and are listed below:

- Increased number of rural housing units successfully delivered which are in keeping with the surroundings and contributes to the sustainability of rural communities.
- Reduction in the carbon footprint of local agricultural and traditional

skilled industry workers by reducing their home to work travel time.

- Retention of local skilled economically active people who would otherwise have to migrate from the rural community due to the buoyancy of the local rural housing market.
- Reduction of underused, obsolete or empty rural dwellings bringing them back into productive use.
- Reduction in the incidence of rural homelessness.

5 Outputs

5.1 Deliver 10 rural affordable housing units of mixed tenure across the Tees Valley Sub-Region by 2011.

6 Delivery Costs and Funding Requirements

6.1 The project is seeking £650K funding from SHIP during the period 2008-11.

6.0 CONCLUSIONS

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

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

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

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

SHIP FUNDING REQUIREMENTS 2008-2011 - APPENDIX A

Total SHIP Funding Year 1											
Local Authority	Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project 7	Project 8	Project 9	Project 10	Project 11	
	Housing Market Renewal	Private Sector Renewal (Core)*	Towards Home Ownership	Respect and Reward Scheme	Eco Streets	Sanctuary at Home	Disabled Facilities Grants**	Move, Adapt and Recycle Scheme	Safe and Secure Scheme	Incentive Packages - Access to Decent Homes	Rural Housing Enabler***	Totals
Darlington	n/a	657,300	430,000	150,000	400,000	80,000	477,750	200,000	300,000	100,000	43,333	2,838,383
Hartlepool	n/a	864,150	430,000	150,000	400,000	80,000	462,000	200,000	300,000	100,000	43,333	3,029,483
Middlesbrough	n/a	1,584,450	430,000	150,000	400,000	80,000	1,142,750	200,000	300,000	100,000	43,333	4,430,533
Redcar & Cleveland	n/a	909,300	430,000	150,000	400,000	80,000	658,000	200,000	300,000	100,000	43,333	3,270,633
Stockton	n/a	829,500	430,000	150,000	400,000	80,000	841,750	200,000	300,000	100,000	43,333	3,374,583
Total	15,753,499	4,844,700	2,150,000	750,000	2,000,000	400,000	3,582,250	1,000,000	1,500,000	500,000	216,665	32,697,114

Total SHIP Funding Year 2												
Local Authority	Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project 7	Project 8	Project 9	Project 10	Project 11	
	Housing Market Renewal	Private Sector Renewal (Core)	Towards Home Ownership	Respect and Reward Scheme	Eco Streets	Sanctuary at Home	Disabled Facilities Grants	Move, Adapt and Recycle Scheme	Safe and Secure Scheme	Incentive Packages - Access to Decent Homes	Rural Housing Enabler	Totals
Darlington	n/a	690,165	442,900	154,500	412,000	82,400	501,638	206,000	309,000	103,000	44,633	2,946,236
Hartlepool	n/a	907,358	442,900	154,500	412,000	82,400	485,100	206,000	309,000	103,000	44,633	3,146,891
Middlesbrough	n/a	1,663,673	442,900	154,500	412,000	82,400	1,199,888	206,000	309,000	103,000	44,633	4,617,993
Redcar & Cleveland	n/a	954,765	442,900	154,500	412,000	82,400	690,900	206,000	309,000	103,000	44,633	3,400,098
Stockton	n/a	870,975	442,900	154,500	412,000	82,400	883,838	206,000	309,000	103,000	44,633	3,509,246
Total	15,753,499	5,086,935	2,214,500	772,500	2,060,000	412,000	3,761,363	1,030,000	1,545,000	515,000	223,165	33,373,962

Total SHIP Funding Year 3												
Local Authority	Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project 7	Project 8	Project 9	Project 10	Project 11	
	Housing Market Renewal	Private Sector Renewal (Core)	Towards Home Ownership	Respect and Reward Scheme	Eco Streets	Sanctuary at Home	Disabled Facilities Grants	Move, Adapt and Recycle Scheme	Safe and Secure Scheme	Incentive Packages - Access to Decent Homes	Rural Housing Enabler	Totals
Darlington	n/a	724,673	456,187	159,135	424,360	84,872	526,719	212,180	318,270	106,090	45,972	3,058,459
Hartlepool	n/a	952,725	456,187	159,135	424,360	84,872	509,355	212,180	318,270	106,090	45,972	3,269,146
Middlesbrough	n/a	1,746,856	456,187	159,135	424,360	84,872	1,259,882	212,180	318,270	106,090	45,972	4,813,804
Redcar & Cleveland	n/a	1,002,503	456,187	159,135	424,360	84,872	725,445	212,180	318,270	106,090	45,972	3,535,014
Stockton	n/a	914,524	456,187	159,135	424,360	84,872	928,029	212,180	318,270	106,090	45,972	3,649,619
Total	15,753,499	5,341,282	2,280,935	795,675	2,121,800	424,360	3,949,431	1,060,900	1,591,350	530,450	229,860	34,079,541

Total SHIP Funding All 3 Years (2008-11)												
Local Authority	Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project 7	Project 8	Project 9	Project 10	Project 11	
	Housing Market Renewal	Private Sector Renewal (Core)	Towards Home Ownership	Respect and Reward Scheme	Eco Streets	Sanctuary at Home	Disabled Facilities Grants	Move, Adapt and Recycle Scheme	Safe and Secure Scheme	Incentive Packages - Access to Decent Homes	Rural Housing Enabler	Totals
Darlington	n/a	2,072,138	1,329,087	463,635	1,236,360	247,272	1,506,107	618,180	927,270	309,090	133,938	8,843,077
Hartlepool	n/a	2,724,233	1,329,087	463,635	1,236,360	247,272	1,456,455	618,180	927,270	309,090	133,938	9,445,520
Middlesbrough	n/a	4,994,979	1,329,087	463,635	1,236,360	247,272	3,602,519	618,180	927,270	309,090	133,938	13,862,330
Redcar & Cleveland	n/a	2,866,568	1,329,087	463,635	1,236,360	247,272	2,074,345	618,180	927,270	309,090	133,938	10,205,745
Stockton	n/a	2,614,999	1,329,087	463,635	1,236,360	247,272	2,653,617	618,180	927,270	309,090	133,938	10,533,448
Total	47,174,101	15,272,917	6,645,435	2,318,175	6,181,800	1,236,360	11,293,043	3,090,900	4,636,350	1,545,450	669,690	100,064,221

APPENDIX B
Projects & Strategic Objectives

PROJECTS AND STRATEGIC OBJECTIVES

PROJECT	PURPOSE OF PROJECT	INDICATION OF WHICH STRATEGIC OBJECTIVE EACH PROJECT ADDRESSES
Housing Market Renewal	**Purpose of project:** To create a network of sustainable communities through renewal and improvement of existing stock and replacement of obsolete housing with modern homes to change the character of neighbourhoods with housing market failure.	**Strategic objective 1:** To rejuvenate the housing stock.
Private Sector Renewal (core)	**Purpose of project:** This includes provision of financial assistance packages to vulnerable homeowners for improvements to bring the property up to decent homes standards and investment in empty and nuisance properties with view to bringing them back in to use on an affordable basis. This core element also includes management of the private rented sector.	**Strategic objective 3 and 4:** To secure the improvement and maintenance of existing housing. To promote good management and targeted housing investment to address specific community and social needs.
Towards Home Ownership	**Purpose of project:** Addressing affordability, providing stepping stone in to home ownership through offer of flexible and affordable shared equity option for eligible applicants who would otherwise be unable to afford to buy their own home. By doing so, bring empty homes back in to use on affordable basis.	**Strategic objective 2 and 3** To ensure the type and mix of new housing provides choice, supports economic growth and meets housing needs and demand on an affordable basis. To secure the improvement and maintenance of existing housing.
Respect and Reward Scheme	**Purpose of project:** To provide incentives to improve housing management standards and conditions, particularly in the private rented sector whilst also reducing anti-social behaviour.	**Strategic objective 3:** To ensure the type and mix of new housing provides choice, supports economic growth and meets housing needs and demand on an affordable basis. To secure the improvement and maintenance of existing housing.
Eco Streets	**Purpose of project:** This project will install energy efficiency measures in to a number of properties to explore the impact on C02 emissions and carbon footprint of homes. The project will specifically focus on the positive impact on vulnerable households in terms of promoting affordable warmth, reducing levels of fuel poverty and improving health.	**Strategic objective 3:** To secure the improvement and maintenance of existing housing.

PROJECT	PURPOSE OF PROJECT	INDICATION OF WHICH STRATEGIC OBJECTIVE EACH PROJECT ADDRESSES
Sanctuary at Home	**Purpose of project:** Provision for those experiencing domestic violence in the Tees Valley. Installation of security measures to allow those experiencing domestic violence to remain in own accommodation.	**Strategic objective 4:** To promote good management and targeted housing investment to address specific community and social needs.
Disabled Facilities Grants	**Purpose of project:** Adaptation of homes to provide assistance to non-mobile residents that will help them to live independently in their own homes.	**Strategic objective 4:** To promote good management and targeted housing investment to address specific community and social needs.
Move, Adapt and Recycle Scheme	**Purpose of project:** Incentives for home owners (where member of household is disabled) to buy a more suitable property and / or undertake adaptations at a reduced or equal cost that is more likely to meet their longer term needs.	**Strategic objective 3 and 4:** To secure the improvement and maintenance of existing housing. To promote good management and targeted housing investment to address specific community and social needs.
Safe and Secure Scheme	**Purpose of project:** Small repairs and minor adaptations within eligible older and disabled people's own homes	**Strategic objective 3 and 4:** To secure the improvement and maintenance of existing housing. To promote good management and targeted housing investment to address specific community and social needs.
Incentive Packages - Access to Decent Homes	**Purpose of project:** Incentives to assist residents to access decent homes in tenure of their choice by becoming owner-occupiers, social or private sector tenants.	**Strategic objective 2, 3 and 4** To ensure the type and mix of new housing provides choice, supports economic growth and meets housing needs and demand on an affordable basis. To secure the improvement and maintenance of existing housing. To promote good management and targeted housing investment to address specific community and social needs.
Rural Housing Enabler	**Purpose of project:** To identify development opportunities for affordable housing in rural areas through liaison with private developers and RSLs.	**Strategic objective 2:** To ensure type and mix of new housing provides choice and supports economic growth and meets housing needs and demand on an affordable basis.

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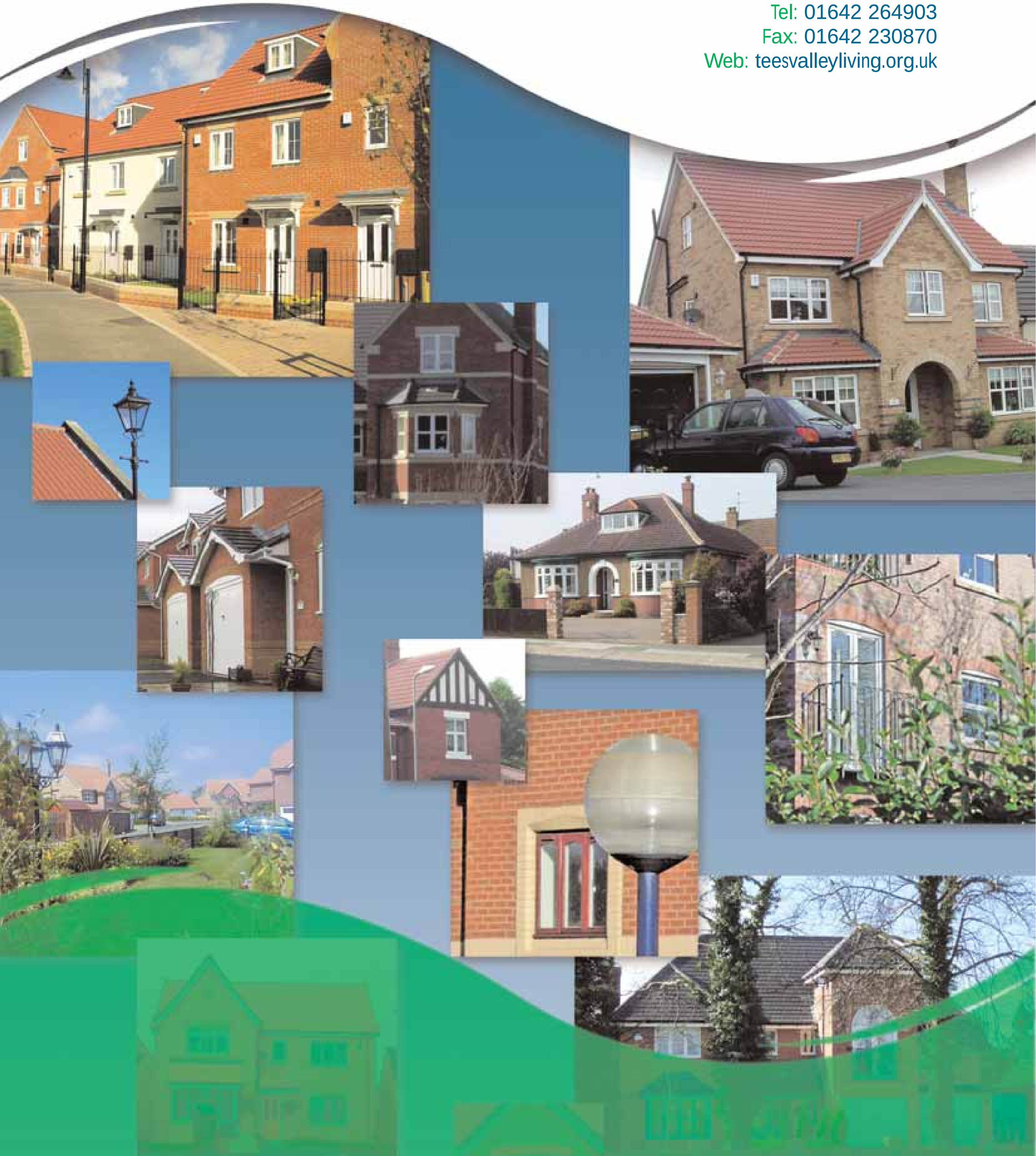

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