

Hartlepool Local Planning Framework

Local Plan

Housing Demolitions and Replacements Evidence Document



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Hartlepool Local Plan – Evidence Paper on Housing Demolitions and Replacement Rates

Section 1 – The Local Plan Housing Need, Demolitions and Replacements

The Publication Version of the Hartlepool Local Plan recognises that there are a wide range of housing issues which need to be addressed over the fifteen year plan period. Although Hartlepool is served by a good range of housing provision, there are particular issues relating to an oversupply of poor quality, low demand, terraced housing, much of which is pre 1919 and does not meet modern day standards. Typically these houses are 2 up, 2 down with downstairs toilet/bathrooms and a very small back yard. There are a high number of these, particularly in central Hartlepool. This is also coupled with an identified affordable need of 144 dwellings per year which was identified in the Hartlepool Strategic Housing Market Assessment (2015).

There is also a close correlation between these areas of ageing housing stock with high deprivation levels, with a number of wards in the top 10% most disadvantaged wards in England. Recent Housing Market Renewal Schemes discussed in further detail within Section 2 of this report have seen considerable transformations of areas which have helped to tackle social as well as housing issues.

Spatial Objective 8 of the Publication Local Plan aims to:

“support growth in the housing sector and improve the choice, quality and affordability of all types and tenures of housing.”

The Housing Chapter within the Local Plan sets out a range of factors which drive the Housing need over the plan period, including:

- An increasing population, with Office of National Statistics (ONS) 2012 based population projections indicating an increase of 5.5% from 92,600 in 2014 to 97,400 by 2037;
- An increase in new household formation amongst the existing population;
- An ageing population;
- The need to retain the young and working age people;
- Economic growth and improvement and diversification of the local economy and;
- **The ongoing replacement of obsolete housing stock.**

In order to address the above factors and in calculating a housing requirement for the plan period one of the factors which was considered was demolition levels. In arriving at the annual demolition number contained within the Publication Local Plan, the Council assessed the average demolition rate over the previous 10 year period of the 2006 Local Plan. This took into account the remaining levels of pre 1919 terraced and other housing stock likely to need renewal over the next 15 years and also of likely ways in which housing regeneration could be delivered.

Renewal of this ageing and obsolete housing stock is considered a crucial strand of the overall housing delivery and will see continued and significant investment in the central area of Hartlepool to help avoid a “doughnut” effect with new housing purely being developed on the peripheries of the urban area.

As such the Local Plan, in consultation with the Housing Services Team, has included an annual target of 130 demolitions per annum and has assumed a 50% replacement rate on site. This gives a total

number of demolitions over the plan period of 1,900. The annual target is reflective of the average numbers of demolitions over the previous Local Plan period from 2006. Further information on and justification for the annual target and the replacement levels are considered later in the document.

However, given that the Council does not want to blight areas, it has not published any of its thoughts on the specific areas and, unlike the 2006 Local Plan, has not included a specific boundary on the proposals map for the Housing Market Renewal Policy as it was considered that this has created a level of uncertainty in the housing market where people were looking to move property, being questioned on a high number of occasions where the policy was highlighted on planning searches. The Council can however confirm that in a mapping exercise of areas likely to be considered for renewal over the next 15 years there are **a total of approximately 3,250 properties** which could be considered by the Council and its partners in some of the key Registered Providers such as Thirteen Group. This figure clearly exceeds the total of number demolitions planned for within the plan period.

Section 2 - Evidence of Replacement Rates on Previous HMR Schemes in Hartlepool

Mildred Street / Mayfair Street CPO

This CPO was undertaken as part of New Deal for Communities (NDC). The NDC Community Housing Plan (CHP) sought to address some of the most severe housing problems within the NDC area in West Central Hartlepool. Parts of the area were increasingly suffering from a range of social and environmental problems associated with low demand for some of the older, back of pavement terraced housing and had experienced worsening problems connected with poor management in some private rented sector properties.

The CHP contributed towards the sensitive rebalancing of housing demand and supply in this part of the town centre by the clearance of some older, less popular dwellings and replacement with modern housing which better meets current aspirations, for example housing with some garden space and off-street parking provision.

The key proposals that were set out by the CHP included:

- ***Demolition*** – reducing the number of homes in the area. There was a concentration of high density, older, terraced housing in Hartlepool. Oversupply, a lack of variety in house types and the negative effects of a poorly managed private rented sector have produced high levels of empty housing and housing in poor condition.
- ***New Homes*** – the CHP aimed to provide new housing development to take place on brownfield sites, with local resident priority with a mixture of house types and tenures.
- ***House Modernisation*** – Homes that required modernisation were eligible for grants and loans from the Borough Council or NDC, in order to bring these homes up to modern standards and improve the quality of life for residents, subject to resource availability.
- ***Street Improvements*** – an overhaul of some streets and back lanes in order to improve the appearance and safety of these public spaces. This was achieved through the installation of traffic calming measures, alley gates and improved lighting.

Image 1 – Terraced Housing in Mildred Street



Image 2 – Terraced Housing in Mayfair Street



Diagram 1 – Former Layout of Mildred Street



Diagram 2 – Former Layout of Mayfair Street

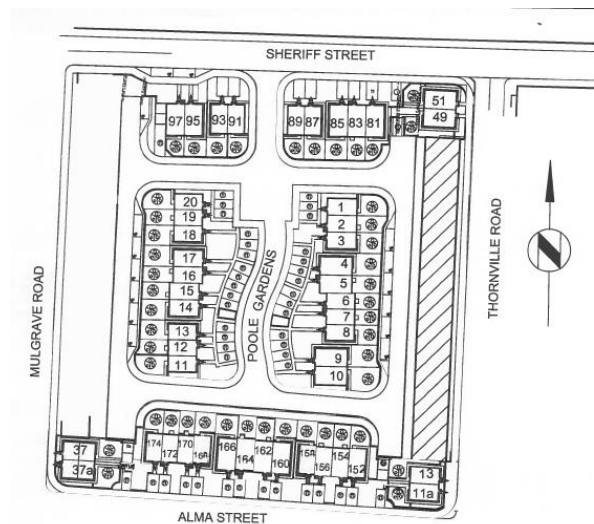


Diagrams 1 and 2 show the extent of the two areas that were identified for intervention at Mildred Street and Mayfair Street and the previous densities of those two sites. The NDC and the Council worked together on these schemes, purchasing as many properties as possible by agreement prior to going through the CPO process. In total there were a total of 336 properties on the two sites. The Council undertook the CPO for the NDC and the CPO was confirmed by the Secretary of State in the summer of 2005.

Diagram 3 - Mildred Street HMR Scheme



Diagram 4 – Mayfair Street HMR Scheme

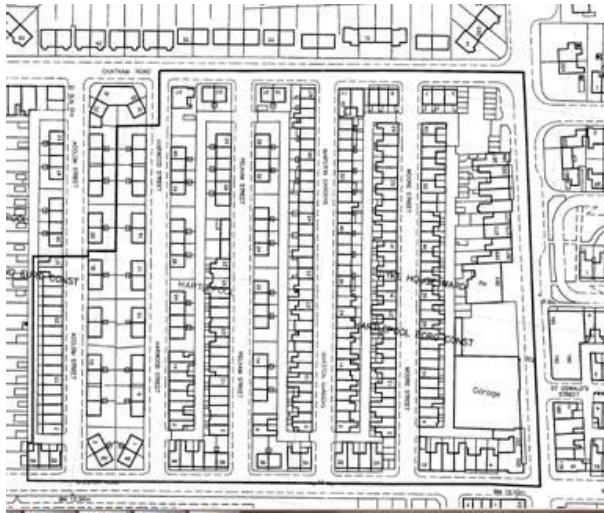


The renewal scheme on the Mildred Street area was for 109 dwellings, with the Scheme on the Mayfair Street for 47 dwellings. The schemes delivered a range of housing, including a number of bungalows. The replacement rate over these two areas equated to 46.43%.

North Central Hartlepool HMR Scheme (Headway Site)

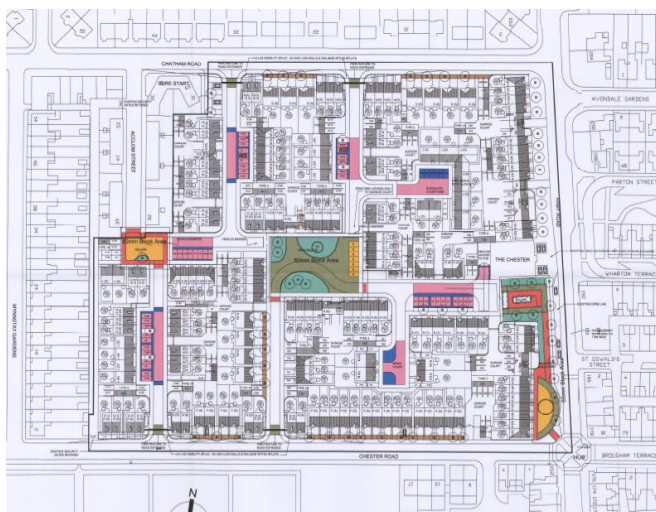
North Central Hartlepool was an area suffering from similar problems to the previous example which the Council recognised needed intervention in the early 2000's. Diagram 5 below illustrates the vertical linear pattern of the former 1919 terraced stock. In total there were 267 residential properties and 12 commercial units on the site.

Diagram 5 – Former Layout of North Central Hartlepool



The Council purchased as many as possible prior to going to CPO to secure the remaining properties on site. The CPO was also confirmed by the Secretary of State in the summer of 2005. Following the clearance of the site, the Council worked with a range of partners including the Homes and Communities Agency, Housing Hartlepool and Taylor Wimpey to bring forward a scheme for the redevelopment of the site. The scheme was for 179 dwellings on the site as illustrated in Diagram 6 below. This represented a replacement rate on site of 64.1% however this higher rate was as a result of the land provided by the replacement of some large commercial properties including a carpet warehouse.

Diagram 6 – Headway HMR Scheme



Perth Street HMR Scheme

The Perth Street Housing Market Renewal area is a recent example where a large area of pre-1919 terraced stock had fallen into disrepair with many properties boarded up with others no longer meeting modern day standards. The properties were 2 up, 2 down terraced properties with a very small back yard area. The diagrams below help to illustrate the densities of the old terraced stock.

Diagram 7 – Former Perth St Layout



Diagram 8 – Computer image of Perth St Layout



In total there were 199 properties on the site. The Council purchased as many as possible by agreement and the other properties were secured by CPO which was confirmed by the Secretary of State in May 2011.

The diagram below shows the final scheme which has now been delivered on the site to replace the pre-1919 stock. This consists of a range of houses 2, 3 and 4 bedroom properties including a number of bungalows to help address elderly needs. In total 83 new dwellings were replaced on site. In this instance the replacement rate is therefore 41.7%.

Diagram 9 – Perth Street HMR Scheme



Carr and Hopps Regeneration Scheme

The site lies to the south of Hart Lane and to the west of Raby Road. The site had suffered from problems similar to the previously discussed schemes with a high portion of empty properties and dereliction as illustrated in images 3 and 4 below.

Image 3 – Hopps Street



Image 4 – Jobson Street



The Council worked to buy up as many properties as it could within the area. There were a total of 184 pre 1919 terraced homes on the site as shown in diagram 10 below. (NB The first 20 demolitions had taken place at the eastern end of Rodney Street on the diagram)

Diagram 10 – Former Carr and Hopps Layout



The site has been taken forward by Place First, who are in the process of comprehensively redeveloping the site. Further demolitions to create a central park area and additional entrance through Richardson Street / Rodney Street to open up the development have taken place. The ethos of the business is to dramatically reconfigure and redevelop existing stock to create housing which meets modern needs. The completed development (Diagram 11) will comprise 89 units, incorporating the reuse of existing stock to provide 79 units (12 one bedroom, 20 two bedroom and 47 three bedroom) and 10 new builds (6 town houses and 4 bungalows) around the central green space. The replacement rate across the site is 48%.

Diagram 11 – The Carr and Hopps Regeneration Scheme



Images 5 to 8, below, show the transformation which has been achieved on site to date.

Image 5 – Renovated 2 into 1 property

Image 6 – Garden in renovated property



Image 7 – Interior of renovated property

Image 8 - Interior of renovated property



Section 3 – Current and Emerging Funding Streams for Housing

The Tees Valley Housing Delivery and Investment Plan is currently being prepared by the Combined Authority, the five Local Authorities, Registered Providers including Thirteen Group, North Star and Coast and Country and Homes England (wide representation to include grant programmes, recoverable investment programmes, land interventions and planning). This piece of work is looking at all housing development across the Tees Valley with individual Local Authorities feeding in details about current planning permissions, allocations and other potential housing sites (which is likely to include areas where HMR type schemes may be necessary).

The aim is to pull all of the information on sites together by September 2017 through the creation of a database where issues with sites will be recorded – for example whether intervention such as infrastructure funding may be needed to bring forward a site and to identify likely sources of funding. Sometimes that funding may come from streams managed by Homes England and in other instances this could be from other sources which are managed by the Combined Authority or from organisations such as the Department for Transport or the Department for Education.

Table 1, on the following page, sets out the wide range of funding streams which the government is currently bringing forward in order to accelerate housing growth across the country.

Through the devolution deal and working together to produce the Housing and Delivery Investment Plan and through groups such as the Tees Valley Estates Regeneration Programme Board, it is considered that the Tees Valley will be well positioned to access the various streams of funding identified in Table 1.

Early successes have already been experienced where Thirteen Group, who successfully accessed £430,000 towards the regeneration scheme at Raby Gardens Phase 2 where obsolete housing needed replacement. This scheme complements the early HMR schemes at Headway and Perth Street areas on the Raby Road corridor and the first phase of the Raby Gardens scheme which was completed in 2016/7.

It is clear that there is significant investment currently available to aid with housing growth. The Tees Valley authorities, the Combined Authority and the Registered Providers recognise the importance of the town centre housing areas and the need to ensure that planning enables renewal in these areas whilst also allowing growth on the periphery of the settlements.

Table 1 – Housing Investment Funds currently available and emerging nationally

Funding Name	Description	Scale of Funding Available Nationally
Affordable Homes Programme / Shared Ownership Affordable Homes Programme (SOAHP)	For Housing Associations and not-for-profit developers an expanding and more flexible affordable homes programme to build significantly more affordable homes over the current parliament. Through relaxing restrictions on funding providers can build a range of homes including for affordable rent. This includes Rent to Buy homes alongside shared ownership. Rent to Buy will enable discounted rent set flexibly at levels to make it locally affordable so households can save for a deposit to purchase their home.	Between £6.1 -£7.1 billion
Housing Infrastructure Fund	To provide the correct infrastructure in a timely manner to support housing growth. Capital Grant Programme which will open to bids in 2017 with money available over the next 4 years. Joint bids would also be accepted which may be appropriate as part of the Combined Authority work.	£2.3 billion
Land Release Fund	Aimed at building housing on public sector land – the Accelerated Construction process is already accepting expressions of interest – Councils are able to apply and aimed at issues such as remediation and small scale infrastructure. <i>(This fund may be ideal to bring forward sites such as Coronation Drive in a timely manner.)</i>	£45 million
Accelerated Construction	Aimed at delivering an additional 15000 homes by 2021	£2 billion
HCA Disposals	HCA to release land with capacity for 36,000 homes by 2021	£1 billion
Home Building Fund	£1 billion of short term loan finance targeted at SME's, custom builders and innovators to deliver up to 25,000 homes. £2 billion of long term loan funding for infrastructure and large sites aimed at unlocking 200,000 homes.	£3 billion
Land Commission	Aims to bring forward sites on brownfield and public sector land through identification, mapping and prioritisation of land. <i>(The 5 Tees Valley Local Authorities are working with the Combined Authority and Arup currently to complete a Brownfield and Public Sector Database)</i>	N/A
Help to Buy Equity Loan Scheme	Loans which help people to get onto housing market	£8.6 billion to 2021
Starter Homes	Targeted at first time buyers who would otherwise be priced out of the housing market. Available to households with an income of less than £80,000. Eligible first time buyers will be required to have a mortgage to stop cash buyers. There will be a 15 year repayment period so when the property is sold on to a new owner within this period, some, or all of the, discount is repaid. Propose to introduce policy within amended NPPF to require housing sites to deliver a minimum of 10% affordable home ownership units, incorporating an appropriate level of starter homes.	£2.3billion to acquire, de-risk and bring forward starter homes.
Housing Zones	Access to recoverable investment loan for infrastructure and land remediation	£200 million
Estate Regeneration	Launched in December 2016. Comprising: <ul style="list-style-type: none"> - £140m (recoverable) for private sector/RPs (demolition, leaseholder buy-backs, decanting) - £30m (enabling grant) for LAs & RPs (pre-planning, feasibility studies, masterplanning, viability testing) - £2m (capacity grant) for LAs (commercial support, legal advice, delivery vehicles) 	£172 million

Section 4 – Conclusions

This evidence paper has considered the levels of demolitions required by the plan (1900). It has also confirmed that there are approximately 3,250 dwellings which are old 2up, 2 down pre war terraced properties along with elements of other housing which aren't meeting modern standards and are demonstrating signs of market failure. The Council has not wanted to identify these areas on a map basis as this could exacerbate these problems and lead to blighting of particular areas.

Within section 2, four examples of Housing Market Renewal Schemes within central Hartlepool from 2005 onwards have highlighted the success the Council and its partners have had in delivering regeneration schemes, including the use of CPO powers where necessary to aid site assembly. These schemes, along with others, have delivered on average 130 demolitions over the last 10 years which is an indication that the assumptions on demolitions within the Publication Stage Local Plan are realistic and deliverable. The examples provided have also shown that the assumption of a 50% replacement rate on site is an appropriate level to assume.

Evidence in Section 3 provides information on the work streams on a Tees Valley level in relation to housing and also provides evidence on the scale of funding currently available on a national basis along with evidence of recent success of Registered Providers Thirteen in accessing funds to aid in the delivery of housing on brownfield sites in central Hartlepool. This cross-organisation working helps to give confidence that the issues are being discussed and that there is commitment from a range of organisations to ensure housing is delivered across the Tees Valley to meet the needs of residents over the plan period.